

# **MONTGOMERY COUNTY MARYLAND**

## *Comprehensive Annual Financial Report*



*Fiscal Year 2004*

**July 1, 2003 - June 30, 2004**  
**Rockville, Maryland**

**Montgomery County, Maryland**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Fiscal Year Ended June 30, 2004**  
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## **SUPPLEMENTARY DATA**

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

#### Special Taxing Districts:

**RECREATION** - Accounts for the fiscal activity within the County-wide Recreation District.

**FIRE TAX DISTRICT** - Accounts for the fiscal activities related to providing fire and rescue services throughout the County. To a great extent, tax revenues are distributed to independent fire and rescue corporations that provide these services.

**MASS TRANSIT FACILITIES** - Accounts for the fiscal activities of planning, developing, and financing transit facilities within the County-wide Mass Transit District.

**URBAN DISTRICTS** - Bethesda; Silver Spring; Wheaton: Accounts for the fiscal activity related to the maintenance and enhancement of the business districts of these communities.

**NOISE ABATEMENT DISTRICTS** - Bradley and Cabin John: Accounts for the fiscal activity related to the accumulation of resources to pay debt service on bonds issued to finance the construction of noise abatement barriers along Interstate 495 (the "beltway").

#### Housing Activities:

**HOUSING INITIATIVE** - Accounts for the fiscal activity for financing, supplementing, and constructing affordable residential facilities for eligible participants.

**REHABILITATION LOAN** - Accounts for loans to homeowners of eligible income to finance rehabilitation required to make their homes conform to applicable Montgomery County Code requirements.

**NEW HOME WARRANTY SECURITY** - Accounts for the collections of warranty fees from builders and the payments of homeowner claims against builders.

**REVENUE STABILIZATION** - Accounts for the accumulation of resources during periods of economic growth and prosperity, when revenue collections exceed estimates. Funds may then be drawn upon during periods of economic slowdown, when collections fall short of revenue estimates.

**ECONOMIC DEVELOPMENT** - Accounts for the economic development programs of the County, comprised of loans and grants, which are designed to assist private employers who are located or plan to locate or substantially expand operations in the County.

**CABLE TV** - Accounts for the franchise fee and gross receipts revenues and the administration of cable television activities in the County.

**GRANTS** - Accounts for the Federal and State grant-funded activities of the tax-supported General Fund and special revenue funds.

Other:

**AGRICULTURAL TRANSFER TAX** - Accounts for agricultural transfer tax revenues to be used for an approved agricultural land preservation program.

**RESTRICTED DONATIONS** - Accounts for donations and contributions received by the County that are restricted for use in specific County programs.

**DRUG ENFORCEMENT FORFEITURES** - Accounts for the fiscal activity of cash and other property forfeited to the County during drug enforcement operations. These resources are used for law enforcement and public education programs.

**WATER QUALITY PROTECTION** - Accounts for the fiscal activity relating to maintenance of certain storm water management facilities.

**Permanent Fund**

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

**HOC TREASURY BONDS** - Accounts for bond purchases and interest used to fund Housing Opportunities Commission activities, where the principal must be preserved intact.

**MAJOR GOVERNMENTAL FUNDS**

This section also includes budget-to-actual schedules for the following major government funds:

**DEBT SERVICE**  
**CAPITAL PROJECTS**



MONTGOMERY COUNTY, MARYLAND  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2004

**Exhibit B-1**

	Special Revenue Funds			
	Special Taxing Districts	Housing Activities	Revenue Stabilization	Economic Development
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 18,058,821	\$ 5,753,275	\$ 95,941,399	\$ 7,966,913
Cash	6,925	-	-	-
Investments	-	-	-	-
Receivables:				
Taxes	7,196,248	-	-	-
Accounts	387,157	-	-	-
Notes	-	-	-	2,271,342
Mortgages	-	58,388,291	-	-
Interest	-	-	-	-
Other	66,208	-	-	-
Due from other funds	1,781,767	-	-	-
Due from component units	-	20,788,254	-	-
Due from other governments	22,005,740	-	-	-
Prepays	289,115	-	-	-
Total Assets	<u>\$ 49,791,981</u>	<u>\$ 84,929,820</u>	<u>\$ 95,941,399</u>	<u>\$ 10,238,255</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 5,866,623	\$ 260,295	\$ -	\$ -
Accrued liabilities	6,192,111	12,342	-	3,605
Deposits	35,581	-	-	-
Due to other funds	11,666,953	3,227	-	656
Due to component units	19,448	461,214	-	-
Due to other governments	72,578	-	-	-
Deferred revenue	8,561,760	2,213,404	-	-
Total Liabilities	<u>32,415,054</u>	<u>2,950,482</u>	<u>-</u>	<u>4,261</u>
Fund Balances:				
Reserved for:				
Encumbrances	8,433,007	350,102	-	-
Long-term receivables	82,359	76,963,141	-	2,271,342
Prepays	289,115	-	-	-
Fire-Rescue Grant	1,410,346	-	-	-
Donor-specified purposes	-	-	-	-
Other purposes	-	-	-	-
Total Reserved	<u>10,214,827</u>	<u>77,313,243</u>	<u>-</u>	<u>2,271,342</u>
Unreserved:				
Designated for next year's budget	2,962,310	4,166,095	-	7,962,652
Designated for transfers to Capital Projects Fund	1,036,000	500,000	-	-
Undesignated	3,163,790	-	95,941,399	-
Total Unreserved	<u>7,162,100</u>	<u>4,666,095</u>	<u>95,941,399</u>	<u>7,962,652</u>
Total Fund Balances	<u>17,376,927</u>	<u>81,979,338</u>	<u>95,941,399</u>	<u>10,233,994</u>
Total Liabilities and Fund Balances	<u>\$ 49,791,981</u>	<u>\$ 84,929,820</u>	<u>\$ 95,941,399</u>	<u>\$ 10,238,255</u>

<b>Cable TV</b>	<b>Grants</b>	<b>Other</b>	<b>Total</b>	<b>Permanent Fund HOC Treasury Bonds</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 3,058,101	\$ 559,007	\$ 11,991,180	\$ 143,328,696	\$ 557,687	\$ 143,886,383
-	-	25,000	31,925	-	31,925
-	-	-	-	6,548,890	6,548,890
-	-	-	7,196,248	-	7,196,248
2,999,618	248,750	14,332	3,649,857	-	3,649,857
-	2,026,778	-	4,298,120	-	4,298,120
-	23,461,853	-	81,850,144	-	81,850,144
-	-	-	-	105,227	105,227
-	-	-	66,208	-	66,208
-	-	450	1,782,217	-	1,782,217
-	5,213,497	-	26,001,751	46,074	26,047,825
-	16,720,747	-	38,726,487	-	38,726,487
170,833	5,962	-	465,910	-	465,910
<u>\$ 6,228,552</u>	<u>\$ 48,236,594</u>	<u>\$ 12,030,962</u>	<u>\$ 307,397,563</u>	<u>\$ 7,257,878</u>	<u>\$ 314,655,441</u>
\$ 485,105	\$ 5,026,415	\$ 211,821	\$ 11,850,259	\$ -	\$ 11,850,259
29,498	964,766	29,191	7,231,513	-	7,231,513
134,566	-	-	170,147	-	170,147
6,594	212,066	8,125	11,897,621	-	11,897,621
-	2,370,767	-	2,851,429	-	2,851,429
28,292	8,708,728	201,553	9,011,151	-	9,011,151
98,652	30,953,852	14,332	41,842,000	151,301	41,993,301
<u>782,707</u>	<u>48,236,594</u>	<u>465,022</u>	<u>84,854,120</u>	<u>151,301</u>	<u>85,005,421</u>
1,546,148	-	233,654	10,562,911	-	10,562,911
-	-	-	79,316,842	-	79,316,842
170,833	-	-	459,948	-	459,948
-	-	-	1,410,346	-	1,410,346
-	-	1,164,750	1,164,750	-	1,164,750
-	-	-	-	7,106,577	7,106,577
<u>1,716,981</u>	<u>-</u>	<u>1,398,404</u>	<u>92,914,797</u>	<u>7,106,577</u>	<u>100,021,374</u>
-	-	1,908,050	16,999,107	-	16,999,107
2,419,130	-	2,171,333	6,126,463	-	6,126,463
1,309,734	-	6,088,153	106,503,076	-	106,503,076
<u>3,728,864</u>	<u>-</u>	<u>10,167,536</u>	<u>129,628,646</u>	<u>-</u>	<u>129,628,646</u>
5,445,845	-	11,565,940	222,543,443	7,106,577	229,650,020
<u>\$ 6,228,552</u>	<u>\$ 48,236,594</u>	<u>\$ 12,030,962</u>	<u>\$ 307,397,563</u>	<u>\$ 7,257,878</u>	<u>\$ 314,655,441</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-2**

	Special Revenue Funds			
	Special Taxing Districts	Housing Activities	Revenue Stabilization	Economic Development
<b>REVENUES</b>				
Taxes	\$ 179,074,049	\$ -	\$ -	\$ -
Licenses and permits	1,783,217	-	-	-
Intergovernmental	26,426,251	2,950,386	-	-
Charges for services	19,909,130	1,000	-	-
Fines and forfeitures	675,942	-	-	-
Investment income	691,442	178,565	1,083,101	87,182
Miscellaneous	409,821	54,996	-	370,363
Total Revenues	<u>228,969,852</u>	<u>3,184,947</u>	<u>1,083,101</u>	<u>457,545</u>
<b>EXPENDITURES</b>				
General government	4,641,917	-	-	421,672
Public safety	120,139,345	4,398,827	-	-
Public works and transportation	76,181,991	-	-	-
Health and human services	-	-	-	-
Culture and recreation	20,690,118	-	-	-
Community development and housing	-	-	-	-
Environment	-	-	-	-
Total Expenditures	<u>221,653,371</u>	<u>4,398,827</u>	<u>-</u>	<u>421,672</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>7,316,481</u>	<u>(1,213,880)</u>	<u>1,083,101</u>	<u>35,873</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	9,903,660	12,394,890	8,784,047	6,375,000
Transfers (out)	(21,339,220)	(62,827)	(1,083,101)	(176,450)
Sale of property	-	2,293,737	-	-
Financing under notes payable	-	870,000	-	-
Total Other Financing Sources (Uses)	<u>(11,435,560)</u>	<u>15,495,800</u>	<u>7,700,946</u>	<u>6,198,550</u>
Net Change in Fund Balances	<u>(4,119,079)</u>	<u>14,281,920</u>	<u>8,784,047</u>	<u>6,234,423</u>
Fund Balances - Beginning of Year	<u>21,496,006</u>	<u>67,697,418</u>	<u>87,157,352</u>	<u>3,999,571</u>
Fund Balances - End of Year	<u>\$ 17,376,927</u>	<u>\$ 81,979,338</u>	<u>\$ 95,941,399</u>	<u>\$ 10,233,994</u>

<b>Cable TV</b>	<b>Grants</b>	<b>Other</b>	<b>Total</b>	<b>Permanent Fund HOC Treasury Bonds</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ 2,582,400	\$ 181,656,449	\$ -	\$ 181,656,449
-	-	-	1,783,217	-	1,783,217
-	72,355,858	98,978	101,831,473	-	101,831,473
12,066,167	-	2,982,914	34,959,211	-	34,959,211
-	-	487,574	1,163,516	-	1,163,516
73,034	322,464	143,184	2,578,972	13,000	2,591,972
3,765	649,709	507,398	1,996,052	-	1,996,052
<u>12,142,966</u>	<u>73,328,031</u>	<u>6,802,448</u>	<u>325,968,890</u>	<u>13,000</u>	<u>325,981,890</u>
-	5,170,073	996,193	11,229,855	-	11,229,855
-	6,188,801	566,434	131,293,407	-	131,293,407
-	9,273,758	-	85,455,749	-	85,455,749
-	48,366,822	-	48,366,822	-	48,366,822
6,917,248	226,030	-	27,833,396	-	27,833,396
-	4,438,084	-	4,438,084	601,193	5,039,277
-	29,061	2,369,308	2,398,369	-	2,398,369
<u>6,917,248</u>	<u>73,692,629</u>	<u>3,931,935</u>	<u>311,015,682</u>	<u>601,193</u>	<u>311,616,875</u>
<u>5,225,718</u>	<u>(364,598)</u>	<u>2,870,513</u>	<u>14,953,208</u>	<u>(588,193)</u>	<u>14,365,015</u>
-	895,473	-	38,353,070	-	38,353,070
(7,172,294)	(530,875)	(2,005,103)	(32,369,870)	-	(32,369,870)
-	-	-	2,293,737	-	2,293,737
-	-	-	870,000	-	870,000
<u>(7,172,294)</u>	<u>364,598</u>	<u>(2,005,103)</u>	<u>9,146,937</u>	<u>-</u>	<u>9,146,937</u>
<u>(1,946,576)</u>	<u>-</u>	<u>865,410</u>	<u>24,100,145</u>	<u>(588,193)</u>	<u>23,511,952</u>
<u>7,392,421</u>	<u>-</u>	<u>10,700,530</u>	<u>198,443,298</u>	<u>7,694,770</u>	<u>206,138,068</u>
<u>\$ 5,445,845</u>	<u>\$ -</u>	<u>\$ 11,565,940</u>	<u>\$ 222,543,443</u>	<u>\$ 7,106,577</u>	<u>\$ 229,650,020</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL TAXING DISTRICTS  
 JUNE 30, 2004  
**Exhibit B-3**

