



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 # 024301
MONTANA
TOWN OF BAINVILLE
211 CLARK AVENUE EAST
BAINVILLE, MT 59212

ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDING JUNE 30, 2020

Town of Bainville
 Annual Financial Report
 For the Fiscal Year Ended June 30, 2020

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**ANNUAL FINANCIAL REPORT FILING FEE
FISCAL YEAR ENDING JUNE 30, 2020**

| |
|--|
| 24301 Town of Bainville 211 Clark Avenue East Bainville, MT 59212 |
|--|

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 assure a copy of the completed Determination of Filing Fee & Audit Requirement form is either included in your Annual Financial Report (AFR) or if not, a completed copy of the form is uploaded along with your AFR in the portal to ensure we enter the correct amount of adjusted debt proceeds in our system.**

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 fill

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 "State Treasurer" 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 | \$750,000 | \$0 |
| \$750,000 | \$1,000,000 | \$550 |
| \$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 7-2017 VERSION 17.1

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 | 174,729.46 |
| 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 | 359,584.36 | Box #1 | |
| Non-Operating Revenues: (Do not include Gain on Sale of Capital Assets) | | <div style="display: flex; justify-content: space-between; align-items: center;"> Filing Fee Owed 0 </div> | |
| Taxes/Assessments | 0.00 | | |
| Licenses/Permits | 0.00 | | |
| Intergovernmental Revenues | 0.00 | | |
| Interest Revenues | 0.00 | | |
| 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 \$534,313.82

If total revenues are equal to or less than \$750,000, 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 \$750,000, 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: | 0.00 | Box #2 | |
| Governmental Funds (from Statement of Revenues, Expenditures, and Changes in Fund Balances (Page 16) Proceeds from General Long-Term Debt) | 0.00 | <div style="display: flex; justify-content: space-between; align-items: center;"> Audit Required? NO </div> | |
| 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) | 0.00 | | |
| 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 | <u>\$534,313.82</u> | | |

If this amount exceeds \$750,000, you are required to have an audit for the fiscal year.

Town of Bainville

List of Elected and Appointed Officials as of June 30, 2020

Elected Officials

| | |
|----------------|---------------|
| Mayor | Dennis Portra |
| Council Member | Ron Butikofer |
| Council Member | Chuck Hyatt |
| Council Member | Travis Wills |

Other Officials

| | |
|-----------------------|---------------|
| Attorney | Greg Hennessy |
| Clerk | Nikki Rogers |
| Fire Chief | Lyle Lambert |
| Public Works Director | Lyle Lambert |

CONSISTENT WITH STATE LAW, I HEREBY TRANSMIT THE
Town of Bainville
ANNUAL FINANCIAL REPORT FOR THE
FISCAL YEAR ENDING JUNE 30, 2020

Submitted by;
Nikki Rogers CMC - CMMC
City/Town Clerk-Treasurer
9/30/2021

Basic Financial Statements

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED STATEMENT OF NET POSITION
 JUNE 30, 2020

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|---------------------|
| ASSETS: | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | \$ 262,465 | \$ 422,432 | \$ 684,897 |
| Taxes Receivable | 21,822 | - | 21,822 |
| Accounts Receivable - Net | - | 55,271 | 55,271 |
| Total Current Assets | <u>284,287</u> | <u>477,702</u> | <u>761,989</u> |
| Noncurrent Assets: | | | |
| Restricted Cash and Investments | - | 41,723 | 41,723 |
| Capital Assets - Land | 6,366 | 50,361 | 56,727 |
| Capital Assets - Net Depreciable Assets | 82,811 | 3,730,470 | 3,813,281 |
| Total Noncurrent Assets | <u>89,177</u> | <u>3,822,554</u> | <u>3,911,732</u> |
| Total Assets | <u>373,464</u> | <u>4,300,256</u> | <u>4,673,721</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Total Deferred Outflows of Resources | - | - | - |
| Total Assets and Deferred Outflows of Resources | <u>\$ 373,464</u> | <u>\$ 4,300,256</u> | <u>\$ 4,673,721</u> |
| LIABILITIES: | | | |
| Current Liabilities: | | | |
| Accounts Payable | \$ 5,071 | \$ 21,611 | \$ 26,682 |
| Unearned Revenue | - | 1,999 | 1,999 |
| Other Current Liabilities | 89 | - | 89 |
| Current Portion of Compensated Absences | 3,693 | 914 | 4,607 |
| Current Portion of Long-term Capital Obligations | - | 39,430 | 39,430 |
| Total Current Liabilities | <u>8,853</u> | <u>63,954</u> | <u>72,807</u> |
| Noncurrent Liabilities: | | | |
| Compensated Absences | 3,694 | 914 | 4,608 |
| Long-term Capital Debt Obligations | - | 804,211 | 804,211 |
| Total Noncurrent Liabilities | <u>3,694</u> | <u>805,125</u> | <u>808,819</u> |
| Total Liabilities | <u>12,547</u> | <u>869,079</u> | <u>881,626</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | |
| Total Deferred Inflows of Resources | - | - | - |
| Net Position | | | |
| Net Investment in Capital Assets | 89,177 | 2,937,190 | 3,026,367 |
| Restricted | 33,481 | 41,723 | 75,205 |
| Unrestricted (Deficit) | 238,258 | 452,264 | 690,523 |
| Total Net Position | <u>\$ 360,917</u> | <u>\$ 3,431,178</u> | <u>\$ 3,792,095</u> |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | Program Revenues | | | Net (Expenses) Revenues and Changes in Net Position | | |
|----------------------------------|------------------|------------------------|--|--|-----------------------------|---------------------|
| | | | | Primary Government | | |
| | Expenses | Charge for Services | Operating Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| GOVERNMENT OPERATIONS: | | | | | | |
| General Government | 103,702 | \$ 1,850 | - | \$ (101,852) | | \$ (101,852) |
| Public Safety | 18,592 | \$ - | 2,940 | (15,652) | | (15,652) |
| Public Works | 54,385 | \$ - | 22,988 | (31,396) | | (31,396) |
| Culture and Recreation | 10,370 | \$ - | - | (10,370) | | (10,370) |
| Miscellaneous | 1,912 | \$ - | - | (1,912) | | (1,912) |
| Total Governmental Operations | <u>188,960</u> | <u>\$ 1,850</u> | <u>25,928</u> | <u>(161,182)</u> | | <u>(161,182)</u> |
| BUSINESS-TYPE ACTIVITIES: | | | | | | |
| Water | 221,881 | 168,995 | - | | (52,886) | (52,886) |
| Sewer | 176,139 | 133,175 | - | | (42,964) | (42,964) |
| Solid Waste | 62,916 | 57,415 | - | | (5,502) | (5,502) |
| Total Business-type Activities | <u>460,936</u> | <u>359,584</u> | <u>-</u> | | <u>(101,352)</u> | <u>(101,352)</u> |
| Total Primary Government | <u>649,896</u> | <u>361,434</u> | <u>25,928</u> | <u>(161,182)</u> | <u>(101,352)</u> | <u>(262,534)</u> |
| GENERAL REVENUES: | | | | | | |
| Taxes/Assessments | | | | 73,518 | - | 73,518 |
| Local Option Taxes | | | | 4,052 | - | 4,052 |
| Licenses and Permits | | | | 175 | - | 175 |
| Federal/State Shared Revenues | | | | 59,930 | - | 59,930 |
| Miscellaneous | | | | 1,254 | - | 1,254 |
| Investment and Royalty Earnings | | | | 16,417 | - | 16,417 |
| Total General Revenues | | | | <u>155,346</u> | <u>-</u> | <u>155,346</u> |
| Change in Net Position | | | | <u>(5,836)</u> | <u>(101,352)</u> | <u>(107,188)</u> |
| NET POSITION: | | | | | | |
| Beginning of the Year | | | | 369,605 | 3,127,920 | 3,497,525 |
| Prior Period Adjustments | | | | (2,852) | 404,609 | 401,757 |
| End of the Year | | | | <u>\$ 360,917</u> | <u>\$ 3,431,178</u> | <u>\$ 3,792,095</u> |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2020

| | Major | | |
|--|-------------------|-----------------------------|-----------------------------|
| | General Fund | Other Governmental Funds | Total Governmental Funds |
| ASSETS: | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | \$ 196,903 | \$ 65,562 | \$ 262,465 |
| Taxes Receivable | 21,822 | - | 21,822 |
| Interfund Receivable | 19,930 | - | 19,930 |
| Total Assets | 238,655 | 65,562 | 304,216 |
| DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Total Deferred Outflows of Resources | - | - | - |
| Total Assets and Deferred Outflows of Resources | 238,655 | 65,562 | 304,216 |
| LIABILITIES: | | | |
| Current Liabilities: | | | |
| Accounts Payable | 5,071 | - | 5,071 |
| Interfund Payable | - | 19,930 | 19,930 |
| Other Current Liabilities | 89 | - | 89 |
| Total Liabilities | 5,160 | 19,930 | 25,090 |
| DEFERRED INFLOWS OF RESOURCES: | | | |
| Unavailable Property Taxes Receivable | 21,822 | - | 21,822 |
| Total Deferred Inflows of Resources | 21,822 | - | 21,822 |
| FUND BALANCE (DEFICITS): | | | |
| Restricted | - | 33,481 | 33,481 |
| Committed | - | 32,080 | 32,080 |
| Unassigned | 211,673 | (19,930) | 191,743 |
| Total Fund Balance | 211,673 | 45,632 | 257,305 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficits) | \$ 238,655 | \$ 65,562 | \$ 304,216 |

