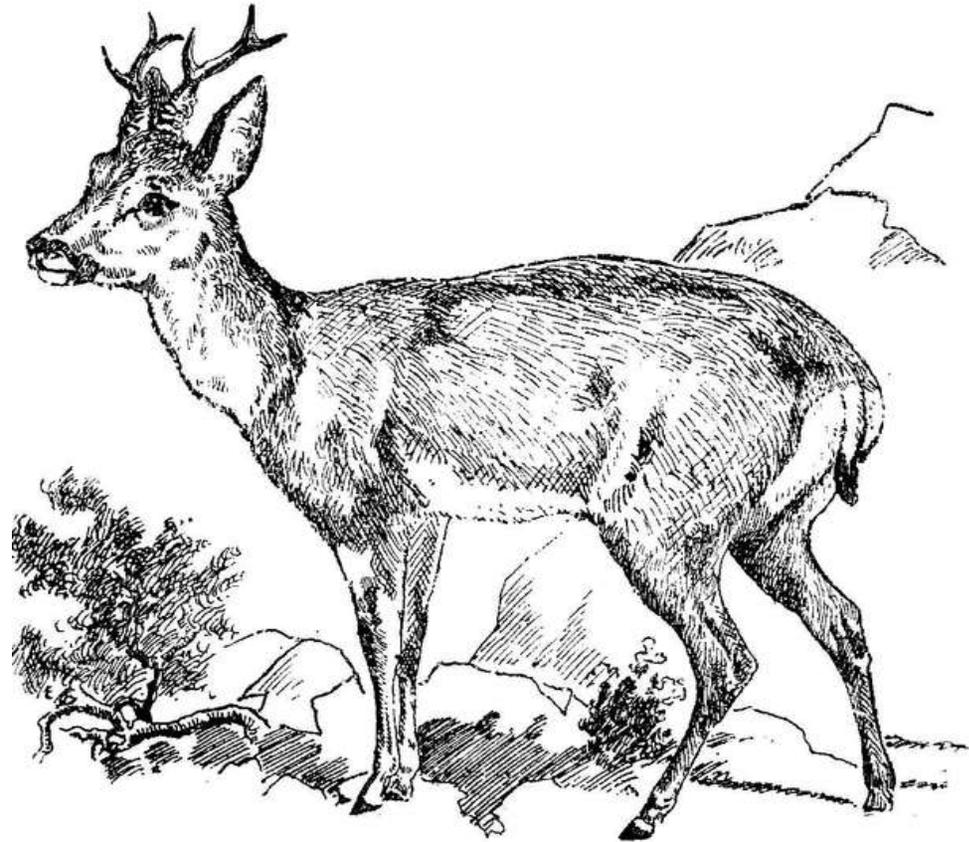


MISSOULA COUNTY, MONTANA

COMPREHENSIVE **A**NNUAL **F**INANCIAL **R**EPORT



For the Fiscal Year Ended
June 30, 2005

MISSOULA COUNTY, MONTANA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2005

Prepared by:

Financial Services Department

Dale Bickell, CPA
Chief Financial Officer

Carol N. Routh
Teresa Graham
Dawn Overbaugh
Marge Duncan
Karen Mason
Edna Wingfield
Mary Matthaie
Ruthe Sackey
Alane Stickney

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December 23, 2005

Board of County Commissioners
and Citizens of Missoula County, Montana

Dear Commissioners,

This letter transmits to the Board of County Commissioners and the citizens of Missoula County the Comprehensive Annual Financial Report (CAFR) for Missoula County for the year ended June 30, 2005. I believe this CAFR presents fairly the financial condition of the County at June 30, 2005 and the results of its operations and cash flows for proprietary type funds for the fiscal year then ended. With the exception of the independent auditors' reports, all the information included in this report is the responsibility of the management of Missoula County.

The County has prepared this report in conformity with generally accepted accounting principles. Consequently, the financial statements reflect the implementation of the Governmental Accounting Standards Board Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. This report consists of four sections:

- The introductory section includes this letter, a copy of Missoula County's 2004 Certificate of Achievement for Excellence in Financial Reporting, the organizational chart for the County, and a list of elected officials.
- The financial section contains the basic financial statements, the notes to the basic financial statements, the combining and individual fund financial statements and the opinion of our independent auditors, Anderson ZurMuehlen & Company.
- The third section, the statistical section, is comprised of various tables, which reflect revenues and expenditures for the County over the last ten years, property valuation and taxation, debt service coverage and other miscellaneous data that describe the County.
- The final section of this report is the single audit section. A single audit is required each year by the Single Audit Act of 1984 as amended by the Single Audit Act Amendments of 1996 and Office of Management and Budget Circular A-133. The elements of this section are the Schedule of Expenditures of Federal Awards and the auditors' reports on internal controls and compliance with related findings and recommendations.

This report is the financial reflection of the services provided by Missoula County. It contains all County funds used to account for the normal range of local government services including criminal justice, public safety, public works, public health, cultural and recreational programs, community development and social services. Also presented are the activities of the Missoula County Airport Industrial District, Larchmont Golf Course, Missoula Aging Services, the Missoula County Workers' Compensation Group Insurance Authority, the Missoula County Employee Benefits Plan, and the Partnership Health Center. Missoula County has sufficient authority over these agencies to justify including them as component units of the County. The details of this authority are discussed in Note 1 to the Basic Financial Statements. Rural fire districts, school districts and other local agencies do not meet the criteria for inclusion in the report, and are consequently excluded, except as agency funds. The CAFR also includes Management's Discussion and Analysis which provides a narrative overview of the County's financial position, results of operations, and significant initiatives.

Independent Audit – Montana statutes require that certain local governments obtain at least biennial audits of the financial statements. Missoula County has chosen to contract with Anderson ZurMuehlen & Company. This audit also satisfies the federal Single Audit Act and Office of Management & Budget Circular A-133.

PROFILE

Missoula County, Montana covers approximately 2,600 square miles in the western part of the state. Five large valleys and two major rivers wind through this mountainous region. Missoula County has a population of over 90,000 people and the county seat is the city of Missoula. The Missoula County Courthouse was completed in 1910. Its south foyer is graced by a series of eight murals painted by famed western artist Edgar S. Paxson between 1912 and 1914. An addition to the Courthouse was completed in 1966. Missoula County is governed by three Commissioners, each elected to staggered six-year terms. The current Commissioners are Chairman, Bill Carey, Barbara Evans and Jean Curtiss.

The County provides a full range of services in general government, criminal justice, public safety, public works, public health, social and economic services, culture & recreation, and housing and community development. Details of the departments under these functions are provided in Management's Discussion and Analysis.

Budgetary control of these functions is maintained through an annual budget adopted by the Board of County Commissioners. Public Budget Hearings are generally conducted in July of each year. The final budget is adopted by the second Monday in August or 45 days after receiving the certified taxable values from the State of Montana. Budget authority is flexible in that the Commissioners may make transfers among budget object lines within a fund and make budget amendments within statutory restrictions as deemed necessary for proper administration of County government. The level of budgetary control is established at the personnel, operations, and capital level within each fund.

FINANCIAL CONDITION

Missoula County's economic environment continues to be healthy and the indicators point toward continued stability. Steady commercial and residential development continues to provide additional tax base to the County, which has generally been adequate to maintain the current level of service. However, it has not provided enough growth to increase the level of service to accommodate new growth. Additionally, since substantially all growth in property tax revenue is from new construction (and not from increases in market value of existing properties), if the rate of construction declines in Missoula, the County could be faced with inadequate resources to maintain the current level of service.

In order to mitigate the risk of declining revenue and other financial risks, the County's long-term financial planning includes basic revenue forecasting for most of the County's general revenues, including property taxes, local option motor vehicle tax, entitlement share, Clerk & Recorder fees, and Justice Court fines and forfeitures. The County also maintains multi-year budgets for the Capital Improvement Program and the Technology Program to ensure adequate resources for the future replacement of existing capital assets and to budget for new assets.

Management's Discussion and Analysis, starting on page 3, provides additional information on the economic environment in the County, as well as major initiatives and highlights of the fiscal year 2006 budget.

Other Operating Factors

Fiduciary Responsibilities – The County does not have its own single employer pension fund. However, it acts as either agent or trustee for more than 50 local government agencies within the County in non-pension activities. It collects taxes and other revenues for 45 of those agencies. It also provides accounting and, in some cases, budget monitoring and investment services for those agencies.

Cash Management – The County operates an investment pool for idle cash belonging to the County, school districts, fire districts and other small local agencies. The operation of the pool is governed by an investment policy adopted in September 1985 and amended in March 2004. The policy emphasizes security, liquidity and yield, in that order.

The pool may be invested in the Short Term Investment Pool operated by the State of Montana, U.S. government treasury and agency securities, local bank certificates of deposit and repurchase agreements. On average during fiscal year 2005, 58% was invested in the Short Term Investment Pool, 38% was invested in U.S. Government treasury and agency securities, and 4% was invested in repurchase agreements. The average rate of return for fiscal year 2005 was 1.35% based on total investment income in the pool of approximately \$716,000, net of fees. The County's share for governmental funds was approximately \$376,000.

Investments are held by a third party in the County's name, or in some cases by the financial institution's trust department in the County's name. Certificates of deposit are covered by insurance or collateralized to the extent required by Montana law (100% for institutions with less than 6% net worth, 50% for those with 6% or greater net worth).

Risk Management – The County has an extensive self-insured risk management program for all property and casualty insurance. The County provides self-insurance coverage to employees for medical and dental insurance. The County also provides Workers' Compensation coverage through a self-insurance program. The Excess Loss Fund provides an additional self-insurance program as an intermediary reinsurance program for the other three programs.

AWARDS & ACKNOWLEDGEMENTS

Awards – Missoula County earned its sixteenth consecutive GFOA's Certificate of Achievement for Excellence in Financial Reporting for its Fiscal Year 2004 Comprehensive Annual Financial Report. The Fiscal Year 2005 Report will also be submitted for consideration for the Certificate.

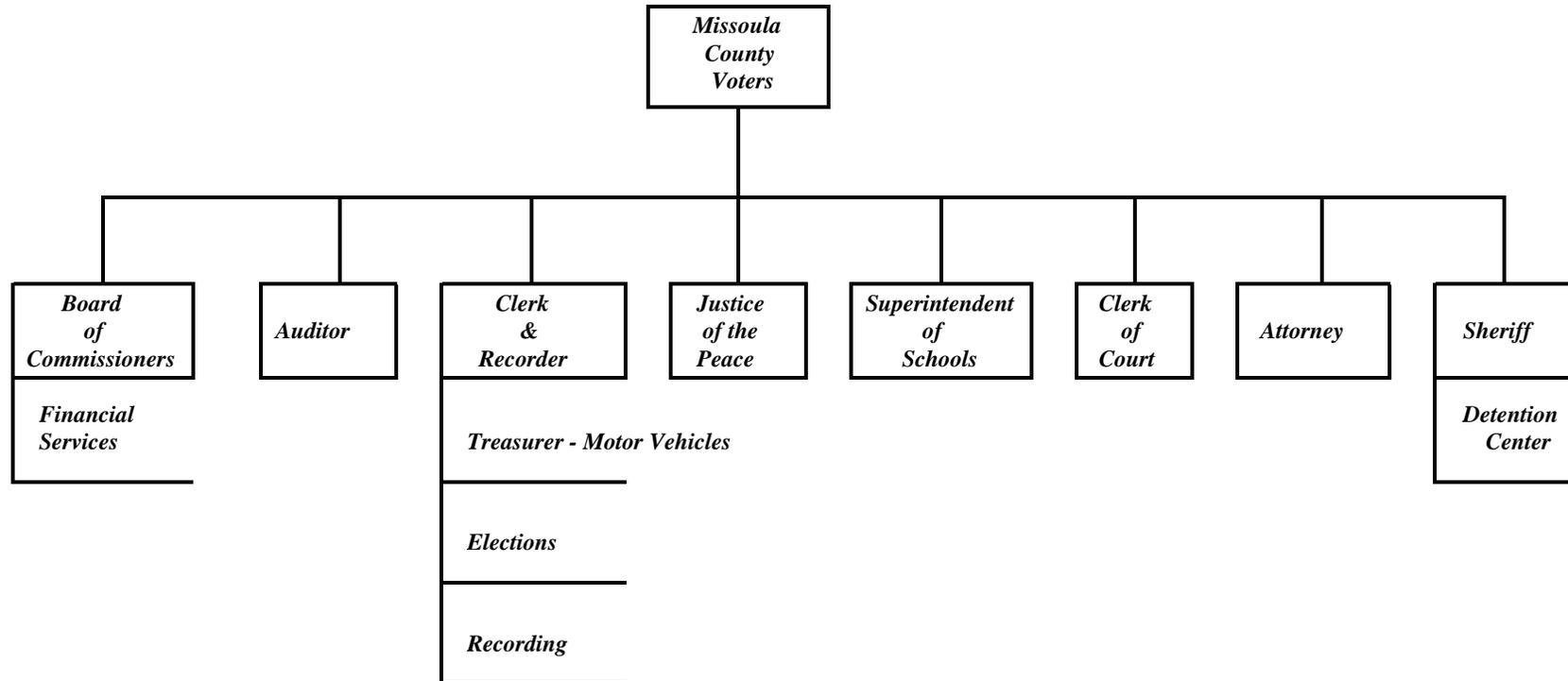
Acknowledgements – I would like to thank everyone in the Missoula County Financial Services Office: Edna Wingfield, Karen Mason, Teresa Graham, Marge Duncan, Dawn Overbaugh, Mary Matthaie, Ruthe Sackey, Alane Stickney, and especially Carol Routh for all their work and dedication. I would also like to thank Barbara Berens, the Missoula County Auditor, and her staff Nora Morris and Debbie Gross, for their support. Without the efforts of all these people, this report would not have been completed. Finally, I would like to thank the Board of County Commissioners for their understanding of the value of this report and their continued support for strong financial accountability.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale D. Bickell". The signature is written in a cursive, slightly slanted style.

Dale D. Bickell
Chief Financial Officer

MISSOULA COUNTY Organizational Chart



MISSOULA COUNTY, MONTANA

Board of County Commissioners

Barbara Evans
William Carey
Jean Curtiss

Auditor

Barbara A. Berens

Clerk and Recorder - Treasurer

Vickie M. Zeier

Justice of the Peace

Karen Orzech
John E. Odlin

Superintendent of Schools

Rachel Vielleux

Clerk of Court

Shirley E. Faust

County Attorney

Fred Van Valkenberg

Sheriff

Michael R. McMeekin

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Missoula County,
Montana

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended
June 30, 2004

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



Nancy L. Ziehl

President

Jeffrey R. Egan

Executive Director

FINANCIAL SECTION



Board of County Commissioners
Missoula County, Montana

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana (the County), as of and for the fiscal year ended June 30, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Missoula Aging Services, which represent total assets and total revenues constituting 44% and 61%, respectively of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Missoula Aging Services is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund, the Public Safety Fund and the MCA Industrial District Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2005, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 18, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Missoula County, Montana basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Anderson Zur Muehlen & Co., P.C.

Certified Public Accountants
Missoula, Montana
December 23, 2005

MISSOULA COUNTY, MONTANA
Management's Discussion and Analysis
June 30, 2005

The management of Missoula County offers this discussion and analysis of Missoula County's financial position and results of operations for the year ended June 30, 2005. We encourage readers to consider information presented here in conjunction with additional information provided in the transmittal letter and the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

- The assets of the County exceeded its liabilities at June 30, 2005, by \$40.9 million (net assets) compared with \$33.8 million at June 30, 2004. Of this amount, \$23.9 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens, vendors and creditors, including \$1.3 million that is classified as unrestricted in the Larchmont Golf Course and Rural Special Improvement Maintenance Districts.
- The County's total net assets increased by \$7.1 million, representing a 21.1% increase from 2004.
- At the end of the current year, the County's governmental funds reported a combined ending fund balance of \$20.5 million, an increase of \$4.2 million from the prior year. Of this amount, \$18.9 million is available for spending (unreserved fund balance) on behalf of its citizens.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$3.1 million, or 34.4% of total general fund expenditures and other financing uses.
- Missoula County's total debt increased by \$272,500 which represents a 1.0% increase in debt related to governmental activities. The majority of the new debt issue consists of a Montana State Revolving Fund Loans totaling \$954,787 for the Mullan Corridor Sewer RSID project.

Using the Comprehensive Annual Financial Report

The Comprehensive Annual Financial Report (CAFR) consists of a series of basic financial statements, notes to those statements, supplementary detail financial statements, and a statistical section. This information is designed to provide the reader information needed to understand Missoula County as a financial whole and by individual functions. This Management's Discussion and Analysis Section (MD&A) provides an overview of the information presented in those other sections.

The Statement of Net Assets and Statement of Activities provide information about all County activities, presenting both an aggregate view of the County's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the County's most significant funds with all other nonmajor funds presented in total in one column.

Reporting Missoula County as a Whole

Statement of Net Assets and the Statement of Activities

The government-wide financial statements are designed to provide readers with a broad view of Missoula County's finances in a manner similar to a private sector business. While this document contains information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially during the year?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the County's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or worsened. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of County capital assets should also be evaluated.

The Statement of Net Assets and the Statement of Activities, divide the County into three activities:

- Governmental Activities - Most of the County's services are reported here including public safety, social services programs, administration, and all departments with the exception of Larchmont Golf Course and Rural Special Improvement Maintenance Districts (RSIDs).
- Business-Type Activities - These services have a charge based upon the amount of usage. Larchmont Golf Course revenues are generated solely by the course users. The County charges special assessments to recoup the cost of the entire operation of the RSIDs as well as all capital expenses associated with these facilities.
- Component Units -The County includes financial statements of Missoula Aging Services and the Partnership Health Center in its report. Separately issued financial statements are available for both components units.

The component units are separate entities and may conduct activities such as buy, sell, lease and mortgage property in their own name and can sue or be sued in their own name.

Reporting Missoula County's Most Significant Funds

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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. Based on restrictions on the use of monies, the County has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the County's most significant funds. Missoula County's major funds are the General, Public Safety, MCA Industrial District, RSID Debt Service, and Larchmont Golf Course funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds (see above). Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of supplementary statements beginning on page 69.

Proprietary Funds: The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for Larchmont Golf Course and the Rural Special Improvement Maintenance Districts. Internal Service funds are used to account for the financing of certain goods and services between departments and agencies of the County. The County uses internal service funds to account for its self-insurance programs: Risk Management, Health Insurance, Workers' Compensation, and Excess Loss. Additionally, Telephone Services, which operates the City/County telephone system, is accounted for in an internal service fund. The proprietary fund financial statements can be found on pages 28-31.

Fiduciary Funds: These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that of the proprietary funds. The fiduciary fund financial statements can be found on pages 32-33.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the governmental-wide and fund financial statements. The notes to the financial statements begin on page 34.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules which begin on page 69. Statistical information that shows trends for periods up to ten years is also available beginning on page 125.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the year ended June 30, 2005 the County's assets exceeded liabilities by \$40.9 million (\$37.3 million in governmental activities and \$3.6 million in business-type activities). 42% of the County's net assets reflect its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. 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 its 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. Missoula County had no legally restricted net assets that require reservation. Therefore, \$23.9 million in net assets (58%) may be used to meet the County's ongoing obligations to its citizens, vendors, and creditors.

The following table provides a summary of the County's net assets for 2005:

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Assets						
Current & Other Assets	\$ 40,352,499	\$ 31,396,863	\$ 1,431,755	\$ 1,452,642	\$ 41,784,254	\$ 32,849,505
Capital Assets, Net	<u>41,218,397</u>	<u>39,360,297</u>	<u>2,278,903</u>	<u>2,322,777</u>	<u>43,497,300</u>	<u>41,683,074</u>
Total Assets	<u>81,570,896</u>	<u>70,757,160</u>	<u>3,710,658</u>	<u>3,775,419</u>	<u>85,281,554</u>	<u>74,532,579</u>
Liabilities						
Current & Other Liabilities	16,972,431	13,089,819	133,668	113,738	17,106,099	13,203,557
Current Portion of Long-term Debt	2,771,802	1,696,659	-	-	2,771,802	1,696,659
Long-term Debt, Net of Current Portion	<u>24,472,763</u>	<u>25,820,406</u>	<u>-</u>	<u>-</u>	<u>24,472,763</u>	<u>25,820,406</u>
Total Liabilities	<u>44,216,996</u>	<u>40,606,884</u>	<u>133,668</u>	<u>113,738</u>	<u>44,350,664</u>	<u>40,720,622</u>
Net Assets						
Invested in Capital Assets, Net of Debt	14,884,811	21,269,578	2,278,903	2,322,777	17,010,714	23,592,355
Unrestricted	<u>22,469,089</u>	<u>8,880,698</u>	<u>1,298,087</u>	<u>1,338,904</u>	<u>23,920,176</u>	<u>10,219,602</u>
Total Net Assets	\$ <u>37,353,900</u>	\$ <u>30,150,276</u>	\$ <u>3,576,990</u>	\$ <u>3,661,681</u>	\$ <u>40,930,890</u>	\$ <u>33,811,957</u>

The following table provides a summary of the changes in net assets for 2005:

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	
Revenues	2005	2004	2005	2004	2005	2004
Program Revenues						
Charges for Services	\$ 13,108,399	\$ 12,661,069	\$ -	\$ -	\$ 13,108,399	\$ 12,661,069
Operating Grants and Contributions	9,198,521	7,333,961	-	-	9,198,521	7,333,961
Capital Grants and Contributions	1,919,467	1,292,253	-	-	1,919,467	1,292,253
General Revenues						
Property Taxes	28,263,956	26,181,489	-	-	28,263,956	26,181,489
Intergovernmental Revenue	3,772,657	3,572,783	-	-	3,772,657	3,572,783
Investment Earnings	466,131	142,626	10,907	3,476	477,038	146,102
Gain on Sale of Capital Assets	312,722	934,408	425	28,191	313,147	962,599
Miscellaneous	1,453,329	2,293,524	2,591	1,200	1,455,920	2,294,724
Larchmont Golf Course	-	-	911,171	1,018,458	911,171	1,018,458
Rural Special Improvement Districts	-	-	676,128	768,824	676,128	768,824
Total Revenues	<u>58,495,182</u>	<u>54,412,113</u>	<u>1,601,222</u>	<u>1,820,149</u>	<u>60,096,404</u>	<u>56,232,262</u>
Program Expenses						
General Government	9,656,328	10,329,199	-	-	9,656,328	10,329,199
Criminal Justice	4,813,728	3,749,739	-	-	4,813,728	3,749,739
Public Safety	14,852,072	15,777,067	-	-	14,852,072	15,777,067
Public Works	6,641,539	11,218,785	-	-	6,641,539	11,218,785
Public Health	4,517,190	4,543,610	-	-	4,517,190	4,543,610
Social and Economic Services	3,455,239	3,255,769	-	-	3,455,239	3,255,769
Culture and Recreation	4,252,141	4,383,917	-	-	4,252,141	4,383,917
Housing and Community Develop.	2,007,925	2,107,607	-	-	2,007,925	2,107,607
Interest and Fiscal Charges	1,196,809	1,160,354	-	-	1,196,809	1,160,354
Larchmont Golf Course	-	-	795,539	829,362	795,539	829,362
Rural Special Improvement Districts	-	-	767,857	622,832	767,857	622,832
Total Expenses	<u>51,392,971</u>	<u>56,526,047</u>	<u>1,563,396</u>	<u>1,452,194</u>	<u>52,956,367</u>	<u>57,978,241</u>
Change in Net Assets before Transfers	7,102,211	(2,113,934)	37,826	367,955	7,140,037	(1,745,979)
Transfers	<u>101,413</u>	<u>166,242</u>	<u>(122,517)</u>	<u>(270,520)</u>	<u>(21,104)</u>	<u>(104,278)</u>
Change in Net Assets	<u>\$ 7,203,624</u>	<u>\$ (1,947,692)</u>	<u>\$ (84,691)</u>	<u>\$ 97,435</u>	<u>\$ 7,118,933</u>	<u>\$ (1,850,257)</u>

Governmental Activities

General Government – The General Government function includes those elected offices that provide direct service to the public for decision making or record keeping matters. This includes the Board of County Commissioners and staff (including the Central Services, Facilities Management, Financial Services, Human Resources, and Information Services departments); the Clerk & Recorder/Treasurer functions of Elections, Recording, Records Management, and Treasury; the County Auditor; the Superintendent of Schools who maintains a variety of school related records; and the expenses related to the external participants in the County's self-insurance programs. Additionally, this function includes the Financial Administration department which contains expenses related to general government and the Board of County Commissioners' agenda. In 2005, general government expenses comprised 18.8% (18.3% in 2004) of governmental activities. Total general government expenses decreased approximately \$673,000 million over the prior year. A large portion of the decrease is due to the recovery of the County's self-insurance programs in 2005. In 2004, the allocation of losses incurred by the County's self-insurance programs totaled over \$1.2 million.

Criminal Justice – the criminal justice function includes all offices related to the court system. These include the Justice Courts, the County Attorney's Office, Public Defender's Office, Court Support (bailiffs), and certain grants related to State District Court. Criminal justice expenses comprised 9.4% of governmental activities in 2005 (versus 6.6% in 2004). Total expenses increased \$1,063,989 or 28.4% versus the prior year. This increase was due to the increase in the use of external counsel in the Public Defender's Office caused by increased caseloads and turnover in the office. The majority of these costs were reimbursed by the Montana Supreme Court.

Public Safety – the public safety function is comprised of the Sheriff's Office including the Missoula County Detention Facility, and the Department of Emergency Services including the 9-1-1 Emergency Dispatch Center, the Office of Emergency Management, and the Communications Backbone capital projects fund. Public safety expenses comprised 28.9% of governmental activities in 2005. Public safety expenses decreased \$924,995 over 2004, or 5.9%. The higher level of expenses in the prior year is partially attributable to disaster expenses related to the 2003 forest fire season.

Public Works – public works includes the Road and Bridge funds and the Surveyor/GIS department, the Weed and Extension funds, the Lolo Mosquito District, the Rural Special Assessment Districts program, and the Missoula Development Authority's Airport Tax Increment District. Public works expenses comprised 12.9% of governmental activities in 2005 and represented a 40.8% decrease in expenses over 2004. This decrease is primarily due to the completion of the Mullan Corridor Sewer project in 2004 that is included in the RSID Projects fund.

Public Health – the public health function is comprised of the Health Department, the Water Quality District, the Junk Vehicle Program, Animal Control, and Clean-up Missoula. Public health expenses comprised 8.8% of governmental activities in 2005. Total public health expenses decreased \$26,420 (or 0.6%) over 2004.

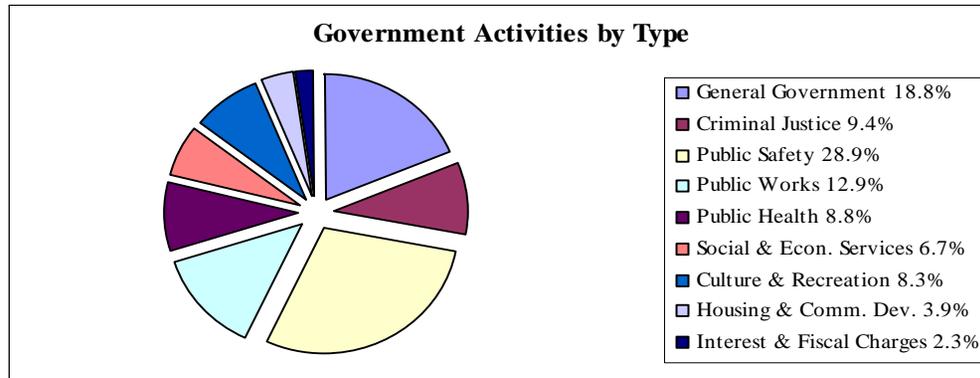
Social & Economic Services – the social and economic services function includes those programs that address the social and economic needs of the citizens of Missoula County. It includes Poor, Aging, Child Daycare, and Mental Health. It also includes programs for the assistance of victims of crime, battered women, at risk families, recovering alcoholics needing housing, those who have little or no health care coverage, and those who need assistance qualifying for SSI. Many of these programs are administered by the Office of Planning and Grants, and consequently, are accounted for in the Planning fund. These expenses comprised 6.7% of governmental activities in 2005. Social and economic services expense increased \$199,470 (or 6.1%) over 2004 largely due to increases in grant expenditures in the Office of Planning and Grants.

Culture & Recreation – the culture and recreation function includes the Western Montana Fair, the Art Museum of Missoula, the Historical Museum at Fort Missoula, the Library (including the Library Shared Catalog Project) and the Park funds. Culture and recreation expenses comprised 8.3% of governmental activities in 2005. Culture and recreation expense decreased \$131,776 (or 3.0%) over 2004.

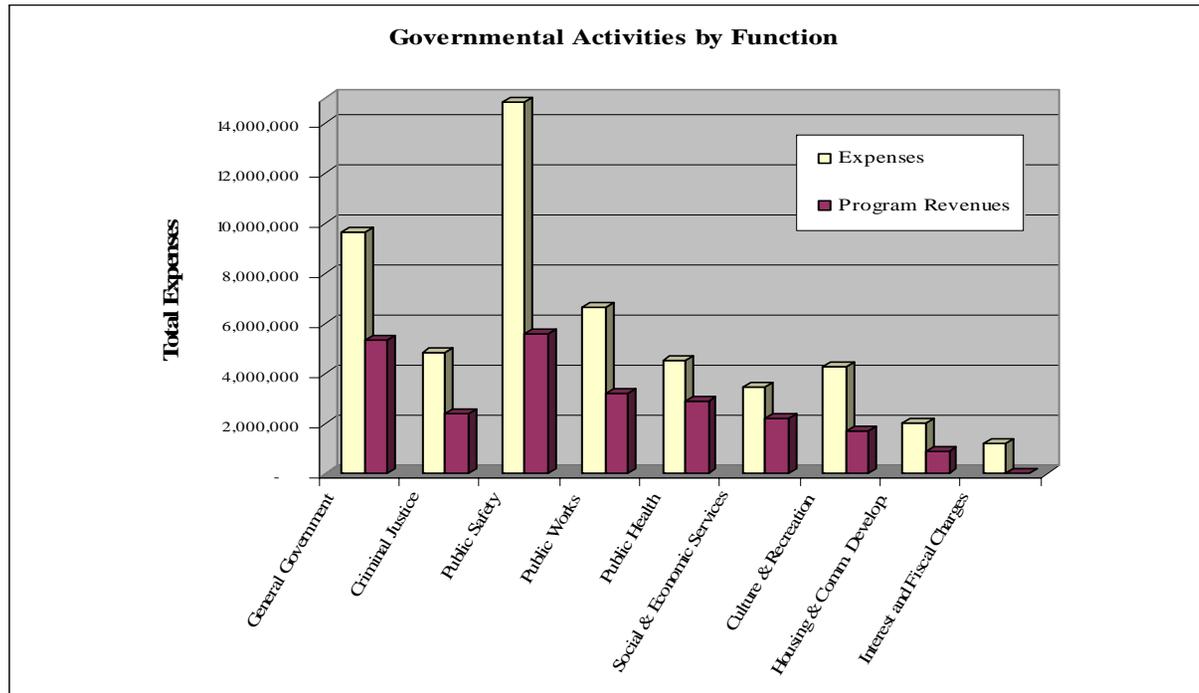
Housing & Community Development – this function includes the land use planning aspects of the Office of Planning and Grants, as well as specific grant programs, and the administration of federal and state community development dollars including the Open Space fund. These expenses comprised 3.9% of governmental activities in 2005. Total expenses decreased \$99,682 or 4.7% versus 2004.

Total governmental activities resulted in an increase in net assets totaling \$7,203,624. This increase is primarily due to the decrease in public works expenses totaling approximately \$3.6 million for the Mullan Corridor Sewer project. Debt was issued to finance this project and repayment will be accomplished through future assessments.

The following chart shows all of the government activities by type as a percentage of total expenditures:



The following graph shows total expenses and program revenue by function. Total general revenues (primarily property taxes) required for each function can be inferred by the difference between total expenses and program revenue:



Business-Type Activities

Total net assets related to business-type activities decreased by \$84,691. Although Larchmont Golf Course had continued profitability (providing a transfer totaling \$128,422 to general government activities), expenses exceeded charges for services in the Rural Special Improvement Maintenance Districts.

Fund Level Financial Analysis

Governmental Funds

For the fiscal year ended June 30, 2005, the County's governmental funds reported combined fund balance totaling \$20,515,777 compared with \$16,319,266 in 2004. Approximately \$16.7 million of this amount constitutes unreserved fund balance, which is available to spend for current needs. The remaining balance is reserved for interfund loans, inventory, and capital commitments. The governmental funds had a combined increase in fund balance totaling \$4,196,511 for 2005 and \$2,972,540 for 2004.

The General fund is the chief operating fund of the County. For fiscal year 2005, total fund balance decreased \$619,418 to \$3,137,676, \$1,900,850 of which was unreserved. As a measure of the General fund's total liquidity, it may be useful to compare both reserved and unreserved fund balance to total General fund expenditures. Unreserved fund balance represents 16.9% of total expenditures (25.6% in 2004) while total fund balance represents 27.9% (29.2% in 2004). The 2005 budget was designed to spend down excess cash reserves by approximately \$1.6 million. However, higher than expected tax collections and expenditure savings including \$300,000 that was not needed in the health insurance program resulted in a decrease in fund balance approximately \$570,000 smaller than projected.

The Public Safety fund accounts for the operation of the Sheriff's Department, including law enforcement and the Missoula County Detention Facility. The Public Safety fund had a fund balance totaling \$2,090,062 at June 30, 2005 (\$1,507,527 at June 30, 2004), including \$1,163 that was reserved for advances. Unreserved fund balance represents 17.8% (12.5% in 2003) of total expenditures. Fund balance increased during the year by \$582,535, although the 2005 budget was designed to decrease fund balance by \$379,008. The increase in fund balance is largely due to higher than expected vacancy savings.

The RSID Debt Service fund is used to collect special assessments and make bond payments for the County's rural special improvement districts. Total fund balance was \$941,498 at June 30, 2005 (\$43,451 at June 30, 2004), of which \$178,129 was reserved for advances. Unreserved fund balance represents 87.9% (6.4% in 2004) of total expenditures. Fund balances increased in this fund by \$898,047, as grant monies and early pay-offs of special assessments were received.

The MCA Industrial District fund accounts for the tax increment revenues from the Industrial Tax Increment District, which was created to develop an industrial park in the area of the interstate highway interchange near the airport. The District had a fund balance totaling \$5,075,971 at June 30, 2005 (\$2,759,825 June 30, 2004), all of which was unreserved. Unreserved fund balance represents 886.7.8% (301.8% in 2004) of total expenditures. Fund balance increased during the year by \$2,316,146 largely due to higher than expected proceeds from land sales and the postponement of certain infrastructure projects into the next fiscal year.

The Capital Improvements fund accounts for the County's Capital Improvement Program, which budgets for capital asset replacement schedules and new capital initiatives other than infrastructure. Total fund balance was \$293,775 at the end of 2005 (\$579,104 in 2004), all of which was unreserved. Fund balance decreased \$285,329, primarily due to the completion of the 4th Floor Courthouse renovations.

Missoula County Budget Highlights

Missoula County's budget is prepared on the basis of cash receipts, disbursements, encumbrances, and certain receivables. During the year, the Board of County Commissioners amends the budget in accordance with state law. For fiscal year 2005, budget amendments resulted in increases in appropriations in the General fund budget by \$695,021. Significant budget variances in the General fund include:

- Property tax revenue exceeded budget primarily due to higher than expected local option motor vehicle tax receipts and increased property tax collection rates.
- Non-departmental intergovernmental revenue was \$216,491 more than expected due to higher than budgeted payments in lieu of taxes from the federal government.
- Fines and forfeits in the County Attorney's Office were \$109,821 more than expected due to a change in the allocation of these revenues discovered by an internal audit.
- Charges for services in the Clerk & Recorder/Treasurer's Office were \$207,081 under budget to the decline in recorded documents once the mortgage re-financing boom slowed.
- Operations expenditures in the non-departmental General fund were \$325,581 under budget. \$300,000 of this was an unused contingency that was a hedge against excessive claims in the health insurance fund.
- Transfers out exceeded budget by \$613,042 in the non-departmental General fund due to the transfer of cash to the Capital Improvement Fund from a trust fund that is accounted for in the General fund for financial reporting purposes, but is not a part of the adopted County Budget.

Capital Assets and Debt Administration

Capital Assets

Missoula County's capital assets consist of land, buildings and systems, improvements, equipment, and machinery. Infrastructure assets placed in service in 2005 are reported in capital assets. However, infrastructure assets placed into service prior to 2005 are not presented in this report as the County has elected to retroactively report infrastructure in its June 30, 2007 CAFR. Missoula County's investment in capital assets (net of accumulated depreciation and outstanding debt) was \$14,713,832 at June 30, 2005 (\$23,592,355 at June 30, 2004). Capital asset activity is presented in Note 4 of the financial statements as well as on pages 121-123 of the supplementary information.

Significant activity in capital assets for 2004 includes:

- The 4th floor renovations of the Courthouse Annex were completed at a total project cost of approximately \$1.2 million.
- Approximately \$1.3 million was spent on the continuing upgrade to the County's communications backbone.
- Certain phases of the Courthouse Renovation Project were completed in 2004 including replacing the boiler (\$366,146) and restoring the exterior terra cotta and granite (\$295,900).
- The Public Works Department completed \$551,890 in infrastructure projects, including \$368,330 toward re-decking the VanBuren St. Pedestrian Bridge. Additionally, infrastructure completed in the MCA Industrial District totaled \$233,318.
- The MCA Industrial District sold land with a cost of \$95,930 for total proceeds of \$2,174,825.

Long-term Debt

Long-term debt for Missoula County totaled \$30,514,381 at June 30, 2005 (\$30,680,931 at June 30, 2004). Total debt decreased \$166,550, which is comprised of new special assessment loans totaling \$954,787, new contract payable (\$415,795); principal payments made (\$1,643,082), and a \$105,950 increase in the liability for compensated absences. Additional information regarding long-term debt can be found in Note 5 to the financial statements.

The following table shows outstanding debt by type:

Total Long-term Debt	
General Obligation Bonds and Loans	\$ 13,926,000
Limited Obligation Bonds and Loans	2,115,000
Tax Increment Bonds	1,970,000
Special Assessment Bonds and Loans	7,160,227
Notes and Contracts Payable	2,073,338
Compensated Absence Liability	<u>3,269,816</u>
	\$ <u><u>30,514,381</u></u>

Economic Factors and the Fiscal Year 2006 Budget

Missoula County continues as the major trade and service center in western Montana and second largest in the state after Billings. According to the Missoula Area Economic Development Corporation, the total trade area population has increased to 343,980, up 28.7% since 1990, and continues to grow. Trade center/service activities constitute 33% of the labor income in basic industries, followed by the University of Montana and other state government (18%), federal government (14%), wood products (13%), transportation (13%), and nonresident travel and other (9%). Of the trade center activities, 39% is from medical services, 24% is from retail/wholesale trade, and 12% is from other services.

According to statistics and information provided by the University of Montana Bureau of Business and Economic Research, actual growth (based on nonfarm labor income) slowed from 4.2% in 2003 to 2.5% in 2004. However, preliminary 2005 figures show a healthy growth rate of 4.5% and projections for 2006 and 2007 are 6.4% and 6.0%, respectively. Growth is expected to remain above 4.5% through 2009. Driving this growth are health care and professional services, the University of Montana, and the federal government (primarily the USDA Forest Service). Additionally, the announcement of a major call center in Missoula further bolsters these figures.

The Board of County Commissioners budget priorities include the continued maintenance of strong cash reserves and the funding of major capital projects, notably the Courthouse and annex renovations and the upgrade of the communications backbone. The County maintained its strong financial position in 2005. According to the Missoula County Budget document, General Fund equity (budget basis) was \$2,493,932 at June 30, 2005 compared to \$2,896,535 at the end of fiscal year 2004. However, budgeted ending General Fund equity for 2005 was \$1,480,573. For fiscal year 2006, the Commissioners have established a General Fund reserve of 12% of total revenues. Special Fund reserve parameters remain at 5% of total revenues, except Public Safety (8%) and the Community Based Organization funds (3%). Other significant items in the 2006 budget include:

Office of Planning and Grants - During 2005, the BCC voted to terminate the interlocal agreement between the County and the City of Missoula regarding the governance of OPG. The County engaged a management consultant to review OPG operations and to recommend a new governance structure.

A new interlocal agreement is currently under development by the County and City. Additionally, a new budget structure recommended by County and City staff has been adopted by the County Commissioners that will promote increased transparency and accountability. The changes include:

- Separate County and City Initiative funds that receive revenues from each jurisdiction's General funds. Each fund will have permanent staff dedicated to working on projects in each jurisdiction's work plan.
- Fee revenue generated through OPG charges for service will be allocated to each jurisdiction's general fund to avoid any issues with different fee schedules.
- Current planning will continue to be an integrated service funded through a combination of planning mill and general fund contributions (fees) from each jurisdiction.

