

MONTANA DEPARTMENT OF ADMINISTRATION
State Financial Services Division
State Accounting Bureau
Local Government Services
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ENTITY # 022803
MONTANA
TOWN OF TWIN BRIDGES
PO BOX 307
TWIN BRIDGES, MT 59754

**ANNUAL FINANCIAL
REPORT**



FISCAL YEAR ENDING JUNE 30, 2018

FOR DEPARTMENT OF ADMINISTRATION USE ONLY

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY

SECTION

**TOWN OF TWIN BRIDGES
ELECTED OFFICIALS/OFFICERS**

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

OFFICE	NAME OF CITY/TOWN OFFICIALS/OFFICERS	DATE TERM EXPIRES
Mayor	Thomas Hyndma	2021
Councilperson/Commissioner	Matt Greemore	2021
Councilperson/Commissioner	Joe Willauer	2019
Councilperson/Commissioner	Nolan Frandsen	2021
Councilperson/Commissioner	Scott Holbrook	2021
Councilperson/Commissioner	Jim Klyap	2019
Councilperson/Commissioner		
Councilperson/Commissioner		
City manager		
Attorney	Lori Harshbarger	
Chief of police		
Clerk		
Clerk/Treasurer	Kristi Millhouse	
Finance Director		
Police Judge		
Treasurer		
Utility billing/collection clerk		

IN ACCORDANCE WITH STATE LAW, I HEREBY TRANSMIT THE
TOWN OF TWIN BRIDGES
ANNUAL FINANCIAL REPORT FOR THE
FISCAL YEAR ENDING JUNE 30, 2018

Respectfully submitted;



Town Clerk-Treasurer

12/18/18

Date

FINANCIAL SECTION

**MANAGEMENT'S
DISCUSSION
AND
ANALYSIS**

Town of Twin Bridges Management Discussion & Analysis

The following Discussion and Analysis of the Town of Twin Bridges financial performance provides an overview of the Town's financial activities for the Fiscal Year ending June 30, 2018. Reading this narrative in conjunction with the Town's financial statements, should give the reader a complete overview of the activities and financial status of the Town.

Financial Highlight

- Assets of the Town of Twin Bridges exceeded its liabilities by \$2,827,746 (net position)
- The Town government net position increased by \$54,253
- Business-type net position decreased by \$105,914
- Town governmental funds experienced an increase in revenue over expenses by \$50,559
- Business type fund had an operating decrease of \$112,246

Using this Financial Report

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

The financial section of this report contains the following components:

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

Government-Wide Financial Statements

The government-wide financial statements, described below, are intended to provide readers with a broad overview of the Town of Twin Bridges' finances.

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

The *statement of activities* presents information showing how Twin Bridges' net assets changed during the most recent fiscal year. Both the statement of net position and the statement of activities use the accrual basis of accounting, similar to the accounting used by most private sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received and paid.

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

Fund Financial Statements

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

Governmental Funds

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

Proprietary Funds

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

Fiduciary Funds

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

Notes to the Basic Financial Statements

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

Required Supplemental Information

This section provides detailed information concerning revenues, expenditures and changes in fund balances, comparing current Fiscal Year 2017 to previous Fiscal Year 2016.

Governmental Activities

The cost of all Town activities for the year ending June 30, 2018 was \$208,544 compared to \$211,166 for the previous year.

Business-Type Activities

The cost of the Town's water/sewer department for the year ending June 30, 2018 was \$381,785 compared to \$397,812 for the previous year.

Fund Financial Statements

The focus of Governmental Funds is to provide information on current period revenues, expenditures and the balance of resources available for future requirements. This information is useful in determining the Town's annual financial requirement. As of June 30, 2018, the Town's Governmental Funds reported a combined balance of \$258,393.

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

- **General Fund** – The General Fund is the primary operating fund for the Town. The general cash balance was \$75,015 at year-end on June 30, 2018.
- **Library Fund** – The Library Fund is the primary operating fund for the Town Library. The general cash balance was \$65,248 at year-end on June 30, 2018.

Proprietary Funds

The Town's proprietary funds provide the same type of information found in the governmental -wide statements but in more detail. The net position of the Water and Sewer funds at the end of the fiscal year 2018 amounted to \$3,801,784.

Capital (Fixed Assets) and Long-Term Debt

The Town of Twin Bridges' governmental fixed assets increased by \$54,337 from the fiscal year 2017 amount of \$457,838 to the Fiscal Year 2018 amount of \$512,175.

The business-type assets decreased by \$84,096 from the fiscal year 2017 amount of \$3,887,099 to the Fiscal Year 2018 amount of \$3,803,002. The decrease was because of accumulated depreciation.

Long term increased by \$7,764 for a June 30, 2018 balance of \$14,414 in the governmental funds. Long term debt outstanding decreased \$18,391 in the proprietary funds for June 30, 2018 balance of \$911,617.

The Town of Twin Bridges did not have any new long-term debt in Fiscal year 2018. Current long-term debt payments are budgeted within the appropriate fund during the budget process. Long-term debt payments are made on a monthly basis for the sewer system.

Economic Factors and Budgets

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

The following factors were considered in preparing the Fiscal Year 2017 budget.

- **Mill Value** - The Town of Twin Bridges continues to have a stable mill value. The mill value is a concern for the Town to keep steady without huge increases but needs to see some increase in order to keep the Town funds stable.
- **Grants** are important to the Town of Twin Bridges as they help the Town complete projects that may not get done without these funds. The Town received one grant in fiscal year 2018. This project will be completed in Fiscal year 2019
 - **TSEP Grant** – The Town of Twin Bridges was awarded a \$5,000 grant from TSEP and with \$5,000 matching funds to update the Town's Capital Improvement Plan. The Capital Improvement Plan will guide the Town in upcoming budgets and prioritizing items for the budget.
- **State Entitlement Share** is provided by the State of Montana and can be used for any government use.

- **Gas Tax Apportionment** is money provided from the State and can only be used for the Town's Highway and Streets.
- **Cash Reserves** – The Town of Twin Bridges is committed to maintaining a cash reserve. The Town is allowed to have 50% cash reserve.

Contacting the Town Financial Management

This finance report is designed to provide the citizens, tax payers, customers, investors, and creditors of the Town of Twin Bridges with a general overview of the Town's finances and to show the Town's accountability for the money it receives and expends. If you have any questions about this report, you may contact the Town Office at 406-684-5243.

Town of Twin Bridges, Madison County, Montana
MD & A Comparisons
June 30, 2018

Table 1 - Net Position

	Governmental Activities			Business-type Activities		
	FY18	FY17	Change Inc (Dec)	FY18	FY17	Change Inc (Dec)
Current and other assets	\$ 295,436	\$ 253,711	\$ 41,725	\$ 370,520	\$ 357,262	\$ 13,258
Capital assets	216,739	204,127	12,612	3,432,482	3,529,837	(97,355)
Total assets	\$ 512,175	\$ 457,838	\$ 54,337	\$ 3,803,002	\$ 3,887,099	\$ (84,097)
Long-term debt outstanding	\$ 14,419	\$ 6,654	\$ 7,765	\$ 911,617	\$ 930,008	\$ (18,391)
Other liabilities	78,373	86,054	(7,681)	169,553	129,345	40,208
Total liabilities	\$ 92,792	\$ 92,708	\$ 84	\$ 1,081,170	\$ 1,059,353	\$ 21,817
Net position:						
Net investment in capital assets	\$ 216,739	\$ 204,127	\$ 12,612	\$ 2,533,485	\$ 2,612,553	\$ (79,068)
Restricted	145,531	131,727	13,804	66,268	62,140	4,128
Unrestricted (deficit)	57,113	29,276	27,837	122,079	153,053	(30,974)
Total net position	\$ 419,383	\$ 365,130	\$ 54,253	\$ 2,721,832	\$ 2,827,746	\$ (105,914)

Table 2 - Changes in Net Position

	Governmental Activities			Business-type Activities		
	FY18	FY17	Change Inc (Dec)	FY18	FY17	Change Inc (Dec)
Revenues						
<i>Program revenues (by major source):</i>						
Charges for services	\$ 16,607	\$ 12,037	\$ 4,570	\$ 261,195	\$ 277,991	\$ (16,796)
Operating grants and contributions	40,825	46,871	(6,046)	-	-	-
<i>General revenues (by major source):</i>						
Property taxes for general purposes	124,156	109,196	14,960	-	-	-
Licenses and permits	4,920	2,934	1,986	-	-	-
Video poker apportionment	-	925	(925)	-	-	-
Miscellaneous	8,521	8,274	247	5,836	7,846	(2,010)
Interest/investment earnings	120	495	(375)	276	315	(39)
Local option taxes	21,458	19,411	2,047	-	-	-
Unrestricted federal/state shared revenues	-	365	(365)	-	2,023	(2,023)
State entitlement	41,422	41,186	236	-	-	-
State contributions to retirement	1,074	1,327	(253)	2,232	-	2,232
Contributions & donations	-	215	(215)	-	-	-
Total revenues	\$ 259,103	\$ 243,236	\$ 15,867	\$ 269,539	\$ 288,175	\$ (18,636)
Program expenses						
General government	\$ 26,621	\$ 23,152	\$ 3,469	\$ -	\$ -	\$ -
Public safety	13,378	14,452	(1,074)	-	-	-
Public works	61,515	84,465	(22,950)	-	-	-
Public health	49	-	49	-	-	-
Culture and recreation	106,981	89,097	17,884	-	-	-
Water	-	-	-	163,061	167,013	(3,952)
Sewer	-	-	-	218,724.00	230,799.00	(12,075)
Total expenses	\$ 208,544	\$ 211,166	\$ (2,622)	\$ 381,785	\$ 397,812	\$ (16,027)
Excess (deficiency) before special items and transfers	50,559	32,070	18,489	(112,246)	(109,637)	(2,609)
Increase (decrease) in net position	\$ 50,559	\$ 32,070	\$ 18,489	\$ (112,246)	\$ (109,637)	\$ (2,609)

