

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

JUNE 30, 2011

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<u>ASSETS</u>	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>Current Assets</u>			
Cash and demand investments, pooled	\$ 6,402,147	\$ 1,516,398	\$ 7,918,545
Cash investments, pooled	31,765,388	7,511,045	39,276,433
Restricted cash and demand investments held in trust, nonpooled	0	480,703	480,703
Receivables (net of allowance for uncollectibles):			
Property taxes	4,175,207	259,748	4,434,955
Accounts	1,230,983	22,377	1,253,360
Delinquent assessments	39,597	64,700	104,297
Deferred assessments	107,965	0	107,965
Accrued interest	66,711	3,656	70,367
Prepaid expenses	19,911	105,126	125,037
Inventories	388,662	15,327	403,989
Due from other taxing districts	6,579	0	6,579
Total current assets	44,203,150	9,979,080	54,182,230
<u>Noncurrent Assets</u>			
Deferred assessments receivable, net of allowance	1,012,592	0	1,012,592
Total noncurrent assets	1,012,592	0	1,012,592
<u>Capital assets (net of accumulated depreciation):</u>			
Land	3,665,796	368,574	4,034,370
Buildings	11,570,609	6,441,051	18,011,660
Improvements other than buildings	2,391,258	1,635,892	4,027,150
Equipment and vehicles	7,722,452	331,474	8,053,926
Infrastructure	20,710,380	0	20,710,380
Construction in progress	667,188	27,909,545	28,576,733
Total capital assets (net of accumulated depreciation)	46,727,683	36,686,536	83,414,219
TOTAL ASSETS	\$ 91,943,425	\$ 46,665,616	\$ 138,609,041

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS (Accrual Basis)
JUNE 30, 2011
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	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 1,748,064	\$ 3,502,621	\$ 5,250,685
Accrued liabilities	1,180,426	1,148,890	2,329,316
Accrued compensated absences	525,472	54,607	580,079
Matured bonds payable	7,225	0	7,225
Unearned premiums	295,335	0	295,335
General obligation bonds	1,130,000	0	1,130,000
Special assessment debt with governmental commitment	92,722	0	92,722
Liabilities payable from restricted assets:			
Deferred revenue	0	329,873	329,873
Deposits	2,850	415,696	418,546
Due to other taxing districts	473,599	0	473,599
Total current liabilities	5,455,693	5,451,687	10,907,380
<u>Noncurrent Liabilities</u>			
Long-term liability for accrued compensated absences	1,583,442	163,820	1,747,262
Deferred revenue	0	916,583	916,583
General obligation bonds	6,465,000	0	6,465,000
Special assessment debt with governmental commitment	1,039,000	0	1,039,000
OPEB implicit rate subsidy liability	872,970	71,117	944,087
Total noncurrent liabilities	9,960,412	1,151,520	11,111,932
TOTAL LIABILITIES	15,416,105	6,603,207	22,019,312
<u>NET ASSETS</u>			
Investment in capital assets, net of related debt	45,413,016	36,686,536	82,099,552
Restricted net assets for debt service	618,821	0	618,821
Unrestricted	30,495,483	3,375,873	33,871,356
TOTAL NET ASSETS	\$ 76,527,320	\$ 40,062,409	\$ 116,589,729

