

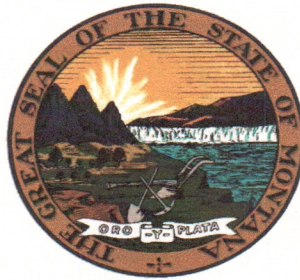


STATE FINANCIAL SERVICES DIVISION
LOCAL GOVERNMENT SERVICES BUREAU
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ENTITY # 022802

MONTANA
TOWN OF SHERIDAN
103 East Hamilton Street
Sheridan, MT 59749

ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDING JUNE 30, 2024

REVISED OCTOBER 2023/VERSION 23.2

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ANNUAL FINANCIAL REPORT
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INTRODUCTORY

SECTION

**TOWN OF SHERIDAN
ELECTED OFFICIALS/OFFICERS**

OFFICE	NAME OF COUNTY OFFICIALS/OFFICERS	DATE TERM EXPIRES
Commissioner (Chairperson)		
Commissioner		
Commissioner		
Attorney		
Clerk and recorder		
Auditor		
Treasurer		
Sheriff		
Clerk of district court		
Coroner		
Justice of the peace		
Justice of the peace		
Public administrator		
School superintendent		

OFFICE	NAME OF CITY/TOWN OFFICIALS/OFFICERS	DATE TERM EXPIRES
Mayor	Robert Stump	12/31/2025
Councilperson/Commissioner	Tamaray Todd	12/31/2025
Councilperson/Commissioner	Jan Bowey	12/31/2025
Councilperson/Commissioner	Diane Kaatz	12/31/2025
Councilperson/Commissioner	Curtis Green	12/31/2025
Councilperson/Commissioner		
Councilperson/Commissioner		
Councilperson/Commissioner		
Councilperson/Commissioner		
City manager		
Attorney	EJ Guza & Associates	
Chief of police		
Clerk		
Clerk/Treasurer	Kristi Millhouse	
Finance Director		
Police Judge		
Treasurer		
Utility billing/collection clerk		

**CONSISTENT WITH STATE LAW, I HEREBY TRANSMIT THE
TOWN OF SHERIDAN
ANNUAL FINANCIAL REPORT FOR THE
FISCAL YEAR ENDING JUNE 30, 2024**

Submitted by;

Kristi Millhouse, Town Clerk/Treasurer

Title

December 30, 2024

Date

Preparer's contact information:

Email: sheridan@3rivers.net
Phone: 406-842-5431

FINANCIAL

SECTION

**MANAGEMENT'S
DISCUSSION
AND
ANALYSIS**

Town of Sheridan Management Discussion and Analysis

The following Discussion and Analysis of the Town of Sheridan financial performance provides an overview of the Town's financial activities for the fiscal year ending June 30, 2024. Reading this narrative in conjunction with the Town's financial statements should give the reader a complete overview of the activities and financial status of the Town.

Financial Highlight

- Governmental Assets of the Town of Sheridan exceeded its liabilities by \$1,249,652 (net position).
- The Town government net position increased by \$225,296 from FY2023.
- Business-type net position increased by \$71,670.
- Town governmental funds experienced an increase in revenue over expenses by \$144,358 and an increase from FY2023 of \$59,014.
- Business type funds had an increase in revenue over expenses of \$71,676 and an overall increase from FY2023 of \$94,292.

Using the Financial Report

The Management Discussion and Analysis is intended to serve as an introduction to the Town of Sheridan's financial statements. The annual report consists of financial statements for the Town as a whole, with more detailed information of certain funds reported as "major funds": General, Library, and Gas Tax Funds. As a business-type fund, Sewer and Water are reported as major funds.

The financial section of this report contains the following components:

1. Government-wide Financial Statements.
2. Fund Financial Statements.
3. Notes to the Basic Financial Statements.
4. Required Supplementary Information.

Government-Wide Financial Statements

The government-wide financial statements described below are intended to provide a reader with a broad overview of the Town of Sheridan's finances.

The *statement of net position* outlines the Town's assets and liabilities. The increase or decrease in net position, along with other non-financial factors such as changes in tax base and legislative action, can serve as a useful indicator of whether the financial position of the Town of Sheridan is improving or deteriorating.

