

**MISSOULA COUNTY, MONTANA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Year Ended June 30, 2018

Prepared by:

Financial Services Department

Andrew V. Czorny  
Chief Financial Officer

Michelle Denman  
Teresa Graham  
Dawn Overbaugh  
Jacque Harris  
Jessica Overbaugh  
Rose Bjornstad  
Eric Seitz  
Nick Tschida  
Tyce Velde

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OFFICE OF FINANCIAL SERVICES  
200 WEST BROADWAY  
MISSOULA, MONTANA 59802

PHONE: (406) 721-5700

June 24, 2019

Board of County Commissioners  
And Citizens of Missoula County, Montana

Dear Commissioners,

This letter transmits to the Board of County Commissioners and the citizens of Missoula County the Comprehensive Annual Financial Report (CAFR) for Missoula County for the year ended June 30, 2018. This CAFR presents fairly the financial condition of the County as of June 30, 2018 and the results of its operations and cash flows for proprietary type funds for the fiscal year then ended. All of the information included in this report with the exception of the independent auditors' reports is the responsibility of the management of Missoula County.

The County has prepared this report in conformity with generally accepted accounting principles. Consequently, the financial statements reflect the implementation of the Governmental Accounting Standards Board Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.

This report is the financial reflection of the services provided by Missoula County. It contains all County funds used to account for the normal range of local government services including criminal justice, public safety, public works, public health, cultural and recreational programs, community development and social services. Also presented are the activities of the Missoula County Development Authority, Larchmont Golf Course, Missoula Aging Services, the Missoula County Workers' Compensation Group Insurance Authority, the Missoula County Employee Benefits Plan, and the Partnership Health Center. Missoula County has sufficient authority over these agencies to justify including them as component units of the County. The details of this authority are discussed in Note 1 to the Basic Financial Statements. Rural fire districts, school districts and other local agencies do not meet the criteria for inclusion in the report, and are consequently excluded, except as agency funds. The CAFR also includes Management's Discussion and Analysis which provides a narrative overview of the County's financial position, results of operations, and significant initiatives.

Independent Audit – Montana statutes require that certain local governments obtain at least biennial audits of the financial statements. Missoula County has chosen to contract with Nicole M. Noonan, CPA, P.C. This audit also satisfies the federal Single Audit Act and Office of Management & Budget Uniform Guidance.



## PROFILE

Missoula County, Montana covers approximately 2,600 square miles in the western part of the state. Five large valleys and two major rivers wind through this mountainous region. Missoula County has a population of more than 115,000 people and the county seat is the city of Missoula. The Missoula County Courthouse was completed in 1910. Its south foyer is graced by a series of eight murals painted by famed western artist, Edgar S. Paxson, between 1912 and 1914. An addition to the Courthouse was completed in 1966. Missoula County is governed by three Commissioners, each elected to staggered six-year terms. The current Commissioners are Chair David Strohmaier, Josh Slotnick and Juanita Baros.

The County provides a full range of services in general government, criminal justice, public safety, public works, public health, social and economic services, culture and recreation, and housing and community development. Details of the departments under these functions are provided in Management's Discussion and Analysis.

Budgetary control of these functions is maintained through an annual budget adopted by the Board of County Commissioners. The budget process generally begins shortly after the mid-year budget review which is held in late January each year. The CFO in consultation with department heads, the CAO and the Financial Services staff provides a forecast of the projected year end fund balances. In addition, a prediction of the following year's revenues and fixed expenses is made. It is from these estimates that the general parameters of the coming year's budget are constructed. A presentation is made to the Commissioners and the Senior Leadership Team to establish the constraints within which the departments must work. The County departments are then provided access to a proprietary budget program developed by the IT development team at Missoula County. Within which salaries and benefit costs are included. Departments must make the decisions on how to live within the constraints established in the general parameter discussion. The departments then submit their budget spreadsheets to the CFO's office by a set date, where they are reviewed, modified and then returned to the departments. The departments then return the spreadsheets reviewed Financial Services department on behalf of the CFO and if needed modifications or corrections are made before they are passed on to the Budget Team. The Budget Team is made up of the CAO, the COO, the CFO, the Communications Director and two department heads selected at random annually. Their job is to examine each of the budgets assuring they contribute to the overall goal of the current year's budget goals and assist the departments in presenting their program in the best light possible. The Commissioners then meet with each department to discuss their budget requests and hear an analysis of the departmental budgets provided by the CFO. Decisions are made on the individual departmental requests at the conclusion of the budget meetings when examined in the context of total proposed County budget. Public budget hearings are generally conducted in July and August of each year. The final budget is adopted by the third Monday in August or 45 days after receiving the certified taxable values from the State of Montana following the final public hearing. Budget authority is flexible in that the Commissioners may make mid-year transfers among budget object lines within a fund and budget amendments within statutory restrictions as deemed necessary for proper administration of County government. The level of budgetary control is established at the personnel, operations, and capital level within each fund.

The County's internal controls begin as a process that is affected by the organization's structure, workflows, approval processes and the management information systems that are designed to help the County accomplish its goals and objectives. The primary objective of the County's internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements. Budgetary controls are maintained in the accounting office and reported to department heads and the County Commissioners. The County's audit staff reviews all departmental expense claims for appropriate backup documentation and departmental approval prior to the presentation to the County Commissioners for final approval and the creation of warrants. Revenues are monitored by departmental heads as well as the County CFO. Any deviations from the budget are reported to the Commissioners in a timely fashion and budget modifications which are authorized under current County policy are made throughout the year by majority vote of the County Commissioners.

## **FINANCIAL CONDITION**

Missoula County continues to show improvement and growth. The renewed growth was led by a strong construction boom beginning in 2015, particularly commercial and multifamily residential structures, followed by the addition of new professional business services and the revival of a major industrial site in Bonner. On the minus side, the enrollment declines and layoffs at the University of Montana will have an impact on the economy, but the exact impacts are not yet seen. As noted previously, substantially all growth in property tax revenue is from new construction, if the rate of construction declines in Missoula, the County could see inadequate resources to maintain the current level of service.

In order to mitigate the risk of declining revenue and other financial risks, the County's long-term financial planning includes basic revenue forecasting for most of the general revenues, along with the identification of one-time revenues versus ongoing revenues. The forecast includes property and related taxes, and fees, in addition to non-tax revenues. The County has maintained a policy of matching ongoing revenues with ongoing expenses to maintain the structural integrity of its departments. The County also requires all departments to maintain a 5% cash reserve at year end except for the Public Safety Fund which has an 8% requirement and General Fund which has a 12% requirement. The county also has multiyear budgets for the Capital Improvement Program and the Technology Program to ensure adequate resources for the future replacement of existing capital assets and to fund the acquisition of new assets.

Management's Discussion and Analysis, starting on page 5, provides additional information on the economic environment in the County, as well as the highlights of the 2018 fiscal year and the challenges facing the 2019 budget.

## **OTHER OPERATING FACTORS**

Fiduciary Responsibilities-The County acts as either agent or trustee for more than 50 local government agencies, collecting taxes and other revenues for most of those agencies. It also provides accounting and investment services for those agencies.

Cash Management-The County operates an investment pool for idle cash belonging to the County, school districts, fire districts and other small local agencies. The operation of the pool is governed by an investment policy that emphasizes, security, liquidity, and yield, in that order. The pool may be invested in the Short-Term Investment Pool operated by the State of Montana, U.S. government treasury and agency securities, local bank certificates of deposit, money market funds, and repurchase agreements.

Investments are held by a third party in the County's name, or in some cases by the financial institutions trust department in the County's name. Certificates of deposit are covered by insurance or collateralized to the extent required by Montana law (100% for institutions with less than 6% net worth, 50% for those with 6% or greater net worth.)

Risk Management- The County has an extensive self-insured risk management program for all property and casualty insurance. The County provides self-insurance coverage to employees for medical and dental insurance. The County also provides Workers' Compensation coverage through a self-insurance program. The Excess Loss Fund provides an additional self-insurance program as an intermediary reinsurance program for the other three programs

## **RELEVANT FINANCIAL POLICIES**

To achieve the goal of providing outstanding, cost-effective regional public services, the Missoula County applies sound management practices and policies that enhance the quality of life of its citizens. Many of the financial management practices used by the County have been identified by the Government Finance Officers Association of the United States and Canada (GFOA) and recognized by Standard and Poor's rating agency as best practices that promote financial soundness, efficiency in government and solvency in public finance. The following summarizes the County's financial management practices. Each County department prepares an annual budget plan which they present during the budget process for evaluation by the County Commissioners and senior staff. Budget plans communicate the value the department brings to the community and measures performance. A budget plan sets forth long-term goals, operational and budget challenges, strategies for overcoming challenges and progress towards achieving those goals during the coming year.

The annual budget reflects the County's disciplined approach to fiscal management and is consistent with the County's financial planning process. Department budgets are consistent with the priorities and operations plans contained in the Financial and Operational goals of the County. Departments use these planning processes, along with projected outcomes, to evaluate programs and redirect existing resources as needed for greater efficiency to reduce costs and minimize the need for additional resources.

The County's five-year Capital Improvement Plan (CIP) is a long-term list of significant projects funded by the Capital Projects budget. It also includes the five-year capital program for non-Capital Fund expenditures. The CIP aids the County in its assessment of the best use of funds available in order to establish and prioritize its capital asset goals, while maintaining long-term financial stability.

The County Funds currently contain formal reserves, appropriations for contingencies and appropriated reserve-type funds. The purpose of these reserves is to protect community programs and services from temporary revenue shortfalls.

The Treasury Oversight Committee (TOC) is responsible for reviewing and monitoring the annual Investment Policy Statement (IPS) prepared by the Treasurer. In addition, the TOC initiates a quarterly review of the Chief Financial Officer's compliance with the IPS. Annually, if changes are made to the IPS the TOC submits the IPS to the Board of County Commissioners for approval. The TOC membership consists of the following: the elected Auditor, the elected Clerk and Recorder, one elected County Commissioner, the elected Superintendent of Schools, the Chief Financial Officer and one appointed county resident.

Awards – Missoula County earned its twenty-third consecutive GFOA's Certificate of Achievement for Excellence in Financial Reporting for its Fiscal Year 2017 Comprehensive Annual Financial Report. The Fiscal Year 2018 Report will also be submitted for consideration for the Certificate.

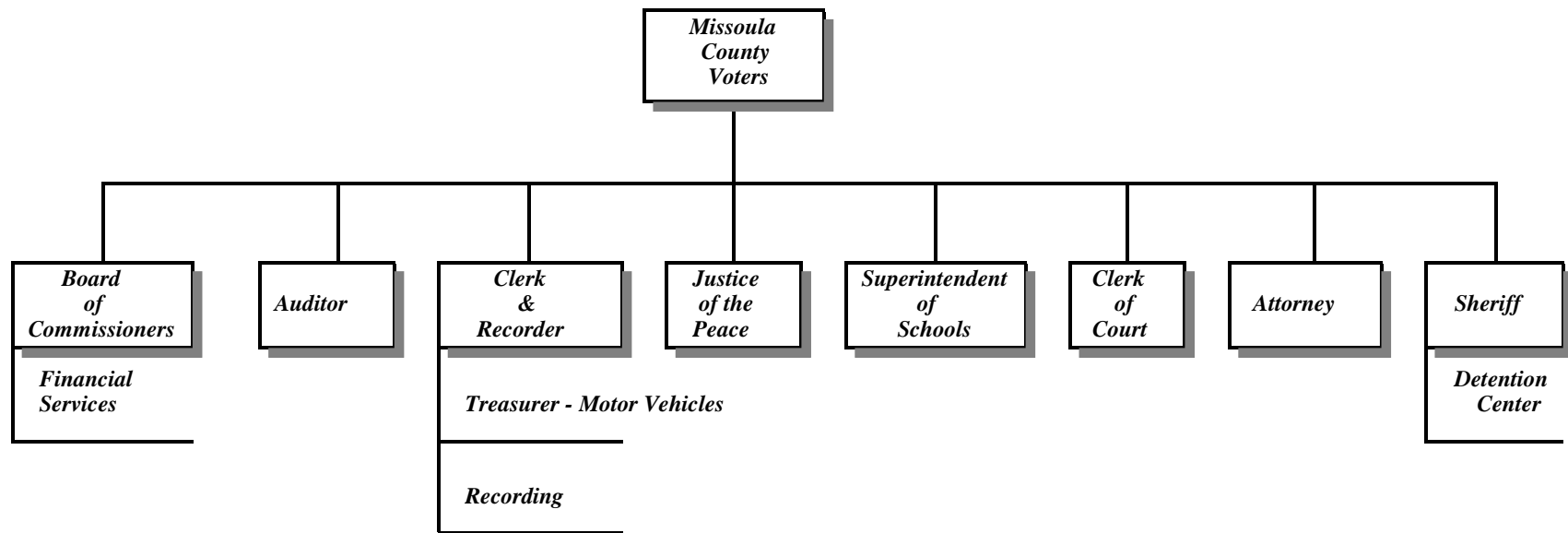
Acknowledgements – I would like to thank the Missoula County Financial Services Office: Rose Bjornstad, Teresa Graham, Jacque Harris, Amanda Henthorne, Dawn Overbaugh, Jessica Overbaugh, Eric Seitz, Nick Tschida, Tyce Velde, Amanda Henthorne, and especially Michelle Denman for all their work and dedication. Thanks also to David Wall, the Missoula County Auditor, for his support and special thanks goes to the County Chief Administrative Officer, Vickie Zeier, for her leadership. Without the efforts of all these people, this report would not have been possible. Finally, I would like to thank the Board of County Commissioners for their service, understanding of the value of this report, their commitment to the County making difficult decisions in difficult times and their continued support for strong financial accountability.

A handwritten signature in black ink, appearing to read 'Andrew V. Czorny', with a stylized flourish at the end.

Andrew V. Czorny  
Chief Financial Officer

# MISSOULA COUNTY

## Organizational Chart



# MISSOULA COUNTY, MONTANA

## **Board of County Commissioners**

Jean L. Curtiss  
Nicole Rowley  
David Strohmaier

## **Auditor**

David Wall

## **Clerk and Recorder - Treasurer**

Tyler Gernant

## **Justice of the Peace**

Marie Andersen  
Lanee Holloway

## **Superintendent of Schools**

Erin Lipkind

## **Clerk of Court**

Shirley E. Faust

## **County Attorney**

Kirsten Pabst

## **Sheriff**

T.J. McDermott



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Missoula County  
Montana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

# FINANCIAL SECTION



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***Nicole M. Noonan, CPA, P.C.***

*435 Little Mill Creek Road*

*St. Regis, Montana 59866*

*Phone and FAX: (406) 649-2436*

*Cell phone: (406) 239-4260*

*E-mail: noonanaccounting@hotmail.com*

**INDEPENDENT AUDITORS' REPORT**

Board of County Commissioners  
Missoula County, Montana

**Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Missoula County, Montana's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

My responsibility is to express opinions on these financial statements based on my audit. I did not audit the financial statements of Missoula Aging Services, which represent 16.5 percent, 27.3 percent, and 13.1 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for Missoula Aging Services, is based solely on the report of the other auditors. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but

not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### ***Opinions***

In my opinion, based on my audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, in fiscal year 2018, the County adopted new accounting guidance, GASB Statement No.75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. My opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in other postemployment benefits liability and related ratios, the schedule of proportionate share of net pension liability, the schedule of pension contributions, and budgetary comparison information on pages 5-20 and 107-134 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Missoula County, Montana's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements, budgetary schedules, capital asset schedules, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated July 22, 2019, on my consideration of Missoula County, Montana's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Missoula County, Montana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Missoula County, Montana's internal control over financial reporting and compliance.

*Nicole M. Noonan, CPA, P.C.*

Nicole M. Noonan, CPA, P.C.  
St. Regis, Montana  
July 22, 2019

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**MISSOULA COUNTY, MONTANA**  
**Management's Discussion and Analysis**  
**June 30, 2018**

The management of Missoula County offers this discussion and analysis of Missoula County's financial position and results of operations for the year ended June 30, 2018. We encourage readers to consider information presented here in conjunction with additional information provided in the transmittal letter and the basic financial statements to enhance their understanding of the County's financial performance.

**Financial Highlights**

- The assets of the County exceeded its liabilities at June 30, 2018 by \$93 million (net position) compared with a balance of \$88.5 million at June 30, 2017. Due primarily to pension related items, unrestricted net position was -\$32.9 million.
- The County's total net position increased by \$4.5 million, representing a 5.1% increase over 2017. This was primarily due to an increase of \$9.8 million in capital assets. The County saw a \$14 million increase in construction in progress due to the continued construction taking place at Fort Missoula Regional Park, the Missoula County Fairgrounds and the new Missoula City/County Public Library.
- At the end of the current year, the County's Balance Sheet for Governmental Funds reported a combined ending fund balance of \$46.5 million. Of this amount, \$14.9 million is unrestricted and immediately available for spending on behalf of its citizens.
- At the end of the current fiscal year, unassigned fund balance for the general fund increased from \$2.7 million to \$3.2 million or 18.6% of total general fund expenditures and other financing uses.

Missoula County's total debt decreased by \$9,986,544, which contributed to a net 7.66% decrease in Long Term Liabilities, related to primary government activities. This decrease was primarily due to a \$4.6 million decrease in both County debt and employee benefit liabilities.

## **Using the Comprehensive Annual Financial Report**

The Comprehensive Annual Financial Report (CAFR) consists of a series of basic financial statements, notes to those statements, supplementary detail financial statements, and a statistical section. This information is designed to provide the reader information needed to understand Missoula County as a financial whole and by individual functions. This Management's Discussion and Analysis Section (MD&A) provides an overview of the information presented in those other sections.

The Statement of Net Position and Statement of Activities provide information about all County activities, presenting both an aggregate view of the County's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the County's most significant funds with all other nonmajor funds presented in total in one column.

## **Reporting Missoula County as a Whole**

### Statement of Net Position and the Statement of Activities

The government-wide financial statements are designed to provide readers with a broad view of Missoula County's finances in a manner similar to a private sector business. While this document contains information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially during the year?" The Statement of Net Position and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting incorporates all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the County's net position and the change in that position. This change in net position is important because it tells the reader whether the financial position of the County as a whole has improved or worsened. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of County capital assets should also be evaluated.

The Statement of Net Position and the Statement of Activities divide the County into three activities:

- Governmental Activities - Most of the County's services are reported here including public safety, social services programs, administration, and all departments except for Larchmont Golf Course and Rural Special Improvement Maintenance Districts (RSIDs).

- Business-Type Activities - These services have a charge based upon the amount of usage. Larchmont Golf Course revenues are generated solely by the course users. The County charges special assessments to recoup the cost of the entire operation of the RSIDs as well as all capital expenses associated with these facilities.
- Component Units -The County includes financial statements of Missoula Aging Services and the Partnership Health Center in its report. Separately issued financial statements are available for both component units.

The component units are separate entities and may conduct activities such as buy, sell, lease and mortgage property in their own name and can sue or are sued in their own name.

## **Reporting Missoula County's Most Significant Funds**

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. Based on restrictions on the use of monies, the County has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the County's most significant funds. Missoula County's major funds are the General, Public Safety, RSID Debt Service, Fort Missoula Regional Park Construction, and Larchmont Golf Course funds.

*Governmental Funds:* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds (see above).



Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of supplementary statements beginning on page 137.

*Proprietary Funds:* The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for Larchmont Golf Course and the Rural Special Improvement Maintenance Districts. Internal Service funds are used to account for the financing of certain goods and services between departments and agencies of the County. The County uses internal service funds to account for its self-insurance programs: Risk Management, Health Insurance, Workers' Compensation, and Excess Loss. Additionally, Telephone Services, which operates the County telephone system, and Information Services Operations, which operates the County network and provides technical services to County departments, are accounted for in internal service funds. The proprietary fund financial statements can be found on pages 28-32.

*Fiduciary Funds:* These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that of the proprietary funds. The fiduciary fund financial statements can be found on pages 33-34.

*Notes to the Financial Statements:* The notes provide additional information that is essential to a full understanding of the governmental-wide and fund financial statements. The notes to the financial statements begin on page 35.

*Other information:* In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules which begin on page 123. Statistical information that shows trends for periods up to ten years is also available beginning on page 218.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. For the year ended June 30, 2018 the County's assets exceeded liabilities by \$93 million (\$87.7 million in governmental activities and \$5.2 million in business-type activities). 97% of the County's net position reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Other restrictions total \$34,870,043.

The following table provides a summary of the County's net position for 2018:

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Assets</b>						
Current & Other Assets	\$ 84,054,320	\$ 94,827,921	\$ 1,962,486	\$ 1,783,850	\$ 86,016,806	\$ 96,611,771
Capital Assets, Net	149,300,998	138,945,453	4,005,123	4,597,938	153,306,121	143,543,391
Total Assets	<u>233,355,318</u>	<u>233,773,374</u>	<u>5,967,609</u>	<u>6,381,788</u>	<u>239,322,927</u>	<u>240,155,162</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charges on Refunding of Debt	44,231	76,380	-	-	44,231	76,380
Deferred Outflows of Resources - Pension	18,118,639	17,340,189	153,904	123,929	18,272,543	17,464,118
Deferred Outflows of Resources - OPEB	332,773		3,718		336,491	
Total Deferred Outflows of Resources	<u>18,495,643</u>	<u>17,416,569</u>	<u>157,622</u>	<u>123,929</u>	<u>18,653,265</u>	<u>17,540,498</u>
<b>Liabilities</b>						
Current & Other Liabilities	6,794,039	8,788,006	88,433	130,244	6,882,472	8,918,250
Current Portion of Long-term Debt	13,172,639	10,581,513	27,231	26,259	13,199,870	10,607,772
Long-term Debt, Net of Current Portion	124,073,280	136,710,109	700,447	642,260	124,773,727	137,352,369
Total Liabilities	<u>144,039,958</u>	<u>156,079,628</u>	<u>816,111</u>	<u>798,763</u>	<u>144,856,069</u>	<u>156,878,391</u>
<b>Deferred Inflows of Resources</b>						
Deferred Assessments	8,019,183	9,139,453	-	-	8,019,183	9,139,453
Other Deferred Receipts	813	33,663	-	-	813	33,663
Deferred Inflows of Resources - Pension	11,742,244	3,173,734	10,580	2,038	11,752,824	3,175,772
Deferred Inflows of Resources - OPEB	316,155		3,531		319,686	
Total Deferred Inflows	<u>20,078,395</u>	<u>12,346,850</u>	<u>14,111</u>	<u>2,038</u>	<u>20,092,506</u>	<u>12,348,888</u>
<b>Net Position</b>						
Net Investment in Capital Assets	87,086,882	85,395,548	4,005,124	4,545,160	91,092,007	89,940,708
Restricted	33,601,053	44,907,476	1,269,375	1,182,005	34,870,428	46,089,481
Unrestricted	(32,955,327)	(47,539,559)	20,510	(22,249)	(32,934,817)	(47,561,808)
Total Net Position	<u>\$ 87,732,607</u>	<u>\$ 82,763,465</u>	<u>\$ 5,295,009</u>	<u>\$ 5,704,916</u>	<u>\$ 93,027,617</u>	<u>\$ 88,468,381</u>

The following table provides a summary of the changes in net position for 2018:

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
Revenues	2018	2017	2018	2017	2018	2017
<b>Program Revenues</b>						
Charges for Services	\$ 19,112,875	\$ 21,368,586	\$ 2,031,561	\$ 1,968,526	\$ 21,144,436	\$ 23,337,112
Operating Grants and Contributions	9,343,722	8,941,008	10,038	11,418	9,353,760	8,952,426
Capital Grants and Contributions	411,311	1,802,030			411,311	1,802,030
<b>General Revenues</b>					-	-
Property Taxes	51,998,145	48,422,980			51,998,145	48,422,980
Intergovernmental Revenue	7,703,058	6,733,625		12,291	7,703,058	6,745,916
Investment Earnings	809,319	166,575	24,251	14,944	833,570	181,519
Gain on Sale of Capital Assets		-			-	-
Miscellaneous	2,392,690	2,264,667	4,689	22,018	2,397,379	2,286,685
<b>Total Revenues</b>	<b>91,771,120</b>	<b>89,699,471</b>	<b>2,070,539</b>	<b>2,029,197</b>	<b>93,841,659</b>	<b>91,728,668</b>
<b>Program Expenses</b>						
General Government	16,181,867	18,740,845	-	-	16,181,867	18,740,845
Criminal Justice	5,261,958	4,149,551	-	-	5,261,958	4,149,551
Public Safety	28,034,726	26,035,864	-	-	28,034,726	26,035,864
Public Works	12,747,597	12,310,157	-	-	12,747,597	12,310,157
Public Health	8,966,638	8,864,427	-	-	8,966,638	8,864,427
Social & Economic Services	2,891,254	2,845,205	-	-	2,891,254	2,845,205
Culture & Recreation	6,736,609	6,323,201	-	-	6,736,609	6,323,201
Housing & Community Development	2,715,279	3,493,022	-	-	2,715,279	3,493,022
Interest and Fiscal Charges	2,502,186	2,638,247	-	-	2,502,186	2,638,247
Larchmont Golf Course	-	-	927125	804729	-	-
Rural Special Improvement Districts	-	-	1016331	1062265	-	-
<b>Total Expenses</b>	<b>86,038,115</b>	<b>85,400,519</b>	<b>1,943,456</b>	<b>1,866,994</b>	<b>86,038,114</b>	<b>\$ 85,400,519</b>
Change in Net Position before Transfers	5,733,005	4,298,952	127083	162203	5,860,088	4,461,155
Transfers	92,882	93,635	(92,882)	(93,635)	-	-
Capital Contributions	-	-	-	-	-	-
<b>Change in Net Position</b>	<b>5,825,887</b>	<b>4,392,587</b>	<b>34,201</b>	<b>68,568</b>	<b>5,860,088</b>	<b>4,461,155</b>
Net Position-Beginning of Year Restated	81,906,720	78,370,878	5,260,809	5,636,348	87,167,529	84,007,226
<b>Net Position-End of Year</b>	<b>\$ 87,732,607.00</b>	<b>\$ 82,763,465</b>	<b>\$ 5,295,010</b>	<b>\$ 5,704,916</b>	<b>\$ 93,027,617</b>	<b>\$ 88,468,381</b>

## Governmental Activities

*General Government* – The General Government function includes those elected offices that provide direct service to the public for decision making or record keeping matters. This includes the Board of County Commissioners and staff (including Facilities Management, Financial Services, Human Resources, Elections, Communications and Projects, and Technology departments); the Clerk & Recorder/Treasurer functions of Recording and Treasury; the County Auditor; the GIS department; and the Superintendent of Schools who maintains a variety of school related records. Additionally, this function includes the Financial Administration department which contains expenses related to general government and the Board of County Commissioners' agenda. In 2018, general government expenses comprised 18.8% (21.9% in 2017) of governmental activities. Total general government expenses decreased in 2018 by \$2,558,978 (or -13.7%) from the prior year. The decrease is primarily due to not making any capital purchases in 2018 and the reduction in pension expense and elimination of a one-time leasehold improvements write off in 2017.

*Criminal Justice* – the criminal justice function includes all offices related to the court system. These include the Justice Courts, the County Attorney's Office, and certain grants related to State District Court. Criminal Justice expenses comprised 6.1% of governmental activities in 2018 (versus 4.8% in 2017). Total expenses increased \$1,112,407 (or 26.8%) from the prior year. The increase was primarily due to increased personnel costs to support an increasing caseload in the Justice Courts and the County Attorney's office.

*Public Safety* – the public safety function is comprised of the Sheriff's Office including the Missoula County Detention Facility, Court Support (bailiffs), and the Department of Emergency Services including the 9-1-1 Emergency Dispatch Center, the Office of Emergency Management, and the Public Safety capital projects fund. Public safety expenses comprised 32.6% of governmental activities in 2018 (versus 30.5% in 2017). Public safety expenses increased \$1,998,862 compared to 2017, (or 7.7%). The increase is primarily due to increased personnel costs associated with adding new deputies combined with increased operational and capital expenses in 2018.

*Public Works* – public works includes the Road and Bridge funds and the Surveyor department, the Weed and Extension funds, the Rural Special Assessment Districts program, Seeley Lake Refuse District and the Missoula Development Authority. Public works expenses comprised 14.8% of governmental activities in 2018 (versus 14.4% in 2017) and increased \$437,440 (or 3.6%) in expenses compared to 2017. The increase was primarily due to increases in road and bridge construction materials costs.

*Public Health* – the public health function is comprised of the Health Department, the Water Quality District, the Junk Vehicle Program, and Animal Control. Public health expenses comprised 10.4% of governmental activities in 2018 (also 10.4% in 2017). Total public health expenses increased \$102,211 (or 1.2%) from 2016, primarily due to increased personnel expense in 2018.

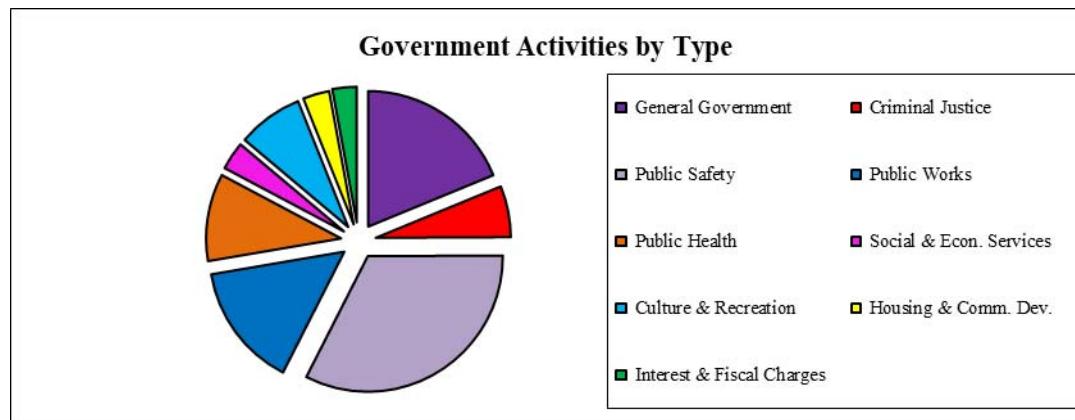
*Social & Economic Services* – the social and economic services function includes those programs that address the social and economic needs of the citizens of Missoula County. It includes Community Assistance, Aging, Child Daycare, and Mental Health. It also includes programs for the assistance of victims of crime, battered women, at risk families, recovering alcoholics needing housing, those who have little or no health care coverage, and those who need assistance qualifying for SSI. Many of these programs are administered by Grants Division of the Community and Planning Services department. These expenses comprised 3.4% of governmental activities in 2018, compared to 3.3% in 2017. Social and economic services expenses increased \$46,049 (or 1.6%) over 2017 largely due to increased operational costs related to relationship violence services.

*Culture & Recreation* – the culture and recreation function include the Western Montana Fair, the Historical Museum at Fort Missoula, the Library and the Park funds. Culture and recreation expenses comprised 7.8% of governmental activities in 2018, compared to 7.4% in 2017. Culture and recreation expenses increased \$413,408 (or 6.5%) from 2017. This was primarily due to increased operational costs related to the new Fort Missoula Regional Park in 2018.

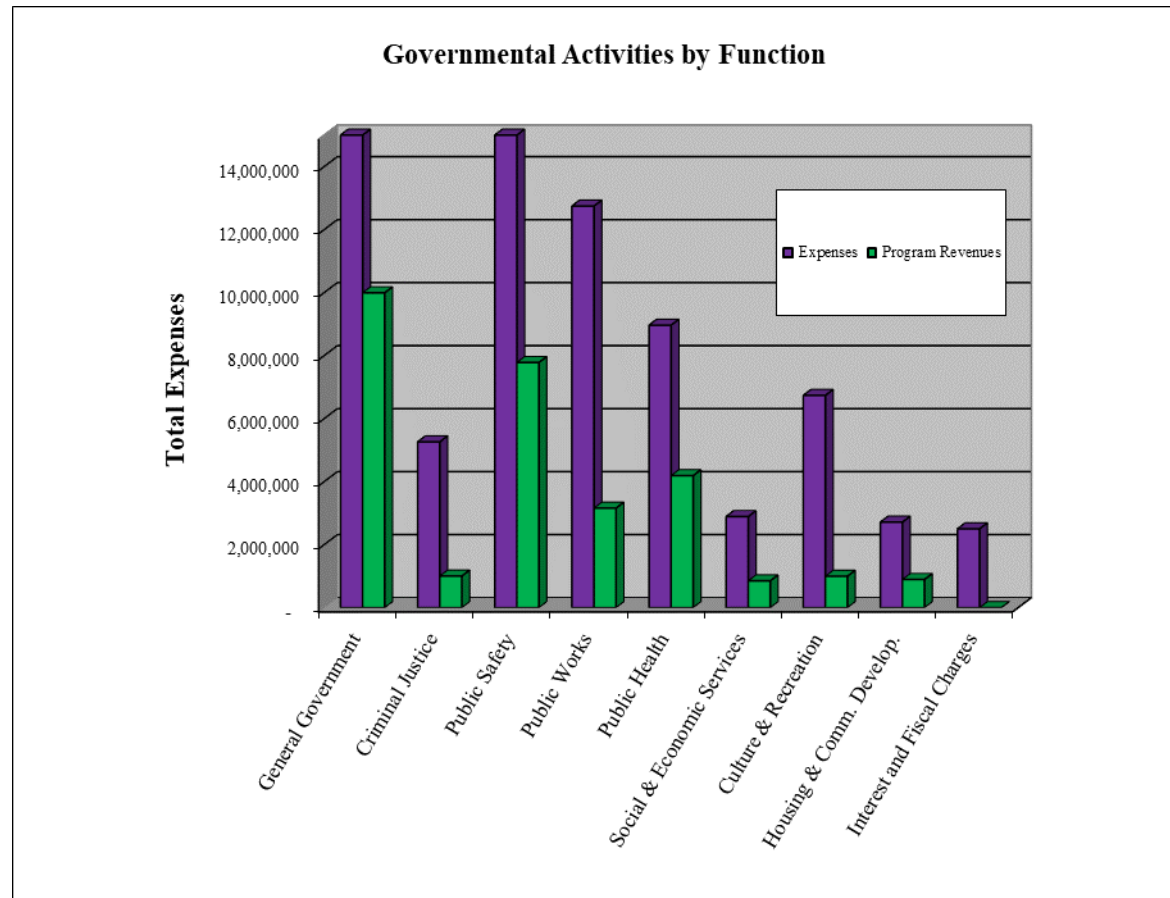
*Housing & Community Development* – this function includes Community and Planning Services, as well as specific grant programs, and the administration of federal and state community development dollars including the Open Space fund. These expenses comprised 3.2% of governmental activities in 2018, compared to 4.1% in 2017. Total expenses decreased \$777,743 (or -22.3%) versus 2017 due to a lower level of activity in Open Space acquisition for 2018.

Total governmental activities resulted in an increase in net position totaling \$5.8 million. This increase over 2017 is primarily due to an increase in property taxes of \$3.6 million, a \$650,000 increase in investment earnings, a \$401,000 increase in grants and \$1 million in retroactive prisoner board charges for services received by Public Safety in 2018.

The following chart shows the government activities by type as a percentage of total expenditures:



The following graph shows total expenses and program revenue by function. Total general revenues (primarily property taxes) required for each function can be inferred by the difference between total expenses and program revenue:



### Business-Type Activities

Total net position related to business-type activities increased by 34,201 in 2018 compared to an increase of \$68,568 in 2017. This was primarily due to the additional depreciation on certain Larchmont Golf Course capital items.

## **Fund Level Financial Analysis**

### Governmental Funds

For the fiscal year ended June 30, 2018, the County's governmental funds reported combined fund balance totaling \$46,508,956 compared with \$57,791,003 in 2017. Approximately \$14.9 million of this amount constitutes unrestricted (categorized as committed, assigned and unassigned) fund balance, which is available to spend for current needs. The remaining balance is nonspendable (inventory) or restricted. The governmental funds had a combined decrease in fund balances totaling \$11,282,047 for 2018. The reduction is primarily from the drawdown of bond proceeds to construct the Fort Missoula Regional park.

The General fund is the chief operating fund of the County. For fiscal year 2018, total fund balance increased \$573,733 to \$3,368,068 of which \$3,293,458 was unassigned. As a measure of the General fund's total liquidity, it may be useful to compare total unassigned fund balance to total General fund expenditures. Total unassigned General Fund balance represents 18.6% of total expenditures compared to 15.8% in 2017. The 2018 budget was designed to recover some of the spend down in the previous year, property taxes were increased by \$577,135.

The Public Safety fund accounts for the operation of the Sheriff's Department, including law enforcement and the Missoula County Detention Facility. The Public Safety fund had a fund balance totaling \$4,799,954 on June 30, 2018 (\$5,970,577 on June 30, 2017). Fund balance represents 21.32% (28.9% in 2017) of total expenditures. The fund balance decreased during the year by \$1,170,623, although the 2018 budget was designed to decrease the fund balance to address one-time capital costs at the Detention Center and Sheriff's Department rolling stock.

The RSID Debt Service fund is used to collect special assessments and make bond payments for the County's rural special improvement districts. Total fund balance was \$2,806,073 at June 30, 2018 (\$2,842,425 at June 30, 2017), all of which is considered restricted for debt service. Fund balance represents 239.5% (241.5% in 2017) of total expenditures. Fund balances decreased primarily due to a decrease in assessment revenue.

The Fort Missoula Regional Park Construction fund accounts for parks and trails project expenditures related to the issuance of the Parks & Trails 2016 general obligation bonds. Total fund balance was \$4,944,041 at June 30, 2018 (\$14,452,847 at June 30, 2017), all of which is considered restricted for parks and trails projects. The fund balance represents 51.99% (85.0% in 2017) of total 2018 expenditures. Fund balance decreased primarily due to capital improvement expenditures of approximately \$9.5 million.

## **Missoula County Budget Highlights**

Missoula County's budget is prepared on the basis of cash receipts, disbursements, encumbrances, and certain receivables. During the year, the Board of County Commissioners amends the budget in accordance with state law. For fiscal year 2018, budget amendments resulted in increases in appropriations in the General fund budget by \$586,958. Significant budget variances in the General fund include:

- 9-1-1 Communications received additional appropriations in the amount of \$425,158 for the repair and maintenance of the emergency services mountain top microwave transmitters
- Investment earnings exceeded the budgeted number by \$247,411 for total General fund interest earnings of \$407,411.
- Personnel costs were \$503,863 under budget primarily due to vacancy savings in Clerk & Recorder, Treasurers, the Office of Emergency Management, 9-1-1 Communications and Surveyors.
- Operations costs were \$615,871 under budget due to lower than anticipated contracted service costs in the 9-1-1 Communications, lower energy costs in Facilities Management and lower postage and supplies costs in Central Services.

## **Capital Assets and Debt Administration**

### Capital Assets

Missoula County's capital assets consist of land, buildings and systems, improvements, infrastructure, equipment, and machinery. Infrastructure assets placed in service in 2005 and after are reported in capital assets. Capital assets have been restated to include the retro-active implementation of infrastructure capital assets per GASB No. 34. Missoula County's investment in capital assets (net of accumulated depreciation and outstanding debt) was \$98,701,051 at June 30, 2018 (\$89,940,708 at June 30, 2017). Capital asset activity is presented in Note 4 of the financial statements (page 52) as well as on pages 214-216 of the supplementary information.



Significant activity in capital assets for 2018 includes:

- Purchase of technical equipment for General Government services totaling \$407,810.
- Purchase of technical equipment for Public Safety totaling \$217,175 and vehicles totaling \$295,445.
- Purchase of new vehicles and equipment for Public Works totaling \$530,235.
- Purchase of new vehicles and equipment for Public Health totaling \$114,195.
- Weed building improvements totaling \$71,176.
- Fairground building improvements totaling \$1,040,275.
- An increase of \$1,928,808 in Construction in Progress related to the new Library facility.
- An increase of \$11,382,941.28 in Construction in Progress related to the Fort Missoula Regional Park along with \$1,033,805 in 2018 accounts payable.
- A variety of road, bridge and pathway projects in the amount of \$910,539.

### Long-Term Debt

Long-Term Liabilities for Missoula County totaled \$131,481,803 at June 30, 2018 (\$140,594,839 at June 30, 2017). Total Long-Term Liabilities decreased -\$9,113,036. This decrease was the result of a net pension liability decrease of -\$6,210,682, combined with a debt net decrease of -\$4,648,583. The liability for compensated absences increased \$319,387 to a total of \$5,371,375. The liability for post-employment benefits increased to a total of \$2,001,162. Additional information regarding long-term debt can be found in Note 5 to the financial statements.

The following table shows outstanding debt by type:

<b>Total Long-term Debt</b>	
General Obligation Bonds and Loans	\$ 51,243,472
Limited Obligation Bonds and Loans	9,857,934
Tax Increment Bonds	1,170,000
Special Assessment Bonds and Loans	8,974,550
Capital Lease Payable	6,795,506
Notes and Contracts Payable	2,273,311
Post Employment Benefits	2,001,162
Compensated Absence Liability	5,371,375
Net Pension Liability	<u>43,794,493</u>
	\$ <u><u>131,481,803</u></u>

## **Economic Factors and the Fiscal Year 2019 Budget**

The following economic factors currently affect Missoula County and were considered in developing the fiscal year 2019 budget:

- The unemployment rate for Missoula County is currently 3.1%, which is a slight decrease from a rate of 3.4% a year ago.
- A property tax rate increase of 7.1% to fund increases in recurring expenditure obligations.
- The second year of the new two-year reappraisal cycle is in 2019 so mill values are not expected to increase to the extent they did in 2018.
- Increases in housing prices and new construction are expected to continue throughout the fiscal year, further boosting tax revenues and assessed values.
- Interest rates are expected to slowly rise throughout fiscal year 2019.
- On the expenditure side, increases are expected in health insurance premiums as well as pension and other employee benefit costs.
- Missoula County's daytime population exceeds 115,000 people a day, requiring twenty-four hour services for residents and non-residents alike.
- Contract settlements with all of Missoula County's unions.
- Continued maintenance of strong cash reserves and the funding of major capital projects, notably Fort Missoula Regional Park, a new Library building, and redevelopment of the Missoula County fairgrounds.
- Funding of critical need items including statutorily or contractually required requests and items in the departments' strategic plan.
- Funding of critical need capital expenditures focusing on life-safety compliance and major repairs.
- Items that will greatly improve departmental efficiency and provide long-term cost savings.

## **Contacting Missoula County**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional information, contact Michelle Denman, Controller, Missoula County, 200 W. Broadway, Missoula, Montana 59802; [mdenman@missoulacounty.com](mailto:mdenman@missoulacounty.com), (406) 721-5700. Additionally, Missoula County's Budgets and CAFRs are available online at [www.missoulacounty.us](http://www.missoulacounty.us).

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**MISSOULA COUNTY, MONTANA**

**Statement of Net Position**

**June 30, 2018**

**(Page 1 of 2)**

	<b>Primary Government</b>			<b>Component Units</b>	
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Missoula Aging Services</b>	<b>Partnership Health Center</b>
<b>Assets</b>					
Cash & Cash Equivalents	\$ 1,707,656	\$ 9,166	\$ 1,716,822	\$ 1,482,648	\$ 11,712,966
Cash with Fiscal Agents	6,400,274	-	6,400,274	-	-
Investments	53,200,758	2,555,753	55,756,511	2,014,365	-
Investment in Land Held for Resale	3,498,158	-	3,498,158	-	-
Property Taxes Receivable, net	2,562,050	-	2,562,050	-	-
RSID Receivable-Delinquent	39,289	35,356	74,645	-	-
RSID Receivable-Deferred	8,019,195	-	8,019,195	-	-
Accounts Receivable	3,141,182	6,028	3,147,210	701,261	1,814,145
Interest Receivable	101,489	3,208	104,697	-	-
Contributions Receivable	498,245	-	498,245	-	-
Loans & Notes Receivable, net	1,262,184	-	1,262,184	-	-
Due (to) from Other Funds	(58,706)	58,706	-	-	-
Advances to (from) Other Funds	750,000	(750,000)	-	-	-
Advances to Component Units	1,655,000	-	1,655,000	-	-
Prepaid Costs	42,770	-	42,770	4,045	15,723
Inventory	1,234,776	44,269	1,279,045	-	840,360
Capital Assets - non-depreciable	68,214,250	1,139,969	69,354,219	132,000	250,439
Capital Assets - depreciable, net	81,086,748	2,865,154	83,951,902	1,074,058	12,693,546
Total Assets	233,355,318	5,967,609	239,322,927	5,408,377	27,327,179
<b>Deferred Outflows of Resources</b>					
Deferred Charges on Refunding of Debt	44,231	-	44,231	-	-
Deferred Outflows of Resources - Pension	18,118,639	153,904	18,272,543	-	3,229,837
Deferred Outflows of Resources-OPEB	332,773	3,718	336,491	-	94,773
Total Deferred Outflows of Resources	\$ 18,495,643	\$ 157,622	\$ 18,653,265	\$ -	\$ 3,324,610

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Net Position (Continued)**  
**June 30, 2018**  
**(Page 2 of 2)**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Missoula Aging Services	Partnership Health Center
<b>Liabilities</b>					
Accounts & Warrants Payable	\$ 3,275,784	\$ 55,150	\$ 3,330,934	\$ 257,843	\$ 626,063
Accrued Interest Payable	1,379,055	-	1,379,055	-	36,294
Accrued Payroll	2,031,893	33,283	2,065,176	217,312	534,005
Advances from Other Funds	-	-	-	-	-
Deferred Tax Revenue	-	-	-	-	-
Advance from Primary Governments, net of Current Portion	-	-	-	-	-
Funds Held in Trust	107,307	-	107,307	-	-
Unearned Revenue	-	-	-	-	-
Liability for Sick & Vacation - Current Portion	3,803,911	-	3,803,911	-	801,842
Liability for Sick & Vacation, net of Current Portion	1,567,464	-	1,567,464	-	-
Liability for Claims - Current Portion	2,813,368	-	2,813,368	-	-
Liability for Claims, net of Current Portion	2,950,746	-	2,950,746	-	-
Long-term Liabilities:					
Liability for Post Employment Benefits	2,001,162	20,287	2,021,449	-	569,931
Net Pension Liability	43,794,493	670,167	44,464,660	-	12,829,830
Net OPEB Liability			-	-	-
Special Assessment with Government Commitment:					
Due within One Year	834,860	-	834,860	-	-
Due in more than One Year	8,139,690	-	8,139,690	-	-
Other-Due within One Year	5,720,500	27,231	5,747,731	-	155,000
Other-Due in more than One Year	65,619,725	9,993	65,629,718	-	1,775,000
Total Liabilities	<u>144,039,958</u>	<u>816,111</u>	<u>144,856,069</u>	<u>475,155</u>	<u>17,327,965</u>
<b>Deferred Inflows of Resources</b>					
Deferred Assessments	8,019,183	-	8,019,183	-	-
Other Deferred Receipts	813	-	813	3,300	-
Deferred Inflows of Resources - Pension	11,742,244	10,580	11,752,824	-	104,736
Deferred Inflows of Resources-OPEB	316,155	3,531	319,686	-	90,041
Total Deferred Inflows of Resources	<u>20,078,395</u>	<u>14,111</u>	<u>20,092,506</u>	<u>3,300</u>	<u>194,777</u>
<b>Net Position</b>					
Net Investment in Capital Assets	87,086,882	4,005,124	91,092,007	1,206,058	11,013,985
Restricted:					
Criminal Justice	552,611	-	552,611	-	-
Public Safety	5,689,879	-	5,689,879	-	-
Public Works	9,935,010	-	9,935,010	-	-
Public Health	1,478,128	-	1,478,128	-	125,910
Social & Economic Services	381,383	-	381,383	-	-
Culture & Recreation	1,000,390	-	1,000,390	-	-
Housing & Community Development	1,566,029	-	1,566,029	-	-
Debt Service	5,315,027	-	5,315,027	-	-
Capital Projects	7,656,660	-	7,656,660	-	-
RSID Maintenance	25,936	1,269,375	1,295,311	-	-
Aging Programs	-	-	-	1,080,981	-
Unrestricted	<u>(32,955,327)</u>	<u>20,510</u>	<u>(32,934,817)</u>	<u>2,642,883</u>	<u>1,989,152</u>
Total Net Position	<u>\$ 87,732,608</u>	<u>\$ 5,295,009</u>	<u>\$ 93,027,618</u>	<u>\$ 4,929,922</u>	<u>\$ 13,129,047</u>

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Activities**  
**For Fiscal Year Ended June 30, 2018**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-Type Activities	Total	Missoula Aging Services	Partnership Health Center
<b>Primary Government:</b>									
Governmental Activities:									
General Government	\$ 16,181,867	\$ 7,320,848	\$ 2,673,508	\$ -	\$ (6,187,511)	\$ -	\$ (6,187,511)	\$ -	\$ -
Criminal Justice	5,261,958	733,343	268,979	-	(4,259,636)	-	(4,259,636)	-	-
Public Safety	28,034,726	6,271,754	1,510,633	-	(20,252,340)	-	(20,252,340)	-	-
Public Works	12,747,597	2,329,446	417,068	411,311	(9,589,772)	-	(9,589,772)	-	-
Public Health	8,966,638	1,505,981	2,684,124	-	(4,776,533)	-	(4,776,533)	-	-
Social & Economic Services	2,891,254	26,897	824,613	-	(2,039,744)	-	(2,039,744)	-	-
Culture & Recreation	6,736,609	780,401	215,629	-	(5,740,580)	-	(5,740,580)	-	-
Housing & Community Development	2,715,279	144,205	749,168	-	(1,821,906)	-	(1,821,906)	-	-
Debt Service:					-				
Principal	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	2,502,186	-	-	-	(2,502,186)	-	(2,502,186)	-	-
Total Governmental Activities	86,038,115	19,112,875	9,343,722	411,311	(57,170,207)	-	(57,170,207)	-	-
Business-type Activities:									
Larchmont Golf Course	927,125	922,936	5,144	-	-	955	955	-	-
Rural Special Improvement Districts	1,016,331	1,108,625	4,894	-	-	97,187	97,187	-	-
Total Business-type Activities	1,943,456	2,031,561	10,038	-	-	98,142	98,142	-	-
Total Primary Government	\$ 87,981,571	\$ 21,144,436	\$ 9,353,760	\$ 411,311	(57,170,207)	98,142	(57,072,065)	-	-
<b>Component units:</b>									
Missoula Aging Services	\$ 4,264,476	\$ 618,790	\$ 3,521,215	\$ -				(124,471)	-
Partnership Health Center	27,343,851	20,385,126	8,227,729	-				-	1,269,004
Total component units	\$ 31,608,327	\$ 21,003,916	\$ 11,748,944	\$ -				(124,471)	1,269,004
<b>General revenues:</b>									
Property Taxes					51,998,145	-	51,998,145	-	-
Intergovernmental Revenue - Unrestricted					7,703,058	-	7,703,058	-	-
Investment Earnings					809,319	24,251	833,570	168,625	22,273
Sale of Capital Assets					-	-	-	-	-
Miscellaneous Revenues					2,392,690	4,689	2,397,379	-	34,380
<b>Transfers</b>					92,882	(92,882)	-	-	-
<b>Contributed Capital</b>					-	-	-	-	-
Total General Revenues & Transfers					62,996,094	(63,942)	62,932,152	168,625	56,653
Change in Net Position					5,825,887	34,200	5,860,087	44,154	1,325,657
Net Position - Beginning of Year					82,763,465	5,704,916	88,468,381	4,885,768	12,221,942
Change in Accounting Principle					(1,184,341)	(17,647)	(1,201,988)	-	(418,552)
Restatement					327,596	(426,460)	(98,864)	-	-
Net Position - Beginning of Year as Restated					81,906,720	5,260,809	87,167,529	4,885,768	11,803,390
Net Position - End of Year					\$ 87,732,607	\$ 5,295,009	\$ 93,027,616	\$ 4,929,922	\$ 13,129,047

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



**MISSOULA COUNTY, MONTANA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2018**  
**(Page 1 of 2)**

	<b>General</b>	<b>Public Safety</b>	<b>RSID Debt Service</b>	<b>Fort Missoula Regional Park Construction</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>						
Cash & Cash Equivalents	\$ 4,562	\$ 15,935	\$ 8,096	\$ 19,879	\$ 84,514	\$ 132,986
Cash with Fiscal Agents	-	-	722,815	-	5,677,459	6,400,274
Investments	1,272,048	4,442,729	2,257,344	5,542,394	23,566,129	37,080,643
Investment in Land Held for Resale	-	-	-	-	3,498,158	3,498,158
Property Taxes Receivable (net)	464,646	540,000	-	-	1,514,913	2,519,559
RSID Receivable:						
Delinquent	-	-	39,289	-	-	39,289
Deferred	-	-	8,019,195	-	-	8,019,195
Accounts Receivable	263,597	872,579	-	34,278	1,805,040	2,975,494
Interest Receivable	47,681	1,014	-	-	20,238	68,933
Loans & Notes Receivable	25,936	56,315	-	-	1,179,934	1,262,184
Due from Other Funds	2,873,699	764,070	-	381,296	720,542	4,739,607
Advances to Other Funds	-	-	-	-	750,000	750,000
Advances to Component Units	-	-	-	-	1,655,000	1,655,000
Inventory	48,674	-	-	-	1,186,102	1,234,776
Total Assets	<u>\$ 5,000,843</u>	<u>\$ 6,692,641</u>	<u>\$ 11,046,739</u>	<u>\$ 5,977,846</u>	<u>\$ 41,658,029</u>	<u>\$ 70,376,098</u>
<b>Liabilities</b>						
Accounts & Warrants Payable	\$ 375,068	\$ 419,279	\$ -	\$ 1,033,805	\$ 1,366,166	\$ 3,194,318
Accrued Interest Payable	3,435	-	182,182	-	1,193,438	1,379,055
Accrued Payroll	508,326	703,731	-	-	713,202	1,925,259
Due to Other Funds	-	-	-	-	4,798,313	4,798,313
Funds Held in Trust	107,307	-	-	-	-	107,307
Total Liabilities	<u>994,136</u>	<u>1,123,010</u>	<u>182,182</u>	<u>1,033,805</u>	<u>8,071,119</u>	<u>11,404,252</u>
<b>Deferred Inflows of Resources</b>						
Deferred Taxes and Assessments	464,646	540,000	8,058,484	-	1,514,912	10,578,042
Other Deferred Receipts	173,993	229,677	-	-	1,481,175	1,884,845
Total Deferred Inflows	<u>638,639</u>	<u>769,677</u>	<u>8,058,484</u>	<u>-</u>	<u>2,996,087</u>	<u>12,462,887</u>

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

**MISSOULA COUNTY, MONTANA**  
**Balance Sheet (Continued)**  
**Governmental Funds**  
**June 30, 2018**  
**(Page 2 of 2)**

	<u>General</u>	<u>Public Safety</u>	<u>RSID Debt Service</u>	<u>Fort Missoula Regional Park Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Fund Balance</b>						
Nonspendable	48,674	-	-	-	1,186,102	1,234,777
Restricted	25,936	3,035,089	2,806,073	4,944,041	19,468,785	30,279,924
Committed	-	1,764,865	-	-	8,093,171	9,858,036
Assigned	-	-	-	-	4,553,595	4,553,595
Unassigned	3,293,458	-	-	-	(2,710,832)	582,626
Total Fund Balance	<u>3,368,068</u>	<u>4,799,954</u>	<u>2,806,073</u>	<u>4,944,041</u>	<u>30,590,821</u>	<u>46,508,958</u>
<b>Total Liabilities, Deferred Inflows and Fund Balance</b>	<u>\$ 5,000,843</u>	<u>\$ 6,692,641</u>	<u>\$ 11,046,739</u>	<u>\$ 5,977,846</u>	<u>\$ 41,658,027</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported in the funds.	149,300,998
Deferred charges on debt refunding used in governmental activities are not financial resources and, therefore, are not reported in the funds.	44,231
Notes receivable and certain accounts receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,884,856
Taxes receivable are not recorded as revenue until they are received and, therefore, are deferred in the funds.	2,519,559
Delinquent RSID receivable are not recorded as revenue until they are received and, therefore, are deferred in the funds.	39,289
Internal Service Funds are used by management to charge the costs of self-insurance to individual funds. The assets and liabilities of the internal service funds (not including capital assets and pension related items) are included in governmental activities in the statement of net position.	12,418,723
Liabilities not due and payable in the current period and, therefore not reported in the funds:	
Compensated Absences	(5,371,377)
Post Employment Benefits	(1,879,759)
Pensions	(37,418,098)
Long-term liabilities, including bonds payable	<u>(80,314,773)</u>
Net Position of governmental activities	<u>\$ 87,732,607</u>

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**

	<b>General</b>	<b>Public Safety</b>	<b>RSID Debt Service</b>	<b>Fort Missoula Regional Park Construction</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>						
Property Taxes	\$ 11,476,524	\$ 12,977,074	\$ 1,138,603	\$ -	\$ 26,551,561	\$ 52,143,762
Licenses & Permits	9,702	41,403	-	-	1,145,261	1,196,366
Intergovernmental Revenue	3,322,813	944,847	-	-	11,598,504	15,866,164
Charges for Services	2,210,621	6,916,912	-	-	2,793,862	11,921,395
Fines & Forfeitures	546,111	26,392	-	-	98,780	671,283
Investment Earnings	419,769	8,890	-	-	304,407	733,066
Private & Local Grants	-	-	-	-	304,118	304,118
Miscellaneous Revenue	33,285	706,934	-	-	1,721,960	2,462,179
Total Revenues	<u>18,018,825</u>	<u>21,622,452</u>	<u>1,138,603</u>	<u>-</u>	<u>44,518,453</u>	<u>85,298,333</u>
<b>Expenditures:</b>						
Current Operations:						
General Government	9,355,718	-	-	-	1,034,959	10,390,677
Criminal Justice	4,289,083	-	-	-	1,142,844	5,431,927
Public Safety	3,015,508	21,987,924	-	-	286,863	25,290,295
Public Works	296,856	-	-	-	8,938,432	9,235,288
Public Health	-	-	-	-	8,414,126	8,414,126
Social & Economic Services	-	-	-	-	2,721,943	2,721,943
Culture & Recreation	-	-	-	-	5,900,023	5,900,023
Housing & Community Development	-	-	-	-	2,377,026	2,377,026
Capital Outlay	608,938	522,374	-	9,508,806	5,928,047	16,568,165
Debt Service:						
Principal	103,820	-	800,860	-	4,873,200	5,777,880
Interest and Fiscal Charges	27,979	-	370,772	-	2,459,145	2,857,896
Total Expenditures	<u>17,697,902</u>	<u>22,510,298</u>	<u>1,171,632</u>	<u>9,508,806</u>	<u>44,076,608</u>	<u>94,965,246</u>
Excess (deficiency) of Revenue over (under) Expenditures	<u>320,923</u>	<u>(887,846)</u>	<u>(33,029)</u>	<u>(9,508,806)</u>	<u>441,845</u>	<u>(9,666,913)</u>
<b>Other Financing Sources (uses):</b>						
Transfer In	1,550,288	1,152,822	-	-	8,134,012	10,837,122
Transfer Out	(1,711,738)	(1,435,599)	(3,323)	-	(10,555,296)	(13,705,956)
Issuance of Debt	425,158	-	-	-	1,092,000	1,517,158
Sale of Capital Assets	-	-	-	-	48,226	48,226
Total other financing sources and uses	<u>263,708</u>	<u>(282,777)</u>	<u>(3,323)</u>	<u>-</u>	<u>(1,281,058)</u>	<u>(1,303,450)</u>
Net Change in Fund Balances	<u>584,631</u>	<u>(1,170,623)</u>	<u>(36,352)</u>	<u>(9,508,806)</u>	<u>(839,213)</u>	<u>(10,970,363)</u>
Fund Balances - Beginning of Year	2,794,335	5,970,577	2,842,425	14,452,847	31,730,819	57,791,003
Change in Inventory Reserves	(10,898)	-	-	-	(300,786)	(311,684)
Fund Balances - Beginning of Year as Restated	<u>2,783,437</u>	<u>5,970,577</u>	<u>2,842,425</u>	<u>14,452,847</u>	<u>31,430,033</u>	<u>57,479,319</u>
Fund Balances - End of Year	<u>\$ 3,368,068</u>	<u>\$ 4,799,954</u>	<u>\$ 2,806,073</u>	<u>\$ 4,944,041</u>	<u>\$ 30,590,820</u>	<u>\$ 46,508,956</u>

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

**MISSOULA COUNTY, MONTANA**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For Fiscal Year Ended June 30, 2018**

Amounts reported for governmental activities in the statement of activities (page 23) are different because:

