

LEWIS AND CLARK COUNTY MONTANA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year 2008

July 1, 2007 to June 30, 2008

A distinguishing landmark seen from just about any vantage point in southern Lewis and Clark County, the unmistakable profile of a “**Sleeping Giant**” is located just to the north of the city of Helena, the county seat. The official name of the pinnacle that defines the “nose” of the Giant’s face is “Beartooth Mountain”. This 600-foot high chunk of rock that can be seen for miles is located along the Missouri River and was a familiar sight to early fur trappers as they journeyed along the river. As Lewis and Clark began their expedition to the Pacific Ocean, they were familiar with the landmark located along the river above the Great Falls of the Missouri known as the “Bear’s Tooth.” As the Corps of Discovery explored the Missouri in 1805, they camped below the Sleeping Giant and a portion of this area is currently part of the Lewis and Clark National Historic Trail.

A unique ecosystem includes prairie foothills to craggy peaks. It is home to many species of wildlife, including elk, whitetail and mule deer, antelope, black bear, mountain goat, bighorn sheep, bobcat, mountain lion, grouse, osprey, bald eagles and rattlesnakes.

Just to the east, rugged cliffs along the Missouri River make up the scenic beauty that Lewis and Clark aptly named the “Gates of the Mountains.” The Giant and Gates area offers unbelievable recreational opportunities, including boating, fishing, primitive camping, hiking, hunting, horseback riding, wildlife viewing, and exploration of a wide variety of peaks and rugged canyons. Popular trailheads in the area are Mann Gulch, Refrigerator Canyon, Big Log Gulch, and Hunters Gulch.

LEWIS & CLARK COUNTY, MONTANA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2008

PRESENTED BY
LEWIS AND CLARK COUNTY ACCOUNTING DEPARTMENT

LEWIS AND CLARK COUNTY
HELENA, MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year 2008

July 1, 2008 - June 30, 2008

Prepared By: Lewis and Clark County, Accounting Department

Paulette DeHart, County Treasurer

Rodger Nordahl

Amy Reeves

INTRODUCTORY SECTION



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Paulette DeHart
Treasurer/Clerk and Recorder
(406) 447-8334



City-County Building
316 North Park Avenue
Room 142
Helena, MT 59623

LEWIS AND CLARK COUNTY

Consolidated Office of Treasurer/Clerk and Recorder

November 17, 2008

To the Board of County Commissioners and the Citizens of Lewis and Clark County, Montana:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Lewis and Clark County for the fiscal year ended June 30, 2008.

This report consists of management's representations concerning the finances of Lewis and Clark County. 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 County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, to compile sufficient reliable information for the preparation of the County's financial statements and comply with laws and regulations in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the County'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 respects.

The financial statements of Lewis and Clark County have been audited by Anderson ZurMuehlen and Company P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2008, 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 auditors concluded based upon the audit that there was a reasonable basis for rendering unqualified opinions over Lewis and Clark County's basic financial statement opinion units, as listed in the accompanying table of contents for the fiscal year ended June 30, 2008. The independent auditor's report is presented at the front of the financial section of this report.

The independent audit of the financial statements of Lewis and Clark County 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 render an opinion on compliance involving the administration of major federal awards.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996, and the United States Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards and the auditor’s reports on internal control over financial reporting and compliance and other matters under government auditing standards and in accordance with OMB Circular A-133, are included in the single audit section of this report.

Management is required to 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 the MD&A and should be read in conjunction with it. Lewis and Clark County’s MD&A can be found immediately following the report of the independent auditors.

Profile of Lewis and Clark County

Lewis and Clark County, established as a commission form of government in 1915, is located in the southwestern part of the state. The County government is comprised of a three-member commission that is elected at large, each member serving a staggered six-year term. There are ten elected officials that serve four-year terms. The main County offices are located in Helena, the state capital and county seat, which is located in the southern portion of the County. The County currently has a land area of approximately 3,513 square miles and a population of approximately 59,998. The population of the County is predominately urban with the majority of the residents within a twenty-mile radius of Helena. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

The County provides a full range of services. General government functions of the County include judicial and legal services, public records administration, election services, financial services, planning services and public school administration. Public safety functions include law enforcement (sheriff), fire protection, coroner services, and detention services. The County provides the following public works functions: road and bridge maintenance, weed control, building maintenances, solid waste services, and cemetery services. In addition, the County provides various public health services including a nursing home for care of the elderly and animal, insect, and pest control. Other social and economic functions provided are those related to welfare, senior citizens, and extension services. The County, also, provides recreational opportunities associated with the fairgrounds and local parks.

The annual budget serves as the foundation for Lewis and Clark County’s financial planning and control. All agencies of the County are required to submit requests for appropriation to the Clerk and Recorder before June 10th of each year, or on a date designated by the County Commission. The Budget Officer for the Commission uses these requests for appropriation as the starting point for developing a proposed budget. The Board of County Commissioners is required to hold public hearings on the proposed budget and to adopt a final budget through resolution. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g. sheriff). The Board of County Commission must approve any transfer of appropriations during the course of the year.

The objective of the County's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Commission. Activities of the general fund, all special revenue funds (except the Forestvale Endowment fund), and the debt service funds, have budgets adopted annually. These budgets, adopted by resolution, delineate the total amount of expenditures budgeted by fund total with the exception of the general fund, which includes department totals. Budgetary comparisons have been presented in at least this much detail.

Factors Affecting Economic Condition

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 Lewis and Clark County operates.

The County currently enjoys a favorable economic environment and local indicators point toward continued stability. Helena has a stable economy due to an estimated 24 percent of jobs being held by federal, state, and county or city government workers. Lewis and Clark County continues to experience a growth in both residential and commercial construction. In addition, the unemployment figures show that the Helena region is faring better than both the state and nation as a whole. The current unadjusted unemployment figure for Lewis and Clark County is 2.7 percent. This is up .6 percent from one year ago. The current unadjusted employment figure for the State of Montana is 3.1 percent and the nation is 5.2 percent. The most current per capita personal income for Lewis and Clark County is \$33,523. This amount is up from previous years.

Steady commercial and residential development in Helena and the surrounding area, as previously stated, has provided a favorable economic environment. However, the increase in demand for government services that accompanies development has exceeded the growth in revenues. The 2001 Montana Legislature provided major tax reform for local governments and the most significant was House Bill 124. This bill replaces the current funding structure, primarily dependent on motor vehicle, gaming revenues, and includes an entitlement share from the state. The purpose of the bill is to simplify the flow of revenue between local governments and the State of Montana and to provide local governments a stable source of funding. The entitlement share will grow each year based on population and the consumer price index. The legislature also passed Senate Bill 176, which provides for the state to assume the costs of District Court, excluding the Clerk of Court and the Public Defender. The legislature also recognized that the rising cost of providing health insurance to employees was prohibitive for local governments and authorized local governments to raise mills to cover the cost of increases in health insurance premiums. The financial statements included in this report reflect the fifth year of these changes.

Long-term financial planning for Lewis and Clark County included the creation of a Capital Improvement Plan (CIP). Each department is asked to develop and prioritize future needs and identify funding for those needs. Additionally, each department is required to develop a replacement schedule for existing assets that identifies the replacement cost, the number of years until replacement and the annual reserves needed to replace the equipment at the end of its useful life. The CIP is presented to the Board of County Commissioners as a separate document for review and approval and will be incorporated into future budgets. The development of the CIP provides an essential tool for managing capital improvements and replacements in the future. For fiscal year 2008, \$1.3 million was set aside for future replacement of capital assets.

Lewis and Clark County, in January 2003, assumed the operations of the Lewis and Clark County Fairgrounds. The County owns the land and buildings as a result of a gift of the property from the State

Land Board. The County faces several challenges at the fairgrounds. Revenue generated by the fairgrounds is not sufficient to adequately fund year round operations or capital improvements. With the infrastructure aging, the County needed to explore funding alternatives for improvements to the water, sewer and electrical infrastructure.

In the spring of 2004, a group of individuals comprised of the Lewis and Clark County Fairgrounds Foundation and the Save the Fairgrounds Group successfully promoted a mill levy election. On June 8, 2004, the voters of Lewis and Clark County voted in favor of the 8.18 mills or approximately \$703,644 for a period of ten years to finance the \$5,727,000 in projects and in favor of 2.91 mills or approximately \$250,000 in permanent funding for continuing operations, replacement and depreciation.

The ten-year construction mill levy in June 2004 was for an exhibit hall/grandstands building, related infrastructure improvements, tower and entry portals and repairs to the existing multi-purpose building at the County Fairgrounds. The building is scheduled to be completed in late summer 2008. In addition, repayment of the bonds issued to finance the building begins in FY09 and continues over the six remaining years of the construction mill levy.

The wastewater project in the fairgrounds area was completed in FY08. The water project to include this area on the City of Helena watery system will be completed in FY09 at an approximately \$1,600,000.

Maintenance and construction of county roads continues to be a huge issue. In November 2006, Lewis and Clark County voters approved a \$500,000 levy for the reconstruction of roads within the County. Included in the FY2009 budget is \$777,000 for a chip seal, gravel crushing, engineering reports and reconstruction road work. This represents funding received from the approved mill levy that accrued from FY08 as well as an additional \$500,000 for FY09. Even with the voter approved mill levy, funding is still inadequate to maintain and reconstruct the roads in the County.

Cash management policies and practices

Lewis and Clark County operates an investment pool for idle cash belonging to the County, school districts, fire districts and other small local agencies. The investments of the County are managed through an investment committee. Lewis and Clark County has formally adopted an investment policy established by the committee, which outlines the County's investment goals and strategies. The overall strategy of holding deposits and making investments is to expose the County to a minimum amount of credit and custodial risks and interest rate risk. Investments are primarily Certificate of Deposits, U.S. agency securities, the State of Montana short-term investment pool (STIP) and other securities guaranteed by the United States or by an agency of the United States, but not issued by agencies of the United States. All investments are required to meet collateral requirements as defined by State law.

It has been the intent of Lewis and Clark County to add additional stability for the overall portfolio by creating a laddering process using treasury bills, agency notes and certificate of deposits. This laddering is currently in place. As of June 30, 2008, the Lewis and Clark County portfolio held \$2,100,000 in Certificate of Deposits and \$5,076,644 in Agency Notes. These investments were purchased at different intervals with different maturity dates. The County earned \$2,371,584 from investments in fiscal year 2008. The average rate of return amounted to 4.34 percent on an average monthly balance of approximately \$54.7 million.

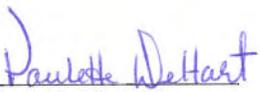
Awards and Acknowledgements

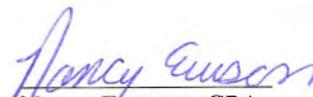
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lewis and Clark County for its comprehensive annual financial report for the fiscal year ended June 30, 2007. This was the thirteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the 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.

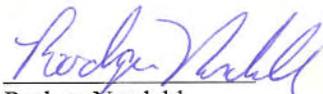
A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration departments. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Special thanks to Amy Reeves for her dedication towards the completion of this report. Credit must also be given to the Board of County Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Lewis and Clark County's finances.

Respectfully submitted,


Paulette DeHart
Treasurer/Clerk and Recorder


Nancy Everson, CPA
Finance Officer


Rodger Nordahl
Accounting Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lewis and Clark County
Montana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



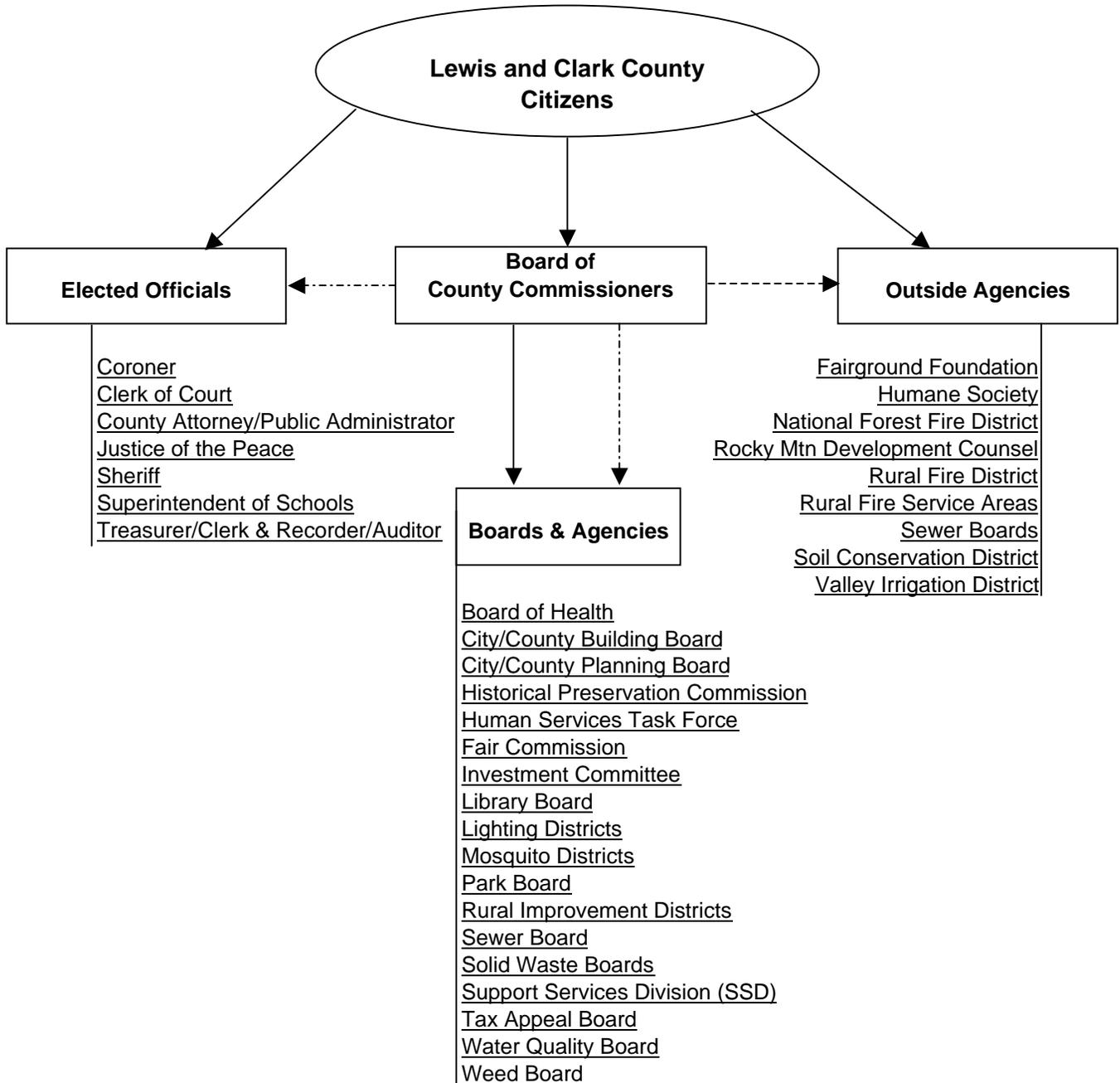
Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

Lewis and Clark County, Montana ORGANIZATIONAL CHART



- ▶ Direct Authority
- - - - -▶ Coordination
- · - · -▶ Budget Management

**LEWIS AND CLARK COUNTY
HELENA, MONTANA
JUNE 30, 2008**

LIST OF PRINCIPAL OFFICIALS

BOARD OF COUNTY COMMISSIONERS

Mr. Ed Tinsley	Chairman
Mr. Andy Hunthausen	Vice-Chairman
Mr. Michael A. Murray	Member

COUNTY OFFICIALS

Mr. Leo Gallagher	Attorney/Public Administrator
Mrs. Nancy Sweeney	Clerk of Court
Mr. M.E. (Mickey) Nelson	Coroner
Mr. Wallace Jewell	Justice of the Peace
Ms. Cheryl Liedle	Sheriff
Mrs. Marsha Davis	Superintendent of Schools
Mrs. Paulette DeHart	Treasurer/Clerk and Recorder/Auditor
The Honorable Thomas Honzel	District Court Judge
The Honorable Dorothy McCarter	District Court Judge
The Honorable Jeffrey Sherlock	District Court Judge

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Lewis & Clark County, Montana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lewis & Clark County, Montana, as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Lewis & Clark County, Montana's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 units, each major fund, and the aggregate remaining fund information of the Lewis & Clark County, Montana, as of June 30, 2008, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and public safety fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2008, on our consideration of Lewis & Clark County, Montana's internal control over financial reporting and on 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 and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis on pages 5 through 16, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lewis & Clark County, Montana's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying 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 of Lewis & Clark County, Montana. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

Anderson ZurMuehlen & Co., P.C.

Helena, Montana
November 17, 2008

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**LEWIS AND CLARK COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008 and 2007**

INTRODUCTION

As management of Lewis and Clark County, Montana, we offer readers of Lewis and Clark County's basic financial statements this comparative narrative overview and analysis of the financial activities of Lewis and Clark County for the fiscal years ended June 30, 2008 and 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v-ix of this report.

FINANCIAL HIGHLIGHTS

Government-wide Highlights

- Lewis and Clark County's primary government assets exceeded its liabilities at June 30, 2008 by \$51.8 million (reported as net assets) compared with \$46.9 million at June 30, 2007. Of this amount, \$17.6 million (reported as unrestricted net assets) may be used to meet the government's general obligations to citizens and creditors.
- The total net assets increased by \$4,872,667. The current year increase is a result of the accumulation of capital reserves for large infrastructure projects and departments' "saving" resources for future capital equipment purchases and improvements in excess of amounts being spent. A new road mill levy resulting in additional taxes, but associated expenses will not occur until fiscal year 2009.

Fund Highlights

- As of June 30, 2008, Lewis and Clark County's governmental funds reported combined ending fund balances of \$14.8 million, compared with \$12.9 million at June 30, 2007. Of this amount \$12.2 million is available for spending at the government's discretion (reported as unreserved fund balance). The remaining \$2.6 million is restricted for specific purposes.
- At the end of the fiscal year, the unreserved fund balance for the general fund was \$2 million, or 28 percent of total general fund expenditures, as compared with \$2 million or 31 percent from the previous fiscal year-end.

Capital Asset and Long-term Debt Highlights

- Capital assets for Lewis and Clark County totaled \$43,731,979, as of June 30, 2008. The over \$9 million increase is largely due to costs associated with the construction of the fairground's Event Center building and several public work's infrastructure projects.
- Lewis and Clark County's total debt increased by \$3,854,820 (48.5 percent) during the current fiscal year. The new special assessment, revenue bond, and contract/loan debt of \$781,378, \$3,535,000, and \$382,611, respectively, were primarily issued as a result of the efforts of the county in the construction of the new event center building and replacing and improving infrastructure relating to roads, bridges, and wastewater removal.

- Lewis and Clark County made payments of principal of \$847,351. The principal payments consist of revenue bonds, contracts/loans and special assessment loans with governmental commitment of \$235,000, \$153,437 and \$458,914, respectively. Although the County paid less principal than it did in the preceding fiscal year, with the addition of new bonds and loans, the principal obligation in subsequent years will be substantially larger.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Lewis and Clark County's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. These components are described below:

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Lewis and Clark County's finances, in a manner similar to a private-sector business. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net assets and changes in them. The County's net assets - the difference between assets and liabilities - are one way to measure the financial position of the County. Over time, increases or decreases in the County's net assets are an indicator of whether the financial health is improving or deteriorating. Non-financial factors such as changes in the County's property tax base or the condition of the County roads also need to be considered in assessing the financial position of the County.

The Statement of Net Assets and the Statement of Activities distinguishes between the following activities:

- **Governmental Activities** - most of the County's basic services are reported here, including public safety, public works, health and general administration. Property taxes, local option, vehicle taxes, and state and federal grants finance most of these activities.
- **Business-type activities** - the County charges a fee to customers to recover the cost of certain services provided. The County's landfill and transfer stations; the Cooney Convalescent Home, a nursing home facility; and the operations of the fairgrounds are reported here.
- **Component Units** - the County includes two separate legal entities in its report - the Cooperative Health Center and the Library. Although legally separate, these component units are important because the County is financially accountable for them.

The government-wide statements can be found on pages 17 and 18 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the most significant funds, not the County as a whole. Some funds are required to be established by State law and by bond covenants. Also, the Board of County Commissioners establishes funds to help control and manage money for particular purposes or to meet legal responsibilities for using certain taxes, grants and other money. For example, the County maintains separate funds for on-going federal grants in order to track specific expenditures to the grant.

The County maintains two types of funds, governmental and proprietary, which use different accounting approaches.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. These funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. These funds use the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Lewis and Clark County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the public safety fund, the rural special improvement district debt fund, and the capital development fund, which are considered to be major funds. Data from the other 51 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining statements elsewhere in this report.

Proprietary funds - Lewis and Clark County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its landfill and transfer station sites, its nursing home and its fairgrounds operations. *Internal Service funds* are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its building and vehicle maintenance services, information technology services and property, liability and health insurance services. Because these services predominantly benefit governmental services rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities, but provide more detail and additional information, such as cash flows, for proprietary funds.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Lewis and Clark County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 31, 32, and 151-167 of this report.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-68 of this report.

Other information - All required supplementary information precedes basic financial statements or is included in the basic financial statements and accompanying notes, therefore no other information is presented in the section for required supplementary information.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the required supplementary information section. Combining and individual fund statements and schedules can be found on pages 80-149 of this report.

THE COUNTY AS A WHOLE

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of Lewis and Clark County, assets exceeded liabilities by \$51,806,950 at June 30, 2008.

Net Assets

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
	Current and other assets	\$ 23,710,511	\$ 20,980,214	\$ 2,889,262	\$ 5,340,347	\$ 26,599,773
Capital assets	28,580,399	26,287,945	15,151,580	8,292,117	43,731,979	34,580,062
Total assets	<u>52,290,910</u>	<u>47,268,159</u>	<u>18,040,842</u>	<u>13,632,464</u>	<u>70,331,752</u>	<u>60,900,623</u>
Long-term liabilities outstanding	6,372,314	5,818,437	8,599,152	5,234,592	14,971,466	11,053,029
Other liabilities	2,750,311	2,339,148	803,025	574,163	3,553,336	2,913,311
Total liabilities	<u>9,122,625</u>	<u>8,157,585</u>	<u>9,402,177</u>	<u>5,808,755</u>	<u>18,524,802</u>	<u>13,966,340</u>
Net assets:						
Invested in capital assets, Net of related debt	24,103,972	22,343,066	6,773,899	4,318,929	30,877,871	26,661,995
Restricted	539,383	502,952	2,704,161	497,805	3,243,544	1,000,757
Unrestricted	18,524,930	16,264,556	(839,395)	3,006,975	17,685,535	19,271,531
Total net assets	<u>\$ 43,168,285</u>	<u>\$ 39,110,574</u>	<u>\$ 8,638,665</u>	<u>\$ 7,823,709</u>	<u>\$ 51,806,950</u>	<u>\$ 46,934,283</u>

The largest portion of Lewis and Clark County’s net assets, approximately 60 percent, reflects its investment in capital assets (e.g., land, building, machinery, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of Lewis and Clark County’s net assets (6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$17,685,535, may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Lewis and Clark County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities, except for the unrestricted balance in the business-type activities. This deficit is the result of large restrictions for bond reserves and debt service.

Governmental Activities - Governmental activities increased Lewis and Clark County’s net assets by \$4,057,711, thereby accounting for 83 percent of the total growth in the net assets of Lewis and Clark County. Total revenues grew by \$3.2 million or 11.5 percent, with total expenses increasing by \$1.3 million or 5.3 percent. The elements that contributed to the increase in net assets are as follows:

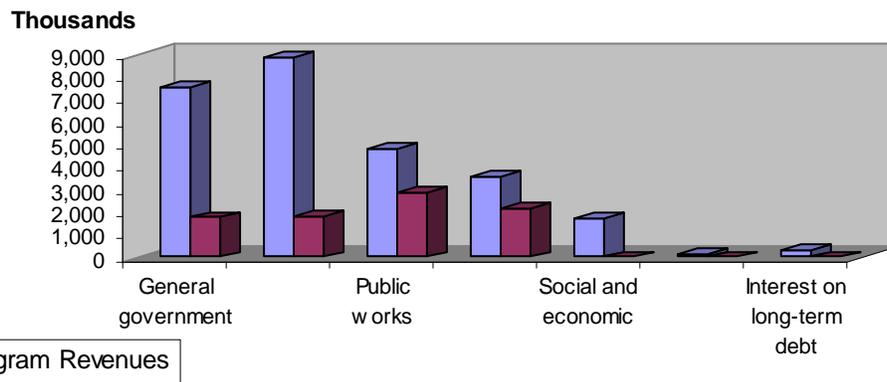
Changes in Net Assets

	Governmental		Business-type		Total	
	Activities		Activities			
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Fees, fines, and charges for services	\$ 3,196,972	\$ 3,191,119	\$ 7,726,858	\$ 7,592,530	\$ 10,923,830	\$ 10,783,649
Operating grants and contributions	2,831,683	2,691,931	-	-	2,831,683	2,691,931
Capital grants and contributions	2,629,026	1,732,694	-	-	2,629,026	1,732,694
Total program revenues	<u>8,657,681</u>	<u>7,615,744</u>	<u>7,726,858</u>	<u>7,592,530</u>	<u>16,384,539</u>	<u>15,208,274</u>
General revenues:						
Taxes	17,993,553	16,121,458	1,138,566	1,132,530	19,132,119	17,253,988
Grants and contributions not restricted to specific programs	2,896,164	2,883,573	70,452	177	2,966,616	2,883,750
Other	1,564,465	1,279,599	123,349	150,798	1,687,814	1,430,397
Total revenues	<u>31,111,863</u>	<u>27,900,374</u>	<u>9,059,225</u>	<u>8,876,035</u>	<u>40,171,088</u>	<u>36,776,409</u>
Expenses:						
General government	7,521,276	7,684,663	-	-	7,521,276	7,684,663
Public safety	8,860,173	8,038,520	-	-	8,860,173	8,038,520
Public works	4,777,231	4,369,689	-	-	4,777,231	4,369,689
Public health	3,580,229	3,351,858	-	-	3,580,229	3,351,858
Social and economic development	1,745,756	1,725,563	-	-	1,745,756	1,725,563
Culture and recreation	98,669	91,064	-	-	98,669	91,064
Interest on long-term debt	337,626	311,237	-	-	337,626	311,237
Solid waste	-	-	2,213,491	2,021,382	2,213,491	2,021,382
Nursing home	-	-	5,492,785	5,353,250	5,492,785	5,353,250
Fairgrounds	-	-	671,185	707,625	671,185	707,625
Total expenses	<u>26,920,960</u>	<u>25,572,594</u>	<u>8,377,461</u>	<u>8,082,257</u>	<u>35,298,421</u>	<u>33,654,851</u>
Increase in net assets before transfers	4,190,903	2,327,780	681,764	793,778	4,872,667	3,121,558
Transfers	(133,192)	(259,595)	133,192	259,595	-	-
Increase in net assets	<u>4,057,711</u>	<u>2,068,185</u>	<u>814,956</u>	<u>1,053,373</u>	<u>4,872,667</u>	<u>3,121,558</u>
Net assets, beginning	39,110,574	33,110,960	7,823,709	6,770,336	46,934,283	39,881,296
Prior period adjustment	-	3,931,429	-	-	-	3,931,429
Net assets, ending	<u>\$ 43,168,285</u>	<u>\$ 39,110,574</u>	<u>\$ 8,638,665</u>	<u>\$ 7,823,709</u>	<u>\$ 51,806,950</u>	<u>\$ 46,934,283</u>

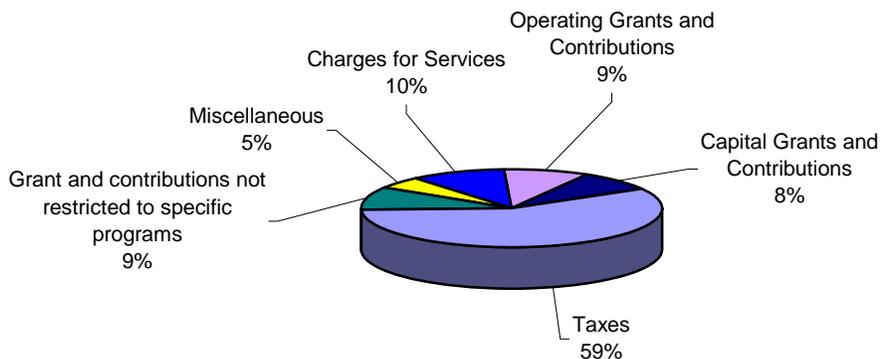
The elements that contributed to the increase in net assets are as follows:

- Capital grants and contributions increased by \$896,332. The grants in this fiscal year are largely for infrastructure projects relating to wastewater removal and road and bridge projects. The approximate \$2.3 million received for infrastructure projects is \$1.5 million more than the amount received in the previous year for the public safety radio project. With the completion of the public safety radio project, no grant money was received in the current fiscal year. Several other grants received a lesser amount than in previous years.
- Tax revenues increased by \$1,872,095, as a result primarily of the release of protested tax of \$1,222,764 and the additional taxes from a new road levy of approximately \$500,000.
- As the amount of bonds and loans increase, the interest on long term-debt has also increased.

Expenses and Program Revenues - Governmental Activities



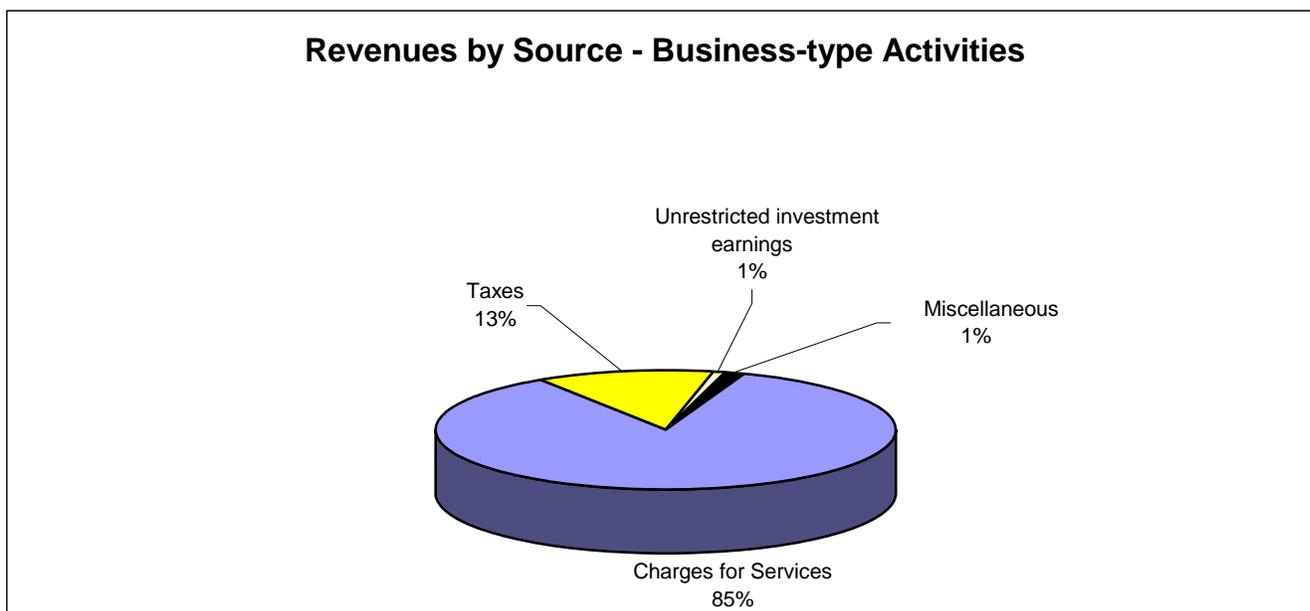
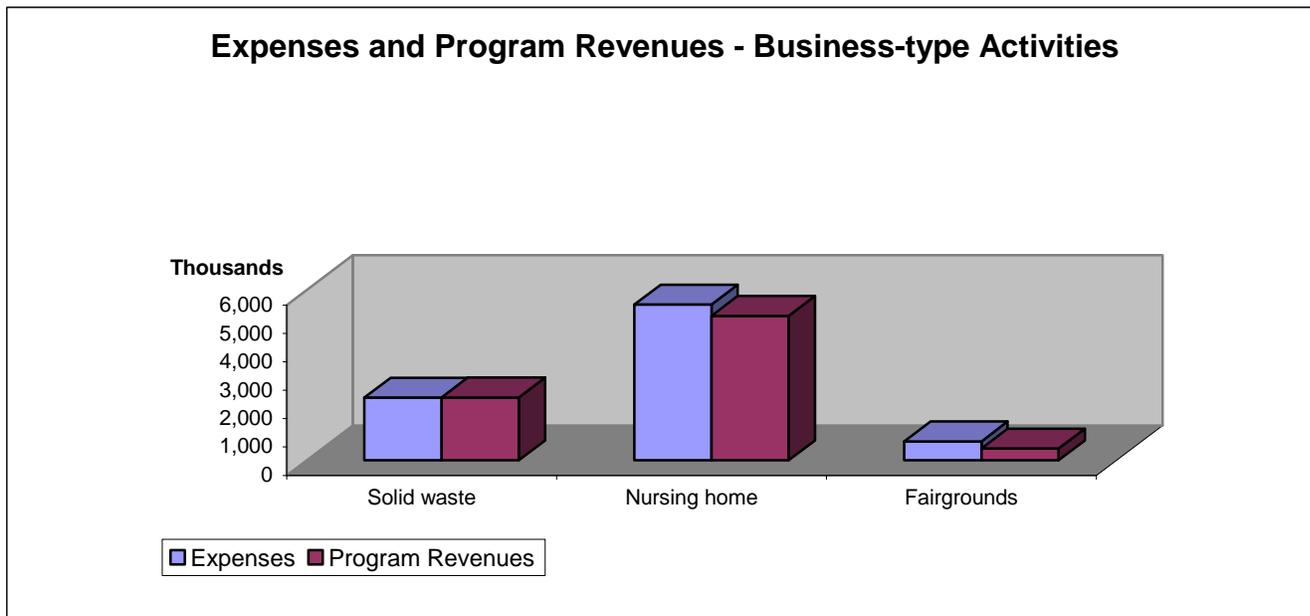
Revenues by Source - Governmental Activities



Business Activities - Business-type activities increased Lewis and Clark County’s net assets by \$814,956, thereby accounting for 17 percent of the total growth in the net assets of Lewis and Clark County. The net increase this fiscal year is less than in previous years. Key elements of this increase are as follows:

- The primary reason for the increase is that the fairground’s continues to receive tax revenue, \$1,138,566 in this fiscal year, from a mill levy for the construction costs of an event center.
- The nursing home had expenses that were greater than charges for services, resulting in a change of net assets of (\$188,658).

- For the solid waste facilities, the expenses increase \$200,000, while the revenues, increased only \$100,000.



THE COUNTY'S FUNDS

Governmental funds

As of the end of the current fiscal year, Lewis and Clark County's governmental funds reported combined fund balances of \$14,820,565 an increase of \$1,936,150 in comparison with the prior year. Of this amount, \$2,633,567 or 18 percent, is reserved to indicate that it is not available for new spending because it has already been committed to pay debt service, for inventories, for advances to other funds, encumbrances, and to fund the perpetual care and endowment of the

Forestvale Cemetery \$503,069, \$226,439, \$1,105,053, \$343,912, \$209,237 and \$245,877, respectively. \$12,186,978 is available for spending at the government's discretion.

The general fund is the main operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$2,008,586, while total fund balance was \$2,077,329. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 28.4 percent of total general fund expenditures, while total fund balance represents 29.4 percent of that same amount.

The fund balance of the County's general fund decreased \$30,336 during the current fiscal year. No major factors contributed to this increase. Revenues and expenditures both saw slight increases. Investment earnings saw a slight drop in yields as investment earnings were down \$64,460 over the previous fiscal year.

The Public Safety Fund had a total fund balance of \$1,795,149, an increase of \$468,098 from the prior year. The increase is largely attributed to less transfers being made to assist in the funding of the integrated public safety radio system, as it nears completion.

The Rural Special Improvement District Debt Fund had a total fund balance of \$250,636, which is an increase of \$121,813 from the prior year. This increase is largely due to an increase in tax revenue and a decrease in the payment of current principal and interest obligations.

The Capital Development Fund had a total fund balance of \$4,620,143, which was an increase of \$865,450 from the prior year. The increase shows that departments continue to contribute to their capital improvement plans (CIP) in excess of expenditures.

Proprietary funds

Lewis and Clark County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Cooney Home at the end of the year were \$226,764 and for the County landfill were (\$117,957) and (\$1,816,083) for the Fairgrounds. The County has met debt coverage ratios on all revenue bonds, except the Cooney Home. For fiscal year 2009, Cooney Home has increased room rates in an attempt to assist in meeting coverage. The county's deficit in unrestricted net assets for the county landfill is the result of restrictions for bond reserves and debt service.

General Fund Budgetary Highlights

Over the course of the year, the Board of County Commissioners revised the County budget several times. The overall differences between the original budget and the final amended budget were relatively minor both for revenues and expenditures. Actual revenues for the General Fund exceeded the budget by \$64,886. No source of income substantially exceeded the budget amount.

Actual expenditures from the General Fund were \$604,037 less than budgeted. The majority of departments spent less than they were budgeted, including general governmental and public works departments that had unspent budgets of \$352,801 and \$195,559, respectively.

Capital Asset and Debt Administration

Capital assets - Lewis and Clark County’s investment in capital assets (net of accumulated depreciation) for its governmental and business type activities as of June 30, 2008, was \$43,731,979. This investment in capital assets includes land, buildings, improvements other than buildings, infrastructure, and machinery and equipment. For fiscal year 2008, the County’s investment in capital assets increased by \$9,151,917. The increase was in large part to the completions and new construction by county’s public works department on infrastructure such as roads, bridges and wastewater projects, also the ongoing building and campground construction at the fairgrounds.

Major capital asset events during the fiscal year included the following:

Governmental

- The continued development and construction of an integrated public safety radio system in the amount of \$192,676.
- Various road projects by the Public Works department in the amount of \$1,757,401.
- Water and wastewater projects by the Public Works department in the amount of \$1,569,053.
- Purchase of vehicles for the Sheriff’s department in the amount of \$163,464.
- Purchase of property tax software in the amount of \$148,616.
- Purchase of several trucks and a modular bridge for the Public Works department in the amount of \$153,520.

Business-type

- Continued construction on the Event Center building at the fairgrounds resulted in costs amounting to \$6,791,833 in this fiscal year. The cost to complete the renovation of the campground amount to \$120,208 in this fiscal year.

Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
	2008	2007	2008	2007	2008	2007
Land	\$ 4,288,185	\$ 4,288,185	\$ 374,442	\$ 374,442	\$ 4,662,627	\$ 4,662,627
Buildings	8,189,630	8,543,699	2,891,874	3,050,690	11,081,504	11,594,389
Improvements other than buildings	1,023,717	1,163,034	3,504,032	3,454,781	4,527,749	4,617,815
Machinery and equipment	4,012,423	4,568,818	778,934	602,943	4,791,357	5,171,761
Infrastructure	6,533,673	6,103,256	-	-	6,533,673	6,103,256
Construction in progress	4,532,771	1,620,953	7,602,298	809,261	12,135,069	2,430,214
Total assets	<u>\$ 28,580,399</u>	<u>\$ 26,287,945</u>	<u>\$ 15,151,580</u>	<u>\$ 8,292,117</u>	<u>\$ 43,731,979</u>	<u>\$ 34,580,062</u>

Long-term debt - As of June 30, 2008, the County had total debt outstanding of \$11,807,274. Of this amount, \$2,213,606 comprises debt backed by the full faith and credit of the government and \$1,835,555 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remaining \$7,758,113 represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

General Obligation and Revenue Bonds

	Governmental		Business-type		Total	
	Activities		Activities			
	2008	2007	2008	2007	2008	2007
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessment debt with governmental commitment	1,835,555	1,207,614	-	-	1,835,555	1,207,614
Revenue bonds	525,000	565,000	7,233,113	3,889,931	7,758,113	4,454,931
Contracts/loans	2,115,872	2,172,265	97,734	117,644	2,213,606	2,289,909
Total	<u>\$ 4,476,427</u>	<u>\$ 3,944,879</u>	<u>\$ 7,330,847</u>	<u>\$ 4,007,575</u>	<u>\$ 11,807,274</u>	<u>\$ 7,952,454</u>

Lewis and Clark County’s total debt has a net increased of \$3,854,820. The increase is largely due to the County’s issuing of new debt in fiscal year 2008 of \$4,702,171. The new debt consists of special assessment debt of \$781,378 to finance road improvements, revenue bonds of \$3,535,000 for the fairground’s event center building, and \$382,611 of new contracts/loans for remodel of the city/county building and maintenance and repair of the elevators in the building. The increase is offset by the payment of principal of \$847,351.

Additional detailed information on capital assets and debt administration can be found in notes 8, 9, 10, 11 and 12 of the basic financial statements.

Economic Factors and Next Year’s Budgets and Rates

- The current unadjusted unemployment figures for Lewis and Clark County is currently 2.7 percent. This is down .6 percent from the one year ago and compares favorably the State of Montana at 3.1 percent and the nation at 5.2 percent.
- The average earnings per job for Lewis and Clark County are \$33,523, up from \$31,151 last year.
- Inflationary trends in the County compare favorable to national indices.
- Steady commercial and residential development in the county has provided a favorable economic environment. However, the increase in demand for government services that accompanies development has exceeded the growth in revenues.

All of these factors were considered in preparing Lewis and Clark County’s budget for the 2009 fiscal year.

In June 2004, the voters approved a mill levy ballot of approximately \$703,644 or 8.18 mills for a period of ten years. Its primary purpose was to assist in financing the construction of a major event center and other projects at the Lewis and Clark County Fairgrounds. Approximately, \$5,727,000 was for the event center and the projects, with approximately \$250,000 or 2.91 mills for ongoing operations and maintenance, along with asset replacement. To assist in completion of the construction of the event center, which will be in excess of \$8 million, the county issued a revenue bond for \$3,535,000 in August 2007 and will internally finance the remainder.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions concerning this report or need additional financial information, contact the Finance Department at Lewis and Clark County.