The *statement of activities* presents information showing the Sheridan's net assets changed during the most recent fiscal year. Both the statement of net position and the statement of activities use the accrual basis of accounting, similar to the accounting used

by most private sector businesses. The basis of accounting considers all the current year's revenue and expenses, regardless of when cash is received or paid.

Both the government-wide financial statements (statement of net position and statement of activities) distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that recover all or a significant portion of their costs through user fees and charges (Business-type activities). Governmental activities of the Town included general government, public works and culture and recreation (Library). Business-type activities include water and solid waste.

Fund Financial Statements

The fund financial statements give more detailed information about the Town of Sheridan's financial activities. Funds are set up to manage resources that have been segregated for specific activities or objectives. Some funds are required to be set up by state law; other funds are established by the Town to help manage revenues and expenses for specific purposes. All of the Town's funds can be divided into three categories: Government Funds, Proprietary Funds, and Fiduciary Funds.

Governmental Funds

Most of the Town's services are reported in governmental funds. The governmental fund statement provides a detailed short-term view of cash, the fund operations, and the basic services it provides.

Proprietary Funds

When the Town charges customers for the service it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of activities.

Fiduciary Funds

All the Town's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. The Town cannot use these assets to finance its operations but is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

Notes to the Basic Financial Statements

The notes provide additional information and are essential to a full understanding of the data provided in the annual financial reports.

Required Supplemental Information

This section provides detailed information concerning revenues, expenditures, and changes in fund balances, comparing current Fiscal Year 2024 to previous Fiscal Year 2023.

Governmental Activities

The cost of all Town activities for the year ending June 30, 2024, was \$476,054 compared to \$324,558 for the previous year. An increase of \$151,496.

Business-Type Activities

The cost of the Town's water/sewer department for the year ending June 30, 2024, was \$879,697 compared to \$709,074 the previous year. An increase of \$170,623.

Fund Financial Activities

The focus of Governmental Funds is to provide information on current period revenues, expenditures, and the balance of resources available for future requirements. This information is useful in determining the Town's annual financial requirements. As of June 20, 2024, the Town's Governmental Funds reported a combined balance of \$975,628, an increase of \$290,011 from the previous year.

The Town of Sheridan has three Governmental Funds that are reported as Major Funds. The major funds include the General Fund, the Library Fund, and the Gas Tax.

- General Fund – The General Fund is the primary operating fund for the Town. The general cash balance was \$468,120 at year-end on June 30, 2024.
- Library Fund – The Library Fund is the primary operating fund for the Town Library. The general cash balance was \$261,537 at year-end on June 30, 2024.
- Gas Tax Fund – The Gas Tax Fund is primarily operating for roads and streets. The cash balance was \$189,795 at year-end on June 30, 2024.

Proprietary Funds

The Town's proprietary funds provide the same type of information found in the governmental-wide statements but in more detail. The net position of the Water and Sewer Funds at the end of the fiscal year 2024 amounted to \$12,749,420.

Capital (Fixed Assets) and Long-Term Debt

The Town of Sheridan's governmental fixed assets increased \$259,950 from the fiscal year 2023 amount of \$1,292,730 the fiscal year 2024 amount of \$1,552,680. The increase in fixed assets was because of the addition of two new vehicles, an amphitheater and new playground equipment.

The business-type assets increased by \$10,911 from the fiscal year 2023 amount of \$12,738,509 to the fiscal year 2024 amount of \$12,749,420.

Long term debt increased by \$6,846 for June 30, 2024, balance of \$138,757 in the governmental funds. The long-term debt outstanding for the business activities decreased by \$74,536 in the proprietary funds for June 20, 2024, balance of \$3,736,099. No new long-term debt was acquired in FY2024 for the proprietary funds.

Current long-term debt payments are budgeted within the appropriate fund during the budget process. Long-term debt payments for the proprietary funds are made monthly for the sewer and water system.

Economic Factors and Budgets

The annual budget assures the efficient, effective, and economic uses of the Town's resources as well as establishing that projects and objectives are carried out as to prioritize financial planning. Through the budget, the Mayor and the Town Council set the direction of the Town and allocated the resources.

