

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF NET ASSETS (Accrual Basis)**  
**JUNE 30, 2008**

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<u>ASSETS</u>	<u>Primary Government</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b><u>Current Assets</u></b>			
Cash and demand investments, pooled	\$ 3,992,758	\$ 276,986	\$ 4,269,744
Cash investments, pooled	30,540,918	2,115,895	32,656,813
Restricted cash and demand investments held in trust, nonpooled	0	434,377	434,377
Receivables (net of allowance for uncollectibles):			
Property taxes	2,725,082	117,220	2,842,302
Accounts	1,092,849	21,830	1,114,679
Delinquent assessments	21,815	43,922	65,737
Deferred assessments	96,089	0	96,089
Accrued interest	177,997	3,144	181,141
Prepaid expenses	552	32,870	33,422
Inventories	462,519	11,378	473,897
<b>Total current assets</b>	<b>39,110,579</b>	<b>3,057,622</b>	<b>42,168,201</b>
<b><u>Noncurrent Assets</u></b>			
Deferred assessments receivable, net of allowance	1,163,345	0	1,163,345
<b>Total noncurrent assets</b>	<b>1,163,345</b>	<b>0</b>	<b>1,163,345</b>
<b>Capital assets (net of accumulated depreciation):</b>			
Land	3,191,649	368,574	3,560,223
Buildings	11,105,252	10,743,149	21,848,401
Improvements other than buildings	358,872	1,785,707	2,144,579
Equipment and vehicles	6,084,799	251,919	6,336,718
Infrastructure	16,962,314	0	16,962,314
Construction in progress	339,576	394,919	734,495
<b>Total capital assets (net of accumulated depreciation)</b>	<b>38,042,462</b>	<b>13,544,268</b>	<b>51,586,730</b>
<b>TOTAL ASSETS</b>	<b>\$ 78,316,386</b>	<b>\$ 16,601,890</b>	<b>\$ 94,918,276</b>

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

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF NET ASSETS (Accrual Basis)**  
**JUNE 30, 2008**

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	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b><u>LIABILITIES</u></b>			
<b><u>Current Liabilities</u></b>			
Accounts payable	\$ 1,426,819	\$ 124,747	\$ 1,551,566
Accrued liabilities	2,216,868	11,571	2,228,439
Accrued compensated absences	486,528	46,842	533,370
Matured bonds payable	7,225	0	7,225
Unearned premiums	263,261	0	263,261
General obligation bonds	790,000	0	790,000
Special assessment debt with governmental commitment	21,425	0	21,425
Liabilities payable from restricted assets:			
Deferred revenue	0	246,928	246,928
Deposits	2,850	467,973	470,823
Due to other taxing districts	633,326	0	633,326
<b>Total current liabilities</b>	<b>5,848,302</b>	<b>898,061</b>	<b>6,746,363</b>
<b><u>Noncurrent Liabilities</u></b>			
Long-term liability for accrued compensated absences	1,468,973	140,525	1,609,498
Deferred revenue	0	1,291,683	1,291,683
General obligation bonds	6,365,000	0	6,365,000
Special assessment debt with governmental commitment	1,269,000	0	1,269,000
<b>Total noncurrent liabilities</b>	<b>9,102,973</b>	<b>1,432,208</b>	<b>10,535,181</b>
<b>TOTAL LIABILITIES</b>	<b>14,951,275</b>	<b>2,330,269</b>	<b>17,281,544</b>
<b><u>NET ASSETS</u></b>			
Investment in capital assets, net of related debt	38,042,462	13,544,268	51,586,730
Restricted net assets for debt service	629,854	0	629,854
Unrestricted	24,692,795	727,353	25,420,148
<b>TOTAL NET ASSETS</b>	<b>\$ 63,365,111</b>	<b>\$ 14,271,621</b>	<b>\$ 77,636,732</b>

