

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF NET POSITION**

**JUNE 30, 2016**

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	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b><u>ASSETS AND DEFERRED OUTFLOWS</u></b>			
<b><u>Current Assets</u></b>			
Cash and demand investments, pooled	\$ 32,225,318	\$ 2,040,070	\$ 34,265,388
Cash investments, pooled	27,819,116	1,769,241	29,588,357
Restricted cash and demand investments held in trust, nonpooled	0	2,078,571	2,078,571
Receivables (net of allowance for uncollectibles):			
Tax Title Sales Contracts	0	0	0
Property taxes	3,569,781	208,871	3,778,652
Accounts	1,177,057	100,102	1,277,159
Delinquent assessments	18,854	28,240	47,094
Deferred assessments	133,210	0	133,210
Accrued interest	52,460	596	53,056
Prepaid expenses	301,620	65,451	367,071
Inventories	232,888	55,513	288,401
<b>Total current assets</b>	<b>65,530,304</b>	<b>6,346,655</b>	<b>71,876,959</b>
<b><u>Noncurrent Assets</u></b>			
Deferred assessments receivable, net of allowance	1,030,734	0	1,030,734
Advance from other funds	0	0	0
<b>Total noncurrent assets</b>	<b>1,030,734</b>	<b>0</b>	<b>1,030,734</b>
<b>Capital assets (net of accumulated depreciation):</b>			
Land	3,516,624	368,574	3,885,198
Buildings	11,452,983	34,243,105	45,696,088
Improvements other than buildings	1,991,942	1,606,930	3,598,872
Equipment and vehicles	7,753,908	944,057	8,697,965
Infrastructure	30,765,520	0	30,765,520
Construction in progress	164,593	189,883	354,476
<b>Total capital assets (net of accumulated depreciation)</b>	<b>55,645,570</b>	<b>37,352,549</b>	<b>92,998,119</b>
<b>DEFERRED OUTFLOWS - Pension Adjustments</b>	<b>5,174,632</b>	<b>152,543</b>	<b>5,327,175</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 127,381,240</b>	<b>\$ 43,851,747</b>	<b>\$ 171,232,987</b>

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

# YELLOWSTONE COUNTY, MONTANA

## STATEMENT OF NET POSITION

JUNE 30, 2016

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<b><u>LIABILITIES AND DEFERRED INFLOWS</u></b>	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b><u>Current Liabilities</u></b>			
Accounts payable	\$ 2,472,962	\$ 251,995	\$ 2,724,957
Accrued liabilities	2,090,040	121,426	2,211,466
Accrued compensated absences	569,334	59,423	628,757
Advance from other funds	0	0	0
Matured bonds payable	7,225	0	7,225
Unearned premiums	3,321	0	3,321
Notes payable	27,382	0	27,382
General obligation bonds	545,000	0	545,000
Special assessment debt with governmental commitment	68,000	0	68,000
Unearned advertising and event revenue	0	2,041,950	2,041,950
Deposits	1,350	79,369	80,719
Due to other taxing districts	19,773	0	19,773
<b>Total current liabilities</b>	<b>5,804,387</b>	<b>2,554,163</b>	<b>8,358,550</b>
<b><u>Noncurrent Liabilities</u></b>			
Notes payable	258,583	0	258,583
Long-term liability for accrued compensated absences	1,720,188	178,270	1,898,458
Advance from other funds	0	0	0
Unearned advertising revenue	0	218,038	218,038
General obligation bonds	2,455,000	0	2,455,000
Special assessment debt with governmental commitment	1,082,000	0	1,082,000
OPEB implicit rate subsidy liability	2,278,047	205,253	2,483,300
Net pension liability	22,440,527	1,987,958	24,428,485
<b>Total noncurrent liabilities</b>	<b>30,234,345</b>	<b>2,589,519</b>	<b>32,823,864</b>
<b>TOTAL LIABILITIES</b>	<b>36,038,732</b>	<b>5,143,682</b>	<b>41,182,414</b>
<b>DEFERRED INFLOWS - Pension Deferrals</b>	<b>5,222,719</b>	<b>192,182</b>	<b>5,414,901</b>
	<b>5,222,719</b>	<b>192,182</b>	<b>5,414,901</b>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	54,901,570	37,352,549	92,254,119
Restricted by enabling legislation	12,521,799	0	12,521,799
Unrestricted	18,696,420	1,163,334	19,859,754
<b>TOTAL NET POSITION</b>	<b>\$ 86,119,789</b>	<b>\$ 38,515,883</b>	<b>\$ 124,635,672</b>

