

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS (Accrual Basis)
JUNE 30, 2009

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<u>ASSETS</u>	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>Current Assets</u>			
Cash and demand investments, pooled	\$ 6,171,662	\$ 478,318	\$ 6,649,980
Cash investments, pooled	30,874,645	2,385,992	33,260,637
Restricted cash and demand investments held in trust, nonpooled	0	264,612	264,612
Receivables (net of allowance for uncollectibles):			
Property taxes	2,082,612	91,082	2,173,694
Accounts	677,300	50,308	727,608
Delinquent assessments	37,130	18,568	55,698
Deferred assessments	96,206	0	96,206
Accrued interest	122,375	2,682	125,057
Prepaid expenses	13,473	62,536	76,009
Inventories	457,097	24,254	481,351
Total current assets	40,532,500	3,378,352	43,910,852
<u>Noncurrent Assets</u>			
Deferred assessments receivable, net of allowance	1,043,961	0	1,043,961
Total noncurrent assets	1,043,961	0	1,043,961
<u>Capital assets (net of accumulated depreciation):</u>			
Land	3,260,661	368,574	3,629,235
Buildings	10,761,604	10,370,959	21,132,563
Improvements other than buildings	2,204,025	1,937,763	4,141,788
Equipment and vehicles	6,621,139	225,858	6,846,997
Infrastructure	17,663,982	0	17,663,982
Construction in progress	93,138	1,119,034	1,212,172
Total capital assets (net of accumulated depreciation)	40,604,549	14,022,188	54,626,737
TOTAL ASSETS	\$ 82,181,010	\$ 17,400,540	\$ 99,581,550

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS (Accrual Basis)
JUNE 30, 2009

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	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 1,074,564	\$ 67,489	\$ 1,142,053
Accrued liabilities	1,636,328	18,901	1,655,229
Accrued compensated absences	528,180	49,977	578,157
Matured bonds payable	7,225	0	7,225
Unearned premiums	266,978	0	266,978
General obligation bonds	825,000	0	825,000
Special assessment debt with governmental commitment	16,000	0	16,000
Liabilities payable from restricted assets:			
Deferred revenue	0	448,619	448,619
Deposits	350	54,220	54,570
Due to other taxing districts	827,144	0	827,144
Total current liabilities	5,181,769	639,206	5,820,975
<u>Noncurrent Liabilities</u>			
Long-term liability for accrued compensated absences	1,582,006	149,932	1,731,938
Deferred revenue	0	1,093,454	1,093,454
General obligation bonds	5,450,000	0	5,450,000
Special assessment debt with governmental commitment	1,138,000	0	1,138,000
OPEB implicit rate subsidy liability	305,134	28,048	333,182
Total noncurrent liabilities	8,475,140	1,271,434	9,746,574
TOTAL LIABILITIES	13,656,909	1,910,640	15,567,549
<u>NET ASSETS</u>			
Investment in capital assets, net of related debt	40,604,549	14,022,188	54,626,737
Restricted net assets for debt service	617,775	0	617,775
Unrestricted	27,301,777	1,467,712	28,769,489
TOTAL NET ASSETS	\$ 68,524,101	\$ 15,489,900	\$ 84,014,001