Net change in fund balances - total governmental funds (page 26)	\$ (10,970,363)
Governmental funds report capital outlays as expenditures and proceeds from sales as revenues. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense and gain or loss is reported upon sale or disposal.	
Expenditures for capital assets	15,563,899
Current year depreciation	(5,170,040)
Gain or loss on disposal of capital assets	(38,314)
	<u>10,355,545</u>
Property taxes and special assessment revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	50,564
The issuance of notes receivable consumes the current financial resources of governmental funds, while payments received on notes receivable provide current financial resources. Neither transaction, however, has any effect on net position.	546,189
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Issuance of debt	(1,517,158)
Principal payments on long-term debt	5,777,880
Governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	355,710
The increase in expenses due to the increase in the liability for compensated absences reported in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.	(319,387)
The increase in expenses due to the increase in the liability for post employment benefits reported in the statement of activities do not provide current financial resources and, therefore are not reported in the governmental funds.	(213,955)
The increase in expenses due to the increase in the liability for pension benefits and related contribution revenue reported in the statement of activities do not provide current financial resources and, therefore are not reported in the governmental funds.	
On-behalf state revenue	525,766
Pension expense	(2,105,142)
The increase in expenses due to the change in inventory reported in the statement of activities do not provide current financial resources and, therefore, are not reported in the governmental funds.	(311,684)
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>3,651,922</u>
Change in net position of governmental activities (page 23)	<u>\$ 5,825,887</u>

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

**MISSOULA COUNTY, MONTANA**

**Statement of Net Position**

**Proprietary Funds**

**June 30, 2018**

**(Page 1 of 2)**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		<b>Activities- Internal Service Funds</b>
	Larchmont Golf Course	RSID Funds	<b>Total</b>	
<b>Assets</b>				
<b><i>Current Assets:</i></b>				
Cash & Cash Equivalents	\$ 3,529	\$ 5,637	\$ 9,166	\$ 1,574,670
Investments	984,021	1,571,732	2,555,753	16,120,115
Taxes Receivable, net	-	35,356	35,356	42,491
Accounts Receivable (net)	6,028	-	6,028	19,080
Interest Receivable	1,705	1,503	3,208	32,557
Prescription Rebate Receivable	-	-	-	146,608
Contributions Receivable	-	-	-	449,961
Reinsurance Receivable	-	-	-	48,284
Due from Other Funds	58,706	-	58,706	49,518
Prepaid Costs	-	-	-	42,770
Inventory	44,269	-	44,269	-
Total Current Assets	<u>1,098,259</u>	<u>1,614,228</u>	<u>2,712,487</u>	<u>18,526,054</u>
<b><i>Noncurrent Assets:</i></b>				
Capital Assets - non-depreciable	1,049,212	90,757	1,139,969	-
Capital Assets - depreciable, net	<u>1,446,203</u>	<u>1,418,951</u>	<u>2,865,154</u>	<u>203,861</u>
Total Noncurrent Assets	<u>2,495,415</u>	<u>1,509,708</u>	<u>4,005,123</u>	<u>203,861</u>
Total Assets	<u>3,593,674</u>	<u>3,123,936</u>	<u>6,717,610</u>	<u>18,729,915</u>
<b><i>Deferred Outflows of Resources:</i></b>				
Deferred Outflows of Resources - Pension	71,866	82,038	153,904	575,690
Deferred Outflows of Resources - Other Post Employment Benefits	<u>1,588</u>	<u>2,130</u>	<u>3,718</u>	<u>17,571</u>
Total Deferred Outflows of Resources	<u>73,454</u>	<u>84,168</u>	<u>157,622</u>	<u>593,261</u>

**MISSOULA COUNTY, MONTANA**

**Statement of Net Position**

**Proprietary Funds**

**June 30, 2018**

**(Page 2 of 2)**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		<b>Activities- Internal Service Funds</b>
	Larchmont Golf Course	RSID Funds	<b>Total</b>	
<b>Liabilities</b>				
<b><i>Current Liabilities:</i></b>				
Accounts & Warrants Payable	\$ 18,407	\$ 36,743	\$ 55,150	\$ 81,466
Accrued Payroll	21,598	11,685	33,283	106,634
Contributions Paid in Advance	-	-	-	813
Due to Other Funds	-	-	-	49,518
Advances Payable, Current Portion	45,000	-	45,000	-
Notes Payable, Current Portion	-	27,231	27,231	-
Liability for Claims, Current Portion	-	-	-	2,813,368
Total Current Liabilities	<u>85,005</u>	<u>75,659</u>	<u>160,664</u>	<u>3,051,799</u>
<b><i>Noncurrent Liabilities:</i></b>				
Advances Payable, net of Current Portion	705,000	-	705,000	-
Notes Payable, net of Current Portion	-	9,993	9,993	-
Liability for Claims, net of Current Portion	-	-	-	2,950,746
Net Pension Liability	344,290	325,877	670,167	2,286,804
Net OPEB Liability	7,480	12,807	20,287	105,662
Total Noncurrent Liabilities	<u>1,056,770</u>	<u>348,677</u>	<u>1,405,447</u>	<u>5,343,212</u>
Total Liabilities	<u>1,141,775</u>	<u>424,336</u>	<u>1,566,111</u>	<u>8,395,011</u>
<b><i>Deferred Inflows of Resources:</i></b>				
Deferred Inflows of Resources - Pension	7,920	2,660	10,580	19,581
Deferred Inflows of Resources -Other post employment benefits	<u>1,508</u>	<u>2,023</u>	<u>3,531</u>	<u>15,782</u>
Total Deferred Inflows of Resources	<u>9,428</u>	<u>4,683</u>	<u>14,111</u>	<u>35,363</u>
<b>Net Position</b>				
Net Investment in Capital Assets	2,495,415	1,509,709	4,005,124	203,861
Restricted - RSID Maintenance	-	1,269,376	1,269,376	-
Unrestricted	20,510	-	20,510	10,688,941
Total Net Position	<u>\$ 2,515,925</u>	<u>\$ 2,779,085</u>	<u>\$ 5,295,010</u>	<u>\$ 10,892,802</u>

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For Fiscal Year Ended June 30, 2018**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		<b>Activities- Internal Service Funds</b>
	<b>Larchmont Golf Course</b>	<b>RSID Funds</b>	<b>Total</b>	
Operating Revenues:				
Special Assessments	\$ -	\$ 1,108,625	\$ 1,108,625	\$ -
Charges for Services	922,936	-	922,936	14,689,837
Rental Income	-	-	-	-
Rebates	-	-	-	-
On-behalf State Pension Revenue	5,144	4,894	10,038	34,344
Total Operating Revenues	<u>928,080</u>	<u>1,113,519</u>	<u>2,041,599</u>	<u>14,724,181</u>
Operating Expenses:				
Personnel	347,056	371,365	718,421	2,455,418
Operations	387,401	556,425	943,826	673,662
Claims	-	-	-	10,684,412
Reinsurance Premiums	-	-	-	919,931
Administrative	-	-	-	483,089
Depreciation and Amortization	164,455	87,388	251,843	11,194
Total Operating Expenses	<u>898,912</u>	<u>1,015,178</u>	<u>1,914,090</u>	<u>15,227,706</u>
Operating Income (Loss)	<u>29,169</u>	<u>98,341</u>	<u>127,510</u>	<u>(503,525)</u>
Non-operating Revenues (Expenses):				
Property Taxes	-	-	-	882,855
Miscellaneous Income	-	4,689	4,689	5,162
Investment Earnings	11,940	12,311	24,251	76,261
Interest Expense	(28,213)	(1,153)	(29,366)	-
Intergovernmental Revenues	-	-	-	92,977
Total Non-operating Revenues (Expenses)	<u>(16,273)</u>	<u>15,847</u>	<u>(426)</u>	<u>1,057,255</u>
Net Income (Loss) before Transfers	12,896	114,188	127,084	553,730
Transfers In	-	-	-	2,974,863
Transfers Out	(78,177)	(14,705)	(92,882)	(13,150)
Change in Net Position	<u>(65,281)</u>	<u>99,483</u>	<u>34,202</u>	<u>3,515,443</u>
Total Net Position - Beginning of Year	3,014,058	2,690,858	5,704,916	7,142,622
Restatement	(426,460)	-	(426,460)	327,596
Change in Accounting Principle	<u>(6,392)</u>	<u>(11,255)</u>	<u>(17,647)</u>	<u>(92,857)</u>
Total Net Position - Beginning of Year, Restated	<u>2,581,206</u>	<u>2,679,603</u>	<u>5,260,809</u>	<u>7,377,361</u>
Total Net Position - End of Year	<u>\$ 2,515,925</u>	<u>\$ 2,779,085</u>	<u>\$ 5,295,010</u>	<u>\$ 10,892,804</u>

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

**MISSOULA COUNTY, MONTANA**

**Statement of Cash Flows**

**Proprietary Funds**

**For Fiscal Year Ended June 30, 2018**

(Page 1 of 2)

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental Activities- Internal Service Funds</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		
	Larchmont Golf Course	RSID Funds	<b>Total</b>	
<b>Cash flows from operating activities:</b>				
Cash receipts for charges for services	\$ 920,745	\$ 1,108,917	\$ 2,029,662	\$ 4,221,293
Cash receipts for interfund charges for services	-	-	-	10,228,054
Cash receipts for rebates	-	-	-	161,403
Cash receipts for rent charged	-	-	-	4,025
Cash payments to employees for services	(326,546)	(352,939)	(679,485)	(2,272,989)
Cash payments for reinsurance premiums	-	-	-	(884,982)
Cash payments for administrative expenses	-	(591,996)	(591,996)	(560,713)
Cash payments for claims expenses	-	-	-	(11,445,043)
Cash payments to other suppliers for goods and services	(381,710)	-	(381,710)	(653,452)
Net cash provided by (used in) operating activities	<u>212,489</u>	<u>163,983</u>	<u>376,472</u>	<u>(1,202,404)</u>
<b>Cash flows from non-capital financing activities:</b>				
Property taxes collected	-	-	-	884,367
Cash advances to other funds	450	-	450	-
Transfers in from primary government	-	-	-	2,974,862
Transfers out to other funds	(78,177)	(14,706)	(92,883)	(13,150)
Intergovernmental sources	-	4,689	4,689	79,026
Net cash provided (used) by non-capital financing activities	<u>(77,727)</u>	<u>(10,017)</u>	<u>(87,744)</u>	<u>3,925,105</u>
<b>Cash flows from capital and related financing activities:</b>				
Proceeds from sale of capital assets	-	-	-	-
Proceeds from (payments on) advances	(45,000)	-	(45,000)	-
Principal paid on notes payable	-	(15,554)	(15,554)	-
Interest paid on advances from other funds	(28,213)	-	(28,213)	-
Interest paid on notes payable	-	(1,154)	(1,154)	-
Acquisition of capital assets and construction in progress	(50,023)	(35,465)	(85,488)	-
Net cash used for capital and related financing activities	<u>(123,236)</u>	<u>(52,173)</u>	<u>(175,409)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Purchases of investment securities	(539,098)	(937,175)	(1,476,273)	(21,554,724)
Proceeds from sale of investment securities	506,032	808,262	1,314,294	17,411,143
Interest on investments	11,168	11,665	22,833	211,491
Net cash provided (used) by investing activities	<u>(21,898)</u>	<u>(117,248)</u>	<u>(139,146)</u>	<u>(3,932,090)</u>
Net increase (decrease) in cash and cash equivalents	<u>(10,372)</u>	<u>(15,456)</u>	<u>(25,827)</u>	<u>(1,209,389)</u>
Cash and cash equivalents at beginning of year	13,901	21,092	34,993	2,784,058
Cash and cash equivalents at end of year	<u>\$ 3,529</u>	<u>\$ 5,636</u>	<u>\$ 9,166</u>	<u>\$ 1,574,669</u>

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



**MISSOULA COUNTY, MONTANA**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 2 of 2)**

**Reconciliation of Income from Operations to Cash Provided (Used) by Operations**

	<b>Business-Type Activities-Enterprise Funds</b>			<b>Governmental</b>
	<b>Major Fund</b>	<b>Nonmajor Fund</b>		<b>Activities-</b>
	Larchmont	RSID		<b>Internal</b>
	Golf Course	Funds	<b>Total</b>	<b>Service Funds</b>
Income (loss) from operations	\$ 29,169	\$ 98,341	\$ 127,510	\$ (503,527)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	164,454	87,388	251,842	6,268
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(2,191)	292	(1,899)	-
(Increase) decrease in contributions receivable	-	-	-	34,705
(Increase) decrease in interfund contributions receivable	-	-	-	(79,402)
(Increase) decrease in rebates receivable	-	-	-	(47,032)
(Increase) decrease in reinsurance receivable	-	-	-	139,688
(Increase) decrease in prepaid costs	-	-	-	34,537
(Increase) decrease in inventory	5,384	-	5,384	-
(Increase) decrease in deferred outflows	(14,892)	(18,801)	(33,693)	(147,573)
(Decrease) increase in payables	308	(35,571)	(35,263)	(3,058)
(Decrease) increase in accrued liabilities	(6,737)	189	(6,548)	(926,725)
(Decrease) increase in net pension and OPEB liability	28,615	28,451	57,066	261,098
(Decrease) increase in deferred inflows	8,380	3,693	12,073	28,617
Net cash provided by (used in) operating activities	<u>\$ 212,489</u>	<u>\$ 163,982</u>	<u>\$ 376,471</u>	<u>\$ (1,202,404)</u>

**Supplemental Disclosure of Cash Flow Information**

Noncash capital financing, non-capital financing and investing activities:  
Internal service funds had \$142,770 of net investment loss that was absorbed by their trust portfolios for the year.

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Fiduciary Net Position**  
**June 30, 2018**

	<b>Agency Funds</b>	<b>Investment Trusts</b>
<b>Assets</b>		
Cash & Cash Equivalents	\$ 85,261	\$ 666,180
Cash with Fiscal Agents	1,273,413	-
Property Taxes Receivable, net	7,677,311	-
Due from Other Agencies	22,863	-
Other Assets	6,012	-
Investments, at Fair Value:		
Securities	47,943	11,327,792
Money Markets	41,290	9,755,375
Repurchase Agreements	47,931	11,324,493
STIP	648,965	153,329,234
Total Investments	786,129	185,736,894
Total Assets	9,850,988	186,403,074
<b>Liabilities</b>		
Accounts Payable	790,211	-
Other Liabilities	87,191	-
Due to Other Agencies	8,973,587	-
Total Liabilities	9,850,988	-
<b>Net Position</b>		
Funds Held in Trust for:		
Pool Participants	-	186,403,074
Total Net Position	\$ -	\$ 186,403,074

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

**MISSOULA COUNTY, MONTANA**  
**Statement of Changes in Fiduciary Net Position**  
**For Fiscal Year Ended June 30, 2018**

	<u>Investment Trusts</u>
<b>Additions</b>	
Interest Income	\$ 2,460,471
Net Investment Income	<u>2,460,471</u>
 Participant Investments in Pool	 <u>407,977,074</u>
Total Additions	<u>410,437,545</u>
 <b>Deductions</b>	
Distribution to Participants	<u>(356,320,266)</u>
Total Deductions	<u>(356,320,266)</u>
 Change in Net Position	 54,117,279
 <b>Net Position Held in Trust for Pool Participants</b>	
Net Position - Beginning of Year	<u>132,285,795</u>
Net Position - End of Year	<u><u>\$ 186,403,074</u></u>

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

# MISSOULA COUNTY, MONTANA

## Notes to Financial Statements

June 30, 2018

### **Note 1 - Summary of Significant Accounting Policies**

The financial statements of Missoula County have been prepared in accordance with generally accepted accounting principles in the United States of America as set forth by standards established by the Governmental Accounting Standards Board (GASB). Consequently, these financial statements reflect the provisions of GASB Statement No. 34 Basic Financial Statements - and Management Discussion and Analysis - for State and Local Governments.

The County has adopted the provisions of the following GASB pronouncement for fiscal year 2018:

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, addresses improvements to accounting and financial reporting for postemployment benefits other than pensions.

Accounting Standard effective in the future:

GASB Statement No. 84, Fiduciary Activities - the objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement is effective for fiscal years beginning after December 15, 2018. The effect of the adoption of this statement cannot be determined at this time.

GASB Statement No. 87, Leases - the objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The statement is effective for fiscal years beginning after December 15, 2019. The effect of the adoption of this statement cannot be determined at this time.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

Description of Reporting Entity - Missoula County was incorporated under the Montana Constitution, Article XI, Local Government, Section 2 - Counties. The County operates under a three-member commission form of government and provides the following services authorized by its charter: criminal justice, public safety, public works, public health, social and economic services, culture and recreation, housing and community development, conservation of natural resources and general government services. As required by generally accepted accounting principles, the accompanying financial statements present Missoula County (the primary government) and its component units. The component units discussed in the following paragraphs are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

### Component Units

Blended Component Units - The following organizations are included in the accompanying financial statements as blended component units. The financial accountability for these entities lies with Missoula County, and the Board of County Commissioners can impose its will on these entities.

#### Missoula County Employee Benefits Plan

The Board of County Commissioners serves as the governing board for the Missoula County Employee Benefits Plan. The Plan is managed by the County's Risk Manager. The operations of the Plan are reported in a separate Internal Service Fund.

#### Missoula County Workers' Compensation Group Insurance Authority

The Board of County Commissioners serves as the governing board for the Missoula County Workers' Compensation Group Insurance Authority. The Plan is managed by the County's Risk Manager. The operations of the Plan are reported in a separate Internal Service Fund.

#### Seeley Lake Refuse District

The Board of County Commissioners serves as the governing board for the Seeley Lake Refuse District. The district is managed by the County's Public Works Department. The operations of this District are reported as a Special Revenue Fund.

#### Larchmont Golf Course

The Board of County Commissioners serves as the governing board of Larchmont Golf Course. The course is managed by a seven-member advisory board who are appointed by the Board of County Commissioners of Missoula County. The course is required to remit 10% of golf course sales and 3.0% of concession sales to Missoula County annually. The operations of the golf course are reported in a separate Enterprise Fund.

#### Missoula Development Authority

The Missoula Development Authority is governed by the Board of County Commissioners of Missoula County and was created to develop a business park. County management has operational responsibility for the Authority. The Authority, which was formed in 1992, is financed by tax increment in two districts: The Missoula Airport Industrial District and the Missoula County Technology District, whereby property taxes attributable to increases in taxable valuation of the properties within the district are utilized for debt service and operations. The Authority is accounted for in two Special Revenue Funds: MDA Airport Industrial District and MDA Technology District.

## Note 1 - Summary of Significant Accounting Policies (Continued)

Discretely-Presented Component Units - The component unit columns in the government-wide financial statements include the financial data of the County's discretely-presented component units. These are reported in separate columns to emphasize that they are legally separate from the County.

Missoula Aging Services - The Missoula Aging Services is a nonprofit corporation whose purpose is the development and operation of programs for the benefit of senior citizens. The organization's board of directors is appointed by and serves at the will of the Board of County Commissioners of Missoula County. The organization prepares its separately issued financial statements on the basis of GASB Statement 34, using accounting principles applicable to enterprise funds. The complete financial statements for the Missoula Aging Services can be obtained from Missoula Aging Services, 337 Stephens, Missoula, MT 59801.

Partnership Health Center - The Partnership Health Center, Inc. is a nonprofit corporation organized for the purpose of providing health services to the medically underserved in the County. The organization's board is comprised of representatives of local health care providers and consumers and is not controlled by the County. However, under terms of an agreement between the Center and the County, the County has management control over all fiscal and personnel matters of the Center. Under this agreement, Center employees are considered County employees and are subject to County personnel policies. In addition, the County Commissioners are responsible for adopting the Center's annual budget. Lastly, the County provides risk management oversight and indemnification for the Center and its governing board. The organization prepares its separately issued financial statements on the basis of GASB Statement 34, using accounting principles applicable to enterprise funds. Complete financial statements of the Partnership Health Center, Inc. can be obtained from the organization at 401 W Railroad St, Missoula, Montana 59802.

### Related Organizations

Two organizations fall into the category of "related organizations" as defined by the Governmental Accounting Standards Board criteria. These are the Missoula County Airport Authority and Lolo Mosquito District. For each of these entities the Missoula County Board of County Commissioners appoints the board of directors, but cannot impose their will on the organization, nor does the County derive any benefit or burden from these organizations.

#### Missoula County Airport Authority

The Missoula Airport Authority is governed by a five-member board and has complete responsibility for the operation of the Missoula International Airport.

#### Lolo Mosquito District

The Lolo Mosquito District is governed by a five-member board of directors appointed by the Missoula County Commissioners. It operates mosquito abatement programs in the community of Lolo.

Accounting Policies - The accounting policies of Missoula County conform to generally accepted accounting principles (GAAP) applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

Basis of Presentation - The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

### Government-wide Financial Statements

The statement of net position and the statement of activities report information about the County as a whole. These statements include the financial activities of the primary government and the discretely presented component units but exclude the fiduciary funds. Certain interfund transactions (primarily transfers) are eliminated to avoid overstating revenues and expenses. The activities of internal service funds are reflected in governmental activities in the government-wide financial statements. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities for the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted for the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

### Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal services funds are combined and the totals are presented in a single column in the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting - The accounts of Missoula County are organized on the basis of separate accounting entities referred to as funds. Each fund's operations are accounted for with a separate set of self-balancing accounts consisting of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. There are three categories of funds: governmental, proprietary and fiduciary.

### Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

#### General Fund

The General Fund accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

### Public Safety Special Revenue Fund

The Public Safety Fund accounts for the Sheriff's Department, including law enforcement and the operations of the Missoula County Detention Facility. The primary sources of revenue for this fund are property taxes and prisoner board for inmates of other governmental entities.

### RSID Debt Service Fund

The RSID Debt Service Fund accounts for the activities of rural special improvement districts for which construction has been completed and principal and interest payments are now required on construction bonds. The primary source of revenue for this fund are special assessments.

### Fort Missoula Regional Park Construction Fund

The Fort Missoula Regional Park Construction fund accounts for expenditures associated with designing, acquiring, constructing, installing, and equipping various improvements for parks, trails, and recreational activities in Missoula County, including the construction of Fort Missoula Regional Park. The primary source of revenue for this fund is issuance of the Parks & Trails general obligation bonds.

### Proprietary Funds

Proprietary funds are used to account for the County's organizations and ongoing activities which are similar to those often found in the private sector.

### Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The County reports the following major enterprise fund:

#### Larchmont Golf Course

The Larchmont Golf Course Fund is used to account for the activities of the County's 18-hole public golf course.

### Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. These funds include the Risk Management, Health Insurance, Workers' Compensation, Telephone Services, Excess Loss, and Information Services Operations funds. Risk Management is financed principally through property taxes, while Health Insurance, Workers' Compensation, Telephone Services, Excess Loss, and Information Services Operations are financed primarily through charges to other funds and departments of the County or its employees.



## **Note 1 - Summary of Significant Accounting Policies (Continued)**

### Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations or other governments. Investment trust funds are used to account for the portion of the County's investment pool that is held on behalf of legally separate entities that are not part of the County's financial reporting entity. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County uses agency funds to account for assets held for other agencies including the State of Montana, City of Missoula, local school districts, post-employment benefits, and other local agencies.

### Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

### Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the operations of the County are included in the Statement of Net Position. Revenues are recognized when earned, and expenses are recognized when incurred.

### Fund Financial Statements

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the fiscal period, except for tax receipts which are recorded as revenue when received. Intergovernmental grant revenue usually meets the availability criterion. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued; and (2) principal and interest on general long-term debt which is recognized when due.

Proprietary funds and all trust funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for Larchmont Golf Course, Telephone Services, Information Services Operations, self-insurance programs, and special assessments for RSID funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues and expenses which do not meet this criteria are considered non-operating and reported as such. Property taxes associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period.

Fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. Agency funds have no measurement focus.

Budgets - As provided by state law, Missoula County follows these procedures to develop the budget information reflected in the financial statements:

- (1) Prior to the first Monday in July, a proposed operating budget is submitted to the County Commissioners for the fiscal year commencing July 1st. The operating budget includes proposed expenditures and the means of financing them.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Within 45 calendar days of receipt of certified taxable values from the Montana Department of Revenue, the budget is legally enacted through an official resolution of adoption.

The County prepares its budget primarily on the cash basis. Revenues (except for property taxes) are budgeted in the year they are anticipated to be collected. Expenditures are budgeted in the year they are expected to be paid by warrant. All appropriations lapse at the end of a fiscal year. The County includes in its budget the full amount of property taxes levied for the year. This approximates the cash basis because delinquencies of current year taxes are generally offset by collection of prior years' delinquencies.

Budgets cannot be increased except by:

- (a) a public emergency which could not have been reasonably foreseen at the time of adoption of the original budget;
- (b) debt service funds for obligations related to debt approved by the governing body;
- (c) trust funds for obligations authorized by trust covenants;
- (d) for federal, state, local, or private grants and shared revenue accepted and approved by the governing body;
- (e) for special assessments approved by the governing body;
- (f) the proceeds from the sale of land;
- (g) for gifts or donations; or
- (h) money borrowed during the fiscal year.

Budget transfers may be made between and among the general classifications of salaries and wages, operations and maintenance, and capital outlay upon a resolution adopted by the governing body; however, no budget transfer can increase an individual salary. Expenditures may not legally exceed appropriations for an individual fund. The level of budgetary control, at which the governing body must approve over-expenditures or transfers of appropriations, is established within an individual fund and each department of the general fund by the three categories referenced above.

Annual appropriated budgets are adopted for all funds with anticipated expenditures.

Individual fund budgetary amounts equal appropriation amounts. All annual appropriations lapse at the end of the year. The amounts reported as the original budget amounts represent the original adopted budget. The amounts reported as final budget amounts represent the final budget, including all amendments and modifications. Supplemental appropriations were generally made for unanticipated state and federal grants awarded during the year.

Property Taxes - Property tax levies are set on or before the second Monday in August, in connection with the budget process. Real property (and certain attached personal property) taxes are billed within ten days after the third Monday in October and are due in equal amounts on November 30 and the following May 31. After those dates, they become delinquent (and a lien upon the property). After three years the County exercises the lien and takes title to the property. Properties taken on tax deeds are recorded in taxes receivable at the outstanding delinquent amount.

Special assessments are either billed in one installment due November 30 or two equal installments due November 30 and May 31.

Personal property taxes (other than those billed with real estate) are generally billed no later than the second Monday in July (normally in May or June), based on the prior November's levies. Personal property taxes, other than mobile homes, are due thirty days after billing. Mobile home taxes are billed in two halves, the first due thirty days after billing; the second due no later than November 30.

## Note 1 - Summary of Significant Accounting Policies (Continued)

An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The estimated uncollectible amount at June 30, 2018 is \$107,809.

Taxable valuations, mill values and mill levies for November 2017 and May 2018 property tax billings were as follows:

	<u>Taxable Valuation</u>	<u>Valuation of Tax Increment</u>	<u>Value of Mill</u>	<u>Mills Levied</u>
County-wide levies	\$ 219,322,653	\$ 11,057,616	\$ 219,323	189.63 mills
Unincorporated levies	\$ 97,567,075	\$ 3,469,269	\$ 97,567	37.88 mills

The county-wide value includes \$7,588,347 which is the incremental value of property within the City of Missoula tax increment districts. Both the county-wide and unincorporated values include \$2,712,496, the incremental value of property in the Airport Industrial Tax Increment District; \$298,444, the incremental value of property in the Technology District; \$289,813, the incremental value of property in the Bonner Mill Industrial District; and \$168,516, the incremental value of property in the Bonner West Log Yard Targeted Economic Development Districts. Taxes on that value accrue to the tax increment district, not to the usual taxing authorities, hence the value of a mill which it is budgeted against is reduced by that incremental value.

State law limits the number of mills the County can levy to the amount of property tax dollars levied in the prior fiscal year plus the amounts related to the taxable value for annexation of real property, new construction and improvements, debt service, one-half of the average inflation for the past three years based on the consumer price index, and certain other exceptions.

Cash and Cash Equivalents, Investments and Investment Income - Except for certain specific bank deposits and investments held separately on behalf of health benefits and workers compensation funds, cash resources, to the extent available, of the individual funds are combined to form an investment pool, which is managed by the Chief Financial Officer. Investments of pooled cash, which are authorized by state law, consist primarily of demand deposits, non-negotiable certificates of deposit, bank repurchase agreements, government agency securities and notes, and investments in the state short-term investment pool (STIP).

Investments are reported at fair value, although certain investments and bank deposits are reported at cost or amortized cost. The following presents the basis of valuation for the County's deposits and investments:

<u>Description of Deposit or Investment</u>	<u>Basis of Valuation</u>
Pooled and non-pooled demand deposits	Cost
Non-negotiable certificates of deposit	Cost
Bank repurchase agreements	Cost
Government agency securities and notes	Fair Value
State Short-Term Investment Pool (STIP)	Share Price (Fair Value)
Land held for resale	Fair Value

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

Legally separate entities that are not part of the County reporting entity are permitted to participate in the investment pool, and those entities' portion of the investment pool is reported in an investment trust fund. The investment pool is managed in accordance with the County's stated investment policy. There is no external regulatory oversight for the investment pool. Fair values, to the extent applicable, are determined on a monthly basis. Investments and withdrawals from the pool are based on the underlying value of the deposits and investments (cost or share price, as applicable). The County has not obtained any legally binding guarantees to support the value of the pool, and there are no involuntary participants.

Investment income, which includes realized gains and losses and the change in the fair value of investments, is recognized on the modified accrual basis for internal governmental funds and on the accrual basis for investment trust funds. Investment income is allocated directly to funds holding specific investments. Investment income on pooled investments is allocated to funds and participating external entities on the basis of beginning of month balances.

For purposes of the statements of cash flows, the Enterprise and Internal Service funds consider only cash to be cash equivalents. A portion of funds held in the County's cash management pools are considered cash equivalents. Interest and dividends reinvested into separate investment trust accounts are not considered cash equivalents.

Materials and Supplies Inventories - Inventories of materials and supplies are valued at cost (first-in, first-out), which is lower than market. Inventory in the General and Special Revenue Funds consists of expendable materials and supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Reported inventories are equally offset by nonspendable fund balance in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of current assets.

Prepaid Costs - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid costs are valued at cost and include prepaid insurance. Prepaid costs are recorded as expenditures or expenses as policies expire. Reported prepaid costs are equally offset by nonspendable fund balance to indicate that they do not constitute "available spendable resources" even though they are a component of current assets.

Advances to/from Other Funds - Advances to/from other funds record long-term debt owed by one fund to another. Advances to/from other funds are eliminated in the government-wide financial statements except for those transactions between governmental activities and business-type activities.

Other Interfund Transactions - During the course of its operations, the County has transactions between funds to finance operations, provide services, and service debt. These transactions are generally recorded as charges for services revenue and operations expenditures or interfund transfers in and out. To the extent that certain transactions between funds had not been paid or received at year end. The balance of short-term interfund amounts receivable or payable are reported as due to and due from other funds in the fund financial statements. These transactions are eliminated in the government-wide financial statements. In addition, interfund cash flow loans are reported as due to/from other funds.

## Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets and Depreciation - Capital assets in the government-wide financial statements and the proprietary funds are stated at cost less accumulated depreciation. Cost includes expenditures which materially increase values or capacities and extend useful lives of property and equipment beyond one year. Interest costs on assets constructed (net of interest earnings on invested debt proceeds) are capitalized and amortized over the useful lives of the related assets. Depreciation on capital assets, including those assets acquired with contributions, is computed using the straight-line method based upon the estimated useful lives of the related assets as follows:

Buildings and improvements	40 years
Improvements other than buildings	30 years
Equipment, furniture and fixtures	5-10 years

Personal property assets costing more than \$5,000 and all real property are capitalized in the government-wide financial statements and proprietary funds. Property and equipment are recorded at cost, including freight and delivery costs incidental to placing the assets into service. Donated capital assets are valued at their acquisition value as of the date of donation.

Compensated Absences - Under terms of state law and various union contracts, County employees are granted vacation, sick and other leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days and for 25 percent of accumulated sick leave. In the governmental funds, compensated absences are reported when paid or matured (i.e. unused reimbursable leave outstanding after employee separation from service).

For the government-wide financial statements and the proprietary funds, compensated absences to be funded from future resources are reflected as liabilities to the extent they are vested.

Self-Insurance Accruals - Expenses are accrued for estimated claims reported but unpaid at year-end and for health benefits and workers' compensation claims incurred but unreported. Incurred but unreported claims, in aggregate, are not material for risk management.

Fund Equity - The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which was effective for the County beginning in 2011. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

GASB Statement No. 54 requires, among other things, that all state and local governmental entities adopt a policy regarding spending priorities of fund balance in governmental funds. The fund balance resources of the County's governmental funds have been categorized as follows:

### Resource Categories:

Nonspendable - resources not in spendable form, such as inventory, or those legally required to be maintained intact, such as the principal portion of permanent trust funds.

Restricted - constraint is externally imposed by a third party (grantor, contributor, etc.), State Constitution or enabling legislation by the State Legislature.

Committed - constraint is internally imposed by the County Commissioners by resolution.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

Assigned - constraint is internally expressed intent by County Administration or County Commissioners through budget approval process or express assignment.

Unassigned - no constraints in the General Fund and negative fund balance in all governmental funds.

When both restricted and unrestricted resources are to be used for the same purpose, the County adopted a spending policy for expenditure order for resource categories (unless the County has provided otherwise in its commitment or assignment actions):

### **General Fund and Special Revenue Funds:**

First: Restricted

Second: Committed

Third: Assigned

Fourth: Unassigned

### **Debt Service and Capital Projects Funds:**

First: Assigned

Second: Committed

Third: Restricted

Fourth: Unassigned

The County does not maintain a stabilization fund or have a minimum fund balance policy.

Net Position - Net position represents assets and deferred outflows of resources, less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantor, laws, or regulations of other governments. The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

## Note 2 - Cash and Cash Equivalents and Investments

The total cash and cash equivalents, cash with fiscal agents, restricted cash and investments at June 30, 2018, are detailed as follows:

	Primary Government	Component Units	Total
Cash on hand	\$ 8,999	\$ -	\$ 8,999
Cash in pooled bank deposits	823,753	41,883	865,636
Cash in non-pooled bank deposits	1,635,974	1,482,648	3,118,622
Cash with fiscal agents	7,673,685	-	7,673,685
Pooled investments	232,184,393	11,671,100	243,855,492
Non-pooled investments	10,094,197	2,014,365	12,108,562
Investment in land held for resale	3,498,158	-	3,498,158
Total	\$ <u>255,919,158</u>	\$ <u>15,209,996</u>	\$ <u>271,129,154</u>

Cash on hand - Represents petty cash and change maintained by various departments.

Cash in bank deposits - Cash in bank balances includes deposit items such as daily demand/time deposits, Treasury Money Market deposits and fiscal agent deposits. The County minimizes custodial credit risk by restrictions set forth in County policy and state law. Custodial credit risk for deposits is the risk that, in the event of a financial institution failure, the County's deposits may not be returned or the County will not be able to recover the collateral securities in the possession of the outside party. Types of securities that may be pledged as collateral are detailed in Section 17-6-103, Montana Code Annotated (MCA).

At June 30, 2018, the County's carrying amount of demand deposits was \$2,501,535 and the statement balance was \$2,646,361. Of the demand deposit balance, \$777,804 in bank deposits was covered by federal depository insurance; and \$2,608 in cash with a brokerage firm was covered by Securities Investor Protection Corporation; and \$700,000 of bank deposits was covered by securities held by the pledging financial institutions trust department or agent in the County's name; and \$1,165,948 was unsecured. The County has repurchase agreements totaling \$14,868,050 that are collateralized by securities held by the pledging financial institutions' trust department or agent.

Fiscal agent deposits of \$7,673,685 consist of deposits with trustees related to the payment of bonds by the County. These funds are invested in accordance with bond covenants and are pledged for payment of principal and interest. The pledging financial institutions' trust department or agent holds the invested funds in the County's name.

Montana statutes state that the County may have pledged securities equal to 50% of its total bank deposits that are not insured or guaranteed. At June 30, 2018, 38% of the County's uninsured bank deposits were collateralized by pledged securities.

## Note 2 - Cash and Cash Equivalents and Investments (Continued)

Pooled and non-pooled investments - At June 30, 2018, the County's pooled and non-pooled investment balances were as follows:

	Maturity in Years					No Maturity	Fair Value	Rating
	Less than 1	1-2	2-3	3-4	4-5			
Primary Government Investments:								
Government Money Market (Rated)	\$ 13,348,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,348,536	AA+
Certificates of Deposit	-	469,831	-	-	230,120	-	699,951	AA+
Vanguard Short-Term Federal Mutual Fund	164,480	-	-	-	-	-	164,480	AA+
Federal Home Loan Bank Notes-CMO	397,954	841,259	1,457,738	3,964,515	-	-	6,661,466	AA+
Federal Home Loan Mortgage Corp-CMO	199,187	2,146,417	3,727,882	1,728,918	285,712	-	8,088,117	AA+
Federal National Mortgage Assoc-CMO	798,745	766,029	1,600,025	1,129,135	145,161	-	4,439,095	AA+
Federal Ag Mortgage Corporation Notes	-	-	-	719,147	-	-	719,147	AA+
US Treasury Notes	2,344,170	-	-	-	-	-	2,344,170	
Short Term Investment Pool (STIP)	191,672,420	-	-	-	-	-	191,672,420	A1
Repurchase Agreements	-	-	-	-	-	14,156,454	14,156,454	A3
Investment in land held for resale	-	-	-	-	-	3,498,158	3,498,158	A3
Total Primary Government	208,925,492	4,223,536	6,785,646	7,541,714	660,994	17,654,612	245,791,993	
Component Unit Investments:								
Government Money Market (Rated)	612,997	-	-	-	-	-	612,997	AA+
Certificates of Deposit	-	23,617	-	-	11,567	-	35,184	AA+
Federal Home Loan Bank Notes-CMO	-	-	23,210	187,024	-	-	210,234	AA+
Federal Home Loan Mortgage Corporation-CMO	-	95,478	187,388	86,907	14,362	-	384,134	AA+
Federal National Mortgage Association Notes	-	-	35,239	47,011	-	-	82,251	AA+
Short Term Investment Pool (STIP)	9,634,704	-	-	-	-	-	9,634,704	A1
Equity Mutual Funds	-	-	-	-	-	2,014,365	2,014,365	NR
Repurchase Agreements	-	-	-	-	-	711,596	711,596	A3
Total Component Unit	10,247,701	119,095	245,837	320,942	25,929	2,725,961	13,685,465	
Total	\$ 219,173,193	\$ 4,342,631	\$ 7,031,483	\$ 7,862,656	\$ 686,923	\$ 20,380,573	\$ 259,477,458	



## Note 2 - Cash and Cash Equivalents and Investments (Continued)

The County categorizes their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Level 1: Unadjusted quoted prices for identical instruments in active markets.

Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3: Valuations derived from valuation techniques in which significant inputs are unobservable.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to their fair value measurements requires judgement and considers factors specific to each asset or liability.

Investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical method are not classified in the fair value hierarchy. This is the case of the State of Montana Short Term Investment Pool (STIP) which consists of cash and cash equivalents. Effective October 2015, STIP is recorded on a NAV or "fair value" basis. The value of each participating dollar equals the fair value divided by the amortized cost. The fair value of publicly traded stocks and bonds is determined by reference to market prices supplied by State Street Bank (BOI's custodial bank). Because a public market does not exist for private equity and real estate investments, the fair value of these investments is the value reported in the most recent external managers' valuation reports.

During 2018, investments by fair value level are as follows:

	Fair Value	Level 2	Level 3
Certificates of Deposit	\$ 699,951	\$ 699,951	\$ -
Fixed Government Securities	22,416,474	22,416,474	-
Investment in land held for resale	3,498,158	-	3,498,158
Total investments by fair value level	<u>26,614,583</u>	<u>\$ 23,116,425</u>	<u>\$ 3,498,158</u>
Investments measured at the net asset value (NAV):			
State of Montana Short Term Investment Pool (STIP)	<u>191,672,420</u>		
Total investments measured at fair value	<u>\$ 218,287,003</u>		

As a means of limiting its exposure to interest rate risk (the risk that the fair value of investments could decrease in a rising interest rate environment), the County uses a laddering technique in which it purchases investments of varying maturities at varying times in order to keep the average maturity of the portfolio within the recommendations of the County's Investment Advisory Committee and the County's investment advisors. Additionally, the County's investment policy prohibits the County from having investments with maturities greater than five years.

## **Note 2 - Cash and Cash Equivalents and Investments (Continued)**

As a means of limiting its exposure to credit risk (the risk that an issuer or other counter party to an investment will not fulfill its obligation), the County's investment policy restricts its investments to the following types:

- Direct obligations of the U.S. Government
- Securities issued and guaranteed by agencies of the United States
- Mutual funds that only invest in federal government obligations
- Securities issued by agencies of the United States
- Securities guaranteed by the United States or by an agency of the United States but not issued by agencies of the United States
- Repurchase Agreements
- State of Montana Short Term Investment Pool (STIP)

These investments have credit risk measured by major credit rating services (the ratings in the preceding table are from Standard & Poor's Corporation or Moody's Investment Services). Although the STIP investments have been rated by investment security type, STIP, as an external investment pool, has not been rated. All of the investments in the schedule are uninsured and unregistered with the pledging financial institution's trust department or agent holding the invested funds in the County's name, except for STIP because those securities are not used as evidence of the investments.

As a means of limiting its exposure to custodial credit risk (the risk that in the event of a financial institution failure, the County's investments would not be returned or the County will not be able to recover the value of its investments of collateral securities that are in possession of the outside party), County policy requires maintenance of a list of authorized institutions. These institutions have been selected through a formal procurement process that, in part, was made on the financial position of those institutions.

The State Short-Term Investment Pool (STIP) is an external investment pool managed and administered under the direction of the Montana Board of Investments (BOI) as statutorily authorized by the Unified Investment Program. It is a commingled pool for investment purposes and participant requested redemptions from the pool are redeemed the next business day. The fair values of the investments in this category have been determined using the NAV per share (or its equivalent) of the investment. Refer to the fair value measurement note disclosures within BOI's annual financial statements ([www.investmentmt.com](http://www.investmentmt.com)) for the underlying investments within the fair value hierarchy.

The external investment pool managed by the County is 82.26% invested in STIP and 6.08% invested in repurchase agreements. For the year ended June 30, 2018, STIP's average investment return was 1.48%.

## Note 2 - Cash and Cash Equivalents and Investments (Continued)

Condensed financial information for the County's investment pool follows:

### Statement of Net Position

Assets:	
Cash on hand	\$ 8,999
Cash in pooled bank deposits	865,637
Investments	
Repurchase agreements	14,868,050
Government securities	14,871,895
Money markets	12,807,937
STIP	201,307,610
Total Assets	<u>244,730,128</u>
Net Position:	
County funds	58,327,053
External participants	186,403,074
Total Net Position	<u>\$ 244,730,128</u>

### Statement of Changes in Net Position

Additions:	
Interest Income	\$ 2,752,411
Participant Investments in Pool	<u>524,881,606</u>
Total Additions	527,634,017
Deductions:	
Distribution to Participants	<u>(494,370,014)</u>
Change in Net Position	33,264,003
Net Position	
Beginning of year	<u>211,466,125</u>
End of year	<u>\$ 244,730,128</u>

### Note 3 - Loans and Notes Receivable

Loans and notes receivable at June 30, 2018 consist of:

<u>HUD - Missoula Children's Theatre</u>	
0%, \$24,500 due annually June 2003 through June 2017	\$ 4,084
<u>Missoula Area Youth Hockey Association</u>	
Variable interest due annually, all principal and interest due January 1, 2016	61,000
<u>Mountain Water Company</u>	
Contracts for sale of water lines, 0% interest, varying amounts due annually with remainder due at varying dates through July 2049	669,393
<u>Pyramid Mountain Lumber</u>	
4%, due monthly in varying amounts from January 2013 through December 2020	131,684
<u>Seeley Lake Fire</u>	
4%, \$8,500 due semiannually from August 2009 through August 2024	46,405
<u>Pyramid Mountain Lumber</u>	
4%, \$914 due monthly from January 2013 through December 2020	26,882
<u>Homewood</u>	
3%, \$337 due monthly from January 2013 through February 2028 with balance due March 2028	70,485
<u>Western Cider</u>	
5%, \$21,637 due annually through January 2028	150,755
<u>Missoula Institute for Sustainable Transportation</u>	
4%, \$22,956 due annually through April 2037	101,496
	<hr/>
<b>Loans &amp; Notes Receivable</b>	<b>\$ <u>1,262,184</u></b>

#### Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

<b>Primary Government</b>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 6,902,571	\$ -	\$ -	\$ 6,902,571
Construction in Progress	<u>47,254,921</u>	<u>14,056,758</u>	<u>-</u>	<u>61,311,679</u>
Total capital assets, not being depreciated	<u>54,157,492</u>	<u>14,056,758</u>	<u>-</u>	<u>68,214,250</u>
Capital assets, being depreciated:				
Buildings	52,877,315	-	-	52,877,315
Equipment	26,937,779	1,150,409	(205,731)	27,882,458
Infrastructure	<u>63,672,564</u>	<u>356,731</u>	<u>-</u>	<u>64,029,295</u>
Total capital assets, being depreciated	<u>143,487,658</u>	<u>1,507,140</u>	<u>(205,731)</u>	<u>144,789,068</u>
Less accumulated depreciation for:				
Buildings	17,883,562	1,254,807	-	19,138,369
Equipment	19,176,217	2,221,779	(167,417)	21,230,579
Infrastructure	<u>21,639,918</u>	<u>1,693,453</u>	<u>-</u>	<u>23,333,371</u>
Total accumulated depreciation	<u>58,699,697</u>	<u>5,170,040</u>	<u>(167,417)</u>	<u>63,702,320</u>
Total capital assets, being depreciated, net	<u>84,787,961</u>	<u>(3,662,899)</u>	<u>(38,314)</u>	<u>81,086,748</u>
Total capital assets	<u>\$ 138,945,453</u>	<u>\$ 10,393,859</u>	<u>\$ (38,314)</u>	<u>\$ 149,300,998</u>

#### Note 4 - Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,049,212	\$ -	\$ -	\$ 1,049,212
Construction in Progress	55,358	35,399	-	90,757
Total capital assets, not being depreciated	<u>1,104,570</u>	<u>35,399</u>	<u>-</u>	<u>1,139,969</u>
Capital assets, being depreciated:				
Buildings and improvements	1,630,988	-	-	1,630,988
Improvements other than buildings	5,433,677	-	-	5,433,677
Equipment, furniture and fixtures	1,405,505	50,023	-	1,455,528
Total capital assets, being depreciated	<u>8,470,170</u>	<u>50,023</u>	<u>-</u>	<u>8,520,193</u>
Less accumulated depreciation for:				
Buildings and improvements	1,012,661	38,649	-	1,051,310
Improvements other than buildings	3,288,608	133,360	-	3,421,968
Equipment, furniture and fixtures	1,101,992	79,767	-	1,181,759
Total capital assets, being depreciated	<u>5,403,261</u>	<u>251,776</u>	<u>-</u>	<u>5,655,037</u>
Total capital assets, being depreciated, net	<u>3,066,909</u>	<u>(201,753)</u>	<u>-</u>	<u>2,865,156</u>
Total capital assets	<u>\$ 4,171,479</u>	<u>\$ (166,354)</u>	<u>\$ -</u>	<u>\$ 4,005,125</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General Government	\$ 568,946
Criminal Justice	3,620
Public Safety	2,041,496
Public Works	2,306,993
Public Health	86,535
Social and Economic Services	37,895
Culture and Recreation	122,793
Housing & Community Development	1,760
Total depreciation expense - governmental activities	<u>\$ 5,170,038</u>
Business-type activities:	
Larchmont Golf Course	\$ 164,455
RSIDs	87,321
Total depreciation expense - business-type activities	<u>\$ 251,776</u>

#### Note 4 - Capital Assets (Continued)

##### Discretely presented component units

Activity for the Missoula Aging Services for the year ended June 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 132,000	\$ -	\$ -	\$ 132,000
Capital assets, being depreciated:				
Buildings	1,936,877	-	-	1,936,877
Equipment	141,255	23,986	(30,799)	134,442
Total capital assets, being depreciated	2,078,132	23,986	(30,799)	2,071,319
Less accumulated depreciation	955,483	72,577	(30,799)	997,261
Total capital assets, being depreciated, net	1,122,649	(96,563)	-	1,074,058
Total capital assets	\$ 1,254,649	\$ (96,563)	\$ -	\$ 1,206,058

Activity for the Partnership Health Center for the year ended June 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in Progress	\$ 445,189	\$ 246,965	\$ (441,715)	\$ 250,439
Capital assets, being depreciated:				
Buildings	14,422,378	740,131	-	15,162,509
Machinery and equipment	1,727,915	62,969	-	1,790,884
Total capital assets, being depreciated	16,150,293	803,100	-	16,953,393
Less accumulated depreciation	3,711,484	548,363	-	4,259,847
Total capital assets, being depreciated, net	\$ 12,438,809	\$ 254,737	\$ -	\$ 12,693,546

#### Note 5 - Long-Term Liabilities

At June 30, 2018, unmatured principal on long-term debt consisted of the following:

Governmental Activities:

##### General Obligation

\$3,325,000 General Obligation Bonds Series 2007 issued December 2007,  
3.625% to 3.75%, due in varying amounts to July 2018

\$ 405,000

**Note 5 - Long-Term Liabilities (Continued)**

\$6,540,000 Refunding General Obligation Bonds Series 2012 issued December 2012, 2% stated interest, 0.95% implicit interest, due in varying amounts to July 2018 - outstanding balance includes a net issuance premium of \$22,479	1,267,749
\$206,194 State Revolving Fund Loan, issued July 2000, 4%, due in varying amounts to July 2020	35,000
\$3,325,000 General Obligation Bonds Series 2010 issued September 2010, 2.0% to 3.125%, due in varying amounts to July 2028	2,870,000
\$36,255,000 General Obligation Bonds Series 2016 issued May 2016, 2.0% to 5.0%, due in varying amounts to July 2036 outstanding balance includes a net issuance premium of \$5,121,174	40,316,174
\$3,325,000 General Obligation Bonds Series 2016A issued July 2016, 3.0% to 5.0%, due in varying amounts to July 2036 - outstanding balance includes a net issuance premium of \$629,549	3,379,549
\$2,970,000 General Obligation Bonds Series 2017, issued May 2017, 3%, due in varying amounts to July 2037	2,970,000
Total general obligation bonds and loans	<u>51,243,472</u>

**Limited Obligation Bonds and Notes**

\$2,000,000 Partnership Health Center Limited Obligation Note, Series 2008 issued November 17, 2008, 4% to 5%, due in varying amounts to July 2028	1,300,000
\$800,000 Ice Rink Facility Bond, Series 2006 issued March 2006, 3.4% to 4.25%, due in varying amounts to July 2026	440,000
\$1,255,000 Refunding Limited Obligation Bonds, Series 2012A issued December 13, 2012, 0.8% to 3% stated interest, 1.96% implicit interest, due in varying amounts to July 2032 - outstanding balance includes a net issuance premium of \$21,714	821,714
\$1,615,000 Limited Obligation Bonds, Series 2012B issued December 13, 2012, 0.96% to 3% stated interest, 2.4% implicit interest, due in varying amounts to July 2032 - outstanding balance includes a net issuance premium of \$39,630	1,289,630
\$1,060,000 Larchmont Golf Course Limited Obligation Note, Series 2010 issued September 2, 2010, 2.0% to 4.0%, due in varying amounts to July 2030	750,000
\$1,394,329 Grants/RVSD Building Limited Obligation Note, Series 2014 issued November 20, 2014, 3.0%, due in varying amounts to July 2030	1,252,147



**Note 5 - Long-Term Liabilities (Continued)**

\$3,150,000 Limited Obligation Note, Series 2017 issued January 30, 2017, 3.1%, due in varying amounts to January 2037	3,026,881
\$1,092,000 Limited Obligation Note, Series 2017B issued November 22, 2017, 2.4%, due in varying amounts to July 2022	977,562
Total limited obligation bonds and notes	<u>9,857,934</u>

**Tax Increment Bonds**

\$4,945,000 Series 2006 Industrial Tax Increment Bond, 3.6% to 4.0%, due in varying amounts through July 2018; repayment from the Missoula Development Authority - Industrial Tax Increment District	500,000
\$1,100,000 Series 2006 Industrial Tax Increment Bond, 5.6% to 6.4%, due in varying amounts through July 2026; repayment from the Missoula Development Authority - Technology Tax Increment District	670,000
Total limited obligation bonds and notes	<u>1,170,000</u>

**Special Assessment Bonds and Loans**

\$877,000 Rural Special Improvement Districts Bonds for Meadows West/O'Keefe Boulevard paving, issued November 2006, 3.7% to 4.6%, due in varying amounts through July 2027	430,000
\$514,000 Rural Special Improvement Districts Bonds for Interstate Place paving, issued August 2007, 3.8% to 4.5%, due in varying amounts through July 2022	215,000
\$226,000 Rural Special Improvement Districts Bonds for Whipporwill Drive Paving, issued November 2006, 3.7% to 4.5%, due in varying amounts through July 2022	75,000
\$2,230,000 Rural Special Improvement Districts Bonds for the Wye Sewer Project, issued July 2009, 3.5% to 6.25%, due in varying amounts through July 2029	1,590,000
\$1,126,000 Rural Special Improvement Districts Bonds for Tookie Trek Paving, issued August 2007, 3.8% to 4.6%, due in varying amounts through July 2027	700,000
\$291,000 State Revolving Fund Loan for the Sunset West Water project, issued November 1998, 4%, due in varying amounts to July 2019	23,000
\$649,936 State Revolving Fund Loan for the Lolo Wastewater Improvements project, issued September 2002, 4%, due in varying amounts to July 2023	184,000
\$4,498,121 State Revolving Fund Loan for the Mullan Corridor Sewer project, issued July 2003, 3.75%, due in varying amounts to July 2024	1,075,000

**Note 5 - Long-Term Liabilities (Continued)**

\$281,199 State Revolving Fund Loan for the Country Crest portion of the Mullan Corridor Sewer project, issued April 2005, 3.75%, due in varying amounts to July 2020	30,000
\$359,300 State Revolving Fund Loan (ARRA-B) for the Wye Sewer project, issued December 2009, 1.75%, due in varying amounts to July 2029	231,000
\$3,735,000 State Revolving Fund Loan (ARRA-C) for the Wye Sewer project, issued December 2009, 3.75%, due in varying amounts to July 2029	1,853,000
\$3,410,125 State Revolving Fund Loan for the Wye Sewer project, issued August 2009, 3.75%, due in varying amounts to July 2029	2,341,000
\$142,000 State Revolving Fund Loan for the Lorraine South Water Improvements project, issued November 2008, 3.75%, due in varying amounts to July 2029	94,000
\$165,000 State Revolving Fund Loan for the Lewis & Clark Water project, issued September 2009, 0.75%, due in varying amounts to July 2029	97,000
Variable rate (1.25% at 6/30/2015) loan payable for the Williams Addition Area Sewer project, due in varying amounts through August 2025; repayment from the RSID 8497	36,550
Total special assessment bonds and loans	<u>8,974,550</u>

**Capital Lease Payable**

\$9,000,000 Capital Lease for Courthouse Renovation, 2.98%, \$379,243 due semi annually through July 2028	6,795,506
Total capital lease payable	<u>6,795,506</u>

**Notes & Contracts Payable**

Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2024; repayment from the Historical Museum fund	205,323
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2018; repayment from the Seeley Lake Refuse	2,815
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2019; repayment from Road fund	170,628
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through February 2020; repayment from Central Services fund	58,106
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through February 2030; repayment from Seeley Lake Search & Rescue fund	38,018

**Note 5 - Long-Term Liabilities (Continued)**

Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2030; repayment from Seeley Lake Search & Rescue fund	135,175
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2023; repayment from General Fund	291,862
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through February 2020; repayment from Road fund	159,041
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2027; repayment from Fair fund	710,723
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2027; repayment from Fair fund	76,462
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through August 2033; repayment from General Fund	425,158
Total notes and contracts payable	<u>2,273,311</u>
Subtotal	<u>80,314,773</u>

**Liability for Accrued Leave and Post Employment Benefits (Primary Government)**

Post employment benefits	2,001,162
Net Pension Liability	43,794,493
Accrued vacation benefits	2,613,661
Accrued compensatory time benefits	630,092
Accrued holiday benefits	165,645
Accrued sick benefits	1,085,100
Fringe on accrued leave liability	<u>876,877</u>
Total accrued leave	<u>5,371,375</u>
Total Governmental-type Long-Term Liabilities	<u><u>\$ 131,481,803</u></u>

**Note 5 - Long-Term Liabilities (Continued)**

## Business-type Activities:

Notes & Contracts Payable

Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through February 2019; repayment from RSID Enterprise fund	\$ 26,519
Variable rate (3.15% at 6/30/2018) loan payable, due in varying amounts through February 2019; repayment from RSID Enterprise fund	<u>10,705</u>
Total notes and contracts payable	<u>37,224</u>

Liability for Accrued Leave and Post Employment Benefits

Net Post Employment Benefits	20,287
Net Pension Liability	<u>670,167</u>
Total Business-type Long-Term Liabilities	<u><u>\$ 727,678</u></u>

## Note 5 - Long-Term Liabilities (Continued)

An analysis of the changes in bonds, notes, leases and contracts payable for the primary government during the year ended June 30, 2018, follows:

	<u>Beginning Balance</u>	<u>New Debt Issued/ Leave Accrued</u>	<u>Debt Retired/ Leave Used</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
General Obligation	\$ 54,354,192	\$ -	\$ (3,110,720)	\$ 51,243,472	\$ 3,442,970
Limited Obligation Note	9,418,362	1,092,000	(652,428)	9,857,934	758,314
Tax Increment	1,710,000	-	(540,000)	1,170,000	555,000
Special Assessment Bonds Payable	3,255,000	-	(245,000)	3,010,000	260,000
Special Assessment Loans Payable	6,520,410	-	(555,860)	5,964,550	574,860
Capital Lease Payable	7,339,303	-	(543,797)	6,795,506	560,123
Contracts Payable	2,366,089	425,158	(517,936)	2,273,311	404,093
Post Employment Benefits	574,320	2,001,162	(574,320)	2,001,162	-
Liability for Sick and Vacation	5,051,988	4,527,118	(4,207,731)	5,371,375	3,803,911
Net Pension Liability	<u>50,005,175</u>	<u>(2,871,903)</u>	<u>(3,338,779)</u>	<u>43,794,493</u>	<u>-</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 140,594,839</u>	<u>\$ 5,173,535</u>	<u>\$ (14,286,571)</u>	<u>\$ 131,481,803</u>	<u>\$ 10,359,271</u>
<b>Business-type Activities</b>					
Contracts Payable	\$ 52,778	\$ 10,705	\$ (26,259)	\$ 37,224	\$ 27,231
Net Pension Liability	615,741	96,251	(41,825)	670,167	-
Post Employment Benefits	<u>-</u>	<u>24,293</u>	<u>(4,006)</u>	<u>20,287</u>	<u>-</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 668,519</u>	<u>\$ 131,249</u>	<u>\$ (72,090)</u>	<u>\$ 727,678</u>	<u>\$ 27,231</u>

For governmental activities, the liability for sick and vacation and other post employment benefits are generally liquidated by the general fund and other governmental funds.