District Court Fund - tax revenues have been increased approximately \$165,000 in order to fix a structural imbalance in the District Court Fund. After State assumption of District Court, it was difficult to predict expenses and revenues, particularly as it related to the Supreme Court reimbursement for public defense costs. In FY2004, the District Court levy was reduced by \$416,385. However, for FY2005, the results of operations produced a cash loss of \$141,000 and similar results would be ongoing without additional tax revenues. Of the \$165,000 increase, \$115,000 represents a transfer mills from the general fund. The remaining \$50,000 is levied from the County's unused authority from FY2004.

Clerk & Recorder Fees – Previously a revenue growth area due to low interest rates and Missoula's hot real estate market, recording volume dropped off in 2005 resulting in recording revenue approximately \$185,000 below estimates. The FY06 budget is \$850,000 (versus \$1,070,000 in FY05).

The following table shows taxable value and mill levy information for property Countywide and outside the City limits:

	Countywide		Rural-only	
	2006	2005	2006	2005
Taxable Value	\$172,525,317	\$161,743,087	\$78,991,738	\$74,229,547
Value of Newly Taxable Property	10,997,912	8,391,315	5,032,515	4,447,592
Value of One Mill	172,525	161,743	78,992	74,230
Property Tax Revenues	22,272,681	20,559,527	2,513,249	2,521,328
Number of Mills Levied	129.1	127.1	31.8	34.0

The following table shows the changes in tax revenue and mills for 2006:

	County-wide	Mills	Rural-only	Mills
Total Property Taxes Assessed – Prior Year	\$20,559,527	127.1	\$2,521,328	34.0
Current Year Taxes Attributable to Floating Mill*	95,927	0.6	18,123	0.23
Current Year Property Taxes Attributable To Newly Taxable Property**	1,375,814	-	150,142	-
One-time tax levies in 2005	(20,000)	(0.1)	(242,018)	(3.1)
New Levy Authority:				
District Court – Public Defender Services	73,344	0.4	-	-
Animal Control Officers	-	-	7,754	0.1
Permissive Medical Levy	188,069	1.1	57,920	0.7
Total Property Taxes Assessed – Current Year	\$22,272,681	129.1	\$2,513,249	31.8

* The “Floating Mill” represents changes in tax revenue attributable to the inflation factor provided in MCA 15-10-420 and the change in certain personal property reimbursements. For fiscal year 2006, the County Commissioners elected to levy \$114,050 of the \$389,566 allowed for this floating mill.

** Newly Taxable Property represents changes in property within the County provided by the Montana Department of Revenue. Generally an increase to the tax base and not to the mills levied.

*** MCA 15-10-420 limits local governments’ ability to increase mill levies beyond the prior year’s dollars levied (with certain exceptions). Therefore any change in taxable value that is not from newly taxable property, such as with reappraisal, has the effect of increasing or decreasing mills in order to raise the same amount of dollars.

Contacting Missoula County

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional information, contact Dale D. Bickell, Chief Financial Officer, Missoula County, 200 W. Broadway, Missoula, Montana 59801; dbickell@co.missoula.mt.us; (406) 721-5700. Additionally, Missoula County's budget reports and CAFRs are available on-line www.co.missoula.mt.us.

MISSOULA COUNTY, MONTANA
Statement of Net Assets
June 30, 2005
(Page 1 of 2)

	<u>Primary Government</u>			<u>Component Units</u>	
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Missoula Aging Services</u>	<u>Partnership Health Center</u>
Assets					
Cash & Cash Equivalents	\$ 3,186,430	\$ 18,422	\$ 3,204,852	\$ 612,485	\$ 3,226
Cash with Fiscal Agents	1,829,142	-	1,829,142	-	-
Investments	19,333,115	749,219	20,082,334	-	135,974
Property Taxes Receivable, net	2,104,663	-	2,104,663	-	-
RSID Receivable-Delinquent	45,228	35,902	81,130	-	-
RSID Receivable-Deferred	8,903,412	-	8,903,412	-	-
Accounts Receivable, net	2,090,578	2,914	2,093,492	211,556	269,493
Interest Receivable, net	15,036	-	15,036	-	-
Contributions Receivable	224,777	-	224,777	-	-
Grants Receivable	-	-	-	-	85,887
Loans & Notes Receivable	944,725	-	944,725	-	-
Advances to (from) Other Funds	(590,586)	590,586	-	-	-
Advances to Component Units	823,504	-	823,504	-	-
Prepaid Costs	69,037	-	69,037	1,200	5,211
Inventory	1,202,459	34,712	1,237,171	-	19,432
Debt Issuance Costs	170,979	-	170,979	-	-
Capital Assets - non-depreciable	8,051,936	1,049,212	9,101,148	132,000	-
Capital Assets - depreciable, net	<u>33,166,461</u>	<u>1,229,691</u>	<u>34,396,152</u>	<u>876,801</u>	<u>1,805,683</u>
Total Assets	\$ <u>81,570,896</u>	\$ <u>3,710,658</u>	\$ <u>85,281,554</u>	\$ <u>1,834,042</u>	\$ <u>2,324,906</u>

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

MISSOULA COUNTY, MONTANA
Statement of Net Assets (Continued)
June 30, 2005
(Page 2 of 2)

	<u>Primary Government</u>			<u>Component Units</u>	
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Missoula Aging Services</u>	<u>Partnership Health Center</u>
Liabilities					
Accounts & Warrants Payable	\$ 1,280,366	\$ 83,050	\$ 1,363,416	\$ 79,888	\$ 17,561
Accrued Interest Payable	576,709	-	576,709	-	10,675
Accrued Payroll	190,098	50,618	240,716	-	71,218
Due to Other Governments - Current Portion	-	-	-	-	35,000
Due to Other Governments, net of Current Portion	-	-	-	-	38,760
Advance from Primary Governments - Current Portion	-	-	-	-	74,627
Advance from Primary Governments, net of Current Portion	-	-	-	-	748,877
Deferred Grant Revenue	-	-	-	142,348	-
Other Deferred Revenue	8,904,221	-	8,904,221	-	-
Liability for Sick & Vacation	3,269,816	-	3,269,816	58,431	164,756
Liability for Claims	2,751,221	-	2,751,221	-	-
Long-term Liabilities:					
Due within One Year	2,771,802	-	2,771,802	74,364	14,091
Due in more than One Year	24,472,763	-	24,472,763	587,067	111,980
Total Liabilities	<u>44,216,996</u>	<u>133,668</u>	<u>44,350,664</u>	<u>942,098</u>	<u>1,287,545</u>
Net Assets					
Invested in Capital Assets, net of Related Debt	14,884,811	2,278,903	17,163,714	347,370	1,294,305
Restricted for Aging Programs	-	-	-	-	50,000
Restricted for Health Programs	-	-	-	457,020	-
Unrestricted	<u>22,469,089</u>	<u>1,298,087</u>	<u>23,767,176</u>	<u>87,554</u>	<u>(306,944)</u>
Total Net Assets	<u>\$ 37,353,900</u>	<u>\$ 3,576,990</u>	<u>\$ 40,930,890</u>	<u>\$ 891,944</u>	<u>\$ 1,037,361</u>

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

MISSOULA COUNTY, MONTANA
Statement of Activities
For Fiscal Year Ended June 30, 2005

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-Type Activities	Total	Missoula Aging Services	Partnership Health Center
Primary Government:									
Governmental Activities									
General Governmen	\$ 9,656,328	\$ 4,917,291	\$ 263,799	\$ 139,500	\$ (4,335,738)	\$ -	\$ (4,335,738)	\$ -	\$ -
Criminal Justice	4,813,728	969,501	1,416,094	-	(2,428,133)	-	(2,428,133)	-	-
Public Safety	14,852,072	3,385,998	1,456,343	725,837	(9,283,894)	-	(9,283,894)	-	-
Public Works	6,641,539	1,013,088	1,403,127	792,748	(3,432,576)	-	(3,432,576)	-	-
Public Health	4,517,190	1,373,916	1,512,634	-	(1,630,640)	-	(1,630,640)	-	-
Social & Economic Service	3,455,239	-	2,216,723	-	(1,238,516)	-	(1,238,516)	-	-
Culture & Recreator	4,252,141	1,199,618	538,233	-	(2,514,290)	-	(2,514,290)	-	-
Housing & Community Developmen	2,007,925	248,987	391,568	261,382	(1,105,988)	-	(1,105,988)	-	-
Interest and Fiscal Charge:	1,196,809	-	-	-	(1,196,809)	-	(1,196,809)	-	-
Total Governmental Activities	<u>51,392,971</u>	<u>13,108,399</u>	<u>9,198,521</u>	<u>1,919,467</u>	<u>(27,166,584)</u>	<u>-</u>	<u>(27,166,584)</u>	<u>-</u>	<u>-</u>
Business-type Activities									
Larchmont Golf Course	795,539	911,171	-	-	-	115,632	115,632	-	-
Rural Special Improvement District	767,857	676,128	-	-	-	(91,729)	(91,729)	-	-
Total Business-type Activitie	<u>1,563,396</u>	<u>1,587,299</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,903</u>	<u>23,903</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 52,956,367</u>	<u>\$ 14,695,698</u>	<u>\$ 9,198,521</u>	<u>\$ 1,919,467</u>	<u>(27,166,584)</u>	<u>23,903</u>	<u>(27,142,681)</u>	<u>-</u>	<u>-</u>
Component units:									
Missoula Aging Service:	\$ 2,314,038	\$ 125,938	\$ 2,030,847	\$ -	-	-	-	(157,253)	-
Partnership Health Center:	3,424,401	1,698,354	2,090,161	-	-	-	-	-	364,114
Total component units	<u>\$ 5,738,439</u>	<u>\$ 1,824,292</u>	<u>\$ 4,121,008</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(157,253)</u>	<u>364,114</u>
General revenues:									
Property Taxes					28,263,956	-	28,263,956	-	-
Intergovernmental Revenue - Unrestricte					3,772,657	-	3,772,657	-	-
Investment Earnings					466,131	10,907	477,038	3,576	-
Contributions not Restricted to Specific Program					-	-	-	72,200	-
Grants not Restricted to Specific Program					-	-	-	222,824	-
Gain on Sale of Capital Asset:					312,722	425	313,147	-	-
Miscellaneous Revenue:					1,453,329	2,591	1,455,920	-	13,006
Transfers					101,413	(122,517)	(21,104)	-	21,104
Total General Revenues & Transfers					<u>34,370,208</u>	<u>(108,594)</u>	<u>34,261,614</u>	<u>298,600</u>	<u>34,110</u>
Change in Net Assets					7,203,624	(84,691)	7,118,933	141,347	398,224
Net Assets - Beginning of Year					<u>30,150,276</u>	<u>3,661,681</u>	<u>33,811,957</u>	<u>750,597</u>	<u>639,137</u>
Net Assets - End of Year					<u>\$ 37,353,900</u>	<u>\$ 3,576,990</u>	<u>\$ 40,930,890</u>	<u>\$ 891,944</u>	<u>\$ 1,037,361</u>

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

MISSOULA COUNTY, MONTANA

Balance Sheet

Governmental Funds

June 30, 2005

(Page 1 of 2)

	General	Public Safety	RSID Debt Service	MCA Industrial District	Capital Improvements	Other Governmental Funds	Total Governmental Funds
Assets							
Cash & Cash Equivalents	\$ 46,255	\$ 51,837	\$ -	\$ 115,453	\$ 8,293	\$ 176,298	\$ 398,136
Cash with Fiscal Agents	-	-	439,319	149,043	-	1,240,780	1,829,142
Investments	1,949,782	2,185,093	-	4,866,703	349,587	7,431,541	16,782,706
Property Taxes Receivable (net)	583,065	441,329	-	136,654	-	909,434	2,070,482
RSID Receivable:							
Delinquent	-	-	44,419	-	-	809	45,228
Deferred	-	-	8,043,414	-	-	859,998	8,903,412
Accounts Receivable	84,291	257,946	457,053	-	-	1,280,745	2,080,035
Loans & Notes Receivable	-	-	-	-	8,223	936,502	944,725
Advances to Other Funds	1,236,826	1,163	178,129	-	-	363,241	1,779,359
Advances to Component Units	-	-	-	-	-	823,504	823,504
Inventory	-	-	-	-	-	1,202,459	1,202,459
Total Assets	<u>\$ 3,900,219</u>	<u>\$ 2,937,368</u>	<u>\$ 9,162,334</u>	<u>\$ 5,267,853</u>	<u>\$ 366,103</u>	<u>\$ 15,225,311</u>	<u>\$ 36,859,188</u>
Liabilities							
Accounts & Warrants Payable	\$ 132,745	\$ 360,421	\$ -	\$ 786	\$ 64,105	\$ 710,068	\$ 1,268,125
Accrued Interest Payable	-	-	133,003	54,042	-	389,664	576,709
Accrued Payroll	46,733	45,556	-	400	-	72,096	164,785
Advances from Other Funds	-	-	-	-	-	2,369,945	2,369,945
Deferred Tax Revenue	583,065	441,329	-	136,654	-	909,434	2,070,482
Other Deferred Revenue	-	-	8,087,833	-	8,223	1,797,309	9,893,365
Total Liabilities	<u>762,543</u>	<u>847,306</u>	<u>8,220,836</u>	<u>191,882</u>	<u>72,328</u>	<u>6,248,516</u>	<u>16,343,411</u>

MISSOULA COUNTY, MONTANA
Balance Sheet (Continued)
Governmental Funds
June 30, 2005
(Page 2 of 2)

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt Service</u>	<u>MCA Industrial District</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance							
Reserved for Inventory	-	-	-	-	-	1,202,459	1,202,459
Reserved for Advances & Loans	1,236,826	1,163	178,129	-	-	1,186,745	2,602,863
Reserved for Capital	-	-	-	-	-	40,995	40,995
Unreserved, reported in:							
General Fund	1,900,850	-	-	-	-	-	1,900,850
Special Revenue Funds	-	2,088,899	-	5,075,971	-	6,403,763	13,568,633
Debt Service Funds	-	-	763,369	-	-	700,083	1,463,452
Capital Projects Funds	-	-	-	-	293,775	(557,250)	(263,475)
Total Fund Balance	<u>3,137,676</u>	<u>2,090,062</u>	<u>941,498</u>	<u>5,075,971</u>	<u>293,775</u>	<u>8,976,795</u>	<u>20,515,777</u>
Total Liabilities and Fund Balance	<u>\$ 3,900,219</u>	<u>\$ 2,937,368</u>	<u>\$ 9,162,334</u>	<u>\$ 5,267,853</u>	<u>\$ 366,103</u>	<u>\$ 15,225,311</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	40,965,134
Debt issuance costs used in governmental activities are not financial resources and, therefore, are not reported in the funds.	170,979
Notes receivable are not available to pay for current-period expenditures and, therefore, are, deferred in the funds.	944,725
Taxes and delinquent RSID receivable are not recorded as revenue until they are received and, therefore, are, deferred in the funds.	2,114,901
Internal Service Funds are used by management to charge the costs of self-insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	3,074,804
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(30,432,420)</u>
Net assets of governmental activities	<u>\$ 37,353,900</u>

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

MISSOULA COUNTY, MONTANA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For Fiscal Year Ended June 30, 2005

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt Service</u>	<u>MCA Industrial District</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:							
Property Taxes	\$ 7,439,442	\$ 7,432,423	\$ 891,109	\$ 894,601	\$ -	\$ 12,079,711	\$ 28,737,286
Licenses & Permits	26,575	7,775	-	-	-	321,665	356,015
Intergovernmental Revenue	2,116,887	701,414	622,121	6,430	87,543	11,521,557	15,055,952
Charges for Services	2,005,289	3,631,923	-	-	-	2,692,692	8,329,904
Fines & Forfeits	841,439	42,619	-	-	-	153,606	1,037,664
Investment Earnings	168,819	1,632	-	52,960	3,234	149,232	375,877
Private & Local Grants	-	-	-	-	-	122,446	122,446
Miscellaneous Revenue	174,810	98,952	6,760	24,067	2,889	1,899,207	2,206,685
Total Revenues	<u>12,773,261</u>	<u>11,916,738</u>	<u>1,519,990</u>	<u>978,058</u>	<u>93,666</u>	<u>28,940,116</u>	<u>56,221,829</u>
Expenditures:							
Current Operations:							
General Government	5,778,354	-	-	-	-	292,567	6,070,921
Criminal Justice	2,824,780	-	-	-	-	2,085,114	4,909,894
Public Safety	1,905,464	11,459,578	-	-	-	1,261,666	14,626,708
Public Works	551,597	-	338,622	98,451	-	5,872,252	6,860,922
Public Health	-	-	-	-	-	4,812,944	4,812,944
Social & Economic Services	-	-	-	-	-	3,291,473	3,291,473
Culture & Recreation	-	-	-	-	-	3,608,099	3,608,099
Housing & Community Development	-	-	-	-	-	2,090,784	2,090,784
Capital Outlay	191,226	243,535	-	275,745	1,366,582	4,940,491	7,017,579
Debt Service:							
Principal	-	-	260,121	90,000	478,968	793,000	1,622,089
Interest and Fiscal Charges	-	-	269,446	108,259	36,757	782,347	1,196,809
Total Expenditures	<u>11,251,421</u>	<u>11,703,113</u>	<u>868,189</u>	<u>572,455</u>	<u>1,882,307</u>	<u>29,830,737</u>	<u>56,108,222</u>
Excess (deficiency) of Revenue over (under) Expenditures	<u>1,521,840</u>	<u>213,625</u>	<u>651,801</u>	<u>405,603</u>	<u>(1,788,641)</u>	<u>(890,621)</u>	<u>113,607</u>
Other Financing Sources (uses):							
Operating Transfer In	278,254	622,108	235,851	-	1,727,884	2,314,931	5,179,028
Operating Transfer Out	(2,421,688)	(253,198)	(24,773)	(263,715)	(289,111)	(2,063,085)	(5,315,570)
Loan Proceeds	-	-	834,560	-	59,539	476,483	1,370,582
Sale of Capital Assets	2,176	-	-	2,174,258	5,000	53,053	2,234,487
Total other financing sources and uses	<u>(2,141,258)</u>	<u>368,910</u>	<u>1,045,638</u>	<u>1,910,543</u>	<u>1,503,312</u>	<u>781,382</u>	<u>3,468,527</u>
Net Change in Fund Balances	(619,418)	582,535	1,697,439	2,316,146	(285,329)	(109,239)	3,582,134
Fund Balances - Beginning of Year	3,757,094	1,507,527	43,451	2,759,825	579,104	7,672,265	16,319,266
Change in Inventory Reserves	-	-	-	-	-	614,377	614,377
Fund Reclassifications	-	-	(799,392)	-	-	799,392	-
Fund Balances - End of Year	<u>\$ 3,137,676</u>	<u>\$ 2,090,062</u>	<u>\$ 941,498</u>	<u>\$ 5,075,971</u>	<u>\$ 293,775</u>	<u>\$ 8,976,795</u>	<u>\$ 20,515,777</u>

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

MISSOULA COUNTY, MONTANA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For Fiscal Year Ended June 30, 2005

Amounts reported for governmental activities in the statement of activities (page 21) are different because:

Net change in fund balances - total governmental funds (page 24)	\$ 3,582,134
Governmental funds report capital outlays as expenditures and proceeds from sales as revenues. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense and gain or loss is reported upon sale or disposal.	
Expenditures for capital assets	6,196,354
Current year depreciation	(2,406,899)
Gain or loss on disposal of capital assets	<u>(1,916,767)</u>
	<u>1,872,688</u>
Property taxes and special assessment revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	36,205
The issuance of notes receivable consumes the current financial resources of governmental funds, while payments received on notes receivable provide current financial resources. Neither transaction, however, has any effect on net assets.	(723,989)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.	251,506
Governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	1,463
The increase in expenses due to the increase in the liability for compensated absences reported in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.	(105,950)
The decrease in expenses due to the increase in inventory reported in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.	614,377
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>1,675,190</u>
Change in net assets of governmental activities (page 21)	<u>\$ 7,203,624</u>

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

MISSOULA COUNTY, MONTANA
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General and Major Special Revenue Funds
For Fiscal Year Ended June 30, 2005
(Page 1 of 2)

	General				Public Safety			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 7,241,125	\$ 7,241,125	\$ 7,540,275	\$ 299,150	\$ 7,379,729	\$ 7,379,729	\$ 7,518,419	\$ 138,690
Licenses & Permit:	26,100	26,100	26,575	475	7,500	7,500	7,775	275
Intergovernmental Revenue	1,050,458	1,943,174	2,228,461	285,287	27,500	974,559	701,414	(273,145)
Charges for Service:	2,184,316	2,185,816	1,971,376	(214,440)	3,602,248	3,714,255	3,711,629	(2,626)
Fines & Forfeits:	681,000	681,000	791,462	110,462	30,000	30,000	42,619	12,619
Investment Earnings:	35,000	35,000	123,454	88,454	-	-	1,273	1,273
Miscellaneous Revenue	15,000	13,500	17,571	4,071	40,000	85,000	98,951	13,951
Total Revenues	<u>11,232,999</u>	<u>12,125,715</u>	<u>12,699,174</u>	<u>573,459</u>	<u>11,086,977</u>	<u>12,191,043</u>	<u>12,082,080</u>	<u>(108,963)</u>
Expenditures:								
Current Operations:								
Personnel	8,376,964	8,310,678	8,328,286	(17,608)	8,966,507	8,966,507	8,412,708	553,799
Operations	2,922,413	3,614,388	3,000,867	613,521	3,210,480	3,210,480	3,003,959	206,521
Capital Outlay	217,519	232,129	207,438	24,691	514,778	764,778	233,664	531,114
Total Expenditures	<u>11,516,896</u>	<u>12,157,195</u>	<u>11,536,591</u>	<u>620,604</u>	<u>12,691,765</u>	<u>12,941,765</u>	<u>11,650,331</u>	<u>1,291,434</u>
Excess (deficiency) of Revenue over (under) Expenditure	(283,897)	(31,480)	1,162,583	1,194,063	(1,604,788)	(750,722)	431,749	1,182,471
Other Financing Sources (uses)								
Operating Transfer In	259,996	291,522	278,254	(13,268)	146,704	626,607	622,108	(4,499)
Operating Transfer Out	(1,754,732)	(1,809,454)	(2,421,688)	(612,234)	(254,893)	(254,893)	(253,198)	1,695
Loan Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Asset:	-	-	2,176	2,176	-	-	-	-
Excess of Revenues and Othe Financing Sources over (under) Expenditures and Othe Financing Uses	<u>\$ (1,778,633)</u>	<u>\$ (1,549,412)</u>	<u>(978,675)</u>	<u>\$ 570,737</u>	<u>\$ (1,712,977)</u>	<u>\$ (379,008)</u>	<u>800,659</u>	<u>\$ 1,179,667</u>
Fund Balance - Beginning of Year			<u>4,296,710</u>				<u>1,615,921</u>	
Fund Balance - End of Year			<u>\$ 3,318,035</u>				<u>\$ 2,416,580</u>	

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

MISSOULA COUNTY, MONTANA
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual - General and Major Special Revenue Funds
For Fiscal Year Ended June 30, 2005
(Page 2 of 2)

	MCA Industrial District				Capital Improvements			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 650,000	\$ 650,000	\$ 894,601	\$ 244,601	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	440	440	6,430	5,990	73,500	73,500	87,543	14,043
Investment Earnings	15,000	15,000	48,811	33,811	-	-	3,053	3,053
Miscellaneous Revenue	-	-	24,067	24,067	11,508	11,508	2,889	(8,619)
Total Revenues	<u>665,440</u>	<u>665,440</u>	<u>973,909</u>	<u>308,469</u>	<u>85,008</u>	<u>85,008</u>	<u>93,485</u>	<u>8,477</u>
Expenditures:								
Current Operations:								
Personnel	71,179	71,179	72,631	(1,452)	-	-	-	-
Operations	118,357	118,357	26,757	91,600	-	-	-	-
Capital Outlay	674,290	599,290	275,763	323,527	1,113,298	1,533,745	1,306,116	227,629
Debt Service:								
Principal	90,000	90,000	90,000	-	478,968	478,968	478,968	-
Interest and Fiscal Charges	110,066	110,066	110,420	(354)	37,362	37,362	36,757	605
Total Expenditures	<u>1,063,892</u>	<u>988,892</u>	<u>575,571</u>	<u>413,321</u>	<u>1,629,628</u>	<u>2,050,075</u>	<u>1,821,841</u>	<u>228,234</u>
Excess (deficiency) of Revenue over (under) Expenditures	(398,452)	(323,452)	398,338	721,790	(1,544,620)	(1,965,067)	(1,728,356)	236,711
Other Financing Sources (uses):								
Operating Transfer In	-	-	-	-	1,312,861	1,733,308	1,727,884	(5,424)
Operating Transfer Out	(189,715)	(264,715)	(263,715)	1,000	-	-	(289,111)	(289,111)
Loan Proceeds	-	-	-	-	55,661	55,661	59,539	3,878
Sale of Capital Assets	750,000	750,000	2,260,128	1,510,128	-	-	5,000	5,000
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 161,833</u>	<u>\$ 161,833</u>	2,394,751	<u>\$ 2,232,918</u>	<u>\$ (176,098)</u>	<u>\$ (176,098)</u>	(225,044)	<u>\$ (48,946)</u>
Fund Balance - Beginning of Year			2,720,599				628,628	
Fund Balance - End of Year			<u>\$ 5,115,350</u>				<u>\$ 403,584</u>	

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

MISSOULA COUNTY, MONTANA
Balance Sheet
Proprietary Funds
June 30, 2005

	Business-Type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Major Fund	Nonmajor Fund	Total	
	Larchmont Golf Course	RSID Funds		
Assets				
<i>Current Assets:</i>				
Cash & Cash Equivalents	\$ 18,422	\$ -	\$ 18,422	\$ 1,027,380
Investments	776,571	-	776,571	4,412,672
Taxes Receivable, net	-	-	-	34,181
RSID Receivable-Delinquent	-	35,902	35,902	-
Accounts Receivable (net)	2,914	-	2,914	-
Interest Receivable	-	-	-	15,036
Prescription Rebate Receivable	-	-	-	10,543
Contributions Receivable	-	-	-	224,777
Advances to Other Funds	-	590,586	590,586	-
Prepaid Costs	-	-	-	69,037
Inventory	34,712	-	34,712	-
Total Current Assets	832,619	626,488	1,459,107	5,793,626
<i>Noncurrent Assets:</i>				
Capital Assets, net	1,832,578	446,325	2,278,903	253,263
Total Assets	\$ 2,665,197	\$ 1,072,813	\$ 3,738,010	\$ 6,046,889
Liabilities				
<i>Current Liabilities:</i>				
Accounts & Warrants Payable	\$ 24,913	\$ 58,137	\$ 83,050	\$ 12,241
Accrued Payroll	49,655	963	50,618	25,313
Estimated Claims Liability	-	-	-	2,751,221
Notes Payable - Current Portion	-	-	-	22,023
Total Current Liabilities	74,568	59,100	133,668	2,810,798
<i>Noncurrent Liabilities:</i>				
Notes Payable, net of Current Portion	-	-	-	59,938
Total Liabilities	74,568	59,100	133,668	2,870,736
Net Assets				
Invested in Capital Assets, net of Related Debt	1,832,578	446,325	2,278,903	171,302
Unrestricted	758,051	567,388	1,325,439	3,004,851
Total Net Assets	2,590,629	1,013,713	3,604,342	3,176,153
Total Liabilities and Net Assets	\$ 2,665,197	\$ 1,072,813	3,738,010	\$ 6,046,889
Adjustments to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds			(27,352)	
Net Assets of Business-type activities.			\$ 3,576,990	

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

MISSOULA COUNTY, MONTANA
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For Fiscal Year Ended June 30, 2005

	<u>Business-Type Activities-Enterprise Funds</u>			<u>Governmental Activities- Internal Service Funds</u>
	<u>Major Fund</u>	<u>Nonmajor Fund</u>	<u>Total</u>	
	Larchmont Golf Course	RSID Funds		
Operating Revenues:				
Special Assessment:	\$ -	\$ 669,682	\$ 669,682	\$ -
Charges for Services	911,171	6,446	917,617	7,772,686
Total Operating Revenues	<u>911,171</u>	<u>676,128</u>	<u>1,587,299</u>	<u>7,772,686</u>
Operating Expenses				
Personnel	345,152	179,145	524,297	406,068
Operations	320,074	542,784	862,858	592,488
Claims	-	-	-	5,446,339
Reinsurance Premiums	-	-	-	159,367
Administrative	-	-	-	218,105
Depreciation and Amortization	139,398	54,697	194,095	11,672
Total Operating Expenses	<u>804,624</u>	<u>776,626</u>	<u>1,581,250</u>	<u>6,834,039</u>
Operating Income (Loss)	<u>106,547</u>	<u>(100,498)</u>	<u>6,049</u>	<u>938,647</u>
Non-operating Revenues (Expenses)				
Property Taxes	-	-	-	394,845
Miscellaneous Income	2,176	415	2,591	-
Investment Earnings	7,707	3,200	10,907	94,802
Interest Expense	-	-	-	(2,664)
Gain (Loss) on Sale of Asset	425	-	425	-
Other Income	-	-	-	59,268
Rebates	-	-	-	45,303
Intergovernmental Revenue:	-	-	-	53,589
Total Non-operating Revenues (Expenses)	<u>10,308</u>	<u>3,615</u>	<u>13,923</u>	<u>645,143</u>
Net Income (Loss) before Transfers	116,855	(96,883)	19,972	1,583,790
Transfers In	-	17,100	17,100	254,079
Transfers Out	(128,422)	(11,195)	(139,617)	(16,124)
Change in Net Assets	<u>(11,567)</u>	<u>(90,978)</u>	<u>(102,545)</u>	<u>1,821,745</u>
Total Net Assets - Beginning of Year	<u>2,602,196</u>	<u>1,104,691</u>		<u>1,354,408</u>
Total Net Assets - End of Year	<u>\$ 2,590,629</u>	<u>\$ 1,013,713</u>		<u>\$ 3,176,153</u>
			<u>17,854</u>	
			<u>\$ (84,691)</u>	

Adjustments to reflect the consolidation of Internal Service fund activities related to Enterprise funds.

Change in Net Assets of Business-type Activities (page 21)

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

MISSOULA COUNTY, MONTANA
Statement of Cash Flows
Proprietary Funds
For Fiscal Year Ended June 30, 2005
(Page 1 of 2)

	Business-Type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Major Fund	Nonmajor Fund	Total	
	Larchmont Golf Course	RSID Funds		
Cash flows from operating activities:				
Cash receipts for charges for services	\$ 910,880	\$ 688,703	\$ 1,599,583	\$ 7,712,775
Cash payments to employees for services	(345,212)	(184,257)	(529,469)	(536,800)
Cash payments for reinsurance premiums	-	-	-	(528,900)
Cash payments for administrative expenses	-	-	-	(251,402)
Cash payments for claims expenses	-	-	-	(6,324,644)
Cash payments to other suppliers for goods and services	(326,682)	(522,042)	(848,724)	(260,310)
Net cash provided (used) by operating activities	<u>238,986</u>	<u>(17,596)</u>	<u>221,390</u>	<u>(189,281)</u>
Cash flows from non-capital financing activities:				
Property taxes collected	-	-	-	446,845
Rebates	-	-	-	29,000
Miscellaneous Income	2,176	-	2,176	-
Advances (to) from primary government/other funds	-	54,075	54,075	-
Transfer in	-	17,100	17,100	254,079
Transfer out	(128,422)	(11,195)	(139,617)	(16,124)
Intergovernmental revenue and other sources	-	415	415	108,697
Net cash provided (used) by non-capital financing activities	<u>(126,246)</u>	<u>60,395</u>	<u>(65,851)</u>	<u>822,497</u>
Cash flows from capital and related financing activities:				
Proceeds from sale of assets	425	-	425	-
Principal paid on revenue bond maturities and notes payable	-	-	-	(20,994)
Interest paid on revenue bond maturities and notes payable	-	-	-	(2,664)
Acquisition of Capital Assets and construction in progress	(104,222)	(45,999)	(150,221)	-
Net cash used for capital and related financing activities	<u>(103,797)</u>	<u>(45,999)</u>	<u>(149,796)</u>	<u>(23,658)</u>
Cash flows from investing activities:				
Purchases of investment securities	(68,225)	-	(68,225)	(2,459,610)
Proceeds from sale of investment securities	-	-	-	1,669,383
Interest on investments	7,707	3,200	10,907	59,707
Net cash provided (used) by investing activities	<u>(60,518)</u>	<u>3,200</u>	<u>(57,318)</u>	<u>(730,520)</u>
Net increase (decrease) in cash and cash equivalents	<u>(51,575)</u>	<u>-</u>	<u>(51,575)</u>	<u>(120,962)</u>
Cash and cash equivalents at beginning of year	69,997	-	69,997	1,148,342
Cash and cash equivalents at end of year	<u>\$ 18,422</u>	<u>\$ -</u>	<u>\$ 18,422</u>	<u>\$ 1,027,380</u>

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

MISSOULA COUNTY, MONTANA
Statement of Cash Flows (Continued)
Proprietary Funds
For Fiscal Year Ended June 30, 2005
(Page 2 of 2)

Reconciliation of Income (Loss) from Operations to Cash Provided (Used) by Operations

	Business-Type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Major Fund	Nonmajor Fund		
	Larchmont Golf Course	RSID Funds	Total	
Income (loss) from operations	\$ 106,547	\$ (100,498)	\$ 6,049	\$ 938,647
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	139,398	54,697	194,095	14,588
Change in assets and liabilities:				
(Increase) decrease in receivables	(291)	12,575	12,284	(59,911)
(Increase) decrease in prepaid costs	-	-	-	(5,500)
(Increase) decrease in inventory	(10,968)	-	(10,968)	-
(Decrease) increase in payables	4,360	20,742	25,102	(174,488)
(Decrease) increase in accrued liabilities	(60)	(5,112)	(5,172)	(902,617)
Net cash provided (used) by operating activities	\$ 238,986	\$ (17,596)	\$ 221,390	\$ (189,281)

Supplemental Disclosure of Cash Flow Information

Noncash capital financing , non-capital financing and investing activities:

Internal service funds had \$28,291 of net investment income that was reinvested in their trust portfolios for the year.

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

MISSOULA COUNTY, MONTANA
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2005

	Agency Funds	External Pool Investment Trust
Assets		
Cash & Cash Equivalents	\$ 115,973	\$ 997,707
Cash with Fiscal Agents	2,318,448	-
Property Taxes Receivable, net	7,805,021	-
Investments, at Fair Value:		
Securities	217,421	13,693,710
Repurchase Agreements	19,766	1,526,181
STIP	421,666	26,720,323
Total Investments	658,853	41,940,214
Total Assets	10,898,295	42,937,921
Liabilities		
Accounts Payable	674,483	-
Funds Held in Trust	10,223,812	-
Total Liabilities	10,898,295	-
Net Assets		
Net Assets Held in Trust for Pool Participants	\$ -	\$ 42,937,921

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

MISSOULA COUNTY, MONTANA
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For Fiscal Year Ended June 30, 2005

	External Pool Investment Trust
Additions	
Interest Income	\$ <u>535,040</u>
Net Investment Income	535,040
Participant Investments in Pool	<u>231,509,735</u>
Total Additions	<u>232,044,775</u>
 Deductions	
Distribution to Participants	<u>(232,192,519)</u>
Change in Net Assets	(147,744)
 Net Assets Held in Trust for Pool Participants	
Net Assets - Beginning of Year	<u>43,085,665</u>
Net Assets - End of Year	\$ <u><u>42,937,921</u></u>

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

MISSOULA COUNTY, MONTANA

Notes to Financial Statements

June 30, 2005

Note 1 - Summary of Significant Accounting Policies

The financial statements of Missoula County have been prepared in accordance with generally accepted accounting principles in the United States of America as set forth by standards established by the Governmental Accounting Standards Board (GASB). Consequently, these financial statements reflect the provisions of GASB Statement No. 34 Basic Financial Statements - and Management Discussion and Analysis - for State and Local Governments which became effective for Missoula County for the fiscal year ended June 30, 2003 (the County has elected to retroactively report infrastructure in the fiscal year ending June 30, 2007).

Description of Reporting Entity - Missoula County was incorporated under the Montana Constitution, Article XI, Local Government, Section 2 - Counties. The County operates under a three-member commission form of government and provides the following services authorized by its charter: criminal justice, public safety, public works, public health, social and economic services, culture and recreation, housing and community development, conservation of natural resources and general government services. As required by generally accepted accounting principles, the accompanying financial statements present Missoula County (the primary government) and its component units. The component units discussed in the following paragraphs are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Component Units

Blended Component Units - The following organizations are included in the accompanying financial statements as blended component units. The financial accountability for these entities lies with Missoula County, and the Board of County Commissioners can impose its will on these entities.

Missoula County Employee Benefits Plan

The Board of County Commissioners serves as the governing board for the Missoula County Employee Benefits Plan. The Plan is managed by the County's Risk Manager. The operations of the Plan are reported in a separate Internal Service Fund.

Missoula County Workers' Compensation Group Insurance Authority

The Board of County Commissioners serves as the governing board for the Missoula County Workers' Compensation Group Insurance Authority. The Plan is managed by the County's Risk Manager. The operations of the Plan are reported in a separate Internal Service Fund.

Larchmont Golf Course

The Board of County Commissioners serves as the governing board of Larchmont Golf Course. The course is managed by a seven-member advisory board who are appointed by the Board of County Commissioners of Missoula County. The operations of the golf course are reported in a separate Enterprise Fund.

Note 1 - Summary of Significant Accounting Policies (Continued)

Missoula County Airport Industrial District

The Missoula County Airport Industrial District is governed by a three-member board consisting of the Board of County Commissioners of Missoula County and was created to develop an industrial park. The district, which was formed in 1992, is financed by tax increments, whereby property taxes attributable to increases in taxable valuation of the properties within the district are utilized for debt service and district operations. The district is accounted for as a Special Revenue Fund.

Discretely-Presented Component Units - The component units columns in the government-wide financial statements include the financial data of the County's other component units. These are reported in a separate column to emphasize that they are legally separate from the County.

Missoula Aging Services - The Missoula Aging Services is a nonprofit corporation whose purpose is the development and operation of programs for the benefit of senior citizens. The organization's board of directors is appointed by and serves at the will of the Board of County Commissioners of Missoula County. The organization prepares its separately issued financial statements on the basis of GASB Statement 34, using accounting principles applicable to enterprise funds. The complete financial statements for the Missoula Aging Services can be obtained from Missoula Aging Services, 337 Stephens, Missoula, MT 59801.

Community Health Center - The Partnership Health Center, Inc. (Community Health Center), is a nonprofit corporation organized for the purpose of providing health services to the medically underserved in the County. The organization's board is comprised of representatives of local health care providers and consumers and is not controlled by the County. However, under terms of an agreement between the Center and the County, the County has management control over all fiscal and personnel matters of the Center and is responsible for all liabilities arising from the Center's operations. The organization prepares its separately issued financial statements on the basis of GASB Statement 34, using accounting principles applicable to enterprise funds. Complete financial statements of the Partnership Health Center, Inc. can be obtained from the organization at 323 West Alder, Missoula, Montana 59802.

Related Organizations

Three organizations fall into the category of "related organizations" as defined by the Governmental Accounting Standards Board criteria. These are the Missoula County Airport Authority, Lolo Mosquito District, and the Seeley Lake Refuse District. For each of these entities the Missoula County Board of County Commissioners appoints the board of directors, but cannot impose their will on the organization, nor does the County derive any benefit or burden from these organizations.

Missoula County Airport Authority

The Missoula County Airport Authority is governed by a five-member board and has complete responsibility for the operation of the Missoula International Airport.

Lolo Mosquito District

The Lolo Mosquito District is governed by a five-member board of directors appointed by the Missoula County Commissioners. It operates mosquito abatement programs in the community of Lolo.

Seeley Lake Refuse District

The Seeley Lake Refuse District is governed by a five-member board of directors appointed by the Missoula County Commissioners. It is responsible for the operation of the solid waste management program in the Seeley Lake area.

Note 1 - Summary of Significant Accounting Policies (Continued)

Accounting Policies - The accounting policies of Missoula County conform to generally accepted accounting principles (GAAP) applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. The following is a summary of the more significant policies.

Basis of Presentation - The County's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net assets and the statement of activities report information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds, and the discretely presented component units. The activities of the internal service funds and certain interfund transactions (primarily transfers and charges for services) are eliminated to avoid overstating revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities for the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted for the operational or capital requirements of particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal services funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting - The accounts of Missoula County are organized on the basis of separate accounting entities referred to as funds. Each fund's operations are accounted for with a separate set of self-balancing accounts consisting of its assets, liabilities, fund equity, revenues and expenditures/expenses. There are three categories of funds: governmental, proprietary and fiduciary.

Note 1 - Summary of Significant Accounting Policies (Continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, use, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General Fund

The General Fund accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.

