

MONTGOMERY COUNTY MARYLAND

Comprehensive Annual Financial Report



Fiscal Year 2006

July 1, 2005 - June 30, 2006
Rockville, Maryland

Montgomery County, Maryland
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 Fiscal Year Ended June 30, 2006
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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 relating to providing recreational services throughout the County, except for certain cities and towns that provide their own recreational services.

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.

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.

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

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 governmental funds:

DEBT SERVICE
CAPITAL PROJECTS

MONTGOMERY COUNTY, MARYLAND
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2006
Exhibit B-1

	Special Revenue Funds			
	Special Taxing Districts	Housing Activities	Revenue Stabilization	Economic Development
ASSETS				
Equity in pooled cash and investments	\$ 33,066,027	\$ 9,686,577	\$ 107,786,617	\$ 2,035,277
Cash	4,900	-	-	-
Investments	-	-	-	-
Receivables (net of allowances for uncollectibles):				
Property taxes	4,742,416	-	-	-
Accounts	92,574	-	-	-
Notes	-	-	-	1,278,846
Mortgages receivable	-	86,508,667	-	-
Interest	-	-	-	-
Other	255,436	-	-	-
Due from other funds	3,089,573	-	-	-
Due from component units	-	28,132,326	-	-
Due from other governments	1,999,360	-	-	-
Prepays	621,784	-	-	-
Total Assets	<u>\$ 43,872,070</u>	<u>\$ 124,327,570</u>	<u>\$ 107,786,617</u>	<u>\$ 3,314,123</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 5,367,802	\$ 297,261	\$ -	\$ -
Retainage payable	25,289	-	-	-
Accrued liabilities	8,531,987	28,508	-	4,675
Deposits	23,050	-	-	-
Due to other funds	3,020,095	6,964	-	977
Due to component units	47,528	17,870	-	-
Due to other governments	163,093	-	-	-
Deferred revenue	6,755,762	2,213,402	-	-
Total Liabilities	<u>23,934,606</u>	<u>2,564,005</u>	<u>-</u>	<u>5,652</u>
Fund Balances:				
Reserved for:				
Long-term receivables	139,446	112,427,591	-	1,278,846
Prepays	621,784	-	-	-
Fire-Rescue Grant	1,512,354	-	-	-
Donor-specified purposes	-	-	-	-
Other purposes	-	-	-	-
Total Reserved	<u>2,273,584</u>	<u>112,427,591</u>	<u>-</u>	<u>1,278,846</u>
Unreserved, designated for, reported in:				
Encumbrances	9,956,955	571,430	-	-
Special Revenue Funds	3,705,191	8,609,095	-	2,029,625
Unreserved, undesignated reported in:				
Special Revenue Funds	4,001,734	155,449	107,786,617	-
Total Unreserved	<u>17,663,880</u>	<u>9,335,974</u>	<u>107,786,617</u>	<u>2,029,625</u>
Total Fund Balances	<u>19,937,464</u>	<u>121,763,565</u>	<u>107,786,617</u>	<u>3,308,471</u>
Total Liabilities and Fund Balances	<u>\$ 43,872,070</u>	<u>\$ 124,327,570</u>	<u>\$ 107,786,617</u>	<u>\$ 3,314,123</u>

					Permanent Fund HOC Treasury Bonds	Total Nonmajor Governmental Funds
Cable TV	Grants	Other	Total			
\$ 2,863,530	\$ 255,156	\$ 20,638,761	\$ 176,331,945	\$ 589,776	\$ 176,921,721	
-	-	25,000	29,900	-	29,900	
-	-	-	-	4,946,796	4,946,796	
-	-	-	4,742,416	-	4,742,416	
2,312,044	88,324	26,634	2,519,576	-	2,519,576	
-	3,774,533	-	5,053,379	-	5,053,379	
-	23,364,534	-	109,873,201	-	109,873,201	
-	-	-	-	60,110	60,110	
-	-	-	255,436	-	255,436	
-	-	-	3,089,573	-	3,089,573	
-	8,616,585	-	36,748,911	13,985	36,762,896	
-	20,434,672	-	22,434,032	-	22,434,032	
200,416	1,472	2,131	825,803	-	825,803	
<u>\$ 5,375,990</u>	<u>\$ 56,535,276</u>	<u>\$ 20,692,526</u>	<u>\$ 361,904,172</u>	<u>\$ 5,610,667</u>	<u>\$ 367,514,839</u>	
\$ 776,177	\$ 5,788,771	\$ 637,814	\$ 12,867,825	\$ -	\$ 12,867,825	
-	22,295	-	47,584	-	47,584	
55,000	723,820	43,592	9,387,582	-	9,387,582	
144,894	-	-	167,944	-	167,944	
12,769	272,149	11,882	3,324,836	-	3,324,836	
-	1,484,998	-	1,550,396	-	1,550,396	
-	12,223,366	13,793	12,400,252	-	12,400,252	
-	36,019,877	26,634	45,015,675	74,094	45,089,769	
<u>988,840</u>	<u>56,535,276</u>	<u>733,715</u>	<u>84,762,094</u>	<u>74,094</u>	<u>84,836,188</u>	
-	-	-	113,845,883	-	113,845,883	
200,416	-	2,131	824,331	-	824,331	
-	-	-	1,512,354	-	1,512,354	
-	-	1,192,950	1,192,950	-	1,192,950	
-	-	-	-	5,536,573	5,536,573	
<u>200,416</u>	<u>-</u>	<u>1,195,081</u>	<u>117,375,518</u>	<u>5,536,573</u>	<u>122,912,091</u>	
1,544,704	-	1,698,368	13,771,457	-	13,771,457	
776,839	-	2,385,699	17,506,449	-	17,506,449	
1,865,191	-	14,679,663	128,488,654	-	128,488,654	
<u>4,186,734</u>	<u>-</u>	<u>18,763,730</u>	<u>159,766,560</u>	<u>-</u>	<u>159,766,560</u>	
4,387,150	-	19,958,811	277,142,078	5,536,573	282,678,651	
<u>\$ 5,375,990</u>	<u>\$ 56,535,276</u>	<u>\$ 20,692,526</u>	<u>\$ 361,904,172</u>	<u>\$ 5,610,667</u>	<u>\$ 367,514,839</u>	

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit B-2

	Special Revenue Funds			
	Special Taxing Districts	Housing Activities	Revenue Stabilization	Economic Development
REVENUES				
Taxes	\$ 238,601,087	\$ 6,115,519	\$ -	\$ -
Licenses and permits	1,690,077	-	-	-
Intergovernmental	34,544,320	532,085	-	-
Charges for services	25,177,527	55,723	-	-
Fines and forfeitures	462,543	-	-	-
Investment income (loss)	1,980,557	756,793	4,719,842	423,333
Miscellaneous	424,772	1,044,110	-	626,161
Total Revenues	<u>302,880,883</u>	<u>8,504,230</u>	<u>4,719,842</u>	<u>1,049,494</u>
EXPENDITURES				
General government	5,871,038	-	-	7,361,334
Public safety	161,799,085	2,801,138	-	-
Public works and transportation	92,142,728	-	-	-
Health and human services	-	-	-	-
Culture and recreation	26,556,080	-	-	-
Community development and housing	-	-	-	-
Environment	-	-	-	-
Total Expenditures	<u>286,368,931</u>	<u>2,801,138</u>	<u>-</u>	<u>7,361,334</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>16,511,952</u>	<u>5,703,092</u>	<u>4,719,842</u>	<u>(6,311,840)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	11,637,417	8,229,560	6,609,329	530,680
Transfers (out)	(23,166,377)	(758,448)	(4,719,842)	(1,217,647)
Sale of property	-	5,201,674	-	-
Financing under notes payable	4,877,918	-	-	-
Total Other Financing Sources (Uses)	<u>(6,651,042)</u>	<u>12,672,786</u>	<u>1,889,487</u>	<u>(686,967)</u>
Net Change in Fund Balances	9,860,910	18,375,878	6,609,329	(6,998,807)
Fund Balances - Beginning of Year	10,076,554	103,387,687	101,177,288	10,307,278
Fund Balances - End of Year	<u>\$ 19,937,464</u>	<u>\$ 121,763,565</u>	<u>\$ 107,786,617</u>	<u>\$ 3,308,471</u>

				Permanent Fund		
Cable TV	Grants	Other	Total	HOC Treasury Bonds	Total Nonmajor Governmental Funds	
\$ -	\$ -	\$ 9,912,449	\$ 254,629,055	\$ -	\$ 254,629,055	
-	-	-	1,690,077	-	1,690,077	
-	73,946,659	42,505	109,065,569	-	109,065,569	
15,218,313	-	4,554,355	45,005,918	-	45,005,918	
-	-	460,893	923,436	-	923,436	
154,097	250,646	872,958	9,158,226	105,823	9,264,049	
290	629,785	426,403	3,151,521	-	3,151,521	
<u>15,372,700</u>	<u>74,827,090</u>	<u>16,269,563</u>	<u>423,623,802</u>	<u>105,823</u>	<u>423,729,625</u>	
-	4,738,930	2,890,482	20,861,784	-	20,861,784	
-	11,115,324	354,564	176,070,111	-	176,070,111	
-	14,947,262	-	107,089,990	-	107,089,990	
-	39,271,443	-	39,271,443	-	39,271,443	
8,492,930	303,166	-	35,352,176	-	35,352,176	
-	4,979,078	-	4,979,078	480,881	5,459,959	
-	9,621	3,114,773	3,124,394	-	3,124,394	
<u>8,492,930</u>	<u>75,364,824</u>	<u>6,359,819</u>	<u>386,748,976</u>	<u>480,881</u>	<u>387,229,857</u>	
<u>6,879,770</u>	<u>(537,734)</u>	<u>9,909,744</u>	<u>36,874,826</u>	<u>(375,058)</u>	<u>36,499,768</u>	
-	723,488	-	27,730,474	-	27,730,474	
(4,904,705)	(185,754)	(1,671,965)	(36,624,738)	-	(36,624,738)	
-	-	-	5,201,674	-	5,201,674	
-	-	-	4,877,918	-	4,877,918	
<u>(4,904,705)</u>	<u>537,734</u>	<u>(1,671,965)</u>	<u>1,185,328</u>	<u>-</u>	<u>1,185,328</u>	
1,975,065	-	8,237,779	38,060,154	(375,058)	37,685,096	
2,412,085	-	11,721,032	239,081,924	5,911,631	244,993,555	
<u>\$ 4,387,150</u>	<u>\$ -</u>	<u>\$ 19,958,811</u>	<u>\$ 277,142,078</u>	<u>\$ 5,536,573</u>	<u>\$ 282,678,651</u>	

MONTGOMERY COUNTY, MARYLAND
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL TAXING DISTRICTS
 JUNE 30, 2006
Exhibit B-3

	Recreation	Fire Tax District	Mass Transit Facilities	Urban Districts	Noise Abatement Districts	Total
ASSETS						
Equity in pooled cash and investments	\$ 6,090,817	\$ 18,392,031	\$ 6,775,933	\$ 1,771,701	\$ 35,545	\$ 33,066,027
Cash	4,050	-	850	-	-	4,900
Receivables (net of allowances for uncollectibles):						
Property taxes	427,664	2,561,642	1,623,415	129,695	-	4,742,416
Accounts	-	6,644	-	85,930	-	92,574
Other	66,422	-	189,014	-	-	255,436
Due from other funds	-	403,985	2,685,588	-	-	3,089,573
Due from other governments	66,380	1,812,570	114,569	5,841	-	1,999,360
Prepays	19,564	227,712	374,508	-	-	621,784
Total Assets	<u>\$ 6,674,897</u>	<u>\$ 23,404,584</u>	<u>\$ 11,763,877</u>	<u>\$ 1,993,167</u>	<u>\$ 35,545</u>	<u>\$ 43,872,070</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 315,422	\$ 1,188,566	\$ 3,686,907	\$ 176,907	\$ -	\$ 5,367,802
Retainage payable	-	25,289	-	-	-	25,289
Accrued liabilities	1,234,685	5,353,236	1,836,977	107,089	-	8,531,987
Deposits	23,050	-	-	-	-	23,050
Due to other funds	187,302	2,217,802	597,147	17,844	-	3,020,095
Due to component units	29,532	-	3,400	14,596	-	47,528
Due to other governments	39,708	-	123,385	-	-	163,093
Deferred revenue	441,290	4,331,025	1,762,027	221,420	-	6,755,762
Total Liabilities	<u>2,270,989</u>	<u>13,115,918</u>	<u>8,009,843</u>	<u>537,856</u>	<u>-</u>	<u>23,934,606</u>
Fund Balances:						
Reserved for:						
Long-term receivables	132,802	6,644	-	-	-	139,446
Prepays	19,564	227,712	374,508	-	-	621,784
Fire-Rescue Grant	-	1,512,354	-	-	-	1,512,354
Total Reserved	<u>152,366</u>	<u>1,746,710</u>	<u>374,508</u>	<u>-</u>	<u>-</u>	<u>2,273,584</u>
Unreserved, designated for, reported in:						
Encumbrances	509,158	5,857,179	3,379,526	211,092	-	9,956,955
Special Revenue Funds	1,169,130	1,730,133	-	805,928	-	3,705,191
Unreserved, undesignated, reported in:						
Special Revenue Funds	2,573,254	954,644	-	438,291	35,545	4,001,734
Total Unreserved	<u>4,251,542</u>	<u>8,541,956</u>	<u>3,379,526</u>	<u>1,455,311</u>	<u>35,545</u>	<u>17,663,880</u>
Total Fund Balances	<u>4,403,908</u>	<u>10,288,666</u>	<u>3,754,034</u>	<u>1,455,311</u>	<u>35,545</u>	<u>19,937,464</u>
Total Liabilities and Fund Balances	<u>\$ 6,674,897</u>	<u>\$ 23,404,584</u>	<u>\$ 11,763,877</u>	<u>\$ 1,993,167</u>	<u>\$ 35,545</u>	<u>\$ 43,872,070</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, 2006