BASIC FINANCIAL STATEMENTS

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF NET ASSETS
June 30, 2008**

	PRIMARY GOVERNMENT			COMPONENT UNITS	
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	LIBRARY	COOPERATIVE HEALTH CENTER
ASSETS					
Cash and cash equivalents	\$ 14,588,987	\$ 1,805,708	\$ 16,394,695	\$ 1,807,058	\$ 629,012
Investments	2,008,451	250,432	2,258,883	238,214	87,238
Taxes/assessment receivables (net of allowance for uncollectables)	3,403,232	144,459	3,547,691	290,570	-
Accounts/contracts (net of allowance for uncollectables)	437,528	876,190	1,313,718	59	252,364
Due from other governments	1,528,272	-	1,528,272	-	-
Inventories	257,024	30,848	287,872	-	15,893
Prepaid expenses/deposits	-	9,619	9,619	-	-
Deferred charges - Revenue Bond Issuance Costs	-	31,260	31,260	-	-
Restricted assets - noncurrent	408,923	818,840	1,227,763	-	-
Internal balances	1,078,094	(1,078,094)	-	-	-
Capital assets					
Land and construction in progress	8,820,956	7,976,740	16,797,696	50,000	-
Buildings, improvements, vehicles and equipment(net)	13,225,770	7,174,840	20,400,610	1,552,481	-
Infrastructure (net)	6,533,673	-	6,533,673	-	-
Total assets	52,290,910	18,040,842	70,331,752	3,938,382	984,507
Liabilities:					
Accounts payable	1,312,575	704,292	2,016,867	131,514	64,434
Unearned revenues	1,379,583	98,733	1,478,316	-	-
Accrued interest	58,153	-	58,153	-	-
Long-term liabilities					
Portion due or payable within one year:					
Special assessment debt with government commitment	177,615	-	177,615	-	-
Contracts/loans payable	459,066	20,542	479,608	-	-
Revenue bonds payable	40,000	611,194	651,194	-	-
Landfill postclosure costs payable	-	20,000	20,000	-	-
Claims payable	209,023	-	209,023	-	-
Compensated absences payable	168,686	20,604	189,290	10,864	12,093
Portion due or payable in more than one year:					
Special assessment debt with government commitment	1,657,940	-	1,657,940	-	-
Contracts/loans payable	1,656,806	77,192	1,733,998	-	-
Revenue bonds payable	485,000	6,621,919	7,106,919	-	-
Landfill postclosure costs payable	-	1,042,264	1,042,264	-	-
Compensated absences payable	1,518,178	185,437	1,703,615	97,773	108,832
Total liabilities	9,122,625	9,402,177	18,524,802	240,151	185,359
NET ASSETS					
Investment in capital assets, net of related debt	24,103,972	6,773,899	30,877,871	1,602,481	-
Restricted for:					
Bond reserves	70,328	357,929	428,257	-	-
Debt service	-	460,911	460,911	-	-
Perpetual care - nonexpendable	209,237	-	209,237	-	-
Other purposes	259,818	1,885,321	2,145,139	4,323	-
Unrestricted	18,524,930	(839,395)	17,685,535	2,091,427	799,148
Total net assets	\$ 43,168,285	\$ 8,638,665	\$ 51,806,950	\$ 3,698,231	\$ 799,148

The accompanying notes are an integral part of these financial statements.

County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2008

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2008**

Function/Programs	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			COMPONENT UNITS	
	EXPENSES	FEES, FINES, AND CHARGE FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	LIBRARY	COOPERATIVE HEALTH CENTER
Primary government:									
Governmental activities									
General government	\$ 7,521,276	\$ 1,580,568	\$ 187,198	\$ -	\$ (5,753,510)	\$ -	\$ (5,753,510)		
Public safety	8,860,173	677,027	1,142,441	-	(7,040,705)	-	(7,040,705)		
Public works	4,777,231	101,970	140,529	2,629,026	(1,905,706)	-	(1,905,706)		
Public health	3,580,229	834,772	1,361,515	-	(1,383,942)	-	(1,383,942)		
Social and economic	1,745,756	2,635	-	-	(1,743,121)	-	(1,743,121)		
Culture and recreation	98,669	-	-	-	(98,669)	-	(98,669)		
Interest on long-term debt	337,626	-	-	-	(337,626)	-	(337,626)		
Total governmental activities	<u>26,920,960</u>	<u>3,196,972</u>	<u>2,831,683</u>	<u>2,629,026</u>	<u>(18,263,279)</u>	<u>-</u>	<u>(18,263,279)</u>		
Business-type activities									
Solid waste	2,213,491	2,216,619	-	-	-	3,128	3,128		
Nursing home	5,492,785	5,093,543	-	-	-	(399,242)	(399,242)		
Fairgrounds	671,185	416,696	-	-	-	(254,489)	(254,489)		
Total business-type activities	<u>8,377,461</u>	<u>7,726,858</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(650,603)</u>	<u>(650,603)</u>		
Total primary government	\$ 35,298,421	\$ 10,923,830	\$ 2,831,683	\$ 2,629,026	(18,263,279)	(650,603)	(18,913,882)		
Component units:									
Library	\$ 2,260,549	\$ 152,565	\$ 936,466	\$ -			\$ (1,171,518)	\$ 299,725	
Community Health Center	2,627,463	1,367,626	1,559,562	-					
Total component units	\$ 4,888,012	\$ 1,520,191	\$ 2,496,028	\$ -			(1,171,518)	299,725	
General revenues:									
Property taxes					15,934,523	1,138,566	17,073,089	1,621,809	
Local option tax					2,041,225	-	2,041,225	-	
Other taxes					17,805	-	17,805	-	
Grant and contributions not restricted to specific programs					2,896,164	70,452	2,966,616	-	
Unrestricted investment earnings					920,653	180,470	1,101,123	57,446	
Miscellaneous					643,812	(57,121)	586,691	35,523	
Transfers					(133,192)	133,192	-	-	
Total general revenue and transfers					<u>22,320,990</u>	<u>1,465,559</u>	<u>23,786,549</u>	<u>1,714,778</u>	
Change in net assets					4,057,711	814,956	4,872,667	543,260	299,725
Net assets - beginning					39,110,574	7,823,709	46,934,283	3,154,971	499,423
Net assets - ending					<u>\$ 43,168,285</u>	<u>\$ 8,638,665</u>	<u>\$ 51,806,950</u>	<u>\$ 3,698,231</u>	<u>\$ 799,148</u>

**LEWIS AND CLARK COUNTY, MONTANA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2008**

	GENERAL	PUBLIC SAFETY	RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT	CAPITAL DEVELOPMENT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and cash equivalents	\$ 2,069,454	\$ 1,744,421	\$ 225,614	\$ 3,132,006	\$ 4,699,021	\$ 11,870,516
Investments	287,015	241,933	31,290	434,376	651,707	1,646,321
Receivables:						
Taxes/assessments	419,963	664,999	1,754,073	-	564,197	3,403,232
Accounts/contracts	106,830	51,318	-	-	58,319	216,467
Due from other funds	526,031	-	-	-	79	526,110
Due from other governments	8,334	62,511	-	-	1,457,427	1,528,272
Inventories	60,596	-	-	-	165,843	226,439
Restricted assets:						
Cash and cash equivalents	-	-	-	-	37,056	37,056
Investments	-	-	-	-	408,923	408,923
Advances to other funds	-	-	-	1,078,094	26,959	1,105,053
Total assets	\$ 3,478,223	\$ 2,765,182	\$ 2,010,977	\$ 4,644,476	\$ 8,069,531	\$ 20,968,389
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 136,629	\$ 137,269	\$ -	\$ 24,333	\$ 912,642	\$ 1,210,873
Due to other funds	-	-	-	-	523,761	523,761
Deferred revenues	1,264,265	832,764	1,742,356	-	546,846	4,386,231
Advances from other funds	-	-	17,985	-	8,974	26,959
Total liabilities	1,400,894	970,033	1,760,341	24,333	1,992,223	6,147,824
Fund balance:						
Reserved for:						
Debt service	-	-	250,636	-	252,433	503,069
Inventories	60,596	-	-	-	165,843	226,439
Advance to other funds	-	-	-	1,078,094	26,959	1,105,053
Encumbrances	8,147	1,623	-	10,013	324,129	343,912
Endowment fund	-	-	-	-	245,877	245,877
Perpetual care	-	-	-	-	209,237	209,237
Unreserved						
General fund	2,008,586	-	-	-	-	2,008,586
Special revenue fund	-	1,793,526	-	-	4,645,311	6,438,837
Capital projects fund	-	-	-	3,532,036	207,519	3,739,555
Total fund balance	2,077,329	1,795,149	250,636	4,620,143	6,077,308	14,820,565
Total liabilities and fund balance	\$ 3,478,223	\$ 2,765,182	\$ 2,010,977	\$ 4,644,476	\$ 8,069,531	\$ 20,968,389

The accompanying notes are an integral part of these financial statements.

**LEWIS AND CLARK COUNTY, MONTANA
BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS
June 30, 2008**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS**

Total <i>fund balance</i> for governmental funds	\$	14,820,565
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Land and Construction in Progress		8,608,112
Buildings, Improvements, Vehicles and Equipment(net)		11,762,562
Infrastructure (net)		6,533,673
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		3,006,648
Internal service funds are used by management to charge the costs of certain activities, such as maintenance on county buildings and vehicles; purchase, maintenance, and supplies for copiers, gasoline, central office supplies, and information technology and services; postage; radio sites; liability insurance claims; major medical, dental, life, vision insurance and claims; and flexible benefits claims. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.		3,942,776
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Accrued interest		(58,153)
Loans/contracts payable	\$	(3,939,845)
Compensated Absences		(1,508,053)
		<u>(5,447,898)</u>
Net Assets of Governmental Activities	\$	<u><u>43,168,285</u></u>

The accompanying notes are an integral part of these financial statements.

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2008**

	<u>GENERAL</u>	<u>PUBLIC SAFETY</u>	<u>RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT</u>	<u>CAPITAL DEVELOPMENT</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES						
Taxes/assessments	\$ 4,199,770	\$ 6,338,973	\$ 258,219	\$ -	\$ 7,133,452	\$ 17,930,414
Licenses and permits	181,832	875	-	-	-	182,707
Intergovernmental	1,561,567	815,376	-	48,859	5,931,071	8,356,873
Charges for services	1,128,881	225,996	-	-	1,120,664	2,475,541
Fines and forfeitures	93,248	288,266	-	-	157,210	538,724
Miscellaneous	61,581	102,726	-	10,000	429,506	603,813
Interest earnings	398,943	46,715	4,534	178,302	189,574	818,068
Total revenues	7,625,822	7,818,927	262,753	237,161	14,961,477	30,906,140
EXPENDITURES						
Current:						
General government	4,933,824	-	-	-	2,300,887	7,234,711
Public safety	270,809	6,768,175	-	-	942,868	7,981,852
Public works	1,087,222	-	-	-	2,976,234	4,063,456
Public health	142,528	-	-	-	3,413,484	3,556,012
Social and economic	480,704	-	-	-	1,262,284	1,742,988
Culture and recreation	-	-	-	-	44,094	44,094
Debt service	161,573	207,494	165,990	-	353,095	888,152
Capital outlay	-	-	-	677,969	3,723,622	4,401,591
Total expenditures	7,076,660	6,975,669	165,990	677,969	15,016,568	29,912,856
Excess (deficiency) of revenue over (under) expenditures	549,162	843,258	96,763	(440,808)	(55,091)	993,284
OTHER FINANCING SOURCES (USES)						
Transfers in	171,666	178,882	300	1,306,258	1,561,993	3,219,099
Transfers out	(760,582)	(572,960)	-	-	(2,146,679)	(3,480,221)
Loans	-	-	24,750	-	1,129,610	1,154,360
Proceeds from sale of capital assets	9,418	18,918	-	-	21,292	49,628
Total other financing sources and uses	(579,498)	(375,160)	25,050	1,306,258	566,216	942,866
Net change in fund balances	(30,336)	468,098	121,813	865,450	511,125	1,936,150
Fund balance, July 1	2,107,665	1,327,051	128,823	3,754,693	5,566,183	12,884,415
Fund balance, June 30	\$ 2,077,329	\$ 1,795,149	\$ 250,636	\$ 4,620,143	\$ 6,077,308	\$ 14,820,565

The accompanying notes are an integral part of these financial statements.

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2008**

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Net Change in fund balances -- total governmental funds	\$	1,936,150
The change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses.		
Capital assets purchases capitalized	\$	1,486,226
Construction in Progress increase/(decrease)		2,968,380
Retirement, Trade In, etc of Capital assets		(16,699)
Depreciation expense		<u>(2,032,775)</u>
		2,405,132
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Long-term receivables		63,139
Proceeds from long-term debt provides current financial resources to the governmental funds and the repayment of principal consumes the current financial resources of the governmental funds, thus contributing to the change in fund balance. In the statement of net assets, however, issuing debt and repaying principal, increases and decreases, respectively, long-term liabilities and does not affect the statement of activities.		
Proceeds of long-term debt	\$	(1,163,989)
Principal payments are:		
Contract/loans payable		<u>581,386</u>
		(582,603)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.		
Compensated absences	\$	(104,651)
Accrued interest		<u>2,011</u>
		(102,640)
Internal service funds are used by management to charge the costs of certain activities, such as maintenance on county buildings and vehicles; purchase, maintenance, and supplies for copiers, gasoline, central office supplies, and information technology and services; postage; radio sites; liability insurance claims; major medical, dental, life, vision insurance and claims; and flexible benefits claims. The net revenues/(losses) of the internal service funds are included in governmental activities in the statement of activities.		
		<u>338,533</u>
Change in net assets of governmental activities	\$	<u><u>4,057,711</u></u>

The accompanying notes are an integral part of these financial statements.

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL AND MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2008
(Page 1 of 4)**

	GENERAL FUND			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	BUDGETED AMOUNTS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Taxes/Assessments				
Real property	\$ 3,447,280	\$ 3,447,280	\$ 3,473,185	\$ 25,905
Local option tax	197,350	197,350	195,163	(2,187)
Entitlements	524,676	524,676	534,568	9,892
Total Taxes/Assessments	4,169,306	4,169,306	4,202,916	33,610
Licenses and Permits				
Alcoholic beverage licenses	3,700	3,700	3,700	-
General business	140,000	140,000	164,442	24,442
Other licenses & permits	7,750	7,750	7,770	20
Total Licenses and Permits	151,450	151,450	175,912	24,462
Intergovernmental				
Federal grants:				
Other federal grants	38,000	38,000	61,882	23,882
Federal shared revenue:				
Taylor grazing	900	900	2,743	1,843
Payments in lieu	943,019	943,019	959,145	16,126
State grants:				
Treasure State Endowment Program	15,000	15,000	-	(15,000)
Other state grants	6,200	6,200	11,986	5,786
State shared revenues:				
Personal property reimbursement	486,167	486,167	495,716	9,549
Gambling revenues	28,000	28,000	24,875	(3,125)
Total Intergovernmental	1,517,286	1,517,286	1,556,347	39,061
Charges for Services				
General government:				
Administrative fees	494,022	494,022	492,720	(1,302)
Attorney fees	4,000	4,000	56,114	52,114
Property tax	7,925	7,925	15,285	7,360
Election services	3,000	3,000	3,412	412
Clerk and Recorder	549,800	549,800	496,427	(53,373)
Treasurer's fees	1,500	1,500	1,997	497
Weed	51,100	51,100	45,049	(6,051)
Other charges for services	5,200	5,200	8,822	3,622
Public safety:				
Animal control	11,500	11,500	12,307	807
Total Charges for Services	1,128,047	1,128,047	1,132,133	4,086
Fines and Forfeitures				
Court fines:				
Fines and forfeitures	23,100	23,100	9,221	(13,879)
Surcharge	73,500	73,500	82,877	9,377
Total Fines and Forfeitures	96,600	96,600	92,098	(4,502)
Miscellaneous Revenues	67,355	67,355	61,581	(5,774)
Interest Earnings	425,000	425,000	398,943	(26,057)
Total revenues	\$ 7,555,044	\$ 7,555,044	\$ 7,619,930	\$ 64,886

The accompanying notes are an integral part of these financial statements.

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL AND MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 2 of 4)

EXPENDITURES	GENERAL FUND			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	BUDGETED AMOUNTS		ACTUAL	
	ORIGINAL	FINAL		
General Government				
Legislative services				
Personal services	\$ 243,063	\$ 243,063	\$ 246,676	\$ (3,613)
Operations and maintenance	76,867	76,867	62,472	14,395
Judicial services				
Personal services	255,718	255,718	261,578	(5,860)
Operations and maintenance	76,117	76,117	73,382	2,735
Administrative services				
Personal services	315,658	315,658	315,753	(95)
Operations and maintenance	205,472	205,472	149,573	55,899
Financial services				
Personal services	950,665	950,665	919,715	30,950
Operations and maintenance	234,609	234,609	205,933	28,676
Personnel services				
Personal services	281,474	281,474	187,704	93,770
Operations and maintenance	7,750	7,750	7,937	(187)
Elections				
Personal services	195,290	207,290	188,146	19,144
Operations and maintenance	239,665	227,665	235,544	(7,879)
Records administration				
Personal services	129,705	129,705	127,915	1,790
Operations and maintenance	99,602	99,602	89,711	9,891
Legal services				
Personal services	859,964	859,964	916,892	(56,928)
Operations and maintenance	197,192	197,192	186,785	10,407
Public school administration				
Personal services	80,413	80,413	80,049	364
Operations and maintenance	13,804	13,804	14,824	(1,020)
Other general government				
Operations and maintenance	800,487	800,487	640,125	160,362
Total General Government	5,263,515	5,263,515	4,910,714	352,801
Public Safety				
Coroner services				
Personal services	131,724	131,724	131,698	26
Operations and maintenance	83,372	83,372	58,324	25,048
Civil defense				
Personal services	68,429	68,429	67,974	455
Operations and maintenance	16,992	16,992	14,781	2,211
Total Public Safety	300,517	300,517	272,777	27,740
Public Works				
Road and street services				
Personal services	289,572	289,572	256,855	32,717
Operations and maintenance	58,395	58,395	57,076	1,319
Bridge				
Personal services	269,101	269,101	281,544	(12,443)
Operations and maintenance	398,059	398,059	255,091	142,968
Facilities administration				
Operations and maintenance	32,775	32,775	32,775	-
Weed				
Personal services	125,187	125,187	104,296	20,891
Operations and maintenance	128,021	128,021	117,914	10,107
Total Public Works	1,301,110	1,301,110	1,105,551	195,559

The accompanying notes are an integral part of these financial statements.

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
GENERAL AND MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2008
(Page 3 of 4)**

	GENERAL FUND			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	BUDGETED AMOUNTS		ACTUAL	
	ORIGINAL	FINAL		
Public Health				
Animal control services				
Personal services	\$ 88,141	\$ 74,411	\$ 68,938	\$ 5,473
Operations and maintenance	78,058	78,058	72,657	5,401
Total Public Health	166,199	152,469	141,595	10,874
Social and Economic				
Aging services				
Operations and maintenance	178,462	178,462	178,455	7
Welfare services				
Operations and maintenance	319,312	319,312	302,260	17,052
Total Social and Economic	497,774	497,774	480,715	17,059
Debt Service				
Interest	161,577	161,577	161,573	4
Total expenditures	7,690,692	7,676,962	7,072,925	604,037
Excess (deficiency) of revenue over (under) expenditures	(135,648)	(121,918)	547,005	668,923
OTHER FINANCING SOURCES (USES)				
Transfers in	148,071	148,071	171,666	23,595
Transfers out	(831,685)	(831,685)	(760,582)	71,103
Proceeds from sale of capital assets	-	-	9,418	9,418
Total other financing sources and uses	(683,614)	(683,614)	(579,498)	104,116
Net change in fund balances	\$ (819,262)	\$ (805,532)	(32,493)	\$ 773,039
Fund balance, July 1			2,015,028	
Fund balance, June 30			\$ 1,982,535	

The accompanying notes are an integral part of these financial statements.

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL AND MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 4 of 4)

	PUBLIC SAFETY			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes/assessments	\$ 6,290,748	\$ 6,290,748	\$ 6,344,390	\$ 53,642
Licenses and permits	750	750	875	125
Intergovernmental	791,070	803,046	758,546	(44,500)
Charges for services	305,785	305,785	248,545	(57,240)
Fines and forfeitures	278,250	278,250	281,051	2,801
Miscellaneous	61,938	61,938	102,726	40,788
Interest earnings	400	400	46,715	46,315
Total revenues	7,728,941	7,740,917	7,782,848	41,931
EXPENDITURES				
Current:				
Public safety				
Personal services	4,647,339	4,647,339	4,430,012	217,327
Operations and maintenance	2,525,617	2,537,593	2,326,073	211,520
Debt service	207,495	207,495	207,494	1
Capital outlay	11,615	11,615	-	11,615
Total expenditures	7,392,066	7,404,042	6,963,579	440,463
Excess (deficiency) of revenue over (under) expenditures	336,875	336,875	819,269	482,394
OTHER FINANCING SOURCES (USES)				
Transfers in	165,966	165,966	161,122	(4,844)
Transfers out	(597,433)	(597,433)	(572,960)	24,473
Proceeds from sale of capital assets	16,000	16,000	18,918	2,918
Total other financing sources and uses	(415,467)	(415,467)	(392,920)	22,547
Net change in fund balances	\$ (78,592)	\$ (78,592)	426,349	\$ 504,941
Fund balance, July 1			1,237,605	
Fund balance, June 30			\$ 1,663,954	

The accompanying notes are an integral part of these financial statements.

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**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2008**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
	COONEY HOME	COUNTY LANDFILL	FAIR ENTERPRISE	OTHER ENTERPRISE FUNDS	TOTAL	
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 169,715	\$ 449,439	\$ 288,373	\$ 898,181	\$ 1,805,708	\$ 2,611,087
Investments	23,538	62,333	39,994	124,567	250,432	362,130
Receivables:						
Taxes/assessments	-	-	144,459	-	144,459	-
Accounts/contracts	437,977	118,744	-	319,469	876,190	221,061
Inventories	30,848	-	-	-	30,848	30,585
Prepaid charges	9,619	-	-	-	9,619	-
Total current assets	<u>671,697</u>	<u>630,516</u>	<u>472,826</u>	<u>1,342,217</u>	<u>3,117,256</u>	<u>3,224,863</u>
Noncurrent assets:						
Restricted assets:						
Cash and cash equivalents	139,529	313,727	282,845	-	736,101	70,328
Investments	-	43,511	39,228	-	82,739	-
Deferred charges - Revenue bond issuance costs	31,260	-	-	-	31,260	-
Capital Assets:						
Land and Construction in Progress	160,255	180,054	7,572,837	63,594	7,976,740	212,844
Buildings, improvements, vehicles and equipment(net)	2,508,102	3,955,056	648,634	63,048	7,174,840	1,463,208
Total noncurrent assets	<u>2,839,146</u>	<u>4,492,348</u>	<u>8,543,544</u>	<u>126,642</u>	<u>16,001,680</u>	<u>1,746,380</u>
Total assets	<u>3,510,843</u>	<u>5,122,864</u>	<u>9,016,370</u>	<u>1,468,859</u>	<u>19,118,936</u>	<u>4,971,243</u>
Liabilities:						
Current liabilities:						
Accounts payable	181,004	7,328	388,740	127,220	704,292	101,702
Contracts/loans payable - current	-	-	20,542	-	20,542	11,582
Due to other funds	-	-	-	-	-	2,349
Unearned revenues	98,733	-	-	-	98,733	-
Revenue bonds payable	85,000	115,000	411,194	-	611,194	40,000
Landfill postclosure costs payable - current	-	-	-	20,000	20,000	-
Claims payable	-	-	-	-	-	209,023
Advances from other funds	-	-	1,078,094	-	1,078,094	-
Compensated absences payable	15,664	1,888	2,340	712	20,604	17,881
Total current liabilities	<u>380,401</u>	<u>124,216</u>	<u>1,900,910</u>	<u>147,932</u>	<u>2,553,459</u>	<u>382,537</u>
Noncurrent liabilities:						
Contracts/loans payable	-	-	77,192	-	77,192	-
Revenue bonds payable	975,000	2,523,113	3,123,806	-	6,621,919	485,000
Landfill postclosure costs payable	-	722,264	-	320,000	1,042,264	-
Compensated absences payable	140,978	16,993	21,062	6,404	185,437	160,930
Total noncurrent liabilities	<u>1,115,978</u>	<u>3,262,370</u>	<u>3,222,060</u>	<u>326,404</u>	<u>7,926,812</u>	<u>645,930</u>
Total liabilities	<u>1,496,379</u>	<u>3,386,586</u>	<u>5,122,970</u>	<u>474,336</u>	<u>10,480,271</u>	<u>1,028,467</u>
NET ASSETS						
Investment in capital assets, net of related debt	1,639,617	1,496,997	3,510,643	126,642	6,773,899	1,139,470
Restricted for bond reserve	139,529	218,400	-	-	357,929	70,328
Restricted for debt service	-	138,838	322,073	-	460,911	-
Restricted for other purposes	8,554	-	1,876,767	-	1,885,321	13,941
Unrestricted	226,764	(117,957)	(1,816,083)	867,881	(839,395)	2,719,037
Total net assets	<u>\$ 2,014,464</u>	<u>\$ 1,736,278</u>	<u>\$ 3,893,400</u>	<u>\$ 994,523</u>	<u>\$ 8,638,665</u>	<u>\$ 3,942,776</u>

The accompanying notes are an integral part of these financial statements.

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2008**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTAL	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
	COONEY HOME	COUNTY LANDFILL	FAIR ENTERPRISE	OTHER ENTERPRISE FUNDS		
OPERATING REVENUES						
Intergovernmental	\$ -	\$ -	\$ 70,452	\$ -	\$ 70,452	\$ -
Charges for services	4,809,286	1,075,213	416,696	1,141,406	7,442,601	8,387,605
Miscellaneous	284,257	-	-	-	284,257	13,964
Total Operating Revenues	5,093,543	1,075,213	487,148	1,141,406	7,797,310	8,401,569
OPERATING EXPENSES						
Personal services	3,679,797	272,020	266,127	77,202	4,295,146	1,815,095
Supplies	995,026	279,736	132,001	58,566	1,465,329	1,860,749
Purchased services	610,176	121,128	207,950	1,077,886	2,017,140	4,430,182
Depreciation	146,751	215,088	57,352	5,764	424,955	154,654
Total Operating Expenses	5,431,750	887,972	663,430	1,219,418	8,202,570	8,260,680
Operating income (loss)	(338,207)	187,241	(176,282)	(78,012)	(405,260)	140,889
NONOPERATING REVENUES (EXPENSES)						
Interest income	13,879	42,829	80,740	43,022	180,470	102,585
Interest expense	(61,035)	(106,101)	(7,755)	-	(174,891)	(32,871)
Amortization of revenue bond issuance costs	(3,127)	-	-	-	(3,127)	-
Taxes/assessments	-	-	1,138,566	-	1,138,566	-
Proceeds from sale of capital assets	3,753	(57,747)	-	-	(53,994)	-
Total Nonoperating Revenues (Expenses)	(46,530)	(121,019)	1,211,551	43,022	1,087,024	69,714
Income (loss) before transfers	(384,737)	66,222	1,035,269	(34,990)	681,764	210,603
Transfers in	196,079	10,433	60,084	2,596	269,192	129,930
Transfers out	-	-	(136,000)	-	(136,000)	(2,000)
Change in net assets	(188,658)	76,655	959,353	(32,394)	814,956	338,533
Total net assets, beginning	2,203,122	1,659,623	2,934,047	1,026,917	7,823,709	3,604,243
Total net assets, ending	\$ 2,014,464	\$ 1,736,278	\$ 3,893,400	\$ 994,523	\$ 8,638,665	\$ 3,942,776

The accompanying notes are an integral part of these financial statements.

County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2008

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2008**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTAL	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
	COONEY HOME	COUNTY LANDFILL	FAIR ENTERPRISE	OTHER ENTERPRISE FUNDS		
Cash flows from operating activities:						
Cash received from customers	\$ 4,675,403	\$ 1,053,911	\$ 413,748	\$ 1,073,522	\$ 7,216,584	\$ 8,284,655
Cash payments for goods and services	(1,573,455)	(403,378)	(341,967)	(1,122,669)	(3,441,469)	(6,436,404)
Cash payments for employees	(3,656,848)	(271,561)	(261,598)	(74,007)	(4,264,014)	(1,795,724)
Cash received from other operating revenues	284,257	-	70,452	-	354,709	13,964
Cash payments for landfill closure and post closure costs	-	54,552	-	(20,000)	34,552	-
Net cash provided by (used by) operating activities	(270,643)	433,524	(119,365)	(143,154)	(99,638)	66,491
Cash flows from noncapital financing activities:						
Proceeds from taxes	-	-	1,161,725	-	1,161,725	-
Transfers from other Funds	196,079	10,433	60,084	2,596	269,192	129,930
Transfers to other Funds	-	-	(136,000)	-	(136,000)	(2,000)
Proceeds from interfund loans	-	-	1,078,094	-	1,078,094	2,349
Net cash provided by (used by) noncapital financing activities	196,079	10,433	2,163,903	2,596	2,373,011	130,279
Cash flows from capital and related financing activities:						
Payments for capital acquisitions	(44,298)	(501,049)	(6,718,384)	-	(7,263,731)	(41,975)
Proceeds from sale of capital assets	1,853	117,125	-	-	118,978	-
Proceeds from issuing bonds	-	-	3,535,000	-	3,535,000	-
Principal repayment - bonds/loans	(80,000)	(115,000)	(19,911)	-	(214,911)	(51,056)
Interest paid	(61,035)	(102,919)	(7,755)	-	(171,709)	(32,871)
Net cash provided by (used by) capital and related financing activities	(183,480)	(601,843)	(3,211,050)	-	(3,996,373)	(125,902)
Cash flows from investing activities:						
Receipts of interest and dividends	13,879	42,829	80,740	43,022	180,470	102,585
Payments for investments	46,180	51,679	198,701	54,761	351,321	85,887
Net cash provided by (used by) investing activities	60,059	94,508	279,441	97,783	531,791	188,472
Net increase (decrease) in cash and cash equivalents	(197,985)	(63,378)	(887,071)	(42,775)	(1,191,209)	259,340
Cash and cash equivalents, July 1	507,229	826,544	1,458,289	940,956	3,733,018	2,422,075
Cash and cash equivalents, June 30	\$ 309,244	\$ 763,166	\$ 571,218	\$ 898,181	\$ 2,541,809	\$ 2,681,415
Cash and cash equivalents, current	\$ 169,715	\$ 449,439	\$ 288,373	\$ 898,181	\$ 1,805,708	\$ 2,611,087
Cash and cash equivalents, noncurrent - restricted	139,529	313,727	282,845	-	736,101	70,328
Total Cash and cash equivalents, June 30	\$ 309,244	\$ 763,166	\$ 571,218	\$ 898,181	\$ 2,541,809	\$ 2,681,415
Reconciliation of operating income to net cash provided by operating activity:						
Operating income (loss)	\$ (338,207)	\$ 187,241	\$ (176,282)	\$ (78,012)	\$ (405,260)	\$ 140,889
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:						
Depreciation	146,751	215,088	57,352	5,764	424,955	154,654
Allowance for bad debts	36,293	-	-	-	36,293	-
Change in assets and liabilities:						
(Increase) decrease taxes/accounts/other receivables	(135,322)	(20,904)	-	(67,884)	(224,110)	(102,950)
(Increase) decrease inventory	1,610	-	-	-	1,610	(10,551)
(Increase) decrease deferred revenue	1,624	-	-	-	1,624	-
Increase (decrease) compensated absences	729	(390)	3,202	3,195	6,736	12,920
Increase (decrease) accounts payable	25,498	(2,063)	190,020	13,783	227,238	(33,229)
Increase (decrease) payables for capital purchases	-	-	(193,657)	-	(193,657)	-
Increase (decrease) claims payable	-	-	-	-	-	(95,242)
Increase (decrease) postclosure liability	-	54,552	-	(20,000)	34,552	-
(Increase) decrease in prepaid items	(9,619)	-	-	-	(9,619)	-
Net cash provided by (used by) operating activities	\$ (270,643)	\$ 433,524	\$ (119,365)	\$ (143,154)	\$ (99,638)	\$ 66,491
Schedule of Noncash Transactions						
Amortization of deferred loss from bond refunding	-	(3,182)	-	-	(3,182)	-
Write off of taxes receivables	-	-	2,948	-	2,948	-
Write off of accounts receivables	36,293	-	-	5,002	41,295	-
Amortization of revenue bond issuance cost	(3,127)	-	-	-	(3,127)	-
Capital Asset Trade ins	1,900	-	-	-	1,900	-
Gain or loss from disposal of capital assets	-	(174,872)	-	-	(174,872)	-

The accompanying notes are an integral part of these financial statements.



**LEWIS AND CLARK COUNTY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2008**

	INVESTMENT TRUST FUNDS	AGENCY FUNDS
ASSETS		
Cash and cash equivalents	\$ 29,959,798	\$ 6,629,084
Investments	3,672,467	919,379
Receivables:		
Taxes/assessments	-	6,395,682
Land held for resale	-	7,042
Total assets	33,632,265	13,951,187
LIABILITIES		
Accounts payable	-	6,287,921
Intergovernmental payable	-	7,663,266
Total liabilities	-	13,951,187
NET ASSETS		
Held in trust for:		
External investment pool participants	30,152,225	-
Individual investment accounts	3,480,040	-
Total net assets	\$ 33,632,265	\$ -

The accompanying notes are an integral part of these financial statements.

LEWIS AND CLARK COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2008

	INVESTMENT TRUST FUNDS
ADDITIONS	
Contributions to pooled investments	\$ 105,181,775
Interest and investment income	1,316,093
Total additions	106,497,868
DEDUCTIONS	
Distribution from pooled investments	104,367,884
Administrative expenses	35,889
Total deductions	104,403,773
Change in net assets held in trust for: Pool participants	2,094,095
Net assets held in trust, beginning of year	31,538,170
Net assets held in trust, end of year	\$ 33,632,265

The accompanying notes are an integral part of these financial statements.



NOTES TO THE BASIC FINANCIAL STATEMENTS



LEWIS AND CLARK COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Lewis and Clark have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

Lewis and Clark County is a political subdivision of the State of Montana. The County seat is Helena, which also serves as the state capitol. The population of the County is predominantly urban with the majority of the residents within a twenty-mile radius of Helena.

The county government includes a three (3) member commission, members elected at large and serving three staggered six (6) year terms. Ten (10) additional elected officials serve four (4) year terms.

For financial reporting purposes, the County has included all funds that are controlled by or are dependent on the County's executive and legislative branches. This statement defines the financial reporting entity as the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on the organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County.

As required by generally accepted accounting principles, these financial statements present Lewis and Clark County (the primary government) and its component units. The component units are included in the County's reporting entity because of the significance of their operational or financial relationship with the County, as described above.

Discretely Presented Component Units

Lewis and Clark Library – The Lewis and Clark Library was formed in 1974 by an Interlocal Library Contract executed by Lewis and Clark County and the City of Helena. Lewis and Clark County and the City of Helena each appoint two members to the Library Board of Trustees while the fifth member is jointly appointed by the City and County Commissions. The library is funded through tax levies collected by Lewis and Clark County.

Although the Library Board of Trustees has the legal authority to establish an annual budget and issue debt, it does not have the authority to levy taxes. The financial statements of the Library are presented in a separate column to emphasize that it is legally separate from the County. It is presented as a governmental fund type.

Compiled financial statements of the Lewis and Clark Library are available from the Administrative Office, 120 South Last Chance Gulch, Helena, Montana 59601.

Cooperative Health Center – The Cooperative Health Center (CHC) is a nonprofit corporation organized for the purpose of providing health services to the medically under served in the County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The organization’s board includes representatives of local health care providers and consumers and is not controlled by the County. However, under terms of an agreement between the CHC and the County, the CHC follows fiscal and personnel policies established by the County. Due to this close operational and financial relationship, CHC could impose specific financial burdens on the County. The CHC does not separately present financial information for the entity and therefore it is presented on as a governmental fund type within these statements and notes.

Related Organizations

Helena Airport Authority – The Helena Airport Authority falls into the category of “related organization” as defined by the Governmental Accounting Standards Board criteria. For this entity, the Lewis and Clark Board of County Commissioners appoint the majority of the board of directors, but cannot impose their will on the organization, nor does the County derive any benefit or burden from this organization.

Investment Pool

The County maintains an investment pool consisting of funds belonging to the County and of funds held with the County Treasurer belonging to legally separate entities, such as fire, water, sewer, irrigation and cemetery special districts and school districts. The Treasurer’s investment pool, hereafter called investment pool, is comprised of two components: (1) internal pooled deposits and investments and (2) external pooled deposits and investments. There is no regulatory oversight of the investment pool, but an investment committee is responsible for setting policy and reviewing and monitoring investments.

All school districts and other special districts within Lewis and Clark County are required by Montana State Statutes to hold all funds with the County Treasurer and have the option to participate in the county’s investment pool or to direct their own investments. These districts have elected to participate in the investment pool.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net assets and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Certain indirect costs are included in the program expense reported for the individual functions and activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued)

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All other expenses not meeting this definition are reported as non-operating.

The County reports the following major governmental funds:

General Fund: This is the County's main operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Public Safety Fund: This fund accounts for the receipt of all revenues and expenditures related to public safety, including law enforcement, detention, drug task force, and patrol.

Rural Special Improvement District Debt Fund: This fund is used to accumulate revenues from assessments collected on the property tax bills. It is used for periodic payments of principal and interest of special improvement districts debt.

Capital Development Fund: This fund accounts for the County's transfers from other funds and other resources for the related expenditures dedicated to the acquisition and replacement of major capital assets.

The County reports the following major enterprise funds:

Cooney Home: This fund is used to account for the receipt of revenues and other resources and related expenses for the operation of the County-owned long-term care facility.

County Landfill: This fund is used to account for the receipt of user charges and other resources and related expenses for the operation, maintenance, construction of new cells and related closure and postclosure costs associated with the landfill.

Fairgrounds: This fund is used to account for the receipt of user charges and other resources and related expenses for the operation of the County fairgrounds. It is, also, used for the accumulation of tax revenues and expenditures related to the major construction project.

Additionally, the County reports the following fund types:

Permanent Funds: These funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's programs. As allowed by Montana Code Annotated (MCA) 37-19-82, the earnings of Forestvale Perpetual Care Fund are used for maintaining the county cemetery.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued)

Enterprise Funds: These funds account for the operations and activities, which render services on a user charge basis to the general public. Primary services are landfills and transfer stations.

Internal Service Funds: These funds account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis, such as maintenance on county buildings and vehicles; gasoline; information technology and services; liability insurance claims; major medical, dental, life, vision insurance and claims; and flexible benefits claims.

Fiduciary Funds: These funds account for monies held on behalf of school districts, special districts, and other governments and agencies that use the County as a depository; property taxes collected on behalf of other governments; and surety bonds and performance deposits.

Measurement Focus, Basis of Accounting

Government-wide, Proprietary Statements, and Fiduciary Funds: The government-wide, proprietary fund and fiduciary funds financial statements are reported using the economic resources measurement focus. Agency funds have no measurement focus. The government-wide, proprietary funds and investment trust funds financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, excluding motor vehicle taxes, licenses, and interest on investments are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County finances certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements, Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, unless those pronouncements conflict with GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The County has elected not to follow subsequent private-sector guidance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity

1. Deposits and Investments

Lewis and Clark County implemented the new accounting standard issued by Governmental Accounting Standards Board (GASB) Statement No. 40, *Deposit and Investment Risk Disclosures*. Statement No. 40 amends Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*. Statement No. 40 revises the existing requirements regarding disclosure of custodial credit risk, as required by Statement No. 3 and establishes new requirements for disclosure regarding credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

Effective July 1, 1997, the County adopted the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, which require governmental entities, including governmental external investment pools, to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB Statement No. 31, the County has stated certain investments at fair value, when material.

The County’s cash and cash equivalents are considered to be cash on hand and demand deposits. In addition, the investments with the State of Montana’s Short-Term Investment Pool (STIP) is deemed to be a cash equivalent since it is sufficiently liquid as to permit withdrawal of cash at any time without prior notice or penalty.

The County’s investments are considered to be U.S. Government obligations, collateralized mortgage obligations, mortgage-backed securities, repurchase agreements, certificates of deposit and mutual funds that invest only in government obligations or securities issued by agencies of the United States. The cash resources of the individual funds are combined to form a pool of cash and investments, which is managed by an investment committee. Assets held by Lewis and Clark County for external participants in the pool is shown in the Investment Trust Fund at fair value. On June 30, 2008, the percentage share of the investment pool that relates to the external investments is 49 percent.

Investments are carried at fair value. The fair value of pooled investments is determined annually and is based on current market prices. Investment income earned as a result of pooling is distributed to those funds authorized by statute using a formula based on the average daily balance of cash and investments in each fund. Changes in the fair value of investments are recognized as revenue at the end of each year.

The County also manages several individual investment trust accounts for external participants. These accounts are reported in the Individual Investment Fund. Funds in the Individual Investment Fund are invested entirely in STIP.

At June 30, 2008 the balance in the individual investment trust accounts were as follows:

Helena School District Elementary Building Reserves	\$ 1,281,869
Helena School District High School Building Reserves	1,978,796
Helena School District other investment	167,535
Helena School District fiscal agent bond account	103
Helena School District Endowment	20,113
East Helena School District	<u>31,624</u>
Total Individual Investment Accounts	<u>\$ 3,480,040</u>

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

Individual investment accounts are held and invested separately by the County and interest earned is deposited solely in the individual accounts.

The County issues warrants in payment of its obligations. When the warrants are presented to the treasury, the County's demand account is automatically charged to pay the warrants. Cash balances in all funds except the payroll fund are reported net of outstanding warrants.

2. Short-term Interfund Receivables/Payables

Activity between individual funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are classified as "due from other funds" or "due to other funds" on the balance sheet.

Noncurrent portions of long-term interfund loan receivables in governmental type funds are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources, therefore, are not available for appropriation.

All property tax receivables are shown net of an allowance for uncollectible. The property tax receivable allowance is equal to 2 percent of the outstanding property taxes at fiscal year-end. At June 30, 2008, the allowance amounted to \$202,925 for the primary government and \$5,930 for component units.