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



**YELLOWSTONE COUNTY, MONTANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2016**

	<b>MAJOR FUNDS</b>							<b>Total Governmental Funds</b>
	<b>General</b>	<b>Road</b>	<b>Property &amp; Liability Insurance Fund</b>	<b>Public Safety Fund</b>	<b>R.S.I.D. Bond Fund</b>	<b>Capital Improvement Fund</b>	<b>Other Nonmajor Governmental Funds</b>	
<b>ASSETS</b>								
Cash and demand investments, pooled	\$3,932,409	\$3,060,049	\$1,713,434	\$4,273,845	\$133,980	\$8,699,254	\$6,083,769	\$27,896,740
Cash investments, pooled	3,334,563	2,656,475	1,479,372	3,710,188	116,106	7,512,569	5,270,106	24,079,379
Receivables (net of allowance for uncollectibles):								
Tax title sales contracts	0	0	0	0	0		0	0
Property taxes	1,028,210	800,156	77,953	681,177	0	0	982,285	3,569,781
Accounts	235,801	0	0	588,999	0	2,429	335,379	1,162,608
Delinquent assessments	0	0	0	0	2,596	0	16,258	18,854
Deferred assessments	0	0	0	0	1,159,050	0	4,894	1,163,944
Accrued interest	26,612	0	2,716	0	68	13,229	3,800	46,425
Due from other funds	83,334	0	0	0	0	0	0	83,334
Due from other taxing districts	0	0	0	0	0	0	0	0
Prepaid expenses	111,523	45,675	3,525	123,685	0	0	4,381	288,789
Inventories	20,337	146,326	0	0	0	0	66,225	232,888
Advances to other funds	0	0	0	0	0	0	0	0
<b>Total assets</b>	<b>\$8,772,789</b>	<b>\$6,708,681</b>	<b>\$3,277,000</b>	<b>\$9,377,894</b>	<b>\$1,411,800</b>	<b>\$16,227,481</b>	<b>\$12,767,097</b>	<b>\$58,542,742</b>
<b>LIABILITIES:</b>								
Accounts payable	\$278,781	\$1,399,308	\$16,825	\$235,321	\$0	\$56,131	\$485,066	\$2,471,432
Accrued liabilities	597,116	183,666	524,383	740,364	0	0	388,952	2,434,481
Matured bonds payable	0	0	0	0	7,225	0	0	7,225
Due to other funds	0	0	0	0	58,797	0	24,537	83,334
Deposits	1,000	0	0	0	0	350	0	1,350
Due to other taxing districts	0	0	0	0	0	0	19,773	19,773
<b>Total liabilities</b>	<b>876,897</b>	<b>1,582,974</b>	<b>541,208</b>	<b>975,685</b>	<b>66,022</b>	<b>56,481</b>	<b>918,328</b>	<b>5,017,595</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>								
Uncollected tax revenue	1,028,210	800,156	77,953	681,177	1,119,317	0	1,003,437	4,710,250
<b>Total deferred inflow of resources</b>	<b>1,028,210</b>	<b>800,156</b>	<b>77,953</b>	<b>681,177</b>	<b>1,119,317</b>	<b>0</b>	<b>1,003,437</b>	<b>4,710,250</b>
<b>FUND BALANCE:</b>								
Reserved for debt service	0	0	0	0	226,461	0	327,451	553,912
Reserved for capital improvements	343,932	0	0	0	0	16,171,000	306,957	16,821,889
Reserved for inventories	131,860	146,326	0	0	0	0	66,225	344,411
Reserved for advances	0	0	0	0	0	0	0	0
Unreserved for nonmajor special revenue funds	0	0	0	0	0	0	10,144,699	10,144,699
Unreserved major funds	6,391,890	4,179,225	2,657,839	7,721,032	0	0	0	20,949,986
<b>Total fund balance</b>	<b>6,867,682</b>	<b>4,325,551</b>	<b>2,657,839</b>	<b>7,721,032</b>	<b>226,461</b>	<b>16,171,000</b>	<b>10,845,332</b>	<b>48,814,897</b>
<b>Total liabilities, deferred inflows and fund balance</b>	<b>\$8,772,789</b>	<b>\$6,708,681</b>	<b>\$3,277,000</b>	<b>\$9,377,894</b>	<b>\$1,411,800</b>	<b>\$16,227,481</b>	<b>\$12,767,097</b>	<b>\$58,542,742</b>

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

**YELLOWSTONE COUNTY  
RECONCILIATION OF BALANCE SHEET FUND BALANCE  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2016**

