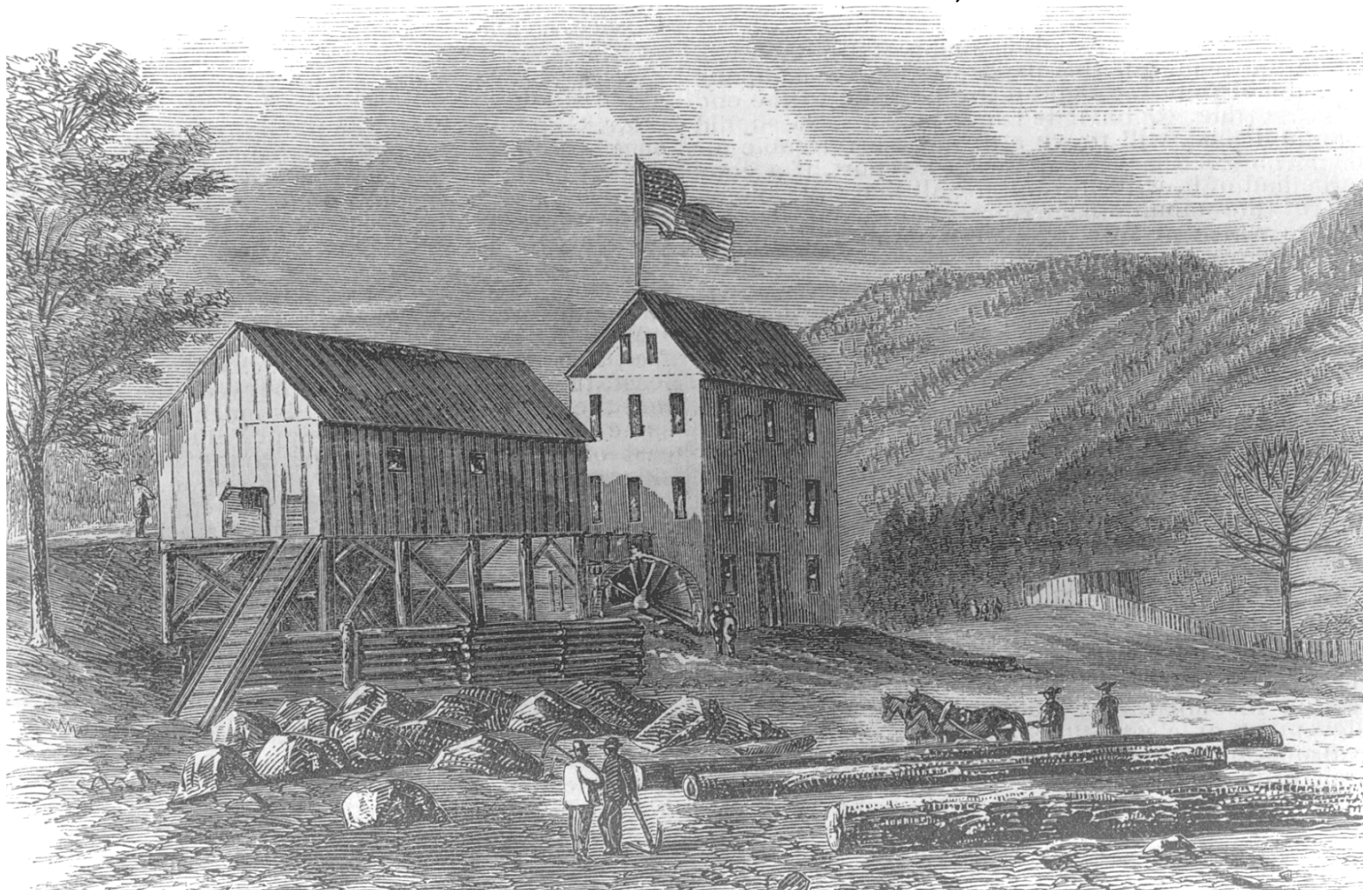


MISSOULA COUNTY, MONTANA

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

For the Fiscal Year Ended
June 30, 2011



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MISSOULA COUNTY, MONTANA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2011

Prepared by:

Financial Services Department

Andrew V. Czorny
Chief Financial Officer

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Dawn Overbaugh
Sharon Bowman
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200 WEST BROADWAY
MISSOULA, MONTANA 59802

PHONE: (406) 721-5700

February 28, 2012

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, 2011. I believe this CAFR presents fairly the financial condition of the County at June 30, 2011 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 Bill Carey, Jean Curtiss and Michele Landquist.

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 and the CAO 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 made. 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 with salaries and benefit costs included and they must make the decisions on how to live within the constraints established in earlier meetings. 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 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 at least one 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 it's 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 has continued through 2011 with negative growth in Non-Farm payroll in years 2008 through 2011 is projected to become modestly positive in 2012. The unemployment rate in Missoula County (according to the U.S. Bureau of Labor Statistics) increased to approximately 7.2 % in 2011. The majority of jobs lost came in the wood products, construction and retail trade sectors. The closure of the Stimson plywood plant in 2007, the Stimson sawmill in 2008, then further combined with the closure of the Smurfit Stone Paper Mill in late 2009, together with cutbacks in transportation and a decline in retail trade and services provide for a 0.3% decline in non-farm labor income in 2011. The slowdown in new construction will continue to affect both the residents and the local governments within Missoula County. The tax revenue calculated from new construction provided by the Department of Revenue for Missoula County in the current year increased just .97% over the prior year, the preliminary staff estimate for the 2012 tax year is for another 1% growth year. Additionally, 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 declining 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 63% of County revenues. While property tax revenues account for approximately 37% of total County revenues they represent only 24.6% of the average 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 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 2011 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.

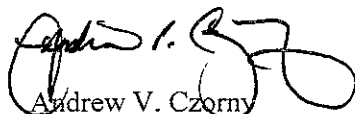
The County Funds currently contain formal reserves, appropriations for contingencies and appropriated reserve-type funds. The purpose of these reserves is to protect community programs and services from temporary revenue shortfalls and provide for unpredicted, sudden and unavoidable onetime expenditures.

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 nineteenth consecutive GFOA's Certificate of Achievement for Excellence in Financial Reporting for its Fiscal Year 2010 Comprehensive Annual Financial Report. The Fiscal Year 2011 Report will also be submitted for consideration for the Certificate.

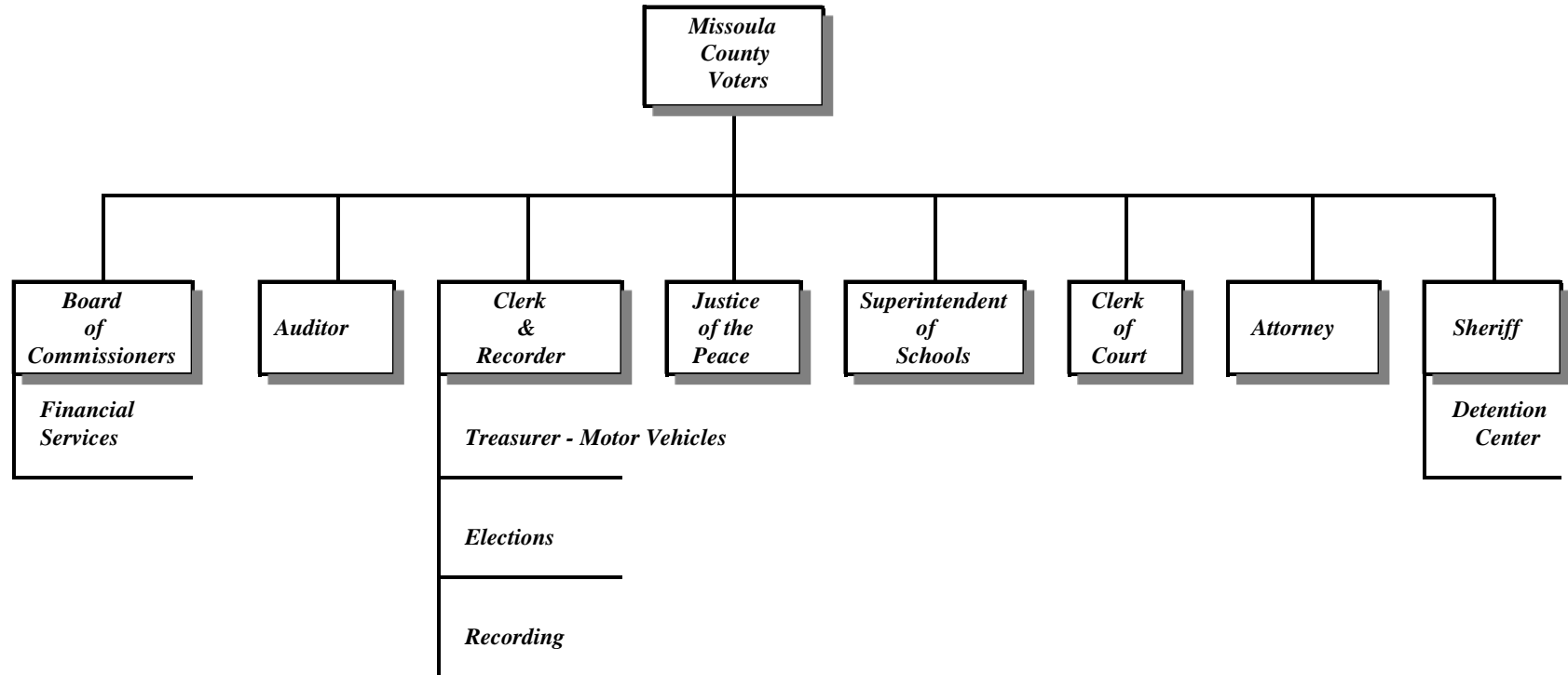
Acknowledgements – I would like to thank everyone in the Missoula County Financial Services Office: Sharon Bowman, Teresa Graham, Julie Harris, Jacque Harris, Dawn Overbaugh, Ruthe Sackey, Alane Stickney, and especially Christi Page for all their work and dedication. I would also like to thank Barbara Berens, the Missoula County Auditor, and her staff Nora Morris and Debbie Gross, for their 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 understanding of the value of this report, their commitment in serving 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

William J. Carey
Jean L. Curtiss
Michelle Landquist

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

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, 2010

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



Linda C. Sandison

President

Jeffrey R. Enos

Executive Director

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FINANCIAL SECTION

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Nicole M. Noonan, CPA, P.C.

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Board of County Commissioners
Missoula, Montana

Independent Auditors' Report

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 (the County), as of and for the fiscal year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 28%, 36%, and 27% respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit and the report of other auditors provide a reasonable basis for my 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, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Notes 1 and 10 to the financial statements, the County adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2011.

In accordance with Government Auditing Standards, I have also issued my report dated February 28, 2012, on my consideration of the County'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 and should be considered in assessing the results of my audit.

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 3 through 20 and 79 through 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.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Missoula County, Montana's financial statements as a whole. 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 financial statements. The accompanying 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 financial statements. The combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the 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.

Nicole M. Noonan, CPA, P.C.

Nicole M. Noonan, CPA, P.C.
St. Regis, Montana
February 28, 2012

MISSOULA COUNTY, MONTANA
Management's Discussion and Analysis
June 30, 2011

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, 2011. 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, 2011, by \$98.5 million (net assets) compared with a balance of \$94.8 million at June 30, 2010. Of this amount, \$26.4 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens, vendors and creditors, including \$2.6 million that is classified as unrestricted in the Larchmont Golf Course and Rural Special Improvement Maintenance Districts.
- The County's total net assets increased by \$3.7 million, representing a 3.9% increase from 2010. This was primarily due to an increase in capital assets of \$4.6 million netted with an increase in related debt of \$1.7 million as well as an increase in accounts receivable of \$900,000.
- At the end of the current year, the County's Balance Sheet for Governmental Funds reported a combined ending fund balance of \$34.0 million, approximately \$349,000 less than the prior year. Of this amount, \$17.1 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 \$2.3 million, or 17.1% of total general fund expenditures and other financing uses.

Missoula County's total debt increased by \$1,648,397, which contributed to a net 3.8% increase in Long Term Liabilities, related to primary government activities. The new debt is primarily attributable to \$3,325,000 in general obligation open space bonds, \$1,060,000 in limited general obligation bonds to fund the Larchmont Irrigation system, and \$165,202 in special assessment loans.

Using the Comprehensive Annual Financial Report

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

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

Reporting Missoula County as a Whole

Statement of Net Assets and the Statement of Activities

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

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

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

- Governmental Activities - Most of the County's services are reported here including public safety, social services programs, administration, and all departments with the exception of Larchmont Golf Course and Rural Special Improvement Maintenance Districts (RSIDs).

- Business-Type Activities - These services have a charge based upon the amount of usage. Larchmont Golf Course revenues are generated solely by the course users. The County charges special assessments to recoup the cost of the entire operation of the RSIDs as well as all capital expenses associated with these facilities.
- Component Units -The County includes financial statements of Missoula Aging Services and the Partnership Health Center in its report. Separately issued financial statements are available for both components units.

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

Reporting Missoula County's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. Based on restrictions on the use of monies, the County has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the County's most significant funds. Missoula County's major funds are the General, Public Safety, RSID Debt Service, RSID Capital Projects, 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 28-30.

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

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

Other information: In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules which begin on page 91. Statistical information that shows trends for periods up to ten years is also available beginning on page 149.

Government-wide Financial Analysis

As noted earlier, net assets may serve as a useful indicator of a government's financial position over time. For the year ended June 30, 2011 the County's assets exceeded liabilities by \$98.4 million (\$92.2 million in governmental activities and \$6.2 million in business-type activities). 57.0% of the County's net assets reflect its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Other restrictions include \$15,967,427 for debt service. Therefore, \$26.4 million in net assets (26.8%) may be used to meet the County's ongoing obligations to its citizens, vendors, and creditors.

The following table provides a summary of the County's net assets for 2011:

Net Assets						
	Governmental Activities		Business-Type Activities		Total	
Assets	2011	2010	2011	2010	2011	2010
Current & Other Assets	\$ 77,533,501	\$ 63,782,317	\$ 2,740,325	\$ 1,176,250	\$ 80,273,826	\$ 64,958,567
Capital Assets, Net	88,554,173	84,585,696	4,716,007	4,052,553	93,270,180	88,638,249
Total Assets	<u>166,087,674</u>	<u>148,368,013</u>	<u>7,456,332</u>	<u>5,228,803</u>	<u>173,544,006</u>	<u>153,596,816</u>
Liabilities						
Current & Other Liabilities	28,971,846	15,459,968	146,355	129,763	29,118,201	15,589,731
Current Portion of Long-term Debt	6,489,462	5,944,005	50,000	-	6,539,462	5,944,005
Long-term Debt, Net of Current Portion	38,379,893	37,276,953	1,010,000	-	39,389,893	37,276,953
Total Liabilities	<u>73,841,201</u>	<u>58,680,926</u>	<u>1,206,355</u>	<u>129,763</u>	<u>75,047,556</u>	<u>58,810,689</u>
Net Assets						
Invested in Capital Assets, Net of Debt	52,441,539	50,908,218	3,656,007	4,052,553	56,097,546	54,960,771
Restricted for Debt Service	15,967,427	2,393,072	-	-	15,967,427	2,393,072
Unrestricted	23,837,507	36,385,797	2,593,970	1,046,487	26,431,477	37,432,284
Total Net Assets	<u>\$ 92,246,473</u>	<u>\$ 89,687,087</u>	<u>\$ 6,249,977</u>	<u>\$ 5,099,040</u>	<u>\$ 98,496,450</u>	<u>\$ 94,786,127</u>

The following table provides a summary of the changes in net assets for 2011:

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	
Revenues	2011	2010	2011	2010	2011	2010
Program Revenues						
Charges for Services	\$ 16,112,068	\$ 14,530,892	\$ 1,977,230	\$ 1,870,872	\$ 18,089,298	\$ 16,401,764
Operating Grants and Contributions	10,503,550	5,364,471	-	-	10,503,550	5,364,471
Capital Grants and Contributions	1,148,146	2,576,393	-	-	1,148,146	2,576,393
General Revenues						
Property Taxes	36,962,016	38,095,655	-	-	36,962,016	38,095,655
Intergovernmental Revenue	2,967,366	5,845,783	-	-	2,967,366	5,845,783
Investment Earnings	239,823	297,001	(107,531)	24,426	132,292	321,427
Gain on Sale of Capital Assets	(1,542)	-	5,099,040	7,000	5,097,498	7,000
Miscellaneous	2,384,056	2,369,802	783,025	-	3,167,081	2,369,802
Total Revenues	<u>70,315,483</u>	<u>69,079,997</u>	<u>7,751,764</u>	<u>1,902,298</u>	<u>78,067,247</u>	<u>70,982,295</u>
Program Expenses						
General Government	13,978,668	11,885,058	-	-	13,978,668	11,885,058
Criminal Justice	4,128,781	3,847,607	-	-	4,128,781	3,847,607
Public Safety	20,042,141	18,831,204	-	-	20,042,141	18,831,204
Public Works	10,172,173	10,604,449	-	-	10,172,173	10,604,449
Public Health	6,542,193	6,041,743	-	-	6,542,193	6,041,743
Social and Economic Services	2,339,977	4,686,338	-	-	2,339,977	4,686,338
Culture and Recreation	5,156,053	4,473,973	-	-	5,156,053	4,473,973
Housing and Community Develop.	3,875,925	2,819,982	-	-	3,875,925	2,819,982
Interest and Fiscal Charges	1,654,795	1,543,010	-	-	1,654,795	1,543,010
Larchmont Golf Course	-	-	854,062	860,865	854,062	860,865
Rural Special Improvement Districts	-	-	822,299	382,198	822,299	382,198
Total Expenses	<u>67,890,706</u>	<u>64,733,364</u>	<u>1,676,361</u>	<u>1,243,063</u>	<u>69,567,067</u>	<u>65,976,427</u>
Change in Net Assets before Transfers	2,424,777	4,346,633	6,075,403	659,235	8,500,180	5,005,868
Transfers	107,531	(227,491)	(107,531)	227,491	-	-
Change in Net Assets	<u>\$ 2,532,308</u>	<u>\$ 4,119,142</u>	<u>\$ 5,967,872</u>	<u>\$ 886,726</u>	<u>\$ 8,500,180</u>	<u>\$ 5,005,868</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 2011, general government expenses comprised 20.6% (18.4% in 2010) of governmental activities. Total general government expenses increased by \$2,093,610 (or 17.6%) from the prior year. This increase is primarily due to reallocation of Planning department expenditures to the correct 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, Court Support (bailiffs), and certain grants related to State District Court. Criminal Justice expenses comprised 6.1% of governmental activities in 2011 (versus 5.9% in 2010). Total expenses increased \$281,174 (or 7.3%) from the prior year. The increase was primarily due to personnel costs.

Public Safety – the public safety function is comprised of the Sheriff's Office including the Missoula County Detention Facility, and the Department of Emergency Services including the 9-1-1 Emergency Dispatch Center, the Office of Emergency Management, and the Public Safety Building capital projects fund. Public safety expenses comprised 29.5% of governmental activities in 2011 (versus 29.1% in 2010). Public safety expenses decreased \$1,210,937 over 2010, (or 6.4%). The overall change is primarily due to reclassification of the Commissary fund to public safety in 2011.

Public Works – public works includes the Road and Bridge funds and the Surveyor/GIS department, the Weed and Extension funds, the Lolo Mosquito District, the Rural Special Assessment Districts program, Seeley Lake Refuse District and the Missoula Development Authority. Public works expenses comprised 15.0% of governmental activities in 2011 and represented a 4.1% decrease in expenses over 2010. This decrease is primarily due to lower infrastructure maintenance costs in 2011.

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 9.6% of governmental activities in 2011. Total public health expenses increased \$500,450 (or 8.3%) from 2010, primarily due to increased personnel and operating costs.

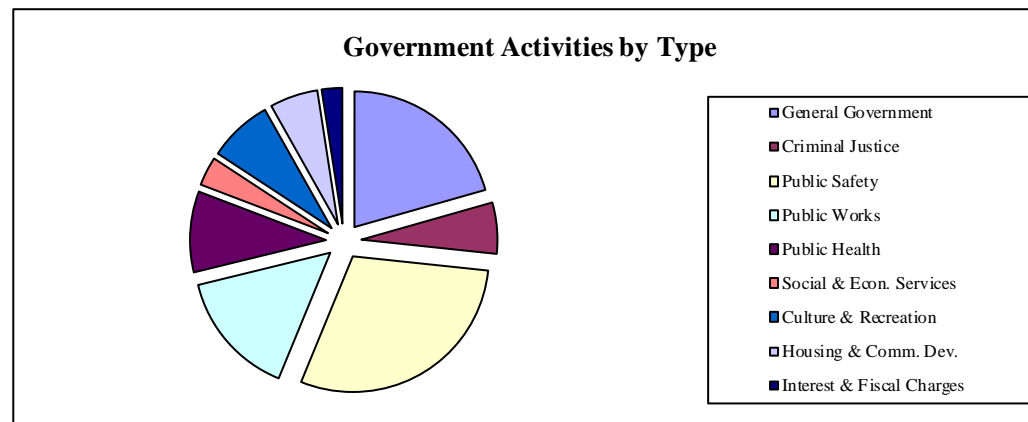
Social & Economic Services – the social and economic services function includes those programs that address the social and economic needs of the citizens of Missoula County. It includes Poor, Aging, Child Daycare, and Mental Health. It also includes programs for the assistance of victims of crime, battered 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 3.4% of governmental activities in 2011. Social and economic services expense decreased \$2,346,361 (or 50.1%) over 2010 largely due to increases in pass-through grant expenditures in 2010.

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 7.6% of governmental activities in 2011. Culture and recreation expense increased \$682,080 (or 15.2%) from 2010. This was due to increased personnel costs in the Western Montana Fair and the Missoula Public Library.

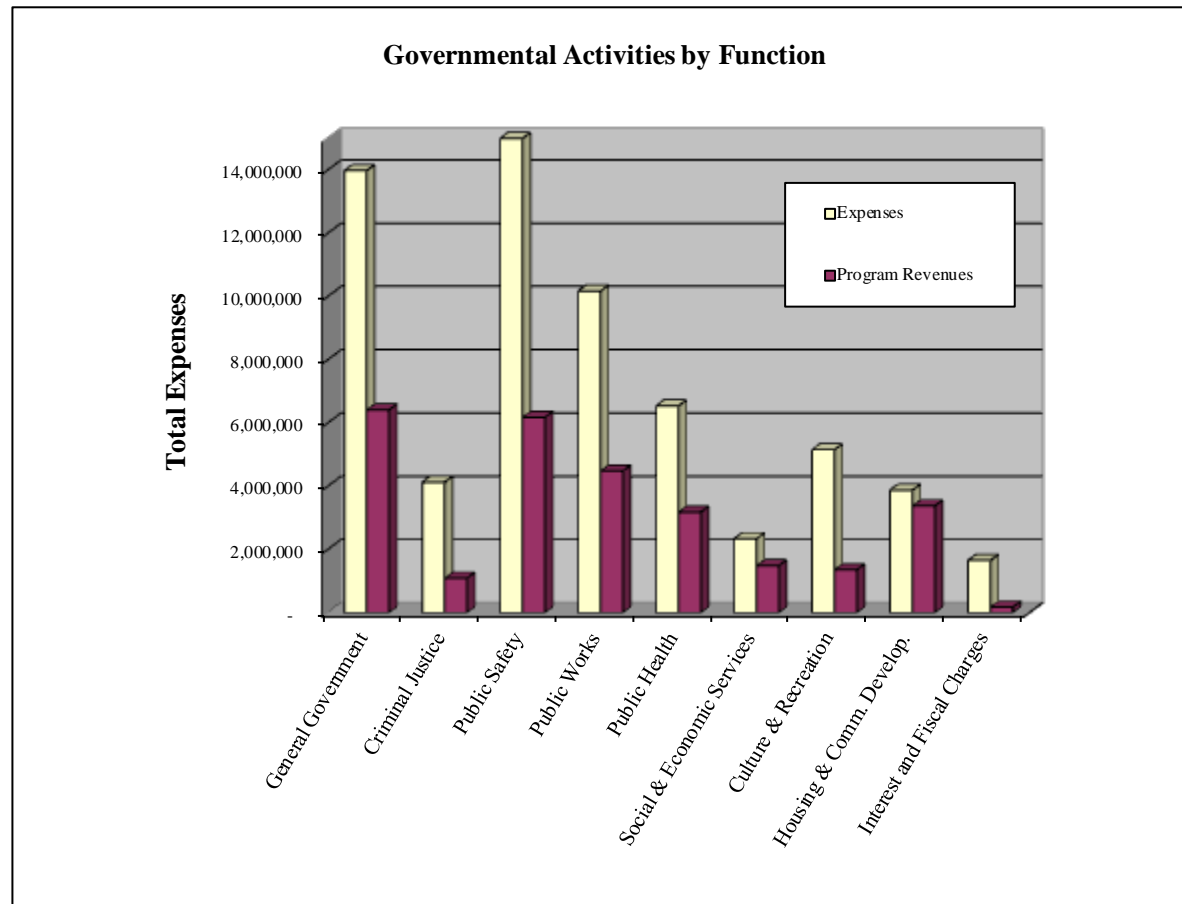
Housing & Community Development – this function includes the land use planning aspects of the Office of Planning and Grants, as well as specific grant programs, and the administration of federal and state community development dollars including the Open Space fund. These expenses comprised 5.7% of governmental activities in 2011. Total expenses increased \$1,055,943 (or 37.4%) versus 2010 due to increased activity in land planning and increased grant projects in the planning fund.

Total governmental activities resulted in an increase in net assets totaling \$2.6 million. This increase over 2010 is primarily due to a \$4.0 million increase in capital assets, \$3.1 million more in program expenses, \$5.3 million in additional program revenues which include Charges for Services, Operational Grants, Capital Grants and Contributions, and \$2.4 million less in general revenues which include property taxes, investment earnings, and miscellaneous revenues.

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



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



Business-Type Activities

Total net assets related to business-type activities increased by \$1,150,937 compared to an increase of \$915,661 in 2010. This was primarily due to an increase in capital assets of \$663,000 in capital assets for both the Larchmont Golf Course and the Rural Special Improvement Districts combined with an increase in revenues of \$433,000 as well as reclassification of \$783,000 in net assets from governmental activities to business-type activities.

Fund Level Financial Analysis

Governmental Funds

For the fiscal year ended June 30, 2011, the County's governmental funds reported combined fund balance totaling \$34,057,765 compared with \$34,407,144 in 2010. Approximately \$17.1 million of this amount constitutes unreserved (categorized as committed, assigned and unassigned) fund balance, which is available to spend for current needs. The remaining balance is unspendable (inventory) or restricted. The governmental funds had a combined decrease in fund balances totaling \$349,379 for 2011.

The General fund is the chief operating fund of the County. For fiscal year 2011, total fund balance increased \$195,571 to \$2,384,552, of which \$2,264,689 was unreserved. As a measure of the General fund's total liquidity, it may be useful to compare total unreserved fund balances to total General fund expenditures. Total unreserved General Fund balances represent 17.1% of total expenditures compared to 14.7% in 2010. The 2011 budget was designed to spend down excess cash reserves by approximately \$10,640. Lower than anticipated intergovernmental revenues, charges for services, Fines & Forfeitures, and Investment Earnings, increases in personnel, operational, and capital outlay costs resulted in the greater than expected decrease in the 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 \$2,149,403 at June 30, 2011 (\$2,638,290 at June 30, 2010). Fund balance represents 13.5% (17.9% in 2010) of total expenditures. The fund balance decreased during the year by \$488,887, although the 2011 budget was designed to decrease the fund balance by \$362,044. Increases in personnel, operational, and capital outlay costs resulted in the larger than expected decrease in the 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 \$1,031,926 at June 30, 2011 (\$788,976 at June 30, 2010), all of which is considered restricted for debt service. Fund balance represents 155.7% (92.0% in 2010) of total expenditures. Fund balances increased in this fund primarily due to lower debt service expenditures.

The RSID Capital Projects fund is used to account for financial resources in those special improvement districts that are in the construction phase. Total fund balance was \$896,858 at June 30, 2011 (\$652,454 at June 30, 2010), all of which is considered restricted for district projects. Fund balance represents 134.1% (8.4% in 2010) of total expenditures. Fund balances increased in this fund primarily due to significantly lower capital outlay.

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 2011, budget amendments resulted in increases in appropriations in the General fund budget by \$84,791. Significant budget variances in the General fund include:

- Justice Court Two fines and forfeitures were \$56,933 less than anticipated due to decreased fine rulings.
- Attorney intergovernmental revenues were \$25,868 less than anticipated due to loss of a grant.
- Clerk & Recorder/Treasurer charges for services were \$69,975 less than anticipated due to fewer document requests and fewer elections.
- Office of Emergency Services intergovernmental revenues were \$887,390 less than anticipated due to grant funding that was carried over to 2012.
- 9-1-1 Communications intergovernmental revenues were \$84,041 less than anticipated due to fewer funds from the State.
- Central Stores charges for service were \$85,693 less than anticipated due to lower postage costs, motor pool usage, copier charges, and supplies sales.
- Non-Departmental General Fund charges for services were \$107,500 less than anticipated due to decreased subdivision activity.
- Personnel costs were \$95,192 over budget due to a combination of staff retirement and higher than expected overtime requirements in Finance office and 9-1-1 Communications.
- Operations costs were \$389,254 under budget due to lower than anticipated printing, postage, and contracted service costs in Clerk & Recorder/Treasurer office and lower than anticipated utilities charges in Facilities Management.
- Capital outlay costs were \$936,800 under budget due to lower than anticipated construction costs in Office of Emergency Services and 9-1-1 Communications.
- Issuance of Debt was under budget in Central Stores by \$122,000 due to the delay in purchasing additional pool cars.

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 \$52,441,539 at June 30, 2011 (\$54,960,771 at June 30, 2010). Capital asset activity is presented in Note 4 of the financial statements as well as on pages 145-147 of the supplementary information.

Significant activity in capital assets for 2011 includes:

- The completion of the Public Safety Criminal Justice software for \$391,890.
- The completion of the Larchmont Golf Course irrigation system for \$1,705,838.
- Purchase of new accounting and taxation software for \$480,001.
- An increase of \$348,231 in Construction in Progress in the Missoula County Development Park.
- A variety of road and pathway projects in the amount of \$1,330,542.
- A net increase of \$926,927 in Construction in Progress by the Public Works Department ranging from the Wye Sewer project with an additional \$103,924 to the Petty Creek and Miller Creek projects with \$741,859 in expenses.
- An increase of \$1,885,863 in Construction in Progress in the Public Safety fund for a secure storage facility.
- An increase of \$281,588 in Construction in Progress in the General Fund Office of Emergency Management for the Miller Peak Tower.

Long-Term Debt

Long-Term Liabilities for Missoula County totaled \$44,869,355 at June 30, 2011 (\$43,220,958 at June 30, 2010). Total debt increased \$4,550,202 which is comprised of new Open Space General Obligation Bonds totaling \$3,325,000, new Limited Tax General Obligation Bonds totaling \$1,060,000, and new Special Assessment Loans totaling \$165,202. Liability for compensated absences decreased \$14,463 to a total of \$3,918,082 in compensated absences. Liability for post-employment benefits decreased \$32,107 to a total of \$160,659 in post-employment benefits. Principal payments on outstanding debt were made in the amount of \$2,855,235. Additional information regarding long-term debt can be found in Note 5 to the financial statements.

The following table shows outstanding debt by type:

Total Long-term Debt		
General Obligation Bonds and Loans	\$	15,432,000
Limited Obligation Bonds and Loans		4,750,000
Tax Increment Bonds		4,515,000
Special Assessment Bonds and Loans		14,859,078
Notes and Contracts Payable		1,234,536
Post Employment Benefits		160,659
Compensated Absence Liability		3,918,082
	\$	<u><u>44,869,355</u></u>

Economic Factors and the Fiscal Year 2011 and the 2012 Budget

According to the Bureau of Business and Economic Research of the University of Montana the Missoula economy experienced a longer recession than most other parts of the state. It began in 2007 before the national recession was declared, with the closure of the Stimson mill in Bonner. Enrollment growth at The University of Montana continued growth in Health care payrolls and a major reclamation project at the Milltown Dam offset at least a portion of the losses from deep declines in home construction, retail and the closure of the Smurfit Stone pulp mill in the beginning of 2010. The final tally show a 3.9 percent contraction in inflation corrected wages and salaries between 2007 and 2010. Recovery from the recession low point in the spring of 2009 has been mixed. Recovery in rail and truck transportation has been interrupted by the Smurfit Stone closure but appears to have returned to levels predating that event. Industries serving out of state visitors suffered significant declines, but have swung to register modest growth since late 2010. On the other hand, health care's trajectory has slowed significantly, and the expansion in government earnings due to both the Census and the stimulus spending packages has swung towards modest contraction. Standing alone from these trends has been the growth at The University of Montana, the largest part of Missoula's economic base. Steady increases in research activities and a recession related enrollment increase of nearly 15 percent have provided steady if unspectacular growth in the total payroll. It almost stands alone among Missoula's major employers in displaying accelerating growth in 2011. Following a correction in their forecast last year the Bureau of Business and Economic Research is now projecting 2012 as the first year of positive growth in Missoula's nonfarm labor earnings (an overall measure of the economy). Missoula County has now experienced four consecutive years of declines in non-farm earnings. Missoula continues as the major trade and service center in western Montana and second largest in the state after Billings, and saw a slow move towards recovery as earnings increased over 2011.

Earnings in the basic industries within Missoula County continue to change as the recovery begins and the County redefines itself without the wood products industry as its center piece. The unchanged pieces of the earnings pie comparing 2011 with 2010 are the medical services industry and non-resident travel combined with other basic services at 14% and 13% respectively. Increased earnings came from trade center retail, wholesale and other services with a 1% increase to a 19% share, attributed to a slight rebound in consumer confidence and spending. There was also a 1% increase in both the earnings from the Federal government as well as the U of M combined with other State government to 14% and 20% respectively. This was primarily due to the increased enrollment at the University and the last of the Federal stimulus packages. As would be expected there was a 1% shift away from the wood products industry to a 7% share and there was an additional decrease in transportation down 2% to an 11% share of the total earnings picture. The expectation is that the percentages will continue to change as Missoula County moves towards redefining its economy.

According to statistics and information provided by the University of Montana Bureau of Business and Economic Research, Missoula County experienced negative growth in Nonfarm Income in 2008 through 2011, -1.3, -0.9, -1.0 and -0.3 percent. Their projection is for positive growth in Missoula County in 2012, 2013, 2014 and 2015 of 1.7, 2.2, 2.0, 2.3 and 2.6 percent.

In fiscal year 2011 the County raised taxes through mill levy increases for the first time in the past three years. 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 already experiencing the effects of the economic downturn. There was a structural imbalance of \$140,616 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. To address as many of the issues as possible by budget cuts, the Sheriff's Department eliminated one deputy position and the Detention Center eliminated one detention officer position. A new air conditioning unit was needed for the Detention Center and the \$200,000 cost was transferred from the Capital Improvement Reserves. Additionally, the annual transfer to the Capital Improvement reserve was cut to \$70,000 from \$140,000. After a review of the cuts and revenue projections a decision was made to raise the Public Safety revenues by increasing taxes by 1.06 mills. An additional .58 mills were added to the tax rolls to support debt service on the voter approved Open Space bonds. To save additional costs in 2011 the County cut 6.5 positions in departments directly affected by the economic slowdown. 5 of the positions eliminated were in the Office of Planning and Grants and 1.5 positions were in the Clerk and Records office. 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 \$2,480,605 June 30, 2010 and increased to \$2,613,865 by the conclusion of the 2011 fiscal year. Despite all the pressures on the budget the General Fund reserve came in well ahead of its minimum reserve requirement of \$1,995,597.

2012 BUDGET

The Board of County Commissioners 2012 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 .97% 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 3.2% projected General Fund operational increase was anticipated primarily due to increased costs resulting from four elections in the 2012 fiscal year.

The County has pressing needs for the expansion of facilities 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 2011. In October of 2011 the administrative functions of the County moved into that building vacating a portion of the Courthouse and much of the Courthouse Annex. This will give the County the ability to expand and build a new 911 center, new Sheriff offices, new Courtrooms, new County Attorney office, a new County Clerk and Recorder space and a new meeting room (which doubles as a 911 Emergency Command Center in the event of a regional emergency) for the County Commissioner meetings

2012 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 2012, due to legislative changes the entitlement share the County received was frozen at 2011 levels
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. Operation 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.

2012 BUDGET PROCESS

The Fiscal Year 2012 budget process started in April 2011. 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 30, 2011 and the final budget hearing was held on August 27, 2011. The budget was adopted on September 16, 2011 after the Commissioners made final adjustments based on the testimony they received at the hearings.

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

	Countywide		Rural-only	
	2012	2011	2012	2011
Taxable Value	202,300,827	200,569,163	91,505,112	91,515,055
Value of Newly Taxable Property	3,581,403	5,632,999	1,680,025	2,422,657
Value of One Mill	194,561	192,774	88,880	88,965
Property Tax Revenues	28,298,698	25,235,218	3,215,985	3,183,117
Number of Mills Levied	145.52	142.13	36.18	35.78

The following table shows the changes in tax revenue and mills for 2012:

	County-wide	Mills	Rural-only	Mills
Total Property Taxes Assessed – Prior Year	\$27,395,425	142.13	\$3,183,117	35.78
Current Year Property Taxes Attributable to Floating Mill*	191,297	0.98	22,526	0.25
Current Year Property Taxes Attributable To Newly Taxable Property**	501,975	-	60,710	-
Change in mills due to changes in taxable value from sources other than newly taxable property***	-	(1.04)	-	(0.25)
New Levy Authority:				
General Fund (Space planning)	194,561	1.00	-	-
Fair	126,465	0.65		-
District Court	21,402	0.11		-
Public Safety	48,640	0.25		-
Debt Service	96,808	0.50		
Risk Management	42,803	0.22		
Road			1,950	0.02
Health			768	0.01
Permissive Medical Levy	139,226	0.72	32,971	0.37
				-
Total Property Taxes Assessed – Current Year	\$28,298,698	145.52	\$3,215,985	36.18

* The “Floating Mill” represents changes in tax revenue attributable to the inflation factor provided in MCA 15-10-420 and the change in certain personal property reimbursements.

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

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

Contacting Missoula County

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional information, contact Andrew V. Czorny, Chief Financial Officer, Missoula County, 200 W. Broadway, Missoula, Montana 59802; aczorny@co.missoula.mt.us (406) 721-5700. Additionally, Missoula County's budget reports and CAFRs are available online at www.co.missoula.mt.us.