Public Safety Special Revenue Fund

The Public Safety Fund accounts for the Sheriff's Office, including law enforcement and the operations of the Missoula County Detention Facility. The primary sources of revenue for this fund are property taxes and prisoner board for inmates of other governmental entities.

RSID Debt Service Fund

The RSID Debt Service Fund accounts for the activities of rural special improvement districts for which construction has been completed and principal and interest payments are now required on construction bonds.

MCA Industrial District

The MCA Industrial District Fund accounts for the tax increment revenues from the Industrial Tax Increment District, which was created to develop an industrial park in the area of the interstate highway interchange near the airport.

Proprietary Funds

Proprietary funds are used to account for the County's ongoing organizations and activities which are similar to those often found in the private sector.

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The County reports the following major enterprise fund:

Larchmont Golf Course

The Larchmont Golf Course Fund is used to account for the activities of the County's 18-hole public golf course.

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 of the County, or to other governments, on a cost-reimbursement basis. These funds include the Risk Management, Health Insurance, Workers' Compensation, Telephone Services, and Excess Loss funds. Risk Management is financed principally through property taxes, while Health Insurance, Workers' Compensation, Telephone Services, and Excess Loss are financed primarily through charges to other funds and departments of the County or its employees.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations or other governments. Investment trust funds are used to account for the portion of the County's investment pool that is held on behalf of legally separate entities that are not part of the County's financial reporting entity. Private-purpose trust funds are used to account for resources held in trust for use by a legally separate entity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the operations of the County are included in the Statement of Net Assets. Revenues are recognized when earned, and expenses are recognized when incurred.

Fund Financial Statements

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the fiscal period, except for tax receipts which are recorded as revenue when received. Intergovernmental grant revenue usually meets the availability criterion. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued; and (2) principal and interest on general long-term debt which is recognized when due.

Proprietary funds and all trust funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for Larchmont Golf Course, Telephone Services, self-insurance programs, and special assessments for RSID funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues which do not meet this criteria are considered non-operating and reported as such. Property taxes associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period.

Fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. Agency funds have no measurement focus.

Budgets - As provided by state law, Missoula County follows these procedures to develop the budget information reflected in the financial statements:

- (1) Prior to the first Monday in July, a proposed operating budget is submitted to the County Commissioners for the fiscal year commencing July 1st. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) On or before the second Monday in August, the budget is legally enacted through an official resolution of adoption.

Note 1 - Summary of Significant Accounting Policies (Continued)

The County prepares its budget primarily on the cash basis. Revenues (except for property taxes) are budgeted in the year they are anticipated to be collected. Expenditures are budgeted in the year they are expected to be paid by warrant. The County includes in its budget encumbrances, which represent commitments to expend funds under current budget appropriations. All appropriations lapse at the end of a fiscal year except for amounts encumbered. The County includes in its budget the full amount of property taxes levied for the year. This approximates the cash basis because delinquencies of current year taxes are generally offset by collection of prior years' delinquencies.

Budgets cannot be increased except by:

- (a) a public emergency which could not have been reasonably foreseen at the time of adoption of the original budget;
- (b) debt service funds for obligations related to debt approved by the governing body;
- (c) trust funds for obligations authorized by trust covenants;
- (d) any funds for federal, state, local, or private grants and shared revenue accepted and approved by the governing body;
- (e) any funds for special assessments approved by the governing body;
- (f) the proceeds from the sale of land;
- (g) any funds for gifts or donations; and
- (h) money borrowed during the fiscal year.

Budget transfers may be made between and among the general classifications of salaries and wages, operations and maintenance, and capital outlay upon a resolution adopted by the governing body; however, no budget transfer can increase an individual salary. Expenditures may not legally exceed appropriations for an individual fund. The level of budgetary control, at which the governing body must approve over-expenditures or transfers of appropriations, is established by the three categories referenced above within an individual fund and within each department of the general fund.

Annual appropriated budgets are adopted for the general fund and most special revenue, debt service, capital projects and internal service funds. Formal budgetary policies are not employed for the Special Revenue and Debt Service funds listed below. Effective budgetary controls are alternatively achieved through Rural Special Improvement District (RSID) bond provisions, and grant contracts. No activity was budgeted for the following funds:

- RSID Projects
- Y.E.S.
- 9-1-1-Trust
- IACP School
- MCFPA Trust
- Disaster
- Jail Project
- HUD/CDBG
- Abandoned Vehicle
- 901 Sewer
- 901 Water
- LEPC Trust
- Art Museum
- Fort Memorial
- Miller Creek Trust
- Jail Commissary
- Court Education Trust
- RSID Debt Service
- Forest Reserve Title III
- Friends of Historical Museum
- Subdivision Improvement Bonds
- Historical Museum Gift Shop
- Friends of the Library
- Fort Missoula Community Center
- Transportation Mitigation Trust

Individual fund budgetary amounts equal appropriation amounts. Unencumbered appropriations lapse at the end of the year. The amounts reported as the original budget amounts represent the original adopted budget. The amounts reported as final budget amounts represent the final budget, including all amendments and modifications. Supplemental appropriations were generally made for unanticipated state and federal grants awarded during the year.

Property Taxes - 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 amounts on November 30 and the following May 31. After those dates, they become delinquent (and a lien upon the property). After three years the County exercises the lien and takes title to the property. Properties taken on tax deeds are recorded in taxes receivable at the outstanding delinquent amount.

Note 1 - Summary of Significant Accounting Policies (Continued)

Special assessments are either billed in one installment due November 30 or two equal installments due November 30 and 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 or 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 thirty days after billing; the second due September 30.

An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The estimated uncollectible amount is recorded as 1.76% of total taxes receivable at year-end. At June 30, 2005 the allowance amounted to \$179,019.

Taxable valuations, mill values and mill levies for November 2004 and May 2005 property tax billings were as follows:

	<u>Taxable Valuation</u>	<u>Valuation of Tax Increment</u>	<u>Value of Mill</u>	<u>Mills Levied</u>
County-wide levies	\$161,743,087	\$ 5,416,775	\$ 161,743	127.12 mills
Unincorporated levies	\$ 74,229,547	\$ 1,571,909	\$ 74,230	33.77 mills

The county-wide value includes \$3,844,866 which is the incremental value of property within the City of Missoula tax increment districts since their creation in 1978, 1991 and 2000. Both the county-wide and unincorporated values include \$1,571,909, the incremental value of property in the Airport Industrial Tax Increment District since 1992. Taxes on that value accrue to the tax increment district, not to the usual taxing authorities, hence the value of a mill which it is budgeted against is reduced by that incremental value.

State law limits the number of mills the County can levy to the amount of property tax dollars levied in the prior fiscal year plus the amounts related to the taxable value for annexation of real property, new construction and improvements, debt service, one-half of the average inflation for the past three years based on the consumer price index, and certain other exceptions.

Cash and Cash Equivalents, Investments and Investment Income - Except for certain specific bank deposits and investments held separately on behalf of the golf course, health benefits, workers compensation, and risk management funds, cash resources, to the extent available, of the individual funds are combined to form an investment pool, which is managed by the County Fiscal Officer. Investments of pooled cash, which are authorized by state law, consist primarily of demand deposits, non-negotiable certificates of deposit, bank repurchase agreements, government agency securities and notes, and investments in the state short-term investment pool (STIP).

Investments are reported at fair value, although certain investments and bank deposits are reported at cost or amortized cost. The following presents the basis of valuation for the County's deposits and investments:

<u>Description of Deposit or Investment</u>	<u>Basis of Valuation</u>
Pooled and non-pooled demand deposits	Cost
Non-negotiable certificates of deposit	Cost
Bank repurchase agreements	Cost
Government agency securities and notes	Fair Value
State Short-Term Investment Pool (STIP)	Share Price (Fair Value)

Note 1 - Summary of Significant Accounting Policies (Continued)

Legally separate entities that are not part of the County reporting entity are permitted to participate in the investment pool, and those entities' portion of the investment pool is reported in an investment trust fund. The investment pool is managed in accordance with the County's stated investment policy. There is no external regulatory oversight for the investment pool. Fair values, to the extent applicable, are determined on a monthly basis. Investments and withdrawals from the pool are based on the underlying value of the deposits and investments (cost or share price, as applicable). The County has not obtained any legally binding guarantees to support the value of the pool, and there are no involuntary participants.

Investment income, which includes realized gains and losses and the change in the fair value of investments, is recognized on the modified accrual basis for internal governmental funds and on the accrual basis for investment trust funds. Investment income is allocated directly to funds holding specific investments. Investment income on pooled investments is allocated to participating external entities on the basis of beginning of month balances. All other pool investment income is allocated to the general fund.

The County issues warrants in payment of its obligations. When warrants are presented to the County Treasurer, the County issues a check to pay the warrants.

For purposes of the statements of cash flows, the Enterprise and Internal Service funds consider all highly liquid investments, (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents. A portion of funds held in the County's cash management pools are considered cash equivalents. Interest and dividends reinvested into separate investment trust accounts are not considered cash equivalents.

Materials and Supplies Inventories - Inventories of materials and supplies are valued at cost (first-in, first-out), which is lower than market. Inventory in the Special Revenue Funds consists of expendable materials and supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Reported inventories are equally offset by a fund balance reserve in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

Prepaid Costs - Certain Payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid costs are valued at cost and include prepaid insurance. Prepaid costs are recorded as expenditures or expenses as policies expire. Reported prepaid costs are equally offset by a fund balance reserve to indicate that they do not constitute "available spendable resources" even though they are a component of net current assets.

Advances to/from Other Funds - Advances to/from other funds record noncurrent portions of long-term debt owed by one fund to another. Fund balances are reserved for advances that do not represent expendable available financial resources in the fund financial statements. Advances to/from other funds are eliminated in the government-wide financial statements.

Other Interfund Transactions - During the course of its operations, the County has transactions between funds to finance operations, provide services, and service debt. These transactions are generally recorded as charges for services revenue and operations expenditures or interfund transfers in and out. To the extent that certain transactions between funds had not been paid or received at year end, balance of short-term interfund amounts receivable or payable are reported as due to and due from other funds in the fund financial statements. These transactions are eliminated in the government-wide financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets and Depreciation - Capital assets in the government-wide financial statements and the proprietary funds are stated at cost less accumulated depreciation. Cost includes expenditures which materially increase values or capacities and extend useful lives of property and equipment beyond one year. Interest costs on assets constructed (net of interest earnings on invested debt proceeds) are capitalized and amortized over the useful lives of the related assets in the proprietary funds. Depreciation on capital assets, including those assets acquired with contributions, is computed using the straight-line method based upon the estimated useful lives of the related assets as follows:

Buildings and improvements	40 years
Improvements other than buildings	30 years
Equipment, furniture and fixtures	5-10 years

Personal property assets costing more than \$5,000 and all real property are capitalized in the government-wide financial statements and proprietary funds. Property and equipment are recorded at cost, including freight and delivery costs incidental to placing the assets into service. Donated capital assets are valued at their estimated fair market value as of the date of donation.

In Fiscal Year 2005, the County started to capitalize capital assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, including those financed by special assessments districts. The County plans to retroactively restate its Fiscal Year 2007 financial statements to record these improvements that were placed into service prior to 2005.

Compensated Absences - Under terms of state law and various union contracts, County employees are granted vacation, sick and other leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days up to the equivalent of two years' vacation and for 25 percent of accumulated sick leave. In the governmental funds, expenditures for these compensated absences are recorded when paid because the amounts expected to be liquidated from current resources do not vary materially from year to year.

For the government-wide financial statements and the proprietary funds, compensated absences to be funded from future resources are reflected as liabilities to the extent they are vested.

Amortization - In the government-wide financial statements and in the proprietary funds deferred bond issuance costs are amortized on a straight-line basis over the life of the related bonds.

Self-Insurance Accruals - Expenses are accrued for estimated claims reported but unpaid at year-end and for health benefits and workers' compensation claims incurred but unreported. Incurred but unreported claims, in aggregate, are not material for risk management.

Fund Equity - Reserves represent those portions of fund equity not appropriated for expenditures or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Net Assets - Net Assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantor, laws, or regulations of other governments. The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available

Note 2 - Cash and Cash Equivalents and Investments

The total cash and cash equivalents, cash with fiscal agents, restricted cash and investments reported in the statement of net assets on June 30, 2005, are detailed as follows:

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total</u>
Cash on hand	\$ 522,173	\$ -	\$ 522,173
Cash in pooled bank deposits	934,594	3,226	937,820
Cash in non-pooled bank deposits	1,100,851	612,485	1,713,336
Cash with fiscal agents	4,147,590	-	4,147,590
Pooled investments	61,407,365	135,974	61,543,339
Non-pooled investments	<u>3,163,651</u>	<u>-</u>	<u>3,163,651</u>
Total	<u>\$ 71,276,224</u>	<u>\$ 751,685</u>	<u>\$ 72,027,909</u>

Cash on hand - Represents: petty cash, change, and checking accounts not controlled by the County Treasurer. This excludes Larchmont Golf Course, Missoula Aging Services, health benefits, workers' compensation and risk management checking accounts and certificates of deposit which are included in pooled and non-pooled bank deposits.

Cash in bank deposits - Cash in bank balances include deposit items such as daily demand/time deposits, and fiscal agent deposits. 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. Types of securities that may be pledged as collateral are detailed in Section 17-6-103, Montana Code Annotated (MCA).

At June 30, 2005, the County's carrying amount of deposits was \$325,375 and the bank balance was \$861,772. The carrying amount for the County includes \$1,119 of component unit cash balances. Of the bank balance, \$278,413 was covered by federal depository insurance, \$546,245 was covered by securities held by the pledging financial institution's trust department or agent in the County's name, and \$37,114 was uncollateralized and uninsured.

Fiscal agent deposits of \$4,147,590 consist of deposits with trustees related to the payment of bonds by the County. These funds are invested in accordance with bond covenants and are pledged for payment of principal and interest. The pledging financial institutions' trust department or agent holds the invested funds in the County's name.

Montana statutes state that the County may have pledged securities equal to 50% of its total bank deposits that are not insured or guaranteed. At June 30, 2005, approximately 94% of the County's uninsured deposits were collateralized.

Note 2 - Cash and Cash Equivalents and Investments (Continued)

Pooled and non-pooled investments - At June 30, 2005, the County's pooled and non-pooled investment balances were as follows:

	Maturity in Years					No Maturity	Fair Value	Rating
	Less than 1	1-2	2-3	3-4	4-5			
Primary Government Investments								
Certificates of Deposit	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	NR
Federal Farm Credit Bank Notes-CMO	994,049	1,089,495	1,990,592	980,958	-	-	5,055,094	AAA
Federal Home Loan Bank Notes-CMO	7,724,528	3,097,319	473,821	309,169	492,479	-	12,097,316	AAA
Federal Home Loan Mortgage Corp-CMO	200,400	1,481,115	1,096,295	994,209	297,936	-	4,069,955	AAA
Federal National Mortgage Assoc-CMO	249,531	592,013	100,875	99,938	278,328	-	1,320,685	AAA
Financing Corporation CPN FICO Strips	-	295,993	-	-	-	-	295,993	AAA
US Treasury Notes	-	-	-	124,570	148,594	-	273,164	n/a
Short Term Investment Pool (STIP)								
Commercial Paper	-	-	-	-	-	28,052,156	28,052,156	A1
Corporate Fixed	-	-	-	-	-	1,134,623	1,134,623	A1+
Corporate Variable-rate	-	-	-	-	-	9,350,717	9,350,717	A1+
Municipal Variable-rate	-	-	-	-	-	117,367	117,367	NR
Repurchase Agreements	-	-	-	-	-	469,506	469,506	A3
	-	-	-	-	-	39,124,369	39,124,369	
Repurchase Agreements	-	-	-	-	-	2,234,437	2,234,437	A3
Total Primary Government	9,268,508	6,555,935	3,661,583	2,508,844	1,217,337	41,358,806	64,571,013	
Component Unit Investments:								
Federal Farm Credit Bank Notes-CMC	2,201	2,195	4,407	2,172	-	-	10,975	AAA
Federal Home Loan Bank Notes-CMC	14,787	5,317	831	466	1,091	-	22,492	AAA
Federal Home Loan Mortgage Corporation-CMC	444	3,280	2,206	2,202	660	-	8,791	AAA
Federal National Mortgage Association Note:	-	864	-	-	616	-	1,481	AAA
Financing Corporation CPN FICO Strips	-	655	-	-	-	-	655	AAA
Short Term Investment Pool (STIP)								
Commercial Paper	-	-	-	-	-	62,118	62,118	A1
Corporate Fixed	-	-	-	-	-	2,513	2,513	A1+
Corporate Variable-rate	-	-	-	-	-	20,706	20,706	A1+
Municipal Variable-rate	-	-	-	-	-	260	260	NR
Repurchase Agreements	-	-	-	-	-	1,040	1,040	A3
Repurchase Agreements	-	-	-	-	-	4,945	4,945	A3
Total Component Unit	17,432	12,312	7,444	4,840	2,367	91,582	135,976	
Total	\$ 9,285,940	\$ 6,568,247	\$ 3,669,027	\$ 2,513,684	\$ 1,219,705	\$ 41,450,388	\$ 64,706,990	

Note 2 - Cash and Cash Equivalents and Investments (Continued)

As a means of limiting its exposure to interest rate risk (the risk that the fair value of investments could decrease in a rising interest rate environment), the County uses a laddering technique in which it purchases investments of varying maturities at varying times in order to keep the average maturity of the portfolio within the recommendations of the County's Investment Advisory Committee and the County's investment advisors. Additionally, the County's investment policy prohibits the County from having investments with maturities greater than five years.

As a means of limiting its exposure to credit risk (the risk that an issuer or other counter party to an investment will not fulfill its obligation), the County's investment policy restricts its investments to the following types:

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

These investments have credit risk measured by major credit rating services (the ratings in the preceding table are from Standard & Poor's Corporation or Moody's Investment Services), except those obligations of the U.S. Government or obligations explicitly guaranteed by the U. S. Government which are considered to have no credit risk. All of the investments in the schedule are uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the County's name, except for STIP because those securities are not used as evidence of the investments.

As a means of limiting its exposure to custodial credit risk (the risk that in the event of a financial institution failure, the County's investments would not be returned or the County will not be able to recover the value of its investments of collateral securities that are in possession of the outside party), the County maintains a list of authorized institutions that were selected through a formal procurement process that, in part, was made on the financial position of those institutions.

The State Short-Term Investment Pool (STIP) is an external investment pool administered by the State of Montana in a manner similar to money market funds under SEC Rule 2a7. Montana statutes (MCA Title 17, Chapter 6) and related administrative rules govern the operation of STIP, which is managed by the Montana Board of Investments. The reported share value of STIP (\$1) is equal to fair value of its underlying investments. Fair values are determined on a monthly basis for the pool.

GASB Technical Bulletin No. 94-1 requires certain disclosures about derivatives and similar debt and investment transactions, including those resulting from participation in investment pools. Although the STIP held no investments in derivatives, approximately 75% of STIP investments consisted of asset-backed securities and approximately 24% consisted of variable interest rate securities at June 30, 2005 based on unaudited financial statements provided by the Montana Board of Investments. Additional information regarding STIP investments and related disclosures of credit, market and legal risks is available in STIP's June 30, 2005 financial statements at www.investmentmt.com. The County's investment in STIP amounts to 2.25% of total STIP assets.

The external investment pool managed by the County is 62% invested in STIP, with 26,723,011 shares whose value of \$1 is equal to the fair value of the underlying investments. For the year ended June 30, 2005, STIP's average investment return was 3.2%.

Note 2 - Cash and Cash Equivalents and Investments (Continued)

Condensed financial information for the County's investment pool follows:

Statement of Net Assets

Assets:	
Cash on hand	\$ 522,173
Cash in pooled bank deposits	937,820
Investments	
Repurchase agreements	2,239,382
Government securities	20,092,951
STIP	<u>39,211,006</u>
Total assets	<u>63,003,332</u>
Net Assets:	
County funds	20,065,411
External participants	<u>42,937,921</u>
Total net assets	<u>\$ 63,003,332</u>

Statement of Changes in Net Assets

Additions:	
Interest income	\$ <u>847,692</u>
Net investment Income	847,692
Participant Investments in Pool	<u>294,317,153</u>
Total Additions	<u>295,164,845</u>
Deductions:	
Distribution to Participants	<u>(293,187,927)</u>
Change in Net Assets	1,976,918
Net assets	
Beginning of year	<u>61,026,414</u>
End of year	<u>\$ 63,003,332</u>

Note 3 - Loans and Notes Receivable

Loans and notes receivable at June 30, 2005 consist of:

<u>HUD - Missoula Children's Theatre</u> 0%, \$24,500 due annually through June 2017	\$ 245,000
<u>The Good Food Store, Inc.</u> 5%, \$4,718 due monthly from November 2003 through October 2008	173,493
<u>Montana Community Development Corporation</u> 2% interest due annually principal payment due October 2010	90,000
<u>Gleneagle</u> Contracts for sale of lots, 10% interest, varying amounts due annually with remainder due at varying dates through July 2005	428,009
<u>Missoula Ravalli Transportation Management Association</u> Variable interest, annual payments of \$2,700 plus interest through January 2008	8,223
	<u>\$ 944,725</u>

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2005 was as follows.

Primary Government	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 7,073,609	\$ -	\$ 962,423	\$ 6,111,186
Intangibles	173,101	-	-	173,101
Construction in Progress	861,317	2,452,620	1,546,288	1,767,649
Total capital assets, not being depreciated	<u>\$ 8,108,027</u>	<u>\$ 2,452,620</u>	<u>\$ 2,508,711</u>	<u>\$ 8,051,936</u>
Capital assets, being depreciated:				
Buildings	\$ 33,088,480	\$ 1,524,413	\$ -	\$ 34,612,893
Equipment	17,270,513	2,965,763	1,862,797	18,373,479
Infrastructure	-	785,208	-	785,208
Total capital assets, being depreciated	<u>50,358,993</u>	<u>5,275,384</u>	<u>1,862,797</u>	<u>53,771,580</u>
Less accumulated depreciation for:				
Buildings	7,659,700	796,130	-	8,455,830
Equipment	11,447,023	1,603,291	908,453	12,141,861
Infrastructure	-	7,428	-	7,428
Total accumulated depreciation	<u>19,106,723</u>	<u>2,406,849</u>	<u>908,453</u>	<u>20,605,119</u>
Total capital assets, being depreciated, net	<u>\$ 31,252,270</u>	<u>\$ 2,868,535</u>	<u>\$ 954,344</u>	<u>\$ 33,166,461</u>

Note 4 - Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,049,212	\$ -	\$ -	\$ 1,049,212
Total capital assets, not being depreciated	<u>\$ 1,049,212</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,049,212</u>
Capital assets, being depreciated:				
Buildings and improvements	\$ 807,444	\$ 34,253	\$ -	\$ 841,697
Improvements other than buildings	1,575,358	-	-	1,575,358
Equipment, furniture and fixtures	1,923,470	115,968	1,000	2,038,438
Total capital assets, being depreciated	<u>4,306,272</u>	<u>150,221</u>	<u>1,000</u>	<u>4,455,493</u>
Less accumulated depreciation for:				
Buildings and improvements	360,803	29,714	-	390,517
Improvements other than buildings	1,476,164	15,982	-	1,492,146
Equipment, furniture and fixtures	1,195,740	148,399	1,000	1,343,139
Total capital assets, being depreciated	<u>3,032,707</u>	<u>194,095</u>	<u>1,000</u>	<u>3,225,802</u>
Total capital assets, being depreciated, net	<u>\$ 1,273,565</u>	<u>\$ (43,874)</u>	<u>\$ -</u>	<u>\$ 1,229,691</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 322,485
Criminal Justice	2,693
Public works	283,878
Public safety	1,097,021
Public health	83,598
Culture and recreation	610,943
Social and economic services	6,231
Total depreciation expense - governmental activities	<u>\$ 2,406,849</u>
Business-type activities	
Larchmont Golf Course	\$ 139,398
RSIDs	54,697
Total depreciation expense - business-type activities	<u>\$ 194,095</u>

Note 4 - Capital Assets (Continued)

Discretely presented component units

Activity for the Missoula Aging Services for the year ended June 30, 2005, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:			
Land	\$ 132,000	\$ -	\$ 132,000
Capital assets, being depreciated:			
Buildings	\$ 964,066	\$ 15,303	\$ 979,369
Equipment	45,772	-	45,772
Total capital assets, being depreciated	<u>1,009,838</u>	<u>15,303</u>	<u>1,025,141</u>
Less accumulated depreciation	<u>(109,913)</u>	<u>(38,427)</u>	<u>(148,340)</u>
Total capital assets, being depreciated, net	<u>\$ 899,925</u>	<u>\$ (23,124)</u>	<u>\$ 876,801</u>

Activity for the Partnership Health Clinic for the year ended June 30, 2005, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:			
Buildings	\$ 1,837,319	\$ 109,828	\$ 1,947,147
Machinery and equipment	747,149	53,050	800,199
Total capital assets, being depreciated	<u>2,584,468</u>	<u>162,878</u>	<u>2,747,346</u>
Less accumulated depreciation	<u>(931,686)</u>	<u>(9,977)</u>	<u>(941,663)</u>
Total capital assets, being depreciated, net	<u>\$ 1,652,782</u>	<u>\$ 152,901</u>	<u>\$ 1,805,683</u>

Note 5 - Long-Term Debt

At June 30, 2005, unmatured principal on long-term debt consisted of the following:

General Obligation Bonds and Loans

\$17,100,000 Detention Center Bonds Series 1998 issued April 17, 1998, 4.5% to 5.15%, due in varying amounts to July 2018	\$ 13,755,000
\$206,194 State Revolving Fund Loan, issued July 2000, 4%, due in varying amounts to July 2020	171,000
Total general obligation bonds and notes	<u>13,926,000</u>

Limited Obligation Bonds and Notes

Governmental Activities

\$480,000 Partnership Health Center Limited Obligation Note, Series 1998 issued June 16, 1998, 4.1% to 5.5%, due in varying amounts to July 2018	380,000
\$1,000,000 Risk Management Bond, Series 2001 issued July 15, 2001, 3.10% to 4.5%, due in varying amounts to July 2011	740,000
\$995,000 Ice Rink Facility Bond, Series 2004 issued June 10, 2004, 3.75% 5%, due in varying amounts to July 2024	995,000
Total limited obligation bonds and notes	<u>2,115,000</u>

Tax Increment Bonds

\$2,465,000 Series 1997 Tax Increment Bond, 4.3% to 5.75%, due in varying amounts through July 2018; repayment from Tax Increment Fund	<u>1,970,000</u>
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Special Assessment Bonds and Loans

Rural Special Improvement Districts, 3.5% to 8.8%, due at varying dates through 2018. County is contingently liable for payment of these bonds	873,000
\$241,000 State Revolving Fund Loan, issued June 1994, 4%, due in varying amounts to July 2014	93,000

Note 5 - Long-Term Debt (Continued)

\$1,943,000 State Revolving Fund Loan, issued June 1994, 4%, due in varying amounts to July 2014	820,000
\$291,000 State Revolving Fund Loan, issued November 1998, 4%, due in varying amounts to July 2019	222,000
\$649,936 State Revolving Fund Loan, issued September 2002, 4%, due in varying amounts to July 2023	616,000
\$4,498,121 State Revolving Fund Loan, issued July 2003, 3.75%, due in varying amounts to July 2024	4,416,000
\$21,346 State Revolving Fund Loan, issued April 2005, 2.75%, due in varying amounts to July 2015	21,346
\$3,168 State Revolving Fund Loan, issued April 2005, 2.75%, due in varying amounts to July 2010	3,168
\$24,442 State Revolving Fund Loan, issued April 2005, 3.75%, due in varying amounts to July 2020	24,442
\$71,271 State Revolving Fund Loan, issued April 2005, 3.75%, due in varying amounts to July 2020	<u>71,271</u>
Total special assessment bonds and loans	<u>7,160,227</u>

Notes & Contracts Payable

Variable rate (0% at 6/30/05) line of credit payable, due in varying amounts through August 2013; repayment from MCA Increment District	589,695
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2006; repayment from Capital Improvement fund	91,171
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2007; repayment from Capital Improvement fund	65,941
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through February 2007; repayment from Capital Improvement fund	68,070

Note 5 - Long-Term Debt (Continued)

Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through February 2007; repayment from Road & Bridge funds	214,147
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2009; repayment from Fair fund	25,087
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2008; repayment from the Central Services fund	59,539
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2008; repayment from Fair fund	36,884
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2008; repayment from Health Benefits fund	81,961
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2009; repayment from Technology fund	321,900
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2010; repayment from Road & Bridge fund	315,901
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2012; repayment from Fair fund	151,679
Variable rate (3.8% at 6/30/05) contract payable, due in varying amounts through August 2005; repayment from Capital Improvement fund	<u>51,363</u>
Total notes and contracts payables	<u>2,073,338</u>
Subtotal	<u>27,244,565</u>

Note 5 - Long-Term Debt (Continued)

Liability for Sick and Vacation (Primary Government)

Accrued vacation benefits	1,938,418
Accrued compensatory time benefits	170,294
Accrued holiday benefits	97,945
Accrued sick benefits	<u>1,063,159</u>
Total accrued benefits	<u>3,269,816</u>
Total Long-Term Debt	<u>\$ 30,514,381</u>

An analysis of the changes in bonds, notes, leases and contracts payable for the primary government during the year ended June 30, 2005, follows:

	<u>Beginning Balance</u>	<u>New Debt Issued/ Leave Accrued</u>	<u>Debt Retired/ Leave Used</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
General Obligation	\$ 14,609,000	\$ -	\$ (683,000)	\$ 13,926,000	\$ 718,000
Limited Obligation Note	2,225,000	-	(110,000)	2,115,000	145,000
Tax Increment	2,060,000	-	(90,000)	1,970,000	95,000
Special Assessment Bonds Payable	943,000	-	(70,000)	873,000	185,000
Special Assessment Loans Payable	5,522,561	954,787	(190,121)	6,287,227	1,075,827
Contracts Payable	2,157,504	415,795	(499,961)	2,073,338	552,975
Liability for Sick and Vacation	<u>3,163,866</u>	<u>3,377,891</u>	<u>(3,271,941)</u>	<u>3,269,816</u>	<u>3,269,816</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 30,680,931</u>	<u>\$ 4,748,473</u>	<u>\$ (4,915,023)</u>	<u>\$ 30,514,381</u>	<u>\$ 6,041,618</u>

Note 5 - Long-Term Debt (Continued)

Annual debt service principal and interest payments required on bonds, notes, leases, contracts and loans payable at June 30, 2005, are as follows:

Governmental Activities									
Fiscal Year Ending June 30	Jail Bond Principal	Jail Bond Interest	Fair SRF Principal	Fair SRF Interest	General Obligation Total Principal	General Obligation Total Interest	Risk Management Principal	Risk Management Interest	Ice Rink Facility Principal
2006	\$ 710,000	\$ 659,455	\$ 8,000	\$ 6,760	\$ 718,000	\$ 666,215	\$ 95,000	\$ 29,305	\$ 30,000
2007	745,000	624,899	8,000	6,440	753,000	631,339	95,000	25,600	35,000
2008	775,000	588,799	8,000	6,120	783,000	594,919	100,000	21,650	35,000
2009	815,000	551,036	10,000	5,781	825,000	556,817	105,000	17,395	35,000
2010	850,000	512,130	10,000	5,380	860,000	517,510	110,000	12,825	40,000
2011-2015	4,925,000	1,893,912	54,000	20,780	4,979,000	1,914,692	235,000	10,630	215,000
2016-2020	4,935,000	521,906	66,000	8,810	5,001,000	530,716	-	-	270,000
2021-2025	-	-	7,000	140	7,000	140	-	-	335,000
	<u>13,755,000</u>	<u>\$ 5,352,137</u>	<u>171,000</u>	<u>\$ 60,211</u>	<u>13,926,000</u>	<u>\$ 5,412,348</u>	<u>740,000</u>	<u>\$ 117,405</u>	<u>995,000</u>
Less current portion	<u>(710,000)</u>		<u>(8,000)</u>		<u>(718,000)</u>		<u>(95,000)</u>		<u>(30,000)</u>
	<u>\$ 13,045,000</u>		<u>\$ 163,000</u>		<u>\$ 13,208,000</u>		<u>\$ 645,000</u>		<u>\$ 965,000</u>

Governmental Activities (Continued)									
Fiscal Year Ending June 30	Ice Rink Facility Interest	PHC Ltd Oblig Principal	PHC Ltd Oblig Interest	Tax Increment Principal	Tax Increment Interest	Special Assess Bonds Principal	Special Assess Bonds Interest	Special Assess Loans Principal	Special Assess Loans Interest
2006	\$ 43,830	\$ 20,000	\$ 19,233	\$ 95,000	\$ 105,758	\$ 185,000	\$ 46,492	\$ 1,075,827	\$ 233,772
2007	42,530	20,000	18,288	100,000	100,930	183,000	37,910	442,600	193,752
2008	41,174	20,000	17,333	110,000	95,625	126,000	28,818	343,600	178,715
2009	39,862	20,000	16,363	115,000	89,830	78,000	21,630	357,600	165,265
2010	38,456	25,000	15,247	120,000	83,690	67,000	17,500	370,600	150,905
2011-2015	174,669	135,000	56,561	705,000	311,180	214,000	36,646	1,665,000	545,289
2016-2020	115,699	140,000	16,151	725,000	86,682	20,000	650	1,231,000	271,084
2021-2025	43,483	-	-	-	-	-	-	801,000	54,390
	<u>\$ 539,703</u>	<u>380,000</u>	<u>\$ 159,176</u>	<u>1,970,000</u>	<u>\$ 873,695</u>	<u>873,000</u>	<u>\$ 189,646</u>	<u>6,287,227</u>	<u>\$ 1,793,172</u>
Less current portion		<u>(20,000)</u>		<u>(95,000)</u>		<u>(185,000)</u>		<u>(1,075,827)</u>	
		<u>\$ 360,000</u>		<u>\$ 1,875,000</u>		<u>\$ 688,000</u>		<u>\$ 5,211,400</u>	

Note 5 - Long-Term Debt (Continued)

Fiscal Year Ending June 30	Governmental Activities (Continued)			
	Notes & Contracts Principal	Notes & Contracts Interest	Total Governmental Principal	Total Governmental Interest
2006	\$ 552,975	\$ 56,036	\$ 2,771,802	\$ 1,200,641
2007	472,092	53,991	2,100,692	1,104,340
2008	302,462	39,538	1,820,062	1,017,772
2009	266,680	28,694	1,802,280	935,856
2010	162,756	19,160	1,755,356	855,293
2011-2015	316,373	32,207	8,464,373	3,081,874
2016-2020	-	-	7,387,000	1,020,982
2021-2025	-	-	1,143,000	98,013
	<u>2,073,338</u>	<u>\$ 229,626</u>	<u>27,244,565</u>	<u>\$ 9,314,771</u>
Less current portion	<u>552,975</u>		<u>(1,665,852)</u>	
	<u>\$ 2,626,313</u>		<u>\$ 25,578,713</u>	

The various bond indentures contain limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, minimum revenue bond coverages, minimum levels of insurance coverage and maintenance of operating assets in good condition. At June 30, 2005, the County was in compliance with all significant indenture provisions.

During 1992, the County created an industrial tax increment district under the provision of state statutes (MCA 7-15-4297-99). The district, known as the Missoula County Airport Industrial District, was created to develop an industrial park in the area of the proposed site of an interstate highway interchange near the Airport. The County is selling parcels in the industrial park to commercial enterprises wishing to establish facilities in the area. In addition, a portion of the property may be used in the future for the development of an inland port facility.

General Obligation Bond Issue - In July 1997, the County issued \$4 million in bond anticipation notes related to a general obligation bond issue approved in 1996 for the construction of a new detention center. The proceeds of the notes were used for the acquisition of land to be used for the detention center. In April 1998, the County issued \$17,100,000 of general obligation bonds, whose net proceeds of \$16,762,636 were used to establish a fund for the construction of the detention facility (\$16,758,000), and to pay accrued interest on the bonds of \$4,636. Concurrently with the closing of the bond issue, the County repaid the \$4 million of general obligation notes plus accrued interest of \$50,567.

Variable-Rate Debt - Several notes and contracts payable have variable interest rates. The majority of these notes are issued by the State Intercap Revolving Program. Interest rates are determined annually by the State Board of Investments, depending on program experience.

Tax Increment Bond Issue and Defeasance of Prior Issue - In September 1997, the County issued \$2,465,000 in Series 1997 tax increment bonds. The net proceeds of \$2,390,865 were used to defease the outstanding 1996 tax increment bonds (\$279,365), to pay the County's share of the I-90 airport interchange (\$1,292,000), to finance infrastructure projects in the airport industrial park (\$608,000), and to establish a debt service reserve of \$211,500. Because tax increment revenues alone are not expected to be sufficient to meet debt service obligations in the early years of the Series 1997 issue, the County has covenanted to levy annually as much of the 2 mill Port Authority levy as necessary to meet remaining debt service obligations. The economic gain on the refunding portion was immaterial.

Note 5 - Long-Term Debt (Continued)

Limited Obligation Bonds - In July 2001, the County issued \$1,000,000 in Series 2001 General Fund Bonds. The net proceeds of \$987,000 were transferred to the Risk Management fund to increase self insurance reserves. These bonds will be repaid from General Fund levy authority. In June 2004, the County issued \$995,000 in Series 2004 Limited Obligation General Fund Bonds. The net proceeds of \$981,113 were recorded in the Fair Ice Rink Capital Projects fund. These bonds will be repaid from revenues generated from leasing the Ice Rink facility.

Limited Obligation Note Payable - In June 1998, the County issued \$480,000 in Series 1998 Limited Obligation Notes. The net proceeds of \$471,600 were used to finance a portion of a new health care facility. The health care facility is owned by Partnership Health Center for the purpose of providing health care services to the residents of Missoula County.

RSID Loans Payable - In June 1995, the County arranged to borrow up to \$2,263,000 from the State of Montana Revolving Fund to fund the Linda Vista sewer project represented by RSIDs 8452 and 8453. The project was completed in Fiscal Year 1996 for a total of \$2,138,000. In November 1998, the County arranged to borrow up to \$291,000 from the State of Montana Revolving Fund to fund the Sunset West drinking water project represented by RSID 8458. In September 2002, the County arranged to borrow up to \$654,000 from the State of Montana Revolving Fund to fund improvements for the Lolo sewer project. In July 2003, the County arranged to borrow up to \$4,729,000 from the State of Montana Revolving Fund for the Mullan Corridor Sewer Project represented by RSID 8474. The project was completed in Fiscal Year 2005 for a total of \$4,498,121. In April 2005, the County arranged to borrow funds from the State of Montana Revolving Fund to fund four Mullan Corridor Sewer Subdistricts. In Fiscal Year 2005, RSID 8479 received \$21,346 of commitment of \$169,000, RSID 8480 received \$3,168 of commitment of \$14,000, RSID 8485 received \$24,442 of commitment of \$31,000, and RSID 8486 received \$71,271 of commitment of \$283,000. The Revolving Loan fund was created under a program of the Federal Environmental Protection Agency to help fund waste water treatment and drinking water projects.

Prior Year Defeasance of Debt - Prior to 2003, the County defeased certain general obligation and other debt by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the County's financial statements. As of June 30, 2005, \$140,000 of bonds outstanding are considered defeased.

Conduit Debt - From time to time the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State of Montana, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2005, there were eight series of Industrial Revenue Bonds outstanding, all of which were issued prior to July 1, 1995. The aggregate principal amount payable for these series could not be determined; however, their original issue amounts totaled \$29,360,000.

In December 1997, the County issued one additional series of Industrial Revenue Bonds. That issue was for a building for the District XI Human Resource Council. The original amount was \$375,000. The amount payable at June 30, 2005 was \$291,810.

In June 2000, the County issued an additional series of Revenue Bonds. This issue was for the purchase, construction, and equipping of a new facility for Dinny Stranahan Research Institute, Inc. The original issue was \$8,500,000. The amount payable at June 30, 2005 was \$7,200,000.

Note 5 - Long-Term Debt (Continued)

Legal Debt Margin - The County's legal debt limitation is 1.4% of total assessed value of taxable property. As of June 30, 2005 the debt margin was \$53,211,641 for total debt.

Note 6 - Commitments and Contingencies

Commitments - At June 30, 2005, the County was committed to spend approximately \$2,500,000 on various contracts for rural special improvement district facilities (principally streets, curbs and gutters), county roads, bridges, social services, and other projects. Appropriations for these contractual obligations are budgeted in the years that payments are required.

Protested Taxes - The County and other taxing districts within the County are contingently liable for refunds of property taxes under various tax appeals proceedings. In general, the amount available in the protested tax fund is sufficient to provide for such potential refunds; however, it is possible that refunds could be required relative to taxes not deposited in the protest fund. The County's potential liability, should such refunds be necessary, is not determinable. As of June 30, 2005, taxes remaining under protest totaled \$298,175.

Rural Special Improvement Districts (RSIDs) - As of June 30, 2005, delinquent assessments on RSIDs were \$82,583. The delinquencies are due from various residential property owners. The County anticipates payment of the delinquencies from the land owners and will proceed with tax deeds on the property if the assessments are not paid current before the end of the RSID bond terms.