RECONCILIATION TO THE STATEMENT OF NET POSITION

| | |
|--|-------------------|
| Total Balance Sheet Fund Balance | \$ 257,305 |
| Unavailable Property Taxes Receivable | 21,822 |
| Governmental Capital Assets | 89,177 |
| Compensated Absences | (7,387) |
| Net Position of Governmental Activities | \$ 360,917 |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | MAJOR | | |
|--|-------------------|--------------------------------|--------------------------------|
| | General Fund | Other Governmental Funds | Total Governmental Funds |
| REVENUES: | | | |
| Taxes and Assessments | \$ 69,176 | \$ - | \$ 69,176 |
| Licenses and Permits | 175 | - | 175 |
| Intergovernmental Revenues | 59,930 | 22,685 | 82,615 |
| Fines and Forfeitures | 1,850 | - | 1,850 |
| Miscellaneous | 1,254 | 3,243 | 4,497 |
| Investment and Royalty Earnings | 16,417 | - | 16,417 |
| Total Revenues | <u>148,801</u> | <u>25,928</u> | <u>174,729</u> |
| EXPENDITURES: | | | |
| Current: | | | |
| General Government | 99,625 | - | 99,625 |
| Public Safety | 17,338 | - | 17,338 |
| Public Works | 40,363 | 9,343 | 49,707 |
| Culture and Recreation | 9,285 | - | 9,285 |
| Miscellaneous | 1,912 | - | 1,912 |
| Total Expenditures | <u>168,523</u> | <u>9,343</u> | <u>177,866</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(19,721)</u> | <u>16,585</u> | <u>(3,137)</u> |
| OTHER FINANCING SOURCES (USES): | | | |
| Fund Transfers In | - | 493 | 493 |
| Fund Transfers (Out) | <u>(493)</u> | <u>-</u> | <u>(493)</u> |
| Total Other Financial Sources (Uses) | <u>(493)</u> | <u>493</u> | <u>-</u> |
| Net Change in Fund Balance | <u>(20,214)</u> | <u>17,078</u> | <u>(3,137)</u> |
| FUND BALANCE: | | | |
| Beginning of the Year | 169,957 | 90,693 | 260,650 |
| Prior Period Adjustments | <u>61,930</u> | <u>(62,139)</u> | <u>(209)</u> |
| End of the Year | <u>\$ 211,673</u> | <u>\$ 45,632</u> | <u>\$ 257,305</u> |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 TO THE STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | | |
|--|----|----------|
| Net Changes in Fund Balance | \$ | (3,137) |
| | | |
| Revenues on the Statement of Activities not Included in Governmental Funds Statement: | | |
| Increase (Decrease) in Taxes Receivable | | 8,395 |
| | | |
| Expenses on the Statement of Activities not Included in the Governmental Funds Statement: | | |
| Depreciation Expense | | (12,016) |
| (Increase) Decrease in Compensated Absence Liability | | 922 |
| | | 922 |
| Statement of Activities Change in Net Position | \$ | (5,836) |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2020

| | MAJOR | | | Total |
|--|---------------------|---------------------|------------------|---------------------|
| | Water | Sewer | Solid Waste | |
| ASSETS: | | | | |
| Current Assets: | | | | |
| Cash and Cash Equivalents | \$ 85,937 | \$ 320,259 | \$ 16,236 | \$ 422,432 |
| Accounts Receivable - Net | 30,876 | 17,599 | 6,795 | 55,271 |
| Total Current Assets | <u>116,813</u> | <u>337,858</u> | <u>23,031</u> | <u>477,702</u> |
| Noncurrent Assets: | | | | |
| Restricted Cash and Investments | 24,875 | 16,848 | - | 41,723 |
| Capital Assets - Land | 10,165 | 40,196 | - | 50,361 |
| Capital Assets - Net Depreciable Assets | 2,502,915 | 1,227,555 | - | 3,730,470 |
| Total Noncurrent Assets | <u>2,537,955</u> | <u>1,284,599</u> | <u>-</u> | <u>3,822,554</u> |
| Total Assets | <u>2,654,768</u> | <u>1,622,457</u> | <u>23,031</u> | <u>4,300,256</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | | | | |
| Total Deferred Outflows of Resources | - | - | - | - |
| Total Assets and Deferred Outflows of Resources | <u>2,654,768</u> | <u>\$ 1,622,457</u> | <u>23,031</u> | <u>\$ 4,300,256</u> |
| LIABILITIES: | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | 16,276 | 552 | 4,783 | 21,611 |
| Unearned Revenue | 1,999 | - | - | 1,999 |
| Current Portion of Compensated Absences | 549 | 365 | - | 914 |
| Current Portion of Long-term Capital Obligations | 32,000 | 7,430 | - | 39,430 |
| Total Current Liabilities | <u>50,824</u> | <u>8,347</u> | <u>4,783</u> | <u>63,954</u> |
| Noncurrent Liabilities: | | | | |
| Compensated Absences | 549 | 365 | - | 914 |
| Long-term Capital Debt Obligations | 593,000 | 211,211 | - | 804,211 |
| Total Noncurrent Liabilities | <u>593,549</u> | <u>211,576</u> | <u>-</u> | <u>805,125</u> |
| Total Liabilities | <u>644,373</u> | <u>219,923</u> | <u>4,783</u> | <u>869,079</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | | |
| Total Deferred Inflows of Resources | - | - | - | - |
| NET POSITION: | | | | |
| Net Investment in Capital Assets | 1,888,080 | 1,049,110 | - | 2,937,190 |
| Restricted | 24,875 | 16,848 | - | 41,723 |
| Unrestricted (Deficit) | 97,440 | 336,576 | 18,248 | 452,264 |
| Total Net Position | <u>\$ 2,010,395</u> | <u>\$ 1,402,534</u> | <u>\$ 18,248</u> | <u>\$ 3,431,178</u> |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | MAJOR | | | Total Enterprise Funds |
|---|---------------------|---------------------|------------------|---------------------------|
| | Water | Sewer | Solid Waste | |
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 168,995 | \$ 133,175 | \$ 57,415 | \$ 359,584 |
| Total Operating Revenues | <u>168,995</u> | <u>133,175</u> | <u>57,415</u> | <u>359,584</u> |
| OPERATING EXPENSES: | | | | |
| Personal Services | 38,192 | 22,918 | - | 61,111 |
| Supplies | 2,764 | 4,328 | - | 7,092 |
| Purchased Services | 89,589 | 90,721 | 62,916 | 243,226 |
| Depreciation | 72,617 | 48,436 | - | 121,053 |
| Total Operating Expenses | <u>203,162</u> | <u>166,403</u> | <u>62,916</u> | <u>432,482</u> |
| Operating Income (Loss) | <u>(34,168)</u> | <u>(33,228)</u> | <u>(5,502)</u> | <u>(72,897)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Debt Service Interest | <u>(18,718)</u> | <u>(9,736)</u> | <u>-</u> | <u>(28,455)</u> |
| Total Nonoperating Revenue (Expenses) | <u>(18,718)</u> | <u>(9,736)</u> | <u>-</u> | <u>(28,455)</u> |
| INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS | <u>(52,886)</u> | <u>(42,964)</u> | <u>(5,502)</u> | <u>(101,352)</u> |
| Capital Contributions | - | - | - | - |
| Transfers In | - | - | - | - |
| Transfers (Out) | - | - | - | - |
| Change in Net Position | <u>(52,886)</u> | <u>(42,964)</u> | <u>(5,502)</u> | <u>(101,352)</u> |
| NET POSITION: | | | | |
| Beginning of the Year | <u>1,652,516</u> | <u>1,447,004</u> | <u>28,401</u> | <u>3,127,920</u> |
| Prior Period Adjustments | <u>410,766</u> | <u>(1,506)</u> | <u>(4,651)</u> | <u>404,609</u> |
| End of the Year | <u>\$ 2,010,395</u> | <u>\$ 1,402,534</u> | <u>\$ 18,248</u> | <u>\$ 3,431,178</u> |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