MISSOULA COUNTY, MONTANA
Statement of Net Assets
June 30, 2011
(Page 1 of 2)

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Missoula Aging Services	Partnership Health Center
Assets					
Cash & Cash Equivalents	\$ 110,200	\$ 1,212	\$ 111,412	\$ 907,615	\$ 1,062
Cash with Fiscal Agents	3,528,885	-	3,528,885	-	-
Investments	38,655,773	2,581,204	41,236,977	875,973	2,263,887
Property Taxes Receivable, net	4,149,453	-	4,149,453	-	-
RSID Receivable-Delinquent	252,626	63,615	316,241	-	-
RSID Receivable-Deferred	19,067,643	-	19,067,643	-	-
Accounts Receivable	3,172,646	6,790	3,179,436	136,613	331,126
Interest Receivable	19,632	-	19,632	-	-
Contributions Receivable	405,346	-	405,346	-	-
Grants Receivable	-	-	-	-	226,176
Loans & Notes Receivable, net	2,868,557	-	2,868,557	-	-
Due (to) from Other Funds	(66,805)	66,805	-	-	-
Advances to (from) Other Funds	1,060,000	-	1,060,000	-	-
Advances to Component Units	2,583,578	-	2,583,578	-	-
Due from Agency Funds	-	-	-	-	-
Prepaid Costs	92,843	-	92,843	1,464	14,258
Inventory	975,198	20,699	995,897	-	237,114
Debt Issuance Costs	657,926	-	657,926	-	-
Capital Assets - non-depreciable	32,109,565	1,534,322	33,643,887	132,000	-
Capital Assets - depreciable, net	56,444,608	3,181,685	59,626,293	1,492,159	6,107,863
 Total Assets	 \$ 166,087,674	 \$ 7,456,332	 \$ 173,544,006	 \$ 3,545,824	 \$ 9,181,486

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

MISSOULA COUNTY, MONTANA
Statement of Net Assets (Continued)
June 30, 2011
(Page 2 of 2)

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Missoula Aging Services	Partnership Health Center
Liabilities					
Accounts & Warrants Payable	\$ 2,906,599	\$ 52,769	\$ 2,959,368	\$ 160,617	\$ 226,696
Accrued Interest Payable	849,121	-	849,121	2,620	-
Accrued Payroll	2,028,087	93,586	2,121,673	134,882	271,957
Advance from Primary Governments - Current Portion	-	50,000	50,000	-	150,000
Advance from Primary Governments, net of Current Portion	-	1,010,000	1,010,000	-	2,433,578
Deferred Revenue	19,099,058	-	19,099,058	76,603	-
Funds Held in Trust	19,206	-	19,206	-	-
Liability for Sick & Vacation - Current Portion	3,052,614	-	3,052,614	-	314,312
Liability for Sick & Vacation, net of Current Portion	865,468	-	865,468	-	-
Liability for Claims - Current Portion	844,291	-	844,291	-	-
Liability for Claims, net of Current Portion	3,225,484	-	3,225,484	-	-
Liability for Post Employment Benefits	160,659	-	160,659	-	42,008
Long-term Liabilities:					
Special Assessment with Government Commitment-					
Due within One Year	1,034,839	-	1,034,839	-	-
Due in more than One Year	13,824,239	-	13,824,239	-	-
Other-Due within One Year	2,402,009	-	2,402,009	25,505	-
Other-Due in more than One Year	23,529,527	-	23,529,527	112,622	295,597
Total Liabilities	<u>73,841,201</u>	<u>1,206,355</u>	<u>75,047,556</u>	<u>512,849</u>	<u>3,734,148</u>
Net Assets					
Invested in Capital Assets, net of Related Debt	52,441,539	3,656,007	56,097,546	1,486,032	3,228,688
Restricted	15,967,427	-	15,967,427	-	-
Restricted for Aging Programs	-	-	-	324,823	-
Restricted for Health Programs	-	-	-	-	88,507
Unrestricted	<u>23,837,507</u>	<u>2,593,970</u>	<u>26,431,477</u>	<u>1,222,120</u>	<u>2,130,143</u>
Total Net Assets	<u>\$ 92,246,473</u>	<u>\$ 6,249,977</u>	<u>\$ 98,496,450</u>	<u>\$ 3,032,975</u>	<u>\$ 5,447,338</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, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-Type Activities	Total	Missoula Aging Services	Partnership Health Center
Primary Government:									
Governmental Activities:									
General Government	\$ 13,978,668	\$ 4,757,274	\$ 1,655,156	\$ -	\$ (7,566,238)	\$ -	\$ (7,566,238)	\$ -	\$ -
Criminal Justice	4,128,781	855,132	234,408	-	(3,039,241)	-	(3,039,241)	-	-
Public Safety	20,042,141	5,144,087	683,065	357,994	(13,856,995)	-	(13,856,995)	-	-
Public Works	10,172,173	2,618,765	1,175,267	686,573	(5,691,568)	-	(5,691,568)	-	-
Public Health	6,542,193	1,495,133	1,659,899	32,978	(3,354,183)	-	(3,354,183)	-	-
Social & Economic Services	2,339,977	-	1,488,194	-	(851,783)	-	(851,783)	-	-
Culture & Recreation	5,156,053	1,097,072	200,631	70,601	(3,787,749)	-	(3,787,749)	-	-
Housing & Community Development	3,875,925	144,605	3,233,171	-	(498,149)	-	(498,149)	-	-
Interest and Fiscal Charges	1,654,795	-	173,759	-	(1,481,036)	-	(1,481,036)	-	-
Total Governmental Activities	<u>67,890,706</u>	<u>16,112,068</u>	<u>10,503,550</u>	<u>1,148,146</u>	<u>(40,126,942)</u>	<u>-</u>	<u>(40,126,942)</u>	<u>-</u>	<u>-</u>
Business-type Activities:									
Larchmont Golf Course	854,062	981,338	-	-	-	127,276	127,276	-	-
Rural Special Improvement Districts	822,299	995,892	-	-	-	173,593	173,593	-	-
Total Business-type Activities	<u>1,676,361</u>	<u>1,977,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,869</u>	<u>300,869</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 69,567,067</u>	<u>\$ 18,089,298</u>	<u>\$ 10,503,550</u>	<u>\$ 1,148,146</u>	<u>(40,126,942)</u>	<u>300,869</u>	<u>(39,826,073)</u>	<u>-</u>	<u>-</u>
Component units:									
Missoula Aging Services	\$ 3,528,041	\$ 273,396	\$ 3,380,467	\$ -				125,822	-
Partnership Health Center	9,370,909	6,483,997	3,671,877	-				-	784,965
Total component units	<u>\$ 12,898,950</u>	<u>\$ 6,757,393</u>	<u>\$ 7,052,344</u>	<u>\$ -</u>				<u>125,822</u>	<u>784,965</u>
General revenues:									
Property Taxes					36,962,016	-	36,962,016	-	-
Intergovernmental Revenue - Unrestricted					2,967,366	-	2,967,366	-	-
Investment Earnings					239,823	9,080	248,903	110,352	-
Sale of Capital Assets					(1,542)	-	(1,542)	-	-
Miscellaneous Revenues					2,384,056	2,500	2,386,556	-	155,845
Transfers					107,531	(107,531)	-	-	-
Total General Revenues & Transfers					<u>42,659,250</u>	<u>(95,951)</u>	<u>42,563,299</u>	<u>110,352</u>	<u>155,845</u>
Change in Net Assets					2,532,308	204,918	2,737,226	236,174	940,810
Net Assets - Beginning of Year					89,687,087	5,099,040	94,786,127	2,796,801	4,541,528
Restatements					810,103	162,994	973,097	-	(35,000)
Fund Reclassifications					<u>(783,025)</u>	<u>783,025</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets - Beginning of Year as Restated					89,714,165	6,045,059	95,759,224	2,796,801	4,506,528
Net Assets - End of Year					<u>\$ 92,246,473</u>	<u>\$ 6,249,977</u>	<u>\$ 98,496,450</u>	<u>\$ 3,032,975</u>	<u>\$ 5,447,338</u>

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

MISSOULA COUNTY, MONTANA

Balance Sheet

Governmental Funds

June 30, 2011

(Page 1 of 2)

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt Service</u>	<u>RSID Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash & Cash Equivalents	\$ 1,226	\$ 1,185	\$ 242	\$ 350	\$ 10,355	\$ 13,358
Cash with Fiscal Agents	-	-	640,234	334,655	2,553,996	3,528,885
Investments	2,612,639	2,526,774	516,998	745,551	22,074,735	28,476,697
Property Taxes Receivable (net)	898,481	939,711	-	-	2,251,421	4,089,613
RSID Receivable:						
Delinquent	-	-	41,744	210,882	-	252,626
Deferred	-	-	6,764,032	12,303,611	-	19,067,643
Accounts Receivable	120,580	351,602	-	-	2,691,796	3,163,978
Loans & Notes Receivable	37,049	72,404	-	-	2,759,104	2,868,557
Due from Other Funds	298,190	180,401	-	-	1,352,378	1,830,969
Advances to Other Funds	-	-	-	-	1,060,000	1,060,000
Advances to Component Units	-	-	-	-	2,583,578	2,583,578
Inventory	63,911	-	-	-	911,287	975,198
Total Assets	<u>\$ 4,032,076</u>	<u>\$ 4,072,077</u>	<u>\$ 7,963,250</u>	<u>\$ 13,595,049</u>	<u>\$ 38,248,650</u>	<u>\$ 67,911,102</u>
Liabilities						
Accounts & Warrants Payable	\$ 199,438	\$ 286,028	\$ -	\$ 14,341	\$ 2,370,383	\$ 2,870,190
Accrued Interest Payable	-	-	125,311	169,357	554,453	849,121
Accrued Payroll	493,350	624,531	-	-	843,193	1,961,074
Due to Other Funds	-	-	-	-	1,966,501	1,966,501
Advances from Other Funds	-	-	-	-	-	-
Funds Held in Trust	19,206	-	-	-	-	19,206
Deferred Tax Revenue	898,481	939,711	6,806,013	12,514,493	2,251,421	23,410,119
Unearned Revenue	37,049	72,404	-	-	2,667,673	2,777,126
Total Liabilities	<u>1,647,524</u>	<u>1,922,674</u>	<u>6,931,324</u>	<u>12,698,191</u>	<u>10,653,624</u>	<u>33,853,337</u>

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

MISSOULA COUNTY, MONTANA
Balance Sheet (Continued)
Governmental Funds
June 30, 2011
(Page 2 of 2)

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt Service</u>	<u>RSID Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance						
Nonspendable	63,911	-	-	-	911,287	975,198
Restricted	55,952	1,596,051	1,031,926	896,858	12,386,640	15,967,427
Committed	-	553,352	-	-	8,105,382	8,658,734
Assigned	-	-	-	-	7,303,069	7,303,069
Unassigned	2,264,689	-	-	-	(1,111,352)	1,153,337
Total Fund Balance	<u>2,384,552</u>	<u>2,149,403</u>	<u>1,031,926</u>	<u>896,858</u>	<u>27,595,026</u>	<u>34,057,765</u>
Total Liabilities and Fund Balance	<u>\$ 4,032,076</u>	<u>\$ 4,072,077</u>	<u>\$ 7,963,250</u>	<u>\$ 13,595,049</u>	<u>\$ 38,248,650</u>	

Amounts reported for governmental activities in the statement of net assets 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.	88,330,254
Debt issuance costs used in governmental activities are not financial resources and, therefore, are not reported in the funds.	657,926
Notes receivable are not available to pay for current-period expenditures and, therefore, are, deferred in the funds.	2,777,126
Taxes receivable are not recorded as revenue until they are received and, therefore, are, deferred in the funds.	4,089,613
Delinquent RSID receivable are not recorded as revenue until they are received and, therefore, are, deferred in the funds.	252,626
Internal Service Funds are used by management to charge the costs of self-insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	6,950,518
The liability for compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(3,918,082)
The liability for post employment benefits are not due and payable in the current period and therefore are not reported in the funds.	(160,659)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(40,790,614)</u>
Net assets of governmental activities	<u>\$ 92,246,473</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, 2011

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt Service</u>	<u>RSID Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property Taxes	\$ 9,169,065	\$ 9,551,229	\$ 766,269	\$ 867,626	\$ 18,167,048	\$ 38,521,237
Licenses & Permits	82,895	16,025	-	-	639,784	738,704
Intergovernmental Revenue	2,941,328	516,606	-	20,000	11,637,181	15,115,115
Charges for Services	2,051,409	4,315,631	-	-	3,522,526	9,889,566
Fines & Forfeitures	642,113	32,591	-	-	207,848	882,552
Investment Earnings	127,262	3,173	-	-	57,987	188,422
Private & Local Grants	-	-	-	-	157,550	157,550
Miscellaneous Revenue	32,329	572,155	-	-	1,175,482	1,779,966
Total Revenues	<u>15,046,401</u>	<u>15,007,410</u>	<u>766,269</u>	<u>887,626</u>	<u>35,565,406</u>	<u>67,273,112</u>
Expenditures:						
Current Operations:						
General Government	6,744,603	-	-	-	2,881,241	9,625,844
Criminal Justice	2,913,381	-	-	-	1,150,008	4,063,389
Public Safety	2,463,674	15,444,471	-	-	1,297,372	19,205,517
Public Works	564,431	-	-	4,158	7,372,035	7,940,624
Public Health	-	-	-	-	6,363,895	6,363,895
Social & Economic Services	-	-	-	-	2,275,749	2,275,749
Culture & Recreation	-	-	-	-	4,524,909	4,524,909
Housing & Community Development	-	-	-	-	3,796,036	3,796,036
Capital Outlay	490,641	432,459	-	157,538	7,119,088	8,199,726
Debt Service:						
Principal	52,600	-	426,000	147,855	2,228,780	2,855,235
Interest and Fiscal Charges	2,539	-	236,997	359,195	1,056,064	1,654,795
Total Expenditures	<u>13,231,869</u>	<u>15,876,930</u>	<u>662,997</u>	<u>668,746</u>	<u>40,065,177</u>	<u>70,505,719</u>
Excess (deficiency) of Revenue over (under) Expenditures	<u>1,814,532</u>	<u>(869,520)</u>	<u>103,272</u>	<u>218,880</u>	<u>(4,499,771)</u>	<u>(3,232,607)</u>
Other Financing Sources (uses):						
Transfer In	440,372	726,681	-	-	8,258,615	9,425,668
Transfer Out	(2,135,920)	(513,738)	-	-	(7,739,816)	(10,389,474)
Issuance of Debt	-	-	-	165,202	4,385,000	4,550,202
Sale of Capital Assets	12,400	-	-	-	-	12,400
Total other financing sources and uses	<u>(1,683,148)</u>	<u>212,943</u>	<u>-</u>	<u>165,202</u>	<u>4,903,799</u>	<u>3,598,796</u>
Net Change in Fund Balances	131,384	(656,577)	103,272	384,082	404,028	366,189
Fund Balances - Beginning of Year Previously Reported	2,188,981	2,638,290	788,976	652,454	28,138,443	34,407,144
Prior Period Adjustments	-	-	-	-	-	-
Fund Balances - Beginning of Year as restated	<u>2,188,981</u>	<u>2,638,290</u>	<u>788,976</u>	<u>652,454</u>	<u>28,138,443</u>	<u>34,407,144</u>
Change in Inventory Reserves	63,911	-	-	-	3,546	67,457
Fund Reclassifications	276	167,690	139,678	(139,678)	(950,991)	(783,025)
Fund Balances - End of Year	<u>\$ 2,384,552</u>	<u>\$ 2,149,403</u>	<u>\$ 1,031,926</u>	<u>\$ 896,858</u>	<u>\$ 27,595,026</u>	<u>\$ 34,057,765</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, 2011

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)	\$ 366,189
Governmental funds report capital outlays as expenditures and proceeds from sales as revenues. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense and gain or loss is reported upon sale or disposal.	
Expenditures for capital assets	6,923,075
Current year depreciation	(3,633,949)
Gain or loss on disposal of capital assets	(13,942)
	<u>3,275,184</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.	(294,498)
The issuance of notes receivable consumes the current financial resources of governmental funds, while payments received on notes receivable provide current financial resources. Neither transaction, however, has any effect on net assets.	571,138
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.	
Issuance of debt	(4,550,202)
Principal payments on long-term debt	2,855,235
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.	(66,191)
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.	14,463
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.	32,107
The decrease in expenses due to the increase in inventory reported in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.	67,457
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>261,426</u>
Change in net assets of governmental activities (page 23)	<u>\$ 2,532,308</u>

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

MISSOULA COUNTY, MONTANA
Balance Sheet
Proprietary Funds
June 30, 2011

	Business-Type Activities-Enterprise Funds			Governmental
	Major Fund	Nonmajor Fund		Activities-Internal
	Larchmont Golf Course	RSID Funds	Total	Service Funds
Assets				
Current Assets:				
Cash & Cash Equivalents	\$ 498	\$ 714	\$ 1,212	\$ 96,842
Investments	1,059,966	1,521,238	2,581,204	10,179,076
Taxes Receivable, net	-	63,615	63,615	59,840
Accounts Receivable (net)	6,790	-	6,790	2,806
Interest Receivable	-	-	-	19,632
Prescription Rebate Receivable	-	-	-	5,862
Contributions Receivable	-	-	-	405,346
Due from Other Funds	66,805	-	66,805	68,727
Prepaid Costs	-	-	-	92,843
Inventory	20,699	-	20,699	-
Total Current Assets	<u>1,154,758</u>	<u>1,585,567</u>	<u>2,740,325</u>	<u>10,930,974</u>
Noncurrent Assets:				
Capital Assets - non-depreciable	1,049,212	485,110	1,534,322	-
Capital Assets - depreciable, net	2,222,349	959,336	3,181,685	223,919
Total Noncurrent Assets	<u>3,271,561</u>	<u>1,444,446</u>	<u>4,716,007</u>	<u>223,919</u>
Total Assets	<u>\$ 4,426,319</u>	<u>\$ 3,030,013</u>	<u>\$ 7,456,332</u>	<u>\$ 11,154,893</u>
Liabilities				
Current Liabilities:				
Accounts & Warrants Payable	\$ 34,637	\$ 18,132	\$ 52,769	\$ 36,409
Accrued Payroll	75,495	18,091	93,586	67,013
Contributions Paid in Advance	-	-	-	31,178
Advances Payable, Current Portion	50,000	-	50,000	-
Liability for Claims, Current Portion	-	-	-	844,291
Total Current Liabilities	<u>160,132</u>	<u>36,223</u>	<u>196,355</u>	<u>978,891</u>
Noncurrent Liabilities:				
Advances Payable, net of Current Portion	1,010,000	-	1,010,000	-
Liability for Claims, net of Current Portion	-	-	-	3,225,484
Total Noncurrent Liabilities	<u>1,010,000</u>	<u>-</u>	<u>1,010,000</u>	<u>3,225,484</u>
Total Liabilities	<u>1,170,132</u>	<u>36,223</u>	<u>1,206,355</u>	<u>4,204,375</u>
Net Assets				
Invested in Capital Assets net of Related Debt	2,211,561	1,444,446	3,656,007	223,919
Unrestricted	1,044,626	1,549,344	2,593,970	6,726,599
Total Net Assets	<u>3,256,187</u>	<u>2,993,790</u>	<u>6,249,977</u>	<u>6,950,518</u>
Total Liabilities and Net Assets	<u>\$ 4,426,319</u>	<u>\$ 3,030,013</u>	<u>\$ 7,456,332</u>	<u>\$ 11,154,893</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 Assets
Proprietary Funds
For Fiscal Year Ended June 30, 2011

	Business-Type Activities-Enterprise Funds			Governmental
	Major Fund	Nonmajor Fund		Activities-Internal Service Funds
	Larchmont Golf Course	RSID Funds	Total	
Operating Revenues:				
Special Assessments	\$ -	\$ 928,577	\$ 928,577	\$ -
Charges for Services	981,338	67,315	1,048,653	9,545,866
Rental Income	-	-	-	37,000
Rebates	-	-	-	32,951
Total Operating Revenues	<u>981,338</u>	<u>995,892</u>	<u>1,977,230</u>	<u>9,615,817</u>
Operating Expenses:				
Personnel	473,395	223,391	696,786	1,396,551
Operations	252,663	506,655	759,318	154,572
Claims	-	-	-	8,454,980
Reinsurance Premiums	-	-	-	701,607
Administrative	-	-	-	360,291
Depreciation and Amortization	<u>118,821</u>	<u>92,253</u>	<u>211,074</u>	<u>17,702</u>
Total Operating Expenses	<u>844,879</u>	<u>822,299</u>	<u>1,667,178</u>	<u>11,085,703</u>
Operating Income (Loss)	<u>136,459</u>	<u>173,593</u>	<u>310,052</u>	<u>(1,469,886)</u>
Non-operating Revenues (Expenses):				
Property Taxes	-	-	-	574,405
Investment Earnings	4,470	4,610	9,080	51,400
Interest Expense	(9,183)	-	(9,183)	-
Gain (Loss) on Sale of Assets	2,500	-	2,500	-
Intergovernmental Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,469</u>
Total Non-operating Revenues (Expenses)	<u>(2,213)</u>	<u>4,610</u>	<u>2,397</u>	<u>679,274</u>
Net Income (Loss) before Transfers	<u>134,246</u>	<u>178,203</u>	<u>312,449</u>	<u>(790,612)</u>
Transfers In	-	-	-	1,168,137
Transfers Out	<u>(87,990)</u>	<u>(19,541)</u>	<u>(107,531)</u>	<u>(96,800)</u>
Change in Net Assets	<u>46,256</u>	<u>158,662</u>	<u>204,918</u>	<u>280,725</u>
Total Net Assets - Beginning of Year	3,188,161	1,910,879	5,099,040	6,616,771
Fund Reclassification	-	783,025	783,025	-
Restatement	<u>21,770</u>	<u>141,224</u>	<u>162,994</u>	<u>53,022</u>
Total Net Assets - Beginning of Year, Restated	<u>3,209,931</u>	<u>2,835,128</u>	<u>6,045,059</u>	<u>6,669,793</u>
Total Net Assets - End of Year	<u>\$ 3,256,187</u>	<u>\$ 2,993,790</u>	<u>\$ 6,249,977</u>	<u>\$ 6,950,518</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, 2011
(Page 1 of 2)

	Business-Type Activities-Enterprise Funds			Governmental Activities-Internal Service Funds
	Major Fund	Nonmajor Fund		
	Larchmont Golf Course	RSID Funds	Total	
Cash flows from operating activities:				
Cash receipts for charges for services	\$ 974,549	\$ 1,010,105	\$ 1,984,654	\$ 9,515,662
Cash receipts for rebates	-	-	-	36,811
Cash receipts for rent charged	-	-	-	37,000
Cash payments to employees for services	(466,630)	(216,005)	(682,635)	(1,326,745)
Cash payments for reinsurance premiums	-	-	-	(705,284)
Cash payments for administrative expenses	-	(498,229)	(498,229)	(387,364)
Cash payments for claims expenses	-	-	-	(8,114,349)
Cash payments to other suppliers for goods and services	(255,557)	-	(255,557)	(155,635)
Net cash provided by (used in) operating activities	<u>252,362</u>	<u>295,871</u>	<u>548,233</u>	<u>(1,099,904)</u>
Cash flows from non-capital financing activities:				
Property taxes collected	-	-	-	585,327
Cash advances to other funds	(66,806)	-	(66,806)	(1,121)
Transfer in	-	-	-	1,168,137
Transfer out	(87,990)	(19,541)	(107,531)	(96,800)
Other sources	-	-	-	53,469
Net cash provided (used) by non-capital financing activities	<u>(154,796)</u>	<u>(19,541)</u>	<u>(174,337)</u>	<u>1,709,012</u>
Cash flows from capital and related financing activities:				
Gain from sale of capital assets	2,500	-	2,500	-
Proceeds from notes payable	-	-	-	-
Proceeds from advances	1,060,000	-	1,060,000	-
Principal paid on revenue bond maturities and notes payable	-	-	-	-
Interest paid on advances from other funds	(9,183)	-	(9,183)	-
Transfer from primary government	-	-	-	-
Deferred revenue	-	-	-	-
Acquisition of Capital Assets and construction in progress	(589,832)	(121,702)	(711,534)	-
Net cash used for capital and related financing activities	<u>463,485</u>	<u>(121,702)</u>	<u>341,783</u>	<u>-</u>
Cash flows from investing activities:				
Purchases of investment securities	(1,605,175)	(1,682,063)	(3,287,238)	(8,359,579)
Proceeds from sale of investment securities	1,016,832	1,459,334	2,476,166	7,447,337
Interest on investments	4,470	4,610	9,080	104,721
Net cash provided (used) by investing activities	<u>(583,873)</u>	<u>(218,119)</u>	<u>(801,992)</u>	<u>(807,521)</u>
Net increase (decrease) in cash and cash equivalents	<u>(22,822)</u>	<u>(63,491)</u>	<u>(86,313)</u>	<u>(198,413)</u>
Cash and cash equivalents at beginning of year	<u>23,320</u>	<u>64,205</u>	<u>87,525</u>	<u>295,255</u>
Cash and cash equivalents at end of year	<u>\$ 498</u>	<u>\$ 714</u>	<u>\$ 1,212</u>	<u>\$ 96,842</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, 2011
(Page 2 of 2)

Reconciliation of Income from Operations to Cash Provided by Operations

	Business-Type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Major Fund	Nonmajor Fund	Total	
	Larchmont Golf Course	RSID Funds		
Income (loss) from operations	\$ 136,459	\$ 173,593	\$ 310,052	\$ (1,469,886)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	118,821	92,253	211,074	17,702
Change in assets and liabilities:				
(Increase) decrease in contributions receivable	(6,789)	14,213	7,424	(34,369)
(Increase) decrease in rebates receivable				3,860
(Increase) decrease in prepaid costs	-	-	-	(3,677)
(Increase) decrease in inventory	3,091	-	3,091	-
(Decrease) increase in payables	(5,985)	8,426	2,441	(418)
(Decrease) increase in accrued liabilities	6,765	7,386	14,151	386,884
Net cash provided by (used in) operating activities	\$ 252,362	\$ 295,871	\$ 548,233	\$ (1,099,904)

Supplemental Disclosure of Cash Flow Information

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

Internal service funds had \$42,808 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 Assets
June 30, 2011

	Agency Funds	Investment Trusts
Assets		
Cash & Cash Equivalents	\$ 1,288	\$ 20,466
Cash with Fiscal Agents	2,408,274	-
Due from Other Agencies	-	-
Property Taxes Receivable, net	13,070,612	-
Other Assets	6,154	-
Investments, at Fair Value:		
Securities	257,300	13,538,123
Repurchase Agreements	55,879	2,937,192
STIP	546,493	28,755,407
Total Investments	859,672	45,230,722
Total Assets	16,346,000	45,251,188
Liabilities		
Accounts Payable	772,788	-
Other Liabilities	94,326	-
Due to Other Agencies	15,478,886	-
Total Liabilities	16,346,000	-
Net Assets		
Funds Held in Trust for:		
Pool Participants	-	45,251,188
Total Net Assets	\$ -	\$ 45,251,188

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

MISSOULA COUNTY, MONTANA
Statement of Changes in Fiduciary Net Assets
For Fiscal Year Ended June 30, 2011

	Investment Trusts
Additions	
Interest Income	\$ 171,794
Net Investment Income	171,794
 Participant Investments in Pool	 342,365,688
Total Additions	342,537,482
 Deductions	
Distribution to Participants	(347,293,213)
Total Deductions	(347,293,213)
 Change in Net Assets	 (4,755,731)
 Net Assets Held in Trust for Pool Participants	
Net Assets - Beginning of Year	50,006,919
Net Assets - End of Year	\$ 45,251,188

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

MISSOULA COUNTY, MONTANA

Notes to Financial Statements

June 30, 2011

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.

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. The district is managed by the County's Extension Office.

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 district operations. The Authority is accounted for as a Special Revenue Fund.

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

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

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

The Missoula County Airport Authority falls into the category of "related organizations" as defined by the Governmental Accounting Standards Board criteria. 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 this organization. The Missoula County Airport Authority is governed by a seven-member board and has complete responsibility for the operation of the Missoula International Airport.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Government-wide Financial Statements

The statement of net assets and the statement of activities report information about the County as a whole. These statements include the financial activities of the primary government 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 assets presents the financial condition of the governmental and business-type activities for the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted for the operational or capital requirements of 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 on the face of the proprietary fund statements. Fiduciary funds are reported by type.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, 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.

RSID Capital Projects

The RSID Capital Projects Fund accounts for the activities of rural special improvement districts for which construction has not been completed.

Proprietary Funds

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

Enterprise Funds

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

Larchmont Golf Course

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

Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. These funds include the Risk Management, Health Insurance, Workers' Compensation, Telephone Services, 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 Assets. Revenues are recognized when earned, and expenses are recognized when incurred.

Fund Financial Statements

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

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

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

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

- (1) Prior to the first Monday in July, a proposed operating budget is submitted to the County Commissioners for the fiscal year commencing July 1st. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Within 45 calendar days of receipt of certified taxable values from the Department of Revenue, the budget is legally enacted through an official resolution of adoption.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Budgets cannot be increased except by:

- (a) a public emergency which could not have been reasonably foreseen at the time of adoption of the original budget;
- (b) debt service funds for obligations related to debt approved by the governing body;
- (c) trust funds for obligations authorized by trust covenants;
- (d) any funds for federal, state, local, or private grants and shared revenue accepted and approved by the governing body;
- (e) any funds for special assessments approved by the governing body;
- (f) the proceeds from the sale of land;
- (g) any funds for gifts or donations; 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 the general fund and most special revenue, debt service, capital projects and internal service funds. Formal budgetary policies are not employed for the Special Revenue and Debt Service funds listed below. Effective budgetary controls are alternatively achieved through Rural Special Improvement District (RSID) bond provisions, and grant contracts. No activity was budgeted for the following funds:

- | | | |
|---------------------------|---------------------------------|-----------------------------------|
| ● RSID Debt Service | ● Friends of the Library | ● Public Safety Capital Reserve |
| ● RSID Capital Projects | ● Friend of the Historic Museum | ● Admin Bldg Acquisition Reserve |
| ● Disaster Emergency Levy | ● Historical Museum Gift Shop | ● Jail Project |
| ● HUD/CDBG | ● Other Special Revenue | ● Fair Ice Rink Project |
| ● 9-1-1 Trust | ● Larchmont Bonds | ● Park Construction Reserve |
| ● Abandoned Vehicle | ● Library Capital Reserve | ● Weed/Extension Building Reserve |
| ● MCFPA Trust | ● Health Building Reserve | ● Road Escrow |
| ● LEPC Trust | ● WQD Capital Reserve | ● Search & Rescue Reserve |

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

Property Taxes - Property tax levies are set on or before the second Monday in August, in connection with the budget process. Real property (and certain attached personal property) taxes are billed within ten days after the third Monday in October and are due in equal amounts on November 30 and the following May 31. After those dates, they become delinquent (and a lien upon the property). After three years the County exercises the lien and takes title to the property. Properties taken on tax deeds are recorded in taxes receivable at the outstanding delinquent amount.

Note 1 - Summary of Significant Accounting Policies (Continued)

Special assessments are either billed in one installment due November 30 or two equal installments due November 30 and May 31.

Personal property taxes (other than those billed with real estate) are generally billed no later than the second Monday in July (normally in May or June), based on the prior November's levies. Personal property taxes, other than mobile homes, are due thirty days after billing. Mobile home taxes are billed in two halves, the first due thirty days after billing; the second due 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, 2011 is \$1,793,181.

Taxable valuations, mill values and mill levies for November 2010 and May 2011 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	\$ 200,569,163	\$ 7,794,856	\$ 192,774	142.13 mills
Unincorporated levies	\$ 91,515,055	\$ 2,549,852	\$ 88,965	35.78 mills

The county-wide value includes \$5,527,539 which is the incremental value of property within the City of Missoula tax increment districts. Both the county-wide and unincorporated values include \$2,267,317, the incremental value of property in the Airport Industrial Tax Increment District. The unincorporated values include \$282,535, 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 the golf course, health benefits, workers compensation, and risk management funds, cash resources, to the extent available, of the individual funds are combined to form an investment pool, which is managed by the 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).

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Materials and Supplies Inventories - Inventories of materials and supplies are valued at cost (first-in, first-out), which is lower than market. Inventory in the 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.

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 reports as due to/from other funds.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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). The majority of compensated absence liquidation occurs in the General and Public Safety funds.

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 is 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.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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

Note 2 - Cash and Cash Equivalents and Investments

The total cash and cash equivalents, cash with fiscal agents, restricted cash and investments at June 30, 2011, are detailed as follows:

	Primary Government	Component Units	Total
Cash on hand	\$ 6,075	\$ -	\$ 6,075
Cash in pooled bank deposits	20,064	1,062	21,126
Cash in non-pooled bank deposits	107,027	907,615	1,014,642
Cash with fiscal agents	5,937,159	-	5,937,159
Pooled investments	80,246,245	2,263,887	82,510,132
Non-pooled investments	7,081,126	875,973	7,957,099
Total	\$ 93,397,696	\$ 4,048,537	\$ 97,446,233

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

Cash in bank deposits - Cash in bank balances include deposit items such as daily demand/time deposits, 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, 2011, the County's carrying amount of demand deposits was \$148,998 and the bank balance was \$432,861. Of the demand deposit bank balance, \$375,480 was covered by federal depository insurance, \$57,381 was covered by securities held by the pledging financial institution's trust department or agent in the County's name.

Fiscal agent deposits of \$5,937,159 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, 2011, 100% of the County's uninsured deposits were collateralized.

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

Pooled and non-pooled investments - At June 30, 2011, the County's pooled and non-pooled investment balances were as follows:

	Maturity in Years					No Maturity	Fair Value	Rating
	Less than 1	1-2	2-3	3-4	4-5			
Primary Government Investments:								
Northern Institutional Govt Money Market (Rated)	\$ 4,404,060	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,404,060	AAA
Federal Farm Credit Bank Notes-CMO	757,974	-	179,852	-	-	-	937,826	AAA
Federal Home Loan Bank Notes-CMO	2,452,506	5,286,167	1,764,174	487,145	2,535,111	-	12,525,103	AAA
Federal Home Loan Mortgage Corp-CMO	101,109	2,215,718	486,498	486,834	-	-	3,290,159	AAA
Federal National Mortgage Assoc-CMO	302,197	2,479,749	-	1,762,866	2,924,753	-	7,469,565	AAA
US Treasury Notes	-	2,470,089	-	-	-	-	2,470,089	AAA
Short Term Investment Pool (STIP)								
Commercial Paper	-	-	-	-	-	12,919,669	12,919,669	A1
Corporate Notes	-	-	-	-	-	11,110,085	11,110,085	A2
Certificates of Deposit	-	-	-	-	-	8,144,312	8,144,312	A1+
U.S. Government Agency	-	-	-	-	-	12,066,502	12,066,502	A1+
Other Asset Backed Investments	-	-	-	-	-	516,188	516,188	BBB
Money Market Accounts (Unrated)	-	-	-	-	-	2,951,193	2,951,193	NR
Money Market Accounts (Rated)	-	-	-	-	-	2,329,907	2,329,907	A1+
Structured Investment Vehicles (SIV)	-	-	-	-	-	972,211	972,211	NR
	-	-	-	-	-	51,010,067	51,010,067	
Repurchase Agreements	-	-	-	-	-	5,220,502	5,220,502	A3
Total Primary Government	8,017,846	12,451,723	2,430,524	2,736,845	5,459,864	56,230,569	87,327,371	
Component Unit Investments:								
Northern Institutional Govt Money Market (Rated)	80,288	-	-	-	-	-	80,288	AAA
Federal Farm Credit Bank Notes-CMO	-	-	-	-	-	-	-	AAA
Federal Home Loan Bank Notes-CMO	-	103,182	49,777	13,745	68,714	-	235,418	AAA
Federal Home Loan Mortgage Corporation-CMO	-	62,517	13,727	13,736	-	-	89,980	AAA
Federal National Mortgage Association Notes	-	69,967	-	49,740	82,523	-	202,230	AAA
US Treasury Notes	-	69,694	-	-	-	-	69,694	AAA
Short Term Investment Pool (STIP)								
Commercial Paper	-	-	-	-	-	364,533	364,533	A1
Corporate Notes	-	-	-	-	-	313,475	313,475	A1+
Certificates of Deposit	-	-	-	-	-	229,794	229,794	A1+
U.S. Government Agency	-	-	-	-	-	340,460	340,460	A1+
Other Asset Backed Investments	-	-	-	-	-	14,564	14,564	BBB
Money Market Accounts (Unrated)	-	-	-	-	-	83,269	83,269	NR
Money Market Accounts (Rated)	-	-	-	-	-	65,739	65,739	A1+
Structured Investment Vehicles (SIV)	-	-	-	-	-	27,431	27,431	NR
Equity Mutual Funds	-	-	-	-	-	875,973	875,973	NR
Repurchase Agreements	-	-	-	-	-	147,012	147,012	A3
Total Component Unit	80,288	305,360	63,504	77,221	151,237	2,462,250	3,139,860	
Total	\$ 8,098,134	\$ 12,757,083	\$ 2,494,028	\$ 2,814,066	\$ 5,611,101	\$ 58,692,819	\$ 90,467,231	

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

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

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

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

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

As a means of limiting its exposure to custodial credit risk (the risk that in the event of a financial institution failure, the County's investments would not be returned or the County will not be able to recover the value of its investments of collateral securities that are in possession of the outside party), 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, 2011 financial statements at www.investmentmt.com. The County's investment in STIP amounts to 2.13% of total STIP assets.

The external investment pool managed by the County is 63.55% invested in STIP, with 28,755,407 shares whose value of \$1 is equal to the fair value of the underlying investments. For the year ended June 30, 2011, STIP's average investment return was 0.4%.

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	\$	6,075
Cash in pooled bank deposits		31,256
Investments		
Repurchase agreements		5,357,384
Government securities		24,693,286
STIP		<u>52,449,332</u>
Total assets		<u>82,537,333</u>

Net Assets:

County funds		37,286,145
External participants		<u>45,251,188</u>
Total net assets	\$	<u>82,537,333</u>

Statement of Changes in Net Assets

Additions:

Interest Income	\$	316,506
Participant Investments in Pool		<u>428,091,277</u>
Total Additions		428,407,783

Deductions:

Distribution to Participants		<u>(425,662,821)</u>
Change in Net Assets		2,744,962

Net Assets

Beginning of year		<u>79,792,371</u>
End of year	\$	<u>82,537,333</u>

Note 3 - Loans and Notes Receivable

Loans and notes receivable at June 30, 2011 consist of:

<u>HUD - Missoula Children's Theatre</u>	
0%, \$24,500 due annually June 2003 through June 2017	\$ 122,500
<u>Rocky Mountain Biologicals, Inc.</u>	
5%, \$4,813 due monthly from November 2005 through October 2014	136,684
<u>Opportunity Resources, Inc.</u>	
0%, \$167 due monthly from May 2006 through April 2015	9,667
<u>Partnership Health Center</u>	
1%, \$2,640 due annually from July 2006 through July 2016	12,811
<u>North Missoula Community Development Corporation</u>	
3%, varying amounts due annually through May 2014	27,367
<u>Western Montana Mental Health Center</u>	
5%, \$9,719 due annually through November 2015	43,693
<u>AquilaVision</u>	
7%, \$10,383 due monthly, all principal and interest due July 1, 2008	148,900
<u>Missoula Aging Services</u>	
Variable interest and varying amounts due annually through February 15, 2016.	138,127
<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	847,482
<u>Pyramid Mountain Lumber</u>	
4%, due monthly in varying amounts from January 2013 through December 2020	370,000
<u>Pyramid Mountain Lumber</u>	
6%, \$1,564 due monthly from May 2008 thru February 2015	71,425

Note 3 - Loans and Notes Receivable (Continued)

<u>Seeley Lake Fire</u>	
4%, \$8,500 due semiannually from August 2009 through August 2024	91,431
<u>Pyramid Mountain Lumber</u>	
4%, \$914 due monthly from January 2013 through December 2020	75,000
<u>Cornerstone (Mission Mountain Helicopters)</u>	
6%, \$1,666 due monthly from April 2011 through March 2018	147,239
<u>Kelly Logging</u>	
4%, \$4,240 due monthly from July 2011 through June 2016	300,000
<u>Red Willow Learning Center</u>	
5%, \$580 due monthly from December 2011 through November 2016	30,875
<u>The Emergent Institute</u>	
5%, \$2,013 due monthly from July 2011 through June 2018	125,000
<u>Lolo Water and Sewer</u>	
Repayment deferred until system is sold	2,680
	<hr/>
Loans & Notes Receivable	\$ <u>2,868,557</u>

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows.