**Note 5 - Long-Term Liabilities (Continued)**

Annual debt service principal and interest payments required on bonds, notes, leases, contracts and loans payable at June 30, 2018, are as follows:

Governmental Activities										
Fiscal Year Ending June 30	Open Space 2007 Bond Principal	Open Space 2007 Bond Interest	Refunding Bond Principal	Refunding Bond Interest	Fair SRF Principal	Fair SRF Interest	Open Space 2010 Bond Principal	Open Space 2010 Bond Interest	Parks & Trails 2016 Bond Total Principal	Parks & Trails 2016 Bond Total Interest
2019	\$ 405,000	\$ 7,341	\$ 1,245,000	\$ 12,450	\$ 14,000	\$ 1,260	\$ 75,000	\$ 83,244	\$ 1,235,000	\$ 1,471,325
2020	-	-	-	-	14,000	700	225,000	77,994	1,255,000	1,440,150
2021	-	-	-	-	7,000	140	235,000	70,556	1,295,000	1,388,950
2022	-	-	-	-	-	-	250,000	64,494	1,360,000	1,322,575
2023	-	-	-	-	-	-	260,000	57,956	1,425,000	1,252,950
2024-2028	-	-	-	-	-	-	1,485,000	169,359	8,240,000	5,160,050
2029-2033	-	-	-	-	-	-	340,000	21,016	10,370,000	2,961,275
2034-2038	-	-	-	-	-	-	-	-	10,015,000	679,563
	<u>405,000</u>	<u>\$ 7,341</u>	<u>1,245,000</u>	<u>\$ 12,450</u>	<u>35,000</u>	<u>\$ 2,100</u>	<u>2,870,000</u>	<u>\$ 544,619</u>	<u>35,195,000</u>	<u>\$ 15,676,838</u>
Premium on Issuance	-	-	22,749	-	-	-	-	-	5,121,174	-
Total	405,000	-	1,267,749	-	35,000	-	2,870,000	-	40,316,174	-
Less current portion	(405,000)	-	(1,267,749)	-	(14,000)	-	(75,000)	-	(1,536,246)	-
	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 21,000</u>	<u>-</u>	<u>\$ 2,795,000</u>	<u>-</u>	<u>\$ 38,779,928</u>	<u>-</u>

Governmental Activities (Continued)										
Fiscal Year Ending June 30	Open Space 2016 Bond Principal	Open Space 2016 Bond Interest	Library 2017 Bond Principal	Library 2017 Bond Interest	General Obligation Total Principal	General Obligation Total Interest	2008 PHC Ltd Oblig Principal	2008 PHC Ltd Oblig Interest	Ice Rink 2006 Principal	Ice Rink 2006 Interest
2019	\$ 5,000	\$ 135,925	\$ 105,000	\$ 87,525	\$ 3,084,000	\$ 1,799,070	\$ 100,000	\$ 63,288	\$ 40,000	\$ 17,617
2020	5,000	135,775	115,000	84,225	1,614,000	1,738,844	95,000	58,688	45,000	15,875
2021	5,000	135,625	115,000	80,775	1,657,000	1,676,046	100,000	54,175	45,000	14,030
2022	5,000	135,475	120,000	77,250	1,735,000	1,599,794	105,000	49,425	45,000	12,185
2023	5,000	135,325	125,000	73,575	1,815,000	1,519,806	110,000	44,438	50,000	10,200
2024-2028	70,000	673,200	680,000	308,700	10,475,000	6,311,309	640,000	136,463	215,000	18,594
2029-2033	1,250,000	531,250	795,000	198,075	12,755,000	3,711,616	150,000	7,500	-	-
2034-2038	1,405,000	145,125	915,000	70,575	12,335,000	895,263	-	-	-	-
	<u>2,750,000</u>	<u>\$ 2,027,700</u>	<u>2,970,000</u>	<u>\$ 980,700</u>	<u>45,470,000</u>	<u>\$ 19,251,748</u>	<u>1,300,000</u>	<u>\$ 413,977</u>	<u>440,000</u>	<u>\$ 88,501</u>
Premium on Issuance	629,549	-	-	-	5,773,472	-	-	-	-	-
Total	3,379,549	-	2,970,000	-	51,243,472	-	1,300,000	-	440,000	-
Less current portion	(39,975)	-	(105,000)	-	(3,442,970)	-	(100,000)	-	(40,000)	-
	<u>\$ 3,339,574</u>	<u>-</u>	<u>\$ 2,865,000</u>	<u>-</u>	<u>\$ 47,800,502</u>	<u>-</u>	<u>\$ 1,200,000</u>	<u>-</u>	<u>\$ 400,000</u>	<u>-</u>

**Note 5 - Long-Term Liabilities (Continued)**

Governmental Activities (Continued)										
Fiscal Year Ending June 30	Ltd Oblig 2012A Principal	Ltd Oblig 2012A Interest	Ltd Oblig 2012B Principal	Ltd Oblig 2012B Interest	Larchmont Ltd Oblig Principal	Larchmont Ltd Oblig Interest	Grants/RVSD Building Principal	Grants/RVSD Building Interest	Ltd Oblig 2017A Principal	Ltd Oblig 2017A Interest
2019	\$ 115,000	\$ 18,400	\$ 70,000	\$ 32,786	\$ 45,000	\$ 26,906	\$ 55,355	\$ 37,147	\$ 119,086	\$ 92,904
2020	85,000	16,400	70,000	31,750	50,000	25,650	57,028	35,473	122,806	89,184
2021	80,000	14,750	75,000	30,300	50,000	24,150	58,657	33,845	126,638	85,352
2022	85,000	13,100	75,000	28,800	50,000	22,525	60,525	31,977	130,599	81,391
2023	80,000	11,450	75,000	27,300	55,000	20,688	62,354	30,148	134,679	77,311
2024-2028	235,000	29,625	410,000	102,450	295,000	71,362	341,124	121,384	739,191	320,758
2029-2033	120,000	9,300	475,000	36,525	205,000	12,500	395,887	66,622	862,092	197,858
2034-2038	-	-	-	-	-	-	221,217	10,037	791,790	56,169
	<u>800,000</u>	<u>\$ 113,025</u>	<u>1,250,000</u>	<u>\$ 289,911</u>	<u>750,000</u>	<u>\$ 203,781</u>	<u>1,252,147</u>	<u>\$ 366,633</u>	<u>3,026,881</u>	<u>\$ 1,000,927</u>
Premium on Issuance	21,714		39,630		-		-		-	
Total	821,714		1,289,630		750,000		1,252,147		3,026,881	
Less current portion	(117,882)		(72,733)		(45,000)		(55,355)		(119,086)	
	<u>\$ 703,832</u>		<u>\$ 1,216,897</u>		<u>\$ 705,000</u>		<u>\$ 1,196,792</u>		<u>\$ 2,907,795</u>	

Governmental Activities (Continued)										
Fiscal Year Ending June 30	Ltd Oblig 2017B Principal	Ltd Oblig 2017B Interest	Industrial Increment Principal	Industrial Increment Interest	Technology Increment Principal	Technology Increment Interest	Special Assess Bonds Principal	Special Assess Bonds Interest	Special Assess Loans Principal	Special Assess Loans Interest
2019	\$ 208,258	\$ 22,219	\$ 500,000	\$ 10,000	\$ 55,000	\$ 40,216	\$ 260,000	\$ 142,118	\$ 574,860	\$ 211,947
2020	213,286	17,191	-	-	60,000	36,693	265,000	131,030	588,860	190,693
2021	218,436	12,042	-	-	65,000	32,866	275,000	119,355	596,860	169,095
2022	223,710	6,768	-	-	70,000	28,731	285,000	106,938	612,860	147,191
2023	113,872	1,366	-	-	75,000	24,291	290,000	93,865	635,860	124,564
2024-2028	-	-	-	-	345,000	45,741	1,300,000	279,094	2,242,250	346,932
2029-2033	-	-	-	-	-	-	335,000	21,093	713,000	25,755
2034-2038	-	-	-	-	-	-	-	-	-	-
	<u>977,562</u>	<u>\$ 59,586</u>	<u>500,000</u>	<u>\$ 10,000</u>	<u>670,000</u>	<u>\$ 208,538</u>	<u>3,010,000</u>	<u>\$ 893,493</u>	<u>5,964,550</u>	<u>\$ 1,216,177</u>
Premium on Issuance	-		-		-		-		-	
Total	977,562		500,000		670,000		3,010,000		5,964,550	
Less current portion	(208,258)		(500,000)		(55,000)		(260,000)		(574,860)	
	<u>\$ 769,304</u>		<u>\$ -</u>		<u>\$ 615,000</u>		<u>\$ 2,750,000</u>		<u>\$ 5,389,690</u>	

**Note 5 - Long-Term Liabilities (Continued)**

Fiscal Year Ending June 30	Governmental Activities (Continued)						Business-type Activities	
	Lease Payable Principal	Lease Payable Interest	Notes & Contracts Principal	Notes & Contracts Interest	Total Governmental Principal	Total Governmental Interest	Notes & Contracts Principal	Notes & Contracts Interest
2019	\$ 560,123	\$ 198,364	\$ 404,093	\$ 67,206	\$ 6,190,775	\$ 2,780,188	\$ 27,231	\$ 1,173
2020	576,939	181,548	360,870	58,880	4,203,789	2,627,899	712	315
2021	594,259	164,227	199,001	47,513	4,140,851	2,477,746	712	292
2022	612,101	146,386	203,319	41,244	4,293,114	2,316,455	712	270
2023	630,477	128,010	207,735	34,840	4,334,977	2,148,277	712	248
2024-2028	3,447,932	344,502	682,119	92,242	21,367,616	8,220,456	3,560	901
2029-2033	373,675	5,568	198,511	20,474	16,583,165	4,114,811	3,585	340
2034-2038	-	-	17,663	556	13,365,670	962,025	-	-
	<u>6,795,506</u>	<u>\$ 1,168,605</u>	<u>2,273,311</u>	<u>\$ 362,955</u>	<u>74,479,957</u>	<u>\$ 25,647,857</u>	<u>37,224</u>	<u>\$ 3,539</u>
Premium on Issuance	-	-	-	-	5,834,816	-	-	-
Total	6,795,506	-	2,273,311	-	80,314,773	-	37,224	-
Less current portion	(560,123)	-	(404,093)	-	(6,555,360)	-	(27,231)	-
	<u>\$ 6,235,383</u>	-	<u>\$ 1,869,218</u>	-	<u>\$ 73,759,413</u>	-	<u>\$ 9,993</u>	-



## **Note 5 - Long-Term Liabilities (Continued)**

The various bond indentures contain limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, minimum revenue bond coverages, minimum levels of insurance coverage and maintenance of operating assets in good condition. At June 30, 2018, the County was in compliance with all significant indenture provisions.

During 1992, the County created an industrial tax increment district under the provision of state statutes (MCA 7-15-4297-99). The district, known as the Missoula County Airport Industrial District, was created to develop an industrial park in the area of the proposed site of an interstate highway interchange near the Airport. The County is selling parcels in the industrial park to commercial enterprises wishing to establish facilities in the area. In addition, a portion of the property may be used in the future for the development of an inland port facility. In December 2005, the County recharacterized a portion of the industrial district into a technology increment district that was authorized by the 2005 Legislature.

General Obligation Bond Issues - In July 1997, the County issued \$4 million in bond anticipation notes related to a general obligation bond issue approved in 1996 for the construction of a new detention center. The proceeds of the notes were used for the acquisition of land to be used for the detention center. In April 1998, the County issued \$17,100,000 of general obligation bonds, whose net proceeds of \$16,762,636 were used to establish a fund for the construction of the detention facility \$16,758,000, and to pay accrued interest on the bonds of \$4,636. Concurrently with the closing of the bond issue, the County repaid the \$4 million of bond anticipation notes plus accrued interest of \$50,567. In August, 2005, the County issued the Series 2005 General Obligation Refunding Bonds in order to capture savings from low interest rates. Proceeds of the note were used to defease the Series 1998 Detention Center Bonds, resulting in a net present value benefit of \$455,615 and an aggregate debt service savings of \$3,072,229. In December 2012, the County issued the Series 2012 General Obligation Refunding Bonds in order to capture savings from low interest rates. Proceeds of the note were used to defease the Series 2005 General Obligation Refunding Bonds, resulting in a net present value benefit of \$588,987 and an aggregate debt service savings of \$1,136,509.

In December 2007 and September 2010 the County issued \$3,325,000 of general obligation bonds to support the acquisition of lands to be designated as "Open Space" in perpetuity.

In May 2016 the County issued \$36,225,000 of general obligation bonds to pay for designing, acquiring, constructing, installing, and equipping various improvements for parks, trails, and/or recreational activities on County or City of Missoula lands.

In July 2016 the County issued \$2,750,000 of general obligation bonds to support the acquisition of lands to be designated as "Open Space" in perpetuity.

In May 2017 the County issued \$2,970,000 of general obligation bonds to pay for designing, constructing, furnishing, equipping, and landscaping a new public library.

Variable-Rate Debt - Several notes and contracts payable have variable interest rates. The majority of these notes are issued by the State InterCap Revolving Program. Interest rates are determined annually by the State Board of Investments, depending on program experience.

Tax Increment Bond Issue and Defeasance of Prior Issue - In September 1997, the County issued \$2,465,000 in Series 1997 tax increment bonds. The net proceeds of \$2,390,865 were used to defease the outstanding 1996 tax increment bonds (\$279,365), to pay the County's share of the I-90 airport interchange (\$1,292,000), to finance infrastructure projects in the airport industrial park (\$608,000), and to establish a debt service reserve of \$211,500. The economic gain on the refunding portion was immaterial. In August 2006, the County issued \$4,945,000 in Series 2006 tax increment bonds. The net proceeds of \$4,798,061 were used to defease the outstanding 1997 tax increment bonds (\$1,641,286) and \$3,156,775 to complete the infrastructure in the industrial increment portion of the Missoula County Development Park. The net present value benefit of the refunding portion was \$15,237. The aggregate debt service savings on the refunding totaled \$43,963.

In December 2006, the County issued \$1,100,000 in taxable Series 2006 tax increment bonds. The net proceeds of \$1,000,716 were used to acquire the site improvements of the anchor project in the technology district (\$900,000) and establish a debt service reserve (\$100,716).

## **Note 5 - Long-Term Liabilities (Continued)**

Although tax increment revenues in the industrial district and the technology district are projected to be adequate to service the debt on the tax increment bonds, the County has consented to levy annually as much of the 2 mill Port Authority levy as necessary to meet debt service obligations.

Limited Obligation Bonds - In June 2004, the County issued \$995,000 in Series 2004 Limited Obligation General Fund Bonds. The net proceeds of \$981,113 were recorded in the Fair Ice Rink Capital Projects fund. These bonds will be repaid from revenues generated from leasing the Ice Rink facility. In December 2012, these bonds were refunded as part of the issuance of the Limited General Obligation and Refunding Bonds, Series 2012A.

In March 2006, the County issued \$800,000 in Series 2006 Limited Obligation General Fund Bonds. The net proceeds of \$785,215 were recorded in the Fair Ice Rink Capital Projects fund. These bonds will be repaid from revenues generated from leasing the Ice Rink facility.

In October 2008, the County issued \$2,000,000 in Series 2008 Limited Obligation Bonds. The net proceeds of \$1,975,273 were used to finance a portion of the purchase of a new building for the Partnership Health Center. Debt service payments will be made by the Partnership Health Center.

In September 2010, the County issued \$1,060,000 in Series 2010 Limited Obligation Bonds. The net proceeds of \$1,084,563 were used to finance the replacement of the irrigation system at Larchmont Golf Course. Debt service payments will be made by Larchmont Golf Course.

In December 2012, the County issued \$1,255,000 in Series 2012A Limited Obligation Refunding Bonds in order to capture savings from low interest rates. Proceeds were used to defease the Series 1998 Limited Obligation Notes and partially defease the 2004 Limited Obligation General Fund Bonds as well as fund new construction for the Partnership Health Center, resulting in a net present value benefit of \$105,620 and an aggregate debt service savings of \$112,484.

In December 2012, the County issued \$1,615,000 in Series 2012B Limited Obligation Bonds. The net proceeds of \$1,643,087 were used to finance a number of capital projects including, but not limited to, the records center, secure storage warehouse, and administration building renovations. Debt service payments will be made by the General Fund.

In November 2014, the County issued \$1,382,080 in Series 2014 Limited Obligation Bonds. The proceeds were used to finance a number of capital projects including the Grants and Rural Domestic Violence building renovations. Debt service payments will be made by the Grants and Rural Domestic Violence Division funds.

In January 2017, the County issued \$3,150,000 in Series 2017 Limited Obligation Bonds. The proceeds were used to finance the capital acquisition of the Administration Building and the Alder Street property as well as phase 5 of the County Courthouse project.

In December 2017, the County issued \$1,092,000 in Series 2017B Limited Obligation Bonds. The proceeds were used to fund a judgement issued against Missoula County related to a land acquisition issue.

Limited Obligation Note Payable - In June 1998, the County issued \$480,000 in Series 1998 Limited Obligation Notes. The net proceeds of \$471,600 were used to finance a portion of a new health care facility. The health care facility is owned by Partnership Health Center for the purpose of providing health care services to the residents of Missoula County. In December 2012, these bonds were refunded as part of the issuance of the Limited General Obligation and Refunding Bonds, Series 2012A.

Special Assessment Debt with Government Commitment - Property owners are assessed for principal and interest to repay special assessment bonds. If sufficient funds are not received, loans are made from the RSID Revolving fund. This fund is financed by fees paid by each new RSID, by cash transferred from the general fund if needed and by any surplus remaining in completed RSID's. The cash balance in the Revolving Fund must equal at least 5% of the principal amount of debt outstanding. If the cash balance is less than 5%, a levy is required to bring the cash balance to the required minimum. The required minimum at June 30, 2018 is \$448,728. The Revolving Fund cash at June 30, 2018 is \$728,151.

## **Note 5 - Long-Term Liabilities (Continued)**

Capital Lease - During fiscal year 2018 the County entered into a capital lease for \$9,000,000 to fund a portion of the county courthouse renovation. At June 30, 2018 the County reported \$9,000,000 in construction in progress funded by this capital lease.

Conduit Debt - From time to time the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State of Montana, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

In December 2006, the County entered into a transaction for the purchase of a facility from and a lease to DIRECTV Customer Services, Inc. The DIRECTV purchase was financed through a 4.8% \$10,640,000 infrastructure loan from the Montana Board of Investments (MBOI). Repayment terms of the loan are equal to the monthly lease payments of \$60,714, which are fully assigned to MBOI under the loan agreement, and in the event of default, MBOI may obtain title to the property. Accordingly, the loan is nonrecourse to the County. The initial lease term of 10 years expired in December 2016. A five-year extension was entered into by the parties, with an expiration date of December 21, 2021. There are two additional five-year renewal options. Title to the property transfers to DIRECTV at the end of the lease term concurrent with full repayment of the MBOI loan. Because the County acts solely as an intermediary to collect payments from DIRECTV and remit them to MBOI for payments on the loan, the transaction is tantamount to a conduit debt obligation, and no liability is recorded on the County's financial statements.

In May 2010, the County issued an additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. That issue was for the purchase of 50% interest in property on Radio Way as well as renovation and purchase of equipment by Radio Way LLC. The original amount was \$631,000. The amount payable at June 30, 2018 was \$435,282.

In August 2010, the County issued an additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. That issue was for the construction of office space for 2 businesses by Dodge Holdings LLC. The original amount was \$450,000. The amount payable at June 30, 2018 was \$321,098.

In December 2010, the County issued an additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. That issue was for the purchase of furniture, fixtures, and equipment for Garlington, Lohn & Robinson, PLLP. The original amount was \$1,100,000. The amount payable at June 30, 2018 was \$434,488.

In December 2010, the County issued five additional series of Industrial Revenue Bonds under the Recovery Zone Facility Bonds Program. Those issues were for the purchase and renovation of several condominiums and construction of a pediatric dentistry office in the Missoula area by K and T Associates, LLC. The original aggregate amount borrowed was \$3,800,530. The amount payable at June 30, 2018 was \$3,086,070.

In December 2010, the County approved refinancing of one of the original series of Industrial Revenue Bonds issued prior to July 1, 1995. The Rocky Mountain Elk Foundation refinanced the debt to take advantage of lower interest rates. The amount payable at June 30, 2018 was \$1,175,653.

Legal Debt Margin - The County's legal debt limitation is 2.5% of total assessed value of taxable property. As of June 30, 2018 the debt margin was \$281,049,870.

## Note 6 - Commitments and Contingencies

Commitments - At June 30, 2018, the County was committed to spend approximately \$40,712,801.52 on various contracts for rural special improvement district facilities (principally streets, curbs and gutters), county roads, bridges, social services, and other construction projects. Appropriations for these contractual obligations are budgeted in the years that payments are required.

Protested Taxes - The County and other taxing districts within the County are contingently liable for refunds of property taxes under various tax appeals proceedings. In general, the amount available in the protested tax fund is sufficient to provide for such potential refunds; however, it is possible that refunds could be required relative to taxes not deposited in the protest fund. The County's potential liability, should such refunds be necessary, is not determinable. As of June 30, 2018, taxes remaining under protest totaled \$4,194,208.

Rural Special Improvement Districts (RSIDS) - As of June 30, 2018, delinquent assessments on RSIDs were \$39,286.55. The delinquencies are due from various residential property owners. The County anticipates payment of the delinquencies from the land owners and will proceed with tax deeds on the property if the assessments are not paid before the end of the RSID bond terms.

Leases - At June 30, 2018, future minimum annual rental expenditures and rental revenue on noncancellable operating leases are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Minimum Annual Rental Expenditures/Expenses</u>	<u>Minimum Annual Rental Revenues</u>
2019	\$ 575,400	\$ 116,559
2020	546,747	89,338
2021	538,182	77,599
2022	234,347	74,622
2023	63,076	74,290
Later	642,570	408,917
Total	<u>\$ 2,600,322</u>	<u>\$ 841,325</u>

Operating lease expenditures for 2018 were \$790,176.

During fiscal year 2004 an operating lease was entered into between Missoula County and the Missoula Area Youth Hockey Association for the use of facilities at the fairgrounds. Yearly minimum rental payments are equal to the bond debt service requirements for bonds issued for construction of ice rink facilities. In addition, the Hockey Association will pay the greater of \$17 per hour or 17% of the hourly ice fee charged by the Association for time exceeding 2,000 hours.

Missoula County has a contractual agreement with Summit Golf Management for management of the Larchmont Golf Course in order to provide expert management of the golf course while minimizing costs. Missoula County retains the right to approve annual budgets, set fee schedules, and approve capital improvements. Summit Golf Management will oversee day-to-day operations of the Larchmont Golf Course. Compensation under the arrangement includes a flat fee of \$36,000 per year plus 11.5% of the gross revenue from all green fees and passes. Summit Golf Management will also receive 100% of the revenues from lessons, club rentals, and sales in the professional shop.

As part of the transaction with DIRECTV described in Note 5, the County has entered into a lease for the DIRECTV site. This land lease required no payments during the initial ten-year lease term, and then provides for three five-year renewal options. DIRECTV exercised its option to renew for the first five-year renewal and is paying amortized lease payments of \$7,848.94 per month. DIRECTV has the option to purchase the land at any time during the lease term for the fair value of the property at the initial date of the lease of \$1,347,128. Because the purchase option is not considered a bargain purchase, the land lease is treated as an operating lease.

## **Note 6 - Commitments and Contingencies (Continued)**

The County has guaranteed a loan for the Montana Technology Enterprise Center in the amount of approximately \$878,000. The County's guarantee is collateralized by the building the Center is housed in.

The County has guaranteed approximately \$360,000 of a loan for the Seeley-Swan Hospital District. The County's guarantee stipulates that if Partnership Health Center terminates their lease agreement with the Hospital District prior to December 31, 2028, the County will pay up to \$24,000 per year toward the loan. The guarantee stipulates any amount paid by the county will be reimbursed by the Hospital District at the loan interest rate plus 1%.

The County is party to certain litigation under which it may be required to pay certain monies upon the decision of the courts. The office of the County Attorney reports various contingent liabilities based on the amount of damages alleged in various cases. However, it is the opinion of the County Attorney that the County's liability in the cases not covered by insurance will not be material to the financial statements and amounts reserved are sufficient to cover any losses.

## **Note 7 - Risk Management**

The County is exposed to various risks of loss related to torts, damage or loss of assets, errors and omissions, injuries to employees, employee medical claims and natural disasters. The County has established four internal service funds to account for and finance its uninsured risks of loss. In the past three years, there have been no settlements that have exceeded self-insurance or re-insurance coverage. Brief descriptions of these funds' self-insurance activities follow:

Risk Management - The Risk Management fund relates to general liability coverage for the County. The County has self-insured several major types of risks, including general liability, various aspects of law enforcement and public officials' liability. There have been claims of \$2,144,873 asserted for risks which are self-insured as of year end.

Excess Loss - The Excess Loss fund is a self-insurance plan that acts as a layer of re-insurance for the County's other self-insurance. The Plan is designed to provide lower insurance costs to the County by giving the other plans the ability to raise deductibles from commercial carriers.

### Health Insurance -

*Description of the Plan* - The County has a self-insured health plan which provides medical, dental, optical, disability and life insurance benefits for all permanent employees electing to be covered. The County also allows other local government and nonprofit entities and their employees to participate in the plan, but the County is the dominant employer. The plan is accounted for as an internal service fund with respect to current employee benefits, while retiree benefits are accounted for in an agency fund. The plan was established in 1980 by resolution of the Board of County Commissioners.

*Plan Contributions* - County and employee monthly contribution rates depend on whether the employee is full or part time and type of coverage. County contributions for medical benefits are based on expected claims using a five-year history of claims paid. County contributions for long-term disability coverage are calculated as 0.18% of covered payroll. County contributions range from \$637 to \$1,095 depending on the type of coverage. Employee contributions were up to \$588 for full time employees; contribution rates for part-time employees vary depending on the type of coverage. Continued medical, dental and vision coverage is available for County retirees for monthly employee contributions from \$468 to \$1,679, depending on the type of coverage. Qualified terminated employees can continue medical coverage for monthly contributions from \$602 to \$1,536, depending on coverage for up to 18 months, as required by federal C.O.B.R.A. law. County contributions to the plan for the year ended June 30, 2018 were \$7,375,850 (representing 17.13% of covered payroll), current employee contributions were \$1,805,715 and retiree contributions were \$505,483. Contributions from the nine other agencies participating in the plan were \$2,623,490.

## Note 7 - Risk Management (Continued)

Covered Participants - As of June 30, 2018, the Plan covered the following participants:

Current employees and their beneficiaries	1,905
Retirees and their beneficiaries	71
	<hr/>
	1,976

*Postemployment Benefits* - Retirees may remain on the County's health insurance plan as long as they wish, provided they pay the monthly premiums. State law requires the County to provide this benefit. There are no other post-employment benefits provided by the County.

The County has adopted the provisions of GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans. Under GASB 74, the County's health insurance plan is not administered as a qualifying trust; accordingly, retiree premiums, benefits and net position are segregated into an agency fund, and as required by GASB Statement No. 10, the internal service fund reflects only the activities related to current employees of the County and other participating employers.

The liability for health claims consists of an accrual for claims reported, but unpaid, and for claims incurred but not reported (IBNR) as of the balance sheet date. The Plan estimates its IBNR liability based on claims paid within a 120 day period subsequent to the balance sheet date that were incurred prior to but received by the Plan after the balance sheet date. This method of estimating the IBNR is supported by the Plan's historical claims experience.

Workers' Compensation - The County self-insures for workers' compensation coverage for all employees through the Missoula County Workers' Compensation Group Insurance Authority (formerly the Missoula County Workers' Compensation Plan). County contribution rates to the Authority were \$.90 to \$12.76 per \$100 of covered salary, depending on employee classification. County contributions to the Authority for the fiscal year ended June 30, 2018 were \$1,202,409. Asserted workers' compensation claims at June 30, 2018 totaled \$919,873.

## Note 7 - Risk Management (Continued)

The Authority establishes claims liabilities based on estimates of the cost of claims that have been reported but not settled, and claims that have been incurred but not reported. The estimated ultimate cost of settling the reported and unreported claims, and claims reserve development include the effects of inflation and other social and economic factors. Estimated amounts of subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Estimated claims liabilities are recomputed periodically based on current reviews of claims information, experience with similar claims and other factors. Adjustments to estimated claims liabilities are recorded as an increase or decrease in claims expense in the period the adjustments are made.

Changes in the funds' claims liability for 2017 and 2018 are as follows:

	Risk Management	Health Insurance	Workers' Compensation
Estimated Claims liability, June 30, 2016	\$ 1,508,313	\$ 1,006,793	\$ 3,339,694
Incurred for Claims and Claims Adjustment Expenses:			
Provisions for claims incurred in Fiscal Year 2017	32,099	9,413,986	756,300
Increase (decrease) in provisions for claims incurred in prior years	2,027,801	(49,876)	(573,055)
Total incurred claims and claims adjustment expenses	2,059,900	9,364,110	183,245
Payments:			
Claims and claims adjustments paid for Fiscal Year 2017	104,942	8,742,899	43,177
Claims and claims adjustments paid for prior years	296,990	887,217	690,047
Total payments, Fiscal Year 2017	401,932	9,630,116	733,224
Estimated Claims liability, June 30, 2017	3,166,281	740,787	2,789,715
Incurred for Claims and Claims Adjustment Expenses:			
Provisions for claims incurred in Fiscal Year 2018	174,212	10,359,018	639,106
Increase (decrease) in provisions for claims incurred in prior years	108,699	-	(628,973)
Total incurred claims and claims adjustment expenses	282,911	10,359,018	10,133
Payments:			
Claims and claims adjustments paid for Fiscal Year 2018	164,575	8,945,650	143,654
Claims and claims adjustments paid for prior years	1,139,743	740,787	450,321
Total payments, Fiscal Year 2018	1,304,318	9,686,437	593,975
Estimated Claims liability, June 30, 2018	\$ 2,144,874	\$ 1,413,368	\$ 2,205,873

## **Note 8 - Retirement Plans**

### Plan Descriptions

#### Public Employees' Retirement System (PERS)

##### Defined Benefit Retirement Plan (PERS-DBRP)

The PERS-DBRP, administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, local governments, and certain employees of the Montana University System and school districts.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the Public Employees' Retirement System-Defined Contribution Retirement Plan (PERS-DCRP) by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans. All new members from the universities also have a third option to join the university system's Montana University System-Retirement Program (MUS-RP).

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the state legislature.

##### Defined Contribution Retirement Plan (PERS-DCRP)

The County contributed to the PERS-DCRP for employees that have elected the DCRP. The PERS-DCRP is administered by the Montana Public Employees Retirement Board (PERB) and is a multiple-employer plan established July 1, 2002, and is governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA).

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans.

Benefits are dependent on eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The Montana Legislature has the authority to establish and amend contribution rates. As of June 30, 2018, PERS-DCRP contribution rates are the same as noted for the PERS-DBRP.

At the plan level, for the measurement period ended June 30, 2017, the PERS-DCRP employer did not recognize any net pension liability or pension expense for the defined contribution plan. Plan level non-vested forfeitures for the 300 employers that have participants in the PERS-DCRP totaled \$396,650. The County has estimated pension expense related to the PERS-DCRP as \$339,863, for 2018.



## Note 8 - Retirement Plans (Continued)

### Sheriffs' Retirement System (SRS)

The Sheriffs' Retirement System (SRS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established July 1, 1974, and governed by Title 19, chapters 2 & 7, MCA. This plan provides retirement benefits to all Department of Justice criminal and gambling investigators hired after July 1, 1993, all detention officers hired after July 1, 2005, and to all Montana sheriffs. Benefits are established by state law and can only be amended by the Legislature. The SRS provides retirement, disability and death benefits to plan members and their beneficiaries.

### Teachers' Retirement System (TRS)

The Teachers' Retirement System (TRS) is a mandatory-participation, multiple-employer cost-sharing defined-benefit public pension plan that provides retirement services to individuals employed as teachers, administrators, and in other professional and skilled positions employed in public education in Montana.

The TRS Board is the governing body of TRS and TRS staff administers the system in conformity with the laws set forth in Title 19, chapter 20, MCA, and administrative rules set forth in Title 2, chapter 44 of the Administrative Rules of Montana. Additional information pertaining to membership, benefit structure, and prior years' actuarial valuations, as well as links to applicable statutes and administrative rules, may be obtained by visiting the TRS website at [trs.mt.gov](http://trs.mt.gov).

### Summary of Benefits

#### Eligibility for Benefits

##### PERS

###### Service Retirement:

Hired prior to July 1, 2011	Age 60, 5 years of membership service; Age 65, regardless of membership service; or Any age, 30 years of membership service.
Hired on or after July 1, 2011	Age 65, 5 years of membership service; or Age 70, regardless of membership service.

###### Early retirement, actuarially reduced:

Hired prior to July 1, 2011	Age 50, 5 years of membership service; or Any age, 25 years of membership service.
Hired on or after July 1, 2011	Age 55, 5 years of membership service.

###### Second Retirement (requires returning to PERS-covered employer or PERS service)

- 1 Retire before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years of additional service credit:
  - a. A refund of member's contributions plus return interest (currently .77% effective July 1, 2017)
  - b. No service credit for second employment
  - c. Start the same benefit amount the month following termination; and

**Note 8 - Retirement Plans (Continued)**

- d. Guaranteed Annual Benefit Adjustment (GABA) starts again in January immediately following second retirement
- 2 Retire before January 1, 2016 and accumulate at least 2 years of additional service credit
  - a. A recalculated retirement benefit based on provisions in effect after the initial retirement; and
  - b. GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.
- 3 Retire on or after January 1, 2016 and accumulate 5 or more years of service credit:
  - a. The same retirement as prior to the return to service;
  - b. A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
  - c. GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

Vesting	5 years of membership service.
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SRS

Service Retirement	20 years of membership service, regardless of age.
Other Retirement	Age 50, 5 years of membership service, which is the actuarial equivalent of the service retirement benefit.
Vesting	5 years of membership service for all other rights

## Note 8 - Retirement Plans (Continued)

### Member's highest average compensation (HAC)

#### PERS and SRS

Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months;

Hired on or after July 1, 2011 - highest average compensation during any consecutive 60 months;

### Compensation Cap

#### PERS and SRS

Hired on or after July 1, 2013 - 110% annual cap on compensation considered as part of a members highest average compensation.

### Monthly Benefit Formula

#### PERS

Hired prior to July 1, 2011:

Less than 25 years of membership service	1.785% of HAC per year of service credit
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25 years of membership service or more	2% of HAC per year of service credit
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Hired on or after July 1, 2011:

Less than 10 years of membership service	1.5% of HAC per year of service credit
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10 years or more, but less than 30 years of membership service	1.785% of HAC per year of service credit
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30 years or more of membership service	2% of HAC per year of service credit
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#### SRS

2.5% of HAC per year of service

### Guaranteed Annual Benefit Adjustment \*

#### PERS

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

3% for members hired prior to July 1, 2007

1.5% for members hired between July 1, 2007 and June 30, 2013

## Note 8 - Retirement Plans (Continued)

Members hired on or after July 1, 2013:

- a) 1.5% for each year PERS is funded at or above 90%;
- b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
- c) 0% whenever the amortization period for PERS is 40 years or more.

### SRS

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

3% for members hired prior to July 1, 2007

1.5% for members hired on or after July 1, 2007

### TRS

Through June 30, 2013, all members enrolled in TRS participated in a single-tiered plan ("Tier One"). Employees with a minimum of 25 years of service or who have reached age 60 with 5 years of service are eligible to receive an annual retirement benefit equal to creditable service years divided by 60 times the average final compensation. Final compensation is the average of the highest three consecutive years of earned compensation. Benefits fully vest after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits. Beginning July 1, 2013, new members in TRS participate in a second benefit tier ("Tier Two"), which differs from Tier One as follows:

- \* Tier Two uses a 5-year average final compensation (as opposed to 3-year AFC in Tier One)
- \* Tier Two provides for unreduced service retirement benefits at age 60 with 5 years of creditable service or at age 55 with at least 30 years of creditable service (rather than at age 60 with 5 years of service or at any age with 25 years of creditable service in Tier One)
- \* Tier Two provides for early retirement benefits with 5 years of creditable service at age 55 (rather than age 50 in Tier One)
- \* Tier Two has a one percent higher normal employee contribution rate (though a temporary 1% supplemental employee contribution rate is also currently in place for Tier One members), and
- \* Tier Two provides for an enhanced benefit calculation -  $1.85\% \times \text{AFC} \times \text{years of creditable service}$  - for member retiring with at least 30 years of creditable service and at least 60 years of age (rather than  $1.6667 \times \text{AFC} \times \text{years of creditable service}$  in Tier One)

A guaranteed annual benefit adjustment (GABA) is payable on January 1st of each calendar year for each retiree who has received at least 36 monthly retirement benefit payments prior to that date. The GABA is applicable to both Tier One and Tier Two members. The GABA for Tier One members is 1.5% of the benefit payable as of January 1st. For Tier Two members, the GABA each year may vary from 0.5% to 1.5% based on the retirement system's funding status and the period required to amortize any unfunded accrued actuarial liability as determined in the prior actuarial valuation.

## Note 8 - Retirement Plans (Continued)

### Overview of Contributions

#### PERS

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and are remitted by participating employers. The Montana legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are shown in the table below.

Fiscal Year	<b>Member</b>		<b>State &amp; Universities Employer</b>	<b>Local Government</b>		<b>School Districts</b>	
	Hired < 7/1/2011	Hired > 7/1/2011		Employer	State	Employer	State
2018	7.9%	7.9%	8.57%	8.470%	0.10%	8.20%	0.370%
2017	7.9%	7.9%	8.470%	8.370%	0.10%	8.10%	0.370%
2016	7.9%	7.9%	8.370%	8.270%	0.10%	8.00%	0.370%
2015	7.9%	7.9%	8.270%	8.170%	0.10%	7.90%	0.370%
2014	7.9%	7.9%	8.170%	8.070%	0.10%	7.80%	0.370%
2012-2013	6.9%	7.9%	7.170%	7.070%	0.10%	6.80%	0.370%
2010-2011	6.9%		7.170%	7.070%	0.10%	6.80%	0.370%
2008-2009	6.9%		7.035%	6.935%	0.10%	6.80%	0.235%
2000-2007	6.9%		6.900%	6.800%	0.10%	6.80%	0.100%

1. Member contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
2. Employer contributions to the system:
  - a. Effective July 1, 2014, following the 2013 Legislative Session, PERS employer contributions increase an additional 0.1% per year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following an actuary valuation that shows the amortization period of the PERS-DBRP has dropped below 25 years and remains below 25 years following the reduction of both the additional employer and member contribution rates.
  - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
3. Non Employer Contributions:
  - a. Special Funding
    - i. The State contributes 0.1% of members' compensation on behalf of local government entities.
    - ii. The State contributes 0.37% of members' compensation on behalf of school district entities.

**Note 8 - Retirement Plans (Continued)**

b. Not Special Funding - The State contributes a portion of Coal Severance Tax income and earnings from the Coal Severance Tax fund.

**SRS**

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The Montana Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are shown in the table below.

<u><b>Fiscal Year</b></u>	<u><b>Member</b></u>	<u><b>Employer</b></u>
2010-2018	9.245%	10.115%
2008-2009	9.245%	9.825%
1998-2007	9.245%	9.535%

**TRS**

TRS receives a portion of the total required statutory contributions directly from the State for all employers. The employers are considered to be in a special funding situation as defined by GASB 68 and the State is treated as a non-employer contributing entity in TRS. TRS receives 2.49% of reportable compensation from the State's general fund for School Districts and Other Employers. TRS also receives 0.11% of reportable compensation from the State's general fund for all TRS Employers including State Agency and University System Employers. Finally, the State is also required to contribute \$25 million in perpetuity payable July 1st of each year.

The tables below show the legislated contribution rates for TRS members, employers, and the State.

<u><b>School District and Other Employers</b></u>				
<u><b>Fiscal Year</b></u>	<u><b>Members</b></u>	<u><b>Employers</b></u>	<u><b>General fund</b></u>	<u><b>Total employee &amp; employer</b></u>
Prior to 2008	7.15%	7.47%	0.11%	14.73%
2008-2009	7.15%	7.47%	2.11%	16.73%
2009-2013	7.15%	7.47%	2.49%	17.11%
2014	8.15%	8.47%	2.49%	19.11%
2015	8.15%	8.57%	2.49%	19.21%
2016	8.15%	8.67%	2.49%	19.31%
2017	8.15%	8.77%	2.49%	19.41%
2018	8.15%	8.87%	2.49%	19.51%
2019	8.15%	8.97%	2.49%	19.61%
2020	8.15%	9.07%	2.49%	19.71%
2021	8.15%	9.17%	2.49%	19.81%
2022	8.15%	9.27%	2.49%	19.91%
2023	8.15%	9.37%	2.49%	20.01%
2024	8.15%	9.47%	2.49%	20.11%

**Note 8 - Retirement Plans (Continued)**

<b>State and University Employers</b>				
<u>Fiscal Year</u>	<u>Members</u>	<u>Employers</u>	<u>General fund</u>	<u>Total employee &amp; employer</u>
Prior to 2008	7.15%	7.47%	0.11%	14.73%
2008-2009	7.15%	9.47%	0.11%	16.73%
2010-2013	7.15%	9.85%	0.11%	17.11%
2014	8.15%	10.85%	0.11%	19.11%
2015	8.15%	10.95%	0.11%	19.21%
2016	8.15%	11.05%	0.11%	19.31%
2017	8.15%	11.15%	0.11%	19.41%
2018	8.15%	11.25%	0.11%	19.51%
2019	8.15%	11.35%	0.11%	19.61%
2020	8.15%	11.45%	0.11%	19.71%
2021	8.15%	11.55%	0.11%	19.81%
2022	8.15%	11.65%	0.11%	19.91%
2023	8.15%	11.75%	0.11%	20.01%
2024	8.15%	11.85%	0.11%	20.11%

**Stand-Alone Plan Statements****PERS and SRS**

The financial statements of the Montana Public Employees Retirement Board (PERB) Comprehensive Annual Financial Report (CAFR) and the GASB 68 Report disclose the PERS and SRS fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena, MT 59620-0131, (406)444-3154 or the MPERA website at <http://mpera.mt.gov/index.shtml>.

**TRS**

TRS' stand-alone financial statements, actuarial valuations and experience studies can be found online at <https://trs.mt.gov/TrsInfo/NewsAnnualReports>

## Note 8 - Retirement Plans (Continued)

### Actuarial Assumptions

#### PERS

The Total Pension Liability (TPL) used to calculate the Net Pension Liability (NPL) was determined by taking the results of the June 30, 2016 actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2017. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the last actuarial experience study, dated May 2017, for the six-year period July 1, 2010 to June 30, 2016. Among those assumptions were the following:

Investment Return (net of admin expenses)	7.65%
Admin Expense as % of Payroll	0.26%
General Wage Growth *	3.50%
* includes Inflation at	2.75%
Merit Increases	0% to 4.8%
Postretirement Benefit Increases	

#### **Guaranteed Annual Benefit Adjustment (GABA)**

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, inclusive of other adjustments to the member's benefit.

3% for members hired prior to July 1, 2007

1.5% for members hired between July 1, 2007 and June 30, 2013

Members hired on or after July 1, 2013

- a) 1.5% for each year PERS is funded at or above 90%;
- b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
- c) 0% whenever the amortization period for PERS is 40 years or more.

Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries are based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, males set back 1 year.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.



## Note 8 - Retirement Plans (Continued)

### SRS

The TPL used to calculate the NPL was determined by taking the results of the June 30, 2016 actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2017. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the last actuarial experience study, dated May 2017, for the six-year period July 1, 2010 to June 30, 2016. Among those assumptions were the following:

Investment Return (net of admin expenses)	7.65%
Admin Expense as % of Payroll	0.21%
General Wage Growth *	3.50%
* includes Inflation at	2.75%
Merit Increases	0% to 6.3%

#### Post Retirement Increases

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, inclusive of other adjustments to the member's benefit.

For members hired prior to July 1, 2007	3.00%
For members hired on or after July 1, 2007	1.50%

Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries are based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, set back one year for males.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

### TRS

The TPL as of June 30, 2017 is based on the results of an actuarial valuation date of July 1, 2017. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used on the July 1, 2017 valuation were based on the results of the last actuarial experience study, dated May 1, 2014. Among those assumptions are the following:

Total Wage Increases *	4%-8.51% for Non-University Members and 5.00% for University Members
Investment Return	7.75%
Price Inflation	3.25%

\* Total Wage Increases includes a 4.00% general wage increase assumption.

## Note 8 - Retirement Plans (Continued)

### Postretirement Benefit Increases

Tier One Members: If the retiree has received benefits for at least 3 years, the retirement allowance will be increased by 1.5% on January 1st.

Tier Two Members: the retirement allowance will be increased by an amount equal to or greater than 0.5% but no more than 1.5% if the most recent actuarial valuation shows TRS to be at least 90% funded and the provisions of the increase is not projected to cause the funded ratio to be less than 85%.

Mortality among contributing members, service retired members, and beneficiaries:

- For Males: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and 1992 Base Rates from the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.
- For Females: 1992 Base Rates from the RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and 1992 Base Rates from the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.

For TRS, mortality among disabled members:

- For Males: RP 2000 Disabled Mortality Table for males, set forward one year, with mortality improvements projected by Scale BB to 2018.
- For Females: RP 2000 Disabled Mortality Table for females, set forward five years, with mortality improvements projected by Scale BB to 2018.

### Discount Rate

#### PERS

The discount rate used to measure the TPL was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under Montana Code Annotated. The State contributes 0.1% of salaries paid by local governments and 0.37% paid by school districts. In addition, the State contributes coal severance tax and interest money from the general fund. The interest was contributed monthly and the severance tax was contributed quarterly. Based on those assumptions, PERS' fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2121. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

#### SRS

The discount rate used to measure the TPL was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members and employers would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. Based on those assumptions, SRS' fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2117. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

## Note 8 - Retirement Plans (Continued)

### TRS

The discount rate used to measure the TPL was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. In addition to the contributions the State general fund will contribute \$25 million annually to TRS payable July 1st of each year. Based on those assumptions, TRS' fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2122. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. No municipal bond rate was incorporated in the discount rate.

### Target Allocations

#### PERS and SRS

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for PERS and SRS. The experience study, performed for the period of July 1, 2010 to June 30, 2016, was outlined in a report dated May 2017 and can be located on the MPERA website. The long-term expected rate of return on pension plan investments was determined by considering information from various systems, and by using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation ) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017, are summarized below.

<u>Asset Class</u>	<u>Target Asset Allocation (a)</u>	<u>Real Rate of Return Arithmetic Basis (b)</u>	<u>Long-Term Expected Real Rate of Return (a) x (b)</u>
Cash Equivalents	2.60%	4.00%	0.10%
Domestic Equity	36.00%	4.55%	1.64%
Foreign Equity	18.00%	6.35%	1.14%
Fixed Income	23.40%	1.00%	0.23%
Private Equity	12.00%	7.75%	0.93%
Real Estate	8.00%	4.00%	0.32%
Total	100.00%		4.37%
Inflation			2.75%
Portfolio Return Expectation			7.12%

## Note 8 - Retirement Plans (Continued)

### TRS

The assumed long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for TRS. The most recent analysis, performed for the period covering fiscal years 2009 through 2013, is outlined in a report dated May 1, 2014. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates of arithmetic real rates of return for each major asset class included in TRS' target asset allocation as of June 30, 2017 are summarized in the table below.

Asset Class	Target Asset Allocation (a)	Real Rate of Return Arithmetic Basis (b)	Long-Term Expected Portfolio Real Rate of Return * (a) x (b)
Broad US Equity	36.00%	4.80%	1.73%
Broad International Equity	18.00%	6.05%	1.09%
Private Equity	12.00%	8.50%	1.02%
Intermediate Bonds	23.40%	1.50%	0.35%
Core Real Estate	4.00%	4.50%	0.18%
High Yield Bonds	2.60%	3.25%	0.08%
Non-Core Real Estate	4.00%	7.50%	0.30%
	100.00%		4.75%
		Inflation	3.25%
		Expected arithmetic nominal return	8.00%

\* The long-term expected nominal rate of return above the 8.00% differs from the total TRS long-term rate of return assumption of 7.75%. The assumed rate is comprised of a 3.25% inflation rate and a real long-term rate of return of 4.50%.

## Note 8 - Retirement Plans (Continued)

### Sensitivity Analysis

#### PERS and SRS

The sensitivity of the NPL to the discount rate is shown in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.65%, as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

	1.0% Decrease 6.65%	Current Discount Rate	1.0% Increase 8.65%
County's PERS Net Pension Liability	\$ 51,901,221	\$ 35,636,296	\$ 21,983,125
SRS Net Pension Liability	\$ 15,659,765	\$ 8,868,574	\$ 3,312,545
PHC's Proportionate Share of PERS Net Pension Liability	\$ 18,685,550	\$ 12,829,830	\$ 7,914,395

#### TRS

The sensitivity of the NPL to the discount rate is shown in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.75%, as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

	1.0% Decrease 6.75%	Current Discount Rate	1.0% Increase 8.75%
County's proportionate share of:			
TRS Net Pension Liability	129,256	93,798	63,934

### Summary of Significant Accounting Policies

#### All Plans

MPERA and TRS prepare financial statements using the accrual basis of accounting. For the purposes of measuring NPL, deferred inflows of resources and deferred outflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from fiduciary net position have been determined on the accrual basis, consistent with how they are reported by MPERA and TRS. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA and TRS adhere to all applicable Governmental Accounting Standards Board (GASB) statements.

### Pension Amount Totals

#### All Plans

Employers are provided guidance in GASB Statement 68, paragraph 74, that pension amounts must be combined as a total or aggregate for reporting. This is true when employees are provided benefits through more than one pension, whether cost-sharing, single-employer, or agent plans.

## Note 8 - Retirement Plans (Continued)

### Net Pension Liability

#### PERS

In accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the PERS-DBRP. Employers are required to record and report their proportionate share of the collective NPL, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources associated with pensions.

The state of Montana, as the non-employer contributing entity, paid additional contributions to PERS that qualify as special funding. Those employers who received special funding are counties, cities and towns, school districts and high schools, and other governmental agencies.

Per Montana law, state agencies and universities paid their own additional contributions. These employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions. The state of Montana, as the non-employer contributing entity, also paid coal tax contributions to PERS that are not accounted for as special funding for all participating employers.

The TPL minus the Fiduciary Net Position equals the NPL. As GASB Statement 68 allows, a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the TPL. The basis for the TPL as of June 30, 2017, was determined by taking the results of the June 30, 2016 actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The proportionate shares of the County's, PHC, and state of Montana's NPL for June 30, 2018 and 2017 are displayed below. The County's and PHC's proportionate share equals the ratio of the County's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for a particular employer to the total state contributions paid. The County and PCH recorded a liability of \$35,636,296 and \$12,829,830, respectively the employer's proportionate share was 1.8298% and .658700% respectively.

	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2017	Change in Percent of Collective NPL
County's Proportionate Share	\$ 35,636,296	\$ 31,689,869	1.829800%	1.860500%	-0.030700%
State of Montana Proportionate Share associated with County	476,386	383,344	0.024448%	0.022700%	0.001748%
Total	<u>\$ 36,112,682</u>	<u>\$ 32,073,213</u>	<u>1.854248%</u>	<u>1.883200%</u>	<u>-0.028952%</u>
PHC	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2017	Change in Percent of Collective NPL
PHC's Proportionate Share	\$ 12,829,830	\$ 10,556,020	0.658700%	0.619700%	0.039000%
State of Montana Proportionate Share associated with PHC	171,687	128,982	0.008815%	0.007600%	0.001215%
Total	<u>\$ 13,001,517</u>	<u>\$ 10,685,002</u>	<u>0.667515%</u>	<u>0.627300%</u>	<u>0.040215%</u>

## Note 8 - Retirement Plans (Continued)

Change in actuarial assumptions and methods:

Effective July 1, 2017, the following assumption changes were used

Lowered the interest rate from 7.75% to 7.65%

Lowered the inflation rate from 3.00% to 2.75%

Updated non-disabled mortality to the RP-2000 Combined Employee and Annuitant Mortality Table projected to 2020 using scale BB, males set back 1 year

Increased rates of withdrawal

Lowered the merit component of the total salary increase.

Lowered the wage base component of the total salary increase from 4.00% to 3.50%

Decreased the administrative expense load from 0.27% to 0.26%

Effective July 1, 2017, the following method changes were used

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount will vary from year to year based on the prior year's actual administrative expenses.

To be consistent with the wage base growth change, the payroll growth assumption for amortization as a level percent of pay was reduced from 4.00% to 3.50%.

### Changes in benefit terms:

Effective July 1, 2017, the following benefit changes were:

The interest rate credited to member accounts increased from 0.25% to 0.77%

Lump sum payouts in all systems are limited to the members accumulated contributions rather than the present value of the member's benefit

Changes in proportionate share: Between the measurement date of the collective NPL and the employer's reporting date there were some changes in proportion that may have an effect on the employer's proportionate share of the collective NPL, but those changes are not considered significant.

### SRS

In accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with their participation in the Sheriffs' Retirement System (SRS). Employers are required to record and report the proportionate share of the collective NPL, Pension Expense, and Deferred Inflows and Deferred Outflows of resources associated with pensions. This report provides information using a June 30, 2017 measurement date for the 2018 reporting.

The TPL minus the Fiduciary Net Position equals the NPL. As GASB Statement 68 allows, a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the TPL. The basis for the TPL as of June 30, 2017, was determined by taking the results of the June 30, 2016 actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The proportionate share of the County's NPL for June 30, 2018 and 2017 are displayed below. The employer's proportionate share equals the ratio of the County's contributions to the sum of all employer contributions during the measurement period. The county recorded a liability of \$8,868,574 and the county's proportionate share was 11.6543%.

	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2017	Change in Percent of Collective NPL
County's Proportionate Share	\$ 8,868,574	\$ 18,961,826	11.654300%	10.793500%	0.860800%

## Note 8 - Retirement Plans (Continued)

Change in actuarial assumptions and methods: There was an increase in the discount rate from 5.93% to 7.65%

Effective July 1, 2017 the following assumption changes were used:

Lowered the interest rate from 7.75% to 7.65%

Lowered the inflation rate from 3.00% to 2.75%

Updated non-disabled mortality to the RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using scale BB, males set back 1 year

Increased the rates of withdrawal

Lowered the merit component of the total salary increase.

Lowered the wage base component of the total salary increase from 4.00% to 3.50%

Increased the administrative expense load from 0.17% to 0.21%.

Effective July 1, 2017, the following method changes were used:

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount will vary from year to year based on the prior year's actual administrative expenses.

To be consistent with the wage base growth change, the payroll growth assumption for amortization as a level percent of pay was reduced from 4.00% to 3.50%

Effective July 1, 2017, the contribution changes were:

Effective July 1, 2017, SRS employee contributions increase from 9.245% to 10.495% of the member's compensation.

SRS employer additional contributions increase from .58% to 3.58%, for a total employer contribution rate of 13.115%

SRS employee contributions will return to 9.245% and SRS employer contributions will return to 9.535% when reducing the employee contribution and terminating the additional employer contributions will not cause the amortization period to exceed 2.5 years.

Changes in benefit terms:

Effective July 1, 2017, the following benefit changes were:

The interest rate credited to member accounts increased from 0.25% to 0.77%.

Second Retirement Benefit applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired

Lump sum payouts in all systems are limited to the members accumulated contributions rather than the present value of the members benefit.

Changes in proportionate share: There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

### TRS

In accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Montana Teachers' Retirement System (TRS). GASB Statement No. 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective NPL. In accordance with GASB Statement No. 68, TRS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to TRS that are used to provide pension benefits to the retired members of TRS. Due to the existence of a special funding situation, employers are also required to report the portion of the State of Montana's proportionate share of the collective NPL that is associated with the employer.



## Note 8 - Retirement Plans (Continued)

The following table shows the employer proportionate share of the NPL and the employer's proportion of NPL for June 30, 2018 and 2017. The NPL was measured as of June 30, 2017 and the TPL used to calculate the NPL was determined by an actuarial valuation as of July 1, 2017. Therefore, no update procedures were used to roll forward the TPL to the measurement date. The County's proportion of the NPL was based on the County's contributions received by TRS during the measurement period July 1, 2016 through June 30, 2017 relative to the total employer contributions received from all of TRS' participating employers. At June 30, 2018, the County recorded a liability of \$93,798 and the County's proportionate share was 0.0056%.

	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2017	Change in Percent of Collective NPL
County's Proportionate Share	\$ 93,798	\$ 97,479	0.0056%	0.0053%	0.0003%
State of Montana Proportionate					
Share associated with County	59,762	66,896	0.0035%	0.0037%	-0.0002%
Total	<u>\$ 153,560</u>	<u>\$ 164,375</u>	<u>0.0091%</u>	<u>0.0090%</u>	<u>0.0001%</u>

Change in actuarial assumptions and methods: There have been no changes in actuarial assumptions and other inputs since the previous measurement date.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

### Pension Expense

#### PERS

At June 30, 2018, the County and PHC recognized a Pension Expense of \$5,118,788 and \$1,845,377, respectively for their proportionate share of the PERS' Pension Expense. The County and PHC recognized grant revenue of \$25,397 and \$9,153, respectively for the support provided by the State of Montana for the proportionate share of the Pension Expense that is associated with the employer, and grant revenue of \$509,783 and \$ 183,533, respectively from the Coal Tax Fund.

#### SRS

At June 30, 2018, the County recognized a Pension Expense of \$774,086 for its proportionate share of the SRS' Pension Expense.

#### TRS

At June 30, 2018, the County recognized a Pension Expense of \$9,866 for its proportionate share of the TRS' Pension Expense. The County also recognized grant revenue of \$2,637 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the County.

**Note 8 - Retirement Plans (Continued)**Deferred Outflows and InflowsPERS

At June 30, 2018, the County and PHC reported their proportionate share of PERS' deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

County	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$ 877,610	\$ 51,581
Projected Investment Earnings vs. Actual Investment Earnings	-	239,336
Change in Assumptions	4,871,109	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	1,212,723	5,110
Employer Contributions subsequent to the measurement date (Fiscal Year 2018 Contributions)	1,994,987	-
Total	<u>\$ 8,956,429</u>	<u>\$ 296,027</u>

PHC	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$ 315,958	\$ 18,570
Projected Investment Earnings vs. Actual Investment Earnings	-	86,166
Change in Assumptions	1,753,704	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	440,865	-
Employer Contributions subsequent to the measurement date (Fiscal Year 2018 Contributions)	719,310	-
Total	<u>\$ 3,229,837</u>	<u>\$ 104,736</u>

## Note 8 - Retirement Plans (Continued)

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Reporting year ended June 30:	County	PHC
	Amount of deferred outflows and deferred inflows recognized in future years as an increase or (decrease) to Pension Expense	Amount of deferred outflows and deferred inflows recognized in future years as an increase or (decrease) to Pension Expense
2019	\$ 1,935,517	\$ 699,319
2020	3,298,527	1,189,783
2021	2,189,873	789,766
2022	(758,502)	(273,077)

### SRS

At June 30, 2018, the County reported its proportionate share of SRS' deferred outflows of resources and deferred inflows of resources related to SRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$ 58,210	\$ 27,285
Projected Investment Earnings vs. Actual Investment Earnings	-	108,858
Changes in Assumptions	6,921,256	11,320,701
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	1,107,559	-
Employer Contributions subsequent to the measurement date (Fiscal Year 2018 Contributions)	1,253,524	-
Total	<u>\$ 9,340,549</u>	<u>\$ 11,456,844</u>

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Reporting year ended June 30:	Amount of deferred outflows and deferred inflows recognized in future years as an increase or (decrease) to Pension Expense
2019	\$ (1,033,756)
2020	(499,351)
2021	(707,797)
2022	(1,128,915)

## Note 8 - Retirement Plans (Continued)

### TRS

At June 30, 2018, the County reported its proportionate share of TRS' deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual economic experience	\$ 345	\$ 140
Changes in actuarial assumptions	-	392
Difference between projected and actual investment earnings	-	371
Changes in proportion and differences between actual and expected contributions	2,009	145
Employer Contributions subsequent to the measurement date (Fiscal Year 2018 Contributions) #	6,946	-
Total	<u>\$ 9,300</u>	<u>\$ 1,048</u>

# Amounts reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended June 30, 2019.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

<u>Reporting year ended June 30:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Increase (Decrease) to Pension Expense</u>
2019	\$ 923.00	\$ 1,798.00	\$ (875.00)
2020	2,752.00	241.00	2,511.00
2021	1,326.00	-	1,326.00
2022	-	1,656.00	(1,656.00)
2023	-	-	-

## Note 8 - Retirement Plans (Continued)

### Pension Activity by Reporting Unit

The County processes payroll, including payment of payroll taxes and benefits, for 2 local agencies, the Bitterroot Economic Development District and the Soil Conservation District. The pension items related to these agencies is included in the County's allocation by the State of Montana. The pension activity by reporting unit for PERS, SRS, and TRS in total is as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources
Governmental Activities	\$ 18,118,639	\$ 43,794,493	\$ 11,742,244
Business-type Activities	153,904	670,167	10,580
Partnership Health Center	3,299,837	12,829,830	104,736
Agencies	33,736	134,009	1,094
Total	<u>\$ 21,606,116</u>	<u>\$ 57,428,499</u>	<u>\$ 11,858,655</u>

	On-Behalf State Pension Revenue	Pension Expense
Governmental Activities	\$ 525,766	\$ 5,789,028
Business-type Activities	10,038	96,297
Partnership Health Center	192,686	1,843,536
Agencies	2,013	19,256
Total	<u>\$ 730,503</u>	<u>\$ 7,748,117</u>

### Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan is available to all County employees. This permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participation in the plan is optional. The fair value of assets held in the plan at June 30, 2018 was \$10,822,880

Effective July 1, 1998, the County amended its deferred compensation plan to conform with section 457(g) of the Internal Revenue Code. Trusts were established to hold deferred compensation plan assets for the exclusive benefit of participants and their beneficiaries. The trusts are administered by Valic and Equitable, and the County's duty with respect to the plan is limited to withholding deferred compensation amounts from employees and remitting them to Valic and Equitable. Because the County's involvement with the plan is limited to ministerial functions, the plan is not included in the County reporting entity because it does not meet the definition of a fiduciary fund under generally accepted accounting principles.

## Note 9 - Other Post-employment Benefits

The County adopted the provisions of GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits other than Pensions," in fiscal year 2018. GASB 75 addresses accounting and financial reporting for postemployment benefits other than pensions (OPEB) that are provided to the employees of state and local governments, establishing standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses. This statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. GASB 10, as modified by GASB 74, requires that amounts related to retirees be excluded from the internal service fund used for health benefits. Accordingly, amounts related to retirees have been reported in an agency fund. The implementation of this statement resulted in a restatement of beginning net position of governmental activities of \$1,184,341, business-type activities of \$17,647, and Partnership Health Center, a discretely presented component unit, of \$418,552. Pro forma amounts for the preceding period were not presented because the information was not available. Information for the County's health benefits plan for retirees is included below. Partnership Health Center participates in the plan as part of Missoula County.