Exhibit B-4

	Recreation	Fire Tax District	Mass Transit Facilities	Urban Districts	Noise Abatement Districts	Total
REVENUES						
Taxes	\$ 26,162,775	\$ 161,259,612	\$ 50,086,532	\$ 1,038,385	\$ 53,783	\$ 238,601,087
Licenses and permits	-	1,410,717	279,360	-	-	1,690,077
Intergovernmental	114,015	3,330,805	31,099,500	-	-	34,544,320
Charges for services	9,625,645	115,096	15,227,934	208,852	-	25,177,527
Fines and forfeitures	50	-	462,493	-	-	462,543
Investment income	446,973	1,201,681	303,916	25,529	2,458	1,980,557
Miscellaneous	76,046	60,140	288,586	-	-	424,772
Total Revenues	<u>36,425,504</u>	<u>167,378,051</u>	<u>97,748,321</u>	<u>1,272,766</u>	<u>56,241</u>	<u>302,880,883</u>
EXPENDITURES						
General government	-	-	-	5,871,038	-	5,871,038
Public safety	-	161,799,085	-	-	-	161,799,085
Public works and transportation	-	-	92,142,728	-	-	92,142,728
Culture and recreation	26,556,080	-	-	-	-	26,556,080
Total Expenditures	<u>26,556,080</u>	<u>161,799,085</u>	<u>92,142,728</u>	<u>5,871,038</u>	<u>-</u>	<u>286,368,931</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>9,869,424</u>	<u>5,578,966</u>	<u>5,605,593</u>	<u>(4,598,272)</u>	<u>56,241</u>	<u>16,511,952</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,429,860	-	5,000,207	5,207,350	-	11,637,417
Transfers (out)	(9,933,593)	(4,232,319)	(8,581,206)	(376,934)	(42,325)	(23,166,377)
Financing under notes payable	-	1,343,182	3,534,736	-	-	4,877,918
Total Other Financing Sources (Uses)	<u>(8,503,733)</u>	<u>(2,889,137)</u>	<u>(46,263)</u>	<u>4,830,416</u>	<u>(42,325)</u>	<u>(6,651,042)</u>
Net Change in Fund Balances	1,365,691	2,689,829	5,559,330	232,144	13,916	9,860,910
Fund Balances (Deficits) - Beginning of Year	3,038,217	7,598,837	(1,805,296)	1,223,167	21,629	10,076,554
Fund Balances - End of Year	<u>\$ 4,403,908</u>	<u>\$ 10,288,666</u>	<u>\$ 3,754,034</u>	<u>\$ 1,455,311</u>	<u>\$ 35,545</u>	<u>\$ 19,937,464</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS - HOUSING ACTIVITIES
 JUNE 30, 2006
Exhibit B-5

	Housing Initiative	Rehabilitation Loan	New Home Warranty Security	Totals
ASSETS				
Equity in pooled cash and investments	\$ 7,857,199	\$ 1,673,929	\$ 155,449	\$ 9,686,577
Mortgages receivable	84,151,399	2,357,268	-	86,508,667
Due from component units	28,132,326	-	-	28,132,326
Total Assets	<u>\$120,140,924</u>	<u>\$ 4,031,197</u>	<u>\$ 155,449</u>	<u>\$124,327,570</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 297,261	\$ -	\$ -	\$ 297,261
Accrued liabilities	28,508	-	-	28,508
Due to other funds	6,964	-	-	6,964
Due to component units	17,870	-	-	17,870
Deferred revenue	2,213,402	-	-	2,213,402
Total Liabilities	<u>2,564,005</u>	<u>-</u>	<u>-</u>	<u>2,564,005</u>
Fund Balances:				
Reserved for:				
Long-term receivables	110,070,323	2,357,268	-	112,427,591
Total Reserved	<u>110,070,323</u>	<u>2,357,268</u>	<u>-</u>	<u>112,427,591</u>
Unreserved, designated for, reported in:				
Encumbrances	571,430	-	-	571,430
Special Revenue Funds	6,935,166	1,673,929	-	8,609,095
Unreserved, undesignated reported in:				
Special Revenue Funds	-	-	155,449	155,449
Total Unreserved	<u>7,506,596</u>	<u>1,673,929</u>	<u>155,449</u>	<u>9,335,974</u>
Total Fund Balances	<u>117,576,919</u>	<u>4,031,197</u>	<u>155,449</u>	<u>121,763,565</u>
Total Liabilities and Fund Balances	<u>\$120,140,924</u>	<u>\$ 4,031,197</u>	<u>\$ 155,449</u>	<u>\$124,327,570</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, 2006

Exhibit B-6

	Housing Initiative	Rehabilitation Loan	New Home Warranty Security	Totals
REVENUES				
Taxes	\$ 6,115,519	\$ -	\$ -	\$ 6,115,519
Intergovernmental	532,085	-	-	532,085
Charges for services	55,723	-	-	55,723
Investment income	626,575	123,229	6,989	756,793
Miscellaneous	1,044,110	-	-	1,044,110
Total Revenues	<u>8,374,012</u>	<u>123,229</u>	<u>6,989</u>	<u>8,504,230</u>
EXPENDITURES				
Public safety	2,801,138	-	-	2,801,138
Total Expenditures	<u>2,801,138</u>	<u>-</u>	<u>-</u>	<u>2,801,138</u>
Excess of Revenues over Expenditures	<u>5,572,874</u>	<u>123,229</u>	<u>6,989</u>	<u>5,703,092</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,229,560	-	-	8,229,560
Transfers (out)	(758,448)	-	-	(758,448)
Sale of property	5,201,674	-	-	5,201,674
Total Other Financing Sources (Uses)	<u>12,672,786</u>	<u>-</u>	<u>-</u>	<u>12,672,786</u>
Net Change in Fund Balances	<u>18,245,660</u>	<u>123,229</u>	<u>6,989</u>	<u>18,375,878</u>
Fund Balances - Beginning of Year	<u>99,331,259</u>	<u>3,907,968</u>	<u>148,460</u>	<u>103,387,687</u>
Fund Balances - End of Year	<u>\$ 117,576,919</u>	<u>\$ 4,031,197</u>	<u>\$ 155,449</u>	<u>\$ 121,763,565</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS - OTHER
 JUNE 30, 2006
 Exhibit B-7

	Agricultural Transfer Tax	Drug Enforcement Forfeitures	Water Quality Protection	Restricted Donations	Totals
ASSETS					
Equity in pooled cash and investments	\$14,625,083	\$ 1,329,547	\$ 3,456,188	\$ 1,227,943	\$ 20,638,761
Cash	-	25,000	-	-	25,000
Receivables (net of allowances for uncollectibles):					
Accounts	-	-	26,634	-	26,634
Prepays	-	2,131	-	-	2,131
Total Assets	<u>\$14,625,083</u>	<u>\$ 1,356,678</u>	<u>\$ 3,482,822</u>	<u>\$ 1,227,943</u>	<u>\$ 20,692,526</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 3,868	\$ 598,953	\$ 34,993	\$ 637,814
Accrued liabilities	-	-	43,592	-	43,592
Due to other funds	-	-	11,882	-	11,882
Due to other governments	13,793	-	-	-	13,793
Deferred revenue	-	-	26,634	-	26,634
Total Liabilities	<u>13,793</u>	<u>3,868</u>	<u>681,061</u>	<u>34,993</u>	<u>733,715</u>
Fund Balances:					
Reserved for:					
Prepays	-	2,131	-	-	2,131
Donor-specified purposes	-	-	-	1,192,950	1,192,950
Total Reserved	<u>-</u>	<u>2,131</u>	<u>-</u>	<u>1,192,950</u>	<u>1,195,081</u>
Unreserved, designated for, reported in:					
Encumbrances	-	1,120	1,697,248	-	1,698,368
Special Revenue Funds	2,252,012	-	133,687	-	2,385,699
Unreserved, undesignated reported in:					
Special Revenue Funds	12,359,278	1,349,559	970,826	-	14,679,663
Total Unreserved	<u>14,611,290</u>	<u>1,350,679</u>	<u>2,801,761</u>	<u>-</u>	<u>18,763,730</u>
Total Fund Balances	<u>14,611,290</u>	<u>1,352,810</u>	<u>2,801,761</u>	<u>1,192,950</u>	<u>19,958,811</u>
Total Liabilities and Fund Balances	<u>\$14,625,083</u>	<u>\$ 1,356,678</u>	<u>\$ 3,482,822</u>	<u>\$ 1,227,943</u>	<u>\$ 20,692,526</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, 2006

Exhibit B-8

	Agricultural Transfer Tax	Drug Enforcement Forfeitures	Water Quality Protection	Restricted Donations	Totals
REVENUES					
Taxes	\$ 9,912,449	\$ -	\$ -	\$ -	\$ 9,912,449
Intergovernmental	-	-	-	42,505	42,505
Charges for services	-	-	4,554,355	-	4,554,355
Fines and forfeitures	-	460,893	-	-	460,893
Investment income	627,555	65,130	164,787	15,486	872,958
Miscellaneous - contributions	-	-	-	426,403	426,403
Total Revenues	<u>10,540,004</u>	<u>526,023</u>	<u>4,719,142</u>	<u>484,394</u>	<u>16,269,563</u>
EXPENDITURES					
General government	2,478,112	-	-	412,370	2,890,482
Public safety	-	354,564	-	-	354,564
Environment	-	-	3,114,773	-	3,114,773
Total Expenditures	<u>2,478,112</u>	<u>354,564</u>	<u>3,114,773</u>	<u>412,370</u>	<u>6,359,819</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>8,061,892</u>	<u>171,459</u>	<u>1,604,369</u>	<u>72,024</u>	<u>9,909,744</u>
OTHER FINANCING SOURCES (USES)					
Transfers (out)	(1,127,567)	(100,834)	(443,564)	-	(1,671,965)
Total Other Financing Sources (Uses)	<u>(1,127,567)</u>	<u>(100,834)</u>	<u>(443,564)</u>	<u>-</u>	<u>(1,671,965)</u>
Net Change in Fund Balances	6,934,325	70,625	1,160,805	72,024	8,237,779
Fund Balances - Beginning of Year	<u>7,676,965</u>	<u>1,282,185</u>	<u>1,640,956</u>	<u>1,120,926</u>	<u>11,721,032</u>
Fund Balances - End of Year	<u>\$ 14,611,290</u>	<u>\$ 1,352,810</u>	<u>\$ 2,801,761</u>	<u>\$ 1,192,950</u>	<u>\$ 19,958,811</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, 2006
Exhibit B-9

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Charges for Services - Special street assessments	\$ -	\$ -	\$ -	\$ 40,798	\$ 40,798
Investment Income:					
Pooled investment income	-	2,722,000	2,722,000	2,941,977	219,977
Other interest income	-	300,000	300,000	784,088	484,088
Total Investment Income	-	3,022,000	3,022,000	3,726,065	704,065
Total Revenues	-	3,022,000	3,022,000	3,766,863	744,863
Expenditures:					
Operating:					
Principal and Interest for General Obligation Bonds:					
General county	-	24,463,440	24,463,440	24,460,186	3,254
Roads and storm drainage	-	48,499,240	48,499,240	48,415,800	83,440
Parks and recreation	-	6,722,720	6,722,720	6,526,972	195,748
Public schools	-	89,974,310	89,974,310	88,421,768	1,552,542
Community college	-	6,211,610	6,211,610	6,012,792	198,818
Public housing	-	281,550	281,550	281,544	6
Recreation	-	4,850,190	4,850,190	4,611,661	238,529
Fire and rescue	-	3,043,220	3,043,220	2,729,950	313,270
Mass transit	-	3,119,380	3,119,380	3,011,246	108,134
Bradley noise abatement district	-	32,650	32,650	32,641	9
Cabin John noise abatement district	-	9,690	9,690	9,683	7
Issuing costs	157,086	1,077,274	1,234,360	1,233,355	1,005
Bond anticipation note interest	-	4,680,146	4,680,146	4,675,356	4,790
Principal and interest on long-term equipment notes	-	1,941,579	1,941,579	1,941,579	-
Principal and interest on long-term note	-	110,360	110,360	55,180	55,180
Long-term leases:					
General Fund	-	19,848,580	19,848,580	19,771,883	76,697
Recreation	-	3,100,180	3,100,180	3,100,172	8
Montgomery Housing Initiative	-	80,305	80,305	80,304	1
Liquor	-	329,000	329,000	-	329,000
Total Expenditures	157,086	218,375,424	218,532,510	215,372,072	3,160,438
Excess of Revenues over (under) Expenditures	(157,086)	(215,353,424)	(215,510,510)	(211,605,209)	3,905,301
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	199,294,428	199,294,428	195,435,109	(3,859,319)
From Special Revenue Funds:					
Recreation	-	7,950,370	7,950,370	7,707,967	(242,403)
Mass Transit	-	3,240,420	3,240,420	3,130,952	(109,468)
Bradley Noise Abatement District	-	32,650	32,650	32,642	(8)
Cabin John Noise Abatement District	-	9,690	9,690	9,683	(7)
Fire Tax District	-	4,306,201	4,306,201	4,021,020	(285,181)
Economic Development	-	110,360	110,360	55,180	(55,180)
Montgomery Housing Initiative	-	80,305	80,305	80,304	(1)
Revenue Stabilization	-	4,719,842	4,719,842	4,719,842	-
Liquor	-	329,000	329,000	-	(329,000)
From Capital Projects Fund	-	-	-	814,828	814,828
To Capital Projects Fund	-	(4,719,842)	(4,719,842)	(4,719,842)	-
Total Other Financing Sources (Uses)	-	215,353,424	215,353,424	211,287,685	(4,065,739)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(157,086)	-	(157,086)	(317,524)	(160,438)
Fund Balance - Beginning of Year	-	-	-	-	-
Fund Balance (Deficit) - End of Year	\$ (157,086)	\$ -	\$ (157,086)	\$ (317,524)	\$ (160,438)