<b>Fund Balance June 30, 2016, governmental funds</b>	<b>\$ 48,814,897</b>
Net position of internal service funds as of June 30, 2016, are included as general governmental functions since they are primarily related to that function.	7,922,539
Net capital assets of internal service funds included above	(37,880)
Long-term assets are not available to pay for current period expenditures and, therefore, are deferred on the fund statements	4,710,250
Long-term portion of compensated absences is not anticipated to be expended in the current period	(1,713,235)
Long-term debt previously recognized as revenue in prior periods	(4,435,965)
Accrued interest payable on long-term debt	(19,726)
Net capital assets	55,645,570
Other post employment benefits (OPEB) - implicit rate subsidy liability	(2,278,047)
Net Pension Liability	(22,440,526)
Deferred Outflow of Resources - Pension Adjustments	5,174,631
Deferred Inflow of Resources - Pension Deferrals	(5,222,719)
<b>Net Position of governmental activities, June 30, 2016</b>	<b><u>\$ 86,119,789</u></b>

**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, 2016**

	MAJOR FUNDS							Total Governmental Funds
	General	Road	Property and Liability Insurance Fund	Public Safety Fund	RSID Bond Fund	Capital Improvement Fund	Nonmajor Governmental Funds	
<b>REVENUES:</b>								
Taxes	\$11,534,587	\$4,962,066	\$1,020,004	\$8,918,729	\$0	\$0	\$12,479,693	\$38,915,079
Special assessments	0	0	0	0	211,474	0	947,013	1,158,487
Licenses and permits	49,291	27,343	0	4,670,998	0	0	161,280	4,908,912
Intergovernmental	1,110,513	2,494,512	32,983	356,064	0	0	1,768,051	5,762,123
Fines and forfeitures	650,386	0	0	0	0	0	125,944	776,330
Charges for services	1,299,870	204,322	446,809	4,432,317	0	22,232	2,204,487	8,610,037
Other	340,291	177,124	39,694	36,410	754	169,789	93,285	857,347
<b>Total revenues</b>	<b>14,984,938</b>	<b>7,865,367</b>	<b>1,539,490</b>	<b>18,414,518</b>	<b>212,228</b>	<b>192,021</b>	<b>17,779,753</b>	<b>60,988,315</b>
<b>EXPENDITURES:</b>								
Current:								
General government	8,311,161	0	1,697,098	0	0	0	449,057	10,457,316
Public safety	1,247,984	0	0	16,757,494	0	0	6,268,030	24,273,508
Public works	43,683	7,340,218	0	0	0	0	1,041,420	8,425,321
Public health	704,757	0	0	62,798	0	0	3,643,292	4,410,847
Social and economic services	766,337	0	0	0	0	0	1,086,371	1,852,708
Culture and recreation	0	0	0	0	0	0	1,434,568	1,434,568
Conservation of natural resources	27,020	0	0	0	0	0	102,895	129,915
Community development	455,297	0	0	0	0	0	0	455,297
Capital outlay	162,075	449,066	11,824	530,215	0	1,872,250	1,632,149	4,657,579
Debt service:								
Principal	0	0	0	0	156,000	0	525,000	681,000
Interest	0	0	0	0	46,609	0	104,445	151,054
<b>Total expenditures</b>	<b>11,718,314</b>	<b>7,789,284</b>	<b>1,708,922</b>	<b>17,350,507</b>	<b>202,609</b>	<b>1,872,250</b>	<b>16,287,227</b>	<b>56,929,113</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>3,266,624</b>	<b>76,083</b>	<b>(169,432)</b>	<b>1,064,011</b>	<b>9,619</b>	<b>(1,680,229)</b>	<b>1,492,526</b>	<b>4,059,202</b>
<b>OTHER FINANCING SOURCES (USES):</b>								
Interfund transfers in	1,096,431	194,875	22,580	1,369,515	0	1,514,000	3,598,496	7,795,897
Interfund transfers out	(3,958,849)	(166,059)	0	(714,901)	(142)	0	(4,368,349)	(9,208,300)
Long term debt proceeds	0	0	0	0	0	0	344,762	344,762
<b>Total other financing sources (uses)</b>	<b>(2,862,418)</b>	<b>28,816</b>	<b>22,580</b>	<b>654,614</b>	<b>(142)</b>	<b>1,514,000</b>	<b>(425,091)</b>	<b>(1,067,641)</b>
<b>Net change in fund balances</b>	<b>404,206</b>	<b>104,899</b>	<b>(146,852)</b>	<b>1,718,625</b>	<b>9,477</b>	<b>(166,229)</b>	<b>1,067,435</b>	<b>2,991,561</b>
<b>Fund balance July 1, 2015</b>	<b>6,463,476</b>	<b>4,220,652</b>	<b>2,804,691</b>	<b>6,002,407</b>	<b>216,984</b>	<b>16,337,229</b>	<b>9,777,897</b>	<b>45,823,336</b>
<b>Fund balance June 30, 2016</b>	<b>\$6,867,682</b>	<b>\$4,325,551</b>	<b>\$2,657,839</b>	<b>\$7,721,032</b>	<b>\$226,461</b>	<b>\$16,171,000</b>	<b>\$10,845,332</b>	<b>\$48,814,897</b>