| | MAJOR | | | Total Enterprise Funds |
|---|-------------------|-------------------|-------------------|------------------------------|
| | Water | Sewer | Solid Waste | |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Receipts from Customers | \$ 149,632 | \$ 138,800 | \$ 55,890 | \$ 344,321.60 |
| Payments to Employees | (36,666) | (23,247) | - | (59,914) |
| Payments to Suppliers | (77,547) | (96,355) | (58,133) | (232,036) |
| Net Cash Provided (Used) by Operating Activities | <u>35,419</u> | <u>19,197</u> | <u>(2,244)</u> | <u>52,372</u> |
| | | | | |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES: | | | | |
| Net Cash Provided (Used) by Non-capital Financing Activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Principal Paid on Capital Debt | (29,000) | (7,112) | - | (36,112) |
| Interest Paid on Capital Debt | (18,718) | (9,736) | - | (28,455) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(47,718)</u> | <u>(16,848)</u> | <u>-</u> | <u>(64,566)</u> |
| | | | | |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Net Cash Provided (Used) by Investing Activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | |
| Net Increase (Decrease) in Cash and Cash Equivalents | <u>(12,300)</u> | <u>2,349</u> | <u>(2,244)</u> | <u>(12,194)</u> |
| | | | | |
| BALANCE: | | | | |
| Beginning of the year | 123,111 | 334,758 | 18,480 | 476,349 |
| Prior period adjustments | - | - | - | - |
| End of the year | <u>\$ 110,812</u> | <u>\$ 337,107</u> | <u>\$ 16,236</u> | <u>\$ 464,155</u> |
| | | | | |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | \$ (34,168) | \$ (33,228) | \$ (5,502) | \$ (72,897) |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | | | |
| Depreciation expense | 72,617 | 48,436 | - | 121,053 |
| Other Losses | 440.35 | - | (4,651.00) | (4,210.65) |
| Changes in assets and liabilities: | | | | |
| Accounts Receivable - Net | (21,387) | 5,625 | 3,126 | (12,636) |
| Accounts Payable | 14,806 | (1,307) | 4,783 | 18,282 |
| Deposits and Refunds Payable | (415) | - | - | (415) |
| Unearned Revenue | 1,999 | - | - | 1,999 |
| Compensated Absences | 1,526 | (329) | - | 1,197 |
| Net cash provided (used) by operating activities | <u>\$ 35,419</u> | <u>\$ 19,197</u> | <u>\$ (2,244)</u> | <u>\$ 52,372</u> |

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

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

Summary of significant accounting policies

The financial statements of the Town of Bainville have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Town of Bainville's significant accounting policies are described below.

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable

B. Reporting entity

The Town of Bainville (government) is a political subdivision of the State of Montana governed by an elected mayor and Governing Council (Council). The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Blended component units are presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

The criteria for including organizations within the Town of Bainville's reporting entity are set forth in Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity." This statement defines the financial reporting entity as the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Town of Bainville to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Town of Bainville. The Town of Bainville has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the Town of Bainville's financial statements. In addition, the Town of Bainville is not aware of any entity that would exercise such financial accountability that would result in the Town of Bainville being considered a component unit of the entity.

C. Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and while business-type activities incorporate data from the Town of Bainville's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Town of Bainville
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As a general rule, the effect of interfund activity (interfund services, interfund balances, and interfund transfers) has been eliminated within the Governmental Activities and Business-type Activities columns of the government-wide financial statements to the extent that only the net amount of the activity between the two columns is reported. Amounts reported as program revenues include: 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the Town of Bainville's funds. Separate statements for each fund category—governmental and proprietary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Town of Bainville reports the following major governmental funds:

- The general fund is the Town of Bainville's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Town of Bainville reports the following major enterprise funds:

- Water Fund accounts for the activities of the Town of Bainville's water distribution operations including the collection and administering of fees.
- Sewer Fund accounts for the activities of the Town of Bainville's sewer collection and treatment operations and includes the storm sewer system.
- Solid Waste Fund accounts for the activities of the Town of Bainville's solid waste service.

During the course of operations, the Town of Bainville has activity between funds for various purposes. Any residual balances outstanding at year end are reported as interfund receivables/payables (also known as due from/to other funds and advances to/from other funds). Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the government's internal service funds are charges to customers for services provided. Operating expenses for enterprise funds and internal service funds include the cost of providing such services and the depreciation of capital assets. All revenues and expenses not reported as operating activities are reported as nonoperating revenues and expenses.

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

Clearing Funds:

The Town of Bainville uses a Claims Clearing Fund and a Payroll Clearing Fund to account for outstanding checks not yet cashed by the recipients. These funds are considered funds of convenience and do not meet the definition of a fiduciary activity. Any amounts not properly reflecting expenditures/expenses of the government have been reclassified as cash and other liabilities in the General Fund. As of June 30, 2020, the government reclassified \$89 from these unreported funds of convenience to the General Fund.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town of Bainville considers revenues to be available upon receipt. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the Town of Bainville the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the Town of Bainville.

F. Budgetary information

Budgetary basis of accounting:

Annual budgets are adopted on a basis consistent with State of Montana Law (Mont. Code Ann. Title 7, Chapter 6, Part 40). The appropriated budget is prepared by fund and function. Appropriations may be further detailed by department. Expenditure limitations at the fund level is the legal level of budgetary control. Appropriations in all budgeted funds lapse at the end of the fiscal year.

Town of Bainville
Notes to the Basic Financial Statements
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State statute limits the making of expenditures or incurring of obligations to the amount of the final budget as adopted or as amended. Budget transfers and amendments are authorized by law, and in some instances, may require further public hearings. Any budget amendments providing for additional appropriations must identify the fund reserves, unanticipated revenue, or previously unbudgeted revenue that will fund the appropriations.

Encumbrance accounting is not employed for the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent fiscal year.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and cash equivalents

The Town of Bainville's cash and cash equivalents include cash on hand, demand deposits, savings and time deposits, STIP, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the Town of Bainville's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

2. Investments

Investments, with limited exceptions, are reported at fair value. Investments in nonparticipating certificates of deposit are reported at cost. Money market investments, including U.S. Treasury and Agency obligations, that mature within one year of acquisition are reported at amortized cost. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined annually, and requires the use of valuation techniques, a specific method or combination of methods using one or more of three approaches: market, cost, or income.

3. Inventories and prepaid items

Inventories are valued at cost. The cost of inventories is recorded as expenditures/expenses when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Restricted assets

Certain assets of the enterprise funds are restricted for specific use as required by the bond indenture agreement covenants established with the issuance and sale of the revenue bonds representing a liability to the enterprise funds. These restricted assets represent cash and cash equivalents restricted for use to repay current debt, establish a reserve for future debt and the establish a replacement and depreciation reserve for the purpose of replacing the system in the future.

5. Capital assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column

Town of Bainville
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in the government-wide financial statements. Capital assets are defined by the Town of Bainville as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

As the Town of Bainville constructs or acquires capital assets each period, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in note below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

| | |
|------------------------------------|--------|
| Capital asset classes | Lives |
| Buildings | 25-100 |
| Improvements | 10-50 |
| Machinery, equipment, and vehicles | 3-25 |
| Right-to-use leased equipment | 3-25 |
| Infrastructure | 25-100 |

5. Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town of Bainville did not have any items qualifying for reporting in this category.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the inflows become available.

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported unavailable revenues:

| Fund | Deferred inflows | Purpose |
|---------|------------------|-------------------------|
| General | \$ 21,822 | Property tax receivable |
| Total | \$ 21,822 | |

6. Net position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Town of Bainville
Notes to the Basic Financial Statements
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- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Town of Bainville will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town of Bainville's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

7. Fund balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." Town of Bainville's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

- Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers.
- Committed fund balance represents amounts that can be used only for the specific purposes determined by of the adoption of an ordinance committing fund balance for a specified purpose by the Town of Bainville's Council prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Council adopts another ordinance to remove or revise the limitation.
- Unassigned fund balance represents the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

Sometimes the Town of Bainville will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town of Bainville's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

H. Compensated absences

The financial statements reflect liabilities incurred because of unused vacation and sick leave accumulated by employees.

As required by state law, the Town of Bainville allows employees to accumulate earned but unused vacation and sick leave benefits. Unused vacation leave benefits are 100 percent payable upon termination and 1/4 of unused sick leave benefits are payable upon termination. Such amounts are reported as liabilities in the appropriate governmental or business-type activity in the government wide statements. Expenditures for unpaid vacation and sick leave benefits are recorded when paid in the governmental funds on the modified accrual basis of accounting and expenses for vacation and sick leave benefits are recorded when accrued in the proprietary funds on the full accrual basis of accounting. Expenditures for unused leave are recorded when paid in governmental funds and when accrued on the Statement of Activities. The amount expected to be paid within one year related to governmental activities is \$3,693 and \$914 for the proprietary funds that incurred the liability.