Property tax levies are set on or before the second Monday in August, in connection with the budget process. Real property (and certain attached personal property) taxes are billed within ten days after the third Monday in October and are due in equal installments on November 30 and the following May 31. After those dates, they become delinquent (and a lien is placed upon the property). After three years, the County may exercise the lien and take title to the property. Special assessments are either billed in one installment due November 30 or two installments due November 30 and the following May 31. Personal property taxes (other than those billed with real estate) are generally billed no later than the second Monday in July (normally in May and June), based on the prior November's levies. Personal property taxes, other than mobile homes, are due thirty days after billing. Mobile home taxes are billed in two halves, the first due May 31 and the second due the following November 30. The tax billings are considered past due after the respective due date and are subject to a penalty (2 percent of the tax charge) and monthly interest (10 percent annually of the tax charge).

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out expenditures (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

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.

4. Restricted Assets

Certain proceeds of enterprise fund and internal service fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants. The "bond reserve" account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

service account. The “bond debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months.

The “perpetual care – nonexpendable” account is used to legally restricted the principal of a program to the extent that only earnings may be used for purposes that support the County’s program.

Other purposes represent accounts that are contractually or legally restricted to a specific program.

5. Capital Assets

The County’s major infrastructure networks - roads and bridges – that had been put in place prior to implementation of GASB Statement No.34, were first reported retroactively in Fiscal-year 2007.

The County’s works of art, exhibits, and books are not being capitalized. The County has a policy that says these items are protected and preserved.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The County capitalizes all assets purchased during the year over the following threshold:

	<u>Capitalize and Depreciate</u>
Land	Capitalize only
Land Improvements	\$25,000
Building	\$50,000
Building Improvements	\$50,000
Construction in Progress	Capitalize only if total will be over: \$50,000 for Buildings; or \$25,000 for Improvements; or \$250,000 for Infrastructure
Machinery and Equipment	\$5,000
Vehicle	\$5,000
Infrastructure	\$250,000

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of the capital assets of business-type activities is included in the capitalized value of the asset constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	6-50
Buildings	15-40
Building Improvements	7-30
Vehicles	5-15
Equipment	5-10
Computer Equipment	3-7

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

6. Compensated Absences

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from County service. Employees are allowed to accumulate and carry over a maximum to two times their annual accumulation of vacation, but no more than 90 days into the new calendar year. There is no restriction on the amount of sick leave that may be accumulated. In addition, all nonexempt employees are allowed to accumulate compensatory time at time and one-half. Union contracts set the limit of compensatory time allowed. Upon separation, employees are paid 100 percent of accumulated vacation, 25 percent of accumulated sick leave and nonexempt employees are paid 100 percent of compensatory time. The liability for compensated absences is reported in the government-wide and proprietary fund statements.

7. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Net Assets

Net assets represent the difference between assets and liabilities. *Net assets invested in capital assets, net of related debt*, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. *Net assets invested in capital assets, net of related debt* excludes unspent debt proceeds. Net assets are reported as *restricted* when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted resources are used first to fund appropriation.

9. Grant Revenue

The County recognizes grant income on government-mandated and voluntary non-exchange transactions when all eligibility requirements have been met. Cash or other assets provided in advance are reported as advances and as deferred revenue until all eligibility requirements have been met.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

10. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services provided and used are reported as transfers.

Transfers occurring between the County (primary government) and discretely presented component units are reported as revenue and expenses.

11. Comparative Data/Reclassifications

No comparative total data has been presented.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

1. General Budget Policies

An annual appropriated operating budget is adopted each fiscal year for all County funds in accordance with State statutes. Levied funds that have an annual appropriated operating budget include the County's General Fund; Health Facilities Debt Service Fund; Library-Component Unit Fund; and the following Special Revenue Funds: Craig Mosquito, Mosquito Control, Water Quality, Mental Health, Roads, Predatory Animal Control, District Court, Parks, Employer Health Insurance, Forestvale Cemetery, Planning, Emergency Disaster, County Health, Senior Citizens, County Extension, and Public Safety.

2. Budget Process

As provided by State law, Lewis and Clark County follows these procedures to develop the budget information:

- (1) A proposed operating budget is submitted to the County Commissioners for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) The final budget is adopted by the County after public hearings have been conducted.
- (4) By the later of the second Monday in August or within 45 calendar days after receiving certified taxable values, the County shall fix the tax levy for each taxing jurisdiction within the county or municipality.

Spending control is legally established by an annual resolution adopted by the County Commission. This resolution delineates the total amount of expenditures budgeted by fund total

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

with the exception of the general fund which includes department totals. Budgetary comparisons have been presented in at least this much detail. Budget appropriation transfers may be made between the general classifications of salaries and wages, operation and maintenance, and capital outlay upon a resolution adopted by the County Commission. Reported budget amounts represent the original adopted budget, as amended by resolution of the County Commission. It is management's responsibility to see that the budget is followed to the budgetary line-item level.

The County Commission may amend a final budget when shortfalls in budgeted revenues require reductions in approved appropriations to avert deficit spending, when savings result from unanticipated adjustments in projected expenditures, when unanticipated state or federal monies are received, or when a public emergency occurs which could not have been foreseen at the time of adoption. The procedure to amend the budget in total can be made only after the County prepares a resolution, notice is published of a public hearing, and a public hearing is held in accordance with State law.

B. Budget/GAAP Reconciliation

Legally required budgets are adopted on the cash basis of accounting consistent with the budget laws of the State of Montana, which is a basis of accounting not in accordance with generally accepted accounting principles (GAAP). Under the budget basis of the County, certain revenues and the related assets are recognized when received rather than when susceptible to accrual or when earned, and certain expenditures are recognized when disbursed as determined by the date of the warrant rather than when the obligation was incurred. In addition, inventories are recorded as an expenditure when purchased. GAAP requires that material balances of inventory at year-end be reported on the balance sheet. Accordingly, a fund balance reserve is reflected. Annual appropriated budgets are legally adopted for the County's General Fund, all Special Revenue Funds (except the Forestvale Endowment), Debt Service Funds, and the Capital Projects Funds. No formal budget is adopted for the Permanent Fund (Forestvale Perpetual Care Fund). Formal budgetary polices are employed for the Special Revenue and Debt Service Funds. For many funds, effective budgetary controls are also achieved through (1) Rural Special Improvement District (RSID) bond provisions, (2) Intercap Loan provisions, (3) federal and state grant contracts/agreements, and (4) bond provisions. Also, the Rural Revolving (RSID Revolving) fund is no longer deemed budgetary, but continues to receive delinquent tax collections.

Individual fund budgetary amounts equal appropriation amounts. All annual appropriations lapse at fiscal year end. Encumbrances are appropriated in the subsequent fiscal year.

Accounting principles used in developing data on a budgetary basis differ from those used in preparing financial statements in conformity with generally accepted accounting principles (GAAP). The following schedule reconciles the amounts on the basic governmental fund - Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (which is prepared on a non-GAAP budgetary basis) to the amounts in the basic governmental fund - Statement of Revenues, Expenditures, and Changes in Fund Balance (which is prepared on a GAAP basis) for the major funds.

In addition, forty-three nonmajor special revenue, three nonmajor debt service, and five nonmajor capital project funds have legally required budgets and are included on the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual. The following schedule also reconciles the actual amounts for those nonmajor funds budgeted and not budgeted to the total shown on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Budget/GAAP Reconciliation (Continued)

	Major Funds			
	General	Public Safety	RSID Debt	Capital Development
Fund Balances Budget	\$ 1,982,535	\$ 1,663,954	\$ 238,919	\$ 4,644,476
Basis Differences:				
Inventory	60,596	-	-	-
Accrual of tax revenue	97,780	154,735	11,717	-
Accrual of licenses and permits	45,106	-	-	-
Accrual of intergovernmental revenue	8,334	62,511	-	-
Accrual of charges for services revenue	12,293	3,637	-	-
Accrual of fines and forfeitures	7,300	29,821	-	-
Accrual of interest revenue	-	-	-	-
Accrual of interfund transfers	-	17,760	-	-
Accrual of expenditures	(136,615)	(137,269)	-	(24,333)
Fund Balances (GAAP) Basis	2,077,329	1,795,149	250,636	4,620,143
Unbudgeted Fund Balances	-	-	-	-
Total Major Funds - Fund Balances	\$ 2,077,329	\$ 1,795,149	\$ 250,636	\$ 4,620,143

	Nonmajor Funds			
	Special Revenue	Debt Service	Capital Projects	Permanent
Fund Balances Budget	\$ 4,533,574	\$ 276,081	\$ (86,486)	\$ -
Basis Differences:				
Inventory	165,843	-	-	-
Accrual of tax revenue	129,040	3,311	-	-
Accrual of intergovernmental revenue	464,736	-	992,691	-
Accrual of charges for services revenue	48,079	-	-	-
Accrual of fines and forfeitures	4,327	-	-	-
Accrual of interest revenue	5,201	-	-	-
Accrual of miscellaneous revenue	1,252	-	-	-
Accrual of interfund transfers	(17,760)	-	-	-
Accrual of expenditures	(299,821)	-	(588,739)	-
Fund Balances (GAAP) Basis	5,034,471	279,392	317,466	-
Unbudgeted Fund Balances	236,742	-	-	209,237
	5,271,213	279,392	317,466	209,237
Total Nonmajor Funds - Fund Balances				\$ 6,077,308

C. Fund Deficits

No funds had a deficit at fiscal year-end.

NOTE 3 – DEPOSITS AND INVESTMENTS

Following is a reconciliation of the County’s deposit and investment balances as of June 30, 2008:

	<u>Pooled Cash and Investments</u>	<u>Individual Investments</u>	<u>Other</u>	<u>Total</u>
Bank Deposits	\$ 2,088,797	\$ 70,441	\$ 336,360	\$ 2,495,598
Investments	<u>57,509,471</u>	<u>3,409,599</u>	<u>408,923</u>	<u>61,327,993</u>
 Total	 <u>\$ 59,598,268</u>	 <u>\$ 3,480,040</u>	 <u>\$ 745,283</u>	 <u>\$ 63,823,591</u>
	<u>Government-wide Statement of Net Assets</u>	<u>Fiduciary Funds Statement of Net Assets</u>	<u>Component Units</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 16,394,695	\$ 36,588,882	\$ 2,436,070	\$ 55,419,647
Investments	2,258,883	4,591,846	325,452	7,176,181
Restricted assets (noncurrent)	<u>1,227,763</u>	<u>-</u>	<u>-</u>	<u>1,227,763</u>
 Total	 <u>\$ 19,881,341</u>	 <u>\$ 41,180,728</u>	 <u>\$ 2,761,522</u>	 <u>\$ 63,823,591</u>

Carrying amounts and fair values (Bank Balance for Cash Deposits) for the County’s cash/cash equivalents and investments are presented in the following schedules.

Cash Deposits

The composition of cash and cash equivalent deposits at fair value on June 30, 2008 was as follows:

	<u>Primary Government</u>	<u>Component Unit</u>
Cash on hand	\$ 585,708	\$ 116,582
Petty cash	5,650	555
Time deposits	(1,837,277)	(86,175)
Fiscal agent deposits	209,857	-
Money market account	1,292,717	57,981
Certificates of deposit	<u>2,055,847</u>	<u>94,153</u>
 Total Primary Government	 <u>\$ 2,312,502</u>	
Total Component Unit		<u>\$ 183,096</u>
 Total Reporting Entity		 <u>\$ 2,495,598</u>

Cash balances, available for investment - except those held separately, are maintained in pooled bank and investment accounts to improve investment opportunities. Available cash is invested until the cash is needed for expenditures. Any short-term investments with a maturity of 90 days or less from the date of acquisition are treated as cash equivalents for financial statement purposes.

Cash and cash equivalent deposits may include cash and cash items: demand, time, savings, fiscal agent deposits, money markets, and Certificates of Deposit. Certificates of deposit amounts are required in the above schedule, per GASB 3, for disclosure of credit and market risk, but for financial reporting purposes, they are reported as investments.

The County minimizes custodial credit risk by restrictions set forth in County policy and state law. Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the County’s deposits may not be returned or the County will not be able to recover the collateral securities in the

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

possession of the outside party. The County's policy requires deposits to be 102 percent secured by collateral valued at market value. The Treasurer's Office maintains a listing of financial institutions, which are approved for investment purposes. Types of securities that may be pledged as collateral are detailed in Section 17-6-103, Montana Code Annotated (MCA). County policy requires that that specific safeguards, against risk of loss, be evidenced when the County does not physically hold securities.

At fiscal year end, the County's carrying amount of deposits was (\$1,923,520) and the bank balance was \$179,608. The carrying amount of deposits for the County includes (\$86,243) of the component unit cash balances. Of the bank balance, \$100,000 was covered by federal depository insurance (FDIC), and \$79,608 was covered by securities held by the pledging financial institution's trust department or agent in the County's name. In October of 2008, the FDIC raised its insurance limits from \$100,000 to \$250,000.

Fiscal agent deposits of \$209,857 consist of deposits with trustees related to the issuance of bonds by the county. These funds are invested in accordance with bond covenants and are pledged for payment of principal, interest and specified capital improvements. The pledging financial institution's trust department or agent in the County's name holds the invested funds.

At fiscal year end, the County had three certificates of deposit amounting to \$2,100,000. The certificates of deposit are 100% collateralized by securities held by the pledging financial institution's trust department or agent in the County's name.

At fiscal year end, the carrying amount of the Library's deposits was \$68 and the bank balance was \$377. The bank balance was fully covered by federal depository insurance. The library also had \$110 petty cash at fiscal year end.

Both, Forestvale Perpetual Care Fund and Forestvale Endowment Fund, had money market balances at fiscal year end, of \$15,335 and \$21,721, respectively. The pledging financial institution's trust department or agent in the County's name holds the invested funds.

State of Montana statutes require that the County have pledged securities equal to 50 percent of its total deposits and investments, which are not insured or guaranteed, if the institution in which the deposit is made has a net worth to total assets ratio of 6 percent or more. At June 30, 2008, the County was in compliance with this statute.

Investments

On June 30, 2008, the book value approximated the fair value of the investments; therefore no unrealized gain or loss was recorded for the year. The composition of investments on June 30, 2008 was as follows:

Primary Government

At fiscal year end, the reported amount of the primary government's investments was \$58,749,567. Of the amount, \$408,923 was uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the County's name.

Component Unit

At fiscal year end, the reported amount of the component government's investments was \$2,578,426. Of the amount, none was uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the County's name.

The following table provides information about the interest rate risks associated with the County's investments. The investments include certain short-term cash equivalents, various long-term items and

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

restricted assets by maturity in years. The County uses a laddering technique in which it purchases investments in which one or two may mature each month. The investments have maturity ranges from nine to twenty four month. As a long-term investment matures, a new one may be purchased to replace it or the County may wait to replace it, meanwhile investing short-term until an appropriate replacement is found. The laddering allows for diversity in the portfolio to minimize interest rate risk.

	Maturities in Years					Fair Value
	Less than 1	1 - 2	6 - 10	More than 10	No Maturity	
Primary Government Investments:						
Federal National Mortgage Association - CMO	\$ -	\$ -	\$ -	\$ 78,587	\$ -	\$ 78,587
Agency Notes	460,076	4,388,958	-	-	-	4,849,034
Government Bonds	-	-	97,094	-	-	97,094
State Short-Term Investment Pool (STIP)	-	-	-	-	53,315,929	53,315,929
Corporate Bond Fund	-	-	-	-	167,398	167,398
Equity Mutual Fund	-	-	-	-	241,525	241,525
Total Primary Government	\$ 460,076	\$ 4,388,958	\$ 97,094	\$ 78,587	\$ 53,724,852	\$ 58,749,567

	Maturities in Years					Fair Value
	Less than 1	1 - 2	6 - 10	More than 10	No Maturity	
Component Unit Investments:						
Federal National Mortgage Association - CMO	\$ -	\$ -	\$ -	\$ 3,689	\$ -	\$ 3,689
Agency Notes	21,596	206,014	-	-	-	227,610
State Short-Term Investment Pool (STIP)	-	-	-	-	2,347,127	2,347,127
Total Component unit	\$ 21,596	\$ 206,014	\$ -	\$ 3,689	\$ 2,347,127	\$ 2,578,426
Total Reporting Entity	\$ 481,672	\$4,594,972	\$ 97,094	\$ 82,276	\$ 56,071,979	\$ 61,327,993

State statutes limit investments for all funds, with the exception of Forestvale Perpetual Care Fund and Forestvale Endowment Fund, to the following types:

- Direct obligations of the United States Government
- Securities issued and guaranteed by agencies of the United States
- Mutual funds that invest only in government obligation
- Securities issued by agencies of the United States
- Securities guaranteed by the United States or by an agency of the United States but not issued by agencies of the United States
- Repurchase agreements
- State Short-Term Investment Pool (STIP)

Along with the limitations place on investments by state law, the County minimizes custodial credit risk by restrictions set forth in County policy. Custodial credit risk for investments is the risk that in the event of a financial institution failure, the County’s investments may not be returned or the County will not be able to recover the collateral securities in the possession of the outside party. The County Treasurer’s Office maintains a listing of financial institutions and securities dealers, not affiliated with a bank, which are approved for investment purposes. County policy requires that that specific safeguards against risk of loss be evidenced when the County does not physically hold securities.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County securities have credit risk as measured by major credit rating services. This risk is that the issuer of a county security may default in making timely principal and interest payments.

Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit risk quality per GASB No. 40. Obligations that meet this requirement are the agency notes worth \$5,173,738.

The credit ratings presented in the following tables are provided by Standard and Poor’s Corporation (S & P) rating service. If no rating is available from S & P, then a Moody’s Investment Services, Inc rating will be used. The County does not have policies regarding credit ratings of investments.

Primary Government Investments:	<u>Fair Value</u>	<u>S & P</u>
Federal National Mortgage Association - CMO	\$ 78,587	NR
State Short-Term Investment Pool (STIP)		
Commercial Paper	29,359,885	A1+
Corporate Variable-rate	4,132,360	A1
Certificate of Deposit	1,836,843	A1+
US Government Agencies	10,080,115	A1+
Money Market Funds (Unrated)	3,429,306	NR
Money Market Funds (Rated)	1,262,862	A1+
Structured Investment Vehicles (SIV)	3,214,558	D
Corporate Bond Funds		
Core Bond Fund	152,098	AA
High Income Bond Fund	15,300	B
Equity Mutual Fund	<u>241,525</u>	NR
 Total Primary Government	 <u>\$ 53,803,439</u>	
 Component Unit Investments:		
Federal National Mortgage Association - CMO	\$ 3,689	NR
State Short-Term Investment Pool (STIP)		
Commercial Paper	1,292,511	A1+
Corporate Variable-rate	181,919	A1
Certificate of Deposit	80,863	A1+
US Government Agencies	443,757	A1+
Money Market Funds (Unrated)	150,968	NR
Money Market Funds (Rated)	55,595	A1+
Structured Investment Vehicles (SIV)	<u>141,514</u>	D
 Total Component Unit	 <u>\$ 2,350,816</u>	
 Total Reporting Entity	 <u>\$ 56,154,255</u>	

The County invests in the Short-Term Investment Pool (STIP) managed by the State of Montana. The pool invests in short-term, highly liquid investments, and as such, the County has reported these investments as cash equivalents for financial reporting purposes. Per GASB 3 for disclosure of credit risk, STIP amounts are required in the investment footnote schedules. Amounts invested by the County in STIP may be redeemed at any date at the carrying value on that date. Audited financial statements for the State of Montana’s Board of Investments are available at 555 Fuller Avenue, Helena, Montana 59601.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments in the Short-Term Investment Pool are reported at fair value. The fair value of pooled investments is determined annually and is based on year-end market prices. The unit value of the pool,

including STIP, is fixed at \$1 for both participant redemptions and purchases. Investments in the STIP are carried at cost. STIP is managed by the State of Montana and is classified as a 2A-7 like pool. STIP income is automatically reinvested in additional units.

Governmental Accounting Standards Board (GASB) Technical Bulletin No. 94-1, effective for periods ending after December 31, 1994, requires governmental entities participating in an investment pool to disclose certain types of securities held in the pool. As noted above, the County invests in STIP. This pool contains two types of investments requiring disclosure, which are asset-backed securities and variable rate (floating-rate) securities.

The Forestvale Perpetual Care Fund and Forestvale Endowment Fund are authorized to invest in stocks, bonds, and mutual funds.

The County has invested in collateralized mortgage obligations (CMOs). These investments are mortgage-backed securities and are commonly referred to as derivatives, meaning that the value of the security is derived from underlying instruments or market indices. The County is invested in derivatives taking many forms including, but not limited to, floating and inverse floating securities and principal-only strips. These investments are categorized as Federal National Mortgage Association - CMO in the previous schedules.

The County invested in derivatives in an effort to maximize yields. These securities are based on cash flows from the underlying mortgages. Therefore, they are sensitive to the mortgagee’s payments, which may vary based on raises and declines in interest rates. Maturity dates on these securities are in fiscal year 2023. The book value (cost) of the County’s derivative holdings as of June 30, 2008, was \$82,276 and the fair value on that date was \$79,201.

Following is the County’s statement of net assets and changes in net assets for its investment pool.

STATEMENT OF NET ASSETS
INVESTMENT POOL
June 30, 2008

	Internal Portion	External Portion	Total Investment Pool
Assets			
Cash and cash equivalents	\$ 25,859,590	\$ 26,479,758	\$ 52,339,348
Investments	3,586,453	3,672,467	7,258,920
Total assets	29,446,043	30,152,225	59,598,268
Net assets			
Held in trust for:			
Internal investment pool participants	29,446,043		29,446,043
External investment pool participants		30,152,225	30,152,225
Total net assets	\$ 29,446,043	\$ 30,152,225	\$ 59,598,268

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

STATEMENT OF CHANGES IN NET ASSETS
INVESTMENT POOL
For the Fiscal Year Ended June 30, 2008

	Internal Portion	External Portion	Investment Pool
Additions			
Total contributions to pooled investments	\$ 133,015,206	\$ 104,451,002	\$ 237,466,208
Deductions			
Total distribution from pooled investments	134,057,820	102,853,615	236,911,435
Net increase (decrease)	(1,042,614)	1,597,387	554,773
Net assets held in trust, beginning of year	30,488,657	28,554,838	59,043,495
Net assets held in trust, end of year	\$ 29,446,043	\$ 30,152,225	\$ 59,598,268

Restricted Cash/Investments

Following are the restricted cash/investments held by the County as of June 30, 2008. These amounts are reported within the restricted cash/investment account on the Statement of Net Assets.

<u>Enterprise Fund</u>	
Restricted for bond reserve	\$ 357,929
Restricted for debt service	460,911
Total	\$ 818,840
 <u>Internal Service Funds</u>	
Restricted for bond reserve	70,328
Total Restricted Cash	\$ 889,168

NOTE 4 – RECEIVABLES

Receivables as of year end for the government’s individual major and non-major funds - in the aggregate and discretely presented component units - in the aggregate, are as follows:

Governmental Activities

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt</u>	<u>Capital Development</u>	<u>Other Non-Major Funds</u>	<u>Total</u>
Receivable:						
Taxes/Assessments	\$ 428,534	\$ 678,570	\$ 1,789,870	\$ -	\$ 575,711	\$ 3,472,685
Allowance for Uncollectibles	(8,571)	(13,571)	(35,797)	-	(11,514)	(69,453)
Taxes (net)	<u>\$ 419,963</u>	<u>\$ 664,999</u>	<u>\$ 1,754,073</u>	<u>\$ -</u>	<u>\$ 564,197</u>	<u>\$ 3,403,232</u>

Business-type Activities and Component Units

	<u>Cooney Home</u>	<u>County Landfill</u>	<u>Fairgrounds</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Component Unit</u>
Receivable:						
Taxes/Assessments	\$ -	\$ -	\$ 147,407	\$ -	\$ 147,407	\$ 296,500
Allowance for Uncollectibles	-	-	(2,948)	-	(2,948)	(5,930)
Taxes (net)	<u>-</u>	<u>-</u>	<u>144,459</u>	<u>-</u>	<u>144,459</u>	<u>290,570</u>
Accounts receivable	474,270	118,744	-	324,471	917,485	420,606
Allowance for doubtful accounts	(36,293)	-	-	(5,002)	(41,295)	(168,242)
Net accounts	<u>437,977</u>	<u>118,744</u>	<u>-</u>	<u>319,469</u>	<u>876,190</u>	<u>252,364</u>
Total	<u>\$ 437,977</u>	<u>\$ 118,744</u>	<u>\$ 144,459</u>	<u>\$ 319,469</u>	<u>\$ 1,020,649</u>	<u>\$ 542,934</u>

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Taxes/Assessment receivable (General Fund)	\$ 322,182	\$ -	\$ 322,182
Taxes/Assessment receivable (Public Safety Fund)	510,264	-	510,264
Taxes/Assessment receivable (RSID Debt)	1,742,356	-	1,742,356
Taxes/Assessment receivable (Nonmajor Funds)	431,846	-	431,846
Payment in lieu of taxes (General Fund)	-	942,083	942,083
Payment in lieu of taxes (Public Safety Fund)	-	322,500	322,500
Payment in lieu of taxes (Nonmajor Fund)	-	115,000	115,000
Total	<u>\$ 3,006,648</u>	<u>\$ 1,379,583</u>	<u>\$ 4,386,231</u>

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

The County uses interfund receivables and payables for funds that incur negative cash balances due to expenditures exceeding revenues for a short time period. Balances due to/from other funds at June 30, 2008, consist of the following:

Governmental Activities

<u>Receivable Fund</u>	<u>Payable Funds</u>	<u>Amount</u>
General Fund	HIDTA Grant	\$ 5,598
	National Fire Plan	19,894
	Other Grants	132,303
	Federal Grant Projects	355,085
	Road/Bridge Infrastructure Project	10,802
	Fuel Revolving	2,349
	Total general fund	<u>526,031</u>
Non-major governmental funds	Special Assessment Districts	<u>79</u>
Total governmental activities		<u>\$ 526,110</u>

NOTE 6 – NOTE AND ADVANCES RECEIVABLE

Notes and advances receivable at June 30, 2008, include the following:

Governmental Activities

Debt Service Funds

RSID Revolving Fund

2% above the STIP rate, advance receivable from Sunny Vista Road Maintenance District, due in semi-annual payments through 2009. \$ 8,974

2% above the STIP rate, advance receivable from Oro Fino Park Construction, due in yearly payments through 2009. 1,048

7% advance receivable from Cave Gulch Watershed Project, due in semi-annual payments through 2014. 16,937

Total debt service funds \$ 26,959

Capital Projects Funds

Capital Development Fund

2% above the STIP rate, advance receivable from Fairgrounds Enterprise for the major construction project, due in semi-annual payments beginning in December 2008 and continuing through 2015. \$ 1,078,094

Total governmental activities \$ 1,105,053

NOTE 7 –TRANSFERS

The County uses interfund transfers for regular re-occurring internal charges, such as administration fees and insurance costs, to name a few.

The following is a summary of transfers in and out during fiscal year 2008:

	<u>Transfers Out</u>					Total Transfers In
	General Fund	Public Safety Fund	Nonmajor Governmental Fund	Fairgrounds Enterprise Fund	Internal Service Funds	
Transfer In:						
<u>Governmental Funds:</u>						
General Fund	\$ -	\$ -	\$ 171,666	\$ -	\$ -	\$ 171,666
Public Safety	-	-	178,882	-	-	178,882
RSID Debt	-	-	300	-	-	300
Capital Development	501,904	374,740	429,614	-	-	1,306,258
Nonmajor Governmental	186,262	198,220	1,039,511	136,000	2,000	<u>1,561,993</u>
Total Governmental Funds						<u>3,219,099</u>
<u>Enterprise Funds:</u>						
Cooney Home	22,416	-	173,663	-	-	196,079
County Landfill	-	-	10,433	-	-	10,433
Fairgrounds	50,000	-	10,084	-	-	60,084
Nonmajor Enterprise Funds	-	-	2,596	-	-	<u>2,596</u>
Total Enterprise Funds						<u>269,192</u>
Internal Services	-		129,930	-	-	<u>129,930</u>
	<u>\$ 760,582</u>	<u>\$ 572,960</u>	<u>\$ 2,146,679</u>			
Total transfers out - governmental funds			<u>\$ 3,480,221</u>			
Total transfers out - enterprise funds				<u>\$ 136,000</u>		
Total transfers out - internal service funds					<u>\$ 2,000</u>	
Total Transfers Out						<u>\$ 3,618,221</u>

NOTE 8 – CAPITAL ASSETS

PRIMARY GOVERNMENT

<u>Governmental Activities:</u>	Beginning Balance	Increases	Decrease	Ending Balance
<i>Capital assets not being depreciated:</i>				
Land	\$ 4,288,185	\$ -	\$ -	\$ 4,288,185
Construction in progress	1,620,953	3,004,146	92,328	4,532,771
Total capital assets not being depreciated	5,909,138	3,004,146	92,328	8,820,956
<i>Capital assets being depreciated:</i>				
Buildings	16,438,787	57,772	-	16,496,559
Improvements other than Buildings	2,019,782	-	-	2,019,782
Infrastructure	7,070,830	1,052,596	161,545	7,961,881
Machinery & Equipment	10,179,683	474,395	238,786	10,415,292
Total capital assets being depreciated	35,709,082	1,584,763	400,331	36,893,514
Less accumulated depreciation for:				
Buildings	7,895,088	411,841	-	8,306,929
Improvements other than Buildings	856,748	139,317	-	996,065
Infrastructure	967,574	617,068	156,434	1,428,208
Machinery & Equipment	5,610,865	1,021,526	229,522	6,402,869
Total accumulated depreciation	15,330,275	2,189,752	385,956	17,134,071
Total capital assets being depreciated, net	20,378,807	(604,989)	14,375	19,759,443
Government activity capital assets, net	<u>\$ 26,287,945</u>	<u>\$ 2,399,157</u>	<u>\$ 106,703</u>	<u>\$ 28,580,399</u>
<u>Business-type Activities:</u>				
<i>Solid Waste</i>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 243,648	\$ -	\$ -	\$ 243,648
Total capital assets not being depreciated	243,648	-	-	243,648
<i>Capital assets being depreciated:</i>				
Buildings	325,366	-	-	325,366
Improvements other than Buildings	4,226,778	-	-	4,226,778
Machinery & Equipment	1,269,252	501,048	422,175	1,348,125
Total capital assets being depreciated	5,821,396	501,048	422,175	5,900,269
Less accumulated depreciation for:				
Buildings	102,356	8,134	-	110,490
Improvements other than Buildings	1,013,154	80,002	-	1,093,156
Machinery & Equipment	793,108	132,714	247,303	678,519
Total accumulated depreciation	1,908,618	220,850	247,303	1,882,165
Total capital assets being depreciated, net	3,912,778	280,198	174,872	4,018,104
Solid Waste capital assets, net	<u>\$ 4,156,426</u>	<u>\$ 280,198</u>	<u>\$ 174,872</u>	<u>\$ 4,261,752</u>

NOTE 8 – CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decrease</u>	<u>Ending Balance</u>
<i>Cooney Convalescent Home</i>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 130,794	\$ -	\$ -	\$ 130,794
Construction in progress	-	29,461	-	29,461
Total capital assets not being depreciated	<u>130,794</u>	<u>29,461</u>	<u>-</u>	<u>160,255</u>
<i>Capital assets being depreciated:</i>				
Buildings	3,975,743	-	-	3,975,743
Machinery & Equipment	255,138	16,738	16,294	255,582
Total capital assets being depreciated	<u>4,230,881</u>	<u>16,738</u>	<u>16,294</u>	<u>4,231,325</u>
Less accumulated depreciation for:				
Buildings	1,422,539	125,015	-	1,547,554
Machinery & Equipment	170,226	21,737	16,294	175,669
Total accumulated depreciation	<u>1,592,765</u>	<u>146,752</u>	<u>16,294</u>	<u>1,723,223</u>
Total capital assets being depreciated, net	<u>2,638,116</u>	<u>(130,014)</u>	<u>-</u>	<u>2,508,102</u>
Cooney Convalescent Home capital assets, net	<u>\$ 2,768,910</u>	<u>\$ (100,553)</u>	<u>\$ -</u>	<u>\$ 2,668,357</u>
<i>Fairgrounds</i>				
<i>Capital assets not being depreciated:</i>				
Construction in progress	\$ 809,261	\$ 6,791,833	\$ 28,257	\$ 7,572,837
Total capital assets not being depreciated	<u>809,261</u>	<u>6,791,833</u>	<u>28,257</u>	<u>7,572,837</u>
<i>Capital assets being depreciated:</i>				
Buildings	319,524	-	-	319,524
Improvements other than Buildings	294,999	148,466	-	443,465
Machinery & Equipment	71,317	-	-	71,317
Total capital assets being depreciated	<u>685,840</u>	<u>148,466</u>	<u>-</u>	<u>834,306</u>
Less accumulated depreciation for:				
Buildings	45,048	25,667	-	70,715
Improvements other than Buildings	53,842	19,213	-	73,055
Machinery & Equipment	29,430	12,472	-	41,902
Total accumulated depreciation	<u>128,320</u>	<u>57,352</u>	<u>-</u>	<u>185,672</u>
Total capital assets being depreciated, net	<u>557,520</u>	<u>91,114</u>	<u>-</u>	<u>648,634</u>
Fairgrounds capital assets, net	<u>\$ 1,366,781</u>	<u>\$ 6,882,947</u>	<u>\$ 28,257</u>	<u>\$ 8,221,471</u>
Business-type activities capital assets, net	<u>\$ 8,292,117</u>	<u>\$ 7,062,592</u>	<u>\$ 203,129</u>	<u>\$ 15,151,580</u>

A collection of 33 framed and 7 unframed Thomas Kinkade canvas lithographs were donated in fiscal year 2006 to the Cooney Convalescent Home. The collection of art was valued at the time of donation at \$35,985. The collection has not been capitalized since it meets the following criteria: the collection will be held for public exhibit and not for financial gain; it will be protected, kept unencumbered, cared for, and preserved; and the collection is subject to county policy that proceeds from sales will be used to acquire other items for the collection.

NOTE 8 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	\$ 422,132
Public safety	875,975
Public works	776,765
Public health	57,537
Social and economic services	2,768
Culture and recreation	<u>54,575</u>
Total depreciation expense - business-type activities:	<u><u>\$ 2,189,752</u></u>
Business-type activities:	
Solid waste	\$ 220,851
Nursing home	146,752
Fair	<u>57,352</u>
Total depreciation expense-business-type activities:	<u><u>\$ 424,955</u></u>

DISCRETELY PRESENTED COMPONENT UNITS

Activity for the **Library** for the fiscal year ended June 30, 2008, was as follows:

	Beginning Balance	Increases	Decrease	Ending Balance
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Capital assets not being depreciated:</i>				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Total capital assets not being depreciated	50,000	-	-	50,000
<i>Capital assets being depreciated:</i>				
Buildings	1,472,544	-	-	1,472,544
Machinery & Equipment	<u>352,325</u>	<u>31,345</u>	<u>9,023</u>	<u>374,647</u>
Total capital assets being depreciated	1,824,869	31,345	9,023	1,847,191
Less accumulated depreciation for:				
Buildings	104,306	-	-	104,306
Machinery & Equipment	<u>116,784</u>	<u>82,643</u>	<u>9,023</u>	<u>190,404</u>
Total accumulated depreciation	221,090	82,643	9,023	294,710
Total capital assets being depreciated, net	<u>1,603,779</u>	<u>(51,298)</u>	<u>-</u>	<u>1,552,481</u>
Library capital assets, net	<u><u>\$ 1,653,779</u></u>	<u><u>\$ (51,298)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,602,481</u></u>

NOTE 8 – CAPITAL ASSETS (Continued)

Activity for the **Cooperative Health Center** for the ended June 30, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decrease</u>	<u>Ending Balance</u>
<i>Capital assets being depreciated:</i>				
Total capital assets being depreciated	<u>\$ 49,725</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,725</u>
Less accumulated depreciation for:				
Machinery & Equipment	<u>49,725</u>	<u>-</u>	<u>-</u>	<u>49,725</u>
Cooperative Health Center capital assets, net	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NOTE 9 – LONG-TERM DEBT

GENERAL OBLIGATION BONDS

Governmental Activities

There were no general obligation bonds outstanding for the fiscal year ended June 30, 2008.

REVENUE BONDS

Governmental Activities

At June 30, 2008, the outstanding revenue bond indebtedness of Lewis and Clark County is as follows:

Health Care Facility Revenue Bonds, Series 1998D: \$ 525,000

The bond has an interest rate of 3.8% / 5.1%, payable from the Cooperative Health Center in annual installments of \$30,000 to \$65,000 beginning February 1, 1999, callable on or after February 1, 2006. The original debt, issued on February 1, 1998, was \$1,367,072 and is secured by net revenues and a limited tax levy of up to 3 mills. Final payment is scheduled for February 1, 2018.

Business-type Activities

At June 30, 2008, the outstanding revenue bond indebtedness, excluding \$19,887 of unamortized deferred loss due to refunding, of Lewis and Clark County is as follows:

Solid Waste Facility Refunding Revenue Bonds, Series 2004: \$2,658,000
(DNRC SRF Loan Program)

In fiscal year 2005, Lewis and Clark County issued refunding bonds in the amount of \$3,043,858. The purpose of this issuance is to use the proceeds to retire the County's outstanding Solid Waste Facility Revenue Bonds, Series 1994 and Solid Waste Facility Revenue Bonds, Series 2000. The refunding bonds have an interest rate of 3.75%, payable in annual installments of \$52,858 to \$208,000 beginning January 1, 2005. The bonds are to be repaid from the net revenues derived from the operations from the County's Solid Waste Facility. Final payment is scheduled for July 1, 2024. The carrying amount of the Series 1994 and 2000 bonds was \$3,012,038 (\$2,506,435 and \$505,604, respectively) for a net increase in bonds payable of \$31,819. The economic gain calculated by the County was \$22,238.

NOTE 9 – LONG-TERM DEBT (Continued)

Health Care Facility Revenue Bonds, Series 1998B: \$1,060,000

The bond has an interest rate of 3.8% / 5.1%, payable from the Cooney Home in annual installments of \$55,000 to \$130,000 beginning February 1, 1999, callable on or after February 1, 2006. The original debt, issued on February 1, 1998, was \$2,752,420 and is secured by net revenues and a limited tax levy of up to 3 mills. Final payment is scheduled for February 1, 2018

Fairgrounds Revenue Bonds, Series 2007: \$3,535,000

The bond has an interest rate of 4.54%, payable from the Fairgrounds Enterprise in semi-annual installments of \$184,766 to \$314,924 beginning July 1, 2008. The original debt, issued on August 27, 2007, was \$3,535,000 and is secured by the Special Fairgrounds Building Tax Levy. Final payment is scheduled for July 1, 2014.

Total Business-type Activities \$7,253,000

Total Revenue Bonds \$7,778,000

The County is carrying the cost of the Solid Waste Facility Revenue Bonds at par plus the unamortized deferred loss due to refunding. The deferred loss is amortized on a monthly basis over the life of the bonds. These revenue bonds are unsecured and repayment is from charges for services of the corresponding facilities.

Revenue bond resolutions include various restrictive covenants. The more significant covenants 1) require that cash be restricted and reserved for operations, debt service, and replacement and depreciation of facilities; 2) specify minimum required operating revenue; and 3) specific and timely reporting of financial information to bond holders and the registrar.

The following information is presented to satisfy bond covenant provisions. The bond resolution for the 1998 Health Care Revenue Bonds issued in February 1998 requires a 110 percent earnings ratio based on the current year's maximum debt service requirement. Bond requirements for the County Landfill Refunding Revenue Bond requires that net revenues in excess of current expenses equal 125 percent of the maximum amount of principal and interest in any subsequent fiscal year. For the year ended June 30, 2008, the County was in compliance with these requirements for the Health Care Facilities and the County Solid Waste Facility, but not in compliance for the Cooney Home. Room rates for private pay and Medicare residents have been increased for fiscal year 2009 in an attempt to bring the Cooney Home into compliance. Also, several expenses should be less as a new therapy contract has been negotiated, along with reduced workers comp rates. Management will be monitoring the ratio throughout the year.

	County Landfill	Cooney Home	Health Care Facilities
Gross revenues	\$ 1,070,728	\$ 5,307,254	\$ 319,147
Direct operating expenses	672,884	5,284,999	205,357
Net Revenue	<u>\$ 397,844</u>	<u>\$ 22,255</u>	<u>\$ 113,790</u>
Maximum debt service	\$ 218,400	\$ 137,170	\$ 68,330
Percent coverage	182.2%	16.2%	166.5%

Gross revenues include operating revenues and interest income. Direct operating expenses exclude depreciation and interest expense on the bond issue.

NOTE 9 – LONG-TERM DEBT (Continued)

Revenue bond debt service requirements to maturity are as follows:

Governmental Activities

<u>FY Ending</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2009	26,490	40,000	66,490
2010	24,490	45,000	69,490
2011	22,240	45,000	67,240
2012	19,990	50,000	69,990
2013	17,490	50,000	67,490
2014-2018	46,355	295,000	341,355
Totals	\$ 157,055	\$ 525,000	\$ 682,055

Business-type Activities

<u>FY Ending</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2009	389,078	615,193	1,004,271
2010	279,382	725,139	1,004,521
2011	246,698	759,654	1,006,352
2012	212,478	788,250	1,000,728
2013	176,980	823,974	1,000,954
2014-2018	451,595	2,296,790	2,748,385
2019-2023	157,482	930,000	1,087,482
2024-2025	11,832	314,000	325,832
Totals	\$ 1,925,525	\$ 7,253,000	\$ 9,178,525

Changes in Long-Term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2008

<u>Governmental Activities</u>	<u>Balance</u> <u>07/01/07</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/08</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Revenue Bonds	\$ 565,000	\$ -	\$ 40,000	\$ 525,000	\$ 40,000
Special Assessment	1,217,515	771,749	153,437	1,835,827	177,615
Contracts/Loans	2,172,265	382,611	439,004	2,115,872	459,066
Compensated Absences	1,569,293	1,100,388	982,817	1,686,864	168,686
Total	\$ 5,524,073	\$ 2,254,748	\$ 1,615,258	\$ 6,163,563	\$ 845,367
<u>Business-type Activities</u>					
Revenue Bonds (1)	\$ 3,889,931	\$ 3,538,182	\$ 195,000	\$ 7,233,113	\$ 615,194
Contracts/Loans	117,644	-	19,910	97,734	20,542
Contracts/Loans	1,027,712	54,552	20,000	1,062,264	20,000
Contracts/Loans	199,306	193,620	186,885	206,041	20,604
Total	\$ 5,234,593	\$ 3,786,354	\$ 421,795	\$ 8,599,152	\$ 676,340

(1) Balance on 6/30/08, includes \$19,887 of unamortized deferred loss due to refunding.