Leases - At June 30, 2005, future minimum annual rental expenditures and rental revenue on noncancellable operating leases are as follow

<u>Fiscal Year Ending June 30</u>	<u>Minimum Annual Rental Expenditures/Expenses</u>	<u>Minimum Annual Rental Revenues</u>
2006	\$ 72,796	\$ 74,855
2007	34,950	77,930
2008	34,950	76,574
2009	31,550	75,261
2010	31,500	78,855
Later	<u>841,500</u>	<u>1,148,532</u>
Total	<u>\$ 1,047,246</u>	<u>\$ 1,532,007</u>

Operating lease expense for 2005 was \$135,480.

During fiscal year 2004 an operating lease was entered into between Missoula County and the Missoula Area Youth Hockey Association for the use of facilities at the fairgrounds. Yearly minimum rental payments are equal to the bond debt service requirements for bonds issued for construction of ice rink facilities. In addition, the Hockey Association will pay the greater of \$17 per hour or 17% of the hourly ice fee charged by the Association for time exceeding 2000 hours. Total cost and carrying amount of the facility is \$1,421,388 at June 30, 2005.

Note 6 - Commitments and Contingencies (Continued)

The County is party to certain litigation under which it may be required to pay certain monies upon the decision of the courts. The office of the County Attorney reports various contingent liabilities based on the amount of damages alleged in various cases. However, it is the opinion of the County Attorney that the County's liability in the cases not covered by insurance will not be material to the financial statements. Accordingly, no provision has been made in the financial statements for these contingent liabilities.

Note 7 - Risk Management

The County is exposed to various risks of loss related to torts, damage or loss of assets, errors and omissions, injuries to employees, employee medical claims and natural disasters. The County has established four internal service funds to account for and finance its uninsured risks of loss. In the past three years, there have been no settlements that have exceeded self-insurance or re-insurance coverage. Brief descriptions of these funds' self-insurance activities follow:

Risk Management - The Risk Management fund relates to general liability coverage for the County. The County has self-insured several major types of risks, including general liability, various aspects of law enforcement and public officials' liability. There have been claims of \$338,025 asserted for risks which are self-insured as of year end.

Excess Loss - The Excess Loss fund is a self-insurance plan that acts as a layer of re-insurance for the County's other self-insurance. The Plan is designed to provide lower insurance costs to the County by giving the other plans the ability to raise deductibles from commercial carriers. The Excess Loss fund provided \$16,124 to the Health Insurance program in 2005.

Health Insurance - The County has a self-insured health plan which provides medical benefits to all employees electing to be covered. County and employee monthly contribution rates were \$389 to \$697 and \$0 to \$419, respectively, depending on the type of coverage.

County retirees and qualified terminated employees may elect to obtain health insurance coverage from the County for monthly contributions from \$351 to \$986, depending on the type of coverage. County contributions to the plan for the year ended June 30, 2005, were \$3,581,653. Asserted health benefits claims at June 30, 2005 totaled \$553,157.

The liability for health claims consists of an accrual for claims reported, but unpaid, and for claims incurred but not reported (IBNR) as of the balance sheet date. The Plan estimates its IBNR liability based on claims paid within a ninety day period subsequent to the balance sheet date that were incurred prior to but received by the Plan after the balance sheet date. This method of estimating the IBNR is supported by the Plan's historical claims experience.

Workers' Compensation - The County self-insures for workers' compensation coverage for all employees through the Missoula County Workers' Compensation Group Insurance Authority (formerly the Missoula County Workers' Compensation Plan). County contribution rates to the Authority were \$.64 to \$10.07 per \$100 of covered salary, depending on employee classification. County contributions to the Authority for the fiscal year ended June 30, 2005 were \$672,067. Asserted workers' compensation claims at June 30, 2005 totaled \$177,598.

The Authority establishes claims liabilities based on estimates of the cost of claims that have been reported but not settled, and claims that have been incurred but not reported. The estimated ultimate cost of settling the reported and unreported claims, and claims reserve development including the effects of inflation and other societal and economic factors. Estimated amounts of subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Estimated claims liabilities are recomputed periodically based on current reviews of claims information, experience with similar claims and other factors. Adjustments to estimated claims liabilities are recorded as an increase or decrease in claims expense in the period the adjustments are made.

Note 7 - Risk Management (Continued)

Changes in the funds' claims liability for 2004 and 2005 are as follows:

	<u>Risk Management</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>
Claims liability June 30, 2003	\$ 1,201,266	\$ 547,541	\$ 1,290,214
Claims incurred in 2004	617,750	6,116,571	824,622
Claims paid in 2004	<u>(453,244)</u>	<u>(6,051,979)</u>	<u>(483,717)</u>
Claims liability June 30, 2004	1,365,772	612,133	1,631,119
Claims incurred in 2005	97,401	5,266,908	673,485
Reduction of claims liability	(591,455)	-	-
Claims paid in 2005	<u>(533,693)</u>	<u>(5,159,945)</u>	<u>(610,504)</u>
Claims liability June 30, 2005	<u>\$ 338,025</u>	<u>\$ 719,096</u>	<u>\$ 1,694,100</u>

Note 8 - Retirement Plans

The County participates in three state-administered cost-sharing multiple-employer defined benefit pension plans. The plans provide retirement, death and disability benefits to plan members and beneficiaries. Sheriff employees are covered by the Montana Sheriffs' Retirement System (MSRS), the county superintendent of schools is covered by the Montana Teachers' Retirement System (MTRS), and substantially all other County employees are covered by the Montana Public Employees' Retirement System (MPERS). The state statutes which assign the authority to establish and amend plan benefits, and the administrative bodies given this authority are as follows:

<u>Plan</u>	<u>Statute</u>	<u>Administering Body</u>
MSRS	Title 19 Chapter 7	Public Employees' Retirement Division
MTRS	Title 19 Chapter 20	Teachers' Retirement Board
MPERS	Title 19 Chapters 2-3	Public Employees' Retirement Division

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

Sheriffs' Retirement System and
Public Employees' Retirement System
1712 Ninth Avenue
Helena, Montana 59620-0131
(406) 444-3154

Teachers' Retirement System
1500 Sixth Avenue
Helena, Montana 59620-0139
(406) 444-3134

Note 8 - Retirement Plans (Continued)

Funding Policy - Contributions by plan members and the County are mandatory and are determined by state law. Contribution rates for the year ended June 30, 2004, expressed as a percent of covered payroll, are as follows:

	<u>Employees</u>	<u>County</u>	<u>State</u>
MSRS	9.245%	9.535%	-
MTRS	7.150%	7.470%	0.110%
MPERS	6.900%	6.800%	0.100%

The County's actual contributions to the plans (which equal the required amounts) for each of the three fiscal years ended June 30, were as follows:

	<u>MSRS</u>	<u>MTRS</u>	<u>MPERS</u>
2005	\$ 230,515	\$ 4,728	\$ 1,455,969
2004	248,969	4,548	1,363,217
2003	218,257	4,354	1,302,726

On behalf payments made by the State of Montana totaled \$70 and \$21,411 for MTRS and MPERS respectively.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan is available to all County employees. This permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation in the plan is optional. The fair value of assets held in the plan at June 30, 2005 was \$4,055,930.

Effective July 1, 1998, the County amended its deferred compensation plan to conform with section 457(g) of the Internal Revenue Code. Trusts were established to hold deferred compensation plan assets for the exclusive benefit of participants and their beneficiaries. The trusts are administered by Valic and Equitable, and the County's duty with respect to the plan is limited to withholding deferred compensation amounts from employees and remitting them to Valic and Equitable. Because the County's involvement with the plan is limited to ministerial functions, the plan is not included in the County reporting entity because it does not meet the definition of a fiduciary fund under generally accepted accounting principles.

Note 9 - Deficit Fund Balances/Net Assets and Excess of Expenditures over Appropriations

Deficit fund balances - At June 30, 2005, the following funds had a deficit fund balance or retained earnings resulting from expenditures/expenses in excess of revenues during 2005 and prior years:

Nonmajor Governmental Funds	
Special Revenue Funds	
Judgement Levy	\$ 2,781
Disaster	295
Historical Museum Gift Shop	266
LEPC Trust	1,163
Debt Service Funds	
Fair Ice Rink	47,622
Capital Projects Fund	
Fair Ice Rink Project	500,182
Communications Backbone Project	114,428
RSID Projects	947,984

The Judgement Levy Fund and Disaster Fund deficits will be eliminated through a delinquent tax collections over the next two years.

The Fair Ice Rink Project deficit will be eliminated with bond proceeds in Fiscal Year 2006.

The deficit fund balance in the RSID Projects fund will be eliminated with future assessments.

The deficits in the Historical Museum Gift Shop, the LEPC Trust, the Fire Ice Rink Debt Service and the Communications Backbone Project are expected to be eliminated through future income

Expenditures in excess of appropriations - The following funds had an excess of actual expenditures/expenses over budget, at the level of budgetary control, for the year ended June 30, 2005:

Governmental Activities	
Major Funds	
General Fund	
Attorney	
Personnel	\$ 13,972
Operations	8,973
Transfers Out	400
Financial Services	
Operations	197
Clerk & Recorder/Treasurer	
Capital Outlay	965
Auditor	
Personnel	110

Note 9 - Deficit Fund Balances/Retained Earnings and Excess of Expenditures over Appropriations (Continued)

Office of Emergency Services	
Personnel	11,303
9-1-1 Communications Center	
Personnel	62,029
Superintendent of Schools	
Personnel	2,017
Surveyor	
Personnel	11,850
Capital Outlay	1,365
Non-Departmental	
Transfers Out	613,042
MCA Industrial District	
Personnel	1,452
Interest and Fiscal Charges	354
Capital Improvements	
Transfers Out	289,111
Nonmajor Governmental Funds	
Special Revenue Funds	
Fair	
Operations	101,827
Capital Outlay	31,712
District Court	
Operations	177,860
Parks	
Transfers Out	790
Library	
Personnel	16,904
Water Quality District	
Operations	47,637
Animal Control	
Operations	8,376
Extension	
Capital Outlay	61
Drug Forfeiture	
Personnel	5,765
Operations	6,871

Note 9 - Deficit Fund Balances/Retained Earnings and Excess of Expenditures over Appropriations (Continued)

Museum	
Personnel	2,931
Junk Vehicle	
Operations	1,865
RSID Administration	
Operations	2,654
Debt Service Funds	
RSID Revolving	
Transfers Out	14,670
Capital Projects Funds	
Technology	
Transfers Out	20,836
Communications Backbone	
Operations	346,098
Business-type Activities	
Internal Service Funds	
Risk Management	
Personnel	870
Operations	76,933
Health Insurance	
Personnel	22,686

Personnel over-expenditures in the County Attorney’s Office were primarily due to higher than expected overtime costs related to increased case loads. Operations over-expenditures in the County Attorney’s Office were due to higher than expected legal library and copying costs. Personnel over-expenditures in Office of Emergency Services were due to costs associated with hiring a new Director. Personnel over-expenditures in 9-1-1 Communications Center were due to overtime costs associated with higher than expected turnover. Transfers Out exceeded appropriations in the General fund non-departmental function due to transfer of cash from a fund previously accounted for in the General Fund for financial reporting purposes that is now accounted for in the Capital Improvement Fund. Transfers out over-expenditures in the Capital Improvement Fund represents the transfer of cash from a fund previously reported in the Capital Improvement Fund that is now accounted for in the Water Quality District Fund. Operations and capital outlay over-expenditures at the Fair were due to higher than expected horse racing, security, and entertainment costs. Over-expenditures in District Court operations were due to the need to contract with outside counsel in the Public Defenders Office (most of the excess cost was reimbursed from the State Supreme Court). Over-expenditures in Drug Forfeiture were due to greater than anticipated revenues (the Sheriff has the authority to exceed appropriations in Drug Forfeiture without Commissioner approval). Over-expenditures in the Health Insurance internal service fund is due to an unbudgeted accrual. Operations over-expenditures in Risk Management were due to higher than expected claims activity. Over-expenditures in the remaining funds represent expenditures approved by the Commissioners, but for which no transfer form or amendment was formally completed.

Note 10 - Budgetary-GAAP Reporting Reconciliation

The accompanying combining schedules of revenues and expenditures-budget and actual are presented on the budget basis. The following is a reconciliation of the change in Fund Balance-GAAP basis to the change in Fund Balance-budget basis for budgeted funds:

	General	Public Safety	RSID Debt Service	MCA Industrial District	Capital Improvement	Nonmajor Governmental	Internal Service
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - GAAP Basis	\$ (619,418)	\$ 582,535	\$ 1,697,439	\$ 2,316,146	\$ (285,329)	\$ (109,239)	\$ 1,821,745
Cash & Investments - 6/30/05	(756,431)	(297)	-	(2,452)	-	(3,053)	(15,881)
Cash & Investments - 6/30/04	746,597	85,933	-	(1,696)	(181)	115,968	11,233
Accounts Receivable - 6/30/05	(64,249)	(74,879)	-	-	-	(351,469)	(258,958)
Accounts Receivable - 6/30/04	-	154,585	-	85,870	-	(283,962)	210,082
Advances to Other Funds - 6/30/05	-	-	-	-	-	20,000	-
Advances to Other Funds - 6/30/04	-	-	-	-	-	23,449	-
Accounts Payable - 6/30/05	109,479	356,138	-	786	64,105	686,115	32,743
Accounts Payable - 6/30/04	(212,490)	(82,875)	-	(31)	(3,639)	(723,838)	(186,729)
Claims Payable - 6/30/05	-	-	-	-	-	-	2,690,047
Claims Payable - 6/30/04	-	-	-	-	-	-	(3,548,403)
Accrued Payroll - 6/30/05	46,733	45,556	-	400	-	81,947	25,313
Accrued Payroll - 6/30/04	(228,896)	(266,037)	-	(2,111)	-	(357,627)	(49,625)
Prepaid Cost - 6/30/05	-	-	-	-	-	-	(25,449)
Accrued Interest - 6/30/05	-	-	-	54,042	-	379,813	-
Accrued Interest - 6/30/04	-	-	-	(56,203)	-	(385,721)	-
Depreciation	-	-	-	-	-	-	11,673
Other Income	-	-	-	-	-	-	(10,543)
Debt Service	-	-	-	-	-	-	(20,994)
Non-budgeted Funds:							
Excess of Revenues and Other Financing Source over (under) Expenditures and Other Financing Use:	-	-	(1,697,439)	-	-	36,479	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - Budget Basis	<u>\$ (978,675)</u>	<u>\$ 800,659</u>	<u>\$ -</u>	<u>\$ 2,394,751</u>	<u>\$ (225,044)</u>	<u>\$ (871,138)</u>	<u>\$ 686,254</u>

Note 11 - Interfund Transactions

Interfund transfers - The County uses interfund transfers for regular reoccurring internal charges, such as debt service, supplies and materials, and services provided. Significant nonrecurring transfers include: \$250,000 from the General Fund to the Communications Backbone Project Fund for project construction, \$895,960 from the General Fund to the Capital Improvement Fund for the 4th Floor Annex renovations, \$289,111 from the Capital Improvement Fund to the Water Quality District to transfer the accumulated District trust funds, \$150,000 from teh 9-1-1 Trust to Communications Backbone Project Fund for project construction, and \$229,551 from the RSID Administration Fund to the RSID Capital Projects Fund to eliminate the deficit in the Gleaneagle RSID. An analysis of transfers in and out during 2005 follows:

General Fund to:	
Public Safety	\$ 321,704
Capital Improvements	1,163,988
Nonmajor Governmental Funds (Animal Control, Technology, Community Based Organizations, Parks, Fair, Planning, Museum, Local Government Study Commission, Communications Backbone Project)	902,392
Internal Service (Risk Management)	12,500
Component Units	21,104
Public Safety Fund to:	
Nonmajor Governmental Funds (Drug Forfeiture, Planning, Technology)	157,488
Internal Service (Risk Management)	95,710
RSID Debt Service Funds to:	
Nonmajor Governmental Funds (RSID Revolving)	7,673
Enterprise (RSID)	17,100
MCA Industrial District to:	
General Fund	22,000
Capital Improvements	157,000
Nonmajor Governmental Funds (Road, Technology)	84,715
Capital Improvement Fund to:	
Nonmajor Governmental Funds (Water Quality District)	289,111
Nonmajor Governmental Funds to:	
General Fund	241,470
Public Safety Fund	300,404
Capital Improvements	293,258
RSID Debt Service	229,551

Note 11 - Interfund Transactions (Continued)

Nonmajor Governmental Funds (Library, Animal Control, Fair Planning, Technology, Extension, Road, Weed Health, Museum, RSID Revolving, RSID Administration, Parks, District Court, Bridge, Fort Memorial, Community Center, Communications Backbone Project)	868,657
Internal Service (Risk Management, Health Insurance)	129,745
Internal Service Funds to:	
Internal Service (Health Benefits)	16,124
Larchmont Golf Course Fund to:	
General Fund	14,784
Capital Improvements	113,638
Nonmajor Enterprise Fund to:	
Nonmajor Governmental Funds (901 Water, 901 Sewer)	11,195
Total Transfers In/Out	<u>\$ 5,471,311</u>

Advances to other funds - Interfund advances at June 30, 2005 consist of the following:

General Fund - Cash flow advances to:	
Nonmajor Governmental Funds (District Court, Disaster, Jail Bonds, Health Center Bonds, Risk Management Bonds, Fair Ice Rink Bonds, Judgement Levy, Fair Ice Rink Project, Communications Backbone Project)	\$ 1,236,826
Public Safety - Cash flow advances to:	
Nonmajor Governmental Funds (LEPC Trust)	1,163
RSID Debt Service	
Nonmajor Governmental Funds (RSID Capital)	178,129
Nonmajor Governmental Funds - Cash flow advances to:	
Nonmajor Governmental Funds (RSID Capital, Communications Backbone Project)	363,241
Nonmajor Enterprise Fund - Cash flow advances to:	
Nonmajor Governmental Funds (RSID Capital)	590,586
Total Advances to Other Funds	<u>\$ 2,369,945</u>

Note 12 - Transactions with Component Units

Missoula County's significant transactions with its discretely-presented component units include:

Partnership Health Center

Advances from Primary Government

Cash-flow advance from Nonmajor Governmental Funds (Health Fund)	\$	438,197
Other advance from Nonmajor Governmental Funds (Health Center Bonds)		<u>385,307</u>
	\$	<u>823,504</u>

Transfers from General Government

Transfer from General Fund	\$	21,104
Interest payment to Nonmajor Governmental Funds (Health Center Bonds)		19,702
Health insurance premiums paid to Internal Service Funds		204,523
Community Based Organizations Grant from Nonmajor Governmental Fund (Poor Fund)		210,000

Missoula Aging Services

Community Based Organizations Grant from Nonmajor Governmental Fund (Aging Fund)	\$	213,460
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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue funds are used to account for revenues which are legally restricted to certain specific uses.

Road Fund - To account for taxes and other revenues to be used for construction and maintenance of County highways.

Poor Fund - To account for taxes to be used for welfare programs which the State of Montana will not cover in its Welfare Assumption Program.

Bridge Fund - To account for taxes and other revenues restricted to the construction and maintenance of bridges.

Weed Fund - To account for taxes and other revenues restricted to use in weed control programs.

Fair Fund - To account for various revenues restricted to use for funding the Western Montana Fair and maintenance of the fairgrounds.

District Court Fund - To account for revenues to be used for expenditures by Clerk of Court, Public Defender, and the Sheriff in court-related matters.

Weed Grant - To account for revenues related to the State of Montana Weed Grant Program.

Parks Fund - To account for revenues to support County parks and recreational programs.

Library Fund - To account for revenues restricted to use in various public library programs in the County.

Planning Fund - To account for revenues used by the Office of Planning and Grants.

Health Fund - To account for revenues restricted to use in programs related to public health.

Water Quality District – To account for revenues to be used by the Water Quality District.

Animal Control – To account for revenues to support Animal Control programs.

Extension Fund - To account for revenues restricted to use by the County Extension Service.

Drug Forfeiture Fund – To account for revenues from seizures made by the Sheriff's Department in drug-related arrests, and revenues from Board of Crime Control grants to be used in drug-related law enforcement.

Y.E.S. Fund - To account for revenues used to support the Youth Education and Safety program.

Museum Fund - To account for revenues restricted to use in art or historical museum programs.

Local Government Study Commission - To account for activities of the locally elected Commission tasked with studying the governance structure of Missoula County.

Lolo Mosquito District – To account for the revenues of the mosquito abatement program in Lolo, Montana.

Disaster – To account for certain costs and related revenues for County disasters as declared by the Board of County Commissioners.

Junk Vehicle Fund - To account for state grant monies restricted to programs to eliminate junk vehicles.

Forest Reserve Title III – To account for the special mitigation projects set aside from the County's Forest Reserve receipts.

RSID Administration – To account for the administration costs and revenues of the County's Rural Special Improvement District Program.

HUD/CDBG - To account for the use of Housing and Urban Development grants and Community Block Grants.

(Continued)

Community Based Organization Fund – To account for revenues to be used for community programs such as aging programs, child daycare, programs for the developmentally disabled and mentally ill, assistance to victims and witnesses of crimes, cultural grants from the State of Montana and grant supported housing and infrastructure projects.

Judgement Levy – To account for revenues used to fund judgements against the County.

Permissive Medical Levy – To account for the revenues used to support the County’s health insurance program.

Open Space Fund - To account for those resources used in the Growth Management Process.

Other Special Revenue Funds - To account for various trusts which are expendable both as to principal and interest for specific County purposes, including:

9-1-1 Trust
Abandoned Vehicles
901 Water
901 Sewer
Jail Commissary
IACP School

MCFPA Trust
LEPC Trust
Art Museum
Fort Memorial
Friends of the Library
Court Education Trust

Fort Missoula Community Center
Friends of Historical Museum
Historical Museum Gift
Transportation Mitigation Trust
Subdivision Improvement Bonds
Miller Creek Trust - for future capital improvements

Debt Service Funds - To account for the accumulation of resources for and the payment of general long-term debt principal and interest:

Risk Management - To account for principal and interest payments for the 2002 General Fund bond issue for the risk management program.

Jail Bond Fund - To account for principal and interest payments for the 1998 general obligation bond issue for jail construction.

Health Center - To account for principal and interest payments for the 1998 general fund note for the Partnership Health Clinic building.

RSID Revolving Fund - To account for revenues set aside to make principal and interest payments in the event that collections of special assessments are insufficient to make those payments.

Fair Ice Rink - To account for principal and interest payments for the 2004 limited general obligation bond issue for the ice facilities at the Western Montana Fairgrounds.

Capital Project Funds - To account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by the proprietary funds:

Technology Fund - To account for technology-related capital purchases in the County’s Capital Improvement Plan.

Goodan-Keil Project - To account for road construction near the Airport Exchange.

Ice Rink Project - To account for bond proceeds and other revenues used for the construction of additional ice rink facilities at the Western Montana Fair.

Communications Backbone Project - To account for revenues used for the upgrade of the County’s communication backbone.

Jail Project - To account for bond proceeds and other revenues used for the construction of the Missoula County Detention Facility.

RSID Funds - To account for financial resources in those special improvement districts (RSIDs) which are in the construction phase.

MISSOULA COUNTY, MONTANA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2005
(Page 1 of 7)

Special Revenue

	Road	Poor	Bridge	Weed	Fair	District Court	Weed Grant	Parks	Library
Assets:									
Cash & Cash Equivalents	\$ 13,084	\$ 3,273	\$ 6,008	\$ 9,434	\$ 6,556	\$ -	\$ 226	\$ 9,532	\$ 10,848
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-
Investments	551,515	137,964	253,263	397,667	276,373	-	9,529	401,810	457,263
Property Taxes Receivable (net)	127,436	63,528	61,225	27,939	5,335	65,882	-	14,091	125,537
RSID Receivable									
Delinquent	-	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-	-
Accounts Receivable	87	-	-	-	-	381,115	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-
Inventory	1,202,459	-	-	-	-	-	-	-	-
Total Assets	\$ 1,894,581	\$ 204,765	\$ 320,496	\$ 435,040	\$ 288,264	\$ 446,997	\$ 9,755	\$ 425,433	\$ 593,648
Liabilities:									
Accounts & Warrants Payable	\$ 287,382	\$ 936	\$ 2,876	\$ 4,737	\$ 19,576	\$ 21,824	\$ -	\$ 487	\$ 27,252
Accrued Interest Payable	-	-	-	-	3,490	-	-	-	-
Accrued Payroll	10,325	-	3,444	1,311	1,887	9,204	-	150	5,344
Advances from Other Funds	-	-	-	-	-	60,986	-	-	-
Deferred Tax Revenue	127,436	63,528	61,225	27,939	5,335	65,882	-	14,091	125,537
Other Deferred Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	425,143	64,464	67,545	33,987	30,288	157,896	-	14,728	158,133
Fund Balance:									
Reserved for Inventory	1,202,459	-	-	-	-	-	-	-	-
Reserved for Advances & Loans	-	-	-	-	-	-	-	-	-
Reserved for Capital	-	-	-	-	-	-	-	-	-
Unreserved Fund Balance:									
Undesignated	266,979	140,301	252,951	401,053	257,976	289,101	9,755	410,705	435,515
Total Fund Balance	1,469,438	140,301	252,951	401,053	257,976	289,101	9,755	410,705	435,515
Total Liabilities and Fund Balance	\$ 1,894,581	\$ 204,765	\$ 320,496	\$ 435,040	\$ 288,264	\$ 446,997	\$ 9,755	\$ 425,433	\$ 593,648

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2005
(Page 2 of 7)

	Special Revenue								
	Planning	Health	Water Quality District	Animal Control	Extension	Drug Forfeiture	Y.E.S.	Museum	Local Gov't Study Commission
Assets:									
Cash & Cash Equivalents	\$ 5,883	\$ 13,129	\$ 8,871	\$ 2,297	\$ 3,015	\$ 617	\$ 308	\$ 1,684	\$ 1,063
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-
Investments	248,002	553,409	373,934	96,830	127,071	26,005	13,003	71,006	44,822
Property Taxes Receivable (net)	40,934	55,658	48,311	7,172	21,581	-	-	36,173	-
RSID Receivable									
Delinquent	-	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-	-
Accounts Receivable	304,204	253,701	3,750	4,026	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	438,197	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	\$ 599,023	\$ 1,314,094	\$ 434,866	\$ 110,325	\$ 151,667	\$ 26,622	\$ 13,311	\$ 108,863	\$ 45,885
Liabilities:									
Accounts & Warrants Payable	\$ 38,433	\$ 9,272	\$ 2,559	\$ 3,168	\$ 7,472	\$ 1,534	\$ -	\$ 27,417	\$ 223
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
Accrued Payroll	15,682	17,005	1,434	1,976	988	1,017	-	1,247	71
Advances from Other Funds	-	-	-	-	-	-	-	-	-
Deferred Tax Revenue	40,934	55,658	48,311	7,172	21,581	-	-	36,173	-
Other Deferred Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	95,049	81,935	52,304	12,316	30,041	2,551	-	64,837	294
Fund Balance:									
Reserved for Inventory	-	-	-	-	-	-	-	-	-
Reserved for Advances & Loans	-	438,197	-	-	-	-	-	-	-
Reserved for Capital	-	-	-	-	-	-	-	-	-
Unreserved Fund Balance:									
Undesignated	503,974	793,962	382,562	98,009	121,626	24,071	13,311	44,026	45,591
Total Fund Balance	503,974	1,232,159	382,562	98,009	121,626	24,071	13,311	44,026	45,591
Total Liabilities and Fund Balance	\$ 599,023	\$ 1,314,094	\$ 434,866	\$ 110,325	\$ 151,667	\$ 26,622	\$ 13,311	\$ 108,863	\$ 45,885

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2005
(Page 3 of 7)

	Special Revenue								
	Lolo Mosquito	Disaster	Junk Vehicle	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	9-1-1 Trust	Abandoned Vehicle
Assets:									
Cash & Cash Equivalents	\$ 159	\$ -	\$ 985	\$ 6,456	\$ -	\$ 5,314	\$ 1,963	\$ -	\$ 28
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-
Investments	6,699	-	41,529	272,155	-	224,008	82,736	-	1,213
Property Taxes Receivable (net)	414	3,254	-	-	-	-	27,379	-	-
RSID Receivable									
Delinquent	-	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	428,009	508,493	-	-	-
Advances to Other Funds	-	-	-	-	159,334	-	-	199,635	-
Advances to Component Units	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	\$ 7,272	\$ 3,254	\$ 42,514	\$ 278,611	\$ 587,343	\$ 737,815	\$ 112,078	\$ 199,635	\$ 1,241
Liabilities:									
Accounts & Warrants Payable	\$ 119	\$ -	\$ 1,144	\$ 1,200	\$ -	\$ 2,203	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
Accrued Payroll	116	-	375	-	520	-	-	-	-
Advances from Other Funds	-	295	-	-	-	-	-	-	-
Deferred Tax Revenue	414	3,254	-	-	-	-	27,379	-	-
Other Deferred Revenue	-	-	-	-	428,009	508,493	-	-	-
Total Liabilities	649	3,549	1,519	1,200	428,529	510,696	27,379	-	-
Fund Balance:									
Reserved for Inventory	-	-	-	-	-	-	-	-	-
Reserved for Advances & Loans	-	-	-	-	159,334	-	-	199,635	-
Reserved for Capital	-	-	40,995	-	-	-	-	-	-
Unreserved Fund Balance:									
Undesignated	6,623	(295)	-	277,411	(520)	227,119	84,699	-	1,241
Total Fund Balance	6,623	(295)	40,995	277,411	158,814	227,119	84,699	199,635	1,241
Total Liabilities and Fund Balance	\$ 7,272	\$ 3,254	\$ 42,514	\$ 278,611	\$ 587,343	\$ 737,815	\$ 112,078	\$ 199,635	\$ 1,241

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2005
(Page 4 of 7)

	Special Revenue								
	901 Water	901 Sewer	Jail Commissary	IACP School	MCFPA Trust	LEPC Trust	Art Museum	Fort Memorial	Friends of the Library
Assets:									
Cash & Cash Equivalents	\$ 2,507	\$ 5,373	\$ 8,257	\$ 2	\$ 18	\$ -	\$ 5	\$ -	\$ 660
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-
Investments	105,687	226,475	348,054	68	780	-	201	-	27,802
Property Taxes Receivable (net)	-	-	-	-	-	-	-	-	-
RSID Receivable									
Delinquent	-	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	4,272	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	\$ 108,194	\$ 236,120	\$ 356,311	\$ 70	\$ 798	\$ -	\$ 206	\$ -	\$ 28,462
Liabilities:									
Accounts & Warrants Payable	\$ -	\$ -	\$ 5,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 730
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	1,163	-	-	-
Deferred Tax Revenue	-	-	-	-	-	-	-	-	-
Other Deferred Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	5,445	-	-	1,163	-	-	730
Fund Balance:									
Reserved for Inventory	-	-	-	-	-	-	-	-	-
Reserved for Advances & Loans	-	4,272	-	-	-	-	-	-	-
Reserved for Capital	-	-	-	-	-	-	-	-	-
Unreserved Fund Balance:									
Undesignated	108,194	231,848	350,866	70	798	(1,163)	206	-	27,732
Total Fund Balance	108,194	236,120	350,866	70	798	(1,163)	206	-	27,732
Total Liabilities and Fund Balance	\$ 108,194	\$ 236,120	\$ 356,311	\$ 70	\$ 798	\$ -	\$ 206	\$ -	\$ 28,462

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2005
(Page 5 of 7)

	Special Revenue							
	Transportation Mitigation Trust	Miller Creek Trust	Ft Missoula Community Center	Friends of Historical Museum	Historical Museum Gift Shop	Court Education Trust	Subdivision Improvement Bonds	Judgement Levy
Assets:								
Cash & Cash Equivalents	\$ 2,844	\$ 10,083	\$ -	\$ 1,032	\$ 22	\$ -	\$ 121	\$ -
Cash with Fiscal Agents	-	-	-	-	-	-	-	-
Investments	119,901	425,039	-	43,480	940	5	5,114	-
Property Taxes Receivable (net)	-	-	-	-	-	-	-	2,452
RSID Receivable								
Delinquent	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Total Assets	\$ 122,745	\$ 435,122	\$ -	\$ 44,512	\$ 962	\$ 5	\$ 5,235	\$ 2,452
Liabilities:								
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ 7,106	\$ 1,228	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-	-	2,781
Deferred Tax Revenue	-	-	-	-	-	-	-	2,452
Other Deferred Revenue	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	7,106	1,228	-	-	5,233
Fund Balance:								
Reserved for Inventory	-	-	-	-	-	-	-	-
Reserved for Advances & Loans	-	-	-	-	-	-	-	-
Reserved for Capital	-	-	-	-	-	-	-	-
Unreserved Fund Balance:								
Undesignated	122,745	435,122	-	37,406	(266)	5	5,235	(2,781)
Total Fund Balance	122,745	435,122	-	37,406	(266)	5	5,235	(2,781)
Total Liabilities and Fund Balance	\$ 122,745	\$ 435,122	\$ -	\$ 44,512	\$ 962	\$ 5	\$ 5,235	\$ 2,452

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2005
(Page 6 of 7)

	<u>Special Revenue</u>		<u>Debt Service</u>				
	Permissive Medical Levy	Open Space	Risk Management	Jail Bond	Health Center	RSID Revolving	Fair Ice Rink
Assets:							
Cash & Cash Equivalents	\$ -	\$ 1,078	\$ -	\$ -	\$ -	\$ 8,299	\$ -
Cash with Fiscal Agents	-	-	110,555	1,048,159	29,851	-	52,215
Investments	-	45,426	-	-	-	349,812	-
Property Taxes Receivable (net)	48,125	-	7,611	89,349	-	-	-
RSID Receivable							
Delinquent	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	385,307	-	-
Inventory	-	-	-	-	-	-	-
Total Assets	<u>\$ 48,125</u>	<u>\$ 46,504</u>	<u>\$ 118,166</u>	<u>\$ 1,137,508</u>	<u>\$ 415,158</u>	<u>\$ 358,111</u>	<u>\$ 52,215</u>
Liabilities:							
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	15,555	338,553	9,851	-	22,215
Accrued Payroll	-	-	-	-	-	-	-
Advances from Other Funds	-	-	81,071	370,594	29,851	-	77,622
Deferred Tax Revenue	48,125	-	7,611	89,349	-	-	-
Other Deferred Revenue	-	-	-	-	-	-	-
Total Liabilities	<u>48,125</u>	<u>-</u>	<u>104,237</u>	<u>798,496</u>	<u>39,702</u>	<u>-</u>	<u>99,837</u>
Fund Balance:							
Reserved for Inventory	-	-	-	-	-	-	-
Reserved for Advances & Loans	-	-	-	-	385,307	-	-
Reserved for Capital	-	-	-	-	-	-	-
Unreserved Fund Balance:							
Undesignated	-	46,504	13,929	339,012	(9,851)	358,111	(47,622)
Total Fund Balance	<u>-</u>	<u>46,504</u>	<u>13,929</u>	<u>339,012</u>	<u>375,456</u>	<u>358,111</u>	<u>(47,622)</u>
Total Liabilities and Fund Balance	<u>\$ 48,125</u>	<u>\$ 46,504</u>	<u>\$ 118,166</u>	<u>\$ 1,137,508</u>	<u>\$ 415,158</u>	<u>\$ 358,111</u>	<u>\$ 52,215</u>

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2005
(Page 7 of 7)

	Capital Projects						Total
	Technology	Goodan Keil	Ice Rink Project	Communications Backbone Project	Jail Project	RSID Projects	
Assets:							
Cash & Cash Equivalents	\$ 11,986	\$ -	\$ -	\$ -	\$ 13,278	\$ -	\$ 176,298
Cash with Fiscal Agents	-	-	-	-	-	-	1,240,780
Investments	505,232	-	-	-	559,719	-	7,431,541
Property Taxes Receivable (net)	30,048	-	-	-	-	-	909,434
RSID Receivable							
Delinquent	-	-	-	-	-	809	809
Deferred	-	-	-	-	-	859,998	859,998
Accounts Receivable	-	-	-	333,862	-	-	1,280,745
Loans & Notes Receivable	-	-	-	-	-	-	936,502
Advances to Other Funds	-	-	-	-	-	-	363,241
Advances to Component Units	-	-	-	-	-	-	823,504
Inventory	-	-	-	-	-	-	1,202,459
Total Assets	\$ 547,266	\$ -	\$ -	\$ 333,862	\$ 572,997	\$ 860,807	\$ 15,225,311
Liabilities:							
Accounts & Warrants Payable	\$ 84,871	\$ -	\$ 59,908	\$ 75,303	\$ -	\$ 15,663	\$ 710,068
Accrued Interest Payable	-	-	-	-	-	-	389,664
Accrued Payroll	-	-	-	-	-	-	72,096
Advances from Other Funds	-	-	440,274	372,987	-	932,321	2,369,945
Deferred Tax Revenue	30,048	-	-	-	-	-	909,434
Other Deferred Revenue	-	-	-	-	-	860,807	1,797,309
Total Liabilities	114,919	-	500,182	448,290	-	1,808,791	6,248,516
Fund Balance:							
Reserved for Inventory	-	-	-	-	-	-	1,202,459
Reserved for Advances & Loans	-	-	-	-	-	-	1,186,745
Reserved for Capital	-	-	-	-	-	-	40,995
Unreserved Fund Balance:							
Undesignated	432,347	-	(500,182)	(114,428)	572,997	(947,984)	6,546,596
Total Fund Balance	432,347	-	(500,182)	(114,428)	572,997	(947,984)	8,976,795
Total Liabilities and Fund Balance	\$ 547,266	\$ -	\$ -	\$ 333,862	\$ 572,997	\$ 860,807	\$ 15,225,311

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
(Page 1 of 7)

Special Revenue

	Road	Poor	Bridge	Weed	Fair	District Court	Weed Grant	Parks	Library
Revenues:									
Property Taxes	\$ 1,568,932	\$ 753,771	\$ 702,891	\$ 348,189	\$ 51,803	\$ 878,049	\$ -	\$ 174,897	\$ 1,531,332
Licenses & Permit:	21,392	-	-	-	-	-	-	-	-
Intergovernmental Revenue	2,273,266	196,539	485,122	62,374	9,363	1,415,015	30,762	10,257	577,169
Charges for Service:	11,360	-	-	2,980	1,067,992	48,802	-	7,852	8,158
Fines & Forfeits:	-	-	-	-	-	444	-	-	49,731
Investment Earnings:	1,854	-	-	3,119	1,444	-	-	-	3,788
Private & Local Grants	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue:	13,213	-	8,712	11,134	743	77	-	992	13,123
Total Revenues	3,890,017	950,310	1,196,725	427,796	1,131,345	2,342,387	30,762	193,998	2,183,301
Expenditures:									
Current Operations:									
General Government	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	2,085,114	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	3,017,428	-	673,387	383,616	-	-	36,001	-	-
Public Health	-	-	-	-	-	-	-	-	-
Social & Economic Service	-	694,432	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	1,061,630	-	-	131,099	1,707,831
Housing & Community Development	-	-	-	-	-	-	-	-	-
Capital Outlay	979,768	-	360,982	15,319	71,712	3,580	-	20,042	340,256
Debt Service:									
Principal	-	-	-	-	8,000	-	-	-	-
Interest and Fiscal Charge:	-	-	-	-	6,920	-	-	-	-
Total Expenditures	3,997,196	694,432	1,034,369	398,935	1,148,262	2,088,694	36,001	151,141	2,048,087
Excess of Revenues over (under) Expenditures	(107,179)	255,878	162,356	28,861	(16,917)	253,693	(5,239)	42,857	135,214
Other Financing Sources (uses)									
Transfers In	175,671	-	42,847	19,889	24,639	29,937	14,994	16,778	24,961
Transfers Out	(125,622)	(232,366)	(36,873)	(36,494)	(29,935)	(56,311)	-	(1,905)	-
Loan Proceeds	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	52,453	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	(4,677)	23,512	168,330	12,256	(22,213)	227,319	9,755	57,730	160,175
Fund Balance - Beginning of Year	859,738	116,789	84,621	388,797	280,189	61,782	-	352,975	275,340
Fund Reclassification:	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	614,377	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 1,469,438	\$ 140,301	\$ 252,951	\$ 401,053	\$ 257,976	\$ 289,101	\$ 9,755	\$ 410,705	\$ 435,515