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

**YELLOWSTONE COUNTY  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016**

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 2,991,561</b>
Change in net position of internal service funds are included as general governmental functions since they are primarily related to that function.	1,149,672
Capital Assets:	
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.	
Acquisition of capital assets	9,167,247
Depreciation expense	(5,345,982)
Gain (loss) on disposal / Trade-in of capital assets / sale of fixed asse	(226,348)
(Decrease) increase in property tax and special assessment receivables that may not be available in the current period	734,097
Increase in the long-term portion of compensated absences that is not anticipated to be expended in the current period	(71,419)
Change in net long-term debt (notes, bonds). Repayment or the issuance of debt has no impact on net assets. Governmental funds report repayment of debt as an expenditure and the issuance of debt as revenue.	681,000
Change in accrued interest payable	2,494
Change in other post employment benefits - implicit rate subsidy	(335,592)
Change in Pension Expense	167,546
Intercap loan for Lockwood Pedestrian Safety District	(285,965)
Revenue - On Behalf Payment	335,384
<b>Change in net position in governmental activities</b>	<b><u>\$ 8,963,695</u></b>

**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, 2016  
(Page 1 of 2)**

	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised		
<b><u>REVENUES:</u></b>				
<b>Taxes:</b>				
Real estate property taxes	\$ 11,497,414	\$ 11,497,414	\$ 11,203,139	(\$294,275)
Personal property taxes	199,000	199,000	194,930	(4,070)
Mobile homes, penalty and interest, other	128,940	128,940	136,518	7,578
<b>Licenses and permits</b>	40,300	40,300	49,291	8,991
<b>Intergovernmental:</b>				
Grants	90,000	616,073	545,090	(70,983)
State entitlement and other	580,167	580,167	565,423	(14,744)
<b>Fines and forfeitures, justice court</b>	570,000	570,000	650,386	80,386
<b>Charges for services:</b>				
Clerk & Recorder	913,000	913,000	1,074,323	161,323
Miscellaneous	213,100	213,100	225,547	12,447
<b>Other:</b>				
Interest on investments	190,000	190,000	321,316	131,316
Miscellaneous	20,000	23,862	18,975	(4,887)
<b>Total revenues</b>	<b>\$ 14,441,921</b>	<b>\$ 14,971,856</b>	<b>\$ 14,984,938</b>	<b>\$ 13,082</b>

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, 2016**  
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Current:	BUDGET			Variance with Final Budget - Positive
	Original	Final Revised	Actual	(Negative)
<b>General government:</b>				
County commissioners	\$ 512,535	\$ 512,535	\$ 504,087	\$ 8,448
Elections	448,772	448,772	400,363	48,409
Clerk & Recorder	646,178	646,178	620,306	25,872
Treasurer, Auditor, Finance	2,069,404	2,077,904	2,019,467	58,437
Information technology	1,062,050	1,062,050	931,386	130,664
Building maintenance	662,840	662,840	633,572	29,268
Other	3,354,721	3,348,121	3,201,980	146,141
<b>Public safety:</b>				
Disaster and Emergency, Rural Fire	452,776	522,373	440,049	82,324
Juvenile detention	559,005	559,005	559,005	0
Jail alternative programs	127,000	243,862	248,930	0
<b>Public works</b>	70,839	70,839	43,683	0
<b>Public health</b>	454,500	808,093	704,757	103,336
<b>Social and economic services</b>				
Youth shelter	279,503	279,503	279,503	0
Rent assistance program	137,500	137,500	137,500	0
Medical assistance program	210,000	210,000	210,000	0
Other	91,850	99,350	139,334	(39,984)
<b>Conservation of natural resources</b>	27,020	27,020	27,020	0
<b>Community development</b>	464,891	514,891	455,297	59,594
<b>Capital outlay</b>	206,398	209,498	162,075	47,423
<b>Total expenditures</b>	<b>11,837,782</b>	<b>12,440,334</b>	<b>11,718,314</b>	<b>699,932</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,604,139</b>	<b>2,531,522</b>	<b>3,266,624</b>	<b>713,014</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund transfers in	1,170,746	1,230,863	1,096,431	(134,432)
Interfund transfers out	(4,622,840)	(4,622,840)	(3,958,849)	663,991
<b>Total other financing sources (uses)</b>	<b>(3,452,094)</b>	<b>(3,391,977)</b>	<b>(2,862,418)</b>	<b>529,559</b>
<b>Net change in fund balances</b>	<b>(\$847,955)</b>	<b>(\$860,455)</b>	<b>404,206</b>	<b>\$1,242,573</b>
<b>Fund balance July 1, 2015</b>			<b>6,463,476</b>	
<b>Fund balance June 30, 2016</b>			<b>\$6,867,682</b>	