Primary Government	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 7,203,586	\$ -	\$ (5,850)	\$ 7,197,736
Construction in Progress	<u>21,334,320</u>	<u>5,355,342</u>	<u>(1,777,833)</u>	<u>24,911,829</u>
Total capital assets, not being depreciated	<u>28,537,906</u>	<u>5,355,342</u>	<u>(1,783,683)</u>	<u>32,109,565</u>
Capital assets, being depreciated:				
Buildings	39,006,965	464,407	-	39,471,372
Equipment	21,128,935	1,318,256	(177,555)	22,269,636
Infrastructure	<u>33,979,596</u>	<u>1,562,904</u>	<u>-</u>	<u>35,542,500</u>
Total capital assets, being depreciated	<u>94,115,496</u>	<u>3,345,567</u>	<u>(177,555)</u>	<u>97,283,508</u>
Less accumulated depreciation for:				
Buildings	12,832,143	840,867	-	13,673,010
Equipment	11,767,924	2,064,167	(169,463)	13,662,628
Infrastructure	<u>12,774,346</u>	<u>728,916</u>	<u>-</u>	<u>13,503,262</u>
Total accumulated depreciation	<u>37,374,413</u>	<u>3,633,950</u>	<u>(169,463)</u>	<u>40,838,900</u>
Total capital assets, being depreciated, net	<u>56,741,083</u>	<u>(288,383)</u>	<u>(8,092)</u>	<u>56,444,608</u>
Total capital assets	<u>\$ 85,278,989</u>	<u>\$ 5,066,959</u>	<u>\$ (1,791,775)</u>	<u>\$ 88,554,173</u>

The beginning balance of Primary Government buildings and equipment have been restated by an increase of \$250,755 and \$407,157, respectively, to include internal service capital assets. The beginning balance of Primary Government accumulated depreciation for buildings and equipment have been restated by an increase of \$78,158 and \$338,133, respectively, to include internal service capital assets. The beginning balance of Primary Government infrastructure has been restated by an increase of \$451,672 to reflect prior year additions to bridges.

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	1,617,511	573,437	(1,705,838)	485,110
Total capital assets, not being depreciated	<u>2,666,723</u>	<u>573,437</u>	<u>(1,705,838)</u>	<u>1,534,322</u>
Capital assets, being depreciated:				
Buildings and improvements	1,630,988	-	-	1,630,988
Improvements other than buildings	2,774,300	1,745,390	-	4,519,690
Equipment, furniture and fixtures	1,098,685	98,545	(67,192)	1,130,038
Total capital assets, being depreciated	<u>5,503,973</u>	<u>1,843,935</u>	<u>(67,192)</u>	<u>7,280,716</u>
Less accumulated depreciation for:				
Buildings and improvements	719,459	47,824	-	767,283
Improvements other than buildings	2,386,653	71,413	-	2,458,066
Equipment, furniture and fixtures	849,037	91,837	(67,192)	873,682
Total capital assets, being depreciated	<u>3,955,149</u>	<u>211,074</u>	<u>(67,192)</u>	<u>4,099,031</u>
Total capital assets, being depreciated, net	<u>1,548,824</u>	<u>1,632,861</u>	<u>-</u>	<u>3,181,685</u>
Total capital assets	<u>\$ 4,215,547</u>	<u>\$ 2,206,298</u>	<u>\$ (1,705,838)</u>	<u>\$ 4,716,007</u>

The beginning balance of Business-type construction in progress has been restated by an increase of \$148,223 to reflect prior year additions to prior year RSID improvements. The beginning balance of Business-type accumulated depreciation for other improvements and equipment has been restated by decreases of \$14,549 and \$222, respectively, to reflect prior year disposals.

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

Governmental activities:	
General Government	\$ 306,559
Criminal Justice	9,111
Public Safety	1,634,289
Public Works	1,482,484
Public Health	66,153
Social and Economic Services	6,534
Culture and Recreation	128,820
Total depreciation expense - governmental activities	<u>\$ 3,633,950</u>
Business-type activities:	
Larchmont Golf Course	\$ 118,821
RSIDs	92,253
Total depreciation expense - business-type activities	<u>\$ 211,074</u>

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

Activity for the Missoula Aging Services for the year ended June 30, 2011, 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	119,054	17,114	(8,878)	127,290
Total capital assets, being depreciated	2,014,576	17,114	(8,878)	2,022,812
Less accumulated depreciation	(463,169)	(67,484)	-	(530,653)
Total capital assets, being depreciated, net	1,551,407	(50,370)	(8,878)	1,492,159
Total capital assets	\$ 1,683,407	\$ (50,370)	\$ (8,878)	\$ 1,624,159

Activity for the Partnership Health Center for the year ended June 30, 2011, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Buildings	\$ 6,346,923	\$ 421,215	\$ -	\$ 6,768,138
Machinery and equipment	1,371,257	78,827	(91,192)	1,358,892
Total capital assets, being depreciated	7,718,180	500,042	(91,192)	8,127,030
Less accumulated depreciation	(1,794,797)	(315,562)	91,192	(2,019,167)
Total capital assets, being depreciated, net	\$ 5,923,383	\$ 184,480	\$ -	\$ 6,107,863

Note 5 - Long-Term Liabilities

At June 30, 2011, 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	\$ 2,840,000
\$13,770,000 Refunding General Obligation Bonds Series 2005 issued August 2005, 2.85% to 4.0%, due in varying amounts to July 2018	9,150,000
\$206,194 State Revolving Fund Loan, issued July 2000, 4%, due in varying amounts to July 2020	117,000
\$3,325,000 General Obligation Bonds Series 2010 issued September 2010, 2.0% to 3.125%, due in varying amounts to July 2028	3,325,000
Total general obligation bonds and loans	<u>15,432,000</u>

Limited Obligation Bonds and Notes

\$480,000 Partnership Health Center Limited Obligation Note, Series 1998 issued June 16, 1998, 4.1% to 5.5%, due in varying amounts to July 2018	250,000
\$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	1,850,000
\$1,000,000 Risk Management Bond, Series 2001 issued July 15, 2001, 3.10% to 4.5%, due in varying amounts to July 2011	120,000
\$995,000 Ice Rink Facility Bond, Series 2004 issued June 10, 2004, 3.75% to 5%, due in varying amounts to July 2024	780,000
\$800,000 Ice Rink Facility Bond, Series 2006 issued March 2006, 3.4% to 4.25%, due in varying amounts to July 2026	690,000
\$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	1,060,000
Total limited obligation bonds and notes	<u>4,750,000</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	3,520,000
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Note 5 - Long-Term Liabilities (Continued)

\$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	995,000
Total limited obligation bonds and notes	<u>4,515,000</u>

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	4,914,000
\$241,000 State Revolving Fund Loan for the Linda Vista Sewer project, issued June 1994, 4%, due in varying amounts to July 2014	29,000
\$1,943,000 State Revolving Fund Loan for the Linda Vista Sewer project, issued June 1994, 4%, due in varying amounts to July 2014	297,000
\$291,000 State Revolving Fund Loan for the Sunset West Water project, issued November 1998, 4%, due in varying amounts to July 2019	111,000
\$649,936 State Revolving Fund Loan for the Lolo Wastewater Improvements project, issued September 2002, 4%, due in varying amounts to July 2023	373,000
\$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	2,283,000
\$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	65,000
\$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	106,000
\$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	351,000
\$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	2,618,529
\$3,410,125 State Revolving Fund Loan for the Wye Sewer project, issued August 2008, 3.75%, due in varying amounts to July 2029	3,347,000
\$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	136,000

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

\$4,979 State Revolving Fund Loan for the Lewis & Clark Water project, issued September 2009, 0.75%, due in varying amounts to January 2012	4,979
\$165,000 State Revolving Fund Loan for the Lewis & Clark Water project, issued September 2009, 0.75%, due in varying amounts to July 2029	153,000
Variable rate (1.95% at 6/30/11) loan payable for the Williams Addition Area Sewer project, due in varying amounts through August 2025; repayment from the RSID 8497	70,570
Total special assessment bonds and loans	<u>14,859,078</u>

Notes & Contracts Payable

Variable rate (1.95% at 6/30/11) loan payable, due in varying amounts through August 2013; repayment from the Central Services fund	54,914
Variable rate (1.95% at 6/30/11) loan payable, due in varying amounts through August 2014; repayment from the Central Services fund	30,061
Variable rate (1.95% at 6/30/11) loan payable, due in varying amounts through August 2013; repayment from Road fund	551,671
Variable rate (1.95% at 6/30/11) loan payable, due in varying amounts through August 2014; repayment from Fair fund	60,431
Variable rate (1.95% at 6/30/11) loan payable, due in varying amounts through February 2016; repayment from Aging fund	138,127
Variable rate (1.95% at 6/30/11) loan payable, due in varying amounts through August 2013; repayment from the Historical Museum fund	399,332
Total notes and contracts payable	<u>1,234,536</u>
Subtotal	<u>40,790,614</u>

Note 5 - Long-Term Liabilities (Continued)

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

Post employment benefits	160,659
Accrued vacation benefits	1,981,099
Accrued compensatory time benefits	274,092
Accrued holiday benefits	116,864
Accrued sick benefits	930,721
Fringe on accrued leave liability	<u>615,306</u>
Total accrued leave	<u>3,918,082</u>
Total Long-Term Liabilities	<u>\$ 44,869,355</u>

An analysis of the changes in bonds, notes, leases and contracts payable for the primary government during the year ended June 30, 2011, 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	\$ 13,372,000	\$ 3,325,000	\$ (1,265,000)	\$ 15,432,000	\$ 1,330,000
Limited Obligation Note	3,965,000	1,060,000	(275,000)	4,750,000	335,000
Tax Increment	4,915,000	-	(400,000)	4,515,000	420,000
Special Assessment Bonds Payable	5,054,000	-	(140,000)	4,914,000	329,000
Special Assessment Loans Payable	10,213,731	165,202	(433,855)	9,945,078	705,839
Contracts Payable	1,575,916	-	(341,380)	1,234,536	317,009
Post Employment Benefits	192,766	142,515	(174,622)	160,659	-
Liability for Sick and Vacation	<u>3,932,545</u>	<u>3,447,052</u>	<u>(3,461,515)</u>	<u>3,918,082</u>	<u>3,052,614</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 43,220,958</u>	<u>\$ 8,139,769</u>	<u>\$ (6,491,372)</u>	<u>\$ 44,869,355</u>	<u>\$ 6,489,462</u>

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, 2011, 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
2012	\$ 305,000	\$ 98,425	\$ 1,000,000	\$ 324,894	\$ 10,000	\$ 4,580	\$ 15,000	\$ 92,944	\$ 1,330,000	\$ 520,843
2013	320,000	86,706	1,040,000	289,819	10,000	4,180	75,000	92,044	1,445,000	472,749
2014	330,000	74,519	1,075,000	252,134	12,000	3,760	175,000	89,544	1,592,000	419,957
2015	350,000	61,987	1,115,000	211,744	12,000	3,280	45,000	87,344	1,522,000	364,355
2016	360,000	49,119	1,155,000	169,181	12,000	2,900	50,000	86,394	1,577,000	307,594
2017-2021	1,175,000	64,978	3,765,000	226,794	61,000	6,240	630,000	401,631	5,631,000	699,643
2022-2026	-	-	-	-	-	-	1,360,000	250,675	1,360,000	250,675
2027-2031	-	-	-	-	-	-	975,000	46,447	975,000	46,447
	<u>2,840,000</u>	<u>\$ 435,734</u>	<u>9,150,000</u>	<u>\$ 1,474,566</u>	<u>117,000</u>	<u>\$ 24,940</u>	<u>3,325,000</u>	<u>\$ 1,147,023</u>	<u>15,432,000</u>	<u>\$ 3,082,263</u>
Less current portion	<u>(305,000)</u>		<u>(1,000,000)</u>		<u>(10,000)</u>		<u>(15,000)</u>		<u>(1,330,000)</u>	
	<u>\$ 2,535,000</u>		<u>\$ 8,150,000</u>		<u>\$ 107,000</u>		<u>\$ 3,310,000</u>		<u>\$ 14,102,000</u>	

Governmental Activities (Continued)										
Fiscal Year Ending June 30	PHC Ltd Oblig Principal	PHC Ltd Oblig Interest	2008 PHC Ltd Oblig Principal	2008 PHC Ltd Oblig Interest	Risk Management Principal	Risk Management Interest	Ice Rink 2004 Principal	Ice Rink 2004 Interest	Ice Rink 2006 Principal	Ice Rink 2006 Interest
2012	\$ 25,000	\$ 12,723	\$ 70,000	\$ 85,943	\$ 120,000	\$ 2,700	\$ 40,000	\$ 35,445	\$ 30,000	\$ 27,645
2013	25,000	11,435	70,000	83,143	-	-	45,000	33,785	35,000	26,415
2014	30,000	9,997	75,000	80,343	-	-	45,000	31,940	35,000	25,050
2015	30,000	8,415	80,000	77,343	-	-	45,000	30,028	35,000	23,685
2016	30,000	6,818	80,000	74,143	-	-	50,000	27,947	35,000	22,320
2017-2021	110,000	9,332	470,000	314,300	-	-	280,000	102,890	210,000	87,638
2022-2026	-	-	580,000	194,575	-	-	275,000	28,343	255,000	39,810
2027-2031	-	-	425,000	43,250	-	-	-	-	55,000	1,169
	<u>250,000</u>	<u>\$ 58,720</u>	<u>1,850,000</u>	<u>\$ 953,040</u>	<u>120,000</u>	<u>\$ 2,700</u>	<u>780,000</u>	<u>\$ 290,378</u>	<u>690,000</u>	<u>\$ 253,732</u>
Less current portion	<u>(25,000)</u>		<u>(70,000)</u>		<u>(120,000)</u>		<u>(40,000)</u>		<u>(30,000)</u>	
	<u>\$ 225,000</u>		<u>\$ 1,780,000</u>		<u>\$ -</u>		<u>\$ 740,000</u>		<u>\$ 660,000</u>	

Note 5 - Long-Term Liabilities (Continued)

Governmental Activities (Continued)

Fiscal Year Ending June 30	Larchmont Ltd Oblig Principal	Larchmont Ltd Oblig Interest	Industrial Increment Principal	Industrial Increment Interest	Technology Increment Principal	Technology Increment Interest	Special Assess Bonds Principal	Special Assess Bonds Interest	Special Assess Loans Principal	Special Assess Loans Interest
2012	\$ 50,000	\$ 33,113	\$ 380,000	\$ 133,200	\$ 40,000	\$ 59,669	\$ 329,000	\$ 223,175	\$ 705,839	\$ 393,624
2013	40,000	32,213	395,000	117,700	40,000	57,419	255,000	208,716	647,860	368,908
2014	40,000	31,413	410,000	101,600	45,000	54,972	270,000	197,824	662,860	344,944
2015	45,000	30,563	435,000	84,700	45,000	52,328	270,000	186,258	632,860	320,360
2016	45,000	29,663	450,000	67,000	50,000	49,537	285,000	174,147	589,860	298,097
2017-2021	235,000	133,331	1,450,000	88,400	285,000	199,891	1,295,000	707,922	3,074,300	1,160,801
2022-2026	275,000	93,075	-	-	395,000	95,734	1,325,000	408,403	2,669,499	598,866
2027-2031	330,000	34,000	-	-	95,000	3,028	885,000	92,588	962,000	68,371
	<u>1,060,000</u>	<u>\$ 417,371</u>	<u>3,520,000</u>	<u>\$ 592,600</u>	<u>995,000</u>	<u>\$ 572,578</u>	<u>4,914,000</u>	<u>\$ 2,199,033</u>	<u>9,945,078</u>	<u>\$ 3,553,971</u>
Less current portion	(50,000)		(380,000)		(40,000)		(329,000)		(705,839)	
	<u>\$ 1,010,000</u>		<u>\$ 3,140,000</u>		<u>\$ 955,000</u>		<u>\$ 4,585,000</u>		<u>\$ 9,239,239</u>	

Governmental Activities (Continued)

Fiscal Year Ending June 30	Notes & Contracts Principal	Notes & Contracts Interest	Total Governmental Principal	Total Governmental Interest
2012	\$ 317,009	\$ 22,309	\$ 3,436,848	\$ 1,550,389
2013	327,189	19,527	3,325,049	1,432,010
2014	203,598	11,751	3,408,458	1,309,791
2015	65,560	9,169	3,205,420	1,187,204
2016	57,712	6,937	3,249,572	1,064,203
2017-2021	149,706	19,963	13,190,006	3,524,111
2022-2026	113,762	5,113	7,248,261	1,714,594
2027-2031	-	-	3,727,000	288,853
	<u>1,234,536</u>	<u>\$ 94,769</u>	<u>40,790,614</u>	<u>\$ 12,071,155</u>
Less current portion	(317,009)		(3,436,848)	
	<u>\$ 917,527</u>		<u>\$ 37,353,766</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, 2011, 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 saving of \$3,072,229. 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 July 2001, the County issued \$1,000,000 in Series 2001 General Fund Bonds. The net proceeds of \$987,000 were transferred to the Risk Management fund to increase self insurance reserves. These bonds will be repaid from General Fund levy authority. In June 2004, the County issued \$995,000 in Series 2004 Limited Obligation General Fund Bonds. The net proceeds of \$981,113 were recorded in the Fair Ice Rink Capital Projects fund. These bonds will be repaid from revenues generated from leasing the Ice Rink facility.

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.

Note 5 - Long-Term Liabilities (Continued)

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.

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.

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, 2011, 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, 2011 was \$83,087.

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, 2011 was \$631,000.

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, 2011 was \$450,000.

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, 2011 was \$1,100,000.

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, 2011 was \$3,800,530.

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 refinanced balance was \$4,097,500.

Note 5 - Long-Term Liabilities (Continued)

Legal Debt Margin - The County's legal debt limitation is 2.5% of total assessed value of taxable property. As of June 30, 2011 the debt margin was \$180,357,697.

Note 6 - Commitments and Contingencies

Commitments - At June 30, 2011, the County was committed to spend approximately \$3,067,000 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, 2011, taxes remaining under protest totaled \$3,767,838.

Rural Special Improvement Districts (RSIDs) - As of June 30, 2011, delinquent assessments on RSIDs were \$316,241. 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, 2011, 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>
2012	\$ 483,835	\$ 143,703
2013	346,636	149,384
2014	331,621	146,402
2015	330,568	134,864
2016	331,153	135,268
Later	<u>2,229,234</u>	<u>1,334,848</u>
Total	\$ <u>4,053,047</u>	\$ <u>2,044,469</u>

Operating lease expenditures for 2011 were \$454,069.

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

Note 6 - Commitments and Contingencies (Continued)

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 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 \$1,006,233 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 \$511 to \$874 depending on the type of coverage. Employee contributions were up to \$479 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 \$377 to \$1,349, depending on the type of coverage. County contributions to the plan for the year ended June 30, 2011 were \$4,851,132 (representing 16.6% of covered payroll), current employee contributions were \$1,415,820 and retiree contributions were \$591,401. Contributions from the ten other agencies participating in the plan were \$1,725,731.

Note 7 - Risk Management (Continued)

Covered Participants - As of June 30, 2011, the Plan covered the following participants:

	Missoula County	Other Employers
Current employees and their beneficiaries	1,065	346
Retirees and their beneficiaries	124	16
	<u>1,189</u>	<u>362</u>

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 assets 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.

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, 2011 were \$1,004,453. Asserted workers' compensation claims at June 30, 2011 totaled \$661,251.

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.

Note 7 - Risk Management (Continued)

Changes in the funds' claims liability for 2010 and 2011 are as follows:

	Risk Management	Health Insurance	Workers' Compensation
Estimated Claims Liability, June 30, 2009	\$ 772,272	\$ 659,315	\$ 2,371,811
Incurred for Claims and Claims Adjustment Expenses:			
Provisions for claims incurred in Fiscal Year 2010	366,386	6,621,168	779,555
Increase (decrease) in provisions for claims incurred in prior years	8,240	(10,025)	34,641
Total incurred claims and claims adjustment expenses	374,626	6,611,143	814,196
Payments:			
Claims and claims adjustments paid in Fiscal Year 2010	160,263	6,157,873	216,228
Claims and claims adjustments paid for prior years	320,852	609,717	403,931
Total payments, Fiscal Year 2010	481,115	6,767,590	620,159
Estimated Claims liability, June 30, 2010	665,783	502,868	2,565,848
Incurred for Claims and Claims Adjustment Expenses:			
Provisions for claims of the current year	467,095	6,670,333	804,944
Increase (decrease) in provisions for claims incurred in prior years	246,473	(16,519)	(233,680)
Total incurred claims and claims adjustment expenses	713,568	6,653,814	571,264
Payments:			
Claims and claims adjustments paid in Fiscal Year 2011	157,115	6,200,105	209,271
Claims and claims adjustments paid for prior years	216,003	487,286	333,590
Total payments	373,118	6,687,391	542,861
Estimated Claims liability, June 30, 2011	\$ 1,006,233	\$ 469,291	\$ 2,594,251

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:

Note 8 - Retirement Plans (Continued)

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

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

Sheriffs' Retirement System and
Public Employees' Retirement System

1712 Ninth Avenue
Helena, Montana 59620-0131
(406) 444-3154

Teachers' Retirement System

1500 Sixth Avenue
Helena, Montana 59620-0139
(406) 444-3134

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, 2011, 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	6.900%	7.070%	0.100%

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

	<u>MSRS</u>	<u>MTRS</u>	<u>MPERS</u>
2011	\$ 610,963	\$ 5,204	\$ 1,792,170
2010	781,248	5,507	1,719,007
2009	542,468	5,490	1,641,913

On behalf payments made by the State of Montana totaled \$77 and \$25,842 for MTRS and MPERS respectively. The State contributions are not recorded by the County.

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, 2011 was \$5,829,431.

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 ten 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, 2010 are shown below.

Retiree Contributions as of July 1, 2010:

<u>Level of Coverage</u>	<u>Single</u>	<u>Employee/ Spouse</u>	<u>Employee/ Child</u>	<u>Family</u>
Medical Standard Plan	\$ 468.00	\$ 877.00	\$ 784.00	\$ 1,193.00
Medical High Deductible Plan	327.60	613.90	548.80	835.10
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, 2010, the County's annual other post-employment benefit cost was \$159,849 for the fiscal year ended June 30, 2011. This cost consisted of the annual required contribution of \$156,479, interest on the net OPEB obligation of \$10,496, and an adjustment to the ARC of \$7,126. There were contributions of \$170,952 made in 2011, which was 107% of the annual cost.

Note 9 - Other Post-employment Benefits (Continued)

	Fiscal Year Ending	
	June 30, 2011	June 30, 2010
Beginning OPEB Obligation	\$ 213,770	\$ -
Annual OPEB Cost	159,849	350,448
Annual OPEB Contributions	<u>(170,952)</u>	<u>(136,678)</u>
Ending OPEB Obligation	<u>202,667</u>	<u>213,770</u>
Percentage of cost contributed	107%	39%

As of June 30, 2010, the most recent actuarial valuation date, the plan had an unfunded accrued actuarial liability of \$1,400,375. 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 \$29,250,765 for 2011; the unfunded actuarial liability was 4.8% 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	Component Units	
	Activities	Partnership Health Center	Total
Annual OPEB Cost	\$ 120,269	\$ 39,580	\$ 159,849
Annual OPEB Contributions	152,376	18,576	170,952
Net OPEB Obligation	160,659	42,008	202,667
Unfunded Actuarial Liability	1,248,208	152,167	1,400,375

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. 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, 2010 the projected unit credit actuarial cost method was used. The health care trend rate was 12% for 2011 decreasing to 5% for 2016 and after. The assumed discount rate was 4.91%. The unfunded actuarial liability was amortized on a level-dollar basis over a closed period of 30 years.

Note 10 - Governmental Fund Balances

At June 30, 2011, the County had a total fund balance in governmental funds of \$34,057,765. In accordance with GASB Statement No. 54, this fund balance has been classified as follows:

General Fund	<u>Balance</u>	<u>Description</u>
Nonspendable	\$ 63,911	Inventories
Restricted	55,952	Estate funds held by County Attorney office
Unassigned	2,264,689	Remainder
Public Safety		
Restricted	1,596,051	State and Federal law
Committed	553,352	Commissary
RSID Debt Service		
Restricted	1,031,926	Debt service
RSID Capital Projects		
Restricted	896,858	Special improvement district projects
Nonmajor Governmental Funds		
Nonspendable	911,287	Inventories
Restricted	12,386,640	Federal, State, and other grant and legal commitments
Committed	8,105,382	Commissioner resolution for specific programs and projects
Assigned	7,303,069	Intent established in budgeting process or by express assignment
Unassigned	(1,111,352)	Negative fund balance is Unassigned per GASB Statement No. 54 definitions

Note 11 - Deficit Fund Balances and Excess of Expenditures over Appropriations

Deficit fund balances - At June 30, 2011, the following funds had a deficit fund balance resulting from expenditures/expenses in excess of revenues during 2011 and prior years:

Nonmajor Governmental Funds	
Special Revenue Funds	
Fair	\$ 144,347
Library	184,806
Building Code Division	20,620
Debt Service Funds	
Fair Ice Rink Series 2004	99,943
Fair Ice Rink Series 2006	42,401
Open Space Bonds	192,473
Capital Projects Funds	
Milltown Development Projects	12,044
Grant Creek Project	406,729
Fair Ice Rink Project	20,691

The Library deficit will be eliminated through delinquent tax collections over the next few years. The deficits in the Fair, Fair Ice Rink Debt Service, Open Space Debt Service, Building Code Division, Grant Creek Project and Milltown Development Projects funds are expected to be eliminated through future income. The deficit in the Fair Ice Rink Project will be eliminated through collections on a note receivable.

Expenditures in excess of appropriations - The following funds had an excess of actual expenditures/expenses over budget, at the level of budgetary control, for the year ended June 30, 2011:

Governmental Activities	
Major Funds	
General Fund	
County Attorney	
Personnel	\$ 54,185
Transfers Out	400
Financial Services	
Personnel	18,169
Facilities Management	
Transfers Out	1,494
Office of Emergency Services	
Operations	585

Note 11 - Deficit Fund Balances and Excess of Expenditures over Appropriations (Continued)

9-1-1 Communications	
Personnel	159,246
Transfers Out	351
Human Resources	
Transfers Out	400
Non-Departmental Operations	42,252
Public Safety	
Personnel	14,122
Operations	364,006
Capital Outlay	124,719
Nonmajor Governmental Funds	
Special Revenue Funds	
Fair	
Personnel	21,520
Operations	152,335
Transfers Out	300
District Court	
Transfers Out	22,655
Weed Grant	
Transfers Out	83,716
Parks	
Personnel	3,951
Library	
Personnel	23,098
Rural Initiatives	
Transfers Out	160
Building Code Division	
Personnel	491
Debt Principal	7,062
Debt Interest	138
Health	
Transfers Out	3,347

Note 11 - Deficit Fund Balances/Retained Earnings and Excess of Expenditures over Appropriations (Continued)

Missoula Development Authority	
Transfers Out	1,726,362
Drug Forfeiture	
Personnel	11,835
Search & Rescue	
Operations	118
Capital Outlay	3,413
Junk Vehicle	
Personnel	1,603
RSID Administration	
Personnel	6,738
Operations	84,396
Permissive Medical Levy	
Transfers Out	3,806
Seeley Lake Refuse	
Personnel	11,416
Debt Service Funds	
Larchmont Bonds	
Debt Interest	9,183
Capital Projects Funds	
Capital Improvements	
Debt Interest	227
Technology	
Transfers Out	883,219
Milltown Development Projects	
Capital Outlay	2,089
Grant Creek Project	
Capital Outlay	48,626
Open Space	
Operations	15,625

Note 11 - Deficit Fund Balances/Retained Earnings and Excess of Expenditures over Appropriations (Continued)

Business-type Activities	
Internal Service Funds	
Risk Management	
Personnel	473
Other Benefits Programs	
Operations	34,001

Personnel over-expenditures in County Attorney, Financial Services, 9-1-1 Communications, Public Safety, and Library were due to high over-time wages combined with retirement of long-time personnel. Personnel over-expenditures in Fair, Parks, Building Code Division, Drug Forfeiture, Junk Vehicle, RSID Administration, Seeley Lake Refuse, and Risk Management were due to more hours worked than budgeted. Over-expenditures in County Attorney, Facilities management, 9-1-1 Communications, Human Resources, Fair, District Court, Rural Initiatives, and Health Transfers were due to equipment purchase reimbursements to the Technology fund that should have been budgeted as transfers. Over-expenditures in Weed Grant Transfers were due to the funds being budgeted in Operations. Over-expenditures in Office of Emergency Services, Non-Departmental, Fair, Search and Rescue Operations and Public Safety, Search and Rescue, Milltown Development Projects, and Grant Creek Project capital outlay were due to unexpected expenditures. Over-expenditures in debt service principal and/or interest in Building Code Division and Capital Improvements due to larger debt payments than anticipated. Over-expenditures in Larchmont Bond debt interest and Open Space operations was due to bond costs whose timing was uncertain during the budgeting process. Over-expenditures in Permissive Medical Levy transfers out were due to disbursement of tax revenues from prior years. Over-expenditures in Technology transfers out were due to establishment of the Information Services Operations internal service fund.

Over-expenditures in the remaining funds represent expenditures approved by the Commissioners, but for which no transfer form or amendment was formally completed.

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	Nonmajor Governmental	Internal Service
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - GAAP Basis	\$ 131,384	\$ (656,577)	\$ 404,028	\$ 280,725
Cash & Investments - 6/30/10	1,075,483	(285)	(3,550)	10,357
Cash & Investments - 6/30/11	(1,453,987)	(40,803)	(541,282)	-
Accounts Receivable - 6/30/10	59,634	521,358	1,340,470	379,545
Accounts Receivable - 6/30/11	(111,786)	(424,006)	(2,447,756)	(411,208)
Advances to Other Funds - 6/30/11	-	-	(1,017,537)	-
Accounts Payable - 6/30/10	(135,222)	(183,017)	(1,020,662)	(22,479)
Accounts Payable - 6/30/11	199,438	286,028	2,358,900	17,018
Claims Payable - 6/30/10	-	-	-	(3,667,518)
Claims Payable - 6/30/11	-	-	-	4,069,775
Accrued Payroll - 6/30/10	(491,092)	(524,120)	(709,753)	(18,148)
Accrued Payroll - 6/30/11	493,350	624,531	843,193	67,013
Prepaid Cost - 6/30/10	-	-	-	89,166
Prepaid Cost - 6/30/11	-	-	-	(92,843)
Accrued Interest - 6/30/10	-	-	(493,938)	-
Accrued Interest - 6/30/11	-	-	554,453	-
Deferred Tax Revenue	-	-	-	(59,840)
Other Deferred Revenue - 6/30/10	-	-	-	(27,013)
Other Deferred Revenue - 6/30/11	-	-	-	31,178
Depreciation	-	-	-	17,702
Non-budgeted Funds:				
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	-	(1,266,969)	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - Budget Basis	<u>\$ (232,798)</u>	<u>\$ (396,891)</u>	<u>\$ (2,000,403)</u>	<u>\$ 663,430</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 2011 follows:

General Fund to:	
Public Safety	\$ 390,211
Nonmajor Governmental Funds (Technology, Animal Control, Fair, Community Based Organizations, Planning, Rural Initiatives)	1,745,709
Public Safety Fund to:	
Nonmajor Governmental Funds (Drug Forfeiture, Planning, Technology)	312,593
Internal Service (Risk Management)	201,145
Nonmajor Governmental Funds to:	
General Fund	431,921
Public Safety Fund	336,470
Nonmajor Governmental Funds (Road, Bridge, Weed, Fair, District Court, Parks, Planning, Library, Rural Initiatives, Urban Initiatives, Health, Water Quality District, Animal Control, Extension, Museum, Weed Grant, Fair Ice Rink 2004, Fair Ice Rink 2006, Technology Tax Increment Debt Service, Weed Building Reserve, GLR Building Reserve, Capital Improvement, Technology)	6,094,433
Internal Service (Risk Management, Health Insurance, IS Operations)	876,992
Internal Service Funds to:	
Nonmajor Governmental Funds (Technology)	6,800
Internal Service (Excess Loss)	30,000
Internal Service (Wellness Program)	60,000
Larchmont Golf Course Fund to:	
General Fund	8,451
Nonmajor Governmental Funds (Capital Improvement)	79,539
Nonmajor Enterprise Fund to:	
Nonmajor Governmental Funds (RSID Administration, Parks)	19,541
Total Transfers In/Out	<u>\$ 10,593,805</u>

Note 13 - Interfund Transactions (Continued)

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, 2011 consist of the following:

General Fund - Cash flow advances to:	
Nonmajor Governmental Funds (Fair, Planning, Fair Ice Rink Series 2004, Fair Ice Rink Series 2006, Fair Ice Rink Project)	\$ 298,190
Public Safety - Cash flow advances to:	
Nonmajor Governmental Funds (Jail Bonds)	180,401
Nonmajor Governmental Funds - Cash flow advances to:	
Nonmajor Governmental Funds (Planning, Animal Control, Open Space Bonds, Grant Creek Project, Milltown Development Projects)	1,352,378
Internal Service Funds - Cash flow advances to:	
Nonmajor Governmental Funds (Risk Management Bonds)	66,805
Enterprise Funds - Cash flow advances to:	
Nonmajor Governmental Funds (Larchmont LTGO)	68,727
Total Due from Other Funds	<u>\$ 1,966,501</u>

Interfund Advances - advances receivable at June 30, 2011 include the following:

Nonmajor Governmental Funds - Advances to:	
Enterprise Funds (Larchmont)	1,060,000
Total Advances to Other Funds	<u>\$ 1,060,000</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)	\$ 2,005,000
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Advance from Nonmajor Governmental Funds (Health Center Building)	578,578
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Transactions with Primary Government

Interest payment to Nonmajor Governmental Funds (Health Center Bonds)	\$ 112,360
---	------------

Health insurance premiums paid to Internal Service Funds	510,557
--	---------

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)	629,682
--	---------

Community Based Organizations Loan from Nonmajor Governmental Fund (Aging Fund) (Variable interest, semi-annual payments of \$14,671 through August 2015)	138,127
--	---------

Note 15 - Reclassifications

During 2011, the following reclassifications occurred:

\$253,957 from Public Safety to Public Safety Capital Reserve.

\$421,647 from Jail Commissary to Public Safety

\$139,678 from RSID Capital Projects to RSID Debt Service.

\$783,025 from 901 Sewer-Water to RSID Enterprise.

\$70 from IACP School to General Fund.

\$206 from Art Museum to General Fund.

\$269 from Judgment Levy to Other Special Revenue.

\$337,017 from Transportation Mitigation Trust to Road Escrow.

\$3,299 from Miller Creek Trust to Road Escrow.

\$23,300 from Subdivision Improvement Bonds to Road Escrow.

Note 16 - Restatements

Beginning governmental activities net assets in the government-wide financial statements were restated by \$810,103. Net assets were increased by \$693,293 for restatement of beginning capital assets and \$121,546 for restatement of beginning debt issuance costs and decreased by \$4,736 for restatement of beginning Internal Service fund balance.

Beginning business-type activities net assets in the government-wide financial statements were restated by \$162,994 for restatement of beginning capital assets.

