

LEWIS AND CLARK COUNTY MONTANA



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR 2017
JULY 1, 2016 TO JUNE 30, 2017**

Marysville, Montana is located approximately 25 miles northwest of Helena, the state capital and county seat of Lewis and Clark County. This ghost town of around 80 residences used to be a booming mining town with over 4000 residences. The town was established in 1876, and was said to have grown to about 60 businesses including 2 railroads, 27 saloons, 7 hotels, newspapers, churches, and numerous other businesses.

In 1876 Tommy Cruse discovered a rich vein of gold as he worked his way upstream on Silver Creek. Cruse was broke and had to borrow money to work his mining claim. He developed the Drumlummon Mine and almost immediately recovered over \$140,000 in ore. Word spread of Cruse's luck, and a mining camp developed as miners flooded the area. Cruse named it Marysville, presumably after Mary Ralston, the first female resident.

The Marysville area had other smaller mines pop up in the region, over 1,300,000 ounces of gold has been taken out of the area. The Drumlummon Mine was said to have been the leading gold producer in the 1880's and 1890's. The Marysville mining district has been said to have produced approximately \$50,000,000 in ore by 1900.

In the early 1900's the rich ores were depleting and productions slowed, not to mention the mine was in a law suit. In 1909 the town suffered a devastating fire that destroyed several buildings. The mine changed hands several times and continued to be worked until 1948. Many people left the area and some of the homes moved along with them, as other buildings were left abandoned. In the late 2000's the Drumlummon Mine reopened due to the high price of gold and new mining technology. The price of gold dropped in the summer of 2013 and the mine stopped operating.

Marysville is enjoyed by many people today, whether it is for the short scenic drive up to Marysville for dinner at the town's only restaurant, to access Forest Service land for recreation purposes, or to ski at the Great Divide Ski Area.

LEWIS & CLARK COUNTY, MONTANA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2017

July 1, 2016 to June 30, 2017

PRESENTED BY
LEWIS AND CLARK COUNTY ACCOUNTING DEPARTMENT

LEWIS AND CLARK COUNTY HELENA, MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year 2017

July 1, 2016 - June 30, 2017

Prepared By: Lewis and Clark County Accounting Department

Paulette DeHart, County Treasurer

Rodger Nordahl

Amy Reeves

Sherry Smith, CPA

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

December 19, 2017

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 (hereafter referred to as County) for the fiscal year ended June 30, 2017.

This report consists of management's representations concerning the finances of the 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 the 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, 2017, 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 unmodified opinions over the County's basic financial statement opinion units, as listed in the accompanying table of contents for the fiscal year ended June 30, 2017. The independent auditor's report is presented at the front of the financial 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. The County's MD&A can be found immediately following the report of the independent auditors.

The independent audit of the financial statements of the 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 (OMB) 2CFR200 Uniform Guidance. 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 2CFR200 are included in the single audit section of this report.

Profile of Lewis and Clark County

The 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 eleven 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 68,214. 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 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 maintenances, weed control, building maintenances, solid waste services, and cemetery services, along with various public health services 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 County reports include the PureView Health Center as a component unit. The county operated a nursing home, but sold the facility on June 1, 2012, on an installment sale. Currently, nursing home activity centers around collection of the principal and interest related to the sale.

The annual budget serves as the foundation for the 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 Board of County Commissioners (hereafter referred to as BOCC). The Budget Officer for the BOCC uses these requests for appropriation as the starting point for developing a proposed budget. The BOCC 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 BOCC 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 BOCC. 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 the County operates.

The County has experienced the effects of the national economic downturn. After the economic downturn starting in FY08, the County experienced a slowdown in several areas. Subdivision applications, permits for septic systems and tonnage received at the landfill dropped significantly as new construction stopped. Over the past several years, the County has seen slow, but steady growth. Property tax revenue has grown at approximately 2% each year. In the last year, the County has seen a considerable uptick in construction growth and the demand for services is increasing.

The County has performed well during this period of economic downturn, with an unemployment rate much lower than the state and national rates. Helena has a stable economy due to an estimated one-third of jobs being held by federal, state, county, or city government workers. The current unadjusted unemployment figure for the County is 3.3 percent. This is down 0.2 percent from one year ago. The current unadjusted unemployment figure for Montana is 3.9 percent and the nation is 4.4 percent.

The County conducts various planning processes (long-term, mid-term, and short-term), to help guide the government and to ensure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to ensure each of these component planning processes are in concert with one another. This so called “Linkage” is paramount to ensure short-term decisions are consistent with the overriding values embodied in the mid-term and long-term planning processes adopted by the BOCC.

Each element of the County’s planning process has a different purpose and timeframe. The County’s Mission, Core Values Statement, and Growth Policy are the most far-reaching in nature—20 to 25 years. The Capital Improvement Program and the Five-Year Financial Forecast are mid-term in nature—5 years. The Annual Budget and the Capital Budget are short-term—covering a 1-year timeframe. The most important requisite is that they are coordinated efforts.

Mid-term financial planning for the 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 BOCC 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 2017, \$4.3 million was set aside for future replacement of capital assets.

Financial policies are guidelines for operational and strategic decision making related to financial matters, as they identify acceptable and unacceptable courses of action, establish parameters in which the government can operate, and provide a standard against which the government’s fiscal performance can be judged.

The County's annual budget is developed in accordance with the policies and priorities set forth in the five year strategic financial plan, BOCC goals, the needs of the County, and state and federal laws. Program/project priorities and service levels will be established by the aforementioned plans.

The County will seek to maintain a diversified and stable revenue base to protect it from short-term fluctuations in any one revenue source. The County will pursue an aggressive policy of collecting revenues. An aggressive policy of collecting revenues will help to ensure revenue estimates are met, all taxpayers are treated fairly and consistently, and delinquencies are kept to a minimum. The County will aggressively pursue opportunities for Federal or State grant funding. An aggressive policy of pursuing opportunities for Federal or State grant funding provides citizens assurance that the County is striving to obtain all state and federal funds to which it is entitled—thereby reducing dependence upon local taxpayers for the support of local public services.

The County will make all current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt. The County will set fees and rates at levels which fully recover the total direct and indirect costs—including operations, capital outlay, and debt service. The County recognizes that accounting principles generally accepted for state and local governments discourage the "earmarking" of General Fund revenues, and accordingly, the practice of designating General Fund revenues for specific programs should be minimized in the County's management of its fiscal affairs.

The County will estimate revenues in a realistic and conservative manner. Aggressive revenue estimates significantly increase the chances of budgetary shortfalls occurring during the year—resulting in either deficit spending or required spending reductions. Realistic and conservative revenue estimates, on the other hand, will serve to minimize the adverse impact of revenue shortfalls and will also reduce the need for mid-year spending reductions.

The County will give highest priority in the use of one-time revenues to the funding of capital assets or other non-recurring expenditures. Utilizing one-time revenues to fund on-going expenditures may result in incurring annual expenditure obligations which may be unfunded in future years. Using one-time revenues to fund capital assets or other non-recurring expenditures better enables future administrations and Commissions to cope with the financial problems when these revenue sources are discontinued, since these types of expenditures can more easily be eliminated.

The 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. The County has formally adopted an investment policy established by the committee, which outlines the investment goals and strategies. It has been the intent of the County to add additional stability for the overall portfolio by creating a laddering process using treasury bills, agency notes, and certificate of deposits.

Although the County has a fairly stable economic environment, 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 replaced the funding structure, primarily dependent on motor vehicle, gaming revenues, and includes an entitlement share from the state. The purpose of the bill was 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 provided 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 these changes.

The highest priority of the County is coping with an overcrowded detention facility. A proposal to remodel the current detention facility and a companion levy for operations and maintenance was placed on the November 2016 ballot. Voters approved the construction levy for the remodel of the facility but did not approve the companion levy. In November 2017, The County again asked the voters for approval of the companion levy. This vote was successful and the County is moving forward with the remodel of the current facility and will begin to implement the jail diversion and mental health programs included in the operations and maintenance levy.

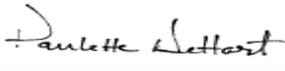
Awards and Acknowledgements

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, 2016. This was the twenty first 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 unflinching 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



Sherry Smith, CPA
Accountant



Government Finance Officers Association

**Certificate of
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for Excellence
in Financial
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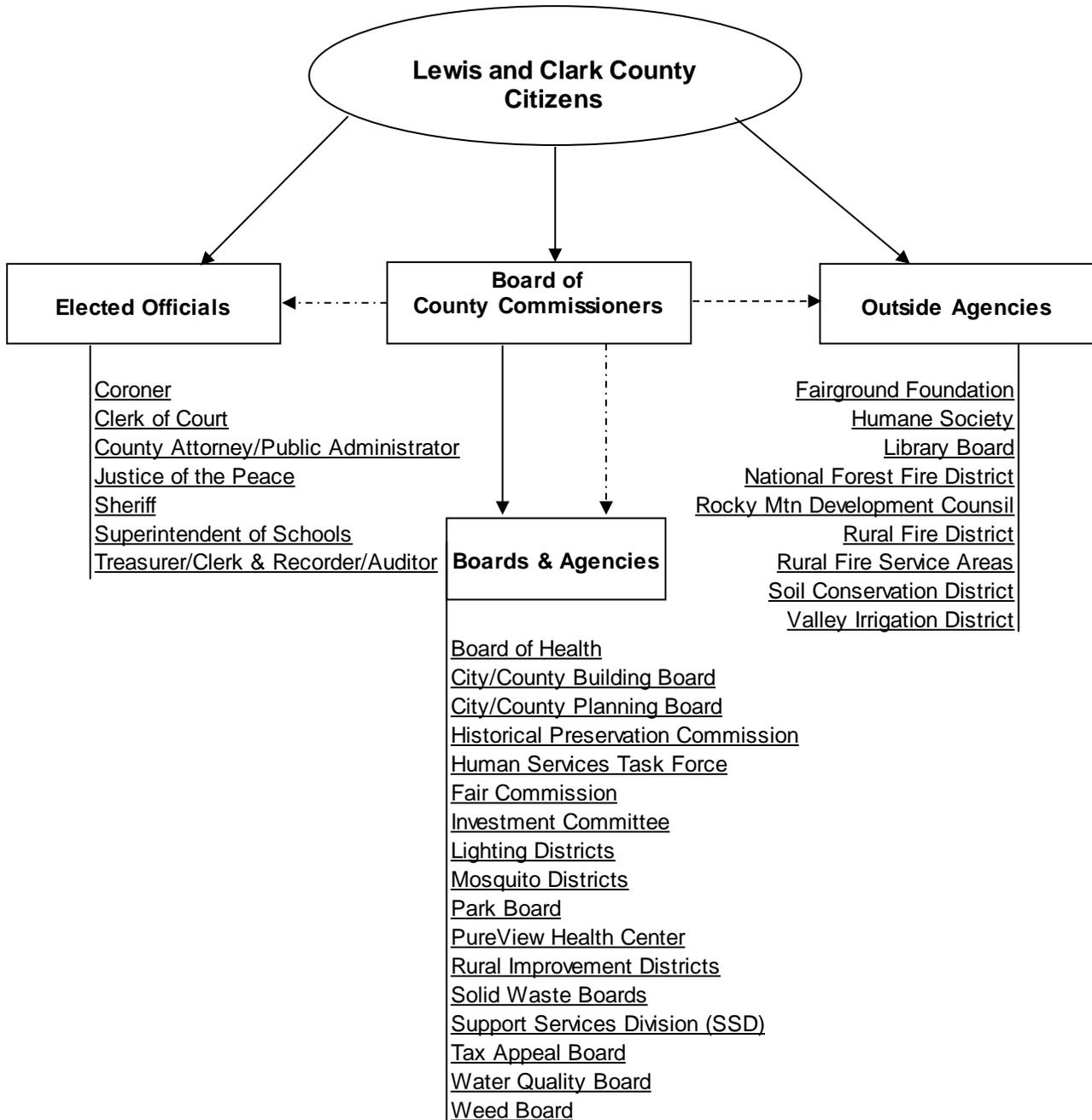
**Lewis and Clark County
Montana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

Lewis and Clark County, Montana ORGANIZATIONAL CHART



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

**LEWIS AND CLARK COUNTY
HELENA, MONTANA
JUNE 30, 2017**

**LIST OF PRINCIPAL OFFICIALS
BOARD OF COUNTY COMMISSIONERS**

Mrs. Susan Good Geise	Chairman
Mr. Andy Hunthausen	Member
Mr. Jim McCormick	Member

COUNTY OFFICIALS

Mr. Leo Gallagher	Attorney/Public Administrator
Mrs. Angie Sparks	Clerk of Court
Mr. Bryan Backeberg	Coroner
Mr. Michael Swingley	Justice of the Peace
Mr. Leo Dutton	Sheriff
Mrs. Katrina Chaney	Superintendent of Schools
Mrs. Paulette DeHart	Treasurer/Clerk and Recorder/Auditor
The Honorable Kathy Seeley	District Court Judge
The Honorable Mike Menahan	District Court Judge
The Honorable Mike McMahon	District Court Judge
The Honorable James Reynolds	District Court Judge



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lewis & Clark County, Montana as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Lewis & Clark County, Montana as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions and Schedule of Employee Group Benefits Plan - Other Postemployment Benefits on pages 5 through 15, 97 through 98, 99, and 100, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lewis & Clark County, Montana's basic financial statements. The introductory section, combining and individual fund statements and schedules (as listed in the table of contents including the budgetary schedules and schedules of capital assets used in the operations of government funds), and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules (as listed in the table of contents), and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules (as listed in the table of contents) and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2017, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lewis & Clark County, Montana's internal control over financial reporting and compliance.

Anderson Zurmuehlen + Co, P.C.

Helena, Montana
December 19, 2017

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LEWIS AND CLARK COUNTY MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017 and 2016

INTRODUCTION

As management of Lewis and Clark County, Montana, we offer readers of the County's basic financial statements this comparative narrative overview and analysis of the financial activities of the County for the fiscal years ended June 30, 2017 and 2016. 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 vi-x of this report.

FINANCIAL HIGHLIGHTS

- The County's primary government assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2017, by \$71.1 million (reported as net position) compared with \$66.9 million at June 30, 2016. Of this amount, \$8.9 million (reported as unrestricted net position) may be used to meet the government's general obligations to citizens and creditors.
- The total net position increased by \$4.2 million. That increase is a result of the continued investment in large infrastructure projects and building construction projects, along with the continual saving of resources by departments for future capital purchases/improvements in excess of amounts being spent.
- As of June 30, 2017, the County's governmental funds reported combined ending fund balances of \$33.5 million, compared with \$27.5 million at June 30, 2016. Of this amount, \$25.5 million is available for spending at the government's discretion (committed, assigned, and unassigned fund balances).
- Major infrastructure and construction projects have continued through the last five fiscal years. Several of the road and building projects were completed in this fiscal year, along with several more being started.
- The County made principal payments for the general obligation bond, special assessment loans, revenue bonds, and contracts/loans of \$.9 million. The County received Intercap loan proceeds of \$.2 million to be used for major improvement of roads in Rural Improvement Districts.
- On November 4, 2008, the electors of the County authorized the BOCC to issue and sell up to \$10 million principal amount of general obligation bonds in one or more series for the purpose of preserving open space lands in the County. The County issued a second series of general obligation bonds in the amount of \$4 million in fiscal year 2017. Thus, the total issue to date is \$7 million.
- For a summary of new Government Accounting Standards Board pronouncements adopted in the current fiscal year, see Note 2 – Stewardship, Compliance and Accountability, Section D. New Accounting Guidance Implemented.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements are comprised of 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 the 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 Position 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, deferred outflow of resources, liabilities, and deferred inflows of resources 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 positions and changes in them. The County's net position - the difference between assets plus deferred outflow of resources and liabilities plus deferred inflows of resources - are one way to measure the financial position of the County. Over time, increases or decreases in the County's net position 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 Position 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, public health, and general administration. Property taxes, local option taxes, 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 Home, a nursing home facility; and the operations of the fairgrounds are reported here.
- Component Units - the County includes one separate legal entity in its report - the PureView Health Center. Although legally separate, this component unit is important because the County is financially accountable for it.

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 BOCC 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 in and out of the funds, and the balances left at year-end that are available for spending. These funds use the modified accrual basis 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*.

The 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, public safety fund, special assessment districts fund, rural special improvement district debt fund, capital development fund, and road/bridge infrastructure fund, which are considered to be major funds. Data from the other 54 nonmajor 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 - The 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, nursing home, and 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, and 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 Position and the Statement of Revenues, Expenses, and Changes in Net Position, but provide more detail and additional information, such as cash flows.

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 the 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 33, 34, and 190-210 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 36-95 of this report.

Other information - The basic financial statements are preceded by management's discussion and analysis and followed by pension and other post-employment benefits information. These sections are required supplementary information found on page 96-107.

All required supplementary information other than GASB Statements 68 and 75, Other Postemployment Benefit (OPEB), and Pensions schedules, respectively, precedes the basic financial statements or is included in the basic financial statements and accompanying notes. Therefore, the only information presented in the section for required supplementary information is information demonstrating funding of OPEB and Pension liabilities.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service, and the discretely-presented component unit funds are presented immediately following the required supplementary information section. Combining and individual fund statements and schedules can be found on pages 117-210 of this report.

THE COUNTY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the County, the net position was \$71,126,900 at June 30, 2017.

The largest portion of the County’s net position, approximately 80.7 percent, reflects its net 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.

The restricted portion of the County’s net position, 6.8 percent, represents resources that are subject to external restrictions on how they may be used. The remaining 12.5 percent of net position is unrestricted net position that may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

	NET POSITION					
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 41,134,391	\$ 37,096,825	\$ 4,669,650	\$ 4,664,825	\$ 45,804,041	\$ 41,761,650
Capital assets	45,488,769	42,767,585	13,938,968	14,001,955	59,427,737	56,769,540
Total assets	86,623,160	79,864,410	18,608,618	18,666,780	105,231,778	98,531,190
Deferred outflows	7,913,305	3,466,787	123,401	48,499	8,036,706	3,515,286
Long-term liabilities outstanding	34,937,772	24,248,711	3,959,583	4,157,382	38,897,355	28,406,093
Other liabilities	942,106	2,343,252	124,299	145,597	1,066,405	2,488,849
Total liabilities	35,879,878	26,591,963	4,083,882	4,302,979	39,963,760	30,894,942
Deferred inflows	2,159,470	4,163,654	18,354	88,454	2,177,824	4,252,108
Net position:						
Net investment in capital assets	45,488,769	42,642,585	11,898,032	11,656,305	57,386,801	54,298,890
Restricted	4,263,247	2,952,865	564,711	562,619	4,827,958	3,515,484
Unrestricted	6,745,101	6,980,130	2,167,040	2,104,922	8,912,141	9,085,052
Total net position	\$ 56,497,117	\$ 52,575,580	\$ 14,629,783	\$ 14,323,846	\$ 71,126,900	\$ 66,899,426

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Fees, fines and charges for services	\$ 5,000,178	\$ 4,934,936	\$ 4,092,598	\$ 4,386,813	\$ 9,092,776	\$ 9,321,749
Operating grants and contributions	3,133,748	4,553,702	32,461	33,615	3,166,209	4,587,317
Capital grants and contributions	5,223,990	1,030,288	-	-	5,223,990	1,030,288
Total program revenues	13,357,916	10,518,926	4,125,059	4,420,428	17,482,975	14,939,354
General Revenues						
Taxes	25,732,544	24,779,520	431,413	409,694	26,163,957	25,189,214
Grants and contributions not restricted to other programs	5,042,763	5,386,368	-	-	5,042,763	5,386,368
Other	1,404,698	1,974,182	55,301	41,348	1,459,999	2,015,530
Total revenues	45,537,921	42,658,996	4,611,773	4,871,470	50,149,694	47,530,466
Expenses:						
General government	13,982,906	11,778,106	-	-	13,982,906	11,778,106
Public safety	13,858,880	13,126,813	-	-	13,858,880	13,126,813
Public works	7,172,647	5,455,176	-	-	7,172,647	5,455,176
Public health	5,252,895	5,273,039	-	-	5,252,895	5,273,039
Social and economic	1,059,499	1,018,166	-	-	1,059,499	1,018,166
Culture and recreation	117,284	103,758	-	-	117,284	103,758
Interest on long-term debt	127,540	131,059	-	-	127,540	131,059
Solid waste	-	-	2,679,399	2,532,372	2,679,399	2,532,372
Fairgrounds	-	-	1,645,566	1,762,095	1,645,566	1,762,095
Total expenses	41,571,651	36,886,117	4,324,965	4,294,467	45,896,616	41,180,584
Increase in net position before transfers	3,966,270	5,772,879	286,808	577,003	4,253,078	6,349,882
Transfers	(24,306)	(49,980)	24,306	49,980	-	-
Increase in net position	3,941,964	5,722,899	311,114	626,983	4,253,078	6,349,882
Net position, beginning	52,575,580	48,237,453	14,323,846	13,696,863	66,899,426	61,934,316
Prior period adjustments (1)	(20,427)	(1,384,772)	(5,177)	-	(25,604)	(1,384,772)
Net position, beginning, as restated	52,555,153	46,852,681	14,318,669	13,696,863	66,873,822	60,549,544
Net Position, ending	\$ 56,497,117	\$ 52,575,580	\$ 14,629,783	\$ 14,323,846	\$ 71,126,900	\$ 66,899,426

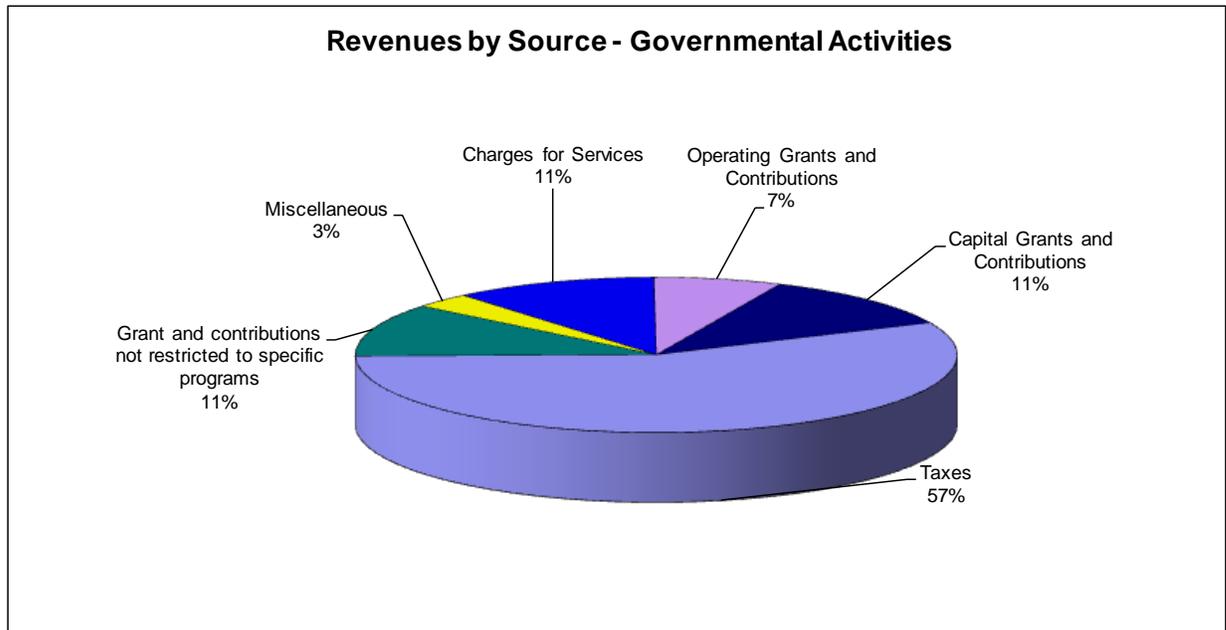
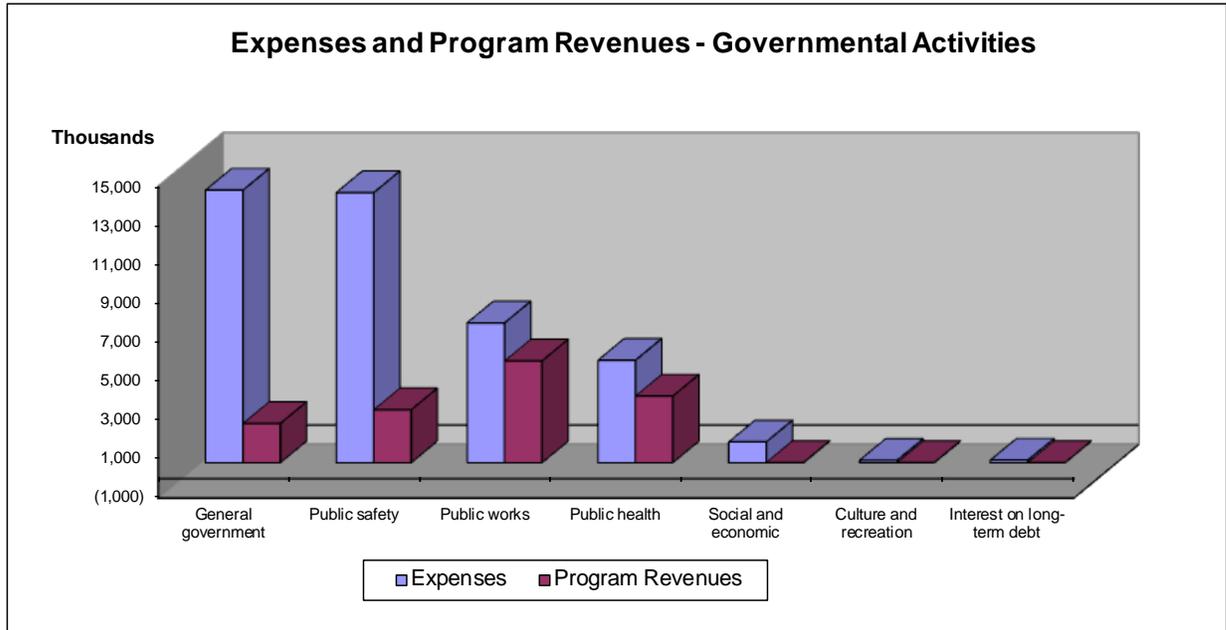
(1) Fiscal year 2017's Net Position, beginning, was restated due to prior period adjustments from implementation of GASB 75 as well as acquisition of a land easement obtained in a prior period. The restated amount matched the preceding Net Position schedule prior year amount, which was retroactively adjusted.

Governmental Activities

Governmental activities increased the County's net position by \$3,921,537, thereby accounting for 92.7 percent of the total growth in the net position of the County. Total governmental revenues increased by \$2,878,925 or 6.75 percent, with total expenses increasing by \$4,685,534 or 12.7 percent. Elements that contributed to the increase in net position are as follows:

- All of the County's major governmental funds except Public Safety showed positive net change in fund balance, with the largest changes in the Special Assessment District, Capital Development, and Road/Bridge Infrastructure Projects.
- The Capital Development fund shows a positive change in fund balance of \$2,846,195, an increase of just over \$2 million from the previous year. The increase is due to the saving of resources by County departments for future capital purchases/improvements significantly in excess of amounts being spent. The capital outlay amounts, totaling \$.9 million compared to the prior fiscal year amount of \$1.2 million, were converted to capital assets in the government-wide schedules, thus substantially increasing the County's net position.
- The Road/Bridge Infrastructure Project fund shows a positive change in fund balance of \$927,749. The capital outlay amount totaled approximately \$5 million.
- Other Governmental Fund shows a positive change in fund balance of over \$1.5 million. This amount is

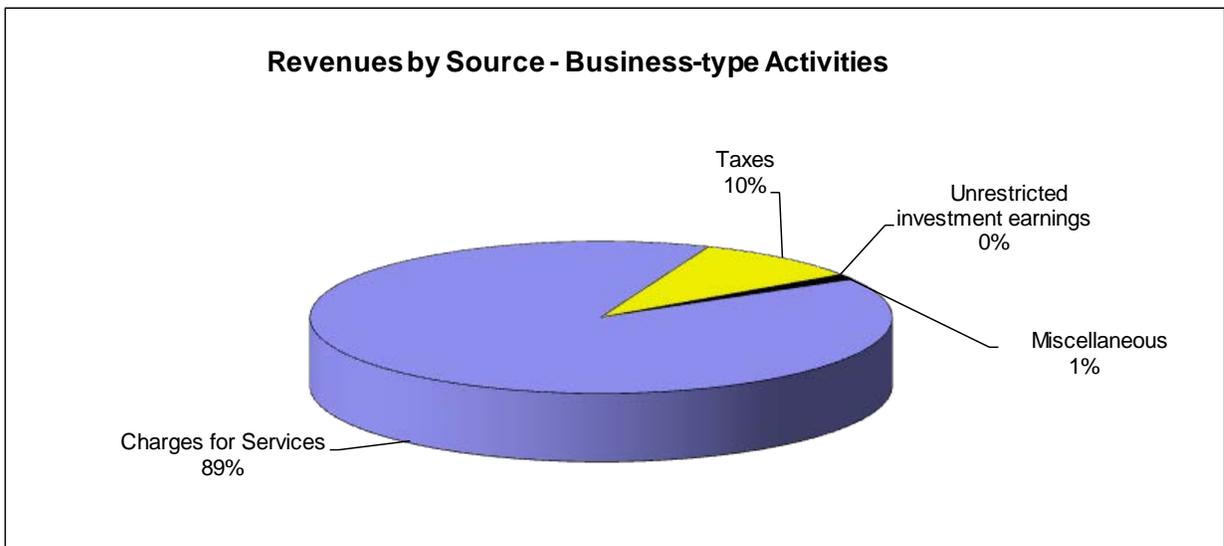
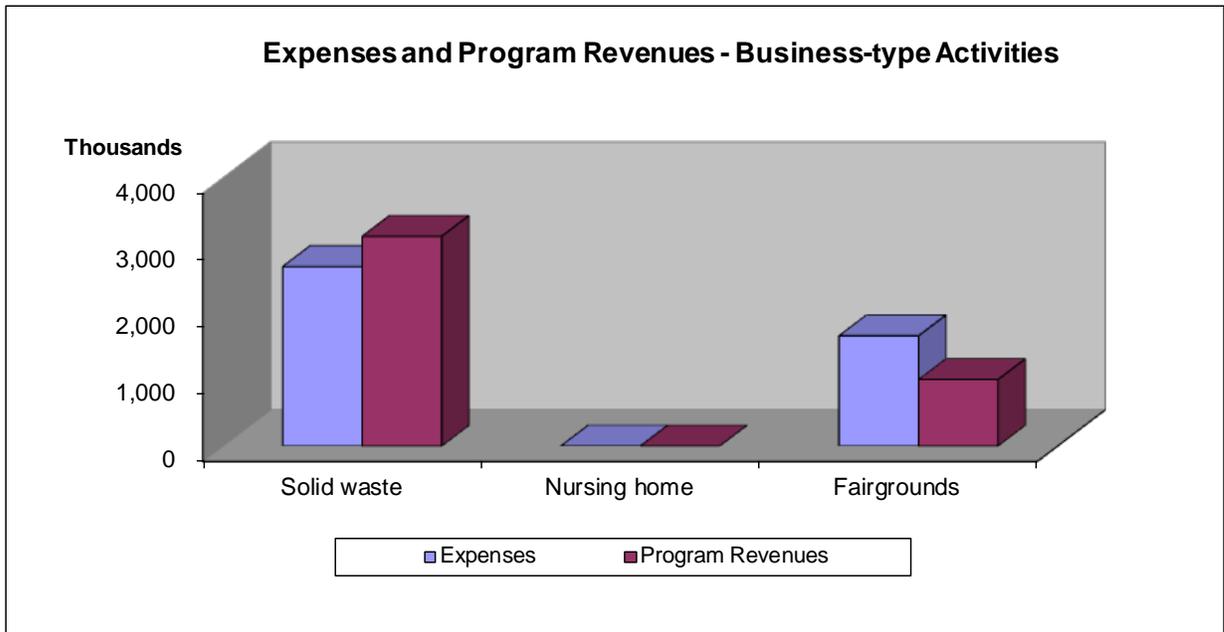
- mainly from the Open Space fund as cash reserves are dispersed for eligible causes.
- The Road/Bridge Infrastructure Projects, the Other Grants, the Health-Related Grants, and the Public Safety Radio Projects funds continued to receive grants from Federal and State agencies to fund road projects and building renovations, along with day to day health and safety services, thus showing growth from Operating and Capital grants and contributions. The majority of the expense increases come in these areas.



Business Activities

Business-type activities increased the County’s net position by \$311,114, thereby accounting for 7.2 percent of the total growth in the net position of the County. Key elements of this increase are as follows:

- At the fairgrounds, revenues were less than expenses resulting in a decrease in net position of \$180,059.
- Operations relating to solid waste disposal showed an increase in net position of \$469,272. A local reclamation project resulted in excess collections in fiscal year 2016, as compared to this fiscal year.
- The Cooney Home, which was sold in May 2012, resulted in positive change in net position of just under \$21,901. This positive amount is primarily the result of interest income from the collection of the installment payments from the sale and a payment from a resident account that was previously written off.



THE COUNTY'S FUNDS

Governmental funds

As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$33.5 million, an increase of \$6 million in comparison with the prior year increase of \$2.3 million. Of this amount, \$.9 million (2.7%) is classified as non-spendable and \$32.6 million (97.3%) constitutes spendable fund balance. The spendable fund balance is further classified as restricted, \$7.0 million (21.0%); committed, \$20.8 million (62.2%); assigned, \$1.1 million (3.4%); and unassigned, \$3.5 million (10.6%). The preceding fund balance ratios are calculated based on their relation to total fund balances. These fund balance classifications resulted from the implementation of GASB Statement No. 54 and are defined in detail in Note 11.

The general fund is the main operating fund of the County. At the end of the current fiscal year, combined unassigned and assigned fund balances of the general fund was \$4.6 million, while total fund balance was \$4.7 million.

The fund balance of the County's general fund increased by a modest \$116,511 during the current fiscal year. Revenues of taxes and charges for services were up marginally, which offset a slight increase in expenditures from the general fund. The remaining revenue categories stayed fairly constant in comparison with prior year's amounts.

The Public Safety Fund had a total fund balance of \$2.8 million, which is consistent with the prior year. Public Safety continues to transfer funds to support its future capital needs. Tax revenue increased by \$413,360 due to an increase in the purchase of tax liens in the current fiscal year over the prior year.

The Special Assessment Districts Fund had a total fund balance of \$4.1 million, which is \$530,769 more than the prior fiscal year. Current revenues and expenditures were slightly up as more districts are added in the County.

The Rural Special Improvement District Debt Fund had a total fund balance of \$.3 million, which is steady with the prior year. Current revenues and expenditures were slightly up as more special improvement districts complete major projects and acquire loans. The fund balance is restricted and can only be used for payments of principal and interest on the loans.

The Capital Development Fund had a total fund balance of \$9.4 million which is up from the \$6.6 million in the prior year. The increase in fund balance shows that departments contributed to their capital improvement plans (CIP) in excess of the amount they spent on capital outlay projects.

The Road/Bridge Infrastructure Fund had a total fund balance of \$1.5 million, up from \$.6 million in the prior year. The Road/Bridge Infrastructure Fund had significant increases in both revenues and expenditures, thus, qualifying it as a major fund for 2017.

Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Cooney Home at the end of the year was (\$.06) million, the County landfill was \$1.3 million and (\$.5) million for the Fairgrounds. The County has met the debt coverage ratios on its revenue bonds.

Although the Cooney Home sold on June 1, 2012, the County continues to use the fund to collect outstanding receivables and to account for the installment payments from the purchaser.

General Fund Budgetary Highlights

Over the course of the year, the BOCC did not revise the County budget for the General Fund for either revenues or expenditures. Actual revenues for the General Fund were more than the actual and final budget by \$603,859. Payments in lieu of taxes of \$2,020,842 were \$220,842 more than budget, but slightly less than what had been received in the previous year.

Actual expenditures from the General Fund were \$432,829 less than budgeted. All departments contributed by spending less than what they were budgeted, including general governmental, public safety, and public works departments that had unspent budgets of \$201,852; \$11,501; and \$225,137, respectively.

Capital Asset and Debt Administration

Capital assets

The County’s investment in capital assets (net of accumulated depreciation) for its governmental and business type activities as of June 30, 2017, was \$59,427,737. This investment in capital assets includes land, buildings, improvements other than buildings, infrastructure, and machinery and equipment. For fiscal year 2017, the County’s investment in capital assets increased by \$2,658,197.

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

Governmental

- The Public Works department, in conjunction with the Federal Land Access Program grants, continues to work on improving the surface of several rural roads. These projects started in fiscal year 2011, with current fiscal cost being in excess of \$4.5 million.
- Public Works department began construction and had costs for a Junk Vehicle building of over \$94,000.
- Purchase of vehicles and equipment for public safety in the amount of \$290,000.
- Purchase of vehicles, machinery, and equipment for the Public Works department in the amount of \$432,000.
- Work continued on the construction of the Forestvale Cemetery monumental entry way. The project has incurred expenditures in excess of \$199,000, with \$7,100 being incurred in this fiscal year.

Business-type

- The County Landfill purchased vehicles and equipment with a cost of \$262,000.
- The County Landfill concluded the closure of the Phase 2 section with current costs of \$159,000 and total cost being over \$203,000.
- Fairgrounds purchased vehicles and equipment with a cost of \$130,000.
- Depreciation was over \$622,000 for the business-type funds.

Capital Assets
(net of depreciation)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2017	2016	2017	2016	2017	2016
	Land	\$ 6,411,806	\$ 6,312,406	\$ 243,648	\$ 243,648	\$ 6,655,454
Buildings	12,219,132	12,766,201	8,746,692	9,048,087	20,965,824	21,814,288
Improvements other than buildings	876,115	976,632	4,025,104	3,979,542	4,901,219	4,956,174
Machinery and equipment	4,831,420	5,536,550	887,624	686,584	5,719,044	6,223,134
Infrastructure	16,843,171	16,195,453	-	-	16,843,171	16,195,453
Construction in progress	4,307,125	980,343	35,900	44,094	4,343,025	1,024,437
Total capital assets	\$ 45,488,769	\$ 42,767,585	\$ 13,938,968	\$ 14,001,955	\$ 59,427,737	\$ 56,769,540

Long-term debt

As of June 30, 2017, the County had total debt outstanding of \$10,040,374. Of this amount, \$6,723,646 is general obligation bonds, \$968,846 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment, and \$2,040,936 represents bonds secured solely by specified revenue sources (i.e., revenue bonds). The remaining \$306,946 comprises contract/loan debt backed by the full faith and credit of the government.

The County’s total debt increased by \$3,257,485, due primarily to issuance of \$4,000,000 in General Obligation bonds. Payments of \$952,450 in principal were made. The County made principal payments for general obligation bonds, special assessment loans with governmental commitment, revenue bonds, and contracts/loans of \$222,867; \$128,142; \$429,714, and \$171,727, respectively. The County has not had a recent change in its credit rating.

**Outstanding Debt
General Obligation and Revenue Bonds**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
General obligation bonds	\$ 6,723,646	\$ 2,946,513	\$ -	\$ -	\$ 6,723,646	\$ 2,946,513
Special assessment debt with governmental commitment	968,846	887,053	-	-	968,846	887,053
Revenue bonds	-	125,000	2,040,936	2,345,650	2,040,936	2,470,650
Contracts/loans	306,946	478,673	-	-	306,946	478,673
Total	<u>\$ 7,999,438</u>	<u>\$ 4,437,239</u>	<u>\$ 2,040,936</u>	<u>\$ 2,345,650</u>	<u>\$ 10,040,374</u>	<u>\$ 6,782,889</u>

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

Other Facts, Decisions, or Conditions of Future Significance

- The County places a strong emphasis on maintaining a healthy fiscal position. The BOCC focuses on maintaining adequate cash balances while continuing to provide the current level of services. The County is anticipating cash balances to decrease by \$13.3 million to \$25.6 million for all County funds. This represents a reserve of 31 percent of budgeted expenditures. This is a healthy reserve and will allow the BOCC the flexibility and time to respond in the event of decreasing revenues in an orderly fashion. County departments are also required to budget an annual transfer to a capital improvement fund for capital purchases. At June 30, 2017, the Capital Development Fund had a cash balance of \$9.3 million. This fund allows the County to upgrade equipment and vehicles as needed without incurring debt or incurring budget spikes when a large capital project or purchase is needed.
- The highest priority of the County is coping with an overcrowded detention facility. A proposal to remodel the current detention facility and a companion levy for operations and maintenance was placed on the November 2016 ballot. Voters approved the construction levy for the remodel of the facility but did not approve the companion levy. In November 2017, The County again asked the voters for approval of the companion levy. This vote was successful and the County is moving forward with the remodel of the current facility and will begin to implement the jail diversion and mental health programs included in the operations and maintenance levy.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, 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 the County.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
June 30, 2017

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	PUREVIEW HEALTH CENTER
ASSETS				
Cash and cash equivalents	\$ 29,104,426	\$ 3,347,300	\$ 32,451,726	\$ 1,543,808
Investments	5,217,920	600,701	5,818,621	277,050
Taxes/assessment receivables (net of allowance for uncollectables)	1,940,772	20,426	1,961,198	-
Accounts/contracts receivable (net of allowance for uncollectibles)	599,933	392,060	991,993	325,479
Notes receivable	-	54,677	54,677	-
Due from other governments	1,011,938	-	1,011,938	335,641
Inventories	367,067	-	367,067	70,089
Restricted assets - noncurrent	580,616	564,711	1,145,327	-
Long-term accounts/contracts receivable	161,846	-	161,846	-
Long-term notes receivable	-	1,839,648	1,839,648	-
Internal balances	2,149,873	(2,149,873)	-	-
Land and construction in progress	10,718,931	279,548	10,998,479	-
Buildings, improvements, vehicles and equipment (net)	17,926,667	13,659,420	31,586,087	346,406
Infrastructure (net)	16,843,171	-	16,843,171	-
Total assets	86,623,160	18,608,618	105,231,778	2,898,473
DEFERRED OUTFLOWS OF RESOURCES				
Prepayments of costs	-	-	-	26,510
Pension contributions subsequent to measurement date	1,324,952	48,875	1,373,827	237,638
Difference between expected and actual experience-pensions	110,360	4,036	114,396	19,628
Difference between projected and actual investment earnings-pensions	1,889,155	70,490	1,959,645	296,506
Changes in actuarial assumptions-pensions	4,588,838	-	4,588,838	-
Total deferred outflows of resources	7,913,305	123,401	8,036,706	580,282
LIABILITIES				
Accounts payable	928,774	124,299	1,053,073	84,396
Accrued interest	13,332	-	13,332	-
Long-term liabilities:				
Portion due or payable within one year:				
Special assessment debt with government commitment	119,601	-	119,601	-
Contracts/loans payable	172,911	-	172,911	-
General obligation bonds payable	558,970	-	558,970	-
Revenue bonds payable	-	312,512	312,512	-
Landfill postclosure costs payable	-	12,400	12,400	-
Claims payable	268,426	-	268,426	-
Compensated absences payable	217,620	7,515	225,135	22,003
Portion due or payable in more than one year:				
Special assessment debt with government commitment	849,245	-	849,245	-
Contracts/loans payable	134,035	-	134,035	-
General obligation bonds payable	6,164,676	-	6,164,676	-
Revenue bonds payable	-	1,728,424	1,728,424	-
Landfill postclosure costs payable	-	1,064,723	1,064,723	-
Compensated absences payable	1,958,566	67,631	2,026,197	198,030
Net pension liability	24,072,834	748,184	24,821,018	3,637,765
OPEB implicit rate subsidy	420,888	18,194	439,082	47,750
Total liabilities	35,879,878	4,083,882	39,963,760	3,989,944
DEFERRED INFLOWS OF RESOURCES				
Prepayments of revenues	-	-	-	12,514
Related to pensions				
Changes in actuarial assumptions	1,709,077	-	1,709,077	-
Difference between expected and actual experience	52,314	2,476	54,790	12,041
Difference between actual and expected contributions	309,133	11,273	320,406	54,810
Related to other postemployment benefits				
Differences between expected and actual experience	71,436	3,698	75,134	12,486
Changes in assumptions and other inputs	17,510	907	18,417	3,060
Total deferred inflows of resources	2,159,470	18,354	2,177,824	94,911
NET POSITION				
Net investment in capital assets	45,488,769	11,898,032	57,386,801	346,406
Restricted for:				
Public safety	785,348	-	785,348	-
Public works	581,286	-	581,286	-
Public health	587,053	-	587,053	-
Bond reserves	-	360,256	360,256	-
Debt service	17,933	204,455	222,388	-
Capital projects	1,687,484	-	1,687,484	-
Nonexpendable permanent investments	604,143	-	604,143	-
Unrestricted	6,745,101	2,167,040	8,912,141	(952,506)
Total net position	\$ 56,497,117	\$ 14,629,783	\$ 71,126,900	\$ (606,100)

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2017

Function/Programs	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			COMPONENT UNIT PUREVIEW HEALTH CENTER
		FEES, FINES, AND CHARGE FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL	
					GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES		
Primary government:								
Governmental activities								
General government	\$ 13,982,906	\$ 1,648,706	\$ 359,821	\$ -	\$ (11,974,379)		\$ (11,974,379)	
Public safety	13,858,880	1,507,558	989,808	214,453	(11,147,061)		(11,147,061)	
Public works	7,172,647	186,156	22,232	5,009,537	(1,954,722)		(1,954,722)	
Public health	5,252,895	1,650,770	1,761,887	-	(1,840,238)		(1,840,238)	
Social and economic	1,059,499	6,988	-	-	(1,052,511)		(1,052,511)	
Culture and recreation	117,284	-	-	-	(117,284)		(117,284)	
Interest on long-term debt	127,540	-	-	-	(127,540)		(127,540)	
Total governmental activities	<u>41,571,651</u>	<u>5,000,178</u>	<u>3,133,748</u>	<u>5,223,990</u>	<u>(28,213,735)</u>		<u>(28,213,735)</u>	
Business-type activities								
Solid waste	2,679,399	3,125,321	6,624	-		\$ 452,546	452,546	
Fairgrounds	1,645,566	967,277	25,837	-		(652,452)	(652,452)	
Total business-type activities	<u>4,324,965</u>	<u>4,092,598</u>	<u>32,461</u>	<u>-</u>		<u>(199,906)</u>	<u>(199,906)</u>	
Total primary government	<u>\$ 45,896,616</u>	<u>\$ 9,092,776</u>	<u>\$ 3,166,209</u>	<u>\$ 5,223,990</u>	<u>(28,213,735)</u>	<u>(199,906)</u>	<u>(28,413,641)</u>	
Component units:								
PureView Health Center	<u>\$ 6,135,747</u>	<u>\$ 4,020,453</u>	<u>\$ 2,842,201</u>	<u>\$ 7,333</u>				\$ 734,240
General revenues:								
Property taxes					22,865,961	431,413	23,297,374	-
Local option tax					2,858,829	-	2,858,829	-
Other taxes					7,754	-	7,754	-
Grant and contributions not restricted to specific programs					5,042,763	-	5,042,763	-
Unrestricted investment earnings					314,820	55,301	370,121	6,316
Miscellaneous					1,089,878	-	1,089,878	-
Transfers					(24,306)	24,306	-	-
Total general revenue and transfers					<u>32,155,699</u>	<u>511,020</u>	<u>32,666,719</u>	<u>6,316</u>
Change in net position					3,941,964	311,114	4,253,078	740,556
Total net position, beginning					52,575,580	14,323,846	66,899,426	(1,187,379)
Prior period adjustments					(20,427)	(5,177)	(25,604)	(159,277)
Total net position, beginning, as restated					<u>52,555,153</u>	<u>14,318,669</u>	<u>66,873,822</u>	<u>(1,346,656)</u>
Total net position, ending					<u>\$ 56,497,117</u>	<u>\$ 14,629,783</u>	<u>\$ 71,126,900</u>	<u>\$ (606,100)</u>



BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	SPECIAL REVENUE		DEBT SERVICE		CAPITAL PROJECTS		OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
	GENERAL	PUBLIC SAFETY	SPECIAL ASSESSMENT DISTRICTS	RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT	CAPITAL DEVELOPMENT	ROAD/BRIDGE INFRASTRUCTURE PROJECTS		
ASSETS								
Cash and cash equivalents	\$ 1,698,699	\$ 2,275,805	\$ 3,471,224	\$ 248,109	\$ 7,914,671	\$ 1,246,186	\$ 7,902,795	\$ 24,757,489
Investments	304,846	408,413	622,941	44,525	1,420,356	223,639	1,418,224	4,442,944
Receivables:								
Taxes/assessments (net)	215,933	336,487	28,932	1,066,456	-	-	292,964	1,940,772
Accounts/contracts (net)	200,961	52,268	-	-	-	-	133,936	387,165
Due from other funds	2,440,682	-	-	-	-	-	-	2,440,682
Due from other governments	13,427	30,196	-	-	-	140,273	828,042	1,011,938
Inventories	56,432	-	-	-	-	-	291,730	348,162
Restricted assets:								
Cash and cash equivalents	-	-	-	-	-	-	28,527	28,527
Investments	-	-	-	-	-	-	580,616	580,616
Long-term accounts/contracts receivable	161,846	-	-	-	-	-	-	161,846
Advances to other funds	-	-	-	-	173,121	-	7,999	181,120
Total assets	\$ 5,092,826	\$ 3,103,169	\$ 4,123,097	\$ 1,359,090	\$ 9,508,148	\$ 1,610,098	\$ 11,484,833	\$ 36,281,261
DEFERRED OUTFLOWS OF RESOURCES								
Deferred charges - Revenue bond issuance costs								
Pension contributions subsequent to measurement date								
Difference between expected and actual experience-pensions								
Difference between projected and actual investment earnings-pensions								
Changes in actuarial assumptions-pensions								
Total deferred outflows of resources								
LIABILITIES								
Accounts payable	\$ 137,376	\$ 193,789	\$ 11,460	\$ -	\$ 43,985	\$ 86,427	\$ 356,419	\$ 829,456
Due to other funds	-	-	-	-	-	-	463,930	463,930
Advances from other funds	-	-	1,670	6,329	-	-	-	7,999
Total liabilities	137,376	193,789	13,130	6,329	43,985	86,427	820,349	1,301,385
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows of tax revenues	240,937	68,056	9,989	1,063,255	-	-	90,477	1,472,714
Total deferred inflows of resources	240,937	68,056	9,989	1,063,255	-	-	90,477	1,472,714
FUND BALANCE								
Nonspendable	56,432	-	-	-	-	-	895,873	952,305
Restricted:								
Unrestricted:								
Committed	21,305	2,841,324	4,099,978	-	9,300,350	-	4,571,915	20,834,872
Assigned	1,088,842	-	-	-	-	-	47,402	1,136,244
Unassigned	3,547,934	-	-	-	-	-	-	3,547,934
Total fund balance	4,714,513	2,841,324	4,099,978	289,506	9,464,163	1,523,671	10,574,007	33,507,162
Total liabilities, deferred inflows of resources, and fund balance	\$ 5,092,826	\$ 3,103,169	\$ 4,123,097	\$ 1,359,090	\$ 9,508,148	\$ 1,610,098	\$ 11,484,833	\$ 36,281,261

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

Total fund balance for governmental funds	\$	33,507,162
Amounts reported for governmental activities in the Statement of Net Position 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		10,506,087
Buildings, Improvements, Vehicles and Equipment (net)		17,010,041
Infrastructure (net)		16,843,171
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		1,472,714
Deferred outflows of resources are not financial resources and therefore are not reported in the funds.		7,913,305
Deferred inflows of resources are not due and payable and therefore are not reported in the funds.		(2,159,470)
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 Position.		5,872,887
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Accrued interest		(13,332)
Bonds Payable	\$	(6,723,646)
Special assessment debt payable		(968,846)
Loans/contracts payable		(306,946)
Compensated absences		(1,962,288)
Net pension liabilities		(24,072,834)
OPEB implicit rate subsidy		(420,888)
Net Position of Governmental Activities	\$	56,497,117

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2017

	SPECIAL REVENUE			DEBT SERVICE	CAPITAL PROJECTS			TOTAL GOVERNMENTAL FUNDS
	GENERAL	PUBLIC SAFETY	SPECIAL ASSESSMENT DISTRICTS	RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT	CAPITAL DEVELOPMENT	ROAD/BRIDGE INFRASTRUCTURE PROJECTS	OTHER GOVERNMENTAL FUNDS	
REVENUES								
Taxes/assessments	\$ 6,312,178	\$ 9,007,977	\$ 1,047,102	\$ 182,497	\$ -	\$ -	\$ 9,272,412	\$ 25,822,166
Licenses and permits	283,861	1,820	-	-	-	-	2,783	288,464
Intergovernmental	3,051,344	1,079,989	150,802	-	208,645	4,663,855	3,912,646	13,067,281
Charges for services	1,236,381	563,211	-	-	-	-	2,213,747	4,013,339
Fines and forfeitures	50,352	266,659	-	-	-	-	381,364	698,375
Miscellaneous	90,359	60,313	15,641	-	7,995	-	723,386	897,694
Interest earnings	100,730	-	28,643	2,065	59,154	-	88,227	278,819
Total revenues	11,125,205	10,979,969	1,242,188	184,562	275,794	4,663,855	16,594,565	45,066,138
EXPENDITURES								
Current:								
General government	7,155,518	-	-	-	260,012	-	5,120,291	12,535,821
Public safety	521,098	9,879,695	-	-	339,226	-	1,957,859	12,697,878
Public works	1,187,116	-	667,622	-	190,193	97,172	3,012,779	5,154,882
Public health	61,000	-	-	-	14,911	-	4,947,081	5,022,992
Social and economic	559,711	-	-	-	-	-	493,613	1,053,324
Culture and recreation	-	-	-	-	-	-	62,617	62,617
Debt service	-	-	313	151,748	-	-	490,206	642,267
Capital outlay	-	64,453	-	-	888,616	5,043,798	56,737	6,053,604
Total expenditures	9,484,443	9,944,148	667,935	151,748	1,692,958	5,140,970	16,141,183	43,223,385
Excess (deficiency) of revenue over (under) expenditures	1,640,762	1,035,821	574,253	32,814	(1,417,164)	(477,115)	453,382	1,842,753
OTHER FINANCING SOURCES (USES)								
Transfers in	382,490	386,182	1,440	-	4,263,359	1,404,864	1,286,068	7,724,403
Transfers out	(1,906,741)	(1,435,788)	(44,924)	(1,361)	-	-	(4,478,104)	(7,866,918)
Proceeds from long-term debt	-	-	-	-	-	-	4,264,568	4,264,568
Total other financing sources and uses	(1,524,251)	(1,049,606)	(43,484)	(1,361)	4,263,359	1,404,864	1,072,532	4,122,053
Net change in fund balances	116,511	(13,785)	530,769	31,453	2,846,195	927,749	1,525,914	5,964,806
Fund balance, July 1	4,598,002	2,855,109	3,569,209	258,053	6,617,968	595,922	9,048,093	27,542,356
Fund balance, June 30	\$ 4,714,513	\$ 2,841,324	\$ 4,099,978	\$ 289,506	\$ 9,464,163	\$ 1,523,671	\$ 10,574,007	\$ 33,507,162

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
 GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2017

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	\$	5,964,806	
The change in net position 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	\$	2,726,822	
Construction in progress increase/(decrease)		3,326,782	
Retirement, trade in, donation, etc of capital assets		(601,882)	
Depreciation expense		<u>(2,756,901)</u>	2,694,821
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Long-term receivables		(119,622)	
GASB 68 recognition of On-behalf payments to Pension Plans		<u>250,028</u>	130,406
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 position, 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		(4,209,934)	
Principal payments are:			
Bonds payable		222,867	
Contract/loans payable		<u>299,868</u>	(3,687,199)
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		(29,539)	
Net pension		(655,135)	
Total OPEB implicit rate subsidy		(12,199)	
Accrued interest		<u>242</u>	(696,631)
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>(464,239)</u>
Change in net position of governmental activities	\$		<u>3,941,964</u>

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, 2017
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	GENERAL FUND			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	BUDGETED AMOUNTS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Taxes/Assessments				
Real Property	\$ 4,849,890	\$ 4,849,890	\$ 4,945,005	\$ 95,115
Local Option Tax	556,477	556,477	571,992	15,515
Entitlements	785,570	785,570	800,389	14,819
Total Taxes/Assessments	6,191,937	6,191,937	6,317,386	125,449
Licenses and Permits				
General business	255,000	255,000	263,270	8,270
Other licenses & permits	19,700	19,700	24,242	4,542
Total Licenses and Permits	274,700	274,700	287,512	12,812
Intergovernmental				
Federal grants:				
Other federal grants	50,000	50,000	67,159	17,159
Federal shared revenue:				
Taylor grazing	1,400	1,400	1,921	521
Payments in lieu	1,800,000	1,800,000	2,020,842	220,842
State grants:				
Other state grants	5,000	5,000	9,286	4,286
State shared revenues:				
Personal property reimbursement	925,821	925,821	925,843	22
Gambling revenues	20,600	20,600	24,116	3,516
Total Intergovernmental	2,802,821	2,802,821	3,049,167	246,346
Charges for Services				
General government:				
Administrative fees	610,831	610,831	619,341	8,510
Attorney fees	66,000	66,000	71,019	5,019
Property tax	14,800	14,800	8,831	(5,969)
Election services	5,000	5,000	62,992	57,992
Clerk and Recorder	386,000	386,000	401,567	15,567
Treasurer's fees	32,400	32,400	31,619	(781)
Weed	26,500	26,500	46,353	19,853
Other charges for services	2,000	2,000	920	(1,080)
Total Charges for Services	1,143,531	1,143,531	1,242,642	99,111
Fines and Forfeitures				
Court fines:				
Fines and forfeitures	300	300	434	134
Surcharge	68,000	68,000	49,918	(18,082)
Total Fines and Forfeitures	68,300	68,300	50,352	(17,948)
Miscellaneous revenues	25,000	25,000	90,359	65,359
Interest earnings	28,000	28,000	100,730	72,730
Total revenues	\$ 10,534,289	\$ 10,534,289	\$ 11,138,148	\$ 603,859

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, 2017
 (Page 2 of 5)

EXPENDITURES	GENERAL FUND			
	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
General Government				
Legislative services				
Personal services	\$ 372,698	\$ 372,698	\$ 330,155	\$ 42,543
Operations and maintenance	86,687	86,687	81,067	5,620
Judicial services				
Personal services	370,086	370,086	353,755	16,331
Operations and maintenance	96,982	96,982	91,212	5,770
Administrative services				
Personal services	322,688	322,688	304,564	18,124
Operations and maintenance	273,398	273,398	226,845	46,553
Financial services				
Personal services	1,383,130	1,383,130	1,302,531	80,599
Operations and maintenance	375,297	375,297	298,828	76,469
Personnel services				
Personal services	280,082	280,082	275,414	4,668
Operations and maintenance	4,050	4,050	2,465	1,585
Elections				
Personal services	240,546	240,546	281,444	(40,898)
Operations and maintenance	372,890	372,890	420,560	(47,670)
Records administration				
Personal services	186,224	186,224	182,717	3,507
Operations and maintenance	117,417	117,417	96,558	20,859
Legal services				
Personal services	1,892,745	1,892,745	1,855,405	37,340
Operations and maintenance	332,895	332,895	307,415	25,480
Public school administration				
Personal services	97,502	97,502	98,016	(514)
Operations and maintenance	16,224	16,224	14,355	1,869
Other general government				
Operations and maintenance	713,950	713,950	810,333	(96,383)
Total General Government	7,535,491	7,535,491	7,333,639	201,852
Public Safety				
Coroner services				
Personal services	288,479	288,479	248,821	39,658
Operations and maintenance	135,935	135,935	170,637	(34,702)
Civil defense				
Personal services	93,795	93,795	90,936	2,859
Operations and maintenance	19,881	19,881	16,195	3,686
Total Public Safety	538,090	538,090	526,589	11,501
Public Works				
Road and street services				
Personal services	398,834	398,834	394,817	4,017
Operations and maintenance	86,206	86,206	52,748	33,458
Bridge				
Personal services	355,481	355,481	285,043	70,438
Operations and maintenance	209,329	209,329	141,849	67,480
Facilities administration				
Operations and maintenance	59,277	59,277	59,276	1
Weed				
Personal services	213,658	213,658	190,992	22,666
Operations and maintenance	119,659	119,659	92,582	27,077
Total Public Works	\$ 1,442,444	\$ 1,442,444	\$ 1,217,307	\$ 225,137

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, 2017
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	GENERAL FUND			
	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
Public Health				
Animal control services				
Operations and maintenance	\$ 61,000	\$ 61,000	\$ 61,000	\$ -
Total Public Health	61,000	61,000	61,000	-
Social and Economic				
Aging services				
Operations and maintenance	152,275	152,275	152,262	13
Welfare services				
Operations and maintenance	401,775	401,775	407,449	(5,674)
Total Social and Economic	554,050	554,050	559,711	(5,661)
Total expenditures	10,131,075	10,131,075	9,698,246	432,829
Excess (deficiency) of revenue over (under) expenditures	403,214	403,214	1,439,902	1,036,688
OTHER FINANCING SOURCES (USES)				
Transfers in	397,040	397,040	382,490	(14,550)
Transfers out	(2,240,244)	(2,240,244)	(1,940,841)	299,403
Total other financing sources and uses	(1,843,204)	(1,843,204)	(1,558,351)	284,853
Net change in fund balances	\$ (1,439,990)	\$ (1,439,990)	(118,449)	\$ 1,321,541
Fund balance, July 1			4,605,723	
Fund balance, June 30			\$ 4,487,274	

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, 2017
 (Page 4 of 5)

	PUBLIC SAFETY			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes/assessments	\$ 8,845,901	\$ 8,845,901	\$ 9,011,398	\$ 165,497
Licenses and permits	1,600	1,600	1,820	220
Intergovernmental	1,060,605	1,060,605	1,100,706	40,101
Charges for services	595,448	595,448	664,596	69,148
Fines and forfeitures	245,000	245,000	266,659	21,659
Miscellaneous	30,700	30,700	29,050	(1,650)
Total revenues	10,779,254	10,779,254	11,074,229	294,975
EXPENDITURES				
Current:				
Public safety				
Personal services	6,824,911	6,824,911	6,678,493	146,418
Operations and maintenance	3,743,652	3,743,652	3,472,935	270,717
Capital outlay	-	-	90,443	(90,443)
Total expenditures	10,568,563	10,568,563	10,241,871	326,692
Excess (deficiency) of revenue over (under) expenditures	210,691	210,691	832,358	621,667
OTHER FINANCING SOURCES (USES)				
Transfers in	387,320	387,320	386,182	(1,138)
Transfers out	(1,577,773)	(1,577,773)	(1,435,788)	141,985
Proceeds from disposal of capital assets	15,000	15,000	31,263	16,263
Total other financing sources and uses	(1,175,453)	(1,175,453)	(1,018,343)	157,110
Net change in fund balances	\$ (964,762)	\$ (964,762)	(185,985)	\$ 778,777
Fund balance, July 1			2,870,203	
Fund balance, June 30			\$ 2,684,218	

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, 2017
(Page 5 of 5)

	SPECIAL ASSESSMENT DISTRICTS			
	BUDGETED AMOUNTS			VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL AMOUNTS	FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES				
Taxes/assessments	\$ 959,022	\$ 971,814	\$ 1,046,459	\$ 74,645
Intergovernmental	1,327	1,327	802	(525)
Miscellaneous	1,000	1,000	15,641	14,641
Interest earnings	3,628	3,628	28,643	25,015
Total revenues	964,977	977,769	1,091,545	113,776
EXPENDITURES				
Current:				
Public works				
Personal services	7,380	7,380	6,609	771
Operations and maintenance	4,361,054	4,387,777	544,836	3,842,941
Debt service	-	-	313	(313)
Total expenditures	4,368,434	4,395,157	551,758	3,843,399
Excess (deficiency) of revenue over (under) expenditures	(3,403,457)	(3,417,388)	539,787	3,957,175
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,440	1,440
Transfers out	(30,000)	(30,000)	(44,924)	(14,924)
Total other financing sources and uses	(30,000)	(30,000)	(43,484)	(13,484)
Net change in fund balances	\$ (3,433,457)	\$ (3,447,388)	496,303	\$ 3,943,691
Fund balance, July 1			3,596,192	
Fund balance, June 30			\$ 4,092,495	



STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 June 30, 2017

	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	\$ -	\$ 2,104,281	\$ 6,082	\$ 1,236,937	\$ 3,347,300	\$ 4,318,410
Investments	-	377,631	1,092	221,978	600,701	774,976
Receivables:						
Taxes/assessments (net)	-	-	20,426	-	20,426	-
Accounts/contracts (net)	18,628	109,189	6,960	257,283	392,060	212,768
Notes receivable	54,677	-	-	-	54,677	-
Inventories	-	-	-	-	-	18,905
Total current assets	<u>73,305</u>	<u>2,591,101</u>	<u>34,560</u>	<u>1,716,198</u>	<u>4,415,164</u>	<u>5,325,059</u>
Noncurrent assets:						
Restricted assets:						
Cash and cash equivalents	-	478,788	-	-	478,788	-
Investments	-	85,923	-	-	85,923	-
Long-term notes receivable	1,839,648	-	-	-	1,839,648	-
Land and construction in progress	-	215,954	-	63,594	279,548	212,844
Buildings, improvements, vehicles and equipment(net)	-	4,437,991	9,075,097	146,332	13,659,420	916,626
Total noncurrent assets	<u>1,839,648</u>	<u>5,218,656</u>	<u>9,075,097</u>	<u>209,926</u>	<u>16,343,327</u>	<u>1,129,470</u>
Total assets	<u>1,912,953</u>	<u>7,809,757</u>	<u>9,109,657</u>	<u>1,926,124</u>	<u>20,758,491</u>	<u>6,454,529</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension contributions subsequent to measurement date	-	23,336	25,539	-	48,875	-
Difference between expected and actual experience-pensions	-	1,927	2,109	-	4,036	-
Difference between projected and actual investment earnings-pensions	-	33,608	36,882	-	70,490	-
Total deferred outflows of resources	<u>-</u>	<u>58,871</u>	<u>64,530</u>	<u>-</u>	<u>123,401</u>	<u>-</u>
LIABILITIES						
Current liabilities:						
Accounts payable	-	5,470	8,774	110,055	124,299	99,318
Due to other funds	1,976,752	-	-	-	1,976,752	-
Revenue bonds payable	-	312,512	-	-	312,512	-
Landfill postclosure costs payable - current	-	-	-	12,400	12,400	-
Claims payable	-	-	-	-	-	268,426
Advances from other funds	-	-	173,121	-	173,121	-
Compensated absences payable	-	1,211	5,051	1,253	7,515	21,391
Total current liabilities	<u>1,976,752</u>	<u>319,193</u>	<u>186,946</u>	<u>123,708</u>	<u>2,606,599</u>	<u>389,135</u>
Noncurrent liabilities:						
Revenue bonds payable	-	1,728,424	-	-	1,728,424	-
Landfill postclosure costs payable	-	977,923	-	86,800	1,064,723	-
Compensated absences payable	-	10,898	45,457	11,276	67,631	192,507
Net pension liability	-	357,225	390,959	-	748,184	-
OPEB implicit rate subsidy	-	9,190	9,004	-	18,194	-
Total noncurrent liabilities	<u>-</u>	<u>3,083,660</u>	<u>445,420</u>	<u>98,076</u>	<u>3,627,156</u>	<u>192,507</u>
Total liabilities	<u>1,976,752</u>	<u>3,402,853</u>	<u>632,366</u>	<u>221,784</u>	<u>6,233,755</u>	<u>581,642</u>
DEFERRED INFLOWS OF RESOURCES						
Related to pensions						
Difference between expected and actual experience	-	1,182	1,294	-	2,476	-
Difference between projected and expected contributions	-	5,382	5,891	-	11,273	-
Related to other postemployment benefits						
Differences between expected and actual experience	-	1,823	1,875	-	3,698	-
Changes in assumptions and other inputs	-	447	460	-	907	-
Total deferred inflows of resources	<u>-</u>	<u>8,834</u>	<u>9,520</u>	<u>-</u>	<u>18,354</u>	<u>-</u>
NET POSITION						
Net investment in capital assets	-	2,613,009	9,075,097	209,926	11,898,032	1,129,470
Restricted for bond reserve	-	360,256	-	-	360,256	-
Restricted for debt service	-	204,455	-	-	204,455	-
Unrestricted	(63,799)	1,279,221	(542,796)	1,494,414	2,167,040	4,743,417
Total net position	<u>\$ (63,799)</u>	<u>\$ 4,456,941</u>	<u>\$ 8,532,301</u>	<u>\$ 1,704,340</u>	<u>\$ 14,629,783</u>	<u>\$ 5,872,887</u>

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTAL	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
	COONEY HOME	COUNTY LANDFILL	FAIR ENTERPRISE	OTHER ENTERPRISE FUNDS		
OPERATING REVENUES						
Taxes/assessments	\$ -	\$ -	\$ 431,413	\$ -	\$ 431,413	\$ -
Charges for services	-	1,464,719	967,277	1,660,602	4,092,598	9,754,372
Miscellaneous	-	-	-	-	-	93,914
Total operating revenues	-	1,464,719	1,398,690	1,660,602	4,524,011	9,848,286
OPERATING EXPENSES						
Personal services	-	223,787	443,862	112,414	780,063	1,994,438
Supplies	-	265,147	240,673	99,455	605,275	2,280,600
Purchased services	-	199,594	611,454	1,447,431	2,258,479	6,166,013
Depreciation	-	259,542	345,984	17,441	622,967	100,626
Total operating expenses	-	948,070	1,641,973	1,676,741	4,266,784	10,541,677
Operating income (loss)	-	516,649	(243,283)	(16,139)	257,227	(693,391)
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	-	6,624	25,837	-	32,461	83,192
Interest income	21,901	23,462	-	9,938	55,301	36,001
Interest expense	-	(54,588)	(3,593)	-	(58,181)	(8,250)
Total nonoperating revenues (expenses)	21,901	(24,502)	22,244	9,938	29,581	110,943
Income (loss) before transfers	21,901	492,147	(221,039)	(6,201)	286,808	(582,448)
Transfers in	-	-	50,000	-	50,000	301,483
Transfers out	-	(16,674)	(9,020)	-	(25,694)	(183,274)
Change in net position	21,901	475,473	(180,059)	(6,201)	311,114	(464,239)
Total net position, beginning	(85,700)	3,984,072	8,714,933	1,710,541	14,323,846	6,337,126
Prior period adjustments	-	(2,604)	(2,573)	-	(5,177)	-
Total net position, beginning, as restated	(85,700)	3,981,468	8,712,360	1,710,541	14,318,669	6,337,126
Total net position, ending	\$ (63,799)	\$ 4,456,941	\$ 8,532,301	\$ 1,704,340	\$ 14,629,783	\$ 5,872,887

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Fiscal Year Ended June 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
	COONEY HOME	COUNTY LANDFILL	FAIR ENTERPRISE	OTHER ENTERPRISE FUNDS	TOTAL	
Cash flows from operating activities:						
Cash received from customers	\$ -	\$ 1,538,221	\$ 960,317	\$ 1,606,074	\$ 4,104,612	\$ 9,826,430
Cash payments for goods and services	-	(464,741)	(852,127)	(1,547,187)	(2,864,055)	(8,710,419)
Cash payments for employees	-	(270,522)	(446,746)	(114,488)	(831,756)	(2,009,664)
Cash received from other operating revenues	-	-	431,682	-	431,682	93,914
Cash payments for landfill closure and post closure	-	13,705	-	(12,400)	1,305	-
Net cash provided by (used by) operating activities	-	816,663	93,126	(68,001)	841,788	(799,739)
Cash flows from noncapital financing activities:						
Payments for principal and interest on bonds and notes	58,452	-	-	-	58,452	-
Proceeds received from non-capital grants	-	-	18,587	-	18,587	83,192
Transfers from other funds	-	-	50,000	-	50,000	335,583
Transfers to other funds	-	(16,674)	(9,020)	-	(25,694)	(183,274)
Proceeds from interfund loans	(80,353)	-	-	-	(80,353)	-
Repayment of interfund loans	-	-	(17,406)	-	(17,406)	-
Net cash provided by (used by) noncapital financing activities	(21,901)	(16,674)	42,161	-	3,586	235,501
Cash flows from capital and related financing activities:						
Payments for capital acquisitions	-	(429,312)	(130,668)	-	(559,980)	(244,036)
Principal repayment - bonds/loans	-	(304,714)	-	-	(304,714)	(125,000)
Interest paid	-	(54,588)	(3,593)	-	(58,181)	(8,250)
Net cash provided by (used by) capital and related financing activities	-	(788,614)	(134,261)	-	(922,875)	(377,286)
Cash flows from investing activities:						
Receipts of interest and dividends	21,901	23,462	-	9,939	55,302	36,001
Payments for investments	-	21,240	(102)	22,204	43,342	353,588
Net cash provided by (used by) investing activities	21,901	44,702	(102)	32,143	98,644	389,589
Net increase (decrease) in cash and cash equivalents	-	56,077	924	(35,858)	21,143	(551,935)
Cash and cash equivalents, July 1	-	2,526,992	5,158	1,272,795	3,804,945	4,870,345
Cash and cash equivalents, June 30	\$ -	\$ 2,583,069	\$ 6,082	\$ 1,236,937	\$ 3,826,088	\$ 4,318,410
Cash and cash equivalents, current	\$ -	\$ 2,104,281	\$ 6,082	\$ 1,236,937	\$ 3,347,300	\$ 4,318,410
Cash and cash equivalents, noncurrent - restricted	-	478,788	-	-	478,788	-
Total Cash and cash equivalents, June 30	\$ -	\$ 2,583,069	\$ 6,082	\$ 1,236,937	\$ 3,826,088	\$ 4,318,410
Reconciliation of operating income to net cash provided by operating activity:						
Operating income (loss)	\$ -	\$ 516,649	\$ (243,283)	\$ (16,139)	\$ 257,227	\$ (693,391)
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:						
Depreciation	-	259,542	345,984	17,441	622,967	100,626
Change in assets and liabilities:						
(Increase) decrease taxes/accounts/other receivables	-	73,502	(6,691)	(54,528)	12,283	72,058
(Increase) decrease due from other funds	-	-	-	-	-	(34,100)
(Increase) decrease inventory	-	-	-	-	-	9,292
(Increase) decrease deferred outflow of resources	-	(34,048)	(40,854)	-	(74,902)	-
Increase (decrease) compensated absences	-	972	6,892	(2,074)	5,790	4,014
Increase (decrease) accounts payable	-	(6,643)	(14,355)	(301)	(21,299)	(367,313)
Increase (decrease) claims payable	-	-	-	-	-	109,075
Increase (decrease) postclosure liability	-	13,705	-	(12,400)	1,305	-
Increase (decrease) in pension liability	-	31,381	81,108	-	112,489	-
Increase (decrease) in OPEB implicit rate subsidy	-	(1,958)	(2,014)	-	(3,972)	-
Increase (decrease) deferred inflow of resources	-	(36,439)	(33,661)	-	(70,100)	-
Net cash provided by (used by) operating activities	\$ -	\$ 816,663	\$ 93,126	\$ (68,001)	\$ 841,788	\$ (799,739)
Schedule of Noncash Transactions						
Write off of taxes receivables	\$ -	\$ -	\$ 417	\$ -	\$ 417	\$ -
Write off of accounts receivables	-	-	-	5,250	5,250	-
Grant revenue contributed to cover pension expenses	-	6,624	7,250	-	13,874	-



STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 June 30, 2017

	INVESTMENT TRUST FUNDS	AGENCY FUNDS
ASSETS		
Cash and cash equivalents	\$ 33,519,089	\$ 7,755,228
Investments	5,730,291	1,387,668
Receivables:		
Taxes/assessments (net)	-	3,172,464
Due from other funds	-	-
Land held for resale	-	19,098
	39,249,380	12,334,458
LIABILITIES		
Accounts payable	-	2,543,928
Intergovernmental payable	-	9,790,530
	-	12,334,458
NET POSITION		
Held in trust for:		
External investment pool participants	36,781,740	-
Individual investment accounts	2,467,640	-
	\$ 39,249,380	\$ -

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2017**

	<u>INVESTMENT TRUST FUNDS</u>
ADDITIONS	
Contributions to pooled investments	\$ 121,762,834
Interest and investment income	<u>285,677</u>
Total additions	<u>122,048,511</u>
DEDUCTIONS	
Distribution from pooled investments	121,833,815
Administrative expenses	<u>7,734</u>
Total deductions	<u>121,841,549</u>
Change in net position held in trust for: Pool participants	206,962
Net position held in trust, beginning of year	<u>39,042,418</u>
Net position held in trust, end of year	<u>\$ 39,249,380</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County 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 capital. 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 which comprise the County (the primary government) and its component unit. The component unit is an entity for which the County is financially accountable, or whose relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. The 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.

Discretely Presented Component Units

The component unit is an entity that is legally separate from the County because it possesses corporate powers, but is financially accountable to the County, whose relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The component unit columns of the financial statements include the financial data of the following entity.

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

PureView's board, which includes representatives of local health care providers and consumers, is not controlled by the County. The County is financially accountable for PureView as a result of fiscal dependency. Under terms of an agreement between PureView and the County, PureView must follow fiscal and personnel policies established by the County. Among these fiscal and personnel policies are procurement, claims processing, capital asset and hiring and firing. Due to this close operational and financial relationship, PureView could impose specific financial burdens on the County. Therefore, the BOCC can impose its will on PureView by approving or not approving most of the major fiscal issues. PureView does not separately present financial information for the entity and therefore it is presented as a governmental fund type within these statements and notes.

Related Organizations

The following fall into the category of “related organizations” as defined by the GASB.

Helena Airport Authority – For this entity, the BOCC 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.

Lewis and Clark Library – The Library was formed in 1974 by an Interlocal Library Contract executed by the County and the City of Helena. The County and the City 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 fees and tax levies collected by the County. The County cannot impose their will on the organization, nor does the County derive any benefit or burden from this organization. See Note 21 - Joint Ventures for a summary of financial information for the Library.

B. Basis of Presentation, Basis of Accounting

Government-wide Statements: The statement of net position 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 non-exchange 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.

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 non-exchange 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 revenues from mill levies, grants, and fees, along with the expenditures related to public safety, including law enforcement, detention, drug task force, and patrol.

Special Assessment Districts: This fund is used to account for the receipt of property tax assessments and related expenditures dedicated for the maintenance of specific roads, parks, lighting districts and fire service areas.

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 resources relating to expenditures dedicated to the acquisition and replacement of major capital assets.

Road/Bridge Infrastructure Projects Fund: This fund is used to account for the receipt and transfer of funding for the expenditures associated with road/bridge infrastructure projects.

The County reports the following **major enterprise** funds:

Cooney Home: This fund is used to account for the receipt of installment payments of principal and interest from the sale of the 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, and 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.

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.

- Investment Trust Fund- This fund accounts for the local government investment pool operated by the Montana Board of Investments. These funds are invested entirely in the Montana Short Term Investment Program (STIP). These funds belong to the County as well as to legally separate entities such as school districts and other special purpose districts.
- Agency Funds-These funds include assets held by the County as an agent for purposes such as inmate commissary funds, protested taxes, investment earnings, estate administration, and taxes collected on behalf of other governments.

Measurement Focus, Basis of Accounting

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 fiscal 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 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 funds 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 general revenues.

B. Assets, Liabilities and Net Position or Equity

Deposits and Investments

The County’s investment pool is governed by Title 7, Chapter 6, and Part 2 of the MCA and County’s Investment Pool Policy. An investment committee, formed by the BOCC, is responsible for overall policy guidance and reviewing and monitoring investments. Responsibility for conducting investment transactions reside with the County Treasurer. The pool is not registered with the SEC.

Deposits and investments may include demand, time, and savings deposits, direct obligations of the United States Government, securities issued by agencies of the United States, investments in the STIP, repurchase agreements, and registered warrants.

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash, and have maturities at purchase date of three months or less. The County's cash and cash equivalents (including restricted assets) are considered to be cash on hand, demand, savings and time deposits, STIP and all short-term investments with original maturity dates of three months or less from the date of acquisition. Investments with STIP are deemed to be a cash equivalent since they are sufficiently liquid as to permit withdrawal of cash at any time without prior notice or penalty. STIP portfolio is reported using Net Asset Value (NAV) beginning with fiscal year ending June 30, 2016.

Investments are reported at fair value, with the following limited exceptions: 1) investments in nonparticipating certificates of deposit are reported at cost and 2) money market investments, including U.S. Treasury and Agency obligations, which mature within one year of acquisition, are reported at amortized cost. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined annually at fiscal year-end and requires the use of valuation techniques, a specific method or combination of methods using one or more of three approaches: market, cost, or income approach.

The County maintains an investment pool consisting of funds belonging to the County and also of funds held by the County Treasurer belonging to legally separate entities such as school districts and special purpose districts. These districts can elect to participate in the County's investment pool or can self-direct investment of their funds in individual investment accounts, but will not participate in pool gains or losses. Any self-directed individual investment accounts are reported in an “Individual Investment Fund” in the fiduciary fund financial statements.

Funds in the Individual Investment Fund are invested entirely in STIP, with interest earned deposited solely into the individual account. At June 30, 2017, the balance in the individual investment trust accounts were as follows:

Helena School District Elementary Building Reserves	\$ 653,642
Helena School District High School Building Reserves	1,565,573
Helena School District other investment	207,112
Helena School District fiscal agent bond account	103
Helena School District Endowment	41,210
Total Individual Investment Accounts	<u>\$ 2,467,640</u>

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. On June 30, 2017, the percentage share of the investment pool that relates to the external investments is 43 percent.

The County has not provided or obtained any legally binding guarantees to support the value of the investments. Investments and withdrawals from the pool are based on the underlying value of deposits and investments of each participant. Investment income earned on pooled investments is allocated to the County and participating external entities using a formula based on the average daily balance of cash and investments in each fund in relation to total pooled investments, with distribution monthly. All parties involved share in gains or loss equitably, based on their average daily balances. Although the fair value of investments is reviewed monthly, changes in the fair value of investments are recognized as gains or lost revenue at the fiscal year-end, if the changes are material.

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.

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 taxes receivable. The property tax receivable allowance is equal to 2 percent of the outstanding property taxes at fiscal year- end. At June 30, 2017, the allowance amounted to \$45,273 for the primary government and \$64,743 for agency funds.

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).

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out expenditures 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 deferred outflows of resources in both government-wide and fund financial statements.

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 on the statement of net position 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 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 restrict the principal of a program to the extent that only earnings may be used for purposes that support the County’s program.

Capital Assets

The County’s major infrastructure networks - roads and bridges – that had been put in place prior to implementation of GASB Statement 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 acquisition value (entry price) at the date of donation. The County capitalizes all assets purchased during the year over the following threshold (unless purchased by federal money, then the threshold is \$5,000):

	<u>Capitalize and Depreciate</u>
Land	Capitalize only
Land Improvements	\$50,000
Building	\$50,000
Building Improvements	\$50,000
Construction in Progress	Capitalize only if total will be over:
	\$50,000 for Buildings; or
	\$50,000 for Improvements; or
	\$250,000 for Infrastructure
Machinery and Equipment	\$15,000
Vehicle	\$15,000
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	15-50
Buildings	15-40
Building Improvements	7-25
Vehicles	5-15
Equipment	5-15
Computer Equipment	3-7

Deferred Outflows of Resources

Deferred outflow of resources is a financial statement element. A deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period. The government-wide statement of net position, proprietary fund statement of net position, and governmental fund balance sheet report a separate section for deferred outflows of resources. Deferred outflows of resources may be disclosed on the face of the financial statements, in the notes to the financial statements, or a combination of both.

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 of 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.

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 position. 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.

Pension Plans

The Teachers’ Retirement System (TRS) and the Montana Public Employee Retirement Administration (MPERA), which administers the Public Employee Retirement System (PERS) and the Sheriffs’ Retirement System (SRS), prepare their financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability (NPL), deferred inflows of resources and deferred outflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by TRS and MPERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are

recognized when due and payable in accordance with the benefit terms. Expenses are recognized in the accounting period incurred. Investments are reported at fair value. TRS and MPERA adhere to all applicable GASB statements.

Postemployment Benefits

The County accounts for postemployment benefit obligations in accordance with GASB. The County allows retirees, their dependents and spouses to pay the same level of rates for insurance as current employees. The standard implies that this gives the retirees an “implicit rate subsidy” since retirees generally have higher health costs and should pay higher premiums. The County feels this is not a legal liability since nothing in State law or other contracts requires us to provide the same rate and we can change it at any time. Rates are actuarially established for the entire group and therefore the costs are covered. The County will continue to fund this imposed liability on a pay-as-you-go basis, as County staff feel it would be irresponsible to set aside taxpayer funds in an irrevocable trust fund that will never be used and probably continue to increase.

Deferred Inflows of Resources

Deferred inflows of resources are acquisitions of net assets by the government that is applicable to a future period. The government-wide statement of net position, proprietary fund statement of net position, and governmental fund balance sheet report a separate section for deferred inflows of resources. Deferred inflows of resources may be disclosed on the face of the financial statements, in the notes to the financial statements, or a combination of both.

Fund Balance/Net Position

GASB Statement No. 54 requires the County to present the governmental fund balances and each major special revenue fund revenues by specific purposes. In the basic financial statements, the fund balance classifications are presented in the aggregate.

Fund Balance: Governmental fund balances are required to be allocated to two general classifications, nonspendable and spendable.

Nonspendable represents the portion of fund balance that the resources are not in spendable form such as inventory, and, in the general fund, long-term notes and loans receivable. Also considered nonspendable are resources that are legally required to be maintained intact (i.e. principal portion of permanent trusts).

Spendable fund balance is further categorized as restricted, committed, assigned, and unassigned.

- Restricted – Constraint is externally imposed by third party (grantor, contributor, etc.), state constitution, or by enabling legislation by the legislature;
- Committed – Constraint is internally imposed by the BOCC by resolution by the end of the reporting period;
- Assigned – Constraint is internally expressed intent by the government body or authorized official(s) through budget approval process by the reporting date;
- Unassigned – remaining balance with no constraints.

The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The County adopted a spending policy for restricted and unrestricted fund balances with the following order of spending: restricted, assigned, committed, and lastly unassigned. When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of assigned funds, then committed funds and finally unassigned funds, as needed, unless the County has provided otherwise in its commitment or assignment

actions. The BOCC is the highest body in the County. Any constraints on funds set by them through public meeting and commission vote must be reported as committed, if action is taken by fiscal year-end. Once the BOCC has established the commitment, it can only be modified or rescinded by similar public meeting and BOCC vote. The County's Chief Administrative Officer or the County Finance Officer is generally the only other persons that can impose constraints that would cause amounts to be assigned. These constraints generally relate to carrying over budget authority from prior years for projects that have been budgeted for by the BOCC, but were not complete as of the prior fiscal year-end.

Additional disclosure of the purpose of all major special revenue funds in the financial statement is in Note 11.

The County does not maintain a stabilization fund or have a minimum fund balance policy.

GASB Statement No. 63 resulted in presentation changes in the government-wide and proprietary fund financial statements. Among other changes, equity is classified as 'net position'. Components of net position are net investment in capital assets, restricted, and unrestricted.

Net position: Net position represents the difference between assets plus deferred outflows of resources minus liabilities minus deferred inflows of resources. Net investment in capital assets 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 investment in capital assets excludes unspent debt proceeds. Net position is 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, laws, or regulations of other governments. Restricted resources are used first to fund appropriation.

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 inflows of resources.

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

General Budget Policies

An annual appropriated operating budget is adopted each fiscal year for 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-Agency Fund; and the following Special Revenue Funds: Craig Mosquito, Mosquito Control, Water Quality, Mental Health, Roads, Predatory Animal Control, Cattle Protection Program, District Court, Search and Rescue Operations, Parks, Permissive Medical Insurance, Forestvale Cemetery, County Planning, Emergency Disaster, County Health, Senior Citizens, County Extension, and Public Safety. Others funds that have budgets adopted include Health-Related Grants, Public Safety Radio Projects,

Inmate Programs, Records Preservation, Parks Development, Lincoln Parks, DUI Programs, City/County Drug, Missouri River Drug Task Force, MRDTF Federal Sharing, Hard Rock Mine Reserve, Metal Mines Tax Reserve, Wolf Creek Wastewater Facility Maintenance, Craig Wastewater Facility Maintenance, Craig Training Center Maintenance, Septic Maintenance Revolving Loan, Septic Maintenance, Open Space, Road Improvement – Subdivision, Alcoholism, Gas Tax, HIDTA, Justice Assistance Grant, Citizens Corp/CERT Program, National Fire Plan, Economic Development, Noxious Weed Trust, Homeland Security, Other Grants, Special Assessment Districts, City/County Building Debt, Open Space Debt, RSID Revolving Debt, Search and Rescue Building Debt, Rural Special Improvement District Debt, Capital Development, CTEP Projects, RID Projects, Federal Grant Projects, and Road/Bridge Infrastructure Projects.

Budget Process

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

- 1) A proposed operating budget is submitted to the BOCC 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 set the tax levy for each taxing jurisdiction within the County or municipality.

Spending control is legally established by an annual resolution adopted by the BOCC. This resolution delineates 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. 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 BOCC. Reported budget amounts represent the original adopted budget, as amended by resolution of the BOCC. It is management’s responsibility to see that the budget is followed to the budgetary line-item level.

The BOCC 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 expenditures 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 policies 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 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.

	Major Funds					
	General	Public Safety	Special Assmt Districts	RSID Debt	Capital Development	Road/Bridge Infrastructure
Fund Balances Budget	\$ 4,487,274	\$ 2,684,218	\$ 4,092,495	\$ 286,305	\$ 9,508,148	\$ 1,469,825
Basis Differences						
Inventory	56,432	-	-	-	-	-
Accrual of tax revenue	166,842	268,431	18,943	3,201	-	-
Accrual of licenses and permits	127,464	-	-	-	-	-
Accrual of intergovernmental revenue	13,427	30,196	-	-	-	140,273
Accrual of charges for services	-	52,268	-	-	-	-
Accrual of miscellaneous revenue	-	-	-	-	-	-
Accrual of transfers out	-	-	-	-	-	-
Accrual of expenditures	(136,926)	(193,789)	(11,460)	-	(43,985)	(86,427)
Fund Balances (GAAP) Basis	4,714,513	2,841,324	4,099,978	289,506	9,464,163	1,523,671
Unbudgeted Fund Balances	-	-	-	-	-	-
Total Major Funds - Fund Balances	\$ 4,714,513	\$ 2,841,324	\$ 4,099,978	\$ 289,506	\$ 9,464,163	\$ 1,523,671

In addition, forty-seven nonmajor special revenue, five nonmajor debt service, and three 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.

	Non-Major Governmental Funds			
	Special Revenue	Debt Service	Capital Projects	Permanent
Fund Balances Budget	\$ 8,579,281	\$ 402,749	\$ (112,058)	\$ -
Basis Differences				
Inventory	291,730	-	-	-
Accrual of tax revenue	197,279	5,208	-	-
Accrual of intergovernmental revenue	715,984	-	112,058	-
Accrual of charges for services	69,252	-	-	-
Accrual of fines and forfeitures	-	-	-	-
Accrual of miscellaneous revenue	64,675	-	-	-
Accrual of expenditures	(356,294)	-	-	-
Fund Balances (GAAP) Basis	9,561,907	407,957	-	-
Unbudgeted Fund Balances	310,822	-	-	293,321
Total Nonmajor Funds - Fund Balances	9,872,729	407,957	-	293,321
				\$ 10,574,007

C. Fund or Position Deficits

Primary Government

The Inmate Programs fund has a deficit at fiscal year-end. The deficit will be reduced as the department reconciles the expenditures with collected revenue and makes the necessary transfer.

The Cooney Home is the only other fund with a deficit at fiscal year-end. The Cooney Home was sold in May 2012. The negative amount is the result of account receivables being recognized as uncollectible and the expensing of the costs to collect receivables that occurred after the sale. The deficit will slowly improve as the County receives interest revenue from the collection of the installment payments of principal and interest from the sale.

Component Unit

At fiscal year-end, PureView reports a net position deficit as a result of the application of GASB 68 in the government-wide statements, but a positive fund balance in its fund statements.

D. New Accounting Guidance Implemented

The County has adopted the provisions of the following GASB pronouncements for fiscal year 2017:

- Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, which is effective for the County beginning in fiscal year 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The County has determined that Statement No. 74 does not apply to the County's financial statements.
- Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions which the County early implemented for fiscal year 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.
- Statement No. 77 Tax Abatement Disclosures, which is effective for the County beginning in fiscal year 2017. The objective of this Statement is to intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. This Statement requires governments that enter into tax abatement agreements to disclose a brief description of the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients, as well as the gross dollar amount of taxes abated during the period and any other commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

NOTE 3 – DEPOSITS AND INVESTMENTS

Following is a reconciliation of the County’s deposit and investment balances as of June 30, 2017:

	Pooled Cash and Investments	Other	Total Reporting Entity	Individual Investments	Total
Bank Deposits	\$ 1,934,631	\$ 75,254	\$ 2,009,885	\$ 73,287	\$ 2,083,172
Investments	84,570,667	580,616	85,151,283	2,394,354	87,545,637
Total	<u>\$ 86,505,298</u>	<u>\$ 655,870</u>	<u>\$ 87,161,168</u>	<u>\$ 2,467,641</u>	<u>\$ 89,628,809</u>

	Government-wide Statement of Net Position	Component Units	Total Reporting Entity	Fiduciary Funds Statement of Net Position	Total
Cash and Cash Equivalents	\$ 32,451,727	\$ 1,543,808	\$ 33,995,535	\$ 41,274,317	\$ 75,269,852
Investments	5,818,621	277,050	6,095,671	7,117,959	13,213,630
Restricted assets (noncurrent)	1,145,327	-	1,145,327	-	1,145,327
Total	<u>\$ 39,415,675</u>	<u>\$ 1,820,858</u>	<u>\$ 41,236,533</u>	<u>\$ 48,392,276</u>	<u>\$ 89,628,809</u>

Bank Deposits

The composition of bank deposits on June 30, 2017, was as follows:

	Primary Government	Component Unit	Total	Individual Investments
Cash on hand	\$ 128,990	\$ 2,428	\$ 131,418	\$ -
Petty cash	26,140	800	26,940	-
Time deposits	1,790,506	37,494	1,828,000	-
Money market account	23,527	-	23,527	73,287
Total Reporting Entity	<u>\$ 1,969,163</u>	<u>\$ 40,722</u>	<u>\$ 2,009,885</u>	
Total Individual Investments				<u>\$ 73,287</u>

Investments

The composition of investments on June 30, 2017, was as follows:

Primary Government Investments:	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Federal National Mortgage Association - CMO	\$ 11,773	\$ -	\$ 11,773	\$ -
Agency Notes	13,123,132	-	13,123,132	-
Equity Funds	395,814	-	395,814	-
Fixed Income Taxable Bonds	192,467	-	192,467	-
Other	39,082	-	39,082	-
Total Reporting Entity	<u>\$ 13,762,268</u>	<u>\$ -</u>	<u>\$ 13,762,268</u>	<u>\$ -</u>
Individual Investments:				
Certificates of Deposit	\$ 133,825	\$ -	\$ 133,825	\$ -
Total Investments by Fair Value Level	<u>\$ 13,896,093</u>	<u>\$ -</u>	<u>\$ 13,896,093</u>	<u>\$ -</u>
Investments measured at net asset value (NAV)				
State Short-Term Investment Pool (STIP)	71,408,595			
State Short-Term Investment Pool (STIP)	2,260,425			
Total investments measured at NAV	<u>\$ 73,669,020</u>			
Total Investments Measured at Fair Value	<u>\$ 87,565,113</u>			

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy, as follows, is based on the valuation inputs used to measure fair

value. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

- Level 1 Inputs - Quoted prices in active markets for identical assets. Examples of this valuation technique are: prices quoted in active markets.
- Level 2 Inputs - Significant other observable inputs; these investments are valued with several methods including quoted prices for similar assets and liabilities in active markets"; "quoted prices for identical or similar assets or liabilities in markets that are not active...interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks and default rates"; and "inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs)."
- Level 3 Inputs - Significant unobservable inputs. Examples of this valuation technique are: discounted cash flow techniques or consensus pricing.