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	\$ 3,766,863	\$ 215,372,072	\$ 211,287,685	\$ (317,524)
Reconciling items:				
Elimination of encumbrances outstanding	-	(317,524)	-	317,524
Bond anticipation note activity	-	200,000,000	-	(200,000,000)
Lease revenue bond activity not required to be budgeted	3,292,758	3,292,758	-	-
Long-term loan payoff	-	1,162,467	1,162,467	-
Issuing costs for:				
General obligation bonds	-	128,600	128,600	-
Proceeds of:				
General obligation bonds	-	-	100,000,000	100,000,000
Variable rate demand obligations	-	-	100,000,000	100,000,000
As reported - GAAP basis	\$ 7,059,621	\$ 419,638,373	\$ 412,578,752	\$ -

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, 2006
Exhibit B-10

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Taxes - impact	\$ -	\$ 41,335,024	\$ 41,335,024	\$ 58,073,018	\$ 16,737,994
Intergovernmental	98,626	78,269,681	78,368,307	19,883,235	(58,485,072)
Charges for services	-	6,151,442	6,151,442	787,887	(5,363,555)
Investment Income:					
Pooled investment income	-	-	-	2,233,114	2,233,114
Other investment income	-	-	-	90,835	90,835
Miscellaneous - contributions	-	14,831,742	14,831,742	777,212	(14,054,530)
Total Revenues	98,626	140,587,889	140,686,515	81,845,301	(58,841,214)
Expenditures - Capital projects	90,022,268	478,339,505	568,361,773	254,996,614	313,365,159
Excess of Revenues over (under) Expenditures	(89,923,642)	(337,751,616)	(427,675,258)	(173,151,313)	254,523,945
Other Financing Sources (Uses):					
Transfers in	-	59,907,600	59,907,600	59,491,660	(415,940)
Transfers (out)	-	-	-	(814,828)	(814,828)
Transfers (out) - component units	-	-	-	(326,494)	(326,494)
Sale of land	-	4,668,577	4,668,577	3,750	(4,664,827)
Proceeds of commercial paper	-	120,156,507	120,156,507	126,000,000	5,843,493
Proceeds of revenue bonds	-	(244,000)	(244,000)	-	244,000
Proceeds of general obligation bonds	-	235,083,544	235,083,544	-	(235,083,544)
Proceeds of certificates of participation	-	30,523,000	30,523,000	-	(30,523,000)
Total Other Financing Sources (Uses)	-	450,095,228	450,095,228	184,354,088	(265,741,140)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(89,923,642)	112,343,612	22,419,970	11,202,775	(11,217,195)
Fund Balance (Deficit) - Beginning of Year	89,923,642	(132,947,831)	(43,024,189)	(43,024,189)	-
Fund Balance (Deficit) - End of Year	\$ -	\$ (20,604,219)	\$ (20,604,219)	\$ (31,821,414)	\$ (11,217,195)

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	\$ 81,845,301	\$ 254,996,614	\$ 184,354,088	\$ 11,202,775
Reconciling items:				
Elimination of encumbrances outstanding	-	(93,801,382)	-	93,801,382
Reclassification of loans	-	-	326,494	326,494
Expenditures and funding for assets under capital leases	-	8,379,687	8,379,687	-
Bond proceeds for projects budgeted by others	-	-	179,328,100	179,328,100
Expenditure of bond proceeds for component units	-	212,849,334	-	(212,849,334)
Grants	(328,041)	(328,041)	-	-
As reported - GAAP basis	\$ 81,517,260	\$ 382,096,212	\$ 372,388,369	\$ 71,809,417

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, 2006
Exhibit B-11

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Taxes - property	\$ -	\$ 25,842,640	\$ 25,842,640	\$ 26,162,775	\$ 320,135
Intergovernmental	-	-	-	114,015	114,015
Charges for services - activity fees	-	9,906,988	9,906,988	9,625,645	(281,343)
Fines and forfeitures	-	-	-	50	50
Investment income	-	210,000	210,000	446,973	236,973
Miscellaneous	-	12,000	12,000	129,205	117,205
Total Revenues	-	<u>35,971,628</u>	<u>35,971,628</u>	<u>36,478,663</u>	<u>507,035</u>
Expenditures:					
Personnel costs	-	17,125,593	17,125,593	16,854,797	270,796
Operating	240,184	8,043,137	8,283,321	7,946,471	336,850
Total Expenditures	<u>240,184</u>	<u>25,168,730</u>	<u>25,408,914</u>	<u>24,801,268</u>	<u>607,646</u>
Excess of Revenues over (under) Expenditures	<u>(240,184)</u>	<u>10,802,898</u>	<u>10,562,714</u>	<u>11,677,395</u>	<u>1,114,681</u>
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	1,429,860	1,429,860	1,429,860	-
To General Fund	-	(4,474,530)	(4,474,530)	(4,474,530)	-
To Debt Service Fund	-	(7,950,370)	(7,950,370)	(7,707,967)	242,403
Motor Pool	-	(15,800)	(15,800)	(15,066)	734
Total Other Financing Sources (Uses)	-	<u>(11,010,840)</u>	<u>(11,010,840)</u>	<u>(10,767,703)</u>	<u>243,137</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(240,184)	(207,942)	(448,126)	909,692	1,357,818
Fund Balance - Beginning of Year	<u>240,184</u>	<u>2,849,336</u>	<u>3,089,520</u>	<u>3,089,520</u>	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 2,641,394</u>	<u>\$ 2,641,394</u>	<u>\$ 3,999,212</u>	<u>\$ 1,357,818</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	\$ 909,692
Reconciling items:	
Cancellation of prior year encumbrances	(53,159)
Elimination of encumbrances outstanding	509,158
GAAP - Net Change in Fund Balance	<u>\$ 1,365,691</u>

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, 2006
Exhibit B-12

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Taxes - property	\$ -	\$ 159,356,750	\$ 159,356,750	\$ 161,259,612	\$ 1,902,862
Licenses and Permits	-	1,618,800	1,618,800	1,410,717	(208,083)
Intergovernmental	-	3,578,520	3,578,520	3,330,805	(247,715)
Charges for services	-	49,340	49,340	115,096	65,756
Fines and forfeitures	-	200	200	-	(200)
Investment income	-	340,000	340,000	1,201,681	861,681
Miscellaneous	-	-	-	134,879	134,879
Total Revenues	-	<u>164,943,610</u>	<u>164,943,610</u>	<u>167,452,790</u>	<u>2,509,180</u>
Expenditures:					
Personnel costs	-	127,861,471	127,861,471	127,861,464	7
Operating	2,226,578	35,297,915	37,524,493	37,524,488	5
Capital Outlay	100,819	853,343	954,162	927,130	27,032
Total Expenditures	<u>2,327,397</u>	<u>164,012,729</u>	<u>166,340,126</u>	<u>166,313,082</u>	<u>27,044</u>
Excess of Revenues over (under) Expenditures	<u>(2,327,397)</u>	<u>930,881</u>	<u>(1,396,516)</u>	<u>1,139,708</u>	<u>2,536,224</u>
Other Financing Sources (Uses):					
Transfers In (Out):					
To General Fund	-	(120,750)	(120,750)	(120,750)	-
To Special Revenue Funds	-	(128,681)	(128,681)	(90,549)	38,132
To Debt Service Fund	-	(4,306,201)	(4,306,201)	(4,021,020)	285,181
To Internal Service Funds	-	(459,551)	(459,551)	-	459,551
To Capital Projects Fund	-	(1,692,000)	(1,692,000)	-	1,692,000
Total Other Financing Sources (Uses)	-	<u>(6,707,183)</u>	<u>(6,707,183)</u>	<u>(4,232,319)</u>	<u>2,474,864</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(2,327,397)	(5,776,302)	(8,103,699)	(3,092,611)	5,011,088
Fund Balance - Beginning of Year	<u>2,327,397</u>	<u>5,196,702</u>	<u>7,524,099</u>	<u>7,524,099</u>	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ (579,600)</u>	<u>\$ (579,600)</u>	<u>\$ 4,431,488</u>	<u>\$ 5,011,088</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
	\$ (3,092,611)
Reconciling items:	
Cancellation of prior year encumbrances	(74,739)
Elimination of encumbrances outstanding	5,857,179
GAAP - Net Change in Fund Balance	<u>\$ 2,689,829</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, 2006
Exhibit B-13

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Taxes:					
Property	\$ -	\$ 49,947,640	\$ 49,947,640	\$ 50,086,532	\$ 138,892
Licenses and permits	-	847,600	847,600	279,360	(568,240)
Intergovernmental:					
State aid	-	25,133,850	25,133,850	31,099,500	5,965,650
Total Intergovernmental	-	25,133,850	25,133,850	31,099,500	5,965,650
Charges for Services:					
Fare receipts	-	13,806,210	13,806,210	14,569,960	763,750
Parking fees	-	1,156,270	1,156,270	657,974	(498,296)
Total Charges for Services	-	14,962,480	14,962,480	15,227,934	265,454
Fines and forfeitures	-	400,000	400,000	462,493	62,493
Investment Income:					
Pooled	-	50,000	50,000	303,916	253,916
Miscellaneous	-	-	-	354,292	354,292
Total Revenues	-	91,341,570	91,341,570	97,814,027	6,472,457
Expenditures:					
Division of Transit Services:					
Personnel costs	-	39,717,055	39,717,055	39,717,052	3
Operating	463,428	49,146,531	49,609,959	49,609,955	4
Capital outlay	2,765,656	1,779,396	4,545,052	4,431,257	113,795
Total Division of Transit Services	3,229,084	90,642,982	93,872,066	93,758,264	113,802
Washington Suburban Transit Commission:					
Operating	-	89,689	89,689	89,688	1
Total Expenditures	3,229,084	90,732,671	93,961,755	93,847,952	113,803
Excess of Revenues over (under) Expenditures	(3,229,084)	608,899	(2,620,185)	3,966,075	6,586,260
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	513,010	513,010	513,010	-
From Enterprise Funds	-	4,937,300	4,937,300	4,487,197	(450,103)
To General Fund	-	(4,995,810)	(4,995,810)	(4,995,810)	-
To Special Revenue Funds	-	(250,000)	(250,000)	(250,000)	-
To Debt Service Fund	-	(3,240,420)	(3,240,420)	(3,130,952)	109,468
To Internal Service Funds	-	(17,000)	(17,000)	(14,919)	2,081
To Capital Projects Fund	-	(2,643,558)	(2,643,558)	(189,525)	2,454,033
Total Other Financing Sources (Uses)	-	(5,696,478)	(5,696,478)	(3,580,999)	2,115,479
Excess of Revenues and					
Other Financing Sources over (under)					
Expenditures and Other Financing Uses	(3,229,084)	(5,087,579)	(8,316,663)	385,076	8,701,739
Fund Balance (Deficit) - Beginning of Year	3,229,084	(5,100,087)	(1,871,003)	(1,871,003)	-
Fund Balance (Deficit) - End of Year	\$ -	\$ (10,187,666)	\$ (10,187,666)	\$ (1,485,927)	\$ 8,701,739

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	\$ 385,076
Reconciling items:	
Cancellation of prior year encumbrances	(65,706)
Elimination of encumbrances outstanding	5,239,960
GAAP - Net Change in Fund Balance	\$ 5,559,330

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, 2006
Exhibit B-14

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
BETHESDA URBAN DISTRICT					
Revenues:					
Taxes - property	\$ -	\$ 491,590	\$ 491,590	\$ 441,785	\$ (49,805)
Charges for services - maintenance fees	-	144,700	144,700	120,436	(24,264)
Total Revenues	-	636,290	636,290	562,221	(74,069)
Expenditures:					
Personnel costs	-	70	70	67	3
Operating	-	2,177,230	2,177,230	2,163,202	14,028
Total Expenditures	-	2,177,300	2,177,300	2,163,269	14,031
Excess of Revenues over (under) Expenditures	-	(1,541,010)	(1,541,010)	(1,601,048)	(60,038)
Other Financing Sources (Uses):					
Transfers In (Out):					
From Enterprise Funds	-	1,694,100	1,694,100	1,694,100	-
To Capital Projects Fund	-	(300,000)	(300,000)	(63,194)	236,806
Total Other Financing Sources (Uses)	-	1,394,100	1,394,100	1,630,906	236,806
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	(146,910)	(146,910)	29,858	176,768
Fund Balance - Beginning of Year	-	190,150	190,150	190,150	-
Fund Balance - End of Year	\$ -	\$ 43,240	\$ 43,240	\$ 220,008	\$ 176,768
SILVER SPRING URBAN DISTRICT					
Revenues:					
Taxes - property	\$ -	\$ 419,550	\$ 419,550	\$ 458,937	\$ 39,387
Charges for services - maintenance fees	-	144,500	144,500	88,416	(56,084)
Investment income	-	20,000	20,000	22,242	2,242
Miscellaneous	-	-	-	25,826	25,826
Total Revenues	-	584,050	584,050	595,421	11,371
Expenditures:					
Personnel costs	-	1,403,490	1,403,490	1,238,102	165,388
Operating	44,010	1,282,400	1,326,410	1,326,401	9
Total Expenditures	44,010	2,685,890	2,729,900	2,564,503	165,397
Excess of Revenues over (under) Expenditures	(44,010)	(2,101,840)	(2,145,850)	(1,969,082)	176,768
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	241,630	241,630	241,630	-
From Enterprise Funds	-	1,770,760	1,770,760	1,770,760	-
To General Fund	-	(196,310)	(196,310)	(196,310)	-
Total Other Financing Sources (Uses)	-	1,816,080	1,816,080	1,816,080	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(44,010)	(285,760)	(329,770)	(153,002)	176,768
Fund Balance - Beginning of Year	44,010	834,970	878,980	878,980	-
Fund Balance - End of Year	\$ -	\$ 549,210	\$ 549,210	\$ 725,978	\$ 176,768