The following factors were considered in preparing the Fiscal Year 2024 budget.

- **Mill Value** – The Town of Sheridan continues to have a stable mill value. The mill value is a concern for the Town to keep steady without huge increases but needs to see some increase to keep the Town funds stable.
- **Grants** are important to the Town of Sheridan as they help the Town complete projects that may not get done without these funds.
 - Montana Community Investment Act – The was awarded \$30,000 grant for zoning. This grant will be spent in FY25 on the zoning plan.
 - MCEP Grant – The Town of Sheridan was awarded a Montana Coal Endowment \$32,000 grant for the Water Preliminary Engineering Report that has been completed.
 - RRPB – The Town of Sheridan was awarded an \$8,000 Renewable Resources Planning Grant for the use of the Water Preliminary Report that has been completed.
- **State Entitlement Share** is provided by the State of Montana and can be used for any government use.
- **Cash Reserves** – The Town of Sheridan is committed to maintaining a cash reserve. The Town is allowed to have 50% of appropriations as cash reserve in the General Fund.

Contacting the Town Financial Management

The finance report is designed to provide the citizens, taxpayers, customers, investors, and creditors of the Town of Sheridan with a general review of the Town's finances and to show the Town's accountability for the money it receives and expends. If you have any questions about this report, you may contact the Town office at 406-842-5431.

Town of Sheridan, Madison County, Montana
MD & A Comparisons
June 30, 2024

Table 1 - Net Position

	Governmental Activities			Business-type Activities		
	FY24	FY23	Change Inc (Dec)	FY24	FY23	Change Inc (Dec)
	Current and other assets	\$ 1,163,028	\$ 912,794	\$ 250,234	\$ 2,020,753	\$ 1,926,940
Capital assets	389,652	379,936	9,716	10,728,667	10,811,569	(82,902)
Total assets	\$ 1,552,680	\$ 1,292,730	\$ 259,950	\$ 12,749,420	\$ 12,738,509	\$ 10,911
Long-term debt outstanding	\$ 138,757	\$ 131,911	\$ 6,846	\$ 3,661,563	\$ 3,736,099	\$ (74,536)
Other liabilities	164,271	136,463	27,808	38,169	24,398	13,771
Total liabilities	\$ 303,028	\$ 268,374	\$ 34,654	\$ 3,699,732	\$ 3,760,497	\$ (60,765)
Net investment in capital assets	\$ 389,652	\$ 379,936	\$ 9,716	\$ 7,192,174	\$ 7,149,711	\$ 42,463
Restricted	460,323	250,584	209,739	393,138	381,941	11,197
Unrestricted (deficit)	399,677	393,836	5,841	1,464,376	1,446,360	18,016
Total net position	\$ 1,249,652	\$ 1,024,356	\$ 225,296	\$ 9,049,688	\$ 8,978,012	\$ 71,676

Table 2 - Changes in Net Position

UNAUDITED

	Governmental Activities			Business-type Activities		
	FY24	FY23	Change Inc (Dec)	FY24	FY23	Change Inc (Dec)
	Revenues					
<i>Program revenues (by major source):</i>						
Charges for services	\$ -	\$ -	\$ -	\$ 615,657	\$ 628,026	\$ (12,369)
Operating grants and contributions	156,469	40,906	115,563	-	-	-
Capital grants and contributions	-	-	-	328,438	54,492	273,946
<i>General revenues (by major source):</i>						
Property taxes for general purposes	323,635	219,799	103,836	-	-	-
Licenses and permits	1,500	-	1,500	-	-	-
Video poker apportionment	-	700	(700)	-	-	-
Miscellaneous	15,605	14,046	1,559	-	-	-
Interest/investment earnings	572	520	52	4,239	1,670	2,569
Local option taxes	44,216	49,384	(5,168)	-	-	-
State entitlement	75,685	72,584	3,101	-	-	-
Grants and entitlements not restricted to specific programs	-	9,735	(9,735)	-	2,270	(2,270)
State Contributions to Retirement	2,707	-	2,707	3,039	-	3,039
Contributions & donations	23	2,228	(2,205)	-	-	-
Total revenues	\$ 620,412	\$ 409,902	\$ 210,510	\$ 951,373	\$ 686,458	\$ 264,915
Program expenses						
General government	\$ 200,808	\$ 114,246	\$ 86,562	\$ -	\$ -	\$ -
Public safety	5,179	18,977	(13,798)	-	-	-
Public works	98,841	55,982	42,859	-	-	-
Public health	-	16,921	(16,921)	-	-	-
Culture and recreation	171,226	118,432	52,794	-	-	-
Water	-	-	-	461,535	397,694	63,841
Sewer	-	-	-	418,162	311,380	106,782
Total expenses	\$ 476,054	\$ 324,558	\$ 151,496	\$ 879,697	\$ 709,074	\$ 170,623
Increase (decrease) in net position	\$ 144,358	\$ 85,344	\$ 59,014	\$ 71,676	\$ (22,616)	\$ 94,292