On June 30, 2017, the reporting entity had cost or amortized cost values that approximated the fair value of the investments; therefore no unrealized gain or loss was recorded for the year. The cost or amortized cost amount of the County's investments are \$85,151,283 whereas the fair value amounts was \$85,170,863.

Primary Government

At fiscal year-end, the reported amount of the primary government's investments, at cost or amortized cost values, was \$83,371,147. Of the amount, none were 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, at cost or amortized cost values, was \$1,780,136. 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.

Individual Investments

At fiscal year-end, the reported amount of the individual investments belonging to legally separate entities such as school districts and special purpose districts was \$2,394,354. Of the amount, none was uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the legally separate entities name.

The County voluntarily participates in STIP administered by the Montana Board of Investments (MBOI). A local government's STIP ownership is represented by shares, the prices of which are fixed at \$1.00 per share, and participants may buy or sell shares with one business days' notice. STIP administrative expenses are charged daily against the STIP income, which is distributed on the first calendar day of each month. Shareholders have the option to automatically reinvest their distribution income in additional shares. STIP is not registered with the Securities and Exchange Commission. STIP is not covered by Federal Deposit Insurance Corporation (FDIC) - insured or otherwise insured or guaranteed by the federal government, the State of Montana, the MBOI or any other entity against investment losses, and there is no guaranteed rate of return on funds invested in STIP shares. The MBOI maintains a reserve fund to offset possible losses and limit fluctuations in STIP's valuation. Information on investments held in the STIP can be found in the Annual Report on the MBOI website at <http://investmentmt.com/AnnualReportsAudits>.

The STIP investments are purchased in accordance with the statutorily mandated "Prudent Expert Principle". The portfolio may include asset-backed securities, commercial paper, corporate, U.S. Government direct obligations, U.S. Government agency securities, repurchase agreements, institutional government money market funds, certificates of deposit and variable rate (floating-rate) instruments. The STIP investments must have a maximum maturity of 397 days or less, unless they are a variable rate security. 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.

MBOI approved that for financial reporting purposes the STIP portfolio be reported on a Net Asset Value (NAV)

or “fair value” basis beginning with the fiscal year ended June 30, 2016. MBOI provides a NAV factor to calculate fair value. The County deems the difference between the reported amortized cost and the NAV calculated fair value to be immaterial, therefore are using the amortized cost amount on the financial reports.

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.

Further information concerning deposit and investment policies and risks may be found in the MBOI's Annual Report: <http://investmentmt.com/AnnualReportsAudits> and STIP formal investment policy located at www.investmentmt.com/STIP.

Deposit and Investment Risks

Custodial credit risks – deposits: The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover pledged (collateral) securities that are in the possession of an outside party.

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 possession of the outside party. The County’s policy requires deposits to be 102 percent secured by collateral valued at fair 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, MCA. County policy requires 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 \$1,828,000 and the bank balance was \$2,552,714. The carrying amount of deposits for the County includes \$37,494 of the component unit cash balance. Of the bank balance, \$250,000 will be covered by FDIC, and any remaining will be covered by securities held by the pledging financial institution’s trust department or agent in the County’s name.

Fiscal agent deposits 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 the end of this fiscal year, the County did not have any fiscal agent deposits.

At fiscal year-end, the County did not have any certificates of deposit. Certificates of deposit must be 100 percent collateralized by securities held by the pledging financial institution’s trust department or agent in the County’s name.

Both Forestvale Perpetual Care Fund and Forestvale Endowment Fund had money market balances at fiscal year-end, of \$11,625 and \$11,902, respectively. The pledging financial institution’s trust department or agent in the County’s name holds the invested funds. In the following disclosures, the values are included, but information related to credit ratings should be obtained from the trust departments.

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, 2017, the County was in compliance with this statute.

Credit risk – Investments: Credit risk for investments is 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. The County has addressed the issue of credit risk in its formal investment policy by requiring

safekeeping and collateralization of its investments. The County primarily invests in State of Montana short-term investment pool and obligations of the U.S. government. The Forestvale Perpetual Care Fund and Forestvale Endowment Fund are authorized to invest in stocks, bonds, and mutual funds.

Credit risk is further minimized by compliance with State law, which limits local governments to certain investment types. 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. The agency notes of \$12,871,939 of the primary unit and \$276,769 of the component unit, meet this requirement.

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.

Investments:	Primary	Component	S & P
	Government	Unit	
	Fair Value	Fair Value	
Federal National Mortgage Association - CMO	\$ 11,492	\$ 281	NR
State Short-Term Investment Pool (STIP)			
Treasuries	2,947,003	36,286	A1+
Asset Backed Commercial Paper	25,740,389	316,938	A1
Corporate Commercial Paper	8,411,146	103,565	A1
Corporate - Variable Rate	8,733,045	107,529	A1+
Certificate of Deposit - Fixed	11,434,129	140,787	A1+
US Government Agencies - Fixed	9,206,742	113,361	A1+
Money Market Funds (Unrated)	572,022	7,043	NR
Money Market Funds (Rated)	3,495,570	43,040	A1+
Forestvale Investments	580,616	-	not available
Total Primary Government	\$ 71,132,154		
Total Component Government		868,830	
Total Reporting Entity		\$ 72,000,984	

Custodial credit risk – Investments: The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either a) the counterparty or b) the counterparty’s trust department or agent, but not in the name of the County.

Both Forestvale Perpetual Care Fund and Forestvale Endowment Fund have investments at fiscal year-end, of \$281,696 and \$298,920, respectively. The pledging financial institution’s trust department or agent in the County’s name holds the invested funds. In the disclosures, the values are included, but information related to credit ratings should be obtained from the trust departments.

Interest Rate Risk – Investments: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is minimized by compliance with State law which limit local governments to certain investment types. Additionally, under State law, an investment may not have a maturity date exceeding 5 years, except when the investment is used in an escrow account for an advance refunding of an outstanding bond issue, or for investments of local government group self-insurance programs. In accordance with its investment policy, the County manages its exposure to declining fair values by limiting the maturity of its investment portfolio to no more than three years.

Although the County has no formal policy relating to interest rate risks, the following table illustrates the specific identification method used to disclose interest rate risks related with the County’s investments. The specific identification method does not compute a disclosure measure, but presents a list of each investment, its amount, its

maturity date, and any call options. The investments include certain short-term cash equivalents, various long-term items and 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 months. 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 STIP has investments with a weighted average maturity of 32-41 days. The laddering allows for diversity in the portfolio to minimize interest rate risk.

As of June 30, 2017, the County had the following investments and maturities:

	Investment Maturities (in Years)				No Maturity	Total Fair Value
	Less than 1	1 - 2.5	4 - 10	More than 10		
Primary Government Investments:						
Federal National Mortgage						
Association - CMO	\$ -	\$ -	\$ 11,773	\$ -	\$ -	\$ 11,773
Agency Notes	5,883,653	6,988,286	-	-	-	12,871,939
State Short-Term Investment Pool (STIP)	69,905,509	-	-	-	-	69,905,509
Equity Funds	-	-	-	-	351,760	351,760
Fixed Income Taxable Bonds	-	-	-	-	192,229	192,229
Other	-	-	-	-	36,627	36,627
Total Primary Government	<u>75,789,162</u>	<u>6,988,286</u>	<u>11,773</u>	<u>-</u>	<u>580,616</u>	<u>83,369,837</u>
Component Unit Investments:						
Federal National Mortgage						
Association - CMO	-	-	281	-	-	281
Agency Notes	126,509	150,260	-	-	-	276,769
State Short-Term Investment Pool (STIP)	1,503,086	-	-	-	-	1,503,086
Total Component Unit	<u>1,629,595</u>	<u>150,260</u>	<u>281</u>	<u>-</u>	<u>-</u>	<u>1,780,136</u>
Total Reporting Entity	<u>\$ 77,418,757</u>	<u>\$ 7,138,546</u>	<u>\$ 12,054</u>	<u>\$ -</u>	<u>\$ 580,616</u>	<u>\$ 85,149,973</u>
Individual Investments:						
Certificates of Deposit	\$ -	\$ -	\$ 135,478	\$ -	\$ -	\$ 135,478
Government Bonds	-	-	-	70,050	-	70,050
State Short-Term Investment Pool (STIP)	2,260,528	-	-	-	-	2,260,528
Total Individual Investments	<u>\$ 2,260,528</u>	<u>\$ -</u>	<u>\$ 135,478</u>	<u>\$ 70,050</u>	<u>\$ -</u>	<u>\$ 2,466,056</u>

Concentration of credit risk - investments: Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The County’s investment policy does not specifically address concentration of credit risk to allow for an investment in any one issuer not to be in excess of a specific threshold percentage of the government’s total investments.

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, 2017, was \$13,364 and the fair value on that date was \$11,773.

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

STATEMENT OF NET POSITION
 INVESTMENT POOL
 June 30, 2017

	Internal Portion	External Portion	Total Investment Pool
Assets			
Cash and cash equivalents	\$ 42,157,951	\$ 31,185,274	\$ 73,343,225
Investments	7,565,607	5,596,466	13,162,073
Total assets	<u>49,723,558</u>	<u>36,781,740</u>	<u>86,505,298</u>
Net position			
Held in trust for:			
Internal investment pool participants	49,723,558	-	49,723,558
External investment pool participants	-	36,781,740	36,781,740
Total net position	<u>\$ 49,723,558</u>	<u>\$ 36,781,740</u>	<u>\$ 86,505,298</u>

STATEMENT OF CHANGES IN NET POSITION
 INVESTMENT POOL
 For the Fiscal Year Ended June 30, 2017

	Internal Portion	External Portion	Total Investment Pool
Additions			
Total contributions to pooled investments	\$ 154,470,983	\$ 119,937,596	\$ 274,408,579
Deductions			
Total distribution from pooled investments	147,605,998	119,117,805	266,723,803
Net increase (decrease)	6,864,985	819,791	7,684,776
Net position held in trust, beginning of year	42,858,573	35,961,949	78,820,522
Net positions held in trust, end of year	<u>\$ 49,723,558</u>	<u>\$ 36,781,740</u>	<u>\$ 86,505,298</u>

Restricted Cash/Investments

Following are the restricted cash/investments held by the County as of June 30, 2017. These amounts are reported within the restricted assets - noncurrent account on the Statement of Net Position.

Governmental Activities

Endowment funds	
Restricted for endowment	\$ 604,143
Total Governmental activities restricted cash	<u>\$ 604,143</u>

Business-type Activities

Enterprise funds	
Restricted for bond reserve	\$ 360,256
Restricted for debt service	<u>204,455</u>
Total Business-type restricted cash	<u>\$ 564,711</u>

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

	General	Public Safety	Special Assessment Districts	RSID Debt	Other Non-Major Funds	Total
Receivable:						
Taxes/Assessments	\$ 220,340	\$ 343,354	\$ 29,522	\$ 1,088,220	\$ 298,942	\$ 1,980,378
Allowance for Uncollectibles	(4,407)	(6,867)	(590)	(21,764)	(5,978)	(39,606)
Taxes (net)	<u>\$ 215,933</u>	<u>\$ 336,487</u>	<u>\$ 28,932</u>	<u>\$ 1,066,456</u>	<u>\$ 292,964</u>	<u>\$ 1,940,772</u>

Business-type Activities and Component Units

	Cooney Home	Fairgrounds	County Landfill	Nonmajor Funds	Total	Internal Service	Component Unit
Receivable:							
Taxes/Assessments	\$ -	\$ 20,843	\$ -	\$ -	\$ 20,843	\$ -	\$ -
Allowance for Uncollectibles	-	(417)	-	-	(417)	-	-
Taxes (net)	<u>\$ -</u>	<u>\$ 20,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,426</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts receivable	\$ 18,628	\$ 6,960	\$ 109,189	\$ 262,533	\$ 397,310	\$ 212,768	\$ 603,537
Allowance for doubtful accounts	-	-	-	(5,250)	(5,250)	-	(278,058)
Net accounts	<u>18,628</u>	<u>6,960</u>	<u>109,189</u>	<u>257,283</u>	<u>392,060</u>	<u>212,768</u>	<u>325,479</u>
Total	<u>\$ 18,628</u>	<u>\$ 6,960</u>	<u>\$ 109,189</u>	<u>\$ 257,283</u>	<u>\$ 392,060</u>	<u>\$ 212,768</u>	<u>\$ 325,479</u>

General Fund Accounts Receivable

The County entered into an agreement with Rocky Mountain Development Council, which is associated with unpaid insurance premiums, thus resulting in an original amount owing of \$281,846, with a payment due this year of \$30,000, the remaining amount of \$161,846 being classified as a long-term accounts receivable.

\$ 191,846

Governmental funds report *Deferred Inflows of Revenue* for an amount which asset recognition criterion has been met, but for which revenue recognition criteria has not been met. Under modified accrual basis of accounting, such amounts are measurable, but not available. Governmental funds also report *Deferred Inflows of Resources* in connection with revenues collected after all eligibility requirements are met, but prior to meeting time requirements.

At the end of the current fiscal year, the various components of *deferred inflows* reported in the governmental funds were as follows:

<u>Governmental Funds</u>	<u>Deferred Inflows of Revenue</u>
Taxes/Assessment receivable (General Fund)	\$ 240,937
Taxes/Assessment receivable (Public Safety Fund)	68,056
Taxes/Assessment receivable (Special Assessment Districts)	9,989
Taxes/Assessment receivable (RSID Debt)	1,063,255
Taxes/Assessment receivable (Nonmajor Funds)	<u>90,477</u>
	<u>\$ 1,472,714</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 and for accrued transfers at fiscal year-end. Balances due to/from other funds at June 30, 2017, consist of the following:

<u>Governmental Funds</u>	<u>Payable Funds</u>	<u>Amount</u>	<u>Total</u>
Receivable Fund			
General Fund			
	Pred Animal Control	\$ 38	
	Public Sfty Radio Maint.	39,879	
	Inmate Programs	28,582	
	HIDTA Grant	40,600	
	National Fire Plan II	21,574	
	Noxious Weed Trust Grant	4,482	
	Other Grants	216,717	
	Fed Grant Projects	<u>112,058</u>	
	Total non-major governmental funds - Due to other funds		\$ 463,930
	Cooney Home	<u>1,976,752</u>	
	Total enterprise funds - Due to other funds		<u>1,976,752</u>
Total General Fund - Due from other funds			<u>2,440,682</u>
Total governmental funds - Due from other funds			<u>\$ 2,440,682</u>

NOTE 6 – NOTES AND ADVANCES RECEIVABLE

Notes and advances receivable at June 30, 2017, include the following:

Governmental Activities

Debt Service Funds

RSID Revolving Fund

2 percent above the STIP rate, advance receivable from Woodlawn Service Connection, due in semi-annual payments through 2018.	\$ 6,329
3.00 to 3.55% percent rate, advance receivable from American Bar Road Improvement, due in semi-annual payments through 2018.	<u>1,670</u>
Total debt service funds	\$ 7,999

Capital Projects Funds

Capital Development Fund

2 percent above the STIP rate, advance receivable from Fairgrounds Enterprise for major construction projects and portable bleachers, due in semi-annual payments beginning in December 2008 and continuing through 2022.

\$ 173,121

Total governmental funds

\$ 181,120

Business-Type Activities

Enterprise Fund

Cooney Home

Two promissory notes entered into with Cooney Realty LLC for the acquisition of the nursing home were refinanced on May 30, 2014. The new interest rate is 1.81%, with monthly installments of \$7,384, and a final balloon payment due June 1, 2020.

\$ 1,894,325

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 2017:

	<u>Transfers Out</u>								Total Transfers In
	General Fund	Public Safety Fund	Special Assessment District	RSID Debt Fund	Nonmajor Governmental Funds	County Landfill Enterprise Fund	Fair Enterprise Fund	Internal Service Funds	
Transfer In:									
<u>Governmental Funds:</u>									
General Fund	\$ -	\$ -	\$ 93	\$ -	\$ 382,397	\$ -	\$ -	\$ -	382,490
Public Safety	-	-	-	-	386,182	-	-	-	386,182
Special Assessment Dist	-	-	79	1,361	-	-	-	-	1,440
Capital Development	1,384,726	1,070,788	30,000	-	1,574,308	16,674	9,020	177,843	4,263,359
Road/Bridge Infrastructure	100,000	-	-	-	1,304,864	-	-	-	1,404,864
Nonmajor Government	106,115	365,000	14,752	-	798,201	-	-	2,000	1,286,068
Total Governmental Funds									<u>7,724,403</u>
<u>Enterprise Funds:</u>									
Fairgrounds	50,000	-	-	-	-	-	-	-	50,000
<u>Internal Services:</u>									
	265,900	-	-	-	32,152	-	-	3,431	301,483
	<u>1,906,741</u>	<u>1,435,788</u>	<u>44,924</u>	<u>1,361</u>	<u>4,478,104</u>				
Total transfers out - governmental funds					<u>\$ 7,866,918</u>				
Total transfers out - enterprise funds						<u>\$ 25,694</u>			
Total transfers out - internal service funds							<u>\$ 183,274</u>		
Total Transfers In / Out									<u>\$ 8,075,886</u>

NOTE 8 – CAPITAL ASSETS PRIMARY GOVERNMENT

PRIMARY GOVERNMENT

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental Activities:</u>				
<i>Capital assets not being depreciated:</i>				
Land	* \$ 6,408,206	\$ 3,600	\$ -	\$ 6,411,806
Construction in progress	980,343	3,707,643	380,861	4,307,125
Total capital assets not being depreciated	<u>7,388,549</u>	<u>3,711,243</u>	<u>380,861</u>	<u>10,718,931</u>
<i>Capital assets being depreciated:</i>				
Buildings	22,399,477	-	-	22,399,477
Improvements other than Buildings	2,941,859	-	-	2,941,859
Infrastructure	22,825,659	1,843,592	277,762	24,391,489
Machinery & Equipment	16,030,195	1,078,371	1,676,982	15,431,584
Total capital assets being depreciated	<u>64,197,190</u>	<u>2,921,963</u>	<u>1,954,744</u>	<u>65,164,409</u>
Less accumulated depreciation for:				
Buildings	9,633,276	547,069	-	10,180,345
Improvements other than Buildings	1,965,227	100,517	-	2,065,744
Infrastructure	6,630,206	1,195,874	277,762	7,548,318
Machinery & Equipment	10,493,645	1,014,069	907,550	10,600,164
Total accumulated depreciation	<u>28,722,354</u>	<u>2,857,529</u>	<u>1,185,312</u>	<u>30,394,571</u>
Total capital assets being depreciated, net	<u>35,474,836</u>	<u>64,434</u>	<u>769,432</u>	<u>34,769,838</u>
Government activity capital assets, net	<u>\$ 42,863,385</u>	<u>\$ 3,775,677</u>	<u>\$ 1,150,293</u>	<u>\$ 45,488,769</u>
* Prior period adjustment reduces beginning balances.				
<u>Business-type Activities:</u>				
<i>Solid Waste</i>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 243,648	\$ -	\$ -	\$ 243,648
Construction in progress	44,094	35,900	44,094	35,900
Total capital assets not being depreciated	<u>287,742</u>	<u>35,900</u>	<u>44,094</u>	<u>279,548</u>
<i>Capital assets being depreciated:</i>				
Buildings	436,283	-	-	436,283
Improvements other than Buildings	5,581,161	203,892	-	5,785,053
Machinery & Equipment	2,135,362	262,158	136,593	2,260,927
Total capital assets being depreciated	<u>8,152,806</u>	<u>466,050</u>	<u>136,593</u>	<u>8,482,263</u>
Less accumulated depreciation for:				
Buildings	179,721	13,680	-	193,401
Improvements other than Buildings	1,908,307	122,565	-	2,030,872
Machinery & Equipment	1,640,977	140,738	108,048	1,673,667
Total accumulated depreciation	<u>3,729,005</u>	<u>276,983</u>	<u>108,048</u>	<u>3,897,940</u>
Total capital assets being depreciated, net	<u>4,423,801</u>	<u>189,067</u>	<u>28,545</u>	<u>4,584,323</u>
Solid Waste capital assets, net	<u>\$ 4,711,543</u>	<u>\$ 224,967</u>	<u>\$ 72,639</u>	<u>\$ 4,863,871</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Fairgrounds				
<i>Capital assets being depreciated:</i>				
Buildings	\$ 10,882,547	\$ -	\$ -	\$ 10,882,547
Improvements other than Buildings	617,517	-	-	617,517
Machinery & Equipment	342,317	130,670	-	472,987
Total capital assets being depreciated	<u>11,842,381</u>	<u>130,670</u>	<u>-</u>	<u>11,973,051</u>
Less accumulated depreciation for:				
Buildings	2,091,022	287,715	-	2,378,737
Improvements other than Buildings	310,829	35,765	-	346,594
Machinery & Equipment	150,118	22,505	-	172,623
Total accumulated depreciation	<u>2,551,969</u>	<u>345,985</u>	<u>-</u>	<u>2,897,954</u>
Total capital assets being depreciated, net	<u>9,290,412</u>	<u>(215,315)</u>	<u>-</u>	<u>9,075,097</u>
Fairgrounds capital assets, net	<u>9,290,412</u>	<u>(215,315)</u>	<u>-</u>	<u>9,075,097</u>
Business-type activities capital assets, net	<u>\$ 14,001,955</u>	<u>\$ 9,652</u>	<u>\$ 72,639</u>	<u>\$ 13,938,968</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	\$ 292,666
Public safety	924,481
Public works	1,411,528
Public health	172,985
Social and economic services	1,317
Culture and recreation	54,552
Total depreciation expense - governmental activities:	<u>\$ 2,857,529</u>
Business-type activities:	
Solid waste	\$ 276,983
Fair	345,985
Total depreciation expense-business-type activities:	<u>\$ 622,968</u>

DISCRETELY PRESENTED COMPONENT UNITS

Activity for the **PureView Health Center**, for the period ending June 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets being depreciated:</i>				
Buildings	\$ 356,939	\$ -	\$ -	\$ 356,939
Machinery & Equipment	185,104	7,333	-	192,437
Total capital assets being depreciated	<u>542,043</u>	<u>7,333</u>	<u>-</u>	<u>549,376</u>
Less accumulated depreciation for:				
Buildings	57,111	14,278	-	71,389
Machinery & Equipment	110,488	21,093	-	131,581
Total accumulated depreciation	<u>167,599</u>	<u>35,371</u>	<u>-</u>	<u>202,970</u>
Total capital assets being depreciated, net	<u>374,444</u>	<u>(28,038)</u>	<u>-</u>	<u>346,406</u>
PureView Health Center capital assets, net	<u>\$ 374,444</u>	<u>\$ (28,038)</u>	<u>\$ -</u>	<u>\$ 346,406</u>

NOTE 9 – LONG TERM DEBT

GENERAL OBLIGATION BONDS

Governmental Activities

The following is a summary of general obligation bond transactions for the fiscal year ended June 30, 2017:

	<u>Open Space</u>	<u>Search and Rescue Building</u>	<u>Total General Obligation Bonds</u>
Bond payable, July 1	\$ 2,260,000	\$ 686,513	\$ 2,946,513
Bond issued	4,000,000	-	4,000,000
Bond retired	(135,000)	(87,867)	(222,867)
Bond payable, June 30	<u>\$ 6,125,000</u>	<u>\$ 598,646</u>	<u>\$ 6,723,646</u>
Bond payable, within one year	\$ 470,000	\$ 88,970	\$ 558,970

On November 4, 2008, pursuant to a voter approved ballot, the Open Space Grant Program was created. It allows for the issuing of up to \$10 million in general obligation bonds for the preserving of open-space lands in the county, including working lands and land for protecting water and wildlife. A special revenue fund, Open Space, was created to deposit the revenue bond proceeds and for the associated disbursements. To date, \$7 million has been issued.

On November 6, 2012, pursuant to a voter approved ballot, the amount of up to \$1 million was approved for the construction of a Search and Rescue building. The amount is to be levied for a period of ten years. The building construction was completed in the spring of 2017. Two years of the levy were applied directly to the construction cost and the remaining eight years of the levy will be applied to the debt service cost of \$730,000.

Revenues for the retirement of the general obligation bond issue are collected through mill levies. All revenue collections and debt repayment disbursements are reported in the Open Space and Search and Rescue Debt Service funds, respectively. Bonds payable at June 30, 2017, consist of the following issue:

	Interest Rate	Maturity Date	Issued	Amount Outstanding 6/30/2017
General Obligation Bonds:				
Open Space Projects				
Series 2010	variable (2.00% to 4.05%)	7/1/2030	\$3,000,000	\$2,125,000
Series 2017	variable (2.00% to 2.75%)	7/1/2027	4,000,000	4,000,000
Search and Rescue Building	variable (1)	8/15/2023	730,000	598,646
Total GO Bonds			<u>\$7,730,000</u>	<u>\$6,723,646</u>

(1) Based on Montana Board of Investments - intercap loan rate

General obligation bond debt service requirements to maturity are as follows:

FY Ending	Interest	Principal	Total
FY18	\$ 213,170	\$ 558,970	\$ 772,140
FY19	167,121	605,085	772,206
FY20	153,652	616,215	769,867
FY21	139,944	627,357	767,301
FY22	125,238	638,517	763,755
2023-2027	385,238	3,097,502	3,482,740
2028-2030	47,588	580,000	627,588
Total	<u>\$ 1,231,951</u>	<u>\$ 6,723,646</u>	<u>\$ 7,955,597</u>

REVENUE BONDS

At June 30, 2017, the outstanding revenue bond indebtedness of the County is as follows:

Governmental Activities

At June 30, 2017, the County had no outstanding bond indebtedness for governmental activities.

Business-type Activities

At June 30, 2017, the outstanding revenue bond indebtedness of the County is as follows:

Solid Waste Facility Refunding Revenue Bonds, Series 2004: \$2,040,936

In fiscal year 2013, the County issued refunding bonds in the amount of \$2,004,000 for the DNRC SRF Loan Program. The purpose of this issuance was to use the proceeds to retire the County’s outstanding Solid Waste Facility Revenue Bonds, Series 2004. The new bonds have an interest rate of 2.25 percent in comparison to the old rate of 3.75 percent. The semi-annual installment payments range from \$85,267 to \$100,274 beginning July 1, 2013. Final payment is scheduled for July 1, 2024. The carrying amount of the Series 2004 bonds was \$2,004,000, therefore resulting in no increase or decrease in bonds payable for this series. The refunding resulted in a reduction in the cash flow requirement of \$229,056, with the economic gain calculated at \$38,132.

Additional revenue bonds were issued in fiscal year 2011, amounting to \$1,400,000. Total bonds issued are \$3,440,936.

The bonds are to be repaid from the net revenues, less operating expenses, derived

from the operations from the County’s Solid Waste Facility. Upon satisfaction of the debt, rates charged to the users will be reduced.

Total Revenue Bonds \$2,040,936

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. 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, 2017, the County was in compliance with these requirements for the County Solid Waste Facility.

	County Solid Waste Facility
Gross revenues	\$ 1,494,805
Direct operating expenses	688,528
Net Revenue	\$ 806,277
Maximum debt service	\$ 360,256
Percent coverage	223.81%

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

Revenue bond debt service requirements to maturity are as follows:

Business-type Activities

FY Ending	Interest	Principal	Total
2018	\$ 47,056	\$ 312,512	\$ 359,568
2019	39,330	320,413	359,743
2020	31,408	328,420	359,828
2021	23,287	336,536	359,823
2022	14,982	263,055	278,037
2023-2025	16,290	480,000	496,290
Totals	\$ 172,351	\$ 2,040,936	\$ 2,213,287

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2017:

<u>Governmental Activities</u>	Balance			Balance	Within
	7/1/2016	Additions	Reductions	6/30/2017	One Year
General obligation bonds	\$ 2,946,513	\$ 4,000,000	\$ 222,867	\$ 6,723,646	\$ 558,970
Revenue bonds	125,000	-	125,000	-	-
Special assessment	887,053	209,934	128,141	968,846	119,601
Contracts/Loans	478,673	-	171,727	306,946	172,911
Compensated absences	2,142,633	1,965,645	1,932,092	2,176,186	217,620
Pension liabilities	17,128,080	13,145,315	6,200,561	24,072,834	N/A
OPEB implicit rate subsidy	381,408	39,480	-	420,888	N/A
Total	<u>\$ 24,089,360</u>	<u>\$ 19,360,374</u>	<u>\$ 8,780,388</u>	<u>\$ 34,669,346</u>	<u>\$ 1,069,102</u>
 <u>Business-type Activities</u>					
Revenue bonds	\$ 2,345,650	\$ -	\$ 304,714	\$ 2,040,936	\$ 312,512
Landfill liability	1,075,818	13,705	12,400	1,077,123	12,400
Compensated absences	69,357	80,961	75,171	75,147	7,516
Pension liabilities	649,569	221,911	123,296	748,184	N/A
OPEB implicit rate subsidy	16,989	1,205	-	18,194	N/A
Total	<u>\$ 4,157,383</u>	<u>\$ 317,782</u>	<u>\$ 515,581</u>	<u>\$ 3,959,584</u>	<u>\$ 332,428</u>

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, \$213,898 of the compensated absences represents internal service funds' liabilities. Also, for the governmental activities, claims, judgments, compensated absence and net pension and net other postemployment obligations are generally liquidated by the general fund and other governmental funds. For the business-type activities, claims, judgments, compensated absences, and net pension and net other postemployment obligations are generally liquidated by the enterprise fund it relates to.

The County's employees participate in three cost-sharing defined benefit pension plans administered by the State of Montana. As required by GASB Statement 68, the County is to record its share of the unfunded liabilities even though they have made all statutorily required contributions. The amounts represent the proportionate share of the liability that was allocated by the State of Montana to the County.

The OPEB plan allows retirees to participate, as a group at a rate that does not cover all the related costs. This results in the reporting of an "implicit rate" subsidy in the related financial statements. While this liability is disclosed for financial purposes, it does not represent a legal liability of the County or any of its component units.

SPECIAL ASSESSMENT DEBT AND CONTRACTS/LOANS PAYABLE

Governmental Activities

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

Special Assessment Debt

Montana Board of Investment intercap loans have a variable interest rate that is adjusted annually. For fiscal year 2017, the rate was 1.25 percent. Special assessment debts at June 30, 2017, are as follows:

	Amount Issued	Year of Maturity	Principal Balance 6/30/2017	Due Within One Year	FY18 Interest Rate (%)
Augusta Rural Improvement District	\$ 31,458	2022	\$ 16,006	\$ 3,138	2.50%
Lambkins Rural Improvement District	27,228	2022	13,673	2,680	2.50%
Lincoln Rural Improvement District	58,776	2022	21,337	4,183	2.50%
Autumn Wind Rural Improvement District	40,124	2025	13,669	1,494	2.50%
Big Sky Road Rural Improvement District	167,895	2028	105,962	8,354	2.50%
Crestwood Road Rural Improvement District	94,656	2024	48,996	6,792	2.50%
Settler's Cove Rural Improvement District	105,507	2030	75,770	5,486	2.50%
Lake Home Condo Rural Improvement District	14,000	2030	10,499	760	2.50%
Bridge Creek Rural Improvement District	38,046	2027	38,046	3,549	2.50%
Hillview Rural Improvement District	76,125	2027	76,125	7,101	2.50%
Big Valley-Cabin Road Rural Improvement District	48,668	2024	48,668	6,639	2.50%
Emerald Ridge Rural Improvement District	47,095	2024	47,095	6,425	2.50%
McHugh Road Rural Improvement District	495,272	2023	165,000	40,000	4.40%
Woodlawn Rural Improvement District - Wastewater	143,000	2027	85,000	7,000	2.75%
Woodlawn Rural Improvement District - Water	319,516	2028	203,000	16,000	2.75%
Total Special Assessment Debt	<u>\$ 1,707,366</u>		<u>\$ 968,846</u>	<u>\$ 119,601</u>	

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 2017, funds with special assessment debt had an immaterial amount of 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 percent of total outstanding special assessment debt with government commitment. This fiscal year, the County did not levy for the fund.

Contracts/Loans Payable

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

	Amount Issued	Year of Maturity	Principal Balance 6/30/2017	Due Within One Year	FY2017 Interest Rate (%)
City/County Building Remodel	\$ 977,748	2018	\$ 120,462	\$ 120,462	2.50%
City/County Building Remodel - Phase II	505,000	2021	186,484	52,449	2.50%
Total	<u>\$ 1,482,748</u>		<u>\$ 306,946</u>	<u>\$ 172,911</u>	

The following is a summary of maturities and interest by years for the special assessment debt and contracts payable at June 30, 2017. 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 FY2018 rate of 1.55 percent.

FY Ending	Special Assessment Debt		Contracts Payable	
	Principal	Interest	Principal	Interest
2018	\$ 119,601	\$ 26,646	\$ 172,911	\$ 6,563
2019	120,295	22,877	53,476	3,015
2020	122,018	19,034	54,525	1,672
2021	127,749	15,073	26,034	325
2022	85,490	11,912	-	-
2023-2027	319,231	26,045	-	-
2028-2030	74,462	866	-	-
Total Governmental Activities	<u>\$ 968,846</u>	<u>\$ 122,453</u>	<u>\$ 306,946</u>	<u>\$ 11,575</u>

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 the County.

Higher Education Revenue Note – These notes have been issued on behalf of Carroll College, to finance construction of various buildings and improvements, including 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.

As of June 30, 2017, 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 Bond - Carroll College	12,315,000	10,715,000
Higher Education Revenue Bond - Carroll College	4,250,000	3,899,846
Industrial Development Revenue Bonds - Golden Triangle, Inc.	2,000,000	308,000
Family Services Provider Revenue Bonds	995,000	669,653
Total	<u>\$ 87,520,000</u>	<u>\$83,552,499</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 – FUND BALANCE – MAJOR PURPOSE PRESENTATION

GASB Statement No. 54 requires the County to present the governmental fund balances and each major special revenue fund revenues by specific purposes. In the basic financial statements, the fund balance classifications are presented in the aggregate. The tables presented below further display the fund balances and major special revenue fund revenues and by major purposes.

	<u>GOVERNMENTAL FUND BALANCE BY FUNCTION</u>								
	General	<u>Special Revenue</u>		<u>Debt Service</u>		<u>Capital Projects</u>		Other Nonmajor Governmental	Total
		Public Safety	Special Assmt Districts	RSID Debt	Capital Development	Road/Bridge Infrastructure			
FUND BALANCE									
Nonspendable:									
Inventory	\$ 56,432	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 291,730	\$ 348,162	
Permanent portion of endowment	-	-	-	-	-	-	604,143	604,143	
Total Nonspendable	56,432	-	-	-	-	-	895,873	952,305	
Restricted:									
Federal/state/other grants									
Road commitments	-	-	-	-	-	1,523,671	60,000	1,583,671	
Open space commitments	-	-	-	-	-	-	3,053,334	3,053,334	
Public safety commitments	-	-	-	-	-	-	182,166	182,166	
Alcohol/drug program commitments	-	-	-	-	-	-	603,182	603,182	
Public work commitments	-	-	-	-	163,813	-	218,088	381,901	
Health-related commitments	-	-	-	-	-	-	542,089	542,089	
Debt service	-	-	-	289,506	-	-	399,958	689,464	
Total Restricted	-	-	-	289,506	163,813	1,523,671	5,058,817	7,035,807	
Committed:									
General government commitments	-	-	-	-	2,233,007	-	750,266	2,983,273	
District Court	-	-	-	-	-	-	757,056	757,056	
Public safety	-	2,841,324	-	-	1,450,530	-	92,441	4,384,295	
Public works	-	-	-	-	4,822,958	-	173,703	4,996,661	
Road and bridge commitments	-	-	-	-	-	-	881,493	881,493	
Public health commitments	-	-	-	-	592,863	-	1,574,614	2,167,477	
Parks improvement	-	-	-	-	177,286	-	222,592	399,878	
Social & economical commitments	-	-	-	-	23,706	-	119,750	143,456	
Special improvement district commitments	-	-	4,099,978	-	-	-	-	4,099,978	
Contract commitments	21,305	-	-	-	-	-	-	21,305	
Total Committed	21,305	2,841,324	4,099,978	-	9,300,350	-	4,571,915	20,834,872	
Assigned:									
No contractual commitments	1,088,842	-	-	-	-	-	20,038	1,108,880	
Public safety	-	-	-	-	-	-	27,364	27,364	
Total Assigned	1,088,842	-	-	-	-	-	47,402	1,136,244	
Unassigned:	3,547,934	-	-	-	-	-	-	3,547,934	
Total fund balance	\$ 4,714,513	\$ 2,841,324	\$ 4,099,978	\$ 289,506	\$ 9,464,163	\$ 1,523,671	\$ 10,574,007	\$ 33,507,162	

Major Funds- Revenues by specific purposes

	<u>General</u>	<u>Public Safety</u>	Special Assessment Districts
Taxes/assessments	\$ 6,312,178	\$ 9,007,977	\$ 1,047,102
Licenses and permits	283,861	1,820	-
Federal grants	2,092,099	562,031	150,000
State grants	959,245	490,452	-
Local grants	-	27,506	802
Charges for services	1,236,381	563,211	-
Fines and forfeitures	50,352	266,659	-
Miscellaneous	90,359	60,313	15,641
Interest Earnings	100,730	-	28,643
Transfers in	<u>382,490</u>	<u>386,182</u>	<u>1,440</u>
Total Major Funds Revenue and Other Financing Sources	<u>\$ 11,507,695</u>	<u>\$ 11,366,151</u>	<u>\$ 1,243,628</u>

NOTE 12 - LEASES

Capital Leases

In fiscal year 2017, the County did not have any capital leases.

NOTE 13 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and Federal laws and regulations require that the 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. The 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

The County Landfill began accepting waste in the Class II area on October 11, 1994. The Class II area encompasses a total of 80 acres. In the Class II area, individual cells will be opened, filled and closed over time. These cells are named Phase 1, Phase 2, etc. The final construction of the first cell to be opened, Phase 1, was completed in December 1994. The Phase 2 cell began accepting waste in December of 2002. The closures of the Phase 1 and Phase 2 cells were completed during fiscal years 2004 and 2017, respectively. Also in fiscal year 2004, a new area was opened called Class IV that will be used only for construction waste.

The fiscal year-end liability that represents the financial insurance amount is \$977,923, which is comprised of estimated costs for Class II area closures, Class IV area closure, and post-closure monitoring of \$820,967; \$76,317; and \$80,639, respectively. The yearly increase in liability for closure for Class II cells and the Class IV cell is \$5,731 and \$2,443, respectively. The yearly increase in liability for postclosure is \$5,531.

In March 2014, a new engineer’s report was completed and it provided, among others, three significant changes from the January 2009 engineer’s report. The first being a change in the annual tonnage from 45,000 tons per year to 40,000 tons per year, with an annual escalation of 1.25 percent. The second change was to the remaining life of the landfill, which was changed from 87 years to 98 years. Thirdly, were the changes to closure and postclosure cost estimates.

The new cost estimates and new remaining useful life(s) associated with the March 2014 engineer's report, resulted in the following changes to the reported amounts:

- Montana financial assurance regulations require that the landfill financially assure for the largest planned open area during the life of the landfill. One of two financial assurance approaches shall be used when building financial assurance. The County uses the approach to financially assure the largest area that will ever be open during the life of the site. When Phases 4 and 5 are open, the landfill will have 29.5 acres open in the Class II landfill area and 7 acres of Class IV area which will be required to be closed over the remaining life of the site.
- The estimated total cost for landfill closure and postclosure care is \$2,266,250. This is a decrease of \$346,462 from FY16. The total closure cost for the Class II and Class IV areas, associated with the largest open areas as noted above, are \$1,359,650 and \$306,000, respectively. In the Class II area, Phase 2 is nearing the end of its useful life and is currently being closed. The total postclosure liability is \$600,600.
- The amounts reported to date, represent estimates based upon the use of approximately 16.5 percent of the landfill's ultimate capacity and 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. This calculation will be updated with each engineer's report.

Scratch Gravel Landfill

The Scratch Gravel Landfill was closed on October 8, 1994. Based on the new engineer's report, as of March 2014, the remaining estimated costs for landfill postclosure changed from \$220,000 to \$136,400. The total postclosure liability at fiscal year-end is \$99,200 with the annual estimated landfill postclosure of \$12,400 for each of the next 9 years. 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

NOTE14a – PENSION PLANS

Montana Public Employees Retirement System – Defined Benefit

With a few exceptions, all of the 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 and elected officials of the County. These two groups have the option of participating in PERS. One employee is covered by the MTRS. Sheriff employees are covered by the SRS, and substantially all other County employees are covered by PERS. SRS and TRS are administered by the MPERA.

Pension Totals: County’s proportionate share of PERS, SRS and TRS pension amounts – combined

	County's Proportionate Share Associated With:			
	PERS	SRS	TRS	Total Pension
Total Pension Liability	\$ 70,213,887	\$ 28,654,861	\$ 307,124	\$ 99,175,872
Fiduciary Net Position	52,459,163	18,053,118	204,808	70,717,089
Net Pension Liability	<u>\$ 17,754,724</u>	<u>\$ 10,601,743</u>	<u>\$ 102,316</u>	<u>\$ 28,458,783</u>
Deferred outflows of resources	\$ 2,925,995	\$ 5,649,996	\$ 14,487	\$ 8,590,478
Deferred inflows of resources	\$ 326,280	\$ 1,815,142	\$ 8,702	\$ 2,150,124
Pension expense	\$ 1,398,456	\$ 1,336,058	\$ 6,370	\$ 2,740,884

Following are detail disclosures for each retirement plan, as required by GASB Statement 68.

Public Employee Retirement-Defined Benefit Retirement Plan

Plan Description:

The PERS-Defined Benefit Retirement Plan (PERS-DBRP), administered by MPERA, is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, local governments, certain employees of the Montana University System, and school districts.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS Defined Contribution Benefit Retirement Plan (PERS-DCRP) by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans. All new members from the universities also have a third option to join the university system’s Montana University System Retirement Program (MUS-RP).

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature. Benefits are based on eligibility, years of service, and highest average compensation. Member rights are vested after five years of service.

Summary of Benefits:

Eligibility for benefit

Service retirement:

Hired prior to July 1, 2011: Age 60, 5 years of membership service;
Age 65, regardless of membership service; or
Any age, 30 years of membership service.

Hired on or after July 1, 2011: Age 65, 5 years of membership service;
Age 70, regardless of membership service.

Early retirement:

Early retirement, actuarially reduced:

Hired prior to July 1, 2011: Age 50, 5 years of membership service; or
Any age, 25 years of membership service.

Hired on or after July 1, 2011: Age 55, 5 years of membership service.

Vesting-5 years of membership service

Member’s highest average compensation (HAC)

Hired prior to July 1, 2011 - HAC during any consecutive 36 months;

Hired on or after July 1, 2011 - HAC during any consecutive 60 months;

Compensation Cap

Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member’s HAC.

Monthly benefit formula

Members hired prior to July 1, 2011:

- Less than 25 years of membership service: 1.785% of HAC per year of service credit;
- 25 years of membership service or more: 2% of HAC per year of service credit.

Members hired on or after July 1, 2011:

- Less than 10 years of membership service: 1.5% of HAC per year of service credit;
- 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
- 30 years or more of membership service: 2% of HAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
 - a) 1.5% for each year PERS is funded at or above 90%;
 - b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - c) 0% whenever the amortization period for PERS is 40 years or more.

Overview of Contributions:

Member and employer contribution rates are specified by state law and are a percentage of the member’s compensation. Contributions are deducted from each member’s salary and remitted by participating employers. The Montana Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are shown in the table below.

1. Member contributions to the system of 7.9 percent are temporary and will be decreased to 6.9 percent on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
2. Employer contributions to the plan:
 - a. Effective July 1, 2014, following the 2013 Legislative Session, PERS-employer contributions increased an additional .10 percent a year over 10 years, through 2024. The additional employer contributions including the 0.27 percent added in 2007 and 2009, will terminate on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and remains below 25 years following the reduction of both the additional employer and member contributions rates.
 - b. Effective July 1, 2013, employers are required to make contributions on working retirees’ compensation. Member contributions for working retirees are not required.
 - c. The Plan Choice Rate (PCR) that directed a portion of employer contributions for DC members to the PERS defined benefit plan, are included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.

3. Non-Employer Contributions

a. Special Funding

- i. The State contributes 0.1 percent of members' compensation on behalf of local government entities.
- ii. The State contributes 0.37% of members' compensation on behalf of school district entities.

b. Not Special Funding

- i. The State contributes from the Coal Tax Severance income and earnings from the Coal Severance Tax fund.

Fiscal Year	Member		State & Universities	Local Government		School Districts	
	Hired	Hired	Employer	Employer	State	Employer	State
	<7/01/11	>7/01/11					
2017	7.9%	7.9%	8.470%	8.370%	0.10%	8.100%	0.370%
2016	7.9%	7.9%	8.370%	8.270%	0.10%	8.000%	0.370%
2015	7.9%	7.9%	8.270%	8.170%	0.10%	7.900%	0.370%
2014	7.9%	7.9%	8.170%	8.070%	0.10%	7.800%	0.370%
2012-2013	6.9%	7.9%	7.170%	7.070%	0.10%	6.800%	0.370%
2010-2011	6.9%		7.170%	7.070%	0.10%	6.800%	0.370%
2008-2009	6.9%		7.035%	6.935%	0.10%	6.800%	0.235%
2000-2007	6.9%		6.900%	6.800%	0.10%	6.800%	0.100%

Stand-Alone Statements:

The financial statements of the Montana Public Employees Retirement Board (PERB) CAFR and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena, MT 59620-0131, (406)444-3154 or the MPERA website at <http://mpera.mt.gov/index.shtml>.

Actuarial Assumptions:

The Total Pension Liability (TPL) used to calculate the NPL was determined by taking the results of the June 30, 2015 actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2016. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2016 valuation were based on the results of the last actuarial experience study, dated June 2010 for the six year period July 1, 2003 to June 30, 2009.

Among those assumptions were the following:

- Investment Return 7.75%
- Admin Expense as % of Payroll 0.27%
- General Wage Growth* 4.00%
- *includes inflation at 3.00%
- Merit Increases 0% to 6%
- Postretirement Benefit Increases

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
 - a) 1.5% for each year PERS is funded at or above 90%;
 - b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - c) 0% whenever the amortization period for PERS is 40 years or more.

- Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2017 with scale AA.
- Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate:

The discount rate used to measure the TPL was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. The State contributes 0.1% of salaries for local governments and 0.37 percent for school districts. In addition, the State contributes Coal Severance Tax and interest money from the general fund. The interest is contributed monthly and the Coal Severance Tax is contributed quarterly. Based on those assumptions, the plan’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2117. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return	
		Real Rate of Return Arithmetic Basis	(a) X (b)
Cash Equivalents	2.60%	4.00%	0.101%
Domestic Equity	36.00%	4.55%	1.642%
Foreign Equity	18.00%	6.35%	1.141%
Fixed Income	23.40%	1.00%	0.231%
Private Equity	12.00%	7.75%	0.930%
Real Estate	92.00%	4.00%	0.320%
Total	100.00%		4.37%
		Inflation	3.00%
		Expected arithmetic nominal return	7.37%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the plan. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated June 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the plan’s target asset allocation as of June 30, 2016, is summarized in the above table.

Sensitivity Analysis:

	1% Decrease [6.75%]	Current Discount Rate [7.75%]	1% Increase [8.75%]
County's Proportionate share of the NPL	\$25,763,415	\$17,754,724	\$10,856,023

The sensitivity of the NPL to the discount rate is shown in the table above. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.75 percent, as well as what the NPL would be if it were calculated using a discount rate.