(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, 2006
Exhibit B-14

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
WHEATON URBAN DISTRICT					
Revenues:					
Taxes - property	\$ -	\$ 129,290	\$ 129,290	\$ 137,663	\$ 8,373
Investment income	-	-	-	3,287	3,287
Miscellaneous	-	-	-	15,339	15,339
Total Revenues	<u>-</u>	<u>129,290</u>	<u>129,290</u>	<u>156,289</u>	<u>26,999</u>
Expenditures:					
Personnel costs	-	838,764	838,764	728,362	110,402
Operating	60,407	590,336	650,743	625,996	24,747
Total Expenditures	<u>60,407</u>	<u>1,429,100</u>	<u>1,489,507</u>	<u>1,354,358</u>	<u>135,149</u>
Excess of Revenues over (under) Expenditures	<u>(60,407)</u>	<u>(1,299,810)</u>	<u>(1,360,217)</u>	<u>(1,198,069)</u>	<u>162,148</u>
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	720,860	720,860	720,860	-
From Enterprise Funds	-	780,000	780,000	780,000	-
To General Fund	-	(117,430)	(117,430)	(117,430)	-
Motor Pool	-	(55,000)	(55,000)	-	55,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,328,430</u>	<u>1,328,430</u>	<u>1,383,430</u>	<u>55,000</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(60,407)	28,620	(31,787)	185,361	217,148
Fund Balance - Beginning of Year	<u>60,407</u>	<u>(51,953)</u>	<u>8,454</u>	<u>8,454</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ (23,333)</u>	<u>\$ (23,333)</u>	<u>\$ 193,815</u>	<u>\$ 217,148</u>

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	\$ 29,858	\$ (153,002)	\$ 185,361	\$ 62,217
Reconciling items:				
Cancellation of prior year encumbrances	-	(25,826)	(15,339)	(41,165)
Elimination of encumbrances outstanding	-	186,527	24,565	211,092
Total	<u>\$ 29,858</u>	<u>\$ 7,699</u>	<u>\$ 194,587</u>	<u>\$ 232,144</u>
GAAP - Net Change in Fund Balance				<u>\$ 232,144</u>

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, 2006
Exhibit B-15

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
BRADLEY NOISE ABATEMENT DISTRICT					
Revenues:					
Taxes - property	\$ -	\$ 43,520	\$ 43,520	\$ 39,533	\$ (3,987)
Investment income	-	-	-	1,756	1,756
Total Revenues	-	43,520	43,520	41,289	(2,231)
Expenditures:					
Excess of Revenues over (under) Expenditures	-	43,520	43,520	41,289	(2,231)
Other Financing Sources (Uses):					
Transfers In (Out):					
To Debt Service Fund	-	(32,650)	(32,650)	(32,642)	8
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	10,870	10,870	8,647	(2,223)
Fund Balance - Beginning of Year	-	14,934	14,934	14,934	-
Fund Balance - End of Year	\$ -	\$ 25,804	\$ 25,804	\$ 23,581	\$ (2,223)

CABIN JOHN NOISE ABATEMENT DISTRICT

Revenues:					
Taxes - property	\$ -	\$ 13,920	\$ 13,920	\$ 14,250	\$ 330
Investment income	-	-	-	702	702
Total Revenues	-	13,920	13,920	14,952	1,032
Expenditures:					
Excess of Revenues over (under) Expenditures	-	13,920	13,920	14,952	1,032
Other Financing Sources (Uses):					
Transfers In (Out):					
To Debt Service Fund	-	(9,690)	(9,690)	(9,683)	7
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	4,230	4,230	5,269	1,039
Fund Balance - Beginning of Year	-	6,695	6,695	6,695	-
Fund Balance - End of Year	\$ -	\$ 10,925	\$ 10,925	\$ 11,964	\$ 1,039

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	\$ 8,647	\$ 5,269	\$ 13,916
GAAP - Net Change in Fund Balance			\$ 13,916

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, 2006
Exhibit B-16

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Taxes - transfer	\$ -	\$ 6,000,000	\$ 6,000,000	\$ 6,115,519	\$ 115,519
Intergovernmental	-	-	-	532,085	532,085
Charges for services	-	-	-	55,723	55,723
Investment income:					
Pooled	-	60,000	60,000	477,032	417,032
Nonpooled	-	-	-	149,543	149,543
Total Investment Income	-	60,000	60,000	626,575	566,575
Miscellaneous:					
Property rentals, MPDU and other contributions	-	1,107,170	1,107,170	1,044,110	(63,060)
Total Miscellaneous	-	1,107,170	1,107,170	1,044,110	(63,060)
Total Revenues	-	7,167,170	7,167,170	8,374,012	1,206,842
Expenditures:					
Personnel costs	-	630,840	630,840	509,019	121,821
Operating	525,798	33,512,087	34,037,885	24,500,661	9,537,224
Total Expenditures	525,798	34,142,927	34,668,725	25,009,680	9,659,045
Excess of Revenues over (under) Expenditures	(525,798)	(26,975,757)	(27,501,555)	(16,635,668)	10,865,887
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	8,229,560	8,229,560	8,229,560	-
To General Fund	-	(81,040)	(81,040)	(81,040)	-
To Debt Service Fund	-	(80,305)	(80,305)	(80,304)	1
To Capital Projects Fund	-	(1,000,000)	(1,000,000)	(597,104)	402,896
Mortgage repayment	-	800,000	800,000	279,090	(520,910)
Sale of property	-	1,750,000	1,750,000	5,201,674	3,451,674
Total Other Financing Sources (Uses)	-	9,618,215	9,618,215	12,951,876	3,333,661
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(525,798)	(17,357,542)	(17,883,340)	(3,683,792)	14,199,548
Fund Balance - Beginning of Year	-	9,620,752	9,620,752	9,620,752	-
Fund Balance - End of Year	\$ (525,798)	\$ (7,736,790)	\$ (8,262,588)	\$ 5,936,960	\$ 14,199,548

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
	\$ (3,683,792)
Reconciling items:	
Elimination of encumbrances outstanding	571,430
Reconciling item - Change in notes receivable	21,358,022
GAAP - Net Change in Fund Balance	<u>\$ 18,245,660</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, 2006
Exhibit B-17

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Investment income:					
Pooled investment income	\$ -	\$ -	\$ -	\$ 79,394	\$ 79,394
Other interest income	-	-	-	43,835	43,835
Total Revenues	-	-	-	123,229	123,229
Expenditures - Operating	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	-	-	123,229	123,229
Other Financing Sources (Uses):					
Loan repayments	-	-	-	152,989	152,989
Mortgage loans	-	(1,736,655)	(1,736,655)	(338,944)	1,397,711
Total Other Financing Sources (Uses)	-	(1,736,655)	(1,736,655)	(185,955)	1,550,700
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	(1,736,655)	(1,736,655)	(62,726)	1,673,929
Fund Balance - Beginning of Year	-	1,736,655	1,736,655	1,736,655	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ 1,673,929	\$ 1,673,929

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	\$ (62,726)
Reconciling item - Change in mortgages and notes receivable	185,955
GAAP - Net Change in Fund Balance	\$ 123,229

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, 2006
Exhibit B-18

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Investment income	\$ -	\$ -	\$ -	\$ 6,989	\$ 6,989
Total Revenues	-	-	-	6,989	6,989
Expenditures - Operating	-	148,460	148,460	-	148,460
Excess of Revenues over (under) Expenditures	-	(148,460)	(148,460)	6,989	155,449
Fund Balance - Beginning of Year	-	148,460	148,460	148,460	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ 155,449	\$ 155,449

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	\$ 6,989
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	\$ 6,989

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, 2006
Exhibit B-19

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues - Investment income	\$ -	\$ 4,719,842	\$ 4,719,842	\$ 4,719,842	\$ -
Expenditures	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	4,719,842	4,719,842	4,719,842	-
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	-	-	6,609,329	6,609,329
To Debt Service Fund	-	(4,719,842)	(4,719,842)	(4,719,842)	-
Total Other Financing Sources (Uses)	-	(4,719,842)	(4,719,842)	1,889,487	6,609,329
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	-	-	6,609,329	6,609,329
Fund Balance - Beginning of Year	-	101,177,288	101,177,288	101,177,288	-
Fund Balance - End of Year	\$ -	\$ 101,177,288	\$ 101,177,288	\$ 107,786,617	\$ 6,609,329

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	\$ 6,609,329
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	\$ 6,609,329

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, 2006
Exhibit B-20

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Pooled investment income	\$ -	\$ -	\$ -	\$ 303,087	\$ 303,087
Other interest income	-	30,000	30,000	120,246	90,246
Miscellaneous	-	-	-	626,161	626,161
Total Revenues	<u>-</u>	<u>30,000</u>	<u>30,000</u>	<u>1,049,494</u>	<u>1,019,494</u>
Expenditures:					
Personnel costs	-	96,200	96,200	96,195	5
Operating	-	7,863,206	7,863,206	6,904,922	958,284
Total Expenditures	<u>-</u>	<u>7,959,406</u>	<u>7,959,406</u>	<u>7,001,117</u>	<u>958,289</u>
Excess of Revenues over (under) Expenditures	<u>-</u>	<u>(7,929,406)</u>	<u>(7,929,406)</u>	<u>(5,951,623)</u>	<u>1,977,783</u>
Other Financing Sources (Uses):					
Transfers In (Out):					
From General Fund	-	530,680	530,680	530,680	-
To Debt Service Fund	-	(110,360)	(110,360)	(55,180)	55,180
Loan repayments	-	390,670	390,670	387,332	(3,338)
Loan disbursements	-	(386,953)	(386,953)	(386,953)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>424,037</u>	<u>424,037</u>	<u>475,879</u>	<u>51,842</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>-</u>	<u>(7,505,369)</u>	<u>(7,505,369)</u>	<u>(5,475,744)</u>	<u>2,029,625</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>7,505,369</u>	<u>7,505,369</u>	<u>7,505,369</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,029,625</u>	<u>\$ 2,029,625</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
	\$ (5,475,744)
Reconciling item - Change in notes receivable	(1,523,063)
GAAP - Net Change in Fund Balance	<u>\$ (6,998,807)</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, 2006
Exhibit B-21

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Charges for services	\$ -	\$ 12,472,000	\$ 12,472,000	\$ 15,218,313	\$ 2,746,313
Investment income	-	170,000	170,000	154,097	(15,903)
Miscellaneous	-	-	-	58,565	58,565
Total Revenues	<u>-</u>	<u>12,642,000</u>	<u>12,642,000</u>	<u>15,430,975</u>	<u>2,788,975</u>
Expenditures:					
Personnel costs	-	1,394,160	1,394,160	1,222,032	172,128
Operating	746,969	7,556,260	8,303,229	8,237,162	66,067
Capital Outlay	-	578,440	578,440	578,440	-
Total Expenditures	<u>746,969</u>	<u>9,528,860</u>	<u>10,275,829</u>	<u>10,037,634</u>	<u>238,195</u>
Excess of Revenues over (under) Expenditures	<u>(746,969)</u>	<u>3,113,140</u>	<u>2,366,171</u>	<u>5,393,341</u>	<u>3,027,170</u>
Other Financing Sources (Uses):					
Transfers In (Out):					
To General Fund	-	(2,351,100)	(2,351,100)	(2,351,100)	-
To Capital Projects Fund	-	(3,330,444)	(3,330,444)	(2,553,605)	776,839
Total Other Financing Sources (Uses)	<u>-</u>	<u>(5,681,544)</u>	<u>(5,681,544)</u>	<u>(4,904,705)</u>	<u>776,839</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>(746,969)</u>	<u>(2,568,404)</u>	<u>(3,315,373)</u>	<u>488,636</u>	<u>3,804,009</u>
Fund Balance - Beginning of Year	<u>746,969</u>	<u>1,606,840</u>	<u>2,353,809</u>	<u>2,353,809</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ (961,564)</u>	<u>\$ (961,564)</u>	<u>\$ 2,842,445</u>	<u>\$ 3,804,009</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	\$ 488,636
Reconciling items:	
Cancellation of prior year encumbrances	(58,275)
Elimination of encumbrances outstanding	1,544,704
GAAP - Net Change in Fund Balance	<u>\$ 1,975,065</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, 2006
Exhibit B-22