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

I. Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items.

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, and solid waste funds are charges to customers for sales and services. The water fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

J. Reconciliation of government-wide and fund financial statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

K. Risk Management

The Town of Bainville faces a considerable number of risks of loss, including: Damage to and loss of property and contents; Employee torts; Professional liability; Environmental damage; Workers' compensation; Medical insurance costs of employees

A variety of methods are used to provide insurance for these risks. Commercial policies, transferring all risk of loss except for relatively small deductible amounts, are purchased for property and content damage and professional liabilities. Given the lack of coverage available, the Town of Bainville has no coverage for potential losses from environmental damages. The Town of Bainville participates in two statewide public risk pools operated by the Montana Municipal Interlocal Authority, for workers' compensation and tort liability. The Town of Bainville obtains property coverage from Seitz Insurance.

The premiums for the policies are allocated between the Town of Bainville's general fund and other funds based upon the insurance needs of the funds. Settled claims resulting from these risks did not exceed commercial insurance coverage for each of the past three years.

Separate audited financial statements are available from the Montana Municipal Interlocal Authority.

Town of Bainville
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II. Detailed notes on all activities and funds

A. Cash Composition

The total cash and cash equivalents, cash with fiscal agents, restricted cash, and investments at June 30, 2020, are as follows:

| | |
|--|-------------------|
| Governmental Activities | \$ 262,465 |
| Business-Type Activities | 464,155 |
| Total cash, cash equivalents and investments | <u>\$ 726,620</u> |

Deposits:

| | |
|------------------|-------------------|
| Demand deposits | 1,577 |
| Savings accounts | 296,571 |
| Total Deposits | <u>\$ 298,148</u> |

| Investments | Fair Value Measurements | | | Net Asset Value |
|--------------|-------------------------|---------|---------|-----------------|
| | Level 1 | Level 2 | Level 3 | |
| Edward Jones | - | 428,472 | - | - |

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy, as follows, is based on the valuation inputs used to measure fair value. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

- Level 1 Inputs: Quoted prices in active markets for identical assets; these investments are valued using prices quoted in active markets.
- Level 2 Inputs: Significant other observable inputs; these investments are valued using a matrix pricing technique (i.e., Comparable bond with observable inputs). Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.
- Level 3 Inputs: Significant unobservable inputs; these investments are valued using discounted cash flow techniques or consensus pricing.

B. Deposit and Investment Risks

Custodial credit risk - deposits.

In the case of deposits, this is the risk that, in the event of a bank's failure, the Town of Bainville's deposits may not be returned to it. The Town of Bainville does not have a deposit policy for custodial credit risk. As of June 30, 2020, the Town of Bainville's bank balance was \$298,148 and \$48,148 of that amount was exposed to custodial credit risk because it was uninsured and not collateralized with securities held by the pledging or financial institution's trust department or agent.

State law requires that the Town of Bainville obtain securities for the uninsured portion of deposits as follows: (1) securities equal to 50% of such deposits if the institution in which the deposits are made has a net worth to total assets ratio of 6% or more, OR (2) securities equal to 100% if the ratio of net worth to total assets is less than 6%. State law does not specify in whose custody or in whose name the collateral is to be held.

Credit risk.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Mont. Code Ann. § 7-6-202 limits investments of public money of a local government body to the following securities:

Town of Bainville
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- (1)(a) United States government treasury bills, notes, and bonds and in United States treasury obligations, such as state and local government series (SLGS), separate trading of registered interest and principal of securities (STRIPS), or similar United States treasury obligations;
- (b) United States treasury receipts in a form evidencing the holder's ownership of future interest or principal payments on specific United States treasury obligations that, in the absence of payment default by the United States, are held in a special custody account by an independent trust company in a certificate or book-entry form with the federal reserve bank of New York; or
- (c) obligations of the following agencies of the United States, subject to the limitations in subsection (2):
 - (i) federal home loan bank;
 - (ii) federal national mortgage association;
 - (iii) federal home mortgage corporation; and
 - (iv) federal farm credit bank.
- (2) An investment in an agency of the United States is authorized under this section if the investment is a general obligation of the agency and has a fixed or zero-coupon rate and does not have prepayments that are based on underlying assets or collateral, including but not limited to residential or commercial mortgages, farm loans, multifamily housing loans, or student loans.
- (3) The local governing body may invest in a United States government security money market fund if:
 - (a) the fund is sold and managed by a management-type investment company or investment trust registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 through 80a-64), as may be amended;
 - (b) the fund consists only of eligible securities;
 - (c) the use of repurchase agreements is limited to agreements that are fully collateralized by the eligible securities and the investment company or investment trust takes delivery of the collateral for any repurchase agreement, either directly or through an authorized custodian;
 - (d) the fund is listed in a national financial publication under the category of "money market mutual funds", showing the fund's average maturity, yield, and asset size; and
 - (e) the fund's average maturity does not exceed 397 days.
- (4) Except as provided in subsections (5) and (6), an investment authorized in this part may not have a maturity date exceeding 5 years, except when the investment is used in an escrow account to refund an outstanding bond issue in advance.
- (5) An investment of the assets of a local government group self-insurance program established pursuant to 2-9-211 or 39-71-2103 in an investment authorized in this part may not have a maturity date exceeding 10 years, and the average maturity of all those authorized investments of a local government group self-insurance program may not exceed 6 years.
- (6) An investment in zero-coupon United States government treasury bills, notes, and bonds purchased as a sinking fund investment for a balloon payment on qualified construction bonds described in 17-5-116(1) may have a maturity date exceeding 5 years if:
 - (a) the maturity date of the United States government treasury bills, notes, and bonds is on or before the date of the balloon payment; and
 - (b) the school district trustees provide written consent.
- (7) the investment of public funds under the state unified investment program established in Title 17, chapter 6, part 2.

Custodial credit risk - investments.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Town of Bainville will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Concentration of credit risk. The concentration of credit risk is the risk of loss that may be caused by the Town of Bainville's investment in a single issuer.

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The Town of Bainville’s investment policies do not address or limit credit risks, custodial credit risks, or concentration of risks.

C. Restricted Balances

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported restricted cash balances:

| Fund | Restricted Balance | Reason |
|--------------|--------------------|---------------|
| Water | \$ 24,875 | Bond Covenant |
| Sewer | 16,848 | Bond Covenant |
| Total | \$ 41,723 | |

D. Receivables

1. Property Tax and Special Assessment Receivables

Property taxes are recognized as a receivable at the time an enforceable legal claim is established. Receivables recognized in governmental funds prior to their period of availability are recognized as deferred inflows of resources.

State law limits the number of mills the County may levy. The mills are limited to the amount of property tax dollars levied in the prior fiscal year plus the amounts related to the taxable value for annexation of real property, new construction and improvements, debt service, one-half of the average rate of inflation for the past three years based on the Consumer Price Index (CPI) and certain other exceptions.

Property taxes are set in September of each fiscal year, based on assessments as of the prior January 1. Real property taxes and certain attached personal property taxes are billed within ten days after the third Monday in October and are payable in equal payments on November 30 and May 31. Unpaid taxes become delinquent on December 1 and June 1. Property taxes are tracked and collected by the County Treasurer.

Personal property taxes, other than those billed with real properties, are billed based on the prior year’s levies. Personal property taxes, other than mobile homes, are due thirty days after billing. Mobile home taxes are billed in two payments. The first due thirty days after billing and the second due September 30.

Taxes that become delinquent are charged interest at the rate of 5/6 of 1% per month plus a penalty of 2%. Real property on which taxes remain delinquent and unpaid may be sold at tax sales. Delinquent taxes on personal property are to be seized and sold. No allowance is made for uncollectible taxes as they are not considered material.

Property taxes assessed may be paid under protest and held by the County Treasurer until the action is finally determined to be in favor of or against the governmental entity levying the tax or assessment. Taxes paid under protest are accounted for by the County in a protested tax fund until a final determination. As of June 30, 2020, tax receivables include protested receivables of \$0.00.

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported tax receivables:

| Fund | Tax Receivable Balance |
|--------------|---------------------------|
| General | \$ 21,822 |
| Total | \$ 21,822 |

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

2. Accounts Receivable

Accounts receivable represent the outstanding billings for the Town of Bainville water, sewer, and solid waste services.