	Recreation	Fire Tax District	Mass Transit Facilities	Urban Districts	Noise Abatement Districts	Total
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 3,099,576	\$ 13,807,754	\$ 12,237	\$ 1,123,856	\$ 15,398	\$ 18,058,821
Cash	3,675	-	3,250	-	-	6,925
Receivables:						
Taxes	703,186	4,496,378	1,885,057	111,627	-	7,196,248
Accounts	-	16,151	281,340	89,666	-	387,157
Other	66,208	-	-	-	-	66,208
Due from other funds	-	430,541	1,327,226	24,000	-	1,781,767
Due from other governments	-	935,444	21,070,296	-	-	22,005,740
Prepays	22,132	219,119	47,864	-	-	289,115
Total Assets	<u>\$ 3,894,777</u>	<u>\$ 19,905,387</u>	<u>\$ 24,627,270</u>	<u>\$ 1,349,149</u>	<u>\$ 15,398</u>	<u>\$ 49,791,981</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 177,739	\$ 234,353	\$ 5,413,341	\$ 41,190	\$ -	\$ 5,866,623
Accrued liabilities	884,792	3,857,925	1,378,197	71,197	-	6,192,111
Deposits	35,581	-	-	-	-	35,581
Due to other funds	119,750	1,474,389	10,038,406	34,408	-	11,666,953
Due to component units	17,812	-	-	1,636	-	19,448
Due to other governments	29,226	-	43,352	-	-	72,578
Deferred revenue	699,205	5,403,854	2,281,039	177,662	-	8,561,760
Total Liabilities	<u>1,964,105</u>	<u>10,970,521</u>	<u>19,154,335</u>	<u>326,093</u>	<u>-</u>	<u>32,415,054</u>
Fund Balances:						
Reserved for:						
Encumbrances	102,214	2,211,397	5,667,596	451,800	-	8,433,007
Long-term receivables	66,208	16,151	-	-	-	82,359
Prepays	22,132	219,119	47,864	-	-	289,115
Fire-Rescue Grant	-	1,410,346	-	-	-	1,410,346
Total Reserved	<u>190,554</u>	<u>3,857,013</u>	<u>5,715,460</u>	<u>451,800</u>	<u>-</u>	<u>10,214,827</u>
Unreserved:						
Designated for next year's budget	-	2,788,910	-	173,400	-	2,962,310
Designated for transfers to Capital Projects Fund	-	1,036,000	-	-	-	1,036,000
Undesignated	1,740,118	1,252,943	(242,525)	397,856	15,398	3,163,790
Total Unreserved	<u>1,740,118</u>	<u>5,077,853</u>	<u>(242,525)</u>	<u>571,256</u>	<u>15,398</u>	<u>7,162,100</u>
Total Fund Balances	<u>1,930,672</u>	<u>8,934,866</u>	<u>5,472,935</u>	<u>1,023,056</u>	<u>15,398</u>	<u>17,376,927</u>
Total Liabilities and Fund Balances	<u>\$ 3,894,777</u>	<u>\$ 19,905,387</u>	<u>\$ 24,627,270</u>	<u>\$ 1,349,149</u>	<u>\$ 15,398</u>	<u>\$ 49,791,981</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL TAXING DISTRICTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**Exhibit B-4**

	Recreation	Fire Tax District	Mass Transit Facilities	Urban Districts	Noise Abatement Districts	Total
<b>REVENUES</b>						
Taxes	\$ 18,730,407	\$ 116,107,934	\$ 43,281,625	\$ 908,661	\$ 45,422	\$ 179,074,049
Licenses and permits	-	1,501,111	282,106	-	-	1,783,217
Intergovernmental	1,177	3,866,728	22,558,346	-	-	26,426,251
Charges for services	7,258,167	59,794	12,415,188	175,981	-	19,909,130
Fines and forfeitures	75	15,000	660,867	-	-	675,942
Investment income	96,345	443,918	139,141	11,643	395	691,442
Miscellaneous	67,370	22,844	318,297	1,310	-	409,821
Total Revenues	<u>26,153,541</u>	<u>122,017,329</u>	<u>79,655,570</u>	<u>1,097,595</u>	<u>45,817</u>	<u>228,969,852</u>
<b>EXPENDITURES</b>						
General government	-	-	-	4,641,917	-	4,641,917
Public safety	-	120,139,345	-	-	-	120,139,345
Public works and transportation	-	-	76,181,991	-	-	76,181,991
Culture and recreation	20,690,118	-	-	-	-	20,690,118
Total Expenditures	<u>20,690,118</u>	<u>120,139,345</u>	<u>76,181,991</u>	<u>4,641,917</u>	<u>-</u>	<u>221,653,371</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>5,463,423</u>	<u>1,877,984</u>	<u>3,473,579</u>	<u>(3,544,322)</u>	<u>45,817</u>	<u>7,316,481</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	1,077,916	-	4,868,924	3,956,820	-	9,903,660
Transfers (out)	<u>(6,943,186)</u>	<u>(2,822,480)</u>	<u>(11,288,068)</u>	<u>(239,963)</u>	<u>(45,523)</u>	<u>(21,339,220)</u>
Total Other Financing Sources (Uses)	<u>(5,865,270)</u>	<u>(2,822,480)</u>	<u>(6,419,144)</u>	<u>3,716,857</u>	<u>(45,523)</u>	<u>(11,435,560)</u>
Net Change in Fund Balances	<u>(401,847)</u>	<u>(944,496)</u>	<u>(2,945,565)</u>	<u>172,535</u>	<u>294</u>	<u>(4,119,079)</u>
Fund Balances - Beginning of Year	<u>2,332,519</u>	<u>9,879,362</u>	<u>8,418,500</u>	<u>850,521</u>	<u>15,104</u>	<u>21,496,006</u>
Fund Balances - End of Year	<u>\$ 1,930,672</u>	<u>\$ 8,934,866</u>	<u>\$ 5,472,935</u>	<u>\$ 1,023,056</u>	<u>\$ 15,398</u>	<u>\$ 17,376,927</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - HOUSING ACTIVITIES  
 JUNE 30, 2004  
**Exhibit B-5**

	<b>Housing Initiative</b>	<b>Rehabilitation Loan</b>	<b>New Home Warranty Security</b>	<b>Totals</b>
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 4,182,758	\$ 1,427,677	\$ 142,840	\$ 5,753,275
Mortgages receivable	56,020,036	2,368,255	-	58,388,291
Due from component units	20,788,254	-	-	20,788,254
Total Assets	<u>\$ 80,991,048</u>	<u>\$ 3,795,932</u>	<u>\$ 142,840</u>	<u>\$ 84,929,820</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 258,091	\$ 2,204	\$ -	\$ 260,295
Accrued liabilities	12,342	-	-	12,342
Due to other funds	3,227	-	-	3,227
Due to component units	461,214	-	-	461,214
Deferred revenue	2,213,404	-	-	2,213,404
Total Liabilities	<u>2,948,278</u>	<u>2,204</u>	<u>-</u>	<u>2,950,482</u>
Fund Balances:				
Reserved for:				
Encumbrances	350,102	-	-	350,102
Long-term receivables	74,594,886	2,368,255	-	76,963,141
Total Reserved	<u>74,944,988</u>	<u>2,368,255</u>	<u>-</u>	<u>77,313,243</u>
Unreserved:				
Designated for next year's budget	2,597,782	1,425,473	142,840	4,166,095
Designated for transfers to Capital Projects Fund	500,000	-	-	500,000
Total Unreserved	<u>3,097,782</u>	<u>1,425,473</u>	<u>142,840</u>	<u>4,666,095</u>
Total Fund Balances	<u>78,042,770</u>	<u>3,793,728</u>	<u>142,840</u>	<u>81,979,338</u>
Total Liabilities and Fund Balances	<u>\$ 80,991,048</u>	<u>\$ 3,795,932</u>	<u>\$ 142,840</u>	<u>\$ 84,929,820</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - HOUSING ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**Exhibit B-6**

	Housing Initiative	Rehabilitation Loan	New Home Warranty Security	Totals
<b>REVENUES</b>				
Intergovernmental	\$ 2,950,386	\$ -	\$ -	\$ 2,950,386
Charges for services	-	-	1,000	1,000
Investment income	102,833	73,988	1,744	178,565
Miscellaneous	54,996	-	-	54,996
Total Revenues	<u>3,108,215</u>	<u>73,988</u>	<u>2,744</u>	<u>3,184,947</u>
<b>EXPENDITURES</b>				
Public safety	4,392,691	6,136	-	4,398,827
Total Expenditures	<u>4,392,691</u>	<u>6,136</u>	<u>-</u>	<u>4,398,827</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,284,476)</u>	<u>67,852</u>	<u>2,744</u>	<u>(1,213,880)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	12,394,890	-	-	12,394,890
Transfers (out)	(62,827)	-	-	(62,827)
Sale of property	2,293,737	-	-	2,293,737
Financing under notes payable	870,000	-	-	870,000
Total Other Financing Sources (Uses)	<u>15,495,800</u>	<u>-</u>	<u>-</u>	<u>15,495,800</u>
Net Change in Fund Balances	14,211,324	67,852	2,744	14,281,920
Fund Balances - Beginning of Year	63,831,446	3,725,876	140,096	67,697,418
Fund Balances - End of Year	<u>\$ 78,042,770</u>	<u>\$ 3,793,728</u>	<u>\$ 142,840</u>	<u>\$ 81,979,338</u>



MONTGOMERY COUNTY, MARYLAND  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - OTHER  
 JUNE 30, 2004  
**Exhibit B-7**

	Agricultural Transfer Tax	Drug Enforcement Forfeitures	Water Quality Protection	Restricted Donations	Totals
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 7,869,905	\$ 1,176,499	\$ 1,770,860	\$ 1,173,916	\$ 11,991,180
Cash	-	25,000	-	-	25,000
Receivables:					
Accounts	-	-	14,332	-	14,332
Due from other funds	-	-	450	-	450
Total Assets	<u>\$ 7,869,905</u>	<u>\$ 1,201,499</u>	<u>\$ 1,785,642</u>	<u>\$ 1,173,916</u>	<u>\$ 12,030,962</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ -	\$ 12,808	\$ 189,847	\$ 9,166	\$ 211,821
Accrued liabilities	-	-	29,191	-	29,191
Due to other funds	-	-	8,125	-	8,125
Due to other governments	201,553	-	-	-	201,553
Deferred revenue	-	-	14,332	-	14,332
Total Liabilities	<u>201,553</u>	<u>12,808</u>	<u>241,495</u>	<u>9,166</u>	<u>465,022</u>
Fund Balances:					
Reserved for:					
Encumbrances	-	7,555	226,099	-	233,654
Donor-specified purposes	-	-	-	1,164,750	1,164,750
Total Reserved	<u>-</u>	<u>7,555</u>	<u>226,099</u>	<u>1,164,750</u>	<u>1,398,404</u>
Unreserved:					
Designated for next year's budget	-	1,181,136	726,914	-	1,908,050
Designated for transfers to Capital Projects Fund	1,580,199	-	591,134	-	2,171,333
Undesignated	6,088,153	-	-	-	6,088,153
Total Unreserved	<u>7,668,352</u>	<u>1,181,136</u>	<u>1,318,048</u>	<u>-</u>	<u>10,167,536</u>
Total Fund Balances	<u>7,668,352</u>	<u>1,188,691</u>	<u>1,544,147</u>	<u>1,164,750</u>	<u>11,565,940</u>
Total Liabilities and Fund Balances	<u>\$ 7,869,905</u>	<u>\$ 1,201,499</u>	<u>\$ 1,785,642</u>	<u>\$ 1,173,916</u>	<u>\$ 12,030,962</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - OTHER  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-8**

	Agricultural Transfer Tax	Drug Enforcement Forfeitures	Water Quality Protection	Restricted Donations	Totals
<b>REVENUES</b>					
Taxes	\$ 2,582,400	\$ -	\$ -	\$ -	\$ 2,582,400
Intergovernmental	-	8,881	14,056	76,041	98,978
Charges for services	-	-	2,982,914	-	2,982,914
Fines and forfeitures	-	487,574	-	-	487,574
Investment income	94,292	15,571	30,802	2,519	143,184
Miscellaneous - contributions	-	-	-	507,398	507,398
Total Revenues	<u>2,676,692</u>	<u>512,026</u>	<u>3,027,772</u>	<u>585,958</u>	<u>6,802,448</u>
<b>EXPENDITURES</b>					
General government	645,600	-	-	350,593	996,193
Public safety	-	550,301	-	16,133	566,434
Environment	-	-	2,369,308	-	2,369,308
Total Expenditures	<u>645,600</u>	<u>550,301</u>	<u>2,369,308</u>	<u>366,726</u>	<u>3,931,935</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>2,031,092</u>	<u>(38,275)</u>	<u>658,464</u>	<u>219,232</u>	<u>2,870,513</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	<u>(1,652,341)</u>	<u>(11,189)</u>	<u>(316,993)</u>	<u>(24,580)</u>	<u>(2,005,103)</u>
Total Other Financing Sources (Uses)	<u>(1,652,341)</u>	<u>(11,189)</u>	<u>(316,993)</u>	<u>(24,580)</u>	<u>(2,005,103)</u>
Net Change in Fund Balances	378,751	(49,464)	341,471	194,652	865,410
Fund Balances - Beginning of Year	7,289,601	1,238,155	1,202,676	970,098	10,700,530
Fund Balances - End of Year	<u>\$ 7,668,352</u>	<u>\$ 1,188,691</u>	<u>\$ 1,544,147</u>	<u>\$ 1,164,750</u>	<u>\$ 11,565,940</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
Exhibit B-9

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Charges for Services - Special street assessments	\$ -	\$ 39,010	\$ 39,010	\$ 3,745	\$ (35,265)
Investment Income:					
Pooled investment income	-	1,000,000	1,000,000	515,058	(484,942)
Other interest income	-	550,000	550,000	1,472,434	922,434
Total Investment Income	-	1,550,000	1,550,000	1,987,492	437,492
Miscellaneous	-	125,000	125,000	-	(125,000)
Total Revenues	-	1,714,010	1,714,010	1,991,237	277,227
Expenditures:					
Operating:					
Principal and Interest for General Obligation Bonds:					
General county	-	19,999,596	19,999,596	19,586,319	413,277
Roads and storm drainage	-	46,661,800	46,661,800	46,642,173	19,627
Parks and recreation	-	5,241,680	5,241,680	5,215,712	25,968
Public schools	-	84,181,060	84,181,060	83,881,739	299,321
Community college	-	4,946,560	4,946,560	4,845,285	101,275
Public housing	-	312,550	312,550	312,550	-
Recreation	-	3,547,973	3,547,973	3,547,968	5
Fire and rescue	-	2,265,890	2,265,890	2,256,102	9,788
Mass transit	-	3,150,750	3,150,750	3,140,136	10,614
Bradley noise abatement district	-	35,115	35,115	35,112	3
Cabin John noise abatement district	-	10,415	10,415	10,411	4
Issuing costs	-	874,470	874,470	638,521	235,949
Bond anticipation note interest	-	1,362,990	1,362,990	1,317,433	45,557
Principal and interest on long-term equipment notes	-	246,281	246,281	246,281	-
Principal and interest on long-term note	-	110,360	110,360	110,360	-
Long-term leases:					
General Fund	-	18,873,715	18,873,715	17,933,707	940,008
Recreation	-	1,348,291	1,348,291	1,327,174	21,117
Mass transit	-	3,369,600	3,369,600	3,369,600	-
Capital outlay	-	6,770	6,770	6,767	3
Total Expenditures	-	196,545,866	196,545,866	194,423,350	2,122,516
Excess of Revenues over (under) Expenditures	-	(194,831,856)	(194,831,856)	(192,432,113)	2,399,743
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	182,565,766	182,565,766	177,932,595	(4,633,171)
From Special Revenue Funds:					
Recreation	-	5,246,264	5,246,264	4,874,126	(372,138)
Mass Transit	-	6,520,350	6,520,350	6,484,088	(36,262)
Bradley Noise Abatement District	-	35,115	35,115	35,112	(3)
Cabin John Noise Abatement District	-	10,415	10,415	10,411	(4)
Fire Tax District	-	2,512,171	2,512,171	2,481,625	(30,546)
Economic Development	-	110,360	110,360	110,360	-
Montgomery Housing Initiative	-	18,465	18,465	18,463	(2)
Revenue Stabilization	-	1,961,040	1,961,040	1,083,101	(877,939)
To Capital Projects Fund	-	(1,961,040)	(1,961,040)	(1,083,101)	877,939
Premium on general obligation bonds	-	-	-	485,333	485,333
Total Other Financing Sources (Uses)	-	197,018,906	197,018,906	192,432,113	(4,586,793)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	2,187,050	2,187,050	-	(2,187,050)
Fund Balance - Beginning of Year	-	-	-	-	-
Fund Balance - End of Year	\$ -	\$ 2,187,050	\$ 2,187,050	\$ -	\$ (2,187,050)

Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:

	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Effect on Fund Balance
As reported - budgetary basis	\$ 1,991,237	\$ 194,423,350	\$ 192,432,113	\$ -
Reconciling items:				
Elimination of encumbrances outstanding	-	(209,738)	-	209,738
Bond anticipation note activity	-	165,000,000	-	(165,000,000)
Lease revenue bond activity not required to be budgeted	1,682,005	1,682,005	-	-
Issuing costs for:				
General obligation bonds	-	221,078	221,078	-
General obligation refunding bonds	-	219,426	-	(219,426)
Proceeds of:				
General obligation bonds	-	-	165,000,000	165,000,000
General obligation refunding bonds	(881)	-	220,307	219,426
As reported - GAAP basis	\$ 3,672,361	\$ 361,336,121	\$ 357,873,498	\$ 209,738

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-10**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Taxes - impact	\$ -	\$ 23,608,118	\$ 23,608,118	\$ 5,679,916	\$ (17,928,202)
Intergovernmental	376,010	169,041,450	169,417,460	57,860,490	(111,556,970)
Charges for services	-	13,235,762	13,235,762	309,358	(12,926,404)
Investment Income:					
Pooled investment income	-	-	-	23,663	23,663
Other investment income	-	-	-	52,328	52,328
Miscellaneous - contributions	-	15,411,666	15,411,666	2,506,546	(12,905,120)
Total Revenues	376,010	221,296,996	221,673,006	66,432,301	(155,240,705)
Expenditures - Capital projects	129,848,234	442,966,872	572,815,106	276,129,499	296,685,607
Excess of Revenues over (under) Expenditures	(129,472,224)	(221,669,876)	(351,142,100)	(209,697,198)	141,444,902
Other Financing Sources (Uses):					
Transfers in	-	68,320,610	68,320,610	34,624,946	(33,695,664)
Transfers (out) - component units	-	-	-	(4,244,655)	(4,244,655)
Sale of land	-	8,563,313	8,563,313	4,990,328	(3,572,985)
Proceeds of bond anticipation notes	-	-	-	125,000,000	125,000,000
Proceeds of lease revenue bonds	-	4,100,000	4,100,000	-	(4,100,000)
Proceeds of general obligation bonds	-	257,728,690	257,728,690	-	(257,728,690)
Total Other Financing Sources (Uses)	-	338,712,613	338,712,613	160,370,619	(178,341,994)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(129,472,224)	117,042,737	(12,429,487)	(49,326,579)	(36,897,092)
Fund Balance (Deficit) - Beginning of Year	129,472,224	(187,396,847)	(57,924,623)	(57,924,623)	-
Fund Balance (Deficit) - End of Year	\$ -	\$ (70,354,110)	\$ (70,354,110)	\$ (107,251,202)	\$ (36,897,092)

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Effect on Fund Balance
As reported - budgetary basis	\$ 66,432,301	\$ 276,129,499	\$ 160,370,619	\$ (49,326,579)
Reconciling items:				
Elimination of encumbrances outstanding	-	(88,550,672)	-	88,550,672
Reclassification of loans	-	-	9,576,655	9,576,655
Expenditures and funding for assets under capital leases	-	7,209,153	6,790,969	(418,184)
Bond proceeds for projects budgeted by others	-	-	65,000,000	65,000,000
Expenditure of bond proceeds for component units	-	104,363,665	-	(104,363,665)
Grants	(746,533)	(746,533)	-	-
As reported - GAAP basis	\$ 65,685,768	\$ 298,405,112	\$ 241,738,243	\$ 9,018,899

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
RECREATION SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-11**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>Revenues:</b>					
Taxes - property	\$ -	\$ 18,814,820	\$ 18,814,820	\$ 18,730,407	\$ (84,413)
Intergovernmental	-	15,000	15,000	1,177	(13,823)
Charges for services - activity fees	-	9,103,580	9,103,580	7,258,167	(1,845,413)
Fines and forfeitures	-	-	-	75	75
Investment income	-	180,000	180,000	96,345	(83,655)
Miscellaneous	-	12,000	12,000	167,538	155,538
Total Revenues	-	28,125,400	28,125,400	26,253,709	(1,871,691)
<b>Expenditures:</b>					
Personnel costs	-	14,408,690	14,408,690	14,408,685	5
Operating	73,287	5,933,470	6,006,757	5,464,607	542,150
Total Expenditures	73,287	20,342,160	20,415,447	19,873,292	542,155
Excess of Revenues over (under) Expenditures	(73,287)	7,783,240	7,709,953	6,380,417	(1,329,536)
<b>Other Financing Sources (Uses):</b>					
Transfers In (Out):					
From General Fund	-	1,077,916	1,077,916	1,077,916	-
To General Fund	-	(2,988,100)	(2,988,100)	(2,988,100)	-
To Debt Service Fund	-	(5,246,264)	(5,246,264)	(4,874,126)	372,138
Total Other Financing Sources (Uses)	-	(7,156,448)	(7,156,448)	(6,784,310)	372,138
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(73,287)	626,792	553,505	(403,893)	(957,398)
Fund Balance - Beginning of Year	73,287	2,263,527	2,336,814	2,336,814	-
Fund Balance - End of Year	\$ -	\$ 2,890,319	\$ 2,890,319	\$ 1,932,921	\$ (957,398)

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (403,893)
Reconciling items:	
Cancellation of prior year encumbrances	(100,168)
Elimination of encumbrances outstanding	102,214
GAAP - Net Change in Fund Balance	\$ (401,847)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FIRE TAX DISTRICT SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-12**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>Revenues:</b>					
Taxes - property	\$ -	\$ 115,878,890	\$ 115,878,890	\$ 116,107,934	\$ 229,044
Licenses and permits	-	1,389,000	1,389,000	1,501,111	112,111
Intergovernmental	-	5,339,878	5,339,878	3,866,728	(1,473,150)
Charges for services	-	50,040	50,040	59,794	9,754
Fines and forfeitures	-	200	200	15,000	14,800
Investment income	-	550,000	550,000	443,918	(106,082)
Miscellaneous	-	-	-	50,659	50,659
Total Revenues	-	123,208,008	123,208,008	122,045,144	(1,162,864)
<b>Expenditures:</b>					
Personnel costs	-	100,656,126	100,656,126	100,559,221	96,905
Operating	597,774	21,091,307	21,689,081	21,689,071	10
Capital outlay	151,660	141,170	292,830	102,450	190,380
Total Expenditures	749,434	121,888,603	122,638,037	122,350,742	287,295
Excess of Revenues over (under) Expenditures	(749,434)	1,319,405	569,971	(305,598)	(875,569)
<b>Other Financing Sources (Uses):</b>					
Transfers In (Out):					
To General Fund	-	(175,750)	(175,750)	(175,750)	-
To Special Revenue Funds	-	(120,104)	(120,104)	(94,967)	25,137
To Debt Service Fund	-	(2,512,171)	(2,512,171)	(2,481,625)	30,546
To Capital Projects Fund	-	(1,047,079)	(1,047,079)	(11,078)	1,036,001
To Internal Service Fund	-	(59,060)	(59,060)	(59,060)	-
Total Other Financing Sources (Uses)	-	(3,914,164)	(3,914,164)	(2,822,480)	1,091,684
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(749,434)	(2,594,759)	(3,344,193)	(3,128,078)	216,115
Fund Balance - Beginning of Year	749,434	9,102,114	9,851,548	9,851,548	-
Fund Balance - End of Year	\$ -	\$ 6,507,355	\$ 6,507,355	\$ 6,723,470	\$ 216,115

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	Total \$ (3,128,078)
Reconciling items:	
Cancellation of prior year encumbrances	(27,815)
Elimination of encumbrances outstanding	2,211,397
GAAP - Net Change in Fund Balance	<u>\$ (944,496)</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MASS TRANSIT FACILITIES SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-13**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>Revenues:</b>					
<b>Taxes:</b>					
Property	\$ -	\$ 43,209,080	\$ 43,209,080	\$ 43,281,625	\$ 72,545
Licenses and permits	-	280,000	280,000	282,106	2,106
<b>Intergovernmental:</b>					
Federal aid	-	-	-	13,724	13,724
State aid	-	27,358,850	27,358,850	22,544,622	(4,814,228)
Total Intergovernmental	-	27,358,850	27,358,850	22,558,346	(4,800,504)
<b>Charges for Services:</b>					
Fare receipts	-	11,617,650	11,617,650	11,642,818	25,168
Parking fees	-	2,092,150	2,092,150	772,370	(1,319,780)
Total Charges for Services	-	13,709,800	13,709,800	12,415,188	(1,294,612)
Fines and forfeitures	-	-	-	660,867	660,867
<b>Investment Income:</b>					
Pooled	-	30,000	30,000	138,851	108,851
Nonpooled	-	-	-	290	290
Total Investment Income	-	30,000	30,000	139,141	109,141
Miscellaneous	-	-	-	407,722	407,722
Total Revenues	-	84,587,730	84,587,730	79,744,995	(4,842,735)
<b>Expenditures:</b>					
<b>Division of Transit Services:</b>					
Personnel costs	-	33,962,740	33,962,740	33,917,837	44,903
Operating	1,650,833	38,324,700	39,975,533	39,975,528	5
Capital outlay	7,836,248	586,590	8,422,838	7,876,748	546,090
Total Division of Transit Services	9,487,081	72,874,030	82,361,111	81,770,113	590,998
<b>Washington Suburban Transit Commission:</b>					
Operating contribution	-	79,480	79,480	79,474	6
Total Expenditures	9,487,081	72,953,510	82,440,591	81,849,587	591,004
Excess of Revenues over (under) Expenditures	(9,487,081)	11,634,220	2,147,139	(2,104,592)	(4,251,731)
<b>Other Financing Sources (Uses):</b>					
<b>Transfers In (Out):</b>					
From General Fund	-	998,070	998,070	998,070	-
From Enterprise Funds	-	4,408,440	4,408,440	3,870,854	(537,586)
To General Fund	-	(4,481,970)	(4,481,970)	(4,481,970)	-
To Special Revenue Funds	-	(253,750)	(253,750)	(253,750)	-
To Debt Service Fund	-	(6,520,350)	(6,520,350)	(6,484,088)	36,262
To Capital Projects Fund	-	(1,260,047)	(1,260,047)	(63,929)	1,196,118
To Internal Service Fund	-	(7,600)	(7,600)	(4,331)	3,269
Total Other Financing Sources (Uses)	-	(7,117,207)	(7,117,207)	(6,419,144)	698,063
<b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b>					
	(9,487,081)	4,517,013	(4,970,068)	(8,523,736)	(3,553,668)
Fund Balance - Beginning of Year	9,487,081	(1,158,006)	8,329,075	8,329,075	-
Fund Balance (Deficit) - End of Year	\$ -	\$ 3,359,007	\$ 3,359,007	\$ (194,661)	\$ (3,553,668)

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (8,523,736)
<b>Reconciling items:</b>	
Cancellation of prior year encumbrances	(89,425)
Elimination of encumbrances outstanding	5,667,596
GAAP - Net Change in Fund Balance	\$ (2,945,565)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
URBAN DISTRICT SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-14**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>BETHESDA URBAN DISTRICT</b>					
Revenues:					
Taxes - property	\$ -	\$ 417,430	\$ 417,430	\$ 394,918	\$ (22,512)
Charges for services - maintenance fees	-	144,700	144,700	99,712	(44,988)
Investment income	-	-	-	433	433
Miscellaneous	-	-	-	44	44
Total Revenues	-	562,130	562,130	495,107	(67,023)
Expenditures - operating	-	2,019,960	2,019,960	1,997,575	22,385
Excess of Revenues over (under) Expenditures	-	(1,457,830)	(1,457,830)	(1,502,468)	(44,638)
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	29,100	29,100	29,100	-
From Enterprise Funds	-	1,372,630	1,372,630	1,372,630	-
Total Other Financing Sources (Uses)	-	1,401,730	1,401,730	1,401,730	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	(56,100)	(56,100)	(100,738)	(44,638)
Fund Balance - Beginning of Year	-	88,200	88,200	88,200	-
Fund Balance (Deficit) - End of Year	\$ -	\$ 32,100	\$ 32,100	\$ (12,538)	\$ (44,638)
<b>SILVER SPRING URBAN DISTRICT</b>					
Revenues:					
Taxes - property	\$ -	\$ 441,550	\$ 441,550	\$ 445,445	\$ 3,895
Charges for services - maintenance fees	-	68,500	68,500	76,269	7,769
Investment income	-	10,000	10,000	9,598	(402)
Miscellaneous	-	-	-	11,320	11,320
Total Revenues	-	520,050	520,050	542,632	22,582
Expenditures:					
Personnel costs	-	1,120,010	1,120,010	815,294	304,716
Operating	489,407	886,780	1,376,187	1,348,268	27,919
Total Expenditures	489,407	2,006,790	2,496,197	2,163,562	332,635
Excess of Revenues over (under) Expenditures	(489,407)	(1,486,740)	(1,976,147)	(1,620,930)	355,217
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	940,800	940,800	940,800	-
From Enterprise Funds	-	726,730	726,730	726,730	-
To General Fund	-	(123,990)	(123,990)	(123,990)	-
To Internal Service Fund	-	(35,005)	(35,005)	(35,005)	-
To Special Revenue Funds	-	(27,400)	(27,400)	-	27,400
Total Other Financing Sources (Uses)	-	1,481,135	1,481,135	1,508,535	27,400
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(489,407)	(5,605)	(495,012)	(112,395)	382,617
Fund Balance - Beginning of Year	489,407	161,852	651,259	651,259	-
Fund Balance - End of Year	\$ -	\$ 156,247	\$ 156,247	\$ 538,864	\$ 382,617