REQUIRED SUPPLEMENTAL INFORMATION

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, 2011

	Governmental	Component Units	
	Activities	Partnership Health Center	Total
<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	26,556,668	2,694,097	29,250,765
Unfunded Actuarial Liability to Covered Payroll	5%	5%	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	26,556,668	2,694,097	29,250,765
Unfunded Actuarial Liability to Covered Payroll	12%	13%	12%

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REQUIRED SUPPLEMENTAL INFORMATION

GENERAL FUND – Budget and Actual

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

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

Justice 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

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, 2011
(Page 1 of 8)

	Commissioners				Justice Court One			
	<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	-	-	-	-	-	-	722	722
Fines & Forfeitures	-	-	-	-	307,500	307,500	292,947	(14,553)
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	497	497
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>307,500</u>	<u>307,500</u>	<u>294,166</u>	<u>(13,334)</u>
Expenditures:								
Current Operations:								
Personnel	566,243	567,804	566,912	892	338,981	338,981	327,288	11,693
Operations	22,555	23,782	19,703	4,079	28,439	28,439	23,896	4,543
Capital Outlay	-	-	-	-	2,000	2,000	-	2,000
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>588,798</u>	<u>591,586</u>	<u>586,615</u>	<u>4,971</u>	<u>369,420</u>	<u>369,420</u>	<u>351,184</u>	<u>18,236</u>
Excess of Revenues over (under) Expenditures	(588,798)	(591,586)	(586,615)	4,971	(61,920)	(61,920)	(57,018)	4,902
Other Financing Sources (Uses):								
Transfers In	12,000	12,000	12,000	-	-	-	-	-
Transfers Out	-	-	-	-	(500)	(500)	-	500
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (576,798)</u>	<u>\$ (579,586)</u>	<u>\$ (574,615)</u>	<u>\$ 4,971</u>	<u>\$ (62,420)</u>	<u>\$ (62,420)</u>	<u>\$ (57,018)</u>	<u>\$ 5,402</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
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	Justice Court Two				Attorney			
	<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	-	-	-	-	93,000	93,000	67,132	(25,868)
Charges for Services	-	-	731	731	170,580	170,580	158,107	(12,473)
Fines & Forfeitures	307,500	307,500	250,567	(56,933)	100,650	100,650	98,599	(2,051)
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	475	475	-	-	54	54
Total Revenues	<u>307,500</u>	<u>307,500</u>	<u>251,773</u>	<u>(55,727)</u>	<u>364,230</u>	<u>364,230</u>	<u>323,892</u>	<u>(40,338)</u>
Expenditures:								
Current Operations:								
Personnel	362,286	362,286	341,380	20,906	2,067,696	2,067,696	2,121,881	(54,185)
Operations	28,439	28,439	28,415	24	73,504	73,504	56,558	16,946
Capital Outlay	2,000	2,000	-	2,000	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>392,725</u>	<u>392,725</u>	<u>369,795</u>	<u>22,930</u>	<u>2,141,200</u>	<u>2,141,200</u>	<u>2,178,439</u>	<u>(37,239)</u>
Excess of Revenues over (under) Expenditures	(85,225)	(85,225)	(118,022)	(32,797)	(1,776,970)	(1,776,970)	(1,854,547)	(77,577)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	67,279	67,279	118,434	51,155
Transfers Out	(500)	(500)	-	500	(9,925)	(9,925)	(10,325)	(400)
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (85,725)</u>	<u>\$ (85,725)</u>	<u>\$ (118,022)</u>	<u>\$ (32,297)</u>	<u>\$ (1,719,616)</u>	<u>\$ (1,719,616)</u>	<u>\$ (1,746,438)</u>	<u>\$ (26,822)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Budget and Actual
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	Financial Services				Clerk & Recorder/Treasurer			
	<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	-	-	-	-	29,100	29,100	26,850	(2,250)
Intergovernmental Revenue	-	-	-	-	60,000	60,000	48,000	(12,000)
Charges for Services	97,500	97,500	115,726	18,226	912,000	912,000	842,025	(69,975)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	317	317
Total Revenues	<u>97,500</u>	<u>97,500</u>	<u>115,726</u>	<u>18,226</u>	<u>1,001,100</u>	<u>1,001,100</u>	<u>917,192</u>	<u>(83,908)</u>
Expenditures:								
Current Operations:								
Personnel	632,779	632,779	650,948	(18,169)	1,531,579	1,538,046	1,513,653	24,393
Operations	177,621	177,621	174,577	3,044	614,764	614,764	411,281	203,483
Capital Outlay	-	-	-	-	5,000	5,000	-	5,000
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>810,400</u>	<u>810,400</u>	<u>825,525</u>	<u>(15,125)</u>	<u>2,151,343</u>	<u>2,157,810</u>	<u>1,924,934</u>	<u>232,876</u>
Excess of Revenues over (under) Expenditures	(712,900)	(712,900)	(709,799)	3,101	(1,150,243)	(1,156,710)	(1,007,742)	148,968
Other Financing Sources (Uses):								
Transfers In	8,500	8,500	8,500	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	1,010	1,010	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (704,400)</u>	<u>\$ (704,400)</u>	<u>\$ (700,289)</u>	<u>\$ 4,111</u>	<u>\$ (1,150,243)</u>	<u>\$ (1,156,710)</u>	<u>\$ (1,007,742)</u>	<u>\$ 148,968</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, 2011
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	Auditor				Facilities Management			
	<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	-	-	-	-	529,355	529,355	536,234	6,879
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>529,355</u>	<u>529,355</u>	<u>536,234</u>	<u>6,879</u>
Expenditures:								
Current Operations:								
Personnel	211,492	211,492	207,338	4,154	715,613	715,613	708,998	6,615
Operations	47,860	54,740	54,441	299	902,378	902,378	856,549	45,829
Capital Outlay	-	-	-	-	7,500	7,500	170	7,330
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>259,352</u>	<u>266,232</u>	<u>261,779</u>	<u>4,453</u>	<u>1,625,491</u>	<u>1,625,491</u>	<u>1,565,717</u>	<u>59,774</u>
Excess of Revenues over (under) Expenditures	(259,352)	(266,232)	(261,779)	4,453	(1,096,136)	(1,096,136)	(1,029,483)	66,653
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	(1,494)	(1,494)
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (259,352)</u>	<u>\$ (266,232)</u>	<u>\$ (261,779)</u>	<u>\$ 4,453</u>	<u>\$ (1,096,136)</u>	<u>\$ (1,096,136)</u>	<u>\$ (1,030,977)</u>	<u>\$ 65,159</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, 2011
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	Office of Emergency Services				9-1-1 Communications			
	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	1,286,583	1,286,583	399,193	(887,390)	746,266	791,113	707,072	(84,041)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	21,210	21,210	-	-	-	175	175
Total Revenues	<u>1,286,583</u>	<u>1,307,793</u>	<u>420,403</u>	<u>(887,390)</u>	<u>746,266</u>	<u>791,113</u>	<u>707,247</u>	<u>(83,866)</u>
Expenditures:								
Current Operations:								
Personnel	152,360	152,360	105,890	46,470	1,670,658	1,671,438	1,830,684	(159,246)
Operations	73,642	73,642	74,227	(585)	401,436	407,436	398,241	9,195
Capital Outlay	1,167,571	1,188,804	365,862	822,942	112,000	150,068	90,293	59,775
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,393,573</u>	<u>1,414,806</u>	<u>545,979</u>	<u>868,827</u>	<u>2,184,094</u>	<u>2,228,942</u>	<u>2,319,218</u>	<u>(90,276)</u>
Excess of Revenues over (under) Expenditures	(106,990)	(107,013)	(125,576)	(18,563)	(1,437,828)	(1,437,829)	(1,611,971)	(174,142)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	(351)	(351)
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (106,990)</u>	<u>\$ (107,013)</u>	<u>\$ (125,576)</u>	<u>\$ (18,563)</u>	<u>\$ (1,437,828)</u>	<u>\$ (1,437,829)</u>	<u>\$ (1,612,322)</u>	<u>\$ (174,493)</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, 2011
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	Human Resources				Central Services			
	<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	-	-	-	-	434,371	437,822	352,129	(85,693)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>434,371</u>	<u>437,822</u>	<u>352,129</u>	<u>(85,693)</u>
Expenditures:								
Current Operations:								
Personnel	387,234	387,234	384,405	2,829	-	-	-	-
Operations	143,359	143,359	114,583	28,776	357,046	357,046	254,080	102,966
Capital Outlay	-	-	-	-	122,000	122,000	101,059	20,941
Debt Service								
Principal	-	-	-	-	71,186	71,186	62,767	8,419
Interest	-	-	-	-	3,814	3,814	2,898	916
Total Expenditures	<u>530,593</u>	<u>530,593</u>	<u>498,988</u>	<u>31,605</u>	<u>554,046</u>	<u>554,046</u>	<u>420,804</u>	<u>133,242</u>
Excess of Revenues over (under) Expenditures	(530,593)	(530,593)	(498,988)	31,605	(119,675)	(116,224)	(68,675)	47,549
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	(400)	(400)	-	-	-	-
Issuance of Debt	-	-	-	-	122,000	122,000	-	(122,000)
Sale of Capital Assets	-	-	-	-	-	-	11,390	11,390
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (530,593)</u>	<u>\$ (530,593)</u>	<u>\$ (499,388)</u>	<u>\$ 31,205</u>	<u>\$ 2,325</u>	<u>\$ 5,776</u>	<u>\$ (57,285)</u>	<u>\$ (63,061)</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, 2011
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	Superintendent of Schools				Surveyor			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	54,000	54,000	64,775	10,775
Charges for Services	3,300	3,300	3,300	-	26,000	26,000	23,335	(2,665)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>3,300</u>	<u>3,300</u>	<u>3,300</u>	<u>-</u>	<u>80,000</u>	<u>80,000</u>	<u>88,110</u>	<u>8,110</u>
Expenditures:								
Current Operations:								
Personnel	137,508	139,201	131,298	7,903	563,388	550,889	540,336	10,553
Operations	18,336	18,336	17,948	388	33,800	34,682	22,163	12,519
Capital Outlay	-	-	-	-	13,000	25,499	8,687	16,812
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>155,844</u>	<u>157,537</u>	<u>149,246</u>	<u>8,291</u>	<u>610,188</u>	<u>611,070</u>	<u>571,186</u>	<u>39,884</u>
Excess of Revenues over (under) Expenditures	(152,544)	(154,237)	(145,946)	8,291	(530,188)	(531,070)	(483,076)	47,994
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	1,200	1,200
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (152,544)</u>	<u>\$ (154,237)</u>	<u>\$ (145,946)</u>	<u>\$ 8,291</u>	<u>\$ (530,188)</u>	<u>\$ (531,070)</u>	<u>\$ (481,876)</u>	<u>\$ 49,194</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, 2011
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	Non-Departmental				Totals			
	<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	\$ 9,129,272	\$ 9,129,272	\$ 9,169,065	\$ 39,793	\$ 9,129,272	\$ 9,129,272	\$ 9,169,065	\$ 39,793
License & Permits	52,000	52,000	56,045	4,045	81,100	81,100	82,895	1,795
Intergovernmental Revenue	1,280,850	1,280,850	1,281,024	174	3,520,699	3,565,546	2,567,196	(998,350)
Charges for Services	126,600	126,600	19,100	(107,500)	2,299,706	2,303,157	2,051,409	(251,748)
Fines & Forfeitures	-	-	-	-	715,650	715,650	642,113	(73,537)
Investment Earnings	200,000	200,000	69,237	(130,763)	200,000	200,000	69,237	(130,763)
Miscellaneous Revenues	-	-	11,453	11,453	-	21,210	34,181	12,971
Total Revenues	<u>10,788,722</u>	<u>10,788,722</u>	<u>10,605,924</u>	<u>(182,798)</u>	<u>15,946,427</u>	<u>16,015,935</u>	<u>14,616,096</u>	<u>(1,399,839)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	9,337,817	9,335,819	9,431,011	(95,192)
Operations	554,085	554,085	596,337	(42,252)	3,477,264	3,492,253	3,102,999	389,254
Capital Outlay	-	-	-	-	1,431,071	1,502,871	566,071	936,800
Debt Service								
Principal	-	-	-	-	71,186	71,186	62,767	8,419
Interest	-	-	-	-	3,814	3,814	2,898	916
Total Expenditures	<u>554,085</u>	<u>554,085</u>	<u>596,337</u>	<u>(42,252)</u>	<u>14,321,152</u>	<u>14,405,943</u>	<u>13,165,746</u>	<u>1,240,197</u>
Excess of Revenues over (under) Expenditures	10,234,637	10,234,637	10,009,587	(225,050)	1,625,275	1,609,992	1,450,350	(159,642)
Other Financing Sources (Uses):								
Transfers In	303,864	303,864	300,238	(3,626)	391,643	391,643	440,372	48,729
Transfers Out	(2,123,350)	(2,123,350)	(2,123,350)	-	(2,134,275)	(2,134,275)	(2,135,920)	(1,645)
Issuance of Debt	-	-	-	-	122,000	122,000	-	(122,000)
Sale of Capital Assets	-	-	-	-	-	-	12,400	12,400
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 8,415,151</u>	<u>\$ 8,415,151</u>	<u>\$ 8,186,475</u>	<u>\$ (228,676)</u>	<u>\$ 4,643</u>	<u>\$ (10,640)</u>	<u>\$ (232,798)</u>	<u>\$ (222,158)</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, 2011

	Public Safety			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:				
Property Taxes	\$ 9,544,041	\$ 9,544,041	\$ 9,551,229	\$ 7,188
License & Permits	20,000	20,000	16,025	(3,975)
Intergovernmental Revenue	323,948	323,948	492,406	168,458
Charges for Services	4,422,000	4,422,000	4,301,901	(120,099)
Fines & Forfeitures	30,000	30,000	32,591	2,591
Investment Earnings	-	-	3,628	3,628
Miscellaneous Revenues	80,000	80,000	572,155	492,155
Total Revenues	<u>14,419,989</u>	<u>14,419,989</u>	<u>14,969,935</u>	<u>549,946</u>
Expenditures:	-	-	-	
Current Operations:				
Personnel	11,022,264	11,022,264	11,036,386	(14,122)
Operations	3,789,223	3,790,008	4,154,014	(364,006)
Capital Outlay	259,650	264,650	389,369	(124,719)
Debt Service:				
Principal	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	<u>15,071,137</u>	<u>15,076,922</u>	<u>15,579,769</u>	<u>(502,847)</u>
Excess of Revenues over (under) Expenditures	(651,148)	(656,933)	(609,834)	47,099
Other Financing Sources (Uses):				
Transfers In	806,127	811,127	726,681	(84,446)
Transfers Out	(516,238)	(516,238)	(513,738)	2,500
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>\$ (361,259)</u>	<u>\$ (362,044)</u>	<u>\$ (396,891)</u>	<u>\$ (34,847)</u>

MISSOULA COUNTY, MONTANA

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

Budget and Actual

June 30, 2011

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.

NONMAJOR GOVERNMENTAL FUNDS

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 and Grants.

Rural Initiatives - To account for revenues used by the Rural Initiatives 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.

Search & Rescue - To account for revenues used in the Search & Rescue Program.

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

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.

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.

(Continued)

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

Abandoned Vehicles
MCFPA Trust
LEPC Trust
Friends of the Library

Friends of Historical Museum
Historical Museum Gift Shop
Open Space
Other Special Revenue Funds

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

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

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

Health Center - To account for principal and interest payments for the 1998 and 2009 general fund note for the Partnership Health Clinic building.

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

Fair Ice Rink - To account for principal and interest payments for the 2004 and 2006 limited general obligation bond issue 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 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 additional ice rink facilities at the Western Montana Fair.

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

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

Library
Public Safety
Weed/Extension Building

Health Building
Administration Building
Road

Water Quality District
Parks Construction
Search and Rescue

MISSOULA COUNTY, MONTANA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011
(Page 1 of 7)

Special Revenue

	Road	Poor	Bridge	Weed	Fair	District Court	Weed Grant	Parks	Library	Planning
Assets:										
Cash & Cash Equivalents	\$ 409	\$ 64	\$ 330	\$ 36	\$ -	\$ 141	\$ 57	\$ 172	\$ 15	\$ -
Cash with Fiscal Agents	-	-	-	-	7,340	-	-	-	-	-
Investments	871,814	136,520	702,894	76,099	-	299,704	122,775	366,786	30,890	-
Property Taxes Receivable (net)	246,307	116,670	108,663	53,382	8,026	69,961	-	26,623	265,801	115,546
Accounts Receivable	187,186	-	-	-	-	17,080	-	-	705	1,455,896
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	406,729	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	911,287	-	-	-	-	-	-	-	-	-
Total Assets	\$ 2,623,732	\$ 253,254	\$ 811,887	\$ 129,517	\$ 15,366	\$ 386,886	\$ 122,832	\$ 393,581	\$ 297,411	\$ 1,571,442
Liabilities:										
Accounts & Warrants Payable	\$ 516,788	\$ 20,385	\$ 15,741	\$ 2,242	\$ 62,998	\$ 2,830	\$ 28,877	\$ 3,084	\$ 123,669	\$ 402,007
Accrued Interest Payable	-	-	-	-	2,340	-	-	-	-	-
Accrued Payroll	110,237	-	36,760	16,844	15,952	43,145	-	4,012	92,747	146,247
Due to Other Funds	-	-	-	-	57,696	-	-	-	-	507,473
Deferred Tax Revenue	246,307	116,670	108,663	53,382	8,026	69,961	-	26,623	265,801	115,546
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	873,332	137,055	161,164	72,468	147,012	115,936	28,877	33,719	482,217	1,171,273
Fund Balance:										
Nonspendable	911,287	-	-	-	-	-	-	-	-	-
Restricted	839,113	116,199	650,723	57,049	-	270,950	93,955	359,862	-	400,169
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(131,646)	-	-	-	(184,806)	-
Total Fund Balance	1,750,400	116,199	650,723	57,049	(131,646)	270,950	93,955	359,862	(184,806)	400,169
Total Liabilities and Fund Balance	\$ 2,623,732	\$ 253,254	\$ 811,887	\$ 129,517	\$ 15,366	\$ 386,886	\$ 122,832	\$ 393,581	\$ 297,411	\$ 1,571,442

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2011
(Page 2 of 7)

	Special Revenue									
	Rural Initiatives	Urban Initiatives	Building Code Division	Health	Water Quality District	Animal Control	Extension	Missoula Development Authority	Drug Forfeiture	Youth Education & Safety
Assets:										
Cash & Cash Equivalents	\$ -	\$ -	\$ 1	\$ 412	\$ 40	\$ -	\$ 65	\$ 1,703	\$ 79	\$ 7
Cash with Fiscal Agents	-	-	-	-	-	-	-	520,797	-	-
Investments	-	-	709	878,634	84,226	-	138,720	3,629,987	168,817	15,168
Property Taxes Receivable (net)	-	-	-	97,241	58,122	16,643	38,837	489,613	-	-
Accounts Receivable	-	5,453	-	794,492	26,197	118,259	-	-	61,317	-
Loans & Notes Receivable	-	-	-	-	-	-	-	611,378	-	-
Due from Other Funds	320,966	179,049	-	2,005	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	428,578	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 320,966</u>	<u>\$ 184,502</u>	<u>\$ 710</u>	<u>\$ 1,772,784</u>	<u>\$ 168,585</u>	<u>\$ 134,902</u>	<u>\$ 177,622</u>	<u>\$ 5,682,056</u>	<u>\$ 230,213</u>	<u>\$ 15,175</u>
Liabilities:										
Accounts & Warrants Payable	\$ 4,070	\$ 112	\$ 1,815	\$ 64,762	\$ 16,174	\$ 9,297	\$ 1,196	\$ 12,675	\$ 652	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	70,400	-	-
Accrued Payroll	20,272	18,691	19,514	209,131	17,623	24,155	12,629	5,777	12,217	-
Due to Other Funds	-	-	-	-	-	2,005	-	-	-	-
Deferred Tax Revenue	-	-	-	97,241	58,122	16,643	38,837	489,613	-	-
Unearned Revenue	-	-	-	-	-	-	-	611,378	-	-
Total Liabilities	<u>24,342</u>	<u>18,803</u>	<u>21,329</u>	<u>371,134</u>	<u>91,919</u>	<u>52,100</u>	<u>52,662</u>	<u>1,189,843</u>	<u>12,869</u>	<u>-</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	296,624	165,699	-	1,401,650	-	-	124,960	1,318,407	217,344	15,175
Committed	-	-	-	-	76,666	82,802	-	3,173,806	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(20,619)	-	-	-	-	-	-	-
Total Fund Balance	<u>296,624</u>	<u>165,699</u>	<u>(20,619)</u>	<u>1,401,650</u>	<u>76,666</u>	<u>82,802</u>	<u>124,960</u>	<u>4,492,213</u>	<u>217,344</u>	<u>15,175</u>
Total Liabilities and Fund Balance	<u>\$ 320,966</u>	<u>\$ 184,502</u>	<u>\$ 710</u>	<u>\$ 1,772,784</u>	<u>\$ 168,585</u>	<u>\$ 134,902</u>	<u>\$ 177,622</u>	<u>\$ 5,682,056</u>	<u>\$ 230,213</u>	<u>\$ 15,175</u>

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2011
(Page 3 of 7)

Special Revenue										
	Museum	Search & Rescue	Lolo Mosquito	Disaster Emergency Levy	Junk Vehicle	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	Permissive Medical Levy
Assets:										
Cash & Cash Equivalents	\$ 52	\$ 38	\$ 12	\$ 2	\$ 62	\$ 119	\$ 362	\$ 170	\$ 60	\$ -
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	109,988	81,582	26,674	5,122	132,025	254,340	771,012	362,587	129,147	-
Property Taxes Receivable (net)	50,963	9,460	840	13	-	-	-	-	91,779	113,545
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable (net)	-	-	-	-	-	-	106,676	1,623,841	138,127	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 161,003</u>	<u>\$ 91,080</u>	<u>\$ 27,526</u>	<u>\$ 5,137</u>	<u>\$ 132,087</u>	<u>\$ 254,459</u>	<u>\$ 878,050</u>	<u>\$ 1,986,598</u>	<u>\$ 359,113</u>	<u>\$ 113,545</u>
Liabilities:										
Accounts & Warrants Payable	\$ 12,139	\$ 1,458	\$ 1,307	\$ -	\$ 5,910	\$ -	\$ -	\$ 500	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	23,395	-	1,138	-	2,704	-	3,818	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Deferred Tax Revenue	50,963	9,460	840	13	-	-	-	-	91,779	113,545
Unearned Revenue	-	-	-	-	-	-	106,676	1,623,841	138,127	-
Total Liabilities	<u>86,497</u>	<u>10,918</u>	<u>3,285</u>	<u>13</u>	<u>8,614</u>	<u>-</u>	<u>110,494</u>	<u>1,624,341</u>	<u>229,906</u>	<u>113,545</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	74,506	80,162	24,241	5,124	123,473	254,459	-	362,257	126,567	-
Committed	-	-	-	-	-	-	767,556	-	2,640	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	<u>74,506</u>	<u>80,162</u>	<u>24,241</u>	<u>5,124</u>	<u>123,473</u>	<u>254,459</u>	<u>767,556</u>	<u>362,257</u>	<u>129,207</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 161,003</u>	<u>\$ 91,080</u>	<u>\$ 27,526</u>	<u>\$ 5,137</u>	<u>\$ 132,087</u>	<u>\$ 254,459</u>	<u>\$ 878,050</u>	<u>\$ 1,986,598</u>	<u>\$ 359,113</u>	<u>\$ 113,545</u>

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2011
(Page 4 of 7)

	Special Revenue									
	Seeley Lake Refuse	9-1-1 Trust	Abandoned Vehicle	MCFPA Trust	LEPC Trust	Friends of the Library	Friends of Historical Museum	Historical Museum Gift Shop	Open Space	Other Special Revenue
Assets:										
Cash & Cash Equivalents	\$ 18	\$ 261	\$ -	\$ -	\$ -	\$ 21	\$ 29	\$ 12	\$ 17	\$ 8
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	37,682	555,480	1,241	799	337	44,254	62,489	24,752	36,152	17,253
Property Taxes Receivable (net)	50,457	-	-	-	-	-	-	-	93	4
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 88,157</u>	<u>\$ 555,741</u>	<u>\$ 1,241</u>	<u>\$ 799</u>	<u>\$ 337</u>	<u>\$ 44,275</u>	<u>\$ 62,518</u>	<u>\$ 24,764</u>	<u>\$ 36,262</u>	<u>\$ 17,265</u>
Liabilities:										
Accounts & Warrants Payable	\$ 31,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	6,185	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Deferred Tax Revenue	50,457	-	-	-	-	-	-	-	93	4
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>87,797</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93</u>	<u>4</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	555,741	-	799	337	-	-	-	-	-
Committed	360	-	1,241	-	-	-	-	24,764	36,169	17,261
Assigned	-	-	-	-	-	44,275	62,518	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	<u>360</u>	<u>555,741</u>	<u>1,241</u>	<u>799</u>	<u>337</u>	<u>44,275</u>	<u>62,518</u>	<u>24,764</u>	<u>36,169</u>	<u>17,261</u>
Total Liabilities and Fund Balance	<u>\$ 88,157</u>	<u>\$ 555,741</u>	<u>\$ 1,241</u>	<u>\$ 799</u>	<u>\$ 337</u>	<u>\$ 44,275</u>	<u>\$ 62,518</u>	<u>\$ 24,764</u>	<u>\$ 36,262</u>	<u>\$ 17,265</u>

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2011
(Page 5 of 7)

Debt Service

	Risk Management	Jail Bond	Health Center 1998	RSID Revolving	Fair Ice Rink Series 2004	Fair Ice Rink Series 2006	Technology Tax Increment Bonds	Open Space Bonds	Health Center 2009	Larchmont Bonds
Assets:										
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ 365	\$ -	\$ -	\$ 15	\$ -	\$ -	\$ -
Cash with Fiscal Agents	122,700	1,170,885	31,680	-	58,103	44,096	-	418,618	112,971	66,806
Investments	-	-	300	777,957	-	-	33,335	-	301	-
Property Taxes Receivable (net)	13,589	129,700	-	57	-	-	-	21,554	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	126,651	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	1,060,000
Advances to Component Units	-	-	225,000	-	-	-	-	-	1,780,000	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 136,289</u>	<u>\$ 1,300,585</u>	<u>\$ 256,980</u>	<u>\$ 905,030</u>	<u>\$ 58,103</u>	<u>\$ 44,096</u>	<u>\$ 33,350</u>	<u>\$ 440,172</u>	<u>\$ 1,893,272</u>	<u>\$ 1,126,806</u>
Liabilities:										
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	2,270	170,884	6,680	-	18,103	14,096	30,397	179,506	42,971	16,806
Accrued Payroll	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	68,727	180,401	-	-	139,943	72,401	-	431,585	-	66,806
Deferred Tax Revenue	13,589	129,700	-	57	-	-	-	21,554	-	-
Unearned Revenue	-	-	-	126,651	-	-	-	-	-	-
Total Liabilities	<u>84,586</u>	<u>480,985</u>	<u>6,680</u>	<u>126,708</u>	<u>158,046</u>	<u>86,497</u>	<u>30,397</u>	<u>632,645</u>	<u>42,971</u>	<u>83,612</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	51,703	819,600	-	-	-	-	2,953	-	-	-
Committed	-	-	250,300	778,322	-	-	-	-	1,850,301	1,043,194
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(99,943)	(42,401)	-	(192,473)	-	-
Total Fund Balance	<u>51,703</u>	<u>819,600</u>	<u>250,300</u>	<u>778,322</u>	<u>(99,943)</u>	<u>(42,401)</u>	<u>2,953</u>	<u>(192,473)</u>	<u>1,850,301</u>	<u>1,043,194</u>
Total Liabilities and Fund Balance	<u>\$ 136,289</u>	<u>\$ 1,300,585</u>	<u>\$ 256,980</u>	<u>\$ 905,030</u>	<u>\$ 58,103</u>	<u>\$ 44,096</u>	<u>\$ 33,350</u>	<u>\$ 440,172</u>	<u>\$ 1,893,272</u>	<u>\$ 1,126,806</u>

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2011
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Capital Projects										
	Capital Improvements	Technology	Public Safety Building	Milltown Development Projects	Milltown Historical Preservation	Grant Creek Project	Open Space	Library Capital Reserve	Health Building Reserve	WQD Capital Reserve
Assets:										
Cash & Cash Equivalents	\$ 1,162	\$ 613	\$ 299	\$ -	\$ 45	\$ -	\$ 1,084	\$ 114	\$ 144	\$ 82
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	2,476,912	1,307,045	637,111	-	95,857	-	2,310,612	244,243	307,184	174,787
Property Taxes Receivable (net)	-	57,932	-	-	-	-	-	-	-	-
RSID Receivable										
Delinquent	-	-	-	-	-	-	-	-	-	-
Deferred	-	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	26,025	-	-	(814)	-	-	-	-	-
Loans & Notes Receivable	91,431	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	12,044	-	431,585	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	150,000	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 2,569,505	\$ 1,391,615	\$ 637,410	\$ -	\$ 107,132	\$ -	\$ 2,743,281	\$ 244,357	\$ 457,328	\$ 174,869
Liabilities:										
Accounts & Warrants Payable	\$ 167,498	\$ 500,125	\$ 360,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	12,044	-	406,729	-	-	-	-
Deferred Tax Revenue	-	57,932	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	167,498	558,057	360,917	12,044	-	406,729	-	-	-	-
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	833,558	-	-	-	-	2,743,281	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	2,402,007	-	276,493	-	107,132	-	-	244,357	457,328	174,869
Unassigned	-	-	-	(12,044)	-	(406,729)	-	-	-	-
Total Fund Balance	2,402,007	833,558	276,493	(12,044)	107,132	(406,729)	2,743,281	244,357	457,328	174,869
Total Liabilities and Fund Balance	\$ 2,569,505	\$ 1,391,615	\$ 637,410	\$ -	\$ 107,132	\$ -	\$ 2,743,281	\$ 244,357	\$ 457,328	\$ 174,869

MISSOULA COUNTY, MONTANA
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2011
(Page 7 of 7)

	Capital Projects									
	Public Safety Capital Reserve	Admin Bldg Acquisition Reserve	Jail Project	Ice Rink Project	Park Construction Reserve	MCA Industrial District Construction	Weed/Ext Building Reserve	Road Escrow	Search & Rescue Reserve	Total
Assets:										
Cash & Cash Equivalents	\$ 127	\$ 721	\$ 269	\$ -	\$ 82	\$ -	\$ 203	\$ 254	\$ 2	\$ 10,355
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	2,553,996
Investments	270,466	1,536,529	572,728	-	174,270	1,378	431,804	541,200	4,057	22,074,735
Property Taxes Receivable (net)	-	-	-	-	-	-	-	-	-	2,251,421
Accounts Receivable	-	-	-	-	-	-	-	-	-	2,691,796
Loans & Notes Receivable	-	-	-	61,000	-	-	-	-	-	2,759,104
Due from Other Funds	-	-	-	-	-	-	-	-	-	1,352,378
Advances to Other Funds	-	-	-	-	-	-	-	-	-	1,060,000
Advances to Component Units	-	-	-	-	-	-	-	-	-	2,583,578
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	911,287
Total Assets	\$ 270,593	\$ 1,537,250	\$ 572,997	\$ 61,000	\$ 174,352	\$ 1,378	\$ 432,007	\$ 541,454	\$ 4,059	\$ 38,248,650
Liabilities:										
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,370,383
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	554,453
Accrued Payroll	-	-	-	-	-	-	-	-	-	843,193
Due to Other Funds	-	-	-	20,691	-	-	-	-	-	1,966,501
Deferred Tax Revenue	-	-	-	-	-	-	-	-	-	2,251,421
Unearned Revenue	-	-	-	61,000	-	-	-	-	-	2,667,673
Total Liabilities	-	-	-	81,691	-	-	-	-	-	10,653,624
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	911,287
Restricted	-	-	-	-	-	-	-	-	-	12,386,640
Committed	-	-	-	-	-	-	-	-	-	8,105,382
Assigned	270,593	1,537,250	572,997	-	174,352	1,378	432,007	541,454	4,059	7,303,069
Unassigned	-	-	-	(20,691)	-	-	-	-	-	(1,111,352)
Total Fund Balance	270,593	1,537,250	572,997	(20,691)	174,352	1,378	432,007	541,454	4,059	27,595,026
Total Liabilities and Fund Balance	\$ 270,593	\$ 1,537,250	\$ 572,997	\$ 61,000	\$ 174,352	\$ 1,378	\$ 432,007	\$ 541,454	\$ 4,059	\$ 38,248,650

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
(Page 1 of 8)

Special Revenue

	Road	Poor	Bridge	Weed	Fair	District Court	Weed Grant	Parks	Library	Planning
Revenues:										
Property Taxes	\$ 2,015,214	\$ 1,003,801	\$ 933,931	\$ 460,180	\$ 67,981	\$ 844,173	\$ -	\$ 229,114	\$ 2,289,255	\$ 1,785,268
Licenses & Permits	10,737	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	3,077,010	164,887	115,972	36,283	9,073	167,276	181,860	7,868	243,362	4,338,819
Charges for Services	20,585	-	-	636	925,332	64,459	-	25,500	46,619	1,102
Fines & Forfeitures	-	-	-	-	-	-	-	-	64,345	143,503
Investment Earnings	-	-	-	-	966	-	-	-	-	107
Private & Local Grants	-	-	-	-	-	-	-	-	-	4,528
Miscellaneous Revenues	8,856	-	-	45	77,394	-	-	17,407	10,700	17,475
Total Revenues	5,132,402	1,168,688	1,049,903	497,144	1,080,746	1,075,908	181,860	279,889	2,654,281	6,290,802
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	2,423,008
Criminal Justice	-	-	-	-	-	973,011	-	-	-	176,997
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	3,829,841	-	836,992	391,224	-	-	201,857	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	650,793
Social & Economic Services	-	851,605	-	-	-	-	-	-	-	709,555
Culture & Recreation	-	-	-	-	1,126,475	-	-	279,432	2,368,859	81,068
Housing & Community Development	-	-	-	-	-	-	-	-	-	2,114,036
Capital Outlay	1,672,093	-	35,831	16,942	-	6,525	-	48,480	426,612	1,318
Debt Service:										
Principal	-	-	-	-	10,000	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	4,780	-	-	-	-	-
Total Expenditures	5,501,934	851,605	872,823	408,166	1,141,255	979,536	201,857	327,912	2,795,471	6,156,775
Excess of Revenues over (under) Expenditures	(369,532)	317,083	177,080	88,978	(60,509)	96,372	(19,997)	(48,023)	(141,190)	134,027
Other Financing Sources (uses):										
Transfers In	63,848	-	18,740	91,447	156,865	34,560	103,601	10,489	38,804	850,585
Transfers Out	(234,326)	(315,000)	-	(126,101)	(157,907)	(64,054)	(83,716)	(2,050)	-	(769,607)
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	(540,010)	2,083	195,820	54,324	(61,551)	66,878	(112)	(39,584)	(102,386)	215,005
Fund Balance - Beginning of Year	2,286,864	114,116	454,903	2,725	(70,095)	204,072	94,067	399,446	(82,420)	185,164
Fund Balance Transfer	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	3,546	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 1,750,400	\$ 116,199	\$ 650,723	\$ 57,049	\$ (131,646)	\$ 270,950	\$ 93,955	\$ 359,862	\$ (184,806)	\$ 400,169

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
(Page 2 of 8)

	Special Revenue									
	Rural Initiatives	Urban Initiatives	Building Code Division	Health	Water Quality District	Animal Control	Extension	Missoula Development Authority	Drug Forfeiture	Youth Education & Safety
Revenues:										
Property Taxes	\$ -	\$ 14,971	\$ -	\$ 1,888,996	\$ -	\$ 369,930	\$ 333,967	\$ 1,490,651	\$ -	\$ -
Licenses & Permits	-	-	400,212	78,912	-	149,923	-	-	-	-
Intergovernmental Revenue	379,923	-	-	1,663,338	35,508	18,391	43,549	-	272,126	-
Charges for Services	-	-	35,378	809,982	395,516	60,800	8,279	-	5,559	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	21,485	759	77
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	50,908	15,000	14,813	13,040	771,806	-	-
Total Revenues	379,923	14,971	435,590	4,492,136	446,024	613,857	398,835	2,283,942	278,444	77
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	262,947	-
Public Works	-	-	400,783	-	-	-	397,942	862,163	-	-
Public Health	-	-	-	4,520,423	470,590	604,017	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	789,282	362,417	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	3,600	-	-	18,455	390,780	-	-
Debt Service:										
Principal	-	-	30,366	-	-	-	-	365,000	-	-
Interest and Fiscal Charges	-	-	479	-	-	-	-	141,100	-	-
Total Expenditures	789,282	362,417	431,628	4,524,023	470,590	604,017	416,397	1,759,043	262,947	-
Excess of Revenues over (under) Expenditures	(409,359)	(347,446)	3,962	(31,887)	(24,566)	9,840	(17,562)	524,899	15,497	77
Other Financing Sources (uses):										
Transfers In	471,358	411,992	-	90,905	52,500	18,433	26,394	-	115,000	-
Transfers Out	(31,960)	(4,250)	(3,000)	(64,547)	-	-	(30,000)	(2,026,928)	(42,380)	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	30,039	60,296	962	(5,529)	27,934	28,273	(21,168)	(1,502,029)	88,117	77
Fund Balance - Beginning of Year	266,585	105,403	(21,581)	1,407,179	48,732	54,529	146,128	5,994,242	129,227	15,098
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 296,624	\$ 165,699	\$ (20,619)	\$ 1,401,650	\$ 76,666	\$ 82,802	\$ 124,960	\$ 4,492,213	\$ 217,344	\$ 15,175

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
(Page 3 of 8)

	Special Revenue									
	Museum	Search & Rescue	Lolo Mosquito	Disaster Emergency Levy	Junk Vehicle	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	Permissive Medical Levy
Revenues:										
Property Taxes	\$ 436,960	\$ 80,553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 794,042	\$ 965,103
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	35,942	-	-	6,517	133,273	66,261	-	1,664	51,707	-
Charges for Services	18,058	-	16,133	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	525	-	-	2,812	-	-
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	2,500	500	-	-	5,850	-	-	96,104	27,525	-
Total Revenues	493,460	81,053	16,133	6,517	139,648	66,261	-	100,580	873,274	965,103
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	81,630	-	-	-	191,590	-	-	-	-
Public Works	-	-	11,783	-	-	-	157,425	-	-	-
Public Health	-	-	-	-	115,424	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	714,589	-
Culture & Recreation	518,537	-	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	530,301	-	-
Capital Outlay	-	-	-	-	-	-	12,622	-	-	-
Debt Service:										
Principal	-	-	-	-	-	-	-	-	24,473	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	3,052	-
Total Expenditures	518,537	81,630	11,783	-	115,424	191,590	170,047	530,301	742,114	-
Excess of Revenues over (under) Expenditures	(25,077)	(577)	4,350	6,517	24,224	(125,329)	(170,047)	(429,721)	131,160	965,103
Other Financing Sources (uses):										
Transfers In	4,965	-	-	-	-	-	9,541	-	75,756	-
Transfers Out	(22,701)	-	-	-	-	-	(9,500)	-	-	(965,103)
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	(42,813)	(577)	4,350	6,517	24,224	(125,329)	(170,006)	(429,721)	206,916	-
Fund Balance - Beginning of Year	117,319	80,739	19,891	(1,393)	99,249	379,788	937,562	791,978	(77,709)	-
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 74,506	\$ 80,162	\$ 24,241	\$ 5,124	\$ 123,473	\$ 254,459	\$ 767,556	\$ 362,257	\$ 129,207	\$ -

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
(Page 4 of 8)

	Special Revenue									
	Seeley Lake Refuse	9-1-1 Trust	Abandoned Vehicle	901 Sewer - Water	Jail Commissary	IACP School	MCFPA Trust	LEPC Trust	Art Museum	Friends of the Library
Property Taxes	\$ 7,627	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-	-
Charges for Services	264,343	774,281	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	(24)	3,221	-	-	-	-	-	-	-	222
Private & Local Grants	-	-	-	-	-	-	-	-	-	23,513
Miscellaneous Revenues	-	-	-	-	-	-	-	-	-	-
Total Revenues	271,946	777,502	-	-	-	-	-	-	-	23,735
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	707,072	-	-	-	-	-	-	-	-
Public Works	282,025	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	11,326
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	7,229
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Total Expenditures	282,025	707,072	-	-	-	-	-	-	-	18,555
Excess of Revenues over (under) Expenditures	(10,079)	70,430	-	-	-	-	-	-	-	5,180
Other Financing Sources (uses):										
Transfers In	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	(10,079)	70,430	-	-	-	-	-	-	-	5,180
Fund Balance - Beginning of Year	10,439	485,311	1,241	783,025	421,647	70	799	337	206	39,095
Fund Reclassifications	-	-	-	(783,025)	(421,647)	(70)	-	-	(206)	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 360	\$ 555,741	\$ 1,241	\$ -	\$ -	\$ -	\$ 799	\$ 337	\$ -	\$ 44,275

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
(Page 5 of 8)

	Special Revenue							
	Transportation Mitigation Trust	Miller Creek Trust	Friends of Historical Museum	Historical Museum Gift Shop	Subdivision Improvement Bonds	Open Space	Judgment Levy	Other Special Revenue
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9
Licenses & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	37,975	-	-	-	-	-
Charges for Services	-	-	-	17,218	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	214	-	-	-	-	75
Private & Local Grants	-	-	128,758	-	-	-	-	751
Miscellaneous Revenues	-	-	-	-	-	-	-	4,322
Total Revenues	-	-	166,947	17,218	-	-	-	5,157
Expenditures:								
Current Operations:								
General Government	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	2,648
Social & Economic Services	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	122,862	16,350	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-
Total Expenditures	-	-	122,862	16,350	-	-	-	2,648
Excess of Revenues over (under) Expenditures	-	-	44,085	868	-	-	-	2,509
Other Financing Sources (uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Net change in Fund Balance	-	-	44,085	868	-	-	-	2,509
Fund Balance - Beginning of Year	337,017	3,299	18,433	23,896	23,300	36,169	(269)	15,021
Fund Reclassifications	(337,017)	(3,299)	-	-	(23,300)	-	269	(269)
Change in Inventory Reserves	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 62,518	\$ 24,764	\$ -	\$ 36,169	\$ -	\$ 17,261

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
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	Debt Service									
	Risk Management	Jail Bond	Health Center 1998	RSID Revolving	Fair Ice Rink Series 2004	Fair Ice Rink Series 2006	Technology Tax Increment Bonds	Open Space Bonds	Health Center 2009	Larchmont Bonds
Revenues:										
Property Taxes	\$ 115,058	\$ 1,102,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 438,548	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	9,513	233,558	21,304	-	-	-	-	-	143,272	9,183
Charges for Services	-	-	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	8	1,890	2	-	(491)	(115)	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	12,059	-	-	-	-	-	-
Total Revenues	<u>124,579</u>	<u>1,338,198</u>	<u>21,306</u>	<u>12,059</u>	<u>(491)</u>	<u>(115)</u>	<u>-</u>	<u>438,548</u>	<u>143,272</u>	<u>9,183</u>
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal	115,000	965,000	25,000	-	40,000	30,000	35,000	290,000	65,000	-
Interest and Fiscal Charges	<u>5,270</u>	<u>342,068</u>	<u>13,660</u>	<u>-</u>	<u>36,505</u>	<u>28,442</u>	<u>61,094</u>	<u>256,428</u>	<u>98,700</u>	<u>25,989</u>
Total Expenditures	<u>120,270</u>	<u>1,307,068</u>	<u>38,660</u>	<u>-</u>	<u>76,505</u>	<u>58,442</u>	<u>96,094</u>	<u>546,428</u>	<u>163,700</u>	<u>25,989</u>
Excess of Revenues over (under) Expenditures	4,309	31,130	(17,354)	12,059	(76,996)	(58,557)	(96,094)	(107,880)	(20,428)	(16,806)
Other Financing Sources (uses):										
Transfers In	-	-	-	-	77,105	58,890	97,078	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	1,060,000
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund Balance	4,309	31,130	(17,354)	12,059	109	333	984	(107,880)	(20,428)	1,043,194
Fund Balance - Beginning of Year	47,394	788,470	267,654	766,263	(100,052)	(42,734)	1,969	(84,593)	1,870,729	-
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 51,703</u>	<u>\$ 819,600</u>	<u>\$ 250,300</u>	<u>\$ 778,322</u>	<u>\$ (99,943)</u>	<u>\$ (42,401)</u>	<u>\$ 2,953</u>	<u>\$ (192,473)</u>	<u>\$ 1,850,301</u>	<u>\$ 1,043,194</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
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	Capital Projects									
	Capital Improvements	Technology	Public Safety Building	Milltown Development Projects	Milltown Historical Preservation	Grant Creek Project	Open Space	Library Capital Reserve	Health Building Reserve	WQD Capital Reserve
Revenues:										
Property Taxes	\$ -	\$ 498,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	30,826	-	100,941	-	-	-	-	-	-
Charges for Services	-	32,746	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	15,533	-	547	-	-	1,130	1,520	1,112
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	3,391	532	-	-	-	-	-	-	-	-
Total Revenues	3,391	563,070	15,533	100,941	547	-	-	1,130	1,520	1,112
Expenditures:										
Current Operations:										
General Government	-	458,233	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	54,133	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	872,969	815,735	1,880,415	2,089	-	51,050	744,652	-	-	-
Debt Service:										
Principal	233,941	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	22,872	-	-	-	-	-	15,625	-	-	-
Total Expenditures	1,129,782	1,273,968	1,934,548	2,089	-	51,050	760,277	-	-	-
Excess of Revenues over (under) Expenditures	(1,126,391)	(710,898)	(1,919,015)	98,852	547	(51,050)	(760,277)	1,130	1,520	1,112
Other Financing Sources (uses):										
Transfers In	2,343,494	1,195,265	-	-	-	-	-	-	-	-
Transfers Out	-	(883,219)	(1,705,510)	-	-	-	-	-	-	(52,500)
Issuance of Debt	-	-	-	-	-	-	3,325,000	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	1,217,103	(398,852)	(3,624,525)	98,852	547	(51,050)	2,564,723	1,130	1,520	(51,388)
Fund Balance - Beginning of Year	1,184,904	1,232,410	3,901,018	(110,896)	106,585	(355,679)	178,558	243,227	455,808	226,257
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 2,402,007	\$ 833,558	\$ 276,493	\$ (12,044)	\$ 107,132	\$ (406,729)	\$ 2,743,281	\$ 244,357	\$ 457,328	\$ 174,869

