

# MISSOULA COUNTY, MONTANA

## **C**OMPREHENSIVE **A**NNUAL **F**INANCIAL **R**EPORT

For the Fiscal Year Ended  
June 30, 2013



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**MISSOULA COUNTY, MONTANA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Year Ended June 30, 2013

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**MISSOULA COUNTY, MONTANA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**FISCAL YEAR ENDED JUNE 30, 2013**

**INTRODUCTORY SECTION**

Table of Contents	
Transmittal Letter .....	<i>i</i>
Organizational Chart .....	<i>v</i>
Elected Officials .....	<i>vi</i>
Certificate of Achievement for Excellence in Financial Reporting - 2012 .....	<i>vii</i>

**FINANCIAL SECTION**

Independent Auditors' Report .....	<b>1</b>
Management's Discussion and Analysis .....	<b>5</b>

**Basic Financial Statements**

Government-wide Financial Statements:

Statement of Net Position .....	<b>21</b>
Statement of Activities .....	<b>23</b>

Fund Financial Statements:

Balance Sheet - Governmental Funds .....	<b>24</b>
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds .....	<b>25</b>
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	<b>27</b>
Balance Sheet - Proprietary Funds .....	<b>28</b>
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds .....	<b>29</b>
Statement of Cash Flows - Proprietary Funds .....	<b>30</b>
Statement of Fiduciary Net Position .....	<b>32</b>
Statement of Changes in Fiduciary Net Position .....	<b>33</b>
Notes to Financial Statements .....	<b>34</b>

**Required Supplementary Information**

Schedule of Funding Status for Retiree Health Insurance Benefit Plan .....	<b>77</b>
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund. ....	<b>79</b>
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budgeted Major Governmental Funds .....	<b>88</b>

**Additional Information and Other Schedules**

Major Governmental Funds Other Than Special Revenue

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual - Major Governmental Funds Other Than Special Revenue .....	<b>91</b>
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**MISSOULA COUNTY, MONTANA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**FISCAL YEAR ENDED JUNE 30, 2013**

Nonmajor Governmental Funds	
Combining Balance Sheet - Nonmajor Governmental Funds .....	<b>93</b>
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	<b>101</b>
Nonmajor Governmental Funds - Budget and Actual	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	
Budget and Actual - Budgeted Nonmajor Governmental Funds .....	<b>109</b>
Internal Service Funds	
Combining Statement of Net Position .....	<b>141</b>
Combining Statement of Revenues, Expenses and Changes in Fund Net Position .....	<b>142</b>
Combining Statement of Cash Flows .....	<b>143</b>
Schedule of Revenues, Expenses and Changes in Fund Net Position - Budget and Actual .....	<b>145</b>
Trust and Agency Funds	
Combining Statement of Fiduciary Net Position .....	<b>149</b>
Combining Statement of Changes in Fiduciary Net Position .....	<b>150</b>
Combining Statement of Changes in Assets and Liabilities - All Agency Funds .....	<b>151</b>
Capital Assets	
Capital Assets Used in the Operation of Governmental Funds - Comparative Schedule by Source .....	<b>155</b>
Capital Assets Used in the Operation of Governmental Funds - Schedule by Function and Activity .....	<b>156</b>
Capital Assets Used in the Operation of Governmental Funds - Schedule of Changes by Function and Activity .....	<b>157</b>
 <b><u>STATISTICAL SECTION</u></b>	
Net Position by Component - Last Ten Fiscal Years .....	<b>159</b>
Schedule of Change in Net Position - Last Ten Fiscal Years .....	<b>160</b>
Fund Balance of Governmental Funds - Last Ten Fiscal Years .....	<b>162</b>
Changes in Fund Balance of Governmental Funds - Last Ten Fiscal Years .....	<b>163</b>
Bureau of Census (BOC) Supplemental Schedule - As of and for the Fiscal Year ended June 30, 2013 .....	<b>164</b>
Property Tax Levies and Collections - Governmental and Internal Service Fund Types - Last Ten Fiscal Years .....	<b>165</b>
Property Tax Assessments and Total County Direct Tax Rate - Last Ten Fiscal Years .....	<b>166</b>
Property Tax Levies by Mills - All Taxing Entities - Last Ten Fiscal Years .....	<b>167</b>
Principal Taxpayers - Current Year and Nine Years Ago .....	<b>168</b>
Special Assessments Billings and Collections - Last Ten Fiscal Years .....	<b>169</b>
Revolving Fund Year-End Balance Required Continuing Disclosure - Last Ten Fiscal Years .....	<b>170</b>
Computation of Legal Debt Margin - Last Ten Fiscal Years .....	<b>171</b>
Tax Exempt Debt Issued - Last Ten Calendar Years .....	<b>172</b>

**MISSOULA COUNTY, MONTANA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**  
**FISCAL YEAR ENDED JUNE 30, 2013**

Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt per Capita - Last Ten Fiscal Years .....	173
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years .....	174
Ratio of Annual Debt Service Requirements for General Obligation Bonded Debt to Total General Expenditures - Last Ten Fiscal Years .....	175
Computation of Direct and Overlapping Debt .....	176
Major Employers - Current Fiscal Year and Nine Years Ago .....	177
Property Tax Levies in the MCA Industrial District - Last Ten Fiscal Years .....	178
Major Taxpayers in the MCA Industrial District .....	178
MCA Industrial District - Taxable Value, Incremental Taxable Value & Tax Increment Revenue .....	179
MCA Industrial District - Increment Bond Coverage .....	180
Port Authority Tax Levy - Last Ten Fiscal Years .....	180
Property Tax Levies in the Technology Tax Increment District - Last Six Fiscal Years .....	181
Major Taxpayers in the Technology Tax Increment District .....	181
Technology Tax Increment District - Taxable Value, Incremental Taxable Value & Tax Increment Revenue .....	182
Technology Tax Increment District - Increment Bond Coverage .....	183
Port Authority Tax Levy - Last Ten Fiscal Years .....	183
Demographic Statistics - Last Ten Fiscal Years .....	184
Property Value, Construction and Bank Deposits - Last Ten Fiscal Years .....	185
Full-time Equivalent County Government Employees by Function and Program - Last Ten Fiscal Years .....	186
Operating Indicators by Function and Program - Last Ten Calendar Years .....	187
Capital Assets by Function and Program - Last Four Fiscal Years .....	188
Miscellaneous Statistical Data .....	189

**SINGLE AUDIT SECTION**

Schedule of Expenditures of Federal Awards - Cash Basis .....	191
Notes to Schedule of Expenditures of Federal Awards - Cash Basis .....	197
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	201
Report on Compliance with Requirements Applicable to each Major Program and on Internal Control over Compliance in Accordance with <i>OMB Circular A-133</i> .....	203
Schedule of Findings and Questioned Costs .....	206

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December 31, 2013

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, 2013. I believe this CAFR presents fairly the financial condition of the County at June 30, 2013 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 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 Development Authority, 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 Nicole M. Noonan, CPA, P.C. 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 100,000 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 Chair Michele Landquist, Bill Carey 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. The Budget process generally begins shortly after the mid-year budget review which is held in late January each year. The CFO in consultation with Department Heads, the CAO and the Financial Services staff provides a forecast of the projected year end fund balances. In addition a prediction of the following year's revenues and fixed expenses is made. It is from these estimates that the general parameters of coming year's budget are constructed. A presentation is made to the Commissioners and the Senior Leadership team to establish the constraints from which the Departments have to work with. The County Departments are then provided with budget spreadsheets within which salaries and benefit costs are included and they must make the decisions on how to live within the constraints established in the general parameter discussion. The Departments then turn in their budget spreadsheets to the CFO's office by a time certain, where they are reviewed, modified and then returned to the Departments. The Commissioners then meet with each department in to discuss their budget requests and hear an analysis of the departmental budgets provided by the County CFO. Decisions are made on the individual departmental requests at the conclusion of the budget meetings when examined in the context of total proposed County budget. Public Budget Hearings are generally conducted in July and August 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 following the final public hearing. Budget authority is flexible in that the Commissioners may make mid-year 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.

The County's Internal controls begin as a process that is effected by the organization's structure, work and authority flows, people and management information systems that are designed to help the County accomplish its goals and objectives. Budgetary controls are maintained in the accounting office and reported to Department Heads and the County Commissioners. The County's Auditor office reviews all departmental expense claims for appropriate backup documentation and departmental approval prior to the presentation to the County Commissioners for final approval and the creation of warrants. Revenues are monitored by Departmental heads as well as the County C.F.O. Any deviations from the budget are reported to the Commissioners in a timely fashion and budget modifications which are authorized under current County policy are made throughout the year by majority vote of the County Commissioners.

## **FINANCIAL CONDITION**

Missoula County's economic slowdown which began in 2007 and then continued through 2011 with negative growth in Non-Farm payroll in years 2008 through 2011 reversed its course in 2012 with a .06% increase. For the year ending June 30, 2013 Non-Farm payroll jumped to a healthy 1.4%. Projections going forward are 4 consecutive years of 2.4% growth beginning in 2014. The unemployment rate in Missoula County (according to the U.S. Bureau of Labor Statistics) has decreased over the last year from approximately 5.8 % in 2012 to 5.2% in 2013. The closure of the Stimson plywood plant in 2007, and the Stimson sawmill in 2008 have provided an opportunity for new industry to occupy the former Bonner Mill site. A large wood chipping operation has taken the southernmost 20 acres of the 110 acre site. Northwest paints and siding company has relocated its operations to one of the large buildings in the center of the campus and most recently a manufacturer of custom travel trailers has expanded their east coast operations to include a manufacturing facility at the former Bonner mill site. The tax revenue calculated from new construction provided by the Department of Revenue for Missoula County in 2013 increased for the second year in a row just 1% over the prior year. The mood within the County is one of cautious optimism, new housing starts are up substantially from the previous 4 years and new businesses' are starting to appear. The earlier closure of K Mart on the 93 strip has given way to the construction of a new Cabela's Sporting Goods complex and a Boot Barn, providing another sign of the economy picking up. The end of the long recession for the Missoula County economy may be in sight. Since substantially all growth in property tax revenue is from new construction (and not from increases in market value of existing properties), the County will continue to closely examine budget priorities when confronting the difficult issue of allocating scarce resources.

In order to mitigate the risk of nearly flat revenue and other financial risks, the County's long-term financial planning includes revenue forecasting for the County's general revenues along with the identification of one time revenues versus ongoing revenues. The forecast include property and related taxes, fees, in addition to non-tax revenues which make up 67% of County revenues. While property tax revenues account for approximately 33% of total County revenues they represent on the average 23.4% of a Missoula County property tax bill. The County has maintained a policy of matching ongoing revenues with ongoing expenses to maintain the structural integrity of its departments. The County also requires all departments to maintain a 5% cash reserve at year end with the exception of the Public Safety Fund which has an 8% requirement and the General Fund which has a 12% requirement. 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 fund the acquisition of new assets.

Management's Discussion and Analysis, starting on page 3, provides additional information on the economic environment in the County, as well as the highlights of the 2012 fiscal year and the challenges facing the 2012 budget.

## **RELEVANT FINANCIAL POLICIES**

To achieve the goal of providing outstanding, cost-effective regional public services, the Missoula County applies sound management practices and policies that enhance the quality of life of its citizens. Many of the financial management practices used by the County have been identified by the Government Finance Officers Association of the United States and Canada (GFOA) and recognized by Standard and Poor's rating agency as best practices that promote financial soundness, efficiency in government and solvency in public finance. The following summarizes the County's financial management practices.

Each County Department prepares an annual Budget Plan which they present during the budget process for evaluation by the County Commissioners and senior staff. Budget plans communicate the value the department brings to the community and measures performance. A



budget plan sets forth long-term goals, operational and budget challenges, strategies for overcoming challenges and progress towards achieving those goals during the coming year.

The Annual Budget reflects the County's disciplined approach to fiscal management and is consistent with the County's Financial Planning process. Department budgets are consistent with the priorities and operations plans contained in the Financial and Operational goals of the County. Departments use these planning processes, along with projected outcomes, to evaluate programs and redirect existing resources as needed for greater efficiency to reduce costs and minimize the need for additional resources.

The County's five-year Capital Improvement Plan (CIP) is a long-term list of significant projects funded by the Capital Projects budget. It also includes the five-year capital program for non-Capital Fund expenditures. The CIP aids the County in its assessment of the best use of funds available in order to establish and prioritize its capital asset goals, while maintaining long-term financial stability.


The County Funds currently contain formal reserves, appropriations for contingencies and appropriated reserve-type funds. The purpose of these reserves is to protect community programs and services from temporary revenue shortfalls.

The Treasury Oversight Committee (TOC) is responsible for reviewing and monitoring the annual Investment Policy Statement (IPS) prepared by the Treasurer. In addition, the TOC initiates a quarterly review of the Chief Financial Officer's compliance with the IPS. Annually, if changes are made to the IPS the TOC submits the IPS to the Board of County Commissioners for approval. The TOC membership consists of the following: the elected Auditor, the elected Clerk and Recorder, one elected County Commissioner, the elected Superintendent of Schools, Chief Financial Officer and one appointed County resident.

## **AWARDS & ACKNOWLEDGEMENTS**

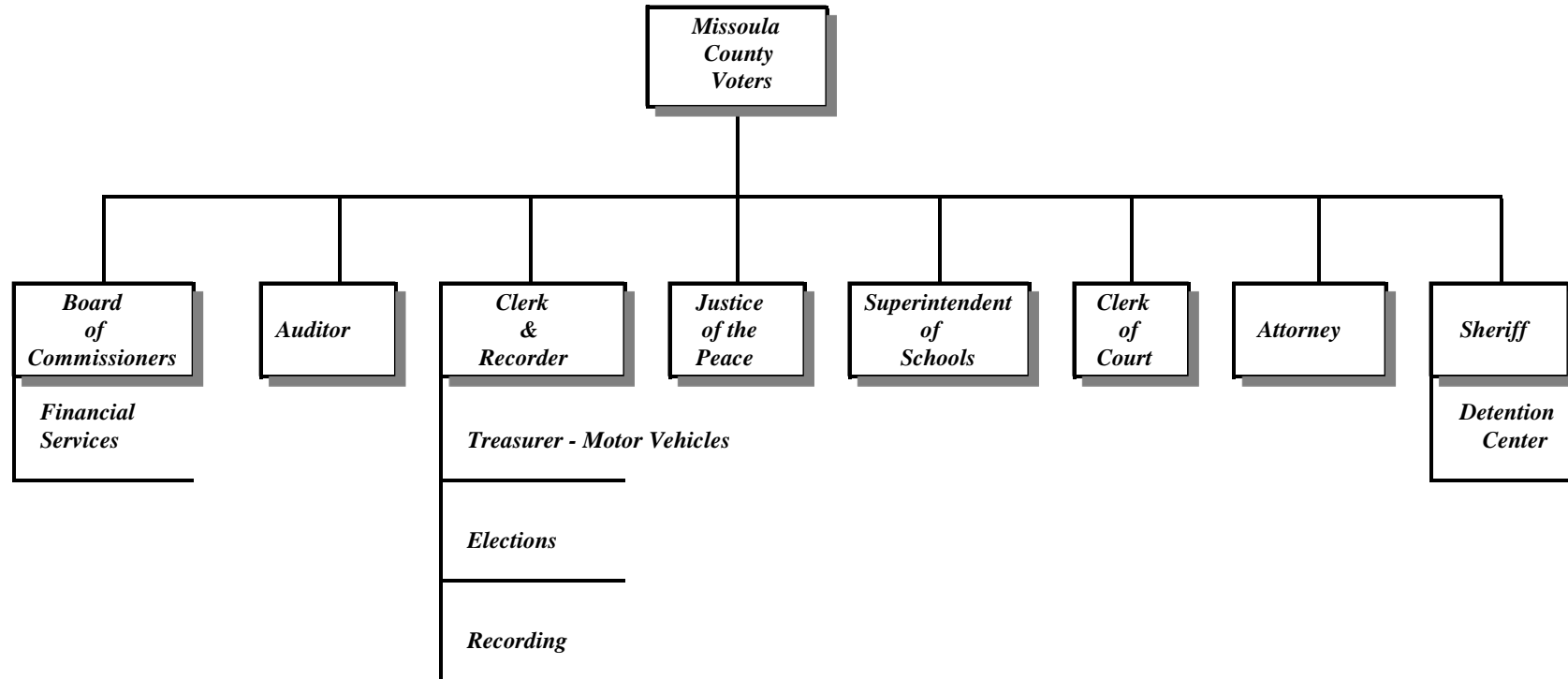
Awards – Missoula County earned its twentieth consecutive GFOA's Certificate of Achievement for Excellence in Financial Reporting for its Fiscal Year 2012 Comprehensive Annual Financial Report. The Fiscal Year 2013 Report will also be submitted for consideration for the Certificate.

Acknowledgements – I would like to thank everyone in the Missoula County Financial Services Office: Sharon Bowman, Teresa Graham, Julie Harris, Jacque Harris, Dawn Overbaugh, Ruthe Sackey, Alane Stickney, and especially Christi Page for all their work and dedication. I would also like to thank Barbara Berens, the Missoula County Auditor for her support. A special thanks goes out to the County Chief Administrative Officer; Dale Bickel for his guidance and leadership. Without the efforts of all these people, this report would not have been possible. Finally, I would like to thank the Board of County Commissioners for their service, understanding of the value of this report, their commitment to the County making difficult decisions in difficult times and their continued support for strong financial accountability.

  
Andrew V. Czorny  
Chief Financial Officer

# MISSOULA COUNTY

## Organizational Chart



# MISSOULA COUNTY, MONTANA

## **Board of County Commissioners**

Michelle Landquist  
William J. Carey  
Jean L. Curtiss

## **Auditor**

Barbara A. Berens

## **Clerk and Recorder - Treasurer**

Vickie M. Zeier

## **Justice of the Peace**

Karen A. Orzech  
John E. Odlin

## **Superintendent of Schools**

Erin Lipkind

## **Clerk of Court**

Shirley E. Faust

## **County Attorney**

Fred Van Valkenberg

## **Sheriff**

Carl Ibsen



Government Finance Officers Association

**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, 2012**

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is written in a cursive, flowing style.

Executive Director/CEO

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# **FINANCIAL SECTION**

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***Nicole M. Noonan, CPA, P.C.***

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**INDEPENDENT AUDITORS' REPORT**

Board of County Commissioners  
Missoula County, Montana

**Report on the Financial Statements**

I 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, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Missoula County, Montana's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

My responsibility is to express opinions on these financial statements based on my audit. I did not audit the financial statements of Missoula Aging Services, which represent 20.4 percent, 25.1 percent, and 20.1 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for Missoula Aging Services, is based solely on the report of the other auditors. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### ***Opinions***

In my opinion, based on my 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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding status for the retiree health insurance benefit plan, and budgetary comparison information on pages 5-20 and 77-89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Missoula County, Montana's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated December 31, 2013, on my consideration of Missoula County, Montana's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Missoula County, Montana's internal control over financial reporting and compliance.

*Nicole M. Noonan, CPA, P.C.*

Nicole M. Noonan, CPA, P.C.  
St. Regis, Montana  
December 31, 2013

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**MISSOULA COUNTY, MONTANA**  
**Management's Discussion and Analysis**  
**June 30, 2013**

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, 2013. 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, 2013, by \$104.9 million (net position) compared with a balance of \$101.2 million at June 30, 2012. Of this amount, \$12.9 million (unrestricted net position) 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 position increased by \$3.6 million, representing a 3.6% increase from 2012. This was primarily due to an increase in capital assets of \$2.9 million netted with a decrease in related debt of \$1.9 million as well as an increase in investments of \$1.2 million and an increase in claims liabilities of \$1.0 million.
- At the end of the current year, the County's Balance Sheet for Governmental Funds reported a combined ending fund balance of \$33.0 million, approximately \$1.1 million less than the prior year. Of this amount, \$14.0 million is unrestricted and immediately available for spending on behalf of its citizens.
- At the end of the current fiscal year, unassigned fund balance for the general fund was -\$1.0 million, or 3.1% of total general fund expenditures and other financing uses.

Missoula County's total debt decreased by \$2,093,932, which contributed to a net 5.0% decrease in Long Term Liabilities, related to primary government activities.

## **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 Position 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 Position 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 Position 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 position and the change in those assets. This change in net position 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 Position 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 are 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, 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 91.

*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, and Information Services Operations, which operates the County network and provides technical services to County departments, are accounted for in internal service funds. The proprietary fund financial statements can be found on pages 26-29.

*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 31-32.

*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 32.

*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 91. Statistical information that shows trends for periods up to ten years is also available beginning on page 157.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. For the year ended June 30, 2013 the County's assets exceeded liabilities by \$104.9 million (\$98.9 million in governmental activities and \$6.0 million in business-type activities). 70.8% of the County's net position reflects 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. Other restrictions total \$17,685,419. Therefore, \$12.9 million in net position (12.3%) 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 position for 2013:

	<b>Net Position</b>					
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Assets</b>						
Current & Other Assets	\$ 72,383,106	\$ 73,334,341	\$ 1,551,174	\$ 1,463,090	\$ 73,934,280	\$ 74,797,431
Capital Assets, Net	93,105,288	90,190,974	4,626,843	4,680,442	97,732,131	94,871,416
Total Assets	<u>165,488,394</u>	<u>163,525,315</u>	<u>6,178,017</u>	<u>6,143,532</u>	<u>171,666,411</u>	<u>169,668,847</u>
<b>Liabilities</b>						
Current & Other Liabilities	26,351,779	25,912,910	210,221	207,312	26,562,000	26,120,222
Current Portion of Long-term Debt	6,167,714	6,440,914	-	-	6,167,714	6,440,914
Long-term Debt, Net of Current Portion	34,077,024	35,897,756	-	-	34,077,024	35,897,756
Total Liabilities	<u>66,596,517</u>	<u>68,251,580</u>	<u>210,221</u>	<u>207,312</u>	<u>66,806,738</u>	<u>68,458,892</u>
<b>Net Position</b>						
Net Investment in Capital Assets	69,649,599	56,576,425	4,626,843	4,680,442	74,276,442	61,256,867
Restricted	17,685,419	35,802,909	-	-	17,685,419	35,802,909
Unrestricted	11,556,859	2,894,401	1,340,953	1,255,778	12,897,812	4,150,179
Total Net Position	<u>\$ 98,891,877</u>	<u>\$ 95,273,735</u>	<u>\$ 5,967,796</u>	<u>\$ 5,936,220</u>	<u>\$ 104,859,673</u>	<u>\$ 101,209,955</u>

The following table provides a summary of the changes in net position for 2013:

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	
Revenues	2013	2012	2013	2012	2013	2012
Program Revenues						
Charges for Services	\$ 16,422,387	\$ 17,708,532	\$ 1,957,620	\$ 1,951,069	\$ 18,380,007	\$ 19,659,601
Operating Grants and Contributions	6,856,910	7,671,180	-	-	6,856,910	7,671,180
Capital Grants and Contributions	2,611,277	1,536,905	-	-	2,611,277	1,536,905
General Revenues						
Property Taxes	39,240,200	37,911,765	-	-	39,240,200	37,911,765
Intergovernmental Revenue	5,782,442	4,609,691	-	-	5,782,442	4,609,691
Investment Earnings	40,151	90,720	3,725	9,094	43,876	99,814
Gain on Sale of Capital Assets	-	(19,016)	-	-	-	(19,016)
Miscellaneous	2,501,499	2,338,266	-	-	2,501,499	2,338,266
Total Revenues	<u>73,454,866</u>	<u>71,848,043</u>	<u>1,961,345</u>	<u>1,960,163</u>	<u>75,416,211</u>	<u>73,808,206</u>
Program Expenses						
General Government	20,445,707	15,325,331	-	-	20,445,707	15,325,331
Criminal Justice	2,979,747	4,276,443	-	-	2,979,747	4,276,443
Public Safety	17,752,142	20,051,543	-	-	17,752,142	20,051,543
Public Works	11,155,178	10,654,220	-	-	11,155,178	10,654,220
Public Health	7,547,594	6,970,001	-	-	7,547,594	6,970,001
Social and Economic Services	2,326,781	2,730,068	-	-	2,326,781	2,730,068
Culture and Recreation	4,845,283	5,266,106	-	-	4,845,283	5,266,106
Housing and Community Develop.	1,782,217	1,829,234	-	-	1,782,217	1,829,234
Interest and Fiscal Charges	1,112,108	1,357,720	-	-	1,112,108	1,357,720
Larchmont Golf Course	-	-	897,720	877,081	897,720	877,081
Rural Special Improvement Districts	-	-	922,016	1,309,864	922,016	1,309,864
Total Expenses	<u>69,946,757</u>	<u>68,460,666</u>	<u>1,819,736</u>	<u>2,186,945</u>	<u>71,766,493</u>	<u>70,647,611</u>
Change in Net Assets before Transfers	3,508,109	3,387,377	141,609	(226,782)	3,649,718	3,160,595
Transfers	110,033	94,975	(110,033)	(94,975)	-	-
Capital Contributions	-	-	-	8,000	-	8,000
Change in Net Assets	3,618,142	3,482,352	31,576	(313,757)	3,649,718	3,168,595
Net Position - Beginning of Year Restated	95,273,735	91,791,383	5,936,220	6,249,977	101,209,955	98,041,360
Net Position - End of Year	<u>\$ 98,891,877</u>	<u>\$ 95,273,735</u>	<u>\$ 5,967,796</u>	<u>\$ 5,936,220</u>	<u>\$ 104,859,673</u>	<u>\$ 101,209,955</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 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; and the Superintendent of Schools who maintains a variety of school related records. Additionally, this function includes the Financial Administration department which contains expenses related to general government and the Board of County Commissioners' agenda. In 2013, general government expenses comprised 29.2% (22.4% in 2012) of governmental activities. Total general government expenses increased by \$5,120,376 (or 33.4%) from the prior year. This increase is primarily due to an increase in internal service fund expenditures allocated to the various activities.

*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, and certain grants related to State District Court. Criminal Justice expenses comprised 4.3% of governmental activities in 2013 (versus 6.2% in 2012). Total expenses decreased \$1,296,696 (or 30.3%) from the prior year. The decrease was primarily due to allocation of construction in process expenditures related to the courthouse renovation for the Justice Courts and County Attorney's spaces.

*Public Safety* – the public safety function is comprised of the Sheriff's Office including the Missoula County Detention Facility, Court Support (bailiffs), and the Department of Emergency Services including the 9-1-1 Emergency Dispatch Center, the Office of Emergency Management, and the Public Safety Building capital projects fund. Public safety expenses comprised 25.4% of governmental activities in 2013 (versus 29.3% in 2012). Public safety expenses decreased \$2,299,400 over 2012, (or 11.5%). The overall change is construction in process related to the courthouse reconstruction.

*Public Works* – public works includes the Road and Bridge funds and the Surveyor/GIS department, the Weed and Extension funds, the Rural Special Assessment Districts program, Seeley Lake Refuse District and the Missoula Development Authority. Public works expenses comprised 15.9% of governmental activities in 2013 and represented a 4.7% increase in expenses over 2012. The increase was primarily due to personnel costs.

*Public Health* – the public health function is comprised of the Health Department, the Water Quality District, the Junk Vehicle Program, and Animal Control. Public health expenses comprised 10.8% of governmental activities in 2013. Total public health expenses increased \$577,594 (or 8.3%) from 2012, primarily due to increased personnel and operating costs.

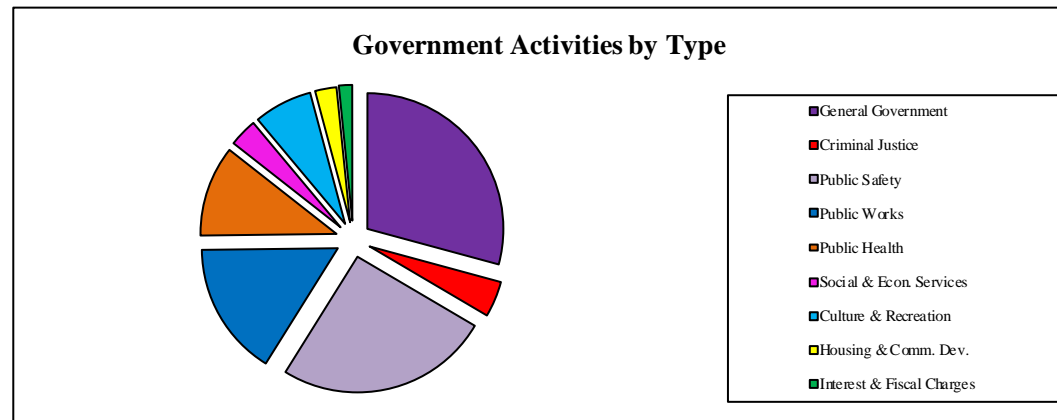
*Social & Economic Services* – the social and economic services function includes those programs that address the social and economic needs of the citizens of Missoula County. It includes Poor, Aging, Child Daycare, and Mental Health. It also includes programs for the assistance of victims of crime, 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 3.3% of governmental activities in 2013, compared to 4.0% in 2012. Social and economic services expenses decreased \$403,287 (or 14.8%) over 2012 largely due to the restructuring of the Planning and Grants departments in 2013.

*Culture & Recreation* – the culture and recreation function includes the Western Montana Fair, the Historical Museum at Fort Missoula, the Library and the Park funds. Culture and recreation expenses comprised 6.9% of governmental activities in 2013, compared to 7.7% in 2012. Culture and recreation expense decreased \$420,823 (or 8.0%) from 2012. This was primarily due to the restructuring of the planning office and how related expenditures were classified.

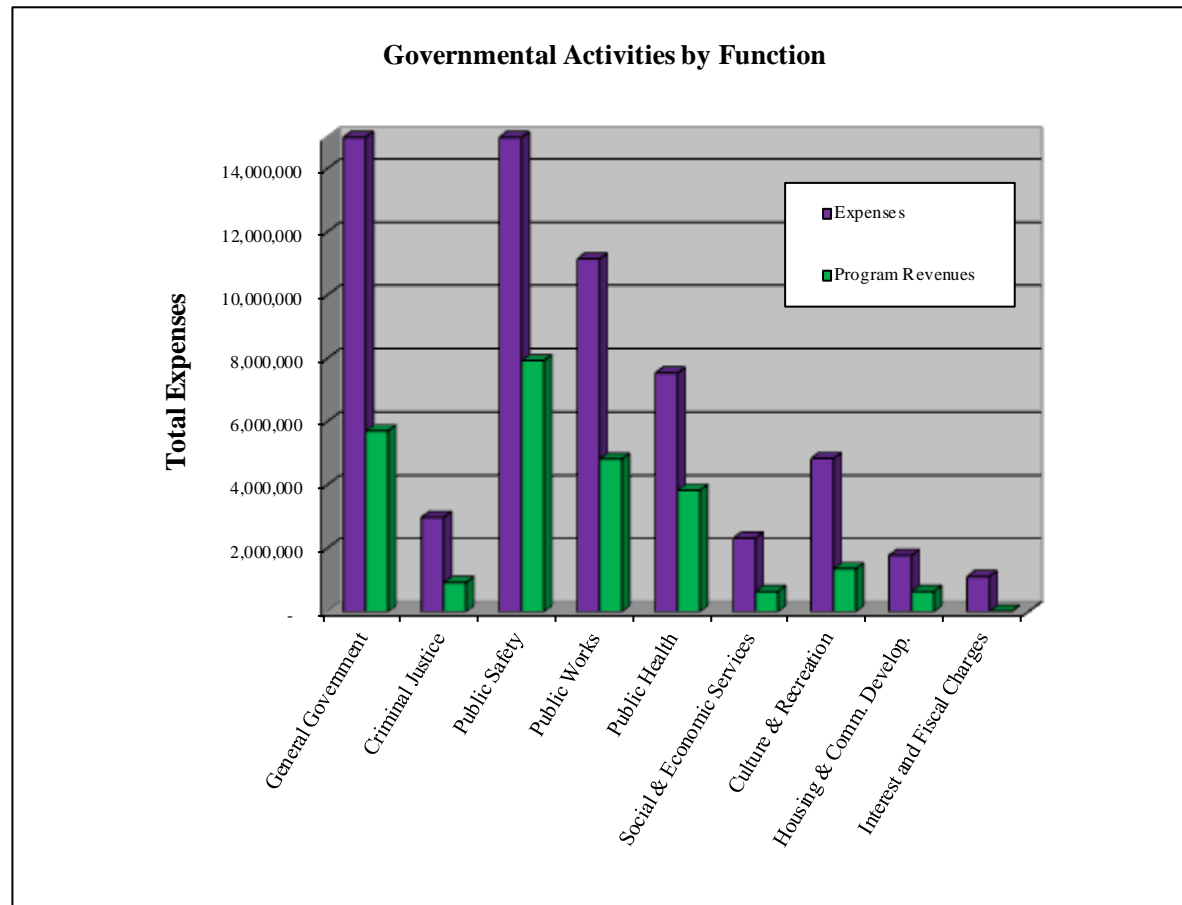
*Housing & Community Development* – this function includes the land use planning aspects of the Office of Planning and Grants, as well as specific grant programs, and the administration of federal and state community development dollars including the Open Space fund. These expenses comprised 2.5% of governmental activities in 2013, compared to 2.7% in 2012. Total expenses decreased \$47,017 (or 2.6%) versus 2012 due to decreased activity in land planning and grant projects in the planning fund.

Total governmental activities resulted in an increase in net position totaling \$3.6 million. This increase over 2012 a \$1.3 million increase in property tax revenue combined with a \$1.9 million decrease in long-term liabilities.

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 position related to business-type activities decreased by \$31,576 compared to a decrease of \$313,757 in 2012. This was primarily due to a \$300,000 maintenance project in one of the Rural Special Improvement Districts in 2012.

## **Fund Level Financial Analysis**

### Governmental Funds

For the fiscal year ended June 30, 2013, the County's governmental funds reported combined fund balance totaling \$32,975,680 compared with \$34,079,198 in 2012. Approximately \$14.0 million of this amount constitutes unrestricted (categorized as committed, assigned and unassigned) fund balance, which is available to spend for current needs. The remaining balance is nonspendable (inventory) or restricted. The governmental funds had a combined decrease in fund balances totaling \$1,103,518 for 2013.

The General fund is the chief operating fund of the County. For fiscal year 2013, total fund balance increased \$558,889 to \$2,937,684, of which \$2,655,191 was unassigned. As a measure of the General fund's total liquidity, it may be useful to compare total unassigned fund balances to total General fund expenditures. Total unassigned General Fund balances represent 18.7% of total expenditures compared to 16.8% in 2012. The 2013 budget was designed to spend down excess cash reserves by approximately \$399,413. Lower than anticipated personnel, operational, and capital outlay costs resulted in the increase in fund balance.

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 \$4,074,084 at June 30, 2013 (\$4,053,301 at June 30, 2012). Fund balance represents 24.8% (26.0% in 2012) of total expenditures. The fund balance increased during the year by \$20,783, although the 2013 budget was designed to decrease the fund balance by \$154,483. Lower than anticipated operational and capital outlay costs resulted in the increase in fund balance.

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 \$2,170,702 at June 30, 2013 (\$1,073,510 at June 30, 2012), all of which is considered restricted for debt service. Fund balance represents 220.0% (105.4% in 2012) of total expenditures. Fund balances increased in this fund primarily due to reclassification of the RSID Capital Projects fund to RSID Debt Service upon completion of the related projects.

### **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 2013, budget amendments resulted in increases in appropriations in the General fund budget by \$965,639. Significant budget variances in the General fund include:

- County Attorney's received \$153,301 more in miscellaneous revenue related to court-mandated restitutions.
- Clerk & Recorder/Treasurer charges for services were \$78,811 more than anticipated due to more document requests, elections, and assignment fees collected.



- Office of Emergency Services intergovernmental revenues were \$887,390 less than anticipated due to grant funding that was carried over to 2012.
- Facilities Management charges for services were \$88,160 more than anticipated due to additional maintenance performed.
- Office of Emergency Services intergovernmental revenues were \$615,366 less than anticipated due to fewer funds from the federal government.
- Non-Departmental General Fund intergovernmental revenues were \$97,461 more than anticipated due to increased payment in lieu of taxes (PILT) and state entitlement.
- Personnel costs were \$219,978 under budget primarily due to reduced staffing in Surveyors.
- Operations costs were \$132,332 under budget due to lower than anticipated printing and contracted service costs in Clerk & Recorder/Treasurer office related to elections and contracted services in 9-1-1 Communications.
- Capital outlay costs were \$600,103 under budget due to lower than anticipated construction costs in Office of Emergency Services.

## **Capital Assets and Debt Administration**

### Capital Assets

Missoula County's capital assets consist of land, buildings and systems, improvements, infrastructure, equipment, and machinery. Infrastructure assets placed in service in 2005 and after are reported in capital assets. Capital assets have been restated to include the retro-active implementation of infrastructure capital assets per GASB No. 34. Missoula County's investment in capital assets (net of accumulated depreciation and outstanding debt) was \$74,276,442 at June 30, 2013 (\$61,256,867 at June 30, 2012). Capital asset activity is presented in Note 4 of the financial statements (page 48) as well as on pages 153-155 of the supplementary information.

Significant activity in capital assets for 2013 includes:

- The completion of the Records Center building for \$957,549.
- The completion of the Miller Peak Tower by the Office of Emergency Services for \$401,582.
- Purchase of new vehicles and equipment for Public Safety totaling \$262,929.
- Purchase of new vehicles and equipment for Public Works totaling \$107,373.
- An increase of \$5,346,414 in Construction in Progress related to the County Courthouse renovations.
- An increase of \$96,205 in Construction in Progress in the Missoula County Development Park.
- An increase of \$400,000 in Construction in Progress in the General Fund 9-1-1 Communications for a new CAD/Records Management Software.
- A variety of road and pathway projects in the amount of \$2,030,184.

### Long-Term Debt

Long-Term Liabilities for Missoula County totaled \$40,244,738 at June 30, 2013 (\$42,338,670 at June 30, 2012). Total debt decreased \$345,778. This decrease was the net result of new debt of \$2,010,000, refunding of debt in which new debt of \$7,400,000 was issued and existing debt of \$7,377,427 was retired, and principal payments on outstanding debt were made in the amount of \$3,967,624. Aggregate debt service savings on the refundings was \$1,248,993. Liability for compensated absences decreased \$345,778 to a total of \$4,153,211. Liability for post-employment benefits increased \$158,432 to a total of \$536,183. Principal payments on outstanding debt were made in the amount of \$3,124,839. Additional information regarding long-term debt can be found in Note 5 to the financial statements.

The following table shows outstanding debt by type:

<b>Total Long-term Debt</b>		
General Obligation Bonds and Loans	\$	12,087,000
Limited Obligation Bonds and Loans		6,265,000
Tax Increment Bonds		3,660,000
Special Assessment Bonds and Loans		12,924,542
Notes and Contracts Payable		618,802
Post Employment Benefits		536,183
Compensated Absence Liability		4,153,211
	\$	<u>40,244,738</u>

## **Economic Factors and the Fiscal Year 2013 and the 2013 Budget**

According to the Bureau of Business and Economic Research of the University of Montana the recession in the Missoula County may have just about run its course. The latest data for non-farm employment show definite growth during 2013, while corresponding figures for inflation-adjusted wages also turned upward. The University of Montana and other State Agencies are now the largest basic industry followed by the Federal Government; those three provide 36% of the basic industries earnings. However the next three; Medical, Trade Center Retail, Service and Transportation provide 37% of total earnings. Medical Services slowdown is over, Professional Services are undergoing a recovery and Transportation is expanding due to energy growth. The US Bureau of Labor and Statistics is now reporting 2012 as the second year of positive growth in Missoula's nonfarm labor earnings (an overall measure of the economy). In the year ending June 30, 2013 actual non-farm earnings increased 2.0% the Bureau of Business and Economic Research headquartered at the University of Montana is projecting an improvement to 2.4% in the years 2014 through 2016.

The Travel and Recreation industry is recovering nicely, out of State visitors to Montana has exceeded 10.8 million visitors in 2012-13. The non-resident travelers in 2012 spent \$3.3 billion dollar of new money in Montana. Visitor spending generated \$305 million in state and local tax revenue. Tourism and recreation supports 42,900 Montana jobs.

The agriculture industry specifically the wheat and cattle industries continue at record paces. Prices for Cattle & Calf are higher than their historical averages due to increased demand and lower herd numbers in States other than Montana. Strong prices are anticipated for Montana cow/calf producers through 2013 and beyond. Montana beef and veal in 2013 will make up in excess of 10% of the US exports. Japan is the largest single buyer at 18% of all exports. The price for Montana Hay has reached a 12 year high at \$160 per ton and the prices get much higher the further away from Montana you get. Montana Wheat prices continue to hold their highs of over \$8 per bushel with Montana providing approximately 152.4 million bushels in 2012 with Montana exports making up 47% of the total United States production.

In fiscal year 2013 the County raised taxes through mill levy increases in support of the continued needs of our Public Safety functions; the Sheriff's Department and the Detention Center. In addition there was a tax increase in support of the multi-year reconstruction and rehabilitation of the County Courthouse and Annex buildings. It was the position of the County Commissioners that the County should make all the budget cuts necessary without sacrificing service prior to passing an additional tax burden onto a community who is just recovering from the effects of the economic downturn.

There was a structural imbalance of \$107,682 in the Public Safety combined budgets; this meant ongoing revenues did not cover ongoing expenses. The Public Safety budgets consist of the Sheriff's Department and the Missoula County Detention Center. After a review of the cuts and revenue projections a decision was made to raise the Public Safety revenues by increasing taxes by 1.00 mills. An additional .26 mills were added to the tax rolls to support debt service on the voter approved Open Space bonds. To save additional costs in 2013 the County refinanced their outstanding Jail Bonds for an approximate \$100,000 savings in each of the

remaining six years. No new positions, spending or programs were allowed unless specifically approved by the County Commissioners in advance.

According to the audited financials the General Fund cash balances were \$2,475,398 June 30, 2012 and increased to \$2,546,454 by the conclusion of the 2013 fiscal year. Despite all the pressures on the budget the General Fund reserve came in well ahead of its minimum reserve requirement of \$2,024,855.

## **2013 BUDGET**

The Board of County Commissioners 2013 budget priorities began with a cautious expectation that we had turned the corner with the downturn in Property Tax revenue. The Commissioners were committed to the continued maintenance of strong cash reserves and the funding of major capital projects, notably the execution of the County's space needs capital improvement program. When the budget process began, staff assumed an increase of 1% in Property Tax revenue. Actual valuations from the State Department of Revenue revealed a 1.01% increase in County-wide property tax revenue. As a result the majority of General Fund Departments were asked to hold the line on their budgeted expenditures however a 2.6% projected General Fund operational increase was approved due to personnel costs, primarily due to increasing insurance benefits.

The County began the re-construction of portions of the Courthouse and Annex buildings in early 2013 that currently house the public safety and criminal justice functions of the County. The expansion was made possible by the County's lease with the option to purchase the former Garlington, Robinson and Lohn Law offices across the street from the County Courthouse in February of 2012. In October of 2012 the administrative functions of the County moved into that building vacating a portion of the Courthouse and much of the Courthouse Annex. This move has given the County the ability to expand and build a new 911 center, a new County Attorney's office, and a new County Clerk and Recorder space all three of which are now completed. The new Sheriff offices, new Courtrooms, and a new Commissioners meeting room (which doubles as a 911 Emergency Command Center in the event of a regional emergency) for Public meetings. This re-construction has also provided the County with the opportunity to update the air handling units, water systems, lighting and windows with higher efficiency replacements saving the County money now and into the future. The County is applying for a LEEDS designations for both buildings.

## **2013 BUDGET PARAMETERS**

Missoula County department heads were given the following parameters in preparing their budget requests:

1. Assume that tax related revenues would grow by 1% in 2013, due to legislative changes the entitlement share the County received began to grow in 2013.
2. A department that receives non-tax revenue must absorb any reduction in that revenue.

3. Salary increases - in an effort to enhance salaries at the lowest levels of the pay scale and still maintain competitive salaries in the marketplace.
  - 2.5% increase in base building pay
4. Operational expenditures were set at the prior year's level. Any increase must come in the form of an enhancement request.
5. All capital requests must come in the form of an enhancement request. Capital requests in excess of \$25,000 are considered for the Capital Improvement Program. Smaller capital requests are included in each department's budget.
6. The County's goal is to maintain a 5% cash reserve in the Special Funds, except Public Safety which is set at 8% and the Community Based Organization funds set at 3%. The General Fund cash reserve has been set at 12%. Funds not meeting these requirements would be required to revise their budgets until the threshold is met.

## **2014 BUDGET PROCESS**

The Fiscal Year 2014 budget process started in April 2013. Departments were asked to submit budgets within the parameters set by the Board of County Commissioners and to submit enhancement requests forms for any increases in the budget beyond the parameters. The Commissioners also established budget priorities in order to rank enhancement requests for approval.

Early in the process, it was determined that there would be some on-going and one-time revenues available to fund enhancement requests. The Commissioners set the priorities as:

1. Maintenance of cash special fund reserve targets, including the general fund reserve requirement of 12% of total revenues.
2. Funding of critical need items including statutorily or contractually required requests and items in the departments' strategic plan.
3. Funding of critical need capital expenditures focusing on life-safety compliance and major repairs.
4. Items that will greatly improve departmental efficiency and long-term cost savings.

The budget process also included a performance indicator initiative in order to identify departmental growth and program results with non-financial indicators. Goal-setting and benchmarking measures will be considered for implementation in future years. This information was used to make more informed decisions during the budget process, especially regarding enhancement requests.