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

**YELLOWSTONE COUNTY**  
**STATEMENT OF ACTIVITIES (ACCRUAL BASIS)**  
**FOR THE YEAR ENDED JUNE 30, 2008**

Functions / Programs	Program Revenues								Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Special	Licenses	Intergovern-	Fines and	Charges for	Operating	Capital	Governmental	Primary Government	Total	
		Assessments	and Permits	mental	Forfeitures	Services	Grants and	Grants and				Activities
<b>Primary government:</b>												
<u>Governmental activities:</u>												
General government	\$ 11,345,680	\$0	\$0	\$498,556	\$ 730,871	\$ 4,264,349	\$14,380	\$192	\$ (5,837,332)	\$0	\$ (5,837,332)	
Public Safety	19,928,041	0	42,284	162,096	7,262	4,119,954	867,387	0	(14,729,058)	0	(14,729,058)	
Public Works	5,515,461	554,539	29,180	480,946	0	215,086	17,035	142,367	(4,076,308)	0	(4,076,308)	
Public Health	2,222,118	0	0	0	0	2,114	0	0	(2,220,004)	0	(2,220,004)	
Social and Economic	1,217,047	0	0	206,740	0	0	0	0	(1,010,307)	0	(1,010,307)	
Culture and Recreation	1,412,366	0	0	0	0	0	16,880	28,155	(1,367,331)	0	(1,367,331)	
Community Development	826,617	0	0	0	0	0	0	471,278	(355,339)	0	(355,339)	
Conservation of Natural Resources	111,840	0	0	0	0	0	0	0	(111,840)	0	(111,840)	
Interest on Long-Term Debt	250,888	0	0	0	0	0	0	0	(250,888)	0	(250,888)	
<b>Total governmental activities</b>	<b>42,830,058</b>	<b>554,539</b>	<b>71,464</b>	<b>1,348,338</b>	<b>738,133</b>	<b>8,601,503</b>	<b>915,682</b>	<b>641,992</b>	<b>(29,958,407)</b>	<b>0</b>	<b>(29,958,407)</b>	
<u>Business-type activities:</u>												
Refuse Disposal	391,992	331,357	0	0	0	0	0	0	0	(60,635)	(60,635)	
METRA	5,789,476	0	0	0	0	4,115,283	0	0	0	(1,674,193)	(1,674,193)	
<b>Total business-type activities:</b>	<b>6,181,468</b>	<b>331,357</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,115,283</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,734,828)</b>	<b>(1,734,828)</b>	
<b>Total primary government</b>	<b>\$ 49,011,526</b>	<b>\$ 885,896</b>	<b>\$ 71,464</b>	<b>\$ 1,348,338</b>	<b>\$ 738,133</b>	<b>\$ 12,716,786</b>	<b>\$ 915,682</b>	<b>\$ 641,992</b>	<b>\$ (29,958,407)</b>	<b>\$ (1,734,828)</b>	<b>\$ (31,693,235)</b>	

<b>General revenues:</b>			
Property taxes	27,934,463	1,228,459	29,162,922
Licenses and permits	4,083,512	0	4,083,512
Intergovernmental	2,023,698	6,219	2,029,917
Other revenues	2,063,062	329,966	2,393,028
Transfers	(98,165)	98,165	0
<b>Total general revenues and transfers</b>	<b>36,006,570</b>	<b>1,662,809</b>	<b>37,669,379</b>
<b>Change in net assets</b>	<b>6,048,163</b>	<b>(72,019)</b>	<b>5,976,144</b>
<b>Net assets, beginning</b>	<b>57,316,948</b>	<b>14,343,640</b>	<b>71,660,588</b>
<b>Net assets - ending</b>	<b>\$ 63,365,111</b>	<b>\$ 14,271,621</b>	<b>\$ 77,636,732</b>

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

**YELLOWSTONE COUNTY, MONTANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2008**

	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	
<b>ASSETS</b>								
Cash and demand investments, pooled	\$619,142	\$332,365	\$325,305	\$518,155	\$19,270	\$548,392	\$1,172,115	\$3,534,743
Cash investments, pooled	4,763,349	2,537,794	2,487,774	3,956,397	147,360	4,193,739	8,953,156	27,039,570
Receivables (net of allowance for uncollectibles):								
Property taxes	794,539	329,104	74,658	637,948	0	0	888,833	2,725,082
Accounts	463,668	0	130,000	316,811	0	1,253	181,117	1,092,849
Delinquent assessments	0	0	0	0	9,896	0	11,919	21,815
Deferred assessments	0	0	0	0	1,256,479	0	2,955	1,259,434
Accrued interest	118,183	0	12,824	0	749	21,304	11,246	164,306
Due from other funds	308,527	0	0	0	0	0	0	308,527
Prepaid expenses	480	72	0	0	0	0	0	552
Inventories	66,036	316,740	0	0	0	0	79,743	462,519
<b>Total assets</b>	<b>\$7,133,924</b>	<b>\$3,516,075</b>	<b>\$3,030,561</b>	<b>\$5,429,311</b>	<b>\$1,433,754</b>	<b>\$4,764,688</b>	<b>\$11,301,084</b>	<b>\$36,609,397</b>
<b>LIABILITIES:</b>								
Accounts payable	\$500,494	\$244,730	\$5,280	\$369,958	\$0	\$1	\$304,780	\$1,425,243
Accrued liabilities	586,483	73,000	1,087,500	237,685	0	0	98,078	2,082,746
Matured bonds payable	0	0	0	0	7,225	0	0	7,225
Due to other funds	0	0	0	0	2,827	0	305,700	308,527
Deferred revenue	794,539	329,104	74,658	637,948	1,266,375	0	903,707	4,006,331
Deposits	0	0	0	0	0	2,850	0	2,850
Due to other taxing districts	0	0	0	0	0	0	633,326	633,326
<b>Total liabilities</b>	<b>1,881,516</b>	<b>646,834</b>	<b>1,167,438</b>	<b>1,245,591</b>	<b>1,276,427</b>	<b>2,851</b>	<b>2,245,591</b>	<b>8,466,248</b>
<b>FUND BALANCE:</b>								
Reserved for debt service	0	0	0	0	157,327	0	472,527	629,854
Reserved for capital improvements	460,980	0	0	0	0	4,761,837	2,935,694	8,158,511
Reserved for inventories	66,036	316,740	0	0	0	0	79,743	462,519
Unreserved for nonmajor special revenue funds	0	0	0	0	0	0	5,567,529	5,567,529
Unreserved major funds	4,725,392	2,552,501	1,863,123	4,183,720	0	0	0	13,324,736
<b>Total fund balance</b>	<b>5,252,408</b>	<b>2,869,241</b>	<b>1,863,123</b>	<b>4,183,720</b>	<b>157,327</b>	<b>4,761,837</b>	<b>9,055,493</b>	<b>28,143,149</b>
<b>Total liabilities and fund balance</b>	<b>\$7,133,924</b>	<b>\$3,516,075</b>	<b>\$3,030,561</b>	<b>\$5,429,311</b>	<b>\$1,433,754</b>	<b>\$4,764,688</b>	<b>\$11,301,084</b>	<b>\$36,609,397</b>