NOTE 9 – LONG-TERM DEBT (Continued)

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At fiscal year end, \$11,582 and \$178,811 of internal service funds’ contracts and compensated absences, respectively, are included in the above amounts. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the general fund and other governmental funds.

NOTE 10 - CONDUIT DEBT

The County has authorized the issuance of certain bonds in its name to provide tax exempt status because it perceives a substantial public benefit will be achieved through the use of proceeds. The following describes the various types of such third party debt.

Environmental Facilities Revenue Bonds – These bonds have been issued on behalf of Asarco, Inc., to finance pollution control projects at the Asarco plant in Lewis and Clark County.

Higher Education Revenue Note – This note has been issued on behalf of Carroll College, to finance improvements consisting of acquisition, construction, and installation of energy efficiency improvements to various buildings and facilities on the Carroll College campus.

Industrial Development Revenue Bonds – These bonds have been issued on behalf of Golden Triangle, Inc., to finance a portion of the construction, acquisition and financing of mental health facilities.

Family Services Provider Revenue Bonds – These bonds have been issued on behalf of Montana Advocacy Program, Inc., to finance the acquisition and remodeling of a building to provide office space for the corporation.

Industrial Development Revenue Bonds – These bonds have been issued on behalf of the Montana Children’s Home and Hospital to finance a portion of the construction, acquisition and equipping of buildings for a hospital.

As of June 30, 2008, the status of all third party debt issued is:

	<u>Issued</u>	<u>Outstanding</u>
Environmental Facilities Revenue Bonds Asarco, Inc.	\$ 33,160,000	\$ 33,160,000
Environmental Facilities Revenue Bonds Asarco, Inc.	34,800,000	34,800,000
Higher Education Revenue Note	2,800,000	2,800,000
Industrial Development Revenue Bonds - Golden Triangle, Inc.	2,000,000	1,348,000
Family Services Provider Revenue Bonds	995,000	995,000
Industrial Development Revenue Bonds -Montana Children's Home and Hospital	<u>6,990,000</u>	<u>5,060,000</u>
 Total	 <u>\$ 80,745,000</u>	 <u>\$ 78,163,000</u>

These bonds do not constitute an indebtedness of the County. The debt is payable solely from the funds and assets pledged by the ultimate borrower stipulated in the loan agreements. In the opinion of County officials, this debt is not payable from any revenues or assets of the County, and neither, the full faith and credit of the taxing authority of the County, the State or any political subdivision thereof is obligated to the payment of principal or interest on the bonds.

NOTE 11 – SPECIAL ASSESSMENT DEBT AND CONTRACTS/LOANS PAYABLE

Governmental Activities

The following loans represent borrowings from the State of Montana Board of Investments Intercap Loan Program.

Special Assessment Debt

The loans are special assessment debt issued for the construction and maintenance of capital improvements within defined special improvement districts. The loans are payable from special assessments levied against the properties in the respective districts. The County has a secondary responsibility on the debt issued for the various districts. State law obligates the County to pay the debt service on these loans even if the assessments on the property owners are in default. At fiscal year-end 2008, funds with special assessment debt had \$23,483 in delinquent tax receivables. State law provides for and the County uses a “Special Improvement District Revolving Fund” to accumulate resources for such debt service payment. Statutes allow for a special property tax levy as long as the balance in this fund is less than 5% of total outstanding special assessment debt with government commitment. In the current fiscal year the County did not levy for this fund.

Montana Board of Investment intercap loans have a variable interest rate that is adjusted annually. For fiscal year 2008, the rate was 4.85 percent. Special assessment debts at June 30, 2008, are as follows:

	Amount Issued	Year of Maturity	Principal Balance 6/30/2008	Due Within One Year	FY2008 Interest Rate (%)
Middlemas Rural Improvement District	\$ 10,475	2017	\$ 9,557	\$ 882	4.25%
Lambkin Rural Improvement District	29,352	2016	24,279	2,658	4.25%
Oro Fino Rural Improvement District	30,470	2016	25,385	2,766	4.25%
Applegate Rural Improvement District	43,006	2016	35,572	3,895	4.25%
Ten Mile Creek Estates Rural Improvement District	23,684	2014	20,694	3,070	4.25%
Treasure State Acres Rural Improvement District	194,066	2014	169,570	25,156	4.25%
Golden Estates Rural Improvement District	28,754	2016	23,835	2,602	4.25%
Schmidtville Rural Improvement District	89,046	2012	26,926	6,264	4.25%
Gilbert Rural Improvement District	48,055	2012	18,375	4,275	4.25%
Vandenberg Village Rural Improvement District	60,151	2012	18,188	4,231	4.25%
Augusta Rural Improvement District	67,121	2014	31,978	4,959	4.25%
Gable Estates Rural Improvement District	317,476	2016	239,683	26,160	4.25%
Munger Rural Improvement District	11,580	2016	7,837	855	4.25%
Fawn Meadows Estates Rural Improvement District	14,194	2016	9,605	1,048	4.25%
Lincoln Road Rural Improvement District	348,772	2016	261,283	28,525	4.25%
Maynard Rural Improvement District	8,680	2016	7,180	786	4.25%
Prickley Pear Rural Improvement District	168,861	2016	127,231	13,887	4.25%
Bel Air Rural Improvement District	208,320	2018	208,320	10,334	4.25%
Townview Rural Improvement District	39,197	2018	39,197	3,379	4.25%
Riddock Rural Improvement District	6,438	2018	6,438	555	4.25%
Green Acres Rural Improvement District	25,273	2018	25,273	2,178	4.25%
Woodlawn Rural Improvement District	7,150	2010	4,150	4,150	4.25%
McHugh Rural Improvement District	495,272	2023	495,272	25,000	4.10%
Total Special Assessment Debt	\$ 2,275,393		\$ 1,835,828	\$ 177,615	

NOTE 11 – SPECIAL ASSESSMENT DEBT AND CONTRACTS/LOANS PAYABLE (Continued)

Contracts/Loans Payable

Loans are issued for cost of construction or remodeling of county building, repairs and replacement of bridges, and purchase of motor graders for public works and public safety radio and computer systems.

	Amount Issued	Year of Maturity	Principal Balance 6/30/2008	Due Within One Year	FY2009 Interest Rate (%)
Courthouse Renovation/Security	\$ 289,000	2011	\$ 87,857	\$ 33,684	4.25%
County Bridge Replacement & Repair	433,144	2011	148,546	48,432	4.25%
Remodel Augusta Senior Citizen's Center	79,781	2011	28,695	9,046	4.25%
Courthouse Renovation	450,000	2015	306,053	43,681	4.25%
Motor Graders	539,166	2014	408,900	66,721	4.25%
Forestvale Cemetery District	500,000	2009	42,966	42,966	4.25%
Computer System - Law Enforcement/Courts	465,000	2010	143,368	70,579	4.25%
Integrated Public Safety Radio System	750,000	2013	555,293	102,906	4.25%
City/County Building Remodel	382,611	2018	382,611	29,469	4.25%
Total	\$ 3,888,702		\$ 2,104,289	\$ 447,484	

Internal Service Funds

Loans are issued for cost of new fuel tanks. Internal Service Funds predominantly serve the governmental funds. At year end, the following amounts are included in the governmental activities on the Statement of Net Assets.

	Amount Issued	Year of Maturity	Principal Balance 6/30/2008	Due Within One Year	FY2009 Interest Rate (%)
Fuel Revolving	\$ 94,351	2009	\$ 11,582	\$ 11,582	4.25%
Total	94,351		11,582	11,582	
Total Contracts/Loans Payable	\$ 3,983,053		\$ 2,115,871	\$ 459,066	

Governmental Activities

The following is a summary of maturities and interest by years for the special assessment debt and contracts payable at June 30, 2008. With variable interest rates that are adjusted annually, the actual interest is shown for the next year and the future years are estimated using the FY2009 rate of 4.25 percent.

FY Ending	Special Assessment Debt		Contracts Payable	
	Principal	Interest	Principal	Interest
2009	\$ 177,887	\$ 73,118	\$ 459,066	\$ 82,830
2010	186,121	68,612	423,549	65,917
2011	192,812	60,669	342,961	48,531
2012	204,796	52,337	275,464	34,995
2013	194,226	43,796	286,136	23,099
2013-2016	670,024	107,966	328,694	29,370
2013-2016	209,961	23,090	-	-
Total Governmental Activities	\$ 1,835,827	\$ 429,588	\$ 2,115,870	\$ 284,742

NOTE 11 – SPECIAL ASSESSMENT DEBT AND CONTRACTS/LOANS PAYABLE (Continued)

Business-type Activities

Contracts/Loans Payable

Loans are issued for cost of the fairgrounds bleachers.

	Amount Issued	Year of Maturity	Principal Balance 6/30/2008	Due Within One Year	FY2009 Interest Rate (%)
Fairgrounds Bleachers	\$ 199,900	2013	\$ 97,734	\$ 20,542	4.25%

The following is a summary of maturities by years, excluding interest, for the contracts payable at June 30, 2008. With variable interest rates that are adjusted annually, the actual interest is shown for the next year and the future years are estimated using the FY2008 rate of 4.25 percent.

<u>FY Ending</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 20,542	\$ 3,936
2010	21,195	3,055
2011	21,868	2,132
2012	22,562	1,203
2013	11,567	244
Total Business-type Activities	<u>\$ 97,734</u>	<u>\$ 10,570</u>

NOTE 12 - LEASES

Capital Leases

In fiscal year 2008, Lewis and Clark County did not have any capital leases.

NOTE 13 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and Federal laws and regulations require that Lewis and Clark County place a final cover on its landfill when closed and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The amount of the related closure and postclosure care costs recognized in each period is based on the relative amount of waste received during the period, even though some of the closure and postclosure care costs will be paid after the landfill is closed. Lewis and Clark County is required by state and federal regulations to provide financial assurance for landfill closure, postclosure and remediation (if applicable). The County qualifies and has chosen to provide assurance by using the Local Government financial test.

County Landfill

Although the County Landfill began accepting waste on October 11, 1994, final construction wasn't completed until December 1994. In February 2004, a new engineer's report was completed providing the county with new closure and post closure estimates. The estimated cost for landfill closure and postclosure care is \$3,287,000, and will be recognized on a pro rata basis as the estimated capacity of 80 acres of usable space is filled. The estimated liability of \$722,224 booked at the end of fiscal year 2008, represents the cumulative amount reported, to date, based upon the use of 8.75 percent of its ultimate capacity. This

NOTE 13 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS (Continued)

amount is comprised of estimated costs for Class II cell closure, Class IV cell closure, and postclosure monitoring of \$651,584, \$33,180 and \$37,500, respectively.

In Fiscal year 2004, the closure of the first original cell, Phase I, was completed, along with the opening of a Class IV cell that will be used only for construction waste. The estimated costs for landfill closure are \$2,524,000 for Class II cells. Based on the engineer's estimate that the largest area for Class II cells to be open at any one time would be 20 acres, therefore the largest closure liability for Class II cells would be \$691,507. The total closure cost for the Class IV cell is \$146,000, with an estimated remaining life of 18 years.

The total liability for the Class II cells and the Class IV cell will be increased on a pro rata basis each year to attain the proper liability balance at closure. The increase in liability for Class II cells and the Class IV cell in fiscal year 2008 is \$40,416 and \$6,636, respectively.

The total postclosure liability is \$375,000. The liability will be recognized on a pro rata basis according to the estimated remaining life, in years, of the landfill. The increase in liability for postclosure in fiscal year 2008 is \$7,500. The County expects the landfill to close in 2054, therefore there are 46 years remaining of useful life.

All amounts recognized are based on what it would cost to perform all closure and postclosure care at year-end, however, actual costs may be higher due to inflation.

Scratch Gravel Landfill

The Scratch Gravel Landfill was closed on October 8, 1994. The estimated costs for landfill postclosure are \$500,000. The estimated landfill postclosure cost is estimated to be \$20,000 for the current year and \$20,000 for each of the next 17 years for a total of \$360,000. All costs are based on what it would cost to perform all postclosure care at year-end; however, actual costs may be higher due to inflation, as current EPA regulations regarding financial assurance were not in effect during the life of the Scratch Gravel landfill. Postclosure costs were not accumulated. All postclosure costs will be financed with current revenues.

It is anticipated that future inflation costs at the County and the Scratch Gravel Landfills will be in part financed from earnings on investments. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example), may need to be covered by charges to future landfill users, taxpayers, or both.

NOTE 14 – EMPLOYEE BENEFIT PLANS

Montana Public Employees Retirement System

With a few exceptions, all of Lewis and Clark County's employees must participate in one of three state-administered cost-sharing multiple-employer defined benefit pension plans. The exceptions are employees that work less than 960 hours, Cooney Home employees, and elected officials of the County. These three groups have the option of participating in Montana Public Employees' Retirement System (MPERS). The plans provide retirement, death and disability benefits to plan members and beneficiaries. Sheriff employees are covered by the Montana Sheriffs' Retirement System (MSRS), one employee is covered by the Montana Teachers Retirement System (MTRS) and substantially all other County employees are covered by MPERS.

NOTE 14 – EMPLOYEE BENEFIT PLANS (Continued)

The plans issue financial reports that include financial statements and the required supplementary information. Those reports are available to the public and may be obtained by writing or calling the respective plans offices as follows:

Sheriffs’ Retirement System
 100 N Park Ave, Suite 200
 PO Box 200131
 Helena, Montana 59620-0131
 (406) 444-3154

Montana Public Employees’ Retirement System
 100 N Park Ave, Suite 200
 PO Box 200131
 Helena, Montana 59620-0131
 (406) 444-3154

Montana Teachers’ Retirement System
 1500 E Sixth Ave
 PO Box 200139
 Helena, Montana 59620-0139
 (406) 444-3134

State law determines required contribution rates. The contribution rates, expressed as a percentage of covered payroll for the fiscal year ended June 30, 2008, were as follows:

	<u>MPERS</u>	<u>MSRS</u>	<u>MTRS</u>
Employer	6.94%	9.825%	7.47%
Employee	6.90%	9.245%	7.15%

The County’s contributions for the years ended June 30, 2006, 2007 and 2008, as listed below, are equal to the required contribution for each year.

	<u>MPERS</u>	<u>MSRS</u>	<u>MTRS</u>
2006	\$ 831,833	\$ 239,045	\$ 4,433
2007	795,069	278,608	4,521
2008	888,196	284,984	4,846

Post Employment Benefits

As required by state law, the County provides employees who retire an option to continue to participate in the County’s group health insurance plan. The 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). At June 30, 2008, the County had ten retired employees and one other employee under COBRA insurance coverage. To continue coverage, employees are required to pay the full cost of the benefits. The County will pay the first six months of insurance for retirees with 20 years or more with the County. As of June 30, 2008, the County was paying insurance for one retiree.

Deferred Compensation

Lewis and Clark County offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all County employees and permits them to defer a portion of their salary until future years. In fiscal year 2007, Lewis and Clark County changed the plan provider to Great-West Retirement Services, hereafter referred to as Great-West. Employees had previously participated in a plan provided by PEBSCO, a division of Nationwide Retirement Solutions. Upon the change, employees who had invested in PEBSCO had a choice to transfer it to Great-West or leave it with PEBSCO. Contributions must now be deposited with Great West.

NOTE 14 – EMPLOYEE BENEFIT PLANS (Continued)

The deferred compensation is not available to employees until termination, retirement, death or an unforeseen emergency. The plans operate according to the requirements set forth under Internal Revenue Code Section 457. Under those requirements, all amounts of compensation deferred under the plan, all property rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries, rather than for the County. A fiduciary relationship does not exist between the County and PEBSCO or Great-West, therefore the County has elected to not report the balances and activities of the plans in its financial statements.

Other Employee Benefits

In addition, the County also pays the premium for a \$25,000 life insurance policy for all employees. The premiums were paid to an insurance carrier during the fiscal year ended June 30, 2008.

The County also operates an Internal Revenue Code Section 125 plan for medical and day care expenses. Employees can contribute pretax dollars up to \$3,000 per year for medical expenses and up to \$5,000 per year for day care expenses.

NOTE 15 – RISK MANAGEMENT

The County faces a considerable number of risks of loss, including (a) damage to and loss of property and contents; (b) employees' torts; (c) professional liability, i.e., employee injuries; and (d) medical insurance costs of employees. Commercial policies transferring all risks of loss, except for relatively small deductible amounts are purchased for property and content damage, employee torts, and professional liabilities. The County participates in two state-wide public risk pools operated by the Montana Association of Counties, for workers' compensation and for tort liability coverage. Employee medical insurance is provided through a privately administered, partially self-insured plan. Given the lack of coverage available, the County has no coverage for potential losses from environmental damages.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Lewis and Clark County has joined with other Montana counties to form a self-insurance pool offering workers' compensation coverage. This pool, named the Montana Association of Counties Workers' Compensation Trust, provides claim administrative services. Premiums paid to the Trust for fiscal year 2008 amounted to \$777,957.

Audited financial statements for fiscal year ended June 30, 2008, are available from the Montana Association of Counties Workers' Compensation Trust.

The County has joined with other Montana counties to form a self-insurance pool offering liability and general insurance coverage. This pool, named the Montana Association of Counties Joint Powers Insurance Authority Trust, provides for property, liability, public officials' errors and omissions, and crime coverage. The county has a \$10,000 deductible per occurrence. Claims over \$10,000 are covered by the pool. The Trust also provides for additional coverage for the above areas through excess insurance lines for varying amounts. Premiums paid to the Trust for fiscal year 2008 amounted to \$353,998.

Audited financial statements for the fiscal year ended June 30, 2008, are available from the Montana Association of Counties Joint Powers Insurance Authority.

Members of the public risk pools may be subject to supplemental assessments in the event of deficiencies. They are also responsible for their own claim liabilities in the event the pool fails.

NOTE 15 – RISK MANAGEMENT (Continued)

Lewis and Clark County provides medical insurance coverage for its employees via a self funded plan administered by Allegiance Benefit Plan Management, Inc., of Missoula, Montana. The purpose of this plan is to pay medical and dental claims of Lewis and Clark County employees and their covered dependents, and to minimize the total cost of annual medical insurance to the County. Rates for the coming year are determined in consultation with the administrator based on past claim experience. Medical claims exceeding \$90,000 per claimant and in excess of 125 percent of total expected claims are covered by a commercial “stop-loss” policy that the plan purchases. The County accrues, as liabilities, those claims that have been reported within ninety days of the date of the financial statements, but were identified by Allegiance Benefit Plan Management, Inc., as being incurred prior to the date of the financial statements. As of June 30, 2008, the County’s medical insurance fund had a balance of \$880,142. Beginning fiscal year 2009, under the plan, employees are responsible to pay 50 percent of a claimant’s costs up to \$2,000 for individuals and \$4,000 per family. After the \$2,000 threshold is met, 100 percent of any additional costs are covered by the insurance company. The County continues to monitor health care costs closely and is prepared to take steps as is deemed necessary if a deficit occurs.

A reconciliation of claims payable follows:

	Fiscal Year <u>2008</u>	Fiscal Year <u>2007</u>
Claims payable, July 1	\$ 304,265	\$ 333,698
Claims incurred	(3,047,343)	(3,153,147)
Claims paid	<u>(3,142,585)</u>	<u>(3,182,580)</u>
Claims payable, June 30	<u>\$ 209,023</u>	<u>\$ 304,265</u>

NOTE 16 – ON-BEHALF PAYMENTS FOR SALARIES AND BENEFITS

GASB Statement No. 24 *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* requires the County to report in the financial statements on-behalf salary and fringe benefit payments. The State of Montana makes salary payments directly to the County Attorney. The State of Montana does not contribute to fringe benefits, as the county pays the full cost. The basis for recognizing the revenue and expenditure payments is the actual contribution made by the State. For fiscal year 2008, the State contributed \$52,356 toward the annual salary of \$96,729 to the County Attorney. These amounts are reflected in the general fund of the County.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

Construction Contract Commitments

At June 30, 2008, there were uncompleted construction contracts as follows:

<u>Project Title</u>	<u>Remaining Construction Committed</u>
Marysville Road Improvement Project - construction stage	5,790,328
Fairgrounds Event Center/Grandstands - construction	\$ 1,479,292
Fairgrounds Water and Wastewater Improvement Projects	1,404,775
RID Maintenance Projects	<u>42,459</u>
Total	<u>\$ 8,716,854</u>

NOTE 17 – COMMITMENTS AND CONTINGENCIES (Continued)

Grant Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. 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 County expects such amounts, if any, to be immaterial.

Legal Contingencies

The County is party to many legal proceedings. The legal proceedings are not, in the opinion of the County’s legal counsel, likely to have a material adverse impact (more than a \$25,000) on the County’s financial position or liquidity, except as listed below.

<u>Case</u>	<u>Damages Requested</u>	<u>Potential of Loss</u>	<u>Status</u>
ADV2005-769	\$75,000	possible	Remand from Supreme Court
BDV2005-418	\$75,000	possible	Appealed to Supreme Court
BDV2006-348	\$250,000	remote	In litigation
CDV2008-298	\$25,000	remote	In litigation
BDV2008-178	\$150,000	remote	In litigation
ADV2005-53	\$75,000	possible	In litigation

In August 2006, a judgment in the case number ADV2005-769 was entered by the District Court against the county in the amount of approximately \$208,575. Although the county paid the amount in 2007, it appeal the ruling to the Montana Supreme Court. The Court reversed in part and remanded the case to the District Court to recalculate penalty. The recalculation will result in approximately \$55,000 being refunded to the County. Additional liability may arise for attorney’s fees associated with the Supreme Court appeal.

In June 2008, a judgment in the case number BDV2005-418 was entered. The District Court awarded attorney’s fees in an amount of \$75,000. That award is on appeal to the Supreme Court.

Adverse decisions are possible or remote in case numbers BDV2006-348, CDV2008-298, BDV2008-178, and ADV2005-53.

NOTE 18 – SUBSEQUENT EVENTS

Subsequent to year-end, the County entered into the following agreements:

On July 22, 2008, the County entered into a contract totaling \$49,997 to cover the maintenance and reshape a portion of the Sun Canyon Road.

On July 31, 2008, the County entered into a contract totaling \$145,000 to cover the cost of crushing gravel in Augusta.

NOTE 18 – SUBSEQUENT EVENTS (Continued)

On August 8, 2008, the County entered into a contract of \$330,057, for chip seal surfacing projects for Treasure State Acres RID and Birdseye Road.

On October 1, 2008, the Sheriff's Office was awarded a federal grant from the US Department of Homeland Security Grant Program in the amount of \$321,556. The grant is to be used to transform the bomb squad into a NIMS (National Incident Management System) compliant team to better protect citizens. The grant is to cover the costs of equipment and training.

In early October 2008, Congress passed legislation, HR-1424, which included full funding of the PILT (payment in lieu of taxes) to Counties whose boundaries include federal lands. HR-1424 fully funded PILT for FFY2009 through FFY2012, plus a catch up payment for FFY2008. The amount of the catch up payment is not known at this time, but it is expected to be approximately \$750,000. The County did not anticipate or appropriate this amount in the FY2009 budget.

Subsequent to June 30, 2008, the County's investment portfolio has not declined in value due to volatile market conditions. As of the date of the audit report, it is uncertain whether there will be a decline in fair value and if it does decline if it will be permanent or temporary. The majority of the county's investments are included in the State of Montana Short Term Investment Pool (STIP). The STIP investment is reflected as a current asset in the accompanying entity wide statement of financial position.

NOTE 19 – RECENT ACCOUNTING PRONOUNCEMENTS

The Government Accounting Standards Board has GASB 45 "Accounting and Financial Reporting by Employers for Post Employment Benefits other than Pensions." This statement improves the relevance and usefulness of reporting by requiring systematic, accrual basis measurement and recognition of other post employment benefits expense over a period that approximates employees' years of service and provides information about actuarial accrued liabilities associated with other post employment employee benefits and whether and to what extent progress is being made in funding the plan. This statement is effective for the County in fiscal year 2009. The County has not assessed the impact of this statement on its financial position and results of operations and has not determined if the adoption of this statement will have a material effect on its basic financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

No information needs to be presented in this section, as it is presented in the Basic Financial Statements.



LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Health - Related Grant Funds

Tenmile Water Quality - Used to account for the receipt of state and federal grants and related expenditures for the study, monitor and improvement of water quality in the Ten Mile Creek area.

Asarco Grant - Used to account for the receipt of grant revenues and expenditures related to the East Helena lead abatement and prevention program.

Lead Based Paint - Used to account for grant revenues and related expenditures for the purpose of lead based paint testing.

Junk Vehicle Program - Used to account for the receipt of state monies and related expenditures for the collection, control, recycling and disposal of junk vehicles and component parts within the County.

Valley Wide Monitor Network - Used to account for the receipt of state funding and related expenditures for the purpose of monitoring groundwater wells.

Wetlands Resources Assessment - Used to account for the receipt of grant funding and related expenditures for the implementation of a wetlands project in Helena.

License Establishment Inspection - Used to account for the receipt of state monies and related expenditures for the purpose of conducting health inspections of retail food and beverage establishments within the County.

Subdivision Review - Used to account for the receipt of state monies and related expenditures for the purpose of providing local sanitary review of minor subdivisions within the County.

Sourcewater Assessment Program - Used to account for the receipt of federal funding and related expenditures for the purpose of the sourcewater assessment project.

Community Needs Assessment - Used to account for the receipt of federal funding and related expenditures for the purposes of completing a community environmental health needs assessment.

Public Water Supply Inspection - Used to account for the receipt of federal grants and related expenditures for the inspection and testing of small Public Water Supply Systems to ensure that public health and safety is protected.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

Lake Helena Watershed Riparian Ag Project - Used to account for the receipt of federal grants and associated revenues, along with the related expenditures for the improvement of water quality for agricultural lands in the Lake Helena Watershed.

Targeted Watershed Grant - Used to account for the receipt of federal grants and associated revenues, along with the related for the control of non-point source water contamination to improve water quality in the Lake Helena Watershed.

Comprehensive Cancer Control Program - Used to account for the receipt of federal grants and associated revenues, along with the related expenditures for the support of collaborative efforts across sectors to reduce the burden of cancer in Montana.

Community Youth Suicide Prevention - Used to account for the receipt of federal funding and related expenditures to assist in the effort to decrease the incidences of youth suicide in Montana.

Breast and Cervical Cancer - Used to account for the receipt of federal funding and related expenditures for the purpose of developing a local breast and cervical cancer (B.C.C.) early detection plan through a local broad-based B.C.C. coalition.

WIC - Used to account for the receipt of federal funding and related expenditures dedicated to the nutritional education and food payments for women, infants and children in the County.

MCH Block Grant - Used to account for the receipt of federal funding and related expenditures for the purpose of assessment, education and prevention of child neglect, abuse and low birth weight.

Home Care/Case Management - Used to account for the receipt of federal funding and other resources and related expenditures for the purpose of in-home care to the elderly and disabled.

Lead Screening Grant - Used to account for grant revenues and related expenditures for the purpose of conducting childhood lead poisoning prevention activities.

Ryan White Title III - Case Management - Used to account for the receipt of state funding and related expenditures for the purpose of managing the services provided to patients with human immunodeficiency virus (HIV) and their families.

FASD Interventions Project - Used to account for the receipt of federal funding and related expenditures for the purpose of providing home visiting services by a layperson to low-income pregnant women at risk for alcohol abuse.

Homeless Grant - Used to account for the receipt of federal funding and related expenditures for the purpose of providing medical services to the indigent population of the County.

Nicotine Dependency Center - Used to account for state funding and related expenditures of a partnership with the Helena Health Alliance to provide residents intensive options to stop smoking.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

EPA Air Quality - Used to account for the receipt of federal funding and related expenditures for the purpose of developing and maintaining an air pollution control program.

Partnership to Strengthen Families - Used to account for the receipt of grant revenue and related expenditures relating to strengthening parenting skills of families.

Tobacco Control Grant - Used to account for the receipt of federal funding and related expenditures for the purpose of education on the use of tobacco for a tri-county area.

Public Health Home Visiting - Used to account for the receipt of state funding and related expenditures for the purpose of providing home visiting services to high risk pregnant women, their infants, and infants identified as risk for special health care needs.

Tuberculosis Grant - Used to account for the receipt of federal funding and related expenditures for the purpose of providing tuberculosis services in the County.

HIV Prevention Services - Used to account for the receipt of federal funding and related expenditures for the purpose of the operation of testing, counseling, referral and partner notification service center to assist in preventing the spread of the human immunodeficiency virus (HIV) and acquired immune deficiency syndrome (AIDS).

March of Dimes PHN - Used to account for the receipt of private funding to cover expenditures related to providing health coverage to children.

Case Management - Low Birth Weight - Used to account for the receipt of state Medicaid and related expenditures for the purpose of improving the incidence of babies born with healthy birth weights.

Ryan White Title II - Used to account for the receipt of state funding and related expenditures for the purpose of assuring individuals living with the human immunodeficiency virus (HIV) are receiving comprehensive out-patient and support services.

Immunization Program Grant - Used to account for the receipt of state funding and related expenditures for the purpose of ensuring that the standards for pediatric immunization practices are carefully followed.

Bioterrorism - Used to account for the receipt of federal funding and related expenditures for the purpose of the bioterrorism project.

Medical Reserve Corp. - Used to account for the receipt of federal funding and related expenditures of the position and operating expenses of a Medical Reserve Corps volunteer coordinator.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

Levied Funds

Craig Mosquito Control District - Used to account for the receipt of property tax revenues and related expenditures to spray and control mosquitoes in the Craig area.

Mosquito Control District - Used to account for the receipt of property tax revenues and related expenditures to spray and control mosquitoes.

Water Quality District - Used to account for the receipt of property tax revenues and related expenditures for the testing and monitoring of wells and other water storage areas in the County.

Mental Health - Used to account for the receipt of property tax revenues and related expenditures to provide mental health services to County residents.

Road - Used to account for the receipt of property tax revenues and related expenditures for the maintenance of roads within the County.

Predatory Animal Control - Used to account for the receipt of property tax revenues and related expenditures for the purpose of paying bounties on predatory animals killed within the County.

District Court - Used to account for the receipt of property tax revenues and related expenditures for the operation of the County District Court.

Parks - Used to account for the receipt of property tax revenues and related expenditures for operating, equipping, and maintaining parks within the County.

Employer Health Insurance - Used to account for the receipt of property tax revenue to be used for the payment of health insurance.

Forestvale Cemetery - Used to account for the receipt of property tax revenues and related expenditures for the operation and maintenance of the Forestvale Cemetery.

County Planning - Used to account for the receipt of property tax revenues and other resources and related expenditures for the purpose of reviewing land use proposals to ensure compliance with the County's Comprehensive Plan, subdivision regulations and zoning regulations.

Emergency Disaster - Used to account for the expenditures and receipt of property tax assessments and federal revenues dedicated to the cost for reconstruction and flood mitigation.

County Health - Used to account for the receipt of property tax revenues and other resources and related expenditures for the administration of County health and environmental programs.

Senior Citizens - Used to account for the receipt of property tax revenues and related expenditures dedicated to the promotion of recreational, educational and other activities for senior citizens.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

County Extension - Used to account for the receipt of property tax revenues and related expenditures for the purpose of carrying on extension work in agriculture and home economics within the County in cooperation with Montana State University and the Department of Agriculture.

Other Intergovernmental Funds

Public Safety Radio Maintenance - Used to account for the receipt of federal monies and related expenditures for the purpose of maintaining numerous radio tower sites within the county.

Inmate Programs - Used to account for the cost of medical care of County prisoners.

Records Preservation - Used to account for the receipt of fees and related expenditures dedicated to the preservation of records maintained in the County Clerk and Recorder's Office.

Parks Development - Used to account for the receipt of funds dedicated for the purpose of future development of specified parks.

Lincoln Parks - Used to account for the receipt of funds dedicated for the purpose of maintaining and improving the parks in Lincoln.

BEP Program - Used to account for the receipt of federal funding and related expenditures for the purpose of controlling domestic abuse with the Batterer's Education and Prevention (BEP) Program in Lewis and Clark County.

DUI Programs - Used to account for the receipt of state funding and related expenditures for the purpose of hiring a summer intern to assist in processing DUI convictions and also used for educating the public on the dangers of driving under the influence.

City/County Drug - Used to account for the receipt of fines and forfeitures and related expenditures for the purpose of disrupting the illicit drug traffic in the City of Helena and Lewis and Clark County.

Missouri River Drug Task Force - Used to account for the receipt of federal funding and related expenditures for the purpose of disrupting the illicit drug traffic in the participating jurisdictions by gathering and reporting intelligence data relating to trafficking in narcotics and dangerous drugs.

Missouri River Drug Task Force Federal Sharing - Used to account for the receipt of federal funding and related expenditures of federal drug enforcement activities.

Hard Rock Mine Reserve - Used to account for the receipt of state license tax monies on metalliferous mines to mitigate the effects of the closure of mine operations.

Metal Mines Tax Reserve - Used to account for the receipt of state tax monies on metalliferous mines.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

Cooney Home Memorial - Used to account for income and disbursements of donations made to the Cooney Home.

Cooney Home Activity - Used to account for donations and disbursements made to provide activities at the Cooney Home.

Community Decay - Used to account for the receipt of monies and related expenditures to provide control of the accumulation of rubble, trash, debris and other public nuisance conditions on or adjacent to public roadways within the unincorporated areas of Lewis and Clark County.

Alcoholism - Used to account for the receipt of state monies and related expenditures for the treatment and prevention of alcoholism within the County.

Gas Tax - Used to account for the receipt of gas tax apportionment monies and related expenditures dedicated for the repair and construction of roads within the County.

HIDTA - Used to account for the receipt of federal funding and related expenditures for the purpose of federal drug investigation.

Forest Reserve Title III - Used to account for the receipt of federal funding to be used for planning road access in forest areas.

Justice Assistance Grant (JAG) - Used to account for the receipt of federal funding and related expenditures for the purpose of increasing law enforcement services.

Citizen Corp/CERT Program - Used to account for the receipt of federal funding and related expenditures for the purpose of public education, training, and volunteer opportunities to engage all citizens in making communities safer and better prepared for preventing and handling threats of terrorism, crime and disasters.

National Fire Plan II - Used to account for the receipt of federal funding and related expenditures for the purpose of homeowner education, home inspections, mapping of wildland/urban interface, hazard fuel reduction work, and community outreach.

CDBG Economic Development - Used to account for grant revenues and expenditures related to community development block grant (CDBG) to assist employees to partially buy-out company stock.

Noxious Weed Grant - Used to account for the receipt of federal funding and related expenditures for the purpose of controlling and eliminating noxious weeds.

Bucksnot Grant - Used to account for the receipt of federal funding and related expenditures for the purpose of controlling and eliminating noxious weeds in the Bucksnot Fire area.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

Other Grants - Used to account for the receipt of grants revenues and related expenditures of grant programs.

Special Assessment Districts

Westside Sewer Maintenance - Used to account for the receipt of property tax assessments and related expenditures for the maintenance of the Westside Sewer District.

Fire Service Area - Used to account for the receipt of property tax assessments and related expenditures for the Lewis and Clark Fire Service Area.

Park Maintenance District - Used to account for the receipt of property tax assessments and related expenditures for the maintenance of Treasure State Park and Oro Fino Park.

Lighting Districts - Used to account for the receipt of property tax assessments and related expenditures dedicated for the payment of lighting services to a respective district. The following is a list of the County's lighting districts:

Pleasant Valley Lighting	Augusta Lighting	Maynard Lighting
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Road Maintenance Districts - Used to account for the receipt of property tax assessments and related expenditures dedicated for the maintenance of specific roads and for the removal of ice and snow. The following is a list of the County's road maintenance districts:

Riddock	Eagle Ridge	Munger
Middlemas	Green Acres	Fawn Meadows
Eastgate	Evergreen Estates	North Hills
LaCasa Grande	Lime Kiln / South Hills	Lincoln
Lambkins	Applegate / Norris	Maynard
North Valley Downs	Ranchview Estates	Raven
Town View Estates	Ten Mile Creek Estates	Rosendale
Pine Hills Estates	Treasure State	York
Sunny Vista	Schmidtville	South Boundary II
Tenneson	Gilbert	Hoff
Lanning / Grandview	Vandenberg Village	Grass-Land
Prickly Pear	Augusta	Rosemary Acres
Redwing / Shangri La	Pleasant Valley	Bel Air Addition
Oro Fino	Golden Estates II	Broadwater Estates
Beartooth	Settlers Cove	Primley Subdivision
Harris	Silver Creek	Foothills Estate
Oleo Acres	Boundary Street	Ryan Minor
Colorado Gulch	Mount Vista	Gruber Minor
Big Valley	Gable Estates	

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

Other Special Revenue Funds

Forestvale Endowment Fund - Used to account for income and disbursements of donations made to the Forestvale Cemetery endowment account.

DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of property taxes and other revenues for the periodic payment of interest and principal of general obligation and certain special improvement district bonds or warrants and related servicing costs.

City/County Building Debt - Used to account for the receipt of revenues to be used for the periodic payment of principal and interest on the State Board of Investment's loan.

Health Facilities Debt - Used to account for the receipt of property tax revenues for the periodic payment of principal and interest on revenue bonds issued to finance the purchase of the Health Center and the construction of the Alzheimer's Wing at the Cooney Convalescent Home.

RSID Revolving - Used to account for the receipt of property tax revenues and other resources and related expenditures for the purpose of paying off bonds or warrants utilized to finance improvements that benefit specific property owners. The following is a list of rural special improvement districts (RSID) of the County:

Rural Special Improvement Districts

Schmidtville	Maynard
Gilbert	Prickley Pear
Vandenberg Village	McHugh
Augusta	Woodlawn
Oro Fino Park	Bel Air Addition
Cave Gulch	Bel Air Addition's Curbs
Gable Estates	Townview Estates
Munger	Riddock
Fawn Meadows	Green Acres
Lincoln	

LEWIS AND CLARK COUNTY, MONTANA

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed in proprietary fund types.

CTEP Projects - Used to account for the receipt of federal funding and other matching revenue and the related expenditures of public work projects, such as replacing or constructing bike paths and sidewalks.

RID Projects - Used to account for the transfer of funding for the expenditures related to improvements or construction of the roads and parks.

Federal Grant Projects - Used to account for the receipt of miscellaneous federal grants and the related grant expenditures for small capital projects.

Public Safety-Radio Project - This fund accounts for the receipt of federal funding and related expenditures for the purpose of the construction of an interoperable communication system which includes equipping local law enforcement and fire departments with equipment and constructing, enhancing and/or equipping numerous radio tower sites within the county.

Road/Bridge Infrastructure Projects - Used to account for the receipt and transfer of funding for the expenditures associated with road/bridge infrastructure projects.

PERMANENT FUND

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for the purposes that support the reporting government's programs.

Forestvale Perpetual Care Fund - Used to account for principal trust amounts received and related to interest income. The interest portion of the trust can be used to maintain the County cemetery.