One preliminary hearing was held on July 24, 2013 and the final budget hearing was held on August 28, 2013. The budget was adopted on September 4, 2013 after the Commissioners made final adjustments based on the testimony they received at the hearings.

### **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 Andrew V. Czorny, Chief Financial Officer, Missoula County, 200 W. Broadway, Missoula, Montana 59802; [aczorny@co.missoula.mt.us](mailto:aczorny@co.missoula.mt.us) (406) 721-5700. Additionally, Missoula County's budget reports and CAFRs are available on-line at [www.co.missoula.mt.us](http://www.co.missoula.mt.us).

**MISSOULA COUNTY, MONTANA**

**Statement of Net Position**

**June 30, 2013**

(Page 1 of 2)

	<b>Primary Government</b>			<b>Component Units</b>	
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Missoula Aging Services</b>	<b>Partnership Health Center</b>
<b>Assets</b>					
Cash & Cash Equivalents	\$ 376,459	\$ 19,787	\$ 396,246	\$ 1,061,938	\$ 20,600
Cash with Fiscal Agents	3,017,410	-	3,017,410	-	-
Investments	38,499,397	2,375,216	40,874,613	613,772	2,473,090
Property Taxes Receivable, net	3,726,389	-	3,726,389	-	-
RSID Receivable-Delinquent	169,223	42,001	211,224	-	-
RSID Receivable-Deferred	15,853,153	-	15,853,153	-	-
Accounts Receivable	1,747,170	4,394	1,751,564	506,553	1,205,754
Interest Receivable	27,060	1,474	28,534	-	-
Contributions Receivable	485,512	-	485,512	-	-
Loans & Notes Receivable, net	2,581,503	-	2,581,503	-	-
Due (to) from Other Funds	(55,908)	55,908	-	-	-
Advances to (from) Other Funds	970,000	(970,000)	-	-	-
Advances to Component Units	2,748,578	-	2,748,578	-	-
Prepaid Costs	51,141	-	51,141	335	3,413
Inventory	1,442,975	22,394	1,465,369	-	365,624
Debt Issuance Costs	538,072	-	538,072	-	-
Deferred Charges on Refunding	204,972	-	204,972	-	-
Capital Assets - non-depreciable	19,804,268	1,049,212	20,853,480	132,000	3,749,841
Capital Assets - depreciable, net	73,301,020	3,577,631	76,878,651	1,395,829	6,691,006
 Total Assets	 \$ 165,488,394	 \$ 6,178,017	 \$ 171,666,411	 \$ 3,710,427	 \$ 14,509,328

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Net Position (Continued)**  
**June 30, 2013**  
**(Page 2 of 2)**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Missoula Aging Services	Partnership Health Center
<b>Liabilities</b>					
Accounts & Warrants Payable	\$ 2,633,650	\$ 139,748	\$ 2,773,398	\$ 143,147	\$ 990,594
Accrued Interest Payable	594,946	-	594,946	732	45,947
Accrued Payroll	911,140	70,473	981,613	150,406	125,796
Advance from Primary Governments - Current Portion	-	-	-	-	320,719
Advance from Primary Governments, net of Current Portion			-	-	2,702,859
Unamortized Premiums on Bonds	342,287	-	342,287	-	-
Unearned Revenue	15,856,300	-	15,856,300	11,234	4,020
Funds Held in Trust	37,676	-	37,676	-	-
Liability for Sick & Vacation - Current Portion	3,230,714	-	3,230,714	-	365,416
Liability for Sick & Vacation, net of Current Portion	922,497	-	922,497	-	-
Liability for Claims - Current Portion	2,142,384	-	2,142,384	-	-
Liability for Claims, net of Current Portion	3,833,396	-	3,833,396	-	-
Liability for Post Employment Benefits	536,183	-	536,183	-	71,291
Long-term Liabilities:					
Special Assessment with Government Commitment-					
Due within One Year	818,552	-	818,552	-	-
Due in more than One Year	12,105,990	-	12,105,990	-	-
Other-Due within One Year	2,118,448	-	2,118,448	27,701	-
Other-Due in more than One Year	20,512,354	-	20,512,354	58,344	-
Total Liabilities	<u>66,596,517</u>	<u>210,221</u>	<u>66,806,738</u>	<u>391,564</u>	<u>4,626,642</u>
<b>Net Position</b>					
Net Investment in Capital Assets	69,649,599	4,626,843	74,276,442	1,441,784	7,422,269
Restricted :					
Criminal Justice	348,543	-	348,543	-	-
Public Safety	4,721,967	-	4,721,967	-	-
Public Works	4,997,671	-	4,997,671	-	-
Public Health	2,451,291	-	2,451,291	-	68,949
Social and Economic Services	199,497	-	199,497	-	-
Culture & Recreation	792,688	-	792,688	-	-
Housing & Community Development	1,136,355	-	1,136,355	-	-
Debt Service	1,450,589	-	1,450,589	-	-
Capital Projects	1,360,775	-	1,360,775	-	-
Other Purposes	226,043	-	226,043	-	-
Aging Programs	-	-	-	613,772	-
Unrestricted	<u>11,556,859</u>	<u>1,340,953</u>	<u>12,897,812</u>	<u>1,263,307</u>	<u>2,391,468</u>
Total Net Position	<u>\$ 98,891,877</u>	<u>\$ 5,967,796</u>	<u>\$ 104,859,673</u>	<u>\$ 3,318,863</u>	<u>\$ 9,882,686</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, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position				
		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
<b>Primary Government:</b>									
Governmental Activities:									
General Government	\$ 20,445,707	\$ 5,002,429	\$ 712,319	\$ -	\$ (14,730,959)	\$ -	\$ (14,730,959)	\$ -	\$ -
Criminal Justice	2,979,747	797,539	124,229	-	(2,057,979)	-	(2,057,979)	-	-
Public Safety	17,752,142	5,384,210	1,198,012	1,354,291	(9,815,629)	-	(9,815,629)	-	-
Public Works	11,155,178	2,453,681	1,162,412	1,210,598	(6,328,487)	-	(6,328,487)	-	-
Public Health	7,547,594	1,647,280	2,161,225	30,302	(3,708,787)	-	(3,708,787)	-	-
Social & Economic Services	2,326,781	-	638,345	-	(1,688,436)	-	(1,688,436)	-	-
Culture & Recreation	4,845,283	1,137,248	203,993	16,086	(3,487,956)	-	(3,487,956)	-	-
Housing & Community Development	1,782,217	-	641,023	-	(1,141,194)	-	(1,141,194)	-	-
Interest and Fiscal Charges	1,112,108	-	15,352	-	(1,096,756)	-	(1,096,756)	-	-
Total Governmental Activities	<u>69,946,757</u>	<u>16,422,387</u>	<u>6,856,910</u>	<u>2,611,277</u>	<u>(44,056,183)</u>	<u>-</u>	<u>(44,056,183)</u>	<u>-</u>	<u>-</u>
Business-type Activities:									
Larchmont Golf Course	897,720	959,930	-	-	-	62,210	62,210	-	-
Rural Special Improvement Districts	922,016	997,690	-	-	-	75,674	75,674	-	-
Total Business-type Activities	<u>1,819,736</u>	<u>1,957,620</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,884</u>	<u>137,884</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 71,766,493</u>	<u>\$ 18,380,007</u>	<u>\$ 6,856,910</u>	<u>\$ 2,611,277</u>	<u>(44,056,183)</u>	<u>137,884</u>	<u>(43,918,299)</u>	<u>-</u>	<u>-</u>
<b>Component units:</b>									
Missoula Aging Services	\$ 3,429,940	\$ 330,985	\$ 3,149,317	\$ -				50,362	-
Partnership Health Center	10,667,853	7,160,438	3,406,901	3,558,859				-	3,458,345
Total component units	<u>\$ 14,097,793</u>	<u>\$ 7,491,423</u>	<u>\$ 6,556,218</u>	<u>\$ 3,558,859</u>				<u>50,362</u>	<u>3,458,345</u>
<b>General revenues:</b>									
Property Taxes					39,240,200	-	39,240,200	-	-
Intergovernmental Revenue - Unrestricted					5,782,442	-	5,782,442	-	-
Investment Earnings					40,151	3,725	43,876	66,234	-
Sale of Capital Assets					-	-	-	-	-
Miscellaneous Revenues					2,501,499	-	2,501,499	-	2,074
<b>Transfers</b>					<u>110,033</u>	<u>(110,033)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Revenues & Transfers					<u>47,674,325</u>	<u>(106,308)</u>	<u>47,568,017</u>	<u>66,234</u>	<u>2,074</u>
Change in Net Position					3,618,142	31,576	3,649,718	116,596	3,460,419
Net Position - Beginning of Year					<u>95,273,735</u>	<u>5,936,220</u>	<u>101,209,955</u>	<u>3,202,267</u>	<u>6,422,267</u>
Net Position - End of Year					<u>\$ 98,891,877</u>	<u>\$ 5,967,796</u>	<u>\$ 104,859,673</u>	<u>\$ 3,318,863</u>	<u>\$ 9,882,686</u>

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

**MISSOULA COUNTY, MONTANA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**  
**(Page 1 of 2)**

	<b>General</b>	<b>Public Safety</b>	<b>RSID Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>					
Cash & Cash Equivalents	\$ 21,035	\$ 35,553	\$ 14,426	\$ 152,890	\$ 223,904
Cash with Fiscal Agents	-	-	772,141	2,245,269	3,017,410
Investments	2,525,419	4,268,365	1,732,123	18,355,324	26,881,231
Property Taxes Receivable (net)	857,286	867,750	-	1,941,522	3,666,558
RSID Receivable:					
Delinquent	-	-	169,223	-	169,223
Deferred	-	-	15,853,153	-	15,853,153
Accounts Receivable	107,129	461,287	-	1,168,171	1,736,587
Interest Receivable	8,855	636	-	7,508	16,999
Loans & Notes Receivable	35,196	69,722	-	2,476,585	2,581,503
Due from Other Funds	572,946	139,475	-	3,680,750	4,393,171
Advances to Other Funds	-	-	-	1,062,312	1,062,312
Advances to Component Units	-	-	-	2,748,578	2,748,578
Inventory	56,450	-	-	1,386,525	1,442,975
Total Assets	<u>\$ 4,184,316</u>	<u>\$ 5,842,788</u>	<u>\$ 18,541,066</u>	<u>\$ 35,225,434</u>	<u>\$ 63,793,604</u>
<b>Liabilities</b>					
Accounts & Warrants Payable	\$ 94,906	\$ 548,269	\$ -	\$ 1,959,778	\$ 2,602,953
Accrued Interest Payable	-	-	255,676	339,270	594,946
Accrued Payroll	221,569	282,963	-	345,170	849,702
Due to Other Funds	-	-	-	4,449,079	4,449,079
Advances from Other Funds	-	-	92,312	-	92,312
Funds Held in Trust	37,676	-	-	-	37,676
Deferred Tax Revenue	857,286	867,750	16,022,376	1,941,522	19,688,934
Unearned Revenue	35,196	69,722	-	2,397,405	2,502,323
Total Liabilities	<u>1,246,633</u>	<u>1,768,704</u>	<u>16,370,364</u>	<u>11,432,224</u>	<u>30,817,925</u>

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

**MISSOULA COUNTY, MONTANA**  
**Balance Sheet (Continued)**  
**Governmental Funds**  
**June 30, 2013**  
**(Page 2 of 2)**

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Fund Balance</b>					
Nonspendable	56,450	-	-	1,386,525	1,442,975
Restricted	226,043	2,796,254	2,170,702	12,362,416	17,555,415
Committed	-	1,277,830	-	6,609,492	7,887,322
Assigned	-	-	-	7,116,220	7,116,220
Unassigned	2,655,190	-	-	(3,681,443)	(1,026,253)
Total Fund Balance	<u>2,937,683</u>	<u>4,074,084</u>	<u>2,170,702</u>	<u>23,793,210</u>	<u>32,975,679</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 4,184,316</u>	<u>\$ 5,842,788</u>	<u>\$ 18,541,066</u>	<u>\$ 35,225,434</u>	

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

Capital assets used in governmental activities except for internal service assets are not financial resources and, therefore, are not reported in the funds.	92,598,020
Debt issuance costs used in governmental activities are not financial resources and, therefore, are not reported in the funds.	538,072
Deferred charges on debt refunding used in governmental activities are not financial resources and, therefore, are not reported in the funds.	204,972
Notes receivable are not available to pay for current-period expenditures and, therefore, are, deferred in the funds.	2,502,323
Taxes receivable are not recorded as revenue until they are received and, therefore, are, deferred in the funds.	3,666,558
Delinquent RSID receivable are not recorded as revenue until they are received and, therefore, are, deferred in the funds.	169,223
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 position.	6,824,055
The liability for compensated absences is not due and payable in the current period and, therefore, is not reported in the funds.	(4,153,211)
The liability for post employment benefits is not due and payable in the current period and, therefore, is not reported in the funds.	(536,183)
The liability for unamortized bond premiums is not due and payable in the current period and, therefore, is not reported in the funds.	(342,287)
Long-term liabilities, including bonds payable, is not due and payable in the current period and, therefore, is not reported in the funds.	(35,555,344)
Net Position of governmental activities	<u>\$ 98,891,877</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, 2013**

	<b>General</b>	<b>Public Safety</b>	<b>RSID Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>					
Property Taxes	\$ 10,032,778	\$ 10,041,594	\$ 778,563	\$ 19,445,188	\$ 40,298,123
Licenses & Permits	79,124	31,741	-	726,731	837,596
Intergovernmental Revenue	3,457,441	534,141	-	10,839,134	14,830,716
Charges for Services	2,317,824	5,125,827	-	2,978,518	10,422,169
Fines & Forfeitures	591,578	49,067	-	248,822	889,467
Investment Earnings	5,307	1,044	-	17,826	24,177
Private & Local Grants	-	-	-	356,279	356,279
Miscellaneous Revenue	207,118	537,519	-	2,043,530	2,788,167
Total Revenues	<u>16,691,170</u>	<u>16,320,933</u>	<u>778,563</u>	<u>36,656,028</u>	<u>70,446,694</u>
<b>Expenditures:</b>					
Current Operations:					
General Government	7,468,329	-	-	2,605,319	10,073,648
Criminal Justice	3,140,713	-	-	1,009,732	4,150,445
Public Safety	2,377,254	16,176,321	-	519,293	19,072,868
Public Works	505,997	-	-	7,625,003	8,131,000
Public Health	-	-	-	7,342,714	7,342,714
Social & Economic Services	-	-	-	2,239,227	2,239,227
Culture & Recreation	-	-	-	4,159,797	4,159,797
Housing & Community Development	-	-	-	1,740,447	1,740,447
Capital Outlay	656,153	254,224	-	10,492,928	11,403,305
Debt Service:					
Principal	41,246	-	619,860	2,769,057	3,430,163
Interest and Fiscal Charges	529	-	366,651	854,839	1,222,019
Total Expenditures	<u>14,190,221</u>	<u>16,430,545</u>	<u>986,511</u>	<u>41,358,356</u>	<u>72,965,633</u>
Excess (deficiency) of Revenue over (under) Expenditures	<u>2,500,949</u>	<u>(109,612)</u>	<u>(207,948)</u>	<u>(4,702,328)</u>	<u>(2,518,939)</u>
<b>Other Financing Sources (uses):</b>					
Transfer In	1,331,638	801,819	25,349	7,176,562	9,335,368
Transfer Out	(3,284,291)	(672,665)	-	(6,286,508)	(10,243,464)
Issuance of Debt	-	-	-	2,038,464	2,038,464
Refunding Bonds	-	-	-	7,370,200	7,370,200
Premium on Issuance of Debt	-	-	-	368,106	368,106
Payment to Refunded Bond Escrow Agent	-	-	-	(8,136,047)	(8,136,047)
Sale of Capital Assets	15,713	-	-	315,732	331,445
Total other financing sources and uses	<u>(1,936,940)</u>	<u>129,154</u>	<u>25,349</u>	<u>2,846,509</u>	<u>1,064,072</u>
Net Change in Fund Balances	<u>564,009</u>	<u>19,542</u>	<u>(182,599)</u>	<u>(1,855,819)</u>	<u>(1,454,867)</u>
Fund Balances - Beginning of Year	<u>2,378,795</u>	<u>4,053,301</u>	<u>914,674</u>	<u>26,732,428</u>	<u>34,079,198</u>
Change in Inventory Reserves	(5,121)	-	-	356,469	351,348
Fund Reclassifications	-	1,241	1,438,627	(1,439,868)	-
Fund Balances - End of Year	<u>\$ 2,937,683</u>	<u>\$ 4,074,084</u>	<u>\$ 2,170,702</u>	<u>\$ 23,793,210</u>	<u>\$ 32,975,679</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, 2013**

Amounts reported for governmental activities in the statement of activities (page 23) are different because:

Net change in fund balances - total governmental funds (page 26)	\$ (1,454,867)
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	9,183,705
Current year depreciation	(4,173,591)
Gain or loss on disposal of capital assets	(2,095,800)
	<u>2,914,314</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.	(67,327)
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 position.	(331,040)
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 position.	
Issuance of debt	(2,038,464)
Defeasance of debt	514,887
Principal payments on long-term debt	3,430,163
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.	(190,978)
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.	345,778
The decrease in expenses due to the decrease in the liability for post employment benefits reported in the statement of activities do not provide current financial resources and, therefore are not reported in the governmental funds.	(158,432)
The decrease in expenses due to the change in inventory reported in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.	351,348
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>302,760</u>
Change in net position of governmental activities (page 23)	<u><u>\$ 3,618,142</u></u>

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

**MISSOULA COUNTY, MONTANA**

**Balance Sheet**

**Proprietary Funds**

**June 30, 2013**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		<b>Activities- Internal Service Funds</b>
	Larchmont Golf Course	RSID Funds	<b>Total</b>	
<b>Assets</b>				
<i><b>Current Assets:</b></i>				
Cash & Cash Equivalents	\$ 8,464	\$ 11,323	\$ 19,787	\$ 152,555
Investments	1,016,167	1,359,049	2,375,216	11,618,166
Taxes Receivable, net	-	42,001	42,001	59,831
Accounts Receivable (net)	4,394	-	4,394	3,378
Interest Receivable	829	645	1,474	10,061
Prescription Rebate Receivable	-	-	-	7,205
Contributions Receivable	-	-	-	485,512
Due from Other Funds	55,908	-	55,908	-
Prepaid Costs	-	-	-	51,141
Inventory	22,394	-	22,394	-
Total Current Assets	<u>1,108,156</u>	<u>1,413,018</u>	<u>2,521,174</u>	<u>12,387,849</u>
<i><b>Noncurrent Assets:</b></i>				
Capital Assets - non-depreciable	1,049,212	-	1,049,212	-
Capital Assets - depreciable, net	<u>2,136,912</u>	<u>1,440,719</u>	<u>3,577,631</u>	<u>507,268</u>
Total Noncurrent Assets	<u>3,186,124</u>	<u>1,440,719</u>	<u>4,626,843</u>	<u>507,268</u>
Total Assets	<u><u>\$ 4,294,280</u></u>	<u><u>\$ 2,853,737</u></u>	<u><u>\$ 7,148,017</u></u>	<u><u>\$ 12,895,117</u></u>
<b>Liabilities</b>				
<i><b>Current Liabilities:</b></i>				
Accounts & Warrants Payable	\$ 18,809	\$ 120,939	\$ 139,748	\$ 30,697
Accrued Payroll	64,573	5,900	70,473	61,438
Contributions Paid in Advance	-	-	-	3,147
Advances Payable, Current Portion	40,000	-	40,000	-
Liability for Claims, Current Portion	-	-	-	2,142,384
Total Current Liabilities	<u>123,382</u>	<u>126,839</u>	<u>250,221</u>	<u>2,237,666</u>
<i><b>Noncurrent Liabilities:</b></i>				
Advances Payable, net of Current Portion	930,000	-	930,000	-
Liability for Claims, net of Current Portion	-	-	-	3,833,396
Total Noncurrent Liabilities	<u>930,000</u>	<u>-</u>	<u>930,000</u>	<u>3,833,396</u>
Total Liabilities	<u>1,053,382</u>	<u>126,839</u>	<u>1,180,221</u>	<u>6,071,062</u>
<b>Net Position</b>				
Net Investment in Capital Assets	3,186,124	1,440,719	4,626,843	507,268
Unrestricted	<u>54,774</u>	<u>1,286,179</u>	<u>1,340,953</u>	<u>6,316,787</u>
Total Net Position	<u>3,240,898</u>	<u>2,726,898</u>	<u>5,967,796</u>	<u>6,824,055</u>
Total Liabilities and Net Position	<u><u>\$ 4,294,280</u></u>	<u><u>\$ 2,853,737</u></u>	<u><u>\$ 7,148,017</u></u>	<u><u>\$ 12,895,117</u></u>

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 Position**  
**Proprietary Funds**  
**For Fiscal Year Ended June 30, 2013**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		<b>Activities-Internal Service Funds</b>
	Larchmont Golf Course	RSID Funds	<b>Total</b>	
Operating Revenues:				
Special Assessments	\$ -	\$ 997,690	\$ 997,690	\$ -
Charges for Services	959,930	-	959,930	11,303,839
Rental Income	-	-	-	34,089
Rebates	-	-	-	44,372
Total Operating Revenues	<u>959,930</u>	<u>997,690</u>	<u>1,957,620</u>	<u>11,382,300</u>
Operating Expenses:				
Personnel	381,075	248,267	629,342	1,553,071
Operations	385,278	565,104	950,382	945,049
Claims	-	-	-	9,186,366
Reinsurance Premiums	-	-	-	713,615
Administrative	-	-	-	371,608
Depreciation and Amortization	98,905	108,645	207,550	47,682
Total Operating Expenses	<u>865,258</u>	<u>922,016</u>	<u>1,787,274</u>	<u>12,817,391</u>
Operating Income (Loss)	<u>94,672</u>	<u>75,674</u>	<u>170,346</u>	<u>(1,435,091)</u>
Non-operating Revenues (Expenses):				
Property Taxes	-	-	-	592,432
Investment Earnings	2,347	1,378	3,725	15,974
Interest Expense	(32,462)	-	(32,462)	-
Intergovernmental Revenues	-	-	-	63,634
Gain (Loss) on Sale of Assets	-	-	-	-
Total Non-operating Revenues (Expenses)	<u>(30,115)</u>	<u>1,378</u>	<u>(28,737)</u>	<u>672,040</u>
Net Income (Loss) before Transfers	<u>64,557</u>	<u>77,052</u>	<u>141,609</u>	<u>(763,051)</u>
Transfers In	-	-	-	1,364,019
Transfers Out	(91,970)	(18,063)	(110,033)	(345,890)
Change in Net Position	<u>(27,413)</u>	<u>58,989</u>	<u>31,576</u>	<u>255,078</u>
Total Net Position - Beginning of Year	<u>3,268,311</u>	<u>2,667,909</u>	<u>5,936,220</u>	<u>6,568,977</u>
Total Net Position - End of Year	<u>\$ 3,240,898</u>	<u>\$ 2,726,898</u>	<u>\$ 5,967,796</u>	<u>\$ 6,824,055</u>

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, 2013**  
**(Page 1 of 2)**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		<b>Activities-</b>
	Larchmont Golf Course	RSID Funds	<b>Total</b>	<b>Internal Service Funds</b>
<b>Cash flows from operating activities:</b>				
Cash receipts for charges for services	\$ 968,976	\$ 1,014,310	\$ 1,983,286	\$ 11,203,544
Cash receipts for rebates	-	(247,331)	(247,331)	45,877
Cash receipts for rent charged	-	-	-	34,089
Cash payments to employees for services	(379,864)	-	(379,864)	(1,548,208)
Cash payments for reinsurance premiums	-	-	-	(664,565)
Cash payments for administrative expenses	-	(554,472)	(554,472)	(365,296)
Cash payments for claims expenses	-	-	-	(8,651,536)
Cash payments to other suppliers for goods and services	(396,915)	-	(396,915)	(435,630)
Net cash provided by (used in) operating activities	<u>192,197</u>	<u>212,507</u>	<u>404,704</u>	<u>(381,725)</u>
<b>Cash flows from non-capital financing activities:</b>				
Property taxes collected	-	-	-	599,633
Cash advances to other funds	-	-	-	-
Transfers in from primary government	398	-	398	1,364,019
Transfers in from agency fund	-	-	-	-
Transfers out to other funds	(91,970)	(18,063)	(110,033)	(345,890)
Intergovernmental Sources	-	-	-	63,634
Net cash provided (used) by non-capital financing activities	<u>(91,572)</u>	<u>(18,063)</u>	<u>(109,635)</u>	<u>1,681,396</u>
<b>Cash flows from capital and related financing activities:</b>				
Proceeds from (payments on) advances	(40,000)	-	(40,000)	-
Interest paid on advances from other funds	(32,462)	-	(32,462)	-
Acquisition of Capital Assets and construction in progress	(65,024)	(88,927)	(153,951)	-
Net cash used for capital and related financing activities	<u>(137,486)</u>	<u>(88,927)</u>	<u>(226,413)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Purchases of investment securities	(996,880)	(1,485,334)	(2,482,214)	(6,166,437)
Proceeds from sale of investment securities	1,033,046	1,381,624	2,414,670	4,868,641
Interest on investments	2,472	1,538	4,010	57,577
Net cash provided (used) by investing activities	<u>38,638</u>	<u>(102,172)</u>	<u>(63,534)</u>	<u>(1,240,219)</u>
Net increase (decrease) in cash and cash equivalents	1,777	3,345	5,122	59,452
Cash and cash equivalents at beginning of year	6,687	7,978	14,665	93,103
Cash and cash equivalents at end of year	<u>\$ 8,464</u>	<u>\$ 11,323</u>	<u>\$ 19,787</u>	<u>\$ 152,555</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, 2013**  
(Page 2 of 2)

**Reconciliation of Income from Operations to Cash Provided by Operations**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental Activities- Internal Service Funds</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		
	Larchmont Golf Course	RSID Funds	<b>Total</b>	
Income (loss) from operations	\$ 94,672	\$ 75,674	\$ 170,346	\$ (1,435,091)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	98,905	108,645	207,550	47,682
Change in assets and liabilities:				
(Increase) decrease in contributions receivable	9,046	16,620	25,666	(70,885)
(Increase) decrease in rebates receivable	-	-	-	1,505
(Increase) decrease in prepaid costs	-	-	-	49,050
(Increase) decrease in inventory	(1,767)	-	(1,767)	-
(Decrease) increase in payables	(9,870)	10,632	762	11,412
(Decrease) increase in accrued liabilities	1,211	936	2,147	1,014,602
Net cash provided by (used in) operating activities	<u>\$ 192,197</u>	<u>\$ 212,507</u>	<u>\$ 404,704</u>	<u>\$ (381,725)</u>

**Supplemental Disclosure of Cash Flow Information**

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

Internal service funds had \$37,483 of net investment loss that was absorbed by the 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 Position**  
**June 30, 2013**

	<b>Agency Funds</b>	<b>Investment Trusts</b>
<b>Assets</b>		
Cash & Cash Equivalents	\$ 281,575	\$ 407,385
Cash with Fiscal Agents	2,298,927	-
Property Taxes Receivable, net	11,002,110	-
Due from Other Agencies	410,976	-
Other Assets	2,085	-
Investments, at Fair Value:		
Securities	385,750	12,777,016
Money Markets	41,783	1,383,964
Repurchase Agreements	120,473	3,990,376
STIP	928,595	30,757,397
Total Investments	<u>1,476,601</u>	<u>48,908,753</u>
Total Assets	<u>15,472,274</u>	<u>49,316,138</u>
<b>Liabilities</b>		
Accounts Payable	1,490,074	-
Other Liabilities	270,187	-
Due to Other Agencies	13,712,013	-
Total Liabilities	<u>15,472,274</u>	<u>-</u>
<b>Net Position</b>		
Funds Held in Trust for:		
Pool Participants	<u>-</u>	<u>49,316,138</u>
Total Net Position	<u><u>\$ -</u></u>	<u><u>\$ 49,316,138</u></u>

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Changes in Fiduciary Net Position**  
**For Fiscal Year Ended June 30, 2013**

	<u>Investment Trusts</u>
<b>Additions</b>	
Interest Income	\$ 105,982
Net Investment Income	<u>105,982</u>
 Participant Investments in Pool	 394,901,316
Total Additions	<u>395,007,298</u>
 <b>Deductions</b>	
Distribution to Participants	<u>(393,344,910)</u>
Total Deductions	(393,344,910)
 Change in Net Position	 1,662,388
 <b>Net Position Held in Trust for Pool Participants</b>	
Net Position - Beginning of Year	<u>47,653,750</u>
Net Position - End of Year	<u><u>\$ 49,316,138</u></u>

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

# MISSOULA COUNTY, MONTANA

## Notes to Financial Statements

June 30, 2013

### **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.

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.

##### Seeley Lake Refuse District

The Board of County Commissioners serves as the governing board for the Seeley Lake Refuse District. The district is managed by the County's Public Works Department.

##### 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 Development Authority

The Missoula Development Authority is governed by the Board of County Commissioners of Missoula County and was created to develop a business park. The Authority, which was formed in 1992, is financed by tax increment in two districts: The Missoula Airport Industrial District and the Missoula County Technology District, whereby property taxes attributable to increases in taxable valuation of the properties within the district are utilized for debt service and operations. The Authority is accounted for as a Special Revenue Fund.

Discretely-Presented Component Units - The component unit columns in the government-wide financial statements include the financial data of the County's discretely-presented component units. These are reported in separate columns 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.

Partnership Health Center - The Partnership Health Center, Inc. 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

Two organizations fall into the category of "related organizations" as defined by the Governmental Accounting Standards Board criteria. These are the Missoula County Airport Authority and Lolo Mosquito 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 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.

## **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 Position 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 Position and the statement of activities report information about the County as a whole. These statements include the financial activities of the primary government and the discretely presented component units but excludes the fiduciary funds. Certain interfund transactions (primarily transfers) are eliminated to avoid overstating revenues and expenses. The activities of internal service funds are reflected in governmental activities in the government-wide financial statements. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The statement of Net Position 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 a 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 in 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, uses, 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. The primary source of revenue for this fund are special assessments.

### Proprietary Funds

Proprietary funds are used to account for the County's organizations and ongoing 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, Excess Loss, and Information Services Operations funds. Risk Management is financed principally through property taxes, while Health Insurance, Workers' Compensation, Telephone Services, Excess Loss, and Information Services Operations 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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County uses agency funds to account for assets held for other agencies including the State of Montana, City of Missoula, local school districts, post-employment benefits, and other local agencies.

### 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 Position. 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 susceptible to accrual (i.e., 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, Information Services Operations, 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 and expenses 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.



## **Note 1 - Summary of Significant Accounting Policies (Continued)**

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) Within 45 calendar days of receipt of certified taxable values from the Montana Department of Revenue, the budget is legally enacted through an official resolution of adoption.

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. All appropriations lapse at the end of a fiscal year. 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) for federal, state, local, or private grants and shared revenue accepted and approved by the governing body;
- (e) for special assessments approved by the governing body;
- (f) the proceeds from the sale of land;
- (g) for gifts or donations; or
- (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 within an individual fund and each department of the general fund by the three categories referenced above.

Annual appropriated budgets are adopted for all funds with anticipated expenditures.

Individual fund budgetary amounts equal appropriation amounts. All annual 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 no later than November 30.

An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The estimated uncollectible amount at June 30, 2013 is \$53,197.

Taxable valuations, mill values and mill levies for November 2012 and May 2013 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	\$ 196,534,275	\$ 7,032,309	\$ 192,432	148.34 mills
Unincorporated levies	\$ 88,367,256	\$ 2,501,373	\$ 88,367	36.38 mills

The county-wide value includes \$4,530,936 which is the incremental value of property within the City of Missoula tax increment districts. Both the county-wide and unincorporated values include \$2,183,813, the incremental value of property in the Airport Industrial Tax Increment District, and \$318,055, the incremental value of property in the Technology District. 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 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 Chief Financial 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).

## Note 1 - Summary of Significant Accounting Policies (Continued)

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)

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 funds and participating external entities on the basis of beginning of month balances.

For purposes of the statements of cash flows, the Enterprise and Internal Service funds consider only cash 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 General and 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 nonspendable fund balance in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of 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 nonspendable fund balance to indicate that they do not constitute "available spendable resources" even though they are a component of current assets.

Advances to/from Other Funds - Advances to/from other funds record long-term debt owed by one fund to another. Advances to/from other funds are eliminated in the government-wide financial statements except for those transactions between governmental activities and business-type activities.

## Note 1 - Summary of Significant Accounting Policies (Continued)

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. In addition, interfund cash flow loans are reported as due to/from other funds.

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.

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 and for 25 percent of accumulated sick leave. In the governmental funds, compensated absences are reported when paid or matured (i.e. unused reimbursable leave outstanding after employee separation from service).

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 - The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which was effective for the County beginning in 2011. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

GASB Statement No. 54 requires, among other things, that all state and local governmental entities adopt a policy regarding spending priorities of fund balance in governmental funds. The fund balance resources of the County's governmental funds have been categorized as follows:

### **Resource Categories:**

Nonspendable - resources not in spendable form, such as inventory, or those legally required to be maintained intact, such as the principal portion of permanent trust funds.

Restricted - constraint is externally imposed by a third party (grantor, contributor, etc.), State Constitution or enabling legislation by the State Legislature.

Committed - constraint is internally imposed by the County Commissioners by resolution.

Assigned - constraint is internally expressed intent by County Administration or County Commissioners through budget approval process or express assignment.

Unassigned - no constraints and negative fund balance in all governmental funds except the General Fund.

When both restricted and unrestricted resources are to be used for the same purpose, the County adopted a spending policy for expenditure order for resource categories (unless the County has provided otherwise in its commitment or assignment actions):

### **General Fund and Special Revenue Funds:**

First: Restricted

Second: Committed

Third: Assigned

Fourth: Unassigned

### **Debt Service and Capital Projects Funds:**

First: Assigned

Second: Committed

Third: Restricted

Fourth: Unassigned

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

Net Position - Net Position represent the difference between assets and liabilities. Net Position 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 Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, 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 Position are available.

## Note 2 - Cash and Cash Equivalents and Investments

The total cash and cash equivalents, cash with fiscal agents, restricted cash and investments at June 30, 2013, are detailed as follows:

	Primary Government	Component Units	Total
Cash on hand	\$ 8,998	\$ -	\$ 8,998
Cash in pooled bank deposits	683,722	20,600	704,322
Cash in non-pooled bank deposits	392,486	1,061,938	1,454,424
Cash with fiscal agents	5,316,337	-	5,316,337
Pooled investments	83,164,754	2,473,090	85,637,844
Non-pooled investments	<u>8,095,213</u>	<u>613,772</u>	<u>8,708,985</u>
Total	<u>\$ 97,661,510</u>	<u>\$ 4,169,400</u>	<u>\$ 101,830,910</u>

Cash on hand - Represents petty cash and change maintained by various departments.

Cash in bank deposits - Cash in bank balances includes deposit items such as daily demand/time deposits, Treasury Money Market 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, 2013, the County's carrying amount of demand deposits was \$816,654 and the bank balance was \$393,303. Of the demand deposit bank balance, \$361,813 was covered by federal depository insurance and \$31,490 was covered by securities held by the pledging financial institution's trust department or agent in the County's name. The County has repurchase agreements totaling \$702,114 that are collateralized by securities held by the pledging financial institutions' trust department or agent.

Fiscal agent deposits of \$5,316,337 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, 2013, 100% of the County's deposits were insured.

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

Pooled and non-pooled investments - At June 30, 2013, the County's pooled and non-pooled investment balances were as follows:

	Maturity in Years					Fair Value	Rating
	Less than 1	1-2	2-3	3-4	4-5		
Primary Government Investments:							
Northern Institutional Govt Money Market (Rated)	\$ 3,189,178	\$ -	\$ -	\$ -	\$ -	\$ 3,189,178	AA+
Certificates of Deposit	500,000	474,446	236,185	476,999	235,788	1,923,418	AA+
Federal Farm Credit Bank Notes-CMO	378,895	2,931,759	3,370,508	-	242,732	6,923,894	AA+
Federal Home Loan Bank Notes-CMO	3,554,767	342,981	786,022	487,183	477,418	5,648,371	AA+
Federal Home Loan Mortgage Corp-CMO	850,853	-	3,732,422	481,030	2,869,839	7,934,144	AA+
Federal National Mortgage Assoc-CMO	752,690	994,552	298,605	1,640,476	2,869,305	6,555,628	AA+
Short Term Investment Pool (STIP)							
Commercial Paper	20,923,129	-	-	-	-	20,923,129	A1
Corporate Notes	13,106,209	-	-	-	-	13,106,209	B
Certificates of Deposit	9,604,680	-	-	-	-	9,604,680	A3
U.S. Government Agency	4,104,941	-	-	-	-	4,104,941	A1
Other Asset Backed Investments	355,497	-	-	-	-	355,497	BBB-
Money Market Accounts (Unrated)	3,324,916	-	-	-	-	3,324,916	NR
Money Market Accounts (Rated)	296,456	-	-	-	-	296,456	A1
Structured Investment Vehicles (SIV)	584,246	-	-	-	-	584,246	NR
	52,300,074	-	-	-	-	52,300,074	
Repurchase Agreements	6,785,260	-	-	-	-	6,785,260	A3
Total Primary Government	68,311,717	4,743,738	8,423,742	3,085,688	6,695,082	91,259,967	

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

Component Unit Investments:	Maturity in Years					Fair Value	Rating
	Less than 1	1-2	2-3	3-4	4-5		
Northern Institutional Govt Money Market (Rated)	64,167	-	-	-	-	64,167	AA+
Certificates of Deposit	-	14,109	7,023	14,185	7,012	42,329	AA+
Federal Farm Credit Bank Notes-CMO	-	73,829	85,456	-	7,218	166,503	AA+
Federal Home Loan Bank Notes-CMO	52,429	7,234	14,411	14,488	14,197	102,759	AA+
Federal Home Loan Mortgage Corporation-CMO	-	-	106,543	14,305	85,341	206,189	AA+
Federal National Mortgage Association Notes	-	-	-	48,783	85,324	134,107	AA+
Short Term Investment Pool (STIP)							
Commercial Paper	622,196	-	-	-	-	622,196	A1
Corporate Notes	389,742	-	-	-	-	389,742	B
Certificates of Deposit	285,617	-	-	-	-	285,617	A3
U.S. Government Agency	122,070	-	-	-	-	122,070	A1
Other Asset Backed Investments	10,572	-	-	-	-	10,572	BBB-
Money Market Accounts (Unrated)	98,874	-	-	-	-	98,874	NR
Money Market Accounts (Rated)	8,816	-	-	-	-	8,816	A1
Structured Investment Vehicles (SIV)	17,374	-	-	-	-	17,374	NR
	1,555,261	-	-	-	-	1,555,261	
Equity Mutual Funds	613,772	-	-	-	-	613,772	NR
Repurchase Agreements	201,775	-	-	-	-	201,775	A3
Total Component Unit	4,042,665	95,172	213,433	91,761	199,092	3,086,862	
Total	\$ 72,354,382	\$ 4,838,910	\$ 8,637,175	\$ 3,177,449	\$ 6,894,174	\$ 94,346,829	



## **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. Although STIP has not been rated, its investment portfolio has been rated as noted in the schedule of pooled and non-pooled investments. 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), County policy requires maintenance of a list of authorized institutions. These institutions have been 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. Additional information regarding STIP investments and related disclosures of credit, market and legal risks is available in STIP's June 30, 2013 financial statements at [www.investmentmt.com](http://www.investmentmt.com). The County's investment in STIP amounts to 2.04% of total STIP assets.

The external investment pool managed by the County is 62.37% invested in STIP, with 30,757,104 shares whose value of \$1 is equal to the fair value of the underlying investments. For the year ended June 30, 2013, STIP's average investment return was 0.25%.

## 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	\$ 8,998
Cash in pooled bank deposits	704,322
Investments	
Repurchase agreements	6,987,035
Government securities	22,372,194
Money markets	2,423,282
STIP	53,855,333
Total assets	<u>86,351,164</u>
Net Position:	
County funds	37,035,026
External participants	49,316,138
Total Net Position	<u>\$ 86,351,164</u>

### Statement of Changes in Net Assets

Additions:	
Interest Income	\$ 204,948
Participant Investments in Pool	490,239,103
Total Additions	<u>490,444,051</u>
Deductions:	
Distribution to Participants	<u>(488,642,612)</u>
Change in Net Position	1,801,439
Net Position	
Beginning of year	<u>84,550,548</u>
End of year	<u>\$ 86,351,987</u>

## Note 3 - Loans and Notes Receivable

Loans and notes receivable at June 30, 2013 consist of:

### HUD - Missoula Children's Theatre

0%, \$24,500 due annually June 2003 through June 2017

\$ 122,500

**Note 3 - Loans and Notes Receivable (Continued)**

<u>Rocky Mountain Biologicals, Inc.</u>	
5%, \$4,813 due monthly from November 2005 through October 2014	80,759
<u>Opportunity Resources, Inc.</u>	
0%, \$167 due monthly from May 2006 through April 2015	5,834
<u>North Missoula Community Development Corporation</u>	
3%, varying amounts due annually through May 2014	9,320
<u>Western Montana Mental Health Center</u>	
5%, \$9,719 due annually through November 2015	28,782
<u>AquilaVision</u>	
7%, \$10,383 due monthly, all principal and interest due July 1, 2008 (net of allowance of \$120,188)	40,063
<u>Missoula Aging Services</u>	
Variable interest and varying amounts due annually through February 15, 2016	86,045
<u>Gleneagle</u>	
Contracts for sale of lots, 10% interest, varying amounts due annually with remainder due at varying dates through July 2005, collateralized by the underlying property	106,676
<u>Missoula Area Youth Hockey Association</u>	
Variable interest due annually, all principal and interest due January 1, 2016	61,000
<u>Mountain Water Company</u>	
Contracts for sale of water lines, 0% interest, varying amounts due annually with remainder due at varying dates through July 2049	817,800
<u>Pyramid Mountain Lumber</u>	
4%, due monthly in varying amounts from January 2013 through December 2020	40,771
<u>Pyramid Mountain Lumber</u>	
6%, \$1,564 due monthly from May 2008 thru February 2015	350,175
<u>Seeley Lake Fire</u>	
4%, \$8,500 due semiannually from August 2009 through August 2024	79,180
<u>Pyramid Mountain Lumber</u>	
4%, \$914 due monthly from January 2013 through December 2020	70,981
<u>Pyramid Mountain Lumber</u>	
4%, \$2,121 due monthly from March 2002 through March 2017	205,927
<u>Cornerstone (Mission Mountain Helicopters)</u>	
6%, \$1,666 due monthly from April 2011 through March 2018	126,706

### Note 3 - Loans and Notes Receivable (Continued)

#### Kelly Logging

4%, \$4,240 due monthly from July 2011 through June 2016 (net of allowance of \$71,632) 214,895

#### Red Willow Learning Center

5%, \$580 due monthly from December 2011 through November 2016 22,361

#### The Emergent Institute

5%, \$2,013 due monthly from July 2011 through June 2018 (net of allowance of \$96,836) 32,279

#### Homeword

3%, \$337 due monthly from January 2013 through February 2028 with balance due March 2028 79,449

**Loans & Notes Receivable** \$ 2,581,503

### Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows.

