STATE FINANCIAL SERVICES DIVISION
LOCAL GOVERNMENT SERVICES BUREAU
Mitchell Building Room 255, PO Box 200547, Helena, Montana 59620-0547
Local Government Services Bureau Portal

ENTITY # 022802

MONTANA
Town of Sheridan
103 East Hamilton Street
Sheridan, Montana 59749

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDING JUNE 30, 2025

REVISED OCTOBER 2023/VERSION 23.2

ANNUAL FINANCIAL REPORT FILING FEE
FISCAL YEAR ENDING JUNE 30, 2025

#N/A
Town of Sheridan
103 East Hamilton Street
Sheridan, MT 59749

If the local government entity name or mailing address on the Department's mailing list is inaccurate or has changed recently please note the correction below.

****If a filing fee is owed, please print the completed filing fee form and mail with your payment to:**

Montana Department of Administration
Local Government Services
Mitchell Bldg - Room 270
PO Box 200547
Helena, MT 59620-0547

****If no filing fee is owed, you must complete Part II to determine if an audit is required. *Please* ensure a copy of the completed *Determination***

PLEASE NOTE: The "Determination of Filing Fee Form" - page 2 of 2 - is designed to be self-calculating. If you choose to print this form and manually

If there is an amount listed in BOX #1 of the Determination of Filing Fee Form (page 2 of 2), please include a check or warrant for that amount, made payable to "DOA Local Government Services Bureau" in the amount of the required fee.

LOCAL GOVERNMENT ANNUAL FILING FEE SCHEDULE

The following filing fee schedule is required by Section 2-7-514, MCA, and has been adopted as Section 2.4.402 of the Administrative Rules of Montana.

Annual Resources Exceed:	Annual Resources Equal to or Less Than	Filing Fee
$0	$1,000,000	$0
$1,000,000	$1,500,000	$800
$1,500,000	$2,500,000	$950
$2,500,000	$5,000,000	$1,300
$5,000,000	$10,000,000	$1,700
$10,000,000	$50,000,000	$2,500
$50,000,000		$3,000

FOR DEPARTMENT OF ADMINISTRATION USE ONLY

GL#	Amount Received: $ ______ Date: ______
TD#	By: ______

REVISED 5-2025 V1

Determination of Filing Fee Form

Note: This form is self-calculating, with defaults of -0- and "NO" in box #1 and #2. Please adjust according if you print this form and enter information manually.

FEE REQUIREMENT: As provided by 2-7-514, MCA, each local government required to have an audit under 2-7-503, MCA, shall pay an annual filing fee to the

GOVERNMENTAL FUNDS - PAGE 16 *(STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES)*		
Total Revenues	702,194.00	
Other Financing Sources - Proceeds from Sale of Capital Assets	0.00	
Special and/or Extraordinary Items (Revenues only)	0.00	
ENTERPRISE FUNDS - PAGE 19 *(STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION)* *Note: Do not include revenues of Internal Service Funds*		
Total Operating Revenues	654,276.00	**Box #1**
Non-Operating Revenues: (Do not include Gain on Sale of Capital Assets)		
Taxes/Assessments	0.00	
Licenses/Permits	0.00	
Intergovernmental Revenues	81,245.00	**Filing Fee Owed** **$800.00**
Interest Revenues	23,669.00	
Other Non-operating Revenues not included above		
Capital Contributions	0.00	
Special and/or Extraordinary Items (Revenues only)	0.00	
ENTERPRISE FUNDS - PAGE 20 *(STATEMENT OF CASH FLOWS)*		
Proceeds from Sale of Capital Assets	0.00	
TRUST FUNDS - PAGE 22 *(STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS)* *NOTE: Do not include additions to Investment Trust Funds*		
Total Additions to **Pension & Private Purpose** Trust Funds Only	0.00	
Total Revenues for Calculation of Filing Fee	**$1,461,384.00**	

If total revenues are equal to or less than $1,000,000, no filing fee is required to be paid. However, your entity may be subject to audit requirements as determined in Part II or required by other agencies. **Review Part II** below to determine if there is an audit requirement. Manually subtract proceeds of debt received to refinance an existing debt to exclude from audit determination. **If total revenues plus adjusted debt proceeds exceeds $1,000,000,** your entity will be subject to audit requirements.