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**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008**

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>PERMANENT FUND FORESTVALE PERPETUAL CARE</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
ASSETS					
Cash and cash equivalents	\$ 4,234,939	\$ 218,711	\$ 245,371	\$ -	\$ 4,699,021
Investments	587,345	30,332	34,030	-	651,707
Receivables:					
Taxes/assessments	547,837	16,360	-	-	564,197
Accounts/contracts	58,319	-	-	-	58,319
Due from other funds	-	79	-	-	79
Due from other governments	464,736	-	992,691	-	1,457,427
Inventories	165,843	-	-	-	165,843
Restricted assets:					
Cash and cash equivalents	21,721	-	-	15,335	37,056
Investments	215,021	-	-	193,902	408,923
Advances to other funds	-	26,959	-	-	26,959
Total assets	\$ 6,295,761	\$ 292,441	\$ 1,272,092	\$ 209,237	\$ 8,069,531
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 323,903	\$ -	\$ 588,739	\$ -	\$ 912,642
Due to other funds	157,874	-	365,887	-	523,761
Deferred revenues	533,797	13,049	-	-	546,846
Advances from other funds	8,974	-	-	-	8,974
Total liabilities	1,024,548	13,049	954,626	-	1,992,223
Fund balance:					
Reserved for:					
Debt service	-	252,433	-	-	252,433
Inventories	165,843	-	-	-	165,843
Advance to other funds	-	26,959	-	-	26,959
Encumbrances	214,182	-	109,947	-	324,129
Endowment fund	245,877	-	-	-	245,877
Perpetual care	-	-	-	209,237	209,237
Unreserved	4,645,311	-	207,519	-	4,852,830
Total fund balance (deficit)	5,271,213	279,392	317,466	209,237	6,077,308
Total liabilities and fund balance	\$ 6,295,761	\$ 292,441	\$ 1,272,092	\$ 209,237	\$ 8,069,531

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2008
(Page 1 of 9)**

	HEALTH RELATED GRANTS	CRAIG MOSQUITO CONTROL	MOSQUITO CONTROL	WATER QUALITY	MENTAL HEALTH
ASSETS					
Cash and cash equivalents	\$ 23,205	\$ 8,985	\$ 60,596	\$ 34,017	\$ 35,086
Investments	3,217	1,245	8,404	4,717	4,866
Receivables:					
Taxes/assessments	-	237	20,265	26,312	8,005
Accounts/contracts	40,267	-	-	1,252	-
Due from other governments	202,605	-	-	-	-
Inventories	3,695	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 272,989	\$ 10,467	\$ 89,265	\$ 66,298	\$ 47,957
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 43,640	\$ -	\$ -	\$ 6,177	\$ -
Due to other funds	-	-	-	-	-
Deferred revenues	-	237	16,400	16,038	6,136
Advances from other funds	-	-	-	-	-
Total liabilities	43,640	237	16,400	22,215	6,136
Fund balance:					
Reserved for:					
Inventories	3,695	-	-	-	-
Encumbrances	-	3,950	92,100	-	-
Endowment fund	-	-	-	-	-
Unreserved	225,654	6,280	(19,235)	44,083	41,821
Total fund balance (deficit)	229,349	10,230	72,865	44,083	41,821
Total liabilities and fund balance	\$ 272,989	\$ 10,467	\$ 89,265	\$ 66,298	\$ 47,957

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2008
(Page 2 of 9)**

	ROAD	PREDATORY ANIMAL CONTROL	DISTRICT COURT	PARKS	EMPLOYER HEALTH INSURANCE
ASSETS					
Cash and cash equivalents	\$ 903,100	\$ 14	\$ 371,313	\$ 12,858	\$ 675
Investments	125,251	3	51,497	1,783	93
Receivables:					
Taxes/assessments	162,994	-	38,972	1,240	99,804
Accounts/contracts	-	-	1,278	-	-
Due from other governments	-	-	6,218	-	-
Inventories	130,590	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 1,321,935	\$ 17	\$ 469,278	\$ 15,881	\$ 100,572
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 24,848	\$ -	\$ 22,810	\$ -	\$ -
Due to other funds	-	-	-	-	-
Deferred revenues	245,439	-	29,893	1,240	76,240
Advances from other funds	-	-	-	-	-
Total liabilities	270,287	-	52,703	1,240	76,240
Fund balance:					
Reserved for:					
Inventories	130,590	-	-	-	-
Encumbrances	-	-	-	-	-
Endowment fund	-	-	-	-	-
Unreserved	921,058	17	416,575	14,641	24,332
Total fund balance (deficit)	1,051,648	17	416,575	14,641	24,332
Total liabilities and fund balance	\$ 1,321,935	\$ 17	\$ 469,278	\$ 15,881	\$ 100,572

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2008
(Page 3 of 9)**

	FORESTVALE CEMETERY	COUNTY PLANNING	EMERGENCY DISASTER	COUNTY HEALTH	SENIOR CITIZENS
ASSETS					
Cash and cash equivalents	\$ 65,285	\$ 372,872	\$ 3,413	\$ 334,195	\$ 28,225
Investments	9,054	51,714	473	46,349	3,915
Receivables:					
Taxes/assessments	29,287	16,703	12	87,439	12,359
Accounts/contracts	5,201	-	-	5,362	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	31,558	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 108,827	\$ 441,289	\$ 3,898	\$ 504,903	\$ 44,499
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,026	\$ 20,037	\$ -	\$ 23,571	\$ -
Due to other funds	-	-	-	-	-
Deferred revenues	22,293	13,773	12	67,085	9,484
Advances from other funds	-	-	-	-	-
Total liabilities	25,319	33,810	12	90,656	9,484
Fund balance:					
Reserved for:					
Inventories	-	-	-	31,558	-
Encumbrances	-	-	-	-	-
Endowment fund	-	-	-	-	-
Unreserved	83,508	407,479	3,886	382,689	35,015
Total fund balance (deficit)	83,508	407,479	3,886	414,247	35,015
Total liabilities and fund balance	\$ 108,827	\$ 441,289	\$ 3,898	\$ 504,903	\$ 44,499

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2008
(Page 4 of 9)**

	<u>COUNTY EXTENSION</u>	<u>PUBLIC SAFETY RADIO PROJECT</u>	<u>INMATE PROGRAMS</u>	<u>RECORDS PRESERVATION</u>	<u>PARKS DEVELOPMENT</u>
ASSETS					
Cash and cash equivalents	\$ 69,243	\$ 24,091	\$ 42,483	\$ 55,778	\$ 316,289
Investments	9,603	3,342	5,893	7,736	43,867
Receivables:					
Taxes/assessments	15,557	-	-	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	<u>\$ 94,403</u>	<u>\$ 27,433</u>	<u>\$ 48,376</u>	<u>\$ 63,514</u>	<u>\$ 360,156</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,878	\$ 2,495	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Deferred revenues	11,935	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>13,813</u>	<u>2,495</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	-
Encumbrances	-	83	102	-	-
Endowment fund	-	-	-	-	-
Unreserved	80,590	24,855	48,274	63,514	360,156
Total fund balance (deficit)	<u>80,590</u>	<u>24,938</u>	<u>48,376</u>	<u>63,514</u>	<u>360,156</u>
Total liabilities and fund balance	<u>\$ 94,403</u>	<u>\$ 27,433</u>	<u>\$ 48,376</u>	<u>\$ 63,514</u>	<u>\$ 360,156</u>

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2008
 (Page 5 of 9)

	LINCOLN PARKS	BEP PROGRAM	DUI PROGRAMS	CITY/COUNTY DRUG	MISSOURI RIVER DRUG TASK FORCE
ASSETS					
Cash and cash equivalents	\$ 11,870	\$ 12,559	\$ 26,710	\$ 16,447	\$ 78,011
Investments	1,646	1,742	3,704	2,281	10,820
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	1,910	-	-	3,049
Due from other governments	-	-	8,400	-	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 13,516	\$ 16,211	\$ 38,814	\$ 18,728	\$ 91,880
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 1,898	\$ -	\$ 74,431
Due to other funds	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	-	-	1,898	-	74,431
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	-
Encumbrances	-	-	-	-	-
Endowment fund	-	-	-	-	-
Unreserved	13,516	16,211	36,916	18,728	17,449
Total fund balance (deficit)	13,516	16,211	36,916	18,728	17,449
Total liabilities and fund balance	\$ 13,516	\$ 16,211	\$ 38,814	\$ 18,728	\$ 91,880

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2008
 (Page 6 of 9)

	MRDTF FEDERAL SHARING	HARD ROCK MINE RESERVE	METAL MINES TAX RESERVE	COONEY MEMORIAL	COONEY ACTIVITY
ASSETS					
Cash and cash equivalents	\$ 25,906	\$ 7,643	\$ 3,636	\$ 7,451	\$ 571
Investments	3,594	1,060	505	1,034	79
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 29,500	\$ 8,703	\$ 4,141	\$ 8,485	\$ 650
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 24,320	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	24,320	-	-	-	-
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	-
Encumbrances	-	-	-	-	-
Endowment fund	-	-	-	8,485	650
Unreserved	5,180	8,703	4,141	-	-
Total fund balance (deficit)	5,180	8,703	4,141	8,485	650
Total liabilities and fund balance	\$ 29,500	\$ 8,703	\$ 4,141	\$ 8,485	\$ 650

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2008
 (Page 7 of 9)

	COMMUNITY DECAY	ALCOHOLISM	GAS TAX	HIDTA	FOREST RESERVE TITLE III
ASSETS					
Cash and cash equivalents	\$ -	\$ 1	\$ 293,899	\$ -	\$ 26,523
Investments	-	-	40,761	-	3,679
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	-	24,855	-	14,587	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ -	\$ 24,856	\$ 334,660	\$ 14,587	\$ 30,202
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 3,234	\$ 1,085	\$ 9,579
Due to other funds	-	-	-	5,598	-
Deferred revenues	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	-	-	3,234	6,683	9,579
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	-
Encumbrances	-	-	-	830	-
Endowment fund	-	-	-	-	-
Unreserved	-	24,856	331,426	7,074	20,623
Total fund balance (deficit)	-	24,856	331,426	7,904	20,623
Total liabilities and fund balance	\$ -	\$ 24,856	\$ 334,660	\$ 14,587	\$ 30,202

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2008
 (Page 8 of 9)

	JUSTICE ASSISTANCE GRANT	CITIZEN CORP/ CERT PROGRAM	NATIONAL FIRE PLAN	CDBG ECONOMIC DEVELOPMENT	NOXIOUS WEED GRANT
ASSETS					
Cash and cash equivalents	\$ 4,945	\$ 438	\$ -	\$ -	\$ 4,719
Investments	686	62	-	-	654
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	-	-	52,028	-	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 5,631	\$ 500	\$ 52,028	\$ -	\$ 5,373
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 32,134	\$ -	\$ 3,300
Due to other funds	-	-	19,894	-	-
Deferred revenues	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	-	-	52,028	-	3,300
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	-
Encumbrances	-	-	-	-	-
Endowment fund	-	-	-	-	-
Unreserved	5,631	500	-	-	2,073
Total fund balance (deficit)	5,631	500	-	-	2,073
Total liabilities and fund balance	\$ 5,631	\$ 500	\$ 52,028	\$ -	\$ 5,373

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2008
 (Page 9 of 9)

	BUCKSNORT GRANT	OTHER GRANTS	SPECIAL ASSESSMENT DISTRICTS	FORESTVALE ENDOWMENT FUND	TOTAL SPECIAL REVENUE
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 951,887	\$ -	\$ 4,234,939
Investments	-	-	132,016	-	587,345
Receivables:					
Taxes/assessments	-	-	28,651	-	547,837
Accounts/contracts	-	-	-	-	58,319
Due from other governments	-	156,043	-	-	464,736
Inventories	-	-	-	-	165,843
Restricted assets:					
Cash and cash equivalents	-	-	-	21,721	21,721
Investments	-	-	-	215,021	215,021
Total assets	\$ -	\$ 156,043	\$ 1,112,554	\$ 236,742	\$ 6,295,761
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 23,740	\$ 1,700	\$ -	\$ 323,903
Due to other funds	-	132,303	79	-	157,874
Deferred revenues	-	-	17,592	-	533,797
Advances from other funds	-	-	8,974	-	8,974
Total liabilities	-	156,043	28,345	-	1,024,548
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	165,843
Encumbrances	-	117,117	-	-	214,182
Endowment fund	-	-	-	236,742	245,877
Unreserved	-	(117,117)	1,084,209	-	4,645,311
Total fund balance (deficit)	-	-	1,084,209	236,742	5,271,213
Total liabilities and fund balance	\$ -	\$ 156,043	\$ 1,112,554	\$ 236,742	\$ 6,295,761

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
June 30, 2008**

	<u>CITY/COUNTY BUILDING DEBT</u>	<u>HEALTH FACILITIES DEBT</u>	<u>RSID REVOLVING DEBT</u>	<u>TOTAL DEBT SERVICE</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 34,348	\$ 184,363	\$ 218,711
Investments	-	4,763	25,569	30,332
Receivables:				
Taxes/assessments	-	16,360	-	16,360
Due from other funds	-	-	79	79
Advances to other funds	-	-	26,959	26,959
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ -</u>	<u>\$ 55,471</u>	<u>\$ 236,970</u>	<u>\$ 292,441</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Deferred revenues	\$ -	\$ 13,049	\$ -	\$ 13,049
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>-</u>	<u>13,049</u>	<u>-</u>	<u>13,049</u>
Fund balance:				
Reserved for:				
Debt service	-	42,422	210,011	252,433
Advance to other funds	-	-	26,959	26,959
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance (deficit)	<u>-</u>	<u>42,422</u>	<u>236,970</u>	<u>279,392</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 55,471</u>	<u>\$ 236,970</u>	<u>\$ 292,441</u>

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
June 30, 2008**

	CTEP PROJECTS	RID PROJECTS	FEDERAL GRANT PROJECTS	PUBLIC SAFETY-RADIO PROJECT	ROAD/BRIDGE INFRASTRUCTURE PROJECTS	TOTAL CAPITAL PROJECTS
ASSETS						
Cash and cash equivalents	\$ -	\$ 29,642	\$ -	\$ 215,729	\$ -	\$ 245,371
Investments	-	4,111	-	29,919	-	34,030
Due from other governments	-	-	671,635	-	321,056	992,691
Total assets	\$ -	\$ 33,753	\$ 671,635	\$ 245,648	\$ 321,056	\$ 1,272,092
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 316,550	\$ 3,120	\$ 269,069	\$ 588,739
Due to other funds	-	-	355,085	-	10,802	365,887
Total liabilities	-	-	671,635	3,120	279,871	954,626
Fund balance:						
Fund balance:						
Reserved for:						
Encumbrances	-	-	109,947	-	-	109,947
Unreserved	-	33,753	(109,947)	242,528	41,185	207,519
Total fund balance (deficit)	-	33,753	-	242,528	41,185	317,466
Total liabilities and fund balance	\$ -	\$ 33,753	\$ 671,635	\$ 245,648	\$ 321,056	\$ 1,272,092

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**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2008**

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUND FORESTVALE PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Taxes/assessments	\$ 6,975,837	\$ 157,615	\$ -	\$ -	\$ 7,133,452
Intergovernmental	3,787,318	26,552	2,117,201	-	5,931,071
Charges for services	1,119,207	-	-	1,457	1,120,664
Fines and forfeitures	157,210	-	-	-	157,210
Miscellaneous	368,213	10,080	51,213	-	429,506
Interest earnings	145,899	15,581	15,890	12,204	189,574
Total revenues	12,553,684	209,828	2,184,304	13,661	14,961,477
EXPENDITURES					
Current:					
General government	2,300,887	-	-	-	2,300,887
Public safety	942,868	-	-	-	942,868
Public works	2,593,623	382,611	-	-	2,976,234
Public health	3,405,928	-	-	7,556	3,413,484
Social and economic	1,262,284	-	-	-	1,262,284
Culture and recreation	44,094	-	-	-	44,094
Debt service	205,845	147,250	-	-	353,095
Capital outlay	1,302	-	3,722,320	-	3,723,622
Total expenditures	10,756,831	529,861	3,722,320	7,556	15,016,568
Excess (deficiency) of revenue over (under) expenditures	1,796,853	(320,033)	(1,538,016)	6,105	(55,091)
OTHER FINANCING SOURCES (USES)					
Transfers in	816,308	-	745,685	-	1,561,993
Transfers out	(2,078,049)	(68,330)	(300)	-	(2,146,679)
Loans	-	420,658	708,952	-	1,129,610
Proceeds from sale of capital assets	21,292	-	-	-	21,292
Total other financing sources and uses	(1,240,449)	352,328	1,454,337	-	566,216
Net change in fund balances	556,404	32,295	(83,679)	6,105	511,125
Fund balance (deficit), July 1	4,714,809	247,097	401,145	203,132	5,566,183
Fund balance (deficit), June 30	\$ 5,271,213	\$ 279,392	\$ 317,466	\$ 209,237	\$ 6,077,308

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 1 of 9)**

	HEALTH RELATED GRANTS	CRAIG MOSQUITO CONTROL	MOSQUITO CONTROL	WATER QUALITY	MENTAL HEALTH
REVENUES					
Taxes/assessments	\$ -	\$ 5,551	\$ 127,317	\$ 191,933	\$ 71,496
Intergovernmental	1,293,973	192	1,984	2,326	4,421
Charges for services	399,193	-	-	1,326	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	178,503	-	-	4,351	-
Interest earnings	-	646	695	1	558
Total revenues	1,871,669	6,389	129,996	199,937	76,475
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	60,603
Public works	-	-	-	-	-
Public health	1,680,826	11,559	89,955	238,475	-
Social and economic	542,203	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	2,223,029	11,559	89,955	238,475	60,603
Excess (deficiency) of revenue over (under) expenditures	(351,360)	(5,170)	40,041	(38,538)	15,872
OTHER FINANCING SOURCES (USES)					
Transfers in	292,218	-	-	6,726	-
Transfers out	(47,595)	-	-	(7,657)	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources and uses	244,623	-	-	(931)	-
Net change in fund balances	(106,737)	(5,170)	40,041	(39,469)	15,872
Fund balance (deficit), July 1	336,086	15,400	32,824	83,552	25,949
Fund balance (deficit), June 30	\$ 229,349	\$ 10,230	\$ 72,865	\$ 44,083	\$ 41,821

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 2 of 9)**

	ROAD	PREDATORY ANIMAL CONTROL	DISTRICT COURT	PARKS	EMPLOYER HEALTH INSURANCE
REVENUES					
Taxes/assessments	\$ 1,935,500	\$ 1,411	\$ 945,790	\$ 10,899	\$ 836,454
Intergovernmental	729,977	-	19,323	735	62
Charges for services	12,975	-	35,405	-	-
Fines and forfeitures	-	-	50,519	-	-
Miscellaneous	62,200	-	17,020	-	-
Interest earnings	47,068	-	2,883	84	7,540
Total revenues	2,787,720	1,411	1,070,940	11,718	844,056
EXPENDITURES					
Current:					
General government	-	-	885,423	-	57,995
Public safety	-	-	154,183	-	-
Public works	1,867,709	-	-	-	-
Public health	-	2,224	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	30,708	-
Debt service	85,812	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,953,521	2,224	1,039,606	30,708	57,995
Excess (deficiency) of revenue over (under) expenditures	834,199	(813)	31,334	(18,990)	786,061
OTHER FINANCING SOURCES (USES)					
Transfers in	148,188	-	24,902	28,000	-
Transfers out	(761,554)	-	(11,820)	-	(725,977)
Proceeds from sale of capital assets	14,417	-	-	-	-
Total other financing sources and uses	(598,949)	-	13,082	28,000	(725,977)
Net change in fund balances	235,250	(813)	44,416	9,010	60,084
Fund balance (deficit), July 1	816,398	830	372,159	5,631	(35,752)
Fund balance (deficit), June 30	\$ 1,051,648	\$ 17	\$ 416,575	\$ 14,641	\$ 24,332

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 3 of 9)**

	FORESTVALE CEMETERY	COUNTY PLANNING	EMERGENCY DISASTER	COUNTY HEALTH	SENIOR CITIZENS
REVENUES					
Taxes/assessments	\$ 224,550	\$ 870,958	\$ 2,794	\$ 779,813	\$ 110,170
Intergovernmental	12,281	45,236	-	55,719	6,945
Charges for services	36,614	26,768	-	441,168	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	1,054	-	27,818	-
Interest earnings	14,566	2,408	-	6,114	864
Total revenues	288,011	946,424	2,794	1,310,632	117,979
EXPENDITURES					
Current:					
General government	-	964,001	-	-	-
Public safety	-	-	-	-	-
Public works	165,199	-	-	-	-
Public health	-	-	-	1,180,493	-
Social and economic	-	-	-	-	102,007
Culture and recreation	-	-	-	-	-
Debt service	44,585	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	209,784	964,001	-	1,180,493	102,007
Excess (deficiency) of revenue over (under) expenditures	78,227	(17,577)	2,794	130,139	15,972
OTHER FINANCING SOURCES (USES)					
Transfers in	5,052	25,040	-	63,259	-
Transfers out	(42,500)	(22,288)	-	(245,904)	(3,500)
Proceeds from sale of capital assets	1,635	-	-	5,240	-
Total other financing sources and uses	(35,813)	2,752	-	(177,405)	(3,500)
Net change in fund balances	42,414	(14,825)	2,794	(47,266)	12,472
Fund balance (deficit), July 1	41,094	422,304	1,092	461,513	22,543
Fund balance (deficit), June 30	\$ 83,508	\$ 407,479	\$ 3,886	\$ 414,247	\$ 35,015

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 4 of 9)

	COUNTY EXTENSION	PUBLIC SAFETY RADIO PROJECT	INMATE PROGRAMS	RECORDS PRESERVATION	PARKS DEVELOPMENT
REVENUES					
Taxes/assessments	\$ 138,721	\$ -	\$ -	\$ -	\$ 98,072
Intergovernmental	8,724	-	-	-	-
Charges for services	1,827	1,300	6,742	116,671	-
Fines and forfeitures	-	-	313	-	-
Miscellaneous	2,822	3,326	36,096	-	-
Interest earnings	1,084	-	-	-	-
Total revenues	153,178	4,626	43,151	116,671	98,072
EXPENDITURES					
Current:					
General government	-	-	-	65,459	-
Public safety	-	237,259	49,224	-	-
Public works	-	-	-	-	-
Public health	-	-	-	-	-
Social and economic	144,685	-	-	-	-
Culture and recreation	-	-	-	-	8,437
Debt service	-	-	-	17,543	-
Capital outlay	-	1,302	-	-	-
Total expenditures	144,685	238,561	49,224	83,002	8,437
Excess (deficiency) of revenue over (under) expenditures	8,493	(233,935)	(6,073)	33,669	89,635
OTHER FINANCING SOURCES (USES)					
Transfers in	2,056	188,447	13,750	2,052	-
Transfers out	-	-	-	(50,825)	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources and uses	2,056	188,447	13,750	(48,773)	-
Net change in fund balances	10,549	(45,488)	7,677	(15,104)	89,635
Fund balance (deficit), July 1	70,041	70,426	40,699	78,618	270,521
Fund balance (deficit), June 30	\$ 80,590	\$ 24,938	\$ 48,376	\$ 63,514	\$ 360,156

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 5 of 9)**

	LINCOLN PARKS	BEP PROGRAM	DUI PROGRAMS	CITY/COUNTY DRUG	MISSOURI RIVER DRUG TASK FORCE
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	95,394	-	-
Charges for services	-	30,000	-	-	-
Fines and forfeitures	-	-	-	4,965	101,413
Miscellaneous	7,599	-	442	-	-
Interest earnings	-	-	-	-	-
Total revenues	7,599	30,000	95,836	4,965	101,413
EXPENDITURES					
Current:					
General government	-	-	7,272	-	173,936
Public safety	-	25,401	-	-	-
Public works	-	-	-	-	-
Public health	-	-	89,305	-	-
Social and economic	-	-	-	-	-
Culture and recreation	4,949	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	4,949	25,401	96,577	-	173,936
Excess (deficiency) of revenue over (under) expenditures	2,650	4,599	(741)	4,965	(72,523)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	1,026	6,773	-	1,170
Transfers out	-	-	(13,000)	-	(39,705)
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources and uses	-	1,026	(6,227)	-	(38,535)
Net change in fund balances	2,650	5,625	(6,968)	4,965	(111,058)
Fund balance (deficit), July 1	10,866	10,586	43,884	13,763	128,507
Fund balance (deficit), June 30	\$ 13,516	\$ 16,211	\$ 36,916	\$ 18,728	\$ 17,449

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 6 of 9)

	MRDTF FEDERAL SHARING	HARD ROCK MINE RESERVE	METAL MINES TAX RESERVE	COONEY MEMORIAL	COONEY ACTIVITY
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	39,691	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	4,979	1,468
Interest earnings	1,194	372	177	319	39
Total revenues	40,885	372	177	5,298	1,507
EXPENDITURES					
Current:					
General government	55,603	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Public health	-	-	-	2,733	1,777
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	55,603	-	-	2,733	1,777
Excess (deficiency) of revenue over (under) expenditures	(14,718)	372	177	2,565	(270)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-
Net change in fund balances	(14,718)	372	177	2,565	(270)
Fund balance (deficit), July 1	19,898	8,331	3,964	5,920	920
Fund balance (deficit), June 30	\$ 5,180	\$ 8,703	\$ 4,141	\$ 8,485	\$ 650

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 7 of 9)**

	COMMUNITY DECAY	ALCOHOLISM	GAS TAX	HIDTA	FOREST RESERVE TITLE III
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	93,026	259,742	97,051	18,003
Charges for services	-	-	9,218	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	12,099	-	-
Interest earnings	-	-	-	-	-
Total revenues	-	93,026	281,059	97,051	18,003
EXPENDITURES					
Current:					
General government	-	-	-	91,198	-
Public safety	-	-	-	-	-
Public works	-	-	175,417	-	59,478
Public health	-	68,171	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	68,171	175,417	91,198	59,478
Excess (deficiency) of revenue over (under) expenditures	-	24,855	105,642	5,853	(41,475)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	2,900	2,051	-
Transfers out	-	-	(52,512)	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources and uses	-	-	(49,612)	2,051	-
Net change in fund balances	-	24,855	56,030	7,904	(41,475)
Fund balance (deficit), July 1	-	1	275,396	-	62,098
Fund balance (deficit), June 30	\$ -	\$ 24,856	\$ 331,426	\$ 7,904	\$ 20,623

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 8 of 9)

	JUSTICE ASSISTANCE GRANT	CITIZEN CORP/ CERT PROGRAM	NATIONAL FIRE PLAN	CDBG ECONOMIC DEVELOPMENT	NOXIOUS WEED GRANT
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	27,230	1,216	230,586	473,389	72,530
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	-	1,500
Interest earnings	-	-	-	-	-
Total revenues	27,230	1,216	230,586	473,389	74,030
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	23,337	716	232,237	-	-
Public works	-	-	-	-	76,617
Public health	-	-	-	-	-
Social and economic	-	-	-	473,389	-
Culture and recreation	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	23,337	716	232,237	473,389	76,617
Excess (deficiency) of revenue over (under) expenditures	3,893	500	(1,651)	-	(2,587)
OTHER FINANCING SOURCES (USES)					
Transfers in	646	-	1,651	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources and uses	646	-	1,651	-	-
Net change in fund balances	4,539	500	-	-	(2,587)
Fund balance (deficit), July 1	1,092	-	-	-	4,660
Fund balance (deficit), June 30	\$ 5,631	\$ 500	\$ -	\$ -	\$ 2,073

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 9 of 9)

	BUCKSNORT GRANT	OTHER GRANTS	SPECIAL ASSESSMENT DISTRICTS	FORESTVALE ENDOWMENT	TOTAL SPECIAL REVENUE
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ 624,408	\$ -	\$ 6,975,837
Intergovernmental	(4,300)	201,270	592	-	3,787,318
Charges for services	-	-	-	-	1,119,207
Fines and forfeitures	-	-	-	-	157,210
Miscellaneous	-	-	6,936	-	368,213
Interest earnings	-	-	36,092	23,195	145,899
Total revenues	(4,300)	201,270	668,028	23,195	12,553,684
EXPENDITURES					
Current:					
General government	-	-	-	-	2,300,887
Public safety	-	159,908	-	-	942,868
Public works	-	-	249,203	-	2,593,623
Public health	-	32,259	-	8,151	3,405,928
Social and economic	-	-	-	-	1,262,284
Culture and recreation	-	-	-	-	44,094
Debt service	-	-	57,905	-	205,845
Capital outlay	-	-	-	-	1,302
Total expenditures	-	192,167	307,108	8,151	10,756,831
Excess (deficiency) of revenue over (under) expenditures	(4,300)	9,103	360,920	15,044	1,796,853
OTHER FINANCING SOURCES (USES)					
Transfers in	-	401	-	-	816,308
Transfers out	(23,708)	(9,504)	(20,000)	-	(2,078,049)
Proceeds from sale of capital assets	-	-	-	-	21,292
Total other financing sources and uses	(23,708)	(9,103)	(20,000)	-	(1,240,449)
Net change in fund balances	(28,008)	-	340,920	15,044	556,404
Fund balance (deficit), July 1	28,008	-	743,289	221,698	4,714,809
Fund balance (deficit), June 30	\$ -	\$ -	\$ 1,084,209	\$ 236,742	\$ 5,271,213

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**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2008**

	CITY/COUNTY BUILDING DEBT	HEALTH FACILITIES DEBT	RSID REVOLVING DEBT	TOTAL DEBT SERVICE
REVENUES				
Taxes/assessments	\$ -	\$ 157,615	\$ -	\$ 157,615
Intergovernmental	-	26,025	527	26,552
Miscellaneous	10,080	-	-	10,080
Interest earnings	-	5,384	10,197	15,581
Total revenues	10,080	189,024	10,724	209,828
EXPENDITURES				
Current:				
General government				
Public works	382,611	-	-	382,611
Debt service	10,080	137,170	-	147,250
Total expenditures	392,691	137,170	-	529,861
Excess (deficiency) of revenue over (under) expenditures	(382,611)	51,854	10,724	(320,033)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(68,330)	-	(68,330)
Loans	382,611	-	38,047	420,658
Total other financing sources and uses	382,611	(68,330)	38,047	352,328
Net change in fund balances	-	(16,476)	48,771	32,295
Fund balance (deficit), July 1	-	58,898	188,199	247,097
Fund balance (deficit), June 30	\$ -	\$ 42,422	\$ 236,970	\$ 279,392

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 For the Fiscal Year Ended June 30, 2008**

	CTEP PROJECTS	RID PROJECTS	FEDERAL GRANT PROJECTS	PUBLIC SAFETY-RADIO PROJECT	ROAD/BRIDGE INFRASTRUCTURE PROJECTS	TOTAL CAPITAL PROJECTS
REVENUES						
Intergovernmental	\$ -	\$ 73,555	\$ 1,360,346	\$ 1	\$ 683,299	\$ 2,117,201
Miscellaneous	-	-	16,213	-	35,000	51,213
Interest earnings	-	-	-	15,890	-	15,890
Total revenues	-	73,555	1,376,559	15,891	718,299	2,184,304
EXPENDITURES						
Capital outlay						
General government	-	-	1,519,709	-	-	1,519,709
Public safety	-	-	-	195,885	-	195,885
Public works	-	727,797	-	-	1,278,929	2,006,726
Total expenditures	-	727,797	1,519,709	195,885	1,278,929	3,722,320
Excess (deficiency) of revenue over (under) expenditures	-	(654,242)	(143,150)	(179,994)	(560,630)	(1,538,016)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	7,870	136,000	-	601,815	745,685
Transfers out	-	(300)	-	-	-	(300)
Loans	-	701,802	7,150	-	-	708,952
Total other financing sources and uses	-	709,372	143,150	-	601,815	1,454,337
Net change in fund balances	-	55,130	-	(179,994)	41,185	(83,679)
Fund balance (deficit), July 1	-	(21,377)	-	422,522	-	401,145
Fund balance (deficit), June 30	\$ -	\$ 33,753	\$ -	\$ 242,528	\$ 41,185	\$ 317,466

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2008
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	HEALTH-RELATED GRANTS			CRAIG MOSQUITO CONTROL		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ 4,290	\$ 5,551	\$ 1,261
Intergovernmental	1,426,013	1,341,793	(84,220)	189	192	3
Charges for services	396,578	370,532	(26,046)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	160,312	178,503	18,191	-	-	-
Investment earnings	-	-	-	-	646	646
Total revenues	1,982,903	1,890,828	(92,075)	4,479	6,389	1,910
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	1,340,477	1,283,786	56,691	-	-	-
Operations and maintenance	440,309	395,012	45,297	11,559	11,559	-
Social and economic						
Personal services	352,790	330,474	22,316	-	-	-
Operations and maintenance	174,403	205,064	(30,661)	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	2,307,979	2,214,336	93,643	11,559	11,559	-
Excess (deficiency) of revenue over (under) expenditures	(325,076)	(323,508)	1,568	(7,080)	(5,170)	1,910
OTHER FINANCING SOURCES (USES)						
Transfers in	250,598	292,218	41,620	-	-	-
Transfers out	(51,558)	(47,595)	3,963	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	199,040	244,623	45,583	-	-	-
Net change in fund balances	\$ (126,036)	(78,885)	\$ 47,151	\$ (7,080)	(5,170)	\$ 1,910
Fund balance (deficit), July 1		105,307			15,400	
Fund balance (deficit), June 30		<u>\$ 26,422</u>			<u>\$ 10,230</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	MOSQUITO CONTROL			WATER QUALITY		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 73,387	\$ 125,400	\$ 52,013	\$ 196,100	\$ 188,640	\$ (7,460)
Intergovernmental	1,952	1,984	32	2,752	2,326	(426)
Charges for services	-	-	-	-	1,326	1,326
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	4,442	3,099	(1,343)
Investment earnings	-	695	695	-	1	1
Total revenues	75,339	128,079	52,740	203,294	195,392	(7,902)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	172,552	145,099	27,453
Operations and maintenance	149,429	143,155	6,274	66,417	89,695	(23,278)
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	149,429	143,155	6,274	238,969	234,794	4,175
Excess (deficiency) of revenue over (under) expenditures	(74,090)	(15,076)	59,014	(35,675)	(39,402)	(3,727)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	20,811	6,726	(14,085)
Transfers out	-	-	-	(3,483)	(7,657)	(4,174)
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	17,328	(931)	(18,259)
Net change in fund balances	\$ (74,090)	(15,076)	\$ 59,014	\$ (18,347)	(40,333)	\$ (21,986)
Fund balance (deficit), July 1		84,076			79,067	
Fund balance (deficit), June 30		<u>\$ 69,000</u>			<u>\$ 38,734</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	MENTAL HEALTH			ROADS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 70,909	\$ 71,545	\$ 636	\$ 1,907,302	\$ 1,930,327	\$ 23,025
Intergovernmental	4,217	4,421	204	750,586	729,977	(20,609)
Charges for services	-	-	-	9,500	12,975	3,475
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	8,390	62,200	53,810
Investment earnings	-	558	558	39,800	47,068	7,268
Total revenues	75,126	76,524	1,398	2,715,578	2,782,547	66,969
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	60,603	60,603	-	-	-	-
Public works						
Personal services	-	-	-	1,009,756	907,907	101,849
Operations and maintenance	-	-	-	1,081,360	1,007,084	74,276
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	85,812	85,812	-
Capital outlay	-	-	-	-	-	-
Total expenditures	60,603	60,603	-	2,176,928	2,000,803	176,125
Excess (deficiency) of revenue over (under) expenditures	14,523	15,921	1,398	538,650	781,744	243,094
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	151,130	148,188	(2,942)
Transfers out	-	-	-	(728,700)	(761,554)	(32,854)
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	8,840	14,417	5,577
Total other financing sources(uses)	-	-	-	(568,730)	(598,949)	(30,219)
Net change in fund balances	\$ 14,523	15,921	\$ 1,398	\$ (30,080)	182,795	\$ 212,875
Fund balance (deficit), July 1		24,031			730,556	
Fund balance (deficit), June 30		\$ 39,952			\$ 913,351	

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	PREDATORY ANIMAL CONTROL			DISTRICT COURT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 2,499	\$ 1,411	\$ (1,088)	\$ 911,324	\$ 946,062	\$ 34,738
Intergovernmental	-	-	-	36,000	14,217	(21,783)
Charges for services	-	-	-	42,800	35,405	(7,395)
Fines and forfeitures	-	-	-	35,000	51,218	16,218
Miscellaneous	-	-	-	16,512	17,020	508
Investment earnings	-	-	-	-	2,883	2,883
Total revenues	2,499	1,411	(1,088)	1,041,636	1,066,805	25,169
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	564,376	533,187	31,189
Operations and maintenance	-	-	-	397,749	350,646	47,103
Public safety						
Personal services	-	-	-	76,024	76,137	(113)
Operations and maintenance	-	-	-	104,430	76,656	27,774
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	2,224	2,224	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	2,224	2,224	-	1,142,579	1,036,626	105,953
Excess (deficiency) of revenue over (under) expenditures	275	(813)	(1,088)	(100,943)	30,179	131,122
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	25,220	24,902	(318)
Transfers out	-	-	-	(11,820)	(11,820)	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	13,400	13,082	(318)
Net change in fund balances	\$ 275	(813)	\$ (1,088)	\$ (87,543)	43,261	\$ 130,804
Fund balance (deficit), July 1		830			379,549	
Fund balance (deficit), June 30	\$	17		\$	422,810	

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	PARKS			EMPLOYER HEALTH INSURANCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 10,603	\$ 10,899	\$ 296	\$ 917,000	\$ 835,573	\$ (81,427)
Intergovernmental	575	735	160	-	62	62
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	84	84	-	7,540	7,540
Total revenues	11,178	11,718	540	917,000	843,175	(73,825)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	57,995	(57,995)
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	31,388	30,708	680	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	31,388	30,708	680	-	57,995	(57,995)
Excess (deficiency) of revenue over (under) expenditures	(20,210)	(18,990)	1,220	917,000	785,180	(131,820)
OTHER FINANCING SOURCES (USES)						
Transfers in	28,000	28,000	-	-	-	-
Transfers out	-	-	-	(917,000)	(725,977)	191,023
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	28,000	28,000	-	(917,000)	(725,977)	191,023
Net change in fund balances	\$ 7,790	9,010	\$ 1,220	\$ -	59,203	\$ 59,203
Fund balance (deficit), July 1		5,631			(58,435)	
Fund balance (deficit), June 30		\$ 14,641			\$ 768	

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	FORESTVALE CEMETERY			COUNTY PLANNING		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 215,577	\$ 224,083	\$ 8,506	\$ 814,376	\$ 871,725	\$ 57,349
Intergovernmental	12,085	12,281	196	44,733	58,877	14,144
Charges for services	32,500	36,614	4,114	42,300	26,768	(15,532)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	1,000	1,054	54
Investment earnings	8,000	14,789	6,789	-	2,408	2,408
Total revenues	268,162	287,767	19,605	902,409	960,832	58,423
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	825,100	763,102	61,998
Operations and maintenance	-	-	-	281,209	197,573	83,636
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	131,377	121,086	10,291	-	-	-
Operations and maintenance	39,366	48,901	(9,535)	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	44,587	44,585	2	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	215,330	214,572	758	1,106,309	960,675	145,634
Excess (deficiency) of revenue over (under) expenditures	52,832	73,195	20,363	(203,900)	157	204,057
OTHER FINANCING SOURCES (USES)						
Transfers in	6,360	5,052	(1,308)	29,606	25,040	(4,566)
Transfers out	(42,500)	(42,500)	-	(19,000)	(22,288)	(3,288)
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	1,635	1,635	-	-	-
Total other financing sources(uses)	(36,140)	(35,813)	327	10,606	2,752	(7,854)
Net change in fund balances	\$ 16,692	37,382	\$ 20,690	\$ (193,294)	2,909	\$ 196,203
Fund balance (deficit), July 1		36,957			421,677	
Fund balance (deficit), June 30		\$ 74,339			\$ 424,586	

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	EMERGENCY DISASTER			COUNTY HEALTH		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ 2,794	\$ 2,794	\$ 773,553	\$ 780,495	\$ 6,942
Intergovernmental	-	-	-	46,447	55,719	9,272
Charges for services	-	-	-	534,318	435,806	(98,512)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	22,500	27,818	5,318
Investment earnings	-	-	-	-	6,114	6,114
Total revenues	-	2,794	2,794	1,376,818	1,305,952	(70,866)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	887,785	832,912	54,873
Operations and maintenance	-	-	-	316,176	366,700	(50,524)
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	1,203,961	1,199,612	4,349
Excess (deficiency) of revenue over (under) expenditures	-	2,794	2,794	172,857	106,340	(66,517)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	23,690	63,259	39,569
Transfers out	-	-	-	(255,291)	(245,904)	9,387
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	5,240	5,240
Total other financing sources(uses)	-	-	-	(231,601)	(177,405)	54,196
Net change in fund balances	\$ -	2,794	\$ 2,794	\$ (58,744)	(71,065)	\$ (12,321)
Fund balance (deficit), July 1		1,092			451,609	
Fund balance (deficit), June 30		\$ 3,886			\$ 380,544	

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	SENIOR CITIZENS			COUNTY EXTENSION		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 112,023	\$ 110,275	\$ (1,748)	\$ 137,792	\$ 138,846	\$ 1,054
Intergovernmental	6,580	6,945	365	8,245	8,724	479
Charges for services	-	-	-	750	1,827	1,077
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	2,822	2,822
Investment earnings	-	864	864	-	1,084	1,084
Total revenues	118,603	118,084	(519)	146,787	153,303	6,516
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	76,705	76,165	540
Operations and maintenance	102,007	102,007	-	68,365	67,943	422
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	102,007	102,007	-	145,070	144,108	962
Excess (deficiency) of revenue over (under) expenditures	16,596	16,077	(519)	1,717	9,195	7,478
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	2,193	2,056	(137)
Transfers out	(3,500)	(3,500)	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	(3,500)	(3,500)	-	2,193	2,056	(137)
Net change in fund balances	\$ 13,096	12,577	\$ (519)	\$ 3,910	11,251	\$ 7,341
Fund balance (deficit), July 1		19,563			67,595	
Fund balance (deficit), June 30		\$ 32,140			\$ 78,846	

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	PUBLIC SAFERY RADIO PROJECT			INMATE PROGRAM		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,048	(1,669)	(2,717)	-	-	-
Charges for services	1,200	1,300	100	6,110	6,742	632
Fines and forfeitures	-	-	-	3,000	313	(2,687)
Miscellaneous	-	3,326	3,326	31,500	36,096	4,596
Investment earnings	200	-	(200)	-	-	-
Total revenues	2,448	2,957	509	40,610	43,151	2,541
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	89,622	96,960	(7,338)	-	-	-
Operations and maintenance	107,120	137,804	(30,684)	69,600	49,224	20,376
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	39,325	1,302	38,023	-	-	-
Total expenditures	236,067	236,066	1	69,600	49,224	20,376
Excess (deficiency) of revenue over (under) expenditures	(233,619)	(233,109)	510	(28,990)	(6,073)	22,917
OTHER FINANCING SOURCES (USES)						
Transfers in	199,386	188,447	(10,939)	27,500	13,750	(13,750)
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	199,386	188,447	(10,939)	27,500	13,750	(13,750)
Net change in fund balances	\$ (34,233)	(44,662)	\$ (10,429)	\$ (1,490)	7,677	\$ 9,167
Fund balance (deficit), July 1		72,095			40,699	
Fund balance (deficit), June 30		\$ 27,433			\$ 48,376	

LEWIS AND CLARK COUNTY, MONTANA
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	RECORDS PRESERVATION			PARKS DEVELOPMENT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ 75,000	\$ 98,072	\$ 23,072
Intergovernmental	-	-	-	-	-	-
Charges for services	120,000	116,671	(3,329)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	120,000	116,671	(3,329)	75,000	98,072	23,072
EXPENDITURES						
Current:						
General government						
Personal services	37,653	37,234	419	-	-	-
Operations and maintenance	32,560	29,454	3,106	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	200,000	8,437	191,563
Debt service	17,544	17,543	1	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	87,757	84,231	3,526	200,000	8,437	191,563
Excess (deficiency) of revenue over (under) expenditures	32,243	32,440	197	(125,000)	89,635	214,635
OTHER FINANCING SOURCES (USES)						
Transfers in	2,193	2,052	(141)	-	-	-
Transfers out	(50,825)	(50,825)	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	(48,632)	(48,773)	(141)	-	-	-
Net change in fund balances	\$ (16,389)	(16,333)	\$ 56	\$ (125,000)	89,635	\$ 214,635
Fund balance (deficit), July 1		79,847			270,521	
Fund balance (deficit), June 30		<u>\$ 63,514</u>			<u>\$ 360,156</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	LINCOLN PARKS			BEP		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	24,500	28,090	3,590
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	7,500	7,599	99	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	7,500	7,599	99	24,500	28,090	3,590
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	21,568	21,574	(6)
Operations and maintenance	-	-	-	3,895	3,827	68
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	7,936	4,949	2,987	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	7,936	4,949	2,987	25,463	25,401	62
Excess (deficiency) of revenue over (under) expenditures	(436)	2,650	3,086	(963)	2,689	3,652
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	1,097	1,026	(71)
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	1,097	1,026	(71)
Net change in fund balances	\$ (436)	2,650	\$ 3,086	\$ 134	3,715	\$ 3,581
Fund balance (deficit), July 1		10,866			10,586	
Fund balance (deficit), June 30		<u>\$ 13,516</u>			<u>\$ 14,301</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	DUI PROGRAMS			CITY/COUNTY DRUG		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	136,904	100,565	(36,339)	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	25,000	4,965	(20,035)
Miscellaneous	750	442	(308)	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	137,654	101,007	(36,647)	25,000	4,965	(20,035)
EXPENDITURES						
Current:						
General government						
Personal services	7,648	6,759	889	-	-	-
Operations and maintenance	512	513	(1)	21,250	-	21,250
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	770	29,398	(28,628)	-	-	-
Operations and maintenance	88,315	59,687	28,628	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	97,245	96,357	888	21,250	-	21,250
Excess (deficiency) of revenue over (under) expenditures	40,409	4,650	(35,759)	3,750	4,965	1,215
OTHER FINANCING SOURCES (USES)						
Transfers in	6,000	6,773	773	-	-	-
Transfers out	(13,000)	(13,000)	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	(7,000)	(6,227)	773	-	-	-
Net change in fund balances	\$ 33,409	(1,577)	\$ (34,986)	\$ 3,750	4,965	\$ 1,215
Fund balance (deficit), July 1		31,991			13,763	
Fund balance (deficit), June 30		\$ 30,414			\$ 18,728	