<b>Primary Government</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 7,197,736	\$ -	\$ -	\$ 7,197,736
Construction in Progress	27,754,473	8,020,096	(23,168,037)	12,606,532
Total capital assets, not being depreciated	34,952,209	8,020,096	(23,168,037)	19,804,268
Capital assets, being depreciated:				
Buildings	40,328,606	3,097,832	(2,493,921)	40,932,517
Equipment	22,889,615	1,558,516	(808,269)	23,639,862
Infrastructure	35,571,796	19,675,298	-	55,247,094
Total capital assets, being depreciated	98,790,017	24,331,646	(3,302,190)	119,819,473
Less accumulated depreciation for:				
Buildings	14,709,568	1,046,825	(535,315)	15,221,078
Equipment	14,545,032	1,817,677	(671,074)	15,691,635
Infrastructure	14,296,652	1,309,088	-	15,605,740
Total accumulated depreciation	43,551,252	4,173,590	(1,206,389)	46,518,453
Total capital assets, being depreciated, net	55,238,765	20,158,056	(2,095,801)	73,301,020
Total capital assets	\$ <u>90,190,974</u>	\$ <u>28,178,152</u>	\$ <u>(25,263,838)</u>	\$ <u>93,105,288</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
Construction in Progress	598,941	88,927	(687,868)	-
Total capital assets, not being depreciated	<u>1,648,153</u>	<u>88,927</u>	<u>(687,868)</u>	<u>1,049,212</u>
Capital assets, being depreciated:				
Buildings and improvements	1,630,988	-	-	1,630,988
Improvements other than buildings	4,519,690	687,868	-	5,207,558
Equipment, furniture and fixtures	1,132,610	65,024	(25,500)	1,172,134
Total capital assets, being depreciated	<u>7,283,288</u>	<u>752,892</u>	<u>(25,500)</u>	<u>8,010,680</u>
Less accumulated depreciation for:				
Buildings and improvements	811,738	42,553	-	854,291
Improvements other than buildings	2,535,585	93,706	-	2,629,291
Equipment, furniture and fixtures	903,676	71,291	(25,500)	949,467
Total capital assets, being depreciated	<u>4,250,999</u>	<u>207,550</u>	<u>(25,500)</u>	<u>4,433,049</u>
Total capital assets, being depreciated, net	<u>3,032,289</u>	<u>545,342</u>	<u>-</u>	<u>3,577,631</u>
Total capital assets	\$ <u>4,680,442</u>	\$ <u>634,269</u>	\$ <u>(687,868)</u>	\$ <u>4,626,843</u>

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

Governmental activities:	
General Government	\$ 423,538
Criminal Justice	16,478
Public Safety	1,519,579
Public Works	1,930,933
Public Health	87,619
Social and Economic Services	4,459
Culture and Recreation	190,985
Total depreciation expense - governmental activities	<u>\$ 4,173,591</u>
Business-type activities:	
Larchmont Golf Course	\$ 98,905
RSIDs	108,645
Total depreciation expense - business-type activities	<u>\$ 207,550</u>

**Note 4 - Capital Assets (Continued)****Discretely presented component units**

Activity for the Missoula Aging Services for the year ended June 30, 2013, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 132,000	\$ -	\$ -	\$ 132,000
Capital assets, being depreciated:				
Buildings	1,895,522	-	-	1,895,522
Equipment	127,290	62,282	(56,369)	133,203
Total capital assets, being depreciated	2,022,812	62,282	(56,369)	2,028,725
Less accumulated depreciation	610,398	78,867	(56,369)	632,896
Total capital assets, being depreciated, net	1,412,414	(16,585)	-	1,395,829
Total capital assets	\$ 1,544,414	\$ (16,585)	\$ -	\$ 1,527,829

Activity for the Partnership Health Center for the year ended June 30, 2013, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 70,511	\$ 3,679,330	\$ -	\$ 3,749,841
Capital assets, being depreciated:				
Buildings	7,822,597	-	-	7,822,597
Machinery and equipment	1,479,081	40,821	-	1,519,902
Total capital assets, being depreciated	9,301,678	40,821	-	9,342,499
Less accumulated depreciation	2,330,639	320,854	-	2,651,493
Total capital assets, being depreciated, net	\$ 2,401,150	\$ 4,000,184	\$ -	\$ 6,401,334

**Note 5 - Long-Term Liabilities**

At June 30, 2013, unmatured principal on long-term debt consisted of the following:

General Obligation Bonds and Loans

\$3,325,000 General Obligation Bonds Series 2007 issued December 2007, 3.625% to 3.75%, due in varying amounts to July 2018	\$ 2,215,000
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**Note 5 - Long-Term Liabilities (Continued)**

\$6,540,000 Refunding General Obligation Bonds Series 2012 issued December 2012, 2.0%, due in varying amounts to July 2018	6,540,000
\$206,194 State Revolving Fund Loan, issued July 2000, 4%, due in varying amounts to July 2020	97,000
\$3,325,000 General Obligation Bonds Series 2010 issued September 2010, 2.0% to 3.125%, due in varying amounts to July 2028	3,235,000
Total general obligation bonds and loans	<u>12,087,000</u>

**Limited Obligation Bonds and Notes**

\$2,000,000 Partnership Health Center Limited Obligation Note, Series 2008 issued November 17, 2008, 4% to 5%, due in varying amounts to July 2028	1,710,000
\$995,000 Ice Rink Facility Bond, Series 2004 issued June 10, 2004, 3.75% to 5%, due in varying amounts to July 2014 (partially refunded)	90,000
\$800,000 Ice Rink Facility Bond, Series 2006 issued March 2006, 3.4% to 4.25%, due in varying amounts to July 2026	625,000
\$1,255,000 Refunding Limited Obligation Bonds, Series 2012A issued December 13, 2012, 0.8% to 3%, due in varying amounts to July 2032	1,255,000
\$1,615,000 Limited Obligation Bonds, Series 2012B issued December 13, 2012, 0.96% to 3%, due in varying amounts to July 2032	1,615,000
\$1,060,000 Larchmont Golf Course Limited Obligation Note, Series 2010 issued September 2, 2010, 2.0% to 4.0%, due in varying amounts to July 2030	970,000
Total limited obligation bonds and notes	<u>6,265,000</u>

**Tax Increment Bonds**

\$4,945,000 Series 2006 Industrial Tax Increment Bond, 3.6% to 4.0%, due in varying amounts through July 2018; repayment from the Missoula Development Authority - Industrial Tax Increment District	2,745,000
\$1,100,000 Series 2006 Industrial Tax Increment Bond, 5.6% to 6.4%, due in varying amounts through July 2018; repayment from the Missoula Development Authority - Technology Tax Increment District	915,000
Total limited obligation bonds and notes	<u>3,660,000</u>

**Note 5 - Long-Term Liabilities (Continued)****Special Assessment Bonds and Loans**

\$5,717,000 Rural Special Improvement Districts Bonds for various projects, 3.7% to 8%, due at varying dates through July 2027. County is contingently liable for payment of these bonds	4,185,000
\$241,000 State Revolving Fund Loan for the Linda Vista Sewer project, issued June 1994, 4%, due in varying amounts to July 2014	13,000
\$1,943,000 State Revolving Fund Loan for the Linda Vista Sewer project, issued June 1994, 4%, due in varying amounts to July 2014	132,000
\$291,000 State Revolving Fund Loan for the Sunset West Water project, issued November 1998, 4%, due in varying amounts to July 2019	88,000
\$649,936 State Revolving Fund Loan for the Lolo Wastewater Improvements project, issued September 2002, 4%, due in varying amounts to July 2023	324,000
\$4,498,121 State Revolving Fund Loan for the Mullan Corridor Sewer project, issued July 2003, 3.75%, due in varying amounts to July 2024	1,893,000
\$169,000 State Revolving Fund Loan for the Elmar New Meadows portion of the Mullan Corridor Sewer project, issued April 2005, 2.75%, due in varying amounts to July 2015	37,000
\$281,199 State Revolving Fund Loan for the Country Crest portion of the Mullan Corridor Sewer project, issued April 2005, 3.75%, due in varying amounts to July 2020	82,000
\$359,300 State Revolving Fund Loan (ARRA-B) for the Wye Sewer project, issued December 2009, 1.75%, due in varying amounts to July 2029	319,000
\$3,735,000 State Revolving Fund Loan (ARRA-C) for the Wye Sewer project, issued December 2008, 3.75%, due in varying amounts to July 2029	2,444,692
\$3,410,125 State Revolving Fund Loan for the Wye Sewer project, issued August 2008, 3.75%, due in varying amounts to July 2029	3,085,000
\$142,000 State Revolving Fund Loan for the Lorraine South Water Improvements project, issued November 2008, 3.75%, due in varying amounts to July 2029	124,000
\$165,000 State Revolving Fund Loan for the Lewis & Clark Water project, issued September 2009, 0.75%, due in varying amounts to July 2029	137,000
Variable rate (1.0% at 6/30/2013) loan payable for the Williams Addition Area Sewer project, due in varying amounts through August 2025; repayment from the RSID 8497	60,850
Total special assessment bonds and loans	<u>12,924,542</u>



## Note 5 - Long-Term Liabilities (Continued)

### Notes & Contracts Payable

Variable rate (1.0% at 6/30/2013) loan payable, due in varying amounts through August 2013; repayment from the Central Services fund	10,956
Variable rate (1.0% at 6/30/2013) loan payable, due in varying amounts through August 2014; repayment from the Central Services fund	6,189
Variable rate (1.0% at 6/30/2013) loan payable, due in varying amounts through August 2013; repayment from Road fund	113,982
Variable rate (1.0% at 6/30/2013) loan payable, due in varying amounts through August 2014; repayment from Fair fund	26,602
Variable rate (1.0% at 6/30/2013) loan payable, due in varying amounts through February 2016; repayment from Aging fund	86,045
Variable rate (1.0% at 6/30/2013) loan payable, due in varying amounts through August 2013; repayment from the Historical Museum fund	346,563
Variable rate (1.0% at 6/30/2013) loan payable, due in varying amounts through August 2018; repayment from the Seeley Lake Refuse	28,465
Total notes and contracts payable	<u>618,802</u>
Subtotal	<u>35,555,344</u>

### Liability for Accrued Leave and Post Employment Benefits (Primary Government)

Post employment benefits	536,183
Accrued vacation benefits	2,135,870
Accrued compensatory time benefits	276,371
Accrued holiday benefits	122,765
Accrued sick benefits	951,864
Fringe on accrued leave liability	<u>666,341</u>
Total accrued leave	<u>4,153,211</u>
Total Long-Term Liabilities	<u>\$ 40,244,738</u>

**Note 5 - Long-Term Liabilities (Continued)**

An analysis of the changes in bonds, notes, leases and contracts payable for the primary government during the year ended June 30, 2013, 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	\$ 14,102,000	\$ 6,540,000	\$ (8,555,000)	\$ 12,087,000	\$ 1,107,000
Limited Obligation Note	4,415,000	2,870,000	(1,020,000)	6,265,000	350,000
Tax Increment	4,095,000	-	(435,000)	3,660,000	455,000
Special Assessment Bonds Payable	4,580,000	-	(395,000)	4,185,000	225,000
Special Assessment Loans Payable	9,352,402	-	(612,860)	8,739,542	593,552
Contracts Payable	917,528	28,465	(327,191)	618,802	206,448
Post Employment Benefits	377,751	264,602	(106,170)	536,183	-
Liability for Sick and Vacation	<u>4,498,989</u>	<u>2,956,958</u>	<u>(3,302,736)</u>	<u>4,153,211</u>	<u>3,230,714</u>
Total Governmental Activities Long-Term Liabilities	\$ <u>42,338,670</u>	\$ <u>12,660,025</u>	\$ <u>(14,753,957)</u>	\$ <u>40,244,738</u>	\$ <u>6,167,714</u>

For governmental activities, the liability for sick and vacation and other post employment benefits are generally liquidated by the general fund and other governmental funds.

**Note 5 - Long-Term Liabilities (Continued)**

Annual debt service principal and interest payments required on bonds, notes, leases, contracts and loans payable at June 30, 2013, are as follows:

Governmental Activities										
Fiscal Year Ending June 30	Open Space 2007 Bond Principal	Open Space 2007 Bond Interest	Refunding Bond Principal	Refunding Bond Interest	Fair SRF Principal	Fair SRF Interest	Open Space 2010 Bond Principal	Open Space 2010 Bond Interest	General Obligation Total Principal	General Obligation Total Interest
2014	\$ 330,000	\$ 74,519	\$ 590,000	\$ 126,353	\$ 12,000	\$ 3,760	\$ 175,000	\$ 89,544	\$ 1,107,000	\$ 294,176
2015	350,000	61,987	1,140,000	107,600	12,000	3,280	45,000	87,344	1,547,000	260,211
2016	360,000	49,119	1,160,000	84,600	12,000	2,900	50,000	86,394	1,582,000	223,013
2017	375,000	35,797	1,190,000	61,100	12,000	2,320	50,000	85,394	1,627,000	184,611
2018	395,000	21,840	1,215,000	37,050	14,000	1,820	45,000	84,444	1,669,000	145,154
2019-2023	405,000	7,341	1,245,000	12,450	35,000	2,100	1,045,000	354,244	2,730,000	376,135
2024-2028	-	-	-	-	-	-	1,485,000	169,359	1,485,000	169,359
2029-2033	-	-	-	-	-	-	340,000	5,313	340,000	5,313
	<u>2,215,000</u>	<u>\$ 250,603</u>	<u>6,540,000</u>	<u>\$ 429,153</u>	<u>97,000</u>	<u>\$ 16,180</u>	<u>3,235,000</u>	<u>\$ 962,036</u>	<u>12,087,000</u>	<u>\$ 1,657,972</u>
Less current portion	<u>(330,000)</u>		<u>(590,000)</u>		<u>(12,000)</u>		<u>(175,000)</u>		<u>(1,107,000)</u>	
	<u>\$ 1,885,000</u>		<u>\$ 5,950,000</u>		<u>\$ 85,000</u>		<u>\$ 3,060,000</u>		<u>\$ 10,980,000</u>	

Governmental Activities (Continued)								
Fiscal Year Ending June 30	2008 PHC Ltd Oblig Principal	2008 PHC Ltd Oblig Interest	Ice Rink 2004 Principal	Ice Rink 2004 Interest	Ice Rink 2006 Principal	Ice Rink 2006 Interest	2012A Ltd Oblig Principal	2012A Ltd Oblig Interest
2014	\$ 75,000	\$ 80,343	\$ 45,000	\$ 1,913	\$ 35,000	\$ 25,050	\$ 70,000	\$ 23,168
2015	80,000	77,343	45,000	967	35,000	23,685	60,000	22,390
2016	80,000	74,143	-	-	35,000	22,320	105,000	21,730
2017	85,000	70,903	-	-	40,000	20,858	110,000	20,870
2018	90,000	67,248	-	-	40,000	19,257	110,000	19,990
2019-2023	510,000	270,013	-	-	225,000	69,908	445,000	74,100
2024-2028	640,000	136,463	-	-	215,000	18,594	235,000	29,625
2029-2033	150,000	7,500	-	-	-	-	120,000	9,300
	<u>1,710,000</u>	<u>\$ 783,956</u>	<u>90,000</u>	<u>\$ 2,880</u>	<u>625,000</u>	<u>\$ 199,672</u>	<u>1,255,000</u>	<u>\$ 221,173</u>
Less current portion	<u>(75,000)</u>		<u>(45,000)</u>		<u>(35,000)</u>		<u>(70,000)</u>	
	<u>\$ 1,635,000</u>		<u>\$ 45,000</u>		<u>\$ 590,000</u>		<u>\$ 1,185,000</u>	

**Note 5 - Long-Term Liabilities (Continued)**

Governmental Activities (Continued)								
Fiscal Year Ending June 30	Ltd Oblig 2012B Principal	Ltd Oblig 2012B Interest	Larchmont Ltd Oblig Principal	Larchmont Ltd Oblig Interest	Industrial Increment Principal	Industrial Increment Interest	Technology Increment Principal	Technology Increment Interest
2014	\$ 85,000	\$ 36,625	\$ 40,000	\$ 31,413	\$ 410,000	\$ 101,600	\$ 45,000	\$ 54,972
2015	70,000	35,474	45,000	30,563	435,000	84,700	45,000	52,328
2016	70,000	34,802	45,000	29,663	450,000	67,000	50,000	49,537
2017	70,000	34,130	45,000	28,763	465,000	48,700	50,000	46,601
2018	70,000	33,458	45,000	27,863	485,000	29,700	55,000	43,516
2019-2023	365,000	150,936	250,000	119,919	500,000	10,000	325,000	162,797
2024-2028	410,000	102,450	295,000	71,363	-	-	345,000	45,740
2029-2033	475,000	36,525	205,000	12,500	-	-	-	-
	<u>1,615,000</u>	<u>\$ 464,400</u>	<u>970,000</u>	<u>\$ 352,047</u>	<u>2,745,000</u>	<u>\$ 341,700</u>	<u>915,000</u>	<u>\$ 455,491</u>
Less current portion	<u>(85,000)</u>		<u>(40,000)</u>		<u>(410,000)</u>		<u>(45,000)</u>	
	<u>\$ 1,530,000</u>		<u>\$ 930,000</u>		<u>\$ 2,335,000</u>		<u>\$ 870,000</u>	

Governmental Activities (Continued)								
Fiscal Year Ending June 30	Special Assess Bonds Principal	Special Assess Bonds Interest	Special Assess Loans Principal	Special Assess Loans Interest	Notes & Contracts Principal	Notes & Contracts Interest	Total Governmental Principal	Total Governmental Interest
2014	\$ 225,000	\$ 189,924	\$ 593,552	\$ 311,916	\$ 206,448	\$ 7,344	\$ 2,937,000	\$ 1,158,444
2015	225,000	181,220	563,860	289,971	71,260	4,902	3,222,120	1,063,754
2016	240,000	172,035	524,860	270,304	63,411	3,787	3,245,271	968,334
2017	240,000	162,479	536,860	251,274	34,490	2,777	3,303,350	871,966
2018	245,000	152,616	555,860	231,578	35,055	2,432	3,399,915	772,812
2019-2023	1,375,000	593,305	3,009,300	840,736	158,446	7,242	9,892,746	2,675,091
2024-2028	1,300,000	279,094	2,242,250	346,535	49,692	664	7,216,942	1,199,887
2029-2033	335,000	21,093	713,000	25,755	-	-	2,338,000	117,986
	<u>4,185,000</u>	<u>\$ 1,751,766</u>	<u>8,739,542</u>	<u>\$ 2,568,069</u>	<u>618,802</u>	<u>\$ 29,148</u>	<u>35,555,344</u>	<u>\$ 8,828,274</u>
Less current portion	<u>(225,000)</u>		<u>(593,552)</u>		<u>(206,448)</u>		<u>(2,937,000)</u>	
	<u>\$ 3,960,000</u>		<u>\$ 8,145,990</u>		<u>\$ 412,354</u>		<u>\$ 32,618,344</u>	

## **Note 5 - Long-Term Liabilities (Continued)**

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, 2013, 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. In December 2005, the County recharacterized a portion of the industrial district into a technology increment district that was authorized by the 2005 Legislature.

General Obligation Bond Issues - 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 bond anticipation notes plus accrued interest of \$50,567. In August, 2005, the County issued the Series 2005 General Obligation Refunding Bonds in order to capture savings from low interest rates. Proceeds of the note were used to defease the Series 1998 Detention Center Bonds, resulting in a net present value benefit of \$455,615 and an aggregate debt service savings of \$3,072,229. In December 2012, the County issued the Series 2012 General Obligation Refunding Bonds in order to capture savings from low interest rates. Proceeds of the note were used to defease the Series 2005 General Obligation Refunding Bonds, resulting in a net present value benefit of \$588,987 and an aggregate debt service savings of \$1,136,509.

In both December 2007 and September 2010 the County issued \$3,325,000 of general obligation bonds to support the acquisition of lands to be designated as "Open Space" in perpetuity.

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. The economic gain on the refunding portion was immaterial. In August 2006, the County issued \$4,945,000 in Series 2006 tax increment bonds. The net proceeds of \$4,798,061 were used to defease the outstanding 1997 tax increment bonds (\$1,641,286) and \$3,156,775 to complete the infrastructure in the industrial increment portion of the Missoula County Development Park. The net present value benefit of the refunding portion was \$15,237. The aggregate debt service savings on the refunding totaled \$43,963.

In December 2006, the County issued \$1,100,000 in taxable Series 2006 tax increment bonds. The net proceeds of \$1,000,716 were used to acquire the site improvements of the anchor project in the technology district (\$900,000) and establish a debt service reserve (\$100,716).

Although tax increment revenues in the industrial district and the technology district are projected to be adequate to service the debt on the tax increment bonds, the County has covenanted to levy annually as much of the 2 mill Port Authority levy as necessary to meet debt service obligations.

Limited Obligation Bonds - 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. In December 2012, these bonds were refunded as part of the issuance of the Limited General Obligation and Refunding Bonds, Series 2012A.

## **Note 5 - Long-Term Liabilities (Continued)**

In March 2006, the County issued \$800,000 in Series 2006 Limited Obligation General Fund Bonds. The net proceeds of \$785,215 were recorded in the Fair Ice Rink Capital Projects fund. These bonds will be repaid from revenues generated from leasing the Ice Rink facility.

In October 2008, the County issued \$2,000,000 in Series 2008 Limited Obligation Bonds. The net proceeds of \$1,975,273 were used to finance a portion of the purchase of a new building for the Partnership Health Center. Debt service payments will be made by the Partnership Health Center.

In September 2010, the County issued \$1,060,000 in Series 2010 Limited Obligation Bonds. The net proceeds of \$1,084,563 were used to finance the replacement of the irrigation system at Larchmont Golf Course. Debt service payments will be made by Larchmont Golf Course.

In December 2012, the County issued \$1,255,000 in Series 2012A Limited Obligation Refunding Bonds in order to capture savings from low interest rates. Proceeds were used to defease the Series 1998 Limited Obligation Notes and partially defease the 2004 Limited Obligation General Fund Bonds as well as fund new construction for the Partnership Health Center, resulting in a net present value benefit of \$105,620 and an aggregate debt service savings of \$112,484.

In December 2012, the County issued \$1,615,000 in Series 2012B Limited Obligation Bonds. The net proceeds of \$1,643,087 were used to finance a number of capital projects including, but not limited to, the records center, secure storage warehouse, and administration building renovations. Debt service payments will be made by the General Fund.

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. In December 2012, these bonds were refunded as part of the issuance of the Limited General Obligation and Refunding Bonds, Series 2012A.

Prior Year Defeasance of Debt - In the current year, the County partially defeased limited obligation general fund bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. At June 30, 2013, \$648,590 of defeased bonds remain outstanding.

Special Assessment Debt with Government Commitment - Property owners are assessed for principal and interest to repay special assessment bonds. If sufficient funds are not received, loans are made from the RSID Revolving fund. This fund is financed by fees paid by each new RSID, by cash transferred from the general fund if needed and by any surplus remaining in completed RSID's. The cash balance in the Revolving Fund must equal at least 5% of the principal amount of debt outstanding. If the cash balance is less than 5%, a levy is required to bring the cash balance to the required minimum. The required minimum at June 30, 2013 is \$646,228. The Revolving Fund cash at June 30, 2013 is \$700,859.

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, 2013, there were seven 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 \$25,262,500.

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, 2013 was \$17,959.

## **Note 5 - Long-Term Liabilities (Continued)**

In December 2006, the County entered into a transaction for the purchase of a facility from and a lease to DIRECTV Customer Services, Inc. The DIRECTV purchase was financed through a 4.8% \$10,640,000 infrastructure loan from the Montana Board of Investments (MBOI). Repayment terms of the loan are equal to the monthly lease payments of \$60,714, which are fully assigned to MBOI under the loan agreement, and in the event of default, MBOI may obtain title to the property. Accordingly, the loan is nonrecourse to the County. The lease has an initial term of ten years ending December 2016, with three five-year renewal options. At the end of the initial lease term, DIRECTV has the option to purchase the property for \$7,808,108. Title to the property transfers to DIRECTV at the end of the lease term concurrent with full repayment of the MBOI loan. Because the County acts solely as an intermediary to collect payments from DIRECTV and remit them to MBOI for payments on the loan, the transaction is tantamount to a conduit debt obligation, and no liability is recorded on the County's financial statements.

In May 2010, the County issued an additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. That issue was for the purchase of 50% interest in property on Radio Way as well as renovation and purchase of equipment by Radio Way LLC. The original amount was \$631,000. The amount payable at June 30, 2013 was \$560,819.

In August 2010, the County issued an additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. That issue was for the construction of office space for 2 businesses by Dodge Holdings LLC. The original amount was \$450,000. The amount payable at June 30, 2013 was \$407,573.

In December 2010, the County issued an additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. That issue was for the purchase of furniture, fixtures, and equipment for Garlington, Lohn & Robinson, PLLP. The original amount was \$1,100,000. The amount payable at June 30, 2013 was \$911,703.

In December 2010, the County issued five additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. Those issues were for the purchase and renovation of several condominiums and construction of a pediatric dentistry office in the Missoula area by K and T Associates, LLC. The original aggregate amount borrowed was \$3,800,530. The amount payable at June 30, 2013 was \$3,589,980.

In December 2010, the County approved refinancing of one of the original series of Industrial Revenue Bonds issued prior to July 1, 1995. The Rocky Mountain Elk Foundation refinanced the debt to take advantage of lower interest rates. The amount payable at June 30, 2013 was \$3,186,505.

Legal Debt Margin - The County's legal debt limitation is 2.5% of total assessed value of taxable property. As of June 30, 2013 the debt margin was \$149,470,541.

## **Note 6 - Commitments and Contingencies**

Commitments - At June 30, 2013, the County was committed to spend approximately \$4,884,000 on various contracts for rural special improvement district facilities (principally streets, curbs and gutters), county roads, bridges, social services, and other construction 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, 2013, taxes remaining under protest totaled \$6,555,661.

## Note 6 - Commitments and Contingencies (Continued)

Rural Special Improvement Districts (RSIDs) - As of June 30, 2013, delinquent assessments on RSIDs were \$211,241. 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 before the end of the RSID bond terms.

Leases - At June 30, 2013, future minimum annual rental expenditures and rental revenue on noncancellable operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Minimum Annual Rental Expenditures/Expenses</u>	<u>Minimum Annual Rental Revenues</u>
2014	\$ 490,406	\$ 147,652
2015	440,335	136,114
2016	337,983	135,268
2017	336,447	136,554
2018	337,231	137,553
Later	<u>1,607,164</u>	<u>1,060,741</u>
Total	<u>\$ 3,549,566</u>	<u>\$ 1,753,882</u>

Operating lease expenditures for 2013 were \$534,025.

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 2,000 hours.

Missoula County has a contractual agreement with Summit Golf Management for management of the Larchmont Golf Course in order to provide expert management of the golf course while minimizing costs. Missoula County retains the right to approve annual budgets, set fee schedules, and approve capital improvements. Summit Golf Management will oversee day-to-day operations of the Larchmont Golf Course. Compensation under the arrangement includes a flat fee of \$28,000 per year plus 10.5% of the gross revenue from all green fees and passes. Summit Golf Management will also receive 100% of the revenues from lessons, club rentals, and sales in the professional shop.

As part of the transaction with DIRECTV described in Note 5, the County has entered into a lease for the DIRECTV site. This land lease requires no payments during the initial ten-year lease term, and then provides for three five-year renewal options with monthly rents of approximately \$10,900. DIRECTV has the option to purchase the land at any time during the lease term for the fair value of the property at the initial date of the lease of \$1,317,128. Because the purchase option is not considered a bargain purchase, the land lease is treated as an operating lease.

The County has guaranteed a loan for the Montana Technology Enterprise Center in the amount of approximately \$878,000. The County's guarantee is collateralized by the building the Center is housed in.

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 and amounts reserved are sufficient to cover any losses. 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 \$2,193,801 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.

### Health Insurance -

*Description of the Plan* - The County has a self-insured health plan which provides medical, dental, optical, disability and life insurance benefits for all permanent employees electing to be covered. The County also allows other local government and nonprofit entities and their employees to participate in the plan, but the County is the dominant employer. The plan is accounted for as an internal service fund with respect to current employee benefits, while retiree benefits are accounted for in an agency fund. The plan was established in 1980 by resolution of the Board of County Commissioners.

*Plan Contributions* - County and employee monthly contribution rates depend on whether the employee is full or part time and type of coverage. County contributions for medical benefits are based on expected claims using a five-year history of claims paid. County contributions for long-term disability coverage are calculated as 0.2% of covered payroll. County contributions range from \$583 to \$1,002 depending on the type of coverage. Employee contributions were up to \$536 for full time employees; contribution rates for part-time employees vary depending on the type of coverage. Continued medical, dental and vision coverage is available for County retirees and qualified terminated employees for monthly employee contributions from \$426 to \$1,534, depending on the type of coverage. County contributions to the plan for the year ended June 30, 2013 were \$5,595,137 (representing 15.9% of covered payroll), current employee contributions were \$1,526,760 and retiree contributions were \$645,329. Contributions from the ten other agencies participating in the plan were \$1,953,029.

*Covered Participants* - As of June 30, 2013, the Plan covered the following participants:

Current employees and their beneficiaries	1,622
Retirees and their beneficiaries	103
	<hr/>
	1,725

*Postemployment Benefits* - Terminated employees may remain on the County's health insurance plan for up to 18 months if they pay the monthly premiums. This benefit is required under the federal C.O.B.R.A. law. Retirees may also remain on the County's health insurance plan as long as they wish, provided they pay the monthly premiums. State law requires the County to provide this benefit. There are no other post-employment benefits provided by the County.

The County has adopted the provisions of GASB Statement No. 43, "Financial Reporting for Postemployment Benefit Plans other than the Pension Plans" to the extent applicable. Under GASB 43, the County's health insurance plan is not administered as a qualifying trust; accordingly, retiree premiums, benefits and Net Position are segregated into an agency fund, and as required by GASB Statement No. 10, the internal service fund reflects only the activities related to current employees of the County and other participating employers.

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 120 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.

## Note 7 - Risk Management (Continued)

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 \$1.00 to \$11.60 per \$100 of covered salary, depending on employee classification. County contributions to the Authority for the fiscal year ended June 30, 2013 were \$1,011,139. Asserted workers' compensation claims at June 30, 2013 totaled \$904,595.

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 social 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.

Changes in the funds' claims liability for 2012 and 2013 are as follows:

	Risk Management	Health Insurance	Workers' Compensation
Estimated Claims liability, June 30, 2011	\$ 1,006,233	\$ 469,291	\$ 2,594,251
Incurred for Claims and Claims Adjustment Expenses:			
Provisions for claims incurred in Fiscal Year 2012	272,947	7,769,442	986,077
Increase (decrease) in provisions for claims incurred in prior years	189,956	3,223	203,656
Total incurred claims and claims adjustment expenses	462,903	7,772,665	1,189,733
Payments:			
Claims and claims adjustments paid in Fiscal Year 2012	101,243	6,844,581	148,571
Claims and claims adjustments paid for prior years	264,634	438,384	759,584
Total payments, Fiscal Year 2012	365,877	7,282,965	908,155
Estimated Claims liability, June 30, 2012	1,103,259	958,991	2,875,829
Incurred for Claims and Claims Adjustment Expenses:			
Provisions for claims incurred in Fiscal Year 2013	963,908	7,107,982	818,872
Increase (decrease) in provisions for claims incurred in prior years	432,771	945	(138,115)
Total incurred claims and claims adjustment expenses	1,396,679	7,108,927	680,757
Payments:			
Claims and claims adjustments paid in Fiscal Year 2013	307,749	6,342,950	97,467
Claims and claims adjustments paid for prior years	(1,612)	932,584	469,524
Total payments	306,137	7,275,534	566,991
Estimated Claims liability, June 30, 2013	\$ 2,193,801	\$ 792,384	\$ 2,989,595

## 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:

<u>Sheriffs' Retirement System and Public Employees' Retirement System</u>	<u>Teachers' Retirement System</u>
1712 Ninth Avenue Helena, Montana 59620-0131 (406) 444-3154	1500 Sixth Avenue Helena, Montana 59620-0139 (406) 444-3134

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, 2013, expressed as a percent of covered payroll, are as follows:

	<u>Employees</u>	<u>County</u>	<u>State</u>
MSRS	9.245%	9.825%	-
MTRS	7.150%	7.470%	0.110%
MPERS	7.900%	7.070%	0.100%

County employees hired after July 1, 2011 who participate in MPERS are required to contribute at a rate of 7.9%.

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>
2013	\$ 654,531	\$ 4,806	\$ 1,898,751
2012	650,180	4,899	1,910,436
2011	610,963	5,204	1,792,170

On behalf payments made by the State of Montana totaled \$71 and \$26,856 for MTRS and MPERS respectively. These payments totaling \$26,927 are recognized as intergovernmental revenue and general government expenditures in the County's General Fund.

## **Note 8 - Retirement Plans (Continued)**

The above funding policies provide for periodic employer and employee contributions at rates specified by State law. Each system functions uniquely as described as follows:

### Public Employees' Retirement System (PERS)

This mandatory system established in 1945 provides retirement services to substantially all public employees. Benefit eligibility is age 60 with at least 5 years of service: age 65 and in active service: or 30 years of service regardless of age. Monthly benefits for retirement with at least 25 years of service are determined by taking 2% times the number of years of service credit times the highest average compensation. Actuarially reduced benefits may be taken at any age with 25 years of service or at age 50 with at least 5 years of service. Members' rights become vested after 5 years of service.

### Teachers' Retirement System (TRS)

This mandatory system established in 1937 and governed by Title 19, Chapter 4 of the Montana Code Annotated, as a cost-sharing multi-employer defined benefit pension plan that provides retirement services to all persons employed as teachers or professional staff of any public elementary or secondary school, vocation-technical center or unit of the university system. Eligibility is met with a minimum of 25 years of service or age 60 with at least 5 years of creditable service. The formula for accrual benefits is 1/60 times creditable service times the average final compensation. Rights are vested after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits.

### Sheriffs' Retirement System (SRS)

The Sheriffs' Retirement System is a public pension plan for all Montana sheriffs and deputies hired after July 1, 1974, Department of Justice investigators hired after July 1, 1993 and detention officers hired after July 1, 2005. In 1974, the Legislature created the SRS to grant a retirement, disability, or death benefit to plan members and their beneficiaries. Eligibility for service retirement benefits is met upon completing 20 years of membership service at any age. Monthly retirement benefits are calculated by taking 2.5% times years of service credit times highest average compensation. Early retirement, with reduced benefits, may be taken at age 50 with at least 5 years of membership service.

### 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, 2013 was \$6,951,735.

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 - Other Post-employment Benefits

The County adopted the provisions of GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension Plans," in fiscal year 2009. GASB 45 requires employers to calculate the actuarial liability for future retiree benefits and the annual required contribution (ARC) for retirees. The provisions of this statement were applied prospectively. Information for the County's health benefits plan for retirees is included below. Partnership Health Center also participates in the plan as part of Missoula County.

The County is self insured through their participation in the "Missoula County Employee Benefits Plan." Missoula County and nine additional entities participate in the plan. The plan is administered by Missoula County as an agent multiple-employer plan as required by GASB No. 43. The plan is reported as an agency fund of the County and uses the accrual basis of accounting. To qualify for retiree medical benefits the employee must have attained the age of 60 plus five years of service or attained age 65 or completed 30 years of service. An employee may qualify for early retirement by meeting one of the following criteria: attained the age of 50 plus 5 years of service or completed 25 years of service. These benefits are established and may be amended by Missoula County. The plan issues stand-alone financial statements which can be obtained from Missoula County Risk & Benefits, 200 West Broadway, Missoula, MT 59802. Each employer in the plan is required to disclose additional information with regard to funding policy, the employers annual OPEB cost and contributions made, the funded status and funding progress of the employers individual plan, and actuarial methods and assumptions used. This information for Missoula County is presented below.

Retirees are able to purchase health benefits for themselves and their family members at two different rates: the "Medical Standard Plan" and the "Medical High Deductible Plan." The retiree contributions are determined and can be amended by Missoula County and are based on their plan election and level of dependent coverage. The premiums effective July 1, 2012 are shown below.

Level of Coverage	Single	Employee/ Spouse	Employee/ Child	Family
Medical Standard Plan	\$ 540.00	\$ 1,013.00	\$ 905.00	\$ 1,378.00
Medical High Deductible Plan	378.00	709.10	633.50	964.60
Dental	39.00	70.00	96.00	127.00
Vision	10.55	19.90	19.43	28.77

The retiree pays into the plan what the County and an active employee would pay on a monthly basis. The plan is financed on a pay-as-you-go basis with County and outside agency contributions made to cover claims and administrative costs as needed.

Based on an actuarial study prepared as of June 30, 2012, the County's annual other post-employment benefit cost was \$307,869 for the fiscal year ended June 30, 2013. This cost consisted of the annual required contribution of \$315,255, interest on the net OPEB obligation of \$15,992, and an adjustment to the ARC of \$23,378. There were contributions of \$123,454 made in 2013, which was 40% of the annual cost.

	Fiscal Year Ending		
	June 30, 2013	June 30, 2012	June 30, 2011
Beginning OPEB Obligation	\$ 423,059	\$ 202,667	\$ 213,770
Annual OPEB Cost	307,869	357,824	159,849
Annual OPEB Contributions	(123,454)	(137,432)	(170,952)
Ending OPEB Obligation	<u>607,474</u>	<u>423,059</u>	<u>202,667</u>
Percentage of cost contributed	40%	38%	107%

## Note 9 - Other Post-employment Benefits (Continued)

As of June 30, 2012, the most recent actuarial valuation date, the plan had an unfunded accrued actuarial liability of \$3,249,985. This liability is not funded under GASB Statement No. 45 since there are no assets allocated to an irrevocable trust for the retiree benefit plan. Therefore, the funded status of the plan is 0%. The annual covered payroll was \$31,016,357 for 2013; the unfunded actuarial liability was 10.48% of covered payroll. The annual other post-employment benefit cost, annual OPEB contributions, net other post-employment benefit obligation, and the unfunded actuarial liability is allocated to the applicable component units as follows:

	Governmental Activities	Component Unit Partnership Health Center	Total
Annual Required Contribution (ARC)	\$ 271,119	\$ 44,136	\$ 315,255
Interest on OPEB Obligation	14,111	1,881	15,992
Adjustment to the ARC	(20,628)	(2,750)	(23,378)
Annual OPEB Cost	264,602	43,267	307,869
Annual OPEB Contributions	(106,170)	(17,284)	(123,454)
Increase to Net OPEB Obligation	158,432	25,983	184,415
Net OPEB Obligation	536,183	71,291	607,474
Unfunded Actuarial Liability	2,794,987	454,998	3,249,985

Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to the past expectations and new estimates are made about the future. The required schedule of funding progress immediately following the notes presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Projections of benefits for the plan are based on types of benefits provided under the substantive plan at the time of each valuation and on the pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial calculations reflect a long-term prospective and, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities. For the actuarial valuation performed at June 30, 2013 the projected unit credit actuarial cost method was used. The health care trend rate, which includes an inflation rate, was 10% for 2013 decreasing to 5% for 2018 and after. The assumed discount rate was 3.78%. The unfunded actuarial liability was amortized on a level-dollar basis over an open period of 30 years.

**Note 10 - Governmental Fund Balances**

At June 30, 2013, the County had a total fund balance in governmental funds of \$32,981,179. In accordance with GASB Statement No. 54, this fund balance has been classified as follows:

	<u>Balance</u>	<u>Category</u>	<u>Description</u>
<b>General Fund</b>			
Nonspendable	\$ 56,450	General Government	Inventories
Restricted	226,043	Criminal Justice	Estate funds held by County Attorney office
Unassigned	1,393,079	General Government	Remainder
Unassigned	589,704	Criminal Justice	Remainder
Unassigned	446,356	Public Safety	Remainder
Unassigned	95,007	Public Works	Remainder
Unassigned	7,844	Debt Service	Remainder
Unassigned	123,200	Capital Outlay	Remainder
<b>Public Safety</b>			
Restricted	2,796,254	Public Safety	State and Federal law
Committed	1,277,830	Public Safety	Commissary
<b>RSID Debt Service</b>			
Restricted	2,170,702	Debt Service	Debt service
<b>Nonmajor Governmental Funds</b>			
Nonspendable	1,386,525	Public Works	Inventories
Restricted	1,381,157	General Government	Federal, State, and other grant and legal commitments
Restricted	283,417	Criminal Justice	Federal, State, and other grant and legal commitments
Restricted	1,049,650	Public Safety	Federal, State, and other grant and legal commitments
Restricted	4,237,776	Public Works	Federal, State, and other grant and legal commitments
Restricted	2,306,786	Public Health	Federal, State, and other grant and legal commitments
Restricted	238,716	Social & Economic Services	Federal, State, and other grant and legal commitments
Restricted	458,680	Culture & Recreation	Federal, State, and other grant and legal commitments
Restricted	1,097,959	Housing & Community Development	Federal, State, and other grant and legal commitments
Restricted	1,311,774	Debt Service	Federal, State, and other grant and legal commitments
Committed	37,883	General Government	Commissioner resolution for specific programs and projects

**Note 10 - Governmental Fund Balances (Continued)****Nonmajor Governmental Funds (Continued)**

	<u>Balance</u>	<u>Category</u>	<u>Description</u>
Committed	3,217,565	Public Works	Commissioner resolution for specific programs and projects
Committed	35,053	Public Health	Commissioner resolution for specific programs and projects
Committed	23,145	Social & Economic Services	Commissioner resolution for specific programs and projects
Committed	46,434	Culture & Recreation	Commissioner resolution for specific programs and projects
Committed	3,235,369	Debt Service	Commissioner resolution for specific programs and projects
Assigned	1,057,876	General Government	Intent established in budgeting process or by express assignment
Assigned	492,944	Public Safety	Intent established in budgeting process or by express assignment
Assigned	1,467,518	Public Works	Intent established in budgeting process or by express assignment
Assigned	573,689	Public Health	Intent established in budgeting process or by express assignment
Assigned	628,672	Culture & Recreation	Intent established in budgeting process or by express assignment
Assigned	105,882	Housing & Community Development	Intent established in budgeting process or by express assignment
Assigned	2,817,726	Capital Outlay	Intent established in budgeting process or by express assignment
Unassigned	(24,624)	General Government	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(1,393)	Public Safety	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(91,520)	Public Works	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(134,333)	Public Health	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(20,693)	Culture & Recreation	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(163,984)	Debt Service	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(3,256,939)	Capital Outlay	Negative fund balance is Unassigned per GASB Statement No. 54 definitions



## Note 11 - Deficit Fund Balances

Deficit fund balances - At June 30, 2013, the following funds had a deficit fund balance resulting from expenditures/expenses in excess of revenues during 2013 and prior years:

### Nonmajor Governmental Funds

#### Special Revenue Funds

Planning	\$ 24,624
Substance Abuse Prevention	127,706
Transportation	2,580
Animal Control	6,627
Disaster Emergency Levy	1,393

#### Debt Service Funds

Fair Ice Rink Series 2004	97,403
Fair Ice Rink Series 2006	54,538

#### Capital Projects Funds

Milltown Development Projects	63
Grant Creek Project	88,877
Fair Ice Rink Project	20,693
Courthouse Reconstruction	3,067,063
Courthouse Reconstruction Phase 2-5	189,876

#### Internal Service Funds

Risk Management	1,271,617
Information Services Operations	26,059

The Planning and Animal Control deficits will be eliminated through delinquent tax collections over the next few years. The deficits in the Substance Abuse Prevention, Transportation, and Fair Ice Rink Debt Service funds are expected to be eliminated through future income. The deficits in the Disaster Emergency Levy, Milltown Development Projects, and Grant Creek Project funds will be eliminated with a transfer from the General Fund. The deficit in the Fair Ice Rink Project will be eliminated through collections on a note receivable. The deficits in the Courthouse Reconstruction and Courthouse Reconstruction Phase 2-5 funds are expected to be eliminated through debt financing. In order to eliminate the deficit in Risk Management, the County will consider future debt financing or increases in tax assessments. The deficit in the Information Services Operations fund will be eliminated with a transfer from the Technology fund.

## Note 12 - 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	Nonmajor Governmental	Internal Service
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - GAAP Basis	\$ 564,009	\$ 19,542	\$ (182,599)	\$ (1,855,819)	\$ 255,078
Cash & Investments - 6/30/2012	1,465,503	672	-	27,642	14,210
Cash & Investments - 6/30/2013	(1,455,373)	676	-	7,881	(9,471)
Accounts Receivable - 6/30/2012	46,327	706,964	-	1,806,970	422,076
Accounts Receivable - 6/30/2013	(69,824)	(819,672)	-	(1,107,541)	(492,717)
Advances to Other Funds - 6/30/2013	-	-	-	(374,978)	-
Accounts Payable - 6/30/2012	(132,005)	(205,480)	-	(1,589,201)	(16,725)
Accounts Payable - 6/30/2013	100,027	548,269	-	1,964,347	27,360
Claims Payable - 6/30/2012	-	-	-	-	(4,938,079)
Claims Payable - 6/30/2013	-	-	-	-	5,975,780
Accrued Payroll - 6/30/2012	(184,059)	(230,126)	-	(309,842)	(56,575)
Accrued Payroll - 6/30/2013	221,569	282,963	-	345,170	61,438
Prepaid Cost - 6/30/2012	-	-	-	-	100,191
Prepaid Cost - 6/30/2013	-	-	-	-	(51,141)
Accrued Interest - 6/30/2012	-	-	(112,323)	(600,161)	-
Accrued Interest - 6/30/2013	-	-	255,676	339,270	-
Deferred Tax Revenue	-	-	-	-	7,201
Other Deferred Revenue - 6/30/2012	-	-	-	-	(32,557)
Other Deferred Revenue - 6/30/2013	-	-	-	-	3,147
Depreciation	-	-	-	-	47,682
Capital Purchases	-	-	-	-	-
Non-budgeted Funds:					
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	-	-	(297,559)	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - Budget Basis	<u>\$ 556,174</u>	<u>\$ 303,808</u>	<u>\$ (39,246)</u>	<u>\$ (1,643,821)</u>	<u>\$ 1,316,898</u>

### Note 13 - Interfund Transactions

Interfund transfers - The County uses interfund transfers for regular recurring internal charges, such as debt service, supplies and materials, and services provided. An analysis of transfers in and out during 2013 follows:

General Fund to:	
Public Safety	\$ 415,148
Nonmajor Governmental Funds (Crime Victim Assistance, Courthouse Reconstruction, Road, Special Projects, Grants, Community & Planning Services, Community Based Organizations, Animal Control, Transportation, Technology)	2,869,143
Public Safety Fund to:	
Nonmajor Governmental Funds (Drug Forfeiture, Crime Victim Assistance, Public Safety Capital Reserve, Technology)	467,030
Internal Service (Risk Management)	205,635
Nonmajor Governmental Funds to:	
General Fund	1,244,668
Public Safety Fund	386,671
RSID Debt Service	25,349
Nonmajor Governmental Funds (Road, Bridge, Weed, Fair, District Court, Parks, Library, Grants, Community & Planning Services, Urban Initiatives, Health, Animal Control, Extension, Historical Museum, Museum Gift Shop, Weed Grant, Fair Ice Rink 2004, Fair Ice Rink 2006, Technology Tax Increment Debt Service, Parks Capital Reserve, Weed Building Reserve, Missoula Search & Rescue Reserve, Seeley Lake Search & Rescue Reserve, Bridge Capital Reserve, Capital Improvement, Technology)	3,629,500
Internal Service (Risk Management, Health Insurance, IS Operations)	1,000,320
Internal Service Funds to:	
Nonmajor Governmental Funds (Technology)	195,890
Internal Service (Health Insurance, Excess Loss, Wellness)	150,000
Larchmont Golf Course Fund to:	
General Fund	86,970
Nonmajor Governmental Funds (Capital Improvement)	5,000

**Note 13 - Interfund Transactions (Continued)**

## Nonmajor Enterprise Fund to:

Nonmajor Governmental Funds (RSID Administration, Parks)	9,999
Internal Service (Risk Management)	8,064
Total Transfers In/Out	<u>\$ 10,699,387</u>

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

## General Fund - Cash flow advances to:

Nonmajor Governmental Funds (Fair Ice Rink Series 2004, Fair Ice Rink Project, Health Center 2012 Refi, Health Center 2009, Health Center 2012, Grant Creek Project, Milltown Development Projects, Courthouse Reconstruction, Courthouse Reconstruction Phase 2-5)	\$ 572,946
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## Public Safety - Cash flow advances to:

Nonmajor Governmental Funds (Jail Bonds)	139,475
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## Nonmajor Governmental Funds - Cash flow advances to:

Nonmajor Governmental Funds (Disaster Emergency, Crime Victim Assistance, Transportation, Health Center 2012 Refi, Fair Ice Rink 2012 Refi, Fair Ice Rink 2006, Health Center 2012, Open Space Bonds, Capital Improvements Debt Service, Courthouse Reconstruction)	3,680,750
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## Enterprise Funds - Cash flow advances to:

Nonmajor Governmental Funds (Larchmont LTGO)	55,908
Total Due from Other Funds	<u>\$ 4,449,079</u>

Interfund Advances - advances receivable at June 30, 2013 include the following:

## Nonmajor Governmental Funds - Advances to:

RSID Debt Service to pay off bonds	92,312
Enterprise Funds (Larchmont) for County bond repayment	970,000
Total Advances to Other Funds	<u>\$ 1,062,312</u>

## Which includes non-current portions of:

RSID Debt Service to pay off bonds	64,887
Enterprise Funds (Larchmont) for County bond repayment	930,000
Total Non-Current Advances to Other Funds	<u>\$ 994,887</u>

#### **Note 14 - Transactions with Component Units**

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

##### Partnership Health Center

##### Advances from Primary Government

Advance from Nonmajor Governmental Funds (Health Center Bonds)	\$ 2,315,000
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Advance from Nonmajor Governmental Funds (Health Center Building)	428,578
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##### Transactions with Primary Government

Interest payment to Nonmajor Governmental Funds (Health Center Bonds)	\$ 98,113
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Health insurance premiums paid to Internal Service Funds	702,159
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Community Based Organizations Grant from Nonmajor Governmental Fund (Poor Fund)	290,000
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##### Missoula Aging Services

Community Based Organizations Grant from Nonmajor Governmental Fund (Aging Fund)	662,953
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Community Based Organizations Loan from Nonmajor Governmental Fund (Aging Fund) (Variable interest, semi-annual payments of \$14,671 through August 2015)	86,045
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#### **Note 15 - Reclassifications**

During 2013, the following reclassifications occurred:

\$1,438,627 from RSID Construction to RSID Debt Service.