**BASIC
FINANCIAL
STATEMENTS**

Town of Sheridan, Madison County, Montana
Statement of Net Position
June 30, 2024

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 1,133,911	\$ 1,401,012	\$ 2,534,923
Taxes and assessments receivable, net	6,514	-	6,514
Accounts receivable - net	-	70,701	70,701
Due from other governments	-	130,546	130,546
Total current assets	<u>\$ 1,140,425</u>	<u>\$ 1,602,259</u>	<u>\$ 2,742,684</u>
Noncurrent assets			
Restricted cash and investments	\$ -	\$ 393,138	\$ 393,138
Capital assets - land	46,681	81,377	128,058
Capital assets - construction in progress	-	312,602	312,602
Capital assets - depreciable, net	342,971	10,334,688	10,677,659
Total noncurrent assets	<u>\$ 389,652</u>	<u>\$ 11,121,805</u>	<u>\$ 11,511,457</u>
Total assets	<u>\$ 1,530,077</u>	<u>\$ 12,724,064</u>	<u>\$ 14,254,141</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	\$ 22,603	\$ 25,356	\$ 47,959
Total deferred outflows of resources	<u>\$ 22,603</u>	<u>\$ 25,356</u>	<u>\$ 47,959</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 1,552,680</u>	<u>\$ 12,749,420</u>	<u>\$ 14,302,100</u>
LIABILITIES			
Current liabilities			
Warrants payable	\$ 137,949	\$ -	\$ 137,949
Accounts payable	4,842	25,020	29,862
Accrued payroll	6,952	1,947	8,899
Due to other governments	395	-	395
Revenues collected in advance	-	3,537	3,537
Other Payroll Liabilities	8,145	-	8,145
Current portion of long-term capital liabilities	-	113,167	113,167
Current portion of compensated absences payable	24,429	6,562	30,991
Total current liabilities	<u>\$ 182,712</u>	<u>\$ 150,233</u>	<u>\$ 332,945</u>
Noncurrent liabilities			
Deposits payable	\$ -	\$ 99	\$ 99
Noncurrent portion of OPEB	2,246	3,368	5,614
Noncurrent portion of long-term capital liabilities	-	3,423,326	3,423,326
Noncurrent portion of compensated absences	9,408	804	10,212
Net pension liability	104,920	117,704	222,624
Total noncurrent liabilities	<u>\$ 116,574</u>	<u>\$ 3,545,301</u>	<u>\$ 3,661,875</u>
Total liabilities	<u>\$ 299,286</u>	<u>\$ 3,695,534</u>	<u>\$ 3,994,820</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	\$ 3,742	\$ 4,198	\$ 7,940
Total deferred inflows of resources	<u>\$ 3,742</u>	<u>\$ 4,198</u>	<u>\$ 7,940</u>
NET POSITION			
Net investment in capital assets	\$ 389,652	\$ 7,192,174	\$ 7,581,826
Restricted for debt service	-	393,138	393,138
Restricted for special projects	449,440	-	449,440
Restricted for other purposes	10,883	-	10,883
Unrestricted	399,677	1,464,376	1,864,053
Total net position	<u>\$ 1,249,652</u>	<u>\$ 9,049,688</u>	<u>\$ 10,299,340</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 1,552,680</u>	<u>\$ 12,749,420</u>	<u>\$ 14,302,100</u>