MISSOULA COUNTY, MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2011
(Page 8 of 8)

	Capital Projects									
	Public Safety Capital Reserve	Admin Bldg Acquisition Reserve	Jail Project	Ice Rink Project	Park Construction Reserve	MCA Industrial District Construction	Weed/Ext Building Reserve	Road Escrow	Search & Rescue Reserve	Total
Revenues:										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,167,048
Licenses & Permits	-	-	-	-	-	-	-	-	-	639,784
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-	11,637,181
Charges for Services	-	-	-	-	-	-	-	-	-	3,522,526
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	207,848
Investment Earnings	1,034	-	-	(105)	829	6	1,960	2,668	20	57,987
Private & Local Grants	-	-	-	-	-	-	-	-	-	157,550
Miscellaneous Revenues	-	-	-	-	-	-	-	25,255	-	1,175,482
Total Revenues	1,034	-	-	(105)	829	6	1,960	27,923	20	35,565,406
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	2,881,241
Criminal Justice	-	-	-	-	-	-	-	-	-	1,150,008
Public Safety	-	-	-	-	-	-	-	-	-	1,297,372
Public Works	-	-	-	-	-	-	-	-	-	7,372,035
Public Health	-	-	-	-	-	-	-	-	-	6,363,895
Social & Economic Services	-	-	-	-	-	-	-	-	-	2,275,749
Culture & Recreation	-	-	-	-	-	-	-	-	-	4,524,909
Housing & Community Development	-	-	-	-	-	-	-	-	-	3,796,036
Capital Outlay	54,398	57,293	-	-	-	-	-	-	-	7,119,088
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	2,228,780
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	1,056,064
Total Expenditures	54,398	57,293	-	-	-	-	-	-	-	40,065,177
Excess of Revenues over (under) Expenditures	(53,364)	(57,293)	-	(105)	829	6	1,960	27,923	20	(4,499,771)
Other Financing Sources (uses):										
Transfers In	70,000	1,740,000	-	-	-	-	31,000	-	-	8,258,615
Transfers Out	-	(145,457)	-	-	-	-	-	-	-	(7,739,816)
Issuance of Debt	-	-	-	-	-	-	-	-	-	4,385,000
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	16,636	1,537,250	-	(105)	829	6	32,960	27,923	20	404,028
Fund Balance - Beginning of Year	-	-	572,997	(20,586)	173,523	1,372	399,047	149,915	4,039	28,138,443
Fund Reclassifications	253,957	-	-	-	-	-	-	363,616	-	(950,991)
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	3,546
Fund Balance - End of Year	\$ 270,593	\$ 1,537,250	\$ 572,997	\$ (20,691)	\$ 174,352	\$ 1,378	\$ 432,007	\$ 541,454	\$ 4,059	\$ 27,595,026

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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, 2011
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	Special Revenue Funds							
	Road				Poor			
	<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	\$ 2,065,767	\$ 2,065,767	\$ 2,015,214	\$ (50,553)	\$ 996,642	\$ 996,642	\$ 1,003,801	\$ 7,159
License & Permits	12,250	12,250	10,737	(1,513)	-	-	-	-
Intergovernmental Revenue	2,628,679	3,396,679	3,048,670	(348,009)	160,822	160,822	164,887	4,065
Charges for Services	4,000	4,000	20,585	16,585	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	14,898	14,898	8,856	(6,042)	-	-	-	-
Total Revenues	<u>4,725,594</u>	<u>5,493,594</u>	<u>5,104,062</u>	<u>(389,532)</u>	<u>1,157,464</u>	<u>1,157,464</u>	<u>1,168,688</u>	<u>11,224</u>
Expenditures:								
Current Operations:								
Personnel	2,124,312	2,124,312	2,068,841	55,471	-	-	-	-
Operations	1,681,711	1,681,600	1,662,804	18,796	910,383	910,383	850,117	60,266
Capital Outlay	957,200	1,917,700	1,725,836	191,864	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>4,763,223</u>	<u>5,723,612</u>	<u>5,457,481</u>	<u>266,131</u>	<u>910,383</u>	<u>910,383</u>	<u>850,117</u>	<u>60,266</u>
Excess of Revenues over (under) Expenditures	(37,629)	(230,018)	(353,419)	(123,401)	247,081	247,081	318,571	71,490
Other Financing Sources (Uses):								
Transfers In	65,101	65,101	63,848	(1,253)	-	-	-	-
Transfers Out	(234,215)	(234,326)	(234,326)	-	(321,000)	(321,000)	(315,000)	6,000
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (206,743)</u>	<u>\$ (399,243)</u>	<u>\$ (523,897)</u>	<u>\$ (124,654)</u>	<u>\$ (73,919)</u>	<u>\$ (73,919)</u>	<u>\$ 3,571</u>	<u>\$ 77,490</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, 2011
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	Special Revenue Funds							
	Bridge				Weed			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 927,243	\$ 927,243	\$ 933,931	\$ 6,688	\$ 456,874	\$ 456,874	\$ 460,180	\$ 3,306
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	115,972	115,972	115,972	-	34,257	34,257	36,283	2,026
Charges for Services	-	-	-	-	1,500	1,500	636	(864)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	1,000	1,000	45	(955)
Total Revenues	<u>1,043,215</u>	<u>1,043,215</u>	<u>1,049,903</u>	<u>6,688</u>	<u>493,631</u>	<u>493,631</u>	<u>497,144</u>	<u>3,513</u>
Expenditures:								
Current Operations:								
Personnel	710,604	710,604	689,906	20,698	323,003	323,003	295,606	27,397
Operations	125,575	149,560	134,919	14,641	104,050	104,050	92,773	11,277
Capital Outlay	205,200	235,617	35,831	199,786	18,000	18,000	16,942	1,058
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,041,379</u>	<u>1,095,781</u>	<u>860,656</u>	<u>235,125</u>	<u>445,053</u>	<u>445,053</u>	<u>405,321</u>	<u>39,732</u>
Excess of Revenues over (under) Expenditures	1,836	(52,566)	189,247	241,813	48,578	48,578	91,823	43,245
Other Financing Sources (Uses):								
Transfers In	18,566	18,566	18,740	174	89,363	89,363	91,447	2,084
Transfers Out	-	-	-	-	(126,101)	(126,101)	(126,101)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 20,402</u>	<u>\$ (34,000)</u>	<u>\$ 207,987</u>	<u>\$ 241,987</u>	<u>\$ 11,840</u>	<u>\$ 11,840</u>	<u>\$ 57,169</u>	<u>\$ 45,329</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, 2011
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	Special Revenue Funds							
	Fair				District Court			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 67,471	\$ 67,471	\$ 67,981	\$ 510	\$ 834,522	\$ 834,522	\$ 844,173	\$ 9,651
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	9,073	9,073	9,073	-	123,452	123,452	157,821	34,369
Charges for Services	962,794	962,794	925,332	(37,462)	56,000	56,000	65,277	9,277
Fines & Forfeitures	-	-	-	-	500	500	(818)	(1,318)
Investment Earnings	-	-	956	956	-	-	-	-
Private & Local Grants	-	-	-	-	60,000	60,000	-	(60,000)
Miscellaneous Revenues	-	-	77,394	77,394	-	-	-	-
Total Revenues	<u>1,039,338</u>	<u>1,039,338</u>	<u>1,080,736</u>	<u>41,398</u>	<u>1,074,474</u>	<u>1,074,474</u>	<u>1,066,453</u>	<u>(8,021)</u>
Expenditures:								
Current Operations:								
Personnel	325,847	325,847	347,367	(21,520)	817,556	817,556	795,735	21,821
Operations	585,687	587,126	739,461	(152,335)	258,702	258,702	175,972	82,730
Capital Outlay	-	-	-	-	6,650	6,650	6,525	125
Debt Service:								
Principal	10,000	10,000	10,000	-	-	-	-	-
Interest	4,980	4,980	4,980	-	-	-	-	-
Total Expenditures	<u>926,514</u>	<u>927,953</u>	<u>1,101,808</u>	<u>(173,855)</u>	<u>1,082,908</u>	<u>1,082,908</u>	<u>978,232</u>	<u>104,676</u>
Excess of Revenues over (under) Expenditures	112,824	111,385	(21,072)	(132,457)	(8,434)	(8,434)	88,221	96,655
Other Financing Sources (Uses):								
Transfers In	156,801	156,801	156,865	64	34,239	34,239	34,560	321
Transfers Out	(157,607)	(157,607)	(157,907)	(300)	(41,399)	(41,399)	(64,054)	(22,655)
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 112,018</u>	<u>\$ 110,579</u>	<u>\$ (22,114)</u>	<u>\$ (132,693)</u>	<u>\$ (15,594)</u>	<u>\$ (15,594)</u>	<u>\$ 58,727</u>	<u>\$ 74,321</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, 2011
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	Special Revenue Funds							
	Weed Grant				Parks			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 227,473	\$ 227,473	\$ 229,114	\$ 1,641
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	193,922	193,922	181,860	(12,062)	7,868	7,868	7,868	-
Charges for Services	-	-	-	-	-	-	25,500	25,500
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	15,657	15,657	17,407	1,750
Total Revenues	<u>193,922</u>	<u>193,922</u>	<u>181,860</u>	<u>(12,062)</u>	<u>250,998</u>	<u>250,998</u>	<u>279,889</u>	<u>28,891</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	70,737	70,737	74,688	(3,951)
Operations	393,955	393,955	176,721	217,234	311,175	313,607	213,997	99,610
Capital Outlay	-	-	-	-	107,300	117,953	54,480	63,473
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>393,955</u>	<u>393,955</u>	<u>176,721</u>	<u>217,234</u>	<u>489,212</u>	<u>502,297</u>	<u>343,165</u>	<u>159,132</u>
Excess of Revenues over (under) Expenditures	(200,033)	(200,033)	5,139	205,172	(238,214)	(251,299)	(63,276)	188,023
Other Financing Sources (Uses):								
Transfers In	103,601	103,601	103,601	-	10,484	10,484	10,489	5
Transfers Out	-	-	(83,716)	(83,716)	(24,457)	(24,457)	(2,050)	22,407
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (96,432)</u>	<u>\$ (96,432)</u>	<u>\$ 25,024</u>	<u>\$ 121,456</u>	<u>\$ (252,187)</u>	<u>\$ (265,272)</u>	<u>\$ (54,837)</u>	<u>\$ 210,435</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
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	Special Revenue Funds							
	Library				Planning			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 2,272,805	\$ 2,272,805	\$ 2,289,255	\$ 16,450	\$ 1,765,117	\$ 1,765,117	\$ 1,877,119	\$ 112,002
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	171,976	303,976	242,635	(61,341)	3,883,278	5,013,279	3,628,602	(1,384,677)
Charges for Services	50,800	50,800	46,619	(4,181)	-	-	1,102	1,102
Fines & Forfeitures	54,000	54,000	64,345	10,345	140,200	140,200	156,206	16,006
Investment Earnings	-	-	-	-	-	-	100	100
Private & Local Grants	-	-	-	-	5,000	5,000	4,528	(472)
Miscellaneous Revenues	155,819	155,819	10,700	(145,119)	11,800	11,800	18,275	6,475
Total Revenues	<u>2,705,400</u>	<u>2,837,400</u>	<u>2,653,554</u>	<u>(183,846)</u>	<u>5,805,395</u>	<u>6,935,396</u>	<u>5,685,932</u>	<u>(1,249,464)</u>
Expenditures:								
Current Operations:								
Personnel	1,786,228	1,786,228	1,809,326	(23,098)	2,576,218	3,007,389	2,861,767	145,622
Operations	463,626	552,626	481,794	70,832	2,890,202	4,050,629	3,020,002	1,030,627
Capital Outlay	427,823	470,823	423,664	47,159	1,600	1,600	1,318	282
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,677,677</u>	<u>2,809,677</u>	<u>2,714,784</u>	<u>94,893</u>	<u>5,468,020</u>	<u>7,059,618</u>	<u>5,883,087</u>	<u>1,176,531</u>
Excess of Revenues over (under) Expenditures	27,723	27,723	(61,230)	(88,953)	337,375	(124,222)	(197,155)	(72,933)
Other Financing Sources (Uses):								
Transfers In	38,444	38,444	38,804	360	883,155	883,155	850,585	(32,570)
Transfers Out	(31,349)	(31,349)	-	31,349	(769,610)	(769,610)	(769,607)	3
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 34,818</u>	<u>\$ 34,818</u>	<u>\$ (22,426)</u>	<u>\$ (57,244)</u>	<u>\$ 450,920</u>	<u>\$ (10,677)</u>	<u>\$ (116,177)</u>	<u>\$ (105,500)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds							
	Rural Initiatives				Urban Initiatives			
	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	\$ -	\$ -	\$ -	\$ -	\$ 15,124	\$ 15,124	\$ 14,971	\$ (153)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	587,004	587,004	379,923	(207,081)	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>587,004</u>	<u>587,004</u>	<u>379,923</u>	<u>(207,081)</u>	<u>15,124</u>	<u>15,124</u>	<u>14,971</u>	<u>(153)</u>
Expenditures:								
Current Operations:								
Personnel	414,132	414,132	399,247	14,885	371,931	371,931	349,384	22,547
Operations	769,954	769,954	390,394	379,560	74,200	74,200	12,973	61,227
Capital Outlay	10,000	10,000	-	10,000	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,194,086</u>	<u>1,194,086</u>	<u>789,641</u>	<u>404,445</u>	<u>446,131</u>	<u>446,131</u>	<u>362,357</u>	<u>83,774</u>
Excess of Revenues over (under) Expenditures	(607,082)	(607,082)	(409,718)	197,364	(431,007)	(431,007)	(347,386)	83,621
Other Financing Sources (Uses):								
Transfers In	471,050	471,050	471,358	308	411,684	411,684	411,992	308
Transfers Out	(31,800)	(31,800)	(31,960)	(160)	(7,234)	(7,234)	(4,250)	2,984
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (167,832)</u>	<u>\$ (167,832)</u>	<u>\$ 29,680</u>	<u>\$ 197,512</u>	<u>\$ (26,557)</u>	<u>\$ (26,557)</u>	<u>\$ 60,356</u>	<u>\$ 86,913</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
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For Fiscal Year Ended June 30, 2011
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	Special Revenue Funds							
	Building Code Division				Health			
	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	\$ -	\$ -	\$ -	\$ -	\$ 1,908,859	\$ 1,908,859	\$ 1,341,136	\$ (567,723)
License & Permits	417,619	417,619	400,212	(17,407)	82,750	82,750	78,462	(4,288)
Intergovernmental Revenue	-	-	-	-	1,550,218	1,708,435	1,759,285	50,850
Charges for Services	49,946	49,946	35,377	(14,569)	878,264	878,264	793,515	(84,749)
Fines & Forfeitures	-	-	-	-	-	-	750	750
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	52,150	56,450	55,229	(1,221)
Total Revenues	<u>467,565</u>	<u>467,565</u>	<u>435,589</u>	<u>(31,976)</u>	<u>4,472,241</u>	<u>4,634,758</u>	<u>4,028,377</u>	<u>(606,381)</u>
Expenditures:								
Current Operations:								
Personnel	365,055	365,055	365,546	(491)	3,747,494	3,829,196	3,757,791	71,405
Operations	74,750	74,712	32,503	42,209	763,072	840,287	679,301	160,986
Capital Outlay	-	-	-	-	-	3,600	3,600	-
Debt Service:								
Principal	23,266	23,304	30,366	(7,062)	-	-	-	-
Interest	341	341	479	(138)	-	-	-	-
Total Expenditures	<u>463,412</u>	<u>463,412</u>	<u>428,894</u>	<u>34,518</u>	<u>4,510,566</u>	<u>4,673,083</u>	<u>4,440,692</u>	<u>232,391</u>
Excess of Revenues over (under) Expenditures	4,153	4,153	6,695	2,542	(38,325)	(38,325)	(412,315)	(373,990)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	93,020	93,020	90,905	(2,115)
Transfers Out	(3,000)	(3,000)	(3,000)	-	(61,200)	(61,200)	(64,547)	(3,347)
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 1,153</u>	<u>\$ 1,153</u>	<u>\$ 3,695</u>	<u>\$ 2,542</u>	<u>\$ (6,505)</u>	<u>\$ (6,505)</u>	<u>\$ (385,957)</u>	<u>\$ (379,452)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
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	Special Revenue Funds							
	Water Quality District				Animal Control			
	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	\$ -	\$ -	\$ -	\$ -	\$ 373,533	\$ 373,533	\$ 369,930	\$ (3,603)
License & Permits	-	-	-	-	134,750	134,750	149,923	15,173
Intergovernmental Revenue	27,402	70,580	35,508	(35,072)	18,391	18,391	18,391	-
Charges for Services	395,684	395,684	395,516	(168)	70,500	70,500	60,800	(9,700)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	15,100	15,100	15,000	(100)	10,250	10,250	14,813	4,563
Total Revenues	<u>438,186</u>	<u>481,364</u>	<u>446,024</u>	<u>(35,340)</u>	<u>607,424</u>	<u>607,424</u>	<u>613,857</u>	<u>6,433</u>
Expenditures:								
Current Operations:								
Personnel	330,135	369,975	320,746	49,229	464,574	464,574	458,470	6,104
Operations	226,375	229,713	132,543	97,170	170,275	170,275	138,422	31,853
Capital Outlay	5,000	5,000	-	5,000	25,000	25,000	-	25,000
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>561,510</u>	<u>604,688</u>	<u>453,289</u>	<u>151,399</u>	<u>659,849</u>	<u>659,849</u>	<u>596,892</u>	<u>62,957</u>
Excess of Revenues over (under) Expenditures	(123,324)	(123,324)	(7,265)	116,059	(52,425)	(52,425)	16,965	69,390
Other Financing Sources (Uses):								
Transfers In	75,000	75,000	52,500	(22,500)	13,745	13,745	18,433	4,688
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (48,324)</u>	<u>\$ (48,324)</u>	<u>\$ 45,235</u>	<u>\$ 93,559</u>	<u>\$ (38,680)</u>	<u>\$ (38,680)</u>	<u>\$ 35,398</u>	<u>\$ 74,078</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds							
	Extension				Missoula Development Authority			
	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	\$ 331,571	\$ 331,571	\$ 333,967	\$ 2,396	\$ 1,400,888	\$ 1,400,888	\$ 1,490,651	\$ 89,763
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	45,609	45,609	43,549	(2,060)	-	-	-	-
Charges for Services	8,500	8,500	8,279	(221)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	5,000	5,000	19,759	14,759
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	7,000	7,000	13,040	6,040	738,573	738,573	771,806	33,233
Total Revenues	<u>392,680</u>	<u>392,680</u>	<u>398,835</u>	<u>6,155</u>	<u>2,144,461</u>	<u>2,144,461</u>	<u>2,282,216</u>	<u>137,755</u>
Expenditures:								
Current Operations:								
Personnel	274,712	274,712	240,468	34,244	110,562	110,562	110,362	200
Operations	234,500	234,500	157,837	76,663	851,895	851,895	748,343	103,552
Capital Outlay	18,500	18,500	18,455	45	1,899,744	1,899,744	381,141	1,518,603
Debt Service:								
Principal	-	-	-	-	365,000	365,000	365,000	-
Interest	-	-	-	-	148,400	148,400	148,400	-
Total Expenditures	<u>527,712</u>	<u>527,712</u>	<u>416,760</u>	<u>110,952</u>	<u>3,375,601</u>	<u>3,375,601</u>	<u>1,753,246</u>	<u>1,622,355</u>
Excess of Revenues over (under) Expenditures	(135,032)	(135,032)	(17,925)	117,107	(1,231,140)	(1,231,140)	528,970	1,760,110
Other Financing Sources (Uses):								
Transfers In	26,335	26,335	26,394	59	10,000	10,000	-	(10,000)
Transfers Out	(30,000)	(30,000)	(30,000)	-	(300,566)	(300,566)	(2,026,928)	(1,726,362)
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	1,378,960	1,378,960	-	(1,378,960)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (138,697)</u>	<u>\$ (138,697)</u>	<u>\$ (21,531)</u>	<u>\$ 117,166</u>	<u>\$ (142,746)</u>	<u>\$ (142,746)</u>	<u>\$ (1,497,958)</u>	<u>\$ (1,355,212)</u>

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Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
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	Special Revenue Funds							
	Drug Forfeiture				Youth Education & Safety			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	209,753	209,753	210,809	1,056	-	-	-	-
Charges for Services	3,000	3,000	5,559	2,559	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	700	700	710	10	-	-	72	72
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>213,453</u>	<u>213,453</u>	<u>217,078</u>	<u>3,625</u>	<u>-</u>	<u>-</u>	<u>72</u>	<u>72</u>
Expenditures:								
Current Operations:								
Personnel	193,120	193,120	204,955	(11,835)	-	-	-	-
Operations	88,380	88,380	54,848	33,532	450	450	-	450
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>281,500</u>	<u>281,500</u>	<u>259,803</u>	<u>21,697</u>	<u>450</u>	<u>450</u>	<u>-</u>	<u>450</u>
Excess of Revenues over (under) Expenditures	(68,047)	(68,047)	(42,725)	25,322	(450)	(450)	72	522
Other Financing Sources (Uses):								
Transfers In	115,000	115,000	115,000	-	-	-	-	-
Transfers Out	(45,880)	(45,880)	(42,380)	3,500	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 1,073</u>	<u>\$ 1,073</u>	<u>\$ 29,895</u>	<u>\$ 28,822</u>	<u>\$ (450)</u>	<u>\$ (450)</u>	<u>\$ 72</u>	<u>\$ 522</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds							
	Museum				Search & Rescue			
	<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	\$ 433,742	\$ 433,742	\$ 436,960	\$ 3,218	\$ 80,000	\$ 80,000	\$ 80,553	\$ 553
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	85,942	85,942	35,942	(50,000)	5,000	5,000	-	(5,000)
Charges for Services	-	-	18,058	18,058	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	500	500
Total Revenues	<u>519,684</u>	<u>519,684</u>	<u>490,960</u>	<u>(28,724)</u>	<u>85,000</u>	<u>85,000</u>	<u>81,053</u>	<u>(3,947)</u>
Expenditures:								
Current Operations:								
Personnel	304,594	304,594	287,804	16,790	-	-	-	-
Operations	266,422	266,422	234,150	32,272	26,850	26,850	26,968	(118)
Capital Outlay	5,000	5,000	-	5,000	51,000	51,000	54,413	(3,413)
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>576,016</u>	<u>576,016</u>	<u>521,954</u>	<u>54,062</u>	<u>77,850</u>	<u>77,850</u>	<u>81,381</u>	<u>(3,531)</u>
Excess of Revenues over (under) Expenditures	(56,332)	(56,332)	(30,994)	25,338	7,150	7,150	(328)	(7,478)
Other Financing Sources (Uses):								
Transfers In	57,919	57,919	4,965	(52,954)	-	-	-	-
Transfers Out	(45,482)	(48,482)	(22,701)	25,781	(4,000)	(4,000)	-	4,000
Issuance of Debt	-	-	2,500	2,500	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (43,895)</u>	<u>\$ (46,895)</u>	<u>\$ (46,230)</u>	<u>\$ 665</u>	<u>\$ 3,150</u>	<u>\$ 3,150</u>	<u>\$ (328)</u>	<u>\$ (3,478)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
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	Special Revenue Funds							
	Lolo Mosquito District				Junk Vehicle			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	137,974	137,974	133,273	(4,701)
Charges for Services	16,000	16,000	16,133	133	100	100	-	(100)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	490	490
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	2,000	2,000	-	(2,000)
Total Revenues	<u>16,000</u>	<u>16,000</u>	<u>16,133</u>	<u>133</u>	<u>140,074</u>	<u>140,074</u>	<u>133,763</u>	<u>(6,311)</u>
Expenditures:								
Current Operations:								
Personnel	9,199	9,199	2,651	6,548	92,911	92,911	94,514	(1,603)
Operations	9,600	9,600	6,732	2,868	41,000	41,000	17,287	23,713
Capital Outlay	15,435	15,435	-	15,435	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>34,234</u>	<u>34,234</u>	<u>9,383</u>	<u>24,851</u>	<u>133,911</u>	<u>133,911</u>	<u>111,801</u>	<u>22,110</u>
Excess of Revenues over (under) Expenditures	(18,234)	(18,234)	6,750	24,984	6,163	6,163	21,962	15,799
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	5,850	5,850
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (18,234)</u>	<u>\$ (18,234)</u>	<u>\$ 6,750</u>	<u>\$ 24,984</u>	<u>\$ 6,163</u>	<u>\$ 6,163</u>	<u>\$ 27,812</u>	<u>\$ 21,649</u>

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Special Revenue Funds							
	Forest Reserve - Title III				RSID Administration			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	66,261	66,261	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>66,261</u>	<u>66,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	65,180	65,180	71,918	(6,738)
Operations	379,788	379,788	191,590	188,198	350	350	84,746	(84,396)
Capital Outlay	-	-	-	-	17,500	17,500	12,622	4,878
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>379,788</u>	<u>379,788</u>	<u>191,590</u>	<u>188,198</u>	<u>83,030</u>	<u>83,030</u>	<u>169,286</u>	<u>(86,256)</u>
Excess of Revenues over (under) Expenditures	(379,788)	(379,788)	(125,329)	254,459	(83,030)	(83,030)	(169,286)	(86,256)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	52,329	52,329	9,541	(42,788)
Transfers Out	-	-	-	-	(9,500)	(9,500)	(9,500)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (379,788)</u>	<u>\$ (379,788)</u>	<u>\$ (125,329)</u>	<u>\$ 254,459</u>	<u>\$ (40,201)</u>	<u>\$ (40,201)</u>	<u>\$ (169,245)</u>	<u>\$ (129,044)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
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	Special Revenue Funds							
	Community Based Organizations				Permissive Medical Levy			
	<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	\$ 788,445	\$ 788,445	\$ 794,042	\$ 5,597	\$ 961,297	\$ 961,297	\$ 965,103	\$ 3,806
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	51,667	51,667	51,707	40	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	27,525	27,525	27,525	-	-	-	-	-
Total Revenues	<u>867,637</u>	<u>867,637</u>	<u>873,274</u>	<u>5,637</u>	<u>961,297</u>	<u>961,297</u>	<u>965,103</u>	<u>3,806</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	884,590	908,603	873,710	34,893	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	24,473	24,473	24,473	-	-	-	-	-
Interest	3,052	3,052	3,052	-	-	-	-	-
Total Expenditures	<u>912,115</u>	<u>936,128</u>	<u>901,235</u>	<u>34,893</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	(44,478)	(68,491)	(27,961)	40,530	961,297	961,297	965,103	3,806
Other Financing Sources (Uses):								
Transfers In	75,756	84,838	75,756	(9,082)	-	-	-	-
Transfers Out	-	-	-	-	(961,297)	(961,297)	(965,103)	(3,806)
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 31,278</u>	<u>\$ 16,347</u>	<u>\$ 47,795</u>	<u>\$ 31,448</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2011
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	Special Revenue Funds				Debt Service Funds			
	Seeley Lake Refuse				Technology Tax Increment			
	<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	\$ -	\$ -	\$ 7,627	\$ 7,627	-	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	288,080	288,080	264,343	(23,737)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	100	100	(25)	(125)	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>288,180</u>	<u>288,180</u>	<u>271,945</u>	<u>(16,235)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	97,397	97,397	108,813	(11,416)	-	-	-	-
Operations	173,450	173,450	145,357	28,093	-	-	-	-
Capital Outlay	15,000	15,000	-	15,000	-	-	-	-
Debt Service:								
Principal	-	-	-	-	35,000	35,000	35,000	-
Interest	-	-	-	-	62,078	62,078	62,078	-
Total Expenditures	<u>285,847</u>	<u>285,847</u>	<u>254,170</u>	<u>31,677</u>	<u>97,078</u>	<u>97,078</u>	<u>97,078</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	2,333	2,333	17,775	15,442	(97,078)	(97,078)	(97,078)	-
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	99,047	99,047	97,078	(1,969)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 2,333</u>	<u>\$ 2,333</u>	<u>\$ 17,775</u>	<u>\$ 15,442</u>	<u>1,969</u>	<u>\$ 1,969</u>	<u>\$ -</u>	<u>\$ (1,969)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Debt Service Funds							
	Risk Management Bond				Jail Bond			
	<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	\$ 114,066	\$ 114,066	\$ 115,058	\$ 992	\$ 1,090,290	\$ 1,090,290	\$ 1,102,750	\$ 12,460
License & Permits	-	-	-	-	233,558	233,558	233,558	-
Intergovernmental Revenue	9,513	9,513	9,513	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	1,676	1,676
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>123,579</u>	<u>123,579</u>	<u>124,571</u>	<u>992</u>	<u>1,323,848</u>	<u>1,323,848</u>	<u>1,337,984</u>	<u>14,136</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	115,000	115,000	115,000	-	965,000	965,000	965,000	-
Interest	8,380	8,380	8,230	150	357,950	357,950	357,750	200
Total Expenditures	<u>123,380</u>	<u>123,380</u>	<u>123,230</u>	<u>150</u>	<u>1,322,950</u>	<u>1,322,950</u>	<u>1,322,750</u>	<u>200</u>
Excess of Revenues over (under) Expenditures	199	199	1,341	1,142	898	898	15,234	14,336
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>\$ 199</u>	<u>\$ 199</u>	<u>\$ 1,341</u>	<u>\$ 1,142</u>	<u>\$ 898</u>	<u>\$ 898</u>	<u>\$ 15,234</u>	<u>\$ 14,336</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, 2011
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	Debt Service Funds							
	Health Center Bond 1998				RSID Revolving			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	2	2	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	12,059	12,059
Total Revenues	-	-	2	2	-	-	12,059	12,059
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	25,000	25,000	25,000	-	-	-	-	-
Interest	14,291	14,291	14,291	-	-	-	-	-
Total Expenditures	39,291	39,291	39,291	-	-	-	-	-
Excess of Revenues over (under) Expenditures	(39,291)	(39,291)	(39,289)	2	-	-	12,059	12,059
Other Financing Sources (Uses):								
Transfers In	40,548	40,548	40,311	(237)	-	-	-	-
Transfers Out	-	-	-	-	(25,000)	(25,000)	-	25,000
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 1,257	\$ 1,257	\$ 1,022	\$ (235)	\$ (25,000)	\$ (25,000)	\$ 12,059	\$ 37,059

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Debt Service Funds							
	Fair Ice Rink Series 2004				Fair Ice Rink Series 2006			
	<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	-	-	(466)	(466)	-	-	(106)	(106)
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	(466)	(466)	-	-	(106)	(106)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	40,000	40,000	40,000	-	30,000	30,000	30,000	-
Interest	37,255	37,255	37,255	-	29,040	29,040	28,990	50
Total Expenditures	77,255	77,255	77,255	-	59,040	59,040	58,990	50
Excess of Revenues over (under) Expenditures	(77,255)	(77,255)	(77,721)	(466)	(59,040)	(59,040)	(59,096)	(56)
Other Financing Sources (Uses):								
Transfers In	78,755	78,755	77,105	(1,650)	60,120	60,120	58,890	(1,230)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 1,500	\$ 1,500	\$ (616)	\$ (2,116)	\$ 1,080	\$ 1,080	\$ (206)	\$ (1,286)

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Debt Service Funds							
	Open Space General Obligation				Health Center Bond 2009			
	<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	\$ 445,000	\$ 445,000	\$ 438,548	\$ (6,452)	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>445,000</u>	<u>445,000</u>	<u>438,548</u>	<u>(6,452)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	290,000	290,000	290,000	-	65,000	65,000	65,000	-
Interest	154,609	154,609	134,431	20,178	87,543	87,543	87,543	-
Total Expenditures	<u>444,609</u>	<u>444,609</u>	<u>424,431</u>	<u>20,178</u>	<u>152,543</u>	<u>152,543</u>	<u>152,543</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	391	391	14,117	13,726	(152,543)	(152,543)	(152,543)	-
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	175,543	175,543	154,271	(21,272)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 391</u>	<u>\$ 391</u>	<u>\$ 14,117</u>	<u>\$ 13,726</u>	<u>\$ 23,000</u>	<u>\$ 23,000</u>	<u>\$ 1,728</u>	<u>\$ (21,272)</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Debt Service Funds				Capital Projects			
	Larchmont L.O. Irrigation Bonds				Capital Improvements			
	<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	-	-	-	-	76,000	76,000	-	(76,000)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	3,391	3,391
Total Revenues	-	-	-	-	76,000	76,000	3,391	(72,609)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	1,864,545	1,864,545	705,471	1,159,074
Debt Service:								
Principal	-	-	-	-	256,014	256,014	233,941	22,073
Interest	-	-	9,183	(9,183)	22,645	22,645	22,872	(227)
Total Expenditures	-	-	9,183	(9,183)	2,143,204	2,143,204	962,284	1,180,920
Excess of Revenues over (under) Expenditures	-	-	(9,183)	(9,183)	(2,067,204)	(2,067,204)	(958,893)	1,108,311
Other Financing Sources (Uses):								
Transfers In	-	-	9,183	9,183	2,399,628	2,213,169	2,343,494	130,325
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -	\$ 332,424	\$ 145,965	\$ 1,384,601	\$ 1,238,636

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
Budget and Actual
Budgeted Nonmajor Governmental Funds
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	Capital Projects							
	Technology				Public Safety Building Fund			
	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	\$ 495,429	\$ 495,429	\$ 498,966	\$ 3,537	\$ -	\$ -	\$ -	\$ -
License & Permits	30,826	30,826	30,826	-	-	-	-	-
Intergovernmental Revenue	43,903	43,903	32,746	(11,157)	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	14,315	14,315
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	400	400	-	-	-	-
Total Revenues	<u>570,158</u>	<u>570,158</u>	<u>562,938</u>	<u>(7,220)</u>	<u>-</u>	<u>-</u>	<u>14,315</u>	<u>14,315</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	773,095	777,630	477,640	299,990	82,034	82,034	62,055	19,979
Capital Outlay	1,198,055	1,247,296	821,513	425,783	1,929,700	2,116,159	1,524,946	591,213
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,971,150</u>	<u>2,024,926</u>	<u>1,299,153</u>	<u>725,773</u>	<u>2,011,734</u>	<u>2,198,193</u>	<u>1,587,001</u>	<u>611,192</u>
Excess of Revenues over (under) Expenditures	(1,400,992)	(1,454,768)	(736,215)	718,553	(2,011,734)	(2,198,193)	(1,572,686)	625,507
Other Financing Sources (Uses):								
Transfers In	1,199,800	1,199,800	1,195,265	(4,535)	-	-	-	-
Transfers Out	-	-	(883,219)	(883,219)	(1,891,969)	(1,705,510)	(1,705,510)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (201,192)</u>	<u>\$ (254,968)</u>	<u>\$ (424,169)</u>	<u>\$ (169,201)</u>	<u>\$ (3,903,703)</u>	<u>\$ (3,903,703)</u>	<u>\$ (3,278,196)</u>	<u>\$ 625,507</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, 2011
(Page 22 of 24)

	Capital Projects							
	Milltown Development Projects				Milltown Historic Preservation			
	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	45,000	45,000	100,941	55,941	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	800	800	513	(287)
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>100,941</u>	<u>55,941</u>	<u>800</u>	<u>800</u>	<u>513</u>	<u>(287)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	2,000	4,500	-	4,500
Capital Outlay	-	-	2,089	(2,089)	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>2,089</u>	<u>(2,089)</u>	<u>2,000</u>	<u>4,500</u>	<u>-</u>	<u>4,500</u>
Excess of Revenues over (under) Expenditures	45,000	45,000	98,852	53,852	(1,200)	(3,700)	513	4,213
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>\$ 45,000</u>	<u>\$ 45,000</u>	<u>\$ 98,852</u>	<u>\$ 53,852</u>	<u>\$ (1,200)</u>	<u>\$ (3,700)</u>	<u>\$ 513</u>	<u>\$ 4,213</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, 2011
(Page 23 of 24)

	Capital Projects							
	Grant Creek Project				Open Space			
	<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	7,500	7,500	-	(7,500)	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	355,000	355,000	-	(355,000)	-	-	-	-
Total Revenues	<u>362,500</u>	<u>362,500</u>	<u>-</u>	<u>(362,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	15,625	(15,625)
Capital Outlay	7,925	7,925	56,551	(48,626)	1,399,792	1,774,792	750,425	1,024,367
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>7,925</u>	<u>7,925</u>	<u>56,551</u>	<u>(48,626)</u>	<u>1,399,792</u>	<u>1,774,792</u>	<u>766,050</u>	<u>1,008,742</u>
Excess of Revenues over (under) Expenditures	354,575	354,575	(56,551)	(411,126)	(1,399,792)	(1,774,792)	(766,050)	1,008,742
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	3,125,000	3,150,000	3,325,000	175,000
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 354,575</u>	<u>\$ 354,575</u>	<u>\$ (56,551)</u>	<u>\$ (411,126)</u>	<u>\$ 1,725,208</u>	<u>\$ 1,375,208</u>	<u>\$ 2,558,950</u>	<u>\$ 1,183,742</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, 2010
(Page 24 of 24)

	Capital Projects				Totals			
	MCA Industrial District Construction							
	<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	\$ -	\$ -	\$ -	\$ -	\$ 18,052,158	\$ 18,052,158	\$ 17,711,030	\$ (341,128)
License & Permits	-	-	-	-	911,753	911,753	903,718	(8,035)
Intergovernmental Revenue	-	-	-	-	10,230,175	12,461,571	10,471,519	(1,990,052)
Charges for Services	-	-	-	-	2,785,168	2,785,168	2,682,631	(102,537)
Fines & Forfeitures	-	-	-	-	194,700	194,700	220,483	25,783
Investment Earnings	-	-	6	6	6,600	6,600	38,002	31,402
Private & Local Grants	-	-	-	-	65,000	65,000	4,528	(60,472)
Miscellaneous Revenues	-	-	-	-	1,406,772	1,411,072	1,046,440	(364,632)
Total Revenues	-	-	6	6	33,652,326	35,888,022	33,078,351	(2,809,671)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	15,575,501	16,128,214	15,715,905	412,309
Operations	-	-	-	-	13,618,096	15,006,831	12,031,584	2,975,247
Capital Outlay	-	-	-	-	10,185,969	11,844,839	6,595,822	5,249,017
Debt Service:								
Principal	-	-	-	-	2,243,753	2,243,791	2,228,780	15,011
Interest	-	-	-	-	930,564	930,564	919,534	11,030
Total Expenditures	-	-	-	-	42,553,883	46,154,239	37,491,625	8,662,614
Excess of Revenues over (under) Expenditures	-	-	6	6	(8,901,557)	(10,266,217)	(4,413,274)	5,852,943
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	6,855,033	6,677,656	6,621,380	(56,276)
Transfers Out	-	-	-	-	(5,122,666)	(4,939,318)	(7,541,859)	(2,602,541)
Issuance of Debt	-	-	-	-	3,125,000	3,150,000	3,327,500	177,500
Sale of Capital Assets	-	-	-	-	1,378,960	1,378,960	5,850	(1,373,110)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ 6	\$ 6	\$ (2,665,230)	\$ (3,998,919)	\$ (2,000,403)	\$ 1,998,516