**BASIC
FINANCIAL
STATEMENTS**

Town of Twin Bridges, Madison County, Montana
Statement of Net Position
June 30, 2018

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 264,300	\$ 233,490	\$ 497,790
Taxes and assessments receivable, net	9,478	-	9,478
Accounts receivable - net	-	25,780	25,780
Total current assets	<u>\$ 273,778</u>	<u>\$ 259,270</u>	<u>\$ 533,048</u>
Noncurrent assets			
Restricted cash and investments	\$ -	\$ 66,268	\$ 66,268
Capital assets - land	81,243	48,288	129,531
Capital assets - construction in progress	9,767	-	9,767
Capital assets - depreciable, net	125,729	3,384,194	3,509,923
Total noncurrent assets	<u>\$ 216,739</u>	<u>\$ 3,498,750</u>	<u>\$ 3,715,489</u>
Total assets	<u>\$ 490,517</u>	<u>\$ 3,758,020</u>	<u>\$ 4,248,537</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	\$ 21,658	\$ 44,982	\$ 66,640
Total deferred outflows of resources	<u>\$ 21,658</u>	<u>\$ 44,982</u>	<u>\$ 66,640</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 512,175</u>	<u>\$ 3,803,002</u>	<u>\$ 4,315,177</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 4,606	\$ 1,654	\$ 6,260
Accrued payables	1,301	2,611	3,912
Revenues collected in advance	-	3,502	3,502
Current portion of long-term capital liabilities	-	18,635	18,635
Current portion of compensated absences payable	5,662	7,678	13,340
Total current liabilities	<u>\$ 11,569</u>	<u>\$ 34,080</u>	<u>\$ 45,649</u>
Noncurrent liabilities			
Noncurrent portion of long-term liabilities	\$ 6,581	\$ -	\$ 6,581
Noncurrent portion of long-term capital liabilities	-	880,362	880,362
Noncurrent portion of compensated absences	2,176	4,942	7,118
Net pension liability	71,879	149,286	221,165
OPEB	-	11,282	11,282
Total noncurrent liabilities	<u>\$ 80,636</u>	<u>\$ 1,045,872</u>	<u>\$ 1,126,508</u>
Total liabilities	<u>\$ 92,205</u>	<u>\$ 1,079,952</u>	<u>\$ 1,172,157</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	\$ 587	\$ 1,218	\$ 1,805
Total Deferred Inflows of resources	<u>\$ 587</u>	<u>\$ 1,218</u>	<u>\$ 1,805</u>
NET POSITION			
Net investment in capital assets	\$ 216,739	\$ 2,533,485	\$ 2,750,224
Restricted for capital projects	-	41,500	41,500
Restricted for debt service	-	24,768	24,768
Restricted for special projects	145,531	-	145,531
Unrestricted	57,113	122,079	179,192
Total net position	<u>\$ 419,383</u>	<u>\$ 2,721,832</u>	<u>\$ 3,141,215</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 512,175</u>	<u>\$ 3,803,002</u>	<u>\$ 4,315,177</u>

See accompanying Notes to the Financial Statements

Town of Twin Bridges, Madison County, Montana
Statement of Activities
For the Fiscal Year Ended June 30, 2018

Functions/Programs	Program Revenues		Operating Grants and Contributions		Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services			Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 26,621	\$ -	\$ -	\$ -	\$ (26,621)	\$ -	\$ (26,621)
Public safety	13,378	-	-	-	(13,378)	-	(13,378)
Public works	61,515	14,845	-	-	(46,670)	-	(46,670)
Public health	49	-	-	-	(49)	-	(49)
Culture and recreation	106,981	1,762	29,758	-	(75,461)	-	(75,461)
Housing and community development	-	-	11,067	-	11,067	-	11,067
Total governmental activities	\$ 208,544	\$ 16,607	\$ 40,825	\$ 40,825	\$ (151,112)	\$ -	\$ (151,112)
Business-type activities:							
Water	\$ 163,061	\$ 135,037	\$ -	\$ -	\$ -	\$ (28,024)	\$ (28,024)
Sewer	218,724	126,158	-	-	-	(92,566)	(92,566)
Total business-type activities	\$ 381,785	\$ 261,195	\$ -	\$ -	\$ -	\$ (120,590)	\$ (120,590)
Total primary government	\$ 590,329	\$ 277,802	\$ 40,825	\$ 40,825	\$ (151,112)	\$ (120,590)	\$ (271,702)
General Revenues:							
Property taxes for general purposes			\$ -	\$ -	\$ 124,156	\$ -	\$ 124,156
Licenses and permits					4,920	-	4,920
Miscellaneous					8,521	5,836	14,357
Interest/investment earnings					120	276	396
Local option taxes					21,458	-	21,458
State entitlement					41,422	-	41,422
State contributions to retirement					1,074	2,232	3,306
Total general revenues, special items and transfers			\$ -	\$ -	\$ 201,671	\$ 8,344	\$ 210,015
Change in net position			\$ -	\$ -	\$ 50,559	\$ (112,246)	\$ (61,687)
Net position - beginning			\$ -	\$ -	\$ 365,130	\$ 2,827,746	\$ 3,192,876
Restatements					3,694	6,332	10,026
Net position - beginning - restated			\$ -	\$ -	\$ 368,824	\$ 2,834,078	\$ 3,202,902
Net position - end			\$ -	\$ -	\$ 419,383	\$ 2,721,832	\$ 3,141,215

See accompanying Notes to the Financial Statements

Town of Twin Bridges, Madison County, Montana
Balance Sheet
Governmental Funds
June 30, 2018

	General	Library	Other Governmental Funds	Total Governmental Funds
ASSETS				
Current assets:				
Cash and investments	\$ 75,015	\$ 65,248	\$ 124,037	\$ 264,300
Taxes and assessments receivable, net	9,273	-	205	9,478
TOTAL ASSETS	\$ 84,288	\$ 65,248	\$ 124,242	\$ 273,778
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 3,347	\$ 669	\$ 590	\$ 4,606
Accrued payables	663	638	-	1,301
Total current liabilities	\$ 4,010	\$ 1,307	\$ 590	\$ 5,907
Total liabilities	\$ 4,010	\$ 1,307	\$ 590	\$ 5,907
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources	\$ 9,273	\$ -	\$ 205	\$ 9,478
Total deferred inflows of resources	\$ 9,273	\$ -	\$ 205	\$ 9,478
FUND BALANCES				
Restricted	\$ -	\$ 63,941	\$ 81,590	\$ 145,531
Committed	-	-	41,857	41,857
Unassigned fund balance	71,005	-	-	71,005
Total fund balance	\$ 71,005	\$ 63,941	\$ 123,447	\$ 258,393
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 84,288	\$ 65,248	\$ 124,242	\$ 273,778

Town of Twin Bridges, Madison County, Montana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2018

	General	Library	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes and assessments	\$ 89,646	\$ -	\$ 1,426	\$ 91,072
Licenses and permits	3,670	-	-	3,670
Intergovernmental	53,739	1,480	14,845	70,064
Charges for services	1,820	55,700	-	57,520
Miscellaneous	6,585	3,347	26,809	36,741
Investment earnings	30	74	16	120
Total revenues	<u>\$ 155,490</u>	<u>\$ 60,601</u>	<u>\$ 43,096</u>	<u>\$ 259,187</u>
EXPENDITURES				
General government	\$ 26,917	\$ -	\$ -	\$ 26,917
Public safety	11,458	-	-	11,458
Public works	47,494	-	11,158	58,652
Public health	49	-	-	49
Culture and recreation	21,477	58,158	21,845	101,480
Capital outlay	13,270	-	9,715	22,985
Total expenditures	<u>\$ 120,665</u>	<u>\$ 58,158</u>	<u>\$ 42,718</u>	<u>\$ 221,541</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 34,825</u>	<u>\$ 2,443</u>	<u>\$ 378</u>	<u>\$ 37,646</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ 4,000	\$ 1,710	\$ 5,710
Transfers out	(4,105)	(1,500)	(105)	(5,710)
Total other financing sources (uses)	<u>\$ (4,105)</u>	<u>\$ 2,500</u>	<u>\$ 1,605</u>	<u>\$ -</u>
Net Change in Fund Balance	<u>\$ 30,720</u>	<u>\$ 4,943</u>	<u>\$ 1,983</u>	<u>\$ 37,646</u>
Fund balances - beginning	\$ 40,285	\$ 58,998	\$ 121,464	\$ 220,747
Fund balance - ending	<u>\$ 71,005</u>	<u>\$ 63,941</u>	<u>\$ 123,447</u>	<u>\$ 258,393</u>

See accompanying Notes to the Financial Statements

Town of Twin Bridges, Madison County, Montana
Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position
June 30, 2018

Total fund balances - governmental funds	\$	258,393
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		216,739
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		9,478
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.		(14,419)
Proportionate share of ending collective net pension liability		(71,879)
Deferred outflows related to net pension liability		21,658
Deferred inflows related to net pension liability		(587)
Total net position - governmental activities	\$	<u>419,383</u>

See accompanying Notes to the Financial Statements

**Town of Twin Bridges, Madison County, Montana
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2018**

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

Net change in fund balances - total governmental funds	\$ 37,646
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
- Capital assets purchased	22,985
- Depreciation expense	(10,373)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
- Long-term receivables (deferred revenue)	(1,158)
The change in compensated absences is shown as an expense in the Statement of Activities	(1,184)
Termination benefits are shown as an expense in the Statement of Activities and not reported on the Statement of Revenues, Expenditures and Changes in Fund Balance:	
- Post-employment benefits other than retirement liability	782
Pension expense related to the net pension liability is shown as an expense on the Statement of Activities and not reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	787
State aid revenue related to net pension liability is shown as a revenue on the Statement of Activities and not reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	1,074
Change in net position - Statement of Activities	\$ <u>50,559</u>

