

LEWIS AND CLARK COUNTY

MONTANA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR 2013

July 1, 2012 to June 30, 2013

The Scapegoat Wilderness

The Scapegoat Wilderness is located ten miles north of Lincoln, Montana, which is located in the western part of Lewis and Clark County. Most of the Scapegoat Wilderness lies in Lewis and Clark County. It was designated the Scapegoat Wilderness in 1972 by the United States Congress. The "Lincoln Back Country", as the locals call it, consists of 239,936 acres and is located in three different National Forests, Lewis and Clark, Helena, and Lolo National Forests. There are 14 lakes and 89 miles of streams, most of which provide fishing opportunities. Although no motorized or wheeled vehicles are allowed, the wilderness is used by hikers, fisherman, campers, hunters, horseback riders, those who just want to enjoy the scenery, and for geology purposes. Not only are the fish plentiful, but the wildlife is abundant, which includes deer, mountain goats, elk, bighorn sheep, moose, mountain lions, wolverines, black bears, wolves, and grizzly bears.

The western boundary of the Scapegoat Wilderness is made evident by the Continental Divide, with elevations between 5,000 to 9,000 feet above sea level. Red Mountain is the highest peak in the wilderness, which rises to 9,414 feet. The views seem almost endless from many of the mountain tops, the eastern views can reach as far as 70 miles. There are over a hundred fifty miles of trails available for backpacking or pack trips on horseback. About 50 miles of the Continental Divide National Scenic Trail is in the Scapegoat Wilderness.

The Scapegoat Wilderness borders the Bob Marshall Wilderness which in turns borders the Great Bear Wilderness further north. All three wilderness areas make up the Bob Marshall Wilderness Complex, which consists of 1.5 million acres.

LEWIS & CLARK COUNTY, MONTANA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2013

July 1, 2012 to June 30, 2013

PRESENTED BY
LEWIS AND CLARK COUNTY ACCOUNTING DEPARTMENT

LEWIS AND CLARK COUNTY
HELENA, MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year 2013

July 1, 2012 - June 30, 2013

Prepared By: Lewis and Clark County, Accounting Department

Paulette DeHart, County Treasurer

Rodger Nordahl

Amy Reeves

INTRODUCTORY SECTION



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



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

LEWIS AND CLARK COUNTY

Consolidated Office of Treasurer/Clerk and Recorder

December 11, 2013

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, 2013.

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, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded based upon the audit that there was a reasonable basis for rendering unqualified opinions over the County's basic financial statement opinion units, as listed in the accompanying table of contents for the fiscal year ended June 30, 2013. The independent auditor's report is presented at the front of the financial section of this report.

The independent audit of the financial statements of 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 Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards and the auditor’s reports on internal control over financial reporting and compliance and other matters under Government Auditing Standards and in accordance with OMB Circular A-133, are included in the single audit section of this report.

Management is required to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County’s MD&A can be found immediately following the report of the independent auditors.

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 66,392. 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 maintenance, weed control, building maintenances, solid waste services, and cemetery services, along with the 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 Cooperative Health Center as a component unit. The county operated a nursing home, but sold the facility on June 1, 2012.

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 County Commission. The Budget Officer for the Commission uses these requests for appropriation as the starting point for developing a proposed budget. The Board of County Commissioners is required to hold public hearings on the proposed budget and to adopt a final budget through resolution. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g. sheriff). The Board of County Commission must approve any transfer of appropriations during the course of the year. The objective of the County’s budgetary controls is to ensure compliance

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

Factors Affecting Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

The County has experienced the effects of the national economic downturn. After several years of significant growth throughout the County, the last few have experienced a slowdown in several areas, along with some rebound in others. The number of subdivision applications has declined, permits for septic systems have dropped considerably and the landfill has experienced a decrease in the tonnage being received. At the same time, new growth of 2.0 percent in property tax revenues has occurred and this appears to be steadily increasing, getting back to normal historic growth levels of 3 to 5 percent, as current and future commercial construction projects emerge in the County.

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 4.5 percent. This is down .7 percent from one year ago. The current unadjusted unemployment figure for the Montana is 5.5 percent and the nation is 7.6 percent.

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

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 County Commissioner 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 2013, \$1.9 million was set aside for future replacement of capital assets.

Financial policies are guidelines for operational and strategic decision making related to financial matters. Financial policies 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, County Commission 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 insure 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 generally accepted accounting principles 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.

In 2004, the voters of the County voted in favor of the 8.18 mills or approximately \$703,644 for a period of ten years to finance the \$5,727,000 in projects and in favor of 2.91 mills or approximately \$250,000 in permanent funding for continuing operations, replacement and depreciation of the Fairgrounds. The ten-year construction mill levy in June 2004 was for a major construction project that included an exhibit hall/grandstands building and related infrastructure improvements, tower and entry portals and repairs to the existing multi-purpose building at the County Fairgrounds. The building was completed in the late summer of 2008. The building has allowed the fairgrounds to host many diverse events and has proven to be a huge asset to the community. There is one year remaining on the construction mill levy.


Awards and Acknowledgements

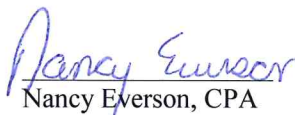
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lewis and Clark County for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the eighteenth consecutive 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



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

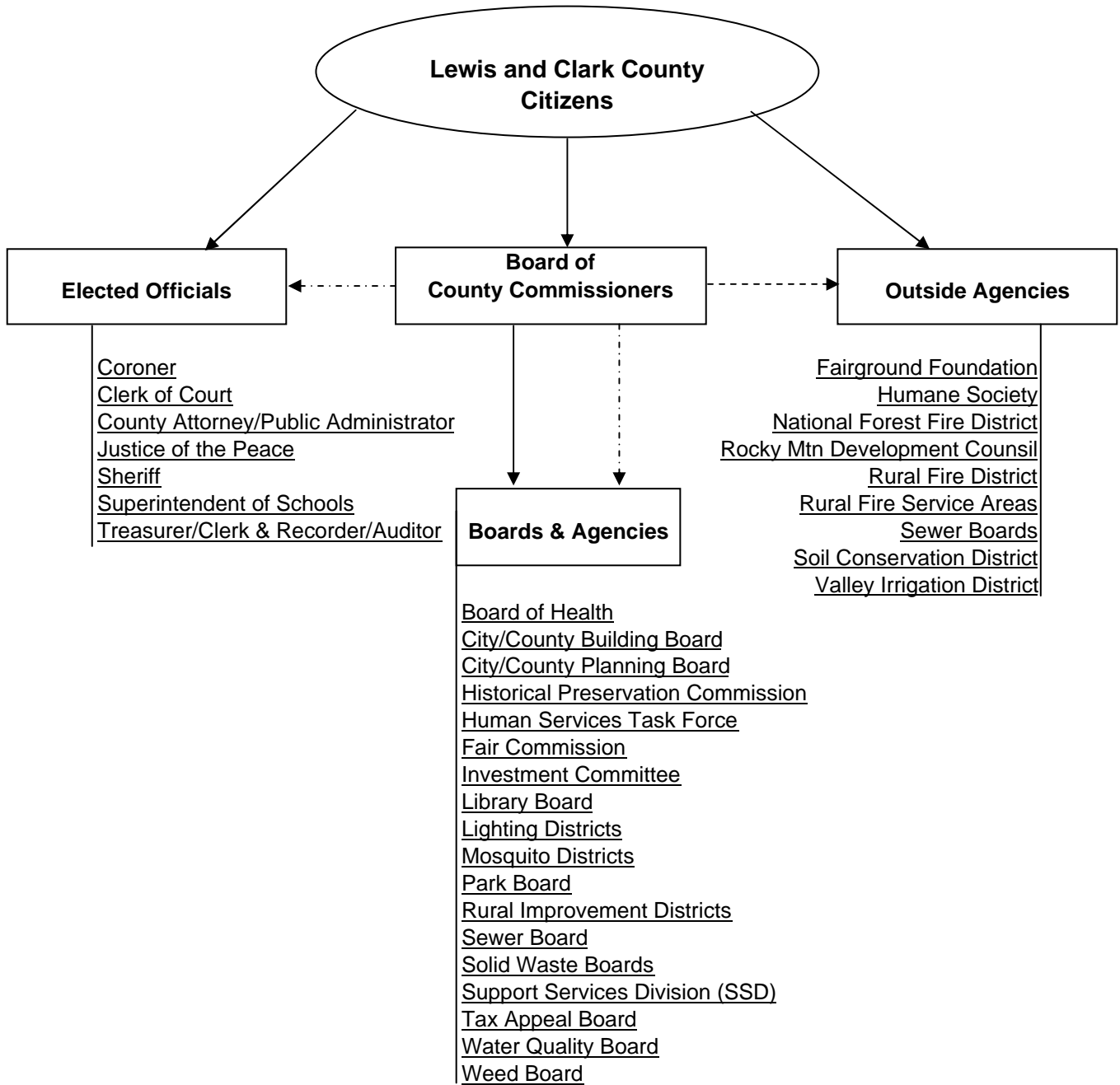
**Lewis and Clark County
Montana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Lewis and Clark County, Montana ORGANIZATIONAL CHART



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

**LEWIS AND CLARK COUNTY
HELENA, MONTANA
JUNE 30, 2013**

LIST OF PRINCIPAL OFFICIALS

BOARD OF COUNTY COMMISSIONERS

| | |
|-----------------------|---------------|
| Mr. Michael A. Murray | Chairman |
| Mr. Andy Hunthausen | Vice-Chairman |
| Mrs. Susan Good Geise | Member |

COUNTY OFFICIALS

| | |
|--------------------------------|--------------------------------------|
| Mr. Leo Gallagher | Attorney/Public Administrator |
| Mrs. Nancy Sweeney | Clerk of Court |
| Mr. M.E. (Mickey) Nelson | Coroner |
| Mr. Michael Swingley | Justice of the Peace |
| Mr. Leo Dutton | Sheriff |
| Mrs. Marsha Davis | 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 Jeffrey Sherlock | 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, 2013, 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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and public safety fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Schedule of Other Postemployment Benefit Plans on pages 5–16 and 74 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 nonmajor fund financial statements and schedules, 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

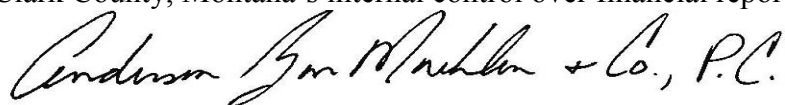
The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 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 11, 2013, 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.

A handwritten signature in cursive script that reads "Anderson Zurmuehlen & Co., P.C.".

Helena, Montana
December 11, 2013

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LEWIS AND CLARK COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013 and 2012

INTRODUCTION

As management of Lewis and Clark County, Montana, we offer readers of Lewis and Clark County's basic financial statements this comparative narrative overview and analysis of the financial activities of Lewis and Clark County for the fiscal years ended June 30, 2013 and 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v-ix of this report.

FINANCIAL HIGHLIGHTS

- Lewis and Clark County's primary government assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2013 by \$70.2 million (reported as net position) compared with \$66.1 million at June 30, 2012. Of this amount, \$22.0 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 \$4.0 million. The current year increase is a result of the county's 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, 2013, Lewis and Clark County's governmental funds reported combined ending fund balances of \$23.1 million, compared with \$21.9 million at June 30, 2012. Of this amount, \$16.5 million is available for spending at the government's discretion (committed, assigned, and unassigned fund balances).
- Major infrastructure and construction projects were started in the later part of fiscal year 2011, continuing through last two fiscal years. Several of the road and bridge projects were completed in this fiscal year, but several more were started. The construction of the Phase III cell at the county landfill was primarily completed, but due to a slowdown in the economy, the county did not reach capacity of the Phase II cell.
- A revenue bond was issued for \$2,004,000 to refinance an existing Solid Waste Facility revenue bond that contained a higher interest rate. The new bond's interest rate is 2.25% compared to 3.75%. The refinance will save the county approximately \$229,000 over the remaining eleven years.
- Lewis and Clark County made principal payments for the general obligation bond, special assessment loans, revenue bonds, and contracts/loans of \$1.8 million.

- For a summary of new GASB pronouncements adopted in the current fiscal year, see Note 2. D. on pages 44 – 45.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of Lewis and Clark County's finances, in a manner similar to a private-sector business. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net 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, 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 Cooperative Health Center. Although legally separate, this component unit is important because the County is financially accountable for them.

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

Fund Financial Statements: A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the most significant funds, not the County as a whole. Some funds are required to be established by State law and by bond covenants. Also,

the Board of County Commissioners establishes funds to help control and manage money for particular purposes or to meet legal responsibilities for using certain taxes, grants and other money. For example, the County maintains separate funds for on-going federal grants in order to track specific expenditures to the grant.

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

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

Lewis and Clark County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the public safety fund, the rural special improvement district debt fund, and the capital development fund, which are considered to be major funds. Data from the other 57 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 - Lewis and Clark County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its landfill and transfer station sites, its nursing home and its fairgrounds operations. *Internal Service funds* are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its building and vehicle maintenance services, information technology services and property, liability and health insurance services. Because these services predominantly benefit governmental services rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Lewis and Clark

County’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 31, 32, and 154-172 of this report.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-73 of this report.

Other information – The basic financial statements are followed by a section of required supplementary information. This section includes other post employment benefits information.

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 75-172 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 Lewis and Clark County, the net position was \$70,191,750 at June 30, 2013.

Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------------|----------------------------|---------------|-----------------------------|---------------|---------------|---------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Current and other assets | \$ 35,314,608 | \$ 33,043,285 | \$ 2,588,649 | \$ 2,309,870 | \$ 37,903,257 | \$ 35,353,155 |
| Capital assets | 33,782,498 | 33,401,860 | 15,297,922 | 15,893,717 | 49,080,420 | 49,295,577 |
| Total assets | 69,097,106 | 66,445,145 | 17,886,571 | 18,203,587 | 86,983,677 | 84,648,732 |
| Deferred outflows of resources | - | - | - | - | - | - |
| Long-term liabilities outstanding | 7,397,007 | 8,108,203 | 5,396,492 | 6,516,058 | 12,793,499 | 14,624,261 |
| Other liabilities | 1,636,707 | 3,493,505 | 177,110 | 352,020 | 1,813,817 | 3,845,525 |
| Total liabilities | 9,033,714 | 11,601,708 | 5,573,602 | 6,868,078 | 14,607,316 | 18,469,786 |
| Deferred inflows of resources | 2,184,611 | 2,175,470 | - | - | 2,184,611 | 2,175,470 |
| Net position: | | | | | | |
| Net Investment in capital assets | 31,552,823 | 30,596,233 | 11,156,835 | 10,645,240 | 42,709,658 | 41,241,473 |
| Restricted | 4,580,612 | 3,887,440 | 883,923 | 936,223 | 5,464,535 | 4,823,663 |
| Unrestricted | 21,745,346 | 20,359,764 | 272,211 | (245,954) | 22,017,557 | 20,113,810 |
| Total net position | \$ 57,878,781 | \$ 54,843,437 | \$ 12,312,969 | \$ 11,335,509 | \$ 70,191,750 | \$ 66,178,946 |

The largest portion of Lewis and Clark County’s net position, approximately 60.8 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 Lewis and Clark County's net position, 7.8 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$22,017,557, may be used to meet the government's ongoing obligations to citizens and creditors.

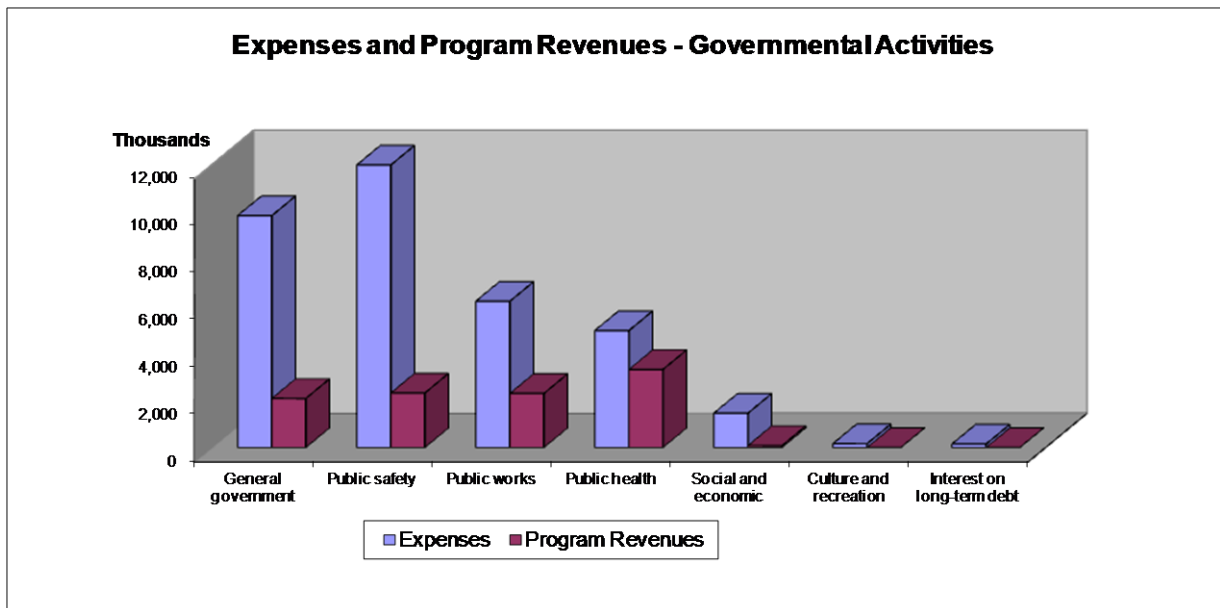
At the end of the current fiscal year, Lewis and Clark County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

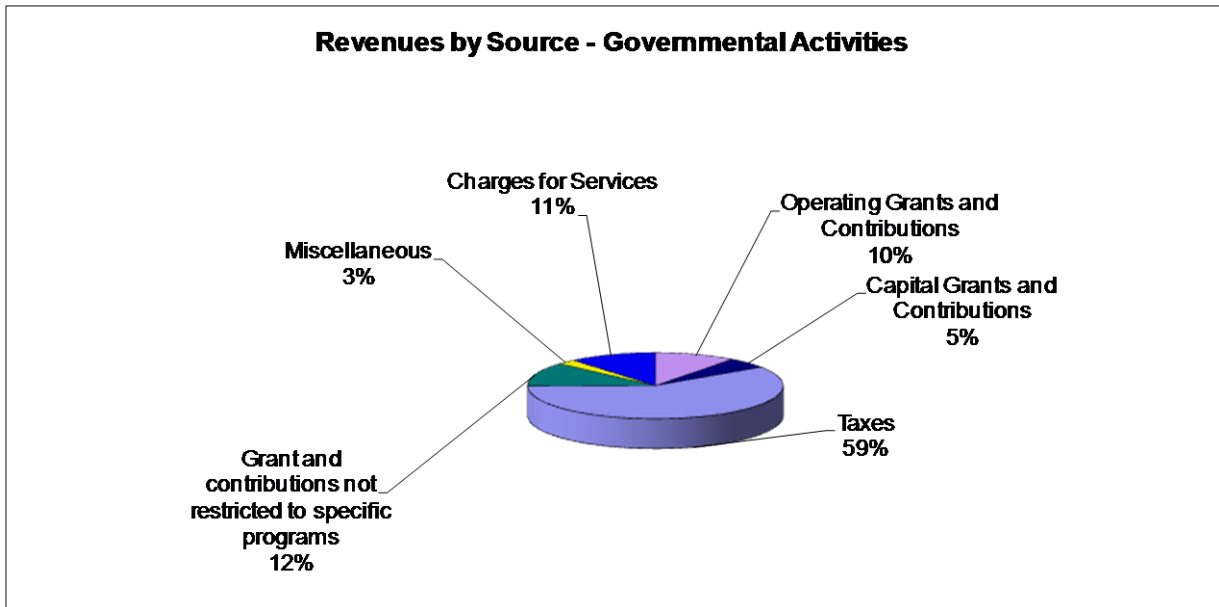
Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|---|----------------------------|---------------|-----------------------------|---------------|---------------|---------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Fees, fines, and charges for services | \$ 4,200,411 | \$ 3,903,374 | \$ 3,817,670 | \$ 8,085,069 | \$ 8,018,081 | \$ 11,988,443 |
| Operating grants and contributions | 3,878,827 | 3,181,800 | 11,156 | 26,758 | 3,889,983 | 3,208,558 |
| Capital grants and contributions | 1,998,031 | 2,829,114 | - | - | 1,998,031 | 2,829,114 |
| Total program revenues | 10,077,269 | 9,914,288 | 3,828,826 | 8,111,827 | 13,906,095 | 18,026,115 |
| General revenues: | | | | | | |
| Taxes | 22,365,369 | 21,644,499 | 1,495,143 | 1,450,949 | 23,860,512 | 23,095,448 |
| Grants and contributions not restricted to specific programs | 4,465,139 | 4,348,447 | - | - | 4,465,139 | 4,348,447 |
| Other | 886,592 | 1,711,296 | 7,718 | 622,816 | 894,310 | 2,334,112 |
| Total revenues | 37,794,369 | 37,618,530 | 5,331,687 | 10,185,592 | 43,126,056 | 47,804,122 |
| Expenses: | | | | | | |
| General government | 9,822,134 | 10,666,150 | - | - | 9,822,134 | 10,666,150 |
| Public safety | 11,968,464 | 11,493,186 | - | - | 11,968,464 | 11,493,186 |
| Public works | 6,197,203 | 6,094,251 | - | - | 6,197,203 | 6,094,251 |
| Public health | 4,954,877 | 4,402,403 | - | - | 4,954,877 | 4,402,403 |
| Social and economic development | 1,457,459 | 1,076,407 | - | - | 1,457,459 | 1,076,407 |
| Culture and recreation | 161,716 | 106,010 | - | - | 161,716 | 106,010 |
| Interest on long-term debt | 147,852 | 316,958 | - | - | 147,852 | 316,958 |
| Solid waste | - | - | 2,574,462 | 2,570,742 | 2,574,462 | 2,570,742 |
| Nursing home | - | - | 199,829 | 5,755,855 | 199,829 | 5,755,855 |
| Fairgrounds | - | - | 1,629,256 | 1,548,495 | 1,629,256 | 1,548,495 |
| Total expenses | 34,709,705 | 34,155,365 | 4,403,547 | 9,875,092 | 39,113,252 | 44,030,457 |
| Increase in net position before transfers | 3,084,664 | 3,463,165 | 928,140 | 310,500 | 4,012,804 | 3,773,665 |
| Transfers | (49,320) | (52,902) | 49,320 | 52,902 | - | - |
| Increase in net position | 3,035,344 | 3,410,263 | 977,460 | 363,402 | 4,012,804 | 3,773,665 |
| Net position, beginning | 54,843,437 | 51,433,174 | 11,335,509 | 10,972,107 | 66,178,946 | 62,405,281 |
| Net position, ending | \$ 57,878,781 | \$ 54,843,437 | \$ 12,312,969 | \$ 11,335,509 | \$ 70,191,750 | \$ 66,178,946 |

Governmental Activities - Governmental activities increased Lewis and Clark County's net position by \$3,035,344, thereby accounting for 75.6 percent of the total growth in the net position of Lewis and Clark County. Total revenues increased by \$175,839 or .5 percent, with total expenses increasing by \$554,340 or 1.6 percent. Elements that contributed to the increase in net position are as follows:

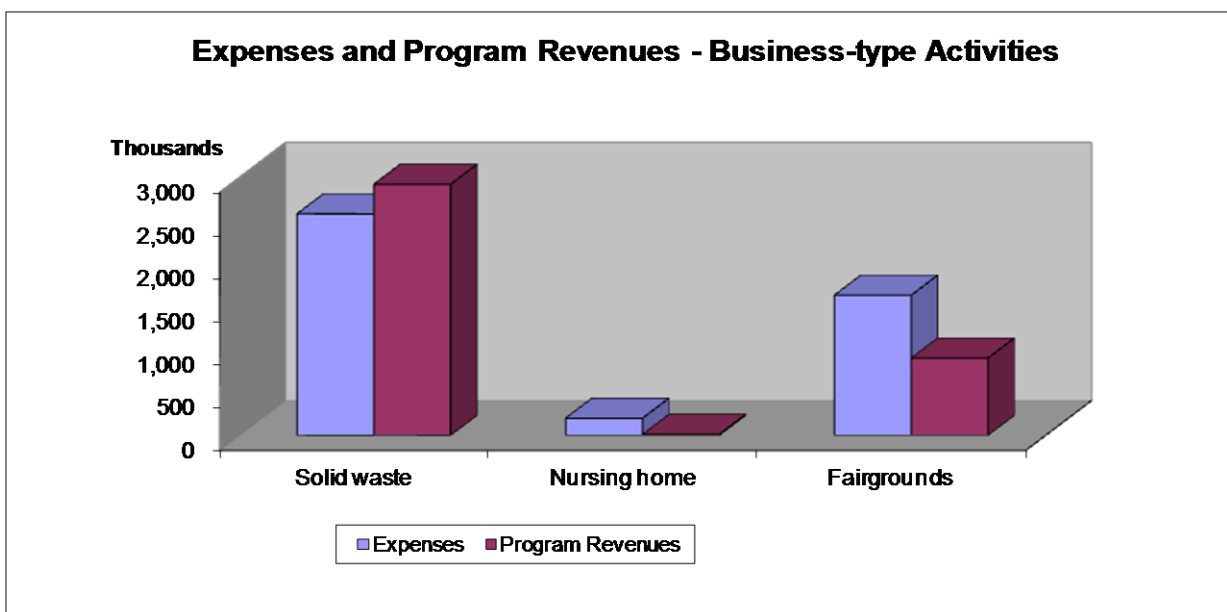
- Of the County’s major governmental funds, the General, Rural Special Improvement District Debt, and the Capital Development, all showed a positive net change in fund balance, of \$547,079, \$7,233, and \$273,306, respectively. The remaining increase is from the Other Governmental Funds of over \$477,000. The Capital Development continues to show annual growth as the County uses it for saving of resources by departments for future capital purchases and improvements.
- Although the Public Safety fund had a negative change in fund balance, the negative change was primarily due to transfers into the Capital Development fund for future capital purchases and improvements and transfers to the Public Safety Radio Maintenance fund for a major maintenance and repair project for radio towers and equipment.
- In the Other Governmental Funds grouping, Special Assessment Districts fund saved \$330,000 more of their annual assessment revenue than they spent on maintenance and repairs costs. The Road/Bridge Projects fund received in excess of \$1,500,000 in grants for Federal Forest Highway projects.
- The increase in taxes of 3.3 percent or \$720,000 is primarily due to new construction growth, but is at the lower end of historic averages of 3 to 5 percent.
- Total expenses increased overall by 1.6 percent or just over \$550,000 in comparison to the prior year in which expenses increased by 8.2 percent or \$2,580,625. The majority of the increase coming from expense related to the public safety area as the improved the radio towers and equipment.

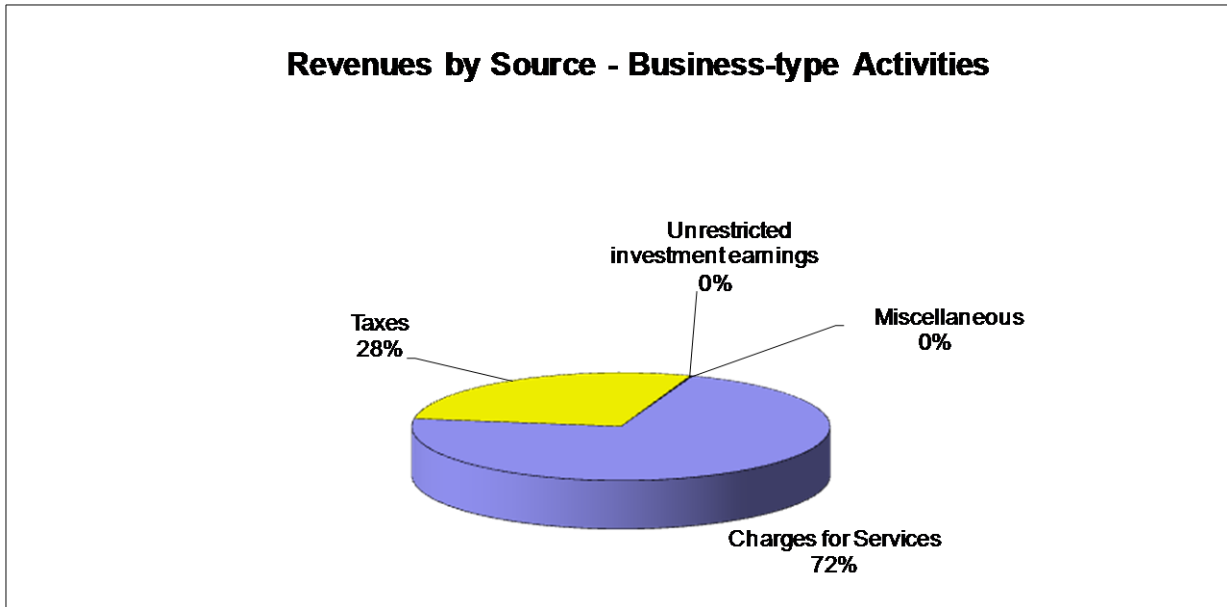




Business Activities - Business-type activities increased Lewis and Clark County's net position by \$977,460, thereby accounting for 24.4 percent of the total growth in the net position of Lewis and Clark County. Key elements of this increase are as follows:

- At the fairgrounds, revenues continue to be greater than expenses resulting in an increase of change in net position of over \$814,335. Tax revenue from a mill levy continued strong and resulted in \$44,000 more than the previous year.
- Operations relating to solid waste disposal showed increase in net position of approximately \$350,000, as slight rate increases from fiscal year 2012 assisted in revenues staying ahead of expenses.
- The Cooney Home, which was sold in the prior fiscal year, resulted in negative change in net position of over \$187,000. This negative amount is the result of additional account receivable being recognized as uncollectible and the expensing of the costs to collect receivables. The fund received very minimal revenues.





THE COUNTY'S FUNDS

Governmental funds

As of the end of the current fiscal year, Lewis and Clark County's governmental funds reported fund balances of \$23.1 million, an increase of \$1.4 million in comparison with the prior year. Of this amount, \$.8 million (3.3%) is classified as non-spendable and \$22.4 million (96.7%) constitutes spendable fund balance. The spendable fund balance is further classified as restricted, \$5.8 million (25.1%); committed, \$13.6 million (59.1%); assigned, \$.6 million (2.6%); and unassigned, \$2.3 million (9.9%). 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 footnote 1.

The general fund is the main operating fund of the County. At the end of the current fiscal year, combined unassigned and assigned fund balance of the general fund was \$2.8 million, while total fund balance was \$2.97 million.

The fund balance of the County's general fund increased \$547,079 during the current fiscal year. Taxes saw a slight increase in collections. The remaining revenue categories stayed fairly constant with last fiscal year. Overall expenditures saw a slight decrease in most functional categories, resulting in a decrease of \$282,002 of which primarily is the result of the prior fiscal year one-time expenditure of \$459,532 to the health insurance fund.

The Public Safety Fund, as previously mentioned, saw a decrease in fund balance of over \$230,000 to end with a total fund balance of \$1.7 million. The major contributor to this decrease was intergovernmental revenues down by \$100,000 and overall expenditures up by over \$200,000.

The Rural Special Improvement District Debt Fund had a total fund balance of \$.1 million, which is steady with the prior year. The restricted fund balance can only be used for payments of principal and interest.

The Capital Development Fund had a total fund balance of \$6.5, which is up from the \$6.2 in the prior year. The increase in fund balance shows that departments continue to contribute to their capital improvement plans (CIP) at an amount slightly more than they are expending.

Proprietary funds

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

Unrestricted net assets of the Cooney Home at the end of the year were (\$.16) million, the County landfill was \$.34 million and (\$1.02) million for the Fairgrounds. The County has met debt coverage ratios on all revenue bonds.

Although the Cooney Home sold on June 1, 2012, the county continues to use the fund to collect outstanding receivables, in excess of \$40,000, net of uncollectable, and to record and pay payables.

The deficit in Unrestricted - Net position for the Fairgrounds decreased by \$.3 million as increases in revenue, enabling payment of principal on construction loans.

General Fund Budgetary Highlights

Over the course of the year, the Board of County Commissioners 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 \$310,483. Real property taxes received were less than the original budget amount by \$176,773 as more taxes were protested, with revenues from grants and clerk and recorder charges exceeding budgeted amounts by \$209,966 and \$113,403, respectively.

Actual expenditures from the General Fund were \$761,141 less than budgeted. The majority of departments spent less than they were budgeted, including general governmental and public works departments that had unspent budgets of \$538,198 and \$168,296, respectively.

Capital Asset and Debt Administration

Capital assets - Lewis and Clark County's investment in capital assets (net of accumulated depreciation) for its governmental and business type activities as of June 30, 2013, was \$49,080,420. This investment in capital assets includes land, buildings, improvements other than buildings, infrastructure, machinery and equipment. For fiscal year 2013, the County's investment in capital assets decreased by \$215,157. The decrease is due to current year purchases of capital assets and major costs for road construction being exceeded by depreciation and retirement of capital assets.

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

Governmental

- The County completed several major road and bridge infrastructure projects during the current fiscal year. They are the Marysville Road project, with fiscal year 2013 costs of \$173,328 and total project costs over \$7.1 million; Forest roads projects, with total project costs over \$.36 million; and the Sieban Canyon Bridge, with fiscal year 2013 costs of \$226,669 and total project costs over \$.25 million.
- The Public Works department, in conjunction with the Forest Highway Projects grants, continues to work on improving the surface of several rural roads, a project started in fiscal year 2011, with current fiscal cost being in excess of \$1.36 million, bring the construction in progress to date to 2.88 million. Several new road projects have been added bring future estimated cost around \$6.0 million to compete the projects.
- A new buildings housing the South Hills/Unionville Fire Department was completed, costing \$424,870.
- Purchase of vehicles and equipment for public safety in the amount of \$166,798.
- Purchase of vehicles, machinery and equipment for the Public Works department in the amount of \$323,486.

Business-type

- County landfill completed construction of the Phase III cell, with total costs of \$1.29 million.
- The Fairgrounds completed the front gate/sign project, with total costs of \$174,052.

Capital Assets
(net of depreciation)

| | Governmental Activities | | Business-type Activities | | Total | |
|--------------------------------------|----------------------------|----------------------|-----------------------------|----------------------|----------------------|----------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Land | \$ 4,696,502 | \$ 4,436,972 | \$ 243,648 | \$ 243,648 | \$ 4,940,150 | \$ 4,680,620 |
| Buildings | 7,410,323 | 6,802,374 | 9,829,367 | 10,126,421 | 17,239,690 | 16,928,795 |
| Improvements other than buildings | 350,325 | 481,690 | 4,452,513 | 3,144,418 | 4,802,838 | 3,626,108 |
| Machinery and equipment | 4,669,823 | 5,128,316 | 750,364 | 927,972 | 5,420,187 | 6,056,288 |
| Infrastructure | 13,686,084 | 6,650,624 | - | - | 13,686,084 | 6,650,624 |
| Construction in progress | 2,969,441 | 9,901,884 | 22,030 | 1,451,258 | 2,991,471 | 11,353,142 |
| Total assets | \$ 33,782,498 | \$ 33,401,860 | \$ 15,297,922 | \$ 15,893,717 | \$ 49,080,420 | \$ 49,295,577 |

Long-term debt - As of June 30, 2013, the County had total debt outstanding of \$9,005,762. Of this amount, \$2,635,000 in general obligation bonds, \$974,595 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment and \$4,436,087 represents bonds secured solely by specified revenue sources (i.e., revenue bonds). The remaining \$960,080 comprises contract/loan debt backed by the full faith and credit of the government.

**Outstanding Debt
General Obligation and Revenue Bonds**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|----------------------------|---------------------|-----------------------------|---------------------|---------------------|----------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| General obligation bonds | \$ 2,635,000 | \$ 2,755,000 | \$ - | \$ - | \$ 2,635,000 | \$ 2,755,000 |
| Special assessment debt with governmental commitment | 974,595 | 1,231,301 | - | - | 974,595 | 1,231,301 |
| Revenue bonds | 295,000 | 345,000 | 4,141,087 | 5,214,914 | 4,436,087 | 5,559,914 |
| Contracts/loans | 960,080 | 1,229,326 | - | 33,563 | 960,080 | 1,262,889 |
| Total | <u>\$ 4,864,675</u> | <u>\$ 5,560,627</u> | <u>\$ 4,141,087</u> | <u>\$ 5,248,477</u> | <u>\$ 9,005,762</u> | <u>\$ 10,809,104</u> |

Lewis and Clark County’s total debt has a net decrease of \$1,803,342, due primarily to the payment of \$1,810,501 in principal, which exceeded loan proceeds for revenue bond and special assessment debt, \$7,159 and \$0, respectively. The county made principal payments for general obligation bonds, special assessment loans with governmental commitment, revenue bonds, and contracts/loans of \$120,000, \$256,706, \$1,130,986, and \$302,809, respectively. The County has not had a recent change in its credit rating.

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

Other Facts, Decisions, or Conditions of Future Significance

- In times of economic downturn, maintaining a healthy fiscal position becomes even more important. The Commission focused on maintaining adequate cash balances to weather the recession while continuing to provide the current level of services. The County is anticipating cash balances to decrease by \$9.9 million to \$18.3 million for all County funds. This represents a reserve of 23.5 percent of budgeted expenditures. This is a healthy reserve and will allow the Commission the flexibility and time to respond to decreasing revenues in an orderly fashion
- In June 2004, the voters approved a mill levy of approximately \$703,644 or 8.18 mills for a period of ten years. Its primary purpose was to assist in financing the construction of a major event center and other projects at the Lewis and Clark County Fairgrounds. As this mill levy reaches the end of the 10 years, major discussions are underway in presenting or not presenting a new levy to the taxpayers for future development of the fairgrounds.

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 Lewis and Clark County.

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BASIC FINANCIAL STATEMENTS

LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF NET POSITION
June 30, 2013

| | PRIMARY GOVERNMENT | | | COMPONENT UNIT |
|---|----------------------------|-----------------------------|----------------------|---------------------------------|
| | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL | COOPERATIVE HEALTH CENTER |
| Assets | | | | |
| Cash and cash equivalents | \$ 22,367,349 | \$ 2,135,011 | \$ 24,502,360 | \$ 873,682 |
| Investments | 3,030,644 | 290,249 | 3,320,893 | 118,774 |
| Taxes/assessment receivables (net of allowance for uncollectables) | 4,044,070 | 264,197 | 4,308,267 | - |
| Accounts/contracts (net of allowance for uncollectibles) | 444,927 | 471,249 | 916,176 | 254,513 |
| Notes receivable | - | 217,427 | 217,427 | - |
| Due from other governments | 816,177 | - | 816,177 | 11,968 |
| Inventories | 313,424 | - | 313,424 | 70,802 |
| Restricted assets - noncurrent | 484,917 | 883,923 | 1,368,840 | - |
| Long-term accounts/contracts receivable | 311,847 | - | 311,847 | - |
| Long-term notes receivable | - | 1,827,846 | 1,827,846 | - |
| Internal balances | 3,501,253 | (3,501,253) | - | - |
| Land and construction in progress | 7,665,943 | 265,678 | 7,931,621 | 134,940 |
| Buildings, improvements, vehicles and equipment(net) | 12,430,471 | 15,032,244 | 27,462,715 | 386,516 |
| Infrastructure (net) | 13,686,084 | - | 13,686,084 | - |
| Total assets | 69,097,106 | 17,886,571 | 86,983,677 | 1,851,195 |
| Deferred outflows | | | | |
| Prepayments of costs | - | - | - | 19,321 |
| Liabilities: | | | | |
| Accounts payable | 1,621,781 | 177,110 | 1,798,891 | 128,960 |
| Accrued interest | 14,926 | - | 14,926 | - |
| Long-term liabilities: | | | | |
| Portion due or payable within one year: | | | | |
| Special assessment debt with government commitment | 143,607 | - | 143,607 | - |
| Contracts/loans payable | 155,045 | - | 155,045 | - |
| General obligation bonds payable | 120,000 | - | 120,000 | - |
| Revenue bonds payable | 55,000 | 891,947 | 946,947 | - |
| Landfill postclosure costs payable | - | 20,000 | 20,000 | - |
| Claims payable | 365,212 | - | 365,212 | - |
| Compensated absences payable | 193,951 | 8,044 | 201,995 | 19,803 |
| Portion due or payable in more than one year: | | | | |
| Special assessment debt with government commitment | 830,988 | - | 830,988 | - |
| Contracts/loans payable | 805,035 | - | 805,035 | - |
| General obligation bonds payable | 2,515,000 | - | 2,515,000 | - |
| Revenue bonds payable | 240,000 | 3,249,140 | 3,489,140 | - |
| Landfill postclosure costs payable | - | 1,143,103 | 1,143,103 | - |
| Compensated absences payable | 1,745,557 | 72,397 | 1,817,954 | 178,226 |
| OPEB implicit rate subsidy | 227,612 | 11,861 | 239,473 | 31,225 |
| Total liabilities | 9,033,714 | 5,573,602 | 14,607,316 | 358,214 |
| Deferred inflows | | | | |
| Prepayments of revenues | 2,184,611 | - | 2,184,611 | 5,652 |
| NET POSITION | | | | |
| Net investment in capital assets | 31,552,823 | 11,156,835 | 42,709,658 | 521,456 |
| Restricted for: | | | | |
| General governmental | - | - | - | - |
| Public safety | 528,952 | - | 528,952 | - |
| Public works | 488,025 | - | 488,025 | - |
| Public Health | 597,283 | - | 597,283 | - |
| Bond reserves | - | 360,256 | 360,256 | - |
| Debt service | 455,392 | 523,667 | 979,059 | - |
| Capital projects | 2,021,293 | - | 2,021,293 | - |
| Other purposes | 489,667 | - | 489,667 | - |
| Unrestricted | 21,745,346 | 272,211 | 22,017,557 | 985,194 |
| Total net position | \$ 57,878,781 | \$ 12,312,969 | \$ 70,191,750 | \$ 1,506,650 |

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

LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2013

| Function/Programs | PROGRAM REVENUES | | | | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION | | | |
|---|----------------------|---------------------------------------|--------------------------|------------------------------------|---|----------------------------------|----------------------|--|
| | EXPENSES | FEEES, FINES, AND CHARGE FOR SERVICES | | OPERATING GRANTS AND CONTRIBUTIONS | | CAPITAL GRANTS AND CONTRIBUTIONS | | COMPONENT UNIT COOPERATIVE HEALTH CENTER |
| | | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL | |
| Primary government: | | | | | | | | |
| Governmental activities | | | | | | | | |
| General government | \$ 9,822,134 | \$ 1,791,756 | \$ 209,249 | \$ 79,342 | \$ (7,741,787) | \$ - | \$ (7,741,787) | |
| Public safety | 11,968,464 | 1,018,642 | 1,293,428 | - | (9,656,394) | - | (9,656,394) | |
| Public works | 6,197,203 | 108,388 | 265,257 | 1,918,689 | (3,904,869) | - | (3,904,869) | |
| Public health | 4,954,877 | 1,279,344 | 2,028,276 | - | (1,647,257) | - | (1,647,257) | |
| Social and economic | 1,457,459 | 2,281 | 82,617 | - | (1,372,561) | - | (1,372,561) | |
| Culture and recreation | 161,716 | - | - | - | (161,716) | - | (161,716) | |
| Interest on long-term debt | 147,852 | - | - | - | (147,852) | - | (147,852) | |
| Total governmental activities | <u>34,709,705</u> | <u>4,200,411</u> | <u>3,878,827</u> | <u>1,998,031</u> | <u>(24,632,436)</u> | <u>-</u> | <u>(24,632,436)</u> | |
| Business-type activities | | | | | | | | |
| Solid waste | 2,574,462 | 2,917,912 | - | - | - | 343,450 | 343,450 | |
| Nursing home | 199,829 | 11,920 | - | - | - | (187,909) | (187,909) | |
| Fairgrounds | 1,629,256 | 887,838 | 11,156 | - | - | (730,262) | (730,262) | |
| Total business-type activities | <u>4,403,547</u> | <u>3,817,670</u> | <u>11,156</u> | <u>-</u> | <u>-</u> | <u>(574,721)</u> | <u>(574,721)</u> | |
| Total primary government | \$ 39,113,252 | \$ 8,018,081 | \$ 3,889,983 | \$ 1,998,031 | (24,632,436) | (574,721) | (25,207,157) | |
| Component units: | | | | | | | | |
| Community Health Center | 4,100,146 | 2,371,304 | 1,827,240 | - | - | - | 98,398 | |
| Total component units | \$ 4,100,146 | \$ 2,371,304 | \$ 1,827,240 | \$ - | - | - | 98,398 | |
| General revenues: | | | | | | | | |
| Property taxes | | | | | 20,093,831 | 1,495,143 | 21,588,974 | |
| Local option tax | | | | | 2,265,498 | - | 2,265,498 | |
| Other taxes | | | | | 6,040 | - | 6,040 | |
| Grant and contributions not restricted to specific programs | | | | | 4,465,139 | - | 4,465,139 | |
| Unrestricted investment earnings | | | | | 151,927 | 7,718 | 159,645 | |
| Miscellaneous | | | | | 734,665 | - | 734,665 | |
| Transfers | | | | | (49,320) | 49,320 | - | |
| Total general revenue and transfers | | | | | <u>27,667,780</u> | <u>1,552,181</u> | <u>29,219,961</u> | |
| Change in net position | | | | | 3,035,344 | 977,460 | 4,012,804 | 98,398 |
| Total net position, beginning | | | | | 54,843,437 | 11,335,509 | 66,178,946 | 1,408,252 |
| Total net position, ending | | | | | <u>\$ 57,878,781</u> | <u>\$ 12,312,969</u> | <u>\$ 70,191,750</u> | <u>\$ 1,506,650</u> |

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

LEWIS AND CLARK COUNTY, MONTANA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2013

| | GENERAL | SPECIAL REVENUE | PUBLIC SAFETY | RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT | DEBT SERVICE | CAPITAL PROJECTS | CAPITAL DEVELOPMENT | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|---------------------|---------------------|---------------|--|--------------|---------------------|---------------------|--------------------------|--------------------------|
| ASSETS | | | | | | | | | |
| Cash and cash equivalents | \$ 1,790,873 | \$ 1,925,628 | \$ - | \$ 133,563 | \$ - | \$ 4,993,547 | \$ - | \$ 9,729,243 | \$ 18,572,854 |
| Investments | 243,473 | 261,784 | - | 18,157 | - | 678,858 | - | 1,322,666 | 2,524,938 |
| Receivables: | | | | | | | | | |
| Taxes/assessments | 786,670 | 1,226,538 | - | 1,184,411 | - | - | - | 846,451 | 4,044,070 |
| Accounts/contracts | 160,538 | 34,727 | - | - | - | - | - | 58,491 | 253,756 |
| Due from other funds | 2,528,503 | - | - | - | - | - | - | 77 | 2,528,580 |
| Due from other governments | 18,844 | - | - | - | - | - | - | 797,333 | 816,177 |
| Inventories | 108,318 | - | - | - | - | - | - | 168,465 | 276,783 |
| Restricted assets: | | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | - | - | - | 4,750 | 4,750 |
| Investments | - | - | - | - | - | - | - | 484,917 | 484,917 |
| Long-term accounts/contracts receivable | 311,847 | - | - | - | - | - | - | 311,847 | 311,847 |
| Advances to other funds | - | - | - | - | - | 1,251,134 | - | 40,964 | 1,292,098 |
| Total assets | \$ 5,949,066 | \$ 3,448,677 | \$ - | \$ 1,336,131 | \$ - | \$ 6,923,539 | \$ - | \$ 13,453,357 | \$ 31,110,770 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | |
| Liabilities: | | | | | | | | | |
| Accounts payable | \$ 211,719 | \$ 282,849 | \$ - | \$ - | \$ - | \$ 394,231 | \$ - | \$ 597,349 | \$ 1,486,148 |
| Due to other funds | - | - | - | - | - | - | - | 278,461 | 278,461 |
| Deferred revenues | 2,766,889 | 1,426,343 | - | 1,177,761 | - | - | - | 861,094 | 6,232,087 |
| Advances from other funds | - | - | - | 40,964 | - | - | - | - | 40,964 |
| Total liabilities | 2,978,608 | 1,709,192 | \$ - | 1,218,725 | \$ - | 394,231 | \$ - | 1,736,904 | 8,037,660 |
| Fund balance: | | | | | | | | | |
| Nonspendable | 108,318 | - | - | - | - | - | - | 658,132 | 766,450 |
| Restricted | - | - | - | 117,406 | - | 1,570,286 | - | 4,106,950 | 5,794,642 |
| Unrestricted: | | | | | | | | | |
| Committed | 3,327 | 1,739,485 | - | - | - | 4,959,022 | - | 6,941,839 | 13,643,673 |
| Assigned | 579,476 | - | - | - | - | - | - | 9,532 | 589,008 |
| Unassigned | 2,279,337 | - | - | - | - | - | - | - | 2,279,337 |
| Total fund balance | 2,970,458 | 1,739,485 | \$ - | 117,406 | \$ - | 6,529,308 | \$ - | 11,716,453 | 23,073,110 |
| Total liabilities and fund balance | \$ 5,949,066 | \$ 3,448,677 | \$ - | \$ 1,336,131 | \$ - | \$ 6,923,539 | \$ - | \$ 13,453,357 | \$ 31,110,770 |

LEWIS AND CLARK COUNTY, MONTANA
BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS
June 30, 2013

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

Total fund balance for governmental funds

\$ 23,073,110

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

7,453,099

Buildings, Improvements, Vehicles and Equipment(net)

11,352,826

Infrastructure (net)

13,686,084

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

4,047,476

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

4,819,879

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Accrued interest

(14,926)

Bonds Payable

(2,635,000)

Loans/contracts payable

(1,934,675)

Compensated Absences

(1,741,480)

OPEB implicit rate subsidy

(227,612)

(6,538,767)

Net Position of Governmental Activities

\$ 57,878,781

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

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2013

| | GENERAL | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | CAPITAL DEVELOPMENT | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|------------------|------------------|----------------|--------------------|---------------------|--------------------------|--------------------------|
| REVENUES | | | | | | | |
| Taxes/assessments | \$ 5,205,619 | \$ 7,663,050 | \$ 245,919 | \$ - | \$ - | \$ 8,925,146 | \$ 22,039,734 |
| Licenses and permits | 329,963 | 1,715 | - | - | - | - | 331,678 |
| Intergovernmental | 2,583,330 | 752,498 | - | 35,008 | - | 6,911,161 | 10,281,997 |
| Charges for services | 1,185,943 | 397,622 | - | - | - | 1,718,146 | 3,301,711 |
| Fines and forfeitures | 76,302 | 227,643 | - | - | - | 263,077 | 567,022 |
| Miscellaneous | 221,608 | 84,765 | - | - | - | 470,182 | 776,555 |
| Interest earnings | 32,867 | - | 392 | 45,829 | - | 63,803 | 142,891 |
| Total revenues | 9,635,632 | 9,127,293 | 246,311 | 80,837 | 80,837 | 18,351,515 | 37,441,588 |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General government | 6,354,922 | - | - | 655,198 | - | 2,976,301 | 9,986,421 |
| Public safety | 307,922 | 8,906,713 | - | 53,579 | - | 1,798,680 | 11,066,894 |
| Public works | 1,182,622 | - | - | 59,716 | - | 3,957,073 | 5,199,411 |
| Public health | 61,000 | - | - | 13,497 | - | 4,858,514 | 4,933,011 |
| Social and economic | 660,336 | - | - | - | - | 795,553 | 1,455,889 |
| Culture and recreation | - | - | - | - | - | 103,505 | 103,505 |
| Debt service | - | 120,481 | 239,078 | - | - | 419,325 | 778,884 |
| Capital outlay | - | - | - | 993,104 | - | 1,772,706 | 2,765,810 |
| Total expenditures | 8,566,802 | 9,027,194 | 239,078 | 1,775,094 | 1,775,094 | 16,681,657 | 36,289,825 |
| Excess (deficiency) of revenue over (under) expenditures | 1,068,830 | 100,099 | 7,233 | (1,694,257) | (1,694,257) | 1,669,858 | 1,151,763 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | 372,258 | 372,087 | - | 1,962,493 | - | 2,220,278 | 4,927,116 |
| Transfers out | (894,009) | (734,424) | - | - | - | (3,412,993) | (5,041,426) |
| Gains/losses from sale of assets | - | 30,713 | - | 5,070 | - | - | 35,783 |
| Total other financing sources and uses | (521,751) | (331,624) | - | 1,967,563 | 1,967,563 | (1,192,715) | (78,527) |
| Net change in fund balances | 547,079 | (231,525) | 7,233 | 273,306 | 273,306 | 477,143 | 1,073,236 |
| Fund balance, July 1 | 2,423,379 | 1,971,010 | 110,173 | 6,256,002 | 6,256,002 | 11,239,310 | 21,999,874 |
| Fund balance, June 30 | 2,970,458 | 1,739,485 | 117,406 | 6,529,308 | 6,529,308 | 11,716,453 | 23,073,110 |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)
 GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2013

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

\$ 1,073,236

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 | 9,698,254 |
| Construction in Progress increase/(decrease) | (6,932,444) |
| Retirement, Trade In, Donation, etc of Capital assets | 17,182 |
| Depreciation expense | <u>(2,282,753)</u> |

500,239

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.
 Long-term receivables

220,823

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.