Part II - Determination of Audit Requirement w/ No Filing Fee (Subtract Debt used to Refinance Manually)		
Add: Proceeds from Debt provided by a Federal agency, a State agency or another local government:		**Box #2**
Governmental Funds (from Statement of Revenues, Expenditures, and Changes in Fund Balances (Page 16) Proceeds from General Long-Term Debt)	0.00	
Proprietary Funds (from Statement of Cash Flows, Major & Non-Major Enterprise Funds (Page 20) Proceeds from Debt)	0.00	
Manually subtract debt proceeds received from non-governmental financial institutions (banks, savings & loans) included above *(Enter as a negative)*		**Audit Required?** **YES**
Subtotal - Proceeds received from Debt	0.00	
Manually subtract amount of proceeds received from governments used to refinance existing debt. *(Enter as a negative)*		
Total Adjusted Debt Proceeds	$0.00	
Total Revenues + Total Adjusted Debt Proceeds	**$1,461,384.00**	

If this amount exceeds $1,000,000, you are required to have an audit for the fiscal year.

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	Tamara Tood	12/31/2025
Councilperson/Commissioner	Jan Bowey	12/31/2025
Councilperson/Commissioner	Diane Kaatz	12/31/2027
Councilperson/Commissioner	Curtis Green	9/16/2025
Councilperson/Commissioner	Russ Hamilton	12/31/2027
Councilperson/Commissioner		
Councilperson/Commissioner		
Councilperson/Commissioner		
City manager		
Attorney	Ed Guza	
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, 2025

Submitted by;

Kristi Millhouse, Clerk/Treasurer
Title

10/20/2025
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, 2025. 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 their liabilities by $1,570,338 (net position).
- The Town government net position increased by $296,807 from FY2024.
- Business-type net position decreased by $88,897.
- Town governmental funds experienced an increase in revenue over expenses by $290,908 and an increase from FY2024 of $122,651.
- Business type funds had an decrease in revenue over expenses of $88,897 and an overall decrease from FY2024 of $188,879

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 of 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 2025 to previous Fiscal Year 2024.

Governmental Activities
The cost of all Town activities for the year ending June 30, 2025, was $412,514 compared to $476,054 for the previous year. An decrease of $63,540.

Business-Type Activities
The cost of the Town's water/sewer department for the year ending June 30, 2025, was $848,087 compared to $879,697 the previous year. A decrease of $31,610.

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, 2025, the Town's Governmental Funds reported a combined balance of $1,155,931, an increase of $180,303 from the previous year.

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

- General Fund – The General Fund is the primary operating fund for the Town. The general cash balance was $463,214 at year-end on June 30. 2025.
- Library Fund – The Library Fund is the primary operating fund for the Town Library. The general cash balance was $349,531 at year-end on June 30, 2025.

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 2025 amounted to $12,553,119.

Capital (Fixed Assets) and Long-Term Debt
The Town of Sheridan's governmental fixed assets increased $267,009 from the fiscal year 2024 amount of $1,552,680 the fiscal year 2025 amount of $1,819,689. 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 $196,301 from the fiscal year 2024 amount of $12,749,420 to the fiscal year 2025 amount of $12,553,119.

Long term debt increased by $29,444for June 30, 2025, balance of $168,201 in the governmental funds. The long-term debt outstanding for the business activities decreased by $135,710 in the proprietary funds for June 20, 2025, balance of $3,564,022. No new long-term debt was acquired in FY2025 for the proprietary funds.

Current long-term debt payments are budgeted within the appropriate fund during the budget process. Long-term debt payments for 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 be 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.
  - Montan RRGL Grant for $125,000 which will be used for the Town of Sheridan Water Main Extension on Washington and Madison Street.

- **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, 2025

Table 1 - Net Position

	Governmental Activities			Business-type Activities		
	FY25	FY24	Change Inc (Dec)	FY25	FY24	Change Inc (Dec)
Current and other assets	$ 1,274,859	$ 1,164,966	$ 109,893	$ 2,119,453	$ 2,049,059	$ 70,394
Capital assets	544,830	389,652	155,178	10,433,666	10,728,667	(295,001)
Total assets	$ 1,819,689	$ 1,554,618	$ 265,071	$ 12,553,119	$ 12,777,726	$ (224,607)
Long-term debt outstanding	$ 168,201	$ 138,757	$ 29,444	$ 3,516,322	$ 3,661,563	$ (145,241)
Other liabilities	81,130	142,310	(61,180)	47,700	38,169	9,531
Total liabilities	$ 249,331	$ 281,067	$ (31,736)	$ 3,564,022	$ 3,699,732	$ (135,710)
Net investment in capital assets	$ 544,830	$ 389,652	$ 155,178	$ 7,029,340	$ 7,192,174	$ (162,834)
Restricted	560,235	465,323	94,912	397,996	393,138	4,858
Unrestricted (deficit)	465,293	418,576	46,717	1,561,761	1,492,682	69,079
Total net position	$ 1,570,358	$ 1,273,551	$ 296,807	$ 8,989,097	$ 9,077,994	$ (88,897)