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, 2009

Functions / Programs	Program Revenues								Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Special Assessments	Licenses and Permits	Intergovernmental	Fines and Forfeitures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
									Governmental Activities	Business-type Activities	
Primary government:											
<u>Governmental activities:</u>											
General government	\$ 12,732,888	\$0	\$0	\$52,624	\$ 675,227	\$ 4,558,705	\$1,000	\$97,757	\$ (7,347,575)	\$0	\$ (7,347,575)
Public Safety	20,553,856	0	33,760	177,116	28,616	3,732,584	716,183	409,995	(15,455,602)	0	(15,455,602)
Public Works	7,443,234	685,903	26,751	479,135	0	244,763	43,931	18,319	(5,944,432)	0	(5,944,432)
Public Health	2,544,822	0	0	0	0	2,092	0	0	(2,542,730)	0	(2,542,730)
Social and Economic	1,657,830	0	0	202,283	0	0	0	0	(1,455,547)	0	(1,455,547)
Culture and Recreation	1,264,722	0	0	0	0	0	7,000	0	(1,257,722)	0	(1,257,722)
Community Development	146,295	0	0	0	0	0	0	18,457	(127,838)	0	(127,838)
Conservation of Natural Resources	400,640	0	0	0	0	0	0	0	(400,640)	0	(400,640)
Interest on Long-Term Debt	323,661	0	0	0	0	0	0	0	(323,661)	0	(323,661)
Total governmental activities	47,067,948	685,903	60,511	911,158	703,843	8,538,144	768,114	544,528	(34,855,747)	0	(34,855,747)
<u>Business-type activities:</u>											
Refuse Disposal	417,017	308,483	0	0	0	0	0	0	0	(108,534)	(108,534)
METRA	6,086,911	0	0	0	0	4,516,429	0	0	0	(1,570,482)	(1,570,482)
Total business-type activities:	6,503,928	308,483	0	0	0	4,516,429	0	0	0	(1,679,016)	(1,679,016)
Total primary government	\$ 53,571,876	\$ 994,386	\$60,511	\$ 911,158	\$ 703,843	\$ 13,054,573	\$ 768,114	\$ 544,528	\$ (34,855,747)	\$ (1,679,016)	\$ (36,534,763)
General revenues:											
Property taxes									30,909,532	1,346,630	32,256,162
Licenses and permits									3,970,264	0	3,970,264
Intergovernmental									2,303,482	0	2,303,482
Other revenues									2,906,251	1,475,873	4,382,124
Transfers									(74,792)	74,792	0
Total general revenues and transfers									40,014,737	2,897,295	42,912,032
Change in net assets									5,158,990	1,218,279	6,377,269
Net assets, beginning									63,365,111	14,271,621	77,636,732
Net assets - ending									\$ 68,524,101	\$ 15,489,900	\$ 84,014,001

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

YELLOWSTONE COUNTY, MONTANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	MAJOR FUNDS						Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Road	Property & Liability Insurance Fund	Public Safety Fund	R.S.I.D. Bond Fund	Capital Improvement Fund		
Cash and demand investments, pooled	\$911,826	\$530,206	\$533,095	\$764,784	\$26,711	\$1,333,747	\$1,333,481	\$5,433,850
Cash investments, pooled	4,622,931	2,641,828	2,664,539	3,810,646	133,410	6,661,272	6,652,136	27,186,762
Receivables (net of allowance for uncollectibles):								
Property taxes	609,088	245,692	57,689	490,566	0	0	679,577	2,082,612
Accounts	160,436	0	112	240,378	0	1,978	269,534	672,438
Delinquent assessments	0	0	0	0	3,261	0	33,869	37,130
Deferred assessments	0	0	0	0	1,140,167	0	0	1,140,167
Accrued interest	75,090	0	8,244	0	314	19,395	7,807	110,850
Due from other funds	226,174	0	0	0	0	0	0	226,174
Prepaid expenses	10,838	0	0	2,635	0	0	0	13,473
Inventories	49,813	316,609	0	0	0	0	90,675	457,097
Total assets	\$6,666,196	\$3,734,335	\$3,263,679	\$5,309,009	\$1,303,863	\$8,016,392	\$9,067,079	\$37,360,553
LIABILITIES:								
Accounts payable	\$201,536	\$229,652	\$13,766	\$295,151	\$0	\$9,060	\$322,311	\$1,071,476
Accrued liabilities	589,711	77,000	514,000	269,136	0	0	142,912	1,592,759
Matured bonds payable	0	0	0	0	7,225	0	0	7,225
Due to other funds	0	0	0	0	1,775	0	224,399	226,174
Deferred revenue	609,088	245,692	57,689	490,566	1,143,428	0	713,446	3,259,909
Deposits	0	0	0	0	0	350	0	350
Due to other taxing districts	0	0	0	0	0	0	827,144	827,144
Total liabilities	1,400,335	552,344	585,455	1,054,853	1,152,428	9,410	2,230,212	6,985,037
FUND BALANCE:								
Reserved for debt service	0	0	0	0	151,435	0	466,340	617,775
Reserved for capital improvements	494,977	0	0	0	0	8,006,982	167,606	8,669,565
Reserved for inventories	49,813	316,609	0	0	0	0	90,675	457,097
Unreserved for nonmajor special revenue funds	0	0	0	0	0	0	6,112,246	6,112,246
Unreserved major funds	4,721,071	2,865,382	2,678,224	4,254,156	0	0	0	14,518,833
Total fund balance	5,265,861	3,181,991	2,678,224	4,254,156	151,435	8,006,982	6,836,867	30,375,516
Total liabilities and fund balance	\$6,666,196	\$3,734,335	\$3,263,679	\$5,309,009	\$1,303,863	\$8,016,392	\$9,067,079	\$37,360,553