	Budget			Actual	Variance Positive (Negative)
	Prior Year Carryover (1)	Current Year	Total		
Revenues:					
Intergovernmental:					
Federal grants	\$ 7,306,366	\$ 73,212,810	\$ 80,519,176	\$ 49,712,304	\$ 30,806,872
State grants	6,883,564	45,495,203	52,378,767	34,162,147	18,216,620
Other non-state and non-federal reimbursements	6,694	462,935	469,629	262,287	207,342
Total Intergovernmental	14,196,624	119,170,948	133,367,572	84,136,738	49,230,834
Investment income:					
Pooled investment income	-	24,975	24,975	(60,864)	85,839
Other interest income	-	161,271	161,271	311,510	(150,239)
Total Investment Income	-	186,246	186,246	250,646	(64,400)
Miscellaneous	-	179,673	179,673	631,817	(452,144)
Total Revenues	14,196,624	119,536,867	133,733,491	85,019,201	48,714,290
Expenditures:					
General Government:					
Circuit Court:					
Personnel costs	-	1,927,104	1,927,104	1,732,935	194,169
Operating	166,959	435,026	601,985	453,453	148,532
Totals	166,959	2,362,129	2,529,089	2,186,388	342,701
Office of State's Attorney:					
Personnel costs	-	202,416	202,416	158,906	43,510
Totals	-	202,416	202,416	158,906	43,510
Office of the County Executive:					
Personnel costs	-	245,027	245,027	162,838	82,189
Operating	-	353,423	353,423	57,856	295,567
Capital outlay	-	75,000	75,000	-	75,000
Totals	-	673,450	673,450	220,694	452,756
Regional Service Centers:					
Personnel costs	-	122,965	122,965	-	122,965
Operating	-	52,035	52,035	-	52,035
Totals	-	175,000	175,000	-	175,000
Department of Technology Services:					
Operating	-	39,224	39,224	12,736	26,488
Capital outlay	-	1,202,176	1,202,176	1,151,355	50,821
Totals	-	1,241,400	1,241,400	1,164,091	77,309
Department of Economic Development:					
Operating	707,999	4,678,794	5,386,793	3,024,786	2,362,007
Totals	707,999	4,678,794	5,386,793	3,024,786	2,362,007
Total General Government	874,958	9,333,189	10,208,148	6,754,865	3,453,283
Public Safety:					
Department of Corrections and Rehabilitation:					
Operating	-	41,414	41,414	35,057	6,357
Totals	-	41,414	41,414	35,057	6,357
Department of Fire and Rescue Services:					
Personnel costs	-	8,134,241	8,134,241	2,900,528	5,233,713
Operating	225,709	3,392,598	3,618,307	3,618,307	-
Capital outlay	89,907	2,976,531	3,066,438	338,204	2,728,234
Totals	315,616	14,503,370	14,818,986	6,857,040	7,961,947
Department of Police:					
Personnel costs	-	1,834,406	1,834,406	1,593,652	240,754
Operating	52,574	5,545,292	5,597,866	4,049,410	1,548,456
Capital outlay	-	549,794	549,794	254,232	295,562
Totals	52,574	7,929,492	7,982,066	5,897,294	2,084,772
Office of the County Sheriff:					
Personnel costs	-	1,217,465	1,217,465	934,148	283,317
Operating	12,108	519,798	531,906	342,178	189,728
Capital outlay	-	29,400	29,400	-	29,400
Totals	12,108	1,766,663	1,778,771	1,276,326	502,445
Homeland Security Department:					
Personnel costs	-	96,885	96,885	-	96,885
Operating	-	723,855	723,855	90,664	633,191
Totals	-	820,740	820,740	90,664	730,076
Total Public Safety	380,298	25,061,679	25,441,977	14,156,381	11,285,597
Transportation:					
Department of Public Works and Transportation:					
Personnel costs	-	1,530,620	1,530,620	1,505,314	25,306
Operating	-	3,550,861	3,550,861	2,949,448	601,413
Capital outlay	10,579,160	17,152,430	17,731,590	13,653,938	4,077,652
Totals	10,579,160	12,233,911	22,813,071	18,108,700	4,704,371
Total Transportation	10,579,160	12,233,911	22,813,071	18,108,700	4,704,371

(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, 2006
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	\$ -	\$ 17,443,526	\$ 17,443,526	\$ 14,762,091	\$ 2,681,435
Operating	564,881	26,193,303	26,758,184	21,156,628	5,601,556
Capital outlay	-	41,876	41,876	22,436	19,440
Totals	564,881	43,678,705	44,243,586	35,941,155	8,302,431
Total Health and Human Services	564,881	43,678,705	44,243,586	35,941,155	8,302,431
Culture and Recreation:					
Department of Libraries:					
Personnel costs	-	277,512	277,512	171,068	106,444
Operating	-	135,597	135,597	75,360	60,237
Totals	-	413,109	413,109	246,428	166,681
Department of Recreation:					
Personnel costs	-	32,920	32,920	24,564	8,356
Operating	-	14,396	14,396	15,186	(790)
Totals	-	47,316	47,316	39,750	7,566
Total Culture and Recreation	-	460,425	460,425	286,178	174,247
Housing:					
Department of Housing and Community Affairs:					
Personnel costs	-	3,055,656	3,055,656	1,875,904	1,179,752
Operating	1,747,327	16,711,113	18,458,440	8,363,523	10,094,917
Capital outlay	-	4,634	4,634	-	4,634
Totals	1,747,327	19,771,403	21,518,730	10,239,427	11,279,303
Total Housing	1,747,327	19,771,403	21,518,730	10,239,427	11,279,303
Environment:					
Department of Environmental Protection:					
Personnel costs	-	47,446	47,446	-	47,446
Operating	-	114,343	114,343	51,728	62,615
Totals	-	161,789	161,789	51,728	110,061
Total Environment	-	161,789	161,789	51,728	110,061
Nondepartmental:					
NDA Historical Activities - Operating	50,000	(31,500)	18,500	18,500	-
NDA Miscellaneous Community Grants - Operating	-	1,250	1,250	-	1,250
Future Grants - Operating	-	9,477,810	9,477,810	-	9,477,810
Total Nondepartmental	50,000	9,447,560	9,497,560	18,500	9,479,060
Total Expenditures	14,196,624	120,148,661	134,345,286	85,556,935	48,788,352
Excess of Revenues over (under) Expenditures	-	(611,796)	(611,796)	(537,734)	74,062
Other Financing Sources (Uses):					
Transfers In:					
General Fund	-	427,702	427,702	382,939	(44,763)
Mass Transit Special Revenue Fund	-	250,819	250,819	250,000	(819)
Fire Tax District Special Revenue Fund	-	128,342	128,342	90,549	(37,793)
Total Transfers In	-	806,863	806,863	723,488	(83,375)
Transfers Out - Motor Pool	-	(195,067)	(195,067)	(185,754)	9,313
Total Transfers Out	-	(195,067)	(195,067)	(185,754)	9,313
Total Other Financing Sources (Uses)	-	611,796	611,796	537,734	74,062
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 & Encumbrances	Other Financing Sources (Uses)	Effect on Fund Balance
As reported - budgetary basis	\$ 85,019,201	\$ 85,556,935	\$ 537,734	-
Reconciling items:				
Elimination of encumbrances outstanding	(9,682,498)	(9,682,498)	-	-
Loan expenditures	(4,041,956)	(4,041,956)	-	-
Indirect costs	(890,813)	(890,813)	-	-
Pass-through expenditures	4,423,155	4,423,155	-	-
As reported - GAAP basis	\$ 74,827,090	\$ 75,364,824	\$ 537,734	\$ -

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, 2006
Exhibit B-23

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Fines and forfeitures	\$ -	\$ -	\$ -	\$ 460,893	\$ 460,893
Investment income	-	-	-	65,130	65,130
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>526,023</u>	<u>526,023</u>
Expenditures:					
Operating	1,460	855,535	856,995	355,684	501,311
Capital Outlay	-	301,253	301,253	-	301,253
Total Expenditures	<u>1,460</u>	<u>1,156,788</u>	<u>1,158,248</u>	<u>355,684</u>	<u>802,564</u>
Excess of Revenues over (under) Expenditures	<u>(1,460)</u>	<u>(1,156,788)</u>	<u>(1,158,248)</u>	<u>170,339</u>	<u>1,328,587</u>
Other Financing Sources (Uses):					
Transfers In (Out):					
Motor Pool	-	(123,747)	(123,747)	(100,834)	22,913
Total Other Financing Sources (Uses)	<u>-</u>	<u>(123,747)</u>	<u>(123,747)</u>	<u>(100,834)</u>	<u>22,913</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(1,460)	(1,280,535)	(1,281,995)	69,505	1,351,500
Fund Balance - Beginning of Year	1,460	1,280,725	1,282,185	1,282,185	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 190</u>	<u>\$ 190</u>	<u>\$ 1,351,690</u>	<u>\$ 1,351,500</u>

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	\$ 69,505
Reconciling items:	
Cancellation of prior year encumbrances	-
Elimination of encumbrances outstanding	1,120
GAAP - Net Change in Fund Balance	<u>\$ 70,625</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, 2006
Exhibit B-24

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Charges for services - activity fees	\$ -	\$ 4,504,370	\$ 4,504,370	\$ 4,554,355	\$ 49,985
Investment income	-	70,000	70,000	164,787	94,787
Total Revenues	<u>-</u>	<u>4,574,370</u>	<u>4,574,370</u>	<u>4,719,142</u>	<u>144,772</u>
Expenditures:					
Personnel costs	-	889,460	889,460	884,190	5,270
Operating	998,263	2,992,820	3,991,083	3,927,831	63,252
Total Expenditures	<u>998,263</u>	<u>3,882,280</u>	<u>4,880,543</u>	<u>4,812,021</u>	<u>68,522</u>
Excess of Revenues over (under) Expenditures	<u>(998,263)</u>	<u>692,090</u>	<u>(306,173)</u>	<u>(92,879)</u>	<u>213,294</u>
Other Financing Sources (Uses):					
Transfers In (Out):					
To General Fund	-	(111,850)	(111,850)	(111,850)	-
To Capital Projects Fund	-	(465,401)	(465,401)	(331,714)	133,687
Total Other Financing Sources (Uses)	<u>-</u>	<u>(577,251)</u>	<u>(577,251)</u>	<u>(443,564)</u>	<u>133,687</u>
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses					
	(998,263)	114,839	(883,424)	(536,443)	346,981
Fund Balance - Beginning of Year	<u>998,263</u>	<u>70,160</u>	<u>1,068,423</u>	<u>1,068,423</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 184,999</u>	<u>\$ 184,999</u>	<u>\$ 531,980</u>	<u>\$ 346,981</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
	\$ (536,443)
Reconciling items:	
Elimination of encumbrances outstanding	1,697,248
GAAP - Net Change in Fund Balance	<u>\$ 1,160,805</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, 2006
Exhibit B-25

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 42,505	\$ 42,505
Investment income	-	-	-	15,486	15,486
Miscellaneous	-	-	-	426,403	426,403
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>484,394</u>	<u>484,394</u>
Expenditures:					
Operating	-	1,112,276	1,112,276	403,760	708,516
Capital Outlay	-	8,650	8,650	8,610	40
Total Expenditures	<u>-</u>	<u>1,120,926</u>	<u>1,120,926</u>	<u>412,370</u>	<u>708,556</u>
Excess of Revenues over (under) Expenditures	-	(1,120,926)	(1,120,926)	72,024	1,192,950
Fund Balance - Beginning of Year	-	1,120,926	1,120,926	1,120,926	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,192,950</u>	<u>\$ 1,192,950</u>

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
Reconciling item - N/A	\$ 72,024
GAAP - Net Change in Fund Balance	<u>-</u>
	<u>\$ 72,024</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
SOLID WASTE ACTIVITIES
PARKING LOT DISTRICTS

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 JUNE 30, 2006
Exhibit C-1

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
ASSETS			
Current Assets:			
Equity in pooled cash and investments	\$ 14,187,016	\$ 3,788,929	\$ 17,975,945
Cash	-	50	50
Receivables:			
Accounts	11,557	2,036	13,593
Prepays	-	1,402	1,402
Total Current Assets	<u>14,198,573</u>	<u>3,792,417</u>	<u>17,990,990</u>
Noncurrent Assets:			
Capital Assets:			
Furniture, fixtures, equipment, and machinery	2,432,529	385,834	2,818,363
Automobiles and trucks	131,254	-	131,254
Subtotal	<u>2,563,783</u>	<u>385,834</u>	<u>2,949,617</u>
Less: Accumulated depreciation	<u>2,148,122</u>	<u>376,062</u>	<u>2,524,184</u>
Total Capital Assets (net of accumulated depreciation)	<u>415,661</u>	<u>9,772</u>	<u>425,433</u>
Total Assets	<u>14,614,234</u>	<u>3,802,189</u>	<u>18,416,423</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	556,394	35,555	591,949
Accrued liabilities	9,964,412	180,764	10,145,176
Due to other funds	324,374	28,311	352,685
Due to component units	-	609,201	609,201
Unearned revenue	135,148	633,273	768,421
Total Current Liabilities	<u>10,980,328</u>	<u>1,487,104</u>	<u>12,467,432</u>
Noncurrent Liabilities:			
Compensated absences	373,106	35,903	409,009
Total Noncurrent Liabilities	<u>373,106</u>	<u>35,903</u>	<u>409,009</u>
Total Liabilities	<u>11,353,434</u>	<u>1,523,007</u>	<u>12,876,441</u>
NET ASSETS			
Invested in capital, net of related debt	415,661	9,772	425,433
Unrestricted	2,845,139	2,269,410	5,114,549
Total Net Assets	<u>\$ 3,260,800</u>	<u>\$ 2,279,182</u>	<u>\$ 5,539,982</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, 2006
Exhibit C-2