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

**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, 2016**

	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		
<b>REVENUES:</b>													
Taxes	\$5,311,961	\$5,311,961	\$4,962,066	(\$349,895)	\$1,049,696	\$1,049,696	\$1,020,004	(\$29,692)	\$9,179,823	\$9,179,823	\$8,918,729	(\$261,094)	
Licenses and permits	25,750	25,750	27,343	1,593	0	0	0	0	4,234,800	4,234,800	4,670,998	436,198	
Intergovernmental	2,486,062	2,486,062	2,494,512	8,450	32,982	32,982	32,983	1	346,259	356,064	356,064	0	
Charges for services	184,500	184,500	204,322	19,822	446,809	446,809	446,809	0	3,488,000	3,488,000	4,432,317	944,317	
Other	10,000	10,000	177,124	167,124	14,000	14,000	39,694	25,694	20,000	20,000	36,410	16,410	
<b>Total revenues</b>	<b>8,018,273</b>	<b>8,018,273</b>	<b>7,865,367</b>	<b>(152,906)</b>	<b>1,543,487</b>	<b>1,543,487</b>	<b>1,539,490</b>	<b>(3,997)</b>	<b>17,268,882</b>	<b>17,278,687</b>	<b>18,414,518</b>	<b>1,135,831</b>	
<b>EXPENDITURES:</b>													
Current:													
General government	0	0	0	0	3,897,589	3,897,589	1,697,098	2,200,491	0	0	0	0	
Public safety	0	0	0	0	0	0	0	0	17,349,564	17,576,432	16,757,494	818,938	
Public works	8,711,121	8,554,265	7,340,218	1,214,047	0	0	0	0	0	0	0	0	
Public health	0	0	0	0	0	0	0	0	87,921	87,921	62,798	25,123	
Capital outlay	552,000	708,856	449,066	259,790	11,000	18,000	11,824	6,176	310,237	606,674	530,215	76,459	
<b>Total expenditures</b>	<b>9,263,121</b>	<b>9,263,121</b>	<b>7,789,284</b>	<b>1,473,837</b>	<b>3,908,589</b>	<b>3,915,589</b>	<b>1,708,922</b>	<b>2,206,667</b>	<b>17,747,722</b>	<b>18,271,027</b>	<b>17,350,507</b>	<b>920,520</b>	
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,244,848)</b>	<b>(1,244,848)</b>	<b>76,083</b>	<b>1,320,931</b>	<b>(2,365,102)</b>	<b>(2,372,102)</b>	<b>(169,432)</b>	<b>2,202,670</b>	<b>(478,840)</b>	<b>(992,340)</b>	<b>1,064,011</b>	<b>2,056,351</b>	
<b>OTHER FINANCING SOURCES (USES):</b>													
Interfund transfers in	197,424	197,424	194,875	(2,549)	24,130	24,130	22,580	(1,550)	1,312,301	1,312,301	1,369,515	57,214	
Interfund transfers out	(143,236)	(143,236)	(166,059)	(22,823)	0	0	0	0	(1,236,542)	(1,103,042)	(714,901)	388,141	
<b>Total other financing sources (uses)</b>	<b>54,188</b>	<b>54,188</b>	<b>28,816</b>	<b>(25,372)</b>	<b>24,130</b>	<b>24,130</b>	<b>22,580</b>	<b>(1,550)</b>	<b>75,759</b>	<b>209,259</b>	<b>654,614</b>	<b>445,355</b>	
<b>Net change in fund balances</b>	<b>(\$1,190,660)</b>	<b>(\$1,190,660)</b>	<b>104,899</b>	<b>\$1,295,559</b>	<b>(\$2,340,972)</b>	<b>(\$2,347,972)</b>	<b>(146,852)</b>	<b>\$2,201,120</b>	<b>(\$403,081)</b>	<b>(\$783,081)</b>	<b>1,718,625</b>	<b>\$2,501,706</b>	
<b>Fund balance July 1, 2015</b>			<b>4,220,652</b>				<b>2,804,691</b>				<b>6,002,407</b>		
<b>Fund balance June 30, 2016</b>			<b>\$4,325,551</b>				<b>\$2,657,839</b>				<b>\$7,721,032</b>		

