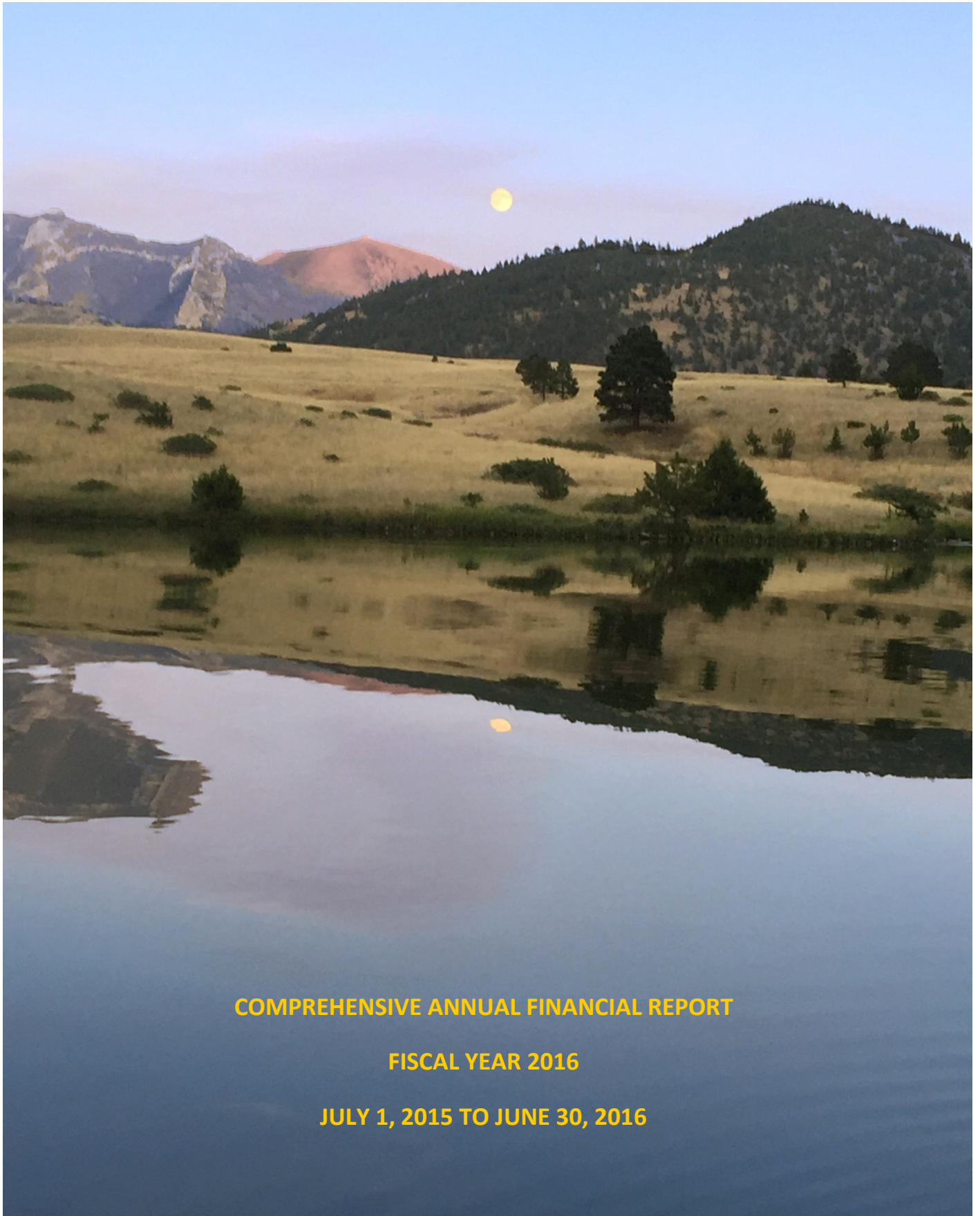


LEWIS AND CLARK COUNTY

MONTANA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR 2016

JULY 1, 2015 TO JUNE 30, 2016

REFLECTIONS...The August moon shines brightly on this peaceful evening on the Missouri River. It would be several hours before dark and the river was like glass. Although we saw antelope, deer, bighorn sheep, and bald eagles on our voyage, the beauty of our surroundings left a lasting impression. The river winds back and forth for our return trip through the Gates of the Mountains. As evening falls the moon light reflects off the water and casts shadows on the canyon walls making our return trip look completely different than it appeared in day light.

LEWIS & CLARK COUNTY, MONTANA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2016

July 1, 2015 to June 30, 2016

PRESENTED BY
LEWIS AND CLARK COUNTY ACCOUNTING DEPARTMENT

LEWIS AND CLARK COUNTY
HELENA, MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year 2016

July 1, 2015 - June 30, 2016

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 20, 2016

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, 2016.

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, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded based upon the audit that there was a reasonable basis for rendering unmodified opinions over the County's basic financial statement opinion units, as listed in the accompanying table of contents for the fiscal year ended June 30, 2016. The independent auditor's report is presented at the front of the financial section of this report.

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

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and render an opinion on compliance involving the administration of major federal awards.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996 and the United States Office of Management and Budget (OMB) 2CFR200 Uniform Guidance. Information related to this single audit, including the schedule of expenditures of federal awards and the auditor's reports on internal control over financial reporting and compliance and other matters under Government Auditing Standards and in accordance with OMB 2CFR200 are included in the single audit section of this report.

Profile of Lewis and Clark County

The County, established as a commission form of government in 1915, is located in the southwestern part of the state. The County government is comprised of a three-member commission that is elected at large, each member serving a staggered six-year term. There are eleven elected officials that serve four-year terms. The main County offices are located in Helena, the state capital and county seat, which is located in the southern portion of the County. The County currently has a land area of approximately 3,513 square miles and a population of approximately 67,801. The population of the County is predominately urban with the majority of the residents within a twenty-mile radius of Helena. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

The County provides a full range of services. General government functions include judicial and legal services, public records administration, election services, financial services, planning services and public school administration. Public safety functions include law enforcement (sheriff), fire protection, coroner services, and detention services. The County provides the following public works functions: road and bridge maintenances, weed control, building maintenances, solid waste services, and cemetery services, along with 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 PureView Health Center as a component unit. The county operated a nursing home, but sold the facility on June 1, 2012, on an installment sale. Currently, nursing home activity centers around collection of the principal and interest related to the sale.

The annual budget serves as the foundation for the County's financial planning and control. All agencies of the County are required to submit requests for appropriation to the Clerk and Recorder before June 10th of each year, or on a date designated by the 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 the economic downturn starting in FY08, the County experienced a slowdown in several areas. Subdivision applications, permits for septic systems and tonnage received at the landfill dropped significantly as new construction stopped. Over the past several years, the County has seen slow, but steady growth. Property tax revenue has grown at approximately 2% each year. In the last year the County has seen a considerable uptick in construction growth and the demand for services is increasing.

The County has performed well during this period of economic downturn, with an unemployment rate much lower than the state and national rates. Helena has a stable economy due to an estimated one-third of jobs being held by federal, state, county, or city government workers. The current unadjusted unemployment figure for the County is 3.5 percent. This is up 0.2 percent from one year ago. The current unadjusted unemployment figure for the Montana is 4.2 percent and the nation is 4.9 percent.

The County conducts various planning processes (long-term, mid-term and short-term), to help guide the government and to ensure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to ensure each of these component planning processes are in concert with one another. This so called “Linkage” is paramount to ensure short-term decisions are consistent with the overriding values embodied in the mid-term and long-term planning processes adopted by the 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 2016, \$3.7 million was set aside for future replacement of capital assets.

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

The County's annual budget is developed in accordance with the policies and priorities set forth in the five year strategic financial plan, 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 ensure revenue estimates are met, all taxpayers are treated fairly and consistently, and delinquencies are kept to a minimum. The County will aggressively pursue opportunities for Federal or State grant funding. An aggressive policy of pursuing opportunities for Federal or State grant funding provides citizens assurance that the County is striving to obtain all state and federal funds to which it is entitled—thereby reducing dependence upon local taxpayers for the support of local public services.

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

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

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

The County operates an investment pool for idle cash belonging to the County, school districts, fire districts and other small local agencies. The investments of the County are managed through an investment committee. The County has formally adopted an investment policy established by the committee, which outlines the investment goals and strategies. It has been the intent of the County to add additional stability for the overall portfolio by creating a laddering process using treasury bills, agency notes and certificate of deposits.

Although the County has a fairly stable economic environment, the increase in demand for government services that accompanies development has exceeded the growth in revenues. The 2001 Montana Legislature provided major tax reform for local governments and the most significant was House Bill 124. This bill replaced the funding structure, primarily dependent on motor vehicle, gaming revenues, and includes an entitlement share from the state. The purpose of the bill was to simplify the flow of revenue between local governments and the State of Montana and to provide local governments a stable source of funding. The entitlement share will grow each year based on population and the consumer price index. The legislature also passed Senate Bill 176, which provided for the state to assume the costs of District Court, excluding the Clerk of Court and the Public Defender. The legislature also recognized that the rising cost of providing health

insurance to employees was prohibitive for local governments and authorized local governments to raise mills to cover the cost of increases in health insurance premiums. The financial statements included in this report reflect these changes.

The highest priority of the County is coping with an overcrowded detention facility. A proposal to build a new facility was defeated by the voters in November 2015. The County is presenting a plan to the voters in November 2016 that proposes to remodel the current detention center to accommodate more inmates and also proposes new programs to reduce the need to accommodate inmates. Voters approved the construction costs but did not approve the increased operations cost and new programs on November 8, 2016. Both of the funding requests needed to be approved to move forward. The County is currently in discussions to decide how to move forward.

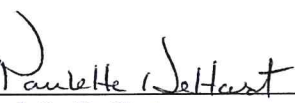
Awards and Acknowledgements

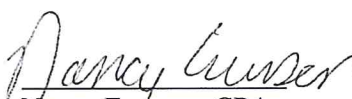
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lewis and Clark County for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the twentieth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,


Paulette DeHart
Treasurer/Clerk and Recorder


Nancy Everson, CPA
Finance Officer


Rodger Nordahl
Accounting Manager



Government Finance Officers Association

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

Presented to

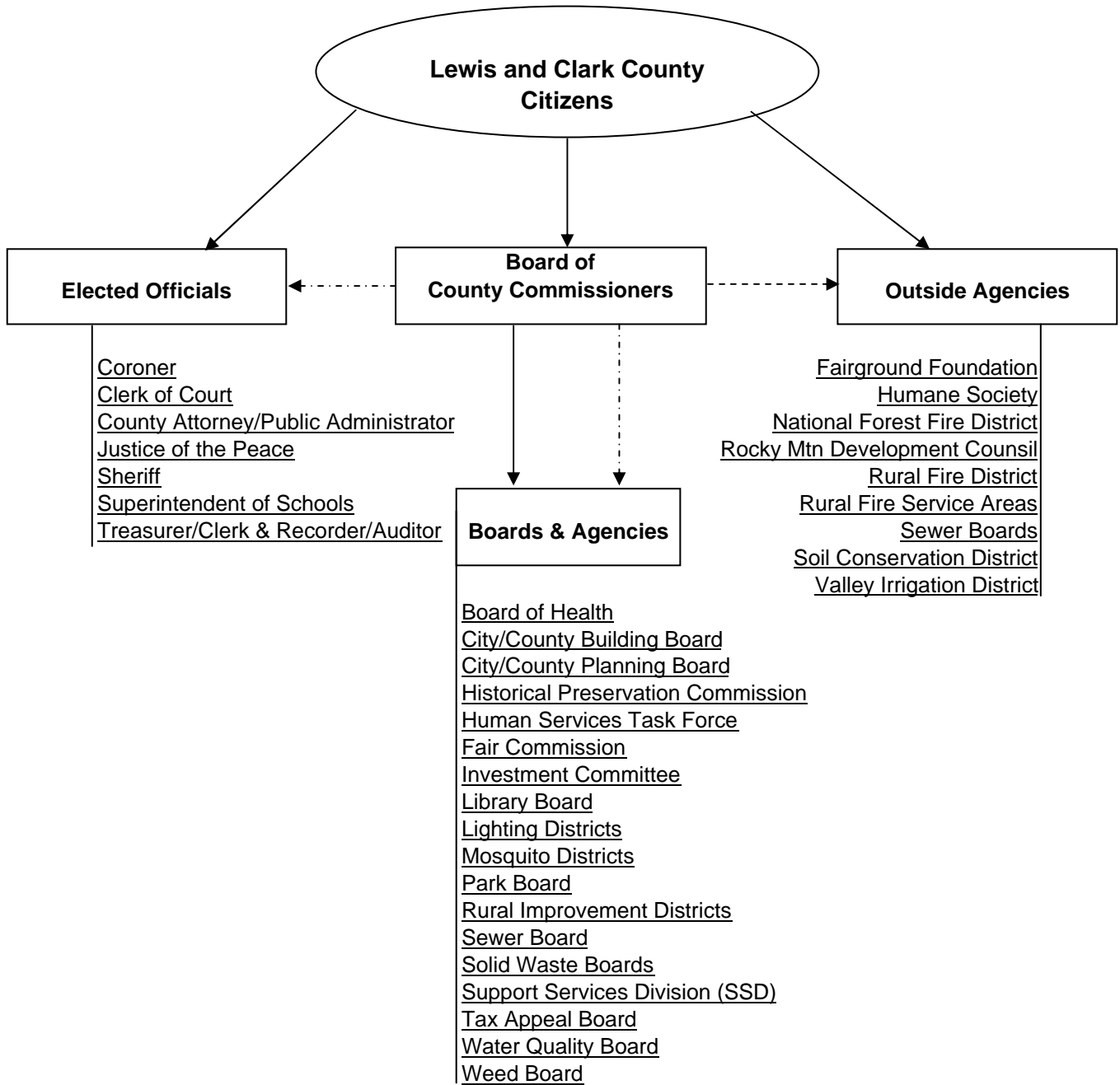
**Lewis and Clark County
Montana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

Lewis and Clark County, Montana ORGANIZATIONAL CHART



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

**LEWIS AND CLARK COUNTY
HELENA, MONTANA
JUNE 30, 2016**

LIST OF PRINCIPAL OFFICIALS

BOARD OF COUNTY COMMISSIONERS

Mr. Michael A Murray	Chair
Mrs. Susan Good Geise	Vice-Chairman
Mr. Andy Hunthausen	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. Katrina Chaney	Superintendent of Schools
Mrs. Paulette DeHart	Treasurer/Clerk and Recorder/Auditor
The Honorable Kathy Seeley	District Court Judge
The Honorable Mike Menahan	District Court Judge
The Honorable 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, 2016, 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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions and Schedule of Employee Group Benefits Plan - Other Postemployment Benefits on pages 5 through 16, 95 through 97, 98 through 100, and 101 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules (as listed in the table of contents) and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2016, on our consideration of Lewis & Clark County, Montana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lewis & Clark County, Montana's internal control over financial reporting and compliance.

Anderson Zurmuehlen + Co, P.C.

Helena, Montana
December 20, 2016

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LEWIS AND CLARK COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016 and 2015

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, 2016 and 2015. 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, 2016 by \$66.9 million (reported as net position) compared with \$61.9 million at June 30, 2015. Of this amount, \$9.0 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 \$6.35 million. That increase is a result of the continued investment in large infrastructure projects and building construction projects, along with the continual saving of resources by departments for future capital purchases/improvements in excess of amounts being spent.
- As of June 30, 2016, Lewis and Clark County's governmental funds reported combined ending fund balances of \$27.5 million, compared with \$25.2 million at June 30, 2015. Of this amount, \$23.0 million is available for spending at the government's discretion (committed, assigned, and unassigned fund balances).
- Major infrastructure and construction projects have continued through the last four fiscal years. Several of the road and building projects were completed in this fiscal year, along with several more being started.
- Lewis and Clark County made principal payments for the general obligation bond, special assessment loans, revenue bonds, and contracts/loans of \$.9 million, with no additional debt incurred.
- For a summary of new GASB pronouncements adopted in the current fiscal year, see Note 2 – Stewardship, Compliance and Accountability, Section D. New Accounting Guidance Implemented.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of 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 taxes, vehicle taxes, and state and federal grants finance most of these activities.
- Business-type activities - the County charges a fee to customers to recover the cost of certain services provided. The County's landfill and transfer stations; the Cooney Home, a nursing home facility; and the operations of the fairgrounds are reported here.
- Component Units - the County includes one separate legal entity in its report - the PureView Health Center. Although legally separate, this component unit is important because the County is financially accountable for them.

The government-wide statements can be found on pages 18 and 19 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, public safety fund, special assessment districts fund, rural special improvement district debt fund, and 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 Revenues, Expenses, and Changes in Net Position, but provide more detail and additional information, such as cash flows.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial

statements because the resources of those funds are not available to support 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 34, 35 and 187-208 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 37-93 of this report.

Other information – The basic financial statements are preceded by management's discussion and analysis and followed by pension and other post-employment benefits information. These sections are required supplementary information found on page 94-102.

All required supplementary information other than GASB Statements 45 and 68, Other Postemployment Benefit (OPEB) and Pensions schedules, respectively, precedes the basic financial statements or is included in the basic financial statements and accompanying notes. Therefore, the only information presented in the section for required supplementary information is information demonstrating funding of our OPEB and Pensions implied rate subsidies liabilities.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service, and the discretely-presented component unit funds are presented immediately following the required supplementary information section. Combining and individual fund statements and schedules can be found on pages 103-207 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 \$66,899,426 at June 30, 2016.

The largest portion of Lewis and Clark County’s net position, approximately 81.2 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, 5.3 percent, represents resources that are subject to external restrictions on how they may be used. The remaining 13.5 percent of net position is unrestricted net position that may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, 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.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 37,096,825	\$ 37,031,065	\$ 4,664,825	\$ 3,976,932	\$ 41,761,650	\$ 41,007,997
Capital assets	42,767,585	42,710,470	14,001,955	14,492,494	56,769,540	57,202,964
Total assets	<u>79,864,410</u>	<u>79,741,535</u>	<u>18,666,780</u>	<u>18,469,426</u>	<u>98,531,190</u>	<u>98,210,961</u>
Deferred outflows of resources	3,466,787	1,246,596	48,499	44,556	3,515,286	1,291,152
Long-term liabilities outstanding	24,248,711	21,309,538	4,157,382	4,393,710	28,406,093	25,703,248
Other liabilities	2,343,252	4,867,061	145,597	270,426	2,488,849	5,137,487
Total liabilities	<u>26,591,963</u>	<u>26,176,599</u>	<u>4,302,979</u>	<u>4,664,136</u>	<u>30,894,942</u>	<u>30,840,735</u>
Deferred inflows of resources	4,163,654	6,574,079	88,454	152,983	4,252,108	6,727,062
Net position:						
Net Investment in capital assets	42,642,585	42,525,470	11,656,305	11,848,827	54,298,890	54,374,297
Restricted	2,952,865	2,977,468	562,619	561,020	3,515,484	3,538,488
Unrestricted	6,980,130	2,734,515	2,104,922	1,287,016	9,085,052	4,021,531
Total net position	<u>\$ 52,575,580</u>	<u>\$ 48,237,453</u>	<u>\$ 14,323,846</u>	<u>\$ 13,696,863</u>	<u>\$ 66,899,426</u>	<u>\$ 61,934,316</u>

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Fees, fines, and charges for services	\$ 4,934,936	\$ 6,047,943	\$ 4,386,813	\$ 4,329,484	\$ 9,321,749	\$ 10,377,427
Operating grants and contributions	4,553,702	3,797,213	33,615	34,313	4,587,317	3,831,526
Capital grants and contributions	1,030,288	778,063	-	-	1,030,288	778,063
Total program revenues	10,518,926	10,623,219	4,420,428	4,363,797	14,939,354	14,987,016
General revenues:						
Taxes	24,779,520	23,178,670	409,694	317,555	25,189,214	23,496,225
Grants and contributions not restricted to specific programs	5,386,368	9,699,588	-	-	5,386,368	9,699,588
Other	1,974,182	749,525	41,348	41,758	2,015,530	791,283
Total revenues	42,658,996	44,251,002	4,871,470	4,723,110	47,530,466	48,974,112
Expenses:						
General government	11,778,106	10,325,352	-	-	11,778,106	10,325,352
Public safety	13,126,813	14,673,081	-	-	13,126,813	14,673,081
Public works	5,455,176	6,448,605	-	-	5,455,176	6,448,605
Public health	5,273,039	5,131,006	-	-	5,273,039	5,131,006
Social and economic development	1,018,166	1,028,988	-	-	1,018,166	1,028,988
Culture and recreation	103,758	118,162	-	-	103,758	118,162
Interest on long-term debt	131,059	130,753	-	-	131,059	130,753
Solid waste	-	-	2,532,372	2,557,640	2,532,372	2,557,640
Nursing home	-	-	-	-	-	-
Fairgrounds	-	-	1,762,095	1,692,946	1,762,095	1,692,946
Total expenses	36,886,117	37,855,947	4,294,467	4,250,586	41,180,584	42,106,533
Increase in net position before transfers						
	5,772,879	6,395,055	577,003	472,524	6,349,882	6,867,579
Transfers	(49,980)	(40,980)	49,980	40,980	-	-
Increase in net position	5,722,899	6,354,075	626,983	513,504	6,349,882	6,867,579
Net position, beginning						
	48,237,453	61,319,615	13,696,863	13,900,469	61,934,316	75,220,084
Prior period adjustments	(1,384,772)	(19,436,237)	-	(717,110)	(1,384,772)	(20,153,347)
Net position, beg. as restated (1)	46,852,681	41,883,378	13,696,863	13,183,359	60,549,544	55,066,737
Net position, ending	\$ 52,575,580	\$ 48,237,453	\$ 14,323,846	\$ 13,696,863	\$ 66,899,426	\$ 61,934,316

(1) Fiscal year 2016's Net position, beginning, was restated due to prior period adjustments from disposition of land and building in a prior period. Whereas, the prior period adjustment in fiscal year 2015 is for the implementation of GASB 68. These restated amounts match the prior Net Position schedules prior year amounts, which were retroactively adjusted.

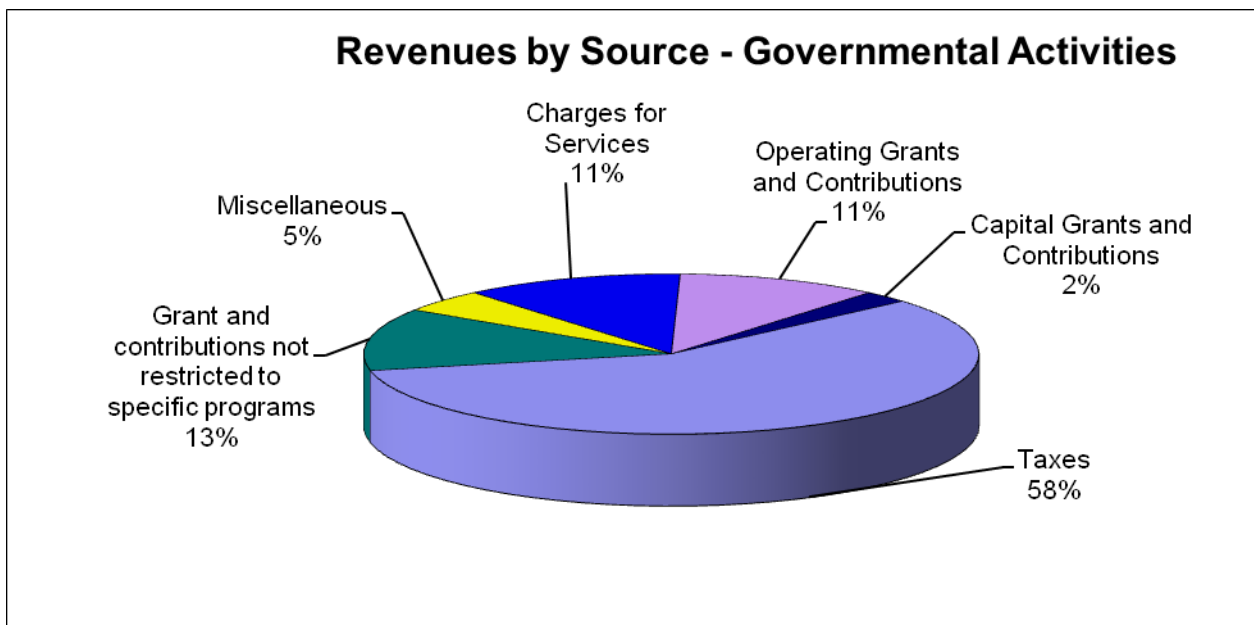
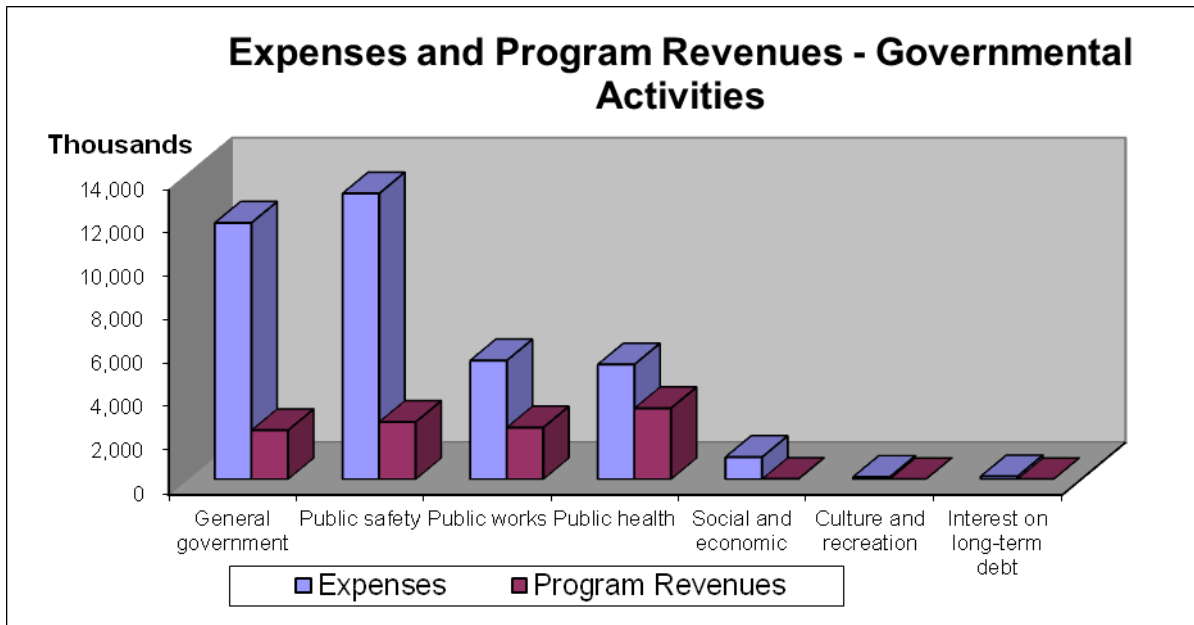
Governmental Activities

Governmental activities increased Lewis and Clark County's net position by \$5,722,899, thereby accounting for 90.1 percent of the total growth in the net position of Lewis and Clark County. Total governmental revenues decreased by a \$1,592,006 or 3.6 percent, with total expenses decreasing by \$969,830 or 2.6 percent. Elements that contributed to the increase in net position are as follows:

- All of the County's major governmental funds showed positive net change in fund balance, with the largest changes in the General Fund, Special Assessment District, and the Capital Development.
- The Capital Development fund shows a positive change in fund balance of \$827,731, an increase of just under \$1 million from the previous year. The increase is due to the saving of resources by County departments for future capital purchases/improvements significantly in excess of amounts being spent. The capital outlay amounts, totaling \$1.2 million compared to

the prior fiscal year amount of \$2.1 million, were converted to capital asset in the government-wide schedules, thus substantially increasing the County’s net position.

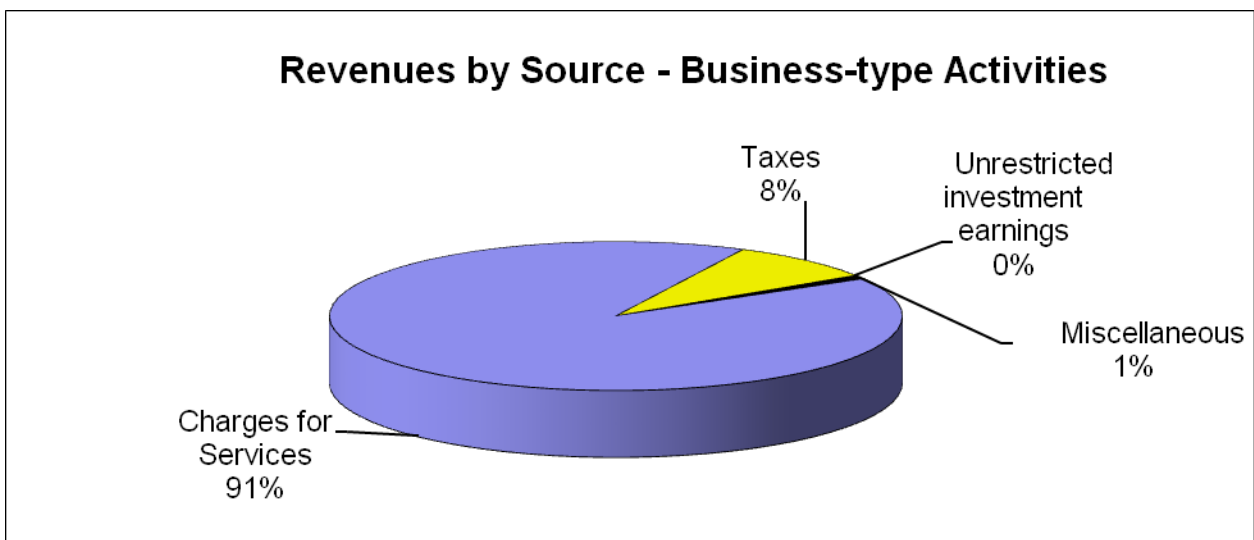
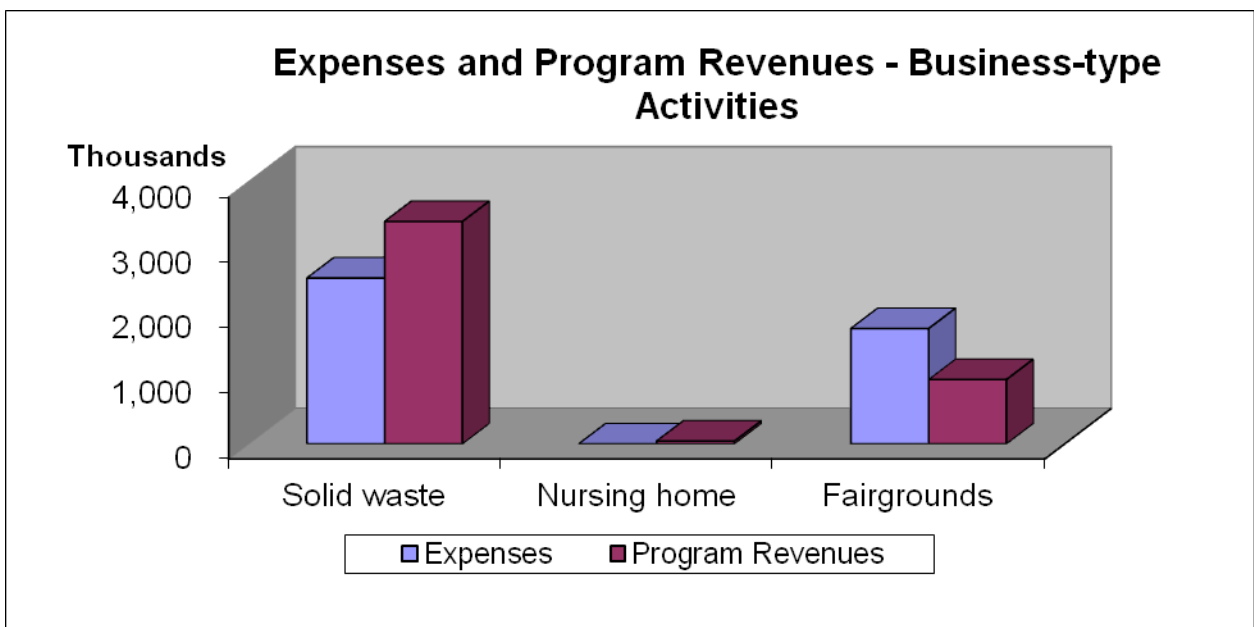
- Other Governmental Fund show a negative change in fund balance of over \$.5 million. This amount is mainly from the Open Space fund as cash reserves are dispersed for eligible causes.
- The Road/Bridge Projects, the Other Grants, the Health-Related Grants, and the Public Safety Radio Projects funds continued to receive grants from Federal and State agencies to fund road projects and building renovations, along with day to day health and safety services, thus showing growth from Operating and Capital grants and contributions. The majority of the expense increases come in these areas.



Business Activities

Business-type activities increased Lewis and Clark County’s net position by \$626,983, thereby accounting for 9.8 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 were less than expenses resulting in a decrease in change in net position of \$320,588.
- Operations relating to solid waste disposal showed an increase in net position of \$880,801. A local reclamation project resulted in excess collections above prior years.
- The Cooney Home, which was sold in May 2012, resulted in positive change in net position of just under \$66,700. This positive amount is primarily the result of interest income from the collection of the installment payments from the sale and a payment from a resident account that was previous wrote off.



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 \$27.5 million, an increase of \$2.3 million in comparison with the prior year increase of \$.4 million. Of this amount, \$.9 million (3.3%) is classified as non-spendable and \$26.6 million (96.7%) constitutes spendable fund balance. The spendable fund balance is further classified as restricted, \$3.7 million (13.4%); committed, \$18.5 million (67.3%); assigned, \$1.5 million (5.5%); and unassigned, \$2.9 million (10.5%). The preceding fund balance ratios are calculated based on their relation to total fund balances. These fund balance classifications resulted from the implementation of GASB Statement No. 54 and are defined in detail in note 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 balances of the general fund was \$4.5 million, while total fund balance was \$4.6 million.

The fund balance of the County's general fund increased \$1,513,297 during the current fiscal year. Taxes were slightly up by \$65,234. Intergovernmental revenues show an increase of \$471,301, of which \$245,000 was additional revenue received from Payment in Lieu (PILT). The remaining revenue categories stayed fairly constant in comparison with prior year's amounts.

The Public Safety Fund saw an increase in fund balance of over \$174,000 to end with a total fund balance of \$2.9 million. Public Safety continues to transfer funds to support its future capital needs, the amount transferred this year is down as an additional transfer of \$700,000 was made last fiscal year for the future needs and planning concerning the detention center's capital improvement plan.

The Special Assessment Districts Fund had a total fund balance of \$3.6 million, which is \$311,836 more than the prior fiscal year. Current revenues and expenditures were slightly up as more districts are added in the County.

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

The Capital Development Fund had a total fund balance of \$6.6 million, which is slightly up from the \$5.8 million in the prior year. The increase in fund balance shows that departments contributed to their capital improvement plans (CIP) in excess of the amount they spent on capital outlay projects.

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 position of the Cooney Home at the end of the year was (\$.09) million, the County landfill was \$1.3 million and (\$.58) 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 and to account for the installment payments from the purchaser.

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 \$811,171. Payments in lieu of taxes of \$2,145,139 were \$427,205 more than budget and what had been received in previous years. Clerk and Recorder charges exceeded budget amounts by \$151,681, as the department took on elections for school districts and the city of Helena and charged additional fees.

Actual expenditures from the General Fund were \$768,158 less than budgeted. All departments contributed by spending less than what they were budgeted, including general governmental, public safety, and public works departments that had unspent budgets of \$434,274, \$95,573, and \$230,055, 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, 2016, was \$56,769,540. This investment in capital assets includes land, buildings, improvements other than buildings, infrastructure, machinery and equipment. For fiscal year 2016, the County's investment in capital assets decreased by \$433,424.

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

Governmental

- The Public Works department, in conjunction with the Forest Highway Projects grants, continues to work on improving the surface of several rural roads. These projects started in fiscal year 2011, with current fiscal cost being in excess of \$645,000.
- Public Works department had construction costs for a bridge of over \$229,000.
- Purchase of vehicles and equipment for public safety in the amount of \$452,000.
- Purchase of vehicles, machinery and equipment for the Public Works department in the amount of \$1,917,000. This included the purchase of six road graders amounting to \$1,560,000.
- Work continued on the construction of the Forestvale Cemetery monumental entry way. The project has incurred expenditures in excess of \$192,000, with \$157,000 being incurred in this fiscal year.

Business-type

- Lincoln transfer station incurred expenses related to completing the construction of a building that started in fiscal year 2015. The costs for this fiscal year are in excess of \$57,000 with the total costs being \$110,917.
- Depreciation was over \$340,000 for the business-type funds.

Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 6,312,406	\$ 5,162,045 (1)	\$ 243,648	\$ 243,648	\$ 6,556,054	\$ 5,405,693
Buildings	12,766,201	8,164,764 (1)	9,048,087	9,237,178	21,814,288	17,401,942
Improvements other than buildings	976,632	1,078,327	3,979,542	4,136,603	4,956,174	5,214,930
Machinery and equipment	5,536,550	4,166,235	686,584	784,818	6,223,134	4,951,053
Infrastructure	16,195,453	16,324,957	-	-	16,195,453	16,324,957
Construction in progress	980,343	6,429,370	44,094	90,247	1,024,437	6,519,617
Total capital assets	\$ 42,767,585	\$ 41,325,698	\$ 14,001,955	\$ 14,492,494	\$ 56,769,540	\$ 55,818,192

(1) Prior period adjustment reduces beginning balances, where noted.

Long-term debt

As of June 30, 2016, the County had total debt outstanding of \$6,782,889. Of this amount, \$2,946,513 is general obligation bonds, \$887,053 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment, and \$2,470,650 represents bonds secured solely by specified revenue sources (i.e., revenue bonds). The remaining \$478,673 comprises contract/loan debt backed by the full faith and credit of the government.

Lewis and Clark County's total debt decreased by \$858,249, due primarily to the payment of \$858,249 in principal, which no additional proceeds from loans for revenue bonds or special assessment debt. The county made principal payments for general obligation bonds, special assessment loans with governmental commitment, revenue bonds, and contracts/loans of \$173,487, \$160,784, \$358,017, and \$165,961, respectively. The County has not had a recent change in its credit rating.

Outstanding Debt
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 2,946,513	\$ 3,120,000	\$ -	\$ -	\$ 2,946,513	\$ 3,120,000
Special assessment debt with governmental commitment	887,053	1,047,837	-	-	887,053	1,047,837
Revenue bonds	125,000	185,000	2,345,650	2,643,667	2,470,650	2,828,667
Contracts/loans	478,673	644,634	-	-	478,673	644,634
Total	\$ 4,437,239	\$ 4,997,471	\$ 2,345,650	\$ 2,643,667	\$ 6,782,889	\$ 7,641,138

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

Other Facts, Decisions, or Conditions of Future Significance

- The County places a strong emphasis on maintaining a healthy fiscal position. The Commission focuses on maintaining adequate cash balances while continuing to provide the current level of services. The County is anticipating cash balances to decrease by \$9.6 million to \$24.4 million for all County funds. This represents a reserve of 29.8 percent of budgeted expenditures. This is a healthy reserve and will allow the Commission the flexibility and time to respond in the event of decreasing revenues in an orderly fashion. County departments are also required to budget an annual transfer to a capital improvement fund for capital purchases. At June 30, 2016, the capital fund had a cash balance of \$6.6 million. This fund allows the County to upgrade equipment and vehicles as needed without incurring debt or incurring budget spikes when a large capital project or purchase is needed.
- The County's highest priority is a new public safety facility. The current detention facility is overcrowded and unsafe. Prisoners are being boarded at neighboring facilities at a great cost to the County. Voters rejected a ballot issue in November 2015 for a new public safety facility. The County revised the plan and asked the voters to approve funding to remodel the existing facility, as well as funding for the increased cost to operate the remodeled facility and to fund new programs designed to keep people out of detention. Voters approved the construction costs but did not approve the increased operations cost and new programs on November 8, 2016. Both of the funding requests needed to be approved to move forward. The County is currently in discussions to decide how to move forward.

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.