See accompanying Notes to the Financial Statements

Town of Twin Bridges, Madison County, Montana
Statement of Net Position
Proprietary Funds
June 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and investments	\$ 145,910	\$ 87,580	\$ 233,490
Accounts receivable - net	13,496	12,284	25,780
Total current assets	<u>\$ 159,406</u>	<u>\$ 99,864</u>	<u>\$ 259,270</u>
Noncurrent assets:			
Restricted cash and investments	\$ -	\$ 66,268	\$ 66,268
Capital assets - land	-	48,288	48,288
Capital assets - depreciable, net	698,347	2,685,847	3,384,194
Total noncurrent assets	<u>\$ 698,347</u>	<u>\$ 2,800,403</u>	<u>\$ 3,498,750</u>
Total assets	<u>\$ 857,753</u>	<u>\$ 2,900,267</u>	<u>\$ 3,758,020</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	22,491	22,491	44,982
Total deferred outflows of resources	<u>\$ 22,491</u>	<u>\$ 22,491</u>	<u>\$ 44,982</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 484	\$ 1,170	\$ 1,654
Accrued payables	1,306	1,305	2,611
Revenues collected in advance	2,144	1,358	3,502
Current portion of long-term capital liabilities	-	18,635	18,635
Current portion of compensated absences payable	3,839	3,839	7,678
Total current liabilities	<u>\$ 7,773</u>	<u>\$ 26,307</u>	<u>\$ 34,080</u>
Noncurrent liabilities:			
Noncurrent portion of long-term capital liabilities	\$ -	\$ 880,362	\$ 880,362
Noncurrent portion of compensated absences	2,471	2,471	4,942
Net pension liability	74,643	74,643	149,286
OPEB	5,641	5,641	11,282
Total noncurrent liabilities	<u>\$ 82,755</u>	<u>\$ 963,117</u>	<u>\$ 1,045,872</u>
Total liabilities	<u>\$ 90,528</u>	<u>\$ 989,424</u>	<u>\$ 1,079,952</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions	609	609	1,218
Total deferred inflows of resources	<u>\$ 609</u>	<u>\$ 609</u>	<u>\$ 1,218</u>
NET POSITION			
Net investment in capital assets	\$ 698,347	\$ 1,835,138	\$ 2,533,485
Restricted for capital projects	-	41,500	41,500
Restricted for debt service	-	24,768	24,768
Unrestricted	90,760	31,319	122,079
Total net position	<u>\$ 789,107</u>	<u>\$ 1,932,725</u>	<u>\$ 2,721,832</u>
Total liabilities and net position	<u>\$ 879,635</u>	<u>\$ 2,922,149</u>	<u>\$ 3,801,784</u>

See accompanying Notes to the Financial Statements

Town of Twin Bridges, Madison County, Montana
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2018

Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for services	\$ 135,037	\$ 129,578	\$ 264,615
Miscellaneous revenues	1,587	829	2,416
Total operating revenues	<u>\$ 136,624</u>	<u>\$ 130,407</u>	<u>\$ 267,031</u>
OPERATING EXPENSES			
Personal services	\$ 85,913	\$ 87,243	\$ 173,156
Supplies	5,456	9,463	14,919
Purchased services	33,523	21,522	55,045
Fixed charges	3,024	2,950	5,974
Depreciation	35,145	79,482	114,627
Total operating expenses	<u>\$ 163,061</u>	<u>\$ 200,660</u>	<u>\$ 363,721</u>
Operating income (loss)	<u>\$ (26,437)</u>	<u>\$ (70,253)</u>	<u>\$ (96,690)</u>
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	\$ 1,116	\$ 1,116	\$ 2,232
Interest revenue	165	111	276
Debt service interest expense	-	(18,064)	(18,064)
Total non-operating revenues (expenses)	<u>\$ 1,281</u>	<u>\$ (16,837)</u>	<u>\$ (15,556)</u>
Change in net position	<u>\$ (25,156)</u>	<u>\$ (87,090)</u>	<u>\$ (112,246)</u>
Net Position - Beginning of the year	\$ 811,097	\$ 2,016,649	\$ 2,827,746
Restatements	3,166	3,166	6,332
Net Position - Beginning of the year - Restated	<u>\$ 814,263</u>	<u>\$ 2,019,815</u>	<u>\$ 2,834,078</u>
Net Position - End of the year	<u>\$ 789,107</u>	<u>\$ 1,932,725</u>	<u>\$ 2,721,832</u>

UNAUDITED

See accompanying Notes to the Financial Statements

Town of Twin Bridges, Madison County, Montana
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2018

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Cash flows from operating activities:			
Cash received from providing services	\$ 135,064	\$ 136,353	\$ 271,417
Cash received from miscellaneous sources	1,587	829	2,416
Cash payments to suppliers	(5,317)	(8,933)	(14,250)
Cash payments for professional services	(36,547)	(24,472)	(61,019)
Cash payments to employees	(71,017)	(71,026)	(142,043)
Net cash provided (used) by operating activities	<u>\$ 23,770</u>	<u>\$ 32,751</u>	<u>\$ 56,521</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	\$ (8,636)	\$ (8,636)	\$ (17,272)
Principal paid on debt	-	(18,286)	(18,286)
Interest paid on debt	-	(18,064)	(18,064)
Net cash provided (used) by capital and related financing activities	<u>\$ (8,636)</u>	<u>\$ (44,986)</u>	<u>\$ (53,622)</u>
Cash flows from non-capital financing activities:			
Cash received from other sources	\$ 1,116	\$ 1,116	\$ 2,232
Net cash provided (used) from non-capital financing activities	<u>\$ 1,116</u>	<u>\$ 1,116</u>	<u>\$ 2,232</u>
Cash flows from investing activities:			
Interest on investments	\$ 165	\$ 111	\$ 276
Net cash provided (used) by investing activities	<u>\$ 165</u>	<u>\$ 111</u>	<u>\$ 276</u>
Net increase (decrease) in cash and cash equivalents	\$ 16,415	\$ (11,008)	\$ 5,407
Cash and cash equivalents at beginning	129,495	164,856	294,351
Restatements - Includes beginning restricted cash			-
Cash and cash equivalents at end	<u>\$ 145,910</u>	<u>\$ 153,848</u>	<u>\$ 299,758</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (26,437)	\$ (70,253)	\$ (96,690)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	35,145	79,482	114,627
Other post-employment benefits	2,834	2,888	5,722
Net pension liability	19,324	20,928	
Deferred outflows/inflows - pensions (Net)	(7,270)	(7,694)	
Changes in assets and liabilities:			
Decrease in accounts receivable	(138)	7,832	7,694
Decrease in revenues collected in advance	111	(1,057)	(946)
Increase in accounts payable	139	530	669
Decrease in compensated absences payable	(52)	(52)	(104)
Increase in accrued payables	114	147	261
Net cash provided (used) by operating activities	<u>\$ 23,770</u>	<u>\$ 32,751</u>	<u>\$ 31,233</u>

Town of Twin Bridges, Madison County, Montana
Statement of Net Position
Fiduciary Funds
June 30, 2018

			<u>Agency Funds</u>
ASSETS			
Cash and short-term investments	\$	13,929	
Taxes receivable		205	
Total assets	\$	<u>14,134</u>	
LIABILITIES			
Warrants payable	\$	12,920	
Due to others		1,214	
Total liabilities	\$	<u>14,134</u>	

UNAUDITED

NET POSITION

See accompanying Notes to the Financial Statements

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

GASB No. 75 *Accounting and Financial Report for Postemployment Benefits Other than Pension (OPEB)*, is effective for years beginning after June 15, 2017 with early implementation encouraged. The statement fully amends the previously issued GASB No. 45 *Accounting and Financial Report for Postemployment Benefits Other than Pension*. GASB 75 established standards for recognition and measurement of the liabilities, deferred outflows and inflows of resources, and expense/expenditures related to OPEB. Different distinctions are made regarding the particular requirements depending upon whether the OPEB plans are administered through a trust that meets criteria identified in the statement. The statement also identifies the methods and assumptions required in projecting benefit payments, discounting those payments to actuarial present value, and applying that present value to periods of employee service in the Town. The disclosure requirements for OPEB plans is defined in this statement, that includes further detail on the Town's plan and benefits provided, the assumptions used in the valuations, sensitivity analysis, and number of employees in the plan. Lastly, it increased the required supplementary information requiring 10 most recent fiscal years summarizing sources of change in OPEB liability, its components, and other related ratios. These changes are similar to pension GASB No. 68 that became effective in the prior fiscal year.

Financial Reporting Entity

In determining the financial reporting entity, the Town complies with the provisions of GASB statement No. 14, *The Financial Reporting Entity*, as amended by GASB statement No. 61, *The Financial Reporting Entity: Omnibus*, and includes all component units of which the Town appointed a voting majority of the component units' board; the Town is either able to impose its' will on the unit or a financial benefit or burden relationship exists. In addition, the Town complies with GASB statement No. 39 *Determining Whether Certain Organizations Are Component Units* which relates to organizations that raise and hold economic resources for the direct benefit of the Town.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Primary Government

The Town is a political subdivision of the State of Montana governed by an elected Mayor and Council duly elected by the registered voters of the Town. The Town is considered a primary government because it is a general purpose local government. Further, it meets the following criteria: (a) It has a separately elected governing body (b) It is legally separate and (c) It is fiscally independent from the State and other local governments.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose government body is the same or substantially the same as the Town or the component unit provides services entirely to the Town. These component units' funds are blended into those of the Town's by appropriate activity type to compose the primary government presentation. The Town has the following Blended Component Unit known as the Benefactors of Twin Bridges Library.