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

**YELLOWSTONE COUNTY  
RECONCILIATION OF BALANCE SHEET FUND BALANCE  
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2008**

<b>Fund Balance June 30, 2008, governmental funds</b>	<b>\$ 28,143,149</b>
Net assets of internal service funds as of June 30, 2008, are included as general governmental functions since they are primarily related to that function.	3,297,502
Net capital assets of internal service funds included above	(167,567)
Long-term assets are not available to pay for current period expenditures and, therefore, are deferred on the fund statements	4,006,331
Long-term portion of compensated absences is not anticipated to be expended in the current period	(1,467,390)
Long-term debt previously recognized as revenue in prior periods	(8,445,425)
Accrued interest payable on long-term debt	(43,951)
Net capital assets	38,042,462
 <b>Net Assets of governmental activities, June 30, 2008</b>	 <b><u><u>\$ 63,365,111</u></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, 2008**

	MAJOR FUNDS							Total Governmental Funds
	<u>General</u>	<u>Road</u>	Property and Liability Insurance <u>Fund</u>	Public Safety <u>Fund</u>	RSID Bond <u>Fund</u>	Capital Improvement <u>Fund</u>	Nonmajor Governmental Funds	
<b>REVENUES:</b>								
Taxes	\$7,231,019	\$3,016,947	\$759,649	\$6,415,939	\$0	\$0	\$9,450,045	\$26,873,599
Special assessments	24,022	0	0	0	187,583	0	487,317	698,922
Licenses and permits	20,040	29,180	0	3,967,756	0	0	138,000	4,154,976
Intergovernmental	908,011	1,731,231	4,225	240,514	0	446,200	1,599,529	4,929,710
Fines and forfeitures	697,696	0	0	0	0	0	40,437	738,133
Charges for services	1,260,920	170,059	323,500	2,050,381	0	20,773	2,213,944	6,039,577
Other	1,197,629	13,044	136,470	79,863	7,225	322,922	176,080	1,933,233
<b>Total revenues</b>	<b>11,339,337</b>	<b>4,960,461</b>	<b>1,223,844</b>	<b>12,754,453</b>	<b>194,808</b>	<b>789,895</b>	<b>14,105,352</b>	<b>45,368,150</b>
<b>EXPENDITURES:</b>								
Current:								
General government	5,541,928	0	1,152,046	0	0	0	1,072,121	7,766,095
Public safety	1,059,581	0	0	12,796,817	0	0	5,024,376	18,880,774
Public works	860	4,631,257	0	0	0	0	861,959	5,494,076
Public health	254,492	0	0	121,815	0	0	1,858,855	2,235,162
Social and economic services	658,905	0	0	0	0	0	815,750	1,474,655
Culture and recreation	28,155	0	0	0	0	0	1,014,354	1,042,509
Conservation of natural resources	27,020	0	0	0	0	0	83,095	110,115
Community development	322,919	0	0	0	0	0	0	322,919
Capital outlay	698,642	202,997	0	492,274	0	1,483,777	1,611,055	4,488,745
Debt service:								
Principal	0	0	0	0	220,575	0	610,000	830,575
Interest	0	0	0	0	62,564	0	184,372	246,936
<b>Total expenditures</b>	<b>8,592,502</b>	<b>4,834,254</b>	<b>1,152,046</b>	<b>13,410,906</b>	<b>283,139</b>	<b>1,483,777</b>	<b>13,135,937</b>	<b>42,892,561</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,746,835</b>	<b>126,207</b>	<b>71,798</b>	<b>(656,453)</b>	<b>(88,331)</b>	<b>(693,882)</b>	<b>969,415</b>	<b>2,475,589</b>
<b>OTHER FINANCING SOURCES (USES):</b>								
Interfund transfers in	756,373	211,312	11,507	412,327	0	1,246,097	2,737,483	5,375,099
Interfund transfers out	(2,763,401)	(233,000)	0	(336,846)	(2,229)	0	(3,707,376)	(7,042,852)
Long term debt proceeds	0	0	0	0	0	0	3,000,000	3,000,000
<b>Total other financing sources (uses)</b>	<b>(2,007,028)</b>	<b>(21,688)</b>	<b>11,507</b>	<b>75,481</b>	<b>(2,229)</b>	<b>1,246,097</b>	<b>2,030,107</b>	<b>1,332,247</b>
<b>Net change in fund balances</b>	<b>739,807</b>	<b>104,519</b>	<b>83,305</b>	<b>(580,972)</b>	<b>(90,560)</b>	<b>552,215</b>	<b>2,999,522</b>	<b>3,807,836</b>
<b>Fund balances July 1, 2007</b>	<b>4,512,601</b>	<b>2,764,722</b>	<b>1,779,818</b>	<b>4,764,692</b>	<b>247,887</b>	<b>4,209,622</b>	<b>6,055,971</b>	<b>24,335,313</b>
<b>Fund balances June 30, 2008</b>	<b>\$5,252,408</b>	<b>\$2,869,241</b>	<b>\$1,863,123</b>	<b>\$4,183,720</b>	<b>\$157,327</b>	<b>\$4,761,837</b>	<b>\$9,055,493</b>	<b>\$28,143,149</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 30,2008**