The County is self insured through their participation in the "Missoula County Employee Benefits Plan." Missoula County and nine additional entities participate in the plan. The plan is administered by Missoula County as a multiple-employer defined benefit plan. The plan is reported as an agency fund of the County and uses the accrual basis of accounting. A trust has not been created to accumulate assets for the plan, so the plan is financed on a pay-as-you-go basis. County and outside agency current employee contributions are used to cover retiree claims and administrative costs as needed. The plan issues stand-alone financial statements which can be obtained from Missoula County Risk & Benefits, 200 West Broadway, Missoula, MT 59802. Each employer in the plan is required to disclose additional information with regard to benefits provided, employees covered, changes in the OPEB liability, sensitivity analysis for changes in certain rates, OPEB expense, deferred inflows and outflows of resources related to the plan, and actuarial methods and assumptions used. This information for Missoula County and Partnership Health Center is presented below.

To qualify for retiree medical benefits the employee must have attained the age of 60 plus five years of service or attained age 65 or completed 30 years of service. An employee may qualify for early retirement by meeting one of the following criteria: attained the age of 50 plus 5 years of service or completed 25 years of service. Retirees are able to purchase health benefits for themselves and their family members at two different rates: the "Medical Standard Plan" and the "Medical High Deductible Plan." The retiree pays into the plan what the County and an active employee would pay on a monthly basis. Retiree benefits and contributions are established and can be amended by Missoula County. The monthly premiums effective July 1, 2017 are shown below:

<u>Level of Coverage</u>	<u>Single</u>	<u>Employee/ Spouse</u>	<u>Employee/ Child</u>	<u>Family</u>
Medical Standard Plan	\$ 590.00	\$ 1,107.00	\$ 988.00	\$ 1,506.00
Medical High Deductible Plan	412.70	774.70	691.90	1,053.90
Dental	43.00	76.00	105.00	139.00
Vision	12.50	23.60	23.00	34.10

At June 30, 2018, the Missoula County Health Benefits Plan covered 1030 active and 52 retired employees and their dependents. The active and retired employees for Missoula County and Partnership Health Center, combined, were 816 and 47, respectively.

## Note 9 - Other Post-employment Benefits (Continued)

An actuarial valuation was performed for June 30, 2018, using the same measurement date. The following assumptions and other inputs were used to calculate the total OPEB liability using the entry age normal cost method in the actuarial valuation.

Discount Rate	3.45% - S&P Municipal Bond 20 Year High Grade Rate Index as of July 2, 2018	
Payroll Growth	2.50%	
General Inflation	3.0% per year	
Participation Rate	25% of eligible employees are assumed to enroll in the plan	
	36% of eligible enrollees are assumed to elect early retirement	
	7% of those retiring at age 65 or greater are assumed to elect coverage	
	62% of retirees electing medical coverage are assumed to enroll in the Standard Plan and 38% in the High Deductible Plan	
	Dental and vision coverage is assumed to be same as current coverage	
Mortality Rate	RP-2000 Combined Mortality Table Projection AA Fully Generational	
Termination Before Retirement	Crocker T-7 with mortality removed	
Medical Trend Rate	<u>Effective July 1</u>	<u>Trend Rate</u>
	2018	6.2%
	2019	6.0%
	2020	5.8%
	2021	5.6%
	2022	5.4%
	2023	5.2%
	2024+	5.0%

The table below shows the assumption changes from the prior valuation at June 30, 2016.

<u>Assumption</u>	<u>Description of Change</u>
Discount Rate	Decreased from 3.50% to 3.45%
Retiree Participation Rate	Percentage of retirees electing Standard Plan was increased from 58% to 62%
	Percentage of eligible enrollees assumed to elect early retirement was decreased from 60% to 36%
	Percentage of those retiring at age 65 or greater that elect coverage was increased from 0.4% to 7.0%
Spouse Participation Rate	The spouse participation rate was reduced from 39% to 33%
Mortality Rate	The mortality table was changed to show mortality improvements on a fully generational basis, consistent with
Payroll Trend	Included at the rate of 2.5%, up from 0% in prior valuation
Medical Trend	The trend assumption for medical claims was reduced from 8% grading down to 5%, to 6.2% grading down to 5%
Excise Tax	Not previously included

**Note 9 - Other Post-employment Benefits (Continued)**

Based on an actuarial study prepared as of June 30, 2018, the following table reports the changes to the OPEB liability for fiscal year 2018, as well as deferred inflows and outflows of resources and OPEB expense recognized. This information is allocated to various enterprise and internal service activities and Partnership Health Center, as detailed below.

	Total Governmental Activities						Business-Type Activities		Discretely Presented	Total
	Governmental Activities	Internal Service Funds					Enterprise		Component Unit	
		Risk Management	Employee Benefits	Workers' Compensation	Information Services	Telephone Services	Larchmont Golf Course	RSID Funds	Partnership Health Center	
<b>Changes in OPEB Liability</b>										
Postemployment Benefits Liability, Beginning Balance	574,320	-	-	-	-	-	-	-	82,315	656,635
Restatement-Change in Accounting Principle	1,091,484	4,221	16,039	5,065	61,904	5,628	6,392	11,255	418,552	1,620,540
Restated Beginning Balance	1,665,804	4,221	16,039	5,065	61,904	5,628	6,392	11,255	500,867	2,277,175
Service Cost	154,368	391	1,487	469	5,737	522	777	1,043	46,414	211,208
Interest	57,470	146	553	175	2,136	194	221	388	17,280	78,563
Difference between expected and actual experience	(339,710)	(861)	(3,271)	(1,033)	(12,624)	(1,148)	(1,711)	(2,295)	(102,142)	(464,795)
Changes in assumptions	357,568	906	3,443	1,087	13,288	1,208	1,801	2,416	107,512	489,229
Net Change	229,696	582	2,212	698	8,537	776	1,088	1,552	69,064	314,205
Postemployment Benefits Liability, Ending Balance	1,895,500	4,803	18,251	5,763	70,441	6,404	7,480	12,807	569,931	2,591,380
<b>Deferred Inflows of Resources</b>										
Difference between expected and actual experience	(339,710)	(861)	(3,271)	(1,033)	(12,624)	(1,148)	(1,711)	(2,295)	(102,142)	(464,795)
Current year amortization of experience differences	40,250	102	388	122	1,496	136	203	272	12,102	55,071
Ending Balance	(299,460)	(759)	(2,883)	(911)	(11,128)	(1,012)	(1,508)	(2,023)	(90,040)	(409,724)
<b>Deferred Outflow</b>										
Changes in assumptions	357,568	906	3,443	1,087	13,288	1,208	1,801	2,416	107,512	489,229
Current year amortization of assumption changes	(42,366)	(107)	(408)	(129)	(1,574)	(143)	(213)	(286)	(12,739)	(57,965)
Ending Balance	315,202	799	3,035	958	11,714	1,065	1,588	2,130	94,773	431,264
<b>OPEB Expense</b>	213,954	542	2,060	651	7,951	723	1,008	1,445	64,331	292,665



**Note 9 - Other Post-employment Benefits (Continued)**

Sensitivity Analysis

The following table discloses the sensitivity of the County and Partnership Health Center's (PHC) OPEB liability to changes in the discount rate and healthcare cost trend rate, showing how the OPEB liability would change if the rates used were increased or decreased by 1%.

	1.0% Decrease 2.45%	Discount Rate 3.45%	1.0% Increase 4.45%
County OPEB Liability	2,495,214	2,021,449	1,666,477
PHC Liability	703,505	569,931	469,850
	1.0% Decrease 5.20%	Healthcare Cost Trend Rate 6.20%	1.0% Increase 7.20%
County OPEB Liability	1,638,553	2,021,449	2,537,765
PHC Liability	461,976	569,931	715,502

Deferred Inflows and Outflows of Resources

Differences between expected and actual experience in the measurement of the OPEB liability resulted in deferred inflows of resources. Deferred outflows of resources resulted from changes in assumptions and other inputs. The net amount of deferred inflows and outflows of resources for OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Increase (Decrease) in OPEB Expense	
30-Jun	County	PHC
2019	\$ 2,258	\$ 636
2020	2,258	636
2021	2,258	636
2022	2,258	636
2023	2,258	636
2024-2026	5,517	1,553
	<u>\$ 16,807</u>	<u>\$ 4,733</u>

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**Note 10 - Governmental Fund Balances**

At June 30, 2018, the County had a total fund balance in governmental funds of \$46,508,958. In accordance with GASB Statement No. 54, this fund balance has been classified as follows:

	<u>Balance</u>	<u>Category</u>	<u>Description</u>
<b>General Fund</b>			
Nonspendable	\$ 48,674	General Government	Inventories
Restricted	25,936	General Government	Federal, State, and other grant and legal commitments
Unassigned	2,099,367	Governmental Services	Remainder
Unassigned	126,929	Justice Courts	Remainder
Unassigned	501,856	County Attorney	Remainder
Unassigned	437,353	Emergency Services	Remainder
Unassigned	49,755	Surveyors	Remainder
Unassigned	12,661	Debt Service	Remainder
Unassigned	65,537	Capital Outlay	Remainder
<b>Public Safety</b>			
Restricted	3,035,089	Sheriff	State and Federal law
Committed	1,764,865	Detention	Commissary
<b>RSID Debt Service</b>			
Restricted	2,806,073	Debt Service	Federal, State, and other grant and legal commitments
<b>Fort Missoula Regional Park Construction</b>			
Restricted	4,944,041	Fort Missoula Regional Park	Federal, State, and other grant and legal commitments
<b>Nonmajor Governmental Funds</b>			
Nonspendable	1,186,103	Road and Bridge Supplies	Inventories
Restricted	683,259	General Government Technology	Federal, State, and other grant and legal commitments
Restricted	506,129	Clerk of District Court	Federal, State, and other grant and legal commitments
Restricted	32,514	Relationship Violence Grants	Federal, State, and other grant and legal commitments
Restricted	161,581	Drug Education and Containment	Federal, State, and other grant and legal commitments
Restricted	81,602	Search & Rescue	Federal, State, and other grant and legal commitments
Restricted	84,528	Forest Reserve Title III	Federal, State, and other grant and legal commitments
Restricted	1,552,169	Emergency Services	Federal, State, and other grant and legal commitments
Restricted	1,196,316	Road Projects	Federal, State, and other grant and legal commitments
Restricted	1,596,013	Bridge Projects	Federal, State, and other grant and legal commitments
Restricted	748,408	Building Code Division	Federal, State, and other grant and legal commitments
Restricted	391,831	Weed and Extension Services	Federal, State, and other grant and legal commitments
Restricted	3,454,987	Airport Industrial Park Projects	Federal, State, and other grant and legal commitments
Restricted	428,985	Technology District Projects	Federal, State, and other grant and legal commitments
Restricted	717,768	Bonner Millsite Projects	Federal, State, and other grant and legal commitments
Restricted	293,252	Bonner West Log Yard Projects	Federal, State, and other grant and legal commitments

**Note 10 - Governmental Fund Balances (Continued)**

**Nonmajor Governmental Funds (Continued)**

	Balance	Category	Description
Restricted	936,373	Public Health Services	Federal, State, and other grant and legal commitments
Restricted	253,493	Water Quality Testing and Projects	Federal, State, and other grant and legal commitments
Restricted	227,880	Junk Vehicle Services	Federal, State, and other grant and legal commitments
Restricted	60,436	Wood Stove Exchange	Federal, State, and other grant and legal commitments
Restricted	236,216	Social Services	Federal, State, and other grant and legal commitments
Restricted	733,107	Parks & Trails	Federal, State, and other grant and legal commitments
Restricted	392,969	Library Services	Federal, State, and other grant and legal commitments
Restricted	152,469	Historical Museum Programs	Federal, State, and other grant and legal commitments
Restricted	960,341	Community Development Programs	Federal, State, and other grant and legal commitments
Restricted	1,968,586	Open Space Projects	Federal, State, and other grant and legal commitments
Restricted	2,122,646	Debt Service	Federal, State, and other grant and legal commitments
Committed	7,992	General Programs	Commissioner resolution for specific programs and projects
Committed	42,641	Extension Services	Commissioner resolution for specific programs and projects
Committed	729,192	Airport Industrial Park Projects	Commissioner resolution for specific programs and projects
Committed	3,218,253	Technology District Projects	Commissioner resolution for specific programs and projects
Committed	1,811	Special District Management	Commissioner resolution for specific programs and projects
Committed	172,651	Solid Waste Collection	Commissioner resolution for specific programs and projects
Committed	148,869	Animal Control Services	Commissioner resolution for specific programs and projects
Committed	33	Open Space	Commissioner resolution for specific programs and projects
Committed	38,814	Library Projects	Commissioner resolution for specific programs and projects
Committed	351,932	Historical Museum Projects	Commissioner resolution for specific programs and projects
Committed	557,194	Community Development Programs	Commissioner resolution for specific programs and projects
Committed	2,823,789	Debt Service	Commissioner resolution for specific programs and projects
Assigned	92,423	Sheriff Department Capital Projects	Intent established in budgeting process or by express assignment
Assigned	131,344	Search & Rescue Capital Projects	Intent established in budgeting process or by express assignment
Assigned	447,521	Road Capital Projects	Intent established in budgeting process or by express assignment
Assigned	363,520	Bridge Capital Projects	Intent established in budgeting process or by express assignment
Assigned	1,301,114	Weed/Extension Capital Projects	Intent established in budgeting process or by express assignment

**Note 10 - Governmental Fund Balances (Continued)**

**Nonmajor Governmental Funds (Continued)**

	<u>Balance</u>	<u>Category</u>	<u>Description</u>
Assigned	801,124	Public Health Capital Projects	Intent established in budgeting process or by express assignment
Assigned	95,371	Water Quality Capital Projects	Intent established in budgeting process or by express assignment
Assigned	49,201	Library Projects	Intent established in budgeting process or by express assignment
Assigned	166,690	Public Safety Reserve	Intent established in budgeting process or by express assignment
Assigned	29,757	Community Development Projects	Intent established in budgeting process or by express assignment
Assigned	378,732	County Capital Projects	Intent established in budgeting process or by express assignment
Assigned	6,000	District Court Reserve	Intent established in budgeting process or by express assignment
Assigned	80,000	Animal Control Reserve	Intent established in budgeting process or by express assignment
Assigned	105,725	Milltown Historic Preservation	Intent established in budgeting process or by express assignment
Unassigned	(31,717)	Substance Abuse Prevention	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(18,328)	Weed	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(1,772)	Disaster Services	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(726,752)	Fair Operations and Capital Projects	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(83,262)	Debt Service	Negative fund balance is Unassigned per GASB Statement No. 54 definitions
Unassigned	(1,849,001)	Capital Projects	Negative fund balance is Unassigned per GASB Statement No. 54 definitions

## Note 11 - Deficit Fund Balances

Deficit fund balances - At June 30, 2018, the following funds had a deficit fund balance resulting from expenditures/expenses in excess of revenues during 2018 and prior years:

Nonmajor Governmental Funds	
Special Revenue Funds	
Fair	\$ 240,723
SAP	31,717
Disaster Emergency Levy	1,772
Weed	18,328
Debt Service Funds	
Fair Ice Rink Series 2012 Refinance	30,466
Fair Ice Rink Series 2006	2,771
2017 LTGO Debt Service	50,025
Capital Projects Funds	
Fair Capital Projects	486,029
Courthouse Reconstruction	521,074
Courthouse Reconstruction Phase 2-5	1,317,927
CAPS Building Acquisition	10,000
Internal Service Funds	
Risk Management	1,300,284
Information Services Operations	1,238,867

The deficits in the SAP, Fair Ice Rink Debt Service, and 2017 LTGO Debt Service funds are expected to be eliminated through future income. The deficit in the Disaster Emergency Levy fund and the Weed fund will be eliminated with a transfer from the General Fund. The deficit in the Fair Capital Projects fund will be eliminated through collections on a note receivable and issuance of debt. The deficits in the Fair, Courthouse Reconstruction, Courthouse Reconstruction Phase 2-5, CAPS Building Acquisition are expected to be eliminated through debt financing. The deficit in Risk Management will be eliminated through a judgment levy in fiscal year 2019. The deficit in the Information Services Operations fund will be eliminated with a transfer from the Technology fund.

## Note 12 - Budgetary-GAAP Reporting Reconciliation

The accompanying combining schedules of revenues and expenditures-budget and actual are presented on the budget basis. The following is a reconciliation of the change in Fund Balance-GAAP basis to the change in Fund Balance-budget basis for budgeted funds:

	General	Public Safety	RSID Debt Service	Fort Missoula Regional Park Construction	Nonmajor Governmental	Internal Service
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - GAAP Basis	\$ 584,631	\$ (1,170,623)	\$ (36,352)	\$ (9,508,806)	\$ (839,213)	\$ 3,515,443
Cash & Investments - 6/30/2017	49,299	7,043	-	-	(1,493,766)	19,605
Cash & Investments - 6/30/2018	(29,623)	(378,477)	-	-	1,278,180	(31,263)
Accounts Receivable - 6/30/2017	80,654	700,046	-	317,219	1,159,358	741,766
Accounts Receivable - 6/30/2018	(47,680)	(872,579)	-	(34,278)	(1,934,905)	(708,322)
Advances to Other Funds - 6/30/2017	-	-	-	-	2,590,000	-
Advances to Other Funds - 6/30/2018	-	-	-	-	(2,410,000)	-
Deferred Pension Outflows - 6/30/2017	-	-	-	-	-	445,688
Deferred Pension Outflows - 6/30/2018	-	-	-	-	-	(593,261)
Accounts Payable - 6/30/2017	(293,467)	(572,152)	-	(2,244,538)	(1,610,123)	(81,960)
Accounts Payable - 6/30/2018	375,068	419,279	-	1,033,805	1,367,517	69,147
Claims Payable - 6/30/2017	-	-	-	-	-	(6,696,783)
Claims Payable - 6/30/2018	-	-	-	-	-	5,819,900
Accrued Payroll - 6/30/2017	(454,286)	(585,531)	-	-	(684,332)	(100,690)
Accrued Payroll - 6/30/2018	508,326	703,731	-	-	711,847	106,634
Prepaid Cost - 6/30/2017	-	-	-	-	-	77,307
Prepaid Cost - 6/30/2018	-	-	-	-	-	(42,770)
Accrued Interest - 6/30/2017	-	-	(197,488)	-	(1,842,213)	-
Accrued Interest - 6/30/2018	3,435	-	182,182	-	1,193,339	-
Deferred Tax Revenue - 6/30/2017	-	-	-	-	-	-
Deferred Tax Revenue - 6/30/2018	-	-	-	-	1,006,880	-
Other Deferred Revenue - 6/30/2017	-	(58,996)	-	-	-	(33,663)
Other Deferred Revenue - 6/30/2018	-	229,677	-	-	-	2,266
Net Pension Liability - 6/30/2017	-	-	-	-	-	(2,017,408)
Net Pension Liability - 6/30/2018	-	-	-	-	-	2,392,466
Deferred Pension Inflows - 6/30/2017	-	-	-	-	-	(6,746)
Deferred Pension Inflows - 6/30/2018	-	-	-	-	-	35,363
Depreciation	-	-	-	-	-	-
Capital Purchases	-	-	-	-	-	-
Loss on Disposal of Capital Assets	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	-	(92,857)
Non-budgeted Funds:						
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses - Budget Basis	<u>\$ 776,357</u>	<u>\$ (1,578,582)</u>	<u>\$ (51,658)</u>	<u>\$ (10,436,598)</u>	<u>\$ (1,507,431)</u>	<u>\$ 2,819,862</u>

### Note 13 - Interfund Transactions

Interfund transfers - The County uses interfund transfers for regular recurring internal charges, such as debt service, supplies and materials, and services provided. An analysis of transfers in and out during 2018 follows:

General Fund to:	
Public Safety	\$ 501,363
Nonmajor Governmental Funds (Road)	
Community & Planning Services, Community Based Organizations,	
Animal Control, Historical Museum, Technology)	1,179,536
Internal Service (Information Services)	30,839
Public Safety Fund to:	
General Fund	98,020
Nonmajor Governmental Funds (Drug Forfeiture, Relationship Violence	
Services, Technology, Public Safety Capital Reserve)	939,525
Internal Service (Risk Management, Information Services)	398,054
RSID Debt Service Funds to:	
Nonmajor Governmental Funds (Road)	3,323
Nonmajor Governmental Funds to:	
General Fund	1,374,092
Public Safety Fund	651,459
Nonmajor Governmental Funds (Road, Community Assistance Fund,	
Bridge, Weed, Weed Grant, Fair, District Court, Parks, Library,	
Planning, Grants, Substance Abuse Prevention, Relationship	
Violence Services, Community & Planning Services, Health,	
Water Quality District, Animal Control, Extension, Extension	
Grant, Drug Forfeiture, Historical Museum, NACo RX Fund,	
Missoula Search & Rescue, Junk Vehicle, RSID Administration,	
Seeley Lake Stove Project, Permissive Medical Levy, Friends of	
the Museum, RSID Revolving, Capital Improvement Debt Service,	
Weed/Extension Building Reserve, Missoula Search & Rescue	
Reserve, Courthouse Reconstruction, Capital Improvement,	
Technology, Risk Management)	7,043,340



**Note 13 - Interfund Transactions (Continued)**

Internal Service (Risk Management, Health Insurance, IS Operations)	1,486,403
Internal Service Funds to:	
Nonmajor Governmental Funds (Technology)	13,150
Larchmont Golf Course Fund to:	
General Fund	78,176
Nonmajor Enterprise Fund to:	
Nonmajor Governmental Funds (RSID Administration)	14,705
Total Transfers In/Out	<u>\$ 13,811,985</u>

Interfund Receivables/Payables - Interfund receivables and payables for funds that incur negative cash balances due to expenditures exceeding revenues for a short time period. Balances due to/from other funds at June 30, 2018 consist of the following:

General Fund - Cash flow advances to:	
Nonmajor Governmental Funds (Fair, Grants, Disaster Emergency, Relationship Violence Services, Health Center 2012 Refi, Fair Ice Rink 2012, Fair Ice Rink 2006, Health Center 2009, Health Center 2012, CIP Debt Service, Fair Construction, Courthouse Reconstruction, Courthouse Reconstruction Phase 2-5)	\$ 2,873,699
Public Safety - Cash flow advances to:	
Nonmajor Governmental Funds (Jail Bonds)	764,070
Fort Missoula Regional Park Const	
Nonmajor Governmental Fund (Parks and Trail Bonds)	381,296
Nonmajor Governmental Funds - Cash flow advances to:	
Nonmajor Governmental Funds (Relationship Violence Services, MDA Technology District, Technology Tax Increment Bonds, Fair Ice Rink 2006, Open Space Bonds, Capital Improvement Debt Service, Fort Missoula Regional Park Construction, RVSD Building Construction)	720,542
Internal Service Funds-transfer from Health Benefits to Wellness Fund	49,518
Enterprise Funds - Cash flow advances to:	
Nonmajor Governmental Funds (Larchmont LTGO)	58,706
Total Due from Other Funds	<u>\$ 4,847,831</u>

**Note 13 - Interfund Transactions (Continued)**

Interfund Advances - advances receivable at June 30, 2018 include the following:

Nonmajor Governmental Funds - Advances to:	
Enterprise Funds (Larchmont) for County bond repayment	750,000
Total Advances to Other Funds	<u>\$ 750,000</u>
Which includes non-current portions of:	
Enterprise Funds (Larchmont) for County bond repayment	705,000
Total Non-Current Advances to Other Funds	<u>\$ 705,000</u>

**Note 14 - Transactions with Component Units**

Missoula County's significant transactions with its discretely-presented component units include:

Partnership Health Center

Advances from Primary Government

Advance from Nonmajor Governmental Funds (Health Center Bonds)	\$ 1,655,000
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Transactions with Primary Government

Principal and Interest payment to Nonmajor Governmental Funds (Health Center Bonds)	\$ 213,088
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Health insurance premiums paid to Internal Service Funds	1,515,674
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Community Based Organizations Grant from Nonmajor Governmental Fund (Community Assistance Fund)	200,623
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Missoula Aging Services

Community Based Organizations Grant from Nonmajor Governmental Fund (Aging Fund)	693,053
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## **Note 15 - Change in Accounting Principle/Restatements**

During 2018, the County implemented GASB Statement No. 74, Accounting and Financial Reporting for Post Employment Benefits other than Pensions. As part of this implementation, the County reported a change in accounting principle adjustment to beginning net position. The adjustments included:

Governmental Activities	\$ (1,184,341)
- Includes Internal Service	(92,857)
Larchmont Golf Course	(6,392)
RSID Enterprise	(11,255)

Beginning net position for Larchmont enterprise fund and Business-Type Activities was decreased by \$426,460 to reflect the correction of prior years depreciation expense.

The Employee Benefits fund, an internal service fund, and Governmental Activities beginning net position were restated by \$327,596 to reflect a decrease in prior year expenses to correct a cash reconciling item.

## **Note 16 - Subsequent Events**

In August 2018, the County approved a contract to construct the new Library for a guaranteed maximum price of \$28,000,774. In September 2018, the County sold \$24,460,000 in general obligation bonds to fund the construction of the new Library.

In August 2018, the County decided to remit tax increment revenue to various affected taxing jurisdictions in the amount of \$1,995,375 due to taxes on previously excluded commercial properties being included in the tax increment for the Airport Industrial District from fiscal year 2009 through 2018.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Changes in Other Post Employment Benefits Liability and Related Ratios

Schedules of Proportionate Share of Net Pension Liability and Schedules of Pension Contributions

**Missoula County**

**Schedule of Changes in Other Post Employment Benefits Liability and Related Ratios  
For the Last Ten Fiscal Years\***

	2018 Total
Beginning Balance	\$ 656,635
Restatement-Change in Accounting Principle	1,620,540
Restated Beginning Balance	2,277,175
Service Cost	211,208
Interest	78,563
Deferred Inflows - Difference between expected and actual experience	(464,795)
Deferred Outflows - Changes in assumptions	489,229
Net Change	314,205
Ending Balance	\$ 2,591,380
Covered Payroll (***)	43,203,150
Total Other Post-Employment Benefits Liability as a percentage of Covered Payroll	6%

*Note to Schedule:* Assets are not accumulated in a trust to pay related benefits that meets the criteria in GASB 75, paragraph 4.

\*The amounts presented above for each fiscal year were determined as of June 30th. The schedule is intended to show information for 10 years, additional years will be displayed as they become available.

**Missoula County, Montana**  
**Schedule of Proportionate Share of Net Pension Liability and Schedule of Pension Contributions**  
**Montana Public Employees' Retirement System**  
**Schedule of Proportionate Share of Net Pension Liability**  
**For the Last Four Fiscal Years \***

	2018	2017	2016	2015
County's proportionate share of net pension liability	\$ 48,121,836	\$ 42,245,889	\$ 32,230,430	\$ 28,051,394
County's proportionate share of net pension liability (as a percentage)	2.4708%	2.4802%	2.3057%	2.2513%
State of Montana proportionate share of net pension liability associated with the County	643,960	516,196	395,896	342,550
Total	<u>\$ 48,765,796</u>	<u>\$ 42,762,085</u>	<u>\$ 32,626,326</u>	<u>\$ 28,393,944</u>
County's covered-employee payroll	\$ 30,650,357	\$ 29,708,103	\$ 26,907,729	\$ 25,484,634
County's proportionate share of net pension liability as a percentage of covered-employee payroll	157.0000%	142.2033%	119.7813%	110.0718%
Plan fiduciary net position as a percentage of total pension liability	73.7500%	74.7100%	78.4000%	79.9000%

\* The amounts presented above for each fiscal year were determined as of June 30th, the pension plan measurement date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Schedule of Pension Contributions**  
**For the Last Four Fiscal Years \*\***

Contractually required contributions	\$ 2,697,971	\$ 2,582,454	\$ 2,566,517	\$ 2,356,552
Contributions recognized by the plan	2,697,971	2,582,454	2,566,517	2,356,552
Contribution difference	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 31,943,172	\$ 30,650,357	\$ 29,708,103	\$ 26,907,729
Contributions recognized by the plan as a percentage of covered-employee payroll	8.4462%	8.4255%	8.6400%	8.7600%

\*\* The amounts presented above for each fiscal year were determined as of June 30th, the fiscal year end date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Montana Public Employees' Retirement System  
Notes to Required Supplementary Information

Change of Benefit Terms

The following changes to the plan provision were made as identified:

House Bill 454 - Permanent Injunction Limits Application of the GABA Reduction passed under HB 454

Guaranteed Annual Benefit Adjustment (GABA) - for PERS

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit.

- \* 3.0% for members hired prior to July 1, 2007
- \* 1.5% for members hired on or after July 1, 2007 and before July 1, 2013
- \* Members hired on or after July 1, 2013
  - a. 1.5% each year PERS is funded at or above 90%;
  - b. 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and,
  - c. 0% whenever the amortization period for PERS is 40 years or more.

**2015 Legislative Changes:**

General Revisions - House Bill 101, effective January 1, 2016

Second Retirement Benefit - for PERS

1. Applies to PERS members who return to active service on or after January 1, 2016. Members who retire before January 1, 2016, return to PERS-covered employment, and accumulate less than 2 years of service credit before retiring again:
  - \* refund of member's contributions from second employment plus regular interest (currently 0.25%);
  - \* no service credit for second employment;
  - \* start same benefit amount the month following termination; and
  - \* GABA starts in January immediately following second retirement.
2. For members who retire before January 1, 2016, return to PERS-covered employment and accumulate two or more years of service credit before retiring again:
  - \* member receives a recalculated retirement benefit based on laws in effect at second retirement; and,
  - \* GABA starts in January after receiving recalculated benefit for 12 months.



Notes to Required Supplementary Information (continued)

3. For members who retire on or after January 1, 2016, return to PERS-covered employment and accumulate less than 5 years of service credit before retiring again:
  - \* refund of member's contributions from second employment plus regular interest (currently (0.25%);
  - \* no service credit for second employment;
  - \* start same benefit amount the month following termination; and
  - \* GABA starts in January immediately following second retirement.
4. For members who retire on or after January 1, 2016, return to PERS-covered employment and accumulate 5 or more years of service credit before retiring again:
  - \* member receives same retirement benefit as prior to return to service;
  - \* member receives second retirement benefit for second period of service based on laws in effect at second retirement; and
  - \* GABA starts on both benefits in January after member receives original and new benefit for 12 months.

Revise DC Funding Laws - House Bill 107, effective July 1, 2015

Employer Contributions and the Defined Contribution Plan - for PERS and MUS-RP

The PCR was paid off effective March 2016 and the contributions of 2.37%, 0.47%, and the 1.0% increase previously directed to the PCR are now directed to the Defined Contribution or MUS-RP member's account.

**2017 Legislative Changes:**

General Revisions - House Bill 101, effective July 1, 2017

Working Retiree Limitations - for PERS

If a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations

Terminating Employers-Recovery of actuarial costs-for PERS

Employers who terminate participation in PERS must pay the actuarial liability associated with that termination. Starting July 1, 2017, the terminating employer must also pay for the cost of the actuarial study used to determine that liability.

Refunds

- <sup>1</sup> Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2 Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3 Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Family Law Orders

If a Family Law Order (FLO) is silent regarding the apportionment of post-retirement benefit adjustments such as Guaranteed Annual Benefit Adjustment (GABA), the FLO is presumed to require apportionment of the post-retirement benefit adjustment in the same percentage as the monthly retirement benefit is apportioned.

Notes to Required Supplementary Information (continued)

Disabled PERS Defined Contribution (DC) Members

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 are eligible for a disability benefit until age 65.

PERS Statutory Appropriation-House Bill 648, effective July 1, 2017

Revenue from coal severance taxes and interest income from the coal severance tax permanent fund previously statutorily-appropriated to the PERS defined benefit trust fund will be replaced with the following statutory appropriations:

- 1 FY2018-\$31.386 million
- 2 FY2019-\$31.958 million
- 3 Beginning July 1, 2019 through at least June 30, 2025, 101% of the contribution from the previous year from the general fund to the PERS defined benefit trust fund, as follows
  - a. FY2020-\$32.277 million
  - b. FY2021-\$32.6 million
  - c. FY2022-\$32.926 million
  - d. FY2023-\$33.255 million
  - e. FY2024-\$33.588 million
  - f. FY2025-\$33.924 million

**Changes in Actuarial Assumptions and Methods**

Method and assumptions used in calculations of actuarially determined contributions

The following addition to the actuarial assumptions was adopted in 2014 based on implementation of GASB Statement No. 68:

Admin Expense as a % of Payroll	0.26%
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There were no changes following the 2013 Economic Experience study.

Notes to Required Supplementary Information (continued)

The following Actuarial Assumptions were adopted from the June 30, 2017 actuarial valuation:

General Wage Growth	3.50%
Investment Rate of Return	7.65%
Includes Inflation at	2.75%
Merit salary increases	0% to 6.30%
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Mortality Table
Admin expense as a % of Payroll	0.26%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

Previous actuarial assumptions were as follows:

General Wage Growth *	4.00%
* Includes inflation at	3.00%
Merit increase	0% to 6.0%
Investment rate of return	7.75%, net of pension plan investment expense, and including inflation
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open

**Missoula County, Montana**  
**Schedule of Proportionate Share of Net Pension Liability and Schedule of Pension Contributions**  
**Montana Sheriffs' Retirement System**  
**Schedule of Proportionate Share of Net Pension Liability**  
**For the Last Four Fiscal Years \***

	2018	2017	2016	2015
County's proportionate share of net pension liability	\$ 8,868,574	\$ 18,961,826	\$ 10,084,703	\$ 4,297,968
County's proportionate share of net pension liability (as a percentage)	11.6543%	10.7935%	10.4614%	10.3274%
County's covered-employee payroll	\$ 8,719,740	\$ 7,619,504	\$ 7,118,535	\$ 6,679,020
County's proportionate share of net pension liability as a percentage of covered-employee payroll	101.7069%	248.8591%	141.6682%	64.3503%
Plan fiduciary net position as a percentage of total pension liability	81.3000%	63.0000%	75.4000%	87.2000%

\* The amounts presented above for each fiscal year were determined as of June 30th, the pension plan measurement date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Schedule of Pension Contributions**  
**For the Last Four Fiscal Years \*\***

Contractually required contributions	\$ 1,253,524	\$ 882,002	\$ 789,727	\$ 722,095
Contributions recognized by the plan	1,253,524	882,002	789,727	722,095
Contribution difference	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 9,562,120	\$ 8,719,740	\$ 7,619,504	\$ 7,118,535
Contributions recognized by the plan as a percentage of covered-employee payroll	13.1093%	10.1150%	10.3645%	10.1439%

\*\* The amounts presented above for each fiscal year were determined as of June 30th, the fiscal year end date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Montana Sheriffs' Retirement System  
Notes to Required Supplementary Information

**Change of Benefit Terms**

The following changes to the plan provision were made as identified:

**2015 Legislative Changes** - none

**2017 Legislative Changes**

General Revisions-House Bill 101, effective July 1, 2017

Second Retirement Benefit-for SRS

- 1) Applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired
- 2) If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
  - a. Is not awarded Service Credit for the period of reemployment
  - b. Is refunded the accumulated contributions associated with the period of reemployment;
  - c. Starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
  - d. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following second retirement.
- 3) If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
  - a. Is awarded service credit for the period of reemployment
  - b. Starting the first month following termination of service, receives :
    - i. The same retirement benefit previously paid to the member, and
    - ii. A second retirement benefit for the period of reemployment calculated based on the laws in effect as of the member's rehire date; and
  - c. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
    - i. On the initial retirement benefit in January immediately following second retirement, and
    - ii. On the second retirement benefit starting in January after receiving that benefit for at least 12 months
- 4) A member who returns to covered service is not eligible for a disability benefit

Refunds

- 1 Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum

## 2017 Legislative Changes Cont.

- 2 Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3 Trust, estate, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment

### Family Law Orders

A Family Law Order (FLO) is silent regarding the apportionment of post-retirement benefit adjustments such as the Guaranteed Annual Benefit Adjustment (GABA), the FLO is presumed to require apportionment of the post-retirement benefit adjustment in the same percentage as the monthly retirement benefit is apportioned.

SRS Funding-House Bill 383, effective July 1, 2017

### Increase in SRS Employee and Employer Contributions

- 1) SRS employee contributions increase 1.25% from 9.245% to 10.495%.
- 2) SRS employer additional contributions increase 3%, from 0.58% to 3.58%, for a total employer contributions rate 13.115%.
- 3) SRS employee contributions will return to 9.245% and SRS employer contributions will return to 9.535% when reducing the employee contribution and terminating the additional employer contributions will not cause the amortization period to exceed 25 years.

## Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following Actuarial Assumptions were adopted from the June 30, 2017 actuarial valuation

General Wage Growth	3.50%
Investment Rate of Return	7.65%
Includes inflation at	2.75%
Merit salary increase	0%to 6.30%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay, open
Mortality (Healthy Members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality ( Disabled Members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table
Admin Expense as a % of Payroll	0.21%

Notes to Required Supplementary Information (continued)

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

The following change to the actuarial assumptions was adopted in 2016:

SRS Discount rate - used to measure the TPL	5.93%, which is a blend of the assumed long-term expected rate of return of 7.75% on pension plan investments and a municipal bond index rate of 3.01%.
---	---

The following change to the actuarial assumptions was adopted in 2015:

SRS Discount rate - used to measure the TPL	6.86%, which is a blend of the assumed long-term expected rate of return of 7.75% on pension plan investments and a municipal bond index rate of 3.80%.
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The following additions were adopted in 2014 based on implementation of GASB Statement No. 68:

Admin Expense as % of Payroll	0.17%
SRS Discount rate - used to measure the TPL	7.75%, which is the assumed long-term expected rate of return on pension plan investments

The following change to the actuarial assumptions was adopted in 2013:

SRS Discount rate - used to measure the TPL	6.86%, which is a blend of the assumed long-term expected rate of return of 7.82% on pension plan investments and a municipal bond index rate of 4.27%.
---	---

There were no changes following the 2013 Economic Experience study.

The following Actuarial Assumptions are from the June 2010 Experience Study:

General Wage Growth *	4.00%
* Includes inflation at	3.00%
Merit increase	0% to 7.3%
Investment rate of return	7.75%, net of pension plan investment expense, and including inflation
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open

**Missoula County, Montana**  
**Schedule of Proportionate Share of Net Pension Liability and Schedule of Pension Contributions**  
**Montana Teachers' Retirement System**  
**Schedule of Proportionate Share of Net Pension Liability**  
**For the Last Four Fiscal Years \***

	2018	2017	2016	2015
County's proportionate share of net pension liability	\$ 93,798	\$ 97,479	\$ 86,759	\$ 80,664
County's proportionate share of net pension liability (as a percentage)	0.0056%	0.0053%	0.0053%	0.0052%
State of Montana proportionate share of net pension liability associated with the County	59,762	66,896	65,520	57,909
Total	<u>\$ 153,560</u>	<u>\$ 164,375</u>	<u>\$ 152,279</u>	<u>\$ 138,573</u>
County's covered-employee payroll	\$ 73,369	\$ 69,260	\$ 67,394	\$ 66,101
County's proportionate share of net pension liability as a percentage of covered-employee payroll	127.8442%	140.7436%	128.7340%	122.0314%
Plan fiduciary net position as a percentage of total pension liability	70.0900%	66.6900%	69.3000%	70.3600%

\* The amounts presented above for each fiscal year were determined as of June 30th, the pension plan measurement date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Schedule of Pension Contributions**  
**For the Last Four Fiscal Years \*\***

Contractually required contributions	\$ 6,946	\$ 6,435	\$ 6,005	\$ 5,776
Contributions recognized by the plan	6,946	6,435	6,005	5,776
Contribution difference	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 78,303	\$ 73,369	\$ 69,260	\$ 67,394
Contributions recognized by the plan as a percentage of covered-employee payroll	8.8707%	8.7707%	8.6702%	8.5705%

\*\* The amounts presented above for each fiscal year were determined as of June 30th, the fiscal year end date. The Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



Montana Teachers' Retirement System  
Notes to Required Supplementary Information

**Changes of Benefit Terms:**

The following changes to the plan provision were made as identified.

The 2013 Montana Legislature passed HB 377 which provides additional revenue and created a two tier benefit structure. A Tier One Member is a person who first became a member before July 1, 2013 and has not withdrawn their member's account balance. A Tier Two Member is a person who first becomes a member on or after July 1, 2013 or after withdrawing their member's account balance, becomes a member again on or after July 1, 2013.

The GABA for Tier One Members has been set at 1.5% GABA regardless of the funding condition of the System.

The second tier budget structure for members hired on or after July 1, 2013 is as follows:

1. **Final Average Compensation:** average of earned compensation paid in five consecutive years of full-time service that yields the highest average
2. **Service Retirement:** eligible to receive a service retirement benefit if the member has been credited with at least five full years of creditable service and has attained the age of 60; or has been credited with 30 or more years of full-time or part-time creditable service and has attained age 55
3. **Early Retirement:** eligible to receive an early retirement allowance if a member is not eligible for service retirement but has at least five years of creditable service and attained age 55
4. **Professional Retirement Option:** if the member has been credited with 30 or more years of service and has attained the age of 60, they are eligible for an enhanced allowance equal to 1.85% of average final compensation times all service at retirement. Otherwise, the multiplier used to calculate the retirement allowance will be equal to 1.67%
5. **Annual Contribution:** 8.15% of member's earned compensation
6. **Supplemental Contribution Rate:** on or after July 1, 2023, the TRS Board may require a supplemental contribution up to 0.5% if the following three conditions are met:
  - a. The average funded ratio of the System based on the last three annual actuarial valuations is equal to or less than 80%; and
  - b. The period necessary to amortize all System liabilities based on the latest annual actuarial valuation is greater than 20 years;

Notes to Required Supplementary Information (continued)

- c. A State or employer contribution rate increase or a flat dollar contribution to the Retirement System Trust fund has been enacted that is equivalent to or greater than the supplemental contribution rate imposed by the TRS Board.
- 7. **Disability Retirement:** a member will not be eligible for a disability retirement if the member is or will be eligible for a service retirement on the date of termination
- 8. **Guaranteed Annual Benefit Adjustment (GABA):** if the most recent actuarial valuation shows that Retirement System liabilities are at least 90% funded and the provision of the increase is not projected to cause the System's liabilities to be less than 85% funded, the GABA may increase from the 0.5% floor up to 1.50%, as set by the TRS Board.

HB 377 increased revenue from the members, employers and the State as follows:

- \* Annual State contribution equal to \$25 million paid to the System in monthly installments.
- \* One-time contribution payable to the Retirement System by the trustees of a school district maintaining a retirement fund. The one-time contribution to the Retirement System shall be the amount earmarked as an operating reserve in excess of 20% of the adopted retirement fund budget for the fiscal year 2013. The amount received was \$22 million in fiscal year 2014.
- \* 1% supplemental employer contribution. This will increase the current employer rates:
  - School District contributions will increase from 7.47% to 8.47%.
  - The Montana University System and State Agencies will increase from 9.85% to 10.85%.
  - The supplemental employer contribution will increase by 0.1% each fiscal year for fiscal year 2014 through fiscal year 2024. Fiscal years beginning after June 30, 2024 the total supplemental employer contribution will be equal to 2%.
- \* Members hired prior to July 1, 2013 (Tier 1) under HB 377 are required to contribute a supplemental contribution equal to an additional 1% of the member's earned compensation.
- \* Each employer is required to contribute 9.85% of total compensation paid to all re-employed TRS retirees employed in a TRS reportable position to the System.

**Changes in actuarial assumptions and other inputs:**

The following changes to the actuarial assumptions were adopted in 2016:

- \* The normal cost method has been updated to align the calculation of the projected compensation and the total present value of plan benefits so that the normal cost rate reflects the most appropriate allocation of plan costs over future compensation.

The following changes to the actuarial assumptions were adopted in 2015:

- \* Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three year COLA deferral period for Tier 2 Members.
- \* The 0.63% load applied to the projected retirement benefits of the university members "to account for larger than average annual compensation increases observed in the years immediately preceding retirement" is not applied to benefits expected to be paid to university members on account of death, disability and termination prior to retirement eligibility.
- \* The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.
- \* The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again, when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portion of the terminated members that are assumed to "retain membership in the System" are covered by the \$500 death benefit after termination.

The following changes to the actuarial assumptions were adopted in 2014:

- \* Assumed rate of inflation was reduced from 3.50% to 3.25%.
- \* Payroll Growth Assumption was reduced from 4.50% to 4.00%.
- \* Assumed real wage growth was reduced from 1.00% to 0.75%.
- \* Investment return assumption was changed from net of investment and administrative expenses to net of investment expenses only.

## Notes to Required Supplementary Information (continued)

- \* Mortality among contributing members, service retired members, and beneficiaries was updated to the following:

For Males: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.

For Females: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.

- \* Mortality among disables members was updated to the following:

For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.

For Females: RP Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.

### Method and assumptions used in calculations of actuarially determined contributions:

Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open
Remaining amortization period	22 years
Asset valuation method	4-year smoothed market
Inflation	3.25%
Salary increase	4.00 to 8.51%, including inflation for Non-University Members and 5.00% for University Members
Investment rate of return	7.75%, net of pension plan investment expense and including inflation

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## **REQUIRED SUPPLEMENTARY INFORMATION**

### **GENERAL FUND - Budget to Actual**

**Commissioners** – To account for the budget of the County Commissioners Office.

**Communications and Projects** – To account for the budget of the Communications and Projects department.

**Justice Courts** – To account for the budgets of the Justices of the Peace.

**Attorney** – To account for the budget of the County Attorney's Office.

**Financial Services** – To account for the budget of the Financial Services Office.

**Clerk & Recorder** – To account for the budget of the Clerk & Recorder Office.

**Elections** – To account for the budget of the Elections Office.

**Treasurers** – To account for the budget of the Treasurers Office.

**Records Managment** – To account for the budget of the Records Management Center.

**Auditor** – To account for the budget of the County Auditor.

**Facilities Management** – To account for maintenance of County buildings and grounds.

**Office of Emergency Services** – To account for the budget for Emergency Services and the County Communications Program.

**9-1-1 Communications Center** – To account for the budget of the 9-1-1 Central Dispatch function.

**Human Resources** – To account for the budget of the Human Resources Office.

**Central Services** – To account for the budget for central purchasing, postage, printing and motor pool.

**Superintendent of Schools** – To account for the budget of the Superintendent of Schools.

**Surveyor** – To account for the budget of the County Surveyor.

**GIS** - To account for the budget of the Geographic Information Systems department.

**Non-departmental** – To account for those budget items that cannot be identified with a particular operational department.

### **MAJOR SPECIAL REVENUE FUNDS - Budget to Actual**

**Public Safety** – To account for the budget of the County Sheriff and the Missoula County Detention Facility.

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**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 1 of 10)**

	<b>Commissioners</b>				<b>Communications and Projects</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	3,000	3,000	3,753	753	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>3,753</u>	<u>753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	642,893	649,548	649,544	4	329,829	332,939	332,936	3
Operations	33,930	34,055	33,395	660	6,220	3,945	3,927	18
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>676,823</u>	<u>683,603</u>	<u>682,939</u>	<u>664</u>	<u>336,049</u>	<u>336,884</u>	<u>336,863</u>	<u>21</u>
Excess of Revenues over (under) Expenditures	(673,823)	(680,603)	(679,186)	1,417	(336,049)	(336,884)	(336,863)	21
Other Financing Sources (Uses):								
Transfers In	24,000	24,000	24,000	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (649,823)</u>	<u>\$ (656,603)</u>	<u>\$ (655,186)</u>	<u>\$ 1,417</u>	<u>\$ (336,049)</u>	<u>\$ (336,884)</u>	<u>\$ (336,863)</u>	<u>\$ 21</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 2 of 10)**

	<b>Justice Courts</b>				<b>Attorney</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	82,000	112,835	153,576	40,741
Charges for Services	1,340	1,340	2,084	744	136,625	136,625	143,008	6,383
Fines & Forfeitures	516,100	516,100	469,797	(46,303)	78,000	78,000	76,314	(1,686)
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	23,500	23,500	13,184	(10,316)	-	-	-	-
Total Revenues	<u>540,940</u>	<u>540,940</u>	<u>485,065</u>	<u>(55,875)</u>	<u>296,625</u>	<u>327,460</u>	<u>372,898</u>	<u>45,438</u>
Expenditures:								
Current Operations:								
Personnel	839,862	837,412	837,402	10	3,241,688	3,310,423	3,310,409	14
Operations	55,500	57,200	57,192	8	80,607	82,757	82,751	6
Capital Outlay	-	1,140	1,138	2	18,000	19,875	19,871	4
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>895,362</u>	<u>895,752</u>	<u>895,732</u>	<u>20</u>	<u>3,340,295</u>	<u>3,413,055</u>	<u>3,413,031</u>	<u>24</u>
Excess of Revenues over (under) Expenditures	(354,422)	(354,812)	(410,667)	(55,855)	(3,043,670)	(3,085,595)	(3,040,133)	45,462
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	130,348	130,348	121,520	(8,828)
Transfers Out	-	-	-	-	(33,157)	(39,767)	(39,764)	3
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (354,422)</u>	<u>\$ (354,812)</u>	<u>\$ (410,667)</u>	<u>\$ (55,855)</u>	<u>\$ (2,946,479)</u>	<u>\$ (2,995,014)</u>	<u>\$ (2,958,377)</u>	<u>\$ 36,637</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 3 of 10)**

	<b>Financial Services</b>				<b>Clerk &amp; Recorder</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	60,000	60,000	35,082	(24,918)	730,600	730,600	652,420	(78,180)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	(225)	(225)	41	266
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>35,082</u>	<u>(24,918)</u>	<u>730,375</u>	<u>730,375</u>	<u>652,461</u>	<u>(77,914)</u>
Expenditures:								
Current Operations:								
Personnel	864,542	864,542	780,555	83,987	314,454	314,454	298,453	16,001
Operations	165,720	165,720	141,846	23,874	221,744	221,744	71,010	150,734
Capital Outlay	-	15,195	15,195	-	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,030,262</u>	<u>1,045,457</u>	<u>937,596</u>	<u>107,861</u>	<u>536,198</u>	<u>536,198</u>	<u>369,463</u>	<u>166,735</u>
Excess of Revenues over (under) Expenditures	(970,262)	(985,457)	(902,514)	82,943	194,177	194,177	282,998	88,821
Other Financing Sources (Uses):								
Transfers In	14,000	14,000	14,000	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (956,262)</u>	<u>\$ (971,457)</u>	<u>\$ (888,514)</u>	<u>\$ 82,943</u>	<u>\$ 194,177</u>	<u>\$ 194,177</u>	<u>\$ 282,998</u>	<u>\$ 88,821</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Elections</b>				<b>Treasurers</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	28,540	28,540	9,702	(18,838)
Intergovernmental Revenue	-	-	-	-	60,000	60,000	27,950	(32,050)
Charges for Services	120,000	120,000	83,093	(36,907)	146,070	146,070	155,653	9,583
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	587	587
Total Revenues	<u>120,000</u>	<u>120,000</u>	<u>83,093</u>	<u>(36,907)</u>	<u>234,610</u>	<u>234,610</u>	<u>193,892</u>	<u>(40,718)</u>
Expenditures:								
Current Operations:								
Personnel	526,075	526,075	506,208	19,867	1,207,909	1,207,909	1,134,309	73,600
Operations	399,250	398,350	355,175	43,175	148,696	148,696	109,133	39,563
Capital Outlay	-	900	900	-	28,000	28,000	23,273	4,727
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>925,325</u>	<u>925,325</u>	<u>862,283</u>	<u>63,042</u>	<u>1,384,605</u>	<u>1,384,605</u>	<u>1,266,715</u>	<u>117,890</u>
Excess of Revenues over (under) Expenditures	(805,325)	(805,325)	(779,190)	26,135	(1,149,995)	(1,149,995)	(1,072,823)	77,172
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	50,000	50,000	-	(50,000)
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (805,325)</u>	<u>\$ (805,325)</u>	<u>\$ (779,190)</u>	<u>\$ 26,135</u>	<u>\$ (1,099,995)</u>	<u>\$ (1,099,995)</u>	<u>\$ (1,072,823)</u>	<u>\$ 27,172</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Records Management</b>				<b>Auditor</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	750	750	518	(232)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>750</u>	<u>750</u>	<u>518</u>	<u>(232)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	245,242	245,917	245,916	1	145,660	157,630	157,627	3
Operations	13,250	12,575	6,479	6,096	59,615	54,265	54,241	24
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>258,492</u>	<u>258,492</u>	<u>252,395</u>	<u>6,097</u>	<u>205,275</u>	<u>211,895</u>	<u>211,868</u>	<u>27</u>
Excess of Revenues over (under) Expenditures	(257,742)	(257,742)	(251,877)	5,865	(205,275)	(211,895)	(211,868)	27
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (257,742)</u>	<u>\$ (257,742)</u>	<u>\$ (251,877)</u>	<u>\$ 5,865</u>	<u>\$ (205,275)</u>	<u>\$ (211,895)</u>	<u>\$ (211,868)</u>	<u>\$ 27</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Facilities Management</b>				<b>Office of Emergency Services</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	140,000	163,720	259,417	95,697
Charges for Services	819,461	819,461	756,887	(62,574)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>819,461</u>	<u>819,461</u>	<u>756,887</u>	<u>(62,574)</u>	<u>140,000</u>	<u>163,720</u>	<u>259,417</u>	<u>95,697</u>
Expenditures:								
Current Operations:								
Personnel	1,190,356	1,190,356	1,169,090	21,266	271,242	271,242	270,513	729
Operations	1,097,825	1,067,825	962,304	105,521	94,070	114,670	114,633	37
Capital Outlay	7,500	87,500	82,855	4,645	-	3,120	3,110	10
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,295,681</u>	<u>2,345,681</u>	<u>2,214,249</u>	<u>131,432</u>	<u>365,312</u>	<u>389,032</u>	<u>388,256</u>	<u>776</u>
Excess of Revenues over (under) Expenditures	(1,476,220)	(1,526,220)	(1,457,362)	68,858	(225,312)	(225,312)	(128,839)	96,473
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	(30,000)	(30,000)	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (1,476,220)</u>	<u>\$ (1,556,220)</u>	<u>\$ (1,487,362)</u>	<u>\$ 68,858</u>	<u>\$ (225,312)</u>	<u>\$ (225,312)</u>	<u>\$ (128,839)</u>	<u>\$ 96,473</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 7 of 10)**

	<b>9-1-1 Communications</b>				<b>Human Resources</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	300	300	105	(195)	30,000	30,000	27,199	(2,801)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>300</u>	<u>300</u>	<u>105</u>	<u>(195)</u>	<u>30,000</u>	<u>30,000</u>	<u>27,199</u>	<u>(2,801)</u>
Expenditures:								
Current Operations:								
Personnel	2,239,810	2,239,810	2,070,096	169,714	612,321	612,321	595,013	17,308
Operations	456,150	456,150	349,421	106,729	195,584	195,584	185,231	10,353
Capital Outlay	110,411	535,569	519,885	15,684	-	-	-	-
Debt Service								
Principal	50,454	50,454	50,453	1	-	-	-	-
Interest	8,241	8,241	8,241	-	-	-	-	-
Total Expenditures	<u>2,865,066</u>	<u>3,290,224</u>	<u>2,998,096</u>	<u>292,128</u>	<u>807,905</u>	<u>807,905</u>	<u>780,244</u>	<u>27,661</u>
Excess of Revenues over (under) Expenditures	(2,864,766)	(3,289,924)	(2,997,991)	291,933	(777,905)	(777,905)	(753,045)	24,860
Other Financing Sources (Uses):								
Transfers In	759,884	759,884	587,026	(172,858)	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	425,158	425,158	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (2,104,882)</u>	<u>\$ (2,104,882)</u>	<u>\$ (1,985,807)</u>	<u>\$ 119,075</u>	<u>\$ (777,905)</u>	<u>\$ (777,905)</u>	<u>\$ (753,045)</u>	<u>\$ 24,860</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 8 of 10)**

	<b>Central Services</b>				<b>Superintendent of Schools</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	425,000	425,000	329,744	(95,256)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>425,000</u>	<u>425,000</u>	<u>329,744</u>	<u>(95,256)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	155,217	157,115	157,115	-
Operations	350,500	350,500	267,849	82,651	29,516	28,418	28,414	4
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service								
Principal	28,619	28,619	28,618	1	-	-	-	-
Interest	1,990	1,990	1,988	2	-	-	-	-
Total Expenditures	<u>381,109</u>	<u>381,109</u>	<u>298,455</u>	<u>82,654</u>	<u>184,733</u>	<u>185,533</u>	<u>185,529</u>	<u>4</u>
Excess of Revenues over (under) Expenditures	43,891	43,891	31,289	(12,602)	(184,733)	(185,533)	(185,529)	4
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	10,000	10,000	15,900	5,900	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 53,891</u>	<u>\$ 53,891</u>	<u>\$ 47,189</u>	<u>\$ (6,702)</u>	<u>\$ (184,733)</u>	<u>\$ (185,533)</u>	<u>\$ (185,529)</u>	<u>\$ 4</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 9 of 10)**

	Surveyor				GIS			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	26,000	26,000	24,071	(1,929)
Charges for Services	16,500	16,500	23,978	7,478	10,400	10,400	2,134	(8,266)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	(25)	(25)	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>16,500</u>	<u>16,500</u>	<u>23,953</u>	<u>7,453</u>	<u>36,400</u>	<u>36,400</u>	<u>26,205</u>	<u>(10,195)</u>
Expenditures:								
Current Operations:								
Personnel	384,591	384,591	285,337	99,254	394,938	394,938	392,836	2,102
Operations	21,575	21,575	11,198	10,377	8,595	8,595	6,085	2,510
Capital Outlay	-	-	-	-	7,299	7,299	1,247	6,052
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>406,166</u>	<u>406,166</u>	<u>296,535</u>	<u>109,631</u>	<u>410,832</u>	<u>410,832</u>	<u>400,168</u>	<u>10,664</u>
Excess of Revenues over (under) Expenditures	(389,666)	(389,666)	(272,582)	117,084	(374,432)	(374,432)	(373,963)	469
Other Financing Sources (Uses):								
Transfers In	1,200	1,200	1,200	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (388,466)</u>	<u>\$ (388,466)</u>	<u>\$ (271,382)</u>	<u>\$ 117,084</u>	<u>\$ (374,432)</u>	<u>\$ (374,432)</u>	<u>\$ (373,963)</u>	<u>\$ 469</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**General Fund**  
**Budget and Actual**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 10 of 10)**

	Non-Departmental				Totals			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 11,235,007	\$ 11,235,007	\$ 11,476,524	\$ 241,517	\$ 11,235,007	\$ 11,235,007	\$ 11,476,524	\$ 241,517
License & Permits	-	-	-	-	28,540	28,540	9,702	(18,838)
Intergovernmental Revenue	3,299,782	3,299,782	2,905,244	(394,538)	3,610,782	3,665,337	3,374,011	(291,326)
Charges for Services	-	-	-	-	2,497,046	2,497,046	2,211,905	(285,141)
Fines & Forfeitures	-	-	-	-	594,100	594,100	546,111	(47,989)
Investment Earnings	160,000	160,000	407,411	247,411	160,000	160,000	407,386	247,386
Miscellaneous Revenues	12,250	12,250	19,473	7,223	35,525	35,525	33,285	(2,240)
Total Revenues	<u>14,707,039</u>	<u>14,707,039</u>	<u>14,808,652</u>	<u>101,613</u>	<u>18,161,000</u>	<u>18,215,555</u>	<u>18,058,924</u>	<u>(156,631)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	13,606,629	13,697,222	13,193,359	503,863
Operations	777,942	762,642	729,111	33,531	4,216,289	4,185,266	3,569,395	615,871
Capital Outlay	22,900	22,900	-	22,900	194,110	721,498	667,474	54,024
Debt Service								
Principal	51,177	39,636	24,749	14,887	130,250	118,709	103,820	14,889
Interest	17,059	28,600	17,898	10,702	27,290	38,831	28,127	10,704
Total Expenditures	<u>869,078</u>	<u>853,778</u>	<u>771,758</u>	<u>82,020</u>	<u>18,174,568</u>	<u>18,761,526</u>	<u>17,562,175</u>	<u>1,199,351</u>
Excess of Revenues over (under) Expenditures	13,837,961	13,853,261	14,036,894	183,633	(13,568)	(545,971)	496,749	1,042,720
Other Financing Sources (Uses):								
Transfers In	811,958	811,958	802,542	(9,416)	1,741,390	1,741,390	1,550,288	(191,102)
Transfers Out	(1,664,813)	(1,664,813)	(1,641,974)	22,839	(1,697,970)	(1,734,580)	(1,711,738)	22,842
Issuance of Debt	-	-	-	-	50,000	475,158	425,158	(50,000)
Sale of Capital Assets	-	-	-	-	10,000	10,000	15,900	5,900
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 12,985,106</u>	<u>\$ 13,000,406</u>	<u>\$ 13,197,462</u>	<u>\$ 197,056</u>	<u>\$ 89,852</u>	<u>\$ (54,003)</u>	<u>\$ 776,357</u>	<u>\$ 830,360</u>

**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
**Budgeted Major Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**

	<b>Public Safety</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:				
Property Taxes	\$ 12,832,971	\$ 12,832,971	\$ 12,977,074	\$ 144,103
License & Permits	45,000	45,000	41,403	(3,597)
Intergovernmental Revenue	927,548	927,548	874,099	(53,449)
Charges for Services	7,144,980	7,577,980	6,625,269	(952,711)
Fines & Forfeitures	36,000	36,000	26,407	(9,593)
Investment Earnings	4,672	6,557	8,743	2,186
Private & Local Grants	-	-	-	-
Miscellaneous Revenues	789,600	789,600	698,979	(90,621)
Total Revenues	<u>21,780,771</u>	<u>22,215,656</u>	<u>21,251,974</u>	<u>(963,682)</u>
Expenditures:				
Current Operations:				
Personnel	15,107,609	15,930,109	15,929,964	145
Operations	6,387,516	6,581,095	6,095,441	485,654
Capital Outlay	525,050	526,451	522,374	4,077
Debt Service:				
Principal	-	-	-	-
Interest & Fiscal Charges	-	-	-	-
Total Expenditures	<u>22,020,175</u>	<u>23,037,655</u>	<u>22,547,779</u>	<u>489,876</u>
Excess of Revenues over (under) Expenditures	(239,404)	(821,999)	(1,295,805)	(473,806)
Other Financing Sources (Uses):				
Transfers In	990,108	1,150,283	1,152,822	2,539
Transfers Out	(1,395,896)	(1,435,696)	(1,435,599)	97
Issuance of Debt	-	-	-	-
Sale of Capital Assets	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (645,192)</u>	<u>\$ (1,107,412)</u>	<u>\$ (1,578,582)</u>	<u>\$ (471,170)</u>

## MISSOULA COUNTY, MONTANA

### Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balance

#### Budget and Actual

June 30, 2018

#### **Note 1 - Basis of Presentation**

The accompanying Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual are presented on the budget basis of accounting. The County prepares its budget on the cash basis. Generally accepted accounting principles (GAAP) require the use of the modified accrual basis of accounting for governmental fund financial statements.