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
OPERATING REVENUES			
Charges for services	\$ 2,094,599	\$ 7,977,618	\$ 10,072,217
Licenses and permits	21,749,464	-	21,749,464
Fines and penalties	105,193	-	105,193
Total Operating Revenues	<u>23,949,256</u>	<u>7,977,618</u>	<u>31,926,874</u>
OPERATING EXPENSES			
Personnel costs	18,841,198	1,782,336	20,623,534
Postage	34,814	8,068	42,882
Insurance	14,680	-	14,680
Supplies and materials	333,578	127,069	460,647
Contractual services	263,591	3,295,280	3,558,871
Communications	305,861	56,224	362,085
Transportation	566,010	4,444	570,454
Public utility services	-	1,300,000	1,300,000
Rentals	1,330,232	240,937	1,571,169
Maintenance	212,647	5,160	217,807
Depreciation	67,545	1,954	69,499
Other	140,444	4,262	144,706
Total Operating Expenses	<u>22,110,600</u>	<u>6,825,734</u>	<u>28,936,334</u>
Operating Income	<u>1,838,656</u>	<u>1,151,884</u>	<u>2,990,540</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	616,865	93,115	709,980
Total Nonoperating Revenues	<u>616,865</u>	<u>93,115</u>	<u>709,980</u>
Income Before Transfers	<u>2,455,521</u>	<u>1,244,999</u>	<u>3,700,520</u>
Transfers In (Out):			
Transfers in	-	25,000	25,000
Transfers out	(2,598,240)	(254,560)	(2,852,800)
Total Transfers In (Out)	<u>(2,598,240)</u>	<u>(229,560)</u>	<u>(2,827,800)</u>
Change in Net Assets	(142,719)	1,015,439	872,720
Total Net Assets - Beginning of Year	<u>3,403,519</u>	<u>1,263,743</u>	<u>4,667,262</u>
Total Net Assets - End of Year	<u>\$ 3,260,800</u>	<u>\$ 2,279,182</u>	<u>\$ 5,539,982</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit C-3

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 22,833,970	\$ 7,986,935	\$ 30,820,905
Payments to suppliers	(2,790,986)	(5,273,150)	(8,064,136)
Payments to employees	(18,637,282)	(1,767,872)	(20,405,154)
Internal activity - payments from other funds	1,099,290	-	1,099,290
Other operating payments	(4,913,274)	-	(4,913,274)
Other operating receipts	5,158,175	-	5,158,175
Net Cash Provided (Used) by Operating Activities	<u>2,749,893</u>	<u>945,913</u>	<u>3,695,806</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating subsidies and transfers from other funds	-	25,000	25,000
Operating subsidies and transfers to other funds	(2,598,240)	(254,560)	(2,852,800)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(2,598,240)</u>	<u>(229,560)</u>	<u>(2,827,800)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(278,430)	(11,726)	(290,156)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(278,430)</u>	<u>(11,726)</u>	<u>(290,156)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income from pooled investments	616,865	93,115	709,980
Net Cash Provided (Used) by Investing Activities	<u>616,865</u>	<u>93,115</u>	<u>709,980</u>
Net Increase (Decrease) in Cash and Cash Equivalents	490,088	797,742	1,287,830
Balances - Beginning of Year	13,696,928	2,991,237	16,688,165
Balances - End of Year	<u>\$ 14,187,016</u>	<u>\$ 3,788,979</u>	<u>\$ 17,975,995</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 1,838,656	\$ 1,151,884	\$ 2,990,540
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	67,545	1,954	69,499
Changes in assets and liabilities:			
Receivables, net	11,736	9,317	21,053
Inventories, prepaids and other assets	777	-	777
Accounts payable and other liabilities	382,394	(231,706)	150,688
Accrued expenses	448,785	14,464	463,249
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,749,893</u>	<u>\$ 945,913</u>	<u>\$ 3,695,806</u>
Noncash investing, capital and financing activities:			
Capital asset disposals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit C-4

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
LIQUOR					
Personnel costs	\$ -	\$ 19,499,260	\$ 19,499,260	\$ 19,081,940	\$ 417,320
Other operating	4,737,234	9,761,090	14,498,324	13,365,227	1,133,097
Capital outlay	263,225	1,673,650	1,936,875	1,936,868	7
Total	<u>\$ 5,000,459</u>	<u>\$ 30,934,000</u>	<u>\$ 35,934,459</u>	34,384,035	<u>\$ 1,550,424</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation and amortization				760,178	
Cost of goods sold				139,296,435	
Deductions:					
Capital outlay expenditures				(1,856,383)	
Encumbrances outstanding at year-end				(3,922,936)	
GAAP Expenses				<u>\$ 168,661,329</u>	
PERMITTING SERVICES					
Personnel costs	\$ -	\$ 18,915,880	\$ 18,915,880	\$ 18,841,198	\$ 74,682
Other operating	65,059	4,009,580	4,074,639	3,327,199	747,440
Capital outlay	-	334,400	334,400	278,493	55,907
Total	<u>\$ 65,059</u>	<u>\$ 23,259,860</u>	<u>\$ 23,324,919</u>	22,446,890	<u>\$ 878,029</u>
Reconciliation to GAAP expenses:					
Addition - Depreciation and amortization					
				67,545	
Deductions:					
Capital outlay expenditures				(278,430)	
Encumbrances outstanding at year-end				(125,405)	
GAAP Expenses				<u>\$ 22,110,600</u>	
COMMUNITY USE OF PUBLIC FACILITIES					
Personnel costs	\$ -	\$ 1,908,030	\$ 1,908,030	\$ 1,782,336	\$ 125,694
Other operating	-	5,190,990	5,190,990	5,041,444	149,546
Capital Outlay	-	11,730	11,730	11,726	4
Total	<u>\$ -</u>	<u>\$ 7,110,750</u>	<u>\$ 7,110,750</u>	6,835,506	<u>\$ 275,244</u>
Reconciliation to GAAP expenses:					
Addition - Depreciation and amortization					
				1,954	
Deduction - Capital outlay expenditures					
				(11,726)	
GAAP Expenses				<u>\$ 6,825,734</u>	

(Continued)

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONTINUED
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit C-4

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
SOLID WASTE DISPOSAL					
Personnel costs	\$ -	\$ 6,901,430	\$ 6,901,430	\$ 6,662,718	\$ 238,712
Other operating	2,382,744	85,809,010	88,191,754	87,340,406	851,348
Capital outlay	771,792	745,000	1,516,792	771,770	745,022
Total	<u>\$ 3,154,536</u>	<u>\$ 93,455,440</u>	<u>\$ 96,609,976</u>	94,774,894	<u>\$ 1,835,082</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation and amortization				2,656,976	
Interest expense				1,169,691	
Accrued landfill closing cost				1,076,000	
Deductions:					
Capital outlay expenditures				(680,975)	
Encumbrances outstanding at year-end				(5,013,175)	
Bond principal reduction				(2,971,618)	
Cash interest payments				(1,095,838)	
Adjustment of landfill closure costs				(1,033,600)	
GAAP Expenses				<u>\$ 88,882,355</u>	
SOLID WASTE COLLECTION					
Personnel costs	\$ -	\$ 940,320	\$ 940,320	\$ 907,710	\$ 32,610
Other operating	18,406	4,510,840	4,529,246	4,474,675	54,571
Capital outlay	19,876	-	19,876	19,876	-
Total	<u>\$ 38,282</u>	<u>\$ 5,451,160</u>	<u>\$ 5,489,442</u>	5,402,261	<u>\$ 87,181</u>
Reconciliation to GAAP expenses:					
Additions - Depreciation and amortization					
				4,617	
Deductions:					
Capital outlay expenditures				(19,876)	
Encumbrances outstanding at year-end				(16,530)	
GAAP Expenses				<u>\$ 5,370,472</u>	
SOLID WASTE LEAFING					
Personnel costs	\$ -	\$ 2,913,340	\$ 2,913,340	\$ 2,913,338	\$ 2
Other operating	1,824	2,014,270	2,016,094	2,016,090	4
Total	<u>\$ 1,824</u>	<u>\$ 4,927,610</u>	<u>\$ 4,929,434</u>	4,929,428	<u>\$ 6</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation and amortization				23,632	
Interfund activities budgeted as transfers - solid waste tipping fees				838,250	
Deductions - Encumbrances outstanding at year-end					
				(3,775)	
GAAP Expenses				<u>\$ 5,787,535</u>	
Reconciliation of GAAP expenses to Statement of Revenues, Expenses, and Changes in Fund Net Assets:					
GAAP Expenses:					
Solid Waste Disposal				\$ 88,882,355	
Solid Waste Collection				5,370,472	
Solid Waste Leafing				5,787,535	
Total Solid Waste Activities				<u>\$ 100,040,362</u>	*

(Continued)

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONTINUED
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit C-4

	<u>Budget</u>			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
SILVER SPRING PARKING					
Personnel costs	\$ -	\$ 1,388,380	\$ 1,388,380	\$ 1,388,374	\$ 6
Other operating	381,726	8,779,890	9,161,616	9,161,614	2
Total	<u>\$ 381,726</u>	<u>\$ 10,168,270</u>	<u>\$ 10,549,996</u>	10,549,988	<u>\$ 8</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation				3,857,494	
Interest expense				306,166	
Other operating costs from the Capital Budget				165,105	
Deductions:					
Encumbrances outstanding at year-end				(537,197)	
Bond principal reduction				(2,180,000)	
Cash interest payments				(244,288)	
GAAP Expenses				<u>\$ 11,917,268</u>	
BETHESDA PARKING					
Personnel costs	\$ -	\$ 1,363,570	\$ 1,363,570	\$ 1,331,916	\$ 31,654
Other operating	351,865	10,393,550	10,745,415	10,080,045	665,370
Total	<u>\$ 351,865</u>	<u>\$ 11,757,120</u>	<u>\$ 12,108,985</u>	11,411,961	<u>\$ 697,024</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation				3,558,326	
Interest expense				2,048,819	
Other operating costs from the Capital Budget				104,188	
Deductions:					
Encumbrances outstanding at year-end				(558,937)	
Bond principal reduction				(3,430,000)	
Cash interest payments				(1,567,391)	
GAAP Expenses				<u>\$ 11,566,966</u>	

(Continued)

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONCLUDED
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit C-4

	Budget			Actual	Variance Positive (Negative)
	Prior Year Encumbrances	Current Year	Total		
WHEATON PARKING					
Personnel costs	\$ -	\$ 241,840	\$ 241,840	\$ 241,835	\$ 5
Other operating	101,913	756,990	858,903	858,902	1
Total	<u>\$ 101,913</u>	<u>\$ 998,830</u>	<u>\$ 1,100,743</u>	1,100,737	<u>\$ 6</u>

Reconciliation to GAAP expenses:

Additions:	
Depreciation	368,191
Other operating costs from the Capital Budget	1,899
Deductions:	
Encumbrances outstanding at year-end	(165,762)
GAAP Expenses	<u>\$ 1,305,065</u>

MONTGOMERY HILLS PARKING

Personnel costs	\$ -	\$ 46,830	\$ 46,830	\$ 46,823	\$ 7
Other operating	10,800	62,150	72,950	72,943	7
Total	<u>\$ 10,800</u>	<u>\$ 108,980</u>	<u>\$ 119,780</u>	119,766	<u>\$ 14</u>

Reconciliation to GAAP expenses:

Deduction - Encumbrances outstanding at year-end	(12,832)
GAAP Expenses	<u>\$ 106,934</u>

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

GAAP Expenses:	
Silver Spring Parking	\$ 11,917,268
Bethesda Parking	11,566,966
Wheaton Parking	1,305,065
Montgomery Hills Parking	106,934
Total Parking Lot Districts	<u>\$ 24,896,233 *</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, 2006

Exhibit D-1

	Motor Pool	Liability and Property Coverage Self Insurance	Employee Health Benefits Self Insurance	Central Duplicating	Total Internal Service Funds
ASSETS					
Current Assets:					
Equity in pooled cash and investments	\$ 5,112,700	\$ 94,387,609	\$ 22,758,095	\$ 217,640	\$ 122,476,044
Cash	300	-	-	-	300
Receivables (net of allowances for uncollectibles):					
Accounts	24,424	65,908	2,506,530	-	2,596,862
Notes	11,428	-	-	-	11,428
Due from other funds	-	-	5,370,245	-	5,370,245
Due from component units	113,331	-	643,331	10,106	766,768
Due from other governments	14,413	-	249,014	897	264,324
Inventory of supplies	3,037,500	-	-	-	3,037,500
Prepays	26,302	258,224	-	124,964	409,490
Total Current Assets	<u>8,340,398</u>	<u>94,711,741</u>	<u>31,527,215</u>	<u>353,607</u>	<u>134,932,961</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	2,890,890	50,112	-	1,358,663	4,299,665
Automobiles and trucks	66,215,145	-	-	-	66,215,145
Subtotal	<u>69,712,838</u>	<u>50,112</u>	<u>-</u>	<u>1,358,663</u>	<u>71,121,613</u>
Less: Accumulated depreciation	39,878,250	50,112	-	1,139,594	41,067,956
Total Capital Assets (net of accumulated depreciation)	<u>29,834,588</u>	<u>-</u>	<u>-</u>	<u>219,069</u>	<u>30,053,657</u>
Total Assets	<u>38,174,986</u>	<u>94,711,741</u>	<u>31,527,215</u>	<u>572,676</u>	<u>164,986,618</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	2,730,623	396,166	3,336,630	111,082	6,574,501
Claims payable	-	79,710,000	9,267,285	-	88,977,285
Accrued liabilities	1,281,175	285,692	1,810,968	205,866	3,583,701
Due to other funds	194,857	31,687	-	24,153	250,697
Due to component units	-	-	-	212,492	212,492
Due to other governments	-	365,039	-	-	365,039
Unearned revenue	-	-	2,172,228	-	2,172,228
Total Current Liabilities	<u>4,206,655</u>	<u>80,788,584</u>	<u>16,587,111</u>	<u>553,593</u>	<u>102,135,943</u>
Noncurrent Liabilities:					
Compensated absences	246,073	55,000	6,217	38,841	346,131
Total Noncurrent Liabilities	<u>246,073</u>	<u>55,000</u>	<u>6,217</u>	<u>38,841</u>	<u>346,131</u>
Total Liabilities	<u>4,452,728</u>	<u>80,843,584</u>	<u>16,593,328</u>	<u>592,434</u>	<u>102,482,074</u>
NET ASSETS					
Invested in capital, net of related debt	29,834,588	-	-	219,069	30,053,657
Unrestricted (deficit)	3,887,670	13,868,157	14,933,887	(238,827)	32,450,887
Total Net Assets (Deficit)	<u>\$ 33,722,258</u>	<u>\$ 13,868,157</u>	<u>\$ 14,933,887</u>	<u>\$ (19,758)</u>	<u>\$ 62,504,544</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, 2006
Exhibit D-2