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, 2009**

Fund Balance June 30, 2009, governmental funds	\$ 30,375,516
Net assets of internal service funds as of June 30, 2009, are included as general governmental functions since they are primarily related to that function.	3,781,496
Net capital assets of internal service funds included above	(143,687)
Long-term assets are not available to pay for current period expenditures and, therefore, are deferred on the fund statements	3,259,909
Long-term portion of compensated absences is not anticipated to be expended in the current period	(1,580,565)
Long-term debt previously recognized as revenue in prior periods	(7,429,000)
Accrued interest payable on long-term debt	(38,983)
Net capital assets	40,604,549
Other post employment benefits (OPEB) - implicit rate subsidy liability	(305,134)
Net Assets of governmental activities, June 30, 2009	<u>\$ 68,524,101</u>

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, 2009

	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	\$9,289,288	\$3,729,013	\$874,249	\$7,401,714	\$0	\$0	\$10,257,738	\$31,552,002
Special assessments	0	0	0	0	186,410	0	603,445	789,855
Licenses and permits	15,185	26,751	0	3,843,839	0	0	145,000	4,030,775
Intergovernmental	392,136	1,794,817	0	477,496	0	5,000	1,857,832	4,527,281
Fines and forfeitures	675,226	0	0	0	0	0	28,617	703,843
Charges for services	1,447,265	190,301	352,000	1,981,084	0	12,570	1,914,076	5,897,296
Other	826,136	522	658,734	59,988	2,708	776,562	373,486	2,698,136
Total revenues	12,645,236	5,741,404	1,884,983	13,764,121	189,118	794,132	15,180,194	50,199,188
EXPENDITURES:								
Current:								
General government	6,569,829	0	1,073,170	0	0	0	417,967	8,060,966
Public safety	1,019,224	0	0	13,171,886	0	0	5,340,346	19,531,456
Public works	380	4,288,261	0	0	0	0	951,576	5,240,217
Public health	303,281	0	0	125,743	0	0	2,106,140	2,535,164
Social and economic services	659,492	0	0	0	0	0	928,776	1,588,268
Culture and recreation	0	0	0	0	0	0	1,143,785	1,143,785
Conservation of natural resources	27,020	0	0	0	0	0	86,789	113,809
Community development	373,484	0	0	0	0	0	0	373,484
Capital outlay	290,495	459,382	10,334	851,514	0	530,164	4,130,171	6,272,060
Debt service:								
Principal	0	0	0	0	136,425	0	790,000	926,425
Interest	0	0	0	0	58,585	0	273,886	332,471
Refunding bond issuance costs	0	0	0	0	0	0	55,150	55,150
Total expenditures	9,243,205	4,747,643	1,083,504	14,149,143	195,010	530,164	16,224,586	46,173,255
Excess (deficiency) of revenues over (under) expenditures	3,402,031	993,761	801,479	(385,022)	(5,892)	263,968	(1,044,392)	4,025,933
OTHER FINANCING SOURCES (USES):								
Interfund transfers in	446,002	213,309	13,622	659,929	0	2,981,177	2,587,970	6,902,009
Interfund transfers out	(3,834,580)	(894,320)	0	(204,471)	0	0	(3,821,889)	(8,755,260)
Long term debt proceeds	0	0	0	0	0	0	3,440,000	3,440,000
Refunding bonds - reoffering premium	0	0	0	0	0	0	149,685	149,685
Payment to refunded bond escrow agent	0	0	0	0	0	0	(3,530,000)	(3,530,000)
Total other financing sources (uses)	(3,388,578)	(681,011)	13,622	455,458	0	2,981,177	(1,174,234)	(1,793,566)
Net change in fund balances	13,453	312,750	815,101	70,436	(5,892)	3,245,145	(2,218,626)	2,232,367
Fund balances July 1, 2008	5,252,408	2,869,241	1,863,123	4,183,720	157,327	4,761,837	9,055,493	28,143,149
Fund balances June 30, 2009	\$5,265,861	\$3,181,991	\$2,678,224	\$4,254,156	\$151,435	\$8,006,982	\$6,836,867	\$30,375,516