INTERNAL SERVICE FUNDS

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

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

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

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

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

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, 2011

	<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>
Assets								
<i>Current Assets:</i>								
Cash & Cash Equivalents	\$ 152	\$ 29,627	\$ 66,545	\$ 238	\$ 12	\$ -	\$ 268	\$ 96,842
Investments	900,533	2,823,444	5,352,522	505,899	25,351	-	571,327	10,179,076
Taxes Receivable, net	59,840	-	-	-	-	-	-	59,840
Accounts Receivable	-	-	-	-	-	-	2,806	2,806
Interest Receivable	-	9,548	10,084	-	-	-	-	19,632
Prescription Rebate Receivable	-	5,862	-	-	-	-	-	5,862
Contributions Receivable	-	325,641	79,705	-	-	-	-	405,346
Due from Other Funds	68,727	-	-	-	-	-	-	68,727
Prepaid Costs	-	36,443	56,400	-	-	-	-	92,843
Total Current Assets	<u>1,029,252</u>	<u>3,230,565</u>	<u>5,565,256</u>	<u>506,137</u>	<u>25,363</u>	<u>-</u>	<u>574,401</u>	<u>10,930,974</u>
<i>Noncurrent Assets:</i>								
Capital Assets, net	<u>1,459</u>	<u>166,328</u>	<u>2,914</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,218</u>	<u>223,919</u>
Total Assets	<u>\$ 1,030,711</u>	<u>\$ 3,396,893</u>	<u>\$ 5,568,170</u>	<u>\$ 506,137</u>	<u>\$ 25,363</u>	<u>\$ -</u>	<u>\$ 627,619</u>	<u>\$ 11,154,893</u>
Liabilities								
<i>Current Liabilities:</i>								
Accounts Payable	\$ -	\$ 9,345	\$ 1,013	\$ -	\$ 21,225	\$ 73	\$ 4,753	\$ 36,409
Accrued Payroll	3,112	13,404	-	-	-	45,385	5,112	67,013
Contributions Paid in Advance	-	29,756	1,422	-	-	-	-	31,178
Liability for Claims, Current Portion	<u>125,000</u>	<u>469,291</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>844,291</u>
Total Current Liabilities	<u>128,112</u>	<u>521,796</u>	<u>252,435</u>	<u>-</u>	<u>21,225</u>	<u>45,458</u>	<u>9,865</u>	<u>978,891</u>
<i>Noncurrent Liabilities:</i>								
Liability for Claims, net of Current Portion	<u>881,233</u>	<u>-</u>	<u>2,344,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,225,484</u>
Total Liabilities	<u>1,009,345</u>	<u>521,796</u>	<u>2,596,686</u>	<u>-</u>	<u>21,225</u>	<u>45,458</u>	<u>9,865</u>	<u>4,204,375</u>
Net Assets								
Invested in Capital Assets, net of Related Debt	1,459	166,328	2,914	-	-	-	53,218	223,919
Unrestricted	<u>19,907</u>	<u>2,708,769</u>	<u>2,968,570</u>	<u>506,137</u>	<u>4,138</u>	<u>(45,458)</u>	<u>564,536</u>	<u>6,726,599</u>
Total Net Assets	<u>21,366</u>	<u>2,875,097</u>	<u>2,971,484</u>	<u>506,137</u>	<u>4,138</u>	<u>(45,458)</u>	<u>617,754</u>	<u>6,950,518</u>
Total Liabilities and Net Assets	<u>\$ 1,030,711</u>	<u>\$ 3,396,893</u>	<u>\$ 5,568,170</u>	<u>\$ 506,137</u>	<u>\$ 25,363</u>	<u>\$ -</u>	<u>\$ 627,619</u>	<u>\$ 11,154,893</u>

MISSOULA COUNTY, MONTANA
Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For Fiscal Year Ended June 30, 2011

	<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	\$ -	\$ 7,376,031	\$ 1,481,530	\$ -	\$ 409,163	\$ -	\$ 279,142	\$ 9,545,866
Rental Income	-	37,000	-	-	-	-	-	37,000
Rebates	-	32,951	-	-	-	-	-	32,951
Total Operating Revenues	-	7,445,982	1,481,530	-	409,163	-	279,142	9,615,817
Operating Expenses:								
Personnel	59,746	242,457	92,168	-	-	902,218	99,962	1,396,551
Operations	24,854	-	-	-	-	10,916	118,802	154,572
Claims	713,568	6,653,807	571,264	38,506	477,835	-	-	8,454,980
Reinsurance Premiums	198,163	431,866	71,578	-	-	-	-	701,607
Administrative	-	211,128	149,163	-	-	-	-	360,291
Depreciation and Amortization	1,459	6,269	2,916	-	-	-	7,058	17,702
Total Operating Expense	997,790	7,545,527	887,089	38,506	477,835	913,134	225,822	11,085,703
Income (Loss) from Operations	(997,790)	(99,545)	594,441	(38,506)	(68,672)	(913,134)	53,320	(1,469,886)
Non-operating Revenues (Expenses):								
Property Taxes	574,405	-	-	-	-	-	-	574,405
Investment Earnings	160	21,020	27,749	2,471	-	-	-	51,400
Intergovernmental Revenues	53,469	-	-	-	-	-	-	53,469
Net Income (Loss) before Transfers	(369,756)	(78,525)	622,190	(36,035)	(68,672)	(913,134)	53,320	(790,612)
Transfers In	202,933	7,528	-	30,000	60,000	867,676	-	1,168,137
Transfers Out	(21,800)	(60,000)	(15,000)	-	-	-	-	(96,800)
Change in Net Assets	(188,623)	(130,997)	607,190	(6,035)	(8,672)	(45,458)	53,320	280,725
Net Assets - Beginning of Year	209,989	3,006,094	2,364,294	512,172	12,810	-	511,412	6,616,771
Restatement	-	-	-	-	-	-	53,022	53,022
Net Assets - Beginning of Year, Restated	209,989	3,006,094	2,364,294	512,172	12,810	-	564,434	6,669,793
Net Assets - End of Year	<u>\$ 21,366</u>	<u>\$ 2,875,097</u>	<u>\$ 2,971,484</u>	<u>\$ 506,137</u>	<u>\$ 4,138</u>	<u>\$ (45,458)</u>	<u>\$ 617,754</u>	<u>\$ 6,950,518</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Cash Flows
Internal Service Funds
For Fiscal Year Ended June 30, 2011

	<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	\$ -	\$ 7,341,814	\$ 1,484,389	\$ -	\$ 409,163	\$ -	\$ 280,296	\$ 9,515,662
Cash receipts for rebates	-	36,811	-	-	-	-	-	36,811
Cash receipts for rent charged	-	37,000	-	-	-	-	-	37,000
Cash payments to employees for services	(59,491)	(218,582)	(92,169)	-	-	(856,833)	(99,670)	(1,326,745)
Cash payments for reinsurance premiums	(198,163)	(433,737)	(73,384)	-	-	-	-	(705,284)
Cash payments for administrative expenses	-	(238,783)	(148,581)	-	-	-	-	(387,364)
Cash payments for claims expenses	(373,118)	(6,687,384)	(542,861)	(38,506)	(472,480)	-	-	(8,114,349)
Cash payments to other suppliers for goods and services	(24,854)	-	-	-	-	(10,843)	(119,938)	(155,635)
Net cash provided (used) by operating activities	<u>(655,626)</u>	<u>(162,861)</u>	<u>627,394</u>	<u>(38,506)</u>	<u>(63,317)</u>	<u>(867,676)</u>	<u>60,688</u>	<u>(1,099,904)</u>
Cash flows from non-capital financing activities:								
Property taxes	585,327	-	-	-	-	-	-	585,327
Advances (to) from other funds	(1,121)	-	-	-	-	-	-	(1,121)
Transfers in	202,933	7,528	-	30,000	60,000	867,676	-	1,168,137
Transfers out	(21,800)	(60,000)	(15,000)	-	-	-	-	(96,800)
Intergovernmental sources	53,469	-	-	-	-	-	-	53,469
Net cash provided by non-capital financing activities	<u>818,808</u>	<u>(52,472)</u>	<u>(15,000)</u>	<u>30,000</u>	<u>60,000</u>	<u>867,676</u>	<u>-</u>	<u>1,709,012</u>
Cash flows from investing activities:								
Purchases of investment securities	(1,091,816)	(1,783,234)	(4,326,448)	(503,170)	(22,341)	-	(632,570)	(8,359,579)
Proceeds of sale and maturities of investment securities	863,887	1,925,600	3,600,141	485,312	24,319	-	548,078	7,447,337
Interest on investments	160	52,500	49,590	2,471	-	-	-	104,721
Net cash provided (used) by investing activities	<u>(227,769)</u>	<u>194,866</u>	<u>(676,717)</u>	<u>(15,387)</u>	<u>1,978</u>	<u>-</u>	<u>(84,492)</u>	<u>(807,521)</u>
Net increase (decrease) in cash and cash equivalents	(64,587)	(20,467)	(64,323)	(23,893)	(1,339)	-	(23,804)	(198,413)
Cash and cash equivalents at beginning of year	64,739	50,094	130,868	24,131	1,351	-	24,072	295,255
Cash and cash equivalents at end of year	<u>\$ 152</u>	<u>\$ 29,627</u>	<u>\$ 66,545</u>	<u>\$ 238</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 268</u>	<u>\$ 96,842</u>

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

Income (loss) from operations	\$ (997,790)	\$ (99,545)	\$ 594,441	\$ (38,506)	\$ (68,672)	\$ (913,134)	\$ 53,320	\$ (1,469,886)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:								
Depreciation and amortization	1,459	6,269	2,916	-	-	-	7,058	17,702
Change in assets and liabilities:								
Decrease (increase) in contributions receivables	-	(36,960)	1,437	-	-	-	1,154	(34,369)
Decrease (increase) in rebate receivables	-	3,860	-	-	-	-	-	3,860
Decrease (increase) in prepaid costs	-	(1,871)	(1,806)	-	-	-	-	(3,677)
Increase (decrease) in payables and contributions paid in advance	-	(6,713)	2,003	-	5,355	73	(1,136)	(418)
Increase (decrease) in accrued liabilities	340,705	(27,901)	28,403	-	-	45,385	292	386,884
Net cash provided (used) by operating activities	<u>\$ (655,626)</u>	<u>\$ (162,861)</u>	<u>\$ 627,394</u>	<u>\$ (38,506)</u>	<u>\$ (63,317)</u>	<u>\$ (867,676)</u>	<u>\$ 60,688</u>	<u>\$ (1,099,904)</u>

Supplemental Disclosure of Cash Flow Information

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

The Health Insurance Plan and the Workers' Compensation Plan had \$28,557 and \$14,251, 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 Assets
Budget and Actual - Internal Service Funds
For Fiscal Year Ending June 30, 2011
(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	\$ -	\$ -	\$ -	\$ -	\$ 8,743,200	\$ 8,743,200	\$ 7,341,814	\$ (1,401,386)
Total Operating Revenue	-	-	-	-	8,743,200	8,743,200	7,341,814	(1,401,386)
Operating Expense:								
Personnel	59,018	59,018	59,491	(473)	296,087	296,087	218,582	77,505
Operations	680,800	680,800	529,154	151,646	8,947,350	8,947,350	7,359,904	1,587,446
Total Operating Expense	739,818	739,818	588,645	151,173	9,243,437	9,243,437	7,578,486	1,664,951
Income (Loss) from Operation	(739,818)	(739,818)	(588,645)	151,173	(500,237)	(500,237)	(236,672)	263,565
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	510,851	510,851	514,565	3,714	-	-	-	-
Investment Earnings	-	-	163	163	45,000	45,000	23,943	(21,057)
Intergovernmental Revenue	53,469	53,469	53,469	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	29,000	29,000	37,000	8,000
Rebates	-	-	-	-	46,000	46,000	36,811	(9,189)
Capital Outlay	-	-	-	-	(2,500)	(2,500)	-	2,500
Net Income (Loss) before Transfers	(175,498)	(175,498)	(20,448)	155,050	(382,737)	(382,737)	(138,918)	243,819
Transfers In	202,917	202,917	202,933	16	107,458	107,458	7,528	(99,930)
Transfers Out	(21,800)	(21,800)	(21,800)	-	(60,000)	(60,000)	(60,000)	-
Change in Net Assets	\$ 5,619	\$ 5,619	\$ 160,685	\$ 155,066	\$ (335,279)	\$ (335,279)	\$ (191,390)	\$ 143,889

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenses and Changes in Fund Net Assets (Continued)
Budget and Actual - Internal Service Funds
For Fiscal Year Ending June 30, 2011
(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	\$ 1,460,456	\$ 1,460,456	\$ 1,484,389	\$ 23,933	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	<u>1,460,456</u>	<u>1,460,456</u>	<u>1,484,389</u>	<u>23,933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expense:								
Personnel	103,527	103,527	92,168	11,359	-	-	-	-
Operations	<u>1,041,900</u>	<u>1,041,900</u>	<u>764,827</u>	<u>277,073</u>	<u>100,000</u>	<u>100,000</u>	<u>38,506</u>	<u>61,494</u>
Total Operating Expense	<u>1,145,427</u>	<u>1,145,427</u>	<u>856,995</u>	<u>288,432</u>	<u>100,000</u>	<u>100,000</u>	<u>38,506</u>	<u>61,494</u>
Income (Loss) from Operation	315,029	315,029	627,394	312,365	(100,000)	(100,000)	(38,506)	61,494
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	-	-	-	-
Investment Earnings	50,000	50,000	35,339	(14,661)	10,000	10,000	2,312	(7,688)
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	365,029	365,029	662,733	297,704	(90,000)	(90,000)	(36,194)	53,806
Transfers In	-	-	-	-	35,000	35,000	30,000	(5,000)
Transfers Out	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	<u>\$ 350,029</u>	<u>\$ 350,029</u>	<u>\$ 647,733</u>	<u>\$ 297,704</u>	<u>\$ (55,000)</u>	<u>\$ (55,000)</u>	<u>\$ (6,194)</u>	<u>\$ 48,806</u>

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenses and Changes in Fund Net Assets (Continued)
Budget and Actual - Internal Service Funds
For Fiscal Year Ending June 30, 2011
(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	\$ 382,000	\$ 382,000	\$ 409,063	\$ 27,063	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	382,000	382,000	409,063	27,063	-	-	-	-
Operating Expense:								
Personnel	-	-	-	-	869,735	869,735	856,833	12,902
Operations	442,000	442,000	476,001	(34,001)	20,100	20,100	10,843	9,257
Total Operating Expense	442,000	442,000	476,001	(34,001)	889,835	889,835	867,676	22,159
Income (Loss) from Operation	(60,000)	(60,000)	(66,938)	(6,938)	(889,835)	(889,835)	(867,676)	22,159
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-
Rebates	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	(60,000)	(60,000)	(66,938)	(6,938)	(889,835)	(889,835)	(867,676)	22,159
Transfers In	60,000	60,000	60,000	-	-	-	867,676	867,676
Transfers Out	-	-	-	-	-	-	-	-
Change in Net Assets	\$ -	\$ -	\$ (6,938)	\$ (6,938)	\$ (889,835)	\$ (889,835)	\$ -	\$ 889,835

MISSOULA COUNTY, MONTANA
Schedule of Revenues, Expenses and Changes in Fund Net Assets (Continued)
Budget and Actual - Internal Service Funds
For Fiscal Year Ending June 30, 2011
(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	\$ 290,000	\$ 290,000	\$ 279,142	\$ (10,858)	\$ 10,875,656	\$ 10,875,656	\$ 9,514,408	\$ (1,361,248)
Total Operating Revenue	<u>290,000</u>	<u>290,000</u>	<u>279,142</u>	<u>(10,858)</u>	<u>10,875,656</u>	<u>10,875,656</u>	<u>9,514,408</u>	<u>(1,361,248)</u>
Operating Expense:								
Personnel	104,414	104,414	99,670	4,744	1,432,781	1,432,781	1,326,744	106,037
Operations	<u>164,870</u>	<u>164,870</u>	<u>119,938</u>	<u>44,932</u>	<u>11,397,020</u>	<u>11,397,020</u>	<u>9,299,173</u>	<u>2,097,847</u>
Depreciation	-	-	-	-	-	-	-	-
Total Operating Expense	<u>269,284</u>	<u>269,284</u>	<u>219,608</u>	<u>49,676</u>	<u>12,829,801</u>	<u>12,829,801</u>	<u>10,625,917</u>	<u>2,203,884</u>
Income (Loss) from Operation	20,716	20,716	59,534	38,818	(1,954,145)	(1,954,145)	(1,111,509)	842,636
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	510,851	510,851	514,565	3,714
Investment Earnings	-	-	-	-	105,000	105,000	61,757	(43,243)
Intergovernmental Revenue	-	-	-	-	53,469	53,469	53,469	-
Interest Expense	-	-	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	29,000	29,000	37,000	8,000
Rebates	-	-	-	-	46,000	46,000	36,811	(9,189)
Debt Service Principal Payment	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	(2,500)	(2,500)	-	2,500
Reimbursement for Claims Incurred	-	-	-	-	-	-	-	-
Bond Proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss) before Transfers	20,716	20,716	59,534	38,818	(1,212,325)	(1,212,325)	(407,907)	804,418
Transfers In	-	-	-	-	405,375	405,375	1,168,137	762,762
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,800)</u>	<u>(96,800)</u>	<u>(96,800)</u>	<u>-</u>
Change in Net Assets	<u>\$ 20,716</u>	<u>\$ 20,716</u>	<u>\$ 59,534</u>	<u>\$ 38,818</u>	<u>\$ (903,750)</u>	<u>\$ (903,750)</u>	<u>\$ 663,430</u>	<u>\$ 1,567,180</u>

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TRUST AND AGENCY FUNDS

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 Assets
June 30, 2011

	External Pool Investment Trust
Assets	
Cash & Cash Equivalents	\$ 20,466
Investments, at Fair Value:	
Securities	13,538,123
Repurchase Agreements	2,937,192
STIP	28,755,407
Total Investments	<u>45,230,722</u>
Total Assets	<u>45,251,188</u>
Net Assets	
Funds Held in Trust for:	
Investment Trusts	<u>45,251,188</u>
Total Net Assets	<u><u>\$ 45,251,188</u></u>

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Fiduciary Net Assets
For Fiscal Year Ended June 30, 2011

	Individual Investment Trust	External Pool Investment Trust	Total Investment Trust
Additions			
Interest Income	\$ -	\$ 171,794	\$ 171,794
Net Investment Income	-	171,794	171,794
Participant Investments in Pool	-	342,365,688	342,365,688
Total Additions	-	342,537,482	342,537,482
Deductions			
Distribution to Participants	(4,649,330)	(342,643,883)	(347,293,213)
Total Deductions	(4,649,330)	(342,643,883)	(347,293,213)
Change in Net Assets	(4,649,330)	(106,401)	(4,755,731)
Net Assets Held in Trust for Pool Participants			
Net Assets - Beginning of Year	4,649,330	45,357,589	50,006,919
Net Assets - End of Year	\$ -	\$ 45,251,188	\$ 45,251,188

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For Fiscal Year Ended June 30, 2011
(Page 1 of 4)

SCHOOLS

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets:				
Cash with Fiscal Agents	\$ 1,749,334	\$ 2,408,274	\$ 1,749,334	\$ 2,408,274
Property Taxes Receivable (net)	<u>7,397,164</u>	<u>4,466,497</u>	<u>5,760,647</u>	<u>6,103,014</u>
Total Assets	<u>\$ 9,146,498</u>	<u>\$ 6,874,771</u>	<u>\$ 7,509,981</u>	<u>\$ 8,511,288</u>
Liabilities:				
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Agencies	<u>9,146,498</u>	<u>6,874,771</u>	<u>7,509,981</u>	<u>8,511,288</u>
Total Liabilities	<u>\$ 9,146,498</u>	<u>\$ 6,874,771</u>	<u>\$ 7,509,981</u>	<u>\$ 8,511,288</u>

OTHER LOCAL TAXING UNITS

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets:				
Cash with Fiscal Agents	\$ 13,831	\$ -	\$ 13,831	\$ -
Property Taxes Receivable (net)	<u>1,056,036</u>	<u>754,608</u>	<u>827,226</u>	<u>983,418</u>
Total Assets	<u>\$ 1,069,867</u>	<u>\$ 754,608</u>	<u>\$ 841,057</u>	<u>\$ 983,418</u>
Liabilities:				
Accounts & Warrants Payable	\$ 5,592	\$ -	\$ 5,592	\$ -
Due to Other Agencies	<u>1,064,275</u>	<u>754,608</u>	<u>835,465</u>	<u>983,418</u>
Total Liabilities	<u>\$ 1,069,867</u>	<u>\$ 754,608</u>	<u>\$ 841,057</u>	<u>\$ 983,418</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)
For Fiscal Year Ended June 30, 2011
(Page 2 of 4)

STATE

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets:				
Property Taxes Receivable (net)	\$ 2,796,258	\$ 1,745,735	\$ 2,165,344	\$ 2,376,649
Total Assets	<u>\$ 2,796,258</u>	<u>\$ 1,745,735</u>	<u>\$ 2,165,344</u>	<u>\$ 2,376,649</u>
Liabilities:				
Due to Other Agencies	\$ 2,796,258	\$ 1,745,735	\$ 2,165,344	\$ 2,376,649
Total Liabilities	<u>\$ 2,796,258</u>	<u>\$ 1,745,735</u>	<u>\$ 2,165,344</u>	<u>\$ 2,376,649</u>

CITY

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets:				
Property Taxes Receivable (net)	\$ 3,150,044	\$ 2,589,354	\$ 2,131,867	\$ 3,607,531
Total Assets	<u>\$ 3,150,044</u>	<u>\$ 2,589,354</u>	<u>\$ 2,131,867</u>	<u>\$ 3,607,531</u>
Liabilities:				
Due to Other Agencies	\$ 3,150,044	\$ 2,589,354	\$ 2,131,867	\$ 3,607,531
Total Liabilities	<u>\$ 3,150,044</u>	<u>\$ 2,589,354</u>	<u>\$ 2,131,867</u>	<u>\$ 3,607,531</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)
For Fiscal Year Ended June 30, 2011
(Page 3 of 4)

OTHER POST-RETIREMENT BENEFITS (OPEB)

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets:				
Cash & Cash Equivalents	\$ 72,498	\$ 1,351,112	\$ 1,422,684	\$ 926
Investments	-	88,226	-	88,226
Other Assets	7,303	6,154	7,303	6,154
Total Assets	<u>\$ 79,801</u>	<u>\$ 1,445,492</u>	<u>\$ 1,429,987</u>	<u>\$ 95,306</u>
Liabilities:				
Accounts & Warrants Payable	\$ 2,066	\$ 980	\$ 2,066	\$ 980
Other Liabilities	77,735	94,326	77,735	94,326
Total Liabilities	<u>\$ 79,801</u>	<u>\$ 95,306</u>	<u>\$ 79,801</u>	<u>\$ 95,306</u>

PAYROLL & CLAIMS

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets:				
Cash & Cash Equivalents	\$ 31,887	\$ 362	\$ 31,887	\$ 362
Investments	635,970	771,446	635,970	771,446
Total Assets	<u>\$ 667,857</u>	<u>\$ 771,808</u>	<u>\$ 667,857</u>	<u>\$ 771,808</u>
Liabilities:				
Accounts & Warrants Payable	\$ 667,857	\$ 771,808	\$ 667,857	\$ 771,808
Total Liabilities	<u>\$ 667,857</u>	<u>\$ 771,808</u>	<u>\$ 667,857</u>	<u>\$ 771,808</u>

MISSOULA COUNTY, MONTANA
Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)
For Fiscal Year Ended June 30, 2011
(Page 4 of 4)

	TOTAL AGENCY FUNDS			
	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets:				
Cash & Cash Equivalents	\$ 104,385	\$ 1,351,474	\$ 1,454,571	\$ 1,288
Cash with Fiscal Agents	1,763,165	2,408,274	1,763,165	2,408,274
Investments	635,970	859,672	635,970	859,672
Property Taxes Receivable (net)	14,399,502	9,556,194	10,885,084	13,070,612
Other Assets	<u>7,303</u>	<u>6,154</u>	<u>7,303</u>	<u>6,154</u>
Total Assets	<u>\$ 16,910,325</u>	<u>\$ 14,181,768</u>	<u>\$ 14,746,093</u>	<u>\$ 16,346,000</u>
Liabilities:				
Accounts & Warrants Payable	\$ 675,515	\$ 772,788	\$ 675,515	\$ 772,788
Other Liabilities	77,735	94,326	77,735	94,326
Due to Other Agencies	<u>16,157,075</u>	<u>11,964,468</u>	<u>12,642,657</u>	<u>15,478,886</u>
Total Liabilities	<u>\$ 16,910,325</u>	<u>\$ 12,831,582</u>	<u>\$ 13,395,907</u>	<u>\$ 16,346,000</u>

CAPITAL ASSETS

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 ¹
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Governmental Funds Capital Assets:		
Land	\$ 7,197,736	\$ 7,203,587
Buildings	39,220,617	38,756,209
Machinery and Equipment	21,862,479	20,721,779
Infrastructure	35,542,500	33,527,924
Construction in Progress	<u>24,911,829</u>	<u>21,334,320</u>
Total Governmental Funds Capital Assets	<u>\$ 128,735,161</u>	<u>\$ 121,543,819</u>
Investment in Governmental Funds Capital Assets by Source:		
General Fund	\$ 9,947,156	\$ 9,090,893
Special Revenue Fund	108,962,361	104,629,642
Federal Grants	7,879,548	5,877,188
Initial Start of System	<u>1,946,096</u>	<u>1,946,096</u>
Total Governmental Funds Capital Assets	<u>\$ 128,735,161</u>	<u>\$ 121,543,819</u>

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

MISSOULA COUNTY, MONTANA
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity ¹
June 30, 2011

Function and Activity	Land	Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
General Government:						
Administration and Finance	\$ -	\$ -	\$ 19,273	\$ -	\$ -	\$ 19,273
Records and Election	-	-	801,136	-	-	801,136
Data Processing	-	16,461	473,833	-	82,795	573,089
General Services	14,203	6,238,697	964,210	-	1,227,245	8,444,355
Criminal Justice	-	-	109,303	-	-	109,303
Total General Government	14,203	6,255,158	2,367,755	-	1,310,040	9,947,156
Public Works:						
Road & Bridge	135,100	2,675,563	8,306,999	33,916,870	10,029,282	55,063,814
Missoula Development Authority	-	-	-	1,390,062	3,471,142	4,861,204
Weed & Extension	-	-	129,240	-	-	129,240
RSIDs - CIP	-	-	-	-	7,572,228	7,572,228
Seeley Lake Refuse	65,400	82,261	20,160	-	-	167,821
Total Public Works	200,500	2,757,824	8,456,399	35,306,932	21,072,652	67,794,307
Public Safety:						
Sheriff	19,199	-	2,760,448	60,000	2,047,083	4,886,730
Communications	-	51,096	5,605,538	-	340,803	5,997,437
Detention Center	1,791,035	22,802,088	1,385,062	-	-	25,978,185
Total Public Safety	1,810,234	22,853,184	9,751,048	60,000	2,387,886	36,862,352
Public Health:						
City/County Health	58,162	1,973,124	284,579	-	-	2,315,865
Environmental Health	-	5,000	460,826	-	-	465,826
Total Public Health	58,162	1,978,124	745,405	-	-	2,781,691
Social and Economic Services	-	-	46,684	-	-	46,684
Culture and Recreation	1,896,394	5,376,327	495,188	175,568	141,251	8,084,728
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	\$ 39,220,617	\$ 21,862,479	\$ 35,542,500	\$ 24,911,829	\$ 128,735,161

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

MISSOULA COUNTY, MONTANA
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity ¹
For Fiscal Year Ended June 30, 2011

Function and Activity	Governmental Funds Capital Assets July 1, 2010	Adjustments & Reclasses	As Restated July 1, 2010	Additions	Deductions	Governmental Funds Capital Assets June 30, 2011
General Government:						
Administration and Finance	\$ 118,773	\$ -	\$ 118,773	\$ -	\$ (99,500)	\$ 19,273
Records and Election	801,136	-	801,136	-	-	801,136
Data Processing	551,230	-	551,230	21,859	-	573,089
General Services	7,124,212	-	7,124,212	1,355,804	(35,661)	8,444,355
Criminal Justice	495,542	-	495,542	5,650	(391,889)	109,303
Total General Government	<u>9,090,893</u>	<u>-</u>	<u>9,090,893</u>	<u>1,383,313</u>	<u>(527,050)</u>	<u>9,947,156</u>
Public Works:						
Road & Bridge	52,517,862	451,672	52,969,534	3,425,429	(1,331,149)	55,063,814
Missoula Development Authority	4,512,972	-	4,512,972	348,232	-	4,861,204
Weed & Extension	107,935	-	107,935	22,900	(1,595)	129,240
RSIDs - CIP	7,509,673	-	7,509,673	109,527	(46,972)	7,572,228
Seeley Lake Refuse	167,821	-	167,821	-	-	167,821
Total Public Works	<u>64,816,263</u>	<u>451,672</u>	<u>65,267,935</u>	<u>3,906,088</u>	<u>(1,379,716)</u>	<u>67,794,307</u>
Public Safety:						
Sheriff	2,556,103	-	2,556,103	2,761,972	(431,345)	4,886,730
Communications	5,614,080	-	5,614,080	399,607	(16,250)	5,997,437
Detention Center	25,427,954	-	25,427,954	550,931	(700)	25,978,185
Total Public Safety	<u>33,598,137</u>	<u>-</u>	<u>33,598,137</u>	<u>3,712,510</u>	<u>(448,295)</u>	<u>36,862,352</u>
Public Health:						
City/County Health	2,303,528	-	2,303,528	12,337	-	2,315,865
Environmental Health	465,826	-	465,826	-	-	465,826
Total Public Health	<u>2,769,354</u>	<u>-</u>	<u>2,769,354</u>	<u>12,337</u>	<u>-</u>	<u>2,781,691</u>
Social and Economic Services	57,647	-	57,647	-	(10,963)	46,684
Culture and Recreation	7,993,282	-	7,993,282	112,082	(20,636)	8,084,728
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>\$ 121,543,819</u>	<u>\$ 451,672</u>	<u>121,995,491</u>	<u>9,126,330</u>	<u>\$ (2,386,660)</u>	<u>\$ 128,735,161</u>

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

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the 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 Assets by Component
Last Nine Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities									
Invested in Capital Assets, net of Related Debt	\$ 21,440,382	\$ 21,269,578	\$ 16,970,735	\$ 28,223,190	\$ 34,873,468	\$ 41,799,334	\$ 47,859,926	\$ 50,908,218	\$ 52,441,539
Restricted	599,302	783,387	1,463,452	1,466,019	1,755,298	1,550,263	1,275,007	2,393,072	15,967,427
Unrestricted	<u>9,793,543</u>	<u>8,097,311</u>	<u>18,919,713</u>	<u>18,975,049</u>	<u>31,255,020</u>	<u>28,155,028</u>	<u>36,814,281</u>	<u>36,385,797</u>	<u>23,837,507</u>
Total Governmental Activities Net Assets	<u>\$ 31,833,227</u>	<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>
Business-type Activities									
Invested in Capital Assets, net of Related Debt	\$ 2,311,891	\$ 2,322,777	\$ 2,278,903	\$ 2,199,939	\$ 2,125,419	\$ 2,125,336	\$ 2,601,442	\$ 4,052,553	\$ 3,656,007
Unrestricted	<u>1,252,355</u>	<u>1,338,904</u>	<u>1,298,087</u>	<u>1,377,281</u>	<u>1,622,661</u>	<u>1,778,396</u>	<u>1,581,937</u>	<u>1,046,487</u>	<u>2,593,970</u>
Total Business-type Activities Net Assets	<u>\$ 3,564,246</u>	<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>
Primary Government									
Invested in Capital Assets, net of Related Debt	\$ 23,752,273	\$ 23,592,355	\$ 19,249,638	\$ 30,423,129	\$ 36,998,887	\$ 43,924,670	\$ 50,461,368	\$ 54,960,771	\$ 56,097,546
Restricted	599,302	783,387	1,463,452	1,466,019	1,755,298	1,550,263	1,275,007	2,393,072	15,967,427
Unrestricted	<u>11,045,898</u>	<u>9,436,215</u>	<u>20,217,800</u>	<u>20,352,330</u>	<u>32,877,681</u>	<u>29,933,424</u>	<u>38,396,218</u>	<u>37,432,284</u>	<u>26,431,477</u>
Total Primary Government Net Assets	<u>\$ 35,397,473</u>	<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>

Typically this statistical table presents information on a ten year basis; however, the County converted to the GASB 34 reporting format in fiscal year 2003. Thus there is only information presented from that time forward.

MISSOULA COUNTY, MONTANA
Schedule of Changes in Net Assets
Last Nine Fiscal Years
(Page 1 of 2)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental Activities:									
General Government	\$ 7,877,591	\$ 10,329,199	\$ 9,656,328	\$ 10,793,516	\$ 10,616,135	\$ 11,532,881	\$ 12,236,110	\$ 11,885,058	\$ 13,978,668
Criminal Justice	3,651,663	3,749,739	4,813,728	5,119,123	3,300,060	3,729,153	3,758,712	3,847,607	4,128,781
Public Safety	14,242,692	15,777,067	14,852,072	17,060,430	17,487,042	17,933,310	18,135,508	18,831,204	20,042,141
Public Works	9,232,818	11,218,785	6,641,539	8,022,496	17,948,738	13,520,691	6,065,827	10,604,449	10,172,173
Public Health	4,145,794	4,543,610	4,517,190	5,093,221	5,542,050	5,903,619	5,860,795	6,041,743	6,542,193
Social & Economic Services	2,440,503	3,255,769	3,455,239	3,702,861	4,289,787	4,078,319	4,615,766	4,686,338	2,339,977
Culture & Recreation	3,715,192	4,383,917	4,252,141	4,090,539	3,889,031	4,493,107	4,333,841	4,473,973	5,156,053
Housing & Community Development	1,980,185	2,107,607	2,007,925	1,845,512	2,601,639	3,435,749	2,918,937	2,819,982	3,875,925
Interest on Long-term Debt	1,114,181	1,160,354	1,196,809	935,898	1,133,118	1,261,685	1,145,352	1,543,010	1,654,795
Total Governmental Activities Expenses	48,400,619	56,526,047	51,392,971	56,663,596	66,807,600	65,888,514	59,070,848	64,733,364	67,890,706
Business-type Activities:									
Larchmont Golf Course	781,626	829,362	795,539	859,193	880,832	852,695	847,389	860,865	854,062
Rural Special Improvement Districts	660,452	622,832	767,857	703,456	720,567	707,010	735,247	382,198	822,299
Total Business-type Activities Expenses	1,442,078	1,452,194	1,563,396	1,562,649	1,601,399	1,559,705	1,582,636	1,243,063	1,676,361
Total Primary Government Expenses	<u>\$ 49,842,697</u>	<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>
Program Revenues									
Governmental Activities:									
Charges for Services:									
General Government	\$ 3,541,864	\$ 4,616,907	\$ 4,917,291	\$ 5,066,931	\$ 4,909,952	\$ 4,596,879	\$ 4,405,714	\$ 4,370,193	\$ 4,757,274
Criminal Justice	839,079	837,962	969,501	895,178	831,522	876,544	910,461	882,066	855,132
Public Safety	4,563,602	3,980,917	3,385,998	3,686,470	4,007,155	5,845,885	5,218,345	5,097,532	5,144,087
Public Works	654,784	606,293	1,013,088	1,335,476	2,319,001	2,067,227	1,747,766	1,522,702	2,618,765
Public Health	1,167,320	1,252,154	1,373,916	1,420,148	1,633,125	1,730,795	1,532,922	1,477,509	1,495,133
Social & Economic Services	-	52	-	-	-	2,339,977	-	-	-
Culture & Recreation	1,130,866	1,148,071	1,199,618	1,158,955	1,335,514	1,136,630	981,832	1,022,162	1,097,072
Housing & Community Development	205,660	218,713	248,987	201,930	233,379	206,284	195,356	158,728	144,605
Operating Grants and Contributions	7,774,613	7,333,961	9,198,521	8,882,805	6,479,430	6,862,787	6,626,708	5,364,471	10,503,550
Capital Grants and Contributions	1,332,656	1,292,253	1,919,467	3,865,026	2,267,401	260,121	3,546,936	2,576,393	1,148,146
Total Governmental Activities Program Revenues	21,210,444	21,287,283	24,226,387	26,512,919	24,016,479	25,923,129	25,166,040	22,471,756	27,763,764
Business-type Activities:									
Charges for Services:									
Larchmont Golf Course	1,051,408	1,018,458	911,171	958,595	951,976	984,778	1,012,132	988,599	981,338
Rural Special Improvement Districts	809,059	768,824	676,128	802,189	850,294	780,030	823,465	882,273	995,892
Total Business-type Activities Program Revenues	1,860,467	1,787,282	1,587,299	1,760,784	1,802,270	1,764,808	1,835,597	1,870,872	1,977,230
Total Primary Government Program Revenues	<u>\$ 23,070,911</u>	<u>\$ 23,074,565</u>	<u>\$ 25,813,686</u>	<u>\$ 28,273,703</u>	<u>\$ 25,818,749</u>	<u>\$ 27,687,937</u>	<u>\$ 27,001,637</u>	<u>\$ 24,342,628</u>	<u>\$ 29,740,994</u>
Net (Expense) Revenue									
Governmental Activities:	\$(27,190,175)	\$(35,238,764)	\$(27,166,584)	\$(30,150,677)	\$(42,791,121)	\$(39,965,385)	\$(33,904,808)	\$(42,261,608)	\$(40,126,942)
Business-type Activities:	418,389	335,088	23,903	198,135	200,871	205,103	252,961	627,809	300,869
Total Primary Government Net (Expenses) Revenues	<u>\$(26,771,786)</u>	<u>\$(34,903,676)</u>	<u>\$(27,142,681)</u>	<u>\$(29,952,542)</u>	<u>\$(42,590,250)</u>	<u>\$(39,760,282)</u>	<u>\$(33,651,847)</u>	<u>\$(41,633,799)</u>	<u>\$(39,826,073)</u>

MISSOULA COUNTY, MONTANA
Schedule of Changes in Net Assets (Continued)
Last Nine Fiscal Years
(Page 2 of 2)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenue and Other									
Changes in Net Assets									
Governmental Activities:									
Property Taxes	\$ 26,785,411	\$ -	\$ -	\$ 30,428,569	\$ 32,154,829	\$ 34,367,166	\$ 34,622,390	\$ 38,095,655	\$ 36,962,016
Intergovernmental Revenue	3,671,830	-	-	3,282,638	4,334,436	6,766,492	5,857,686	5,845,783	2,967,366
Investment Earnings	-	-	-	875,329	1,748,295	1,489,227	816,387	297,001	239,823
Gain on Sale of Capital Assets	-	-	-	2,518,878	(2,230,026)	643,320	(28,243)	-	(1,542)
Miscellaneous Revenues	-	-	-	2,035,355	12,142,118	2,329,610	2,832,296	2,369,802	2,384,056
Transfers	-	-	-	234,342	141,981	151,225	164,386	(227,491)	107,531
Total Governmental Activities	<u>30,457,241</u>	<u>-</u>	<u>-</u>	<u>39,375,111</u>	<u>48,291,633</u>	<u>45,747,040</u>	<u>44,264,902</u>	<u>46,380,750</u>	<u>42,659,250</u>
Business-type Activities:									
Intergovernmental Revenue	-	-	-	-	-	2,967,366	100,000	-	-
Investment Earnings	-	-	-	31,726	55,242	38,345	35,691	24,426	9,080
Gain on Sale of Capital Assets	-	-	-	-	-	(1,542)	10,430	7,000	-
Miscellaneous Revenues	-	-	-	4,711	56,728	22,500	5,587	-	2,500
Transfers	-	-	-	(234,342)	(141,981)	(151,225)	(164,386)	227,491	(107,531)
Total Business-type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(197,905)</u>	<u>(30,011)</u>	<u>2,875,444</u>	<u>(12,678)</u>	<u>258,917</u>	<u>(95,951)</u>
Total Primary Government	<u>\$ 30,457,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,177,206</u>	<u>\$ 48,261,622</u>	<u>\$ 48,622,484</u>	<u>\$ 44,252,224</u>	<u>\$ 46,639,667</u>	<u>\$ 42,563,299</u>
Changes in Net Assets									
Governmental Activities	\$ 3,267,066	\$(35,238,764)	\$(27,166,584)	\$ 9,224,434	\$ 5,500,512	\$ 5,781,655	\$ 10,360,094	\$ 4,119,142	\$ 2,532,308
Business-type Activities	418,389	335,088	23,903	230	170,860	3,080,547	240,283	886,726	204,918
Total Primary Government Changes in Net Assets	<u>\$ 3,685,455</u>	<u>\$(34,903,676)</u>	<u>\$(27,142,681)</u>	<u>\$ 9,224,664</u>	<u>\$ 5,671,372</u>	<u>\$ 8,862,202</u>	<u>\$ 10,600,377</u>	<u>\$ 5,005,868</u>	<u>\$ 2,737,226</u>

Typically this statistical table presents information on a ten year basis; however, the County converted to the GASB 34 reporting format in fiscal year 2003. Thus there is only information presented from that time forward.