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 3,807,836</b>
Change in net assets of internal service funds are included as general governmental functions since they are primarily related to that function.	1,196,910
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	5,469,291
Depreciation expense	(3,065,237)
Gain (loss) on disposal / trade-in of capital assets	(32,887)
Increase in property tax and special assessment receivables that may not be available in the current period	916,481
Increase in the long-term portion of compensated absences that is not anticipated to be expended in the current period	(70,854)
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.	(2,169,425)
Change in accrued interest payable	(3,952)
<b>Change in net assets in governmental activities</b>	<b><u>\$ 6,048,163</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, 2008**  
**(Page 1 of 2)**

	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised		
<b>REVENUES:</b>				
<b>Taxes:</b>				
Real estate property taxes	\$7,310,449	\$7,310,449	\$7,055,406	(\$255,043)
Personal property taxes	193,475	193,475	53,252	(140,223)
Mobile homes, penalty and interest, other	108,525	108,525	122,361	13,836
<b>Special assessments</b>	10,000	10,000	24,022	14,022
<b>Licenses and permits</b>	16,000	16,000	20,040	4,040
<b>Intergovernmental:</b>				
Grants	77,000	968,575	802,367	(166,208)
State personal property reimbursement	33,544	33,544	33,431	(113)
State entitlement and other	68,421	68,421	72,213	3,792
<b>Fines and forfeitures, justice court</b>	660,000	660,000	697,696	37,696
<b>Charges for services:</b>				
Clerk & Recorder	1,020,000	1,020,000	1,177,546	157,546
Miscellaneous	102,100	102,100	83,374	(18,726)
<b>Other:</b>				
Interest on investments	650,000	650,000	1,114,352	464,352
Miscellaneous	70,000	98,969	83,277	(15,692)
<b>Total revenues</b>	<b>#####</b>	<b>\$ 11,240,058</b>	<b>\$ 11,339,337</b>	<b>\$ 99,279</b>