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue								Local Gov't Study Commission
	Planning	Health	Water Quality District	Animal Control	Extension	Drug Forfeiture	Y.E.S.	Museum	
Revenues:									
Property Taxes	\$ 829,385	\$ 1,539,964	\$ -	\$ 275,761	\$ 251,045	\$ -	\$ -	\$ 437,953	\$ -
Licenses & Permit:	96,900	81,233	-	122,140	-	-	-	-	-
Intergovernmental Revenue	2,836,163	1,469,036	24,000	17,241	49,450	146,135	-	117,433	-
Charges for Service:	114,911	744,571	378,424	53,698	9,810	-	-	14,966	-
Fines & Forfeits:	76,026	-	-	-	-	27,405	-	-	-
Investment Earnings:	-	4,656	3,662	-	-	499	216	-	-
Private & Local Grants	9,593	22,034	15,000	1,953	-	-	-	-	-
Miscellaneous Revenue:	1,486	154,816	18	1,383	15,158	1	-	306	-
Total Revenues	3,964,464	4,016,310	421,104	472,176	325,463	174,040	216	570,658	-
Expenditures:									
Current Operations:									
General Government	-	-	-	-	-	-	-	-	10,345
Criminal Justice	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	235,223	471	-	-
Public Works	-	-	-	-	306,954	-	-	-	-
Public Health	-	3,669,566	626,888	417,198	-	-	-	-	-
Social & Economic Service	2,151,762	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	561,555	-
Housing & Community Developmen	2,044,399	-	-	-	-	-	-	-	-
Capital Outlay	265,978	7,380	-	-	4,061	-	-	46,002	1,025
Debt Service:									
Principal	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charge:	-	-	-	-	-	-	-	-	-
Total Expenditures	4,462,139	3,676,946	626,888	417,198	311,015	235,223	471	607,557	11,370
Excess of Revenues ove (under) Expenditures:	(497,675)	339,364	(205,784)	54,978	14,448	(61,183)	(255)	(36,899)	(11,370)
Other Financing Sources (uses)									
Transfers In	592,472	72,328	289,111	32,128	25,152	50,000	-	23,613	57,676
Transfers Out	-	-	-	-	(15,000)	-	-	-	(715)
Loan Proceeds	-	-	-	-	-	-	-	-	-
Sale of Capital Asset:	-	-	-	600	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	94,797	411,692	83,327	87,706	24,600	(11,183)	(255)	(13,286)	45,591
Fund Balance - Beginning of Yea:	409,177	820,467	299,235	10,303	97,026	35,254	13,566	57,312	-
Fund Reclassifications	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 503,974	\$ 1,232,159	\$ 382,562	\$ 98,009	\$ 121,626	\$ 24,071	\$ 13,311	\$ 44,026	\$ 45,591

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue								
	Lolo Mosquito	Disaster	Junk Vehicle	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	9-1-1 Trust	Abandoned Vehicle
Revenues:									
Property Taxes	\$ -	\$ 55,287	\$ -	\$ -	\$ -	\$ -	\$ 322,321	\$ -	\$ -
Licenses & Permit:	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	3,000	125,205	109,144	-	79,614	53,853	358,819	-
Charges for Service:	13,376	-	1,096	-	-	-	-	-	-
Fines & Forfeits:	-	-	-	-	-	-	-	-	-
Investment Earnings:	-	-	518	-	-	51,182	-	5,607	-
Private & Local Grants	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue:	11,407	-	1,704	-	-	75,733	-	-	-
Total Revenues	<u>24,783</u>	<u>58,287</u>	<u>128,523</u>	<u>109,144</u>	<u>-</u>	<u>206,529</u>	<u>376,174</u>	<u>364,426</u>	<u>-</u>
Expenditures:									
Current Operations:									
General Government	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	60,191	-	-	-	331,854	-
Public Works	7,660	-	-	-	19,174	-	-	-	-
Public Health	-	-	99,292	-	-	-	-	-	-
Social & Economic Service	-	-	-	-	-	-	445,279	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-
Housing & Community Developmen	-	-	-	-	-	40,203	-	-	-
Capital Outlay	10,500	-	-	-	-	-	-	-	-
Debt Service:									
Principal	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charge:	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>18,160</u>	<u>-</u>	<u>99,292</u>	<u>60,191</u>	<u>19,174</u>	<u>40,203</u>	<u>445,279</u>	<u>331,854</u>	<u>-</u>
Excess of Revenues ove (under) Expenditures:	6,623	58,287	29,231	48,953	(19,174)	166,326	(69,105)	32,572	-
Other Financing Sources (uses)									
Transfers In	-	-	-	-	34,963	-	75,756	-	-
Transfers Out	-	(20,634)	-	-	(320,281)	-	-	(150,000)	-
Loan Proceeds	-	-	-	-	-	-	-	-	-
Sale of Capital Asset:	-	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	6,623	37,653	29,231	48,953	(304,492)	166,326	6,651	(117,428)	-
Fund Balance - Beginning of Year	-	(37,948)	11,764	228,458	463,306	60,793	78,048	317,063	1,241
Fund Reclassifications	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 6,623</u>	<u>\$ (295)</u>	<u>\$ 40,995</u>	<u>\$ 277,411</u>	<u>\$ 158,814</u>	<u>\$ 227,119</u>	<u>\$ 84,699</u>	<u>\$ 199,635</u>	<u>\$ 1,241</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue								
	901 Water	901 Sewer	Jail Commissary	IACP School	MCFPA Trust	LEPC Trust	Art Museum	Fort Memorial	Friends of the Library
Revenues:									
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permit:	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-
Charges for Service:	-	12,486	-	-	-	-	-	-	26,688
Fines & Forfeits:	-	-	-	-	-	-	-	-	-
Investment Earnings:	1,730	3,687	1,351	-	-	-	-	-	493
Private & Local Grants	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue:	-	-	529,803	-	-	-	-	-	-
Total Revenues	<u>1,730</u>	<u>16,173</u>	<u>531,154</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,181</u>
Expenditures:									
Current Operations:									
General Government	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-
Public Safety	-	-	381,389	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-
Social & Economic Service	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	19,527
Housing & Community Development	-	-	-	-	-	-	-	-	6,182
Capital Outlay	-	-	-	-	-	-	-	-	-
Debt Service:									
Principal	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charge:	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>381,389</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,709</u>
Excess of Revenues over (under) Expenditures	1,730	16,173	149,765	-	-	-	-	-	1,472
Other Financing Sources (uses)									
Transfers In	-	-	-	-	-	-	-	1,190	-
Transfers Out	-	-	(75,000)	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	1,730	16,173	74,765	-	-	-	-	1,190	1,472
Fund Balance - Beginning of Year	106,464	219,947	276,101	70	798	(1,163)	206	(1,190)	26,260
Fund Reclassification:	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 108,194</u>	<u>\$ 236,120</u>	<u>\$ 350,866</u>	<u>\$ 70</u>	<u>\$ 798</u>	<u>\$ (1,163)</u>	<u>\$ 206</u>	<u>\$ -</u>	<u>\$ 27,732</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
(Page 5 of 7)

	Special Revenue							
	Transportation Mitigation Trust	Miller Creek Trust	Ft. Missoula Community Center	Friends of Historical Museum	Historical Gift Shop	Court Education Trust	Subdivision Improvement Bonds	Judgement Levy
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,272
Licenses & Permit:	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Service:	-	-	-	14,405	35,000	-	-	-
Fines & Forfeit:	-	-	-	-	-	-	-	-
Investment Earnings:	-	6,960	-	1,016	-	-	-	-
Private & Local Grants	-	-	-	73,866	-	-	-	-
Miscellaneous Revenue:	3,360	-	-	-	-	-	-	-
Total Revenues	<u>3,360</u>	<u>6,960</u>	<u>-</u>	<u>89,287</u>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>24,272</u>
Expenditures:								
Current Operations:								
General Government	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-
Social & Economic Service	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	92,347	34,110	-	-	-
Housing & Community Developmen	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and Fiscal Charge:	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,347</u>	<u>34,110</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues ove (under) Expenditures	3,360	6,960	-	(3,060)	890	-	-	24,272
Other Financing Sources (uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	(4,140)	(14,000)	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	3,360	6,960	(4,140)	(17,060)	890	-	-	24,272
Fund Balance - Beginning of Year	119,385	428,162	4,140	54,466	(1,156)	5	5,235	(27,053)
Fund Reclassification:	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 122,745</u>	<u>\$ 435,122</u>	<u>\$ -</u>	<u>\$ 37,406</u>	<u>\$ (266)</u>	<u>\$ 5</u>	<u>\$ 5,235</u>	<u>\$ (2,781)</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue		Debt Service				
	Permissive Medical Levy	Open Space	Risk Management	Jail Bond	Health Center	RSID Revolving	Fair Ice Rink
Revenues:							
Property Taxes	\$ 770,813	\$ 2	\$ 101,990	\$ 1,072,244	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-
Intergovernmental Revenue	4,567	-	10,614	236,985	20,163	-	-
Charges for Services	-	-	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-
Investment Earnings	-	-	46	2,196	-	1	-
Private & Local Grants	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-
Total Revenues	<u>775,380</u>	<u>2</u>	<u>112,650</u>	<u>1,311,425</u>	<u>20,163</u>	<u>1</u>	<u>-</u>
Expenditures:							
Current Operations:							
General Government	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Debt Service:							
Principal	-	-	90,000	675,000	20,000	-	-
Interest and Fiscal Charges	-	-	31,560	676,543	19,702	-	47,622
Total Expenditures	<u>-</u>	<u>-</u>	<u>121,560</u>	<u>1,351,543</u>	<u>39,702</u>	<u>-</u>	<u>47,622</u>
Excess of Revenues over (under) Expenditures	775,380	2	(8,910)	(40,118)	(19,539)	1	(47,622)
Other Financing Sources (uses):							
Transfers In	-	-	-	-	-	24,501	-
Transfers Out	(779,655)	-	-	-	-	(14,670)	-
Loan Proceeds	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(4,275)	2	(8,910)	(40,118)	(19,539)	9,832	(47,622)
Fund Balance - Beginning of Year	4,275	46,502	22,839	379,130	394,995	348,279	-
Fund Reclassifications	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 46,504</u>	<u>\$ 13,929</u>	<u>\$ 339,012</u>	<u>\$ 375,456</u>	<u>\$ 358,111</u>	<u>\$ (47,622)</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Capital Projects						Total
	Technology	Goodan Keil	Ice Rink Project	Communications Backbone Project	Jail Project	RSID Projects	
Revenues:							
Property Taxes	\$ 377,760	\$ -	\$ -	\$ -	\$ -	\$ 11,050	\$ 12,079,711
Licenses & Permits	-	-	-	-	-	-	321,665
Intergovernmental Revenue	87,110	-	-	713,158	-	-	11,521,557
Charges for Services	126,117	-	-	-	-	-	2,692,692
Fines & Forfeits	-	-	-	-	-	-	153,606
Investment Earnings	-	-	-	289	54,918	-	149,232
Private & Local Grants	-	-	-	-	-	-	122,446
Miscellaneous Revenues	217	-	-	-	666,500	389,321	1,899,207
Total Revenues	<u>591,204</u>	<u>-</u>	<u>-</u>	<u>713,447</u>	<u>721,418</u>	<u>400,371</u>	<u>28,940,116</u>
Expenditures:							
Current Operations:							
General Government	282,222	-	-	-	-	-	292,567
Criminal Justice	-	-	-	-	-	-	2,085,114
Public Safety	-	-	-	252,538	-	-	1,261,666
Public Works	-	-	-	-	-	1,428,032	5,872,252
Public Health	-	-	-	-	-	-	4,812,944
Social & Economic Services	-	-	-	-	-	-	3,291,473
Culture & Recreation	-	-	-	-	-	-	3,608,099
Housing & Community Development	-	-	-	-	-	-	2,090,784
Capital Outlay	469,939	-	1,042,804	1,301,143	-	-	4,940,491
Debt Service:							
Principal	-	-	-	-	-	-	793,000
Interest and Fiscal Charges	-	-	-	-	-	-	782,347
Total Expenditures	<u>752,161</u>	<u>-</u>	<u>1,042,804</u>	<u>1,553,681</u>	<u>-</u>	<u>1,428,032</u>	<u>29,830,737</u>
Excess of Revenues over (under) Expenditures	(160,957)	-	(1,042,804)	(840,234)	721,418	(1,027,661)	(890,621)
Other Financing Sources (uses):							
Transfers In	286,325	-	-	400,000	-	-	2,314,931
Transfers Out	(115,828)	-	-	-	-	(33,656)	(2,063,085)
Loan Proceeds	356,256	-	-	-	-	120,227	476,483
Sale of Capital Assets	-	-	-	-	-	-	53,053
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	365,796	-	(1,042,804)	(440,234)	721,418	(941,090)	(109,239)
Fund Balance - Beginning of Year	66,551	-	542,622	325,806	(148,421)	(806,286)	7,672,265
Fund Reclassifications	-	-	-	-	-	799,392	799,392
Change in Inventory Reserves	-	-	-	-	-	-	614,377
Fund Balance - End of Year	<u>\$ 432,347</u>	<u>\$ -</u>	<u>\$ (500,182)</u>	<u>\$ (114,428)</u>	<u>\$ 572,997</u>	<u>\$ (947,984)</u>	<u>\$ 8,976,795</u>

GENERAL FUND – Budget and Actual

The General Fund is used to account for all activities of the County not accounted for in another fund.

Commissioners - To account for the budget of the County Commissioners Office.

Justice Court - To account for the budget of the Justices of the Peace.

Attorney - To account for the budget of the County Attorney's Office.

Financial Services - To account for the budget of the Financial Services Office.

Clerk & Recorder/Treasurer - To account for the budgets of the offices for which the Clerk & Recorder/Treasurer is responsible (Elections, Recording, Records Management, Treasurer).

Auditor - To account for the budget of the County Auditor.

Facilities Management - To account for maintenance of County buildings and grounds.

Office of Emergency Services - To account for the budget for Emergency Services and the County Communications Program.

9-1-1 Communications Center - To account for the budget of the 9-1-1 Central Dispatch function.

Information Services - To account for the budget for the County's Information Services department and the County's PBX system.

Human Resources - To account for the budget of the Personnel Office.

Central Services - To account for the budget for central purchasing, postage, printing and motor pool.

Superintendent of Schools - To account for the budget of the Superintendent of Schools.

Surveyor – To account for the budget of the County Surveyor.

Non-departmental- To account for those budget items that cannot be identified with a particular operational department.

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
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	Commissioners				Justice Court			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	2,462	2,462
Fines & Forfeits	-	-	-	-	655,500	655,500	656,141	641
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	6,946	6,946
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>655,500</u>	<u>655,500</u>	<u>665,549</u>	<u>10,049</u>
Expenditures:								
Current Operations:								
Personnel	516,614	516,614	516,384	230	497,537	523,514	515,424	8,090
Operations	28,218	28,218	16,134	12,084	58,716	58,716	43,623	15,093
Capital Outlay	-	-	-	-	6,000	6,000	420	5,580
Total Expenditures	<u>544,832</u>	<u>544,832</u>	<u>532,518</u>	<u>12,314</u>	<u>562,253</u>	<u>588,230</u>	<u>559,467</u>	<u>28,763</u>
Excess of Revenues over (under) Expenditures	(544,832)	(544,832)	(532,518)	12,314	93,247	67,270	106,082	38,812
Other Financing Sources (Uses):								
Transfers In	12,000	12,000	12,000	-	-	-	-	-
Transfers Out	-	-	-	-	(4,400)	(4,400)	(4,400)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (532,832)</u>	<u>\$ (532,832)</u>	<u>\$ (520,518)</u>	<u>\$ 12,314</u>	<u>\$ 88,847</u>	<u>\$ 62,870</u>	<u>\$ 101,682</u>	<u>\$ 38,812</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
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	Attorney				Financial Services			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	66,965	66,965	73,278	6,313	-	-	-	-
Charges for Services	147,600	147,600	177,621	30,021	-	-	-	-
Fines & Forfeits	25,500	25,500	135,321	109,821	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	318	318	-	-	-	-
Total Revenues	<u>240,065</u>	<u>240,065</u>	<u>386,538</u>	<u>146,473</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	1,566,285	1,524,022	1,537,994	(13,972)	321,344	321,344	316,752	4,592
Operations	70,878	70,878	79,851	(8,973)	87,906	87,906	88,103	(197)
Capital Outlay	2,650	4,850	3,320	1,530	-	-	-	-
Total Expenditures	<u>1,639,813</u>	<u>1,599,750</u>	<u>1,621,165</u>	<u>(21,415)</u>	<u>409,250</u>	<u>409,250</u>	<u>404,855</u>	<u>4,395</u>
Excess of Revenues over (under) Expenditures	(1,399,748)	(1,359,685)	(1,234,627)	125,058	(409,250)	(409,250)	(404,855)	4,395
Other Financing Sources (Uses):								
Transfers In	18,128	49,654	41,526	(8,128)	8,500	8,500	8,500	-
Transfers Out	(18,528)	(18,528)	(18,928)	(400)	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (1,400,148)</u>	<u>\$ (1,328,559)</u>	<u>\$ (1,212,029)</u>	<u>\$ 116,530</u>	<u>\$ (400,750)</u>	<u>\$ (400,750)</u>	<u>\$ (396,355)</u>	<u>\$ 4,395</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
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	Clerk & Recorder/Treasurer				Auditor			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	26,100	26,100	26,575	475	-	-	-	-
Intergovernmental Revenue	61,000	58,000	69,909	11,909	-	-	-	-
Charges for Services	1,200,000	1,201,500	994,419	(207,081)	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	1,500	-	-	-	-	-	-	-
Total Revenues	<u>1,288,600</u>	<u>1,285,600</u>	<u>1,090,903</u>	<u>(194,697)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	1,648,265	1,648,265	1,628,538	19,727	224,686	174,686	174,796	(110)
Operations	314,838	310,208	276,236	33,972	44,161	94,161	76,566	17,595
Capital Outlay	-	4,630	5,595	(965)	-	-	-	-
Total Expenditures	<u>1,963,103</u>	<u>1,963,103</u>	<u>1,910,369</u>	<u>52,734</u>	<u>268,847</u>	<u>268,847</u>	<u>251,362</u>	<u>17,485</u>
Excess of Revenues over (under) Expenditures	(674,503)	(677,503)	(819,466)	(141,963)	(268,847)	(268,847)	(251,362)	17,485
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	(400)	(400)	-	400
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (674,503)</u>	<u>\$ (677,503)</u>	<u>\$ (819,466)</u>	<u>\$ (141,963)</u>	<u>\$ (269,247)</u>	<u>\$ (269,247)</u>	<u>\$ (251,362)</u>	<u>\$ 17,885</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
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	Facilities Management				Office of Emergency Services			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	50,000	351,493	365,467	13,974
Charges for Services	302,857	302,857	316,105	13,248	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	10,500	10,500	5,690	(4,810)
Total Revenues	<u>302,857</u>	<u>302,857</u>	<u>316,105</u>	<u>13,248</u>	<u>60,500</u>	<u>361,993</u>	<u>371,157</u>	<u>9,164</u>
Expenditures:								
Current Operations:								
Personnel	500,339	500,339	483,702	16,637	78,091	78,091	89,394	(11,303)
Operations	687,220	687,220	645,929	41,291	63,997	365,490	333,814	31,676
Capital Outlay	11,500	11,500	7,031	4,469	-	-	-	-
Total Expenditures	<u>1,199,059</u>	<u>1,199,059</u>	<u>1,136,662</u>	<u>62,397</u>	<u>142,088</u>	<u>443,581</u>	<u>423,208</u>	<u>20,373</u>
Excess of Revenues over (under) Expenditures	(896,202)	(896,202)	(820,557)	75,645	(81,588)	(81,588)	(52,051)	29,537
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (896,202)</u>	<u>\$ (896,202)</u>	<u>\$ (820,557)</u>	<u>\$ 75,645</u>	<u>\$ (81,588)</u>	<u>\$ (81,588)</u>	<u>\$ (52,051)</u>	<u>\$ 29,537</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
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	9-1-1 Communications				Information Services			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	452,493	452,493	489,093	36,600	-	-	-	-
Charges for Services	-	-	-	-	-	-	550	550
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Internal Services	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>452,493</u>	<u>452,493</u>	<u>489,093</u>	<u>36,600</u>	<u>-</u>	<u>-</u>	<u>550</u>	<u>550</u>
Expenditures:								
Current Operations:								
Personnel	1,185,758	1,185,758	1,247,787	(62,029)	629,883	629,883	603,645	26,238
Operations	300,113	300,113	252,399	47,714	28,501	28,501	19,190	9,311
Capital Outlay	158,439	158,439	142,997	15,442	-	-	-	-
Total Expenditures	<u>1,644,310</u>	<u>1,644,310</u>	<u>1,643,183</u>	<u>1,127</u>	<u>658,384</u>	<u>658,384</u>	<u>622,835</u>	<u>35,549</u>
Excess of Revenues over (under) Expenditures	(1,191,817)	(1,191,817)	(1,154,090)	37,727	(658,384)	(658,384)	(622,285)	36,099
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(1,600)	(1,600)	(800)	800	(2,400)	(2,400)	(2,400)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (1,193,417)</u>	<u>\$ (1,193,417)</u>	<u>\$ (1,154,890)</u>	<u>\$ 38,527</u>	<u>\$ (660,784)</u>	<u>\$ (660,784)</u>	<u>\$ (624,685)</u>	<u>\$ 36,099</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
(Page 6 of 8)

	Human Resources				Central Services			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	458,059	458,059	415,126	(42,933)
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>458,059</u>	<u>458,059</u>	<u>415,126</u>	<u>(42,933)</u>
Expenditures:								
Current Operations:								
Personnel	333,515	333,515	327,565	5,950	172,547	172,547	170,338	2,209
Operations	121,175	121,175	92,193	28,982	387,787	387,787	336,003	51,784
Capital Outlay	-	-	-	-	-	6,455	6,455	-
Total Expenditures	<u>454,690</u>	<u>454,690</u>	<u>419,758</u>	<u>34,932</u>	<u>560,334</u>	<u>566,789</u>	<u>512,796</u>	<u>53,993</u>
Excess of Revenues over (under) Expenditures	(454,690)	(454,690)	(419,758)	34,932	(102,275)	(108,730)	(97,670)	11,060
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	(86,991)	(86,991)	(86,983)	8
Sale of Capital Assets	-	-	-	-	-	-	2,176	2,176
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (454,690)</u>	<u>\$ (454,690)</u>	<u>\$ (419,758)</u>	<u>\$ 34,932</u>	<u>\$ (189,266)</u>	<u>\$ (195,721)</u>	<u>\$ (182,477)</u>	<u>\$ 13,244</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
(Page 7 of 8)

	Superintendent of Schools				Surveyor			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	8,300	8,300	10,078	1,778	67,500	67,500	55,015	(12,485)
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>8,300</u>	<u>8,300</u>	<u>10,078</u>	<u>1,778</u>	<u>67,500</u>	<u>67,500</u>	<u>55,015</u>	<u>(12,485)</u>
Expenditures:								
Current Operations:								
Personnel	182,063	182,063	184,080	(2,017)	520,037	520,037	531,887	(11,850)
Operations	18,986	18,986	15,697	3,289	35,200	35,200	30,881	4,319
Capital Outlay	-	-	-	-	38,930	40,255	41,620	(1,365)
Total Expenditures	<u>201,049</u>	<u>201,049</u>	<u>199,777</u>	<u>1,272</u>	<u>594,167</u>	<u>595,492</u>	<u>604,388</u>	<u>(8,896)</u>
Excess of Revenues over (under) Expenditures	(192,749)	(192,749)	(189,699)	3,050	(526,667)	(527,992)	(549,373)	(21,381)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	15,000	15,000	15,000	-
Transfers Out	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (192,749)</u>	<u>\$ (192,749)</u>	<u>\$ (189,699)</u>	<u>\$ 3,050</u>	<u>\$ (511,667)</u>	<u>\$ (512,992)</u>	<u>\$ (534,373)</u>	<u>\$ (21,381)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
For Fiscal Year Ended June 30, 2005
(Page 8 of 8)

	Non-Departmental				Totals			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 7,241,125	\$ 7,241,125	\$ 7,540,275	\$ 299,150	\$ 7,241,125	\$ 7,241,125	\$ 7,540,275	\$ 299,150
License & Permits	-	-	-	-	26,100	26,100	26,575	475
Intergovernmental Revenue	420,000	1,014,223	1,230,714	216,491	1,050,458	1,943,174	2,228,461	285,287
Charges for Services	-	-	-	-	2,184,316	2,185,816	1,971,376	(214,440)
Fines & Forfeits	-	-	-	-	681,000	681,000	791,462	110,462
Investment Earnings	35,000	35,000	123,454	88,454	35,000	35,000	123,454	88,454
Miscellaneous Revenues	3,000	3,000	4,617	1,617	15,000	13,500	17,571	4,071
Total Revenues	<u>7,699,125</u>	<u>8,293,348</u>	<u>8,899,060</u>	<u>605,712</u>	<u>11,232,999</u>	<u>12,125,715</u>	<u>12,699,174</u>	<u>573,459</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	8,376,964	8,310,678	8,328,286	(17,608)
Operations	674,717	1,019,829	694,248	325,581	2,922,413	3,614,388	3,000,867	613,521
Capital Outlay	-	-	-	-	217,519	232,129	207,438	24,691
Total Expenditures	<u>674,717</u>	<u>1,019,829</u>	<u>694,248</u>	<u>325,581</u>	<u>11,516,896</u>	<u>12,157,195</u>	<u>11,536,591</u>	<u>620,604</u>
Excess of Revenues over (under) Expenditures	7,024,408	7,273,519	8,204,812	931,293	(283,897)	(31,480)	1,162,583	1,194,063
Other Financing Sources (Uses):								
Transfers In	206,368	206,368	201,228	(5,140)	259,996	291,522	278,254	(13,268)
Transfers Out	(1,640,413)	(1,695,135)	(2,308,177)	(613,042)	(1,754,732)	(1,809,454)	(2,421,688)	(612,234)
Sale of Capital Assets	-	-	-	-	-	-	2,176	2,176
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 5,590,363</u>	<u>\$ 5,784,752</u>	<u>\$ 6,097,863</u>	<u>\$ 313,111</u>	<u>\$ (1,778,633)</u>	<u>\$ (1,549,412)</u>	<u>(978,675)</u>	<u>\$ 570,737</u>
Fund Balance:								
Beginning of Year							<u>4,296,710</u>	
End of Year							<u>\$ 3,318,035</u>	

MAJOR FUNDS – Budget and Actual

Public Safety - To account for the budget of the County Sheriff and the Missoula County Detention Facility.

MCA Industrial District - To account for tax increment revenues from the Industrial Tax Increment District near the Airport.

Capital Improvement Fund - To account for revenues legally set aside for capital purchases that are too low to justify the use of a capital project fund

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Budgeted Major Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Public Safety				MCA Industrial District			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 7,379,729	\$ 7,379,729	\$ 7,518,419	\$ 138,690	\$ 650,000	\$ 650,000	\$ 894,601	\$ 244,601
License & Permits	7,500	7,500	7,775	275	-	-	-	-
Intergovernmental Revenue	27,500	974,559	701,414	(273,145)	440	440	6,430	5,990
Charges for Services	3,602,248	3,714,255	3,711,629	(2,626)	-	-	-	-
Fines & Forfeits	30,000	30,000	42,619	12,619	-	-	-	-
Investment Earnings	-	-	1,273	1,273	15,000	15,000	48,811	33,811
Miscellaneous Revenues	40,000	85,000	98,951	13,951	-	-	24,067	24,067
Total Revenues	<u>11,086,977</u>	<u>12,191,043</u>	<u>12,082,080</u>	<u>(108,963)</u>	<u>665,440</u>	<u>665,440</u>	<u>973,909</u>	<u>308,469</u>
Expenditures:								
Current Operations:								
Personnel	8,966,507	8,966,507	8,412,708	553,799	71,179	71,179	72,631	(1,452)
Operations	3,210,480	3,210,480	3,003,959	206,521	118,357	118,357	26,757	91,600
Capital Outlay	514,778	764,778	233,664	531,114	674,290	599,290	275,763	323,527
Debt Service:								
Principal	-	-	-	-	90,000	90,000	90,000	-
Interest & Fiscal Charges	-	-	-	-	110,066	110,066	110,420	(354)
Total Expenditures	<u>12,691,765</u>	<u>12,941,765</u>	<u>11,650,331</u>	<u>1,291,434</u>	<u>1,063,892</u>	<u>988,892</u>	<u>575,571</u>	<u>413,321</u>
Excess of Revenues ove (under) Expenditures	(1,604,788)	(750,722)	431,749	1,182,471	(398,452)	(323,452)	398,338	721,790
Other Financing Sources (Uses)								
Transfers In	146,704	626,607	622,108	(4,499)	-	-	-	-
Transfers Out	(254,893)	(254,893)	(253,198)	1,695	(189,715)	(264,715)	(263,715)	1,000
Loan Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	750,000	750,000	2,260,128	1,510,128
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (1,712,977)</u>	<u>\$ (379,008)</u>	800,659	<u>\$ 1,179,667</u>	<u>\$ 161,833</u>	<u>\$ 161,833</u>	2,394,751	<u>\$ 2,232,918</u>
Fund Balance:								
Beginning of Year			<u>1,615,921</u>				<u>2,720,599</u>	
End of Year			<u>\$ 2,416,580</u>				<u>\$ 5,115,350</u>	

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Major Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Capital Improvements			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-
Intergovernmental Revenue	73,500	73,500	87,543	14,043
Charges for Services	-	-	-	-
Fines & Forfeits	-	-	-	-
Investment Earnings	-	-	3,053	3,053
Miscellaneous Revenues	11,508	11,508	2,889	(8,619)
Total Revenues	<u>85,008</u>	<u>85,008</u>	<u>93,485</u>	<u>8,477</u>
Expenditures:				
Current Operations:				
Personnel	-	-	-	-
Operations	-	-	-	-
Capital Outlay	1,113,298	1,533,745	1,306,116	227,629
Debt Service:				
Principal	478,968	478,968	478,968	-
Interest & Fiscal Charges	37,362	37,362	36,757	605
Total Expenditures	<u>1,629,628</u>	<u>2,050,075</u>	<u>1,821,841</u>	<u>228,234</u>
Excess of Revenues over (under) Expenditures	(1,544,620)	(1,965,067)	(1,728,356)	236,711
Other Financing Sources (Uses):				
Transfers In	1,312,861	1,733,308	1,727,884	(5,424)
Transfers Out	-	-	(289,111)	(289,111)
Loan Proceeds	55,661	55,661	59,539	3,878
Sale of Capital Assets	-	-	5,000	5,000
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (176,098)</u>	<u>\$ (176,098)</u>	(225,044)	<u>\$ (48,946)</u>
Fund Balance:				
Beginning of Year			<u>628,628</u>	
End of Year			<u>\$ 403,584</u>	