Table 2 - Changes in Net Position

UNAUDITED

	Governmental Activities			Business-type Activities		
	FY25	FY24	Change Inc (Dec)	FY25	FY24	Change Inc (Dec)
Revenues						
Program revenues (by major source):						
Charges for services	$ 1,050	$ -	$ 1,050	$ 654,276	$ 622,747	$ 31,529
Operating grants and contributions	38,116	156,469	(118,353)	-	-	-
Capital grants and contributions	151,202	-	151,202	79,715	328,438	(248,723)
General revenues (by major source):						
Property taxes for general purposes	305,448	323,635	(18,187)	-	-	-
Licenses and permits	1,800	1,500	300	-	-	-
Miscellaneous	26,345	20,332	6,013	-	-	-
Interest/investment earnings	18,041	572	17,469	23,669	4,239	19,430
Local option taxes	68,421	44,216	24,205	-	-	-
State entitlement	88,307	75,685	12,622	-	-	-
Grants and entitlements not restricted to specific program	-	-	-	-	-	-
State Contributions to Retirement	2,670	2,707	(37)	1,530	3,039	(1,509)
Contributions & donations	2,022	23	1,999	-	-	-
Total revenues	$ 703,422	$ 625,139	$ 78,283	$ 759,190	$ 958,463	$ (199,273)
Program expenses						
General government	$ 166,439	$ 186,651	$ (20,212)	$ -	$ -	$ -
Public safety	19,833	33,166	(13,333)	-	-	-
Public works	94,183	70,839	23,344	-	-	-
Culture and recreation	132,059	166,226	(34,167)	-	-	-
Water	-	-	-	479,506	450,896	28,610
Sewer	-	-	-	368,581	407,585	(39,004)
Total expenses	$ 412,514	$ 456,882	$ (44,368)	$ 848,087	$ 858,481	$ (10,394)
Excess (deficiency) before special items and transfers	290,908	168,257	122,651	(88,897)	99,982	(188,879)
Increase (decrease) in net position	$ 290,908	$ 168,257	$ 122,651	$ (88,897)	$ 99,982	$ (188,879)

BASIC

FINANCIAL

STATEMENTS

Town of Sheridan, Madison County, Montana
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	$ 1,223,397	$ 1,607,689	$ 2,831,086
Taxes and assessments receivable, net	7,742	-	7,742
Accounts receivable - net	-	68,456	68,456
Due from other governments	-	17,821	17,821
Prepaid expenses	8,000	-	8,000
Total current assets	$ 1,239,139	$ 1,693,966	$ 2,933,105
Noncurrent assets			
Restricted cash and investments	$ -	$ 397,996	$ 397,996
Capital assets - land	46,681	81,376	128,057
Capital assets - construction in progress	116,404	385,200	501,604
Capital assets - depreciable, net	381,745	9,967,090	10,348,835
Total noncurrent assets	$ 544,830	$ 10,831,662	$ 11,376,492
Total assets	$ 1,783,969	$ 12,525,628	$ 14,309,597
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	$ 35,720	$ 27,491	$ 63,211
Total deferred outflows of resources	$ 35,720	$ 27,491	$ 63,211
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 1,819,689	$ 12,553,119	$ 14,372,808
LIABILITIES			
Current liabilities			
Warrants payable	$ 64,712	$ -	$ 64,712
Accounts payable	6,847	35,261	42,108
Accrued payroll	3,512	2,630	6,142
Due to other governments	395	-	395
Revenues collected in advance	-	3,537	3,537
Current portion of long-term capital liabilities	-	99,827	99,827
Current portion of compensated absences payable	13,690	1,608	15,298
Total current liabilities	$ 89,156	$ 142,863	$ 232,019
Noncurrent liabilities			
Deposits payable	$ -	$ 101	$ 101
Other post-employment benefit liability	2,480	3,720	6,200
Noncurrent portion of long-term capital liabilities	-	3,304,499	3,304,499
Noncurrent portion of compensated absences	11,349	206	11,555
Net pension liability	143,162	110,182	253,344
Total noncurrent liabilities	$ 156,991	$ 3,418,708	$ 3,575,699
Total liabilities	$ 246,147	$ 3,561,571	$ 3,807,718
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	$ 3,184	$ 2,451	$ 5,635
Total deferred inflows of resources	$ 3,184	$ 2,451	$ 5,635
NET POSITION			
Net investment in capital assets	$ 544,830	$ 7,029,340	$ 7,574,170
Restricted for debt service	-	397,996	397,996
Restricted for special projects	549,189	-	549,189
Restricted for other purposes	11,046	-	11,046
Unrestricted	465,293	1,561,761	2,027,054
Total net position	$ 1,570,358	$ 8,989,097	$ 10,559,455
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 1,819,689	$ 12,553,119	$ 14,372,808