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

YELLOWSTONE COUNTY, MONTANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	MAJOR FUNDS							Total Governmental Funds
	General	Road	Property & Liability Insurance Fund	Public Safety Fund	R.S.I.D. Bond Fund	Capital Improvement Fund	Other Nonmajor Governmental Funds	
ASSETS								
Cash and demand investments, pooled	\$1,052,331	\$609,202	\$416,805	\$653,050	\$32,381	\$1,278,980	\$1,429,186	\$5,471,935
Cash investments, pooled	5,246,464	3,016,711	2,067,734	3,233,839	160,578	6,344,026	7,082,289	27,151,641
Receivables (net of allowance for uncollectibles):								
Property taxes	1,126,409	801,694	102,099	863,738	0	0	1,281,267	4,175,207
Accounts	547,453	0	0	378,420	0	12,302	245,074	1,183,249
Delinquent assessments	0	0	0	0	1,619	0	37,978	39,597
Deferred assessments	0	0	0	0	1,111,830	0	8,727	1,120,557
Accrued interest	34,974	0	4,255	0	178	12,318	6,209	57,934
Due from other funds	4,250	0	0	0	0	0	0	4,250
Due from other taxing districts	6,579	0	0	0	0	0	0	6,579
Prepaid expenses	9,096	0	5,095	467	0	0	5,253	19,911
Inventories	38,279	240,569	0	0	0	0	109,814	388,662
Total assets	\$8,065,835	\$4,668,176	\$2,595,988	\$5,129,514	\$1,306,586	\$7,647,626	\$10,205,797	\$39,619,522
LIABILITIES:								
Accounts payable	\$670,195	\$272,064	\$22,417	\$260,645	\$0	\$132,823	\$387,603	\$1,745,747
Accrued liabilities	622,365	79,400	268,800	253,744	0	0	109,606	1,333,915
Matured bonds payable	0	0	0	0	7,225	0	0	7,225
Due to other funds	0	0	0	0	0	0	4,250	4,250
Deferred revenue	1,126,409	801,694	102,099	863,738	1,113,449	0	1,327,972	5,335,361
Deposits	0	0	0	0	0	2,850	0	2,850
Due to other taxing districts	0	0	0	0	0	0	473,599	473,599
Total liabilities	2,418,969	1,153,158	393,316	1,378,127	1,120,674	135,673	2,303,030	8,902,947
FUND BALANCE:								
Unspendable	47,375	240,569	5,095	467	0	0	115,067	408,573
Restricted	0	2,312,799	0	0	162,912	0	3,292,762	5,768,473
Committed	74,865	0	785,164	3,358,220	0	0	2,067,447	6,285,696
Assigned	1,373,242	961,650	1,412,413	392,700	23,000	7,511,953	2,427,491	14,102,449
Unassigned	4,151,384	0	0	0	0	0	0	4,151,384
Total fund balance	5,646,866	3,515,018	2,202,672	3,751,387	185,912	7,511,953	7,902,767	30,716,575
Total liabilities and fund balance	\$8,065,835	\$4,668,176	\$2,595,988	\$5,129,514	\$1,306,586	\$7,647,626	\$10,205,797	\$39,619,522

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, 2011**

Fund Balance June 30, 2011, governmental funds	\$ 30,716,575
Net assets of internal service funds as of June 30, 2011, are included as general governmental functions since they are primarily related to that function.	5,090,611
Net capital assets of internal service funds included above	(112,157)
Long-term assets are not available to pay for current period expenditures and, therefore, are deferred on the fund statements	5,335,361
Long-term portion of compensated absences is not anticipated to be expended in the current period	(1,580,525)
Long-term debt previously recognized as revenue in prior periods	(8,726,722)
Accrued interest payable on long-term debt	(50,536)
Net capital assets	46,727,683
Other post employment benefits (OPEB) - implicit rate subsidy liability	(872,970)
Net Assets of governmental activities, June 30, 2011	<u>\$ 76,527,320</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, 2011