	Motor Pool	Liability and Property Coverage Self Insurance	Employee Health Benefits Self Insurance	Central Duplicating	Total Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 51,673,463	\$ 48,099,083	\$ 128,656,297	\$ 5,348,951	\$ 233,777,794
Claim recoveries	925,259	838,776	-	-	1,764,035
Total Operating Revenues	<u>52,598,722</u>	<u>48,937,859</u>	<u>128,656,297</u>	<u>5,348,951</u>	<u>235,541,829</u>
OPERATING EXPENSES					
Personnel costs	12,505,844	2,676,019	946,652	1,863,209	17,991,724
Postage	7,996	1,151	32,016	1,629,389	1,670,552
Self-insurance incurred and estimated claims	-	29,192,591	100,402,133	-	129,594,724
Insurance	1,673,440	2,774,119	14,972,049	-	19,419,608
Supplies and materials	21,407,302	18,255	110,609	668,453	22,204,619
Contractual services	96,723	4,270,778	6,964,418	59,781	11,391,700
Communications	150,552	12,711	44,594	8,406	216,263
Transportation	165,738	18,904	797	21,516	206,955
Public utility services	680,979	-	-	-	680,979
Rentals	10,880	2,367	-	499,455	512,702
Maintenance	7,789,953	9,783	1,011	177,981	7,978,728
Depreciation	6,155,142	1,643	-	179,750	6,336,535
Other	80,776	18,129	7,637	668	107,210
Total Operating Expenses	<u>50,725,325</u>	<u>38,996,450</u>	<u>123,481,916</u>	<u>5,108,608</u>	<u>218,312,299</u>
Operating Income (Loss)	<u>1,873,397</u>	<u>9,941,409</u>	<u>5,174,381</u>	<u>240,343</u>	<u>17,229,530</u>
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental	-	-	379,442	-	379,442
Gain (loss) on disposal of capital assets	131,613	(822)	-	-	130,791
Investment income	146,853	4,782,807	797,735	-	5,727,395
Other revenue	-	-	201,131	-	201,131
Insurance recoveries	-	40,718	-	-	40,718
Total Nonoperating Revenues (Expenses)	<u>278,466</u>	<u>4,822,703</u>	<u>1,378,308</u>	<u>-</u>	<u>6,479,477</u>
Income (Loss) Before Transfers	<u>2,151,863</u>	<u>14,764,112</u>	<u>6,552,689</u>	<u>240,343</u>	<u>23,709,007</u>
Transfers In (Out):					
Transfers in	1,372,985	-	-	-	1,372,985
Total Transfers In (Out)	<u>1,372,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,372,985</u>
Change in Net Assets	3,524,848	14,764,112	6,552,689	240,343	25,081,992
Total Net Assets (Deficit) - Beginning of Year	<u>30,197,410</u>	<u>(895,955)</u>	<u>8,381,198</u>	<u>(260,101)</u>	<u>37,422,552</u>
Total Net Assets (Deficit) - End of Year	<u>\$ 33,722,258</u>	<u>\$ 13,868,157</u>	<u>\$ 14,933,887</u>	<u>\$ (19,758)</u>	<u>\$ 62,504,544</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit D-3

	Motor Pool	Liability and Property Coverage Self Insurance	Employee Health Benefits Self Insurance	Central Duplicating	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 52,545,258	\$ 48,896,850	\$ 126,233,296	\$ 5,346,333	\$ 233,021,737
Payments to suppliers	(31,551,639)	(6,832,270)	(21,837,921)	(2,918,905)	(63,140,735)
Payments to employees	(12,375,127)	(2,679,261)	(954,974)	(1,823,887)	(17,833,249)
Claims paid	-	(20,336,586)	(100,269,908)	-	(120,606,494)
Internal activity - operating payments to other funds	-	-	-	(369,000)	(369,000)
Other revenue	-	-	201,131	-	201,131
Net Cash Provided (Used) by Operating Activities	<u>8,618,492</u>	<u>19,048,733</u>	<u>3,371,624</u>	<u>234,541</u>	<u>31,273,390</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intergovernmental revenue	-	-	379,442	-	379,442
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>379,442</u>	<u>-</u>	<u>379,442</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of capital assets	337,100	40,718	-	-	377,818
Purchases of capital assets	(8,077,476)	-	-	(17,006)	(8,094,482)
Internal activity - payments from other funds	1,372,985	-	-	-	1,372,985
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(6,367,391)</u>	<u>40,718</u>	<u>-</u>	<u>(17,006)</u>	<u>(6,343,679)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income from pooled investments	146,853	4,768,856	797,735	-	5,713,444
Investment income from nonpooled investments	-	13,951	-	-	13,951
Net Cash Provide (Used) by Investing Activities	<u>146,853</u>	<u>4,782,807</u>	<u>797,735</u>	<u>-</u>	<u>5,727,395</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,397,954	23,872,258	4,548,801	217,535	31,036,548
Balances - Beginning of Year	2,715,046	70,515,351	18,209,294	105	91,439,796
Balances - End of Year	<u>\$ 5,113,000</u>	<u>\$ 94,387,609</u>	<u>\$ 22,758,095</u>	<u>\$ 217,640</u>	<u>\$ 122,476,344</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 1,873,397	\$ 9,941,409	\$ 5,174,381	\$ 240,343	\$ 17,229,530
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	6,155,142	1,643	-	179,750	6,336,535
Other revenue	-	-	201,131	-	201,131
Changes in assets and liabilities:					
Receivables, net	(53,464)	(41,009)	(2,417,131)	(2,618)	(2,514,222)
Inventories, prepaids and other assets	(333,305)	24,887	-	(42,623)	(351,041)
Accounts and other payables	865,275	9,127,140	(508)	(175,279)	9,816,628
Accrued liabilities	111,447	(5,337)	413,751	34,968	554,829
Net Cash Provided (Used) by Operating Activities	<u>\$ 8,618,492</u>	<u>\$ 19,048,733</u>	<u>\$ 3,371,624</u>	<u>\$ 234,541</u>	<u>\$ 31,273,390</u>
Noncash investing, capital and financing activities:					
Capital asset disposals	<u>\$ -</u>	<u>\$ 822</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 822</u>

MONTGOMERY COUNTY, MARYLAND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
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>		
LIABILITY AND PROPERTY COVERAGE SELF-INSURANCE					
Personnel costs	\$ -	\$ 2,793,920	\$ 2,793,920	\$ 2,676,019	\$ 117,901
Other operating	<u>145,906</u>	<u>36,744,160</u>	<u>36,890,066</u>	<u>27,640,568</u>	<u>9,249,498</u>
Total	<u>\$ 145,906</u>	<u>\$ 39,538,080</u>	<u>\$ 39,683,986</u>	30,316,587	<u>\$ 9,367,399</u>
Reconciliation to GAAP expenses:					
Additions:					
Depreciation				1,643	
Portion of incurred but not reported claims not required to be budgeted				8,856,005	
Deductions - Encumbrances outstanding at year-end				<u>(177,785)</u>	
GAAP Expenses				<u>\$ 38,996,450</u>	
EMPLOYEE HEALTH BENEFITS SELF-INSURANCE					
Personnel costs	\$ -	\$ 946,660	\$ 946,660	\$ 946,652	\$ 8
Other operating	<u>506,192</u>	<u>122,674,850</u>	<u>123,181,042</u>	<u>123,181,035</u>	<u>7</u>
Total	<u>\$ 506,192</u>	<u>\$ 123,621,510</u>	<u>\$ 124,127,702</u>	124,127,687	<u>\$ 15</u>
Reconciliation to GAAP expenses:					
Additions - Portion of incurred but not reported claims not required to be budgeted				(209,218)	
Deductions - Encumbrances outstanding at year-end				<u>(436,553)</u>	
GAAP Expenses				<u>\$ 123,481,916</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*

*The Strathmore Hall Private Purpose Trust Fund was closed during FY06, when the trust was returned to Strathmore Hall Foundation, Inc.

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

Recreation Activities
Property Tax
Miscellaneous

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
 JUNE 30, 2006
Exhibit E-1

	Employees' Retirement System	Employees' Retirement Savings Plan	Deferred Compensation Plan	Total
ASSETS				
Current Assets:				
Equity in pooled cash and investments	\$ 254,623	\$ 611,204	\$ -	\$ 865,827
Investments:				
U.S. Government and agency obligations	232,995,778	-	-	232,995,778
Asset-backed securities	64,293,203	-	-	64,293,203
Municipal/Provincial bonds	1,254,177	-	-	1,254,177
Corporate bonds	290,400,350	-	-	290,400,350
Collateralized mortgage obligations	14,495,328	-	-	14,495,328
Commercial mortgage-backed securities	17,596,302	-	-	17,596,302
Common and preferred stock	1,476,304,775	-	-	1,476,304,775
Mutual and commingled funds	850,557	88,570,836	212,366,121	301,787,514
Short-term investments	147,756,147	-	-	147,756,147
Cash collateral received under securities lending agreements	336,590,875	-	-	336,590,875
Real estate holdings	5,600,193	-	-	5,600,193
Alternative investments	44,610,809	-	-	44,610,809
Total Investments	<u>2,632,748,494</u>	<u>88,570,836</u>	<u>212,366,121</u>	<u>2,933,685,451</u>
Receivables (net of allowances for uncollectibles):				
Dividends and accrued interest	8,361,260	-	-	8,361,260
Accounts	8,362	121,570	-	129,932
Due from other funds	5,679,409	827,343	918,588	7,425,340
Due from component units	299,131	67,960	-	367,091
Due from other governments	45,711	3,069	-	48,780
Total Current Assets	<u>2,647,396,990</u>	<u>90,201,982</u>	<u>213,284,709</u>	<u>2,950,883,681</u>
Total Assets	<u>2,647,396,990</u>	<u>90,201,982</u>	<u>213,284,709</u>	<u>2,950,883,681</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	339,400,291	19,231	-	339,419,522
Accrued liabilities	164,890	6,404	-	171,294
Due to other funds	649	1,193	-	1,842
Unearned revenue	114,846	-	-	114,846
Total Current Liabilities	<u>339,680,676</u>	<u>26,828</u>	<u>-</u>	<u>339,707,504</u>
Noncurrent Liabilities:				
Compensated absences	36,752	-	-	36,752
Total Liabilities	<u>339,717,428</u>	<u>26,828</u>	<u>-</u>	<u>339,744,256</u>
NET ASSETS				
Held in trust for pension benefits	<u>\$ 2,307,679,562</u>	<u>\$ 90,175,154</u>	<u>\$ 213,284,709</u>	<u>\$ 2,611,139,425</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, 2006
Exhibit E-2

	Employees' Retirement System	Employees' Retirement Savings Plan	Deferred Compensation Plan	Total
ADDITIONS				
Contributions:				
Employers	\$ 88,184,159	\$ 9,437,190	\$ -	\$ 97,621,349
Members	16,084,999	5,860,277	16,562,414	38,507,690
Total Contributions	<u>104,269,158</u>	<u>15,297,467</u>	<u>16,562,414</u>	<u>136,129,039</u>
Investment income	207,061,734	7,205,725	20,485,777	234,753,236
Less: Investment expenses	20,057,384	30,097	-	20,087,481
Net Investment Income	<u>187,004,350</u>	<u>7,175,628</u>	<u>20,485,777</u>	<u>214,665,755</u>
Other income - forfeitures	-	1,061,073	-	1,061,073
Total Additions, net	<u>291,273,508</u>	<u>23,534,168</u>	<u>37,048,191</u>	<u>351,855,867</u>
DEDUCTIONS				
Benefits:				
Annuities:				
Retirees	112,210,585	-	-	112,210,585
Survivors	1,483,035	-	-	1,483,035
Disability	12,124,706	-	-	12,124,706
Total Benefits	<u>125,818,326</u>	<u>-</u>	<u>-</u>	<u>125,818,326</u>
Member refunds	634,585	4,305,879	11,225,978	16,166,442
Administrative expenses	1,920,238	242,844	-	2,163,082
Total Deductions	<u>128,373,149</u>	<u>4,548,723</u>	<u>11,225,978</u>	<u>144,147,850</u>
Net Increase	162,900,359	18,985,445	25,822,213	207,708,017
Net Assets - Beginning of Year	<u>2,144,779,203</u>	<u>71,189,709</u>	<u>187,462,496</u>	<u>2,403,431,408</u>
Net Assets - End of Year	<u>\$ 2,307,679,562</u>	<u>\$ 90,175,154</u>	<u>\$ 213,284,709</u>	<u>\$ 2,611,139,425</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2006
Exhibit E-3

	Private Contributions	Court Appointed Guardians	Tri- centennial	Total
ASSETS				
Equity in pooled cash and investments	\$ 1,515,756	\$ 38,267	\$ 6,243	\$ 1,560,266
Total Assets	<u>1,515,756</u>	<u>38,267</u>	<u>6,243</u>	<u>1,560,266</u>
LIABILITIES				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS				
Held in trust	<u>\$ 1,515,756</u>	<u>\$ 38,267</u>	<u>\$ 6,243</u>	<u>\$ 1,560,266</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit E-4

