

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS (Accrual Basis)

JUNE 30, 2006

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	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 1,225,602	\$ 81,958	\$ 1,307,560
Accrued liabilities	1,584,495	55,670	1,640,165
Accrued compensated absences	473,735	43,573	517,308
Matured bonds payable	7,225	0	7,225
Unearned premiums	215,818	0	215,818
Notes payable	12,052	106,021	118,073
General obligation bonds	590,000	0	590,000
Special assessment debt with governmental commitment	13,000	0	13,000
Liabilities payable from restricted assets:			
Deferred revenue	0	84,418	84,418
Deposits	0	402,654	402,654
Due to other taxing districts	169,848	0	169,848
Total current liabilities	4,291,775	774,294	5,066,069
<u>Noncurrent Liabilities</u>			
Notes payable	12,757	287,966	300,723
Long-term liability for accrued compensated absences	1,375,938	130,720	1,506,658
General obligation bonds	4,765,000	0	4,765,000
Special assessment debt with governmental commitment	1,288,000	0	1,288,000
Total noncurrent liabilities	7,441,695	418,686	7,860,381
TOTAL LIABILITIES	11,733,470	1,192,980	12,926,450
<u>NET ASSETS</u>			
Investment in capital assets, net of related debt	22,114,187	11,795,975	33,910,162
Restricted net assets for debt service	640,467	0	640,467
Unrestricted	19,145,591	1,400,628	20,546,219
TOTAL NET ASSETS	\$ 41,900,245	\$ 13,196,603	\$ 55,096,848

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

YELLOWSTONE COUNTY, MONTANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2006

	MAJOR FUNDS							Total Governmental Funds
	General	Road	Property & Liability Insurance Fund	Public Safety Fund	R.S.I.D. Bond Fund	Capital Improvement Fund	Other Nonmajor Governmental Funds	
ASSETS								
Cash and demand investments, pooled	\$1,415,400	\$941,958	\$993,328	\$1,763,735	\$72,360	\$1,553,929	\$2,374,069	\$9,114,779
Cash investments, pooled	2,117,763	1,564,304	1,623,672	2,929,023	117,705	2,534,657	3,923,116	14,810,240
Receivables (net of allowance for uncollectibles):								
Property taxes	271,135	152,289	30,539	279,696	0	0	421,701	1,155,360
Accounts	626,299	35,000	7,485	449,301	0	0	441,116	1,559,201
Delinquent assessments	0	0	0	0	10,500	0	12,012	22,512
Deferred assessments	0	0	0	0	1,195,213	0	22,565	1,217,778
Accrued interest	108,555	0	12,097	0	1,149	21,426	9,087	152,314
Due from other funds	51,747	0	0	0	0	0	0	51,747
Due from other taxing districts	7,828	0	0	0	0	0	0	7,828
Prepaid expenses	3,270	0	0	0	0	0	0	3,270
Inventories	59,676	159,462	0	0	0	0	64,429	283,567
Total assets	\$4,661,673	\$2,853,013	\$2,667,121	\$5,421,755	\$1,396,927	\$4,110,012	\$7,268,095	\$28,378,596
LIABILITIES:								
Accounts payable	\$460,117	\$139,592	\$13,334	\$309,769	\$0	\$0	\$300,907	\$1,223,719
Accrued liabilities	692,333	60,000	485,800	229,572	0	0	122,464	1,590,169
Matured bonds payable	0	0	0	0	7,225	0	0	7,225
Due to other funds	0	0	0	0	0	0	50,870	50,870
Deferred revenue	271,135	152,289	30,539	279,696	1,205,713	0	456,278	2,395,650
Due to other taxing districts	0	0	0	0	0	0	169,848	169,848
Total liabilities	1,423,585	351,881	529,673	819,037	1,212,938	0	1,100,367	5,437,481
FUND BALANCE:								
Reserved for debt service	0	0	0	0	183,989	0	456,478	640,467
Reserved for capital improvements	412,021	0	0	0	0	4,110,012	173,753	4,695,786
Reserved for inventories	59,676	159,462	0	0	0	0	64,429	283,567
Unreserved for nonmajor special revenue funds	0	0	0	0	0	0	5,473,068	5,473,068
Unreserved major funds	2,766,391	2,341,670	2,137,448	4,602,718	0	0	0	11,848,227
Total fund balance	3,238,088	2,501,132	2,137,448	4,602,718	183,989	4,110,012	6,167,728	22,941,115
Total liabilities and fund balance	\$4,661,673	\$2,853,013	\$2,667,121	\$5,421,755	\$1,396,927	\$4,110,012	\$7,268,095	\$28,378,596