BASIC FINANCIAL STATEMENTS

LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF NET POSITION
June 30, 2016

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	PUREVIEW HEALTH CENTER
ASSETS				
Cash and cash equivalents	\$ 24,706,898	\$ 3,332,888	\$ 28,039,786	\$ 899,333
Investments	4,730,901	639,404	5,370,305	172,534
Taxes/assessment receivables (net of allowance for uncollectables)	2,047,632	20,695	2,068,327	-
Accounts/contracts (net of allowance for uncollectibles)	689,762	404,074	1,093,836	286,280
Notes receivable	-	53,383	53,383	-
Due from other governments	1,465,160	-	1,465,160	149,356
Inventories	352,990	-	352,990	92,134
Restricted assets - noncurrent	664,004	562,619	1,226,623	-
Long-term accounts/contracts receivable	191,846	-	191,846	-
Long-term notes receivable	-	1,899,394	1,899,394	-
Internal balances	2,247,632	(2,247,632)	-	-
Land and construction in progress	7,292,749	287,742	7,580,491	-
Buildings, improvements, vehicles and equipment(net) infrastructure (net)	19,279,383	13,714,213	32,993,596	374,444
	16,195,453	-	16,195,453	-
Total assets	79,864,410	18,666,780	98,531,190	1,974,081
DEFERRED OUTFLOWS OF RESOURCES				
Prepayments of costs	-	-	-	4,848
Pension contributions to measurement date	1,281,283	48,499	1,329,782	190,339
Difference between expected and actual economic experience-Pensions	1,061	-	1,061	-
Changes in actuarial assumptions-Pensions	2,184,443	-	2,184,443	-
Total deferred outflows of resources	3,466,787	48,499	3,515,286	195,187
LIABILITIES				
Accounts payable	2,329,678	145,597	2,475,275	199,695
Accrued interest	13,574	-	13,574	-
Long-term liabilities:				
Portion due or payable within one year:				
Special assessment debt with government commitment	93,505	-	93,505	-
Contracts/loans payable	171,726	-	171,726	-
General obligation bonds payable	222,867	-	222,867	-
Revenue bonds payable	60,000	304,714	364,714	-
Landfill postclosure costs payable	-	12,400	12,400	-
Claims payable	159,351	-	159,351	-
Compensated absences payable	214,265	6,937	221,202	20,111
Portion due or payable in more than one year:				
Special assessment debt with government commitment	793,548	-	793,548	-
Contracts/loans payable	306,947	-	306,947	-
General obligation bonds payable	2,723,646	-	2,723,646	-
Revenue bonds payable	65,000	2,040,936	2,105,936	-
Landfill postclosure costs payable	-	1,063,418	1,063,418	-
Compensated absences payable	1,928,368	62,419	1,990,787	180,998
Net pension liability	17,128,080	649,569	17,777,649	2,549,301
OPEB implicit rate subsidy	381,408	16,989	398,397	46,879
Total liabilities	26,591,963	4,302,979	30,894,942	2,996,984
DEFERRED INFLOWS OF RESOURCES				
Prepayments of revenues	-	-	-	12,514
Changes in actuarial assumptions-Pensions	2,153,145	-	2,153,145	-
Difference between expected and actual experience-Pensions	77,422	3,929	81,351	15,423
Difference between projected and actual investment earnings-Pensions	1,352,108	54,993	1,407,101	215,826
Difference between Actual and Expected Contributions-Pensions	580,979	29,532	610,511	115,900
Total deferred inflows of resources	4,163,654	88,454	4,252,108	359,663
NET POSITION				
Net investment in capital assets	42,642,585	11,656,305	54,298,890	374,444
Restricted for:				
Public safety	655,153	-	655,153	-
Public works	1,166,695	-	1,166,695	-
Public Health	388,480	-	388,480	-
Bond reserves	68,315	360,256	428,571	-
Debt service	77,489	202,363	279,852	-
Capital projects	8,496	-	8,496	-
Nonexpendable permanent investments	588,237	-	588,237	-
Unrestricted	6,980,130	2,104,922	9,085,052	(1,561,823)
Total net position	\$ 52,575,580	\$ 14,323,846	\$ 66,899,426	\$ (1,187,379)

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, 2016

LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2016

Function/Programs	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			COMPONENT UNIT PUREVIEW HEALTH CENTER
		FEES, FINES, AND CHARGE FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			
					GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES		
Primary government:								
Governmental activities								
General government	\$ 11,778,106	\$ 1,661,369	\$ 266,795	\$ 321,341	\$ (9,528,601)		\$ (9,528,601)	
Public safety	13,126,813	1,425,878	1,203,046	-	(10,497,889)		(10,497,889)	
Public works	5,455,176	132,565	1,533,768	708,947	(3,079,896)		(3,079,896)	
Public health	5,273,039	1,710,919	1,546,793	-	(2,015,327)		(2,015,327)	
Social and economic	1,018,166	4,205	3,300	-	(1,010,661)		(1,010,661)	
Culture and recreation	103,758	-	-	-	(103,758)		(103,758)	
Interest on long-term debt	131,059	-	-	-	(131,059)		(131,059)	
Total governmental activities	<u>36,886,117</u>	<u>4,934,936</u>	<u>4,553,702</u>	<u>1,030,288</u>	<u>(26,367,191)</u>	<u>-</u>	<u>(26,367,191)</u>	
Business-type activities								
Solid waste	2,532,372	3,389,109	7,979	-		\$ 864,716	864,716	
Nursing home	-	41,507	-	-		41,507	41,507	
Fairgrounds	1,762,095	956,197	25,636	-		(780,262)	(780,262)	
Total business-type activities	<u>4,294,467</u>	<u>4,386,813</u>	<u>33,615</u>	<u>-</u>	<u>-</u>	<u>125,961</u>	<u>125,961</u>	
Total primary government	<u>\$ 41,180,584</u>	<u>\$ 9,321,749</u>	<u>\$ 4,587,317</u>	<u>\$ 1,030,288</u>	<u>(26,367,191)</u>	<u>125,961</u>	<u>(26,241,230)</u>	
Component units:								
PureView Health Center	<u>\$ 5,486,950</u>	<u>\$ 3,187,446</u>	<u>\$ 2,190,147</u>	<u>\$ -</u>				\$ (109,357)
General revenues:								
Property taxes					22,013,693	409,694	22,423,387	-
Local option tax					2,749,451	-	2,749,451	-
Other taxes					16,376	-	16,376	-
Grant and contributions not restricted to specific programs					5,386,368	-	5,386,368	-
Unrestricted investment earnings					181,017	41,348	222,365	3,936
Miscellaneous					1,793,165	-	1,793,165	-
Contributions of capital assets					-	-	-	-
Transfers					(49,980)	49,980	-	-
Total general revenue and transfers					<u>32,090,090</u>	<u>501,022</u>	<u>32,591,112</u>	<u>3,936</u>
Change in net position					5,722,899	626,983	6,349,882	(105,421)
Total net position, beginning					48,237,453	13,696,863	61,934,316	(1,081,958)
Prior period adjustments					(1,384,772)	-	(1,384,772)	-
Total net position, beginning, as restated					<u>46,852,681</u>	<u>13,696,863</u>	<u>60,549,544</u>	<u>(1,081,958)</u>
Total net position, ending					<u>\$ 52,575,580</u>	<u>\$ 14,323,846</u>	<u>\$ 66,899,426</u>	<u>\$ (1,187,379)</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, 2016

	SPECIAL REVENUE			DEBT SERVICE	CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
	GENERAL	PUBLIC SAFETY	SPECIAL ASSESSMENT DISTRICTS	RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT	CAPITAL DEVELOPMENT		
ASSETS							
Cash and cash equivalents	\$ 1,559,917	\$ 2,408,198	\$ 3,029,547	\$ 225,213	\$ 5,384,265	\$ 7,279,480	\$ 19,886,620
Investments	299,265	462,005	581,208	43,206	1,032,953	1,396,545	3,815,182
Receivables:							
Taxes/assessments	206,686	325,294	22,950	1,210,976	-	281,726	2,047,632
Accounts/contracts	205,540	153,653	-	-	10,223	35,520	404,936
Due from other funds	2,687,677	-	-	-	-	-	2,687,677
Due from other governments	11,250	50,913	-	-	-	1,402,997	1,465,160
Inventories	70,137	-	-	-	-	254,656	324,793
Restricted assets:							
Cash and cash equivalents	20,700	-	-	-	-	26,402	47,102
Investments	-	-	-	-	-	566,835	566,835
Long-term accounts/contracts receivable	191,846	-	-	-	-	-	191,846
Advances to other funds	-	-	-	-	190,527	27,629	218,156
Total assets	\$ 5,253,018	\$ 3,400,063	\$ 3,633,705	\$ 1,479,395	\$ 6,617,968	\$ 11,271,790	\$ 31,655,939
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charges - Revenue bond issuance costs							
Pension contributions to measurement date							
Difference between expected and actual economic experience-Pensions							
Changes in actuarial assumptions-Pensions							
Total deferred outflows of resources							
LIABILITIES							
Liabilities:							
Accounts payable	\$ 364,434	\$ 491,512	\$ 45,283	\$ -	\$ -	\$ 927,717	\$ 1,828,946
Due to other funds	34,100	-	-	-	-	630,572	664,672
Advances from other funds	-	-	14,563	13,066	-	-	27,629
Total liabilities	398,534	491,512	59,846	13,066	-	1,558,289	2,521,247
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of tax revenues	256,482	53,442	4,650	1,208,276	-	69,486	1,592,336
FUND BALANCE:							
Nonspendable	70,137	-	-	-	-	842,893	913,030
Restricted	-	-	-	258,053	8,496	3,403,716	3,670,265
Unrestricted:							
Committed	19,292	2,855,109	3,569,209	-	6,609,472	5,407,758	18,460,840
Assigned	1,439,990	-	-	-	-	120,116	1,560,106
Unassigned	3,068,583	-	-	-	-	(130,468)	2,938,115
Total fund balance	4,598,002	2,855,109	3,569,209	258,053	6,617,968	9,644,015	27,542,356
Total liabilities, deferred inflows of resources, and fund balance	\$ 5,253,018	\$ 3,400,063	\$ 3,633,705	\$ 1,479,395	\$ 6,617,968	\$ 11,271,790	\$ 31,655,939

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

**LEWIS AND CLARK COUNTY, MONTANA
BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS
June 30, 2016**

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

Total <i>fund balance</i> for governmental funds	\$	27,542,356
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		7,079,905
Buildings, Improvements, Vehicles and Equipment (net)		18,293,321
Infrastructure (net)		16,195,453
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		1,592,336
Deferred outflows of resources are not financial resources and therefore are not reported in the funds.		3,466,787
Deferred inflows of resources are not due and payable and therefore are not reported in the funds.		(4,163,654)
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.		6,337,126
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		(13,574)
Accrued interest		(13,574)
Bonds Payable	\$	(2,946,513)
Special assessment debt payable		(887,053)
Loans/contracts payable		(478,673)
Compensated absences		(1,932,749)
Net pension liabilities		(17,128,080)
OPEB implicit rate subsidy		(381,408)
		<hr/>
		(23,754,476)
Net Position of Governmental Activities	\$	<u>52,575,580</u>

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, 2016

	SPECIAL REVENUE			DEBT SERVICE	CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
	GENERAL	PUBLIC SAFETY	SPECIAL ASSESSMENT DISTRICTS	RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT	CAPITAL DEVELOPMENT		
REVENUES							
Taxes/assessments	\$ 6,019,030	\$ 8,594,617	\$ 922,584	\$ 302,228	\$ -	\$ 8,980,604	\$ 24,819,063
Licenses and permits	285,312	2,065	-	-	-	1,484	288,861
Intergovernmental	3,180,774	1,028,738	768	-	95	6,487,619	10,697,994
Charges for services	1,194,024	650,116	-	-	-	2,261,710	4,105,850
Fines and forfeitures	73,279	259,260	-	-	-	207,686	540,225
Miscellaneous	45,927	100,335	1,000	-	138,685	440,218	726,165
Interest earnings	55,671	-	13,362	838	26,800	67,344	164,015
Total revenues	10,854,017	10,635,131	937,714	303,066	165,580	18,446,665	41,342,173
EXPENDITURES							
Current:							
General government	6,510,429	-	-	-	152,566	5,007,214	11,670,209
Public safety	381,084	9,853,196	-	-	339,230	1,898,613	12,472,123
Public works	1,172,659	-	572,880	-	66,426	3,027,342	4,839,307
Public health	56,280	-	-	-	-	5,233,607	5,289,887
Social and economic	547,529	-	-	-	-	474,247	1,021,776
Culture and recreation	-	-	-	-	-	45,997	45,997
Debt service	-	-	1,314	186,857	-	433,087	621,258
Capital outlay	-	38,073	-	-	1,225,278	1,563,558	2,826,909
Total expenditures	8,667,981	9,891,269	574,194	186,857	1,783,500	17,683,665	38,787,466
Excess (deficiency) of revenue over (under) expenditures	2,186,036	743,862	363,520	116,209	(1,617,920)	763,000	2,554,707
OTHER FINANCING SOURCES (USES)							
Transfers in	359,463	383,022	1,998	382	2,666,283	2,528,841	5,939,989
Transfers out	(1,032,202)	(952,646)	(53,682)	(2,398)	(220,632)	(3,881,200)	(6,142,760)
Total other financing sources and uses	(672,739)	(569,624)	(51,684)	(2,016)	2,445,651	(1,352,359)	(202,771)
Net change in fund balances	1,513,297	174,238	311,836	114,193	827,731	(589,359)	2,351,936
Fund balance, July 1	3,084,705	2,680,871	3,257,373	143,860	5,790,237	10,233,374	25,190,420
Fund balance, June 30	\$ 4,598,002	\$ 2,855,109	\$ 3,569,209	\$ 258,053	\$ 6,617,968	\$ 9,644,015	\$ 27,542,356

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 (Continued)
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2016**

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 \$ 2,351,936

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	\$ 3,190,184	
Construction in Progress increase/(decrease)	(363,275)	
Retirement, Trade In, Donation, etc of Capital assets	6,198,247	
Depreciation expense	<u>(2,402,502)</u>	6,622,654

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

Long-term receivables	(69,543)	
GASB68 recognition of On-behalf payments to Pension Plans	<u>272,364</u>	202,821

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:		
Bonds payable	173,487	
Contract/loans payable	<u>326,745</u>	500,232

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	33,540	
Net pension	742,107	
OPEB implicit rate subsidy	(21,527)	
Accrued interest	<u>1,337</u>	755,457

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.

(4,710,201)

Change in net position of governmental activities \$ 5,722,899

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, 2016
 (Page 1 of 5)

	GENERAL FUND			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	BUDGETED AMOUNTS		ACTUAL	
	ORIGINAL	FINAL		
REVENUES				
Taxes/Assessments				
Real property	\$ 4,623,512	\$ 4,623,512	\$ 4,654,601	\$ 31,089
Local option tax	514,281	514,281	550,107	35,826
Entitlements	748,959	748,959	753,835	4,876
Total Taxes/Assessments	5,886,752	5,886,752	5,958,543	71,791
Licenses and Permits				
Alcoholic beverage licenses	-	-	-	-
General business	250,000	250,000	259,581	9,581
Other licenses & permits	20,700	20,700	23,437	2,737
Total Licenses and Permits	270,700	270,700	283,018	12,318
Intergovernmental				
Federal grants:				
Other federal grants	45,000	45,000	58,185	13,185
Federal shared revenue:				
Taylor grazing	1,400	1,400	1,504	104
Payments in lieu	1,717,934	1,717,934	2,145,139	427,205
State grants:				
Other state grants	9,200	9,200	9,286	86
State shared revenues:				
Personal property reimbursement	888,550	888,550	891,847	3,297
Gambling revenues	22,600	22,600	21,657	(943)
Other local sources	43,000	43,000	67,160	24,160
Total Intergovernmental	2,727,684	2,727,684	3,194,778	467,094
Charges for Services				
General government:				
Administrative fees	590,229	590,229	596,433	6,204
Attorney fees	66,000	66,000	72,988	6,988
Property tax	13,500	13,500	23,900	10,400
Election services	1,000	1,000	2,972	1,972
Clerk and Recorder	318,000	318,000	469,681	151,681
Treasurer's fees	26,400	26,400	39,211	12,811
Weed	26,500	26,500	31,585	5,085
Other charges for services	2,000	2,000	750	(1,250)
Total Charges for Services	1,043,629	1,043,629	1,237,520	193,891
Fines and Forfeitures				
Court fines:				
Fines and forfeitures	300	300	500	200
Surcharge	68,000	68,000	72,779	4,779
Total Fines and Forfeitures	68,300	68,300	73,279	4,979
Miscellaneous Revenues	25,000	25,000	45,927	20,927
Interest Earnings	15,500	15,500	55,671	40,171
Total revenues	\$ 10,037,565	\$ 10,037,565	\$ 10,848,736	\$ 811,171

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, 2016
 (Page 2 of 5)

	GENERAL FUND			
	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
EXPENDITURES				
General Government				
Legislative services				
Personal services	\$ 304,660	\$ 304,660	\$ 311,640	\$ (6,980)
Operations and maintenance	87,142	87,142	74,815	12,327
Judicial services				
Personal services	363,743	363,743	318,082	45,661
Operations and maintenance	94,770	94,770	85,482	9,288
Administrative services				
Personal services	309,806	309,806	307,827	1,979
Operations and maintenance	278,625	278,625	215,938	62,687
Financial services				
Personal services	1,246,311	1,246,311	1,206,338	39,973
Operations and maintenance	350,003	350,003	284,652	65,351
Personnel services				
Personal services	278,680	278,680	288,022	(9,342)
Operations and maintenance	2,500	2,500	1,933	567
Elections				
Personal services	235,689	235,689	240,843	(5,154)
Operations and maintenance	399,412	399,412	366,219	33,193
Records administration				
Personal services	169,892	169,892	171,295	(1,403)
Operations and maintenance	116,987	116,987	95,591	21,396
Legal services				
Personal services	1,678,554	1,678,554	1,645,055	33,499
Operations and maintenance	311,320	311,320	310,720	600
Public school administration				
Personal services	93,291	93,291	93,276	15
Operations and maintenance	15,855	15,855	14,803	1,052
Other general government				
Operations and maintenance	607,299	607,299	477,734	129,565
Total General Government	6,944,539	6,944,539	6,510,265	434,274
Public Safety				
Coroner services				
Personal services	228,820	228,820	159,694	69,126
Operations and maintenance	128,283	128,283	110,956	17,327
Civil defense				
Personal services	93,564	93,564	83,624	9,940
Operations and maintenance	19,223	19,223	19,043	180
Total Public Safety	469,890	469,890	373,317	96,573
Public Works				
Road and street services				
Personal services	385,064	385,064	320,099	64,965
Operations and maintenance	90,585	90,585	53,094	37,491
Bridge				
Personal services	339,658	339,658	326,879	12,779
Operations and maintenance	196,767	196,767	124,808	71,959
Facilities administration				
Operations and maintenance	49,000	49,000	49,000	-
Weed				
Personal services	209,934	209,934	182,713	27,221
Operations and maintenance	122,197	122,197	106,557	15,640
Total Public Works	1,393,205	1,393,205	1,163,150	230,055

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, 2016
 (Page 3 of 5)

	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	56,280	4,720
Total Public Health	61,000	61,000	56,280	4,720
Social and Economic				
Aging services				
Operations and maintenance	150,009	150,009	149,996	13
Welfare services				
Operations and maintenance	400,056	400,056	397,533	2,523
Total Social and Economic	550,065	550,065	547,529	2,536
Total expenditures	9,418,699	9,418,699	8,650,541	768,158
Excess (deficiency) of revenue over (under) expenditures	618,866	618,866	2,198,195	1,579,329
OTHER FINANCING SOURCES (USES)				
Transfers in	525,000	525,000	359,463	(165,537)
Transfers out	(2,449,201)	(2,449,201)	(2,632,202)	(183,001)
Total other financing sources and uses	(1,924,201)	(1,924,201)	(2,272,739)	(348,538)
Net change in fund balances	\$ (1,305,335)	\$ (1,305,335)	(74,544)	\$ 1,230,791
Fund balance, July 1			4,680,267	
Fund balance, June 30			<u><u>\$ 4,605,723</u></u>	

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, 2016
 (Page 4 of 5)

	PUBLIC SAFETY			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes/assessments	\$ 8,504,377	\$ 8,504,377	\$ 8,498,821	\$ (5,556)
Licenses and permits	1,600	1,600	2,065	465
Intergovernmental	999,563	999,563	988,563	(11,000)
Charges for services	616,948	616,948	574,534	(42,414)
Fines and forfeitures	245,000	245,000	259,260	14,260
Miscellaneous	33,000	33,000	81,641	48,641
Interest earnings	-	-	-	-
Total revenues	10,400,488	10,400,488	10,404,884	4,396
EXPENDITURES				
Current:				
Public safety				
Personal services	6,672,194	6,672,194	6,368,736	303,458
Operations and maintenance	3,525,218	3,525,218	3,407,535	117,683
Total expenditures	10,197,412	10,197,412	9,776,271	421,141
Excess (deficiency) of revenue over (under) expenditures	203,076	203,076	628,613	425,537
OTHER FINANCING SOURCES (USES)				
Transfers in	388,000	388,000	383,022	(4,978)
Transfers out	(987,646)	(987,646)	(952,646)	35,000
Proceeds from disposal of capital assets	40,000	40,000	18,694	(21,306)
Total other financing sources and uses	(559,646)	(559,646)	(550,930)	8,716
Net change in fund balances	\$ (356,570)	\$ (356,570)	77,683	\$ 434,253
Fund balance, July 1			2,792,520	
Fund balance, June 30			\$ 2,870,203	

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, 2016
 (Page 5 of 5)

	SPECIAL ASSESSMENT DISTRICTS			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes/assessments	\$ 882,671	\$ 882,671	\$ 924,613	\$ 41,942
Intergovernmental	765	765	768	3
Miscellaneous	2,000	2,000	1,000	(1,000)
Interest earnings	1,893	1,893	13,362	11,469
Total revenues	887,329	887,329	939,743	52,414
EXPENDITURES				
Current:				
Public works				
Personal services	9,480	9,480	6,277	3,203
Operations and maintenance	3,926,644	3,926,644	531,258	3,395,386
Debt service	1,358	1,358	1,314	44
Total expenditures	3,937,482	3,937,482	538,849	3,398,633
Excess (deficiency) of revenue over (under) expenditures	(3,050,153)	(3,050,153)	400,894	3,451,047
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,998	1,998
Transfers out	(30,000)	(30,000)	(53,682)	(23,682)
Total other financing sources and uses	(30,000)	(30,000)	(51,684)	(21,684)
Net change in fund balances	\$ (3,080,153)	\$ (3,080,153)	349,210	\$ 3,429,363
Fund balance, July 1			3,246,982	
Fund balance, June 30			\$ 3,596,192	

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



LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
	COONEY HOME	COUNTY LANDFILL	FAIR ENTERPRISE	OTHER ENTERPRISE FUNDS	TOTAL	
ASSETS						
Current assets:						
Cash and cash equivalents	\$ -	\$ 2,054,935	\$ 5,158	\$ 1,272,795	\$ 3,332,888	\$ 4,773,176
Investments	-	394,232	990	244,182	639,404	915,719
Receivables:						
Taxes/assessments	-	-	20,695	-	20,695	-
Accounts/contracts	18,628	182,691	-	202,755	404,074	284,826
Notes receivable	53,383	-	-	-	53,383	-
Due from other funds	-	-	-	-	-	34,100
Inventories	-	-	-	-	-	28,197
Total current assets	<u>72,011</u>	<u>2,631,858</u>	<u>26,843</u>	<u>1,719,732</u>	<u>4,450,444</u>	<u>6,036,018</u>
Noncurrent assets:						
Restricted assets:						
Cash and cash equivalents	-	472,057	-	-	472,057	97,169
Investments	-	90,562	-	-	90,562	-
Long-term notes receivable	1,899,394	-	-	-	1,899,394	-
Land and Construction in Progress	-	224,148	-	63,594	287,742	212,844
Buildings, improvements, vehicles and equipment(net)	-	4,260,027	9,290,412	163,774	13,714,213	986,062
Total noncurrent assets	<u>1,899,394</u>	<u>5,046,794</u>	<u>9,290,412</u>	<u>227,368</u>	<u>16,463,968</u>	<u>1,296,075</u>
Total assets	<u>1,971,405</u>	<u>7,678,652</u>	<u>9,317,255</u>	<u>1,947,100</u>	<u>20,914,412</u>	<u>7,332,093</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension contributions to measurement date	-	24,823	23,676	-	48,499	-
Total deferred outflows of resources	<u>-</u>	<u>24,823</u>	<u>23,676</u>	<u>-</u>	<u>48,499</u>	<u>-</u>
LIABILITIES						
Current liabilities:						
Accounts payable	-	12,113	23,128	110,356	145,597	500,732
Due to other funds	2,057,105	-	-	-	2,057,105	-
Revenue bonds payable	-	304,714	-	-	304,714	60,000
Landfill postclosure costs payable - current	-	-	-	12,400	12,400	-
Claims payable	-	-	-	-	-	159,351
Advances from other funds	-	-	190,527	-	190,527	-
Compensated absences payable	-	1,114	4,362	1,461	6,937	20,990
Total current liabilities	<u>2,057,105</u>	<u>317,941</u>	<u>218,017</u>	<u>124,217</u>	<u>2,717,280</u>	<u>741,073</u>
Noncurrent liabilities:						
Revenue bonds payable	-	2,040,936	-	-	2,040,936	65,000
Landfill postclosure costs payable	-	964,218	-	99,200	1,063,418	-
Compensated absences payable	-	10,023	39,254	13,142	62,419	188,894
Net pension liability	-	332,468	317,101	-	649,569	-
OPEB implicit rate subsidy	-	8,544	8,445	-	16,989	-
Total noncurrent liabilities	<u>-</u>	<u>3,356,189</u>	<u>364,800</u>	<u>112,342</u>	<u>3,833,331</u>	<u>253,894</u>
Total liabilities	<u>2,057,105</u>	<u>3,674,130</u>	<u>582,817</u>	<u>236,559</u>	<u>6,550,611</u>	<u>994,967</u>
DEFERRED INFLOWS OF RESOURCES						
Difference between expected and actual experience-Pensions	-	2,011	1,918	-	3,929	-
Difference between projected and actual investment earnings-Pensions	-	28,147	26,846	-	54,993	-
Difference between Actual and Expected Contributions-Pensions	-	15,115	14,417	-	29,532	-
Total deferred inflows of resources	<u>-</u>	<u>45,273</u>	<u>43,181</u>	<u>-</u>	<u>88,454</u>	<u>-</u>
NET POSITION						
Net investment in capital assets	-	2,138,525	9,290,412	227,368	11,656,305	1,073,906
Restricted for bond reserve	-	360,256	-	-	360,256	68,315
Restricted for debt service	-	202,363	-	-	202,363	-
Unrestricted	(85,700)	1,282,928	(575,479)	1,483,173	2,104,922	5,194,905
Total net position	<u>\$ (85,700)</u>	<u>\$ 3,984,072</u>	<u>\$ 8,714,933</u>	<u>\$ 1,710,541</u>	<u>\$ 14,323,846</u>	<u>\$ 6,337,126</u>

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

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 For the Fiscal Year Ended June 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				TOTAL	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
	COONEY HOME	COUNTY LANDFILL	FAIR ENTERPRISE	OTHER ENTERPRISE FUNDS		
OPERATING REVENUES						
Taxes/assessments	\$ -	\$ -	\$ 409,694	\$ -	\$ 409,694	\$ -
Charges for services	-	1,735,090	956,197	1,654,019	4,345,306	9,466,920
Miscellaneous	41,507	-	-	-	41,507	28,945
Total Operating Revenues	41,507	1,735,090	1,365,891	1,654,019	4,796,507	9,495,865
OPERATING EXPENSES						
Personal services	-	283,138	434,148	123,906	841,192	1,893,007
Supplies	-	255,857	320,030	121,263	697,150	1,703,432
Purchased services	-	134,713	663,872	1,301,326	2,099,911	5,549,656
Depreciation	-	234,002	340,031	16,214	590,247	111,868
Total Operating Expenses	-	907,710	1,758,081	1,562,709	4,228,500	9,257,963
Operating income (loss)	41,507	827,380	(392,190)	91,310	568,007	237,902
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental	-	7,979	25,636	-	33,615	-
Contribution of capital assets	-	-	-	-	-	(5,106,526)
Interest income	25,263	10,906	-	5,179	41,348	17,002
Interest expense	-	(61,953)	(4,014)	-	(65,967)	(11,370)
Total Nonoperating Revenues (Expenses)	25,263	(43,068)	21,622	5,179	8,996	(5,100,894)
Income (loss) before transfers	66,770	784,312	(370,568)	96,489	577,003	(4,862,992)
Transfers in	-	-	59,000	-	59,000	295,891
Transfers out	-	-	(9,020)	-	(9,020)	(143,100)
Change in net position	66,770	784,312	(320,588)	96,489	626,983	(4,710,201)
Total net position, beginning	(152,470)	3,199,760	9,035,521	1,614,052	13,696,863	11,047,327
Total net position, ending	<u>\$ (85,700)</u>	<u>\$ 3,984,072</u>	<u>\$ 8,714,933</u>	<u>\$ 1,710,541</u>	<u>\$ 14,323,846</u>	<u>\$ 6,337,126</u>

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

LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2016

	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	\$ (21,282)	\$ 1,704,695	\$ 956,197	\$ 1,777,169	\$ 4,416,779	\$ 9,500,051
Cash payments for goods and services	23,530	(397,470)	(989,716)	(1,500,557)	(2,864,213)	(8,889,368)
Cash payments for employees	-	(295,399)	(414,571)	(122,219)	(832,189)	(1,893,969)
Cash received from other operating revenues	41,507	-	409,480	-	450,987	28,945
Cash payments for landfill closure and post closure	-	13,705	-	(12,400)	1,305	-
Net cash provided by (used by) operating activities	43,755	1,025,531	(38,610)	141,993	1,172,669	(1,254,341)
Cash flows from noncapital financing activities:						
Payments for principal and interest on bonds and notes	52,655	-	-	-	52,655	-
Proceeds from taxes	-	-	-	-	-	-
Proceeds received from non-capital grants	-	-	18,026	-	18,026	-
Transfers from other Funds	-	-	59,000	-	59,000	1,895,891
Transfers to other Funds	-	-	(9,020)	-	(9,020)	(143,100)
Proceeds from interfund loans	(114,222)	-	-	-	(114,222)	-
Repayment of interfund loans	-	-	(27,058)	-	(27,058)	-
Net cash provided by (used by) noncapital financing activities	(61,567)	-	40,948	-	(20,619)	1,752,791
Cash flows from capital and related financing activities:						
Payments for capital acquisitions	-	(7,542)	(34,944)	(92,871)	(135,357)	(37,626)
Proceeds from sale of capital assets	-	-	-	-	-	-
Principal repayment - bonds/loans	-	(298,017)	-	-	(298,017)	(60,000)
Interest paid	-	(61,953)	(4,014)	-	(65,967)	(11,370)
Net cash provided by (used by) capital and related financing activities	-	(367,512)	(38,958)	(92,871)	(499,341)	(108,996)
Cash flows from investing activities:						
Receipts of interest and dividends	17,812	10,906	-	5,179	33,897	17,002
Payments for investments	-	(136,878)	5,712	(14,965)	(146,131)	(88,093)
Net cash provided by (used by) investing activities	17,812	(125,972)	5,712	(9,786)	(112,234)	(71,091)
Net increase (decrease) in cash and cash equivalents	-	532,047	(30,908)	39,336	540,475	318,363
Cash and cash equivalents, July 1	-	1,994,945	36,066	1,233,459	3,264,470	4,551,982
Cash and cash equivalents, June 30	\$ -	\$ 2,526,992	\$ 5,158	\$ 1,272,795	\$ 3,804,945	\$ 4,870,345
Cash and cash equivalents, current	\$ -	\$ 2,054,935	\$ 5,158	\$ 1,272,795	\$ 3,332,888	\$ 4,773,176
Cash and cash equivalents, noncurrent - restricted	-	472,057	-	-	472,057	97,169
Total Cash and cash equivalents, June 30	\$ -	\$ 2,526,992	\$ 5,158	\$ 1,272,795	\$ 3,804,945	\$ 4,870,345
Reconciliation of operating income to net cash provided by operating activity:						
Operating income (loss)	\$ 41,507	\$ 827,380	\$ (392,190)	\$ 91,310	\$ 568,007	\$ 237,902
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:						
Depreciation	-	234,002	340,031	16,214	590,247	111,868
Change in assets and liabilities:						
(Increase) decrease taxes/accounts/other receivables	2,248	(30,395)	(214)	123,150	94,789	33,130
(Increase) decrease due from other funds	-	-	-	-	-	(1,634,100)
(Increase) decrease inventory	-	-	-	-	-	(1,400)
Increase (decrease) compensated absences	-	(1,756)	1,031	1,687	962	6,439
Increase (decrease) accounts payable	-	(8,887)	(2,325)	(113,617)	(124,829)	102,986
Increase (decrease) payables for capital purchases	-	-	-	35,649	35,649	-
Increase (decrease) claims payable	-	-	-	-	-	(111,166)
Increase (decrease) postclosure liability	-	13,705	-	(12,400)	1,305	-
Increase (decrease) in Pension liability	-	(9,078)	14,500	-	5,422	-
Increase (decrease) in OPEB implicit rate subsidy	-	560	557	-	1,117	-
Net cash provided by (used by) operating activities	\$ 43,755	\$ 1,025,531	\$ (38,610)	\$ 141,993	\$ 1,172,669	\$ (1,254,341)
Schedule of Noncash Transactions						
Write off of taxes receivables	\$ -	\$ -	\$ 422	\$ -	\$ 422	\$ -
Write off of accounts receivables	26,678	-	-	4,139	30,817	-
Grant revenue contributed to cover pension expenses	-	7,979	7,610	-	15,589	-

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, 2016

	INVESTMENT TRUST FUNDS	AGENCY FUNDS
ASSETS		
Cash and cash equivalents	\$ 33,048,241	\$ 6,621,473
Investments	5,994,177	1,265,368
Receivables:		
Taxes/assessments	-	3,056,866
Due from other funds		9,816
Land held for resale	-	22,628
	39,042,418	10,976,151
LIABILITIES		
Accounts payable	-	1,972,345
Intergovernmental payable	-	8,993,990
Contracts/loans payable	-	9,816
	-	10,976,151
NET POSITION		
Held in trust for:		
External investment pool participants	35,961,949	-
Individual investment accounts	3,080,469	-
	\$ 39,042,418	\$ -

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, 2016

	<u>INVESTMENT TRUST FUNDS</u>
ADDITIONS	
Contributions to pooled investments	\$ 129,055,088
Interest and investment income	<u>163,448</u>
Total additions	<u>129,218,536</u>
DEDUCTIONS	
Distribution from pooled investments	129,243,286
Administrative expenses	<u>4,301</u>
Total deductions	<u>129,247,587</u>
Change in net position held in trust for: Pool participants	(29,051)
Net position held in trust, beginning of year	<u>39,071,469</u>
Net position held in trust, end of year	<u>\$ 39,042,418</u>

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

NOTES TO THE FINANCIAL STATEMENTS

LEWIS AND CLARK COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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.

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

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

Related Organizations

The following fall into the category of “related organizations” as defined by the 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 21 - Joint Ventures for a summary of financial information for the Library.

B. Basis of Presentation, Basis of Accounting

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

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

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

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

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

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

Public Safety Fund: This fund accounts for the receipt of revenues from mill levies, grants, and fees, along with the expenditures related to public safety, including law enforcement, detention, drug task force, and patrol.

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

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

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

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

Cooney Home: This fund is used to account for the receipt of installment payments of principal and interest from the sale of the long-term care facility.

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

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

Additionally, the County reports the following fund types:

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

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

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

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

Measurement Focus, Basis of Accounting

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after fiscal year-end. Property taxes, excluding motor vehicle taxes, licenses, and interest on investments are considered to be

susceptible to accrual. Expenditures are recorded when the related fund liability incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

C. Assets, Liabilities and Net Position or Equity

Deposits and Investments

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

Deposits and investments may include demand, time, and savings deposits, direct obligations of the United States Government, securities issued by agencies of the United States, investments in the Montana Short-Term Investment Program (STIP), repurchase agreements, and registered warrants.

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

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

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

Funds in the Individual Investment Fund are invested entirely in STIP, with interest earned deposited solely into the individual account.

At June 30, 2016, the balance in the individual investment trust accounts were as follows:

Helena School District Elementary Building Reserves	\$ 1,633,498
Helena School District High School Building Reserves	1,201,090
Helena School District other investment	206,621
Helena School District fiscal agent bond account	103
Helena School District Endowment	<u>39,157</u>
Total Individual Investment Accounts	\$ 3,080,469

The Treasurer’s investment pool, hereafter called investment pool, is comprised of two components: 1) internal pooled deposits and investments and 2) external pooled deposits and investments. On June 30, 2016, the percentage share of the investment pool that relates to the external investments is 46 percent.

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

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

Short-term Interfund Receivables/Payables

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

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

All property tax receivables are shown net of an allowance for uncollectible taxes receivable. The property tax receivable allowance is equal to 2 percent of the outstanding property taxes at fiscal year-end. At June 30, 2016, the allowance amounted to \$46,350 for the primary government and \$62,384 for agency funds.

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

Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as deferred outflows of resources in both government-wide and fund financial statements.

Restricted Assets

Certain proceeds of enterprise fund and internal service fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted on the statement of net position because their use is limited by applicable bond covenants. The “bond reserve” account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account. The “bond debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months. The “perpetual care – nonexpendable” account is used to legally restrict the principal of a program to the extent that only earnings may be used for purposes that support the County’s program.

Capital Assets

The County’s major infrastructure networks - roads and bridges – that had been put in place prior to implementation of GASB Statement 34, were first reported retroactively in fiscal-year 2007.

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

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

Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The County capitalizes all assets purchased during the year over the following threshold (unless purchased by federal money, then the threshold is \$5,000):

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

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

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

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

Deferred Outflows of Resources

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

Compensated Absences

It is the County’s policy to permit employees to accumulate a limited amount of earned - but unused vacation benefits, which will be paid to employees upon separation from County service. Employees are allowed to accumulate and carry over a maximum 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.

Pension Plans

The Teachers’ Retirement System (TRS) and the Montana Public Employee Retirement Administration (MPERA), which administers the Public Employee Retirement System (PERS) and the Sheriffs’ Retirement System (SRS), prepare their financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability (NPL), deferred inflows of resources and deferred outflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis

as they are reported by TRS and MPERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Expenses are recognized in the accounting period incurred. Investments are reported at fair value. TRS and MPERA adhere to all applicable Governmental Accounting Standards Board (GASB) statements.

Postemployment Benefits

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

Deferred Inflows of Resources

Deferred inflows of resources are acquisitions of net assets by the government that is applicable to a future period. The government-wide statement of net position, proprietary fund statement of net position, and governmental fund balance sheet report a separate section for deferred inflows of resources.

Deferred inflows of resources may be disclosed on the face of the financial statements, in the notes to the financial statements, or a combination of both.

Fund Balance/Net Position

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

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

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

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

- Restricted – Constraint is externally imposed by third party (grantor, contributor, etc.), state constitution, or by enabling legislation by the legislature;
- Committed – Constraint is internally imposed by the 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 fiscal year-end.

Additional disclosure of the purpose of every major special revenue fund in the financial statements is in Note 11.

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

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

Net position: Net position represents the difference between assets plus deferred outflows of resources minus liabilities minus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors 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.

Interfund Transactions

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

All other interfund transactions, except interfund services provided/used are reported as transfers. Transfers occurring between the County (primary government) and discretely presented component units are reported as revenue and expenses.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

General Budget Policies

An annual appropriated operating budget is adopted each fiscal year for County funds in accordance with State statutes. Levied funds that have an annual appropriated operating budget include the County's

General Fund; Health Facilities Debt Service Fund; Library-Agency Fund; and the following Special Revenue Funds: Craig Mosquito, Mosquito Control, Water Quality, Mental Health, Roads, Predatory Animal Control, Cattle Protection Program, District Court, Search and Rescue Operations, Parks, Permissive Medical Insurance, Forestvale Cemetery, County Planning, Emergency Disaster, County Health, Senior Citizens, County Extension, and Public Safety. Others funds that have budgets adopted include Health-Related Grants, Public Safety Radio Projects, Inmate Programs, Records Preservation, Parks Development, Lincoln Parks, DUI Programs, City/County Drug, Missouri River Drug Task Force, MRDTF Federal Sharing, Hard Rock Mine Reserve, Metal Mines Tax Reserve, Wolf Creek Wastewater Facility Maintenance, Craig Wastewater Facility Maintenance, Craig Training Center Maintenance, Septic Maintenance Revolving Loan, Septic Maintenance, Open Space, Road Improvement – Subdivision, Alcoholism, Gas Tax, HIDTA, Justice Assistance Grant, Citizens Corp/CERT Program, National Fire Plan, Economic Development, Noxious Weed Trust, Homeland Security, Other Grants, Special Assessment Districts, City/County Building Debt, Open Space Debt, RSID Revolving Debt, Search and Rescue Building Debt, Rural Special Improvement District Debt, Capital Development, CTEP Projects, RID Projects, Federal Grant Projects, and Road/Bridge Infrastructure Projects.

Budget Process

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

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

Spending control is legally established by an annual resolution adopted by the 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 polices are employed for the Special Revenue and Debt Service Funds. For many funds, effective budgetary controls are also achieved through (1) Rural Special Improvement District (RSID) bond provisions, (2) Intercap Loan provisions, (3) federal and state grant contracts/agreements, and (4) bond provisions. Also, the Rural Revolving (RSID Revolving) fund is no longer deemed budgetary, but continues to receive delinquent tax collections.

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

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

	Major Funds				
	General	Public Safety	Special Assmt Districts	RSID Debt	Capital Development
Fund Balances Budget	\$ 4,605,723	\$ 2,870,203	\$ 3,596,192	\$ 255,353	\$ 6,607,745
Basis Differences					
Inventory	70,137	-	-	-	-
Accrual of tax revenue	172,050	271,852	18,300	2,700	-
Accrual of licenses and permits	131,115	-	-	-	-
Accrual of intergovernmental revenue	11,250	50,913	-	-	-
Accrual of charges for services	6,261	153,653	-	-	-
Accrual of miscellaneous revenue	-	-	-	-	10,223
Accrual of transfers out	(34,100)	-	-	-	-
Accrual of expenditures	(364,434)	(491,512)	(45,283)	-	-
Fund Balances (GAAP) Basis	4,598,002	2,855,109	3,569,209	258,053	6,617,968
Unbudgeted Fund Balances	-	-	-	-	-
Total Major Funds - Fund Balances	\$ 4,598,002	\$ 2,855,109	\$ 3,569,209	\$ 258,053	\$ 6,617,968

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

	Non-Major Governmental Funds			
	Special Revenue	Debt Service	Capital Projects	Permanent
Fund Balances Budget	\$ 7,020,707	\$ 424,961	\$ 631,743	\$ -
Basis Differences				
Inventory	254,656	-	-	-
Accrual of tax revenue	184,490	27,750	-	-
Accrual of intergovernmental revenue	1,163,298	-	239,699	-
Accrual of charges for services	29,020	-	-	-
Accrual of miscellaneous revenue	6,500	-	-	-
Accrual of expenditures	(521,058)	-	(405,988)	-
Fund Balances (GAAP) Basis	8,137,613	452,711	465,454	-
Unbudgeted Fund Balances	303,883	-	-	284,354
Total Nonmajor Funds - Fund Balances	8,441,496	452,711	465,454	\$ 284,354
				\$ 9,644,015

C. Fund or Position Deficits

Primary Government

The RID Projects fund has a deficit at fiscal year-end. The fund pays the expenses for the duration of major road projects. At the end of the project, the county will request and receive a draw from the State of Montana's intercap loan program to cover the expenses. This fund should receive the loan proceeds in FY17, thus eliminating the deficit.

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

Component Unit

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

D. New Accounting Guidance Implemented

The County has adopted the provisions of the following GASB pronouncements for fiscal year 2016:

- Statement No. 72, *Fair Value Measurement and Application*, which is effective for the County beginning in fiscal year 2016. The primary objective of this Statement is to address accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, which is effective for the County beginning in fiscal year 2016. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which is effective for the County beginning in fiscal year 2016. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles.
- Statement No. 82, *Pension Issues, an amendment of GASB No. 67, 68, and 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for fiscal years beginning after June 15, 2016, with early application encouraged.