Principal payments are:

645,952

645,952

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 | 66,770 |
| OPEB implicit rate subsidy | (39,626) |
| Accrued interest | <u>5,640</u> |

32,784

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.

562,310

Change in net position of governmental activities

\$ 3,035,344

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

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL AND MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 1 of 4)

| | GENERAL FUND | | | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
|------------------------------------|---------------------|---------------------|---------------------|---|
| | BUDGETED AMOUNTS | | ACTUAL | |
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes/Assessments | | | | |
| Real property | \$ 4,470,105 | \$ 4,470,105 | \$ 4,293,332 | \$ (176,773) |
| Local option tax | 212,100 | 212,100 | 228,295 | 16,195 |
| Entitlements | 699,149 | 699,149 | 680,669 | (18,480) |
| Total Taxes/Assessments | 5,381,354 | 5,381,354 | 5,202,296 | (179,058) |
| Licenses and Permits | | | | |
| Alcoholic beverage licenses | 6,000 | 6,000 | 16,929 | 10,929 |
| General business | 210,020 | 210,020 | 283,519 | 73,499 |
| Other licenses & permits | 19,125 | 19,125 | 23,778 | 4,653 |
| Total Licenses and Permits | 235,145 | 235,145 | 324,226 | 89,081 |
| Intergovernmental | | | | |
| Federal grants: | | | | |
| Other federal grants | 123,000 | 123,000 | 69,575 | (53,425) |
| Federal shared revenue: | | | | |
| Taylor grazing | 1,650 | 1,650 | 1,608 | (42) |
| Payments in lieu | 1,737,969 | 1,737,969 | 1,737,969 | - |
| State grants: | | | | |
| Other state grants | 9,200 | 9,200 | 135,903 | 126,703 |
| State shared revenues: | | | | |
| Personal property reimbursement | 583,169 | 583,169 | 721,203 | 138,034 |
| Gambling revenues | 25,000 | 25,000 | 23,696 | (1,304) |
| Total Intergovernmental | 2,479,988 | 2,479,988 | 2,689,954 | 209,966 |
| Charges for Services | | | | |
| General government: | | | | |
| Administrative fees | 542,176 | 542,176 | 542,432 | 256 |
| Attorney fees | 66,500 | 66,500 | 63,305 | (3,195) |
| Property tax | 7,600 | 7,600 | 20,895 | 13,295 |
| Election services | 5,000 | 5,000 | 778 | (4,222) |
| Clerk and Recorder | 391,000 | 391,000 | 504,403 | 113,403 |
| Treasurer's fees | 16,500 | 16,500 | 20,656 | 4,156 |
| Weed | 20,500 | 20,500 | 28,491 | 7,991 |
| Other charges for services | 2,000 | 2,000 | 1,800 | (200) |
| Public safety: | | | | |
| Animal control | - | - | 3,183 | 3,183 |
| Total Charges for Services | 1,051,276 | 1,051,276 | 1,185,943 | 134,667 |
| Fines and Forfeitures | | | | |
| Court fines: | | | | |
| Fines and forfeitures | 450 | 450 | 440 | (10) |
| Surcharge | 67,000 | 67,000 | 75,862 | 8,862 |
| Total Fines and Forfeitures | 67,450 | 67,450 | 76,302 | 8,852 |
| Miscellaneous Revenues | 177,000 | 177,000 | 221,608 | 44,608 |
| Interest Earnings | 30,500 | 30,500 | 32,867 | 2,367 |
| Total revenues | \$ 9,422,713 | \$ 9,422,713 | \$ 9,733,196 | \$ 310,483 |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL AND MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013

(Page 2 of 4)

| EXPENDITURES | GENERAL FUND | | | |
|---------------------------------|------------------|------------------|------------------|---|
| | BUDGETED AMOUNTS | | | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| | ORIGINAL | FINAL | ACTUAL | |
| General Government | | | | |
| Legislative services | | | | |
| Personal services | \$ 369,264 | \$ 369,264 | \$ 254,034 | \$ 115,230 |
| Operations and maintenance | 84,909 | 84,909 | 72,405 | 12,504 |
| Judicial services | | | | |
| Personal services | 343,747 | 343,747 | 334,038 | 9,709 |
| Operations and maintenance | 83,453 | 83,453 | 70,783 | 12,670 |
| Administrative services | | | | |
| Personal services | 364,384 | 364,384 | 354,610 | 9,774 |
| Operations and maintenance | 310,404 | 310,404 | 205,833 | 104,571 |
| Financial services | | | | |
| Personal services | 1,116,056 | 1,116,056 | 1,071,411 | 44,645 |
| Operations and maintenance | 328,359 | 328,359 | 262,457 | 65,902 |
| Personnel services | | | | |
| Personal services | 253,516 | 253,516 | 251,705 | 1,811 |
| Operations and maintenance | 9,150 | 9,150 | 8,906 | 244 |
| Elections | | | | |
| Personal services | 232,032 | 232,032 | 231,502 | 530 |
| Operations and maintenance | 317,114 | 317,114 | 308,417 | 8,697 |
| Records administration | | | | |
| Personal services | 156,537 | 156,537 | 134,706 | 21,831 |
| Operations and maintenance | 111,669 | 111,669 | 99,924 | 11,745 |
| Legal services | | | | |
| Personal services | 1,341,329 | 1,341,329 | 1,313,006 | 28,323 |
| Operations and maintenance | 235,942 | 235,942 | 227,728 | 8,214 |
| Public school administration | | | | |
| Personal services | 95,123 | 95,123 | 94,533 | 590 |
| Operations and maintenance | 15,445 | 15,445 | 14,339 | 1,106 |
| Other general government | | | | |
| Operations and maintenance | 1,235,596 | 1,235,596 | 1,155,494 | 80,102 |
| Total General Government | 7,004,029 | 7,004,029 | 6,465,831 | 538,198 |
| Public Safety | | | | |
| Coroner services | | | | |
| Personal services | 154,777 | 154,777 | 131,690 | 23,087 |
| Operations and maintenance | 101,348 | 101,348 | 71,431 | 29,917 |
| Civil defense | | | | |
| Personal services | 97,396 | 97,396 | 88,934 | 8,462 |
| Operations and maintenance | 28,102 | 28,102 | 16,485 | 11,617 |
| Total Public Safety | 381,623 | 381,623 | 308,540 | 73,083 |
| Public Works | | | | |
| Road and street services | | | | |
| Personal services | 364,337 | 364,337 | 364,960 | (623) |
| Operations and maintenance | 62,448 | 62,448 | 42,310 | 20,138 |
| Bridge | | | | |
| Personal services | 344,518 | 344,518 | 308,304 | 36,214 |
| Operations and maintenance | 226,994 | 226,994 | 145,249 | 81,745 |
| Facilities administration | | | | |
| Operations and maintenance | 50,664 | 50,664 | 50,664 | - |
| Weed | | | | |
| Personal services | 183,499 | 183,499 | 164,896 | 18,603 |
| Operations and maintenance | 117,390 | 117,390 | 105,171 | 12,219 |
| Total Public Works | 1,349,850 | 1,349,850 | 1,181,554 | 168,296 |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL AND MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 3 of 4)

| | GENERAL FUND | | | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
|---|---------------------|---------------------|---------------------|---|
| | BUDGETED AMOUNTS | | ACTUAL | |
| | ORIGINAL | FINAL | | |
| 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 | 255,364 | 255,364 | 282,578 | (27,214) |
| Welfare services | | | | |
| Operations and maintenance | 386,536 | 386,536 | 377,758 | 8,778 |
| Total Social and Economic | 641,900 | 641,900 | 660,336 | (18,436) |
| Debt Service | - | - | - | - |
| Total expenditures | 9,438,402 | 9,438,402 | 8,677,261 | 761,141 |
| Excess (deficiency) of revenue over (under) expenditures | (15,689) | (15,689) | 1,055,935 | 1,071,624 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 386,238 | 386,238 | 372,258 | (13,980) |
| Transfers out | (902,778) | (902,778) | (894,009) | 8,769 |
| Total other financing sources and uses | (516,540) | (516,540) | (521,751) | (5,211) |
| Net change in fund balances | \$ (532,229) | \$ (532,229) | 534,184 | \$ 1,066,413 |
| Fund balance, July 1 | | | 2,315,068 | |
| Fund balance, June 30 | | | \$ 2,849,252 | |

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

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
 GENERAL AND MAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 4 of 4)

| | PUBLIC SAFETY | | | |
|---|---------------------|---------------------|---------------------|---|
| | BUDGETED AMOUNTS | | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Taxes/assessments | \$ 7,922,105 | \$ 7,922,105 | \$ 7,657,615 | \$ (264,490) |
| Licenses and permits | 1,600 | 1,600 | 1,715 | 115 |
| Intergovernmental | 746,918 | 746,918 | 892,576 | 145,658 |
| Charges for services | 405,205 | 405,205 | 403,530 | (1,675) |
| Fines and forfeitures | 275,000 | 275,000 | 227,643 | (47,357) |
| Miscellaneous | 49,000 | 49,000 | 84,765 | 35,765 |
| Interest earnings | 1,000 | 1,000 | - | (1,000) |
| Total revenues | 9,400,828 | 9,400,828 | 9,267,844 | (132,984) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | | | | |
| Personal services | 6,141,306 | 6,141,306 | 5,900,356 | 240,950 |
| Operations and maintenance | 3,083,007 | 3,083,007 | 3,017,958 | 65,049 |
| Debt service | 120,481 | 120,481 | 120,481 | - |
| Total expenditures | 9,344,794 | 9,344,794 | 9,038,795 | 305,999 |
| Excess (deficiency) of revenue over (under) expenditures | 56,034 | 56,034 | 229,049 | 173,015 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 384,744 | 384,744 | 372,087 | (12,657) |
| Transfers out | (745,113) | (745,113) | (734,424) | 10,689 |
| Gains/losses from sale of assets | 25,000 | 25,000 | 30,713 | 5,713 |
| Total other financing sources and uses | (335,369) | (335,369) | (331,624) | 3,745 |
| Net change in fund balances | \$ (279,335) | \$ (279,335) | (102,575) | \$ 176,760 |
| Fund balance, July 1 | | | 1,968,519 | |
| Fund balance, June 30 | | | \$ 1,865,944 | |

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

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County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2013**

| | 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 | \$ - | \$ 1,036,372 | \$ 29,757 | \$ 1,068,882 | \$ 2,135,011 | \$ 3,719,862 |
| Investments | - | 140,892 | 4,046 | 145,311 | 290,249 | 505,706 |
| Receivables: | | | | | | |
| Taxes/assessments | - | - | 264,197 | - | 264,197 | - |
| Accounts/contracts | 43,324 | 132,881 | - | 295,044 | 471,249 | 191,171 |
| Notes receivable | 217,427 | - | - | - | 217,427 | - |
| Inventories | - | - | - | - | - | 36,641 |
| Total current assets | <u>260,751</u> | <u>1,310,145</u> | <u>298,000</u> | <u>1,509,237</u> | <u>3,378,133</u> | <u>4,453,380</u> |
| Noncurrent assets: | | | | | | |
| Restricted assets: | | | | | | |
| Cash and cash equivalents | - | 494,610 | 283,528 | - | 778,138 | 69,883 |
| Investments | - | 67,240 | 38,545 | - | 105,785 | - |
| Long-term notes receivable | 1,827,846 | - | - | - | 1,827,846 | - |
| Capital Assets: | | | | | | |
| Land and Construction in Progress | - | 207,480 | - | 58,198 | 265,678 | 212,844 |
| Buildings, improvements, vehicles and equipment(net) | - | 4,670,823 | 10,277,012 | 84,409 | 15,032,244 | 1,077,645 |
| Total noncurrent assets | <u>1,827,846</u> | <u>5,440,153</u> | <u>10,599,085</u> | <u>142,607</u> | <u>18,009,691</u> | <u>1,360,372</u> |
| Total assets | <u>2,088,597</u> | <u>6,750,298</u> | <u>10,897,085</u> | <u>1,651,844</u> | <u>21,387,824</u> | <u>5,813,752</u> |
| Liabilities: | | | | | | |
| Current liabilities: | | | | | | |
| Accounts payable | - | 18,697 | 13,851 | 144,562 | 177,110 | 135,633 |
| Due to other funds | 2,250,119 | - | - | - | 2,250,119 | - |
| Revenue bonds payable | - | 282,913 | 609,034 | - | 891,947 | 55,000 |
| Landfill postclosure costs payable - current | - | - | - | 20,000 | 20,000 | - |
| Claims payable | - | - | - | - | - | 365,212 |
| Advances from other funds | - | - | 1,251,134 | - | 1,251,134 | - |
| Compensated absences payable | - | 2,065 | 4,729 | 1,250 | 8,044 | 19,803 |
| Total current liabilities | <u>2,250,119</u> | <u>303,675</u> | <u>1,878,748</u> | <u>165,812</u> | <u>4,598,354</u> | <u>575,648</u> |
| Noncurrent liabilities: | | | | | | |
| Revenue bonds payable | - | 2,934,085 | 315,055 | - | 3,249,140 | 240,000 |
| Landfill postclosure costs payable | - | 923,103 | - | 220,000 | 1,143,103 | - |
| Compensated absences payable | - | 18,584 | 42,556 | 11,257 | 72,397 | 178,225 |
| OPEB implicit rate subsidy | - | 5,974 | 5,887 | - | 11,861 | - |
| Total noncurrent liabilities | <u>-</u> | <u>3,881,746</u> | <u>363,498</u> | <u>231,257</u> | <u>4,476,501</u> | <u>418,225</u> |
| Total liabilities | <u>2,250,119</u> | <u>4,185,421</u> | <u>2,242,246</u> | <u>397,069</u> | <u>9,074,855</u> | <u>993,873</u> |
| NET POSITION | | | | | | |
| Net investment in capital assets | - | 1,661,305 | 9,352,923 | 142,607 | 11,156,835 | 995,489 |
| Restricted for bond reserve | - | 360,256 | - | - | 360,256 | 69,883 |
| Restricted for debt service | - | 201,594 | 322,073 | - | 523,667 | - |
| Unrestricted | (161,522) | 341,722 | (1,020,157) | 1,112,168 | 272,211 | 3,754,507 |
| Total net position | <u>\$ (161,522)</u> | <u>\$ 2,564,877</u> | <u>\$ 8,654,839</u> | <u>\$ 1,254,775</u> | <u>\$ 12,312,969</u> | <u>\$ 4,819,879</u> |

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

County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2013**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | | | | TOTAL | GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS |
|---|---|---------------------|---------------------|------------------------------|----------------------|--|
| | COONEY HOME | COUNTY LANDFILL | FAIR ENTERPRISE | OTHER ENTERPRISE FUNDS | | |
| OPERATING REVENUES | | | | | | |
| Charges for services | \$ - | \$ 1,226,228 | \$ 887,838 | \$ 1,691,684 | \$ 3,805,750 | \$ 9,369,845 |
| Miscellaneous | 11,920 | - | - | - | 11,920 | 21,271 |
| Total Operating Revenues | 11,920 | 1,226,228 | 887,838 | 1,691,684 | 3,817,670 | 9,391,116 |
| OPERATING EXPENSES | | | | | | |
| Personal services | - | 294,178 | 398,679 | 99,684 | 792,541 | 1,994,386 |
| Supplies | 26,573 | 287,346 | 230,644 | 92,868 | 637,431 | 1,911,298 |
| Purchased services | 173,256 | 74,651 | 564,235 | 1,290,501 | 2,102,643 | 4,919,975 |
| Depreciation | - | 275,640 | 341,472 | 10,705 | 627,817 | 119,602 |
| Total Operating Expenses | 199,829 | 931,815 | 1,535,030 | 1,493,758 | 4,160,432 | 8,945,261 |
| Operating income (loss) | (187,909) | 294,413 | (647,192) | 197,926 | (342,762) | 445,855 |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Taxes pledged to secure revenue bonds | - | - | 1,495,143 | - | 1,495,143 | - |
| Intergovernmental | - | - | 11,156 | - | 11,156 | 60,000 |
| Interest income | - | 5,161 | 134 | 2,423 | 7,718 | 9,036 |
| Interest expense | - | (148,630) | (94,226) | (259) | (243,115) | (20,560) |
| Gains/losses from sale of assets | - | - | - | - | - | 2,989 |
| Total Nonoperating Revenues (Expenses) | - | (143,469) | 1,412,207 | 2,164 | 1,270,902 | 51,465 |
| Income (loss) before transfers | (187,909) | 150,944 | 765,015 | 200,090 | 928,140 | 497,320 |
| Transfers in | - | - | 50,000 | - | 50,000 | 67,490 |
| Transfers out | - | - | (680) | - | (680) | (2,500) |
| Change in net position | (187,909) | 150,944 | 814,335 | 200,090 | 977,460 | 562,310 |
| Total net position, beginning | 26,387 | 2,413,933 | 7,840,504 | 1,054,685 | 11,335,509 | 4,257,569 |
| Total net position, ending | \$ (161,522) | \$ 2,564,877 | \$ 8,654,839 | \$ 1,254,775 | \$ 12,312,969 | \$ 4,819,879 |

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

County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2013**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | | | | TOTAL | GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS |
|--|---|---------------------|---------------------|------------------------------|---------------------|--|
| | COONEY HOME | COUNTY LANDFILL | FAIR ENTERPRISE | OTHER ENTERPRISE FUNDS | | |
| Cash flows from operating activities: | | | | | | |
| Cash received from customers | \$ 497,917 | \$ 1,218,678 | \$ 887,836 | \$ 1,694,091 | \$ 4,298,522 | \$ 9,555,931 |
| Cash payments for goods and services | (201,013) | (361,997) | (794,879) | (1,363,546) | (2,721,435) | (6,857,207) |
| Cash payments for employees | - | (295,039) | (394,508) | (97,826) | (787,373) | (1,992,046) |
| Cash received from other operating revenues | 11,920 | - | - | - | 11,920 | 21,271 |
| Cash payments for landfill closure and post closure | - | 2,353 | - | (20,000) | (17,647) | - |
| Net cash provided by (used by) operating activities | 308,824 | 563,995 | (301,551) | 212,719 | 783,987 | 727,949 |
| Cash flows from noncapital financing activities: | | | | | | |
| Payments for principal and interest on bonds and notes | 222,131 | - | - | - | 222,131 | - |
| Proceeds from taxes | - | - | 1,439,250 | - | 1,439,250 | - |
| Proceeds received from non-capital grants | - | - | 20,147 | - | 20,147 | 60,000 |
| Transfers from other Funds | - | - | 50,000 | - | 50,000 | 67,490 |
| Transfers to other Funds | - | - | (680) | - | (680) | (2,500) |
| Proceeds from interfund loans | (523,504) | - | - | - | (523,504) | - |
| Repayment of interfund loans | - | - | (409,478) | - | (409,478) | - |
| Net cash provided by (used by) noncapital financing activities | (301,373) | - | 1,099,239 | - | 797,866 | 124,990 |
| Cash flows from capital and related financing activities: | | | | | | |
| Payments for capital acquisitions | - | (15,772) | (85,964) | - | (101,736) | - |
| Proceeds from sale of capital assets | - | - | - | - | - | 2,989 |
| Gain on disposal of discontinued operations | - | - | - | - | - | - |
| Proceeds from issuing bonds | - | - | - | - | - | - |
| Principal repayment - bonds/loans | - | (498,746) | (593,806) | (21,996) | (1,114,548) | (50,000) |
| Interest paid | - | (141,471) | (94,226) | (259) | (235,956) | (20,560) |
| Net cash provided by (used by) capital and related financing activities | - | (655,989) | (773,996) | (22,255) | (1,452,240) | (67,571) |
| Cash flows from investing activities: | | | | | | |
| Receipts of interest and dividends | (7,451) | 5,161 | 134 | 2,422 | 266 | 9,036 |
| Payments for investments | - | 88,126 | 11,284 | 20,395 | 119,805 | 50,897 |
| Net cash provided by (used by) investing activities | (7,451) | 93,287 | 11,418 | 22,817 | 120,071 | 59,933 |
| Net increase (decrease) in cash and cash equivalents | - | 1,293 | 35,110 | 213,281 | 249,684 | 845,301 |
| Cash and cash equivalents, July 1 | - | 1,529,689 | 278,175 | 855,601 | 2,663,465 | 2,944,444 |
| Cash and cash equivalents, June 30 | \$ - | \$ 1,530,982 | \$ 313,285 | \$ 1,068,882 | \$ 2,913,149 | \$ 3,789,745 |
| Cash and cash equivalents, current | \$ - | \$ 1,036,372 | \$ 29,757 | \$ 1,068,882 | \$ 2,135,011 | \$ 3,719,862 |
| Cash and cash equivalents, noncurrent - restricted | - | 494,610 | 283,528 | - | 778,138 | 69,883 |
| Total Cash and cash equivalents, June 30 | \$ - | \$ 1,530,982 | \$ 313,285 | \$ 1,068,882 | \$ 2,913,149 | \$ 3,789,745 |
| Reconciliation of operating income to net cash provided by operating activity: | | | | | | |
| Operating income (loss) | \$ (187,909) | \$ 294,413 | \$ (647,192) | \$ 197,926 | \$ (342,762) | \$ 445,855 |
| Adjustments to reconcile operating income to net cash provided by (used by) operating activities: | | | | | | |
| Depreciation | - | 275,640 | 341,472 | 10,705 | 627,817 | 119,602 |
| Change in assets and liabilities: | | | | | | |
| (Increase) decrease taxes/accounts/other receivables | 621,447 | (7,550) | - | 2,407 | 616,304 | 186,086 |
| (Increase) decrease inventory | - | - | - | - | - | 5,394 |
| (Increase) decrease deferred revenue | - | - | - | - | - | - |
| Increase (decrease) compensated absences | - | (3,036) | 4,540 | 1,858 | 3,362 | (786) |
| Increase (decrease) accounts payable | (124,714) | 7,356 | (1,403) | 19,823 | (98,938) | (40,888) |
| Increase (decrease) payables for capital purchases | - | (6,256) | - | - | (6,256) | - |
| Increase (decrease) claims payable | - | - | - | - | - | 12,686 |
| Increase (decrease) postclosure liability | - | 2,353 | - | (20,000) | (17,647) | - |
| Increase (decrease) in OPEB implicit rate subsidy | - | 1,075 | 1,032 | - | 2,107 | - |
| Net cash provided by (used by) operating activities | \$ 308,824 | \$ 563,995 | \$ (301,551) | \$ 212,719 | \$ 783,987 | \$ 727,949 |
| Schedule of Noncash Transactions | | | | | | |
| Amortization of deferred loss from bond refunding | - | (3,182) | - | - | (3,182) | - |
| Write off of taxes receivables | - | - | 5,392 | - | 5,392 | - |
| Write off of accounts receivables | 120,000 | - | - | 4,766 | 124,766 | - |
| Write off of deferred loss from bond refunding | - | (3,977) | - | - | (3,977) | - |

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



**LEWIS AND CLARK COUNTY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2013**

| | INVESTMENT TRUST FUNDS | AGENCY FUNDS |
|---------------------------------------|---------------------------------------|-------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 29,745,819 | \$ 14,279,770 |
| Investments | 3,604,098 | 1,941,292 |
| Receivables: | | |
| Taxes/assessments | - | 11,589,826 |
| Land held for resale | - | 20,806 |
| Total assets | 33,349,917 | 27,831,694 |
| LIABILITIES | | |
| Accounts payable | - | 11,677,558 |
| Intergovernmental payable | - | 16,154,136 |
| Total liabilities | - | 27,831,694 |
| NET POSITION | | |
| Held in trust for: | | |
| External investment pool participants | 30,115,143 | - |
| Individual investment accounts | 3,234,774 | - |
| Total net position | \$ 33,349,917 | \$ - |

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

**LEWIS AND CLARK COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2013**

| | INVESTMENT TRUST FUNDS |
|--|---------------------------------------|
| ADDITIONS | |
| Contributions to pooled investments | \$ 106,177,153 |
| Interest and investment income | 80,857 |
| Total additions | 106,258,010 |
| DEDUCTIONS | |
| Distribution from pooled investments | 106,104,787 |
| Administrative expenses | 2,508 |
| Total deductions | 106,107,295 |
| Change in net position held in trust for: Pool participants | 150,715 |
| Net position held in trust, beginning of year | 33,199,202 |
| Net position held in trust, end of year | \$ 33,349,917 |

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



NOTES TO THE BASIC FINANCIAL STATEMENTS

LEWIS AND CLARK COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

For financial reporting purposes, the County has included all funds which comprise the County (the primary government) and its component units. The component units are entities 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.

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

The corporation's board, includes representatives of local health care providers and consumers, is not controlled by the County. The County is financially accountable for the CHC as a result of fiscal dependency. Under terms of an agreement between the CHC and the County, the CHC 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, CHC could impose specific financial burdens on the County. Therefore, the County Commission can impose its will on the CHC by approving or not approving most of the major fiscal issues. The CHC does not separately present financial information for the entity and therefore it is presented on as a governmental fund type within these statements and notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity

Related Organizations

The following fall into the category of “related organization” as defined by the Governmental Accounting Standards Board criteria.

Helena Airport Authority – For this entity, the Lewis and Clark Board of County Commissioners appoint the majority of the board of directors, but cannot impose their will on the organization, nor does the County derive any benefit or burden from this organization.

Lewis and Clark Library – The Library was formed in 1974 by an Interlocal Library Contract executed by Lewis and Clark 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 20 - Joint Ventures for a summary of financial information for the Library.

Investment Pool

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

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

B. Basis of Presentation, Basis of Accounting

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 nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The County reports the following major governmental funds:

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

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

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

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

The County reports the following major enterprise funds:

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

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

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

Additionally, the County reports the following fund types:

Permanent Funds: These funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's programs.

As allowed by Montana Code Annotated (MCA) 37-19-82, the earnings of Forestvale Perpetual Care Fund are used for maintaining the county cemetery.

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Measurement Focus, Basis of Accounting

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

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

Under the terms of grant agreements, the County finances certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted 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 by general revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Net Position or Equity

Deposits and Investments

Interest rate risk: In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the maturity of its investment portfolio to no more than two years.

Credit risk: State law authorizes the County to invest in the State Short-Term Investment Pool (STIP); repurchase agreements; registered warrants of the County or of municipalities or school districts located in the County; U.S. government treasury bills, notes, bonds and other treasury obligations such as state and local government series; general obligations of certain agencies of the United States such as Federal Home Loan Bank; and U.S. government security money market funds if the fund meets certain conditions. Credit risk is minimized by compliance with State law.

Concentration of credit risk: 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.

Custodial credit risk: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law governs the amount and types of security required to cover that portion of the deposits which is not guaranteed or insured according to law. Per state law, when negotiable securities are furnished, such securities may be placed in trust and the trustee's receipt may be accepted in lieu of actual securities when such receipt is in favor of the treasurer and their successors. Sections 7-6-202 and 7-6-206, MCA severely limit the types of investments and time deposits which are permitted by the County. Compliance with these statutes minimizes the County's custodial credit risk.

The County's external investment pool is required to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. The County will state certain investments at fair value, when material.

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

The County's investments are considered to be U.S. Government obligations, collateralized mortgage obligations, mortgage-backed securities, repurchase agreements, certificates of deposit and mutual funds that invest only in government obligations or securities issued by agencies of the United States. The cash resources of the individual funds are combined to form a pool of cash and investments, which is managed by an investment committee. Assets held by Lewis and Clark County for external participants in the pool is shown in the Investment Trust Fund at fair value. On June 30, 2013, the percentage share of the investment pool that relates to the external investments is 40 percent.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

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

At June 30, 2013 the balance in the individual investment trust accounts were as follows:

| | |
|--|---------------------|
| Helena School District Elementary Building Reserves | \$ 1,070,737 |
| Helena School District High School Building Reserves | 1,972,290 |
| Helena School District other investment | 182,399 |
| Helena School District fiscal agent bond account | 103 |
| Helena School District Endowment | <u>9,245</u> |
| Total Individual Investment Accounts | <u>\$ 3,234,774</u> |

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

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

Short-term Interfund Receivables/Payables

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

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

All property tax receivables are shown net of an allowance for uncollectible. The property tax receivable allowance is equal to 2 percent of the outstanding property taxes at fiscal year-end. At June 30, 2013 the allowance amounted to \$92,691 for the primary government and \$236,526 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).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

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. The Other purposes classification represents assets that are contractually or legally restricted to a specific 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 their estimated fair value at the date of donation. The County capitalizes all assets purchased during the year over the following threshold:

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

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

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

Compensated Absences

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

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.

Postemployment Benefits

The County accounts for postemployment benefit obligations in accordance with Governmental Accounting Standards Board. 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 a irrevocable trust fund that will never be used and probably continue to increase.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

Fund Balance/Net Position

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 County Commission 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 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 County Commission 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 Commission has established the commitment, it can only be modified or rescinded by similar public meeting and commission 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 County Commission, but were not complete as of the prior year end.

Additional disclosure of the purpose of every major special revenue fund in the financial statement notes is in Footnote 11.

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

Net position: Net position represents the difference between assets and liabilities. 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 or 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities and Equity (Continued)

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.

Comparative Data/Reclassifications

No comparative total data has been presented.

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

Budget Process

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

- 1) A proposed operating budget is submitted to the County Commissioners for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted to obtain taxpayer comments.
- 3) The final budget is adopted by the County after public hearings have been conducted.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

- 4) By the later of the second Monday in August or within 45 calendar days after receiving certified taxable values, the County shall fix the tax levy for each taxing jurisdiction within the county or municipality.

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

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

B. Budget/GAAP Reconciliation

Legally required budgets are adopted on the cash basis of accounting consistent with the budget laws of the State of Montana, which is a basis of accounting not in accordance with generally accepted accounting principles (GAAP). Under the budget basis of the County, certain revenues and the related assets are recognized when received rather than when susceptible to accrual or when earned, and certain expenditures are recognized when disbursed as determined by the date of the warrant rather than when the obligation was incurred. In addition, inventories are recorded as 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 generally accepted accounting principles (GAAP). The following schedule reconciles the amounts on the basic governmental fund - Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (which is prepared on a non-GAAP budgetary basis) to the amounts in the basic governmental fund -Statement of Revenues, Expenditures, and Changes in Fund Balance (which is prepared on a GAAP basis) for the major funds.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Budget/GAAP Reconciliation (Continued)

| | Major Funds | | | |
|--------------------------------------|--------------|---------------|------------|---------------------|
| | General | Public Safety | RSID Debt | Capital Development |
| Fund Balances Budget | \$ 2,849,252 | \$ 1,865,944 | \$ 110,756 | \$ 6,923,539 |
| Basis Differences | | | | |
| Inventory | 108,318 | - | - | - |
| Accrual of tax revenue | 78,714 | 122,695 | 6,650 | - |
| Accrual of licenses and permits | 127,042 | - | - | - |
| Accrual of intergovernmental revenue | 18,844 | - | - | - |
| Accrual of charges for services | - | 34,727 | - | - |
| Accrual of miscellaneous revenue | - | - | - | - |
| Accrual of proceeds - sale of assets | - | - | - | - |
| Accrual of expenditures | (211,712) | (283,881) | - | (394,231) |
| Fund Balances (GAAP) Basis | 2,970,458 | 1,739,485 | 117,406 | 6,529,308 |
| Inbudgeted Fund Balances | - | - | - | - |
| Total Major Funds - Fund Balances | \$ 2,970,458 | \$ 1,739,485 | \$ 117,406 | \$ 6,529,308 |

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

| | Special Revenue | Debt Service | Capital Projects | Permanent |
|--------------------------------------|----------------------|---------------|------------------|---------------|
| | Fund Balances Budget | \$ 10,130,176 | \$ 309,067 | \$ 242,164 |
| Basis Differences | | | | |
| Inventory | 168,465 | - | - | - |
| Accrual of tax revenue | 100,357 | - | - | - |
| Accrual of intergovernmental revenue | 693,722 | - | 103,611 | - |
| Accrual of charges for services | 28,491 | - | - | - |
| Accrual of miscellaneous revenue | 30,000 | - | - | - |
| Accrual of expenditures | (475,981) | - | (103,286) | - |
| Fund Balances (GAAP) Basis | 10,675,230 | 309,067 | 242,489 | - |
| Inbudgeted Fund Balances | 254,806 | - | - | 234,861 |
| Total Nonmajor Funds - Fund Balances | 10,930,036 | 309,067 | 242,489 | \$ 11,716,453 |

C. Fund Deficits

No funds had a deficit balance at fiscal year 2013.

D. New Accounting Pronouncements

The County has adopted the provisions of the following GASB pronouncements for fiscal year 2013:

- Statement No. 60 – *Accounting and Financial Reporting for Service Concession Arrangements*. This statement changes the accounting and financial reporting of certain service contracts and requires certain amounts related to these contracts to be reported as deferred inflows.
- Statement No. 61 – *The Financial Reporting Entity – Omnibus – An Amendment of GASB Statements No. 14 and 34*. This statement amends the definition of component units.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. New Accounting Guidance Implemented (Continued)

- Statement No. 62 – *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement clarifies the applicability of certain FASB and AICPA pronouncements for business-type activities.
- Statement No. 63 - *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement amends the definitions of certain assets and liabilities, provides guidance for the reporting of deferred inflows and outflows, and redefines the residual measure as net position.
- GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53*.
- GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, is effective for periods beginning after December 15, 2012, but the County is early implementing it by including it in the current fiscal year. This statement defines new financial statement items called deferred inflows of resources and deferred outflows of resources, and reclassifies certain items previously classified as asset or liabilities and deferred outflows or deferred inflows, respectively. This will require the restatement of certain previously reported amounts in the financial statements.

NOTE 3 – DEPOSITS AND INVESTMENTS

The county’s investment pool is in accordance with Montana Code Annotated Section 7-6-201 and County’s Investment Pool Investment Policy. The responsibility for conducting investment transactions reside with the County Treasurer, with overall policy guidance the responsibility of a committee formed by the County Commissioners. The pool is not registered with the SEC. The fair value of investments is reviewed monthly, with yearly adjustments to the financial statements at fiscal year-end, if necessary. All parties involved share in gains or loss equitably, based on their average daily balances. Participating jurisdictions elect to participate by an interlocal agreement, with each party share equal, dollar for dollar. Jurisdictions may elect to invest funds outside the investment pool (shown as “Individual Investments” in these notes), but will not participate in pool gains or losses.

Following is a reconciliation of the County’s deposit and investment balances as of June 30, 2013:

| | Pooled Cash and Investments | Individual Investments | Other | Total |
|--------------------------------|---|---|--------------------|----------------------|
| Bank Deposits | \$ 2,339,411 | \$ 4,429 | \$ 74,633 | \$ 2,418,473 |
| Investments | 73,621,793 | 3,230,345 | 484,917 | 77,337,055 |
| Total | <u>\$ 75,961,204</u> | <u>\$ 3,234,774</u> | <u>\$ 559,550</u> | <u>\$ 79,755,528</u> |
| | Government-wide Statement of Net Assets | Fiduciary Funds Statement of Net Assets | Component Units | Total |
| Cash and Cash Equivalents | \$ 24,502,360 | \$ 44,025,589 | \$ 873,682 | \$ 69,401,631 |
| Investments | 3,320,893 | 5,545,390 | 118,774 | 8,985,057 |
| Restricted assets (noncurrent) | 1,368,840 | - | - | 1,368,840 |
| Total | <u>\$ 29,192,093</u> | <u>\$ 49,570,979</u> | <u>\$ 992,456</u> | <u>\$ 79,755,528</u> |

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

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Cash Deposits

The composition of cash and cash equivalent deposits at fair value on June 30, 2013, was as follows:

| | <u>Primary Government</u> | <u>Component Unit</u> |
|--------------------------|-------------------------------|---------------------------|
| Cash on hand | \$ 112,894 | \$ 6,991 |
| Petty cash | 17,310 | 700 |
| Time deposits | 2,078,732 | 122,784 |
| Fiscal agent deposits | 69,883 | - |
| Money market account | 9,179 | - |
| Total Primary Government | <u>\$ 2,287,998</u> | |
| Total Component Unit | | <u>\$ 130,475</u> |
| Total Reporting Entity | | <u>\$ 2,418,473</u> |

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

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

The County minimizes custodial credit risk by restrictions set forth in County policy and state law. Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the County's deposits may not be returned or the County will not be able to recover the collateral securities in the 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, Montana Code Annotated (MCA). County policy requires that that specific safeguards, against risk of loss, be evidenced when the County does not physically hold securities.

At fiscal year end, the County's carrying amount of deposits was \$2,201,516 and the bank balance was \$3,454,449. The carrying amount of deposits for the County includes \$122,784 of the component unit cash balances. Of the bank balance, \$250,000 will be covered by federal depository insurance (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 of \$69,883 consist of deposits with trustees related to the issuance of bonds by the county. These funds are invested in accordance with bond covenants and are pledged for payment of principal, interest and specified capital improvements. The pledging financial institution's trust department or agent in the County's name holds the invested funds.

At fiscal year end, the County did not have a certificate 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 \$2,457 and \$2,293, respectively. The pledging financial institution's trust department or agent in the County's name holds the invested funds.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

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, 2013, the County was in compliance with this statute.

Investments

On June 30, 2013, the book value approximated the fair value of the investments; therefore no unrealized gain or loss was recorded for the year. The composition of investments on June 30, 2013, was as follows:

Primary Government

At fiscal year end, the reported amount of the primary government’s investments was \$76,375,756. Of the amount, \$0 was uninsured and unregistered with the pledging financial institution’s trust department or agent holding the invested funds in the County’s name.

Component Unit

At fiscal year end, the reported amount of the component government’s investments was \$961,299. 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.

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 month. As a long-term investment matures, a new one may be purchased to replace it or the County may wait to replace it, meanwhile investing short-term until an appropriate replacement is found. The State short-term investment pool has investments with a weighted average maturity of 43 days. The laddering allows for diversity in the portfolio to minimize interest rate risk.

| | Maturities in Years | | | | | Total Fair Value |
|--|----------------------|---------------------|-------------------|-------------------|-------------------|----------------------|
| | Less than 1 | 1 - 2.5 | 4 - 10 | More than 10 | No Maturity | |
| Primary Government Investments: | | | | | | |
| Federal National Mortgage Association - CMO | \$ - | \$ - | \$ - | \$ 30,323 | \$ - | \$ 30,323 |
| Agency Notes | 3,487,722 | 5,454,614 | 104,268 | 73,702 | - | 9,120,306 |
| State Short-Term Investment Pool (STIP) | 66,740,210 | - | - | - | - | 66,740,210 |
| Taxable Bond Fund | - | - | - | - | 169,144 | 169,144 |
| Equity Mutual Fund | - | - | - | - | 315,773 | 315,773 |
| Total Primary Government | \$ 70,227,932 | \$ 5,454,614 | \$ 104,268 | \$ 104,025 | \$ 484,917 | \$ 76,375,756 |
| Component Unit Investments: | | | | | | |
| Federal National Mortgage Association - CMO | \$ - | \$ - | \$ - | \$ 401 | \$ - | \$ 401 |
| Agency Notes | 45,938 | 71,844 | - | - | - | 117,782 |
| State Short-Term Investment Pool (STIP) | 843,116 | - | - | - | - | 843,116 |
| Total Component unit | \$ 889,054 | \$ 71,844 | \$ - | \$ 401 | \$ - | \$ 961,299 |
| Total Reporting Entity | \$ 71,116,986 | \$ 5,526,458 | \$ 104,268 | \$ 104,426 | \$ 484,917 | \$ 77,337,055 |

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

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

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

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

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

The State of Montana short-term investment pool has its own formal investment policy that addresses credit risk. A copy of the policy is located at www.investmentmt.com/Programs/STIP/STIP_IPS.pdf.