\$1,241 from Abandoned Vehicle to Public Safety.

#### **Note 16 - Subsequent Events**

On September 30, 2013, the County entered into a lead financing transaction for \$9,000,000. Net proceeds of \$8,912,424 were used toward the courthouse reconstruction.

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**REQUIRED SUPPLEMENTAL INFORMATION**

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Schedule of Funding Status for Retiree Health Insurance Benefit Plan

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**Missoula County, Montana**  
**Schedule of Funding Status for Retiree Health Insurance Benefit Plan**  
**June 30, 2013**

	Governmental	Component Units	
	Activities	Partnership Health Center	Total
<i>Actuarial Valuation Date: 6/30/2012</i>			
Accrued Actuarial Liability	\$ 2,867,634	\$ 382,351	\$ 3,249,985
Actuarial Value of Assets	-	-	-
Unfunded Actuarial Liability	<u>2,867,634</u>	<u>382,351</u>	<u>3,249,985</u>
Funded Ratio	0%	0%	0%
Annual Covered Payroll	27,423,760	3,592,597	31,016,357
Unfunded Actuarial Liability to Covered Payroll	10%	11%	10%
<i>Actuarial Valuation Date: 6/30/2010</i>			
Accrued Actuarial Liability	\$ 1,262,779	\$ 137,596	\$ 1,400,375
Actuarial Value of Assets	-	-	-
Unfunded Actuarial Liability	<u>1,262,779</u>	<u>137,596</u>	<u>1,400,375</u>
Funded Ratio	0%	0%	0%
Annual Covered Payroll	27,423,760	3,592,597	31,016,357
Unfunded Actuarial Liability to Covered Payroll	5%	4%	5%
<i>Actuarial Valuation Date: 6/30/2008</i>			
Accrued Actuarial Liability	\$ 3,243,913	\$ 360,435	\$ 3,604,348
Actuarial Value of Assets	-	-	-
Unfunded Actuarial Liability	<u>3,243,913</u>	<u>360,435</u>	<u>3,604,348</u>
Funded Ratio	0%	0%	0%
Annual Covered Payroll	27,423,760	3,592,597	31,016,357
Unfunded Actuarial Liability to Covered Payroll	12%	10%	12%

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## **REQUIRED SUPPLEMENTAL INFORMATION**

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### **GENERAL FUND – Budget and Actual**

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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 Courts One & Two** – To account for the budgets 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.

**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.

### **MAJOR FUNDS – Budget and Actual**

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

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**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 1 of 9)**

	<b>Commissioners</b>				<b>Justice Court One</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	905	905	1,022	117
Fines & Forfeitures	-	-	-	-	285,080	285,080	288,643	3,563
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	345	345	323	(22)
Total Revenues	-	-	-	-	286,330	286,330	289,988	3,658
Expenditures:								
Current Operations:								
Personnel	614,529	610,367	608,035	2,332	387,978	387,978	384,540	3,438
Operations	26,782	28,582	28,577	5	30,889	27,570	23,295	4,275
Capital Outlay	-	-	-	-	2,000	5,319	-	5,319
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	641,311	638,949	636,612	2,337	420,867	420,867	407,835	13,032
Excess of Revenues over (under) Expenditures	(641,311)	(638,949)	(636,612)	2,337	(134,537)	(134,537)	(117,847)	16,690
Other Financing Sources (Uses):								
Transfers In	12,000	12,000	12,000	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (629,311)	\$ (626,949)	\$ (624,612)	\$ 2,337	\$ (134,537)	\$ (134,537)	\$ (117,847)	\$ 16,690

**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, 2013**  
**(Page 2 of 9)**

	<b>Justice Court Two</b>				<b>Attorney</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	600	600	-	(600)	83,000	83,000	89,751	6,751
Charges for Services	505	505	733	228	131,490	131,490	139,137	7,647
Fines & Forfeitures	229,000	229,000	219,157	(9,843)	84,000	84,000	83,778	(222)
Investment Earnings	-	-	-	-	-	-	319	319
Miscellaneous Revenues	600	600	212	(388)	-	-	153,301	153,301
Total Revenues	<u>230,705</u>	<u>230,705</u>	<u>220,102</u>	<u>(10,603)</u>	<u>298,490</u>	<u>298,490</u>	<u>466,286</u>	<u>167,796</u>
Expenditures:								
Current Operations:								
Personnel	387,593	393,959	393,959	-	2,234,950	2,247,470	2,247,469	1
Operations	33,199	23,514	22,447	1,067	67,661	55,141	53,203	1,938
Capital Outlay	2,000	5,319	-	5,319	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>422,792</u>	<u>422,792</u>	<u>416,406</u>	<u>6,386</u>	<u>2,302,611</u>	<u>2,302,611</u>	<u>2,300,672</u>	<u>1,939</u>
Excess of Revenues over (under) Expenditures	(192,087)	(192,087)	(196,304)	(4,217)	(2,004,121)	(2,004,121)	(1,834,386)	169,735
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	70,000	70,000	62,342	(7,658)
Transfers Out	-	-	-	-	(8,925)	(8,925)	(8,925)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (192,087)</u>	<u>\$ (192,087)</u>	<u>\$ (196,304)</u>	<u>\$ (4,217)</u>	<u>\$ (1,943,046)</u>	<u>\$ (1,943,046)</u>	<u>\$ (1,780,969)</u>	<u>\$ 162,077</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, 2013**  
**(Page 3 of 9)**

	<b>Financial Services</b>				<b>Clerk &amp; Recorder/Treasurer</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	28,550	28,550	25,184	(3,366)
Intergovernmental Revenue	-	-	-	-	60,000	60,000	40,450	(19,550)
Charges for Services	90,000	90,000	82,902	(7,098)	989,000	989,000	1,067,811	78,811
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	874	874	1,050	1,050	2,666	1,616
Total Revenues	<u>90,000</u>	<u>90,000</u>	<u>83,776</u>	<u>(6,224)</u>	<u>1,078,600</u>	<u>1,078,600</u>	<u>1,136,111</u>	<u>57,511</u>
Expenditures:								
Current Operations:								
Personnel	648,457	654,367	653,814	553	1,607,779	1,629,314	1,593,740	35,574
Operations	190,700	162,179	162,093	86	478,763	431,063	397,175	33,888
Capital Outlay	-	1,928	1,928	-	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>839,157</u>	<u>818,474</u>	<u>817,835</u>	<u>639</u>	<u>2,086,542</u>	<u>2,060,377</u>	<u>1,990,915</u>	<u>69,462</u>
Excess of Revenues over (under) Expenditures	(749,157)	(728,474)	(734,059)	(5,585)	(1,007,942)	(981,777)	(854,804)	126,973
Other Financing Sources (Uses):								
Transfers In	14,000	14,000	14,000	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (735,157)</u>	<u>\$ (714,474)</u>	<u>\$ (720,059)</u>	<u>\$ (5,585)</u>	<u>\$ (1,007,942)</u>	<u>\$ (981,777)</u>	<u>\$ (854,804)</u>	<u>\$ 126,973</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, 2013**  
**(Page 4 of 9)**

	<b>Records Management</b>				<b>Auditor</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	5	5	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	715	715	-	-	-	-
Total Revenues	-	-	720	720	-	-	-	-
Expenditures:								
Current Operations:								
Personnel	199,985	205,000	204,998	2	227,751	227,751	227,000	751
Operations	27,537	26,987	26,978	9	47,860	59,230	58,461	769
Capital Outlay	10,700	35,600	35,559	41	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	238,222	267,587	267,535	52	275,611	286,981	285,461	1,520
Excess of Revenues over (under) Expenditures	(238,222)	(267,587)	(266,815)	772	(275,611)	(286,981)	(285,461)	1,520
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (238,222)	\$ (267,587)	\$ (266,815)	\$ 772	\$ (275,611)	\$ (286,981)	\$ (285,461)	\$ 1,520



**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, 2013**  
**(Page 5 of 9)**

	<b>Facilities Management</b>				<b>Office of Emergency Services</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	1,083,620	2,031,066	1,415,700	(615,366)
Charges for Services	561,202	561,202	649,362	88,160	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>561,202</u>	<u>561,202</u>	<u>649,362</u>	<u>88,160</u>	<u>1,083,620</u>	<u>2,031,066</u>	<u>1,415,700</u>	<u>(615,366)</u>
Expenditures:								
Current Operations:								
Personnel	890,576	864,951	864,794	157	176,977	176,977	116,257	60,720
Operations	1,005,885	1,057,085	1,057,016	69	46,856	46,856	37,258	9,598
Capital Outlay	7,500	7,625	7,621	4	1,020,177	1,045,588	445,485	600,103
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,903,961</u>	<u>1,929,661</u>	<u>1,929,431</u>	<u>230</u>	<u>1,244,010</u>	<u>1,269,421</u>	<u>599,000</u>	<u>670,421</u>
Excess of Revenues over (under) Expenditures	(1,342,759)	(1,368,459)	(1,280,069)	88,390	(160,390)	761,645	816,700	55,055
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	(902,793)	(902,793)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (1,342,759)</u>	<u>\$ (1,368,459)</u>	<u>\$ (1,280,069)</u>	<u>\$ 88,390</u>	<u>\$ (160,390)</u>	<u>\$ (141,148)</u>	<u>\$ (86,093)</u>	<u>\$ 55,055</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, 2013**  
**(Page 6 of 9)**

	<b>9-1-1 Communications</b>				<b>Human Resources</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	580,000	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	370	370	-	-	-	-
Total Revenues	<u>580,000</u>	<u>-</u>	<u>370</u>	<u>370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	1,758,575	1,758,575	1,748,438	10,137	378,233	378,233	374,060	4,173
Operations	494,510	494,510	455,455	39,055	143,359	143,359	122,739	20,620
Capital Outlay	60,000	60,000	36,480	23,520	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,313,085</u>	<u>2,313,085</u>	<u>2,240,373</u>	<u>72,712</u>	<u>521,592</u>	<u>521,592</u>	<u>496,799</u>	<u>24,793</u>
Excess of Revenues over (under) Expenditures	(1,733,085)	(2,313,085)	(2,240,003)	73,082	(521,592)	(521,592)	(496,799)	24,793
Other Financing Sources (Uses):								
Transfers In	-	807,853	807,853	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (1,733,085)</u>	<u>\$ (1,505,232)</u>	<u>\$ (1,432,150)</u>	<u>\$ 73,082</u>	<u>\$ (521,592)</u>	<u>\$ (521,592)</u>	<u>\$ (496,799)</u>	<u>\$ 24,793</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, 2013**  
**(Page 7 of 9)**

	Central Services				Superintendent of Schools			
	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	368,500	368,500	351,880	(16,620)	3,300	3,300	3,300	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>368,500</u>	<u>368,500</u>	<u>351,880</u>	<u>(16,620)</u>	<u>3,300</u>	<u>3,300</u>	<u>3,300</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	130,746	130,746	129,470	1,276
Operations	300,960	328,860	323,703	5,157	18,336	21,736	21,677	59
Capital Outlay	72,500	95,000	94,994	6	-	-	-	-
Debt Service								
Principal	-	40,550	41,246	(696)	-	-	-	-
Interest	-	1,250	529	721	-	-	-	-
Total Expenditures	<u>373,460</u>	<u>465,660</u>	<u>460,472</u>	<u>5,188</u>	<u>149,082</u>	<u>152,482</u>	<u>151,147</u>	<u>1,335</u>
Excess of Revenues over (under) Expenditures	(4,960)	(97,160)	(108,592)	(11,432)	(145,782)	(149,182)	(147,847)	1,335
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	<u>5,000</u>	<u>5,000</u>	<u>15,713</u>	<u>10,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 40</u>	<u>\$ (92,160)</u>	<u>\$ (92,879)</u>	<u>\$ (719)</u>	<u>\$ (145,782)</u>	<u>\$ (149,182)</u>	<u>\$ (147,847)</u>	<u>\$ 1,335</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, 2013**  
**(Page 8 of 9)**

	Surveyor				Non-Departmental			
	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	\$ -	\$ -	\$ -	\$ -	\$ 9,956,858	\$ 9,956,858	\$ 10,032,778	\$ 75,920
License & Permits	-	-	-	-	44,070	44,070	53,940	9,870
Intergovernmental Revenue	24,000	24,000	32,506	8,506	1,681,659	1,681,659	1,779,120	97,461
Charges for Services	16,000	16,000	23,960	7,960	20,000	20,000	27,115	7,115
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	80,000	80,000	45,205	(34,795)
Miscellaneous Revenues	-	-	-	-	-	-	44,814	44,814
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>56,466</u>	<u>16,466</u>	<u>11,782,587</u>	<u>11,782,587</u>	<u>11,982,972</u>	<u>200,385</u>
Expenditures:								
Current Operations:								
Personnel	606,213	580,513	479,650	100,863	-	2,362	2,361	1
Operations	28,175	26,765	25,441	1,324	650,402	640,150	625,737	14,413
Capital Outlay	22,670	24,080	24,080	-	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>657,058</u>	<u>631,358</u>	<u>529,171</u>	<u>102,187</u>	<u>650,402</u>	<u>642,512</u>	<u>628,098</u>	<u>14,414</u>
Excess of Revenues over (under) Expenditures	(617,058)	(591,358)	(472,705)	118,653	11,132,185	11,140,075	11,354,874	214,799
Other Financing Sources (Uses):								
Transfers In	50,000	50,000	-	(50,000)	352,791	352,791	429,286	76,495
Transfers Out	-	-	-	-	(2,467,510)	(2,425,710)	(2,372,573)	53,137
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (567,058)</u>	<u>\$ (541,358)</u>	<u>\$ (472,705)</u>	<u>\$ 68,653</u>	<u>\$ 9,017,466</u>	<u>\$ 9,067,156</u>	<u>\$ 9,411,587</u>	<u>\$ 344,431</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, 2013**  
**(Page 9 of 9)**

	<b>Totals</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:				
Property Taxes	\$ 9,956,858	\$ 9,956,858	\$ 10,032,778	\$ 75,920
License & Permits	72,620	72,620	79,124	6,504
Intergovernmental Revenue	3,512,879	3,880,325	3,357,527	(522,798)
Charges for Services	2,180,902	2,180,902	2,347,227	166,325
Fines & Forfeitures	598,080	598,080	591,578	(6,502)
Investment Earnings	80,000	80,000	45,524	(34,476)
Miscellaneous Revenues	1,995	1,995	203,275	201,280
Total Revenues	<u>16,403,334</u>	<u>16,770,780</u>	<u>16,657,033</u>	<u>(113,747)</u>
Expenditures:				
Current Operations:				
Personnel	10,250,342	10,248,563	10,028,585	219,978
Operations	3,591,874	3,573,587	3,441,255	132,332
Capital Outlay	1,197,547	1,280,459	646,147	634,312
Debt Service				
Principal	-	40,550	41,246	(696)
Interest	-	1,250	529	721
Total Expenditures	<u>15,039,763</u>	<u>15,144,409</u>	<u>14,157,762</u>	<u>986,647</u>
Excess of Revenues over (under) Expenditures	1,363,571	1,626,371	2,499,271	872,900
Other Financing Sources (Uses):				
Transfers In	498,791	1,306,644	1,325,481	18,837
Transfers Out	(2,476,435)	(3,337,428)	(3,284,291)	53,137
Issuance of Debt	-	-	-	-
Sale of Capital Assets	<u>5,000</u>	<u>5,000</u>	<u>15,713</u>	<u>10,713</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (609,073)</u>	<u>\$ (399,413)</u>	<u>\$ 556,174</u>	<u>\$ 955,587</u>

**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, 2013**

	<b>Public Safety</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:				
Property Taxes	\$ 9,943,853	\$ 10,008,853	\$ 10,041,594	\$ 32,741
License & Permits	20,000	20,000	31,741	11,741
Intergovernmental Revenue	414,144	450,144	603,596	153,452
Charges for Services	4,718,840	5,224,840	4,936,082	(288,758)
Fines & Forfeitures	32,000	32,000	49,067	17,067
Investment Earnings	-	967	2,392	1,425
Miscellaneous Revenues	<u>57,000</u>	<u>616,850</u>	<u>545,101</u>	<u>(71,749)</u>
Total Revenues	<u>15,185,837</u>	<u>16,353,654</u>	<u>16,209,573</u>	<u>(144,081)</u>
Expenditures:				
Current Operations:				
Personnel	11,379,078	11,480,078	11,479,200	878
Operations	4,006,236	4,740,936	4,540,153	200,783
Capital Outlay	59,650	298,568	15,566	283,002
Debt Service:				
Principal	-	-	-	-
Interest & Fiscal Charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>15,444,964</u>	<u>16,519,582</u>	<u>16,034,919</u>	<u>484,663</u>
Excess of Revenues over (under) Expenditures	(259,127)	(165,928)	174,654	340,582
Other Financing Sources (Uses):				
Transfers In	5,201,011	5,401,011	801,819	(4,599,192)
Transfers Out	(5,049,566)	(5,389,566)	(672,665)	4,716,901
Issuance of Debt	-	-	-	-
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ <u>(107,682)</u>	\$ <u>(154,483)</u>	\$ <u>303,808</u>	\$ <u>458,291</u>

## MISSOULA COUNTY, MONTANA

### Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balance

#### Budget and Actual

June 30, 2013

#### **Note 1 - Basis of Presentation**

The accompanying Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual are presented on the budget basis of accounting. The County prepares its budget on the cash basis. Generally accepted accounting principles (GAAP) require the use of the modified accrual basis of accounting for governmental fund financial statements.

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## **MAJOR FUNDS OTHER THAN SPECIAL REVENUE – Budget and Actual**

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**RSID Debt Service** – To account for the budget of the County’s rural special improvement districts for which construction has been completed and principal and interest payments are now required on construction bonds.

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**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
**Budgeted Major Governmental Funds Other Than Special Revenue**  
**For Fiscal Year Ended June 30, 2013**

	<b>RSID Debt Service</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:				
Property Taxes	\$ 653,321	\$ 653,321	\$ 778,563	\$ 125,242
License & Permits	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Charges for Services	-	-	-	-
Fines & Forfeitures	-	-	-	-
Investment Earnings	-	-	-	-
Miscellaneous Revenues	-	-	-	-
Total Revenues	<u>653,321</u>	<u>653,321</u>	<u>778,563</u>	<u>125,242</u>
Expenditures:				
Current Operations:				
Personnel	-	-	-	-
Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	514,861	654,861	619,860	35,001
Interest & Fiscal Charges	218,275	222,826	223,298	(472)
Total Expenditures	<u>733,136</u>	<u>877,687</u>	<u>843,158</u>	<u>34,529</u>
Excess of Revenues over (under) Expenditures	(79,815)	(224,366)	(64,595)	159,771
Other Financing Sources (Uses):				
Transfers In	-	117,661	25,349	(92,312)
Transfers Out	-	-	-	-
Issuance of Debt	-	-	-	-
Sale of Capital Assets	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (79,815)</u>	<u>\$ (106,705)</u>	<u>\$ (39,246)</u>	<u>\$ 67,459</u>

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## **NONMAJOR GOVERNMENTAL FUNDS**

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

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

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

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

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

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

**District Court** – 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** – To account for revenues to support County parks and recreational programs.

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

**Planning** – To account for revenues used by the Office of Planning.

**Grants** – To account for revenues used by the Grants Office.

**Substance Abuse Prevention** – To account for revenues used by the Substance Abuse Prevention Office.

**Crime Victims Assistance** – To account for revenues used by the Crime Victims Assistance Office.

**Transportation** – To account for revenues used by the Transportation Grants Office.

**Community and Planning Services** – To account for revenues used by the Community and Planning Services Office.

**Urban Initiatives** – To account for revenues used by the Urban Initiatives Office.

**Building Code Division** – To account for revenues used by the Building Code Division.

**Health** – 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** – To account for revenues restricted to use by the County Extension Service.

**Missoula Development Authority** – To account for tax increment revenues from the Industrial Tax Increment District near the Airport.

**Drug Forfeiture** – 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.

**Youth Education and Safety** – To account for revenues used to support the Youth Education and Safety program.

**Museum** – To account for revenues restricted to use in art or historical museum programs.

**Missoula and Seeley Lake Search & Rescue funds** – To account for revenues used in the Search & Rescue Programs in Missoula and Seeley Lake.

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

**Junk Vehicle** – 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.

**Community Based Organizations** – 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.

(Continued)

**Caremark Rx** – To account for revenues related to the County-wide prescription card program.

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

**Seeley Lake Refuse** – To account for those resources used in the Seeley Lake Refuse District.

**9-1-1 Trust** – To account for revenues received from the State to support the emergency telephone system.

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

**MCFPA Trust**  
**Historical Museum Gift Shop**  
**Other Special Revenue Funds**

**LEPC Trust**  
**Friends of the Library**

**Friends of Historical Museum**  
**Open Space**

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

**Jail Bond Fund** – To account for principal and interest payments for the 2012 general obligation refunding bond issue for jail construction.

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

**Health Center** – To account for principal and interest payments for the 2009 and 2012A limited general obligation bond issues as well as the 2012A limited obligation refunding bonds 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 2006 limited general obligation and 2012A limited obligation refunding bond issues for the ice facilities at the Western Montana Fairgrounds.

**Technology Tax Increment** – To account for principal and interest payments for the 2006 Technology Tax Increment Bonds.

**Open Space Bonds** – To account for principal and interest payments for the 2007 Open Space general obligation bonds.

**Larchmont LTGO Bonds** – To account for principal and interest payments for the 2009 limited obligation bonds.

**Capital Improvement Debt Service** – To account for principal and interest payments for the 2012B limited obligation bonds.

**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:

**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

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

**Public Safety Building Fund** – To account for construction of the Public Safety Building.

**Milltown Development Projects** – To account for revenues used in Public Works projects related to the removal of the Milltown dam.

**Milltown Historical Preservation** – To account for revenues used in the historical preservation projects on the Milltown dam site.

**Grant Creek Project** – To account for revenues used in the pre-disaster mitigation of the Grant Creek Area.

**Open Space** – To account for bond proceeds and other revenues used in the acquisition and maintenance of Open Space properties.

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

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

**MCA Industrial District Construction** – To account for proceeds from the series 2006 Industrial Tax Increment Bonds.

**Courthouse Reconstruction** – To account for bond proceeds and other revenues used for phase one of the Courthouse Reconstruction.

**Courthouse Reconstruction Phases 2-5** – To account for bond proceeds and other revenues used for phases 2-5 of the Courthouse Reconstruction.

**Capital Reserve Funds** – To account for funds placed in reserve for future projects. These funds include:

**Library**  
**Parks Construction**  
**Search and Rescue – Missoula**

**Health Building**  
**Road**

**Water Quality District**  
**Bridge**  
**Search and Rescue – Seeley Lake**

**Public Safety**  
**Weed/Extension Building**  
**Administration Building**

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 1 of 8)**

	<b>Special Revenue</b>									
	Road	Poor	Bridge	Weed	Fair	District Court	Weed Grant	Parks	Library	Planning
Assets:										
Cash & Cash Equivalents	\$ 11,477	\$ 1,123	\$ 2,938	\$ 1,109	\$ -	\$ 2,448	\$ 1,150	\$ 1,253	\$ 763	\$ 1,502
Cash with Fiscal Agents	-	-	-	-	7,940	-	-	-	-	-
Investments	1,377,915	134,889	352,713	133,117	-	293,920	138,089	150,464	91,533	180,403
Property Taxes Receivable (net)	227,627	105,296	98,058	48,163	17,818	65,126	-	24,020	239,609	67,600
Accounts Receivable	3,979	-	-	-	-	7,757	27,959	-	756	983
Interest Receivable	-	-	-	-	173	-	-	-	-	17
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	194,003	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	1,386,525	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 3,007,523</u>	<u>\$ 241,308</u>	<u>\$ 453,709</u>	<u>\$ 182,389</u>	<u>\$ 219,934</u>	<u>\$ 369,251</u>	<u>\$ 167,198</u>	<u>\$ 175,737</u>	<u>\$ 332,661</u>	<u>\$ 250,505</u>
Liabilities:										
Accounts & Warrants Payable	\$ 191,758	\$ 43,860	\$ 34,007	\$ 1,573	\$ 53,299	\$ 850	\$ 34,150	\$ 6,720	\$ 39,696	\$ 193,859
Accrued Interest Payable	-	-	-	-	1,940	-	-	-	-	-
Accrued Payroll	49,635	-	16,551	8,818	7,582	19,858	-	2,484	41,691	13,670
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Deferred Tax Revenue	227,627	105,296	98,058	48,163	17,818	65,126	-	24,020	239,609	67,600
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>469,020</u>	<u>149,156</u>	<u>148,616</u>	<u>58,554</u>	<u>80,639</u>	<u>85,834</u>	<u>34,150</u>	<u>33,224</u>	<u>320,996</u>	<u>275,129</u>
Fund Balance:										
Nonspendable	1,386,525	-	-	-	-	-	-	-	-	-
Restricted	1,151,978	92,152	305,093	123,835	139,295	283,417	133,048	142,513	11,665	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(24,624)
Total Fund Balance	<u>2,538,503</u>	<u>92,152</u>	<u>305,093</u>	<u>123,835</u>	<u>139,295</u>	<u>283,417</u>	<u>133,048</u>	<u>142,513</u>	<u>11,665</u>	<u>(24,624)</u>
Total Liabilities and Fund Balance	<u>\$ 3,007,523</u>	<u>\$ 241,308</u>	<u>\$ 453,709</u>	<u>\$ 182,389</u>	<u>\$ 219,934</u>	<u>\$ 369,251</u>	<u>\$ 167,198</u>	<u>\$ 175,737</u>	<u>\$ 332,661</u>	<u>\$ 250,505</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 2 of 8)**

	<b>Special Revenue</b>									
	Grants	Substance Abuse Prevention	Crime Victims Assistance	Transportation	Community & Planning Services	Urban Initiatives	Building Code Division	Health	Water Quality District	Animal Control
Assets:										
Cash & Cash Equivalents	\$ 375	\$ 631	\$ -	\$ -	\$ 2,022	\$ 3,468	\$ 295	\$ 13,733	\$ 1,304	\$ 101
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	45,079	75,717	-	-	242,834	416,391	35,406	1,648,700	156,541	12,154
Property Taxes Receivable (net)	-	37,562	-	-	-	-	-	89,879	26,936	15,508
Accounts Receivable	191,560	12,295	147,387	2,981	-	-	-	408,811	16,338	2,132
Interest Receivable	-	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	102,815	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 339,829</u>	<u>\$ 126,205</u>	<u>\$ 147,387</u>	<u>\$ 2,981</u>	<u>\$ 244,856</u>	<u>\$ 419,859</u>	<u>\$ 35,701</u>	<u>\$ 2,161,123</u>	<u>\$ 201,119</u>	<u>\$ 29,895</u>
Liabilities:										
Accounts & Warrants Payable	\$ 173,403	\$ 212,743	\$ 37,090	\$ -	\$ 10,717	\$ 219,897	\$ 1,976	\$ 54,872	\$ 2,756	\$ 10,730
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	14,789	3,606	10,517	-	10,947	2,043	9,038	89,760	7,832	10,284
Due to Other Funds	-	-	97,254	5,561	-	-	-	-	-	-
Deferred Tax Revenue	-	37,562	-	-	-	-	-	89,879	26,936	15,508
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>188,192</u>	<u>253,911</u>	<u>144,861</u>	<u>5,561</u>	<u>21,664</u>	<u>221,940</u>	<u>11,014</u>	<u>234,511</u>	<u>37,524</u>	<u>36,522</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	151,637	-	2,526	-	223,192	197,919	24,687	1,926,612	163,595	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(127,706)	-	(2,580)	-	-	-	-	-	(6,627)
Total Fund Balance	<u>151,637</u>	<u>(127,706)</u>	<u>2,526</u>	<u>(2,580)</u>	<u>223,192</u>	<u>197,919</u>	<u>24,687</u>	<u>1,926,612</u>	<u>163,595</u>	<u>(6,627)</u>
Total Liabilities and Fund Balance	<u>\$ 339,829</u>	<u>\$ 126,205</u>	<u>\$ 147,387</u>	<u>\$ 2,981</u>	<u>\$ 244,856</u>	<u>\$ 419,859</u>	<u>\$ 35,701</u>	<u>\$ 2,161,123</u>	<u>\$ 201,119</u>	<u>\$ 29,895</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 3 of 8)**

	<b>Special Revenue</b>									
	<u>Extension</u>	<u>Missoula Development Authority</u>	<u>Drug Forfeiture</u>	<u>Youth Education &amp; Safety</u>	<u>Museum</u>	<u>Caremark NACo Rx</u>	<u>Missoula Search &amp; Rescue</u>	<u>Seeley Lake Search &amp; Rescue</u>	<u>Disaster Emergency Levy</u>	<u>Junk Vehicle</u>
Assets:										
Cash & Cash Equivalents	\$ 907	\$ 35,520	\$ 1,399	\$ 126	\$ 1,432	\$ 14	\$ 59	\$ 49	\$ -	\$ 1,556
Cash with Fiscal Agents	-	464,900	-	-	-	-	-	-	-	-
Investments	108,905	4,264,319	167,991	15,129	171,883	1,700	7,143	5,851	-	186,779
Property Taxes Receivable (net)	35,049	350,997	-	-	45,998	-	6,627	1,686	13	-
Accounts Receivable	-	-	-	13	-	-	-	-	-	-
Interest Receivable	-	3,212	57	-	-	-	-	-	-	92
Loans & Notes Receivable (net)	-	592,262	-	-	-	-	-	-	-	-
Due from Other Funds	-	40,097	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	428,578	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 144,861</u>	<u>\$ 6,179,885</u>	<u>\$ 169,447</u>	<u>\$ 15,268</u>	<u>\$ 219,313</u>	<u>\$ 1,714</u>	<u>\$ 13,829</u>	<u>\$ 7,586</u>	<u>\$ 13</u>	<u>\$ 188,427</u>
Liabilities:										
Accounts & Warrants Payable	\$ 2,003	\$ 2,758	\$ 22,668	\$ -	\$ 6,426	\$ -	\$ 31	\$ 400	\$ -	\$ 668
Accrued Interest Payable	-	54,900	-	-	-	-	-	-	-	-
Accrued Payroll	4,529	2,600	4,708	-	8,818	-	-	-	-	1,285
Due to Other Funds	-	-	-	-	-	-	-	-	1,393	-
Deferred Tax Revenue	35,049	350,997	-	-	45,998	-	6,627	1,686	13	-
Unearned Revenue	-	592,262	-	-	-	-	-	-	-	-
Total Liabilities	<u>41,581</u>	<u>1,003,517</u>	<u>27,376</u>	<u>-</u>	<u>61,242</u>	<u>-</u>	<u>6,658</u>	<u>2,086</u>	<u>1,406</u>	<u>1,953</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	103,280	2,057,823	142,071	15,268	158,071	-	7,171	5,500	-	186,474
Committed	-	3,118,545	-	-	-	1,714	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(1,393)	-
Total Fund Balance	<u>103,280</u>	<u>5,176,368</u>	<u>142,071</u>	<u>15,268</u>	<u>158,071</u>	<u>1,714</u>	<u>7,171</u>	<u>5,500</u>	<u>(1,393)</u>	<u>186,474</u>
Total Liabilities and Fund Balance	<u>\$ 144,861</u>	<u>\$ 6,179,885</u>	<u>\$ 169,447</u>	<u>\$ 15,268</u>	<u>\$ 219,313</u>	<u>\$ 1,714</u>	<u>\$ 13,829</u>	<u>\$ 7,586</u>	<u>\$ 13</u>	<u>\$ 188,427</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 4 of 8)**

	<b>Special Revenue</b>									
	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	Permissive Medical Levy	Seeley Lake Refuse	9-1-1 Trust	MCFPA Trust	LEPC Trust	Friends of the Library
<b>Assets:</b>										
Cash & Cash Equivalents	\$ 1,651	\$ 2,804	\$ 5,242	\$ 2,817	\$ -	\$ 931	\$ 3,148	\$ 7	\$ 3	\$ 326
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	198,188	336,564	629,308	338,258	-	111,729	377,958	792	334	39,180
Property Taxes Receivable (net)	-	-	-	84,502	115,994	42,775	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	309,475	-	-	-
Interest Receivable	-	-	551	-	-	43	552	-	-	32
Loans & Notes Receivable	-	106,676	1,430,802	86,045	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	1,393	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 199,839</u>	<u>\$ 446,044</u>	<u>\$ 2,065,903</u>	<u>\$ 511,622</u>	<u>\$ 115,994</u>	<u>\$ 155,478</u>	<u>\$ 692,526</u>	<u>\$ 799</u>	<u>\$ 337</u>	<u>\$ 39,538</u>
<b>Liabilities:</b>										
Accounts & Warrants Payable	\$ 14,338	\$ -	\$ -	\$ 173,415	\$ -	\$ 10,893	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	-	1,335	-	-	-	2,790	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Deferred Tax Revenue	-	-	-	84,502	115,994	42,775	-	-	-	-
Unearned Revenue	-	106,676	1,430,802	86,045	-	-	-	-	-	-
Total Liabilities	<u>14,338</u>	<u>108,011</u>	<u>1,430,802</u>	<u>343,962</u>	<u>115,994</u>	<u>56,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	185,501	338,033	635,101	144,515	-	-	692,526	799	337	-
Committed	-	-	-	23,145	-	99,020	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	39,538
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	<u>185,501</u>	<u>338,033</u>	<u>635,101</u>	<u>167,660</u>	<u>-</u>	<u>99,020</u>	<u>692,526</u>	<u>799</u>	<u>337</u>	<u>39,538</u>
Total Liabilities and Fund Balance	<u>\$ 199,839</u>	<u>\$ 446,044</u>	<u>\$ 2,065,903</u>	<u>\$ 511,622</u>	<u>\$ 115,994</u>	<u>\$ 155,478</u>	<u>\$ 692,526</u>	<u>\$ 799</u>	<u>\$ 337</u>	<u>\$ 39,538</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 5 of 8)**

	<b>Special Revenue</b>				<b>Debt Service</b>				
	Friends of Historical Museum	Historical Museum Gift Shop	Open Space	Other Special Revenue	Jail Bond	Health Center 2012 Refi	Risk Management	Fair Ice Rink Series 2012 Refi	Fair Ice Rink Series 2006
Assets:									
Cash & Cash Equivalents	\$ 171	\$ 384	\$ 299	\$ 289	\$ -	\$ -	\$ 188	\$ -	\$ -
Cash with Fiscal Agents	-	-	-	-	656,853	36,104	-	67,990	47,866
Investments	20,567	46,050	35,870	34,738	-	-	22,573	-	-
Property Taxes Receivable (net)	-	-	93	4	107,367	-	3,923	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-
Interest Receivable	20	-	-	26	-	-	18	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	3,974	-	585	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	215,000	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 20,758</u>	<u>\$ 46,434</u>	<u>\$ 36,262</u>	<u>\$ 35,057</u>	<u>\$ 764,220</u>	<u>\$ 255,078</u>	<u>\$ 26,702</u>	<u>\$ 68,575</u>	<u>\$ 47,866</u>
Liabilities:									
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ 3,500	\$ 554	\$ -	\$ 1,714	\$ -
Accrued Interest Payable	-	-	-	-	66,853	1,104	-	7,990	12,867
Accrued Payroll	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	139,475	38,487	-	156,274	89,537
Deferred Tax Revenue	-	-	93	4	107,367	-	3,923	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>93</u>	<u>4</u>	<u>317,195</u>	<u>40,145</u>	<u>3,923</u>	<u>165,978</u>	<u>102,404</u>
Fund Balance:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	447,025	-	22,779	-	-
Committed	-	46,434	36,169	35,053	-	214,933	-	-	-
Assigned	20,758	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(97,403)	(54,538)
Total Fund Balance	<u>20,758</u>	<u>46,434</u>	<u>36,169</u>	<u>35,053</u>	<u>447,025</u>	<u>214,933</u>	<u>22,779</u>	<u>(97,403)</u>	<u>(54,538)</u>
Total Liabilities and Fund Balance	<u>\$ 20,758</u>	<u>\$ 46,434</u>	<u>\$ 36,262</u>	<u>\$ 35,057</u>	<u>\$ 764,220</u>	<u>\$ 255,078</u>	<u>\$ 26,702</u>	<u>\$ 68,575</u>	<u>\$ 47,866</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 6 of 8)**

	Debt Service							Capital Projects		
	Technology Tax Increment Bonds	Open Space Bonds	Health Center 2009	Health Center 2012	Larchmont Bonds	RSID Revolving	Capital Improvement Debt Service	Capital Improvements	Technology	Milltown Development Projects
Assets:										
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,790	\$ -	\$ -	\$ 4,488	\$ -
Cash with Fiscal Agents	73,147	591,000	115,171	24,672	55,906	-	103,720	-	-	-
Investments	-	-	-	-	-	695,069	-	-	538,793	-
Property Taxes Receivable (net)	-	30,968	-	-	-	57	-	-	52,267	-
Accounts Receivable	-	-	-	-	-	-	-	-	35,745	-
Interest Receivable	-	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	120,620	-	79,180	-	-
Due from Other Funds	-	-	-	-	-	-	28,087	2,845,192	-	-
Advances to Other Funds	-	-	-	-	970,000	92,312	-	-	-	-
Advances to Component Units	-	-	1,710,000	395,000	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 73,147</u>	<u>\$ 621,968</u>	<u>\$ 1,825,171</u>	<u>\$ 419,672</u>	<u>\$ 1,025,906</u>	<u>\$ 913,848</u>	<u>\$ 131,807</u>	<u>\$ 2,924,372</u>	<u>\$ 631,293</u>	<u>\$ -</u>
Liabilities:										
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ 1,233	\$ -	\$ -	\$ 3,500	\$ 106,646	\$ 22,938	\$ -
Accrued Interest Payable	28,147	86,000	40,171	4,672	15,906	-	18,720	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	40,097	464,604	114,871	13,796	55,908	-	99,300	28,087	-	63
Deferred Tax Revenue	-	30,968	-	-	-	57	-	-	52,267	-
Unearned Revenue	-	-	-	-	-	120,620	-	-	-	-
Total Liabilities	<u>68,244</u>	<u>581,572</u>	<u>155,042</u>	<u>19,701</u>	<u>71,814</u>	<u>120,677</u>	<u>121,520</u>	<u>134,733</u>	<u>75,205</u>	<u>63</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	4,903	40,396	-	-	-	793,171	-	-	556,088	-
Committed	-	-	1,670,129	399,971	954,092	-	10,287	-	-	-
Assigned	-	-	-	-	-	-	-	2,789,639	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(63)
Total Fund Balance	<u>4,903</u>	<u>40,396</u>	<u>1,670,129</u>	<u>399,971</u>	<u>954,092</u>	<u>793,171</u>	<u>10,287</u>	<u>2,789,639</u>	<u>556,088</u>	<u>(63)</u>
Total Liabilities and Fund Balance	<u>\$ 73,147</u>	<u>\$ 621,968</u>	<u>\$ 1,825,171</u>	<u>\$ 419,672</u>	<u>\$ 1,025,906</u>	<u>\$ 913,848</u>	<u>\$ 131,807</u>	<u>\$ 2,924,372</u>	<u>\$ 631,293</u>	<u>\$ -</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 7 of 8)**

	<b>Capital Projects</b>									
	Milltown Historical Preservation	Grant Creek Project	Open Space	Library Capital Reserve	Health Building Reserve	WQD Capital Reserve	Public Safety Capital Reserve	Ice Rink Project	Park Construction Reserve	MCA Industrial District Construction
Assets:										
Cash & Cash Equivalents	\$ 874	\$ -	\$ 2,373	\$ 2,029	\$ 3,794	\$ 941	\$ 2,983	\$ -	\$ 2,663	\$ 12
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	104,924	-	284,845	243,606	455,498	112,999	358,081	-	319,725	1,374
Property Taxes Receivable (net)	-	-	-	-	-	-	-	-	-	-
RSID Receivable										
Delinquent	-	-	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Interest Receivable	84	-	598	196	366	91	464	-	157	1
Loans & Notes Receivable	-	-	-	-	-	-	-	61,000	-	-
Due from Other Funds	-	-	464,604	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 105,882</u>	<u>\$ -</u>	<u>\$ 752,420</u>	<u>\$ 245,831</u>	<u>\$ 459,658</u>	<u>\$ 114,031</u>	<u>\$ 361,528</u>	<u>\$ 61,000</u>	<u>\$ 322,545</u>	<u>\$ 1,387</u>
Liabilities:										
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	88,877	-	-	-	-	-	20,693	-	-
Deferred Tax Revenue	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	61,000	-	-
Total Liabilities	<u>-</u>	<u>88,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,693</u>	<u>-</u>	<u>-</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	752,420	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	105,882	-	-	245,831	459,658	114,031	361,528	-	322,545	1,387
Unassigned	-	(88,877)	-	-	-	-	-	(20,693)	-	-
Total Fund Balance	<u>105,882</u>	<u>(88,877)</u>	<u>752,420</u>	<u>245,831</u>	<u>459,658</u>	<u>114,031</u>	<u>361,528</u>	<u>(20,693)</u>	<u>322,545</u>	<u>1,387</u>
Total Liabilities and Fund Balance	<u>\$ 105,882</u>	<u>\$ -</u>	<u>\$ 752,420</u>	<u>\$ 245,831</u>	<u>\$ 459,658</u>	<u>\$ 114,031</u>	<u>\$ 361,528</u>	<u>\$ 61,000</u>	<u>\$ 322,545</u>	<u>\$ 1,387</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2013**  
**(Page 8 of 8)**