NOTE 3 – DEPOSITS AND INVESTMENTS

Following is a reconciliation of the County’s deposit and investment balances as of June 30, 2016:

	Pooled Cash and Investments	Other	Total Reporting Entity	Individual Investments	Total
Bank Deposits	\$ 2,263,654	\$ 170,014	\$ 2,433,668	\$ 1,093	\$ 2,434,761
Investments	76,556,868	566,835	77,123,703	3,079,376	80,203,079
Total	\$ 78,820,522	\$ 736,849	\$ 79,557,371	\$ 3,080,469	\$ 82,637,840

	Government-wide Statement of Net Position	Component Units	Total Reporting Entity	Fiduciary Funds Statement of Net Position	Total
Cash and Cash Equivalents	\$ 28,039,786	\$ 899,333	\$ 28,939,119	\$ 39,669,714	\$ 68,608,833
Investments	5,370,305	172,534	5,542,839	7,259,545	12,802,384
Restricted assets (noncurrent)	1,226,623	-	1,226,623	-	1,226,623
Total	\$ 34,636,714	\$ 1,071,867	\$ 35,708,581	\$ 46,929,259	\$ 82,637,840

Cash Deposits

The composition of cash and cash equivalent deposits on June 30, 2016, was as follows:

	Primary Government	Component Unit	Total	Individual Investments
Cash on hand	\$ 77,390	\$ 567	\$ 77,957	\$ -
Petty cash	47,480	800	48,280	-
Time deposits	2,159,444	29,416	2,188,860	-
Fiscal agent deposits	97,169	-	97,169	-
Money market account	21,402	-	21,402	1,093
Total Reporting Entity	\$ 2,402,885	\$ 30,783	\$ 2,433,668	
Total Individual Investments				\$ 1,093

Investments

The composition of investments on June 30, 2016, was as follows:

Primary Government Investments:	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Federal National Mortgage Association - CMO	\$ 15,843	\$ -	\$ 15,843	\$ -
Agency Notes	12,704,616	-	12,704,616	-
State Short-Term Investment Pool (STIP)	63,869,449	-	63,869,449	-
Equity Funds	364,422	-	364,422	-
Fixed Income Taxable Bonds	162,372	-	162,372	-
Other	40,286	-	40,286	-
Total Reporting Entity	\$ 77,156,988	\$ -	\$ 77,156,988	\$ -

Individual Investments:				
Certificates of Deposit	\$ 135,478	\$ -	\$ 135,478	\$ -
Government Bonds	70,050	-	70,050	-
State Short-Term Investment Pool (STIP)	2,873,848	-	2,873,848	-
Total Individual Investments	\$ 3,079,376	\$ -	\$ 3,079,376	\$ -

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

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

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

On June 30, 2016, the reporting entity had cost or amortized cost values that approximated the fair value of the investments; therefore no unrealized gain or loss was recorded for the year. The cost or amortized cost amount of the County's investments are \$77,123,703 whereas the fair value amounts was \$77,156,988.

Primary Government

At fiscal year-end, the reported amount of the primary government's investments, at cost or amortized cost values, was \$76,082,619. Of the amount, none were uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the County's name.

Component Unit

At fiscal year-end, the reported amount of the component government's investments, at cost or amortized cost values, was \$1,041,084. Of the amount, none was uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the County's name.

Individual Investments

At fiscal year-end, the reported amount of the individual investments belonging to legally separate entities such as school districts and special purpose districts was \$3,079,376. Of the amount, none was uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the legally separate entities name.

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

The STIP investments are purchased in accordance with the statutorily mandated "Prudent Expert Principle". The portfolio may include asset-backed securities, commercial paper, corporate, U.S. Government direct obligations, U.S. Government agency securities, repurchase agreements, institutional government money market funds, certificates of deposit and variable rate (floating-rate) instruments. The STIP investments must have a maximum maturity of 397 days or less, unless they are a variable rate security. The County has reported these investments as cash equivalents for financial reporting purposes. Per GASB 3 for disclosure of credit risk, STIP amounts are required in the investment footnote schedules.

MBOI approved that for financial reporting purposes the STIP portfolio be reported on a NAV or “fair value” basis beginning with the fiscal year ended June 30, 2016. MBOI provides a Net Asset Value (NAV) factor to calculate fair value. The County deems the difference between the reported amortized cost and the NAV calculated fair value to be immaterial, therefore are using the amortized cost amount on the financial reports.

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.

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

Deposit and Investment Risks

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

The County minimizes custodial credit risk by restrictions set forth in County policy and state law. Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the County's deposits may not be returned or the County will not be able to recover the collateral securities in the possession of the outside party. The County's policy requires deposits to be 102 percent secured by collateral valued at fair value. The Treasurer's Office maintains a listing of financial institutions, which are approved for investment purposes. Types of securities that may be pledged as collateral are detailed in Section 17-6-103, Montana Code Annotated (MCA). County policy requires that specific safeguards, against risk of loss, be evidenced when the County does not physically hold securities.

At fiscal year end, the County's carrying amount of deposits was \$2,188,860 and the bank balance was \$2,674,241. The carrying amount of deposits for the County includes \$29,416 of the component unit cash balance. 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 \$97,169 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 any certificates of deposit. Certificates of deposit must be 100 percent collateralized by securities held by the pledging financial institution's trust department or agent in the County's name.

Both Forestvale Perpetual Care Fund and Forestvale Endowment Fund had money market balances at fiscal year-end, of \$10,591 and \$10,811, respectively. The pledging financial institution's trust department or agent in the County's name holds the invested funds. In the following disclosures, the values are included, but information related to credit ratings should be obtained from the trust departments.

State of Montana statutes require that the County have pledged securities equal to 50 percent of its total deposits and investments, which are not insured or guaranteed, if the institution in which the deposit is made has a net worth to total assets ratio of 6 percent or more. At June 30, 2016, the County was in compliance with this statute.

Credit risk – investments: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County securities have credit risk as measured by major credit rating services. This risk is that the issuer of a county security may default in making timely principal and interest payments. The county has addressed the issue of credit risk in its formal investment policy by requiring safekeeping and collateralization of its investments. The county primarily invests in State of Montana short-term investment pool and obligations of the U.S. government. The Forestvale Perpetual Care Fund and Forestvale Endowment Fund are authorized to invest in stocks, bonds, and mutual funds.

Credit risk is further minimized by compliance with State law, which limits local governments to certain investment types. Obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk and do not require disclosure of credit risk quality per GASB No. 40. The agency notes of \$12,498,402 of the primary unit and \$172,307 of the component unit, meet this requirement.

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

Investments:	Primary Government	Component Unit	S & P
	Fair Value	Fair Value	
Federal National Mortgage Association - CMO	\$ 16,483	\$ 227	NR
State Short-Term Investment Pool (STIP)			
Treasuries	1,669,435	23,015	A1+
Asset Backed Commercial Paper	17,478,067	240,958	A1
Corporate Commercial Paper	5,822,889	80,276	A1
Corporate - Variable Rate	10,379,157	143,090	A1
Certificate of Deposit - Fixed	555,664	7,661	A1
Certificate of Deposit - Variable	11,112,004	153,194	A1
US Government Agencies - Fixed	5,363,518	73,943	A1+
US Government Agencies - Variable	5,864,668	80,852	A1+
Money Market Funds (Unrated)	292,077	4,027	NR
Money Market Funds (Rated)	4,200,211	57,905	A1+
Securities Lending Collateral Investment Pool	263,209	3,629	NR
Forestvale Investments	566,835	-	not available
Total Primary Government	\$ 63,584,217		
Total Component Government		868,777	
Total Reporting Entity		\$ 64,452,994	

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

Both Forestvale Perpetual Care Fund and Forestvale Endowment Fund have investments at fiscal year-end, of \$273,763 and \$293,072, respectively. The pledging financial institution’s trust department or agent in the County’s name holds the invested funds. In the disclosures, the values are included, but information related to credit ratings should be obtained from the trust departments.

Interest Rate Risk – Investments: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is minimized by compliance with State law which limit local governments to certain investment types. Additionally, under State law, an investment may not have a maturity date exceeding 5 years, except when the investment is used in an escrow account for an

advance refunding of an outstanding bond issue, or for investments of local government group self-insurance programs. In accordance with its investment policy, the County manages its exposure to declining fair values by limiting the maturity of its investment portfolio to no more than three years.

Although the County has no formal policy relating to interest rate risks, the following table illustrates the specific identification method used to disclose interest rate risks related with the County’s investments. The specific identification method does not compute a disclosure measure, but presents a list of each investment, its amount, its maturity date, and any call options. The investments include certain short-term cash equivalents, various long-term items and restricted assets by maturity in years. The County uses a laddering technique in which it purchases investments in which one or two may mature each month. The investments have maturity ranges from nine to twenty four months. As a long-term investment matures, a new one may be purchased to replace it or the County may wait to replace it, meanwhile investing short-term until an appropriate replacement is found. The STIP has investments with a weighted average maturity of 32-41 days. The laddering allows for diversity in the portfolio to minimize interest rate risk.

As of June 30, 2016, the County had the following investments and maturities:

	Investment 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	\$ -	\$ -	\$ -	\$ 16,483	\$ -	\$ 16,483
Agency Notes	5,430,441	7,067,961	-	-	-	12,498,402
State Short-Term Investment Pool (STIP)	63,000,899	-	-	-	-	63,000,899
Equity Funds	-	-	-	-	364,577	364,577
Fixed Income Taxable Bonds	-	-	-	-	168,094	168,094
Other	-	-	-	-	34,164	34,164
Total Primary Government	68,431,340	7,067,961	-	16,483	566,835	76,082,619
Component Unit Investments:						
Federal National Mortgage Association - CMO	-	-	-	227	-	227
Agency Notes	74,866	97,441	-	-	-	172,307
State Short-Term Investment Pool (STIP)	868,550	-	-	-	-	868,550
Total Component unit	943,416	97,441	-	227	-	1,041,084
Total Reporting Entity	\$ 69,374,756	\$ 7,165,402	\$ -	\$ 16,710	\$ 566,835	\$ 77,123,703
Individual Investments:						
Certificates of Deposit	\$ -	\$ -	\$ 135,478	\$ -	\$ -	\$ 135,478
Government Bonds	-	-	-	70,050	-	70,050
State Short-Term Investment Pool (STIP)	2,873,848	-	-	-	-	2,873,848
Total Individual Investments	\$ 2,873,848	\$ -	\$ 135,478	\$ 70,050	\$ -	\$ 3,079,376

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

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

The County invested in derivatives in an effort to maximize yields. These securities are based on cash flows from the underlying mortgages. Therefore, they are sensitive to the mortgagee’s payments, which may vary

based on raises and declines in interest rates. Maturity dates on these securities are in fiscal year 2023. The book value (cost) of the County’s derivative holdings as of June 30, 2016, was \$16,710 and the fair value on that date was \$15,843.

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

**STATEMENT OF NET POSITION
INVESTMENT POOL
June 30, 2016**

	Internal Portion	External Portion	Total Investment Pool
Assets			
Cash and cash equivalents	\$ 35,959,803	\$ 30,173,300	\$ 66,133,103
Investments	6,898,770	5,788,649	12,687,419
Total assets	<u>42,858,573</u>	<u>35,961,949</u>	<u>78,820,522</u>
Net position			
Held in trust for:			
Internal investment pool participants	42,858,573		42,858,573
External investment pool participants		35,961,949	35,961,949
Total net position	<u>\$ 42,858,573</u>	<u>\$ 35,961,949</u>	<u>\$ 78,820,522</u>

**STATEMENT OF CHANGES IN NET POSITION
INVESTMENT POOL
For the Fiscal Year Ended June 30, 2016**

	Internal Portion	External Portion	Total Investment Pool
Additions			
Total contributions to pooled investments	\$ 144,580,073	\$ 127,093,137	\$ 271,673,210
Deductions			
Total distribution from pooled investments	<u>145,247,626</u>	<u>127,886,366</u>	<u>273,133,992</u>
Net increase (decrease)	(667,553)	(793,229)	(1,460,782)
Net position held in trust, beginning of year	43,526,126	36,755,178	80,281,304
Net positions held in trust, end of year	<u>\$ 42,858,573</u>	<u>\$ 35,961,949</u>	<u>\$ 78,820,522</u>

Restricted Cash/Investments

Following are the restricted cash/investments held by the County as of June 30, 2016. These amounts are reported within the Restricted assets - noncurrent account on the Statement of Net Position.

Governmental Activities

Endowment funds

Restricted for endowment \$ 566,835

Internal service funds

Restricted for bond reserve 97,169
 Total Governmental activities restricted cash \$ 664,004

Business-type Activities

Enterprise funds

Restricted for bond reserve 360,256
 Restricted for debt service 202,363
 Total Business-type restricted cash \$ 562,619

NOTE 4 – RECEIVABLES

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

Governmental Activities

	General	Public Safety	Special Assessment Districts	RSID Debt	Other Non-major Funds	Total
Receivable:						
Taxes/Assessments	\$ 210,904	\$ 331,933	\$ 23,418	\$ 1,235,690	\$ 287,476	\$ 2,089,421
Allowance for Uncollectibles	(4,218)	(6,639)	(468)	(24,714)	(5,750)	(41,789)
Taxes (net)	<u>\$ 206,686</u>	<u>\$ 325,294</u>	<u>\$ 22,950</u>	<u>\$ 1,210,976</u>	<u>\$ 281,726</u>	<u>\$ 2,047,632</u>

Business-type Activities and Component Units

	Cooney Home	County Landfill	Fairgrounds	Nonmajor Funds	Total	Internal Service	Component Unit
Receivable:							
Taxes/Assessments	\$ -	\$ -	\$ 21,117	\$ -	\$ 21,117	\$ -	\$ -
Allowance for Uncollectibles	-	-	(422)	-	(422)	-	-
Taxes (net)	-	-	20,695	-	20,695	-	-
Accounts receivable	18,628	182,691	-	206,894	408,213	284,826	574,194
Allowance for doubtful accounts	-	-	-	(4,139)	(4,139)	-	(287,914)
Net accounts	<u>18,628</u>	<u>182,691</u>	<u>-</u>	<u>202,755</u>	<u>404,074</u>	<u>284,826</u>	<u>286,280</u>
Total	<u>\$ 18,628</u>	<u>\$ 182,691</u>	<u>\$ 20,695</u>	<u>\$ 202,755</u>	<u>\$ 424,769</u>	<u>\$ 284,826</u>	<u>\$ 286,280</u>

General Fund Accounts Receivable

The County entered into an agreement with Rocky Mountain Development Council, which is associated with unpaid insurance premiums, thus resulting in an amount owing of \$281,846, with a payment due this year of \$30,000, the remaining amount of \$191,846 being classified as a long-term accounts receivable. \$ 221,846

Governmental funds report *Deferred Inflows of Revenue* for amounts which asset recognition criteria has been met, but for which revenue recognition criteria has not been met. Under modified accrual basis of accounting, such amounts are measurable, but not available. Governmental funds also report *Deferred Inflows of Resources* in connection with revenues collected after all eligibility requirements are met, but prior to meeting time requirements. At the end of the current fiscal year, the various components of *deferred inflows* reported in the governmental funds were as follows:

Governmental Activities

	Deferred Inflows of Revenue
Taxes/Assessment receivable (General Fund)	\$ 256,482
Taxes/Assessment receivable (Public Safety Fund)	53,442
Taxes/Assessment receivable (Special Assessment Districts)	4,650
Taxes/Assessment receivable (RSID Debt)	1,208,276
Taxes/Assessment receivable (Nonmajor Funds)	69,486
Total	<u>\$ 1,592,336</u>

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

The County uses interfund receivables and payables for funds that incur negative cash balances due to expenditures exceeding revenues for a short time period and for accrued transfers at fiscal year-end. Balances due to/from other funds at June 30, 2016, consist of the following:

<u>Governmental Activities</u>		
Receivable Fund	Payable Funds	Amount
General Fund	Preditory Animal Control	\$ 176
	HIDTA Grant	33,707
	JAG Grant	11,849
	National Fire Plan	38,493
	Noxious Weed Trust Grant	6,447
	Other Grants	361,170
	Health Facility Debt	18,229
	RID Projects	61,168
	Federal Grant Projects	99,333
	Total non-major governmental funds	<u>630,572</u>
	Cooney Home	<u>2,057,105</u>
	Total enterprise funds	2,057,105
Liability Insurance fund	General Fund	<u>34,100</u>
	Total major funds	34,100
Total governmental activities		<u>\$ 2,721,777</u>

NOTE 6 – NOTES AND ADVANCES RECEIVABLE

Notes and advances receivable at June 30, 2016, 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.	\$ 13,066
3.00 to 3.55% percent rate, advance receivable from American Bar Road Improvement, due in semi-annual payments through 2018.	<u>14,563</u>
Total debt service funds	\$ 27,629

Capital Projects Funds

Capital Development Fund

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

190,527

Total governmental activities

\$ 218,156

Business-Type Activities

Enterprise Fund

Cooney Home

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

\$ 1,952,777

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 2016:

	Transfers Out								
	General Fund	Public Safety Fund	Special Assessment District Fund	RSID Debt Fund	Capital Development Fund	Nonmajor Governmental Funds	Fair Enterprise Fund	Internal Service Funds	Total Transfers In
Transfer In:									
<u>Governmental Funds:</u>									
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 359,463	\$ -	\$ -	\$ 359,463
Public Safety	-	-	-	1,998	-	383,022	-	-	385,020
Special Assessment Dist	-	-	382	-	-	-	-	-	382
Capital Development	600,098	452,646	30,000	-	-	1,433,419	9,020	141,100	2,666,283
Nonmajor Government	373,104	500,000	23,300	400	-	1,630,037	-	2,000	2,528,841
Total Governmental Funds									<u>5,939,989</u>
<u>Enterprise Funds:</u>									
Fairgrounds	59,000	-	-	-	-	-	-	-	59,000
<u>Internal Services</u>									
	-	-	-	-	220,632	75,259	-	-	295,891
	<u>\$ 1,032,202</u>	<u>\$ 952,646</u>	<u>\$ 53,682</u>	<u>\$ 2,398</u>	<u>\$ 220,632</u>	<u>\$ 3,881,200</u>			
Total transfers out - governmental funds						<u>\$ 6,142,760</u>			
Total transfers out - enterprise funds							<u>\$ 9,020</u>		
Total transfers out - internal service funds								<u>\$143,100</u>	
Total Transfers In / Out									<u>\$ 6,294,880</u>

NOTE 8 – CAPITAL ASSETS

PRIMARY GOVERNMENT

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets not being depreciated:</i>				
Land	\$ 5,162,045 (1)	\$ 1,150,361	\$ -	\$ 6,312,406
Construction in progress	6,429,370	858,849	6,307,876	980,343
Total capital assets not being depreciated	<u>11,591,415</u>	<u>2,009,210</u>	<u>6,307,876</u>	<u>7,292,749</u>
<i>Capital assets being depreciated:</i>				
Buildings	17,292,951 (1)	5,106,526	-	22,399,477
Improvements other than Buildings	2,941,859	-	-	2,941,859
Infrastructure	22,339,065	841,926	355,332	22,825,659
Machinery & Equipment	13,988,536	2,311,750	270,091	16,030,195
Total capital assets being depreciated	<u>56,562,411</u>	<u>8,260,202</u>	<u>625,423</u>	<u>64,197,190</u>
Less accumulated depreciation for:				
Buildings	9,128,187 (1)	505,089	-	9,633,276
Improvements other than Buildings	1,863,532	101,695	-	1,965,227
Infrastructure	6,014,108	971,430	355,332	6,630,206
Machinery & Equipment	9,822,301	936,156	264,812	10,493,645
Total accumulated depreciation	<u>26,828,128</u>	<u>2,514,370</u>	<u>620,144</u>	<u>28,722,354</u>
Total capital assets being depreciated, net	<u>29,734,283</u>	<u>5,745,832</u>	<u>5,279</u>	<u>35,474,836</u>
Government activity capital assets, net	<u>\$ 41,325,698</u>	<u>\$ 7,755,042</u>	<u>\$ 6,313,155</u>	<u>\$ 42,767,585</u>

(1) Prior period adjustment reduces beginning balances, where noted.

Business-type Activities:

Solid Waste

<i>Capital assets not being depreciated:</i>				
Land	\$ 243,648	\$ -	\$ -	\$ 243,648
Construction in progress	90,247	7,542	53,695	44,094
Total capital assets not being depreciated	<u>333,895</u>	<u>7,542</u>	<u>53,695</u>	<u>287,742</u>
<i>Capital assets being depreciated:</i>				
Buildings	325,366	110,917	-	436,283
Improvements other than Buildings	5,581,161	-	-	5,581,161
Machinery & Equipment	2,135,362	-	-	2,135,362
Total capital assets being depreciated	<u>8,041,889</u>	<u>110,917</u>	<u>-</u>	<u>8,152,806</u>
Less accumulated depreciation for:				
Buildings	167,428	12,293	-	179,721
Improvements other than Buildings	1,787,011	121,296	-	1,908,307
Machinery & Equipment	1,524,350	116,627	-	1,640,977
Total accumulated depreciation	<u>3,478,789</u>	<u>250,216</u>	<u>-</u>	<u>3,729,005</u>
Total capital assets being depreciated, net	<u>4,563,100</u>	<u>(139,299)</u>	<u>-</u>	<u>4,423,801</u>
Solid Waste capital assets, net	<u>4,896,995</u>	<u>(131,757)</u>	<u>53,695</u>	<u>4,711,543</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Fairgrounds				
<i>Capital assets being depreciated:</i>				
Buildings	10,882,547	-	-	10,882,547
Improvements other than Buildings	617,517	-	-	617,517
Machinery & Equipment	307,373	34,944	-	342,317
Total capital assets being depreciated	<u>11,807,437</u>	<u>34,944</u>	<u>-</u>	<u>11,842,381</u>
Less accumulated depreciation for:				
Buildings	1,803,307	287,715	-	2,091,022
Improvements other than Buildings	275,064	35,765	-	310,829
Machinery & Equipment	133,567	16,551	-	150,118
Total accumulated depreciation	<u>2,211,938</u>	<u>340,031</u>	<u>-</u>	<u>2,551,969</u>
Total capital assets being depreciated, net	<u>9,595,499</u>	<u>(305,087)</u>	<u>-</u>	<u>9,290,412</u>
Fairgrounds capital assets, net	<u>9,595,499</u>	<u>(305,087)</u>	<u>-</u>	<u>9,290,412</u>
Business-type activities capital assets, net	<u>\$ 14,492,494</u>	<u>\$ (436,844)</u>	<u>\$ 53,695</u>	<u>\$ 14,001,955</u>

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	\$ 293,175
Public safety	925,264
Public works	1,105,835
Public health	130,874
Social and economic services	1,317
Culture and recreation	57,905
Total depreciation expense - governmental activities:	<u>\$ 2,514,370</u>
Business-type activities:	
Solid waste	\$ 250,216
Fair	340,031
Total depreciation expense-business-type activities:	<u>\$ 590,247</u>

DISCRETELY PRESENTED COMPONENT UNITS

Activity for the **PureView Health Center**, for the period ending June 30, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets being depreciated:</i>				
Buildings	356,939	-	-	356,939
Machinery & Equipment	170,104	15,000	-	185,104
Total capital assets being depreciated	<u>527,043</u>	<u>15,000</u>	<u>-</u>	<u>542,043</u>
Less accumulated depreciation for:				
Buildings	42,833	14,278	-	57,111
Machinery & Equipment	91,267	19,221	-	110,488
Total accumulated depreciation	<u>134,100</u>	<u>33,499</u>	<u>-</u>	<u>167,599</u>
Total capital assets being depreciated, net	<u>392,943</u>	<u>(18,499)</u>	<u>-</u>	<u>374,444</u>
PureView Health Center capital assets, net	<u>\$ 392,943</u>	<u>\$ (18,499)</u>	<u>\$ -</u>	<u>\$ 374,444</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, 2016:

	Open Space	Search and Rescue Building	Total General Obligation Bonds
Bond payable, July 1	\$ 2,390,000	\$ 730,000	\$ 3,120,000
Bond issued	-	-	-
Bond retired	(130,000)	(43,487)	(173,487)
Bond payable, June 30	<u>\$ 2,260,000</u>	<u>\$ 686,513</u>	<u>\$ 2,946,513</u>
Bond payable, within one year	\$ 135,000	\$ 87,867	\$ 222,867

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

On November 6, 2012, pursuant to a voter approved ballot, the amount of up to \$1,000,000 was approved for the construction of a Search and Rescue building. The amount is to be levied for a period of ten years. The building construction was completed in the spring of 2015. Two years of the levy were applied directly to the construction cost and the remaining eight years of the levy will be applied to the debt service cost of \$730,000.

Revenues for the retirement of the general obligation bond issue are collected through mill levies. All revenue collections and debt repayment disbursements are reported in the Open Space and Search and Rescue Debt Service funds, respectively. Bonds payable at June 30, 2016, consist of the following issue:

	Interest Rate	Maturity Date	Issued	Amount Outstanding 6/30/2016
General Obligation Bonds:				
Open Space Projects	variable (2.00% to 4.05%)	7/1/2030	\$3,000,000	\$2,260,000
Search and Rescue Building	variable (1)	8/15/2023	730,000	686,513
Total GO Bonds			<u>\$3,730,000</u>	<u>\$2,946,513</u>

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

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

FY Ending	Interest	Principal	Total
2017	\$ 86,865	\$ 222,867	\$ 309,732
2018	82,650	223,970	306,620
2019	78,434	230,085	308,519
2020	73,325	236,215	309,540
2021	68,080	237,357	305,437
2022-2026	247,696	1,036,019	1,283,715
2027-2030	78,278	760,000	838,278
Total	<u>\$ 715,328</u>	<u>\$ 2,946,513</u>	<u>\$ 3,661,841</u>

REVENUE BONDS

At June 30, 2016, the outstanding revenue bond indebtedness of Lewis and Clark County is as follows:

Governmental Activities

Health Care Facility Revenue Bonds, Series 1998D: \$ 125,000

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, 2016, the outstanding revenue bond indebtedness of Lewis and Clark County is as follows:

Solid Waste Facility Refunding Revenue Bonds, Series 2004: 2,345,650

In fiscal year 2013, the County issued refunding bonds in the amount of \$2,004,000 for the DNRC SRF Loan Program. The purpose of this issuance was to use the proceeds to retire the County's outstanding Solid Waste Facility Revenue Bonds, Series 2004. The new bonds have an interest rate of 2.25 percent in comparison to the old rate of 3.75 percent. The semi-annual installment payments range from \$85,266.50 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.

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

Additional revenue bonds were issued in fiscal year 2011, amounting to \$1,400,000.

The bonds are to be repaid from the net revenues, less operating expenses, derived from the operations from the County’s Solid Waste Facility. Upon satisfaction of the debt, rates charged to the users will be reduced.

Total Revenue Bonds \$2,470,650

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, 2016, the County was in compliance with these requirements for the County Solid Waste Facility and the Health Care Facilities.

	<u>County Solid Waste Facility</u>	<u>Health Care Facilities</u>
Gross revenues	\$ 1,745,996	\$ 602,788
Direct operating expenses	673,708	291,804
Net Revenue	<u>\$ 1,072,288</u>	<u>\$ 310,984</u>
 Maximum debt service	 \$ 360,256	 \$ 68,315
Percent coverage	297.6%	455.2%

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

Revenue bond debt service requirements to maturity are as follows:

Governmental Activities

<u>FY Ending</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2017	\$ 6,375	\$ 60,000	\$ 66,375
2018	3,315	65,000	68,315
Totals	<u>\$ 9,690</u>	<u>\$ 125,000</u>	<u>\$ 134,690</u>

Business-type Activities

<u>FY Ending</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2017	\$ 54,589	\$ 304,714	\$ 359,303
2018	47,056	312,512	359,568
2019	39,330	320,413	359,743
2020	31,408	328,420	359,828
2021	23,287	336,536	359,823
2022-2025	31,272	743,055	774,327
Totals	<u>\$ 226,942</u>	<u>\$ 2,345,650</u>	<u>\$ 2,572,592</u>

Changes in Long-Term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2016:

<u>Governmental Activities</u>	Balance			Due	
	<u>7/1/2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/2016</u>	<u>Within One Year</u>
General obligation bonds	\$ 3,120,000	\$ -	\$ 173,487	\$ 2,946,513	\$ 222,867
Revenue bonds	185,000	-	60,000	125,000	60,000
Special assessment	1,047,837	-	160,784	887,053	93,505
Contracts/Loans	644,634	-	165,961	478,673	171,726
Compensated absences	2,169,734	1,932,092	1,959,193	2,142,633	214,263
Pension liabilities	13,511,934	9,753,621	6,137,475	17,128,080	1,712,808
OPEB implicit rate subsidy	359,881	21,527	-	381,408	-
Total	<u>\$ 21,039,020</u>	<u>\$ 11,707,240</u>	<u>\$ 8,656,900</u>	<u>\$ 24,089,360</u>	<u>\$ 2,475,169</u>
<u>Business-type Activities</u>					
Revenue bonds	\$ 2,643,667	\$ -	\$ 298,017	\$ 2,345,650	\$ 304,714
Landfill liability	1,074,513	13,705	12,400	1,075,818	12,400
Compensated absences	68,393	75,171	74,207	69,357	6,937
Pension liabilities	591,264	208,091	149,786	649,569	64,958
OPEB implicit rate subsidy	15,872	1,117	-	16,989	-
Total	<u>\$ 4,393,709</u>	<u>\$ 298,084</u>	<u>\$ 534,410</u>	<u>\$ 4,157,383</u>	<u>\$ 389,009</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At fiscal year end, the revenue bond balance of \$125,000 and \$209,884 of the compensated absences represent internal service funds' liabilities. Also, for the governmental activities, claims, judgments, compensated absence and net pension and net other postemployment obligations are generally liquidated by the general fund and other governmental funds. For the business-type activities, claims, judgments, compensated absences, and net pension and net other postemployment obligations are generally liquidated by the enterprise fund it relates to.

The County's employees participate in three cost-sharing defined benefit pension plans administered by the State of Montana. As required by GASB Statement 68, the County is to record its share of the unfunded

liabilities even though they have made all statutorily required contributions. The amounts represent the proportionate share of the liability that was allocated by the State of Montana to the County.

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

SPECIAL ASSESSMENT DEBT AND CONTRACTS/LOANS PAYABLE

Governmental Activities

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

Special Assessment Debt

Montana Board of Investment intercap loans have a variable interest rate that is adjusted annually. For fiscal year 2016, the rate was 1.25 percent. Special assessment debts at June 30, 2016, are as follows:

	Amount Issued	Year of Maturity	Principal Balance 6/30/2016	Due Within One Year	FY2016 Interest Rate (%)
Augusta Rural Improvement District	\$ 31,458	2022	\$ 22,097	\$ 3,592	1.55%
Lambkins Rural Improvement District	27,228	2022	18,954	3,081	1.55%
Lincoln Rural Improvement District	58,776	2022	35,628	5,791	1.55%
Bel Air Curbs Rural Improvement District	13,685	2018	701	343	1.55%
Autumn Wind Rural Improvement District	40,124	2025	17,902	1,733	1.55%
Fantasy Road Rural Improvement District	9,279	2027	825	67	1.55%
Big Sky Road Rural Improvement District	167,895	2028	122,319	8,856	1.55%
Crestwood Road Rural Improvement District	94,656	2024	62,544	7,548	1.55%
Settler's Cove Rural Improvement District	105,507	2030	84,953	5,683	1.55%
Lake Home Condo Rural Improvement District	14,000	2030	12,130	811	1.55%
McHugh Rural Improvement District	495,272	2023	200,000	35,000	4.40%
Woodlawn Rural Improvement District - wastewater	143,000	2027	92,000	7,000	2.75%
Woodlawn Rural Improvement District - water	319,516	2028	217,000	14,000	2.75%
Total Special Assessment Debt	<u>\$ 1,520,396</u>		<u>\$ 887,053</u>	<u>\$ 93,505</u>	

The loans are special assessment debt issued for the construction and maintenance of capital improvements within defined special improvement districts. The loans are payable from special assessments levied against the properties in the respective districts. The County has a secondary responsibility on the debt issued for the various districts. State law obligates the County to pay the debt service on these loans even if the assessments on the property owners are in default. At fiscal year-end 2016, funds with special assessment debt had \$1,708 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. Statues allow for a special property tax levy as long as the balance in this fund is less than 5 percent of total outstanding special assessment debt with government commitment. This fiscal year, the County did not levy for the fund.

Contracts/Loans Payable

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

	Amount Issued	Year of Maturity	Principal Balance 6/30/2016	Due Within One Year	FY2016 Interest Rate (%)
City/County Building Remodel	\$ 977,748	2018	\$ 240,748	\$ 120,286	1.55%
City/County Building Remodel - Phase II	505,000	2021	237,925	51,440	1.55%
Total	\$ 1,482,748		\$ 478,673	\$ 171,726	

The following is a summary of maturities and interest by years for the special assessment debt and contracts payable at June 30, 2016. 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 FY2017 rate of 1.55 percent.

FY Ending	Special Assessment Debt		Contracts Payable	
	Principal	Interest	Principal	Interest
2017	\$ 93,505	\$ 22,090	\$ 171,726	\$ 6,756
2018	100,909	19,266	172,910	4,069
2019	100,945	16,299	53,477	1,870
2020	102,343	13,303	54,525	1,037
2021	107,745	10,187	26,035	201
2022-2026	258,709	27,902	-	-
2027-2030	122,897	4,264	-	-
Total Governmental Activities	\$ 887,053	\$ 113,311	\$ 478,673	\$ 13,933

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 – These notes have been issued on behalf of Carroll College, to finance construction of various buildings and improvements, including installation of energy efficiency improvements to various buildings and facilities on the Carroll College campus.

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

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

As of June 30, 2016, the status of all third party debt issued is:

	Issued	Outstanding
Environmental Facilities Revenue Bonds Asarco, Inc.	\$ 33,160,000	\$ 33,160,000
Environmental Facilities Revenue Bonds Asarco, Inc.	34,800,000	34,800,000
Higher Education Revenue Bond - Carroll College	12,315,000	11,145,000
Higher Education Revenue Bond - Carroll College	4,250,000	4,023,367
Industrial Development Revenue Bonds - Golden Triangle, Inc.	2,000,000	450,000
Family Services Provider Revenue Bonds	995,000	713,710
Total	\$ 87,520,000	\$ 84,292,077

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

	<u>Special Revenue</u>		<u>Debt Service</u>		<u>Capital Projects</u>	Other Nonmajor Governmental	Total
	General	Public Safety	Special Assess- ment Districts	Rural Special Improvement District Debt	Capital Development		
FUND BALANCE:							
<u>Nonspendable:</u>							
Inventory	\$ 70,137	\$ -	\$ -	\$ -	\$ -	\$ 254,656	\$ 324,793
Permanent portion of endowment	-	-	-	-	-	588,237	588,237
Total Nonspendable	70,137	-	-	-	-	842,893	913,030
<u>Restricted:</u>							
Federal/state/other grants							
Road commitments	-	-	-	-	-	746,034	746,034
General government commitments	-	-	-	-	-	72,853	72,853
Open space commitments	-	-	-	-	-	1,020,246	1,020,246
Public safety commitments	-	-	-	-	-	180,756	180,756
Alcohol/drug program commitments	-	-	-	-	-	474,397	474,397
Public work commitments	-	-	-	-	8,496	131,402	139,898
Health-related commitments	-	-	-	-	-	352,946	352,946
Debt service	-	-	-	258,053	-	425,082	683,135
Total Restricted	-	-	-	258,053	8,496	3,403,716	3,670,265
<u>Committed:</u>							
General government commitments	-	-	-	-	1,303,475	699,948	2,003,423
District court	-	-	-	-	14,612	733,522	748,134
Public safety equipment	-	2,855,109	-	-	751,559	139,020	3,745,688
Public safety facility improvements	-	-	-	-	105,473	-	105,473
Public works	-	-	-	-	405,130	196,096	601,226
Road and bridge commitments	-	-	-	-	2,857,466	1,733,724	4,591,190
Cemetery project commitments	-	-	-	-	431,850	-	431,850
Public health commitments	-	-	-	-	520,850	1,579,878	2,100,728
Parks improvement	-	-	-	-	198,521	198,100	396,621
Social & economical commitments	-	-	-	-	20,536	127,470	148,006
Special improvement district commitments	-	-	3,569,209	-	-	-	3,569,209
Contract commitments	19,292	-	-	-	-	-	19,292
Total Committed	19,292	2,855,109	3,569,209	-	6,609,472	5,407,758	18,460,840
<u>Assigned:</u>							
No contractual commitments	1,439,990	-	-	-	-	22,011	1,462,001
Public safety	-	-	-	-	-	98,105	98,105
Total Assigned	1,439,990	-	-	-	-	120,116	1,560,106
<u>Unassigned</u>	3,068,583	-	-	-	-	(130,468)	2,938,115
Total fund balance	\$ 4,598,002	\$ 2,855,109	\$ 3,569,209	\$ 258,053	\$ 6,617,968	\$ 9,644,015	\$ 27,542,356

Major Funds - Revenues by specific purposes

	General	Public Safety	Special Assess- ment Districts
Taxes/assessments	\$ 6,019,030	\$ 8,594,617	\$ 922,584
Licenses and permits	285,312	2,065	-
Federal grants	2,190,824	555,029	-
State grants	922,790	473,709	768
Local grants	67,160	-	-
Charges for services	1,194,024	650,116	-
Fines and forfeitures	73,279	259,260	-
Miscellaneous	45,927	100,335	1,000
Interest earnings	55,671	-	13,362
Transfers in	359,463	383,022	1,998
Total Major Funds revenue	<u>\$ 11,213,480</u>	<u>\$ 11,018,153</u>	<u>\$ 939,712</u>

NOTE 12 - LEASES

Capital Leases

In fiscal year 2016, 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 March 2014, a new engineer’s report was completed and it provided, among others, three significant changes from the January 2009 engineer’s report. The first being a change in the annual tonnage from 45,000 tons per year to 40,000 tons per year, with an annual escalation of 1.25%. The second change was to the remaining life of the landfill, which was changed from 87 years to 98 years. Thirdly, were the changes to closure and postclosure cost estimates.

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

- Montana financial assurance regulations require that the landfill financially assure for the largest planned open area during the life of the landfill. One of two financial assurance approaches shall be used when building financial assurance. The county uses the approach to financially assure the largest area that will ever be open during the life of the site. When Phases 4 and 5 are open, the

landfill will have 29.5 acres open in the Class II landfill area and 7 acres of Class IV area which will be required to be closed over the remaining life of the site.

- The estimated total cost for landfill closure and postclosure care is \$2,266,250. This is a decrease of \$346,462. The total closure cost for the Class II and Class IV areas, associated with the largest open areas as noted above, are \$1,359,650 and \$306,000, respectively. In the Class II area, Phase 2 is nearing the end of its useful life and is currently being closed. The total postclosure liability is \$600,600.
- The fiscal year-end liability that represents the financial insurance amount is \$964,218, which is comprised of estimated costs for Class II area closures, Class IV area closure, and post-closure monitoring of \$815,236, \$73,874 and \$75,108, respectively. The yearly increase in liability for closure for Class II cells and the Class IV cell is \$5,731 and \$2,443, respectively. The yearly increase in liability for postclosure is \$5,531.

The amounts reported to date, represent estimates based upon the use of approximately 16.5 percent of the landfill's ultimate capacity and are based on what it would cost to perform all closure and postclosure care at year-end; however, actual costs may be higher due to inflation.

Scratch Gravel Landfill

The Scratch Gravel Landfill was closed on October 8, 1994. Based on the new engineer's report, as of March 2014, the remaining estimated costs for landfill postclosure changed from \$220,000 to \$136,400. The total postclosure liability at fiscal year-end is \$111,600, with the annual estimated landfill postclosure of \$12,400 for each of the next 10 years. All costs are based on what it would cost to perform all postclosure care at year-end; however, actual costs may be higher due to inflation, as current EPA regulations regarding financial assurance were not in effect during the life of the Scratch Gravel landfill. Postclosure costs were not accumulated. All postclosure costs will be financed with current revenues.

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

NOTE 14 – EMPLOYEE BENEFIT PLANS

Montana Public Employees Retirement System – Defined Benefit

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

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

	<u>County's Proportionate Share Associated With</u>			<u>Total Pension</u>
	<u>PERS</u>	<u>SRS</u>	<u>TRS</u>	<u>Amount</u>
Total pension liability	\$66,357,761	\$23,854,624	\$327,934	\$90,540,319
Fiduciary net position	51,996,309	17,989,810	227,250	70,213,369
Net Pension liability	<u>\$14,361,452</u>	<u>\$5,864,814</u>	<u>\$100,684</u>	<u>\$20,326,950</u>
Deferred outflows of resources	\$1,072,274	\$2,624,562	\$8,790	\$3,705,626
Deferred inflows of resources	\$2,624,562	\$2,635,512	\$8,083	\$5,268,157
Pension expense	\$731,422	\$420,653	\$9,352	\$1,161,427

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

Public Employee Retirement-Defined Benefit Retirement Plan

Plan Description:

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

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

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

Summary of Benefits:

Eligibility for benefit

Service retirement:

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

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

Early retirement:

Early retirement, actuarially reduced:

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

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

Vesting

5 years of membership service.

Member's highest average compensation (HAC)

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

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

Compensation Cap

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

Monthly benefit formula

Members hired prior to July 1, 2011:

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

Members hired on or after July 1, 2011:

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

Guaranteed Annual Benefit Adjustment (GABA)

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

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

Overview of Contributions:

Rates are specified by state law for periodic member and employer contributions and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The State legislature has the authority to establish and amend contribution rates to the plan. Member and employer contribution rates are shown in the table below.

1. Member contributions to the plan:

- a. Plan members are required to contribute 7.90% of member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.
- b. The 7.90% member contributions is temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.

2. Employer contributions to the plan:

- a. Effective July 1, 2014, following the 2013 Legislative Session, PERS-employer contributions increased an additional 1.0% a year over 10 years, through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, terminates on January 1 following actuary valuation results that show the amortization period of the PERS-DBRP has dropped below 25 years and remains below 25 years following the reductions of both the additional employer and member contributions rates.
- b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.