Net Pension Liability:

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the PERS. Employers are required to record and report their proportionate share of the collective NPL; Pension Expense; and Deferred Outflows and Deferred Inflows of Resources associated with pensions.

The State of Montana, as the non-employer contributing entity, paid to the Plan additional contributions that qualify as special funding. Those employers who received special funding are counties; cites & towns; school districts & high schools' and other governmental agencies.

Per Montana law, state agencies and universities paid their own additional contributions. These employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions. The State of Montana, as the non-employer contributing entity, also paid to the Plan coal tax contributions that are not accounted for as special funding for all participating employers.

The proportionate shares of the County's and State of Montana's NPL for June 30, 2017, and 2016 are shown below.

	Net Pension Liability as of 6/30/17	Net Pension Liability as of 6/30/16	Percent of Collective NPL as of 6/30/17	Percent of Collective NPL as of 6/30/16	Change in Percent of Collective NPL
County's proportionate share	\$17,754,724	\$14,361,452	1.0423%	1.0274%	0.0149%
State of Montana's proportionate share associated with County	216,942	176,406	0.0127%	0.0126%	0.0001%
Total	\$17,971,666	\$14,537,858	1.0550%	1.0400%	0.0150%

At June 30, 2017, the County recorded a liability of \$17,754,724 for its proportionate share of 1.0423 percent of the NPL. The NPL was measured as of June 30, 2016, and the TPL used to calculate the NPL was determined by an actuarial valuation as of July 1, 2015, with update procedures to roll forward the TPL to the measurement date of June 30, 2017. The County's proportion of the NPL was based on the County's contributions received by PERS during the measurement period July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERS' participating employers.

Changes in actuarial assumptions and methods: There were no changes in assumptions or other inputs that affected the measurement of the TPL.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: Between the measurement date of the collective NPL and the employer's reporting date there were some changes in proportion that may have an effect on the employer's proportionate share of collective NPL.

Pension Expense:

As of measurement date	Pension Expense as of 6/30/2017	Pension Expense as of 6/30/2016
County's Proportionate Share	\$ 1,069,209	\$ 375,801
County's Grant Revenue—State of Montana Proportionate Share	18,180	10,961
County's Grant Revenue—State of Montana Coal Tax	311,067	344,659
Total	\$ 1,398,456	\$ 731,421

At June 30, 2017, the County recognized a total PERS pension expense of \$1,398,456 of which \$1,069,209 is for its proportionate share of the PERS' pension expense and \$18,180 that the employer must recognized as grant revenue for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer, and grant revenue of \$311,067 from the Coal Severance Tax Fund.

Recognition of Deferred Inflows and Outflows:

At June 30, 2017, the County reported its proportionate share of PERS' deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 95,799	\$ 58,769
Differences between projected and actual investment earnings	1,670,365	-
Changes in actuarial assumptions	-	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	267,510
Contributions paid to PERS subsequent to the measurement date	1,159,830	
Total	\$ 2,925,994	\$ 326,279

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2017	\$ 80,870
2018	\$ 80,870
2019	\$ 949,207
2020	\$ 596,449
2021	\$ -
Thereafter	\$ -

Sheriff’s Retirement System

Plan Description:

The SRS, administered by the MPERA, is a multiple-employer, cost-sharing plan established July 1, 1974, and governed by Title 19, chapters 2 & 7, MCA. This plan provides retirement benefits to all Department of Justice criminal and gambling investigators hired after July 1, 1993, all detention officers hired after July 1, 2005, and to all Montana sheriffs. Benefits are established by state law and can only be amended by the Legislature. The SRS provides retirement, disability, and death benefits to plan members and their beneficiaries.

Summary of Benefits:

Eligibility for benefit

20 years of membership service, regardless of age.

Other Retirement Options

Age 50, 5 years of membership service. This benefit is the actuarial equivalent of the service retirement benefit

Vesting

5 years of membership service.

Member’s highest average compensation (HAC)

Hired prior to July 1, 2011 - HAC during any consecutive 36 months;
 Hired on or after July 1, 2011 - HAC during any consecutive 60 months.

Compensation Cap

Hired on or after July 1, 2013 – 110 percent annual cap on compensation considered as part of a member’s HAC.

Monthly benefit formula

2.5 percent of HAC per year of service.

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member’s benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member’s benefit.

- 3% for members hired **prior to** July 1, 2007
- 1.5% for members hired **on or after** July 1, 2007

Overview of Contributions:

Rates are specified by state law for periodic employer and employee contributions and are a percentage of member’s compensation. Contributions are deducted from each member’s salary and remitted by participating employers. The State Legislature has the authority to establish and amend contribution rates to the plan.

Member and employer contribution rates are shown in the table below.

Fiscal Year	Member	Employer
2010-2017	9.245%	10.115%
2008-2009	9.245%	9.825%
1998-2007	9.245%	9.535%

Stand-Alone Statements:

The financial statements of the PERB (CAFR), and the GASB 68 Report disclose the fiduciary net position of PERS. The reports are available from the PERB at PO Box 200131, Helena, MT 59620-0131, (406)444-3154 or the MPERA website at <http://mpera.mt.gov/index.shtml>.

The latest actuarial valuation and experience study can be found at the website at:
<http://mpera.mt.gov/actuarialValuations.asp>.

Actuarial Assumptions:

The TPL used to calculate the NPL was determined by an actuarial valuation as of June 30, 2015, actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2016. There were several significant assumptions and other inputs use to measure the Total Pension Liability. The actuarial assumptions used in the June 30, 2016 valuation were based on the results of the last actuarial experience study, dated June 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

- Investment Return 7.75%
- Admin Expense as % of Payroll 0.17%
- General Wage Growth* 4.00%
 *includes inflation at 3.00%
- Merit Increases 0% to 7.3%
- Postretirement Benefit Increases

After the member has completed 12 full months of retirement, the member’s benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member’s benefit.

- 3% for members hired **prior to** July 1, 2007
- 1.5% for members hired **on or after** July 1, 2007
- Mortality assumptions among contributing members, terminated vested members, service retired members, and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2017 with scale AA.
- Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate:

The discount rate used to measure the TPL was 5.93 percent, which is a blend of the assumed long-term rate of return of 7.75 percent on plan’s investments and a municipal bond index rate of 3.01 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. Based on those assumptions, the plan’s fiduciary net position was projected to not be adequate to make all the projected future benefit payments of current plan members after June 30, 2056. Therefore, the portion of future projected benefit payments after June 30, 2056 are discounted at the municipal bond index rate.

Target Allocations:

Asset Class	Target Asset	Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
	Allocation	Arithmetic Basis	(a) X (b)
Cash Equivalents	2.60%	4.00%	0.101%
Domestic Equity	36.00%	4.55%	1.642%
Foreign Equity	18.00%	6.35%	1.141%
Fixed Income	23.40%	1.00%	0.231%
Private Equity	12.00%	7.75%	0.930%
Real Estate	92.00%	4.00%	0.320%
Total	100.00%		4.37%
		Inflation	3.00%
		Expected arithmetic nominal return	7.37%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the plan. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is

outlined in a report dated June 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption. These factors include rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Summarized in the table above are best estimates of the arithmetic real rates of return for each major asset class included in the plan’s target asset allocation as of June 30, 2016.

Sensitivity Analysis:

	1% Decrease	Current Discount Rate	1% Increase
	[4.93%]	[5.93%]	[6.93%]
County's Proportionate share of the NPL	\$15,099,254	\$10,601,743	\$6,941,666

The sensitivity of the NPL to the discount rate is shown in the above table. The NPL calculated using the discount rate of 5.93 percent, as well as what the NPL would be if it were calculated using a discount rate that is 1.00 percent lower or 1.00 higher than the current rate.

Net Pension Liability:

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in SRS. Employers are required to record and report the proportionate share of the collective NPL: Pension Expense; and Deferred Outflows and Deferred Inflows of resources associated with pensions.

The TPL used to calculate the NPL was determined by taking the results of the actuarial valuation as of June 30, 2015, with update procedures to roll forward the TPL to the measurement date of June 30, 2016. The following table displays the amounts and percentages of NPL.

	Net Pension Liability as of 6/30/17	Net Pension Liability as of 6/30/16	Percent of Collective NPL as of 6/30/17	Percent of Collective NPL as of 6/30/16	Change in Percent of Collective NPL
County's proportionate share	\$10,601,743	\$5,864,814	6.0348%	6.0839%	-0.0491%

At June 30, 2017, the County recorded a liability of \$10,601,743 for its proportionate share of 6.0348% of the NPL. The County’s proportion of the NPL was based on the County’s contributions received by SRS during the measurement period July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of SRS’ participating employers.

Changes in actuarial assumptions and methods: There were no changes in demographic assumptions that affected the measurement of the TPL. There was an adjustment in the discount rate during the measurement period.

Changes in benefit terms: There were no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective NPL and the employer’s reporting date that are expected to have a significant effect on the employer’s proportionate share of the collective NPL

Pension Expense:

	Pension Expense as of 6/30/17
County's proportionate share	\$ 1,336,058

At June 30, 2017, the County recognized a Pension Expense of \$1,336,058 for its proportionate share of the SRS' Pension Expense.

Recognition of Deferred Inflows and Outflows:

At June 30, 2017, the County reported its proportionate share of SRS' deferred outflows of resources and deferred inflows of resources related to SRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 37,678	\$ 7,845
Differences between projected and actual investment earnings	579,197	-
Changes in actuarial assumptions	4,588,187	1,708,434
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	98,862
Contributions paid to SRS subsequent to the measurement date	444,935	
Total	<u>\$ 5,649,997</u>	<u>\$ 1,815,141</u>

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

<u>For the Measurement Year ended June 30:</u>	<u>Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense</u>
2017	\$ 616,140
2018	\$ 616,140
2019	\$ 892,864
2020	\$ 784,927
2021	\$ 578,711
Thereafter	\$ -

Teachers Retirement System

Plan Description:

The TRS is a mandatory-participation multiple-employer cost-sharing defined-benefit public pension plan that provides retirement services to individuals employed as teachers, administrators, and in other professional and skilled positions employed in public education in Montana.

The TRS Board is the governing body of the plan and the TRS staff administers the plan in conformity with the laws set forth in Title 19, chapter 20 of the MCA, and administrative rules set forth in Title 2, chapter 44 of the Administrative Rules of Montana. Additional information pertaining to membership, benefit structure, and prior years' actuarial valuations, as well as links to applicable statutes and administrative rules, may be obtained by visiting the TRS website at trs.mt.gov.

Summary of Benefits:

Through June 30, 2013, all members enrolled in TRS participated in a single-tiered plan ("Tier One"). Employees with a minimum of 25 years of service or who have reached age 60 with 5 years of service are eligible to receive an annual retirement benefit equal to creditable service years divided by 60 times the average final compensation (AFC). Final compensation is the average of the highest three consecutive years of earned compensation. Benefits fully vest after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits. Beginning July 1, 2013, new members in TRS participate in a second benefit tier ("Tier Two"), which differs from Tier One as follows:

- Tier Two uses a 5-year AFC (as opposed to 3-year AFC in Tier One)
- Tier Two provides for unreduced service retirement benefits at age 60 with 5 years of creditable service or at age 55 with at least 30 years of creditable service (rather than at age 60 with 5 years of service or at any age with creditable service in 25 years in Tier One)
- Tier Two provides for early retirement benefits with 5 years of creditable service at age 55 (rather than age 50 in Tier One)
- Tier Two has a one percent higher normal employee contribution rate (though a temporary 1% supplemental employee contribution rate is also now currently in place for Tier One members), and
- Tier Two provides for an enhanced benefit calculation - $1.85\% \times \text{AFC} \times \text{years of creditable service}$ - for members retiring with at least 30 years of creditable service and at least 60 years of age (rather than $1.6667 \times \text{AFC} \times \text{years of creditable service}$)

A GABA is payable on January 1st of each calendar year for each retiree who has received at least 36 monthly retirement benefit payments prior to that date. The GABA is applicable to both Tier One and Tier Two members. The GABA calculated prior to July 1, 2013, was 1.5 percent of the benefit payable as of January 1st. For Tier Two members the GABA each year may vary from 0.5 percent to 1.5 percent based on the retirement system's funding status and the period required to amortize any unfunded accrued actuarial liability as determined in the prior actuarial valuation.

Overview of Contributions:

TRS receives a portion of the total required statutory contributions directly from the State for all employers. The employers are considered to be in a special funding situation as defined by GASB 68 and the State is treated as a non-employer contributing entity in TRS. The plan receives 2.49 percent of reportable compensation from the State's general fund for School Districts and Other Employers. The plan also receives 0.11 percent of reportable compensation from the State's general fund for State and University Employers. Finally, the State is also required to contribute \$25 million in perpetuity payable July 1st of each year.

The tables below show the history of legislated contributions for TRS members, employers and the State.

School District and Other Employers

	<u>Members</u>	<u>Employers</u>	<u>General fund</u>	<u>Total employee & employer</u>
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	7.47%	2.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	7.47%	2.49%	17.11%
July 1, 2013 to June 30, 2014	8.15%	8.47%	2.49%	19.11%
July 1, 2014 to June 30, 2017	8.15%	8.57%	2.49%	19.21%
July 1, 2017 to June 30, 2017	8.15%	8.67%	2.49%	19.31%
July 1, 2017 to June 30, 2017	8.15%	8.77%	2.49%	19.41%
July 1, 2017 to June 30, 2018	8.15%	8.87%	2.49%	19.51%
July 1, 2018 to June 30, 2019	8.15%	8.97%	2.49%	19.61%
July 1, 2019 to June 30, 2020	8.15%	9.07%	2.49%	19.71%
July 1, 2020 to June 30, 2021	8.15%	9.17%	2.49%	19.81%
July 1, 2021 to June 30, 2022	8.15%	9.27%	2.49%	19.91%
July 1, 2022 to June 30, 2023	8.15%	9.37%	2.49%	20.01%
July 1, 2023 to June 30, 2024	8.15%	9.47%	2.49%	20.11%

State and University Employers

	<u>Members</u>	<u>Employers</u>	<u>General fund</u>	<u>Total employee & employer</u>
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	9.47%	0.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	9.85%	0.11%	17.11%
July 1, 2013 to June 30, 2014	8.15%	10.85%	0.11%	19.11%
July 1, 2014 to June 30, 2017	8.15%	10.95%	0.11%	19.21%
July 1, 2017 to June 30, 2017	8.15%	11.05%	0.11%	19.31%
July 1, 2017 to June 30, 2017	8.15%	11.15%	0.11%	19.41%
July 1, 2017 to June 30, 2018	8.15%	11.25%	0.11%	19.51%
July 1, 2018 to June 30, 2019	8.15%	11.35%	0.11%	19.61%
July 1, 2019 to June 30, 2020	8.15%	11.45%	0.11%	19.71%
July 1, 2020 to June 30, 2021	8.15%	11.55%	0.11%	19.81%
July 1, 2021 to June 30, 2022	8.15%	11.65%	0.11%	19.91%
July 1, 2022 to June 30, 2023	8.15%	11.75%	0.11%	20.01%
July 1, 2023 to June 30, 2024	8.15%	11.85%	0.11%	20.11%

TRS Stand-Alone Statements

TRS’s stand-alone financial statements, actuarial valuations and experience studies can be found online at <https://trs.mt.gov/TrsInfo/NewsAnnualReport>.

Actuarial Assumptions:

The TPL as of June 30, 2016, is based on the results of an actuarial valuation date of July 1, 2016. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the July 1, 2016 valuation were based on the results of the last actuarial experience study, dated May 1, 2014.

Among those assumptions were the following:

- Total Wage Increases* 4% - 8.51 for Non-University Members and 5.00% for University Members
- Investment Return 7.75%

- Price Inflation 3.25%
 - Postretirement Benefit Increases
 - Tier One Members: If the retiree has received benefits for at least 3 years, the retirement allowance will be increased by 1.5% on January 1st.
 - Tier Two Members: The retiree allowance will be increased by an amount equal to or greater than .05% but no more than 1.5% if the most recent actuarial valuation shows the plan to be at least 90% funded and the provisions of the increase is not project to cause the funded ration to be less than 85%.
 - Mortality among contributing members, service retired members, and beneficiaries
 - For Males: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and 1992 Base Rates from the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.
 - For Females: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the 1992 Base Rates from the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.
 - Mortality among disabled members
 - For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.
 - For Females: RP 2000 Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.
- * Total Wage Increases include 4.00% general wage increase assumption

Discount Rate:

The discount rate used to measure the TPL was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. In addition to the contributions, the State general fund will contribute \$25 million annually to the plan’s payable July 1st of each year. Based on those assumptions, the plan’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2122. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. No municipal bond rate was incorporated in the discount rate.

Target Allocations:

Asset Class	Target Asset	Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
	Allocation	Arithmetic Basis	(a) X (b)
Broad US Equity	36.00%	4.80%	1.73%
Broad International Equity	18.00%	6.05%	1.09%
Private Equity	12.00%	8.50%	1.02%
Intermediate Bonds	23.40%	1.50%	0.35%
Core Real Estate	4.00%	4.50%	0.18%
High Yield Bonds	2.60%	3.25%	0.08%
Non-Core Real Estate	4.00%	7.50%	0.30%
Total	100.00%		4.75%
		Inflation	3.25%
		Expected arithmetic nominal return	8.00%

The long-term expected nominal rate of return above 8.00 percent differs from the total TRS long-term rate of return assumption of 7.75 percent. The assumed rate is comprised of a 3.25 percent inflation rate and a real long-term expected rate of return of 4.5 percent.

The assumed long-term expected return on pension plan asset is reviewed as part of the regular experience studies prepared every four years for the plan. The most recent analysis, performed for the period covering fiscal years 2008 through 2013, is outlined in a report dated May 2014. Several factors are considered in evaluating the long-

term rate of return assumption including long term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates of arithmetic real rates of return for each major asset class included in the System’s target asset allocation as of June 30, 2016, is summarized in the above table.

Sensitivity Analysis:

	1% Decrease	Current Discount Rate	1% Increase
	[6.75%]	[7.75%]	[8.75%]
County's Proportionate share of the NPL	\$137,280	\$102,316	\$72,880

In accordance with GASB Statement 68 regarding the disclosure of the sensitivity of the NPL to changes in the discount rate, the above table presents the NPL calculated using the discount rate of 7.75 percent, as well as what the NPL would be if it were calculated using a discount rate that is 1.00 percent lower [6.75%] or 1.00 percent higher [8.75%] than the current rate.

Net Pension Liability:

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the TRS. GASB Statement 68 became effective June 30, 2017 and includes requirements to record and report their proportionate share of the collective NPL, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions. In accordance with GASB Statement 68, TRS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to TRS that are used to provide pension benefits to the retired members of TRS. Due to the existence of a special funding situation, employers are also required to report the portion of the State of Montana’s proportionate share of the collective NPL that is associated with the employer. The following table displays the amounts and percentages of NPL for the fiscal years ended June 30, 2017 and June 30, 2017 (reporting dates).

	Net Pension Liability as of 6/30/17	Net Pension Liability as of 6/30/16	Percent of Collective NPL as of 6/30/17	Percent of Collective NPL as of 6/30/16	Change in Percent of Collective NPL
County’s proportionate share	\$102,316	\$100,684	0.0056%	0.0061%	-0.0005%
State of Montana’s proportionate share associated with County	70,045	74,848	0.0038%	0.0046%	-0.0008%
Total	\$172,361	\$175,532	0.0094%	0.0107%	-0.0013%

At June 30, 2017, the County recorded a liability of \$102,316 for its proportionate share of the NPL. The NPL was measured as of June 30, 2017, and the TPL used to calculate the NPL was determined by an actuarial valuation as of July 1, 2017. Therefore, no update procedures were used to roll forward the TPL to the measurement date. The County’s proportion of the NPL was based on the County’s contributions received by TRS during the measurement period July 1, 2014, through June 30, 2017, relative to the total employer contributions received from all of TRS’ participating employers. At June 30, 2017, the employer’s proportion was 0.0056 percent.

Changes in actuarial assumptions and methods:

The following changes in assumptions or other inputs that affected the measurement of the TPL have been made

since the previous measurement date.

Changes in actuarial assumptions and other inputs:

Since the previous measurement date the following changes were made:

- Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three year cost of living adjustment (COLA) deferral period for Tier two Members.
- The 0.63% load applied to the projected retirement benefits of the university members “to account for larger than average annual compensation increases observed in the years immediately preceding retirement” is not applied to benefits expected to be paid to university members on account of death, disability and termination (prior to retirement eligibility).
- The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.
- The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portion of the terminated members that are assumed to “retain membership in the plan” are covered by the \$500 death benefit after termination.

Changes in benefit terms:

There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share:

There were no changes between the measurement date of the collective NPL and the employer’s reporting date that are expected to have a significant effect on the employer’s proportionate share of the collective NPL.

Pension Expense:

	Pension Expense as of <u>6/30/2017</u>
County’s Proportionate Share	\$4,256
State of Montana Proportionate Share	<u>\$2,114</u>
Total	<u>\$6,370</u>

At June 30, 2017, the County recognized a Pension Expense of \$6,370 for its proportionate share of the TRS’s Pension Expense. The employer also recognized grant revenue of \$2,114 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer.

Deferred Inflows and Outflows:

At June 30, 2017, the County reported its proportionate share of TRS’s deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 547	\$ 217
Changes in actuarial assumptions	\$ 651	\$ 643
Difference between projected and actual investment earnings	\$ 6,589	\$ -
Difference between projected and actual contributions	\$ -	\$ 8,842
*Contributions paid to TRS subsequent to the measurement date FY 2017 Contributions	\$ 6,700	
Total	<u>\$ 14,487</u>	<u>\$ 9,702</u>

*Amounts reported as deferred outflows of resources related to pensions resulting from the employer’s contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended June 30, 2017.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Year Ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2018	\$ 1,370	\$ 3,979	\$ (2,609)
2019	\$ 419	\$ 3,290	\$ (2,871)
2020	\$ 3,633	\$ 2,434	\$ (2,365)
2021	\$ 2,365	\$ -	\$ 2,365
2022	\$ -	\$ -	\$ -
Therafter	\$ -	\$ -	\$ -

NOTE14b – OTHER EMPLOYEE BENEFITS

The 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, dental and vision claims of 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 \$120,000 specific per claimant plus \$50,000 aggregate for the group 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, 2017, the County’s medical insurance fund had a balance of \$1,071,481. Employees are responsible to pay 60 percent of a claimant’s costs up to \$3,500 for individuals and \$7,000 per family. After the \$3,500 out-of-pocket maximum is met, 100 percent of any eligible costs are covered by the health plan.

	Annual Deductible (1)		Benefits Percentage (1)		Out-of-pocket Maximum (1)	
	PPO	Non-PPO	PPO	Non-PPO	PPO	Non-PPO
Medical Benefit						
Per Covered Person	\$ 250	\$ 500	60%	50%	\$ 3,500	\$ 100,000
Per Family	\$ 750	\$ 1,000	60%	50%	\$ 7,000	N/A
Pharmacy Benefit						
			Preferred	Non-Preferred		
Per Covered Person	\$ 200		20%	40%		
Per Family	\$ 400					

(1) per benefit period

This chart is a generalization of the coverage, specific exceptions are available in the Health Benefits Manual

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 2017	Fiscal Year 2016
Claims payable, July 1	\$ 159,351	\$ 270,517
Claims incurred	(4,219,572)	(3,780,807)
Claims paid	4,328,647	3,669,641
Claims payable, June 30	\$ 268,426	\$ 159,351

The County pays the premium for a \$25,000 life insurance policy for all eligible employees that enroll in the benefit. The premiums were paid to an insurance carrier during the fiscal year ended June 30, 2017. The County also operates an Internal Revenue Code Section 125 plan for medical and day care expenses. Employees could contribute pretax dollars up to \$2,550 per year for medical expenses and up to \$5,000 per year for day care expenses.

Other Post-Employment Benefits (OPEB)

In June 2004, GASB issued Statement No. 45: Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions. The primary type of OPEB covered by GASB 45 is post-employment health benefits, but it may also include other benefits such as post-employment life insurance or legal assistance. While post-employment pension benefits for state and local government employers have used accrual-based accounting for some time, as required under GASB 27, OPEB have generally been accounted for only on a pay-as-you-go basis. GASB 45 requires accrual-based accounting for OPEB, similar to the accounting requirements in place for governmental pension plans under GASB 27.

In June 2015, GASB issued Statement No. 75: Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions to replace GASB Statement No. 45 for plan years beginning after June 15, 2017, with the purpose of standardizing post-employment benefit liability calculations. The County decided to early implement this standard.

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). As of June 30, 2017, the County had thirteen enrollees under the Retiree division, plus two spouses and one child dependent and two employees under COBRA insurance coverage, including one enrollee previously enrolled as a dependent, but post dependent eligible. There was one child dependents covered under County COBRA participants. 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, 2017, the County was paying insurance for four retirees.

As required by GASB Statement No. 75, the County has calculated and included an OPEB liability in 2017.

Plan Description

The Lewis and Clark County Employee Group Benefit Plan maintain a single-employer self-insured medical plan that is administered by Allegiance Benefit Plan Management, Inc. The plan currently provides defined medical, dental, and vision insurance benefits for eligible employees, retirees, spouses, and dependents. Participation is elected by the retiree at the time of retirement. Benefit provisions are set annually by the BOCC and may be revoked or altered at any time.

Funding Policy

The County provides no direct subsidy to the health insurance premiums for retirees. Retirees pay for the entire cost of the health insurance premium. Eligible retired employees include former fulltime and certain other employees. As of June 30, 2017, there are eleven enrollees participating in retiree division of the employer’s sponsored health plan. In fiscal year 2017, retirees contributed \$99,979 towards the cost of the County’s annual premium, with premiums per month being \$775 for retiree only and \$1,175 for retiree and spouse, less amounts earned toward wellness credits. Premiums for retirees covering children add \$70 per child per month, with a limit of \$280 per month to the above options.

Reporting Requirements

The total OPEB liability (TOL) measured under GASB 75 is based upon Service Cost and more standardized reporting assumptions than prior Statements. As a pay-as-you-go public entity, GASB 75 requires a 20-year amortization period and a current municipal bond discount rate to establish an Actuarially Determined Contribution (ADC). The GASB 75 valuation is further required to show both historical and projected future net changes in TOL, as well as sensitivity to changes in key underlying assumptions.

Per GASB 75, all employers must have a valuation performed at least every two years as of the first fiscal year beginning after June 15, 2017.

Valuation Results

The ADC for the Lewis and Clark County Employee Group Benefits Plan has been determined under the entry age normal cost method as of June 30, 2017. Many of the assumptions adopted by the County are the same as those used in the actuarial valuations for the pension plans that cover the same employees.

The results of the valuation represent reasonable estimates. However, variation from these or any other estimates of future retiree medical costs is probable. Actual future costs may vary significantly from estimates in this report. Significant differences between actual and expected liability can come from health cost trend or demographic experience which differ from expectations. Changes to benefits offered or to valuation assumptions can also affect liabilities.

There are no assets set aside to fund these benefits and that the County funds these post-retirement benefits on a pay-as-you-go basis from the general assets. For the 2016/2017 valuation, a 3.53 percent discount rate and a 20 percent participation rate assumption was applied, which is reasonable for county employees. For participants age 65 and older, a variable participation rate, or Lapse Rate, was applied by age group, to account for potential migration into a less-costly Medicare plan once retirees become eligible for Medicare. Changes made to other actuarial assumptions used can be found in their respective sections throughout this report.

Key Highlights

Following is a summary of key valuation results as of June 30, 2017:

<u>Valuation Result Highlights</u>	Fiscal Year Ending June 30, 2017
Actuarially Determined Contribution (ADC)	\$ 72,819
Total OPEB Liability (TOL)	\$ 486,832
Covered Employee Payroll	\$ 18,329,138
TOL as a Percentage of Payroll Participants	2.66%
Participants	319

- The ADC is the OPEB expense that is actuarially determined in accordance with the requirements of GASB 75. If funds equal to the ADC are not set aside each year, then this amount, less actual benefit payments, will accumulate as a liability reported as the TOL on the County’s financial statements. This amount is expected to be higher under GASB 75 due to the shorter amortization period, all else equal.
- The TOL is the present value of benefits that are attributed to past service. For retirees, this is equal to the present value of benefits. For active employees, this is equal to the present value of future benefits less the present value of future service costs. This is also expected to be higher due to the new Entry Age Normal valuation methodology, all else equal.

Employees Covered by Benefit Terms

At June 30, 2017, the following employees were covered by the benefit terms:

	<u>June 30, 2017</u>
Inactive employees or beneficiaries currently receiving benefit payments	14
Active employees	<u>305</u>
Total	<u><u>319</u></u>

Measurement of Assumption Changes

Following is a summary of actuarial gains and losses resulting from differences between the data and assumptions of the prior valuation and the re-measurement of the current valuation.

<u>Assumption Changes</u>	Total OPEB Liability
<u>7/1/2014 Valuation Reporting</u>	
6/30/2015 Valuation Results	\$ 440,442
6/30/2016 Roll-forward Estimate	\$ 500,152
6/30/2017 Roll-forward Estimate	\$ 580,966
<u>7/1/2016 Valuation Reporting</u>	
Demographic Changes	(41,336)
Claim Cost Experience Change	(202,390)
Retiree Contribution Change	175,892
All Other GASB 45 Assumption Changes	(9,756)
Transition to GASB 75 Requirements	<u>(16,544)</u>
Total Methodology, Demographic and Assumption Changes	<u>(94,134)</u>
6/30/2017 Valuation results	<u><u>\$ 486,832</u></u>

- The 2014 GASB 45 Report projected to 6/30/2017 TOL as \$580,966.
- The Demographic Changes measure the difference between the Closed Group Projection estimate as of the July 1, 2014 valuation and current enrollment.
- The Retiree Contribution Change being greater than the Claim Cost Experience Change demonstrates that actual healthcare claim cost was slightly less than retiree contribution increases.
- Other GASB 45 Assumption Changes account for factors such as updated trend, changes in plan participation, and effects of migration to less-costly Medicare plans upon eligibility and revised actuarial assumptions adopted by PERS, SRS and TRS.
- Transitions to GASB 75 requirements include changes to discount rate, inflation rate and actuarial cost method.
- The 2017 TOL estimate was lower than projected in the 2014 GASB 45 Report.

Effects of Alternative Rates

The following tables illustrate the effects of alternative health care cost trend rates and discount rates as required by GASB Statements 74 and 75.

Sensitivity of the TOL to changes in the healthcare cost trend rates. The following presents the TOL of the County, as well as what the County’s TOL would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower [6.5%] or 1-percentage-point higher [8.5%] than the current healthcare cost trend rates:

	Total OPEB Liability
Health Care Cost Trend Rates Minus 1%	\$ 473,205
Health Care Cost Trend Rates	\$ 486,832
Health Care Cost Trend Rates Plus 1%	\$ 490,006

- Trend rate sensitivity applies to all projected years.
- A reduction in trend rate will result in a reduction in the TOL and ADC.

Sensitivity of the TOL to changes in the discount rate. The following present the TOL of the County, as well as what the County’s TOL would be if it were calculated using a discount rate that is 1-percentage –point lower (2.53%) or 1-percentage-point higher (4.53%) than the current discount rate:

	Total OPEB Liability
Discount Rate Minus 1% [2.53%]	\$ 458,168
Discount Rate [3.53%]	\$ 486,832
Discount Rate Plus 1% [4.53%]	\$ 497,577

- A reduction in discount rate will result in an increase in the TOL and ADC.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2016	\$ 580,966
Changes for the year:	
Service Cost	45,995
Interest	22,132
Differences between expected and actual experience	(94,134)
Changes in assumptions or other inputs	(23,074)
Benefit payments	(45,053)
Net changes	(94,134)
Balance at June 30, 2017	\$ 486,832

- As of June 30, 2017, the plan was zero percent funded. The TOL was \$486,832 and the actuarial value of the fiduciary net position was zero, resulting in a net OPEB liability of \$486,832.

Deferred Inflow of Resources

For the year ended June 30, 2017, the County reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 87,620
Changes of assumptions or other inputs	21,477
Total	\$ 109,097

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:			
	2018	\$	8,111
	2019		8,111
	2020		8,111
	2021		8,111
	2022		8,111
	Thereafter		68,542

Summary of Plan Provisions

Following is a brief summary of the essential features of the County’s OPEB benefits that is provided to current and future retirees.

Retiree and Dependent Medical Benefit Eligibility- A retiree is considered eligible for coverage under this plan only if the retiree was covered under this plan as a participant on his or her last day of active service for the employer prior to retirement, and subject to the terms of 2-18-704 MCA.

A retiree’s dependents and surviving dependents upon the death of the retiree is also eligible if the retiree was eligible for coverage and covered under this plan, subject to the terms of 2-18-704 MCA.

Eligibility for Retirement

Normal Retirement Eligibility

Under the Public Employees' Retirement System:

- For members hired prior to July 1, 2011 - Age 65, or Age 60 and 5 years of service, or 30 years of service
- For members hired on or after July 1, 2011 - Age 70, or Age 65 and 5 years of service

Under the Sheriffs' Retirement System - 20 years of service

Under the Teachers' Retirement System - Age 60 and 5 years of service, or 25 years of service

Early Retirement Eligibility

Under the Public Employees' Retirement System:

- For members hired prior to July 1, 2011- Age 50 and 5 years of service, or 25 years of service
- For members hired on or after July 1, 2011- Age 55 and 5 years of service

Under the Sheriffs' Retirement System - Age 50 and 5 years of service

Under the Teachers' Retirement System -Age 50 and 5 years of service

Medicare Retiree - For retirees who are 65 years of age or older, Medicare is primary and the Plan will be secondary for the covered retiree if he/she is an individual who is enrolled in Medicare Part A or Part B as a result of age and retired.

Medicare is primary and the Plan will be secondary for the covered retiree's dependent spouse who is enrolled in Medicare Part A or B if both the covered retiree and his/her covered dependent spouse are enrolled in Medicare Part A or Part B as a result of age and retired.

Medicare is primary for the retiree's dependent spouse when the retiree is not enrolled for Medicare Part A or Part B as a result of age and the retiree's dependent spouse is enrolled in Medicare Part A or Part B as a result of age.

Retirement Incentive Program - In recognition of years of service to the County at the time of retirement, the following policy is adopted:

When a retiring employee meets the following criteria the County will pay the employee's health insurance premium for the first six months following the effective date of retirement. The criteria are:

1. The retiring employee must have twenty years or more of continuous service with the County.
2. The retiring employee must qualify and retire in accordance with PERS or SRS rules.

Health Care Premiums

Retiree Monthly Premium Rates- The following premiums for health coverage are in effect as of July 1, 2016:

<u>Coverage</u>	<u>Monthly Contribution</u>
Retiree Only	\$775
Retiree & Spouse	\$1,175
Retiree & Child(ren)	\$775 + \$70 per child up to \$280
Retiree & Family	\$1,175 + \$70 per child up to \$280

Health Care Benefits

Medical Plan Services Summary

	<u>Annual Deductible</u>	<u>Co-insurance percentages</u>	<u>Annual Out of Pocket Maximums</u>
In Network	\$250/ Member \$750/ Family	40% coinsurance	\$3,500/ Member \$7,000/ Family
Out-of-Network	\$500/ Member \$1,000/ Family	50% coinsurance	\$100,000/ Member N/A/ Family

Prescription Drugs - Deductible: \$200 per individual, \$400 per family

Copayment

- Generic 20%
- Preferred Brand 20%
- Non-Preferred Brand 40%

Dental Plan Services Summary- \$35 Annual Deductible per Individual with \$1,500 Annual Maximum

- Preventive/Diagnostic Care: Covered at 100%, deductible applies.
- Basic Care: Covered at 50%, deductible applies.
- Major Restorative Care: Covered at 50%, deductible applies.
- Orthodontia: Covered at 50%, deductible applies.

Vision Plan Services Summary- Annual exam covered in full

Member may choose:

- \$25 hardware deductible
- Lenses once per 12 months up to \$130
- Frames once per 24 months up to \$130 or
- Contact lenses once per 12 months up to \$130

Changes in Plan Provisions- None.

Deferred Compensation

The 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, the County changed the plan provider to Great-West Retirement Services, hereafter referred to as Great-West. Great-West was purchased by and is doing business under the name Empower Retirement Services.

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 Empower Retirement Services, therefore the County has elected to not report the balances and activities of the plans in its financial statements.

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 participated in a state-wide public risk pool operated by the Montana Association of Counties 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.

The County has joined with other Montana employers to form a self-insurance pool offering workers’ compensation coverage. This pool, named Montana State Fund, provides claim administrative services. Premiums paid to Montana State Fund amounted to \$320,958 for the fiscal year.

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 2017 amounted to \$511,963.

Audited financial statements for the fiscal year ended June 30, 2017, 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 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 2017, the State contributed \$69,243 toward the annual salary of \$125,073, plus \$540 in taxable cell-phone reimbursements 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, 2017, there were uncompleted contracts as follows:

<u>Project Title</u>	<u>Construction Committed</u>	<u>Fund Type</u>	<u>Encumbered Amount</u>
Federal Lands Access Program - Road Projects	\$ 1,124,855	Major governmental	\$ 991,387
Public Works Road Maintenance	637,985	Major governmental	10,724
Fort Harrison/Limestone Hills -Joint Land Use	250,000	Non-major governmental	34,973
Flood Mitigation Plan	112,563	Non-major governmental	112,563
Audit services for next two years	100,500	Major governmental	-
Junk Vehicle Building	86,098	Major governmental	52,821
Hooper Park Construction	51,250	Non-major governmental	51,250
Forestvale Sprinkler Replacement Project	30,869	Major governmental	30,869
Total	<u>\$ 2,394,120</u>		<u>\$ 1,284,587</u>

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>
CDV-08-5 81	\$ 500,000	Remote	Supreme Court remands to District Court
ADV-16-608	undetermined	Remote	In litigation
DDV-16-726	\$ 1,000,000	Remote	In litigation

The County has several unasserted claims that have not been filed in court for less than \$30,000 that have a possible unfavorable outcome.

NOTE 18 – SUBSEQUENT EVENTS

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

On July 18, 2017, the County entered into a contract of \$85,000 with SMA Architects for architectural service related to remodeling a portion of the Murray Building.

On July 28, 2017, the County entered into a contract of \$124,985 with Helena Sand & Gravel, Inc. for a paving project for Valley Drive.

In August of 2017, the County entered into a contract for \$60,000 with Western Mental Health Services for operational services at Our Place Drop in Center.

On August 3, 2017, the County entered into a contract of \$107,695 with Christman Roofing, Inc. to re-roof five barns and the Fairgrounds.

On August 8, 2017, the County entered into a contract of \$60,293 with CAP Paving, Inc. for road repair in Treasure State Acres.

On September 28, 2017, the County entered into a contract of \$44,700 with Yellow Jacket Construction to re-roof the snowplow shed for Public Works.

On September 28, 2017, the County entered into a contract of \$40,600 with FenceCrafters Helena, Inc. for fencing at the County Landfill and the Scratchgravel Landfill.

NOTE 19 – RECENT ACCOUNTING PRONOUNCEMENTS

The GASB has recently issued several statements since the governments previous annual report submission.

The GASB has issued **Statement No. 80**, *Blending Requirements for Certain Component Units*, which is effective beginning in fiscal year 2017. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended.

The GASB has issued **Statement No. 81**, *Irrevocable Split Interest Agreements*, which is effective beginning in fiscal year 2017. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

The GASB has issued **Statement No. 82**, *Pension Issues*, which is effective beginning in fiscal year 2017, except for requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.

The County has reviewed these statements and determined that they are not applicable to its financial position or results of operations. The County acknowledges the adoption of certain statements may have a material effect on its basic financial statements.

NOTE 20 – DISCONTINUED OPERATIONS

In June 2012, the County sold the Cooney Home to exit the nursing home business. The County accounted for the nursing home business as a discontinued operation. The County signed two contracts for a long-term notes receivable of \$2,262,201. On May 30, 2014, the contracts were amended with the new total of \$2,049,977, including the accrued interest. Payments are now being made monthly. The County received principal payments of \$58,452, along with interest income of \$21,901, in the current fiscal year, therefore leaving a balance on the notes of \$1,894,325.

The County sold all assets of the nursing home, except for accounts receivable as of June 1, 2012, thus the County continues to report revenue and expenses that are associated with those receivables, when they occur. The County received no income on written off patient receivables during the fiscal year.

As of June 30, 2017, the County had a net receivable balance of \$18,628. All asset and liability balances shown in the Statement of Net Position - Proprietary Funds in the Cooney Home major fund are related to the discontinued operation, and have been valued at their net realizable value.

For the year ending June 30, 2017, a summary of the results of operations of the discontinued nursing home business unit follows:

Revenue	\$ 21,901
Costs and expenses	<u>(-)</u>
Gain from discontinued operations	<u>\$ 21,901</u>

NOTE 21 – JOINT VENTURES

Lewis and Clark Library

In 1974, the County entered into an interlocal Library contract with the City of Helena to create the Lewis and Clark Library located within the City of Helena. The five-member Board of Trustees consists of two members appointed by each government and one member appointed jointly. Upon dissolution, the County has a 50 percent share in the net position of the Library. The most current summary financial information as of, and for, the fiscal year ended June 30 is:

	<u>2017</u>	<u>2016</u>
Cash and investments	\$ 5,996,206	\$ 5,164,206
Other assets	-	-
Total assets	<u>\$ 5,996,206</u>	<u>\$ 5,164,206</u>
Liabilities	\$ -	\$ -
Net position	<u>\$ 5,996,206</u>	<u>\$ 5,164,206</u>
Revenues	\$ 3,786,070	\$ 3,304,208
Expenses	<u>(2,953,701)</u>	<u>(3,189,286)</u>
Change in net position	832,369	114,922
Net position, July 1	<u>5,164,206</u>	<u>5,049,284</u>
Net position, June 30	<u>\$ 5,996,575</u>	<u>\$ 5,164,206</u>

Financial statements of the Lewis and Clark Library are available from the Administrative Office, 120 South Last Chance Gulch Helena, Montana, 59601. In fiscal year 2015, the library started reporting on a cash basis, as allowed by the State of Montana.

NOTE 22 – TAX ABATEMENTS

The County enters into property tax abatement agreements on an individual basis with businesses under the MCA, Title 15, Taxation. Under the code, localities may grant property tax abatements to businesses with qualifying improvements or modernized processes that represent new industry or expansion of an existing industry (15-24-1402, New or expanding industry). In the first 5 years after a construction permit is issued, a business' property is taxed at 50 percent of taxable value with equal percentage increases taxed until the full taxable value is attained in the 10th year. In subsequent years, the property is taxed at 100 percent of its taxable value (MCA 15-10-420).

For the fiscal year ended June 30, 2017, the County abated property taxes totaling \$57,776, for qualifying businesses.

The County has not made any commitments as part of the agreements other than to reduce taxes and is not subject to any tax abatement agreements entered into by other governmental entities. The County has chosen to disclose information about its tax abatement agreements in the aggregate.

NOTE 23 – PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2017, the County recorded two prior period adjustments. One adjustment was for the inclusion in Capital Assets of a land easement that was from fiscal year 2016 that had inadvertently been left off the capital asset list. The other was for implementation of GASB Statement No. 75, regarding the reporting of other post-employment benefit liabilities.

In the Statement of Activities report in the Governmental Activities section, the net prior period adjustment decreased the beginning net position by \$20,427. The adjustment was due to an increase of \$95,800 relating to the inclusion in Capital Assets for the land easement and a decrease of \$116,227 for the implemented GASB Statement No. 75.

The prior period adjustment for the land easement is reflected in the beginning balances for the Governmental Activities in Note 8 and in the Schedules of Capital Assets Used in the Operations of the Governmental Funds.

The prior period adjustment for implementation of GASB Statement No. 75 is reflected in the beginning balances for the TOL in Note 14b.

In the Statement of Activities report in the Business-type Activities section, the prior period adjustment decreased the beginning net position by \$5,177. The adjustment was due to the implemented GASB Statement No. 75.

REQUIRED SUPPLEMENTARY INFORMATION

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employee's Retirement System - Defined Benefit
For the Year Ended June 30,2017
Determined as of the Measurement Date

	2017	2016	2015
County's proportion of the net pension liability (asset) as %	1.0423%	1.0274%	1.0822%
County's proportionate share of the net pension liability (asset) as amount	\$ 17,754,724	\$ 14,361,452	\$ 13,484,603
State's proportionate share of the net pension liability (asset) associated with the County	216,942	176,406	164,668
Total	\$ 17,971,666	\$ 14,537,858	\$ 13,649,271
County's covered-employee payroll	\$ 12,485,456	\$ 11,989,727	\$ 12,336,479
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	142.20%	119.78%	109.31%
Plan fiduciary net position as a percentage of the total pension liability	74.71%	78.40%	79.87%

Sheriffs' Retirement System
For the Year Ended June 30,2017
Determined as of the Measurement Date

	2017	2016	2015
County's proportion of the net pension liability (asset) as %	6.0348%	6.0839%	6.1671%
County's proportionate share of the net pension liability (asset) as amount	\$ 10,601,743	\$ 5,864,814	\$ 2,566,570
Total	\$ 10,601,743	\$ 5,864,814	\$ 2,566,570
County's covered-employee payroll	\$ 4,260,139	\$ 4,139,823	\$ 3,988,436
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	248.86%	141.67%	64.35%
Plan fiduciary net position as a percentage of the total pension liability	63.00%	75.40%	87.24%

Schedule is intended to show this information for 10 years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Teachers Retirement System
 For the Year Ended June 30, 2017
 Determined as of the Measurement Date

	2017	2016	2015
County's proportion of the net pension liability (asset) as %	0.0056%	0.0061%	0.0061%
County's proportionate share of the net pension liability (asset) as amount	\$ 102,316	\$ 100,684	\$ 94,624
State's proportionate share of the net pension liability (asset) associated with the County	70,045	74,848	67,471
Total	\$ 172,361	\$ 175,532	\$ 162,095
County's covered-employee payroll	\$ 72,705	\$ 78,213	\$ 77,543
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	140.73%	128.73%	122.03%
Plan fiduciary net position as a percentage of the total pension liability	66.69%	69.30%	70.36%

Schedule is intended to show this information for 10 years. Additional years will be displayed as they become available.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS**

Public Employee's Retirement System - Defined Benefit
For the Year Ended June 30,2017
Determined as of the Reporting Date

	2017	2016	2015
Contractually required contributions	\$ 1,159,830	\$ 1,043,603	\$ 988,002
Plan choice rate required contributions	\$ -	\$ 27,879	\$ 43,818
Contributions in relation to the contractually required contributions	\$ 1,159,830	\$ 1,071,482	\$ 1,031,820
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 13,853,973	\$ 12,485,456	\$ 11,989,727
Contributions as a percent of covered payroll	8.37%	8.58%	8.61%

Sherriffs' Retirement System.
For the Year Ended June 30,2017
Determined as of the Reporting Date

	2017	2016	2015
Contractually required contributions	\$ 444,935	\$ 441,544	\$ 419,938
Contributions in relation to the contractually required contributions	\$ 444,935	\$ 441,544	\$ 419,938
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 4,398,762	\$ 4,260,139	\$ 4,139,823
Contributions as a percent of covered payroll	10.12%	10.36%	10.14%

Teachers Retirement System
For the Year Ended June 30,2017
Determined as of the Reporting Date

	2017	2016	2015
Contractually required contributions	\$ 6,700	\$ 6,303	\$ 6,703
Contributions in relation to the contractually required contributions	\$ 6,700	\$ 6,303	\$ 6,703
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 76,403	\$ 72,705	\$ 78,213
Contributions as a percent of covered payroll	8.77%	8.67%	8.57%

Schedule is intended to show this information for 10 years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
 EMPLOYEE GROUP BENEFITS PLAN - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (\$)</u> (a)	<u>Actuarial Accrued Liability (AAL) (\$)</u> (1) (b)	<u>Unfunded AAL (UAAL) (\$)</u> (b-a)	<u>Funded Ratio (%)</u> (a/b)	<u>Annual Covered Payroll (\$)</u> (2) (c)	<u>UAAL as a Percentage of Covered Payroll (%)</u> (b-a/c)
June 30, 2017	-	486,832	486,832	0.00%	18,329,138	2.66%
June 30, 2016	-	580,966	580,966	0.00%	16,818,300	3.45%
June 30, 2015	-	500,152	500,152	0.00%	16,207,763	3.09%
June 30, 2014	-	440,442	440,442	0.00%	17,968,448	2.45%
June 30, 2013	-	1,017,210	1,017,210	0.00%	17,253,198	5.90%
June 30, 2012	-	965,161	965,161	0.00%	19,409,028	4.97%
June 30, 2011	-	968,425	968,425	0.00%	18,812,848	5.15%
June 30, 2010	-	895,820	895,820	0.00%	18,516,616	4.84%
June 30, 2009	-	926,167	926,167	0.00%	17,713,813	5.23%

This schedule is based on the actuarial values as of June 30, 2017. Information for years prior to June 30, 2009, is not available.