	<b>Capital Projects</b>								
	Weed/Ext Building Reserve	Bridge Reserve	Road Escrow	Missoula Search & Rescue Reserve	Seeley Lake Search & Rescue Reserve	Courthouse Reconstruction	Courthouse Reconstruction Phase 2-5	Admin Bldg Acquisition Reserve	<b>Total</b>
Assets:									
Cash & Cash Equivalents	\$ 3,831	\$ 5,341	\$ 2,934	\$ 393	\$ 692	\$ -	\$ -	\$ 8,738	\$ 152,890
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	2,245,269
Investments	459,898	641,179	352,295	47,215	83,011	-	-	1,049,138	18,355,324
Property Taxes Receivable (net)	-	-	-	-	-	-	-	-	1,941,522
Accounts Receivable	-	-	-	-	-	-	-	-	1,168,171
Interest Receivable	370	-	283	38	67	-	-	-	7,508
Loans & Notes Receivable	-	-	-	-	-	-	-	-	2,476,585
Due from Other Funds	-	-	-	-	-	-	-	-	3,680,750
Advances to Other Funds	-	-	-	-	-	-	-	-	1,062,312
Advances to Component Units	-	-	-	-	-	-	-	-	2,748,578
Prepaid Costs	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	1,386,525
Total Assets	<u>\$ 464,099</u>	<u>\$ 646,520</u>	<u>\$ 355,512</u>	<u>\$ 47,646</u>	<u>\$ 83,770</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,057,876</u>	<u>\$ 35,225,434</u>
Liabilities:									
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 262,137	\$ -	\$ -	\$ 1,959,778
Accrued Interest Payable	-	-	-	-	-	-	-	-	339,270
Accrued Payroll	-	-	-	-	-	-	-	-	345,170
Due to Other Funds	-	-	-	-	-	2,804,926	189,876	-	4,449,079
Deferred Tax Revenue	-	-	-	-	-	-	-	-	1,941,522
Unearned Revenue	-	-	-	-	-	-	-	-	2,397,405
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,067,063</u>	<u>189,876</u>	<u>-</u>	<u>11,432,224</u>
Fund Balance:									
Nonspendable	-	-	-	-	-	-	-	-	1,386,525
Restricted	-	-	-	-	-	-	-	-	12,362,416
Committed	-	-	-	-	-	-	-	-	6,609,492
Assigned	464,099	646,520	355,512	47,646	83,770	-	-	1,057,876	7,116,220
Unassigned	-	-	-	-	-	(3,067,063)	(189,876)	-	(3,681,443)
Total Fund Balance	<u>464,099</u>	<u>646,520</u>	<u>355,512</u>	<u>47,646</u>	<u>83,770</u>	<u>(3,067,063)</u>	<u>(189,876)</u>	<u>1,057,876</u>	<u>23,793,210</u>
Total Liabilities and Fund Balance	<u>\$ 464,099</u>	<u>\$ 646,520</u>	<u>\$ 355,512</u>	<u>\$ 47,646</u>	<u>\$ 83,770</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,057,876</u>	<u>\$ 35,225,434</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 1 of 8)**

	<b>Special Revenue</b>									
	Road	Poor	Bridge	Weed	Fair	District Court	Weed Grant	Parks	Library	Planning
Revenues:										
Property Taxes	\$ 2,085,897	\$ 1,021,419	\$ 950,302	\$ 468,232	\$ 195,714	\$ 892,633	\$ -	\$ 233,127	\$ 2,329,281	\$ 1,017,056
Licenses & Permits	9,205	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	3,416,062	173,057	132,460	42,813	12,501	55,604	180,821	11,913	229,015	79,015
Charges for Services	390	-	-	812	1,010,495	62,680	-	-	2,316	9,620
Fines & Forfeitures	-	-	-	-	-	2,389	-	-	65,658	-
Investment Earnings	-	-	-	-	371	-	-	-	-	96
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	806,042	-	-	324	1,899	-	-	17,262	11,032	13,574
Total Revenues	6,317,596	1,194,476	1,082,762	512,181	1,220,980	1,013,306	180,821	262,302	2,637,302	1,119,361
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	1,119,427
Criminal Justice	-	-	-	-	-	1,009,732	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	3,525,953	-	906,705	400,311	-	-	224,484	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	793,392	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	953,236	-	-	251,528	2,274,701	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	2,241,702	-	79,388	3,159	192,963	-	-	15,852	282,970	-
Debt Service:										
Principal	-	-	-	-	10,000	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	3,980	-	-	-	-	-
Total Expenditures	5,767,655	793,392	986,093	403,470	1,160,179	1,009,732	224,484	267,380	2,557,671	1,119,427
Excess of Revenues over (under) Expenditures	549,941	401,084	96,669	108,711	60,801	3,574	(43,663)	(5,078)	79,631	(66)
Other Financing Sources (uses):										
Transfers In	257,719	-	22,065	44,297	133,211	40,679	70,367	4,080	49,397	468,954
Transfers Out	(245,654)	(375,817)	(284,000)	(107,365)	(132,830)	(172,100)	(34,439)	(125,994)	-	(756,936)
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	124,817	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	686,823	25,267	(165,266)	45,643	61,182	(127,847)	(7,735)	(126,992)	129,028	(288,048)
Fund Balance - Beginning of Year	1,495,211	66,885	470,359	78,192	78,113	411,264	140,783	269,505	(117,363)	263,424
Fund Balance Transfer	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	356,469	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 2,538,503	\$ 92,152	\$ 305,093	\$ 123,835	\$ 139,295	\$ 283,417	\$ 133,048	\$ 142,513	\$ 11,665	\$ (24,624)

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 2 of 8)**

	<b>Special Revenue</b>									
	Grants	Substance Abuse Prevention	Crime Victims Assistance	Transportation	Community & Planning Services	Urban Initiatives	Building Code Division	Health	Water Quality District	Animal Control
Revenues:										
Property Taxes	\$ -	\$ 370,422	\$ -	\$ 4,950	\$ -	\$ 9,436	\$ -	\$ 2,011,087	\$ -	\$ 392,903
Licenses & Permits	-	-	-	-	-	-	445,713	112,329	-	159,484
Intergovernmental Revenue	1,329,087	98,522	570,178	429,933	228,188	-	-	2,152,580	30,302	20,265
Charges for Services	-	-	-	52,765	-	-	44,824	889,300	419,574	63,393
Fines & Forfeitures	-	-	171,973	-	-	-	-	3,200	-	-
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Private & Local Grants	160,925	13,654	-	-	-	-	-	3,690	11,250	18,360
Miscellaneous Revenues	-	-	-	14,811	3,441	-	-	58,015	2,348	7,300
Total Revenues	1,490,012	482,598	742,151	502,459	231,629	9,436	490,537	5,230,201	463,474	661,705
Expenditures:										
Current Operations:										
General Government	728,535	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	157,567	-	-	-	-	-	-	-
Public Works	-	-	-	414,706	-	-	440,553	-	-	-
Public Health	301,898	705,150	-	-	-	-	-	5,071,287	443,725	731,173
Social & Economic Services	-	-	677,268	-	-	-	-	-	-	-
Culture & Recreation	71,556	-	-	-	-	-	-	-	-	-
Housing & Community Development	418,637	-	-	-	753,179	478,158	-	-	-	-
Capital Outlay	-	-	12,090	-	-	-	-	29,264	-	-
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,520,626	705,150	846,925	414,706	753,179	478,158	440,553	5,100,551	443,725	731,173
Excess of Revenues over (under) Expenditures	(30,614)	(222,552)	(104,774)	87,753	(521,550)	(468,722)	49,984	129,650	19,749	(69,468)
Other Financing Sources (uses):										
Transfers In	305,633	-	20,068	9,900	516,196	405,780	-	175,775	-	21,843
Transfers Out	(10,737)	(2,819)	(5,246)	(7,098)	(4,978)	(3,978)	-	(74,400)	(8,050)	(6,050)
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	966
Net change in Fund Balance	264,282	(225,371)	(89,952)	90,555	(10,332)	(66,920)	49,984	231,025	11,699	(52,709)
Fund Balance - Beginning of Year	(112,645)	97,665	92,478	(93,135)	233,524	264,839	(25,297)	1,695,587	151,896	46,082
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 151,637	\$ (127,706)	\$ 2,526	\$ (2,580)	\$ 223,192	\$ 197,919	\$ 24,687	\$ 1,926,612	\$ 163,595	\$ (6,627)



**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 3 of 8)**

	<b>Special Revenue</b>									
	Extension	Missoula Development Authority	Drug Forfeiture	Youth Education & Safety	Museum	Caremark NACo Rx	Missoula Search & Rescue	Seeley Lake Search & Rescue	Disaster Emergency Levy	Junk Vehicle
Revenues:										
Property Taxes	\$ 339,801	\$ 1,533,947	\$ -	\$ -	\$ 444,638	\$ -	\$ 55,149	\$ 25,845	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	43,505	123,518	133,436	-	43,655	-	1,772	255	-	70,993
Charges for Services	4,046	-	-	-	16,246	-	-	-	-	-
Fines & Forfeitures	-	-	5,602	-	-	-	-	-	-	-
Investment Earnings	-	4,490	290	22	-	-	-	-	-	146
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	17,717	747,689	-	-	-	1,714	1,720	-	-	1,800
Total Revenues	405,069	2,409,644	139,328	22	504,539	1,714	58,641	26,100	-	72,939
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	259,678	-	-	-	15,528	6,170	-	-
Public Works	421,691	895,045	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	74,719
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	471,112	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	599	104,370	-	-	-	-	24,822	18,850	-	-
Debt Service:										
Principal	-	395,000	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	110,100	-	-	-	-	-	-	-	-
Total Expenditures	422,290	1,504,515	259,678	-	471,112	-	40,350	25,020	-	74,719
Excess of Revenues over (under) Expenditures	(17,221)	905,129	(120,350)	22	33,427	1,714	18,291	1,080	-	(1,780)
Other Financing Sources (uses):										
Transfers In	39,996	-	70,000	-	24,393	-	-	-	-	-
Transfers Out	(30,000)	(295,729)	(12,763)	-	(42,222)	-	(730)	(4,820)	-	(950)
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	189,949	-	-	-	-	-	-	-	-
Net change in Fund Balance	(7,225)	799,349	(63,113)	22	15,598	1,714	17,561	(3,740)	-	(2,730)
Fund Balance - Beginning of Year	110,505	4,377,019	205,184	15,246	142,473	-	(10,390)	9,240	(1,393)	189,204
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 103,280	\$ 5,176,368	\$ 142,071	\$ 15,268	\$ 158,071	\$ 1,714	\$ 7,171	\$ 5,500	\$ (1,393)	\$ 186,474

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 4 of 8)**

	<b>Special Revenue</b>									
	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	Permissive Medical Levy	Seeley Lake Refuse	9-1-1 Trust	MCFPA Trust	LEPC Trust	Friends of the Library
Property Taxes	\$ -	\$ -	\$ -	\$ 833,497	\$ 1,137,037	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	62,516	-	-	65,982	19,159	-	692,273	-	-	-
Charges for Services	-	-	-	-	-	288,938	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	719	-	-	(9)	802	-	-	102
Private & Local Grants	-	-	-	-	-	-	-	-	-	24,386
Miscellaneous Revenues	-	-	267,061	27,903	-	-	-	-	-	-
Total Revenues	62,516	-	267,780	927,382	1,156,196	288,929	693,075	-	-	24,488
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	80,350	-	-	-	-	-	-	-	-	-
Public Works	-	139,688	-	-	-	255,867	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	768,567	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	21,936
Housing & Community Development	-	-	87,735	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	7,847
Debt Service:										
Principal	-	-	-	26,578	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	1,325	-	-	-	-	-	-
Total Expenditures	80,350	139,688	87,735	796,470	-	255,867	-	-	-	29,783
Excess of Revenues over (under) Expenditures	(17,834)	(139,688)	180,045	130,912	1,156,196	33,062	693,075	-	-	(5,295)
Other Financing Sources (uses):										
Transfers In	-	9,999	-	75,756	-	-	-	-	-	-
Transfers Out	-	(42,246)	-	-	(1,156,196)	-	(817,853)	-	-	-
Issuance of Debt	-	-	-	-	-	28,464	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	(17,834)	(171,935)	180,045	206,668	-	61,526	(124,778)	-	-	(5,295)
Fund Balance - Beginning of Year	203,335	509,968	455,056	(39,008)	-	37,494	817,304	799	337	44,833
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 185,501	\$ 338,033	\$ 635,101	\$ 167,660	\$ -	\$ 99,020	\$ 692,526	\$ 799	\$ 337	\$ 39,538

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 5 of 8)**

	<b>Special Revenue</b>					<b>Debt Service</b>				
	Friends of Historical Museum	Historical Museum Gift Shop	Open Space	Other Special Revenue	Abandoned Vehicle	Jail Bond	Health Center 2012 Refi	Risk Management	Fair Ice Rink Series 2012 Refi	Fair Ice Rink Series 2006
Revenues:										
Property Taxes	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 996,801	\$ -	\$ 5,478	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	251,315	15,352	595	-	-
Charges for Services	1,955	14,954	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	83	-	-	84	-	(1,592)	(26)	33	(49)	-
Private & Local Grants	99,524	-	-	24,490	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-	-	-
Total Revenues	101,562	14,954	-	24,575	-	1,246,524	15,326	6,106	(49)	-
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	14,762	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	107,233	8,495	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal	-	-	-	-	-	1,040,000	25,000	-	45,000	35,000
Interest and Fiscal Charges	-	-	-	-	-	117,274	5,680	-	23,424	25,983
Total Expenditures	107,233	8,495	-	14,762	-	1,157,274	30,680	-	68,424	60,983
Excess of Revenues over (under) Expenditures	(5,671)	6,459	-	9,813	-	89,250	(15,354)	6,106	(68,473)	(60,983)
Other Financing Sources (uses):										
Transfers In	-	11,000	-	-	-	-	-	-	62,642	48,549
Transfers Out	(17,700)	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Refunding Bonds	-	-	-	-	-	6,510,200	210,000	-	650,000	-
Premium on Issuance of Debt	-	-	-	-	-	272,991	6,298	-	19,493	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	(7,268,444)	(206,288)	-	(661,315)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	(23,371)	17,459	-	9,813	-	(396,003)	(5,344)	6,106	2,347	(12,434)
Fund Balance - Beginning of Year	44,129	28,975	36,169	25,240	1,241	843,028	220,277	16,673	(99,750)	(42,104)
Fund Reclassifications	-	-	-	-	(1,241)	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 20,758	\$ 46,434	\$ 36,169	\$ 35,053	\$ -	\$ 447,025	\$ 214,933	\$ 22,779	\$ (97,403)	\$ (54,538)

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 6 of 8)**

	Debt Service						Capital Projects			
	Technology Tax Increment Bonds	Open Space Bonds	Health Center 2009	Health Center 2012	Larchmont Bonds	RSID Revolving	Capital Improvement Debt Service	Capital Improvements	Technology	Milltown Development Projects
Revenues:										
Property Taxes	\$ -	\$ 645,671	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 507,749	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	5,349	40,471	2,100	32,463	-	-	-	39,636	-
Charges for Services	-	-	-	-	-	-	-	-	70,586	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	(2)	6,031	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	1,048	16	-
Total Revenues	-	651,020	40,471	2,100	32,461	6,031	-	1,048	617,987	-
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	477,357	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	1,020,957	218,358	-
Debt Service:										
Principal	40,000	395,000	70,000	-	40,000	-	-	259,479	-	-
Interest and Fiscal Charges	56,594	172,550	80,642	11,791	32,063	-	44,375	8,236	-	-
Total Expenditures	96,594	567,550	150,642	11,791	72,063	-	44,375	1,288,672	695,715	-
Excess of Revenues over (under) Expenditures	(96,594)	83,470	(110,171)	(9,691)	(39,602)	6,031	(44,375)	(1,287,624)	(77,728)	-
Other Financing Sources (uses):										
Transfers In	97,719	-	-	-	-	-	-	968,179	1,203,900	-
Transfers Out	-	-	-	-	-	(25,349)	-	(125,000)	(1,000,431)	-
Issuance of Debt	-	-	-	395,000	-	-	-	1,615,000	-	-
Premium on Issuance of Debt	-	-	-	14,662	-	-	54,662	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	1,125	83,470	(110,171)	399,971	(39,602)	(19,318)	10,287	1,170,555	125,741	-
Fund Balance - Beginning of Year	3,778	(43,074)	1,780,300	-	993,694	812,489	-	1,619,084	430,347	(63)
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 4,903	\$ 40,396	\$ 1,670,129	\$ 399,971	\$ 954,092	\$ 793,171	\$ 10,287	\$ 2,789,639	\$ 556,088	\$ (63)

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 7 of 8)**

	<b>Capital Projects</b>									
	Milltown Historical Preservation	Grant Creek Project	Open Space	Library Capital Reserve	Health Building Reserve	WQD Capital Reserve	Public Safety Capital Reserve	Ice Rink Project	Park Construction Reserve	MCA Industrial District Construction
Revenues:										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-	25,624	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	147	-	2,162	340	636	159	1,231	-	260	2
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	814	-	-	-	-	-	-	-	-	-
Total Revenues	961	-	2,162	340	636	159	1,231	-	25,884	2
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	2,712	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	1,333,913	-	-	-	261,787	-	-	-
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Total Expenditures	2,712	-	1,333,913	-	-	-	261,787	-	-	-
Excess of Revenues over (under) Expenditures	(1,751)	-	(1,331,751)	340	636	159	(260,556)	-	25,884	2
Other Financing Sources (uses):										
Transfers In	-	-	-	-	-	-	280,000	-	125,000	-
Transfers Out	-	-	-	-	-	-	-	-	(3,500)	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	(1,751)	-	(1,331,751)	340	636	159	19,444	-	147,384	2
Fund Balance - Beginning of Year	107,633	(88,877)	2,084,171	245,491	459,022	113,872	342,084	(20,693)	175,161	1,385
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 105,882	\$ (88,877)	\$ 752,420	\$ 245,831	\$ 459,658	\$ 114,031	\$ 361,528	\$ (20,693)	\$ 322,545	\$ 1,387

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 8 of 8)**

	<b>Capital Projects</b>									
	Weed/Ext Building Reserve	Bridge Reserve	Road Escrow	Missoula Search & Rescue Reserve	Seeley Lake Search & Rescue Reserve	Courthouse Reconstruction	Courthouse Reconstruction Phase 2-5	Admin Bldg Acquisition Reserve	RSID Capital Projects	<b>Total</b>
Revenues:										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 937,115	\$ 19,445,188
Licenses & Permits	-	-	-	-	-	-	-	-	-	726,731
Intergovernmental Revenue	-	-	-	-	-	-	-	-	2,473	10,839,134
Charges for Services	-	-	-	-	-	-	-	-	-	2,978,518
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	248,822
Investment Earnings	620	(25)	641	66	(4)	-	-	-	-	17,826
Private & Local Grants	-	-	-	-	-	-	-	-	-	356,279
Miscellaneous Revenues	-	-	-	-	-	-	-	-	40,000	2,043,530
Total Revenues	620	(25)	641	66	(4)	-	-	-	979,588	36,656,028
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	280,000	-	2,605,319
Criminal Justice	-	-	-	-	-	-	-	-	-	1,009,732
Public Safety	-	-	-	-	-	-	-	-	-	519,293
Public Works	-	-	-	-	-	-	-	-	-	7,625,003
Public Health	-	-	-	-	-	-	-	-	-	7,342,714
Social & Economic Services	-	-	-	-	-	-	-	-	-	2,239,227
Culture & Recreation	-	-	-	-	-	-	-	-	-	4,159,797
Housing & Community Development	-	-	-	-	-	-	-	-	26	1,740,447
Capital Outlay	29,560	-	-	-	-	4,358,978	189,876	-	65,623	10,492,928
Debt Service:										
Principal	-	-	-	-	-	-	-	-	388,000	2,769,057
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	160,822	854,839
Total Expenditures	29,560	-	-	-	-	4,358,978	189,876	280,000	614,471	41,358,356
Excess of Revenues over (under) Expenditures	(28,940)	(25)	641	66	(4)	(4,358,978)	(189,876)	(280,000)	365,117	(4,702,328)
Other Financing Sources (uses):										
Transfers In	33,000	283,000	-	730	4,820	1,291,915	-	-	-	7,176,562
Transfers Out	-	-	(153,154)	-	-	-	-	(199,374)	-	(6,286,508)
Issuance of Debt	-	-	-	-	-	-	-	-	-	2,038,464
Refunding Bonds	-	-	-	-	-	-	-	-	-	7,370,200
Premium on Issuance of Debt	-	-	-	-	-	-	-	-	-	368,106
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	-	(8,136,047)
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	315,732
Net change in Fund Balance	4,060	282,975	(152,513)	796	4,816	(3,067,063)	(189,876)	(479,374)	365,117	(1,855,819)
Fund Balance - Beginning of Year	460,039	363,545	508,025	46,850	78,954	-	-	1,537,250	1,073,510	26,732,428
Fund Reclassifications	-	-	-	-	-	-	-	-	(1,438,627)	(1,439,868)
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	356,469
Fund Balance - End of Year	\$ 464,099	\$ 646,520	\$ 355,512	\$ 47,646	\$ 83,770	\$ (3,067,063)	\$ (189,876)	\$ 1,057,876	\$ -	\$ 23,793,210

**NON-MAJOR FUNDS – Budget and Actual**

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**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, 2013**  
**(Page 1 of 32)**

<b>Special Revenue Funds</b>								
	<b>Road</b>				<b>Poor</b>			
	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	\$ 2,065,594	\$ 2,065,594	\$ 2,085,897	\$ 20,303	\$ 1,016,081	\$ 1,016,081	\$ 1,021,419	\$ 5,338
License & Permits	11,250	11,250	9,115	(2,135)	-	-	-	-
Intergovernmental Revenue	4,444,320	4,444,320	3,371,167	(1,073,153)	170,229	170,229	173,057	2,828
Charges for Services	12,000	12,000	390	(11,610)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	15,000	15,000	806,042	791,042	-	-	-	-
Total Revenues	<u>6,548,164</u>	<u>6,548,164</u>	<u>6,272,611</u>	<u>(275,553)</u>	<u>1,186,310</u>	<u>1,186,310</u>	<u>1,194,476</u>	<u>8,166</u>
Expenditures:								
Current Operations:								
Personnel	2,214,955	2,243,955	2,243,876	79	-	-	-	-
Operations	1,947,413	1,977,213	1,655,919	321,294	800,641	800,641	767,617	33,024
Capital Outlay	2,634,500	2,634,500	2,226,725	407,775	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>6,796,868</u>	<u>6,855,668</u>	<u>6,126,520</u>	<u>729,148</u>	<u>800,641</u>	<u>800,641</u>	<u>767,617</u>	<u>33,024</u>
Excess of Revenues over (under) Expenditures	(248,704)	(307,504)	146,091	453,595	385,669	385,669	426,859	41,190
Other Financing Sources (Uses):								
Transfers In	74,763	102,010	257,719	155,709	-	-	-	-
Transfers Out	(248,400)	(248,400)	(245,654)	2,746	(375,817)	(375,817)	(375,817)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	75,000	75,000	124,817	49,817	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (347,341)</u>	<u>\$ (378,894)</u>	<u>\$ 282,973</u>	<u>\$ 661,867</u>	<u>\$ 9,852</u>	<u>\$ 9,852</u>	<u>\$ 51,042</u>	<u>\$ 41,190</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, 2013**  
**(Page 2 of 32)**

<b>Special Revenue Funds</b>								
	<b>Bridge</b>				<b>Weed</b>			
	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	\$ 945,329	\$ 945,329	\$ 950,302	\$ 4,973	\$ 465,786	\$ 465,786	\$ 468,232	\$ 2,446
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	124,724	124,724	147,460	22,736	39,070	38,570	42,813	4,243
Charges for Services	-	-	-	-	500	1,000	812	(188)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	1,000	1,000	324	(676)
Total Revenues	<u>1,070,053</u>	<u>1,070,053</u>	<u>1,097,762</u>	<u>27,709</u>	<u>506,356</u>	<u>506,356</u>	<u>512,181</u>	<u>5,825</u>
Expenditures:								
Current Operations:								
Personnel	797,729	797,729	748,115	49,614	365,386	365,386	311,986	53,400
Operations	211,302	189,302	131,896	57,406	104,800	104,800	87,278	17,522
Capital Outlay	37,500	79,500	79,388	112	29,000	29,000	3,159	25,841
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,046,531</u>	<u>1,066,531</u>	<u>959,399</u>	<u>107,132</u>	<u>499,186</u>	<u>499,186</u>	<u>402,423</u>	<u>96,763</u>
Excess of Revenues over (under) Expenditures	23,522	3,522	138,363	134,841	7,170	7,170	109,758	102,588
Other Financing Sources (Uses):								
Transfers In	21,787	21,787	22,065	278	61,959	61,959	44,297	(17,662)
Transfers Out	(1,000)	(284,000)	(284,000)	-	(126,865)	(126,865)	(107,365)	19,500
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 44,309</u>	<u>\$ (258,691)</u>	<u>\$ (123,572)</u>	<u>\$ 135,119</u>	<u>\$ (57,736)</u>	<u>\$ (57,736)</u>	<u>\$ 46,690</u>	<u>\$ 104,426</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, 2013**  
**(Page 3 of 32)**

<b>Special Revenue Funds</b>								
	<b>Fair</b>				<b>District Court</b>			
	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	\$ 196,534	\$ 196,534	\$ 195,714	\$ (820)	\$ 868,013	\$ 868,013	\$ 892,633	\$ 24,620
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	10,893	10,893	12,501	1,608	75,768	75,768	101,570	25,802
Charges for Services	988,000	979,000	1,010,495	31,495	57,000	57,000	62,680	5,680
Fines & Forfeitures	-	-	-	-	350	350	2,389	2,039
Investment Earnings	100	200	816	616	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	8,900	17,800	1,899	(15,901)	-	-	-	-
Total Revenues	<u>1,204,427</u>	<u>1,204,427</u>	<u>1,221,425</u>	<u>16,998</u>	<u>1,001,131</u>	<u>1,001,131</u>	<u>1,059,272</u>	<u>58,141</u>
Expenditures:								
Current Operations:								
Personnel	427,978	427,978	377,269	50,709	876,673	876,673	869,913	6,760
Operations	600,000	600,000	582,635	17,365	138,800	138,800	137,269	1,531
Capital Outlay	220,000	220,000	154,366	65,634	-	-	-	-
Debt Service:								
Principal	10,000	10,000	10,000	-	-	-	-	-
Interest	4,180	4,180	4,180	-	-	-	-	-
Total Expenditures	<u>1,262,158</u>	<u>1,262,158</u>	<u>1,128,450</u>	<u>133,708</u>	<u>1,015,473</u>	<u>1,015,473</u>	<u>1,007,182</u>	<u>8,291</u>
Excess of Revenues over (under) Expenditures	(57,731)	(57,731)	92,975	150,706	(14,342)	(14,342)	52,090	66,432
Other Financing Sources (Uses):								
Transfers In	133,108	133,108	133,211	103	39,926	39,926	40,679	753
Transfers Out	(155,550)	(155,550)	(132,830)	22,720	(172,950)	(172,950)	(172,100)	850
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (80,173)</u>	<u>\$ (80,173)</u>	<u>\$ 93,356</u>	<u>\$ 173,529</u>	<u>\$ (147,366)</u>	<u>\$ (147,366)</u>	<u>\$ (79,331)</u>	<u>\$ 68,035</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, 2013**  
**(Page 4 of 32)**

<b>Special Revenue Funds</b>								
	<b>Weed Grant</b>				<b>Parks</b>			
	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	\$ -	\$ -	\$ -	\$ -	\$ 231,910	\$ 231,910	\$ 233,127	\$ 1,217
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	185,793	283,943	152,862	(131,081)	10,015	10,015	11,913	1,898
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	16,285	16,285	17,262	977
Total Revenues	<u>185,793</u>	<u>283,943</u>	<u>152,862</u>	<u>(131,081)</u>	<u>258,210</u>	<u>258,210</u>	<u>262,302</u>	<u>4,092</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	93,843	105,243	105,175	68
Operations	370,096	468,246	203,658	264,588	261,267	205,017	186,355	18,662
Capital Outlay	-	-	-	-	101,500	21,350	16,701	4,649
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>370,096</u>	<u>468,246</u>	<u>203,658</u>	<u>264,588</u>	<u>456,610</u>	<u>331,610</u>	<u>308,231</u>	<u>23,379</u>
Excess of Revenues over (under) Expenditures	(184,303)	(184,303)	(50,796)	133,507	(198,400)	(73,400)	(45,929)	27,471
Other Financing Sources (Uses):								
Transfers In	89,867	89,867	70,367	(19,500)	573	573	4,080	3,507
Transfers Out	(52,585)	(52,585)	(34,439)	18,146	(2,900)	(127,900)	(125,994)	1,906
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (147,021)</u>	<u>\$ (147,021)</u>	<u>\$ (14,868)</u>	<u>\$ 132,153</u>	<u>\$ (200,727)</u>	<u>\$ (200,727)</u>	<u>\$ (167,843)</u>	<u>\$ 32,884</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, 2013**  
**(Page 5 of 32)**

<b>Special Revenue Funds</b>								
	<b>Library</b>				<b>Planning</b>			
	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	\$ 2,317,136	\$ 2,317,136	\$ 2,329,281	\$ 12,145	\$ 1,375,455	\$ 1,375,455	\$ 1,195,815	\$ (179,640)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	193,967	210,262	229,015	18,753	73,675	73,675	79,015	5,340
Charges for Services	50,600	50,900	1,674	(49,226)	-	-	9,620	9,620
Fines & Forfeitures	70,000	70,000	65,658	(4,342)	-	-	-	-
Investment Earnings	-	-	-	-	-	-	130	130
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	74,606	74,606	11,032	(63,574)	1,000	1,000	16,932	15,932
Total Revenues	<u>2,706,309</u>	<u>2,722,904</u>	<u>2,636,660</u>	<u>(86,244)</u>	<u>1,450,130</u>	<u>1,450,130</u>	<u>1,301,512</u>	<u>(148,618)</u>
Expenditures:								
Current Operations:								
Personnel	1,998,962	1,998,962	1,869,884	129,078	1,153,575	1,137,575	897,404	240,171
Operations	428,841	445,136	411,145	33,991	72,701	72,701	35,540	37,161
Capital Outlay	325,236	325,236	282,536	42,700	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,753,039</u>	<u>2,769,334</u>	<u>2,563,565</u>	<u>205,769</u>	<u>1,226,276</u>	<u>1,210,276</u>	<u>932,944</u>	<u>277,332</u>
Excess of Revenues over (under) Expenditures	(46,730)	(46,430)	73,095	119,525	223,854	239,854	368,568	128,714
Other Financing Sources (Uses):								
Transfers In	48,775	48,775	49,397	622	527,389	527,389	468,954	(58,435)
Transfers Out	-	-	-	-	(741,150)	(757,150)	(756,936)	214
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 2,045</u>	<u>\$ 2,345</u>	<u>\$ 122,492</u>	<u>\$ 120,147</u>	<u>\$ 10,093</u>	<u>\$ 10,093</u>	<u>\$ 80,586</u>	<u>\$ 70,493</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, 2013**  
**(Page 6 of 32)**

<b>Special Revenue Funds</b>								
	<b>Grants</b>				<b>Substance Abuse Prevention</b>			
	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	\$ -	\$ -	\$ -	\$ -	\$ 368,920	\$ 368,920	\$ 370,422	\$ 1,502
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	1,664,801	2,546,803	1,404,912	(1,141,891)	96,292	108,660	96,627	(12,033)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	50,000	-	(50,000)	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	155,925	160,925	5,000	1,500	1,500	13,654	12,154
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>1,664,801</u>	<u>2,752,728</u>	<u>1,565,837</u>	<u>(1,186,891)</u>	<u>466,712</u>	<u>479,080</u>	<u>480,703</u>	<u>1,623</u>
Expenditures:								
Current Operations:								
Personnel	771,182	894,840	679,848	214,992	209,597	209,597	186,512	23,085
Operations	965,682	1,864,900	753,939	1,110,961	312,825	325,193	304,016	21,177
Capital Outlay	35,000	154,190	-	154,190	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,771,864</u>	<u>2,913,930</u>	<u>1,433,787</u>	<u>1,480,143</u>	<u>522,422</u>	<u>534,790</u>	<u>490,528</u>	<u>44,262</u>
Excess of Revenues over (under) Expenditures	(107,063)	(161,202)	132,050	293,252	(55,710)	(55,710)	(9,825)	45,885
Other Financing Sources (Uses):								
Transfers In	305,633	342,925	305,633	(37,292)	-	-	-	-
Transfers Out	(16,958)	(19,508)	(10,737)	8,771	(4,675)	(4,675)	(2,819)	1,856
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 181,612</u>	<u>\$ 162,215</u>	<u>\$ 426,946</u>	<u>\$ 264,731</u>	<u>\$ (60,385)</u>	<u>\$ (60,385)</u>	<u>\$ (12,644)</u>	<u>\$ 47,741</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, 2013**  
**(Page 7 of 32)**

<b>Special Revenue Funds</b>								
	<b>Crime Victim Assistance</b>				<b>Transportation</b>			
	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	\$ -	\$ -	\$ -	\$ -	\$ 9,900	\$ 9,900	\$ 7,425	\$ (2,475)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	704,981	736,704	599,641	(137,063)	906,190	906,190	515,657	(390,533)
Charges for Services	-	-	-	-	-	-	52,765	52,765
Fines & Forfeitures	142,000	177,315	193,512	16,197	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	6,500	6,500	-	(6,500)	2,236	2,236	-	(2,236)
Miscellaneous Revenues	-	-	-	-	-	-	14,811	14,811
Total Revenues	<u>853,481</u>	<u>920,519</u>	<u>793,153</u>	<u>(127,366)</u>	<u>918,326</u>	<u>918,326</u>	<u>590,658</u>	<u>(327,668)</u>
Expenditures:								
Current Operations:								
Personnel	440,725	493,825	493,436	389	569,530	569,530	279,131	290,399
Operations	485,630	748,970	304,192	444,778	261,153	261,153	137,273	123,880
Capital Outlay	8,700	12,090	12,090	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>935,055</u>	<u>1,254,885</u>	<u>809,718</u>	<u>445,167</u>	<u>830,683</u>	<u>830,683</u>	<u>416,404</u>	<u>414,279</u>
Excess of Revenues over (under) Expenditures	(81,574)	(334,366)	(16,565)	317,801	87,643	87,643	174,254	86,611
Other Financing Sources (Uses):								
Transfers In	-	18,425	20,068	1,643	9,900	9,900	9,900	-
Transfers Out	(8,700)	(8,700)	(5,246)	3,454	(11,773)	(11,773)	(7,098)	4,675
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (90,274)</u>	<u>\$ (324,641)</u>	<u>\$ (1,743)</u>	<u>\$ 322,898</u>	<u>\$ 85,770</u>	<u>\$ 85,770</u>	<u>\$ 177,056</u>	<u>\$ 91,286</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, 2013**  
**(Page 8 of 32)**

<b>Special Revenue Funds</b>								
	<b>Community &amp; Planning Services</b>				<b>Urban Initiatives</b>			
	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	\$ -	\$ -	\$ -	\$ -	\$ 18,873	\$ 18,873	\$ 9,436	\$ (9,437)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	313,910	328,510	332,781	4,271	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	2,500	2,500	3,441	941	-	-	-	-
Total Revenues	<u>316,410</u>	<u>331,010</u>	<u>336,222</u>	<u>5,212</u>	<u>18,873</u>	<u>18,873</u>	<u>9,436</u>	<u>(9,437)</u>
Expenditures:								
Current Operations:								
Personnel	453,090	459,190	459,182	8	397,882	397,882	246,095	151,787
Operations	345,475	353,975	352,942	1,033	121,950	121,950	16,753	105,197
Capital Outlay	1,500	1,500	-	1,500	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>800,065</u>	<u>814,665</u>	<u>812,124</u>	<u>2,541</u>	<u>519,832</u>	<u>519,832</u>	<u>262,848</u>	<u>256,984</u>
Excess of Revenues over (under) Expenditures	(483,655)	(483,655)	(475,902)	7,753	(500,959)	(500,959)	(253,412)	247,547
Other Financing Sources (Uses):								
Transfers In	501,264	501,264	516,196	14,932	433,738	433,738	405,780	(27,958)
Transfers Out	(6,800)	(6,800)	(4,978)	1,822	(6,800)	(6,800)	(3,978)	2,822
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 10,809</u>	<u>\$ 10,809</u>	<u>\$ 35,316</u>	<u>\$ 24,507</u>	<u>\$ (74,021)</u>	<u>\$ (74,021)</u>	<u>\$ 148,390</u>	<u>\$ 222,411</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, 2013**  
**(Page 9 of 32)**

**Special Revenue Funds**

	<b>Building Code Division</b>				<b>Health</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,017,236	\$ 2,017,136	\$ 2,011,087	\$ (6,049)
License & Permits	403,750	403,750	445,713	41,963	86,250	86,250	111,879	25,629
Intergovernmental Revenue	-	-	-	-	1,802,466	2,112,542	2,053,817	(58,725)
Charges for Services	35,000	35,000	44,824	9,824	909,329	909,329	948,261	38,932
Fines & Forfeitures	-	-	-	-	3,000	3,000	3,200	200
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	1,400	5,090	3,690	(1,400)
Miscellaneous Revenues	-	-	-	-	62,738	62,738	60,362	(2,376)
<b>Total Revenues</b>	<b>438,750</b>	<b>438,750</b>	<b>490,537</b>	<b>51,787</b>	<b>4,882,419</b>	<b>5,196,085</b>	<b>5,192,296</b>	<b>(3,789)</b>
Expenditures:								
Current Operations:								
Personnel	378,167	378,197	377,064	1,133	4,865,058	4,261,999	3,993,425	268,574
Operations	58,900	61,900	61,844	56	935,764	1,147,385	1,045,710	101,675
Capital Outlay	-	-	-	-	20,225	23,525	23,521	4
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>437,067</b>	<b>440,097</b>	<b>438,908</b>	<b>1,189</b>	<b>5,821,047</b>	<b>5,432,909</b>	<b>5,062,656</b>	<b>370,253</b>
Excess of Revenues over (under) Expenditures	1,683	(1,347)	51,629	52,976	(938,628)	(236,824)	129,640	366,464
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	179,495	66,132	175,775	109,643
Transfers Out	-	-	-	-	(67,200)	(74,400)	(74,400)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>1,683</u>	<u>(1,347)</u>	<u>51,629</u>	<u>52,976</u>	<u>(826,333)</u>	<u>(245,092)</u>	<u>231,015</u>	<u>476,107</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, 2013**  
**(Page 10 of 32)**

<b>Special Revenue Funds</b>								
	<b>Water Quality District</b>				<b>Animal Control</b>			
	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	\$ -	\$ -	\$ -	\$ -	\$ 394,188	\$ 394,188	\$ 392,903	\$ (1,285)
License & Permits	-	-	-	-	147,500	159,500	159,484	(16)
Intergovernmental Revenue	39,278	39,278	30,302	(8,976)	19,441	19,441	20,265	824
Charges for Services	398,084	398,084	419,574	21,490	71,750	71,750	63,393	(8,357)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	15,000	15,000	11,250	(3,750)	14,900	14,900	18,360	3,460
Miscellaneous Revenues	100	100	2,348	2,248	7,000	7,000	7,300	300
Total Revenues	<u>452,462</u>	<u>452,462</u>	<u>463,474</u>	<u>11,012</u>	<u>654,779</u>	<u>666,779</u>	<u>661,705</u>	<u>(5,074)</u>
Expenditures:								
Current Operations:								
Personnel	359,166	359,166	352,664	6,502	522,903	528,903	528,839	64
Operations	163,860	157,810	89,677	68,133	172,205	193,405	193,330	75
Capital Outlay	5,000	5,000	-	5,000	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>528,026</u>	<u>521,976</u>	<u>442,341</u>	<u>79,635</u>	<u>695,108</u>	<u>722,308</u>	<u>722,169</u>	<u>139</u>
Excess of Revenues over (under) Expenditures	(75,564)	(69,514)	21,133	90,647	(40,329)	(55,529)	(60,464)	(4,935)
Other Financing Sources (Uses):								
Transfers In	50,000	50,000	-	(50,000)	16,609	16,609	21,843	5,234
Transfers Out	(2,000)	(8,050)	(8,050)	-	(5,100)	(6,050)	(6,050)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	966	966
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (27,564)</u>	<u>\$ (27,564)</u>	<u>\$ 13,083</u>	<u>\$ 40,647</u>	<u>\$ (28,820)</u>	<u>\$ (44,970)</u>	<u>\$ (43,705)</u>	<u>\$ 1,265</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, 2013**  
**(Page 11 of 32)**

<b>Special Revenue Funds</b>								
	<b>Extension</b>				<b>Missoula Development Authority</b>			
	<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	\$ 338,038	\$ 338,038	\$ 339,801	\$ 1,763	\$ 1,535,716	\$ 1,535,716	\$ 1,533,947	\$ (1,769)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	40,739	40,739	43,505	2,766	83,962	83,962	123,518	39,556
Charges for Services	5,000	5,000	4,046	(954)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	2,787	2,787	12,503	9,716
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	18,926	18,926	17,717	(1,209)	738,573	738,573	747,689	9,116
Total Revenues	<u>402,703</u>	<u>402,703</u>	<u>405,069</u>	<u>2,366</u>	<u>2,361,038</u>	<u>2,361,038</u>	<u>2,417,657</u>	<u>56,619</u>
Expenditures:								
Current Operations:								
Personnel	278,262	278,262	232,818	45,444	125,463	125,463	115,946	9,517
Operations	224,200	224,200	188,786	35,414	838,830	852,830	778,548	74,282
Capital Outlay	4,000	4,000	599	3,401	1,478,000	2,533,000	101,681	2,431,319
Debt Service:								
Principal	-	-	-	-	380,000	380,000	395,000	(15,000)
Interest	-	-	-	-	133,500	133,500	118,000	15,500
Total Expenditures	<u>506,462</u>	<u>506,462</u>	<u>422,203</u>	<u>84,259</u>	<u>2,955,793</u>	<u>4,024,793</u>	<u>1,509,175</u>	<u>2,515,618</u>
Excess of Revenues over (under) Expenditures	(103,759)	(103,759)	(17,134)	86,625	(594,755)	(1,663,755)	908,482	2,572,237
Other Financing Sources (Uses):								
Transfers In	39,901	39,901	39,996	95	10,000	10,000	-	(10,000)
Transfers Out	(30,000)	(30,000)	(30,000)	-	(308,726)	(308,726)	(295,729)	12,997
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	400,055	400,055	189,949	(210,106)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (93,858)</u>	<u>\$ (93,858)</u>	<u>\$ (7,138)</u>	<u>\$ 86,720</u>	<u>\$ (493,426)</u>	<u>\$ (1,562,426)</u>	<u>\$ 802,702</u>	<u>\$ 2,365,128</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, 2013**  
**(Page 12 of 32)**

<b>Special Revenue Funds</b>								
	<b>Drug Forfeiture</b>				<b>Youth Education and Safety</b>			
	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	124,919	133,119	133,436	317	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	5,000	5,000	5,602	602	-	-	-	-
Investment Earnings	50	50	699	649	-	-	47	47
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>129,969</u>	<u>138,169</u>	<u>139,737</u>	<u>1,568</u>	<u>-</u>	<u>-</u>	<u>47</u>	<u>47</u>
Expenditures:								
Current Operations:								
Personnel	223,575	231,775	231,760	15	-	-	-	-
Operations	4,650	4,650	4,633	17	450	450	-	450
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>228,225</u>	<u>236,425</u>	<u>236,393</u>	<u>32</u>	<u>450</u>	<u>450</u>	<u>-</u>	<u>450</u>
Excess of Revenues over (under) Expenditures	(98,256)	(98,256)	(96,656)	1,600	(450)	(450)	47	497
Other Financing Sources (Uses):								
Transfers In	70,000	70,000	70,000	-	-	-	-	-
Transfers Out	(23,400)	(23,400)	(12,763)	10,637	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (51,656)</u>	<u>\$ (51,656)</u>	<u>\$ (39,419)</u>	<u>\$ 12,237</u>	<u>\$ (450)</u>	<u>\$ (450)</u>	<u>\$ 47</u>	<u>\$ 497</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, 2013**  
**(Page 13 of 32)**

**Special Revenue Funds**

	<b>Historical Museum</b>				<b>Historical Museum Gift Shop</b>			
	<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	\$ 442,140	\$ 442,140	\$ 444,638	\$ 2,498	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	40,036	40,036	43,655	3,619	-	-	-	-
Charges for Services	18,000	18,000	16,032	(1,968)	1,500	1,500	14,954	13,454
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>500,176</u>	<u>500,176</u>	<u>504,325</u>	<u>4,149</u>	<u>1,500</u>	<u>1,500</u>	<u>14,954</u>	<u>13,454</u>
Expenditures:								
Current Operations:								
Personnel	318,469	318,469	316,238	2,231	-	-	-	-
Operations	166,022	157,022	153,526	3,496	10,500	10,500	8,495	2,005
Capital Outlay	500	500	-	500	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>484,991</u>	<u>475,991</u>	<u>469,764</u>	<u>6,227</u>	<u>10,500</u>	<u>10,500</u>	<u>8,495</u>	<u>2,005</u>
Excess of Revenues over (under) Expenditures	15,185	24,185	34,561	10,376	(9,000)	(9,000)	6,459	15,459
Other Financing Sources (Uses):								
Transfers In	24,309	24,309	24,393	84	-	-	11,000	11,000
Transfers Out	(35,400)	(44,400)	(42,222)	2,178	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 4,094</u>	<u>\$ 4,094</u>	<u>\$ 16,732</u>	<u>\$ 12,638</u>	<u>\$ (9,000)</u>	<u>\$ (9,000)</u>	<u>\$ 17,459</u>	<u>\$ 26,459</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, 2013**  
**(Page 14 of 32)**

<b>Special Revenue Funds</b>								
	<b>Missoula Search &amp; Rescue</b>				<b>Seeley Lake Search &amp; Rescue</b>			
	<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	\$ 52,000	\$ 52,000	\$ 55,149	\$ 3,149	\$ 28,000	\$ 28,000	\$ 25,845	\$ (2,155)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	3,723	3,723	1,772	(1,951)	2,005	2,005	255	(1,750)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	130	130	1,720	1,590	70	70	-	(70)
Total Revenues	<u>55,853</u>	<u>55,853</u>	<u>58,641</u>	<u>2,788</u>	<u>30,075</u>	<u>30,075</u>	<u>26,100</u>	<u>(3,975)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	22,750	22,750	18,709	4,041	11,000	6,000	5,770	230
Capital Outlay	31,900	48,855	48,852	3	14,000	19,000	18,850	150
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>54,650</u>	<u>71,605</u>	<u>67,561</u>	<u>4,044</u>	<u>25,000</u>	<u>25,000</u>	<u>24,620</u>	<u>380</u>
Excess of Revenues over (under) Expenditures	1,203	(15,752)	(8,920)	6,832	5,075	5,075	1,480	(3,595)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(730)	(730)	(730)	-	(4,820)	(4,820)	(4,820)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 473</u>	<u>\$ (16,482)</u>	<u>\$ (9,650)</u>	<u>\$ 6,832</u>	<u>\$ 255</u>	<u>\$ 255</u>	<u>\$ (3,340)</u>	<u>\$ (3,595)</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, 2013**  
**(Page 15 of 32)**