	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	\$9,721,625	\$3,852,748	\$912,803	\$7,717,272	\$0	\$0	\$11,167,711	\$33,372,159
Special assessments	0	0	0	0	183,431	0	712,760	896,191
Licenses and permits	30,493	18,690	0	3,711,567	0	0	145,000	3,905,750
Intergovernmental	1,515,934	1,995,107	0	303,867	0	9,498	1,536,402	5,360,808
Fines and forfeitures	660,479	0	0	0	0	0	49,134	709,613
Charges for services	1,283,995	191,899	368,300	2,185,888	0	69,028	1,841,353	5,940,463
Other	303,076	106,663	24,035	66,682	1,083	136,195	155,454	793,188
Total revenues	13,515,602	6,165,107	1,305,138	13,985,276	184,514	214,721	15,607,814	50,978,172
EXPENDITURES:								
Current:								
General government	7,748,112	0	1,407,084	0	0	0	349,740	9,504,936
Public safety	1,278,256	0	0	13,921,602	0	0	6,228,771	21,428,629
Public works	0	4,958,969	0	0	0	0	1,015,381	5,974,350
Public health	691,669	0	0	141,567	0	0	2,163,788	2,997,024
Social and economic services	656,069	0	0	0	0	0	958,526	1,614,595
Culture and recreation	10,500	0	0	0	0	0	1,175,982	1,186,482
Conservation of natural resources	27,020	0	0	0	0	0	94,489	121,509
Community development	373,325	0	0	0	0	0	0	373,325
Capital outlay	948,359	528,085	3,190	446,586	0	3,559,046	1,360,115	6,845,381
Debt service:								
Principal	0	0	0	0	138,000	0	855,000	993,000
Interest	0	0	0	0	47,174	0	177,856	225,030
Total expenditures	11,733,310	5,487,054	1,410,274	14,509,755	185,174	3,559,046	14,379,648	51,264,261
Excess (deficiency) of revenues over (under) expenditures	1,782,292	678,053	(105,136)	(524,479)	(660)	(3,344,325)	1,228,166	(286,089)
OTHER FINANCING SOURCES (USES):								
Interfund transfers in	1,008,651	274,788	19,694	688,594	6,924	1,622,547	2,767,742	6,388,940
Interfund transfers out	(3,887,318)	(487,121)	0	(245,736)	(1,099)	0	(3,863,475)	(8,484,749)
Gain on disposal of assets	0	0	0	0	0	921,000	0	921,000
Long term debt proceeds	1,000,000	0	0	0	6,340	0	247,381	1,253,721
Total other financing sources (uses)	(1,878,667)	(212,333)	19,694	442,858	12,165	2,543,547	(848,352)	78,912
Net change in fund balances	(96,375)	465,720	(85,442)	(81,621)	11,505	(800,778)	379,814	(207,177)
Fund balances July 1, 2010	5,743,241	3,049,298	2,288,114	3,833,008	174,407	8,312,731	7,522,953	30,923,752
Fund balances June 30, 2011	\$5,646,866	\$3,515,018	\$2,202,672	\$3,751,387	\$185,912	\$7,511,953	\$7,902,767	\$30,716,575

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, 2011**

Net change in fund balances - total governmental funds	\$ (207,177)
Change in net assets of internal service funds are included as general governmental functions since they are primarily related to that function.	596,593
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	7,868,713
Depreciation expense	(4,000,032)
Gain (loss) on disposal / trade-in of capital assets / sale of fixed asset:	(17,400)
Proceeds from sale of fixed assets reported as revenue	(921,000)
(Decrease) increase in property tax and special assessment receivables that may not be available in the current period	821,848
Increase in the long-term portion of compensated absences that is not anticipated to be expended in the current period	27,624
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.	(2,260,722)
Change in accrued interest payable	(20,459)
Change in other post employment benefits - implicit rate subsidy	(299,840)
Change in net assets in governmental activities	<u>\$ 1,588,148</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, 2011
(Page 1 of 2)**

	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised		
REVENUES:				
Taxes:				
Real estate property taxes	\$9,535,551	\$9,535,551	\$9,076,017	(\$459,534)
Personal property taxes	338,900	338,900	519,235	180,335
Mobile homes, penalty and interest, other	124,380	124,380	126,373	1,993
Special assessments	0	0	0	0
Licenses and permits	14,900	14,900	30,493	15,593
Intergovernmental:				
Grants	196,416	2,100,102	1,437,855	(662,247)
State personal property reimbursement	0	0	0	0
State entitlement and other	72,843	72,843	78,079	5,236
Fines and forfeitures, justice court	675,000	675,000	660,479	(14,521)
Charges for services:				
Clerk & Recorder	1,040,000	1,040,000	1,099,339	59,339
Miscellaneous	160,000	160,000	184,656	24,656
Other:				
Interest on investments	325,000	325,000	224,776	(100,224)
Miscellaneous	20,000	135,599	78,300	(57,299)
Total revenues	\$12,502,990	\$ 14,522,275	\$ 13,515,602	\$ (1,006,673)