(Continued)



MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL, CONCLUDED  
URBAN DISTRICT SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-14**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>WHEATON URBAN DISTRICT</b>					
Revenues:					
Taxes - property	\$ -	\$ 73,900	\$ 73,900	\$ 68,298	\$ (5,602)
Investment income	-	10,000	10,000	1,612	(8,388)
Miscellaneous	-	-	-	2,822	2,822
Total Revenues	-	83,900	83,900	72,732	(11,168)
Expenditures:					
Personnel costs	-	481,480	481,480	479,440	2,040
Operating	42,753	443,670	486,423	453,140	33,283
Total Expenditures	42,753	925,150	967,903	932,580	35,323
Excess of Revenues over (under) Expenditures	(42,753)	(841,250)	(884,003)	(859,848)	24,155
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	131,490	131,490	131,490	-
From Enterprise Funds	-	756,070	756,070	756,070	-
To General Fund	-	(58,300)	(58,300)	(58,300)	-
To Internal Service Fund	-	(22,670)	(22,670)	(22,668)	2
Total Other Financing Sources (Uses)	-	806,590	806,590	806,592	2
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(42,753)	(34,660)	(77,413)	(53,256)	24,157
Fund Balance - Beginning of Year	42,753	55,433	98,186	98,186	-
Fund Balance - End of Year	\$ -	\$ 20,773	\$ 20,773	\$ 44,930	\$ 24,157

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Bethesda	Silver Spring	Wheaton	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (100,738)	\$ (112,395)	\$ (53,256)	\$ (266,389)
Reconciling items:				
Cancellation of prior year encumbrances	(44)	(10,010)	(2,822)	(12,876)
Elimination of encumbrances outstanding	-	363,048	88,752	451,800
Total	\$ (100,782)	\$ 240,643	\$ 32,674	\$ 172,535
GAAP - Net Change in Fund Balances				\$ 172,535

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
NOISE ABATEMENT DISTRICT SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-15**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>BRADLEY NOISE ABATEMENT DISTRICT</b>					
Revenues:					
Taxes - property	\$ -	\$ 35,560	\$ 35,560	\$ 33,879	\$ (1,681)
Investment income	-	270	270	307	37
Total Revenues	-	35,830	35,830	34,186	(1,644)
Expenditures	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	35,830	35,830	34,186	(1,644)
Other Financing Sources (Uses):					
Transfers to Debt Service Fund	-	(35,115)	(35,115)	(35,112)	3
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	715	715	(926)	(1,641)
Fund Balance - Beginning of Year	-	12,116	12,116	12,116	-
Fund Balance - End of Year	\$ -	\$ 12,831	\$ 12,831	\$ 11,190	\$ (1,641)

**CABIN JOHN NOISE ABATEMENT DISTRICT**

Revenues:					
Taxes - property	\$ -	\$ 10,120	\$ 10,120	\$ 11,543	\$ 1,423
Investment income	-	60	60	88	28
Total Revenues	-	10,180	10,180	11,631	1,451
Expenditures	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	10,180	10,180	11,631	1,451
Other Financing Sources (Uses):					
Transfers to Debt Service Fund	-	(10,415)	(10,415)	(10,411)	4
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	(235)	(235)	1,220	1,455
Fund Balance - Beginning of Year	-	2,988	2,988	2,988	-
Fund Balance - End of Year	\$ -	\$ 2,753	\$ 2,753	\$ 4,208	\$ 1,455

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Bradley	Cabin John	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (926)	\$ 1,220	\$ 294
GAAP - Net Change in Fund Balances			\$ 294

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
HOUSING INITIATIVE SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-16**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,950,386	\$ 2,950,386
Investment Income:					
Pooled	-	30,000	30,000	38,673	8,673
Nonpooled	-	-	-	64,160	64,160
Total Investment Income	-	30,000	30,000	102,833	72,833
Miscellaneous:					
Property rentals, MPDU and other contributions	-	1,314,260	1,314,260	66,862	(1,247,398)
Total Miscellaneous	-	1,314,260	1,314,260	66,862	(1,247,398)
Total Revenues	-	1,344,260	1,344,260	3,120,081	1,775,821
Expenditures:					
Personnel costs	-	301,670	301,670	301,663	7
Operating	273,729	20,031,247	20,304,976	20,255,502	49,474
Capital outlay	-	758,884	758,884	758,884	-
Total Expenditures	273,729	21,091,801	21,365,530	21,316,049	49,481
Excess of Revenues over (under) Expenditures	(273,729)	(19,747,541)	(20,021,270)	(18,195,968)	1,825,302
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	12,394,890	12,394,890	12,394,890	-
To General Fund	-	(18,550)	(18,550)	(18,550)	-
To Debt Service	-	(18,463)	(18,463)	(18,463)	-
To Capital Projects Fund	-	(525,814)	(525,814)	(25,814)	500,000
Mortgage repayment	-	614,260	614,260	229,537	(384,723)
Sale of property	-	700,000	700,000	2,293,737	1,593,737
Financing under notes payable	-	870,000	870,000	870,000	-
Total Other Financing Sources (Uses)	-	14,016,323	14,016,323	15,725,337	1,709,014
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(273,729)	(5,731,218)	(6,004,947)	(2,470,631)	3,534,316
Fund Balance - Beginning of Year	-	5,283,439	5,283,439	5,283,439	-
Fund Balance - End of Year	\$ (273,729)	\$ (447,779)	\$ (721,508)	\$ 2,812,808	\$ 3,534,316

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	Total \$ (2,470,631)
Reconciling items:	
Cancellation of prior year encumbrance	(11,866)
Elimination of encumbrances outstanding	350,102
Change in mortgages and notes receivable	16,343,719
GAAP - Net Change in Fund Balance	<u>\$ 14,211,324</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
REHABILITATION LOAN SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-17**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Investment Income:					
Pooled investment income	\$ -	\$ -	\$ -	\$ 15,549	\$ 15,549
Other interest income	-	-	-	58,439	58,439
Total Revenues	-	-	-	73,988	73,988
Expenditures - Operating	-	-	-	6,136	6,136
Excess of Revenues over (under) Expenditures	-	-	-	67,852	67,852
Other Financing Sources (Uses):					
Loan repayments	-	-	-	296,515	296,515
Mortgage loans	-	(1,198,478)	(1,198,478)	(137,372)	1,061,106
Total Other Financing Sources (Uses)	-	(1,198,478)	(1,198,478)	159,143	1,357,621
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	(1,198,478)	(1,198,478)	226,995	1,425,473
Fund Balance - Beginning of Year	-	1,198,478	1,198,478	1,198,478	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ 1,425,473	\$ 1,425,473

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 226,995
Reconciling item - Change in mortgages and notes receivable	(159,143)
GAAP - Net Change in Fund Balance	\$ 67,852

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
NEW HOME WARRANTY SECURITY SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-18**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Charges for services	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
Investment income	-	-	-	1,744	1,744
Total Revenues	-	-	-	2,744	2,744
Expenditures - Operating	-	140,096	140,096	-	140,096
Excess of Revenues over (under) Expenditures	-	(140,096)	(140,096)	2,744	142,840
Fund Balance - Beginning of Year	-	140,096	140,096	140,096	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ 142,840	\$ 142,840

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 2,744
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	\$ 2,744

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
REVENUE STABILIZATION SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-19**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues - Investment income	\$ -	\$ 1,083,101	\$ 1,083,101	\$ 1,083,101	\$ -
Expenditures	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	1,083,101	1,083,101	1,083,101	-
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	-	-	8,784,047	8,784,047
To Debt Service Fund	-	(1,083,101)	(1,083,101)	(1,083,101)	-
Total Other Financing Sources (Uses)	-	(1,083,101)	(1,083,101)	7,700,946	8,784,047
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	-	-	8,784,047	8,784,047
Fund Balance - Beginning of Year	-	87,157,352	87,157,352	87,157,352	-
Fund Balance - End of Year	\$ -	\$ 87,157,352	\$ 87,157,352	\$ 95,941,399	\$ 8,784,047

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 8,784,047
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	\$ 8,784,047

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-20**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Intergovernmental	\$ -	\$ 625,000	\$ 625,000	\$ -	\$ (625,000)
Pooled investment income	-	40,000	40,000	23,337	(16,663)
Other interest income	-	-	-	63,845	63,845
Miscellaneous	-	-	-	370,363	370,363
Total Revenues	-	665,000	665,000	457,545	(207,455)
Expenditures:					
Personnel costs	-	82,420	82,420	82,083	337
Operating	-	8,708,831	8,708,831	169,687	8,539,144
Total Expenditures	-	8,791,251	8,791,251	251,770	8,539,481
Excess of Revenues over (under) Expenditures	-	(8,126,251)	(8,126,251)	205,775	8,332,026
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	6,375,000	6,375,000	6,375,000	-
To General Fund	-	(66,090)	(66,090)	(66,090)	-
To Debt Service Fund	-	(110,360)	(110,360)	(110,360)	-
Loan repayments	-	602,200	602,200	232,826	(369,374)
Loan disbursements	-	(559,260)	(559,260)	(559,260)	-
Total Other Financing Sources (Uses)	-	6,241,490	6,241,490	5,872,116	(369,374)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	(1,884,761)	(1,884,761)	6,077,891	7,962,652
Fund Balance - Beginning of Year	-	1,884,761	1,884,761	1,884,761	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ 7,962,652	\$ 7,962,652

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	Total
	\$ 6,077,891
Reconciling item - Change in notes receivable	156,532
GAAP - Net Change in Fund Balance	<u>\$ 6,234,423</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CABLE TV SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-21**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>Revenues:</b>					
Charges for services	\$ -	\$ 10,966,770	\$ 10,966,770	\$ 12,066,167	\$ 1,099,397
Investment income	-	150,000	150,000	73,034	(76,966)
Miscellaneous	-	-	-	79,113	79,113
Total Revenues	-	11,116,770	11,116,770	12,218,314	1,101,544
<b>Expenditures:</b>					
Personnel costs	-	719,730	719,730	691,929	27,801
Operating	1,237,411	6,427,060	7,664,471	7,642,047	22,424
Capital outlay	-	129,420	129,420	129,420	-
Total Expenditures	1,237,411	7,276,210	8,513,621	8,463,396	50,225
Excess of Revenues over (under) Expenditures	(1,237,411)	3,840,560	2,603,149	3,754,918	1,151,769
<b>Other Financing Sources (Uses):</b>					
<b>Transfers In (Out):</b>					
To General Fund	-	(5,207,000)	(5,207,000)	(5,207,000)	-
To Capital Projects Fund	-	(4,384,424)	(4,384,424)	(1,965,294)	2,419,130
Total Other Financing Sources (Uses)	-	(9,591,424)	(9,591,424)	(7,172,294)	2,419,130
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(1,237,411)	(5,750,864)	(6,988,275)	(3,417,376)	3,570,899
Fund Balance - Beginning of Year	1,237,411	6,079,661	7,317,072	7,317,072	-
Fund Balance - End of Year	\$ -	\$ 328,797	\$ 328,797	\$ 3,899,696	\$ 3,570,899

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	Total
	\$ (3,417,376)
Reconciling items:	
Cancellation of prior year encumbrances	(75,348)
Elimination of encumbrances outstanding	1,546,148
GAAP - Net Change in Fund Balance	<u>\$ (1,946,576)</u>