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported accounts receivables and related allowances for doubtful accounts:

| Fund | Accounts Receivable Balance | Allowance Balance | Net Balance |
|--------------|-----------------------------------|----------------------|------------------|
| Water | \$ 45,477 | \$ (14,601) | \$ 30,876 |
| Sewer | 26,611 | (9,012) | 17,599 |
| Solid Waste | 8,133 | (1,338) | 6,795 |
| Total | \$ 80,222 | \$ (24,951) | \$ 55,271 |

3. Interfund Receivables and Payables

Interfund lending arrangements may be referred to as due from/to other funds or advances from/to other funds or interfund receivables/payables.

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported interfund receivables:

| Receivable Fund | Payable Fund | Amount | Reason |
|-----------------|--------------|------------------|---|
| General | Gas Tax | \$ 19,930 | Gas Tax over expended available cash resources in prior years |
| Total | | \$ 19,930 | |

E. Interfund Transfers

Interfund transfers are flows of assets, such as cash or goods, without equivalent flows of assets in return and without a requirement for repayment. Interfund transfers do not include interfund reimbursements, which are repayments from funds responsible for particular expenditures or expense to the funds that initially paid for them. Interfund reimbursements are not displayed in the financial statements under generally accepted accounting principles.

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported interfund transfers:

| Disbursing Fund | Receiving Fund | Amount | Reason |
|-----------------|----------------|---------------|--------------|
| General | BARSAA | \$ 493 | BARSAA match |
| | | \$ 493 | |

F. Capital assets

Capital assets activity for the year ended June 30, 2020, was as follows:

| Governmental Activities | Beginning | Increases | Decreases | Adjustments | Ending |
|---|-----------------|-------------|-------------|-------------|-----------------|
| Capital assets not being depreciated | | | | | |
| Land | \$ 6,366 | \$ - | \$ - | \$ - | \$ 6,366 |
| Total capital assets not being depreciated | \$ 6,366 | \$ - | \$ - | \$ - | \$ 6,366 |

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

| | | | | | |
|--|---------------------|--------------------|-------------|-------------------|---------------------|
| Capital assets being depreciated | | | | | |
| Buildings | 154,330 | - | - | - | 154,330 |
| Improvements other than buildings | 8,978 | - | - | 5,425 | 14,403 |
| Machinery and equipment | 209,140 | - | - | - | 209,140 |
| Total capital assets being depreciated | <u>\$ 372,448</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,425</u> | <u>\$ 377,873</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings | (80,073) | (7,377) | - | - | (87,450) |
| Improvements other than buildings | (10,063) | (1,085) | - | - | (11,148) |
| Machinery and equipment | (184,842) | (3,554) | - | (8,068) | (196,464) |
| Total accumulated depreciation | <u>\$ (274,978)</u> | <u>\$ (12,016)</u> | <u>\$ -</u> | <u>\$ (8,068)</u> | <u>\$ (295,062)</u> |
| Total capital assets being depreciated | <u>\$ 97,470</u> | <u>\$ (12,016)</u> | <u>\$ -</u> | <u>\$ (2,643)</u> | <u>\$ 82,811</u> |
| Governmental activities capital assets net | <u>\$ 103,836</u> | <u>\$ (12,016)</u> | <u>\$ -</u> | <u>\$ (2,643)</u> | <u>\$ 89,177</u> |

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

| Function | Depreciation / Amortization |
|------------------------|--------------------------------|
| General Government | \$ 4,999 |
| Public Safety | 1,254 |
| Public Works | 4,678 |
| Culture and Recreation | 1,085 |
| | <u>\$ 12,016</u> |

| Business-type Activities | Beginning | Increases | Decreases | Adjustments | Ending |
|---|---------------------|-------------|-------------|-----------------------|---------------------|
| Capital assets not being depreciated | | | | | |
| Land | \$ 50,361 | \$ - | \$ - | \$ - | \$ 50,361 |
| Construction in progress | 2,116,904 | - | - | (2,116,904) | - |
| Total capital assets not being depreciated | <u>\$ 2,167,265</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (2,116,904)</u> | <u>\$ 50,361</u> |
| Capital assets being depreciated | | | | | |
| Buildings | 3,580 | - | - | 51,500 | 55,080 |
| Improvements other than buildings | 137,646 | - | - | - | 137,646 |
| Machinery and equipment | 202,904 | - | - | (51,500) | 151,404 |
| Treatment plant | 239,184 | - | - | - | 239,184 |
| Transmission and distribution Infrastructure | 2,087,447 | - | - | 2,116,904 | 4,204,351 |
| Total capital assets being depreciated | <u>\$ 2,670,761</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,116,904</u> | <u>\$ 4,787,665</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings | (3,580) | (2,060) | - | (2,060) | (7,700) |
| Improvements other than buildings | (122,646) | (2,000) | - | - | (124,646) |
| Machinery and equipment | (70,234) | (18,724) | - | - | (88,958) |
| Treatment Plant | (95,676) | (4,784) | - | - | (505,696) |
| Transmission and distribution Infrastructure | (625,299) | (93,485) | - | (16,647) | (330,195) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

| | | | | | |
|---|--------------|--------------|------|--------------|----------------|
| Total accumulated depreciation | \$ (917,435) | \$ (121,053) | \$ - | \$ (18,707) | \$ (1,057,195) |
| Total capital assets being depreciated | \$ 1,753,326 | \$ (121,053) | \$ - | \$ 2,098,198 | \$ 3,730,470 |
| Business-type activities capital assets net | \$ 3,920,591 | \$ (121,053) | \$ - | \$ (18,706) | \$ 3,780,831 |

H. Long-term obligations

Changes in long-term obligations for the year ended June 30, 2020, were as follows:

| | Beginning | Increases | Decreases | Adjustments | Ending | Due within One Year |
|---------------------------------|--------------|-----------|-------------|--------------|------------|------------------------|
| Governmental activities | | | | | | |
| Compensated absences | \$ 8,309 | \$ - | \$ (923) | \$ - | \$ 7,386 | \$ 3,693 |
| Total governmental activities | \$ 8,309 | \$ - | \$ (923) | \$ - | \$ 7,386 | \$ 3,693 |
| Business-type activities | | | | | | |
| Revenue bonds | 1,307,280 | - | (36,112) | (427,527) | 843,641 | 39,430 |
| Compensated absences | 631 | 1,526 | (329) | - | 1,828 | 914 |
| Total business-type activities | \$ 1,307,911 | \$ 1,526 | \$ (36,441) | \$ (427,527) | \$ 845,469 | 40,344 |

Debt service requirements on long-term debt at June 30, 2020, are as follows:

| Year ending June 30: | Business-type Activities | |
|----------------------|--------------------------|------------|
| | Principal | Interest |
| 2020 | 39,430 | 24,843 |
| 2021 | 41,762 | 23,699 |
| 2022 | 42,108 | 22,502 |
| 2023 | 42,470 | 21,290 |
| 2024 | 42,848 | 20,062 |
| 2025-2030 | 228,532 | 80,921 |
| Thereafter | 406,490 | 53,812 |
| Total | \$ 843,641 | \$ 247,129 |

Revenue Bonds

The Town of Bainville issued the following bonds whose principal and interest are payable from earnings of the project built with the proceeds. The bond covenants provide the following:

- The utility rates be sufficient to provide net revenues of 125 percent of the maximum debt service payments.

| Description | Origination Date | Interest Rate | Bond Term | Maturity Date | Originally Issued | Currently Outstanding |
|----------------------------|---------------------|------------------|--------------|------------------|----------------------|--------------------------|
| Refunding Bond – WRF 15331 | 12/1/2014 | 2.50% | 23 years | 7/1/2023 | \$ 260,000 | \$ 215,000 |
| DNRC SRF – WRF 15332 | 12/10/2014 | 2.50% | 20 years | 1/1/2029 | \$ 260,000 | \$ 126,000 |
| DNRC SRF – WRF 17377 | 10/26/2016 | 2.50% | 20 years | 7/1/2036 | \$ 260,000 | \$ 284,000 |
| USDA Rural Development | 10/1/1999 | 4.38% | 40 years | 10/1/2039 | \$ 260,000 | \$ 218,641 |

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

I. Fund Balances

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported fund balances:

| Fund – Class | Fund Balance | Purpose |
|-----------------|-------------------|------------------------------------|
| Restricted | | |
| Other aggregate | \$ 13,329 | Ambulance |
| | 14,497 | Police Training |
| | 5,656 | BARSAA – Roads and Alleys |
| | <u>33,482</u> | |
| Committed | | |
| | \$ 32,080 | Capital Projects |
| | <u>32,080</u> | |
| Unassigned | | |
| | \$ 211,673 | General Operations |
| | (19,930) | Deficit Gas Tax – Roads and Alleys |
| | <u>191,743</u> | |
| <hr/> | | |
| Total | <u>\$ 257,305</u> | |