LEWIS AND CLARK COUNTY, MONTANA
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	MISSOURI RIVER DRUG TASK FORCE			MRDTF FEDERAL SHARING		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	22,660	39,691	17,031
Charges for services	-	-	-	-	-	-
Fines and forfeitures	111,646	99,439	(12,207)	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	850	1,194	344
Total revenues	111,646	99,439	(12,207)	23,510	40,885	17,375
EXPENDITURES						
Current:						
General government						
Personal services	17,801	17,502	299	-	-	-
Operations and maintenance	137,159	138,513	(1,354)	34,700	31,283	3,417
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	154,960	156,015	(1,055)	34,700	31,283	3,417
Excess (deficiency) of revenue over (under) expenditures	(43,314)	(56,576)	(13,262)	(11,190)	9,602	20,792
OTHER FINANCING SOURCES (USES)						
Transfers in	-	1,170	1,170	-	-	-
Transfers out	(23,000)	(21,945)	1,055	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	(23,000)	(20,775)	2,225	-	-	-
Net change in fund balances	\$ (66,314)	(77,351)	\$ (11,037)	\$ (11,190)	9,602	\$ 20,792
Fund balance (deficit), July 1		166,182			19,898	
Fund balance (deficit), June 30		<u>\$ 88,831</u>			<u>\$ 29,500</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	HARD ROCK MINE RESERVE			METAL MINES TAX RESERVE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	372	372	-	177	177
Total revenues	-	372	372	-	177	177
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenue over (under) expenditures	-	372	372	-	177	177
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	372	\$ 372	\$ -	177	\$ 177
Fund balance (deficit), July 1		8,331			3,964	
Fund balance (deficit), June 30		\$ 8,703			\$ 4,141	

LEWIS AND CLARK COUNTY, MONTANA
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	COONEY MEMORIAL			COONEY ACTIVITY		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	4,979	4,979	-	1,468	1,468
Investment earnings	-	319	319	-	39	39
Total revenues	-	5,298	5,298	-	1,507	1,507
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	2,733	(2,733)	-	1,777	(1,777)
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	2,733	(2,733)	-	1,777	(1,777)
Excess (deficiency) of revenue over (under) expenditures	-	2,565	2,565	-	(270)	(270)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	2,565	\$ 2,565	\$ -	(270)	\$ (270)
Fund balance (deficit), July 1		5,920			920	
Fund balance (deficit), June 30		<u>\$ 8,485</u>			<u>\$ 650</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	COMMUNITY DECAY			ALCOHOLISM		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	68,171	68,171	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	-	-	-	68,171	68,171	-
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	68,171	68,171	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	68,171	68,171	-
Excess (deficiency) of revenue over (under) expenditures	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	-	\$ -	\$ -	-	\$ -
Fund balance (deficit), July 1		-			1	
Fund balance (deficit), June 30	\$ -	-		\$ -	1	

LEWIS AND CLARK COUNTY, MONTANA
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	GAS TAX			HIDTA		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	259,660	259,742	82	116,374	113,338	(3,036)
Charges for services	6,700	9,218	2,518	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	10,000	12,099	2,099	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	276,360	281,059	4,699	116,374	113,338	(3,036)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	45,085	42,263	2,822
Operations and maintenance	-	-	-	56,109	56,676	(567)
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	435,309	208,468	226,841	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	435,309	208,468	226,841	101,194	98,939	2,255
Excess (deficiency) of revenue over (under) expenditures	(158,949)	72,591	231,540	15,180	14,399	(781)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	2,900	2,900	2,193	2,051	(142)
Transfers out	(52,512)	(52,512)	-	(4,000)	-	4,000
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	(52,512)	(49,612)	2,900	(1,807)	2,051	3,858
Net change in fund balances	\$ (211,461)	22,979	\$ 234,440	\$ 13,373	16,450	\$ 3,077
Fund balance (deficit), July 1		311,681			(22,048)	
Fund balance (deficit), June 30		<u>\$ 334,660</u>			<u>\$ (5,598)</u>	

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	FOREST RESERVE TITLE III			JUSTICE ASSISTANCE GRANT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	18,003	18,003	21,982	27,230	5,248
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	50	-	(50)
Total revenues	-	18,003	18,003	22,032	27,230	5,198
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	23,337	23,301	36
Operations and maintenance	-	-	-	-	36	(36)
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	61,672	49,899	11,773	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	61,672	49,899	11,773	23,337	23,337	-
Excess (deficiency) of revenue over (under) expenditures	(61,672)	(31,896)	29,776	(1,305)	3,893	5,198
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	351	646	295
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	351	646	295
Net change in fund balances	\$ (61,672)	(31,896)	\$ 29,776	\$ (954)	4,539	\$ 5,493
Fund balance (deficit), July 1		62,098			1,092	
Fund balance (deficit), June 30		<u>\$ 30,202</u>			<u>\$ 5,631</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	CITIZENS CORP/CERT PROGRAM			NATIONAL FIRE PLAN		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	500	1,216	716	225,000	292,245	67,245
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	500	1,216	716	225,000	292,245	67,245
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	23,444	38,091	(14,647)
Operations and maintenance	500	716	(216)	209,234	189,717	19,517
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	500	716	(216)	232,678	227,808	4,870
Excess (deficiency) of revenue over (under) expenditures	-	500	500	(7,678)	64,437	72,115
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	877	1,651	774
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	877	1,651	774
Net change in fund balances	\$ -	500	\$ 500	\$ (6,801)	66,088	\$ 72,889
Fund balance (deficit), July 1		-			(92,844)	
Fund balance (deficit), June 30		\$ 500			\$ (26,756)	

LEWIS AND CLARK COUNTY, MONTANA
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	CDBG-ECONOMIC DEVELOPMENT			NOXIOUS WEED TRUST GRANT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	473,389	473,389	-	71,000	81,039	10,039
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	1,500	1,500
Investment earnings	-	-	-	-	-	-
Total revenues	473,389	473,389	-	71,000	82,539	11,539
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	91,500	79,213	12,287
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	473,389	473,389	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	473,389	473,389	-	91,500	79,213	12,287
Excess (deficiency) of revenue over (under) expenditures	-	-	-	(20,500)	3,326	23,826
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	2,500	-	(2,500)
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	2,500	-	(2,500)
Net change in fund balances	\$ -	\$ -	\$ -	\$ (18,000)	3,326	\$ 21,326
Fund balance (deficit), July 1		-			2,047	
Fund balance (deficit), June 30		\$ -			\$ 5,373	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	BUCKSNORT GRANT			OTHER GRANTS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	25,000	-	(25,000)	301,699	81,091	(220,608)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	25,000	-	(25,000)	301,699	81,091	(220,608)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	34,568	13,777	20,791
Operations and maintenance	-	-	-	104,199	125,070	(20,871)
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	45,000	-	45,000	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	172,410	35,517	136,893
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Operations and maintenance	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	45,000	-	45,000	311,177	174,364	136,813
Excess (deficiency) of revenue over (under) expenditures	(20,000)	-	20,000	(9,478)	(93,273)	(83,795)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	1,316	401	(915)
Transfers out	-	(23,708)	(23,708)	(24,240)	(9,504)	14,736
Loans	-	-	-	-	-	-
Proceed from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	-	(23,708)	(23,708)	(22,924)	(9,103)	13,821
Net change in fund balances	\$ (20,000)	(23,708)	\$ (3,708)	\$ (32,402)	(102,376)	\$ (69,974)
Fund balance (deficit), July 1		23,708			(29,927)	
Fund balance (deficit), June 30		<u>\$ -</u>			<u>\$ (132,303)</u>	

**LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
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	SPECIAL ASSESSMENT DISTRICTS			TOTAL NONMAJOR SPECIAL REVENUE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 587,456	\$ 631,217	\$ 43,761	\$ 6,809,191	\$ 6,972,915	\$ 163,724
Intergovernmental	582	592	10	4,064,343	3,792,896	(271,447)
Charges for services	-	-	-	1,217,256	1,083,274	(133,982)
Fines and forfeitures	-	-	-	174,646	155,935	(18,711)
Miscellaneous	-	6,936	6,936	262,906	366,961	104,055
Investment earnings	27,220	36,092	8,872	76,120	122,927	46,807
Total revenues	615,258	674,837	59,579	12,604,462	12,494,908	(109,554)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	1,497,663	1,400,047	97,616
Operations and maintenance	-	-	-	961,248	862,653	98,595
Public safety						
Personal services	-	-	-	268,563	269,840	(1,277)
Operations and maintenance	-	-	-	659,581	643,653	15,928
Public works						
Personal services	2,333	904	1,429	1,143,466	1,029,897	113,569
Operations and maintenance	1,166,181	251,564	914,617	2,920,388	1,645,129	1,275,259
Public health						
Personal services	-	-	-	2,401,584	2,291,195	110,389
Operations and maintenance	-	-	-	1,315,010	1,176,230	138,780
Social and economic						
Personal services	-	-	-	902,884	880,028	22,856
Operations and maintenance	-	-	-	344,775	375,014	(30,239)
Culture and recreation						
Operations and maintenance	-	-	-	239,324	44,094	195,230
Debt service	54,899	57,905	(3,006)	202,842	205,845	(3,003)
Capital outlay	-	-	-	39,325	1,302	38,023
Total expenditures	1,223,413	310,373	913,040	12,896,653	10,824,927	2,071,726
Excess (deficiency) of revenue over (under) expenditures	(608,155)	364,464	972,619	(292,191)	1,669,981	1,962,172
OTHER FINANCING SOURCES (USES)						
Transfers in	440	-	(440)	781,461	816,308	34,847
Transfers out	(56,824)	(20,000)	36,824	(2,257,253)	(2,060,289)	196,964
Loans	-	-	-	-	-	-
Prococeed from sale of capital assets	-	-	-	8,840	21,292	12,452
Total other financing sources(uses)	(56,384)	(20,000)	36,384	(1,466,952)	(1,222,689)	244,263
Net change in fund balances	\$ (664,539)	344,464	\$ 1,009,003	\$ (1,759,143)	447,292	\$ 2,206,435
Fund balance (deficit), July 1		730,386			4,086,282	
Fund balance (deficit), June 30		<u>\$ 1,074,850</u>			<u>\$ 4,533,574</u>	

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LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2008
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	CITY/COUNTY BUILDING DEBT			HEALTH FACILITIES DEBT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ 161,305	\$ 158,901	\$ (2,404)
Intergovernmental	-	-	-	25,602	26,025	423
Miscellaneous	-	10,080	10,080	-	-	-
Investment earnings	-	-	-	5,000	5,384	384
Total revenues	-	10,080	10,080	191,907	190,310	(1,597)
EXPENDITURES						
Current:						
Public works	-	382,611	(382,611)	-	-	-
Public health	-	-	-	-	137,170	(137,170)
Debt service	-	10,080	(10,080)	-	-	-
Total expenditures	-	392,691	(392,691)	-	137,170	(137,170)
Excess (deficiency) of revenue over (under) expenditures	-	(382,611)	(382,611)	191,907	53,140	(138,767)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(205,500)	(68,330)	137,170
Loans	-	382,611	382,611	-	-	-
Total other financing sources(uses)	-	382,611	382,611	(205,500)	(68,330)	137,170
Net change in fund balances	\$ -	-	\$ -	\$ (13,593)	(15,190)	\$ (1,597)
Fund balance (deficit), July 1					54,301	
Fund balance (deficit), June 30		\$ -			\$ 39,111	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
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	RSID REVOLVING DEBT			RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ 177,232	\$ 251,473	\$ 74,241
Intergovernmental	-	527	527	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	8,600	10,197	1,597	5,410	4,534	(876)
Total revenues	8,600	10,724	2,124	182,642	256,007	73,365
EXPENDITURES						
Current:						
Public works	-	-	-	-	-	-
Public health	-	-	-	-	-	-
Debt service	-	-	-	154,163	165,990	(11,827)
Total expenditures	-	-	-	154,163	165,990	(11,827)
Excess (deficiency) of revenue over (under) expenditures	8,600	10,724	2,124	28,479	90,017	61,538
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	300	300
Transfers out	-	-	-	-	-	-
Loans	30,000	38,047	8,047	-	24,750	24,750
Total other financing sources(uses)	30,000	38,047	8,047	-	25,050	25,050
Net change in fund balances	\$ 38,600	48,771	\$ 10,171	\$ 28,479	115,067	\$ 86,588
Fund balance (deficit), July 1		188,199			123,852	
Fund balance (deficit), June 30		\$ 236,970			\$ 238,919	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2008
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	TOTAL DEBT SERVICE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES			
Taxes/assessments	\$ 338,537	\$ 410,374	\$ 71,837
Intergovernmental	25,602	26,552	950
Miscellaneous	-	10,080	10,080
Investment earnings	19,010	20,115	1,105
Total revenues	383,149	467,121	83,972
EXPENDITURES			
Current:			
Public works	-	382,611	(382,611)
Public health	-	137,170	(137,170)
Debt service	154,163	176,070	(21,907)
Total expenditures	154,163	695,851	(541,688)
Excess (deficiency) of revenue over (under) expenditures	228,986	(228,730)	(457,716)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	300	300
Transfers out	(205,500)	(68,330)	137,170
Loans	30,000	445,408	415,408
Total other financing sources(uses)	(175,500)	377,378	552,878
Net change in fund balances	\$ 53,486	148,648	\$ 95,162
Fund balance (deficit), July 1		366,352	
Fund balance (deficit), June 30		\$ 515,000	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2008
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	CAPITAL DEVELOPMENT			CTEP PROJECTS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Intergovernmental	\$ 5,000	\$ 48,859	\$ 43,859	\$ -	\$ -	\$ -
Miscellaneous	12,024	10,000	(2,024)	-	-	-
Investment earnings	165,000	178,302	13,302	-	-	-
Total revenues	182,024	237,161	55,137	-	-	-
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	1,374,920	290,584	1,084,336	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	301,235	163,464	137,771	-	-	-
Public works						
Operations and maintenance	155,149	210,512	(55,363)	-	-	-
Public health						
Operations and maintenance	33,000	32,054	946	-	-	-
Total expenditures	1,864,304	696,614	1,167,690	-	-	-
Excess (deficiency) of revenue over (under) expenditures	(1,682,280)	(459,453)	1,222,827	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	1,256,155	1,306,258	50,103	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources(uses)	1,256,155	1,306,258	50,103	-	-	-
Net change in fund balances	\$ (426,125)	846,805	\$ 1,272,930	\$ -	-	\$ -
Fund balance (deficit), July 1		3,797,671			-	
Fund balance (deficit), June 30		\$ 4,644,476			\$ -	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
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	RID PROJECTS			FEDERAL GRANT PROJECTS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Intergovernmental	\$ -	\$ 73,555	\$ 73,555	\$ 1,972,488	\$ 817,132	\$ (1,155,356)
Miscellaneous	-	-	-	116,494	16,213	(100,281)
Investment earnings	-	-	-	-	-	-
Total revenues	-	73,555	73,555	2,088,982	833,345	(1,255,637)
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	-	-	-	2,697,039	1,280,834	1,416,205
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Operations and maintenance	913,651	730,150	183,501	-	-	-
Public health						
Operations and maintenance	-	-	-	-	-	-
Total expenditures	913,651	730,150	183,501	2,697,039	1,280,834	1,416,205
Excess (deficiency) of revenue over (under) expenditures	(913,651)	(656,595)	257,056	(608,057)	(447,489)	160,568
OTHER FINANCING SOURCES (USES)						
Transfers in	35,500	7,870	(27,630)	229,077	136,000	(93,077)
Transfers out	-	(300)	(300)	-	-	-
Loans	891,328	701,802	(189,526)	436,694	7,150	(429,544)
Total other financing sources(uses)	926,828	709,372	(217,456)	665,771	143,150	(522,621)
Net change in fund balances	\$ 13,177	52,777	\$ 39,600	\$ 57,714	(304,339)	\$ (362,053)
Fund balance (deficit), July 1		(19,024)			(50,746)	
Fund balance (deficit), June 30		\$ 33,753			\$ (355,085)	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
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	PUBLIC SAFETY RADIO PROJECT			ROAD/BRIDGE INFRASTRUCTURE PROJECTS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Intergovernmental	\$ -	\$ 1,670	\$ 1,670	\$ 1,026,289	\$ 458,521	\$ (567,768)
Miscellaneous	-	-	-	35,000	35,000	-
Investment earnings	-	15,890	15,890	-	-	-
Total revenues	-	17,560	17,560	1,061,289	493,521	(567,768)
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	(388)	388	-	-	-
Operations and maintenance	347,388	232,303	115,085	-	-	-
Public works						
Operations and maintenance	-	-	-	1,583,724	1,029,351	554,373
Public health						
Operations and maintenance	-	-	-	-	-	-
Total expenditures	347,388	231,915	115,473	1,583,724	1,029,351	554,373
Excess (deficiency) of revenue over (under) expenditures	(347,388)	(214,355)	133,033	(522,435)	(535,830)	(13,395)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	522,435	601,815	79,380
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	522,435	601,815	79,380
Net change in fund balances	\$ (347,388)	(214,355)	\$ 133,033	\$ -	65,985	\$ 65,985
Fund balance (deficit), July 1		460,003			(76,787)	
Fund balance (deficit), June 30		<u>\$ 245,648</u>			<u>\$ (10,802)</u>	

**LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
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	<u>TOTAL CAPITAL PROJECTS</u>		
	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>BUDGET</u>	<u>AMOUNTS</u>	<u>FINAL BUDGET -</u>
			<u>POSITIVE</u>
			<u>(NEGATIVE)</u>
REVENUES			
Intergovernmental	\$ 3,003,777	\$ 1,399,737	\$ (1,604,040)
Miscellaneous	163,518	61,213	(102,305)
Investment earnings	165,000	194,192	29,192
Total revenues	3,332,295	1,655,142	(1,677,153)
EXPENDITURES			
Capital outlay			
General government			
Operations and maintenance	4,071,959	1,571,418	2,500,541
Public safety			
Personal services	-	(388)	388
Operations and maintenance	648,623	395,767	252,856
Public works			
Operations and maintenance	2,652,524	1,970,013	682,511
Public health			
Operations and maintenance	33,000	32,054	946
Total expenditures	7,406,106	3,968,864	3,437,242
Excess (deficiency) of revenue over (under) expenditures	(4,073,811)	(2,313,722)	1,760,089
OTHER FINANCING SOURCES (USES)			
Transfers in	2,043,167	2,051,943	8,776
Transfers out	-	(300)	(300)
Loans	1,328,022	708,952	(619,070)
Total other financing sources(uses)	3,371,189	2,760,595	(610,594)
Net change in fund balances	\$ (702,622)	446,873	\$ 1,149,495
Fund balance (deficit), July 1		4,111,117	
Fund balance (deficit), June 30		\$ 4,557,990	



LEWIS AND CLARK COUNTY, MONTANA

ENTERPRISE FUNDS

Enterprise Funds account for the operations and activities that render services on a user charge basis to the general public.

Augusta Landfill - Used to account for the receipt of property tax assessments and other resources and related expenses for the operation of the landfill in Augusta.

Lincoln Landfill - Used to account for the receipt of property tax assessments and other resources and related expenses for the operation of the landfill in Lincoln.

Scratchgravel Landfill - Used to account for the receipt of property tax assessments, user charges and other resources and related expenses for the operation of the Scratchgravel Landfill.

Marysville Landfill - Used to account for the receipt of property tax assessments and other resources and related expenses for the operation of the landfill in Marysville.

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 June 30, 2008

	AUGUSTA SOLID WASTE	LINCOLN SOLID WASTE	SCRATCH- GRAVEL LANDFILL	MARYSVILLE SOLID WASTE	TOTAL NONMAJOR ENTERPRISE FUND
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 67,629	\$ 107,752	\$ 686,362	\$ 36,438	\$ 898,181
Investments	9,379	14,943	95,192	5,053	124,567
Receivables:					
Accounts/contracts	7,384	19,476	285,860	6,749	319,469
Total current assets	<u>84,392</u>	<u>142,171</u>	<u>1,067,414</u>	<u>48,240</u>	<u>1,342,217</u>
Noncurrent assets:					
Restricted assets:					
Land and Construction in Progress	5,396	-	54,611	3,587	63,594
Buildings, improvements, vehicles and equipment(n	56,168	6,880	-	-	63,048
Total noncurrent assets	<u>61,564</u>	<u>6,880</u>	<u>54,611</u>	<u>3,587</u>	<u>126,642</u>
Total assets	<u>145,956</u>	<u>149,051</u>	<u>1,122,025</u>	<u>51,827</u>	<u>1,468,859</u>
Liabilities:					
Current liabilities:					
Accounts payable	3,400	12,084	111,736	-	127,220
Landfill postclosure costs payable - current	-	-	20,000	-	20,000
Compensated absences payable	236	38	338	100	712
Total current liabilities	<u>3,636</u>	<u>12,122</u>	<u>132,074</u>	<u>100</u>	<u>147,932</u>
Noncurrent liabilities:					
Landfill postclosure costs payable	-	-	320,000	-	320,000
Compensated absences payable	2,124	338	3,046	896	6,404
Total noncurrent liabilities	<u>2,124</u>	<u>338</u>	<u>323,046</u>	<u>896</u>	<u>326,404</u>
Total liabilities	<u>5,760</u>	<u>12,460</u>	<u>455,120</u>	<u>996</u>	<u>474,336</u>
NET ASSETS					
Investment in capital assets, net of related debt	61,564	6,880	54,611	3,587	126,642
Unrestricted	<u>78,632</u>	<u>129,711</u>	<u>612,294</u>	<u>47,244</u>	<u>867,881</u>
Total net assets	<u>\$ 140,196</u>	<u>\$ 136,591</u>	<u>\$ 666,905</u>	<u>\$ 50,831</u>	<u>\$ 994,523</u>

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2008**

	<u>AUGUSTA LANDFILL</u>	<u>LINCOLN LANDFILL</u>	<u>SCRATCH- GRAVEL LANDFILL</u>	<u>MARYSVILLE LANDFILL</u>	<u>TOTAL</u>
OPERATING REVENUES					
Charges for services	\$ 53,715	\$ 108,818	\$ 955,741	\$ 23,132	\$ 1,141,406
Total Operating Revenues	53,715	108,818	955,741	23,132	1,141,406
OPERATING EXPENSES					
Personal services	22,258	12,203	28,851	13,890	77,202
Supplies	2,041	4,916	42,452	9,157	58,566
Purchased services	37,973	114,608	924,311	994	1,077,886
Depreciation	4,803	961	-	-	5,764
Total Operating Expenses	67,075	132,688	995,614	24,041	1,219,418
Operating income (loss)	(13,360)	(23,870)	(39,873)	(909)	(78,012)
NONOPERATING REVENUES (EXPENSES)					
Interest income	3,343	5,485	32,406	1,788	43,022
Total Nonoperating Revenues (Expenses)	3,343	5,485	32,406	1,788	43,022
Income (loss) before transfers	(10,017)	(18,385)	(7,467)	879	(34,990)
Transfers in	102	499	1,211	784	2,596
Change in net assets	(9,915)	(17,886)	(6,256)	1,663	(32,394)
Total net assets, beginning	150,111	154,477	673,161	49,168	1,026,917
Total net assets, ending	\$ 140,196	\$ 136,591	\$ 666,905	\$ 50,831	\$ 994,523

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2008**

	AUGUSTA LANDFILL	LINCOLN LANDFILL	SCRATCH- GRAVEL LANDFILL	MARYSVILLE LANDFILL	TOTAL
Cash flows from operating activities:					
Cash received from customers	\$ 51,571	\$ 105,968	\$ 894,328	\$ 21,655	\$ 1,073,522
Cash payments for goods and services	(39,419)	(115,772)	(957,327)	(10,151)	(1,122,669)
Cash payments for employees	(21,364)	(12,091)	(27,658)	(12,894)	(74,007)
Cash payments for landfill closure and post closure costs	-	-	(20,000)	-	(20,000)
Net cash provided by (used by) operating activities	(9,212)	(21,895)	(110,657)	(1,390)	(143,154)
Cash flows from noncapital financing activities:					
Transfers from other Funds	102	499	1,211	784	2,596
Net cash provided by (used by) noncapital financing activities	102	499	1,211	784	2,596
Cash flows from investing activities:					
Receipts of interest and dividends	3,343	5,485	32,406	1,788	43,022
Payments for investments	3,871	7,244	42,247	1,399	54,761
Net cash provided by (used by) investing activities	7,214	12,729	74,653	3,187	97,783
Net increase (decrease) in cash and cash equivalents	(1,896)	(8,667)	(34,793)	2,581	(42,775)
Cash and cash equivalents, July 1	69,525	116,419	721,155	33,857	940,956
Cash and cash equivalents, June 30	\$ 67,629	\$ 107,752	\$ 686,362	\$ 36,438	\$ 898,181
Cash and cash equivalents, current	\$ 67,629	\$ 107,752	\$ 686,362	\$ 36,438	\$ 898,181
Total Cash and cash equivalents, June 30	\$ 67,629	\$ 107,752	\$ 686,362	\$ 36,438	\$ 898,181
Reconciliation of operating income to net cash provided by operating activity:					
Operating income (loss)	\$ (13,360)	\$ (23,870)	\$ (39,873)	\$ (909)	\$ (78,012)
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:					
Depreciation	4,803	961	-	-	5,764
Change in assets and liabilities:					
(Increase) decrease taxes/accounts/other receivables	(2,144)	(2,850)	(61,413)	(1,477)	(67,884)
Increase (decrease) compensated absences	894	112	1,193	996	3,195
Increase (decrease) accounts payable	595	3,752	9,436	-	13,783
Increase (decrease) postclosure liability	-	-	(20,000)	-	(20,000)
Net cash provided by (used by) operating activities	\$ (9,212)	\$ (21,895)	\$ (110,657)	\$ (1,390)	\$ (143,154)
Schedule of Noncash Transactions					
Write off of accounts receivables	151	397	4,369	85	5,002

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LEWIS AND CLARK COUNTY, MONTANA

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

Building Maintenance Services - Used to account for all maintenance on County buildings. Each department is billed on a per unit basis to recover operating costs.

Health Care Facilities - Used to account for all rental revenue and maintenance expense on the County Health Building.

County Shop Fund - Used to account for the County shop, which maintains all County vehicles and bills each department based upon vehicle part and equipment charges and the number of maintenance hours spent on each vehicle.

Fuel Revolving Funds - Used to account for the purchase and maintenance of gasoline. Each department is billed on a per unit basis to recover operating costs.

Information Technology and Services - Used to account for the purchase, maintenance and operation of all information technology services, such as network, geographical information systems, the AS-400 system and technology training for the County and the City of Helena. The source of funding for this department is based upon a fee for service charged to the various departments.

Liability Insurance - Used to account for liability insurance claims.

Health Insurance - Used to account for the major medical coverage, dental, vision, life insurance and employee assistance claims. Each department is charged on a per employee basis to recover the costs.

Flexible Benefits Administration - Used to account for the cost of flexible benefits for County employees.

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
June 30, 2008
(Page 1 of 2)**

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 283,830	\$ 87,035	\$ 224,824	\$ -
Investments	39,364	12,071	31,181	-
Receivables:				
Accounts/contracts	-	-	-	2,378
Inventories	-	-	10,610	19,975
Total current assets	<u>323,194</u>	<u>99,106</u>	<u>266,615</u>	<u>22,353</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	-	70,328	-	-
Land and Construction in Progress	-	212,844	-	-
Buildings, improvements, vehicles and equipment(net)	351,627	681,069	56,654	16,568
Total noncurrent assets	<u>351,627</u>	<u>964,241</u>	<u>56,654</u>	<u>16,568</u>
Total assets	<u>674,821</u>	<u>1,063,347</u>	<u>323,269</u>	<u>38,921</u>
Liabilities:				
Current liabilities:				
Accounts payable	36,176	5,410	11,111	17,793
Contracts/loans payable - current	-	-	-	11,582
Due to other funds	-	-	-	2,349
Revenue bonds payable	-	40,000	-	-
Claims payable	-	-	-	-
Compensated absences payable	4,609	356	1,487	-
Total current liabilities	<u>40,785</u>	<u>45,766</u>	<u>12,598</u>	<u>31,724</u>
Noncurrent liabilities:				
Revenue bonds payable	-	485,000	-	-
Compensated absences payable	41,482	3,208	13,384	-
Total noncurrent liabilities	<u>41,482</u>	<u>488,208</u>	<u>13,384</u>	<u>-</u>
Total liabilities	<u>82,267</u>	<u>533,974</u>	<u>25,982</u>	<u>31,724</u>
NET ASSETS				
Investment in capital assets, net of related debt	351,627	368,913	56,654	4,986
Restricted for bond reserve	-	70,328	-	-
Restricted for other purposes	-	-	-	-
Unrestricted	240,927	90,132	240,633	2,211
Total net assets	<u>\$ 592,554</u>	<u>\$ 529,373</u>	<u>\$ 297,287</u>	<u>\$ 7,197</u>

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
June 30, 2008
(Page 2 of 2)**

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	FLEXIBLE BENEFITS ADMINISTRATION	TOTAL INTERNAL SERVICE
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,088,073	\$ 192,735	\$ 716,049	\$ 18,541	\$ 2,611,087
Investments	150,903	26,730	99,309	2,572	362,130
Receivables:					
Accounts/contracts	142,424	6,621	69,638	-	221,061
Inventories	-	-	-	-	30,585
Total current assets	<u>1,381,400</u>	<u>226,086</u>	<u>884,996</u>	<u>21,113</u>	<u>3,224,863</u>
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	70,328
Land and Construction in Progress	-	-	-	-	212,844
Buildings, improvements, vehicles and equipment(net)	357,290	-	-	-	1,463,208
Total noncurrent assets	<u>357,290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,746,380</u>
Total assets	<u>1,738,690</u>	<u>226,086</u>	<u>884,996</u>	<u>21,113</u>	<u>4,971,243</u>
Liabilities:					
Current liabilities:					
Accounts payable	29,596	-	1,616	-	101,702
Contracts/loans payable - current	-	-	-	-	11,582
Due to other funds	-	-	-	-	2,349
Revenue bonds payable	-	-	-	-	40,000
Claims payable	-	-	209,023	-	209,023
Compensated absences payable	11,105	-	324	-	17,881
Total current liabilities	<u>40,701</u>	<u>-</u>	<u>210,963</u>	<u>-</u>	<u>382,537</u>
Noncurrent liabilities:					
Revenue bonds payable	-	-	-	-	485,000
Compensated absences payable	99,942	-	2,914	-	160,930
Total noncurrent liabilities	<u>99,942</u>	<u>-</u>	<u>2,914</u>	<u>-</u>	<u>645,930</u>
Total liabilities	<u>140,643</u>	<u>-</u>	<u>213,877</u>	<u>-</u>	<u>1,028,467</u>
NET ASSETS					
Investment in capital assets, net of related debt	357,290	-	-	-	1,139,470
Restricted for bond reserve	-	-	-	-	70,328
Restricted for other purposes	13,941	-	-	-	13,941
Unrestricted	1,226,816	226,086	671,119	21,113	2,719,037
Total net assets	<u>\$ 1,598,047</u>	<u>\$ 226,086</u>	<u>\$ 671,119</u>	<u>\$ 21,113</u>	<u>\$ 3,942,776</u>

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 1 of 2)**

	<u>BUILDING MAINTENANCE SERVICES</u>	<u>HEALTH CARE FACILITIES</u>	<u>COUNTY SHOP</u>	<u>FUEL REVOLVING</u>
OPERATING REVENUES				
Charges for services	\$ 1,149,607	\$ 240,663	\$ 513,635	\$ 419,351
Miscellaneous	168	-	-	-
Total Operating Revenues	<u>1,149,775</u>	<u>240,663</u>	<u>513,635</u>	<u>419,351</u>
OPERATING EXPENSES				
Personal services	451,542	121,764	208,889	-
Supplies	207,094	42,978	225,042	418,132
Purchased services	407,799	40,615	48,135	260
Depreciation	33,012	26,099	6,674	7,952
Total Operating Expenses	<u>1,099,447</u>	<u>231,456</u>	<u>488,740</u>	<u>426,344</u>
Operating income (loss)	50,328	9,207	24,895	(6,993)
NONOPERATING REVENUES (EXPENSES)				
Interest income	3,767	5,175	10,329	-
Interest expense	-	(31,620)	-	(1,251)
Total Nonoperating Revenues (Expenses)	<u>3,767</u>	<u>(26,445)</u>	<u>10,329</u>	<u>(1,251)</u>
Income (loss) before transfers	54,095	(17,238)	35,224	(8,244)
Transfers in	17,479	73,309	7,249	-
Transfers out	-	-	(2,000)	-
Change in net assets	71,574	56,071	40,473	(8,244)
Total net assets, beginning	520,980	473,302	256,814	15,441
Total net assets, ending	<u>\$ 592,554</u>	<u>\$ 529,373</u>	<u>\$ 297,287</u>	<u>\$ 7,197</u>

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 2 of 2)**

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	FLEXIBLE BENEFITS ADMINISTRATION	TOTAL
OPERATING REVENUES					
Charges for services	\$ 1,969,486	\$ 405,026	\$ 3,684,526	\$ 5,311	\$ 8,387,605
Miscellaneous	6,512	7,284	-	-	13,964
Total Operating Revenues	1,975,998	412,310	3,684,526	5,311	8,401,569
OPERATING EXPENSES					
Personal services	996,921	-	35,979	-	1,815,095
Supplies	530,997	436,506	-	-	1,860,749
Purchased services	294,887	38,953	3,599,533	-	4,430,182
Depreciation	80,917	-	-	-	154,654
Total Operating Expenses	1,903,722	475,459	3,635,512	-	8,260,680
Operating income (loss)	72,276	(63,149)	49,014	5,311	140,889
NONOPERATING REVENUES (EXPENSES)					
Interest income	41,172	1,767	40,375	-	102,585
Interest expense	-	-	-	-	(32,871)
Total Nonoperating Revenues (Expenses)	41,172	1,767	40,375	-	69,714
Income (loss) before transfers	113,448	(61,382)	89,389	5,311	210,603
Transfers in	30,782	-	1,111	-	129,930
Transfers out	-	-	-	-	(2,000)
Change in net assets	144,230	(61,382)	90,500	5,311	338,533
Total net assets, beginning	1,453,817	287,468	580,619	15,802	3,604,243
Total net assets, ending	\$ 1,598,047	\$ 226,086	\$ 671,119	\$ 21,113	\$ 3,942,776

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2008
(Page 1 of 2)**

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
Cash flows from operating activities:				
Cash received from customers	\$ 1,200,242	\$ 240,663	\$ 513,669	\$ 421,284
Cash payments for goods and services	(623,683)	(132,379)	(269,080)	(414,901)
Cash payments for employees	(445,551)	(126,284)	(207,585)	-
Cash received from other operating revenues	168	-	-	-
Net cash provided by (used by) operating activities	131,176	(18,000)	37,004	6,383
Cash flows from noncapital financing activities:				
Transfers from other Funds	17,479	73,309	7,249	-
Transfers to other Funds	-	-	(2,000)	-
Proceeds from interfund loans	-	-	-	2,349
Net cash provided by (used by) noncapital financing activities	17,479	73,309	5,249	2,349
Cash flows from capital and related financing activities:				
Payments for capital acquisitions	-	(13,888)	(17,141)	-
Principal repayment - bonds/loans	-	(40,000)	-	(11,056)
Interest paid	-	(31,620)	-	(1,251)
Net cash provided by (used by) capital and related financing activities	-	(85,508)	(17,141)	(12,307)
Cash flows from investing activities:				
Receipts of interest and dividends	3,767	5,175	10,329	-
Payments for investments	(12,028)	7,646	4,126	572
Net cash provided by (used by) investing activities	(8,261)	12,821	14,455	572
Net increase (decrease) in cash and cash equivalents	140,394	(17,378)	39,567	(3,003)
Cash and cash equivalents, July 1	143,436	174,741	185,257	3,003
Cash and cash equivalents, June 30	\$ 283,830	\$ 157,363	\$ 224,824	\$ -
Cash and cash equivalents, current	\$ 283,830	\$ 87,035	\$ 224,824	\$ -
Cash and cash equivalents, noncurrent - restricted	-	70,328	-	-
Total Cash and cash equivalents, June 30	\$ 283,830	\$ 157,363	\$ 224,824	\$ -
Reconciliation of operating income to net cash provided by operating activity:				
Operating income (loss)	\$ 50,328	\$ 9,207	\$ 24,895	\$ (6,993)
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:				
Depreciation	33,012	26,099	6,674	7,952
Change in assets and liabilities:				
(Increase) decrease taxes/accounts/other receivables	50,635	-	34	1,933
(Increase) decrease inventory	-	-	955	(11,506)
Increase (decrease) compensated absences	7,520	(5,214)	380	-
Increase (decrease) accounts payable	(10,319)	(48,092)	4,066	14,997
Increase (decrease) claims payable	-	-	-	-
Net cash provided by (used by) operating activities	\$ 131,176	\$ (18,000)	\$ 37,004	\$ 6,383

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2008
 (Page 2 of 2)

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	FLEXIBLE BENEFITS ADMINI- STRATION	TOTAL
Cash flows from operating activities:					
Cash received from customers	\$ 1,827,062	\$ 402,469	\$ 3,673,955	\$ 5,311	\$ 8,284,655
Cash payments for goods and services	(823,680)	(477,906)	(3,694,775)	-	(6,436,404)
Cash payments for employees	(982,813)	-	(33,491)	-	(1,795,724)
Cash received from other operating revenues	6,512	7,284	-	-	13,964
Net cash provided by (used by) operating activities	27,081	(68,153)	(54,311)	5,311	66,491
Cash flows from noncapital financing activities:					
Transfers from other Funds	30,782	-	1,111	-	129,930
Transfers to other Funds	-	-	-	-	(2,000)
Proceeds from interfund loans	-	-	-	-	2,349
Net cash provided by (used by) noncapital financing activities	30,782	-	1,111	-	130,279
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	(10,946)	-	-	-	(41,975)
Principal repayment - bonds/loans	-	-	-	-	(51,056)
Interest paid	-	-	-	-	(32,871)
Net cash provided by (used by) capital and related financing activities	(10,946)	-	-	-	(125,902)
Cash flows from investing activities:					
Receipts of interest and dividends	41,172	1,767	40,375	-	102,585
Payments for investments	33,325	19,027	33,262	(43)	85,887
Net cash provided by (used by) investing activities	74,497	20,794	73,637	(43)	188,472
Net increase (decrease) in cash and cash equivalents	121,414	(47,359)	20,437	5,268	259,340
Cash and cash equivalents, July 1	966,659	240,094	695,612	13,273	2,422,075
Cash and cash equivalents, June 30	\$ 1,088,073	\$ 192,735	\$ 716,049	\$ 18,541	\$ 2,681,415
Cash and cash equivalents, current	\$ 1,088,073	\$ 192,735	\$ 716,049	\$ 18,541	\$ 2,611,087
Cash and cash equivalents, noncurrent - restricted	-	-	-	-	70,328
Cash and cash equivalents, June 30	\$ 1,088,073	\$ 192,735	\$ 716,049	\$ 18,541	\$ 2,681,415
Reconciliation of operating income to net cash provided by operating activity:					
Operating income (loss)	\$ 72,276	\$ (63,149)	\$ 49,014	\$ 5,311	\$ 140,889
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:					
Depreciation	80,917	-	-	-	154,654
Change in assets and liabilities:					
(Increase) decrease taxes/accounts/other receivables	(142,424)	(2,557)	(10,571)	-	(102,950)
(Increase) decrease inventory	-	-	-	-	(10,551)
Increase (decrease) compensated absences	9,362	-	872	-	12,920
Increase (decrease) accounts payable	6,950	(2,447)	1,616	-	(33,229)
Increase (decrease) claims payable	-	-	(95,242)	-	(95,242)
Net cash provided by (used by) operating activities	\$ 27,081	\$ (68,153)	\$ (54,311)	\$ 5,311	\$ 66,491



LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – INVESTMENT TRUST FUNDS

External Portion – Investment Pool - Used to account for all cash and investments held in the County's investment pool for legally separate entities.

Individual Investment Funds - Used to account for all cash and investments held by the County and separately invested for legally separate entities. These funds consist of the following:

- City/County Building Investment Fund
- Helena School District No. 1 Bond Accounts
- East Helena School District No. 9 Bond Account
- Montana School Workers' Compensation Program

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS - INVESTMENT TRUST FUNDS
FIDUCIARY FUNDS
June 30, 2008**

	EXTERNAL PORTION INVESTMENT POOL	INDIVIDUAL INVESTMENT FUNDS	TOTAL INVESTMENT TRUST FUNDS
ASSETS			
Cash and cash equivalents	\$ 26,479,758	\$ 3,480,040	\$ 29,959,798
Investments	3,672,467	-	3,672,467
Total assets	30,152,225	3,480,040	33,632,265
 NET ASSETS			
Held in trust for:			
External investment pool participants	30,152,225	-	30,152,225
Individual investment accounts	-	3,480,040	3,480,040
Total net assets	\$ 30,152,225	\$ 3,480,040	\$ 33,632,265

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - INVESTMENT TRUST FUNDS
 FIDUCIARY FUNDS
 For the Fiscal Year Ended June 30, 2008**

	EXTERNAL PORTION INVESTMENT POOL	INDIVIDUAL INVESTMENT FUNDS	TOTAL INVESTMENT TRUST FUNDS
ADDITIONS			
Contributions to pooled investments	\$ 103,260,728	\$ 1,921,047	\$ 105,181,775
Interest and investment income	1,190,274	125,819	1,316,093
Total additions	104,451,002	2,046,866	106,497,868
DEDUCTIONS			
Distribution from pooled investments	102,817,726	1,550,158	104,367,884
Administrative expenses	35,889	-	35,889
Total deductions	102,853,615	1,550,158	104,403,773
Change in net assets held in trust for: Pool participants	1,597,387	496,708	2,094,095
Net assets held in trust, beginning of year	28,554,838	2,983,332	31,538,170
Net assets held in trust, end of year	\$ 30,152,225	\$ 3,480,040	\$ 33,632,265



LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – AGENCY FUNDS

Fiduciary Assets - Agency Funds are funds, which account for assets held by the County in a trustee capacity or as an agent for an individual, private organization, other governmental unit and/or fund.