- c. The portion of employer contributions allocated to the Plan Choice Rate (PCR) was included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.

3. Non-Employer Contributions

- a. Special Funding
 - i. The State contributes 0.1% of members’ compensation on behalf of local government entities.
 - ii. The State contributes 0.37% of members’ compensation on behalf of school district entities.
- b. Not Special Funding
 - i. The State contributes from the Coal Tax Severance fund.

Fiscal Year	Member		State &				
			Universities	Local Government		School Districts	
	Hired <7/01/11	Hired >7/01/11	Employer	Employer	State	Employer	State
2016	7.9%	7.9%	8.370%	8.270%	0.10%	8.00%	0.370%
2015	7.9%	7.9%	8.270%	8.170%	0.10%	7.90%	0.370%
2014	7.9%	7.9%	8.170%	8.070%	0.10%	7.80%	0.370%
2012-2013	6.9%	7.9%	7.170%	7.070%	0.10%	6.80%	0.370%
2010-2011	6.9%		7.170%	7.070%	0.10%	6.80%	0.370%
2008-2009	6.9%		7.035%	6.935%	0.10%	6.80%	0.235%
2000-2007	6.9%		6.900%	6.800%	0.10%	6.80%	0.100%

Stand-Alone Statements:

The PERS financial information is reported in the Public Employees’ Retirement Board’s (the Board) CAFR for the fiscal year ended. It is available from the Board at 100 North Park, PO Box 200131, Helena, MT 59620-0131, 406-444-3154.

CAFR information, including stand-alone financial statements, can be found on the web site at <http://mpera.mt.gov/annualReports.shtml>.

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

Actuarial Assumptions:

The Total Pension Liability (TPL) used to calculate the Net Pension Liability (NPL) was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to June 30, 2015. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the last actuarial experience study, dated June 2010 for the six year period July 1, 2003 to June 30, 2009.

Among those assumptions were the following:

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

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

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
 - a) 1.5% for each year PERS is funded at or above 90%;
 - b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - c) 0% whenever the amortization period for PERS is 40 years or more.
- Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.
- Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate:

The discount rate used to measure the TPL was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. The State contributes 0.1% of salaries for local governments and 0.37% for school districts. In addition, the State contributes Coal Severance Tax and interest money from the general fund. The interest is contributed monthly and the Coal Severance Tax is contributed quarterly. Based on those assumptions, the plan’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2123. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. No municipal bond rate was incorporated in the discount rate.

Target Allocations:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.55%
Foreign Equity	18.00%	6.10%
Fixed Income	24.00%	1.25%
Private Equity	12.00%	8.00%
Real Estate	8.00%	4.25%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the plan. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated June 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the plan’s target asset allocation as of June 30, 2015, is summarized in the above table.

Sensitivity Analysis:

	1.0% Decrease <u>(6.75%)</u>	Current Discount <u>Rate</u>	1.0% Increase <u>(8.75%)</u>
County’s Proportionate share of the NPL	\$22,142,251	\$14,361,452	\$7,790,747

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

Net Pension Liability:

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the PERS. Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective NPL, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

In accordance with GASB Statement 68, PERS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to PERS on behalf of the employers. Due to the existence of this special funding situation, local governments and school districts are required to report the portion of the State of Montana’s proportionate share of the collective NPL that is associated with the employer.

The State of Montana also has a funding situation that is not Special Funding whereby the State General Fund provides contributions from the Coal Severance Tax and interest. All employers are required to report the portion of Coal Tax Severance Tax and interest attributable to the employer. The following table displays the amounts and percentages of NPL for the fiscal years ended June 30, 2016 and June 30, 2015 (reporting dates).

	Net Pension Liability as of 6/30/16	Net Pension Liability as of 6/30/15	Percent of Collective NPL as of 6/30/16	Percent of Collective NPL as of 6/30/15	Change in Percent of Collective NPL
County’s proportionate share	\$14,361,452	\$13,484,603	1.027380%	1.082222%	-0.054842%
State of Montana’s proportionate share associated with County	<u>176,406</u>	<u>164,668</u>	<u>0.012620%</u>	<u>0.013216%</u>	<u>-0.000596%</u>
Total	\$14,537,858	\$13,649,271	1.040000%	1.095438%	-0.055438%

At June 30, 2016, the County recorded a liability of \$14,361,452 for its proportionate share of 1.02738 percent of the NPL. The NPL was measured as of June 30, 2015, and the TPL used to calculate the NPL was determined by an actuarial valuation as of July 1, 2014, with update procedures to roll forward the TPL to the measurement date of June 30, 2015. The County’s proportion of the NPL was based on the County’s contributions received by PERS during the measurement period July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of PERS’ participating employers.

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

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

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

Pension Expense:

	Pension Expense as of 6/30/16
County’s proportionate share	\$ 720,461
State of Montana’s proportionate share associated with County	<u>10,961</u>
Total	\$ 731,422

At June 30, 2016, the County recognized a total PERS pension expense of \$731,422 of which \$720,461 is for its proportionate share of the PERS' pension expense and \$10,961 that the employer must recognize as grant revenue for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer, and grant revenue of \$344,659 from the Coal Severance Tax Fund.

Recognition of Beginning Deferred Outflow:

At June 30, 2016, the County recognized a beginning deferred outflow of resources for the employers' FY2015 contributions of \$1,061,151.

Deferred Inflows and Outflows:

At June 30, 2016, the County reported its proportionate share of PERS' deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 86,888
Changes in actuarial assumptions	-	-
Differences between projected and actual investment earnings	-	1,215,850
Difference between actual and expected contributions	-	652,923
Changes in proportion	N/A	N/A
*Contributions paid to PERS subsequent to the measurement date - FY2015 Contributions	1,072,274	-
Total	\$ 1,072,274	\$ 1,955,661

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

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

<u>Year ended June 30</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense</u>
2017	\$ -	\$ 757,774	\$ (757,774)
2018	-	757,774	(757,774)
2019	-	756,661	(756,661)
2020	316,219	-	316,219

Sheriff's Retirement System

Plan Description:

The SRS, administered by the MPERA, is a multiple-employer, cost-sharing plan established July 1, 1974, and governed by Title 19, chapters 2 & 7, MCA. This plan provides retirement benefits to all Department of Justice

criminal and gambling investigators hired after July 1, 1993, all detention officers hired after July 1, 2005, and to all Montana sheriffs. Benefits are established by state law and can only be amended by the Legislature. The SRS provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation. Member rights are vested after five years of service.

Summary of Benefits:

Eligibility for benefit

20 years of membership service, regardless of age.

Other Retirement Options

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

Vesting

5 years of membership service.

Member’s highest average compensation (HAC)

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

Compensation Cap

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

Monthly benefit formula

2.5% of HAC per year of service.

Guaranteed Annual Benefit Adjustment (GABA)

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

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

Overview of Contributions:

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

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

Fiscal Year	Member	Employer
2010-2016	9.245%	10.115%
2008-2009	9.245%	9.825%
1998-2007	9.245%	9.535%

Stand-Alone Statements:

The SRS financial information is reported in the Board CAFR for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena, MT 59620-0131, (406)444-3154.

CAFR information, including stand-alone financial statements, can be found on the web site at <http://mpera.mt.gov/annualReports.shtml>.

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

Actuarial Assumptions:

The TPL used to calculate the NPL was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to June 30, 2015. The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the last actuarial experience study, dated June 2010 for the six year period July 1, 2003 to June 30, 2009. There were several significant assumptions and other inputs use to measure the Total Pension Liability.

Among those assumptions were the following:

- Investment Return 7.75%
- Admin Expense as % of Payroll 0.17%
- General Wage Growth* 4.00%
*includes inflation at 3.00%
- Merit Increases 0% to 7.3%
- Postretirement Benefit Increases
After the member has completed 12 full months of retirement, the member’s benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member’s benefit.
 - 3% for members hired **prior to** July 1, 2007
 - 1.5% for members hired **on or after** July 1, 2007
- Mortality assumptions among contributing members, terminated vested members, service retired members ,and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.
- Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate:

The discount rate used to measure the TPL was 6.86, which is a blend of the assumed long-term rate of return of 7.75% on plan’s investments and a municipal bond index rate of 3.80%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. Based on those assumptions, the plan’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2057. Therefore, the portion of future projected benefit payments after 2057 are discounted at the municipal bond index rate.

Target Allocations:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.55%
Foreign Equity	18.00%	6.10%
Fixed Income	24.00%	1.25%
Private Equity	12.00%	8.00%
Real Estate	8.00%	4.25%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the plan. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated June 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption. These factors include rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of

return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Summarized in the table above are best estimates of the arithmetic real rates of return for each major asset class included in the plan’s target asset allocation as of June 30, 2015.

Sensitivity Analysis:

	1.0% Decrease <u>(5.86%)</u>	Current Discount <u>Rate(6.86)</u>	1.0% Increase <u>(7.86%)</u>
County’s Proportionate share of the NPL	\$9,418,500	\$5,864,814	\$2,951,653

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the above table presents the NPL calculated using the discount rate of 6.86%, as well as what the NPL would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate.

Net Pension Liability:

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in SRS. GASB Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective NPL, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions

The TPL used to calculate the NPL was determined by the actuarial valuation as of the June 30, 2014, with update procedures to roll forward the TPL to the measurement date of June 30, 2015. The following table displays the amounts and percentages of NPL.

	Net Pension Liability <u>as of 6/30/16</u>	Net Pension Liability <u>as of 6/30/15</u>	Percent of Collective <u>NPL as of 6/30/16</u>	Percent of Collective <u>NPL as of 6/30/15</u>	Change in Percent of <u>Collective NPL</u>
County’s proportionate share	\$5,864,814	\$2,566,570	6.083903%	6.167116%	-.083213%

At June 30, 2016, the County recorded a liability of \$5,864,814 for its proportionate share of 6.083903% of the NPL. The County’s proportion of the NPL was based on the County’s contributions received by SRS during the measurement period July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of SRS’ participating employers.

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

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

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

Pension Expense:

	Pension Expense <u>as of 6/30/16</u>
County’s proportionate share	\$ 420,653

At June 30, 2016, the County recognized a Pension Expense of \$420,653 for its proportionate share of the SRS’ Pension Expense.

Deferred Inflows and Outflows:

At June 30, 2016, the County reported its proportionate share of SRS' deferred outflows of resources and deferred inflows of resources related to SRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 9,886
Changes in actuarial assumptions	2,183,018	2,152,932
Differences between projected and actual investment earnings	-	401,670
Diffence between actual and expected contributions	-	71,025
*Contributions paid to SRS subsequent to the measurement date - FY2015 Contributions	441,544	-
Total	<u>\$ 2,624,562</u>	<u>\$ 2,635,513</u>

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

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

<u>Year ended June 30</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense</u>
2017	\$ -	\$ 180,327	\$ (180,327)
2018	-	180,327	(180,327)
2019	-	180,326	(180,326)
2020	98,650	-	98,650
2021	-	10,165	(10,165)

Teachers Retirement System

Plan Description:

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

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

Summary of Benefits:

Through June 30, 2013, all members enrolled in TRS participated in a single-tiered plan ("Tier One"). Employees with a minimum of 25 years of service or who have reached age 60 with 5 years of service are eligible to receive an

annual retirement benefit equal to creditable service years divided by 60 times the average final compensation (AFC). Final compensation is the average of the highest three consecutive years of earned compensation. Benefits fully vest after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits. Beginning July 1, 2013, new members in TRS participate in a second benefit tier ("Tier Two"), which differs from Tier One as follows:

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

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

Overview of Contributions:

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

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

School District and Other Employers

	<u>Members</u>	<u>Employers</u>	<u>General fund</u>	<u>Total employee & employer</u>
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	7.47%	2.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	7.47%	2.49%	17.11%
July 1, 2013 to June 30, 2014	8.15%	8.47%	2.49%	19.11%
July 1, 2014 to June 30, 2015	8.15%	8.57%	2.49%	19.21%
July 1, 2015 to June 30, 2016	8.15%	8.67%	2.49%	19.31%
July 1, 2016 to June 30, 2017	8.15%	8.77%	2.49%	19.41%
July 1, 2017 to June 30, 2018	8.15%	8.87%	2.49%	19.51%
July 1, 2018 to June 30, 2019	8.15%	8.97%	2.49%	19.61%
July 1, 2019 to June 30, 2020	8.15%	9.07%	2.49%	19.71%
July 1, 2020 to June 30, 2021	8.15%	9.17%	2.49%	19.81%
July 1, 2021 to June 30, 2022	8.15%	9.27%	2.49%	19.91%
July 1, 2022 to June 30, 2023	8.15%	9.37%	2.49%	20.01%
July 1, 2023 to June 30, 2024	8.15%	9.47%	2.49%	20.11%

State and University Employers

	<u>Members</u>	<u>Employers</u>	<u>General fund</u>	<u>Total employee & employer</u>
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	9.47%	0.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	9.85%	0.11%	17.11%
July 1, 2013 to June 30, 2014	8.15%	10.85%	0.11%	19.11%
July 1, 2014 to June 30, 2015	8.15%	10.95%	0.11%	19.21%
July 1, 2015 to June 30, 2016	8.15%	11.05%	0.11%	19.31%
July 1, 2016 to June 30, 2017	8.15%	11.15%	0.11%	19.41%
July 1, 2017 to June 30, 2018	8.15%	11.25%	0.11%	19.51%
July 1, 2018 to June 30, 2019	8.15%	11.35%	0.11%	19.61%
July 1, 2019 to June 30, 2020	8.15%	11.45%	0.11%	19.71%
July 1, 2020 to June 30, 2021	8.15%	11.55%	0.11%	19.81%
July 1, 2021 to June 30, 2022	8.15%	11.65%	0.11%	19.91%
July 1, 2022 to June 30, 2023	8.15%	11.75%	0.11%	20.01%
July 1, 2023 to June 30, 2024	8.15%	11.85%	0.11%	20.11%

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

Actuarial Assumptions:

The TPL as of June 30, 2015, is based on the results of an actuarial valuation date of July 1, 2015. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the July 1, 2015 valuation were based on the results of the last actuarial experience study, dated May 1, 2014.

Among those assumptions were the following:

- Total Wage Increases* 4% - 8.51 for Non-University Members and 5.00% for University Members
- Investment Return 7.75%
- Price Inflation 3.25%
- Postretirement Benefit Increases 1.50%
 - Tier One Members: If the retiree has received benefits for at least 3 years, the retirement allowance will be increased by 1.5% on January 1st.
 - Tier Two Members: The retiree allowance will be increased by an amount equal to or greater than .05% but no more than 1.5% if the most recent actuarial valuation shows the plan to be at least 90% funded and the provisions of the increase is not project to cause the funded ration to be less than 85%.
- Mortality among contributing members, service retired members, and beneficiaries
 - For Males: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and 1992 Base Rates from the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.
 - For Females: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the 1992 Base Rates from the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.
- Mortality among disabled members
 - For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.
 - For Females: RP 2000 Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.

* Total Wage Increases include 4.00% general wage increase assumption

Discount Rate:

The discount rate used to measure the TPL was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing

entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. In addition to the contributions, the State general fund will contribute \$25 million annually to the plan’s payable July 1st of each year. Based on those assumptions, the plan’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2119. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. No municipal bond rate was incorporated in the discount rate.

Target Allocations:

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

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

The assumed long-term expected return on pension plan asset is reviewed as part of the regular experience studies prepared every four years for the plan. The most recent analysis, performed for the period covering fiscal years 2008 through 2013, is outlined in a report dated May 2014. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates of arithmetic real rates of return for each major asset class included in the System’s target asset allocation as of June 30, 2015, is summarized in the above table.

Sensitivity Analysis:

	1.0% Decrease (<u>6.75%</u>)	Current Discount Rate	1.0% Increase (<u>8.75%</u>)
County’s Proportionate share of the NPL	\$138,331	\$100,684	\$69,005

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

Net Pension Liability:

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the TRS. GASB Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective NPL, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions. In accordance with GASB Statement 68, TRS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to TRS that are used to provide pension benefits to the retired members of TRS. Due to the existence of a special funding situation, employers are also required to report the portion of the State of Montana’s proportionate share of the collective NPL that is associated with the employer. The following table displays the amounts and percentages of NPL for the fiscal years ended June 30, 2016 and June 30, 2015 (reporting dates).

	Net Pension Liability as of 6/30/16	Net Pension Liability as of 6/30/15	Percent of Collective NPL as of 6/30/16	Percent of Collective NPL as of 6/30/15	Change in Percent of Collective NPL
County’s proportionate share	\$100,684	\$94,624	0.0061%	0.0061%	0.0000%
State of Montana’s proportionate share associated with County	74,848	67,471	0.0046%	0.0044%	0.0002%
Total	\$175,532	\$162,095	0.0107%	0.0105%	0.0002%

At June 30, 2016, the County recorded a liability of \$100,684 for its proportionate share of the NPL. The NPL was measured as of June 30, 2015, and the TPL used to calculate the NPL was determined by an actuarial valuation as of July 1, 2015. Therefore, no update procedures were used to roll forward the TPL to the measurement date. The County’s proportion of the NPL was based on the County’s contributions received by TRS during the measurement period July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all of TRS’ participating employers. At June 30, 2016, the employer’s proportion was 0.0061 percent.

Changes in actuarial assumptions and methods: The following changes in assumptions or other inputs that affected the measurement of the TPL have been made since the previous measurement date.

Changes in actuarial assumptions and other inputs: Since the previous measurement date the following changes were made:

- Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three year cost of living adjustment (COLA) deferral period for Tier 2 Members.
- The 0.63% load applied to the projected retirement benefits of the university members “to account for larger than average annual compensation increases observed in the years immediately preceding retirement” is not applied to benefits expected to be paid to university members on account of death, disability and termination (prior to retirement eligibility).
- The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.
- The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portion of the terminated members that are assumed to “retain membership in the plan” are covered by the \$500 death benefit after termination.

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

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

Pension Expense:

	Pension Expense <u>as of 6/30/16</u>
County's proportionate share	\$ 4,878
State of Montana's proportionate share associated with County	<u>4,474</u>
Total	\$ 9,352

At June 30, 2016, the County recognized a Pension Expense of \$9,352 for its proportionate share of the TRS's Pension Expense. The employer also recognized grant revenue of \$4,474 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer.

Deferred Inflows and Outflows:

At June 30, 2016, the County reported its proportionate share of TRS's deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 1,062	\$ -
Changes in actuarial assumptions	1,425	213
Differences between projected and actual investment earnings	-	5,407
Diffence between actual and expected contributions	-	2,463
*Contributions paid to TRS subsequent to the measurement date - FY2015 Contributions	6,303	-
Total	<u>\$ 8,790</u>	<u>\$ 8,083</u>

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

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

<u>Year ended June 30</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense</u>
2017	\$ 1,176	\$ 3,386	\$ (2,210)
2018	11	3,386	(3,375)
2019	135	2,697	(2,562)
2020	1,387	-	1,387

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, 2016, the County’s medical insurance fund had a balance of \$1,777,616. 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 chart a generalization of the coverage, specific exceptions are available in the Health Benefits manual.

The County continues to monitor health care costs closely and is prepared to take steps as is deemed necessary if a deficit occurs.

A reconciliation of claims payable follows:

	<u>Fiscal Year</u> <u>2016</u>	<u>Fiscal Year</u> <u>2015</u>
Claims payable, July 1	\$ 270,517	\$ 184,471
Claims incurred	(3,780,807)	(2,885,103)
Claims paid	3,669,641	2,971,149
Claims payable, June 30	<u>\$ 159,351</u>	<u>\$ 270,517</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, 2016.

The County also operates an Internal Revenue Code Section 125 plan for medical and day care expenses. Employees could contribute pretax dollars up to \$2,550 per year for medical expenses and up to \$5,000 per year for day care expenses.

Other Post-Employment Benefits (OPEB)

As required by state law, the County provides employees who retire an option to continue to participate in the County’s group health insurance plan. The County also allows terminated employees to continue their health care coverage for 18 months past the date of termination as required by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). As of June 30, 2016, the County had eleven enrollees under the Retiree division, plus one spouse and one child dependent and two employees under COBRA insurance coverage, plus two enrollees previously enrolled as dependents, but post dependent eligible. There were 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, 2016, the County was paying insurance for two retirees.

As required by GASB Statement No. 45, the County has calculated and included an OPEB liability in 2016.

Plan Description

The Lewis and Clark County Employee Group Benefit Plan maintain a single-employer self-insured medical plan that is administered by Allegiance Benefit Plan Management, Inc. The plan currently provides defined medical, dental, and vision insurance benefits for eligible employees, retirees, spouses, and dependents. Participation is elected by the retiree at the time of retirement. Benefit provisions are set annually by the 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, 2016, there are eleven enrollees participating in retiree division of the employer’s sponsored health plan. In fiscal year 2016, retirees contributed \$62,423 towards the cost of the County’s annual premium, with premiums per month being \$750 for retiree only and \$1,150 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.

Annual OPEB Cost Obligation

The County’s 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.

Primary Government

	2016	2015	2014
Annual required contribution	\$ 47,096	\$ 45,766	\$ 95,470
Interest on net OPEB obligation	15,646	14,823	11,996
Adjustment to annual required contribution	<u>(12,271)</u>	<u>(11,626)</u>	<u>(9,408)</u>
Annual OPEB cost (expense)	50,471	48,963	98,058
Contributions made	<u>(27,826)</u>	<u>(34,149)</u>	<u>(31,437)</u>
Increase/(Decrease) in net OPEB obligation	22,645	14,814	66,621
Net OPEB obligation - beginning of year	<u>375,753</u>	<u>360,939</u>	<u>294,318</u>
Net OPEB obligation - end of year	<u>\$ 398,398</u>	<u>\$ 375,753</u>	<u>\$ 360,939</u>
Percentage of Annual OPEB Cost Contributed	55.13%	69.74%	32.06%

Funded Status and Funding Progress

As of June 30, 2016, the actuarial accrued liability (AAL) for benefits was \$550,152 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$24,361,466 and the ratio of unfunded actuarial accrued liability to the covered payroll was 2.05 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, 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.

Participation

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

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

<u>Age</u>	<u>Lapse Rate</u>	<u>Age</u>	<u>Lapse Rate</u>	<u>Age</u>	<u>Lapse Rate</u>
65	90.0%	67	50.0%	69	50.0%
66	70.0%	68	50.0%	70+	50.0%

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>
2014	8.5%	8.0%
2015	7.5%	7.5%
2016	7.0%	7.0%
2017	6.5%	6.5%
2018	6.0%	6.0%
2019	5.5%	5.5%
2020	5.0%	5.0%
2021+	4.5%	4.5%

The “annual age 65” per capita claims cost for the period July 1, 2014 to June 30, 2015 are as follows:

<u>Coverage</u>	<u>Medical</u>	<u>Prescription Drugs</u>
Before Medicare Eligibility	\$11,214	\$3,174
After Medicare Eligibility	\$2,243	\$3,174

The following retiree contributions are a weighted average of all retiree contributions for the period July 1, 2014 to June 30, 2015:

<u>Medical, Dental, Vision Prescription Drugs</u>	<u>Retiree/ Surviving Spouse</u>	<u>Spouse</u>
Before Medicare Eligibility	\$9,000	\$4,800
After Medicare Eligibility	\$9,000	\$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>Spouse</u>
2014	8.4%	8.4%
2015	7.1%	7.1%
2016	6.6%	6.6%
2017	6.1%	6.1%
2018	5.6%	5.6%
2019	5.1%	5.1%
2020	4.6%	4.6%
2021	4.5%	4.5%

Health insurance premiums for 2014 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. Great-West was purchased by and is doing business under the name Empower Retirement Services.

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

NOTE 15 – RISK MANAGEMENT

The County faces a considerable number of risks of loss, including (a) damage to and loss of property and contents; (b) employees’ torts; (c) professional liability, i.e., employee injuries; and (d) medical insurance costs of employees. Commercial policies transferring all risks of loss, except for relatively small deductible amounts are purchased for property and content damage, employee torts, and professional liabilities. The County participated in two state-wide public risk pools operated by the Montana Association of Counties, for

workers' compensation and for tort liability coverage, until October 31, 2015. Beginning November 1, 2015, the County changed its workers compensation insurance provider to Montana State Fund. 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 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 through October 31, 2015, amounted to \$251,308. Premiums paid to the Montana State Fund from November 1, 2015 through fiscal year-end, amounted to \$151,379 for a total of premiums paid of \$402,687.

Audited financial statements for fiscal year ended June 30, 2016, 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 2016 amounted to \$485,871.

Audited financial statements for the fiscal year ended June 30, 2016, 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 2016, the State contributed \$68,689 toward the annual salary of \$115,888, plus \$540 in taxable cell-phone reimbursements to the County Attorney. These amounts are reflected in the general fund of the County.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

Construction Contract Commitments

At June 30, 2016, there were uncompleted construction contracts as follows:

Project Title	Construction Committed	Fund Type	Encumbered Amount
Road Projects	\$ 4,451,739	Non-major governmental	\$ 479,307
Fort Harrison/Limestone Hills -joint land use	181,849	Non-major governmental	181,849
County Landfill Phase II closure- engineering	34,000	Major enterprise	-
Total	<u>\$ 4,667,588</u>		<u>\$ 661,156</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-07-423	\$ 387,500	Settled	Payment to be made in fiscal year 2017
CDV-08-5 81	\$ 500,000	Remote	Supreme Court remands to District Court
DDV-16-726	\$ 1,000,000	Remote	In litigation

At June 30, 2016, the County had accrued a contingent liability for \$387,500 in the Liability Insurance – Internal Service fund for the above case: CDV-07-423, as that case has been settled and the amount paid out in fiscal year 2017. The remaining amounts are estimates.

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

NOTE 18 – SUBSEQUENT EVENTS

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

On July 18, 2016, the County entered into a contract of \$49,700 with Anderson, Zurmuehlen & Co,P.C. for audit services for fiscal year 2016, with two additional years of \$50,000 and \$50,500.

On August 8, 2016, the County entered into a contract of \$1,171,203 with Helena Sand & Gravel, Inc. for completion of the Marysville Corridor roads.

On August 11, 2016, the County entered into a contract of \$194,895 with RESPEC for the first phase titled Trap Club Detention Pond.

On August 16, 2016, the County entered into a contract of \$79,790 with Bullock Contracting, LLC. for a change order associated with resurfacing the York Nelson Road.

On August 18, 2016, the County entered into a contract of \$193,100 with Western Mental Health Services for case management and crisis intervention at the detention center.

On August 18, 2016, the County entered into a contract of \$124,647 with Montana Civil Contractors, Inc. for Phase II closure construction at the landfill.

On August 25, 2016, the County entered into a contract of \$25,250 with Tetra Tech to revise the pre-disaster mitigation plan for the County.

On August 25, 2016, the County entered into a contract of \$190,070 for the purchase of a Wheel Loader for the landfill.

On September 15, 2016, the County entered into a contract of \$57,600 with Fencecrafters for the construction of fencing at the County landfill and the Scratchgravel Landfill.

On September 27, 2016, the County entered into a contract of \$29,750 with Great West Engineering for Tier II gas sampling and reporting.

NOTE 19 – RECENT ACCOUNTING PRONOUNCEMENTS

The GASB has recently issued several statements since the governments previous annual report submission. The County will be evaluating them for future impact on these financial statements.

The GASB has issued **Statement No. 74**, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which is effective for the County beginning in fiscal year 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

The GASB has issued **Statement No. 75**, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is effective for the County beginning in fiscal year 2018. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

The GASB has issued **Statement No. 77**, *Tax Abatement Disclosures*, which is effective for the County beginning in fiscal year 2016. The objective of this Statement is to requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

The County has not assessed the impact of these statement on its financial position and results of operations, but has acknowledged the adoption of these statement may have a material effect on its basic financial statements.

NOTE 20 – DISCONTINUED OPERATIONS

In June 2012, the County sold the Cooney Home to exit the nursing home business. The County accounted for the nursing home business as a discontinued operation. The County signed two contracts for a long-term notes receivable of \$2,262,201. On May 30, 2014, the contracts were amended with the new total of \$2,049,977, including the accrued interest. Payments are now being made monthly. The County sold all assets of the nursing home, except for accounts receivable as of June 1, 2012, thus in fiscal year 2016, the County is reporting revenue and expenses that are associated with those receivables. The County received payments of \$47,452 in the current fiscal year, therefore leaving a balance on the notes of \$1,952,777. Along with interest income \$25,263, the county received \$41,507 of income on wrote off patient receivables during the fiscal year.

As of June 30, 2016, the County had a net receivable balance of \$18,628. All asset and liability balances shown in the Statement of Net Position - Proprietary Funds on page 30 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, 2016, a summary of the results of operations of the discontinued nursing home business unit follows:

Revenue	\$ 66,770
Costs and expenses	<u>(-)</u>
Gain from discontinued operations	<u>\$ 66,770</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 position of the Library. The most current summary financial information as of, and for, the fiscal year ended June 30 is:

	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 5,164,206	\$ 5,049,395
Other assets	-	-
Total assets	<u>\$ 5,164,206</u>	<u>\$ 5,049,395</u>
Liabilities	\$ -	\$ -
Net position	<u>\$ 5,164,206</u>	<u>\$ 5,049,284</u>
Revenues	\$ 3,304,208	\$ 3,564,310
Expenses	<u>(3,189,286)</u>	<u>(2,728,568)</u>
Change in net position	114,922	835,742
Net position, July 1	5,049,284	6,108,901
Change in accounting principle (1)	-	<u>(1,895,248)</u>
Net position, July 1, as restated	5,049,284	4,213,653
Net position, June 30	<u>\$ 5,164,206</u>	<u>\$ 5,049,284</u>

(1) In fiscal year 2015, the library made a change of principle by moving from a modified accrual basis of accounting to a cash basis, as allowed by the State of Montana.

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

NOTE 22 – PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2016, the County recorded in the Governmental Activities a prior period adjustment decreasing beginning net position by \$1,384,772. The adjustment was due to a prior period disposal of capital assets of land, building, along with the depreciation, which reductions of \$13,939, \$3,500,000, and \$2,129,167, respectively.

This prior period adjustment is reflected in the beginning balances for the Governmental Activities in Note 8 and in the Schedules of Capital Assets Used in the Operations of the Governmental Funds, located on pages 210-212.

REQUIRED SUPPLEMENTARY INFORMATION

**LEWIS AND CLARK COUNTY, MONTANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employee's Retirement System - Defined Benefit
For the Year Ended June 30, 2016
Determined as of the Measurement Date**

	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset)	1.027380%	1.082222%
County's proportionate share of the net pension liability (asset)	\$ 14,361,452	\$ 13,484,603
State's proportionate share of the net pension liability (asset) associated with the County	176,406	164,668
Total	<u>\$ 14,537,858</u>	<u>\$ 13,649,271</u>
County's covered-employee payroll	\$ 11,989,727	\$ 12,250,734
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	119.78%	110.07%
Plan fiduciary net position as a percentage of the total pension liability	78.4%	79.9%

**Sheriffs' Retirement System
For the Year Ended June 30, 2016
Determined as of the Measurement Date**

	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset)	6.083903%	6.167116%
County's proportionate share of the net pension liability (asset)	\$ 5,864,814	\$ 2,566,570
County's covered-employee payroll	\$ 4,139,823	\$ 3,988,436
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	141.67%	64.35%
Plan fiduciary net position as a percentage of the total pension liability	75.4%	87.2%

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

**LEWIS AND CLARK COUNTY, MONTANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Retirement System
For the Year Ended June 30, 2016
Determined as of the Measurement Date**

	2016	2015
County's proportion of the net pension liability (asset)	0.006100%	0.006100%
County's proportionate share of the net pension liability (asset)	\$ 100,684	\$ 94,624
State's proportionate share of the net pension liability (asset) associated with the County	74,848	67,471
Total	\$ 175,532	\$ 162,095
County's covered-employee payroll	\$ 78,213	\$ 77,543
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	128.73%	122.03%
Plan fiduciary net position as a percentage of the total pension liability	69.3%	70.4%

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

**LEWIS AND CLARK COUNTY, MONTANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS**

**Public Employee's Retirement System - Defined Benefit
For the Year Ended June 30, 2016
Determined as of the Reporting Date**

	2016	2015
Contractually required contributions	\$ 1,072,274	\$ 1,031,820
Contributions in relation to the contractually required contributions	\$ 1,072,274	\$ 1,031,820
Contribution deficiency (excess)	\$ -	\$ -
County covered-employee payroll	\$ 12,485,456	\$ 11,989,727
Contribution as a percentage of covered-employee payroll	8.588%	8.606%

**Sheriffs' Retirement System
For the Year Ended June 30, 2016
Determined as of the Reporting Date**

	2016	2015
Contractually required contributions	\$ 441,544	\$ 412,538
Contributions in relation to the contractually required contributions	\$ 441,544	\$ 412,538
Contribution deficiency (excess)	\$ -	\$ -
County covered-employee payroll	\$ 4,260,139	\$ 3,988,436
Contribution as a percentage of covered-employee payroll	10.365%	10.343%

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

**LEWIS AND CLARK COUNTY, MONTANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS**

**Teachers Retirement System
For the Year Ended June 30, 2016
Determined as of the Reporting Date**

	2016	2015
Contractually required contributions	\$ 6,303	\$ 6,703
Contributions in relation to the contractually required contributions	\$ 6,303	\$ 6,703
Contribution deficiency (excess)	\$ -	\$ -
County covered-employee payroll	\$ 72,705	\$ 78,213
Contribution as a percentage of covered-employee payroll	8.669%	8.570%

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

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

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (\$)</u> (a)	<u>Actuarial Accrued Liability (AAL) (\$)</u> (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, 2016	-	500,152	500,152	0.00%	24,361,466	2.05%
June 30, 2015	-	440,442	440,442	0.00%	23,517,124	1.87%
June 30, 2014	-	1,017,210	1,017,210	0.00%	23,756,062	4.28%
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, 2015. Information for years prior to June 30, 2009, is not available.

LEWIS AND CLARK COUNTY, MONTANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Fiscal Year Ended June 30, 2016

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

PERS

Changes of Benefit Terms

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

2013 Legislative Changes:

Working Retirees - House Bill 95 - PERS, effective July 1, 2013

- The law requires employer contributions on working retiree compensation.
- Member contributions are not required.
- Working retiree limitations are not impacted. PERS working retirees may still work up to 960 hours a year, without impacting benefits.

Highest Average Compensation (HAC) Cap - House Bill 97, effective July 1, 2013

All PERS members hired on or after July 1, 2013 are subject to a 110% annual cap on compensation considered as part of a member's highest or final average compensation.

All bonuses paid to PERS members on or after July 1, 2013 will not be treated as compensation for retirement purposes.

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

Guaranteed Annual Benefit Adjustment (GABA) - for PERS

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

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

2015 Legislative Changes:

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

Second Retirement Benefit - for PERS

Applies to PERS members who return to active service on or after January 1, 2016. Members who retire before January 1, 2016, return to PERS-covered employment, and accumulate less than 2 years of service credit before retiring again:

- refund of member’s contributions from second employment plus regular interest (currently 0.25%);no service credit for second employment;
- start same benefit amount the month following termination; and
- GABA starts again in the January immediately following second retirement.

2) For members who retire **before January 1, 2016, return to PERS-covered employment and accumulate two or more years of service credit before retiring again:**

- member receives a recalculated retirement benefit based on laws in effect at second retirement; and,
- GABA starts in the January after receiving recalculated benefit for 12 months.

3) For members who retire **on or after January 1, 2016, return to PERS-covered employment and accumulate less than 5 years of service credit before retiring again:**

- refund of member’s contributions from second employment plus regular interest (currently 0.25%);
- no service credit for second employment;
- start same benefit amount the month following termination; and,
- GABA starts again in the January immediately following second retirement.

4) For members who retire **on or after January 1, 2016, return to PERS-covered employment and accumulate five or more years of service credit before retiring again:**

- member receives same retirement benefit as prior to return to service;
- member receives second retirement benefit for second period of service based on laws in effect at second retirement; and
- GABA starts on both benefits in January after member receives original and new benefit for 12 months.

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

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

The PCR was paid off effective March 2016 and the contributions of 2.37%, .47%, and the 1.0% increase previously directed to the PCR are now directed to the Defined Contribution or MUS-RP member’s account.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

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

Admin Expense as % of Payroll	0.27%
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The following changes were adopted in 2013 based on the 2013 Economic Experience study:

General Wage Growth*	4.00%
*Includes inflation at 3.00%	
Investment rate of return	7.75 percent, net of pension plan investment expense, and including inflation

The following Actuarial Assumptions are from the June 2010 Experience Study:

General Wage Growth*	4.25%
*Includes inflation at 3.00%	

Merit increase	0% to 7.3%
Investment rate of return	8.00 percent, net of pension plan investment expense, and including inflation
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open

SRS

Changes of Benefit Terms

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

2013 Legislative Changes:

Working Retirees - House Bill 95 - SRS, effective July 1, 2013

- Law requires employer contributions on working retiree compensation.
- Member contributions are not required.
- Working retiree limitations are not impacted. SRS retirees may still work up to 480 hours a year, without returning to active service.

HAC Cap - House Bill 97, effective July 1, 2013

- All SRS members hired on or after July 1, 2013 are subject to a 110% annual cap on compensation considered as part of a member’s highest or final average compensation.
- All bonuses paid to SRS members on or after July 1, 2013 will not be treated as compensation for retirement purposes.

2015 Legislative Changes: none

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following change to the actuarial assumptions was adopted in 2015:

SRS Discount rate - Used to measure the TPL	6.86 percent, which is a blend of the assumed long-term expected rate of return of 7.75% on System’s investments and a municipal bond index rate of 3.80%.
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The following addition to the actuarial assumptions was adopted in 2014 based upon implementation of GASB Statement 68:

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

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

SRS Discount rate - Used to measure the TPL	6.68 percent, which is a blend of the assumed long-term expected rate of return of 7.82% on System’s investments and a municipal bond index rate of 4.27%.
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The following changes were adopted in 2013 based on the 2013 Economic Experience study:

General Wage Growth*	4.00%
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*Includes inflation at 3.00%
 Investment rate of return 7.75 percent, net of pension plan investment expense, and including inflation

The following Actuarial Assumptions are from the June 2010 Experience Study:

General Wage Growth* 4.25%
 *Includes inflation at 3.00%
 Merit increase 0% to 7.3%
 Investment rate of return 8.00 percent, net of pension plan investment expense, and including inflation
 Asset valuation method 4-year smoothed market
 Actuarial cost method Entry age
 Amortization method Level percentage of pay, open

TRS

Changes of Benefit Terms:

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

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

The GABA for Tier 1 members has also been modified as follows:

- If the most recent actuarial valuation of the System shows that the funded ratio is less than 90%, then the maximum increase that can be granted is 0.50%.
- If the funded ratio is at least 90% and the increase is not projected to cause the System’s funded ratio to be less than 85%, an increase can be granted that is greater than 0.50% but not more than 1.50%.

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

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

- b) The period necessary to amortize all liabilities of the System based on the latest annual actuarial valuation is greater than 20 years; and
 - c) A State or employer contribution rate increase or a flat dollar contribution to the Retirement System Trust fund has been enacted that is equivalent to or greater than the supplemental contribution rate imposed by the TRS Board.
- 7) **Disability Retirement:** A member will not be eligible for a disability retirement if the member is or will be eligible for a service retirement on the date of termination
- 8) **GABA:**
- a) If the most recent actuarial valuation shows that System liabilities are at least 90% funded and the provision of the increase is not projected to cause the System's liabilities to be less than 85% funded, the GABA may increase from the 0.5% floor up to 1.5%, as set by the Board.

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

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

Changes in actuarial assumptions and other inputs:

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

- Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three year COLA deferral period for Tier 2 Members.
- The 0.63% load applied to the projected retirement benefits of the university members "to account for larger than average annual compensation increases observed in the years immediately preceding retirement" is not applied to benefits expected to be paid to university members on account of death, disability and termination (prior to retirement eligibility).
- The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.
- The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portions of the terminated members that are assumed to "retain membership in the System" are covered by the \$500 death benefit after termination.

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

- Assumed rate of inflation was reduced from 3.50% to 3.25%
- Payroll Growth Assumption was reduced from 4.50% to 4.00%

- Assumed real wage growth was reduced from 1.00% to 0.75%
- Investment return assumption was changed from net of investment and administrative expenses to net of investment expenses only.
- Mortality among contributing members, service retired members, and beneficiaries was updated to the following:

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

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

- Mortality among disabled members was updated to the following:

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

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

Method and assumptions used in calculations of actuarially determined contributions:

Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open
Remaining amortization period	26 years
Asset valuation method	4-year smoothed market
Inflation	3.25 percent
Salary increase	4.00 to 8.51 percent, including inflation for Non-University Members and 5.00% for University Members;
Investment rate of return	7.75 percent, net of pension plan investment expense, and including inflation



NON-MAJOR GOVERNMENTAL FUNDS

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.

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

Health - Related Grant Funds

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

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

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

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

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

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

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

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

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

Levied Funds

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

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

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

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

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

Predatory Animal Control - Used to account for the receipt of a per license fee on sheep revenues and related expenditures for the purpose of paying bounties on predatory animals killed within the County.

Cattle Protection Program - Used to account for the receipt of a per license fee on cattle and related expenditures for the purpose of paying bounties on predatory animals killed within the County.

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

Other Intergovernmental Funds

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

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

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

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

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

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA

SPECIAL REVENUE FUNDS

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

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

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

NFP Projects - BLM Community Assistance
Brownsfield Assessment Grant

Fire Projects Grants

Other Special Revenue Funds

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

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.