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 \$9,120,306 of the primary unit and \$117,782 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.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

| Investments: | Primary Government | Component Unit | S & P |
|---|----------------------|----------------------|------------|
| | Fair Value | Fair Value | |
| Federal National Mortgage Association - CMO | \$ 30,443 | \$ 401 | NR |
| State Short-Term Investment Pool (STIP) | | | |
| Asset Backed Commercial Paper | 21,850,340 | 289,261 | A1 |
| Corporate Commercial Paper | 3,628,568 | 48,036 | A1 |
| Corporate - Variable Rate | 15,959,942 | 211,282 | A3 |
| Certificate of Deposit - Fixed | 1,203,356 | 15,930 | A1 |
| Certificate of Deposit - Variable | 10,492,638 | 138,904 | A2 |
| Other Asset Backed | 432,902 | 5,731 | BBB- |
| US Government Agencies - Fixed | 601,677 | 7,965 | A1 |
| US Government Agencies - Variable | 4,397,069 | 58,210 | A1 |
| Money Market Funds (Unrated) | 4,048,880 | 53,600 | NR |
| Money Market Funds (Rated) | 361,007 | 4,779 | A1+ |
| Structured Investment Vehicles (SIV) | 711,459 | 9,418 | NR |
| Corporate Bond Funds | | | |
| International Bond | 11,085 | | AA-AAA |
| Core Bond Fund | 105,160 | | BBB-AAA |
| High Income Bond Fund | 17,545 | | Below B-BB |
| Other | 35,354 | | NR to AA+ |
| Equity Mutual Fund | 315,773 | | NR |
| Total Primary Government | <u>\$ 64,203,198</u> | | |
| Total Component Government | | <u>\$ 843,517</u> | |
| Total Reporting Entity | | <u>\$ 65,046,715</u> | |

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

Investments in the Short-Term Investment Pool are reported at fair value. The fair value of pooled investments is determined annually and is based on year-end market prices. The unit value of the pool, including STIP, is fixed at \$1 for both participant redemptions and purchases. Investments in the STIP are carried at cost. STIP is managed by the State of Montana and is classified as a 2A-7 like pool. STIP income is automatically reinvested in additional units.

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

The 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.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

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, 2013, was \$30,724 and the fair value on that date was \$30,117.

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

STATEMENT OF NET POSITION
INVESTMENT POOL
June 30, 2013

| | Internal Portion | External Portion | Total Investment Pool |
|---------------------------------------|----------------------|----------------------|-----------------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 40,359,317 | \$ 26,511,045 | \$ 66,870,362 |
| Investments | 5,486,744 | 3,604,098 | 9,090,842 |
| Total assets | <u>45,846,061</u> | <u>30,115,143</u> | <u>75,961,204</u> |
| Net position | | | |
| Held in trust for: | | | |
| Internal investment pool participants | 45,846,061 | | 45,846,061 |
| External investment pool participants | | 30,115,143 | 30,115,143 |
| Total net position | <u>\$ 45,846,061</u> | <u>\$ 30,115,143</u> | <u>\$ 75,961,204</u> |

STATEMENT OF CHANGES IN NET ASSETS
INVESTMENT POOL
For the Fiscal Year Ended June 30, 2013

| | Internal Portion | External Portion | Investment Pool |
|---|----------------------|----------------------|----------------------|
| Additions | | | |
| Total contributions to pooled investments | \$ 138,031,340 | \$ 104,578,626 | \$ 242,609,966 |
| Deductions | | | |
| Total distribution from pooled investments | <u>135,348,622</u> | <u>104,813,335</u> | <u>240,161,957</u> |
| Net increase (decrease) | 2,682,718 | (234,709) | 2,448,009 |
| Net assets held in trust, beginning of year | <u>43,163,343</u> | <u>30,349,852</u> | <u>73,513,195</u> |
| Net assets held in trust, end of year | <u>\$ 45,846,061</u> | <u>\$ 30,115,143</u> | <u>\$ 75,961,204</u> |

Restricted Cash/Investments

Following are the restricted cash/investments held by the County as of June 30, 2013. These amounts are reported within the Restricted assets - noncurrent account on the Statement of Net Assets.

Enterprise Fund

| | |
|-----------------------------|----------------|
| Restricted for bond reserve | \$ 360,256 |
| Restricted for debt service | 523,667 |
| Total | <u>883,923</u> |

Internal Service Funds

| | |
|-----------------------------|-------------------|
| Restricted for bond reserve | 69,883 |
| Total Restricted Cash | <u>\$ 953,806</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

| | <u>General</u> | <u>Public Safety</u> | <u>RSID Debt</u> | <u>Capital Development</u> | <u>Other Non-Major Funds</u> | <u>Total</u> |
|------------------------------|-------------------|----------------------|---------------------|----------------------------|------------------------------|---------------------|
| Receivable: | | | | | | |
| Taxes/Assessments | \$ 802,725 | \$ 1,251,569 | \$ 1,208,583 | \$ - | \$ 863,726 | \$ 4,126,603 |
| Allowance for Uncollectibles | (16,055) | (25,031) | (24,172) | - | (17,275) | (82,533) |
| Taxes (net) | <u>\$ 786,670</u> | <u>\$ 1,226,538</u> | <u>\$ 1,184,411</u> | <u>\$ -</u> | <u>\$ 846,451</u> | <u>\$ 4,044,070</u> |

Business-type Activities and Component Units

| | <u>Cooney Home</u> | <u>County Landfill</u> | <u>Fairgrounds</u> | <u>Nonmajor Funds</u> | <u>Total</u> | <u>Component Unit</u> |
|---------------------------------|--------------------|------------------------|--------------------|-----------------------|-------------------|-----------------------|
| Receivable: | | | | | | |
| Taxes/Assessments | \$ - | \$ - | \$ 269,589 | \$ - | \$ 269,589 | \$ - |
| Allowance for Uncollectibles | - | - | (5,392) | - | (5,392) | - |
| Taxes (net) | <u>-</u> | <u>-</u> | <u>264,197</u> | <u>-</u> | <u>264,197</u> | <u>-</u> |
| Accounts receivable | 763,324 | 132,881 | - | 299,810 | 1,196,015 | 493,507 |
| Allowance for doubtful accounts | (720,000) | - | - | (4,766) | (724,766) | (238,994) |
| Net accounts | <u>43,324</u> | <u>132,881</u> | <u>-</u> | <u>295,044</u> | <u>471,249</u> | <u>254,513</u> |
| Total | <u>\$ 43,324</u> | <u>\$ 132,881</u> | <u>\$ 264,197</u> | <u>\$ 295,044</u> | <u>\$ 735,446</u> | <u>\$ 254,513</u> |

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

| | <u>Unearned</u> | <u>Deferred Inflows</u> | <u>Total</u> |
|--|---------------------|-------------------------|---------------------|
| Taxes/Assessment receivable (General Fund) | \$ 707,931 | \$ - | \$ 707,931 |
| Accounts receivable (General Fund) | 311,847 | - | 311,847 |
| Taxes/Assessment receivable (Public Safety Fund) | 1,103,843 | - | 1,103,843 |
| Taxes/Assessment receivable (RSID Debt) | 1,177,761 | - | 1,177,761 |
| Taxes/Assessment receivable (Nonmajor Funds) | 746,094 | - | 746,094 |
| Payment in lieu of taxes (General Fund) | - | 1,747,111 | 1,747,111 |
| Payment in lieu of taxes (Public Safety Fund) | - | 322,500 | 322,500 |
| Payment in lieu of taxes (Nonmajor Fund) | - | 115,000 | 115,000 |
| Total | <u>\$ 4,047,476</u> | <u>\$ 2,184,611</u> | <u>\$ 6,232,087</u> |

Governmental Activities

General Fund

The County entered into an agreement with Rocky Mountain Development Council, which is associated with unpaid insurance premiums, thus resulting in an amount owing of \$311,847, with a the potential of a payment this year unlikely, the remaining amount of \$311,847 will be classified as a long-term accounts receivable.

\$ 311,847

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

The County uses interfund receivables and payables for funds that incur negative cash balances due to expenditures exceeding revenues for a short time period. Balances due to/from other funds at June 30, 2013, consist of the following:

| <u>Governmental Activities</u> | | |
|--|------------------------------------|----------------------------|
| <u>Receivable Fund</u> | <u>Payable Funds</u> | <u>Amount</u> |
| General Fund | PS Radio Maintenance | \$ 74,450 |
| | Inmate Programs | 2,151 |
| | HIDTA Grant | 11,884 |
| | National Fire Plan | 14,121 |
| | Noxious Weed Trust Grant | 4,459 |
| | Other Grants | 122,027 |
| | CTEP Projects | 17,294 |
| | RID Projects | 158 |
| | Federal Grant Projects | 27,072 |
| | Search and Rescue Facility | 4,768 |
| | Total non-major governmental funds | <u>278,384</u> |
| | Cooney Home | 2,250,119 |
| | Total enterprise funds | <u>2,250,119</u> |
| Non-major governmental RSID Revolving fund | Special assessment districts | 77 |
| | Total non-major governmental funds | <u>77</u> |
| Total governmental activities | | <u><u>\$ 2,528,580</u></u> |

NOTE 6 – NOTE AND ADVANCES RECEIVABLE

Notes and advances receivable at June 30, 2013, 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. \$ 35,711

2 percent above the STIP rate, advance receivable from Cave Gulch Watershed Project, due in semi-annual payments through 2014. 5,253

Total debt service funds \$ 40,964

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 2016. \$ 1,251,134

Total governmental activities \$ 1,292,098

NOTE 6 – NOTE AND ADVANCES RECEIVABLE (Continued)

Business-Type Activities

Enterprise Fund

Cooney Home

A note receivable was entered into with Cooney Realty LLC for the acquisition of the nursing home with an interest rate of .23%, two annual installment due June 1, 2013 and June 1, 2014, with a final balloon payment due June 1, 2015.

\$ 2,045,273

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 2013:

| | Transfers Out | | | | | |
|--|----------------------|--------------------------|-----------------------------------|----------------------------|------------------------------|--------------------------|
| | General Fund | Public Safety Fund | Nonmajor Governmental Funds | Fair Enterprise Fund | Internal Service Funds | Total Transfers In |
| Transfer In: | | | | | | |
| <u>Governmental Funds:</u> | | | | | | |
| General Fund | \$ - | \$ - | \$ 372,258 | \$ - | \$ - | \$ 372,258 |
| Public Safety | - | - | 372,087 | - | - | 372,087 |
| Capital Development | 645,969 | 383,056 | 933,468 | - | - | 1,962,493 |
| Nonmajor Government | 198,040 | 351,368 | 1,667,690 | 680 | 2,500 | 2,220,278 |
| Total Governmental Funds | | | | | | <u>4,927,116</u> |
| <u>Enterprise Funds:</u> | | | | | | |
| Fairgrounds | 50,000 | - | - | - | - | 50,000 |
| Total Enterprise Funds | | | | | | <u>50,000</u> |
| Internal Services | - | - | 67,490 | - | - | 67,490 |
| | <u>\$ 894,009</u> | <u>\$ 734,424</u> | <u>\$ 3,412,993</u> | | | |
| Total transfers out - governmental funds | | | <u>\$ 5,041,426</u> | | | |
| Total transfers out - enterprise funds | | | | <u>\$ 680</u> | | |
| Total transfers out - internal service funds | | | | | <u>\$ 2,500</u> | |
| Total Transfers In / Out | | | | | | <u>\$ 5,043,926</u> |

NOTE 8 – CAPITAL ASSETS

PRIMARY GOVERNMENT

| | Beginning Balance | Increases | Decrease | Ending Balance |
|--|----------------------|--------------|--------------|-------------------|
| <u>Governmental Activities:</u> | | | | |
| <i>Capital assets not being depreciated:</i> | | | | |
| Land | \$ 4,436,972 | \$ 259,530 | \$ - | \$ 4,696,502 |
| Construction in progress | 9,901,884 | 1,258,919 | 8,191,362 | 2,969,441 |
| Total capital assets not being depreciated | 14,338,856 | 1,518,449 | 8,191,362 | 7,665,943 |
| <i>Capital assets being depreciated:</i> | | | | |
| Buildings | 16,726,470 | 1,038,622 | - | 17,765,092 |
| Improvements other than Buildings | 2,019,782 | - | - | 2,019,782 |
| Infrastructure | 10,342,240 | 7,887,817 | 170,163 | 18,059,894 |
| Machinery & Equipment | 13,257,380 | 536,434 | 314,189 | 13,479,625 |
| Total capital assets being depreciated | 42,345,872 | 9,462,873 | 484,352 | 51,324,393 |
| Less accumulated depreciation for: | | | | |
| Buildings | 9,924,096 | 430,673 | - | 10,354,769 |
| Improvements other than Buildings | 1,538,092 | 131,365 | - | 1,669,457 |
| Infrastructure | 3,691,616 | 852,357 | 170,163 | 4,373,810 |
| Machinery & Equipment | 8,129,064 | 987,959 | 307,221 | 8,809,802 |
| Total accumulated depreciation | 23,282,868 | 2,402,354 | 477,384 | 25,207,838 |
| Total capital assets being depreciated, net | 19,063,004 | 7,060,519 | 6,968 | 26,116,555 |
| Government activity capital assets, net | \$ 33,401,860 | \$ 8,578,968 | \$ 8,198,330 | \$ 33,782,498 |
| <u>Business-type Activities:</u> | | | | |
| <i>Solid Waste</i> | | | | |
| <i>Capital assets not being depreciated:</i> | | | | |
| Land | \$ 243,648 | \$ - | \$ - | \$ 243,648 |
| Construction in progress | 1,287,198 | 22,030 | 1,287,198 | 22,030 |
| Total capital assets not being depreciated | 1,530,846 | 22,030 | 1,287,198 | 265,678 |
| <i>Capital assets being depreciated:</i> | | | | |
| Buildings | 325,366 | - | - | 325,366 |
| Improvements other than Buildings | 4,293,963 | 1,287,198 | - | 5,581,161 |
| Machinery & Equipment | 1,838,307 | - | - | 1,838,307 |
| Total capital assets being depreciated | 6,457,636 | 1,287,198 | - | 7,744,834 |
| Less accumulated depreciation for: | | | | |
| Buildings | 143,026 | 8,134 | - | 151,160 |
| Improvements other than Buildings | 1,423,307 | 119,324 | - | 1,542,631 |
| Machinery & Equipment | 1,136,924 | 158,887 | - | 1,295,811 |
| Total accumulated depreciation | 2,703,257 | 286,345 | - | 2,989,602 |
| Total capital assets being depreciated, net | 3,754,379 | 1,000,853 | - | 4,755,232 |
| Solid Waste capital assets, net | \$ 5,285,225 | \$ 1,022,883 | \$ 1,287,198 | \$ 5,020,910 |

NOTE 8 – CAPITAL ASSETS (Continued)

| | Beginning Balance | Increases | Decrease | Ending Balance |
|--|----------------------|--------------|--------------|-------------------|
| Fairgrounds | | | | |
| <i>Capital assets not being depreciated:</i> | | | | |
| Construction in progress | \$ 164,060 | \$ - | \$ 164,060 | \$ - |
| Total capital assets not being depreciated | 164,060 | - | 164,060 | - |
| <i>Capital assets being depreciated:</i> | | | | |
| Buildings | \$ 10,883,947 | \$ - | \$ 1,200 | \$ 10,882,747 |
| Improvements other than Buildings | 443,465 | 174,052 | - | 617,517 |
| Machinery & Equipment | 307,373 | - | - | 307,373 |
| Total capital assets being depreciated | 11,634,785 | 174,052 | 1,200 | 11,807,637 |
| Less accumulated depreciation for: | | | | |
| Buildings | 939,866 | 288,920 | 1,200 | 1,227,586 |
| Improvements other than Buildings | 169,703 | 33,831 | - | 203,534 |
| Machinery & Equipment | 80,784 | 18,721 | - | 99,505 |
| Total accumulated depreciation | 1,190,353 | 341,472 | 1,200 | 1,530,625 |
| Total capital assets being depreciated, net | 10,444,432 | (167,420) | - | 10,277,012 |
| Fairgrounds capital assets, net | \$ 10,608,492 | \$ (167,420) | \$ 164,060 | \$ 10,277,012 |
| Business-type activities capital assets, net | \$ 15,893,717 | \$ 855,463 | \$ 1,451,258 | \$ 15,297,922 |

Depreciation expense was charged to functions as follows:

| | |
|---|---------------------|
| Governmental Activities: | |
| General government | \$ 405,861 |
| Public safety | 899,504 |
| Public works | 999,902 |
| Public health | 37,307 |
| Social and economic services | 1,570 |
| Culture and recreation | 58,211 |
| Total depreciation expense - governmental activities: | <u>\$ 2,402,355</u> |
| Business-type activities: | |
| Solid waste | \$ 286,345 |
| Fair | 341,472 |
| Total depreciation expense-business-type activities: | <u>\$ 627,817</u> |

NOTE 8 – CAPITAL ASSETS (Continued)

DISCRETELY PRESENTED COMPONENT UNITS

Activity for the **Cooperative Health Center** for the ended June 30, 2013, was as follows:

| | Beginning Balance | Increases | Decrease | Ending Balance |
|---|----------------------|-------------------|-------------|-------------------|
| <i>Capital assets not being depreciated:</i> | | | | |
| Construction in progress | \$ - | \$ 134,939 | \$ - | \$ 134,939 |
| <i>Capital assets being depreciated:</i> | | | | |
| Buildings | 356,939 | - | - | 356,939 |
| Machinery & Equipment | 114,680 | - | - | 114,680 |
| Total capital assets being depreciated | 471,619 | - | - | 471,619 |
| Less accumulated depreciation for: | | | | |
| Buildings | - | 14,278 | - | 14,278 |
| Machinery & Equipment | 61,323 | 9,502 | - | 70,825 |
| Total accumulated depreciation | 61,323 | 23,780 | - | 85,103 |
| Total capital assets being depreciated, net | 410,296 | (23,780) | - | 386,516 |
| Cooperative Health Center capital assets, net | <u>\$ 410,296</u> | <u>\$ 111,159</u> | <u>\$ -</u> | <u>\$ 521,455</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, 2013:

| | General Obligation |
|-----------------------|-----------------------|
| Bond payable, July 1 | \$ 2,755,000 |
| Bond issued | - |
| Bond retired | (120,000) |
| Bond payable, June 30 | <u>\$ 2,635,000</u> |

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 \$10,000,000 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, in which, to deposit the revenue bond proceeds and for the associated disbursements. To date, \$3,000,000 has been issued.

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 Opens Space Debt Service fund. Bonds payable at June 30, 2013, consist of the following issue:

NOTE 9 - LONG-TERM DEBT (Continued)

| | Interest Rate | Maturity Date | Issued | Amount Outstanding 6/30/2013 |
|---------------------------|------------------------------|------------------|-------------|------------------------------------|
| General Obligation Bonds: | | | | |
| Opens Space Projects | variable (2.00% to 4.05%) | 7/1/2030 | \$3,000,000 | \$2,635,000 |

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

| <u>FY Ending</u> | <u>Interest</u> | <u>Principal</u> | <u>Total</u> |
|------------------|-------------------|---------------------|---------------------|
| 2014 | \$ 82,662 | \$ 120,000 | \$ 202,662 |
| 2015 | 80,262 | 125,000 | \$ 205,262 |
| 2016 | 78,450 | 130,000 | \$ 208,450 |
| 2017 | 76,565 | 135,000 | \$ 211,565 |
| 2018 | 73,730 | 135,000 | \$ 208,730 |
| 2019-2023 | 314,249 | 735,000 | \$ 1,049,249 |
| 2024-2028 | 183,554 | 860,000 | \$ 1,043,554 |
| 2029-2030 | 24,098 | 395,000 | \$ 419,098 |
| Total | <u>\$ 913,570</u> | <u>\$ 2,635,000</u> | <u>\$ 3,548,570</u> |

REVENUE BONDS

At June 30, 2013, the outstanding revenue bond indebtedness of Lewis and Clark County is as follows:

Governmental Activities

Health Care Facility Revenue Bonds, Series 1998D: \$ 295,000
 This bond has an interest rate of 3.8 to 5.1 percent, payable from the Cooperative Health Center in annual installments of \$30,000 to \$65,000 beginning February 1, 1999, callable on or after February 1, 2006. The original debt, issued on February 1, 1998, was \$1,367,072 and is a limited tax levy of up to 3 mills. Final payment is scheduled for February 1, 2018, upon which time the tax levy will cease.

Business-type Activities

At June 30, 2013, the outstanding revenue bond indebtedness of Lewis and Clark County is as follows:

Solid Waste Facility Refunding Revenue Bonds, Series 2004: \$3,216,998
 (DNRC SRF Loan Program)

In fiscal year 2013, the County issued refunding bonds in the amount of \$2,004,000. The purpose of this issuance is to use the proceeds to retire the County's outstanding Solid Waste Facility Revenue Bonds, Series 2004. The new bonds will 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 \$85,266.50 to \$100,273.75 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.

NOTE 9 - LONG-TERM DEBT (Continued)

The reduction in the cash flow requirement is \$229,056, with the economic gain calculated at \$38,132.

Additional revenue bonds were issued in fiscal years 2009 and 2011, amounting to \$649,900 and \$1,400,000, respectively. The issue made in fiscal year 2009 was paid off in full this fiscal year.

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.

Fairgrounds Revenue Bonds, Series 2007:

924,089

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

Total Business-type Activities

\$4,141,087

Total Revenue Bonds

\$4,436,087

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

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

The following information is presented to satisfy bond covenant provisions. The bond resolution for the 1998 Health Care Revenue Bonds issued in February 1998 requires a 110 percent earnings ratio based on the current year's maximum debt service requirement. Bond requirements for the County Landfill Refunding Revenue Bond requires that net revenues in excess of current expenses equal 125 percent of the maximum amount of principal and interest in any subsequent fiscal year.

For the year ended June 30, 2013, the County was in compliance with these requirements for the County Solid Waste Facility and the Health Care Facilities.

| | County Solid Waste Facility | Health Care Facilities |
|---------------------------|--------------------------------|---------------------------|
| Gross revenues | \$ 1,231,389 | \$ 322,106 |
| Direct operating expenses | 656,175 | 237,634 |
| Net Revenue | <u>\$ 575,214</u> | <u>\$ 84,472</u> |
| Maximum debt service | \$ 360,256 | \$ 67,490 |
| Percent coverage | 159.7% | 125.2% |

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

NOTE 9 – LONG-TERM DEBT (Continued)

Revenue bond debt service requirements to maturity are as follows:

Governmental Activities

| <u>FY Ending</u> | <u>Interest</u> | <u>Principal</u> | <u>Total</u> |
|------------------|------------------|-------------------|-------------------|
| 2014 | \$ 14,990 | \$ 55,000 | \$ 69,990 |
| 2015 | 12,240 | 55,000 | 67,240 |
| 2016 | 9,435 | 60,000 | 69,435 |
| 2017 | 6,375 | 60,000 | 66,375 |
| 2018 | 3,315 | 65,000 | 68,315 |
| Totals | <u>\$ 46,355</u> | <u>\$ 295,000</u> | <u>\$ 341,355</u> |

Business-type Activities

| <u>FY Ending</u> | <u>Interest</u> | <u>Principal</u> | <u>Total</u> |
|------------------|-------------------|---------------------|---------------------|
| 2014 | \$ 96,943 | \$ 891,947 | \$ 988,890 |
| 2015 | 76,266 | 605,473 | 681,739 |
| 2016 | 61,954 | 298,017 | 359,971 |
| 2017 | 54,589 | 304,714 | 359,303 |
| 2018 | 47,056 | 312,512 | 359,568 |
| 2019-2023 | 118,748 | 1,437,424 | 1,556,172 |
| 2024-2025 | 6,548 | 291,000 | 297,548 |
| Totals | <u>\$ 462,104</u> | <u>\$ 4,141,087</u> | <u>\$ 4,603,191</u> |

Changes in Long-Term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2013:

| <u>Governmental Activities</u> | <u>Balance</u> <u>7/1/2012</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance</u> <u>6/30/2013</u> | <u>Due</u> <u>Within</u> <u>One Year</u> |
|--|-----------------------------------|---------------------|---------------------|------------------------------------|--|
| General obligation bonds | \$ 2,755,000 | \$ - | \$ 120,000 | \$ 2,635,000 | \$ 120,000 |
| Revenue bonds | 345,000 | - | 50,000 | 295,000 | 55,000 |
| Special assessment | 1,231,301 | - | 256,706 | 974,595 | 143,607 |
| Contracts/Loans | 1,229,326 | - | 269,246 | 960,080 | 155,045 |
| Compensated absences | 2,007,064 | 1,815,775 | 1,883,330 | 1,939,509 | 193,951 |
| OPEB implicit rate subsidy | 187,986 | 39,626 | - | 227,612 | - |
| Total | <u>\$ 7,755,677</u> | <u>\$ 1,855,401</u> | <u>\$ 2,579,282</u> | <u>\$ 7,031,796</u> | <u>\$ 667,603</u> |
| <u>Business-type Activities</u> | | | | | |
| Revenue bonds | \$ 5,214,914 | \$ 7,159 | \$ 1,080,986 | \$ 4,141,087 | \$ 891,947 |
| Contracts/Loans | 33,563 | - | 33,563 | - | - |
| Landfill liability | 1,180,750 | 2,353 | 20,000 | 1,163,103 | 20,000 |
| Compensated absences | 77,077 | 75,095 | 71,731 | 80,441 | 8,044 |
| OPEB implicit rate subsidy | 9,754 | 2,107 | - | 11,861 | - |
| Total | <u>\$ 6,516,058</u> | <u>\$ 86,714</u> | <u>\$ 1,206,280</u> | <u>\$ 5,396,492</u> | <u>\$ 919,991</u> |

NOTE 9 – LONG-TERM DEBT (Continued)

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At fiscal year end, the revenue bond balance of \$295,000 and \$198,029 of the compensated absences represent internal service funds' liabilities. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the general fund and other governmental funds.

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 State of 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 2013, the rate was 1.25 percent. Special assessment debts at June 30, 2013, are as follows:

| | Amount Issued | Year of Maturity | Principal Balance 6/30/2013 | Due Within One Year | FY2014 Interest Rate (%) |
|---|---------------------|---------------------|-----------------------------------|---------------------------|--------------------------------|
| Middlemas Rural Improvement District | \$ 10,475 | 2017 | \$ 4,695 | \$ 1,120 | 1.00% |
| Lambkin Rural Improvement District | 29,352 | 2016 | 9,928 | 3,209 | 1.00% |
| Oro Fino Rural Improvement District | 30,470 | 2016 | 10,407 | 3,364 | 1.00% |
| Applegate Rural Improvement District | 43,006 | 2016 | 14,545 | 4,702 | 1.00% |
| Ten Mile Creek Estates Rural Improvement District | 23,684 | 2014 | 3,796 | 3,796 | 1.00% |
| Treasure State Acres Rural Improvement District | 194,066 | 2014 | 31,103 | 31,103 | 1.00% |
| Golden Estates Rural Improvement District | 28,754 | 2016 | 9,786 | 3,141 | 1.00% |
| Gable Estates Rural Improvement District | 317,476 | 2016 | 45,497 | 14,600 | 1.00% |
| Lincoln Road Rural Improvement District | 348,772 | 2016 | 20,619 | 6,617 | 1.00% |
| Maynard Rural Improvement District | 8,680 | 2016 | 2,936 | 949 | 1.00% |
| Bel Air Rural Improvement District | 194,635 | 2018 | 61,500 | 10,151 | 1.00% |
| Bel Air Curbs Rural Improvement District | 13,685 | 2018 | 5,129 | 941 | 1.00% |
| Townview Rural Improvement District | 39,197 | 2018 | 12,690 | 2,329 | 1.00% |
| Green Acres Rural Improvement District | 25,273 | 2018 | 10,424 | 1,913 | 1.00% |
| Fox Crossing Rural Improvement District | 29,191 | 2025 | 6,751 | 505 | 1.00% |
| Skyview Rural Improvement District | 52,996 | 2020 | 19,524 | 2,630 | 1.00% |
| Autumn Wind Rural Improvement District | 40,124 | 2025 | 29,885 | 2,133 | 1.00% |
| Fantasy Road Rural Improvement District | 9,279 | 2027 | 6,380 | 404 | 1.00% |
| McHugh Rural Improvement District | 495,272 | 2023 | 300,000 | 30,000 | 4.40% |
| Woodlawn Rural Improvement District - wastewater | 143,000 | 2027 | 110,000 | 6,000 | 2.75% |
| Woodlawn Rural Improvement District - water | 319,516 | 2028 | 259,000 | 14,000 | 2.75% |
| Total Special Assessment Debt | <u>\$ 2,396,903</u> | | <u>\$ 974,595</u> | <u>\$ 143,607</u> | |

NOTE 9 – LONG-TERM DEBT (Continued)

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 2013, funds with special assessment debt had \$15,049 in delinquent tax receivables. State law provides for and the County uses a “Special Improvement District Revolving Fund” to accumulate resources for such debt service payment. Statutes allow for a special property tax levy as long as the balance in this fund is less than 5 percent of total outstanding special assessment debt with government commitment. In the current fiscal year the County did not levy for this fund.

Contracts/Loans Payable

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

| | Amount Issued | Year of Maturity | Principal Balance 6/30/2012 | Due Within One Year | FY2014 Interest Rate (%) |
|---|---------------------|---------------------|-----------------------------------|---------------------------|--------------------------------|
| City/County Building Remodel | \$ 977,748 | 2018 | \$ 573,689 | \$ 106,513 | 1.00% |
| City/County Building Remodel - Phase II | 505,000 | 2021 | 386,391 | 48,532 | 1.00% |
| Total | <u>\$ 1,482,748</u> | | <u>\$ 960,080</u> | <u>\$ 155,045</u> | |

The following is a summary of maturities and interest by years for the special assessment debt and contracts payable at June 30, 2013. 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 FY2014 rate of 1.0 percent.

| FY Ending | Special Assessment Debt | | Contracts Payable | |
|-------------------------------|-------------------------|-------------------|-------------------|------------------|
| | Principal | Interest | Principal | Interest |
| 2014 | \$ 143,607 | \$ 25,370 | \$ 155,045 | \$ 9,062 |
| 2015 | 115,938 | 22,538 | 160,401 | 7,529 |
| 2016 | 117,953 | 19,832 | 165,961 | 5,943 |
| 2017 | 80,567 | 17,198 | 171,727 | 4,302 |
| 2018 | 87,259 | 14,712 | 172,911 | 2,601 |
| 2019-2023 | 277,360 | 38,614 | 134,035 | 2,005 |
| 2024-2028 | 142,911 | 11,513 | - | - |
| 2029 | 9,000 | 124 | - | - |
| Total Governmental Activities | <u>\$ 974,595</u> | <u>\$ 149,901</u> | <u>\$ 960,080</u> | <u>\$ 31,442</u> |

Business-type Activities

Contracts/Loans Payable

No loans are outstanding for business-type activities at fiscal year-end.

NOTE 10 - CONDUIT DEBT

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

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

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

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

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

Higher Education Revenue Bond – This bond has been issued on behalf of Carroll College, to finance construction of various buildings on the Carroll College campus.

As of June 30, 2013, the status of all third party debt issued is:

| | <u>Issued</u> | <u>Outstanding</u> |
|--|----------------------|----------------------|
| Environmental Facilities Revenue Bonds Asarco, Inc. | \$ 33,160,000 | \$ 33,160,000 |
| Environmental Facilities Revenue Bonds Asarco, Inc. | 34,800,000 | 34,800,000 |
| Higher Education Revenue Note | 2,800,000 | 2,090,581 |
| Industrial Development Revenue Bonds - Golden Triangle, Inc. | 2,000,000 | 833,000 |
| Family Services Provider Revenue Bonds | 995,000 | 833,010 |
| Higher Education Revenue Bond - Carroll College | 85,000 | 85,000 |
| Total | <u>\$ 73,840,000</u> | <u>\$ 71,801,591</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.

| | GOVERNMENTAL FUND BALANCE BY FUNCTION | | | | | |
|---|---------------------------------------|---------------------|---|---------------------|--------------------------------|----------------------|
| | General | Special Revenue | Debt Service | Capital Projects | Other Nonmajor Governmental | Total |
| | | Public Safety | Rural Special Improvement District Debt | Development | | |
| FUND BALANCE: | | | | | | |
| <u>Nonspendable:</u> | | | | | | |
| Inventory | \$ 108,318 | \$ - | \$ - | \$ - | \$ 168,465 | \$ 276,783 |
| Permanent portion of endowment | - | - | - | - | 489,667 | 489,667 |
| Total Nonspendable | <u>108,318</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>658,132</u> | <u>766,450</u> |
| <u>Restricted:</u> | | | | | | |
| Federal/state/other grant commitments | - | - | - | - | 451,007 | 451,007 |
| General government commitments | - | - | - | 1,475,987 | 2,050,363 | 3,526,350 |
| Public safety commitments | - | - | - | - | 528,952 | 528,952 |
| Public work commitments | - | - | - | 94,299 | 250,262 | 344,561 |
| Health-related commitments | - | - | - | - | 558,263 | 558,263 |
| Debt service | - | - | 117,406 | - | 268,103 | 385,509 |
| Total Restricted | <u>-</u> | <u>-</u> | <u>117,406</u> | <u>1,570,286</u> | <u>4,106,950</u> | <u>5,794,642</u> |
| <u>Committed:</u> | | | | | | |
| General government commitments | - | - | - | - | 470,409 | 470,409 |
| District court | - | - | - | - | 586,064 | 586,064 |
| Public safety | - | 1,739,485 | - | 1,328,050 | 161,086 | 3,228,621 |
| Public works | - | - | - | 1,763,587 | 97,713 | 1,861,300 |
| Road commitments | - | - | - | - | 1,062,785 | 1,062,785 |
| Public health commitments | - | - | - | 616,251 | 1,295,560 | 1,911,811 |
| Parks improvement | - | - | - | 1,251,134 | 191,182 | 1,442,316 |
| Social & economical commitments | - | - | - | - | 104,203 | 104,203 |
| Special improvement district commitments | - | - | - | - | 2,972,837 | 2,972,837 |
| Contract commitments | 3,327 | - | - | - | - | 3,327 |
| Total Committed | <u>3,327</u> | <u>1,739,485</u> | <u>-</u> | <u>4,959,022</u> | <u>6,941,839</u> | <u>13,643,673</u> |
| <u>Assigned:</u> | | | | | | |
| No contractual commitments | 579,476 | - | - | - | 9,532 | 589,008 |
| Total Assigned | <u>579,476</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>9,532</u> | <u>589,008</u> |
| <u>Unassigned</u> | 2,279,337 | - | - | - | - | 2,279,337 |
| Total fund balance | <u>\$ 2,970,458</u> | <u>\$ 1,739,485</u> | <u>\$ 117,406</u> | <u>\$ 6,529,308</u> | <u>\$ 11,716,453</u> | <u>\$ 23,073,110</u> |

NOTE 11 – FUND BALANCE – MAJOR PURPOSE PRESENTATION (Continued)

| <u>Major Special Revenue Funds - Revenues by specific purposes</u> | | |
|--|----------------|----------------------|
| | <u>General</u> | <u>Public Safety</u> |
| Taxes/assessments | \$ 5,205,619 | \$ 7,663,050 |
| Licenses and permits | 329,963 | 1,715 |
| Federal grants | 1,702,528 | 356,614 |
| State grants | 880,802 | 395,884 |
| Charges for services | 1,185,943 | 397,622 |
| Fines and forfeitures | 76,302 | 227,643 |
| Miscellaneous | 221,608 | 84,765 |
| Interest earnings | 32,867 | - |
| Transfers in | 372,258 | 372,087 |
| Proceeds from sale of assets | - | 30,713 |
| Total Business-type Activities | \$ 10,007,890 | \$ 9,530,093 |

NOTE 12 - LEASES

Capital Leases

In fiscal year 2013, Lewis and Clark County did not have any capital leases.

NOTE 13 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

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

County Landfill

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 closure of the Phase 1 cell was completed during fiscal year 2004. Also in fiscal year 2004, a new area was opened called Class IV that will be used only for construction waste.

In January 2009, a new engineer’s report was completed and it provided some significant changes from the February 2004 engineer’s report. Most notably was a change in the overall life of the landfill from 60 years to 105 years and changes to closure and postclosure cost estimates. The change to the overall life was based on the recently completed Landfill Master Plan, which included a vertical expansion.

The new estimates and new remaining useful life(s) associated with the January 2009 engineer’s report, resulted in the following changes to the reported amounts:

- The overall estimated cost for landfill closure and postclosure care is \$4,168,000. This is an increase of \$881,000. The county needs to only financially assure the largest area that will ever be open during the life of the site. The vertical expansion increased the largest open area of the Class II area from 20 acres to 41 acres. The closure and postclosure liability will increase each year as the costs are recognized on a pro rata basis as the estimated life of usable space is filled, but may decrease in the year that actual closure costs occur.

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

- The total closure cost for the Class II area is \$3,548,000 of which \$1,992,712 is associated with the largest open area, noted above. In the Class II area, Phase 2 is nearing end of its useful life and is currently being closed. The remaining area has an estimated remaining life of 86 years. The total closure cost for the Class IV cell is \$200,000, with an estimated remaining life of 20 years. The total postclosure liability is \$420,000, with an estimated remaining life of 86 years.
- The fiscal year-end liability amount of \$923,103 is comprised of estimated costs for Class II area closures, Class IV area closure, and post-closure monitoring of \$798,043, \$66,545 and \$58,515, respectively. The yearly increase in liability for closure for Class II cells and the Class IV cell is \$13,634 and \$6,673, respectively. The liability relating to the Class II closure was reduced by \$22,157 in the current fiscal year by the amount of actual closure expenditures. The yearly increase in liability for postclosure was \$4,203.

The amounts reported to date, represent estimates based upon the use of 8.75 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.

Scratch Gravel Landfill

The Scratch Gravel Landfill was closed on October 8, 1994. The estimated costs for landfill postclosure are \$500,000. The estimated landfill postclosure cost is estimated to be \$20,000 for the current year and \$20,000 for each of the next 12 years for a total of \$240,000. All costs are based on what it would cost to perform all postclosure care at year-end; however, actual costs may be higher due to inflation, as current EPA regulations regarding financial assurance were not in effect during the life of the Scratch Gravel landfill. Postclosure costs were not accumulated. All postclosure costs will be financed with current revenues.

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

NOTE 14 – EMPLOYEE BENEFIT PLANS

Montana Public Employees Retirement System

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

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

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

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

NOTE 14 – EMPLOYEE BENEFIT PLANS (Continued)

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

State law determines required contribution rates. The contribution rates, expressed as a percentage of covered payroll for the fiscal year ended June 30, 2013, were as follows:

| | <u>MPERS</u> | <u>MSRS</u> | <u>MTRS</u> |
|--------------------------------|--------------|-------------|-------------|
| Employer | 7.070% | 10.115% | 7.470% |
| Employee hired prior to 7/1/11 | 6.900% | 9.245% | 7.150% |
| Employee hired after to 7/1/11 | 7.900% | | |

The County’s contributions for the years ended June 30, 2011, 2012 and 2013, as listed below, are equal to the required contribution for each year.

| | <u>MPERS</u> | <u>MSRS</u> | <u>MTRS</u> |
|------|--------------|-------------|-------------|
| 2011 | \$ 1,007,000 | \$ 367,148 | \$ 5,341 |
| 2012 | \$ 1,036,530 | \$ 380,680 | \$ 5,457 |
| 2013 | \$ 897,539 | \$ 401,374 | \$ 5,617 |

Other Employee Benefits

Lewis and Clark County provides medical insurance coverage for its employees via a self funded plan administered by Allegiance Benefit Plan Management, Inc., of Missoula, Montana. The purpose of this plan is to pay medical, dental and vision claims of Lewis and Clark County employees and their covered dependents, and to minimize the total cost of annual medical insurance to the County. Rates for the coming year are determined in consultation with the administrator based on past claim experience. Medical claims exceeding \$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, 2013, the County’s medical insurance fund had a balance of \$483,728. 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.

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

(1) per benefit period

This 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.

NOTE 14 – EMPLOYEE BENEFIT PLANS (Continued)

A reconciliation of claims payable follows:

| | Fiscal Year 2013 | Fiscal Year 2012 |
|-------------------------|---------------------|---------------------|
| Claims payable, July 1 | \$ 352,526 | \$ 366,974 |
| Claims incurred | (3,318,689) | (4,526,364) |
| Claims paid | 3,312,388 | 4,511,916 |
| Claims payable, June 30 | <u>\$ 346,225</u> | <u>\$ 352,526</u> |

The County pays the premium for a \$25,000 life insurance policy for all employees enrolled in the Health Benefits Plan. The premiums were paid to an insurance carrier during the fiscal year ended June 30, 2013.

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

Other Post Employment Benefits (OPEB)

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). June 30, 2013, the County had seven enrollees under the Retiree division, plus two spouses and one child dependant and four employees under COBRA insurance coverage, plus two enrollees previously enrolled as dependents, but post dependent eligibility. There were also two spouses and two 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, 2013, the County was paying insurance for two retirees.

As required by Governmental Accounting Standards Board (GASB) Statement No. 45 Other Post Employment Benefits, the County has calculated and included a post employment benefit liability in 2013.

Plan Description

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 dependants. Participation is elected by the retiree at the time of retirement. Benefit provisions are set annually by the Board of County Commissioners 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, 2013 there are seven enrollees participating in retiree division of the employer’s sponsored health plan. In fiscal year 2013, retirees contributed \$36,650 towards the cost of the County’s annual premium, with premiums per month being \$700 for retiree only and \$1,100 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.

NOTE 14 – EMPLOYEE BENEFIT PLANS (Continued)

Annual OPEB Cost Obligation.

The County’s other postemployment benefit (OPEB) cost (expense) is calculated based on the projected unit credit cost method. The objective under this method is to fund each participant’s benefits under the plan as they accrue. Thus, the total benefit to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credit service. Typically, when this method is introduced, there will be an initial liability for benefits credited for service prior to that date, and to the extent that the liability 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.

| | 2013 | 2012 | 2011 |
|--|-------------------|-------------------|-------------------|
| Annual required contribution | \$ 95,695 | \$ 100,355 | \$ 101,465 |
| Interest on net OPEB obligation | 8,406 | 7,604 | 4,966 |
| Adjustment to annual required contribution | <u>(6,593)</u> | <u>(5,964)</u> | <u>(3,895)</u> |
| Annual OPEB cost (expense) | 97,508 | 101,995 | 102,536 |
| Contributions made | (56,186) | (28,275) | (40,477) |
| Decrease in Obligation (1) | <u>-</u> | <u>(54,846)</u> | <u>-</u> |
| Increase/(Decrease) in net OPEB obligation | 41,322 | 18,874 | 62,059 |
| Net OPEB obligation - beginning of year | <u>197,780</u> | <u>178,906</u> | <u>116,847</u> |
| Net OPEB obligation - end of year | <u>\$ 239,102</u> | <u>\$ 197,780</u> | <u>\$ 178,906</u> |
| Percentage of Annual OPEB Cost Contributed | 57.62% | 27.72% | 39.48% |

(1) The decrease is due to the county selling the Cooney Home and not having the obligation of their employees.

Funded Status and Funding Progress

As of June 30, 2013, the actuarial accrued liability (AAL) for benefits was \$965,161 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$22,343,863 and the ratio of unfunded actuarial accrued liability to the covered payroll was 4.32 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.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the note to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. As required by GASB 45, fiscal year 2009 was the first year an actuarial had been completed for other postemployment benefits. Additional information can be found in the Required Supplementary Information section.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following assumptions were made:

Mortality- Healthy, for PERS and SRS, mortality is assumed to follow RP 2000 Healthy Combined Mortality Tables projected to 2015 using Scale AA with no collar adjustments for males and females. For TRS,

NOTE 14 – EMPLOYEE BENEFIT PLANS (Continued)

mortality is assumed to follow the RP 2000 Combined Mortality Table set back three years for males, set back two years for females, with mortality improvements projected by Scale AA to 2008.

Mortality - Disabled, for PERS and SRS, disabled mortality is assumed to follow RP 2000 Disabled Mortality Tables with no projections and no collar adjustments for males and females. For TRS, disabled mortality is based on RP 2000 Disabled Mortality Table, set back three years for males, set forward three years for females, with mortality improvements projected by Scale AA to 2008.

Turnover rates were based on specific gender age data assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid. The amortization factors are for a 30-year, level percent of pay amortization on an open basis, using a 4.25 percent investment rate and a 2.5 percent payroll inflation rate.

Healthcare cost trend rate (HCCTR) was based on projections from historical rates of the County.

| <u>Plan Year</u> | <u>Insurance Plan</u> | |
|------------------|--------------------------------|---------------------------|
| | <u>Medical, Dental, Vision</u> | <u>Prescription Drugs</u> |
| 2012 | 10.0% | 10.0% |
| 2013 | 9.0% | 9.0% |
| 2014 | 8.5% | 8.0% |
| 2015 | 8.0% | 7.0% |
| 2016 | 7.5% | 6.0% |
| 2017 | 7.0% | 5.0% |
| 2018 | 6.5% | 5.0% |
| 2019 | 6.0% | 5.0% |
| 2020 | 5.5% | 5.0% |
| 2021+ | 5.0% | 5.0% |

The “annual age 65” per capita claims cost for the period July 1, 2012 to June 30, 2013 are as follows:

| <u>Coverage</u> | <u>Surviving Spouse</u> | <u>Spouse</u> |
|-----------------------------|-------------------------|---------------|
| Before Medicare Eligibility | \$9,871 | \$3,337 |
| After Medicare Eligibility | \$1,974 | \$3,337 |

The following retiree contributions are a weighted average of all retiree contributions for the period July 1, 2012 to June 30, 2013:

| <u>Medical, Dental, Vision</u> <u>Prescription Drugs</u> | <u>Retiree/ Surviving Spouse</u> | <u>Spouse</u> |
|---|--------------------------------------|---------------|
| Before Medicare Eligibility | \$8,400 | \$4,800 |
| After Medicare Eligibility | \$8,400 | \$4,800 |

The following are the retiree contribution increases for Medical, Dental, Vision, and Prescription Drugs:

| <u>Plan Year</u> | <u>Retiree/ Surviving Spouse</u> | |
|------------------|--------------------------------------|---------------|
| | <u>Surviving Spouse</u> | <u>Spouse</u> |
| 2012 | 10.0% | 10.0% |
| 2013 | 9.0% | 9.0% |
| 2014 | 8.4% | 8.4% |
| 2015 | 7.8% | 7.8% |
| 2016 | 7.2% | 7.2% |
| 2017 | 6.6% | 6.6% |
| 2018 | 6.2% | 6.2% |
| 2019 | 5.8% | 5.8% |
| 2020 | 5.4% | 5.4% |
| 2021 | 5.0% | 5.0% |

NOTE 14 – EMPLOYEE BENEFIT PLANS (Continued)

Health insurance premiums for 2012 retirees were used as the basis for calculation of the present value of total benefits to be paid.