MONTGOMERY COUNTY, MARYLAND  
GRANTS SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-22**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Carryover (1)	Current Year	Total		
<b>Revenues:</b>					
<b>Intergovernmental:</b>					
Federal grants	\$ 6,424,860	\$ 58,440,338	\$ 64,865,198	\$ 40,963,530	\$ (23,901,668)
State grants	3,836,250	52,880,252	56,716,502	36,284,408	(20,432,094)
Other Non-State and Non-Federal Reimbursements	-	409,600	409,600	193,217	(216,383)
<b>Total Intergovernmental</b>	<b>10,261,110</b>	<b>111,730,190</b>	<b>121,991,300</b>	<b>77,441,155</b>	<b>(44,550,145)</b>
<b>Investment income:</b>					
Pooled investment income	-	271,230	271,230	125,266	(145,964)
Other interest income	-	580,550	580,550	197,198	(383,352)
<b>Total Investment Income</b>	<b>-</b>	<b>851,780</b>	<b>851,780</b>	<b>322,464</b>	<b>(529,316)</b>
Miscellaneous	-	274,976	274,976	649,709	374,733
<b>Total Revenues</b>	<b>10,261,110</b>	<b>112,856,946</b>	<b>123,118,056</b>	<b>78,413,328</b>	<b>(44,704,728)</b>
<b>Expenditures:</b>					
<b>General Government:</b>					
<b>Circuit Court:</b>					
Personnel costs	-	1,424,070	1,424,070	1,390,986	33,084
Operating	-	519,885	519,885	316,655	203,230
Capital Outlay	-	14,118	14,118	-	14,118
<b>Totals</b>	<b>-</b>	<b>1,958,073</b>	<b>1,958,073</b>	<b>1,707,641</b>	<b>250,432</b>
<b>Office of State's Attorney:</b>					
Personnel costs	-	212,591	212,591	182,753	29,838
Operating	-	8,460	8,460	8,460	-
<b>Totals</b>	<b>-</b>	<b>221,051</b>	<b>221,051</b>	<b>191,213</b>	<b>29,838</b>
<b>Office of the County Executive:</b>					
Personnel costs	-	221,212	221,212	130,691	90,521
Operating	-	31,122	31,122	24,579	6,543
<b>Totals</b>	<b>-</b>	<b>252,334</b>	<b>252,334</b>	<b>155,270</b>	<b>97,064</b>
<b>Commission for Women:</b>					
Personnel costs	-	34,321	34,321	34,321	-
<b>Totals</b>	<b>-</b>	<b>34,321</b>	<b>34,321</b>	<b>34,321</b>	<b>-</b>
<b>Regional Services Center:</b>					
Operating	-	80,010	80,010	75,510	4,500
<b>Totals</b>	<b>-</b>	<b>80,010</b>	<b>80,010</b>	<b>75,510</b>	<b>4,500</b>
<b>Department of Economic Development:</b>					
Operating	566,070	3,904,382	4,470,452	4,068,117	402,335
<b>Totals</b>	<b>566,070</b>	<b>3,904,382</b>	<b>4,470,452</b>	<b>4,068,117</b>	<b>402,335</b>
<b>Total General Government</b>	<b>566,070</b>	<b>6,450,171</b>	<b>7,016,241</b>	<b>6,232,072</b>	<b>784,169</b>
<b>Public Safety:</b>					
<b>Department of Corrections and Rehabilitation:</b>					
Personnel costs	-	30,000	30,000	30,000	-
Operating	-	103,929	103,929	103,919	10
<b>Totals</b>	<b>-</b>	<b>133,929</b>	<b>133,929</b>	<b>133,919</b>	<b>10</b>
<b>Department of Fire and Rescue Services:</b>					
Personnel costs	-	1,421,412	1,421,412	631,540	789,872
Operating	422,202	2,440,359	2,862,561	949,083	1,913,478
Capital outlay	396,182	832,723	1,228,905	738,589	490,316
<b>Totals</b>	<b>818,384</b>	<b>4,694,494</b>	<b>5,512,878</b>	<b>2,319,212</b>	<b>3,193,666</b>
<b>Department of Police:</b>					
Personnel costs	-	4,622,447	4,622,447	1,973,785	2,648,662
Operating	44,895	1,365,832	1,410,727	872,907	537,820
Capital outlay	-	95,500	95,500	80,000	15,500
<b>Totals</b>	<b>44,895</b>	<b>6,083,779</b>	<b>6,128,674</b>	<b>2,926,692</b>	<b>3,201,982</b>
<b>Office of the County Sheriff:</b>					
Personnel costs	-	784,407	784,407	636,902	147,505
Operating	860	440,670	441,530	284,841	156,689
<b>Totals</b>	<b>860</b>	<b>1,225,077</b>	<b>1,225,937</b>	<b>921,743</b>	<b>304,194</b>
<b>Total Public Safety</b>	<b>864,139</b>	<b>12,137,279</b>	<b>13,001,418</b>	<b>6,301,566</b>	<b>6,699,852</b>
<b>Transportation:</b>					
<b>Department of Public Works and Transportation:</b>					
Personnel costs	-	1,612,266	1,612,266	1,606,563	5,703
Operating	30,000	2,813,976	2,843,976	2,610,977	232,999
Capital outlay	5,541,440	8,101,401	13,642,841	5,093,941	8,548,900
<b>Totals</b>	<b>5,571,440</b>	<b>12,527,643</b>	<b>18,099,083</b>	<b>9,311,481</b>	<b>8,787,602</b>
<b>Total Transportation</b>	<b>5,571,440</b>	<b>12,527,643</b>	<b>18,099,083</b>	<b>9,311,481</b>	<b>8,787,602</b>

(Continued)



MONTGOMERY COUNTY, MARYLAND  
GRANTS SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL, CONCLUDED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
Exhibit B-22

	Budget			Actual	Variance Positive (Negative)
	Prior Year Carryover (1)	Current Year	Total		
Health and Human Services:					
Department of Health and Human Services:					
Personnel costs	\$ -	\$ 17,599,611	\$ 17,599,611	\$ 15,232,212	\$ 2,367,399
Operating	1,069,639	37,128,750	38,198,389	30,428,967	7,769,422
Capital outlay	95,000	(58,524)	36,476	-	36,476
Totals	1,164,639	54,669,837	55,834,476	45,661,179	10,173,297
Total Health and Human Services	1,164,639	54,669,837	55,834,476	45,661,179	10,173,297
Culture and Recreation:					
Department of Libraries:					
Personnel costs	-	168,503	168,503	48,436	120,067
Operating	-	154,442	154,442	74,781	79,661
Totals	-	322,945	322,945	123,217	199,728
Department of Recreation:					
Personnel costs	-	94,142	94,142	48,116	46,026
Operating	-	20,756	20,756	16,147	4,609
Totals	-	114,898	114,898	64,263	50,635
Total Culture and Recreation	-	437,843	437,843	187,480	250,363
Housing:					
Department of Housing and Community Affairs:					
Personnel costs	-	2,752,804	2,752,804	1,788,326	964,478
Operating	2,089,898	15,411,396	17,501,294	8,997,339	8,503,955
Totals	2,089,898	18,164,200	20,254,098	10,785,665	9,468,433
Total Housing	2,089,898	18,164,200	20,254,098	10,785,665	9,468,433
Environment:					
Department of Environmental Protection:					
Personnel costs	-	7,578	7,578	6,578	1,000
Operating	-	34,803	34,803	22,483	12,320
Totals	-	42,381	42,381	29,061	13,320
Total Environment	-	42,381	42,381	29,061	13,320
Nondepartmental:					
NDA Historical Activities - Operating	-	100,000	100,000	75,000	25,000
NDA Miscellaneous Community Grants - Operating	12,309	190,748	203,057	201,807	1,250
Future Grants - Operating	-	8,673,839	8,673,839	-	8,673,839
Total Nondepartmental	12,309	8,964,587	8,976,896	276,807	8,700,089
Total Expenditures	10,268,495	113,393,941	123,662,436	78,785,311	44,877,125
Excess of Revenues over (under) Expenditures	(7,385)	(536,995)	(544,380)	(371,983)	172,397
Other Financing Sources (Uses):					
Transfers In:					
General Fund	7,385	612,758	620,143	519,136	(101,007)
Mass Transit Special Revenue Fund	-	253,750	253,750	253,750	-
Silver Spring Urban District Special Revenue Fund	-	35,005	35,005	35,005	-
Fire Tax District Special Revenue Fund	-	121,982	121,982	94,967	(27,015)
Total Transfers In	7,385	1,023,495	1,030,880	902,858	(128,022)
Transfers Out - Motor Pool Internal Service Fund					
Total Transfers Out	-	(486,500)	(486,500)	(530,875)	(44,375)
Total Other Financing Sources (Uses)	7,385	536,995	544,380	371,983	(172,397)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	-	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

(1) Grants Fund prior year carryover includes: a) reappropriation of encumbered appropriations, and b) revenues under grants that require more than one fiscal year to complete the grant program.

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Effect on Fund Balance
As reported - budgetary basis	\$ 78,413,328	\$ 78,785,311	\$ 371,983	\$ -
Reconciling items:				
Elimination of encumbrances outstanding	(3,757,418)	(3,764,803)	(7,385)	-
Loan expenditures	(4,501,352)	(4,501,352)	-	-
Indirect costs	(1,103,537)	(1,103,537)	-	-
Pass-through expenditures	4,277,010	4,277,010	-	-
As reported - GAAP basis	\$ 73,328,031	\$ 73,692,629	\$ 364,598	\$ -

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DRUG ENFORCEMENT FORFEITURES SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-23**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 8,881	\$ 8,881
Fines and forfeitures	-	-	-	487,574	487,574
Investment income	-	-	-	15,571	15,571
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>512,026</u>	<u>512,026</u>
Expenditures:					
Operating	30,593	891,645	922,238	480,072	442,166
Capital outlay	<u>-</u>	<u>334,110</u>	<u>334,110</u>	<u>77,784</u>	<u>256,326</u>
Total Expenditures	<u>30,593</u>	<u>1,225,755</u>	<u>1,256,348</u>	<u>557,856</u>	<u>698,492</u>
Excess of Revenues over (under) Expenditures	(30,593)	(1,225,755)	(1,256,348)	(45,830)	1,210,518
Other Financing Sources (Uses):					
Transfers to Motor Pool	<u>-</u>	<u>(11,190)</u>	<u>(11,190)</u>	<u>(11,189)</u>	<u>1</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(30,593)	(1,236,945)	(1,267,538)	(57,019)	1,210,519
Fund Balance - Beginning of Year	30,593	1,207,562	1,238,155	1,238,155	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ (29,383)</u>	<u>\$ (29,383)</u>	<u>\$ 1,181,136</u>	<u>\$ 1,210,519</u>

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	Total \$ (57,019)
Reconciling items:	
Elimination of encumbrances outstanding	<u>7,555</u>
GAAP - Net Change in Fund Balance	<u>\$ (49,464)</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
WATER QUALITY PROTECTION SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-24**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 14,056	\$ 14,056
Charges for services	-	2,875,290	2,875,290	2,982,914	107,624
Investment income	-	-	-	30,802	30,802
Miscellaneous	-	1,550	1,550	639	(911)
Total Revenues	-	2,876,840	2,876,840	3,028,411	151,571
Expenditures:					
Personnel	-	696,560	696,560	696,556	4
Operating	286,055	1,663,650	1,949,705	1,898,851	50,854
Total Expenditures	286,055	2,360,210	2,646,265	2,595,407	50,858
Excess of Revenues over (under) Expenditures	(286,055)	516,630	230,575	433,004	202,429
Other Financing Sources (Uses):					
Transfers In (Out):					
To General Fund	-	(83,990)	(83,990)	(83,990)	-
To Capital Projects	-	(824,137)	(824,137)	(233,003)	591,134
Total Other Financing Sources (Uses)	-	(908,127)	(908,127)	(316,993)	591,134
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(286,055)	(391,497)	(677,552)	116,011	793,563
Fund Balance - Beginning of Year	286,055	915,532	1,201,587	1,201,587	-
Fund Balance - End of Year	\$ -	\$ 524,035	\$ 524,035	\$ 1,317,598	\$ 793,563

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	Total
	\$ 116,011
Reconciling items:	
Cancellation of prior year encumbrances	(639)
Elimination of encumbrances outstanding	226,099
GAAP - Net Change in Fund Balance	<u>\$ 341,471</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
RESTRICTED DONATIONS SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit B-25**

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 76,041	\$ 76,041
Investment income	-	-	-	2,519	2,519
Miscellaneous - contributions	-	-	-	507,398	507,398
Total Revenues	-	-	-	585,958	585,958
Expenditures - Operating	-	945,518	945,518	366,726	578,792
Excess of Revenues over (under) Expenditures	-	(945,518)	(945,518)	219,232	1,164,750
Other Financing Sources (Uses):					
Transfers Out - To Internal Service Fund	-	(24,580)	(24,580)	(24,580)	-
Total Other Financing Sources (Uses)	-	(24,580)	(24,580)	(24,580)	-
Excess of Revenues and Other Sources over (under) Expenditures	-	(970,098)	(970,098)	194,652	1,164,750
Fund Balance - Beginning of Year	-	970,098	970,098	970,098	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ 1,164,750	\$ 1,164,750

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

Budgetary - Excess of Revenues over (under) Expenditures	Total
	\$ 194,652
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	<u>\$ 194,652</u>

## **NONMAJOR ENTERPRISE FUNDS**

Enterprise funds are used to account for operations where:

- The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity;
- Laws or regulations require that the activity's costs of providing services, including capital costs, be recovered with fees and charges, rather than with taxes or similar revenues; or
- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

**PERMITTING SERVICES** - Accounts for most of the fiscal activity of permitting programs within the County, such as building permits, construction code enforcement, flood plain management, land use compliance, plan review, sediment control, stormwater management, well and septic regulatory services, fire code review, and public access construction.

**COMMUNITY USE OF PUBLIC FACILITIES** - Accounts for the fiscal activity related to renting public facilities to community organizations.

## **MAJOR ENTERPRISE FUNDS**

This section also includes budget-to-actual schedules for the following major enterprise funds:

**LIQUOR CONTROL**  
**SOLID WASTE ACTIVITIES**  
**PARKING LOT DISTRICTS**

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF NET ASSETS  
 NONMAJOR ENTERPRISE FUNDS  
 JUNE 30, 2004  
**Exhibit C-1**

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
<b>ASSETS</b>			
Current Assets:			
Equity in pooled cash and investments	\$ 10,129,594	\$ 2,309,966	\$ 12,439,560
Cash	-	50	50
Receivables:			
Accounts	68,378	1,436	69,814
Due from other governments	-	2,378	2,378
Prepays	-	1,402	1,402
Total Current Assets	<u>10,197,972</u>	<u>2,315,232</u>	<u>12,513,204</u>
Noncurrent Assets:			
Capital Assets:			
Furniture, fixtures, equipment, and machinery	3,208,229	374,107	3,582,336
Automobiles and trucks	84,837	-	84,837
Subtotal	<u>3,293,066</u>	<u>374,107</u>	<u>3,667,173</u>
Less: Accumulated depreciation	<u>3,070,678</u>	<u>374,107</u>	<u>3,444,785</u>
Total Capital Assets (net of accumulated depreciation)	<u>222,388</u>	<u>-</u>	<u>222,388</u>
Total Assets	<u>10,420,360</u>	<u>2,315,232</u>	<u>12,735,592</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	196,682	18,775	215,457
Accrued liabilities	8,271,171	159,579	8,430,750
Due to other funds	223,550	21,578	245,128
Due to component units	-	492,120	492,120
Deferred revenue	208,723	464,733	673,456
Total Current Liabilities	<u>8,900,126</u>	<u>1,156,785</u>	<u>10,056,911</u>
Noncurrent Liabilities:			
Compensated absences	333,948	33,051	366,999
Total Noncurrent Liabilities	<u>333,948</u>	<u>33,051</u>	<u>366,999</u>
Total Liabilities	<u>9,234,074</u>	<u>1,189,836</u>	<u>10,423,910</u>
<b>NET ASSETS</b>			
Invested in capital, net of related debt	222,388	-	222,388
Unrestricted	963,898	1,125,396	2,089,294
Total Net Assets	<u>\$ 1,186,286</u>	<u>\$ 1,125,396</u>	<u>\$ 2,311,682</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit C-2**