- (1) Beginning in Fiscal year 2017, with the implementation of GASB 75, the Actuarial Accrued Liability is the Total OPEB Liability.
- (1) Beginning in Fiscal year 2015, the annual covered payroll will be the same as the amounts used in the Pension RSI.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Fiscal Year Ended June 30, 2017

These Notes relate to the Required Supplementary Information for the Public Employee's Retirement System (PERS), Sheriff's Retirement System (SRS), Teacher's Retirement System (TRS) and Other Post Employment Benefit (OPEB).

PERS

Changes of Benefit Terms

The following changes to the plan provision were made as identified:

2013 Legislative Changes:

House Bill 454 – Permanent Injunction Limits Application of the GABA Reduction passed under HB 454

Guaranteed Annual Benefit Adjustment (GABA) - for PERS

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired **on or after** July 1, 2007 and **before** July 1, 2013
- Members hired **on or after** July 1, 2013
 - a) 1.5% each year PERS is funded at or above 90%;
 - b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and,
 - c) 0% whenever the amortization period for PERS is 40 years or more.

2015 Legislative Changes:

General Revisions - House Bill 101, effective January 1, 2016

Second Retirement Benefit - for PERS

- 1) Applies to PERS members who return to active service on or after January 1, 2016. Members who retire before January 1, 2016, return to PERS-covered employment, and accumulate less than 2 years of service credit before retiring again:
 - refund of member's contributions from second employment plus regular interest (currently 0.25%);
 - no service credit for second employment;
 - start same benefit amount the month following termination; and
 - GABA starts again in the January immediately following second retirement.
- 2) For members who retire before January 1, 2016, return to PERS-covered employment and accumulate two or more years of service credit before retiring again:
 - member receives a recalculated retirement benefit based on laws in effect at second retirement; and,
 - GABA starts in the January after receiving recalculated benefit for 12 months.
- 3) For members who retire on or after January 1, 2016, return to PERS-covered employment and accumulate less than 5 years of service credit before retiring again:
 - refund of member's contributions from second employment plus regular interest (currently 0.25%);
 - no service credit for second employment;
 - start same benefit amount the month following termination; and,
 - GABA starts again in the January immediately following second retirement.

- 4) For members who retire on or after January 1, 2016, return to PERS-covered employment and accumulate five or more years of service credit before retiring again:
- member receives same retirement benefit as prior to return to service;
 - member receives second retirement benefit for second period of service based on laws in effect at second retirement; and
 - GABA starts on both benefits in January after member receives original and new benefit for 12 months.

Revise DC Funding Laws - House Bill 107, effective July 1, 2015

Employer Contributions and the Defined Contribution Plan – for PERS and MUS-RP

The PCR was paid off effective March 2016 and the contributions of 2.37%; .47%; and the 1% increase previously directed to the PCR are now directed to the Defined Contribution or MUS-RP member’s account.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of ADC

The following addition to the actuarial assumptions was adopted in 2014 based upon implementation of GASB Statement 68:

Admin Expense as % of Payroll	0.27%
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There were no changes following the 2013 Economic Experience Study.

The following changes were adopted from the June 2010 Experience Study:

General Wage Growth*	4.00%
*Includes inflation at	3.00%
Merit increase	0% to 6%
Investment rate of return	7.75 percent, net of pension plan investment expense, and including inflation
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open

SRS

Changes of Benefit Terms

The following changes to the plan provision were made as identified:

2015 Legislative Changes: none

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of ADC

The following change to the actuarial assumptions was adopted in 2016:

SRS Discount rate - Used to measure the TPL	5.93 percent, which is a blend of the assumed long-term expected rate of return of 7.75 percent on System’s investments and a municipal bond index rate of 3.01 percent.
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The following change to the actuarial assumptions was adopted in 2015:

SRS Discount rate -	6.86 percent, which is a blend of the assumed long-term
Used to measure the TPL	expected rate of return of 7.75 percent on pension plan
	investments and a municipal bond index rate of 3.80
	percent.

The following changes were adopted in 2014 based on implementation of GASB Statement 68:

Admin Expense as a % of Payroll	0.17 percent
SRS Discount rate -	7.75 percent, which is the assumed long-term expected
Used to measure the TPL	rate of return on pension plan investments.

The following change to the actuarial assumptions was adopted in 2013:

SRS Discount rate -	6.68 percent, which is a blend of the assumed long-term
Used to measure the TPL	expected rate of return of 7.75 percent on pension plan
	investments and the municipal bond index rate.

TRS

Changes of Benefit Terms:

The following changes to the plan provision were made as identified:

The 2013 Montana Legislature passed HB 377 which provides additional revenue and created a two tier benefit structure. A Tier One Member is a person who first became a member before July 1, 2013 and has not withdrawn their member’s account balance. A Tier Two Member is a person who first becomes a member on or after July 1, 2013 or after withdrawing their member’s account balance, becomes a member again on or after July 1, 2013.

The second tier benefit structure for members hired on or after July 1, 2013 is summarized below.

- 1) Final Average Compensation: average of earned compensation paid in five consecutive years of full-time service that yields the highest average
- 2) **Service Retirement:** Eligible to receive a service retirement benefit if the member has been credited with at least five full years of creditable service and has attained the age of 60; or has been credited with 30 or more years of full-time or part-time creditable service and has attained age 55
- 3) **Early Retirement:** Eligible to receive an early retirement allowance if a member is not eligible for service retirement but has at least five years of creditable service and attained age 55
- 4) **Professional Retirement Option:** if the member has been credited with 30 or more years of service and has attained the age of 60 they are eligible for an enhanced allowance equal to 1.85 percent of average final compensation times all service at retirement. Otherwise, the multiplier used to calculate the retirement allowance will be equal to 1.67 percent
- 5) **Annual Contribution:** 8.15 percent of member’s earned compensation
- 6) **Supplemental Contribution Rate:** On or after July 1, 2023, the TRS Board may require a supplemental contribution up to 0.5% percent if the following three conditions are met:
 - a) The average funded ratio of the System based on the last three annual actuarial valuations is equal to or less than 80 percent; and
 - b) The period necessary to amortize all liabilities of the System based on the latest annual actuarial valuation is greater than 20 years; and
 - c) A State or employer contribution rate increase or a flat dollar contribution to the Retirement System Trust fund has been enacted that is equivalent to or greater than the supplemental contribution rate imposed by the TRS Board.
- 7) **Disability Retirement:** A member will not be eligible for a disability retirement if the member is or will be eligible for a service retirement on the date of termination

8) **Guaranteed Annual Benefit Adjustment (GABA):**

- a) If the most recent actuarial valuation shows that Retirement System liabilities are at least 90 percent funded and the provision of the increase is not projected to cause the System's liabilities to be less than 85 percent funded, the GABA may increase from the 0.5 percent floor up to 1.5 percent, as set by the Board.

HB 377 increased revenue from the members, employers and the State as follows:

- Annual State contribution equal to \$25 million paid to the System in monthly installments.
- One-time contribution payable to the System by the trustees of a school district maintaining a retirement fund. The one-time contribution to the System shall be the amount earmarked as an operating reserve in excess of 20 percent of the adopted retirement fund budget for the fiscal year 2013. The amount received was \$22 million in FY 2014.
- 1% supplemental employer contribution. This will increase the current employer rates:
 - School Districts contributions will increase from 7.47% to 8.47%
 - The Montana University System and State Agencies will increase from 9.85% to 10.85%.
 - The supplemental employer contribution will increase by 0.1% each fiscal year for fiscal year 2014 thru fiscal year 2024. Fiscal years beginning after June 30, 2024 the total supplemental employer contribution will be equal to 2%.
- Members hired prior to July 1, 2013 (Tier One) under HB 377 are required to contribute a supplemental contribution equal to an additional 1% of the member's earned compensation.
- Each employer is required to contribute 9.85% of total compensation paid to all re-employed TRS retirees employed in a TRS reportable position to the System.

Changes in actuarial assumptions and other inputs:

The following changes to the actuarial assumptions were adopted in 2016:

- The normal cost method has been updated to align the calculation of the projected compensation and the total present value of plan benefits so that the normal cost rate reflects the most appropriate allocation of plan costs over future compensation.

The following changes to the actuarial assumptions were adopted in 2015:

- Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three year COLA deferral period for Tier Two Members.
- The 0.63% load applied to the projected retirement benefits of the university members "to account for larger than average annual compensation increases observed in the years immediately preceding retirement" is not applied to benefits expected to be paid to university members on account of death, disability and termination (prior to retirement eligibility).
- The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.
- The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portions of the terminated members that are assumed to "retain membership in the System" are covered by the \$500 death benefit after termination.

The following changes to the actuarial assumptions were adopted in 2014:

- Assumed rate of inflation was reduced from 3.50% to 3.25%
- Payroll Growth Assumption was reduced from 4.50% to 4.00%
- Assumed real wage growth was reduced from 1.00% to 0.75%
- Investment return assumption was changed from net of investment and administrative expenses to net of investment expenses only.

- Mortality among contributing members, service retired members, and beneficiaries was updated to the following:

For Males: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.

For Females: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.

- Mortality among disabled members was updated to the following:

For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.

For Females: RP 2000 Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.

Method and assumptions used in calculations of ADC:

Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open
Remaining amortization period	24 years
Asset valuation method	4-year smoothed market
Inflation	3.25 percent
Salary increase	4.00 to 8.51 percent, including inflation for Non-University Members and 5.00 percent for University Members;
Investment rate of return and including inflation	7.75 percent, net of pension plan investment expense,

OPEB

INTRODUCTION

Actuaries Northwest prepared the information for the County to calculate the TOL under the Governmental Accounting Standards Board (GASB) accounting rules for the Lewis and Clark County Employee Group Benefits Plan as of June 30, 2017, as required by GASB Statement No. 75.

Funded Status

As of June 30, 2017, the TOL for benefits was \$486,832 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$18,329,138 and the ratio of TOL to the covered payroll was 2.66 percent. There are no assets set aside to fund these benefits as the County funds post-retirement health insurance benefits on a pay- as-you-go basis.

Additional information can be found in the Required Supplementary Information section.

Actuarial Methods

Financial Data- No assets of the sponsor meet the definition of plan assets under GASB 74 or 75.

Accounting Policies- The unfunded actuarial accrued liability is amortized over a 20-year period on an open basis beginning July 1, 2016.

Funding Policy- The County funds the benefits on a pay-as-you-go basis from the general assets.

Actuarial Cost Method- The actuarial funding method used to determine the cost of the Lewis and Clark County Employee Group Benefits Plan is the entry age normal funding method. The key definition under this method is that the accrued liability is the present value of future benefits less the present value of future normal costs, where the entry age normal cost is the amount of level contribution such that the present value of future normal costs at entry age is exactly equal to the present value of future benefits at entry age. That is, the accrued liability is defined as the present value of prior normal cost deposits. For liability that is not covered by assets of the plan, there is an unfunded liability to be funded over a stipulated period in accordance with an amortization schedule.

*Benefits Not Included in the Valuation-*The County does not fund any portion of retiree life insurance or long term care premiums; nor is the premium rate paid for active employees and retirees the same. Thus, there is no liability for life insurance or long term care calculated in this valuation. The dental and vision benefits are included with the medical coverage with no separate liability to calculate.

Asset Valuation Method- Not applicable since no assets meet the definition of plan assets under GASB 74 or 75.

*Changes Since Prior Valuation-*The amortization period and actuarial cost method have been adjusted to conform with the new GASB Statement No. 75 requirements.

Actuarial Assumptions

Valuation Date- July 1, 2016

*Interest / Discount Rate-*3.53%

Projected Payroll Increases- 4.00%

Participation-

- 20.0% of future retirees are assumed to elect medical coverage.
- 70.0% of the future retirees who elect medical coverage and are married (see marriage rate assumption) are assumed to elect spousal coverage as well.

*Lapse Rates -*For participants age 65 and older, a variable participation rate was applied in addition to those listed above. These Lapse Rates account for potential migration into a less costly Medicare plan once retirees become eligible for Medicare as their primary coverage.

<u>Age</u>	<u>Lapse Rate</u>	<u>Age</u>	<u>Lapse Rate</u>	<u>Age</u>	<u>Lapse Rate</u>
65	90.00%	67	50.00%	69	50.00%
66	70.00%	68	50.00%	70+	50.00%

In addition to the above Lapse Rates, it is assumed that there is a 90% chance of lapse when a participant retires over the age of 65.

Marital Status – at Retirement-

- Actual spouse information is used for current retirees
- Future retired members who elect to participate in the plan are assumed to be married at a rate of 60 percent
- Males are assumed to be 3 years older than females

Mortality –Health- For PERS and SRS, mortality is assumed to follow the RP 2000 Healthy Combined Mortality Table projected to 2015 using Scale AA with no collar adjustment for males and females. For TRS, mortality is assumed to follow the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years for males, set back two years

for females, with mortality improvements projected by Scale BB to 2018.

Mortality –Disabled- For PERS and SRS, disabled mortality is assumed to follow the RP 2000 Disabled Mortality Table with no projections and no collar adjustment for males and females. For TRS, disabled mortality is based on the RP 2000 Disabled Mortality Table, set forward one year for males and set forward five years for females, with mortality improvements projected by Scale BB to 2018.

NON-MAJOR GOVERNMENTAL FUNDS

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.

The following is a list of non-major special revenue funds. At the end of the listing is a detailed description of the “major” fund - Special Assessment Districts.

Health - Related Grant Funds

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

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.

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.

Helena Valley Non-Point Source Assessment - Used to account for the receipt of federal grants and related expenditures for staffing and field services activities related to the non-point assessment project.

Helena Area Groundwater Phase II - Used to account for the receipt of federal grants and related expenditures for the study, monitor and improvement of groundwater quality in the Helena area.

Watershed Grants - Used to account for the receipt of federal funding and related expenditures for the purposes of completing restoration projects in the Lake Helena Watershed area.

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.

Health – Nonperformance Grants - Used for the receipt of federal, state, and/or local government funding and/or donations and the related expenditures for the purpose of tracking miscellaneous non-performance based grants.

Safe Schools Healthy Students - Used for tracking the cost of services associated with the Safe School, Healthy Student initiative.

Asthma Home Visiting Program - Used to account for the receipt of state funding and related expenditures for the purpose of providing home visiting services to control asthma in individuals identified as at risk for special health care needs.

Consented Referred System - Used to account for the receipt of state and local government funding and donations and the related expenditures for the purpose of administering and maintaining the Helena Consented Referral System.

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.

SPECIAL REVENUE FUNDS

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.

MIECHV Infrastructure Development Grant - Used to account for the receipt of federal funding and related expenditures for the Maternal, Infant, and Early Childhood Visiting Infrastructure Development projects.

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.

WIC Peer Breastfeeding - Used to account for the receipt of federal funding and related expenditures dedicated to the Peer Breastfeeding program for women, infants and children in the County.

MT NAPA Obesity Prevention Project - Used to account for the receipt of federal funding and related expenditures for the purpose of obesity prevention.

Community Transformation Grant - Used to account for federal funding for local and state-wide work to help communities adopt active living and active transportation standards.

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.

Severe Disabling Mental Illness Waiver Services - Used to account for the receipt of federal funding and related expenditures for the purpose of providing services related to severe disabling mental illness.

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.

Healthy Montana Families - 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.

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 HIV and acquired immune deficiency syndrome (AIDS).

SPECIAL REVENUE FUNDS

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 HIV are receiving comprehensive out-patient and support services.

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

Safe Care Grant - Used to account for the receipt of federal funding and related expenditures for the Safe Care Augmented model.

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 a per license fee on sheep revenues and related expenditures for the purpose of paying bounties on predatory animals killed within the County.

Cattle Protection Program - Used to account for the receipt of a per license fee on cattle 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.

Search and Rescue Operations - Used to account for the receipt of property tax revenues and related expenditures for operating, equipping, and debt service funding related to new construction of a search & rescue facility.

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

Permissive Medical - Used to account for the receipt of property tax revenue to be used for the payment of health insurance.

SPECIAL REVENUE FUNDS

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.

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.

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 the 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.

SPECIAL REVENUE FUNDS

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.

Wolf Creek Wastewater Facility - Used to accumulate funds for the construction, maintenance and operations of a wastewater treatment system for the Wolf Creek area.

Craig Wastewater Facility - Used to accumulate funds for the construction, maintenance and operations of a wastewater treatment system for the Craig Resort area.

Craig Training Center Facility - Used to accumulate funds to be used for the maintenance of the Craig Training Center Facility.

Septic Maintenance Revolving Loan Fund - Used to account for principal and interest repayments from loans to applicants to upgrade and/or fix their septic systems that were originally paid by a grant from the EPA. Expenses in this fund are disbursements for new loans to applicants.

Septic Maintenance Fund - Used to account for revenue and expenditures related to inspection, public outreach and education associated with septic systems.

Open Space Fund - Used to account for the receipt of bond revenue to be used to acquire conservation easements in the County to provide open space access.

Road Improvement - Subdivisions Fund - Used to account for the receipt of revenue to be used to improve County roads impacted by specific new subdivisions.

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.

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 - 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.

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.

SPECIAL REVENUE FUNDS

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

Homeland Security Grant - Used to account for the receipt of federal funding and related expenditures for the purpose of homeland security.

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

NFP Projects - BLM Community Assistance
Brownfield Assessment Grant

Fire Projects Grants

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.

Open Space 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 Open Space Bonds.

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.

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 RSID's with debt of the County:

Rural Special Improvement Districts

Cave Gulch	Fox Crossing
Gable Estates	Skyview
Lincoln	Autumn Wind
Lambkins	Fantasy
Maynard	Big Sky Subdivision
McHugh	Crestwood Green
Woodlawn Wastewater	Settlers Cove
Bel Air Addition	Lake Home Condo
Bel Air Addition's Curbs	Bridge Creek
Townview Estates	Hillview
Green Acres	Big Valley- Cabin Road
Woodlawn Water	Emerald Ridge

Search & Rescue Building Debt - Used to account for the receipt of property tax revenues for the periodic payment of principal and interest on the State Board of Investment's loan to finance the construction of the Search & Rescue Building.

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.

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.

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2017**

	<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	\$ 7,568,108	\$ 334,687	\$ -	\$ -	\$ 7,902,795
Investments	1,358,161	60,063	-	-	1,418,224
Receivables:					
Taxes/assessments (net)	281,958	11,006	-	-	292,964
Accounts/contracts (net)	133,936	-	-	-	133,936
Due from other governments	715,984	-	112,058	-	828,042
Inventories	291,730	-	-	-	291,730
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	16,902	-	-	11,625	28,527
Investments	298,920	-	-	281,696	580,616
Advances to other funds	-	7,999	-	-	7,999
Total assets	<u>\$ 10,665,699</u>	<u>\$ 413,755</u>	<u>\$ 112,058</u>	<u>\$ 293,321</u>	<u>\$ 11,484,833</u>
LIABILITIES					
Accounts payable	\$ 356,419	\$ -	\$ -	\$ -	\$ 356,419
Due to other funds	351,872	-	112,058	-	463,930
Total liabilities	<u>708,291</u>	<u>-</u>	<u>112,058</u>	<u>-</u>	<u>820,349</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	84,679	5,798	-	-	90,477
FUND BALANCE					
Nonspendable	602,552	-	-	293,321	895,873
Restricted	4,658,859	399,958	-	-	5,058,817
Unrestricted:					
Committed	4,563,916	7,999	-	-	4,571,915
Assigned	47,402	-	-	-	47,402
Total fund balance	<u>9,872,729</u>	<u>407,957</u>	<u>-</u>	<u>293,321</u>	<u>10,574,007</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 10,665,699</u>	<u>\$ 413,755</u>	<u>\$ 112,058</u>	<u>\$ 293,321</u>	<u>\$ 11,484,833</u>

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 1 of 10)**

	HEALTH RELATED GRANTS	CRAIG MOSQUITO CONTROL	MOSQUITO CONTROL	WATER QUALITY	MENTAL HEALTH
ASSETS					
Cash and cash equivalents	\$ 240,871	\$ 13,047	\$ 70,273	\$ 159,825	\$ 124,906
Investments	43,226	2,341	12,611	28,682	22,416
Receivables:					
Taxes/assessments (net)	-	290	6,629	33,986	4,016
Accounts/contracts (net)	-	-	-	-	64,684
Due from other governments	309,742	-	-	-	19,220
Inventories	-	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 593,839	\$ 15,678	\$ 89,513	\$ 222,493	\$ 235,242
LIABILITIES					
Accounts payable	\$ 45,947	\$ -	\$ -	\$ 11,886	\$ 90,984
Due to other funds	-	-	-	-	-
Total liabilities	45,947	-	-	11,886	90,984
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	290	1,972	18,266	4,016
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	547,892	-	-	-	-
Unrestricted:					
Committed	-	15,388	87,541	192,341	140,242
Assigned	-	-	-	-	-
Total fund balance	547,892	15,388	87,541	192,341	140,242
Total liabilities, deferred inflows of resources, and fund balance	\$ 593,839	\$ 15,678	\$ 89,513	\$ 222,493	\$ 235,242

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 2 of 10)**

	ROAD	PREDATORY ANIMAL CONTROL	CATTLE PROTECTION PROGRAM	DISTRICT COURT	SEARCH & RESCUE OPERATIONS
ASSETS					
Cash and cash equivalents	\$ 721,055	\$ -	\$ 2,603	\$ 639,047	\$ 65,551
Investments	129,399	-	467	114,682	11,764
Receivables:					
Taxes/assessments (net)	67,970	308	6,289	19,602	5,406
Accounts/contracts (net)	-	-	-	-	-
Due from other governments	-	-	-	9,051	-
Inventories	246,766	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 1,165,190	\$ 308	\$ 9,359	\$ 782,382	\$ 82,721
LIABILITIES					
Accounts payable	\$ 22,285	\$ -	\$ -	\$ 28,299	\$ -
Due to other funds	-	38	-	-	-
Total liabilities	22,285	38	-	28,299	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	22,645	103	354	(2,973)	5,406
FUND BALANCE					
Nonspendable	246,766	-	-	-	-
Restricted:	-	-	-	-	-
Unrestricted:					
Committed	873,494	167	9,005	757,056	77,315
Assigned	-	-	-	-	-
Total fund balance	1,120,260	167	9,005	757,056	77,315
Total liabilities, deferred inflows of resources, and fund balance	\$ 1,165,190	\$ 308	\$ 9,359	\$ 782,382	\$ 82,721

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 3 of 10)

	<u>PARKS</u>	<u>PERMISSIVE MEDICAL</u>	<u>FORESTVALE CEMETERY</u>	<u>COUNTY PLANNING</u>	<u>EMERGENCY DISASTER</u>
ASSETS					
Cash and cash equivalents	\$ 31,588	\$ 91,621	\$ 140,113	\$ 428,651	\$ 85
Investments	5,669	16,442	25,145	76,925	15
Receivables:					
Taxes/assessments (net)	534	58,874	14,423	6,078	17
Accounts/contracts (net)	-	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	<u>\$ 37,791</u>	<u>\$ 166,937</u>	<u>\$ 179,681</u>	<u>\$ 511,654</u>	<u>\$ 117</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 3,114	\$ 25,555	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>3,114</u>	<u>25,555</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	534	12,983	2,864	748	17
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Unrestricted:					
Committed	37,257	153,954	173,703	485,351	100
Assigned	-	-	-	-	-
Total fund balance	<u>37,257</u>	<u>153,954</u>	<u>173,703</u>	<u>485,351</u>	<u>100</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 37,791</u>	<u>\$ 166,937</u>	<u>\$ 179,681</u>	<u>\$ 511,654</u>	<u>\$ 117</u>

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 4 of 10)**

	<u>COUNTY HEALTH</u>	<u>SENIOR CITIZENS</u>	<u>COUNTY EXTENSION</u>	<u>PUBLIC SAFETY RADIO PROJECT</u>	<u>INMATE PROGRAMS</u>
ASSETS					
Cash and cash equivalents	\$ 670,510	\$ 26,234	\$ 70,228	\$ -	\$ -
Investments	120,329	4,708	12,603	-	-
Receivables:					
Taxes/assessments (net)	43,713	6,160	7,663	-	-
Accounts/contracts (net)	-	-	-	-	-
Due from other governments	6,839	-	-	72,109	-
Inventories	44,964	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	5,000
Investments	-	-	-	-	-
Total assets	\$ 886,355	\$ 37,102	\$ 90,494	\$ 72,109	\$ 5,000
LIABILITIES					
Accounts payable	\$ 20,148	\$ -	\$ -	\$ 4,866	\$ 7,179
Due to other funds	-	-	-	39,879	28,582
Total liabilities	20,148	-	-	44,745	35,761
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	9,608	6,160	1,686	-	-
FUND BALANCE					
Nonspendable	44,964	-	-	-	-
Restricted	-	-	-	-	-
Unrestricted:					
Committed	811,635	30,942	88,808	-	(30,761)
Assigned	-	-	-	27,364	-
Total fund balance	856,599	30,942	88,808	27,364	(30,761)
Total liabilities, deferred inflows of resources, and fund balance	\$ 886,355	\$ 37,102	\$ 90,494	\$ 72,109	\$ 5,000

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 5 of 10)**

	<u>RECORDS PRESERVATION</u>	<u>PARKS DEVELOPMENT</u>	<u>LINCOLN PARKS</u>	<u>DUI PROGRAMS</u>	<u>CITY/COUNTY DRUG</u>
ASSETS					
Cash and cash equivalents	\$ 94,078	\$ 170,731	\$ 16,989	\$ 40,023	\$ 38,820
Investments	16,883	30,639	3,049	7,182	6,967
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Accounts/contracts (net)	-	-	-	-	-
Due from other governments	-	-	-	7,800	-
Inventories	-	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 110,961	\$ 201,370	\$ 20,038	\$ 55,005	\$ 45,787
LIABILITIES					
Accounts payable	\$ -	\$ 16,035	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	-	16,035	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	55,005	-
Unrestricted:					
Committed	110,961	185,335	-	-	45,787
Assigned	-	-	20,038	-	-
Total fund balance	110,961	185,335	20,038	55,005	45,787
Total liabilities, deferred inflows of resources, and fund balance	\$ 110,961	\$ 201,370	\$ 20,038	\$ 55,005	\$ 45,787

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 6 of 10)

	MISSOURI RIVER DRUG TASK FORCE	MRDTF FEDERAL SHARING	HARD ROCK MINE RESERVE	METAL MINES TAX RESERVE	WOLF CREEK WASTEWATER FAC MAINT
ASSETS					
Cash and cash equivalents	\$ 452,491	\$ 12,279	\$ 106,125	\$ 48,324	\$ 3,327
Investments	81,203	2,204	19,045	8,672	597
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Accounts/contracts (net)	-	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 533,694</u>	<u>\$ 14,483</u>	<u>\$ 125,170</u>	<u>\$ 56,996</u>	<u>\$ 3,924</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	533,694	14,483	125,170	56,996	-
Unrestricted:					
Committed	-	-	-	-	3,924
Assigned	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>533,694</u>	<u>14,483</u>	<u>125,170</u>	<u>56,996</u>	<u>3,924</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 533,694</u>	<u>\$ 14,483</u>	<u>\$ 125,170</u>	<u>\$ 56,996</u>	<u>\$ 3,924</u>

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 7 of 10)

	CRAIG WASTEWATER FAC MAINT	CRAIG TRAINING CNTR MAINT	SEPTIC MAINTENANCE REVOLVING LN	SEPTIC MAINTENANCE PROGRAM	OPEN SPACE
ASSETS					
Cash and cash equivalents	\$ 133,828	\$ 38,468	\$ 75,604	\$ 400	\$ 2,588,759
Investments	24,017	6,903	13,568	72	464,575
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Accounts/contracts (net)	35,428	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
	\$ 193,273	\$ 45,371	\$ 89,172	\$ 472	\$ 3,053,334
LIABILITIES					
Accounts payable	\$ 13,917	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
	13,917	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	3,053,334
Unrestricted:					
Committed	179,356	45,371	89,172	472	-
Assigned	-	-	-	-	-
	179,356	45,371	89,172	472	3,053,334
Total fund balance	179,356	45,371	89,172	472	3,053,334
Total liabilities, deferred inflows of resources, and fund balance	\$ 193,273	\$ 45,371	\$ 89,172	\$ 472	\$ 3,053,334

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 8 of 10)**

	ROAD IMPROVEMENT - SUBDIVISION	ALCOHOLISM	GAS TAX	HIDTA	JUSTICE ASSISTANCE GRANT
ASSETS					
Cash and cash equivalents	\$ 184,745	\$ -	\$ 66,909	\$ -	\$ -
Investments	33,154	-	12,007	-	-
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Accounts/contracts (net)	-	-	-	-	-
Due from other governments	-	23,212	-	40,789	-
Inventories	-	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
	\$ 217,899	\$ 23,212	\$ 78,916	\$ 40,789	\$ -
LIABILITIES					
Accounts payable	\$ -	\$ 29,015	\$ 18,916	\$ -	\$ -
Due to other funds	-	-	-	40,600	-
	-	29,015	18,916	40,600	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
	-	-	-	-	-
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	217,899	(5,803)	60,000	189	-
Unrestricted:					
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
	217,899	(5,803)	60,000	189	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 217,899	\$ 23,212	\$ 78,916	\$ 40,789	\$ -

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 9 of 10)

	NATIONAL FIRE PLAN	ECONOMIC DEVELOPMENT	NOXIOUS WEED GRANT	HOMELAND SECURITY GRANT	OTHER GRANTS
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Accounts/contracts (net)	33,824	-	-	-	-
Due from other governments	-	-	4,482	-	222,740
Inventories	-	-	-	-	-
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 33,824	\$ -	\$ 4,482	\$ -	\$ 222,740
LIABILITIES					
Accounts payable	\$ 12,250	\$ -	\$ -	\$ -	\$ 6,023
Due to other funds	21,574	-	4,482	-	216,717
Total liabilities	33,824	-	4,482	-	222,740
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Unrestricted:					
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balance	-	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 33,824	\$ -	\$ 4,482	\$ -	\$ 222,740

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017
(Page 10 of 10)**

	<u>FORESTVALE ENDOWMENT FUND</u>	<u>TOTAL SPECIAL REVENUE</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 7,568,108
Investments	-	1,358,161
Receivables:		
Taxes/assessments (net)	-	281,958
Accounts/contracts (net)	-	133,936
Due from other governments	-	715,984
Inventories	-	291,730
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	11,902	16,902
Investments	298,920	298,920
	<u>310,822</u>	<u>10,665,699</u>
Total assets	\$ 310,822	\$ 10,665,699
LIABILITIES		
Accounts payable	\$ -	\$ 356,419
Due to other funds	-	351,872
	<u>-</u>	<u>708,291</u>
Total liabilities	-	708,291
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of tax revenues	-	84,679
	<u>-</u>	<u>84,679</u>
FUND BALANCE		
Nonspendable	310,822	602,552
Restricted	-	4,658,859
Unrestricted:		
Committed	-	4,563,916
Assigned	-	47,402
	<u>310,822</u>	<u>9,872,729</u>
Total fund balance	310,822	9,872,729
Total liabilities, deferred inflows of resources, and fund balance	\$ 310,822	\$ 10,665,699

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
June 30, 2017

	CITY/COUNTY BUILDING DEBT	OPEN SPACE DEBT	HEALTH FACILITIES DEBT	RSID REVOLVING DEBT	SEARCH & RESCUE BLDG DEBT	TOTAL DEBT SERVICE
ASSETS						
Cash and cash equivalents	\$ -	\$ 10,789	\$ -	\$ 276,618	\$ 47,280	\$ 334,687
Investments	-	1,936	-	49,642	8,485	60,063
Receivables:						
Taxes/assessments (net)	-	6,836	-	-	4,170	11,006
Advances to other funds	-	-	-	7,999	-	7,999
Total assets	\$ -	\$ 19,561	\$ -	\$ 334,259	\$ 59,935	\$ 413,755
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of tax revenues	\$ -	\$ 1,628	\$ -	\$ -	\$ 4,170	\$ 5,798
FUND BALANCE						
Restricted	-	17,933	-	326,260	55,765	399,958
Unrestricted:						
Committed	-	-	-	7,999	-	7,999
Total fund balance	-	17,933	-	334,259	55,765	407,957
Total liabilities, deferred inflows of resources, and fund balance	\$ -	\$ 19,561	\$ -	\$ 334,259	\$ 59,935	\$ 413,755

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
June 30, 2017**

	CTEP PROJECTS	RID PROJECTS	FEDERAL GRANT PROJECTS	TOTAL CAPITAL PROJECTS
ASSETS				
Due from other governments	\$ -	\$ -	\$ 112,058	\$ 112,058
Total assets	\$ -	\$ -	\$ 112,058	\$ 112,058
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ 112,058	\$ 112,058
Total liabilities	-	-	112,058	112,058
FUND BALANCE				
Restricted	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ -	\$ -	\$ 112,058	\$ 112,058

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2017

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUND FORESTVALE PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Taxes/assessments	\$ 8,985,240	\$ 287,172	\$ -	\$ -	\$ 9,272,412
Licenses and permits	2,783	-	-	-	2,783
Intergovernmental	3,773,578	-	139,068	-	3,912,646
Charges for services	2,211,207	-	-	2,540	2,213,747
Fines and forfeitures	381,364	-	-	-	381,364
Miscellaneous	544,903	178,483	-	-	723,386
Interest earnings	71,238	4,055	-	12,934	88,227
Total revenues	15,970,313	469,710	139,068	15,474	16,594,565
EXPENDITURES					
Current:					
General government	5,037,960	-	82,331	-	5,120,291
Public safety	1,957,859	-	-	-	1,957,859
Public works	2,928,558	-	84,221	-	3,012,779
Public health	4,940,574	-	-	6,507	4,947,081
Social and economic	493,613	-	-	-	493,613
Culture and recreation	62,617	-	-	-	62,617
Debt service	-	490,206	-	-	490,206
Capital outlay	-	-	56,737	-	56,737
Total expenditures	15,421,181	490,206	223,289	6,507	16,141,183
Excess (deficiency) of revenue over (under) expenditures	549,132	(20,496)	(84,221)	8,967	453,382
OTHER FINANCING SOURCES (USES)					
Transfers in	1,271,316	-	14,752	-	1,286,068
Transfers out	(4,443,849)	(34,255)	-	-	(4,478,104)
Proceeds from long-term debt	4,054,634	9,997	199,937	-	4,264,568
Total other financing sources and uses	882,101	(24,258)	214,689	-	1,072,532
Net change in fund balances	1,431,233	(44,754)	130,468	8,967	1,525,914
Fund balance, July 1	8,441,496	452,711	(130,468)	284,354	9,048,093
Fund balance, June 30	\$ 9,872,729	\$ 407,957	\$ -	\$ 293,321	\$ 10,574,007

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 1 of 10)

	HEALTH RELATED GRANTS	CRAIG MOSQUITO CONTROL	MOSQUITO CONTROL	WATER QUALITY	MENTAL HEALTH
REVENUES					
Taxes/assessments	\$ -	\$ 16,370	\$ 221,304	\$ 352,200	\$ 100,618
Licenses and permits	2,783	-	-	-	-
Intergovernmental	1,494,904	286	6,003	-	203,844
Charges for services	879,633	-	-	2,475	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	36,221	-	-	9,220	165,934
Interest earnings	-	-	-	-	-
Total revenues	2,413,541	16,656	227,307	363,895	470,396
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	456,693
Public works	-	-	-	-	-
Public health	2,372,607	22,624	183,809	320,226	-
Social and economic	111,680	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	2,484,287	22,624	183,809	320,226	456,693
Excess (deficiency) of revenue over (under) expenditures	(70,746)	(5,968)	43,498	43,669	13,703
OTHER FINANCING SOURCES (USES)					
Transfers in	270,436	-	-	13,274	-
Transfers out	(4,744)	-	-	(3,939)	-
Total other financing sources and uses	265,692	-	-	9,335	-
Net change in fund balances	194,946	(5,968)	43,498	53,004	13,703
Fund balance, July 1	352,946	21,356	44,043	139,337	126,539
Fund balance, June 30	\$ 547,892	\$ 15,388	\$ 87,541	\$ 192,341	\$ 140,242

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 2 of 10)

	ROAD	PREDATORY ANIMAL CONTROL	CATLE PROTECTION PROGRAM	DISTRICT COURT	SEARCH & RESCUE OPERATIONS
REVENUES					
Taxes/assessments	\$ 2,736,456	\$ 2,331	\$ 24,654	\$ 1,362,407	\$ 129,254
Licenses and permits	-	-	-	-	-
Intergovernmental	688,446	-	-	70,114	2,832
Charges for services	84,943	-	-	70,849	-
Fines and forfeitures	-	-	-	25,484	-
Miscellaneous	6,030	-	-	9,680	31,639
Interest earnings	11,261	-	-	-	-
Total revenues	3,527,136	2,331	24,654	1,538,534	163,725
EXPENDITURES					
Current:					
General government	-	-	-	1,248,905	-
Public safety	-	-	-	342,160	71,179
Public works	2,105,555	-	-	-	-
Public health	-	2,355	24,373	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	2,105,555	2,355	24,373	1,591,065	71,179
Excess (deficiency) of revenue over (under) expenditures	1,421,581	(24)	281	(52,531)	92,546
OTHER FINANCING SOURCES (USES)					
Transfers in	206,250	-	-	79,065	-
Transfers out	(2,432,788)	-	-	(3,000)	(104,250)
Total other financing sources and uses	(2,226,538)	-	-	76,065	(104,250)
Net change in fund balances	(804,957)	(24)	281	23,534	(11,704)
Fund balance, July 1	1,925,217	191	8,724	733,522	89,019
Fund balance, June 30	\$ 1,120,260	\$ 167	\$ 9,005	\$ 757,056	\$ 77,315

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 3 of 10)

	<u>PARKS</u>	<u>PERMISSIVE MEDICAL</u>	<u>FORESTVALE CEMETERY</u>	<u>COUNTY PLANNING</u>	<u>EMERGENCY DISASTER</u>
REVENUES					
Taxes/assessments	\$ 13,432	\$ 1,363,394	\$ 321,047	\$ 875,590	\$ 15
Licenses and permits	-	-	-	-	-
Intergovernmental	933	-	22,685	70,173	-
Charges for services	-	-	36,443	17,572	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Interest earnings	-	-	13,258	-	-
Total revenues	14,365	1,363,394	393,433	963,335	15
EXPENDITURES					
Current:					
General government	-	197,352	-	936,079	-
Public safety	-	-	-	-	-
Public works	-	-	280,946	-	-
Public health	-	-	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	35,990	-	-	-	-
Total expenditures	35,990	197,352	280,946	936,079	-
Excess (deficiency) of revenue over (under) expenditures	(21,625)	1,166,042	112,487	27,256	15
OTHER FINANCING SOURCES (USES)					
Transfers in	40,000	-	15,120	34,440	-
Transfers out	(3,000)	(1,155,939)	(150,000)	(11,977)	-
Total other financing sources and uses	37,000	(1,155,939)	(134,880)	22,463	-
Net change in fund balances	15,375	10,103	(22,393)	49,719	15
Fund balance, July 1	21,882	143,851	196,096	435,632	85
Fund balance, June 30	<u>\$ 37,257</u>	<u>\$ 153,954</u>	<u>\$ 173,703</u>	<u>\$ 485,351</u>	<u>\$ 100</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2017
(Page 4 of 10)

	COUNTY HEALTH	SENIOR CITIZENS	COUNTY EXTENSION	PUBLIC SAFETY RADIO PROJECT	INMATE PROGRAMS
REVENUES					
Taxes/assessments	\$ 1,094,551	\$ 154,470	\$ 191,995	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	144,994	10,615	13,303	146,092	-
Charges for services	602,007	-	6,988	1,200	172,233
Fines and forfeitures	3,370	-	-	-	2,111
Miscellaneous	15,961	-	4,987	-	74,687
Interest earnings	-	-	-	-	-
Total revenues	1,860,883	165,085	217,273	147,292	249,031
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	355,113	520,736
Public works	-	-	-	-	-
Public health	1,707,714	-	-	-	-
Social and economic	-	160,252	221,681	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	1,707,714	160,252	221,681	355,113	520,736
Excess (deficiency) of revenue over (under) expenditures	153,169	4,833	(4,408)	(207,821)	(271,705)
OTHER FINANCING SOURCES (USES)					
Transfers in	187,100	-	5,040	137,080	240,000
Transfers out	(383,704)	(3,000)	(10,185)	-	-
Total other financing sources and uses	(196,604)	(3,000)	(5,145)	137,080	240,000
Net change in fund balances	(43,435)	1,833	(9,553)	(70,741)	(31,705)
Fund balance, July 1	900,034	29,109	98,361	98,105	944
Fund balance, June 30	\$ 856,599	\$ 30,942	\$ 88,808	\$ 27,364	\$ (30,761)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 5 of 10)

	RECORDS PRESERVATION	PARKS DEVELOPMENT	LINCOLN PARKS	DUI PROGRAMS	CITY/COUNTY DRUG
REVENUES					
Taxes/assessments	\$ -	\$ 25,152	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	30,348	-
Charges for services	107,644	-	-	-	-
Fines and forfeitures	-	-	-	-	473
Miscellaneous	12	-	8,619	29,395	-
Interest earnings	-	-	-	-	-
Total revenues	107,656	25,152	8,619	59,743	473
EXPENDITURES					
Current:					
General government	101,871	-	-	420	3,658
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Public health	-	-	-	59,706	-
Social and economic	-	-	-	-	-
Culture and recreation	-	16,035	10,592	-	-
Total expenditures	101,871	16,035	10,592	60,126	3,658
Excess (deficiency) of revenue over (under) expenditures	5,785	9,117	(1,973)	(383)	(3,185)
OTHER FINANCING SOURCES (USES)					
Transfers in	5,040	-	-	6,000	-
Transfers out	(20,329)	-	-	(14,041)	-
Total other financing sources and uses	(15,289)	-	-	(8,041)	-
Net change in fund balances	(9,504)	9,117	(1,973)	(8,424)	(3,185)
Fund balance, July 1	120,465	176,218	22,011	63,429	48,972
Fund balance, June 30	\$ 110,961	\$ 185,335	\$ 20,038	\$ 55,005	\$ 45,787

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 6 of 10)

	MISSOURI RIVER DRUG TASK FORCE	MRD/TF FEDERAL SHARING	HARD ROCK MINE RESERVE	METAL MINES TAX RESERVE	WOLF CREEK WASTEWATER FAC MAINT
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	35,071	-	-	-
Charges for services	-	-	-	-	24,297
Fines and forfeitures	349,926	-	-	-	-
Miscellaneous	-	-	-	-	-
Interest earnings	-	82	969	441	46
Total revenues	349,926	35,153	969	441	24,343
EXPENDITURES					
Current:					
General government	218,370	22,621	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	25,080
Public health	-	-	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	218,370	22,621	-	-	25,080
Excess (deficiency) of revenue over (under) expenditures	131,556	12,532	969	441	(737)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(6,879)	-	-	-	-
Total other financing sources and uses	(6,879)	-	-	-	-
Net change in fund balances	124,677	12,532	969	441	(737)
Fund balance, July 1	409,017	1,951	124,201	56,555	4,661
Fund balance, June 30	\$ 533,694	\$ 14,483	\$ 125,170	\$ 56,996	\$ 3,924

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	CRAIG WASTEWATER FAC MAINT	CRAIG TRAINING CNTR MAINT	SEPTIC MAINTENANCE REVOLVING LN	SEPTIC MAINTENANCE PROGRAM	OPEN SPACE
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	114,845	12,049	-	26,280	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	438	-
Interest earnings	1,648	321	14,054	-	13,736
Total revenues	116,493	12,370	14,054	26,718	13,736
EXPENDITURES					
Current:					
General government	-	-	-	-	2,035,282
Public safety	-	-	-	-	-
Public works	191,329	-	-	-	-
Public health	-	-	7,854	58,005	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	191,329	-	7,854	58,005	2,035,282
Excess (deficiency) of revenue over (under) expenditures	(74,836)	12,370	6,200	(31,287)	(2,021,546)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	31,397	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	31,397	4,054,634
Net change in fund balances	(74,836)	12,370	6,200	110	2,033,088
Fund balance, July 1	254,192	33,001	82,972	362	1,020,246
Fund balance, June 30	\$ 179,356	\$ 45,371	\$ 89,172	\$ 472	\$ 3,053,334

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	ROAD IMPROVEMENT - SUBDIVISION	ALCOHOLISM	GAS TAX	HIDTA	JUSTICE ASSISTANCE GRANT
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	103,558	269,357	158,554	-
Charges for services	-	-	9,470	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	151,093	-	-	-	-
Interest earnings	1,480	-	-	-	-
Total revenues	152,573	103,558	278,827	158,554	-
EXPENDITURES					
Current:					
General government	-	-	-	148,955	-
Public safety	-	-	-	-	-
Public works	-	-	308,421	-	-
Public health	-	109,361	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	-	109,361	308,421	148,955	-
Excess (deficiency) of revenue over (under) expenditures	152,573	(5,803)	(29,594)	9,599	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(55,675)	-	(60,518)	(9,410)	-
Total other financing sources and uses	(55,675)	-	(60,518)	(9,410)	-
Net change in fund balances	96,898	(5,803)	(90,112)	189	-
Fund balance, July 1	121,001	-	150,112	-	-
Fund balance, June 30	\$ 217,899	\$ (5,803)	\$ 60,000	\$ 189	\$ -

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	NATIONAL FIRE PLAN	ECONOMIC DEVELOPMENT	NOXIOUS WEED GRANT	HOMELAND SECURITY GRANT	OTHER GRANTS
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	42,495	-	17,227	-	241,744
Charges for services	42,279	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	-	987
Interest earnings	-	-	-	-	-
Total revenues	84,774	-	17,227	-	242,731
EXPENDITURES					
Current:					
General government	-	-	-	-	124,447
Public safety	84,791	-	-	-	127,187
Public works	-	-	17,227	-	-
Public health	-	-	-	-	64,937
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	84,791	-	17,227	-	316,571
Excess (deficiency) of revenue over (under) expenditures	(17)	-	-	-	(73,840)
OTHER FINANCING SOURCES (USES)					
Transfers in	87	-	-	-	987
Transfers out	(10,471)	-	-	-	-
Total other financing sources and uses	(10,384)	-	-	-	987
Net change in fund balances	(10,401)	-	-	-	(72,853)
Fund balance, July 1	10,401	-	-	-	72,853
Fund balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2017
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	<u>FORESTVALE ENDOWMENT</u>	<u>TOTAL SPECIAL REVENUE</u>
REVENUES		
Taxes/assessments	\$ -	\$ 8,985,240
Licenses and permits	-	2,783
Intergovernmental	-	3,773,578
Charges for services	-	2,211,207
Fines and forfeitures	-	381,364
Miscellaneous	-	544,903
Interest earnings	13,942	71,238
	<hr/>	<hr/>
Total revenues	13,942	15,970,313
	<hr/>	<hr/>
EXPENDITURES		
Current:		
General government	-	5,037,960
Public safety	-	1,957,859
Public works	-	2,928,558
Public health	7,003	4,940,574
Social and economic	-	493,613
Culture and recreation	-	62,617
	<hr/>	<hr/>
Total expenditures	7,003	15,421,181
Excess (deficiency) of revenue over (under) expenditures	6,939	549,132
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	1,271,316
Transfers out	-	(4,443,849)
	<hr/>	<hr/>
Total other financing sources and uses	-	882,101
	<hr/>	<hr/>
Net change in fund balances	6,939	1,431,233
Fund balance, July 1	303,883	8,441,496
	<hr/>	<hr/>
Fund balance, June 30	\$ 310,822	\$ 9,872,729
	<hr/>	<hr/>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2017