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, 2011
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Current:	BUDGET		Actual	Variance with Final Budget - Positive
	Original	Final Revised		(Negative)
General government:				
County commissioners	\$471,294	\$471,294	\$448,329	\$ 22,965
Elections	484,056	488,104	339,236	148,868
Clerk & Recorder	571,595	571,595	511,235	60,360
Treasurer, Auditor, Finance	1,890,896	1,889,996	1,819,136	70,860
Information technology	702,155	702,155	675,784	26,371
Building maintenance	638,702	638,702	630,914	7,788
Other	3,803,654	3,803,182	3,323,478	479,704
Public safety:				
Disaster and Emergency, Rural Fire	399,590	983,473	676,500	306,973
Juvenile detention	455,086	455,086	455,086	0
Other	155,923	168,423	146,670	21,753
Public health	402,635	789,363	691,669	97,694
Social and economic services				
Youth shelter	227,543	227,543	227,543	0
Rent assistance program	162,500	162,500	137,500	25,000
Medical assistance program	212,462	212,462	210,354	2,108
Other	84,200	94,200	80,672	13,528
Culture and recreation	0	10,500	10,500	0
Conservation of natural resources	27,020	27,020	27,020	0
Community development	389,425	408,520	373,325	35,195
Capital outlay	472,071	1,612,881	948,359	664,522
Total expenditures	11,550,807	13,716,999	11,733,310	1,983,689
Excess (deficiency) of revenues over (under) expenditures	952,183	805,276	1,782,292	977,016
OTHER FINANCING SOURCES (USES):				
Interfund transfers in	1,021,148	1,168,055	1,008,651	(159,404)
Interfund transfers out	(4,395,949)	(4,395,949)	(3,887,318)	508,631
Loan proceeds	1,000,000	1,000,000	1,000,000	0
Total other financing sources (uses)	(2,374,801)	(2,227,894)	(1,878,667)	349,227
Net change in fund balances	(\$1,422,618)	(\$1,422,618)	(96,375)	\$1,326,243
Fund balance July 1, 2010			5,743,241	
Fund balance June 30, 2011			\$5,646,866	

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, 2011

	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		
REVENUES:															
Taxes	\$4,316,489	\$4,316,489	\$3,852,748	(\$463,741)	\$938,804	\$938,804	\$912,803	(\$26,001)	\$7,937,159	\$7,937,159	\$7,717,272	(\$219,887)			
Licenses and permits	27,750	27,750	18,690	(9,060)	0	0	0	0	3,833,000	3,833,000	3,711,567	(121,433)			
Intergovernmental	1,994,700	1,994,700	1,995,107	407	0	0	0	0	47,000	407,322	303,867	(103,455)			
Charges for services	192,500	192,500	191,899	(601)	368,300	368,300	368,300	0	1,967,000	1,967,000	2,185,888	218,888			
Other	500	500	106,663	106,163	30,000	30,000	24,035	(5,965)	10,000	94,649	66,682	(27,967)			
Total revenues	6,531,939	6,531,939	6,165,107	(366,832)	1,337,104	1,337,104	1,305,138	(31,966)	13,794,159	14,239,130	13,985,276	(253,854)			
EXPENDITURES:															
Current:															
General government	0	0	0	0	3,225,962	3,225,962	1,407,084	1,818,878	0	0	0	0			
Public safety	0	0	0	0	0	0	0	0	14,554,538	14,864,410	13,921,602	942,808			
Public works	5,959,336	5,950,612	4,958,969	991,643	0	0	0	0	0	0	0	0			
Public health	0	0	0	0	0	0	0	0	144,580	144,580	141,567	3,013			
Capital outlay	824,481	833,205	528,085	305,120	7,500	7,500	3,190	4,310	470,003	567,983	446,586	121,397			
Total expenditures	6,783,817	6,783,817	5,487,054	1,296,763	3,233,462	3,233,462	1,410,274	1,823,188	15,169,121	15,576,973	14,509,755	1,067,218			
Excess (deficiency) of revenues over (under) expenditures	(251,878)	(251,878)	678,053	929,931	(1,896,358)	(1,896,358)	(105,136)	1,791,222	(1,374,962)	(1,337,843)	(524,479)	813,364			
OTHER FINANCING SOURCES (USES):															
Interfund transfers in	275,544	275,544	274,788	(756)	24,041	24,041	19,694	(4,347)	1,138,597	1,138,597	688,594	(450,003)			
Interfund transfers out	(487,121)	(487,121)	(487,121)	0	0	0	0	0	(234,167)	(271,286)	(245,736)	25,550			
Total other financing sources (uses)	(211,577)	(211,577)	(212,333)	(756)	24,041	24,041	19,694	(4,347)	904,430	867,311	442,858	(424,453)			
Net change in fund balances	(\$463,455)	(\$463,455)	465,720	\$929,175	(\$1,872,317)	(\$1,872,317)	(85,442)	\$1,786,875	(\$470,532)	(\$470,532)	(81,621)	\$388,911			
Fund balances July 1, 2010			3,049,298				2,288,114				3,833,008				
Fund balances June 30, 2011			\$3,515,018				\$2,202,672				\$3,751,387				