Basis of Presentation, Measurement Focus and Basis of Accounting

Government-wide Financial Statements:

Basis of Presentation

The Government-wide Financial Statements (the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole and its component units. They include all funds of the reporting entity except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Eliminations have been made in the consolidation of business-type activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function. The Town does not charge indirect expenses to programs or functions. The types of transactions reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues, including all property taxes, are presented as general revenues.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Certain eliminations have been made as prescribed by GASB 34 in regards to inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities those transactions between governmental and business-type activities have not been eliminated.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred regardless of the timing of the 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 Town generally applies restricted resources to expenses incurred before using unrestricted resources when both restricted and unrestricted net assets are available.

Fund Financial Statements:

Basis of Presentation

Fund financial statements of the reporting Town are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Funds are organized into three categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Each major fund is displayed in a separate column in the governmental funds statements. All of the remaining funds are aggregated and reported in a single column as non-major funds. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets combined with deferred outflows of resources, liabilities combined with deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

- b. Total assets combined with deferred outflows of resources, liabilities combined with deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise funds are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Measurement Focus and Basis of Accounting

Governmental Funds

Modified Accrual

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The Town defined the length of time used for "available" for purposes of revenue recognition in the governmental fund financial statements to be upon receipt. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds and proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, franchise fees, 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Major Funds:

The Town reports the following major governmental funds:

General Fund – This is the Town's primary operating fund and it accounts for all financial resources of the Town except those required to be accounted for in other funds.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Library Fund – A special revenue fund that accounts for the activities of the Town’s public library.

Proprietary Funds:

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource focus concerns determining costs as a means of maintaining the capital investment and management control. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund’s principal ongoing operations. The principal operating revenues for enterprise funds are charges to customers for sales and services. 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 non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed.

Major Funds:

The Town reports the following major proprietary funds:

Water Fund – An enterprise fund that accounts for the activities of the Town’s water distribution operations.

Sewer Fund – An enterprise fund that accounts for the activities of the Town’s sewer collection and treatment operations and includes the storm sewer system.

Fiduciary Funds

Fiduciary funds presented using the economic resources measurement focus and the accrual basis of accounting (except for the recognition of certain liabilities of defined benefit pension plans and certain postemployment healthcare plans). The required financial statements are a statement of fiduciary net position and a statement of changes in fiduciary net position. The fiduciary funds are:

Agency Funds – To report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). This fund primarily consist of assets held by the Town as an agent for individuals, private organizations, other local governmental entities and the Town’s claims and payroll clearing funds

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash Composition

Composition of cash, deposits and investments at fair value on June 30, 2018, are as follows:

	<u>Primary Government</u>
<u>Cash on hand and deposits:</u>	
Cash on hand	
Petty Cash	\$ 250
Cash in banks:	
Demand deposits	399,556
Savings deposits	39,352
Time deposits	138,829
Total	<u>\$ 577,987</u>

Credit Risk

Section 7-6-202, MCA, limits investments of public money of a local government in the following eligible securities:

(a) United States government treasury bills, notes and bonds and in the United States treasury obligations, such as state and local government series (SLGLS), 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 (not included):

- (i) federal home loan bank;
- (ii) federal national mortgage association;
- (iii) federal home mortgage corporation; and
- (iv) federal farm credit bank.

With the exception of the assets of a local government group self-insurance program, investments 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.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Section 7-6-205 and Section 7-6-206, MCA, state that demand deposits may be placed only in banks and Public money not necessary for immediate use by a county, city, or town that is not invested as authorize in Section 7-6-202 may be placed in time or savings deposits with a bank, savings and loan association, or credit union in the state or place in repurchase agreements as authorized in Section 7-6-213.

Section 7-6-202, MCA, as amended, now limits authorized investments in certain securities that previously were permissible investments. The amendment does not apply to and does not require the sale of securities that were legal investments before the effective date of this act. However, the investments reported as collateralized mortgage obligations above are not authorized investments at the current time.

The government has no investment policy that would further limit its investment choices.

The government has no investments that require credit risk disclosure.

NOTE 3. CAPITAL ASSETS

The Town's assets are capitalized at historical cost or estimated historical cost. Town policy has set the capitalization threshold for reporting capital assets at \$5,000. Gifts or contributions of capital assets are recorded at fair market value when received. The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings	20 – 50 years
Improvements	10 – 25 years
Equipment	5 – 30 years
Infrastructure	20 – 40 years

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 which requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with Statement No. 34, the Town has included the value of all infrastructure into the 2018 Basic Financial Statements.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

A summary of changes in governmental capital assets was as follows:

Governmental activities:

	Balance <u>July 1, 2017</u>	<u>Additions</u>	Balance <u>June 30, 2018</u>
Capital assets not being depreciated:			
Land	\$ 81,243	\$ -	\$ 81,243
Construction in progress	\$ 2,097	\$ 7,670	\$ 9,767
Total capital assets not being depreciated	<u>\$ 83,340</u>	<u>\$ 7,670</u>	<u>\$ 91,010</u>
Other capital assets:			
Buildings	\$ 357,597	\$ -	\$ 357,597
Improvements other than buildings	201,995	11,913	213,908
Machinery and equipment	70,120	3,402	73,522
Total other capital assets at historical cost	\$ 629,712	\$ 15,315	\$ 645,027
Less: accumulated depreciation	<u>\$ (508,925)</u>	<u>\$ (10,373)</u>	<u>\$ (519,298)</u>
Total	<u>\$ 204,127</u>	<u>\$ 12,612</u>	<u>\$ 216,739</u>

Governmental activities depreciation expense was charged to functions as follows:

Governmental Activities:	
General government	\$ 89
Public safety	1,920
Public works	2,863
Culture and recreation	<u>5,501</u>
Total governmental activities depreciation expense	<u>\$ 10,373</u>

A summary of changes in business-type capital assets was as follows:

Business-type activities:

	Balance <u>July 1, 2017</u>	<u>Additions</u>	Balance <u>June 30, 2018</u>
Capital assets not being depreciated:			
Land	\$ 48,288	\$ -	\$ 48,288
Construction in progress	-	12,170	12,170
Total capital assets not being depreciated	<u>\$ 48,288</u>	<u>\$ 12,170</u>	<u>\$ 60,458</u>
Other capital assets:			
Improvements other than buildings	\$ 4,767,009	\$ -	\$ 4,767,009
Machinery and equipment	69,139	5,102	74,241
Total other capital assets at historical cost	\$ 4,836,148	\$ 5,102	\$ 4,841,250
Less: accumulated depreciation	<u>\$ (1,354,599)</u>	<u>\$ (114,627)</u>	<u>\$ (1,469,226)</u>
Total	<u>\$ 3,529,837</u>	<u>\$ (97,355)</u>	<u>\$ 3,432,482</u>

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 4. LONG TERM DEBT OBLIGATIONS

In the governmental-wide, proprietary, and component unit financial statements, outstanding debt is reported as liabilities. Bond issuance costs, bond discounts or premiums, are expensed at the date of sale.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

Changes in Long-Term Debt Liabilities - During the year ended June 30, 2018, the following changes occurred in liabilities reported in long-term debt:

Governmental Activities:

	Balance				Balance	Due Within
	July 1, 2017	Additions	Deletions	Restatements	June 30, 2018	One Year
Compensated absences	\$ 6,654	\$ 1,184	\$ -	\$ -	\$ 7,838	\$ 5,662
Net pension liability*	71,574	305	-	-	71,879	-
Other post-employment benefits**	11,057	(708)	-	(3,694)	6,655	-
Total	\$ 89,285	\$ 781	\$ -	\$ (3,694)	\$ 86,372	\$ 5,662

*See Note 6

**See Note 5

In prior years the general fund was used to liquidate compensated absences and claims and judgments.

Business-type Activities:

	Balance				Balance	Due Within
	July 1, 2017	Additions	Deletions	Restatements	June 30, 2018	One Year
Revenue bonds	\$ 917,284	\$ -	\$ (18,276)	\$ -	\$ 899,008	\$ 18,645
Compensated absences	12,724	-	(104)	-	12,620	7,678
Net pension liability*	109,034	40,252	-	-	149,286	-
Other post-employment benefits**	11,945	5,669	-	(6,332)	11,282	-
Total	\$ 1,050,987	\$ 45,921	\$ (18,380)	\$ (6,332)	\$ 1,072,196	\$ 26,323

*See Note 6

**See Note 5

Revenue Bonds - The Town also issues bonds where the Town pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding, at year-end were as follows:

Purpose	Origination Date	Interest Rate	Bond Term	Maturity Date	Bonds Amount	Annual Payment	Balance June 30, 2018
FY12 RD Loan Refinancing	5/23/12	2.00%	40 yrs	5/23/52	\$ 1,000,000	Varies	\$ 899,008

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Revenue bond resolutions include various restrictive covenants. The more significant covenants 1) require that cash be restricted and reserved for operations, construction, debt service, and replacement and depreciation; 2) specify minimum required operating revenue; and 3) specific and timely reporting of financial information to bond holders and the registrar. The Town was in compliance with applicable covenants as of June 30, 2018.

Annual requirement to amortize debt:

For Fiscal Year Ended	Principal	Interest
2019	\$ 18,645	\$ 17,715
2020	19,021	17,339
2021	19,405	16,955
2022	19,797	16,563
2023	20,197	16,163
2024	20,604	15,756
2025	21,020	15,340
2026	21,444	14,916
2027	21,877	14,483
2028	22,319	14,041
2029	22,769	13,591
2030	23,229	13,131
2031	23,698	12,662
2032	24,176	12,184
2033	24,664	11,696
2034	25,162	11,198
2035	25,670	10,690
2036	26,188	10,172
2037	26,716	9,644
2038	27,256	9,104
2039	27,806	8,554
2040	28,367	7,993
2041	28,940	7,420
2042	29,524	6,836
2043	30,120	6,240
2044	30,728	5,632
2045	31,348	5,012
2046	31,981	4,379
2047	32,626	3,734
2048	33,285	3,075
2049	33,957	2,403
2050	34,642	1,718
2051	35,341	1,019
2052	36,486	308
Total	\$ <u>899,008</u>	\$ <u>337,666</u>

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Compensated Absences

Compensated absences are absences for which employees will be paid for time off earned for time during employment, such as earned vacation and sick leave. It is the Town's policy and state law to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from Town service. Employees are allowed to accumulate and carry over a maximum of two times their annual accumulation of vacation, but no more than 90 days into the new calendar year. There is no restriction on the amount of sick leave that may be accumulated. Upon separation, employees are paid 100 percent of accumulated vacation and 25 percent of accumulated sick leave. The liability associated with governmental fund-type employees is reported in the governmental activities, while the liability associated with proprietary fund-type employees is recorded in the business-type activities/respective proprietary fund.