RSID Revolving - Used to account for the receipt of property tax revenues and other resources and related expenditures for the purpose of paying off bonds or warrants utilized to finance improvements that benefit specific property owners. The following is a list of RSID's with debt of the County:

Rural Special Improvement Districts

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

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

LEWIS AND CLARK COUNTY, MONTANA

CAPITAL PROJECT FUNDS

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

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

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

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

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, 2016

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUND FORESTVALE PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS					
Cash and cash equivalents	\$ 6,266,090	\$ 348,670	\$ 664,720	\$ -	\$ 7,279,480
Investments	1,202,130	66,891	127,524	-	1,396,545
Receivables:					
Taxes/assessments	263,343	18,383	-	-	281,726
Accounts/contracts	35,520	-	-	-	35,520
Due from other governments	1,163,298	-	239,699	-	1,402,997
Inventories	254,656	-	-	-	254,656
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	15,811	-	-	10,591	26,402
Investments	293,072	-	-	273,763	566,835
Advances to other funds	-	27,629	-	-	27,629
Total assets	\$ 9,493,920	\$ 461,573	\$ 1,031,943	\$ 284,354	\$ 11,271,790
LIABILITIES					
Liabilities:					
Accounts payable	\$ 521,729	\$ -	\$ 405,988	\$ -	\$ 927,717
Due to other funds	451,842	18,229	160,501	-	630,572
Total liabilities	973,571	18,229	566,489	-	1,558,289
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	78,853	(9,367)	-	-	69,486
FUND BALANCE:					
Nonspendable	558,539	-	-	284,354	842,893
Restricted	2,382,712	425,082	595,922	-	3,403,716
Unrestricted:					
Committed	5,380,129	27,629	-	-	5,407,758
Assigned	120,116	-	-	-	120,116
Unassigned	-	-	(130,468)	-	(130,468)
Total fund balance	8,441,496	452,711	465,454	284,354	9,644,015
Total liabilities, deferred inflows of resources, and fund balance	\$ 9,493,920	\$ 461,573	\$ 1,031,943	\$ 284,354	\$ 11,271,790

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
 (Page 1 of 10)

	HEALTH RELATED GRANTS	CRAIG MOSQUITO CONTROL	MOSQUITO CONTROL	WATER QUALITY	MENTAL HEALTH
ASSETS					
Cash and cash equivalents	\$ 112,273	\$ 17,918	\$ 63,741	\$ 121,245	\$ 1,050
Investments	21,539	3,438	12,228	23,261	202
Receivables:					
Taxes/assessments	-	88	6,959	24,736	3,891
Accounts/contracts	-	-	-	-	-
Due from other governments	321,859	-	-	-	155,400
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 455,671	\$ 21,444	\$ 82,928	\$ 169,242	\$ 160,543
LIABILITIES					
Liabilities:					
Accounts payable	\$ 102,725	\$ -	\$ 37,300	\$ 13,405	\$ 30,113
Due to other funds	-	-	-	-	-
Total liabilities	102,725	-	37,300	13,405	30,113
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	88	1,585	16,500	3,891
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	352,946	-	-	-	-
Unrestricted:					
Committed	-	21,356	44,043	139,337	126,539
Assigned	-	-	-	-	-
Total fund balance	352,946	21,356	44,043	139,337	126,539
Total liabilities, deferred inflows of resources, and fund balance	\$ 455,671	\$ 21,444	\$ 82,928	\$ 169,242	\$ 160,543

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	ROAD	PREDATORY ANIMAL CONTROL	CATTLE PROTECTION PROGRAM	DISTRICT COURT	SEARCH & RESCUE OPERATIONS
ASSETS					
Cash and cash equivalents	\$ 1,442,326	\$ -	\$ 277	\$ 625,731	\$ 74,690
Investments	276,705	-	53	120,044	14,329
Receivables:					
Taxes/assessments	61,825	416	8,394	18,930	5,138
Accounts/contracts	-	-	-	-	-
Due from other governments	-	-	-	20,534	-
Inventories	219,122	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 1,999,978	\$ 416	\$ 8,724	\$ 785,239	\$ 94,157
LIABILITIES					
Liabilities:					
Accounts payable	\$ 57,788	\$ -	\$ -	\$ 48,608	\$ -
Due to other funds	-	176	-	-	-
Total liabilities	57,788	176	-	48,608	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	16,973	49	-	3,109	5,138
FUND BALANCE:					
Nonspendable	219,122	-	-	-	-
Restricted	-	-	-	-	-
Unrestricted:					
Committed	1,706,095	191	8,724	733,522	89,019
Assigned	-	-	-	-	-
Total fund balance	1,925,217	191	8,724	733,522	89,019
Total liabilities, deferred inflows of resources, and fund balance	\$ 1,999,978	\$ 416	\$ 8,724	\$ 785,239	\$ 94,157

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	<u>PARKS</u>	<u>PERMISSIVE MEDICAL</u>	<u>FORESTVALE CEMETERY</u>	<u>COUNTY PLANNING</u>	<u>EMERGENCY DISASTER</u>
ASSETS					
Cash and cash equivalents	\$ 18,360	\$ 80,695	\$ 164,996	\$ 389,658	\$ 71
Investments	3,522	15,481	31,654	74,755	14
Receivables:					
Taxes/assessments	524	57,032	14,199	5,538	26
Accounts/contracts	-	-	-	-	-
Due from other governments	-	-	-	5,500	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 22,406	\$ 153,208	\$ 210,849	\$ 475,451	\$ 111
LIABILITIES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 12,796	\$ 34,281	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	-	-	12,796	34,281	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	524	9,357	1,957	5,538	26
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Unrestricted:					
Committed	21,882	143,851	196,096	435,632	85
Assigned	-	-	-	-	-
Total fund balance	21,882	143,851	196,096	435,632	85
Total liabilities, deferred inflows of resources, and fund balance	\$ 22,406	\$ 153,208	\$ 210,849	\$ 475,451	\$ 111

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	COUNTY HEALTH	SENIOR CITIZENS	COUNTY EXTENSION	PUBLIC SAFETY RADIO PROJECT	INMATE PROGRAMS
ASSETS					
Cash and cash equivalents	\$ 739,383	\$ 24,423	\$ 81,678	\$ 64,226	\$ 8,293
Investments	141,848	4,686	15,670	12,322	1,591
Receivables:					
Taxes/assessments	42,284	5,944	7,419	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	6,839	-	-	34,695	-
Inventories	35,534	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	5,000
Investments	-	-	-	-	-
Total assets	\$ 965,888	\$ 35,053	\$ 104,767	\$ 111,243	\$ 14,884
LIABILITIES					
Liabilities:					
Accounts payable	\$ 58,903	\$ -	\$ 5,183	\$ 13,138	\$ 13,940
Due to other funds	-	-	-	-	-
Total liabilities	58,903	-	5,183	13,138	13,940
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	6,951	5,944	1,223	-	-
FUND BALANCE:					
Nonspendable	35,534	-	-	-	-
Restricted	-	-	-	-	-
Unrestricted:					
Committed	864,500	29,109	98,361	-	944
Assigned	-	-	-	98,105	-
Total fund balance	900,034	29,109	98,361	98,105	944
Total liabilities, deferred inflows of resources, and fund balance	\$ 965,888	\$ 35,053	\$ 104,767	\$ 111,243	\$ 14,884

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	RECORDS PRESERVATION	PARKS DEVELOPMENT	LINCOLN PARKS	DUI PROGRAMS	CITY/COUNTY DRUG
ASSETS					
Cash and cash equivalents	\$ 101,074	\$ 147,853	\$ 13,014	\$ 46,129	\$ 41,089
Investments	19,391	28,365	2,497	8,850	7,883
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	-	6,500	-	-
Due from other governments	-	-	-	8,450	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 120,465	\$ 176,218	\$ 22,011	\$ 63,429	\$ 48,972
LIABILITIES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	63,429	-
Unrestricted:					
Committed	120,465	176,218	-	-	48,972
Assigned	-	-	22,011	-	-
Total fund balance	120,465	176,218	22,011	63,429	48,972
Total liabilities, deferred inflows of resources, and fund balance	\$ 120,465	\$ 176,218	\$ 22,011	\$ 63,429	\$ 48,972

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	MISSOURI RIVER DRUG TASK FORCE	MRDTF FEDERAL SHARING	HARD ROCK MINE RESERVE	METAL MINES TAX RESERVE	WOLF CREEK WASTEWATER FAC MAINT
ASSETS					
Cash and cash equivalents	\$ 343,179	\$ 1,637	\$ 104,209	\$ 47,452	\$ 3,911
Investments	65,838	314	19,992	9,103	750
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 409,017	\$ 1,951	\$ 124,201	\$ 56,555	\$ 4,661
LIABILITIES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	409,017	1,951	124,201	56,555	-
Unrestricted:					
Committed	-	-	-	-	4,661
Assigned	-	-	-	-	-
Total fund balance	409,017	1,951	124,201	56,555	4,661
Total liabilities, deferred inflows of resources, and fund balance	\$ 409,017	\$ 1,951	\$ 124,201	\$ 56,555	\$ 4,661

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	CRAIG WASTEWATER FAC MAINT	CRAIG TRAINING CNTR MAINT	SEPTIC MAINTENANCE REVOLVING LN	SEPTIC MAINTENANCE PROGRAM	OPEN SPACE
ASSETS					
Cash and cash equivalents	\$ 188,927	\$ 27,689	\$ 69,616	\$ 867	\$ 856,021
Investments	36,245	5,312	13,356	166	164,225
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	29,020	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 254,192	\$ 33,001	\$ 82,972	\$ 1,033	\$ 1,020,246
LIABILITIES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 671	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	671	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	1,020,246
Unrestricted:					
Committed	254,192	33,001	82,972	362	-
Assigned	-	-	-	-	-
Total fund balance	254,192	33,001	82,972	362	1,020,246
Total liabilities, deferred inflows of resources, and fund balance	\$ 254,192	\$ 33,001	\$ 82,972	\$ 1,033	\$ 1,020,246

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	ROAD IMPROVEMENT - SUBDIVISION	ALCOHOLISM	GAS TAX	HIDTA	JUSTICE ASSISTANCE GRANT
ASSETS					
Cash and cash equivalents	\$ 101,524	\$ -	\$ 140,865	\$ -	\$ -
Investments	19,477	-	27,024	-	-
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	-	29,015	-	50,203	11,849
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ 121,001	\$ 29,015	\$ 167,889	\$ 50,203	\$ 11,849
LIABILITIES					
Liabilities:					
Accounts payable	\$ -	\$ 29,015	\$ 17,777	\$ 16,496	\$ -
Due to other funds	-	-	-	33,707	11,849
Total liabilities	-	29,015	17,777	50,203	11,849
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	121,001	-	150,112	-	-
Unrestricted:					
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balance	121,001	-	150,112	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 121,001	\$ 29,015	\$ 167,889	\$ 50,203	\$ 11,849

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
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	CITIZEN CORP/ CERT PROGRAM	NATIONAL FIRE PLAN	ECONOMIC DEVELOPMENT	NOXIOUS WEED GRANT	HOMELAND SECURITY GRANT
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Receivables:					
Taxes/assessments	-	-	-	-	-
Accounts/contracts	-	-	-	-	-
Due from other governments	-	48,894	-	6,447	-
Inventories	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total assets	\$ -	\$ 48,894	\$ -	\$ 6,447	\$ -
LIABILITIES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	38,493	-	6,447	-
Total liabilities	-	38,493	-	6,447	-
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE:					
Nonspendable	-	-	-	-	-
Restricted	-	10,401	-	-	-
Unrestricted:					
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balance	-	10,401	-	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ -	\$ 48,894	\$ -	\$ 6,447	\$ -

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2016
 (Page 10 of 10)

	OTHER GRANTS	FORESTVALE ENDOWMENT FUND	TOTAL SPECIAL REVENUE
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 6,266,090
Investments	-	-	1,202,130
Receivables:			
Taxes/assessments	-	-	263,343
Accounts/contracts	-	-	35,520
Due from other governments	463,613	-	1,163,298
Inventories	-	-	254,656
Restricted assets:			
Cash and cash equivalents	-	10,811	15,811
Investments	-	293,072	293,072
Total assets	\$ 463,613	\$ 303,883	\$ 9,493,920
LIABILITIES			
Liabilities:			
Accounts payable	\$ 29,590	\$ -	\$ 521,729
Due to other funds	361,170	-	451,842
Total liabilities	390,760	-	973,571
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of tax revenues	-	-	78,853
FUND BALANCE:			
Nonspendable	-	303,883	558,539
Restricted	72,853	-	2,382,712
Unrestricted:			
Committed	-	-	5,380,129
Assigned	-	-	120,116
Total fund balance	72,853	303,883	8,441,496
Total liabilities, deferred inflows of resources, and fund balance	\$ 463,613	\$ 303,883	\$ 9,493,920

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 June 30, 2016

	CITY/COUNTY BUILDING DEBT	OPEN SPACE DEBT	HEALTH FACILITIES DEBT	RSID REVOLVING DEBT	SEARCH & RESCUE BLDG DEBT	TOTAL DEBT SERVICE
ASSETS						
Cash and cash equivalents	\$ -	\$ 57,027	\$ -	\$ 246,281	\$ 45,362	\$ 348,670
Investments	-	10,941	-	47,248	8,702	66,891
Receivables:						
Taxes/assessments	-	11,021	3,178	-	4,184	18,383
Advances to other funds	-	-	-	27,629	-	27,629
Total assets	\$ -	\$ 78,989	\$ 3,178	\$ 321,158	\$ 58,248	\$ 461,573
LIABILITIES						
Due to other funds	-	-	18,229	-	-	18,229
Total liabilities	-	-	18,229	-	-	18,229
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of tax revenues	\$ -	\$ 1,500	\$ (15,051)	\$ -	\$ 4,184	\$ (9,367)
FUND BALANCE:						
Nonspendable	-	-	-	-	-	-
Restricted	-	77,489	-	293,529	54,064	425,082
Unrestricted:						
Committed	-	-	-	27,629	-	27,629
Total fund balance	-	77,489	-	321,158	54,064	452,711
Total liabilities, deferred inflows of resources, and fund balance	\$ -	\$ 78,989	\$ 3,178	\$ 321,158	\$ 58,248	\$ 461,573

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUNDS
 June 30, 2016

	CTEP PROJECTS	RID PROJECTS	FEDERAL GRANT PROJECTS	ROAD/BRIDGE INFRASTRUCTURE PROJECTS	TOTAL CAPITAL PROJECTS
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 664,720	\$ 664,720
Investments	-	-	-	127,524	127,524
Due from other governments	-	-	99,333	140,366	239,699
Total assets	\$ -	\$ -	\$ 99,333	\$ 932,610	\$ 1,031,943
LIABILITIES					
Accounts payable	\$ -	\$ 69,300	\$ -	\$ 336,688	\$ 405,988
Due to other funds	-	61,168	99,333	-	160,501
Total liabilities	-	130,468	99,333	336,688	566,489
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of tax revenues	-	-	-	-	-
FUND BALANCE:					
Restricted	-	-	-	595,922	595,922
Unrestricted:					
Unassigned	-	(130,468)	-	-	(130,468)
Total fund balance	-	(130,468)	-	595,922	465,454
Total liabilities, deferred inflows of resources, and fund balance	\$ -	\$ -	\$ 99,333	\$ 932,610	\$ 1,031,943

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, 2016

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUND FORESTVALE PERPETUAL CARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Taxes/assessments	\$ 8,549,872	\$ 430,732	\$ -	\$ -	\$ 8,980,604
Licenses and permits	1,484	-	-	-	1,484
Intergovernmental	5,765,662	-	721,957	-	6,487,619
Charges for services	2,260,079	-	-	1,631	2,261,710
Fines and forfeitures	207,686	-	-	-	207,686
Miscellaneous	266,718	173,500	-	-	440,218
Interest earnings	52,239	3,474	-	11,631	67,344
Total revenues	17,103,740	607,706	721,957	13,262	18,446,665
EXPENDITURES					
Current:					
General government	4,910,131	-	97,083	-	5,007,214
Public safety	1,898,613	-	-	-	1,898,613
Public works	2,795,852	-	231,490	-	3,027,342
Public health	5,226,641	-	-	6,966	5,233,607
Social and economic	474,247	-	-	-	474,247
Culture and recreation	45,997	-	-	-	45,997
Debt service	-	433,087	-	-	433,087
Capital outlay	116,177	-	1,447,381	-	1,563,558
Total expenditures	15,467,658	433,087	1,775,954	6,966	17,683,665
Excess (deficiency) of revenue over (under) expenditures	1,636,082	174,619	(1,053,997)	6,296	763,000
OTHER FINANCING SOURCES (USES)					
Transfers in	1,571,502	23,300	934,039	-	2,528,841
Transfers out	(3,788,061)	(69,839)	(23,300)	-	(3,881,200)
Total other financing sources and uses	(2,216,559)	(46,539)	910,739	-	(1,352,359)
Net change in fund balances	(580,477)	128,080	(143,258)	6,296	(589,359)
Fund balance, July 1	9,021,973	324,631	608,712	278,058	10,233,374
Fund balance, June 30	\$ 8,441,496	\$ 452,711	\$ 465,454	\$ 284,354	\$ 9,644,015

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2016
 (Page 1 of 10)

	HEALTH RELATED GRANTS	CRAIG MOSQUITO CONTROL	MOSQUITO CONTROL	WATER QUALITY	MENTAL HEALTH
REVENUES					
Taxes/assessments	\$ -	\$ 15,545	\$ 212,779	\$ 333,163	\$ 94,898
Licenses and permits	1,484	-	-	-	-
Intergovernmental	1,276,686	275	5,862	-	189,016
Charges for services	862,184	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	6,722	-	-	32,250	11,119
Interest earnings	-	-	-	-	-
Total revenues	2,147,076	15,820	218,641	365,413	295,033
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	400,802
Public works	-	-	-	-	-
Public health	2,444,486	5,436	210,472	340,077	-
Social and economic	90,060	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	2,534,546	5,436	210,472	340,077	400,802
Excess (deficiency) of revenue over (under) expenditures	(387,470)	10,384	8,169	25,336	(105,769)
OTHER FINANCING SOURCES (USES)					
Transfers in	272,548	-	-	15,738	180,000
Transfers out	(4,207)	-	-	(500)	-
Total other financing sources and uses	268,341	-	-	15,238	180,000
Net change in fund balances	(119,129)	10,384	8,169	40,574	74,231
Fund balance, July 1	472,075	10,972	35,874	98,763	52,308
Fund balance, June 30	<u>\$ 352,946</u>	<u>\$ 21,356</u>	<u>\$ 44,043</u>	<u>\$ 139,337</u>	<u>\$ 126,539</u>

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, 2016
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	ROAD	PREDATORY ANIMAL CONTROL	CATTLE PROTECTION PROGRAM	DISTRICT COURT	SEARCH & RESCUE OPERATIONS
REVENUES					
Taxes/assessments	\$ 2,597,583	\$ 1,487	\$ 23,704	\$ 1,299,698	\$ 121,075
Licenses and permits	-	-	-	-	-
Intergovernmental	984,249	-	-	90,277	34,308
Charges for services	72,180	-	-	61,885	-
Fines and forfeitures	-	-	-	33,131	-
Miscellaneous	6,283	-	-	(54)	4,986
Interest earnings	7,128	-	-	-	-
Total revenues	3,667,423	1,487	23,704	1,484,937	160,369
EXPENDITURES					
Current:					
General government	-	-	-	1,246,178	-
Public safety	-	-	-	306,504	109,995
Public works	2,109,864	-	-	-	-
Public health	-	1,448	16,542	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	2,109,864	1,448	16,542	1,552,682	109,995
Excess (deficiency) of revenue over (under) expenditures	1,557,559	39	7,162	(67,745)	50,374
OTHER FINANCING SOURCES (USES)					
Transfers in	202,726	-	-	79,590	-
Transfers out	(1,936,186)	-	-	(25,000)	(62,250)
Total other financing sources and uses	(1,733,460)	-	-	54,590	(62,250)
Net change in fund balances	(175,901)	39	7,162	(13,155)	(11,876)
Fund balance, July 1	2,101,118	152	1,562	746,677	100,895
Fund balance, June 30	\$ 1,925,217	\$ 191	\$ 8,724	\$ 733,522	\$ 89,019

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, 2016
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	PARKS	PERMISSIVE MEDICAL	FORESTVALE CEMETERY	COUNTY PLANNING	EMERGENCY DISASTER
REVENUES					
Taxes/assessments	\$ 12,815	\$ 1,306,144	\$ 307,154	\$ 834,713	\$ 85
Licenses and permits	-	-	-	-	-
Intergovernmental	900	-	21,879	39,621	-
Charges for services	-	-	31,975	30,129	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	8,078	-
Interest earnings	-	-	13,168	-	-
Total revenues	13,715	1,306,144	374,176	912,541	85
EXPENDITURES					
Current:					
General government	-	175,646	-	909,404	-
Public safety	-	-	-	-	-
Public works	-	-	263,724	-	-
Public health	-	-	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	37,360	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	37,360	175,646	263,724	909,404	-
Excess (deficiency) of revenue over (under) expenditures	(23,645)	1,130,498	110,452	3,137	85
OTHER FINANCING SOURCES (USES)					
Transfers in	33,000	-	15,120	32,760	-
Transfers out	(3,000)	(1,164,051)	(150,000)	(12,500)	-
Total other financing sources and uses	30,000	(1,164,051)	(134,880)	20,260	-
Net change in fund balances	6,355	(33,553)	(24,428)	23,397	85
Fund balance, July 1	15,527	177,404	220,524	412,235	-
Fund balance, June 30	\$ 21,882	\$ 143,851	\$ 196,096	\$ 435,632	\$ 85

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, 2016
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	COUNTY HEALTH	SENIOR CITIZENS	COUNTY EXTENSION	PUBLIC SAFETY RADIO PROJECT	INMATE PROGRAMS
REVENUES					
Taxes/assessments	\$ 1,044,717	\$ 145,157	\$ 193,591	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	160,050	10,238	18,083	164,698	-
Charges for services	661,141	-	4,205	1,200	233,125
Fines and forfeitures	2,448	-	-	-	137
Miscellaneous	31,434	-	17,230	-	55,309
Interest earnings	-	-	-	-	-
Total revenues	1,899,790	155,395	233,109	165,898	288,571
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	360,183	526,343
Public works	-	-	-	-	-
Public health	1,838,741	-	-	-	-
Social and economic	-	157,927	226,260	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,838,741	157,927	226,260	360,183	526,343
Excess (deficiency) of revenue over (under) expenditures	61,049	(2,532)	6,849	(194,285)	(237,772)
OTHER FINANCING SOURCES (USES)					
Transfers in	193,740	-	5,040	277,080	235,000
Transfers out	(311,225)	(3,000)	(9,800)	-	-
Total other financing sources and uses	(117,485)	(3,000)	(4,760)	277,080	235,000
Net change in fund balances	(56,436)	(5,532)	2,089	82,795	(2,772)
Fund balance, July 1	956,470	34,641	96,272	15,310	3,716
Fund balance, June 30	\$ 900,034	\$ 29,109	\$ 98,361	\$ 98,105	\$ 944

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, 2016
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	RECORDS PRESERVATION	PARKS DEVELOPMENT	LINCOLN PARKS	DUI PROGRAMS	CITY/COUNTY DRUG
REVENUES					
Taxes/assessments	\$ -	\$ 5,564	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	37,800	-
Charges for services	108,004	-	-	-	-
Fines and forfeitures	-	-	-	-	876
Miscellaneous	-	-	22,296	-	-
Interest earnings	-	-	-	-	-
Total revenues	108,004	5,564	22,296	37,800	876
EXPENDITURES					
Current:					
General government	90,338	-	-	4,131	1,215
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Public health	-	-	-	40,949	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	8,637	-	-
Capital outlay	-	-	-	-	-
Total expenditures	90,338	-	8,637	45,080	1,215
Excess (deficiency) of revenue over (under) expenditures	17,666	5,564	13,659	(7,280)	(339)
OTHER FINANCING SOURCES (USES)					
Transfers in	5,040	-	-	6,000	-
Transfers out	(25,123)	-	-	(10,427)	-
Total other financing sources and uses	(20,083)	-	-	(4,427)	-
Net change in fund balances	(2,417)	5,564	13,659	(11,707)	(339)
Fund balance, July 1	122,882	170,654	8,352	75,136	49,311
Fund balance, June 30	\$ 120,465	\$ 176,218	\$ 22,011	\$ 63,429	\$ 48,972

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, 2016
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	MISSOURI RIVER DRUG TASK FORCE	MRDTF FEDERAL SHARING	HARD ROCK MINE RESERVE	METAL MINES TAX RESERVE	WOLF CREEK WASTEWATER FAC MAINT
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	1,950	-	-	-
Charges for services	-	-	-	-	24,054
Fines and forfeitures	171,094	-	-	-	-
Miscellaneous	-	-	-	-	-
Interest earnings	-	-	503	229	1
Total revenues	171,094	1,950	503	229	24,055
EXPENDITURES					
Current:					
General government	163,157	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	25,300
Public health	-	-	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	163,157	-	-	-	25,300
Excess (deficiency) of revenue over (under) expenditures	7,937	1,950	503	229	(1,245)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-
Net change in fund balances	7,937	1,950	503	229	(1,245)
Fund balance, July 1	401,080	1	123,698	56,326	5,906
Fund balance, June 30	\$ 409,017	\$ 1,951	\$ 124,201	\$ 56,555	\$ 4,661

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, 2016
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	CRAIG WASTEWATER FAC MAINT	CRAIG TRAINING CNTR MAINT	SEPTIC MAINTENANCE REVOLVING LN	SEPTIC MAINTENANCE PROGRAM	OPEN SPACE
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	110,944	13,138	-	43,415	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	895	-
Interest earnings	1,151	119	11,774	-	5,348
Total revenues	112,095	13,257	11,774	44,310	5,348
EXPENDITURES					
Current:					
General government	-	-	-	-	501,388
Public safety	-	-	-	-	-
Public works	107,225	4,933	-	-	-
Public health	-	-	22,645	63,776	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	107,225	4,933	22,645	63,776	501,388
Excess (deficiency) of revenue over (under) expenditures	4,870	8,324	(10,871)	(19,466)	(496,040)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	17,708	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	17,708	-
Net change in fund balances	4,870	8,324	(10,871)	(1,758)	(496,040)
Fund balance, July 1	249,322	24,677	93,843	2,120	1,516,286
Fund balance, June 30	\$ 254,192	\$ 33,001	\$ 82,972	\$ 362	\$ 1,020,246

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, 2016
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	ROAD IMPROVEMENT - SUBDIVISION	ALCOHOLISM	GAS TAX	HIDTA	JUSTICE ASSISTANCE GRANT
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	137,903	270,113	176,581	10,538
Charges for services	-	-	2,500	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	68,435	-	-	1,735	-
Interest earnings	399	-	-	-	-
Total revenues	68,834	137,903	272,613	178,316	10,538
EXPENDITURES					
Current:					
General government	-	-	-	180,191	-
Public safety	-	-	-	-	10,538
Public works	1,507	-	266,064	-	-
Public health	-	141,773	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,507	141,773	266,064	180,191	10,538
Excess (deficiency) of revenue over (under) expenditures	67,327	(3,870)	6,549	(1,875)	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(4,153)	-	(60,104)	(3,535)	-
Total other financing sources and uses	(4,153)	-	(60,104)	(3,535)	-
Net change in fund balances	63,174	(3,870)	(53,555)	(5,410)	-
Fund balance, July 1	57,827	3,870	203,667	5,410	-
Fund balance, June 30	\$ 121,001	\$ -	\$ 150,112	\$ -	\$ -

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, 2016
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	CITIZEN CORP/ CERT PROGRAM	NATIONAL FIRE PLAN	ECONOMIC DEVELOPMENT	NOXIOUS WEED GRANT	HOMELAND SECURITY GRANT
REVENUES					
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	114,466	-	17,235	120,631
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Interest earnings	-	-	-	-	-
Total revenues	-	114,466	-	17,235	120,631
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	104,586	-	-	4,454
Public works	-	-	-	17,235	-
Public health	-	-	-	-	-
Social and economic	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	-	-	-	-	116,177
Total expenditures	-	104,586	-	17,235	120,631
Excess (deficiency) of revenue over (under) expenditures	-	9,880	-	-	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	412	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	412	-	-	-
Net change in fund balances	-	10,292	-	-	-
Fund balance, July 1	-	109	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ 10,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2016
 (Page 10 of 10)

	OTHER GRANTS	FORESTVALE ENDOWMENT	TOTAL SPECIAL REVENUE
REVENUES			
Taxes/assessments	\$ -	\$ -	\$ 8,549,872
Licenses and permits	-	-	1,484
Intergovernmental	1,882,303	-	5,765,662
Charges for services	-	-	2,260,079
Fines and forfeitures	-	-	207,686
Miscellaneous	-	-	266,718
Interest earnings	-	12,419	52,239
Total revenues	1,882,303	12,419	17,103,740
EXPENDITURES			
Current:			
General government	1,638,483	-	4,910,131
Public safety	75,208	-	1,898,613
Public works	-	-	2,795,852
Public health	92,759	7,537	5,226,641
Social and economic	-	-	474,247
Culture and recreation	-	-	45,997
Capital outlay	-	-	116,177
Total expenditures	1,806,450	7,537	15,467,658
Excess (deficiency) of revenue over (under) expenditures	75,853	4,882	1,636,082
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	1,571,502
Transfers out	(3,000)	-	(3,788,061)
Total other financing sources and uses	(3,000)	-	(2,216,559)
Net change in fund balances	72,853	4,882	(580,477)
Fund balance, July 1	-	299,001	9,021,973
Fund balance, June 30	<u>\$ 72,853</u>	<u>\$ 303,883</u>	<u>\$ 8,441,496</u>

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, 2016

	CITY/COUNTY BUILDING DEBT	OPEN SPACE DEBT	HEALTH FACILITIES DEBT	RSID REVOLVING DEBT	SEARCH & RESCUE BLDG DEBT	TOTAL DEBT SERVICE
REVENUES						
Taxes/assessments	\$ -	\$ 262,173	\$ 69,944	\$ -	\$ 98,615	\$ 430,732
Miscellaneous	173,500	-	-	-	-	173,500
Interest earnings	-	459	(105)	3,025	95	3,474
Total revenues	173,500	262,632	69,839	3,025	98,710	607,706
EXPENDITURES						
Current:						
Debt service	173,500	208,850	-	-	50,737	433,087
Total expenditures	173,500	208,850	-	-	50,737	433,087
Excess (deficiency) of revenue over (under) expenditures	-	53,782	69,839	3,025	47,973	174,619
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	23,300	-	23,300
Transfers out	-	-	(69,839)	-	-	(69,839)
Total other financing sources and uses	-	-	(69,839)	23,300	-	(46,539)
Net change in fund balances	-	53,782	-	26,325	47,973	128,080
Fund balance, July 1	-	23,707	-	294,833	6,091	324,631
Fund balance, June 30	\$ -	\$ 77,489	\$ -	\$ 321,158	\$ 54,064	\$ 452,711

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, 2016

	CTEP PROJECTS	RID PROJECTS	FEDERAL GRANT PROJECTS	ROAD/BRIDGE INFRASTRUCTURE PROJECTS	TOTAL CAPITAL PROJECTS
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 99,333	\$ 622,624	\$ 721,957
Total revenues	-	-	99,333	622,624	721,957
EXPENDITURES					
Capital outlay					
General government	-	-	97,083	-	97,083
Public works	-	130,868	-	100,622	231,490
Capital outlay	-	-	2,250	1,445,131	1,447,381
Total expenditures	-	130,868	99,333	1,545,753	1,775,954
Excess (deficiency) of revenue over (under) expenditures	-	(130,868)	-	(923,129)	(1,053,997)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	23,700	-	910,339	934,039
Transfers out	-	(23,300)	-	-	(23,300)
Total other financing sources and uses	-	400	-	910,339	910,739
Net change in fund balances	-	(130,468)	-	(12,790)	(143,258)
Fund balance, July 1	-	-	-	608,712	608,712
Fund balance, June 30	\$ -	\$ (130,468)	\$ -	\$ 595,922	\$ 465,454

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, 2016
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	HEALTH-RELATED GRANTS			CRAIG MOSQUITO CONTROL		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ 15,180	\$ 15,545	\$ 365
Licenses and permits	-	1,484	1,484	-	-	-
Intergovernmental	1,747,499	1,354,534	(392,965)	274	275	1
Charges for services	948,855	862,184	(86,671)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	500	6,722	6,222	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	2,696,854	2,224,924	(471,930)	15,454	15,820	366
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	1,992,408	1,789,923	202,485	-	-	-
Operations and maintenance	624,489	657,175	(32,686)	22,808	5,436	17,372
Social and economic						
Personal services	98,135	69,742	28,393	-	-	-
Operations and maintenance	19,772	21,056	(1,284)	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	2,734,804	2,537,896	196,908	22,808	5,436	17,372
Excess (deficiency) of revenue over (under) expenditures	(37,950)	(312,972)	(275,022)	(7,354)	10,384	17,738
OTHER FINANCING SOURCES (USES)						
Transfers in	283,099	272,548	(10,551)	-	-	-
Transfers out	(4,207)	(4,207)	-	-	-	-
Total other financing sources(uses)	278,892	268,341	(10,551)	-	-	-
Net change in fund balances	\$ 240,942	(44,631)	\$ (285,573)	\$ (7,354)	10,384	\$ 17,738
Fund balance (deficit), July 1		178,443			10,972	
Fund balance (deficit), June 30		\$ 133,812			\$ 21,356	

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, 2016
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	MOSQUITO CONTROL			WATER QUALITY		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 194,199	\$ 207,405	\$ 13,206	\$ 334,948	\$ 341,993	\$ 7,045
Licenses and permits	-	-	-	-	-	-
Intergovernmental	5,845	5,862	17	-	-	-
Charges for services	-	-	-	800	-	(800)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	10,650	32,250	21,600
Investment earnings	-	-	-	-	-	-
Total revenues	200,044	213,267	13,223	346,398	374,243	27,845
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	-	-	-	276,518	265,980	10,538
Operations and maintenance	210,889	206,672	4,217	77,845	72,734	5,111
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	210,889	206,672	4,217	354,363	338,714	15,649
Excess (deficiency) of revenue over (under) expenditures	(10,845)	6,595	17,440	(7,965)	35,529	43,494
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	16,821	15,738	(1,083)
Transfers out	-	-	-	(500)	(500)	-
Total other financing sources(uses)	-	-	-	16,321	15,238	(1,083)
Net change in fund balances	\$ (10,845)	6,595	\$ 17,440	\$ 8,356	50,767	\$ 42,411
Fund balance (deficit), July 1		69,374			93,739	
Fund balance (deficit), June 30		\$ 75,969			\$ 144,506	

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, 2016
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	MENTAL HEALTH			ROADS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 94,689	\$ 94,898	\$ 209	\$ 2,564,842	\$ 2,597,838	\$ 32,996
Licenses and permits	-	-	-	-	-	-
Intergovernmental	66,561	63,521	(3,040)	968,489	984,249	15,760
Charges for services	-	-	-	33,000	72,180	39,180
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	155,000	60,702	(94,298)	6,000	6,283	283
Investment earnings	-	-	-	1,000	7,128	6,128
Total revenues	316,250	219,121	(97,129)	3,573,331	3,667,678	94,347
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	399,052	399,052	-	-	-	-
Public works						
Personal services	-	-	-	1,223,792	1,126,697	97,095
Operations and maintenance	-	-	-	1,291,813	1,038,966	252,847
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	399,052	399,052	-	2,515,605	2,165,663	349,942
Excess (deficiency) of revenue over (under) expenditures	(82,802)	(179,931)	(97,129)	1,057,726	1,502,015	444,289
OTHER FINANCING SOURCES (USES)						
Transfers in	87,817	180,000	92,183	213,026	202,726	(10,300)
Transfers out	-	-	-	(1,823,467)	(1,936,186)	(112,719)
Total other financing sources(uses)	87,817	180,000	92,183	(1,610,441)	(1,733,460)	(123,019)
Net change in fund balances	\$ 5,015	69	\$ (4,946)	\$ (552,715)	(231,445)	\$ 321,270
Fund balance (deficit), July 1		1,183			1,950,476	
Fund balance (deficit), June 30		\$ 1,252			\$ 1,719,031	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
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	PREDATORY ANIMAL CONTROL			CATTLE PROTECTION PROGRAM		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 1,500	\$ 1,120	\$ (380)	\$ 22,200	\$ 15,310	\$ (6,890)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	1,500	1,120	(380)	22,200	15,310	(6,890)
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	1,500	1,448	52	22,200	16,542	5,658
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	1,500	1,448	52	22,200	16,542	5,658
Excess (deficiency) of revenue over (under) expenditures	-	(328)	(328)	-	(1,232)	(1,232)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	(328)	\$ (328)	\$ -	(1,232)	\$ (1,232)
Fund balance (deficit), July 1		152			1,562	
Fund balance (deficit), June 30		<u>\$ (176)</u>			<u>\$ 330</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, 2016
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	DISTRICT COURT			SEARCH & RESCUE OPERATIONS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 1,238,475	\$ 1,294,110	\$ 55,635	\$ 121,980	\$ 121,075	\$ (905)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	55,507	69,743	14,236	2,832	34,308	31,476
Charges for services	65,780	61,885	(3,895)	-	-	-
Fines and forfeitures	35,500	33,131	(2,369)	-	-	-
Miscellaneous	-	(54)	(54)	15,000	4,986	(10,014)
Investment earnings	-	-	-	-	-	-
Total revenues	1,395,262	1,458,815	63,553	139,812	160,369	20,557
EXPENDITURES						
Current:						
General government						
Personal services	814,420	753,744	60,676	-	-	-
Operations and maintenance	536,727	480,848	55,879	-	-	-
Public safety						
Personal services	135,212	129,130	6,082	3,000	965	2,035
Operations and maintenance	187,184	183,589	3,595	120,747	109,030	11,717
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	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	1,673,543	1,547,311	126,232	123,747	109,995	13,752
Excess (deficiency) of revenue over (under) expenditures	(278,281)	(88,496)	189,785	16,065	50,374	34,309
OTHER FINANCING SOURCES (USES)						
Transfers in	74,500	79,590	5,090	-	-	-
Transfers out	(25,000)	(25,000)	-	(62,250)	(62,250)	-
Total other financing sources(uses)	49,500	54,590	5,090	(62,250)	(62,250)	-
Net change in fund balances	\$ (228,781)	(33,906)	\$ 194,875	\$ (46,185)	(11,876)	\$ 34,309
Fund balance (deficit), July 1		779,681			100,895	
Fund balance (deficit), June 30		\$ 745,775			\$ 89,019	

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, 2016
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	PARKS			PERMISSIVE MEDICAL INSURANCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 12,341	\$ 12,815	\$ 474	\$ 1,320,323	\$ 1,287,948	\$ (32,375)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	897	900	3	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	13,238	13,715	477	1,320,323	1,287,948	(32,375)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	175,646	(175,646)
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	45,984	37,360	8,624	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	45,984	37,360	8,624	-	175,646	(175,646)
Excess (deficiency) of revenue over (under) expenditures	(32,746)	(23,645)	9,101	1,320,323	1,112,302	(208,021)
OTHER FINANCING SOURCES (USES)						
Transfers in	33,000	33,000	-	-	-	-
Transfers out	(3,000)	(3,000)	-	(1,441,998)	(1,164,051)	277,947
Total other financing sources(uses)	30,000	30,000	-	(1,441,998)	(1,164,051)	277,947
Net change in fund balances	\$ (2,746)	6,355	\$ 9,101	\$ (121,675)	(51,749)	\$ 69,926
Fund balance (deficit), July 1		15,527			147,925	
Fund balance (deficit), June 30		\$ 21,882			\$ 96,176	

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, 2016
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	FORESTVALE CEMETERY			COUNTY PLANNING		VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	
REVENUES						
Taxes/assessments	\$ 304,800	\$ 301,769	\$ (3,031)	\$ 792,436	\$ 834,713	\$ 42,277
Licenses and permits	-	-	-	-	-	-
Intergovernmental	21,800	21,879	79	39,569	34,121	(5,448)
Charges for services	18,120	31,975	13,855	20,500	30,129	9,629
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	8,078	8,078
Investment earnings	12,400	13,168	768	-	-	-
Total revenues	357,120	368,791	11,671	852,505	907,041	54,536
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	736,977	666,273	70,704
Operations and maintenance	-	-	-	305,947	243,880	62,067
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	214,203	192,920	21,283	-	-	-
Operations and maintenance	102,088	68,647	33,441	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	316,291	261,567	54,724	1,042,924	910,153	132,771
Excess (deficiency) of revenue over (under) expenditures	40,829	107,224	66,395	(190,419)	(3,112)	187,307
OTHER FINANCING SOURCES (USES)						
Transfers in	14,500	15,120	620	35,000	32,760	(2,240)
Transfers out	(150,000)	(150,000)	-	(20,000)	(12,500)	7,500
Total other financing sources(uses)	(135,500)	(134,880)	620	15,000	20,260	5,260
Net change in fund balances	\$ (94,671)	(27,656)	\$ 67,015	\$ (175,419)	17,148	\$ 192,567
Fund balance (deficit), July 1		224,306			447,265	
Fund balance (deficit), June 30		\$ 196,650			\$ 464,413	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
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	EMERGENCY DISASTER			COUNTY HEALTH		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ 85	\$ 85	\$ 1,065,446	\$ 1,032,262	\$ (33,184)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	162,176	181,787	19,611
Charges for services	-	-	-	531,373	661,141	129,768
Fines and forfeitures	-	-	-	-	2,448	2,448
Miscellaneous	-	-	-	27,500	31,434	3,934
Investment earnings	-	-	-	-	-	-
Total revenues	-	85	85	1,786,495	1,909,072	122,577
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	-	-	-	1,098,411	1,118,553	(20,142)
Operations and maintenance	-	-	-	756,699	713,948	42,751
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	1,855,110	1,832,501	22,609
Excess (deficiency) of revenue over (under) expenditures	-	85	85	(68,615)	76,571	145,186
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	172,343	193,740	21,397
Transfers out	-	-	-	(341,497)	(311,225)	30,272
Total other financing sources(uses)	-	-	-	(169,154)	(117,485)	51,669
Net change in fund balances	\$ -	85	\$ 85	\$ (237,769)	(40,914)	\$ 196,855
Fund balance (deficit), July 1		-			922,145	
Fund balance (deficit), June 30		\$ 85			\$ 881,231	