## **MAJOR FUNDS OTHER THAN SPECIAL REVENUE - Budget to Actual**

**RSID Debt Service** – To account for the budget of the County’s rural special improvement districts for which construction has been completed and principal and interest payments are now required on construction bonds.

**Fort Missoula Regional Park Construction** – To account for the budget of the construction of Fort Missoula Regional Park as well as other parks and trails projects covered by the issuance of the 2016 Parks & Trails General Obligation bonds.

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**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
**Budgeted Major Governmental Funds Other Than Special Revenue**  
**For Fiscal Year Ended June 30, 2018**

	<b>RSID Debt Service</b>				<b>Fort Missoula Regional Park Construction</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 1,085,639	\$ 1,085,719	\$ 1,138,603	\$ 52,884	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>1,085,639</u>	<u>1,085,719</u>	<u>1,138,603</u>	<u>52,884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	10,437,000	10,436,598	402
Debt Service:								
Principal	800,860	800,860	800,860	-	-	-	-	-
Interest & Fiscal Charges	386,566	386,646	386,078	568	-	-	-	-
Total Expenditures	<u>1,187,426</u>	<u>1,187,506</u>	<u>1,186,938</u>	<u>568</u>	<u>-</u>	<u>10,437,000</u>	<u>10,436,598</u>	<u>402</u>
Excess of Revenues over (under) Expenditures	(101,787)	(101,787)	(48,335)	53,452	-	(10,437,000)	(10,436,598)	402
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(8,178)	(8,178)	(3,323)	4,855	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (109,965)</u>	<u>\$ (109,965)</u>	<u>\$ (51,658)</u>	<u>\$ 58,307</u>	<u>\$ -</u>	<u>\$ (10,437,000)</u>	<u>\$ (10,436,598)</u>	<u>\$ 402</u>

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## **NON-MAJOR FUNDS**

**Special Revenue Funds** – to account for revenues which are legally restricted to specific uses.

**Road** – To account for taxes and other revenues to be used for construction and maintenance of County highways.

**Community Assistance** – To account for taxes and other revenues to assist community organizations that provide services to meet basic human needs.

**Bridge** – To account for taxes and other revenues restricted to the construction and maintenance of bridges.

**Weed** – To account for taxes and other revenues restricted to use in weed control programs.

**Weed Grant** – To account for revenues related to the State of Montana Weed Grant Program.

**Fair** – To account for various revenues restricted to use for funding the Western Montana Fair and maintenance of the fairgrounds.

**District Court** – To account for revenues to be used for expenditures by Clerk of Court, Public Defender, and the Sheriff in court-related matters.

**Parks** – To account for revenues to support operations of the Parks & Trails Department.

**Library** – To account for revenues restricted to use in various public library programs in the County.

**Planning** – To account for revenues used by the Office of Planning.

**Grants** – To account for revenues used by the Grants Office.

**Substance Abuse Prevention** – To account for revenues used by the Substance Abuse Prevention Office.

**Relationship Violence Services Division** – To account for revenues used by the Relationship Violence Services Division.

**Community and Planning Services** – To account for revenues used by the Community and Planning Services Office.

**Building Code Division** – To account for revenues used by the Building Code Division.

**Health** – To account for revenues restricted to use in programs related to public health.

**Water Quality District** – To account for revenues to be used by the Water Quality District.

**Animal Control** – To account for revenues to support Animal Control programs.

**Extension** – To account for revenues restricted to use by the County Extension Service.

**Extension Grants** – To account for grants and donations revenues received by the County Extension Service.

**MDA Airport Industrial Tax Increment District** – To account for tax increment revenues from the Missoula Development Authority Airport Industrial District.

**MDA Technology Tax Increment District** – To account for tax increment revenues from the Missoula Development Authority Technology Tax Increment District.

**Bonner Millsite Tax Increment District** – To account for tax increment revenues from the Bonner Millsite Tax Increment District.

**Bonner West Log Yard Targeted Economic Development District** – To account for tax increment revenues from the Bonner West Log Yard Targeted Economic Development District.

**Drug Forfeiture** – To account for revenues from seizures made by the Sheriff's Department in drug-related arrests, and revenues from Board of Crime Control grants to be used in drug-related law enforcement.

**Youth Education and Safety** – To account for revenues used to support the Youth Education and Safety program.

**Historical Museum** – To account for revenues restricted to use in art or historical museum programs.

**Caremark Rx** – To account for revenues related to the County-wide prescription card program.

**Missoula and Seeley Lake Search & Rescue funds** – To account for revenues used in the Search & Rescue Programs in Missoula and Seeley Lake.

**Disaster Emergency Levy** – To account for certain costs and related revenues for County disasters as declared by the Board of County Commissioners.

**Junk Vehicle** – To account for state grant monies restricted to programs to eliminate junk vehicles.

**Forest Reserve Title III** – To account for the special mitigation projects set aside from the County's Forest Reserve receipts.

**RSID Administration** – To account for the administration costs and revenues of the County's Rural Special Improvement District Program.

**HUD/CDBG** – To account for the use of Housing and Urban Development grants and Community Block Grants.

**Community Based Organizations** – To account for revenues to be used for community programs such as aging programs, child daycare, programs for the developmentally disabled and mentally ill, assistance to victims and witnesses of crimes, cultural grants from the State of Montana and grant supported housing and infrastructure projects.

**Permissive Medical Levy** – To account for the revenues used to support the County's health insurance program.

**Seeley Lake Refuse** – To account for those resources used in the Seeley Lake Refuse District.

**9-1-1 Trust** – To account for revenues received from the State to support the emergency telephone system.



**Other Special Revenue Funds** – To account for various trusts which are expendable both as to principal and interest for specific County purposes, including:

Seeley Lake Stove	Big Sky Trust	Friends of the Library
Friends of the Historical Museum	Open Space	Other Special Revenue Funds

**Debt Service Funds** – To account for the accumulation of resources for and the payment of long-term debt principal and interest:

**Jail Bond Fund** – To account for principal and interest payments for the 2012 general obligation refunding bond issue for jail construction.

**Risk Management** – To account for principal and interest payments for the 2002 General Fund bond issue for the risk management program.

**Health Center** – To account for principal and interest payments for the 2009 and 2012A limited general obligation bond issues as well as the 2012A limited obligation refunding bonds for the Partnership Health Clinic building.

**Fair Ice Rink** – To account for principal and interest payments for the 2006 limited general obligation and 2012A limited obligation refunding bond issues for the ice facilities at the Western Montana Fairgrounds.

**Technology Tax Increment** – To account for principal and interest payments for the 2006 Technology Tax Increment Bonds.

**Open Space Bonds** – To account for principal and interest payments for the 2007 Open Space general obligation bonds.

**2017 LTGO Bonds** – To account for principal and interest payments for the 2017 limited obligation bonds.

**Larchmont LTGO Bonds** – To account for principal and interest payments for the 2009 limited obligation bonds.

**RSID Revolving Fund** – To account for revenues set aside to make principal and interest payments in the event that collections of special assessments are insufficient to make those payments.

**Capital Improvement Debt Service** – To account for principal and interest payments for the 2012B limited obligation bonds.

**Parks & Trails Bond Fund** – To account for principal and interest payments for the 2016 general obligation bonds.

**Capital Project Funds** – To account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by the proprietary funds:

**Capital Improvement Fund** – To account for revenues legally set aside for capital purchases that are too low to justify the use of a capital projects fund.

**Technology Fund** – To account for technology-related capital purchases in the County's Capital Improvement Plan.

**Milltown Historical Preservation** – To account for revenues used in the historical preservation projects on the Milltown dam site.

**Open Space** – To account for bond proceeds and other revenues used in the acquisition and maintenance of Open Space properties.

**Public Safety Building Fund** – To account for construction of the Public Safety Building.

**Fair Projects** – To account for bond proceeds and other revenues used for construction projects at the Western Montana Fair.

**Park Construction Reserve** – To account for revenues used in on community parks and trails projects.

**MDA Industrial District Construction** – To account for proceeds from the series 2006 Industrial Tax Increment Bonds.

**Courthouse Reconstruction** – To account for bond proceeds and other revenues used for phase one of the Courthouse Reconstruction.

**Courthouse Reconstruction Phases 2-5** – To account for bond proceeds and other revenues used for phases 2-5 of the Courthouse Reconstruction.

**Relationship Violence Services Division (RVSD) Construction** – To account for bond proceeds and other revenues used for the RVSD Building Construction.

**Library Bond Construction** – To account for bond proceeds and other revenues used for the construction of a new library building.

**2017 LTGO Bond Construction** – To account for bond proceeds used for part of phase 5 of the Courthouse Reconstruction project.

**Alder Street Acquisition** – To account for bond proceeds used for to purchase property for future space needs.

**Historical Museum Capital Campaign** – To account for donations and other revenues used for renovations of the T-1 Building.

**Capital Reserve Funds** – To account for funds placed in reserve for future projects. These funds include:

Library	Health	Water Quality District
Weed/Extension Building	Bridge	Road
Missoula and Search & Rescue	Seeley Lake Search & Rescue	Administration Building

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
**(Page 1 of 9)**

	<b>Special Revenue</b>									
	Road	Community Assistance Fund	Bridge	Weed	Weed Grant	Fair	District Court	Parks	Library	Planning
<b>Assets:</b>										
Cash & Cash Equivalents	\$ 5,390	\$ 649	\$ 5,924	\$ 121	\$ 989	\$ -	\$ 1,943	\$ 863	\$ 1,356	\$ 199
Cash with Fiscal Agents	-	-	-	-	-	7,700	-	-	-	-
Investments	1,502,657	181,067	1,651,525	33,644	275,620	-	541,622	240,697	378,054	55,582
Investment in Land Held for Resale	-	-	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	98,105	41,775	48,748	29,178	-	44,566	34,920	26,681	120,376	33,731
Accounts Receivable	14,973	13,154	15,647	9,450	41,582	41,594	20,460	9,624	38,736	10,835
Interest Receivable	-	-	-	-	-	87	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Inventory	1,186,102	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,807,227</b>	<b>\$ 236,645</b>	<b>\$ 1,721,844</b>	<b>\$ 72,393</b>	<b>\$ 318,191</b>	<b>\$ 93,947</b>	<b>\$ 598,945</b>	<b>\$ 277,865</b>	<b>\$ 538,522</b>	<b>\$ 100,347</b>
<b>Liabilities:</b>										
Accounts & Warrants Payable	\$ 219,660	\$ 66,865	\$ 30,712	\$ 18,928	\$ 8,003	\$ 110,746	\$ 3,248	\$ 1,639	\$ 69,373	\$ -
Accrued Interest Payable	-	-	-	-	-	700	-	-	-	-
Accrued Payroll	92,266	-	30,724	33,165	-	25,702	43,086	11,887	84,149	-
Due to Other Funds	-	-	-	-	-	134,332	-	-	-	-
<b>Total Liabilities</b>	<b>311,926</b>	<b>66,865</b>	<b>61,436</b>	<b>52,093</b>	<b>8,003</b>	<b>271,480</b>	<b>46,334</b>	<b>13,526</b>	<b>153,522</b>	<b>-</b>
<b>Deferred Inflows</b>										
Deferred Taxes and Assessments	98,105	41,775	48,748	29,178	-	44,566	34,920	26,681	120,376	33,731
Other Deferred Receipts	14,778	13,154	15,647	9,450	-	18,623	11,562	9,624	38,736	10,835
<b>Total Deferred Inflows</b>	<b>112,883</b>	<b>54,929</b>	<b>64,395</b>	<b>38,628</b>	<b>-</b>	<b>63,189</b>	<b>46,482</b>	<b>36,305</b>	<b>159,112</b>	<b>44,566</b>
<b>Fund Balance:</b>										
Nonspendable	1,186,102	-	-	-	-	-	-	-	-	-
Restricted	1,196,316	114,851	1,596,013	-	310,188	-	506,129	228,034	225,888	55,781
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(18,328)	-	(240,723)	-	-	-	-
<b>Total Fund Balance</b>	<b>2,382,418</b>	<b>114,851</b>	<b>1,596,013</b>	<b>(18,328)</b>	<b>310,188</b>	<b>(240,723)</b>	<b>506,129</b>	<b>228,034</b>	<b>225,888</b>	<b>55,781</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,807,227</b>	<b>\$ 236,645</b>	<b>\$ 1,721,844</b>	<b>\$ 72,393</b>	<b>\$ 318,191</b>	<b>\$ 93,946</b>	<b>\$ 598,945</b>	<b>\$ 277,865</b>	<b>\$ 538,522</b>	<b>\$ 100,347</b>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
**(Page 2 of 9)**

	<b>Special Revenue</b>									
	Grants	Substance Abuse Prevention	Relationship Violence Services	Community & Planning Services	Building Code Division	Health	Water Quality District	Animal Control	Extension	Extension Grant
<b>Assets:</b>										
Cash & Cash Equivalents	\$ 28	\$ -	\$ -	\$ 2,202	\$ 2,786	\$ 2,129	\$ 932	\$ 752	\$ 356	\$ 153
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	7,905	-	-	614,037	776,738	593,572	259,761	209,661	99,181	42,696
Investment in Land Held for Resale	-	-	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	16,962	17,943	6,396	28,370	-	36,107	18,917	6,264	22,505	-
Accounts Receivable	172,461	51,976	249,899	17,050	-	574,766	6,250	937	16,640	-
Interest Receivable	-	-	-	36	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 197,356</b>	<b>\$ 69,919</b>	<b>\$ 256,295</b>	<b>\$ 661,695</b>	<b>\$ 779,524</b>	<b>\$ 1,206,574</b>	<b>\$ 285,860</b>	<b>\$ 217,614</b>	<b>\$ 138,682</b>	<b>\$ 42,849</b>
<b>Liabilities:</b>										
Accounts & Warrants Payable	\$ 41,406	\$ 54,326	\$ 19,015	\$ 25,213	\$ 4,818	\$ 44,886	\$ 1,951	\$ 37,490	\$ 17,298	\$ 208
Accrued Interest Payable	-	-	4,886	-	-	-	-	-	-	-
Accrued Payroll	12,673	14,768	31,364	41,433	26,298	183,850	11,499	24,054	9,932	-
Due to Other Funds	-	8,783	158,888	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>54,079</b>	<b>77,877</b>	<b>214,153</b>	<b>66,646</b>	<b>31,116</b>	<b>228,736</b>	<b>13,450</b>	<b>61,544</b>	<b>27,230</b>	<b>208</b>
<b>Deferred Inflows</b>										
Deferred Taxes and Assessments	16,962	17,943	6,396	28,370	-	36,107	18,917	6,264	22,505	-
Other Deferred Receipts	4,950	5,816	3,232	9,485	-	5,358	-	937	7,304	-
<b>Total Deferred Inflows</b>	<b>21,912</b>	<b>23,759</b>	<b>9,628</b>	<b>37,855</b>	<b>-</b>	<b>41,465</b>	<b>18,917</b>	<b>7,201</b>	<b>29,809</b>	<b>-</b>
<b>Fund Balance:</b>										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	121,365	-	32,514	-	748,408	936,373	253,493	-	81,643	-
Committed	-	-	-	557,194	-	-	-	148,869	-	42,641
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(31,717)	-	-	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>121,365</b>	<b>(31,717)</b>	<b>32,514</b>	<b>557,194</b>	<b>748,408</b>	<b>936,373</b>	<b>253,493</b>	<b>148,869</b>	<b>81,643</b>	<b>42,641</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 197,356</b>	<b>\$ 69,919</b>	<b>\$ 256,295</b>	<b>\$ 661,695</b>	<b>\$ 779,524</b>	<b>\$ 1,206,574</b>	<b>\$ 285,860</b>	<b>\$ 217,614</b>	<b>\$ 138,682</b>	<b>\$ 42,849</b>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
**(Page 3 of 9)**

	<b>Special Revenue</b>									
	MDA Airport Industrial District	MDA Technology District	Bonner Millsite Tax Increment District	Bonner West Log Yard TEDD	Drug Forfeiture	Youth Education & Safety	Historical Museum	Caremark NACo Rx	Missoula Search & Rescue	Seeley Lake Search & Rescue
<b>Assets:</b>										
Cash & Cash Equivalents	\$ 11,501	\$ 1,769	\$ 2,572	\$ 1,053	\$ 597	\$ 2	\$ 629	\$ 28	\$ 203	\$ 93
Cash with Fiscal Agents	510,000	-	-	-	-	-	-	-	-	-
Investments	3,206,479	493,101	717,065	293,553	166,455	634	175,417	7,784	56,517	25,834
Investment in Land Held for Resale	454,002	3,044,156	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	163,285	188,168	1,090	30,849	-	-	23,782	-	2,571	1,381
Accounts Receivable	-	66,055	-	-	6,885	-	7,719	180	831	450
Interest Receivable	6,243	610	-	-	280	-	-	-	-	-
Loans & Notes Receivable (net)	496,671	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	43,250	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 4,848,181</u>	<u>\$ 3,837,109</u>	<u>\$ 720,727</u>	<u>\$ 325,455</u>	<u>\$ 174,217</u>	<u>\$ 636</u>	<u>\$ 207,547</u>	<u>\$ 7,992</u>	<u>\$ 60,122</u>	<u>\$ 27,758</u>
<b>Liabilities:</b>										
Accounts & Warrants Payable	\$ 4,046	\$ 139	\$ 515	\$ -	\$ -	\$ -	\$ 8,118	\$ -	\$ 213	\$ 832
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	-	1,564	1,354	1,354	13,272	-	15,459	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>4,046</u>	<u>1,703</u>	<u>1,869</u>	<u>1,354</u>	<u>13,272</u>	<u>-</u>	<u>23,577</u>	<u>-</u>	<u>213</u>	<u>832</u>
<b>Deferred Inflows</b>										
Deferred Taxes and Assessments	163,285	188,168	1,090	30,849	-	-	23,782	-	2,571	1,381
Other Deferred Receipts	496,671	-	-	-	-	-	7,719	-	831	450
Total Deferred Inflows	<u>659,956</u>	<u>188,168</u>	<u>1,090</u>	<u>30,849</u>	<u>-</u>	<u>-</u>	<u>31,501</u>	<u>-</u>	<u>3,402</u>	<u>1,831</u>
<b>Fund Balance:</b>										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	3,454,987	428,985	717,768	293,252	160,945	636	152,469	-	56,507	25,095
Committed	729,192	3,218,253	-	-	-	-	-	7,992	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	<u>4,184,179</u>	<u>3,647,238</u>	<u>717,768</u>	<u>293,252</u>	<u>160,945</u>	<u>636</u>	<u>152,469</u>	<u>7,992</u>	<u>56,507</u>	<u>25,095</u>
Total Liabilities and Fund Balance	<u>\$ 4,848,181</u>	<u>\$ 3,837,109</u>	<u>\$ 720,727</u>	<u>\$ 325,455</u>	<u>\$ 174,217</u>	<u>\$ 636</u>	<u>\$ 207,547</u>	<u>\$ 7,992</u>	<u>\$ 60,122</u>	<u>\$ 27,758</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
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	<b>Special Revenue</b>									
	Disaster Emergency Levy	Junk Vehicle	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	Permissive Medical Levy	Seeley Lake Refuse	9-1-1 Trust	Seeley Lake Stove Project
<b>Assets:</b>										
Cash & Cash Equivalents	\$ -	\$ 826	\$ 302	\$ 6	\$ 2,747	\$ 415	\$ -	\$ 711	\$ 4,668	\$ 216
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-	-
Investments	-	230,378	84,226	1,805	765,997	115,780	-	198,350	1,301,549	60,220
Investment in Land Held for Resale	-	-	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	11	-	-	-	-	41,800	88,234	31,114	-	-
Accounts Receivable	-	-	-	-	7,466	13,466	26,680	-	243,764	-
Interest Receivable	-	332	-	-	1,287	-	-	333	2,188	-
Loans & Notes Receivable	-	-	-	-	485,386	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 11</u>	<u>\$ 231,536</u>	<u>\$ 84,528</u>	<u>\$ 1,811</u>	<u>\$ 1,262,883</u>	<u>\$ 171,461</u>	<u>\$ 114,914</u>	<u>\$ 230,508</u>	<u>\$ 1,552,169</u>	<u>\$ 60,436</u>
<b>Liabilities:</b>										
Accounts & Warrants Payable	\$ -	\$ 1,233	\$ -	\$ -	\$ 914	\$ -	\$ -	\$ 25,940	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-	-
Accrued Payroll	-	2,423	-	-	-	-	-	803	-	-
Due to Other Funds	1,772	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>1,772</u>	<u>3,656</u>	<u>-</u>	<u>-</u>	<u>914</u>	<u>-</u>	<u>-</u>	<u>26,743</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows</b>										
Deferred Taxes and Assessments	11	-	-	-	-	41,800	88,234	31,114	-	-
Other Deferred Receipts	-	-	-	-	485,386	13,466	26,680	-	-	-
Total Deferred Inflows	<u>11</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>485,386</u>	<u>55,266</u>	<u>114,914</u>	<u>31,114</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	227,880	84,528	-	776,583	116,195	-	-	1,552,169	60,436
Committed	-	-	-	1,811	-	-	-	172,651	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(1,772)	-	-	-	-	-	-	-	-	-
Total Fund Balance	<u>(1,772)</u>	<u>227,880</u>	<u>84,528</u>	<u>1,811</u>	<u>776,583</u>	<u>116,195</u>	<u>-</u>	<u>172,651</u>	<u>1,552,169</u>	<u>60,436</u>
Total Liabilities and Fund Balance	<u>\$ 11</u>	<u>\$ 231,536</u>	<u>\$ 84,528</u>	<u>\$ 1,811</u>	<u>\$ 1,262,883</u>	<u>\$ 171,461</u>	<u>\$ 114,914</u>	<u>\$ 230,508</u>	<u>\$ 1,552,169</u>	<u>\$ 60,436</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
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	Special Revenue				Debt Service					
	Friends of the Library	Friends of Historical Museum	Open Space	Other Special Revenue	Judgement Levy DS	Jail Bond	Health Center 2012 Refi	Risk Management	Fair Ice Rink Series 2012 Refinance	Fair Ice Rink Series 2006
Assets:										
Cash & Cash Equivalents	\$ 148	\$ 364	\$ -	\$ 167	-	\$ -	\$ -	\$ 1	\$ -	\$ -
Cash with Fiscal Agents	-	-	-	-	115,239	1,257,450	40,400	-	65,125	49,219
Investments	41,379	101,444	33	46,436	-	-	-	152	-	-
Investment in Land Held for Resale	-	-	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	-	-	-	-	7,219	48,708	-	147	-	-
Accounts Receivable	-	-	-	-	3,634	15,426	-	-	150	350
Interest Receivable	-	-	-	59	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	40,000	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 41,527</u>	<u>\$ 101,808</u>	<u>\$ 33</u>	<u>\$ 46,662</u>	<u>126,092</u>	<u>\$ 1,321,584</u>	<u>\$ 80,400</u>	<u>\$ 300</u>	<u>\$ 65,275</u>	<u>\$ 49,569</u>
Liabilities:										
Accounts & Warrants Payable	\$ 2,713	\$ 1,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	-	-	-	-	11,731	12,450	400	-	5,125	9,219
Accrued Payroll	-	-	-	123	-	-	-	-	-	-
Due to Other Funds	-	-	-	5,000	1,653	764,070	31,402	-	90,616	43,121
Total Liabilities	<u>2,713</u>	<u>1,568</u>	<u>-</u>	<u>5,123</u>	<u>13,384</u>	<u>776,520</u>	<u>31,802</u>	<u>-</u>	<u>95,741</u>	<u>52,340</u>
Deferred Inflows										
Deferred Taxes and Assessments	-	-	-	-	7,219	48,708	-	147	-	-
Other Deferred Receipts	-	-	-	-	3,634	15,426	-	-	-	-
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,853</u>	<u>64,134</u>	<u>-</u>	<u>147</u>	<u>-</u>	<u>-</u>
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	11,782	-	480,930	-	153	-	-
Committed	38,814	100,240	33	-	101,855	-	48,598	-	-	-
Assigned	-	-	-	29,757	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(30,466)	(2,771)
Total Fund Balance	<u>38,814</u>	<u>100,240</u>	<u>33</u>	<u>41,539</u>	<u>101,855</u>	<u>480,930</u>	<u>48,598</u>	<u>153</u>	<u>(30,466)</u>	<u>(2,771)</u>
Total Liabilities and Fund Balance	<u>\$ 41,527</u>	<u>\$ 101,808</u>	<u>\$ 33</u>	<u>\$ 46,662</u>	<u>126,092</u>	<u>\$ 1,321,584</u>	<u>\$ 80,400</u>	<u>\$ 300</u>	<u>\$ 65,275</u>	<u>\$ 49,569</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
**(Page 6 of 9)**

	Debt Service									
	Technology Tax Increment Bonds	Open Space Bonds	Health Center 2009	Health Center 2012	2017 LTGO	Larchmont Bonds	RSID Revolving	Capital Improvement Debt Service	Parks & Trails Bonds	Library Bonds
Assets:										
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,602	\$ -	\$ -	\$ -
Cash with Fiscal Agents	75,950	602,338	131,644	19,250	105,995	58,706	-	512,055	1,976,838	149,550
Investments	-	-	-	-	-	-	725,549	-	-	-
Investment in Land Held for Resale	-	-	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	-	30,256	-	-	6,739	-	-	-	105,886	6,465
Accounts Receivable	-	11,454	-	-	3,412	-	-	-	44,671	3,254
Interest Receivable	-	-	-	-	-	-	-	-	-	-
Loans & Notes Receivable	-	-	-	-	-	-	90,471	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	750,000	-	-	-	-
Advances to Component Units	-	-	1,300,000	315,000	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 75,950	\$ 644,048	\$ 1,431,644	\$ 334,250	\$ 116,146	\$ 808,706	\$ 818,622	\$ 512,055	\$ 2,127,395	\$ 159,269
Liabilities:										
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	20,950	117,338	31,644	4,250	46,531	13,706	-	128,120	741,838	44,550
Accrued Payroll	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	43,250	437,042	131,194	12,478	109,489	58,706	-	136,432	381,296	1,789
Total Liabilities	64,200	554,380	162,838	16,728	156,020	72,412	-	264,552	1,123,134	46,339
Deferred Inflows										
Deferred Taxes and Assessments	-	30,256	-	-	6,739	-	-	-	105,886	6,464
Other Deferred Receipts	-	11,454	-	-	3,412	-	90,471	-	44,671	3,254
Total Deferred Inflows	-	41,710	-	-	10,151	-	90,471	-	150,557	9,718
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	11,750	47,958	-	-	-	-	728,151	-	853,704	-
Committed	-	-	1,268,806	317,522	-	736,294	-	247,503	-	103,211
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(50,025)	-	-	-	-	-
Total Fund Balance	11,750	47,958	1,268,806	317,522	(50,025)	736,294	728,151	247,503	853,704	103,211
Total Liabilities and Fund Balance	\$ 75,950	\$ 644,048	\$ 1,431,644	\$ 334,250	\$ 116,146	\$ 808,706	\$ 818,622	\$ 512,055	\$ 2,127,395	\$ 159,268

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
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	<b>Capital Projects</b>							
	Capital Improvements	Technology	Milltown Historical Preservation	Open Space	Library Capital Reserve	Health Building Reserve	WQD Capital Reserve	Public Safety Capital Reserve
<b>Assets:</b>								
Cash & Cash Equivalents	\$ -	\$ 2,445	\$ 377	\$ 5,468	\$ 176	\$ 2,858	\$ 340	\$ 596
Cash with Fiscal Agents	-	-	-	-	-	-	-	-
Investments	-	681,692	105,171	1,524,496	49,008	796,927	94,872	166,137
Investment in Land Held for Resale	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	59,914	45,750	-	-	-	-	-	-
Accounts Receivable	22,135	16,024	-	-	-	-	-	-
Interest Receivable	-	-	177	1,580	82	1,339	159	279
Loans & Notes Receivable	46,405	-	-	-	-	-	-	-
Due from Other Funds	20,927	-	-	437,042	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 149,381</u>	<u>\$ 745,911</u>	<u>\$ 105,725</u>	<u>\$ 1,968,586</u>	<u>\$ 49,266</u>	<u>\$ 801,124</u>	<u>\$ 95,371</u>	<u>\$ 167,012</u>
<b>Liabilities:</b>								
Accounts & Warrants Payable	\$ -	\$ 1,878	\$ -	\$ -	\$ 65	\$ -	\$ -	\$ 322
Accrued Interest Payable	-	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>1,878</u>	<u>-</u>	<u>-</u>	<u>65</u>	<u>-</u>	<u>-</u>	<u>322</u>
<b>Deferred Inflows</b>								
Deferred Taxes and Assessments	59,914	45,750	-	-	-	-	-	-
Other Deferred Receipts	22,135	15,024	-	-	-	-	-	-
Total Deferred Inflows	<u>82,049</u>	<u>60,774</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	683,259	-	1,968,586	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	67,332	-	105,725	-	49,201	801,124	95,371	166,690
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balance	<u>67,332</u>	<u>683,259</u>	<u>105,725</u>	<u>1,968,586</u>	<u>49,201</u>	<u>801,124</u>	<u>95,371</u>	<u>166,690</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 149,381</u>	<u>\$ 745,911</u>	<u>\$ 105,725</u>	<u>\$ 1,968,586</u>	<u>\$ 49,266</u>	<u>\$ 801,124</u>	<u>\$ 95,371</u>	<u>\$ 167,012</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
**(Page 8 of 9)**

	<b>Capital Projects</b>								
	Fair Capital Projects	Park Construction Reserve	Weed/Ext Building Reserve	Bridge Reserve	Road Escrow	Missoula Search & Rescue Reserve	Seeley Lake Search & Rescue Reserve	Library Bond Construction	Detention Cap Reserve
<b>Assets:</b>									
Cash & Cash Equivalents	\$ -	\$ 1,817	\$ 4,642	\$ 1,299	\$ 1,597	\$ 377	\$ 82	\$ 2,174	\$ 330
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	-
Investments	-	506,576	1,294,297	362,221	445,176	107,815	22,851	606,120	91,938
Investment in Land Held for Resale	-	-	-	-	-	-	-	-	-
Property Taxes Receivable (net)	-	-	-	-	-	-	-	-	-
Accounts Receivable	5,000	-	-	-	-	-	-	-	-
Interest Receivable	-	851	2,175	-	748	181	38	1,019	155
Loans & Notes Receivable	61,000	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-	-
Advances to Component Units	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 66,000</b>	<b>\$ 509,244</b>	<b>\$ 1,301,114</b>	<b>\$ 363,520</b>	<b>\$ 447,521</b>	<b>\$ 108,373</b>	<b>\$ 22,971</b>	<b>\$ 609,313</b>	<b>\$ 92,423</b>
<b>Liabilities:</b>									
Accounts & Warrants Payable	\$ 83,030	\$ 4,171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 442,232	\$ -
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-	-
Due to Other Funds	407,999	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>491,029</b>	<b>4,171</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>442,232</b>	<b>-</b>
<b>Deferred Inflows</b>									
Deferred Taxes and Assessments	-	-	-	-	-	-	-	-	-
Other Deferred Receipts	61,000	-	-	-	-	-	-	-	-
<b>Total Deferred Inflows</b>	<b>61,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance:</b>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	167,081	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	505,073	1,301,114	363,520	447,521	108,373	22,971	-	92,423
Unassigned	(486,029)	-	-	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>(486,029)</b>	<b>505,073</b>	<b>1,301,114</b>	<b>363,520</b>	<b>447,521</b>	<b>108,373</b>	<b>22,971</b>	<b>167,081</b>	<b>92,423</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 66,000</b>	<b>\$ 509,244</b>	<b>\$ 1,301,114</b>	<b>\$ 363,520</b>	<b>\$ 447,521</b>	<b>\$ 108,373</b>	<b>\$ 22,971</b>	<b>\$ 609,313</b>	<b>\$ 92,423</b>

**MISSOULA COUNTY, MONTANA**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2018**  
**(Page 9 of 9)**

	<b>Capital Projects</b>								
	Museum Capital Campaign	Courthouse Reconstruction	Courthouse Reconstruction Phase 2-5	2017 LTGO Construction	CAPS Building Acquisition	Replacement Building Refurbishment	Animal Control Reserve	District Court Reserve	<b>Total</b>
<b>Assets:</b>									
Cash & Cash Equivalents	\$ 900	\$ -	\$ -	\$ 374	\$ (36)	\$ -	\$ 286	\$ 21	\$ 84,514
Cash with Fiscal Agents	-	-	-	-	-	-	-	-	5,677,459
Investments	250,792	-	-	104,155	(9,964)	-	79,714	5,979	23,566,129
Investment in Land Held for Resale	-	-	-	-	-	-	-	-	3,498,158
Property Taxes Receivable (net)	-	-	-	-	-	-	-	-	1,514,913
Accounts Receivable	-	-	-	-	-	-	-	-	1,805,040
Interest Receivable	-	-	-	-	-	-	-	-	20,238
Loans & Notes Receivable	-	-	-	-	-	-	-	-	1,179,934
Due from Other Funds	-	-	-	-	-	219,323	-	-	720,542
Advances to Other Funds	-	-	-	-	-	-	-	-	750,000
Advances to Component Units	-	-	-	-	-	-	-	-	1,655,000
Inventory	-	-	-	-	-	-	-	-	1,186,102
<b>Total Assets</b>	<b>\$ 251,692</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 104,529</b>	<b>\$ (10,000)</b>	<b>\$ 219,323</b>	<b>\$ 80,000</b>	<b>\$ 6,000</b>	<b>\$ 41,658,029</b>
<b>Liabilities:</b>									
Accounts & Warrants Payable	\$ -	\$ -	\$ -	\$ 12,452	\$ -	\$ -	\$ -	\$ -	\$ 1,366,166
Accrued Interest Payable	-	-	-	-	-	-	-	-	1,193,438
Accrued Payroll	-	-	-	-	-	-	-	-	713,202
Due to Other Funds	-	521,074	1,317,927	-	-	-	-	-	4,798,313
<b>Total Liabilities</b>	<b>-</b>	<b>521,074</b>	<b>1,317,927</b>	<b>12,452</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,071,119</b>
<b>Deferred Inflows</b>									
Deferred Taxes and Assessments	-	-	-	-	-	-	-	-	1,514,912
Other Deferred Receipts	-	-	-	-	-	-	-	-	1,481,175
<b>Total Deferred Inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,996,087</b>
<b>Fund Balance:</b>									
Nonspendable	-	-	-	-	-	-	-	-	1,186,102
Restricted	-	-	-	-	-	-	-	-	19,468,785
Committed	251,692	-	-	-	-	-	-	-	8,093,171
Assigned	-	-	-	92,077	-	219,323	80,000	6,000	4,553,595
Unassigned	-	(521,074)	(1,317,927)	-	(10,000)	-	-	-	(2,710,832)
<b>Total Fund Balance</b>	<b>251,692</b>	<b>(521,074)</b>	<b>(1,317,927)</b>	<b>92,077</b>	<b>(10,000)</b>	<b>219,323</b>	<b>80,000</b>	<b>6,000</b>	<b>30,590,821</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 251,692</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 104,529</b>	<b>\$ (10,000)</b>	<b>\$ 219,323</b>	<b>\$ 80,000</b>	<b>\$ 6,000</b>	<b>\$ 41,658,027</b>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 1 of 9)**

	Special Revenue									
	Road	Community Assistance Fund	Bridge	Weed	Weed Grant	Fair	District Court	Parks	Library	Planning
Revenues:										
Property Taxes	\$ 2,416,832	\$ 836,939	\$ 993,805	\$ 599,739	\$ -	\$ 1,156,611	\$ 1,085,423	\$ 604,525	\$ 2,460,072	\$ 688,127
Licenses & Permits	16,027	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	2,219,708	66,508	174,914	53,324	341,685	20,199	101,865	17,355	252,838	95,936
Charges for Services	33,117	-	-	-	-	723,492	66,941	-	5,819	-
Fines & Forfeitures	-	-	-	-	-	-	790	-	66,409	-
Investment Earnings	-	-	-	1	-	708	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	734	-	-	700	41,582	2,617	-	1,500	15,340	-
Total Revenues	4,686,418	903,447	1,168,719	653,764	383,267	1,903,627	1,255,019	623,380	2,800,478	784,063
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	1,142,844	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	4,088,000	-	919,569	729,877	210,533	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	761,695	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	1,403,297	-	616,121	2,632,469	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	300,000
Capital Outlay	186,567	-	40,947	2,583	-	-	-	-	250,690	-
Debt Service:										
Principal	334,970	-	-	-	-	50,418	-	-	-	-
Interest and Fiscal Charges	14,136	-	-	-	-	15,699	-	-	-	-
Total Expenditures	4,623,673	761,695	960,516	732,460	210,533	1,469,414	1,142,844	616,121	2,883,159	300,000
Excess of Revenues over (under) Expenditures	62,745	141,752	208,203	(78,696)	172,734	434,213	112,175	7,259	(82,681)	484,063
Other Financing Sources (uses):										
Transfers In	111,507	-	35,301	166,948	83,931	16,198	64,452	76,396	102,033	-
Transfers Out	(15,582)	(87,000)	(5,861)	(224,534)	(147,237)	(668,069)	(83,050)	(147,700)	(100,000)	(439,960)
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	48,226	-	-	-	-	-	-	-	-	-
over (under) Expenditures										
Net change in Fund Balance	206,896	54,752	237,643	(136,282)	109,428	(217,658)	93,577	(64,045)	(80,648)	44,103
Fund Balance - Beginning of Year	2,476,308	60,099	1,358,370	117,954	200,760	(23,065)	412,552	292,079	306,536	11,678
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
Fund Balance Transfer	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	(300,786)	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 2,382,418	\$ 114,851	\$ 1,596,013	\$ (18,328)	\$ 310,188	\$ (240,723)	\$ 506,129	\$ 228,034	\$ 225,888	\$ 55,781

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue</b>									
	Grants	Substance Abuse Prevention	Relationship Violence Services	Community & Planning Services	Building Code Division	Health	Water Quality District	Animal Control	Extension	Extension Grant
Revenues:										
Property Taxes	\$ 317,954	\$ 369,620	\$ 197,004	\$ 600,430	\$ -	\$ 877,202	\$ -	\$ 153,339	463,452	\$ -
Licenses & Permits	-	-	-	73,703	677,932	140,518	-	237,081	-	-
Intergovernmental Revenue	680,292	151,108	797,063	36,185	-	3,889,321	10,308	391,263	53,784	12,460
Charges for Services	-	57,565	17,828	74,808	87,790	1,103,162	23,490	81,508	9,336	-
Fines & Forfeitures	-	-	25,430	-	-	100	-	-	-	-
Investment Earnings	-	-	-	298	-	-	-	-	-	-
Private & Local Grants	35,565	1,960	1,000	9,131	-	43,602	42,500	29,210	-	-
Miscellaneous Revenues	-	-	-	664	-	44,640	417,965	11,246	5,251	-
Total Revenues	1,033,811	580,253	1,038,325	795,219	765,722	6,098,545	494,263	903,647	531,823	12,460
Expenditures:										
Current Operations:										
General Government	302,431	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	636,377	-	-	-	465,813	939
Public Health	174,963	652,250	-	-	-	6,218,654	422,008	853,231	-	-
Social & Economic Services	-	-	995,305	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	389,524	-	-	1,232,409	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	39,720	12,519	39,138	90	-
Debt Service:										
Principal	-	-	14,095	-	19,686	-	-	-	-	-
Interest and Fiscal Charges	-	-	9,961	-	368	-	-	-	-	-
Total Expenditures	866,918	652,250	1,019,361	1,232,409	656,431	6,258,374	434,527	892,369	465,903	939
Excess of Revenues over (under) Expenditures	166,893	(71,997)	18,964	(437,190)	109,291	(159,829)	59,736	11,278	65,920	11,521
Other Financing Sources (uses):										
Transfers In	38,100	-	18,425	633,691	-	231,784	-	28,718	48,073	2,500
Transfers Out	(46,355)	(4,550)	(16,250)	(95,501)	(10,076)	(799,929)	(8,000)	(90,000)	(106,723)	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	158,638	(76,547)	21,139	101,000	99,215	(727,974)	51,736	(50,004)	7,270	14,021
Fund Balance - Beginning of Year	(37,273)	44,830	11,375	456,194	649,193	1,664,347	201,757	198,873	74,373	28,620
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
Fund Balance Transfer	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 121,365	\$ (31,717)	\$ 32,514	\$ 557,194	\$ 748,408	\$ 936,373	\$ 253,493	\$ 148,869	\$ 81,643	\$ 42,641

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue</b>									
	MDA Airport Industrial District	MDA Technology District	Bonner Millsite Tax Increment District	Bonner West Log Yard TEDD	Drug Forfeiture	Youth Education & Safety	Historical Museum	Caremark NACo Rx	Missoula Search & Rescue	Seeley Lake Search & Rescue
Revenues:										
Property Taxes	\$ 1,792,293	\$ 64,019	\$ 437,530	\$ 128,673	\$ -	\$ -	\$ 489,514	\$ -	\$ 52,788	\$ 28,553
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	150,568	15,365	13,986	-	130,191	-	53,936	-	1,544	821
Charges for Services	-	-	-	-	-	-	-	180	-	-
Fines & Forfeitures	-	-	-	-	6,051	-	-	-	-	-
Investment Earnings	69,941	4,874	-	-	3,008	7	-	-	-	-
Private & Local Grants	-	-	-	-	-	313	19,662	-	-	-
Miscellaneous Revenues	19,891	792,658	-	-	6,885	-	-	395	-	-
Total Revenues	2,032,693	876,916	451,516	128,673	146,135	320	563,112	575	54,332	29,374
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	271,724	256	-	-	10,333	4,550
Public Works	627,101	760,103	10,270	8,254	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	5	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	557,278	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	123,406	-	-	-	-	-	81,721	-	11,077	9,568
Debt Service:										
Principal	485,000	-	-	-	-	-	29,355	-	-	12,736
Interest and Fiscal Charges	10,350	-	-	-	-	-	5,683	-	-	4,568
Total Expenditures	1,245,857	760,103	10,270	8,254	271,724	256	674,037	5	21,410	31,422
Excess of Revenues over (under) Expenditures	786,836	116,813	441,246	120,419	(125,589)	64	(110,925)	570	32,922	(2,048)
Other Financing Sources (uses):										
Transfers In	10,000	-	-	-	135,000	-	53,137	7,180	-	-
Transfers Out	(475,000)	(108,866)	-	-	(3,650)	-	-	-	(50,000)	(12,000)
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	321,836	7,947	441,246	120,419	5,761	64	(57,788)	7,750	(17,078)	(14,048)
Fund Balance - Beginning of Year	3,862,343	3,639,291	276,522	172,833	155,184	572	210,257	242	73,585	39,143
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
Fund Balance Transfer	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 4,184,179	\$ 3,647,238	\$ 717,768	\$ 293,252	\$ 160,945	\$ 636	\$ 152,469	\$ 7,992	\$ 56,507	\$ 25,095

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 4 of 9)**

	<b>Special Revenue</b>									
	Disaster Emergency Levy	Junk Vehicle	Forest Reserve Title III	RSID Administration	HUD/ CDBG	Community Based Organizations	Permissive Medical Levy	Seeley Lake Refuse	9-1-1 Trust	Seeley Lake Stove Project
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 855,385	\$ 1,886,952	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	194,110	47,884	110	49,506	82,478	35,121	-	801,859	-
Charges for Services	-	-	-	-	7,466	-	-	326,852	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	1,738	-	-	130,132	-	-	2,302	18,342	-
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	211	-	9,466	-	-	-	-	-	-
Total Revenues	-	196,059	47,884	9,576	187,104	937,863	1,922,073	329,154	820,201	-
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	73,835	-	-	-	291,475	-	-
Public Health	-	93,015	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	964,943	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	2,378
Housing & Community Development	-	-	-	-	12,893	-	-	-	-	-
Capital Outlay	-	8,000	-	-	-	-	-	-	-	-
Debt Service:										
Principal	-	-	-	-	-	-	-	5,700	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	177	-	-
Total Expenditures	-	101,015	-	73,835	12,893	964,943	-	297,352	-	2,378
Excess of Revenues over (under) Expenditures	-	95,044	47,884	(64,259)	174,211	(27,080)	1,922,073	31,802	820,201	(2,378)
Other Financing Sources (uses):										
Transfers In	-	-	-	10,225	50,000	75,756	-	-	-	-
Transfers Out	-	(1,000)	-	(15,000)	(10,500)	(60,000)	(1,922,073)	(1,401)	(587,026)	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	-	94,044	47,884	(69,034)	213,711	(11,324)	-	30,401	233,175	(2,378)
Fund Balance - Beginning of Year	(1,772)	133,836	36,644	70,845	562,872	127,519	-	142,250	1,318,994	62,814
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
Fund Balance Transfer	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	<u>\$ (1,772)</u>	<u>\$ 227,880</u>	<u>\$ 84,528</u>	<u>\$ 1,811</u>	<u>\$ 776,583</u>	<u>\$ 116,195</u>	<u>\$ -</u>	<u>\$ 172,651</u>	<u>\$ 1,552,169</u>	<u>\$ 60,436</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	Special Revenue					Debt Service				
	Friends of the Library	Friends of Historical Museum	Open Space	Other Special Revenue	Judgement Levy DS	Jail Bond	Health Center 2012 Refi	Risk Management	Fair Ice Rink Series 2012 Refinance	Fair Ice Rink Series 2006
Revenues:										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 222,430	\$ 980,606	\$ -	\$ 111	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	437,200	963	4,092	985	-	-	-
Charges for Services	-	7,432	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	550	1,629	-	478	-	-	-	-	-	-
Private & Local Grants	33,859	87,216	-	100	-	-	-	-	-	-
Miscellaneous Revenues	-	803	-	11,904	-	-	-	-	70,400	58,788
Total Revenues	34,409	97,080	-	449,682	223,393	984,698	985	111	70,400	58,788
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	7,353	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	26,291	64,874	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	442,200	-	-	-	-	-	-
Capital Outlay	4,739	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal	-	-	-	-	114,438	1,215,000	35,000	-	60,000	40,000
Interest and Fiscal Charges	-	-	-	-	39,532	25,200	845	-	10,400	18,789
Total Expenditures	31,030	64,874	-	449,553	153,970	1,240,200	35,845	-	70,400	58,789
Excess of Revenues over (under) Expenditures	3,379	32,206	-	129	69,423	(255,502)	(34,860)	111	-	(1)
Other Financing Sources (uses):										
Transfers In	-	-	-	7,230	-	-	-	-	-	-
Transfers Out	-	(17,519)	-	-	(1,059,569)	-	-	-	-	-
Issuance of Debt	-	-	-	-	1,092,000	-	-	-	-	-
Refunding Bonds	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	3,379	14,687	-	7,359	101,854	(255,502)	(34,860)	111	-	(1)
Fund Balance - Beginning of Year	35,435	85,553	33	34,180	-	736,432	83,458	42	(30,466)	(2,770)
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-
Fund Balance Transfer	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 38,814	\$ 100,240	\$ 33	\$ 41,539	\$ 101,854	\$ 480,930	\$ 48,598	\$ 153	\$ (30,466)	\$ (2,771)

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Debt Service</b>									
	Technology Tax Increment Bonds	Open Space Bonds	Health Center 2009	Health Center 2012	2017 LTGO	Larchmont Bonds	RSID Revolving	Capital Improvement Debt Service	Parks & Trails Bonds	Library Bonds
Revenues:										
Property Taxes	\$ -	\$ 623,245	\$ -	\$ -	\$ 207,597	\$ -	\$ -	\$ -	\$ 2,417,659	\$ 199,122
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	19,490	65,618	8,665	899	28,213	-	-	11,838	862
Charges for Services	-	-	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	6,031	19,191	-	-
Total Revenues	-	642,735	65,618	8,665	208,496	28,213	6,031	19,191	2,429,497	199,984
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal	55,000	440,000	90,000	15,000	123,119	45,000	-	628,683	1,060,000	-
Interest and Fiscal Charges	42,251	235,725	63,638	8,605	94,737	27,763	-	250,269	1,483,676	96,773
Total Expenditures	97,251	675,725	153,638	23,605	217,856	72,763	-	878,952	2,543,676	96,773
Excess of Revenues over (under) Expenditures	(97,251)	(32,990)	(88,020)	(14,940)	(9,360)	(44,550)	6,031	(859,761)	(114,179)	103,211
Other Financing Sources (uses):										
Transfers In	98,866	-	-	-	-	-	3,258	1,244,265	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	1,615	(32,990)	(88,020)	(14,940)	(9,360)	(44,550)	9,289	384,504	(114,179)	103,211
Fund Balance - Beginning of Year	10,135	80,948	1,356,826	332,462	(40,665)	780,844	718,862	(137,001)	967,883	-
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ 11,750	\$ 47,958	\$ 1,268,806	\$ 317,522	\$ (50,025)	\$ 736,294	\$ 728,151	\$ 247,503	\$ 853,704	\$ 103,211



**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects</b>							
	Capital Improvements	Technology	Milltown Historical Preservation	Open Space	Library Capital Reserve	Health Building Reserve	WQD Capital Reserve	Public Safety Capital Reserve
Revenues:								
Property Taxes	\$ 1,391,769	\$ 952,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	14,641	51,695	-	-	-	-	-	-
Charges for Services	-	47,276	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	1,286	-	1,447	14,802	292	8,136	1,302	3,206
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	17,227	-	-	-	-	-	94,272
Total Revenues	<u>1,407,696</u>	<u>1,068,439</u>	<u>1,447</u>	<u>14,802</u>	<u>292</u>	<u>8,136</u>	<u>1,302</u>	<u>97,478</u>
Expenditures:								
Current Operations:								
General Government	-	732,528	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	115,321	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-
Capital Outlay	18,550	161,145	-	274,013	-	-	-	377,416
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-
Total Expenditures	<u>18,550</u>	<u>893,673</u>	<u>-</u>	<u>274,013</u>	<u>115,321</u>	<u>-</u>	<u>-</u>	<u>377,416</u>
Excess of Revenues over (under) Expenditures	1,389,146	174,766	1,447	(259,211)	(115,029)	8,136	1,302	(279,938)
Other Financing Sources (uses):								
Transfers In	50,000	1,402,300	-	-	100,000	325,000	-	435,000
Transfers Out	(1,671,268)	(1,464,047)	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Net change in Fund Balance	(232,122)	113,019	1,447	(259,211)	(15,029)	333,136	1,302	155,062
Fund Balance - Beginning of Year	299,454	570,240	104,278	2,227,797	64,230	467,988	94,069	11,628
Prior Period Adjustments	-	-	-	-	-	-	-	-
Change in Inventory Reserves	-	-	-	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 67,332</u>	<u>\$ 683,259</u>	<u>\$ 105,725</u>	<u>\$ 1,968,586</u>	<u>\$ 49,201</u>	<u>\$ 801,124</u>	<u>\$ 95,371</u>	<u>\$ 166,690</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 8 of 9)**

	Capital Projects								
	Fair Capital Projects	Park Construction Reserve	Weed/Ext Building Reserve	Bridge Reserve	Road Escrow	Missoula Search & Rescue Reserve	Seeley Lake Search & Rescue Reserve	Library Bond Construction	Detention Cap Reserve
Revenues:									
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Permits	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	9,748	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	118,800	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-
Investment Earnings	-	7,170	16,685	-	6,037	974	192	7,772	1,098
Private & Local Grants	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	32,782	-	-	35,530	-	-	-	-
Total Revenues	-	49,700	16,685	-	160,367	974	192	7,772	1,098
Expenditures:									
Current Operations:									-
General Government	-	-	-	-	-	-	-	-	-
Criminal Justice	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	2,483	-	106,450	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	137,870	-	-	-	-	-	344,124	-
Housing & Community Development	-	-	-	-	-	-	-	-	-
Capital Outlay	1,123,304	26,018	71,176	-	-	-	-	1,884,472	33,675
Debt Service:	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-
Total Expenditures	1,123,304	163,888	73,659	-	106,450	-	-	2,228,596	33,675
Excess of Revenues over (under) Expenditures	(1,123,304)	(114,188)	(56,974)	-	53,917	974	192	(2,220,824)	(32,577)
Other Financing Sources (uses):									-
Transfers In	657,969	140,000	208,446	-	-	50,000	12,000	-	125,000
Transfers Out	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-	-
Premium on Issuance of Debt	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Net change in Fund Balance	(465,335)	25,812	151,472	-	53,917	50,974	12,192	(2,220,824)	92,423
Fund Balance - Beginning of Year	(20,694)	479,261	1,149,642	363,520	393,604	57,399	10,779	2,387,905	-
Prior Period Adjustments	-	-	-	-	-	-	-	-	-
Fund Reclassifications	-	-	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ (486,029)	\$ 505,073	\$ 1,301,114	\$ 363,520	\$ 447,521	\$ 108,373	\$ 22,971	\$ 167,081	\$ 92,423

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects</b>									
	Museum Capital Campaign	Courthouse Reconstruction	Courthouse Reconstruction Phase 2-5	2017 LTGO Construction	CAPS Building Acquisition	Replacement Building Refurbishment	Animal Control Reserve	District Court Reserve	GLR Building Reserve	<b>Total</b>
Revenues:										
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,551,561
Licenses & Permits	-	-	-	-	-	-	-	-	-	1,145,261
Intergovernmental Revenue	-	-	-	-	-	-	-	-	-	11,598,504
Charges for Services	1,000	-	-	-	-	-	-	-	-	2,793,862
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	98,780
Investment Earnings	-	-	-	-	-	-	-	-	-	304,407
Private & Local Grants	-	-	-	-	-	-	-	-	-	304,118
Miscellaneous Revenues	-	-	-	3,287	-	-	-	-	-	1,721,960
Total Revenues	1,000	-	-	3,287	-	-	-	-	-	44,518,453
Expenditures:										
Current Operations:										
General Government	-	-	-	-	-	-	-	-	-	1,034,959
Criminal Justice	-	-	-	-	-	-	-	-	-	1,142,844
Public Safety	-	-	-	-	-	-	-	-	-	286,863
Public Works	-	-	-	-	-	-	-	-	-	8,938,432
Public Health	-	-	-	-	-	-	-	-	-	8,414,126
Social & Economic Services	-	-	-	-	-	-	-	-	-	2,721,943
Culture & Recreation	-	-	-	-	-	-	-	-	-	5,900,023
Housing & Community Development	-	-	-	-	-	-	-	-	-	2,377,026
Capital Outlay	11,945	43,421	314,001	741,210	10,000	-	-	-	26,936	5,928,047
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	4,873,200
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	2,459,145
Total Expenditures	11,945	43,421	314,001	741,210	10,000	-	-	-	26,936	44,076,608
Excess of Revenues over (under) Expenditures	(10,945)	(43,421)	(314,001)	(737,923)	(10,000)	-	-	-	(26,936)	441,845
Other Financing Sources (uses):										
Transfers In	-	913,064	-	30,000	-	219,323	80,000	6,000	26,936	8,134,012
Transfers Out	-	-	-	-	-	-	-	-	-	(10,555,296)
Issuance of Debt	-	-	-	-	-	-	-	-	-	1,092,000
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	48,226
Net change in Fund Balance	(10,945)	869,643	(314,001)	(707,923)	(10,000)	219,323	80,000	6,000	-	(839,213)
Fund Balance - Beginning of Year	262,637	(1,390,717)	(1,003,926)	800,000	-	-	-	-	-	31,730,819
Change in Inventory Reserves	-	-	-	-	-	-	-	-	-	(300,786)
Fund Balance - End of Year	\$ 251,692	\$ (521,074)	\$ (1,317,927)	\$ 92,077	\$ (10,000)	\$ 219,323	\$ 80,000	\$ 6,000	\$ -	\$ 30,590,820

**NON-MAJOR FUNDS - Budget to Actual**

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**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 1 of 43)**