Deferred Compensation

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

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

NOTE 15 – RISK MANAGEMENT

The County faces a considerable number of risks of loss, including (a) damage to and loss of property and contents; (b) employees' torts; (c) professional liability, i.e., employee injuries; and (d) medical insurance costs of employees. Commercial policies transferring all risks of loss, except for relatively small deductible amounts are purchased for property and content damage, employee torts, and professional liabilities. The County participates in two state-wide public risk pools operated by the Montana Association of Counties, for workers' compensation and for tort liability coverage. Employee medical insurance is provided through a privately administered, partially self-insured plan. Given the lack of coverage available, the County has no coverage for potential losses from environmental damages. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Lewis and Clark County has joined with other Montana counties to form a self-insurance pool offering workers' compensation coverage. This pool, named the Montana Association of Counties Workers' Compensation Trust, provides claim administrative services. Premiums paid to the Trust for fiscal year 2013 amounted to \$549,051. Audited financial statements for fiscal year ended June 30, 2013, are available from the Montana Association of Counties Workers' Compensation Trust.

The County has joined with other Montana counties to form a self-insurance pool offering liability and general insurance coverage. This pool, named the Montana Association of Counties Joint Powers Insurance Authority Trust, provides for property, liability, public officials' errors and omissions, and crime coverage. The county has a \$10,000 deductible per occurrence. Claims over \$10,000 are covered by the pool. The Trust also provides for additional coverage for the above areas through excess insurance lines for varying amounts. Premiums paid to the Trust for fiscal year 2013 amounted to \$446,815.

Audited financial statements for the fiscal year ended June 30, 2013, 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 2013, the State contributed \$60,855 toward the annual salary of \$109,931 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, 2013, there were uncompleted construction contracts as follows:

| Project Title | Construction Committed | Fund Type | Encumbered Amount |
|---|---------------------------|--------------------------|----------------------|
| Search and Rescue Facility | \$ 4,995,232 | Non-major governmental | \$ - |
| Cooperative Health Center Remodel | 4,870,065 | Comp. Unit - Coop Health | 374,409 |
| Forest Highways Projects | 2,665,586 | Non-major governmental | 1,404,855 |
| Ameresco Energy Performance project | 1,430,519 | Capital Development | 1,428,557 |
| Journey Home Crisis Center | 1,268,993 | Capital Development | 107,051 |
| Rimini Road Reconstruction | 612,840 | Non-major governmental | 40,475 |
| 2013 Road Paving and Striping projects | 194,972 | Non-major governmental | - |
| Land use planning efforts with the US Military | 145,028 | Non-major governmental | 145,028 |
| AWD Tractor Lease (3 years @ \$31,443 per year) | 94,299 | Capital Development | - |
| Mosquito control | 71,500 | Non-major governmental | 71,500 |
| TSEP Bridge Projects | 69,200 | Non-major governmental | - |
| Total | <u>\$ 16,418,234</u> | | <u>\$ 3,571,875</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.

| Case | Damages Requested | Potential of Loss | Status |
|-------------|----------------------|----------------------|-------------------------------------|
| CDV-08-5 81 | \$ 500,000 | remote | Supreme Court remands to Dist Court |
| Various | \$ 1,800,000 | possible | In litigation |

The County settled one case after June 30, 2013, which will result in the County paying \$360,000.

NOTE 17 – COMMITMENTS AND CONTINGENCIES (Continued)

At this time, the County has not accrued a contingent liability for any of the above cases. The County has an unasserted claim that has not been filed in court for \$10,000 that has a possibility of a possible unfavorable outcome.

NOTE 18 – SUBSEQUENT EVENTS

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

On July 2, 2013, the County entered into a contract of \$62,500 for crushing chips in Augusta.

On July 9, 2013, the County entered into a contract of \$285,845 for a Track Loader for the Landfill.

On July 16, 2013, the County entered into a contract of \$694,658 for chip sealing on County and RID roads.

On August 8, 2013, the County entered into a contract of \$57,020 for the Crestwood Millings Project.

On August 13, 2013 the County entered into a contract of \$28,282 for crack sealing of County and RID roads.

On August 20, 2013, the County entered into a contract of \$70,000 for the Fairgrounds and Crestwood Millings project asphalt rejuvenating agent.

NOTE 19 – RECENT ACCOUNTING PRONOUNCEMENTS

The GASB has recently issued several statements. The county will be evaluating them for future impact on these financial statements.

The Government Accounting Standards Board (GASB) has issued Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*, which is effective for the County beginning in fiscal year 2014. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

The Government Accounting Standards Board (GASB) has issued Statement No. 67, *Financial Reporting for Pension Plans*, which is effective for the County beginning in fiscal year 2014. The objective of this Statement is to improve financial reporting by state and local governmental pension plans.

The Government Accounting Standards Board (GASB) has issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which is effective for the County beginning in fiscal year 2015. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

Statement 67 and Statement 68 establish a definition of a pension plan that reflects the primary activities associated with the pension arrangement—determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due.

The County has not assessed the impact of these statement on its financial position and results of operations and has not determined if the adoption of these statement will 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 Cooney Home signed a contract for a long-term notes receivable of \$2,262,201. The County received \$216,928 in the current fiscal year, therefore leaving a balance on the note of \$2,045,273, of which \$217,427 will be collected in fiscal year 2014. The County sold all assets of the nursing home, except for accounts receivable as of June 1, 2012, thus in fiscal year 2013, the County is reporting revenue and expenses that are associated with those receivables, along with the additional recognition of uncollectable amount of \$120,000.

As of June 30, 2013, the County had a net receivable balance of \$43,324 and recorded an estimate for uncollectible receivables of \$720,000. All asset and liability balances shown in the Statement of Net Position - Proprietary Funds on page 28 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, 2013, a summary of the results of operations of the discontinued nursing home business unit follows:

| | |
|-----------------------------------|---------------------|
| Revenue | \$ 11,920 |
| Costs and expenses | <u>(199,829)</u> |
| Loss from discontinued operations | <u>\$ (187,909)</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% share in the net assets of the Library. The most current summary financial information as of, and for, the fiscal year ended June 30 is:

| | <u>2013</u> | <u>2012</u> |
|-------------------------|---------------------|---------------------|
| Cash and investments | \$ 3,802,950 | \$ 3,189,750 |
| Other assets | <u>2,111,164</u> | <u>1,984,975</u> |
| Total assets | <u>\$ 5,914,114</u> | <u>\$ 5,174,725</u> |
| Liabilities | <u>169,161</u> | <u>150,827</u> |
| Net position | <u>\$ 5,744,953</u> | <u>\$ 5,023,898</u> |
| Revenues | 3,109,601 | 2,939,175 |
| Expenses | <u>(2,705,488)</u> | <u>(2,549,477)</u> |
| Change in net position | 404,113 | 389,698 |
| Net position, July 1 | 5,023,898 | 4,634,200 |
| Prior period adjustment | <u>316,942</u> | <u>-</u> |
| Net position, June 30 | <u>\$ 5,744,953</u> | <u>\$ 5,023,898</u> |

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

REQUIRED SUPPLEMENTARY INFORMATION

Except for the Other Postemployment Benefits (OPEB) schedule, no information needs to be presented in this section, as it is presented in the Basic Financial Statements.

**LEWIS AND CLARK COUNTY, MONTANA
EMPLOYEE GROUP BENEFITS PLAN - OTHER POSTEMPLOYMENT BENEFITS (OPEB)
REQUIRED SUPPLEMENTAL SCHEDULES**

| <u>Actuarial Valuation Date</u> | <u>Actuarial Value of Assets</u> (a) | <u>Actuarial Accrued Liability (AAL)</u> (b) | <u>Unfunded AAL (UAAL)</u> (b-a) | <u>Funded Ratio (%)</u> (a/b) | <u>Annual Covered Payroll</u> (c) | <u>UAAL as a Percentage of Covered Payroll (%)</u> (b-a/c) |
|---------------------------------|---|---|---|--------------------------------------|--|---|
| June 30, 2013 | \$ - | \$ 965,161 | \$ 965,161 | 0.00% | \$ 22,343,863 | 4.32% |
| June 30, 2012 | \$ - | \$ 968,425 | \$ 968,425 | 0.00% | \$ 25,861,566 | 3.74% |
| June 30, 2011 | \$ - | \$ 895,820 | \$ 895,820 | 0.00% | \$ 25,184,371 | 3.56% |
| June 30, 2010 | \$ - | \$ 926,167 | \$ 926,167 | 0.00% | \$ 24,358,671 | 3.80% |
| June 30, 2009 | \$ - | \$ 868,569 | \$ 868,569 | 0.00% | \$ 23,153,929 | 3.75% |

This schedule is based on the actuarial values as of June 30, 2011. Information for years prior to June 30, 2009, is not available.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

Health - Related Grant Funds

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

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.

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

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 a restoration projects in the Lake Helena Watershed area.

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

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

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

Safe Schools Healthy Students - Used for tracking the cost of services associated with the Save 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 risk for special health care needs.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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 Wavier 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.

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

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

Levied Funds

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

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

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

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

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

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

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

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.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

Other Intergovernmental Funds

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

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

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

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

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

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.

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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
Energy Efficiency & Conservation Block Grant

Fire Projects Grants
Brownsfield Assessment Grant

Special Assessment Districts

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

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

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

Pleasant Valley Lighting

Augusta Lighting

Maynard Lighting

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

| | | |
|-------------------------|------------------------|---------------------|
| Riddock | Ranchview Estates | Grass-Land |
| Middlemas | Ten Mile Creek Estates | Rosemary Acres |
| Eastgate | Treasure State | Bel Air Addition |
| LaCasa Grande | Schmidtville | Broadwater Estates |
| Lambkins | Gilbert | Primley Subdivision |
| North Valley Downs | Vandenberg Village | Foothills Estate |
| Town View Estates | Augusta | Ryan Minor |
| Pine Hills Estates | Pleasant Valley | Gruber Minor |
| Sunny Vista | Golden Estates II | Mud Springs |
| Tenneson | Settlers Cove | Spruce Drive |
| Lanning / Grandview | Silver Creek | Glacier Point |
| Prickley Pear | Boundary Street | Fox Crossing |
| Redwing / Shangri La | Mount Vista | Skyview |
| Oro Fino | Gable Estates | Buffalo Hills |
| Beartooth | Munger | Autumn Wind |
| Harris | Fawn Meadows | Elkhorn |
| Oleo Acres | North Hills | Wheat Ridge |
| Colorado Gulch | Lincoln | Creastwood Green |
| Big Valley | Maynard | Lower Rosemary |
| Eagle Ridge | Raven | Frontier Village |
| Green Acres | Rosendale | Timber Works |
| Evergreen Estates | York | Hayfield Estates |
| Lime Kiln / South Hills | South Boundary II | Big Sky Subdivision |
| Applegate / Norris | Hoff | |

Other Special Revenue Funds

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

LEWIS AND CLARK COUNTY, MONTANA

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 and the construction of the Alzheimer's Wing at the Cooney Convalescent Home.

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

Rural Special Improvement Districts

| | |
|--------------------------|---------------------|
| Gable Estates | Green Acres |
| Lincoln | Woodlawn Water |
| Maynard | Fox Crossing |
| McHugh | Skyview |
| Woodlawn Wastewater | Autumn Wind |
| Bel Air Addition | Fantasy |
| Bel Air Addition's Curbs | Big Sky Subdivision |
| Townview Estates | |

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.

Search and Rescue Facility - Used to account for the funding for the expenditures associated with construction of the search and rescue facility.

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

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.

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2013

| | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | PERMANENT FUND FORESTVALE PERPETUAL CARE | TOTAL NONMAJOR GOVERNMENTAL FUNDS |
|---|----------------------|-------------------|---------------------|--|--|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 9,236,719 | \$ 235,949 | \$ 256,575 | \$ - | \$ 9,729,243 |
| Investments | 1,255,708 | 32,077 | 34,881 | - | 1,322,666 |
| Receivables: | | | | | |
| Taxes/assessments | 791,071 | 55,380 | - | - | 846,451 |
| Accounts/contracts | 58,491 | - | - | - | 58,491 |
| Due from other funds | - | 77 | - | - | 77 |
| Due from other governments | 693,722 | - | 103,611 | - | 797,333 |
| Inventories | 168,465 | - | - | - | 168,465 |
| Restricted assets: | | | | | |
| Cash and cash equivalents | 2,293 | - | - | 2,457 | 4,750 |
| Investments | 252,513 | - | - | 232,404 | 484,917 |
| Advances to other funds | - | 40,964 | - | - | 40,964 |
| Total assets | \$ 12,458,982 | \$ 364,447 | \$ 395,067 | \$ 234,861 | \$ 13,453,357 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 494,063 | \$ - | \$ 103,286 | \$ - | \$ 597,349 |
| Due to other funds | 229,169 | - | 49,292 | - | 278,461 |
| Deferred revenues | 805,714 | 55,380 | - | - | 861,094 |
| Advances from other funds | - | - | - | - | - |
| Total liabilities | 1,528,946 | 55,380 | 152,578 | - | 1,736,904 |
| Fund balance: | | | | | |
| Nonspendable | 423,271 | - | - | 234,861 | 658,132 |
| Restricted | 3,596,358 | 268,103 | 242,489 | - | 4,106,950 |
| Unrestricted: | | | | | |
| Committed | 6,900,875 | 40,964 | - | - | 6,941,839 |
| Assigned | 9,532 | - | - | - | 9,532 |
| Total fund balance | 10,930,036 | 309,067 | 242,489 | 234,861 | 11,716,453 |
| Total liabilities and fund balance | \$ 12,458,982 | \$ 364,447 | \$ 395,067 | \$ 234,861 | \$ 13,453,357 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 1 of 10)

| | HEALTH RELATED GRANTS | CRAIG MOSQUITO CONTROL | MOSQUITO CONTROL | WATER QUALITY | MENTAL HEALTH |
|---|-----------------------------|------------------------------|---------------------|-------------------|-------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 347,081 | \$ 1,390 | \$ 17,187 | \$ 105,358 | \$ 242,405 |
| Investments | 47,184 | 189 | 2,336 | 14,322 | 32,954 |
| Receivables: | | | | | |
| Taxes/assessments | - | 669 | 10,177 | 26,077 | 14,636 |
| Accounts/contracts | - | - | - | 30,000 | - |
| Due from other governments | 235,173 | - | - | - | - |
| Inventories | - | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 629,438 | \$ 2,248 | \$ 29,700 | \$ 175,757 | \$ 289,995 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 75,698 | \$ - | \$ 15,000 | \$ 8,519 | \$ 92,041 |
| Due to other funds | - | - | - | - | - |
| Deferred revenues | - | 669 | 10,177 | 18,149 | 14,636 |
| Total liabilities | 75,698 | 669 | 25,177 | 26,668 | 106,677 |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 553,740 | - | 4,523 | - | - |
| Unrestricted: | | | | | |
| Committed | - | 1,579 | - | 149,089 | 183,318 |
| Assigned | - | - | - | - | - |
| Total fund balance | 553,740 | 1,579 | 4,523 | 149,089 | 183,318 |
| Total liabilities and fund balance | \$ 629,438 | \$ 2,248 | \$ 29,700 | \$ 175,757 | \$ 289,995 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 2 of 10)

| | ROAD | PREDATORY ANIMAL CONTROL | DISTRICT COURT | SEARCH & RESCUE OPERATIONS | PARKS |
|---|---------------------|--------------------------------|-------------------|----------------------------------|------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 994,170 | \$ 1,492 | \$ 528,508 | \$ 8,158 | \$ 9,131 |
| Investments | 135,155 | 203 | 71,850 | 1,109 | 1,242 |
| Receivables: | | | | | |
| Taxes/assessments | 133,739 | 37 | 71,284 | - | 2,095 |
| Accounts/contracts | 10,000 | - | - | - | - |
| Due from other governments | - | - | 7,171 | - | - |
| Inventories | 129,445 | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 1,402,509 | \$ 1,732 | \$ 678,813 | \$ 9,267 | \$ 12,468 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 36,264 | \$ - | \$ 28,590 | \$ 6,983 | \$ - |
| Due to other funds | - | - | - | - | - |
| Deferred revenues | 214,979 | 37 | 64,159 | - | 2,095 |
| Total liabilities | 251,243 | 37 | 92,749 | 6,983 | 2,095 |
| Fund balance: | | | | | |
| Nonspendable | 129,445 | - | - | - | - |
| Restricted | - | - | - | - | - |
| Unrestricted: | | | | | |
| Committed | 1,021,821 | 1,695 | 586,064 | 2,284 | 10,373 |
| Assigned | - | - | - | - | - |
| Total fund balance | 1,151,266 | 1,695 | 586,064 | 2,284 | 10,373 |
| Total liabilities and fund balance | \$ 1,402,509 | \$ 1,732 | \$ 678,813 | \$ 9,267 | \$ 12,468 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 3 of 10)

| | PERMISSIVE MEDICAL | FORESTVALE CEMETERY | COUNTY PLANNING | EMERGENCY DISASTER | COUNTY HEALTH |
|---|-----------------------|------------------------|--------------------|-----------------------|---------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 84,859 | \$ 92,479 | \$ 349,252 | \$ 93,435 | \$ 731,020 |
| Investments | 11,536 | 12,572 | 47,479 | 12,703 | 99,380 |
| Receivables: | | | | | |
| Taxes/assessments | 224,715 | 62,217 | 11,992 | 1,756 | 159,515 |
| Accounts/contracts | - | - | - | - | - |
| Due from other governments | - | - | 5,780 | - | - |
| Inventories | - | - | - | - | 39,020 |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 321,110 | \$ 167,268 | \$ 414,503 | \$ 107,894 | \$ 1,028,935 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ 7,338 | \$ 27,778 | \$ - | \$ 34,642 |
| Due to other funds | - | - | - | - | - |
| Deferred revenues | 199,603 | 62,217 | 11,992 | 1,756 | 143,575 |
| Total liabilities | 199,603 | 69,555 | 39,770 | 1,756 | 178,217 |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | 39,020 |
| Restricted | - | - | 145,028 | 9,428 | - |
| Unrestricted: | | | | | |
| Committed | 121,507 | 97,713 | 229,705 | 96,710 | 811,698 |
| Assigned | - | - | - | - | - |
| Total fund balance | 121,507 | 97,713 | 374,733 | 106,138 | 850,718 |
| Total liabilities and fund balance | \$ 321,110 | \$ 167,268 | \$ 414,503 | \$ 107,894 | \$ 1,028,935 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 4 of 10)

| | SENIOR CITIZENS | COUNTY EXTENSION | PUBLIC SAFETY RADIO PROJECT | INMATE PROGRAMS | RECORDS PRESERVATION |
|---|--------------------|---------------------|-----------------------------------|--------------------|-------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 35,301 | \$ 56,431 | \$ - | \$ - | \$ 104,932 |
| Investments | 4,799 | 7,672 | - | - | 14,265 |
| Receivables: | | | | | |
| Taxes/assessments | 22,451 | 28,086 | - | - | - |
| Accounts/contracts | - | - | - | 2,151 | - |
| Due from other governments | - | - | 148,395 | - | - |
| Inventories | - | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 62,551 | \$ 92,189 | \$ 148,395 | \$ 2,151 | \$ 119,197 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ 73,945 | \$ - | \$ - |
| Due to other funds | - | - | 74,450 | 2,151 | - |
| Deferred revenues | 22,451 | 28,086 | - | - | - |
| Total liabilities | 22,451 | 28,086 | 148,395 | 2,151 | - |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | - | - | - | - | - |
| Unrestricted: | | | | | |
| Committed | 40,100 | 64,103 | - | - | 119,197 |
| Assigned | - | - | - | - | - |
| Total fund balance | 40,100 | 64,103 | - | - | 119,197 |
| Total liabilities and fund balance | \$ 62,551 | \$ 92,189 | \$ 148,395 | \$ 2,151 | \$ 119,197 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 5 of 10)

| | PARKS DEVELOPMENT | LINCOLN PARKS | BEP PROGRAM | DUI PROGRAMS | CITY/COUNTY DRUG |
|---|----------------------|------------------|-----------------|------------------|---------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 159,170 | \$ 8,391 | \$ 5,913 | \$ 61,193 | \$ 48,748 |
| Investments | 21,639 | 1,141 | 804 | 8,319 | 6,627 |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Accounts/contracts | - | - | - | - | - |
| Due from other governments | - | - | - | 8,650 | - |
| Inventories | - | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 180,809 | \$ 9,532 | \$ 6,717 | \$ 78,162 | \$ 55,375 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - | - |
| Deferred revenues | - | - | - | - | - |
| Total liabilities | - | - | - | - | - |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | - | - | - | 78,162 | - |
| Unrestricted: | | | | | |
| Committed | 180,809 | - | 6,717 | - | 55,375 |
| Assigned | - | 9,532 | - | - | - |
| Total fund balance | 180,809 | 9,532 | 6,717 | 78,162 | 55,375 |
| Total liabilities and fund balance | \$ 180,809 | \$ 9,532 | \$ 6,717 | \$ 78,162 | \$ 55,375 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 6 of 10)

| | MISSOURI RIVER DRUG TASK FORCE | MRDTF FEDERAL SHARING | HARD ROCK MINE RESERVE | METAL MINES TAX RESERVE | COMMUNITY DECAY |
|---|--------------------------------------|-----------------------------|------------------------------|-------------------------------|--------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 267,952 | \$ 7,240 | \$ 80,097 | \$ 41,552 | \$ - |
| Investments | 36,427 | 984 | 10,889 | 5,649 | - |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Accounts/contracts | - | - | - | - | - |
| Due from other governments | - | - | - | - | - |
| Inventories | - | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 304,379 | \$ 8,224 | \$ 90,986 | \$ 47,201 | \$ - |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - | - |
| Deferred revenues | - | - | - | - | - |
| Total liabilities | - | - | - | - | - |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 304,379 | 8,224 | 90,986 | 47,201 | - |
| Unrestricted: | | | | | |
| Committed | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Total fund balance | 304,379 | 8,224 | 90,986 | 47,201 | - |
| Total liabilities and fund balance | \$ 304,379 | \$ 8,224 | \$ 90,986 | \$ 47,201 | \$ - |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (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 | \$ 99,034 | \$ 15,321 | \$ 1,591 | \$ 919 | \$ 1,804,980 |
| Investments | 13,464 | 2,083 | 217 | 124 | 245,383 |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Accounts/contracts | 16,340 | - | - | - | - |
| Due from other governments | - | - | - | - | - |
| Inventories | - | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 128,838 | \$ 17,404 | \$ 1,808 | \$ 1,043 | \$ 2,050,363 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 912 | \$ - |
| Due to other funds | - | - | - | - | - |
| Deferred revenues | - | - | - | - | - |
| Total liabilities | - | - | - | 912 | - |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | - | - | - | - | 2,050,363 |
| Unrestricted: | | | | | |
| Committed | 128,838 | 17,404 | 1,808 | 131 | - |
| Assigned | - | - | - | - | - |
| Total fund balance | 128,838 | 17,404 | 1,808 | 131 | 2,050,363 |
| Total liabilities and fund balance | \$ 128,838 | \$ 17,404 | \$ 1,808 | \$ 1,043 | \$ 2,050,363 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 8 of 10)

| | ROAD IMPROVEMENT - SUBDIVISION | ALCOHOLISM | GAS TAX | HIDTA | JUSTICE ASSISTANCE GRANT |
|---|--------------------------------------|------------------|-------------------|------------------|--------------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 21,642 | \$ 1 | \$ 186,401 | \$ - | \$ 457 |
| Investments | 2,943 | - | 25,341 | - | 62 |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Accounts/contracts | - | - | - | - | - |
| Due from other governments | - | 19,343 | - | 23,031 | - |
| Inventories | - | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 24,585 | \$ 19,344 | \$ 211,742 | \$ 23,031 | \$ 519 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 5,326 | \$ 19,344 | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | 11,884 | - |
| Deferred revenues | - | - | - | - | - |
| Total liabilities | 5,326 | 19,344 | - | 11,884 | - |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 19,259 | - | 211,742 | 11,147 | 519 |
| Unrestricted: | | | | | |
| Committed | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Total fund balance | 19,259 | - | 211,742 | 11,147 | 519 |
| Total liabilities and fund balance | \$ 24,585 | \$ 19,344 | \$ 211,742 | \$ 23,031 | \$ 519 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 9 of 10)

| | CITIZEN CORP/ CERT PROGRAM | NATIONAL FIRE PLAN | ECONOMIC DEVELOPMENT | NOXIOUS WEED GRANT | HOMELAND SECURITY GRANT |
|---|----------------------------------|--------------------------|-------------------------|--------------------------|-------------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 440 | \$ - | \$ 3,938 | \$ - | \$ - |
| Investments | 60 | - | 536 | - | - |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Accounts/contracts | - | - | - | - | - |
| Due from other governments | - | 30,846 | - | 4,459 | - |
| Inventories | - | - | - | - | - |
| Restricted assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Total assets | \$ 500 | \$ 30,846 | \$ 4,474 | \$ 4,459 | \$ - |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ 9,630 | \$ - | \$ - | \$ - |
| Due to other funds | - | 14,121 | - | 4,459 | - |
| Deferred revenues | - | - | - | - | - |
| Total liabilities | - | 23,751 | - | 4,459 | - |
| Fund balance: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 500 | 7,095 | 4,474 | - | - |
| Unrestricted: | | | | | |
| Committed | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Total fund balance | 500 | 7,095 | 4,474 | - | - |
| Total liabilities and fund balance | \$ 500 | \$ 30,846 | \$ 4,474 | \$ 4,459 | \$ - |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2013
 (Page 10 of 10)

| | OTHER GRANTS | SPECIAL ASSESSMENT DISTRICTS | FORESTVALE ENDOWMENT FUND | TOTAL SPECIAL REVENUE |
|---|-------------------|------------------------------------|---------------------------------|-----------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ - | \$ 2,619,150 | \$ - | \$ 9,236,719 |
| Investments | - | 356,066 | - | 1,255,708 |
| Receivables: | | | | |
| Taxes/assessments | - | 21,625 | - | 791,071 |
| Accounts/contracts | - | - | - | 58,491 |
| Due from other governments | 210,874 | - | - | 693,722 |
| Inventories | - | - | - | 168,465 |
| Restricted assets: | | | | |
| Cash and cash equivalents | - | - | 2,293 | 2,293 |
| Investments | - | - | 252,513 | 252,513 |
| Total assets | \$ 210,874 | \$ 2,996,841 | \$ 254,806 | \$ 12,458,982 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 39,259 | \$ 12,794 | \$ - | \$ 494,063 |
| Due to other funds | 122,027 | 77 | - | 229,169 |
| Deferred revenues | - | 11,133 | - | 805,714 |
| Total liabilities | 161,286 | 24,004 | - | 1,528,946 |
| Fund balance: | | | | |
| Nonspendable | - | - | 254,806 | 423,271 |
| Restricted | 49,588 | - | - | 3,596,358 |
| Unrestricted: | | | | |
| Committed | - | 2,972,837 | - | 6,900,875 |
| Assigned | - | - | - | 9,532 |
| Total fund balance | 49,588 | 2,972,837 | 254,806 | 10,930,036 |
| Total liabilities and fund balance | \$ 210,874 | \$ 2,996,841 | \$ 254,806 | \$ 12,458,982 |

**LEWIS AND CLARK COUNTY, MONTANA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
June 30, 2013**

| | CITY/COUNTY BUILDING DEBT | OPEN SPACE DEBT | HEALTH FACILITIES DEBT | RSID REVOLVING DEBT | TOTAL DEBT SERVICE |
|---|--|--------------------------------|---------------------------------------|------------------------------------|-----------------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ - | \$ 7,277 | \$ 7,821 | \$ 220,851 | \$ 235,949 |
| Investments | - | 989 | 1,064 | 30,024 | 32,077 |
| Receivables: | | | | | |
| Taxes/assessments | - | 34,504 | 20,876 | - | 55,380 |
| Due from other funds | - | - | - | 77 | 77 |
| Advances to other funds | - | - | - | 40,964 | 40,964 |
| Total assets | \$ - | \$ 42,770 | \$ 29,761 | \$ 291,916 | \$ 364,447 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Deferred revenues | \$ - | \$ 34,504 | \$ 20,876 | \$ - | \$ 55,380 |
| Total liabilities | - | 34,504 | 20,876 | - | 55,380 |
| Fund balance: | | | | | |
| Restricted | - | 8,266 | 8,885 | 250,952 | 268,103 |
| Unrestricted: | | | | | |
| Committed | - | - | - | 40,964 | 40,964 |
| Total fund balance | - | 8,266 | 8,885 | 291,916 | 309,067 |
| Total liabilities and fund balance | \$ - | \$ 42,770 | \$ 29,761 | \$ 291,916 | \$ 364,447 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUNDS
 June 30, 2013

| | CTEP PROJECTS | RID PROJECTS | FEDERAL GRANT PROJECTS | SEARCH & RESCUE FACILITY | ROAD/BRIDGE INFRASTRUCTURE PROJECTS | TOTAL CAPITAL PROJECTS |
|---|------------------|-----------------|------------------------------|--------------------------------|---|------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ 256,575 | \$ 256,575 |
| Investments | - | - | - | - | 34,881 | 34,881 |
| Due from other governments | 23,461 | 158 | 75,224 | 4,768 | - | 103,611 |
| Total assets | \$ 23,461 | \$ 158 | \$ 75,224 | \$ 4,768 | \$ 291,456 | \$ 395,067 |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ 6,167 | \$ - | \$ 48,152 | \$ - | \$ 48,967 | \$ 103,286 |
| Due to other funds | 17,294 | 158 | 27,072 | 4,768 | - | 49,292 |
| Total liabilities | 23,461 | 158 | 75,224 | 4,768 | 48,967 | 152,578 |
| Fund balance: | | | | | | |
| Restricted | - | - | - | - | 242,489 | 242,489 |
| Total fund balance | - | - | - | - | 242,489 | 242,489 |
| Total liabilities and fund balance | \$ 23,461 | \$ 158 | \$ 75,224 | \$ 4,768 | \$ 291,456 | \$ 395,067 |

LEWIS AND CLARK COUNTY, MONTANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2013

| | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | PERMANENT FUND FORESTVALE PERPETUAL CARE | TOTAL NONMAJOR GOVERNMENTAL FUNDS |
|---|----------------------------|-------------------------|-----------------------------|---|--|
| REVENUES | | | | | |
| Taxes/assessments | \$ 8,677,887 | \$ 247,259 | \$ - | \$ - | \$ 8,925,146 |
| Intergovernmental | 5,215,387 | 852 | 1,694,922 | - | 6,911,161 |
| Charges for services | 1,716,735 | - | - | 1,411 | 1,718,146 |
| Fines and forfeitures | 263,077 | - | - | - | 263,077 |
| Miscellaneous | 306,895 | 163,287 | - | - | 470,182 |
| Interest earnings | 44,664 | 2,490 | - | 16,649 | 63,803 |
| Total revenues | 16,224,645 | 413,888 | 1,694,922 | 18,060 | 18,351,515 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 2,949,879 | - | 26,422 | - | 2,976,301 |
| Public safety | 1,798,680 | - | - | - | 1,798,680 |
| Public works | 3,144,350 | - | 812,723 | - | 3,957,073 |
| Public health | 4,852,500 | - | - | 6,014 | 4,858,514 |
| Social and economic | 795,553 | - | - | - | 795,553 |
| Culture and recreation | 103,505 | - | - | - | 103,505 |
| Debt service | 50,575 | 368,750 | - | - | 419,325 |
| Capital outlay | - | - | 1,772,706 | - | 1,772,706 |
| Total expenditures | 13,695,042 | 368,750 | 2,611,851 | 6,014 | 16,681,657 |
| Excess (deficiency) of revenue over (under) expenditures | 2,529,603 | 45,138 | (916,929) | 12,046 | 1,669,858 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 1,191,998 | - | 1,028,280 | - | 2,220,278 |
| Transfers out | (3,302,401) | (67,490) | (43,102) | - | (3,412,993) |
| Total other financing sources and uses | (2,110,403) | (67,490) | 985,178 | - | (1,192,715) |
| Net change in fund balances | 419,200 | (22,352) | 68,249 | 12,046 | 477,143 |
| Fund balance, July 1 | 10,510,836 | 331,419 | 174,240 | 222,815 | 11,239,310 |
| Fund balance, June 30 | \$ 10,930,036 | \$ 309,067 | \$ 242,489 | \$ 234,861 | \$ 11,716,453 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 1 of 10)

| | HEALTH RELATED GRANTS | CRAIG MOSQUITO CONTROL | MOSQUITO CONTROL | WATER QUALITY | MENTAL HEALTH |
|---|-----------------------------|------------------------------|---------------------|-------------------|-------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ - | \$ 8,847 | \$ 154,933 | \$ 273,528 | \$ 85,990 |
| Intergovernmental | 1,945,124 | 221 | 3,272 | - | 86,756 |
| Charges for services | 653,993 | - | - | 3,155 | - |
| Fines and forfeitures | - | - | - | - | - |
| Miscellaneous | 6,272 | - | - | 39,194 | 80,000 |
| Interest earnings | - | - | - | - | - |
| Total revenues | 2,605,389 | 9,068 | 158,205 | 315,877 | 252,746 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | - |
| Public safety | - | - | - | - | 206,859 |
| Public works | - | - | - | - | - |
| Public health | 2,649,671 | 11,730 | 217,122 | 300,007 | - |
| Social and economic | 88,766 | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | 2,738,437 | 11,730 | 217,122 | 300,007 | 206,859 |
| Excess (deficiency) of revenue over (under) expenditures | (133,048) | (2,662) | (58,917) | 15,870 | 45,887 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 260,427 | - | - | 14,219 | - |
| Transfers out | (7,719) | - | - | - | - |
| Total other financing sources and uses | 252,708 | - | - | 14,219 | - |
| Net change in fund balances | 119,660 | (2,662) | (58,917) | 30,089 | 45,887 |
| Fund balance, July 1 | 434,080 | 4,241 | 63,440 | 119,000 | 137,431 |
| Fund balance, June 30 | \$ 553,740 | \$ 1,579 | \$ 4,523 | \$ 149,089 | \$ 183,318 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 2 of 10)

| | ROAD | PREDATORY ANIMAL CONTROL | DISTRICT COURT | SEARCH & RESCUE OPERATIONS | PARKS |
|---|---------------------|--------------------------|-------------------|----------------------------|------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ 2,375,154 | \$ 1,837 | \$ 1,203,683 | \$ - | \$ 12,070 |
| Intergovernmental | 953,342 | - | 36,756 | - | 740 |
| Charges for services | 52,847 | - | 45,713 | - | - |
| Fines and forfeitures | - | - | 44,473 | - | - |
| Miscellaneous | 29,070 | - | (5) | 579 | - |
| Interest earnings | 2,442 | - | - | - | - |
| Total revenues | 3,412,855 | 1,837 | 1,330,620 | 579 | 12,810 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | - | - | 1,013,312 | - | - |
| Public safety | - | - | 278,554 | 12,606 | - |
| Public works | 2,138,490 | - | - | - | - |
| Public health | - | 224 | - | - | - |
| Social and economic | - | - | - | - | - |
| Culture and recreation | - | - | - | - | 37,079 |
| Debt service | - | - | - | - | - |
| Total expenditures | 2,138,490 | 224 | 1,291,866 | 12,606 | 37,079 |
| Excess (deficiency) of revenue over (under) expenditures | 1,274,365 | 1,613 | 38,754 | (12,027) | (24,269) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | 199,702 | - | 56,070 | 14,311 | 18,000 |
| Transfers out | (1,597,707) | - | (4,000) | - | (3,000) |
| Total other financing sources and uses | (1,398,005) | - | 52,070 | 14,311 | 15,000 |
| Net change in fund balances | (123,640) | 1,613 | 90,824 | 2,284 | (9,269) |
| Fund balance, July 1 | 1,274,906 | 82 | 495,240 | - | 19,642 |
| Fund balance, June 30 | \$ 1,151,266 | \$ 1,695 | \$ 586,064 | \$ 2,284 | \$ 10,373 |

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 3 of 10)**

| | <u>PERMISSIVE MEDICAL</u> | <u>FORESTVALE CEMETERY</u> | <u>COUNTY PLANNING</u> | <u>EMERGENCY DISASTER</u> | <u>COUNTY HEALTH</u> |
|---|-------------------------------|--------------------------------|----------------------------|-------------------------------|--------------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ 1,376,680 | \$ 268,144 | \$ 841,501 | \$ 4,069 | \$ 938,836 |
| Intergovernmental | - | 18,375 | 57,949 | 49,499 | 60,757 |
| Charges for services | - | 30,169 | 20,945 | - | 497,387 |
| Fines and forfeitures | - | - | - | - | 8,857 |
| Miscellaneous | - | - | 1,650 | - | 25,007 |
| Interest earnings | - | 10,935 | - | - | - |
| Total revenues | 1,376,680 | 327,623 | 922,045 | 53,568 | 1,530,844 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 165,098 | - | 982,433 | - | - |
| Public safety | - | - | - | 57,595 | - |
| Public works | - | 237,068 | - | - | - |
| Public health | - | - | - | - | 1,323,233 |
| Social and economic | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | 165,098 | 237,068 | 982,433 | 57,595 | 1,323,233 |
| Excess (deficiency) of revenue over (under) expenditures | 1,211,582 | 90,555 | (60,388) | (4,027) | 207,611 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | 14,246 | 44,600 | - | 164,270 |
| Transfers out | (1,123,942) | (165,000) | (14,864) | - | (252,692) |
| Total other financing sources and uses | (1,123,942) | (150,754) | 29,736 | - | (88,422) |
| Net change in fund balances | 87,640 | (60,199) | (30,652) | (4,027) | 119,189 |
| Fund balance, July 1 | 33,867 | 157,912 | 405,385 | 110,165 | 731,529 |
| Fund balance, June 30 | \$ 121,507 | \$ 97,713 | \$ 374,733 | \$ 106,138 | \$ 850,718 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 4 of 10)

| | SENIOR CITIZENS | COUNTY EXTENSION | PUBLIC SAFETY RADIO PROJECT | INMATE PROGRAMS | RECORDS PRESERVATION |
|---|--------------------|---------------------|-----------------------------------|--------------------|-------------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ 132,153 | \$ 164,973 | \$ - | \$ - | \$ - |
| Intergovernmental | 8,420 | 24,050 | 409,420 | - | - |
| Charges for services | - | 2,281 | 4,643 | 105,902 | 131,015 |
| Fines and forfeitures | - | - | - | 200 | - |
| Miscellaneous | - | 3,549 | 3,477 | 79,950 | - |
| Interest earnings | - | - | - | - | - |
| Total revenues | 140,573 | 194,853 | 417,540 | 186,052 | 131,015 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | 86,160 |
| Public safety | - | - | 602,996 | 376,767 | - |
| Public works | - | - | - | - | - |
| Public health | - | - | - | - | - |
| Social and economic | 132,779 | 202,185 | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | 132,779 | 202,185 | 602,996 | 376,767 | 86,160 |
| Excess (deficiency) of revenue over (under) expenditures | 7,794 | (7,332) | (185,456) | (190,715) | 44,855 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | 5,720 | 162,080 | 187,057 | 5,880 |
| Transfers out | (3,000) | (8,500) | - | - | (27,043) |
| Total other financing sources and uses | (3,000) | (2,780) | 162,080 | 187,057 | (21,163) |
| Net change in fund balances | 4,794 | (10,112) | (23,376) | (3,658) | 23,692 |
| Fund balance, July 1 | 35,306 | 74,215 | 23,376 | 3,658 | 95,505 |
| Fund balance, June 30 | \$ 40,100 | \$ 64,103 | \$ - | \$ - | \$ 119,197 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 5 of 10)

| | PARKS DEVELOPMENT | LINCOLN PARKS | BEP PROGRAM | DUI PROGRAMS | CITY/COUNTY DRUG |
|---|----------------------|------------------|-----------------|------------------|---------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ 8,679 | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | 55,177 | - |
| Charges for services | - | - | 22,543 | - | - |
| Fines and forfeitures | - | - | - | - | 11,968 |
| Miscellaneous | - | 8,999 | - | 1,855 | 300 |
| Interest earnings | - | - | - | - | - |
| Total revenues | 8,679 | 8,999 | 22,543 | 57,032 | 12,268 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | - | - | - | 6,593 | 13,001 |
| Public safety | - | - | 32,504 | - | - |
| Public works | - | - | - | - | - |
| Public health | - | - | - | 37,924 | - |
| Social and economic | - | - | - | - | - |
| Culture and recreation | 61,407 | 5,019 | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | 61,407 | 5,019 | 32,504 | 44,517 | 13,001 |
| Excess (deficiency) of revenue over (under) expenditures | (52,728) | 3,980 | (9,961) | 12,515 | (733) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | 2,520 | 7,000 | - |
| Transfers out | - | - | - | (8,450) | - |
| Total other financing sources and uses | - | - | 2,520 | (1,450) | - |
| Net change in fund balances | (52,728) | 3,980 | (7,441) | 11,065 | (733) |
| Fund balance, July 1 | 233,537 | 5,552 | 14,158 | 67,097 | 56,108 |
| Fund balance, June 30 | \$ 180,809 | \$ 9,532 | \$ 6,717 | \$ 78,162 | \$ 55,375 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 6 of 10)

| | MISSOURI RIVER DRUG TASK FORCE | MRDTF FEDERAL SHARING | HARD ROCK MINE RESERVE | METAL MINES TAX RESERVE | COMMUNITY DECAY |
|---|--------------------------------------|-----------------------------|------------------------------|-------------------------------|--------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | 24,594 | 62,798 | 33,101 | - |
| Charges for services | - | - | - | - | - |
| Fines and forfeitures | 197,579 | - | - | - | - |
| Miscellaneous | - | - | - | - | - |
| Interest earnings | - | 17 | 160 | 77 | - |
| Total revenues | 197,579 | 24,611 | 62,958 | 33,178 | - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 49,063 | 19,663 | - | - | - |
| Public safety | - | - | - | - | - |
| Public works | - | - | - | - | - |
| Public health | - | - | - | - | - |
| Social and economic | - | - | 5,200 | - | - |
| Culture and recreation | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | 49,063 | 19,663 | 5,200 | - | - |
| Excess (deficiency) of revenue over (under) expenditures | 148,516 | 4,948 | 57,758 | 33,178 | - |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | - | - | - |
| Transfers out | - | - | - | - | (15,675) |
| Total other financing sources and uses | - | - | - | - | (15,675) |
| Net change in fund balances | 148,516 | 4,948 | 57,758 | 33,178 | (15,675) |
| Fund balance, July 1 | 155,863 | 3,276 | 33,228 | 14,023 | 15,675 |
| Fund balance, June 30 | \$ 304,379 | \$ 8,224 | \$ 90,986 | \$ 47,201 | \$ - |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 7 of 10)

| | CRAIG WASTEWATER FAC MAINT | CRAIG TRAINING CNTR MAINT | SEPTIC MAINTENANCE REVOLVING LN | SEPTIC MAINTENANCE PROGRAM | OPEN SPACE |
|---|----------------------------------|---------------------------------|---------------------------------------|----------------------------------|---------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - |
| Charges for services | 89,326 | 8,110 | - | 43,236 | - |
| Fines and forfeitures | - | - | - | - | - |
| Miscellaneous | - | - | - | 4,980 | - |
| Interest earnings | 291 | 40 | 833 | - | 6,302 |
| Total revenues | 89,617 | 8,150 | 833 | 48,216 | 6,302 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | 304,583 |
| Public safety | - | - | - | - | - |
| Public works | 29,756 | - | - | - | - |
| Public health | - | - | - | 71,331 | - |
| Social and economic | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | 29,756 | - | - | 71,331 | 304,583 |
| Excess (deficiency) of revenue over (under) expenditures | 59,861 | 8,150 | 833 | (23,115) | (298,281) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | - | 23,246 | - |
| Transfers out | - | - | - | - | - |
| Total other financing sources and uses | - | - | - | 23,246 | - |
| Net change in fund balances | 59,861 | 8,150 | 833 | 131 | (298,281) |
| Fund balance, July 1 | 68,977 | 9,254 | 975 | - | 2,348,644 |
| Fund balance, June 30 | \$ 128,838 | \$ 17,404 | \$ 1,808 | \$ 131 | \$ 2,050,363 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 8 of 10)

| | ROAD IMPROVEMENT - SUBDIVISION | ALCOHOLISM | GAS TAX | HIDTA | JUSTICE ASSISTANCE GRANT |
|---|--------------------------------------|---------------|-------------------|------------------|--------------------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | 92,209 | 270,310 | 134,215 | - |
| Charges for services | - | - | 5,470 | - | - |
| Fines and forfeitures | - | - | - | - | - |
| Miscellaneous | 18,490 | - | - | - | - |
| Interest earnings | 18 | - | - | - | - |
| Total revenues | 18,508 | 92,209 | 275,780 | 134,215 | - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | - | - | - | 131,286 | - |
| Public safety | - | - | - | - | 464 |
| Public works | - | - | 276,663 | - | - |
| Public health | - | 92,210 | - | - | - |
| Social and economic | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | - | 92,210 | 276,663 | 131,286 | 464 |
| Excess (deficiency) of revenue over (under) expenditures | 18,508 | (1) | (883) | 2,929 | (464) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | - | 5,040 | - |
| Transfers out | - | - | (50,809) | - | - |
| Total other financing sources and uses | - | - | (50,809) | 5,040 | - |
| Net change in fund balances | 18,508 | (1) | (51,692) | 7,969 | (464) |
| Fund balance, July 1 | 751 | 1 | 263,434 | 3,178 | 983 |
| Fund balance, June 30 | \$ 19,259 | \$ - | \$ 211,742 | \$ 11,147 | \$ 519 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 9 of 10)

| | CITIZEN CORP/ CERT PROGRAM | NATIONAL FIRE PLAN | ECONOMIC DEVELOPMENT | NOXIOUS WEED GRANT | HOMELAND SECURITY GRANT |
|---|----------------------------------|--------------------------|-------------------------|--------------------------|-------------------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | 119,551 | 300,903 | 24,304 | - |
| Charges for services | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - |
| Interest earnings | - | - | - | - | - |
| Total revenues | - | 119,551 | 300,903 | 24,304 | - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | - | - | - | - | - |
| Public safety | - | 116,546 | - | - | - |
| Public works | - | - | - | 24,304 | - |
| Public health | - | - | - | - | - |
| Social and economic | - | - | 366,623 | - | - |
| Culture and recreation | - | - | - | - | - |
| Debt service | - | - | - | - | - |
| Total expenditures | - | 116,546 | 366,623 | 24,304 | - |
| Excess (deficiency) of revenue over (under) expenditures | - | 3,005 | (65,720) | - | - |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | 4,090 | - | - | - |
| Transfers out | - | - | - | - | - |
| Total other financing sources and uses | - | 4,090 | - | - | - |
| Net change in fund balances | - | 7,095 | (65,720) | - | - |
| Fund balance, July 1 | 500 | - | 70,194 | - | - |
| Fund balance, June 30 | \$ 500 | \$ 7,095 | \$ 4,474 | \$ - | \$ - |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 10 of 10)

| | OTHER GRANTS | SPECIAL ASSESSMENT DISTRICTS | FORESTVALE ENDOWMENT | TOTAL SPECIAL REVENUE |
|---|------------------|------------------------------------|-------------------------|-----------------------------|
| REVENUES | | | | |
| Taxes/assessments | \$ - | \$ 826,810 | \$ - | \$ 8,677,887 |
| Intergovernmental | 442,863 | 681 | - | 5,215,387 |
| Charges for services | - | - | - | 1,716,735 |
| Fines and forfeitures | - | - | - | 263,077 |
| Miscellaneous | 450 | 3,078 | - | 306,895 |
| Interest earnings | - | 7,275 | 16,274 | 44,664 |
| Total revenues | 443,313 | 837,844 | 16,274 | 16,224,645 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 178,687 | - | - | 2,949,879 |
| Public safety | 113,789 | - | - | 1,798,680 |
| Public works | - | 438,069 | - | 3,144,350 |
| Public health | 142,480 | - | 6,568 | 4,852,500 |
| Social and economic | - | - | - | 795,553 |
| Culture and recreation | - | - | - | 103,505 |
| Debt service | - | 50,575 | - | 50,575 |
| Total expenditures | 434,956 | 488,644 | 6,568 | 13,695,042 |
| Excess (deficiency) of revenue over (under) expenditures | 8,357 | 349,200 | 9,706 | 2,529,603 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 787 | 2,733 | - | 1,191,998 |
| Transfers out | - | (20,000) | - | (3,302,401) |
| Total other financing sources and uses | 787 | (17,267) | - | (2,110,403) |
| Net change in fund balances | 9,144 | 331,933 | 9,706 | 419,200 |
| Fund balance, July 1 | 40,444 | 2,640,904 | 245,100 | 10,510,836 |
| Fund balance, June 30 | \$ 49,588 | \$ 2,972,837 | \$ 254,806 | \$ 10,930,036 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013

| | CITY/COUNTY BUILDING DEBT | OPEN SPACE DEBT | HEALTH FACILITIES DEBT | RSID REVOLVING DEBT | TOTAL DEBT SERVICE |
|---|---------------------------------|-----------------------|------------------------------|---------------------------|--------------------------|
| REVENUES | | | | | |
| Taxes/assessments | \$ - | \$ 177,941 | \$ 69,318 | \$ - | \$ 247,259 |
| Intergovernmental | - | - | 852 | - | 852 |
| Miscellaneous | 163,287 | - | - | - | 163,287 |
| Interest earnings | - | 203 | 57 | 2,230 | 2,490 |
| Total revenues | 163,287 | 178,144 | 70,227 | 2,230 | 413,888 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Debt service | 163,287 | 205,463 | - | - | 368,750 |
| Total expenditures | 163,287 | 205,463 | - | - | 368,750 |
| Excess (deficiency) of revenue over (under) expenditures | - | (27,319) | 70,227 | 2,230 | 45,138 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers out | - | - | (67,490) | - | (67,490) |
| Total other financing sources and uses | - | - | (67,490) | - | (67,490) |
| Net change in fund balances | - | (27,319) | 2,737 | 2,230 | (22,352) |
| Fund balance, July 1 | - | 35,585 | 6,148 | 289,686 | 331,419 |
| Fund balance, June 30 | \$ - | \$ 8,266 | \$ 8,885 | \$ 291,916 | \$ 309,067 |

**LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 For the Fiscal Year Ended June 30, 2013**

| | CTEP PROJECTS | RID PROJECTS | FEDERAL GRANT PROJECTS | SEARCH & RESCUE FACILITY | ROAD/BRIDGE INFRASTRUCTURE PROJECTS | TOTAL CAPITAL PROJECTS |
|---|--------------------------|-------------------------|---------------------------------------|---|--|---------------------------------------|
| REVENUES | | | | | | |
| Intergovernmental | \$ 17,777 | \$ 158 | \$ 74,574 | \$ 4,768 | \$ 1,597,645 | \$ 1,694,922 |
| Total revenues | 17,777 | 158 | 74,574 | 4,768 | 1,597,645 | 1,694,922 |
| EXPENDITURES | | | | | | |
| Capital outlay | | | | | | |
| General government | - | - | 26,422 | - | - | 26,422 |
| Public works | 17,603 | 158 | 48,152 | - | 746,810 | 812,723 |
| Capital outlay | 174 | - | - | 4,768 | 1,767,764 | 1,772,706 |
| Total expenditures | 17,777 | 158 | 74,574 | 4,768 | 2,514,574 | 2,611,851 |
| Excess (deficiency) of revenue over (under) expenditures | - | - | - | - | (916,929) | (916,929) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | 1,028,280 | 1,028,280 |
| Transfers out | - | - | - | - | (43,102) | (43,102) |
| Total other financing sources and uses | - | - | - | - | 985,178 | 985,178 |
| Net change in fund balances | - | - | - | - | 68,249 | 68,249 |
| Fund balance, July 1 | - | - | - | - | 174,240 | 174,240 |
| Fund balance, June 30 | \$ - | \$ - | \$ - | \$ - | \$ 242,489 | \$ 242,489 |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 1 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ 8,491 | \$ 8,847 | \$ 356 |
| Intergovernmental | 2,111,490 | 1,962,434 | (149,056) | 221 | 221 | - |
| Charges for services | 587,292 | 653,993 | 66,701 | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | 21,192 | 6,272 | (14,920) | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 2,719,974 | 2,622,699 | (97,275) | 8,712 | 9,068 | 356 |
| 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 | 1,722,700 | 1,614,517 | 108,183 | - | - | - |
| Operations and maintenance | 1,201,635 | 988,248 | 213,387 | 11,730 | 11,730 | - |
| Social and economic | | | | | | |
| Personal services | 80,980 | 65,511 | 15,469 | - | - | - |
| Operations and maintenance | 23,756 | 23,431 | 325 | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | 49,160 | (49,160) | - | - | - |
| Total expenditures | 3,029,071 | 2,740,867 | 288,204 | 11,730 | 11,730 | - |
| Excess (deficiency) of revenue over (under) expenditures | (309,097) | (118,168) | 190,929 | (3,018) | (2,662) | 356 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 339,101 | 260,427 | (78,674) | - | - | - |
| Transfers out | (17,320) | (7,719) | 9,601 | - | - | - |
| Total other financing sources(uses) | 321,781 | 252,708 | (69,073) | - | - | - |
| Net change in fund balances | \$ 12,684 | 134,540 | \$ 121,856 | \$ (3,018) | (2,662) | \$ 356 |
| Fund balance (deficit), July 1 | | 257,511 | | | 4,241 | |
| Fund balance (deficit), June 30 | | \$ 392,051 | | | \$ 1,579 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 2 of 24)

| | 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 | \$ 158,002 | \$ 154,933 | \$ (3,069) | \$ 269,443 | \$ 272,615 | \$ 3,172 |
| Intergovernmental | 2,282 | 3,272 | 990 | - | - | - |
| Charges for services | - | - | - | 3,000 | 3,155 | 155 |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | 4,500 | 9,194 | 4,694 |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 160,284 | 158,205 | (2,079) | 276,943 | 284,964 | 8,021 |
| 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 | - | - | - | 237,525 | 220,237 | 17,288 |
| Operations and maintenance | 202,123 | 202,122 | 1 | 86,458 | 79,113 | 7,345 |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 202,123 | 202,122 | 1 | 323,983 | 299,350 | 24,633 |
| Excess (deficiency) of revenue over (under) expenditures | (41,839) | (43,917) | (2,078) | (47,040) | (14,386) | 32,654 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | 17,258 | 14,219 | (3,039) |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | 17,258 | 14,219 | (3,039) |
| Net change in fund balances | \$ (41,839) | (43,917) | \$ (2,078) | \$ (29,782) | (167) | \$ 29,615 |
| Fund balance (deficit), July 1 | | 63,440 | | | 119,847 | |
| Fund balance (deficit), June 30 | | <u>\$ 19,523</u> | | | <u>\$ 119,680</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 3 of 24)

| | 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 | \$ 89,199 | \$ 85,990 | \$ (3,209) | \$ 2,400,055 | \$ 2,374,913 | \$ (25,142) |
| Intergovernmental | 4,929 | 86,756 | 81,827 | 911,684 | 971,275 | 59,591 |
| Charges for services | - | - | - | 27,500 | 42,847 | 15,347 |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | 80,000 | 80,000 | 6,000 | 29,070 | 23,070 |
| Investment earnings | - | - | - | 2,000 | 2,442 | 442 |
| Total revenues | 94,128 | 252,746 | 158,618 | 3,347,239 | 3,420,547 | 73,308 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 218,226 | 114,818 | 103,408 | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | 1,173,253 | 1,030,756 | 142,497 |
| Operations and maintenance | - | - | - | 1,167,045 | 1,091,439 | 75,606 |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 218,226 | 114,818 | 103,408 | 2,340,298 | 2,122,195 | 218,103 |
| Excess (deficiency) of revenue over (under) expenditures | (124,098) | 137,928 | 262,026 | 1,006,941 | 1,298,352 | 291,411 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | 189,850 | 199,702 | 9,852 |
| Transfers out | - | - | - | (1,379,605) | (1,597,707) | (218,102) |
| Total other financing sources(uses) | - | - | - | (1,189,755) | (1,398,005) | (208,250) |
| Net change in fund balances | \$ (124,098) | 137,928 | \$ 262,026 | \$ (182,814) | (99,653) | \$ 83,161 |
| Fund balance (deficit), July 1 | | 137,431 | | | 1,113,978 | |
| Fund balance (deficit), June 30 | | <u>\$ 275,359</u> | | | <u>\$ 1,014,325</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 4 of 24)

| | PREDATORY ANIMAL CONTROL | | | DISTRICT COURT | | |
|---|--------------------------|----------------|--|--------------------|------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 1,700 | \$ 1,837 | \$ 137 | \$ 1,161,923 | \$ 1,203,362 | \$ 41,439 |
| Intergovernmental | - | - | - | 55,000 | 37,900 | (17,100) |
| Charges for services | - | - | - | 42,750 | 45,713 | 2,963 |
| Fines and forfeitures | - | - | - | 49,500 | 44,473 | (5,027) |
| Miscellaneous | - | - | - | - | (5) | (5) |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 1,700 | 1,837 | 137 | 1,309,173 | 1,331,443 | 22,270 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | 697,940 | 613,698 | 84,242 |
| Operations and maintenance | - | - | - | 454,339 | 397,240 | 57,099 |
| Public safety | | | | | | |
| Personal services | - | - | - | 106,478 | 92,862 | 13,616 |
| Operations and maintenance | - | - | - | 185,309 | 201,195 | (15,886) |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 1,674 | 224 | 1,450 | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 1,674 | 224 | 1,450 | 1,444,066 | 1,304,995 | 139,071 |
| Excess (deficiency) of revenue over (under) expenditures | 26 | 1,613 | 1,587 | (134,893) | 26,448 | 161,341 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | 70,642 | 56,070 | (14,572) |
| Transfers out | - | - | - | (4,000) | (4,000) | - |
| Total other financing sources(uses) | - | - | - | 66,642 | 52,070 | (14,572) |
| Net change in fund balances | \$ 26 | 1,613 | \$ 1,587 | \$ (68,251) | 78,518 | \$ 146,769 |
| Fund balance (deficit), July 1 | | 82 | | | 521,840 | |
| Fund balance (deficit), June 30 | \$ 1,695 | | | \$ 600,358 | | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 5 of 24)

| | SEARCH & RESCUE OPERATIONS | | | PARKS | | |
|---|----------------------------|-----------------|--|-------------------|------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ 12,534 | \$ 12,070 | \$ (464) |
| Intergovernmental | - | - | - | 672 | 740 | 68 |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | 579 | 579 | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | - | 579 | 579 | 13,206 | 12,810 | (396) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 5,624 | 5,623 | 1 | - | - | - |
| 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 | - | - | - | 3,000 | 2,360 | 640 |
| Operations and maintenance | - | - | - | 34,371 | 34,719 | (348) |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 5,624 | 5,623 | 1 | 37,371 | 37,079 | 292 |
| Excess (deficiency) of revenue over (under) expenditures | (5,624) | (5,044) | 580 | (24,165) | (24,269) | (104) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 5,624 | 14,311 | 8,687 | 18,000 | 18,000 | - |
| Transfers out | - | - | - | (3,000) | (3,000) | - |
| Total other financing sources(uses) | 5,624 | 14,311 | 8,687 | 15,000 | 15,000 | - |
| Net change in fund balances | \$ - | 9,267 | \$ 9,267 | \$ (9,165) | (9,269) | \$ (104) |
| Fund balance (deficit), July 1 | | - | | | 19,642 | |
| Fund balance (deficit), June 30 | | \$ 9,267 | | | \$ 10,373 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 6 of 24)

| | PERMISSIVE MEDICAL INSURANCE | | | FORESTVALE CEMETERY | | |
|---|------------------------------|--------------------|--|---------------------|-------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 1,431,268 | \$ 1,373,141 | \$ (58,127) | \$ 288,583 | \$ 268,144 | \$ (20,439) |
| Intergovernmental | - | 7,406 | 7,406 | 14,126 | 18,375 | 4,249 |
| Charges for services | - | - | - | 16,820 | 30,169 | 13,349 |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | - | - | - | 10,500 | 10,935 | 435 |
| Total revenues | 1,431,268 | 1,380,547 | (50,721) | 330,029 | 327,623 | (2,406) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | 165,098 | (165,098) | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | 176,311 | 163,047 | 13,264 |
| Operations and maintenance | - | - | - | 77,551 | 74,090 | 3,461 |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | - | 165,098 | (165,098) | 253,862 | 237,137 | 16,725 |
| Excess (deficiency) of revenue over (under) expenditures | 1,431,268 | 1,215,449 | (215,819) | 76,167 | 90,486 | 14,319 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | 13,162 | 14,246 | 1,084 |
| Transfers out | (1,431,268) | (1,123,942) | 307,326 | (165,000) | (165,000) | - |
| Total other financing sources(uses) | (1,431,268) | (1,123,942) | 307,326 | (151,838) | (150,754) | 1,084 |
| Net change in fund balances | \$ - | 91,507 | \$ 91,507 | \$ (75,671) | (60,268) | \$ 15,403 |
| Fund balance (deficit), July 1 | | 4,888 | | | 165,319 | |
| Fund balance (deficit), June 30 | | \$ 96,395 | | | \$ 105,051 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 7 of 24)

| | COUNTY PLANNING | | | EMERGENCY DISASTER | | |
|---|--------------------|-------------------|--|--------------------|-------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 796,018 | \$ 841,501 | \$ 45,483 | \$ - | \$ 4,069 | \$ 4,069 |
| Intergovernmental | 195,999 | 52,169 | (143,830) | 150,000 | 49,499 | (100,501) |
| Charges for services | 17,000 | 20,945 | 3,945 | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | 1,650 | 1,650 | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 1,009,017 | 916,265 | (92,752) | 150,000 | 53,568 | (96,432) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | 768,529 | 749,402 | 19,127 | - | - | - |
| Operations and maintenance | 352,891 | 232,547 | 120,344 | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | 22,558 | (22,558) |
| Operations and maintenance | - | - | - | 150,000 | 58,838 | 91,162 |
| 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 | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 1,121,420 | 981,949 | 139,471 | 150,000 | 81,396 | 68,604 |
| Excess (deficiency) of revenue over (under) expenditures | (112,403) | (65,684) | 46,719 | - | (27,828) | (27,828) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 49,939 | 44,600 | (5,339) | - | - | - |
| Transfers out | (20,000) | (14,864) | 5,136 | - | - | - |
| Total other financing sources(uses) | 29,939 | 29,736 | (203) | - | - | - |
| Net change in fund balances | \$ (82,464) | (35,948) | \$ 46,516 | \$ - | (27,828) | \$ (27,828) |
| Fund balance (deficit), July 1 | | 432,679 | | | 133,966 | |
| Fund balance (deficit), June 30 | | <u>\$ 396,731</u> | | | <u>\$ 106,138</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 8 of 24)

| | COUNTY HEALTH | | | SENIOR CITIZENS | | |
|---|---------------------|-------------------|--|-----------------|------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 974,292 | \$ 938,125 | \$ (36,167) | \$ 137,103 | \$ 132,153 | \$ (4,950) |
| Intergovernmental | 54,287 | 65,942 | 11,655 | 7,691 | 8,420 | 729 |
| Charges for services | 470,950 | 497,387 | 26,437 | - | - | - |
| Fines and forfeitures | 7,500 | 8,857 | 1,357 | - | - | - |
| Miscellaneous | 37,500 | 25,007 | (12,493) | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 1,544,529 | 1,535,318 | (9,211) | 144,794 | 140,573 | (4,221) |
| 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 | 1,018,114 | 914,188 | 103,926 | - | - | - |
| Operations and maintenance | 507,406 | 413,362 | 94,044 | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | 132,779 | 132,779 | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 1,525,520 | 1,327,550 | 197,970 | 132,779 | 132,779 | - |
| Excess (deficiency) of revenue over (under) expenditures | 19,009 | 207,768 | 188,759 | 12,015 | 7,794 | (4,221) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 113,370 | 164,270 | 50,900 | - | - | - |
| Transfers out | (257,879) | (252,692) | 5,187 | (3,000) | (3,000) | - |
| Total other financing sources(uses) | (144,509) | (88,422) | 56,087 | (3,000) | (3,000) | - |
| Net change in fund balances | \$ (125,500) | 119,346 | \$ 244,846 | \$ 9,015 | 4,794 | \$ (4,221) |
| Fund balance (deficit), July 1 | | 711,054 | | | 35,306 | |
| Fund balance (deficit), June 30 | | <u>\$ 830,400</u> | | | <u>\$ 40,100</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 9 of 24)

| | COUNTY EXTENSION | | | PUBLIC SAFERY RADIO PROJECT | | |
|---|--------------------|-------------------|---|-----------------------------|--------------------|---|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 171,118 | \$ 164,973 | \$ (6,145) | \$ - | \$ - | \$ - |
| Intergovernmental | 29,787 | 24,050 | (5,737) | 629,503 | 261,025 | (368,478) |
| Charges for services | 1,700 | 2,281 | 581 | 1,200 | 4,643 | 3,443 |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | 2,500 | 3,549 | 1,049 | 10,152 | 3,477 | (6,675) |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 205,105 | 194,853 | (10,252) | 640,855 | 269,145 | (371,710) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | 221,822 | 217,462 | 4,360 |
| Operations and maintenance | - | - | - | 390,799 | 320,084 | 70,715 |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | 54,995 | 52,922 | 2,073 | - | - | - |
| Operations and maintenance | 161,909 | 149,263 | 12,646 | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | 237,449 | - | 237,449 |
| Total expenditures | 216,904 | 202,185 | 14,719 | 850,070 | 537,546 | 312,524 |
| Excess (deficiency) of revenue over (under) expenditures | (11,799) | (7,332) | 4,467 | (209,215) | (268,401) | (59,186) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 5,046 | 5,720 | 674 | 164,615 | 162,080 | (2,535) |
| Transfers out | (8,500) | (8,500) | - | - | - | - |
| Total other financing sources(uses) | (3,454) | (2,780) | 674 | 164,615 | 162,080 | (2,535) |
| Net change in fund balances | \$ (15,253) | (10,112) | \$ 5,141 | \$ (44,600) | (106,321) | \$ (61,721) |
| Fund balance (deficit), July 1 | | 74,215 | | | 31,871 | |
| Fund balance (deficit), June 30 | | \$ 64,103 | | | \$ (74,450) | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 10 of 24)

| | INMATE PROGRAM | | | RECORDS PRESERVATION | | |
|---|------------------|-------------------|---|----------------------|-------------------|---|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | 105,081 | 103,751 | (1,330) | 117,500 | 131,015 | 13,515 |
| Fines and forfeitures | 400 | 200 | (200) | - | - | - |
| Miscellaneous | 66,600 | 79,950 | 13,350 | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 172,081 | 183,901 | 11,820 | 117,500 | 131,015 | 13,515 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | 48,451 | 54,320 | (5,869) |
| Operations and maintenance | - | - | - | 38,386 | 31,840 | 6,546 |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 376,767 | 376,767 | - | - | - | - |
| 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 | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 376,767 | 376,767 | - | 86,837 | 86,160 | 677 |
| Excess (deficiency) of revenue over (under) expenditures | (204,686) | (192,866) | 11,820 | 30,663 | 44,855 | 14,192 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 212,057 | 187,057 | (25,000) | 5,046 | 5,880 | 834 |
| Transfers out | - | - | - | (27,043) | (27,043) | - |
| Total other financing sources(uses) | 212,057 | 187,057 | (25,000) | (21,997) | (21,163) | 834 |
| Net change in fund balances | \$ 7,371 | (5,809) | \$ (13,180) | \$ 8,666 | 23,692 | \$ 15,026 |
| Fund balance (deficit), July 1 | | 3,658 | | | 95,505 | |
| Fund balance (deficit), June 30 | | <u>\$ (2,151)</u> | | | <u>\$ 119,197</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 11 of 24)

| | PARKS DEVELOPMENT | | | LINCOLN PARKS | | |
|---|---------------------|-------------------|--|-------------------|-----------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 5,000 | \$ 8,679 | \$ 3,679 | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | 10,000 | 8,999 | (1,001) |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 5,000 | 8,679 | 3,679 | 10,000 | 8,999 | (1,001) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | 46 | (46) |
| Operations and maintenance | 110,000 | 61,407 | 48,593 | 11,741 | 4,973 | 6,768 |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 110,000 | 61,407 | 48,593 | 11,741 | 5,019 | 6,722 |
| Excess (deficiency) of revenue over (under) expenditures | (105,000) | (52,728) | 52,272 | (1,741) | 3,980 | 5,721 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | - | - |
| Net change in fund balances | \$ (105,000) | (52,728) | \$ 52,272 | \$ (1,741) | 3,980 | \$ 5,721 |
| Fund balance (deficit), July 1 | | 233,537 | | | 5,552 | |
| Fund balance (deficit), June 30 | | <u>\$ 180,809</u> | | | <u>\$ 9,532</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 12 of 24)

| | BEP | | | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | 85,250 | 55,427 | (29,823) |
| Charges for services | 25,000 | 22,543 | (2,457) | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | 3,000 | 1,855 | (1,145) |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 25,000 | 22,543 | (2,457) | 88,250 | 57,282 | (30,968) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | 6,321 | 6,137 | 184 |
| Operations and maintenance | - | - | - | 453 | 456 | (3) |
| Public safety | | | | | | |
| Personal services | 28,234 | 28,149 | 85 | - | - | - |
| Operations and maintenance | 4,271 | 4,355 | (84) | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public health | | | | | | |
| Personal services | - | - | - | 31,196 | 12,586 | 18,610 |
| Operations and maintenance | - | - | - | 43,330 | 25,338 | 17,992 |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 32,505 | 32,504 | 1 | 81,300 | 44,517 | 36,783 |
| Excess (deficiency) of revenue over (under) expenditures | (7,505) | (9,961) | (2,456) | 6,950 | 12,765 | 5,815 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 2,523 | 2,520 | (3) | 1,262 | 7,000 | 5,738 |
| Transfers out | - | - | - | (14,770) | (8,450) | 6,320 |
| Total other financing sources(uses) | 2,523 | 2,520 | (3) | (13,508) | (1,450) | 12,058 |
| Net change in fund balances | \$ (4,982) | (7,441) | \$ (2,459) | \$ (6,558) | 11,315 | \$ 17,873 |
| Fund balance (deficit), July 1 | | 14,158 | | | 58,197 | |
| Fund balance (deficit), June 30 | | <u>\$ 6,717</u> | | | <u>\$ 69,512</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 13 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | 18,001 | 11,968 | (6,033) | 130,000 | 204,656 | 74,656 |
| Miscellaneous | - | 300 | 300 | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 18,001 | 12,268 | (5,733) | 130,000 | 204,656 | 74,656 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | 3 | (3) |
| Operations and maintenance | 13,001 | 13,001 | - | 82,041 | 74,846 | 7,195 |
| 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 | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 13,001 | 13,001 | - | 82,041 | 74,849 | 7,192 |
| Excess (deficiency) of revenue over (under) expenditures | 5,000 | (733) | (5,733) | 47,959 | 129,807 | 81,848 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | - | - |
| Net change in fund balances | \$ 5,000 | (733) | \$ (5,733) | \$ 47,959 | 129,807 | \$ 81,848 |
| Fund balance (deficit), July 1 | | 56,108 | | | 174,572 | |
| Fund balance (deficit), June 30 | | <u>\$ 55,375</u> | | | <u>\$ 304,379</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 14 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 19,614 | 24,594 | 4,980 | 10,000 | 62,798 | 52,798 |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | 10 | 17 | 7 | 50 | 160 | 110 |
| Total revenues | 19,624 | 24,611 | 4,987 | 10,050 | 62,958 | 52,908 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 19,664 | 19,663 | 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 | - | - | - | 5,200 | 5,200 | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 19,664 | 19,663 | 1 | 5,200 | 5,200 | - |
| Excess (deficiency) of revenue over (under) expenditures | (40) | 4,948 | 4,988 | 4,850 | 57,758 | 52,908 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | - | - |
| Net change in fund balances | \$ (40) | 4,948 | \$ 4,988 | \$ 4,850 | 57,758 | \$ 52,908 |
| Fund balance (deficit), July 1 | | 3,276 | | | 33,228 | |
| Fund balance (deficit), June 30 | | \$ 8,224 | | | \$ 90,986 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 15 of 24)

| | METAL MINES TAX RESERVE | | | COMMUNITY DECAY | | |
|---|-------------------------|-------------------|---|--------------------|-------------------|---|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 5,000 | 33,101 | 28,101 | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | 25 | 77 | 52 | - | - | - |
| Total revenues | 5,025 | 33,178 | 28,153 | - | - | - |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | - | - | - | - | - | - |
| Excess (deficiency) of revenue over (under) expenditures | 5,025 | 33,178 | 28,153 | - | - | - |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | (15,675) | (15,675) | - |
| Total other financing sources(uses) | - | - | - | (15,675) | (15,675) | - |
| Net change in fund balances | \$ 5,025 | 33,178 | \$ 28,153 | \$ (15,675) | (15,675) | \$ - |
| Fund balance (deficit), July 1 | | 14,023 | | | 15,675 | |
| Fund balance (deficit), June 30 | | \$ 47,201 | | | \$ - | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 16 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | 65,000 | 72,986 | 7,986 | 6,500 | 8,110 | 1,610 |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | 150 | 291 | 141 | - | 40 | 40 |
| Total revenues | 65,150 | 73,277 | 8,127 | 6,500 | 8,150 | 1,650 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 100,000 | 29,756 | 70,244 | - | - | - |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 100,000 | 29,756 | 70,244 | - | - | - |
| Excess (deficiency) of revenue over (under) expenditures | (34,850) | 43,521 | 78,371 | 6,500 | 8,150 | 1,650 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | - | - |
| Net change in fund balances | \$ (34,850) | 43,521 | \$ 78,371 | \$ 6,500 | 8,150 | \$ 1,650 |
| Fund balance (deficit), July 1 | | 68,977 | | | 9,254 | |
| Fund balance (deficit), June 30 | | <u>\$ 112,498</u> | | | <u>\$ 17,404</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 17 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | 78,900 | 44,816 | (34,084) |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | 4,980 | 4,980 |
| Investment earnings | - | 833 | 833 | - | - | - |
| Total revenues | - | 833 | 833 | 78,900 | 49,796 | (29,104) |
| 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 | - | - | - | 60,809 | 59,955 | 854 |
| Operations and maintenance | - | - | - | 17,527 | 11,376 | 6,151 |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | - | - | - | 78,336 | 71,331 | 7,005 |
| Excess (deficiency) of revenue over (under) expenditures | - | 833 | 833 | 564 | (21,535) | (22,099) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | 23,246 | 23,246 |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | 23,246 | 23,246 |
| Net change in fund balances | \$ - | 833 | \$ 833 | \$ 564 | 1,711 | \$ 1,147 |
| Fund balance (deficit), July 1 | | 975 | | | (1,580) | |
| Fund balance (deficit), June 30 | | \$ 1,808 | | | \$ 131 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 18 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | 18,490 | 18,490 |
| Investment earnings | 5,500 | 6,302 | 802 | - | 18 | 18 |
| Total revenues | 5,500 | 6,302 | 802 | - | 18,508 | 18,508 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 2,000,083 | 304,583 | 1,695,500 | - | - | - |
| 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 | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 2,000,083 | 304,583 | 1,695,500 | - | - | - |
| Excess (deficiency) of revenue over (under) expenditures | (1,994,583) | (298,281) | 1,696,302 | - | 18,508 | 18,508 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | - | - |
| Net change in fund balances | \$ (1,994,583) | (298,281) | \$ 1,696,302 | \$ - | 18,508 | \$ 18,508 |
| Fund balance (deficit), July 1 | | 2,348,644 | | | 751 | |
| Fund balance (deficit), June 30 | | \$ 2,050,363 | | | \$ 19,259 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 19 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 92,210 | 92,210 | - | 262,000 | 270,310 | 8,310 |
| Charges for services | - | - | - | 5,470 | 5,470 | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 92,210 | 92,210 | - | 267,470 | 275,780 | 8,310 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | 480,176 | 307,920 | 172,256 |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 92,210 | 92,210 | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 92,210 | 92,210 | - | 480,176 | 307,920 | 172,256 |
| Excess (deficiency) of revenue over (under) expenditures | - | - | - | (212,706) | (32,140) | 180,566 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | (50,707) | (50,809) | (102) |
| Total other financing sources(uses) | - | - | - | (50,707) | (50,809) | (102) |
| Net change in fund balances | \$ - | - | \$ - | \$ (263,413) | (82,949) | \$ 180,464 |
| Fund balance (deficit), July 1 | | 1 | | | 294,691 | |
| Fund balance (deficit), June 30 | | \$ 1 | | | \$ 211,742 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 20 of 24)

| | 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 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 147,420 | 137,851 | (9,569) | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 147,420 | 137,851 | (9,569) | - | - | - |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | 53,244 | 52,948 | 296 | - | - | - |
| Operations and maintenance | 90,157 | 78,338 | 11,819 | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | 464 | 464 | - |
| 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 | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 143,401 | 131,286 | 12,115 | 464 | 464 | - |
| Excess (deficiency) of revenue over (under) expenditures | 4,019 | 6,565 | 2,546 | (464) | (464) | - |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 5,046 | 5,040 | (6) | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | 5,046 | 5,040 | (6) | - | - | - |
| Net change in fund balances | \$ 9,065 | 11,605 | \$ 2,540 | \$ (464) | (464) | \$ - |
| Fund balance (deficit), July 1 | | (23,489) | | | 983 | |
| Fund balance (deficit), June 30 | | \$ (11,884) | | | \$ 519 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 21 of 24)

| | CITIZENS CORP/CERT PROGRAM | | | NATIONAL FIRE PLAN | | |
|---|----------------------------|----------------|--|--------------------|----------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | 130,454 | 129,019 | (1,435) |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | - | - | - | 130,454 | 129,019 | (1,435) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | 29,194 | 27,956 | 1,238 |
| Operations and maintenance | 500 | - | 500 | 101,502 | 102,740 | (1,238) |
| 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 | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 500 | - | 500 | 130,696 | 130,696 | - |
| Excess (deficiency) of revenue over (under) expenditures | (500) | - | 500 | (242) | (1,677) | (1,435) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | 3,431 | 4,090 | 659 |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | 3,431 | 4,090 | 659 |
| Net change in fund balances | \$ (500) | - | \$ 500 | \$ 3,189 | 2,413 | \$ (776) |
| Fund balance (deficit), July 1 | | 500 | | | (26,164) | |
| Fund balance (deficit), June 30 | \$ 500 | | | \$ (23,751) | | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 22 of 24)

| | ECONOMIC DEVELOPMENT | | | NOXIOUS WEED TRUST GRANT | | |
|---|----------------------|-----------------|--|--------------------------|-------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 550,000 | 371,097 | (178,903) | 95,000 | 34,662 | (60,338) |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | 550,000 | 371,097 | (178,903) | 95,000 | 34,662 | (60,338) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | 95,000 | 24,304 | 70,696 |
| Public health | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | 550,000 | 366,623 | 183,377 | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | 550,000 | 366,623 | 183,377 | 95,000 | 24,304 | 70,696 |
| Excess (deficiency) of revenue over (under) expenditures | - | 4,474 | 4,474 | - | 10,358 | 10,358 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | - | - |
| Net change in fund balances | \$ - | 4,474 | \$ 4,474 | \$ - | 10,358 | \$ 10,358 |
| Fund balance (deficit), July 1 | | - | | | (14,817) | |
| Fund balance (deficit), June 30 | | <u>\$ 4,474</u> | | | <u>\$ (4,459)</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 23 of 24)

| | HOMELAND SECURITY GRANT | | | OTHER GRANTS | | |
|---|-------------------------|----------------|--|------------------|---------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | 1,874,051 | 381,469 | (1,492,582) |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | 450 | 450 |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | - | - | - | 1,874,051 | 381,919 | (1,492,132) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | 15,147 | 17,233 | (2,086) |
| Operations and maintenance | - | - | - | 1,493,660 | 161,454 | 1,332,206 |
| Public safety | | | | | | |
| Personal services | - | - | - | 29,058 | 31,874 | (2,816) |
| Operations and maintenance | - | - | - | 97,048 | 62,800 | 34,248 |
| Public works | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Public health | | | | | | |
| Personal services | - | - | - | 15,147 | 14,755 | 392 |
| Operations and maintenance | - | - | - | 214,165 | 126,189 | 87,976 |
| Social and economic | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | - | - | - |
| Operations and maintenance | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Total expenditures | - | - | - | 1,864,225 | 414,305 | 1,449,920 |
| Excess (deficiency) of revenue over (under) expenditures | - | - | - | 9,826 | (32,386) | (42,212) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | 858 | 787 | (71) |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | 858 | 787 | (71) |
| Net change in fund balances | \$ - | - | \$ - | \$ 10,684 | (31,599) | \$ (42,283) |
| Fund balance (deficit), July 1 | | - | | | (90,428) | |
| Fund balance (deficit), June 30 | | \$ - | | | \$ (122,027) | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 24 of 24)

| | SPECIAL ASSESSMENT DISTRICTS | | | TOTAL NONMAJOR SPECIAL REVENUE | | |
|---|------------------------------|---------------------|--|--------------------------------|----------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 789,137 | \$ 828,688 | \$ 39,551 | \$ 8,693,866 | \$ 8,674,040 | \$ (19,826) |
| Intergovernmental | 681 | 681 | - | 7,439,351 | 5,142,703 | (2,296,648) |
| Charges for services | - | - | - | 1,571,663 | 1,689,824 | 118,161 |
| Fines and forfeitures | - | - | - | 205,401 | 270,154 | 64,753 |
| Miscellaneous | 1,000 | 3,078 | 2,078 | 162,444 | 276,895 | 114,451 |
| Investment earnings | 6,606 | 7,275 | 669 | 24,841 | 28,390 | 3,549 |
| Total revenues | 797,424 | 839,722 | 42,298 | 18,097,566 | 16,082,006 | (2,015,560) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General government | | | | | | |
| Personal services | - | - | - | 1,589,632 | 1,493,741 | 95,891 |
| Operations and maintenance | - | - | - | 4,544,675 | 1,479,066 | 3,065,609 |
| Public safety | | | | | | |
| Personal services | - | - | - | 414,786 | 420,861 | (6,075) |
| Operations and maintenance | - | - | - | 1,530,510 | 1,247,684 | 282,826 |
| Public works | | | | | | |
| Personal services | 4,125 | 4,640 | (515) | 1,353,689 | 1,198,443 | 155,246 |
| Operations and maintenance | 3,168,061 | 426,169 | 2,741,892 | 5,087,833 | 1,953,678 | 3,134,155 |
| Public health | | | | | | |
| Personal services | - | - | - | 3,085,491 | 2,836,238 | 249,253 |
| Operations and maintenance | - | - | - | 2,378,258 | 1,949,912 | 428,346 |
| Social and economic | | | | | | |
| Personal services | - | - | - | 135,975 | 118,433 | 17,542 |
| Operations and maintenance | - | - | - | 873,644 | 677,296 | 196,348 |
| Culture and recreation | | | | | | |
| Personal services | - | - | - | 3,000 | 2,406 | 594 |
| Operations and maintenance | - | - | - | 156,112 | 101,099 | 55,013 |
| Debt service | 51,021 | 50,575 | 446 | 51,021 | 50,575 | 446 |
| Capital outlay | - | - | - | 237,449 | 49,160 | 188,289 |
| Total expenditures | 3,223,207 | 481,384 | 2,741,823 | 21,442,075 | 13,578,592 | 7,863,483 |
| Excess (deficiency) of revenue over (under) expenditures | (2,425,783) | 358,338 | 2,784,121 | (3,344,509) | 2,503,414 | 5,847,923 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | 2,733 | 2,733 | 1,216,830 | 1,191,998 | (24,832) |
| Transfers out | (20,000) | (20,000) | - | (3,417,767) | (3,302,401) | 115,366 |
| Total other financing sources(uses) | (20,000) | (17,267) | 2,733 | (2,200,937) | (2,110,403) | 90,534 |
| Net change in fund balances | \$ (2,445,783) | 341,071 | \$ 2,786,854 | \$ (5,545,446) | 393,011 | \$ 5,938,457 |
| Fund balance (deficit), July 1 | | 2,634,068 | | | 9,737,165 | |
| Fund balance (deficit), June 30 | | <u>\$ 2,975,139</u> | | | <u>\$ 10,130,176</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 1 of 3)

| | 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 | \$ - | \$ - | \$ - | \$ 205,000 | \$ 177,941 | \$ (27,059) |
| Intergovernmental | - | - | - | - | - | - |
| Miscellaneous | 168,000 | 163,287 | (4,713) | - | - | - |
| Investment earnings | - | - | - | 200 | 203 | 3 |
| Total revenues | 168,000 | 163,287 | (4,713) | 205,200 | 178,144 | (27,056) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Debt service | 168,000 | 163,287 | 4,713 | 205,463 | 205,463 | - |
| Total expenditures | 168,000 | 163,287 | 4,713 | 205,463 | 205,463 | - |
| Excess (deficiency) of revenue over (under) expenditures | - | - | - | (263) | (27,319) | (27,056) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | - | - | - |
| Net change in fund balances | \$ - | - | \$ - | \$ (263) | (27,319) | \$ (27,056) |
| Fund balance (deficit), July 1 | | | | | 35,585 | |
| Fund balance (deficit), June 30 | | \$ - | | | \$ 8,266 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 2 of 3)

| | 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 | \$ 67,000 | \$ 69,318 | \$ 2,318 | \$ - | \$ - | \$ - |
| Intergovernmental | - | 852 | 852 | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | 50 | 57 | 7 | 2,750 | 2,230 | (520) |
| Total revenues | 67,050 | 70,227 | 3,177 | 2,750 | 2,230 | (520) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Debt service | - | - | - | - | - | - |
| Total expenditures | - | - | - | - | - | - |
| Excess (deficiency) of revenue over (under) expenditures | 67,050 | 70,227 | 3,177 | 2,750 | 2,230 | (520) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers out | (67,490) | (67,490) | - | - | - | - |
| Total other financing sources(uses) | (67,490) | (67,490) | - | - | - | - |
| Net change in fund balances | \$ (440) | 2,737 | \$ 3,177 | \$ 2,750 | 2,230 | \$ (520) |
| Fund balance (deficit), July 1 | | 6,148 | | | 289,686 | |
| Fund balance (deficit), June 30 | | <u>\$ 8,885</u> | | | <u>\$ 291,916</u> | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 3 of 3)

| | RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT | | | TOTAL DEBT SERVICE | | |
|---|--|-------------------|--|--------------------|-------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Taxes/assessments | \$ 244,228 | \$ 253,641 | \$ 9,413 | \$ 516,228 | \$ 500,900 | \$ (15,328) |
| Intergovernmental | - | - | - | - | 852 | 852 |
| Miscellaneous | - | - | - | 168,000 | 163,287 | (4,713) |
| Investment earnings | 300 | 392 | 92 | 3,300 | 2,882 | (418) |
| Total revenues | 244,528 | 254,033 | 9,505 | 687,528 | 667,921 | (19,607) |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Debt service | 242,639 | 239,078 | 3,561 | 616,102 | 607,828 | 8,274 |
| Total expenditures | 242,639 | 239,078 | 3,561 | 616,102 | 607,828 | 8,274 |
| Excess (deficiency) of revenue over (under) expenditures | 1,889 | 14,955 | 13,066 | 71,426 | 60,093 | (11,333) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers out | - | - | - | (67,490) | (67,490) | - |
| Total other financing sources(uses) | - | - | - | (67,490) | (67,490) | - |
| Net change in fund balances | \$ 1,889 | 14,955 | \$ 13,066 | \$ 3,936 | (7,397) | \$ (11,333) |
| Fund balance (deficit), July 1 | | 95,801 | | | 427,220 | |
| Fund balance (deficit), June 30 | | \$ 110,756 | | | \$ 419,823 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 1 of 4)

| | 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 | \$ - | \$ 35,008 | \$ 35,008 | \$ 515,000 | \$ - | \$ (515,000) |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | 68,000 | 45,829 | (22,171) | - | - | - |
| Total revenues | 68,000 | 80,837 | 12,837 | 515,000 | - | (515,000) |
| EXPENDITURES | | | | | | |
| Capital outlay | | | | | | |
| General government | | | | | | |
| Operations and maintenance | 1,441,520 | 349,602 | 1,091,918 | - | - | - |
| Public safety | | | | | | |
| Operations and maintenance | 425,721 | 685,322 | (259,601) | - | - | - |
| Public works | | | | | | |
| Operations and maintenance | 610,425 | 391,880 | 218,545 | 511,055 | 11,610 | 499,445 |
| Total expenditures | 2,495,666 | 1,440,301 | 1,055,365 | 511,055 | 11,610 | 499,445 |
| Excess (deficiency) of revenue over (under) expenditures | (2,427,666) | (1,359,464) | 1,068,202 | 3,945 | (11,610) | (15,555) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 2,131,138 | 1,962,493 | (168,645) | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Loans | - | - | - | - | - | - |
| Proceeds from sale of capital assets | - | 5,070 | 5,070 | - | - | - |
| Total other financing sources(uses) | 2,131,138 | 1,967,563 | (163,575) | - | - | - |
| Net change in fund balances | \$ (296,528) | 608,099 | \$ 904,627 | \$ 3,945 | (11,610) | \$ (15,555) |
| Fund balance (deficit), July 1 | | 6,315,440 | | | (5,684) | |
| Fund balance (deficit), June 30 | | \$ 6,923,539 | | | \$ (17,294) | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 2 of 4)

| | RID PROJECTS | | | FEDERAL GRANT PROJECTS | | |
|---|------------------|-----------------|--|------------------------|--------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ 300,000 | \$ - | \$ (300,000) |
| Miscellaneous | - | - | - | - | - | - |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | - | - | - | 300,000 | - | (300,000) |
| EXPENDITURES | | | | | | |
| Capital outlay | | | | | | |
| General government | | | | | | |
| Operations and maintenance | - | - | - | 300,000 | 26,422 | 273,578 |
| Public safety | | | | | | |
| Operations and maintenance | - | - | - | - | - | - |
| Public works | | | | | | |
| Operations and maintenance | 250,000 | 158 | 249,842 | 6,500 | - | 6,500 |
| Total expenditures | 250,000 | 158 | 249,842 | 306,500 | 26,422 | 280,078 |
| Excess (deficiency) of revenue over (under) expenditures | (250,000) | (158) | 249,842 | (6,500) | (26,422) | (19,922) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Loans | 250,000 | - | (250,000) | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - | - | - |
| Total other financing sources(uses) | 250,000 | - | (250,000) | - | - | - |
| Net change in fund balances | \$ - | (158) | \$ (158) | \$ (6,500) | (26,422) | \$ (19,922) |
| Fund balance (deficit), July 1 | | - | | | (650) | |
| Fund balance (deficit), June 30 | | \$ (158) | | | \$ (27,072) | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 3 of 4)

| | SEARCH & RESCUE FACILITY | | | ROAD/BRIDGE INFRASTRUCTURE PROJECTS | | |
|---|--------------------------|-------------------|--|-------------------------------------|-------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ 7,470,681 | \$ 1,597,645 | \$ (5,873,036) |
| Miscellaneous | - | - | - | 1,300 | - | (1,300) |
| Investment earnings | - | - | - | - | - | - |
| Total revenues | - | - | - | 7,471,981 | 1,597,645 | (5,874,336) |
| EXPENDITURES | | | | | | |
| Capital outlay | | | | | | |
| General government | | | | | | |
| Operations and maintenance | - | - | - | - | - | - |
| Public safety | | | | | | |
| Operations and maintenance | - | 4,768 | (4,768) | - | - | - |
| Public works | | | | | | |
| Operations and maintenance | - | - | - | 8,356,138 | 2,528,043 | 5,828,095 |
| Total expenditures | - | 4,768 | (4,768) | 8,356,138 | 2,528,043 | 5,828,095 |
| Excess (deficiency) of revenue over (under) expenditures | - | (4,768) | (4,768) | (884,157) | (930,398) | (46,241) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | 731,462 | 1,028,280 | 296,818 |
| Transfers out | - | - | - | - | (43,102) | (43,102) |
| Loans | - | - | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - | - | - |
| Total other financing sources(uses) | - | - | - | 731,462 | 985,178 | 253,716 |
| Net change in fund balances | \$ - | (4,768) | \$ (4,768) | \$ (152,695) | 54,780 | \$ 207,475 |
| Fund balance (deficit), July 1 | | - | | | 236,676 | |
| Fund balance (deficit), June 30 | | \$ (4,768) | | | \$ 291,456 | |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 4 of 4)

| | TOTAL CAPITAL PROJECTS | | |
|---|------------------------|---------------------|--|
| | FINAL BUDGET | ACTUAL AMOUNTS | VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE) |
| REVENUES | | | |
| Intergovernmental | \$ 8,285,681 | \$ 1,632,653 | \$ (6,653,028) |
| Miscellaneous | 1,300 | - | (1,300) |
| Investment earnings | 68,000 | 45,829 | (22,171) |
| Total revenues | 8,354,981 | 1,678,482 | (6,676,499) |
| EXPENDITURES | | | |
| Capital outlay | | | |
| General government | | | |
| Operations and maintenance | 1,741,520 | 376,024 | 1,365,496 |
| Public safety | | | |
| Operations and maintenance | 425,721 | 690,090 | (264,369) |
| Public works | | | |
| Operations and maintenance | 9,734,118 | 2,931,691 | 6,802,427 |
| Total expenditures | 11,919,359 | 4,011,302 | 7,908,057 |
| Excess (deficiency) of revenue over (under) expenditures | (3,564,378) | (2,332,820) | 1,231,558 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 2,862,600 | 2,990,773 | (128,173) |
| Transfers out | - | (43,102) | 43,102 |
| Loans | 250,000 | - | 250,000 |
| Proceeds from sale of capital assets | - | 5,070 | (5,070) |
| Total other financing sources(uses) | 3,112,600 | 2,952,741 | 159,859 |
| Net change in fund balances | \$ (451,778) | 619,921 | \$ 1,391,417 |
| Fund balance (deficit), July 1 | | 6,545,782 | |
| Fund balance (deficit), June 30 | | \$ 7,165,703 | |