	Private Contributions	Court Appointed Guardians	Tri- centennial	Strathmore Hall	Total
ADDITIONS					
Contributions:					
Members	\$ 1,123,026	\$ 13,590	\$ -	\$ -	\$ 1,136,616
Investment Income:					
Investment income	9,963	1,276	-	30,059	41,298
Other interest income	-	-	232	-	232
Total Investment Income	<u>9,963</u>	<u>1,276</u>	<u>232</u>	<u>30,059</u>	<u>41,530</u>
Total Additions	<u>1,132,989</u>	<u>14,866</u>	<u>232</u>	<u>30,059</u>	<u>1,178,146</u>
DEDUCTIONS					
Program expenses	490,831	800	-	-	491,631
Return of trust assets	-	-	-	1,168,740	1,168,740
Total Deductions	<u>490,831</u>	<u>800</u>	<u>-</u>	<u>1,168,740</u>	<u>1,660,371</u>
Net Increase (Decrease)	642,158	14,066	232	(1,138,681)	(482,225)
Net Assets - Beginning of Year	<u>873,598</u>	<u>24,201</u>	<u>6,011</u>	<u>1,138,681</u>	<u>2,042,491</u>
Net Assets - End of Year	<u>\$ 1,515,756</u>	<u>\$ 38,267</u>	<u>\$ 6,243</u>	<u>\$ -</u>	<u>\$ 1,560,266</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit E-5

	Balance June 30, 2005	Additions	Deductions	Balance June 30, 2006
<u>RECREATION ACTIVITIES FUND</u>				
ASSETS				
Equity in pooled cash and investments	\$ 2,685,015	\$ 22,465,049	\$ 22,382,414	\$ 2,767,650
Accounts receivable	12,940	1,286	1,490	12,736
Total Assets	<u>\$ 2,697,955</u>	<u>\$ 22,466,335</u>	<u>\$ 22,383,904</u>	<u>\$ 2,780,386</u>
LIABILITIES				
Accounts payable	\$ 7,595	\$ 3,395,362	\$ 3,397,199	\$ 5,758
Other liabilities	2,690,360	19,070,973	18,986,705	2,774,628
Total Liabilities	<u>\$ 2,697,955</u>	<u>\$ 22,466,335</u>	<u>\$ 22,383,904</u>	<u>\$ 2,780,386</u>
<u>PROPERTY TAX FUND</u>				
ASSETS				
Equity in pooled cash and investments	\$ 44,877,776	\$ 1,830,516,334	\$ 1,828,262,852	\$ 47,131,258
Property taxes receivable	8,122,997	335,340,445	337,445,480	6,017,962
Accounts receivable	575	120	575	120
Total Assets	<u>\$ 53,001,348</u>	<u>\$ 2,165,856,899</u>	<u>\$ 2,165,708,907</u>	<u>\$ 53,149,340</u>
LIABILITIES				
Escrow deposits	\$ 929,197	\$ 129,122	\$ 80,671	\$ 977,648
Due to other governments	1,685,682	335,966,738	332,603,943	5,048,477
Uncollected property taxes due to governments	7,799,087	335,339,870	337,445,481	5,693,476
Undistributed taxes and refunds	16,522,496	1,497,545,513	1,493,799,840	20,268,169
Tax sale surplus and redemptions payable	3,627,587	3,431,782	3,824,496	3,234,873
Other liabilities	22,437,299	373,020,636	377,531,238	17,926,697
Total Liabilities	<u>\$ 53,001,348</u>	<u>\$ 2,545,433,661</u>	<u>\$ 2,545,285,669</u>	<u>\$ 53,149,340</u>
<u>MISCELLANEOUS AGENCY FUND</u>				
ASSETS				
Equity in pooled cash and investments	\$ 5,144,488	\$ 15,253,698	\$ 14,281,265	\$ 6,116,921
Cash	299,594	27,656	263,737	63,513
Accounts receivable	71,552	193,800	106,044	159,308
Total Assets	<u>\$ 5,515,634</u>	<u>\$ 15,475,154</u>	<u>\$ 14,651,046</u>	<u>\$ 6,339,742</u>
LIABILITIES				
Due to other governments	\$ 143,480	\$ 856,892	\$ 813,456	\$ 186,916
Other liabilities	5,372,154	20,108,692	19,328,020	6,152,826
Total Liabilities	<u>\$ 5,515,634</u>	<u>\$ 20,965,584</u>	<u>\$ 20,141,476</u>	<u>\$ 6,339,742</u>

(Continued)

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES, CONCLUDED
 ALL AGENCY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit E-5

	Balance June 30, 2005	Additions	Deductions	Balance June 30, 2006
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Equity in pooled cash and investments	\$ 52,707,279	\$ 1,868,235,081	\$ 1,864,926,531	\$ 56,015,829
Cash	299,594	27,656	263,737	63,513
Property taxes receivable	8,122,997	335,340,445	337,445,480	6,017,962
Accounts receivable	85,067	195,206	108,109	172,164
Total Assets	<u>\$ 61,214,937</u>	<u>\$ 2,203,798,388</u>	<u>\$ 2,202,743,857</u>	<u>\$ 62,269,468</u>
LIABILITIES				
Accounts payable	\$ 7,595	\$ 3,395,362	\$ 3,397,199	\$ 5,758
Escrow deposits	929,197	129,122	80,671	977,648
Due to other governments	1,829,162	336,823,630	333,417,399	5,235,393
Uncollected property taxes due to governments	7,799,087	335,339,870	337,445,481	5,693,476
Undistributed taxes and refunds	16,522,496	1,497,545,513	1,493,799,840	20,268,169
Tax sale surplus and redemptions payable	3,627,587	3,431,782	3,824,496	3,234,873
Other liabilities	30,499,813	412,200,301	415,845,963	26,854,151
Total Liabilities	<u>\$ 61,214,937</u>	<u>\$ 2,588,865,580</u>	<u>\$ 2,587,811,049</u>	<u>\$ 62,269,468</u>

NONMAJOR COMPONENT UNITS

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR COMPONENT UNITS
 JUNE 30, 2006
Exhibit F-1

	BUPI	MCRA	MCC	Total
ASSETS				
Equity in pooled cash and investments	\$ -	\$ -	\$ 21,732,899	\$ 21,732,899
Cash with fiscal agents	-	-	1,992,133	1,992,133
Cash	433,639	2,038,020	33,016	2,504,675
Investments-cash equivalents	-	-	10,987,796	10,987,796
Investments	-	-	49,375,982	49,375,982
Receivables (net of allowances for uncollectibles):				
Capital leases	-	41,170,427	-	41,170,427
Accounts	60,023	270,747	5,647,272	5,978,042
Notes	-	33,550,000	-	33,550,000
Other	-	-	1,168,303	1,168,303
Due from primary government	17,996	-	3,938,026	3,956,022
Due from other governments	13,238	188,421	3,955,767	4,157,426
Inventory of supplies	-	622,797	1,204,641	1,827,438
Prepays	52,879	99,453	512,397	664,729
Deferred charges	-	734,856	-	734,856
Other assets	5,075	698,817	2,060,943	2,764,835
Restricted Assets:				
Cash	-	258,811	-	258,811
Cash with fiscal agents	-	-	30,866,779	30,866,779
Investments - cash equivalents	-	6,733,961	-	6,733,961
Capital Assets:				
Nondepreciable assets	-	24,011,179	36,889,542	60,900,721
Depreciable assets, net	203,136	13,882,005	170,085,788	184,170,929
Total Assets	<u>785,986</u>	<u>124,259,494</u>	<u>340,451,284</u>	<u>465,496,764</u>
LIABILITIES				
Accounts payable	92,079	138,172	14,347,263	14,577,514
Interest payable	-	1,017,878	-	1,017,878
Retainage payable	-	-	1,159,910	1,159,910
Accrued liabilities	129,727	425,617	-	555,344
Deposits	-	13,836	-	13,836
Due to primary government	10,605	63,628	1,581,985	1,656,218
Due to other governments	-	206,622	-	206,622
Unearned revenue	115,676	88,439	4,973,117	5,177,232
Noncurrent liabilities:				
Due within one year	-	4,885,586	658,397	5,543,983
Due in more than one year	-	94,718,436	65,425,122	160,143,558
Total Liabilities	<u>348,087</u>	<u>101,558,214</u>	<u>88,145,794</u>	<u>190,052,095</u>
NET ASSETS				
Invested in capital, net of related debt	203,136	15,375,332	195,818,702	211,397,170
Restricted for:				
Capital projects	-	135,768	934,127	1,069,895
Debt service	-	4,508,716	-	4,508,716
Other purposes	-	108,219	17,685,348	17,793,567
Unrestricted	234,763	2,573,245	37,867,313	40,675,321
Total Net Assets	<u>\$ 437,899</u>	<u>\$ 22,701,280</u>	<u>\$ 252,305,490</u>	<u>\$ 275,444,669</u>

MONTGOMERY COUNTY, MARYLAND
 COMBINING STATEMENT OF ACTIVITIES
 NONMAJOR COMPONENT UNITS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit F-2

Functions	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	BUPI	MCRA	MCC	Total
Component units:								
General government	\$ 3,296,351	\$ 3,060,245	\$ 267,796	\$ -	\$ 31,690	\$ -	\$ -	\$ 31,690
Culture and recreation	14,650,557	13,527,180	-	127,470	-	(995,907)	-	(995,907)
Education	212,513,635	65,802,118	23,307,560	1,028,931	-	-	(122,375,026)	(122,375,026)
Total component units	<u>\$ 230,460,543</u>	<u>\$ 82,389,543</u>	<u>\$ 23,575,356</u>	<u>\$ 1,156,401</u>	<u>31,690</u>	<u>(995,907)</u>	<u>(122,375,026)</u>	<u>(123,339,243)</u>
General revenues:								
Grants and contributions not restricted to specific programs					58,459	-	135,092,505	135,150,964
Investment income					-	2,618,700	3,985,136	6,603,836
Gain (loss) on sale of capital assets					-	33,358	-	33,358
Total general revenues					<u>58,459</u>	<u>2,652,058</u>	<u>139,077,641</u>	<u>141,788,158</u>
Change in net assets					90,149	1,656,151	16,702,615	18,448,915
Net assets - beginning					347,750	21,045,129	235,602,875	256,995,754
Net assets - ending					<u>\$ 437,899</u>	<u>\$ 22,701,280</u>	<u>\$ 252,305,490</u>	<u>\$ 275,444,669</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 (1)
 JUNE 30, 2006
Exhibit G-1

	Totals
Governmental Funds Capital Assets:	
Land	\$ 544,257,482
Buildings	708,096,616
Improvements other than buildings	44,080,705
Furniture, fixtures, equipment, and machinery	211,499,140
Leasehold improvements	12,072,573
Automobiles and trucks	116,093,480
Infrastructure	1,497,802,708
Other assets	2,079,731
Construction in progress	146,347,682
Total Governmental Funds Capital Assets	<u>\$ 3,282,330,117</u>
Investment in Governmental Funds Capital Assets by Source	
General Fund	\$ 15,977,501
Special revenue funds:	78,510,559
State grants	16,567,235
Federal grants	12,198,541
Donations	31,649,409
Developer donated - principally road:	858,814,118
Capital Projects Fund - principally general obligation bonds	2,268,612,754
Total Governmental Funds Capital Assets	<u>\$ 3,282,330,117</u>

(1) 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 (1)
JUNE 30, 2006
Exhibit G-2

Function	Total	Land	Buildings and Improvements (2)	Furniture, Fixtures, Equipment and Machinery	Automobiles and Trucks	Infrastructure	Other Assets
General government	\$ 356,622,647	\$ 58,691,250	\$ 250,744,319	\$ 45,084,382	\$ 112,476	\$ -	\$ 1,990,220
Public safety	359,878,950	14,852,338	181,674,041	132,214,680	31,048,380	-	89,511
Public works and transportation	1,902,896,091	269,177,281	45,639,765	32,451,786	84,855,675	1,470,771,584	-
Health and human services	37,023,453	7,493,862	29,010,862	441,780	76,949	-	-
Culture and recreation	372,094,134	127,531,463	243,288,710	1,273,961	-	-	-
Community development and housing	69,328,376	36,608,662	12,089,068	19,775	-	20,610,871	-
Environment	38,138,784	29,902,626	1,803,129	12,776	-	6,420,253	-
Total Capital Assets Allocated by Function	3,135,982,435	\$ 544,257,482	\$ 764,249,894	\$ 211,499,140	\$ 116,093,480	\$ 1,497,802,708	\$ 2,079,731
Construction in Progress	<u>146,347,682</u>						
Total Capital Assets	<u>\$ 3,282,330,117</u>						

- (1) 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.
- (2) Includes buildings, improvements other than buildings, and leasehold improvements.

MONTGOMERY COUNTY, MARYLAND
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION (1)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006
Exhibit G-3

Function	Governmental Funds			Governmental Funds
	Capital Assets July 1, 2005	Additions	Deductions	Capital Assets June 30, 2006
General government	\$ 341,856,844	\$ 14,790,802	\$ 24,999	\$ 356,622,647
Public safety	339,211,781	21,526,914	859,745	359,878,950
Public works and transportation (2)	1,830,251,148	73,070,912	425,969	1,902,896,091
Health and human services	33,715,188	3,500,355	192,090	37,023,453
Culture and recreation	339,423,801	32,676,507	6,174	372,094,134
Community development and housing (2)	68,902,636	425,740	-	69,328,376
Environment	33,781,934	4,356,850	-	38,138,784
Construction in progress	126,992,324	106,685,125	87,329,767	146,347,682
Total General Fixed Assets	<u>\$ 3,114,135,656</u>	<u>\$ 257,033,205</u>	<u>\$ 88,838,744</u>	<u>\$ 3,282,330,117</u>

- (1) 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.
- (2) Beginning balance has been reclassified to conform with current year presentation.



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Cable TV Special Revenue	113	115	-	135
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Grants Special Revenue	113	115	-	136
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(Continued)

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Montgomery County Public Schools	41	42	-	-
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* POEB = Pension and Other Employee Benefit