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	\$ 813,933	\$ 597,207	\$ 457,949	\$ 1,236,826	\$ 753,343	\$ -	\$ -	\$ -	\$ 226,646	\$ -
Unreserved	1,879,817	3,039,340	3,299,145	1,900,850	2,230,818	3,200,957	2,218,236	2,577,538	1,962,335	-
Nondspendable *	-	-	-	-	-	-	-	-	-	63,911
Restricted *	-	-	-	-	-	-	-	-	-	55,952
Committed *	-	-	-	-	-	-	-	-	-	-
Assigned *	-	-	-	-	-	-	-	-	-	-
Unassigned *	-	-	-	-	-	-	-	-	-	2,264,689
Total General Fund	<u>\$2,693,750</u>	<u>\$3,636,547</u>	<u>\$ 3,757,094</u>	<u>\$ 3,137,676</u>	<u>\$ 2,984,161</u>	<u>\$ 3,200,957</u>	<u>\$ 2,218,236</u>	<u>\$ 2,577,538</u>	<u>\$ 2,188,981</u>	<u>\$ 2,384,552</u>
All Other Governmental Funds										
Reserved	\$2,044,716	\$1,089,587	\$ 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	4,310,351	8,441,449	8,958,351	13,568,633	16,610,426	14,592,615	15,826,535	22,776,020	22,814,502	-
Debt Service Funds	992,500	599,302	783,387	1,463,452	1,466,019	1,755,298	1,550,263	1,555,901	(278,996)	-
Capital Project Funds	(775,888)	(762,493)	471,827	(263,475)	1,815,356	8,420,005	7,513,750	1,341,314	1,932,761	-
Nondspendable *	-	-	-	-	-	-	-	-	-	911,287
Restricted *	-	-	-	-	-	-	-	-	-	15,911,475
Committed *	-	-	-	-	-	-	-	-	-	8,658,734
Assigned *	-	-	-	-	-	-	-	-	-	7,303,069
Unassigned *	-	-	-	-	-	-	-	-	-	(1,111,352)
Total All Other Governmental Funds	<u>\$6,571,679</u>	<u>\$9,367,845</u>	<u>\$12,562,172</u>	<u>\$17,378,101</u>	<u>\$21,002,685</u>	<u>\$27,114,269</u>	<u>\$27,765,876</u>	<u>\$31,804,750</u>	<u>\$32,218,163</u>	<u>\$31,673,213</u>

* Restated to conform to GASB Statement No. 54.

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Taxes/assessments	\$22,908,495	\$24,270,711	\$26,866,402	\$ 28,737,286	\$ 30,663,693	\$ 32,457,258	\$ 33,225,843	\$ 36,062,438	\$ 36,771,969	\$ 38,521,237
Licenses and Permits	237,354	344,741	324,880	356,015	345,258	943,942	1,064,392	817,724	727,632	738,704
Intergovernmental Revenues	13,692,561	12,756,743	12,940,233	15,055,952	16,036,477	12,776,147	12,148,625	18,070,793	14,409,605	15,115,115
Charges for Services	8,269,696	9,211,933	8,519,919	8,329,904	8,829,603	9,382,541	11,346,129	10,114,876	9,847,043	9,889,566
Fines and Forfeitures	824,053	838,956	846,521	1,037,664	936,793	1,039,329	920,364	976,834	936,107	882,552
Investment Earnings	262,472	204,249	110,902	375,877	701,832	1,376,170	1,140,275	555,296	190,485	188,422
Private & Local Grants	196,553	117,015	111,576	122,446	257,428	664,723	2,208,405	114,916	1,100	157,550
Miscellaneous Revenue	482,489	495,489	2,432,173	2,206,685	1,682,084	1,893,210	2,420,861	2,391,991	2,411,935	1,779,966
Total Revenues	46,873,673	48,239,837	52,152,606	56,221,829	59,453,168	60,533,320	64,474,894	69,104,868	65,295,876	67,273,112
Expenditures:										
General Government	5,258,354	5,897,355	6,205,827	6,070,921	7,132,364	7,600,766	7,970,031	8,105,151	7,735,812	9,625,844
Criminal Justice	4,963,031	3,717,155	3,715,236	4,909,894	5,145,063	3,405,596	3,689,674	3,819,405	3,822,320	4,063,389
Public Safety	12,512,472	13,113,342	14,560,716	14,626,708	15,546,588	15,701,956	17,366,160	18,427,629	18,180,447	19,205,517
Public Works	5,170,623	7,385,860	9,478,401	6,860,922	6,949,991	7,284,533	12,212,920	7,997,379	7,534,287	7,940,624
Public Health	3,801,529	4,051,339	4,477,474	4,812,944	5,101,907	5,594,396	5,741,099	5,769,984	5,900,159	6,363,895
Social & Economic Services	3,581,418	2,276,328	3,202,355	3,291,473	3,720,110	3,936,569	3,871,633	4,544,542	4,437,612	2,275,749
Culture & Recreation	2,524,565	3,136,719	3,368,214	3,608,099	4,389,019	3,523,019	4,010,707	3,701,593	3,968,586	4,524,909
Housing & Community Development	901,215	2,370,871	1,952,543	2,090,784	1,864,848	2,684,171	3,397,241	2,928,408	2,777,337	3,796,036
Capital Outlay	6,743,978	5,950,500	6,446,469	7,017,579	5,496,600	18,979,764	8,079,485	9,872,743	15,334,966	8,199,726
Debt Service										
Principal	1,765,227	1,576,374	1,793,811	1,622,089	2,752,771	2,723,412	2,741,130	2,607,106	2,499,705	2,855,235
Interest	1,220,148	1,109,857	1,156,992	1,196,809	1,223,275	1,411,014	1,358,953	1,199,852	1,588,512	1,654,795
Total Expenditures	48,442,560	50,585,700	56,358,038	56,108,222	59,322,536	72,845,196	70,439,033	68,973,792	73,779,743	70,505,719
Excess of Revenues over (under) Expenditures	(1,568,887)	(2,345,863)	(4,205,432)	113,607	130,632	(12,311,876)	(5,964,139)	131,076	(8,483,867)	(3,232,607)
Other Financing Sources (uses):										
Transfers In	4,303,790	4,078,009	4,611,705	5,179,028	5,073,109	10,412,196	6,793,915	5,521,943	7,712,254	9,425,668
Transfers Out	(5,380,227)	(3,981,767)	(4,462,964)	(5,315,570)	(4,920,478)	(10,352,832)	(6,737,452)	(5,434,588)	(8,137,283)	(10,389,474)
Issuance of Debt	2,828,187	1,704,875	5,968,629	1,370,582	1,730,136	18,005,249	4,965,000	3,520,281	8,808,731	4,550,202
Defeasance of Debt	-	-	-	-	-	(1,641,286)	-	-	-	-
Premium on Issuance of Debt	-	-	-	-	-	-	6,908	-	-	-
Sale of Capital Assets	1,829,779	2,133,309	1,060,602	2,234,487	2,170,897	1,513,213	1,552,982	181,836	166,956	12,400
Total Other Financing Sources (uses)	3,581,529	3,934,426	7,177,972	3,468,527	4,053,664	17,936,540	6,581,353	3,789,472	8,550,658	3,598,796
Net Change in Fund Balance	\$ 2,012,642	\$ 1,588,563	\$ 2,972,540	\$ 3,582,134	\$ 4,184,296	\$ 5,624,664	\$ 617,214	\$ 3,920,548	\$ 66,791	\$ 366,189
Ratio of Debt Service Expenditures to Noncapital Expenditures	6.51%	5.72%	5.63%	5.65%	7.20%	6.17%	6.57%	6.70%	6.69%	7.09%

MISSOULA COUNTY, MONTANA
Bureau of Census (BOC) Supplemental Schedule
As of and for the Fiscal Year ended June 30, 2010

1. Intergovernmental expenditures:

Purpose	Amount	
	Paid to local governments	Paid to state
Airports	\$ -	\$ -
Libraries	-	-
Health	-	-
Local Schools	-	-
Welfare	-	-
All other	-	-

2. Salaries and wages:

\$ 28,415,170

3. Debt outstanding:

A. Long-term debt outstanding, issued and retired

Purpose	Bonds outstanding July 1, 2010	Amount		Outstanding as of June 30, 2011	
		Bonds during the Fiscal Year		General Obligation	Revenue bonds
		Issued	Retired		
Water utility	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer	-	-	-	-	-
Electric utility	-	-	-	-	-
Gas utility	-	-	-	-	-
Industrial revenue	-	-	-	-	-
All other	13,372,000	4,692,717	(3,029,857)	15,432,000	-

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:

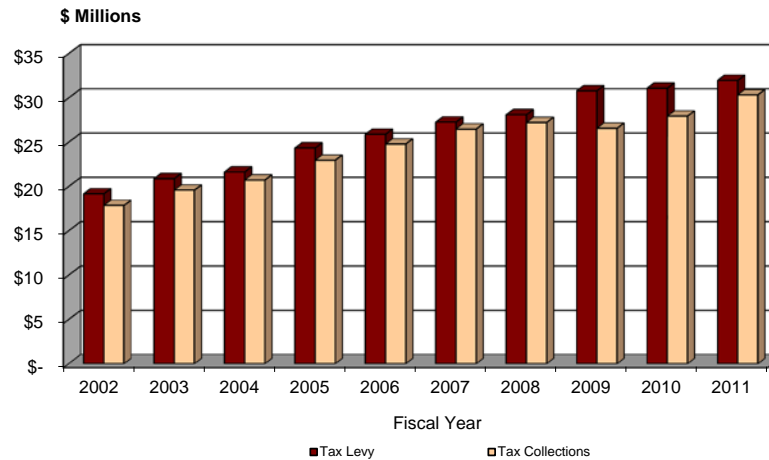
Type of funds	Amount
General fund	\$ 2,613,865
Special revenue funds	13,237,529
Debt service funds	3,995,606
Capital projects funds	12,171,940
Enterprise funds	2,582,416
Internal service funds	10,275,918
Trust and agency funds	48,520,422
Total	\$ 93,397,696

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 (b)	Total Tax Collections	Ratio of Total Collections to Current Tax Levy	Outstanding Delinquent Taxes (c)	Ratio of Outstanding Delinquent Taxes to Current Tax Levy
2002	\$ 19,162,880	\$ 17,854,304	93.17	\$1,023,575	\$ 18,877,879	98.51	\$ 1,888,048	9.85
2003	20,880,647	19,581,637	93.78	680,696	20,262,333	97.04	2,547,903	12.20
2004	21,638,028	20,720,218	95.76	1,649,096	22,369,314	103.38	2,375,435	10.98
2005	24,343,154	22,956,636	94.30	1,165,936	24,122,572	99.09	2,035,313	8.36
2006	25,889,080	24,789,174	95.75	834,858	25,624,032	98.98	1,944,649	7.51
2007	27,273,357	26,482,952	97.10	1,044,444	27,527,396	100.93	1,817,178	6.66
2008	28,098,827	27,225,756	96.89	1,259,987	28,485,743	101.38	1,740,170	6.19
2009	30,800,857	26,569,795	86.26	2,629,658	29,199,453	94.80	2,600,484	8.44
2010	31,095,767	27,941,825	89.86	1,604,577	29,546,402	95.02	2,491,869	8.01
2011	31,979,430	30,346,517	94.89	1,569,012	31,915,529	99.80	2,674,187	8.36

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

**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

Fiscal Year	Assessed Market Value (1)	Taxable Value (2)	Total Direct Tax Rate (3)	Ratio of Total Taxable Value to Total Assessed Market Value
2002	\$ 4,234,386,253	\$ 145,789,091	4.53	3.44%
2003	4,556,367,054	151,159,660	4.58	3.32%
2004	4,908,943,897	155,594,087	4.41	3.17%
2005	5,235,427,044	161,743,087	4.65	3.09%
2006	5,569,029,080	172,525,317	4.65	3.10%
2007	5,908,576,909	178,546,389	4.62	3.02%
2008	6,221,102,645	184,460,260	4.52	2.97%
2009	6,310,353,787	189,152,539	4.88	3.00%
2010	6,905,573,634	190,855,285	4.50	2.76%
2011	7,214,307,879	194,561,116	4.43	2.70%

(1) Source: Montana Department of Revenue

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

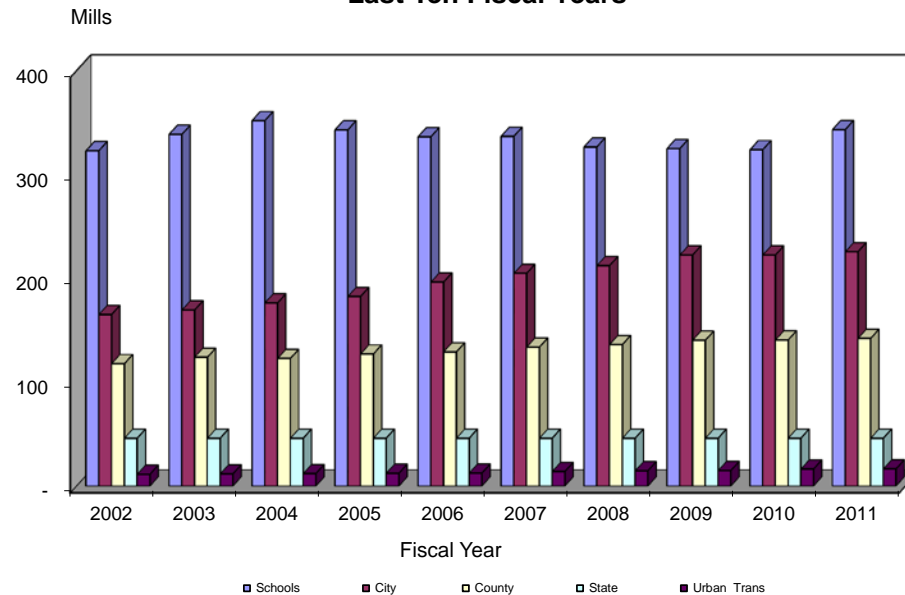
(3) Tax Rates are per \$1,000 of assessable market value

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

Fiscal Year	County	Schools	City	State	Urban Trans	Total
2002	117.80	322.90	165.19	46.00	11.31	663.20
2003	123.97	338.64	169.48	46.00	11.66	689.75
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

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

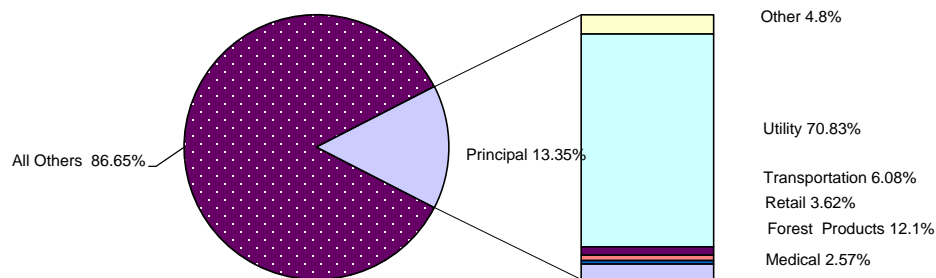


MISSOULA COUNTY, MONTANA
Principal Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Industry	2011			2002		
		Tax Dollars All Taxing Agencies	Taxable Value	% of Total Taxable Value	Taxable Value	% of Total Taxable Value	
Northwestern Energy/Montana Power	Utility	\$ 7,774,510	\$ 12,424,424	6.39 %	\$ 8,351,995	5.51 %	
Qwest Communications/U.S. West	Utility	2,023,608	2,751,064	1.41	3,344,414	2.21	
Bresnan Communications	Utility	1,795,049	2,505,888	1.29	-	0.00	
Montana Rail Link	Transportation	1,114,194	1,715,965	0.88	1,752,057	1.16	
Mountain Water Company	Utility	1,043,480	1,388,210	0.71	992,860	0.66	
Celoco Partnership (Verizon Wireless)	Utility	841,858	1,170,376	0.60	-	0.00	
Southgate Mall	Retail	699,823	906,142	0.47	804,212	0.53	
Missoula Electric Cooperative	Utility	637,122	1,072,932	0.55	651,912	0.43	
AT&T Mobility	Utility	635,136	869,161	0.45	-	0.00	
Gateway Limited Partnership	Other	597,289	763,174	0.39	671,695	0.44	
St. Patrick Hospital Corporation	Medical	474,892	595,790	0.31	-	0.00	
1st Interstate Bank	Other	364,071	453,408	0.23	-	0.00	
Mountain States Leasing	Other	350,164	446,119	0.23	-	0.00	
M2GREEN Redevelopment	Other	329,242	461,054	0.24	5,016,157	3.31	
Yellowstone Pipeline	Utility	307,091	473,352	0.24	490,688	0.32	
Blackfoot Telephone Co-op	Utility	297,002	443,335	0.23	872,588	0.58	
Puget Sound Energy	Utility	288,551	524,880	0.27	-	0.00	
Roseburg Forest Products	Forest Products	274,534	388,682	0.20	-	0.00	
		<u>\$ 19,847,616</u>	<u>\$ 29,353,956</u>	<u>15.09 %</u>	<u>\$ 22,948,578</u>	<u>15.14 %</u>	
Total County Taxable Value:			<u>\$ 194,561,116</u>		<u>\$ 151,539,149</u>		

Source: Tax roll for fiscal year 2010

PRINCIPAL TAXPAYERS BY TYPE
June 30, 2011



\$ 194,561,116

\$ 29,353,956

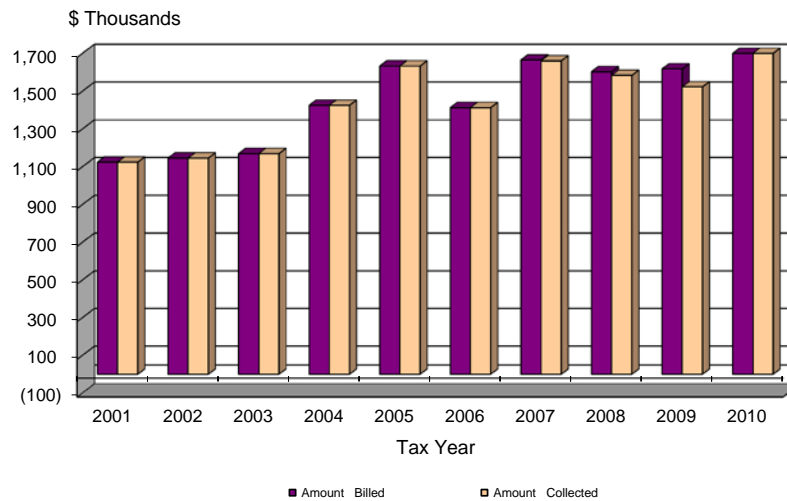
MISSOULA COUNTY, MONTANA
Special Assessments Billings and Collections
June 30, 2011

<u>Tax Year (a)</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>% Collected through 6/30/2011</u>
2001	1,124,234	1,124,226	100.00
2002	1,145,534	1,145,526	100.00
2003	1,169,115	1,169,115	100.00
2004	1,425,008	1,425,008	100.00
2005	1,633,073	1,632,836	99.99
2006	1,412,330	1,412,330	100.00
2007	1,665,327	1,660,482	99.71
2008	1,602,683	1,583,606	98.81
2009	1,617,545	1,522,370	94.12
2010	2,512,299	2,246,413	89.42

Source: Missoula County RSID Technician

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

RSID BILLINGS AND COLLECTIONS
June 30, 2011



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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Limit on Total Indebtedness:										
Assessed Value	\$ 4,234,386	\$ 4,556,367	\$ 4,908,944	\$ 5,235,427	\$ 5,569,029	\$ 5,908,577	\$ 6,221,103	\$ 6,310,354	\$ 6,905,574	\$ 7,214,308
Taxable Value										
Debt Limit % of Value (1)	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>
Debt Limit	105,860	113,909	122,724	130,886	139,226	147,714	155,528	157,759	172,639	180,358
Net Debt Applicable to Limit	<u>24,085</u>	<u>23,365</u>	<u>27,517</u>	<u>27,245</u>	<u>26,564</u>	<u>29,612</u>	<u>31,873</u>	<u>32,787</u>	<u>39,096</u>	<u>40,791</u>
Legal Debt Margin	<u>\$ 81,775</u>	<u>\$ 90,544</u>	<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>
Ratio of Net Debt Applicable to Debt Limit	<u>22.75%</u>	<u>20.51%</u>	<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>

(1) Prior to 2002, Montana statute set the legal debt limit at 23% of taxable valuation. The 2001 Legislature changed the statutes to prescribe a legal debt limit of 2.5% of the assessed valuation.

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

<u>Calendar Year</u>	<u>TANs or RANs (1)</u>	<u>BANs (2)</u>	<u>RSIDs</u>	<u>General Obligation</u>	<u>Other</u>	<u>Total</u>
2002	\$ -	\$ -	\$ 327,000	\$ -	\$ 1,000,000	\$ 1,327,000
2003	-	-	225,000	-	-	225,000
2004	-	-	3,661,561	-	995,000	4,656,561
2005	-	-	954,787	-	415,795	1,370,582
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

(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>
2002	95,802	\$ 145,789,091	\$ 15,875,000	\$ 598,847	\$ 15,176,072	10.41	\$ 158
2003	96,303	151,159,660	15,257,000	427,263	14,829,737	9.81	154
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	108,623	190,855,285	13,372,000	1,309,645	12,062,355	6.32	111
2011	108,623	194,561,116	15,432,000	1,300,585	14,131,415	7.26	130

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				
2002	\$ 15,875,000	\$ 1,435,000	\$ 2,235,000	\$ 2,698,000	\$ 1,842,075	\$ 24,085,075	\$ 24,111	0.10%	\$ 250
2003	15,257,000	1,335,000	2,150,000	3,241,936	1,380,627	23,364,563	25,818	0.11%	237
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%	302
2010	13,372,000	3,965,000	4,915,000	15,267,731	1,789,602	40,885,249	35,108	0.09%	376
2011	15,432,000	4,750,000	4,515,000	14,859,078	1,234,536	40,790,614	35,733	0.09%	376

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		
2002	\$ 1,765,227	\$ 1,220,148	\$ 2,985,375	\$ 47,904,492	6.23
2003	1,576,374	1,109,857	2,686,231	50,585,700	5.31
2004	1,793,811	1,156,992	2,950,803	56,358,038	5.24
2005	1,622,089	1,196,809	2,818,898	56,108,222	5.02
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

MISSOULA COUNTY, MONTANA
Computation of Direct and Overlapping Debt
June 30, 2011

	Gross G.O. Debt Outstanding	% Applicable to Missoula County	Amount Applicable to Missoula County
Direct Debt			
Missoula County	\$ 15,432,000	100.00%	\$ 15,432,000
Overlapping Debt			
City of Missoula	13,840,000	55.11% *	7,626,586
School District 1	12,535,000	52.99% *	6,642,440
Other Schools	<u>30,005,000</u>	47.01% *	<u>14,105,008</u>
	<u>56,380,000</u>		<u>28,374,033</u>
Total of Direct and Overlapping Debt	\$ <u>71,812,000</u>	61.00%	\$ <u>43,806,033</u>

* The percentage of overlapping debt applicable to Missoula County was estimated by taking the Taxable Value of each of the three entities issuing GO debt within Missoula County and then dividing it into 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

	2011		2002	
<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	Plum Creek Timber	Forest Products
	Missoula County Public Schools	Education	St. Patrick Hospital	Medical Services
	Community Medical Center	Medical Services	University of Montana	Education
500-999	County of Missoula	Government	Missoula County Public Schools	Education
	DIRECTV	Communications	Montana Rail Link	Railroad
	U.S. Forest Service	Government	County of Missoula	Government
	Wal-Mart	Retail	Smurfit-Stone Container Corp.	Paper Mill
	Opportunity Resources	Production/Packaging	U.S. Forest Service	Government
	City of Missoula	Government	Washington Corporation	Construction
250-499	Montana Rail Link	Railroad	Bitterroot International	Forest Products
	Western Montana Clinic	Medical Services	City of Missoula	Government
	Albertson's	Retail	Missoula County Airport	Air Travel
	Village Health Care Center	Medical Services	Sun Mountain Sports	Athletic Equipment Manufacturing
	W. Montana Mental Health Center	Medical Services	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

<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>
2002	366.80	19.80	49.12	26.68	44.84	33.32	25.53	566.09
2003	499.70	12.57	24.84	13.90	24.13	16.54	12.19	603.87
2004	517.57	11.54	20.52	11.68	19.78	15.01	10.72	606.82
2005	535.35	10.79	19.27	9.95	17.24	12.16	9.37	614.13
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	12.86	5.39	6.86	7.48	7.08	594.86

Major Taxpayers in the MCA Industrial District

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Value</u>
Big Sky Brewing Company	Brewery	\$ 159,696
Feist Limited Partnership	Distribution	148,931
Missoula Ventures		144,175
EWB LLC (Sun Mountain Sports)	Sports Equipment	108,636
Lithia Real Estate	Real Estate	106,101
Rocky Mountain Biologicals	Medical	75,872
Sheridan Montana Ventures	Office/Warehouses	73,522
Woodahl Land & Livestock Company	Real Estate	77,669
Mountain Water Company	Utility	57,978
Northstar Air Express	Shipping	49,223
Roscoe Steel & Culvert	Construction	48,662
	Total	<u>\$ 1,050,465</u>

The taxable value of the property of these ten taxpayers represents approximately 36.44% of taxable value of taxable property in the District for tax year 2011.

MISSOULA COUNTY, MONTANA
Missoula Development Authority
Taxable Value, Incremental Taxable Value & Tax Increment Revenue

Fiscal Year	Taxable Value	Incremental Taxable Value	Anticipated Tax Increment to be Collected ⁽¹⁾	Current Tax Collections ⁽²⁾	Total Tax Collections ⁽³⁾
2003	\$1,075,456	\$ 898,851	\$ 537,409	\$ 507,524	\$ 516,469
2004	1,274,588	1,097,983	659,745	619,331	711,529
2005	1,748,514	1,571,909	959,261	827,341	894,601
2006	1,998,711	1,822,106	1,104,079	902,456	1,143,408
2007	1,775,065	1,598,460	968,491	793,745	795,915
2008	1,950,516	1,773,911	1,030,252	634,032	761,463
2009	2,065,994	1,889,389	1,079,653	914,154	916,408
2010	2,527,639	2,351,034	1,400,888	1,206,236	1,289,055
2011	2,726,457	2,549,852	1,501,480	1,206,236	1,289,055
2012	2,801,534	2,624,929	1,613,937	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 2011 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 2011 is not yet available.

MISSOULA COUNTY, MONTANA
Missoula Development Authority
Increment Bond Coverage

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

Sources of Coverage					
Fiscal Year	Tax Increment (1)	Port Authority Levy (2)	Interest (3)	Total	Coverage (4)
2003	\$ 537,409	\$ 272,087	\$ 10,288	\$ 819,784	3.98
2004	659,745	280,069	10,288	950,102	4.62
2005	959,261	291,138	10,288	1,260,686	6.13
2006	1,104,079	310,546	10,288	1,424,912	6.93
2007	968,491	321,384	10,288	1,300,162	6.32
2008	1,030,252	332,028	10,288	1,372,568	6.67
2009	928,742	340,475	10,288	1,279,504	6.22
2010	1,400,887	343,540	10,288	1,754,714	8.53
2011	1,501,480	346,994	10,288	1,858,761	9.03
2012	1,613,937	350,210	10,288	1,974,435	9.60

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

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

Tax Year	Taxable Value of County Property	Potential Revenue from the Port Authority Levy (Two Mills)
2003	\$ 151,159,660	\$ 302,319
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

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
2002	95,802	1,249	896	\$ 24,111	13,570	1,207	53,510	4.0
2003	97,580	1,983	931	25,818	13,459	1,171	54,553	3.9
2004	98,616	1,451	948	26,823	13,259	1,173	54,643	4.1
2005	99,018	1,901	826	27,997	13,290	1,233	55,803	4.0
2006	100,086	1,591	940	29,625	13,244	1,245	58,692	3.7
2007	101,417	1,770	842	30,131	13,202	1,145	59,655	2.2
2008	105,650	2,021	987	31,535	13,082	1,088	55,868	3.8
2009	107,320	1,647	936	33,587	13,098	994	54,500	6.1
2010	108,623	1,569	883	35,108	13,090	992	54,918	5.7
2011	109,299	1,669	1,045	35,733	13,211	939	54,288	6.9

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	Commercial Construction (c)		Residential Construction (c)		Total	
		Net Taxable (a)	Number of Units	Value	Number of Units	Value	Number of Units	Value
2002	\$ 1,706,044,951	\$ 145,789,091	39	\$ 13,525,293	700	\$ 48,015,530	739	\$ 61,540,823
2003	1,927,869,534	151,159,660	53	20,973,429	1,530	86,386,297	1,583	107,359,726
2004	2,022,706,234	155,594,087	42	24,430,995	726	46,692,769	768	71,123,764
2005	1,646,928,870	161,743,087	36	21,277,315	651	47,128,635	687	68,405,950
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

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.
- (d) Commercial Banks only

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

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Legislative	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Services	21.53	20.98	20.48	21.23	19.61	23.71	23.51	28.64	26.08	12.05
Judicial Services	11.00	11.00	11.00	11.00	13.00	13.00	13.00	13.00	14.00	14.00
Legal Services	24.11	25.55	26.55	27.30	29.29	29.41	31.39	31.39	32.39	32.29
Financial Services	10.25	9.75	10.09	10.09	10.75	11.00	10.50	10.83	10.50	10.00
Human Resource	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.00
Information Services	9.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00	11.00	13.00
Treasurer/MV	23.15	24.65	24.45	24.45	21.65	21.65	21.65	21.65	20.65	18.22
911 Communications	25.25	26.25	27.25	27.29	27.34	32.24	32.29	32.29	32.29	31.25
Election Services	4.28	5.79	4.23	4.23	4.23	4.23	4.53	4.53	4.53	4.41
Records Administration	10.15	10.90	10.15	11.15	9.40	9.40	9.40	9.40	8.40	7.00
Internal Services	9.05	9.55	9.83	10.08	10.05	9.05	9.05	9.05	8.25	12.37
Facilities Administration	4.00	4.00	5.00	9.98	10.00	10.00	10.82	10.00	10.00	11.00
District Court										
Clerk of Court	13.50	13.00	13.50	14.50	15.00	15.00	17.00	17.00	17.00	16.00
Youth Court	17.92	-	-	-	-	-	-	-	-	-
Public Defenders	14.50	16.00	17.00	19.00	20.00	-	-	-	-	-
Public Safety										
Law Enforcement Services	60.00	59.00	60.85	61.00	60.25	61.25	62.30	61.30	61.30	59.80
Detention Center	115.40	117.00	115.57	112.50	107.26	107.26	107.25	108.35	108.10	106.85
Court Support	14.95	2.00	1.00	1.00	1.00	1.00	1.17	1.25	2.13	2.13
Emergency Services	0.95	0.95	0.95	0.95	1.00	1.00	0.95	0.95	0.95	0.75
Public Works										
Road - Bridge	48.26	47.30	46.93	47.60	47.93	48.57	45.07	43.30	42.31	51.77
Building Code Division	-	-	-	-	4.67	10.00	9.00	8.00	5.00	5.35
Seeley Lake Refuse	-	-	-	-	-	2.00	1.75	1.75	2.25	2.23
Weed	4.80	4.80	5.25	5.25	5.32	6.35	5.25	5.05	5.25	6.02
Public Health										
Public Health Services	59.87	58.12	61.27	63.26	63.88	69.56	69.59	70.15	67.95	66.27
Partnership Health Clinic	37.45	39.65	34.67	37.29	43.92	45.15	44.45	49.75	50.50	82.88
Animal Control	7.05	7.05	7.00	7.79	8.00	8.00	9.00	9.00	9.30	9.15
Culture & Recreation										
Parks & Recreations Services	0.50	0.73	0.73	0.73	0.73	1.03	1.03	1.35	1.23	1.23
Library	24.60	26.97	27.00	26.58	29.68	30.85	33.12	36.25	36.65	40.13
Museum	3.05	4.18	4.34	4.34	4.54	4.60	5.07	5.72	5.72	5.35
Fair	3.96	4.50	4.81	5.40	4.40	3.75	3.25	3.25	4.00	8.24
Social & Economics										
County Extension	5.05	5.05	5.07	5.00	5.57	6.10	5.70	5.70	5.55	5.25
Planning & Grants	46.15	48.25	53.15	52.72	56.22	61.74	64.16	61.11	61.24	62.81
	<u>637.73</u>	<u>620.95</u>	<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>705.80</u>

Source: Missoula County Finance Office

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

Function/Program		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government											
Registered Voters (June)	(1)	52,338	61,557	49,116	57,294	60,521	67,240	57,215	80,346	78,366	76,757
Property Transactions:											
Deeds Recorded	(1)	5,734	9,371	5,796	6,074	5,881	4,146	4,233	3,765	3,629	3,862
Subdivision Plates Filed	(1)	110	210	147	129	117	90	87	78	51	43
Certificates of Survey	(1)	125	210	142	130	110	94	132	94	49	56
Motor Vehicle Title Transfers		34,695	36,932	39,172	38,000	37,674	37,952	34,481	31,009	30,961	31,419
Motor Vehicle Registrations		117,433	118,790	120,233	98,792	96,885	86,390	89,218	92,046	84,547	95,321
Payroll Payments Processed	(1)	N/A	19,246	19,769	20,358	20,448	20,697	20,722	20,860	20,828	20,828
Claims Payments Processed	(1)	N/A	19,115	19,621	18,371	22,080	21,863	20,462	18,966	27,365	27,365
911 Emergency Communications											
Law Enforcement		79,564	74,303	83,895	90,103	89,426	89,207	93,430	82,574	83,054	84,751
Fire & Medical dispatched to Fire Dept		7,424	8,110	7,793	8,450	9,578	10,207	10,387	9,725	9,297	11,759
Medical-Ambulance		6,950	7,351	7,010	7,677	8,366	8,707	8,959	8,221	8,280	8,340
Other		9,868	10,055	9,745	9,832	5,720	12,795	13,600	13,425	13,269	9,034
Criminal Justice Activities											
Justice Court Civil Caseload		4,101	4,459	5,083	5,520	5,210	4,670	5,256	5,841	5,558	5,171
Justice Court Criminal Caseload		19,896	19,569	17,918	17,364	17,011	19,163	18,768	18,372	8,905	6,557
Clerk of District Court:											
Marriage Licenses Issued	(1)	818	734	841	811	863	847	883	444	782	838
Adoptions	(1)	57	57	49	44	61	64	87	72	60	86
Civil Case	(1)	1,119	1,069	1,221	1,228	1,189	1,330	1,551	1,724	1,629	1,629
Criminal Cases	(1)	487	543	589	642	531	529	614	664	631	610
All Other Open Cases	(1)	1,582	1,950	1,874	1,829	2,190	2,324	1,807	2,138	2,285	2,216
Public Safety											
Detention Center:											
Daily Occupancy (392 available beds)	(1)	354	344	365	365	363	318	305	312	298	283

(1) Fiscal Year

N/A - Data Not Available

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 Six Fiscal Years

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

County Seat	Missoula, MT		<u>Population</u>	<u>Median age</u>
		Year 1940	29,038	N/A
Established as a County	1860	Year 1950	35,493	N/A
		Year 1960	44,663	26.2
Form of Government	Commission	Year 1970	58,263	24.4
		Year 1980	76,016	27.6
Commission Government Established	1865	Year 1990	78,687	31.6
		Year 2000	95,802	33.2
Area in square miles	2,624	Year 2010	108,623	34.4
Registered voters	76,861			

Total County Government Employees:	<u>Part-time</u>	<u>Full-time</u>
Officials & Managers	1	42
Professionals	23	116
Technical	44	46
Protective services	2	181
Paraprofessionals	9	72
Administrative Support	86	87
Service & Maintenance	9	50
	<u>174</u>	<u>594</u>

Police protection	<u>City Police</u>	<u>County Sheriff</u>
Stations	1	1
Officers	115	50
Detention Facility		1
Detention Officers		95

Fire protection	<u>City Fire</u>	<u>Missoula Rural Fire</u>
Stations	5	5
Full-time employees	95	40
Volunteers	-	35
Fire hydrants	1042	220
Fire vehicles	25	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 and volunteer firefighters in outlying areas of Missoula County.