<b>Special Revenue Funds</b>								
	<b>Road</b>				<b>Community Assistance Fund</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 2,370,686	\$ 2,370,686	\$ 2,416,832	\$ 46,146	\$ 833,787	\$ 833,787	\$ 836,939	\$ 3,152
License & Permits	7,250	7,250	16,027	8,777	-	-	-	-
Intergovernmental Revenue	1,898,871	2,279,261	2,228,956	(50,305)	50,000	50,000	66,508	16,508
Charges for Services	3,000	3,000	33,117	30,117	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	15,500	15,500	1,238	(14,262)	-	-	-	-
Total Revenues	<u>4,295,307</u>	<u>4,675,697</u>	<u>4,696,170</u>	<u>20,473</u>	<u>883,787</u>	<u>883,787</u>	<u>903,447</u>	<u>19,660</u>
Expenditures:								
Current Operations:								
Personnel	2,506,001	2,506,001	2,432,351	73,650	-	-	-	-
Operations	1,726,050	1,595,950	1,537,617	58,333	784,003	784,003	760,111	23,892
Capital Outlay	440,000	570,100	570,054	46	-	-	-	-
Debt Service:								
Principal	334,971	334,971	334,970	1	-	-	-	-
Interest	14,136	14,136	14,136	-	-	-	-	-
Total Expenditures	<u>5,021,158</u>	<u>5,021,158</u>	<u>4,889,128</u>	<u>132,030</u>	<u>784,003</u>	<u>784,003</u>	<u>760,111</u>	<u>23,892</u>
Excess of Revenues over (under) Expenditures	(725,851)	(345,461)	(192,958)	152,503	99,784	99,784	143,336	43,552
Other Financing Sources (Uses):								
Transfers In	109,620	109,620	111,507	1,887	-	-	-	-
Transfers Out	(16,024)	(16,024)	(15,582)	442	(87,000)	(87,000)	(87,000)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	20,000	20,000	48,226	28,226	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (612,255)</u>	<u>\$ (231,865)</u>	<u>\$ (48,807)</u>	<u>\$ 183,058</u>	<u>\$ 12,784</u>	<u>\$ 12,784</u>	<u>\$ 56,336</u>	<u>\$ 43,552</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Special Revenue Funds</b>								
	<b>Bridge</b>				<b>Weed</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 992,207	\$ 992,207	\$ 993,805	\$ 1,598	\$ 598,242	\$ 598,242	\$ 599,739	\$ 1,497
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	990,067	990,067	176,042	(814,025)	51,319	51,319	53,824	2,505
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	1	1
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	700	700
Total Revenues	<u>1,982,274</u>	<u>1,982,274</u>	<u>1,169,847</u>	<u>(812,427)</u>	<u>649,561</u>	<u>649,561</u>	<u>654,264</u>	<u>4,703</u>
Expenditures:								
Current Operations:								
Personnel	844,813	844,813	809,010	35,803	600,758	605,858	605,850	8
Operations	173,428	173,428	105,892	67,536	121,600	116,500	107,551	8,949
Capital Outlay	1,140,531	1,140,531	17,736	1,122,795	28,000	28,000	2,583	25,417
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,158,772</u>	<u>2,158,772</u>	<u>932,638</u>	<u>1,226,134</u>	<u>750,358</u>	<u>750,358</u>	<u>715,984</u>	<u>34,374</u>
Excess of Revenues over (under) Expenditures	(176,498)	(176,498)	237,209	413,707	(100,797)	(100,797)	(61,720)	39,077
Other Financing Sources (Uses):								
Transfers In	35,156	35,156	35,301	145	217,630	217,630	166,948	(50,682)
Transfers Out	(406,008)	(406,008)	(5,861)	400,147	(224,536)	(224,536)	(224,534)	2
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (547,350)</u>	<u>\$ (547,350)</u>	<u>\$ 266,649</u>	<u>\$ 813,999</u>	<u>\$ (107,703)</u>	<u>\$ (107,703)</u>	<u>\$ (119,306)</u>	<u>\$ (11,603)</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Weed Grant</b>				<b>Fair</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 521,116	\$ 1,179,075	\$ 1,156,611	\$ (22,464)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	393,848	393,848	389,146	(4,702)	15,264	15,264	20,199	4,935
Charges for Services	600	600	-	(600)	750,000	750,000	716,109	(33,891)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	686	686
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	2,617	2,617
Total Revenues	<u>394,448</u>	<u>394,448</u>	<u>389,146</u>	<u>(5,302)</u>	<u>1,286,380</u>	<u>1,944,339</u>	<u>1,896,222</u>	<u>(48,117)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	575,735	560,535	560,523	12
Operations	406,690	406,690	256,696	149,994	685,050	707,550	750,870	(43,320)
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	54,000	50,500	50,418	82
Interest	-	-	-	-	21,820	15,920	15,979	(59)
Total Expenditures	<u>406,690</u>	<u>406,690</u>	<u>256,696</u>	<u>149,994</u>	<u>1,336,605</u>	<u>1,334,505</u>	<u>1,377,790</u>	<u>(43,285)</u>
Excess of Revenues over (under) Expenditures	(12,242)	(12,242)	132,450	144,692	(50,225)	609,834	518,432	(91,402)
Other Financing Sources (Uses):								
Transfers In	83,932	83,932	83,931	(1)	36,131	36,131	16,198	(19,933)
Transfers Out	(198,000)	(198,000)	(147,237)	50,763	(8,000)	(668,069)	(668,069)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (126,310)</u>	<u>\$ (126,310)</u>	<u>\$ 69,144</u>	<u>\$ 195,454</u>	<u>\$ (22,094)</u>	<u>\$ (22,104)</u>	<u>\$ (133,439)</u>	<u>\$ (111,335)</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>District Court</b>				<b>Parks</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 1,026,438	\$ 1,026,438	\$ 1,085,423	\$ 58,985	\$ 609,661	\$ 609,661	\$ 604,525	\$ (5,136)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	85,887	85,887	63,668	(22,219)	14,805	14,805	17,355	2,550
Charges for Services	59,000	59,000	66,941	7,941	-	-	-	-
Fines & Forfeitures	200	200	790	590	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	1,500	1,500
Total Revenues	<u>1,171,525</u>	<u>1,171,525</u>	<u>1,216,822</u>	<u>45,297</u>	<u>624,466</u>	<u>624,466</u>	<u>623,380</u>	<u>(1,086)</u>
Expenditures:								
Current Operations:								
Personnel	1,078,054	1,078,054	1,042,308	35,746	327,293	327,293	316,759	10,534
Operations	127,150	127,075	98,334	28,741	331,980	327,530	350,455	(22,925)
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,205,204</u>	<u>1,205,129</u>	<u>1,140,642</u>	<u>64,487</u>	<u>659,273</u>	<u>654,823</u>	<u>667,214</u>	<u>(12,391)</u>
Excess of Revenues over (under) Expenditures	(33,679)	(33,604)	76,180	109,784	(34,807)	(30,357)	(43,834)	(13,477)
Other Financing Sources (Uses):								
Transfers In	64,186	64,186	64,452	266	83,530	83,530	76,396	(7,134)
Transfers Out	(82,975)	(83,050)	(83,050)	-	(143,250)	(147,700)	(147,700)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (52,468)</u>	<u>\$ (52,468)</u>	<u>\$ 57,582</u>	<u>\$ 110,050</u>	<u>\$ (94,527)</u>	<u>\$ (94,527)</u>	<u>\$ (115,138)</u>	<u>\$ (20,611)</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Special Revenue Funds</b>								
	<b>Library</b>				<b>Planning</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 2,453,418	\$ 2,453,418	\$ 2,460,072	\$ 6,654	\$ 685,790	\$ 685,790	\$ 688,127	\$ 2,337
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	242,572	242,572	252,838	10,266	93,065	95,935	95,936	1
Charges for Services	17,500	17,500	5,959	(11,541)	-	-	-	-
Fines & Forfeitures	55,000	55,000	66,409	11,409	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	56,468	56,468	15,340	(41,128)	-	-	-	-
Total Revenues	<u>2,824,958</u>	<u>2,824,958</u>	<u>2,800,618</u>	<u>(24,340)</u>	<u>778,855</u>	<u>781,725</u>	<u>784,063</u>	<u>2,338</u>
Expenditures:								
Current Operations:								
Personnel	2,204,984	2,204,984	2,165,734	39,250	-	-	-	-
Operations	433,320	433,320	407,676	25,644	341,760	341,760	329,685	12,075
Capital Outlay	292,824	292,824	248,557	44,267	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,931,128</u>	<u>2,931,128</u>	<u>2,821,967</u>	<u>109,161</u>	<u>341,760</u>	<u>341,760</u>	<u>329,685</u>	<u>12,075</u>
Excess of Revenues over (under) Expenditures	(106,170)	(106,170)	(21,349)	84,821	437,095	439,965	454,378	14,413
Other Financing Sources (Uses):								
Transfers In	101,613	101,613	102,033	420	-	-	-	-
Transfers Out	-	(100,000)	(100,000)	-	(437,095)	(439,965)	(439,960)	5
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (4,557)</u>	<u>\$ (104,557)</u>	<u>\$ (19,316)</u>	<u>\$ 85,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,418</u>	<u>\$ 14,418</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Grants</b>				<b>Substance Abuse Prevention</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 312,986	\$ 312,986	\$ 317,954	\$ 4,968	\$ 368,920	\$ 368,920	\$ 369,620	\$ 700
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	1,196,434	1,426,353	615,870	(810,483)	167,866	167,866	144,612	(23,254)
Charges for Services	-	-	-	-	56,706	63,239	60,092	(3,147)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	41,537	41,537	50,084	8,547	5,000	5,000	1,960	(3,040)
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>1,550,957</u>	<u>1,780,876</u>	<u>983,908</u>	<u>(796,968)</u>	<u>598,492</u>	<u>605,025</u>	<u>576,284</u>	<u>(28,741)</u>
Expenditures:								
Current Operations:								
Personnel	343,270	347,260	347,249	11	283,053	287,314	287,312	2
Operations	1,213,529	1,400,254	606,373	793,881	342,990	345,262	359,078	(13,816)
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,556,799</u>	<u>1,747,514</u>	<u>953,622</u>	<u>793,892</u>	<u>626,043</u>	<u>632,576</u>	<u>646,390</u>	<u>(13,814)</u>
Excess of Revenues over (under) Expenditures	(5,842)	33,362	30,286	(3,076)	(27,551)	(27,551)	(70,106)	(42,555)
Other Financing Sources (Uses):								
Transfers In	71,775	71,775	38,100	(33,675)	-	-	-	-
Transfers Out	(3,900)	(50,310)	(46,355)	3,955	(10,200)	(10,200)	(4,550)	5,650
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 62,033</u>	<u>\$ 54,827</u>	<u>\$ 22,031</u>	<u>\$ (32,796)</u>	<u>\$ (37,751)</u>	<u>\$ (37,751)</u>	<u>\$ (74,656)</u>	<u>\$ (36,905)</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Special Revenue Funds</b>								
	<b>Relationship Violence Services Division</b>				<b>Community &amp; Planning Services</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	204,761	204,761	197,004	(7,757)	\$ 600,326	\$ 600,326	\$ 600,430	\$ 104
License & Permits	-	-	-	-	65,800	65,800	74,998	9,198
Intergovernmental Revenue	738,553	867,441	687,841	(179,600)	8,419	8,419	36,185	27,766
Charges for Services	1,680	1,680	17,828	16,148	58,400	58,400	74,793	16,393
Fines & Forfeitures	40,000	40,000	41,058	1,058	-	-	-	-
Investment Earnings	-	-	-	-	-	-	290	290
Private & Local Grants	-	1,000	1,000	-	-	-	9,131	9,131
Miscellaneous Revenues	-	-	-	-	500	500	664	164
Total Revenues	<u>984,994</u>	<u>1,114,882</u>	<u>944,731</u>	<u>(170,151)</u>	<u>733,445</u>	<u>733,445</u>	<u>796,491</u>	<u>63,046</u>
Expenditures:								
Current Operations:								
Personnel	770,450	790,842	763,236	27,606	1,103,107	1,103,107	1,038,627	64,480
Operations	168,823	254,442	225,873	28,569	244,734	258,649	170,865	87,784
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	14,097	14,097	14,095	2	-	-	-	-
Interest	10,171	10,171	10,171	-	-	-	-	-
Total Expenditures	<u>963,541</u>	<u>1,069,552</u>	<u>1,013,375</u>	<u>56,177</u>	<u>1,347,841</u>	<u>1,361,756</u>	<u>1,209,492</u>	<u>152,264</u>
Excess of Revenues over (under) Expenditures	21,453	45,330	(68,644)	(113,974)	(614,396)	(628,311)	(413,001)	215,310
Other Financing Sources (Uses):								
Transfers In	18,425	18,425	18,425	-	630,407	630,407	633,691	3,284
Transfers Out	(13,400)	(16,250)	(16,250)	-	(89,750)	(95,501)	(95,501)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>26,478</u>	<u>47,505</u>	<u>(66,469)</u>	<u>(113,974)</u>	<u>\$ (73,739)</u>	<u>\$ (93,405)</u>	<u>\$ 125,189</u>	<u>\$ 218,594</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Special Revenue Funds</b>								
	<b>Building Code Division</b>				<b>Health</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 859,350	\$ 859,350	\$ 877,202	\$ 17,852
License & Permits	448,000	448,000	677,932	229,932	141,500	141,500	140,518	(982)
Intergovernmental Revenue	-	-	-	-	3,716,690	3,801,009	3,639,222	(161,787)
Charges for Services	45,000	45,000	87,790	42,790	1,212,681	1,212,681	1,064,292	(148,389)
Fines & Forfeitures	-	-	-	-	150	150	100	(50)
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	42,962	65,962	43,602	(22,360)
Miscellaneous Revenues	-	-	-	-	41,100	41,100	44,820	3,720
Total Revenues	<u>493,000</u>	<u>493,000</u>	<u>765,722</u>	<u>272,722</u>	<u>6,014,433</u>	<u>6,121,752</u>	<u>5,809,756</u>	<u>(311,996)</u>
Expenditures:								
Current Operations:								
Personnel	629,010	629,010	565,149	63,861	5,009,914	4,996,094	4,919,268	76,826
Operations	82,422	79,897	65,065	14,832	1,224,255	1,289,394	1,287,477	1,917
Capital Outlay	-	-	-	-	80,000	140,000	90,676	49,324
Debt Service:								
Principal	19,503	19,686	19,686	-	-	-	-	-
Interest	670	487	368	119	-	-	-	-
Total Expenditures	<u>731,605</u>	<u>729,080</u>	<u>650,268</u>	<u>78,812</u>	<u>6,314,169</u>	<u>6,425,488</u>	<u>6,297,421</u>	<u>128,067</u>
Excess of Revenues over (under) Expenditures	(238,605)	(236,080)	115,454	351,534	(299,736)	(303,736)	(487,665)	(183,929)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	228,286	228,286	231,784	3,498
Transfers Out	(10,382)	(12,907)	(10,076)	2,831	(421,834)	(800,154)	(799,929)	225
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (248,987)</u>	<u>\$ (248,987)</u>	<u>\$ 105,378</u>	<u>\$ 354,365</u>	<u>\$ (493,284)</u>	<u>\$ (875,604)</u>	<u>\$ (1,055,810)</u>	<u>\$ (180,206)</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Water Quality District</b>				<b>Animal Control</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 150,386	\$ 150,386	\$ 153,339	\$ 2,953
License & Permits	-	-	-	-	213,500	213,500	237,081	23,581
Intergovernmental Revenue	12,800	14,800	10,308	(4,492)	471,581	471,581	391,263	(80,318)
Charges for Services	49,775	34,775	25,990	(8,785)	73,600	73,600	81,775	8,175
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	110,000	110,000	40,000	(70,000)	20,000	20,000	29,210	9,210
Miscellaneous Revenues	419,900	419,900	417,965	(1,935)	8,000	8,000	11,246	3,246
Total Revenues	592,475	579,475	494,263	(85,212)	937,067	937,067	903,914	(33,153)
Expenditures:								
Current Operations:								
Personnel	435,187	435,187	375,316	59,871	651,858	651,858	638,943	12,915
Operations	187,430	190,930	51,360	139,570	222,750	222,750	188,797	33,953
Capital Outlay	285,025	285,025	12,519	272,506	68,407	68,407	37,780	30,627
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	907,642	911,142	439,195	471,947	943,015	943,015	865,520	77,495
Excess of Revenues over (under) Expenditures	(315,167)	(331,667)	55,068	386,735	(5,948)	(5,948)	38,394	44,342
Other Financing Sources (Uses):								
Transfers In	82,000	82,000	-	(82,000)	28,203	28,203	28,718	515
Transfers Out	(8,500)	(8,500)	(8,000)	500	(90,000)	(90,000)	(90,000)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (241,667)	\$ (258,167)	\$ 47,068	\$ 305,235	\$ (67,745)	\$ (67,745)	\$ (22,888)	\$ 44,857

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Extension</b>				<b>Extension Grant</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 462,751	\$ 462,751	\$ 463,452	\$ 701	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	51,849	51,849	53,784	1,935	8,385	8,385	12,460	4,075
Charges for Services	2,100	2,100	-	(2,100)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	13,000	13,000	14,623	1,623	-	-	-	-
Total Revenues	529,700	529,700	531,859	2,159	8,385	8,385	12,460	4,075
Expenditures:								
Current Operations:								
Personnel	280,077	280,077	263,510	16,567	-	-	-	-
Operations	242,808	242,808	187,374	55,434	30,221	30,221	876	29,345
Capital Outlay	4,000	4,000	1,032	2,968	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	526,885	526,885	451,916	74,969	30,221	30,221	876	29,345
Excess of Revenues over (under) Expenditures	2,815	2,815	79,943	77,128	(21,836)	(21,836)	11,584	33,420
Other Financing Sources (Uses):								
Transfers In	49,219	49,219	48,073	(1,146)	2,500	2,500	2,500	-
Transfers Out	(106,723)	(106,723)	(106,723)	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (54,689)	\$ (54,689)	\$ 21,293	\$ 75,982	\$ (19,336)	\$ (19,336)	\$ 14,084	\$ 33,420

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>MDA Airport Industrial District</b>				<b>MDA Technology District</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 1,795,916	\$ 1,795,916	\$ 1,792,293	\$ (3,623)	\$ 197,597	\$ 197,597	\$ 64,019	\$ (133,578)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	159,586	159,586	150,568	(9,018)	16,285	16,285	15,365	(920)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	16,450	16,450	41,752	25,302	1,000	1,000	4,715	3,715
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	10,000	10,000	19,891	9,891	698,470	698,470	726,603	28,133
Total Revenues	<u>1,981,952</u>	<u>1,981,952</u>	<u>2,004,504</u>	<u>22,552</u>	<u>913,352</u>	<u>913,352</u>	<u>810,702</u>	<u>(102,650)</u>
Expenditures:								
Current Operations:								
Personnel	75,893	75,893	71,321	4,572	59,100	60,000	59,966	34
Operations	743,772	743,697	554,654	189,043	782,468	781,568	701,016	80,552
Capital Outlay	760,500	1,423,313	123,901	1,299,412	40,000	40,000	-	40,000
Debt Service:								
Principal	485,000	485,000	485,000	-	-	-	-	-
Interest	30,050	30,050	30,050	-	-	-	-	-
Total Expenditures	<u>2,095,215</u>	<u>2,757,953</u>	<u>1,264,926</u>	<u>1,493,027</u>	<u>881,568</u>	<u>881,568</u>	<u>760,982</u>	<u>120,586</u>
Excess of Revenues over (under) Expenditures	(113,263)	(776,001)	739,578	1,515,579	31,784	31,784	49,720	17,936
Other Financing Sources (Uses):								
Transfers In	10,000	10,000	10,000	-	-	-	-	-
Transfers Out	(124,975)	(475,050)	(475,000)	50	(108,916)	(108,916)	(108,866)	50
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	400,055	400,055	393,911	(6,144)	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 171,817</u>	<u>\$ (840,996)</u>	<u>\$ 668,489</u>	<u>\$ 1,509,485</u>	<u>\$ (77,132)</u>	<u>\$ (77,132)</u>	<u>\$ (59,146)</u>	<u>\$ 17,986</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Special Revenue Funds</b>								
	<b>Bonner Millsite Tax Increment District</b>				<b>Bonner West Log Yard TED District</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 224,698	\$ 224,698	\$ 437,530	\$ 212,832	\$ 126,867	\$ 126,867	\$ 128,673	\$ 1,806
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	13,979	13,979	13,986	7	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>238,677</u>	<u>238,677</u>	<u>451,516</u>	<u>212,839</u>	<u>126,867</u>	<u>126,867</u>	<u>128,673</u>	<u>1,806</u>
Expenditures:								
Current Operations:								
Personnel	7,379	7,379	7,049	330	7,379	7,379	7,048	331
Operations	5,182	5,182	1,600	3,582	10,182	10,182	100	10,082
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>12,561</u>	<u>12,561</u>	<u>8,649</u>	<u>3,912</u>	<u>17,561</u>	<u>17,561</u>	<u>7,148</u>	<u>10,413</u>
Excess of Revenues over (under) Expenditures	226,116	226,116	442,867	216,751	109,306	109,306	121,525	12,219
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 226,116</u>	<u>\$ 226,116</u>	<u>\$ 442,867</u>	<u>\$ 216,751</u>	<u>\$ 109,306</u>	<u>\$ 109,306</u>	<u>\$ 121,525</u>	<u>\$ 12,219</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Drug Forfeiture</b>				<b>Youth Education and Safety</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	115,175	130,840	134,217	3,377	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	5,000	5,000	6,051	1,051	-	-	-	-
Investment Earnings	-	-	2,968	2,968	-	-	7	7
Private & Local Grants	-	-	-	-	1,000	1,000	313	(687)
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>120,175</u>	<u>135,840</u>	<u>143,236</u>	<u>7,396</u>	<u>1,000</u>	<u>1,000</u>	<u>320</u>	<u>(680)</u>
Expenditures:								
Current Operations:								
Personnel	248,329	263,994	263,994	-	-	-	-	-
Operations	20,150	19,950	2,961	16,989	1,000	1,000	256	744
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>268,479</u>	<u>283,944</u>	<u>266,955</u>	<u>16,989</u>	<u>1,000</u>	<u>1,000</u>	<u>256</u>	<u>744</u>
Excess of Revenues over (under) Expenditures	(148,304)	(148,104)	(123,719)	24,385	-	-	64	64
Other Financing Sources (Uses):								
Transfers In	135,000	135,000	135,000	-	-	-	-	-
Transfers Out	(3,675)	(3,675)	(3,650)	25	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (16,979)</u>	<u>\$ (16,779)</u>	<u>\$ 7,631</u>	<u>\$ 24,410</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64</u>	<u>\$ 64</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Historical Museum</b>				<b>Caremark NACo Rx</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 489,005	\$ 489,005	\$ 489,514	\$ 509	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	51,890	51,890	53,936	2,046	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	20,000	20,000	19,662	(338)	-	-	-	-
Miscellaneous Revenues	-	-	-	-	1,575	1,575	637	(938)
Total Revenues	560,895	560,895	563,112	2,217	1,575	1,575	637	(938)
Expenditures:								
Current Operations:								
Personnel	418,525	418,525	415,442	3,083	-	-	-	-
Operations	162,785	162,785	139,880	22,905	-	7,210	5	7,205
Capital Outlay	86,075	88,134	83,278	4,856	-	-	-	-
Debt Service:								
Principal	29,355	29,355	29,355	-	-	-	-	-
Interest	5,683	5,683	5,683	-	-	-	-	-
Total Expenditures	702,423	704,482	673,638	30,844	-	7,210	5	7,205
Excess of Revenues over (under) Expenditures	(141,528)	(143,587)	(110,526)	33,061	1,575	(5,635)	632	6,267
Other Financing Sources (Uses):								
Transfers In	51,556	51,556	53,137	1,581	-	7,210	7,180	(30)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (89,972)	\$ (92,031)	\$ (57,389)	\$ 34,642	\$ 1,575	\$ 1,575	\$ 7,812	\$ 6,237

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Missoula Search &amp; Rescue</b>				<b>Seeley Lake Search &amp; Rescue</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 52,000	\$ 52,000	\$ 52,788	\$ 788	\$ 28,000	\$ 28,000	\$ 28,553	\$ 553
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	1,323	1,323	1,544	221	802	802	821	19
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>53,323</u>	<u>53,323</u>	<u>54,332</u>	<u>1,009</u>	<u>28,802</u>	<u>28,802</u>	<u>29,374</u>	<u>572</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	27,350	27,350	10,741	16,609	11,000	11,000	4,141	6,859
Capital Outlay	21,820	21,820	11,077	10,743	12,500	12,500	9,673	2,827
Debt Service:								
Principal	-	-	-	-	12,737	12,737	12,736	1
Interest	-	-	-	-	4,569	4,569	4,568	1
Total Expenditures	<u>49,170</u>	<u>49,170</u>	<u>21,818</u>	<u>27,352</u>	<u>40,806</u>	<u>40,806</u>	<u>31,118</u>	<u>9,688</u>
Excess of Revenues over (under) Expenditures	4,153	4,153	32,514	28,361	(12,004)	(12,004)	(1,744)	10,260
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(50,000)	(50,000)	(50,000)	-	(12,000)	(12,000)	(12,000)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (45,847)</u>	<u>\$ (45,847)</u>	<u>\$ (17,486)</u>	<u>\$ 28,361</u>	<u>\$ (24,004)</u>	<u>\$ (24,004)</u>	<u>\$ (13,744)</u>	<u>\$ 10,260</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Junk Vehicle</b>				<b>Forest Reserve Title III</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	191,411	191,411	194,110	2,699	-	-	47,884	47,884
Charges for Services	100	100	-	(100)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	1,698	1,698	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	500	500	211	(289)	-	-	-	-
Total Revenues	192,011	192,011	196,019	4,008	-	-	47,884	47,884
Expenditures:								
Current Operations:								
Personnel	69,651	69,651	63,810	5,841	-	-	-	-
Operations	63,444	63,444	29,911	33,533	31,656	31,656	-	31,656
Capital Outlay	120,000	120,000	8,000	112,000	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	253,095	253,095	101,721	151,374	31,656	31,656	-	31,656
Excess of Revenues over (under) Expenditures	(61,084)	(61,084)	94,298	155,382	(31,656)	(31,656)	47,884	79,540
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(2,500)	(2,500)	(1,000)	1,500	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (63,584)</u>	<u>\$ (63,584)</u>	<u>\$ 93,298</u>	<u>\$ 156,882</u>	<u>\$ (31,656)</u>	<u>\$ (31,656)</u>	<u>\$ 47,884</u>	<u>\$ 79,540</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>RSID Administration</b>				<b>HUD/CDBG</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	47,615	110	(47,505)	-	-	49,506	49,506
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	93,585	93,585	129,807	36,222
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	9,466	9,466	-	-	-	-
Total Revenues	-	47,615	9,576	(38,039)	93,585	93,585	179,313	85,728
Expenditures:								
Current Operations:								
Personnel	62,957	62,957	62,427	530	-	-	-	-
Operations	400	48,615	13,591	35,024	265,025	265,025	211,979	53,046
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	63,357	111,572	76,018	35,554	265,025	265,025	211,979	53,046
Excess of Revenues over (under) Expenditures	(63,357)	(63,957)	(66,442)	(2,485)	(171,440)	(171,440)	(32,666)	138,774
Other Financing Sources (Uses):								
Transfers In	10,225	10,225	10,225	-	50,000	50,000	50,000	-
Transfers Out	(15,000)	(15,000)	(15,000)	-	(25,000)	(25,000)	(10,500)	14,500
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (68,132)	\$ (68,732)	\$ (71,217)	\$ (2,485)	\$ (146,440)	\$ (146,440)	\$ 6,834	\$ 153,274

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Special Revenue Funds</b>								
	<b>Community Based Organizations</b>				<b>Permissive Medical Levy</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 851,575	\$ 851,575	\$ 855,385	\$ 3,810	\$ 1,881,607	\$ 1,881,607	\$ 1,886,952	\$ 5,345
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	78,910	78,910	82,478	3,568	28,050	34,631	35,121	490
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>930,485</u>	<u>930,485</u>	<u>937,863</u>	<u>7,378</u>	<u>1,909,657</u>	<u>1,916,238</u>	<u>1,922,073</u>	<u>5,835</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	1,039,905	1,219,905	1,219,487	418	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,039,905</u>	<u>1,219,905</u>	<u>1,219,487</u>	<u>418</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	(109,420)	(289,420)	(281,624)	7,796	1,909,657	1,916,238	1,922,073	5,835
Other Financing Sources (Uses):								
Transfers In	75,756	75,756	75,756	-	-	-	-	-
Transfers Out	(60,000)	(60,000)	(60,000)	-	(1,909,657)	(1,922,074)	(1,922,073)	1
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (93,664)</u>	<u>\$ (273,664)</u>	<u>\$ (265,868)</u>	<u>\$ 7,796</u>	<u>\$ -</u>	<u>\$ (5,836)</u>	<u>\$ -</u>	<u>\$ 5,836</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Seeley Lake Refuse</b>				<b>9-1-1 Trust</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	304,000	306,130	327,933	21,803	766,408	766,408	853,832	87,424
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	313	313	2,215	1,902	6,000	6,000	18,081	12,081
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>304,313</u>	<u>306,443</u>	<u>330,148</u>	<u>23,705</u>	<u>772,408</u>	<u>772,408</u>	<u>871,913</u>	<u>99,505</u>
Expenditures:								
Current Operations:								
Personnel	12,573	14,703	14,703	-	-	-	-	-
Operations	307,975	307,975	263,802	44,173	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	5,700	5,700	5,700	-	-	-	-	-
Interest	177	177	177	-	-	-	-	-
Total Expenditures	<u>326,425</u>	<u>328,555</u>	<u>284,382</u>	<u>44,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	(22,112)	(22,112)	45,766	67,878	772,408	772,408	871,913	99,505
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(1,444)	(1,444)	(1,401)	43	(759,884)	(759,884)	(587,026)	172,858
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (23,556)</u>	<u>\$ (23,556)</u>	<u>\$ 44,365</u>	<u>\$ 67,921</u>	<u>\$ 12,524</u>	<u>\$ 12,524</u>	<u>\$ 284,887</u>	<u>\$ 272,363</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Special Revenue Funds</b>							
	<b>Seeley Lake Stove</b>				<b>Friends of the Library</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	556	556
Private & Local Grants	-	-	-	-	-	29,109	33,859	4,750
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	29,109	34,415	5,306
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	55,400	66,400	2,378	64,022	-	23,995	23,995	-
Capital Outlay	-	-	-	-	-	5,114	5,113	1
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	55,400	66,400	2,378	64,022	-	29,109	29,108	1
Excess of Revenues over (under) Expenditures	(55,400)	(66,400)	(2,378)	64,022	-	-	5,307	5,307
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (55,400)</u>	<u>\$ (66,400)</u>	<u>\$ (2,378)</u>	<u>\$ 64,022</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,307</u>	<u>\$ 5,307</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Special Revenue Funds</b>								
	<b>Friends of the Historical Museum</b>				<b>Other Special Revenue Funds</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	1,206,500	1,206,500	168,300	(1,038,200)
Charges for Services	9,000	9,000	7,155	(1,845)	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	500	500	1,646	1,146	-	400	465	65
Private & Local Grants	72,400	72,400	87,216	14,816	-	100	100	-
Miscellaneous Revenues	1,000	1,000	803	(197)	-	-	-	-
Total Revenues	<u>82,900</u>	<u>82,900</u>	<u>96,820</u>	<u>13,920</u>	<u>1,206,500</u>	<u>1,207,000</u>	<u>168,865</u>	<u>(1,038,135)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	65,200	63,681	64,965	(1,284)	1,206,500	1,207,255	169,054	1,038,201
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>65,200</u>	<u>63,681</u>	<u>64,965</u>	<u>(1,284)</u>	<u>1,206,500</u>	<u>1,207,255</u>	<u>169,054</u>	<u>1,038,201</u>
Excess of Revenues over (under) Expenditures	17,700	19,219	31,855	12,636	-	(255)	(189)	66
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(16,000)	(17,519)	(17,519)	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 1,700</u>	<u>\$ 1,700</u>	<u>\$ 14,336</u>	<u>\$ 12,636</u>	<u>\$ -</u>	<u>\$ (255)</u>	<u>\$ (189)</u>	<u>\$ 66</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Debt Service Funds</b>								
	<b>Jail Bond</b>				<b>Health Center Bond 2012 Refi</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ 978,629	\$ 978,629	\$ 980,606	\$ 1,977	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	4,092	4,092	-	-	-	-
Intergovernmental Revenue	-	-	-	-	36,040	36,040	35,985	(55)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>978,629</u>	<u>978,629</u>	<u>984,698</u>	<u>6,069</u>	<u>36,040</u>	<u>36,040</u>	<u>35,985</u>	<u>(55)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	1,215,000	1,215,000	1,215,000	-	35,000	35,000	35,000	-
Interest	<u>37,550</u>	<u>37,550</u>	<u>37,350</u>	<u>200</u>	<u>1,040</u>	<u>1,040</u>	<u>985</u>	<u>55</u>
Total Expenditures	<u>1,252,550</u>	<u>1,252,550</u>	<u>1,252,350</u>	<u>200</u>	<u>36,040</u>	<u>36,040</u>	<u>35,985</u>	<u>55</u>
Excess of Revenues over (under) Expenditures	(273,921)	(273,921)	(267,652)	6,269	-	-	-	-
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (273,921)</u>	<u>\$ (273,921)</u>	<u>\$ (267,652)</u>	<u>\$ 6,269</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Debt Service Funds</b>								
	<b>Risk Management Bonds</b>				<b>Fair Ice Rink Series 2012 Refinance</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ 111	\$ 111	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	70,690	70,690	70,400	(290)
Total Revenues	-	-	111	111	70,690	70,690	70,400	(290)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	60,000	60,000	60,000	-
Interest	-	-	-	-	10,690	10,690	10,640	50
Total Expenditures	-	-	-	-	70,690	70,690	70,640	50
Excess of Revenues over (under) Expenditures	-	-	111	111	-	-	(240)	(240)
Other Financing Sources (Uses):								
Transfers In	1,379,494	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 1,379,494	\$ -	\$ 111	\$ 111	\$ -	\$ -	\$ (240)	\$ (240)

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Debt Service Funds</b>								
	<b>Fair Ice Rink Series 2006</b>				<b>Technology Tax Increment</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	59,658	59,658	58,788	(870)	-	-	-	-
Total Revenues	59,658	59,658	58,788	(870)	-	-	-	-
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	40,000	40,000	40,000	-	55,000	55,000	55,000	-
Interest	19,658	19,658	19,608	50	43,916	43,916	43,866	50
Total Expenditures	59,658	59,658	59,608	50	98,916	98,916	98,866	50
Excess of Revenues over (under) Expenditures	-	-	(820)	(820)	(98,916)	(98,916)	(98,866)	50
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	98,916	98,916	98,866	(50)
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ (820)	\$ (820)	\$ -	\$ -	\$ -	\$ -

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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**Debt Service Funds**

	<b>Open Space General Obligation</b>				<b>Health Center Bond 2009</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 667,692	\$ 667,692	\$ 623,245	\$ (44,447)	\$ -	\$ -	\$ -	\$ -
License & Permits	16,455	16,455	19,490	3,035	-	-	-	-
Intergovernmental Revenue	-	-	-	-	155,768	155,768	155,618	(150)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>684,147</u>	<u>684,147</u>	<u>642,735</u>	<u>(41,412)</u>	<u>155,768</u>	<u>155,768</u>	<u>155,618</u>	<u>(150)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	440,000	440,000	440,000	-	90,000	90,000	90,000	-
Interest	243,785	243,785	243,334	451	65,768	65,768	65,618	150
Total Expenditures	<u>683,785</u>	<u>683,785</u>	<u>683,334</u>	<u>451</u>	<u>155,768</u>	<u>155,768</u>	<u>155,618</u>	<u>150</u>
Excess of Revenues over (under) Expenditures	362	362	(40,599)	(40,961)	-	-	-	-
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 362</u>	<u>\$ 362</u>	<u>\$ (40,599)</u>	<u>\$ (40,961)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
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**Debt Service Funds**

	<b>Health Center Bond 2012</b>				<b>Larchmont L.O. Irrigation Bonds</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	23,810	23,810	23,665	(145)	73,263	73,263	73,213	(50)
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>23,810</u>	<u>23,810</u>	<u>23,665</u>	<u>(145)</u>	<u>73,263</u>	<u>73,263</u>	<u>73,213</u>	<u>(50)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	15,000	15,000	15,000	-	45,000	45,000	45,000	-
Interest	8,810	8,810	8,665	145	28,263	28,263	28,213	50
Total Expenditures	<u>23,810</u>	<u>23,810</u>	<u>23,665</u>	<u>145</u>	<u>73,263</u>	<u>73,263</u>	<u>73,213</u>	<u>50</u>
Excess of Revenues over (under) Expenditures	-	-	-	-	-	-	-	-
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Debt Service Funds</b>								
	<b>RSID Revolving</b>				<b>Capital Improvements Debt Service</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	6,031	6,031	6,031	-	-	-	19,191	19,191
Total Revenues	6,031	6,031	6,031	-	-	-	19,191	19,191
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	613,797	628,687	628,683	4
Interest	-	-	-	-	248,448	259,153	259,150	3
Total Expenditures	-	-	-	-	862,245	887,840	887,833	7
Excess of Revenues over (under) Expenditures	6,031	6,031	6,031	-	(862,245)	(887,840)	(868,642)	19,198
Other Financing Sources (Uses):								
Transfers In	8,178	8,178	3,258	(4,920)	-	-	-	-
Transfers Out	-	-	-	-	862,245	887,840	1,244,265	356,425
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 14,209	\$ 14,209	\$ 9,289	\$ (4,920)	\$ -	\$ -	\$ 375,623	\$ 375,623



**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
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	<b>Debt Service Funds</b>				<b>Capital Projects Funds</b>			
	<b>Parks &amp; Trails Bonds</b>				<b>Capital Improvements</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 2,608,583	\$ 2,608,583	\$ 2,417,659	\$ (190,924)	\$ 1,403,667	\$ 1,403,667	\$ 1,391,769	\$ (11,898)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	11,838	11,838	8,770	8,770	14,641	5,871
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	1,286	1,286
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>2,608,583</u>	<u>2,608,583</u>	<u>2,429,497</u>	<u>(179,086)</u>	<u>1,412,437</u>	<u>1,412,437</u>	<u>1,407,696</u>	<u>(4,741)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	50,000	74,290	74,286	4
Debt Service:								
Principal	1,060,000	1,060,000	1,060,000	-	-	-	-	-
Interest	<u>1,494,875</u>	<u>1,494,875</u>	<u>1,494,275</u>	<u>600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>2,554,875</u>	<u>2,554,875</u>	<u>2,554,275</u>	<u>600</u>	<u>50,000</u>	<u>74,290</u>	<u>74,286</u>	<u>4</u>
Excess of Revenues over (under) Expenditures	53,708	53,708	(124,778)	(178,486)	1,362,437	1,338,147	1,333,410	(4,737)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	50,000	50,000
Transfers Out	-	-	-	-	(1,081,568)	(1,671,268)	(1,671,268)	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 53,708</u>	<u>\$ 53,708</u>	<u>\$ (124,778)</u>	<u>\$ (178,486)</u>	<u>\$ 280,869</u>	<u>\$ (333,121)</u>	<u>\$ (287,858)</u>	<u>\$ 45,263</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Capital Projects Funds</b>								
	<b>Technology Fund</b>				<b>Milltown Historic Preservation</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	952,601	952,601	952,241	\$ (360)	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	47,713	47,713	51,695	3,982	-	-	-	-
Charges for Services	31,884	31,884	47,276	15,392	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	450	450	1,404	954
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	21,000	21,000	17,227	(3,773)	-	-	-	-
Total Revenues	1,053,198	1,053,198	1,068,439	15,241	450	450	1,404	954
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	721,967	750,709	732,292	18,417	-	-	-	-
Capital Outlay	195,000	195,000	163,311	31,689	40,000	40,000	-	40,000
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	916,967	945,709	895,603	50,106	40,000	40,000	-	40,000
Excess of Revenues over (under) Expenditures	136,231	107,489	172,836	65,347	(39,550)	(39,550)	1,404	40,954
Other Financing Sources (Uses):								
Transfers In	1,354,400	1,354,400	1,402,300	47,900	-	-	-	-
Transfers Out	(1,516,503)	(1,516,503)	(1,464,047)	52,456	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (25,872)	\$ (54,614)	\$ 111,089	\$ 165,703	\$ (39,550)	\$ (39,550)	\$ 1,404	\$ 40,954

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects Funds</b>							
	<b>Open Space Programs</b>				<b>Library Capital Reserve</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	12,000	14,451	2,451	-	-	177	177
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	12,000	14,451	2,451	-	-	177	177
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	115,300	115,256	44
Capital Outlay	846,640	1,123,640	274,013	849,627	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	846,640	1,123,640	274,013	849,627	-	115,300	115,256	44
Excess of Revenues over (under) Expenditures	(846,640)	(1,111,640)	(259,562)	852,078	-	(115,300)	(115,079)	221
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	100,000	100,000	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (846,640)</u>	<u>\$ (1,111,640)</u>	<u>\$ (259,562)</u>	<u>\$ 852,078</u>	<u>\$ -</u>	<u>\$ (15,300)</u>	<u>\$ (15,079)</u>	<u>\$ 221</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Capital Projects Funds</b>							
<b>Water Quality District Capital Reserve</b>				<b>Public Safety Capital Reserve</b>			
<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:							
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-
Investment Earnings	-	-	1,267	2,800	2,800	3,150	350
Private & Local Grants	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	20,000	20,000	94,272	74,272
Total Revenues	-	-	1,267	22,800	22,800	97,422	74,622
Expenditures:							
Current Operations:							
Personnel	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-
Capital Outlay	-	-	-	435,000	435,000	377,094	57,906
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total Expenditures	-	-	-	435,000	435,000	377,094	57,906
Excess of Revenues over (under) Expenditures	-	-	1,267	(412,200)	(412,200)	(279,672)	132,528
Other Financing Sources (Uses):							
Transfers In	1,233,446	-	-	435,000	435,000	435,000	-
Transfers Out	(82,000)	(82,000)	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 1,151,446	\$ (82,000)	\$ 1,267	\$ 22,800	\$ 22,800	\$ 155,328	\$ 132,528

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects Funds</b>							
	<b>Park Construction Reserve</b>				<b>Weed/Extension Building Reserve</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	503,400	503,400	57,945	(445,455)	-	-	-	-
Charges for Services	-	-	-	-	3,000	3,000	-	(3,000)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	6,928	6,928	6,000	6,000	16,129	10,129
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	26,576	26,576	32,782	6,206	-	-	-	-
Total Revenues	<u>529,976</u>	<u>529,976</u>	<u>97,655</u>	<u>(432,321)</u>	<u>9,000</u>	<u>9,000</u>	<u>16,129</u>	<u>7,129</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	747,349	747,349	158,796	588,553	5,100	5,100	2,483	2,617
Capital Outlay	105,765	105,765	25,288	80,477	563,000	563,000	71,176	491,824
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>853,114</u>	<u>853,114</u>	<u>184,084</u>	<u>669,030</u>	<u>568,100</u>	<u>568,100</u>	<u>73,659</u>	<u>494,441</u>
Excess of Revenues over (under) Expenditures	(323,138)	(323,138)	(86,429)	236,709	(559,100)	(559,100)	(57,530)	501,570
Other Financing Sources (Uses):								
Transfers In	140,000	140,000	140,000	-	208,446	208,446	208,446	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (183,138)</u>	<u>\$ (183,138)</u>	<u>\$ 53,571</u>	<u>\$ 236,709</u>	<u>\$ (350,654)</u>	<u>\$ (350,654)</u>	<u>\$ 150,916</u>	<u>\$ 501,570</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Capital Projects Funds</b>								
	<b>Library Bond Construction</b>				<b>Historical Museum Capital Campaign</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	1,000	1,000
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	7,755	7,755	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>7,755</u>	<u>7,755</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	344,125	344,124	1	-	-	-	-
Capital Outlay	2,689,160	2,345,035	1,683,276	661,759	-	11,946	11,945	1
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,689,160</u>	<u>2,689,160</u>	<u>2,027,400</u>	<u>661,760</u>	<u>-</u>	<u>11,946</u>	<u>11,945</u>	<u>1</u>
Excess of Revenues over (under) Expenditures	(2,689,160)	(2,689,160)	(2,019,645)	669,515	-	(11,946)	(10,945)	1,001
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	<u>2,879,488</u>	<u>2,879,488</u>	<u>-</u>	<u>(2,879,488)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 190,328</u>	<u>\$ 190,328</u>	<u>\$ (2,019,645)</u>	<u>\$ (2,209,973)</u>	<u>\$ -</u>	<u>\$ (11,946)</u>	<u>\$ (10,945)</u>	<u>\$ 1,001</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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<b>Capital Projects Funds</b>								
	<b>Courthouse Reconstruction</b>				<b>Courthouse Reconstruction Phase 2-5</b>			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-	-
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	287,740	287,739	1	-	382,350	382,348	2
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	287,740	287,739	1	-	382,350	382,348	2
Excess of Revenues over (under) Expenditures	-	(287,740)	(287,739)	1	-	(382,350)	(382,348)	2
Other Financing Sources (Uses):								
Transfers In	-	287,740	913,064	625,324	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ 625,325	\$ 625,325	\$ -	\$ (382,350)	\$ (382,348)	\$ 2

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects Funds</b>							
	<b>Admin Building Acquisition Reserve</b>				<b>2017 LTGO Construction</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	3,287	3,287
Total Revenues	-	-	-	-	-	-	3,287	3,287
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	26,940	26,936	4	800,000	800,000	728,758	71,242
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	26,940	26,936	4	800,000	800,000	728,758	71,242
Excess of Revenues over (under) Expenditures	-	(26,940)	(26,936)	4	(800,000)	(800,000)	(725,471)	74,529
Other Financing Sources (Uses):								
Transfers In	-	26,940	26,936	(4)	-	-	30,000	30,000
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -	\$ (800,000)	\$ (800,000)	\$ (695,471)	\$ 104,529



**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects Funds</b>							
	<b>Health Building Reserve</b>				<b>Health Capital Reserves</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	7,749	7,749	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>7,749</u>	<u>7,749</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	-	-	7,749	7,749	-	-	-	-
Other Financing Sources (Uses):								
Transfers In	325,000	325,000	325,000	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 325,000</u>	<u>\$ 325,000</u>	<u>\$ 332,749</u>	<u>\$ 7,749</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Detention Capital Reserves</b>				<b>Fair Capital Reserve</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 657,969	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	1,079	1,079	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	1,079	1,079	657,969	-	-	-
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	125,000	125,000	33,675	91,325	657,969	1,040,279	1,040,274	5
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	125,000	125,000	33,675	91,325	657,969	1,040,279	1,040,274	5
Excess of Revenues over (under) Expenditures	(125,000)	(125,000)	(32,596)	92,404	-	(1,040,279)	(1,040,274)	5
Other Financing Sources (Uses):								
Transfers In	125,000	125,000	125,000	-	-	657,969	657,969	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ 92,404	\$ 92,404	\$ -	\$ (382,310)	\$ (382,305)	\$ 5

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects Funds</b>				<b>Capital Projects Funds</b>			
	<b>County Replacement and Refurbishment</b>				<b>Road Escrow 4059-4063</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	120,000	118,800	(1,200)
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	5,845	5,845
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	35,530	35,530
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,000</u>	<u>160,175</u>	<u>40,175</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	120,000	106,450	13,550
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,000</u>	<u>106,450</u>	<u>13,550</u>
Excess of Revenues over (under) Expenditures	-	-	-	-	-	-	53,725	53,725
Other Financing Sources (Uses):								
Transfers In	219,323	219,323	219,323	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 219,323</u>	<u>\$ 219,323</u>	<u>\$ 219,323</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,725</u>	<u>\$ 53,725</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Capital Projects Funds</b>				<b>Capital Projects Funds</b>			
	<b>Missoula Search and Rescue</b>				<b>Seeley Search and Rescue</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	920	920	-	-	181	181
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>920</u>	<u>920</u>	<u>-</u>	<u>-</u>	<u>181</u>	<u>181</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	-	-	920	920	-	-	181	181
Other Financing Sources (Uses):								
Transfers In			50,000	50,000			12,000	12,000
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,920</u>	<u>\$ 50,920</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,181</u>	<u>\$ 12,181</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	Capital Projects Funds				Capital Projects Funds			
	Animal Control Reserves				District Court Reserve			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-	-	-
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	-	-	-	-	-	-	-
Other Financing Sources (Uses):								
Transfers In			80,000	80,000			6,000	6,000
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ 80,000	\$ 80,000	\$ -	\$ -	\$ 6,000	\$ 6,000

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	Debt Service				Debt Service			
	2017 LTGO				Library GO			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ 211,990	\$ 211,990	\$ 207,597	\$ (4,393)	\$ 201,800	\$ 201,800	\$ 199,122	\$ (2,678)
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	899	899	-	-	862	862
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>211,990</u>	<u>211,990</u>	<u>208,496</u>	<u>(3,494)</u>	<u>201,800</u>	<u>201,800</u>	<u>199,984</u>	<u>(1,816)</u>
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Debt Service:								
Principal	123,119	123,119	123,119	-	-	-	-	-
Interest	88,871	88,871	88,871	-	52,223	52,223	52,223	-
Total Expenditures	<u>211,990</u>	<u>211,990</u>	<u>211,990</u>	<u>-</u>	<u>52,223</u>	<u>52,223</u>	<u>52,223</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	-	-	(3,494)	(3,494)	149,577	149,577	147,761	(1,816)
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,494)</u>	<u>\$ (3,494)</u>	<u>\$ 149,577</u>	<u>\$ 149,577</u>	<u>\$ 147,761</u>	<u>\$ (1,816)</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
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	<b>Debt Service</b>				<b>Capital Projects Funds</b>			
	<b>Judgement Levy</b>				<b>Building Acquisition</b>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
Revenues:								
Property Taxes	\$ 229,840	\$ 229,840	\$ 222,430	\$ (7,410)	\$ -	\$ -	\$ -	\$ -
License & Permits	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	963	963	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Private & Local Grants	-	-	-	-	-	-	-	-
Miscellaneous Revenues	-	-	-	-	-	-	-	-
Total Revenues	<u>229,840</u>	<u>229,840</u>	<u>223,393</u>	<u>(6,447)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Current Operations:				-				
Personnel	1,065,000	1,062,680	1,059,568	3,112	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	10,000	10,000	-
Debt Service:								
Principal	112,745	114,440	114,438	2	-	-	-	-
Interest	27,175	27,800	27,801	(1)	-	-	-	-
Total Expenditures	<u>1,204,920</u>	<u>1,204,920</u>	<u>1,201,807</u>	<u>3,113</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Excess of Revenues over (under) Expenditures	(975,080)	(975,080)	(978,414)	(3,334)	-	(10,000)	(10,000)	-
Other Financing Sources (Uses):								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Bond Proceeds	<u>1,090,000</u>	<u>1,090,000</u>	<u>1,092,000</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 114,920</u>	<u>\$ 114,920</u>	<u>\$ 113,586</u>	<u>\$ (1,334)</u>	<u>\$ -</u>	<u>\$ (10,000)</u>	<u>\$ (10,000)</u>	<u>\$ -</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Budget and Actual**  
**Budgeted Nonmajor Governmental Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 43 of 43)**

					Totals			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Revenues:								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 26,610,861	\$ 26,610,851	\$ 26,551,561	\$ (59,290)
License & Permits	-	-	-	-	892,505	892,505	1,172,862	280,357
Intergovernmental Revenue	-	-	-	-	12,920,950	13,819,197	10,328,563	(3,490,634)
Charges for Services	-	-	-	-	3,444,434	3,558,097	3,590,682	32,585
Fines & Forfeitures	-	-	-	-	100,350	100,350	114,408	14,058
Investment Earnings	-	-	-	-	127,098	139,498	273,208	133,710
Private & Local Grants	-	-	-	-	312,899	366,108	316,137	(49,971)
Miscellaneous Revenues	-	-	-	-	1,469,968	1,469,968	1,605,832	135,864
Total Revenues	-	-	-	-	45,879,065	46,956,574	43,953,253	(3,003,321)
Expenditures:								
Current Operations:								
Personnel	-	-	-	-	19,670,350	19,691,448	19,156,473	534,975
Operations	-	-	-	-	15,364,803	16,478,871	12,721,942	3,756,929
Capital Outlay	-	-	-	-	9,887,216	11,805,753	6,412,098	5,393,655
Debt Service:					-	-	-	-
Principal	-	-	-	-	4,860,024	4,873,292	4,873,200	92
Interest	-	-	-	-	2,458,348	2,463,595	2,461,731	1,864
Total Expenditures	-	-	-	-	52,240,741	55,312,959	45,625,444	9,687,515
Excess of Revenues over (under) Expenditures	-	-	-	-	(6,361,676)	(8,356,385)	(1,672,191)	6,684,194
Other Financing Sources (Uses):					-	-	-	-
Transfers In	-	-	-	-	7,702,353	6,169,272	6,882,517	713,245
Transfers Out	-	-	-	-	(7,264,454)	(9,395,890)	(8,251,462)	1,144,428
Issuance of Debt	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	4,389,543	4,389,543	1,534,137	(2,855,406)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ -	\$ -	\$ -	\$ (1,534,234)	\$ (7,193,460)	\$ (1,507,431)	\$ 5,686,461



## **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost-reimbursement basis.

**Risk Management Fund** – To account for taxes and other revenues used for insurance and risk management purposes.

**Health Insurance Fund** – To account for the County's self insurance program for employee health, dental and vision insurance.

**Workers' Compensation Fund** – To account for the County's self-insured workers' compensation program and related debt issues.

**Excess Loss Fund** – To account for the County's self-insured plan that provides a layer of re-insurance to the Risk Management, Health Insurance, and Workers' Compensation plans.

**Other Benefits Programs** – To account for the County's programs for wellness, dependant care and medical flexible benefits plans.

**Information Systems Operations** – To account for the budget for the County's Information Services department.

**Telephone Services** – To account for the County's telephone system.

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**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2018**  
**(Page 1 of 2)**

	<u>Risk Management</u>	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Excess Loss</u>	<u>Other Benefits Programs</u>	<u>Information Services Operations</u>	<u>Telephone Services</u>	<u>Total</u>
<b>Assets</b>								
<b>Current Assets:</b>								
Cash & Cash Equivalents	\$ 3,188	\$ 1,501,211	\$ 67,109	\$ 806	\$ 376	\$ -	\$ 1,980	\$ 1,574,670
Investments	888,908	5,016,873	9,332,992	224,649	104,695	-	551,998	16,120,115
Taxes Receivable, net	42,491	-	-	-	-	-	-	42,491
Accounts Receivable	13,951	-	-	-	-	-	5,129	19,080
Interest Receivable	1,493	14,699	15,988	377	-	-	-	32,557
Prescription Rebate Receivable	-	146,608	-	-	-	-	-	146,608
Contributions Receivable	-	358,662	91,299	-	-	-	-	449,961
Reinsurance Receivable	-	-	48,284	-	-	-	-	48,284
Due from Other Funds	-	49,518	-	-	-	-	-	49,518
Prepaid Costs	-	9,312	33,458	-	-	-	-	42,770
Total Current Assets	<u>950,031</u>	<u>7,096,883</u>	<u>9,589,130</u>	<u>225,832</u>	<u>105,071</u>	<u>-</u>	<u>559,107</u>	<u>18,526,054</u>
<b>Noncurrent Assets:</b>								
Capital Assets, net	<u>-</u>	<u>122,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,415</u>	<u>203,861</u>
Total Assets	<u>950,031</u>	<u>7,219,329</u>	<u>9,589,130</u>	<u>225,832</u>	<u>105,071</u>	<u>-</u>	<u>640,522</u>	<u>18,729,915</u>
<b>Deferred Outflows of Resources:</b>								
Deferred Outflows of Resources - Pension	21,390	88,831	36,936	-	3,483	370,719	54,331	575,690
Deferred Outflows of Resources - post emp	799	3,035	958	-	-	11,714	1,065	17,571
Total Deferred Outflows of Resources	<u>22,189</u>	<u>91,866</u>	<u>37,894</u>	<u>-</u>	<u>3,483</u>	<u>382,433</u>	<u>55,396</u>	<u>593,261</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2018**  
**(Page 2 of 2)**

	Risk Management	Employee Benefits	Workers' Compensation	Excess Loss	Other Benefits Programs	Information Services Operations	Telephone Services	Total
<b>Liabilities</b>								
<b>Current Liabilities:</b>								
Accounts Payable	\$ 33,965	\$ 33,855	\$ 1,327	\$ -	\$ 12,319	\$ -	\$ -	\$ 81,466
Accrued Payroll	2,443	40,953	-	-	-	55,109	8,129	106,634
Contributions Paid in Advance	-	813	-	-	-	-	-	813
Due to Other Funds	-	-	-	-	49,518	-	-	49,518
Liability for Claims, Current Portion	900,000	1,413,368	500,000	-	-	-	-	2,813,368
Total Current Liabilities	936,408	1,488,989	501,327	-	61,837	55,109	8,129	3,051,799
<b>Noncurrent Liabilities:</b>								
Liability for Claims, net of Current Portion	1,244,873	-	1,705,873	-	-	-	-	2,950,746
Net Pension Liability	84,967	352,863	146,721	-	13,836	1,472,600	215,817	2,286,804
OPEB Liability	4,803	18,251	5,763	-	-	70,441	6,404	105,662
Total Noncurrent Liabilities	1,334,643	371,114	1,858,357	-	13,836	1,543,041	222,221	5,343,212
Total Liabilities	2,271,051	1,860,103	2,359,684	-	75,673	1,598,150	230,350	8,395,011
<b>Deferred Outflows of Resources:</b>								
Deferred Inflows of Resources - Pension	694	2,881	2,109	-	113	12,022	1,762	19,581
Deferred Inflows of Resources - OPEB	759	2,883	-	-	-	11,128	1,012	15,782
Total Deferred Inflows of Resources	1,453	5,764	2,109	-	113	23,150	2,774	35,363
<b>Net Position</b>								
Net Investment in Capital Assets	-	122,446	-	-	-	-	81,415	203,861
Unrestricted	(1,300,284)	5,322,882	7,265,231	225,832	32,768	(1,238,867)	381,379	10,688,941
Total Net Position	\$ (1,300,284)	\$ 5,445,328	\$ 7,265,231	\$ 225,832	\$ 32,768	\$ (1,238,867)	\$ 462,794	10,892,802

**MISSOULA COUNTY, MONTANA**  
**Combining Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For Fiscal Year Ended June 30, 2018**

	Risk Management	Employee Benefits	Workers' Compensation	Excess Loss	Other Benefits Programs	Information Services Operations	Telephone Services	Total
Operating Revenues:								
Charges for Services	\$ -	\$ 11,961,011	\$ 1,856,580	\$ -	\$ 481,021	\$ -	\$ 391,224	\$ 14,689,836
Rental Income	-	-	-	-	-	-	-	-
Rebates	-	-	-	-	-	-	-	-
On-behalf State Pension Revenue	1,276	5,299	2,204	-	208	22,116	3,241	34,344
Total Operating Revenues	1,276	11,966,310	1,858,784	-	481,229	22,116	394,465	14,724,180
Operating Expenses:								
Personnel	74,749	355,446	183,307	-	14,527	1,578,121	249,269	2,455,419
Operations	11,105	-	-	-	483,641	31,805	147,111	673,662
Claims	315,261	10,359,018	10,133	-	-	-	-	10,684,412
Reinsurance Premiums	294,799	514,975	110,157	-	-	-	-	919,931
Administrative	-	318,523	164,566	-	-	-	-	483,089
Depreciation and Amortization	-	-	-	-	-	-	11,194	11,194
Total Operating Expense	695,914	11,547,962	468,163	-	498,168	1,609,926	407,574	15,227,707
Income (Loss) from Operations	(694,638)	418,348	1,390,621	-	(16,939)	(1,587,810)	(13,109)	(503,527)
Non-operating Revenues (Expenses):								
Property Taxes	882,855	-	-	-	-	-	-	882,855
Miscellaneous Income	5,162	-	-	-	-	-	-	5,162
Investment Earnings	-	(5,363)	78,533	3,091	-	-	-	76,261
Intergovernmental Revenues	92,977	-	-	-	-	-	-	92,977
Reimbursement for Claims Incurred	-	-	-	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	286,356	412,985	1,469,154	3,091	(16,939)	(1,587,810)	(13,109)	553,728
Transfers In	1,462,630	17,348	-	-	-	1,494,885	-	2,974,863
Transfers Out	(1,026)	(7,300)	(1,275)	-	-	-	(3,550)	(13,151)
Change in Net Position	1,747,960	423,033	1,467,879	3,091	(16,939)	(92,925)	(16,659)	3,515,440
Net Position - Beginning of Year	(3,044,024)	4,710,738	5,802,417	222,741	49,707	(1,084,038)	485,081	7,142,622
Restatement	-	327,596	-	-	-	-	-	327,596
Change in Accounting Principle	(4,221)	(16,039)	(5,065)	-	-	(61,904)	(5,628)	(92,857)
Net Position - Beginning of Year, Restated	(3,048,245)	5,022,295	5,797,352	222,741	49,707	(1,145,942)	479,453	7,377,361
Net Position - End of Year	\$ (1,300,285)	\$ 5,445,328	\$ 7,265,231	\$ 225,832	\$ 32,768	\$ (1,238,867)	\$ 462,794	\$ 10,892,801

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 1 of 2)**

	Risk Management	Employee Benefits	Workers' Compensation	Excess Loss	Other Benefits Programs	Information Services Operations	Telephone Services	Total
Cash flows from operating activities:								
Cash receipts for charges for services	\$ -	\$ 2,719,684	\$ 628,803	\$ -	\$ 481,021	\$ -	\$ 391,785	\$ 4,221,293
Cash receipts for interfund charges for services	-	9,024,801	1,203,253	-	-	-	-	10,228,054
Cash receipts for rebates	-	161,403	-	-	-	-	-	161,403
Other Cash receipts	-	4,025	-	-	-	-	-	4,025
Cash payments to employees for services	(83,548)	(348,233)	(144,699)	-	(15,402)	(1,462,155)	(218,952)	(2,272,989)
Cash payments for reinsurance premiums	(294,799)	(480,026)	(110,157)	-	-	-	-	(884,982)
Cash payments for administrative expenses	-	(393,971)	(166,742)	-	-	-	-	(560,713)
Cash payments for claims expenses	(1,304,319)	(9,498,465)	(642,259)	-	-	-	-	(11,445,043)
Cash payments to other suppliers for goods and services	(9,539)	-	-	-	(441,037)	(32,730)	(170,146)	(653,452)
Net cash provided (used) by operating activities	(1,692,205)	1,189,218	768,199	-	24,582	(1,494,885)	2,687	(1,202,404)
Cash flows from non-capital financing activities:								
Property taxes	884,367	-	-	-	-	-	-	884,367
Advances (to) from other funds	-	-	-	-	-	-	-	-
Transfers in from primary government	1,462,629	17,348	-	-	-	1,494,885	-	2,974,862
Transfers out to other funds	(1,025)	(7,300)	(1,275)	-	-	-	(3,550)	(13,150)
Intergovernmental sources	79,026	-	-	-	-	-	-	79,026
Net cash provided by non-capital financing activities	2,424,997	10,048	(1,275)	-	-	1,494,885	(3,550)	3,925,105
Cash flows from investing activities:								
Purchases of investment securities	(1,192,636)	(11,901,548)	(7,971,464)	(120,855)	(79,205)	-	(289,016)	(21,554,724)
Proceeds of sale and maturities of investment securities	457,120	11,770,613	4,730,180	115,526	53,839	-	283,865	17,411,143
Interest on investments	3,669	84,599	120,294	2,929	-	-	-	211,491
Net cash provided (used) by investing activities	(731,847)	(46,336)	(3,120,990)	(2,400)	(25,366)	-	(5,151)	(3,932,090)
Net increase (decrease) in cash and cash equivalents	945	1,152,930	(2,354,066)	(2,400)	(783)	-	(6,014)	(1,209,389)
Cash and cash equivalents at beginning of year	2,243	348,281	2,421,175	3,206	1,159	-	7,994	2,784,058
Cash and cash equivalents at end of year	\$ 3,188	\$ 1,501,211	\$ 67,109	\$ 806	\$ 376	\$ -	\$ 1,980	\$ 1,574,669

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 2 of 2)**

**Reconciliation of Income from Operations to Cash Provided (Used) by Operation:**

	Risk Management	Employee Benefits	Workers' Compensation	Excess Loss	Other Benefits Programs	Information Services Operations	Telephone Services	Total
Income (loss) from operations	\$ (694,638)	\$ 418,348	\$ 1,390,621	\$ -	\$ (16,939)	\$ (1,587,810)	\$ (13,109)	\$ (503,527)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:								
Depreciation and amortization	-	6,268	-	-	-	-	-	6,268
Change in assets and liabilities:								
Decrease (increase) in receivables	-	58,337	(24,193)	-	-	-	561	34,705
Decrease (increase) in interfund receivables	-	(80,246)	844	-	-	-	-	(79,402)
Decrease (increase) in rebate receivables	-	(47,032)	-	-	-	-	-	(47,032)
Decrease (increase) in reinsurance receivables	-	187,972	(48,284)	-	-	-	-	139,688
Decrease (increase) in prepaid costs	-	34,949	(412)	-	-	-	-	34,537
Decrease (increase) in pension and OPEB deferred outflows	(1,902)	(16,680)	(16,933)	-	(450)	(94,647)	(16,961)	(147,573)
Increase (decrease) in payables and contributions paid in advance	33,915	(63,873)	(2,939)	-	42,605	(925)	(11,841)	(3,058)
Increase (decrease) in accrued liabilities	(1,023,486)	675,362	(583,842)	-	(661)	4,853	1,049	(926,725)
Increase (decrease) in net pension and OPEB liability	(7,241)	11,187	51,545	-	(39)	164,850	40,796	261,098
Increase (decrease) in pension and OPEB deferred inflows	1,146	4,626	1,792	-	67	18,794	2,192	28,617
Net cash provided (used) by operating activities	<u>\$ (1,692,206)</u>	<u>\$ 1,189,218</u>	<u>\$ 768,199</u>	<u>\$ -</u>	<u>\$ 24,583</u>	<u>\$ (1,494,885)</u>	<u>\$ 2,687</u>	<u>\$ (1,202,404)</u>

**Supplemental Disclosure of Cash Flow Information**

Noncash capital financing, non-capital financing and investing activities:

Employee Benefits and the Workers' Compensation Plan had \$92,517 and \$50,253, respectively, of net investment loss that was absorbed by their trust portfolios for the year.