J. Deficit Fund Balance

As of June 30, 2020, the following individual major funds and other funds in the aggregate reported deficit fund balances:

| Fund | Deficit balance | Government’s plan to eliminate the deficit |
|---------|--------------------|--|
| Gas Tax | \$ 19,930 | Future revenues |
| Total | <u>\$ 19,930</u> | |

K. Prior-Period Adjustments

As of June 30, 2020, the following adjustments were made to fund balances and net positions:

| Fund Adjustments | Adjustment | Adjustment Reason |
|-------------------------------------|-------------------|---|
| General | \$ 62,139 | To correct prior year reporting error – GASBS-54 |
| General | (209) | To correct prior year error – refund payable |
| Oil Well | (62,139) | To correct prior year reporting error – GASBS-54 |
| Water | (16,646) | To correct prior year error – capital assets |
| Water | 440 | To correct prior year error – refund payable |
| Water | 426,972 | To correct prior year error – loan forgiveness |
| Sewer | (2,060) | To correct prior year error – capital assets |
| Sewer | 555 | To correct prior year error – loan balances |
| Solid Waste | (4,651) | To correct prior year reporting error – omission of allowance account |
| <hr/> | | |
| Total Fund Adjustments | \$ 404,401 | |
| Add Government-Wide Adjustments | | |
| Governmental Activities | \$ (2,644) | To correct prior year error – capital assets |
| Total Government-Wide Adjustments | <u>\$ 401,757</u> | |

Town of Bainville
Notes to the Basic Financial Statements
Fiscal Year Ending June 30, 2020

K. Tax Abatements

Tax abatements are a reduction in tax revenues that result from an agreement between one or more governments and an individual or entity in which one or more governments promise to forgo tax revenues to which they are otherwise entitled and the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. The Town has no material tax abatements.

L. Pending Litigation

The following is litigation pending against the Town of Bainville.

| Case | Damages Requested | Potential Loss |
|-------|----------------------|----------------|
| None | \$ - | |
| Total | <u>\$ -</u> | |

M. Subsequent Events

The Town of Bainville has determined no material subsequent events affects the estimates or other financial conditions reported as of June 30, 2020.

BOC SUPPLEMENT SCHEDULE

1. **Intergovernmental expenditures** - Of the expenditures reported, detail below those expenditures made to other governments on a cost-sharing basis.

| Purpose | Amount - Omit Cents | |
|---------------|---------------------------|---------------|
| | Paid to local governments | Paid to state |
| Airports | M01 | |
| Libraries | M52 | |
| Health | M32 | |
| Local schools | M12 | |
| Welfare | M79 | L79 |
| Other | M89 | L89 |

2. **Salaries and Wages** - Report here the total salaries and wages paid to all employees of your government before deductions for social security, retirement, etc. Include also salaries and wages paid to employees of any utility owned and operated by your government.

| Amount - Omit cents |
|---------------------|
| 139,061 |

3. **Debt outstanding**

A. Long-term debt outstanding, issued and retired

| Purpose | Bonds Outstanding 7/1/2019 | Amount -- Omit cents | | | |
|------------------|-------------------------------|------------------------------|----------------|-----------------------------|----------------|
| | | Bonds during the fiscal year | | Outstanding as of 6/30/2020 | |
| | | Issued | Retired | General Obligation | Revenue bonds |
| Water utility | 19A 1,080,972 | 29A | 39A 455,972 | 41A | 44A 625,000 |
| Sewer utility | 19X 226,308 | 29X | 39X 7,667 | 41X | 44X 218,641 |
| Gas utility | 19C | 29C | 39C | 41C | 44C |
| Electric utility | 19B | 29B | 39B | 41B | 44B |
| All other | 19X | 29X | 39X | 41X | 44X |

B. Short-term debt

| Type | Beginning of fiscal year | End of fiscal year |
|---------------------|--------------------------|--------------------|
| Registered warrants | 61V | 64V |
| Contracts payable | | |
| Notes payable | | |
| Totals | | |

4. **Cash balances by fund type** - Cash may consist of cash on hand, checking, savings, repurchase agreements, certificates of deposit, securities, or any other cash related item.

| Type of funds | Amount -- Omits cents |
|--------------------------------|-----------------------|
| General fund (1000) | W61 196,903 |
| Special revenue funds (2000) | W61 33,482 |
| Debt Service funds (3000) | W01 |
| Capital projects funds (4000) | W31 32,080 |
| Enterprise funds (5000) | W61 464,155 |
| Internal services funds (6000) | |
| Trust and agency funds (7000) | |
| Permanent funds (8000) | |
| Total cash all funds | 726,620 |

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED BUDGETARY COMPARISON SCHEDULES
 ALL BUDGETED MAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | General | | |
|--|---------------------|---------------------|--------------------|
| | Original Budget | Final Budget | Actual |
| REVENUES: | | | |
| Taxes and Assessments | \$ 63,000 | \$ 63,000 | \$ 69,176 |
| Licenses and Permits | 250 | 250 | 175 |
| Intergovernmental Revenues | 59,500 | 59,500 | 59,930 |
| Fines and Forfeitures | 2,000 | 2,000 | 1,850 |
| Miscellaneous | 700 | 700 | 1,254 |
| Investment and Royalty Earnings | 9,000 | 9,000 | 11,161 |
| Total Revenues | <u>134,450</u> | <u>134,450</u> | <u>143,546</u> |
| EXPENDITURES: | | | |
| Current: | | | |
| General Government | 161,400 | 161,400.00 | 99,625 |
| Public Safety | 32,600 | 32,600.00 | 17,338 |
| Public Works | 90,950 | 90,950.00 | 40,363 |
| Culture and Recreation | 34,000 | 34,000.00 | 9,285 |
| Other | 20,000 | 20,000.00 | - |
| Total Expenditures | <u>318,950</u> | <u>318,950.00</u> | <u>166,611</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(184,500)</u> | <u>(184,500.00)</u> | <u>(23,066)</u> |
| OTHER FINANCING SOURCES (USES): | | | |
| Fund Transfers (Out) | <u>20,000</u> | <u>20,000.00</u> | <u>(493)</u> |
| Total Other Financial Sources (Uses) | <u>20,000</u> | <u>20,000.00</u> | <u>(493)</u> |
| Net Change in Fund Balance | <u>\$ (164,500)</u> | <u>\$ (164,500)</u> | <u>\$ (23,559)</u> |
| FUND BALANCE: | | | |
| Beginning of the Year | | | 169,957 |
| Prior Period Adjustments | | | <u>(209)</u> |
| End of the Year | | | <u>\$ 146,190</u> |

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

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED BUDGETARY COMPARISON SCHEDULES
 BUDGET TO GAAP RECONCILIATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

| | General Fund |
|--|--------------|
| Budgetary Basis Actual Revenues | \$ 143,546 |
| Oil Well combined with General Fund | 5,256 |
| | - |
| | - |
| | - |
| Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds | 148,801 |
| Budgetary Basis Actual Expenditures | 167,104 |
| Oil Well combined with General Fund | 1,912 |
| | - |
| | - |
| | - |
| Total expenditures reported on the statement of revenues, expenditures and changes in fund balances - governmental funds | \$ 169,016 |

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

Town of Bainville
Notes to the Budgetary Comparison Schedules
For the Fiscal Year Ended June 30, 2020

A. Budgetary Comparison Schedule Policy

The Budgetary Comparison Schedules only present funds legally required to adopt a budget. The schedules have been prepared on the modified accrual basis of accounting. They present the financial information for the General Fund and the major special revenue budgeted funds.

B. Budget Amendments

Under state law, the government is permitted to amend its budget in limited circumstances. For fiscal year ended June 30, 2020, the Town of Bainville did not amend its original budget.