**YELLOWSTONE COUNTY, MONTANA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008  
(Page 2 of 2)**

<b>Current:</b>	BUDGET		<u>Actual</u>	Variance with Final Budget -
	<u>Original</u>	<u>Final Revised</u>		Positive (Negative)
<b>General government:</b>				
County commissioners	\$423,609	\$423,609	\$410,913	\$ 12,696
Elections	429,069	452,871	441,532	11,339
Clerk & Recorder	501,967	501,967	450,871	51,096
Treasurer, Auditor, Finance	1,662,065	1,670,235	1,624,859	45,376
Information technology	622,782	622,782	570,855	51,927
Building maintenance	596,127	596,127	588,413	7,714
Other	2,142,474	2,126,099	1,454,485	671,614
<b>Public safety:</b>				
Disaster and Emergency, Rural Fire	320,732	554,605	518,738	35,867
Juvenile detention	393,120	393,120	393,120	0
Other	154,289	164,289	147,723	16,566
<b>Public works</b>	0	980	860	120
<b>Public health</b>	380,635	380,635	254,492	126,143
<b>Social and economic services</b>				
Youth shelter	196,560	196,560	196,560	0
Rent assistance program	162,500	162,500	137,500	25,000
Medical assistance program	263,302	263,302	247,702	15,600
Other	88,000	93,785	77,143	16,642
<b>Culture and recreation</b>	0	71,428	28,155	43,273
<b>Conservation of natural resources</b>	27,020	27,020	27,020	0
<b>Community development</b>	310,163	379,538	322,919	56,619
<b>Capital outlay</b>	374,860	907,636	698,642	208,994
<b>Total expenditures</b>	<b>9,049,274</b>	<b>9,989,088</b>	<b>8,592,502</b>	<b>1,396,586</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,270,240</b>	<b>1,250,970</b>	<b>2,746,835</b>	<b>1,495,865</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund transfers in	462,008	823,133	756,373	(66,760)
Interfund transfers out	(2,815,405)	(2,815,491)	(2,763,401)	52,090
<b>Total other financing sources (uses)</b>	<b>(2,353,397)</b>	<b>(1,992,358)</b>	<b>(2,007,028)</b>	<b>(14,670)</b>
<b>Net change in fund balances</b>	<b>(\$1,083,157)</b>	<b>(\$741,388)</b>	<b>739,807</b>	<b>\$1,481,195</b>
<b>Fund balance July 1, 2007</b>			<b>4,512,601</b>	
<b>Fund balance June 30, 2008</b>			<b>\$5,252,408</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, 2008**

	Road Fund				Property and Liability Insurance Fund				Public Safety Fund			
	BUDGET		Actual	Variance with Final Budget - Positive (Negative)	BUDGET		Actual	Variance with Final Budget - Positive (Negative)	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised			Original	Final Revised			Original	Final Revised		
<b>REVENUES:</b>												
Taxes	\$3,147,514	\$3,147,514	\$3,016,947	(\$130,567)	\$797,407	\$797,407	\$759,649	(\$37,758)	\$6,737,841	\$6,737,841	\$6,415,939	(\$321,902)
Licenses and permits	36,000	36,000	29,180	(6,820)	0	0	0	0	3,938,000	3,938,000	3,967,756	29,756
Intergovernmental	1,735,097	1,735,097	1,731,231	(3,866)	4,225	4,225	4,225	0	81,604	280,590	240,514	(40,076)
Charges for services	180,000	180,000	170,059	(9,941)	323,500	323,500	323,500	0	2,248,500	2,248,500	2,050,381	(198,119)
Other	100	100	13,044	12,944	90,000	90,000	136,470	46,470	49,200	67,111	79,863	12,752
<b>Total revenues</b>	<b>5,098,711</b>	<b>5,098,711</b>	<b>4,960,461</b>	<b>(138,250)</b>	<b>1,215,132</b>	<b>1,215,132</b>	<b>1,223,844</b>	<b>8,712</b>	<b>13,055,145</b>	<b>13,272,042</b>	<b>12,754,453</b>	<b>(517,589)</b>
<b>EXPENDITURES:</b>												
Current:												
General government	0	0	0	0	2,705,250	2,705,250	1,152,046	1,553,204	0	0	0	0
Public safety	0	0	0	0	0	0	0	0	12,888,821	13,151,771	12,796,817	354,954
Public works	5,100,553	5,136,753	4,631,257	505,496	0	0	0	0	0	0	0	0
Public health	0	0	0	0	0	0	0	0	131,570	131,570	121,815	9,755
Capital outlay	547,800	511,600	202,997	308,603	2,500	2,500	0	2,500	599,379	553,326	492,274	61,052
<b>Total expenditures</b>	<b>5,648,353</b>	<b>5,648,353</b>	<b>4,834,254</b>	<b>814,099</b>	<b>2,707,750</b>	<b>2,707,750</b>	<b>1,152,046</b>	<b>1,555,704</b>	<b>13,619,770</b>	<b>13,836,667</b>	<b>13,410,906</b>	<b>425,761</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(549,642)</b>	<b>(549,642)</b>	<b>126,207</b>	<b>675,849</b>	<b>(1,492,618)</b>	<b>(1,492,618)</b>	<b>71,798</b>	<b>1,564,416</b>	<b>(564,625)</b>	<b>(564,625)</b>	<b>(656,453)</b>	<b>(91,828)</b>
<b>OTHER FINANCING SOURCES (USES):</b>												
Interfund transfers in	195,787	195,787	211,312	15,525	11,507	11,507	11,507	0	435,733	435,733	412,327	(23,406)
Interfund transfers out	(233,000)	(233,000)	(233,000)	0	0	0	0	0	(336,846)	(336,846)	(336,846)	0
<b>Total other financing sources (uses)</b>	<b>(37,213)</b>	<b>(37,213)</b>	<b>(21,688)</b>	<b>15,525</b>	<b>11,507</b>	<b>11,507</b>	<b>11,507</b>	<b>0</b>	<b>98,887</b>	<b>98,887</b>	<b>75,481</b>	<b>(23,406)</b>
<b>Net change in fund balances</b>	<b>(\$586,855)</b>	<b>(\$586,855)</b>	<b>104,519</b>	<b>\$691,374</b>	<b>(\$1,481,111)</b>	<b>(\$1,481,111)</b>	<b>83,305</b>	<b>\$1,564,416</b>	<b>(\$465,738)</b>	<b>(\$465,738)</b>	<b>(580,972)</b>	<b>(\$115,234)</b>
<b>#REF!</b>			<u>2,764,722</u>				<u>1,779,818</u>				<u>4,764,692</u>	
<b>#REF!</b>			<u>\$2,869,241</u>				<u>\$1,863,123</u>				<u>\$4,183,720</u>	