<b>Special Revenue Funds</b>								
	<b>Junk Vehicle</b>				<b>Forest Reserve Title III</b>			
	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	133,273	133,273	70,993	(62,280)	-	-	62,516	62,516
Charges for Services	100	100	-	(100)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	408	408	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	2,000	2,000	1,800	(200)	-	-	-	-
Total Revenues	<u>135,373</u>	<u>135,373</u>	<u>73,201</u>	<u>(62,172)</u>	<u>-</u>	<u>-</u>	<u>62,516</u>	<u>62,516</u>
Expenditures:								
Current Operations:								
Personnel	77,924	77,924	57,546	20,378	-	-	-	-
Operations	65,514	65,414	16,693	48,721	264,637	264,637	92,082	172,555
Capital Outlay	20,000	20,000	-	20,000	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>163,438</u>	<u>163,338</u>	<u>74,239</u>	<u>89,099</u>	<u>264,637</u>	<u>264,637</u>	<u>92,082</u>	<u>172,555</u>
Excess of Revenues over (under) Expenditures	(28,065)	(27,965)	(1,038)	26,927	(264,637)	(264,637)	(29,566)	235,071
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(950)	(950)	(950)	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (29,015)</u>	<u>\$ (28,915)</u>	<u>\$ (1,988)</u>	<u>\$ 26,927</u>	<u>\$ (264,637)</u>	<u>\$ (264,637)</u>	<u>\$ (29,566)</u>	<u>\$ 235,071</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, 2013**  
**(Page 16 of 32)**

<b>Special Revenue Funds</b>								
	<b>RSID Administration</b>				<b>Community Based Organizations</b>			
	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	\$ -	\$ -	\$ -	\$ -	\$ 832,689	\$ 832,689	\$ 833,497	\$ 808
License & Permits	-	-	-	-	9,159	9,159	9,730	571
Intergovernmental Revenue	-	-	-	-	49,904	49,904	56,252	6,348
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	28,075	28,075	27,903	(172)
Total Revenues	-	-	-	-	919,827	919,827	927,382	7,555
Expenditures:								
Current Operations:								
Personnel	84,677	84,677	71,401	13,276	-	-	-	-
Operations	400	68,421	68,419	2	963,734	968,984	775,000	193,984
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	16,097	26,597	26,578	19
Interest	-	-	-	-	799	1,349	1,325	24
Total Expenditures	85,077	153,098	139,820	13,278	980,630	996,930	802,903	194,027
Excess of Revenues over (under) Expenditures	(85,077)	(153,098)	(139,820)	13,278	(60,803)	(77,103)	124,479	201,582
Other Financing Sources (Uses):								
Transfers In	9,952	9,952	9,999	47	75,756	75,756	75,756	-
Transfers Out	(15,000)	(42,247)	(42,246)	1	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (90,125)</u>	<u>\$ (185,393)</u>	<u>\$ (172,067)</u>	<u>\$ 13,326</u>	<u>\$ 14,953</u>	<u>\$ (1,347)</u>	<u>\$ 200,235</u>	<u>\$ 201,582</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, 2013**  
**(Page 17 of 32)**

**Special Revenue Funds**

	Permissive Medical Levy				Seeley Lake Refuse			
	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	\$ 1,131,184	\$ 1,137,037	\$ 1,137,037	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	10,204	19,160	19,159	(1)	-	-	-	-
Charges for Services	-	-	-	-	274,500	274,500	288,938	14,438
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	75	75	145	70
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>1,141,388</u>	<u>1,156,197</u>	<u>1,156,196</u>	<u>(1)</u>	<u>274,575</u>	<u>274,575</u>	<u>289,083</u>	<u>14,508</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	121,633	121,633	117,154	4,479
Operations	-	-	-	-	151,868	144,550	134,439	10,111
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	7,318	-	7,318
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>273,501</u>	<u>273,501</u>	<u>251,593</u>	<u>21,908</u>
Excess of Revenues over (under) Expenditures	1,141,388	1,156,197	1,156,196	(1)	1,074	1,074	37,490	36,416
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(1,141,388)	(1,156,197)	(1,156,196)	1	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	28,464	28,464
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,074</u>	<u>\$ 1,074</u>	<u>\$ 65,954</u>	<u>\$ 64,880</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, 2013**  
**(Page 18 of 32)**

<b>Special Revenue Funds</b>								
	<b>9-1-1 Trust</b>				<b>HUD/CDBG</b>			
	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	580,000	634,000	633,588	(412)	15,000	15,000	-	(15,000)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	700	700	2,190	1,490	700	700	1,570	870
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	167,000	167,000	267,061	100,061
Total Revenues	<u>580,700</u>	<u>634,700</u>	<u>635,778</u>	<u>1,078</u>	<u>182,700</u>	<u>182,700</u>	<u>268,631</u>	<u>85,931</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	399,000	399,000	87,735	311,265
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,000</u>	<u>399,000</u>	<u>87,735</u>	<u>311,265</u>
Excess of Revenues over (under) Expenditures	580,700	634,700	635,778	1,078	(216,300)	(216,300)	180,896	397,196
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	(817,853)	(817,853)	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 580,700</u>	<u>\$ (183,153)</u>	<u>\$ (182,075)</u>	<u>\$ 1,078</u>	<u>\$ (216,300)</u>	<u>\$ (216,300)</u>	<u>\$ 180,896</u>	<u>\$ 397,196</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, 2013**  
**(Page 19 of 32)**

**Special Revenue Funds**

	Friends of the Library				Friends of the Historical 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	2,000	2,000	1,955	(45)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	137	137	50	50	101	51
Private & Local Grants	-	24,500	24,386	(114)	125,400	125,400	99,524	(25,876)
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	24,500	24,523	23	127,450	127,450	101,580	(25,870)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	22,000	21,936	64	109,750	109,750	107,233	2,517
Capital Outlay	-	7,850	7,847	3	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	29,850	29,783	67	109,750	109,750	107,233	2,517
Excess of Revenues over (under) Expenditures	-	(5,350)	(5,260)	90	17,700	17,700	(5,653)	(23,353)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	(17,700)	(17,700)	(17,700)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ (5,350)	\$ (5,260)	\$ 90	\$ -	\$ -	\$ (23,353)	\$ (23,353)

**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, 2013**  
**(Page 20 of 32)**

	<b>Special Revenue Funds</b>				<b>Debt Service Funds</b>			
	<b>Other Special Revenue Funds</b>				<b>Jail Bond</b>			
	<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	\$ 1	\$ 981,722	\$ 996,722	\$ 996,801	\$ 79
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	242,292	251,292	251,315	23
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	119	119	-	-	(117)	(117)
Private & Local Grants	-	15,100	24,490	9,390	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>15,100</u>	<u>24,610</u>	<u>9,510</u>	<u>1,224,014</u>	<u>1,248,014</u>	<u>1,247,999</u>	<u>(15)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	15,100	14,762	338	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	957,019	1,464,919	1,577,573	(112,654)
Interest	-	-	-	-	266,995	291,095	178,409	112,686
Total Expenditures	<u>-</u>	<u>15,100</u>	<u>14,762</u>	<u>338</u>	<u>1,224,014</u>	<u>1,756,014</u>	<u>1,755,982</u>	<u>32</u>
Excess of Revenues over (under) Expenditures	-	-	9,848	9,848	-	(508,000)	(507,983)	17
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	30,000	29,799	(201)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,848</u>	<u>\$ 9,848</u>	<u>\$ -</u>	<u>\$ (478,000)</u>	<u>\$ (478,184)</u>	<u>\$ (184)</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, 2013**  
**(Page 21 of 32)**

<b>Debt Service Funds</b>								
	<b>Health Center Bond 1998</b>				<b>Fair Ice Rink Series 2004</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	36,735	36,735	352	(36,383)	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	(55)	(55)
Total Revenues	<u>36,735</u>	<u>36,735</u>	<u>352</u>	<u>(36,383)</u>	<u>-</u>	<u>-</u>	<u>(55)</u>	<u>(55)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	25,000	25,000	25,000	-	45,000	45,000	45,000	-
Interest	11,735	11,735	9,029	2,706	34,085	34,085	22,380	11,705
Total Expenditures	<u>36,735</u>	<u>36,735</u>	<u>34,029</u>	<u>2,706</u>	<u>79,085</u>	<u>79,085</u>	<u>67,380</u>	<u>11,705</u>
Excess of Revenues over (under) Expenditures	-	-	(33,677)	(33,677)	(79,085)	(79,085)	(67,435)	11,650
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	79,085	79,085	62,642	(16,443)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,677)</u>	<u>\$ (33,677)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,793)</u>	<u>\$ (4,793)</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, 2013**  
**(Page 22 of 32)**

	<b>Debt Service Funds</b>							
	<b>Fair Ice Rink Series 2006</b>				<b>Technology Tax Increment</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-	-
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	35,000	35,000	35,000	-	40,000	40,000	40,000	-
Interest	26,715	26,715	26,665	50	57,720	57,720	57,719	1
Total Expenditures	61,715	61,715	61,665	50	97,720	97,720	97,719	1
Excess of Revenues over (under) Expenditures	(61,715)	(61,715)	(61,665)	50	(97,720)	(97,720)	(97,719)	1
Other Financing Sources (Uses):								
Transfers In	61,715	61,715	48,549	(13,166)	97,720	97,720	97,719	(1)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ (13,116)	\$ (13,116)	\$ -	\$ -	\$ -	\$ -

**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, 2013**  
**(Page 23 of 32)**

<b>Debt Service Funds</b>								
	<b>Open Space General Obligation</b>				<b>Health Center Bond 2009</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 636,069	\$ 636,069	\$ 645,671	\$ 9,602	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	5,350	5,350	5,349	(1)	153,443	153,443	40,471	(112,972)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>641,419</u>	<u>641,419</u>	<u>651,020</u>	<u>9,601</u>	<u>153,443</u>	<u>153,443</u>	<u>40,471</u>	<u>(112,972)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	395,000	395,000	395,000	-	70,000	70,000	70,000	-
Interest	246,419	246,419	179,300	67,119	83,443	83,443	82,042	1,401
Total Expenditures	<u>641,419</u>	<u>641,419</u>	<u>574,300</u>	<u>67,119</u>	<u>153,443</u>	<u>153,443</u>	<u>152,042</u>	<u>1,401</u>
Excess of Revenues over (under) Expenditures	-	-	76,720	76,720	-	-	(111,571)	(111,571)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,720</u>	<u>\$ 76,720</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (111,571)</u>	<u>\$ (111,571)</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, 2013**  
**(Page 24 of 32)**

<b>Debt Service Funds</b>								
	<b>Health Center Bond 2012</b>				<b>Larchmont L.O. Irrigation Bonds</b>			
	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	-	-	2,100	2,100	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	(2)	(2)
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	2,100	2,100	-	-	(2)	(2)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	40,000	40,000	40,000	-
Interest	-	5,700	5,604	96	32,463	32,463	32,463	-
Total Expenditures	-	5,700	5,604	96	72,463	72,463	72,463	-
Excess of Revenues over (under) Expenditures	-	(5,700)	(3,504)	2,196	(72,463)	(72,463)	(72,465)	(2)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	72,463	72,463	72,463	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	5,700	17,811	12,111	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ 14,307	\$ 14,307	\$ -	\$ -	\$ (2)	\$ (2)



**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, 2013**  
**(Page 25 of 32)**

<b>Debt Service Funds</b>								
	<b>RSID Revolving</b>				<b>Capital Improvements Debt Service</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	6,031	6,031	-	-	-	-
Total Revenues	-	-	6,031	6,031	-	-	-	-
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	9,200	9,197	3
Total Expenditures	-	-	-	-	-	9,200	9,197	3
Excess of Revenues over (under) Expenditures	-	-	6,031	6,031	-	(9,200)	(9,197)	3
Other Financing Sources (Uses):								
Transfers In	10,500	10,500	-	(10,500)	-	-	-	-
Transfers Out	-	(117,661)	(25,349)	92,312	-	-	-	-
Issuance of Debt	-	-	-	-	-	9,200	13,655	4,455
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 10,500	\$ (107,161)	\$ (19,318)	\$ 87,843	\$ -	\$ -	\$ 4,458	\$ 4,458

**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, 2013**  
**(Page 26 of 32)**

<b>Capital Projects</b>								
	<b>Capital Improvements</b>				<b>Technology Fund</b>			
	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	\$ -	\$ -	\$ -	\$ -	\$ 505,022	\$ 505,022	\$ 507,749	\$ 2,727
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	1,236,000	1,236,000	194,046	(1,041,954)	35,502	35,502	39,636	4,134
Charges for Services	-	-	-	-	35,603	35,603	67,586	31,983
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	1,048	1,048	-	-	16	16
Total Revenues	<u>1,236,000</u>	<u>1,236,000</u>	<u>195,094</u>	<u>(1,040,906)</u>	<u>576,127</u>	<u>576,127</u>	<u>614,987</u>	<u>38,860</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	548,135	548,135	474,100	74,035
Capital Outlay	7,457,383	7,517,255	1,160,202	6,357,053	657,093	657,093	228,838	428,255
Debt Service:								
Principal	300,611	275,000	259,479	15,521	-	-	-	-
Interest	9,261	-	8,236	(8,236)	-	-	-	-
Total Expenditures	<u>7,767,255</u>	<u>7,792,255</u>	<u>1,427,917</u>	<u>6,364,338</u>	<u>1,205,228</u>	<u>1,205,228</u>	<u>702,938</u>	<u>502,290</u>
Excess of Revenues over (under) Expenditures	(6,531,255)	(6,556,255)	(1,232,823)	5,323,432	(629,101)	(629,101)	(87,951)	541,150
Other Financing Sources (Uses):								
Transfers In	1,077,688	1,077,688	968,179	(109,509)	1,236,603	1,236,603	1,206,900	(29,703)
Transfers Out	-	(125,000)	(125,000)	-	(1,101,781)	(1,101,779)	(1,000,431)	101,348
Issuance of Debt	7,395,713	7,395,713	1,643,087	(5,752,626)	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 1,942,146</u>	<u>\$ 1,792,146</u>	<u>\$ 1,253,443</u>	<u>\$ (538,703)</u>	<u>\$ (494,279)</u>	<u>\$ (494,277)</u>	<u>\$ 118,518</u>	<u>\$ 612,795</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, 2013**  
**(Page 27 of 32)**

	<b>Capital Projects</b>							
	<b>Milltown Historic Preservation</b>				<b>Open Space</b>			
	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	3,062	3,062
Private & Local Grants	4,211	4,211	330	(3,881)	-	-	-	-
Miscellaneous Revenues	-	-	814	814	-	-	-	-
Total Revenues	<u>4,211</u>	<u>4,211</u>	<u>1,144</u>	<u>(3,067)</u>	<u>-</u>	<u>-</u>	<u>3,062</u>	<u>3,062</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	4,000	4,000	2,712	1,288	-	-	-	-
Capital Outlay	-	-	-	-	1,357,810	1,741,810	1,333,913	407,897
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>4,000</u>	<u>4,000</u>	<u>2,712</u>	<u>1,288</u>	<u>1,357,810</u>	<u>1,741,810</u>	<u>1,333,913</u>	<u>407,897</u>
Excess of Revenues over (under) Expenditures	211	211	(1,568)	(1,779)	(1,357,810)	(1,741,810)	(1,330,851)	410,959
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 211</u>	<u>\$ 211</u>	<u>\$ (1,568)</u>	<u>\$ (1,779)</u>	<u>\$ (1,357,810)</u>	<u>\$ (1,741,810)</u>	<u>\$ (1,330,851)</u>	<u>\$ 410,959</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, 2013**  
**(Page 28 of 32)**

Capital Projects									
	Public Safety Capital Reserve				Park Construction Reserve				
	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	-	-	-	-	-	3,500	25,624	22,124	
Fines & Forfeitures	-	-	-	-	-	-	-	-	
Investment Earnings	-	-	1,674	1,674	-	-	542	542	
Private & Local Grants	-	-	-	-	-	-	-	-	
Miscellaneous Revenues	-	-	-	-	-	-	-	-	
Total Revenues	-	-	1,674	1,674	-	3,500	26,166	22,666	
Expenditures:									
Current Operations:									
Personnel	-	-	-	-	-	-	-	-	
Operations	-	-	-	-	-	-	-	-	
Capital Outlay	-	280,000	261,787	18,213	-	-	-	-	
Debt Service:									
Principal	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	
Total Expenditures	-	280,000	261,787	18,213	-	-	-	-	
Excess of Revenues over (under) Expenditures	-	(280,000)	(260,113)	19,887	-	3,500	26,166	22,666	
Other Financing Sources (Uses):									
Transfers In	-	280,000	280,000	-	-	-	125,000	125,000	
Transfers Out	-	-	-	-	-	(3,500)	(3,500)	-	
Issuance of Debt	-	-	-	-	-	-	-	-	
Sale of Capital Assets	-	-	-	-	-	-	-	-	
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ 19,887	\$ 19,887	\$ -	\$ -	\$ 147,666	\$ 147,666	

**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, 2013**  
**(Page 29 of 32)**

Capital Projects									
	Weed/Extension Building Reserve				Road Escrow				
	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 & Forfeitures	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	1,415	1,415	-	-	1,391	1,391	
Private & Local Grants	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-	-
Total Revenues	-	-	1,415	1,415	-	-	1,391	1,391	
Expenditures:									
Current Operations:									
Personnel	-	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	2,280	2,280	-	-
Capital Outlay	-	29,560	29,560	-	-	-	-	-	-
Debt Service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total Expenditures	-	29,560	29,560	-	-	2,280	2,280	-	-
Excess of Revenues over (under) Expenditures	-	(29,560)	(28,145)	1,415	-	(2,280)	(889)		1,391
Other Financing Sources (Uses):									
Transfers In	-	-	33,000	33,000	-	-	-	-	-
Transfers Out	-	-	-	-	-	(153,154)	(153,154)	-	-
Issuance of Debt	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ (29,560)	\$ 4,855	\$ 34,415	\$ -	\$ (155,434)	\$ (154,043)		\$ 1,391

**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, 2013**  
**(Page 30 of 32)**

**Capital Projects**

	<b>Courthouse Reconstruction</b>				<b>Courthouse Reconstruction Phase 2-5</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	19,375	-	(19,375)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	19,375	-	(19,375)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	5,182,793	4,096,841	1,085,952	-	290,518	189,876	100,642
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	5,182,793	4,096,841	1,085,952	-	290,518	189,876	100,642
Excess of Revenues over (under) Expenditures	-	(5,182,793)	(4,096,841)	1,085,952	-	(271,143)	(189,876)	81,267
Other Financing Sources (Uses):								
Transfers In	-	300,000	1,291,915	991,915	-	271,143	-	(271,143)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	7,395,713	-	(7,395,713)	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ 2,512,920	\$ (2,804,926)	\$ (5,317,846)	\$ -	\$ -	\$ (189,876)	\$ (189,876)

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**Budgeted Nonmajor Governmental Funds**  
**(Page 31 of 32)**

Capital Projects								
	Admin Bldg Acquisition Reserve				RSID Capital Projects			
	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	\$ -	\$ -	\$ -	\$ -	\$ 807,348	\$ 807,348	\$ 937,115	\$ 129,767
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	2,473	2,473
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	40,000	40,000
Total Revenues	-	-	-	-	807,348	807,348	979,588	172,240
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	280,000	280,000	-	-	30	26	4
Capital Outlay	-	-	-	-	70,000	70,000	65,623	4,377
Debt Service:								
Principal	-	-	-	-	388,000	388,000	388,000	-
Interest	-	-	-	-	359,953	359,953	325,200	34,753
Total Expenditures	-	280,000	280,000	-	817,953	817,983	778,849	39,134
Excess of Revenues over (under) Expenditures	-	(280,000)	(280,000)	-	(10,605)	(10,635)	200,739	211,374
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	(199,374)	(199,374)	-	-	-	-	-
Issuance of Debt	-	-	-	-	70,000	70,000	-	(70,000)
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ (479,374)	\$ (479,374)	\$ -	\$ 59,395	\$ 59,365	\$ 200,739	\$ 141,374

**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, 2013**  
**(Page 32 of 32)**

	<b>Totals</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:				
Property Taxes	\$ 19,580,883	\$ 19,601,636	\$ 19,620,944	\$ 19,308
License & Permits	657,909	669,909	735,921	66,012
Intergovernmental Revenue	13,668,900	15,133,145	11,097,293	(4,035,852)
Charges for Services	2,858,966	2,854,266	3,033,623	179,357
Fines & Forfeitures	220,350	305,665	270,361	(35,304)
Investment Earnings	4,462	4,562	26,830	22,268
Private & Local Grants	171,147	370,362	356,609	(13,753)
Miscellaneous Revenues	<u>1,143,903</u>	<u>1,152,803</u>	<u>2,053,497</u>	<u>900,694</u>
Total Revenues	<u>38,306,520</u>	<u>40,092,348</u>	<u>37,195,078</u>	<u>(2,897,270)</u>
Expenditures:				
Current Operations:				
Personnel	18,126,404	17,744,833	16,162,681	1,582,152
Operations	12,544,745	14,409,200	10,694,872	3,714,328
Capital Outlay	14,508,847	21,908,125	10,342,955	11,565,170
Debt Service:				
Principal	2,701,727	3,201,834	3,306,630	(104,796)
Interest	<u>1,267,268</u>	<u>1,297,557</u>	<u>1,059,749</u>	<u>237,808</u>
Total Expenditures	<u>49,148,991</u>	<u>58,561,549</u>	<u>41,566,887</u>	<u>16,994,662</u>
Excess of Revenues over (under) Expenditures	(10,842,471)	(18,469,201)	(4,371,809)	(19,891,932)
Other Financing Sources (Uses):				
Transfers In	5,360,478	6,181,222	6,963,475	782,253
Transfers Out	(4,687,118)	(6,595,464)	(6,286,508)	308,956
Issuance of Debt	7,465,713	7,480,613	1,705,490	(5,775,123)
Sale of Capital Assets	<u>475,055</u>	<u>7,900,768</u>	<u>345,531</u>	<u>(7,555,237)</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ <u>(2,228,343)</u>	\$ <u>(3,502,062)</u>	\$ <u>(1,643,821)</u>	\$ <u>(32,131,083)</u>



## **INTERNAL SERVICE FUNDS**

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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.

**Other Benefits Programs** – To account for the County's programs for wellness, dependant care and medical flexible benefits plans.

**Information Systems Operations** – To account for the budget for the County's Information Services department.

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

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**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet**  
**Internal Service Funds**  
**June 30, 2013**

	<u>Risk Management</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Excess Loss</u>	<u>Other Benefits Programs</u>	<u>Information Services Operations</u>	<u>Telephone Services</u>	<u>Total</u>
<b>Assets</b>								
<i>Current Assets:</i>								
Cash & Cash Equivalents	\$ 7,114	\$ 61,342	\$ 78,087	\$ 3,334	\$ 223	\$ -	\$ 2,455	\$ 152,555
Investments	856,482	3,735,616	6,304,330	400,214	26,727	-	294,797	11,618,166
Taxes Receivable, net	59,831	-	-	-	-	-	-	59,831
Accounts Receivable	-	-	-	-	-	-	3,378	3,378
Interest Receivable	-	3,442	6,297	322	-	-	-	10,061
Prescription Rebate Receivable	-	7,205	-	-	-	-	-	7,205
Contributions Receivable	-	434,184	51,328	-	-	-	-	485,512
Due from Other Funds	-	-	-	-	-	-	-	-
Prepaid Costs	-	40,241	10,900	-	-	-	-	51,141
Total Current Assets	<u>923,427</u>	<u>4,282,030</u>	<u>6,450,942</u>	<u>403,870</u>	<u>26,950</u>	<u>-</u>	<u>300,630</u>	<u>12,387,849</u>
<i>Noncurrent Assets:</i>								
Capital Assets, net	-	153,790	-	-	-	-	353,478	507,268
Total Assets	<u>\$ 923,427</u>	<u>\$ 4,435,820</u>	<u>\$ 6,450,942</u>	<u>\$ 403,870</u>	<u>\$ 26,950</u>	<u>\$ -</u>	<u>\$ 654,108</u>	<u>\$ 12,895,117</u>
<b>Liabilities</b>								
<i>Current Liabilities:</i>								
Accounts Payable	\$ -	\$ 18,466	\$ 433	\$ -	\$ 3,337	\$ 1,279	\$ 7,182	\$ 30,697
Accrued Payroll	1,243	32,075	-	-	-	24,780	3,340	61,438
Contributions Paid in Advance	-	3,147	-	-	-	-	-	3,147
Liability for Claims, Current Portion	<u>750,000</u>	<u>792,384</u>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,142,384</u>
Total Current Liabilities	<u>751,243</u>	<u>846,072</u>	<u>600,433</u>	<u>-</u>	<u>3,337</u>	<u>26,059</u>	<u>10,522</u>	<u>2,237,666</u>
<i>Noncurrent Liabilities:</i>								
Liability for Claims, net of Current Portion	<u>1,443,801</u>	<u>-</u>	<u>2,389,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,833,396</u>
Total Liabilities	<u>2,195,044</u>	<u>846,072</u>	<u>2,990,028</u>	<u>-</u>	<u>3,337</u>	<u>26,059</u>	<u>10,522</u>	<u>6,071,062</u>
<b>Net Position</b>								
Net Investment in Capital Assets	-	153,790	-	-	-	-	353,478	507,268
Unrestricted	<u>(1,271,617)</u>	<u>3,435,958</u>	<u>3,460,914</u>	<u>403,870</u>	<u>23,613</u>	<u>(26,059)</u>	<u>290,108</u>	<u>6,316,787</u>
Total Net Position	<u>(1,271,617)</u>	<u>3,589,748</u>	<u>3,460,914</u>	<u>403,870</u>	<u>23,613</u>	<u>(26,059)</u>	<u>643,586</u>	<u>6,824,055</u>
Total Liabilities and Net Position	<u>\$ 923,427</u>	<u>\$ 4,435,820</u>	<u>\$ 6,450,942</u>	<u>\$ 403,870</u>	<u>\$ 26,950</u>	<u>\$ -</u>	<u>\$ 654,108</u>	<u>\$ 12,895,117</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For Fiscal Year Ended June 30, 2013**

	<u>Risk Management</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Excess Loss</u>	<u>Other Benefits Programs</u>	<u>Information Services Operations</u>	<u>Telephone Services</u>	<u>Total</u>
Operating Revenues:								
Charges for Services	\$ -	\$ 9,074,926	\$ 1,498,762	\$ -	\$ 406,157	\$ -	\$ 323,994	\$ 11,303,839
Rental Income	-	34,089	-	-	-	-	-	34,089
Rebates	-	44,372	-	-	-	-	-	44,372
Total Operating Revenues	-	9,153,387	1,498,762	-	406,157	-	323,994	11,382,300
Operating Expenses:								
Personnel	55,169	304,213	97,151	-	-	979,652	116,886	1,553,071
Operations	267,749	-	-	-	504,308	17,974	155,018	945,049
Claims	1,396,679	7,108,930	680,757	-	-	-	-	9,186,366
Reinsurance Premiums	198,163	459,063	56,389	-	-	-	-	713,615
Administrative	-	227,929	143,679	-	-	-	-	371,608
Depreciation and Amortization	-	6,269	-	-	-	-	41,413	47,682
Total Operating Expense	1,917,760	8,106,404	977,976	-	504,308	997,626	313,317	12,817,391
Income (Loss) from Operations	(1,917,760)	1,046,983	520,786	-	(98,151)	(997,626)	10,677	(1,435,091)
Non-operating Revenues (Expenses):								
Property Taxes	592,432	-	-	-	-	-	-	592,432
Investment Earnings	704	4,347	9,973	950	-	-	-	15,974
Intergovernmental Revenues	63,634	-	-	-	-	-	-	63,634
Gain (Loss) on Disposal of Fixed Assets	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	(1,260,990)	1,051,330	530,759	950	(98,151)	(997,626)	10,677	(763,051)
Transfers In	215,900	59,383	-	30,000	70,000	988,736	-	1,364,019
Transfers Out	(60,890)	(70,000)	(15,000)	(50,000)	-	-	(150,000)	(345,890)
Change in Net Position	(1,105,980)	1,040,713	515,759	(19,050)	(28,151)	(8,890)	(139,323)	255,078
Net Position - Beginning of Year	(165,637)	2,549,035	2,945,155	422,920	51,764	(17,169)	782,909	6,568,977
Restatement	-	-	-	-	-	-	-	-
Net Position - Beginning of Year, Restated	(165,637)	2,549,035	2,945,155	422,920	51,764	(17,169)	782,909	6,568,977
Net Position - End of Year	\$ (1,271,617)	\$ 3,589,748	\$ 3,460,914	\$ 403,870	\$ 23,613	\$ (26,059)	\$ 643,586	\$ 6,824,055

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 1 of 2)**

	<u>Risk Management</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Excess Loss</u>	<u>Other Benefits Programs</u>	<u>Information Services Operations</u>	<u>Telephone Services</u>	<u>Total</u>
Cash flows from operating activities:								
Cash receipts for charges for services	\$ -	\$ 8,977,929	\$ 1,494,203	\$ -	\$ 406,157	\$ -	\$ 325,255	\$ 11,203,544
Cash receipts for rebates	-	45,877	-	-	-	-	-	45,877
Cash receipts for rent charged	-	34,089	-	-	-	-	-	34,089
Cash payments to employees for services	(54,977)	(308,405)	(97,151)	-	-	(972,041)	(115,634)	(1,548,208)
Cash payments for reinsurance premiums	(198,163)	(459,915)	(6,487)	-	-	-	-	(664,565)
Cash payments for administrative expenses	-	(221,798)	(143,498)	-	-	-	-	(365,296)
Cash payments for claims expenses	(306,137)	(7,275,537)	(566,991)	-	(502,871)	-	-	(8,651,536)
Cash payments to other suppliers for goods and services	(267,749)	-	-	-	-	(16,695)	(151,186)	(435,630)
Net cash provided (used) by operating activities	<u>(827,026)</u>	<u>792,240</u>	<u>680,076</u>	<u>-</u>	<u>(96,714)</u>	<u>(988,736)</u>	<u>58,435</u>	<u>(381,725)</u>
Cash flows from non-capital financing activities:								
Property taxes	599,633	-	-	-	-	-	-	599,633
Advances (to) from other funds	-	-	-	-	-	-	-	-
Transfers in from primary government	215,900	59,383	-	30,000	70,000	988,736	-	1,364,019
Transfers in from agency fund	-	-	-	-	-	-	-	-
Transfers out to other internal service fund	(60,890)	(70,000)	(15,000)	(50,000)	-	-	(150,000)	(345,890)
Intergovernmental sources	63,634	-	-	-	-	-	-	63,634
Net cash provided by non-capital financing activities	<u>818,277</u>	<u>(10,617)</u>	<u>(15,000)</u>	<u>(20,000)</u>	<u>70,000</u>	<u>988,736</u>	<u>(150,000)</u>	<u>1,681,396</u>
Cash flows from investing activities:								
Purchases of investment securities	(857,428)	(2,280,632)	(2,432,850)	(386,826)	(573)	-	(208,128)	(6,166,437)
Proceeds of sale and maturities of investment securities	870,717	1,514,713	1,749,486	406,861	27,171	-	299,693	4,868,641
Interest on investments	704	26,841	29,404	628	-	-	-	57,577
Net cash provided (used) by investing activities	<u>13,993</u>	<u>(739,078)</u>	<u>(653,960)</u>	<u>20,663</u>	<u>26,598</u>	<u>-</u>	<u>91,565</u>	<u>(1,240,219)</u>
Net increase (decrease) in cash and cash equivalents	5,244	42,545	11,116	663	(116)	-	-	59,452
Cash and cash equivalents at beginning of year	1,870	18,797	66,971	2,671	339	-	2,455	93,103
Cash and cash equivalents at end of year	<u>\$ 7,114</u>	<u>\$ 61,342</u>	<u>\$ 78,087</u>	<u>\$ 3,334</u>	<u>\$ 223</u>	<u>\$ -</u>	<u>\$ 2,455</u>	<u>\$ 152,555</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 2 of 2)**

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

	Risk Management	Health Insurance	Workers' Compensation	Excess Loss	Other Benefits Programs	Information Services Operations	Telephone Services	Total
Income (loss) from operations	\$ (1,917,760)	\$ 1,046,983	\$ 520,786	\$ -	\$ (98,151)	\$ (997,626)	\$ 10,677	\$ (1,435,091)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:								
Depreciation and amortization	-	6,269	-	-	-	-	41,413	47,682
Change in assets and liabilities:								
Decrease (increase) in contributions receivables	-	(69,035)	(3,111)	-	-	-	1,261	(70,885)
Decrease (increase) in rebate receivables	-	1,505	-	-	-	-	-	1,505
Decrease (increase) in prepaid costs	-	(852)	49,902	-	-	-	-	49,050
Increase (decrease) in payables and contributions paid in advance	-	6,131	(1,267)	-	1,437	1,279	3,832	11,412
Increase (decrease) in accrued liabilities	1,090,734	(198,761)	113,766	-	-	7,611	1,252	1,014,602
Net cash provided (used) by operating activities	\$ (827,026)	\$ 792,240	\$ 680,076	\$ -	\$ (96,714)	\$ (988,736)	\$ 58,435	\$ (381,725)

**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 \$18,627 and \$18,856, respectively, of net investment loss that was absorbed by their trust portfolios for the year.

**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ending June 30, 2013**  
**(Page 1 of 4)**

	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	\$ -	\$ -	\$ -	\$ -	\$ 9,214,300	\$ 9,214,300	\$ 8,977,929	\$ (236,371)
Total Operating Revenue	-	-	-	-	9,214,300	9,214,300	8,977,929	(236,371)
Operating Expense:								
Personnel	62,561	62,561	54,977	7,584	315,382	326,282	308,405	17,877
Operations	749,100	772,100	772,049	51	9,862,000	9,851,000	7,957,250	1,893,750
Total Operating Expense	811,661	834,661	827,026	7,635	10,177,382	10,177,282	8,265,655	1,911,627
Income (Loss) from Operation	(811,661)	(834,661)	(827,026)	7,635	(963,082)	(962,982)	712,274	1,675,256
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	558,390	599,429	599,633	204	-	-	-	-
Investment Earnings	100	100	704	604	20,000	20,000	8,214	(11,786)
Intergovernmental Revenue	59,019	59,019	63,634	4,615	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	34,000	34,000	34,089	89
Rebates	-	-	-	-	34,500	34,500	45,877	11,377
Capital Outlay	-	-	-	-	(500)	(500)	-	500
Net Income (Loss) before Transfers	(194,152)	(176,113)	(163,055)	13,058	(875,082)	(874,982)	800,454	1,675,436
Transfers In	215,872	215,872	215,900	28	109,265	109,265	59,383	(49,882)
Transfers Out	(21,800)	(60,900)	(60,890)	10	(85,000)	(85,000)	(70,000)	15,000
Change in Net Position	\$ (80)	\$ (21,141)	\$ (8,045)	\$ 13,096	\$ (850,817)	\$ (850,717)	\$ 789,837	\$ 1,640,554

**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position (Continued)**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ending June 30, 2013**  
**(Page 2 of 4)**

	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	\$ 1,400,000	\$ 1,400,000	\$ 1,494,203	\$ 94,203	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,494,203</u>	<u>94,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expense:								
Personnel	100,240	100,240	97,151	3,089	-	-	-	-
Operations	<u>1,031,000</u>	<u>1,031,000</u>	<u>716,976</u>	<u>314,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expense	<u>1,131,240</u>	<u>1,131,240</u>	<u>814,127</u>	<u>317,113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) from Operation	268,760	268,760	680,076	411,316	-	-	-	-
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	-	-	-	-
Investment Earnings	45,000	45,000	10,548	(34,452)	400	400	1,247	847
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-
Rebates	-	-	-	-	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss) before Transfers	313,760	313,760	690,624	376,864	400	400	1,247	847
Transfers In	-	-	-	-	30,000	30,000	30,000	-
Transfers Out	<u>(314,000)</u>	<u>(314,000)</u>	<u>(15,000)</u>	<u>299,000</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(50,000)</u>	<u>50,000</u>
Change in Net Position	<u>\$ (240)</u>	<u>\$ (240)</u>	<u>\$ 675,624</u>	<u>\$ 675,864</u>	<u>\$ (69,600)</u>	<u>\$ (69,600)</u>	<u>\$ (18,753)</u>	<u>\$ 50,847</u>



**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position (Continued)**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ending June 30, 2013**  
**(Page 3 of 4)**

	Other Benefits Programs				Information Services Operations			
	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	\$ 262,000	\$ 462,000	\$ 406,157	\$ (55,843)	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	<u>262,000</u>	<u>462,000</u>	<u>406,157</u>	<u>(55,843)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expense:								
Personnel	-	-	-	-	1,084,831	1,084,831	972,041	112,790
Operations	<u>332,000</u>	<u>532,000</u>	<u>505,096</u>	<u>26,904</u>	<u>16,950</u>	<u>16,950</u>	<u>16,695</u>	<u>255</u>
Total Operating Expense	<u>332,000</u>	<u>532,000</u>	<u>505,096</u>	<u>26,904</u>	<u>1,101,781</u>	<u>1,101,781</u>	<u>988,736</u>	<u>113,045</u>
Income (Loss) from Operation	(70,000)	(70,000)	(98,939)	(28,939)	(1,101,781)	(1,101,781)	(988,736)	113,045
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-
Rebates	-	-	-	-	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss) before Transfers	(70,000)	(70,000)	(98,939)	(28,939)	(1,101,781)	(1,101,781)	(988,736)	113,045
Transfers In	70,000	70,000	70,000	-	1,101,781	1,101,781	988,736	(113,045)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,939)</u>	<u>\$ (28,939)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position (Continued)**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ending June 30, 2013**  
**(Page 4 of 4)**

	Telephone Services				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
Operating Revenue:								
Charges for Services	\$ 305,600	\$ 305,600	\$ 323,994	\$ 18,394	\$ 11,181,900	\$ 11,381,900	\$ 11,202,283	\$ (179,617)
Total Operating Revenue	<u>305,600</u>	<u>305,600</u>	<u>323,994</u>	<u>18,394</u>	<u>11,181,900</u>	<u>11,381,900</u>	<u>11,202,283</u>	<u>(179,617)</u>
Operating Expense:								
Personnel	111,530	115,680	115,634	46	1,674,544	1,689,594	1,548,208	141,386
Operations	<u>177,900</u>	<u>173,500</u>	<u>151,186</u>	<u>22,314</u>	<u>12,168,950</u>	<u>12,376,550</u>	<u>10,119,252</u>	<u>2,257,298</u>
Depreciation	-	-	-	-	-	-	-	-
Total Operating Expense	<u>289,430</u>	<u>289,180</u>	<u>266,820</u>	<u>22,360</u>	<u>13,843,494</u>	<u>14,066,144</u>	<u>11,667,460</u>	<u>2,398,684</u>
Income (Loss) from Operation	16,170	16,420	57,174	40,754	(2,661,594)	(2,684,244)	(465,177)	2,219,067
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	558,390	599,429	599,633	204
Investment Earnings	-	-	-	-	65,500	65,500	20,713	(44,787)
Intergovernmental Revenue	-	-	-	-	59,019	59,019	63,634	4,615
Interest Expense	-	-	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	34,000	34,000	34,089	89
Rebates	-	-	-	-	34,500	34,500	45,877	11,377
Debt Service Principal Payment	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	(500)	(500)	-	500
Reimbursement for Claims Incurred	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	16,170	16,420	57,174	40,754	(1,910,685)	(1,892,296)	298,769	2,191,065
Transfers In	-	-	-	-	1,526,918	1,526,918	1,364,019	(162,899)
Transfers Out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>	<u>(670,800)</u>	<u>(709,900)</u>	<u>(345,890)</u>	<u>364,010</u>
Change in Net Position	<u>\$ (133,830)</u>	<u>\$ (133,580)</u>	<u>\$ (92,826)</u>	<u>\$ 40,754</u>	<u>\$ (1,054,567)</u>	<u>\$ (1,075,278)</u>	<u>\$ 1,316,898</u>	<u>\$ 2,392,176</u>

## **TRUST AND AGENCY FUNDS**

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Trust and 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.

**Investment Trust Funds** – To account for external participants' share of the County's investment pool and investments held separate for external participants.

**Schools Fund** – To account for revenues collected and cash held 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.

**Other Post-Employment Benefits** – To account for revenues collected and cash held for post employment benefits.

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

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**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2013**

	<b>External Pool Investment Trust</b>
<b>Assets</b>	
Cash & Cash Equivalents	\$ 407,385
Investments, at Fair Value:	
Securities	12,777,016
Money Markets	1,383,964
Repurchase Agreements	3,990,376
STIP	30,757,397
Total Investments	<u>48,908,753</u>
Total Assets	<u>49,316,138</u>
<b>Net Position</b>	
Funds Held in Trust for:	
Investment Trusts	<u>49,316,138</u>
Total Net Position	<u><u>\$ 49,316,138</u></u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For Fiscal Year Ended June 30, 2013**

	<b>External Pool Investment Trust</b>
<b>Additions</b>	
Interest Income	\$ 105,982
Net Investment Income	<u>105,982</u>
Participant Investments in Pool	394,901,316
Total Additions	<u>395,007,298</u>
 <b>Deductions</b>	
Distribution to Participants	<u>(393,344,910)</u>
Total Deductions	<u>(393,344,910)</u>
 Change in Net Position	 1,662,388
 <b>Net Position Held in Trust for Pool Participants</b>	
Net Position - Beginning of Year	<u>47,653,750</u>
Net Position - End of Year	<u><u>\$ 49,316,138</u></u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 1 of 4)**

**SCHOOLS**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Cash with Fiscal Agents	\$ 1,421,464	\$ 2,276,109	\$ 1,421,464	\$ 2,276,109
Property Taxes Receivable (net)	4,260,482	51,204,445	50,086,049	5,378,878
Total Assets	<u>\$ 5,681,946</u>	<u>\$ 53,480,554</u>	<u>\$ 51,507,513</u>	<u>\$ 7,654,987</u>
Liabilities:				
Due to Other Agencies	\$ 5,681,946	\$ 53,480,554	\$ 51,507,513	\$ 7,654,987
Total Liabilities	<u>\$ 5,681,946</u>	<u>\$ 53,480,554</u>	<u>\$ 51,507,513</u>	<u>\$ 7,654,987</u>

**OTHER LOCAL TAXING UNITS**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Cash with Fiscal Agents	\$ 22,507	\$ 22,818	\$ 22,507	\$ 22,818
Property Taxes Receivable (net)	904,167	8,128,411	8,087,289	945,289
Total Assets	<u>\$ 926,674</u>	<u>\$ 8,151,229</u>	<u>\$ 8,109,796</u>	<u>\$ 968,107</u>
Liabilities:				
Due to Other Agencies	\$ 926,674	\$ 8,151,229	\$ 8,109,796	\$ 968,107
Total Liabilities	<u>\$ 926,674</u>	<u>\$ 8,151,229</u>	<u>\$ 8,109,796</u>	<u>\$ 968,107</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 2 of 4)**

**STATE**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Property Taxes Receivable (net)	\$ 2,114,360	\$ 20,317,791	\$ 21,189,313	\$ 1,242,838
Total Assets	<u>\$ 2,114,360</u>	<u>\$ 20,317,791</u>	<u>\$ 21,189,313</u>	<u>\$ 1,242,838</u>
Liabilities:				
Due to Other Agencies	\$ 2,114,360	\$ 20,317,791	\$ 21,189,313	\$ 1,242,838
Total Liabilities	<u>\$ 2,114,360</u>	<u>\$ 20,317,791</u>	<u>\$ 21,189,313</u>	<u>\$ 1,242,838</u>

**CITY**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Property Taxes Receivable (net)	\$ 3,131,111	\$ 25,100,286	\$ 24,796,292	\$ 3,435,105
Accounts Receivable	<u>-</u>	<u>410,976</u>	<u>-</u>	<u>410,976</u>
Total Assets	<u>\$ 3,131,111</u>	<u>\$ 25,511,262</u>	<u>\$ 24,796,292</u>	<u>\$ 3,846,081</u>
Liabilities:				
Due to Other Agencies	\$ 3,131,111	\$ 25,511,262	\$ 24,796,292	\$ 3,846,081
Total Liabilities	<u>\$ 3,131,111</u>	<u>\$ 25,511,262</u>	<u>\$ 24,796,292</u>	<u>\$ 3,846,081</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 3 of 4)**

**OTHER POST-RETIREMENT BENEFITS (OPEB)**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Cash & Cash Equivalents	\$ 1,285	\$ 974,110	\$ 706,120	\$ 269,275
Investments	204,263	-	204,263	-
Other Assets	4,762	2,085	4,762	2,085
Total Assets	<u>\$ 210,310</u>	<u>\$ 976,195</u>	<u>\$ 915,145</u>	<u>\$ 271,360</u>
Liabilities:				
Accounts & Warrants Payable	\$ 1,298	\$ 28,516	\$ 28,641	\$ 1,173
Other Liabilities	209,012	620,166	558,991	270,187
Total Liabilities	<u>\$ 210,310</u>	<u>\$ 648,682</u>	<u>\$ 587,632</u>	<u>\$ 271,360</u>

**PAYROLL & CLAIMS**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Cash & Cash Equivalents	\$ 11,482	\$ 12,300	\$ 11,482	\$ 12,300
Investments	1,806,845	1,476,601	1,806,845	1,476,601
Total Assets	<u>\$ 1,818,327</u>	<u>\$ 1,488,901</u>	<u>\$ 1,818,327</u>	<u>\$ 1,488,901</u>
Liabilities:				
Accounts & Warrants Payable	\$ 1,818,327	\$ 1,488,901	\$ 1,818,327	\$ 1,488,901
Total Liabilities	<u>\$ 1,818,327</u>	<u>\$ 1,488,901</u>	<u>\$ 1,818,327</u>	<u>\$ 1,488,901</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)**  
**For Fiscal Year Ended June 30, 2013**  
**(Page 4 of 4)**

**TOTAL AGENCY FUNDS**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Cash & Cash Equivalents	\$ 12,767	\$ 986,410	\$ 717,602	\$ 281,575
Cash with Fiscal Agents	1,443,971	2,298,927	1,443,971	2,298,927
Investments	2,011,108	1,476,601	2,011,108	1,476,601
Property Taxes Receivable (net)	10,410,120	104,750,933	104,158,943	11,002,110
Accounts Receivable	-	410,976	-	410,976
Other Assets	4,762	2,085	4,762	2,085
Total Assets	<u>\$ 13,882,728</u>	<u>\$ 109,925,932</u>	<u>\$ 108,336,386</u>	<u>\$ 15,472,274</u>
Liabilities:				
Accounts & Warrants Payable	\$ 1,819,625	\$ 1,517,417	\$ 1,846,968	\$ 1,490,074
Other Liabilities	209,012	620,166	558,991	270,187
Due to Other Agencies	11,854,091	107,460,836	105,602,914	13,712,013
Total Liabilities	<u>\$ 13,882,728</u>	<u>\$ 109,598,419</u>	<u>\$ 108,008,873</u>	<u>\$ 15,472,274</u>

## **CAPITAL ASSETS**

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Capital assets used in the operation of Governmental Funds.