**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 1 of 4)**

	Risk Management				Employee Benefits			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Operating Revenue:								
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ 11,400,103	\$ 11,400,103	\$ 11,748,510	\$ 348,407
Total Operating Revenue	-	-	-	-	11,400,103	11,400,103	11,748,510	348,407
Operating Expense:								
Personnel	129,400	129,400	83,548	45,852	379,898	379,898	332,194	47,704
Operations	1,149,975	1,149,975	549,088	600,887	11,277,000	11,277,000	10,372,462	904,538
Depreciation	-	-	-	-	-	-	-	-
Total Operating Expense	1,279,375	1,279,375	632,636	646,739	11,656,898	11,656,898	10,704,656	952,242
Income (Loss) from Operation	(1,279,375)	(1,279,375)	(632,636)	(646,739)	(256,795)	(256,795)	1,043,854	1,300,649
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	883,813	883,813	884,367	554	-	-	-	-
Investment Earnings	500	500	4,368	3,868	24,000	24,000	(7,918)	(31,918)
Intergovernmental Revenue	75,329	75,329	79,026	3,697	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	16,000	16,000	-	(16,000)
Rebates	-	-	-	-	40,000	40,000	161,403	121,403
Debt Service Principal Payment	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Reimbursement for Claims Incurred	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	(319,733)	(319,733)	335,125	(638,620)	(176,795)	(176,795)	1,197,339	1,374,134
Transfers In	403,040	403,040	403,060	20	17,277	17,277	17,348	71
Transfers Out	(2,250)	(2,250)	(1,025)	1,225	(7,300)	(7,300)	(7,300)	-
Change in Net Position	\$ 81,057	\$ 81,057	\$ 737,160	\$ (637,375)	\$ (166,818)	\$ (166,818)	\$ 1,207,387	\$ 1,374,205



**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position (Continued)**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 2 of 4)**

	Workers' Compensation				Excess Loss			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Operating Revenue:								
Charges for Services	\$ 1,650,000	\$ 1,650,000	\$ 1,832,056	\$ 182,056	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	1,650,000	1,650,000	1,832,056	182,056	-	-	-	-
Operating Expense:								
Personnel	145,606	145,606	139,635	5,971	-	-	-	-
Operations	1,098,304	1,098,304	919,158	179,146	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Total Operating Expense	1,243,910	1,243,910	1,058,793	185,117	-	-	-	-
Income (Loss) from Operation	406,090	406,090	773,263	(3,061)	-	-	-	-
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	-	-	-	-
Investment Earnings	75,000	75,000	70,041	4,959	1,000	1,000	2,999	1,999
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-
Rebates	-	-	-	-	-	-	-	-
Debt Service Principal Payment	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Reimbursement for Claims Incurred	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	481,090	481,090	843,304	1,898	1,000	1,000	2,999	1,999
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	(496,275)	(496,275)	(1,275)	495,000	-	-	-	-
Change in Net Position	\$ (15,185)	\$ (15,185)	\$ 842,029	\$ 496,898	\$ 1,000	\$ 1,000	\$ 2,999	\$ 1,999

**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position (Continued)**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 3 of 4)**

	Other Benefits Programs				Information Services Operations			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Operating Revenue:								
Charges for Services	\$ 472,000	\$ 475,880	\$ 481,022	\$ 5,142	\$ -	\$ -	\$ -	\$ -
Total Operating Revenue	472,000	475,880	481,022	5,142	-	-	-	-
Operating Expense:								
Personnel	18,306	18,306	15,188	3,118	1,511,704	1,511,704	1,462,155	49,549
Operations	454,000	457,880	434,123	23,757	34,799	34,799	32,730	2,069
Depreciation	-	-	-	-	-	-	-	-
Total Operating Expense	472,306	476,186	449,311	26,875	1,546,503	1,546,503	1,494,885	51,618
Income (Loss) from Operation	(306)	(306)	31,711	(21,733)	(1,546,503)	(1,546,503)	(1,494,885)	(51,618)
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-
Rebates	-	-	-	-	-	-	-	-
Debt Service Principal Payment	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Reimbursement for Claims Incurred	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	(306)	(306)	31,711	(21,733)	(1,546,503)	(1,546,503)	(1,494,885)	(51,618)
Transfers In	-	-	-	-	1,546,503	1,546,503	1,494,885	(51,618)
Transfers Out	-	-	-	-	-	-	-	-
Change in Net Position	\$ (306)	\$ (306)	\$ 31,711	\$ (21,733)	\$ -	\$ -	\$ -	\$ (103,236)

**MISSOULA COUNTY, MONTANA**  
**Schedule of Revenues, Expenses and Changes in Fund Net Position (Continued)**  
**Budget and Actual - Internal Service Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 4 of 4)**

	Telephone Services				Totals			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
Operating Revenue:								
Charges for Services	\$ 377,500	\$ 377,500	\$ 391,224	\$ 13,724	\$ 13,899,603	\$ 13,903,483	\$ 14,452,812	\$ 549,329
Total Operating Revenue	<u>377,500</u>	<u>377,500</u>	<u>391,224</u>	<u>13,724</u>	<u>13,899,603</u>	<u>13,903,483</u>	<u>14,452,812</u>	<u>549,329</u>
Operating Expense:								
Personnel	219,942	219,942	218,951	991	2,404,856	2,404,856	2,251,671	153,185
Operations	142,640	194,631	170,147	24,484	14,156,718	14,212,589	12,477,708	1,734,881
Depreciation				-	-	-	-	-
Total Operating Expense	<u>362,582</u>	<u>414,573</u>	<u>389,098</u>	<u>25,475</u>	<u>16,561,574</u>	<u>16,617,445</u>	<u>14,729,379</u>	<u>1,888,066</u>
Income (Loss) from Operation	14,918	(37,073)	2,126	(11,751)	(2,661,971)	(2,713,962)	(276,567)	2,437,395
Non-operating Revenues (Expenses):								
Operating Property Tax Revenue	-	-	-	-	883,813	883,813	884,367	554
Investment Earnings	-	-	-	-	100,500	100,500	69,490	(31,010)
Intergovernmental Revenue	-	-	-	-	75,329	75,329	79,026	3,697
Interest Expense	-	-	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	16,000	16,000	-	(16,000)
Rebates	-	-	-	-	40,000	40,000	161,403	121,403
Debt Service Principal Payment	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
Reimbursement for Claims Incurred	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-
Net Income (Loss) before Transfers	14,918	(37,073)	2,126	(11,751)	(1,546,329)	(1,598,320)	917,719	2,516,039
Transfers In	-	-	-	-	1,966,820	1,966,820	1,915,293	(51,527)
Transfers Out	<u>(4,000)</u>	<u>(4,000)</u>	<u>(3,550)</u>	<u>450</u>	<u>(509,825)</u>	<u>(509,825)</u>	<u>(13,150)</u>	<u>496,675</u>
Change in Net Position	<u>\$ 10,918</u>	<u>\$ (41,073)</u>	<u>\$ (1,424)</u>	<u>\$ (11,301)</u>	<u>\$ (89,334)</u>	<u>\$ (141,325)</u>	<u>\$ 2,819,862</u>	<u>\$ 2,961,187</u>

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## **TRUST AND AGENCY FUNDS**

Trust and agency funds are used to account for situations where the County holds assets in trust or acts as an agent for another governmental entity or an individual.

**Investment Trust Funds** – To account for external participants' share of the County's investment pool and investments held separate for external participants.

**Schools Fund** – To account for revenues collected and cash held for various school districts.

**Other Local Taxing Units Fund** – To account for revenues collected and cash held for fire districts, irrigation districts, cemetery districts, the hospital district, the mosquito district and the urban transportation district.

**State Fund** – To account for revenues collected and cash held for the State of Montana.

**City Fund** – To account for revenues collected and cash held for the City of Missoula.

**Other Post-Employment Benefits** – To account for revenues collected and cash held for post employment benefits.

**Payroll and Claims Fund** – To account for the County's payroll and claims clearing activities.

**MISSOULA COUNTY, MONTANA**  
**Statement of Fiduciary Net Position**  
**June 30, 2018**

	<b>External Pool Investment Trust</b>
<b>Assets</b>	
Cash & Cash Equivalents	\$ 666,180
Investments, at Fair Value:	
Securities	11,327,792
Money Markets	9,755,375
Repurchase Agreements	11,324,493
STIP	153,329,234
Total Investments	185,736,894
Total Assets	186,403,074
<b>Net Position</b>	
Funds Held in Trust for:	
Investment Trusts	186,403,074
Total Net Position	\$ 186,403,074

**MISSOULA COUNTY, MONTANA**  
**Statement of Changes in Fiduciary Net Position**  
**For Fiscal Year Ended June 30, 2018**

	<b>External Pool Investment Trust</b>
<b>Additions</b>	
Interest Income	\$ 2,460,471
Net Investment Income	<u>2,460,471</u>
Participant Investments in Pool	407,977,074
Total Additions	<u>410,437,545</u>
 <b>Deductions</b>	
Distribution to Participants	<u>(356,320,266)</u>
Total Deductions	<u>(356,320,266)</u>
 Change in Net Position	 54,117,279
 <b>Net Position Held in Trust for Pool Participants</b>	
Net Position - Beginning of Year	<u>132,285,795</u>
Net Position - End of Year	<u>\$ 186,403,074</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 1 of 4)**

**SCHOOLS**

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Cash with Fiscal Agents	\$ 1,227,760	\$ 1,247,000	\$ 1,227,760	\$ 1,247,000
Property Taxes Receivable (net)	3,292,113	62,062,475	61,880,624	3,473,964
Accounts Receivable	-	-	-	-
Due from Protest Fund	-	-	-	-
Total Assets	<u>\$ 4,519,873</u>	<u>\$ 63,309,475</u>	<u>\$ 63,108,384</u>	<u>\$ 4,720,964</u>
Liabilities:				
Accounts & Warrants Payable	-	-	-	-
Due to Other Agencies	<u>\$ 4,519,873</u>	<u>\$ 63,309,475</u>	<u>\$ 63,108,384</u>	<u>\$ 4,720,964</u>
Total Liabilities	<u>\$ 4,519,873</u>	<u>\$ 63,309,475</u>	<u>\$ 63,108,384</u>	<u>\$ 4,720,964</u>

**OTHER LOCAL TAXING UNITS**

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Cash with Fiscal Agents	\$ 26,770	\$ 26,413	\$ 26,770	\$ 26,413
Property Taxes Receivable (net)	<u>727,467</u>	<u>12,221,402</u>	<u>12,311,832</u>	<u>637,037</u>
Total Assets	<u>\$ 754,237</u>	<u>\$ 12,247,815</u>	<u>\$ 12,338,602</u>	<u>\$ 663,450</u>
Liabilities:				
Accounts & Warrants Payable	-	-	-	-
Due to Other Agencies	<u>\$ 754,237</u>	<u>\$ 12,247,815</u>	<u>\$ 12,338,602</u>	<u>\$ 663,450</u>
Total Liabilities	<u>\$ 754,237</u>	<u>\$ 12,247,815</u>	<u>\$ 12,338,602</u>	<u>\$ 663,450</u>



**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 2 of 4)**

**STATE**

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Property Taxes Receivable (net)	\$ 1,132,307	\$ 22,947,810	\$ 21,612,726	\$ 2,467,391
Due from Protest Fund	-	-	-	-
Total Assets	<u>\$ 1,132,307</u>	<u>\$ 22,947,810</u>	<u>\$ 21,612,726</u>	<u>\$ 2,467,391</u>
Liabilities:				
Due to Other Agencies	\$ 1,132,307	\$ 22,947,810	\$ 21,612,726	\$ 2,467,391
Total Liabilities	<u>\$ 1,132,307</u>	<u>\$ 22,947,810</u>	<u>\$ 21,612,726</u>	<u>\$ 2,467,391</u>

**CITY**

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Property Taxes Receivable (net)	\$ 1,908,311	\$ 38,443,068	\$ 39,252,461	\$ 1,098,918
Accounts Receivable	29,685	329,685	336,507	22,863
Total Assets	<u>\$ 1,937,996</u>	<u>\$ 38,772,753</u>	<u>\$ 39,588,968</u>	<u>\$ 1,121,781</u>
Liabilities:				
Due to Other Agencies	\$ 1,937,996	\$ 38,772,753	\$ 39,588,968	\$ 1,121,781
Total Liabilities	<u>\$ 1,937,996</u>	<u>\$ 38,772,753</u>	<u>\$ 39,588,968</u>	<u>\$ 1,121,781</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 3 of 4)**

**OTHER POST-RETIREMENT BENEFITS (OPEB)**

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Cash & Cash Equivalents	\$ 325	\$ 82,441	\$ 325	\$ 82,441
Investments	78,254	-	78,254	-
Other Assets	6,412	6,012	6,412	6,012
Total Assets	<u>\$ 84,991</u>	<u>\$ 88,453</u>	<u>\$ 84,991</u>	<u>\$ 88,453</u>
Liabilities:				
Accounts & Warrants Payable	\$ 3,144	\$ 1,262	\$ 3,144	\$ 1,262
Due to Other Agencies	-			-
Other Liabilities	81,847	87,191	81,847	87,191
Total Liabilities	<u>\$ 84,991</u>	<u>\$ 88,453</u>	<u>\$ 84,991</u>	<u>\$ 88,453</u>

**PAYROLL & CLAIMS**

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Cash & Cash Equivalents	\$ 20,902	\$ 2,820	\$ 20,902	\$ 2,820
Investments	1,429,894	786,129	1,429,894	786,129
Total Assets	<u>\$ 1,450,796</u>	<u>\$ 788,949</u>	<u>\$ 1,450,796</u>	<u>\$ 788,949</u>
Liabilities:				
Accounts & Warrants Payable	\$ 1,450,796	\$ 788,949	\$ 1,450,796	\$ 788,949
Total Liabilities	<u>\$ 1,450,796</u>	<u>\$ 788,949</u>	<u>\$ 1,450,796</u>	<u>\$ 788,949</u>

**MISSOULA COUNTY, MONTANA**  
**Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Continued)**  
**For Fiscal Year Ended June 30, 2018**  
**(Page 4 of 4)**

**TOTAL AGENCY FUNDS**

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Cash & Cash Equivalents	\$ 21,227	\$ 85,261	\$ 21,227	\$ 85,261
Cash with Fiscal Agents	1,254,530	1,273,413	1,254,530	1,273,413
Investments	1,508,148	786,129	1,508,148	786,129
Property Taxes Receivable (net)	7,060,198	135,674,756	135,057,643	7,677,311
Accounts Receivable	29,685	329,685	336,507	22,863
Other Assets	6,412	6,012	6,412	6,012
Total Assets	<u>\$ 9,880,200</u>	<u>\$ 138,155,255</u>	<u>\$ 138,184,467</u>	<u>\$ 9,850,988</u>
Liabilities:				
Accounts & Warrants Payable	\$ 1,453,940	\$ 790,211	\$ 1,453,940	\$ 790,211
Other Liabilities	81,847	87,191	81,847	87,191
Due to Other Agencies	8,344,413	137,277,854	136,648,680	8,973,587
Total Liabilities	<u>\$ 9,880,200</u>	<u>\$ 138,155,255</u>	<u>\$ 138,184,467</u>	<u>\$ 9,850,988</u>

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## **CAPITAL ASSETS**

Capital assets used in the operation of Governmental Funds

**MISSOULA COUNTY, MONTANA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Comparative Schedule By Source <sup>1</sup>**  
**June 30, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
Governmental Funds Capital Assets:		
Land	\$ 6,902,571	\$ 6,902,571
Buildings	52,626,560	52,626,560
Machinery and Equipment	27,717,886	26,773,207
Infrastructure	64,029,296	63,672,564
Construction in Progress	<u>61,311,679</u>	<u>47,254,921</u>
Total Governmental Funds Capital Assets	<u><u>\$ 212,587,991</u></u>	<u><u>\$ 197,229,824</u></u>
Investment in Governmental Funds Capital Assets by Source:		
General Fund	\$ 26,172,490	\$ 24,660,928
Special Revenue Fund	163,281,198	149,434,592
Federal Grants	21,188,207	21,188,207
Initial Start of System	<u>1,946,096</u>	<u>1,946,096</u>
Total Governmental Funds Capital Assets	<u><u>\$ 212,587,991</u></u>	<u><u>\$ 197,229,824</u></u>

<sup>1</sup> This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

**MISSOULA COUNTY, MONTANA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule By Function and Activity <sup>1</sup>**  
**June 30, 2018**

<b>Function and Activity</b>	<b>Land</b>	<b>Buildings</b>	<b>Machinery and Equipment</b>	<b>Infrastructure</b>	<b>Construction in Progress</b>	<b>Total</b>
General Government:						
Administration and Finance	\$ -	\$ -	\$ 549,921	\$ -	\$ -	\$ 549,921
Records and Election	-	-	1,058,242	-	-	1,058,242
Data Processing	-	-	1,198,481	-	292,696	1,491,177
General Services	416,703	7,797,993	1,141,837	-	2,418,534	11,775,067
Criminal Justice	-	-	115,846	-	11,182,237	11,298,083
Total General Government	416,703	7,797,993	4,064,327	-	13,893,467	26,172,490
Public Works:						
Road & Bridge	135,100	2,894,084	8,727,033	62,290,461	878,090	74,924,768
Missoula Development Authority	-	-	-	1,390,062	5,880,450	7,270,512
Weed & Extension	-	-	187,754	-	163,958	351,712
Seeley Lake Refuse	65,400	110,793	20,160	-	-	196,353
Total Public Works	200,500	3,004,877	8,934,947	63,680,523	6,922,498	82,743,345
Public Safety:						
Sheriff	19,199	6,271,019	5,376,558	60,000	-	11,726,776
Communications	-	3,510,666	6,523,966	-	-	10,034,632
Detention Center	1,791,035	23,282,670	1,411,862	-	530,720	27,016,287
Total Public Safety	1,810,234	33,064,355	13,312,386	60,000	530,720	48,777,695
Public Health:						
City/County Health	58,162	2,676,316	350,345	-	-	3,084,823
Environmental Health	-	277,768	410,168	-	-	687,936
Total Public Health	58,162	2,954,084	760,513	-	-	3,772,759
Social and Economic Services	-	1,472,269	33,212	-	-	1,505,481
Housing and Community Development	-	-	8,801	-	-	8,801
Culture and Recreation	2,470,876	4,332,982	603,699	288,772	39,964,994	47,661,323
Nondepartmental	1,946,096	-	-	-	-	1,946,096
Total Governmental Funds						
Capital Assets	\$ 6,902,571	\$ 52,626,560	\$ 27,717,886	\$ 64,029,295	\$ 61,311,679	\$ 212,587,991

<sup>1</sup> This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of Net Position.

**MISSOULA COUNTY, MONTANA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes By Function and Activity <sup>1</sup>**  
**For Fiscal Year Ended June 30, 2018**

<b>Function and Activity</b>	Governmental Funds Capital Assets July 1, 2017	Adjustments & Reclasses	As Restated July 1, 2017	Additions	Deductions	Adjustments	Governmental Funds Capital Assets June 30, 2018
General Government:							
Administration and Finance	\$ 549,921	\$ -	\$ 549,921	\$ -	\$ -	\$ -	\$ 549,921
Records and Election	1,058,242	-	1,058,242	-	-	-	1,058,242
Data Processing	961,390	-	961,390	529,787	-	-	1,491,177
General Services	11,229,608	-	11,229,608	545,459	-	-	11,775,067
Criminal Justice	10,861,768	-	10,861,768	436,315	-	-	11,298,083
Total General Government	24,660,929	-	24,660,929	1,511,561	-	-	26,172,491
Public Works:							
Road & Bridge	74,499,121	-	74,499,121	625,615	(199,968)	-	74,924,768
Missoula Development Authority	7,160,152	-	7,160,152	110,359	-	-	7,270,511
Weed & Extension	280,536	-	280,536	71,176	-	-	351,712
Seeley Lake Refuse	196,353	-	196,353	-	-	-	196,353
Total Public Works	82,136,162	-	82,136,162	807,150	(199,968)	-	82,743,345
Public Safety:							
Sheriff	11,382,120	-	11,382,120	350,420	(5,763)	-	11,726,777
Communications	10,034,632	-	10,034,632	-	-	-	10,034,632
Detention Center	26,816,660	-	26,816,660	199,628	-	-	27,016,288
Total Public Safety	48,233,412	-	48,233,412	550,047	(5,763)	-	48,777,696
Public Health:							
City/County Health	2,940,018	-	2,940,018	144,805	-	-	3,084,823
Environmental Health	687,936	-	687,936	-	-	-	687,936
Total Public Health	3,627,954	-	3,627,954	144,805	-	-	3,772,759
Social and Economic Services	1,505,481	-	1,505,481	-	-	-	1,505,481
Housing and Community Development	8,801	-	8,801	-	-	-	8,801
Culture and Recreation	35,110,988	-	35,110,988	12,550,335	-	-	47,661,323
Nondepartmental	1,946,096	-	1,946,096	-	-	-	1,946,096
Total General Capital Assets	\$ 197,229,823	\$ -	\$ 197,229,823	\$ 15,563,899	\$ (205,731)	\$ -	\$ 212,587,991

<sup>1</sup> This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of Net Position.



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# STATISTICAL SECTION

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## **STATISTICAL SECTION**

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

### **Financial Trends**

This segment contains trend information to help the reader understand how the County's financial performance and well-being have changed over time.

### **Revenue Capacity**

This segment includes information to help the reader assess the County's most significant local revenue source, the property tax.

### **Debt Capacity**

This segment presents information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

### **Economic & Demographic Information**

This segment depicts demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

### **Operating Information**

This segment displays service and capital asset data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise stated, the information in this section is derived from the comprehensive annual financial reports for the relevant year. The County implemented Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, in FY 2003; schedules presenting government-wide activities include information beginning from that year.

**MISSOULA COUNTY, MONTANA**  
**Net Position by Component**  
**Last Ten Fiscal Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 47,859,926	\$ 50,908,218	\$ 52,441,539	\$ 56,576,425	\$ 69,649,599	\$ 67,011,808	\$ 73,771,998	\$ 83,362,498	\$ 85,395,548	\$ 87,086,882
Restricted	1,275,007	2,393,072	15,967,427	35,802,909	17,685,419	19,139,960	20,392,083	54,049,148	44,907,476	33,601,053
Unrestricted	36,814,281	36,385,797	23,837,507	2,894,401	11,556,859	15,680,483	(26,407,340)	(59,040,768)	(47,539,559)	(32,955,327)
Total Governmental Activities Net Position	<u>\$ 85,949,214</u>	<u>\$ 89,687,087</u>	<u>\$ 92,246,473</u>	<u>\$ 95,273,735</u>	<u>\$ 98,891,877</u>	<u>\$ 101,832,251</u>	<u>\$ 67,756,741</u>	<u>\$ 78,370,878</u>	<u>\$ 82,763,465</u>	<u>\$ 87,732,608</u>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	\$ 2,601,442	\$ 4,052,553	\$ 3,656,007	\$ 4,680,442	\$ 4,626,843	\$ 4,605,935	\$ 4,647,074	\$ 4,569,561	\$ 4,545,160	\$ 4,005,124
Unrestricted	1,581,937	1,046,487	2,593,970	1,255,778	1,340,953	1,360,612	947,659	1,066,787	(22,249)	20,510
Total Business-type Activities Net Position	<u>\$ 4,183,379</u>	<u>\$ 5,099,040</u>	<u>\$ 6,249,977</u>	<u>\$ 5,936,220</u>	<u>\$ 5,967,796</u>	<u>\$ 5,966,547</u>	<u>\$ 5,594,733</u>	<u>\$ 5,636,348</u>	<u>\$ 4,522,911</u>	<u>\$ 4,025,634</u>
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 50,461,368	\$ 54,960,771	\$ 56,097,546	\$ 60,761,678	\$ 74,276,442	\$ 71,617,743	\$ 78,419,072	\$ 87,932,059	\$ 89,940,708	\$ 91,092,007
Restricted	1,275,007	2,393,072	15,967,427	35,802,909	17,685,419	19,139,960	20,392,083	54,049,148	44,907,476	33,601,053
Unrestricted	38,396,218	37,432,284	26,431,477	4,150,179	12,897,812	17,041,095	(25,459,681)	(57,973,981)	(47,561,808)	(32,934,817)
Total Primary Government Net Position	<u>\$ 90,132,593</u>	<u>\$ 94,786,127</u>	<u>\$ 98,496,450</u>	<u>\$ 100,714,766</u>	<u>\$ 104,859,673</u>	<u>\$ 107,798,798</u>	<u>\$ 73,351,474</u>	<u>\$ 84,007,226</u>	<u>\$ 87,286,376</u>	<u>\$ 91,758,243</u>

**MISSOULA COUNTY, MONTANA**  
**Schedule of Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Page 1 of 2)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 12,236,110	\$ 11,885,058	\$ 13,978,668	\$ 15,820,520	\$ 20,445,707	\$ 17,283,281	\$ 16,415,581	\$ 16,163,885	\$ 18,740,845	\$ 16,181,867
Criminal Justice	3,758,712	3,847,607	4,128,781	4,276,443	2,979,747	3,616,057	4,608,917	5,100,309	4,149,551	5,261,958
Public Safety	18,135,508	18,831,204	20,042,141	20,051,543	17,752,142	17,764,481	24,652,439	22,488,114	26,035,864	28,034,726
Public Works	6,065,827	10,604,449	10,172,173	10,654,220	11,155,178	11,364,880	11,547,417	10,674,525	12,310,157	12,747,597
Public Health	5,860,795	6,041,743	6,542,193	6,970,001	7,547,594	7,381,596	7,799,341	8,656,404	8,864,427	8,966,638
Social & Economic Services	4,615,766	4,686,338	2,339,977	2,730,068	2,326,781	1,758,902	2,578,754	2,669,877	2,845,205	2,891,254
Culture & Recreation	4,333,841	4,473,973	5,156,053	5,266,106	4,845,283	4,592,167	4,906,518	6,432,951	6,323,201	6,736,609
Housing & Community Development	2,918,937	2,819,982	3,875,925	1,829,234	1,782,217	5,057,663	3,196,624	3,759,445	3,493,022	2,715,279
Interest on Long-term Debt	1,145,352	1,543,010	1,654,795	1,357,720	1,112,108	1,381,506	1,282,078	1,330,526	2,638,247	2,502,186
Total Governmental Activities Expenses	59,070,848	64,733,364	67,890,706	68,955,855	69,946,757	70,200,533	76,987,669	77,276,036	85,400,519	86,038,115
Business-type Activities:										
Larchmont Golf Course	847,389	860,865	854,062	877,081	897,720	904,531	952,053	855,777	804,729	927,125
Rural Special Improvement Districts	735,247	382,198	822,299	1,309,864	922,016	942,995	928,184	1,076,337	1,062,265	1,016,331
Total Business-type Activities Expenses	1,582,636	1,243,063	1,676,361	2,186,945	1,819,736	1,847,526	1,880,237	1,932,114	1,866,994	1,943,456
Total Primary Government Expenses	\$ 60,653,484	\$ 65,976,427	\$ 69,567,067	\$ 71,142,800	\$ 71,766,493	\$ 72,048,059	\$ 78,867,906	\$ 79,208,150	\$ 87,267,513	\$ 87,981,571
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	\$ 4,405,714	\$ 4,370,193	\$ 4,757,274	\$ 4,944,047	\$ 5,002,429	\$ 4,922,055	\$ 5,481,192	\$ 5,601,735	\$ 7,472,311	\$ 7,320,848
Criminal Justice	910,461	882,066	855,132	784,263	797,539	848,911	923,639	818,208	749,527	733,343
Public Safety	5,218,345	5,097,532	5,144,087	6,391,991	5,384,210	5,581,416	7,843,374	6,501,498	7,669,688	6,271,754
Public Works	1,747,766	1,522,702	2,618,765	2,446,931	2,453,681	2,595,957	2,270,337	2,354,464	2,322,877	2,329,446
Public Health	1,532,922	1,477,509	1,495,133	1,732,005	1,647,280	1,863,366	1,990,209	2,370,198	2,157,898	1,505,981
Social & Economic Services	-	-	-	184,993	-	-	-	-	76,764	26,897
Culture & Recreation	981,832	1,022,162	1,097,072	1,222,868	1,137,248	915,798	863,942	765,267	779,061	780,401
Housing & Community Development	195,356	158,728	144,605	1,434	-	94,854	90,742	103,423	140,460	144,205
Operating Grants and Contributions	6,626,708	5,364,471	10,503,550	7,671,180	6,856,910	8,068,517	7,939,965	8,479,102	8,941,008	9,343,722
Capital Grants and Contributions	3,546,936	2,576,393	1,148,146	1,536,905	2,611,277	353,300	1,789,304	2,985,372	1,802,030	411,311
Total Governmental Activities Program Revenues	25,166,040	22,471,756	27,763,764	26,916,617	25,890,574	25,244,174	29,192,704	29,979,267	32,111,624	28,867,908
Business-type Activities:										
Charges for Services:										
Larchmont Golf Course	1,012,132	988,599	981,338	969,831	959,930	946,171	1,034,980	1,022,084	909,270	932,974
Rural Special Improvement Districts	823,465	882,273	995,892	989,238	997,690	992,971	990,327	977,266	1,070,674	1,108,625
Total Business-type Activities Program Revenues	1,835,597	1,870,872	1,977,230	1,959,069	1,957,620	1,939,142	2,025,307	1,999,350	1,979,944	2,041,599
Total Primary Government Program Revenues	\$ 27,001,637	\$ 24,342,628	\$ 29,740,994	\$ 28,875,686	\$ 27,848,194	\$ 27,183,316	\$ 31,218,011	\$ 31,978,617	\$ 34,091,568	\$ 30,909,507
<b>Net (Expense) Revenue</b>										
Governmental Activities:	\$ (33,904,808)	\$ (42,261,608)	\$ (40,126,942)	\$ (42,039,238)	\$ (44,056,183)	\$ (44,956,359)	\$ (47,794,965)	\$ (47,296,769)	\$ (53,288,895)	\$ (57,170,207)
Business-type Activities:	252,961	627,809	300,869	(227,876)	137,884	91,616	145,070	67,236	112,950	98,143
Total Primary Government Net (Expenses) Revenues	\$ (33,651,847)	\$ (41,633,799)	\$ (39,826,073)	\$ (42,267,114)	\$ (43,918,299)	\$ (44,864,743)	\$ (47,649,895)	\$ (47,229,533)	\$ (53,175,945)	\$ (57,072,064)

**MISSOULA COUNTY, MONTANA**  
**Schedule of Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(Page 2 of 2)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Revenue and Other</b>										
<b>Changes in Net Position</b>										
Governmental Activities:										
Property Taxes	\$ 34,622,390	\$ 38,095,655	\$ 36,962,016	\$ 36,962,016	\$ 39,240,200	\$ 40,179,586	\$ 41,650,425	\$ 44,958,039	\$ 48,422,980	\$ 51,998,145
Intergovernmental Revenue	5,857,686	5,845,783	2,967,366	2,967,366	782,442	6,182,199	6,314,257	6,595,554	6,733,625	7,703,058
Investment Earnings	816,387	297,001	239,823	239,823	40,151	157,715	152,439	884,391	166,575	809,319
Gain on Sale of Capital Assets	(28,243)	-	(1,542)	(1,542)	-	10,400	33,257	96,565	-	-
Miscellaneous Revenues	2,832,296	2,369,802	2,384,056	2,384,056	2,501,499	1,496,429	1,743,651	1,169,858	2,264,667	2,392,690
Transfers	164,386	(227,491)	107,531	107,531	110,033	96,447	88,820	97,275	93,635	92,882
Total Governmental Activities	44,264,902	46,380,750	42,659,250	42,659,250	42,674,325	48,122,776	49,982,849	53,801,682	57,681,482	62,996,094
Business-type Activities:										
Intergovernmental Revenue	100,000	-	-	-	-	724	-	-	12,291	-
Investment Earnings	35,691	24,426	9,080	9,080	3,725	4,960	4,877	8,428	14,944	24,251
Gain on Sale of Capital Assets	10,430	7,000	-	-	-	(7,014)	-	3,300	-	-
Miscellaneous Revenues	5,587	-	2,500	2,500	-	4,912	63,135	61,679	22,018	4,689
Transfers	(164,386)	227,491	(107,531)	(107,531)	(110,033)	(96,447)	(88,820)	(97,275)	(93,635)	(92,882)
Total Business-type Activities	(12,678)	258,917	(95,951)	(95,951)	(106,308)	(92,865)	(20,808)	(23,868)	(44,382)	(63,942)
Total Primary Government	<u>\$ 44,252,224</u>	<u>\$ 46,639,667</u>	<u>\$ 42,563,299</u>	<u>\$ 42,563,299</u>	<u>\$ 42,568,017</u>	<u>\$ 48,029,911</u>	<u>\$ 49,962,041</u>	<u>\$ 53,777,814</u>	<u>\$ 57,637,100</u>	<u>\$ 62,932,152</u>
<b>Changes in Net Position</b>										
Governmental Activities	\$ 10,360,094	\$ 4,119,142	\$ 2,532,308	\$ 620,012	\$ 3,618,142	\$ 3,166,417	\$ 2,187,884	\$ 6,504,913	\$ 4,392,587	\$ 5,825,887
Business-type Activities	240,283	886,726	204,918	(323,827)	31,576	(1,249)	124,262	43,368	68,568	34,201
Total Primary Government Changes in Net Position	<u>\$ 10,600,377</u>	<u>\$ 5,005,868</u>	<u>\$ 2,737,226</u>	<u>\$ 296,185</u>	<u>\$ 3,649,718</u>	<u>\$ 3,165,168</u>	<u>\$ 2,312,146</u>	<u>\$ 6,548,281</u>	<u>\$ 4,461,155</u>	<u>\$ 5,860,088</u>

**MISSOULA COUNTY, MONTANA**  
**Fund Balance of Governmental Funds**  
**Last Ten Fiscal Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund</b>										
Reserved	\$ -	\$ 226,646	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	2,577,538	1,962,335	-	-	-	-	-	-	-	-
Nonspendable *	-	-	63,911	61,571	56,450	57,453	66,450	61,204	59,572	48,674
Restricted *	-	-	55,952	72,423	226,043	-	-	-	-	25,936
Unassigned *	-	-	2,264,689	2,244,801	2,655,190	2,547,676	2,416,051	3,482,397	2,734,763	3,293,458
Total General Fund	<u>\$ 2,577,538</u>	<u>\$ 2,188,981</u>	<u>\$ 2,384,552</u>	<u>\$ 2,378,795</u>	<u>\$ 2,937,683</u>	<u>\$ 2,605,129</u>	<u>\$ 2,482,501</u>	<u>\$ 3,543,601</u>	<u>\$ 2,794,335</u>	<u>\$ 3,368,068</u>
<b>All Other Governmental Funds</b>										
Reserved	\$ 6,131,515	\$ 7,749,896	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	22,776,020	22,814,502	-	-	-	-	-	-	-	-
Debt Service Funds	1,555,901	(278,996)	-	-	-	-	-	-	-	-
Capital Project Funds	1,341,314	1,932,761	-	-	-	-	-	-	-	-
Nonspendable *	-	-	911,287	1,030,056	1,386,525	1,376,432	1,498,668	1,451,373	1,486,888	1,186,103
Restricted *	-	-	15,911,475	15,961,562	17,329,372	17,633,978	19,853,562	52,118,144	41,914,163	30,253,988
Committed *	-	-	8,658,734	9,040,200	7,887,322	7,445,068	7,300,773	12,149,926	9,988,114	9,858,036
Assigned *	-	-	7,303,069	6,147,357	7,116,220	9,005,699	4,316,172	3,947,926	4,295,852	4,553,595
Unassigned *	-	-	(1,111,352)	(478,722)	(3,681,443)	(1,522,815)	(1,008,736)	(4,494,419)	(2,688,349)	(2,710,832)
Total All Other Governmental Funds	<u>\$ 31,804,750</u>	<u>\$ 32,218,163</u>	<u>\$ 31,673,213</u>	<u>\$ 31,700,453</u>	<u>\$ 30,037,996</u>	<u>\$ 33,938,362</u>	<u>\$ 31,960,439</u>	<u>\$ 65,172,950</u>	<u>\$ 54,996,668</u>	<u>\$ 43,140,890</u>

\* Restated to conform to GASB Statement No. 54.

**MISSOULA COUNTY, MONTANA**  
**Changes in Fund Balance of Governmental Funds**  
**Last Ten Fiscal Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues:</b>										
Taxes/assessments	\$ 36,062,438	\$ 36,771,969	\$ 38,521,237	\$ 39,428,446	\$ 40,298,123	\$ 42,012,128	\$ 42,999,719	\$ 46,342,250	\$ 47,798,449	\$ 52,143,762
Licenses and Permits	817,724	727,632	738,704	768,855	837,596	947,805	939,154	1,146,776	1,230,126	1,196,366
Intergovernmental Revenues	18,070,793	14,409,605	15,115,115	13,558,910	14,830,716	14,351,953	15,266,814	16,761,539	16,557,894	15,866,164
Charges for Services	10,114,876	9,847,043	9,889,566	11,608,160	10,422,169	10,483,316	13,145,084	12,082,801	14,050,921	11,921,395
Fines and Forfeitures	976,834	936,107	882,552	894,942	889,467	905,763	943,908	793,298	766,814	671,283
Investment Earnings	555,296	190,485	188,422	55,470	24,177	105,055	78,256	690,074	152,888	733,066
Private & Local Grants	114,916	1,100	157,550	205,397	356,279	184,451	98,463	634,942	266,029	304,118
Miscellaneous Revenue	2,391,991	2,411,935	1,779,966	2,233,871	2,788,167	1,976,682	2,193,161	1,305,372	2,084,892	2,462,179
<b>Total Revenues</b>	<b>69,104,868</b>	<b>65,295,876</b>	<b>67,273,112</b>	<b>68,754,051</b>	<b>70,446,694</b>	<b>70,967,153</b>	<b>75,664,559</b>	<b>79,757,052</b>	<b>82,908,013</b>	<b>85,298,333</b>
<b>Expenditures:</b>										
General Government	8,105,151	7,735,812	9,625,844	10,021,440	10,073,648	9,645,929	10,118,566	10,595,571	11,052,986	10,390,677
Criminal Justice	3,819,405	3,822,320	4,063,389	4,096,121	4,150,445	4,253,173	4,554,891	4,841,149	5,070,145	5,431,927
Public Safety	18,427,629	18,180,447	19,205,517	18,177,818	19,072,868	19,526,774	22,135,085	21,417,652	23,480,787	25,290,295
Public Works	7,997,379	7,534,287	7,940,624	8,225,522	8,131,000	8,320,456	8,585,108	8,461,858	9,359,432	9,235,288
Public Health	5,769,984	5,900,159	6,363,895	6,548,747	7,342,714	7,177,226	7,368,521	7,969,617	8,041,365	8,414,126
Social & Economic Services	4,544,542	4,437,612	2,275,749	2,585,961	2,239,227	2,631,577	2,432,102	2,504,087	2,640,900	2,721,943
Culture & Recreation	3,701,593	3,968,586	4,524,909	4,495,439	4,159,797	4,260,849	4,309,415	4,713,900	5,667,706	5,900,023
Housing & Community Development	2,928,408	2,777,337	3,796,036	1,760,469	1,740,447	3,847,250	3,023,548	2,895,424	2,511,647	2,377,026
Capital Outlay	9,872,743	15,334,966	8,199,726	7,107,222	11,403,305	10,650,685	11,657,484	23,116,780	27,576,437	16,568,165
Debt Service										
Principal	2,607,106	2,499,705	2,855,235	3,441,847	3,430,163	3,059,571	3,804,264	4,065,601	4,222,873	5,777,880
Interest	1,199,852	1,588,512	1,654,795	1,357,720	1,222,019	1,400,997	1,301,569	1,503,511	3,141,710	2,857,896
<b>Total Expenditures</b>	<b>68,973,792</b>	<b>73,779,743</b>	<b>70,505,719</b>	<b>67,818,306</b>	<b>72,965,633</b>	<b>74,774,487</b>	<b>79,290,553</b>	<b>92,085,150</b>	<b>102,765,988</b>	<b>94,965,246</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>131,076</b>	<b>(8,483,867)</b>	<b>(3,232,607)</b>	<b>935,745</b>	<b>(2,518,939)</b>	<b>(3,807,334)</b>	<b>(3,625,994)</b>	<b>(12,328,098)</b>	<b>(19,857,975)</b>	<b>(9,666,913)</b>
<b>Other Financing Sources (uses):</b>										
Transfers In	5,521,943	7,712,254	9,425,668	7,748,289	9,335,368	9,207,575	10,318,895	10,535,454	10,166,012	10,837,122
Transfers Out	(5,434,588)	(8,137,283)	(10,389,474)	(8,869,555)	(10,243,464)	(10,602,575)	(11,575,340)	(12,173,599)	(11,913,825)	(13,705,956)
Issuance of Debt	3,520,281	8,808,731	4,550,202	113,163	2,038,464	9,000,000	9,000,000	42,814,459	10,630,199	1,517,158
Defeasance of Debt	-	-	-	-	7,370,200	-	2,617,398	-	-	-
Premium on Issuance of Debt	-	-	-	-	368,106	-	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	(8,136,047)	-	-	-	-	-
Sale of Capital Assets	181,836	166,956	12,400	1,603	331,445	10,400	33,257	96,565	16,158	48,226
<b>Total Other Financing Sources (uses)</b>	<b>3,789,472</b>	<b>8,550,658</b>	<b>3,598,796</b>	<b>(1,006,500)</b>	<b>1,064,072</b>	<b>7,615,400</b>	<b>10,394,210</b>	<b>41,272,879</b>	<b>8,898,544</b>	<b>(1,303,450)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 3,920,548</b>	<b>\$ 66,791</b>	<b>\$ 366,189</b>	<b>\$ (70,755)</b>	<b>\$ (1,454,867)</b>	<b>\$ 3,808,066</b>	<b>\$ 6,768,216</b>	<b>\$ 28,944,781</b>	<b>\$ (10,959,431)</b>	<b>\$ (10,970,363)</b>
<b>Ratio of Debt Service Expenditures to Noncapital Expenditures</b>	<b>6.25%</b>	<b>6.63%</b>	<b>7.80%</b>	<b>7.76%</b>	<b>7.29%</b>	<b>6.90%</b>	<b>7.35%</b>	<b>7.79%</b>	<b>9.77%</b>	<b>10.88%</b>



**MISSOULA COUNTY, MONTANA**  
**Bureau of Census (BOC) Supplemental Schedule**  
**As of and for the Fiscal Year ended June 30, 2018**

**1. Intergovernmental expenditures:**

Purpose	Amount	
	Paid to local governments	Paid to state
Airports	\$ -	\$ -
Libraries	-	-
Health	-	-
Local Schools	-	-
Welfare	-	-
All other	-	-

**2. Salaries and wages:**

\$ 37,409,166

**3. Debt outstanding:**

**A. Long-term debt outstanding, issued and retired**

Purpose	Amount				
	Bonds outstanding July 1, 2017	Bonds during the Fiscal Year		Outstanding as of June 30, 2018	
		Issued	Retired	General Obligation	Revenue bonds
Water utility	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer	-	-	-	-	-
Electric utility	-	-	-	-	-
Gas utility	-	-	-	-	-
Industrial revenue	-	-	-	-	-
All other	84,963,356	1,517,158	(6,165,741)	80,314,773	-

**B. Short-term Debt**

Type	Beginning of fiscal year	End of fiscal year
Registered warrants payable	\$ -	\$ -
Contracts payable	-	-
Notes payable	-	-
Totals	\$ -	\$ -

**4. Cash balances of fund type groups:**

Type of funds	Amount
General fund	\$ 1,276,610
Special revenue funds	26,148,879
Debt service funds	8,876,318
Capital projects funds	7,312,096
Enterprise funds	2,564,919
Internal service funds	17,694,785
Trust and agency funds	188,547,876
Total	\$ 252,421,483

**MISSOULA COUNTY, MONTANA**  
**Property Tax Levies and Collections**  
**Governmental and Internal Service Fund Types**  
**Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy July 1 (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections in Subsequent Years (b)	Total Tax Collections	Ratio of Total Collections to Current Tax Levy
2009	30,749,059	27,634,375	89.87	3,111,018	30,745,393	99.99
2010	31,196,235	28,479,702	91.29	2,712,276	31,191,978	99.99
2011	31,830,035	29,145,942	91.57	2,681,817	31,827,759	99.99
2012	32,744,989	30,294,134	92.52	2,433,345	32,727,479	99.95
2013	34,533,181	27,842,307	80.62	6,659,631	34,501,938	99.91
2014	35,445,488	33,030,464	93.19	2,393,234	35,423,698	99.94
2015	37,687,953	36,080,484	95.73	1,570,688	37,651,172	99.90
2016	40,009,252	39,250,991	98.10	732,105	39,983,096	99.93
2017	44,858,412	43,531,497	97.04	1,297,661	44,829,158	99.93
2018	48,248,018	46,788,817	96.98	-	46,788,817	96.98

- (a) Represents actual amount billed as budgeted amount to be levied is generally more conservative and would result in more than 100% collections.
- (b) Excludes penalties and interest

**COMPARISON OF TOTAL TAX LEVY  
and Current Tax Collections**



**MISSOULA COUNTY, MONTANA**  
**Property Tax Assessments and Total County Direct Tax Rate**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Centrally Assessed</u>	<u>Personal Property</u>	<u>Mobile Homes</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2009	160,174,626	20,996,538	5,997,214	1,984,161	189,152,539	140.40
2010	162,702,385	20,051,998	6,319,728	1,781,174	190,855,285	140.60
2011	162,381,138	22,672,074	6,054,145	1,666,950	192,774,307	142.13
2012	162,368,539	24,902,349	5,715,293	1,574,935	194,561,116	142.47
2013	163,822,441	26,792,685	4,422,444	1,496,705	196,534,275	145.04
2014	170,789,996	20,950,785	4,917,936	1,469,707	198,128,424	150.32
2015	173,129,092	20,506,897	2,762,742	1,412,598	197,811,329	160.09
2016	174,782,665	22,112,660	3,267,218	1,213,737	201,376,280	167.96
2017	176,334,425	26,394,881	2,708,721	926,084	206,364,111	172.32
2018	192,786,506	21,800,927	3,620,446	1,114,774	219,322,653	174.44

Source: County Treasurers Office

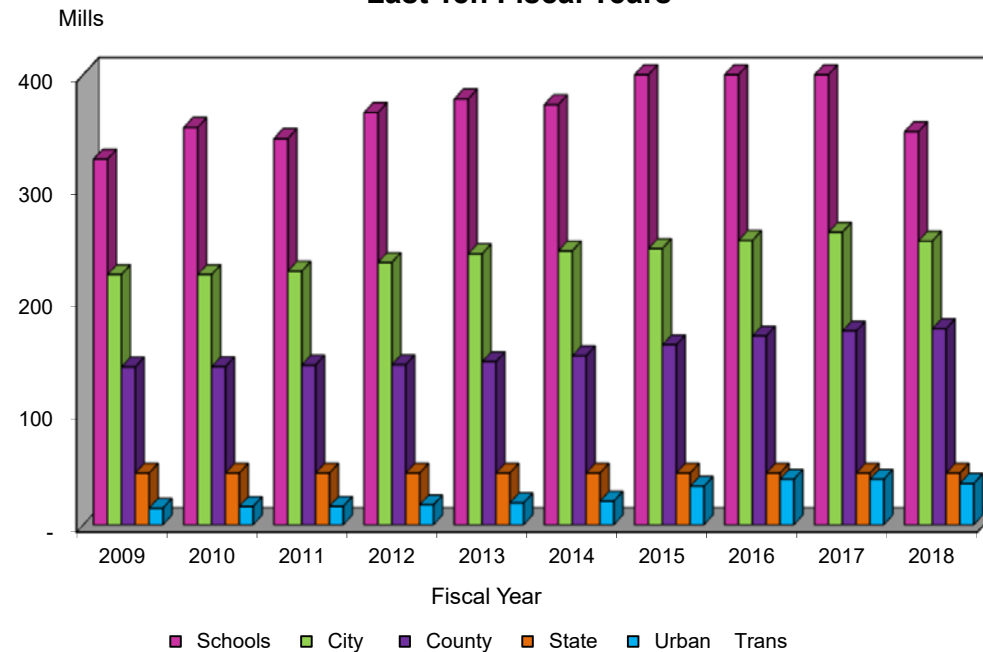
Note: Property in the County is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

**MISSOULA COUNTY, MONTANA**  
**Property Tax Levies by Mills - All Taxing Entities**  
**Last Ten Fiscal Years**

Fiscal Year	County	Schools	City	State	Urban Trans	Total
2009	140.40	324.98	222.45	46.00	14.86	748.69
2010	140.60	353.17	222.45	46.00	16.30	778.52
2011	142.13	343.25	225.56	46.00	16.45	773.39
2012	142.47	366.40	233.24	46.00	17.69	805.80
2013	145.04	378.44	240.90	46.00	19.51	829.89
2014	150.32	373.40	243.52	46.00	21.05	834.29
2015	160.09	400.22	245.62	46.00	34.26	886.19
2016	167.96	451.50	252.81	46.00	40.47	958.74
2017	172.32	531.54	260.08	46.00	40.47	1,050.41
2018	174.44	349.31	252.27	46.00	36.78	858.80

The property tax levy is limited to the amount of property taxes assessed in the prior year plus the value of newly taxable property plus one half of the average rate of inflation for the prior three years.

**TOTAL PROPERTY TAX LEVIES BY MILLS**  
**Last Ten Fiscal Years**

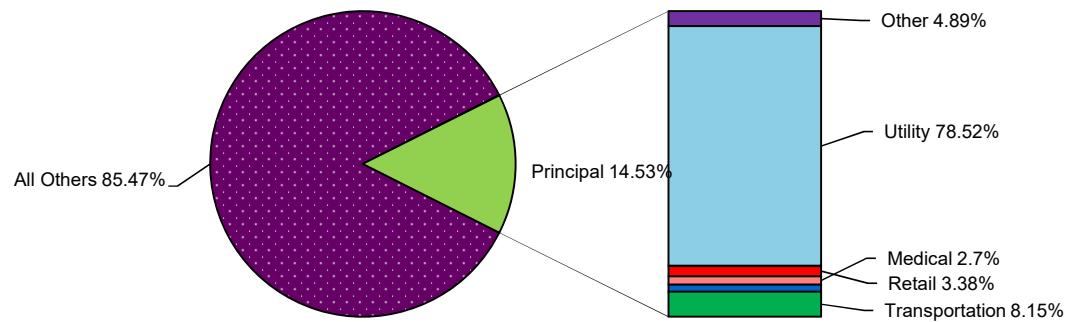


**MISSOULA COUNTY, MONTANA**  
**Principal Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	Type of Industry	2018				2009		
		Tax Dollars All Taxing Agencies	Taxable Value	% of Total Taxable Value		Taxable Value	% of Total Taxable Value	
Northwestern Energy	Utility	\$ 14,507,703	\$ 19,126,137	8.72	%	\$ 11,446,260	6.05	%
Montana Rail Link	Transportation	2,112,463	2,653,768	1.21		1,329,131	0.70	
Verizon Wireless	Utility	1,284,813	1,489,284	0.68		562,134	0.30	
CenturyLink Inc/Qwest Communications	Utility	1,249,099	1,382,511	0.63		3,106,832	1.64	
Charter Communications LLC	Utility	1,196,098	1,387,142	0.63		-	0.00	
Southgate Mall Associates	Retail	1,075,507	1,101,236	0.50		872,208	0.46	
Mountain Water Company	Utility	884,615	955,018	0.44		1,132,367	0.60	
Missoula Electric Cooperative	Utility	870,590	1,218,431	0.56		974,013	0.51	
RCHP Billings Missoula LLC	Medical	858,795	878,880	0.40		-	0.00	
Gateway Limited Partnership	Other	748,550	773,118	0.35		753,833	0.40	
Yellowstone Pipeline Co	Other	642,354	820,200	0.37		-	0.00	
Roseburg Forest Products Co	Forest Products	641,590	765,344	0.35		595,566	0.31	
		<u>\$ 26,072,177</u>	<u>\$ 32,551,069</u>	<u>14.84</u>	<u>%</u>	<u>\$ 20,772,344</u>	<u>10.98</u>	<u>%</u>
Total County Taxable Value:			<u>\$ 219,322,653</u>			<u>\$ 189,152,539</u>		

Source: Tax roll for fiscal year 2016

**PRINCIPAL TAXPAYERS BY TYPE**  
**June 30, 2018**



**\$ 219,322,653**

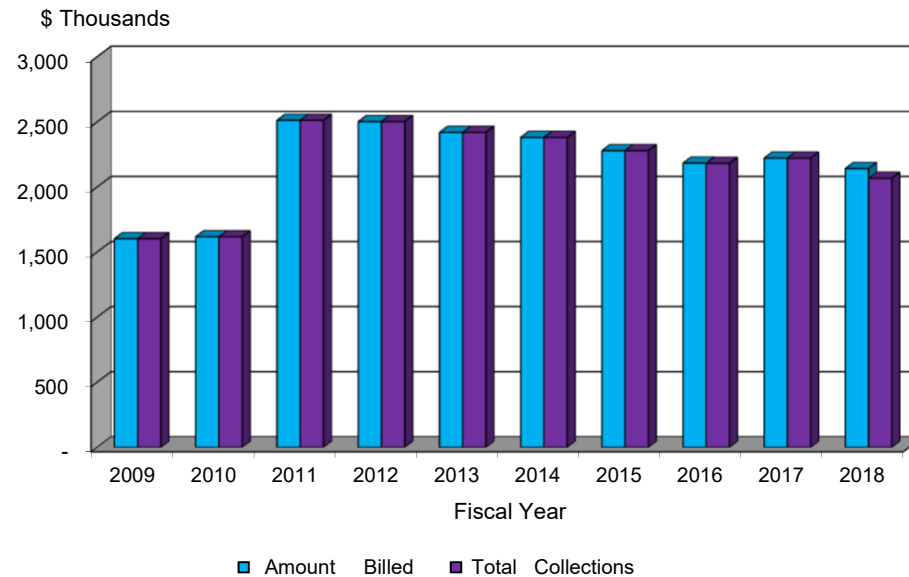
**\$ 32,551,069**

**MISSOULA COUNTY, MONTANA**  
**Special Assessments Billings and Collections**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Amount Billed</u>	<u>Current Collections</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent Collected through 6/30/2018</u>
2009	1,602,683	1,478,302	124,381	1,602,683	100.00%
2010	1,617,545	1,507,920	109,625	1,617,545	100.00%
2011	2,512,336	2,250,255	262,081	2,512,336	100.00%
2012	2,502,061	2,251,362	250,699	2,502,061	100.00%
2013	2,419,071	2,241,491	177,580	2,419,071	100.00%
2014	2,380,944	2,204,237	176,707	2,380,944	100.00%
2015	2,279,085	2,189,869	89,212	2,279,081	100.00%
2016	2,183,240	2,129,744	53,486	2,182,058	99.95%
2017	2,221,768	2,088,448	133,271	2,221,719	100.00%
2018	2,141,465	2,066,989	-	2,066,989	96.52%

Source: Missoula County Financial Services

**RSID BILLINGS AND COLLECTIONS**



**MISSOULA COUNTY, MONTANA**  
**Rural Special Improvement District Bonds**  
**Revolving Fund Cash Balance and Principal Amount of Bonds Secured**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Revolving Fund Cash Balance</u>	<u>Principal Amount of Bonds Outstanding</u>	<u>Cash as a % of Outstanding Bonds</u>
2009	346,501	6,930,020	5.00%
2010	766,263	15,267,731	5.02%
2011	778,322	14,859,078	5.24%
2012	812,489	13,932,402	5.83%
2013	700,859	12,924,542	5.42%
2014	735,442	12,105,990	6.08%
2015	767,579	11,317,130	6.78%
2016	695,954	10,552,270	6.60%
2017	710,738	9,775,410	7.27%
2018	728,151	8,974,550	8.11%

Source: Missoula County Financial Services

**MISSOULA COUNTY, MONTANA**  
**Computation of Legal Debt Margin**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Limit on Total Indebtedness:</b>										
Assessed Value	\$ 6,310,354	\$ 6,905,574	\$ 7,214,308	\$ 7,494,735	\$ 7,399,235	\$ 7,721,133	\$ 7,939,217	\$ 12,933,593	\$13,083,949	\$14,222,682
Debt Limit % of Value (1)	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>	<u>2.5%</u>
Debt Limit	157,759	172,639	180,358	187,368	184,981	193,028	198,480	323,340	327,099	355,567
Net Debt Applicable to Limit	<u>32,787</u>	<u>39,096</u>	<u>40,791</u>	<u>37,462</u>	<u>35,555</u>	<u>41,786</u>	<u>40,548</u>	<u>78,944</u>	<u>84,963</u>	<u>80,315</u>
Legal Debt Margin	<u>\$ 124,972</u>	<u>\$ 133,543</u>	<u>\$ 139,567</u>	<u>\$ 149,906</u>	<u>\$ 149,426</u>	<u>\$ 151,242</u>	<u>\$ 157,932</u>	<u>\$ 244,396</u>	<u>\$ 242,136</u>	<u>\$ 275,252</u>
Ratio of Net Debt Limit	<u>20.78%</u>	<u>22.65%</u>	<u>22.62%</u>	<u>19.99%</u>	<u>19.22%</u>	<u>21.65%</u>	<u>20.43%</u>	<u>24.42%</u>	<u>25.97%</u>	<u>22.59%</u>



**MISSOULA COUNTY, MONTANA**  
**Tax Exempt Debt Issued**  
**Last Ten Calendar Years**

<u>Calendar Year</u>	<u>TANs or RANs (1)</u>	<u>BANs (2)</u>	<u>RSIDs</u>	<u>General Obligation</u>	<u>Other</u>	<u>Total</u>
2009	-	-	142,000	-	2,000,000	2,142,000
2010	-	-	8,761,731	-	-	8,761,731
2011	-	-	165,202	3,325,000	1,060,000	4,550,202
2012	-	-	113,163	-	-	113,163
2013	-	-	-	6,540,000	2,870,000	9,410,000
2014	-	-	12,105,990	11,184,743	6,000,905	29,291,638
2015	-	-	11,317,130	9,592,245	7,041,844	27,951,219
2016	-	-	10,552,270	49,943,412	6,676,328	67,172,010
2017	-	-	9,775,410	54,354,192	9,418,362	73,547,964
2018	-	-	8,974,550	51,243,472	9,857,934	70,075,956

(1) Tax anticipation or Revenue anticipation notes

(2) Bond anticipation notes

**MISSOULA COUNTY, MONTANA**  
**Ratio of Net General Obligation Bonded Debt**  
**To Assessed Value and Net General Obligation Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population (b)</u>	<u>Taxable Value (a)</u>	<u>G.O. Bonded Debt</u>	<u>Less Amount Available In Debt Service</u>	<u>Net G.O. Bonded Debt</u>	<u>Ratio Net Debt to Taxable Value</u>	<u>Net Bonded Debt Per Capita</u>
2009	107,320	189,152,539	14,512,000	1,252,443	13,259,557	7.01	124
2010	108,623	190,855,285	13,372,000	1,309,645	12,062,355	6.32	111
2011	109,299	194,561,116	15,432,000	1,300,585	14,131,415	7.26	129
2012	110,138	192,774,307	14,102,000	1,308,782	12,793,218	6.64	116
2013	110,766	194,561,116	12,087,000	764,220	11,322,780	5.82	102
2014	110,243	196,534,275	11,184,743	1,301,122	9,883,621	5.03	90
2015	112,684	198,128,424	9,592,245	1,264,958	8,327,287	4.20	74
2016	114,181	201,376,280	49,943,412	1,261,600	48,681,812	24.17	426
2017	116,130	206,364,111	54,354,192	3,784,833	50,569,359	24.50	435
2018	117,441	219,322,653	51,243,472	4,252,295	46,991,177	21.43	400

Source:

- (a) Montana Department of Revenue
- (b) Montana Department of Commerce  
US Census Bureau

**MISSOULA COUNTY, MONTANA**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					Business-type Activities	Total Primary Government	Personal Income (a)	Percentage of Personal Income	Debt Per Capita
	General Obligation Debt	Limited Obligation Debt	Tax Increment Debt	Special Assessment Debt	Capital Leases and Contracts	Contracts				
2009	14,512,000	4,255,000	5,300,000	6,930,020	1,789,602	-	32,786,622	33,055	0.10%	302
2010	13,372,000	3,965,000	4,915,000	15,267,731	1,789,602	-	42,461,165	35,108	0.08%	388
2011	15,432,000	4,750,000	4,515,000	14,859,078	1,234,536	-	40,790,614	35,733	0.09%	370
2012	14,102,000	4,415,000	4,095,000	13,932,402	917,528	-	37,461,930	44,084	0.12%	338
2013	12,087,000	6,265,000	3,660,000	12,924,542	618,802	-	35,555,344	44,653	0.13%	323
2014	11,184,743	6,000,905	3,205,000	12,105,990	9,496,230	130,000	42,122,868	44,528	0.11%	374
2015	9,592,245	7,041,844	2,725,000	11,317,130	9,871,697	104,516	40,652,432	44,716	0.11%	356
2016	49,943,412	6,676,328	2,225,000	10,552,270	9,546,880	78,776	79,022,666	40,803	0.05%	692
2017	54,354,192	9,418,362	1,710,000	9,775,410	9,705,392	52,778	85,016,134	46,371	0.05%	732
2018	51,243,472	9,857,934	1,170,000	8,974,550	9,068,817	26,519	80,341,292	47,029	0.06%	684

Source:

(b) Preliminary data from U.S. Bureau of Economic Analysis (BEA)

**MISSOULA COUNTY, MONTANA**  
**Ratio of Annual Debt Service Requirements for**  
**General Obligation Bonded Debt to Total General Expenditures**  
**Last Ten Fiscal Years**

Fiscal Year	Debt Service Expenditures			General Expenditures	Ratio of Debt Service To General Expenditures
	Principal	Interest	Total Debt Service		
2009	2,607,106	1,199,852	3,806,958	68,973,792	5.52
2010	2,499,705	1,588,512	4,088,217	73,779,743	5.54
2011	2,855,235	1,654,795	4,510,030	70,505,719	6.40
2012	3,441,847	1,357,720	4,799,567	67,818,306	7.08
2013	3,430,163	1,222,019	4,652,182	72,965,633	6.38
2014	3,059,571	1,400,997	4,460,568	74,774,487	5.97
2015	3,804,264	1,301,569	5,105,833	79,290,553	6.44
2016	4,065,601	1,503,511	5,569,112	92,085,150	6.05
2017	4,222,873	3,141,710	7,364,583	102,765,988	7.17
2018	5,777,880	2,857,896	8,635,776	94,965,246	9.09

**MISSOULA COUNTY, MONTANA**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2018**

	<u>Gross Debt Outstanding</u>	<u>% Applicable to Missoula County</u>	<u>Amount Applicable to Missoula County</u>
Direct Debt			
General Obligation Debt	\$ 51,243,472	100.00%	\$ 51,243,472
Limited Obligation Debt	9,857,934	100.00%	9,857,934
Tax Increment Debt	1,170,000	100.00%	1,170,000
Special Assessment Bond Debt	3,010,000	100.00%	3,010,000
Special Assessment Loan Debt	5,964,550	100.00%	5,964,550
Capital Lease	6,795,506	100.00%	6,795,506
Contract Payable Debt	<u>2,273,311</u>	100.00%	<u>2,273,311</u>
	<u>80,314,773</u>		<u>80,314,773</u>
Overlapping Debt			
City of Missoula	6,315,000	55.51% *	3,505,732
School District 1	142,805,000	50.45% *	72,039,678
Other Schools	<u>42,644,533</u>	49.55% *	<u>21,131,992</u>
	<u>-</u>		<u>-</u>
Total of Direct and Overlapping Debt	<u>\$ 80,314,773</u>	100.00%	<u>\$ 80,314,773</u>

\* The percentage of overlapping debt applicable to Missoula County was estimated by taking the Taxable Value of each of the categories and/or entities issuing debt within Missoula County and then dividing it by the Total Taxable Value of the County.