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 30,2009**

Net change in fund balances - total governmental funds	\$ 2,232,367
Change in net assets of internal service funds are included as general governmental functions since they are primarily related to that function.	483,994
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	5,631,882
Depreciation expense	(3,328,664)
Gain (loss) on disposal / trade-in of capital assets	282,749
(Decrease) increase in property tax and special assessment receivables that may not be available in the current period	(746,422)
Increase in the long-term portion of compensated absences that is not anticipated to be expended in the current period	(113,175)
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.	1,016,425
Change in accrued interest payable	4,968
Change in other post employment benefits - implicit rate subsidy	(305,134)
Change in net assets in governmental activities	<u>\$ 5,158,990</u>

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, 2009
(Page 1 of 2)

	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised		
<u>REVENUES:</u>				
Taxes:				
Real estate property taxes	\$8,898,092	\$8,901,068	\$8,891,040	(\$10,028)
Personal property taxes	193,700	193,700	280,339	86,639
Mobile homes, penalty and interest, other	123,100	123,100	117,909	(5,191)
Special assessments	10,000	10,000	0	(10,000)
Licenses and permits	17,500	17,500	15,185	(2,315)
Intergovernmental:				
Grants	88,828	343,461	300,440	(43,021)
State personal property reimbursement	0	0	0	0
State entitlement and other	75,863	84,863	91,696	6,833
Fines and forfeitures, justice court	680,000	680,000	675,226	(4,774)
Charges for services:				
Clerk & Recorder	1,050,000	1,050,000	1,214,742	164,742
Miscellaneous	155,300	155,300	232,523	77,223
Other:				
Interest on investments	700,000	700,000	728,011	28,011
Miscellaneous	53,500	65,294	98,125	32,831
Total revenues	\$12,045,883	\$ 12,324,286	\$ 12,645,236	\$ 320,950

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, 2009
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	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised		
Current:				
General government:				
County commissioners	\$440,188	\$440,188	\$432,671	\$ 7,517
Elections	447,464	464,694	455,397	9,297
Clerk & Recorder	521,367	511,367	479,150	32,217
Treasurer, Auditor, Finance	1,704,754	1,704,754	1,661,515	43,239
Information technology	629,706	617,706	610,755	6,951
Building maintenance	623,801	610,801	601,995	8,806
Other	2,744,432	2,384,932	2,328,346	56,586
Public safety:				
Disaster and Emergency, Rural Fire	338,593	437,870	442,572	(4,702)
Juvenile detention	412,776	412,776	412,776	0
Other	155,624	179,411	163,876	15,535
Public works	0	381	380	1
Public health	352,635	352,635	303,281	49,354
Social and economic services				
Youth shelter	206,388	206,388	206,388	0
Rent assistance program	162,500	137,500	137,500	0
Medical assistance program	260,599	260,599	245,796	14,803
Other	89,200	74,100	69,808	4,292
Culture and recreation	0	0	0	0
Conservation of natural resources	27,020	27,020	27,020	0
Community development	344,119	405,707	373,484	32,223
Capital outlay	465,200	527,175	290,495	236,680
Total expenditures	9,926,366	9,756,004	9,243,205	512,799
Excess (deficiency) of revenues over (under) expenditures	2,119,517	2,568,282	3,402,031	833,749
OTHER FINANCING SOURCES (USES):				
Interfund transfers in	638,620	641,586	446,002	(195,584)
Interfund transfers out	(3,444,264)	(3,910,783)	(3,834,580)	76,203
Total other financing sources (uses)	(2,805,644)	(3,269,197)	(3,388,578)	(119,381)
Net change in fund balances	(\$686,127)	(\$700,915)	13,453	\$714,368
Fund balance July 1, 2008			5,252,408	
Fund balance June 30, 2009			\$5,265,861	