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

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2016**  
**(Page 1 of 2)**

	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
<b><u>ASSETS AND DEFERRED OUTFLOWS</u></b>				
<b>CURRENT ASSETS:</b>				
Cash and demand investments, pooled	\$182,146	\$1,857,924	\$2,040,070	\$4,328,578
Cash investments, pooled	158,124	1,611,117	1,769,241	3,739,737
Restricted cash and demand investments held in trust, nonpooled	0	2,078,571	2,078,571	0
Receivables (net of allowance for uncollectibles):				
Property taxes	0	208,871	208,871	0
Accounts	0	100,102	100,102	14,449
Delinquent assessments	28,240	0	28,240	0
Accrued interest	0	596	596	6,035
Prepaid expenses	0	65,451	65,451	12,831
Inventories	0	55,513	55,513	0
<b>Total current assets</b>	<b>368,510</b>	<b>5,978,145</b>	<b>6,346,655</b>	<b>8,101,630</b>
<b>NONCURRENT ASSETS:</b>				
<b>Capital assets:</b>				
Land	0	368,574	368,574	0
Buildings	0	55,694,847	55,694,847	0
Improvements other than buildings	0	5,869,516	5,869,516	0
Equipment and vehicles	0	1,861,983	1,861,983	365,696
Construction in progress	0	189,883	189,883	0
Accumulated depreciation	0	(26,632,254)	(26,632,254)	(327,816)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>0</b>	<b>37,352,549</b>	<b>37,352,549</b>	<b>37,880</b>
<b>DERERRED OUTFLOWS - Pension Adjustments</b>	<b>0</b>	<b>152,543</b>	<b>152,543</b>	<b>0</b>
<b>Total assets and deferred outflows</b>	<b>\$368,510</b>	<b>\$43,483,237</b>	<b>\$43,851,747</b>	<b>\$8,139,510</b>

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

**YELLOWSTONE COUNTY, MONTANA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

**JUNE 30, 2016**

**(Page 2 of 2)**

	<b>Business-Type Activities Enterprise Funds</b>			<b>Governmental Activities -</b>
	<b>Refuse Disposal Fund</b>	<b>METRA Fund</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b><u>LIABILITIES AND DEFERRED INFLOWS</u></b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable	0	251,995	\$251,995	\$1,530
Accrued liabilities	0	121,426	121,426	202,849
Accrued compensated absences	0	59,423	59,423	2,318
Unearned revenue - advertising and event	0	293,573	293,573	0
Unearned premiums	0	0	0	3,321
<b>Total current liabilities</b>	<b>0</b>	<b>726,417</b>	<b>726,417</b>	<b>210,018</b>
<b>CURRENT LIABILITIES PAYABLE FROM RESTRICTED CASH:</b>				
Unearned event revenue	0	1,748,377	1,748,377	0
Deposits	0	79,369	79,369	0
<b>Total current liabilities payable from restricted cash</b>	<b>0</b>	<b>1,827,746</b>	<b>1,827,746</b>	<b>0</b>
<b>NONCURRENT LIABILITIES:</b>				
Accrued compensated absences	0	178,270	178,270	6,953
Unearned advertising revenue	0	218,038	218,038	0
OPEB implicit rate subsidy	0	205,253	205,253	0
Net Pension Liability	0	1,987,958	1,987,958	0
<b>Total noncurrent liabilities</b>	<b>0</b>	<b>2,589,519</b>	<b>2,589,519</b>	<b>6,953</b>
<b>Total liabilities</b>	<b>0</b>	<b>5,143,682</b>	<b>5,143,682</b>	<b>216,971</b>
<b>DEFERRED INFLOWS - Pension Deferrals</b>	<b>0</b>	<b>192,182</b>	<b>192,182</b>	<b>0</b>
<b><u>NET POSITION</u></b>				
Net investment in capital assets	0	37,352,549	37,352,549	37,880
Unrestricted	368,510	794,824	1,163,334	7,884,659
<b>Total net position</b>	<b>368,510</b>	<b>38,147,373</b>	<b>38,515,883</b>	<b>7,922,539</b>
<b>Total liabilities, deferred inflows and net position</b>	<b>\$368,510</b>	<b>\$43,483,237</b>	<b>\$43,851,747</b>	<b>\$8,139,510</b>