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

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2008**  
**(Page 1 of 2)**

<u><b>ASSETS</b></u>	<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>CURRENT ASSETS:</b>				
Cash and demand investments, pooled	\$74,179	\$202,807	\$276,986	\$458,015
Cash investments, pooled	566,401	1,549,494	2,115,895	3,501,348
Restricted cash and demand investments held in trust, nonpooled	0	434,377	434,377	0
Receivables (net of allowance for uncollectibles):				
Property taxes	0	117,220	117,220	0
Accounts	0	21,830	21,830	0
Delinquent assessments	43,922	0	43,922	0
Accrued interest	0	3,144	3,144	13,691
Prepaid expenses	0	32,870	32,870	0
Inventories	0	11,378	11,378	0
<b>Total current assets</b>	<b>684,502</b>	<b>2,373,120</b>	<b>3,057,622</b>	<b>3,973,054</b>
<b>NONCURRENT ASSETS:</b>				
<b>Capital assets:</b>				
Land	0	368,574	368,574	0
Buildings	0	22,971,772	22,971,772	0
Improvements other than buildings	0	4,207,331	4,207,331	0
Equipment and vehicles	0	1,255,881	1,255,881	404,553
Construction in progress	0	394,919	394,919	0
Accumulated depreciation	0	(15,654,209)	(15,654,209)	(236,986)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>0</b>	<b>13,544,268</b>	<b>13,544,268</b>	<b>167,567</b>
<b>Total assets</b>	<b>\$684,502</b>	<b>\$15,917,388</b>	<b>\$16,601,890</b>	<b>\$4,140,621</b>

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

**YELLOWSTONE COUNTY, MONTANA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2008**  
**(Page 2 of 2)**

	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
<b><u>LIABILITIES</u></b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable	0	\$124,747	\$124,747	\$1,576
Accrued liabilities	0	11,571	11,571	576,171
Accrued compensated absences	0	46,842	46,842	528
Advance from other funds	0	0	0	0
Deferred revenue	0	240,670	240,670	0
Unearned premiums	0	0	0	263,261
Deposits	0	39,854	39,854	0
<b>Total current liabilities</b>	<b>0</b>	<b>463,684</b>	<b>463,684</b>	<b>841,536</b>
<b>CURRENT LIABILITIES PAYABLE FROM RESTRICTED CASH:</b>				
Accounts payable	0	0	0	0
Accrued liabilities	0	0	0	0
Deferred revenue	0	6,258	6,258	0
Deposits	0	428,119	428,119	0
<b>Total current liabilities payable from restricted cash</b>	<b>0</b>	<b>434,377</b>	<b>434,377</b>	<b>0</b>
<b>NONCURRENT LIABILITIES:</b>				
Accrued compensated absences	0	140,525	140,525	1,583
Deferred revenue	0	1,291,683	1,291,683	0
<b>Total noncurrent liabilities</b>	<b>0</b>	<b>1,432,208</b>	<b>1,432,208</b>	<b>1,583</b>
<b>Total liabilities</b>	<b>0</b>	<b>2,330,269</b>	<b>2,330,269</b>	<b>843,119</b>
<b><u>NET ASSETS</u></b>				
Investment in capital assets, net of related debt	0	13,544,268	13,544,268	167,567
Unrestricted	684,502	42,851	727,353	3,129,935
<b>Total net assets</b>	<b>684,502</b>	<b>13,587,119</b>	<b>14,271,621</b>	<b>3,297,502</b>
<b>Total liabilities and net assets</b>	<b>\$684,502</b>	<b>\$15,917,388</b>	<b>\$16,601,890</b>	<b>\$4,140,621</b>