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, 2009

	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	\$3,651,409	\$3,651,409	\$3,729,013	\$77,604	\$866,094	\$866,094	\$874,249	\$8,155	\$7,327,261	\$7,327,261	\$7,401,714	\$74,453
Licenses and permits	31,000	31,000	26,751	(4,249)	0	0	0	0	4,135,000	4,135,000	3,843,839	(291,161)
Intergovernmental	1,798,863	1,798,863	1,794,817	(4,046)	0	0	0	0	45,000	500,586	477,496	(23,090)
Charges for services	180,000	180,000	190,301	10,301	352,000	352,000	352,000	0	2,100,700	2,100,700	1,981,084	(119,616)
Other	100	100	522	422	100,000	100,000	658,734	558,734	5,000	20,428	59,988	39,560
Total revenues	5,661,372	5,661,372	5,741,404	80,032	1,318,094	1,318,094	1,884,983	566,889	13,612,961	14,083,975	13,764,121	(319,854)
EXPENDITURES:												
Current:												
General government	0	0	0	0	2,741,470	2,739,970	1,073,170	1,666,800	0	0	0	0
Public safety	0	0	0	0	0	0	0	0	13,524,186	13,583,880	13,171,886	411,994
Public works	5,390,301	4,911,301	4,288,261	623,040	0	0	0	0	0	0	0	0
Public health	0	0	0	0	0	0	0	0	135,782	135,782	125,743	10,039
Capital outlay	606,703	585,703	459,382	126,321	9,100	10,600	10,334	266	465,387	876,707	851,514	25,193
Total expenditures	5,997,004	5,497,004	4,747,643	749,361	2,750,570	2,750,570	1,083,504	1,667,066	14,125,355	14,596,369	14,149,143	447,226
Excess (deficiency) of revenues over (under) expenditures	(335,632)	164,368	993,761	829,393	(1,432,476)	(1,432,476)	801,479	2,233,955	(512,394)	(512,394)	(385,022)	127,372
OTHER FINANCING SOURCES (USES):												
Interfund transfers in	218,093	218,093	213,309	(4,784)	13,622	13,622	13,622	0	540,845	711,845	659,929	(51,916)
Interfund transfers out	(394,320)	(894,320)	(894,320)	0	0	0	0	0	(204,471)	(204,471)	(204,471)	0
Total other financing sources (uses)	(176,227)	(676,227)	(681,011)	(4,784)	13,622	13,622	13,622	0	336,374	507,374	455,458	(51,916)
Net change in fund balances	(\$511,859)	(\$511,859)	312,750	\$824,609	(\$1,418,854)	(\$1,418,854)	815,101	\$2,233,955	(\$176,020)	(\$5,020)	70,436	\$75,456
Fund balances July 1, 2008			2,869,241				1,863,123				4,183,720	
Fund balances June 30, 2009			\$3,181,991				\$2,678,224				\$4,254,156	

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009
(Page 1 of 2)

<u>ASSETS</u>	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
CURRENT ASSETS:				
Cash and demand investments, pooled	\$88,991	\$389,327	\$478,318	\$737,812
Cash investments, pooled	443,409	1,942,583	2,385,992	3,687,883
Restricted cash and demand investments held in trust, nonpooled	0	264,612	264,612	0
Receivables (net of allowance for uncollectibles):				
Property taxes	0	91,082	91,082	0
Accounts	0	50,308	50,308	4,862
Delinquent assessments	18,568	0	18,568	0
Accrued interest	0	2,682	2,682	11,525
Prepaid expenses	0	62,536	62,536	0
Inventories	0	24,254	24,254	0
Total current assets	550,968	2,827,384	3,378,352	4,442,082
NONCURRENT ASSETS:				
Capital assets:				
Land	0	368,574	368,574	0
Buildings	0	23,271,249	23,271,249	0
Improvements other than buildings	0	4,598,494	4,598,494	0
Equipment and vehicles	0	1,203,378	1,203,378	303,834
Construction in progress	0	1,119,034	1,119,034	0
Accumulated depreciation	0	(16,538,541)	(16,538,541)	(160,147)
Total capital assets (net of accumulated depreciation)	0	14,022,188	14,022,188	143,687
Total assets	\$550,968	\$16,849,572	\$17,400,540	\$4,585,769

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009
(Page 2 of 2)