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>			
Charges for services	\$ 2,101,337	\$ 6,161,170	\$ 8,262,507
Licenses and permits	21,782,937	-	21,782,937
Fines and penalties	121,720	-	121,720
Total Operating Revenues	<u>24,005,994</u>	<u>6,161,170</u>	<u>30,167,164</u>
<b>OPERATING EXPENSES</b>			
Personnel costs	16,225,734	1,655,342	17,881,076
Postage	34,673	10,431	45,104
Insurance	9,020	-	9,020
Supplies and materials	231,880	111,331	343,211
Contractual services	154,864	3,212,301	3,367,165
Communications	302,717	48,499	351,216
Transportation	448,445	992	449,437
Public utility services	-	619,939	619,939
Rentals	1,028,536	203,867	1,232,403
Maintenance	1,163,993	707	1,164,700
Depreciation	178,789	48,038	226,827
Other	139,178	3,030	142,208
Total Operating Expenses	<u>19,917,829</u>	<u>5,914,477</u>	<u>25,832,306</u>
Operating Income (Loss)	4,088,165	246,693	4,334,858
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	106,003	22,542	128,545
Nonoperating Income (Loss)	<u>4,194,168</u>	<u>269,235</u>	<u>4,463,403</u>
Transfers In (Out):			
Transfers in	-	30,000	30,000
Transfers out	<u>(3,958,053)</u>	<u>(244,710)</u>	<u>(4,202,763)</u>
Total Transfers In (Out)	<u>(3,958,053)</u>	<u>(214,710)</u>	<u>(4,172,763)</u>
Change in Net Assets	236,115	54,525	290,640
Total Net Assets - Beginning of Year	<u>950,171</u>	<u>1,070,871</u>	<u>2,021,042</u>
Total Net Assets - End of Year	<u>\$ 1,186,286</u>	<u>\$ 1,125,396</u>	<u>\$ 2,311,682</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit C-3**

	<b>Permitting Services</b>	<b>Community Use of Public Facilities</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 23,008,765	\$ 6,157,356	\$ 29,166,121
Payments to suppliers	(3,312,196)	(4,520,823)	(7,833,019)
Payments to employees	(15,998,379)	(1,655,988)	(17,654,367)
Internal activity - payments from other funds	1,059,660	-	1,059,660
Other receipts (payments)	467,137	-	467,137
Net Cash Provided (Used) by Operating Activities	<u>5,224,987</u>	<u>(19,455)</u>	<u>5,205,532</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Operating subsidies and transfers from other funds	-	30,000	30,000
Operating subsidies and transfers to other funds	(3,958,053)	(244,710)	(4,202,763)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(3,958,053)</u>	<u>(214,710)</u>	<u>(4,172,763)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income from pooled investments	106,003	22,542	128,545
Net Cash Provided (Used) by Investing Activities	<u>106,003</u>	<u>22,542</u>	<u>128,545</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,372,937	(211,623)	1,161,314
Balances - Beginning of Year	8,756,657	2,521,639	11,278,296
Balances - End of Year	<u>\$ 10,129,594</u>	<u>\$ 2,310,016</u>	<u>\$ 12,439,610</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>			
Operating income (loss)	\$ 4,088,165	\$ 246,693	\$ 4,334,858
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	178,789	48,038	226,827
Changes in assets and liabilities:			
Receivables, net	(68,378)	(1,436)	(69,814)
Inventories, prepaids and other assets	-	(2,378)	(2,378)
Accounts payable and other liabilities	331,919	(309,726)	22,193
Accrued expenses	694,492	(646)	693,846
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,224,987</u>	<u>\$ (19,455)</u>	<u>\$ 5,205,532</u>
<b>Noncash investing, capital and financing activities:</b>			
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit C-4**

	<u>Budget</u>			<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Prior Year Encumbrances</u>	<u>Current Year</u>	<u>Total</u>		
<b>LIQUOR</b>					
Personnel costs	\$ -	\$ 16,379,710	\$ 16,379,710	\$ 16,124,278	\$ 255,432
Other operating	27,045	9,085,430	9,112,475	8,256,814	855,661
Capital outlay	-	632,500	632,500	632,431	69
Total	<u>\$ 27,045</u>	<u>\$ 26,097,640</u>	<u>\$ 26,124,685</u>	25,013,523	<u>\$ 1,111,162</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation and amortization				657,516	
Cost of goods sold				119,806,903	
Deductions:					
Capital outlay expenditures				(495,136)	
Encumbrances outstanding at year-end				(160,287)	
GAAP Expenses				<u>\$ 144,822,519</u>	
<b>PERMITTING SERVICES</b>					
Personnel costs	\$ -	\$ 16,225,740	\$ 16,225,740	\$ 16,225,734	\$ 6
Other operating	41,581	3,494,497	3,536,078	3,536,076	2
Capital outlay	-	20,000	20,000	-	20,000
Total	<u>\$ 41,581</u>	<u>\$ 19,740,237</u>	<u>\$ 19,781,818</u>	19,761,810	<u>\$ 20,008</u>
Reconciliation to GAAP expenses:					
Addition - Depreciation and amortization					
				178,789	
Deduction - Encumbrances outstanding at year-end					
				(22,770)	
GAAP Expenses				<u>\$ 19,917,829</u>	
<b>COMMUNITY USE OF PUBLIC FACILITIES</b>					
Personnel costs	\$ -	\$ 1,677,320	\$ 1,677,320	\$ 1,655,342	\$ 21,978
Other operating	878	4,553,570	4,554,448	4,211,097	343,351
Total	<u>\$ 878</u>	<u>\$ 6,230,890</u>	<u>\$ 6,231,768</u>	5,866,439	<u>\$ 365,329</u>
Reconciliation to GAAP expenses:					
Addition - Depreciation and amortization					
				48,038	
GAAP Expenses				<u>\$ 5,914,477</u>	

(Continued)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONTINUED  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit C-4**

	<u>Budget</u>			<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Prior Year Encumbrances</u>	<u>Current Year</u>	<u>Total</u>		
<b>SOLID WASTE DISPOSAL</b>					
Personnel costs	\$ -	\$ 5,876,630	\$ 5,876,630	\$ 5,876,629	\$ 1
Other operating	1,753,325	83,152,655	84,905,980	84,905,971	9
Capital outlay	407,353	2,938,975	3,346,328	1,951,408	1,394,920
Total	<u>\$ 2,160,678</u>	<u>\$ 91,968,260</u>	<u>\$ 94,128,938</u>	<u>92,734,008</u>	<u>\$ 1,394,930</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation and amortization				2,845,133	
Other operating costs from the Capital Budget				476,470	
Interest expense				1,352,765	
Accrued landfill closing cost				346,000	
Deductions:					
Capital outlay expenditures				(546,932)	
Encumbrances outstanding at year-end				(3,531,820)	
Bond principal reduction				(2,639,251)	
Cash interest payments				(1,479,947)	
Adjustment of landfill closure costs				(1,285,000)	
GAAP Expenses				<u>\$ 88,271,426</u>	
<b>SOLID WASTE COLLECTION</b>					
Personnel costs	\$ -	\$ 851,140	\$ 851,140	\$ 803,397	\$ 47,743
Other operating	14,032	4,667,660	4,681,692	4,619,977	61,715
Total	<u>\$ 14,032</u>	<u>\$ 5,518,800</u>	<u>\$ 5,532,832</u>	<u>5,423,374</u>	<u>\$ 109,458</u>
Reconciliation to GAAP expenses:					
Additions - Depreciation and amortization					
				5,272	
Deductions - Encumbrances outstanding at year-end					
				(46,317)	
GAAP Expenses				<u>\$ 5,382,329</u>	
<b>SOLID WASTE LEAFING</b>					
Personnel costs	\$ -	\$ 2,291,850	\$ 2,291,850	\$ 2,101,070	\$ 190,780
Other operating	-	1,567,180	1,567,180	1,567,180	-
Total	<u>\$ -</u>	<u>\$ 3,859,030</u>	<u>\$ 3,859,030</u>	<u>3,668,250</u>	<u>\$ 190,780</u>
Reconciliation to GAAP expenses:					
Additions - Interfund activities budgeted as transfers - solid waste tipping fees					
				624,900	
Deductions - Encumbrances outstanding at year-end					
				(672)	
GAAP Expenses				<u>\$ 4,292,478</u>	
<b>Reconciliation of GAAP expenses to Statement of Revenues, Expenses, and Changes in Fund Net Assets:</b>					
GAAP Expenses:					
Solid Waste Disposal				\$ 88,271,426	
Solid Waste Collection				5,382,329	
Solid Waste Leafing				4,292,478	
Total Solid Waste Activities				<u>\$ 97,946,233</u>	*

(Continued)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONTINUED  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit C-4**

	<b>Budget</b>			<b>Actual</b>	<b>Variance Positive (Negative)</b>
	<b>Prior Year Encumbrances</b>	<b>Current Year</b>	<b>Total</b>		
<b>SILVER SPRING PARKING</b>					
Personnel costs	\$ -	\$ 1,275,250	\$ 1,275,250	\$ 1,190,741	\$ 84,509
Other operating	98,304	6,836,840	6,935,144	6,935,106	38
Capital outlay	12,662	-	12,662	-	12,662
Total	<u>\$ 110,966</u>	<u>\$ 8,112,090</u>	<u>\$ 8,223,056</u>	8,125,847	<u>\$ 97,209</u>

Reconciliation to GAAP expenses:

Additions:	
Depreciation	1,987,254
Interest expense	449,986
Other operating costs from the Capital Budget	64,150
Deductions:	
Encumbrances outstanding at year-end	(338,478)
Bond principal reduction	(2,020,000)
Cash interest payments	(388,388)
GAAP Expenses	<u>\$ 7,880,371</u>

**BETHESDA PARKING**

Personnel costs	\$ -	\$ 1,148,220	\$ 1,148,220	\$ 1,097,234	\$ 50,986
Other operating	157,489	8,758,150	8,915,639	8,915,639	-
Total	<u>\$ 157,489</u>	<u>\$ 9,906,370</u>	<u>\$ 10,063,859</u>	10,012,873	<u>\$ 50,986</u>

Reconciliation to GAAP expenses:

Additions:	
Depreciation	3,394,701
Interest expense	1,619,926
Other operating costs from the Capital Budget	336,174
Deductions:	
Encumbrances outstanding at year-end	(488,889)
Bond principal reduction	(3,190,000)
Cash interest payments	(1,509,278)
GAAP Expenses	<u>\$ 10,175,507</u>

(Continued)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONCLUDED  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit C-4**

	<u>Budget</u>			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
<b>WHEATON PARKING</b>					
Personnel costs	\$ -	\$ 195,410	\$ 195,410	\$ 195,409	\$ 1
Other operating	90,109	612,150	702,259	700,442	1,817
Capital outlay	-	135,070	135,070	75,000	60,070
Total	<u>\$ 90,109</u>	<u>\$ 942,630</u>	<u>\$ 1,032,739</u>	970,851	<u>\$ 61,888</u>

Reconciliation to GAAP expenses:

Additions:	
Depreciation	328,589
Other operating costs from the Capital Budget	2,337
Deduction - Encumbrances outstanding at year-end	(107,329)
GAAP Expenses	<u>\$ 1,194,448</u>

**MONTGOMERY HILLS PARKING**

Personnel costs	\$ -	\$ 42,060	\$ 42,060	\$ 42,055	\$ 5
Other operating	1,381	50,420	51,801	51,186	615
Total	<u>\$ 1,381</u>	<u>\$ 92,480</u>	<u>\$ 93,861</u>	93,241	<u>\$ 620</u>

Reconciliation to GAAP expenses:

Deduction - Encumbrances outstanding at year-end	(8,615)
GAAP Expenses	<u>\$ 84,626</u>

**Reconciliation of GAAP expenses to Statement of Revenues, Expenses, and Changes in Fund Net Assets:**

GAAP Expenses:	
Silver Spring Parking	\$ 7,880,371
Bethesda Parking	10,175,507
Wheaton Parking	1,194,448
Montgomery Hills Parking	84,626
Total Parking Lot Districts	<u>\$ 19,334,952 *</u>

\* Includes operating and nonoperating expenses

## **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis.

**MOTOR POOL** - Accounts for the fiscal activity related to the automotive and other motorized equipment needs of the using departments of the County.

**LIABILITY AND PROPERTY COVERAGE SELF-INSURANCE** - Accounts for the fiscal activity related to liability, property, workers' compensation, and unemployment insurance needs of the participating governmental agencies.

**EMPLOYEE HEALTH BENEFITS SELF-INSURANCE** - Accounts for the fiscal activity related to health, life, vision, dental, and long-term disability insurance needs of the participating governmental agencies.

**CENTRAL DUPLICATING** - Accounts for the fiscal activity related to printing and postage services provided to the using agencies.

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF NET ASSETS  
 INTERNAL SERVICE FUNDS  
 JUNE 30, 2004  
**Exhibit D-1**

	Motor Pool	Liability and Property Coverage Self Insurance	Employee Health Benefits Self Insurance	Central Duplicating	Total Internal Service Funds
<b>ASSETS</b>					
Current Assets:					
Equity in pooled cash and investments	\$ 2,187,489	\$ 53,246,752	\$ 14,896,364	\$ 488	\$ 70,331,093
Cash	300	-	-	-	300
Accounts receivable	47,145	28,137	991,410	-	1,066,692
Notes receivable	15,039	-	-	-	15,039
Due from other funds	-	-	3,668,326	-	3,668,326
Due from component units	54,708	-	281,966	10,092	346,766
Due from other governments	30,058	-	26,324	1,938	58,320
Inventory of supplies	2,471,808	-	-	-	2,471,808
Prepays	28,922	222,847	-	280,011	531,780
Total Current Assets	<u>4,835,469</u>	<u>53,497,736</u>	<u>19,864,390</u>	<u>292,529</u>	<u>78,490,124</u>
Noncurrent Assets:					
Capital Assets:					
Land, improved and unimproved	22,506	-	-	-	22,506
Improvements other than buildings	268,565	-	-	-	268,565
Buildings	315,732	-	-	-	315,732
Furniture, fixtures, equipment, and machinery	2,712,631	109,365	-	1,385,678	4,207,674
Automobiles and trucks	63,234,434	-	-	-	63,234,434
Subtotal	66,553,868	109,365	-	1,385,678	68,048,911
Less: Accumulated depreciation	38,536,947	105,257	-	827,745	39,469,949
Total Capital Assets (net of accumulated depreciation)	<u>28,016,921</u>	<u>4,108</u>	<u>-</u>	<u>557,933</u>	<u>28,578,962</u>
Total Assets	<u>32,852,390</u>	<u>53,501,844</u>	<u>19,864,390</u>	<u>850,462</u>	<u>107,069,086</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	1,837,207	780,633	1,525,530	89,265	4,232,635
Claims payable	-	64,206,000	11,470,902	-	75,676,902
Accrued liabilities	1,122,758	255,656	1,425,841	154,581	2,958,836
Due to other funds	142,634	24,212	-	384,780	551,626
Due to component units	-	-	-	25,783	25,783
Due to other governments	3,836	29,782	-	-	33,618
Deferred revenue	-	-	63,569	-	63,569
Total Current Liabilities	<u>3,106,435</u>	<u>65,296,283</u>	<u>14,485,842</u>	<u>654,409</u>	<u>83,542,969</u>
Noncurrent Liabilities:					
Compensated absences	227,506	49,445	4,938	29,498	311,387
Total Noncurrent Liabilities	<u>227,506</u>	<u>49,445</u>	<u>4,938</u>	<u>29,498</u>	<u>311,387</u>
Total Liabilities	<u>3,333,941</u>	<u>65,345,728</u>	<u>14,490,780</u>	<u>683,907</u>	<u>83,854,356</u>
<b>NET ASSETS</b>					
Invested in capital, net of related debt	28,016,921	4,108	-	557,933	28,578,962
Unrestricted (deficit)	1,501,528	(11,847,992)	5,373,610	(391,378)	(5,364,232)
Total Net Assets (Deficit)	<u>\$ 29,518,449</u>	<u>\$ (11,843,884)</u>	<u>\$ 5,373,610</u>	<u>\$ 166,555</u>	<u>\$ 23,214,730</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit D-2**