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

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Business-Type Activities - Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
<b>OPERATING REVENUES:</b>				
Charge for services and use of facilities	\$ 214,668	\$ 5,371,215	\$ 5,585,883	\$ 162,350
Health insurance premiums	0	0	0	6,185,939
<b>Total operating revenues</b>	<b>214,668</b>	<b>5,371,215</b>	<b>5,585,883</b>	<b>6,348,289</b>
<b>OPERATING EXPENSES:</b>				
Salaries and benefits	0	3,087,849	3,087,849	71,648
Supplies	0	510,964	510,964	14,428
Contracted services	191,196	3,021,115	3,212,311	123,302
Health claims	0	0	0	6,031,963
Stop-loss insurance and administration	0	81,244	81,244	471,048
Awards	0	114,436	114,436	0
Depreciation	0	1,603,267	1,603,267	6,446
<b>Total operating expenses</b>	<b>191,196</b>	<b>8,418,875</b>	<b>8,610,071</b>	<b>6,718,835</b>
<b>Operating income (loss)</b>	<b>23,472</b>	<b>(3,047,660)</b>	<b>(3,024,188)</b>	<b>(370,547)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Taxes	0	2,777,390	2,777,390	0
Intergovernmental revenue	0	137,391	137,391	0
Interest revenue (expense)	0	19,328	19,328	69,856
Other revenue	0	29,422	29,422	0
Revenue from signage agreement	0	123,126	123,126	0
<b>Total nonoperating revenues (expenses)</b>	<b>0</b>	<b>3,086,657</b>	<b>3,086,657</b>	<b>69,856</b>
<b>Income (loss) before transfers</b>	<b>23,472</b>	<b>38,997</b>	<b>62,469</b>	<b>(300,691)</b>
Transfer in from other funds	0	50,000	50,000	1,450,362
Transfer out to other funds	(20,000)	(67,959)	(87,959)	0
Loss on disposal of fixed assets	0	15,500	15,500	0
<b>Change in net position</b>	<b>3,472</b>	<b>36,538</b>	<b>40,010</b>	<b>1,149,672</b>
<b>Net position July 1, 2015</b>	<b>365,038</b>	<b>38,110,835</b>	<b>38,475,873</b>	<b>6,772,867</b>
<b>Prior Period Adjustment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net position June 30, 2016</b>	<b>\$ 368,510</b>	<b>\$ 38,147,373</b>	<b>\$ 38,515,883</b>	<b>\$ 7,922,539</b>

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, 2016**  
**(Page 1 of 2)**

	<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Refuse Disposal Fund</b>	<b>METRA Fund</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b><u>Cash flows from operating activities:</u></b>				
Cash received from users	\$ 234,523	\$ 5,370,166	\$ 5,604,689	\$ 162,571
Cash received from health insurance premiums	0	0	0	6,187,146
Cash paid to other suppliers for goods or services	(191,196)	(4,114,289)	(4,305,485)	(134,092)
Cash paid to employees for services	0	(3,043,329)	(3,043,329)	(69,031)
Cash paid for health claims	0	0	0	(6,399,856)
Cash paid for stop-loss insurance and administration	0	0	0	(471,048)
<b>Net cash provided (used) by operating activities</b>	<b>43,327</b>	<b>(1,787,452)</b>	<b>(1,744,125)</b>	<b>(724,310)</b>
<b><u>Cash flows from noncapital financing activities:</u></b>				
Cash received from taxes, licenses, permits, and intergovernmental revenue	0	2,822,440	2,822,440	0
Cash received from interfund transfer	0	65,500	65,500	1,450,363
Cash transferred to other funds for services	0	(67,959)	(67,959)	0
Cash transferred to Blight Abatement	(20,000)	0	(20,000)	0
Cash received from other revenues	0	42,318	42,318	0
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(20,000)</b>	<b>2,862,299</b>	<b>2,842,299</b>	<b>1,450,363</b>
<b><u>Cash flows from capital and related financing activities:</u></b>				
Acquisition of capital assets	0	(268,404)	(268,404)	(35,688)
Cash paid on interfund loan	0	(350,000)	(350,000)	0
<b>Net cash used for capital and related financing activities</b>	<b>0</b>	<b>(618,404)</b>	<b>(618,404)</b>	<b>(35,688)</b>
<b><u>Cash flows from investing activities:</u></b>				
Withdrawals from cash investments	54,522	509,078	563,600	0
Deposits into cash investments	0	0	0	1,163,263
Interest received on investments	0	7,096	7,096	71,463
<b>Net cash provided (used) by investing activities</b>	<b>54,522</b>	<b>516,174</b>	<b>570,696</b>	<b>1,234,726</b>
<b>Net increase (decrease) in cash and demand investments</b>	<b>77,848</b>	<b>972,617</b>	<b>1,050,466</b>	<b>1,925,091</b>
<b>Cash and demand investments, and restricted cash, July 1, 2015</b>	<b>104,298</b>	<b>2,963,878</b>	<b>3,068,176</b>	<b>2,403,487</b>
<b>Cash and demand investments, and restricted cash, June 30, 2016</b>	<b>\$ 182,146</b>	<b>\$ 3,936,495</b>	<b>\$ 4,118,642</b>	<b>\$ 4,328,578</b>
<b><u>Presented in Statement of Net Position as follows:</u></b>				
Cash and demand investments, pooled	\$ 182,146	\$ 1,857,924	\$ 2,040,070	
Restricted cash held in trust, nonpooled	0	2,078,571	2,078,571	
<b>Cash and demand investments, and restricted cash, June 30, 2016</b>	<b>\$ 182,146</b>	<b>\$ 3,936,495</b>	<b>\$ 4,118,641</b>	