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

**YELLOWSTONE COUNTY, MONTANA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<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>OPERATING REVENUES:</b>				
Charge for services and use of facilities	\$ 331,357	\$ 4,115,283	\$ 4,446,640	\$ 146,290
Health insurance premiums	0	0	0	4,694,879
<b>Total operating revenues</b>	<b>331,357</b>	<b>4,115,283</b>	<b>4,446,640</b>	<b>4,841,169</b>
<b>OPERATING EXPENSES:</b>				
Salaries and benefits	0	2,366,390	2,366,390	50,958
Supplies	0	485,129	485,129	18,633
Contracted services	391,992	1,865,294	2,257,286	71,195
Health claims	0	0	0	4,841,479
Stop-loss insurance and administration	0	0	0	334,391
Awards	0	136,580	136,580	0
Depreciation	0	936,083	936,083	27,020
<b>Total operating expenses</b>	<b>391,992</b>	<b>5,789,476</b>	<b>6,181,468</b>	<b>5,343,676</b>
<b>Operating income (loss)</b>	<b>(60,635)</b>	<b>(1,674,193)</b>	<b>(1,734,828)</b>	<b>(502,507)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Taxes	0	1,228,459	1,228,459	0
Intergovernmental revenue	0	6,219	6,219	0
Interest revenue	0	43,380	43,380	129,829
Gain on sale of fixed assets	0	0	0	0
Other revenue	0	286,586	286,586	0
Interest expense	0	0	0	0
<b>Total nonoperating revenues (expenses)</b>	<b>0</b>	<b>1,564,644</b>	<b>1,564,644</b>	<b>129,829</b>
<b>Income (loss) before transfers</b>	<b>(60,635)</b>	<b>(109,549)</b>	<b>(170,184)</b>	<b>(372,678)</b>
Transfer in from other funds	0	123,165	123,165	1,569,588
Transfer out to other funds	(25,000)	0	(25,000)	0
<b>Change in net assets</b>	<b>(85,635)</b>	<b>13,616</b>	<b>(72,019)</b>	<b>1,196,910</b>
<b>Net assets July 1, 2007</b>	<b>770,137</b>	<b>13,573,503</b>	<b>14,343,640</b>	<b>2,100,592</b>
<b>Net assets June 30, 2008</b>	<b>\$ 684,502</b>	<b>\$ 13,587,119</b>	<b>\$ 14,271,621</b>	<b>\$ 3,297,502</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, 2008**

(Page 1 of 2)

	<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Refuse Disposal</b>	<b>METRA</b>	<b>Total</b>	<b>Internal</b>
	<b>Fund</b>	<b>Fund</b>		<b>Service Funds</b>
<b><u>Cash flows from operating activities:</u></b>				
Cash received from users	\$ 330,207	\$ 4,397,648	\$ 4,727,855	\$ 146,290
Cash received from health insurance premiums	0	0	0	4,731,235
Cash paid to other suppliers for goods or services	(391,992)	(2,462,088)	(2,854,080)	(90,333)
Cash paid to employees for services	0	(2,361,468)	(2,361,468)	(52,444)
Cash paid for health claims	0	0	0	(4,862,680)
Cash paid for stop-loss insurance and administration	0	0	0	(334,391)
<b>Net cash provided (used) by operating activities</b>	<b>(61,785)</b>	<b>(425,908)</b>	<b>(487,693)</b>	<b>(462,323)</b>
<b><u>Cash flows from noncapital financing activities:</u></b>				
Cash received from taxes, licenses, permits, and intergovernmental revenue	0	1,187,481	1,187,481	0
Cash received (paid) from (to) interfund transfer	0	123,165	123,165	1,569,588
Cash transferred to Blight Abatement	(25,000)	0	(25,000)	0
Cash received from other revenues	0	12,704	12,704	0
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(25,000)</b>	<b>1,323,350</b>	<b>1,298,350</b>	<b>1,569,588</b>
<b><u>Cash flows from capital and related financing activities:</u></b>				
Acquisition of capital assets	0	(488,842)	(488,842)	0
Cash received from tax financed capital assets	0	273,882	273,882	0
<b>Net cash used for capital and related financing activities</b>	<b>0</b>	<b>(214,960)</b>	<b>(214,960)</b>	<b>0</b>
<b><u>Cash flows from investing activities:</u></b>				
Deposits into investment pool	(236,799)	(1,002,889)	(1,239,688)	(2,273,063)
Interest received on investments	0	42,965	42,965	134,988
<b>Net cash provided (used) by investing activities</b>	<b>(236,799)</b>	<b>(959,924)</b>	<b>(1,196,723)</b>	<b>(2,138,075)</b>
<b>Net increase (decrease) in cash and demand investments:</b>	<b>(323,584)</b>	<b>(277,442)</b>	<b>(601,026)</b>	<b>(1,030,810)</b>
<b>Cash and demand investments, and restricted cash, July 1, 2007</b>	<b>397,763</b>	<b>914,626</b>	<b>1,312,389</b>	<b>1,488,825</b>
<b>Cash and demand investments, and restricted cash, June 30, 2008</b>	<b>\$ 74,179</b>	<b>\$ 637,184</b>	<b>\$ 711,363</b>	<b>\$ 458,015</b>
<b><u>Presented in Statement of Net Assets as follows:</u></b>				
Cash and demand investments, pooled	\$ 74,179	\$ 202,807	\$ 276,986	
Restricted cash held in trust, nonpooled	0	434,377	434,377	
<b>Cash and demand investments, and restricted cash, June 30, 2008</b>	<b>\$ 74,179</b>	<b>\$ 637,184</b>	<b>\$ 711,363</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, 2008**  
**(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>				
Increase in cash investments market value	\$ 0	\$ (1,738)	\$ (1,738)	\$ (9,568)
Building improvement exchanged for sales rights	\$ 0	\$ 1,506,923	\$ 1,506,923	\$ 0