	Motor Pool	Liability and Property Coverage Self Insurance	Employee Health Benefits Self Insurance	Central Duplicating	Total Internal Service Funds
<b>OPERATING REVENUES</b>					
Charges for services	\$ 37,391,806	\$ 33,080,442	\$102,701,909	\$ 3,538,379	\$176,712,536
Claim recoveries	29,786	1,257,994	-	-	1,287,780
Total Operating Revenues	<u>37,421,592</u>	<u>34,338,436</u>	<u>102,701,909</u>	<u>3,538,379</u>	<u>178,000,316</u>
<b>OPERATING EXPENSES</b>					
Personnel costs	11,253,682	2,596,354	625,113	1,593,899	16,069,048
Postage	7,029	1,073	34,219	1,329,795	1,372,116
Self-insurance incurred and estimated claims	-	27,852,887	71,544,755	-	99,397,642
Insurance	1,094,690	2,535,727	24,502,728	-	28,133,145
Supplies and materials	13,119,245	13,854	42,730	429,500	13,605,329
Contractual services	72,446	3,734,419	6,944,649	95,486	10,847,000
Communications	107,318	11,778	28,680	8,320	156,096
Transportation	90,662	18,148	-	19,276	128,086
Public utility service	617,975	-	-	-	617,975
Rentals	73,905	2,150	-	297,879	373,934
Maintenance	7,232,777	2,508	378	81,122	7,316,785
Depreciation	5,555,354	9,615	-	208,681	5,773,650
Other	79,251	21,283	2,050	1,890	104,474
Total Operating Expenses	<u>39,304,334</u>	<u>36,799,796</u>	<u>103,725,302</u>	<u>4,065,848</u>	<u>183,895,280</u>
Operating Income (Loss)	<u>(1,882,742)</u>	<u>(2,461,360)</u>	<u>(1,023,393)</u>	<u>(527,469)</u>	<u>(5,894,964)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Intergovernmental	5,187	-	-	-	5,187
Gain (loss) on disposal of capital assets	200,899	-	-	(1,455)	199,444
Investment income	52,313	802,591	171,029	-	1,025,933
Other revenue	62,065	88,368	548,853	-	699,286
Total Nonoperating Revenues (Expenses)	<u>320,464</u>	<u>890,959</u>	<u>719,882</u>	<u>(1,455)</u>	<u>1,929,850</u>
Income (Loss) before Transfers	<u>(1,562,278)</u>	<u>(1,570,401)</u>	<u>(303,511)</u>	<u>(528,924)</u>	<u>(3,965,114)</u>
Transfers In (Out):					
Transfers in	772,549	-	-	-	772,549
Total Transfers In (Out)	<u>772,549</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>772,549</u>
Change in Net Assets	(789,729)	(1,570,401)	(303,511)	(528,924)	(3,192,565)
Total Net Assets (Deficit) - Beginning of Year	<u>30,308,178</u>	<u>(10,273,483)</u>	<u>5,677,121</u>	<u>695,479</u>	<u>26,407,295</u>
Total Net Assets (Deficit) - End of Year	<u>\$ 29,518,449</u>	<u>\$ (11,843,884)</u>	<u>\$ 5,373,610</u>	<u>\$ 166,555</u>	<u>\$ 23,214,730</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit D-3**

	Motor Pool	Liability and Property Coverage Self Insurance	Employee Health Benefits Self Insurance	Central Duplicating	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 37,384,694	\$ 34,528,854	\$ 102,451,107	\$ 3,531,097	\$ 177,895,752
Payments to suppliers	(22,486,151)	(6,416,476)	(31,210,359)	(2,067,659)	(62,180,645)
Payments to employees	(11,022,464)	(2,555,702)	(635,974)	(1,580,069)	(15,794,209)
Claims paid	-	(20,850,388)	(68,891,100)	-	(89,741,488)
Other revenue	39,936	-	-	-	39,936
Net Cash Provided (Used) by Operating Activities	<u>3,916,015</u>	<u>4,706,288</u>	<u>1,713,674</u>	<u>(116,631)</u>	<u>10,219,346</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Intergovernmental revenue	5,187	-	-	-	5,187
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,187</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from sale of capital assets	443,285	-	-	-	443,285
Purchases of capital assets	(11,031,957)	-	-	(237,626)	(11,269,583)
Repayment of notes receivable	46,945	-	-	-	46,945
Internal activity - payments from other funds	772,549	-	-	-	772,549
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(9,769,178)</u>	<u>-</u>	<u>-</u>	<u>(237,626)</u>	<u>(10,006,804)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment income from pooled investments	52,313	801,023	155,349	-	1,008,685
Investment income from nonpooled investments	-	1,568	15,680	-	17,248
Net Cash Provide (Used) by Investing Activities	<u>52,313</u>	<u>802,591</u>	<u>171,029</u>	<u>-</u>	<u>1,025,933</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(5,795,663)	5,508,879	1,884,703	(354,257)	1,243,662
Balances - Beginning of Year	7,983,452	47,737,873	13,011,661	354,745	69,087,731
Balances - End of Year	<u>\$ 2,187,789</u>	<u>\$ 53,246,752</u>	<u>\$ 14,896,364</u>	<u>\$ 488</u>	<u>\$ 70,331,393</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ (1,882,742)	\$ (2,461,360)	\$ (1,023,393)	\$ (527,469)	\$ (5,894,964)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	5,555,354	9,615	-	208,681	5,773,650
Other revenue	39,936	88,368	548,853	-	677,157
Changes in assets and liabilities:					
Receivables, net	(36,898)	190,418	(1,198,661)	(7,282)	(1,052,423)
Inventories, prepaids and other assets	(431,566)	(9,319)	-	(172,108)	(612,993)
Accounts and other payables	474,704	6,853,536	3,353,348	368,435	11,050,023
Accrued liabilities	197,227	35,030	33,527	13,112	278,896
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,916,015</u>	<u>\$ 4,706,288</u>	<u>\$ 1,713,674</u>	<u>\$ (116,631)</u>	<u>\$ 10,219,346</u>
<b>Noncash investing, capital and financing activities:</b>					
Capital asset donations	\$ 22,129	\$ -	\$ -	\$ -	\$ 22,129
Capital asset disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,455)</u>	<u>(1,455)</u>



MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit D-4**

	<u>Budget</u>			<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Prior Year Encumbrances</u>	<u>Current Year</u>	<u>Total</u>		
<b>LIABILITY AND PROPERTY COVERAGE SELF-INSURANCE</b>					
Personnel costs	\$ -	\$ 2,596,360	\$ 2,596,360	\$ 2,596,354	\$ 6
Other operating	<u>94,800</u>	<u>28,321,750</u>	<u>28,416,550</u>	<u>27,334,977</u>	<u>1,081,573</u>
Total	<u>\$ 94,800</u>	<u>\$ 30,918,110</u>	<u>\$ 31,012,910</u>	29,931,331	<u>\$ 1,081,579</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation				9,615	
Portion of incurred but not reported claims not required to be budgeted				6,991,416	
Deductions - Encumbrances outstanding at year-end				<u>(132,566)</u>	
GAAP Expenses				<u>\$ 36,799,796</u>	
<b>EMPLOYEE HEALTH BENEFITS SELF-INSURANCE</b>					
Personnel costs	\$ -	\$ 630,700	\$ 630,700	\$ 625,113	\$ 5,587
Other operating	<u>131,662</u>	<u>100,729,880</u>	<u>100,861,542</u>	<u>100,861,535</u>	<u>7</u>
Total	<u>\$ 131,662</u>	<u>\$ 101,360,580</u>	<u>\$ 101,492,242</u>	101,486,648	<u>\$ 5,594</u>
Reconciliation to GAAP expenses:					
Additions - Portion of incurred but not reported claims not required to be budgeted					
				2,695,367	
Deductions - Encumbrances outstanding at year-end				<u>(456,713)</u>	
GAAP Expenses				<u>\$ 103,725,302</u>	

## **FIDUCIARY FUNDS**

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

**PENSION AND OTHER EMPLOYEE BENEFIT TRUSTS** – Account for the accumulation of resources for, and payment of, retirement annuities and/or other benefits and administrative costs.

Employees' Retirement System  
Employees' Retirement Savings Plan  
Deferred Compensation Plan

**PRIVATE PURPOSE TRUSTS** - Account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Private Contributions	Tricentennial
Court Appointed Guardians	Strathmore Hall

**AGENCY** - Account for resources held by the County in a purely custodial capacity.

Property Tax  
Recreation Activities  
Miscellaneous

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS  
 JUNE 30, 2004  
**Exhibit E-1**

	Employees' Retirement System	Employees' Retirement Savings Plan	Deferred Compensation Plan	Total
<b>ASSETS</b>				
Current Assets:				
Equity in pooled cash and investments	\$ 533,502	\$ 524,214	\$ -	\$ 1,057,716
Investments:				
U.S. Government and agency obligations	224,583,856	-	-	224,583,856
Asset-backed securities	25,130,943	-	-	25,130,943
Municipal/Provincial bonds	745,819	-	-	745,819
Corporate bonds	283,610,976	-	-	283,610,976
Collateralized mortgage obligations	3,308,835	-	-	3,308,835
Commercial mortgage-backed securities	3,214,617	-	-	3,214,617
Common and preferred stock	1,319,682,926	-	-	1,319,682,926
Mutual and commingled funds	580,139	54,446,315	239,923,463	294,949,917
Short-term investments	96,168,794	-	-	96,168,794
Cash collateral received under securities lending agreements	300,257,113	-	-	300,257,113
Real estate holdings	3,697,613	-	-	3,697,613
Alternative investment	6,563,331	-	-	6,563,331
Total investments	<u>2,267,544,962</u>	<u>54,446,315</u>	<u>239,923,463</u>	<u>2,561,914,740</u>
Receivables:				
Dividends receivable and accrued interest	6,630,325	-	-	6,630,325
Accounts receivable	122,160	95,657	-	217,817
Due from other funds	3,684,828	536,770	1,092,852	5,314,450
Due from component units	65,837	50,740	-	116,577
Due from other governments	20,266	1,729	-	21,995
Prepays	705	-	-	705
Total Current Assets	<u>2,278,602,585</u>	<u>55,655,425</u>	<u>241,016,315</u>	<u>2,575,274,325</u>
Total Assets	<u>2,278,602,585</u>	<u>55,655,425</u>	<u>241,016,315</u>	<u>2,575,274,325</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	302,636,442	25,168	-	302,661,610
Accrued liabilities	166,013	11,696	-	177,709
Due to other funds	658	838	-	1,496
Deferred revenue	139,048	-	-	139,048
Total Current Liabilities	<u>302,942,161</u>	<u>37,702</u>	<u>-</u>	<u>302,979,863</u>
Noncurrent Liabilities:				
Compensated absences	<u>41,453</u>	<u>2,294</u>	<u>-</u>	<u>43,747</u>
Total Liabilities	<u>302,983,614</u>	<u>39,996</u>	<u>-</u>	<u>303,023,610</u>
<b>NET ASSETS</b>				
Held in trust for pension benefits	<u>\$ 1,975,618,971</u>	<u>\$ 55,615,429</u>	<u>\$ 241,016,315</u>	<u>\$ 2,272,250,715</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004

**Exhibit E-2**

	<b>Employees' Retirement System</b>	<b>Employees' Retirement Savings Plan</b>	<b>Deferred Compensation Plan</b>	<b>Total</b>
<b>ADDITIONS</b>				
Contributions:				
Employers	\$ 61,927,029	\$ 6,468,353	\$ -	\$ 68,395,382
Members	14,761,912	4,208,196	21,610,024	40,580,132
Total Contributions	<u>76,688,941</u>	<u>10,676,549</u>	<u>21,610,024</u>	<u>108,975,514</u>
Investment income	295,722,750	6,222,567	29,455,876	331,401,193
Less: Investment expenses	8,827,650	79,070	-	8,906,720
Net Investment Income	<u>286,895,100</u>	<u>6,143,497</u>	<u>29,455,876</u>	<u>322,494,473</u>
Other income - forfeitures	-	210,392	-	210,392
Total Additions, net	<u>363,584,041</u>	<u>17,030,438</u>	<u>51,065,900</u>	<u>431,680,379</u>
<b>DEDUCTIONS</b>				
Benefits:				
Annuities:				
Retirees	87,122,662	-	-	87,122,662
Survivors	5,031,935	-	-	5,031,935
Disability	19,491,388	-	-	19,491,388
Total Benefits	<u>111,645,985</u>	<u>-</u>	<u>-</u>	<u>111,645,985</u>
Member refunds	796,099	1,382,451	9,634,643	11,813,193
Administrative expenses	2,066,265	247,277	5,564	2,319,106
Total Deductions	<u>114,508,349</u>	<u>1,629,728</u>	<u>9,640,207</u>	<u>125,778,284</u>
Net Increase	249,075,692	15,400,710	41,425,693	305,902,095
Net Assets - Beginning of Year	<u>1,726,543,279</u>	<u>40,214,719</u>	<u>199,590,622</u>	<u>1,966,348,620</u>
Net Assets - End of Year	<u>\$ 1,975,618,971</u>	<u>\$ 55,615,429</u>	<u>\$ 241,016,315</u>	<u>\$ 2,272,250,715</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 PRIVATE PURPOSE TRUST FUNDS  
 JUNE 30, 2004  
**Exhibit E-3**