UNAUDITED

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Statement of Activities
For the Fiscal Year Ended June 30, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position — Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary government:							
Governmental activities:							
General government	$ 166,439	$ -	$ -	$ -	$ (166,439)	$ -	$ (166,439)
Public safety	19,833	-	-	-	(19,833)	-	(19,833)
Public works	94,183	-	38,116	-	(56,067)	-	(56,067)
Culture and recreation	132,059	1,050	-	151,202	20,193	-	20,193
Total governmental activities	$ 412,514	$ 1,050	$ 38,116	$ 151,202	$ (222,146)	$ -	$ (222,146)
Business-type activities:							
Water	$ 479,506	$ 345,546	$ -	$ 79,715	$ -	$ (54,245)	$ (54,245)
Sewer	368,581	308,730	-	-	-	(59,851)	(59,851)
Total business-type activities	$ 848,087	$ 654,276	$ -	$ 79,715	$ -	$ (114,096)	$ (114,096)
Total primary government	$ 1,260,601	$ 655,326	$ 38,116	$ 230,917	$ (222,146)	$ (114,096)	$ (336,242)
General Revenues:							
Property taxes for general purposes					$ 305,448	$ -	$ 305,448
Licenses and permits					1,800	-	1,800
Miscellaneous					26,345	-	26,345
Interest/investment earnings					18,041	23,669	41,710
Local option taxes					68,421	-	68,421
State entitlement					88,307	-	88,307
State Contributions to Retirement					2,670	1,530	4,200
Contributions & donations					2,022	-	2,022
Total general revenues, special items and transfers					$ 513,054	$ 25,199	$ 538,253
Change in net position					$ 290,908	$ (88,897)	$ 202,011
Net position - beginning					$ 1,273,551	$ 9,077,994	$ 10,351,545
Restatements					5,899	-	5,899
Net position - beginning - restated					$ 1,279,450	$ 9,077,994	$ 10,357,444
Net position - end					$ 1,570,358	$ 8,989,097	$ 10,559,455

UNAUDITED

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Balance Sheet
Governmental Funds
June 30, 2025

UNAUDITED

	General	Library	Other Governmental Funds	Total Governmental Funds
ASSETS				
Current assets:				
Cash and investments	$ 463,214	$ 349,531	$ 410,652	$ 1,223,397
Taxes and assessments receivable, net	7,742	-	-	7,742
Prepaid expenses	8,000	-	-	8,000
Total current assets	$ 478,956	$ 349,531	$ 410,652	$ 1,239,139
TOTAL ASSETS	$ 478,956	$ 349,531	$ 410,652	$ 1,239,139
LIABILITIES				
Current liabilities:				
Warrants payable	$ 64,712	$ -	$ -	$ 64,712
Accounts payable	5,368	1,167	312	6,847
Accrued payroll	1,753	1,759	-	3,512
Due to other governments	395	-	-	395
Total current liabilities	$ 72,228	$ 2,926	$ 312	$ 75,466
Total liabilities	$ 72,228	$ 2,926	$ 312	$ 75,466
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - taxes and assessments	$ 7,742	$ -	$ -	$ 7,742
Total deferred inflows of resources	$ 7,742	$ -	$ -	$ 7,742
FUND BALANCES				
Restricted	$ -	$ 346,605	$ 213,630	$ 560,235
Committed	-	-	196,710	196,710
Unassigned fund balance	398,986	-	-	398,986
Total fund balance	$ 398,986	$ 346,605	$ 410,340	$ 1,155,931
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 478,956	$ 349,531	$ 410,652	$ 1,239,139