	CITY/COUNTY BUILDING DEBT	OPEN SPACE DEBT	HEALTH FACILITIES DEBT	RSID REVOLVING DEBT	SEARCH & RESCUE BLDG DEBT	TOTAL DEBT SERVICE
REVENUES						
Taxes/assessments	\$ -	\$ 151,525	\$ 35,993	\$ -	\$ 99,654	\$ 287,172
Miscellaneous	178,483	-	-	-	-	178,483
Interest earnings	-	884	(147)	3,104	214	4,055
Total revenues	178,483	152,409	35,846	3,104	99,868	469,710
EXPENDITURES						
Current:						
Debt service	178,483	211,965	1,591	-	98,167	490,206
Total expenditures	178,483	211,965	1,591	-	98,167	490,206
Excess (deficiency) of revenue over (under) expenditures	-	(59,556)	34,255	3,104	1,701	(20,496)
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	(34,255)	-	-	(34,255)
Proceeds from long-term debt	-	-	-	9,997	-	9,997
Total other financing sources and uses	-	-	(34,255)	9,997	-	(24,258)
Net change in fund balances	-	(59,556)	-	13,101	1,701	(44,754)
Fund balance, July 1	-	77,489	-	321,158	54,064	452,711
Fund balance, June 30	\$ -	\$ 17,933	\$ -	\$ 334,259	\$ 55,765	\$ 407,957

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
For the Fiscal Year Ended June 30, 2017**

	CTEP PROJECTS	RID PROJECTS	FEDERAL GRANT PROJECTS	TOTAL CAPITAL PROJECTS
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 139,068	\$ 139,068
Total revenues	-	-	139,068	139,068
EXPENDITURES				
Capital outlay				
General government	-	-	82,331	82,331
Public works	-	84,221	-	84,221
Capital outlay	-	-	56,737	56,737
Total expenditures	-	84,221	139,068	223,289
Excess (deficiency) of revenue over (under) expenditures	-	(84,221)	-	(84,221)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	14,752	-	14,752
Proceeds from long-term debt	-	199,937	-	199,937
Total other financing sources and uses	-	214,689	-	214,689
Net change in fund balances	-	130,468	-	130,468
Fund balance, July 1	-	(130,468)	-	(130,468)
Fund balance, June 30	\$ -	\$ -	\$ -	\$ -

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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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	\$ -	\$ -	\$ -	\$ 15,325	\$ 16,370	\$ 1,045
Licenses and permits	6,800	2,783	(4,017)	-	-	-
Intergovernmental	1,905,339	1,507,021	(398,318)	286	286	-
Charges for services	858,716	879,633	20,917	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	58,359	36,221	(22,138)	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	2,829,214	2,425,658	(403,556)	15,611	16,656	1,045
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	2,127,399	1,839,426	287,973	-	-	-
Operations and maintenance	608,202	586,470	21,732	28,786	22,624	6,162
Social and economic						
Personal services	96,162	93,622	2,540	-	-	-
Operations and maintenance	19,007	21,547	(2,540)	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	2,850,770	2,541,065	309,705	28,786	22,624	6,162
Excess (deficiency) of revenue over (under) expenditures	(21,556)	(115,407)	(93,851)	(13,175)	(5,968)	7,207
OTHER FINANCING SOURCES (USES)						
Transfers in	297,258	270,436	(26,822)	-	-	-
Transfers out	(4,207)	(4,744)	(537)	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-
Total other financing sources (uses)	293,051	265,692	(27,359)	-	-	-
Net change in fund balances	\$ 271,495	150,285	\$ (121,210)	\$ (13,175)	(5,968)	\$ 7,207
Fund balance (deficit), July 1		133,812			21,356	
Fund balance (deficit), June 30		\$ 284,097			\$ 15,388	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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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	\$ 213,355	\$ 222,021	\$ 8,666	\$ 358,592	\$ 344,716	\$ (13,876)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	6,003	6,003	-	105,000	-	(105,000)
Charges for services	-	-	-	-	2,475	2,475
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	15,100	9,220	(5,880)
Investment earnings	-	-	-	-	-	-
Total revenues	219,358	228,024	8,666	478,692	356,411	(122,281)
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	-	-	-	290,348	252,491	37,857
Operations and maintenance	240,917	221,109	19,808	209,796	69,254	140,542
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	240,917	221,109	19,808	500,144	321,745	178,399
Excess (deficiency) of revenue over (under) expenditures	(21,559)	6,915	28,474	(21,452)	34,666	56,118
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	16,423	13,274	(3,149)
Transfers out	-	-	-	(3,939)	(3,939)	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	12,484	9,335	(3,149)
Net change in fund balances	\$ (21,559)	6,915	\$ 28,474	\$ (8,968)	44,001	\$ 52,969
Fund balance (deficit), July 1		75,969			144,506	
Fund balance (deficit), June 30		<u>\$ 82,884</u>			<u>\$ 188,507</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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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	\$ 99,497	\$ 100,618	\$ 1,121	\$ 2,679,480	\$ 2,735,983	\$ 56,503
Licenses and permits	-	-	-	-	-	-
Intergovernmental	211,827	340,024	128,197	993,777	688,446	(305,331)
Charges for services	-	-	-	61,000	84,943	23,943
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	100,000	101,250	1,250	5,000	6,030	1,030
Investment earnings	-	-	-	2,500	11,261	8,761
Total revenues	411,324	541,892	130,568	3,741,757	3,526,663	(215,094)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	408,435	395,822	12,613	-	-	-
Public works						
Personal services	-	-	-	1,247,074	1,190,350	56,724
Operations and maintenance	-	-	-	1,088,660	978,352	110,308
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	408,435	395,822	12,613	2,335,734	2,168,702	167,032
Excess (deficiency) of revenue over (under) expenditures	2,889	146,070	143,181	1,406,023	1,357,961	(48,062)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	217,233	206,250	(10,983)
Transfers out	-	-	-	(2,407,397)	(2,432,788)	(25,391)
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(2,190,164)	(2,226,538)	(36,374)
Net change in fund balances	\$ 2,889	146,070	\$ 143,181	\$ (784,141)	(868,577)	\$ (84,436)
Fund balance (deficit), July 1		1,252			1,719,031	
Fund balance (deficit), June 30		<u>\$ 147,322</u>			<u>\$ 850,454</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	PREDATORY ANIMAL CONTROL			CATTL PROTECTION PROGRAM		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 1,500	\$ 2,493	\$ 993	\$ 23,500	\$ 27,113	\$ 3,613
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	1,500	2,493	993	23,500	27,113	3,613
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	2,355	2,355	-	24,374	24,373	1
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	2,355	2,355	-	24,374	24,373	1
Excess (deficiency) of revenue over (under) expenditures	(855)	138	993	(874)	2,740	3,614
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	\$ (855)	138	\$ 993	\$ (874)	2,740	\$ 3,614
Fund balance (deficit), July 1		(176)			330	
Fund balance (deficit), June 30		\$ (38)			\$ 3,070	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	DISTRICT COURT			SEARCH & RESCUE OPERATIONS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 1,347,789	\$ 1,355,653	\$ 7,864	\$ 126,690	\$ 129,254	\$ 2,564
Licenses and permits	-	-	-	-	-	-
Intergovernmental	70,507	81,597	11,090	2,832	2,832	-
Charges for services	67,000	70,849	3,849	-	-	-
Fines and forfeitures	35,500	25,484	(10,016)	-	-	-
Miscellaneous	50	9,680	9,630	-	31,639	31,639
Investment earnings	-	-	-	-	-	-
Total revenues	1,520,846	1,543,263	22,417	129,522	163,725	34,203
EXPENDITURES						
Current:						
General government						
Personal services	851,004	777,878	73,126	-	-	-
Operations and maintenance	581,089	498,039	83,050	-	-	-
Public safety						
Personal services	132,208	130,268	1,940	1,200	1,170	30
Operations and maintenance	159,522	205,189	(45,667)	69,980	70,009	(29)
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	1,723,823	1,611,374	112,449	71,180	71,179	1
Excess (deficiency) of revenue over (under) expenditures	(202,977)	(68,111)	134,866	58,342	92,546	34,204
OTHER FINANCING SOURCES (USES)						
Transfers in	74,680	79,065	4,385	-	-	-
Transfers out	(3,000)	(3,000)	-	(104,250)	(104,250)	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	71,680	76,065	4,385	(104,250)	(104,250)	-
Net change in fund balances	\$ (131,297)	7,954	\$ 139,251	\$ (45,908)	(11,704)	\$ 34,204
Fund balance (deficit), July 1		745,775			89,019	
Fund balance (deficit), June 30		\$ 753,729			\$ 77,315	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	PARKS			PERMISSIVE MEDICAL INSURANCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 13,288	\$ 13,432	\$ 144	\$ 1,275,000	\$ 1,365,178	\$ 90,178
Licenses and permits	-	-	-	-	-	-
Intergovernmental	934	933	(1)	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	14,222	14,365	143	1,275,000	1,365,178	90,178
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	183,292	195,561	(12,269)
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	57,736	35,990	21,746	-	-	-
Total expenditures	57,736	35,990	21,746	183,292	195,561	(12,269)
Excess (deficiency) of revenue over (under) expenditures	(43,514)	(21,625)	21,889	1,091,708	1,169,617	77,909
OTHER FINANCING SOURCES (USES)						
Transfers in	40,000	40,000	-	-	-	-
Transfers out	(3,000)	(3,000)	-	(1,170,000)	(1,157,730)	12,270
Loans	-	-	-	-	-	-
Total other financing sources (uses)	37,000	37,000	-	(1,170,000)	(1,157,730)	12,270
Net change in fund balances	\$ (6,514)	15,375	\$ 21,889	\$ (78,292)	11,887	\$ 90,179
Fund balance (deficit), July 1		21,882			96,176	
Fund balance (deficit), June 30		<u>\$ 37,257</u>			<u>\$ 108,063</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	<u>FORESTVALE CEMETERY</u>			<u>COUNTY PLANNING</u>		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 316,248	\$ 321,730	\$ 5,482	\$ 845,049	\$ 870,260	\$ 25,211
Licenses and permits	-	-	-	-	-	-
Intergovernmental	22,685	22,685	-	40,173	75,673	35,500
Charges for services	17,400	36,443	19,043	25,750	17,572	(8,178)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	11,300	13,258	1,958	-	-	-
Total revenues	367,633	394,116	26,483	910,972	963,505	52,533
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	783,610	675,750	107,860
Operations and maintenance	-	-	-	362,620	269,055	93,565
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	211,993	203,129	8,864	-	-	-
Operations and maintenance	105,083	87,499	17,584	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	317,076	290,628	26,448	1,146,230	944,805	201,425
Excess (deficiency) of revenue over (under) expenditures	50,557	103,488	52,931	(235,258)	18,700	253,958
OTHER FINANCING SOURCES (USES)						
Transfers in	15,120	15,120	-	42,700	34,440	(8,260)
Transfers out	(150,000)	(150,000)	-	(20,000)	(11,977)	8,023
Loans	-	-	-	-	-	-
Total other financing sources (uses)	(134,880)	(134,880)	-	22,700	22,463	(237)
Net change in fund balances	\$ (84,323)	(31,392)	\$ 52,931	\$ (212,558)	41,163	\$ 253,721
Fund balance (deficit), July 1		196,650			464,413	
Fund balance (deficit), June 30		\$ 165,258			\$ 505,576	

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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	\$ -	\$ 15	\$ 15	\$ 1,079,815	\$ 1,095,779	\$ 15,964
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	165,945	144,994	(20,951)
Charges for services	-	-	-	551,875	602,007	50,132
Fines and forfeitures	-	-	-	-	3,370	3,370
Miscellaneous	-	-	-	25,300	15,961	(9,339)
Investment earnings	-	-	-	-	-	-
Total revenues	-	15	15	1,822,935	1,862,111	39,176
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	-	-	-	1,160,054	1,104,623	55,431
Operations and maintenance	-	-	-	635,584	651,401	(15,817)
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	-	-	-	1,795,638	1,756,024	39,614
Excess (deficiency) of revenue over (under) expenditures	-	15	15	27,297	106,087	78,790
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	210,748	187,100	(23,648)
Transfers out	-	-	-	(431,419)	(383,704)	47,715
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(220,671)	(196,604)	24,067
Net change in fund balances	\$ -	15	\$ 15	\$ (193,374)	(90,517)	\$ 102,857
Fund balance (deficit), July 1		85			881,231	
Fund balance (deficit), June 30		\$ 100			\$ 790,714	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	SENIOR CITIZENS			COUNTY EXTENSION		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET -	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET -
			POSITIVE (NEGATIVE)			POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 151,528	\$ 154,470	\$ 2,942	\$ 188,828	\$ 192,214	\$ 3,386
Licenses and permits	-	-	-	-	-	-
Intergovernmental	10,615	10,615	-	13,303	13,303	-
Charges for services	-	-	-	2,465	6,988	4,523
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	3,400	4,987	1,587
Investment earnings	-	-	-	-	-	-
Total revenues	162,143	165,085	2,942	207,996	217,492	9,496
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	-	-	-	58,089	60,088	(1,999)
Operations and maintenance	160,252	160,252	-	174,647	166,776	7,871
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	160,252	160,252	-	232,736	226,864	5,872
Excess (deficiency) of revenue over (under) expenditures	1,891	4,833	2,942	(24,740)	(9,372)	15,368
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	5,029	5,040	11
Transfers out	(3,000)	(3,000)	-	(10,185)	(10,185)	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	(3,000)	(3,000)	-	(5,156)	(5,145)	11
Net change in fund balances	\$ (1,109)	1,833	\$ 2,942	\$ (29,896)	(14,517)	\$ 15,379
Fund balance (deficit), July 1		29,109			97,348	
Fund balance (deficit), June 30		\$ 30,942			\$ 82,831	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	PUBLIC SAFETY 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	163,442	108,678	(54,764)	-	-	-
Charges for services	1,200	1,200	-	212,850	172,233	(40,617)
Fines and forfeitures	-	-	-	-	2,111	2,111
Miscellaneous	-	-	-	45,800	74,687	28,887
Investment earnings	-	-	-	-	-	-
Total revenues	164,642	109,878	(54,764)	258,650	249,031	(9,619)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	255,115	255,254	(139)	-	-	-
Operations and maintenance	162,308	108,131	54,177	544,625	527,497	17,128
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	417,423	363,385	54,038	544,625	527,497	17,128
Excess (deficiency) of revenue over (under) expenditures	(252,781)	(253,507)	(726)	(285,975)	(278,466)	7,509
OTHER FINANCING SOURCES (USES)						
Transfers in	262,080	137,080	(125,000)	271,985	240,000	(31,985)
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	262,080	137,080	(125,000)	271,985	240,000	(31,985)
Net change in fund balances	\$ 9,299	(116,427)	\$ (125,726)	\$ (13,990)	(38,466)	\$ (24,476)
Fund balance (deficit), July 1		76,548			14,884	
Fund balance (deficit), June 30		\$ (39,879)			\$ (23,582)	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
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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	\$ -	\$ -	\$ -	\$ 10,000	\$ 25,152	\$ 15,152
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	109,000	107,644	(1,356)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	12	12	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	109,000	107,656	(1,344)	10,000	25,152	15,152
EXPENDITURES						
Current:						
General government						
Personal services	58,054	58,342	(288)	-	-	-
Operations and maintenance	45,914	43,529	2,385	-	-	-
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	100,000	-	100,000
Total expenditures	103,968	101,871	2,097	100,000	-	100,000
Excess (deficiency) of revenue over (under) expenditures	5,032	5,785	753	(90,000)	25,152	115,152
OTHER FINANCING SOURCES (USES)						
Transfers in	-	5,040	5,040	-	-	-
Transfers out	(20,329)	(20,329)	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	(20,329)	(15,289)	5,040	-	-	-
Net change in fund balances	\$ (15,297)	(9,504)	\$ 5,793	\$ (90,000)	25,152	\$ 115,152
Fund balance (deficit), July 1		120,465			176,218	
Fund balance (deficit), June 30		\$ 110,961			\$ 201,370	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
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	LINCOLN PARKS			DUI PROGRAMS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	50,000	30,998	(19,002)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	8,700	15,119	6,419	-	29,395	29,395
Investment earnings	-	-	-	-	-	-
Total revenues	8,700	15,119	6,419	50,000	60,393	10,393
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	6,598	-	6,598
Operations and maintenance	-	-	-	422	420	2
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	117,404	59,706	57,698
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	3,427	3,087	340	-	-	-
Operations and maintenance	15,731	7,505	8,226	-	-	-
Total expenditures	19,158	10,592	8,566	124,424	60,126	64,298
Excess (deficiency) of revenue over (under) expenditures	(10,458)	4,527	14,985	(74,424)	267	74,691
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	6,000	6,000	-
Transfers out	-	-	-	(16,000)	(14,041)	1,959
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(10,000)	(8,041)	1,959
Net change in fund balances	\$ (10,458)	4,527	\$ 14,985	\$ (84,424)	(7,774)	\$ 76,650
Fund balance (deficit), July 1		15,511			54,979	
Fund balance (deficit), June 30		\$ 20,038			\$ 47,205	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	CITY/COUNTY DRUG			MISSOURI RIVER DRUG TASK FORCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	473	473	249,184	349,926	100,742
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	-	473	473	249,184	349,926	100,742
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	2,004	(2,004)
Operations and maintenance	18,500	3,658	14,842	225,249	216,366	8,883
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	18,500	3,658	14,842	225,249	218,370	6,879
Excess (deficiency) of revenue over (under) expenditures	(18,500)	(3,185)	15,315	23,935	131,556	107,621
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(6,879)	(6,879)
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(6,879)	(6,879)
Net change in fund balances	\$ (18,500)	(3,185)	\$ 15,315	\$ 23,935	124,677	\$ 100,742
Fund balance (deficit), July 1		48,972			409,017	
Fund balance (deficit), June 30		\$ 45,787			\$ 533,694	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	MRDTF FEDERAL SHARING			HARD ROCK MINE RESERVE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	22,622	35,071	12,449	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	82	82	-	969	969
Total revenues	22,622	35,153	12,531	-	969	969
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	22,622	22,621	1	-	-	-
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	22,622	22,621	1	-	-	-
Excess (deficiency) of revenue over (under) expenditures	-	12,532	12,532	-	969	969
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	12,532	\$ 12,532	\$ -	969	\$ 969
Fund balance (deficit), July 1		1,951			124,201	
Fund balance (deficit), June 30		\$ 14,483			\$ 125,170	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	METAL MINES TAX RESERVE			WOLF CREEK WASTEWATER FACILITY MAINTENANCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	25,000	24,297	(703)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	441	441	-	46	46
Total revenues	-	441	441	25,000	24,343	(657)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	28,000	25,080	2,920
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	-	-	-	28,000	25,080	2,920
Excess (deficiency) of revenue over (under) expenditures	-	441	441	(3,000)	(737)	2,263
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	441	\$ 441	\$ (3,000)	(737)	\$ 2,263
Fund balance (deficit), July 1		56,555			4,661	
Fund balance (deficit), June 30		\$ 56,996			\$ 3,924	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
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	CRAIG WASTEWATER FACILITY MAINTENANCE			CRAIG TRAINING CENTER MAINTENANCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	118,000	108,437	(9,563)	13,200	12,049	(1,151)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	500	1,648	1,148	75	321	246
Total revenues	118,500	110,085	(8,415)	13,275	12,370	(905)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	300,000	177,412	122,588	30,000	-	30,000
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	300,000	177,412	122,588	30,000	-	30,000
Excess (deficiency) of revenue over (under) expenditures	(181,500)	(67,327)	114,173	(16,725)	12,370	29,095
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	\$ (181,500)	(67,327)	\$ 114,173	\$ (16,725)	12,370	\$ 29,095
Fund balance (deficit), July 1		225,172			33,001	
Fund balance (deficit), June 30		\$ 157,845			\$ 45,371	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	SEPTIC MAINTENANCE REMOVING LOAN			SEPTIC MAINTENANCE PROGRAM		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	46,000	26,280	(19,720)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	1,250	447	(803)
Investment earnings	10,850	14,054	3,204	-	-	-
Total revenues	10,850	14,054	3,204	47,250	26,727	(20,523)
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	-	-	-	78,448	54,498	23,950
Operations and maintenance	75,000	7,854	67,146	10,148	3,507	6,641
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	75,000	7,854	67,146	88,596	58,005	30,591
Excess (deficiency) of revenue over (under) expenditures	(64,150)	6,200	70,350	(41,346)	(31,278)	10,068
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	41,347	31,397	(9,950)
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	41,347	31,397	(9,950)
Net change in fund balances	\$ (64,150)	6,200	\$ 70,350	\$ 1	119	\$ 118
Fund balance (deficit), July 1		82,972			362	
Fund balance (deficit), June 30		\$ 89,172			\$ 481	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	OPEN SPACE			ROAD IMPROVEMENT SUBDIVISIONS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	151,093	151,093
Investment earnings	4,000	13,736	9,736	-	1,480	1,480
Total revenues	4,000	13,736	9,736	-	152,573	152,573
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	2,035,283	2,035,282	1	-	-	-
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	2,035,283	2,035,282	1	-	-	-
Excess (deficiency) of revenue over (under) expenditures	(2,031,283)	(2,021,546)	9,737	-	152,573	152,573
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(55,675)	(55,675)
Loans	1,035,210	4,054,634	3,019,424	-	-	-
Total other financing sources (uses)	1,035,210	4,054,634	3,019,424	-	(55,675)	(55,675)
Net change in fund balances	\$ (996,073)	2,033,088	\$ 3,029,161	\$ -	96,898	\$ 96,898
Fund balance (deficit), July 1		1,020,246			121,001	
Fund balance (deficit), June 30		\$ 3,053,334			\$ 217,899	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	ALCOHOLISM			GAS TAX		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	150,000	109,361	(40,639)	270,000	269,357	(643)
Charges for services	-	-	-	2,970	9,470	6,500
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	2,500	-	(2,500)
Investment earnings	-	-	-	-	-	-
Total revenues	150,000	109,361	(40,639)	275,470	278,827	3,357
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	350,595	307,282	43,313
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	150,000	109,361	40,639	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	150,000	109,361	40,639	350,595	307,282	43,313
Excess (deficiency) of revenue over (under) expenditures	-	-	-	(75,125)	(28,455)	46,670
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(60,518)	(60,518)	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(60,518)	(60,518)	-
Net change in fund balances	\$ -	-	\$ -	\$ (135,643)	(88,973)	\$ 46,670
Fund balance (deficit), July 1		-			167,889	
Fund balance (deficit), June 30		<u>\$ -</u>			<u>\$ 78,916</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	HIDTA			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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	225,097	167,968	(57,129)	23,849	11,849	(12,000)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	225,097	167,968	(57,129)	23,849	11,849	(12,000)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	186,089	165,451	20,638	-	-	-
Public safety						
Personal services	-	-	-	11,972	-	11,972
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	186,089	165,451	20,638	11,972	-	11,972
Excess (deficiency) of revenue over (under) expenditures	39,008	2,517	(36,491)	11,877	11,849	(28)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(5,300)	(9,410)	(4,110)	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	(5,300)	(9,410)	(4,110)	-	-	-
Net change in fund balances	\$ 33,708	(6,893)	\$ (40,601)	\$ 11,877	11,849	\$ (28)
Fund balance (deficit), July 1		(33,707)			(11,849)	
Fund balance (deficit), June 30		\$ (40,600)			\$ -	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
SPECIAL REVENUE FUNDS
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	NATIONAL FIRE PLAN			ECONOMIC DEVELOPMENT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	230,500	91,389	(139,111)	-	-	-
Charges for services	-	8,455	8,455	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	230,500	99,844	(130,656)	-	-	-
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	1,509	(1,509)	-	-	-
Operations and maintenance	200,069	71,032	129,037	-	-	-
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						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	200,069	72,541	127,528	-	-	-
Excess (deficiency) of revenue over (under) expenditures	30,431	27,303	(3,128)	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	87	87	-	-	-
Transfers out	-	(10,471)	(10,471)	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	(10,384)	(10,384)	-	-	-
Net change in fund balances	\$ 30,431	16,919	\$ (13,512)	\$ -	-	\$ -
Fund balance (deficit), July 1		(38,493)			-	
Fund balance (deficit), June 30		\$ (21,574)			\$ -	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	NOXIOUS WEED TRUST GRANT			HOMELAND SECURITY GRANT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	27,000	19,192	(7,808)	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	27,000	19,192	(7,808)	-	-	-
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	20,500	17,227	3,273	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Total expenditures	20,500	17,227	3,273	-	-	-
Excess (deficiency) of revenue over (under) expenditures	6,500	1,965	(4,535)	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	\$ 6,500	1,965	\$ (4,535)	\$ -	-	\$ -
Fund balance (deficit), July 1		(6,447)			-	
Fund balance (deficit), June 30		\$ (4,482)			\$ -	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	OTHER GRANTS			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	\$ -	\$ -	\$ -	\$ 8,745,484	\$ 8,972,451	\$ 226,967
Licenses and permits	-	-	-	6,800	2,783	(4,017)
Intergovernmental	955,555	482,617	(472,938)	5,667,291	4,220,892	(1,446,399)
Charges for services	-	-	-	2,112,426	2,170,975	58,549
Fines and forfeitures	-	-	-	284,684	381,364	96,680
Miscellaneous	-	987	987	265,459	486,728	221,269
Investment earnings	-	-	-	29,225	57,296	28,071
Total revenues	955,555	483,604	(471,951)	17,111,369	16,292,489	(818,880)
EXPENDITURES						
Current:						
General government						
Personal services	16,728	-	16,728	1,715,994	1,513,974	202,020
Operations and maintenance	252,549	148,014	104,535	3,913,629	3,597,996	315,633
Public safety						
Personal services	-	73	(73)	400,495	388,274	12,221
Operations and maintenance	100,000	127,114	(27,114)	1,644,939	1,504,794	140,145
Public works						
Personal services	-	-	-	1,459,067	1,393,479	65,588
Operations and maintenance	-	-	-	1,922,838	1,592,852	329,986
Public health						
Personal services	16,728	28,313	(11,585)	3,672,977	3,279,351	393,626
Operations and maintenance	56,689	36,624	20,065	2,159,255	1,794,638	364,617
Social and economic						
Personal services	-	-	-	154,251	153,710	541
Operations and maintenance	-	-	-	353,906	348,575	5,331
Culture and recreation						
Personal services	-	-	-	3,427	3,087	340
Operations and maintenance	-	-	-	173,467	43,495	129,972
Total expenditures	442,694	340,138	102,556	17,574,245	15,614,225	1,960,020
Excess (deficiency) of revenue over (under) expenditures	512,861	143,466	(369,395)	(462,876)	678,264	1,141,140
OTHER FINANCING SOURCES (USES)						
Transfers in	-	987	987	1,500,603	1,271,316	(229,287)
Transfers out	-	-	-	(4,412,544)	(4,445,640)	(33,096)
Loans	-	-	-	1,035,210	4,054,634	3,019,424
Total other financing sources (uses)	-	987	987	(1,876,731)	880,310	2,757,041
Net change in fund balances	\$ 512,861	144,453	\$ (368,408)	\$ (2,339,607)	1,558,574	\$ 3,898,181
Fund balance (deficit), July 1		(361,170)			7,020,707	
Fund balance (deficit), June 30		\$ (216,717)			\$ 8,579,281	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	CITY/COUNTY BUILDING DEBT			OPEN SPACE DEBT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ 215,000	\$ 155,838	\$ (59,162)
Miscellaneous	178,483	178,483	-	-	-	-
Investment earnings	-	-	-	200	884	684
Total revenues	178,483	178,483	-	215,200	156,722	(58,478)
EXPENDITURES						
Current:						
Public health	-	-	-	-	-	-
Debt service	178,483	178,483	-	211,965	211,965	-
Total expenditures	178,483	178,483	-	211,965	211,965	-
Excess (deficiency) of revenue over (under) expenditures	-	-	-	3,235	(55,243)	(58,478)
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	-	\$ -	\$ 3,235	(55,243)	\$ (58,478)
Fund balance (deficit), July 1		-			67,968	
Fund balance (deficit), June 30		\$ -			\$ 12,725	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	HEALTH FACILITIES DEBT			RSID REVOLVING DEBT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 89,000	\$ 54,222	\$ (34,778)	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-	-	-
Investment earnings	75	(147)	(222)	1,850	3,104	1,254
Total revenues	89,075	54,075	(35,000)	1,850	3,104	1,254
EXPENDITURES						
Current:						
Public health	-	1,591	(1,591)	-	-	-
Debt service	-	-	-	-	-	-
Total expenditures	-	1,591	(1,591)	-	-	-
Excess (deficiency) of revenue over (under) expenditures	89,075	52,484	(36,591)	1,850	3,104	1,254
OTHER FINANCING SOURCES (USES)						
Transfers out	(70,000)	(34,255)	35,745	-	-	-
Loans	-	-	-	-	9,997	9,997
Total other financing sources(uses)	(70,000)	(34,255)	35,745	-	9,997	9,997
Net change in fund balances	\$ 19,075	18,229	\$ (846)	\$ 1,850	13,101	\$ 11,251
Fund balance (deficit), July 1		(18,229)			321,158	
Fund balance (deficit), June 30		<u>\$ -</u>			<u>\$ 334,259</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2017
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	SEARCH & RESCUE BLDG			RURAL SPECIAL IMPROVEMENT DISTRICTS DEB		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 100,000	\$ 99,654	\$ (346)	\$ 190,232	\$ 181,996	\$ (8,236)
Miscellaneous	-	-	-	-	-	-
Investment earnings	60	214	154	196	2,065	1,869
Total revenues	100,060	99,868	(192)	190,428	184,061	(6,367)
EXPENDITURES						
Current:						
Public health	-	-	-	-	-	-
Debt service	142,797	98,167	44,630	185,502	151,748	33,754
Total expenditures	142,797	98,167	44,630	185,502	151,748	33,754
Excess (deficiency) of revenue over (under) expenditures	(42,737)	1,701	44,438	4,926	32,313	27,387
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	-	(1,361)	(1,361)
Loans	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	(1,361)	(1,361)
Net change in fund balances	\$ (42,737)	1,701	\$ 44,438	\$ 4,926	30,952	\$ 26,026
Fund balance (deficit), July 1		54,064			255,353	
Fund balance (deficit), June 30		<u>\$ 55,765</u>			<u>\$ 286,305</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 4 of 4)

	TOTAL DEBT SERVICE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES			
Taxes/assessments	\$ 594,232	\$ 491,710	\$ (102,522)
Miscellaneous	178,483	178,483	-
Investment earnings	2,381	6,120	3,739
Total revenues	775,096	676,313	(98,783)
EXPENDITURES			
Current:			
Public health	-	1,591	(1,591)
Debt service	718,747	640,363	78,384
Total expenditures	718,747	641,954	76,793
Excess (deficiency) of revenue over (under) expenditures	56,349	34,359	(21,990)
OTHER FINANCING SOURCES (USES)			
Transfers out	(70,000)	(35,616)	34,384
Loans	-	9,997	9,997
Total other financing sources(uses)	(70,000)	(25,619)	44,381
Net change in fund balances	\$ (13,651)	8,740	\$ 22,391
Fund balance (deficit), July 1		680,314	
Fund balance (deficit), June 30		\$ 689,054	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 1 of 3)

	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	\$ -	\$ 208,645	\$ 208,645	\$ -	\$ -	\$ -
Miscellaneous	-	7,995	7,995	-	-	-
Investment earnings	22,500	59,154	36,654	-	-	-
Total revenues	22,500	275,794	253,294	-	-	-
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	1,347,620	340,856	1,006,764	-	-	-
Public safety						
Operations and maintenance	989,956	630,352	359,604	-	-	-
Public works						
Operations and maintenance	922,030	568,257	353,773	-	-	-
Public health						
Operations and maintenance	-	109,508	(109,508)	-	-	-
Total expenditures	3,259,606	1,648,973	1,610,633	-	-	-
Excess (deficiency) of revenue over (under) expenditures	(3,237,106)	(1,373,179)	1,863,927	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	3,529,968	4,263,359	733,391	-	-	-
Proceeds from long-term debt	-	-	-	-	-	-
Proceeds from sale of capital assets	-	10,223	10,223	-	-	-
Total other financing sources(uses)	3,529,968	4,273,582	743,614	-	-	-
Net change in fund balances	\$ 292,862	2,900,403	\$ 2,607,541	\$ -	-	\$ -
Fund balance (deficit), July 1		6,607,745			-	
Fund balance (deficit), June 30		\$ 9,508,148			\$ -	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 2 of 3)

	RURAL SPECIAL IMPROVEMENT DISTRICT 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	\$ -	\$ -	\$ -	\$ 549,000	\$ 126,343	\$ (422,657)
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	-	-	-	549,000	126,343	(422,657)
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	-	-	-	450,000	139,068	310,932
Public safety						
Operations and maintenance	-	-	-	-	-	-
Public works						
Operations and maintenance	250,000	153,521	96,479	-	-	-
Public health						
Operations and maintenance	-	-	-	-	-	-
Total expenditures	250,000	153,521	96,479	450,000	139,068	310,932
Excess (deficiency) of revenue over (under) expenditures	(250,000)	(153,521)	96,479	99,000	(12,725)	(111,725)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	14,752	14,752	-	-	-
Loans	315,000	199,937	(115,063)	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	315,000	214,689	(100,311)	-	-	-
Net change in fund balances	\$ 65,000	61,168	\$ (3,832)	\$ 99,000	(12,725)	\$ (111,725)
Fund balance (deficit), July 1		(61,168)			(99,333)	
Fund balance (deficit), June 30	\$ -			\$ (112,058)		

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2017
 (Page 3 of 3)

	ROAD/BRIDGE INFRASTRUCTURE PROJECTS			TOTAL CAPITAL PROJECTS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Intergovernmental	\$ 6,683,220	\$ 4,663,948	\$ (2,019,272)	\$ 7,232,220	\$ 4,998,936	\$ (2,233,284)
Miscellaneous	-	-	-	-	7,995	7,995
Investment earnings	-	-	-	22,500	59,154	36,654
Total revenues	6,683,220	4,663,948	(2,019,272)	7,254,720	5,066,085	(2,188,635)
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	-	-	-	1,797,620	479,924	1,317,696
Public safety						
Operations and maintenance	-	-	-	989,956	630,352	359,604
Public works						
Operations and maintenance	9,109,656	5,391,231	3,718,425	10,281,686	6,113,009	4,168,677
Public health						
Operations and maintenance	-	-	-	-	109,508	(109,508)
Total expenditures	9,109,656	5,391,231	3,718,425	13,069,262	7,332,793	5,736,469
Excess (deficiency) of revenue over (under) expenditures	(2,426,436)	(727,283)	1,699,153	(5,814,542)	(2,266,708)	3,547,834
OTHER FINANCING SOURCES (USES)						
Transfers in	1,973,797	1,404,864	(568,933)	5,503,765	5,682,975	179,210
Loans	-	-	-	315,000	199,937	(115,063)
Proceeds from sale of capital assets	-	-	-	-	10,223	10,223
Total other financing sources(uses)	1,973,797	1,404,864	(568,933)	5,818,765	5,893,135	74,370
Net change in fund balances	\$ (452,639)	677,581	\$ 1,130,220	\$ 4,223	3,626,427	\$ 3,622,204
Fund balance (deficit), July 1		792,244			7,239,488	
Fund balance (deficit), June 30		\$ 1,469,825			\$ 10,865,915	



ENTERPRISE FUNDS

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

Augusta Solid Waste District - Used to account for the receipt of property tax assessments and other resources and related expenses for the operation a solid waste district in Augusta.

Lincoln Solid Waste District - Used to account for the receipt of property tax assessments and other resources and related expenses for the operation of a solid waste district in Lincoln.

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

Marysville Solid Waste Sub-District - Used to account for the receipt of property tax assessments and other resources and related expenses for the operation of the solid waste sub-district in Marysville.

**STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2017**

	<u>AUGUSTA SOLID WASTE</u>	<u>LINCOLN SOLID WASTE</u>	<u>SCRATCH- GRAVEL LANDFILL</u>	<u>MARYSVILLE SOLID WASTE</u>	<u>TOTAL NONMAJOR ENTERPRISE FUND</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 28,254	\$ 183,587	\$ 998,060	\$ 27,036	\$ 1,236,937
Investments	5,070	32,946	179,110	4,852	221,978
Receivables:					
Accounts/contracts (net)	8,526	25,040	219,343	4,374	257,283
Total current assets	<u>41,850</u>	<u>241,573</u>	<u>1,396,513</u>	<u>36,262</u>	<u>1,716,198</u>
Noncurrent assets:					
Land and construction in progress	5,396	-	54,611	3,587	63,594
Buildings, improvements, vehicles and equipment(net)	39,805	106,527	-	-	146,332
Total noncurrent assets	<u>45,201</u>	<u>106,527</u>	<u>54,611</u>	<u>3,587</u>	<u>209,926</u>
Total assets	<u>87,051</u>	<u>348,100</u>	<u>1,451,124</u>	<u>39,849</u>	<u>1,926,124</u>
LIABILITIES					
Current liabilities:					
Accounts payable	-	9,960	100,095	-	110,055
Landfill postclosure costs payable - current	-	-	12,400	-	12,400
Compensated absences payable	873	127	111	142	1,253
Total current liabilities	<u>873</u>	<u>10,087</u>	<u>112,606</u>	<u>142</u>	<u>123,708</u>
Noncurrent liabilities:					
Landfill postclosure costs payable	-	-	86,800	-	86,800
Compensated absences payable	7,854	1,146	999	1,277	11,276
Total noncurrent liabilities	<u>7,854</u>	<u>1,146</u>	<u>87,799</u>	<u>1,277</u>	<u>98,076</u>
Total liabilities	<u>8,727</u>	<u>11,233</u>	<u>200,405</u>	<u>1,419</u>	<u>221,784</u>
NET POSITION					
Net investment in capital assets	45,201	106,527	54,611	3,587	209,926
Unrestricted	33,123	230,340	1,196,108	34,843	1,494,414
Total net position	<u>\$ 78,324</u>	<u>\$ 336,867</u>	<u>\$ 1,250,719</u>	<u>\$ 38,430</u>	<u>\$ 1,704,340</u>

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2017

	<u>AUGUSTA SOLID WASTE</u>	<u>LINCOLN SOLID WASTE</u>	<u>SCRATCH- GRAVEL LANDFILL</u>	<u>MARYSVILLE SOLID WASTE</u>	<u>TOTAL</u>
OPERATING REVENUES					
Charges for services	\$ 90,782	\$ 155,379	\$ 1,374,673	\$ 39,768	\$ 1,660,602
Total Operating Revenues	90,782	155,379	1,374,673	39,768	1,660,602
OPERATING EXPENSES					
Personal services	39,916	10,997	39,848	21,653	112,414
Supplies	5,620	7,616	73,572	12,647	99,455
Purchased services	83,092	112,540	1,251,654	145	1,447,431
Depreciation	9,780	7,661	-	-	17,441
Total Operating Expenses	138,408	138,814	1,365,074	34,445	1,676,741
Operating income (loss)	(47,626)	16,565	9,599	5,323	(16,139)
NONOPERATING REVENUES (EXPENSES)					
Interest income	465	1,541	7,734	198	9,938
Total Nonoperating Revenues (Expenses)	465	1,541	7,734	198	9,938
Income (loss) before transfers	(47,161)	18,106	17,333	5,521	(6,201)
Change in net position	(47,161)	18,106	17,333	5,521	(6,201)
Total net position, beginning	125,485	318,761	1,233,386	32,909	1,710,541
Total net position, ending	\$ 78,324	\$ 336,867	\$ 1,250,719	\$ 38,430	\$ 1,704,340

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2017

	AUGUSTA LANDFILL	LINCOLN LANDFILL	SCRATCH- GRAVEL LANDFILL	MARYSVILLE LANDFILL	TOTAL
Cash flows from operating activities:					
Cash received from customers	\$ 87,680	\$ 151,836	\$ 1,328,135	\$ 38,423	\$ 1,606,074
Cash payments for goods and services	(88,712)	(118,378)	(1,327,305)	(12,792)	(1,547,187)
Cash payments for employees	(38,827)	(10,934)	(42,203)	(22,524)	(114,488)
Cash payments for landfill closure and post closure costs	-	-	(12,400)	-	(12,400)
Net cash provided by (used by) operating activities	(39,859)	22,524	(53,773)	3,107	(68,001)
Cash flows from investing activities:					
Receipts of interest and dividends	465	1,542	7,734	198	9,939
Payments for investments	6,635	(1,965)	17,785	(251)	22,204
Net cash provided by (used by) investing activities	7,100	(423)	25,519	(53)	32,143
Net increase (decrease) in cash and cash equivalents	(32,759)	22,101	(28,254)	3,054	(35,858)
Cash and cash equivalents, July 1	61,013	161,486	1,026,314	23,982	1,272,795
Cash and cash equivalents, June 30	\$ 28,254	\$ 183,587	\$ 998,060	\$ 27,036	\$ 1,236,937
Cash and cash equivalents, current	\$ 28,254	\$ 183,587	\$ 998,060	\$ 27,036	\$ 1,236,937
Total Cash and cash equivalents, June 30	\$ 28,254	\$ 183,587	\$ 998,060	\$ 27,036	\$ 1,236,937
Reconciliation of operating income to net cash provided by operating activity:					
Operating income (loss)	\$ (47,626)	\$ 16,565	\$ 9,599	\$ 5,323	\$ (16,139)
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:					
Depreciation	9,780	7,661	-	-	17,441
Change in assets and liabilities:					
(Increase) decrease taxes/accounts/other receivables	(3,102)	(3,543)	(46,538)	(1,345)	(54,528)
Increase (decrease) compensated absences	1,089	63	(2,355)	(871)	(2,074)
Increase (decrease) accounts payable	-	1,778	(2,079)	-	(301)
Increase (decrease) postclosure liability	-	-	(12,400)	-	(12,400)
Net cash provided by (used by) operating activities	\$ (39,859)	\$ 22,524	\$ (53,773)	\$ 3,107	\$ (68,001)
Schedule of Noncash Transactions					
Write off of accounts receivables	\$ 174	\$ 511	\$ 4,476	\$ 89	\$ 5,250

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.

STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
 June 30, 2017
 (Page 1 of 2)

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 728,667	\$ 68,707	\$ 387,924	\$ 63,412
Investments	130,766	12,330	69,616	11,380
Receivables:				
Accounts/contracts (net)	-	-	-	-
Inventories	-	-	6,261	12,644
Total current assets	859,433	81,037	463,801	87,436
Noncurrent assets:				
Land and construction in progress	-	212,844	-	-
Buildings, improvements, vehicles and equipment(net)	238,860	586,931	36,248	-
Total noncurrent assets	238,860	799,775	36,248	-
Total assets	1,098,293	880,812	500,049	87,436
LIABILITIES				
Current liabilities:				
Accounts payable	12,731	3,155	4,592	-
Claims payable	-	-	-	-
Compensated absences payable	3,926	1,741	3,198	-
Total current liabilities	16,657	4,896	7,790	-
Noncurrent liabilities:				
Compensated absences payable	35,329	15,667	28,777	-
Total noncurrent liabilities	35,329	15,667	28,777	-
Total liabilities	51,986	20,563	36,567	-
NET POSITION				
Net investment in capital assets	238,860	799,775	36,248	-
Unrestricted	807,447	60,474	427,234	87,436
Total net position	\$ 1,046,307	\$ 860,249	\$ 463,482	\$ 87,436

STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
 June 30, 2017
 (Page 2 of 2)

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	TOTAL INTERNAL SERVICE
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,115,326	\$ 996,258	\$ 958,116	\$ 4,318,410
Investments	200,155	178,787	171,942	774,976
Receivables:				
Accounts/contracts (net)	-	-	212,768	212,768
Inventories	-	-	-	18,905
Total current assets	1,315,481	1,175,045	1,342,826	5,325,059
Noncurrent assets:				
Land and construction in progress	-	-	-	212,844
Buildings, improvements, vehicles and equipment(net)	54,587	-	-	916,626
Total noncurrent assets	54,587	-	-	1,129,470
Total assets	1,370,068	1,175,045	1,342,826	6,454,529
LIABILITIES				
Current liabilities:				
Accounts payable	62,415	16,425	-	99,318
Claims payable	-	-	268,426	268,426
Compensated absences payable	12,234	-	292	21,391
Total current liabilities	74,649	16,425	268,718	389,135
Noncurrent liabilities:				
Compensated absences payable	110,107	-	2,627	192,507
Total noncurrent liabilities	110,107	-	2,627	192,507
Total liabilities	184,756	16,425	271,345	581,642
NET POSITION				
Net investment in capital assets	54,587	-	-	1,129,470
Unrestricted	1,130,725	1,158,620	1,071,481	4,743,417
Total net position	\$ 1,185,312	\$ 1,158,620	\$ 1,071,481	\$ 5,872,887

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2017
(Page 1 of 2)

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
OPERATING REVENUES				
Charges for services	\$ 1,104,517	\$ 350,679	\$ 569,844	\$ 222,882
Miscellaneous	8,062	1,668	551	-
Total Operating Revenues	1,112,579	352,347	570,395	222,882
OPERATING EXPENSES				
Personal services	315,192	168,839	238,062	-
Supplies	270,478	62,562	216,753	214,994
Purchased services	278,984	70,499	61,385	459
Depreciation	43,505	34,063	5,356	-
Total Operating Expenses	908,159	335,963	521,556	215,453
Operating income (loss)	204,420	16,384	48,839	7,429
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	-	-	-	-
Interest income	5,363	274	3,585	493
Interest expense	-	(8,250)	-	-
Total Nonoperating Revenues (Expenses)	5,363	(7,976)	3,585	493
Income (loss) before transfers	209,783	8,408	52,424	7,922
Transfers in	3,431	32,152	-	-
Transfers out	(165,000)	(3,431)	(14,843)	-
Change in net position	48,214	37,129	37,581	7,922
Total net position, beginning	998,093	823,120	425,901	79,514
Total net position, ending	\$ 1,046,307	\$ 860,249	\$ 463,482	\$ 87,436

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2017
(Page 2 of 2)

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	TOTAL
OPERATING REVENUES				
Charges for services	\$ 2,476,753	\$ 618,034	\$ 4,411,663	\$ 9,754,372
Miscellaneous	39	83,594	-	93,914
Total Operating Revenues	2,476,792	701,628	4,411,663	9,848,286
OPERATING EXPENSES				
Personal services	1,215,463	-	56,882	1,994,438
Supplies	1,091,694	-	424,119	2,280,600
Purchased services	408,798	696,660	4,649,228	6,166,013
Depreciation	17,702	-	-	100,626
Total Operating Expenses	2,733,657	696,660	5,130,229	10,541,677
Operating income (loss)	(256,865)	4,968	(718,566)	(693,391)
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	83,192	-	-	83,192
Interest income	7,853	6,002	12,431	36,001
Interest expense	-	-	-	(8,250)
Total Nonoperating Revenues (Expenses)	91,045	6,002	12,431	110,943
Income (loss) before transfers	(165,820)	10,970	(706,135)	(582,448)
Transfers in	-	265,900	-	301,483
Transfers out	-	-	-	(183,274)
Change in net position	(165,820)	276,870	(706,135)	(464,239)
Total net position, beginning	1,351,132	881,750	1,777,616	6,337,126
Total net position, ending	\$ 1,185,312	\$ 1,158,620	\$ 1,071,481	\$ 5,872,887

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2017
(Page 1 of 2)

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
Cash flows from operating activities:				
Cash received from customers	\$ 1,121,880	\$ 350,679	\$ 569,844	\$ 222,882
Cash payments for goods and services	(551,391)	(133,061)	(269,289)	(214,992)
Cash payments for employees	(319,714)	(185,047)	(248,976)	-
Cash received from other operating revenues	8,062	1,668	551	-
Net cash provided by (used by) operating activities	258,837	34,239	52,130	7,890
Cash flows from noncapital financing activities:				
Proceeds received from non-capital grants	-	-	-	-
Transfers from other Funds	3,431	32,152	-	-
Transfers to other Funds	(165,000)	(3,431)	(14,843)	-
Net cash provided by (used by) noncapital financing activities	(161,569)	28,721	(14,843)	-
Cash flows from capital and related financing activities:				
Payments for capital acquisitions	(31,191)	(212,845)	-	-
Principal repayment - bonds/loans	-	(125,000)	-	-
Interest paid	-	(8,250)	-	-
Net cash provided by (used by) capital and related financing activities	(31,191)	(346,095)	-	-
Cash flows from investing activities:				
Receipts of interest and dividends	5,363	274	3,585	493
Payments for investments	(3,926)	209,188	(2,547)	(690)
Net cash provided by (used by) investing activities	1,437	209,462	1,038	(197)
Net increase (decrease) in cash and cash equivalents	67,514	(73,673)	38,325	7,693
Cash and cash equivalents, July 1	661,153	142,380	349,599	55,719
Cash and cash equivalents, June 30	\$ 728,667	\$ 68,707	\$ 387,924	\$ 63,412
Cash and cash equivalents, current	\$ 728,667	\$ 68,707	\$ 387,924	\$ 63,412
Total Cash and cash equivalents, June 30	\$ 728,667	\$ 68,707	\$ 387,924	\$ 63,412
Reconciliation of operating income to net cash provided by operating activity:				
Operating income (loss)	\$ 204,420	\$ 16,384	\$ 48,839	\$ 7,429
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:				
Depreciation	43,505	34,063	5,356	-
Change in assets and liabilities:				
(Increase) decrease taxes/accounts/other receivables	17,363	-	-	-
(Increase) decrease due from other funds	-	-	-	-
(Increase) decrease inventory	-	-	8,831	461
Increase (decrease) compensated absences	5,050	(10,108)	(2,685)	-
Increase (decrease) accounts payable	(11,501)	(6,100)	(8,211)	-
Increase (decrease) claims payable	-	-	-	-
Net cash provided by (used by) operating activities	\$ 258,837	\$ 34,239	\$ 52,130	\$ 7,890

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2017
(Page 2 of 2)

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	TOTAL
Cash flows from operating activities:				
Cash received from customers	\$ 2,476,753	\$ 618,034	\$ 4,466,358	\$ 9,826,430
Cash payments for goods and services	(1,500,491)	(1,076,923)	(4,964,272)	(8,710,419)
Cash payments for employees	(1,195,418)	-	(60,509)	(2,009,664)
Cash received from other operating revenues	39	83,594	-	93,914
Net cash provided by (used by) operating activities	(219,117)	(375,295)	(558,423)	(799,739)
Cash flows from noncapital financing activities:				
Proceeds received from non-capital grants	83,192	-	-	83,192
Transfers from other Funds	-	300,000	-	335,583
Transfers to other Funds	-	-	-	(183,274)
Net cash provided by (used by) noncapital financing activities	83,192	300,000	-	235,501
Cash flows from capital and related financing activities:				
Payments for capital acquisitions	-	-	-	(244,036)
Principal repayment - bonds/loans	-	-	-	(125,000)
Interest paid	-	-	-	(8,250)
Net cash provided by (used by) capital and related financing activities	-	-	-	(377,286)
Cash flows from investing activities:				
Receipts of interest and dividends	7,853	6,002	12,431	36,001
Payments for investments	32,209	21,509	97,845	353,588
Net cash provided by (used by) investing activities	40,062	27,511	110,276	389,589
Net increase (decrease) in cash and cash equivalents	(95,863)	(47,784)	(448,147)	(551,935)
Cash and cash equivalents, July 1	1,211,189	1,044,042	1,406,263	4,870,345
Cash and cash equivalents, June 30	\$ 1,115,326	\$ 996,258	\$ 958,116	\$ 4,318,410
Cash and cash equivalents, current	\$ 1,115,326	\$ 996,258	\$ 958,116	\$ 4,318,410
Cash and cash equivalents, June 30	\$ 1,115,326	\$ 996,258	\$ 958,116	\$ 4,318,410
Reconciliation of operating income to net cash provided by operating activity:				
Operating income (loss)	\$ (256,865)	\$ 4,968	\$ (718,566)	\$ (693,391)
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:				
Depreciation	17,702	-	-	100,626
Change in assets and liabilities:				
(Increase) decrease taxes/accounts/other receivables	-	-	54,695	72,058
(Increase) decrease due from other funds	-	(34,100)	-	(34,100)
(Increase) decrease inventory	-	-	-	9,292
Increase (decrease) compensated absences	15,384	-	(3,627)	4,014
Increase (decrease) accounts payable	4,662	(346,163)	-	(367,313)
Increase (decrease) claims payable	-	-	109,075	109,075
Net cash provided by (used by) operating activities	\$ (219,117)	\$ (375,295)	\$ (558,423)	\$ (799,739)



DISCRETELY PRESENTED COMPONENT UNITS

PureView Health Center – PureView Health Center is a nonprofit corporation organized for the purpose of providing health services to the medically underserved in the County.

COMPONENT UNIT
BALANCE SHEET
June 30, 2017

	PUREVIEW HEALTH CENTER
ASSETS	
Cash and cash equivalents	\$ 1,543,808
Investments	277,050
Receivables:	
Accounts/contracts (net)	325,479
Due from other governments	335,641
Inventories	70,089
Total assets	\$ 2,552,067
DEFERRED OUTFLOWS OF RESOURCES	
Prepayments of costs	26,510
Total deferred outflows of resources	26,510
LIABILITIES	
Accounts payable	\$ 84,396
Total liabilities	84,396
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of revenues	12,514
Total deferred inflows	12,514
FUND BALANCE	
Nonspendable	
Inventory	70,089
Restricted	2,411,578
Total fund balance	2,481,667
Total liabilities, deferred inflows of resources, and fund balance	\$ 2,578,577
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	
Total <i>fund balance</i> for governmental funds	\$ 2,481,667
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Buildings, Improvements, Vehicles and Equipment(net)	346,406
Deferred outflows of resources are not financial resources and therefore are not reported in the funds.	553,772
Deferred inflows of resources are not due and payable and therefore are not reported in the funds.	(82,397)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated Absences	(220,033)
Net pension	(3,637,765)
Total OPEB implicit rate subsidy	(47,750)
Net Position of Governmental Activities	\$ (606,100)

**COMPONENT UNIT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2017**

	PUREVIEW HEALTH CENTER
REVENUES	
Intergovernmental	\$ 2,849,534
Charges for services	3,427,716
Miscellaneous	525,278
Interest earnings	6,316
	6,808,844
Total Revenues	6,808,844
EXPENDITURES	
Current:	
Public health	5,567,129
Capital outlay	7,333
	5,574,462
Total Expenditures	5,574,462
Excess (deficiency) of revenue over (under) expenditures	1,234,382
Net change in fund balances	1,234,382
Fund balance, July 1	1,392,276
Prior period adjustments	(144,991)
	1,247,285
Total net position, beginning, as restated	1,247,285
Fund balance, June 30	\$ 2,481,667

**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	\$ 1,234,382
<p>The amounts reported for governmental activities in the statement of activities is different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses.</p>	
Capital assets purchases capitalized	7,333
Depreciation expense	(35,371)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
GASB68 recognition of On-behalf payments to Pension Plans	67,459
<p>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.</p>	
Compensated absences	(18,924)
Net pension	(512,192)
OPEB implicit rate subsidy	(2,131)
	740,556
Change in net position of governmental activities	\$ 740,556



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:

Helena School District No. 1 Bond Accounts and Endowments
East Helena School District No. 9 Bond Account

STATEMENT OF FIDUCIARY NET POSITION - INVESTMENT TRUST FUNDS
 FIDUCIARY FUNDS
 June 30, 2017

	<u>EXTERNAL PORTION INVESTMENT POOL</u>	<u>INDIVIDUAL INVESTMENT FUNDS</u>	<u>TOTAL INVESTMENT TRUST FUNDS</u>
ASSETS			
Cash and cash equivalents	\$ 31,185,274	\$ 2,333,815	\$ 33,519,089
Investments	5,596,466	133,825	5,730,291
Total assets	<u>36,781,740</u>	<u>2,467,640</u>	<u>39,249,380</u>
 NET POSITION			
Held in trust for:			
External investment pool participants	36,781,740	-	36,781,740
Individual investment accounts	-	2,467,640	2,467,640
Total net position	<u>\$ 36,781,740</u>	<u>\$ 2,467,640</u>	<u>\$ 39,249,380</u>

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - INVESTMENT TRUST FUNDS
 FIDUCIARY FUNDS
 For the Fiscal Year Ended June 30, 2017

	EXTERNAL PORTION INVESTMENT POOL	INDIVIDUAL INVESTMENT FUNDS	TOTAL INVESTMENT TRUST FUNDS
ADDITIONS			
Contributions to pooled investments	\$ 119,672,049	\$ 2,090,785	\$ 121,762,834
Interest and investment income	265,547	20,130	285,677
Total additions	119,937,596	2,110,915	122,048,511
DEDUCTIONS			
Distribution from pooled investments	119,110,071	2,723,744	121,833,815
Administrative expenses	7,734	-	7,734
Total deductions	119,117,805	2,723,744	121,841,549
Change in net position:			
Pool participants	819,791	(612,829)	206,962
Net position held in trust, beginning of year	35,961,949	3,080,469	39,042,418
Net position held in trust, end of year	\$ 36,781,740	\$ 2,467,640	\$ 39,249,380



FIDUCIARY ASSETS – AGENCY FUNDS

Fiduciary Assets - Agency Funds are funds used to 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. The following is a detailed list of these funds:

Specific

Tri-County Working Group
 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
 Coroner 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
 County Flex Plan
 Subdivision Improvement Agreement

Special Districts

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

Marysville Fire District
 Augusta Rural Fire Service Area
 Montana City Fire District
 Tri-Lakes Fire Service Area Helena
 Valley Irrigation
 Helena Valley Irrigation Contract
 Augusta Cemetery
 Conservation District
 LaCasa Grande Water District
 Wolf Creek Water/Sewer District
 Lincoln Hospital District
 Ten Mile/Pleasant Valley Sewer District

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
 Auchard Creek School District #27

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

Cities

City of Helena
 City of East Helena

FIDUCIARY ASSETS – AGENCY FUNDS

State

Motor Vehicles - DOJ
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
Lic/Marriage w/o Sol
Public Defenders Fees
University Millage
State Equalization Aid
Vo-Tech Millage
DOL- Certified Death Certificate Fee
Montana Land Information Escheated
Estates
Forest Fire Protection
Abandoned Property
Montana Interactive

Other

Justice Court Trust
Lewis and Clark Library

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
FIDUCIARY FUNDS
June 30, 2017
 (Page 1 of 6)

	TRI-COUNTY WORKING GROUP	SPEC MOBILE-UNITS HOLDING	FAIRGROUNDS USERS FOUNDATION	PAYROLL	REFUND REVOLVING
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 21,917	\$ 347,848	\$ -
Investments	-	-	3,933	66,734	-
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ -	\$ -	\$ 25,850	\$ 414,582	\$ -
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 25,850	\$ 414,582	\$ -
Intergovernmental payable	-	-	-	-	-
Total liabilities	\$ -	\$ -	\$ 25,850	\$ 414,582	\$ -

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
FIDUCIARY FUNDS
June 30, 2017
 (Page 2 of 6)

	<u>AT & T ADVANCE HOLDING</u>	<u>SHERIFF'S COMMISSARY</u>	<u>SHERIFF'S VOLUNTEER FIRE DEPARTMENT</u>	<u>COUNTY CRIME PREVENTION PROGRAM</u>	<u>SHERIFF CIVIL TRUST</u>
ASSETS					
Cash and cash equivalents	\$ 833	\$ 16,925	\$ 2,033	\$ 612	\$ 27,302
Investments	150	3,037	365	110	4,900
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	<u>\$ 983</u>	<u>\$ 19,962</u>	<u>\$ 2,398</u>	<u>\$ 722</u>	<u>\$ 32,202</u>
LIABILITIES					
Accounts payable	\$ 983	\$ 19,962	\$ 2,398	\$ 722	\$ 32,202
Intergovernmental payable	-	-	-	-	-
Total liabilities	<u>\$ 983</u>	<u>\$ 19,962</u>	<u>\$ 2,398</u>	<u>\$ 722</u>	<u>\$ 32,202</u>

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2017
 (Page 3 of 6)

	<u>SOLID WASTE TASK FORCE</u>	<u>TAX DEED LAND</u>	<u>CORONER TRUST</u>	<u>ENTITLEMENT LEVY</u>	<u>TAX REVIEW</u>	<u>MOBILE HOME PARTIAL PAYMENT HOLDING</u>
ASSETS						
Cash and cash equivalents	\$ 1,451	\$ -	\$ 3,950	\$ -	\$ 51,231	\$ -
Investments	260	-	709	-	9,194	-
Receivables:						
Taxes/assessments (net)	-	-	-	100,557	-	-
Land held for resale	-	19,098	-	-	-	-
Total assets	\$ 1,711	\$ 19,098	\$ 4,659	\$ 100,557	\$ 60,425	\$ -
LIABILITIES						
Accounts payable	\$ 1,711	\$ 19,098	\$ 4,659	\$ -	\$ 60,425	\$ -
Intergovernmental payable	-	-	-	100,557	-	-
Total liabilities	\$ 1,711	\$ 19,098	\$ 4,659	\$ 100,557	\$ 60,425	\$ -

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2017
 (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	\$ 57,851	\$ 106,592	\$ 50,715	\$ 1,285,318	\$ 19,433
Investments	10,382	19,129	9,101	230,662	3,487
Receivables:					
Taxes/assessments (net)	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ 68,233	\$ 125,721	\$ 59,816	\$ 1,515,980	\$ 22,920
LIABILITIES					
Accounts payable	\$ 68,233	\$ 125,721	\$ 59,816	\$ 1,515,980	\$ -
Intergovernmental payable	-	-	-	-	22,920
Total liabilities	\$ 68,233	\$ 125,721	\$ 59,816	\$ 1,515,980	\$ 22,920

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2017
 (Page 5 of 6)

	<u>RESTITUTION</u>	<u>FAIRGROUNDS SECURITY DEPOSITS</u>	<u>COUNTY FLEX PLAN</u>	<u>SUBDIVISION IMPROVEMENT AGREEMENTS</u>	<u>SPECIAL DISTRICTS</u>
ASSETS					
Cash and cash equivalents	\$ 89,164	\$ 16,067	\$ 15,282	\$ 2,305	\$ 58,200
Investments	16,001	2,883	2,743	414	10,445
Receivables:					
Taxes/assessments (net)	-	-	-	-	100,788
Land held for resale	-	-	-	-	-
Total assets	\$ 105,165	\$ 18,950	\$ 18,025	\$ 2,719	\$ 169,433
LIABILITIES					
Accounts payable	\$ 105,165	\$ 18,950	\$ 18,025	\$ 2,719	\$ -
Intergovernmental payable	-	-	-	-	169,433
Total liabilities	\$ 105,165	\$ 18,950	\$ 18,025	\$ 2,719	\$ 169,433

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2017
 (Page 6 of 6)

	<u>SCHOOLS</u>	<u>CITIES</u>	<u>STATE</u>	<u>Justice Court Trust</u>	<u>Library</u>	<u>TOTAL AGENCY FUNDS</u>
ASSETS						
Cash and cash equivalents	\$ -	\$ 250,939	\$ 805,900	\$ 46,727	\$ 4,476,633	\$ 7,755,228
Investments	-	45,033	144,626	-	803,370	1,387,668
Receivables:						
Taxes/assessments (net)	1,506,931	786,956	554,463	-	122,769	3,172,464
Land held for resale	-	-	-	-	-	19,098
Total assets	<u>\$ 1,506,931</u>	<u>\$ 1,082,928</u>	<u>\$ 1,504,989</u>	<u>\$ 46,727</u>	<u>\$ 5,402,772</u>	<u>\$ 12,334,458</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ 46,727	\$ -	\$ 2,543,928
Intergovernmental payable	1,506,931	1,082,928	1,504,989	-	5,402,772	9,790,530
Total liabilities	<u>\$ 1,506,931</u>	<u>\$ 1,082,928</u>	<u>\$ 1,504,989</u>	<u>\$ 46,727</u>	<u>\$ 5,402,772</u>	<u>\$ 12,334,458</u>

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STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 Year Ended June 30, 2017
 (Page 1 of 8)

	<u>BALANCE</u> <u>July 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>June 30, 2017</u>
TRI-COUNTY WORKING GROUP				
ASSETS				
Cash and investments	\$ 565	\$ 2	\$ 567	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 565</u>	<u>\$ 2</u>	<u>\$ 567</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ 565	\$ 2	\$ 567	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 565</u>	<u>\$ 2</u>	<u>\$ 567</u>	<u>\$ -</u>
SPECIAL MOBILE UNITS - HOLDING				
ASSETS				
Cash and investments	\$ -	\$ 112,900	\$ 112,900	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 112,900</u>	<u>\$ 112,900</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ 112,900	\$ 112,900	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 112,900</u>	<u>\$ 112,900</u>	<u>\$ -</u>
FAIRGROUNDS USERS FOUNDATION				
ASSETS				
Cash and investments	\$ 26,734	\$ 4,875	\$ 5,759	\$ 25,850
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 26,734</u>	<u>\$ 4,875</u>	<u>\$ 5,759</u>	<u>\$ 25,850</u>
LIABILITIES				
Accounts payable	\$ 26,734	\$ 4,875	\$ 5,759	\$ 25,850
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 26,734</u>	<u>\$ 4,875</u>	<u>\$ 5,759</u>	<u>\$ 25,850</u>
PAYROLL FUND				
ASSETS				
Cash and investments	\$ 43,413	\$ 10,019,679	\$ 9,648,510	\$ 414,582
Receivables	-	-	-	-
Due from other County funds	9,816	-	9,816	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 53,229</u>	<u>\$ 10,019,679</u>	<u>\$ 9,658,326</u>	<u>\$ 414,582</u>
LIABILITIES				
Accounts payable	\$ 53,229	\$ 10,019,679	\$ 9,658,326	\$ 414,582
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 53,229</u>	<u>\$ 10,019,679</u>	<u>\$ 9,658,326</u>	<u>\$ 414,582</u>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 Year Ended June 30, 2017
 (Page 2 of 8)

	<u>BALANCE</u> <u>July 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>June 30, 2017</u>
REFUND REVOLVING				
ASSETS				
Cash and investments	\$ -	\$ 47,862	\$ 47,862	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 47,862</u>	<u>\$ 47,862</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ 47,862	\$ 47,862	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 47,862</u>	<u>\$ 47,862</u>	<u>\$ -</u>
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	\$ 34,414	\$ 339,761	\$ 354,213	\$ 19,962
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 34,414</u>	<u>\$ 339,761</u>	<u>\$ 354,213</u>	<u>\$ 19,962</u>
LIABILITIES				
Accounts payable	\$ 34,414	\$ 339,761	\$ 354,213	\$ 19,962
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 34,414</u>	<u>\$ 339,761</u>	<u>\$ 354,213</u>	<u>\$ 19,962</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>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 Year Ended June 30, 2017
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	<u>BALANCE</u> <u>July 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>June 30, 2017</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>
SHERIFF'S CIVIL TRUST				
ASSETS				
Cash and investments	\$ 30,756	\$ 115,675	\$ 114,229	\$ 32,202
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 30,756</u>	<u>\$ 115,675</u>	<u>\$ 114,229</u>	<u>\$ 32,202</u>
LIABILITIES				
Accounts payable	\$ 30,756	\$ 115,675	\$ 114,229	\$ 32,202
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 30,756</u>	<u>\$ 115,675</u>	<u>\$ 114,229</u>	<u>\$ 32,202</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	22,628	-	3,530	19,098
Total Assets	<u>\$ 22,628</u>	<u>\$ -</u>	<u>\$ 3,530</u>	<u>\$ 19,098</u>
LIABILITIES				
Accounts payable	\$ 22,628	\$ -	\$ 3,530	\$ 19,098
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 22,628</u>	<u>\$ -</u>	<u>\$ 3,530</u>	<u>\$ 19,098</u>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 Year Ended June 30, 2017
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	<u>BALANCE</u> <u>July 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>June 30, 2017</u>
CORONER TRUST				
ASSETS				
Cash and investments	\$ -	\$ 6,080	\$ 1,421	\$ 4,659
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 6,080</u>	<u>\$ 1,421</u>	<u>\$ 4,659</u>
LIABILITIES				
Accounts payable	\$ -	\$ 6,080	\$ 1,421	\$ 4,659
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 6,080</u>	<u>\$ 1,421</u>	<u>\$ 4,659</u>
ENTITLEMENT LEVY				
ASSETS				
Cash and investments	\$ -	\$ 4,718,330	\$ 4,718,330	\$ -
Receivables	97,234	2,377,074	2,373,751	100,557
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 97,234</u>	<u>\$ 7,095,404</u>	<u>\$ 7,092,081</u>	<u>\$ 100,557</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	97,234	7,095,404	7,092,081	100,557
Total Liabilities	<u>\$ 97,234</u>	<u>\$ 7,095,404</u>	<u>\$ 7,092,081</u>	<u>\$ 100,557</u>
TAX REVIEW				
ASSETS				
Cash and investments	\$ 60,425	\$ 9,000	\$ 9,000	\$ 60,425
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 60,425</u>	<u>\$ 9,000</u>	<u>\$ 9,000</u>	<u>\$ 60,425</u>
LIABILITIES				
Accounts payable	\$ 60,425	\$ 9,000	\$ 9,000	\$ 60,425
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 60,425</u>	<u>\$ 9,000</u>	<u>\$ 9,000</u>	<u>\$ 60,425</u>
MOBILE HOME/PARTIAL PAY HOLDING				
ASSETS				
Cash and investments	\$ -	\$ 10,765	\$ 10,765	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 10,765</u>	<u>\$ 10,765</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ 10,765	\$ 10,765	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 10,765</u>	<u>\$ 10,765</u>	<u>\$ -</u>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 Year Ended June 30, 2017
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	<u>BALANCE</u> <u>July 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>June 30, 2017</u>
PROTESTED TAX				
ASSETS				
Cash and investments	\$ 82,923	\$ 204,049	\$ 218,739	\$ 68,233
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 82,923</u>	<u>\$ 204,049</u>	<u>\$ 218,739</u>	<u>\$ 68,233</u>
LIABILITIES				
Accounts payable	\$ 82,923	\$ 204,049	\$ 218,739	\$ 68,233
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 82,923</u>	<u>\$ 204,049</u>	<u>\$ 218,739</u>	<u>\$ 68,233</u>
ESTATE ADMINISTRATION				
ASSETS				
Cash and investments	\$ 120,373	\$ 6,112	\$ 764	\$ 125,721
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 120,373</u>	<u>\$ 6,112</u>	<u>\$ 764</u>	<u>\$ 125,721</u>
LIABILITIES				
Accounts payable	\$ 120,373	\$ 6,112	\$ 764	\$ 125,721
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 120,373</u>	<u>\$ 6,112</u>	<u>\$ 764</u>	<u>\$ 125,721</u>
REDEMPTIONS				
ASSETS				
Cash and investments	\$ 56,926	\$ 634,616	\$ 631,726	\$ 59,816
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 56,926</u>	<u>\$ 634,616</u>	<u>\$ 631,726</u>	<u>\$ 59,816</u>
LIABILITIES				
Accounts payable	\$ 56,926	\$ 634,616	\$ 631,726	\$ 59,816
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 56,926</u>	<u>\$ 634,616</u>	<u>\$ 631,726</u>	<u>\$ 59,816</u>
CLERK OF DISTRICT COURT				
ASSETS				
Cash and investments	\$ 1,394,413	\$ 604,212	\$ 482,645	\$ 1,515,980
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,394,413</u>	<u>\$ 604,212</u>	<u>\$ 482,645</u>	<u>\$ 1,515,980</u>
LIABILITIES				
Accounts payable	\$ 1,394,413	\$ 604,212	\$ 482,645	\$ 1,515,980
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 1,394,413</u>	<u>\$ 604,212</u>	<u>\$ 482,645</u>	<u>\$ 1,515,980</u>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 Year Ended June 30, 2017
 (Page 6 of 8)

	<u>BALANCE</u> <u>July 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>June 30, 2017</u>
INVESTMENT EARNINGS				
ASSETS				
Cash and investments	\$ 24,013	\$ 707,564	\$ 708,657	\$ 22,920
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 24,013</u>	<u>\$ 707,564</u>	<u>\$ 708,657</u>	<u>\$ 22,920</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	24,013	707,564	708,657	22,920
Total Liabilities	<u>\$ 24,013</u>	<u>\$ 707,564</u>	<u>\$ 708,657</u>	<u>\$ 22,920</u>
RESTITUTION				
ASSETS				
Cash and investments	\$ 101,399	\$ 150,772	\$ 147,006	\$ 105,165
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 101,399</u>	<u>\$ 150,772</u>	<u>\$ 147,006</u>	<u>\$ 105,165</u>
LIABILITIES				
Accounts payable	\$ 101,399	\$ 150,772	\$ 147,006	\$ 105,165
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 101,399</u>	<u>\$ 150,772</u>	<u>\$ 147,006</u>	<u>\$ 105,165</u>
FAIRGROUNDS SECURITY DEPOSITS				
ASSETS				
Cash and investments	\$ 16,329	\$ 16,747	\$ 14,126	\$ 18,950
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 16,329</u>	<u>\$ 16,747</u>	<u>\$ 14,126</u>	<u>\$ 18,950</u>
LIABILITIES				
Accounts payable	\$ 16,329	\$ 16,747	\$ 14,126	\$ 18,950
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 16,329</u>	<u>\$ 16,747</u>	<u>\$ 14,126</u>	<u>\$ 18,950</u>
COUNTY FLEX PLAN				
ASSETS				
Cash and investments	\$ -	\$ 236,376	\$ 218,351	\$ 18,025
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 236,376</u>	<u>\$ 218,351</u>	<u>\$ 18,025</u>
LIABILITIES				
Accounts payable	\$ (9,816)	\$ 236,376	\$ 208,535	\$ 18,025
Due to other governmental units	-	-	-	-
Due to other County funds	9,816	-	9,816	-
Total Liabilities	<u>\$ -</u>	<u>\$ 236,376</u>	<u>\$ 218,351</u>	<u>\$ 18,025</u>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 Year Ended June 30, 2017
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	<u>BALANCE</u> <u>July 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>June 30, 2017</u>
SUBDIVISION IMPROVEMENT AGREEMENTS				
ASSETS				
Cash and investments	\$ 2,719	\$ 1,059	\$ 1,059	\$ 2,719
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 2,719</u>	<u>\$ 1,059</u>	<u>\$ 1,059</u>	<u>\$ 2,719</u>
LIABILITIES				
Accounts payable	\$ 2,719	\$ 1,059	\$ 1,059	\$ 2,719
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 2,719</u>	<u>\$ 1,059</u>	<u>\$ 1,059</u>	<u>\$ 2,719</u>
SPECIAL DISTRICTS				
ASSETS				
Cash and investments	\$ 64,553	\$ 159,651	\$ 155,559	\$ 68,645
Receivables	82,430	2,670,859	2,652,501	100,788
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 146,983</u>	<u>\$ 2,830,510</u>	<u>\$ 2,808,060</u>	<u>\$ 169,433</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	146,983	2,830,510	2,808,060	169,433
Total Liabilities	<u>\$ 146,983</u>	<u>\$ 2,830,510</u>	<u>\$ 2,808,060</u>	<u>\$ 169,433</u>
SCHOOL FUNDS				
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables	1,470,591	35,067,648	35,031,308	1,506,931
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,470,591</u>	<u>\$ 35,067,648</u>	<u>\$ 35,031,308</u>	<u>\$ 1,506,931</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,470,591	35,067,648	35,031,308	1,506,931
Total Liabilities	<u>\$ 1,470,591</u>	<u>\$ 35,067,648</u>	<u>\$ 35,031,308</u>	<u>\$ 1,506,931</u>
CITY FUNDS				
ASSETS				
Cash and investments	\$ 309,746	\$ 20,675,992	\$ 20,689,766	\$ 295,972
Receivables	736,916	20,187,302	20,137,262	786,956
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,046,662</u>	<u>\$ 40,863,294</u>	<u>\$ 40,827,028</u>	<u>\$ 1,082,928</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,046,662	40,863,294	40,827,028	1,082,928
Total Liabilities	<u>\$ 1,046,662</u>	<u>\$ 40,863,294</u>	<u>\$ 40,827,028</u>	<u>\$ 1,082,928</u>

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2017
 (Page 8 of 8)

	BALANCE July 1, 2016	ADDITIONS	DELETIONS	BALANCE June 30, 2017
STATE FUNDS				
ASSETS				
Cash and investments	\$ 922,747	\$ 21,739,591	\$ 21,711,812	\$ 950,526
Receivables	550,838	13,248,127	13,244,502	554,463
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,473,585</u>	<u>\$ 34,987,718</u>	<u>\$ 34,956,314</u>	<u>\$ 1,504,989</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,473,585	34,987,718	34,956,314	1,504,989
Total Liabilities	<u>\$ 1,473,585</u>	<u>\$ 34,987,718</u>	<u>\$ 34,956,314</u>	<u>\$ 1,504,989</u>
JUSTICE COURT TRUST				
ASSETS				
Cash and investments	\$ 25,743	\$ 621,709	\$ 600,725	\$ 46,727
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 25,743</u>	<u>\$ 621,709</u>	<u>\$ 600,725</u>	<u>\$ 46,727</u>
LIABILITIES				
Accounts payable	\$ 25,743	\$ 621,709	\$ 600,725	\$ 46,727
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 25,743</u>	<u>\$ 621,709</u>	<u>\$ 600,725</u>	<u>\$ 46,727</u>
LIBRARY				
ASSETS				
Cash and investments	\$ 4,562,836	\$ 3,573,885	\$ 2,856,718	\$ 5,280,003
Receivables	118,857	2,899,827	2,895,915	122,769
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 4,681,693</u>	<u>\$ 6,473,712</u>	<u>\$ 5,752,633</u>	<u>\$ 5,402,772</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	4,681,693	6,473,712	5,752,633	5,402,772
Total Liabilities	<u>\$ 4,681,693</u>	<u>\$ 6,473,712</u>	<u>\$ 5,752,633</u>	<u>\$ 5,402,772</u>
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 7,886,841	\$ 64,669,402	\$ 63,413,347	\$ 9,142,896
Receivables	3,056,866	76,498,699	76,383,101	3,172,464
Due from other County funds	9,816	-	9,816	-
Land acquired by tax deed	22,628	-	3,530	19,098
Total Assets	<u>\$ 10,976,151</u>	<u>\$ 141,168,101</u>	<u>\$ 139,809,794</u>	<u>\$ 12,334,458</u>
LIABILITIES				
Accounts payable	\$ 2,025,574	\$ 13,142,251	\$ 12,623,897	\$ 2,543,928
Due to other governmental units	8,940,761	128,025,850	127,176,081	\$ 9,790,530
Due to other County funds	9,816	-	9,816	-
Total Liabilities	<u>\$ 10,976,151</u>	<u>\$ 141,168,101</u>	<u>\$ 139,809,794</u>	<u>\$ 12,334,458</u>



**CAPITAL ASSETS USED IN THE OPERATIONS
OF GOVERNMENTAL FUNDS**

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE (1)
June 30, 2017 and 2016**

	2017	2016
Governmental Funds Capital Assets:		
Land	\$ 6,198,962	\$ 6,195,362 (2)
Buildings	20,787,324	20,787,324
Improvements other than buildings	2,367,075	2,367,075
Infrastructure	24,391,490	22,825,659
Machinery and equipment	14,589,583	15,195,386
Total Governmental Funds Capital Assets	\$ 68,334,434	\$ 67,275,006
 Investment in Governmental Funds Capital Assets by Source:		
General fund	\$ 13,173,291	\$ 13,198,039
Special revenue funds	15,547,198	15,319,386
Capital projects funds	39,613,945	38,757,581
Total Governmental Funds Capital Assets	\$ 68,334,434	\$ 67,275,006

(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 position.

(2) Prior period adjustments changed beginning balances

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY (1)
June 30, 2017**

FUNCTION AND ACTIVITY	IMPROVEMENTS				MACHINERY AND EQUIPMENT	TOTAL
	LAND	BUILDINGS	OTHER THAN BUILDINGS	INFRASTRUCTURE		
GENERAL GOVERNMENT						
Legislative services	\$ -	\$ 769,361	\$ -	\$ -	\$ 22,000	\$ 791,361
Judicial services	-	172,263	-	-	12,516	184,779
Administrative services	2,074,225	5,436,238	548,124	-	138,272	8,196,859
Financial services	-	-	-	-	374,415	374,415
Election services	-	-	-	-	234,200	234,200
Planning services	95,800	-	-	-	127,501	223,301
Records administration	-	-	-	-	348,898	348,898
Legal services	-	801,370	-	-	55,129	856,499
Total General Government	2,170,025	7,179,232	548,124	-	1,312,931	11,210,312
PUBLIC SAFETY						
Law enforcement services	-	1,839,470	-	6,006,233	4,911,173	12,756,876
Detention and correction services	-	3,589,561	-	-	28,345	3,617,906
Coroner Services	-	-	-	-	61,834	61,834
Animal control	-	-	-	-	19,455	19,455
Fire protection and control	125,307	424,870	-	-	373,957	924,134
Civil defense	22,865	-	-	-	177,295	200,160
Total Public Safety	148,172	5,853,901	-	6,006,233	5,572,059	17,580,365
PUBLIC WORKS						
Public work administration	-	32,757	-	-	31,721	64,478
Road and street services	3,857,285	-	1,045,879	18,385,256	6,964,105	30,252,525
Cemetery services	-	88,304	748,456	-	117,691	954,451
Facilities administration	-	241,932	-	-	24,252	266,184
Weed spraying services	-	160,960	-	-	306,676	467,636
Total Public Works	3,857,285	523,953	1,794,335	18,385,256	7,444,445	32,005,274
PUBLIC HEALTH						
Public health services	-	5,106,526	-	-	211,467	5,317,993
Total Public Health	-	5,106,526	-	-	211,467	5,317,993
CULTURE AND RECREATION						
Park and recreations services	23,480	-	24,616	-	32,882	80,978
Library services	-	2,123,712	-	-	-	2,123,712
Total Culture and Recreation	23,480	2,123,712	24,616	-	32,882	2,204,690
SOCIAL AND ECONOMICS						
County extension	-	-	-	-	15,800	15,800
Total Social and Economics	-	-	-	-	15,800	15,800
Total Governmental Funds Capital Assets	\$6,198,962	\$ 20,787,324	\$ 2,367,075	\$ 24,391,489	\$ 14,589,584	\$ 68,334,434

(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 position.

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (1)
For the Fiscal Year Ended June 30, 2017**

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2016	ADDITIONS	DEDUCTIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2017
GENERAL GOVERNMENT				
Legislative services	\$ 791,361	\$ -	\$ -	791,361
Judicial services	184,779	-	-	184,779
Administrative services	8,218,007	3,600	24,748	8,196,859
Financial services	374,415	-	-	374,415
Election services	234,200	-	-	234,200
Planning services	(2) 175,391	47,910	-	223,301
Records administration	348,898	-	-	348,898
Legal services	856,499	-	-	856,499
Total General Government	11,087,750	51,510	24,748	11,210,312
PUBLIC SAFETY				
Law enforcement services	12,675,286	326,839	245,249	12,756,876
Detention and correction services	3,589,561	28,345	-	3,617,906
Coroner Services	-	61,834	-	61,834
Animal control	19,455	-	-	19,455
Fire services	774,134	150,000	-	924,134
Civil defense	200,160	-	-	200,160
Total Public Safety	17,258,596	567,018	245,249	17,580,365
PUBLIC WORKS				
Public work administration	64,478	-	-	64,478
Road and street services	29,675,076	2,238,196	1,660,747	30,252,525
Cemetery services	954,451	-	-	954,451
Facilities administration	266,184	-	-	266,184
Weed spraying services	429,988	37,648	-	467,636
Total Public Works	31,390,177	2,275,844	1,660,747	32,005,274
PUBLIC HEALTH				
Public health services	5,317,993	-	-	5,317,993
Total Public Health	5,317,993	-	-	5,317,993
CULTURE AND RECREATION				
Park and recreations services	80,978	-	-	80,978
Library services	2,123,712	-	-	2,123,712
Total Culture and Recreation	2,204,690	-	-	2,204,690
SOCIAL AND ECONOMICS				
County extension	15,800	-	-	15,800
Total Social and Economics	15,800	-	-	15,800
Total Governmental Funds Capital Assets	\$ 67,275,006	\$ 2,894,372	\$ 1,930,744	\$ 68,334,434

(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) Prior period adjustments changed beginning balances

STATISTICAL SECTION

STATISTICAL SECTION

This part of the 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>	218-222
Revenue Capacity <i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	223-226
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt, along with the government’s ability to issue additional debt in the future.</i>	227-230
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>	231-232
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>	233-235

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.

NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

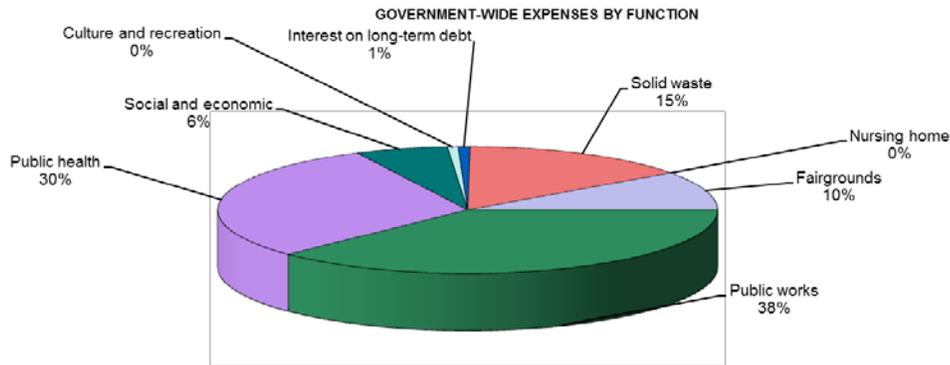
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net Investment in capital assets	\$24,104	\$26,686	\$27,500	\$28,039	\$30,596	\$31,553	\$33,892	\$42,525	\$42,642	\$45,489
Restricted	7,543	8,419	4,676	4,346	3,887	4,581	4,551	2,977	2,953	4,263
Unrestricted	11,521	11,232	16,856	19,048	20,360	21,745	22,877	2,735	6,980	6,745
Total governmental activities net position	\$43,168	\$46,337	\$49,032	\$51,433	\$54,843	\$57,879	\$61,320	\$48,237	\$52,575	\$56,497
Business-type activities										
Net Investment in capital assets	\$ 6,774	\$10,407	\$11,187	\$11,684	\$10,645	\$11,157	\$11,780	\$11,849	\$11,656	\$11,898
Restricted	2,704	1,164	908	858	936	884	886	561	563	565
Unrestricted	(839)	(2,045)	(1,529)	(1,570)	(246)	272	1,234	1,287	2,105	2,167
Total business-type activities net position	\$ 8,639	\$ 9,526	\$10,566	\$10,972	\$11,335	\$12,313	\$13,900	\$13,697	\$14,324	\$14,630
Primary government										
Net Investment in capital assets	\$30,878	\$37,093	\$38,687	\$39,723	\$41,241	\$42,710	\$45,672	\$54,374	\$54,298	\$57,387
Restricted	10,247	9,583	5,584	5,204	4,823	5,465	5,437	3,538	3,516	4,828
Unrestricted	10,682	9,187	15,327	17,478	20,114	22,017	24,111	4,022	9,085	8,912
Total primary government net position	\$51,807	\$55,863	\$59,598	\$62,405	\$66,178	\$70,192	\$75,220	\$61,934	\$66,899	\$71,127

CHANGE IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
General government	\$ 7,521	\$ 9,444	\$ 8,785	\$ 8,639	\$ 10,666	\$ 9,822	\$ 14,967	\$ 10,325	\$ 11,778	\$ 13,983
Public safety	8,860	9,343	10,255	10,590	11,493	11,968	13,093	14,673	13,127	13,859
Public works	4,777	4,187	6,584	6,350	6,094	6,197	6,742	6,449	5,455	7,173
Public health	3,580	3,917	4,056	4,051	4,402	4,955	4,678	5,131	5,273	5,253
Social and economic	1,746	1,243	1,167	1,466	1,077	1,457	954	1,029	1,018	1,059
Culture and recreation	99	125	149	174	106	162	129	118	104	117
Interest on long-term debt	338	324	249	305	317	148	135	131	131	128
Total governmental activities expenses	<u>26,921</u>	<u>28,583</u>	<u>31,245</u>	<u>31,575</u>	<u>34,155</u>	<u>34,709</u>	<u>40,698</u>	<u>37,856</u>	<u>36,886</u>	<u>41,572</u>
Business-type activities:										
Solid waste	2,213	2,267	2,469	2,618	2,571	2,575	2,389	2,558	2,532	2,679
Nursing home	5,493	5,915	6,169	5,896	5,756	200	35	-	-	-
Fairgrounds	671	1,182	1,528	1,546	1,548	1,629	1,571	1,693	1,762	1,646
Total business-type activities expenses	<u>8,377</u>	<u>9,364</u>	<u>10,166</u>	<u>10,060</u>	<u>9,875</u>	<u>4,404</u>	<u>3,995</u>	<u>4,251</u>	<u>4,294</u>	<u>4,325</u>
Total primary government expenses	<u>\$ 35,298</u>	<u>\$ 37,947</u>	<u>\$ 41,411</u>	<u>\$ 41,635</u>	<u>\$ 44,030</u>	<u>\$ 39,113</u>	<u>\$ 44,693</u>	<u>\$ 42,107</u>	<u>\$ 41,180</u>	<u>\$ 45,897</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,580	\$ 1,632	\$ 1,675	\$ 1,544	\$ 1,702	\$ 1,792	\$ 1,622	\$ 1,651	\$ 1,661	\$ 1,649
Public safety	677	771	768	792	881	1,019	1,695	2,709	1,426	1,508
Public works	102	85	107	103	116	108	145	164	133	186
Public health	835	826	797	1,011	1,201	1,279	1,428	1,520	1,711	1,651
Social and economic	3	2	1	2	3	2	3	4	4	7
Operating grants and contributions	2,832	3,124	3,100	3,197	3,182	3,879	3,628	3,797	4,554	3,134
Capital grants and contributions	2,629	5,549	2,334	1,417	2,829	1,998	2,827	778	1,030	5,224
Total governmental activities program revenues	<u>8,658</u>	<u>11,989</u>	<u>8,782</u>	<u>8,066</u>	<u>9,914</u>	<u>10,077</u>	<u>11,348</u>	<u>10,623</u>	<u>10,519</u>	<u>13,359</u>
Business-type activities:										
Charges for services:										
Solid waste	2,217	2,043	2,929	2,661	2,892	2,918	3,017	3,307	3,389	3,125
Nursing home	5,093	5,583	5,474	5,346	4,400	12	-	6	41	-
Fairgrounds	417	584	696	813	793	888	949	1,017	956	967
Operating grants and contributions	-	-	-	22	27	11	22	34	34	32
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>7,727</u>	<u>8,210</u>	<u>9,099</u>	<u>8,842</u>	<u>8,112</u>	<u>3,829</u>	<u>3,988</u>	<u>4,364</u>	<u>4,420</u>	<u>4,124</u>
Total primary government program revenues	<u>\$ 16,385</u>	<u>\$ 20,199</u>	<u>\$ 17,881</u>	<u>\$ 16,908</u>	<u>\$ 18,026</u>	<u>\$ 13,906</u>	<u>\$ 15,336</u>	<u>\$ 14,987</u>	<u>\$ 14,939</u>	<u>\$ 17,483</u>
Net (expense) revenue										
Governmental activities:	\$ (18,263)	\$ (16,594)	\$ (22,463)	\$ (23,509)	\$ (24,241)	\$ (24,632)	\$ (29,350)	\$ (27,233)	\$ (26,367)	\$ (28,213)
Business-type activities	(650)	(1,154)	(1,067)	(1,218)	(1,763)	(575)	(7)	113	126	(201)
Total primary government expenses	<u>\$ (18,913)</u>	<u>\$ (17,748)</u>	<u>\$ (23,530)</u>	<u>\$ (24,727)</u>	<u>\$ (26,004)</u>	<u>\$ (25,207)</u>	<u>\$ (29,357)</u>	<u>\$ (27,120)</u>	<u>\$ (26,241)</u>	<u>\$ (28,414)</u>

CHANGE IN NET POSITION (Continued)
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 15,934	\$ 16,226	\$ 18,300	\$ 18,916	\$ 19,939	\$ 20,094	\$ 21,444	\$ 20,548	\$ 22,014	\$ 22,866
Local option tax	2,041	1,974	2,052	2,063	2,112	2,265	2,388	2,601	2,750	2,859
Other taxes	18	29	35	47	53	6	33	30	16	7
Unrestricted grants and contributions	2,896	4,179	4,266	3,949	4,348	4,465	6,817	9,700	5,386	5,043
Unrestricted Investment earnings	921	468	277	232	168	152	306	103	181	315
Miscellaneous	644	550	680	914	1,084	735	1,820	646	1,793	1,090
Contributions of capital assets	-	(2,964)	-	-	-	-	-	-	-	-
Transfers	(133)	(699)	(452)	(211)	(53)	(49)	(18)	(41)	(50)	(24)
Total governmental activities	22,321	19,763	25,158	25,910	27,651	27,668	32,790	33,587	32,090	32,156
Business-type activities:										
Taxes	1,139	1,245	1,351	1,402	1,451	1,495	1,568	317	410	432
Unrestricted grants and contributions	70	43	287	-	-	-	-	-	-	-
Unrestricted Investment earnings	180	55	17	10	9	8	6	41	41	55
Miscellaneous	(57)	-	-	-	614	-	3	1	-	-
Transfers	133	699	452	211	53	49	18	41	50	24
Total business-type activities	1,465	2,042	2,107	1,623	2,127	1,552	1,595	400	501	511
Total primary government	\$ 23,786	\$ 21,805	\$ 27,265	\$ 27,533	\$ 29,778	\$ 29,220	\$ 34,385	\$ 33,987	\$ 32,591	\$ 32,667
Change in Net Position										
Governmental activities	\$ 4,058	\$ 3,169	\$ 2,695	\$ 2,401	\$ 3,410	\$ 3,036	\$ 3,440	\$ 6,354	\$ 5,723	\$ 3,943
Business-type activities	815	888	1,040	405	364	977	1,588	513	627	310
Total primary government	\$ 4,873	\$ 4,057	\$ 3,735	\$ 2,806	\$ 3,774	\$ 4,013	\$ 5,028	\$ 6,867	\$ 6,350	\$ 4,253



FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund										
Nonspendable	\$ 61	\$ 45	\$ 61	\$ 121	\$ 96	\$ 108	\$ 101	\$ 69	\$ 70	\$ 56
Restricted	-	-	-	-	-	-	3	-	-	-
Unrestricted:										
Committed	8	10	59	81	7	3	4	1,705	19	21
Assigned	819	399	559	354	451	580	1,113	719	1,440	1,089
Unassigned	1,189	1,446	1,485	2,224	1,869	2,279	619	592	3,069	3,548
Total general fund	\$ 2,077	\$ 1,900	\$ 2,164	\$ 2,780	\$ 2,423	\$ 2,970	\$ 1,840	\$ 3,085	\$ 4,598	\$ 4,714
All other governmental funds										
Nonspendable	\$ 1,717	\$ 3,282	\$ 3,014	\$ 2,634	\$ 2,371	\$ 766	\$ 750	\$ 774	\$ 843	\$ 896
Restricted	1,522	1,579	1,530	4,389	4,105	5,795	5,643	4,023	3,670	7,036
Unrestricted:										
Committed	9,457	9,218	10,435	11,871	13,072	13,644	16,425	17,285	18,442	20,814
Assigned	48	214	119	125	29	9	31	23	120	47
Unassigned	-	(53)	(54)	-	-	-	-	-	(131)	-
Total all other governmental funds	\$ 12,744	\$ 14,240	\$ 15,044	\$ 19,019	\$ 19,577	\$ 20,214	\$ 22,849	\$ 22,105	\$ 22,944	\$ 28,793

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes/assessments	\$ 17,930	\$ 19,145	\$ 19,136	\$ 21,436	\$ 21,209	\$ 22,040	\$ 25,185	\$ 24,184	\$ 24,819	\$ 25,822
Licenses and permits	183	214	274	190	266	332	286	280	289	289
Intergovernmental	8,357	12,852	9,700	8,563	10,359	10,282	13,272	9,143	10,698	13,067
Charges for services	2,475	2,543	2,504	2,667	3,089	3,302	4,049	5,296	4,106	4,013
Fines and forfeitures	539	560	570	594	549	567	558	473	540	698
Miscellaneous	604	505	637	974	518	776	1,177	761	726	898
Interest earnings	818	423	255	219	159	143	302	98	164	279
Total revenues	30,906	36,242	33,076	34,643	36,149	37,442	44,829	40,235	41,342	45,066
Expenditures										
General government	7,235	7,770	7,708	8,807	9,946	9,986	14,348	10,456	11,670	12,536
Public safety	7,982	8,430	9,156	9,601	10,506	11,067	12,152	13,732	12,472	12,698
Public works	4,063	4,222	4,614	5,028	4,898	5,199	5,827	5,728	4,839	5,155
Public health	3,556	3,876	4,006	4,034	4,367	4,933	4,667	5,121	5,290	5,023
Social and economic	1,743	1,241	1,166	1,464	1,075	1,456	952	1,027	1,022	1,053
Culture and recreation	44	40	94	118	48	104	71	60	46	62
Debt service										
Principal	661	1,183	1,215	873	727	646	556	430	500	523
Interest	227	221	144	190	392	133	120	115	121	119
Capital outlay	4,401	8,186	4,395	2,709	4,028	2,766	4,074	3,947	2,827	6,054
Total expenditures	29,912	35,169	32,498	32,824	35,987	36,290	42,767	40,616	38,787	43,223
Excess of revenues over (under) expenditures	994	1,073	578	1,819	162	1,152	2,062	(381)	2,555	1,843
Other financing sources (uses)										
Transfers in	3,219	4,576	3,586	4,401	4,306	4,927	5,057	6,968	5,940	7,724
Transfers out	(3,480)	(5,421)	(4,105)	(4,631)	(4,427)	(5,041)	(5,973)	(6,987)	(6,143)	(7,867)
Loans	1,154	1,050	969	3,002	9	-	238	991	-	-
Proceeds from sale of capital assets	50	41	40	-	150	36	232	(90)	-	-
Proceeds from long-term debt	-	-	-	-	-	-	-	-	-	4,265
Total other financing sources (uses)	943	246	490	2,772	38	(78)	(446)	882	(203)	4,122
Net change in fund balances	\$ 1,937	\$ 1,319	\$ 1,068	\$ 4,591	\$ 200	\$ 1,074	\$ 1,616	\$ 501	\$ 2,352	\$ 5,965
Debt service as a percentage of noncapital expenditures	3.5%	5.2%	4.8%	3.5%	3.5%	2.3%	1.7%	1.5%	1.7%	1.7%

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
 (in thousands of dollars)

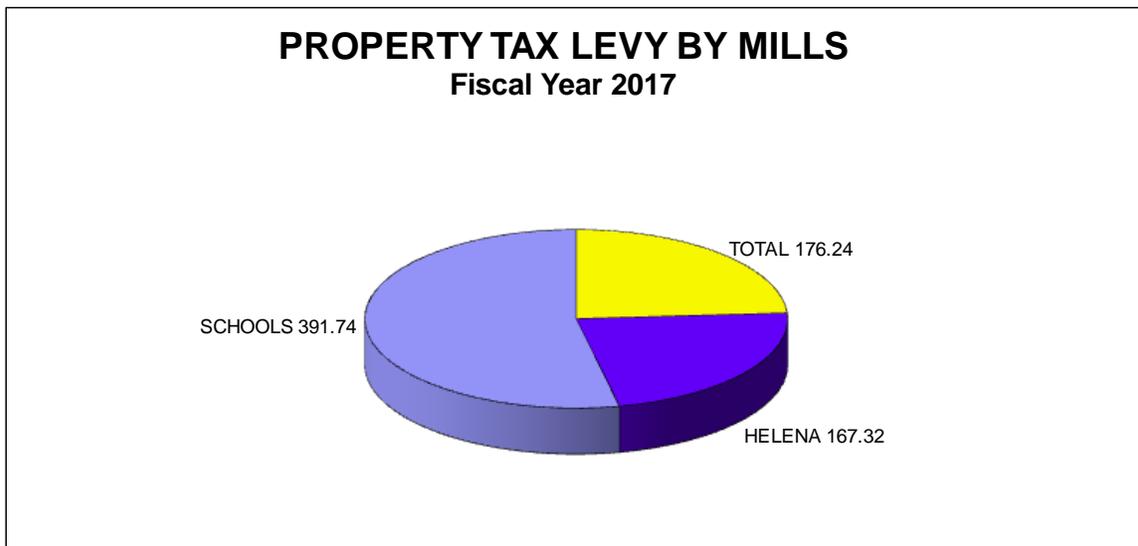
FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	MOBILE HOMES	MOTOR VEHICLE	CENTRALLY ASSESSED	TAX INCREMENT DISTRICT	TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
2008	\$ 97,794	\$ -	\$ 1,159	n/a	\$ 21,461	\$ -	\$ 120,414	161.74
2009	100,660	5,784	1,108	n/a	21,518	-	129,070	160.70
2010	82,536	2,663	1,028	n/a	21,945	-	108,172	160.98
2011	83,823	2,547	1,015	n/a	25,729	-	113,114	171.34
2012	85,534	2,158	977	n/a	26,694	-	115,363	173.90
2013	86,678	1,920	931	n/a	26,391	-	115,920	177.28
2014	103,273	2,228	913	n/a	12,875	-	119,289	179.91
2015	90,583	1,696	759	n/a	23,420	-	116,458	173.75
2016	92,677	2,539	723	n/a	25,048	-	120,987	173.79
2017	93,495	2,713	710	n/a	27,591	-	124,509	176.24

Note: Property in the County is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are assessed value.