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	MAJOR FUNDS							Total Governmental Funds
	General	Road	Property and Liability Insurance Fund	Public Safety Fund	RSID Bond Fund	Capital Improvement Fund	Nonmajor Governmental Funds	
REVENUES:								
Taxes	\$5,334,463	\$2,453,713	\$609,500	\$5,644,019	\$0	\$0	\$8,572,972	\$22,614,667
Special assessments	10,332	0	0	0	260,143	0	390,839	661,314
Licenses and permits	15,110	43,101	0	3,616,733	0	0	125,000	3,799,944
Intergovernmental	1,699,039	1,749,531	12,675	225,944	0	0	2,947,293	6,634,482
Fines and forfeitures	623,223	0	0	0	0	0	68,634	691,857
Charges for services	1,452,091	185,590	289,000	2,590,843	0	27,876	1,902,218	6,447,618
Other	771,904	13,105	75,809	26,232	6,704	156,011	134,763	1,184,528
Total revenues	9,906,162	4,445,040	986,984	12,103,771	266,847	183,887	14,141,719	42,034,410
EXPENDITURES:								
Current:								
General government	4,278,283	0	867,897	0	0	0	1,050,096	6,196,276
Public safety	1,731,478	0	0	11,407,839	0	0	6,011,660	19,150,977
Public works	0	3,412,186	0	0	0	0	769,173	4,181,359
Public health	306,843	0	0	118,314	0	0	1,621,056	2,046,213
Social and economic services	613,677	0	0	0	0	0	575,372	1,189,049
Culture and recreation	44,432	0	0	0	0	0	859,278	903,710
Conservation of natural resources	27,020	0	0	0	0	0	75,885	102,905
Community development	594,534	0	0	0	0	0	0	594,534
Capital outlay	867,779	499,821	4,744	391,727	0	855,543	1,642,936	4,262,550
Debt service:								
Principal	11,386	0	0	0	341,515	22,236	578,517	953,654
Interest	2,117	0	0	0	64,787	136	219,196	286,236
Total expenditures	8,477,549	3,912,007	872,641	11,917,880	406,302	877,915	13,403,169	39,867,463
Excess (deficiency) of revenues over (under) expenditures	1,428,613	533,033	114,343	185,891	(139,455)	(694,028)	738,550	2,166,947
OTHER FINANCING SOURCES (USES):								
Interfund transfers in	482,879	75,828	7,933	279,423	1,592	528,238	2,223,684	3,599,577
Interfund transfers out	(1,494,341)	(517,759)	0	(228,971)	(21,779)	(15,000)	(2,704,644)	(4,982,494)
Total other financing sources (uses)	(1,011,462)	(441,931)	7,933	50,452	(20,187)	513,238	(480,960)	(1,382,917)
Net change in fund balances	417,151	91,102	122,276	236,343	(159,642)	(180,790)	257,590	784,030
Fund balances July 1, 2005	2,820,937	2,410,030	2,015,172	4,366,375	343,631	4,290,802	5,910,138	22,157,085
Fund balances June 30, 2006	\$3,238,088	\$2,501,132	\$2,137,448	\$4,602,718	\$183,989	\$4,110,012	\$6,167,728	\$22,941,115

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

YELLOWSTONE COUNTY, MONTANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
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	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised		
REVENUES:				
Taxes:				
Real estate property taxes	\$5,147,757	\$5,147,757	\$5,066,424	(\$81,333)
Personal property taxes	151,800	151,800	170,551	18,751
Mobile homes, penalty and interest, other	86,225	86,225	97,488	11,263
Special assessments	5,000	5,000	10,332	5,332
Licenses and permits	17,300	17,300	15,110	(2,190)
Intergovernmental:				
Grants	72,000	2,785,547	1,536,213	(1,249,334)
State personal property reimbursement	100,643	100,643	100,290	(353)
State entitlement and other	57,043	57,043	62,536	5,493
Fines and forfeitures, justice court	660,000	660,000	623,223	(36,777)
Charges for services:				
Clerk & Recorder	940,000	940,000	1,305,319	365,319
Miscellaneous	201,750	201,750	146,772	(54,978)
Other:				
Interest on investments	500,000	500,000	622,992	122,992
Miscellaneous	97,500	285,107	148,912	(136,195)
Total revenues	\$8,037,018	\$ 10,938,172	\$ 9,906,162	\$ (1,032,010)