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds	$	1,155,931
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		544,830
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.		7,742
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.		(25,039)
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.		(145,642)
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.		35,720
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.		(3,184)
Total net position - governmental activities	$	1,570,358

UNAUDITED

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

UNAUDITED

	General	Library	Gas Tax	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes and assessments	$ 196,648	$ -	$ -	$ -	$ 196,648
Intergovernmental	146,032	180,297	-	38,116	364,445
Charges for services	58,644	1,050	-	-	59,694
Miscellaneous	20,922	5,044	-	35,000	60,966
Investment earnings	12,537	3,444	-	4,460	20,441
Total revenues	$ 434,783	$ 189,835	$ -	$ 77,576	$ 702,194
EXPENDITURES					
General government	$ 138,951	$ -	$ -	$ -	$ 138,951
Public safety	13,648	-	-	-	13,648
Public works	65,220	-	-	17,310	82,530
Culture and recreation	18,026	113,465	-	-	131,491
Capital outlay	121,405	-	-	63,664	185,069
Total expenditures	$ 357,250	$ 113,465	$ -	$ 80,974	$ 551,689
Excess (deficiency) of revenues over expenditures	$ 77,533	$ 76,370	$ -	$ (3,398)	$ 150,505
OTHER FINANCING SOURCES (USES)					
Transfers in	$ 222	$ -	$ -	$ 109,637	$ 109,859
Transfers out	(10,000)	-	-	(99,859)	(109,859)
Total other financing sources (uses)	$ (9,778)	$ -	$ -	$ 9,778	$ -
Net Change in Fund Balance	$ 67,755	$ 76,370	$ -	$ 6,380	$ 150,505
Fund balances - beginning	$ 331,231	$ 264,646	$ 189,795	$ 213,855	$ 999,527
Restatements	-	5,589	(189,795)	190,105	5,899
Fund balances - beginning, restated	$ 331,231	$ 270,235	$ -	$ 403,960	$ 1,005,426
Fund balance - ending	$ 398,986	$ 346,605	$ -	$ 410,340	$ 1,155,931

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, 2025

Amounts reported for *governmental activities* in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	150,505
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		185,069
- Depreciation expense		(29,891)
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)		1,228
The change in compensated absences is shown as an expense in the Statement of Activities		8,798
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		(234)
Pension expense related to the net pension liablity is shown as an expense on the Statement of Activities and not reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance		(35,342)
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.		10,775
Change in net position - Statement of Activities	$	290,908

UNAUDITED

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Totals
ASSETS			
Current assets:			
Cash and investments	$ 864,903	$ 742,786	$ 1,607,689
Accounts receivable - net	37,597	30,859	68,456
Due from other governments	17,821	-	17,821
Total current assets	$ 920,321	$ 773,645	$ 1,693,966
Noncurrent assets:			
Restricted cash and investments	$ 222,078	$ 175,918	$ 397,996
Capital assets - land	5,341	76,035	81,376
Capital assets - construction in progress	385,200	-	385,200
Capital assets - depreciable, net	4,890,481	5,076,609	9,967,090
Total noncurrent assets	$ 5,503,100	$ 5,328,562	$ 10,831,662
Total assets	$ 6,423,421	$ 6,102,207	$ 12,525,628
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	$ 13,739	$ 13,752	$ 27,491
Total deferred outflows of resources	$ 13,739	$ 13,752	$ 27,491
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 6,437,160	$ 6,115,959	$ 12,553,119
LIABILITIES			
Current liabilities:			
Accounts payable	$ 29,372	$ 5,889	$ 35,261
Accrued payroll	1,315	1,315	2,630
Revenues collected in advance	1,956	1,581	3,537
Current portion of long-term capital liabilities	27,859	71,968	99,827
Current portion of compensated absences payable	804	804	1,608
Total current liabilities	$ 61,306	$ 81,557	$ 142,863
Noncurrent liabilities:			
Deposits payable	$ 84	$ 17	$ 101
Other post-employment benefit liability	1,860	1,860	3,720
Noncurrent portion of long-term capital liabilities	801,934	2,502,565	3,304,499
Noncurrent portion of compensated absences	103	103	206
Net pension liability	55,063	55,119	110,182
Total noncurrent liabilities	$ 859,044	$ 2,559,664	$ 3,418,708
Total liabilities	$ 920,350	$ 2,641,221	$ 3,561,571
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	$ 1,225	$ 1,226	$ 2,451
Total deferred inflows of resources	$ 1,225	$ 1,226	$ 2,451
NET POSITION			
Net investment in capital assets	$ 4,451,229	$ 2,578,111	$ 7,029,340
Restricted for debt service	222,078	175,918	397,996
Unrestricted	842,278	719,483	1,561,761
Total net position	$ 5,515,585	$ 3,473,512	$ 8,989,097
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSTION	$ 6,437,160	$ 6,115,959	$ 12,553,119