LEWIS AND CLARK COUNTY, MONTANA
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	SENIOR CITIZENS			COUNTY EXTENSION		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 145,301	\$ 145,157	\$ (144)	\$ 182,228	\$ 187,395	\$ 5,167
Licenses and permits	-	-	-	-	-	-
Intergovernmental	10,201	10,238	37	12,785	18,083	5,298
Charges for services	-	-	-	2,450	4,205	1,755
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	3,000	17,230	14,230
Investment earnings	-	-	-	-	-	-
Total revenues	155,502	155,395	(107)	200,463	226,913	26,450
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	-	-	-	59,236	57,141	2,095
Operations and maintenance	157,927	157,927	-	173,927	163,936	9,991
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	157,927	157,927	-	233,163	221,077	12,086
Excess (deficiency) of revenue over (under) expenditures	(2,425)	(2,532)	(107)	(32,700)	5,836	38,536
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	5,042	5,040	(2)
Transfers out	(3,000)	(3,000)	-	(9,800)	(9,800)	-
Total other financing sources(uses)	(3,000)	(3,000)	-	(4,758)	(4,760)	(2)
Net change in fund balances	<u>\$ (5,425)</u>	<u>(5,532)</u>	<u>\$ (107)</u>	<u>\$ (37,458)</u>	<u>1,076</u>	<u>\$ 38,534</u>
Fund balance (deficit), July 1		34,641			96,272	
Fund balance (deficit), June 30		<u>\$ 29,109</u>			<u>\$ 97,348</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	PUBLIC SAFETY RADIO PROJECT			INMATE PROGRAM		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	144,306	180,193	35,887	-	-	-
Charges for services	21,604	1,200	(20,404)	221,488	233,125	11,637
Fines and forfeitures	-	-	-	250	137	(113)
Miscellaneous	-	-	-	34,800	55,309	20,509
Investment earnings	-	-	-	-	-	-
Total revenues	165,910	181,393	15,483	256,538	288,571	32,033
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	242,933	234,834	8,099	-	-	-
Operations and maintenance	176,822	126,688	50,134	524,944	524,943	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	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	419,755	361,522	58,233	524,944	524,943	1
Excess (deficiency) of revenue over (under) expenditures	(253,845)	(180,129)	73,716	(268,406)	(236,372)	32,034
OTHER FINANCING SOURCES (USES)						
Transfers in	277,080	277,080	-	270,000	235,000	(35,000)
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	277,080	277,080	-	270,000	235,000	(35,000)
Net change in fund balances	\$ 23,235	96,951	\$ 73,716	\$ 1,594	(1,372)	\$ (2,966)
Fund balance (deficit), July 1		(20,403)			16,256	
Fund balance (deficit), June 30		\$ 76,548			\$ 14,884	

LEWIS AND CLARK COUNTY, MONTANA
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	RECORDS PRESERVATION			PARKS DEVELOPMENT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ 10,000	\$ 5,564	\$ (4,436)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	109,000	108,004	(996)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	109,000	108,004	(996)	10,000	5,564	(4,436)
EXPENDITURES						
Current:						
General government						
Personal services	54,692	54,738	(46)	-	-	-
Operations and maintenance	42,968	35,600	7,368	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	100,000	-	100,000
Capital outlay	-	-	-	-	-	-
Total expenditures	97,660	90,338	7,322	100,000	-	100,000
Excess (deficiency) of revenue over (under) expenditures	11,340	17,666	6,326	(90,000)	5,564	95,564
OTHER FINANCING SOURCES (USES)						
Transfers in	-	5,040	5,040	-	-	-
Transfers out	(25,123)	(25,123)	-	-	-	-
Total other financing sources(uses)	(25,123)	(20,083)	5,040	-	-	-
Net change in fund balances	\$ (13,783)	(2,417)	\$ 11,366	\$ (90,000)	5,564	\$ 95,564
Fund balance (deficit), July 1		122,882			170,654	
Fund balance (deficit), June 30		<u>\$ 120,465</u>			<u>\$ 176,218</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	LINCOLN PARKS			DUI PROGRAMS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	45,950	51,201	5,251
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	8,500	15,796	7,296	600	-	(600)
Investment earnings	-	-	-	-	-	-
Total revenues	8,500	15,796	7,296	46,550	51,201	4,651
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	6,320	3,699	2,621
Operations and maintenance	-	-	-	435	432	3
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	60,800	40,949	19,851
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	1,135	3,165	(2,030)	-	-	-
Operations and maintenance	15,132	5,472	9,660	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	16,267	8,637	7,630	67,555	45,080	22,475
Excess (deficiency) of revenue over (under) expenditures	(7,767)	7,159	14,926	(21,005)	6,121	27,126
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	6,000	6,000	-
Transfers out	-	-	-	(18,000)	(10,427)	7,573
Total other financing sources(uses)	-	-	-	(12,000)	(4,427)	7,573
Net change in fund balances	<u>\$ (7,767)</u>	<u>7,159</u>	<u>\$ 14,926</u>	<u>\$ (33,005)</u>	<u>1,694</u>	<u>\$ 34,699</u>
Fund balance (deficit), July 1		<u>8,352</u>			<u>53,285</u>	
Fund balance (deficit), June 30		<u>\$ 15,511</u>			<u>\$ 54,979</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	CITY/COUNTY DRUG			MISSOURI RIVER DRUG TASK FORCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	5,000	876	(4,124)	173,456	171,094	(2,362)
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	5,000	876	(4,124)	173,456	171,094	(2,362)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	20,500	1,215	19,285	163,157	163,157	-
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	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	20,500	1,215	19,285	163,157	163,157	-
Excess (deficiency) of revenue over (under) expenditures	(15,500)	(339)	15,161	10,299	7,937	(2,362)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ (15,500)	(339)	\$ 15,161	\$ 10,299	7,937	\$ (2,362)
Fund balance (deficit), July 1		49,311			401,080	
Fund balance (deficit), June 30		<u>\$ 48,972</u>			<u>\$ 409,017</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	MRDTF FEDERAL SHARING			HARD ROCK MINE RESERVE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	20,000	1,950	(18,050)	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	503	503
Total revenues	20,000	1,950	(18,050)	-	503	503
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	19,700	-	19,700	-	-	-
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	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	19,700	-	19,700	-	-	-
Excess (deficiency) of revenue over (under) expenditures	300	1,950	1,650	-	503	503
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ 300	1,950	\$ 1,650	\$ -	503	\$ 503
Fund balance (deficit), July 1		1			123,698	
Fund balance (deficit), June 30	\$ 1,951			\$ 124,201		

LEWIS AND CLARK COUNTY, MONTANA
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	METAL MINES TAX RESERVE			WOLF CREEK WASTEWATER FACILITY MAINTENANCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	25,300	24,054	(1,246)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	229	229	-	1	1
Total revenues	-	229	229	25,300	24,055	(1,245)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	25,300	25,300	-
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	25,300	25,300	-
Excess (deficiency) of revenue over (under) expenditures	-	229	229	-	(1,245)	(1,245)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	229	\$ 229	\$ -	(1,245)	\$ (1,245)
Fund balance (deficit), July 1		56,326			5,906	
Fund balance (deficit), June 30		<u>\$ 56,555</u>			<u>\$ 4,661</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	CRAIG WASTEWATER FACILITY MAINTENANCE			CRAIG TRAINING CENTER MAINTENANCE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	110,000	118,250	8,250	12,000	13,138	1,138
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	200	1,151	951	40	119	79
Total revenues	110,200	119,401	9,201	12,040	13,257	1,217
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	300,000	169,382	130,618	33,000	4,933	28,067
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	300,000	169,382	130,618	33,000	4,933	28,067
Excess (deficiency) of revenue over (under) expenditures	(189,800)	(49,981)	139,819	(20,960)	8,324	29,284
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ (189,800)	(49,981)	\$ 139,819	\$ (20,960)	8,324	\$ 29,284
Fund balance (deficit), July 1		275,153			24,677	
Fund balance (deficit), June 30		<u>\$ 225,172</u>			<u>\$ 33,001</u>	

LEWIS AND CLARK COUNTY, MONTANA
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	SEPTIC MAINTENANCE REVOVING LOAN			SEPTIC MAINTENANCE PROGRAM		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	47,250	43,415	(3,835)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	3,200	895	(2,305)
Investment earnings	1,450	11,774	10,324	-	-	-
Total revenues	1,450	11,774	10,324	50,450	44,310	(6,140)
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	-	-	-	77,779	59,047	18,732
Operations and maintenance	75,000	22,645	52,355	15,051	4,729	10,322
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	75,000	22,645	52,355	92,830	63,776	29,054
Excess (deficiency) of revenue over (under) expenditures	(73,550)	(10,871)	62,679	(42,380)	(19,466)	22,914
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	42,379	17,708	(24,671)
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	42,379	17,708	(24,671)
Net change in fund balances	\$ (73,550)	(10,871)	\$ 62,679	\$ (1)	(1,758)	\$ (1,757)
Fund balance (deficit), July 1		93,843			2,120	
Fund balance (deficit), June 30	\$ 82,972			\$ 362		

LEWIS AND CLARK COUNTY, MONTANA
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 BUDGET AND ACTUAL (BUDGET BASIS)
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 For the Fiscal Year Ended June 30, 2016
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	OPEN SPACE			ROAD IMPROVEMENT SUBDIVISIONS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	5,661	68,435	62,774
Investment earnings	2,000	5,348	3,348	-	399	399
Total revenues	2,000	5,348	3,348	5,661	68,834	63,173
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	1,500,094	501,388	998,706	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	5,661	1,507	4,154
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	1,500,094	501,388	998,706	5,661	1,507	4,154
Excess (deficiency) of revenue over (under) expenditures	(1,498,094)	(496,040)	1,002,054	-	67,327	67,327
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(4,153)	(4,153)
Total other financing sources(uses)	-	-	-	-	(4,153)	(4,153)
Net change in fund balances	\$ (1,498,094)	(496,040)	\$ 1,002,054	\$ -	63,174	\$ 63,174
Fund balance (deficit), July 1		1,516,286			57,827	
Fund balance (deficit), June 30		<u>\$ 1,020,246</u>			<u>\$ 121,001</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, 2016
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	ALCOHOLISM			GAS TAX		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	128,234	128,232	(2)	270,000	270,113	113
Charges for services	-	-	-	2,970	2,500	(470)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	128,234	128,232	(2)	272,970	272,613	(357)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	366,885	260,048	106,837
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	128,234	128,233	1	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	128,234	128,233	1	366,885	260,048	106,837
Excess (deficiency) of revenue over (under) expenditures	-	(1)	(1)	(93,915)	12,565	106,480
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(60,103)	(60,104)	(1)
Total other financing sources(uses)	-	-	-	(60,103)	(60,104)	(1)
Net change in fund balances	\$ -	(1)	(1)	\$ (154,018)	(47,539)	\$ 106,479
Fund balance (deficit), July 1		1			215,428	
Fund balance (deficit), June 30	\$ -			\$ (154,018)	\$ 167,889	

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, 2016
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	HIDTA			JUSTICE ASSISTANCE GRANT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	291,154	199,338	(91,816)	26,557	13,398	(13,159)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	1,735	1,735	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	291,154	201,073	(90,081)	26,557	13,398	(13,159)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	231,698	171,790	59,908	-	-	-
Public safety						
Personal services	-	-	-	11,609	10,538	1,071
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	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	231,698	171,790	59,908	11,609	10,538	1,071
Excess (deficiency) of revenue over (under) expenditures	59,456	29,283	(30,173)	14,948	2,860	(12,088)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	(3,535)	(3,535)	-	-	-
Total other financing sources(uses)	-	(3,535)	(3,535)	-	-	-
Net change in fund balances	\$ 59,456	25,748	\$ (33,708)	\$ 14,948	2,860	\$ (12,088)
Fund balance (deficit), July 1		(59,455)			(14,709)	
Fund balance (deficit), June 30		<u>\$ (33,707)</u>			<u>\$ (11,849)</u>	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
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	CITIZENS CORP/CERT PROGRAM			NATIONAL FIRE PLAN		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	200,000	76,637	(123,363)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	-	-	-	200,000	76,637	(123,363)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	4,856	(4,856)
Operations and maintenance	-	-	-	130,627	109,610	21,017
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	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	130,627	114,466	16,161
Excess (deficiency) of revenue over (under) expenditures	-	-	-	69,373	(37,829)	(107,202)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	412	412
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	412	412
Net change in fund balances	\$ -	-	\$ -	\$ 69,373	(37,417)	\$ (106,790)
Fund balance (deficit), July 1		-			(1,076)	
Fund balance (deficit), June 30		\$ -			\$ (38,493)	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE SCHEDULE OF
 BUDGET AND ACTUAL (BUDGET BASIS)
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	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	39,000	15,247	(23,753)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	-	-	-	39,000	15,247	(23,753)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public safety						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	20,500	17,235	3,265
Public health						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	20,500	17,235	3,265
Excess (deficiency) of revenue over (under) expenditures	-	-	-	18,500	(1,988)	(20,488)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ -	-	\$ -	\$ 18,500	(1,988)	\$ (20,488)
Fund balance (deficit), July 1		-			(4,459)	
Fund balance (deficit), June 30		\$ -			\$ (6,447)	

LEWIS AND CLARK COUNTY, MONTANA
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2016
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	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	200,000	128,751	(71,249)	2,308,516	1,943,080	(365,436)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	200,000	128,751	(71,249)	2,308,516	1,943,080	(365,436)
EXPENDITURES						
Current:						
General government						
Personal services	-	-	-	16,112	-	16,112
Operations and maintenance	-	-	-	1,836,835	1,842,947	(6,112)
Public safety						
Personal services	-	-	-	-	1,637	(1,637)
Operations and maintenance	-	704	(704)	80,808	86,171	(5,363)
Public works						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Public health						
Personal services	-	-	-	16,112	29,862	(13,750)
Operations and maintenance	-	-	-	41,299	69,890	(28,591)
Social and economic						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Culture and recreation						
Personal services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Capital outlay	190,000	119,927	70,073	-	-	-
Total expenditures	190,000	120,631	69,369	1,991,166	2,030,507	(39,341)
Excess (deficiency) of revenue over (under) expenditures	10,000	8,120	(1,880)	317,350	(87,427)	(404,777)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(3,000)	(3,000)
Total other financing sources(uses)	-	-	-	-	(3,000)	(3,000)
Net change in fund balances	\$ 10,000	8,120	\$ (1,880)	\$ 317,350	(90,427)	\$ (407,777)
Fund balance (deficit), July 1		(8,120)			(270,743)	
Fund balance (deficit), June 30	\$ -			\$ (361,170)		

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGET BASIS)
SPECIAL REVENUE FUNDS
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	TOTAL NONMAJOR SPECIAL REVENUE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES			
Taxes/assessments	\$ 8,420,888	\$ 8,497,002	\$ 76,114
Licenses and permits	-	1,484	1,484
Intergovernmental	6,768,152	5,787,640	(980,512)
Charges for services	2,170,490	2,267,385	96,895
Fines and forfeitures	214,206	207,686	(6,520)
Miscellaneous	270,411	309,801	39,390
Investment earnings	17,090	39,820	22,730
Total revenues	17,861,237	17,110,818	(750,419)
EXPENDITURES			
Current:			
General government			
Personal services	1,628,521	1,478,454	150,067
Operations and maintenance	4,658,061	3,616,903	1,041,158
Public safety			
Personal services	392,754	381,960	10,794
Operations and maintenance	1,620,184	1,539,787	80,397
Public works			
Personal services	1,437,995	1,319,617	118,378
Operations and maintenance	2,145,247	1,586,018	559,229
Public health			
Personal services	3,461,228	3,263,365	197,863
Operations and maintenance	2,036,814	1,940,401	96,413
Social and economic			
Personal services	157,371	126,883	30,488
Operations and maintenance	351,626	342,919	8,707
Culture and recreation			
Personal services	1,135	3,165	(2,030)
Operations and maintenance	161,116	42,832	118,284
Capital outlay	190,000	119,927	70,073
Total expenditures	18,242,052	15,762,231	2,479,821
Excess (deficiency) of revenue over (under) expenditures	(380,815)	1,348,587	1,729,402
OTHER FINANCING SOURCES (USES)			
Transfers in	1,530,607	1,571,502	40,895
Transfers out	(3,987,945)	(3,788,061)	199,884
Total other financing sources(uses)	(2,457,338)	(2,216,559)	240,779
Net change in fund balances	\$ (2,838,153)	(867,972)	\$ 1,970,181
Fund balance (deficit), July 1		7,888,679	
Fund balance (deficit), June 30		\$ 7,020,707	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
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	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	\$ -	\$ -	\$ -	\$ 210,000	\$ 252,652	\$ 42,652
Miscellaneous	173,537	173,500	(37)	-	-	-
Investment earnings	-	-	-	75	459	384
Total revenues	173,537	173,500	(37)	210,075	253,111	43,036
EXPENDITURES						
Current:						
Debt service	173,500	173,500	-	209,757	208,850	907
Capital outlay	-	-	-	-	-	-
Total expenditures	173,500	173,500	-	209,757	208,850	907
Excess (deficiency) of revenue over (under) expenditures	37	-	(37)	318	44,261	43,943
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-	-
Net change in fund balances	\$ 37	-	\$ (37)	\$ 318	44,261	\$ 43,943
Fund balance (deficit), July 1		-			23,707	
Fund balance (deficit), June 30		<u>\$ -</u>			<u>\$ 67,968</u>	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
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	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	\$ 69,000	\$ 68,714	\$ (286)	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-	-	-
Investment earnings	75	(105)	(180)	950	3,025	2,075
Total revenues	69,075	68,609	(466)	950	3,025	2,075
EXPENDITURES						
Current:						
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess (deficiency) of revenue over (under) expenditures	69,075	68,609	(466)	950	3,025	2,075
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	23,300	23,300
Transfers out	(70,000)	(69,839)	161	(150,000)	-	150,000
Loans	-	-	-	10,000	-	(10,000)
Total other financing sources(uses)	(70,000)	(69,839)	161	(140,000)	23,300	163,300
Net change in fund balances	\$ (925)	(1,230)	\$ (305)	\$ (139,050)	26,325	\$ 165,375
Fund balance (deficit), July 1		(16,999)			294,833	
Fund balance (deficit), June 30		\$ (18,229)			\$ 321,158	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
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	SEARCH & RESCUE BLDG			RURAL SPECIAL IMPROVEMENT DISTRICTS DEBT		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Taxes/assessments	\$ 100,000	\$ 98,615	\$ (1,385)	\$ 162,763	\$ 320,081	\$ 157,318
Miscellaneous	-	-	-	-	-	-
Investment earnings	40	95	55	117	838	721
Total revenues	100,040	98,710	(1,330)	162,880	320,919	158,039
EXPENDITURES						
Current:						
Debt service	100,000	50,737	49,263	187,581	186,857	724
Capital outlay	-	-	-	-	-	-
Total expenditures	100,000	50,737	49,263	187,581	186,857	724
Excess (deficiency) of revenue over (under) expenditures	40	47,973	47,933	(24,701)	134,062	158,763
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	2,600	382	(2,218)
Transfers out	-	-	-	(5,230)	(2,398)	2,832
Loans	-	-	-	-	-	-
Total other financing sources(uses)	-	-	-	(2,630)	(2,016)	614
Net change in fund balances	\$ 40	47,973	\$ 47,933	\$ (27,331)	132,046	\$ 159,377
Fund balance (deficit), July 1		6,091			123,307	
Fund balance (deficit), June 30		<u>\$ 54,064</u>			<u>\$ 255,353</u>	

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGET BASIS)
 DEBT SERVICE FUNDS
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	TOTAL DEBT SERVICE		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES			
Taxes/assessments	\$ 541,763	\$ 740,062	\$ 198,299
Miscellaneous	173,537	173,500	(37)
Investment earnings	1,257	4,312	3,055
Total revenues	716,557	917,874	201,317
EXPENDITURES			
Current:			
Debt service	670,838	619,944	50,894
Capital outlay	-	-	-
Total expenditures	670,838	619,944	50,894
Excess (deficiency) of revenue over (under) expenditures	45,719	297,930	252,211
OTHER FINANCING SOURCES (USES)			
Transfers in	2,600	23,682	21,082
Transfers out	(225,230)	(72,237)	152,993
Loans	10,000	-	(10,000)
Total other financing sources(uses)	(212,630)	(48,555)	164,075
Net change in fund balances	\$ (166,911)	249,375	\$ 416,286
Fund balance (deficit), July 1		430,939	
Fund balance (deficit), June 30		\$ 680,314	

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, 2016
 (Page 1 of 3)

	CAPITAL DEVELOPMENT			CTEP PROJECTS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Intergovernmental	\$ 2,500	\$ 95	\$ (2,405)	\$ 5,000	\$ -	\$ (5,000)
Miscellaneous	-	115,000	115,000	-	-	-
Investment earnings	8,500	26,800	18,300	-	-	-
Total revenues	11,000	141,895	130,895	5,000	-	(5,000)
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	1,417,170	1,255,515	161,655	-	-	-
Public safety						
Operations and maintenance	628,548	689,314	(60,766)	-	-	-
Public works						
Operations and maintenance	2,165,870	950,225	1,215,645	5,000	-	5,000
Public health						
Operations and maintenance	30,000	-	30,000	-	-	-
Total expenditures	4,241,588	2,895,054	1,346,534	5,000	-	5,000
Excess (deficiency) of revenue over (under) expenditures	(4,230,588)	(2,753,159)	1,477,429	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	2,086,163	2,666,283	580,120	-	-	-
Transfers out	-	(220,632)	(220,632)	-	-	-
Loans	-	-	-	-	-	-
Proceeds from sale of capital assets	-	58,562	58,562	-	-	-
Total other financing sources(uses)	2,086,163	2,504,213	418,050	-	-	-
Net change in fund balances	\$ (2,144,425)	(248,946)	\$ 1,895,479	\$ -	-	\$ -
Fund balance (deficit), July 1		6,856,691			-	
Fund balance (deficit), June 30		\$ 6,607,745			\$ -	

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, 2016
 (Page 2 of 3)

	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	\$ -	\$ -	\$ -	\$ 493,866	\$ -	\$ (493,866)
Miscellaneous	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Total revenues	-	-	-	493,866	-	(493,866)
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	-	-	-	658,093	99,333	558,760
Public safety						
Operations and maintenance	-	-	-	-	-	-
Public works						
Operations and maintenance	400,000	61,568	338,432	-	-	-
Public health						
Operations and maintenance	-	-	-	-	-	-
Total expenditures	400,000	61,568	338,432	658,093	99,333	558,760
Excess (deficiency) of revenue over (under) expenditures	(400,000)	(61,568)	338,432	(164,227)	(99,333)	64,894
OTHER FINANCING SOURCES (USES)						
Transfers in	-	23,700	23,700	164,727	-	(164,727)
Transfers out	-	(23,300)	(23,300)	-	-	-
Loans	400,000	-	(400,000)	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Total other financing sources(uses)	400,000	400	(399,600)	164,727	-	(164,727)
Net change in fund balances	\$ -	(61,168)	\$ (61,168)	\$ 500	(99,333)	\$ (99,833)
Fund balance (deficit), July 1		-			-	
Fund balance (deficit), June 30		<u>\$ (61,168)</u>			<u>\$ (99,333)</u>	

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, 2016
 (Page 3 of 3)

	ROAD/BRIDGE INFRASTRUCTURE PROJECTS			TOTAL CAPITAL PROJECTS		
	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES						
Intergovernmental	\$ 7,847,286	\$ 482,258	\$ (7,365,028)	\$ 8,348,652	\$ 482,353	\$ (7,866,299)
Miscellaneous	-	-	-	-	115,000	115,000
Investment earnings	-	-	-	8,500	26,800	18,300
Total revenues	7,847,286	482,258	(7,365,028)	8,357,152	624,153	(7,732,999)
EXPENDITURES						
Capital outlay						
General government						
Operations and maintenance	-	-	-	2,075,263	1,354,848	720,415
Public safety						
Operations and maintenance	-	-	-	628,548	689,314	(60,766)
Public works						
Operations and maintenance	9,694,234	1,414,129	8,280,105	12,265,104	2,425,922	9,839,182
Public health						
Operations and maintenance	-	-	-	30,000	-	30,000
Total expenditures	9,694,234	1,414,129	8,280,105	14,998,915	4,470,084	10,528,831
Excess (deficiency) of revenue over (under) expenditures	(1,846,948)	(931,871)	915,077	(6,641,763)	(3,845,931)	2,795,832
OTHER FINANCING SOURCES (USES)						
Transfers in	1,033,467	910,339	(123,128)	3,284,357	3,600,322	315,965
Transfers out	-	-	-	-	(243,932)	(243,932)
Loans	-	-	-	400,000	-	(400,000)
Proceeds from sale of capital assets	-	-	-	-	58,562	58,562
Total other financing sources(uses)	1,033,467	910,339	(123,128)	3,684,357	3,414,952	(269,405)
Net change in fund balances	\$ (813,481)	(21,532)	\$ 791,949	\$ (2,957,406)	(430,979)	\$ 2,526,427
Fund balance (deficit), July 1		813,776			7,670,467	
Fund balance (deficit), June 30		<u>\$ 792,244</u>			<u>\$ 7,239,488</u>	

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

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

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

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

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 June 30, 2016

	AUGUSTA SOLID WASTE	LINCOLN SOLID WASTE	SCRATCH- GRAVEL LANDFILL	MARYSVILLE SOLID WASTE	TOTAL NONMAJOR ENTERPRISE FUND
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 61,013	\$ 161,486	\$ 1,026,314	\$ 23,982	\$ 1,272,795
Investments	11,705	30,981	196,895	4,601	244,182
Receivables:					
Accounts/contracts	5,424	21,497	172,805	3,029	202,755
Total current assets	<u>78,142</u>	<u>213,964</u>	<u>1,396,014</u>	<u>31,612</u>	<u>1,719,732</u>
Noncurrent assets:					
Land and Construction in Progress	5,396	-	54,611	3,587	63,594
Buildings, improvements, vehicles and equipment(net)	49,585	114,189	-	-	163,774
Total noncurrent assets	<u>54,981</u>	<u>114,189</u>	<u>54,611</u>	<u>3,587</u>	<u>227,368</u>
Total assets	<u>133,123</u>	<u>328,153</u>	<u>1,450,625</u>	<u>35,199</u>	<u>1,947,100</u>
Liabilities:					
Current liabilities:					
Accounts payable	-	8,182	102,174	-	110,356
Landfill postclosure costs payable - current	-	-	12,400	-	12,400
Compensated absences payable	764	121	347	229	1,461
Total current liabilities	<u>764</u>	<u>8,303</u>	<u>114,921</u>	<u>229</u>	<u>124,217</u>
Noncurrent liabilities:					
Landfill postclosure costs payable	-	-	99,200	-	99,200
Compensated absences payable	6,874	1,089	3,118	2,061	13,142
Total noncurrent liabilities	<u>6,874</u>	<u>1,089</u>	<u>102,318</u>	<u>2,061</u>	<u>112,342</u>
Total liabilities	<u>7,638</u>	<u>9,392</u>	<u>217,239</u>	<u>2,290</u>	<u>236,559</u>
NET POSITION					
Net investment in capital assets	54,981	114,189	54,611	3,587	227,368
Unrestricted	70,504	204,572	1,178,775	29,322	1,483,173
Total net position	<u>\$ 125,485</u>	<u>\$ 318,761</u>	<u>\$ 1,233,386</u>	<u>\$ 32,909</u>	<u>\$ 1,710,541</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, 2016**

	<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	\$ 88,426	\$ 170,466	\$ 1,365,468	\$ 29,659	\$ 1,654,019
Total Operating Revenues	88,426	170,466	1,365,468	29,659	1,654,019
OPERATING EXPENSES					
Personal services	39,915	13,709	49,590	20,692	123,906
Supplies	6,542	17,661	82,081	14,979	121,263
Purchased services	36,572	108,308	1,155,356	1,090	1,301,326
Depreciation	9,780	6,434	-	-	16,214
Total Operating Expenses	92,809	146,112	1,287,027	36,761	1,562,709
Operating income (loss)	(4,383)	24,354	78,441	(7,102)	91,310
NONOPERATING REVENUES (EXPENSES)					
Interest income	256	699	4,103	121	5,179
Total Nonoperating Revenues (Expenses)	256	699	4,103	121	5,179
Income (loss) before transfers	(4,127)	25,053	82,544	(6,981)	96,489
Change in net position	(4,127)	25,053	82,544	(6,981)	96,489
Total net position, beginning	129,612	293,708	1,150,842	39,890	1,614,052
Total net position, ending	\$ 125,485	\$ 318,761	\$ 1,233,386	\$ 32,909	\$ 1,710,541

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 For the Fiscal Year Ended June 30, 2016

	AUGUSTA LANDFILL	LINCOLN LANDFILL	SCRATCH- GRAVEL LANDFILL	MARYSVILLE LANDFILL	TOTAL
Cash flows from operating activities:					
Cash received from customers	\$ 92,769	\$ 174,923	\$ 1,479,477	\$ 30,000	\$ 1,777,169
Cash payments for goods and services	(43,114)	(154,845)	(1,286,529)	(16,069)	(1,500,557)
Cash payments for employees	(39,073)	(14,012)	(48,897)	(20,237)	(122,219)
Cash payments for landfill closure and post closure costs	-	-	(12,400)	-	(12,400)
Net cash provided by (used by) operating activities	10,582	6,066	131,651	(6,306)	141,993
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	-	(92,871)	-	-	(92,871)
Net cash provided by (used by) capital and related financing activities	-	(92,871)	-	-	(92,871)
Cash flows from investing activities:					
Receipts of interest and dividends	256	699	4,103	121	5,179
Payments for investments	(2,008)	12,674	(26,479)	848	(14,965)
Net cash provided by (used by) investing activities	(1,752)	13,373	(22,376)	969	(9,786)
Net increase (decrease) in cash and cash equivalents	8,830	(73,432)	109,275	(5,337)	39,336
Cash and cash equivalents, July 1	52,183	234,918	917,039	29,319	1,233,459
Cash and cash equivalents, June 30	\$ 61,013	\$ 161,486	\$ 1,026,314	\$ 23,982	\$ 1,272,795
Cash and cash equivalents, current	\$ 61,013	\$ 161,486	\$ 1,026,314	\$ 23,982	\$ 1,272,795
Total Cash and cash equivalents, June 30	\$ 61,013	\$ 161,486	\$ 1,026,314	\$ 23,982	\$ 1,272,795
Reconciliation of operating income to net cash provided by operating activity:					
Operating income (loss)	\$ (4,383)	\$ 24,354	\$ 78,441	\$ (7,102)	\$ 91,310
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:					
Depreciation	9,780	6,434	-	-	16,214
Change in assets and liabilities:					
(Increase) decrease taxes/accounts/other receivables	4,343	4,457	114,009	341	123,150
Increase (decrease) compensated absences	842	(303)	693	455	1,687
Increase (decrease) accounts payable	-	(64,525)	(49,092)	-	(113,617)
Increase (decrease) payables for capital purchases	-	35,649	-	-	35,649
Increase (decrease) postclosure liability	-	-	(12,400)	-	(12,400)
Net cash provided by (used by) operating activities	\$ 10,582	\$ 6,066	\$ 131,651	\$ (6,306)	\$ 141,993
Schedule of Noncash Transactions					
Write off of accounts receivables	\$ 111	\$ 439	\$ 3,527	\$ 62	\$ 4,139

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.

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 June 30, 2016
 (Page 1 of 2)

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 661,153	\$ 45,211	\$ 349,599	\$ 55,719
Investments	126,840	8,674	67,069	10,690
Receivables:				
Accounts/contracts	17,363	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	15,092	13,105
Total current assets	<u>805,356</u>	<u>53,885</u>	<u>431,760</u>	<u>79,514</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	-	97,169	-	-
Land and Construction in Progress	-	212,844	-	-
Buildings, improvements, vehicles and equipment(net)	251,174	620,993	41,604	-
Total noncurrent assets	<u>251,174</u>	<u>931,006</u>	<u>41,604</u>	<u>-</u>
Total assets	<u>1,056,530</u>	<u>984,891</u>	<u>473,364</u>	<u>79,514</u>
Liabilities:				
Current liabilities:				
Accounts payable	24,232	9,255	12,803	-
Revenue bonds payable	-	60,000	-	-
Claims payable	-	-	-	-
Compensated absences payable	3,421	2,752	3,466	-
Total current liabilities	<u>27,653</u>	<u>72,007</u>	<u>16,269</u>	<u>-</u>
Noncurrent liabilities:				
Revenue bonds payable	-	65,000	-	-
Compensated absences payable	30,784	24,764	31,194	-
Total noncurrent liabilities	<u>30,784</u>	<u>89,764</u>	<u>31,194</u>	<u>-</u>
Total liabilities	<u>58,437</u>	<u>161,771</u>	<u>47,463</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	251,174	708,837	41,604	-
Restricted for bond reserve	-	68,315	-	-
Unrestricted	746,919	45,968	384,297	79,514
Total net position	<u>\$ 998,093</u>	<u>\$ 823,120</u>	<u>\$ 425,901</u>	<u>\$ 79,514</u>

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 June 30, 2016
 (Page 2 of 2)

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	TOTAL INTERNAL SERVICE
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,211,189	\$ 1,044,042	\$ 1,406,263	\$ 4,773,176
Investments	232,363	200,296	269,787	915,719
Receivables:				
Accounts/contracts	-	-	267,463	284,826
Due from other funds	-	34,100	-	34,100
Inventories	-	-	-	28,197
Total current assets	<u>1,443,552</u>	<u>1,278,438</u>	<u>1,943,513</u>	<u>6,036,018</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	-	-	-	97,169
Land and Construction in Progress	-	-	-	212,844
Buildings, improvements, vehicles and equipment(net)	72,291	-	-	986,062
Total noncurrent assets	<u>72,291</u>	<u>-</u>	<u>-</u>	<u>1,296,075</u>
Total assets	<u>1,515,843</u>	<u>1,278,438</u>	<u>1,943,513</u>	<u>7,332,093</u>
Liabilities:				
Current liabilities:				
Accounts payable	57,754	396,688	-	500,732
Revenue bonds payable	-	-	-	60,000
Claims payable	-	-	159,351	159,351
Compensated absences payable	10,696	-	655	20,990
Total current liabilities	<u>68,450</u>	<u>396,688</u>	<u>160,006</u>	<u>741,073</u>
Noncurrent liabilities:				
Revenue bonds payable	-	-	-	65,000
Compensated absences payable	96,261	-	5,891	188,894
Total noncurrent liabilities	<u>96,261</u>	<u>-</u>	<u>5,891</u>	<u>253,894</u>
Total liabilities	<u>164,711</u>	<u>396,688</u>	<u>165,897</u>	<u>994,967</u>
NET POSITION				
Net investment in capital assets	72,291	-	-	1,073,906
Restricted for bond reserve	-	-	-	68,315
Unrestricted	<u>1,278,841</u>	<u>881,750</u>	<u>1,777,616</u>	<u>5,194,905</u>
Total net position	<u>\$ 1,351,132</u>	<u>\$ 881,750</u>	<u>\$ 1,777,616</u>	<u>\$ 6,337,126</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, 2016
(Page 1 of 2)**

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
OPERATING REVENUES				
Charges for services	\$ 1,117,940	\$ 293,284	\$ 603,513	\$ 227,770
Miscellaneous	-	13,590	3,813	-
Total Operating Revenues	1,117,940	306,874	607,326	227,770
OPERATING EXPENSES				
Personal services	305,683	178,487	227,277	-
Supplies	261,594	56,681	189,023	219,060
Purchased services	246,707	56,636	49,886	2,134
Depreciation	39,281	34,063	5,356	-
Total Operating Expenses	853,265	325,867	471,542	221,194
Operating income (loss)	264,675	(18,993)	135,784	6,576
NONOPERATING REVENUES (EXPENSES)				
Contribution of capital assets	-	(5,106,526)	-	-
Interest income	2,685	23	1,508	254
Interest expense	-	(11,370)	-	-
Total Nonoperating Revenues (Expenses)	2,685	(5,117,873)	1,508	254
Income (loss) before transfers	267,360	(5,136,866)	137,292	6,830
Transfers in	-	295,891	-	-
Transfers out	(136,100)	-	(7,000)	-
Change in net position	131,260	(4,840,975)	130,292	6,830
Total net position, beginning	866,833	5,664,095	295,609	72,684
Total net position, ending	\$ 998,093	\$ 823,120	\$ 425,901	\$ 79,514

**LEWIS AND CLARK COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2016
(Page 2 of 2)**

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	TOTAL
OPERATING REVENUES				
Charges for services	\$ 2,155,033	\$ 614,994	\$ 4,454,386	\$ 9,466,920
Miscellaneous	14	8,776	2,752	28,945
Total Operating Revenues	2,155,047	623,770	4,457,138	9,495,865
OPERATING EXPENSES				
Personal services	1,121,530	-	60,030	1,893,007
Supplies	507,092	-	469,982	1,703,432
Purchased services	395,905	1,015,754	3,782,634	5,549,656
Depreciation	33,168	-	-	111,868
Total Operating Expenses	2,057,695	1,015,754	4,312,646	9,257,963
Operating income (loss)	97,352	(391,984)	144,492	237,902
NONOPERATING REVENUES (EXPENSES)				
Contribution of capital assets	-	-	-	(5,106,526)
Interest income	4,383	1,429	6,720	17,002
Interest expense	-	-	-	(11,370)
Total Nonoperating Revenues (Expenses)	4,383	1,429	6,720	(5,100,894)
Income (loss) before transfers	101,735	(390,555)	151,212	(4,862,992)
Transfers in	-	-	-	295,891
Transfers out	-	-	-	(143,100)
Change in net position	101,735	(390,555)	151,212	(4,710,201)
Total net position, beginning	1,249,397	1,272,305	1,626,404	11,047,327
Total net position, ending	\$ 1,351,132	\$ 881,750	\$ 1,777,616	\$ 6,337,126

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2016
 (Page 1 of 2)

	BUILDING MAINTENANCE SERVICES	HEALTH CARE FACILITIES	COUNTY SHOP	FUEL REVOLVING
Cash flows from operating activities:				
Cash received from customers	\$ 1,100,577	\$ 293,284	\$ 603,513	\$ 227,770
Cash payments for goods and services	(508,097)	(345,768)	(246,331)	(229,158)
Cash payments for employees	(314,410)	(174,088)	(210,163)	-
Cash received from other operating revenues	-	13,590	3,813	-
Net cash provided by (used by) operating activities	278,070	(212,982)	150,832	(1,388)
Cash flows from noncapital financing activities:				
Transfers from other Funds	-	295,891	-	-
Transfers to other Funds	(136,100)	-	(7,000)	-
Net cash provided by (used by) noncapital financing activities	(136,100)	295,891	(7,000)	-
Cash flows from capital and related financing activities:				
Payments for capital acquisitions	(16,853)	(20,773)	-	-
Proceeds from sale of capital assets	-	-	-	-
Principal repayment - bonds/loans	-	(60,000)	-	-
Interest paid	-	(11,370)	-	-
Net cash provided by (used by) capital and related financing activities	(16,853)	(92,143)	-	-
Cash flows from investing activities:				
Receipts of interest and dividends	2,685	23	1,508	254
Payments for investments	(23,381)	1,025	(24,549)	(105)
Net cash provided by (used by) investing activities	(20,696)	1,048	(23,041)	149
Net increase (decrease) in cash and cash equivalents	104,421	(8,186)	120,791	(1,239)
Cash and cash equivalents, July 1	556,732	150,566	228,808	56,958
Cash and cash equivalents, June 30	\$ 661,153	\$ 142,380	\$ 349,599	\$ 55,719
Cash and cash equivalents, current	\$ 661,153	\$ 45,211	\$ 349,599	\$ 55,719
Cash and cash equivalents, noncurrent - restricted	-	97,169	-	-
Total Cash and cash equivalents, June 30	\$ 661,153	\$ 142,380	\$ 349,599	\$ 55,719
Reconciliation of operating income to net cash provided by operating activity:				
Operating income (loss)	\$ 264,675	\$ (18,993)	\$ 135,784	\$ 6,576
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:				
Depreciation	39,281	34,063	5,356	-
Change in assets and liabilities:				
(Increase) decrease taxes/accounts/other receivables	(17,363)	-	-	-
(Increase) decrease due from other funds	-	-	-	-
(Increase) decrease inventory	-	-	(7,978)	6,578
Increase (decrease) compensated absences	(9,168)	3,467	12,569	-
Increase (decrease) accounts payable	645	(231,519)	5,101	(14,542)
Increase (decrease) claims payable	-	-	-	-
Net cash provided by (used by) operating activities	\$ 278,070	\$ (212,982)	\$ 150,832	\$ (1,388)

LEWIS AND CLARK COUNTY, MONTANA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2016
 (Page 2 of 2)

	INFORMATION TECHNOLOGY & SERVICES	LIABILITY INSURANCE	HEALTH INSURANCE	TOTAL
Cash flows from operating activities:				
Cash received from customers	\$ 2,201,047	\$ 614,994	\$ 4,458,866	\$ 9,500,051
Cash payments for goods and services	(934,066)	(2,262,166)	(4,363,782)	(8,889,368)
Cash payments for employees	(1,135,109)	-	(60,199)	(1,893,969)
Cash received from other operating revenues	14	8,776	2,752	28,945
Net cash provided by (used by) operating activities	131,886	(1,638,396)	37,637	(1,254,341)
Cash flows from noncapital financing activities:				
Transfers from other Funds	-	1,600,000	-	1,895,891
Transfers to other Funds	-	-	-	(143,100)
Net cash provided by (used by) noncapital financing activities	-	1,600,000	-	1,752,791
Cash flows from capital and related financing activities:				
Payments for capital acquisitions	-	-	-	(37,626)
Proceeds from sale of capital assets	-	-	-	-
Principal repayment - bonds/loans	-	-	-	(60,000)
Interest paid	-	-	-	(11,370)
Net cash provided by (used by) capital and related financing activities	-	-	-	(108,996)
Cash flows from investing activities:				
Receipts of interest and dividends	4,383	1,429	6,720	17,002
Payments for investments	(27,498)	498	(14,083)	(88,093)
Net cash provided by (used by) investing activities	(23,115)	1,927	(7,363)	(71,091)
Net increase (decrease) in cash and cash equivalents	108,771	(36,469)	30,274	318,363
Cash and cash equivalents, July 1	1,102,418	1,080,511	1,375,989	4,551,982
Cash and cash equivalents, June 30	\$ 1,211,189	\$ 1,044,042	\$ 1,406,263	\$ 4,870,345
Cash and cash equivalents, current	\$ 1,211,189	\$ 1,044,042	\$ 1,406,263	\$ 4,773,176
Cash and cash equivalents, noncurrent - restricted	-	-	-	97,169
Cash and cash equivalents, June 30	\$ 1,211,189	\$ 1,044,042	\$ 1,406,263	\$ 4,870,345
Reconciliation of operating income to net cash provided by operating activity:				
Operating income (loss)	\$ 97,352	\$ (391,984)	\$ 144,492	\$ 237,902
Adjustments to reconcile operating income to net cash provided by (used by) operating activities:				
Depreciation	33,168	-	-	111,868
Change in assets and liabilities:				
(Increase) decrease taxes/accounts/other receivables	46,013	-	4,480	33,130
(Increase) decrease due from other funds	-	(1,634,100)	-	(1,634,100)
(Increase) decrease inventory	-	-	-	(1,400)
Increase (decrease) compensated absences	(260)	-	(169)	6,439
Increase (decrease) accounts payable	(44,387)	387,688	-	102,986
Increase (decrease) claims payable	-	-	(111,166)	(111,166)
Net cash provided by (used by) operating activities	\$ 131,886	\$ (1,638,396)	\$ 37,637	\$ (1,254,341)



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 underserved in the County.