Agency Funds - Used to account for cash collected for other governments, funds or agencies that is distributed within a short period of time. The following is a detailed list of these funds:

Specific

Special Mobile Units - Holding
Fairgrounds Users Foundation
Payroll Fund
Refund Revolving
AT&T Advance Holding
Sheriff's Commissary
Sheriff's Volunteer Fire Department
County Crime Prevention Program
Sheriff's Civil Trust
Solid Waste Task Force
Tax Deed Land
Cooney Patient Trust

Entitlement Levy
Tax Review
Mobile Home/Partial Pay Holding
Protested Tax
Estate Administrator
Redemption
Clerk of District Court
Investment Earnings
Restitution
Fairgrounds Security Deposits
MACO Medical Flex Plan

Special Districts

Augusta Fire
Eastgate Fire District
Baxendale Fire
East Helena Valley Fire
Birdseye Fire
Wolf Creek/Craig Fire
York Fire
Canyon Creek Fire
Dearborn Fire Service Area
Westside Fire
Lincoln Fire
West Helena Valley Fire

Marysville Fire District
Augusta Rural Fire
Montana City Fire District
Tri-Lakes Fire Service Area
Helena Valley Irrigation
Helena Valley Irrigation Contract
Augusta Cemetery
Soil Conservation District
LaCasa Grande Water District
Treasure State Sewer District
Augusta Water/Sewer District
Lincoln Hospital District

Cities

City of Helena
City of East Helena

LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – AGENCY FUNDS

State

Custom Vehicle/Street Rod Plate Fee
Lien Recording Fee
Original Title and Transfers
Duplicate Title/Plate Fee
Personalized Plate Fee
Vintage Plate Fee
Vehicle I.D. Number
Temporary Registration Fee
Snowmobile Registration Fee
MHP Salary & Retention Fee
New Number Plate Fee
Military Affair Cemetery Fee
Lewis and Clark License Plate
Generic Specialty Plate Admin Fee
Single Movement Permit Fee
Large Trucks and Trailers Flat Fee
Motor Home and Travel Trailer Flat Fee
Light Vehicle, Mtrcycle, Quadcycle Flat
Boats, Snowmobiles, Off Road Flat Fee
Fertilizer Spreader Demo
GVW Fee
Boat Registration Fee
Generic Specialty Plate Fee
Motor Vehicle State Parks Opt. Fee
Collector Plate Inspection Fee
Collector Plate Application Fee
Vin Inspection Fee
MV Computer System Fee
Collegiate Plate Fee

Motorcycle Endorsement Fee
Off Highway Vehicle Decal Fee
Late Registration Fee
Medical Foreign Decal
Disabled Veteran Reg. Fee
Organ Donor Awareness
Traumatic Brain Injury Ed Donation
Admin Fee Spec Motorcycle Plate
Fines-Board of Outfitters
JP Fines and Forfeiture
Driver License Reinstate Fee
Wildlife Restitution
Court Surcharge
Clerk of Court Special Fee
Petition for Adoption
Commencement Action/Proc.
Dissolution of Marriage Fee
Petition for Legal Separation
District Court Fines
Law Enforcement Academy Surcharge
Marriage License
Parole Supervisory Fee
Livestock (Per Capita) Assessments
University Millage
State Equalization Aid
Vo-Tech Millage
Forest Fire Protection
Abandoned Property
Montana Land Information

Schools

Helena Elem. School District #1
Helena High School District #1
Canyon Creek School District #4
Prickly Pear Cooperative
East Helena School District #9
Wolf Creek School District #13
Craig School District #25
Auchard Creek School District #27

Lincoln School District #38
Augusta Elem. School District #45
Augusta High School District #45
County-wide Elementary
County-wide High School
County-wide Transportation
County-wide Elementary Retirement
County-wide High Retirement

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2008
 (Page 1 of 6)**

	SPEC MOBILE-UNITS HOLDING	FAIRGROUNDS USERS FOUNDATION	PAYROLL	REFUND REVOLVING	AT & T ADVANCE HOLDING
ASSETS					
Cash and cash equivalents	\$ -	\$ 28,874	\$ 283,012	\$ -	\$ 863
Investments	-	4,003	39,250	-	120
Receivables:					
Taxes/assessments	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ -	\$ 32,877	\$ 322,262	\$ -	\$ 983
Liabilities:					
Accounts payable	\$ -	\$ 32,877	\$ -	\$ -	\$ 983
Intergovernmental payable	-	-	322,262	-	-
Total liabilities	\$ -	\$ 32,877	\$ 322,262	\$ -	\$ 983

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2008
 (Page 2 of 6)

	SHERIFF'S COMMISSARY	SHERIFF'S VOLUNTEER FIRE DEPARTMENT	COUNTY CRIME PREVENTION PROGRAM	SHERIFF CIVIL TRUST	SOLID WASTE TASK FORCE
ASSETS					
Cash and cash equivalents	\$ 5,413	\$ 2,107	\$ 635	\$ 43,298	\$ 1,503
Investments	751	291	87	6,005	208
Receivables:					
Taxes/assessments	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ 6,164	\$ 2,398	\$ 722	\$ 49,303	\$ 1,711
Liabilities:					
Accounts payable	\$ 6,164	\$ 2,398	\$ 722	\$ 49,303	\$ 1,711
Intergovernmental payable	-	-	-	-	-
Total liabilities	\$ 6,164	\$ 2,398	\$ 722	\$ 49,303	\$ 1,711

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2008
 (Page 3 of 6)**

	TAX DEED LAND	COONEY PATIENT TRUST	ENTITLEMENT LEVY	TAX REVIEW	MOBILE HOME PARTIAL PAYMENT HOLDING
ASSETS					
Cash and cash equivalents	\$ -	\$ 4,498	\$ -	\$ 45,657	\$ 37,102
Investments	-	625	-	6,332	5,144
Receivables:					
Taxes/assessments	-	-	198,702	-	-
Land held for resale	7,042	-	-	-	-
Total assets	\$ 7,042	\$ 5,123	\$ 198,702	\$ 51,989	\$ 42,246
Liabilities:					
Accounts payable	\$ 7,042	\$ 5,123	\$ -	\$ 51,989	\$ 42,246
Intergovernmental payable	-	-	198,702	-	-
Total liabilities	\$ 7,042	\$ 5,123	\$ 198,702	\$ 51,989	\$ 42,246

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2008
 (Page 4 of 6)**

	<u>PROTESTED TAX</u>	<u>ESTATE ADMINISTRATOR</u>	<u>REDEMPTIONS</u>	<u>CLERK OF DISTRICT COURT</u>	<u>INVESTMENT EARNINGS</u>
ASSETS					
Cash and cash equivalents	\$ 5,011,391	\$ 89,936	\$ 19,816	\$ 154,777	\$ -
Investments	695,028	12,472	2,748	21,466	-
Receivables:					
Taxes/assessments	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	<u>\$ 5,706,419</u>	<u>\$ 102,408</u>	<u>\$ 22,564</u>	<u>\$ 176,243</u>	<u>\$ -</u>
Liabilities:					
Accounts payable	\$ 5,706,419	\$ 102,408	\$ 22,564	\$ 176,243	\$ -
Intergovernmental payable	-	-	-	-	-
Total liabilities	<u>\$ 5,706,419</u>	<u>\$ 102,408</u>	<u>\$ 22,564</u>	<u>\$ 176,243</u>	<u>\$ -</u>

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2008
 (Page 5 of 6)**

	<u>RESTITUTION</u>	<u>FAIRGROUNDS SECURITY DEPOSITS</u>	<u>SPECIAL DISTRICTS</u>	<u>SCHOOLS</u>	<u>CITIES</u>
ASSETS					
Cash and cash equivalents	\$ 62,189	\$ 7,444	\$ 18,671	\$ -	\$ 97,564
Investments	8,625	1,033	2,590	-	13,531
Receivables:					
Taxes/assessments	-	-	256,585	3,583,842	1,080,537
Land held for resale	-	-	-	-	-
Total assets	<u>\$ 70,814</u>	<u>\$ 8,477</u>	<u>\$ 277,846</u>	<u>\$ 3,583,842</u>	<u>\$ 1,191,632</u>
Liabilities:					
Accounts payable	\$ 70,814	\$ 8,477	\$ -	\$ -	\$ -
Intergovernmental payable	-	-	277,846	3,583,842	1,191,632
Total liabilities	<u>\$ 70,814</u>	<u>\$ 8,477</u>	<u>\$ 277,846</u>	<u>\$ 3,583,842</u>	<u>\$ 1,191,632</u>

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2008
 (Page 6 of 6)**

	<u>MACO MEDICAL FLEX PLAN</u>	<u>STATE</u>	<u>TOTAL AGENCY FUNDS</u>
ASSETS			
Cash and cash equivalents	\$ 385	\$ 713,949	\$ 6,629,084
Investments	53	99,017	919,379
Receivables:			
Taxes/assessments	-	1,276,016	6,395,682
Land held for resale	-	-	7,042
Total assets	<u>\$ 438</u>	<u>\$ 2,088,982</u>	<u>\$ 13,951,187</u>
Liabilities:			
Accounts payable	\$ 438	\$ -	\$ 6,287,921
Intergovernmental payable	-	2,088,982	7,663,266
Total liabilities	<u>\$ 438</u>	<u>\$ 2,088,982</u>	<u>\$ 13,951,187</u>

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2008
(Page 1 of 7)**

	<u>BALANCE</u> July 1, 2007	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> June 30, 2008
SPECIAL MOBILE UNITS - HOLDING				
ASSETS				
Cash and investments	\$ -	\$ 206,051	\$ 206,051	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ -	\$ 206,051	\$ 206,051	\$ -
LIABILITIES				
Accounts payable	\$ -	\$ 206,051	\$ 206,051	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	\$ -	\$ 206,051	\$ 206,051	\$ -
FAIRGROUNDS USERS FOUNDATION				
ASSETS				
Cash and investments	\$ 25,649	\$ 9,710	\$ 2,482	\$ 32,877
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 25,649	\$ 9,710	\$ 2,482	\$ 32,877
LIABILITIES				
Accounts payable	\$ 25,649	\$ 9,710	\$ 2,482	\$ 32,877
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 25,649	\$ 9,710	\$ 2,482	\$ 32,877
PAYROLL				
ASSETS				
Cash and investments	\$ 468,768	\$ 8,285,209	\$ 8,431,715	\$ 322,262
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 468,768	\$ 8,285,209	\$ 8,431,715	\$ 322,262
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	468,768	8,285,209	8,431,715	322,262
Total Liabilities	\$ 468,768	\$ 8,285,209	\$ 8,431,715	\$ 322,262
REFUND REVOLVING				
ASSETS				
Cash and investments	\$ -	\$ 1,135,575	\$ 1,135,575	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ -	\$ 1,135,575	\$ 1,135,575	\$ -
LIABILITIES				
Accounts payable	\$ -	\$ 1,135,575	\$ 1,135,575	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	\$ -	\$ 1,135,575	\$ 1,135,575	\$ -

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2008
 (Page 2 of 7)

	BALANCE July 1, 2007	ADDITIONS	DELETIONS	BALANCE June 30, 2008
AT & T ADVANCE HOLDING				
ASSETS				
Cash and investments	\$ 983	\$ -	\$ -	\$ 983
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 983</u>
LIABILITIES				
Accounts payable	\$ 983	\$ -	\$ -	\$ 983
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 983</u>
SHERIFF'S COMMISSARY				
ASSETS				
Cash and investments	\$ 9,804	\$ 195,942	\$ 199,582	\$ 6,164
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 9,804</u>	<u>\$ 195,942</u>	<u>\$ 199,582</u>	<u>\$ 6,164</u>
LIABILITIES				
Accounts payable	\$ 9,804	\$ 195,942	\$ 199,582	\$ 6,164
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 9,804</u>	<u>\$ 195,942</u>	<u>\$ 199,582</u>	<u>\$ 6,164</u>
SHERIFF'S VOLUNTEER FIRE DEPARTMENT				
ASSETS				
Cash and investments	\$ 2,398	\$ -	\$ -	\$ 2,398
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 2,398</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,398</u>
LIABILITIES				
Accounts payable	\$ 2,398	\$ -	\$ -	\$ 2,398
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 2,398</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,398</u>
COUNTY CRIME PREVENTION PROGRAM				
ASSETS				
Cash and investments	\$ 722	\$ -	\$ -	\$ 722
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 722</u>
LIABILITIES				
Accounts payable	\$ 722	\$ -	\$ -	\$ 722
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 722</u>

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2008
(Page 3 of 7)**

	<u>BALANCE</u> July 1, 2007	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> June 30, 2008
SHERIFF'S CIVIL TRUST				
ASSETS				
Cash and investments	\$ 46,720	\$ 665,647	\$ 663,064	\$ 49,303
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 46,720</u>	<u>\$ 665,647</u>	<u>\$ 663,064</u>	<u>\$ 49,303</u>
LIABILITIES				
Accounts payable	\$ 46,720	\$ 665,647	\$ 663,064	\$ 49,303
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 46,720</u>	<u>\$ 665,647</u>	<u>\$ 663,064</u>	<u>\$ 49,303</u>
SOLID WASTE TASK FORCE				
ASSETS				
Cash and investments	\$ 1,711	\$ -	\$ -	\$ 1,711
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,711</u>
LIABILITIES				
Accounts payable	\$ 1,711	\$ -	\$ -	\$ 1,711
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 1,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,711</u>
TAX DEED LAND				
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	11,023	-	3,981	7,042
Total Assets	<u>\$ 11,023</u>	<u>\$ -</u>	<u>\$ 3,981</u>	<u>\$ 7,042</u>
LIABILITIES				
Accounts payable	\$ 11,023	\$ -	\$ 3,981	\$ 7,042
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 11,023</u>	<u>\$ -</u>	<u>\$ 3,981</u>	<u>\$ 7,042</u>
COONEY PATIENT TRUST				
ASSETS				
Cash and investments	\$ 4,033	\$ 11,114	\$ 10,024	\$ 5,123
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 4,033</u>	<u>\$ 11,114</u>	<u>\$ 10,024</u>	<u>\$ 5,123</u>
LIABILITIES				
Accounts payable	\$ 4,033	\$ 11,114	\$ 10,024	\$ 5,123
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 4,033</u>	<u>\$ 11,114</u>	<u>\$ 10,024</u>	<u>\$ 5,123</u>

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2008
(Page 4 of 7)**

	<u>BALANCE</u> July 1, 2007	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> June 30, 2008
ENTITLEMENT LEVY				
ASSETS				
Cash and investments	\$ -	\$ 3,335,682	\$ 3,335,682	\$ -
Receivables	281,450	2,070,150	2,152,898	198,702
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 281,450	\$ 5,405,832	\$ 5,488,580	\$ 198,702
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	281,450	5,405,832	5,488,580	198,702
Total Liabilities	\$ 281,450	\$ 5,405,832	\$ 5,488,580	\$ 198,702
TAX REVIEW				
ASSETS				
Cash and investments	\$ 51,989	\$ -	\$ -	\$ 51,989
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 51,989	\$ -	\$ -	\$ 51,989
LIABILITIES				
Accounts payable	\$ 51,989	\$ -	\$ -	\$ 51,989
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 51,989	\$ -	\$ -	\$ 51,989
MOBILE HOME/PARTIAL PAY HOLDING				
ASSETS				
Cash and investments	\$ -	\$ 51,639	\$ 9,393	\$ 42,246
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ -	\$ 51,639	\$ 9,393	\$ 42,246
LIABILITIES				
Accounts payable	\$ -	\$ 51,639	\$ 9,393	\$ 42,246
Due to other governmental units	-	-	-	-
Total Liabilities	\$ -	\$ 51,639	\$ 9,393	\$ 42,246
PROTESTED TAX				
ASSETS				
Cash and investments	\$ 6,654,267	\$ 5,415,607	\$ 6,363,455	\$ 5,706,419
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 6,654,267	\$ 5,415,607	\$ 6,363,455	\$ 5,706,419
LIABILITIES				
Accounts payable	\$ 6,654,267	\$ 5,415,607	\$ 6,363,455	\$ 5,706,419
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 6,654,267	\$ 5,415,607	\$ 6,363,455	\$ 5,706,419

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2008
(Page 5 of 7)**

	<u>BALANCE</u> July 1, 2007	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> June 30, 2008
ESTATE ADMINISTRATION				
ASSETS				
Cash and investments	\$ 104,062	\$ 24,603	\$ 26,257	\$ 102,408
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 104,062</u>	<u>\$ 24,603</u>	<u>\$ 26,257</u>	<u>\$ 102,408</u>
LIABILITIES				
Accounts payable	\$ 104,062	\$ 24,603	\$ 26,257	\$ 102,408
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 104,062</u>	<u>\$ 24,603</u>	<u>\$ 26,257</u>	<u>\$ 102,408</u>
REDEMPTIONS				
ASSETS				
Cash and investments	\$ 5,363	\$ 517,228	\$ 500,027	\$ 22,564
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 5,363</u>	<u>\$ 517,228</u>	<u>\$ 500,027</u>	<u>\$ 22,564</u>
LIABILITIES				
Accounts payable	\$ 5,363	\$ 517,228	\$ 500,027	\$ 22,564
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 5,363</u>	<u>\$ 517,228</u>	<u>\$ 500,027</u>	<u>\$ 22,564</u>
CLERK OF DISTRICT COURT				
ASSETS				
Cash and investments	\$ 106,307	\$ 945,268	\$ 875,332	\$ 176,243
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 106,307</u>	<u>\$ 945,268</u>	<u>\$ 875,332</u>	<u>\$ 176,243</u>
LIABILITIES				
Accounts payable	\$ 106,307	\$ 945,268	\$ 875,332	\$ 176,243
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 106,307</u>	<u>\$ 945,268</u>	<u>\$ 875,332</u>	<u>\$ 176,243</u>
INVESTMENT EARNINGS				
ASSETS				
Cash and investments	\$ -	\$ 2,430,391	\$ 2,430,391	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 2,430,391</u>	<u>\$ 2,430,391</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	-	2,430,391	2,430,391	-
Total Liabilities	<u>\$ -</u>	<u>\$ 2,430,391</u>	<u>\$ 2,430,391</u>	<u>\$ -</u>

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2008
 (Page 6 of 7)

	BALANCE July 1, 2007	ADDITIONS	DELETIONS	BALANCE June 30, 2008
RESTITUTION				
ASSETS				
Cash and investments	\$ 64,289	\$ 272,397	\$ 265,872	\$ 70,814
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 64,289</u>	<u>\$ 272,397</u>	<u>\$ 265,872</u>	<u>\$ 70,814</u>
LIABILITIES				
Accounts payable	\$ 64,289	\$ 272,397	\$ 265,872	\$ 70,814
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 64,289</u>	<u>\$ 272,397</u>	<u>\$ 265,872</u>	<u>\$ 70,814</u>
FAIRGROUNDS SECURITY DEPOSITS				
ASSETS				
Cash and investments	\$ 6,022	\$ 11,418	\$ 8,963	\$ 8,477
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 6,022</u>	<u>\$ 11,418</u>	<u>\$ 8,963</u>	<u>\$ 8,477</u>
LIABILITIES				
Accounts payable	\$ 6,022	\$ 11,418	\$ 8,963	\$ 8,477
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 6,022</u>	<u>\$ 11,418</u>	<u>\$ 8,963</u>	<u>\$ 8,477</u>
SPECIAL DISTRICTS				
ASSETS				
Cash and investments	\$ 18,070	\$ 193,624	\$ 190,433	\$ 21,261
Receivables	232,347	2,200,372	2,176,134	256,585
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 250,417</u>	<u>\$ 2,393,996</u>	<u>\$ 2,366,567</u>	<u>\$ 277,846</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	250,417	2,393,996	2,366,567	277,846
Total Liabilities	<u>\$ 250,417</u>	<u>\$ 2,393,996</u>	<u>\$ 2,366,567</u>	<u>\$ 277,846</u>
SCHOOL FUNDS				
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables	4,405,223	36,647,041	37,468,422	3,583,842
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 4,405,223</u>	<u>\$ 36,647,041</u>	<u>\$ 37,468,422</u>	<u>\$ 3,583,842</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	4,405,223	36,647,041	37,468,422	3,583,842
Total Liabilities	<u>\$ 4,405,223</u>	<u>\$ 36,647,041</u>	<u>\$ 37,468,422</u>	<u>\$ 3,583,842</u>

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2008
(Page 7 of 7)**

	<u>BALANCE</u> July 1, 2007	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> June 30, 2008
CITY FUNDS				
ASSETS				
Cash and investments	\$ 246,266	\$ 15,064,745	\$ 15,199,916	\$ 111,095
Receivables	798,051	15,787,169	15,504,683	1,080,537
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,044,317</u>	<u>\$ 30,851,914</u>	<u>\$ 30,704,599</u>	<u>\$ 1,191,632</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,044,317	30,851,914	30,704,599	1,191,632
Total Liabilities	<u>\$ 1,044,317</u>	<u>\$ 30,851,914</u>	<u>\$ 30,704,599</u>	<u>\$ 1,191,632</u>
MACO MEDICAL FLEX PLAN				
ASSETS				
Cash and investments	\$ 111	\$ 750	\$ 423	\$ 438
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 111</u>	<u>\$ 750</u>	<u>\$ 423</u>	<u>\$ 438</u>
LIABILITIES				
Accounts payable	\$ 111	\$ 750	\$ 423	\$ 438
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 111</u>	<u>\$ 750</u>	<u>\$ 423</u>	<u>\$ 438</u>
STATE FUNDS				
ASSETS				
Cash and investments	\$ 555,656	\$ 20,956,649	\$ 20,699,339	\$ 812,966
Receivables	444,600	14,149,349	13,317,933	1,276,016
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,000,256</u>	<u>\$ 35,105,998</u>	<u>\$ 34,017,272</u>	<u>\$ 2,088,982</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,000,256	35,105,998	34,017,272	2,088,982
Total Liabilities	<u>\$ 1,000,256</u>	<u>\$ 35,105,998</u>	<u>\$ 34,017,272</u>	<u>\$ 2,088,982</u>
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 8,373,190	\$ 58,387,623	\$ 59,212,350	\$ 7,548,463
Receivables	6,161,671	71,989,656	71,755,645	6,395,682
Land acquired by tax deed	11,023	-	3,981	7,042
Total Assets	<u>\$ 14,545,884</u>	<u>\$ 130,377,279</u>	<u>\$ 130,971,976</u>	<u>\$ 13,951,187</u>
LIABILITIES				
Accounts payable	\$ 7,095,453	\$ 8,121,323	\$ 8,928,855	\$ 6,287,921
Due to other governmental units	7,450,431	122,255,956	122,043,121	7,663,266
Total Liabilities	<u>\$ 14,545,884</u>	<u>\$ 130,377,279</u>	<u>\$ 130,971,976</u>	<u>\$ 13,951,187</u>



CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS

**LEWIS AND CLARK COUNTY, MONTANA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUND
COMPARATIVE SCHEDULE BY SOURCE (1)
June 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
Governmental Funds Capital Assets:		
Land	\$ 4,075,341	\$ 4,075,341
Buildings	14,884,406	14,884,406
Improvements other than buildings	1,612,350	1,612,350
Infrastructure	7,961,881	7,070,831
Machinery and equipment	<u>9,771,161</u>	<u>9,576,315</u>
Total Governmental Funds Capital Assets	<u>\$ 38,305,139</u>	<u>\$ 37,219,243</u>
 Investment in Governmental Funds Capital Assets by Source:		
General fund	\$ 11,697,445	\$ 11,721,918
Special revenue funds	16,510,993	16,565,231
Capital projects funds	<u>10,096,701</u>	<u>8,932,094</u>
Total Governmental Funds Capital Assets	<u>\$ 38,305,139</u>	<u>\$ 37,219,243</u>

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

(2) July 1, 2007 asset balances have been adjusted from previous years financial report. These adjustments are the result of changing to a new capital asset system, with cleanup of amounts and function classifications.

LEWIS AND CLARK COUNTY, MONTANA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY (1)
 June 30, 2008

FUNCTION AND ACTIVITY	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	INFRASTRUCTURE	MACHINERY AND EQUIPMENT	TOTAL
GENERAL GOVERNMENT						
Legislative services	\$ -	\$ 801,370	\$ -	\$ -	\$ 70,855	\$ 872,225
Judicial services	-	172,263	-	-	32,055	204,318
Administrative services	4,052,476	7,294,357	548,124	-	158,965	12,053,922
Financial services	-	-	-	-	210,392	210,392
Election services	-	-	-	-	132,981	132,981
Planning services	-	-	-	-	47,150	47,150
Records administration	-	-	-	-	270,948	270,948
Legal services	-	-	-	-	-	-
Total General Government	4,052,476	8,267,990	548,124	-	923,346	13,791,936
PUBLIC SAFETY						
Law enforcement services	-	453,492	-	4,208,414	3,269,137	7,931,043
Detention and correction services	-	3,589,561	-	-	-	3,589,561
Fire protection and control	-	-	-	-	167,569	167,569
Civil defense	22,865	-	-	-	58,998	81,863
Total Public Safety	22,865	4,043,053	-	4,208,414	3,495,704	11,770,036
PUBLIC WORKS						
Public work administration	-	32,757	-	-	20,047	52,804
Road and street services	-	40,675	291,154	3,753,467	4,653,010	8,738,306
Cemetery services	-	88,304	748,456	-	139,925	976,685
Facilities administration	-	241,932	-	-	31,863	273,795
Weed spraying services	-	45,983	-	-	251,632	297,615
Total Public Works	-	449,651	1,039,610	3,753,467	5,096,477	10,339,205
PUBLIC HEALTH						
Public health services	-	-	-	-	231,417	231,417
Animal control services	-	-	-	-	-	-
Total Public Health	-	-	-	-	231,417	231,417
CULTURE AND RECREATION						
Park and recreations services	-	-	24,616	-	10,375	34,991
Library services	-	2,123,712	-	-	-	2,123,712
Total Culture and Recreation	-	2,123,712	24,616	-	10,375	2,158,703
SOCIAL AND ECONOMICS						
County extension	-	-	-	-	13,842	13,842
Total Social and Economics	-	-	-	-	13,842	13,842
Total Governmental Funds Capital Assets	\$ 4,075,341	\$ 14,884,406	\$ 1,612,350	\$ 7,961,881	\$ 9,771,161	\$ 38,305,139

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

**LEWIS AND CLARK COUNTY, MONTANA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (1)
For the Fiscal Year Ended June 30, 2008**

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS (2) JULY 1, 2007	ADDITIONS	DEDUCTIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2008
GENERAL GOVERNMENT				
Legislative services	\$ 869,182	\$ 8,543	\$ 5,500	\$ 872,225
Judicial services	212,113	-	7,795	204,318
Administrative services	8,824,544	-	-	8,824,544
Financial services	202,594	7,798	-	210,392
Election services	132,981	-	-	132,981
Planning services	36,500	10,650	-	47,150
Records administration	263,753	7,195	-	270,948
Legal services	-	-	-	-
Total General Government	10,541,667	34,186	13,295	10,562,558
PUBLIC SAFETY				
Law enforcement services	7,816,078	163,464	48,499	7,931,043
Detention and correction services	3,589,561	-	-	3,589,561
Fire services	167,569	-	-	167,569
Civil defense	81,863	-	-	81,863
Total Public Safety	11,655,071	163,464	48,499	11,770,036
PUBLIC WORKS				
Public work administration	52,804	-	-	52,804
Road and street services	11,034,766	1,206,116	273,198	11,967,684
Cemetery services	956,020	20,665	-	976,685
Facilities administration	273,795	-	-	273,795
Weed spraying services	292,272	27,241	21,898	297,615
Total Public Works	12,609,657	1,254,022	295,096	13,568,583
PUBLIC HEALTH				
Public health services	221,333	34,554	24,470	231,417
Animal control service	18,971	-	18,971	-
Total Public Health	240,304	34,554	43,441	231,417
CULTURE AND RECREATION				
Park and recreations services	34,991	-	-	34,991
Library services	2,123,712	-	-	2,123,712
Total Culture and Recreation	2,158,703	-	-	2,158,703
SOCIAL AND ECONOMICS				
County extension	13,842	-	-	13,842
Total Social and Economics	13,842	-	-	13,842
Total Governmental Funds Capital Assets	\$ 37,219,244	\$ 1,486,226	\$ 400,331	\$ 38,305,139

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

(2) July 1, 2007 asset balances have been adjusted from previous years financial report. These adjustments are the result of changing to a new capital asset system, with cleanup of amounts and function classifications.

STATISTICAL SECTION



STATISTICAL SECTION

This part of the Lewis and Clark County’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.</i>	172
Revenue Capacity <i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	177
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.</i>	181
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand how the information in the government’s financial activities take place.</i>	186
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report related to the services the government provides and the activities it performs.</i>	188

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant years. The county implemented GASB 34 in fiscal year 2002, therefore schedules presenting government-wide information include information beginning with fiscal year 2002.

LEWIS AND CLARK COUNTY, MONTANA
NET ASSETS BY COMPONENT
Last Seven Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Governmental activities							
Investment in capital assets, net of related debt	\$ 11,218	\$ 10,686	\$ 11,657	\$ 19,059	\$ 16,052	\$ 22,343	\$ 24,104
Restricted	6,815	459	460	483	476	503	539
Unrestricted	2,790	10,503	11,432	12,108	16,583	16,265	18,525
Total governmental activities net assets	<u>\$ 20,823</u>	<u>\$ 21,648</u>	<u>\$ 23,549</u>	<u>\$ 31,650</u>	<u>\$ 33,111</u>	<u>\$ 39,111</u>	<u>\$ 43,168</u>
Business-type activities							
Investment in capital assets, net of related debt	\$ 2,084	\$ 2,303	\$ 2,255	\$ 2,837	\$ 3,681	\$ 4,319	\$ 6,774
Restricted	792	789	799	518	500	498	2,704
Unrestricted	501	601	1,420	2,264	2,589	3,007	(839)
Total business-type activities net assets	<u>\$ 3,377</u>	<u>\$ 3,693</u>	<u>\$ 4,474</u>	<u>\$ 5,619</u>	<u>\$ 6,770</u>	<u>\$ 7,824</u>	<u>\$ 8,639</u>
Primary government							
Investment in capital assets, net of related debt	\$ 13,302	\$ 12,989	\$ 13,912	\$ 21,896	\$ 19,733	\$ 26,662	\$ 30,878
Restricted	7,607	1,248	1,259	1,001	976	1,001	3,243
Unrestricted	3,291	11,104	12,852	14,372	19,172	19,272	17,686
Total primary government net assets	<u>\$ 24,200</u>	<u>\$ 25,341</u>	<u>\$ 28,023</u>	<u>\$ 37,269</u>	<u>\$ 39,881</u>	<u>\$ 46,935</u>	<u>\$ 51,807</u>

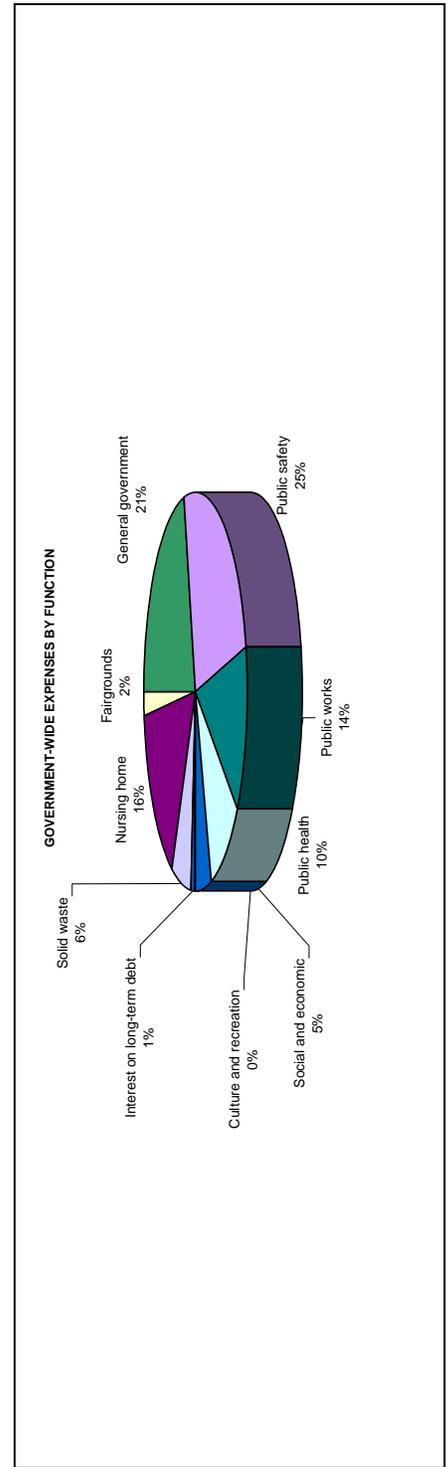
LEWIS AND CLARK COUNTY, MONTANA
 CHANGE IN NET ASSETS
 Last Seven Fiscal Years
 (accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Expenses							
Governmental activities:							
General government	\$ 5,898	\$ 5,585	\$ 6,376	\$ 6,521	\$ 9,605	\$ 10,709	\$ 7,521
Public safety	6,251	6,984	7,024	6,999	7,920	4,900	8,860
Public works	3,116	3,614	3,556	3,345	3,603	4,484	4,777
Public health	2,849	3,132	2,737	2,841	2,972	3,352	3,580
Social and economic	564	860	1,141	1,020	1,427	1,726	1,746
Culture and recreation	209	107	139	169	96	91	99
Interest on long-term debt	175	197	151	141	370	311	338
Total governmental activities expenses	19,062	20,479	21,124	21,036	25,993	25,573	26,921
Business-type activities:							
Solid waste	1,828	1,919	1,840	1,889	1,948	2,021	2,213
Nursing home	4,326	4,510	4,753	4,981	5,098	5,353	5,493
Fairgrounds	-	109	427 ¹	545	643	708	671
Total business-type activities expenses	6,154	6,538	7,020	7,415	7,689	8,082	8,377
Total primary government expenses	\$ 25,216	\$ 27,017	\$ 28,144	\$ 28,451	\$ 33,682	\$ 33,655	\$ 35,298
Program Revenues							
Governmental activities:							
Charges for services:							
General government	\$ 1,276	\$ 1,230	\$ 1,293	\$ 1,233	\$ 1,458	\$ 1,649	\$ 1,580
Public safety	729	543	675	766	800	828	677
Public works	117	127	71	124	108	63	102
Public health	478	441	642	636	791	646	835
Social and economic	-	12	-	-	-	5	3
Operating grants and contributions	2,968	3,097	2,073	2,780	2,726	2,692	2,832
Capital grants and contributions	713	864	1,241	6,192	1,126	1,733	2,629
Total governmental activities program revenues	6,281	6,314	5,995	11,731	7,009	7,616	8,658
Business-type activities:							
Charges for services:							
Solid waste	2,152	1,982	2,349	2,065	2,044	2,113	2,217
Nursing home	3,900	4,222	4,657	4,613	4,989	5,048	5,093
Fairgrounds	-	66	387 ¹	395	387	432	417
Capital grants and contributions	-	84	-	-	-	-	-
Total business-type activities program revenues	6,052	6,354	7,393	7,073	7,420	7,593	7,727
Total primary government program revenues	\$ 12,333	\$ 12,668	\$ 13,388	\$ 18,804	\$ 14,429	\$ 15,209	\$ 16,385
Net (expense) revenue	\$ (12,781)	\$ (14,165)	\$ (15,129)	\$ (9,305)	\$ (18,984)	\$ (17,957)	\$ (18,263)
Governmental activities:	(102)	(184)	373	(342)	(269)	(489)	(650)
Business-type activities							
Total primary government expenses	\$ (12,883)	\$ (14,349)	\$ (14,756)	\$ (9,647)	\$ (19,253)	\$ (18,446)	\$ (18,913)

LEWIS AND CLARK COUNTY, MONTANA
 CHANGE IN NET ASSETS (Continued)
 Last Seven Fiscal Years
 (accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes							
Property taxes	\$ 12,246	\$ 10,705	\$ 11,052	\$ 11,878	\$ 14,388	\$ 14,153	\$ 15,934
Local option tax	-	1,577	1,682	1,727	1,835	1,946	2,041
Other taxes	-	74	82	191	27	22	18
Unrestricted grants and contributions	2,690	2,449	3,510	3,214	3,409	2,884	2,896
Investment earnings	398	336	219	331	573	891	921
Miscellaneous	489	284	998	521	458	388	644
Transfers	(645)	(436)	(514)	(457)	(246)	(259)	(133)
Total governmental activities	15,178	14,989	17,029	17,405	20,444	20,025	22,321
Business-type activities:							
Taxes	-	-	-	960	1,063	1,133	1,139
Unrestricted grants and contributions	-	-	-	-	-	-	70
Investment earnings	69	63	39	66	126	184	180
Miscellaneous	-	1	(146)	5	(14)	(33)	(57)
Transfers	410	436	514	457	246	259	133
Total business-type activities	479	500	407	1,488	1,421	1,543	1,465
Total primary government	\$ 15,657	\$ 15,489	\$ 17,436	\$ 18,893	\$ 21,865	\$ 21,568	\$ 23,786
Change in Net Assets							
Governmental activities	\$ 2,397	\$ 824	\$ 1,900	\$ 8,100	\$ 1,460	\$ 2,068	\$ 4,058
Business-type activities	377	316	780	1,146	1,152	1,054	815
Total primary government	\$ 2,774	\$ 1,140	\$ 2,680	\$ 9,246	\$ 2,612	\$ 3,122	\$ 4,873

¹ The increase from prior year was due to this being the first full year of the county running the operation.