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

<b>Operating income (loss)</b>	<b><u>\$ (60,635)</u></b>	<b><u>\$ (1,674,193)</u></b>	<b><u>\$ (1,734,828)</u></b>	<b><u>\$ (502,507)</u></b>
<b>Adjustments to reconcile operating income (loss) to net cash from operating activities:</b>				
Depreciation expense	0	936,083	936,083	27,020
(Increase) decrease in assets:				
Accounts receivable	0	55,018	55,018	0
Delinquent assessments receivable	(1,150)	0	(1,150)	0
Prepaid expenses	0	(13,072)	(13,072)	0
Inventories	0	21,723	21,723	0
Increase (decrease) in liabilities:				
Accounts payable	0	16,264	16,264	(31)
Accrued liabilities	0	(4,241)	(4,241)	(23,161)
Unearned premiums	0	0	0	36,356
Deferred revenue	0	9,868	9,868	0
Deposits	0	226,642	226,642	0
<b>Total adjustments</b>	<b><u>(1,150)</u></b>	<b><u>1,248,285</u></b>	<b><u>1,247,135</u></b>	<b><u>40,184</u></b>
<b>Net cash provided (used) by operating activities</b>	<b><u>\$ (61,785)</u></b>	<b><u>\$ (425,908)</u></b>	<b><u>\$ (487,693)</u></b>	<b><u>\$ (462,323)</u></b>

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, 2008**

	<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	\$ 6,101,432	\$ 508,263	\$ 6,609,695
Cash investments, pooled	46,663,474	3,880,867	50,544,341
Restricted cash and demand investments held in trust, nonpooled	0	61,668	61,668
Restricted cash and demand investments for capital improvements, pooled	0	239,783	239,783
Restricted cash investments for capital improvements, nonpooled	0	5,789,175	5,789,175
Receivables:			
Property taxes	0	11,828,358	11,828,358
Delinquent assessments	0	611,868	611,868
Deferred assessments	0	2,319	2,319
Accrued interest	256,535	0	256,535
<b>Total assets</b>	<b>\$ 53,021,441</b>	<b>\$ 22,922,301</b>	<b>\$ 75,943,742</b>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$0	\$ 247,678	\$ 247,678
Due to others	0	1,206,822	1,206,822
Due to other taxing districts	0	21,467,801	21,467,801
<b>Total liabilities</b>	<b>0</b>	<b>22,922,301</b>	<b>22,922,301</b>
<b><u>NET ASSETS</u></b>			
<b>Net assets held in trust for pool participants</b>	<b>\$ 53,021,441</b>	<b>\$0</b>	<b>\$ 53,021,441</b>

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, 2008**

**ADDITIONS:**

Contributions to pooled investments	\$ 495,135,539	
Interest and investment income	2,114,212	
<b>Total additions</b>		<b>\$ 497,249,751</b>

**DEDUCTIONS**

Distributions from pooled investments	(492,191,141)	
Investment administrative expenses	(21,899)	
<b>Total deductions</b>		<b>(492,213,040)</b>

<b>Change in net assets held in trust for pool participants</b>		<b>5,036,711</b>
<b>Net assets held in trust for pool participants, July 1, 2007</b>		<b>47,984,730</b>
<b>Net assets held in trust for pool participants, June 30, 2008</b>		<b>\$ 53,021,441</b>

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