Source: Missoula County  
Source: Department of Revenue  
Source: Superintendent of Schools

**MISSOULA COUNTY, MONTANA**  
**Major Employers**  
**Current Fiscal Year and Ten Years Ago**

	<b>2018</b>		<b>2009</b>	
<u>Employees</u>	<u>Employer</u>	<u>Business Activities</u>	<u>Employer</u>	<u>Business Activities</u>
Over 1000	Community Medical Center	Medical Services	Community Medical Center	Medical Services
	St. Patrick Hospital	Medical Services	Missoula County Public Schools	Education
			St. Patrick Hospital	Medical Services
			University of Montana	Education
500-999	County of Missoula	Government	County of Missoula	Government
	U.S. Forest Service	Government	DIRECTV	Communications
	Wal-Mart	Retail	Wal-Mart	Retail
	Opportunity Resources	Retail	U.S. Forest Service	Government
	City of Missoula	Government		
250-499	Albertsons	Retail	City of Missoula	Government
	Allegiance Benefits	Insurance Services	Village Health Care Center	Medical Services
	Good Food Store	Retail	Missoula International Airport	Air Travel
	Western MT Mental Health	Medical Services	Opportunity Resources	Production/Packaging
	Costco	Retail	Western Montana Clinic	Medical Services
	DIRECTV	Communications	Albertson's	Retail
	Western MT Mental Health	Medical Services	Smurfit-Stone Container Corp.	Paper Mill

Source: Montana Department of Labor & Industry

Due to confidentiality laws, no specific employment data can be provided for individual businesses.

**MISSOULA COUNTY, MONTANA**  
**Property Tax Levies in the MCA Industrial District**  
**Last Ten Fiscal Years**  
**For Airport Industrial Tax Increment District**

<u>Fiscal Year</u>	<u>MCA Industrial District</u>	<u>State of Montana</u>	<u>Missoula County</u>	<u>Missoula High School District No. 1</u>	<u>DeSmet School District No. 20</u>	<u>Countywide Schools</u>	<u>Missoula Rural Fire</u>	<u>Total</u>
2009	515.42	9.92	17.31	7.76	7.99	10.35	8.68	577.43
2010	549.05	9.14	13.86	6.01	8.19	8.22	7.39	601.86
2011	546.30	8.89	12.85	5.39	6.86	7.48	7.08	594.85
2012	571.00	8.85	12.74	5.45	8.62	7.20	6.99	620.85
2013	575.20	8.99	13.58	5.38	9.57	7.50	7.51	627.73
2014	561.19	8.97	13.86	5.36	7.44	7.76	7.60	612.18
2015	565.86	8.97	14.60	5.41	6.23	7.85	8.37	617.29
2016	582.01	8.96	15.21	5.55	6.71	7.72	8.33	634.49
2017	622.38	8.45	12.95	5.20	6.60	6.34	6.99	668.91
2018	640.76	8.45	12.98	6.30	7.02	6.23	6.75	688.49

**Major Taxpayers in the MCA Industrial District**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Value</u>
Missoula Ventures LLC	Lodging	\$ 155,658
FKF Real Estate LLC	Real Estate	154,482
EWR LLC (Sun Mountain Sports)	Sports Equipment	128,364
Lithia Real Estate Inc	Real Estate	112,986
Big Sky Brewing Co	Brewery	107,480
PLR LLC	Manufacturer	90,486
Sheridan Montana Ventures	Office/Warehouses	81,418
Homerun Properties LLC	Real Estate	58,069
Northwestern Energy	Utility	53,246
Carneal Steven D Trustee	Legal Services	48,727
Total		<u>\$ 990,916</u>

The taxable value of the property of these ten taxpayers represents approximately 34.3% of taxable value of taxable property in the District for tax year 2017.

**MISSOULA COUNTY, MONTANA**  
**Missoula Development Authority**  
**Taxable Value, Incremental Taxable Value & Tax Increment Revenue**  
**For Airport Industrial Tax Increment District**

<u>Fiscal Year</u>	<u>Taxable Value</u>	<u>Incremental Taxable Value</u>	<u>Anticipated Tax Increment to be Collected <sup>(1)</sup></u>	<u>Current Tax Collections <sup>(2)</sup></u>	<u>Total Tax Collections <sup>(3)</sup></u>
2009	1,801,900	1,625,295	928,742	716,762	928,742
2010	2,248,148	2,071,543	1,234,350	1,003,488	1,234,350
2011	2,443,922	2,267,317	1,335,110	1,027,148	1,335,110
2012	2,476,513	2,299,908	1,414,098	1,147,262	1,414,098
2013	2,359,923	2,183,318	1,342,413	1,289,902	1,342,413
2014	2,379,639	2,203,034	1,335,435	1,195,414	1,335,435
2015	2,376,862	2,200,257	1,395,600	1,223,475	1,395,600
2016	2,388,249	2,211,644	1,465,015	1,258,658	1,465,015
2017	2,533,283	2,356,678	1,560,333	1,512,735	1,560,333
2018	2,889,101	2,712,496	1,851,224	1,754,394	1,754,395

(1) The amount of Tax Increment to be collected if the current fiscal year's tax collections were to be paid in full, and no delinquent property taxes from prior fiscal years were paid in such fiscal year.

(2) The amount of Tax Increment actually collected from the levy of the current fiscal year's property taxes.

(3) The actual Tax Increment collections in the fiscal year, including current and delinquent property tax collections.



**MISSOULA COUNTY, MONTANA**  
**Missoula Development Authority**  
**Increment Bond Coverage**  
**For Airport Industrial Tax Increment District**  
**Maximum Principal & Interest in any 12 Month Period - \$528,400**

Sources of Coverage				
Fiscal Year	Tax Increment (1)	Port Authority Levy (2)	Total	Coverage (3)
2009	928,742	340,475	1,269,217	2.40
2010	1,234,350	343,540	1,577,890	2.99
2011	1,335,110	346,994	1,682,104	3.18
2012	1,414,098	350,210	1,764,308	3.34
2013	1,342,413	353,762	1,696,175	3.21
2014	1,335,435	356,631	1,692,066	3.20
2015	1,395,600	367,852	1,763,452	3.34
2016	1,465,015	375,069	1,840,084	3.48
2017	1,560,333	384,863	1,945,196	3.68
2018	1,851,224	414,684	2,265,908	4.29

- (1) Assumes increment taxes are collected in full  
(2) Assumes 90% current collection rate on 2-mill levy  
(3) Assuming only the Series 1997 Bonds are outstanding

**MISSOULA COUNTY, MONTANA**  
**Port Authority Tax Levy**  
**Last Ten Fiscal Years**

Tax Year	Taxable Value of County Property	Potential Revenue from the Port Authority Levy (2 Mills)
2009	189,152,539	378,305
2010	190,855,285	381,711
2011	192,774,307	385,549
2012	194,561,116	389,122
2013	196,534,275	393,069
2014	198,128,424	396,257
2015	204,362,352	408,725
2016	208,371,685	416,743
2017	213,813,054	427,626
2018	230,380,269	460,761

**MISSOULA COUNTY, MONTANA**  
**Property Tax Levies**  
**Last Nine Fiscal Years**  
**For Technology Tax Increment District**

<u>Fiscal Year</u>	<u>MCA Industrial District</u>	<u>State of Montana</u>	<u>Missoula County</u>	<u>Missoula High School District No. 1</u>	<u>DeSmet School District No. 20</u>	<u>Countywide Schools</u>	<u>Missoula Rural Fire</u>	<u>Total</u>
2009	571.43	6.00	-	-	-	-	-	577.43
2010	595.86	6.00	-	-	-	-	-	601.86
2011	588.85	6.00	-	-	-	-	-	594.85
2012	600.67	6.00	-	-	-	-	-	606.67
2013	621.73	6.00	-	-	-	-	-	627.73
2014	606.18	6.00	-	-	-	-	-	612.18
2015	611.28	6.00	-	-	-	-	-	617.28
2016	628.49	6.00	-	-	-	-	-	634.49
2017	682.48	6.00	-	-	-	-	-	688.48

Note: Technology District was established in FY 2008.

**Major Taxpayers in the Technology Tax Increment District**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Value</u>
DirecTV Holdings LLC	Satellite Television	\$ 270,057
Direct TV LLC	Satellite Television	23,251
836 Technologies	Manufacturer	3,847
Mountain Water Co.	Utility	722
Missoula Electric Cooperative Inc.	Utility	311
IBM Credit LLC	Utility	256
Total		<u>\$ 298,444</u>

The taxable value of the property of these eight taxpayers represents 100% of taxable value of taxable property in the District for tax year 2016.

**MISSOULA COUNTY, MONTANA**  
**Taxable Value, Incremental Taxable Value & Tax Increment Revenue**  
**For Technology Tax Increment District**

<b>Fiscal Year</b>	<b>Taxable Value</b>	<b>Incremental Taxable Value</b>	<b>Anticipated Tax Increment to be Collected <sup>(1)</sup></b>	<b>Current Tax Collections <sup>(2)</sup></b>	<b>Total Tax Collections <sup>(3)</sup></b>
2009	264,094	264,094	150,911	150,911	150,911
2010	279,491	279,491	166,538	166,074	166,538
2011	282,535	282,535	166,371	169,710	166,371
2012	325,021	325,021	199,839	175,344	199,839
2013	318,055	318,055	195,556	182,325	195,556
2014	318,882	318,882	193,300	175,545	193,300
2015	311,886	311,886	202,009	104,117	202,009
2016	282,875	282,875	187,379	186,846	187,379
2017	269,083	269,083	197,839	178,157	197,839
2018	298,444	298,444	203,682	18,061	203,682

- (1) The amount of Tax Increment to be collected if the current fiscal year's tax collections were to be paid in full, and no delinquent property taxes from prior fiscal years were paid in such fiscal year.
- (2) The amount of Tax Increment actually collected from the levy of the current fiscal year's property taxes. Collection information for FY 2016 is not yet available.
- (3) The actual Tax Increment collections in the fiscal year, including current and delinquent property tax collections. Collection information for FY 2016 is not yet available.

Note: Technology District was established in FY 2008.

**MISSOULA COUNTY, MONTANA**  
**Increment Bond Coverage**  
**For Technology Tax Increment District**  
**Maximum Principal & Interest in any 12 Month Period - \$100,716**

Sources of Coverage				
Fiscal Year	Tax Increment (1)	Port Authority Levy (2)	Total	Coverage (4)
2009	\$ 150,911	\$ 340,475	\$ 491,386	4.88
2010	166,538	343,540	510,078	5.06
2011	166,371	346,994	513,365	5.10
2012	199,839	350,210	550,049	5.46
2013	195,556	353,762	549,318	5.45
2014	193,300	356,631	549,931	5.46
2015	202,009	367,852	569,861	5.66
2016	187,379	375,069	562,448	5.58
2017	197,839	384,863	582,702	5.79
2018	203,682	414,684	618,366	6.14

- (1) Assumes increment taxes are collected in full
- (2) Assumes 90% current collection rate on 2-mill levy
- (3) Assumes 5% return on Reserve Account of \$205,750
- (4) Assuming only the Series 1997 Bonds are outstanding

Note: Technology District was established in FY 2008.

**MISSOULA COUNTY, MONTANA**  
**Port Authority Tax Levy**  
**Last Ten Fiscal Years**

Tax Year	Taxable Value of County Property	Potential Revenue from the Port Authority Levy (2 Mills)
2009	\$ 189,152,539	\$ 378,305
2010	190,855,285	381,711
2011	192,774,307	385,549
2012	194,561,116	389,122
2013	196,534,275	393,069
2014	198,128,424	396,257
2015	204,362,352	408,725
2016	208,371,685	416,743
2017	213,813,054	427,626
2018	230,380,269	460,761

**MISSOULA COUNTY, MONTANA**  
**Demographic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Estimated Population (a)	Births (b)	Deaths (b)	Estimated Per Capita Income	Schools (c)		Employment Statistics (d)	
					Public School Enrollment	Private School Enrollment	Civilian Employment	Unemployment Rate
2009	107,320	1,647	936	33,587	13,082	1,088	54,500	6.1
2010	108,623	1,569	883	35,108	13,098	994	54,918	5.7
2011	109,299	1,669	1,045	35,733	13,090	992	54,288	6.9
2012	110,138	1,206	680	44,084	13,211	939	55,271	5.6
2013	110,766	1,659	1,031	44,653	13,364	1,023	53,910	5.4
2014	110,243	1,636	1,056	44,528	9,624	1,070	46,487	4.0
2015	112,684	1,745	1,128	44,716	13,259	1,028	61,554	3.6
2016	114,181	1,729	1,056	40,803	13,648	1,021	59,103	8.2
2017	116,130	1,735	1,212	46,371	13,806	1,071	59,862	3.4
2018	117,441	1,595	1,017	47,029	13,927	1,014	62,520	3.1

Source:

- (a) Montana Department of Commerce
- (b) Missoula County Clerk & Recorder
- (c) Missoula County Superintendent of Schools
- (d) Montana Department of Labor & Industry

**MISSOULA COUNTY, MONTANA**  
**Property Value, Construction and Bank Deposits**  
**Last Ten Fiscal Years**

Fiscal Year	Commercial and Savings Banks Deposits (b)	Property Value	Commercial Construction (c)		Residential Construction (c)		Total	
		Net Taxable (a)	Number of Units	Value	Number of Units	Value	Number of Units	Value
2008	N/A	\$ 184,460,260	15	\$ 17,130,289	383	\$ 31,265,863	398	\$ 48,396,152
2009	N/A	189,152,539	5	727,936	215	14,647,451	220	15,375,387
2010	N/A	190,855,285	8	10,145,391	202	15,195,777	210	25,341,168
2011	N/A	194,561,116	16	16,546,682	357	25,902,661	373	42,449,343
2012	N/A	192,774,307	6	896,202	474	33,549,246	480	34,445,448
2013	N/A	196,534,275	27	13,577,432	698	41,684,179	725	55,261,611
2014	N/A	198,128,424	327	30,075,786	272	38,315,934	599	68,391,720
2015	N/A	197,811,329	64	45,978,041	339	49,649,314	403	95,627,355
2016	N/A	201,376,280	113	35,278,667	383	40,363,537	496	75,642,204
2017	N/A	206,364,111	119	17,197,175	453	91,692,968	572	108,890,143
2018	N/A	219,322,653	114	67,257,414	431	62,170,909	545	129,428,323

Source:

- (a) Past annual Financial Reports and Annual Budget Reports.
- (b) Statistical Abstract of the United States - Missoula Economic Development Corp.
- (c) City of Missoula Building Inspection & Permit Department and Missoula County Public Works.
- (d) Commercial Banks only

**MISSOULA COUNTY, MONTANA**  
**Full-Time Equivalent County Government Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Government</b>											
Legislative	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Services	23.51	28.64	26.08	18.80	20.25	25.20	21.55	24.00	22.17	13.35	13.35
Judicial Services	13.00	13.00	14.00	14.00	14.00	14.00	14.00	13.50	14.00	14.00	14.00
Legal Services	31.39	31.39	32.39	32.29	34.00	32.00	32.50	34.00	37.00	38.00	38.00
Financial Services	10.50	10.83	10.50	10.00	10.60	10.60	10.60	11.60	11.60	11.80	11.80
Human Resources	6.00	6.00	6.00	5.00	5.50	5.50	5.50	6.00	7.20	7.20	7.20
Information Services	11.00	11.00	11.00	13.00	14.30	14.30	16.30	15.30	18.30	19.30	19.30
Treasurer/MV	21.65	21.65	20.65	18.22	20.00	18.76	19.76	19.46	20.70	20.70	20.70
911 Communications	32.29	32.29	32.29	31.25	31.05	31.35	31.35	30.22	32.85	32.85	32.85
Election Services	4.53	4.53	4.53	4.41	5.50	7.54	7.54	9.02	11.15	10.84	10.84
Records Administration	9.40	9.40	8.40	7.00	7.30	8.30	8.30	8.10	7.90	3.50	3.50
Internal Services	9.05	9.05	8.25	12.37	9.35	10.35	10.60	10.60	14.05	12.60	12.60
Facilities Administration	10.82	10.00	10.00	11.00	11.53	12.20	14.20	14.20	16.20	15.20	15.20
<b>District Court</b>											
Clerk of Court	17.00	17.00	17.00	16.00	17.00	17.00	17.00	18.20	18.20	18.00	18.00
<b>Public Safety</b>											
Law Enforcement Services	62.30	61.30	61.30	59.80	59.88	59.88	59.88	61.00	66.25	69.25	69.25
Detention Center	107.25	108.35	108.10	106.85	106.85	114.05	114.05	113.05	115.50	118.25	118.25
Court Support	1.17	1.25	2.13	2.13	2.13	2.13	2.13	2.13	2.13	0.13	1.00
Emergency Services	0.95	0.95	0.95	0.75	2.25	2.25	2.25	3.30	2.67	2.92	2.92
<b>Public Works</b>											
Road - Bridge	45.07	43.30	42.31	44.31	44.32	43.25	43.25	44.45	45.33	46.38	46.38
Building Code Division	9.00	8.00	5.00	5.35	4.60	5.35	5.35	5.85	6.35	7.35	7.35
Seeley Lake Refuse	1.75	1.75	2.25	2.23	2.48	2.20	2.10	2.20	0.25	0.25	0.25
Weed	5.25	5.05	5.25	6.02	6.15	7.70	7.45	7.40	7.40	7.65	7.65
<b>Public Health</b>											
Public Health Services	69.59	70.15	67.95	66.27	68.48	70.20	70.20	74.08	73.23	74.24	74.24
Partnership Health Clinic	44.45	49.75	50.50	82.88	94.95	127.50	127.52	151.73	156.98	186.15	186.15
Animal Control	9.00	9.00	9.30	9.15	9.87	9.45	9.45	10.11	10.11	11.35	11.35
<b>Culture &amp; Recreation</b>											
Parks & Recreations Services	1.03	1.35	1.23	1.23	1.73	1.90	1.90	3.40	4.38	4.38	4.38
Library	33.12	36.25	36.65	40.13	40.88	41.57	41.57	39.47	39.44	40.94	40.94
Museum	5.07	5.72	5.72	5.35	5.47	6.05	6.05	6.05	6.05	6.50	6.50
Fair	3.25	3.25	4.00	8.24	5.75	4.75	4.75	5.00	6.00	6.70	6.70
<b>Social &amp; Economics</b>											
County Extension	5.70	5.70	5.55	5.25	4.80	4.55	5.05	4.30	4.55	4.80	4.80
Planning & Grants	64.16	61.11	61.24	62.81	61.96	38.84	38.85	39.65	40.13	35.21	35.21
	671.24	680.01	673.52	705.09	725.93	751.72	754.00	790.37	821.07	842.78	843.66

**MISSOULA COUNTY, MONTANA**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Government</b>											
Registered Voters (June)	57,215	80,346	78,366	76,757	83,355	83,326	86,295	73,501	76,799	84,366	86,397
Property Transactions:											
Deeds Recorded	4,233	3,765	3,629	3,862	4,087	4,049	4,118	4,330	4,437	4,706	4,852
Subdivision Plats Filed	87	78	51	43	28	36	41	51	39	38	37
Certificates of Survey	132	94	49	56	58	39	48	41	59	63	64
Motor Vehicle Title Transfers	34,481	31,009	30,961	31,419	31,910	32,305	33,118	35,000	37,064	33,441	33,972
Motor Vehicle Registrations	89,218	92,046	84,547	95,321	82,170	78,497	78,448	72,945	75,725	75,323	75,246
Payroll Payments Processed	20,722	20,860	20,828	20,828	20,995	20,926	21,650	22,342	23,580	24,627	24,785
Claims Payments Processed	20,462	18,966	27,365	27,365	23,579	18,844	22,587	21,374	21,988	23,296	23,897
911 Emergency Communications											
Law Enforcement	93,430	82,574	83,054	84,751	86,322	79,651	77,642	72,472	72,590	97,453	96,542
Fire & Medical dispatched to Fire Dept	10,387	9,725	9,297	11,759	10,336	10,904	11,666	12,472	12,471	13,275	13,332
Medical-Ambulance	8,959	8,221	8,280	8,340	8,931	9,365	9,592	9,246	9,261	10,647	10,528
Other	13,600	13,425	13,269	9,034	4,769	5,049	1,847	2,930	2,936	10,429	10,463
<b>Criminal Justice Activities</b>											
Justice Court Civil Caseload	5,256	5,841	5,558	5,171	6,247	7,910	8,256	3,850	3,457	3,831	3,850
Justice Court Criminal Caseload	18,768	18,372	8,905	6,557	4,994	2,366	3,607	10,092	7,925	7,376	7,436
Clerk of District Court:											
Marriage Licenses Issued	883	444	782	838	810	840	825	933	896	910	923
Adoptions	87	72	60	86	78	44	87	72	52	71	61
Civil Case	1,551	1,724	1,629	1,629	1,531	1,527	1,442	1,316	1,237	1,234	1,312
Criminal Cases	614	664	631	610	635	645	671	688	681	738	742
All Other Open Cases	1,807	2,138	2,285	2,216	2,310	2,522	2,493	2,821	2,826	2,735	2,652
<b>Public Safety</b>											
Detention Center:											
Daily Occupancy (392 available beds)	305	312	298	283	322	234	348	352	372	378	376

Sources:

Missoula County Elections Office  
Missoula County Clerk & Recorder  
Missoula County Treasurer

Missoula County Justice Court  
Missoula County District Court



**MISSOULA COUNTY, MONTANA**  
**Capital Assets by Function/Program**  
**Last Ten Fiscal Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Government</b>											
Election tabulator	1	1	1	1	1	1	1	1	3	3	3
M100 Precinct counters	88	88	88	88	88	88	88	88	88	88	88
Touch screen handicap voting devices	39	39	39	39	39	39	39	39	39	39	39
<b>Criminal Justice</b>											
Court Rooms - District Court	4	4	4	4	4	4	4	4	4	4	4
Court Rooms - Justice Court	2	2	2	2	2	2	2	2	2	2	2
<b>Public Safety</b>											
Station	1	1	1	1	1	1	1	1	1	1	1
Detention Center	1	1	1	1	1	1	1	1	1	1	1
Patrol Units	42	48	37	37	38	46	48	55	66	36	38
Patrol Snowmobiles/ATVs/Boats/Trailers	-	-	-	-	-	-	-	-	-	14	14
Detectives Vehicles	15	16	16	16	17	17	17	9	11	16	16
Administration Vehicles	-	-	-	-	-	-	-	-	-	11	11
Detention Vehicles	20	21	27	27	20	20	28	19	21	20	20
Maintenance Vehicles	-	-	-	-	-	-	-	-	-	5	5
Search & Rescue Vehicles	6	6	7	7	2	2	2	8	9	4	4
Search & Rescue Snowmobiles/ATVs	9	12	11	11	11	14	14	9	10	13	14
Search & Rescue Boats	2	2	2	2	3	3	3	4	4	2	2
Search & Rescue Flatbed Trailers	2	2	19	19	5	5	5	6	8	10	10
<b>Public Works</b>											
Shops	2	2	3	3	3	3	3	3	3	3	3
Single Axel Trucks	21	21	15	15	15	15	15	15	18	18	18
Tandem Axel Trucks	17	17	18	18	19	19	19	19	19	20	20
Snow Plows (attachments)	30	30	35	31	30	28	30	30	32	30	32
Sanders (attachments)	24	24	26	24	25	23	23	23	23	25	25
Sweepers	8	8	8	8	6	5	5	4	5	4	4
Graders	14	14	6	6	6	6	6	6	6	6	6
<b>Public Health</b>											
Animal Control Vehicles	5	5	5	5	11	10	10	11	5	6	7
<b>Culture and Recreation</b>											
Fairgrounds	1	1	1	1	1	1	1	1	1	1	1
Museums	1	1	1	1	1	1	1	1	1	1	1
Parks	100	100	100	100	100	100	100	100	90	90	90

Data for years prior to 2006 is not available

Sources:

Missoula County Elections Office  
Missoula County Public Safety Department  
Missoula County Road Department

Missoula County Animal Control Office  
Missoula County Animal Control Office  
Missoula County Parks Department

**MISSOULA COUNTY, MONTANA**  
**Miscellaneous Statistical Data**  
**June 30, 2018**

<b>County Seat</b>	Missoula, MT		<u>Population</u>	<u>Median age</u>
		Year 1940	29,038	N/A
<b>Established as a County</b>	1860	Year 1950	35,493	N/A
		Year 1960	44,663	26.2
<b>Form of Government</b>	Commission	Year 1970	58,263	24.4
		Year 1980	76,016	27.6
<b>Commission Government Established</b>	1865	Year 1990	78,687	31.6
		Year 2000	95,802	33.2
<b>Area in square miles</b>	2,624	Year 2010	108,623	34.4
<b>Registered voters</b>	84,366			

**Total County Government**

**Employees:**

	<u>Part-time</u>	<u>Full-time</u>
Officials & Managers	3	85
Professionals	30	63
Technical	7	21
Protective services	9	219
Paraprofessionals	40	43
Administrative Support	156	228
Skilled Craft	6	48
Service & Maintenance	8	15
	<u>259</u>	<u>722</u>

**Police protection**

	<u>City Police</u>	<u>County Sheriff</u>
Stations	1	1
Officers	88	53
Detention Facility		1
Detention Officers		98

**Fire protection**

	<u>City Fire</u>	<u>Missoula Rural Fire</u>
Stations	5	5
Full-time employees	95	40
Volunteers	-	35
Fire hydrants	1,442	220
Fire vehicles	17	21

**Miles of Rural Roads**

There are approximately 1,500 miles of rural roads open to the Public within Missoula County

**Note:** There are 9 other Fire Districts with approximately 180 regular a volunteer firefighters in outlying areas of Missoula County.

**MISSOULA COUNTY, MONTANA**  
**Miscellaneous Statistical Data (Continued)**  
**June 30, 2018**

**Educational Facilities**

Public Schools 2016-2017		
Type	Number	Enrolled
Elementary (District 1)	12	5,255
Elementary (Other Districts)	12	4,479
High Schools (MCHS)	4	3,674
High Schools (Other Dist)	1	398
Private Schools 2016-2017		
Type	Number	Enrolled
Elementary	11	827
High School	4	244
Home School	158	254
Special Education: Programs within school districts and community services.		

**Health Care Facilities**

Hospitals	2
Beds	364
Clinics	36
Nursing Homes	8
Beds	800
Assisted Living Facilities	20
Physicians	275
Chiropractors	47
Dentists	55
Medical Therapists	130
Registered and Practical Nurses	1,053

Sources:

Missoula County Election Office  
Missoula County Sheriff's Department  
Missoula County Road Department  
Missoula City-County Library

Missoula County Personnel Department  
Missoula County Superintendent of Schools  
Missoula Economic Development Corporation  
Missoula Chamber of Commerce

**Community Facilities**

Public libraries:	
Branch facilities	7
Volumes	251,626
Audios	25,684
Videos	22,609
Other	225,443
Protestant	84
Catholic	6
Other	16
Restaurants	432
Hotels/motels	70
Rooms	3,255
Shopping Centers	12
Indoor Shopping Mall (105 stores)	1
Day Care Centers	52

**Recreation and Cultural**

Swimming Pools	Private - 5	Public - 4
Golf Courses	Private - 2	7
Health Clubs		16
Tennis Courts		30
Bowling Centers		2
Parks		90
Movie Theaters	4 Theaters	16 Screens
Ski Areas		1
Theatrical Playhouses		8
Museums		11
Art Galleries		24
Symphonies/orchestras		4

# SINGLE AUDIT SECTION

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**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis**  
**For the Year Ended June 30, 2018**  
**(Page 1 of 3)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>	<u>Total Passed Through to Subrecipients</u>	<u>Notes/Loans Balance</u>
<b>OFFICE OF NATIONAL DRUG CONTROL POLICY:</b>						
Passed Through City of Missoula:						
High Intensity Drug Trafficking Area	95.001	G18RM0037A/G17RM0037A	N/A	\$ 76,535	\$ -	\$ -
Total Office of National Drug Control Policy				76,535	-	-
<b>DEPARTMENT OF AGRICULTURE:</b>						
Passed Through State Department of Public Health:						
Women/Infants/Children 17-18	10.557	17-07-5-21-014-0	478,028	141,918	-	-
Women/Infants/Children 18-19	10.557	18-07-5-21-014-0	495,212	346,344	-	-
WIC Breastfeeding Support Services 17-18	10.557	17-07-5-21-014-0	32,500	9,270	-	-
WIC Breastfeeding Support Services 18-19	10.557	18-07-5-21-014-0	32,093	25,698	-	-
WIC Farmers Market Program 18	10.557	18-07-5-21-085-0	1,820	1,820	-	-
Subtotal Women/Infants/Children Grants				525,050	-	-
Passed Through the State Department of Administration:						
Forest Reserve Receipts	10.665	N/A		387,635	-	-
Direct Program:						
Forest Service Weed Grant	10.680	17-PA-11011000-036	45,000	14,000	-	-
Total Department of Agriculture				926,685	-	-
<b>DEPARTMENT OF TRANSPORTATION:</b>						
Passed Through State Department of Transportation:						
Federal Bridge Program - South Ave Bridge	20.205	BR 9032(65) UPN 6296	1,226,334	18,125	-	-
Subtotal Highway Planning and Transportation Grants				18,125	-	-
DOT Occupant Protection 17-18	20.600	CTS-109137	35,000	11,855	-	-
DOT Occupant Protection 18-19	20.600	CTS-109584	35,000	22,216	-	-
Subtotal Highway Safety Cluster				34,071	-	-
Alcohol Impaired Driving Countermeasures	20.608	109110	12,800	7,002	-	-
Alcohol Impaired Driving Countermeasures	20.608	109555	15,750	10,803	-	-
Subtotal Alcohol Impaired Driving Countermeasures				17,805	-	-
Total Department of Transportation				70,001	-	-

-

**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis (Continued)**  
**For the Year Ended June 30, 2018**  
**(Page 2 of 3)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>	<u>Total Passed Through to Subrecipients</u>	<u>Notes/Loans Balance</u>
<b>DEPARTMENT OF JUSTICE:</b>						
Direct Programs:						
OVW Rural Domestic Violence	16.589	2015-WR-AX-0013	625,000	283,311	125,105	-
OVW Encourage Arrest	16.590	2014-WE-AX-0010	236,106	5,051	2,294	-
OVW Encourage Arrest	16.590	2017-WE-AX-0021	499,986	66,379	11,109	-
Subtotal Encourage Arrest				71,430	13,403	-
Passed Through State Department of Justice:						
Crime Victim Advocate Program	16.575	16-V88-92078	507,992	237,130	-	-
Crime Victim Advocate Program-Tech Grant	16.888	18-V44-92305	12,888	12,888	-	-
JUST Response Program	16.833	17-W04-92088	53,250	53,250	-	-
West Central Drug Task Force	16.738	16-G01-92163	119,607	83,725	-	-
Total Department of Justice				<b>741,734</b>	<b>138,508</b>	-
<b>DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT:</b>						
Direct Programs:						
Ada's Place 2	14.235	MT005018T001500	156,204	19,521	18,463	-
Ada's Place 2	14.235	MT005018T001601	130,230	129,815	124,311	-
Ada's Place Affordable Housing	14.235	MT0042L8T001502	171,385	72,726	70,420	-
Ada's Place Affordable Housing	14.235	MT0042L8T001603	171,385	154,407	148,646	-
Subtotal Supportive Housing Program				376,469	361,840	-
Passed Through State Department of Commerce:						
CDBG - Community Resources	14.228	N/A	N/A	211,885	-	410,817
CDBG - Revolving Fund Loan	14.228	N/A	N/A	10,500	-	74,569
CDBG-Buena Vista Wastewater	14.228	MT-CDBG-16PF-07	373,770	49,331	-	-
Subtotal Community Development Block Grants - State Program				271,716	-	485,386
Total Department of Housing & Urban Development				<b>648,185</b>	361,840	485,386
<b>ENVIRONMENTAL PROTECTION AGENCY:</b>						
Passed Through State Department Environmental Quality:						
Air Contract 18	66.001	518007	2,000	2,000	-	-
Air Pollution 18	66.001	518006	63,332	63,332	-	-
Subtotal Air Pollution Control Program Support				65,332	-	-
Passed through MT Department of Natural Resources and Conservation						
Drinking Water State Revolving Fund	66.468	WRF-19419	705,000	29,152	-	214,000
Clean Water State Revolving Fund	66.458	SRF-19444	599,000	35,619	-	5,714,000
Total Environmental Protection Agency				<b>130,103</b>	-	5,928,000

**MISSOULA COUNTY, MONTANA**  
**Schedule of Expenditures of Federal Awards-Cash Basis (Continued)**  
**For the Year Ended June 30, 2018**  
**(Page 3 of 3)**

<u>Program/Grantor Agency and Program Title</u>	<u>CFDA Number</u>	<u>State Contract Number</u>	<u>Grant Award</u>	<u>Federal Disbursements</u>	<u>Total Passed Through to Subrecipients</u>	<u>Notes/Loans Balance</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>						
Passed Through State Department of Military Affairs:						
FEMA Fuel Reduction Project	97.039	DR-4127-MT,HMGP P-7-R	112,500	60,939	-	-
Passed through State DES:						
Emergency Management Performance Grant 1718	97.042	EMD-2017-EP-00003	100,000	100,000	-	-
Total Department of Homeland Security				<b>160,939</b>	-	-
<b>DEPARTMENT OF EDUCATION</b>						
Passed Through State Department of Public Health & Human Services:						
Pre-School Development	84.419A	1702PROS0276	10,000	4,570	-	-
Pre-School Development	84.419A	1802PROS0276	10,000	4,757	-	-
Subtotal Emergency Management Performance Grants				9,327	-	-
Total Department of Education				<b>9,327</b>	-	-
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES:</b>						
Direct Programs:						
Drug Free Communities	93.276	13SP19831-03	123,461	38,184	-	-
Drug Free Communities	93.276	13SP19831-04	123,461	95,040	-	-
Subtotal Drug Free Schools				133,224	-	-
Passed Through State Department of Public Health & Human Services:						
Healthy MT Families	93.870	17-07-5-41-179-0	350,931	208,811	-	-
Public Health Emergency Preparedness 18	93.074	18-07-6-11-035-0	113,631	113,632	-	-
Infant Immunization Program 17-18	93.268	17-07-4-31-130-0	67,549	45,033	-	-
CDC-Cancer Prevention and Control Programs	93.898	18-07-3-01-142-0	277,120	104,622	61,826	-
CDC-Organized Approaches to Increase Colorectal Cancer Screening	93.800	18-07-3-01-142-0	45,459	17,162	10,141	-
CDC-Welfare Reform Research, Evaluations and National Studies	93.959	18-07-3-01-142-0	144,096	54,401	32,148	-
MT Cardiovascular Disease and Diabetes Prevention	93.991	18-07-3-01-083-0	28,000	28,000	-	-
Refugee Assistance	93.566	18-12-1-01-003-0	11,750	5,460	-	-
MCH Block Grant 18	93.994	18-07-5-01-032-0	118,837	118,837	-	-
Title IV-E Child Abuse & Neglect	93.658	20123LEGL0004	71,894	71,894	-	-
Title IV-E Child Abuse & Neglect (Paralegal Services)	93.658	20133LEGL30001	42,126	42,126	-	-
Subtotal Child Abuse and Neglect				114,020	-	-
Total Department of Health & Human Services				<b>943,202</b>	-	-
Total Federal Financial Assistance				<b>\$ 3,706,711</b>	<b>\$ 604,463</b>	<b>\$ 6,413,386</b>



## MISSOULA COUNTY, MONTANA

### Notes to Schedule of Expenditures of Federal Awards - Cash Basis For the Year Ended June 30, 2018

#### Note 1 - Basis of Presentation

The accompanying schedule is presented on the basis of cash disbursements. Accordingly, federal expenditures are recognized when a warrant is issued rather than when the obligation is incurred.

#### Note 2 - Indirect Cost Rate

The County does not use an indirect cost rate; therefore, they have not elected to use the 10% de minimis indirect cost rate.

#### Note 3 - Loans Receivable

The Department of Housing and Urban Development-Community Development Block Grant programs had the following loans receivable in the revolving loan fund at June 30, 2018:

##### Missoula Children's Theatre

0%, \$24,500 due annually from June 2003 through June 2017	\$ 4,084
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##### Pyramid Mountain Lumber

4%, varying amounts from January 2013 thru December 2020	131,684
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##### Pyramid Mountain Lumber

4%, \$914 due monthly from January 2013 through December 2020	26,882
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##### Homewood

3%, \$337 due monthly from January 2013 through February 2028 with balance due March 2028	70,485
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##### Western Cider

5%, \$21,637 due annually through October 2026	150,755
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##### Free Cycle

4%, \$22,956 due annually through April 2037	101,496
--	---------

#### Note 4 - Notes Payable

The County had the following notes payable to the State Revolving Fund Loan program (CFDA# 66.458) at June 30, 2018:

\$649,936, issued September 2002, 4% due in varying amounts through July 2023	184,000
\$4,498,121, issued July 2003, 3.75% due in varying amounts through July 2024	1,075,000
\$281,199, issued April 2005, 3.75% due in varying amounts through July 2020	30,000
\$359,300, issued December 2009, 1.75% due in varying amounts through July 2029	231,000
\$3,735,000, issued December 2009, 3.75% due in varying amounts through July 2029	1,853,000
\$3,410,125, issued August 2009, 3.75% due in varying amounts through July 2029	2,341,000

The County had the following notes payable to the State Revolving Fund Loan program (CFDA# 66.468) at June 30, 2018:

\$291,000, issued November 1998, 4% due in varying amounts through July 2019	23,000
\$142,000, issued November 2008, 3.75% due in varying amounts through July 2029	94,000
\$165,000, issued September 2009, 0.75% due in varying amounts through July 2029	97,000

#### Note 5 - Subawards

The County passed-through federal awards to subrecipients during the year ended June 30, 2018 as follows:

- Ada's Place (CFDA # 14.235) passed-through \$219,066 to the YWCA.
- Ada's Place 2 (CFDA # 14.235) passed-through \$142,774 to the YWCA.
- Encourage Arrest (CFDA # 16.590) passed -through \$13,403 to the YWCA and First Step.
- Rural Domestic Violence Program (CFDA # 16.589) passed-through \$125,105 to the YWCA, Mineral County, the University of Montana, Seeley Lake School District # 34, and Montana Legal Services.
- Cancer Prevention & Control Program (CFDA # 93.898) passed-through \$61,826 to Mineral County, Ravalli County, and Partnership Health Center.
- Organized Approaches to Increase Colorectal Cancer Screening (CFDA # 93.800) passed-through \$10,141 to Mineral County, Ravalli County, and Partnership Health Center.
- Welfare Reform Research, Evaluations and National Studies (CFDA # 93.959) passed-through \$32,148 to Mineral County, Ravalli County, and Partnership Health Center.

#### Note 6 - Program Clusters

Under the Uniform Guidance, a cluster of programs is defined as Federal programs with different CFDA numbers that are closely related and share common compliance requirements. A cluster of programs is treated as one program for major program determination and testing. In 2018, the County did not have any program clusters with more than one program.

#### Note 7 - Schools and Roads - Grants to States

The accompanying schedule reports only the portion of the annual Schools and Roads - Grants to States (CFDA 10.665) award that is allocated to the County. The County received an additional \$193,817 that was allocated directly to area schools. Since the County has no oversight responsibilities, this amount is not included on this schedule.

***Nicole M. Noonan, CPA, P.C.***

*435 Little Mill Creek Road*

*St. Regis, Montana 59866*

*Phone and FAX: (406) 649-2436*

*Cell phone: (406) 239-4260*

*E-mail: noonanaccounting@hotmail.com*

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of County Commissioners  
Missoula County, Montana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Missoula County, Montana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Missoula County, Montana's basic financial statements, and have issued my report thereon dated July 22, 2019. My report includes a reference to other auditors who audited the financial statements of Missoula Aging Services, as described in my report on Missoula County, Montana's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Missoula County, Montana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Missoula County, Montana's internal control. Accordingly, I do not express an opinion on the effectiveness of Missoula County, Montana's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all

deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001 through 2018-005, that I consider to be material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Missoula County, Montana's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Missoula County, Montana's Response to Findings**

Missoula County, Montana's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. Missoula County, Montana's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Nicole M. Noonan, CPA, P.C.*

Nicole M. Noonan, CPA, P.C.  
St. Regis, Montana  
July 22, 2019

***Nicole M. Noonan, CPA, P.C.***

*435 Little Mill Creek Road*

*St. Regis, Montana 59866*

*Phone and FAX: (406) 649-2436*

*Cell phone: (406) 239-4260*

*E-mail: noonanaccounting@hotmail.com*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE

Board of County Commissioners  
Missoula County, Montana

**Report on Compliance for Each Major Federal Program**

I have audited Missoula County, Montana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Missoula County, Montana's major federal programs for the year ended June 30, 2018. Missoula County, Montana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Missoula County, Montana's basic financial statements include the operations of Missoula Aging Services and Partnership Health Center (both discretely presented component units), which expended \$1,445,563 and \$5,506,524, respectively, in federal awards which are not included in Missoula County, Montana's schedule of expenditures of federal awards for the year ended June 30, 2018. My audit, described below, did not include the operations of Missoula Aging Services and Partnership Health Center, because these component units obtained separate audits conducted in accordance with the Uniform Guidance.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

My responsibility is to express an opinion on compliance for each of Missoula County, Montana's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Missoula County, Montana's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Missoula County, Montana's compliance.

### ***Opinion on Each Major Federal Program***

In my opinion, Missoula County, Montana, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

### ***Report on Internal Control Over Compliance***

Management of Missoula County, Montana, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Missoula County, Montana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Missoula County, Montana's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance

requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Nicole M. Noonan, CPA, P.C.*

Nicole M. Noonan, CPA, P.C.

St. Regis, Montana

July 22, 2019



MISSOULA COUNTY, MONTANA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2018

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued on financial statements:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	Yes
Significant deficiencies identified not considered to be material weaknesses:	No
Noncompliance material to financial statement noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses:	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	No

MISSOULA COUNTY, MONTANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2018

Identification of major programs:

<u>CFDA#</u>	<u>Federal Program</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
10.665	Schools and Roads - Grants to States
16.589	Rural Domestic and Dating Violence, Sexual Assault, Stalking, and Child Abuse Enforcement Grants
14.235	Supportive Housing Program

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as a low-risk auditee? No

MISSOULA COUNTY, MONTANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2018

Section II - Financial Statement Findings

**2018-001 Accounts Payable (Material Weakness)**

*Criteria :* Accounts payable should be recorded when the related expenditure is incurred under generally accepted accounting principles.

*Condition :* Accounts payable at June 30, 2018 did not include four disbursement that were accounts payable. The General fund had an unrecorded accounts payable of \$56,207 for flood response, the Public Safety fund had two payables of \$208,876 for contracted services related to the detention center, and the Fort Missoula Regional Park Construction fund had an accounts payable of \$119,427 to the City of Missoula for expenditure reimbursement.

*Cause :* These disbursements were overlooked during preparation of the accounts payable listing.

*Effect :* Accounts payable and expenditures in the General, Public Safety, and Fort Missoula Regional Park Construction funds were understated by \$56,207, \$208,876, and \$119,427, respectively, at June 30, 2018.

*Context :* Reviewed \$4,202,387 in subsequent disbursements, noting \$384,510 in unrecorded accounts payable.

*Repeat Finding :* Yes

*Recommendations :* The County should consider training for the accounts payable clerk to identify accounts payable during the disbursement process. Specific review of significant claims paid in July, August, and September for accounts payable status by management should also be implemented.

*Views of Responsible Officials :* See page 271 for corrective action planned.

MISSOULA COUNTY, MONTANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2018

**2018-002 Schedule of Expenditures of Federal Awards (Material Weakness)**

*Criteria :* All federal programs should be included on the Schedule of Expenditures of Federal Awards (SEFA) and reported accurately.

*Condition :* During fiscal year 2018, the Forest Reserve Weed grant, the DNRC loan, and three Health Department grants under one agreement were not included on the SEFA. In addition, there were changes to the federal expenditures reported for five grants.

*Cause :* Programs were missed during SEFA preparation due to overreliance on department provided information without additional procedures to ensure adequacy. Grant activities are decentralized, so ensuring different departments report all federal grant activities is challenging.

*Effect :* Understatement of federal expenditures of \$67,322 on the SEFA. These errors in SEFA information create the potential for errors in major program determination and testing during the federal audit.

*Context :* Fiscal year 2018 was the second year the County Auditor prepared the SEFA. All three of the missing grants were new in fiscal year 2018. The net errors of \$67,322 were not material to the schedule.

*Repeat Finding :* Yes, finding 2017-002 in prior year.

*Recommendations :* A detailed review of grant contracts and inquiry of decentralized departments regarding federal programs should be implemented. Additional review of grant information compared to the general ledger receipts and disbursements should be implemented to ensure expenditures are properly reported on the SEFA.

*Views of Responsible Officials :* See page 271 for corrective action planned.

2018-003 **Supporting Documentation and Preparation of the Comprehensive Annual Financial Report (Material Weakness)**

*Criteria* : Internal controls over financial reporting should be designed to reduce the risk of material misstatement prior to auditor review. The issues noted indicate internal controls over financial reporting were not designed effectively with control deficiencies rising to the level of a material weakness.

*Condition* : During the course of the audit, the following issues were noted related to supporting documentation and preparation of the Comprehensive Annual Financial Report (CAFR): 1) several supporting schedules were inaccurate and needed revision as a result of audit procedures, including material changes to capital assets and risk management claims liability calculations; 2) the trial balances needed several revisions to agree to the supporting schedules, including classification and amount changes; 3) the County required a significant amount of assistance to properly prepare the CAFR in accordance with generally accepted accounting principles (GAAP), including note disclosures and government-wide financial statements.

*Cause* : There was turnover in County finance staff, which created a lack of knowledge in the financial reporting process. The County's financial reporting is complex, taking the cash basis general ledger information and converting it to the GAAP basis in a series of spreadsheets. Using this fairly manual process with the volume of information makes financial reporting a challenge.

*Effect* : Timeliness of supporting schedules and CAFR preparation was affected with the audit and CAFR issuance delayed.

*Context* : We understood that assistance in preparing supporting schedules and some CAFR information was to be expected with the change in staff. However, the extent of support required was not anticipated and required significant effort to ensure accurate financial reporting. Auditors are not part of internal controls, therefore, this indicated a lack of adequate internal controls over financial reporting.

*Repeat Finding* : No

*Recommendations* : The County should implement a review process for financial reporting, with supporting information prepared and then reviewed for reasonableness. Trial balances should then be prepared and agreed to supporting schedules. The CAFR should then be prepared based on this information. It may be necessary to obtain assistance from an outside consultant with knowledge of GAAP to ensure timely financial reporting.

*Views of Responsible Officials* : See page 272 for corrective action planned.

**2018-004 Larchmont Prior Year Depreciation (Material Weakness)**

*Criteria* : Annual depreciation taken on capital assets should be accurate based on the anticipated life of the asset.

*Condition* : For the irrigation system at Larchmont only two months of depreciation were taken each year instead of twelve months. Therefore, each year since construction, depreciation was understated by \$71,078.

*Cause*: The depreciation amount for every six months was incorrectly entered into the depreciation schedule and this error was not discovered until fiscal year 2018.

*Effect* : A prior period adjustment was recorded in fiscal year 2018, restating beginning net position by \$426,460 for the Larchmont fund.

*Context* : Capital assets and annual depreciation expense for Larchmont was \$2,495,415 and 164,455, respectively at June 30, 2018.

*Repeat Finding* : No

*Recommendations* : Review of Larchmont depreciation schedule should be performed by someone other than the preparer.

*Views of Responsible Officials* : See page 272 for corrective action planned.

### **2018-005 Cash Reconciliation (Material Weakness)**

*Criteria* : Cash reflected in the Employee Benefit Plan's QuickBooks account should reconcile to the bank statement balance. Any reconciling items should be researched and corrected in a timely manner.

*Condition, Cause, and Effect* : There were two conditions noted during the fiscal year 2018 review of the bank reconciliation, which were as follows:

A reconciling item was carried forward from January 2016 without correction. A reconciliation of the bank statement balance to QuickBooks balance determined that the reconciling item was an error in the amount transferred from the trust into the checking account and the amount recorded as claims expense in QuickBooks, in the amount of \$327,596. Due to this erroneous reconciling item, QuickBooks cash balance has been understated by \$327,596 since January 2016. In January 2016, claims expense was overstated by this amount and net position has been understated since this time. This error went uncorrected because management believed the error was a claims check run error and that the transfer into checking was accurate. The bank statement balance was reconciled to the claims system information with this item as an ongoing reconciling item. The bank statement balance was not reconciled to the QuickBooks cash balance. Generally, the claims system information should mirror the information entered into QuickBooks, but reconciling QuickBooks cash to the bank statement balance clarified that the reconciling item was an error that needed to be corrected.

In fiscal year 2018, deposits into the checking account that should have gone into the trust account were carried forward each month as reconciling items, instead of being corrected. The checking account balance increased significantly due to these deposits, resulting in a checking account balance well over FDIC insurance limit and the Plans excess funds not being invested. Management was unsure of how to correct the excess deposits so they carried them forward as reconciling items. To reduce the increasing checking account balance, transfers from the trust to cover check runs were not done. These amounts were also carried as reconciling items on the bank reconciliation. This created a confusing bank reconciliation with several large reconciling items that were being carried forward without correction.

*Context* : The error of \$327,596 is material to the Employee Benefit Plan's financial statements. The amount was 3% of claims expense in fiscal year 2016. The additional reconciling items noted in fiscal year 2018 were treated correctly in QuickBooks, so did not affect reported balances.

*Repeat Finding* : No

*Recommendations* : A reconciliation of QuickBooks cash to the bank statement balance should be performed each month. When reconciling items occur they should be researched and corrected in a timely manner. Generally, reconciling items should not carry forward for more than one month. If an item continues to carry forward it is likely an error and needs to be corrected.

*Views of Responsible Officials* : See page 273 for corrective action planned.

*Section III - Federal Awards Findings and Questioned Costs*

There are no matters to report under the Uniform Guidance.



***Nicole M. Noonan, CPA, P.C.***  
***435 Little Mill Creek Road***  
***St. Regis, Montana 59866***  
***Phone and FAX: (406) 649-2436***  
***Cell phone: (406) 239-4260***  
***E-mail: noonanaccounting@hotmail.com***

Board of County Commissioners  
Missoula County, Montana

REPORT ON PRIOR AUDIT REPORT RECOMMENDATIONS

The prior audit report contained two recommendations. The action taken on each recommendation is as follows:

<u>Number</u>	<u>Recommendation</u>	<u>Action Taken</u>
2017-001	Accounts Payable	Repeated
2017-002	Schedule of Expenditures of Federal Awards	Repeated

*Nicole M. Noonan, CPA, P.C.*

Nicole M. Noonan, CPA, P.C.  
St. Regis, Montana  
July 22, 2019

## **Summary Schedule of Prior Audit Findings**

The following summarizes the prior audit findings and corrective actions taken:

### **Finding 2017-001 - Accounts Payable-Not Implemented**

The County is working to correct this audit finding. Please see page 271 for the complete corrective action plan.

### **Finding 2017-002 – Schedule of Expenditures of Federal Awards-Not Implemented**

The county is working to correct this audit finding. Please see page 271 for the complete corrective action plan.

### Corrective Action Plan

In the audit schedule of findings for the year ended June 30, 2018, the auditors identified the following 5 items in the financial statements. The County's corrective action plan for each of these items is addressed below.

#### Finding 2018-001 - Accounts Payable (Material Weakness)

In addition to procedures already in place, the Financial Services department will train the accounts payable clerk to review disbursements on a regular basis and to appropriately identify accounts payable as part of this process. A review process will be put in place where schedules are reviewed by another staff person prior to compiling data into trial balances and or finalizing schedules.

Contact Person Responsible for the Corrective Action: Michelle Denman, Controller

Anticipated Completion Date of the Corrective Action: June 30, 2019

#### Finding 2018-002 – Schedule of Expenditures of Federal Awards (Material Weakness)

The Auditor's Office will make two changes to ensure that all federal awards are listed on the SEFA.

The County will update the Grants and the Schedule of Expenditures of Federal Awards policy, #2012-2, requiring departments to notify the Auditor's Office of any grants that are being applied for. Once a federal grant is approved, departments will be required to send the revenue and expenditure account codes that will be used for the grant to the Auditor's Office. Additionally, unique five number project codes will be required for every federal grant to improve tracking.

A copy of all grant agreements and budget amendments will be centrally stored in the Auditors Office's files. These will be pulled from the Administrative Meeting agendas, rather than from departments.

Contact Person Responsible for the Corrective Action: David Wall, County Auditor

Anticipated Completion Date of the Corrective Action: June 30, 2019

Finding 2018-003 – Supporting Documentation and Preparation of the Comprehensive Annual Financial Report (Material Weakness)

The Finance team will make changes to ensure all schedules, trial balances, and financial reporting will be completed timely and accurately. Schedules will be assigned to staff members for completion, to include staff to review prior to submission to the external auditor and inclusion in the CAFR. Each schedule will include a person assigned to complete the schedule and a separate person will be assigned to review. The schedules will be completed in SharePoint going forward to include verification of data input and a signoff by additional staff. SharePoint will allow for notification of when information is available and will also allow for versioning of the documents.

Contact Person Responsible for the Corrective Action: Michelle Denman, Controller

Anticipated Completion Date of the Corrective Action: June 30, 2019

Finding 2018-004 - Larchmont Prior Year Depreciation (Material Weakness)

Larchmont staff, along with the Finance team, will work in collaboration to compile the depreciation schedule for Larchmont. Prior to schedules being completed by Larchmont staff, the Missoula County Finance team will review all working papers to validate that the data entered on the schedules is accurate and reconciles to what is expected to be received.

Contact Person Responsible for the Corrective Action: Larchmont

Anticipated Completion Date of the Corrective Action: June 30, 2019

Finding 2018-005 - Cash Reconciliation (Material Weakness)

Missoula County Employee Benefits Plan historically has utilized the expertise of the Missoula County Director of Finance to assist in issues that arise in reconciliation of the Plan bank statements. The Plan did not obtain assistance from an individual or firm with accounting expertise when the former Director of Finance departed in the fall of 2018; thus, the issues with reconciliation persisted. The Plan has entered into an agreement with an accountant to assist in reconciling the current issue with the cash balance in QuickBooks and the bank statement balance. Additionally, the Plan has met with County Finance Department staff to discuss ways to improve processes to avoid future issues of this nature. Plan Administrator and staff have also been informed to notify County Finance Department staff when they are having issues with the Plan's accounting processes, so Finance staff can use their expertise to assist in correcting any issues with the Plan's accounting records.

Contact Person Responsible for the Corrective Action: Erica Grinde, Director of Risk and Benefits  
Anticipated Completion Date of the Corrective Action: June 30, 2019