NON-MAJOR FUNDS – Budget and Actual

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Road				Poor			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 1,582,654	\$ 1,582,654	\$ 1,583,564	\$ 910	\$ 753,983	\$ 753,983	\$ 765,404	\$ 11,421
License & Permits	53,500	53,500	21,392	(32,108)	-	-	-	-
Intergovernmental Revenue	2,055,983	2,055,983	1,913,172	(142,811)	176,272	176,272	196,539	20,267
Charges for Services	17,000	17,000	11,360	(5,640)	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	1,441	1,441	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	11,500	11,500	13,213	1,713	-	-	-	-
Total Revenues	3,720,637	3,720,637	3,544,142	(176,495)	930,255	930,255	961,943	31,688
Expenditures:								
Current Operations:								
Personnel	2,104,832	2,104,832	1,976,692	128,140	-	-	-	-
Operations	1,120,000	1,120,000	1,059,165	60,835	732,264	762,264	705,142	57,122
Capital Outlay	499,340	623,868	503,997	119,871	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	3,724,172	3,848,700	3,539,854	308,846	732,264	762,264	705,142	57,122
Excess of Revenues over (under) Expenditures	(3,535)	(128,063)	4,288	132,351	197,991	167,991	256,801	88,810
Other Financing Sources (Uses)								
Transfers In	222,376	334,404	175,671	(158,733)	-	-	-	-
Transfers Out	(155,700)	(155,700)	(125,622)	30,078	(232,366)	(232,366)	(232,366)	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	52,453	52,453	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	\$ 63,141	\$ 50,641	106,790	\$ 56,149	\$ (34,375)	\$ (64,375)	24,435	\$ 88,810
Fund Balance:								
Beginning of Year			737,586				114,204	
End of Year			\$ 844,376				\$ 138,639	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Bridge				Weed			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 701,484	\$ 701,484	\$ 713,876	\$ 12,392	\$ 347,670	\$ 347,670	\$ 353,392	\$ 5,722
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	480,327	480,327	485,122	4,795	62,614	62,614	62,374	(240)
Charges for Services	-	-	-	-	9,250	9,250	2,980	(6,270)
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	2,324	2,324
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	500	500	8,712	8,212	4,000	4,000	11,134	7,134
Total Revenues	<u>1,182,311</u>	<u>1,182,311</u>	<u>1,207,710</u>	<u>25,399</u>	<u>423,534</u>	<u>423,534</u>	<u>432,204</u>	<u>8,670</u>
Expenditures:								
Current Operations:								
Personnel	703,296	703,296	659,221	44,075	282,480	282,480	246,961	35,519
Operations	37,000	37,000	28,697	8,303	245,406	245,406	144,600	100,806
Capital Outlay	527,700	527,700	414,108	113,592	22,000	22,000	15,319	6,681
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,267,996</u>	<u>1,267,996</u>	<u>1,102,026</u>	<u>165,970</u>	<u>549,886</u>	<u>549,886</u>	<u>406,880</u>	<u>143,006</u>
Excess of Revenues over (under) Expenditures	(85,685)	(85,685)	105,684	191,369	(126,352)	(126,352)	25,324	151,676
Other Financing Sources (Uses)								
Transfers In	43,081	43,081	42,847	(234)	4,994	4,994	19,889	14,895
Transfers Out	(46,900)	(46,900)	(36,873)	10,027	(69,994)	(69,994)	(36,494)	33,500
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (89,504)</u>	<u>\$ (89,504)</u>	111,658	<u>\$ 201,162</u>	<u>\$ (191,352)</u>	<u>\$ (191,352)</u>	8,719	<u>\$ 200,071</u>
Fund Balance:								
Beginning of Year			<u>213,605</u>				<u>401,261</u>	
End of Year			<u>\$ 325,263</u>				<u>\$ 409,980</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Fair				District Court			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 50,975	\$ 50,975	\$ 52,649	\$ 1,674	\$ 841,568	\$ 841,568	\$ 889,044	\$ 47,476
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	9,435	9,435	9,363	(72)	103,229	1,173,291	1,415,015	241,724
Charges for Services	985,750	985,750	1,067,992	82,242	30,000	35,000	48,802	13,802
Fines & Forfeits	-	-	-	-	300	300	444	144
Investment Earnings	-	-	1,128	1,128	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	743	743	-	-	77	77
Total Revenues	<u>1,046,160</u>	<u>1,046,160</u>	<u>1,131,875</u>	<u>85,715</u>	<u>975,097</u>	<u>2,050,159</u>	<u>2,353,382</u>	<u>303,223</u>
Expenditures:								
Current Operations:								
Personnel	342,017	342,017	324,946	17,071	598,432	1,688,290	1,494,648	193,642
Operations	676,380	661,300	763,127	(101,827)	184,005	411,040	588,900	(177,860)
Capital Outlay	40,000	40,000	71,712	(31,712)	1,500	7,980	3,580	4,400
Debt Service:								
Principal	-	8,000	8,000	-	-	-	-	-
Interest	-	7,080	7,080	-	-	-	-	-
Total Expenditures	<u>1,058,397</u>	<u>1,058,397</u>	<u>1,174,865</u>	<u>(116,468)</u>	<u>783,937</u>	<u>2,107,310</u>	<u>2,087,128</u>	<u>20,182</u>
Excess of Revenues ove (under) Expenditures	(12,237)	(12,237)	(42,990)	(30,753)	191,160	(57,151)	266,254	323,405
Other Financing Sources (Uses)								
Transfers In	14,310	19,810	24,639	4,829	30,618	30,618	29,937	(681)
Transfers Out	(29,942)	(29,942)	(29,935)	7	(25,725)	(57,251)	(56,311)	940
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (27,869)</u>	<u>\$ (22,369)</u>	<u>(48,286)</u>	<u>\$ (25,917)</u>	<u>\$ 196,053</u>	<u>\$ (83,784)</u>	<u>239,880</u>	<u>\$ 323,664</u>
Fund Balance:								
Beginning of Year			<u>339,947</u>				<u>128,126</u>	
End of Year			<u>\$ 291,661</u>				<u>\$ 368,006</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Weed Grant				Parks			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 174,043	\$ 174,043	\$ 177,503	\$ 3,460
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	184,153	30,762	(153,391)	10,349	10,349	10,257	(92)
Charges for Services	-	-	-	-	-	-	7,852	7,852
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	992	992
Total Revenues	<u>-</u>	<u>184,153</u>	<u>30,762</u>	<u>(153,391)</u>	<u>184,392</u>	<u>184,392</u>	<u>196,604</u>	<u>12,212</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	29,021	29,021	27,784	1,237
Operations	-	189,664	36,001	153,663	151,429	163,929	103,487	60,442
Capital Outlay	-	-	-	-	194,418	194,418	23,044	171,374
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>189,664</u>	<u>36,001</u>	<u>153,663</u>	<u>374,868</u>	<u>387,368</u>	<u>154,315</u>	<u>233,053</u>
Excess of Revenues ove (under) Expenditures	-	(5,511)	(5,239)	272	(190,476)	(202,976)	42,289	245,265
Other Financing Sources (Uses)								
Transfers In	-	14,994	14,994	-	142	12,642	16,778	4,136
Transfers Out	-	-	-	-	(1,115)	(1,115)	(1,905)	(790)
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ -</u>	<u>\$ 9,483</u>	<u>9,755</u>	<u>\$ 272</u>	<u>\$ (191,449)</u>	<u>\$ (191,449)</u>	<u>57,162</u>	<u>\$ 248,611</u>
Fund Balance:								
Beginning of Year			<u>-</u>				<u>335,269</u>	
End of Year			<u>\$ 9,755</u>				<u>\$ 392,431</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds							
	Library				Planning			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 1,530,560	\$ 1,530,560	\$ 1,554,543	\$ 23,983	\$ 829,204	\$ 829,204	\$ 836,821	\$ 7,617
License & Permits	-	-	-	-	58,395	58,395	96,900	38,505
Intergovernmental Revenue	190,158	606,740	577,169	(29,571)	3,465,518	3,454,578	2,891,193	(563,385)
Charges for Services	10,600	10,600	8,158	(2,442)	93,968	93,968	114,911	20,943
Fines & Forfeits	35,000	35,000	49,731	14,731	60,000	60,000	76,026	16,026
Investment Earnings	-	400	2,978	2,578	-	-	-	-
Private & Local Grants	-	-	-	-	11,850	11,850	9,593	(2,257)
Miscellaneous Revenues	15,685	15,685	13,123	(2,562)	318	318	486	168
Total Revenues	<u>1,782,003</u>	<u>2,198,985</u>	<u>2,205,702</u>	<u>6,717</u>	<u>4,519,253</u>	<u>4,508,313</u>	<u>4,025,930</u>	<u>(482,383)</u>
Expenditures:								
Current Operations:								
Personnel	1,032,481	1,032,481	1,049,385	(16,904)	2,567,968	2,565,648	2,381,624	184,024
Operations	321,420	837,823	711,650	126,173	2,684,181	2,672,561	1,937,300	735,261
Capital Outlay	563,471	563,471	331,908	231,563	275,265	278,265	266,434	11,831
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,917,372</u>	<u>2,433,775</u>	<u>2,092,943</u>	<u>340,832</u>	<u>5,527,414</u>	<u>5,516,474</u>	<u>4,585,358</u>	<u>931,116</u>
Excess of Revenues over (under) Expenditures	<u>(135,369)</u>	<u>(234,790)</u>	<u>112,759</u>	<u>347,549</u>	<u>(1,008,161)</u>	<u>(1,008,161)</u>	<u>(559,428)</u>	<u>448,733</u>
Other Financing Sources (Uses)								
Transfers In	25,458	25,458	24,961	(497)	591,123	591,123	592,472	1,349
Transfers Out	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	1,000	1,000
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (109,911)</u>	<u>\$ (209,332)</u>	<u>137,720</u>	<u>\$ 347,052</u>	<u>\$ (417,038)</u>	<u>\$ (417,038)</u>	<u>34,044</u>	<u>\$ 451,082</u>
Fund Balance:								
Beginning of Year			<u>355,275</u>				<u>449,954</u>	
End of Year			<u>\$ 492,995</u>				<u>\$ 483,998</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Health				Water Quality District			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 1,544,927	\$ 1,544,927	\$ 1,546,650	\$ 1,723	\$ -	\$ -	\$ -	\$ -
License & Permits	74,050	74,050	81,233	7,183	-	-	-	-
Intergovernmental Revenue	1,430,097	1,498,747	1,451,429	(47,318)	75,100	75,100	24,000	(51,100)
Charges for Services	643,768	644,668	744,571	99,903	380,069	380,069	378,458	(1,611)
Fines & Forfeits	50	50	-	(50)	-	-	-	-
Investment Earnings	-	-	3,630	3,630	-	-	3,662	3,662
Private & Local Grants	6,400	25,500	22,034	(3,466)	25,000	25,000	15,000	(10,000)
Miscellaneous Revenues	153,088	212,946	154,816	(58,130)	100	100	18	(82)
Total Revenues	<u>3,852,380</u>	<u>4,000,888</u>	<u>4,004,363</u>	<u>3,475</u>	<u>480,269</u>	<u>480,269</u>	<u>421,138</u>	<u>(59,131)</u>
Expenditures:								
Current Operations:								
Personnel	3,178,664	3,282,508	3,129,409	153,099	270,057	270,057	261,247	8,810
Operations	748,992	793,656	656,936	136,720	323,855	323,855	371,492	(47,637)
Capital Outlay	26,400	26,400	7,380	19,020	276,000	276,000	-	276,000
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>3,954,056</u>	<u>4,102,564</u>	<u>3,793,725</u>	<u>308,839</u>	<u>869,912</u>	<u>869,912</u>	<u>632,739</u>	<u>237,173</u>
Excess of Revenues over (under) Expenditures	(101,676)	(101,676)	210,638	312,314	(389,643)	(389,643)	(211,601)	178,042
Other Financing Sources (Uses)								
Transfers In	71,121	71,121	72,328	1,207	250,000	250,000	289,111	39,111
Transfers Out	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (30,555)</u>	<u>\$ (30,555)</u>	<u>282,966</u>	<u>\$ 313,521</u>	<u>\$ (139,643)</u>	<u>\$ (139,643)</u>	<u>77,510</u>	<u>\$ 217,153</u>
Fund Balance:								
Beginning of Year			1,088,634				310,941	
End of Year			<u>\$ 1,371,600</u>				<u>\$ 388,451</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Animal Control				Extension			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 251,365	\$ 251,365	\$ 276,649	\$ 25,284	\$ 251,275	\$ 251,275	\$ 254,951	\$ 3,676
License & Permits	101,200	101,200	122,140	20,940	-	-	-	-
Intergovernmental Revenue	17,650	17,650	17,241	(409)	48,629	48,629	49,450	821
Charges for Services	52,875	52,875	53,698	823	12,500	12,500	9,810	(2,690)
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	1,500	1,500	1,953	453	-	-	-	-
Miscellaneous Revenues	26,811	26,811	1,383	(25,428)	6,500	6,500	15,158	8,658
Total Revenues	<u>451,401</u>	<u>451,401</u>	<u>473,064</u>	<u>21,663</u>	<u>318,904</u>	<u>318,904</u>	<u>329,369</u>	<u>10,465</u>
Expenditures:								
Current Operations:								
Personnel	378,759	378,759	350,641	28,118	217,326	217,326	194,359	22,967
Operations	64,671	64,671	73,047	(8,376)	189,220	188,820	111,014	77,806
Capital Outlay	-	-	-	-	4,000	4,000	4,061	(61)
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	400	-	400
Total Expenditures	<u>443,430</u>	<u>443,430</u>	<u>423,688</u>	<u>19,742</u>	<u>410,546</u>	<u>410,546</u>	<u>309,434</u>	<u>101,112</u>
Excess of Revenues ove (under) Expenditures	7,971	7,971	49,376	41,405	(91,642)	(91,642)	19,935	111,577
Other Financing Sources (Uses)								
Transfers In	31,979	31,979	32,128	149	25,253	25,253	25,152	(101)
Transfers Out	(14,000)	(14,000)	-	14,000	(15,000)	(15,000)	(15,000)	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	1,000	1,000	600	(400)	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ 26,950</u>	<u>\$ 26,950</u>	82,104	<u>\$ 55,154</u>	<u>\$ (81,389)</u>	<u>\$ (81,389)</u>	30,087	<u>\$ 111,476</u>
Fund Balance:								
Beginning of Year			<u>26,568</u>				<u>121,494</u>	
End of Year			<u>\$ 108,672</u>				<u>\$ 151,581</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds							
	Drug Forfeiture				Museum			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 438,958	\$ 438,958	\$ 444,607	\$ 5,649
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	146,135	146,135	146,135	-	52,908	117,553	117,433	(120)
Charges for Services	-	-	-	-	13,000	13,000	14,966	1,966
Fines & Forfeits	31,200	31,200	27,405	(3,795)	-	-	-	-
Investment Earnings	-	-	416	416	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	1	1	-	-	306	306
Total Revenues	<u>177,335</u>	<u>177,335</u>	<u>173,957</u>	<u>(3,378)</u>	<u>504,866</u>	<u>569,511</u>	<u>577,312</u>	<u>7,801</u>
Expenditures:								
Current Operations:								
Personnel	178,280	178,280	184,045	(5,765)	226,266	226,266	229,197	(2,931)
Operations	47,615	47,615	54,486	(6,871)	263,925	328,570	313,680	14,890
Capital Outlay	-	-	-	-	37,792	77,792	46,002	31,790
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>225,895</u>	<u>225,895</u>	<u>238,531</u>	<u>(12,636)</u>	<u>527,983</u>	<u>632,628</u>	<u>588,879</u>	<u>43,749</u>
Excess of Revenues over (under) Expenditures	(48,560)	(48,560)	(64,574)	(16,014)	(23,117)	(63,117)	(11,567)	51,550
Other Financing Sources (Uses)								
Transfers In	50,000	50,000	50,000	-	17,258	23,683	23,613	(70)
Transfers Out	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	40,000	-	(40,000)
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ 1,440</u>	<u>\$ 1,440</u>	<u>(14,574)</u>	<u>\$ (16,014)</u>	<u>\$ (5,859)</u>	<u>\$ 566</u>	<u>12,046</u>	<u>\$ 11,480</u>
Fund Balance:								
Beginning of Year			<u>45,580</u>				<u>68,355</u>	
End of Year			<u>\$ 31,006</u>				<u>\$ 80,401</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds							
	Local Government Study Commission				Junk Vehicle			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	125,205	125,205	125,205	-
Charges for Services	-	-	-	-	1,000	1,000	1,096	96
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	403	403
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	4,500	4,500	1,704	(2,796)
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,705</u>	<u>130,705</u>	<u>128,408</u>	<u>(2,297)</u>
Expenditures:								
Current Operations:								
Personnel	-	12,741	5,743	6,998	80,318	80,318	73,802	6,516
Operations	-	40,720	4,308	36,412	26,100	26,100	27,965	(1,865)
Capital Outlay	-	3,500	1,025	2,475	18,894	18,894	-	18,894
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>56,961</u>	<u>11,076</u>	<u>45,885</u>	<u>125,312</u>	<u>125,312</u>	<u>101,767</u>	<u>23,545</u>
Excess of Revenues ove (under) Expenditures	-	(56,961)	(11,076)	45,885	5,393	5,393	26,641	21,248
Other Financing Sources (Uses)								
Transfers In	-	57,676	57,676	-	-	-	-	-
Transfers Out	-	(715)	(715)	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ -</u>	<u>\$ -</u>	<u>45,885</u>	<u>\$ 45,885</u>	<u>\$ 5,393</u>	<u>\$ 5,393</u>	<u>26,641</u>	<u>\$ 21,248</u>
Fund Balance:								
Beginning of Year			<u>-</u>				<u>17,298</u>	
End of Year			<u>\$ 45,885</u>				<u>\$ 43,939</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	RSID Administration				Community Based Organizations			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 322,367	\$ 322,367	\$ 327,299	\$ 4,932
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	54,013	54,013	53,853	(160)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,380</u>	<u>376,380</u>	<u>381,152</u>	<u>4,772</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	16,000	16,000	18,654	(2,654)	435,616	447,816	445,279	2,537
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>16,000</u>	<u>16,000</u>	<u>18,654</u>	<u>(2,654)</u>	<u>435,616</u>	<u>447,816</u>	<u>445,279</u>	<u>2,537</u>
Excess of Revenues ove (under) Expenditures	(16,000)	(16,000)	(18,654)	(2,654)	(59,236)	(71,436)	(64,127)	7,309
Other Financing Sources (Uses)								
Transfers In	-	-	34,963	34,963	76,000	76,000	75,756	(244)
Transfers Out	(320,281)	(320,281)	(320,281)	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$(336,281)</u>	<u>\$(336,281)</u>	<u>(303,972)</u>	<u>\$ 32,309</u>	<u>\$ 16,764</u>	<u>\$ 4,564</u>	<u>11,629</u>	<u>\$ 7,065</u>
Fund Balance:								
Beginning of Year			<u>463,306</u>				<u>234,515</u>	
End of Year			<u>\$ 159,334</u>				<u>\$ 246,144</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Permissive Medical Levy				Judgement Levy			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 800,936	\$ 800,936	\$ 775,088	\$ (25,848)	\$ 20,000	\$ 20,000	\$ 26,109	\$ 6,109
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	4,567	4,567	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>800,936</u>	<u>800,936</u>	<u>779,655</u>	<u>(21,281)</u>	<u>20,000</u>	<u>20,000</u>	<u>26,109</u>	<u>6,109</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues ove (under) Expenditures	800,936	800,936	779,655	(21,281)	20,000	20,000	26,109	6,109
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(795,156)	(795,156)	(779,655)	15,501	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ 5,780</u>	<u>\$ 5,780</u>	<u>-</u>	<u>\$ (5,780)</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>26,109</u>	<u>\$ 6,109</u>
Fund Balance:								
Beginning of Year			<u>-</u>				<u>(28,890)</u>	
End of Year			<u>\$ -</u>				<u>\$ (2,781)</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Special Revenue Funds							
	Disaster/Emergency				Lolo Mosquito District			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 58,650	\$ 58,650	\$ 55,309	\$ (3,341)	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	3,000	3,000	-	-	-	-
Charges for Services	-	-	-	-	13,767	13,767	13,376	(391)
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	100	100	-	(100)
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	11,407	11,407
Total Revenues	<u>58,650</u>	<u>58,650</u>	<u>58,309</u>	<u>(341)</u>	<u>13,867</u>	<u>13,867</u>	<u>24,783</u>	<u>10,916</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	7,580	7,580	5,368	2,212
Operations	-	-	-	-	6,400	6,400	2,057	4,343
Capital Outlay	-	-	-	-	10,601	10,601	10,500	101
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,581</u>	<u>24,581</u>	<u>17,925</u>	<u>6,656</u>
Excess of Revenues ove (under) Expenditures	58,650	58,650	58,309	(341)	(10,714)	(10,714)	6,858	17,572
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(20,634)	(20,634)	(20,634)	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ 38,016</u>	<u>\$ 38,016</u>	37,675	<u>\$ (341)</u>	<u>\$ (10,714)</u>	<u>\$ (10,714)</u>	6,858	<u>\$ 17,572</u>
Fund Balance:								
Beginning of Year			<u>(37,970)</u>				<u>-</u>	
End of Year			<u>\$ (295)</u>				<u>\$ 6,858</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds				Debt Service			
	Youth Education & Safety (DARE)				Fair Ice Rink			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	169	169	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>169</u>	<u>169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	471	471	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	35,000	35,000	-	35,000
Interest	-	-	-	-	41,146	41,146	25,407	15,739
Total Expenditures	<u>-</u>	<u>471</u>	<u>471</u>	<u>-</u>	<u>76,146</u>	<u>76,146</u>	<u>25,407</u>	<u>50,739</u>
Excess of Revenues ove (under) Expenditures	-	(471)	(302)	169	(76,146)	(76,146)	(25,407)	50,739
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	76,146	76,146	-	(76,146)
Transfers Out	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ -</u>	<u>\$ (471)</u>	<u>(302)</u>	<u>\$ 169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(25,407)</u>	<u>\$ (25,407)</u>
Fund Balance:								
Beginning of Year			<u>13,575</u>				<u>-</u>	
End of Year			<u>\$ 13,273</u>				<u>\$ (25,407)</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Debt Service							
	Risk Management				Jail Bond			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 102,055	\$ 102,055	\$ 103,453	\$ 1,398	\$ 1,070,701	\$ 1,070,701	\$ 1,089,082	\$ 18,381
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	10,673	10,673	10,614	(59)	237,668	237,668	236,985	(683)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	1,253	1,253	22	(1,231)	13,874	13,874	1,751	(12,123)
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>113,981</u>	<u>113,981</u>	<u>114,089</u>	<u>108</u>	<u>1,322,243</u>	<u>1,322,243</u>	<u>1,327,818</u>	<u>5,575</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	90,000	90,000	90,000	-	675,000	675,000	675,000	-
Interest	33,180	33,180	33,180	-	692,849	692,849	692,574	275
Total Expenditures	<u>123,180</u>	<u>123,180</u>	<u>123,180</u>	<u>-</u>	<u>1,367,849</u>	<u>1,367,849</u>	<u>1,367,574</u>	<u>275</u>
Excess of Revenues ove (under) Expenditures	(9,199)	(9,199)	(9,091)	108	(45,606)	(45,606)	(39,756)	5,850
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (9,199)</u>	<u>\$ (9,199)</u>	<u>(9,091)</u>	<u>\$ 108</u>	<u>\$ (45,606)</u>	<u>\$ (45,606)</u>	<u>(39,756)</u>	<u>\$ 5,850</u>
Fund Balance:								
Beginning of Year			<u>38,575</u>				<u>713,691</u>	
End of Year			<u>\$ 29,484</u>				<u>\$ 673,935</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
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	Debt Service							
	Health Center				RSID Revolving			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	40,288	40,288	40,163	(125)	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	1	1
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>40,288</u>	<u>40,288</u>	<u>40,163</u>	<u>(125)</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	20,000	20,000	20,000	-	-	-	-	-
Interest	20,288	20,288	20,163	125	-	-	-	-
Total Expenditures	<u>40,288</u>	<u>40,288</u>	<u>40,163</u>	<u>125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues ove (under) Expenditures	-	-	-	-	-	-	1	1
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	24,501	24,501
Transfers Out	-	-	-	-	-	-	(14,670)	(14,670)
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>9,832</u>	<u>\$ 9,832</u>
Fund Balance:								
Beginning of Year			<u>(5)</u>				<u>348,279</u>	
End of Year			<u>\$ (5)</u>				<u>\$ 358,111</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
(Page 16 of 17)

	Capital Projects							
	Technology				Communications Backbone Project			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 377,698	\$ 377,698	\$ 383,355	\$ 5,657	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	435,388	435,388	87,110	(348,278)	421,560	421,560	396,560	(25,000)
Charges for Services	76,200	76,200	126,117	49,917	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	217	217	-	-	-	-
Total Revenues	<u>889,286</u>	<u>889,286</u>	<u>596,799</u>	<u>(292,487)</u>	<u>421,560</u>	<u>421,560</u>	<u>396,560</u>	<u>(25,000)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	249,065	249,065	216,626	32,439	394,980	394,980	247,654	147,326
Capital Outlay	1,046,600	1,121,600	513,044	608,556	1,038,580	1,038,580	1,384,678	(346,098)
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,295,665</u>	<u>1,370,665</u>	<u>729,670</u>	<u>640,995</u>	<u>1,433,560</u>	<u>1,433,560</u>	<u>1,632,332</u>	<u>(198,772)</u>
Excess of Revenues over (under) Expenditures	(406,379)	(481,379)	(132,871)	348,508	(1,012,000)	(1,012,000)	(1,235,772)	(223,772)
Other Financing Sources (Uses)								
Transfers In	282,550	285,050	286,325	1,275	550,000	550,000	400,000	(150,000)
Transfers Out	(94,992)	(94,992)	(115,828)	(20,836)	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-
Note Proceeds	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (218,821)</u>	<u>\$ (291,321)</u>	37,626	<u>\$ 328,947</u>	<u>\$ (462,000)</u>	<u>\$ (462,000)</u>	(835,772)	<u>\$ (373,772)</u>
Fund Balance:								
Beginning of Year			<u>464,699</u>				<u>462,785</u>	
End of Year			<u>\$ 502,325</u>				<u>\$ (372,987)</u>	

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2005
(Page 17 of 17)

	Capital Projects				Totals			
	Fair Ice Rink Project							
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 12,051,073	\$ 12,051,073	\$ 12,209,348	\$ 158,275
License & Permits	-	-	-	-	287,145	287,145	321,665	34,520
Intergovernmental Revenue	-	-	-	-	9,649,199	11,442,351	10,354,711	(1,087,640)
Charges for Services	-	-	-	-	2,339,747	2,345,647	2,604,147	258,500
Fines & Forfeits	-	-	-	-	126,550	126,550	153,606	27,056
Investment Earnings	-	-	-	-	15,227	15,627	17,925	2,298
Private & Local Grants	-	-	-	-	44,750	63,850	48,580	(15,270)
Miscellaneous Revenues	-	-	-	-	223,002	282,860	233,490	(49,370)
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,736,693</u>	<u>26,615,103</u>	<u>25,943,472</u>	<u>(671,631)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	12,197,777	13,401,900	12,595,072	806,828
Operations	-	-	-	-	8,918,524	10,029,726	8,621,738	1,407,988
Capital Outlay	1,127,906	1,227,906	1,011,109	216,797	5,710,467	6,062,975	4,607,901	1,455,074
Debt Service:								
Principal	-	-	-	-	820,000	828,000	793,000	35,000
Interest	-	-	-	-	787,463	794,943	778,404	16,539
Total Expenditures	<u>1,127,906</u>	<u>1,227,906</u>	<u>1,011,109</u>	<u>216,797</u>	<u>28,434,231</u>	<u>31,117,544</u>	<u>27,396,115</u>	<u>3,721,429</u>
Excess of Revenues over (under) Expenditures	(1,127,906)	(1,227,906)	(1,011,109)	216,797	(3,697,538)	(4,502,441)	(1,452,643)	3,049,798
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	2,362,409	2,574,032	2,313,741	(260,291)
Transfers Out	-	-	-	-	(1,821,805)	(1,854,046)	(1,786,289)	67,757
Loan Proceeds	-	-	-	-	-	40,000	-	(40,000)
Note Proceeds	-	-	-	-	-	-	1,000	1,000
Bond Proceeds	557,071	657,071	-	(657,071)	557,071	657,071	-	(657,071)
Sale of Capital Assets	-	-	-	-	1,000	1,000	53,053	52,053
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Use:	<u>\$ (570,835)</u>	<u>\$ (570,835)</u>	<u>(1,011,109)</u>	<u>\$ (440,274)</u>	<u>\$ (2,598,863)</u>	<u>\$ (3,084,384)</u>	<u>(871,138)</u>	<u>\$ 2,213,246</u>
Fund Balance:								
Beginning of Year			<u>570,835</u>				<u>7,997,492</u>	
End of Year			<u>\$ (440,274)</u>				<u>\$ 7,126,354</u>	

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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost-reimbursement basis.

Risk Management Fund – To account for taxes and other revenues used for insurance and risk management purposes.

Health Insurance Fund – To account for the County's self insurance program for employee health, dental and vision insurance.

Workers' Compensation Fund - To account for the County's self-insured workers' compensation program and related debt issues.

Excess Loss Fund – To account for the County's self-insured plan that provides a layer of re-insurance to the Risk Management, Health Insurance, and Workers' Compensation plans.

Telephone Services - To account for the County's telephone system.

MISSOULA COUNTY, MONTANA
Combining Statement of Net Assets
Internal Service Funds
June 30, 2005

	<u>Risk Management</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Excess Loss</u>	<u>Telephone Services</u>	<u>Total</u>
Assets						
<i>Current Assets:</i>						
Cash & Cash Equivalents	\$ 91,183	\$ 766,257	\$ 160,323	\$ 6,713	\$ 2,904	\$ 1,027,380
Investments	1,186,870	1,120,827	1,699,594	282,982	122,399	4,412,672
Taxes Receivable, net	34,181	-	-	-	-	34,181
Interest Receivable	-	10,195	4,841	-	-	15,036
Prescription Rebate Receivable	-	10,543	-	-	-	10,543
Contributions Receivable	-	183,540	41,237	-	-	224,777
Prepaid Costs	-	25,449	43,588	-	-	69,037
Total Current Assets	<u>1,312,234</u>	<u>2,116,811</u>	<u>1,949,583</u>	<u>289,695</u>	<u>125,303</u>	<u>5,793,626</u>
<i>NonCurrent Assets:</i>						
Capital Assets, net	10,205	206,264	20,410	-	16,384	253,263
Total Assets	<u>\$ 1,322,439</u>	<u>\$ 2,323,075</u>	<u>\$ 1,969,993</u>	<u>\$ 289,695</u>	<u>\$ 141,687</u>	<u>\$ 6,046,889</u>
Liabilities						
<i>Current Liabilities:</i>						
Accounts Payable	\$ 1,153	\$ -	\$ -	\$ -	\$ 11,088	\$ 12,241
Accrued Payroll	-	24,677	-	-	636	25,313
Liability for Claims	338,025	719,096	1,694,100	-	-	2,751,221
Notes Payable-Current Portion	-	22,023	-	-	-	22,023
Total Current Liabilities	<u>339,178</u>	<u>765,796</u>	<u>1,694,100</u>	<u>-</u>	<u>11,724</u>	<u>2,810,798</u>
<i>Noncurrent Liabilities:</i>						
Notes Payable, net of Current Portion	-	59,938	-	-	-	59,938
Total Liabilities	<u>339,178</u>	<u>825,734</u>	<u>1,694,100</u>	<u>-</u>	<u>11,724</u>	<u>2,870,736</u>
Net Assets						
Invested in Capital Assets, net of Related Debt	10,205	124,303	20,410	-	16,384	171,302
Unrestricted	973,056	1,373,038	255,483	289,695	113,579	3,004,851
Total Net Assets	<u>983,261</u>	<u>1,497,341</u>	<u>275,893</u>	<u>289,695</u>	<u>129,963</u>	<u>3,176,153</u>
Total Liabilities and Net Assets	<u>\$ 1,322,439</u>	<u>\$ 2,323,075</u>	<u>\$ 1,969,993</u>	<u>\$ 289,695</u>	<u>\$ 141,687</u>	<u>\$ 6,046,889</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For Fiscal Year Ended June 30, 2005

	Risk Management	Health Insurance	Workers' Compensation	Excess Loss	Telephone Services	Total
Operating Revenues:						
Charges for Services	\$ -	\$ 6,407,928	\$ 980,306	\$ -	\$ 384,452	\$ 7,772,686
Total Operating Revenues	<u>-</u>	<u>6,407,928</u>	<u>980,306</u>	<u>-</u>	<u>384,452</u>	<u>7,772,686</u>
Operating Expenses:						
Personnel	56,713	225,390	-	-	123,965	406,068
Operations	55,752	397,517	-	-	139,219	592,488
Claims	(494,054)	5,266,908	673,485	-	-	5,446,339
Reinsurance Premiums	105,355	-	54,012	-	-	159,367
Administrative	-	-	218,105	-	-	218,105
Depreciation and Amortization	1,458	8,388	-	-	1,826	11,672
Total Operating Expense	<u>(274,776)</u>	<u>5,898,203</u>	<u>945,602</u>	<u>-</u>	<u>265,010</u>	<u>6,834,039</u>
Income from Operations	274,776	509,725	34,704	-	119,442	938,647
Non-operating Revenues (Expenses):						
Property Taxes	394,845	-	-	-	-	394,845
Investment Earnings	28,918	29,749	31,490	4,645	-	94,802
Interest Expense	-	(2,664)	-	-	-	(2,664)
Other Income	-	29,000	30,268	-	-	59,268
Rebates	-	45,303	-	-	-	45,303
Intergovernmental Revenues	<u>53,589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,589</u>
Net Income before Transfers	752,128	611,113	96,462	4,645	119,442	1,583,790
Transfers In	109,254	144,825	-	-	-	254,079
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,124)</u>	<u>-</u>	<u>(16,124)</u>
Change in Net Assets	861,382	755,938	96,462	(11,479)	119,442	1,821,745
Net Assets - Beginning of Year	<u>121,879</u>	<u>741,403</u>	<u>179,431</u>	<u>301,174</u>	<u>10,521</u>	<u>1,354,408</u>
Net Assets - End of Year	<u>\$ 983,261</u>	<u>\$ 1,497,341</u>	<u>\$ 275,893</u>	<u>\$ 289,695</u>	<u>\$ 129,963</u>	<u>\$ 3,176,153</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Cash Flows
Internal Service Funds
For Fiscal Year Ended June 30, 2005

	Risk Management	Health Insurance	Workers' Compensation	Excess Loss	Telephone Services	Total
Cash flows from operating activities						
Cash receipts for charges for service	\$ -	\$ 6,353,271	\$ 975,052	\$ -	\$ 384,452	\$ 7,712,775
Cash payments to employees for service	(56,713)	(246,890)	(106,420)	-	(126,777)	(536,800)
Cash payments for reinsurance premium	(214,504)	(255,747)	(58,649)	-	-	(528,900)
Cash payments for administrative expense	-	(142,633)	(108,769)	-	-	(251,402)
Cash payments for claims expenses	(533,693)	(5,159,945)	(631,006)	-	-	(6,324,644)
Cash payments to other suppliers for goods and service	(55,752)	-	-	-	(204,558)	(260,310)
Net cash provided (used) by operating activities	<u>(860,662)</u>	<u>548,056</u>	<u>70,208</u>	<u>-</u>	<u>53,117</u>	<u>(189,281)</u>
Cash flows from non-capital financing activities:						
Property taxes	401,542	45,303	-	-	-	446,845
Rebates	-	29,000	-	-	-	29,000
Transfers in	109,254	144,825	-	-	-	254,079
Transfers out	-	-	-	(16,124)	-	(16,124)
Intergovernmental revenue	53,589	-	55,108	-	-	108,697
Net cash provided (used) by non-capital financing activities	<u>564,385</u>	<u>219,128</u>	<u>55,108</u>	<u>(16,124)</u>	<u>-</u>	<u>822,497</u>
Cash flows from capital financing activities:						
Cash paid for interest	-	(2,664)	-	-	-	(2,664)
Principal payments on long-term debt	-	(20,994)	-	-	-	(20,994)
Net cash used by non-capital financing activities	<u>-</u>	<u>(23,658)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23,658)</u>
Cash flows from investing activities:						
Purchases of investment securities	(693,619)	(626,228)	(1,074,165)	(8,893)	(56,705)	(2,459,610)
Proceeds of sale and maturities of investment securities	572,593	200,000	896,790	-	-	1,669,383
Interest on investment	28,918	19,111	7,033	4,645	-	59,707
Net cash provided (used) by investing activities	<u>(92,108)</u>	<u>(407,117)</u>	<u>(170,342)</u>	<u>(4,248)</u>	<u>(56,705)</u>	<u>(730,520)</u>
Net increase (decrease) in cash and cash equivalents	(388,385)	336,409	(45,026)	(20,372)	(3,588)	(120,962)
Cash and cash equivalents at beginning of year	479,568	429,848	205,349	27,085	6,492	1,148,342
Cash and cash equivalents at end of year	<u>\$ 91,183</u>	<u>\$ 766,257</u>	<u>\$ 160,323</u>	<u>\$ 6,713</u>	<u>\$ 2,904</u>	<u>\$ 1,027,380</u>

Reconciliation of Income from Operations to Cash Provided (Used) by Operations

Income (loss) from operation	\$ 274,776	\$ 509,725	\$ 34,704	\$ -	\$ 119,442	\$ 938,647
Adjustments to reconcile (income) loss from operations to net cash provided (used) by operating activities:						
Depreciation and amortization	1,458	8,388	2,916	-	1,826	14,588
Change in assets and liabilities						
Decrease (increase) in receivable	-	(54,657)	(5,254)	-	-	(59,911)
Decrease (increase) in prepaid cost	-	(863)	(4,637)	-	-	(5,500)
Increase (decrease) in payable	(109,149)	-	-	-	(65,339)	(174,488)
Increase (decrease) in accrued liabilities	(1,027,747)	85,463	42,479	-	(2,812)	(902,617)
Net cash provided (used) by operating activities	<u>\$ (860,662)</u>	<u>\$ 548,056</u>	<u>\$ 70,208</u>	<u>\$ -</u>	<u>\$ 53,117</u>	<u>\$ (189,281)</u>

Supplemental Disclosure of Cash Flow Information

Noncash capital financing, non-capital financing and investing activities

The Health Insurance Plan and the Workers' Compensation Plan had \$3,834 and \$24,457, respectively, of net investment income that was reinvested in their trust portfolios for the year.

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenses and Changes in Fund Net Assets
Budget and Actual - Internal Service Funds
For Fiscal Year Ending June 30, 2005
(Page 1 of 3)

	Risk Management				Health Insurance			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Operating Revenue:								
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ 6,792,736	\$ 6,792,736	\$ 6,353,271	\$ (439,465)
Total Operating Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,792,736</u>	<u>6,792,736</u>	<u>6,353,271</u>	<u>(439,465)</u>
Operating Expense:								
Personnel	55,843	55,843	56,713	(870)	224,204	224,204	246,890	(22,686)
Operations	<u>679,400</u>	<u>691,400</u>	<u>768,333</u>	<u>(76,933)</u>	<u>6,660,164</u>	<u>6,660,164</u>	<u>5,558,325</u>	<u>1,101,839</u>
Total Operating Expense	<u>735,243</u>	<u>747,243</u>	<u>825,046</u>	<u>(77,803)</u>	<u>6,884,368</u>	<u>6,884,368</u>	<u>5,805,215</u>	<u>1,079,153</u>
Income (Loss) from Operation	(735,243)	(747,243)	(825,046)	(77,803)	(91,632)	(91,632)	548,056	639,688
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	388,135	388,135	394,845	6,710	-	-	-	-
Investment Earnings	-	-	-	-	10,000	10,000	25,820	15,820
Intergovernmental Revenue	56,862	56,862	53,589	(3,273)	-	-	-	-
Interest Expense	-	-	-	-	(17,006)	(17,006)	(2,664)	14,342
Other Income	-	-	-	-	66,500	66,500	63,760	(2,740)
Debt Service Principal Payment	-	-	-	-	(20,994)	(20,994)	(20,994)	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>	<u>3,000</u>
Net Income (Loss) before Transfers	(290,246)	(302,246)	(376,612)	(74,366)	(56,132)	(56,132)	613,978	670,110
Transfers In	246,772	258,772	109,254	(149,518)	151,611	151,611	144,825	(6,786)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	<u>\$ (43,474)</u>	<u>\$ (43,474)</u>	<u>(267,358)</u>	<u>\$ (223,884)</u>	<u>\$ 95,479</u>	<u>\$ 95,479</u>	<u>758,803</u>	<u>\$ 663,324</u>
Net Assets - Beginning of Year			<u>1,261,142</u>				<u>1,356,686</u>	
Net Assets - End of Year			<u>\$ 993,784</u>				<u>\$ 2,115,489</u>	

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenses and Changes in Fund Net Assets (Continued)
Budget and Actual - Internal Service Funds
For Fiscal Year Ending June 30, 2005
(Page 2 of 3)

	Workers' Compensation				Excess Loss			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Operating Revenue:								
Charges for Services	\$ 945,000	\$ 945,000	\$ 975,052	\$ 30,052	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	<u>945,000</u>	<u>945,000</u>	<u>975,052</u>	<u>30,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expense:								
Personnel	107,368	107,368	106,420	948	-	-	-	-
Operations	<u>824,300</u>	<u>824,300</u>	<u>801,340</u>	<u>22,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expense	<u>931,668</u>	<u>931,668</u>	<u>907,760</u>	<u>23,908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) from Operation	13,332	13,332	67,292	53,960	-	-	-	-
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	-	-	-	-
Investment Earnings	15,000	15,000	31,803	16,803	1,500	1,500	3,613	2,113
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Income	30,748	30,748	55,108	24,360	-	-	-	-
Debt Service Principal Payment	-	-	-	-	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss) before Transfers	59,080	59,080	154,203	95,123	1,500	1,500	3,613	2,113
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(16,124)</u>	<u>3,876</u>
Change in Net Assets	<u>\$ 59,080</u>	<u>\$ 59,080</u>	154,203	<u>\$ 95,123</u>	<u>\$ (18,500)</u>	<u>\$ (18,500)</u>	(12,511)	<u>\$ 5,989</u>
Net Assets - Beginning of Year			<u>1,600,132</u>				<u>301,361</u>	
Net Assets - End of Year			<u>\$ 1,754,335</u>				<u>\$ 288,850</u>	

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenses and Changes in Fund Net Assets (Continued)
Budget and Actual - Internal Service Funds
For Fiscal Year Ending June 30, 2005
(Page 3 of 3)

	Telephone Services			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Operating Revenue:				
Charges for Services	\$ 356,925	\$ 356,925	\$ 384,452	\$ 27,527
Total Operating Revenue	356,925	356,925	384,452	27,527
Operating Expense:				
Personnel	128,732	128,732	126,777	1,955
Operations	230,285	230,285	204,558	25,727
Total Operating Expense	359,017	359,017	331,335	27,682
Income (Loss) from Operation	(2,092)	(2,092)	53,117	55,209
Non-operating Revenues (Expenses):				
Operating Property Tax Revenue	-	-	-	-
Investment Earnings	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Interest Expense	-	-	-	-
Other Income	-	-	-	-
Debt Service Principal Payment	-	-	-	-
Capital Outlay	-	-	-	-
Net Income (Loss) before Transfers	(2,092)	(2,092)	53,117	55,209
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Change in Net Assets	\$ (2,092)	\$ (2,092)	53,117	\$ 55,209
Net Assets - Beginning of Year			72,186	
Net Assets - End of Year			\$ 125,303	

AGENCY FUNDS

Agency funds are those used to account for situations where the County holds assets in trust or acts as an agent for another governmental entity or an individual.

Schools Fund – To account for revenues collected and cash held in trust for various school districts.

Other Local Taxing Units Fund - To account for revenues collected and cash held for fire districts, irrigation districts, cemetery districts, the hospital district, the mosquito district and the urban transportation district.

State Fund – To account for revenues collected and cash held for the State of Montana.

City Fund – To account for revenues collected and cash held for the City of Missoula.

Miscellaneous Agencies Fund - To account for other small entities and individuals for which the County acts as agent.

Payroll and Claims Fund - To account for the County's payroll and claims clearing activities.

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For Fiscal Year Ended June 30, 2005
(Page 1 of 4)

SCHOOLS

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
Assets:				
Cash with Fiscal Agents	\$ 2,301,254	\$ 2,318,448	\$ 2,301,254	\$ 2,318,448
Property Taxes Receivable (net)	<u>3,887,788</u>	<u>3,756,626</u>	<u>3,887,788</u>	<u>3,756,626</u>
Total Assets	\$ <u>6,189,042</u>	\$ <u>6,075,074</u>	\$ <u>6,189,042</u>	\$ <u>6,075,074</u>
Liabilities:				
Funds Held in Trust	\$ <u>6,189,042</u>	\$ <u>6,075,074</u>	\$ <u>6,189,042</u>	\$ <u>6,075,074</u>
Total Liabilities	\$ <u>6,189,042</u>	\$ <u>6,075,074</u>	\$ <u>6,189,042</u>	\$ <u>6,075,074</u>

OTHER LOCAL TAXING UNITS

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
Assets:				
Property Taxes Receivable (net)	\$ <u>496,462</u>	\$ <u>503,731</u>	\$ <u>496,462</u>	\$ <u>503,731</u>
Total Assets	\$ <u>496,462</u>	\$ <u>503,731</u>	\$ <u>496,462</u>	\$ <u>503,731</u>
Liabilities:				
Funds Held in Trust	\$ <u>496,462</u>	\$ <u>503,731</u>	\$ <u>496,462</u>	\$ <u>503,731</u>
Total Liabilities	\$ <u>496,462</u>	\$ <u>503,731</u>	\$ <u>496,462</u>	\$ <u>503,731</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)
For Fiscal Year Ended June 30, 2005
(Page 2 of 4)

STATE

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
Assets:				
Property Taxes Receivable (net)	\$ 1,576,872	\$ 1,651,177	\$ 1,576,872	\$ 1,651,177
Total Assets	<u>\$ 1,576,872</u>	<u>\$ 1,651,177</u>	<u>\$ 1,576,872</u>	<u>\$ 1,651,177</u>
Liabilities:				
Funds Held in Trust	\$ 1,576,872	\$ 1,651,177	\$ 1,576,872	\$ 1,651,177
Total Liabilities	<u>\$ 1,576,872</u>	<u>\$ 1,651,177</u>	<u>\$ 1,576,872</u>	<u>\$ 1,651,177</u>

CITY

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
Assets:				
Property Taxes Receivable (net)	\$ 1,998,573	\$ 1,893,487	\$ 1,998,573	\$ 1,893,487
Total Assets	<u>\$ 1,998,573</u>	<u>\$ 1,893,487</u>	<u>\$ 1,998,573</u>	<u>\$ 1,893,487</u>
Liabilities:				
Funds Held in Trust	\$ 1,998,573	\$ 1,893,487	\$ 1,998,573	\$ 1,893,487
Total Liabilities	<u>\$ 1,998,573</u>	<u>\$ 1,893,487</u>	<u>\$ 1,998,573</u>	<u>\$ 1,893,487</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)
For Fiscal Year Ended June 30, 2005
(Page 3 of 4)

MISCELLANEOUS AGENCIES

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
Assets:				
Cash & Cash Equivalents	\$ 100,690	\$ 100,343	\$ 100,690	\$ 100,343
Total Assets	<u>\$ 100,690</u>	<u>\$ 100,343</u>	<u>\$ 100,690</u>	<u>\$ 100,343</u>
Liabilities:				
Funds Held in Trust	\$ 100,690	\$ 100,343	\$ 100,690	\$ 100,343
Total Liabilities	<u>\$ 100,690</u>	<u>\$ 100,343</u>	<u>\$ 100,690</u>	<u>\$ 100,343</u>

PAYROLL & CLAIMS

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
Assets:				
Cash & Cash Equivalents	\$ 78,937	\$ 15,630	\$ 78,937	\$ 15,630
Investments	798,806	658,853	798,806	658,853
Total Assets	<u>\$ 877,743</u>	<u>\$ 674,483</u>	<u>\$ 877,743</u>	<u>\$ 674,483</u>
Liabilities:				
Accounts & Warrants Payable	\$ 877,743	\$ 674,483	\$ 877,743	\$ 674,483
Total Liabilities	<u>\$ 877,743</u>	<u>\$ 674,483</u>	<u>\$ 877,743</u>	<u>\$ 674,483</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)
For Fiscal Year Ended June 30, 2005
(Page 4 of 4)

TOTAL AGENCY FUNDS				
	<u>Balance</u> <u>July 1, 2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2005</u>
Assets:				
Cash & Cash Equivalents	\$ 179,627	\$ 115,973	\$ 179,627	\$ 115,973
Cash with Fiscal Agents	2,301,254	2,318,448	2,301,254	2,318,448
Investments	798,806	658,853	798,806	658,853
Property Taxes Receivable (net)	<u>7,959,695</u>	<u>7,805,021</u>	<u>7,959,695</u>	<u>7,805,021</u>
Total Assets	<u>\$ 11,239,382</u>	<u>\$ 10,898,295</u>	<u>\$ 11,239,382</u>	<u>\$ 10,898,295</u>
Liabilities:				
Accounts & Warrants Payable	\$ 877,743	\$ 674,483	\$ 877,743	\$ 674,483
Funds Held in Trust	<u>10,361,639</u>	<u>10,223,812</u>	<u>10,361,639</u>	<u>10,223,812</u>
Total Liabilities	<u>\$ 11,239,382</u>	<u>\$ 10,898,295</u>	<u>\$ 11,239,382</u>	<u>\$ 10,898,295</u>

CAPITAL ASSETS

Capital assets used in the operation of Governmental Funds.

MISSOULA COUNTY, MONTANA
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule By Source ¹
June 30, 2005 and 2004

	2005	2004
Governmental Funds Capital Assets:		
Land	\$ 6,111,186	\$ 7,073,609
Buildings	34,362,138	32,837,725
Machinery and Equipment	17,998,961	16,895,995
Infrastructure	785,208	-
Intangibles	173,101	173,101
Construction in Progress	1,767,649	861,317
Total Governmental Funds Capital Assets	\$ 61,198,243	\$ 57,841,747
Investment in Governmental Funds Capital Assets by Source:		
General Fund	\$ 2,900,351	\$ 1,542,491
Special Revenue Fund	45,063,278	43,064,642
Federal Grants	1,812,401	1,812,401
Initial Start of System	11,422,213	11,422,213
Total Governmental Funds Capital Assets	\$ 61,198,243	\$ 57,841,747

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.