NOTE 5. POSTEMPLOYMENT HEALTHCARE PLAN

Plan Description. The healthcare plan provides for, and Montana State Law (2-18-704) requires local governments to allow employees with at least 5 years of service and who are at least age 50 along with surviving spouses and dependents to stay on the government's health care plan as long as they pay the same premium. This creates a defined benefit Other Post-Employment Benefits Plan (OPEB), since retirees are usually older than the average age of the plan participants they receive a benefit of lower insurance rates. The OPEB plan is a single-employer defined benefit plan administered by the Town. The government has not created a trust to accumulate assets to assist in covering the defined benefit plan costs, and covers these when they come due. The government has less than 100 plan members and thus qualifies to use the "Alternative Measurement Method" for calculating the liability. The above described OPEB plan does not provide a stand-alone financial report.

Benefits Provided. The government provides healthcare insurance benefits for retirees and their dependents upon reaching the age and service years defined in MCA 2-18-704. The benefit terms require that eligible retirees cover 100 percent of the health insurance premiums, but may pay the same premiums as the other members in the group health plan.

Employees covered by benefit terms. At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefit payments	0
Active employees	4
Total employees	<hr style="width: 50%; margin: 0 auto;"/> <u>4</u>

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Total OPEB Liability

The Town's total OPEB liability of \$17,937 at June 30, 2018, and was determined by using the alternative measurement method as of that date.

Actuarial assumptions and other input. The total OPEB liability in the June 30, 2018 alternative measurement method was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Average age of retirement (based on historical data)	59.8
Discount rate (average anticipated rate)	3.87%
Average salary increase (Consumer Price Index)	4.00%

Health care cost rate trend (Federal Office of the Actuary)

<u>Year</u>	<u>% Increase</u>
2018	3.77%
2019	6.50%
2020	6.00%
2021	5.90%
2022	5.70%
2023	5.60%
2024	5.50%
2025	5.30%
2026	5.20%
2027	5.10%
2028	5.00%
2029	4.90%

The discount rate was based on the 20-year General obligation (GO) bond index.

Life expectancy of employees was based on the United States Life Tables, 2011 for Males: Table 2 and Females: Table 3 as published in the National Vital Statistics Reports, Vol. 64, No. 11, September 22, 2015.

The turnover rates were determined from the periodic experience studies of the Montana public retirement systems for the covered groups as documented in the GASB 68 actuarial valuations.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Changes in the Total OPEB Liability

Balance at 6/30/2017		\$	13,659
Changes for the year:			
Service Cost		\$	4,612
Restatement			(334)
Net Changes		\$	4,278
Balance at 6/30/2018		\$	17,937

Sensitivity of the total OPEB liability to changes in the discount rate. The following summarizes the total OPEB liability reported, and how that liability would change if the discount rate used to calculate the OPEB liability were to decrease or increase 1%:

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB Liability	\$ 18,114	\$ 17,937	\$ 17,660

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following summarizes the total OPEB liability reported, and how that liability would change if the healthcare trend rates used in projecting the benefit payments were to decrease or increase 1%:

	1% Decrease	Healthcare Cost Trends*	1% Increase
Total OPEB Liability	\$ 16,612	\$ 17,937	\$ 19,396

**Reference the assumptions footnotes to determine the healthcare cost trends used to calculate the OPEB liability.*

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the Town recognized an OPEB expense of \$17,937. The Town does not report any deferred outflows of resources and deferred inflows of resources related to OPEB as there were no differences between expected and actual experience or changes in assumptions performed in the alternative measurement method. In addition, since Town records costs as they come due there are no deferred outflows of resources for contributions to the OPEB plan trust.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 6. NET PENSION LIABILITY

Plan Descriptions

PERS

The PERS-Defined Benefit Retirement Plan (PERS) administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, local governments, certain employees of the Montana University System, and school districts.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the *defined contribution* and *defined benefit* retirement plans. For members that choose to join the PERS-DCRP, a percentage of the employer contributions will be used to pay down the liability of the PERS-DBRP. All new members from the universities also have third option to join the university system's Montana University System Retirement Program (MUS-RP).

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature.

Summary of Benefits

PERS

Member's highest average compensation (HAC)

Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months; Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months; Hired on or after July 1, 2013 – 110% annual cap on compensation considered as part of a member's highest average compensation.

Eligibility for benefit

Service retirement:

- Hired prior to July 1, 2011:
 - Age 60, 5 years of membership service;
 - Age 65, regardless of membership service; or
 - Any age, 30 years of membership service.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

- Hired on or after July 1, 2011:
 - Age 65, 5 years of membership service;
 - Age 70, regardless of membership service.

Early Retirement (actuarially reduced):

- Hired prior to July 1, 2011:
 - Age 50, 5 years of membership service; or
 - Any age, 25 years of membership service.
- Hired on or after July 1, 2011:
 - Age 55, 5 years of membership service.

Second Retirement (requires returning to PERS-covered employer or PERS service):

1) Retire before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:

- a. A refund of member's contributions plus return interest (currently .77% effective July 1, 2017).
- b. No service credit for second employment;
- c. Start the same benefit amount the month following termination; and
- d. Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.

2) Retire before January 1, 2016 and accumulate at least 2 years of additional service credit:

- a. A recalculated retirement benefit based on provisions in effect after the initial retirement; and
- b. GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.

3) Retire on or after January 1, 2016 and accumulate 5 or more years of service credit:

- a. The same retirement as prior to the return to service;
- b. A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
- c. GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

Vesting

5 years of membership service

Member's highest average compensation (HAC)

- Hired prior to July 1, 2011- highest average compensation during any consecutive 36 months;
- Hired on or after July 1, 2011-highest average compensation during any consecutive 60 months;

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Compensation Cap

- Hired on or after July 1, 2013-110% annual cap on compensation considered as a part of a member's highest average compensation.

Monthly benefit formula

Members hired prior to July 1, 2011:

- Less than 25 years of membership service: 1.785% of HAC per year of service credit;
- 25 years of membership service or more: 2% of HAC per year of service credit.

Members hired on or after July 1, 2011:

- Less than 10 years of membership service: 1.5% of HAC per year of service credit;
- 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
- 30 years or more of membership service: 2% of HAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
 - 1.5% for each year PERS is funded at or above 90%;
 - 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - 0% whenever the amortization period for PERS is 40 years or more.

Overview of Contributions

PERS

1. Rates are specified by state law and are a percentage of the member's compensation.
 - a. Contributions are deducted from each member's salary and remitted by participating employers;
 - b. The State legislature has the authority to establish and amend contribution rates to the plan.
2. Member contributions to the system:
 - a. Plan members are required to contribute 7.90% of member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

- b. The 7.90% member contributions is temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
- 3. Employer contributions to the system:
 - a. Effective July 1, 2014, following the 2013 Legislative session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contributions rates.
 - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
- 4. Non Employer Contributions
 - a. Special Funding
 - i. The State contributes 0.1% of members' compensation on behalf of local government entities.
 - ii. The State contributes 0.37% of members' compensation on behalf of school district entities.
 - b. Not Special Funding
 - i. The State contributes a portion of Coal Severance Tax income and earnings from the Coal Severance Tax fund.

Stand-Alone Statements

The PERS's financial statements of the Montana Public Employees Retirement Board (PERB) *Comprehensive Annual Financial Report* (CAFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or the MPERA website at <http://mpera.mt.gov>.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Public Employees' Retirement System(PERS) Statement 68 became effective June 30, 2016 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions. In accordance with Statement 68, the System has a special funding situation in which the State of Montana is legally responsible for making contributions directly to PERS that are used to provide pension benefits to the retired members. Due to the existence of a special funding situation, employers are also required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer.

The State of Montana also has a funding situation that is not Special Funding whereby the State General Fund provides contributions from the Coal Severance Tax and interest to PERS. All employers are required to report the portion of Coal Tax Severance Tax and interest attributable to the employer. The following table displays the amounts and the percentages of Net Pension Liability for the fiscal years ended June 30, 2017 and June 30, 2016 (reporting dates).

	PERS NPL as of 6/30/2017	PERS NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2018
Employer Proportionate Share	\$ 180,608	\$ 221,165	0.0114%
State of Montana Proportionate Share associated with Employer	2,207	2,644	0.0135%
Total	\$ 182,815	\$ 223,809	0.0248%

TOWN OF TWIN BRIDGES
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NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

At June 30, 2018, the employer recorded a liability of \$221,165 for its proportionate share of the Net Pension Liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The employer's proportion of the net pension liability was based on the employer's contributions received by PERS during the measurement period July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERS participating employers. At June 30, 2018, the employer's proportion was 0.0114 percent.

Changes in actuarial assumptions and methods:

PERS

Effective July 1, 2017, the following assumption changes were used:

- Lowered the interest rate from 7.75% to 7.65%.
- Lowered the inflation rate from 3.00% to 2.75%.
- Updated non-disabled mortality to the RP-2000 Combined Employee and Annuitant Mortality Table projected to 2020 using scale BB, males set back 1 year.
- Increased rates of withdrawal.
- Lowered the merit component of the total salary increase.
- Lowered the wage base component of the total salary increase from 4.00% to 3.50%.
- Decreased the administrative expense load from 0.27% to 0.26%.