	<b>Private Contributions</b>	<b>Court Appointed Guardians</b>	<b>Tri- centennial</b>	<b>Strathmore Hall</b>	<b>Total</b>
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 961,081	\$ 48,912	\$ 5,837	\$ 1,114,119	\$ 2,129,949
Prepays	-	-	-	11,000	11,000
Total Assets	<u>961,081</u>	<u>48,912</u>	<u>5,837</u>	<u>1,125,119</u>	<u>2,140,949</u>
<b>LIABILITIES</b>					
Accounts payable	<u>200</u>	<u>7,599</u>	-	-	<u>7,799</u>
Total Liabilities	<u>200</u>	<u>7,599</u>	-	-	<u>7,799</u>
<b>NET ASSETS</b>					
Held in trust	<u>\$ 960,881</u>	<u>\$ 41,313</u>	<u>\$ 5,837</u>	<u>\$ 1,125,119</u>	<u>\$ 2,133,150</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 PRIVATE PURPOSE TRUST FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit E-4**

	Private Contributions	Court Appointed Guardians	Tri- centennial	Strathmore Hall	Total
<b>ADDITIONS</b>					
Member contributions	\$ 383,905	\$ 4,992	\$ -	\$ -	\$ 388,897
Investment Income:					
Investment income	6,145	686	-	12,734	19,565
Other interest income	-	-	58	-	58
Total Investment Income	<u>6,145</u>	<u>686</u>	<u>58</u>	<u>12,734</u>	<u>19,623</u>
Total Additions	<u>390,050</u>	<u>5,678</u>	<u>58</u>	<u>12,734</u>	<u>408,520</u>
<b>DEDUCTIONS</b>					
Program expenses	<u>724,894</u>	<u>28,132</u>	<u>-</u>	<u>104,000</u>	<u>857,026</u>
Total Deductions	<u>724,894</u>	<u>28,132</u>	<u>-</u>	<u>104,000</u>	<u>857,026</u>
Net Increase (Decrease)	(334,844)	(22,454)	58	(91,266)	(448,506)
Net Assets - Beginning of Year	<u>1,295,725</u>	<u>63,767</u>	<u>5,779</u>	<u>1,216,385</u>	<u>2,581,656</u>
Net Assets - End of Year	<u>\$ 960,881</u>	<u>\$ 41,313</u>	<u>\$ 5,837</u>	<u>\$ 1,125,119</u>	<u>\$ 2,133,150</u>

MONTGOMERY COUNTY, MARYLAND  
 ALL AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit E-5**

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<b><u>RECREATION ACTIVITIES FUND</u></b>				
ASSETS				
Equity in pooled cash and investments	\$ 1,841,104	\$ 17,401,137	\$ 16,969,517	\$ 2,272,724
Accounts receivable	14,720	7,501	7,468	14,753
Total Assets	<u>\$ 1,855,824</u>	<u>\$ 17,408,638</u>	<u>\$ 16,976,985</u>	<u>\$ 2,287,477</u>
LIABILITIES				
Accounts payable	\$ 7,100	\$ 2,751,330	\$ 2,733,279	\$ 25,151
Other liabilities	1,848,724	14,657,308	14,243,706	2,262,326
Total Liabilities	<u>\$ 1,855,824</u>	<u>\$ 17,408,638</u>	<u>\$ 16,976,985</u>	<u>\$ 2,287,477</u>
<b><u>PROPERTY TAX FUND</u></b>				
ASSETS				
Equity in pooled cash and investments	\$ 32,625,814	\$ 1,604,779,193	\$ 1,598,089,952	\$ 39,315,055
Property taxes receivable	6,963,783	281,117,157	280,272,969	7,807,971
Other receivables	377,013	-	-	377,013
Total Assets	<u>\$ 39,966,610</u>	<u>\$ 1,885,896,350</u>	<u>\$ 1,878,362,921</u>	<u>\$ 47,500,039</u>
LIABILITIES				
Escrow deposits	\$ 646,349	\$ 248,226	\$ 174,441	\$ 720,134
Due to other governments	1,316,286	279,511,010	278,830,215	1,997,081
Uncollected property taxes due to governments	6,963,783	281,117,157	280,272,969	7,807,971
Undistributed taxes and refunds	11,159,424	1,490,853,185	1,487,913,396	14,099,213
Tax sale surplus and redemptions payable	4,090,226	8,759,316	9,072,435	3,777,107
Other liabilities	15,790,542	312,356,727	309,048,736	19,098,533
Total Liabilities	<u>\$ 39,966,610</u>	<u>\$ 2,372,845,621</u>	<u>\$ 2,365,312,192</u>	<u>\$ 47,500,039</u>
<b><u>MISCELLANEOUS AGENCY FUND</u></b>				
ASSETS				
Equity in pooled cash and investments	\$ 3,323,641	\$ 11,431,537	\$ 10,860,992	\$ 3,894,186
Cash	79,717	-	73,059	6,658
Accounts receivable	17,823	59,851	8,690	68,984
Total Assets	<u>\$ 3,421,181</u>	<u>\$ 11,491,388</u>	<u>\$ 10,942,741</u>	<u>\$ 3,969,828</u>
LIABILITIES				
Due to other governments	\$ 190,145	\$ 750,829	\$ 736,818	\$ 204,156
Other liabilities	3,231,036	15,404,477	14,869,841	3,765,672
Total Liabilities	<u>\$ 3,421,181</u>	<u>\$ 16,155,306</u>	<u>\$ 15,606,659</u>	<u>\$ 3,969,828</u>

(Continued)

MONTGOMERY COUNTY, MARYLAND  
 ALL AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES, CONCLUDED  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit E-5**

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<b><u>TOTALS - ALL AGENCY FUNDS</u></b>				
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 37,790,559	\$ 1,633,611,867	\$ 1,625,920,461	\$ 45,481,965
Cash	79,717	-	73,059	6,658
Property taxes receivable	6,963,783	281,117,157	280,272,969	7,807,971
Accounts receivable	32,543	67,352	16,158	83,737
Other receivables	377,013	-	-	377,013
Total Assets	<u>\$ 45,243,615</u>	<u>\$ 1,914,796,376</u>	<u>\$ 1,906,282,647</u>	<u>\$ 53,757,344</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 7,100	\$ 2,751,330	\$ 2,733,279	\$ 25,151
Escrow deposits	646,349	248,226	174,441	720,134
Due to other governments	1,506,431	280,261,839	279,567,033	2,201,237
Uncollected property taxes due to governments	6,963,783	281,117,157	280,272,969	7,807,971
Undistributed taxes and refunds	11,159,424	1,490,853,185	1,487,913,396	14,099,213
Tax sale surplus and redemptions payable	4,090,226	8,759,316	9,072,435	3,777,107
Other liabilities	20,870,302	342,418,512	338,162,283	25,126,531
Total Liabilities	<u>\$ 45,243,615</u>	<u>\$ 2,406,409,565</u>	<u>\$ 2,397,895,836</u>	<u>\$ 53,757,344</u>



**NONMAJOR COMPONENT UNITS**

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF NET ASSETS  
 NONMAJOR COMPONENT UNITS  
 JUNE 30, 2004  
**Exhibit F-1**

	BUPI	MCRA	MCC	Total
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ -	\$ -	\$ 35,485,622	\$ 35,485,622
Cash	251,157	925,923	1,075,830	2,252,910
Investments - cash equivalents	-	831,884	39,518,048	40,349,932
Receivables (net of allowances for uncollectibles):				
Capital leases	-	24,180,415	-	24,180,415
Accounts	93,767	10,211	4,391,290	4,495,268
Notes	-	715,095	-	715,095
Other	-	-	1,088,884	1,088,884
Due from primary government	1,636	-	1,809,317	1,810,953
Due from other governments	6,619	-	2,620,030	2,626,649
Inventory of supplies	-	365,983	1,157,082	1,523,065
Prepays	35,640	114,087	387,622	537,349
Deferred charges	-	939,174	-	939,174
Other assets	5,075	80,571	2,305,920	2,391,566
Restricted Assets:				
Cash	-	108,025	-	108,025
Investments - cash equivalents	-	30,427,324	-	30,427,324
Capital assets:				
Nondepreciable assets	-	23,745,546	36,846,293	60,591,839
Depreciable assets, net	311,596	13,537,124	134,609,043	148,457,763
Total Assets	<u>705,490</u>	<u>95,981,362</u>	<u>261,294,981</u>	<u>357,981,833</u>
<b>LIABILITIES</b>				
Accounts payable	90,090	120,062	7,568,795	7,778,947
Interest payable	-	908,918	-	908,918
Retainage payable	-	30,000	664,323	694,323
Accrued liabilities	113,061	322,989	-	436,050
Deposits	-	29,823	-	29,823
Due to primary government	7,266	54,797	2,257,284	2,319,347
Deferred revenue	87,439	123,199	4,318,039	4,528,677
Other liabilities	-	40,009	-	40,009
Noncurrent liabilities:				
Due within one year	-	4,328,969	444,284	4,773,253
Due in more than one year	-	70,058,751	31,659,007	101,717,758
Total Liabilities	<u>297,856</u>	<u>76,017,517</u>	<u>46,911,732</u>	<u>123,227,105</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	311,596	13,324,679	168,256,943	181,893,218
Restricted for:				
Capital projects	-	1,499,137	2,872,825	4,371,962
Debt service	-	3,346,941	-	3,346,941
Other purposes	-	11,389	13,730,905	13,742,294
Unrestricted	96,038	1,781,699	29,522,576	31,400,313
Total net assets	<u>\$ 407,634</u>	<u>\$ 19,963,845</u>	<u>\$ 214,383,249</u>	<u>\$ 234,754,728</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF ACTIVITIES  
 NONMAJOR COMPONENT UNITS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit F-2**

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	BUPI	MCRA	MCC	Total
<b>Component Units:</b>								
General government	\$ 2,798,202	\$ 2,659,247	\$ 216,795	\$ -	\$ 77,840	\$ -	\$ -	\$ 77,840
Culture and recreation	11,271,067	9,934,954	-	-	-	(1,336,113)	-	(1,336,113)
Education	174,472,198	59,092,427	17,523,286	40,707	-	-	(97,815,778)	(97,815,778)
Total component units	<u>\$ 188,541,467</u>	<u>\$ 71,686,628</u>	<u>\$ 17,740,081</u>	<u>\$ 40,707</u>	<u>77,840</u>	<u>(1,336,113)</u>	<u>(97,815,778)</u>	<u>(99,074,051)</u>
General revenues:								
Grants and contributions not restricted to specific programs					6,385	-	114,111,406	114,117,791
Investment income					-	1,609,463	1,554,852	3,164,315
Gain on sale of capital assets					7,500	1,450,004	-	1,457,504
Total general revenues					<u>13,885</u>	<u>3,059,467</u>	<u>115,666,258</u>	<u>118,739,610</u>
Change in net assets					91,725	1,723,354	17,850,480	19,665,559
Net assets - beginning, as restated					315,909	18,240,491	196,532,769	215,089,169
Net assets - ending					<u>\$ 407,634</u>	<u>\$ 19,963,845</u>	<u>\$ 214,383,249</u>	<u>\$ 234,754,728</u>

**CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS**

MONTGOMERY COUNTY, MARYLAND  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY SOURCE <sup>1</sup>  
 JUNE 30, 2004  
**Exhibit G-1**

	<b>Totals</b>
<b>Governmental Funds Capital Assets:</b>	
Land	\$ 485,158,639
Buildings	528,008,545
Improvements other than buildings	45,474,070
Furniture, fixtures, equipment, and machinery	176,627,667
Leasehold improvements	7,221,582
Automobiles and trucks	93,932,747
Infrastructure	1,378,746,354
Other assets	2,079,731
Construction in progress	233,804,099
Total Governmental Funds Capital Assets	<u>\$ 2,951,053,434</u>
<b>Investment in Governmental Funds Capital Assets by Source:</b>	
General Fund	\$ 16,362,813
Special revenue funds	65,334,281
State grants	9,894,514
Federal grants	6,181,907
Developer donated - principally roads	836,393,339
Capital Projects Fund - principally general obligation bonds	<u>2,016,886,580</u>
Total Governmental Funds Capital Assets	<u>\$ 2,951,053,434</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 assets.

MONTGOMERY COUNTY, MARYLAND  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION <sup>1</sup>  
 JUNE 30, 2004  
 Exhibit G-2

Function	Total	Land	Buildings and Improvements*	Furniture, Fixtures, Equipment and Machinery	Automobiles and Trucks	Infrastructure	Other Assets
General government	\$ 284,882,888	\$ 56,534,000	\$ 199,287,488	\$ 26,967,314	\$ 103,866	\$ -	\$ 1,990,220
Public safety	323,925,828	14,525,491	158,773,624	122,962,979	27,574,223	-	89,511
Public works and transportation	1,731,983,381	244,356,500	44,480,447	24,575,615	66,165,892	1,352,404,927	-
Health and human services	33,958,626	6,355,694	26,908,907	605,259	88,766	-	-
Culture and recreation	222,496,466	102,116,831	119,313,870	1,065,765	-	-	-
Community development and housing	89,236,800	38,051,238	30,136,732	437,959	-	20,610,871	-
Environment	30,765,346	23,218,885	1,803,129	12,776	-	5,730,556	-
Total Fixed Assets Allocated by Function	2,717,249,335	<u>\$ 485,158,639</u>	<u>\$ 580,704,197</u>	<u>\$ 176,627,667</u>	<u>\$ 93,932,747</u>	<u>\$ 1,378,746,354</u>	<u>\$ 2,079,731</u>
Construction in Progress	233,804,099						
Total General Fixed Assets	<u>\$ 2,951,053,434</u>						

\* Includes buildings, improvements other than buildings, and leasehold improvements.

<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 assets.

MONTGOMERY COUNTY, MARYLAND  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION <sup>1</sup>  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
**Exhibit G-3**

<b>Function</b>	<b>Governmental Funds Capital Assets</b>			<b>Governmental Funds Capital Assets</b>
	<b>July 1, 2003</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2004</b>
General government	\$ 252,690,384	\$ 39,514,216	\$ 7,321,712	\$ 284,882,888
Public safety	297,503,320	27,584,857	1,162,349	323,925,828
Public works and transportation	1,661,824,326	71,214,781	1,055,726	1,731,983,381
Health and human services	33,976,662	-	18,036	33,958,626
Culture and recreation	201,551,521	21,945,450	1,000,505	222,496,466
Community development and housing	93,971,602	732,882	5,467,684	89,236,800
Environment	27,799,387	2,965,959	-	30,765,346
Construction in progress	<u>215,430,898</u>	<u>137,234,487</u>	<u>118,861,286</u>	<u>233,804,099</u>
 Total General Fixed Assets	 <u>\$ 2,784,748,100</u>	 <u>\$ 301,192,632</u>	 <u>\$ 134,887,298</u>	 <u>\$ 2,951,053,434</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 assets.

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\* POEB = Pension and Other Employee Benefit