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Functions/Programs Primary government:	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities	Total
Governmental activities:							
General government	\$ 200,808	\$ -	\$ -	\$ -	(200,808)	\$ -	(200,808)
Public safety	5,179	-	-	-	(5,179)	-	(5,179)
Public works	98,841	-	146,491	-	47,650	-	47,650
Culture and recreation	171,226	-	9,978	-	(161,248)	-	(161,248)
Total governmental activities	\$ 476,054	\$ -	\$ 156,469	\$ -	\$ (319,585)	\$ -	\$ (319,585)
Business-type activities:							
Water	\$ 461,535	\$ 318,054	\$ 328,438	\$ -	\$ -	\$ 184,957	\$ 184,957
Sewer	418,162	297,603	-	-	-	(120,559)	(120,559)
Total business-type activities	\$ 879,697	\$ 615,657	\$ 328,438	\$ -	\$ -	\$ 64,398	\$ 64,398
Total primary government	\$ 1,355,751	\$ 615,657	\$ 156,469	\$ 328,438	\$ (319,585)	\$ 64,398	\$ (255,187)
General Revenues:							
Property taxes for general purposes				\$ 323,635	\$ -	\$ -	\$ 323,635
Licenses and permits				1,500	-	-	1,500
Miscellaneous				15,605	-	-	15,605
Interest/investment earnings				572	4,239	-	4,811
Local option taxes				44,216	-	-	44,216
State entitlement				75,685	-	-	75,685
State Contributions to Retirement				2,707	3,039	-	5,746
Contributions & donations				23	-	-	23
Total general revenues, special items and transfers				\$ 463,943	\$ 7,278	\$ -	\$ 471,221
Change in net position				\$ 144,358	\$ 71,676	\$ -	\$ 216,034
Net position - beginning				\$ 1,024,356	\$ 8,978,012	\$ -	\$ 10,002,368
Restatements				80,938	-	-	80,938
Net position - beginning - restated				\$ 1,105,294	\$ 8,978,012	\$ -	\$ 10,083,306
Net position - end				\$ 1,249,652	\$ 9,049,688	\$ -	\$ 10,299,340

UNAUDITED

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Balance Sheet
Governmental Funds
June 30, 2024

	General	Library	Gas Tax	Other Governmental Funds	Total Governmental Funds
ASSETS					
Current assets:					
Cash and investments	\$ 468,120	\$ 261,537	\$ 189,795	\$ 214,459	\$ 1,133,911
Taxes and assessments receivable, net	6,514	-	-	-	6,514
TOTAL ASSETS	\$ 474,634	\$ 261,537	\$ 189,795	\$ 214,459	\$ 1,140,425

UNAUDITED

Warrants payable	\$ 137,949	\$ -	\$ -	\$ -	\$ 137,949
Accounts payable	4,101	138	-	603	4,842
Accrued payroll	5,198	1,754	-	-	6,952
Due to other governments	395	-	-	-	395
Other Payroll Liabilities	8,145	-	-	-	8,145
Total liabilities	\$ 155,788	\$ 1,892	\$ -	\$ 603	\$ 158,283

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources - taxes and assessments	\$ 6,514	\$ -	\$ -	\$ -	\$ 6,514
Total deferred inflows of resources	\$ 6,514	\$ -	\$ -	\$ -	\$ 6,514

FUND BALANCES

Restricted	\$ -	\$ 259,645	\$ 189,795	\$ 10,883	\$ 460,323
Committed	-	-	-	203,061	203,061
Unassigned fund balance	312,332	-	-	(88)	312,244
Total fund balance	\$ 312,332	\$ 259,645	\$ 189,795	\$ 213,856	\$ 975,628

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE

See accompanying Notes to the Financial Statements

	\$ 474,634	\$ 261,537	\$ 189,795	\$ 214,459	\$ 1,140,425
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Town of Sheridan, Madison County, Montana
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2024