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

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011
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<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	\$75,194	\$1,441,204	\$1,516,398	\$930,212
Cash investments, pooled	372,351	7,138,694	7,511,045	4,613,747
Restricted cash and demand investments held in trust, nonpooled	0	480,703	480,703	0
Restricted cash and demand investments for capital improvements	0	0	0	0
Receivables (net of allowance for uncollectibles):				
Property taxes	0	259,748	259,748	0
Accounts	0	22,377	22,377	47,734
Insurance recovery for building damage	0	0	0	
Delinquent assessments	64,700	0	64,700	0
Accrued interest	0	3,656	3,656	8,777
Prepaid expenses	0	105,126	105,126	0
Inventories	0	15,327	15,327	0
Total current assets	<u>512,245</u>	<u>9,466,835</u>	<u>9,979,080</u>	<u>5,600,470</u>
NONCURRENT ASSETS:				
Capital assets:				
Land	0	368,574	368,574	0
Buildings	0	21,859,401	21,859,401	0
Improvements other than buildings	0	4,691,559	4,691,559	0
Equipment and vehicles	0	1,004,259	1,004,259	315,619
Construction in progress	0	27,909,545	27,909,545	0
Accumulated depreciation	0	(19,146,802)	(19,146,802)	(203,462)
Total capital assets (net of accumulated depreciation)	<u>0</u>	<u>36,686,536</u>	<u>36,686,536</u>	<u>112,157</u>
Total assets	<u>\$512,245</u>	<u>\$46,153,371</u>	<u>\$46,665,616</u>	<u>\$5,712,627</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, 2011
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	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
<u>LIABILITIES</u>				
CURRENT LIABILITIES:				
Accounts payable	716	3,501,905	\$3,502,621	\$2,317
Accrued liabilities	0	1,148,890	1,148,890	320,475
Accrued compensated absences	0	54,607	54,607	972
Advance from other funds	0	0	0	0
Deferred revenue	0	229,571	229,571	0
Unearned premiums	0	0	0	295,335
Due to general fund	0	0	0	0
Notes payable	0	0	0	0
Deposits	0	35,295	35,295	0
Total current liabilities	716	4,970,268	4,970,984	619,099
CURRENT LIABILITIES PAYABLE FROM RESTRICTED CASH:				
Accounts payable	0	0	0	0
Accrued liabilities	0	0	0	0
Deferred revenue	0	100,302	100,302	0
Deposits	0	380,401	380,401	0
Total current liabilities payable from restricted cash	0	480,703	480,703	0
NONCURRENT LIABILITIES:				
Accrued compensated absences	0	163,820	163,820	2,917
Deferred revenue	0	916,583	916,583	0
Advance from other funds	0	0	0	0
Notes payable	0	0	0	0
OPEB implicit rate subsidy	0	71,117	71,117	0
Total noncurrent liabilities	0	1,151,520	1,151,520	2,917
Total liabilities	716	6,602,491	6,603,207	622,016
<u>NET ASSETS</u>				
Investment in capital assets, net of related debt	0	36,686,536	36,686,536	112,157
Unrestricted	511,529	2,864,344	3,375,873	4,978,454
Total net assets	511,529	39,550,880	40,062,409	5,090,611
Total liabilities and net assets	\$512,245	\$46,153,371	\$46,665,616	\$5,712,627