MISSOULA COUNTY, MONTANA
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity ¹
June 30, 2005

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Intangibles</u>	<u>Construction in Progress</u>	<u>Total</u>
General Government:							
Administration and Finance	\$ -	\$ -	\$ 10,212	\$ -	\$ -	\$ -	\$ 10,212
Records and Election	-	-	980,911	-	-	-	980,911
Data Processing	-	-	877,851	-	-	-	877,851
General Services	-	-	807,938	-	-	130,246	938,184
Criminal Justice	-	-	71,345	-	-	51,967	123,312
Other	-	-	4,294	-	-	-	4,294
Total General Government	<u>-</u>	<u>-</u>	<u>2,752,551</u>	<u>-</u>	<u>-</u>	<u>182,213</u>	<u>2,934,764</u>
Public Works:							
Road & Bridge	5,100	2,675,563	5,724,059	551,890	-	16,429	8,973,041
MCA Industrial District	-	-	-	233,318	-	-	233,318
Weed	-	-	99,788	-	-	-	99,788
Extension	-	-	29,072	-	-	-	29,072
Total Public Works	<u>5,100</u>	<u>2,675,563</u>	<u>5,852,919</u>	<u>785,208</u>	<u>-</u>	<u>16,429</u>	<u>9,335,219</u>
Public Safety:							
Sheriff	-	-	2,024,095	-	173,101	-	2,197,196
Communications	-	-	2,186,218	-	-	-	2,186,218
Disaster and Emergency	-	51,096	95,800	-	-	-	146,896
Detention Center	1,791,035	22,388,493	1,287,136	-	-	119,695	25,586,359
Total Public Safety	<u>1,791,035</u>	<u>22,439,589</u>	<u>5,593,249</u>	<u>-</u>	<u>173,101</u>	<u>119,695</u>	<u>30,116,669</u>
Public Health:							
City/County Health	58,162	1,994,491	419,193	-	-	-	2,471,846
Environmental Health	-	-	143,481	-	-	-	143,481
Total Public Health	<u>58,162</u>	<u>1,994,491</u>	<u>562,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,615,327</u>
Social and Economic Services	-	-	58,142	-	-	-	58,142
Culture and Recreation	1,708,813	2,520,864	3,179,426	-	-	1,449,312	8,858,415
Nondepartmental	1,946,096	4,731,631	-	-	-	-	6,677,727
Land Held for Resale	601,980	-	-	-	-	-	601,980
Total Governmental Funds							
Capital Assets	<u>\$ 6,111,186</u>	<u>\$ 34,362,138</u>	<u>\$ 17,998,961</u>	<u>\$ 785,208</u>	<u>\$ 173,101</u>	<u>\$ 1,767,649</u>	<u>\$ 61,198,243</u>

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

MISSOULA COUNTY, MONTANA
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity ¹
For Fiscal Year Ended June 30, 2005

<u>Function and Activity</u>	Governmental Funds Capital Assets July 1, 2004	Additions	Deductions	Governmental Funds Capital Assets June 30, 2005
General Government:				
Administration and Finance	\$ 10,212	\$ -	\$ -	\$ 10,212
Records and Election	987,335	-	(6,424)	980,911
Data Processing	851,076	261,170	(234,395)	877,851
General Services	1,136,513	1,281,817	(1,480,146)	938,184
Criminal Justice	49,278	82,703	(8,669)	123,312
Other	4,294	-	-	4,294
Total General Government	<u>3,038,708</u>	<u>1,625,690</u>	<u>(1,729,634)</u>	<u>2,934,764</u>
Public Works:				
Road & Bridge	8,806,927	1,276,722	(1,110,608)	8,973,041
MCA Industrial District	-	233,318	-	233,318
Weed	87,523	12,265	-	99,788
Extension	47,109	10,500	(28,537)	29,072
Total Public Works	<u>8,941,559</u>	<u>1,532,805</u>	<u>(1,139,145)</u>	<u>9,335,219</u>
Public Safety:				
Sheriff	2,271,927	152,918	(227,649)	2,197,196
Communications	893,140	1,351,685	(58,607)	2,186,218
Disaster and Emergency	99,045	51,096	(3,245)	146,896
Detention Center	26,404,716	119,695	(938,052)	25,586,359
Total Public Safety	<u>29,668,828</u>	<u>1,675,394</u>	<u>(1,227,553)</u>	<u>30,116,669</u>
Public Health:				
City/County Health	2,471,873	10,380	(10,407)	2,471,846
Environmental Health	149,199	-	(5,718)	143,481
Total Public Health	<u>2,621,072</u>	<u>10,380</u>	<u>(16,125)</u>	<u>2,615,327</u>
Social and Economic Services	76,618	-	(18,476)	58,142
Culture and Recreation	7,581,129	1,421,931	(144,645)	8,858,415
Nondepartmental	5,215,923	1,461,804	-	6,677,727
Land Held for Resale	697,910	-	(95,930)	601,980
Total General Capital Assets	<u>\$ 57,841,747</u>	<u>\$ 7,728,004</u>	<u>\$ (4,371,508)</u>	<u>\$ 61,198,243</u>

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

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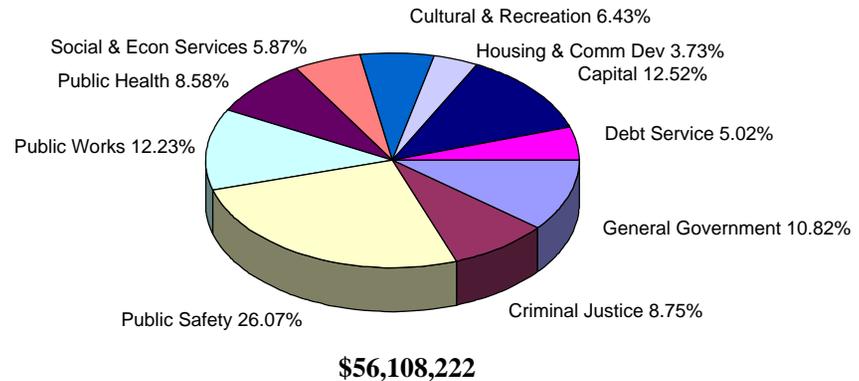
STATISTICAL SECTION

MISSOULA COUNTY, MONTANA
General Governmental Expenditures by Function ⁽¹⁾
Last Ten Fiscal Years

Fiscal Year	General Government	Criminal Justice	Public Safety	Public Works	Public Health	Social & Econ Serv	Cultural Recreation	Housing & Comm Dev	Capital	Debt Service	Total
1996	\$ 3,627,738	\$ 3,444,142	\$ 5,414,201	\$ 4,175,636	\$ 3,115,737	\$ 1,915,359	\$ 1,921,217	\$ 1,184,837	\$ 2,942,703	\$ 1,784,433	\$ 29,526,003
% of Total	12.29%	11.66%	18.34%	14.14%	10.55%	6.49%	6.51%	4.01%	9.97%	6.04%	
1997	3,878,313	3,941,078	6,123,995	3,765,651	3,138,529	2,259,640	1,956,100	1,165,987	2,535,916	2,389,245	31,154,454
% of Total	12.45%	12.65%	19.66%	12.09%	10.07%	7.25%	6.28%	3.74%	8.14%	7.67%	
1998	4,198,808	4,419,335	5,910,987	4,888,420	3,318,964	2,060,193	1,892,391	1,408,971	10,331,351	6,351,934	44,781,354
% of Total	9.37%	9.87%	13.20%	10.92%	7.41%	4.60%	4.23%	3.15%	23.07%	14.18%	
1999	4,282,698	5,137,996	6,582,513	3,749,572	3,430,242	2,231,141	2,127,231	1,187,299	17,463,208	4,513,206	50,705,106
% of Total	8.45%	10.13%	12.98%	7.39%	6.77%	4.40%	4.20%	2.34%	34.44%	8.90%	
2000	4,863,843	4,508,894	8,588,235	3,720,564	3,819,661	2,756,889	1,941,603	1,134,698	7,462,447	6,244,515	45,041,349
% of Total	10.80%	10.01%	19.07%	8.26%	8.48%	6.12%	4.31%	2.52%	16.57%	13.86%	
2001	4,836,440	4,719,287	10,748,455	3,908,521	4,290,569	2,757,424	2,112,380	1,206,180	4,615,290	2,728,485	41,923,031
% of Total	11.54%	11.26%	25.62%	9.32%	10.23%	6.58%	5.04%	2.88%	11.01%	6.51%	
2002	5,258,354	4,952,646	12,075,797	5,170,623	3,801,529	3,581,418	2,438,496	901,125	6,739,039	2,985,375	47,904,402
% of Total	10.98%	10.34%	25.20%	10.79%	7.94%	7.48%	5.09%	1.88%	14.07%	6.23%	
2003	5,897,355	3,717,155	13,113,342	7,385,860	4,051,339	2,276,328	3,136,719	2,370,871	5,950,500	2,686,231	50,585,700
% of Total	11.66%	7.35%	25.92%	14.60%	8.01%	4.50%	6.20%	4.69%	11.76%	5.31%	
2004	6,205,827	3,715,236	14,560,716	9,478,401	4,477,474	3,202,355	3,368,214	1,952,543	6,446,469	2,950,803	56,358,038
% of Total	11.01%	6.59%	25.84%	16.82%	7.94%	5.68%	5.98%	3.46%	11.44%	5.24%	
2005	6,070,921	4,909,894	14,626,708	6,860,922	4,812,944	3,291,473	3,608,099	2,090,784	7,017,579	2,818,898	56,108,222
% of Total	10.82%	8.75%	26.07%	12.23%	8.58%	5.87%	6.43%	3.73%	12.52%	5.02%	

(1) Includes General, Special Revenue, Debt Service, and Capital Projects funds.

GENERAL GOVERNMENT EXPENDITURES
By Function FY 2005

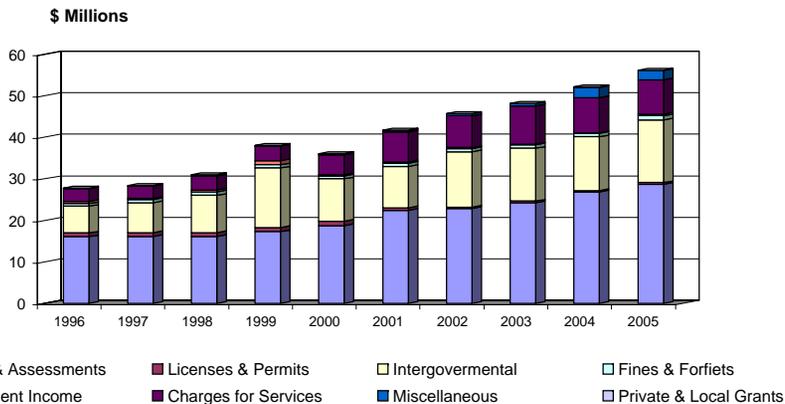


MISSOULA COUNTY, MONTANA
General Governmental Revenues by Source ⁽¹⁾
Last Ten Fiscal Years

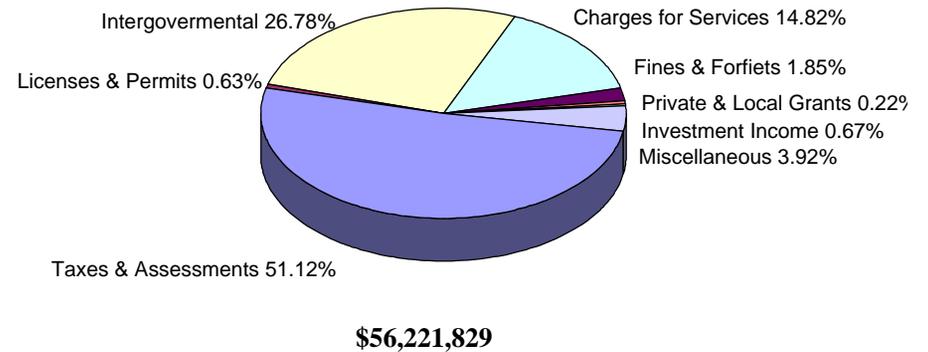
Fiscal Year	Taxes and Assessments	Licenses and Permits	Inter-government	Charges for Services	Fines and Forfeits	Investment Income	Private & Local Grants	Misc	Total
1996	\$ 16,043,270	\$ 913,430	\$ 6,444,169	\$ 3,057,765	\$ 628,675	\$ 505,610	\$ 145,896	\$ 49,611	\$ 27,788,426
% of Total	57.73%	3.29%	23.19%	11.00%	2.26%	1.82%	0.53%	0.18%	
1997	16,053,139	942,810	7,292,855	2,898,796	668,978	319,168	169,201	54,784	28,399,731
% of Total	56.53%	3.32%	25.68%	10.21%	2.36%	1.12%	0.60%	0.19%	
1998	16,082,267	958,746	8,984,134	3,328,496	786,960	562,021	289,712	57,282	31,049,618
% of Total	51.80%	3.09%	28.93%	10.72%	2.53%	1.81%	0.93%	0.18%	
1999	17,270,667	995,505	14,358,146	3,436,377	760,552	994,255	169,705	94,382	38,079,589
% of Total	45.35%	2.61%	37.71%	9.02%	2.00%	2.61%	0.45%	0.25%	
2000	18,745,489	1,079,009	10,162,922	4,737,601	692,313	371,562	144,248	110,213	36,043,357
% of Total	52.01%	2.99%	28.20%	13.14%	1.92%	1.03%	0.40%	0.31%	
2001	22,432,100	558,742	10,022,653	7,233,146	775,376	315,864	167,843	232,427	41,738,151
% of Total	53.74%	1.34%	24.01%	17.33%	1.86%	0.76%	0.40%	0.56%	
2002	22,908,495	237,354	13,330,319	7,674,758	819,733	216,169	112,140	476,778	45,775,746
% of Total	50.05%	0.52%	29.12%	16.77%	1.79%	0.47%	0.24%	1.04%	
2003	24,270,711	344,741	12,756,743	9,211,933	838,956	204,249	117,015	495,489	48,239,837
% of Total	50.31%	0.71%	26.44%	19.10%	1.74%	0.42%	0.24%	1.03%	
2004	26,866,402	324,880	12,940,233	8,519,919	846,521	110,902	111,576	2,432,173	52,152,606
% of Total	51.52%	0.62%	24.82%	16.34%	1.62%	0.21%	0.21%	4.66%	
2005	28,737,286	356,015	15,055,952	8,329,904	1,037,664	375,877	122,446	2,206,685	56,221,829
% of Total	51.12%	0.63%	26.78%	14.82%	1.85%	0.67%	0.22%	3.92%	

(1) Includes General, Special Revenue, Debt Service and Capital Projects funds.

GENERAL GOVERNMENT REVENUES
Last Ten Fiscal Years



GENERAL GOVERNMENTAL REVENUES
By Source FY 2005



MISSOULA COUNTY, MONTANA
Bureau of Census (BOC) Supplemental Schedule
As of and for the Fiscal Year ended June 30, 2005

1. Intergovernmental expenditures:		Amount	
Purpose	Paid to local governments	Paid to state	
Airports	\$ -	\$ -	
Libraries	-	-	
Health	-	-	
Local Schools	-	-	
Welfare	-	-	
All other	\$ -	\$ -	

2. Salaries and wages:	\$ 23,910,160
-------------------------------	---------------

3. Debt outstanding:		Amount			
A. Long-term debt outstanding, issued and retired		Bonds during the Fiscal Year		Outstanding as of June 30, 2005	
Purpose	Bonds outstanding July 1, 2004	Issued	Retired	General Obligation	Revenue bonds
Water utility	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer	-	-	-	-	-
Electric utility	-	-	-	-	-
Gas utility	-	-	-	-	-
Industrial revenue	-	-	-	-	-
All other	\$ 27,517,065	\$ 1,370,582	\$ (1,643,082)	\$ 13,926,000	\$ -
B. Short-term Debt					
Type	Beginning of fiscal year		End of fiscal year		
Registered warrants payable	\$ -	-	\$ -	-	-
Contracts payable	-	-	-	-	-
Notes payable	-	-	-	-	-
Totals	\$ -	-	\$ -	-	-

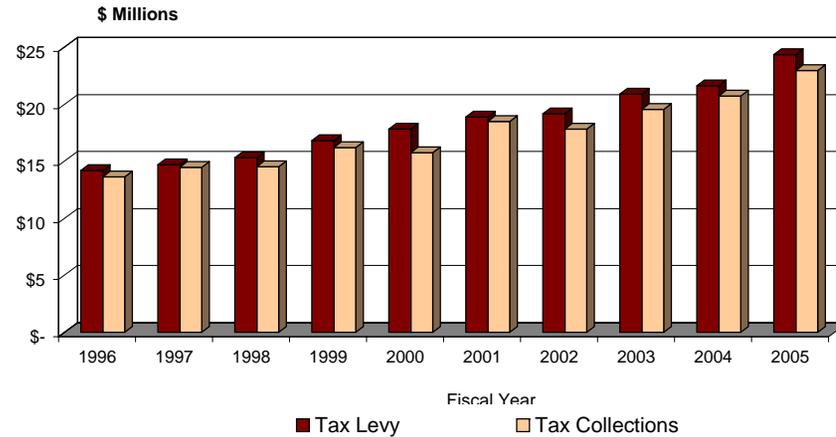
4. Cash balances of fund type groups:	
Type of funds	Amount
General fund	\$ 3,232,863
Special revenue funds	13,892,046
Debt service funds	2,216,339
Capital projects funds	1,448,095
Enterprise funds	1,385,579
Internal service funds	5,440,052
Trust and agency funds	46,031,195
Total	\$ 73,646,169

MISSOULA COUNTY, MONTANA
Property Tax Levies and Collections
Governmental and Internal Service Fund Types
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy July 1 (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Collections to Current Tax Levy	Outstanding Delinquent Taxes (b)	Ratio of Outstanding Delinquent Taxes to Current Tax Levy
1996	\$ 14,220,789	\$ 13,650,517	95.99 %	\$ 1,001,766	\$ 14,652,283	103.03 %	\$ 836,269	5.88 %
1997	14,700,076	14,477,137	98.48	633,361	15,110,498	102.79	735,331	5.00
1998	15,344,948	14,544,661	94.78	589,353	15,134,014	98.63	1,020,671	6.65
1999	16,842,301	16,201,247	96.19	774,231	16,975,478	100.79	887,494	5.27
2000	17,850,409	15,777,067	88.38	1,103,007	16,880,074	94.56	914,301	5.12
2001	18,904,780	18,513,021	97.93	783,729	19,296,750	102.07	1,468,789	7.77
2002	19,162,880	17,854,304	93.17	1,023,575	18,877,879	98.51	1,888,048	9.85
2003	20,880,647	19,581,637	93.78	680,696	20,262,333	97.04	2,547,903	12.20
2004	21,638,028	20,720,218	95.76	1,649,096	22,369,314	103.38	2,375,435	10.98
2005	24,343,154	22,956,636	94.30	1,165,936	24,122,572	99.09	2,035,313	8.36

- (a) From budget documents - includes" amount to be levied" and, prior to 2001, 2.5% MV flat fees (not reimbursed)
(b) Presented at gross, excluding allowance for uncollectibles.

**COMPARISON OF TOTAL TAX LEVY
and Current Tax Collections**



MISSOULA COUNTY, MONTANA
Property Tax Assessments and Taxable Value
Last Ten Fiscal Years

Fiscal Year	Market Value (2)	Taxable Value (1)
1996	\$ 3,257,717,240	\$ 143,416,513
1997	3,356,354,282	144,753,737
1998	3,536,353,427	148,728,828
1999	3,749,185,160	151,539,149
2000	3,802,848,360	149,709,112 ⁽³⁾
2001	3,956,036,976	142,233,548
2002	4,234,386,253	145,789,091
2003	4,556,367,054	151,159,660
2004	4,908,943,897	155,594,087
2005	5,235,427,044	161,743,087

⁽¹⁾ Market value is converted to taxable value by multiplying by a taxable percentage which varies depending on the class of property. The Montana legislature has created 21 classes of property with taxable percentages ranging from .79 to 26.712%.

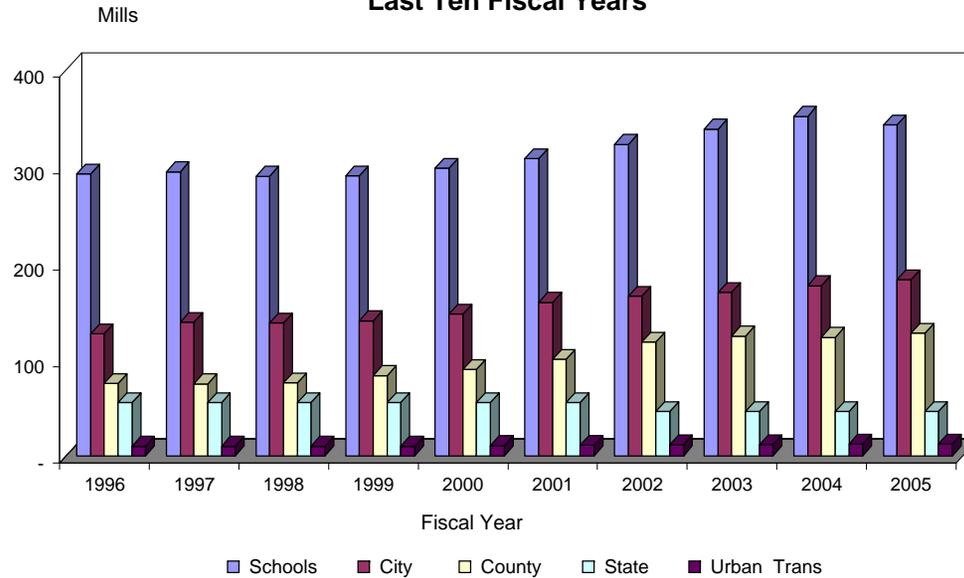
⁽²⁾ Source: Montana Department of Revenue

⁽³⁾ 2000 - 2001 taxable value decreased due to Legislative change in the determination of taxable values

MISSOULA COUNTY, MONTANA
Property Tax Levies by Mills - Direct and Overlapping
Last Ten Fiscal Years

Fiscal Year	Schools	City	County	State	Urban Trans	Total
1996	292.20	126.46	74.90	55.00	9.82	558.38
1997	294.44	138.20	74.42	55.00	9.82	571.88
1998	289.78	137.62	75.59	55.00	9.82	567.81
1999	290.35	139.84	83.15	55.00	9.82	578.16
2000	297.89	146.63	89.24	55.00	10.37	599.13
2001	307.86	159.15	100.15	55.00	10.94	633.10
2002	322.90	165.19	117.80	46.00	11.31	663.20
2003	338.64	169.48	123.97	46.00	11.66	689.75
2004	351.88	176.32	122.79	46.00	11.93	708.92
2005	343.04	182.57	127.12	46.00	12.23	710.96

TOTAL PROPERTY TAX LEVIES BY MILLS
Last Ten Fiscal Years

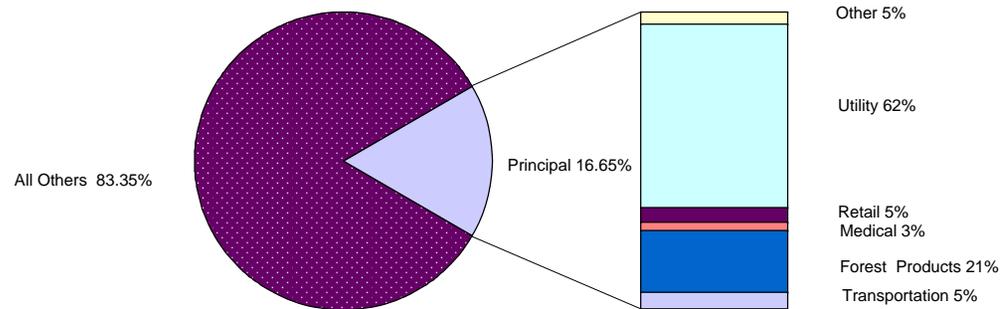


**MISSOULA COUNTY, MONTANA
Principal Taxpayers
June 30, 2005**

<u>Taxpayer</u>	<u>Type of Industry</u>	<u>Tax Dollars All Taxing Agencies</u>	<u>Taxable Value</u>	<u>% of Total County Taxable Value</u>
Northwestern Energy	Utility	\$ 6,565,202	\$ 10,918,443	6.75 %
Stone Container Corp	Forest Products	2,373,762	4,271,385	2.64
Qwest Communications	Utility	1,736,544	2,511,205	1.55
Montana Rail Link	Transportation	863,455	1,452,373	0.90
Mountain Water Company	Utility	771,407	1,098,903	0.68
Southgate Mall	Retail	610,044	842,991	0.52
St. Patrick Hospital Corp	Medical	547,499	729,536	0.45
Gateway Limited Partnership	Other	545,603	753,039	0.47
Plum Creek Timber	Forest Products	443,711	716,171	0.44
Missoula Electric Cooperative	Utility	409,715	745,245	0.46
Puget Sound Energy	Utility	407,706	767,885	0.47
Stimson Lumber Co	Forest Products	386,111	582,336	0.36
Wal-Mart	Retail	378,626	521,507	0.32
Blackfoot Telephone Cooperative	Utility	342,517	552,443	0.34
Mountain States Leasing Missoula LLC	Other	335,598	472,378	0.29
		<u>\$ 16,717,500</u>	<u>\$ 26,935,840</u>	<u>16.65 %</u>
			<u>\$ 161,743,087</u>	

Source: Tax roll for fiscal year 2005

**PRINCIPAL TAXPAYERS BY TYPE
June 30, 2005**



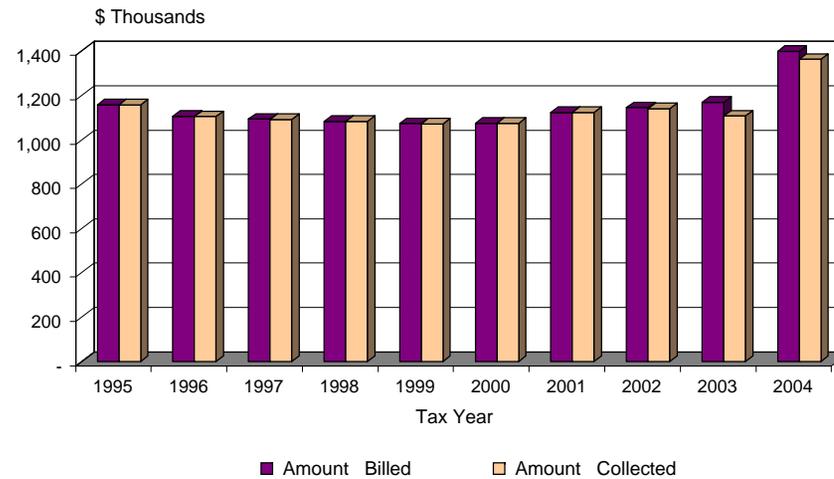
MISSOULA COUNTY, MONTANA
Special Assessments Billings and Collections
June 30, 2005

<u>Tax Year (a)</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>% Collected through 6/30/04</u>
1995	\$ 1,159,488	\$ 1,158,885	99.95 %
1996	1,105,760	1,105,162	99.95
1997	1,093,608	1,092,057	99.86
1998	1,084,541	1,083,980	99.95
1999	1,073,570	1,073,022	99.95
2000	1,076,125	1,075,589	99.95
2001	1,124,234	1,123,397	99.93
2002	1,145,534	1,140,870	99.59
2003	1,169,115	1,108,036	94.78
2004	1,425,008	1,363,779	95.70

Source: Missoula County RSID Technician

(a) Tax year is calendar year rather than fiscal year.

RSID BILLINGS AND COLLECTIONS
June 30, 2005



MISSOULA COUNTY, MONTANA
Computation of Legal Debt Margin
June 30, 2005

Limit on Total Indebtedness:

Assessed Value	\$ 5,235,427,044
Debt Limit 1.4% of Assessed Value	<u>1.4%</u>
Maximum Total Debt (1)	73,295,979
Outstanding Total Debt, June 30, 2005	<u>27,244,565</u>
Total Debt Margin	<u>\$ 46,051,414</u>

- (1) The statutes of the State of Montana prescribe a legal debt limit of 1.4% of the assessed valuation.

MISSOULA COUNTY, MONTANA
Tax Exempt Debt Issued
Last Ten Calendar Years

<u>Calendar Year</u>	<u>TANs or RANs (1)</u>	<u>BANs (2)</u>	<u>RSIDs</u>	<u>General Obligation</u>	<u>Other</u>	<u>Total</u>
1996	\$ -	\$ -	\$ 205,000	\$ -	\$ 300,000	\$ 505,000
1997	-	4,000,000	63,000	-	2,465,000	6,528,000
1998	1,600,000	-	-	17,580,000	-	19,180,000
1999	2,600,000	-	-	-	653,854	3,253,854
2000	2,600,000	-	-	-	-	2,600,000
2001	-	-	-	-	-	-
2002	-	-	327,000	-	1,000,000	1,327,000
2003	-	-	225,000	-	-	225,000
2004	-	-	3,661,561	-	995,000	4,656,561
2005	-	-	954,787	-	415,795	1,370,582

- (1) Tax anticipation or Revenue anticipation notes
(2) Bond anticipation notes

MISSOULA COUNTY, MONTANA
Ratio of Net General Obligation Bonded Debt
To Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population (b)	Taxable (Assessed) Value (a)	G.O. Bonded Debt	Less Amount Available In Debt Service	Net G.O. Bonded Debt	Ratio Net Debt to Assessed Value	Net Bonded Debt Per Capita
1996	87,130	\$ 143,416,513	\$ 1,400,000	\$ 128,998	\$ 1,271,002	0.89	15
1997	88,523	144,753,737	1,190,000	122,864	1,067,136	0.74	12
1998	88,818	148,728,828	18,555,000	229,218	18,325,782	12.32	206
1999	88,989	151,539,149	18,340,000	933,773	17,406,227	11.49	196
2000	89,344	149,709,112	17,810,000	2,008,678	15,801,322	10.55	177
2001	95,802	142,233,548	16,869,080	1,693,008	15,176,072	10.67	158
2002	95,802	145,789,091	15,875,000	1,511,132	14,363,868	9.85	150
2003	96,303	151,159,660	15,070,000	161,382	14,908,618	9.86	155
2004	98,616	155,594,087	14,430,000	348,279	14,081,721	9.05	143
2005	99,018	161,743,087	13,755,000	1,980,384	11,774,616	7.28	119

Source:

- (a) Montana Department of Revenue
- (b) Missoula Economic Development Bureau Estimate

MISSOULA COUNTY, MONTANA
Ratio of Annual Debt Service Requirements for
General Obligation Bonded Debt to Total General Expenditures
Last Ten Fiscal Years

Fiscal Year	Debt Service Expenditures			General Expenditures	Ratio of Debt Service To General Expenditures
	Principal	Interest	Total Debt Service		
1996	\$ 360,000	\$ 35,870	\$ 395,870	\$ 29,526,003	1.34 %
1997	170,000	21,787	191,787	31,154,454	0.62
1998	4,170,000	135,085	4,305,085	44,781,354	9.61
1999	170,000	425,568	595,568	50,705,106	1.17
2000	485,000	854,564	1,339,564	45,041,349	2.97
2001	544,000	797,802	1,341,802	41,923,031	3.20
2002	1,765,227	1,220,148	2,985,375	47,904,492	6.23
2003	1,576,374	1,109,857	2,686,231	50,585,700	5.31
2004	1,793,811	1,156,992	2,950,803	56,358,038	5.24
2005	1,622,089	1,196,809	2,818,898	56,108,222	5.02

MISSOULA COUNTY, MONTANA
Computation of Direct and Overlapping Debt
June 30, 2005

	<u>Gross G.O. Debt Outstanding</u>	<u>% Applicable to Missoula County</u>	<u>Amount Applicable to Missoula County</u>
Direct Debt			
Missoula County	\$ <u>13,926,000</u>	100.00%	\$ <u>13,926,000</u>
Overlapping Debt			
City of Missoula	15,020,000	100.00%	15,020,000
School District 1	23,910,000	100.00%	23,910,000
Other Schools	7,726,000	100.00%	7,726,000
Seeley Lake Fire	<u>143,310</u>	100.00%	<u>143,310</u>
	<u>46,799,310</u>		<u>46,799,310</u>
Total of Direct and Overlapping Debt	<u>\$ <u>60,725,310</u></u>	100.00%	<u>\$ <u>60,725,310</u></u>

MISSOULA COUNTY, MONTANA
Major Employers

The following table shows the largest employers in Missoula County as of June, 2005

<u>Employees</u>	<u>Employer</u>	<u>Business Activities</u>
Over 1000	Community Medical Center	Medical Services
	Missoula County Public Schools	Education
	Plum Creek Timber	Forest Products
	St. Patrick Hospital	Medical Services
	University of Montana	Education
750-1000	Southgate Mall	Retail
500-750	County of Missoula	Government
	Smurfit-Stone Container Corp.	Paper Mill
	Wal-Mart	Forest Products
	U.S. Forest Service	Government
	Washington Corporations	Construction
250-500	City of Missoula	Government
	Jim Palmer Trucking	Trucking
	Missoula International Airport	Air Travel
	Opportunity Resources	Production/Packaging
	Western Montana Clinic	Medical Services
	Albertson's	Retail
	Stimson Lumber Company	Forest Products

MISSOULA COUNTY, MONTANA
Property Tax Levies in the MCA Industrial District
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>MCA Industrial District</u>	<u>State of Montana</u>	<u>Missoula County</u>	<u>Missoula High School District No. 1</u>	<u>DeSmet School District No. 20</u>	<u>Countywide Schools</u>	<u>Missoula Rural Fire</u>	<u>Total</u>
1996	85.49	45.26	79.06	55.53	102.98	75.83	39.41	483.56
1997	175.61	35.24	61.45	44.23	76.91	59.50	35.68	488.62
1998	206.28	30.89	54.31	39.11	56.73	51.08	0.18	438.58
1999	216.61	30.04	56.95	35.66	57.75	48.98	31.13	477.12
2000	298.12	22.59	46.04	27.19	48.10	38.41	25.52	505.97
2001	353.41	22.91	43.38	24.60	42.29	34.45	24.60	545.64
2002	366.80	19.80	49.12	26.68	44.84	33.32	25.53	566.09
2003	499.70	12.57	24.84	13.90	24.13	16.54	12.19	603.87
2004	517.57	11.54	20.52	11.68	19.78	15.01	10.72	606.82
2005	535.35	10.79	19.27	9.95	17.24	12.16	9.37	614.13

Major Taxpayers in the MCA Industrial District

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Value</u>
Missoula Ventures LLC	Hotel	\$ 156,996
Feist Limited Partnership	Distribution	138,254
Big Sky Brewing Company	Brewery	109,355
Lithia Real Estate, Inc	Auto Dealership	101,383
Minuteman Aviation	Aviation	61,799
Mountain Water Company	Utility	60,814
Sun Mountain Sports	Manufacturing	59,053
Northstar Air Express	Aviation	51,138
Budding Star	Manufacturing	40,339
Roscoe Steel & Culvert	Manufacturing	37,420
	Total	<u>\$ 816,551</u>

The taxable value of the property of these ten taxpayers represents approximately 51.59% of taxable value of taxable property in the District for tax year 2005.

MISSOULA COUNTY, MONTANA
MCA Industrial District
Taxable Value, Incremental Taxable Value & Tax Increment Revenue

Fiscal Year	Taxable Value	Incremental Taxable Value	Anticipated Tax Increment to be Collected ⁽¹⁾	Current Tax Collections ⁽²⁾	Total Tax Collections ⁽³⁾
1997	\$ 253,708	\$ 77,103	\$ 37,674	\$ 39,048	\$ 40,739
1998	314,463	137,858	64,866	54,434	55,121
1999	323,472	146,867	70,073	60,369	63,952
2000	429,861	253,256	128,140	106,040	122,483
2001	511,712	335,107	182,848	160,135	184,299
2002	668,585	491,980	245,237	229,958	246,470
2003	1,075,456	898,851	537,409	507,524	516,469
2004	1,274,588	1,097,983	659,745	619,331	711,529
2005	1,748,514	1,571,909	959,261	827,341	894,601
2006	1,582,834	2,236,265	1,104,079	N/A	N/A

- (1) The amount of Tax Increment to be collected if the current fiscal year's tax collections were to be paid in full, and no delinquent property taxes from prior fiscal years were paid in such fiscal year.
- (2) The amount of Tax Increment actually collected from the levy of the current fiscal year's property taxes. Collection information for FY 2006 is not yet available.
- (3) The actual Tax Increment collections in the fiscal year, including current and delinquent property tax collections. Collection information for FY 2005 is not yet available.

**MISSOULA COUNTY, MONTANA
MCA Industrial District
Increment Bond Coverage**

Maximum Principal & Interest in any 12 Month Period - \$205,750

Sources of Coverage

Fiscal Year	Tax Increment (1)	Port Authority Levy (2)	Interest (3)	Total	Coverage (4)
1997	\$ 37,674	\$ 260,500	\$ 10,575	\$ 308,749	1.46
1998	64,866	267,710	10,575	343,151	1.62
1999	70,073	272,770	10,575	353,418	1.67
2000	128,140	269,476	10,575	408,191	1.93
2001	182,848	256,020	10,575	449,443	2.13
2002	245,237	262,420	10,288	517,945	2.52
2003	537,409	272,088	10,288	819,785	3.98
2004	659,745	280,069	10,288	950,102	4.62
2005	959,261	291,138	10,288	1,260,686	6.13
2006	1,104,079	310,546	10,288	1,424,912	6.93

- (1) Assumes increment taxes are collected in full
- (2) Assumes 90% current collection rate on 2-mill levy
- (3) Assumes 5% return on Reserve Account of \$205,750
- (4) Assuming only the Series 1997 Bonds are outstanding

**MISSOULA COUNTY, MONTANA
Port Authority Tax Levy
Last Ten Fiscal Years**

Tax Year	Taxable Value of County Property	Potential Revenue from the Port Authority Levy (Two Mills)
1996	\$ 144,753,737	\$ 289,708
1997	148,728,820	297,456
1998	151,539,549	303,078
1999 ⁽¹⁾	149,709,112	299,418
2000	142,233,548	284,467
2001	145,789,091	291,578
2002	151,159,660	302,319
2003	155,594,087	311,188
2004	161,743,087	323,486
2005	172,525,317	345,051

- (1) The 1999 Montana Legislature made several changes in property taxation which resulted in reduction in values.

MISSOULA COUNTY, MONTANA
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Estimated Population (a)	Births (b)	Deaths (b)	Estimated Per Capita Income	Schools (c)		Employment Statistics (d)	
					Public School Enrollment	Private School Enrollment	Civilian Employment	Unemployment Rate
1996	87,130	1,677	769	\$ 18,446	14,441	1,180	48,073	3.8 %
1997	88,253	1,423	766	19,818	14,276	1,226	48,857	4.1
1998	88,818	1,478	870	20,787	14,032	1,183	49,321	3.9
1999	88,989	1,674	839	22,437	13,909	1,251	51,560	3.4
2000	89,344	1,496	981	23,246	12,572	1,207	52,368	4.2
2001	95,802	1,631	843	24,476	13,780	1,259	52,399	3.9
2002	95,802	1,249	896	24,111	13,570	1,207	53,510	4.0
2003	97,580	1,983	931	25,818	13,459	1,171	54,553	3.9
2004	98,616	1,451	948	26,823	13,259	1,418	54,643	4.1
2005	99,018	1,901	826	27,997	13,290	1,313	55,803	4.0

Source:

- (a) Missoula Economic Development Corporation.
- (b) Missoula County Clerk & Recorder.
- (c) Missoula County Superintendent of Schools.
- (d) Montana Department of Labor & Industry.

MISSOULA COUNTY, MONTANA
Property Value, Construction and Bank Deposits
Last Ten Fiscal Years

Fiscal Year	Commercial and Savings Banks Deposits (b)	Property Value	Commercial Construction (c)		Residential Construction (c)		Total	
		Net Taxable (a)	Number of Units	Value	Number of Units	Value	Number of Units	Value
1997	\$ 933,310,015	\$ 143,416,513	31	\$ 14,715,153	842	\$ 47,383,053	873	\$ 62,098,206
1998	984,364,749	144,753,737	50	11,275,806	453	36,844,558	503	48,120,364
1999	955,578,983	148,728,828	39	15,617,183	596	39,564,794	635	55,181,977
2000	1,183,537,793	151,539,149	37	15,091,543	696	46,243,332	733	61,334,875
2001	1,238,330,274	149,709,112	43	28,801,023	469	38,249,157	512	67,050,180
2002	1,250,326,682	142,233,548	50	32,654,140	567	40,649,542	617	73,303,682
2002	1,706,044,951	145,789,091	39	13,525,293	700	48,015,530	739	61,540,823
2003	1,927,869,534	151,159,660	53	20,973,429	1,530	86,386,297	1,583	107,359,726
2004	2,022,706,234	155,594,087	42	24,430,995	726	46,692,769	768	71,123,764
2005	1,646,928,870	161,743,087	36	21,277,315	651	47,128,635	687	68,405,950

Source:

- (a) Past annual Financial Reports and Annual Budget Reports.
- (b) Statistical Abstract of the United States - Missoula Economic Development Corp.
- (c) City of Missoula Building Inspection & Permit Department.

MISSOULA COUNTY, MONTANA
Miscellaneous Statistical Data
June 30, 2005

County Seat	Missoula, MT		<u>Population</u>	<u>Median age</u>
		Year 1940	29,038	N/A
Established as a County	1860	Year 1950	35,493	N/A
		Year 1960	44,663	26.2
Form of Government	Commission	Year 1970	58,263	24.4
		Year 1980	76,016	27.6
Commission Government Established	1865	Year 1990	78,687	31.6
		Year 2000	95,802	33.2
Area in square miles	2,624			
Registered voters	77,123			

Total County Government Employees:	<u>Part-time</u>	<u>Full-time</u>
Officials & Managers	-	41
Professionals	22	128
Technical	8	45
Protective services	43	142
Paraprofessionals	25	47
Administrative Support	74	159
Craft Workers-Semi-skilled	-	34
Service & Maintenance	5	18
	<u>177</u>	<u>614</u>

Police protection	<u>City Police</u>	<u>County Sheriff</u>
Stations	1	1
Officers	88	50

Fire protection	<u>City Fire</u>	<u>Missoula Rural Fire</u>
Stations	4	5
Full-time employees	76	36
Volunteers	-	45
Fire hydrants	1042	195
Fire vehicles	12	21

Note: There are 8 other Fire Districts with approximately 180 regular & volunteer firefighters in outlying areas of Missoula County.