Total fund balances - governmental funds	\$	975,628
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		389,652
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		6,514
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.		(33,837)
UNAUDITED		
Net pension and other post-employment benefit liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.		(107,166)
The changes between actuarial assumptions, differences in expected vs actual pension experiences, changes in proportionate share allocation, and current year retirement contributions as they relate to the net pension liability are a deferred outflow of resources and are not payable in current period, therefore are not reported in the funds.		22,603
The changes between actuarial assumptions, differences in projected vs actual investment earnings, and changes in proportionate share allocation as they relate to the net pension liability are a deferred inflows of resources and are not available to pay for current expenditures, there for are not reported in the funds.		(3,742)
Total net position - governmental activities	\$	<u><u>1,249,652</u></u>

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

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

Net change in fund balances - total governmental funds	\$	124,985
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
- Capital assets purchased		35,455
- Depreciation expense		(25,739)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
- Long-term receivables (deferred inflows)	UNAUDITED	(1,545)
The change in compensated absences is shown as an expense in the Statement of Activities		(10,935)
Termination benefits are shown as an expense in the Statement of Activities and not reported on the Statement of Revenues, Expenditures and Changes in Fund Balance:		
- Post-employment benefits other than retirement liability		(1,392)
Pension expense related to the net pension liability is shown as an expense on the Statement of Activities and not reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance		16,584
State aid revenue related to net pension liability is shown as a revenue on the Statement of Activities and not reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance		452
Current year contributions to retirement benefits are shown as deferred outflows of resources on the Statement of Net Position and shown as expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balance when paid.		6,493
Change in net position - Statement of Activities	\$	<u>144,358</u>

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 695,397	\$ 705,615	\$ 1,401,012
Accounts receivable - net	39,100	31,601	70,701
Due from other governments	130,546	-	130,546
Total current assets	<u>\$ 865,043</u>	<u>\$ 737,216</u>	<u>\$ 1,602,259</u>
Noncurrent assets:			
Restricted cash and investments	\$ 217,220	\$ 175,918	\$ 393,138
Capital assets - land	5,341	76,036	81,377
Capital assets - construction in progress	312,602	-	312,602
Capital assets - depreciable, net	5,111,721	5,222,967	10,334,688
Total noncurrent assets	<u>\$ 5,646,884</u>	<u>\$ 5,474,921</u>	<u>\$ 11,121,805</u>
Total assets	<u>\$ 6,511,927</u>	<u>\$ 6,212,137</u>	<u>\$ 12,724,064</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	\$ 12,679	\$ 12,677	\$ 25,356
Total deferred outflows of resources	<u>\$ 12,679</u>	<u>\$ 12,677</u>	<u>\$ 25,356</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 6,524,606</u>	<u>\$ 6,224,814</u>	<u>\$ 12,749,420</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 22,336	\$ 2,684	\$ 25,020
Accrued payroll	973	974	1,947
Revenues collected in advance	1,956	1,581	3,537
Current portion of long-term capital liabilities	42,575	70,592	113,167
Current portion of compensated absences payable	3,281	3,281	6,562
Total current liabilities	<u>\$ 71,121</u>	<u>\$ 79,112</u>	<u>\$ 150,233</u>
Noncurrent liabilities:			
Deposits payable	\$ 83	\$ 16	\$ 99
Noncurrent portion of OPEB	1,684	1,684	3,368
Noncurrent portion of long-term capital liabilities	848,793	2,574,533	3,423,326
Noncurrent portion of compensated absences	402	402	804
Net pension liability	58,856	58,848	117,704
Total noncurrent liabilities	<u>\$ 909,818</u>	<u>\$ 2,635,483</u>	<u>\$ 3,545,301</u>
Total liabilities	<u>\$ 980,939</u>	<u>\$ 2,714,595</u>	<u>\$ 3,695,534</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	\$ 2,099	\$ 2,099	\$ 4,198
Total deferred inflows of resources	<u>\$ 2,099</u>	<u>\$ 2,099</u>	<u>\$ 4,198</u>
NET POSITION			
Net investment in capital assets	\$ 4,538,296	\$ 2,653,878	\$ 7,192,174
Restricted for debt service	217,220	175,918	393,138
Unrestricted	786,052	678,324	1,464,376
Total net position	<u>\$ 5,541,568</u>	<u>\$ 3,508,120</u>	<u>\$ 9,049,688</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 6,524,606</u>	<u>\$ 6,224,814</u>	<u>\$ 12,749,420</u>