LEWIS AND CLARK COUNTY, MONTANA

ENTERPRISE FUNDS

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

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2013

| | AUGUSTA SOLID WASTE | LINCOLN SOLID WASTE | SCRATCH- GRAVEL LANDFILL | MARYSVILLE SOLID WASTE | TOTAL NONMAJOR ENTERPRISE FUND |
|--|--------------------------|--------------------------|--------------------------------|---------------------------|---|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | \$ 51,641 | \$ 188,592 | \$ 790,917 | \$ 37,732 | \$ 1,068,882 |
| Investments | 7,020 | 25,639 | 107,522 | 5,130 | 145,311 |
| Receivables: | | | | | |
| Accounts/contracts | 9,609 | 22,026 | 258,141 | 5,268 | 295,044 |
| Total current assets | <u>68,270</u> | <u>236,257</u> | <u>1,156,580</u> | <u>48,130</u> | <u>1,509,237</u> |
| Noncurrent assets: | | | | | |
| Restricted assets: | | | | | |
| Land and Construction in Progress | - | - | 54,611 | 3,587 | 58,198 |
| Buildings, improvements, vehicles and equipment(net) | 68,553 | 15,856 | - | - | 84,409 |
| Total noncurrent assets | <u>68,553</u> | <u>15,856</u> | <u>54,611</u> | <u>3,587</u> | <u>142,607</u> |
| Total assets | <u>136,823</u> | <u>252,113</u> | <u>1,211,191</u> | <u>51,717</u> | <u>1,651,844</u> |
| Liabilities: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | - | 10,619 | 133,943 | - | 144,562 |
| Landfill postclosure costs payable - current | - | - | 20,000 | - | 20,000 |
| Compensated absences payable | 525 | 148 | 408 | 169 | 1,250 |
| Total current liabilities | <u>525</u> | <u>10,767</u> | <u>154,351</u> | <u>169</u> | <u>165,812</u> |
| Noncurrent liabilities: | | | | | |
| Landfill postclosure costs payable | - | - | 220,000 | - | 220,000 |
| Compensated absences payable | 4,729 | 1,336 | 3,668 | 1,524 | 11,257 |
| Total noncurrent liabilities | <u>4,729</u> | <u>1,336</u> | <u>223,668</u> | <u>1,524</u> | <u>231,257</u> |
| Total liabilities | <u>5,254</u> | <u>12,103</u> | <u>378,019</u> | <u>1,693</u> | <u>397,069</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 68,553 | 15,856 | 54,611 | 3,587 | 142,607 |
| Unrestricted | 63,016 | 224,154 | 778,561 | 46,437 | 1,112,168 |
| Total net position | <u>\$ 131,569</u> | <u>\$ 240,010</u> | <u>\$ 833,172</u> | <u>\$ 50,024</u> | <u>\$ 1,254,775</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 For the Fiscal Year Ended June 30, 2013

| | <u>AUGUSTA LANDFILL</u> | <u>LINCOLN LANDFILL</u> | <u>SCRATCH- GRAVEL LANDFILL</u> | <u>MARYSVILLE LANDFILL</u> | <u>TOTAL</u> |
|---|-----------------------------|-----------------------------|---|--------------------------------|---------------------|
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 85,581 | \$ 166,779 | \$ 1,408,902 | \$ 30,422 | \$ 1,691,684 |
| Total Operating Revenues | 85,581 | 166,779 | 1,408,902 | 30,422 | 1,691,684 |
| OPERATING EXPENSES | | | | | |
| Personal services | 32,829 | 14,955 | 36,184 | 15,716 | 99,684 |
| Supplies | 4,966 | 5,198 | 70,809 | 11,895 | 92,868 |
| Purchased services | 52,115 | 102,850 | 1,135,471 | 65 | 1,290,501 |
| Depreciation | 7,630 | 3,075 | - | - | 10,705 |
| Total Operating Expenses | 97,540 | 126,078 | 1,242,464 | 27,676 | 1,493,758 |
| Operating income (loss) | (11,959) | 40,701 | 166,438 | 2,746 | 197,926 |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Interest income | 192 | 480 | 1,643 | 108 | 2,423 |
| Interest expense | (259) | - | - | - | (259) |
| Total Nonoperating Revenues (Expenses) | (67) | 480 | 1,643 | 108 | 2,164 |
| Income (loss) before transfers | (12,026) | 41,181 | 168,081 | 2,854 | 200,090 |
| Change in net position | (12,026) | 41,181 | 168,081 | 2,854 | 200,090 |
| Total net position, beginning | 143,595 | 198,829 | 665,091 | 47,170 | 1,054,685 |
| Total net position, ending | \$ 131,569 | \$ 240,010 | \$ 833,172 | \$ 50,024 | \$ 1,254,775 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 For the Fiscal Year Ended June 30, 2013

| | AUGUSTA LANDFILL | LINCOLN LANDFILL | SCRATCH- GRAVEL LANDFILL | MARYSVILLE LANDFILL | TOTAL |
|--|---------------------|---------------------|--------------------------------|------------------------|---------------------|
| Cash flows from operating activities: | | | | | |
| Cash received from customers | \$ 84,017 | \$ 170,493 | \$ 1,409,507 | \$ 30,074 | \$ 1,694,091 |
| Cash payments for goods and services | (57,081) | (106,916) | (1,187,589) | (11,960) | (1,363,546) |
| Cash payments for employees | (31,865) | (14,873) | (35,569) | (15,519) | (97,826) |
| Cash payments for landfill closure and post closure costs | - | - | (20,000) | - | (20,000) |
| Net cash provided by (used by) operating activities | (4,929) | 48,704 | 166,349 | 2,595 | 212,719 |
| Cash flows from capital and related financing activities: | | | | | |
| Principal repayment - bonds/loans | (21,996) | - | - | - | (21,996) |
| Interest paid | (259) | - | - | - | (259) |
| Net cash provided by (used by) capital and related financing activities | (22,255) | - | - | - | (22,255) |
| Cash flows from investing activities: | | | | | |
| Receipts of interest and dividends | 193 | 478 | 1,643 | 108 | 2,422 |
| Payments for investments | 6,877 | 1,140 | 10,992 | 1,386 | 20,395 |
| Net cash provided by (used by) investing activities | 7,070 | 1,618 | 12,635 | 1,494 | 22,817 |
| Net increase (decrease) in cash and cash equivalents | (20,114) | 50,322 | 178,984 | 4,089 | 213,281 |
| Cash and cash equivalents, July 1 | 71,755 | 138,270 | 611,933 | 33,643 | 855,601 |
| Cash and cash equivalents, June 30 | \$ 51,641 | \$ 188,592 | \$ 790,917 | \$ 37,732 | \$ 1,068,882 |
| Cash and cash equivalents, current | \$ 51,641 | \$ 188,592 | \$ 790,917 | \$ 37,732 | \$ 1,068,882 |
| Total Cash and cash equivalents, June 30 | \$ 51,641 | \$ 188,592 | \$ 790,917 | \$ 37,732 | \$ 1,068,882 |
| Reconciliation of operating income to net cash provided by operating activity: | | | | | |
| Operating income (loss) | \$ (11,959) | \$ 40,701 | \$ 166,438 | \$ 2,746 | \$ 197,926 |
| Adjustments to reconcile operating income to net cash provided by (used by) operating activities: | | | | | |
| Depreciation | 7,630 | 3,075 | - | - | 10,705 |
| Change in assets and liabilities: | | | | | |
| (Increase) decrease taxes/accounts/other receivables | (1,564) | 3,714 | 605 | (348) | 2,407 |
| Increase (decrease) compensated absences | 964 | 82 | 615 | 197 | 1,858 |
| Increase (decrease) accounts payable | - | 1,132 | 18,691 | - | 19,823 |
| Increase (decrease) postclosure liability | - | - | (20,000) | - | (20,000) |
| Net cash provided by (used by) operating activities | \$ (4,929) | \$ 48,704 | \$ 166,349 | \$ 2,595 | \$ 212,719 |
| Schedule of Noncash Transactions | | | | | |
| Write off of accounts receivables | 196 | 450 | 4,050 | 70 | 4,766 |

LEWIS AND CLARK COUNTY, MONTANA

INTERNAL SERVICE FUNDS

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

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

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

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

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

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

Liability Insurance - Used to account for liability insurance claims.

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

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

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 June 30, 2013
 (Page 1 of 2)

| | BUILDING MAINTENANCE SERVICES | HEALTH CARE FACILITIES | COUNTY SHOP | FUEL REVOLVING |
|--|-------------------------------------|------------------------------|--------------------------|-------------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 532,789 | \$ 193,521 | \$ 270,948 | \$ 50,928 |
| Investments | 72,431 | 26,309 | 36,834 | 6,923 |
| Receivables: | | | | |
| Accounts/contracts | - | - | - | - |
| Inventories | - | - | 9,362 | 27,279 |
| Total current assets | <u>605,220</u> | <u>219,830</u> | <u>317,144</u> | <u>85,130</u> |
| Noncurrent assets: | | | | |
| Cash and cash equivalents | - | 69,883 | - | - |
| Land and Construction in Progress | - | 212,844 | - | - |
| Buildings, improvements, vehicles and equipment(net) | 295,401 | 546,012 | 28,034 | - |
| Total noncurrent assets | <u>295,401</u> | <u>828,739</u> | <u>28,034</u> | <u>-</u> |
| Total assets | <u>900,621</u> | <u>1,048,569</u> | <u>345,178</u> | <u>85,130</u> |
| Liabilities: | | | | |
| Current liabilities: | | | | |
| Accounts payable | 54,197 | 5,378 | 10,864 | 19,195 |
| Revenue bonds payable | - | 55,000 | - | - |
| Claims payable | - | - | - | - |
| Compensated absences payable | 5,020 | 2,329 | 2,948 | - |
| Total current liabilities | <u>59,217</u> | <u>62,707</u> | <u>13,812</u> | <u>19,195</u> |
| Noncurrent liabilities: | | | | |
| Revenue bonds payable | - | 240,000 | - | - |
| Compensated absences payable | 45,182 | 20,963 | 26,529 | - |
| Total noncurrent liabilities | <u>45,182</u> | <u>260,963</u> | <u>26,529</u> | <u>-</u> |
| Total liabilities | <u>104,399</u> | <u>323,670</u> | <u>40,341</u> | <u>19,195</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 295,401 | 463,856 | 28,034 | - |
| Restricted for bond reserve | - | 69,883 | - | - |
| Unrestricted | 500,821 | 191,160 | 276,803 | 65,935 |
| Total net position | <u>\$ 796,222</u> | <u>\$ 724,899</u> | <u>\$ 304,837</u> | <u>\$ 65,935</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 June 30, 2013
 (Page 2 of 2)

| | INFORMATION TECHNOLOGY & SERVICES | LIABILITY INSURANCE | HEALTH INSURANCE | FLEXIBLE BENEFITS ADMINISTRATION | TOTAL INTERNAL SERVICE |
|--|---|--------------------------|--------------------------|--|------------------------------|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | \$ 1,366,245 | \$ 706,097 | \$ 584,831 | \$ 14,503 | \$ 3,719,862 |
| Investments | 185,738 | 95,992 | 79,507 | 1,972 | 505,706 |
| Receivables: | | | | | |
| Accounts/contracts | - | - | 191,171 | - | 191,171 |
| Inventories | - | - | - | - | 36,641 |
| Total current assets | <u>1,551,983</u> | <u>802,089</u> | <u>855,509</u> | <u>16,475</u> | <u>4,453,380</u> |
| Noncurrent assets: | | | | | |
| Cash and cash equivalents | - | - | - | - | 69,883 |
| Land and Construction in Progress | - | - | - | - | 212,844 |
| Buildings, improvements, vehicles and equipment(net) | 208,198 | - | - | - | 1,077,645 |
| Total noncurrent assets | <u>208,198</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,360,372</u> |
| Total assets | <u>1,760,181</u> | <u>802,089</u> | <u>855,509</u> | <u>16,475</u> | <u>5,813,752</u> |
| Liabilities: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 45,999 | - | - | - | 135,633 |
| Revenue bonds payable | - | - | - | - | 55,000 |
| Claims payable | - | - | 365,212 | - | 365,212 |
| Compensated absences payable | 8,849 | - | 657 | - | 19,803 |
| Total current liabilities | <u>54,848</u> | <u>-</u> | <u>365,869</u> | <u>-</u> | <u>575,648</u> |
| Noncurrent liabilities: | | | | | |
| Revenue bonds payable | - | - | - | - | 240,000 |
| Compensated absences payable | 79,639 | - | 5,912 | - | 178,225 |
| Total noncurrent liabilities | <u>79,639</u> | <u>-</u> | <u>5,912</u> | <u>-</u> | <u>418,225</u> |
| Total liabilities | <u>134,487</u> | <u>-</u> | <u>371,781</u> | <u>-</u> | <u>993,873</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 208,198 | - | - | - | 995,489 |
| Restricted for bond reserve | - | - | - | - | 69,883 |
| Unrestricted | 1,417,496 | 802,089 | 483,728 | 16,475 | 3,754,507 |
| Total net position | <u>\$ 1,625,694</u> | <u>\$ 802,089</u> | <u>\$ 483,728</u> | <u>\$ 16,475</u> | <u>\$ 4,819,879</u> |

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2013
(Page 1 of 2)**

| | BUILDING MAINTENANCE SERVICES | HEALTH CARE FACILITIES | COUNTY SHOP | FUEL REVOLVING |
|---|--|---------------------------------------|------------------------|---------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 1,067,837 | \$ 253,578 | \$ 489,843 | \$ 430,946 |
| Miscellaneous | 12,994 | - | - | - |
| Total Operating Revenues | 1,080,831 | 253,578 | 489,843 | 430,946 |
| OPERATING EXPENSES | | | | |
| Personal services | 424,755 | 141,231 | 244,844 | - |
| Supplies | 279,011 | 49,646 | 204,938 | 431,096 |
| Purchased services | 319,532 | 46,757 | 55,685 | 1,268 |
| Depreciation | 37,000 | 25,997 | 4,514 | - |
| Total Operating Expenses | 1,060,298 | 263,631 | 509,981 | 432,364 |
| Operating income (loss) | 20,533 | (10,053) | (20,138) | (1,418) |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Intergovernmental | - | - | - | - |
| Interest income | 1,116 | 1,038 | 893 | 123 |
| Interest expense | - | (20,560) | - | - |
| Gains/losses from sale of assets | - | - | 2,989 | - |
| Total Nonoperating Revenues (Expenses) | 1,116 | (19,522) | 3,882 | 123 |
| Income (loss) before transfers | 21,649 | (29,575) | (16,256) | (1,295) |
| Transfers in | - | 67,490 | - | - |
| Transfers out | - | - | (2,000) | - |
| Change in net position | 21,649 | 37,915 | (18,256) | (1,295) |
| Total net position, beginning | 774,573 | 686,984 | 323,093 | 67,230 |
| Total net position, ending | \$ 796,222 | \$ 724,899 | \$ 304,837 | \$ 65,935 |

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2013
(Page 2 of 2)**

| | INFORMATION TECHNOLOGY & SERVICES | LIABILITY INSURANCE | HEALTH INSURANCE | FLEXIBLE BENEFITS ADMINISTRATION | TOTAL |
|---|--|--------------------------------|-----------------------------|---|---------------------|
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 2,104,788 | \$ 630,281 | \$ 4,392,572 | \$ - | \$ 9,369,845 |
| Miscellaneous | - | 8,277 | - | - | 21,271 |
| Total Operating Revenues | 2,104,788 | 638,558 | 4,392,572 | - | 9,391,116 |
| OPERATING EXPENSES | | | | | |
| Personal services | 1,130,832 | - | 52,724 | - | 1,994,386 |
| Supplies | 450,391 | 496,216 | - | - | 1,911,298 |
| Purchased services | 534,407 | 9,098 | 3,953,228 | - | 4,919,975 |
| Depreciation | 52,091 | - | - | - | 119,602 |
| Total Operating Expenses | 2,167,721 | 505,314 | 4,005,952 | - | 8,945,261 |
| Operating income (loss) | (62,933) | 133,244 | 386,620 | - | 445,855 |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Intergovernmental | 60,000 | - | - | - | 60,000 |
| Interest income | 3,110 | 1,288 | 1,468 | - | 9,036 |
| Interest expense | - | - | - | - | (20,560) |
| Gains/losses from sale of assets | - | - | - | - | 2,989 |
| Total Nonoperating Revenues (Expenses) | 63,110 | 1,288 | 1,468 | - | 51,465 |
| Income (loss) before transfers | 177 | 134,532 | 388,088 | - | 497,320 |
| Transfers in | - | - | - | - | 67,490 |
| Transfers out | (500) | - | - | - | (2,500) |
| Change in net position | (323) | 134,532 | 388,088 | - | 562,310 |
| Total net position, beginning | 1,626,017 | 667,557 | 95,640 | 16,475 | 4,257,569 |
| Total net position, ending | \$ 1,625,694 | \$ 802,089 | \$ 483,728 | \$ 16,475 | \$ 4,819,879 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 1 of 2)

| | BUILDING MAINTENANCE SERVICES | HEALTH CARE FACILITIES | COUNTY SHOP | FUEL REVOLVING |
|--|-------------------------------------|------------------------------|-------------------|-------------------|
| Cash flows from operating activities: | | | | |
| Cash received from customers | \$ 1,123,654 | \$ 253,578 | \$ 489,843 | \$ 430,946 |
| Cash payments for goods and services | (576,549) | (96,403) | (257,904) | (428,052) |
| Cash payments for employees | (433,061) | (140,043) | (239,445) | - |
| Cash received from other operating revenues | 12,994 | - | - | - |
| Net cash provided by (used by) operating activities | 127,038 | 17,132 | (7,506) | 2,894 |
| Cash flows from noncapital financing activities: | | | | |
| Proceeds received from non-capital grants | - | - | - | - |
| Transfers from other Funds | - | 67,490 | - | - |
| Transfers to other Funds | - | - | (2,000) | - |
| Net cash provided by (used by) noncapital financing activities | - | 67,490 | (2,000) | - |
| Cash flows from capital and related financing activities: | | | | |
| Proceeds from sale of capital assets | - | - | 2,989 | - |
| Principal repayment - bonds/loans | - | (50,000) | - | - |
| Interest paid | - | (20,560) | - | - |
| Net cash provided by (used by) capital and related financing activities | - | (70,560) | 2,989 | - |
| Cash flows from investing activities: | | | | |
| Receipts of interest and dividends | 1,116 | 1,038 | 893 | 123 |
| Payments for investments | 4,973 | 6,807 | 14,016 | 1,974 |
| Net cash provided by (used by) investing activities | 6,089 | 7,845 | 14,909 | 2,097 |
| Net increase (decrease) in cash and cash equivalents | 133,127 | 21,907 | 8,392 | 4,991 |
| Cash and cash equivalents, July 1 | 399,662 | 241,497 | 262,556 | 45,937 |
| Cash and cash equivalents, June 30 | \$ 532,789 | \$ 263,404 | \$ 270,948 | \$ 50,928 |
| Cash and cash equivalents, current | \$ 532,789 | \$ 193,521 | \$ 270,948 | \$ 50,928 |
| Cash and cash equivalents, noncurrent - restricted | - | 69,883 | - | - |
| Total Cash and cash equivalents, June 30 | \$ 532,789 | \$ 263,404 | \$ 270,948 | \$ 50,928 |
| Reconciliation of operating income to net cash provided by operating activity: | | | | |
| Operating income (loss) | \$ 20,533 | \$ (10,053) | \$ (20,138) | \$ (1,418) |
| Adjustments to reconcile operating income to net cash provided by (used by) operating activities: | | | | |
| Depreciation | 37,000 | 25,997 | 4,514 | - |
| Change in assets and liabilities: | | | | |
| (Increase) decrease taxes/accounts/other receivables | 55,817 | - | - | - |
| (Increase) decrease inventory | - | - | 1,863 | 3,531 |
| Increase (decrease) compensated absences | (5,740) | 906 | 3,523 | - |
| Increase (decrease) accounts payable | 19,428 | 282 | 2,732 | 781 |
| Increase (decrease) claims payable | - | - | - | - |
| Net cash provided by (used by) operating activities | \$ 127,038 | \$ 17,132 | \$ (7,506) | \$ 2,894 |

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013
 (Page 2 of 2)

| | INFORMATION TECHNOLOGY & SERVICES | LIABILITY INSURANCE | HEALTH INSURANCE | FLEXIBLE BENEFITS ADMINI- STRATION | TOTAL |
|--|---|------------------------|---------------------|---|---------------------|
| Cash flows from operating activities: | | | | | |
| Cash received from customers | \$ 2,104,788 | \$ 630,281 | \$ 4,522,841 | \$ - | \$ 9,555,931 |
| Cash payments for goods and services | (1,036,832) | (520,925) | (3,940,542) | - | (6,857,207) |
| Cash payments for employees | (1,126,277) | - | (53,220) | - | (1,992,046) |
| Cash received from other operating revenues | - | 8,277 | - | - | 21,271 |
| Net cash provided by (used by) operating activities | (58,321) | 117,633 | 529,079 | - | 727,949 |
| Cash flows from noncapital financing activities: | | | | | |
| Proceeds received from non-capital grants | 60,000 | - | - | - | 60,000 |
| Transfers from other Funds | - | - | - | - | 67,490 |
| Transfers to other Funds | (500) | - | - | - | (2,500) |
| Net cash provided by (used by) noncapital financing activities | 59,500 | - | - | - | 124,990 |
| Cash flows from capital and related financing activities: | | | | | |
| Proceeds from sale of capital assets | - | - | - | - | 2,989 |
| Principal repayment - bonds/loans | - | - | - | - | (50,000) |
| Interest paid | - | - | - | - | (20,560) |
| Net cash provided by (used by) capital and related financing activities | - | - | - | - | (67,571) |
| Cash flows from investing activities: | | | | | |
| Receipts of interest and dividends | 3,110 | 1,288 | 1,468 | - | 9,036 |
| Payments for investments | 65,374 | 14,851 | (57,799) | 701 | 50,897 |
| Net cash provided by (used by) investing activities | 68,484 | 16,139 | (56,331) | 701 | 59,933 |
| Net increase (decrease) in cash and cash equivalents | 69,663 | 133,772 | 472,748 | 701 | 845,301 |
| Cash and cash equivalents, July 1 | 1,296,582 | 572,325 | 112,083 | 13,802 | 2,944,444 |
| Cash and cash equivalents, June 30 | \$ 1,366,245 | \$ 706,097 | \$ 584,831 | \$ 14,503 | \$ 3,789,745 |
| Cash and cash equivalents, current | \$ 1,366,245 | \$ 706,097 | \$ 584,831 | \$ 14,503 | \$ 3,719,862 |
| Cash and cash equivalents, noncurrent - restricted | - | - | - | - | 69,883 |
| Cash and cash equivalents, June 30 | \$ 1,366,245 | \$ 706,097 | \$ 584,831 | \$ 14,503 | \$ 3,789,745 |
| Reconciliation of operating income to net cash provided by operating activity: | | | | | |
| Operating income (loss) | \$ (62,933) | \$ 133,244 | \$ 386,620 | \$ - | \$ 445,855 |
| Adjustments to reconcile operating income to net cash provided by (used by) operating activities: | | | | | |
| Depreciation | 52,091 | - | - | - | 119,602 |
| Change in assets and liabilities: | | | | | |
| (Increase) decrease taxes/accounts/other receivables | - | - | 130,269 | - | 186,086 |
| (Increase) decrease inventory | - | - | - | - | 5,394 |
| Increase (decrease) compensated absences | 1,021 | - | (496) | - | (786) |
| Increase (decrease) accounts payable | (48,500) | (15,611) | - | - | (40,888) |
| Increase (decrease) claims payable | - | - | 12,686 | - | 12,686 |
| Net cash provided by (used by) operating activities | \$ (58,321) | \$ 117,633 | \$ 529,079 | \$ - | \$ 727,949 |



LEWIS AND CLARK COUNTY, MONTANA

DISCRETELY PRESENTED COMPONENT UNITS

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

LEWIS AND CLARK COUNTY, MONTANA
 COMPONENT UNIT
 BALANCE SHEET
 June 30, 2013

| | COOPERATIVE HEALTH CENTER |
|---|--|
| ASSETS AND OTHER DEBITS | |
| Assets: | |
| Cash and cash equivalents | \$ 873,682 |
| Investments | 118,774 |
| Receivables: | |
| Accounts/contracts | 254,513 |
| Due from other governments | 11,968 |
| Inventories | 70,802 |
| Prepaid charges | 19,321 |
| TOTAL ASSETS/OTHER DEBITS | <u>\$ 1,349,060</u> |
| LIABILITIES, EQUITY AND OTHER CREDITS | |
| Liabilities: | |
| Accounts payable | \$ 128,960 |
| Deferred revenues | 5,652 |
| Total Liabilities | <u>134,612</u> |
| Fund balance: | |
| Reserved for: | |
| Nonspendable | |
| Inventory | 70,802 |
| Prepayments | 19,321 |
| Restricted | 1,124,325 |
| Total Equity and Other Credits | <u>1,214,448</u> |
| TOTAL LIABILITIES AND FUND EQUITY | <u>\$ 1,349,060</u> |
| RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS | |
| Total <i>fund balance</i> for governmental funds | \$ 1,214,448 |
| Amounts reported for governmental activities in the Statement of Net Assets are different because: | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | |
| Land and Construction in Progress | 134,940 |
| Buildings, Improvements, Vehicles and Equipment(net) | 386,516 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: | |
| Compensated Absences | (198,029) |
| OPEB implicit rate subsidy | (31,225) |
| Net Assets of Governmental Activities | <u>\$ 1,506,650</u> |

LEWIS AND CLARK COUNTY, MONTANA
 COMPONENT UNIT FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 For the Fiscal Year Ended June 30, 2013

| | COOPERATIVE HEALTH CENTER |
|---|--|
| REVENUES | |
| Intergovernmental | \$ 1,827,240 |
| Charges for services | 1,952,882 |
| Miscellaneous | 418,422 |
| | <hr/> |
| Total Revenues | 4,198,544 |
| | <hr/> |
| EXPENDITURES | |
| Current: | |
| Public health | 4,061,360 |
| Capital outlay | 141,903 |
| | <hr/> |
| Total Expenditures | 4,203,263 |
| | <hr/> |
| Excess (deficiency) of revenue over (under) expenditures | (4,719) |
| | <hr/> |
| Net change in fund balances | (4,719) |
| | <hr/> |
| Fund balance, July 1 | 1,219,167 |
| | <hr/> |
| Fund balance, June 30 | \$ 1,214,448 |
| | <hr/> <hr/> |

**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 \$ (4,719)

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses.

| | |
|---|----------|
| Capital assets purchases capitalized | - |
| Construction in Progress increase/(decrease) | 134,940 |
| Retirement, Trade In, Donation, etc of Capital assets | - |
| Depreciation expense | (23,780) |

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 | (1,994) |
| OPEB implicit rate subsidy | (6,049) |
| | <hr/> |

Change in net assets of governmental activities **\$ 98,398**



LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – INVESTMENT TRUST FUNDS

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

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

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

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF FIDUCIARY NET POSITION - INVESTMENT TRUST FUNDS
FIDUCIARY FUNDS
June 30, 2013**

| | EXTERNAL PORTION INVESTMENT POOL | INDIVIDUAL INVESTMENT FUNDS | TOTAL INVESTMENT TRUST FUNDS |
|---------------------------------------|---|--|---|
| ASSETS | | | |
| Cash and cash equivalents | \$ 26,511,045 | \$ 3,234,774 | \$ 29,745,819 |
| Investments | 3,604,098 | - | 3,604,098 |
| Total assets | 30,115,143 | 3,234,774 | 33,349,917 |
| NET POSITION | | | |
| Held in trust for: | | | |
| External investment pool participants | 30,115,143 | - | 30,115,143 |
| Individual investment accounts | - | 3,234,774 | 3,234,774 |
| Total net position | \$ 30,115,143 | \$ 3,234,774 | \$ 33,349,917 |

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - INVESTMENT TRUST FUNDS
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2013**

| | EXTERNAL PORTION INVESTMENT POOL | INDIVIDUAL INVESTMENT FUNDS | TOTAL INVESTMENT TRUST FUNDS |
|--|---|--|---|
| ADDITIONS | | | |
| Contributions to pooled investments | \$ 104,495,046 | \$ 1,682,107 | \$ 106,177,153 |
| Interest and investment income | 83,580 | (2,723) | 80,857 |
| Total additions | 104,578,626 | 1,679,384 | 106,258,010 |
| DEDUCTIONS | | | |
| Distribution from pooled investments | 104,810,827 | 1,293,960 | 106,104,787 |
| Administrative expenses | 2,508 | - | 2,508 |
| Total deductions | 104,813,335 | 1,293,960 | 106,107,295 |
| Change in net position: | | | |
| Pool participants | (234,709) | 385,424 | 150,715 |
| Net position held in trust, beginning of year | 30,349,852 | 2,849,350 | 33,199,202 |
| Net position held in trust, end of year | \$ 30,115,143 | \$ 3,234,774 | \$ 33,349,917 |



LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – AGENCY FUNDS

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

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

Specific

| | |
|-------------------------------------|-----------------------------------|
| Tri-County Working Group | Entitlement Levy |
| Special Mobile Units - Holding | Tax Review |
| Fairgrounds Users Foundation | Mobile Home/Partial Pay Holding |
| Payroll Fund | Protested Tax |
| Refund Revolving | Estate Administrator |
| AT&T Advance Holding | Redemption |
| Sheriff's Commissary | Clerk of District Court |
| Sheriff's Volunteer Fire Department | Investment Earnings |
| County Crime Prevention Program | Restitution |
| Sheriff's Civil Trust | Fairgrounds Security Deposits |
| Solid Waste Task Force | County Flex Plan |
| Tax Deed Land | MACO Medical Flex Plan |
| Cooney Patient Trust | Subdivision Improvement Agreement |

Special Districts

| | |
|----------------------------|-----------------------------------|
| Augusta Fire District | Marysville Fire District |
| Eastgate Fire District | Augusta Rural Fire Service Area |
| Baxendale Fire | Montana City Fire District |
| East Helena Valley Fire | Tri-Lakes Fire Service Area |
| Birdseye Fire | Helena Valley Irrigation |
| Wolf Creek/Craig Fire | Helena Valley Irrigation Contract |
| York Fire Service Area | Augusta Cemetery |
| Canyon Creek Fire | Soil Conservation District |
| Dearborn Fire Service Area | LaCasa Grande Water District |
| Westside Fire | Treasure State Sewer District |
| Lincoln Fire | Augusta Water/Sewer District |
| West Helena Valley Fire | Lincoln Hospital District |

Schools

| | |
|-----------------------------------|-----------------------------------|
| Helena Elem. School District #1 | Lincoln School District #38 |
| Helena High School District #1 | Augusta Elem. School District #45 |
| Canyon Creek School District #4 | Augusta High School District #45 |
| Prickly Pear Cooperative | County-wide School Transportation |
| East Helena School District #9 | County-wide Elementary Retirement |
| Wolf Creek School District #13 | County-wide High Retirement |
| Auchard Creek School District #27 | |

LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – AGENCY FUNDS

Cities

City of Helena

City of East Helena

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 Lice/Marriage w/o Sol

Livestock (Per Capita) Assessments

University Millage

State Equalization Aid

Vo-Tech Millage

Montana Land Information

Forest Fire Protection

Abandoned Property

Montana Interactive

Lewis and Clark Library

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2013
 (Page 1 of 6)

| | TRI-COUNTY WORKING GROUP | SPEC MOBILE-UNITS HOLDING | FAIRGROUNDS USERS FOUNDATION | PAYROLL | REFUND REVOLVING |
|---------------------------|--------------------------------|---------------------------------|------------------------------------|--------------------------|---------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,103 | \$ - | \$ 74,150 | \$ 137,536 | \$ - |
| Investments | 150 | - | 10,081 | 18,697 | - |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Land held for resale | - | - | - | - | - |
| Total assets | <u>\$ 1,253</u> | <u>\$ -</u> | <u>\$ 84,231</u> | <u>\$ 156,233</u> | <u>\$ -</u> |
| Liabilities: | | | | | |
| Accounts payable | \$ 1,253 | \$ - | \$ 84,231 | \$ - | \$ - |
| Intergovernmental payable | - | - | - | 156,233 | - |
| Contracts/loans payable | - | - | - | - | - |
| Total liabilities | <u>\$ 1,253</u> | <u>\$ -</u> | <u>\$ 84,231</u> | <u>\$ 156,233</u> | <u>\$ -</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2013
 (Page 2 of 6)

| | AT & T ADVANCE HOLDING | SHERIFF'S COMMISSARY | SHERIFF'S VOLUNTEER FIRE DEPARTMENT | COUNTY CRIME PREVENTION PROGRAM | SHERIFF CIVIL TRUST |
|---------------------------|------------------------------|-------------------------|---|---------------------------------------|---------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 866 | \$ 6,761 | \$ 2,111 | \$ 636 | \$ 38,896 |
| Investments | 117 | 919 | 287 | 86 | 5,288 |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Land held for resale | - | - | - | - | - |
| Total assets | <u>\$ 983</u> | <u>\$ 7,680</u> | <u>\$ 2,398</u> | <u>\$ 722</u> | <u>\$ 44,184</u> |
| Liabilities: | | | | | |
| Accounts payable | \$ 983 | \$ 7,680 | \$ 2,398 | \$ 722 | \$ 44,184 |
| Intergovernmental payable | - | - | - | - | - |
| Contracts/loans payable | - | - | - | - | - |
| Total liabilities | <u>\$ 983</u> | <u>\$ 7,680</u> | <u>\$ 2,398</u> | <u>\$ 722</u> | <u>\$ 44,184</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2013
 (Page 3 of 6)

| | SOLID WASTE TASK FORCE | TAX DEED LAND | COONEY PATIENT TRUST | ENTITLEMENT LEVY | TAX REVIEW |
|---------------------------|---------------------------|---------------------|----------------------------|---------------------|------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,506 | \$ - | \$ - | \$ - | \$ 52,095 |
| Investments | 205 | - | - | - | 7,083 |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | 362,360 | - |
| Land held for resale | - | 20,806 | - | - | - |
| Total assets | \$ 1,711 | \$ 20,806 | \$ - | \$ 362,360 | \$ 59,178 |
| Liabilities: | | | | | |
| Accounts payable | \$ 1,711 | \$ 20,806 | \$ - | \$ - | \$ 59,178 |
| Intergovernmental payable | - | - | - | 362,360 | - |
| Contracts/loans payable | - | - | - | - | - |
| Total liabilities | \$ 1,711 | \$ 20,806 | \$ - | \$ 362,360 | \$ 59,178 |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2013
 (Page 4 of 6)

| | <u>MOBILE HOME PARTIAL PAYMENT HOLDING</u> | <u>PROTESTED TAX</u> | <u>ESTATE ADMINISTRATOR</u> | <u>REDEMPTIONS</u> | <u>CLERK OF DISTRICT COURT</u> |
|---------------------------|--|-----------------------------|---------------------------------|-------------------------|------------------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 278 | \$ 9,536,966 | \$ 246,639 | \$ 43,066 | \$ 54,941 |
| Investments | 38 | 1,296,524 | 33,529 | 5,855 | 7,469 |
| Receivables: | | | | | |
| Taxes/assessments | - | - | - | - | - |
| Land held for resale | - | - | - | - | - |
| Total assets | <u>\$ 316</u> | <u>\$ 10,833,490</u> | <u>\$ 280,168</u> | <u>\$ 48,921</u> | <u>\$ 62,410</u> |
| Liabilities: | | | | | |
| Accounts payable | \$ 316 | \$ 10,833,490 | \$ 280,168 | \$ 48,921 | \$ 62,410 |
| Intergovernmental payable | - | - | - | - | - |
| Contracts/loans payable | - | - | - | - | - |
| Total liabilities | <u>\$ 316</u> | <u>\$ 10,833,490</u> | <u>\$ 280,168</u> | <u>\$ 48,921</u> | <u>\$ 62,410</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2013
 (Page 5 of 6)

| | INVESTMENT EARNINGS | RESTITUTION | FAIRGROUNDS SECURITY DEPOSITS | COUNTY FLEX PLAN | MACO MEDICAL FLEX PLAN | SUBDIVISION IMPROVEMENT AGREEMENTS |
|---------------------------|------------------------|------------------|-------------------------------------|---------------------|------------------------------|--|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 22,281 | \$ 69,975 | \$ 11,827 | \$ (10,979) | \$ 385 | \$ 130,480 |
| Investments | 3,029 | 9,513 | 1,608 | (1,493) | 53 | 17,738 |
| Receivables: | | | | | | |
| Taxes/assessments | - | - | - | - | - | - |
| Land held for resale | - | - | - | - | - | - |
| Total assets | \$ 25,310 | \$ 79,488 | \$ 13,435 | \$ (12,472) | \$ 438 | \$ 148,218 |
| Liabilities: | | | | | | |
| Accounts payable | \$ - | \$ 79,488 | \$ 13,435 | \$ (12,472) | \$ 438 | \$ 148,218 |
| Intergovernmental payable | 25,310 | - | - | - | - | - |
| Contracts/loans payable | - | - | - | - | - | - |
| Total liabilities | \$ 25,310 | \$ 79,488 | \$ 13,435 | \$ (12,472) | \$ 438 | \$ 148,218 |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2013
 (Page 6 of 6)

| | SPECIAL DISTRICTS | SCHOOLS | CITIES | STATE | Library | TOTAL AGENCY FUNDS |
|---------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|--------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 48,515 | \$ - | \$ 228,296 | \$ 725,619 | \$ 2,855,821 | \$ 14,279,770 |
| Investments | 6,595 | - | 31,036 | 98,645 | 388,240 | 1,941,292 |
| Receivables: | | | | | | |
| Taxes/assessments | 128,074 | 6,039,198 | 2,953,522 | 1,658,723 | 447,949 | 11,589,826 |
| Land held for resale | - | - | - | - | - | 20,806 |
| Total assets | \$ 183,184 | \$ 6,039,198 | \$ 3,212,854 | \$ 2,482,987 | \$ 3,692,010 | \$ 27,831,694 |
| Liabilities: | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 11,677,558 |
| Intergovernmental payable | 183,184 | 6,039,198 | 3,212,854 | 2,482,987 | 3,692,010 | 16,154,136 |
| Contracts/loans payable | - | - | - | - | - | - |
| Total liabilities | \$ 183,184 | \$ 6,039,198 | \$ 3,212,854 | \$ 2,482,987 | \$ 3,692,010 | \$ 27,831,694 |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 1 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|---------------------------------------|-------------------------|---------------------|---------------------|--------------------------|
| TRI-COUNTY WORKING GROUP | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 1,055 | \$ 198 | \$ - | \$ 1,253 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 1,055</u> | <u>\$ 198</u> | <u>\$ -</u> | <u>\$ 1,253</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 1,055 | \$ 198 | \$ - | \$ 1,253 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 1,055</u> | <u>\$ 198</u> | <u>\$ -</u> | <u>\$ 1,253</u> |
| SPECIAL MOBILE UNITS - HOLDING | | | | |
| ASSETS | | | | |
| Cash and investments | \$ - | \$ 160,366 | \$ 160,366 | \$ - |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ -</u> | <u>\$ 160,366</u> | <u>\$ 160,366</u> | <u>\$ -</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ 160,366 | \$ 160,366 | \$ - |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ -</u> | <u>\$ 160,366</u> | <u>\$ 160,366</u> | <u>\$ -</u> |
| FAIRGROUNDS USERS FOUNDATION | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 84,003 | \$ 16,888 | \$ 16,660 | \$ 84,231 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 84,003</u> | <u>\$ 16,888</u> | <u>\$ 16,660</u> | <u>\$ 84,231</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 84,003 | \$ 16,888 | \$ 16,660 | \$ 84,231 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 84,003</u> | <u>\$ 16,888</u> | <u>\$ 16,660</u> | <u>\$ 84,231</u> |
| PAYROLL FUND | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 247,061 | \$ 8,639,283 | \$ 8,730,111 | \$ 156,233 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 247,061</u> | <u>\$ 8,639,283</u> | <u>\$ 8,730,111</u> | <u>\$ 156,233</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | 247,061 | 8,639,283 | 8,730,111 | 156,233 |
| Total Liabilities | <u>\$ 247,061</u> | <u>\$ 8,639,283</u> | <u>\$ 8,730,111</u> | <u>\$ 156,233</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 2 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|--|-------------------------|-------------------|-------------------|--------------------------|
| REFUND REVOLVING | | | | |
| ASSETS | | | | |
| Cash and investments | \$ - | \$ 31,385 | \$ 31,385 | \$ - |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ -</u> | <u>\$ 31,385</u> | <u>\$ 31,385</u> | <u>\$ -</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ 31,385 | \$ 31,385 | \$ - |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ -</u> | <u>\$ 31,385</u> | <u>\$ 31,385</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 | \$ 4,218 | \$ 243,994 | \$ 240,532 | \$ 7,680 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 4,218</u> | <u>\$ 243,994</u> | <u>\$ 240,532</u> | <u>\$ 7,680</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 4,218 | \$ 243,994 | \$ 240,532 | \$ 7,680 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 4,218</u> | <u>\$ 243,994</u> | <u>\$ 240,532</u> | <u>\$ 7,680</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> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 3 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|--|-------------------------|-------------------|-------------------|--------------------------|
| 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 | \$ 34,595 | \$ 174,638 | \$ 165,049 | \$ 44,184 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 34,595</u> | <u>\$ 174,638</u> | <u>\$ 165,049</u> | <u>\$ 44,184</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 34,595 | \$ 174,638 | \$ 165,049 | \$ 44,184 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 34,595</u> | <u>\$ 174,638</u> | <u>\$ 165,049</u> | <u>\$ 44,184</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 | 20,806 | 1,522 | 1,522 | 20,806 |
| Total Assets | <u>\$ 20,806</u> | <u>\$ 1,522</u> | <u>\$ 1,522</u> | <u>\$ 20,806</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 20,806 | \$ 1,522 | \$ 1,522 | \$ 20,806 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 20,806</u> | <u>\$ 1,522</u> | <u>\$ 1,522</u> | <u>\$ 20,806</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 4 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|--|-------------------------|---------------------|---------------------|--------------------------|
| ENTITLEMENT LEVY | | | | |
| ASSETS | | | | |
| Cash and investments | \$ - | \$ 3,774,413 | \$ 3,774,413 | \$ - |
| Receivables | 285,802 | 2,134,754 | 2,058,196 | 362,360 |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 285,802</u> | <u>\$ 5,909,167</u> | <u>\$ 5,832,609</u> | <u>\$ 362,360</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | 285,802 | 5,909,167 | 5,832,609 | 362,360 |
| Total Liabilities | <u>\$ 285,802</u> | <u>\$ 5,909,167</u> | <u>\$ 5,832,609</u> | <u>\$ 362,360</u> |
| TAX REVIEW | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 90,185 | \$ 20,209 | \$ 51,216 | \$ 59,178 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 90,185</u> | <u>\$ 20,209</u> | <u>\$ 51,216</u> | <u>\$ 59,178</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 90,185 | \$ 20,209 | \$ 51,216 | \$ 59,178 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 90,185</u> | <u>\$ 20,209</u> | <u>\$ 51,216</u> | <u>\$ 59,178</u> |
| MOBILE HOME/PARTIAL PAY HOLDING | | | | |
| ASSETS | | | | |
| Cash and investments | \$ - | \$ 6,995 | \$ 6,679 | \$ 316 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ -</u> | <u>\$ 6,995</u> | <u>\$ 6,679</u> | <u>\$ 316</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ 6,995 | \$ 6,679 | \$ 316 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ -</u> | <u>\$ 6,995</u> | <u>\$ 6,679</u> | <u>\$ 316</u> |
| PROTESTED TAX | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 7,817,835 | \$ 3,067,737 | \$ 52,082 | \$ 10,833,490 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 7,817,835</u> | <u>\$ 3,067,737</u> | <u>\$ 52,082</u> | <u>\$ 10,833,490</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 7,817,835 | \$ 3,067,737 | \$ 52,082 | \$ 10,833,490 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 7,817,835</u> | <u>\$ 3,067,737</u> | <u>\$ 52,082</u> | <u>\$ 10,833,490</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 5 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|---------------------------------|-------------------------|---------------------|---------------------|--------------------------|
| ESTATE ADMINISTRATION | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 243,247 | \$ 112,615 | \$ 75,694 | \$ 280,168 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 243,247</u> | <u>\$ 112,615</u> | <u>\$ 75,694</u> | <u>\$ 280,168</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 243,247 | \$ 112,615 | \$ 75,694 | \$ 280,168 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 243,247</u> | <u>\$ 112,615</u> | <u>\$ 75,694</u> | <u>\$ 280,168</u> |
| REDEMPTIONS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 108,427 | \$ 975,749 | \$ 1,035,255 | \$ 48,921 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 108,427</u> | <u>\$ 975,749</u> | <u>\$ 1,035,255</u> | <u>\$ 48,921</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 108,427 | \$ 975,749 | \$ 1,035,255 | \$ 48,921 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 108,427</u> | <u>\$ 975,749</u> | <u>\$ 1,035,255</u> | <u>\$ 48,921</u> |
| CLERK OF DISTRICT COURT | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 4,179,864 | \$ 5,011,114 | \$ 9,128,568 | \$ 62,410 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 4,179,864</u> | <u>\$ 5,011,114</u> | <u>\$ 9,128,568</u> | <u>\$ 62,410</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 4,179,864 | \$ 5,011,114 | \$ 9,128,568 | \$ 62,410 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 4,179,864</u> | <u>\$ 5,011,114</u> | <u>\$ 9,128,568</u> | <u>\$ 62,410</u> |
| INVESTMENT EARNINGS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ - | \$ 294,083 | \$ 268,773 | \$ 25,310 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ -</u> | <u>\$ 294,083</u> | <u>\$ 268,773</u> | <u>\$ 25,310</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | - | 294,083 | 268,773 | 25,310 |
| Total Liabilities | <u>\$ -</u> | <u>\$ 294,083</u> | <u>\$ 268,773</u> | <u>\$ 25,310</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 6 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|--------------------------------------|-------------------------|-------------------|-------------------|--------------------------|
| RESTITUTION | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 81,907 | \$ 145,355 | \$ 147,774 | \$ 79,488 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 81,907</u> | <u>\$ 145,355</u> | <u>\$ 147,774</u> | <u>\$ 79,488</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 81,907 | \$ 145,355 | \$ 147,774 | \$ 79,488 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 81,907</u> | <u>\$ 145,355</u> | <u>\$ 147,774</u> | <u>\$ 79,488</u> |
| FAIRGROUNDS SECURITY DEPOSITS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 10,485 | \$ 18,164 | \$ 15,214 | \$ 13,435 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 10,485</u> | <u>\$ 18,164</u> | <u>\$ 15,214</u> | <u>\$ 13,435</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 10,485 | \$ 18,164 | \$ 15,214 | \$ 13,435 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 10,485</u> | <u>\$ 18,164</u> | <u>\$ 15,214</u> | <u>\$ 13,435</u> |
| COUNTY FLEX PLAN | | | | |
| ASSETS | | | | |
| Cash and investments | \$ (31,247) | \$ 288,718 | \$ 269,943 | \$ (12,472) |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ (31,247)</u> | <u>\$ 288,718</u> | <u>\$ 269,943</u> | <u>\$ (12,472)</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ (31,247) | \$ 288,718 | \$ 269,943 | \$ (12,472) |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ (31,247)</u> | <u>\$ 288,718</u> | <u>\$ 269,943</u> | <u>\$ (12,472)</u> |
| MACO MEDICAL FLEX PLAN | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 438 | \$ - | \$ - | \$ 438 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 438</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 438</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 438 | \$ - | \$ - | \$ 438 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 438</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 438</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 7 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|---|-------------------------|----------------------|----------------------|--------------------------|
| SUBDIVISION IMPROVEMENT AGREEMENTS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 49,525 | \$ 212,657 | \$ 113,964 | \$ 148,218 |
| Receivables | - | - | - | - |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 49,525</u> | <u>\$ 212,657</u> | <u>\$ 113,964</u> | <u>\$ 148,218</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 49,525 | \$ 212,657 | \$ 113,964 | \$ 148,218 |
| Due to other governmental units | - | - | - | - |
| Total Liabilities | <u>\$ 49,525</u> | <u>\$ 212,657</u> | <u>\$ 113,964</u> | <u>\$ 148,218</u> |
| SPECIAL DISTRICTS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 51,188 | \$ 147,863 | \$ 143,941 | \$ 55,110 |
| Receivables | 138,771 | 2,076,870 | 2,087,567 | 128,074 |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 189,959</u> | <u>\$ 2,224,733</u> | <u>\$ 2,231,508</u> | <u>\$ 183,184</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | 189,959 | 2,224,733 | 2,231,508 | 183,184 |
| Total Liabilities | <u>\$ 189,959</u> | <u>\$ 2,224,733</u> | <u>\$ 2,231,508</u> | <u>\$ 183,184</u> |
| SCHOOL FUNDS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ - | \$ - | \$ - | \$ - |
| Receivables | 4,889,197 | 32,850,672 | 31,700,671 | 6,039,198 |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 4,889,197</u> | <u>\$ 32,850,672</u> | <u>\$ 31,700,671</u> | <u>\$ 6,039,198</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | 4,889,197 | 32,850,672 | 31,700,671 | 6,039,198 |
| Total Liabilities | <u>\$ 4,889,197</u> | <u>\$ 32,850,672</u> | <u>\$ 31,700,671</u> | <u>\$ 6,039,198</u> |
| CITY FUNDS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 213,351 | \$ 17,942,542 | \$ 17,896,561 | \$ 259,332 |
| Receivables | 2,376,386 | 18,478,585 | 17,901,449 | 2,953,522 |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 2,589,737</u> | <u>\$ 36,421,127</u> | <u>\$ 35,798,010</u> | <u>\$ 3,212,854</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | 2,589,737 | 36,421,127 | 35,798,010 | 3,212,854 |
| Total Liabilities | <u>\$ 2,589,737</u> | <u>\$ 36,421,127</u> | <u>\$ 35,798,010</u> | <u>\$ 3,212,854</u> |