Miles of Rural Roads

There are approximately 1,500 miles of rural roads open to the Public within Missoula County

MISSOULA COUNTY, MONTANA
Miscellaneous Statistical Data (Continued)
June 30, 2005

Educational Facilities

Public Schools 2004-2005		
Type	Number	Enrolled
Elementary (District 1)	12	4,889
Elementary (Other Districts)	12	4,105
High Schools (MCHS)	4	3,884
High Schools (Other Dist)	1	412
Trade & Technical	1	900
University	1	13,460
Private Schools 2004-2005		
Type	Number	Enrolled
Elementary	7	992
High School	4	321
Special Education: Programs within school districts and community services.		

Health Care Facilities

Hospitals	2
Beds	359
Clinics	20
Nursing Homes	4
Beds	413
Physicians	275
Chiropractors	47
Dentists	55
Medical Therapists	120
Registered and Practical Nurses	1,053

Sources:

Missoula County Election Office
 Missoula County Sheriff's Department
 Missoula County Road Department
 Missoula City-County Library

Missoula County Personnel Department
 Missoula County Superintendent of Schools
 Missoula Economic Development Corporation

Missoula Rural Fire Department
 Missoula City Fire Department
 Missoula City Police Department

Community Facilities

Public libraries:	2
Branch facilities	2
Volumes	222,369
Audios	7,244
Videos	9,194
Annual Circulation	778,337
Churches:	
Protestant	26
Catholic	13
Other	74
Restaurants	153
Hotels/motels	52
Rooms	3,036
Shopping Centers	12
Indoor Shopping Mall (105 stores)	1
Day Care Centers	261

Recreation and Cultural

Swimming Pools	Private - 5	Public - 4
Golf Courses	Private - 1	10
Health Clubs		21
Tennis Courts		30
Bowling Centers		3
Parks		50
Movie Theaters		25
Ski Areas		4
Theatrical Playhouses		8
Museums		8
Art Galleries		20
Symphonies/orchestras		4

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SINGLE AUDIT SECTION



Board of County Commissioners
Missoula County, Montana

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS-CASH BASIS

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana, as of and for the year ended June 30, 2005. These financial statements are the responsibility of Missoula County, Montana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

The financial statements of Missoula County, Montana include Missoula Aging Services and Partnership Health Center (both discretely presented component units), which expended \$1,392,710 and \$1,656,787, respectively, in federal awards which are not included in the accompanying schedule of expenditures of federal awards for the year ended June 30, 2005. Our audit, as described below, did not include Missoula Aging Services and Partnership Health Center because the component units obtained their own audits conducted in accordance with OMB Circular A-133.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Missoula County, Montana, taken as a whole. The accompanying Schedule of Expenditures of Federal Awards-Cash Basis is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

Anderson Zur Muehlen & Co., P.C.

Certified Public Accountants
Missoula, Montana
December 23, 2005

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis
For the Year Ended June 30, 2005
(Page 1 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/04	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
DEPARTMENT OF AGRICULTURE:									
Passed Through State Department of Public Health									
Women/Infants/Children 04-05	10.557	04-07-5-21-020-0	\$ 383,329	\$ (71,777)	\$ 179,843	\$ 9,760	\$ -	\$ -	\$ 189,603
Women/Infants/Children 05-06	10.557	05-07-5-21-014-0	382,131	-	249,906	-	-	-	249,906
Passed Through State Department of Natural Resources									
Wildland Urban Interface - Greenough Potomac Fir	-	N/A	22,069	-	-	-	-	-	-
Passed Through State Department of Agriculture									
Nine Mile Fire Grant	10.644	02-626	167,728	20,500	-	-	-	-	-
Passed Through the State Auditor									
Forest Reserve Receipts	10.665	N/A	727,624	228,457	727,624	-	-	-	727,624
Total Department of Agriculture				177,180	1,157,373	9,760	-	-	1,167,133
DEPARTMENT OF TRANSPORTATION:									
Passed Through State Department of Transportation									
CMAQ-TDM	20.205	CM8199(64)	203,463	(49,422)	91,212	-	-	-	91,212
CMAQ-TDM	20.205	CM8199(69)	267,493	-	136,006	34,000	479	-	170,485
CMAQ-TDM - Spurgin, Clements Widening		CM8199(62)	173,160	-	-	-	-	-	-
FTA 04	20.205	MT-04-50-0079	72,478	(2,123)	40,346	945	-	-	41,291
FTA 05	20.205	MT-05-50-0079	72,936	-	28,397	914	-	-	29,311
P.L. Transport 04	20.205	N/A	358,763	(88,945)	170,290	-	-	-	170,290
P.L. Transport 05	20.205	N/A	289,010	-	140,396	-	-	-	140,396
STEP-Impaired Driving/Occupant Protection Project	20.600	2005-08-02-20, 2005-13-01-20	18,600	-	6,616	-	-	-	6,616
STEP-Law Enforcement Equip	20.600	2004-13-04-11	20,200	(311)	17,963	311	-	-	18,274
STEP-Traffic Enforcemen	20.600	2004-10-08-03, 2004-13-01-03	21,000	(8,768)	9,267	-	-	-	9,267
CTEP									
Clements Road/North Avenue Patl	-	STPE 8199(29)	211,132	1,040	-	-	-	-	-
Lolo Walkway	-	STPE 32(26)	63,743	13,633	-	-	-	-	-
Frenchtown Walkway Phase I	-	STPE 32(43)	205,195	-	-	-	-	-	-
Van Buren St Bridge	-	STPE 8199(65)	420,905	(29,865)	364,671	-	-	-	364,671
Cote Lane Walkway	-	STPE 32(35)	93,126	(3,531)	-	-	-	-	-
Pattee Canyon Signing	-	STPE 32(35)	7,710	-	7,710	-	-	-	7,710
Passed Through State Department of Justice									
Traffic Safety 04-05	20.600	2004-02-03-01, 2004-03-03-01	34,481	(9,970)	17,851	6	-	-	17,857
Traffic Safety 05-06	20.600	2005-05-03-02, 2005-02-03-02	33,673	-	16,439	-	-	-	16,439
Total Department of Transportation				(178,262)	1,047,164	36,176	479	-	1,083,819
DEPARTMENT OF JUSTICE:									
Direct Programs:									
Records Management System	16.710	2002-CKWX-0099	400,000	-	51,957	-	-	-	51,957
Rural Domestic Violence	16.589	N/A	876,325	(77,524)	184,007	-	-	-	184,007
2003 Block Grant	16.592	2002-LB-BX-2384	56,551	14,068	-	1,562	-	-	1,562
2004 Block Grant	16.592	2003-LB-BX-2062	27,652	-	22,569	2,508	-	-	25,077

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 2 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements			Cash (Deficit) 6/30/05
				Federal	Local	Total Disbursements	
DEPARTMENT OF AGRICULTURE:							
Passed Through State Department of Public Health							
Women/Infants/Children 04-05	10.557	04-07-5-21-020-0	\$ 383,329	\$ 108,066	\$ 9,760	\$ 117,826	\$ -
Women/Infants/Children 05-06	10.557	05-07-5-21-014-0	382,131	280,937	-	280,937	(31,031)
Passed Through State Department of Natural Resources							
Wildland Urban Interface - Greenough Potomac Fir	-	N/A	22,069	9,611	-	9,611	(9,611)
Passed Through State Department of Agriculture							
Nine Mile Fire Grant	10.644	02-626	167,728	9,336	-	9,336	11,164
Forest Reserve Receipts	10.665	N/A	727,624	677,470	-	677,470	278,611
Total Department of Agriculture				1,085,420	9,760	1,095,180	249,133
DEPARTMENT OF TRANSPORTATION:							
Passed Through State Department of Transportation							
CMAQ-TDM	20.205	CM8199(64)	203,463	41,790	6,477	48,267	(6,477)
CMAQ-TDM	20.205	CM8199(69)	267,493	198,513	30,771	229,284	(58,799)
CMAQ-TDM - Spurgin, Clements Widening		CM8199(62)	173,160	68,931	-	68,931	(68,931)
FTA 04	20.205	MT-04-50-0079	72,478	21,245	520	21,765	17,403
FTA 05	20.205	MT-05-50-0079	72,936	46,947	1,325	48,272	(18,961)
P.L. Transport 04	20.205	N/A	358,763	81,345	-	81,345	-
P.L. Transport 05	20.205	N/A	289,010	221,583	-	221,583	(81,187)
STEP-Impaired Driving/Occupant Protection Project	20.600	2005-08-02-20, 2005-13-01-20	18,600	8,001	-	8,001	(1,385)
STEP-Law Enforcement Equip	20.600	2004-13-04-11	20,200	17,963	-	17,963	-
STEP-Traffic Enforcemen	20.600	2004-10-08-03, 2004-13-01-03	21,000	-	499	499	-
CTEP							
Clements Road/North Avenue Patl	-	STPE 8199(29)	211,132	-	1,040	1,040	-
Lolo Walkway	-	STPE 32(26)	63,743	-	13,633	13,633	-
Frenchtown Walkway Phase I	-	STPE 32(43)	205,195	84,932	-	84,932	(84,932)
Van Buren St Bridge	-	STPE 8199(65)	420,905	370,242	-	370,242	(35,436)
Cote Lane Walkway	-	STPE 32(35)	93,126	-	-	-	(3,531)
Pattee Canyon Signing	-	STPE 32(35)	7,710	7,710	-	7,710	-
Passed Through State Department of Justice							
Traffic Safety 04-05	20.600	2004-02-03-01, 2004-03-03-01	34,481	7,881	6	7,887	-
Traffic Safety 05-06	20.600	2005-05-03-02, 2005-02-03-02	33,673	23,563	-	23,563	(7,124)
Total Department of Transportation				1,200,646	54,271	1,254,917	(349,360)
DEPARTMENT OF JUSTICE:							
Direct Programs:							
Records Management System	16.710	2002-CKWX-0099	400,000	53,826	-	53,826	(1,869)
Rural Domestic Violence	16.589	N/A	876,325	180,235	-	180,235	(73,752)
2003 Block Grant	16.592	2002-LB-BX-2384	56,551	14,068	1,562	15,630	-
2004 Block Grant	16.592	2003-LB-BX-2062	27,652	22,569	2,508	25,077	-

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 3 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/04	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
2005 Block Grant	16.592	2004-LB-BX-1116	10,584	-	10,584	-	-	-	10,584
Safety Vest	16.607	N/A	5,602	-	5,602	5,602	-	-	11,204
OVW Safe Havens Grant	16.527	2002-CW-BX-2002	120,000	1,067	-	-	-	-	-
OVW Safe Havens Grant	16.527	2002-CW-BX-0009	120,000	-	40,333	-	-	-	40,333
OVW Safe Havens Grant	16.527	2004-CW-AX-0010	340,461	-	67,412	-	-	-	67,412
Passed Through State Department of Justice:									
Juvenile Accountability Incentive 03	16.523	03-A03-81561	61,516	(13,619)	15,298	186	-	-	15,484
Juvenile Accountability Incentive	16.523	04-A11-81814	57,021	-	57,021	6,336	-	-	63,357
Community Support Systems 03	16.540	00-J13-81055	27,135	18	-	-	-	-	-
VOCA-County	16.575	03-V01-81375	62,240	7,459	-	-	-	-	-
VOCA-County	16.575	04-V01-81717	60,000	-	60,000	-	-	-	60,000
Pretrial Supervision 03	16.579	02-K20-81018	12,176	165	-	-	-	-	-
West Central Drug Task Force	16.579	04-K02-81663	196,914	-	146,135	99,095	-	-	245,230
Passed Through Clearwater Economic Development:									
Lewis & Clark Bicentennial	16.580	02-207	168,056	(11,299)	11,299	-	-	-	11,299
Passed Through Bitterroot RC&D Area, Inc.									
Lewis & Clark Bicentennial	16.580	2004-DD-BX-1178	121,743	-	111,733	-	-	-	111,733
Total Department of Justice				(79,665)	783,950	115,289	-	-	899,239
NATIONAL FOUNDATION ON THE ARTS & HUMANITIES:									
Direct Programs:									
Institute of Museum and Library Service	45.301	MA-01-04-0487-04	138,451	-	64,841	73,487	-	-	138,328
Passed Through Montana State Library Commission:									
Shared Catalogue Project	45.301	#2005 MSC-SUP	-	98,668	139,274	221,321	-	1,476	362,071
Total National Foundation on the Arts & Humanities				98,668	204,115	294,808	-	1,476	500,399
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:									
Direct Programs:									
Share House	14.235	MT01B400002	383,965	-	260,268	-	-	-	260,268
March Against Homelessness 02-04	14.235	MT01B10003	105,729	-	22,230	-	-	-	22,230
March Against Homelessness 03-04	14.235	MT01B300008	34,401	-	16,695	-	-	-	16,695
Ada Feldman	14.235	MT01B300006	25,807	-	17,225	-	-	-	17,225
Gateway Center	14.235	MT01B20004	184,737	-	58,503	-	-	-	58,503
Passed Through State Department of Commerce									
CDBG-Community Resource:	14.228	N/A	N/A	14,963	-	-	85,080	701	85,781
CDBG-Revolving Fund Loan	14.228	N/A	N/A	45,848	-	-	39,119	872	39,991
HRC Homebuyer Assistance	14.239	M02-SG300105	500,000	-	60,776	-	-	-	60,776
Home Investment Partnership Program	14.239	M04-SG300105	282,918	-	225,773	-	-	-	225,773
Total Department of Housing & Urban Development				60,811	661,470	-	124,199	1,573	787,242

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 4 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements			Cash (Deficit) 6/30/05
				Federal	Local	Total Disbursements	
2005 Block Grant	16.592	2004-LB-BX-1116	10,584	-	-	-	10,584
Safety Vest	16.607	N/A	5,602	5,602	5,835	11,437	(233)
OVW Safe Havens Grant	16.527	2002-CW-BX-2002	120,000	-	-	-	1,067
OVW Safe Havens Grant	16.527	2002-CW-BX-0009	120,000	40,333	-	40,333	-
OVW Safe Havens Grant	16.527	2004-CW-AX-0010	340,461	102,403	-	102,403	(34,991)
Passed Through State Department of Justice:							
Juvenile Accountability Incentive 03	16.523	03-A03-81561	61,516	1,679	186	1,865	-
Juvenile Accountability Incentive	16.523	04-A11-81814	61,516	57,021	6,336	63,357	-
Community Support Systems 03	16.540	00-J13-81055	27,135	-	18	18	-
VOCA-County	16.575	03-V01-81375	62,240	-	-	-	7,459
VOCA-County	16.575	04-V01-81717	60,000	60,000	-	60,000	-
Pretrial Supervision 03	16.579	02-K20-81018	12,176	-	165	165	-
West Central Drug Task Force	16.579	04-K02-81663	196,914	146,135	99,095	245,230	-
Passed Through Clearwater Economic Development:							
Lewis & Clark Bicentennial	16.580	02-207	168,056	-	-	-	-
Passed Through Bitterroot RC&D Area, Inc.							
Lewis & Clark Bicentennial	16.580	2004-DD-BX-1178	121,743	130,277	-	130,277	(18,544)
Total Department of Justice				<u>814,148</u>	<u>115,705</u>	<u>929,853</u>	<u>(110,279)</u>
NATIONAL FOUNDATION ON THE ARTS & HUMANITIES:							
Direct Programs:							
Institute of Museum and Library Service	45.301	MA-01-04-0487-04	138,451	73,486	73,486	146,972	(8,644)
Passed Through Montana State Library Commission:							
Shared Catalogue Project	45.301	#2005 MSC-SUP	-	139,274	248,551	387,825	72,914
Total National Foundation on the Arts & Humanities				<u>212,760</u>	<u>322,037</u>	<u>534,797</u>	<u>64,270</u>
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:							
Direct Programs:							
Share House	14.235	MT01B400002	383,965	254,415	5,853	260,268	-
March Against Homelessness 02-0	14.235	MT01B10003	105,729	21,223	1,007	22,230	-
March Against Homelessness 03-0	14.235	MT01B300008	34,401	16,275	420	16,695	-
Ada Feldman	14.235	MT01B300006	25,807	16,945	280	17,225	-
Gateway Center	14.235	MT01B20004	184,737	57,038	1,465	58,503	-
Passed Through State Department of Commerce							
CDBG-Community Resource:	14.228	N/A	N/A	-	-	-	100,744
CDBG-Revolving Fund Loan	14.228	N/A	N/A	25,000	-	25,000	60,839
HRC Homebuyer Assistance	14.239	M02-SG300105	500,000	60,776	-	60,776	-
Home Investment Partnership Program	14.239	M04-SG300105	282,918	225,773	-	225,773	-
Total Department of Housing & Urban Development				<u>677,445</u>	<u>9,025</u>	<u>686,470</u>	<u>161,583</u>

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
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Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/04	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
ENVIRONMENTAL PROTECTION AGENCY:									
Direct Programs:									
Mullan Corridor Sewer Subdistricts	66.606	XP98881001	727,220	-	-	172,902	-	-	172,902
El Mar Estates Wastewater Treatment Facility	66.606	XP98823601	237,550	-	237,550	219,109	-	-	456,659
Clean School Bus USA	66.034	XA-83175101-0	4,550	-	1,500	-	-	-	1,500
Passed Through State Department Environmental Quality:									
Air Pollution 04	66.001	204007	95,904	(11,720)	11,720	-	-	-	11,720
Air Pollution 05	66.001	505005	96,517	-	79,946	60,422	-	-	140,368
Air Compliance Monitoring	66.001	505006	2,000	-	-	-	-	-	-
Radon 04	66.032	204028	3,500	(2,584)	2,584	-	-	-	2,584
Radon 05	66.032	205009	3,000	-	2,852	404	-	-	3,256
Source Water Protection	66.468	202023	150,000	(15,348)	75,400	-	-	-	75,400
Public Water SupplySafe Drinking Water 04	66.605	504011	15,000	(3,815)	3,815	-	-	-	3,815
Public Water SupplySafe Drinking Water 05	66.605	505025	18,000	-	6,833	-	-	-	6,833
Passed Through State Department of Natural Resources & Conservation									
Water Pollution Control State Revolving Fund Program	66.458	Mullan	4,498,121	(762,078)	634,811	127,267	-	-	762,078
Water Pollution Control State Revolving Fund Program	66.458	El Mar	169,000	-	17,781	3,565	-	-	21,346
Water Pollution Control State Revolving Fund Program	66.458	Golden West	14,000	-	2,639	529	-	-	3,168
Water Pollution Control State Revolving Fund Program	66.458	Mullan Trail	31,000	-	20,360	4,082	-	-	24,442
Water Pollution Control State Revolving Fund Program	66.458	Country Crest	283,000	-	59,369	11,902	-	-	71,271
Total Environmental Protection Agency				(795,545)	1,157,160	600,182	-	-	1,757,342
DEPARTMENT OF DEFENSE									
Department of the Army :									
Grant Creek Environmental Restoration	12.106	N/A	445,264	(67,996)	245,328	130,360	-	-	375,688
Total Department of Defense				(67,996)	245,328	130,360	-	-	375,688
DEPARTMENT OF THE INTERIOR									
Bureau of Land Management:									
Federal Noxious Weed act-Weed Management Grant	15.225	ESA990008	16,500	-	16,500	37,186	-	-	53,686
Public Land Protection	15.225	N/A	2,000	-	-	-	-	-	-
Community Wildfire Protection Plan	15.228	ESA04CC30	10,000	-	3,949	6,394	-	-	10,343
Total Department of the Interior				-	20,449	43,580	-	-	64,029
GENERAL SERVICES ADMINISTRATION									
Passed through the Montana Secretary of the State:									
HAVA	39.011	N/A	13,900	-	13,900	-	-	-	13,900
Total General Services Administration				-	13,900	-	-	-	13,900

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 6 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements			Cash (Deficit) 6/30/05
				Federal	Local	Total Disbursements	
ENVIRONMENTAL PROTECTION AGENCY:							
Direct Programs:							
Mullan Corridor Sewer Subdistricts	66.606	XP98881001	727,220	579,709	172,902	752,611	(579,709)
El Mar Estates Wastewater Treatment Facility	66.606	XP98823601	237,550	237,550	219,109	456,659	-
Clean School Bus USA	66.034	XA-83175101-0	4,550	1,396	-	1,396	104
Passed Through State Department Environmental Quality:							
Air Pollution 04	66.001	204007	95,904	-	-	-	-
Air Pollution 05	66.001	505005	96,517	96,517	60,422	156,939	(16,571)
Air Compliance Monitoring	66.001	505006	2,000	2,000	-	2,000	(2,000)
Radon 04	66.032	204028	3,500	-	-	-	-
Radon 05	66.032	205009	3,000	3,000	404	3,404	(148)
Source Water Protection	66.468	202023	150,000	17,024	21,528	38,552	21,500
Public Water SupplySafe Drinking Water 04	66.605	504011	15,000	-	-	-	-
Public Water SupplySafe Drinking Water 05	66.605	505025	18,000	11,483	-	11,483	(4,650)
Passed Through State Department of Natural Resources & Conservation							
Water Pollution Control State Revolving Fund Program	66.458	Mullan	4,498,121	-	-	-	-
Water Pollution Control State Revolving Fund Program	66.458	El Mar	169,000	140,777	28,223	169,000	(147,654)
Water Pollution Control State Revolving Fund Program	66.458	Golden West	14,000	11,662	2,338	14,000	(10,832)
Water Pollution Control State Revolving Fund Program	66.458	Mullan Trail	31,000	22,455	4,502	26,957	(2,515)
Water Pollution Control State Revolving Fund Program	66.458	Country Crest	283,000	65,213	13,074	78,287	(7,016)
Total Environmental Protection Agency				1,188,786	522,502	1,711,288	(749,491)
DEPARTMENT OF DEFENSE							
Department of the Army :							
Grant Creek Environmental Restoration	12.106	N/A	445,264	231,552	76,140	307,692	-
Total Department of Defense				231,552	76,140	307,692	-
DEPARTMENT OF THE INTERIOR							
Bureau of Land Management:							
Federal Noxious Weed act-Weed Management Grant	15.225	ESA990008	16,500	16,500	37,186	53,686	-
Public Land Protection	15.225	N/A	2,000	2,000	-	2,000	(2,000)
Community Wildfire Protection Plan	15.228	ESA04CC30	10,000	10,000	6,394	16,394	(6,051)
Total Department of the Interior				28,500	43,580	72,080	(8,051)
GENERAL SERVICES ADMINISTRATION							
Passed through the Montana Secretary of the State :							
HAVA	39.011	N/A	13,900	-	-	-	13,900
Total General Services Administration				-	-	-	13,900

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 7 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/04	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
DEPARTMENT OF HOMELAND SECURITY									
Passed Through State Department of Military Affairs :									
Domestic Preparedness Equipment 02	16.007	2002-TE-CX-0103	114,379	(100,484)	100,484	-	-	-	100,484
Domestic Preparedness Equipment 03	97.004		698,053	-	700,716	-	-	-	700,716
Domestic Preparedness Equipment 04	97.004	2004-GE-T4-0002	608,526	-	-	-	-	-	-
Explosive Ordinance Disposal Equipment 04	97.004	2004-GE-T4-0002	82,103	-	80,864	-	-	-	80,864
Domestic Preparedness Planning 02	16.007	2002-TE-CX-0103	1,000	1,000	-	-	-	-	-
Domestic Preparedness Exercise Grant	16.007		10,000	-	-	-	-	-	-
Domestic Prepared Equipment	16.007	N/A	500,000	91	-	-	-	-	-
Pre-Disaster Mitigation	97.047	N/A	30,000	(25,185)	30,000	-	-	-	30,000
Emergency Management Program 04	97.042	N/A	50,000	(2,291)	13,375	-	-	-	13,375
Emergency Management Program 05	97.042	N/A	50,000	-	29,467	-	-	-	29,467
FY02 Supplemental Planning	97.051	N/A	19,954	(19,954)	19,954	-	-	-	19,954
State Homeland Security Equipment Grant	97.004	2003-TE-TX-0176	23,480	-	14,776	-	-	-	14,776
War Supplemental Critical Infrastructure 03	97.004	2003-MU-T3-0021	44,315	-	29,545	-	-	-	29,545
Total Department of Homeland Security				(146,823)	1,019,181	-	-	-	1,019,181
DEPARTMENT OF HEALTH & HUMAN SERVICES:									
Direct Programs:									
TB 04-05	93.994	04-07-4-11-045-0	8,000	(6,073)	6,073	-	-	-	6,073
TB 05-06	93.994	05-07-4-11-045-0	7,000	-	6,319	2,268	-	-	8,587
Mentoring Children of Prisoners	93.616	90CV0046/02	60,000	-	60,470	-	-	-	60,470
Drug Free Community Support Program	93.276	2003-ND-FX-0102	100,000	(7,231)	41,776	-	-	-	41,776
Drug Free Community Support Program	93.276	SP12366-03	100,000	-	59,423	-	-	-	59,423
Passed Through State Department of Public Health & Human Services:									
AIDS HIV Prevention 04-05	93.118	04-07-4-51-017-0	26,523	(3,270)	11,965	557	-	-	12,522
AIDS HIV Prevention 05-06	93.118	05-07-4-51-019-0	12,727	-	1,009	-	-	-	1,009
Community Incentive Program 03	93.230	00-341-74402-0	198,550	(43)	-	43	-	-	43
Community Incentive Program 04	93.243	04-332-74409-0	54,546	-	26,759	-	-	-	26,759
Community Incentive Program 05	93.243		65,225	-	31,993	-	-	-	31,993
Tobacco 04	93.283	04-07-3-31-011-0	31,500	(8,000)	8,000	-	-	-	8,000
Tobacco 05	93.283	05-07-3-31-011-0	76,000	-	60,800	-	-	-	60,800
Obesity 04-05	93.283	04-07-3-01-022-0	100,000	(8,230)	33,000	230	-	-	33,230
Public Health Emergency Preparedness 03	93.283	03-07-4-61-032-0	151,342	25,641	-	-	-	-	-
Public Health Emergency Preparedness 04-06	93.283	04-07-4-61-033-0	147,836	(7,032)	125,470	-	-	-	125,470
Antimicrobial Resistance Prevention 04	93.283	04-07-11-002-0	40,009	(14,778)	14,778	-	-	-	14,778
Environmental Health Assessment	93.283	05-07-6-31-004-0	12,000	-	1,682	8,500	-	-	10,182
Domestic Violence Program	93.671	20043DMVL0014	55,000	(23,220)	23,200	-	-	-	23,200
Domestic Violence Program	93.671	20053DMVL0010	55,000	-	41,250	-	-	-	41,250
Infant Immunization 04-05	93.994	04-07-4-31-031-0	25,722	(11,508)	25,622	-	-	-	25,622

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 8 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements			Cash (Deficit) 6/30/05
				Federal	Local	Total Disbursements	
DEPARTMENT OF HOMELAND SECURITY							
Passed Through State Department of Military Affairs :							
Domestic Preparedness Equipment 02	16.007	2002-TE-CX-0103	114,379	-	-	-	-
Domestic Preparedness Equipment 03	97.004		698,053	700,716	-	700,716	-
Domestic Preparedness Equipment 04	97.004	2004-GE-T4-0002	608,526	333,862	-	333,862	(333,862)
Explosive Ordinance Disposal Equipment 04	97.004	2004-GE-T4-0002	82,103	80,864	-	80,864	-
Domestic Preparedness Planning 02	16.007	2002-TE-CX-0103	1,000	1,000	-	1,000	-
Domestic Preparedness Exercise Grant	16.007		10,000	8,992	-	8,992	(8,992)
Domestic Prepared Equipment	16.007	N/A	500,000	-	91	91	-
Pre-Disaster Mitigation	97.047	N/A	30,000	4,815	-	4,815	-
Emergency Management Program 04	97.042	N/A	50,000	11,084	-	11,084	-
Emergency Management Program 05	97.042	N/A	50,000	41,132	-	41,132	(11,665)
FY02 Supplemental Planning	97.051	N/A	19,954	-	-	-	-
State Homeland Security Equipment Grant	97.004	2003-TE-TX-0176	23,480	14,776	-	14,776	-
War Supplemental Critical Infrastructure 03	97.004	2003-MU-T3-0021	44,315	32,647	-	32,647	(3,102)
Total Department of Homeland Security				1,229,888	91	1,229,979	(357,621)
DEPARTMENT OF HEALTH & HUMAN SERVICES:							
Direct Programs:							
TB 04-05	93.994	04-07-4-11-045-0	8,000	-	-	-	-
TB 05-06	93.994	05-07-4-11-045-0	7,000	9,709	2,268	11,977	(3,390)
Mentoring Children of Prisoners	93.616	90CV0046/02	60,000	60,470	-	60,470	-
Drug Free Community Support Program	93.276	2003-ND-FX-0102	100,000	34,545	-	34,545	-
Drug Free Community Support Program	93.276	SP12366-03	100,000	71,519	-	71,519	(12,096)
Passed Through State Department of Public Health & Human Services:							
AIDS HIV Prevention 04-05	93.118	04-07-4-51-017-0	26,523	8,695	557	9,252	-
AIDS HIV Prevention 05-06	93.118	05-07-4-51-019-0	12,727	1,009	-	1,009	-
Community Incentive Program 03	93.230	00-341-74402-0	198,550	-	-	-	-
Community Incentive Program 04	93.243	04-332-74409-0	54,546	26,759	-	26,759	-
Community Incentive Program 05	93.243		65,225	31,993	-	31,993	-
Tobacco 04	93.283	04-07-3-31-011-0	31,500	-	-	-	-
Tobacco 05	93.283	05-07-3-31-011-0	76,000	76,000	-	76,000	(15,200)
Obesity 04-05	93.283	04-07-3-01-022-0	100,000	25,000	-	25,000	-
Public Health Emergency Preparedness 03	93.283	03-07-4-61-032-0	151,342	-	-	-	25,641
Public Health Emergency Preparedness 04-06	93.283	04-07-4-61-033-0	195,114	176,087	-	176,087	(57,649)
Antimicrobial Resistance Prevention 04	93.283	04-07-11-002-0	40,009	-	-	-	-
Environmental Health Assessment	93.283	05-07-6-31-004-0	12,000	2,025	8,500	10,525	(343)
Domestic Violence Program	93.671	20043DMVL0014	55,000	-	-	-	(20)
Domestic Violence Program	93.671	20053DMVL0010	55,000	55,000	-	55,000	(13,750)
Infant Immunization 04-05	93.994	04-07-4-31-031-0	25,722	14,114	-	14,114	-

Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 9 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/04	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
Transitioning Healthy Child Care Montana	93.994	04-07-5-31-006-0	68,000	(2,937)	24,807	68	-	-	24,875
Fire Safety (Fall Prevention)	93.136	04-07-3-11-002-0	22,400	(5,000)	16,587	8,277	-	-	24,864
MCH Block Grant - MIAMI	93.994	05-07-5-01-030-0	182,605	-	190,847	575,506	-	-	766,353
Healthy Tomorrow Partnership for Children - Yr 1	93.110	H17MC02513-01-00	48,955	(5,819)	33,546	-	-	-	33,546
Healthy Tomorrow Partnership for Children - Yr 2	93.110	H17MC02513-02-01	60,408	-	16,454	4,891	-	-	21,345
Early Childhood Comprehensive System	93.994	04-07-5-31-009-0	17,753	(17,753)	17,753	-	-	-	17,753
Children's Oral Health		05-07-6-31-006-0	4,000	-	487	-	-	-	487
Passed through Montana State University:									
Montana Nutrition and Physical Activity Program (Obesity)	93.283	05-07-3-01-021-0	30,000	-	17,953	-	-	-	17,953
MSU Walkability	93.284	05-07-3-01-021-0	6,000	-	-	-	-	-	-
Total Department of Health & Human Services				(95,253)	898,023	600,340	-	-	1,498,363
Total Federal Financial Assistance				\$ (1,026,885)	\$ 7,208,113	\$ 1,830,495	\$ 124,678	\$ 3,049	\$ 9,166,335

See accompanying notes.

Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2005
(Page 10 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements			Cash (Deficit) 6/30/05
				Federal	Local	Total Disbursements	
Transitioning Healthy Child Care Montana	93.994	04-07-5-31-006-0	68,000	21,416	-	21,416	522
Fire Safety (Fall Prevention)	93.136	04-07-3-11-002-0	22,400	11,587	8,277	19,864	-
MCH Block Grant - MIAMI	93.994	05-07-5-01-030-0	182,605	182,605	575,506	758,111	8,242
Healthy Tomorrow Partnership for Children - Yr 1	93.110	H17MC02513-01-00	48,955	27,727	-	27,727	-
Healthy Tomorrow Partnership for Children - Yr 2	93.110	H17MC02513-02-01	60,408	21,432	4,891	26,323	(4,978)
Early Childhood Comprehensive System	93.994	04-07-5-31-009-0	17,753	-	-	-	-
Children's Oral Health		05-07-6-31-006-0	4,000	771	-	771	(284)
Passed through Montana State University:							
Montana Nutrition and Physical Activity Program (Obesity)	93.283	05-07-3-01-021-0	30,000	26,124	-	26,124	(8,171)
MSU Walkability	93.284	05-07-3-01-021-0	6,000	4,936	-	4,936	(4,936)
Total Department of Health & Human Services				<u>889,523</u>	<u>599,999</u>	<u>1,489,522</u>	<u>(86,412)</u>
Total Federal Financial Assistance				<u>\$ 7,558,668</u>	<u>\$ 1,753,110</u>	<u>\$ 9,311,778</u>	<u>\$(1,172,328)</u>

See accompanying notes.

MISSOULA COUNTY, MONTANA

Notes to Schedule of Expenditures of Federal Awards - Cash Basis

For the Year Ended June 30, 2005

Note 1 - Basis of Presentation

The accompanying schedule is presented on the basis of cash receipts and disbursements. Accordingly, federal contributions, local contributions, program income and investment income are recognized when received rather than when measurable and available, and expenditures are recognized when a warrant is issued rather than when the obligation is incurred.

While OMB Circular A-133 requires only federal expenditures to be included in the schedule, the State of Montana requires the inclusion of cash balances, federal contributions, local contributions, other income and ending cash balances.

Note 2 - Loans Receivable

The Department of Housing and Urban Development-Community Development Block Grant programs had the following loans receivable at June 30, 2005:

Revolving Loan Fund

Missoula Children's Theatre - 0%, \$24,500 due annually from June 2003 through June 2017	\$ 245,000
The Good Food Store - 5%, \$4,718 due monthly from November 2003 through October 2008	173,493
Montana Community Development Corporation - 2% interest due annually, principal payment due October 2010	90,000

Note 3 - Notes Payable

The County had the following notes payable to the State Revolving Fund Loan program (CFDA# 66.458) at June 30, 2005:

\$241,000, issued June 1994, 4% due in varying amounts through July 2014	\$ 93,000
\$1,943,000, issued June 1994, 4% due in varying amounts through July 2014	820,000
\$291,000, issued November 1998, 4% due in varying amounts through July 2019	222,000
\$649,936, issued September 2002, 4% due in varying amounts through July 2023	616,000
\$4,498,121, issued July 2003, 3.75% due in varying amounts through July 2024	4,416,000

\$21,346, issued April 2005, 2.75% due in varying amounts through July 2015	21,346
\$3,168, issued April 2005, 2.75% due in varying amounts through July 2010	3,168
\$24,442, issued April 2005, 3.75% due in varying amounts through July 2020	24,442
\$71,271, issued April 2005, 3.75% due in varying amounts through July 2020	71,271

Note 4 - Subawards

The County passed-through federal awards to subrecipients during the year ended June 30, 2005 as follows:

- Ada Feldman Transitional Housing (CDFA# 14.235) passed-through \$16,945 to the YWCA.
- Rural Domestic Violence Program (CFDA# 16.589) passed-through \$66,464 to the YWCA and the National Coalition Building Institute.
- Domestic Violence Program (CFDA# 14.235) passed-through \$68,750 to the YWCA.
- Community Incentive Program (CFDA# 93.230) passed-through \$58,754 to W.O.R.D., Parenting Place, and Missoula City-County Health Department.
- Gateway Center (CFDA# 14.235) passed-through \$57,038 to the Salvation Army.
- DVW Safe Havens (CFDA# 16.527) passed through \$100,999 to the YWCA.
- Drug Free Community Support Program (CFDA# 93.276) passed-through \$70,696 to Missoula Public Schools.
- Mentoring Children of Prisoners (CFDA# 93.616) passed-through \$59,068 to Big Brothers & Big Sisters.
- Homebuyer Assistance Program (CFDA# 14.239) passed-through \$60,776 to the Human Resource Council.
- March against Homelessness (CFDA# 14.235) passed-through \$37,498 to the YWCA.
- Share House Transitional Housing (CFDA# 14.235) passed-through \$254,415 to the YWCA and the Western Montana Mental Health Center.

Note 5 - Restatement of Beginning Cash Balances

Cash balances at June 30, 2004 have been restated for Congestion Mitigation and Air Quality Grant (CFDA# 20.205) to reflect the correction of prior period receipts. The restatement had the effect of increasing cash balances at June 30, 2004 by \$18,000.



Board of County Commissioners
Missoula County, Montana

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*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana, as of and for the year ended June 30, 2005 and have issued our report thereon dated December 23, 2005. 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.

The financial statements of Missoula County, Montana include Missoula Aging Services and Partnership Health Center (both discretely presented component units). Our consideration of compliance and internal control over financial reporting did not include these component units because they obtained their own audits in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Missoula County, Montana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain other matters involving the internal control over financial reporting that we have reported to management of Missoula County, Montana in a separate letter dated December 23, 2005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Missoula County, Montana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, the State of Montana Department of Administration, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Anderson Zar Muehlen & Co., P.C.

Certified Public Accountants
Missoula, Montana
December 23, 2005



Board of County Commissioners
Missoula County, Montana

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

Compliance

We have audited the compliance of Missoula County, Montana with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. Missoula County, Montana's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Missoula County, Montana's management. Our responsibility is to express an opinion on Missoula County's compliance based on our audit.

The financial statements of Missoula County, Montana include Missoula Aging Services and Partnership Health Center (both discretely presented component units), which expended \$1,392,710 and \$1,656,787, respectively, in federal awards which are not included in the accompanying schedule of expenditures of federal awards for the year ended June 30, 2005. Our audit, as described below, did not include Missoula Aging Services and Partnership Health Center, because these component units obtained their own audits conducted in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Missoula County, Montana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Missoula County, Montana's compliance with those requirements.

In our opinion, Missoula County, Montana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of Missoula County, Montana is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Missoula County, Montana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, the State of Montana Department of Administration, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties

Anderson Zur Muehlen & Co., P.C.

Certified Public Accountants
Missoula, Montana
December 23, 2005

MISSOULA COUNTY, MONTANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2005

Summary of Auditors' Results

The auditors' report on the financial statements of Missoula County, Montana was unqualified.

There were no reportable conditions or material weaknesses in internal control disclosed in the audit of the financial statements of Missoula County, Montana.

The audit disclosed no instances of noncompliance that are material to the financial statements of Missoula County, Montana.

The audit disclosed no reportable conditions or material weaknesses in internal control over major programs of Missoula County, Montana.

The auditors' report on compliance for major programs was unqualified.

The audit disclosed no findings which are required to be reported under OMB Circular A-133.

Major programs for the year ended June 30, 2005 were as follows:

<u>CFDA#</u>	<u>Federal Program</u>
10.665	Forest Reserve Receipts
12.106	Grant Creek Environmental Restoration
20.205	P.L. Transport/Travel Demand Management
97.004	Domestic Preparedness Equipment Support

The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133 was \$300,000.

Missoula County, Montana qualified as a low-risk auditee under the provisions of OMB Circular A-133.

Findings Relating to the Financial Statements Which are Required to be Reported
in Accordance with Government Auditing Standards

The audit disclosed no findings relative to the financial statements which were required to be reported under *Government Auditing Standard* issued by OMB.

Federal Awards Findings and Questioned Costs

The audit contains no findings which constitute:

- Reportable conditions in internal control over major programs
- Material noncompliance with laws, regulations, contracts or grant agreements related to a major program
- Known questioned costs in excess of \$10,000 for any major program
- Known questioned costs in excess of \$10,000 for any program which was not audited as a major program
- Circumstances which would cause the auditors' report on major program compliance to be other than unqualified
- Known fraud affecting any federal award
- Circumstances which disclose that the auditee's summary schedule of prior audit findings materially misrepresents the status of any prior audit finding

Summary Schedule of Prior Audit Findings

The audit for the year ended June 30, 2004 contained no findings that were required to be reported under OMB Circular A-133.