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, 2011

	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	\$ 484,152	\$ 2,864,669	\$ 3,348,821	\$ 155,245
Health insurance premiums	0	0	0	5,441,970
Total operating revenues	484,152	2,864,669	3,348,821	5,597,215
OPERATING EXPENSES:				
Salaries and benefits	0	2,279,682	2,279,682	59,341
Supplies	0	410,223	410,223	27,491
Contracted services	491,789	1,731,413	2,223,202	97,107
Health claims	0	0	0	5,708,477
Stop-loss insurance and administration	0	0	0	392,547
Awards	0	96,222	96,222	0
Bad debt expense	0	4,011	4,011	0
Depreciation	0	908,102	908,102	30,337
Total operating expenses	491,789	5,429,653	5,921,442	6,315,300
Operating income (loss)	(7,637)	(2,564,984)	(2,572,621)	(718,085)
NONOPERATING REVENUES (EXPENSES):				
Taxes	0	2,773,779	2,773,779	0
Intergovernmental revenue	0	0	0	0
Interest revenue	0	17,667	17,667	54,749
Other revenue	0	26,683	26,683	0
Revenue from signage agreement	0	0	0	0
Contribution from grant fund	0	571,129	571,129	0
Total nonoperating revenues (expenses)	0	3,389,258	3,389,258	54,749
Income (loss) before transfers and extraordinary gains and losses	(7,637)	824,274	816,637	(663,336)
Transfer in from other funds	0	1,000,000	1,000,000	1,259,929
Transfer out to other funds	(25,000)	(139,120)	(164,120)	0
Extraordinary loss on disposal of fixed assets	0	(1,849,734)	(1,849,734)	0
Extraordinary gain from donated loan proceeds	0	2,000,000	2,000,000	0
Extraordinary gain from donated land sale proceeds	0	512,798	512,798	0
Extraordinary loss for building damage repairs and cleanup	0	(2,965,902)	(2,965,902)	0
Extraordinary gain from insurance recovery for building damage repair	0	5,496,322	5,496,322	0
Change in net assets	(32,637)	4,878,638	4,846,001	596,593
Net assets July 1, 2010	544,166	34,672,242	35,216,408	4,494,018
Net assets June 30, 2011	\$ 511,529	\$ 39,550,880	\$ 40,062,409	\$ 5,090,611

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, 2011
(Page 1 of 2)

	Business-type Activities - Enterprise Funds			Governmental
	Refuse Disposal	METRA	Total	Internal
	Fund	Fund		Service Funds
<u>Cash flows from operating activities:</u>				
Cash received from users	\$ 477,900	\$ 2,887,927	\$ 3,365,827	\$ 155,245
Cash received from health insurance premiums	0	0	0	5,408,149
Cash paid to other suppliers for goods or services	(491,073)	(2,267,565)	(2,758,638)	(123,266)
Cash paid to employees for services	0	(2,243,437)	(2,243,437)	(57,977)
Cash paid for health claims	0	0	0	(5,956,565)
Cash paid for stop-loss insurance and administration	0	0	0	(392,547)
Net cash provided (used) by operating activities	(13,173)	(1,623,075)	(1,636,248)	(966,961)
<u>Cash flows from noncapital financing activities:</u>				
Cash received from taxes, licenses, permits, and intergovernmental revenue	0	2,660,637	2,660,637	0
Cash received from interfund transfer	0	1,000,000	1,000,000	1,259,929
Cash transferred to other funds for services	0	(31,760)	(31,760)	0
Cash transferred from permissive medical levy fund	0	0	0	0
Cash transferred to Blight Abatement	(25,000)	0	(25,000)	0
Cash received from other revenues	0	211,714	211,714	0
Net cash provided (used) by noncapital financing activities	(25,000)	3,840,591	3,815,591	1,259,929
<u>Cash flows from capital and related financing activities:</u>				
Gain on sale of fixed assets	0	0	0	0
Acquisition of capital assets	0	(23,533,612)	(23,533,612)	(14,985)
Cash received from other revenues	0	122,199	122,199	0
Cash received from donated loan proceeds	0	2,000,000	2,000,000	0
Cash received from donated land sale proceeds	0	512,798	512,798	0
Extraordinary expense for building damage repairs	0	(3,325,235)	(3,325,235)	0
Cash from Refund Reimbursement and insurance proceeds	0	28,282,583	28,282,583	0
Net cash used for capital and related financing activities	0	4,058,733	4,058,733	(14,985)
<u>Cash flows from investing activities:</u>				
Deposits into investment pool	44,706	(5,214,486)	(5,169,780)	(140,156)
Interest received on investments	0	16,900	16,900	58,114
Net cash provided (used) by investing activities	44,706	(5,197,586)	(5,152,880)	(82,042)
Net increase (decrease) in cash and demand investments	6,533	1,078,663	1,085,196	195,941
Cash and demand investments, and restricted cash, July 1, 2010	68,661	843,244	911,905	734,271
Cash and demand investments, and restricted cash, June 30, 2011	\$ 75,194	\$ 1,921,907	\$ 1,997,101	\$ 930,212
<u>Presented in Statement of Net Assets as follows:</u>				
Cash and demand investments, pooled	\$ 75,194	\$ 1,441,204	\$ 1,516,398	
Restricted cash held in trust, nonpooled	0	480,703	480,703	
Cash and demand investments, and restricted cash, June 30, 2011	\$ 75,194	\$ 1,921,907	\$ 1,997,101	