	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
<u>LIABILITIES</u>				
CURRENT LIABILITIES:				
Accounts payable	0	\$67,489	\$67,489	\$3,088
Accrued liabilities	0	18,901	18,901	532,286
Accrued compensated absences	0	49,977	49,977	480
Advance from other funds	0	0	0	0
Deferred revenue	0	200,729	200,729	0
Unearned premiums	0	0	0	266,978
Deposits	0	37,825	37,825	0
Total current liabilities	0	374,921	374,921	802,832
CURRENT LIABILITIES PAYABLE FROM RESTRICTED CASH:				
Deferred revenue	0	247,890	247,890	0
Deposits	0	16,395	16,395	0
Total current liabilities payable from restricted cash	0	264,285	264,285	0
NONCURRENT LIABILITIES:				
Accrued compensated absences	0	149,932	149,932	1,441
Deferred revenue	0	1,093,454	1,093,454	0
OPEB implicit rate subsidy	0	28,048	28,048	0
Total noncurrent liabilities	0	1,271,434	1,271,434	1,441
Total liabilities	0	1,910,640	1,910,640	804,273
<u>NET ASSETS</u>				
Investment in capital assets, net of related debt Unrestricted	0	14,022,188	14,022,188	143,687
	550,968	916,744	1,467,712	3,637,809
Total net assets	550,968	14,938,932	15,489,900	3,781,496
Total liabilities and net assets	\$550,968	\$16,849,572	\$17,400,540	\$4,585,769

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, 2009

	Business-Type Activities - Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
OPERATING REVENUES:				
Charge for services and use of facilities	\$ 308,483	\$ 4,516,429	\$ 4,824,912	\$ 145,894
Health insurance premiums	0	0	0	4,960,434
Total operating revenues	308,483	4,516,429	4,824,912	5,106,328
OPERATING EXPENSES:				
Salaries and benefits	0	2,383,348	2,383,348	54,003
Supplies	0	491,230	491,230	24,631
Contracted services	417,017	2,131,539	2,548,556	72,924
Health claims	0	0	0	5,993,897
Stop-loss insurance and administration	0	0	0	348,880
Awards	0	107,428	107,428	0
Depreciation	0	973,366	973,366	23,880
Total operating expenses	417,017	6,086,911	6,503,928	6,518,215
Operating income (loss)	(108,534)	(1,570,482)	(1,679,016)	(1,411,887)
NONOPERATING REVENUES (EXPENSES):				
Taxes	0	1,346,630	1,346,630	0
Interest revenue	0	28,506	28,506	117,422
Loss on sale of fixed assets	0	(11,907)	(11,907)	0
Other revenue	0	28,651	28,651	0
Revenue from signage agreement	0	215,240	215,240	0
Contribution from tax levy fund	0	1,215,383	1,215,383	0
Total nonoperating revenues (expenses)	0	2,822,503	2,822,503	117,422
Income (loss) before transfers	(108,534)	1,252,021	1,143,487	(1,294,465)
Transfer in from other funds	0	99,792	99,792	1,778,459
Transfer out to other funds	(25,000)	0	(25,000)	0
Change in net assets	(133,534)	1,351,813	1,218,279	483,994
Net assets July 1, 2008	684,502	13,587,119	14,271,621	3,297,502
Net assets June 30, 2009	\$ 550,968	\$ 14,938,932	\$ 15,489,900	\$ 3,781,496

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, 2009
(Page 1 of 2)

	Business-type Activities - Enterprise Funds			Governmental Activities
	Refuse Disposal	METRA	Total	Internal Service Funds
	Fund	Fund		
<u>Cash flows from operating activities:</u>				
Cash received from users	\$ 333,837	\$ 4,292,900	\$ 4,626,737	\$ 145,894
Cash received from health insurance premiums	0	0	0	4,959,289
Cash paid to other suppliers for goods or services	(417,017)	(2,797,436)	(3,214,453)	(97,835)
Cash paid to employees for services	0	(2,335,428)	(2,335,428)	(54,193)
Cash paid for health claims	0	0	0	(6,035,990)
Cash paid for stop-loss insurance and administration	0	0	0	(348,880)
Net cash provided (used) by operating activities	(83,180)	(839,964)	(923,144)	(1,431,715)
<u>Cash flows from noncapital financing activities:</u>				
Cash received from taxes, licenses, permits, and intergovernmental revenue	0	1,372,768	1,372,768	0
Cash received from interfund transfer	0	99,792	99,792	1,778,459
Cash transferred to Blight Abatement	(25,000)	0	(25,000)	0
Cash received from other revenues	0	3,651	3,651	0
Net cash provided (used) by noncapital financing activities	(25,000)	1,476,211	1,451,211	1,778,459
<u>Cash flows from capital and related financing activities:</u>				
Acquisition of capital assets	0	(1,495,754)	(1,495,754)	0
Cash received from tax financed capital assets	0	1,215,383	1,215,383	0
Cash received from capital projects fund	0	25,000	25,000	0
Net cash used for capital and related financing activities	0	(255,371)	(255,371)	0
<u>Cash flows from investing activities:</u>				
Deposits into investment pool	122,992	(393,089)	(270,097)	(186,535)
Interest received on investments	0	28,968	28,968	119,588
Net cash provided (used) by investing activities	122,992	(364,121)	(241,129)	(66,947)
Net increase (decrease) in cash and demand investments	14,812	16,755	31,567	279,797
Cash and demand investments, and restricted cash, July 1, 2008	74,179	637,184	711,363	458,015
Cash and demand investments, and restricted cash, June 30, 2009	\$ 88,991	\$ 653,939	\$ 742,930	\$ 737,812
<u>Presented in Statement of Net Assets as follows:</u>				
Cash and demand investments, pooled	\$ 88,991	\$ 389,327	\$ 478,318	
Restricted cash held in trust, nonpooled	0	264,612	264,612	
Cash and demand investments, and restricted cash, June 30, 2009	\$ 88,991	\$ 653,939	\$ 742,930	