UNAUDITED

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, 2025

UNAUDITED

	Business-Type Activities - Enterprise Funds		
	Water	**Sewer**	**Totals**
OPERATING REVENUES			
Charges for services	$ 345,546	$ 308,730	$ 654,276
Total operating revenues	$ 345,546	$ 308,730	$ 654,276
OPERATING EXPENSES			
Personal services	$ 59,458	$ 59,507	$ 118,965
Supplies	29,078	20,912	49,990
Purchased services	114,428	70,958	185,386
Fixed charges	6,473	6,202	12,675
Depreciation	235,407	160,526	395,933
Total operating expenses	$ 444,844	$ 318,105	$ 762,949
Operating income (loss)	$ (99,298)	$ (9,375)	$ (108,673)
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	$ 80,480	$ 765	$ 81,245
Interest revenue	13,313	10,356	23,669
Debt service interest expense	(34,662)	(50,476)	(85,138)
Total non-operating revenues (expenses)	$ 59,131	$ (39,355)	$ 19,776
Income (loss) before contributions and transfers	$ (40,167)	$ (48,730)	$ (88,897)
Change in net position	$ (40,167)	$ (48,730)	$ (88,897)
Net Position - Beginning of the year	$ 5,555,752	$ 3,522,242	$ 9,077,994
Net Position - End of the year	$ 5,515,585	$ 3,473,512	$ 8,989,097

See accompanying Notes to the Financial Statements

Town of Sheridan, Madison County, Montana
Combined Statement of Cash Flows
All Proprietary Fund Types
Fiscal Year Ended June 30, 2025

	Business - Type Activities		
	Water	Sewer	Totals
Cash flows from operating activities:			
Cash received from providing services	$ 346,966	$ 309,473	$ 656,439
Cash payments to suppliers	(29,078)	(20,912)	(49,990)
Cash payments for fixed charges	(6,473)	(6,202)	(12,675)
Cash payments for professional services	(107,392)	(67,753)	(175,145)
Cash payments to employees	(66,595)	(66,678)	(133,273)
Net cash provided (used) by operating activities	$ 137,428	$ 147,928	$ 285,356
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	$ (86,765)	$ (14,167)	$ (100,932)
Proceeds from capital grants	192,441	-	192,441
Principal paid on debt	(61,575)	(70,592)	(132,167)
Interest paid on debt	(34,662)	(50,476)	(85,138)
Net cash provided (used) by capital and related financing activities	$ 9,439	$ (135,235)	$ (125,796)
Cash flows from investing activities: UNAUDITED			
Interest on investments	$ 13,313	$ 10,356	$ 23,669
Net cash provided (used) by investing activities	$ 13,313	$ 10,356	$ 23,669
Net increase (decrease) in cash and cash equivalents	$ 160,180	$ 23,049	$ 183,229
Cash and cash equivalents at beginning	944,716	895,655	1,840,371
Cash and cash equivalents at end	$ 1,104,896	$ 918,704	$ 2,023,600
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (99,298)	$ (9,375)	$ (108,673)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	235,407	160,526	395,933
Other post-employment benefits	176	176	352
Net Pension Liability and related deferreds	(4,963)	(4,912)	(9,875)
Changes in assets and liabilities:			
Accounts Receivable	1,503	742	2,245
Revenues Collected in Advance	(83)	1	(82)
Accounts Payable	7,036	3,205	10,241
Compensated Absences	(2,776)	(2,776)	(5,552)
Accrued Wages	426	341	767
Net cash provided (used) by operating activities	$ 137,428	$ 147,928	$ 285,356
Noncash investing and financing activities:			
On behalf public employees retirement system payments	$ 764	$ 765	$ 1,529

See accompanying notes to the financial statements