TOWN OF BAINVILLE, ROOSEVELT COUNTY, MONTANA
 UNAUDITED GENERAL FUND COMBINING SCHEDULE
 FOR THE FISCAL YEAR ENDING JUNE 30, 2020

| | General | Oil Well | Total General Fund |
|--|-----------------|---------------|--------------------------|
| ASSETS: | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | 131,420 | 65,483 | 196,903 |
| Property Taxes Receivable | 21,822 | - | 21,822 |
| Interfund Receivable | 19,930 | - | 19,930 |
| Total Assets | <u>173,172</u> | <u>65,483</u> | <u>238,655</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Total Deferred Outflows of Resources | - | - | - |
| Total Assets and Deferred Outflows of Resour | 173,172 | 65,483 | 238,655 |
| LIABILITIES: | | | |
| Current Liabilities: | | | |
| Accounts Payable | 5,071 | - | 5,071 |
| Other Current Liabilities | 89 | - | 89 |
| Total Liabilities | 5,160 | - | 5,160 |
| DEFERRED INFLOWS OF RESOURCES: | | | |
| Unavailable Property Taxes Receivable | 21,822 | - | 21,822 |
| Total Deferred Inflows of Resources | 21,822 | - | 21,822 |
| FUND BALANCE (DEFICITS): | | | |
| Unassigned | 146,190 | 65,483 | 211,673 |
| Total Fund Balance | <u>146,190</u> | <u>65,483</u> | <u>211,673</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficits) | 173,172 | 65,483 | 238,655 |
| REVENUES: | | | |
| Taxes and Assessments | 69,176 | - | 69,176 |
| Licenses and Permits | 175 | - | 175 |
| Intergovernmental Revenues | 59,930 | - | 59,930 |
| Charges for Services | - | - | - |
| Fines and Forfeitures | 1,850 | - | 1,850 |
| Miscellaneous | 1,254 | - | 1,254 |
| Investment and Royalty Earnings | 11,161 | 5,256 | 16,417 |
| Total Revenues | <u>143,546</u> | <u>5,256</u> | <u>148,801</u> |
| EXPENDITURES: | | | |
| Current: | | | |
| General Government | 99,625 | - | 99,625 |
| Public Safety | 17,338 | - | 17,338 |
| Public Works | 40,363 | - | 40,363 |
| Culture and Recreation | 9,285 | - | 9,285 |
| Miscellaneous | - | 1,912 | 1,912 |
| Total Expenditures | <u>166,611</u> | <u>1,912</u> | <u>168,523</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(23,066)</u> | <u>3,344</u> | <u>(19,721)</u> |
| OTHER FINANCING SOURCES (USES): | | | |
| Fund Transfers (Out) | (493) | - | (493) |
| Total Other Financial Sources (Uses) | (493) | - | (493) |
| Net Change in Fund Balance | <u>(23,559)</u> | <u>3,344</u> | <u>(20,214)</u> |
| FUND BALANCE: | | | |
| Beginning of the Year | 169,957 | 62,139 | 169,957 |
| Prior Period Adjustments | (209) | (62,139) | 61,930 |
| End of the Year | <u>146,190</u> | <u>65,483</u> | <u>211,673</u> |

47. COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2020

| | 2230 Ambulance | 2810 POLICE RESERVE TRA | 2820 GAS TAX | 2821 Gas Tax--HB#473 BA |
|---|-------------------|----------------------------|---------------------|----------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | 13,329.02 | 14,496.81 | 0.00 | 5,655.59 |
| Taxes receivable: | | | | |
| TOTAL ASSETS | 13,329.02 | 14,496.81 | 0.00 | 5,655.59 |
| Deferred Outflows of Resources | | | | |
| LIABILITIES | | | | |
| Due to other funds | 0.00 | 0.00 | 19,929.71 | 0.00 |
| TOTAL LIABILITIES | 0.00 | 0.00 | 19,929.71 | 0.00 |
| Deferred Inflows of Resources | | | | |
| FUND BALANCES | | | | |
| Unassigned (negative balance only) | 13,329.02 | 14,496.81 | (19,929.71) | 5,655.59 |
| Total Fund Balances | 13,329.02 | 14,496.81 | (19,929.71) | 5,655.59 |
| Total Liabilities, Deferred inflows of resources and Fund Balances | 13,329.02 | 14,496.81 | 0.00 | 5,655.59 |

47. COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2020

| | Total Nonmajor Spec. Rev. Funds |
|--|------------------------------------|
| | ----- |
| ASSETS | |
| Cash and cash equivalents | 33,481.42 |
| Taxes receivable: | |
| | ----- |
| TOTAL ASSETS | 33,481.42 |
| | ----- |
| Deferred Outflows of Resources | |
| | ----- |
| LIABILITIES | |
| Due to other funds | 19,929.71 |
| | ----- |
| TOTAL LIABILITIES | 19,929.71 |
| | ----- |
| Deferred Inflows of Resources | |
| | ----- |
| FUND BALANCES | |
| Unassigned (negative balance only) | 13,551.71 |
| | ----- |
| Total Fund Balances | 13,551.71 |
| Total Liabilities, Deferred | 33,481.42 |
| inflows of resources and Fund Balances | |
| | ===== |

49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - TOTAL NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2020

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Neg) |
|---|---------------------|---------------------|--------------------|---|
| REVENUES | | | | |
| Taxes | | | | |
| Licenses and permits | | | | |
| Intergovernmental revenue (See supplemental section for detail) | | | | |
| State shared revenues | 22,800.00 | 22,800.00 | 22,684.69 | (115.31) |
| Charges for services | | | | |
| Fines and forfeitures | | | | |
| Miscellaneous | 500.00 | 500.00 | 3,243.46 | 2,743.46 |
| Total revenues | 23,300.00 | 23,300.00 | 25,928.15 | 2,628.15 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Public Safety | | | | |
| Personal services | 3,000.00 | 3,000.00 | 0.00 | 3,000.00 |
| Supplies/services/materials, etc | 9,000.00 | 9,000.00 | 0.00 | 9,000.00 |
| Public Works | | | | |
| Personal services | 13,000.00 | 13,000.00 | 0.00 | 13,000.00 |
| Supplies/services/materials, etc | 22,700.00 | 22,700.00 | 9,343.29 | 13,356.71 |
| Public Health | | | | |
| Social and Economic Services | | | | |
| Culture and Recreation | | | | |
| Housing and Community Development | | | | |
| Conservation of Natural Resources | | | | |
| Debt Service | | | | |
| Total expenditures | 47,700.00 | 47,700.00 | 9,343.29 | 38,356.71 |
| Excess of revenues over (under) expenditures | (24,400.00) | (24,400.00) | 16,584.86 | 40,984.86 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 0.00 | 0.00 | 493.06 | 493.06 |
| Total other financing sources (uses) | 0.00 | 0.00 | 493.06 | 493.06 |
| Net change in fund balance | (24,400.00) | (24,400.00) | 17,077.92 | 41,477.92 |
| Fund balance - July 1, 2019 - -As previously reported | (3,526.21) | (3,526.21) | (3,526.21) | 0.00 |
| Fund balance - July 1, 2019 - As restated | (3,526.21) | (3,526.21) | (3,526.21) | 0.00 |

49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - TOTAL NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2020

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Neg) |
|------------------------------|--------------------|-----------------|-------------------|---|
| Fund balance - June 30, 2020 | (27,926.21) | (27,926.21) | 13,551.71 | 41,477.92 |

55. COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
For the year ending June 30, 2020

| | 4000 | Total Nonmajor |
|--|--------------------|------------------|
| | CAPITAL IMPROVEMEN | Cap. Proj. Funds |
| | ----- | |
| ASSETS | | |
| Cash and cash equivalents | 32,080.39 | 32,080.39 |
| Taxes receivable: | | |
| | ----- | |
| TOTAL ASSETS | 32,080.39 | 32,080.39 |
| | ----- | |
| Deferred Outflows of Resources | | |
| | ----- | |
| LIABILITIES | | |
| | ----- | |
| Deferred Inflows of Resources | | |
| | ----- | |
| FUND BALANCES | | |
| Unassigned (negative balance only) | 32,080.39 | 32,080.39 |
| | ----- | |
| Total Fund Balances | 32,080.39 | 32,080.39 |
| Total Liabilities, Deferred | 32,080.39 | 32,080.39 |
| inflows of resources and Fund Balances | | |
| | ===== | |

57. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
 For the year ending June 30, 2020

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Positive (Neg) |
|---|--------------------|-----------------|-------------------|---|
| REVENUES | | | | |
| Taxes | | | | |
| Licenses and permits | | | | |
| Intergovernmental revenue (See supplemental section for detail) | | | | |
| Charges for services | | | | |
| Fines and forfeitures | | | | |
| Miscellaneous | | | | |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Public Safety | | | | |
| Public Works | | | | |
| Public Health | | | | |
| Social and Economic Services | | | | |
| Culture and Recreation | | | | |
| Housing and Community Development | | | | |
| Conservation of Natural Resources | | | | |
| Debt Service | | | | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 20,000.00 | 20,000.00 | 0.00 | (20,000.00) |
| Total other financing sources (uses) | 20,000.00 | 20,000.00 | 0.00 | (20,000.00) |
| Net change in fund balance | 20,000.00 | 20,000.00 | 0.00 | (20,000.00) |
| Fund balance - July 1, 2019 - -As previously reported | 32,080.39 | 32,080.39 | 32,080.39 | 0.00 |
| Fund balance - July 1, 2019 - As restated | 32,080.39 | 32,080.39 | 32,080.39 | 0.00 |
| Fund balance - June 30, 2020 | 52,080.39 | 52,080.39 | 32,080.39 | (20,000.00) |