LEWIS AND CLARK COUNTY, MONTANA
 COMPONENT UNIT
 BALANCE SHEET
 June 30, 2016

	PUREVIEW HEALTH CENTER
ASSETS	
Cash and cash equivalents	\$ 899,333
Investments	172,534
Receivables:	
Accounts/contracts	286,280
Due from other governments	149,356
Inventories	92,134
	<hr/>
Total assets	\$ 1,599,637
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Prepayments of costs	4,848
	<hr/>
Total deferred outflows of resources	4,848
	<hr/>
LIABILITIES	
Accounts payable	\$ 199,695
	<hr/>
Total liabilities	199,695
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of tax revenues	12,514
	<hr/>
Total deferred inflows	12,514
	<hr/>
FUND BALANCE:	
Nonspendable	
Inventory	92,134
Restricted	1,300,142
	<hr/>
Total fund balance	1,392,276
	<hr/>
Total liabilities deferred inflows of resources, and fund balance	\$ 1,604,485
	<hr/>
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	
Total <i>fund balance</i> for governmental funds	\$ 1,392,276
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Buildings, Improvements, Vehicles and Equipment(net)	374,444
Infrastructure (net)	
Deferred outflows of resources are not financial resources and therefore are not reported in the funds.	190,339
Deferred inflows of resources are not due and payable and therefore are not reported in the funds.	(347,149)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated Absences	(201,109)
Net pension	(2,549,301)
OPEB implicit rate subsidy	(46,879)
	<hr/>
Net Position of Governmental Activities	\$ (1,187,379)
	<hr/>

LEWIS AND CLARK COUNTY, MONTANA
 COMPONENT UNIT FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 For the Fiscal Year Ended June 30, 2016

	PUREVIEW HEALTH CENTER
REVENUES	
Intergovernmental	\$ 2,190,147
Charges for services	2,597,657
Miscellaneous	528,609
Interest earnings	3,936
	5,320,349
Total Revenues	5,320,349
EXPENDITURES	
Current:	
Public health	5,055,018
Capital outlay	15,000
	5,070,018
Total Expenditures	5,070,018
Excess (deficiency) of revenue over (under) expenditures	250,331
Net change in fund balances	250,331
Fund balance, July 1	1,141,945
Fund balance, June 30	\$ 1,392,276

**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	\$ 250,331
---	------------

The amounts reported for governmental activities in the statement of activities is different because:

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

Capital assets purchases capitalized	15,000
Depreciation expense	(33,499)

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

GASB68 recognition of On-behalf payments to Pension Plans	61,180
---	--------

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	(45,156)
Net pension	(350,119)
OPEB implicit rate subsidy	(3,158)

Change in net position of governmental activities	\$ (105,421)
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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:

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

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY NET POSITION - INVESTMENT TRUST FUNDS
 FIDUCIARY FUNDS
 June 30, 2016

	EXTERNAL PORTION INVESTMENT POOL	INDIVIDUAL INVESTMENT FUNDS	TOTAL INVESTMENT TRUST FUNDS
ASSETS			
Cash and cash equivalents	\$ 30,173,300	\$ 2,874,941	\$ 33,048,241
Investments	5,788,649	205,528	5,994,177
Total assets	35,961,949	3,080,469	39,042,418
NET POSITION			
Held in trust for:			
External investment pool participants	35,961,949	-	35,961,949
Individual investment accounts	-	3,080,469	3,080,469
Total net position	\$ 35,961,949	\$ 3,080,469	\$ 39,042,418

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - INVESTMENT TRUST FUNDS
 FIDUCIARY FUNDS
 For the Fiscal Year Ended June 30, 2016

	EXTERNAL PORTION INVESTMENT POOL	INDIVIDUAL INVESTMENT FUNDS	TOTAL INVESTMENT TRUST FUNDS
ADDITIONS			
Contributions to pooled investments	\$ 126,949,347	\$ 2,105,741	\$ 129,055,088
Interest and investment income	143,790	19,658	163,448
Total additions	127,093,137	2,125,399	129,218,536
DEDUCTIONS			
Distribution from pooled investments	127,882,065	1,361,221	129,243,286
Administrative expenses	4,301	-	4,301
Total deductions	127,886,366	1,361,221	129,247,587
Change in net position:			
Pool participants	(793,229)	764,178	(29,051)
Net position held in trust, beginning of year	36,755,178	2,316,291	39,071,469
Net position held in trust, end of year	\$ 35,961,949	\$ 3,080,469	\$ 39,042,418



LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – AGENCY FUNDS

Fiduciary Assets - Agency Funds are funds used to account for assets held by the County in a trustee capacity or as an agent for an individual, private organization, other governmental unit and/or fund. The following is a detailed list of these funds:

Specific

Tri-County Working Group
 Special Mobile Units - Holding
 Fairgrounds Users Foundation
 Payroll Fund
 Refund Revolving
 AT&T Advance Holding
 Sheriff’s Commissary
 Sheriff’s Volunteer Fire Department
 County Crime Prevention Program
 Sheriff’s Civil Trust
 Solid Waste Task Force
 Tax Deed Land
 Entitlement Levy

Tax Review
 Mobile Home/Partial Pay Holding
 Protested Tax
 Estate Administrator
 Redemption
 Clerk of District Court
 Investment Earnings
 Restitution
 Fairgrounds Security Deposits
 County Flex Plan
 Subdivision Improvement Agreement

Special Districts

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

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

Schools

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

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

Cities

City of Helena
 City of East Helena

LEWIS AND CLARK COUNTY, MONTANA

FIDUCIARY ASSETS – AGENCY FUNDS

State

Motor Vehicles - DOJ
Fines-Board of Outfitters
JP Fines and Forfeiture
Driver License Reinstate Fee
Wildlife Restitution
Court Surcharge
Clerk of Court Special Fee
Petition for Adoption
Commencement Action/Proc.
Dissolution of Marriage Fee
Petition for Legal Separation
District Court Fines

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

Other

Lewis and Clark Library

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2016
 (Page 1 of 6)

	TRI-COUNTY WORKING GROUP	SPEC MOBILE-UNITS HOLDING	FAIRGROUNDS USERS FOUNDATION	PAYROLL	REFUND REVOLVING
ASSETS					
Cash and cash equivalents	\$ 474	\$ -	\$ 22,431	\$ 36,425	\$ -
Investments	91	-	4,303	6,988	-
Receivables:					
Taxes/assessments	-	-	-	-	-
Due from other funds	-	-	-	9,816	-
Land held for resale	-	-	-	-	-
Total assets	\$ 565	\$ -	\$ 26,734	\$ 53,229	\$ -
Liabilities:					
Accounts payable	\$ 565	\$ -	\$ 26,734	\$ -	\$ -
Intergovernmental payable	-	-	-	53,229	-
Due to other funds	-	-	-	-	-
Total liabilities	\$ 565	\$ -	\$ 26,734	\$ 53,229	\$ -

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2016
 (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	\$ 825	\$ 28,875	\$ 2,012	\$ 606	\$ 25,805
Investments	158	5,539	386	116	4,951
Receivables:					
Taxes/assessments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ 983	\$ 34,414	\$ 2,398	\$ 722	\$ 30,756
Liabilities:					
Accounts payable	\$ 983	\$ 34,414	\$ 2,398	\$ 722	\$ 30,756
Intergovernmental payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	\$ 983	\$ 34,414	\$ 2,398	\$ 722	\$ 30,756

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2016
 (Page 3 of 6)

	SOLID WASTE TASK FORCE	TAX DEED LAND	ENTITLEMENT LEVY	TAX REVIEW	MOBILE HOME PARTIAL PAYMENT HOLDING
ASSETS					
Cash and cash equivalents	\$ 1,436	\$ -	\$ -	\$ 50,699	\$ -
Investments	275	-	-	9,726	-
Receivables:					
Taxes/assessments	-	-	97,234	-	-
Due from other funds	-	-	-	-	-
Land held for resale	-	22,628	-	-	-
Total assets	\$ 1,711	\$ 22,628	\$ 97,234	\$ 60,425	\$ -
Liabilities:					
Accounts payable	\$ 1,711	\$ 22,628	\$ -	\$ 60,425	\$ -
Intergovernmental payable	-	-	97,234	-	-
Due to other funds	-	-	-	-	-
Total liabilities	\$ 1,711	\$ 22,628	\$ 97,234	\$ 60,425	\$ -

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2016
 (Page 4 of 6)

	PROTESTED TAX	ESTATE ADMINISTRATOR	REDEMPTIONS	CLERK OF DISTRICT COURT	INVESTMENT EARNINGS
ASSETS					
Cash and cash equivalents	\$ 69,575	\$ 100,997	\$ 47,763	\$ 1,169,960	\$ 20,148
Investments	13,348	19,376	9,163	224,453	3,865
Receivables:					
Taxes/assessments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ 82,923	\$ 120,373	\$ 56,926	\$ 1,394,413	\$ 24,013
Liabilities:					
Accounts payable	\$ 82,923	\$ 120,373	\$ 56,926	\$ 1,394,413	\$ -
Intergovernmental payable	-	-	-	-	24,013
Due to other funds	-	-	-	-	-
Total liabilities	\$ 82,923	\$ 120,373	\$ 56,926	\$ 1,394,413	\$ 24,013

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2016
 (Page 5 of 6)

	<u>RESTITUTION</u>	<u>FAIRGROUNDS SECURITY DEPOSITS</u>	<u>COUNTY FLEX PLAN</u>	<u>SUBDIVISION IMPROVEMENT AGREEMENTS</u>	<u>SPECIAL DISTRICTS</u>
ASSETS					
Cash and cash equivalents	\$ 85,077	\$ 13,701	\$ -	\$ 2,281	\$ 54,162
Investments	16,322	2,628	-	438	10,391
Receivables:					
Taxes/assessments	-	-	-	-	82,430
Due from other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	<u>\$ 101,399</u>	<u>\$ 16,329</u>	<u>\$ -</u>	<u>\$ 2,719</u>	<u>\$ 146,983</u>
Liabilities:					
Accounts payable	\$ 101,399	\$ 16,329	\$ (9,816)	\$ 2,719	\$ -
Intergovernmental payable	-	-	-	-	146,983
Due to other funds	-	-	9,816	-	-
Total liabilities	<u>\$ 101,399</u>	<u>\$ 16,329</u>	<u>\$ -</u>	<u>\$ 2,719</u>	<u>\$ 146,983</u>

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FIDUCIARY FUNDS
 June 30, 2016
 (Page 6 of 6)

	SCHOOLS	CITIES	STATE	Justice Court Trust	Library	TOTAL AGENCY FUNDS
ASSETS						
Cash and cash equivalents	\$ -	\$ 259,887	\$ 774,216	\$ 25,743	\$ 3,828,375	\$ 6,621,473
Investments	-	49,859	148,531	-	734,461	1,265,368
Receivables:						
Taxes/assessments	1,470,591	736,916	550,838	-	118,857	3,056,866
Due from other funds	-	-	-	-	-	9,816
Land held for resale	-	-	-	-	-	22,628
Total assets	\$ 1,470,591	\$ 1,046,662	\$ 1,473,585	\$ 25,743	\$ 4,681,693	\$ 10,976,151
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 25,743	\$ -	\$ 1,972,345
Intergovernmental payable	1,470,591	1,046,662	1,473,585	-	4,681,693	8,993,990
Due to other funds	-	-	-	-	-	9,816
Total liabilities	\$ 1,470,591	\$ 1,046,662	\$ 1,473,585	\$ 25,743	\$ 4,681,693	\$ 10,976,151

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LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2016
 (Page 1 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
TRI-COUNTY WORKING GROUP				
ASSETS				
Cash and investments	\$ 1,047	\$ 3	\$ 485	\$ 565
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 1,047	\$ 3	\$ 485	\$ 565
LIABILITIES				
Accounts payable	\$ 1,047	\$ 3	\$ 485	\$ 565
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 1,047	\$ 3	\$ 485	\$ 565
SPECIAL MOBILE UNITS - HOLDING				
ASSETS				
Cash and investments	\$ -	\$ 131,334	\$ 131,334	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ -	\$ 131,334	\$ 131,334	\$ -
LIABILITIES				
Accounts payable	\$ -	\$ 131,334	\$ 131,334	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	\$ -	\$ 131,334	\$ 131,334	\$ -
FAIRGROUNDS USERS FOUNDATION				
ASSETS				
Cash and investments	\$ 44,337	\$ 18,524	\$ 36,127	\$ 26,734
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 44,337	\$ 18,524	\$ 36,127	\$ 26,734
LIABILITIES				
Accounts payable	\$ 44,337	\$ 18,524	\$ 36,127	\$ 26,734
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 44,337	\$ 18,524	\$ 36,127	\$ 26,734
PAYROLL FUND				
ASSETS				
Cash and investments	\$ 123,803	\$ 9,308,258	\$ 9,388,648	\$ 43,413
Receivables	-	-	-	-
Due from other County funds	-	9,816	-	9,816
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 123,803	\$ 9,318,074	\$ 9,388,648	\$ 53,229
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	123,803	9,308,258	9,378,832	53,229
Total Liabilities	\$ 123,803	\$ 9,308,258	\$ 9,378,832	\$ 53,229

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2016
 (Page 2 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
REFUND REVOLVING				
ASSETS				
Cash and investments	\$ -	\$ 32,992	\$ 32,992	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 32,992</u>	<u>\$ 32,992</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ 32,992	\$ 32,992	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 32,992</u>	<u>\$ 32,992</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	\$ 16,315	\$ 289,565	\$ 271,466	\$ 34,414
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 16,315</u>	<u>\$ 289,565</u>	<u>\$ 271,466</u>	<u>\$ 34,414</u>
LIABILITIES				
Accounts payable	\$ 16,315	\$ 289,565	\$ 271,466	\$ 34,414
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 16,315</u>	<u>\$ 289,565</u>	<u>\$ 271,466</u>	<u>\$ 34,414</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, 2016
 (Page 3 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
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	\$ 34,277	\$ 118,078	\$ 121,599	\$ 30,756
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 34,277</u>	<u>\$ 118,078</u>	<u>\$ 121,599</u>	<u>\$ 30,756</u>
LIABILITIES				
Accounts payable	\$ 34,277	\$ 118,078	\$ 121,599	\$ 30,756
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 34,277</u>	<u>\$ 118,078</u>	<u>\$ 121,599</u>	<u>\$ 30,756</u>
SOLID WASTE TASK FORCE				
ASSETS				
Cash and investments	\$ 1,711	\$ -	\$ -	\$ 1,711
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,711</u>
LIABILITIES				
Accounts payable	\$ 1,711	\$ -	\$ -	\$ 1,711
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 1,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,711</u>
TAX DEED LAND				
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	22,628	-	-	22,628
Total Assets	<u>\$ 22,628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,628</u>
LIABILITIES				
Accounts payable	\$ 22,628	\$ -	\$ -	\$ 22,628
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 22,628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,628</u>

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2016
 (Page 4 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
ENTITLEMENT LEVY				
ASSETS				
Cash and investments	\$ -	\$ 4,626,509	\$ 4,626,509	\$ -
Receivables	73,332	2,441,016	2,417,114	97,234
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 73,332	\$ 7,067,525	\$ 7,043,623	\$ 97,234
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	73,332	7,067,525	7,043,623	97,234
Total Liabilities	\$ 73,332	\$ 7,067,525	\$ 7,043,623	\$ 97,234
TAX REVIEW				
ASSETS				
Cash and investments	\$ 60,425	\$ -	\$ -	\$ 60,425
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 60,425	\$ -	\$ -	\$ 60,425
LIABILITIES				
Accounts payable	\$ 60,425	\$ -	\$ -	\$ 60,425
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 60,425	\$ -	\$ -	\$ 60,425
MOBILE HOME/PARTIAL PAY HOLDING				
ASSETS				
Cash and investments	\$ -	\$ 11,350	\$ 11,350	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ -	\$ 11,350	\$ 11,350	\$ -
LIABILITIES				
Accounts payable	\$ -	\$ 11,350	\$ 11,350	\$ -
Due to other governmental units	-	-	-	-
Total Liabilities	\$ -	\$ 11,350	\$ 11,350	\$ -
PROTESTED TAX				
ASSETS				
Cash and investments	\$ 364,586	\$ 1,167,301	\$ 1,448,964	\$ 82,923
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 364,586	\$ 1,167,301	\$ 1,448,964	\$ 82,923
LIABILITIES				
Accounts payable	\$ 364,586	\$ 1,167,301	\$ 1,448,964	\$ 82,923
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 364,586	\$ 1,167,301	\$ 1,448,964	\$ 82,923

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2016
 (Page 5 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
ESTATE ADMINISTRATION				
ASSETS				
Cash and investments	\$ 120,373	\$ -	\$ -	\$ 120,373
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 120,373	\$ -	\$ -	\$ 120,373
LIABILITIES				
Accounts payable	\$ 120,373	\$ -	\$ -	\$ 120,373
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 120,373	\$ -	\$ -	\$ 120,373
REDEMPTIONS				
ASSETS				
Cash and investments	\$ 45,399	\$ 899,017	\$ 887,490	\$ 56,926
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 45,399	\$ 899,017	\$ 887,490	\$ 56,926
LIABILITIES				
Accounts payable	\$ 45,399	\$ 899,017	\$ 887,490	\$ 56,926
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 45,399	\$ 899,017	\$ 887,490	\$ 56,926
CLERK OF DISTRICT COURT				
ASSETS				
Cash and investments	\$ 1,996,488	\$ 1,376,204	\$ 1,978,279	\$ 1,394,413
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 1,996,488	\$ 1,376,204	\$ 1,978,279	\$ 1,394,413
LIABILITIES				
Accounts payable	\$ 1,996,488	\$ 1,376,204	\$ 1,978,279	\$ 1,394,413
Due to other governmental units	-	-	-	-
Total Liabilities	\$ 1,996,488	\$ 1,376,204	\$ 1,978,279	\$ 1,394,413
INVESTMENT EARNINGS				
ASSETS				
Cash and investments	\$ 24,194	\$ 392,396	\$ 392,577	\$ 24,013
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 24,194	\$ 392,396	\$ 392,577	\$ 24,013
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	24,194	392,396	392,577	24,013
Total Liabilities	\$ 24,194	\$ 392,396	\$ 392,577	\$ 24,013

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2016
 (Page 6 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
RESTITUTION				
ASSETS				
Cash and investments	\$ 106,518	\$ 145,625	\$ 150,744	\$ 101,399
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 106,518</u>	<u>\$ 145,625</u>	<u>\$ 150,744</u>	<u>\$ 101,399</u>
LIABILITIES				
Accounts payable	\$ 106,518	\$ 145,625	\$ 150,744	\$ 101,399
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 106,518</u>	<u>\$ 145,625</u>	<u>\$ 150,744</u>	<u>\$ 101,399</u>
FAIRGROUNDS SECURITY DEPOSITS				
ASSETS				
Cash and investments	\$ 18,930	\$ 12,549	\$ 15,150	\$ 16,329
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 18,930</u>	<u>\$ 12,549</u>	<u>\$ 15,150</u>	<u>\$ 16,329</u>
LIABILITIES				
Accounts payable	\$ 18,930	\$ 12,549	\$ 15,150	\$ 16,329
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 18,930</u>	<u>\$ 12,549</u>	<u>\$ 15,150</u>	<u>\$ 16,329</u>
COUNTY FLEX PLAN				
ASSETS				
Cash and investments	\$ -	\$ 240,472	\$ 240,472	\$ -
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 240,472</u>	<u>\$ 240,472</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ -	\$ 240,472	\$ 250,288	\$ (9,816)
Due to other governmental units	-	-	-	-
Due to other County funds	-	9,816	-	9,816
Total Liabilities	<u>\$ -</u>	<u>\$ 250,288</u>	<u>\$ 250,288</u>	<u>\$ -</u>
SUBDIVISION IMPROVEMENT AGREEMENTS				
ASSETS				
Cash and investments	\$ 20,923	\$ 3,405	\$ 21,609	\$ 2,719
Receivables	-	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 20,923</u>	<u>\$ 3,405</u>	<u>\$ 21,609</u>	<u>\$ 2,719</u>
LIABILITIES				
Accounts payable	\$ 20,923	\$ 3,405	\$ 21,609	\$ 2,719
Due to other governmental units	-	-	-	-
Total Liabilities	<u>\$ 20,923</u>	<u>\$ 3,405</u>	<u>\$ 21,609</u>	<u>\$ 2,719</u>

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2016
 (Page 7 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
SPECIAL DISTRICTS				
ASSETS				
Cash and investments	\$ 61,610	\$ 172,004	\$ 169,061	\$ 64,553
Receivables	95,892	2,528,718	2,542,180	82,430
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 157,502</u>	<u>\$ 2,700,722</u>	<u>\$ 2,711,241</u>	<u>\$ 146,983</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	157,502	2,700,722	2,711,241	146,983
Total Liabilities	<u>\$ 157,502</u>	<u>\$ 2,700,722</u>	<u>\$ 2,711,241</u>	<u>\$ 146,983</u>
SCHOOL FUNDS				
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables	1,156,100	36,173,987	35,859,496	1,470,591
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,156,100</u>	<u>\$ 36,173,987</u>	<u>\$ 35,859,496</u>	<u>\$ 1,470,591</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,156,100	36,173,987	35,859,496	1,470,591
Total Liabilities	<u>\$ 1,156,100</u>	<u>\$ 36,173,987</u>	<u>\$ 35,859,496</u>	<u>\$ 1,470,591</u>
CITY FUNDS				
ASSETS				
Cash and investments	\$ 501,874	\$ 20,822,005	\$ 21,014,133	\$ 309,746
Receivables	562,446	20,874,662	20,700,192	736,916
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,064,320</u>	<u>\$ 41,696,667</u>	<u>\$ 41,714,325</u>	<u>\$ 1,046,662</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,064,320	41,696,667	41,714,325	1,046,662
Total Liabilities	<u>\$ 1,064,320</u>	<u>\$ 41,696,667</u>	<u>\$ 41,714,325</u>	<u>\$ 1,046,662</u>
STATE FUNDS				
ASSETS				
Cash and investments	\$ 1,093,132	\$ 22,104,687	\$ 22,275,072	\$ 922,747
Receivables	390,116	13,623,679	13,462,957	550,838
Land acquired by tax deed	-	-	-	-
Total Assets	<u>\$ 1,483,248</u>	<u>\$ 35,728,366</u>	<u>\$ 35,738,029</u>	<u>\$ 1,473,585</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	1,483,248	35,728,366	35,738,029	1,473,585
Total Liabilities	<u>\$ 1,483,248</u>	<u>\$ 35,728,366</u>	<u>\$ 35,738,029</u>	<u>\$ 1,473,585</u>

LEWIS AND CLARK COUNTY, MONTANA
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2016
 (Page 8 of 8)

	BALANCE July 1, 2015	ADDITIONS	DELETIONS	BALANCE June 30, 2016
JUSTICE COURT TRUST				
ASSETS				
Cash and investments	\$ 22,793	\$ 614,637	\$ 611,687	\$ 25,743
Receivables	-	-	-	-
Due from other County funds	(1) -	-	-	-
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 22,793	\$ 614,637	\$ 611,687	\$ 25,743
LIABILITIES				
Accounts payable	\$ 22,793	\$ 614,637	\$ 611,687	\$ 25,743
Due to other governmental units	-	0	0	-
Total Liabilities	\$ 22,793	\$ 614,637	\$ 611,687	\$ 25,743
LIBRARY				
ASSETS				
Cash and investments	\$ 4,500,684	\$ 3,256,585	\$ 3,194,433	\$ 4,562,836
Receivables	89,847	2,976,820	2,947,810	118,857
Land acquired by tax deed	-	-	-	-
Total Assets	\$ 4,590,531	\$ 6,233,405	\$ 6,142,243	\$ 4,681,693
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	4,590,531	6,233,405	6,142,243	4,681,693
Total Liabilities	\$ 4,590,531	\$ 6,233,405	\$ 6,142,243	\$ 4,681,693
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 9,163,522	\$ 65,710,508	\$ 66,987,189	\$ 7,886,841
Receivables	2,367,733	78,651,874	77,962,741	3,056,866
Due from other County funds	-	9,816	-	9,816
Land acquired by tax deed	22,628	-	-	22,628
Total Assets	\$ 11,553,883	\$ 144,372,198	\$ 144,949,930	\$ 10,976,151
LIABILITIES				
Accounts payable	\$ 2,880,853	\$ 5,028,064	\$ 5,936,572	\$ 1,972,345
Due to other governmental units	8,673,030	139,334,318	139,013,358	8,993,990
Due to other County funds	-	9,816	-	9,816
Total Liabilities	\$ 11,553,883	\$ 144,372,198	\$ 144,949,930	\$ 10,976,151



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

**LEWIS AND CLARK COUNTY, MONTANA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE (1)
June 30, 2016 and 2015**

	2016	2015
Governmental Funds Capital Assets:		
Land	\$ 6,099,562	\$ 4,963,140
Buildings	20,787,324	15,680,798 (2)
Improvements other than buildings	2,367,075	2,367,075
Infrastructure	22,825,659	22,339,065
Machinery and equipment	15,195,386	13,170,580
Total Governmental Funds Capital Assets	\$ 67,275,006	\$ 58,520,658
 Investment in Governmental Funds Capital Assets by Source:		
General fund	\$ 13,198,039	\$ 8,208,859 (2)
Special revenue funds	15,319,386	15,004,437
Capital projects funds	38,757,581	35,307,362
Total Governmental Funds Capital Assets	\$ 67,275,006	\$ 58,520,658

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

(2) Prior period adjustments changed beginning balances.

LEWIS AND CLARK COUNTY, MONTANA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY (1)
 June 30, 2016

FUNCTION AND ACTIVITY	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	INFRASTRUCTURE	MACHINERY AND EQUIPMENT	TOTAL
GENERAL GOVERNMENT						
Legislative services	\$ -	\$ 769,361	\$ -	\$ -	\$ 22,000	\$ 791,361
Judicial services	-	172,263	-	-	12,516	184,779
Administrative services	2,070,625	5,436,238	548,124	-	163,020	8,218,007
Financial services	-	-	-	-	374,415	374,415
Election services	-	-	-	-	234,200	234,200
Planning services	-	-	-	-	79,591	79,591
Records administration	-	-	-	-	348,898	348,898
Legal services	-	801,370	-	-	55,129	856,499
Total General Government	2,070,625	7,179,232	548,124	-	1,289,769	11,087,750
PUBLIC SAFETY						
Law enforcement services	-	1,839,470	-	6,006,233	4,829,583	12,675,286
Detention and correction services	-	3,589,561	-	-	-	3,589,561
Animal control	-	-	-	-	19,455	19,455
Fire protection and control	125,307	424,870	-	-	223,957	774,134
Civil defense	22,865	-	-	-	177,295	200,160
Total Public Safety	148,172	5,853,901	-	6,006,233	5,250,290	17,258,596
PUBLIC WORKS						
Public work administration	-	32,757	-	-	31,721	64,478
Road and street services	3,857,285	-	1,045,879	16,819,426	7,952,486	29,675,076
Cemetery services	-	88,304	748,456	-	117,691	954,451
Facilities administration	-	241,932	-	-	24,252	266,184
Weed spraying services	-	160,960	-	-	269,028	429,988
Total Public Works	3,857,285	523,953	1,794,335	16,819,426	8,395,178	31,390,177
PUBLIC HEALTH						
Public health services	-	5,106,526	-	-	211,467	5,317,993
Total Public Health	-	5,106,526	-	-	211,467	5,317,993
CULTURE AND RECREATION						
Park and recreations services	23,480	-	24,616	-	32,882	80,978
Library services	-	2,123,712	-	-	-	2,123,712
Total Culture and Recreation	23,480	2,123,712	24,616	-	32,882	2,204,690
SOCIAL AND ECONOMICS						
County extension	-	-	-	-	15,800	15,800
Total Social and Economics	-	-	-	-	15,800	15,800
Total Governmental Funds Capital Assets	\$ 6,099,562	\$ 20,787,324	\$ 2,367,075	\$ 22,825,659	\$ 15,195,386	\$ 67,275,006

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

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, 2016

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2015	ADDITIONS	DEDUCTIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2016
GENERAL GOVERNMENT				
Legislative services	\$ 791,361	\$ -	\$ -	\$ 791,361
Judicial services	184,779	-	-	184,779
Administrative services	7,070,031 (2)	1,202,949	54,973	8,218,007
Financial services	374,415	-	-	374,415
Election services	234,200	-	-	234,200
Planning services	79,591	-	-	79,591
Records administration	354,335	-	5,437	348,898
Legal services	856,499	-	-	856,499
Total General Government	13,445,211	1,202,949	60,410	11,087,750
PUBLIC SAFETY				
Law enforcement services	12,487,334	322,367	134,415	12,675,286
Detention and correction services	3,589,561	-	-	3,589,561
Animal control	19,455	-	-	19,455
Fire services	741,896	67,377	35,139	774,134
Civil defense	75,863	124,297	-	200,160
Total Public Safety	16,914,109	514,041	169,554	17,258,596
PUBLIC WORKS				
Public work administration	64,478	-	-	64,478
Road and street services	27,520,925	2,186,217	32,066	29,675,076
Cemetery services	954,451	-	-	954,451
Facilities administration	266,184	-	-	266,184
Weed spraying services	423,343	28,645	22,000	429,988
Total Public Works	29,229,381	2,214,862	54,066	31,390,177
PUBLIC HEALTH				
Public health services	211,467	5,106,526	-	5,317,993
Total Public Health	211,467	5,106,526	-	5,317,993
CULTURE AND RECREATION				
Park and recreations services	80,978	-	-	80,978
Library services	2,123,712	-	-	2,123,712
Total Culture and Recreation	2,204,690	-	-	2,204,690
SOCIAL AND ECONOMICS				
County extension	15,800	-	-	15,800
Total Social and Economics	15,800	-	-	15,800
Total Governmental Funds Capital Assets	\$ 62,020,658	\$ 9,038,378	\$ 284,030	\$ 67,275,006

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

(2) Prior period adjustments changed beginning balances.

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>	215-219
Revenue Capacity <i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	220-223
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>	224-228
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>	229-230
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>	231-233

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)

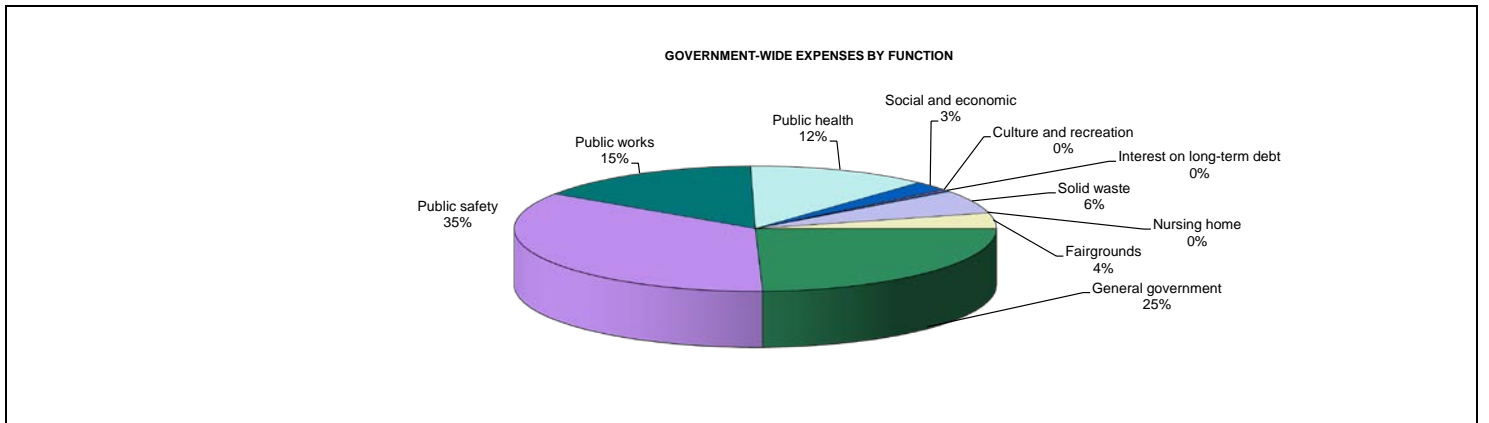
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net Investment in capital assets	\$22,343	\$24,104	\$26,686	\$27,500	\$28,039	\$30,596	\$31,553	\$33,892	\$42,525	\$42,642
Restricted	6,170	7,543	8,419	4,676	4,346	3,887	4,581	4,551	2,977	2,953
Unrestricted	10,598	11,521	11,232	16,856	19,048	20,360	21,745	22,877	2,735	6,980
Total governmental activities net position	\$39,111	\$43,168	\$46,337	\$49,032	\$51,433	\$54,843	\$57,879	\$61,320	\$48,237	\$52,575
Business-type activities										
Net Investment in capital assets	\$ 4,319	\$ 6,774	\$10,407	\$11,187	\$11,684	\$10,645	\$11,157	\$11,780	\$11,849	\$11,656
Restricted	498	2,704	1,164	908	858	936	884	886	561	563
Unrestricted	3,007	(839)	(2,045)	(1,529)	(1,570)	(246)	272	1,234	1,287	2,105
Total business-type activities net position	\$ 7,824	\$ 8,639	\$ 9,526	\$10,566	\$10,972	\$11,335	\$12,313	\$13,900	\$13,697	\$14,324
Primary government										
Net Investment in capital assets	\$26,662	\$30,878	\$37,093	\$38,687	\$39,723	\$41,241	\$42,710	\$45,672	\$54,374	\$54,298
Restricted	6,668	10,247	9,583	5,584	5,204	4,823	5,465	5,437	3,538	3,516
Unrestricted	13,605	10,682	9,187	15,327	17,478	20,114	22,017	24,111	4,022	9,085
Total primary government net position	\$46,935	\$51,807	\$55,863	\$59,598	\$62,405	\$66,178	\$70,192	\$75,220	\$61,934	\$66,899

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 10,709	\$ 7,521	\$ 9,444	\$ 8,785	\$ 8,639	\$ 10,666	\$ 9,822	\$ 14,967	\$ 10,325	\$ 11,778
Public safety	4,900	8,860	9,343	10,255	10,590	11,493	11,968	13,093	14,673	13,127
Public works	4,484	4,777	4,187	6,584	6,350	6,094	6,197	6,742	6,449	5,455
Public health	3,352	3,580	3,917	4,056	4,051	4,402	4,955	4,678	5,131	5,273
Social and economic	1,726	1,746	1,243	1,167	1,466	1,077	1,457	954	1,029	1,018
Culture and recreation	91	99	125	149	174	106	162	129	118	104
Interest on long-term debt	311	338	324	249	305	317	148	135	131	131
Total governmental activities expenses	<u>25,573</u>	<u>26,921</u>	<u>28,583</u>	<u>31,245</u>	<u>31,575</u>	<u>34,155</u>	<u>34,709</u>	<u>40,698</u>	<u>37,856</u>	<u>36,886</u>
Business-type activities:										
Solid waste	2,021	2,213	2,267	2,469	2,618	2,571	2,575	2,389	2,558	2,532
Nursing home	5,353	5,493	5,915	6,169	5,896	5,756	200	35	-	-
Fairgrounds	708	671	1,182	1,528	1,546	1,548	1,629	1,571	1,693	1,762
Total business-type activities expenses	<u>8,082</u>	<u>8,377</u>	<u>9,364</u>	<u>10,166</u>	<u>10,060</u>	<u>9,875</u>	<u>4,404</u>	<u>3,995</u>	<u>4,251</u>	<u>4,294</u>
Total primary government expenses	<u>\$ 33,655</u>	<u>\$ 35,298</u>	<u>\$ 37,947</u>	<u>\$ 41,411</u>	<u>\$ 41,635</u>	<u>\$ 44,030</u>	<u>\$ 39,113</u>	<u>\$ 44,693</u>	<u>\$ 42,107</u>	<u>\$ 41,180</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,649	\$ 1,580	\$ 1,632	\$ 1,675	\$ 1,544	\$ 1,702	\$ 1,792	\$ 1,622	\$ 1,651	\$ 1,661
Public safety	828	677	771	768	792	881	1,019	1,695	2,709	1,426
Public works	63	102	85	107	103	116	108	145	164	133
Public health	646	835	826	797	1,011	1,201	1,279	1,428	1,520	1,711
Social and economic	5	3	2	1	2	3	2	3	4	4
Operating grants and contributions	2,692	2,832	3,124	3,100	3,197	3,182	3,879	3,628	3,797	4,554
Capital grants and contributions	1,733	2,629	5,549	2,334	1,417	2,829	1,998	2,827	778	1,030
Total governmental activities program revenues	<u>7,616</u>	<u>8,658</u>	<u>11,989</u>	<u>8,782</u>	<u>8,066</u>	<u>9,914</u>	<u>10,077</u>	<u>11,348</u>	<u>10,623</u>	<u>10,519</u>
Business-type activities:										
Charges for services:										
Solid waste	2,113	2,217	2,043	2,929	2,661	2,892	2,918	3,017	3,307	3,389
Nursing home	5,048	5,093	5,583	5,474	5,346	4,400	12	-	6	41
Fairgrounds	432	417	584	696	813	793	888	949	1,017	956
Operating grants and contributions	-	-	-	-	22	27	11	22	34	34
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>7,593</u>	<u>7,727</u>	<u>8,210</u>	<u>9,099</u>	<u>8,842</u>	<u>8,112</u>	<u>3,829</u>	<u>3,988</u>	<u>4,364</u>	<u>4,420</u>
Total primary government program revenues	<u>\$ 15,209</u>	<u>\$ 16,385</u>	<u>\$ 20,199</u>	<u>\$ 17,881</u>	<u>\$ 16,908</u>	<u>\$ 18,026</u>	<u>\$ 13,906</u>	<u>\$ 15,336</u>	<u>\$ 14,987</u>	<u>\$ 14,939</u>
Net (expense) revenue										
Governmental activities:	\$ (17,957)	\$ (18,263)	\$ (16,594)	\$ (22,463)	\$ (23,509)	\$ (24,241)	\$ (24,632)	\$ (29,350)	\$ (27,233)	\$ (26,367)
Business-type activities	(489)	(650)	(1,154)	(1,067)	(1,218)	(1,763)	(575)	(7)	113	126
Total primary government expenses	<u>\$ (18,446)</u>	<u>\$ (18,913)</u>	<u>\$ (17,748)</u>	<u>\$ (23,530)</u>	<u>\$ (24,727)</u>	<u>\$ (26,004)</u>	<u>\$ (25,207)</u>	<u>\$ (29,357)</u>	<u>\$ (27,120)</u>	<u>\$ (26,241)</u>

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 14,153	\$ 15,934	\$ 16,226	\$ 18,300	\$ 18,916	\$ 19,939	\$ 20,094	\$ 21,444	\$ 20,548	\$ 22,014
Local option tax	1,946	2,041	1,974	2,052	2,063	2,112	2,265	2,388	2,601	2,750
Other taxes	22	18	29	35	47	53	6	33	30	16
Unrestricted grants and contributions	2,884	2,896	4,179	4,266	3,949	4,348	4,465	6,817	9,700	5,386
Unrestricted Investment earnings	891	921	468	277	232	168	152	306	103	181
Miscellaneous	388	644	550	680	914	1,084	735	1,820	646	1,793
Contributions of capital assets	-	-	(2,964)	-	-	-	-	-	-	-
Transfers	(259)	(133)	(699)	(452)	(211)	(53)	(49)	(18)	(41)	(50)
Total governmental activities	20,025	22,321	19,763	25,158	25,910	27,651	27,668	32,790	33,587	32,090
Business-type activities:										
Taxes	1,133	1,139	1,245	1,351	1,402	1,451	1,495	1,568	317	410
Unrestricted grants and contributions	-	70	43	287	-	-	-	-	-	-
Unrestricted Investment earnings	184	180	55	17	10	9	8	6	41	41
Miscellaneous	(33)	(57)	-	-	-	614	-	3	1	-
Transfers	259	133	699	452	211	53	49	18	41	50
Total business-type activities	1,543	1,465	2,042	2,107	1,623	2,127	1,552	1,595	400	501
Total primary government	\$ 21,568	\$ 23,786	\$ 21,805	\$ 27,265	\$ 27,533	\$ 29,778	\$ 29,220	\$ 34,385	\$ 33,987	\$ 32,591
Change in Net Position										
Governmental activities	\$ 2,068	\$ 4,058	\$ 3,169	\$ 2,695	\$ 2,401	\$ 3,410	\$ 3,036	\$ 3,440	\$ 6,354	\$ 5,723
Business-type activities	1,054	815	888	1,040	405	364	977	1,588	513	627
Total primary government	\$ 3,122	\$ 4,873	\$ 4,057	\$ 3,735	\$ 2,806	\$ 3,774	\$ 4,013	\$ 5,028	\$ 6,867	\$ 6,350