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**MISSOULA COUNTY, MONTANA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Comparative Schedule By Source <sup>1</sup>**  
**June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Governmental Funds Capital Assets:		
Land	\$ 7,197,736	\$ 7,197,736
Buildings	40,681,762	40,077,851
Machinery and Equipment	23,171,811	22,421,563
Infrastructure	55,247,094	35,571,796
Construction in Progress	<u>12,606,532</u>	<u>27,754,473</u>
Total Governmental Funds Capital Assets	<u><u>\$ 138,904,935</u></u>	<u><u>\$ 133,023,419</u></u>
Investment in Governmental Funds Capital Assets by Source:		
General Fund	\$ 11,296,570	\$ 12,158,308
Special Revenue Fund	103,619,523	110,194,515
Federal Grants	22,042,746	8,724,500
Initial Start of System	<u>1,946,096</u>	<u>1,946,096</u>
Total Governmental Funds Capital Assets	<u><u>\$ 138,904,935</u></u>	<u><u>\$ 133,023,419</u></u>

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

**MISSOULA COUNTY, MONTANA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule By Function and Activity <sup>1</sup>**  
**June 30, 2013**

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
General Government:						
Administration and Finance	\$ -	\$ -	\$ 556,412	\$ -	\$ -	\$ 556,412
Records and Election	-	-	771,215	-	-	771,215
Data Processing	-	-	459,700	-	292,696	752,396
General Services	14,203	5,518,690	1,001,641	-	1,129,702	7,664,236
Criminal Justice	-	-	107,258	-	1,445,053	1,552,311
Total General Government	14,203	5,518,690	2,896,226	-	2,867,451	11,296,570
Public Works:						
Road & Bridge	135,100	2,606,988	8,045,244	53,508,259	1,009,851	65,305,442
Missoula Development Authority	-	-	-	1,390,062	4,507,477	5,897,539
Weed & Extension	-	-	136,540	-	-	136,540
RSIDs - CIP	-	-	-	-	-	-
Seeley Lake Refuse	65,400	110,793	20,160	-	-	196,353
Total Public Works	200,500	2,717,781	8,201,944	54,898,321	5,517,328	71,535,874
Public Safety:						
Sheriff	19,199	2,140,283	3,082,425	60,000	1,154,949	6,456,856
Communications	-	51,096	6,249,272	-	3,029,601	9,329,969
Detention Center	1,791,035	22,802,088	1,385,062	-	-	25,978,185
Total Public Safety	1,810,234	24,993,467	10,716,759	60,000	4,184,550	41,765,010
Public Health:						
City/County Health	58,162	1,973,124	280,220	-	23,521	2,335,027
Environmental Health	-	5,000	460,826	-	-	465,826
Total Public Health	58,162	1,978,124	741,046	-	23,521	2,800,853
Social and Economic Services	-	-	31,119	-	-	31,119
Culture and Recreation	1,896,394	5,473,700	584,717	288,773	13,682	8,257,266
Nondepartmental	1,946,096	-	-	-	-	1,946,096
Land Held for Resale	1,272,147	-	-	-	-	1,272,147
Total Governmental Funds Capital Assets	\$ 7,197,736	\$ 40,681,762	\$ 23,171,811	\$ 55,247,094	\$ 12,606,532	\$ 138,904,935

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

**MISSOULA COUNTY, MONTANA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes By Function and Activity <sup>1</sup>**  
**For Fiscal Year Ended June 30, 2013**

<u>Function and Activity</u>	Governmental Funds Capital Assets July 1, 2012	Adjustments & Reclasses	As Restated July 1, 2012	Additions	Deductions	Governmental Funds Capital Assets June 30, 2013
General Government:						
Administration and Finance	\$ 559,479	\$ -	\$ 559,479	\$ 9,715	\$ (12,782)	\$ 556,412
Records and Election	817,751	-	817,751	-	(46,536)	771,215
Data Processing	789,262	-	789,262	-	(36,866)	752,396
General Services	9,882,513	(782,666)	9,099,847	2,026,211	(3,461,822)	7,664,236
Criminal Justice	109,303	218,745	328,048	1,237,048	(12,785)	1,552,311
Total General Government	<u>12,158,308</u>	<u>(563,921)</u>	<u>11,594,387</u>	<u>3,272,974</u>	<u>(3,570,791)</u>	<u>11,296,570</u>
Public Works:						
Road & Bridge	55,532,382	-	55,532,382	22,069,111	(12,296,051)	65,305,442
Missoula Development Authority	5,821,334	-	5,821,334	96,205	(20,000)	5,897,539
Weed & Extension	136,540	-	136,540	-	-	136,540
RSIDs - CIP	7,579,797	-	7,579,797	55,649	(7,635,446)	-
Seeley Lake Refuse	196,353	-	196,353	-	-	196,353
Total Public Works	<u>69,266,406</u>	<u>-</u>	<u>69,266,406</u>	<u>22,220,965</u>	<u>(19,951,497)</u>	<u>71,535,874</u>
Public Safety:						
Sheriff	5,038,978	174,830	5,213,808	3,383,331	(2,140,283)	6,456,856
Communications	6,362,329	389,091	6,751,420	3,317,865	(739,316)	9,329,969
Detention Center	25,978,185	-	25,978,185	-	-	25,978,185
Total Public Safety	<u>37,379,492</u>	<u>563,921</u>	<u>37,943,413</u>	<u>6,701,196</u>	<u>(2,879,599)</u>	<u>41,765,010</u>
Public Health:						
City/County Health	2,341,564	-	2,341,564	23,521	(30,058)	2,335,027
Environmental Health	465,826	-	465,826	-	-	465,826
Total Public Health	<u>2,807,390</u>	<u>-</u>	<u>2,807,390</u>	<u>23,521</u>	<u>(30,058)</u>	<u>2,800,853</u>
Social and Economic Services	47,548	-	47,548	-	(16,429)	31,119
Culture and Recreation	8,146,032	-	8,146,032	133,087	(21,853)	8,257,266
Nondepartmental	1,946,096	-	1,946,096	-	-	1,946,096
Land Held for Resale	1,272,147	-	1,272,147	-	-	1,272,147
Total General Capital Assets	<u>\$ 133,023,419</u>	<u>\$ -</u>	<u>133,023,419</u>	<u>32,351,743</u>	<u>\$ (26,470,227)</u>	<u>\$ 138,904,935</u>

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

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# **STATISTICAL SECTION**

## **STATISTICAL SECTION**

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This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

### **Financial Trends**

This segment contains trend information to help the reader understand how the County's financial performance and well-being have changed over time.

### **Revenue Capacity**

This segment includes information to help the reader assess the County's most significant local revenue source, the property tax.

### **Debt Capacity**

This segment presents information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

### **Economic & Demographic Information**

This segment depicts demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

### **Operating information**

This segment displays service and capital asset data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

**Sources:** Unless otherwise stated, the information in this section is derived from the comprehensive annual financial reports for the relevant year. The County implemented Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, in FY 2003; schedules presenting government-wide activities include information beginning from that year.

**MISSOULA COUNTY, MONTANA**  
**Net Position by Component**  
**Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 21,269,578	\$ 16,970,735	\$ 28,223,190	\$ 34,873,468	\$ 41,799,334	\$ 47,859,926	\$ 50,908,218	\$ 52,441,539	\$ 56,576,425	\$ 69,649,599
Restricted	783,387	1,463,452	1,466,019	1,755,298	1,550,263	1,275,007	2,393,072	15,967,427	35,802,909	17,685,419
Unrestricted	8,097,311	18,919,713	18,975,049	31,255,020	28,155,028	36,814,281	36,385,797	23,837,507	2,894,401	11,556,859
Total Governmental Activities Net Position	<u>\$ 30,150,276</u>	<u>\$ 37,353,900</u>	<u>\$ 48,664,258</u>	<u>\$ 67,883,786</u>	<u>\$ 71,504,625</u>	<u>\$ 85,949,214</u>	<u>\$ 89,687,087</u>	<u>\$ 92,246,473</u>	<u>\$ 95,273,735</u>	<u>\$ 98,891,877</u>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	\$ 2,322,777	\$ 2,278,903	\$ 2,199,939	\$ 2,125,419	\$ 2,125,336	\$ 2,601,442	\$ 4,052,553	\$ 3,656,007	\$ 4,680,442	\$ 4,626,843
Unrestricted	1,338,904	1,298,087	1,377,281	1,622,661	1,778,396	1,581,937	1,046,487	2,593,970	1,255,778	1,340,953
Total Business-type Activities Net Position	<u>\$ 3,661,681</u>	<u>\$ 3,576,990</u>	<u>\$ 3,577,220</u>	<u>\$ 3,748,080</u>	<u>\$ 3,903,732</u>	<u>\$ 4,183,379</u>	<u>\$ 5,099,040</u>	<u>\$ 6,249,977</u>	<u>\$ 5,936,220</u>	<u>\$ 5,967,796</u>
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 23,592,355	\$ 19,249,638	\$ 30,423,129	\$ 36,998,887	\$ 43,924,670	\$ 50,461,368	\$ 54,960,771	\$ 56,097,546	\$ 60,761,678	\$ 74,276,442
Restricted	783,387	1,463,452	1,466,019	1,755,298	1,550,263	1,275,007	2,393,072	15,967,427	35,802,909	17,685,419
Unrestricted	9,436,215	20,217,800	20,352,330	32,877,681	29,933,424	38,396,218	37,432,284	26,431,477	4,150,179	12,897,812
Total Primary Government Net Position	<u>\$ 33,811,957</u>	<u>\$ 40,930,890</u>	<u>\$ 52,241,478</u>	<u>\$ 71,631,866</u>	<u>\$ 75,408,357</u>	<u>\$ 90,132,593</u>	<u>\$ 94,786,127</u>	<u>\$ 98,496,450</u>	<u>\$ 100,714,766</u>	<u>\$ 104,859,673</u>

**MISSOULA COUNTY, MONTANA**  
**Schedule of Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Page 1 of 2)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 10,329,199	\$ 9,656,328	\$ 10,793,516	\$ 10,616,135	\$ 11,532,881	\$ 12,236,110	\$ 11,885,058	\$ 13,978,668	\$ 15,820,520	\$ 20,445,707
Criminal Justice	3,749,739	4,813,728	5,119,123	3,300,060	3,729,153	3,758,712	3,847,607	4,128,781	4,276,443	2,979,747
Public Safety	15,777,067	14,852,072	17,060,430	17,487,042	17,933,310	18,135,508	18,831,204	20,042,141	20,051,543	17,752,142
Public Works	11,218,785	6,641,539	8,022,496	17,948,738	13,520,691	6,065,827	10,604,449	10,172,173	10,654,220	11,155,178
Public Health	4,543,610	4,517,190	5,093,221	5,542,050	5,903,619	5,860,795	6,041,743	6,542,193	6,970,001	7,547,594
Social & Economic Services	3,255,769	3,455,239	3,702,861	4,289,787	4,078,319	4,615,766	4,686,338	2,339,977	2,730,068	2,326,781
Culture & Recreation	4,383,917	4,252,141	4,090,539	3,889,031	4,493,107	4,333,841	4,473,973	5,156,053	5,266,106	4,845,283
Housing & Community Development	2,107,607	2,007,925	1,845,512	2,601,639	3,435,749	2,918,937	2,819,982	3,875,925	1,829,234	1,782,217
Interest on Long-term Debt	1,160,354	1,196,809	935,898	1,133,118	1,261,685	1,145,352	1,543,010	1,654,795	1,357,720	1,112,108
Total Governmental Activities Expenses	56,526,047	51,392,971	56,663,596	66,807,600	65,888,514	59,070,848	64,733,364	67,890,706	68,955,855	69,946,757
Business-type Activities:										
Larchmont Golf Course	829,362	795,539	859,193	880,832	852,695	847,389	860,865	854,062	877,081	897,720
Rural Special Improvement Districts	622,832	767,857	703,456	720,567	707,010	735,247	382,198	822,299	1,309,864	922,016
Total Business-type Activities Expenses	1,452,194	1,563,396	1,562,649	1,601,399	1,559,705	1,582,636	1,243,063	1,676,361	2,186,945	1,819,736
Total Primary Government Expenses	<u>\$ 57,978,241</u>	<u>\$ 52,956,367</u>	<u>\$ 58,226,245</u>	<u>\$ 68,408,999</u>	<u>\$ 67,448,219</u>	<u>\$ 60,653,484</u>	<u>\$ 65,976,427</u>	<u>\$ 69,567,067</u>	<u>\$ 71,142,800</u>	<u>\$ 71,766,493</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 4,616,907	\$ 4,917,291	\$ 5,066,931	\$ 4,909,952	\$ 4,596,879	\$ 4,405,714	\$ 4,370,193	\$ 4,757,274	\$ 4,944,047	\$ 5,002,429
Criminal Justice	837,962	969,501	895,178	831,522	876,544	910,461	882,066	855,132	784,263	797,539
Public Safety	3,980,917	3,385,998	3,686,470	4,007,155	5,845,885	5,218,345	5,097,532	5,144,087	6,391,991	5,384,210
Public Works	606,293	1,013,088	1,335,476	2,319,001	2,067,227	1,747,766	1,522,702	2,618,765	2,446,931	2,453,681
Public Health	1,252,154	1,373,916	1,420,148	1,633,125	1,730,795	1,532,922	1,477,509	1,495,133	1,732,005	1,647,280
Social & Economic Services	52	-	-	-	Social & Ec	-	-	-	184,993	-
Culture & Recreation	1,148,071	1,199,618	1,158,955	1,335,514	1,136,630	981,832	1,022,162	1,097,072	1,222,868	1,137,248
Housing & Community Development	218,713	248,987	201,930	233,379	206,284	195,356	158,728	144,605	1,434	-
Operating Grants and Contributions	7,333,961	9,198,521	8,882,805	6,479,430	6,862,787	6,626,708	5,364,471	10,503,550	7,671,180	6,856,910
Capital Grants and Contributions	1,292,253	1,919,467	3,865,026	2,267,401	260,121	3,546,936	2,576,393	1,148,146	1,536,905	2,611,277
Total Governmental Activities Program Revenues	21,287,283	24,226,387	26,512,919	24,016,479	23,583,152	25,166,040	22,471,756	27,763,764	26,916,617	25,890,574
Business-type Activities:										
Charges for Services:										
Larchmont Golf Course	1,018,458	911,171	958,595	951,976	984,778	1,012,132	988,599	981,338	969,831	959,930
Rural Special Improvement Districts	768,824	676,128	802,189	850,294	780,030	823,465	882,273	995,892	989,238	997,690
Total Business-type Activities Program Revenues	1,787,282	1,587,299	1,760,784	1,802,270	1,764,808	1,835,597	1,870,872	1,977,230	1,959,069	1,957,620
Total Primary Government Program Revenues	<u>\$ 23,074,565</u>	<u>\$ 25,813,686</u>	<u>\$ 28,273,703</u>	<u>\$ 25,818,749</u>	<u>\$ 25,347,960</u>	<u>\$ 27,001,637</u>	<u>\$ 24,342,628</u>	<u>\$ 29,740,994</u>	<u>\$ 28,875,686</u>	<u>\$ 27,848,194</u>
<b>Net (Expense) Revenue</b>										
Governmental Activities:	\$(35,238,764)	\$(27,166,584)	\$(30,150,677)	\$(42,791,121)	\$(42,305,362)	\$(33,904,808)	\$(42,261,608)	\$(40,126,942)	\$(42,039,238)	\$(44,056,183)
Business-type Activities:	335,088	23,903	198,135	200,871	205,103	252,961	627,809	300,869	(227,876)	137,884
Total Primary Government Net (Expenses) Revenues	<u>\$(34,903,676)</u>	<u>\$(27,142,681)</u>	<u>\$(29,952,542)</u>	<u>\$(42,590,250)</u>	<u>\$(42,100,259)</u>	<u>\$(33,651,847)</u>	<u>\$(41,633,799)</u>	<u>\$(39,826,073)</u>	<u>\$(42,267,114)</u>	<u>\$(43,918,299)</u>

**MISSOULA COUNTY, MONTANA**  
**Schedule of Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(Page 2 of 2)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Revenue and Other</b>										
<b>Changes in Net Position</b>										
Governmental Activities:										
Property Taxes	\$ 26,181,489	\$ 28,263,956	\$ 30,428,569	\$ 32,154,829	\$ 34,367,166	\$ 34,622,390	\$ 38,095,655	\$ 36,962,016	\$ 36,962,016	\$ 39,240,200
Intergovernmental Revenue	3,572,783	3,772,657	3,282,638	4,334,436	6,766,492	5,857,686	5,845,783	2,967,366	2,967,366	5,782,442
Investment Earnings	142,626	466,131	875,329	1,748,295	1,489,227	816,387	297,001	239,823	239,823	40,151
Gain on Sale of Capital Assets	934,408	312,722	2,518,878	(2,230,026)	643,320	(28,243)	-	(1,542)	(1,542)	-
Miscellaneous Revenues	2,293,524	1,453,329	2,035,355	12,142,118	2,329,610	2,832,296	2,369,802	2,384,056	2,384,056	2,501,499
Transfers	270,520	101,413	234,342	141,981	151,225	164,386	(227,491)	107,531	107,531	110,033
Total Governmental Activities	33,395,350	34,370,208	39,375,111	48,291,633	45,747,040	44,264,902	46,380,750	42,659,250	42,659,250	47,674,325
Business-type Activities:										
Intergovernmental Revenue	-	-	-	-	-	100,000	-	-	-	-
Investment Earnings	3,476	10,907	31,726	55,242	38,345	35,691	24,426	9,080	9,080	3,725
Gain on Sale of Capital Assets	28,191	425	-	-	-	10,430	7,000	-	-	-
Miscellaneous Revenues	1,200	2,591	4,711	56,728	22,500	5,587	-	2,500	2,500	-
Transfers	(270,520)	(122,517)	(234,342)	(141,981)	(151,225)	(164,386)	227,491	(107,531)	(107,531)	(110,033)
Total Business-type Activities	(237,653)	(108,594)	(197,905)	(30,011)	(90,380)	(12,678)	258,917	(95,951)	(95,951)	(106,308)
Total Primary Government	\$ 33,157,697	\$ 34,261,614	\$ 39,177,206	\$ 48,261,622	\$ 45,656,660	\$ 44,252,224	\$ 46,639,667	\$ 42,563,299	\$ 42,563,299	\$ 47,568,017
<b>Changes in Net Position</b>										
Governmental Activities	\$ (1,843,414)	\$ 7,203,624	\$ 9,224,434	\$ 5,500,512	\$ 3,441,678	\$ 10,360,094	\$ 4,119,142	\$ 2,532,308	\$ 620,012	\$ 3,618,142
Business-type Activities	97,435	(84,691)	230	170,860	114,723	240,283	886,726	204,918	(323,827)	31,576
Total Primary Government Changes in Net Position	\$ (1,745,979)	\$ 7,118,933	\$ 9,224,664	\$ 5,671,372	\$ 3,556,401	\$ 10,600,377	\$ 5,005,868	\$ 2,737,226	\$ 296,185	\$ 3,649,718

**MISSOULA COUNTY, MONTANA**  
**Fund Balance of Governmental Funds**  
**Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Fund</b>										
Reserved	\$ 457,949	\$ 1,236,826	\$ 753,343	\$ -	\$ -	\$ -	\$ 226,646	\$ -	\$ -	\$ -
Unreserved	3,299,145	1,900,850	2,230,818	3,200,957	2,218,236	2,577,538	1,962,335	-	-	-
Nonspendable *	-	-	-	-	-	-	-	63,911	61,571	56,450
Restricted *	-	-	-	-	-	-	-	55,952	72,423	226,043
Unassigned *	-	-	-	-	-	-	-	2,264,689	2,244,801	2,655,190
<b>Total General Fund</b>	<b>\$ 3,757,094</b>	<b>\$ 3,137,676</b>	<b>\$ 2,984,161</b>	<b>\$ 3,200,957</b>	<b>\$ 2,218,236</b>	<b>\$ 2,577,538</b>	<b>\$ 2,188,981</b>	<b>\$ 2,384,552</b>	<b>\$ 2,378,795</b>	<b>\$ 2,937,683</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 2,348,607	\$ 2,609,491	\$ 1,110,884	\$ 2,346,351	\$ 2,875,328	\$ 6,131,515	\$ 7,749,896	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	8,958,351	13,568,633	16,610,426	14,592,615	15,826,535	22,776,020	22,814,502	-	-	-
Debt Service Funds	783,387	1,463,452	1,466,019	1,755,298	1,550,263	1,555,901	(278,996)	-	-	-
Capital Project Funds	471,827	(263,475)	1,815,356	8,420,005	7,513,750	1,341,314	1,932,761	-	-	-
Nonspendable *	-	-	-	-	-	-	-	911,287	1,030,056	1,386,525
Restricted *	-	-	-	-	-	-	-	15,911,475	15,961,562	17,329,372
Committed *	-	-	-	-	-	-	-	8,658,734	9,040,200	7,887,322
Assigned *	-	-	-	-	-	-	-	7,303,069	6,147,357	7,116,220
Unassigned *	-	-	-	-	-	-	-	(1,111,352)	(478,722)	(3,681,443)
<b>Total All Other Governmental Funds</b>	<b>\$ 12,562,172</b>	<b>\$ 17,378,101</b>	<b>\$ 21,002,685</b>	<b>\$ 27,114,269</b>	<b>\$ 27,765,876</b>	<b>\$ 31,804,750</b>	<b>\$ 32,218,163</b>	<b>\$ 31,673,213</b>	<b>\$ 31,700,453</b>	<b>\$ 30,037,996</b>

\* Restated to conform to GASB Statement No. 54.

**MISSOULA COUNTY, MONTANA**  
**Changes in Fund Balance of Governmental Funds**  
**Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues:</b>										
Taxes/assessments	\$ 26,866,402	\$ 28,737,286	\$ 30,663,693	\$ 32,457,258	\$ 33,225,843	\$ 36,062,438	\$ 36,771,969	\$ 38,521,237	\$ 39,428,446	\$ 40,298,123
Licenses and Permits	324,880	356,015	345,258	943,942	1,064,392	817,724	727,632	738,704	768,855	837,596
Intergovernmental Revenues	12,940,233	15,055,952	16,036,477	12,776,147	12,148,625	18,070,793	14,409,605	15,115,115	13,558,910	14,830,716
Charges for Services	8,519,919	8,329,904	8,829,603	9,382,541	11,346,129	10,114,876	9,847,043	9,889,566	11,608,160	10,422,169
Fines and Forfeitures	846,521	1,037,664	936,793	1,039,329	920,364	976,834	936,107	882,552	894,942	889,467
Investment Earnings	110,902	375,877	701,832	1,376,170	1,140,275	555,296	190,485	188,422	55,470	24,177
Private & Local Grants	111,576	122,446	257,428	664,723	2,208,405	114,916	1,100	157,550	205,397	356,279
Miscellaneous Revenue	2,432,173	2,206,685	1,682,084	1,893,210	2,420,861	2,391,991	2,411,935	1,779,966	2,233,871	2,788,167
<b>Total Revenues</b>	<b>52,152,606</b>	<b>56,221,829</b>	<b>59,453,168</b>	<b>60,533,320</b>	<b>64,474,894</b>	<b>69,104,868</b>	<b>65,295,876</b>	<b>67,273,112</b>	<b>68,754,051</b>	<b>70,446,694</b>
<b>Expenditures:</b>										
General Government	6,205,827	6,070,921	7,132,364	7,600,766	7,970,031	8,105,151	7,735,812	9,625,844	10,021,440	10,073,648
Criminal Justice	3,715,236	4,909,894	5,145,063	3,405,596	3,689,674	3,819,405	3,822,320	4,063,389	4,096,121	4,150,445
Public Safety	14,560,716	14,626,708	15,546,588	15,701,956	17,366,160	18,427,629	18,180,447	19,205,517	18,177,818	19,072,868
Public Works	9,478,401	6,860,922	6,949,991	7,284,533	12,212,920	7,997,379	7,534,287	7,940,624	8,225,522	8,131,000
Public Health	4,477,474	4,812,944	5,101,907	5,594,396	5,741,099	5,769,984	5,900,159	6,363,895	6,548,747	7,342,714
Social & Economic Services	3,202,355	3,291,473	3,720,110	3,936,569	3,871,633	4,544,542	4,437,612	2,275,749	2,585,961	2,239,227
Culture & Recreation	3,368,214	3,608,099	4,389,019	3,523,019	4,010,707	3,701,593	3,968,586	4,524,909	4,495,439	4,159,797
Housing & Community Development	1,952,543	2,090,784	1,864,848	2,684,171	3,397,241	2,928,408	2,777,337	3,796,036	1,760,469	1,740,447
Capital Outlay	6,446,469	7,017,579	5,496,600	18,979,764	8,079,485	9,872,743	15,334,966	8,199,726	7,107,222	11,403,305
Debt Service										
Principal	1,793,811	1,622,089	2,752,771	2,723,412	2,741,130	2,607,106	2,499,705	2,855,235	3,441,847	3,430,163
Interest	1,156,992	1,196,809	1,223,275	1,411,014	1,358,953	1,199,852	1,588,512	1,654,795	1,357,720	1,222,019
<b>Total Expenditures</b>	<b>56,358,038</b>	<b>56,108,222</b>	<b>59,322,536</b>	<b>72,845,196</b>	<b>70,439,033</b>	<b>68,973,792</b>	<b>73,779,743</b>	<b>70,505,719</b>	<b>67,818,306</b>	<b>72,965,633</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>(4,205,432)</b>	<b>113,607</b>	<b>130,632</b>	<b>(12,311,876)</b>	<b>(5,964,139)</b>	<b>131,076</b>	<b>(8,483,867)</b>	<b>(3,232,607)</b>	<b>935,745</b>	<b>(2,518,939)</b>
<b>Other Financing Sources (uses):</b>										
Transfers In	4,611,705	5,179,028	5,073,109	10,412,196	6,793,915	5,521,943	7,712,254	9,425,668	7,748,289	9,335,368
Transfers Out	(4,462,964)	(5,315,570)	(4,920,478)	(10,352,832)	(6,737,452)	(5,434,588)	(8,137,283)	(10,389,474)	(8,869,555)	(10,243,464)
Issuance of Debt	5,968,629	1,370,582	1,730,136	18,005,249	4,965,000	3,520,281	8,808,731	4,550,202	113,163	2,038,464
Defeasance of Debt	-	-	-	(1,641,286)	-	-	-	-	-	-
Premium on Issuance of Debt	-	-	-	-	6,908	-	-	-	-	7,370,200
Sale of Capital Assets	1,060,602	2,234,487	2,170,897	1,513,213	1,552,982	181,836	166,956	12,400	1,603	331,445
<b>Total Other Financing Sources (uses)</b>	<b>7,177,972</b>	<b>3,468,527</b>	<b>4,053,664</b>	<b>17,936,540</b>	<b>6,581,353</b>	<b>3,789,472</b>	<b>8,550,658</b>	<b>3,598,796</b>	<b>(1,006,500)</b>	<b>8,832,013</b>
<b>Net Change in Fund Balance</b>	<b>\$ 2,972,540</b>	<b>\$ 3,582,134</b>	<b>\$ 4,184,296</b>	<b>\$ 5,624,664</b>	<b>\$ 617,214</b>	<b>\$ 3,920,548</b>	<b>\$ 66,791</b>	<b>\$ 366,189</b>	<b>\$ (70,755)</b>	<b>\$ 6,313,074</b>
<b>Ratio of Debt Service Expenditures to Noncapital Expenditures</b>	<b>5.59%</b>	<b>5.40%</b>	<b>7.48%</b>	<b>6.02%</b>	<b>6.35%</b>	<b>6.25%</b>	<b>6.63%</b>	<b>7.80%</b>	<b>7.76%</b>	<b>7.29%</b>

**MISSOULA COUNTY, MONTANA**  
**Bureau of Census (BOC) Supplemental Schedule**  
**As of and for the Fiscal Year ended June 30, 2013**

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

2. Salaries and wages:	\$ 30,016,918
------------------------	---------------

3. Debt outstanding:	
A. Long-term debt outstanding, issued and retired	
Purpose	Amount
	Bonds outstanding July 1, 2012      Bonds during the Fiscal Year      Outstanding as of June 30, 2013
	Issued      Retired      General Obligation      Revenue bonds
Water utility	\$ -      \$ -      \$ -      \$ -
Sewer	-      -      -      -
Electric utility	-      -      -      -
Gas utility	-      -      -      -
Industrial revenue	-      -      -      -
All other	13,372,000      9,703,067      (11,451,221)      12,087,000
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	\$ 2,546,454
Special revenue funds	17,466,685
Debt service funds	5,014,739
Capital projects funds	5,094,667
Enterprise funds	2,395,003
Internal service funds	11,770,721
Trust and agency funds	53,373,241
Total	\$ 97,661,510

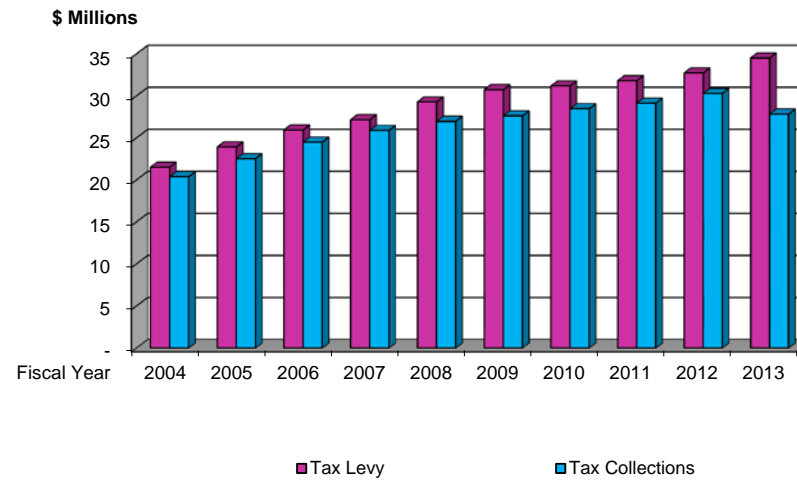


**MISSOULA COUNTY, MONTANA**  
**Property Tax Levies and Collections**  
**Governmental and Internal Service Fund Types**  
**Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy July 1 (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections in Subsequent Years (b)	Total Tax Collections	Ratio of Total Collections to Current Tax Levy
2004	21,519,715	20,388,651	94.74	1,130,765	21,519,416	100.00
2005	23,932,524	22,536,622	94.17	1,392,620	23,929,242	99.99
2006	25,960,336	24,504,110	94.39	1,431,113	25,935,223	99.90
2007	27,188,730	25,898,006	95.25	1,286,474	27,184,480	99.98
2008	29,291,463	26,987,919	92.14	2,269,190	29,257,109	99.88
2009	30,749,059	27,634,375	89.87	3,033,612	30,667,987	99.74
2010	31,196,235	28,479,702	91.29	2,609,686	31,089,388	99.66
2011	31,830,035	29,145,942	91.57	2,572,245	31,718,187	99.65
2012	32,744,989	30,294,134	92.52	2,315,286	32,609,420	99.59
2013	34,533,181	27,842,307	80.62	-	27,842,307	80.62

- (a) Represents actual amount billed as budgeted amount to be levied is generally more conservative and would result in more than 100% collections.
- (b) Excludes penalties and interest

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



**MISSOULA COUNTY, MONTANA**  
**Property Tax Assessments and Total County Direct Tax Rate**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Centrally Assessed</u>	<u>Personal Property</u>	<u>Mobile Homes</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2004	148,225,395	-	5,242,179	2,126,513	155,594,087	122.79
2005	136,772,918	17,391,486	5,464,862	2,113,821	161,743,087	127.12
2006	145,471,661	19,262,094	5,685,896	2,105,666	172,525,317	129.11
2007	154,192,220	19,870,551	5,761,725	2,126,512	181,951,008	133.64
2008	158,914,639	21,835,221	5,582,848	2,075,112	188,407,820	136.19
2009	160,174,626	20,996,538	5,997,214	1,984,161	189,152,539	140.35
2010	162,702,385	20,051,998	6,319,728	1,781,174	190,855,285	140.60
2011	162,381,138	22,672,074	6,054,145	1,666,950	192,774,307	142.13
2012	162,368,539	24,902,349	5,715,293	1,574,935	194,561,116	142.47
2013	163,822,441	26,792,685	4,422,444	1,496,705	196,534,275	145.04

Source: County Treasurers Office

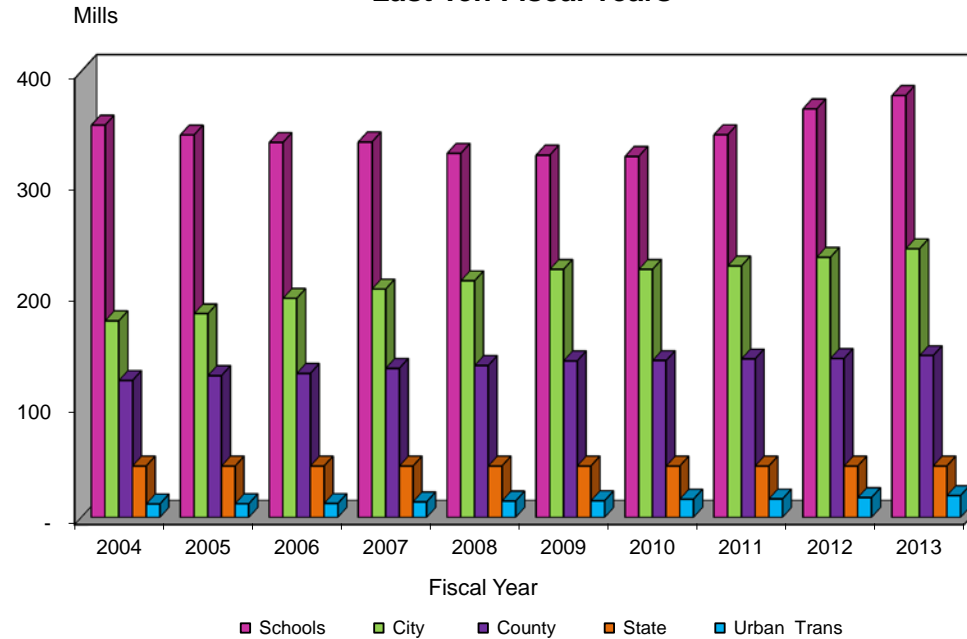
Note: Property in the County is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

**MISSOULA COUNTY, MONTANA**  
**Property Tax Levies by Mills - All Taxing Entities**  
**Last Ten Fiscal Years**

Fiscal Year	County	Schools	City	State	Urban Trans	Total
2004	122.79	351.88	176.32	46.00	11.93	708.92
2005	127.12	343.04	182.57	46.00	12.23	710.96
2006	129.11	336.32	196.39	46.00	12.38	720.20
2007	133.64	336.73	204.73	46.00	13.91	735.01
2008	136.19	326.54	212.23	46.00	14.62	735.58
2009	140.35	324.98	222.45	46.00	14.86	748.64
2010	140.60	323.83	222.45	46.00	16.30	749.18
2011	142.13	343.25	225.56	46.00	16.45	773.39
2012	142.47	366.40	233.24	46.00	17.69	805.80
2013	145.04	378.44	240.90	46.00	19.51	829.89

The property tax levy is limited to the amount of property taxes assessed in the prior year plus the value of newly taxable property plus one half of the average rate of inflation for the prior three years.

**TOTAL PROPERTY TAX LEVIES BY MILLS**  
**Last Ten Fiscal Years**

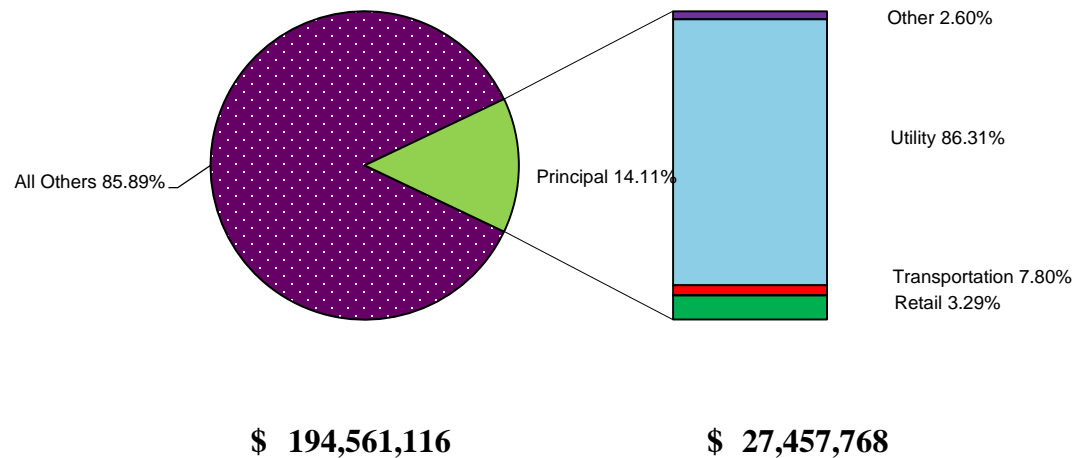


**MISSOULA COUNTY, MONTANA**  
**Principal Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	Type of Industry	2013				2004		
		Tax Dollars All Taxing Agencies	Taxable Value	% of Total Taxable Value		Taxable Value	% of Total Taxable Value	
Northwestern Energy/Montana Power	Utility	\$ 8,722,372	\$ 13,943,962	7.17	%	\$ 8,950,650	5.75	%
Qwest Communications/U.S. West	Utility	2,068,170	2,762,834	1.42		2,817,534	1.81	
Bresnan Communications	Utility	1,651,034	2,272,868	1.17		-	0.00	
Montana Rail Link	Transportation	1,440,088	2,142,499	1.10		1,514,731	0.97	
Mountain Water Company	Utility	1,091,606	1,435,057	0.74		1,096,670	0.70	
Celloco Partnership (Verizon Wireless)	Utility	997,408	1,387,298	0.71		-	0.00	
Missoula Electric Cooperative	Utility	731,276	1,229,909	0.63		589,187	0.38	
Southgate Mall	Retail	703,949	903,217	0.46		838,903	0.54	
Gateway Limited Partnership	Other	570,011	713,867	0.37		765,602	0.49	
Puget Sound Energy	Utility	365,842	666,257	0.34		767,876	0.49	
		<u>\$ 18,341,756</u>	<u>\$ 27,457,768</u>	<u>14.11</u>	<u>%</u>	<u>\$ 17,341,153</u>	<u>11.15</u>	<u>%</u>
Total County Taxable Value:			<u>\$ 194,561,116</u>			<u>\$ 155,594,087</u>		

Source: Tax roll for fiscal year 2012

**PRINCIPAL TAXPAYERS BY TYPE**  
**June 30, 2013**

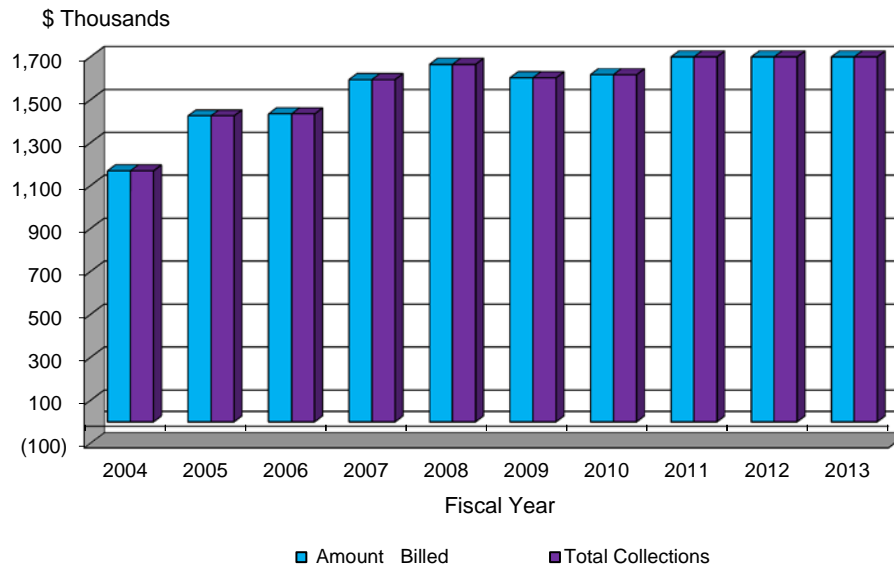


**MISSOULA COUNTY, MONTANA**  
**Special Assessments Billings and Collections**  
**June 30, 2013**

Fiscal Year	Amount Billed	Current Collections	Delinquent Collections	Total Collections	Percent Collected through 6/30/2012
2004	1,169,115	1,118,837	50,278	1,169,115	100.00%
2005	1,425,008	1,353,583	71,425	1,425,008	100.00%
2006	1,434,458	1,360,349	73,872	1,434,221	99.98%
2007	1,594,421	1,349,159	245,262	1,594,421	100.00%
2008	1,665,327	1,556,778	108,549	1,665,327	100.00%
2009	1,602,683	1,478,302	124,220	1,602,522	99.99%
2010	1,617,545	1,507,920	109,241	1,617,161	99.98%
2011	2,512,336	2,250,255	241,957	2,492,212	99.20%
2012	2,502,061	2,251,362	237,960	2,489,322	99.49%
2013	2,419,071	2,241,491	-	2,241,491	92.66%

Source: Missoula County Assistant Finance Director

**RSID BILLINGS AND COLLECTIONS**  
**June 30, 2013**



**MISSOULA COUNTY, MONTANA**  
**Rural Special Improvement District Bonds**  
**Revolving Fund Cash Balance and Principal Amount of Bonds Secured**  
**June 30, 2013**

<u>Fiscal Year</u>	<u>Revolving Fund Cash Balance</u>	<u>Principal Amount of Bonds Outstanding</u>	<u>Cash as a % of Outstanding Bonds</u>
2004	348,279	6,965,561	5.00%
2005	358,111	7,160,227	5.00%
2006	313,827	6,276,599	5.00%
2007	325,552	6,511,043	5.00%
2008	362,200	7,244,000	5.00%
2009	346,501	6,930,020	5.00%
2010	766,263	15,267,731	5.02%
2011	778,322	14,859,078	5.24%
2012	812,489	13,932,402	5.83%
2013	700,859	12,924,542	5.42%

Source: Missoula County Assistant Finance Director

**MISSOULA COUNTY, MONTANA**  
**Computation of Legal Debt Margin**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Limit on Total Indebtedness:</b>										
Assessed Value	\$ 4,908,944	\$ 5,235,427	\$ 5,569,029	\$ 5,908,577	\$ 6,221,103	\$ 6,310,354	\$ 6,905,574	\$ 7,214,308	\$ 7,494,735	\$ 7,399,235
Debt Limit % of Value (1)	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Debt Limit	122,724	130,886	139,226	147,714	155,528	157,759	172,639	180,358	187,368	184,981
Net Debt Applicable to Limit	27,517	27,245	26,564	29,612	31,873	32,787	39,096	40,791	37,462	35,555
Legal Debt Margin	<u>\$ 95,207</u>	<u>\$ 103,641</u>	<u>\$ 112,662</u>	<u>\$ 118,102</u>	<u>\$ 123,655</u>	<u>\$ 124,972</u>	<u>\$ 133,543</u>	<u>\$ 139,567</u>	<u>\$ 149,906</u>	<u>\$ 149,426</u>
Ratio of Net Debt Limit	<u>22.42%</u>	<u>20.82%</u>	<u>19.08%</u>	<u>20.05%</u>	<u>20.49%</u>	<u>20.78%</u>	<u>22.65%</u>	<u>22.62%</u>	<u>19.99%</u>	<u>19.22%</u>

**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>
2004	\$ -	\$ -	\$ 3,661,561	\$ -	\$ 995,000	\$ 4,656,561
2005	-	-	954,787	-	415,795	1,370,582
2006	-	-	374,972	13,770,000	800,000	14,944,972
2007	-	-	1,103,000	-	-	1,103,000
2008	-	-	1,640,000	3,325,000	-	4,965,000
2009	-	-	142,000	-	2,000,000	2,142,000
2010	-	-	8,761,731	-	-	8,761,731
2011	-	-	165,202	3,325,000	1,060,000	4,550,202
2012	-	-	113,163	-	-	113,163
2013	-	-	-	6,540,000	2,870,000	9,410,000

(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**

<u>Fiscal Year</u>	<u>Population (b)</u>	<u>Taxable Value (a)</u>	<u>G.O. Bonded Debt</u>	<u>Less Amount Available In Debt Service</u>	<u>Net G.O. Bonded Debt</u>	<u>Ratio Net Debt to Taxable Value</u>	<u>Net Bonded Debt Per Capita</u>
2004	98,616	155,594,087	14,609,000	379,130	14,229,870	9.15	144
2005	99,018	161,743,087	13,926,000	339,012	13,586,988	8.40	137
2006	100,086	172,525,317	13,933,000	610,559	13,322,441	7.72	133
2007	101,417	178,546,389	12,995,000	1,229,583	11,765,417	6.59	116
2008	105,650	184,460,260	15,432,000	1,292,714	14,139,286	7.67	134
2009	107,320	189,152,539	14,512,000	1,252,443	13,259,557	7.01	124
2010	109,299	190,855,285	13,372,000	1,309,645	12,062,355	6.32	110
2011	110,114	194,561,116	15,432,000	1,300,585	14,131,415	7.26	128
2012	110,977	192,774,307	14,102,000	1,308,782	12,793,218	6.64	115
2013	111,826	194,561,116	12,087,000	764,220	11,322,780	5.82	101

Source:

- (a) Montana Department of Revenue
- (b) Montana Department of Commerce  
US Census Bureau

**MISSOULA COUNTY, MONTANA**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					Total Primary Government	Personal Income (a)	Percentage of Personal Income	Debt Per Capita
	General Obligation Debt	Limited Obligation Debt	Tax Increment Debt	Special Assessment Debt	Contracts				
2004	14,609,000	2,225,000	2,060,000	6,465,561	2,157,504	27,517,065	26,823	0.10%	278
2005	13,926,000	2,115,000	1,970,000	7,160,227	2,073,338	27,244,565	29,625	0.11%	272
2006	13,933,000	2,770,000	1,875,000	6,276,599	1,709,759	26,564,358	30,991	0.12%	262
2007	12,995,000	2,620,000	6,045,000	6,532,000	1,419,789	29,611,789	31,611	0.11%	280
2008	15,432,000	2,445,000	5,675,000	7,244,000	1,077,448	31,873,448	32,243	0.10%	297
2009	14,512,000	4,255,000	5,300,000	6,930,020	1,789,602	32,786,622	33,055	0.10%	300
2010	13,372,000	3,965,000	4,915,000	15,267,731	1,789,602	40,885,249	35,108	0.09%	371
2011	15,432,000	4,750,000	4,515,000	14,859,078	1,234,536	40,790,614	35,733	0.09%	368
2012	14,102,000	4,415,000	4,095,000	13,932,402	917,528	37,461,930	44,084	0.12%	335
2013	12,087,000	6,265,000	3,660,000	12,924,542	618,802	35,555,344	44,653	0.13%	318

Source:

(b) Preliminary data from U.S. Bureau of Economic Analysis (BEA)

**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		
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
2006	2,752,771	1,223,275	3,976,046	59,322,536	6.70
2007	2,723,412	1,411,014	4,134,426	72,845,196	5.68
2008	2,741,130	1,358,953	4,100,083	70,439,033	5.82
2009	2,607,106	1,199,852	3,806,958	68,973,792	5.52
2010	2,499,705	1,588,512	4,088,217	73,779,743	5.54
2011	2,855,235	1,654,795	4,510,030	70,505,719	6.40
2012	3,441,847	1,357,720	4,799,567	67,818,306	7.08
2013	3,430,163	1,222,019	4,652,182	72,965,633	6.38

**MISSOULA COUNTY, MONTANA**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2013**

	Gross Debt Outstanding	% Applicable to Missoula County	Amount Applicable to Missoula County
Direct Debt			
General Obligation Debt	\$ 12,087,000	100.00%	\$ 12,087,000
Limited Obligation Debt	6,265,000	100.00%	6,265,000
Tax Increment Debt	3,660,000	1.36%	49,871
Special Assessment Bond Debt	4,185,000	3.19%	133,447
Special Assessment Loan Debt	8,739,542	3.73%	326,244
Contract Payable Debt	618,802	100.00%	618,802
	<u>35,555,344</u>		<u>19,480,364</u>
Overlapping Debt			
City of Missoula	31,751,876	55.11% *	17,496,995
School District 1	10,910,000	52.99% *	5,781,334
Other Schools	<u>26,015,000</u>	47.01% *	<u>12,229,354</u>
	<u>56,380,000</u>		<u>28,374,033</u>
Total of Direct and Overlapping Debt	\$ <u><u>91,935,344</u></u>	52.05%	\$ <u><u>47,854,397</u></u>

\* The percentage of over lapping debt applicable to Missoula County was estimated by taking the Taxable Value of each of the categories and/or entities issuing debt within Missoula County and then dividing it by the Total Taxable Value of the County.