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, 2009
(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>Activities</u>
	<u>Fund</u>	<u>Fund</u>		<u>Internal</u>
				<u>Service Funds</u>
Noncash transactions:				
Loss from capital asset trade-ins / disposals	\$ 0	\$ (11,907)	\$ (11,907)	\$ 0
Increase in cash investments market value	\$ 0	\$ (1,751)	\$ (1,751)	\$ 7,473
Revenue recognized on sales rights agreement	\$ 0	\$ 215,240	\$ 215,240	\$ 0
OPEB implicit rate subsidy expense	\$ 0	\$ 28,048	\$ 28,048	\$ 0

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

Operating income (loss)	\$ (108,534)	\$ (1,570,482)	\$ (1,679,016)	\$ (1,411,887)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation expense	0	973,366	973,366	23,880
(Increase) decrease in assets:				
Accounts receivable	0	(28,478)	(28,478)	(4,862)
Delinquent assessments receivable	25,354	0	25,354	0
Prepaid expenses	0	(29,666)	(29,666)	0
Inventories	0	(12,876)	(12,876)	0
Increase (decrease) in liabilities:				
Accounts payable	0	(24,697)	(24,697)	1,512
Accrued liabilities	0	19,872	19,872	(44,075)
Unearned premiums	0	0	0	3,717
Deferred revenue	0	218,702	218,702	0
Deposits	0	(413,753)	(413,753)	0
OPEB implicit rate subsidy liability	0	28,048	28,048	0
Total adjustments	25,354	730,518	755,872	(19,828)
Net cash provided (used) by operating activities	\$ (83,180)	\$ (839,964)	\$ (923,144)	\$ (1,431,715)

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, 2009**

	External Investment Trust Fund	Agency Funds	Total Fiduciary Funds
<u>ASSETS</u>			
Cash and demand investments, pooled	\$ 10,147,391	\$ 658,508	\$ 10,805,899
Cash investments, pooled	50,731,630	3,281,110	54,012,740
Restricted cash and demand investments held in trust, nonpooled	0	51,486	51,486
Restricted cash and demand investments for capital improvements, pooled	0	1,822,288	1,822,288
Restricted cash investments for capital improvements, nonpooled	0	2,000,000	2,000,000
Receivables:			
Property taxes	0	10,205,408	10,205,408
Delinquent assessments	0	786,001	786,001
Deferred assessments	0	1,154	1,154
Accrued interest	169,301	1,502	170,803
Total assets	\$ 61,048,322	\$ 18,807,457	\$ 79,855,779
<u>LIABILITIES</u>			
Accounts payable	\$0	\$ 201,279	\$ 201,279
Due to others	0	1,033,184	1,033,184
Due to other taxing districts	0	17,572,994	17,572,994
Total liabilities	0	18,807,457	18,807,457
<u>NET ASSETS</u>			
Net assets held in trust for pool participants	\$ 61,048,322	\$0	\$ 61,048,322

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, 2009**

ADDITIONS:

Contributions to pooled investments	\$ 495,080,362	
Interest and investment income	1,404,638	
Total additions		\$ 496,485,000

DEDUCTIONS

Distributions from pooled investments	(488,442,365)	
Investment administrative expenses	(15,754)	
Total deductions		(488,458,119)

Change in net assets held in trust for pool participants		8,026,881
Net assets held in trust for pool participants, July 1, 2008		53,021,441
Net assets held in trust for pool participants, June 30, 2009		\$ 61,048,322

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