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, 2011
(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>
Noncash transactions:				
Donation of capital asset from grant	\$ 0	\$ 463,769	\$ 463,769	\$ 0
Loss from capital asset trade-ins / disposals	\$ 0	\$ (1,849,734)	\$ (1,849,734)	\$ 0
Increase in cash investments market value	\$ 0	\$ 1,236	\$ 1,236	\$ (6,128)
OPEB implicit rate subsidy expense	\$ 0	\$ 18,435	\$ 18,435	\$ 0

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

Operating income (loss)	<u>\$ (7,637)</u>	<u>\$ (2,564,984)</u>	<u>\$ (2,572,621)</u>	<u>\$ (718,085)</u>
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation expense	0	908,102	908,102	30,337
(Increase) decrease in assets:				
Accounts receivable	0	(2,047)	(2,047)	(21,734)
Delinquent assessments receivable	(6,252)	0	(6,252)	0
Prepaid expenses	0	(94,734)	(94,734)	0
Inventories	0	(4,790)	(4,790)	0
Increase (decrease) in liabilities:				
Accounts payable	716	69,817	70,533	(2,475)
Accrued liabilities	0	17,810	17,810	(242,917)
Unearned premiums	0	0	0	(12,087)
Deferred revenue	0	24,145	24,145	0
Deposits	0	5,171	5,171	0
OPEB implicit rate subsidy liability	0	18,435	18,435	0
Total adjustments	<u>(5,536)</u>	<u>941,909</u>	<u>936,373</u>	<u>(248,876)</u>
Net cash provided (used) by operating activities	<u>\$ (13,173)</u>	<u>\$ (1,623,075)</u>	<u>\$ (1,636,248)</u>	<u>\$ (966,961)</u>

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, 2011

	External Investment Trust Fund	Agency Funds	Total Fiduciary Funds
<u>ASSETS</u>			
Cash and demand investments, pooled	\$ 9,706,388	\$ 1,817,796	\$ 11,524,184
Cash investments, pooled	48,152,064	9,001,546	57,153,610
Restricted cash and demand investments held in trust, nonpooled	0	37,804	37,804
Restricted cash and demand investments for capital improvements, nonpooled	0	1,080,000	1,080,000
Restricted cash investments for capital improvements, nonpooled	0	10,100,000	10,100,000
Restricted cash investments for debt service, nonpooled	0	1,143,233	1,143,233
Receivables:			
Property taxes	0	15,275,977	15,275,977
Delinquent assessments	0	785,469	785,469
Accrued interest	101,413	0	101,413
Due from other funds	0	2,160,577	2,160,577
Total assets	\$ 57,959,865	\$ 41,402,402	\$ 99,362,267
<u>LIABILITIES</u>			
Accounts payable	\$0	\$ 86,870	\$ 86,870
Due to other funds - protest tax fund	0	2,160,577	2,160,577
Due to others	0	1,314,263	1,314,263
Due to other taxing districts - county general fund	0	6,579	6,579
Due to other taxing districts	0	37,834,113	37,834,113
Total liabilities	0	41,402,402	41,402,402
<u>NET ASSETS</u>			
Net assets held in trust for pool participants	\$ 57,959,865	\$0	\$ 57,959,865

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, 2011**

ADDITIONS:

Contributions to pooled investments	\$ 591,249,595	
Interest and investment income	583,330	
Total additions		\$ 591,832,925

DEDUCTIONS

Distributions from pooled investments	(594,923,587)	
Investment administrative expenses	(6,831)	
Total deductions		(594,930,418)

Change in net assets held in trust for pool participants		(3,097,493)
Net assets held in trust for pool participants, July 1, 2010		61,057,358
Net assets held in trust for pool participants, June 30, 2011		\$ 57,959,865

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