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2013
 (Page 8 of 8)

| | BALANCE July 1, 2012 | ADDITIONS | DELETIONS | BALANCE June 30, 2013 |
|----------------------------------|-------------------------|-----------------------|-----------------------|--------------------------|
| STATE FUNDS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 780,660 | \$ 20,715,335 | \$ 20,671,731 | \$ 824,264 |
| Receivables | 1,721,523 | 12,319,943 | 12,382,743 | 1,658,723 |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 2,502,183</u> | <u>\$ 33,035,278</u> | <u>\$ 33,054,474</u> | <u>\$ 2,482,987</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | 2,502,183 | 33,035,278 | 33,054,474 | 2,482,987 |
| Total Liabilities | <u>\$ 2,502,183</u> | <u>\$ 33,035,278</u> | <u>\$ 33,054,474</u> | <u>\$ 2,482,987</u> |
| LIBRARY | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 3,006,555 | \$ 2,933,542 | \$ 2,696,036 | \$ 3,244,061 |
| Receivables | 353,395 | 2,529,876 | 2,435,322 | 447,949 |
| Land acquired by tax deed | - | - | - | - |
| Total Assets | <u>\$ 3,359,950</u> | <u>\$ 5,463,418</u> | <u>\$ 5,131,358</u> | <u>\$ 3,692,010</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other governmental units | 3,359,950 | 5,463,418 | 5,131,358 | 3,692,010 |
| Total Liabilities | <u>\$ 3,359,950</u> | <u>\$ 5,463,418</u> | <u>\$ 5,131,358</u> | <u>\$ 3,692,010</u> |
| TOTALS - ALL AGENCY FUNDS | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 16,979,166 | \$ 64,902,458 | \$ 65,660,562 | \$ 16,221,062 |
| Receivables | 9,765,074 | 70,422,085 | 68,597,333 | 11,589,826 |
| Land acquired by tax deed | 20,806 | 1,522 | 1,522 | 20,806 |
| Total Assets | <u>\$ 26,765,046</u> | <u>\$ 135,326,065</u> | <u>\$ 134,259,417</u> | <u>\$ 27,831,694</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 12,701,157 | \$ 10,456,919 | \$ 11,480,518 | \$ 11,677,558 |
| Due to other governmental units | 14,063,889 | 124,869,146 | 122,778,899 | 16,154,136 |
| Total Liabilities | <u>\$ 26,765,046</u> | <u>\$ 135,326,065</u> | <u>\$ 134,259,417</u> | <u>\$ 27,831,694</u> |

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS

**LEWIS AND CLARK COUNTY, MONTANA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUND
COMPARATIVE SCHEDULE BY SOURCE (1)
June 30, 2013 and 2012**

| | 2013 | 2012 |
|---|----------------------|----------------------|
| Governmental Funds Capital Assets: | | |
| Land | \$ 4,483,658 | \$ 4,224,128 |
| Buildings | 16,152,939 | 15,114,317 |
| Improvements other than buildings | 1,612,350 | 1,612,350 |
| Infrastructure | 18,059,894 | 10,342,240 |
| Machinery and equipment | 12,645,694 | 12,417,554 |
| Total Governmental Funds Capital Assets | \$ 52,954,535 | \$ 43,710,589 |
| Investment in Governmental Funds Capital Assets by Source: | | |
| General fund | \$ 11,552,459 | \$ 11,575,209 |
| Special revenue funds | 15,015,520 | 15,126,588 |
| Capital projects funds | 26,386,556 | 17,008,792 |
| Total Governmental Funds Capital Assets | \$ 52,954,535 | \$ 43,710,589 |

(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.

LEWIS AND CLARK COUNTY, MONTANA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY (1)
 June 30, 2013

| FUNCTION AND ACTIVITY | LAND | BUILDINGS | IMPROVEMENTS OTHER THAN BUILDINGS | INFRASTRUCTURE | MACHINERY AND EQUIPMENT | TOTAL |
|--|---------------------|----------------------|---|----------------------|-------------------------------|----------------------|
| GENERAL GOVERNMENT | | | | | | |
| Legislative services | \$ - | \$ 1,570,731 | \$ - | \$ - | \$ 79,735 | \$ 1,650,466 |
| Judicial services | - | 172,263 | - | - | 23,912 | 196,175 |
| Administrative services | 4,312,006 | 7,294,357 | 548,124 | - | 173,466 | 12,327,953 |
| Financial services | - | - | - | - | 374,415 | 374,415 |
| Election services | - | - | - | - | 126,686 | 126,686 |
| Planning services | - | - | - | - | 65,145 | 65,145 |
| Records administration | - | - | - | - | 375,928 | 375,928 |
| Legal services | - | - | - | - | - | - |
| Total General Government | 4,312,006 | 9,037,351 | 548,124 | - | 1,219,287 | 15,116,768 |
| PUBLIC SAFETY | | | | | | |
| Law enforcement services | - | 453,492 | - | 6,006,233 | 4,409,532 | 10,869,257 |
| Detention and correction services | - | 3,589,561 | - | - | - | 3,589,561 |
| Animal control | - | - | - | - | 19,455 | 19,455 |
| Fire protection and control | 125,307 | 424,870 | - | - | 191,719 | 741,896 |
| Civil defense | 22,865 | - | - | - | 58,998 | 81,863 |
| Total Public Safety | 148,172 | 4,467,923 | - | 6,006,233 | 4,679,704 | 15,302,032 |
| PUBLIC WORKS | | | | | | |
| Public work administration | - | 32,757 | - | - | 31,721 | 64,478 |
| Road and street services | - | - | 291,154 | 12,053,661 | 6,038,823 | 18,383,638 |
| Cemetery services | - | 88,304 | 748,456 | - | 123,853 | 960,613 |
| Facilities administration | - | 241,932 | - | - | 24,252 | 266,184 |
| Weed spraying services | - | 160,960 | - | - | 276,884 | 437,844 |
| Total Public Works | - | 523,953 | 1,039,610 | 12,053,661 | 6,495,533 | 20,112,757 |
| PUBLIC HEALTH | | | | | | |
| Public health services | - | - | - | - | 210,438 | 210,438 |
| Total Public Health | - | - | - | - | 210,438 | 210,438 |
| 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 | - | - | - | - | 7,850 | 7,850 |
| Total Social and Economics | - | - | - | - | 7,850 | 7,850 |
| Total Governmental Funds Capital Assets | \$ 4,483,658 | \$ 16,152,939 | \$ 1,612,350 | \$ 18,059,894 | \$ 12,645,694 | \$ 52,954,535 |

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

LEWIS AND CLARK COUNTY, MONTANA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (1)
 For the Fiscal Year Ended June 30, 2013

| FUNCTION AND ACTIVITY | GOVERNMENTAL FUNDS CAPITAL ASSETS (2) JULY 1, 2012 | ADDITIONS | DEDUCTIONS | GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2013 |
|--|---|---------------------|-------------------|--|
| GENERAL GOVERNMENT | | | | |
| Legislative services | \$ 1,036,714 | \$ 613,752 | \$ - | \$ 1,650,466 |
| Judicial services | 196,175 | - | - | 196,175 |
| Administrative services | 12,046,423 | 281,530 | - | 12,327,953 |
| Financial services | 374,415 | - | - | 374,415 |
| Election services | 134,686 | - | 8,000 | 126,686 |
| Planning services | 65,145 | - | - | 65,145 |
| Records administration | 375,928 | - | - | 375,928 |
| Total General Government | 14,229,486 | 895,282 | 8,000 | 15,116,768 |
| PUBLIC SAFETY | | | | |
| Law enforcement services | 10,952,856 | 166,798 | 250,397 | 10,869,257 |
| Detention and correction services | 3,589,561 | - | - | 3,589,561 |
| Animal control | - | 19,455 | - | 19,455 |
| Fire services | 292,876 | 449,020 | - | 741,896 |
| Civil defense | 81,863 | - | - | 81,863 |
| Total Public Safety | 14,917,156 | 635,273 | 250,397 | 15,302,032 |
| PUBLIC WORKS | | | | |
| Public work administration | 64,478 | - | - | 64,478 |
| Road and street services | 10,342,498 | 8,211,303 | 170,163 | 18,383,638 |
| Cemetery services | 972,607 | - | 11,995 | 960,612 |
| Facilities administration | 266,185 | - | - | 266,185 |
| Weed spraying services | 460,647 | - | 22,803 | 437,844 |
| Total Public Works | 12,106,415 | 8,211,303 | 204,961 | 20,112,757 |
| PUBLIC HEALTH | | | | |
| Public health services | 244,992 | - | 34,554 | 210,438 |
| Total Public Health | 244,992 | - | 34,554 | 210,438 |
| 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 | 7,850 | - | - | 7,850 |
| Total Social and Economics | 7,850 | - | - | 7,850 |
| Total Governmental Funds Capital Assets | \$ 43,710,589 | \$ 9,741,858 | \$ 497,912 | \$ 52,954,535 |

(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.

STATISTICAL SECTION



STATISTICAL SECTION

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

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

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

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

| | Fiscal Year | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Governmental activities | | | | | | | | | | |
| Net Investment in capital assets | \$ 11,657 | \$ 19,059 | \$ 16,052 | \$ 22,343 | \$ 24,104 | \$ 26,686 | \$ 27,500 | \$ 28,039 | \$ 30,596 | \$ 31,553 |
| Restricted | 5,439 | 4,371 | 7,257 | 6,170 | 7,543 | 8,419 | 4,676 | 4,346 | 3,887 | 4,581 |
| Unrestricted | 6,453 | 8,220 | 9,802 | 10,598 | 11,521 | 11,232 | 16,856 | 19,048 | 20,360 | 21,745 |
| Total governmental activities net position | <u>\$ 23,549</u> | <u>\$ 31,650</u> | <u>\$ 33,111</u> | <u>\$ 39,111</u> | <u>\$ 43,168</u> | <u>\$ 46,337</u> | <u>\$ 49,032</u> | <u>\$ 51,433</u> | <u>\$ 54,843</u> | <u>\$ 57,879</u> |
| Business-type activities | | | | | | | | | | |
| Net Investment in capital assets | \$ 2,255 | \$ 2,837 | \$ 3,681 | \$ 4,319 | \$ 6,774 | \$ 10,407 | \$ 11,187 | \$ 11,684 | \$ 10,645 | \$ 11,157 |
| Restricted | 799 | 518 | 500 | 498 | 2,704 | 1,164 | 908 | 858 | 936 | 884 |
| Unrestricted | 1,420 | 2,264 | 2,589 | 3,007 | (839) | (2,045) | (1,529) | (1,570) | (246) | 272 |
| Total business-type activities net position | <u>\$ 4,474</u> | <u>\$ 5,619</u> | <u>\$ 6,770</u> | <u>\$ 7,824</u> | <u>\$ 8,639</u> | <u>\$ 9,526</u> | <u>\$ 10,566</u> | <u>\$ 10,972</u> | <u>\$ 11,335</u> | <u>\$ 12,313</u> |
| Primary government | | | | | | | | | | |
| Net Investment in capital assets | \$ 13,912 | \$ 21,896 | \$ 19,733 | \$ 26,662 | \$ 30,878 | \$ 37,093 | \$ 38,687 | \$ 39,723 | \$ 41,241 | \$ 42,710 |
| Restricted | 6,238 | 4,889 | 7,757 | 6,668 | 10,247 | 9,583 | 5,584 | 5,204 | 4,823 | 5,465 |
| Unrestricted | 7,873 | 10,484 | 12,391 | 13,605 | 10,682 | 9,187 | 15,327 | 17,478 | 20,114 | 22,017 |
| Total primary government net position | <u>\$ 28,023</u> | <u>\$ 37,269</u> | <u>\$ 39,881</u> | <u>\$ 46,935</u> | <u>\$ 51,807</u> | <u>\$ 55,863</u> | <u>\$ 59,598</u> | <u>\$ 62,405</u> | <u>\$ 66,178</u> | <u>\$ 70,192</u> |

County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013

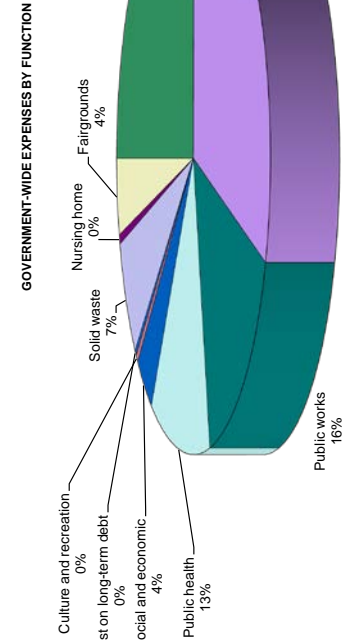
**LEWIS AND CLARK COUNTY, MONTANA
CHANGE IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)**

| | Fiscal Year | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 6,376 | \$ 6,521 | \$ 9,605 | \$ 10,709 | \$ 7,521 | \$ 9,444 | \$ 8,785 | \$ 8,639 | \$ 10,666 | \$ 9,822 |
| Public safety | 7,024 | 6,999 | 7,920 | 4,900 | 8,860 | 9,343 | 10,255 | 10,590 | 11,493 | 11,968 |
| Public works | 3,556 | 3,345 | 3,603 | 4,484 | 4,777 | 4,187 | 6,584 | 6,350 | 6,094 | 6,197 |
| Public health | 2,737 | 2,841 | 2,972 | 3,352 | 3,580 | 3,917 | 4,056 | 4,051 | 4,402 | 4,955 |
| Social and economic | 1,141 | 1,020 | 1,427 | 1,726 | 1,746 | 1,243 | 1,167 | 1,466 | 1,077 | 1,457 |
| Culture and recreation | 139 | 169 | 96 | 91 | 99 | 125 | 149 | 174 | 106 | 162 |
| Interest on long-term debt | 151 | 141 | 370 | 311 | 338 | 324 | 249 | 305 | 317 | 148 |
| Total governmental activities expenses | 21,124 | 21,036 | 25,993 | 25,573 | 26,921 | 28,583 | 31,245 | 31,575 | 34,155 | 34,709 |
| Business-type activities: | | | | | | | | | | |
| Solid waste | 1,840 | 1,889 | 1,948 | 2,021 | 2,213 | 2,267 | 2,469 | 2,618 | 2,571 | 2,575 |
| Nursing home | 4,753 | 4,981 | 5,098 | 5,353 | 5,493 | 5,915 | 6,169 | 5,896 | 5,756 | 200 |
| Fairgrounds | 427 ¹ | 545 | 643 | 708 | 671 | 1,182 | 1,528 | 1,546 | 1,548 | 1,629 |
| Total business-type activities expenses | 7,020 | 7,415 | 7,689 | 8,082 | 8,377 | 9,364 | 10,166 | 10,060 | 9,875 | 4,404 |
| Total primary government expenses | \$ 28,144 | \$ 28,451 | \$ 33,682 | \$ 33,655 | \$ 35,298 | \$ 37,947 | \$ 41,411 | \$ 41,635 | \$ 44,030 | \$ 39,113 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | \$ 1,293 | \$ 1,233 | \$ 1,458 | \$ 1,649 | \$ 1,580 | \$ 1,632 | \$ 1,675 | \$ 1,544 | \$ 1,702 | \$ 1,792 |
| Public safety | 675 | 766 | 800 | 828 | 677 | 771 | 768 | 792 | 881 | 1,019 |
| Public works | 71 | 124 | 108 | 63 | 102 | 85 | 107 | 103 | 116 | 108 |
| Public health | 642 | 636 | 791 | 646 | 835 | 826 | 797 | 1,011 | 1,201 | 1,279 |
| Social and economic | - | - | - | 5 | 3 | 2 | 1 | 2 | 3 | 2 |
| Operating grants and contributions | 2,073 | 2,780 | 2,726 | 2,692 | 2,832 | 3,124 | 3,100 | 3,197 | 3,182 | 3,879 |
| Capital grants and contributions | 1,241 | 6,192 | 1,126 | 1,733 | 2,629 | 5,549 | 2,334 | 1,417 | 2,829 | 1,998 |
| Total governmental activities program revenues | 5,995 | 11,731 | 7,009 | 7,616 | 8,658 | 11,989 | 8,782 | 8,066 | 9,914 | 10,077 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Solid waste | 2,349 | 2,065 | 2,044 | 2,113 | 2,217 | 2,043 | 2,929 | 2,661 | 2,892 | 2,918 |
| Nursing home | 4,657 | 4,613 | 4,989 | 5,048 | 5,093 | 5,583 | 5,474 | 5,346 | 4,400 | 12 |
| Fairgrounds | 387 ¹ | 395 | 387 | 432 | 417 | 584 | 696 | 813 | 793 | 888 |
| Operating grants and contributions | - | - | - | - | - | - | - | 22 | 27 | - |
| Capital grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Total business-type activities program revenues | 7,393 | 7,073 | 7,420 | 7,593 | 7,727 | 8,210 | 9,099 | 8,842 | 8,112 | 3,829 |
| Total primary government program revenues | \$ 13,388 | \$ 18,804 | \$ 14,429 | \$ 15,209 | \$ 16,385 | \$ 20,199 | \$ 17,881 | \$ 16,908 | \$ 18,026 | \$ 13,906 |
| Net (expense) revenue | \$ (15,129) | \$ (9,305) | \$ (18,984) | \$ (17,957) | \$ (18,263) | \$ (16,594) | \$ (22,463) | \$ (23,509) | \$ (24,241) | \$ (24,632) |
| Governmental activities: | 373 | (342) | (269) | (489) | (650) | (1,154) | (1,067) | (1,218) | (1,763) | (575) |
| Business-type activities | \$ (14,756) | \$ (9,647) | \$ (19,253) | \$ (18,446) | \$ (18,913) | \$ (17,748) | \$ (23,530) | \$ (24,727) | \$ (26,004) | \$ (25,207) |
| Total primary government expenses | | | | | | | | | | |

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

| | Fiscal Year | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | \$ 11,052 | \$ 11,878 | \$ 14,388 | \$ 14,153 | \$ 15,934 | \$ 16,226 | \$ 18,300 | \$ 18,916 | \$ 19,939 | \$ 20,094 |
| Local option tax | 1,682 | 1,727 | 1,835 | 1,946 | 2,041 | 1,974 | 2,052 | 2,063 | 2,112 | 2,265 |
| Other taxes | 82 | 191 | 27 | 22 | 18 | 29 | 35 | 47 | 53 | 6 |
| Unrestricted grants and contributions | 3,510 | 3,214 | 3,409 | 2,884 | 2,896 | 4,179 | 4,266 | 3,949 | 4,348 | 4,465 |
| Investment earnings | 219 | 331 | 573 | 891 | 921 | 468 | 277 | 232 | 168 | 152 |
| Miscellaneous | 998 | 521 | 458 | 388 | 644 | 550 | 680 | 914 | 1,084 | 735 |
| Contributions of capital assets | - | - | - | - | - | (2,964) | - | - | - | - |
| Transfers | (514) | (457) | (246) | (259) | (133) | (699) | (452) | (211) | (53) | (49) |
| Total governmental activities | 17,029 | 17,405 | 20,444 | 20,025 | 22,321 | 19,763 | 25,158 | 25,910 | 27,651 | 27,668 |
| Business-type activities: | | | | | | | | | | |
| Taxes | - | 960 | 1,063 | 1,133 | 1,139 | 1,245 | 1,351 | 1,402 | 1,451 | 1,495 |
| Unrestricted grants and contributions | - | - | - | - | 70 | 43 | 287 | - | - | - |
| Investment earnings | 39 | 66 | 126 | 184 | 180 | 55 | 17 | 10 | 9 | 8 |
| Miscellaneous | (146) | 5 | (14) | (33) | (57) | - | - | - | 614 | - |
| Transfers | 514 | 457 | 246 | 259 | 133 | 699 | 452 | 211 | 53 | 49 |
| Total business-type activities | 407 | 1,488 | 1,421 | 1,543 | 1,465 | 2,042 | 2,107 | 1,623 | 2,127 | 1,552 |
| Total primary government | \$ 17,436 | \$ 18,893 | \$ 21,865 | \$ 21,568 | \$ 23,786 | \$ 21,805 | \$ 27,265 | \$ 27,533 | \$ 29,778 | \$ 29,220 |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | \$ 1,900 | \$ 8,100 | \$ 1,460 | \$ 2,068 | \$ 4,058 | \$ 3,169 | \$ 2,695 | \$ 2,401 | \$ 3,410 | \$ 3,036 |
| Business-type activities | 780 | 1,146 | 1,152 | 1,054 | 815 | 888 | 1,040 | 405 | 364 | 977 |
| Total primary government | \$ 2,680 | \$ 9,246 | \$ 2,612 | \$ 3,122 | \$ 4,873 | \$ 4,057 | \$ 3,735 | \$ 2,806 | \$ 3,774 | \$ 4,013 |

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



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

| | Fiscal Year | | | | | | | | | |
|------------------------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| General fund | | | | | | | | | | |
| Nonspendable | \$ 43 | \$ 39 | \$ 37 | \$ 48 | \$ 61 | \$ 45 | \$ 61 | \$ 121 | \$ 96 | \$ 108 |
| Restricted | - | - | - | - | - | - | - | - | - | - |
| Unrestricted: | | | | | | | | | | |
| Committed | - | - | - | - | 8 | 10 | 59 | 81 | 7 | 3 |
| Assigned | 59 | 637 | 653 | 768 | 819 | 399 | 559 | 354 | 451 | 580 |
| Unassigned | 1,063 | 954 | 1,399 | 1,291 | 1,189 | 1,446 | 1,485 | 2,224 | 1,869 | 2,279 |
| Total general fund | <u>\$ 1,165</u> | <u>\$ 1,630</u> | <u>\$ 2,089</u> | <u>\$ 2,107</u> | <u>\$ 2,077</u> | <u>\$ 1,900</u> | <u>\$ 2,164</u> | <u>\$ 2,780</u> | <u>\$ 2,423</u> | <u>\$ 2,970</u> |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | \$ 505 | \$ 474 | \$ 495 | \$ 568 | \$ 1,717 | \$ 3,282 | \$ 3,014 | \$ 2,634 | \$ 2,371 | \$ 766 |
| Restricted | 1,785 | 306 | 1,894 | 1,670 | 1,522 | 1,579 | 1,530 | 4,389 | 4,105 | 5,795 |
| Unrestricted: | | | | | | | | | | |
| Committed | 5,534 | 6,670 | 7,857 | 8,508 | 9,457 | 9,218 | 10,435 | 11,871 | 13,072 | 13,644 |
| Assigned | 25 | 26 | 34 | 88 | 48 | 214 | 119 | 125 | 29 | 9 |
| Unassigned | (228) | (67) | (142) | (57) | - | (53) | (54) | - | - | - |
| Total all other governmental funds | <u>\$ 7,621</u> | <u>\$ 7,409</u> | <u>\$ 10,138</u> | <u>\$ 10,777</u> | <u>\$ 12,744</u> | <u>\$ 14,240</u> | <u>\$ 15,044</u> | <u>\$ 19,019</u> | <u>\$ 19,577</u> | <u>\$ 20,214</u> |

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

| | Fiscal Year | | | | | | | | | |
|---|---------------|---------------|-----------------|---------------|-----------------|-----------------|-----------------|-----------------|---------------|-----------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Revenues | | | | | | | | | | |
| Taxes/assessments | \$ 12,461 | \$ 13,769 | \$ 14,860 | \$ 15,821 | \$ 17,930 | \$ 19,145 | \$ 19,136 | \$ 21,436 | \$ 21,209 | \$ 22,040 |
| Licenses and permits | 22 | 139 | 148 | 168 | 183 | 214 | 274 | 190 | 266 | 332 |
| Intergovernmental | 6,807 | 12,186 | 7,262 | 7,308 | 8,357 | 12,852 | 9,700 | 8,563 | 10,359 | 10,282 |
| Charges for services | 2,161 | 2,162 | 2,517 | 2,460 | 2,475 | 2,543 | 2,504 | 2,667 | 3,089 | 3,302 |
| Fines and forfeitures | 497 | 459 | 492 | 563 | 539 | 560 | 570 | 594 | 549 | 567 |
| Miscellaneous | 1,073 | 455 | 426 | 365 | 604 | 505 | 637 | 974 | 518 | 776 |
| Interest earnings | 193 | 286 | 494 | 778 | 818 | 423 | 255 | 219 | 159 | 143 |
| Total revenues | 23,214 | 29,456 | 26,199 | 27,463 | 30,906 | 36,242 | 33,076 | 34,643 | 36,149 | 37,442 |
| Expenditures | | | | | | | | | | |
| General government | 5,666 | 6,024 | 6,515 | 6,683 | 7,235 | 7,770 | 7,708 | 8,807 | 9,946 | 9,986 |
| Public safety | 6,631 | 7,079 | 7,530 | 7,342 | 7,982 | 8,430 | 9,156 | 9,601 | 10,506 | 11,067 |
| Public works | 3,193 | 3,279 | 3,618 | 3,787 | 4,063 | 4,222 | 4,614 | 5,028 | 4,898 | 5,199 |
| Public health | 2,704 | 2,801 | 2,946 | 3,337 | 3,556 | 3,876 | 4,006 | 4,034 | 4,367 | 4,933 |
| Social and economic | 1,139 | 1,018 | 1,425 | 1,723 | 1,743 | 1,241 | 1,166 | 1,464 | 1,075 | 1,456 |
| Culture and recreation | 85 | 115 | 41 | 36 | 44 | 40 | 94 | 118 | 48 | 104 |
| Debt service | | | | | | | | | | |
| Principal | 373 | 322 | 1,053 | 735 | 661 | 1,183 | 1,215 | 873 | 727 | 646 |
| Interest | 365 | 292 | 128 | 228 | 227 | 221 | 144 | 190 | 392 | 133 |
| Capital outlay | 3,029 | 7,892 | 1,740 | 2,786 | 4,401 | 8,186 | 4,395 | 2,709 | 4,028 | 2,766 |
| Total expenditures | 23,185 | 28,822 | 24,996 | 26,657 | 29,912 | 35,169 | 32,498 | 32,824 | 35,987 | 36,290 |
| Excess of revenues over (under) expenditures | 29 | 634 | 1,203 | 806 | 994 | 1,073 | 578 | 1,819 | 162 | 1,152 |
| Other financing sources (uses) | | | | | | | | | | |
| Transfers in | 3,653 | 1,967 | 2,789 | 3,099 | 3,219 | 4,576 | 3,586 | 4,401 | 4,306 | 4,927 |
| Transfers out | (3,756) | (2,545) | (3,159) | (3,503) | (3,480) | (5,421) | (4,105) | (4,631) | (4,427) | (5,041) |
| Loans | 517 | - | 2,286 | 243 | 1,154 | 1,050 | 969 | 3,002 | 9 | - |
| Proceeds from sale of capital asset: | 25 | 65 | 69 | 13 | 50 | 41 | 40 | - | 150 | 36 |
| Gain (Loss) on sale of investments | - | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | 439 | (513) | 1,985 | (148) | 943 | 246 | 490 | 2,772 | 38 | (78) |
| Net change in fund balances | \$ 468 | \$ 121 | \$ 3,188 | \$ 658 | \$ 1,937 | \$ 1,319 | \$ 1,068 | \$ 4,591 | \$ 200 | \$ 1,074 |
| Debt service as a percentage of noncapital expenditures | N/A | N/A | 7.1% | 3.6% | 3.3% | 4.6% | 4.2% | 3.2% | 3.1% | 2.1% |

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

| FISCAL YEAR | REAL PROPERTY | PERSONAL PROPERTY | MOBILE HOMES | MOTOR VEHICLE | CENTRALLY ASSESSED | TAX INCREMENT DISTRICT | TOTAL TAXABLE ASSESSED VALUE | TOTAL DIRECT TAX RATE |
|-------------|---------------|-------------------|--------------|---------------|--------------------|------------------------|------------------------------|-----------------------|
| 2004 | \$ 81,304 | \$ 2,200 | 1,315 | n/a | \$ 15,360 | \$ 1,810 | \$ 101,989 | \$ 134.14 |
| 2005 | 81,702 | 2,230 | 1,272 | n/a | 15,360 | 1,425 | 101,989 | 138.85 |
| 2006 | 88,438 | 2,591 | 1,197 | n/a | 17,778 | - | 110,004 | 154.16 |
| 2007 | 91,660 | 2,629 | 1,170 | n/a | 18,325 | - | 113,784 | 158.97 |
| 2008 | 97,794 | - | 1,159 | n/a | 21,461 | - | 120,414 | 162.80 |
| 2009 | 100,660 | 5,784 | 1,108 | n/a | 21,518 | - | 129,070 | 161.74 |
| 2010 | 82,536 | 2,663 | 1,028 | n/a | 21,945 | - | 108,172 | 160.70 |
| 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 | - | 26,391 | - | 115,920 | 177.28 |

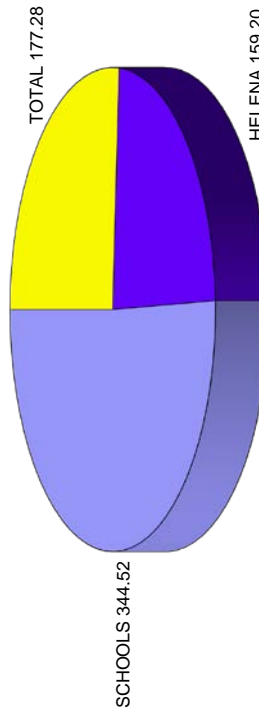
Note: Property in the County is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

Source: County Property Tax Department

LEWIS AND CLARK COUNTY, MONTANA
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 | |
| 2004 | 30.76 | 2.07 | 21.50 | 49.26 | 35.26 | 138.85 | 114.71 | 358.68 | 612.24 |
| 2005 | 31.91 | 1.80 | 22.24 | 50.93 | 47.28 | 154.16 | 125.46 | 358.65 | 638.27 |
| 2006 | 33.19 | 1.75 | 23.07 | 52.81 | 48.15 | 158.97 | 131.77 | 368.87 | 659.61 |
| 2007 | 34.21 | 1.55 | 23.72 | 54.28 | 49.04 | 162.80 | 134.45 | 356.18 | 653.43 |
| 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 | 344.52 | 681.00 |

PROPERTY TAX LEVY BY MILLS
Fiscal Year 2013



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

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

| TAXPAYER | 2012 | | | 2003 | | |
|--|-----------------------------|------|---|-----------------------------|------|---|
| | TAXABLE ASSESSED VALUE | RANK | PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE | TAXABLE ASSESSED VALUE | RANK | PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE |
| North Western Energy LLC | \$ 11,983,398 | 1 | 10.26% | \$ 7,231,277 | 1 | 8.43% |
| Celloco Partnership DBA Verizon Wireless | 5,433,902 | 2 | 4.65% | 2,489,242 | 3 | 2.90% |
| PPL Montana LLC | 2,407,044 | 3 | 2.05% | 2,489,242 | 3 | 2.90% |
| Qwest | 2,064,546 | 4 | 1.76% | 2,702,007 | 2 | 3.14% |
| Railways | 1,554,094 | 5 | 1.32% | 1,066,357 | 4 | 1.24% |
| Bresnan Communications | 1,496,189 | 6 | 1.27% | - | - | - |
| Helena Federal Office Complex LLC | 470,048 | 7 | 0.39% | 267,657 | 10 | 0.30% |
| Wal-Mart Stores Inc. | 410,574 | 8 | 0.34% | 405,163 | 7 | 0.47% |
| Helena Sand & Gravel Inc | 342,395 | 9 | 0.28% | - | - | - |
| Waterford on Saddle Drive WHMT LLC | 327,650 | 10 | 0.27% | - | - | - |
| American Smelting & Refining | - | - | - | 766,918 | 5 | 0.88% |
| Tri Touch America | - | - | - | 418,683 | 6 | 0.48% |
| Federal Reserve Bank | - | - | - | 323,494 | 8 | 0.37% |
| Touchmark on Saddle Drive LLC | - | - | - | 289,641 | 9 | 0.33% |
| Total | <u>\$ 26,489,840</u> | | <u>22.59%</u> | <u>\$ 18,449,681</u> | | <u>21.44%</u> |

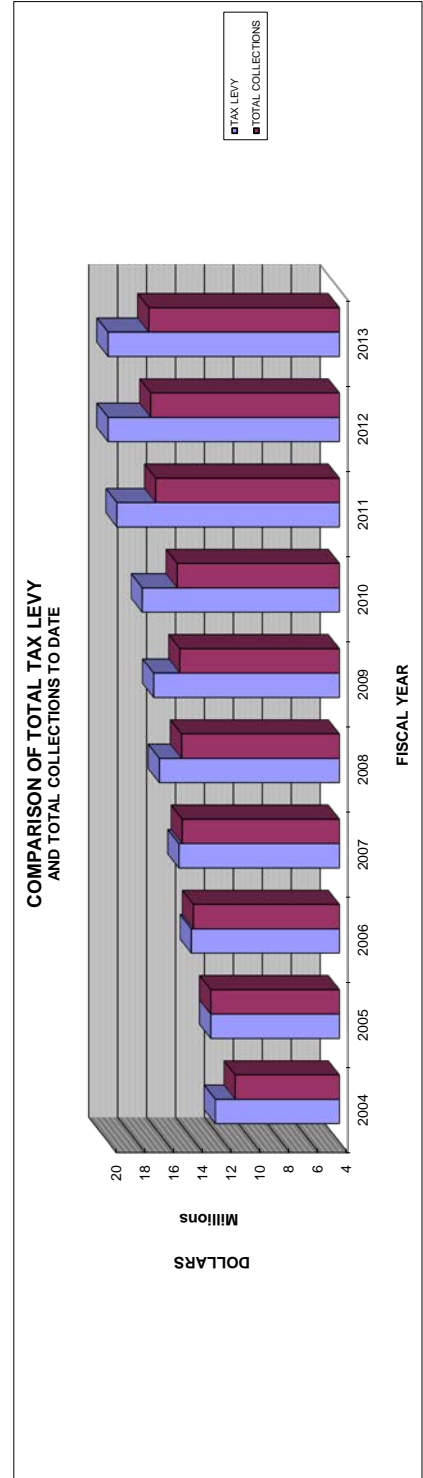
Source: Lewis and Clark County Treasurer

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

| FISCAL YEAR ENDED JUNE 30 | TOTAL TAX LEVY FOR FISCAL YEAR (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) |
| 2004 | \$ 12,581,068 | \$ 10,409,334 | 82.74% | \$ 795,268 | \$ 11,204,602 | 89.06% |
| 2005 | 12,899,459 | 12,134,312 | 94.07% | 763,234 | 12,897,546 | 99.99% |
| 2006 | 14,241,919 | 12,865,087 | 90.33% | 1,223,749 | 14,088,836 | 98.93% |
| 2007 | 15,098,296 | 13,674,775 | 90.57% | 1,195,923 | 14,870,698 | 98.49% |
| 2008 | 16,450,507 | 13,477,161 | 81.93% | 1,441,264 | 14,918,425 | 90.69% |
| 2009 | 16,842,558 | 13,818,447 | 82.04% | 1,212,961 | 15,031,408 | 89.25% |
| 2010 | 17,631,450 | 14,060,369 | 79.75% | 1,155,107 | 15,215,476 | 86.30% |
| 2011 | 19,378,939 | 16,052,571 | 82.84% | 648,680 | 16,701,251 | 86.18% |
| 2012 | 20,067,664 | 16,489,511 | 82.17% | 553,548 | 17,043,059 | 84.93% |
| 2013 | 20,702,051 | 17,175,186 | 82.96% | - | 17,175,186 | 82.96% |

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 on going 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.

LEWIS AND CLARK COUNTY, MONTANA
 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) | Percentage Capita (1) |
|-------------|--------------------------|---------------|-------------------------|-----------------|--------------------------|---------------|-----------------|----------|--------------------------|-----------------------------------|-----------------------|
| | General Obligation Bonds | Revenue Bonds | Special Assessment Debt | Contracts/Loans | Capital Leases | Revenue Bonds | Contracts/Loans | Total | | | |
| 2004 | \$ - | \$ 675 | \$ 307 | \$ 2,020 | \$ 647 | \$ 4,449 | \$ 174 | \$ 8,272 | 0.50% | \$ 145 | |
| 2005 | - | 640 | 235 | 1,718 | 582 | 4,252 | 156 | 7,583 | 0.43% | 131 | |
| 2006 | - | 605 | 1,181 | 2,678 | - | 4,073 | 137 | 8,674 | 0.47% | 149 | |
| 2007 | - | 565 | 1,208 | 2,172 | - | 3,890 | 118 | 7,953 | 0.39% | 135 | |
| 2008 | - | 525 | 1,836 | 2,116 | - | 7,233 | 98 | 11,808 | 0.53% | 196 | |
| 2009 | - | 485 | 1,999 | 1,894 | - | 7,251 | 77 | 11,706 | 0.49% | 191 | |
| 2010 | - | 440 | 1,755 | 1,990 | - | 6,489 | 88 | 10,762 | 0.45% | 174 | |
| 2011 | 2,870 | 395 | 1,497 | 1,661 | - | 5,372 | 61 | 11,856 | 0.49% | 186 | |
| 2012 | 2,755 | 345 | 1,231 | 1,229 | - | 5,215 | 34 | 10,809 | 0.43% | 168 | |
| 2013 | 2,635 | 295 | 975 | 960 | - | 4,141 | - | 9,006 | N/A | 140 | |

Source and other information:

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

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

| <u>FISCAL YEAR</u> | <u>GENERAL OBLIGATION BONDS</u> | <u>LESS: AMOUNT AVAILABLE IN DEBT SERVICE FUNDS</u> | <u>TOTAL</u> | <u>PERCENTAGE OF TAXABLE VALUE OF PROPERTY</u> ¹ | <u>PER CAPITA</u> ² |
|------------------------|---|---|--------------|---|------------------------------------|
| 2004 | \$ - | \$ - | \$ - | 0.00% | \$ - |
| 2005 | - | - | - | 0.00% | - |
| 2006 | - | - | - | 0.00% | - |
| 2007 | - | - | - | 0.00% | - |
| 2008 | - | - | - | 0.00% | - |
| 2009 | - | - | - | 0.00% | - |
| 2010 | - | - | - | 0.00% | - |
| 2011 | 2,870 | 23 | 2,847 | 2.52% | 44.23 |
| 2012 | 2,755 | 35 | 2,720 | 2.36% | 41.61 |
| 2013 | 2,635 | 8 | 2,627 | 2.27% | 39.57 |

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

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

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

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

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt Limit | \$ 9,554 | \$ 9,644 | \$ 9,890 | \$ 10,401 | \$ 10,768 | \$ 11,462 | \$ 84,174 | \$ 89,862 | \$ 93,582 | \$ 97,758 |
| Total net debt applicable to limit | - | - | - | - | - | - | - | 2,893 | 2,790 | 2,643 |
| Legal debt margin | <u>\$ 9,554</u> | <u>\$ 9,644</u> | <u>\$ 9,890</u> | <u>\$ 10,401</u> | <u>\$ 10,768</u> | <u>\$ 11,462</u> | <u>\$ 84,174</u> | <u>\$ 86,969</u> | <u>\$ 90,792</u> | <u>\$ 95,115</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 3.22% | 2.98% | 2.70% |

Legal Debt Margin Calculation for Fiscal Year 2013

| | |
|--|-------------------|
| Assessed Value | \$ 3,910,319 |
| Debt Limit 2.5% of Assessed Value | <u>2.50%</u> |
| General Obligation Debt Limit (1) | 97,758 |
| Outstanding General Obligation Debt, June 30, 2013 | \$ 2,635 |
| Less: Amount set aside for repayment of General Obligation Debt | <u>8</u> |
| Total net debt applicable to limit | <u>2,643</u> |
| Legal Debt Margin | <u>\$ 100,401</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.