YELLOWSTONE COUNTY, MONTANA
MAJOR SPECIAL REVENUE FUNDS - ROAD, PROPERTY and LIABILITY INSURANCE, AND PUBLIC SAFETY FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Road Fund				Property and Liability Insurance Fund				Public Safety Fund				
	BUDGET			Variance with Final Budget - Positive (Negative)	BUDGET			Variance with Final Budget - Positive (Negative)	BUDGET			Variance with Final Budget - Positive (Negative)	
	Original	Final Revised	Actual		Original	Final Revised	Actual		Original	Final Revised	Actual		
REVENUES:													
Taxes	\$2,519,400	\$2,519,400	\$2,453,713	(\$65,687)	\$614,908	\$614,908	\$609,500	(\$5,408)	\$5,713,057	\$5,713,057	\$5,644,019	(\$69,038)	
Licenses and permits	46,000	46,000	43,101	(2,899)	0	0	0	0	3,543,500	3,543,500	3,616,733	73,233	
Intergovernmental	1,717,408	1,752,408	1,749,531	(2,877)	12,675	12,675	12,675	0	230,565	254,836	225,944	(28,892)	
Charges for services	201,300	201,300	185,590	(15,710)	289,000	289,000	289,000	0	2,287,000	2,287,000	2,590,843	303,843	
Other	100	100	13,105	13,005	60,000	60,000	75,809	15,809	4,810	4,810	26,232	21,422	
Total revenues	4,484,208	4,519,208	4,445,040	(74,168)	976,583	976,583	986,984	10,401	11,778,932	11,803,203	12,103,771	300,568	
EXPENDITURES:													
Current:													
General government	\$0	\$0	\$0	\$0	\$2,321,542	\$2,322,042	\$867,897	\$1,454,145	\$0	\$0	\$0	\$0	
Public safety	0	0	0	0	0	0	0	0	11,870,359	11,925,656	11,407,839	517,817	
Public works	4,103,257	4,154,257	3,412,186	742,071	0	0	0	0	0	0	0	0	
Public health	0	0	0	0	0	0	0	0	114,192	122,712	118,314	4,398	
Capital outlay	619,750	603,750	499,821	103,929	5,500	5,000	4,744	256	409,927	412,728	391,727	21,001	
Total expenditures	4,723,007	4,758,007	3,912,007	846,000	2,327,042	2,327,042	872,641	1,454,401	12,394,478	12,461,096	11,917,880	543,216	
Excess (deficiency) of revenues over (under) expenditures	(238,799)	(238,799)	533,033	771,832	(1,350,459)	(1,350,459)	114,343	1,464,802	(615,546)	(657,893)	185,891	843,784	
OTHER FINANCING SOURCES (USES):													
Interfund transfers in	78,936	78,936	75,828	(3,108)	7,637	7,637	7,933	296	287,854	287,859	279,423	(8,436)	
Interfund transfers out	(536,765)	(536,765)	(517,759)	19,006	0	0	0	0	(242,711)	(242,711)	(228,971)	13,740	
Total other financing sources (uses)	(457,829)	(457,829)	(441,931)	15,898	7,637	7,637	7,933	296	45,143	45,148	50,452	5,304	
Net change in fund balances	(\$696,628)	(\$696,628)	91,102	\$787,730	(\$1,342,822)	(\$1,342,822)	122,276	\$1,465,098	(\$570,403)	(\$612,745)	236,343	\$849,088	
Fund balances July 1, 2005			2,410,030				2,015,172				4,366,375		
Fund balances June 30, 2006			\$2,501,132				\$2,137,448				\$4,602,718		

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2006
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	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
<u>LIABILITIES</u>				
CURRENT LIABILITIES:				
Accounts payable	0	\$81,958	\$81,958	\$1,883
Accrued liabilities	0	55,670	55,670	422,531
Accrued compensated absences	0	43,573	43,573	1,024
Unearned premiums	0	0	0	215,818
Due to general fund	0	0	0	877
Notes payable	0	106,021	106,021	0
Total current liabilities	0	287,222	287,222	642,133
CURRENT LIABILITIES PAYABLE FROM RESTRICTED CASH:				
Deferred revenue	0	84,418	84,418	0
Deposits	0	402,654	402,654	0
Total current liabilities payable from restricted cash	0	487,072	487,072	0
NONCURRENT LIABILITIES:				
Accrued compensated absences	0	130,720	130,720	3,072
Notes payable	0	287,966	287,966	0
Total noncurrent liabilities	0	418,686	418,686	3,072
Total liabilities	0	1,192,980	1,192,980	645,205
<u>NET ASSETS</u>				
Investment in capital assets, net of related debt	0	11,795,975	11,795,975	221,606
Unrestricted	883,611	517,017	1,400,628	2,301,059
Total net assets	883,611	12,312,992	13,196,603	2,522,665
Total liabilities and net assets	\$883,611	\$13,505,972	\$14,389,583	\$3,167,870