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General fund										
Nonspendable	\$ 48	\$ 61	\$ 45	\$ 61	\$ 121	\$ 96	\$ 108	\$ 101	\$ 69	\$ 70
Restricted	-	-	-	-	-	-	-	3	-	-
Unrestricted:										
Committed	-	8	10	59	81	7	3	4	1,705	19
Assigned	768	819	399	559	354	451	580	1,113	719	1,440
Unassigned	1,291	1,189	1,446	1,485	2,224	1,869	2,279	619	592	3,069
Total general fund	\$ 2,107	\$ 2,077	\$ 1,900	\$ 2,164	\$ 2,780	\$ 2,423	\$ 2,970	\$ 1,840	\$ 3,085	\$ 4,598
All other governmental funds										
Nonspendable	\$ 568	\$ 1,717	\$ 3,282	\$ 3,014	\$ 2,634	\$ 2,371	\$ 766	\$ 750	\$ 774	\$ 843
Restricted	1,670	1,522	1,579	1,530	4,389	4,105	5,795	5,643	4,023	3,670
Unrestricted:										
Committed	8,508	9,457	9,218	10,435	11,871	13,072	13,644	16,425	17,285	18,442
Assigned	88	48	214	119	125	29	9	31	23	120
Unassigned	(57)	-	(53)	(54)	-	-	-	-	-	(131)
Total all other governmental funds	\$ 10,777	\$ 12,744	\$ 14,240	\$ 15,044	\$ 19,019	\$ 19,577	\$ 20,214	\$ 22,849	\$ 22,105	\$ 22,944

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)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes/assessments	\$ 15,821	\$ 17,930	\$ 19,145	\$ 19,136	\$ 21,436	\$ 21,209	\$ 22,040	\$ 25,185	\$ 24,184	\$ 24,819
Licenses and permits	168	183	214	274	190	266	332	286	280	289
Intergovernmental	7,308	8,357	12,852	9,700	8,563	10,359	10,282	13,272	9,143	10,698
Charges for services	2,460	2,475	2,543	2,504	2,667	3,089	3,302	4,049	5,296	4,106
Fines and forfeitures	563	539	560	570	594	549	567	558	473	540
Miscellaneous	365	604	505	637	974	518	776	1,177	761	726
Interest earnings	778	818	423	255	219	159	143	302	98	164
Total revenues	27,463	30,906	36,242	33,076	34,643	36,149	37,442	44,829	40,235	41,342
Expenditures										
General government	6,683	7,235	7,770	7,708	8,807	9,946	9,986	14,348	10,456	11,670
Public safety	7,342	7,982	8,430	9,156	9,601	10,506	11,067	12,152	13,732	12,472
Public works	3,787	4,063	4,222	4,614	5,028	4,898	5,199	5,827	5,728	4,839
Public health	3,337	3,556	3,876	4,006	4,034	4,367	4,933	4,667	5,121	5,290
Social and economic	1,723	1,743	1,241	1,166	1,464	1,075	1,456	952	1,027	1,022
Culture and recreation	36	44	40	94	118	48	104	71	60	46
Debt service										
Principal	735	661	1,183	1,215	873	727	646	556	430	500
Interest	228	227	221	144	190	392	133	120	115	121
Capital outlay	2,786	4,401	8,186	4,395	2,709	4,028	2,766	4,074	3,947	2,827
Total expenditures	26,657	29,912	35,169	32,498	32,824	35,987	36,290	42,767	40,616	38,787
Excess of revenues over (under) expenditures	806	994	1,073	578	1,819	162	1,152	2,062	(381)	2,555
Other financing sources (uses)										
Transfers in	3,099	3,219	4,576	3,586	4,401	4,306	4,927	5,057	6,968	5,940
Transfers out	(3,503)	(3,480)	(5,421)	(4,105)	(4,631)	(4,427)	(5,041)	(5,973)	(6,987)	(6,143)
Loans	243	1,154	1,050	969	3,002	9	-	238	991	-
Proceeds from sale of capital assets	13	50	41	40	-	150	36	232	(90)	-
Gain (Loss) on sale of investments	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(148)	943	246	490	2,772	38	(78)	(446)	882	(203)
Net change in fund balances	\$ 658	\$ 1,937	\$ 1,319	\$ 1,068	\$ 4,591	\$ 200	\$ 1,074	\$ 1,616	\$ 501	\$ 2,352
Debt service as a percentage of noncapital expenditures	3.6%	3.3%	4.6%	4.2%	3.2%	3.1%	2.1%	1.6%	1.3%	1.6%

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

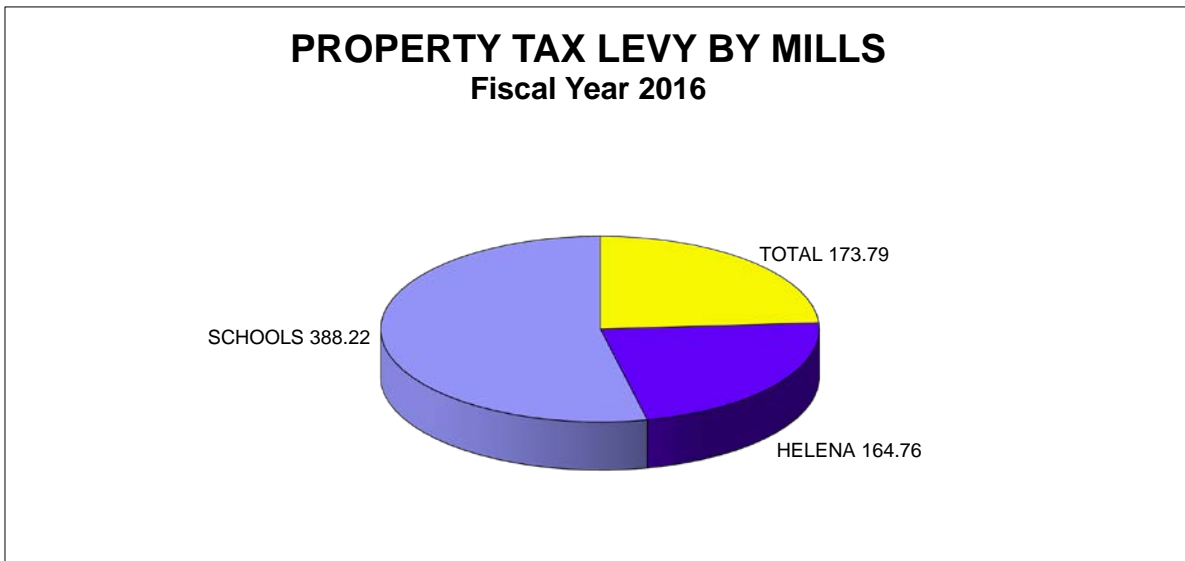
FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	MOBILE HOMES	MOTOR VEHICLE	CENTRALLY ASSESSED	TAX INCREMENT DISTRICT	TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
2007	\$ 91,660	\$ 2,629	\$ 1,170	n/a	\$ 18,325	\$ -	\$ 113,784	162.80
2008	97,794	-	1,159	n/a	21,461	-	120,414	161.74
2009	100,660	5,784	1,108	n/a	21,518	-	129,070	160.70
2010	82,536	2,663	1,028	n/a	21,945	-	108,172	160.98
2011	83,823	2,547	1,015	n/a	25,729	-	113,114	171.34
2012	85,534	2,158	977	n/a	26,694	-	115,363	173.90
2013	86,678	1,920	931	n/a	26,391	-	115,920	177.28
2014	103,273	2,228	913	n/a	12,875	-	119,289	179.91
2015	90,583	1,696	759	n/a	23,420	-	116,458	173.75
2016	92,677	2,539	723	n/a	25,048	-	120,987	173.79

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

Source: County Property Tax Department

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

FISCAL YEAR	LEWIS AND CLARK COUNTY						OVERLAPPING RATES		TOTAL DIRECT & OVERLAPPING DEBT
	ALL PURPOSE	DEBT SERVICE	LIBRARY	PUBLIC SAFETY	OTHER LEVIES	TOTAL DIRECT	CITY OF HELENA	SCHOOLS	
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	346.02	682.50
2014	38.67	0.53	21.99	60.28	58.44	179.91	159.10	361.74	700.75
2015	39.30	0.50	22.65	62.10	49.20	173.75	168.17	408.32	750.24
2016	39.15	0.58	22.56	61.86	49.64	173.79	164.76	388.22	726.77



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

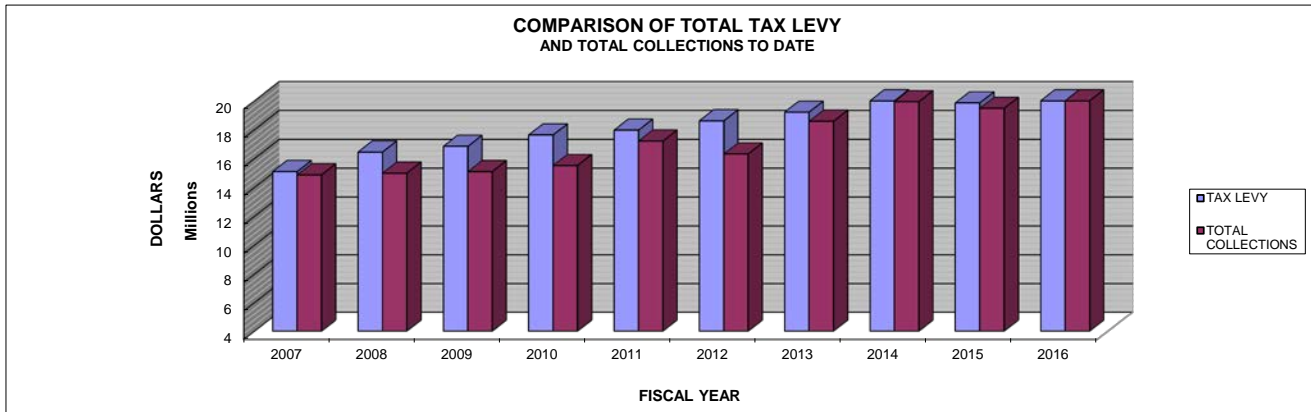
TAXPAYER	2015			2006		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF COUNTY TAXABLE ASSESSED VALUE
North Western Energy LLC	\$ 15,507,500	1	12.78%	\$ 10,800,044	1	12.32%
Celloco Partnership DBA Verizon Wireless	3,334,029	2	2.74%	2,659,328	2	3.04%
Century Link (Qwest)	1,765,760	3	1.45%	2,521,350	3	2.87%
Railways	1,416,841	4	1.16%	929,824	4	1.06%
Bresnan Communications	1,193,781	5	0.97%	-	-	-
The Boeing Company	1,166,445	6	0.95%	-	-	-
Yellowstone Pipeline Co	510,329	7	0.41%	-	-	-
Helena Federal Office Complex LLC	472,877	8	0.38%	407,885	6	0.46%
Touchmark on Saddle Drive LLC	343,533	9	0.27%	300,352	9	0.33%
Wal-Mart Stores Inc.	329,881	10	0.26%	341,078	7	0.39%
American Smelting & Refining	-	-	-	425,008	5	0.48%
AT&T Communications	-	-	-	322,106	8	0.37%
American Chemet Corporation	-	-	-	296,389	10	0.33%
PPL Montana LLC	-	-	-	2,659,328	2	3.04%
Total	<u>\$ 26,040,976</u>		<u>21.37%</u>	<u>\$ 21,662,692</u>		<u>24.69%</u>

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)
2007	\$ 15,098,296	\$ 13,674,775	90.57%	\$ 1,195,681	\$ 14,870,536	98.49%
2008	16,450,507	13,477,161	81.93%	1,510,981	14,988,142	91.11%
2009	16,842,558	13,818,447	82.04%	1,275,931	15,094,378	89.62%
2010	17,631,450	14,060,369	79.75%	1,458,188	15,518,557	88.02%
2011	17,965,134	16,052,571	89.35%	1,152,239	17,204,810	95.77%
2012	18,612,722	15,161,798	81.46%	1,157,035	16,318,833	87.68%
2013	19,206,701	17,175,186	89.42%	1,403,967	18,579,153	96.73%
2014	20,137,735	18,593,745	92.33%	1,344,544	19,938,289	99.01%
2015	19,857,154	19,359,785	97.50%	114,761	19,474,546	98.07%
2016	21,822,894	22,175,184	101.61%	-	22,175,184	101.61%

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

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)	Outstanding Debt per Capita (2)
	General Obligation Bonds	Revenue Bonds	Special Assessment Debt	Contracts/Loans	Capital Leases	Revenue Bonds	Contracts/Loans			
2007	\$ -	\$ 565	\$ 1,208	\$ 2,172	\$ -	\$ 3,890	\$ 118	\$ 7,953	0.36%	\$ 132
2008	-	525	1,836	2,116	-	7,233	98	11,808	0.50%	191
2009	-	485	1,999	1,894	-	7,251	77	11,706	0.50%	187
2010	-	440	1,755	1,990	-	6,489	88	10,762	0.44%	169
2011	2,870	395	1,497	1,661	-	5,372	61	11,856	0.47%	185
2012	2,755	345	1,231	1,229	-	5,215	34	10,809	0.41%	167
2013	2,635	295	975	960	-	4,141	-	9,006	0.34%	138
2014	2,515	240	931	805	-	3,249	-	7,740	0.28%	118
2015	3,120	185	1,048	645	-	2,644	-	7,642	N/A	N/A
2016	2,947	125	887	479	-	2,346	-	6,784	N/A	N/A

Source and other information:

- (1) See the Schedule for Demographic Statistics on page 229 for personal income and population data. Personal income equals estimated population multiplied by per capita income.
- (2) Equals Total Primary Government debt divided by estimated population

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

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNT AVAILABLE IN DEBT SERVICE FUNDS	TOTAL	PERCENTAGE OF TAXABLE VALUE OF PROPERTY	PER CAPITA
2007	\$ -	\$ -	\$ -	0.00%	\$ -
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	2,870	23	2,847	2.52%	44.32
2012	2,755	35	2,720	2.36%	41.95
2013	2,635	8	2,627	2.27%	40.21
2014	2,515	20	2,495	2.09%	37.89
2015	3,120	24	3,096	2.66%	46.12
2016	2,947	77	2,870	2.37%	42.33

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

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

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

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$10,401	\$10,768	\$11,462	\$84,174	\$89,862	\$93,582	\$97,758	\$102,849	\$106,395	\$ 174,414
Total net debt applicable to limit	-	-	-	-	2,893	2,790	2,643	2,535	3,144	3,024
Legal debt margin	<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>	<u>\$100,314</u>	<u>\$103,251</u>	<u>\$ 171,390</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	3.22%	2.98%	2.70%	2.46%	2.96%	1.73%

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Value	\$6,976,582
Debt Limit 2.5% of Assessed Value	<u>2.50%</u>
General Obligation Debt Limit (1)	174,415
Outstanding General Obligation Debt, June 30, 2016	\$ 2,947
Less: Amount set aside for repayment of General Obligation Debt	<u>77</u>
Total net debt applicable to limit	<u>3,024</u>
Legal Debt Margin	<u><u>\$ 177,439</u></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
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%
2014	1,320,513	611,206	709,307	326,418	33,838	360,256	196.9%
2015	1,554,253	639,981	914,272	330,017	30,239	360,256	253.8%
2016	1,745,996	673,708	1,072,288	333,714	26,542	360,256	297.6%

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
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%
2014	329,882	229,713	100,169	55,000	14,990	69,990	143.1%
2015	399,454	275,252	124,202	60,000	9,435	69,435	178.9%
2016	602,788	291,804	310,984	65,000	3,315	68,315	455.2%

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
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	n/a	n/a	n/a	n/a	n/a	n/a (4)
2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a (4)
2014	n/a	n/a	n/a	n/a	n/a	n/a	n/a (4)
2015	n/a	n/a	n/a	n/a	n/a	n/a	n/a (4)
2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a (4)

SPECIAL ASSESSMENT DEBT:

FISCAL YEAR	SPECIAL ASSESSMENT COLLECTIONS	DEBT SERVICE REQUIREMENTS		
		PRINCIPAL	INTEREST	COVERAGE
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%
2014	328,303	281,336	23,764	107.61%
2015	194,343	144,941	22,276	116.22%
2016	221,354	160,784	22,722	120.62%

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, 2016

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

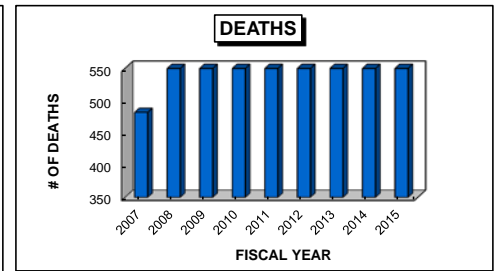
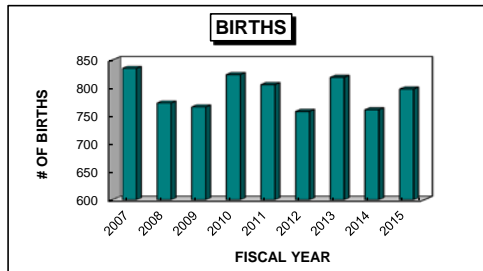
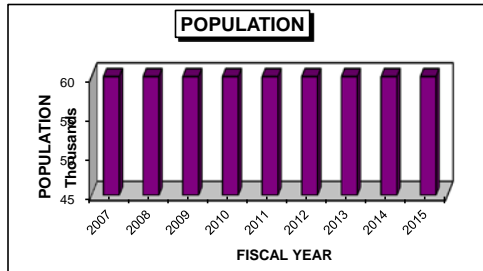
(2) Direct operating expenses include operating expenses (except depreciation).

(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 (e) (in thousands)	SCHOOLS		EMPLOYMENT STATISTICS	
						PUBLIC SCHOOL ENROLLMENT (d)	PRIVATE SCHOOL ENROLLMENT (d)	CIVILIAN EMPLOYMENT (c)	UNEMPLOYMENT RATE (c)
2007	60,131	835	482	36,915	2,220	9,424	599	31,768	2.1%
2008	61,747	773	579	38,680	2,366	9,298	665	32,891	2.7%
2009	62,671	766	575	38,771	2,402	9,495	620	34,688	4.3%
2010	63,604	824	582	38,238	2,432	9,621	608	33,893	4.4%
2011	64,237	806	555	39,212	2,519	9,600	674	N/A	4.8%
2012	64,845	758	560	40,716	2,640	9,403	761	N/A	5.2%
2013	65,333	819	561	40,518	2,647	9,422	692	N/A	4.5%
2014	65,856	761	568	41,665	2,743	9,477	708	N/A	3.7%
2015	67,135	798	590	N/A	N/A	9,389	685	N/A	3.3%
2016	67,801	763	590	N/A	N/A	9,288	766	N/A	3.5%



Source and other information:

(Montana Department of Commerce
 (Lewis and Clark County Coroner
 (Montana Department of Labor and Industry

(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, 2016**

<u>COMPANY NAME</u>	<u>PRODUCT OR SERVICE</u>
A 2 Z Personnel	Employment Services
Acumen Inc	Employment Services
American Chemet	Metal-based Chemical Manufacturer
Blue Cross/Blue Shield	Health Services
Boeing	Manufacturer
Carroll College	Higher Education
Costco	Wholesale
Family Outreach	Human Services
Helena Sand & Gravel	Road Materials
Intermountain Children's Home	Health Services
Mountain West Bank (prior to merger with First Interstate Bank)	Financial Services
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
Town Pump Inc.	Auto Services
Valley Bank	Financial Services
Van's Thriftway	Retail
Wal-Mart	Retail
West Mont	Health Services

Note:

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

Data is derived from most current information available at this time, which is 2014.

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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
GENERAL GOVERNMENT										
Legislative services	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Judicial services	16.44	16.44	16.44	17.94	18.94	18.50	18.50	18.50	18.75	19.75
Administrative services	27.80	27.80	27.32	27.82	27.82	27.82	27.82	27.58	27.58	26.32
Financial services	18.75	18.75	15.50	15.75	15.75	15.75	15.75	16.75	16.75	16.75
Election services	3.00	9.50	3.00	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Planning services	12.00	14.00	12.00	12.00	10.50	9.50	8.50	8.75	8.75	8.75
Records administration	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Legal services	16.50	17.50	19.38	19.13	20.13	20.13	21.13	21.13	22.13	21.13
PUBLIC SAFETY										
Law enforcement services	78.25	81.25	72.00	72.69	76.69	75.50	78.00	78.00	78.00	79.00
Other public safety	4.13	4.13	1.50	1.50	1.50	1.50	1.50	2.50	2.50	3.00
Civil defense	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Animal control services	1.00	3.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
PUBLIC WORKS										
Public work administration	7.60	10.60	4.00	4.04	4.04	4.04	4.04	4.04	4.04	3.80
Bridge maintenance	14.00	15.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Road and street services	5.00	5.00	14.50	15.35	15.35	15.35	17.09	17.09	17.09	17.09
Cemetery services	6.80	6.80	2.88	4.62	4.62	4.62	4.62	4.74	4.74	4.74
Facilities administration	9.50	9.50	15.10	15.95	15.95	15.95	13.77	13.77	11.91	11.91
Solid waste	5.85	6.10	6.85	7.36	7.53	7.54	7.54	7.29	7.29	7.29
Weed spraying services	2.00	2.00	1.13	3.89	3.89	3.89	4.75	4.75	4.75	4.77
PUBLIC HEALTH										
Public health services	55.70	46.81	47.92	47.51	48.51	43.26	44.00	44.67	44.67	45.31
Nursing home ¹⁾	104.19	105.19	94.40	94.40	72.10	72.99	-	-	-	-
CULTURE AND RECREATION										
Fairs	5.25	8.25	6.00	7.25	7.25	7.26	7.26	7.26	7.26	7.26
SOCIAL AND ECONOMIC										
County extension	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	415.40	429.52	382.72	386.95	369.32	362.35	293.02	295.57	294.96	294.62

Source and other information:

Lewis & Clark County Budget Office

1) 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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
GENERAL GOVERNMENT										
Registered Voters (June)	36,728	38,278	34,577	35,935	36,884	34,000	36,054	37,348	40,914	42,943
Property Transactions:										
Filings with Clerk & Recorder	21,377	19,232	19,415	18,598	17,886	16,890	20,613	16,900	15,049	16,575
Certificates of Survey	168	166	114	100	77	86	80	96	114	80
Real Property Tax Information										
Taxes Assessed	\$67,177,249	\$72,369,348	\$76,442,138	\$79,489,319	\$85,615,922	\$86,604,324	\$87,191,112	\$91,829,088	\$90,798,623	\$91,837,236
Taxes Collected	\$65,338,071	\$66,895,633	\$76,029,061	\$72,611,245	\$85,354,704	\$80,011,013	\$81,421,234	\$85,980,016	\$88,739,016	\$89,361,004
Amount Protested	\$ 2,920,106	\$ 3,606,907	\$ 1,836,194	\$ 2,453,470	\$ 3,388,656	\$ 3,973,611	\$ 3,580,267	\$ 3,429,216	\$ 119,758	\$ 1,177,573
Total Outstanding	\$ 1,820,937	\$ 2,079,886	\$ 2,137,774	\$ 3,368,053	\$ 3,706,682	\$ 3,090,119	\$ 2,580,925	\$ 3,328,354	\$ 2,277,034	\$ 1,772,783
Number of Bills Sent	32,710	33,471	34,528	34,337	35,259	39,524	35,553	35,630	39,836	39,901
Delinquent Reminders	9,276	5,826	2,824	5,092	3,891	8,540	9,033	944	3,972	9,553
PUBLIC SAFETY ACTIVITIES										
Sheriff										
Arrests	1,103	622	518	908	817	832	908	886	1,027	827
Prisoner Days	24,308	27,022	28,163	32,683	35,311	37,956	29,404	32,722	34,264	34,360
Complaints	N/A	N/A	N/A	N/A	N/A	14,380	16,021	17,164	17,301	17,441
Traffic Violations	4,485	3,281	2,985	3,484	2,439	2,113	2,764	3,129	3,151	2,640
Sheriff's Fire										
Emergency Responses	257	317	369	439	473	471	475	395	505	541
Fires Responses	139	159	129	155	134	152	155	84	131	141
Justice Court										
Civil & Small Claims	2,162	2,405	2,597	2,001	1,651	1,364	1,479	1,176	1,080	1,082
Formal Criminal Complaints	610	849	533	838	711	753	798	837	842	839
Temporary Restraining Orders	134	95	109	91	92	118	159	135	159	157
County Attorney										
Felonies	631	703	676	610	624	598	620	615	600	775
Mental Commitments	94	80	93	108	102	76	100	100	100	100
Juvenile Cases	99	65	62	38	44	61	45	45	50	50
PUBLIC WORKS										
Refuse Disposal										
Refuse disposed of (tons per day)	140.96	126.61	118.11	176.80	116.66	115.23	111.63	122.19	236.22	252.76
Number of permits issued	12,368	12,641	13,672	12,344	14,480	13,244	14,314	14,776	16,628	15,420
Other Public Works										
Road Resurfacing (miles)	12.98	12.50	11.70	12.28	10.24	10.38	14.72	11.28	16.84	11.06
Pothole repairs (by ton of asphalt)	3,876.58	2,096.11	1,149.01	1,785.26	624.49	868.77	327.00	414.00	460.61	3,169.90
PUBLIC HEALTH ACTIVITIES										
Septic System Site Evaluations	606	248	241	289	108	184	150	148	292	143
Licensed Establishment Inspections	623	604	715	410	585	757	785	690	684	774
Junk Vehicles Hauled	225	174	230	140	64	14	8	2	14	14
Air Quality										
Good Days	339	350	358	330	347	354	343	354	343	332
Watch Days	23	8	7	24	13	9	15	10	16	17
Poor Days	3	8	-	11	5	3	7	1	6	11
Communicable Disease Cases	361	618	514	3,262	318	541	545	452	505	900
Immunizations Administered	7,222	7,745	8,420	11,514	6,547	6,069	10,514	5,346	5,288	5,900

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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	37	26
PUBLIC SAFETY ACTIVITIES										
Stations	4	4	4	4	4	4	4	4	4	4
Patrol units	42	32	31	30	32	30	27	34	33	33
PUBLIC WORKS										
Snow plows	10	10	10	10	10	10	10	10	10	10
Graders	7	7	7	7	6	6	6	6	6	6
Loaders	3	5	5	5	5	5	5	5	6	6
Shops	6	6	6	6	6	6	6	6	6	6
Landfill compactors	1	1	1	1	1	1	1	1	1	1
Landfill loaders	2	2	2	2	2	2	2	2	2	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	9	10	9	11	12	12	12	11	11	12
Cemeteries	1	1	1	1	1	1	1	1	1	1
Gravel roads (miles)	429	429	431	425	425	426	425	425	422	422
Paved roads (miles)	44	44	45	52	52	52	52	52	53	53
Chip sealed roads (miles)	66	66	66	65	65	65	64	65	60	59
Rural improvement districts (miles)	160	161	169	172	178	176	178	181	200	213
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	-	-	-	-	-
CULTURE AND RECREATION										
Fairgrounds	1	1	1	1	1	1	1	1	1	1
Parks	12	12	12	12	12	12	12	12	12	12

Source: Lewis and Clark County Treasurer's Office
 Lewis and Clark County Sheriff's Office
 Lewis and Clark County Public Works Department

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



SINGLE AUDIT SECTION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lewis & Clark County, Montana, as of and for the year ended June 30, 2016, 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 20, 2016.

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.

Anderson Zurmuehlen + Co, P.C.

Helena, Montana
December 20, 2016

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited Lewis & Clark County, Montana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lewis & Clark County, Montana's major federal programs for the year ended June 30, 2016. Lewis & Clark County, Montana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Lewis & Clark County, Montana's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lewis & Clark County, Montana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Lewis & Clark County, Montana's compliance.

Opinion on Each Major Federal Program

In our opinion, Lewis & Clark County, Montana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control over Compliance

Management of Lewis & Clark County, Montana is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lewis & Clark County, Montana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lewis & Clark County, Montana's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Anderson Zurmuehlen + Co, P.C.

Helena, Montana
December 20, 2016

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2016

Section I - Summary of Auditors' Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified that is not considered to be a material weakness?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
Material weakness identified?	No
Significant deficiency identified that is not considered to be a material weakness?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
14.228	Community Development Block Grants/State's Program and Non-entitlement Grants in Hawaii
93.224	Consolidated Health Centers
93.527	Affordable Care Act Grants for New and Expanded Services Under the Health Center Program

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	Yes

Financial Statement Audit Findings:
 None.

LEWIS AND CLARK COUNTY, MONTANA
SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2016

Summary Schedule of Prior Audit Findings

There were no prior audit findings.

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2016

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									
Passed through the Office of Finance and Budget:									
Schools and Roads - Grants to State - Forest Reserve - major program (note 3)	10.665	N/A	\$ 426,684	\$ -	\$ 413,604	\$ -	\$ -	\$ -	\$ 413,604
Passed through the State Department of Natural Resources/Conservation:									
Western Wildland Urban Interface Grant Program	10.664	HZF-16-005	100,000	-	-	-	-	17,583	(17,583)
Western Wildland Urban Interface Grant Program	10.664	WSF-14-003	270,000	(11,065)	76,637	-	-	96,883	(31,311)
Subtotal by Federal CFDA Number			370,000	(11,065)	76,637			114,466	(48,894)
Specialty Crop Block Grant	10.170	1350589	20,150	1,712	3,300	163	5,175	-	-
Passed through the State Department of Public Health and Human Services:									
W.I.C. Program	10.557	16-07-5-21-012-0	224,871	-	146,457	-	-	170,761	(24,304)
W.I.C. Program	10.557	15-07-5-21-012-0	215,037	(24,878)	91,827	427	427	66,949	-
Subtotal by Federal CFDA Number			439,908	(24,878)	238,284	427	427	237,710	(24,304)
Total U.S. Department of Agriculture			1,256,742	(34,231)	731,825	590	5,602	352,176	340,406
U.S. Department of Defense									
Fort William Harrison (JLUS)	12.610		250,000	-	-	-	-	68,151	(68,151)
Fort William Harrison (JLUS)	12.610		160,000	(472)	-	472	-	-	-
Total Department of Defense			410,000	(472)		472		68,151	(68,151)
U.S. Department of Housing and Urban Development									
Passed through the Montana Department of Commerce:									
Public Facilities	14.228	MT-CDBG-11PF-08	900,000	(56,249)	900,000	-	88	843,751	(88)
Home Grant	14.239	M12-SG3001-13	750,000	(223,200)	750,000	568,452	568,452	515,185	11,615
Total U.S. Department of Housing and Urban Development			1,650,000	(279,449)	1,650,000	568,452	568,540	1,358,936	11,527
U.S. Department of the Interior									
BLM Invasive Species	15.230		48,822	-	6,209	-	-	6,209	-
Hazardous Fuel Reduction (BLM - Projects)	15.228		128,540	-	50,829	-	-	67,832	(17,003)
Passed through the Montana Historical Society:									
Historic Preservation	15.904	MT-15-020	5,500	-	-	18,354	18,354	5,500	(5,500)
Total U.S. Department of the Interior			182,862		57,038	18,354	18,354	79,541	(22,503)
U.S. Department of Justice									
Bullet Proof Vest Partnership Grant	16.607		7,597	-	-	597	597	597	(597)
Bullet Proof Vest Partnership Grant	16.607		11,759	-	-	4,016	4,016	4,016	(4,016)
Subtotal by Federal CFDA Number			19,356			4,613	4,613	4,613	(4,613)
COPS Hiring Program Grant	16.710		125,000	(53,029)	41,598	-	34,720	39,334	(85,485)
Equitable Sharing	16.922		-	-	1,950	-	-	1,950	-
Coverdell Forensic Science Improvement			133,397	-	39,310	-	-	74,957	(35,647)
Passed through Gallatin County:									
Missouri River Drug Task Force	16.738	14-G01-91889	42,461	-	42,461	50,603	50,603	42,461	-
Byrne Justice Assistance Grant (JAG)	16.738	2015-DJ-BX-0540	36,725	-	-	-	-	11,849	(11,849)
Byrne Justice Assistance Grant (JAG)	16.738	2014-DJ-BX1048	13,398	(13,398)	13,398	1,311	1,311	-	-
Subtotal by Federal CFDA Number			91,584	(13,398)	55,859	51,914	51,914	54,310	(11,849)
Passed through City of Billings:									
Internet Crimes Against Children	16.543	2013-MC-FX-K025	7,000	-	-	-	-	4,166	(57,115)
Passed through the Montana Board of Crime Control:									
Violence Against Women Formula Grant	16.588	14-W02-91678	37,933	-	-	-	-	-	-
Violence Against Women Formula Grant	16.588	15-W02-91838	38,560	-	31,770	-	31,369	38,560	(38,159)
Subtotal by Federal CFDA Number			76,493		31,770		31,369	38,560	(38,159)
Total U.S. Department of Justice			452,830	(66,427)	170,487	56,527	175,565	217,890	(232,868)

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2016

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 Transportation									
Rimini Road Project	20.205		709,320	(80,000)	-	80,000	-	-	-
Beartooth Road Resurfacing	20.205		546,597	(4,626)	140,750	-	-	183,588	(47,464)
York-Nelson Road Resurfacing	20.205		759,891	-	28,741	-	-	47,712	(18,971)
Simple Pass Road North Resurfacing	20.205		733,311	-	59,786	-	-	89,320	(29,534)
Marysville Road Corridor Completion	20.205		2,200,001	-	80,109	-	-	128,476	(48,367)
Passed through the State Department of Transportation:									
Way to Go Campaign-L&C Co.	20.205	7497	40,000	(5,081)	6,666	-	895	2,565	(1,975)
Montana Air and Congestion Initiative (MAC)	20.205	8093	208,579	-	-	32,330	32,330	-	-
Passed through Cascade County:									
Extraordinary Snow Removal	20.205	N/A	-	-	13,430	-	-	13,430	-
Subtotal by Federal CFDA Number									
Passed through the State Department of Transportation:			5,197,699	(89,707)	329,482	112,330	33,325	465,091	(146,311)
STEP Equipment Grant	20.600.601.602	108576	8,500	-	8,500	-	-	8,500	-
Equipment for STEP Participants	20.600.20.601	108272	10,740	-	10,740	-	-	10,740	-
Traffic Safety	20.600.601.602	107911	12,000	(2,223)	5,179	-	-	2,956	-
Traffic Safety	20.600.20.607	108506	11,000	-	559	-	-	2,873	(2,314)
Subtotal by Federal CFDA Number									
Passed through the State Department of Military Affairs:			42,240	(2,223)	24,978	-	-	25,069	(2,314)
Hazardous Materials Emergency Preparedness Training Grant	20.703	HM-HMP-0491-15-01-00	7,500	-	7,000	1,875	1,875	7,000	-
Total U.S. Department of Transportation									
			5,247,439	(91,930)	361,460	114,205	35,200	497,160	(148,625)
U.S. Environmental Protection Agency									
East Helena Superfund Cooperative Agreement	66.802		1,255,506	(46,605)	80,245	-	-	178,221	(144,581)
Environmental Workforce Development and Job Training	66.815		200,000	(6,674)	55,634	-	-	99,947	(50,987)
Passed through the State Department of Environmental Quality:									
Air Pollution Control Program	66.605	516004	20,041	-	15,030	23,184	23,183	15,031	-
Air Pollution Control Program	66.605	515004	20,041	(72)	5,010	3,832	8,770	15,031	-
Subtotal by Federal CFDA Number									
Helena Valley Non-Point Source Assessment	66.460	212062	77,265	(1,425)	2,788	-	-	1,363	-
Passed through the State Department of Natural Resources and Conservation:			180,370	(60,525)	77,272	6,495	6,495	16,747	-
Lake Helena Watershed Restoration Project	257.635		257,635	(61,950)	80,060	6,495	6,495	18,110	-
Subtotal by Federal CFDA Number									
Total U.S. Environmental Protection Agency			1,753,223	(115,301)	235,979	33,511	38,448	311,309	(195,568)
Office of National Drug Control Policy									
High Intensity Drug Trafficking Area (HIDTA)	95.001		191,389	-	29,540	-	-	75,870	(46,330)
High Intensity Drug Trafficking Area (HIDTA)	95.001		231,698	(75,773)	169,799	-	-	94,026	-
Total U.S. Office of National Drug Control Policy									
			423,087	(75,773)	199,339	-	-	169,896	(46,330)
Federal Emergency Management Agency									
Passed through the Department of Military Affairs:									
Search and Rescue Radio Cache	97.067	EMW-2013-SS-00064	32,052	-	31,471	-	-	31,471	-
Radio System Site Upgrade	97.067	EMW-2014-SS-00019-S01	200,000	(10,181)	45,709	-	-	35,528	-
County Fairgrounds Generator	97.067	EMW-2014-SS-00019-S01	105,000	(8,120)	91,050	-	-	82,930	-
Augusta Senior Center Generator	97.067	EMW-2014-SS-00019	42,000	-	37,701	-	-	37,701	-
Radio Communications	97.067	EMW-2014-SS-00019-S01	138,800	(30,491)	69,292	-	-	38,801	(25,208)
Sheriff System Administrator	97.067	EMW-2015-SS-00005	144,306	-	65,193	-	-	90,401	-
EOD - Equipment	97.067	EMW-2014-SS-00019-S01	35,000	-	6,604	-	-	6,604	-
EOD - Training	97.067	EMW-2013-SS-00064	12,000	-	5,634	-	-	5,634	-
Subtotal by Federal CFDA Number									
Homeland Security Grant Program EMPG	97.042	EW-2014-EP-00006	709,158	(48,792)	352,654	-	-	329,070	(25,208)
Homeland Security Grant Program EMPG	97.042	EMW-2015-EP-0004	54,274	(25,254)	34,075	-	-	8,821	-
Homeland Security Grant Program EMPG	97.042	EMW-2015-EP-0004	50,755	-	24,110	-	-	33,685	(9,575)
Subtotal by Federal CFDA Number									
Trap Club Emergency Flood Detention Basin Project	97.038	DR-1996-MT-P32R	105,029	(25,254)	58,185	33,685	33,685	42,506	(9,575)
Total Federal Emergency Management Agency									
			866,766	(74,046)	410,839	33,685	131,878	371,576	(132,976)

LEWIS AND CLARK COUNTY, MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2016

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 Health and Human Services:									
Passed through the State Department of Public Health and Human Services:									
Childhood Immunization Grant	93.268	16-07-4-31-123-0	27,355	-	6,839	-	-	6,839	-
Childhood Immunization Grant	93.268	15-07-4-31-123-0	27,355	-	20,516	-	-	20,516	-
Subtotal by Federal CFDA Number			54,710		27,355			27,355	
Maternal Child Health and Block Grant	93.994	16-07-5-01-025-0	68,935	-	49,697	47,285	47,285	62,121	(12,424)
Maternal Child Health and Block Grant	93.994	15-07-5-01-025-0	59,004	(11,801)	11,801	-	-	62,121	(12,424)
Subtotal by Federal CFDA Number			127,939	(11,801)	61,498	47,285	47,285	62,121	(12,424)
Maternal Infant and Early Childhood Home Visiting Infra. Development	93.505	14-07-5-01-092-0	170,500	(25,489)	25,489	-	-	144,401	(60,004)
Maternal Infant and Early Childhood Home Visiting Infra. Development	93.505	16-07-5-01-092-0	192,830	-	84,397	-	-	77,363	(25,572)
Maternal Infant and Early Childhood Home Visiting Infra. Development-Safecare	93.505	16-07-5-01-104-0	115,144	-	51,791	-	-	10,000	-
Maternal Infant and Early Childhood Home Visiting Infra. Development-Safecare	93.505	14-07-5-01-104-0	94,166	(14,125)	14,125	-	-	221,764	(85,576)
Subtotal by Federal CFDA Number			572,640	(39,614)	175,802			221,764	(85,576)
HIV Prevention Services	93.940	15-07-4-51-009-0	34,114	(1,992)	12,118	-	-	15,286	(5,160)
Public Health Emergency Preparedness	93.069	15-07-6-11-028-0	82,707	-	18,609	-	-	18,609	-
Public Health Emergency Preparedness	93.074	16-07-6-11-028-0	95,357	-	73,901	-	-	73,901	-
Public Health System Improvement	93.991	14-07-1-01-104-0	25,000	-	10,000	-	-	10,000	-
Helena Area Transit Inclusive Planning	93.048	90TC0001/02	88,879	(11,339)	13,228	-	-	1,889	-
Helena Area Transit Inclusive Planning	93.048	90TC0001/03	61,500	(9,189)	44,032	-	11,603	48,516	(25,276)
Subtotal by Federal CFDA Number			150,379	(20,528)	57,260		11,603	50,405	(25,276)
Reaching People with Disabilities thru Healthy Com.	93.424	1372016	22,800	-	8,550	-	-	8,550	-
Total U.S. Department of Health and Human Services			1,165,646	(73,935)	445,093	47,285	58,888	487,991	(128,436)
Other Federal Financial Assistance									
Passed through State Treasurer's Office:	15.034	N/A	-	-	1,504	-	-	1,504	-
Taylor Grazing			-	-	1,504	-	-	1,504	-
Total Other Federal Financial Assistance					1,504			1,504	
Total Federal Financial Assistance - Primary Government			\$ 13,408,595	\$ (811,564)	\$ 4,263,564	\$ 873,081	\$ 1,032,475	\$ 3,916,130	\$ (623,524)
Component Unit Federal Financial Assistance									
U.S. Department of Health and Human Services									
Health Center Cluster	93.224		685,055	996,593	57,044	78,632	55,705	57,044	1,019,520
Health Center Cluster	93.224		701,278	-	-	-	-	-	-
Subtotal by Federal CFDA Number			1,386,333	996,593	57,044	78,632	55,705	57,044	1,019,520
Health Center Cluster	93.527		1,548,953	-	1,548,953	2,135,136	1,512,588	1,548,953	622,548
Health Center Cluster	93.527		584,149	-	434,794	599,337	1,169,538	434,794	(570,201)
Subtotal by Federal CFDA Number			2,133,102		1,983,747	2,734,473	2,682,126	1,983,747	52,347
Total Component Unit			\$ 3,519,435	\$ 996,593	\$ 2,040,791	\$ 2,813,105	\$ 2,737,831	\$ 2,040,791	\$ 1,071,867
Total Expenditures of Federal Awards			\$ 16,928,030	\$ 185,029	\$ 6,304,355	\$ 3,686,186	\$ 3,770,306	\$ 5,956,921	\$ 448,343

LEWIS AND CLARK COUNTY, MONTANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2016

Note 1 - Basis of Presentation

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

Note 2 - Other Information

U S Department of Agriculture

The \$413,604 reported, represents 66 2/3 percent of the total amount of \$620,097 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.

Note 3 - Indirect Cost Rate

The County did not elected to use the 10% de minimus indirect cost rate from Title 2 United States Code of Federal Regulations, Part 200, Uniform Guidance Administrative Requirements, Subpart E Costs Principles.