Source: Missoula County  
Source: Department of Revenue  
Source: Superintendent of Schools

**MISSOULA COUNTY, MONTANA**  
**Major Employers**  
**Current Fiscal Year and Ten Years Ago**

	<b>2013</b>		<b>2004</b>	
<u>Employees</u>	<u>Employer</u>	<u>Business Activities</u>	<u>Employer</u>	<u>Business Activities</u>
Over 1000	University of Montana	Education	Community Medical Center	Medical Services
	St. Patrick Hospital	Medical Services	Missoula County Public Schools	Education
	Missoula County Public Schools	Education	Plum Creek Timber	Forest Products
	Community Medical Center	Medical Services	St. Patrick Hospital	Medical Services
			University of Montana	Education
500-999	County of Missoula	Government	Montana Rail Link	Railroad
	DIRECTV	Communications	Nightingale Nursing	Medical Services
	U.S. Forest Service	Government	Southgate Mall	Retail
	Wal-Mart	Retail	County of Missoula	Government
	Express Employment Specialists	Employment Agency	Stimson Lumber Company	Forest Products
	City of Missoula	Government	U.S. Forest Service	Government
			Washington Corporations	Construction
250-499	Montana Rail Link	Railroad	Bitterroot International	Forest Products
	Western Montana Clinic	Medical Services	City of Missoula	Government
	Albertson's	Retail	Jim Palmer Trucking	Trucking
	Village Health Care Center	Medical Services	Missoula County Airport	Air Travel
	W. Montana Mental Health Center	Medical Services	Opportunity Resources	Production/Packaging
	Opportunity Resources, Inc.	Production/Packaging	Western Montana Clinic	Medical Services

Source: Missoula Economic Development Corporation

Due to confidentiality laws, no specific employment data can be provided for individual businesses.

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

<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>
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
2006	536.08	10.46	17.95	9.33	15.27	11.42	8.89	609.40
2007	545.61	9.98	16.73	8.18	12.97	10.37	8.05	611.89
2008	528.19	9.62	15.56	6.98	8.75	9.42	8.25	586.77
2009	515.42	9.92	17.31	7.76	7.99	10.35	8.68	577.43
2010	549.05	9.14	13.86	6.01	8.19	8.22	7.39	601.86
2011	546.30	8.89	12.85	5.39	6.86	7.48	7.08	594.85
2012	571.00	8.85	12.74	5.45	8.62	7.20	6.99	620.85
2013	575.20	8.99	13.58	5.38	9.57	7.50	7.51	627.73

**Major Taxpayers in the MCA Industrial District**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Value</u>
Feist Limited Partnership	Distribution	\$ 148,456
Big Sky Brewing Company	Brewery	141,337
Missoula Ventures LLC	Lodging	138,869
EWB LLC (Sun Mountain Sports)	Sports Equipment	109,162
Lithia Real Estate	Real Estate	104,085
Sheridan Montana Ventures	Office/Warehouses	75,014
Glacier Bank	Banking	74,291
Mountain Water Company	Utility	55,519
Northstar Air Express	Shipping	47,474
Triple J-M LLC	Services	42,022
Budding Star LLC	Law Office	41,988
Total		<u>\$ 978,217</u>

The taxable value of the property of these ten taxpayers represents approximately 41.45% of taxable value of taxable property in the District for tax year 2013.

**MISSOULA COUNTY, MONTANA**  
**Missoula Development Authority**  
**Taxable Value, Incremental Taxable Value & Tax Increment Revenue**  
**For Airport Industrial Tax Increment District**

<u>Fiscal Year</u>	<u>Taxable Value</u>	<u>Incremental Taxable Value</u>	<u>Anticipated Tax Increment to be Collected <sup>(1)</sup></u>	<u>Current Tax Collections <sup>(2)</sup></u>	<u>Total Tax Collections <sup>(3)</sup></u>
2005	\$ 1,748,514	\$ 1,571,909	\$ 959,261	\$ 837,607	\$ 894,601
2006	1,998,711	1,822,106	1,104,079	1,002,613	1,143,408
2007	2,240,910	1,598,460	968,491	655,498	793,301
2008	1,950,516	1,773,911	1,030,252	634,032	761,303
2009	1,801,900	1,625,295	928,742	716,762	918,408
2010	2,248,148	2,071,543	1,234,350	1,003,488	1,205,902
2011	2,443,922	2,267,317	1,335,110	1,027,148	1,091,731
2012	2,476,513	2,299,908	1,414,098	1,147,262	1,444,359
2013	2,359,923	2,183,318	1,342,413	1,289,902	1,491,227
2014	2,379,639	2,203,034	1,335,435	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 2014 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 2014 is not yet available.

**MISSOULA COUNTY, MONTANA**  
**Missoula Development Authority**  
**Increment Bond Coverage**  
**For Airport Industrial Tax Increment District**

**Maximum Principal & Interest in any 12 Month Period - \$528,400**

Sources of Coverage				
<u>Fiscal Year</u>	<u>Tax Increment (1)</u>	<u>Port Authority Levy (2)</u>	<u>Total</u>	<u>Coverage (3)</u>
2005	\$ 959,261	\$ 291,138	\$ 1,250,399	2.37
2006	1,104,079	310,546	1,414,625	2.68
2007	968,491	321,384	1,289,875	2.44
2008	1,030,252	332,028	1,362,280	2.58
2009	928,742	340,475	1,269,217	2.40
2010	1,234,350	343,540	1,577,890	2.99
2011	1,335,110	346,994	1,682,104	3.18
2012	1,414,098	350,210	1,764,308	3.34
2013	1,342,413	353,762	1,696,175	3.21
2014	1,335,435	356,631	1,692,066	3.20

- (1) Assumes increment taxes are collected in full  
(2) Assumes 90% current collection rate on 2-mill levy  
(3) Assuming only the Series 1997 Bonds are outstanding

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

<u>Tax Year</u>	<u>Taxable Value of County Property</u>	<u>Potential Revenue from the Port Authority Levy (2 Mills)</u>
2005	\$ 161,743,087	\$ 323,486
2006	172,525,317	345,051
2007	178,546,389	357,093
2008	184,460,260	368,921
2009	189,152,539	378,305
2010	190,855,285	381,711
2011	192,774,307	385,549
2012	194,561,116	389,122
2013	196,534,275	393,069
2014	198,128,424	396,257



**MISSOULA COUNTY, MONTANA**  
**Property Tax Levies**  
**Last Six Fiscal Years**  
**For Technology Tax Increment District**

<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>
2008	580.78	6.00	-	-	-	-	-	586.78
2009	571.43	6.00	-	-	-	-	-	577.43
2010	595.86	6.00	-	-	-	-	-	601.86
2011	588.85	6.00	-	-	-	-	-	594.85
2012	600.67	6.00	-	-	-	-	-	606.67
2013	621.73	6.00	-	-	-	-	-	627.73

Note: Technology District was established in FY 2008.

**Major Taxpayers in the Technology Tax Increment District**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Value</u>
DirecTV Holdings LLC	Satellite Television	\$ 287,677
DirecTV Customer Services Inc.	Satellite Television	29,215
Canon Financial Services Inc.	Finance	696
El Nino Corporation	Food Service	268
Missoula Bottling Co Inc.	Beverage Distribution	167
Coca Cola Company	Beverage Distribution	32
Missoula County	Local Government	-
Missoula County Airport Industrial District	Local Government	-
Total		<u>\$ 318,055</u>

The taxable value of the property of these eight taxpayers represents 100.0% of taxable value of taxable property in the District for tax year 2012.

**MISSOULA COUNTY, MONTANA**  
**Taxable Value, Incremental Taxable Value & Tax Increment Revenue**  
**For Technology Tax Increment District**

Fiscal Year	Taxable Value	Incremental Taxable Value	Anticipated Tax Increment to be Collected <sup>(1)</sup>	Current Tax Collections <sup>(2)</sup>	Total Tax Collections <sup>(3)</sup>
2008	\$ 262,179	\$ 262,179	\$ 152,268	\$ 152,268	\$ 152,268
2009	264,094	264,094	150,911	150,911	150,911
2010	279,491	279,491	166,538	166,074	166,074
2011	282,535	282,535	166,371	169,710	169,710
2012	325,021	325,021	199,839	175,344	175,344
2013	318,055	318,055	195,556	182,325	182,615
2014	318,882	318,882	193,300	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 2014 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 2014 is not yet available.

Note: Technology District was established in FY 2008.

**MISSOULA COUNTY, MONTANA**  
**Increment Bond Coverage**  
**For Technology Tax Increment District**  
**Maximum Principal & Interest in any 12 Month Period - \$100,716**

Sources of Coverage				
Fiscal Year	Tax Increment (1)	Port Authority Levy (2)	Total	Coverage (4)
2008	\$ 152,268	\$ 340,475	\$ 492,743	4.89
2009	150,911	343,540	494,451	4.91
2010	166,538	346,994	513,532	5.10
2011	166,371	350,210	516,581	5.13
2012	166,371	350,210	516,581	5.13
2013	195,556	353,762	549,318	5.45
2014	193,300	356,631	549,931	5.46

- (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

Note: Technology District was established in FY 2008.

**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 (2 Mills)
2004	\$ 155,594,087	\$ 311,188
2005	161,743,087	323,486
2006	172,525,317	345,051
2007	178,546,389	357,093
2008	184,460,260	368,921
2009	189,152,539	378,305
2010	190,855,285	381,711
2011	192,774,307	385,549
2012	194,561,116	389,122
2013	196,534,275	393,069
2014	198,128,424	396,257

**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
2004	98,616	1,451	948	26,823	13,459	1,171	54,643	4.1
2005	99,018	1,901	826	27,997	13,259	1,173	55,803	4.0
2006	100,086	1,591	940	29,625	13,290	1,233	58,692	3.7
2007	101,417	1,770	842	30,131	13,244	1,245	59,655	2.2
2008	105,650	2,021	987	31,535	13,202	1,145	55,868	3.8
2009	107,320	1,647	936	33,587	13,082	1,088	54,500	6.1
2010	108,623	1,569	883	35,108	13,098	994	54,918	5.7
2011	109,299	1,669	1,045	35,733	13,090	992	54,288	6.9
2012	110,138	1,206	680	44,084	13,211	939	55,271	5.6
2013	110,766	1,659	1,031	44,653	13,364	1,302	53,910	5.4

Source:

- (a) Montana Department of Commerce
- (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 Net Taxable (a)	Commercial Construction (c)		Residential Construction (c)		Total	
			Number of Units	Value	Number of Units	Value	Number of Units	Value
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
2006	2,484,000,000	172,525,317	26	14,781,253	453	38,143,398	479	52,924,651
2007	1,461,647,000 (d)	178,546,389	19	9,317,273	456	39,061,829	475	48,379,102
2008	N/A	184,460,260	15	17,130,289	383	31,265,863	398	48,396,152
2009	N/A	189,152,539	5	727,936	215	14,647,451	220	15,375,387
2010	N/A	190,855,285	8	10,145,391	202	15,195,777	210	25,341,168
2011	N/A	194,561,116	16	16,546,682	357	25,902,661	373	42,449,343
2012	N/A	192,774,307	6	896,202	474	33,549,246	480	34,445,448
2012	N/A	196,534,275	27	13,577,432	698	41,684,179	725	55,261,611

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 and Missoula County Public Works.
- (d) Commercial Banks only

**MISSOULA COUNTY, MONTANA**  
**Full-Time Equivalent County Government Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Government</b>										
Legislative	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Services	20.48	21.23	19.61	23.71	23.51	28.64	26.08	18.80	20.25	25.20
Judicial Services	11.00	11.00	13.00	13.00	13.00	13.00	14.00	14.00	14.00	14.00
Legal Services	26.55	27.30	29.29	29.41	31.39	31.39	32.39	32.29	34.00	32.00
Financial Services	10.09	10.09	10.75	11.00	10.50	10.83	10.50	10.00	10.60	10.60
Human Resource	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.00	5.50	5.50
Information Services	10.00	10.00	10.00	10.00	11.00	11.00	11.00	13.00	14.30	14.30
Treasurer/MV	24.45	24.45	21.65	21.65	21.65	21.65	20.65	18.22	20.00	18.76
911 Communications	27.25	27.29	27.34	32.24	32.29	32.29	32.29	31.25	31.05	31.35
Election Services	4.23	4.23	4.23	4.23	4.53	4.53	4.53	4.41	5.50	7.54
Records Administration	10.15	11.15	9.40	9.40	9.40	9.40	8.40	7.00	7.30	8.30
Internal Services	9.83	10.08	10.05	9.05	9.05	9.05	8.25	12.37	9.35	10.35
Facilities Administration	5.00	9.98	10.00	10.00	10.82	10.00	10.00	11.00	11.53	12.20
<b>District Court</b>										
Clerk of Court	13.50	14.50	15.00	15.00	17.00	17.00	17.00	16.00	17.00	17.00
Youth Court	-	-	-	-	-	-	-	-	-	-
Public Defenders	17.00	19.00	20.00	-	-	-	-	-	-	-
<b>Public Safety</b>										
Law Enforcement Services	60.85	61.00	60.25	61.25	62.30	61.30	61.30	59.80	59.88	59.88
Detention Center	115.57	112.50	107.26	107.26	107.25	108.35	108.10	106.85	106.85	114.05
Court Support	1.00	1.00	1.00	1.00	1.17	1.25	2.13	2.13	2.13	2.13
Emergency Services	0.95	0.95	1.00	1.00	0.95	0.95	0.95	0.75	2.25	2.25
<b>Public Works</b>										
Road - Bridge	46.93	47.60	47.93	48.57	45.07	43.30	42.31	44.31	44.32	43.25
Building Code Division	-	-	4.67	10.00	9.00	8.00	5.00	5.35	4.60	5.35
Seeley Lake Refuse	-	-	-	2.00	1.75	1.75	2.25	2.23	2.48	2.20
Weed	5.25	5.25	5.32	6.35	5.25	5.05	5.25	6.02	6.15	7.70
<b>Public Health</b>										
Public Health Services	61.27	63.26	63.88	69.56	69.59	70.15	67.95	66.27	68.48	70.20
Partnership Health Clinic	34.67	37.29	43.92	45.15	44.45	49.75	50.50	82.88	94.95	127.50
Animal Control	7.00	7.79	8.00	8.00	9.00	9.00	9.30	9.15	9.87	9.45
<b>Culture &amp; Recreation</b>										
Parks & Recreations Services	0.73	0.73	0.73	1.03	1.03	1.35	1.23	1.23	1.73	1.90
Library	27.00	26.58	29.68	30.85	33.12	36.25	36.65	40.13	40.88	41.57
Museum	4.34	4.34	4.54	4.60	5.07	5.72	5.72	5.35	5.47	6.05
Fair	4.81	5.40	4.40	3.75	3.25	3.25	4.00	8.24	5.75	4.75
<b>Social &amp; Economics</b>										
County Extension	5.07	5.00	5.57	6.10	5.70	5.70	5.55	5.25	4.80	4.55
Planning & Grants	53.15	52.72	56.22	61.74	64.16	61.11	61.24	62.81	61.96	38.84
	<u>627.12</u>	<u>640.71</u>	<u>653.69</u>	<u>665.90</u>	<u>671.24</u>	<u>680.01</u>	<u>673.52</u>	<u>705.09</u>	<u>725.93</u>	<u>751.72</u>

Source: Missoula County Finance Office

**MISSOULA COUNTY, MONTANA**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Government</b>										
Registered Voters (June)	49,116	57,294	60,521	67,240	57,215	80,346	78,366	76,757	83,355	83,326
Property Transactions:										
Deeds Recorded	5,796	6,074	5,881	4,146	4,233	3,765	3,629	3,862	4,087	4,049
Subdivision Plates Filed	147	129	117	90	87	78	51	43	28	36
Certificates of Survey	142	130	110	94	132	94	49	56	58	39
Motor Vehicle Title Transfers	39,172	38,000	37,674	37,952	34,481	31,009	30,961	31,419	31,910	32,305
Motor Vehicle Registrations	120,233	98,792	96,885	86,390	89,218	92,046	84,547	95,321	82,170	78,497
Payroll Payments Processed	19,769	20,358	20,448	20,697	20,722	20,860	20,828	20,828	20,995	20,926
Claims Payments Processed	19,621	18,371	22,080	21,863	20,462	18,966	27,365	27,365	23,579	18,844
911 Emergency Communications										
Law Enforcement	83,895	90,103	89,426	89,207	93,430	82,574	83,054	84,751	86,322	79,651
Fire & Medical dispatched to Fire Dept	7,793	8,450	9,578	10,207	10,387	9,725	9,297	11,759	10,336	10,904
Medical-Ambulance	7,010	7,677	8,366	8,707	8,959	8,221	8,280	8,340	8,931	9,365
Other	9,745	9,832	5,720	12,795	13,600	13,425	13,269	9,034	4,769	5,049
<b>Criminal Justice Activities</b>										
Justice Court Civil Caseload	5,083	5,520	5,210	4,670	5,256	5,841	5,558	5,171	6,247	7,910
Justice Court Criminal Caseload	17,918	17,364	17,011	19,163	18,768	18,372	8,905	6,557	4,994	2,366
Clerk of District Court:										
Marriage Licenses Issued	841	811	863	847	883	444	782	838	810	840
Adoptions	49	44	61	64	87	72	60	86	78	44
Civil Case	1,221	1,228	1,189	1,330	1,551	1,724	1,629	1,629	1,531	1,527
Criminal Cases	589	642	531	529	614	664	631	610	635	645
All Other Open Cases	1,874	1,829	2,190	2,324	1,807	2,138	2,285	2,216	2,310	2,522
<b>Public Safety</b>										
Detention Center:										
Daily Occupancy (392 available beds)	365	365	363	318	305	312	298	283	322	234

Sources:

Missoula County Elections Office  
Missoula County Clerk & Recorder  
Missoula County Treasurer

Missoula County Justice Court  
Missoula County District Court

**MISSOULA COUNTY, MONTANA**  
**Capital Assets by Function/Program**  
**Last Eight Fiscal Years**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>General Government</b>								
Election tabulator	1	1	1	1	1	1	1	1
M100 Precinct counters	88	88	88	88	88	88	88	88
Touch screen handicap voting devices	39	39	39	39	39	39	39	39
<b>Criminal Justice</b>								
Court Rooms - District Court	4	4	4	4	4	4	4	4
Court Rooms - Justice Court	2	2	2	2	2	2	2	2
<b>Public Safety</b>								
Station	1	1	1	1	1	1	1	1
Detention Center	1	1	1	1	1	1	1	1
Patrol Units	39	42	42	48	37	37	38	46
Detectives Vehicles	14	15	15	16	16	16	17	17
Detention Vehicles	14	20	20	21	27	27	20	20
Search & Rescue Vehicles	n/a	6	6	6	7	7	2	2
Search & Rescue Snowmobiles	n/a	9	9	12	11	11	11	14
Search & Rescue Boats	n/a	2	2	2	2	2	3	3
Search & Rescue Flatbed Trailers		2	2	2	19	19	5	5
<b>Public Works</b>								
Shops	2	2	2	2	3	3	3	3
Single Axel Trucks	n/a	21	21	21	15	15	15	15
Tandem Axel Trucks	n/a	17	17	17	18	18	19	19
Snow Plows (attachments)	27	30	30	30	35	31	30	28
Sanders (attachments)	28	24	24	24	26	24	25	23
Sweepers	n/a	8	8	8	8	8	6	5
Graders	14	14	14	14	6	6	6	6
<b>Public Health</b>								
Animal Control Vehicles	5	5	5	5	5	5	11	10
<b>Culture and Recreation</b>								
Fairgrounds	1	1	1	1	1	1	1	1
Museums	1	1	1	1	1	1	1	1
Parks	100	100	100	100	100	100	100	100

Data for years prior to 2006 is not available

Sources:

Missoula County Elections Office  
Missoula County Public Safety Department  
Missoula County Road Department

Missoula County Animal Control Office  
Missoula County Parks Department



**MISSOULA COUNTY, MONTANA**  
**Miscellaneous Statistical Data**  
**June 30, 2013**

<b>County Seat</b>	Missoula, MT		<b>Population</b>	<b>Median age</b>
		Year 1940	29,038	N/A
<b>Established as a County</b>	1860	Year 1950	35,493	N/A
		Year 1960	44,663	26.2
<b>Form of Government</b>	Commission	Year 1970	58,263	24.4
		Year 1980	76,016	27.6
<b>Commission Government Established</b>	1865	Year 1990	78,687	31.6
		Year 2000	95,802	33.2
<b>Area in square miles</b>	2,624	Year 2010	108,623	34.4
<b>Registered voters</b>	83,355			

<b>Total County Government Employees:</b>	<b>Part-time</b>	<b>Full-time</b>
Officials & Managers	-	56
Professionals	47	122
Technical	12	47
Protective services	21	141
Paraprofessionals	6	24
Administrative Support	71	171
Skilled Craft	2	34
Service & Maintenance	20	13
	179	608

<b>Police protection</b>	<b>City Police</b>	<b>County Sheriff</b>
Stations	1	1
Officers	100	48
Detention Facility		1
Detention Officers		96

<b>Fire protection</b>	<b>City Fire</b>	<b>Missoula Rural Fire</b>
Stations	5	5
Full-time employees	95	40
Volunteers	-	35
Fire hydrants	1,042	220
Fire vehicles	27	21

**Miles of Rural Roads**

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

**Note:** There are 9 other Fire Districts with approximately 180 regular volunteer firefighters in outlying areas of Missoula County.

**MISSOULA COUNTY, MONTANA**  
**Miscellaneous Statistical Data (Continued)**  
**June 30, 2013**

**Educational Facilities**

Public Schools 2011-2012		
Type	Number	Enrolled
Elementary (District 1)	12	5,008
Elementary (Other Districts)	12	4,370
High Schools (MCHS)	4	3,597
High Schools (Other Dist)	1	389
Trade & Technical	1	2,467
University	1	11,964
Private Schools 2009-2010		
Type	Number	Enrolled
Elementary	12	824
High School	3	246
Home School	161	232

Special Education: Programs within school districts  
and community services.

**Health Care Facilities**

Hospitals	2
Beds	364
Clinics	36
Nursing Homes	4
Beds	441
Assisted Living Facilities	14
Physicians	275
Chiropractors	47
Dentists	55
Medical Therapists	130
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 Chamber of Commerce

Missoula Rural Fire Department  
Missoula City Fire Department  
Missoula City Police Department  
Montana Board of Regents

**Community Facilities**

Public libraries:	
Branch facilities	6
Volumes	241,268
Audios	39,795
Videos	35,984
Other	104,414
Annual Circulation	1,194,724
Churches:	
Protestant	90
Catholic	13
Other	10
Restaurants	432
Hotels/motels	70
Rooms	3,255
Shopping Centers	12
Indoor Shopping Mall (105 stores)	1
Day Care Centers	52

**Recreation and Cultural**

Swimming Pools	Private - 5	Public - 4
Golf Courses	Private - 2	7
Health Clubs		16
Tennis Courts		30
Bowling Centers		2
Parks		100
Movie Theaters	6 Theaters	24 Screens
Ski Areas		1
Theatrical Playhouses		8
Museums		12
Art Galleries		24
Symphonies/orchestras		4

# **SINGLE AUDIT SECTION**

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**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis**  
**For the Year Ended June 30, 2013**  
**(Page 1 of 6)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>
<b>OFFICE OF NATIONAL DRUG CONTROL POLICY:</b>				
Passed Through City of Missoula:				
High Intensity Drug Trafficking Area	95.001	G13RM0037A	N/A	68,799
Total Office of National Drug Control Policy				<u>68,799</u>
<b>DEPARTMENT OF AGRICULTURE:</b>				
Passed Through State Department of Public Health:				
Women/Infants/Children 12-13	10.557	12-07-5-21-014-0	492,246	279,015
Women/Infants/Children 13-14	10.557	13-07-5-21-014-0	489,614	343,982
WIC Breastfeeding Support Services 12-13	10.557	12-07-5-21-060-0	34,000	9,184
WIC Breastfeeding Support Services 13-14	10.557	13-07-5-21-060-0	35,500	24,459
WIC Farmers Market Program 13	10.557	13-07-5-21-085-0	2,000	2,000
Subtotal Women/Infants/Children Grants				<u>658,640</u>
Passed Through Glacierland RC&D:				
Woodstove Changeout Program	10.674	N/A	285,000	132,322
Passed Through the State Auditor:				
Forest Reserve Receipts	10.665	N/A	802,423	851,200
Total Department of Agriculture				<u>1,642,162</u>
<b>DEPARTMENT OF COMMERCE:</b>				
Passed Through the Montana State Library:				
Broadband Technology Opportunities Program	11.557	1185BTOPMISS	130,500	16,086
Total Department of Commerce				<u>16,086</u>
<b>DEPARTMENT OF TRANSPORTATION:</b>				
Direct Programs:				
Miller Creek Road	20.205	DTFH70-09-E-00018	1,282,607	1,057,704

**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis (Continued)**  
**For the Year Ended June 30, 2013**  
**(Page 2 of 6)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>
Passed Through State Department of Transportation:				
CMAQ-TDM	20.205	CM8199(111)	50,000	18,062
CMAQ-TDM	20.205	CM8199(113)	175,000	41,826
CMAQ-Air Quality Equipment	20.205	CM STWD(138)	132,554	132,554
P.L. Transport 12	20.205	N/A	522,672	135,224
P.L. Transport 13	20.205	N/A	470,702	180,543
Mullan Road Path - Frenchtown	20.205	STPE 32(71)	771,280	14,585
Missoula to Lolo Trail Feasibility Study	20.205	PLH STWD (142)	100,000	99,999
Subtotal Highway Planning and Transportation Grants				<u>1,680,497</u>
FTA 12	20.505	106090	110,885	3,208
FTA 13	20.505	106744	111,126	6,074
Subtotal Metropolitan Transportation Planning				<u>9,282</u>
DUI Task Force Association Facilitator 12-13	20.600	CTS-105958	44,000	12,287
DOT Occupant Protection 13-14	20.600	CTS-106783	35,000	15,497
Subtotal State and Community Highway Safety Grants				<u>27,784</u>
Alcohol Impaired Driving Countermeasures	20.601	105984	18,000	16,155
Total Department of Transportation				<u>1,733,718</u>
<b>DEPARTMENT OF JUSTICE:</b>				
Direct Programs:				
OVW Rural Domestic Violence	16.589	2008-WR-AX-0008	1,214,725	140,843
OVW Encourage to Arrest	16.590	2008-WE-AX-18	976,338	176,129
OVW Planet Kids Supervised Exchange and Visitation Project	16.527	2010-CW-AX-K016	349,174	125,622
Safety Vest	16.607	N/A	5,600	3,050
Justice and Mental Health Collaboration	16.745	2011-MO-BX-0040	200,000	22,441

**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis (Continued)**  
**For the Year Ended June 30, 2013**  
**(Page 3 of 6)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>
COPS - CAD/RMS System	16.710	2010CKWX0336	400,000	400,000
COPS - Cooling Tower and Heating Pumps	16.710	2006CKWX0321	197,446	192,846
COPS - Radio Console Replacement	16.710	2008CKWX0394	289,943	10,281
COPS - Miller Peak	16.710	2008CKWX0372	88,854	30,037
COPS - Generators	16.710	2009CKWX0471	750,000	709,947
Subtotal Edward Byrne Memorial Justice Assistance Grants				<u>1,343,111</u>
Passed Through State Department of Justice:				
JDAI Grant Conference Grant	16.540	07-I101-90306	19,900	775
Enforcement of Underage Drinking Laws	16.727	11-U01-91106	23,356	5,827
Victim/Witness Project	16.575	12-V01-91182	100,907	100,907
West Central Drug Task Force	16.738	11-G01-91264	93,469	93,469
Passed Through City of Missoula:				
JAG Grant IX	16.804	2012-HW609-MT-DJ	17,611	17,611
Total Department of Justice				<u>2,029,785</u>
<b>DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT:</b>				
Direct Programs:				
Share House	14.235	MT0015B8T001004	147,498	147,498
Ada's Place	14.235	MT0003B8T001003	97,815	17,960
Ada's Place	14.235	MT0003B8T001004	100,201	95,166
Subtotal Supportive Housing Program				<u>260,624</u>
Passed Through State Department of Commerce:				
CDBG - Community Resources	14.228	N/A	N/A	7,735
CDBG - Revolving Fund Loan	14.228	N/A	N/A	80,000
Subtotal Community Development Block Grants - State Program				<u>87,735</u>
Total Department of Housing & Urban Development				<u>348,359</u>

**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis (Continued)**  
**For the Year Ended June 30, 2013**  
**(Page 4 of 6)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>
<b>ENVIRONMENTAL PROTECTION AGENCY:</b>				
Direct Programs:				
Riparian Wetlands Project	66.461	CD-97868701-0	43,178	7,022
Milltown Superfund Co-op Agreement	66.802	V-97891501-0	50,002	23,281
Missoula County Courthouse Renovation Asbestos Abatement	66.818	BF-96825601-0	279,712	96,288
Passed Through State Department Environmental Quality:				
Air Pollution 13	66.001	513005	48,055	48,055
Air Contract Title V 13	66.001	513006	2,000	2,000
Subtotal Air Pollution Control Program Support				<u>50,055</u>
Public Water Supply Safe Drinking Water	66.605	510040	38,655	9,585
Total Environmental Protection Agency				<u>186,231</u>
<b>DEPARTMENT OF THE INTERIOR</b>				
Passed Through the National Park Service:				
Historic Preservation Grant	15.904	MT-11-022	5,500	5,500
Passed Through the Bureau of Land Management:				
Upper Clark Fork River Project	15.230	L10AC200000	98,304	16,083
Total Department of the Interior				<u>21,583</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
Passed Through State Department of Military Affairs :				
Emergency Management Program 12	97.042	EMW-2012-SS-00143-501	114,533	110,493



**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis (Continued)**  
**For the Year Ended June 30, 2013**  
**(Page 5 of 6)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>
FY10 Homeland Security Grant	97.067	2010-SS-T0-0089	48,000	9,749
FY11 Team Training & Sustainment Grant	97.067	EMW-2011-SS-00052-S01	99,000	8,607
FY12 Homeland Security Grant	97.067	EMW-2012-SS-00143-S01	64,322	33,084
Subtotal Homeland Security Grant Program				51,440
Total Department of Homeland Security				161,933
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES:</b>				
Direct Programs:				
Sober Truth on Underage Drinking	93.243	1H79SP015322-03	150,000	16,024
Passed Through State Department of Public Health & Human Services:				
Community Youth Suicide Prevention	93.243	07-07-5-31-026-0	122,245	19,607
Subtotal Substance Abuse and Mental Health Services				35,631
Passed Through State Department of Public Health & Human Services:				
Public Health Emergency Preparedness 12-13	93.069	12-07-6-11-035-0	97,100	5,655
Public Health Emergency Preparedness 13-14	93.069	13-07-6-11-035-0	147,522	109,228
Subtotal Public Health Emergency Preparedness				114,883
Infant Immunization Program 12-13	93.268	12-07-4-31-031-0	18,560	18,560
Infant Immunization Program 13-14	93.268	13-07-4-31-031-0	37,120	18,560
Subtotal Immunization Grants				37,120
Maternal Infant Early Childhood Home Visiting - Riverstone	93.505	12-07-5-01-060-0	137,417	137,417
ACA Maternal Infant Early Childhood Home Visiting 12-13	93.505	12-07-5-31-035-0	100,000	87,334
ACA Maternal Infant Early Childhood Home Visiting 13-14	93.505	13-07-5-31-035-0	152,470	55,861
Subtotal ACA Home Visiting				280,612

**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis (Continued)**  
**For the Year Ended June 30, 2013**  
**(Page 6 of 6)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>
MCH Block Grant 13	93.994	13-07-5-01-032-0	135,050	135,050
MCH Children/Youth Special Health Needs 13	93.994	13-07-5-51-113-0	5,000	2,029
Subtotal Maternal and Child Health Services Block Grant to the State				<u>137,079</u>
Cardiovascular Disease and Diabetes Prevention	93.991	13-07-3-01-01-083-0	28,000	28,000
Title IV-E Child Abuse & Neglect	93.658	20123LEGL0004	39,440	38,091
Title IV-E Child Abuse & Neglect (Paralegal Services)	93.658	20133LEGL0001	40,899	40,899
Subtotal Foster Care - Title IV-E				<u>78,990</u>
Passed through Montana State University:				
HHD - NAPA Breastfeeding 13	93.283	13-07-3-01-098-0	25,000	25,000
Total Department of Health & Human Services				<u>737,315</u>
Total Federal Financial Assistance				<u>\$ 6,945,971</u>

## MISSOULA COUNTY, MONTANA

### Notes to Schedule of Expenditures of Federal Awards - Cash Basis For the Year Ended June 30, 2013

#### 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 in the revolving loan fund at June 30, 2013:

<u>Missoula Children's Theatre</u>	
0%, \$24,500 due annually from June 2003 through June 2017	\$ 122,500
<u>Rocky Mountain Biologicals, Inc.</u>	
5%, \$4,813 due monthly from November 2005 through October 2014	80,759
<u>Opportunity Resources, Inc.</u>	
0%, \$167 due monthly from May 2006 through April 2015	5,834
<u>North Missoula Community Development Corporation</u>	
3%, varying amounts due annually through May 2014	9,320
<u>Western Montana Mental Health Center</u>	
5%, \$9,719 due annually through November 2015	28,782
<u>Aquila Vision</u>	
7%, \$10,383 due monthly, all principal and interest due July 1, 2008 (net of allowance of \$120,188)	40,063
<u>Pyramid Mountain Lumber</u>	
4%, varying amounts from January 2013 thru December 2020	40,771
<u>Pyramid Mountain Lumber</u>	
6%, \$1,564 due monthly from May 2008 through February 2015	350,175

Note 2 - Loans Receivable (Continued)

<u>Pyramid Mountain Lumber</u>	
4%, \$914 due monthly from January 2013 through December 2020	70,981
<u>Pyramid Mountain Lumber</u>	
4%, \$2,121 due monthly from March 2002 through March 2017	205,927
<u>Cornerstone (Mission Mountain Helicopters)</u>	
6%, \$1,666 due monthly from April 2011 through March 2018	126,706
<u>Kelly Logging</u>	
4%, \$4,240 due monthly from July 2011 through June 2016 (net of allowance of \$71,632)	214,895
<u>Red Willow Learning Center</u>	
5%, \$580 due monthly from December 2011 through November 2016	22,361
<u>The Emergent Institute</u>	
5%, \$2,013 due monthly from July 2011 through June 2018 (net of allowance of \$96,836)	32,279
<u>Homeword</u>	
3%, \$337 due monthly from January 2013 through February 2028 with balance due March 2028	79,449

Note 3 - Notes Payable

The County had the following notes payable to the State Revolving Fund Loan program (CFDA# 66.458) at June 30, 2013:

\$241,000, issued June 1994, 4% due in varying amounts through July 2014	\$ 13,000
\$1,943,000, issued June 1994, 4% due in varying amounts through July 2014	132,000
\$649,936, issued September 2002, 4% due in varying amounts through July 2023	324,000
\$4,498,121, issued July 2003, 3.75% due in varying amounts through July 2024	1,893,000
\$169,000, issued April 2005, 2.75% due in varying amounts through July 2015	37,000
\$281,199, issued April 2005, 3.75% due in varying amounts through July 2020	82,000
\$359,300, issued July 2009, 1.75% due in varying amounts through July 2029	319,000
\$3,735,000, issued July 2009, 3.75% due in varying amounts through July 2029	2,444,692
\$3,410,125, issued July 2009, 3.75% due in varying amounts through July 2029	3,085,000

### Note 3 - Notes Payable (Continued)

The County had the following notes payable to the State Revolving Fund Loan program (CFDA# 66.468) at June 30, 2013:

\$291,000, issued November 1998, 4% due in varying amounts through July 2019	88,000
\$142,000, issued November 2008, 3.75% due in varying amounts through July 2029	124,000
\$165,000, issued September 2009, 0.75% due in varying amounts through July 2029	137,000

### Note 4 - Subawards

The County passed-through federal awards to subrecipients during the year ended June 30, 2012 as follows:

- Ada's Place (CFDA# 14.235) passed-through \$86,145 to the YWCA.
- Share House Transitional Housing (CFDA# 14.235) passed-through \$104,748 to the Western Montana Mental Health Center.
- OVW Safe Havens (CFDA# 16.527) passed through \$127,382 to the YWCA.
- Rural Domestic Violence Program (CFDA# 16.589) passed-through \$53,506 to the YWCA and the National Coalition Building Institute.
- Encourage to Arrest (CFDA# 16.590) passed-through \$31,948 to the YWCA, the National Coalition Building Institute, and Missoula Correctional Services.
- Sober Truth on Underage Drinking (CFDA # 93.243) passed through \$1,343 to the University of Montana Curry Health Center.

### Note 5 - Program Clusters

Under OMB Circular A-133, a cluster of programs is defined as Federal programs with different CFDA numbers that closely related and share common compliance requirements. In 2013, the County received 5 grants belonging to 2 different clusters. The West Central Drug Task Force (CFDA # 16.738) and JAG Grants (CFDA # 16.804) belong to the JAG program cluster. The DUI Task Force Association Facilitator grant (CFDA # 20.601), the DOT Occupant Protection grant (CFDA # 20.601), and the Alcohol Impaired Driving Countermeasures grant (CFDA # 20.601) belong to the Highway Safety Cluster. A cluster of programs is treated as one program for major program determination and testing.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of County Commissioners  
Missoula County, Montana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Missoula County, Montana's basic financial statements, and have issued my report thereon dated December 31, 2013. My report includes a reference to other auditors who audited the financial statements of Missoula Aging Services, as described in my report on Missoula County, Montana's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Missoula County, Montana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Missoula County, Montana's internal control. Accordingly, I do not express an opinion on the effectiveness of Missoula County, Montana's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of

deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Missoula County, Montana's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Nicole M. Noonan, CPA, P.C.*

Nicole M. Noonan, CPA, P.C.  
St. Regis, Montana  
December 31, 2013



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

Board of County Commissioners  
Missoula County, Montana

**Report on Compliance for Each Major Federal Program**

I have audited Missoula County, Montana's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Missoula County, Montana's major federal programs for the year ended June 30, 2013. 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.

Missoula County, Montana's basic financial statements include the operations of Missoula Aging Services and Partnership Health Center (both discretely presented component units), which expended \$1,572,170 and \$5,747,803, respectively, in federal awards which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2013. My audit, described below, did not include the operations of Missoula Aging Services and Partnership Health Center, because these component units obtained separate audits conducted in accordance with OMB Circular A-133.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

My responsibility is to express an opinion on compliance for each of Missoula County, Montana's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I 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 I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Missoula County, Montana's compliance.

### ***Opinion on Each Major Federal Program***

In my opinion, Missoula County, Montana, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

### **Report on Internal Control Over Compliance**

Management of Missoula County, Montana, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Missoula County, Montana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Missoula County, Montana's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Nicole M. Noonan, CPA, P.C.*

Nicole M. Noonan, CPA, P.C.  
St. Regis, Montana  
December 31, 2013

MISSOULA COUNTY, MONTANA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2013

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued on financial statements:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses:	No
Noncompliance material to financial statement noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses:	None reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)?	No

Identification of major programs:

<u>CFDA#</u>	<u>Federal Program</u>
10.665	Secure Payments for States and Counties Containing Forest Lands - Forest Reserve Receipts
16.710	Public Safety Partnership and Community Policing Grants

MISSOULA COUNTY, MONTANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2013

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

Section II - Financial Statement Findings

There are no matters to report.

Section III - Federal Awards Findings and Questioned Costs

The audit reported no findings which constitute:

- Significant deficiencies 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
- Known fraud affecting any federal award.
- Circumstances which disclose that the auditee's summary schedule of prior audit finding materially misrepresents the status of any prior audit finding.

Summary Schedule of Prior Audit Findings

The audit for the year ended June 30, 2012, contained no audit findings relative to federal awards.

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