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, 2016**  
**(Page 2 of 2)**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Refuse Disposal</u>	<u>METRA</u>	<u>Total</u>	<u>Internal</u>
	<u>Fund</u>	<u>Fund</u>		<u>Service Funds</u>
<b>Noncash transactions:</b>				
Net Pension Liability	\$ 0	\$ 201,638	\$ 201,638	\$ 0
Revenue recognized on sales rights agreement	\$ 0	\$ 123,126	\$ 123,126	\$ 0
OPEB implicit rate subsidy expense	\$ 0	\$ 33,844	\$ 33,844	\$ 0

**Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities**

<b>Operating income (loss)</b>	<u>\$ 23,472</u>	<u>\$ (3,047,660)</u>	<u>\$ (3,024,188)</u>	<u>\$ (370,547)</u>
<b>Adjustments to reconcile operating income (loss) to net cash from operating activities:</b>				
Depreciation expense	0	1,603,267	1,603,267	6,446
(Increase) decrease in assets:				
Accounts receivable	0	(93,612)	(93,612)	840
Delinquent assessments receivable	19,855	0	19,855	0
Prepaid expenses	0	(14,300)	(14,300)	4,443
Inventories	0	(21,329)	(21,329)	0
Construction in progress	0	(474,913)	(474,913)	0
Increase (decrease) in liabilities:				
Accounts payable	0	124,012	124,012	(805)
Accrued liabilities	0	37,037	37,037	(365,276)
Unearned premiums	0	0	0	589
Unearned event revenue	0	61,695	61,695	0
Deposits	0	30,869	30,869	0
Net Pension Liability	0	0	0	0
OPEB implicit rate subsidy liability	0	7,482	7,482	0
<b>Total adjustments</b>	<u>19,855</u>	<u>1,260,208</u>	<u>1,280,063</u>	<u>(353,763)</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 43,327</u>	<u>\$ (1,787,452)</u>	<u>\$ (1,744,125)</u>	<u>\$ (724,310)</u>

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

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2016**

	<b>External Investment Trust Fund</b>	<b>Agency Funds</b>	<b>Total Fiduciary Funds</b>
<b><u>ASSETS</u></b>			
Cash and demand investments, pooled	\$ 51,803,455	\$ 6,587,574	\$ 58,391,029
Cash investments, pooled	44,739,919	5,718,773	50,458,692
Cash investments, nonpooled	0	400,000	400,000
Restricted cash and demand investments held in trust, nonpooled	0	103,719	103,719
Restricted cash and demand investments for capital improvements, pooled	0	0	0
Restricted cash and demand investments for capital improvements, nonpooled	0	(1)	(1)
Restricted cash investments for capital improvements, nonpooled	0	37,004,910	37,004,910
Restricted cash investments for debt service, nonpooled	0	10,847,153	10,847,153
Receivables:			
Property taxes	0	11,731,146	11,731,146
Accounts receivable	0	51,027	51,027
Delinquent assessments	0	392,401	392,401
Accrued interest	75,498	6,682	82,180
Due from other funds	0	4,130,706	4,130,706
Prepaid expenses	0	0	0
<b>Total assets</b>	<b>\$ 96,618,872</b>	<b>\$ 76,974,090</b>	<b>\$ 173,592,962</b>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$0	\$ 146,215	\$ 146,215
Due to other funds - protest tax fund	0	4,130,706	4,130,706
Due to others	0	1,879,864	1,879,864
Due to other taxing districts - county general fund	0	0	0
Due to other taxing districts	0	70,817,305	70,817,305
<b>Total liabilities</b>	<b>0</b>	<b>76,974,090</b>	<b>76,974,090</b>
<b><u>NET POSITION</u></b>			
Net position held in trust for pool participants	<b>\$ 96,618,872</b>	<b>\$0</b>	<b>\$ 96,618,872</b>

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



**YELLOWSTONE COUNTY, MONTANA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
EXTERNAL INVESTMENT TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 2016**

**ADDITIONS:**

Contributions to pooled investments	\$ 712,840,072	
Interest and investment income	904,192	
<b>Total additions</b>		<b>\$ 713,744,264</b>

**DEDUCTIONS**

Distributions from pooled investments	(701,984,751)	
Investment administrative expenses	(6,708)	
<b>Total deductions</b>		<b>(701,991,459)</b>

<b>Change in net position held in trust for pool participants</b>		<b>11,752,805</b>
<b>Net position held in trust for pool participants, July 1, 2015</b>		<b>84,866,067</b>
<b>Net position held in trust for pool participants, June 30, 2016</b>		<b>\$ 96,618,872</b>

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