Source: County Property Tax Department

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years**

FISCAL YEAR	LEWIS AND CLARK COUNTY					TOTAL DIRECT	OVERLAPPING RATES		TOTAL DIRECT & OVERLAPPING DEBT
	ALL PURPOSE	DEBT SERVICE	LIBRARY	PUBLIC SAFETY	OTHER LEVIES		CITY OF HELENA	SCHOOLS	
2008	34.01	1.15	23.52	53.82	49.24	161.74	135.01	363.41	660.16
2009	34.68	1.10	20.25	54.87	49.80	160.70	149.29	375.66	685.65
2010	35.09	1.13	20.33	55.51	48.92	160.98	150.69	367.40	679.07
2011	37.33	1.35	21.18	58.06	53.42	171.34	155.82	370.98	698.14
2012	37.68	1.25	21.38	58.60	54.99	173.90	157.01	355.30	686.21
2013	38.22	0.59	21.74	59.58	57.15	177.28	159.20	346.02	682.50
2014	38.67	0.53	21.99	60.28	58.44	179.91	159.10	361.74	700.75
2015	39.30	0.50	22.65	62.10	49.20	173.75	168.17	408.32	750.24
2016	39.15	0.58	22.56	61.86	49.64	173.79	164.76	388.22	726.77
2017	39.76	0.43	22.91	62.82	50.32	176.24	167.32	391.74	735.30



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).

Source: County Finance approved mill levies

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT TAX YEAR AND NINE YEARS AGO**

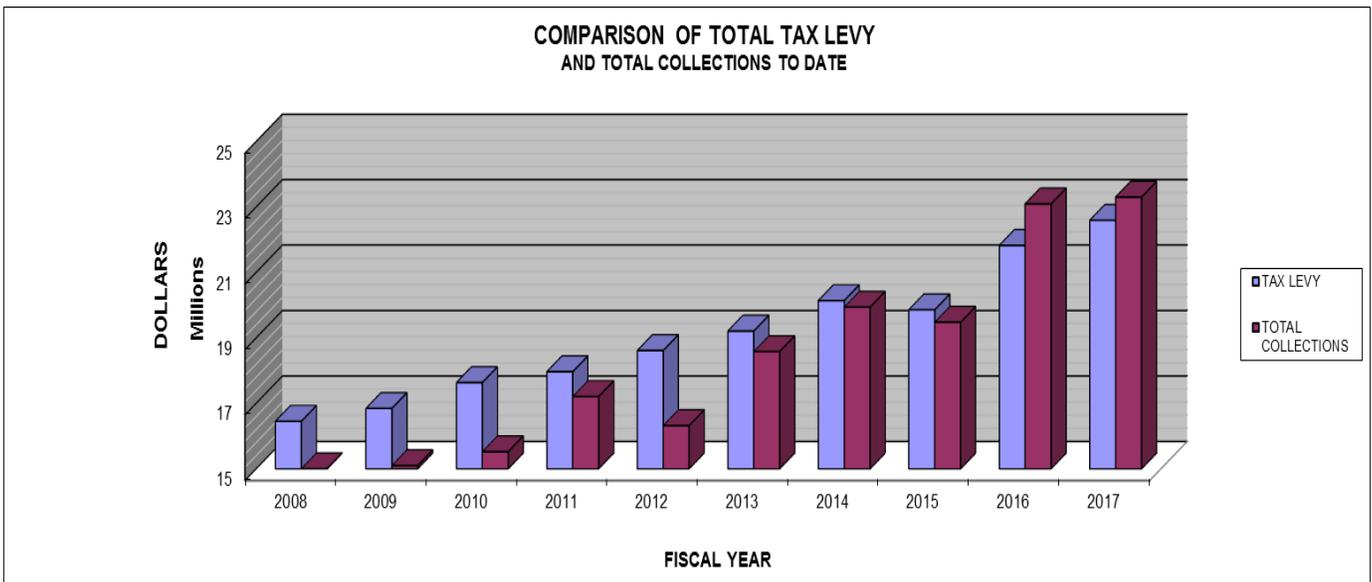
TAXPAYER	2016			2007		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE
North Western Energy LLC	\$ 17,247,268	1	13.68%	\$ 11,791,741	1	13.46%
Celloco Partnership DBA Verizon Wireless	3,507,827	2	2.77%	1,700,479	4	1.94%
Century Link (Qwest)	1,706,527	3	1.34%	2,833,813	2	3.23%
Railways	2,019,141	4	1.59%	945,524	5	1.08%
Charter Communications Inc.	1,196,143	5	0.94%	-	-	-
The Boeing Company	1,515,386	6	1.19%	-	-	-
Yellowstone Pipeline Co	678,146	7	0.53%	-	-	-
Helena Federal Office Complex LLC	472,877	8	0.37%	402,117	6	0.45%
Helena Sand & Gravel Inc	366,262	9	0.28%	-	-	-
Skyway Regional Shopping Center LLC	353,555	10	0.27%	-	-	-
PPL Montana LLC	-	-	-	2,677,817	3	3.06%
American Smelting & Refining	-	-	-	341,403	7	0.38%
Wal-Mart Stores Inc.	-	-	-	330,424	8	0.38%
American Chemet Corporation	-	-	-	314,127	9	0.35%
Shopko Stores, Inc.	-	-	-	245,628	10	0.27%
Total	<u>\$ 29,063,132</u>		<u>22.96%</u>	<u>\$ 21,583,073</u>		<u>24.59%</u>

**PROPERTY TAX LEVIES AND COLLECTIONS
GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years**

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR (1)	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY (1)
2008	\$ 16,450,507	\$ 13,477,161	81.93%	\$ 1,510,981	\$ 14,988,142	91.11%
2009	16,842,558	13,818,447	82.04%	1,275,931	15,094,378	89.62%
2010	17,631,450	14,060,369	79.75%	1,458,188	15,518,557	88.02%
2011	17,965,134	16,052,571	89.35%	1,152,239	17,204,810	95.77%
2012	18,612,722	15,161,798	81.46%	1,157,035	16,318,833	87.68%
2013	19,206,701	17,175,186	89.42%	1,403,967	18,579,153	96.73%
2014	20,137,735	18,593,745	92.33%	1,344,544	19,938,289	99.01%
2015	19,857,154	19,359,785	97.50%	114,761	19,474,546	98.07%
2016	21,822,894	22,175,184	101.61%	916,967	23,092,151	105.82%
2017	22,591,847	23,300,048	103.13%	-	23,300,048	103.13%

Source and other information:

(1) From Lewis & Clark County Finance Department budget documents - "Tax Revenues".



Note: Total collections to date may be more or less than total tax levy, due to the recalculation of tax bills related to the incorrect taxable value being placed on a property. The tax bills are recalculated on an ongoing basis. This changes the total taxable value for a certain tax year. Since the levy is calculated from the taxable value it is possible to collect more or less revenue for property taxes than the original levy was estimated. Thus it is possible to exceed 100% in collections of the levy.

RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten 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)	Outstanding Debt per Capita (2)
	General Obligation Bonds	Revenue Bonds	Special Assessment Debt	Contracts/Loans	Capital Leases	Revenue Bonds	Contracts/Loans				
2008	\$ -	\$ 525	\$ 1,836	\$ 2,116	\$ -	\$ 7,233	\$ 98	\$ 11,808	0.50%	\$ 191	
2009	-	485	1,999	1,894	-	7,251	77	11,706	0.50%	187	
2010	-	440	1,755	1,990	-	6,489	88	10,762	0.44%	169	
2011	2,870	395	1,497	1,661	-	5,372	61	11,856	0.47%	185	
2012	2,755	345	1,231	1,229	-	5,215	34	10,809	0.41%	167	
2013	2,635	295	975	960	-	4,141	-	9,006	0.34%	138	
2014	2,515	240	931	805	-	3,249	-	7,740	0.28%	118	
2015	3,120	185	1,048	645	-	2,644	-	7,642	0.26%	115	
2016	2,947	125	887	479	-	2,346	-	6,784	N/A	N/A	
2017	6,724	-	969	307	-	2,041	-	10,041	N/A	N/A	

Source and other information:

(1) See the Schedule for Demographic Statistics on page 231 for personal income and population data. Personal income equals estimated population multiplied by per capita income.

(2) Equals Total Primary Government debt divided by estimated population

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

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNT AVAILABLE IN DEBT SERVICE FUNDS	TOTAL	PERCENTAGE OF TAXABLE VALUE OF PROPERTY	PER CAPITA
2008	\$ -	\$ -	\$ -	0.00%	\$ -
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	2,870	23	2,847	2.52%	44.32
2012	2,755	35	2,720	2.36%	41.95
2013	2,635	8	2,627	2.27%	40.21
2014	2,515	20	2,495	2.09%	37.89
2015	3,120	24	3,096	2.66%	46.61
2016	2,947	77	2,870	2.37%	42.63
2017	6,724	18	6,706	5.39%	98.31

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

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

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

LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
 (amounts expressed in thousands)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt Limit	\$ 10,768	\$ 11,462	\$ 84,174	\$ 89,862	\$ 93,582	\$ 97,758	\$ 102,849	\$ 106,395	\$ 174,414	\$ 176,881
Total net debt applicable to limit	-	-	-	2,893	2,790	2,643	2,535	3,144	-	6,742
Legal debt margin	\$ 10,768	\$ 11,462	\$ 84,174	\$ 86,969	\$ 90,792	\$ 95,115	\$ 100,314	\$ 103,251	\$ 174,414	\$ 170,139
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	3.22%	2.98%	2.70%	2.46%	2.96%	0.00%	3.81%

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Value	\$ 7,075,226
Debt Limit 2.5% of Assessed Value	<u>2.50%</u>
General Obligation Debt Limit (1)	176,881
Outstanding General Obligation Debt, June 30, 2017	\$ 6,724
Less: Amount set aside for repayment of General Obligation Debt	<u>18</u>
Total net debt applicable to limit	<u>6,742</u>
Legal Debt Margin	<u>\$ 183,623</u>

(1) The statutes of the State of Montana prescribe a legal debt limit of 2.5% of the assessed valuation for general obligation debt.

PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

SOLID WASTE FACILITY REVENUE BONDS:

FISCAL YEAR	GROSS REVENUE (1)	DIRECT OPERATING EXPENSES (2)	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			
				PRINCIPAL	INTEREST (3)	TOTAL	COVERAGE
2008	\$ 1,070,728	\$ 672,884	\$ 397,844	\$ 129,000	\$ 89,400	\$ 218,400	182.16%
2009	1,112,752	669,706	443,046	172,326	111,903	284,229	155.88%
2010	1,482,148	731,943	750,205	172,326	101,015	273,341	274.46%
2011	1,225,295	784,967	440,328	147,604	94,025	241,629	182.23%
2012	1,275,347	726,536	548,811	293,106	106,880	399,986	137.21%
2013	1,231,389	651,276	580,113	322,914	37,342	360,256	161.03%
2014	1,320,513	611,206	709,307	326,418	33,838	360,256	196.89%
2015	1,554,253	639,981	914,272	330,017	30,239	360,256	253.78%
2016	1,745,996	673,708	1,072,288	333,714	26,542	360,256	297.65%
2017	1,488,181	688,528	799,653	337,512	22,744	360,256	221.97%

SPECIAL ASSESSMENT DEBT:

FISCAL YEAR	SPECIAL ASSESSMENT COLLECTIONS	DEBT SERVICE REQUIREMENTS		
		PRINCIPAL	INTEREST	COVERAGE
2008	\$ 361,358	\$ 153,437	\$ 67,715	163.40%
2009	405,974	291,797	72,731	111.37%
2010	409,954	707,867	65,727	52.99%
2011	414,880	297,164	51,697	118.92%
2012	384,567	275,454	37,516	122.88%
2013	373,974	256,706	28,226	131.25%
2014	328,303	281,336	23,764	107.61%
2015	194,343	144,941	22,276	116.22%
2016	221,354	160,784	22,722	120.62%
2017	180,972	128,141	20,584	121.68%

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, 2017

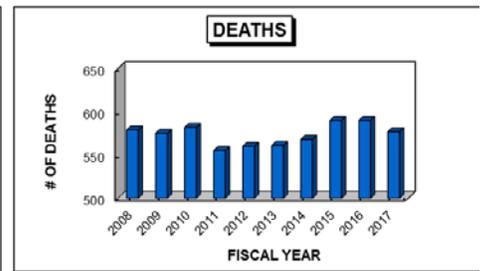
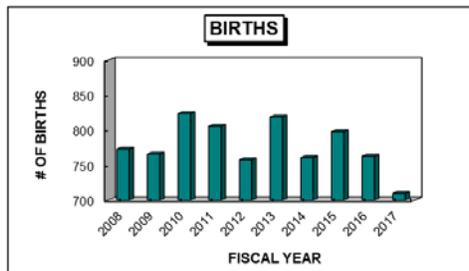
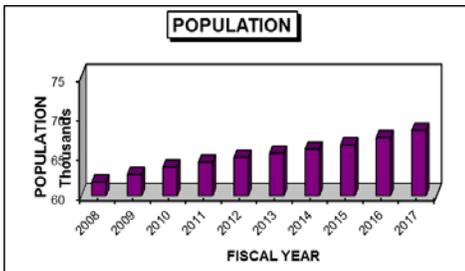
(1) Gross revenue includes operating revenues, non-operating revenue and other financing sources.

(2) Direct operating expenses include operating expenses (except depreciation).

(3) Gross revenue bond interest expense, revenue bond premium amortization not taken into account.

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

FISCAL YEAR	ESTIMATED POPULATION (a)	BIRTHS (b)	DEATHS (b)	ESTIMATED PER CAPITA PERSONAL INCOME (e)	PERSONAL INCOME (e) (in thousands)	SCHOOLS		EMPLOYMENT STATISTICS	
						PUBLIC SCHOOL ENROLLMENT (d)	PRIVATE SCHOOL ENROLLMENT (d)	CIVILIAN EMPLOYMENT (c)	UNEMPLOYMENT RATE (c)
2008	61,747	773	579	38,680	2,366	9,298	665	32,891	2.7%
2009	62,671	766	575	38,771	2,402	9,495	620	34,688	4.3%
2010	63,604	824	582	38,238	2,432	9,621	608	33,893	4.4%
2011	64,237	806	555	39,212	2,519	9,600	674	N/A	4.8%
2012	64,845	758	560	40,716	2,640	9,403	761	N/A	5.2%
2013	65,333	819	561	40,518	2,647	9,422	692	N/A	4.5%
2014	65,856	761	568	41,665	2,743	9,477	708	N/A	3.7%
2015	66,418	798	590	N/A	N/A	9,389	685	N/A	3.3%
2016	67,316	763	590	N/A	N/A	9,288	766	N/A	3.5%
2017	68,214	710	577	N/A	N/A	9,572	877	N/A	3.3%



Source and other information

- (a) Montana Department of Commerce
 - (b) Lewis and Clark County Coroner
 - (c) Montana Department of Labor and Industry
 - (d) Lewis & Clark County Superintendent of Schools
 - (e) US Department of Commerce Bureau of Economic Analysis
- N/A- Not available

TOP TWENTY PRIVATE EMPLOYERS IN LEWIS AND CLARK COUNTY
Year Ended June 30, 2017

COMPANY NAME	PRODUCT OR SERVICE
A 2 Z Personnel	Employment Services
Albertsons	Employment Services
American Chemet	Metal-based Chemical Manufacturer
Blue Cross/Blue Shield of Montana	Health Services
Boeing	Manufacturer
Carroll College	Higher Education
Costco	Wholesale
Family Outreach	Human Services
Helena Sand & Gravel	Road Materials
Intermountain Children's Home	Health Services
Lowes Home Center	Retail
Montana Independent Living Project	Health Services
St. Peter's Hospital	Health Services
Salvation Army	Charitable Services
Shodair Children's Hospital	Health Services
Student Assistance Foundation of Montana	Higher Education
Town Pump Inc.	Auto Services
Valley Bank	Financial Services
Wal-Mart	Retail
West Mont	Health Services

Note:

Due to confidentiality laws, top employer lists are provided in alphabetical order only...the listing can not be 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, which is 2015.

Source:

Montana Department of Labor and Industry

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

FUNCTION/PROGRAM	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	16.44	16.44	17.94	18.94	18.50	18.50	18.50	18.75	19.75	20.00
Administrative services	27.80	27.32	27.82	27.82	27.82	27.82	27.58	27.58	26.32	26.32
Financial services	18.75	15.50	15.75	15.75	15.75	15.75	16.75	16.75	16.75	18.75
Election services	9.50	3.00	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Planning services	14.00	12.00	12.00	10.50	9.50	8.50	8.75	8.75	8.75	8.90
Records administration	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Legal services	17.50	19.38	19.13	20.13	20.13	21.13	21.13	22.13	21.13	23.13
PUBLIC SAFETY										
Law enforcement services	81.25	72.00	72.69	76.69	75.50	78.00	78.00	78.00	79.00	80.00
Other public safety	4.13	1.50	1.50	1.50	1.50	1.50	2.50	2.50	3.00	3.00
Civil defense	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00
Animal control services	3.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
PUBLIC WORKS										
Public work administration	10.60	4.00	4.04	4.04	4.04	4.04	4.04	4.04	3.80	3.80
Bridge maintenance	15.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Road and street services	5.00	14.50	15.35	15.35	15.35	17.09	17.09	17.09	17.09	17.09
Cemetery services	6.80	2.88	4.62	4.62	4.62	4.62	4.74	4.74	4.74	4.74
Facilities administration	9.50	15.10	15.95	15.95	15.95	13.77	13.77	11.91	11.91	11.91
Solid waste	6.10	6.85	7.36	7.53	7.54	7.54	7.29	7.29	7.29	7.29
Weed spraying services	2.00	1.13	3.89	3.89	3.89	4.75	4.75	4.75	4.77	4.77
PUBLIC HEALTH										
Public health services	46.81	47.92	47.51	48.51	43.26	44.00	44.67	44.67	45.31	45.80
Nursing home 1)	105.19	94.40	94.40	72.10	72.99	-	-	-	-	-
CULTURE AND RECREATION										
Fairs	8.25	6.00	7.25	7.25	7.26	7.26	7.26	7.26	7.26	7.50
SOCIAL AND ECONOMIC										
County extension	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	429.52	382.72	386.95	369.32	362.35	293.02	295.57	294.96	294.62	300.75

OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

FUNCTION/PROGRAM	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL GOVERNMENT										
Registered Voters (June)	38,278	34,577	35,935	36,884	34,000	36,054	37,348	40,914	42,943	44,530
Property Transactions:										
Filings with Clerk & Recorder	19,232	19,415	18,598	17,886	16,890	20,613	16,900	15,049	16,575	15,990
Certificates of Survey	166	114	100	77	86	80	96	114	80	93
Real Property Tax Information										
Taxes Assessed	\$72,369,348	\$76,442,138	\$79,489,319	\$85,615,922	\$86,604,324	\$87,191,112	\$91,829,088	\$90,798,623	\$117,718,214	\$121,086,014
Taxes Collected	\$66,895,633	\$76,029,061	\$72,611,245	\$85,354,704	\$80,011,013	\$81,421,234	\$85,980,016	\$88,739,016	\$ 89,361,004	\$ 93,702,827
Amount Protested	\$ 3,606,907	\$ 1,836,194	\$ 2,453,470	\$ 3,388,656	\$ 3,973,611	\$ 3,580,267	\$ 3,429,216	\$ 119,758	\$ 1,177,573	\$ 218,656
Total Outstanding	\$ 2,079,886	\$ 2,137,774	\$ 3,368,053	\$ 3,706,682	\$ 3,090,119	\$ 2,580,925	\$ 3,328,354	\$ 2,277,034	\$ 1,772,783	\$ 2,360,956
Number of Bills Sent	33,471	34,528	34,337	35,259	39,524	35,553	35,630	39,836	39,901	40,124
Delinquent Reminders	5,826	2,824	5,092	3,891	8,540	9,033	944	3,972	9,553	2,180
PUBLIC SAFETY ACTIVITIES										
Sheriff										
Arrests	622	518	908	817	832	908	886	1,027	827	877
Prisoner Days	27,022	28,163	32,683	35,311	37,956	29,404	32,722	34,264	34,360	34,704
Complaints	N/A	N/A	N/A	N/A	14,380	16,021	17,164	17,301	17,441	17,121
Traffic Violations	3,281	2,985	3,484	2,439	2,113	2,764	3,129	3,151	2,640	2,371
Sheriff's Fire										
Emergency Responses	317	369	439	473	471	475	395	505	541	647
Fires Responses	159	129	155	134	152	155	84	131	141	139
Justice Court										
Civil & Small Claims	2,405	2,597	2,001	1,651	1,364	1,479	1,176	1,080	1,082	1,297
Formal Criminal Complaints	849	533	838	711	753	798	837	842	839	1,517
Temporary Restraining Orders	95	109	91	92	118	159	135	159	157	161
County Attorney										
Felonies	703	676	610	624	598	620	615	600	775	845
Mental Commitments	80	93	108	102	76	100	100	100	100	100
Juvenile Cases	65	62	38	44	61	45	45	50	50	35
PUBLIC WORKS										
Refuse Disposal										
Refuse disposed of (tons per day)	126.61	118.11	176.80	116.66	115.23	111.63	122.19	236.22	252.76	196.58
Number of permits issued	12,641	13,672	12,344	14,480	13,244	14,314	14,776	16,628	15,420	15,042
Other Public Works										
Road Resurfacing (miles)	12.50	11.70	12.28	10.24	10.38	14.72	11.28	16.84	11.06	12.07
Pothole repairs (by ton of asphalt)	2,096.11	1,149.01	1,785.26	624.49	868.77	327.00	414.00	460.61	3,169.90	602.73
PUBLIC HEALTH ACTIVITIES										
Septic System Site Evaluations	248	241	289	108	184	150	148	292	143	117
Licensed Establishment Inspections	604	715	410	585	757	785	690	684	774	789
Junk Vehicles Hauled	174	230	140	64	14	8	2	14	14	24
Air Quality										
Good Days	350	358	330	347	354	343	354	343	332	327
Watch Days	8	7	24	13	9	15	10	16	17	16
Poor Days	8	-	11	5	3	7	1	6	11	22
Communicable Disease Cases	618	514	3,262	318	541	545	452	505	900	472
Immunizations Administered	7,745	8,420	11,514	6,547	6,069	10,514	5,346	5,288	5,900	5,074

Source and other information:
 Lewis and Clark County Treasurer's Office
 Lewis and Clark County Sheriff's Office
 Lewis and Clark County Public Works Department
 Lewis and Clark County Health Department
 Lewis and Clark County Justice Court
 Lewis and Clark County Attorney's Office

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL GOVERNMENT										
Election tabulators	2	2	2	2	2	2	2	2	2	2
Touch screen handicap voting devices	37	37	37	37	37	37	37	37	26	26
PUBLIC SAFETY ACTIVITIES										
Stations	4	4	4	4	4	4	4	4	4	4
Patrol units	32	31	30	32	30	27	34	33	33	33
PUBLIC WORKS										
Snow plows	10	10	10	10	10	10	10	10	10	10
Graders	7	7	7	6	6	6	6	6	6	6
Loaders	5	5	5	5	5	5	5	6	6	6
Shops	6	6	6	6	6	6	6	6	6	6
Landfill compactors	1	1	1	1	1	1	1	1	1	1
Landfill loaders	2	2	2	2	2	2	2	2	2	3
Landfills (active)	1	1	1	1	1	1	1	1	1	1
Solid waste container sites	3	3	3	3	3	3	3	3	3	3
Weed spraying vehicles	10	9	11	12	12	12	11	11	12	11
Cemeteries	1	1	1	1	1	1	1	1	1	1
Gravel roads (miles)	429	431	425	425	426	425	425	422	422	422
Paved roads (miles)	44	45	52	52	52	52	52	53	53	53
Chip sealed roads (miles)	66	66	65	65	65	64	65	60	59	59
Rural improvement districts (miles)	161	169	172	178	176	178	181	200	213	225
PUBLIC HEALTH ACTIVITIES										
Animal control vehicles	1	1	1	1	1	1	1	1	1	1
Health facilities	1	1	1	1	1	1	1	1	1	1
Nursing homes (1)	1	1	1	1	-	-	-	-	-	-
CULTURE AND RECREATION										
Fairgrounds	1	1	1	1	1	1	1	1	1	1
Parks	12	12	12	12	12	12	12	12	12	12

Source: Lewis and Clark County Treasurer's Office
 Lewis and Clark County Sheriff's Office
 Lewis and Clark County Public Works Department

(1) The Cooney Home was sold on May 31, 2012.

SINGLE AUDIT SECTION

INDEPENDENT AUDITOR'S 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, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lewis & Clark County, Montana, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Lewis & Clark County, Montana's basic financial statements, and have issued our report thereon dated December 19, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lewis & Clark County, Montana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of Lewis & Clark County, Montana's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lewis & Clark County, Montana’s financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Helena, Montana
December 19, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited Lewis & Clark County, Montana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lewis & Clark County, Montana's major federal programs for the year ended June 30, 2017. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Lewis & Clark County, Montana's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Lewis & Clark County, Montana's compliance.

Opinion on Each Major Federal Program

In our opinion, Lewis & Clark County, Montana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of Lewis & Clark County, Montana is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lewis & Clark County, Montana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Helena, Montana
December 19, 2017

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2017

Section I - Summary of Auditors' Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified that is not considered to be a material weakness?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
Material weakness identified?	No
Significant deficiency identified that is not considered to be a material weakness?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
93.505	Affordable Care Act – Maternal, Infant, and Early Childhood Home Visiting Program
93.224	Consolidated Health Centers
93.527	Affordable Care Act Grants for New and Expanded Services Under the Health Center Program

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	Yes

Financial Statement Audit Findings:

None

Federal Award Findings:

None

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

Summary Schedule of Prior Audit Findings

There were no prior audit findings.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2017

Federal Grantor/Pass - Through Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Beginning Bal	Income/ Other	Matching Income/ Other	Matching Expense/ Other	Federal Expenditures	Cash Bal
U.S. Department of Agriculture									
Passed through the Office of Finance and Budget:									
Schools and Roads - Grants to State - Forest Reserve - major program (note 3)	10.665	N/A	\$ 426,684	\$ -	\$ 99,084	\$ -	\$ -	\$ 99,084	\$ -
Passed through the State Department of Natural Resources/Conservation:									
Western Wildland Urban Interface Grant Program	10.664	HZF-16-005	17,627	(17,583)	17,627	-	-	44	-
Western Wildland Urban Interface Grant Program	10.664	WSF-14-003	205,147	(31,311)	73,762	104,195	104,195	42,451	-
Subtotal by Federal CFDA Number			222,774	(48,894)	91,389	104,195	104,195	42,495	-
Passed through the State Department of Agriculture:									
Lincoln Valley Snowmobilers	10.680	MDA 2016-703X	2,871	-	4,337	9,361	10,827	2,871	-
Passed through the State Department of Public Health and Human Services:									
W.I.C. Program	10.557	16-07-5-21-012-0	224,871	(24,304)	78,411	1,560	1,560	54,107	-
W.I.C. Program	10.557	17-07-5-21-012-0	213,913	-	141,173	-	-	168,512	(27,339)
Subtotal by Federal CFDA Number			438,784	(24,304)	219,584	1,560	1,560	222,619	(27,339)
Total U.S. Department of Agriculture			1,091,113	(73,198)	414,394	115,116	116,582	367,069	(27,339)
U.S. Department of Defense									
Fort William Harrison (JLUS)	12.610		250,000	(68,151)	104,821	14,976	14,976	147,376	(110,706)
Total Department of Defense			250,000	(68,151)	104,821	14,976	14,976	147,376	(110,706)
U.S. Department of Housing and Urban Development									
Passed through the Montana Department of Commerce:									
Public Facilities	14.228	MT-CDBG-11PF-08	900,000	(88)	-	88	-	-	-
Public Health Building	14.228	MT-CDBG-16PF-06	450,000	-	-	-	-	617	(617)
West Mont	14.228	MT-CDBG-16PL-13	35,000	-	-	-	3,602	10,807	(14,409)
Subtotal by Federal CFDA Number			1,385,000	(88)	-	88	3,602	11,424	(15,026)
Home Grant	14.239	M12-SG3001-13	750,000	11,615	-	-	-	11,615	-
Total U.S. Department of Housing and Urban Development			2,135,000	11,527	-	88	3,602	23,039	(15,026)
U.S. Department of the Interior									
BLM Invasive Species	15.230		48,822	-	6,794	694	694	6,794	-
Hazardous Fuel Reduction (BLM - Projects)	15.228		128,540	(17,003)	25,778	-	-	14,575	(5,800)
Passed through the Montana Historical Society:									
Historic Preservation	15.904	MT-16-020	5,500	-	5,500	3,667	3,667	5,500	-
Historic Preservation	15.904	MT-15-020	5,500	(5,500)	5,500	3,667	3,667	-	-
Subtotal by Federal CFDA Number			11,000	(5,500)	11,000	7,334	7,334	5,500	-
Total U.S. Department of the Interior			188,362	(22,503)	43,572	8,028	8,028	26,869	(5,800)
U.S. Department of Justice									
Bullet Proof Vest Partnership Grant	16.607		7,597	(597)	597	2,625	2,625	2,625	(2,625)
Bullet Proof Vest Partnership Grant	16.607		11,759	(4,016)	4,016	-	-	-	-
Subtotal by Federal CFDA Number			19,356	(4,613)	4,613	2,625	2,625	2,625	(2,625)
COPS Hiring Program Grant	16.710		125,000	(85,485)	37,427	113,883	36,872	28,953	-
Equitable Sharing	16.922		-	-	35,072	-	-	35,072	-
Coverdell Forensic Science Improvement	16.742		133,397	(35,647)	94,087	-	-	58,440	-
Coverdell Forensic Science Improvement	16.742		45,336	-	-	-	-	20,556	(20,556)
Subtotal by Federal CFDA Number			178,733	(35,647)	94,087	-	-	78,996	(20,556)
Passed through Gallatin County:									
Missouri River Drug Task Force	16.738	15-G01-91998	35,342	-	35,342	25,617	25,617	35,342	-
Passed through City of Helena:									
Byrne Justice Assistance Grant (JAG)	16.738	2015-DJ-BX-0540	11,849	(11,849)	11,849	-	-	-	-
Subtotal by Federal CFDA Number			47,191	(11,849)	47,191	25,617	25,617	35,342	-
Passed through City of Billings:									
Internet Crimes Against Children	16.543	2016-MC-FX-K038	3,000	-	768	-	137	874	(243)
Internet Crimes Against Children	16.543	2013-MC-FX-K025	7,000	(57,115)	4,251	52,949	-	85	-
Subtotal by Federal CFDA Number			10,000	(57,115)	5,019	52,949	137	959	(243)
Passed through the Montana Board of Crime Control:									
Violence Against Women Formula Grant	16.588	16-W02-91944	38,560	-	28,920	51,175	51,175	38,560	(9,640)
Violence Against Women Formula Grant	16.588	15-W02-91838	38,560	(38,159)	6,790	34,953	3,584	-	-
Subtotal by Federal CFDA Number			77,120	(38,159)	35,710	86,128	54,759	38,560	(9,640)
Total U.S. Department of Justice			457,400	(232,868)	259,119	281,202	120,010	220,507	(33,064)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2017

Federal Grantor/Pass - Through Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Beginning Bal	Income/ Other	Matching Income/ Other	Matching Expense/ Other	Federal Expenditures	Cash Bal
U.S. Department of Transportation									
Beartooth Road Resurfacing	20.205		3,199,403	(47,464)	2,867,285	2,604	2,604	2,952,083	(132,262)
York-Nelson Road Resurfacing	20.205		759,891	(18,971)	655,845	11,904	20,121	641,302	(12,645)
Stemple Pass Road North Resurfacing	20.205		733,311	(29,534)	485,628	58,818	58,818	465,364	(9,270)
Marysville Road Corridor Completion	20.205		2,200,001	(48,367)	640,190	314	314	605,107	(13,284)
Passed through the State Department of Transportation:									
Way to Go Campaign-L&C Co.	20.205	7497	40,000	(1,975)	-	1,975	-	-	-
Montana Air and Congestion Initiative (MACI)	20.205	8093	208,579	-	208,579	176	176	208,579	-
Passed through Cascade County:									
Extraordinary Snow Removal	20.205	N/A	-	-	13,430	-	-	13,430	-
Subtotal by Federal CFDA Number			7,141,185	(146,311)	4,870,957	75,791	82,033	4,885,865	(167,461)
Passed through the State Department of Transportation:									
Traffic Safety	20.600 .616 .608	109109	9,600	-	4,448	-	-	4,448	-
Traffic Safety	20.600,20.607	108506	11,000	(2,314)	5,901	-	-	3,587	-
Subtotal by Federal CFDA Number			20,600	(2,314)	10,349	-	-	8,035	-
Total U.S. Department of Transportation			7,161,785	(148,625)	4,881,306	75,791	82,033	4,893,900	(167,461)
U.S. Environmental Protection Agency									
Environmental Workforce Development and Job Training	66.815		200,000	(50,987)	90,837	-	-	64,937	(25,087)
East Helena Superfund Cooperative Agreement	66.802		1,255,506	(144,581)	239,625	-	-	177,601	(82,557)
Upper Tenmile Creek Mining Area Superfund	66.802		71,638	-	-	-	-	4,233	(4,233)
Subtotal by Federal CFDA Number			1,327,144	(144,581)	239,625	-	-	181,834	(86,790)
Passed through the State Department of Environmental Quality:									
Air Pollution Control Program	66.605	516004	20,041	-	5,010	-	-	5,010	-
Air Pollution Control Program	66.605	515004	20,041	-	20,041	20,363	20,363	20,041	-
Subtotal by Federal CFDA Number			40,082	-	25,051	20,363	20,363	25,051	-
Passed through the State Department of Natural Resources and Conservation:									
Lake Helena Watershed Restoration Project	66.460	216029	65,750	-	5,500	67,780	67,780	7,500	(2,000)
Total U.S. Environmental Protection Agency			1,632,976	(195,568)	361,013	88,143	88,143	279,322	(113,877)
Office of National Drug Control Policy									
High Intensity Drug Trafficking Area (HIDTA)	95.001		191,389	(46,330)	134,456	-	-	88,126	-
High Intensity Drug Trafficking Area (HIDTA)	95.001		196,073	-	33,511	-	-	83,933	(50,422)
Total U.S. Office of National Drug Control Policy			387,462	(46,330)	167,967	-	-	172,059	(50,422)
Federal Emergency Management Agency									
Passed through the Department of Military Affairs:									
Pre-Disaster Mitigation Plan	97.047	PDMC-PL-08-MT-2015-001	25,450	-	-	8,484	8,484	25,000	(25,000)
Network Cybersecurity File System Project	97.067	EMW-2016-SS-00006	75,723	-	75,723	-	-	75,723	-
Security Awareness Training for Montana Counties Project	97.067	EMW-2016-SS-00006	19,000	-	19,000	-	-	19,000	-
Sheriff System Administrator	97.067	EMW-2016-SS-00006	163,442	-	31,850	-	-	102,909	(71,059)
Sheriff System Administrator	97.067	EMW-2015-SS-00005	144,306	(25,208)	76,827	-	-	51,619	-
EOD - Equipment	97.067	EMW-2014-SS-00019-S01	35,000	-	35,000	-	-	-	-
EOD - Equipment	97.067	EMW-2015-SS-00005	35,000	-	27,990	-	-	27,990	-
EOD - Training	97.067	EMW-2015-SS-00005	12,000	-	9,711	-	-	9,711	-
Subtotal by Federal CFDA Number			484,471	(25,208)	241,101	-	-	286,952	(71,059)
Homeland Security Grant Program EMPG	97.042	EMD-2016-EP-00002	50,805	-	27,299	44,486	44,486	40,726	(13,427)
Homeland Security Grant Program EMPG	97.042	EMW-2015-EP-00004	50,755	(9,575)	20,860	11,285	11,285	11,285	-
Subtotal by Federal CFDA Number			101,560	(9,575)	48,159	55,771	55,771	52,011	(13,427)
Trap Club Emergency Flood Detention Basin Project	97.039	DR-1996-MT-P32R	546,449	(99,741)	126,343	43,137	44,685	82,332	(57,278)
Total Federal Emergency Management Agency			1,157,930	(134,524)	415,603	107,392	108,940	446,295	(166,764)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2017

Federal Grantor/Pass - Through Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Beginning Bal	Income/ Other	Matching Income/ Other	Matching Expense/ Other	Federal Expenditures	Cash Bal
U.S. Department of Health and Human Services									
Passed through Association of Food & Drug Officials:									
FDA Training	93.103	G-T-1510-03140	3,000	-	2,718	-	-	2,718	-
Update Self Assessment of 9 Standards	93.103	G-SP-1510-03139	2,500	-	2,500	-	-	2,500	-
Subtotal by Federal CFDA Number			5,500	-	5,218	-	-	5,218	-
Passed through the State Department of Public Health and Human Services:									
Childhood Immunization Grant	93.268	16-07-4-31-123-0	27,355	-	20,516	-	-	20,516	-
Childhood Immunization Grant	93.268	17-07-4-31-123-0	27,355	-	6,839	-	-	6,839	-
Subtotal by Federal CFDA Number			54,710	-	27,355	-	-	27,355	-
Maternal Child Health and Block Grant	93.994	16-07-5-01-025-0	68,935	(12,424)	12,424	9,318	9,318	-	-
Maternal Child Health and Block Grant	93.994	17-07-5-01-025-0	63,184	-	37,911	37,911	37,911	50,548	(12,637)
Subtotal by Federal CFDA Number			132,119	(12,424)	50,335	47,229	47,229	50,548	(12,637)
Maternal Infant and Early Childhood Home Visiting Infra. Development	93.505	16-07-5-01-092-0	227,085	(60,004)	141,020	13	-	81,029	-
Maternal Infant and Early Childhood Home Visiting Infra. Development-Safecare	93.505	16-07-5-01-104-0	139,411	(25,572)	87,608	51	39	62,048	-
Healthy Montana Families	93.505	17-07-5-41-177-0	105,883	-	6,405	6,486	9,153	54,488	(50,750)
Subtotal by Federal CFDA Number			472,379	(85,576)	235,033	6,550	9,192	197,565	(50,750)
HIV Prevention Services	93.940	15-07-4-51-009-0	55,055	(5,160)	14,786	-	-	14,924	(5,298)
Montana Cancer Control Program	93.752	17-07-3-01-009-0	64,000	-	48,000	-	-	48,000	-
Montana Cancer Control Program	93.800	17-07-3-01-009-0	42,500	-	31,875	-	-	31,875	-
Public Health Emergency Preparedness	93.074	17-07-6-11-028-0	82,707	-	64,098	-	-	64,098	-
Public Health Emergency Preparedness	93.074	16-07-6-11-028-0	95,357	-	21,456	-	-	21,456	-
Subtotal by Federal CFDA Number			178,064	-	85,554	-	-	85,554	-
Passed through Community Transportation Association of America:									
Helena Area Transit Inclusive Planning	93.048	90TC0001/03	61,500	(25,276)	-	-	-	-	(25,276)
Passed through NACDD:									
Reaching People with Disabilities thru Healthy Com.	93.424	1372016.000	22,800	-	11,875	-	-	11,845	30
Total U.S. Department of Health and Human Services			1,088,627	(128,436)	510,031	53,779	56,421	472,884	(93,931)
Other Federal Financial Assistance									
Passed through State Treasurer's Office:									
Taylor Grazing	15.034	N/A	-	-	1,921	-	-	1,921	-
Total Other Federal Financial Assistance			-	-	1,921	-	-	1,921	-
Total Federal Financial Assistance - Primary Government			\$ 15,550,655	\$ (1,038,676)	\$ 7,159,747	\$ 744,515	\$ 598,735	\$ 7,051,241	\$ (784,390)
Component Unit Federal Financial Assistance									
U.S. Department of Health and Human Services									
Health Center Cluster	93.224		\$ 701,278	\$ 1,019,520	\$ 701,278	\$ 982,903	\$ 392,773	\$ 701,278	\$ 1,609,650
Health Center Cluster	93.527		1,687,514	-	306,007	428,895	1,363,341	306,007	(934,446)
Health Center Cluster	93.527		2,007,768	52,348	1,510,973	2,117,762	867,507	1,510,973	1,302,603
Subtotal by Federal CFDA Number			3,695,282	52,348	1,816,980	2,546,657	2,230,848	1,816,980	368,157
Total Component Unit			\$ 4,396,560	\$ 1,071,868	\$ 2,518,258	\$ 3,529,560	\$ 2,623,621	\$ 2,518,258	\$ 1,977,807
Total Expenditures of Federal Awards			\$ 19,947,215	\$ 33,192	\$ 9,678,005	\$ 4,274,075	\$ 3,222,356	\$ 9,569,499	\$ 1,193,417

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2017

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 - Other Information

U S Department of Agriculture

The \$99,084 reported, represents 66 2/3 percent of the total amount of \$148,552 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 the County.

Note 3 - Indirect Cost Rate

The County did not elect to use the 10% de minimus indirect cost rate from Title 2 United States Code of Federal Regulations, Part 200, Uniform Guidance Administrative Requirements, Subpart E Costs Principles.