MISSOULA COUNTY, MONTANA
Miscellaneous Statistical Data (Continued)
June 30, 2010

Educational Facilities

Public Schools 2009-2010		
Type	Number	Enrolled
Elementary (District 1)	12	4,794
Elementary (Other Districts)	12	4,263
High Schools (MCHS)	4	3,643
High Schools (Other Dist)	1	390
Trade & Technical	1	2,167
University	1	14,207
Private Schools 2009-2010		
Type	Number	Enrolled
Elementary	11	701
High School	3	291
Home School	199	240

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

Community Facilities

Public libraries:	
Branch facilities	7
Volumes	285,000
Audios	15,036
Videos	13,195
Annual Circulation	845,377
Churches:	
Protestant	90
Catholic	13
Other	10
Restaurants	431
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	23 Screens
Ski Areas		2
Theatrical Playhouses		8
Museums		12
Art Galleries		24
Symphonies/orchestras		4

SINGLE AUDIT SECTION

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**Schedule of Expenditures of Federal Awards - Cash Basis
For the Year Ended June 30, 2011**

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis
For the Year Ended June 30, 2011
(Page 1 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/2010	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
OFFICE OF NATIONAL DRUG CONTROL POLICY:									
Passed Through City of Missoula:									
High Intensity Drug Trafficking Area	95.001	I8PRMP604Z	\$ 5,454	\$ -	\$ 5,454	\$ -	\$ -	\$ -	\$ 5,454
High Intensity Drug Trafficking Area	95.001	G10RM0037A	21,309	-	8,233				8,233
High Intensity Drug Trafficking Area	95.001	G11RM0037A	14,311	-	14,311				14,311
Total Office of National Drug Control Policy				-	27,998	-	-	-	27,998
DEPARTMENT OF AGRICULTURE:									
Passed Through State Department of Public Health:									
Women/Infants/Children 10-11	10.557	10-07-5-21-014-0	451,101	(70,606)	310,414	1,699	-	-	312,113
Women/Infants/Children 11-12	10.557	11-07-5-21-014-0	458,598	-	264,284	345	-	-	264,629
WIC Breastfeeding Support Services 10-11	10.557	10-07-5-21-060-0	27,316	(4,660)	10,496	3,942	-	-	14,438
WIC Breastfeeding Support Services 11-12	10.557	11-07-5-21-060-0	36,345	-	22,257	-	-	-	22,257
WIC Farmers Market Program 10	10.557	10-07-5-21-085-0	6,900	(2,475)	2,475	-	-	-	2,475
WIC Farmers Market Program 11	10.557	11-07-5-21-085-0	6,300	-	-	-	-	-	-
Subtotal Women/Infants/Children Grants				(77,741)	609,926	5,986	-	-	615,912
Passed Through the State Auditor:									
Forest Reserve Receipts	10.665	N/A	958,454	379,788	870,855	-	-	-	870,855
Total Department of Agriculture				302,047	1,480,781	5,986	-	-	1,486,767
DEPARTMENT OF COMMERCE:									
Passed Through the Montana State Library:									
Broadband Technology Opportunities Program	11.557	1185BTOPMISS	130,500	-	70,602	-	-	-	70,602
Total Department of Commerce				-	70,602	-	-	-	70,602
DEPARTMENT OF TRANSPORTATION:									
Direct Programs:									
Miller Creek Road	20.205	DTFH70-09-E-00018	1,182,607	-	75,787	-	-	-	75,787
Petty Creek Road	20.205	DTFH70-10-E-00036	768,400	-	214,540	175,867			390,407
Passed Through State Department of Transportation:									
Milltown Dam Enhancements	20.205	6167	2,075,909	(82,296)	100,941	15,646	-	-	116,587
CMAQ-TDM	20.205	CM8199 (84)	289,449	(9,262)	-	9,262	-	-	9,262
CMAQ-TDM	20.205	CM8199 (90)	87,567	(3,292)	3,292	-	-	-	3,292
CMAQ-TDM	20.205	CM8199 (94)	143,816	-	45,646	22,460	-	-	68,106
CMAQ-Air Quality Equipment	20.205	6019004	185,000	-	160,173	32,272			192,445
P.L. Transport 10	20.205	N/A	387,632	(108,455)	238,095	-	-	-	238,095
P.L. Transport 11	20.205	N/A	450,934	-	111,518	-	-	-	111,518
Roman Creek	20.205	STPE 32 (59)	162,336	(2,867)	-	3,336	-	-	3,336
Riverview Road	20.205	STPE 32 (51)	122,514	-	114,728	19,757	-	-	134,485
Highway 12/Lolo	20.205	STPE 32 (62)	367,420	-	17,761	2,753	-	-	20,514
ARRA Mullan Road Bicycle Pedestrian Path	20.205	ARRA 8123 (1)	600,000	(1,528)	110,759	12,013	-	-	122,772
Subtotal Highway Planning and Transportation Grants				(207,700)	1,193,240	293,366	-	-	1,486,606
FTA 09	20.505	104203	104,711	(163)	-	163	-	-	163
FTA 10	20.505	104762	114,404	(30,217)	33,270	1,962	-	-	35,232
FTA 11	20.505	105445	111,147	-	2,815	1,721	-	-	4,536
Subtotal Metropolitan Transportation Planning				(30,380)	36,085	3,846	-	-	39,931

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
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Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements		Total Disbursements	Cash (Deficit) 6/30/2011
				Federal	Local		
OFFICE OF NATIONAL DRUG CONTROL POLICY:							
Passed Through City of Missoula:							
High Intensity Drug Trafficking Area	95.001	I8PRMP604Z	\$ 5,454	\$ 5,454	\$ -	\$ 5,454	\$ -
High Intensity Drug Trafficking Area	95.001	G10RM0037A	21,309	21,309		21,309	(13,076)
High Intensity Drug Trafficking Area	95.001	G11RM0037A	14,311	14,311		14,311	-
Total Office of National Drug Control Policy				41,074	-	41,074	(13,076)
DEPARTMENT OF AGRICULTURE:							
Passed Through State Department of Public Health:							
Women/Infants/Children 10-11	10.557	10-07-5-21-014-0	451,101	239,811	1,696	241,507	-
Women/Infants/Children 11-12	10.557	11-07-5-21-014-0	458,598	331,013	-	331,013	(66,384)
WIC Breastfeeding Support Services 10-11	10.557	10-07-5-21-060-0	27,316	5,836	3,942	9,778	-
WIC Breastfeeding Support Services 11-12	10.557	11-07-5-21-060-0	36,345	28,893	-	28,893	(6,636)
WIC Farmers Market Program 10	10.557	10-07-5-21-085-0	6,900	-	-	-	-
WIC Farmers Market Program 11	10.557	11-07-5-21-085-0	6,300	6,300	-	6,300	(6,300)
Subtotal Women/Infants/Children Grants			-	611,853	5,638	617,491	(79,320)
Passed Through the State Auditor:							
Forest Reserve Receipts	10.665	N/A	958,454	996,184	-	996,184	254,459
Total Department of Agriculture				1,608,037	5,638	1,613,675	175,139
DEPARTMENT OF COMMERCE:							
Economic Development Administration:							
Broadband Technology Opportunities Program	11.557	1185BTOPMISS	130,500	71,328	-	71,328	(726)
Total Department of Commerce				71,328	-	71,328	(726)
DEPARTMENT OF TRANSPORTATION:							
Passed Through City of Missoula:							
Miller Creek Road	20.205	DTFH70-09-E-00018	1,182,607	92,142	-	92,142	(16,355)
Petty Creek Road	20.205	DTFH70-10-E-00036	768,400	377,140	175,867	553,007	(162,600)
Passed Through State Department of Transportation:							
Milltown Dam Enhancements	20.205	6167	2,075,909	34,291	-	34,291	-
CMAQ-TDM	20.205	CM8199 (84)	289,449	-	-	-	-
CMAQ-TDM	20.205	CM8199 (90)	87,567	-	-	-	-
CMAQ-TDM	20.205	CM8199 (94)	143,816	126,187	19,559	145,746	(77,640)
CMAQ-Air Quality Equipment			185,000	160,173	32,272	192,445	-
P.L. Transport 10	20.205	N/A	387,632	129,640	-	129,640	-
P.L. Transport 11	20.205	N/A	450,934	403,756	-	403,756	(292,238)
Roman Creek	20.205	STPE 32 (59)	162,336	-	469	469	-
Riverview Road	20.205	STPE 32 (51)	122,514	114,728	19,757	134,485	-
Highway 12/Lolo	20.205	STPE 32 (62)	367,420	17,761	2,753	20,514	-
ARRA Mullan Road Bicycle Pedestrian Path	20.205	ARRA 8123 (1)	600,000	121,244	-	121,244	-
Subtotal Highway Planning and Transportation Grants				1,577,062	250,677	1,827,739	(548,833)
FTA 09	20.505	104203	104,711	-	-	-	-
FTA 10	20.505	104762	114,404	3,987	1,028	5,015	-
FTA 11	20.505	105445	111,147	11,038	2,760	13,798	(9,262)
Subtotal Metropolitan Transportation Planning				15,025	3,788	18,813	(9,262)

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
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Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/2010	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
DUI Task Force Association Facilitator 10-11	20.600	2010-02-18-01; 2010-16-18-01	46,000	(15,982)	33,259	-	-	-	33,259
DUI Task Force Association Facilitator 11-12	20.600	2011-02-02-01	44,000	-	8,700	30	-	-	8,730
Subtotal State and Community Highway Safety Grants				(15,982)	41,959	30	-	-	41,989
STEP 10	20.601	2010-05-04-20; 2010-16-04-20	30,000	(4,224)	8,129	-	-	-	8,129
STEP 11	20.601	2011-02-06-27	22,000	-	6,316	-	-	-	6,316
Subtotal Alcohol Impaired Driving Countermeasures Incentive Grants				(4,224)	14,445	-	-	-	14,445
Total Department of Transportation				(258,286)	1,285,729	297,242	-	-	1,582,971
DEPARTMENT OF JUSTICE:									
Direct Programs:									
EOC Technology	16.580	2006-DD-BX-0521	345,530	-	345,530	156	-	-	345,686
OVW Rural Domestic Violence	16.589	2008-WR-AX-0008	714,725	(57,528)	182,724	-	-	-	182,724
Safety Vest	16.607	N/A	16,121	(801)	4,127	5,094	-	-	9,221
OVW Encourage to Arrest	16.590	2008-WE-AX-18	311,916	(44,123)	174,088	-	-	-	174,088
OVW Safe Havens Grant-Planet Kds	16.527	200704306	299,991	(14,844)	117,421	-	-	-	117,421
OVW Planet Kids Supervised Exchange and Visitation Project	16.527	2010-CW-AX-K016	349,174	-	24,184	-	-	-	24,184
Passed Through State Department of Justice:									
ARRA Victim/Witness Project	16.575	09-VR01-90512	117,084	(28,647)	28,647	-	-	-	28,647
Victim/Witness Project	16.575	10-VR01-90790	137,648	-	90,089	27,530	-	-	117,619
Subtotal Victims of Crimes Act Grants				(28,647)	118,736	27,530	-	-	146,266
JDAI Grant	16.540	10-J02-90828	11,560	-	600	-	-	-	600
Juvenile Accountability Block Grant	16.523	09-A15-90608	72,043	-	72,043	8,004	-	-	80,047
ARRA First STEP Program	16.588	09-WR-90589	70,651	(5,340)	50,071	-	-	-	50,071
West Central Drug Task Force	16.738	09-G01-90865	96,132	-	96,132	97,574	-	-	193,706
West Central Drug Task Force	16.738	10-G01-90872	175,641	-	50,000	60,036	-	-	110,036
Subtotal Edward Byrne Memorial Justice Assistance Grants				-	146,132	157,610	-	-	303,742
Passed Through City of Missoula:									
JAG Grant V	16.804	2009SBB91537	7,201	-	7,201	-	-	-	7,201
JAG Grant VI	16.804	2009DJBX0870	18,436	-	18,436	-	-	-	18,436
JAG Grant VII	16.804	2010DJBX1011	14,331	-	-	-	-	-	-
Subtotal Recovery Act - Edward Byrne Memorial Justice Assistance Grants				-	25,637	-	-	-	25,637
Total Department of Justice				(151,283)	1,261,293	198,394	-	-	1,459,687
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:									
Direct Programs:									
Share House	14.235	MT0015B8T000802	147,498	-	81,549	-	-	-	81,549
Share House	14.235	MT0015B8T000803	147,498	-	42,749	-	-	-	42,749
Ada's Place	14.235	MT0003B8T000802	102,371	-	7,549	-	-	-	7,549
Ada's Place	14.235	MT0003B8T000803	102,371	-	84,691	-	-	-	84,691
Salvation Army Gateway Center	14.235	MT0006B8T000801	61,579	-	61,579	-	-	-	61,579
Subtotal Supportive Housing Program				-	278,117	-	-	-	278,117

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
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Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements		Total Disbursements	Cash (Deficit) 6/30/2011
				Federal	Local		
DUI Task Force Association Facilitator 10-11	20.600	2010-02-18-01; 2010-16-18-01	46,000	17,277	-	17,277	-
DUI Task Force Association Facilitator 11-12	20.600	2011-02-02-01	44,000	23,130	-	23,130	(14,400)
Subtotal State and Community Highway Safety Grants				40,407	-	40,407	(14,400)
STEP 10	20.601	2010-05-04-20; 2010-16-04-20	30,000	3,905	-	3,905	-
STEP 11	20.601	2011-02-06-27	22,000	13,205	-	13,205	(6,889)
Subtotal Alcohol Impaired Driving Countermeasures Incentive Grants				17,110	-	17,110	(6,889)
Total Department of Transportation				1,649,604	254,465	1,904,069	(579,384)
DEPARTMENT OF JUSTICE:							
Direct Programs:							
EOC Technology	16.580	2006-DD-BX-0521	345,530	345,530	156	345,686	-
OVW Rural Domestic Violence	16.589	2008-WR-AX-0008	714,725	154,294	-	154,294	(29,098)
Safety Vest	16.607	N/A	16,121	5,094	5,094	10,188	(1,768)
OVW Encourage to Arrest	16.590	2008-WE-AX-18	311,916	177,611	-	177,611	(47,646)
OVW Safe Havens Grant-Planet Kds	16.527	200704306	299,991	103,455	-	103,455	(878)
OVW Planet Kids Supervised Exchange and Visitation Project	16.527	2010-CW-AX-K016	349,174	35,693	-	35,693	(11,509)
Passed Through State Department of Justice:							
ARRA Victim/Witness Project	16.575	09-VR01-90512	117,084	-	-	-	-
Victim/Witness Project	16.575	10-VR01-90790	137,648	110,118	27,530	137,648	(20,029)
Subtotal Victims of Crimes Act Grants				110,118	27,530	137,648	(20,029)
JDAI Grant	16.540	10-J02-90828	11,560	748	-	748	(148)
Juvenile Accountability Block Grant	16.523	09-A15-90608	72,043	72,043	8,004	80,047	-
ARRA First STEP Program	16.588	09-WR-90589	70,651	44,731	-	44,731	-
West Central Drug Task Force	16.738	09-G01-90865	96,132	96,132	97,574	193,706	-
West Central Drug Task Force	16.738	10-G01-90872	175,641	98,252	60,036	158,288	(48,252)
Subtotal Edward Byrne Memorial Justice Assistance Grants				194,384	157,610	351,994	(48,252)
Passed Through City of Missoula:							
JAG Grant V	16.804	2009SBB91537	7,201	7,201	-	7,201	-
JAG Grant VI	16.804	2009DJBX0870	18,436	18,436	-	18,436	-
JAG Grant VII	16.804	2010DJBX1011	14,331	14,331	-	14,331	(14,331)
Subtotal Recovery Act - Edward Byrne Memorial Justice Assistance Grants				39,968	-	39,968	(14,331)
Total Department of Justice				1,283,669	198,394	1,482,063	(173,659)
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:							
Direct Programs:							
Share House	14.235	MT0015B8T000802	147,498	81,549	-	81,549	-
Share House	14.235	MT0015B8T000803	147,498	42,749	-	42,749	-
Ada's Place	14.235	MT0003B8T000802	102,371	7,549	-	7,549	-
Ada's Place	14.235	MT0003B8T000803	102,371	96,081	-	96,081	(11,390)
Salvation Army Gateway Center	14.235	MT0006B8T000801	61,579	61,579	-	61,579	-
Subtotal Supportive Housing Program				289,507	-	289,507	(11,390)

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
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Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/2010	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
Passed Through State Department of Commerce:									
CDBG - Community Resources	14.228	N/A	N/A	676,770	-	-	96,105	2,042	98,147
CDBG - Revolving Fund Loan	14.228	N/A	N/A	93,930	-	-	-	418	418
CDBG - Pyramid Lumber	14.228	MTCDBG-ED08-03	400,000	(10,027)	10,027	-	-	-	10,027
CDBG - Mountain Home	14.228	MTCDBG-09-HR-02	450,000	(275)	273,742	-	-	-	273,742
CDBG - Rocky Mountain Biologicals	14.228	MTCDBG-ED05-03A	64,800	(5,293)	5,293	-	-	-	5,293
Subtotal Community Development Block Grants - State Program				755,105	289,062	-	96,105	2,460	387,627
Total Department of Housing & Urban Development				755,105	567,179	-	96,105	2,460	665,744
ENVIRONMENTAL PROTECTION AGENCY:									
Direct Programs:									
National Clean Diesel Emissions Reduction Program	66.039	DE-97897201	1,130,000	-	881,554	-	-	-	881,554
Riparian Wetlands Project	66.461	CD-97868701-0	43,178	-	-	-	-	-	-
Milltown Superfund Co-op Agreement	66.802	V-97891501-0	50,002	-	-	-	-	-	-
Milltown Superfund Site Remediation	66.802	V-9785501-0	1,690,496	(13,294)	23,434	-	-	-	23,434
Subtotal Superfund State Site Specific Cooperative Agreements Grants				(13,294)	23,434	-	-	-	23,434
Passed Through State Department of Natural Resources:									
Wye Sanitary Sewer Project	66.458	SRF-10229	3,111,255	(16,228)	24,728	4,957	-	-	29,685
ARRA Lewis and Clark Subdivision	66.468	WRF-10157	165,000	(107,887)	130,538	-	-	-	130,538
ARRA Lewis and Clark Subdivision	66.468	WRF-10157	89,700	-	4,979	-	-	-	4,979
Subtotal Capitalization Grants for Drinking Water State Revolving Funds				(107,887)	135,517	-	-	-	135,517
Passed Through State Department Environmental Quality:									
Air Pollution 10	66.001	510006	97,332	(10,664)	10,664	-	-	-	10,664
Air Pollution 11	66.001	511005	98,332	-	78,121	87,739	-	-	165,860
Air Contract Title V 10	66.001	510007	2,000	(2,000)	2,000	-	-	-	2,000
Air Contract Title V 11	66.001	511006	2,000	-	-	-	-	-	-
Subtotal Air Pollution Control Program Support				(12,664)	90,785	87,739	-	-	178,524
Radon 10	66.605	210060	2,300	(2,264)	2,264	-	-	-	2,264
Radon 11	66.605	211006	2,300	-	-	-	-	-	-
Public Water Supply Safe Drinking Water 10	66.605	510040	10,000	(3,035)	6,895	-	-	-	6,895
Subtotal Performance Partnership Grants				(5,299)	9,159	-	-	-	9,159
Total Environmental Protection Agency				(155,372)	1,165,177	92,696	-	-	1,257,873
DEPARTMENT OF THE INTERIOR									
Passed Through the National Park Service:									
Historic Preservation Grant	15.904	MT-09-022	5,500	-	5,500	-	-	-	5,500
Japanese American Internment Sites	15.933	Y1264090031	50,000	-	-	26,368	-	-	26,368
Passed through the State Historic Preservation Office:									
Preserve America Grant III	15.929	PA III-09-004	23,432	(23,432)	23,432	-	-	-	23,432
Passed Through the Bureau of Land Management:									
Upper Clark Fork River Project	15.230	L10AC200000	75,304	(4,593)	33,304	25,704	-	-	59,008
Total Department of the Interior				(28,025)	62,236	52,072	-	-	114,308

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
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Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements		Total Disbursements	Cash (Deficit) 6/30/2011
				Federal	Local		
Passed Through State Department of Commerce:							
CDBG - Community Resources	14.228	N/A	N/A	517,186	-	517,186	257,731
CDBG - Revolving Fund Loan	14.228	N/A	N/A	12,680	-	12,680	81,668
CDBG - Pyramid Lumber	14.228	MTCDBG-ED08-03	400,000	3,972	-	3,972	(3,972)
CDBG - Mountain Home	14.228	MTCDBG-09-HR-02	450,000	430,652	-	430,652	(157,185)
CDBG - Rocky Mountain Biologicals	14.228	MTCDBG-ED05-03A	64,800	2,762	-	2,762	(2,762)
Subtotal Community Development Block Grants - State Program				967,252	-	967,252	175,480
Total Department of Housing & Urban Development				1,256,759	-	1,256,759	164,090
ENVIRONMENTAL PROTECTION AGENCY:							
Direct Programs:							
National Clean Diesel Emissions Reduction Program	66.039	DE-97897201	1,130,000	690,500	-	690,500	191,054
Riparian Wetlands Project	66.461	CD-97868701-0	43,178	2,530	-	2,530	(2,530)
Milltown Superfund Co-op Agreement	66.802	V-97891501-0	50,002	11,144	-	11,144	(11,144)
Milltown Superfund Site Remediation	66.802	V-9785501-0	1,690,496	21,834	-	21,834	(11,694)
Subtotal Superfund State Site Specific Cooperative Agreements Grants				32,978	-	32,978	(22,838)
Passed Through State Department of Commerce:							
Wye Sanitary Sewer Project	66.458	SRF-10229	3,111,255	11,210	2,247	13,457	-
ARRA Lewis and Clark Subdivision	66.468	WRF-10157	165,000	22,651	-	22,651	-
ARRA Lewis and Clark Subdivision	66.468	WRF-10157	89,700	4,979	-	4,979	-
Subtotal Capitalization Grants for Drinking Water State Revolving Funds				27,630	-	27,630	-
Passed Through State Department Environmental Quality:							
Air Pollution 10	66.001	510006	97,332	-	-	-	-
Air Pollution 11	66.001	511005	98,332	98,332	87,739	186,071	(20,211)
Air Contract Title V 10	66.001	510007	2,000	-	-	-	-
Air Contract Title V 11	66.001	511006	2,000	2,000	-	2,000	(2,000)
Subtotal Air Pollution Control Program Support				100,332	87,739	188,071	(22,211)
Radon 10	66.605	210060	2,300	-	-	-	-
Radon 11	66.605	211006	2,300	2,299	-	2,299	(2,299)
Public Water Supply Safe Drinking Water 10	66.605	510040	10,000	6,835	-	6,835	(2,975)
Subtotal Performance Partnership Grants				9,134	-	9,134	(5,274)
Total Environmental Protection Agency				874,314	89,986	964,300	138,201
DEPARTMENT OF THE INTERIOR							
Historic Preservation Grant	15.904	MT-09-022	5,500	5,500	-	5,500	-
Japanese American Internment Sites	15.933	Y1264090031	50,000	46,683	26,368	73,051	(46,683)
Preserve America Grant III	15.929	PA III-09-004	23,432	-	-	-	-
Bureau of Land Management:							
Upper Clark Fork River Project	15.230	L10AC200000	75,304	4,200	25,704	29,904	24,511
Total Department of the Interior				56,383	52,072	108,455	(22,172)

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
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Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/2010	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
DEPARTMENT OF HOMELAND SECURITY									
Passed Through State Department of Military Affairs : Predisaster Mitigation Competitive Grant	97.047	PDMC-PL-08-MT-2008-001	19,012	-	-	-	-	-	-
Emergency Management Program 10	97.042	N/A	62,920	(8,659)	4,336	4,323	-	-	8,659
Emergency Management Program 11	97.042	N/A	82,153	-	40,999	55,344	-	-	96,343
Subtotal Emergency Management Performance Grants				(8,659)	45,335	59,667	-	-	105,002
Emergency Operations Plan Update	97.067	2009-SS-T9-0005	41,513	(24,096)	31,539	-	-	-	31,539
FY08 Homeland Security Grant	97.067	2008-GE-T8-0023	517,667	(1,013)	1,013	-	-	-	1,013
FY09 Homeland Security Grant	97.067	2009-SS-T9-0005	16,434	(488)	12,001	-	-	-	12,001
Subtotal Homeland Security Grant Program				(25,597)	44,553	-	-	-	44,553
Total Department of Homeland Security				(34,256)	89,888	59,667	-	-	149,555
DEPARTMENT OF HEALTH & HUMAN SERVICES:									
Direct Programs:									
Sober Truth on Underage Drinking	93.243	1H79SP015322-03	150,000	(14,126)	41,068	-	-	-	41,068
Passed Through State Department of Public Health & Human Services:									
Community Youth Suicide Prevention	93.243	07-07-5-31-026-0	122,245	30,978	-	-	-	-	-
Subtotal Substance Abuse and Mental Health Services				16,852	41,068	-	-	-	41,068
Passed Through State Department of Public Health & Human Services:									
AIDS HIV Prevention 09-10	93.940	10-07-4-51-005-0	5,000	-	4,038	-	-	-	4,038
AIDS HIV Prevention 11-12	93.940	11-07-4-51-024-0	5,000	-	654	-	-	-	654
Subtotal AIDS HIV Prevention Grants				-	4,692	-	-	-	4,692
Public Health Emergency Preparedness 10-11	93.069	10-07-6-11-035-0	504,395	9,972	58,262	-	-	-	58,262
Public Health Emergency Preparedness 11-12	93.069	11-07-6-11-035-0	129,470	-	71,208	-	-	-	71,208
Subtotal Public Health Emergency Preparedness				9,972	129,470	-	-	-	129,470
Infant Immunization Program 10-11	93.268	10-07-4-31-031-0	37,120	(9,280)	9,280	-	-	-	9,280
Infant Immunization Program 11-12	93.268	11-07-4-31-031-0	37,120	-	37,120	-	-	-	37,120
Subtotal Immunization Grants				(9,280)	46,400	-	-	-	46,400
MCH Block Grant	93.994	10-07-5-01-032-0	130,870	-	130,870	736,342	-	-	867,212
MCH Children/Youth Special Health Needs 10	93.994	10-07-5-51-018-0	9,700	(1,775)	1,775	-	-	-	1,775
MCH Children/Youth Special Health Needs 11	93.994	11-07-5-51-018-0	15,000	-	9,200	-	-	-	9,200
Subtotal Maternal and Child Health Services Block Grant to the State				(1,775)	141,845	736,342	-	-	878,187
Cardiovascular Disease and Diabetes Prevention	93.991	11-07-3-341-083-0	37,500	-	12,500	-	-	-	12,500
Tuberculosis Control & Prevention 10-11	93.991	10-07-4-11-045-0	5,000	(1,391)	4,500	-	-	-	4,500
Tuberculosis Control & Prevention 11-12	93.991	11-07-4-11-045-0	5,000	-	1,589	-	-	-	1,589
Subtotal Project Grants & Cooperative Agreements for Tuberculosis Control Programs				(1,391)	18,589	-	-	-	18,589
Title IV-E Child Abuse & Neglect	93.658	20053LEGL0012	39,440	(8,922)	33,153	-	-	-	33,153
Title IV-E Child Abuse & Neglect (Paralegal Services)	93.658	20053LEGL001	40,899	(3,304)	33,979	-	-	-	33,979
Subtotal Foster Care - Title IV-E				(12,226)	67,132	-	-	-	67,132

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
(Page 8 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Disbursements		Total Disbursements	Cash
				Federal	Local		(Deficit) 6/30/2011
DEPARTMENT OF HOMELAND SECURITY							
Passed Through State Department of Military Affairs :							
Predisaster Mitigation Competitive Grant	97.047	PDMC-PL-08-MT-2008-001	19,012	17,334	-	17,334	(17,334)
Emergency Management Program 10	97.042	N/A	62,920	-	-	-	-
Emergency Management Program 11	97.042	N/A	82,153	55,344	55,344	110,688	(14,345)
Subtotal Emergency Management Performance Grants				55,344	55,344	110,688	(14,345)
Emergency Operations Plan Update	97.067	2009-SS-T9-0005	41,513	13,960	-	13,960	(6,517)
FY08 Homeland Security Grant	97.067	2008-GE-T8-0023	517,667	-	-	-	-
FY09 Homeland Security Grant	97.067	2009-SS-T9-0005	16,434	11,568	-	11,568	(55)
Subtotal Homeland Security Grant Program				25,528	-	25,528	(6,572)
Total Department of Homeland Security				98,206	55,344	153,550	(38,251)
DEPARTMENT OF HEALTH & HUMAN SERVICES:							
Direct Programs:							
Sober Truth on Underage Drinking	93.243	1H79SP015322-03	150,000	42,251	-	42,251	(15,309)
Community Youth Suicide Prevention	93.243	07-07-5-31-026-0	122,245	969	-	969	30,009
Subtotal Substance Abuse and Mental Health Services				43,220	-	43,220	14,700
Passed Through State Department of Public Health & Human Services:							
AIDS HIV Prevention 09-10	93.940	10-07-4-51-005-0	5,000	4,038	-	4,038	-
AIDS HIV Prevention 11-12	93.940	11-07-4-51-024-0	5,000	1,860	-	1,860	(1,206)
Subtotal AIDS HIV Prevention Grants				5,898	-	5,898	(1,206)
Public Health Emergency Preparedness 10-11	93.069	10-07-6-11-035-0	504,395	68,234	-	68,234	-
Public Health Emergency Preparedness 11-12	93.069	11-07-6-11-035-0	129,470	73,020	-	73,020	(1,812)
Subtotal Public Health Emergency Preparedness				141,254	-	141,254	(1,812)
Infant Immunization Program 10-11	93.268	10-07-4-31-031-0	37,120	-	-	-	-
Infant Immunization Program 11-12	93.268	11-07-4-31-031-0	37,120	37,120	-	37,120	-
Subtotal Immunization Grants				37,120	-	37,120	-
MCH Block Grant	93.994	10-07-5-01-032-0	130,870	130,870	736,342	867,212	-
MCH Children/Youth Special Health Needs 10	93.994	10-07-5-51-018-0	9,700	-	-	-	-
MCH Children/Youth Special Health Needs 11	93.994	11-07-5-51-018-0	15,000	3,194	-	3,194	6,006
Subtotal Maternal and Child Health Services Block Grant to the State				134,064	736,342	870,406	6,006
Cardiovascular Disease and Diabetes Prevention	93.991	11-07-3-341-083-0	37,500	25,703	-	25,703	(13,203)
Tuberculosis Control & Prevention 10-11	93.991	10-07-4-11-045-0	5,000	3,109	-	3,109	-
Tuberculosis Control & Prevention 11-12	93.991	11-07-4-11-045-0	5,000	2,757	1,589	4,346	(2,757)
Subtotal Project Grants & Cooperative Agreements for Tuberculosis Control Programs				31,569	1,589	33,158	(15,960)
Title IV-E Child Abuse & Neglect	93.658	20053LEGL0012	39,440	33,943	-	33,943	(9,712)
Title IV-E Child Abuse & Neglect (Paralegal Services)	93.658	20053LEGL001	40,899	40,899	-	40,899	(10,224)
Subtotal Foster Care - Title IV-E				74,842	-	74,842	(19,936)

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
(Page 9 of 10)

Program/Grantor Agency and Program Title	CFDA Number	State Contract Number	Grant Award	Cash (Deficit) 7/1/2010	Receipts				
					Federal Contribution	Local Contribution	Program Income	Investment Income	Total Receipts
Passed Through State Department of Public Health & Human Services:									
Montana Cancer Control Program	93.283	11-07-3-01-050-0	45,000	-	45,000	-	-	-	45,000
Passed through Montana State University:									
HHD - NAPA Breastfeeding	93.283	09-07-3-01-021-0	24,000	480	5,000	-	-	-	5,000
HHD - NAPA Breastfeeding	93.283	11-07-3-01-021-0	20,000	-	11,250	-	-	-	11,250
Subtotal Centers for Disease Control and Prevention Technical Assistance Grants				480	61,250	-	-	-	61,250
Total Department of Health & Human Services				2,632	510,446	736,342	-	-	1,246,788
DEPARTMENT OF ENERGY									
Direct Programs:									
Energy Efficiency/Conservation Block Grant	81.128	DE-RW0000057	151,000	-	151,000	-	-	-	151,000
Passed Through the State Department of Environmental Quality:									
Energy Efficiency/Conservation Block Grant	81.128	210123	49,000	-	49,000	7,494	-	-	56,494
Total Department of Energy				-	200,000	7,494	-	-	207,494
Total Federal Financial Assistance				\$ 432,562	\$ 6,721,329	\$ 1,449,893	\$ 96,105	\$ 2,460	\$ 8,269,787

MISSOULA COUNTY, MONTANA
Schedule of Expenditures of Federal Awards-Cash Basis (Continued)
For the Year Ended June 30, 2011
(Page 10 of 10)

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Disbursements</u>		<u>Total Disbursements</u>	<u>Cash (Deficit) 6/30/2011</u>
				<u>Federal</u>	<u>Local</u>		
Passed Through State Department of Public Health & Human Services:							
Montana Cancer Control Program	93.283	11-07-3-01-050-0	45,000	40,498	-	40,498	4,502
Passed through Montana State University:							
HHD - NAPA Breastfeeding	93.283	09-07-3-01-021-0	24,000	5,480	-	5,480	-
HHD - NAPA Breastfeeding	93.283	11-07-3-01-021-0	20,000	16,928	-	16,928	(5,678)
Subtotal Centers for Disease Control and Prevention Technical Assistance Grants				<u>62,906</u>	<u>-</u>	<u>62,906</u>	<u>(1,176)</u>
Total Department of Health & Human Services				<u>530,873</u>	<u>737,931</u>	<u>1,268,804</u>	<u>(19,384)</u>
DEPARTMENT OF THE INTERIOR							
Energy Efficiency/Conservation Block Grant	81.128	DE-RW0000057	151,000	151,000	-	151,000	-
Energy Efficiency/Conservation Block Grant	81.128	210123	49,000	49,000	7,494	56,494	-
Total Department of the Interior				<u>200,000</u>	<u>7,494</u>	<u>207,494</u>	<u>-</u>
Total Federal Financial Assistance				<u>\$ 7,670,247</u>	<u>\$ 1,401,324</u>	<u>\$ 9,071,571</u>	<u>\$ (369,222)</u>

MISSOULA COUNTY, MONTANA

Notes to Schedule of Expenditures of Federal Awards - Cash Basis

For the Year Ended June 30, 2011

Note 1 - Basis of Presentation

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

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

Note 2 - Loans Receivable

The Department of Housing and Urban Development-Community Development Block Grant programs had the following loans receivable at June 30, 2011:

Revolving Loan Fund

<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	136,684
<u>Opportunity Resources, Inc.</u>	
0%, \$167 due monthly from May 2006 through April 2015	9,667
<u>Partnership Health Center</u>	
1%, \$2,640 due annually from July 2006 through July 2016	12,811
<u>North Missoula Community Development Corporation</u>	
3%, varying amounts due annually through May 2014	27,367
<u>Western Montana Mental Health Center</u>	
5%, \$9,719 due annually through November 2015	43,693
<u>Aquila Vision</u>	
7%, \$10,383 due monthly, all principal and interest due July 1, 2008	148,900
<u>Pyramid Mountain Lumber</u>	
4%, varying amounts from January 2013 thru December 2020	370,000
<u>Pyramid Mountain Lumber</u>	
6%, \$1,564 due monthly from May 2008 through February 2015	71,425
<u>Pyramid Mountain Lumber</u>	
4%, \$914 due monthly from January 2013 through December 2020	75,000

Note 2 - Loans Receivable (Continued)

<u>Cornerstone (Mission Mountain Helicopters)</u>	
6%, \$1,666 due monthly from April 2011 through March 2018	147,239
<u>Kelly Logging</u>	
4%, \$4,240 due monthly from July 2011 through June 2016	300,000
<u>Red Willow Learning Center</u>	
5%, \$580 due monthly from December 2011 through November 2016	30,875
<u>The Emergent Institute</u>	
5%, \$2,013 due monthly from July 2011 through June 2018	125,000
<u>Lolo Water and Sewer</u>	
Repayment deferred until system is sold	2,680

Note 3 - Notes Payable

The County had the following notes payable to the State Revolving Fund Loan program (CFDA# 66.458) at June 30, 2011:

\$241,000, issued June 1994, 4% due in varying amounts through July 2014	\$ 29,000
\$1,943,000, issued June 1994, 4% due in varying amounts through July 2014	297,000
\$649,936, issued September 2002, 4% due in varying amounts through July 2023	373,000
\$4,498,121, issued July 2003, 3.75% due in varying amounts through July 2024	2,283,000
\$169,000, issued April 2005, 2.75% due in varying amounts through July 2015	65,000
\$281,199, issued April 2005, 3.75% due in varying amounts through July 2020	106,000
\$359,300, issued July 2009, 1.75% due in varying amounts through July 2029	351,000
\$3,735,000, issued July 2009, 3.75% due in varying amounts through July 2029	2,618,529
\$3,410,125, issued July 2009, 3.75% due in varying amounts through July 2029	3,347,000

The County had the following notes payable to the State Revolving Fund Loan program (CFDA# 66.468) at June 30, 2011:

\$291,000, issued November 1998, 4% due in varying amounts through July 2019	111,000
\$142,000, issued November 2008, 3.75% due in varying amounts through July 2029	136,000
\$165,000, issued September 2009, 0.75% due in varying amounts through July 2029	153,000
\$4,979, issued September 2009, 0.75% due in varying amounts through July 2012	4,979

Note 4 - Subawards

The County passed-through federal awards to subrecipients during the year ended June 30, 2011 as follows:

- Ada's Place (CFDA# 14.235) passed-through \$101,225 to the YWCA.
- Gateway Center (CFDA# 14.235) passed-through \$60,114 to the YWCA.
- Share House Transitional Housing (CFDA# 14.235) passed-through \$120,787 to the Western Montana Mental Health Center.
- Juvenile Accountability Block Grant (CFDA# 16.523) passed-through \$38,093 to Habitat for Humanity.
- OVW Safe Havens (CFDA# 16.527) passed through \$147,624 to the YWCA.
- Rural Domestic Violence Program (CFDA# 16.589) passed-through \$38,498 to the YWCA and the National Coalition Building Institute.
- Encourage to Arrest (CFDA# 16.590) passed-through \$45,356 to the YWCA, the National Coalition Building Institute, and Missoula Correctional Services.
- Sober Truth on Underage Drinking (CFDA # 93.243) passed through \$7,183 to the University of Montana Curry Health Center.

Note 5 - Restatement of Beginning Cash

The cash balance at June 30, 2010 has been restated for ARRA West Central Drug Task Force Contract 09-G01-90624 (CFDA# 16.738) to reflect the correction of prior period revenues. The restatement had the effect of decreasing cash balances at June 30, 2010 by \$43,523.

The cash balance at June 30, 2010 has been restated for Public Health Emergency Preparedness Contract 10-07-6-11-035-0 (CFDA# 93.069) to reflect the correction of prior period revenues. The restatement had the effect of decreasing cash balances at June 30, 2010 by \$51,498.

Note 6 - 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 2011, the County received 2 grants, the DUI Task Force Facilitator grant (CFDA# 20.600) and STEP (CFDA# 20.601), that belonged to the Highway Safety Cluster. A cluster of programs is treated as one program for major program determination and testing.

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Board of County Commissioners
Missoula County, Montana

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

I have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements and have issued my report thereon dated February 28, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the County's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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

My consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of 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.

I noted certain matters that I reported to management of the County in a separate letter dated February 28, 2012.

This report is intended solely for the information and use of management, the Missoula County Commissioners, others within the entity, the State of Montana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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St. Regis, Montana
February 28, 2012

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Board of County Commissioners
Missoula County, Montana

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH *OMB CIRCULAR A-133*

Compliance

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, 2011. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. My responsibility is to express an opinion on the County's compliance based on my audit.

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 \$2,020,474 and \$2,480,324, respectively, in federal awards which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2011. My audit, described below, did not include the operations of Missoula Aging Services and Partnership Health Center, because these component units obtained their own audits conducted in accordance with OMB Circular A-133.

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 the County'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. My audit does not provide a legal determination of the County's compliance with those requirements.

In my opinion, the County complied, in all material respects, with the 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, 2011.

Internal Control Over Compliance

Management of Missoula County, Montana is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing my opinion on compliance 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.

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 deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Missoula County Commissioners, others within the entity, the State of Montana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Nicole M. Noonan, CPA, P.C.

Nicole M. Noonan, CPA, P.C.
St. Regis, Montana
February 28, 2012

MISSOULA COUNTY, MONTANA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011

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
14.228	Community Development Block Grants - State Program
16.580	Byrne Discretionary Program - EOC Technology
20.205	Highway Planning and Construction
66.039	National Clean Diesel Emissions Reduction Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as a low-risk auditee?	No

MISSOULA COUNTY, MONTANA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2011

Section II - Financial Statement Findings

There are no matters to report.

MISSOULA COUNTY, MONTANA
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2011

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 unqualified.
- 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, 2010, contained no audit findings relative to federal awards.

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Board of County Commissioners
Missoula County, Montana

REPORT ON PRIOR AUDIT REPORT RECOMMENDATIONS

The prior audit report contained one recommendation. The action taken on each recommendation is as follows:

<u>Number</u>	<u>Recommendation</u>	<u>Action Taken</u>
2010-1	Capital Assets	Implemented

Nicole M. Noonan, CPA, P.C.

Nicole M. Noonan, CPA, P.C.
St. Regis, Montana
February 28, 2012