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for services	\$ 318,054	\$ 297,603	\$ 615,657
Total operating revenues	<u>\$ 318,054</u>	<u>\$ 297,603</u>	<u>\$ 615,657</u>
OPERATING EXPENSES			
Personal services	\$ 103,217	\$ 107,393	\$ 210,610
Supplies	18,832	20,798	39,630
Purchased services	77,561	78,126	155,687
Fixed charges	58	58	116
Depreciation	234,699	159,818	394,517
Total operating expenses	<u>\$ 434,367</u>	<u>\$ 366,193</u>	<u>\$ 800,560</u>
Operating income (loss)	<u>\$ (116,313)</u>	<u>\$ (68,590)</u>	<u>\$ (184,903)</u>
UNAUDITED			
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	\$ 329,958	\$ 1,519	\$ 331,477
Interest revenue	4,239	-	4,239
Debt service interest expense	(27,168)	(51,969)	(79,137)
Total non-operating revenues (expenses)	<u>\$ 307,029</u>	<u>\$ (50,450)</u>	<u>\$ 256,579</u>
Change in net position	<u>\$ 190,716</u>	<u>\$ (119,040)</u>	<u>\$ 71,676</u>
Net Position - Beginning of the year	<u>\$ 5,350,852</u>	<u>\$ 3,627,160</u>	<u>\$ 8,978,012</u>
Net Position - End of the year	<u><u>\$ 5,541,568</u></u>	<u><u>\$ 3,508,120</u></u>	<u><u>\$ 9,049,688</u></u>

See accompanying Notes to the Financial Statements

**Town of Sheridan, Madison County
Combined Statement of Cash Flows
All Proprietary Fund Types
Fiscal Year Ended June 30, 2024**

	Business - Type Activities		
	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Cash flows from operating activities:			
Cash received from providing services	\$ 312,656	\$ 291,814	\$ 604,470
Cash payments to suppliers	(18,832)	(20,798)	(39,630)
Cash payments for professional services	(72,862)	(75,500)	(148,362)
Cash payments to employees	(90,269)	(90,524)	(180,793)
Net cash provided (used) by operating activities	<u>\$ 130,693</u>	<u>\$ 104,992</u>	<u>\$ 235,685</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	\$ (281,494)	\$ (12,543)	\$ (294,037)
Proceeds from capital grants	197,893	-	197,893
Principal paid on debt	(56,262)	(69,103)	(125,365)
Interest paid on debt	(27,168)	(51,969)	(79,137)
Net cash provided (used) by capital and related financing activities	<u>\$ (167,031)</u>	<u>\$ (133,615)</u>	<u>\$ (300,646)</u>
Cash flows from investing activities:			
Interest on investments	\$ 4,239	\$ -	\$ 4,239
Net cash provided (used) by investing activities	<u>\$ 4,239</u>	<u>\$ -</u>	<u>\$ 4,239</u>
Net increase (decrease) in cash and cash equivalents	<u>\$ (32,099)</u>	<u>\$ (28,623)</u>	<u>\$ (60,722)</u>
Cash and cash equivalents at beginning	<u>944,716</u>	<u>910,156</u>	<u>1,854,872</u>
Cash and cash equivalents at end	<u><u>\$ 912,617</u></u>	<u><u>\$ 881,533</u></u>	<u><u>\$ 1,794,150</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (116,313)	\$ (68,590)	\$ (184,903)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	234,699	159,818	394,517
Other post-employment benefits	(2,160)	(2,160)	(4,320)
Net Pension Liability	10,836	14,757	25,593
Changes in assets and liabilities:			
Accounts Receivable	(5,239)	(5,705)	(10,944)
Revenues Collected in Advance	(159)	(84)	(243)
Accounts Payable	4,757	2,684	7,441
Compensated Absences	3,363	3,363	6,726
Accrued Wages	909	909	1,818
Net cash provided (used) by operating activities	<u>\$ 130,693</u>	<u>\$ 104,992</u>	<u>\$ 235,685</u>
Noncash investing and financing activities:			
On behalf public employees retirement system payments	<u>\$ 1,519</u>	<u>\$ 1,519</u>	<u>\$ 3,038</u>

UNAUDITED

See accompanying notes to the financial statements