LEWIS AND CLARK COUNTY, MONTANA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General fund										
Reserved	\$ 17	\$ 51	\$ 45	\$ 129	\$ 68	\$ 43	\$ 1,219	\$ 51	\$ 60	\$ 69
Unreserved	1,425	378	1,175	1,633	1,457	1,122	411	2,038	2,047	2,008
Total general fund	\$ 1,442	\$ 429	\$ 1,220	\$ 1,762	\$ 1,525	\$ 1,165	\$ 1,630	\$ 2,089	\$ 2,107	\$ 2,077
All other governmental funds										
Reserved	\$ 852	\$ 916	\$ 842	\$ 985	\$ 838	\$ 782	\$ 773	\$ 1,092	\$ 1,305	\$ 2,565
Unreserved, reported in:										
Special revenue funds	2,860	3,394	3,973	4,616	4,643	4,849	5,714	5,695	5,454	6,439
Capital projects funds	207	168	443	593	1,051	1,990	922	3,351	4,018	3,740
Total all other governmental funds	\$ 3,919	\$ 4,478	\$ 5,258	\$ 6,194	\$ 6,532	\$ 7,621	\$ 7,409	\$ 10,138	\$ 10,777	\$ 12,744

LEWIS AND CLARK COUNTY, MONTANA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes/assessments	\$ 7,992	\$ 8,401	\$ 10,901	\$ 12,067	\$ 12,216	\$ 12,461	\$ 13,769	\$ 14,860	\$ 15,821	\$ 17,930
Licenses and permits	500	539	525	6	8	22	139	148	168	183
Intergovernmental	5,052	3,898	5,706	6,370	6,411	6,807	12,186	7,262	7,308	8,357
Charges for services	2,086	1,805	1,745	2,068	1,927	2,161	2,162	2,517	2,460	2,475
Fines and forfeitures	368	458	496	525	418	497	459	492	563	539
Miscellaneous	166	241	522	455	368	1,073	455	426	365	604
Interest earnings	775	377	686	388	289	193	286	494	778	818
Total revenues	16,939	15,719	20,581	21,879	21,637	23,214	29,456	26,199	27,463	30,906
Expenditures										
General government	5,969	5,153	5,107	5,252	5,511	5,666	6,024	6,515	6,683	7,235
Public safety	4,443	4,480	5,940	5,976	6,615	6,631	7,079	7,530	7,342	7,982
Public works	2,707	3,128	3,017	2,745	3,618	3,193	3,279	3,618	3,787	4,063
Public health	2,554	2,599	2,891	3,081	3,075	2,704	2,801	2,946	3,337	3,556
Social and economic	292	510	360	565	860	1,139	1,018	1,425	1,723	1,743
Culture and recreation	36	160	68	144	44	85	115	41	36	44
Debt service										
Principal	113	184	138	238	373	322	367	1,053	735	661
Interest	92	118	73	140	365	292	110	128	228	227
Capital outlay	916	281	652	1,971	780	3,029	7,892	1,740	2,786	4,401
Total expenditures	17,122	16,613	18,246	20,112	21,241	23,061	28,685	24,996	26,657	29,912
Excess of revenues over (under) expenditures	(183)	(894)	2,335	1,767	396	153	771	1,203	806	994
Other financing sources (uses)										
Transfers in	298	905	868	1,555	1,929	3,653	1,967	2,789	3,099	3,219
Transfers out	(294)	(1,106)	(1,182)	(2,493)	(2,813)	(3,756)	(2,545)	(3,159)	(3,503)	(3,480)
Loans	350	439	-	621	465	517	-	2,286	243	1,154
Proceeds from sale of capital assets	-	-	-	37	-	25	65	69	13	50
Gain (Loss) on sale of investments	-	-	-	(16)	-	-	-	-	-	-
Total other financing sources (uses)	354	238	(314)	(296)	(419)	439	(513)	1,985	(148)	943
Net change in fund balances	\$ 171	\$ (656)	\$ 2,021	\$ 1,471	\$ (23)	\$ 592	\$ 258	\$ 3,188	\$ 658	\$ 1,937
Debt service as a percentage of noncapital expenditures	N/A	N/A	N/A	N/A	3.6%	3.0%	2.3%	4.7%	4.0%	3.5%

LEWIS AND CLARK COUNTY, MONTANA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years
 (in thousands of dollars)

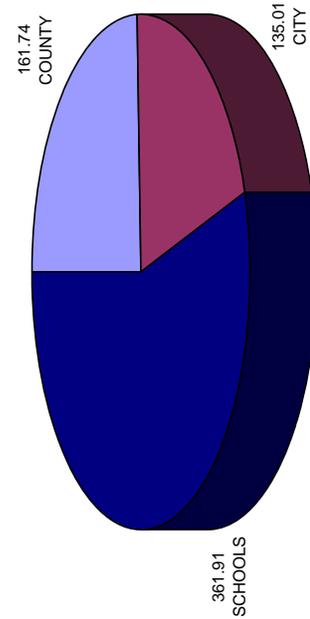
FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	MOBILE HOMES	MOTOR VEHICLE	CENTRALLY ASSESSED	TAX INCREMENT DISTRICT	TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
1999	\$ 64,711	\$ 2,972	\$ 1,361	\$ 237	\$ 19,259	\$ 1,930	\$ 90,470	61.90
2000	58,720	6,703	1,265	263	20,611	2,084	89,646	77.01
2001	60,018	3,527	1,319	130	17,713	1,292	83,999	103.94
2002	61,966	3,834	1,355	125	16,162	1,444	84,886	131.63
2003	64,361	2,181	1,352	1,350	15,151	1,768	86,163	134.14
2004	81,304	2,200	1,315	-	15,360	1,810	101,989	138.85
2005	81,702	2,230	1,272	-	15,360	1,425	101,989	154.16
2006	88,438	2,591	1,197	-	17,778	-	110,004	158.97
2007	91,660	2,629	1,170	-	18,325	-	113,784	162.80
2008	97,794	-	1,159	-	21,461	-	120,414	161.74

Note: Property in the County is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

LEWIS AND CLARK COUNTY, MONTANA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

FISCAL YEAR	COUNTY			OVERLAPPING RATES						TOTAL DIRECT & OVERLAPPING DEBT
	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL COUNTY MILLAGE	CITY		SCHOOLS		TOTAL SCHOOLS MILLAGE		
				OPERATING MILLAGE	DEBT SERVICE MILLAGE	OPERATING MILLAGE	DEBT SERVICE MILLAGE			
1999	61.90	-	61.90	81.19	5.00	86.19	278.01	12.52	290.53	438.62
2000	74.01	3.00	77.01	85.70	6.50	92.20	286.15	13.04	299.19	468.40
2001	100.87	3.07	103.94	93.53	5.22	98.75	304.74	26.54	331.28	533.97
2002	128.63	3.00	131.63	91.10	7.65	98.75	334.77	13.09	347.86	578.24
2003	131.14	3.00	134.14	99.06	10.61	109.67	341.42	15.01	356.43	600.24
2004	136.78	2.07	138.85	104.77	9.94	114.71	339.79	17.39	357.18	610.74
2005	152.36	1.80	154.16	115.69	9.77	125.46	339.00	18.15	357.15	636.77
2006	157.22	1.75	158.97	122.88	8.89	131.77	351.63	15.74	367.37	658.11
2007	161.25	1.55	162.80	127.05	7.40	134.45	340.08	14.60	354.68	651.93
2008	160.59	1.15	161.74	127.03	7.98	135.01	348.04	13.87	361.91	658.66

PROPERTY TAX LEVY BY MILLS
Fiscal Year 2008



Note: Overlapping rates are those that apply to property owners within Lewis & Clark County. Not all overlapping rates apply to all County property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the boundaries of the special district.

LEWIS AND CLARK COUNTY, MONTANA
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT TAX YEAR AND NINE YEARS AGO

TAXPAYER	2007			1998		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE
North Western Energy LLC	\$ 11,791,741	1	13.46%	\$ -	-	-
Qwest	2,833,813	2	3.23%	-	-	-
PPL Montana LLC	2,677,817	3	3.06%	-	-	-
Verizon Wireless	1,700,479	4	1.94%	-	-	-
Railways	945,524	5	1.08%	1,491,013	4	1.73%
Helena Federal Office Complex LLC	402,117	6	0.45%	-	-	-
American Smelting & Refining	341,403	7	0.38%	2,982,820	3	3.45%
Wal-Mart	330,424	8	0.38%	-	-	-
American Chemet Corporation	314,127	9	0.35%	295,000	9	0.33%
Costco Wholesale	314,127	10	0.35%	295,000	9	0.33%
AT&T Communications	-	-	-	714,158	6	0.82%
Tri Touch America	-	-	-	993,687	5	1.14%
Federal Reserve Bank	-	-	-	364,601	8	0.41%
Montana Power Company	-	-	-	8,658,398	1	10.02%
U S West Communications	-	-	-	5,243,650	2	6.07%
Montana Physicians Service	-	-	-	436,982	7	0.50%
Shopko Stores, Inc.	-	-	-	245,628	10	0.27%
Total	<u>\$ 21,651,572</u>		<u>24.68%</u>	<u>\$21,720,937</u>		<u>25.07%</u>

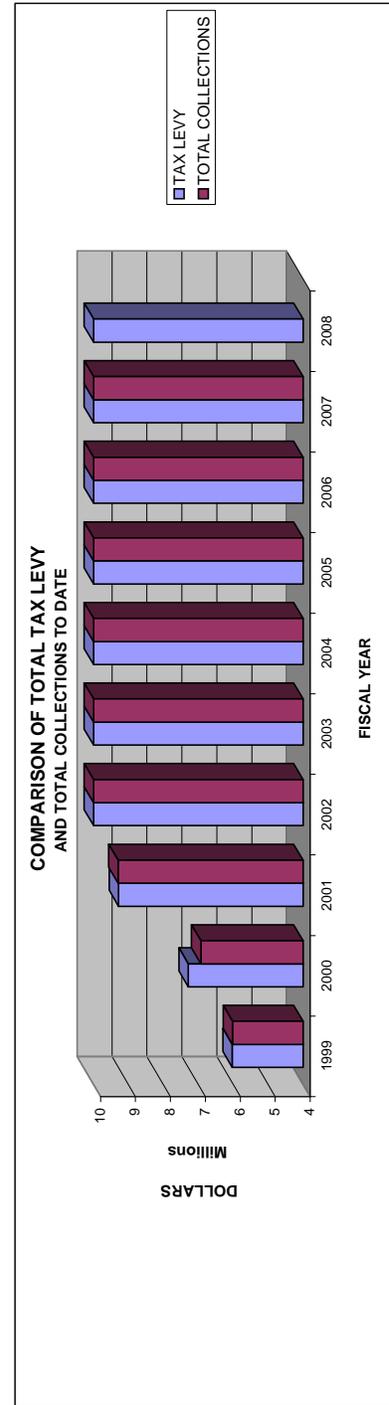
Source: Lewis and Clark County Treasurer

LEWIS AND CLARK COUNTY, MONTANA
PROPERTY TAX LEVIES AND COLLECTIONS
GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
1999	\$ 6,028,828	\$ 5,683,307	94.27%	\$ 339,096	\$ 6,022,403	99.89%
2000	7,289,339	6,624,584	90.88%	302,422	6,927,006	95.03%
2001	9,285,415	8,755,655	94.29%	542,040	9,297,695	100.13%
2002	10,772,644	9,942,349	92.29%	466,017	10,408,366	96.62%
2003	11,344,971	9,901,843	87.28%	791,014	10,692,857	94.25%
2004	12,581,068	10,409,334	82.74%	795,138	11,204,472	89.06%
2005	12,899,459	12,134,312	94.07%	759,917	12,894,229	99.96%
2006	14,241,919	12,865,087	90.33%	884,959	13,750,046	96.55%
2007	14,080,296	13,674,775	97.12%	813,233	14,488,008	102.90%
2008	16,450,507	11,022,918	67.01%	-	11,022,918	67.01%

Source and other information:

(1) From budget documents - "Tax Revenues".



Note: Total collections to date may be more than total tax levy, due to recalculation of tax bills on an on going basis.

LEWIS AND CLARK COUNTY, MONTANA
 RATIO OF OUTSTANDING DEBT BY TYPE
 Last Seven Fiscal Years
 (amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (1)	Percentage of Personal Income (1)
	Revenue Bonds	Special Assessment Debt	Contracts/Loans	Capital Leases	Revenue Bonds	Contracts/Loans	Capital Leases	Revenue Bonds			
2002	\$ 740	\$ 335	\$ 1,672	\$ 764	\$ 5,039	\$ -	\$ -	\$ 8,550	0.56%	\$ 151	
2003	710	294	1,731	707	4,750	202	202	8,394	0.52%	147	
2004	675	307	2,020	647	4,449	174	174	8,272	0.48%	143	
2005	640	235	1,718	582	4,252	156	156	7,583	0.42%	130	
2006	605	1,181	2,678	-	4,073	137	137	8,674	0.44%	147	
2007	565	1,208	2,172	-	3,890	118	118	7,953	N/A	134	
2008	525	1,836	2,116	-	7,233	98	98	11,808	N/A	197	

Note: Information prior to fiscal year 2002 not presented due to availability.

(1) See the Schedule for Demographic Statistics on page 186 for personal income and population data. Personal income equals estimated population multiplied by per capita income.

**LEWIS AND CLARK COUNTY, MONTANA
RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS FOR
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)**

FISCAL YEAR	GENERAL OBLIGATION BONDS	PERCENTAGE OF TAXABLE VALUE OF PROPERTY ¹	PER CAPITA ²
1999	\$ 689	0.71%	\$ 12.48
2000	420	0.47%	7.58
2001	420	0.50%	7.47
2002	210	0.25%	3.72
2003	-	0.00%	-
2004	-	0.00%	-
2005	-	0.00%	-
2006	-	0.00%	-
2007	-	0.00%	-
2008	-	0.00%	-

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

1 See Schedule "Assessed Value and Actual Value of Taxable Property" for data.

2 Population data can be found in schedule, "Demographic Statistics".

LEWIS AND CLARK COUNTY, MONTANA
 LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 (amounts expressed in thousands)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$ 9,960	\$ 9,851	\$ 9,305	\$ 9,387	\$ 9,554	\$ 9,644	\$ 9,890	\$ 10,401	\$ 10,768	\$ 11,462
Total net debt applicable to limit	374	102	67	37	-	-	-	-	-	-
Legal debt margin	\$ 9,586	\$ 9,749	\$ 9,238	\$ 9,350	\$ 9,554	\$ 9,644	\$ 9,890	\$ 10,401	\$ 10,768	\$ 11,462
Total net debt applicable to the limit as a percentage of debt limit	3.76%	1.04%	0.72%	0.39%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed Value	\$ 101,888
Debt Limit 11.25% of Assessed Value	11,25%
General Obligation Debt Limit (1)	11,462
Outstanding General Obligation Debt, June 30, 2008	\$ -
Less: Amount set aside for repayment of General Obligation Debt	-
Total net debt applicable to limit	-
Legal Debt Margin	\$ 11,462

(1) The statutes of the State of Montana prescribe a legal debt limit of 11.25% of the assessed valuation for general obligation debt.

**LEWIS AND CLARK COUNTY, MONTANA
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years**

SOLID WASTE FACILITY REVENUE BONDS:

<u>FISCAL YEAR</u>	<u>GROSS REVENUE (1)</u>	<u>DIRECT OPERATING EXPENSES (2)</u>	<u>NET REVENUE AVAILABLE FOR DEBT SERVICE</u>	<u>DEBT SERVICE REQUIREMENTS</u>			
				<u>PRINCIPAL</u>	<u>INTEREST (3)</u>	<u>TOTAL</u>	<u>COVERAGE</u>
1999	\$ 977,556	\$ 452,276	\$ 525,280	\$ 125,000	\$ 187,221	\$ 312,221	168.2%
2000	1,149,171	553,826	595,345	130,000	192,202	322,202	184.8%
2001	1,017,052	439,497	577,555	210,614	210,612	421,226	137.1%
2002	987,388	541,262	446,126	222,575	186,126	408,701	109.2%
2003	1,017,887	590,905	426,982	229,590	176,952	406,542	105.0%
2004	975,281	467,917	507,364	241,617	163,983	405,600	125.1%
2005	949,680	546,368	403,312	129,000	89,400	218,400	184.7%
2006	957,587	564,630	392,957	129,000	89,400	218,400	179.9%
2007	1,056,772	601,717	455,055	129,000	89,400	218,400	208.4%
2008	1,070,728	672,884	397,844	129,000	89,400	218,400	182.2%

HEALTH CARE FACILITY REVENUE BONDS:

<u>FISCAL YEAR</u>	<u>GROSS REVENUE (1)</u>	<u>DIRECT OPERATING EXPENSES (2)</u>	<u>NET REVENUE AVAILABLE FOR DEBT SERVICE</u>	<u>DEBT SERVICE REQUIREMENTS</u>			
				<u>PRINCIPAL</u>	<u>INTEREST (3)</u>	<u>TOTAL</u>	<u>COVERAGE</u>
1999	\$ 178,058	\$ 104,767	\$ 73,291	\$ 30,000	\$ 40,772	\$ 70,772	103.6%
2000	221,833	105,195	116,638	30,000	39,633	69,633	167.5%
2001	333,630	140,425	193,205	30,000	38,433	68,433	282.3%
2002	343,200	153,486	189,714	30,000	37,203	67,203	282.3%
2003	292,399	195,994	96,405	30,000	35,958	65,958	146.2%
2004	292,553	176,480	116,073	35,000	34,698	69,698	166.5%
2005	268,898	186,273	82,625	35,000	33,193	68,193	121.2%
2006	281,452	181,223	100,229	35,000	31,670	66,670	150.3%
2007	313,981	196,237	117,744	40,000	30,130	70,130	167.9%
2008	319,147	205,357	113,790	40,000	28,330	68,330	166.5%

**LEWIS AND CLARK COUNTY, MONTANA
PLEDGED-REVENUE COVERAGE (Continued)
Last Ten Fiscal Years**

COONEY CONVALESCENT HOME REVENUE BONDS:

<u>FISCAL YEAR</u>	<u>GROSS REVENUE (1)</u>	<u>DIRECT OPERATING EXPENSES (2)</u>	<u>NET REVENUE AVAILABLE FOR DEBT SERVICE</u>	<u>DEBT SERVICE REQUIREMENTS</u>			
				<u>PRINCIPAL</u>	<u>INTEREST (3)</u>	<u>TOTAL</u>	<u>COVERAGE</u>
2000	\$ 3,436,159	\$ 3,443,651	\$ (7,492)	\$ 60,000	\$ 79,980	\$ 139,980	-5.4%
2001	3,988,232	3,667,078	321,154	60,000	77,580	137,580	233.4%
2002	4,320,252	4,139,609	180,643	60,000	75,120	135,120	133.7%
2003	4,578,674	4,329,001	249,673	65,000	72,630	137,630	181.4%
2004	5,070,949	4,587,402	483,547	70,000	69,900	139,900	345.6%
2005	5,035,569	4,794,572	240,997	70,000	66,890	136,890	176.1%
2006	5,195,937	4,903,704	292,233	75,000	63,845	138,845	210.5%
2007	5,255,136	5,144,836	110,300	75,000	60,545	135,545	81.4%
2008	5,307,254	5,284,999	22,255	80,000	57,170	137,170	16.2%

SPECIAL ASSESSMENT DEBT:

<u>FISCAL YEAR</u>	<u>SPECIAL ASSESSMENT COLLECTIONS</u>	<u>DEBT SERVICE REQUIREMENTS</u>		
		<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>COVERAGE</u>
2002	\$ 116,136	\$ 91,694	\$ 9,274	115.02%
2003	106,822	41,326	9,627	209.65%
2004	157,536	54,167	9,104	248.99%
2005	160,119	71,815	7,478	201.93%
2006	88,536	50,901	8,440	149.20%
2007	214,546	206,157	52,383	82.98%
2008	361,358	153,437	67,715	163.40%

Note: Details regarding the County's outstanding debt can be found in the notes to the Financial Statements. Data is not available for some fiscal years.

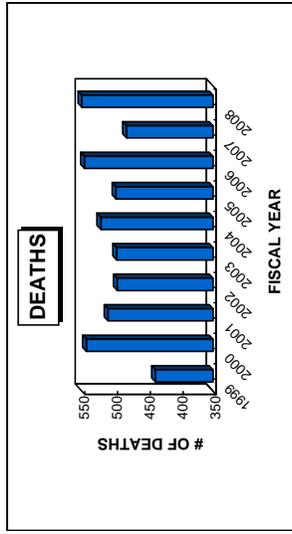
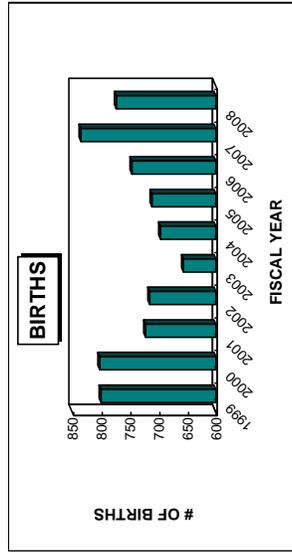
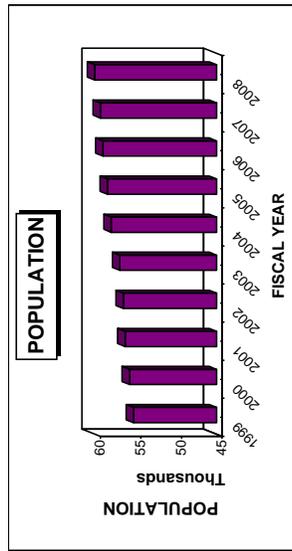
Source and other information:

Lewis and Clark County General Purpose Financial Statements, Fiscal Year Ended June 30, 2005

- (1) Gross revenue includes operating revenues, non-operating revenue and other financing sources.
- (2) Direct operating expenses include operating expenses (except depreciation).
- (3) Gross revenue bond interest expense, revenue bond premium amortization not taken into account.

LEWIS & CLARK COUNTY, MONTANA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

FISCAL YEAR	ESTIMATED POPULATION (a)	BIRTHS (b)	DEATHS (b)	ESTIMATED PER CAPITA INCOME (e)	SCHOOLS		EMPLOYMENT STATISTICS	
					PUBLIC SCHOOL ENROLLMENT (d)	PRIVATE SCHOOL ENROLLMENT (d)	CIVILIAN EMPLOYMENT (c)	UNEMPLOYMENT RATE (c)
1999	55,214	800	438	\$ 23,986	9,988	343	26,848	4.5%
2000	55,716	802	543	25,489	9,867	373	27,194	4.3%
2001	56,257	722	510	26,966	9,810	359	26,682	4.3%
2002	56,474	715	496	27,258	9,682	345	26,463	4.2%
2003	56,899	656	497	28,079	9,515	626	27,314	4.3%
2004	57,972	696	521	29,721	9,543	601	27,404	3.6%
2005	58,449	711	498	N/A	9,344	646	29,940	3.7%
2006	58,996	746	546	N/A	9,403	585	30,554	2.9%
2007	59,302	835	482	N/A	9,424	599	31,768	2.1%
2008	59,998	773	579	N/A	9,298	665	32,891	2.7%



Source and other information:

- (a) U.S. Bureau of Census from 1996 to 2004 - 2005 is estimated
- (b) Lewis and Clark County Coroner
- (c) Montana Department of Labor and Industry

- (d) Lewis & Clark County Superintendent of Schools
- (e) U.S. Department of Commerce
- N/A - Not Available

**LEWIS AND CLARK COUNTY, MONTANA
TOP TWENTY PRIVATE EMPLOYERS IN LEWIS AND CLARK COUNTY
Year Ended June 30, 2008**

COMPANY NAME	PRODUCT OR SERVICE
Albertsons	Retail
American Chemet Corporation	Manufacturer
Blue Cross/Blue Shield	Health Services
Carroll College	Higher Education
Costco	Wholesale
Dick Anderson Construction	Construction
Family Outreach	Human Services
Helena Sand & Gravel	Road Materials
Home Depot	Retail
Independent Record	Communications
Mergenthaler Transfer and Storage	Transport Services
Montana Independent Living Project	Living Assistance
Morrison-Maierle Inc	Engineering Services
Mountain West Bank	Finanacial Services
St. Peter's Hospital	Health Services
Shodair Children's Hospital	Health Services
Student Assistance Foundation of Montana	Higher Education
Wal-Mart	Retail
Watkins and Shepard Trucking	Transport Services
Westaff	Employment Agency

Source:

Montana Department of Labor and Industry

Note:

Due to confidentiality laws, top employer lists are provided in alphabetical order only....the listing cannot ranked in order of employment and no employment data can be provided for individual businesses.

Data is derived from most current information available at this time.

LEWIS AND CLARK COUNTY, MONTANA
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 Last Ten Fiscal Years

FUNCTION/PROGRAM	FULL-TIME EQUIVALENT EMPLOYEES									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
GENERAL GOVERNMENT										
Legislative services	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Judicial services	26.50	27.00	27.50	28.00	19.50	21.50	24.00	24.44	16.44	16.44
Administrative services	18.83	17.33	21.33	21.09	24.00	26.00	26.00	26.00	27.80	27.80
Financial services	17.50	15.25	15.75	16.25	16.25	16.25	16.75	18.75	18.75	18.75
Election services	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.00	3.00	9.50
Planning services	6.50	7.00	8.00	10.50	12.00	12.00	12.00	11.00	12.00	14.00
Records administration	3.25	3.00	4.00	4.00	3.00	4.00	4.00	4.00	4.00	4.00
Legal services	9.00	9.00	9.00	8.50	9.50	9.50	10.50	15.00	16.50	17.50
Facilities administration	-	-	-	-	-	-	-	-	-	-
PUBLIC SAFETY										
Law enforcement services	55.00	54.00	62.00	59.00	66.00	66.00	66.00	74.50	78.25	81.25
Other public safety	10.00	9.50	13.10	13.90	3.00	3.00	4.00	4.00	4.13	4.13
Civil defense	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
PUBLIC WORKS										
Public work administration	6.50	6.50	6.50	7.00	7.00	7.00	7.00	7.00	7.60	10.60
Bridge maintenance	14.50	13.50	13.50	14.50	14.50	14.50	14.50	14.00	14.00	15.00
Road and street services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Cemetery services	2.48	2.48	2.48	2.00	1.80	1.80	1.80	5.80	6.80	6.80
Facilities administration	7.50	7.63	8.46	10.00	10.90	10.00	10.00	8.50	9.50	9.50
Solid waste	5.60	5.50	5.50	6.00	6.50	6.50	6.50	5.85	5.85	6.10
Weed spraying services	0.50	0.50	0.50	0.50	1.00	1.75	1.80	2.00	2.00	2.00
PUBLIC HEALTH										
Public health services	34.91	32.98	36.92	37.97	37.90	36.84	37.16	55.67	55.70	46.81
Nursing home	84.99	88.80	100.90	94.85	92.24	92.28	92.99	93.90	104.19	105.19
Animal control services	1.41	1.41	1.41	1.41	1.41	1.41	1.41	1.00	1.00	3.00
CULTURE AND RECREATION										
Park and recreations services	-	-	-	-	-	-	-	-	-	-
Fairs	-	-	-	-	-	3.00	4.50	4.00	5.25	8.25
SOCIAL AND ECONOMICS										
Welfare	-	-	-	-	-	-	-	-	10.65	10.90
County extension	2.00	1.50	1.50	2.00	2.00	2.00	1.70	2.00	2.00	2.00
Total	318.22	314.13	349.60	348.72	340.75	347.58	354.86	389.41	415.40	429.52

LEWIS AND CLARK COUNTY, MONTANA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

FUNCTION/PROGRAM	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
GENERAL GOVERNMENT										
Registered Voters (June)	31,000	33,176	33,500	32,675	34,500	34,879	37,550	38,350	36,728	38,278
Property Transactions:										
Filings with Clerk & Recorder	18,100	15,948	15,491	18,725	22,760	22,607	19,565	22,978	21,377	19,232
Certificates of Survey	235	292	251	165	186	242	209	195	168	166
Real Property Tax Information										
Taxes Assessed	\$ 44,336,003	46,162,049	49,396,645	52,560,520	55,135,204	56,995,481	60,821,097	65,164,378	67,177,249	72,369,348
Taxes Collected	\$ 44,223,843	44,901,560	47,845,334	52,478,880	54,096,485	55,393,809	60,904,873	62,185,114	65,338,071	66,895,633
Amount Protested	\$ 85,681	1,441,267	1,027,553	185,143	867,517	1,762,639	1,047,460	2,869,382	2,920,106	3,606,907
Total Outstanding	\$ 1,366,271	1,297,014	1,582,405	2,382,788	863,716	2,743,834	2,244,856	378,761	1,820,937	2,079,886
Number of Bills Sent	30,047	38,853	30,916	36,690	31,781	32,272	31,829	32,178	32,710	33,471
Delinquent Reminders	2,742	2,398	5,120	8,156	9,134	2,940	6,186	4,425	9,276	5,826
PUBLIC SAFETY ACTIVITIES										
Sheriff										
Arrests	702	912	860	N/A	1,069	1,248	N/A	1,270	1,103	622
Prisoner Days	25,626	24,638	32,177	39,651	35,920	39,217	31,626	28,115	24,308	27,022
Complaints	15,060	14,841	18,816	17,699	44,045	52,487	N/A	N/A	N/A	N/A
Traffic Violations	N/A	N/A	N/A	N/A	N/A	N/A	1,422	5,446	4,485	3,281
Sheriff's Fire										
Emergency Responses	N/A	N/A	N/A	N/A	N/A	N/A	10	227	257	317
Fires Responses	N/A	N/A	N/A	N/A	N/A	N/A	10	145	139	159
Justice Court										
Civil & Small Claims	1,268	1,445	1,503	1,670	1,797	2,006	2,384	2,196	2,162	2,405
Formal Criminal Complaints	607	620	844	1,257	1,015	1,221	1,761	1,167	1,109	819
Temporary Restraining Orders	142	139	139	154	127	147	119	137	134	95
County Attorney										
Felonies	323	274	276	487	608	617	684	604	668	650
Mental Commitments	88	105	115	87	60	58	61	78	71	100
Juvenile Cases	132	120	105	120	146	114	90	149	99	65
PUBLIC WORKS										
Refuse Disposal	N/A	N/A	N/A	N/A	N/A	N/A	119.55	119.38	140.96	126.61
Refuse disposed of (tons per day)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12,368	12,916
Number of permits issued										
Other Public Works										
Road Resurfacing (miles)	N/A	N/A	N/A	N/A	N/A	N/A	16.84	3.97	12.98	12.50
Pothole repairs (by ton of asphalt)	N/A	N/A	N/A	N/A	N/A	N/A	1,673.54	1,507.34	3,876.58	2,096.11
PUBLIC HEALTH ACTIVITIES										
Septic System Site Evaluations	456	479	422	414	353	527	568	974	606	248
Licensed Establishment Inspections	456	578	621	590	756	365	726	611	623	604
Junk Vehicles Hauled	123	144	136	194	241	273	274	224	225	174
Air Quality										
Good Days	120	117	119	130	120	347	364	363	339	350
Watch Days	-	3	1	-	-	13	1	2	23	8
Poor Days	-	-	-	-	-	-	-	-	3	8
Communicable Disease Cases	415	76	67	53	39	364	293	275	361	618
Immunizations Administered	9,342	9,393	9,873	7,741	8,163	9,034	6,989	8,499	7,222	7,745

LEWIS AND CLARK COUNTY, MONTANA
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 Last Seven Fiscal Years

	2002	2003	2004	2005	2006	2007	2008
GENERAL GOVERNMENT							
Election tabulators	2	2	2	2	2	2	2
Touch screen handicap voting devices	-	-	-	-	37	37	37
PUBLIC SAFETY ACTIVITIES							
Stations	3	3	3	3	3	3	3
Patrol units	48	48	48	48	50	42	32
PUBLIC WORKS							
Snow plows	7	7	7	7	7	10	10
Graders	7	7	7	7	7	7	7
Loaders	3	3	3	3	3	3	5
Shops	4	4	4	4	4	4	4
Landfill compactors	1	1	1	1	1	1	1
Landfill loaders	1	1	1	1	2	2	2
Landfills (active)	1	1	1	1	1	1	1
Solid waste container sites	3	3	3	3	3	3	3
Weed spraying vehicles	13	11	13	13	13	9	10
Cemeteries	1	1	1	1	1	1	1
Gravel roads (miles)	N/A	N/A	N/A	429	429	429	429
Paved roads (miles)	N/A	N/A	N/A	44	44	44	44
Chip sealed roads (miles)	N/A	N/A	N/A	66	66	66	66
Rural improvement districts (miles)	N/A	N/A	N/A	N/A	142	160	161
PUBLIC HEALTH ACTIVITIES							
Animal control vehicles	1	1	1	1	1	1	1
Health facilities	1	1	1	1	1	1	1
Nursing homes	1	1	1	1	1	1	1
CULTURE AND RECREATION							
Fairgrounds	-	1	1	1	1	1	1
Parks	12	12	12	12	12	12	12

SINGLE AUDIT SECTION



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*

To the Board of County Commissioners
Lewis & Clark County, Montana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lewis & Clark County, Montana, as of and for the year ended June 30, 2008, which collectively comprise the Lewis & Clark County, Montana's basic financial statements and have issued our report thereon dated November 17, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lewis & Clark County, Montana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lewis & Clark County, Montana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Lewis & Clark County, Montana's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Lewis & Clark County, Montana's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Lewis & Clark County, Montana's financial statements that is more than inconsequential will not be prevented or detected by Lewis & Clark County, Montana's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Lewis & Clark County, Montana's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lewis & Clark County, Montana's financial statements are free of 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 matters that we reported to management of Lewis & Clark County, Montana, in a separate letter dated November 17, 2008.

This report is intended solely for the information and use of management, Board of County Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Anderson Zurmuehlen & Co., P.C.

Helena, Montana
November 17, 2008

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of County Commissioners
Lewis & Clark County, Montana

Compliance

We have audited the compliance of Lewis & Clark County, Montana with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Lewis & Clark County, Montana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on Lewis & Clark County, Montana's compliance based on our audit.

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 Lewis & Clark County, Montana'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. Our audit does not provide a legal determination of Lewis & Clark County, Montana's compliance with those requirements.

In our opinion, Lewis & Clark County, Montana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of Lewis & Clark County, Montana is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs.

In planning and performing our audit, we considered Lewis & Clark County, Montana's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Lewis & Clark County, Montana's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of County Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Anderson Zurmuehlen & Co., P.C.

Helena, Montana
November 17, 2008

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

1. Summary of Auditor's Results:

- The report on the basic financial statements has an unqualified opinion.
- The audit did not disclose any noncompliance which is material to the basic financial statements.
- There were no significant deficiencies reported that are not considered material weaknesses and there were no material weaknesses in internal control over financial reporting indentified in the audit of the financial statements.
- There were no significant deficiencies reported that are not considered material weaknesses and there were no material weaknesses relating to the audit of the major federal award programs.
- The audit did not disclose audit findings that the auditor is required to report under OMB Circular A-133, except as disclosed in the Findings and Questioned Costs – Major Federal Award Program Audit section of the report.
- The report on compliance for major programs has an unqualified opinion.
- Major programs consist of the following:

<u>Program</u>	<u>Grantor</u>	<u>CFDA #</u>
Water Infrastructure – Environmental Protection Agency		66.418
Development in the Helena Valley		
Marysville Road Improvement Program	US Federal Highway Administration	20.205

- The dollar threshold used to distinguish between type A and type B was \$300,000.
- Lewis and Clark County qualified as a low-risk auditee.

2. Schedule of findings and questioned costs for federal awards (next 3 pages).

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

Findings – Financial Statement Audit

None

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

None

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

US FOREST SERVICE

FINDING 07-01 – Western Wildland Urban Interface Grant, CFDA # 10.664

Condition: When contractors were hired for the Western Wildland Urban Interface Grant Program, the Excluded Party list was not used to determine whether the contractors were suspended or debarred by the federal government.

Recommendation: We recommend the County maintain a current list of all grants and grant administrators so that all employees responsible for grants will receive communication regarding the administration of grants. Furthermore, we recommend the County consider creating guidelines regarding the OMB Circular requirements for federal grants that should be provided to each grant administrator at the beginning of a grant.

Current Status: The County is implementing procedures to ensure that all grant administrators are aware of grant requirements.

FINDING 07-02 – Western Wildland Urban Interface Grant, CFDA #10.664

Condition: The expenses reported on the fiscal year 2007 quarterly progress reports did not agree to the County's general ledger.

Recommendation: We recommend that the progress reports be prepared using the general ledger. Furthermore, the County should consider creating a policy regarding how progress reports should be created and prepared to ensure that all grant administrators are following the same guidelines.

Current Status: The County is taking steps to ensure that all progress reports be reconciled to the general ledger.

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**LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2008**

Federal Grantor/Pass - Through Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Augusta Insectory Project	10.665		\$ 8,538
Passed through the State Auditor's Office:			
Schools and Roads - Grants to State - Forest Reserve - major program (note 3)	10.665	N/A	255,065
Schools and Roads - Grants to State - Forest Reserve - Title II	10.665	N/A	49,899
Subtotal by Federal CFDA Number			313,502
Passed through the State Department of Public Health and Human Services:			
W.I.C. Program	10.557	08-07-5-21-012-0	149,734
W.I.C. Program	10.557	07-07-5-21-012-0	42,610
Subtotal by Federal CFDA Number			192,344
Total U.S. Department of Agriculture			\$ 505,846
U.S. Forest Service			
Passed through the State Department of Natural Resources/Conservation:			
Western Wildland Urban Interface Grant Program	10.664	WSF-07-002	\$ 226,156
Passed through the State Department of Agriculture:			
Helena South Hills	10.664	2008-704	-
Lincoln Valley Snowmobile Trails	10.664	2008-705	-
Lincoln Valley Snowmobile Trails (note 2)	10.664	2006-709	8,500
Total U.S. Forest Service			\$ 234,656
U.S. Department of Housing and Urban Development			
Passed through the Montana Department of Commerce:			
Community Development Block Grant - Rocky Mountain Development Council (note 2)	14.228	MT-CDBG-05-HR-03	\$ 17,528
Planning	14.228	MT-CDBG-EDPG06-09	7,500
Eagle Manor II	14.228	MT-CDBG-07-HR-03	440,860
Intermountain Deaconess Home for Children	14.228	MT-CDBG-06PG-12	15,000
Total U.S. Department of Housing and Urban Development			\$ 480,888
U.S. Department of Justice			
Bullet Proof Vest Partnership Grant	16.607		\$ 500
Bullet Proof Vest Partnership Grant	16.607		150
Subtotal by Federal CFDA Number			650
Passed through Gallatin County:			
Missouri River Drug Task Force	16.579	07-G01-90134	55,288
Passed through the Montana Board of Crime Control:			
DUI - Underage Drinking Enforcement	16.727	06-U01-90079	44,044
Passed through the City of Helena:			
Byrne Justice Assistance Grant (JAG) Program	16.738	2007-DJ-BX-0136	21,724
Byrne Justice Assistance Grant (JAG) Program	16.738	2006-DJ-BX-0305	700
Subtotal by Federal CFDA Number			22,424
Passed through the Secretary of State's Office:			
Help America Vote Act of 2002	39.011	n/a	24,132
Passed through the Department of Military Affairs:			
Homeland Security Grant Program	97.067	2006-GE-T6-0062	5,519
Homeland Security Grant Program	97.067	2005-GE-T5-0006	579
Subtotal by Federal CFDA Number			6,098
Total U.S. Department of Justice			\$ 152,636

see accompanying - Notes to the Schedule of Expenditures of Federal Awards

**LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2008**

Federal Grantor/Pass - Through Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of the Interior			
Hazardous Fuel Reduction (BLM -Projects)	15.228		\$ 138,766
Weed Control at Canyon Ferry Reservoir	15.228		12,000
Subtotal by Federal CFDA Number			150,766
Passed through the Montana Historical Society: Historic Preservation	15.904	MT-2008-018	5,500
Passed through the Montana Fish, Wildlife & Parks: Fairgrounds Campground Project	15.916	30-00687	70,364
Total U.S. Department of the Interior			\$ 226,630
U.S. Federal Highway Administration			
Marysville Road Improvement Program	20.205		\$ 541,923
Passed through the State Department of Transportation: Spring Meadow/Cent. Park Trail	20.205	STPE 5899 (9)	-
Passed through Cascade County: Extraordinary Snow Removal	20.205	N/A	9,000
Subtotal by Federal CFDA Number			550,923
Traffic Safety - STEP	20.600	2008-13-13-22/09-08-22	2,936
Traffic Safety - STEP	20.602	2007-23-01-19/21-02-19	3,946
Passed through the State Department of Transportation: State Highway Traffic Safety Bureau	20.607	2007-16-07-10	13,487
Total U.S. Federal Highway Administration			\$ 571,292
Environmental Protection Agency			
Brownfield Assessment Program	66.818		\$ 45,021
Passed through the State Department of Environmental Quality:			
Air Pollution control program	66.001	508006	23,578
Prickly Pear - Lake Helena Project	66.460	207043	27,437
Lake Helena Watershed Riparian Ag Project	66.112	SG-97869001	15,563
Water Infrastructure-Wastewater Development in the Helena Valley	66.418	XP-98860801-0	711,045
Public Water Supply	66.605	505020	1,096
Total U.S. Environmental Protection Agency			\$ 823,740
Federal Emergency Management Agency			
Passed through the Department of Military Affairs:			
CERT Program	83.564	N/A	\$ 716
State and Local Emergency Management Assistance - Civil Defense	83.503	N/A	34,254
Total Federal Emergency Management Agency			\$ 34,970
Office of National Drug Control Policy			
High Intensity Drug Trafficking Area (HIDTA)	93.000		\$ 7,230
High Intensity Drug Trafficking Area (HIDTA)	93.000		46,306
High Intensity Drug Trafficking Area (HIDTA)	93.000		44,261
Total Office of National Drug Control Policy			\$ 97,797

see accompanying - Notes to the Schedule of Expenditures of Federal Awards

**LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2008**

Federal Grantor/Pass - Through Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services			
Passed through the State Department of Public Health and Human Services:			
HIV Case Management	93.117	08-07-4-51-106-0	\$ 1,409
HIV Case Management	93.117	07-07-4-51-106-0	4,253
Subtotal by Federal CFDA Number			5,662
Bioterrorism	93.283	08-07-6-11-028-0	59,162
Bioterrorism	93.283	07-07-6-11-028-0	84,938
Breast and Cervical Cancer Early Detection Grant	93.283	08-07-3-01-009-0	44,046
Subtotal by Federal CFDA Number			188,146
Breast and Cervical Cancer Early Detection Grant	93.919	07-07-3-01-009-0	4,995
Preventative Health and Health Services Block Grant	93.940	07-07-4-51-015-0	69,607
Maternal Child Health and Block Grant	93.994	08-07-5-01-025-0	68,642
Tuberculosis Control Program	93.116	07-07-4-11-048-0	1,453
Tuberculosis Control Program	93.116	08-07-4-11-048-0	2,717
Suicide Prevention Program	93.243	07-07-5-31-027-0	44,957
Childhood Immunization Grant	93.268	08-07-4-31-024-0	7,189
Childhood Immunization Grant	93.268	07-07-4-31-024-0	14,003
Subtotal by Federal CFDA Number			21,192
Passed through Yellowstone County:			
Healthcare for the Homeless	93.151	6 H80 CS00418-06-01	157,278
Healthcare for the Homeless	93.151	3 H80 CS00418-07-01	63,647
Subtotal by Federal CFDA Number			220,925
Passed through Missoula County:			
Aids Early Intervention	93.180	5 H76-HA-00798-06	1,566
Aids Early Intervention	93.180	5-H76-HA-00145-05	2,983
Subtotal by Federal CFDA Number			4,549
Total U.S. Department of Health and Human Services			\$ 632,845
U.S. Department of Education			
Passed through the City of Helena & Helena School District #1:			
Reduce Alcohol Abuse	84.050	Q184A050056-05	\$ 8,414
Total U.S. Department of Education			\$ 8,414
Other Federal Financial Assistance			
Passed through State Treasurer's Office:			
Taylor Grazing	15.000	N/A	\$ 2,743
Total Other Federal Financial Assistance			\$ 2,743
Total Federal Financial Assistance - Primary Government			\$ 3,772,457
Component Unit Federal Financial Assistance			
U.S. Department of Health and Human Services			
Community Health Centers	93.224		\$ -
Community Health Centers	93.224		375,300
Community Health Centers	93.224		504,697
Subtotal by Federal CFDA Number			879,997
Mental Health	93.912		25,126
Mental Health	93.912		101,572
Mental Health	93.912		-
Subtotal by Federal CFDA Number			126,698
U.S. Department of Housing and Urban Development			
Passed through the Montana Department of Commerce:			
Planning	14.228	MT-CDBG-EDPG06-09	7,500
Subtotal by Federal CFDA Number			7,500
Total Component Unit			\$ 1,014,195
Total Expenditures of Federal Awards			\$ 4,786,652

see accompanying - Notes to the Schedule of Expenditures of Federal Awards

LEWIS AND CLARK COUNTY, MONTANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2008

Note 1 - Basis of Presentation

The accompanying schedule is presented on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles and is a different basis of accounting than the general-purpose financial statements. Accordingly, revenues are recognized when received and expenditures are recognized when disbursed.

Note 2 – Subrecipients

Circular A-133 requires the schedule of expenditures of federal awards to include, to the extent practical, an identification of the total amount provided to subrecipients from each federal program. Of the federal expenditures presented in the schedule, Lewis and Clark County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Lincoln Valley Snowmobile Trails	10.664	\$ 8,500
Community Development Block Grant – Rocky Mountain Development Council	14.228	\$ 17,528

Note 3 - Other Information

U S Department of Agriculture

The \$255,064 reported represents 66 2/3 percent of the total amount of \$382,578 received by the County. The remaining 33 1/3 percent was distributed directly to the countywide school levy funds as required by state statute, and was not recorded by Lewis and Clark County.