TOWN OF BAINVILLE
 SCHEDULE OF FEDERAL/STATE GRANTS,
 ENTITLEMENTS, AND SHARED REVENUES
 FISCAL YEAR ENDING JUNE 30, 2020

| | REVENUE CODE | RECEIVING FUND | AMOUNT |
|---|--|------------------------------|-----------|
| <u>FEDERAL GRANTS/ENTITLEMENTS - (LIST)</u> | | | |
| | | | |
| | | | |
| Total Federal Grants/Entitlements | | | 0.00 |
| <u>FEDERAL SHARED REVENUES - (LIST)</u> | | | |
| | | | |
| | | | |
| Total Federal Shared Revenues | | | 0.00 |
| <u>STATE GRANTS/ENTITLEMENTS - (LIST)</u> | | | |
| | 335230 State Entitlement Share | 1000 GENERAL | 52,030.00 |
| | 335040 Gasoline Tax Apportionment | 2820 GAS TAX | 12,383.52 |
| | 335041 Special Road Allocation | 2821 Gas Tax--HB#473 BARSAA | 9,861.17 |
| | | | |
| Total State Grants/Entitlements | | | 74,274.69 |
| <u>STATE SHARED REVENUES - (LIST)</u> | | | |
| | 335120 Gambling Machine Permits | 1000 GENERAL | 7,900.00 |
| | 335050 Insurance Premium Apportionment | 2810 POLICE RESERVE TRAINING | 440.00 |
| | | | |
| | | | |
| Total State Shared Revenues | | | 8,340.00 |
| <u>LOCAL GRANTS - (LIST)</u> | | | |
| | | | |
| | | | 0.00 |
| TOTAL | | | 82,614.69 |

TOWN OF BAINVILLE
Cash Report
For the Accounting Period: 13/20

| Fund/Account | Beginning Balance | Received | Transfers In | Disbursed | Transfers Out | Ending Balance |
|----------------------------------|-------------------|-----------|--------------|-----------|---------------|----------------|
| 1000 GENERAL | | | | | | |
| 101000 Cash - Operating | 152,143.11 | 0.00 | 0.00 | 20,811.46 | 0.00 | 131,331.65 |
| 2230 Ambulance | | | | | | |
| 101000 Cash - Operating | 13,329.02 | 0.00 | 0.00 | 0.00 | 0.00 | 13,329.02 |
| 2386 Oil Well Fund | | | | | | |
| 101000 Cash - Operating | 65,483.05 | 0.00 | 0.00 | 0.00 | 0.00 | 65,483.05 |
| 2810 POLICE RESERVE TRAINING | | | | | | |
| 101000 Cash - Operating | 14,496.81 | 0.00 | 0.00 | 0.00 | 0.00 | 14,496.81 |
| 2820 GAS TAX | | | | | | |
| 101000 Cash - Operating | -25,822.81 | 25,822.81 | 0.00 | 0.00 | 0.00 | 0.00 |
| 102240 Cash - Replacement & | 5,504.41 | 0.00 | 0.00 | 5,504.41 | 0.00 | 0.00 |
| Total Fund | -20,318.40 | 25,822.81 | | 5,504.41 | | 0.00 |
| 2821 Gas Tax--HB#473 BARSAA | | | | | | |
| 101000 Cash - Operating | 5,162.53 | 493.06 | 0.00 | 0.00 | 0.00 | 5,655.59 |
| 4000 CAPITAL IMPROVEMENTS | | | | | | |
| 101000 Cash - Operating | 32,080.39 | 0.00 | 0.00 | 0.00 | 0.00 | 32,080.39 |
| 5210 WATER | | | | | | |
| 101000 Cash - Operating | 89,000.68 | 0.00 | 0.00 | 3,064.00 | 0.00 | 85,936.68 |
| 102220 Cash - Restricted (Future | 21,811.00 | 3,064.00 | 0.00 | 0.00 | 0.00 | 24,875.00 |
| Total Fund | 110,811.68 | 3,064.00 | | 3,064.00 | | 110,811.68 |
| 5310 SEWER | | | | | | |
| 101000 Cash - Operating | 172,277.09 | 0.00 | 0.00 | 0.00 | 0.00 | 172,277.09 |
| 102220 Cash - Restricted (Future | 16,848.31 | 0.00 | 0.00 | 0.00 | 0.00 | 16,848.31 |
| Total Fund | 189,125.40 | | | | | 189,125.40 |
| 5311 SEWER IMPACT FEES | | | | | | |
| 101000 Cash - Operating | 49,210.00 | 0.00 | 0.00 | 0.00 | 0.00 | 49,210.00 |
| 101025 Cash - Sewer Impact Fees | 91,390.00 | 0.00 | 0.00 | 0.00 | 0.00 | 91,390.00 |
| 101030 Cash - Sewer Impact | 7,381.50 | 0.00 | 0.00 | 0.00 | 0.00 | 7,381.50 |
| Total Fund | 147,981.50 | | | | | 147,981.50 |
| 5410 SOLID WASTE | | | | | | |
| 101000 Cash - Operating | 16,236.27 | 0.00 | 0.00 | 0.00 | 0.00 | 16,236.27 |
| 7910 PAYROLL FUND | | | | | | |
| 101000 Cash - Operating | 6,501.16 | 0.00 | 0.00 | 0.00 | 0.00 | 6,501.16 |
| 7930 CLAIMS FUND | | | | | | |
| 101000 Cash - Operating | 180.00 | 0.00 | 0.00 | 0.00 | 0.00 | 180.00 |
| Totals | 733,212.52 | 29,379.87 | 0.00 | 29,379.87 | 0.00 | 733,212.52 |

*** Transfers In and Transfers Out columns should match, with the following exceptions:

- 1) Cancelled electronic checks increase the Transfers In column. Disbursed column will be overstated by the same amount and will not balance to the Redeemed Checks List.
- 2) Payroll Journal Vouchers including local deductions with receipt accounting will reduce the Transfers Out column by the total amount of these checks.

**ALL FUNDS
CASH RECONCILIATION
FISCAL YEAR ENDING JUNE 30, 2020**

| Account Description (not full acct #) | BANK NAME | | | | Cash in all depositories |
|--|--------------------|------|------|------|-----------------------------|
| | First Community | | | | |
| BALANCE PER STATEMENTS | 296,617.89 | | | | 296,617.89 |
| ADD Deposits in transit | 10,113.94 | | | | 10,113.94 |
| Service charges | | | | | 0.00 |
| Other | | | | | 0.00 |
| Total to add | 10,113.94 | 0.00 | 0.00 | 0.00 | 10,113.94 |
| SUBTRACT | | | | | |
| Outstanding checks | 8,584.47 | | | | 8,584.47 |
| Other | | | | | 0.00 |
| | | | | | 0.00 |
| Total to subtract | 8,584.47 | 0.00 | 0.00 | 0.00 | 8,584.47 |
| TOTAL CASH IN DEPOSITS | 298,147.36 | 0.00 | 0.00 | 0.00 | 298,147.36 |
| ADD Investments | 428,472.58 | | | | 428,472.58 |
| | | | | | 0.00 |
| Total to add | 428,472.58 | 0.00 | 0.00 | 0.00 | 428,472.58 |
| TOTAL IN DEPOSITORIES | 726,619.94 | 0.00 | 0.00 | 0.00 | 726,619.94 |
| ADD Cash and cash items on hand | | | | | 0.00 |
| | | | | | 0.00 |
| Total to add | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **TOTAL ACCOUNTED FOR | 726,619.94 | 0.00 | 0.00 | 0.00 | 726,619.94 |

***Total cash must agree with total cash reported within report**

Cash reconciles _____ Cash does not reconcile _____

GENERAL INFORMATION
(Complete all portions applicable to entity)

| | |
|--|---------------|
| 1. Class of county/city | Town |
| 2. Date of incorporation | 1917 |
| 3. County seat | Wolf Point |
| 4. Form of government | Mayor council |
| 5. Population (most recent estimate) | 350 |
| 6. Land area | 1 square mile |
| 7. Miles of roads/streets/alleys | 7 miles |
| 8. Taxable valuation | 350,686 |
| 9. Road taxable valuation (county) | |
| 10. Number of water consumers | 147 |
| 11. Average daily water consumption | |
| 12. Miles of water main | |
| 13. Miles of sanitary and storm sewers | |
| 14. Number of building permits issued | |
| 15. Number of full-time employees | |

B. PROPERTY TAX MILL LEVIES -
County/City/Town funds only (For fiscal year being reported)

| Fund/activity | Mills |
|---------------|---------------|
| General Fund | 225.14 |
| | |
| | |
| | |
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| | |
| | |
| TOTAL | 225.14 |