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
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	Business-type Activities - Enterprise Funds			Governmental
	Refuse Disposal Fund	METRA Fund	Total	Activities Internal Service Funds
<u>Cash flows from operating activities:</u>				
Cash received from users	\$ 294,255	\$ 3,934,872	\$ 4,229,127	\$ 170,990
Cash received from health insurance premiums	0	0	0	4,173,636
Cash paid to other suppliers for goods or services	(353,421)	(2,331,850)	(2,685,271)	(74,315)
Cash paid to employees for services	0	(2,199,500)	(2,199,500)	(47,494)
Cash paid for health claims	0	0	0	(3,901,674)
Cash paid for stop-loss insurance and administration	0	0	0	(311,663)
Net cash provided (used) by operating activities	(59,166)	(596,478)	(655,644)	9,480
<u>Cash flows from noncapital financing activities:</u>				
Cash received from taxes, licenses, permits, and intergovernmental revenue	0	1,035,974	1,035,974	0
Cash received (paid) from (to) interfund transfer	0	382,836	382,836	1,025,081
Cash received from general fund loan	0	0	0	877
Cash transferred to Blight Abatement	(25,000)	0	(25,000)	0
Net cash provided (used) by noncapital financing activities	(25,000)	1,418,810	1,393,810	1,025,958
<u>Cash flows from capital and related financing activities:</u>				
Acquisition of capital assets	0	(221,329)	(221,329)	(226,305)
Principal paid on notes payable	0	(102,288)	(102,288)	0
Interest paid on notes payable	0	(17,385)	(17,385)	0
Net cash used for capital and related financing activities	0	(341,002)	(341,002)	(226,305)
<u>Cash flows from investing activities:</u>				
Withdrawals from investment pool	38,101	0	38,101	176,502
Deposits into investment pool	0	(101,998)	(101,998)	(742,833)
Interest received on investments	0	15,671	15,671	57,443
Net cash provided (used) by investing activities:	38,101	(86,327)	(48,226)	(508,888)
Net increase (decrease) in cash and demand investments	(46,065)	395,003	348,938	300,245
Cash and demand investments, and restricted cash, July 1, 2005	362,522	326,594	689,116	809,713
Cash and demand investments, and restricted cash, June 30, 2006	\$ 316,457	\$ 721,597	\$ 1,038,054	\$ 1,109,958
<u>Presented in Statement of Net Assets as follows:</u>				
Cash and demand investments, pooled	\$ 316,457	\$ 262,998	\$ 579,455	
Restricted cash held in trust, nonpooled	0	458,599	458,599	
Cash and demand investments, and restricted cash, June 30, 2006	\$ 316,457	\$ 721,597	\$ 1,038,054	

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2006

	External Investment Trust Fund	Agency Funds	Total Fiduciary Funds
<u>ASSETS</u>			
Cash and demand investments, pooled	\$ 16,302,730	\$ 1,797,538	\$ 18,100,268
Cash investments, pooled	26,633,629	2,985,161	29,618,790
Restricted cash and demand investments held in trust, nonpooled	0	27,294	27,294
Restricted cash and demand investments for capital improvements, nonpooled	0	638,724	638,724
Restricted cash investments for capital improvements, nonpooled	0	6,775,179	6,775,179
Receivables:			
Property taxes	0	5,784,750	5,784,750
Accounts receivable	0	100	100
Delinquent assessments	0	685,401	685,401
Deferred assessments	0	5,162	5,162
Accrued interest	295,225	0	295,225
Total assets	\$ 43,231,584	\$ 18,699,309	\$ 61,930,893
<u>LIABILITIES</u>			
Accounts payable	\$ 0	\$ 149,791	\$ 149,791
Due to other funds	0	7,828	7,828
Due to others	0	4,967,927	4,967,927
Due to other taxing districts	0	13,573,763	13,573,763
Total liabilities	0	18,699,309	18,699,309
<u>NET ASSETS</u>			
Net assets held in trust for pool participants	\$ 43,231,584	\$ 0	\$ 43,231,584

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

**YELLOWSTONE COUNTY, MONTANA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
EXTERNAL INVESTMENT TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2006**

ADDITIONS:

Contributions to pooled investments	\$ 477,715,806	
Interest and investment income	1,667,962	
Total additions	479,383,768	\$ 479,383,768

DEDUCTIONS

Distributions from pooled investments	(475,752,185)	
Investment administrative expenses	(15,922)	
Total deductions	(475,768,107)	

Change in net assets held in trust for pool participants		3,615,661
Net assets held in trust for pool participants, July 1, 2005		39,615,923
Net assets held in trust for pool participants, June 30, 2006		\$ 43,231,584

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