LEWIS AND CLARK COUNTY, MONTANA
 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 |
| 2004 | \$ 975,281 | \$ 467,917 | \$ 507,364 | \$ 241,617 | \$ 163,983 | \$ 405,600 | 125.1% |
| 2005 | 949,680 | 546,368 | 403,312 | 129,000 | 89,400 | 218,400 | 184.7% |
| 2006 | 957,587 | 564,630 | 392,957 | 129,000 | 89,400 | 218,400 | 179.9% |
| 2007 | 1,056,772 | 601,717 | 455,055 | 129,000 | 89,400 | 218,400 | 208.4% |
| 2008 | 1,070,728 | 672,884 | 397,844 | 129,000 | 89,400 | 218,400 | 182.2% |
| 2009 | 1,112,752 | 669,706 | 443,046 | 172,326 | 111,903 | 284,229 | 155.9% |
| 2010 | 1,482,148 | 731,943 | 750,205 | 172,326 | 101,015 | 273,341 | 274.5% |
| 2011 | 1,225,295 | 784,967 | 440,328 | 147,604 | 94,025 | 241,629 | 182.2% |
| 2012 | 1,275,347 | 726,536 | 548,811 | 293,106 | 106,880 | 399,986 | 137.2% |
| 2013 | 1,231,389 | 651,276 | 580,113 | 322,914 | 37,342 | 360,256 | 161.0% |

HEALTH CARE 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 |
| 2004 | \$ 292,553 | \$ 176,480 | \$ 116,073 | \$ 35,000 | \$ 34,698 | \$ 69,698 | 166.5% |
| 2005 | 268,898 | 186,273 | 82,625 | 35,000 | 33,193 | 68,193 | 121.2% |
| 2006 | 281,452 | 181,223 | 100,229 | 35,000 | 31,670 | 66,670 | 150.3% |
| 2007 | 313,981 | 196,237 | 117,744 | 40,000 | 30,130 | 70,130 | 167.9% |
| 2008 | 319,147 | 205,357 | 113,790 | 40,000 | 28,330 | 68,330 | 166.5% |
| 2009 | 315,108 | 223,464 | 91,644 | 40,000 | 26,490 | 66,490 | 137.8% |
| 2010 | 321,275 | 216,714 | 104,561 | 45,000 | 24,490 | 69,490 | 150.5% |
| 2011 | 348,865 | 255,545 | 93,320 | 45,000 | 22,240 | 67,240 | 138.8% |
| 2012 | 315,359 | 233,874 | 81,485 | 50,000 | 19,990 | 69,990 | 116.4% |
| 2013 | 322,106 | 237,634 | 84,472 | 50,000 | 17,490 | 67,490 | 125.2% |

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

COONEY CONVALESCENT HOME 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 |
| 2004 | \$ 5,070,949 | \$ 4,587,402 | \$ 483,547 | \$ 70,000 | \$ 69,900 | \$ 139,900 | 345.6% |
| 2005 | 5,035,569 | 4,794,572 | 240,997 | 70,000 | 66,890 | 136,890 | 176.1% |
| 2006 | 5,195,937 | 4,903,704 | 292,233 | 75,000 | 63,845 | 138,845 | 210.5% |
| 2007 | 5,255,136 | 5,144,836 | 110,300 | 75,000 | 60,545 | 135,545 | 81.4% |
| 2008 | 5,307,254 | 5,284,999 | 22,255 | 80,000 | 57,170 | 137,170 | 16.2% |
| 2009 | 5,802,320 | 5,685,062 | 117,258 | 85,000 | 53,490 | 138,490 | 84.7% |
| 2010 | 5,589,161 | 5,922,531 | (333,370) | 90,000 | 49,240 | 139,240 | -239.4% |
| 2011 | 5,345,676 | 5,694,426 | (348,750) | 95,000 | 44,740 | 139,740 | -249.6% |
| 2012 | n/a (4) | n/a (4) | n/a (4) | n/a (4) | n/a (4) | n/a (4) | n/a (4) |
| 2013 | n/a (4) | n/a (4) | n/a (4) | n/a (4) | n/a (4) | n/a (4) | n/a (4) |

SPECIAL ASSESSMENT DEBT:

| FISCAL YEAR | SPECIAL ASSESSMENT COLLECTIONS | DEBT SERVICE REQUIREMENTS | | |
|-------------|--------------------------------|---------------------------|----------|----------|
| | | PRINCIPAL | INTEREST | COVERAGE |
| 2004 | \$ 157,536 | \$ 54,167 | \$ 9,104 | 248.99% |
| 2005 | 160,119 | 71,815 | 7,478 | 201.93% |
| 2006 | 88,536 | 50,901 | 8,440 | 149.20% |
| 2007 | 214,546 | 206,157 | 52,383 | 82.98% |
| 2008 | 361,358 | 153,437 | 67,715 | 163.40% |
| 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% |

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, 2009

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

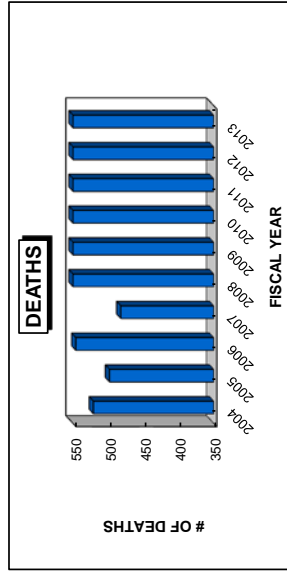
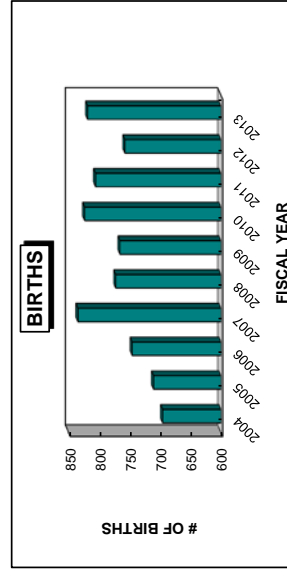
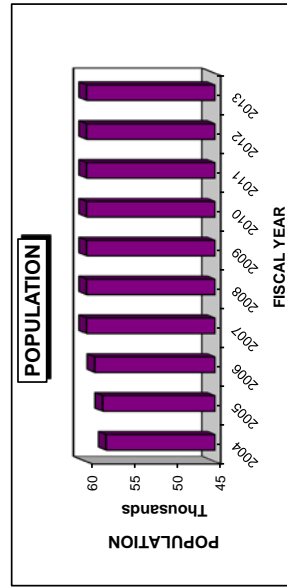
(2) Direct operating expenses include operating expenses (except depreciation).

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

(4) The Cooney Convalescent Home was sold on May 31, 2012.

LEWIS & CLARK COUNTY, MONTANA
 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 (in thousands) (e) | SCHOOLS | | EMPLOYMENT STATISTICS | | |
|-------------|--------------------------|------------|------------|--|------------------------------------|------------------------------|-------------------------------|-------------------------|-----------------------|--|
| | | | | | | PUBLIC SCHOOL ENROLLMENT (d) | PRIVATE SCHOOL ENROLLMENT (d) | CIVILIAN EMPLOYMENT (c) | UNEMPLOYMENT RATE (c) | |
| 2004 | 57,731 | 696 | 521 | 30,509 | 1,761 | 9,543 | 601 | 27,404 | 3.6% | |
| 2005 | 58,126 | 711 | 498 | 31,743 | 1,845 | 9,344 | 646 | 29,940 | 3.7% | |
| 2006 | 59,050 | 746 | 546 | 34,865 | 2,059 | 9,403 | 585 | 30,554 | 2.9% | |
| 2007 | 60,131 | 835 | 482 | 36,915 | 2,220 | 9,424 | 599 | 31,768 | 2.1% | |
| 2008 | 61,156 | 773 | 579 | 38,680 | 2,366 | 9,298 | 665 | 32,891 | 2.7% | |
| 2009 | 61,942 | 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 | 64,366 | 806 | 555 | N/A | N/A | 9,600 | 674 | N/A | 4.8% | |
| 2012 | 65,368 | 758 | 560 | N/A | N/A | 9,403 | 761 | N/A | 5.2% | |
| 2013 | 66,392 | 819 | 561 | N/A | N/A | 9,422 | 692 | N/A | 4.5% | |



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

**LEWIS AND CLARK COUNTY, MONTANA
TOP TWENTY PRIVATE EMPLOYERS IN LEWIS AND CLARK COUNTY
Year Ended June 30, 2013**

| COMPANY NAME | PRODUCT OR SERVICE |
|--|---------------------------|
| A 2 Z Personel | Employment Services |
| Acumen Inc | Employment Services |
| Albertsons | Retail |
| Blue Cross/Blue Shield | Health Services |
| Carroll College | Higher Education |
| Costco | Wholesale |
| Family Outreach | Human Services |
| Intermountain Children's Home | Health Services |
| McDonald's | Food Service |
| Mountain West Bank | Financial Services |
| Optimum | Communications |
| Rocky Mountain Development Council | Community Services |
| St. Peter's Hospital | Health Services |
| Shodair Children's Hospital | Health Services |
| Student Assistance Foundation of Montana | Higher Education |
| Summit Aeronautics | Manufacturer |
| 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.

Source:

Montana Department of Labor and Industry

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

| FUNCTION/PROGRAM | FULL-TIME EQUIVALENT EMPLOYEES | | | | | | | | | |
|-------------------------------|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| 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 | 21.50 | 24.00 | 24.44 | 16.44 | 16.44 | 16.44 | 17.94 | 18.94 | 18.50 | 18.50 |
| Administrative services | 26.00 | 26.00 | 26.00 | 27.80 | 27.80 | 27.32 | 27.82 | 27.82 | 27.82 | 27.82 |
| Financial services | 16.25 | 16.75 | 18.75 | 18.75 | 18.75 | 15.50 | 15.75 | 15.75 | 15.75 | 15.75 |
| Electron services | 2.25 | 2.25 | 2.00 | 3.00 | 9.50 | 3.00 | 3.25 | 3.25 | 3.25 | 3.25 |
| Planning services | 12.00 | 12.00 | 11.00 | 12.00 | 14.00 | 12.00 | 12.00 | 10.50 | 9.50 | 8.50 |
| Records administration | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Legal services | 9.50 | 10.50 | 15.00 | 16.50 | 17.50 | 19.38 | 19.13 | 20.13 | 20.13 | 21.13 |
| PUBLIC SAFETY | | | | | | | | | | |
| Law enforcement services | 66.00 | 66.00 | 74.50 | 78.25 | 81.25 | 72.00 | 72.69 | 76.69 | 75.50 | 78.00 |
| Other public safety | 3.00 | 4.00 | 4.00 | 4.13 | 4.13 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Civil defense | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Animal control services | 1.41 | 1.41 | 1.00 | 1.00 | 3.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| PUBLIC WORKS | | | | | | | | | | |
| Public work administration | 7.00 | 7.00 | 7.00 | 7.60 | 10.60 | 4.00 | 4.04 | 4.04 | 4.04 | 4.04 |
| Bridge maintenance | 14.50 | 14.50 | 14.00 | 14.00 | 15.00 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| Road and street services | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 14.50 | 15.35 | 15.35 | 15.35 | 17.09 |
| Cemetery services | 1.80 | 1.80 | 5.80 | 6.80 | 6.80 | 2.88 | 4.62 | 4.62 | 4.62 | 4.62 |
| Facilities administration | 10.00 | 10.00 | 8.50 | 9.50 | 9.50 | 15.10 | 15.95 | 15.95 | 15.95 | 13.77 |
| Solid waste | 6.50 | 6.50 | 5.85 | 5.85 | 6.10 | 6.85 | 7.36 | 7.53 | 7.54 | 7.54 |
| Weed spraying services | 1.75 | 1.80 | 2.00 | 2.00 | 2.00 | 1.13 | 3.89 | 3.89 | 3.89 | 4.75 |
| PUBLIC HEALTH | | | | | | | | | | |
| Public health services | 36.84 | 37.16 | 55.67 | 55.70 | 46.81 | 47.92 | 47.51 | 48.51 | 43.26 | 44.00 |
| Nursing home | 92.28 | 92.99 | 93.90 | 104.19 | 105.19 | 94.40 | 94.40 | 72.10 | 72.99 | - |
| CULTURE AND RECREATION | | | | | | | | | | |
| Fairs | 3.00 | 4.50 | 4.00 | 5.25 | 8.25 | 6.00 | 7.25 | 7.25 | 7.26 | 7.26 |
| SOCIAL AND ECONOMIC | | | | | | | | | | |
| County extension | 2.00 | 1.70 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 1.00 |
| Total | 347.58 | 354.86 | 389.41 | 415.40 | 429.52 | 382.72 | 386.95 | 369.32 | 362.35 | 293.02 |

Source and other information:

Lewis & Clark County Budget Office

* The Cooney Convalescent Home was sold on May 31, 2012.

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

| FUNCTION/PROGRAM | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| GENERAL GOVERNMENT | | | | | | | | | | |
| Registered Voters (June) | 34,879 | 37,550 | 38,350 | 36,728 | 38,278 | 34,577 | 35,935 | 36,884 | 34,000 | 36,054 |
| Property Transactions: | | | | | | | | | | |
| Filings with Clerk & Recorder | 22,607 | 19,565 | 22,978 | 21,377 | 19,232 | 19,415 | 18,598 | 17,886 | 16,890 | 20,613 |
| Certificates of Survey | 242 | 209 | 195 | 168 | 166 | 114 | 100 | 77 | 86 | 80 |
| Real Property Tax Information | | | | | | | | | | |
| Taxes Assessed | \$ 56,995,481 | \$ 60,821,097 | \$ 65,164,378 | \$ 67,177,249 | \$ 72,369,348 | \$ 76,442,138 | \$ 79,489,319 | \$ 85,615,922 | \$ 86,604,324 | \$ 87,191,112 |
| Taxes Collected | \$ 55,393,809 | \$ 60,904,873 | \$ 62,185,114 | \$ 65,338,071 | \$ 66,895,633 | \$ 76,029,061 | \$ 72,611,245 | \$ 85,354,704 | \$ 80,011,013 | \$ 81,421,234 |
| Amount Protested | \$ 1,762,639 | \$ 1,047,460 | \$ 2,869,382 | \$ 2,920,106 | \$ 3,606,907 | \$ 1,836,194 | \$ 2,453,470 | \$ 3,388,656 | \$ 3,973,611 | \$ 3,580,267 |
| Total Outstanding | \$ 2,743,834 | \$ 2,244,856 | \$ 378,761 | \$ 1,820,937 | \$ 2,079,886 | \$ 2,137,774 | \$ 3,368,053 | \$ 3,706,682 | \$ 3,090,119 | \$ 3,334,881 |
| Number of Bills Sent | 32,272 | 31,829 | 32,178 | 32,710 | 33,471 | 34,528 | 34,337 | 35,259 | 39,524 | 35,553 |
| Delinquent Reminders | 2,940 | 6,186 | 4,425 | 9,276 | 5,826 | 2,824 | 5,092 | 3,891 | 8,540 | 9,033 |
| PUBLIC SAFETY ACTIVITIES | | | | | | | | | | |
| Sheriff | | | | | | | | | | |
| Arrests | 1,248 | N/A | 1,270 | 1,103 | 622 | 518 | 908 | 817 | 832 | 908 |
| Prisoner Days | 39,217 | 31,626 | 28,115 | 24,308 | 27,022 | 28,163 | 32,683 | 35,311 | 37,956 | 29,404 |
| Complaints | 52,487 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 14,380 | 16,021 |
| Traffic Violations | N/A | 1,422 | 5,446 | 4,485 | 3,281 | 2,985 | 3,484 | 2,439 | 2,113 | 2,764 |
| Sheriff's Fire | N/A | 10 | 227 | 257 | 317 | 369 | 439 | 473 | 471 | 475 |
| Emergency Responses | N/A | 10 | 145 | 139 | 159 | 129 | 155 | 134 | 152 | 155 |
| Fires Responses | N/A | 10 | 145 | 139 | 159 | 129 | 155 | 134 | 152 | 155 |
| Justice Court | | | | | | | | | | |
| Civil & Small Claims | 2,006 | 2,384 | 2,196 | 2,162 | 2,405 | 2,597 | 2,001 | 1,651 | 1,364 | 1,479 |
| Formal Criminal Complaints | 1,221 | 1,761 | 1,167 | 610 | 849 | 533 | 838 | 711 | 753 | 798 |
| Temporary Restraining Orders | 147 | 119 | 137 | 134 | 95 | 109 | 91 | 92 | 118 | 159 |
| County Attorney | | | | | | | | | | |
| Felonies | 617 | 684 | 604 | 631 | 703 | 676 | 610 | 624 | 598 | 620 |
| Mental Commitments | 58 | 61 | 78 | 94 | 80 | 93 | 108 | 102 | 76 | 100 |
| Juvenile Cases | 114 | 90 | 149 | 99 | 65 | 62 | 38 | 44 | 61 | 45 |
| PUBLIC WORKS | | | | | | | | | | |
| Refuse Disposal | | | | | | | | | | |
| Refuse disposed of (tons per day) | N/A | 120 | 119 | 140.96 | 126.61 | 118.11 | 176.80 | 116.66 | 115.23 | 111.63 |
| Number of permits issued | N/A | N/A | N/A | 12,368 | 12,641 | 13,672 | 12,344 | 14,480 | 13,244 | 14,314 |
| Other Public Works | | | | | | | | | | |
| Road Resurfacing (miles) | N/A | 17 | 4 | 12.98 | 12.50 | 11.70 | 12.28 | 10.24 | 10.38 | 14.72 |
| Pothole repairs (by ton of asphalt) | N/A | 1,674 | 1,507 | 3,876.58 | 2,096.11 | 1,149.01 | 1,785.26 | 624.49 | 868.77 | 327.00 |
| PUBLIC HEALTH ACTIVITIES | | | | | | | | | | |
| Septic System Site Evaluations | 527 | 568 | 974 | 606 | 248 | 241 | 289 | 108 | 184 | 150 |
| Licensed Establishment Inspections | 365 | 726 | 611 | 623 | 604 | 715 | 410 | 585 | 757 | 785 |
| Junk Vehicles Hauled | 273 | 274 | 224 | 225 | 174 | 230 | 140 | 64 | 14 | 8 |
| Air Quality | | | | | | | | | | |
| Good Days | 347 | 364 | 363 | 339 | 350 | 358 | 330 | 347 | 354 | 343 |
| Watch Days | 13 | 1 | 2 | 23 | 8 | 7 | 24 | 13 | 9 | 15 |
| Poor Days | - | - | - | 3 | 8 | - | 11 | 5 | 3 | 7 |
| Communicable Disease Cases | 364 | 293 | 275 | 361 | 618 | 514 | 3,262 | 318 | 541 | 545 |
| Immunizations Administered | 9,034 | 6,989 | 8,499 | 7,222 | 7,745 | 8,420 | 11,514 | 6,547 | 6,069 | 10,514 |

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

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

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------------------------|------|------|------|------|------|------|------|------|------|------|
| 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 |
| PUBLIC SAFETY ACTIVITIES | | | | | | | | | | |
| Stations | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Patrol units | 48 | 48 | 50 | 42 | 32 | 31 | 30 | 32 | 30 | 27 |
| PUBLIC WORKS | | | | | | | | | | |
| Snow plows | 7 | 7 | 7 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Graders | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 6 | 6 | 6 |
| Loaders | 3 | 3 | 3 | 3 | 5 | 5 | 5 | 5 | 5 | 5 |
| 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 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| 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 | 13 | 13 | 13 | 9 | 10 | 9 | 11 | 12 | 12 | 12 |
| Cemeteries | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Gravel roads (miles) | N/A | 429 | 429 | 429 | 429 | 431 | 425 | 425 | 426 | 425 |
| Paved roads (miles) | N/A | 44 | 44 | 44 | 44 | 45 | 52 | 52 | 52 | 53 |
| Chip sealed roads (miles) | N/A | 66 | 66 | 66 | 66 | 66 | 65 | 65 | 65 | 64 |
| Rural improvement districts (miles) | N/A | N/A | 142 | 160 | 161 | 169 | 172 | 178 | 176 | 178 |
| 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 | 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 aggregate 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, 2013, 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 11, 2013.

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.

A handwritten signature in cursive script that reads "Anderson Zurmuehlen & Co., P.C.".

Helena, Montana
December 11, 2013

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133

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 Circular A-133 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, 2013. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lewis & Clark County, Montana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion 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 and 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, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item #2013-01. Our opinion on each major federal program is not modified with respect to these matters.

Lewis & Clark County, Montana's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Lewis & Clark County, Montana's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 OMB Circular A-133, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Anderson Zurmuehlen & Co., P.C.

Helena, Montana
December 11, 2013

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2013

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 Circular A-133, Section .510(a)? | Yes |

Identification of major programs:

| <u>CFDA #</u> | <u>Name of Federal Program or Cluster</u> |
|---------------|--|
| 10.557 | USDA Special Supplemental Nutrition Program for Women, Infants, and Children |
| 66.439 | Targeted Watersheds Grants |
| 93.224 | Consolidated Health Center Grants |
| 93.526 | Affordable Care Act Grants for Capital Development in Health Centers |

| | |
|--|-----------|
| Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| Auditee qualified as a low-risk auditee? | Yes |

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2013

Financial Statement Audit Findings:

None

Federal Award Findings and Questioned Costs:

2013-01:

Information on the federal programs:

United States Department of Health and Human Services #10.557

Criteria:

The grant document for the above referenced grant requires timely reporting throughout the grant period.

Condition:

The grant agreement requires the reports to be filed by the 28th of the month following the prior month end. The reports were verified back to the books and records appropriately; however, they were not submitted timely as required by the grant. As of the audit date all subsequent reports have been filed timely.

Questioned costs:

None

Context:

In a sample of 12 monthly report submissions, 2 were not submitted timely.

Effect:

Noncompliance with grant requirements could result in a loss of funding.

Cause:

Management did not have appropriate controls in place to prevent non-compliance during staff turnover.

Recommendation:

We recommend management remind staff of the importance of complying with grant reporting requirements.

Planned corrective actions:

Management will work with staff to ensure that reports are being submitted on a timely basis.

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2013

Summary Schedule of Prior Audit Findings

2012-1:

Information on the federal programs:

United States Department of Health and Human Services #10.557

Criteria:

OMB A-133 Compliance Supplement requires recipients to verify eligibility for WIC participants based on establish criteria, including income, residency and identification.

Condition:

The CHC did not adequately verify eligibility for WIC participants.

Questioned costs:

None

Context:

In a sample of 40 participants, eligibility procedures were not adequately performed on 6 participants.

Effect:

Noncompliance with OMB A-133 as it relates to eligibility could result in a loss of funding. Without proper verification of eligibility, ineligible participants could receive benefits resulting in questioned costs that could be deemed unallowable.

Cause:

Management did not have appropriate controls in place to prevent non-compliance.

Recommendation:

The State of Montana performed monitoring procedures in December 2011, which brought this issue to management's attention. The employees involved have been disciplined and remedial training has been performed. We noted improvement in the compliance with the requirement in the period subsequent to the State's monitoring visit.

Planned corrective actions:

The WIC Staff was made aware of the deficiencies in verifying eligibility during the State of Montana monitoring visit in December 2011. Training was provided to all staff involved and regular internal reviews are done to ensure that eligibility procedures are adequately performed and documented.

Status:

This issue has been resolved.

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County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013

**LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2013**

| Federal Grantor/Pass - Through Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Program or Award Amount | Beg Bal | Income/Other | Matching Income/Other | Matching Expense/Other | Federal Expenditures | Cash Bal |
|---|---------------------|--|-------------------------|--------------------|-------------------|-----------------------|------------------------|----------------------|--------------------|
| U.S. Department of Agriculture | | | | | | | | | |
| Rural Communities Solid Waste Management Project | 10.762 | | \$ 75,523 | \$ - | \$ 6,718 | \$ 8,019 | \$ 8,019 | \$ 27,209 | \$ (20,491) |
| Tansy Ragwort/St. Johnswort Eradication | 10.665 | | 15,538 | - | 75 | - | - | 75 | - |
| Erosion and Noxious Weed Reduction | 10.665 | | 15,296 | (10,358) | 10,358 | - | - | - | - |
| Passed through the Office of Finance and Budget: | | | | | | | | | |
| Schools and Roads - Grants to State - Forest Reserve - major program (note 3) | 10.665 | N/A | 669,105 | - | 446,293 | - | - | 446,293 | - |
| Subtotal by Federal CFDA Number | | | 699,939 | (10,358) | 456,726 | - | - | 446,368 | - |
| Passed through the State Department of Natural Resources/Conservation: | | | | | | | | | |
| Western Wildland Urban Interface Grant Program | 10.664 | WSF-11-002 | 285,000 | (1,771) | 49,145 | 29,148 | 27,529 | 77,769 | (28,776) |
| Western Wildland Urban Interface Grant Program | 10.664 | SPF-10-001 | 165,000 | (26,156) | 77,950 | 13,489 | 15,107 | 50,176 | - |
| Community Fire Protection | 10.664 | HZF-13-005 | 94,100 | - | 1,923 | - | - | 2,759 | (836) |
| Passed through the State Department of Agriculture: | | | | | | | | | |
| Little Prickley Pear Noxious Weed | 10.664 | 2011-720 | 10,000 | - | 3,877 | 13,287 | 13,287 | 3,877 | - |
| Subtotal by Federal CFDA Number | | | 554,100 | (27,927) | 132,895 | 55,924 | 55,923 | 134,581 | (29,612) |
| Lincoln Valley Snowmobile Trails | 10.680 | 2012-703 | 3,556 | - | 3,556 | 12,381 | 12,381 | 3,556 | - |
| Specialty Crop Block Grant | 10.170 | 1350589 | 20,150 | - | 13,500 | 22,900 | 22,900 | 14,789 | (1,288) |
| Passed through the State Department of Public Health and Human Services: | | | | | | | | | |
| W.I.C. Program | 10.557 | 12-07-5-21-012-0 | 216,060 | (37,545) | 95,259 | 1,683 | 1,533 | 57,864 | - |
| W.I.C. Program | 10.557 | 13-07-5-21-012-0 | 187,286 | - | 108,504 | 3,744 | 26 | 140,537 | (28,316) |
| W.I.C. Breastfeeding | 10.557 | 13-07-5-21-035-0 | 15,500 | - | 5,001 | 195 | - | 8,930 | (3,734) |
| W.I.C. Breastfeeding | 10.557 | 12-07-5-21-035-0 | 14,000 | (2,074) | 7,520 | - | - | 5,446 | - |
| Subtotal by Federal CFDA Number | | | 432,846 | (39,619) | 216,284 | 5,622 | 1,559 | 212,777 | (32,050) |
| Total U.S. Department of Agriculture | | | \$ 1,786,114 | \$ (77,904) | \$ 829,679 | \$ 104,846 | \$ 100,782 | \$ 839,280 | \$ (83,442) |
| U.S. Department of Housing and Urban Development | | | | | | | | | |
| Passed through the Montana Department of Commerce: | | | | | | | | | |
| River Rock | 14.228 | MT-CDBG-11HR-01 | 450,000 | - | 351,745 | - | - | 347,796 | 3,949 |
| Public Facilities | 14.228 | MT-CDBG-11PF-08 | 450,000 | - | - | - | - | 4,725 | (4,725) |
| Subtotal by Federal CFDA Number | | | 900,000 | - | 351,745 | - | - | 352,521 | (776) |
| Home Grant | 14.239 | MT2-SG3001-13 | 750,000 | - | - | - | - | 174 | (174) |
| Total U.S. Department of Housing and Urban Development | | | \$ 1,650,000 | \$ - | \$ 351,745 | \$ - | \$ - | \$ 352,695 | \$ (950) |
| U.S. Department of Justice | | | | | | | | | |
| Bullet Proof Vest Partnership Grant | 16.607 | | 4,230 | (918) | 3,250 | 3,250 | 3,250 | 2,332 | - |
| Bullet Proof Vest Partnership Grant | 16.607 | NIJ#1316 | 2,737 | - | 1,768 | 2,229 | 2,229 | 2,229 | (461) |
| Subtotal by Federal CFDA Number | | | 6,967 | (918) | 5,018 | 5,479 | 5,479 | 4,561 | (461) |
| Passed through Gallatin County: | | | | | | | | | |
| Missouri River Drug Task Force | 16.738 | 11-G01-91256 | 45,900 | - | 45,900 | 52,114 | 52,114 | 45,900 | - |
| Missouri River Drug Task Force | 16.738 | 10-G01-90869 | 55,691 | (14,948) | 14,948 | - | - | - | - |
| Subtotal by Federal CFDA Number | | | 101,591 | (14,948) | 60,848 | 52,114 | 52,114 | 45,900 | - |
| Passed through the Montana Board of Crime Control: | | | | | | | | | |
| DUI Grant | 16.727 | 11-U01-91105 | 29,405 | (813) | 18,678 | - | - | 15,199 | 2,666 |
| Subtotal by Federal CFDA Number | | | 29,405 | (813) | 18,678 | - | - | 15,199 | 2,666 |
| Passed through the Secretary of State's Office: | | | | | | | | | |
| Help America Vote Act of 2002 | 39.011 | n/a | - | - | - | - | - | - | - |
| Total U.S. Department of Justice | | | \$ 137,963 | \$ (16,679) | \$ 84,544 | \$ 57,593 | \$ 57,593 | \$ 65,660 | \$ 2,205 |
| U.S. Department of the Interior | | | | | | | | | |
| Hazardous Fuel Reduction (BLM - Projects) | 15.228 | | 101,425 | (17,995) | 28,631 | 7,197 | 7,508 | 10,325 | - |
| Hazardous Fuel Reduction (BLM - Projects) | 15.228 | | 415,000 | (54,387) | 111,738 | 34,733 | 34,733 | 68,415 | (11,064) |
| Subtotal by Federal CFDA Number | | | 516,425 | (72,382) | 140,369 | 41,930 | 42,241 | 78,740 | (11,064) |
| Passed through the Montana Historical Society: | | | | | | | | | |
| Historic Preservation | 15.904 | MT-11-018 | 5,500 | - | 5,500 | - | - | 5,500 | - |
| Total U.S. Department of the Interior | | | \$ 521,925 | \$ (72,382) | \$ 145,869 | \$ 41,930 | \$ 42,241 | \$ 84,240 | \$ (11,064) |

County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2013

| Federal Grantor/Pass - Through Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Program or Award Amount | Beg Bal | Income/Other | Matching Income/Other | Matching Expense/Other | Federal Expenditures | Cash Bal |
|---|---------------------|--|-------------------------|--------------|--------------|-----------------------|------------------------|----------------------|--------------|
| U.S. Federal Highway Administration | | | | | | | | | |
| Marysville Road Improvement Program | 20.205 | | \$ 7,423,363 | \$ - | \$ 173,328 | \$ - | \$ - | \$ 173,328 | \$ - |
| Forest Highway Surface Preservation & Safety | 20.205 | | 4,937,500 | (53,212) | 1,053,179 | 93,810 | 93,810 | 1,365,270 | (365,303) |
| Benchmark Road Surface Rock Replacement Project | 20.205 | | 2,600,000 | - | 35,271 | - | - | 110,274 | (75,003) |
| Rimini Road Project | 20.205 | | 549,000 | (141,702) | 214,422 | - | - | 155,495 | (82,775) |
| Passed through the State Department of Transportation: | | | | | | | | | |
| CTEP-Jim Darcy Path Bridge | 20.205 | 7215 | 34,632 | (4,638) | - | 4,638 | - | - | - |
| Air Quality Equipment | 20.205 | UPN 6770-CM STWD | 175,879 | - | - | - | - | - | - |
| Warren School SRTS Path- Helena | 20.205 | 7684 | 195,535 | (5,684) | - | - | - | 11,610 | (17,294) |
| Way to Go Campaign-L&C Co. | 20.205 | | 30,000 | (5,814) | 4,894 | - | - | 19,247 | (20,167) |
| Safe Routes to School | 20.205 | 105758 | 16,450 | (5,433) | 7,418 | - | - | 1,985 | - |
| Safe Routes to School | 20.205 | 106437 | 13,295 | - | 2,734 | - | - | 12,095 | (9,361) |
| CTEP-Courthouse Square Rehab | 20.205 | 7394 | 232,952 | (15,713) | 31,915 | 3,116 | 3,116 | 16,202 | - |
| Passed through Cascade County: | | | | | | | | | |
| Extraordinary Snow Removal | 20.205 | N/A | - | - | 21,926 | - | - | 21,926 | - |
| Subtotal by Federal CFDA Number | | | | | | | | | |
| Traffic Safety | 20.600 & 20.601 | 106723 | 16,208,606 | (232,196) | 1,545,087 | 101,564 | 96,926 | 1,887,432 | (569,903) |
| Traffic Safety | 20.600 & 20.601 | 106080 | 12,000 | (3,231) | 3,543 | - | - | 6,584 | (3,041) |
| | | | 12,000 | (3,231) | 8,295 | - | - | 5,064 | - |
| | | | 24,000 | (3,231) | 11,838 | - | - | 11,648 | (3,041) |
| Total U.S. Federal Highway Administration | | | | | | | | | |
| | | | \$ 16,232,606 | \$ (235,427) | \$ 1,556,925 | \$ 101,564 | \$ 96,926 | \$ 1,899,080 | \$ (572,944) |
| Environmental Protection Agency | | | | | | | | | |
| Brownfield Assessment Program | 66.818 | | 400,000 | (58,191) | 139,069 | - | - | 129,878 | (49,000) |
| Targeted Watershed Grant | 66.439 | | 899,000 | (14,385) | 362,197 | 546,417 | 597,728 | 296,501 | - |
| Tri-County Small Business Efficiency Program | 66.041 | | 305,000 | (17,896) | 85,159 | 200 | - | 143,565 | (76,102) |
| East Helena Superfund Cooperative Agreement | 66.802 | | 669,625 | (45,562) | 198,011 | 70 | 70 | 194,201 | (41,752) |
| Passed through the State Department of Environmental Quality: | | | | | | | | | |
| Helena Valley Non-Point Source Assessment | 66.460 | 212062 | 77,265 | - | 14,594 | 99,860 | 99,860 | 22,117 | (7,523) |
| Passed through the State Department of Natural Resources and Conservation: | | | | | | | | | |
| Helena Area Groundwater Project Phase II | 66.460 | 210112 | 95,000 | (10,180) | 24,070 | - | - | 13,890 | - |
| Lake Helena Watershed Restoration Project | 66.460 | 211072 | 160,000 | (5,977) | 27,634 | 98,434 | 98,434 | 33,093 | (11,436) |
| Subtotal by Federal CFDA Number | | | | | | | | | |
| Air Quality Program Survey | 66.605 | 512038 | 332,265 | (16,157) | 66,298 | 198,294 | 198,294 | 69,100 | (18,959) |
| Air Quality Program Sign | 66.605 | 512037 | 33,750 | (3,563) | 33,653 | - | - | 30,090 | - |
| Air Pollution Control Program | 66.605 | 512003 | 48,917 | - | 48,917 | 243 | 243 | 48,917 | - |
| Air Pollution Control Program | 66.605 | 512003 | 20,041 | (5,088) | 4,810 | 849 | 571 | - | - |
| Air Pollution Control Program | 66.605 | 513003 | 20,041 | - | 15,030 | 23,445 | 15,379 | 20,041 | 3,055 |
| Subtotal by Federal CFDA Number | | | | | | | | | |
| Water Infrastructure-Wastewater Development in the Helena Valley | 66.418 | XP-98860801-0 | 122,749 | (8,651) | 102,410 | 24,537 | 16,193 | 99,048 | 3,055 |
| Total U.S. Environmental Protection Agency | | | | | | | | | |
| | | | \$ 4,183,639 | \$ (159,777) | \$ 953,144 | \$ 781,408 | \$ 824,175 | \$ 946,826 | \$ (196,226) |
| Department of Defense | | | | | | | | | |
| Fort William Harrison (JLUS) | 12.610 | | \$ 160,000 | \$ - | \$ - | \$ 1,521 | \$ 1,521 | \$ 14,089 | \$ (14,089) |
| Total Department of Defense | | | | | | | | | |
| | | | \$ 160,000 | \$ - | \$ - | \$ 1,521 | \$ 1,521 | \$ 14,089 | \$ (14,089) |
| Office of National Drug Control Policy | | | | | | | | | |
| High Intensity Drug Trafficking Area (HIDTA) | 95.001 | | \$ 133,096 | \$ (824) | \$ 5,792 | \$ - | \$ - | \$ 4,968 | \$ - |
| High Intensity Drug Trafficking Area (HIDTA) | 95.001 | | 140,418 | - | 42,267 | - | - | 65,298 | (23,031) |
| High Intensity Drug Trafficking Area (HIDTA) | 95.001 | | 137,266 | (30,420) | 89,791 | - | - | 59,371 | - |
| Total U.S. Office of National Drug Control Policy | | | | | | | | | |
| | | | \$ 410,780 | \$ (31,244) | \$ 137,850 | \$ - | \$ - | \$ 129,637 | \$ (23,031) |

County of Lewis and Clark, Montana Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2013

| Federal Grantor/Pass - Through Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Program or Award Amount | Beg Bal | Income/Other | Matching Income/Other | Matching Expense/Other | Federal Expenditures | Cash Bal |
|--|---------------------|--|-------------------------|--------------------|-------------------|-----------------------|------------------------|----------------------|--------------------|
| Federal Emergency Management Agency | | | | | | | | | |
| Passed through the Department of Military Affairs: | | | | | | | | | |
| CERT Program | 97.067 | 2006-GE-T6-0062 | \$ 1,216 | \$ 500 | \$ - | \$ - | \$ - | \$ - | \$ 500 |
| Homeland Security Grant Program | 97.067 | EMW-2011-SS-00052 | 75,000 | (70,025) | 70,465 | - | - | 1,119 | (679) |
| Communications System Support | 97.067 | EMW-2011-SS-00052 | 479,536 | - | 86,360 | - | - | 164,962 | (78,602) |
| Communications Equipment | 97.067 | n/a | 270,000 | - | 35,774 | - | - | 35,992 | (218) |
| Homeland Security Grant Program | 97.067 | DHS-10-GPD-067-000-01 | 38,860 | (8,650) | 26,022 | - | - | 17,372 | - |
| Interoperable Emergency Comm. | 97.067 | 2009-HP-T9-0033 | 124,533 | (37,199) | 43,502 | - | - | 6,303 | - |
| Interoperable Emergency Comm. | 97.067 | 2010-HP-T0-0023 | 107,000 | - | 95,390 | - | - | 95,211 | 179 |
| Subtotal by Federal CFDA Number | | | 1,096,145 | (115,374) | 357,513 | - | - | 320,959 | (78,820) |
| Homeland Security Grant Program EMPG | 97.042 | EMW-2012-EP-00057-S01 | 60,800 | - | 13,493 | 36,537 | 36,537 | 36,537 | (23,044) |
| Homeland Security Grant Program EMPG | 97.042 | EMW-2011-EP-00035 | 65,435 | (11,812) | 25,169 | 5,606 | 5,606 | 13,357 | - |
| Subtotal by Federal CFDA Number | | | 126,235 | (11,812) | 38,662 | 42,143 | 42,143 | 49,894 | (23,044) |
| 2011 Spring Flooding | 97.036 | 1996-DR-MT | - | 29,006 | 36,899 | 7,296 | 4,935 | 58,838 | 9,428 |
| Total Federal Emergency Management Agency | | | \$ 1,222,380 | \$ (98,180) | \$ 433,074 | \$ 49,439 | \$ 47,078 | \$ 429,691 | \$ (92,436) |
| U.S. Department of Health and Human Services | | | | | | | | | |
| Passed through the State Department of Public Health and Human Services: | | | | | | | | | |
| Childhood Immunization Grant | 93.268 | 12-07-4-31-024-0 | \$ 10,969 | \$ 2,013 | \$ - | \$ - | \$ - | \$ 2,013 | \$ - |
| Childhood Immunization Grant | 93.268 | 13-07-4-31-024-0 | 10,968 | - | 10,968 | 1,373 | 1,372 | 10,969 | - |
| Childhood Immunization Grant | 93.268 | 13-07-4-31-123-0 | 21,937 | - | 10,969 | - | - | 10,969 | - |
| Subtotal by Federal CFDA Number | | | 43,874 | 2,013 | 21,937 | 1,373 | 1,372 | 23,951 | - |
| HIV Prevention Services | 93.940 | 13-07-4-51-009-0 | 25,573 | - | 6,838 | 788 | 12,612 | 16,435 | (4,986) |
| HIV Prevention Services | 93.940 | 12-07-4-51-009-0 | 26,919 | (10,484) | 33,757 | 938 | 12,762 | 16,435 | (4,986) |
| Subtotal by Federal CFDA Number | | | 52,492 | (10,484) | 84,044 | 2,696 | 12,762 | 64,597 | 22,143 |
| Bioterrorism | 93.069 | 13-07-6-11-028-0 | 108,446 | - | 84,044 | 2,696 | - | 64,597 | - |
| Bioterrorism | 93.069 | 12-07-6-11-028-0 | 74,506 | 5,363 | 22,352 | - | - | 27,715 | - |
| Subtotal by Federal CFDA Number | | | 182,952 | 5,363 | 106,396 | 2,696 | - | 92,312 | 22,143 |
| HIV Medical Case Management | 93.117 | 11-07-4-51-103-0 | 7,000 | 698 | 4,645 | - | 4,392 | 951 | - |
| HIV Case Management | 93.117 | 10-07-4-51-106-0 | 10,750 | - | 10,750 | - | - | 951 | - |
| Subtotal by Federal CFDA Number | | | 17,750 | 698 | 4,645 | - | 4,392 | 951 | - |
| MT NAPA Obesity Prevention Project | 93.283 | 12-07-3-01-097-0 | 15,000 | 5,633 | 3,750 | - | - | 9,383 | - |
| MT NAPA Obesity Prevention Project | 93.283 | 13-07-3-01-097-0 | 15,000 | - | 11,250 | 342 | - | 6,954 | 4,638 |
| Subtotal by Federal CFDA Number | | | 30,000 | 5,633 | 15,000 | 342 | - | 16,337 | 4,638 |
| Maternal Infant and Early Childhood Home Visiting Infr. Development | 93.505 | 12-07-5-31-032-0 | 99,991 | 41,699 | 44,404 | 3,300 | 3,300 | 86,103 | - |
| Maternal Infant and Early Childhood Home Visiting Infr. Development | 93.505 | 13-07-5-31-032-0 | 115,000 | - | 105,855 | - | - | 62,578 | - |
| Subtotal by Federal CFDA Number | | | 214,991 | 41,699 | 150,259 | 3,300 | 3,300 | 148,681 | 43,277 |
| Community Transformation Grant | 93.531 | 13-07-3-01-114-0 | 100,000 | - | 65,629 | - | - | 68,938 | (3,309) |
| CTS-Mini Grant | 93.531 | CDC-RFADP11-1103PHF11 | 3,750 | - | 3,750 | - | - | 3,750 | - |
| Subtotal by Federal CFDA Number | | | 103,750 | - | 69,379 | - | - | 72,688 | (3,309) |
| Title IV- Legal Services | 93.658 | 12-03-8-25-001-0 | n/a | (11,131) | 11,131 | - | - | - | - |
| Title IV- Legal Services | 93.658 | 13-03-8-25-000-2 | n/a | (11,131) | 16,031 | - | 14,252 | 22,496 | (20,717) |
| Subtotal by Federal CFDA Number | | | - | (11,131) | 27,162 | - | 14,252 | 22,496 | (20,717) |
| Tuberculosis Control Program | 93.116 | 12-07-4-11-048-0 | 3,000 | (1,446) | 3,000 | - | 1,860 | 554 | (860) |
| Best Beginnings Community Councils | 93.110 | 1102COMM0005 | 6,474 | 45 | 1,501 | - | - | 1,714 | (168) |
| Best Beginnings Community Councils | 93.600 | 1102COMM0005 | 3,757 | 26 | 871 | - | - | 995 | (98) |
| ARRA - Best Beginnings Community Councils | 93.708 | 1102COMM0005 | 47,569 | 329 | 11,030 | - | - | 12,594 | (1,235) |
| Severe Disabling Mental Illness | 93.778 | 13-331-74066-0 | 70,000 | - | 70,000 | 14,533 | - | 66,854 | 17,679 |
| PHEP Mid-Year Performance Measure | 93.069/93.074 | n/a | 1,500 | - | 1,500 | - | - | 1,500 | - |
| Maternal Child Health and Block Grant | 93.994 | 13-07-5-01-025-0 | 68,966 | - | 68,966 | 50,483 | - | 67,310 | 1,656 |
| Passed through Missoula County: | | | | | | | | | |
| Aids Early Intervention | 93.918 | n/a | 13,000 | 4,934 | 3,000 | - | - | 1,307 | 6,627 |
| Total U.S. Department of Health and Human Services | | | \$ 860,075 | \$ 37,679 | \$ 588,403 | \$ 73,665 | \$ 88,421 | \$ 546,679 | \$ 64,647 |

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2013

| Federal Grantor/Pass - Through Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Program or Award Amount | Beg Bal | Income/Other | Matching Income/Other | Matching Expense/Other | Federal Expenditures | Cash Bal |
|--|---------------------|--|-------------------------|---------------------|---------------------|-----------------------|------------------------|----------------------|---------------------|
| Drug Enforcement Administration | | | | | | | | | |
| Equitable Sharing | 16.922 | N/A | \$ - | \$ - | \$ 24,595 | \$ - | \$ - | \$ 24,595 | \$ - |
| Total Drug Enforcement Administration | | | \$ - | \$ - | \$ 24,595 | \$ - | \$ - | \$ 24,595 | \$ - |
| Other Federal Financial Assistance | | | | | | | | | |
| Passed through State Treasurer's Office: | | | | | | | | | |
| Taylor Grazing | 15.034 | N/A | \$ - | \$ - | \$ 1,608 | \$ - | \$ - | \$ 1,608 | \$ - |
| Total Other Federal Financial Assistance | | | \$ - | \$ - | \$ 1,608 | \$ - | \$ - | \$ 1,608 | \$ - |
| Total Federal Financial Assistance - Primary Government | | | \$ 27,165,482 | \$ (653,914) | \$ 5,107,436 | \$ 1,211,966 | \$ 1,258,737 | \$ 5,334,080 | \$ (927,330) |
| Component Unit Federal Financial Assistance | | | | | | | | | |
| U.S. Department of Health and Human Services | | | | | | | | | |
| Patient Center Medical Home | 93.224 | | 35,000 | (2,022) | 35,000 | - | - | 32,978 | - |
| Community Health Centers | 93.224 | | 1,437,795 | 868,056 | 1,145,004 | 334,888 | 1,062,930 | 1,285,018 | - |
| Community Health Centers | 93.224 | | 1,508,502 | - | 502,834 | 1,891,941 | - | 1,402,318 | 992,457 |
| Subtotal by Federal CFDA Number | | | 2,981,297 | 866,034 | 1,682,838 | 2,226,829 | 1,062,930 | 2,720,314 | 992,457 |
| Mental Health | 93.912 | | 100,000 | 13,751 | - | - | 13,751 | - | - |
| CHC | 93.526 | | 5,000,000 | - | 129,935 | - | - | 129,935 | - |
| Total Component Unit | | | \$ 8,081,297 | \$ 879,785 | \$ 1,812,773 | \$ 2,226,829 | \$ 1,076,681 | \$ 2,850,249 | \$ 992,457 |
| Total Expenditures of Federal Awards | | | \$ 35,246,779 | \$ 225,871 | \$ 6,920,209 | \$ 3,438,795 | \$ 2,335,418 | \$ 8,184,329 | \$ 65,127 |

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

A few beginning balances have been changed due to some accounting adjustments. These adjustments do not affect expenditures.

LEWIS AND CLARK COUNTY, MONTANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2013

Note 1 - Basis of Presentation

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

Note 2 – Subrecipients

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

| Program Title | Federal CFDA Number | Amount Provided to Subrecipients |
|---|------------------------|-------------------------------------|
| Lincoln Valley Snowmobile Trails | 10.680 | \$ 3,877 |
| MIEC Home Visiting Infrastructure Development | 93.505 | \$ 86,103 |
| MIEC Home Visiting Infrastructure Development | 93.505 | \$ 62,578 |
| Best Beginnings Community Councils | 93.110 | \$ 1,714 |
| Best Beginnings Community Councils | 93.600 | \$ 995 |
| ARRA - Best Beginnings Community Councils | 93.708 | \$ 12,594 |
| River Rock | 14.228 | \$ 347,796 |

Note 3 - Other Information

U S Department of Agriculture

The \$446,293 reported, represents 66 2/3 percent of the total amount of \$669,105 received by the County. The remaining 33 1/3 percent was distributed directly to the countywide school levy funds as required by state statute, and was not recorded by Lewis and Clark County.