Changes in benefit terms:

PERS

Effective July 1, 2017, the following benefit changes were:

- The interest rate credited to member accounts increased from 0.25% to 0.77%.
- Lump sum payouts in all systems are limited to the member's accumulated contributions rather than the present value of the member's benefit.

Changes in proportionate share: Between the measurement date of the collective NPL and the employer's reporting date there were some changes in proportion that may have an effect on the employer's proportionate share of the collective NPL.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Pension Expense as of 6/30/18

		<u>PERS</u>
Employer Proportionate Share	\$	35,918
State of Montana Proportionate Share associated with the Employer		3,305
Total	\$	<u>39,223</u>

At June 30, 2018, the employer recognized a Pension Expense of \$35,918 for its proportionate share of the pension expense. The employer also recognized grant revenue of \$3,305 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer.

Recognition of Beginning Deferred Outflow

At June 30, 2018, the employer recognized a beginning deferred outflow of resources for the employers FY 2017 contributions of \$11,559.

Deferred Inflows and Outflows

At June 30, 2018, the employer reported its proportionate share of PERS deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

	<u>PERS Deferred Outflows of Resources</u>	<u>PERS Deferred Inflows of Resources</u>	
Differences between expected and actual economic experience	\$ 5,447	\$ 320	
Actual vs. Expected Investment Earnings	-	1,485	
Changes in Assumptions	30,231	-	
Changes in Proportion Share and Differences between Employer Contributions and Proportionate Share of Contributions	18,703	-	
Employer contributions subsequent to the measurement date - FY18	12,259	-	
Total	<u>\$ 66,640</u>	<u>\$ 1,805</u>	

*Amounts reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

Deferred Inflows and Outflows

PERS: Year ended June 30,	Amount of Deferred Outflows and Deferred Inflows recognized in future years as an increase or (decrease) to Pension Expense	
2019	\$	7,834
2020	\$	17,294
2021	\$	13,451
2022	\$	(4,707)
2023	\$	-
Thereafter	\$	-

Actuarial Assumptions

PERS

The TPL used to calculate the NPL was determined by taking the results of the June 30, 2016, actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2017. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2017, valuation were based on the results of the last actuarial experience study, dated May 2017, for the six year

period July 1, 2010 to June 30, 2016. Among those assumptions were the following:

- Investment Return (net of admin expense) 7.65%
- Admin Expense as % of Payroll 0.26%
- General Wage Growth* 3.50%
- *includes Inflation at 2.75%
- Merit Increases 0% to 6.3%
- Postretirement Benefit Increases:

Guaranteed Annual Benefit Adjustment(GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, Inclusive of other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2014
- Member hired on or after July 1, 2013:
 - 1.5% for each year PERS is funded at or above 90%;
 - 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - 0% whenever the amortization period for PERS is 40 years or more.

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

- Mortality assumptions among contributing members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, males set back 1 year.
- Mortality assumptions among Disabled members are based on RP 2000 Combined Mortality Tables with no projections.

Discount Rate

PERS

The discount rate used to measure the Total Pension Liability was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated.

For PERS the State contributes 0.1% of salaries for local governments and 0.37% for school districts. In addition, the state contributed coal severance tax and interest money from the general fund. The interest was contributed monthly and the severance tax was contributed quarterly. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2121. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

Target Allocations

PERS

<u>Asset Class</u>	<u>Target Asset Allocation</u>	Real Rate of Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Cash Equivalents	2.60%	4.00%	0.10%
Domestic Equity	36.00%	4.55%	1.64%
Foreign Equity	18.00%	6.35%	1.14%
Fixed Income	23.40%	1.00%	0.23%
Private Equity	12.00%	7.75%	0.93%
Real Estate	<u>8.00%</u>	4.00%	<u>0.32%</u>
Total	<u>100.00%</u>		<u>4.37%</u>
	Inflation		2.75%
	Portfolio Return Expectation		7.12%

TOWN OF TWIN BRIDGES
MADISON COUNTY, MONTANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

The long-term expected return on pension plan assets was reviewed as part of the regular experience study prepared for the Plan. The most recent analysis, performed for the period of July 1, 2010 to June 30, 2016, is outlined in a report dated May 2017 and can be located on the MPERA website. The long-term expected rate of return on pension plan investments was determined by considering information from various sources, including historical rates of return, rate of return assumptions adopted by similar public sector systems, and by using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017, are summarized above. The long-term expected nominal rate of return above of 7.12% is an expected portfolio rate of return provided by Board of Investments (BOI), which differs from the total long-term assumed rate of return of 7.65% in the experience study. The assumed investment rate is comprised of a 2.75% inflation rate and a real rate of return of 4.90%.

Sensitivity Analysis

	<u>1.0% Decrease</u>		<u>Current Discount Rate</u>		<u>1.0% Increase</u>
PERS \$	322,109	\$	221,165	\$	136,431

In accordance with GASB 68 regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the above table presents the net pension liability calculated using the discount rate of 7.65%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.65%) or 1.00% higher (8.65%) than the current rate.

Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA (for PERS)) MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the NPL; Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and, Additions to or Deductions from Fiduciary Net Position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

**REQUIRED
SUPPLEMENTARY
INFORMATION**

Town of Twin Bridges, Madison County, Montana
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

	General			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS) See Note A	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
RESOURCES (INFLOWS):				
Taxes and assessments	\$ 86,838	\$ 86,838	\$ 89,646	\$ 2,808
Licenses and permits	2,350	2,350	3,670	1,320
Intergovernmental	68,428	68,428	53,739	(14,689)
Charges for services	1,500	1,500	1,820	320
Miscellaneous	36,461	36,461	6,585	(29,876)
Investment earnings	25	25	30	5
Amounts available for appropriation	<u>\$ 195,602</u>	<u>\$ 195,602</u>	<u>\$ 155,490</u>	<u>\$ (40,112)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
General government	\$ 48,971	\$ 48,971	\$ 26,917	\$ 22,054
Public safety	13,300	13,300	11,458	1,842
Public works	57,815	57,815	47,494	10,321
Public health	100	100	49	51
Culture and recreation	26,555	22,555	21,477	1,078
Debt service - principal	2,500	2,500	-	2,500
Debt service - interest	1,000	1,000	-	1,000
Capital outlay	45,000	45,000	13,270	31,730
Total charges to appropriations	<u>\$ 195,241</u>	<u>\$ 191,241</u>	<u>\$ 120,665</u>	<u>\$ 70,576</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (105)	\$ (4,105)	\$ (4,105)	\$ -
Total other financing sources (uses)	<u>\$ (105)</u>	<u>\$ (4,105)</u>	<u>\$ (4,105)</u>	<u>\$ -</u>
Net change in fund balance			<u>\$ 30,720</u>	
Fund balance - beginning of the year			<u>\$ 40,285</u>	
Fund balance - end of the year			<u>\$ 71,005</u>	

UNAUDITED

Town of Twin Bridges, Madison County, Montana
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2018

	Library			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS (BUDGETARY BASIS) See Note A	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
RESOURCES (INFLOWS):				
Intergovernmental	\$ 1,845	\$ 1,845	\$ 1,480	\$ (365)
Charges for services	43,080	43,080	55,700	12,620
Miscellaneous	5,500	5,500	3,347	(2,153)
Investment earnings	100	100	74	(26)
Amounts available for appropriation	<u>\$ 50,525</u>	<u>\$ 50,525</u>	<u>\$ 60,601</u>	<u>\$ 10,076</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Culture and recreation	\$ 58,690	\$ 58,690	\$ 58,158	\$ 532
Total charges to appropriations	<u>\$ 58,690</u>	<u>\$ 58,690</u>	<u>\$ 58,158</u>	<u>\$ 532</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 4,000	\$ 4,000	\$ 4,000	\$ -
Transfers out	-	-	(1,500)	(1,500)
Total other financing sources (uses)	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 2,500</u>	<u>\$ (1,500)</u>
Net change in fund balance			<u>\$ 4,943</u>	
Fund balance - beginning of the year			<u>\$ 58,998</u>	
Fund balance - end of the year			<u>\$ 63,941</u>	

Town of Twin Bridges, Madison County, Montana
Budgetary Comparison Schedule
Budget-to-GAAP Reconciliation

Note A - Explanation of differences between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>General</u>	<u>Library</u>
Sources/Inflows of resources		
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	\$ 155,490	\$ 60,601
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds.	<u>\$ 155,490</u>	<u>\$ 60,601</u>
Uses/Outflows of resources		
Actual amounts (Budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 120,665	\$ 58,158
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 120,665</u>	<u>\$ 58,158</u>

UNAUDITED

**OTHER
SUPPLEMENTARY
INFORMATION**

47. COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

	2222	2223	2820	2821
	Library Donation	F Library Foundation	GAS APPORTIONMENT	Gas Tax (2nd Porti

ASSETS				
Cash and cash equivalents	2,653.72	17,994.00	57,296.60	4,235.82
Taxes receivable:				
TOTAL ASSETS	2,653.72	17,994.00	57,296.60	4,235.82

Deferred Outflows of Resources				

LIABILITIES				
Accounts payable	95.00	0.00	495.00	0.00
TOTAL LIABILITIES	95.00	0.00	495.00	0.00

Deferred Inflows of Resources				

FUND BALANCES				
Unassigned (negative balance only)	2,558.72	17,994.00	56,801.60	4,235.82
Total Fund Balances	2,558.72	17,994.00	56,801.60	4,235.82
Total Liabilities, Deferred inflows of resources and Fund Balances	2,653.72	17,994.00	57,296.60	4,235.82
=====				

47. COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

	Total Nonmajor Spec. Rev. Funds

ASSETS	
Cash and cash equivalents	82,180.14
Taxes receivable:	
TOTAL ASSETS	----- 82,180.14
Deferred Outflows of Resources	-----
LIABILITIES	
Accounts payable	590.00
TOTAL LIABILITIES	----- 590.00
Deferred Inflows of Resources	-----
FUND BALANCES	
Unassigned (negative balance only)	81,590.14
Total Fund Balances	----- 81,590.14
Total Liabilities, Deferred inflows of resources and Fund Balances	82,180.14 -----

49. COMBINING STATE OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2222 Library Donation Fund

	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	0.00	0.00	0.00	0.00
Charges for services				
Fines and forfeitures				
Miscellaneous	0.00	0.00	389.72	389.72
Total revenues	0.00	0.00	389.72	389.72
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	0.00	0.00	0.00	0.00
Public Health				
Social and Economic Services				
Culture and Recreation				
Supplies/services/materials, etc	2,324.00	2,324.00	155.00	2,169.00
Housing and Community Development				
Conservation of Natural Resources				
Debt Service				
Total expenditures	2,324.00	2,324.00	155.00	2,169.00
Excess of revenues over (under) expenditures	(2,324.00)	(2,324.00)	234.72	2,558.72
OTHER FINANCING SOURCES (USES)				
Transfers in	0.00	0.00	0.00	0.00
Total other financing sources (uses)	0.00	0.00	0.00	0.00
Net change in fund balance	(2,324.00)	(2,324.00)	234.72	2,558.72
Fund balance - July 1, 2017 - -As previously reported	2,324.00	2,324.00	2,324.00	0.00
Fund balance - July 1, 2017 - As restated	2,324.00	2,324.00	2,324.00	0.00
Fund balance - June 30, 2018	0.00	0.00	2,558.72	2,558.72

49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2222 Library Donation Fund

Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
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49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2223 Library Foundation (501C3)

	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	0.00	0.00	0.00	0.00
Charges for services				
Fines and forfeitures				
Miscellaneous	0.00	0.00	25,263.00	25,263.00
Total revenues	0.00	0.00	25,263.00	25,263.00
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	0.00	0.00	0.00	0.00
Public Health				
Social and Economic Services				
Culture and Recreation				
Supplies/services/materials, etc	0.00	0.00	21,690.00	(21,690.00)
Housing and Community Development				
Conservation of Natural Resources				
Debt Service				
Total expenditures	0.00	0.00	21,690.00	(21,690.00)
Excess of revenues over (under) expenditures	0.00	0.00	3,573.00	3,573.00
OTHER FINANCING SOURCES (USES)				
Transfers in	0.00	0.00	0.00	0.00
Total other financing sources (uses)	0.00	0.00	0.00	0.00
Net change in fund balance	0.00	0.00	3,573.00	3,573.00
Fund balance - July 1, 2017 - -As previously reported	14,421.00	14,421.00	14,421.00	0.00
Fund balance - July 1, 2017 - As restated	14,421.00	14,421.00	14,421.00	0.00
Fund balance - June 30, 2018	14,421.00	14,421.00	17,994.00	3,573.00

49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2223 Library Foundation (501C3)

Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
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49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2820 GAS APPORTIONMENT TAX

	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	10,819.00	10,819.00	10,819.18	0.18
Charges for services				
Fines and forfeitures				
Miscellaneous	10.00	10.00	1,156.20	1,146.20
Total revenues	10,829.00	10,829.00	11,975.38	1,146.38
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	21,100.00	21,100.00	11,158.24	9,941.76
Public Health				
Social and Economic Services				
Culture and Recreation				
Supplies/services/materials, etc	0.00	0.00	0.00	0.00
Housing and Community Development				
Conservation of Natural Resources				
Debt Service				
Total expenditures	21,100.00	21,100.00	11,158.24	9,941.76
Excess of revenues over (under) expenditures	(10,271.00)	(10,271.00)	817.14	11,088.14
OTHER FINANCING SOURCES (USES)				
Transfers in	0.00	0.00	0.00	0.00
Total other financing sources (uses)	0.00	0.00	0.00	0.00
Net change in fund balance	(10,271.00)	(10,271.00)	817.14	11,088.14
Fund balance - July 1, 2017 - -As previously reported	55,984.46	55,984.46	55,984.46	0.00
Fund balance - July 1, 2017 - As restated	55,984.46	55,984.46	55,984.46	0.00
Fund balance - June 30, 2018	45,713.46	45,713.46	56,801.60	11,088.14

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TOWN OF TWIN BRIDGES

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49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2620 GAS APPORTIONMENT TAX

Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
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49. COMBINING STATE OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2821 Gas Tax (2nd Portion)

	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	4,126.00	4,126.00	4,025.82	(100.18)
Charges for services				
Fines and forfeitures				
Miscellaneous	0.00	0.00	0.00	0.00
Total revenues	4,126.00	4,126.00	4,025.82	(100.18)
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	4,126.00	4,126.00	0.00	4,126.00
Public Health				
Social and Economic Services				
Culture and Recreation				
Supplies/services/materials, etc	0.00	0.00	0.00	0.00
Housing and Community Development				
Conservation of Natural Resources				
Debt Service				
Total expenditures	4,126.00	4,126.00	0.00	4,126.00
Excess of revenues over (under) expenditures	0.00	0.00	4,025.82	4,025.82
OTHER FINANCING SOURCES (USES)				
Transfers in	210.00	210.00	210.00	0.00
Total other financing sources (uses)	210.00	210.00	210.00	0.00
Net change in fund balance	210.00	210.00	4,235.82	4,025.82
Fund balance - July 1, 2017 - -As previously reported	0.00	0.00	0.00	0.00
Fund balance - July 1, 2017 - As restated	0.00	0.00	0.00	0.00
Fund balance - June 30, 2018	210.00	210.00	4,235.82	4,025.82

49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

2821 Gas Tax (2nd Portion)

Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
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49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - TOTAL NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

	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	14,945.00	14,945.00	14,845.00	(100.00)
Charges for services				
Fines and forfeitures				
Miscellaneous	10.00	10.00	26,808.92	26,798.92
Total revenues	14,955.00	14,955.00	41,653.92	26,698.92
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	25,226.00	25,226.00	11,158.24	14,067.76
Public Health				
Social and Economic Services				
Culture and Recreation				
Supplies/services/materials, etc	2,324.00	2,324.00	21,845.00	(19,521.00)
Housing and Community Development				
Conservation of Natural Resources				
Debt Service				
Total expenditures	27,550.00	27,550.00	33,003.24	(5,453.24)
Excess of revenues over (under) expenditures	(12,595.00)	(12,595.00)	8,650.68	21,245.68
OTHER FINANCING SOURCES (USES)				
Transfers in	210.00	210.00	210.00	0.00
Total other financing sources (uses)	210.00	210.00	210.00	0.00
Net change in fund balance	(12,385.00)	(12,385.00)	8,860.68	21,245.68
Fund balance - July 1, 2017 - -As previously reported	72,729.46	72,729.46	72,729.46	0.00
Fund balance - July 1, 2017 - As restated	72,729.46	72,729.46	72,729.46	0.00
Fund balance - June 30, 2018	60,344.46	60,344.46	81,590.14	21,245.68

49. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - TOTAL NONMAJOR SPECIAL REVENUE FUNDS
For the year ending June 30, 2018

Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
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TOWN OF TWIN BRIDGES
 55. COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
 For the year ending June 30, 2018

	4000	4001	Total Nonmajor
	CAPITAL PROJECTS	Library - Capital	Cap. Proj. Funds
ASSETS			
Cash and cash equivalents	32,383.86	1,500.00	33,883.86
Investments	7,972.86	0.00	7,972.86
Taxes receivable:			
Mobiles	4.48	0.00	4.48
Real estate	100.89	0.00	100.89
Net proceeds	81.81	0.00	81.81
Personal	12.01	0.00	12.01
Protested	6.10	0.00	6.10
TOTAL ASSETS	40,562.01	1,500.00	42,062.01
Deferred Outflows of Resources			
LIABILITIES			
Deferred Inflows of Resources			
Deferred Inflows of Tax Revenues	205.29	0.00	205.29
Total Deferred Inflows of Resources	205.29	0.00	205.29
FUND BALANCES			
Unassigned (negative balance only)	40,356.72	1,500.00	41,856.72
Total Fund Balances	40,356.72	1,500.00	41,856.72
Total Liabilities, Deferred inflows of resources and Fund Balances	40,562.01	1,500.00	42,062.01

57. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR CAPITAL PROJECTS FUNDS
For the year ending June 30, 2018

4000 CAPITAL PROJECTS

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
REVENUES				
Taxes				
Property Taxes	1,462.00	1,462.00	1,425.90	(36.10)
Licenses and permits				
Intergovernmental revenue (See supplemental section for detail)				
Charges for services				
Fines and forfeitures				
Miscellaneous				
Investment and royalty earnings	15.00	15.00	15.88	0.88
Total revenues	1,477.00	1,477.00	1,441.78	(35.22)
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	9,000.00	9,000.00	0.00	9,000.00
Public Health				
Social and Economic Services				
Culture and Recreation				
Housing and Community Development				
Conservation of Natural Resources				
Capital expenditures	25,000.00	16,000.00	9,714.78	6,285.22
Debt Service				
Total expenditures	34,000.00	25,000.00	9,714.78	15,285.22
Excess of revenues over (under) expenditures	(32,523.00)	(23,523.00)	(8,273.00)	15,250.00
OTHER FINANCING SOURCES (USES)				
Transfers in	0.00	0.00	0.00	0.00
Transfers out	(105.00)	(105.00)	(105.00)	0.00
Total other financing sources (uses)	(105.00)	(105.00)	(105.00)	0.00
Net change in fund balance	(32,628.00)	(23,628.00)	(8,378.00)	15,250.00
Fund balance - July 1, 2017 - -As previously reported	48,734.72	48,734.72	48,734.72	0.00
Fund balance - July 1, 2017 - As restated	48,734.72	48,734.72	48,734.72	0.00

57. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR CAPITAL PROJECTS FUNDS
For the year ending June 30, 2018

4000 CAPITAL PROJECTS

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
Fund balance - June 30, 2018	16,106.72	25,106.72	40,356.72	15,250.00

57. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR CAPITAL PROJECTS FUNDS
For the year ending June 30, 2018

4001 Library - Capital Improvements/Depreciation

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
REVENUES				
Taxes				
Property Taxes	0.00	0.00	0.00	0.00
Licenses and permits				
Intergovernmental revenue (See supplemental section for detail)				
Charges for services				
Fines and forfeitures				
Miscellaneous				
Investment and royalty earnings	0.00	0.00	0.00	0.00
Total revenues	0.00	0.00	0.00	0.00
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	0.00	0.00	0.00	0.00
Public Health				
Social and Economic Services				
Culture and Recreation				
Housing and Community Development				
Conservation of Natural Resources				
Capital expenditures	0.00	0.00	0.00	0.00
Debt Service				
Total expenditures	0.00	0.00	0.00	0.00
Excess of revenues over (under) expenditures	0.00	0.00	0.00	0.00
OTHER FINANCING SOURCES (USES)				
Transfers in	0.00	0.00	1,500.00	1,500.00
Transfers out	0.00	0.00	0.00	0.00
Total other financing sources (uses)	0.00	0.00	1,500.00	1,500.00
Net change in fund balance	0.00	0.00	1,500.00	1,500.00
Fund balance - July 1, 2017 - -As previously reported	0.00	0.00	0.00	0.00
Fund balance - July 1, 2017 - As restated	0.00	0.00	0.00	0.00

57. COMBINING STATEMENT OF REVENUE, EXPENDITURE, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - NONMAJOR CAPITAL PROJECTS FUNDS
For the year ending June 30, 2018

4001 Library - Capital Improvements/Depreciation

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
Fund balance - June 30, 2018	0.00	0.00	1,500.00	1,500.00

57. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
For the year ending June 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
REVENUES				
Taxes				
Property Taxes	1,462.00	1,462.00	1,425.90	(36.10)
Licenses and permits				
Intergovernmental revenue (See supplemental section for detail)				
Charges for services				
Fines and forfeitures				
Miscellaneous				
Investment and royalty earnings	15.00	15.00	15.88	0.88
Total revenues	1,477.00	1,477.00	1,441.78	(35.22)
EXPENDITURES				
Current:				
General Government				
Public Safety				
Public Works				
Supplies/services/materials, etc	9,000.00	9,000.00	0.00	9,000.00
Public Health				
Social and Economic Services				
Culture and Recreation				
Housing and Community Development				
Conservation of Natural Resources				
Capital expenditures	25,000.00	16,000.00	9,714.78	6,285.22
Debt Service				
Total expenditures	34,000.00	25,000.00	9,714.78	15,285.22
Excess of revenues over (under) expenditures	(32,523.00)	(23,523.00)	(8,273.00)	15,250.00
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out	0.00	0.00	1,500.00	1,500.00
Transfers out	(105.00)	(105.00)	(105.00)	0.00
Total other financing sources (uses)	(105.00)	(105.00)	1,395.00	1,500.00
Net change in fund balance	(32,628.00)	(23,628.00)	(6,878.00)	16,750.00
Fund balance - July 1, 2017 - -As previously reported	48,734.72	48,734.72	48,734.72	0.00
Fund balance - July 1, 2017 - As restated	48,734.72	48,734.72	48,734.72	0.00

57. COMBINING STMT OF REV, EXPEND, & CHANGES IN FUND BALANCES - BUDGET & ACTUAL - TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
For the year ending June 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Neg)
Fund balance - June 30, 2018	16,106.72	25,106.72	41,856.72	16,750.00

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TOWN OF TWIN BRIDGES
Detail Ledger Query
For the Accounting Periods: 7/17 - 13/18

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Accounts 330000-339999

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
1000 GENERAL FUND						
334123 CDBG						
RV 2151 1	Subdivision Plans Grant		12/17		11,067.08	
	Account Total:				11,067.08	11,067.08 CR
335075 Gambling License & Permits						
RV 2143 1	Gambling Permit		10/17		900.00	
RV 2176 1	Gambling Permits		1/18		300.00	
RV 2217 1	FY18 VGM Permit Distribution		4/18		50.00	
	Account Total:				1,250.00	1,250.00 CR
335230 State Entitlement Share						
RV 2131 1	FY18 1st Quarter State Ent Pay		9/17		10,355.44	
RV 2159 1	FY18 2nd Quarter State Ent Pay		12/17		10,355.44	
RV 2198 1	3rd quarter FY17-18 State Enti		3/18		10,355.44	
RV 2231 1	4th Quarter FY2018 State Entit		6/18		10,355.44	
	Account Total:				41,421.76	41,421.76 CR
	Fund Total:			0.00	53,738.84	

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TOWN OF TWIN BRIDGES
Detail Ledger Query
For the Accounting Periods: 7/17 - 13/18

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Accounts 330000-339999

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
2220 LIBRARY						
334101 Broad Valley Federation						
RV 2199 1	Broad Valley Fed. (FY17-18)		3/18		1,480.00	
	Account Total:				1,480.00	1,480.00 CR
	Fund Total:			0.00	1,480.00	

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TOWN OF TWIN BRIDGES
Detail Ledger Query
For the Accounting Periods: 7/17 - 12/18

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Accounts 330000-339999

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
2620 GAS APPORTIONMENT TAX						
335040 Gas Tax Apportionment						
RV 2120 1	Gas Tax FY18 (July)		7/17		901.58	
RV 2124 1	Gas Tax FY18 (August)		8/17		901.60	
RV 2129 1	Gas Tax FY18 (September)		9/17		901.60	
RV 2137 1	Gas Tax FY18 (October)		10/17		901.60	
RV 2146 1	Gas Tax FY18 (November)		11/17		901.60	
RV 2156 1	Gas Tax FY18 (December)		12/17		901.60	
RV 2167 1	Gas Tax FY18 (January)		1/18		901.60	
RV 2183 1	Gas Tax FY18 (February)		2/18		901.60	
RV 2195 1	Gas Tax FY18 (March)		3/18		901.60	
RV 2207 1	Gas Tax FY18 (April)		4/18		901.60	
RV 2222 1	Gas Tax FY18 (May)		5/18		901.60	
RV 2230 1	Gas Tax June 2018		6/18		901.60	
	Account Total:				10,819.18	10,819.18 CR
	Fund Total:			0.00	10,819.18	

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TOWN OF TWIN BRIDGES
Detail Ledger Query
For the Accounting Periods: 7/17 - 13/18

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Accounts 330000-339999

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
2821 Gas Tax (2nd Portion)						
335040 Gas Tax Apportionment						
CL 10227 1	041118 Deposit Reversal	MONTANA DEPARTMENT OF TRAN	4/18	7,180.49		
RV 2208 1	BARSAA (FY17-18)		4/18		4,025.82	
RV 2219 1	BARSAA (FY17-18)		4/18		7,180.49	
	Account Total:			7,180.49	11,206.31	4,025.82 CR
	Fund Total:			7,180.49	11,206.31	

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TOWN OF TWIN BRIDGES
Detail Ledger Query
For the Accounting Periods: 7/17 - 13/18

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Accounts 330000-339999

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
5210 WATER FUND						
336020 Revenue State Aid/Coal Trust						
JV 1029 2	Revenue-State Aid		13/18		48.00	
JV 1029 3	Revenue - Coal Trust		13/18		1,068.00	
	Account Total:				1,116.00	1,116.00 CR
	Fund Total:			0.00	1,116.00	

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TOWN OF TWIN BRIDGES
Detail Ledger Query
For the Accounting Periods: 7/17 - 13/18

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Accounts 330000-339999

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
5310 SEWER FUND						
336020 Revenue State Aid/Coal Trust						
JV 1029 8	Revenue State Aid		13/18		48.00	
JV 1029 9	Revenue Coal Trust		13/18		1,068.00	
	Account Total:				1,116.00	1,116.00 CR
	Fund Total:			0.00	1,116.00	

12/07/18
10:55:45

TOWN OF TWIN BRIDGES
Detail Ledger Query
For the Accounting Periods: 7/17 - 13/18

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Accounts 330000-339999

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
7120 FIRE DISABILITY						
330000 INTERGOVERNMENTAL REVENUE						
CL 10163 1	030218	Payment from the State o TWIN BRIDGES FIRE DEPARTME	3/18	721.00		
RV 2193 1	State Payment		3/18		721.00	
	Account Total:			721.00	721.00	
	Fund Total:			721.00	721.00	
	Grand Total:			7,901.49	80,197.33	

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
1000 GENERAL FUND						
101000 CASH	39,212.38	156,345.34	0.00	0.00	123,156.55	72,401.17
101200 Savings 39415	2,583.41	30.41	0.00	0.00	0.00	2,613.82
Total Fund	41,795.79	156,375.75	0.00	0.00	123,156.55	75,014.99
Total 1000 GENERAL FUND	41,795.79	156,375.75	0.00	0.00	123,156.55	75,014.99
2220 LIBRARY						
101000 CASH	29,782.87	60,527.31	4,000.00	0.00	59,525.46	34,784.72
101212 Library CD 40397	15,044.37	11.13	0.00	0.00	0.00	15,055.50
101213 Library CD 40398	15,095.90	62.37	0.00	0.00	0.00	15,158.27
102213 CD#40398 (Library)	0.00	16.94	0.00	16.94	0.00	0.00
103000 Petty Cash	250.00	0.00	0.00	0.00	0.00	250.00
Total Fund	60,173.14	60,617.75	4,000.00	16.94	59,525.46	65,248.49
2222 Library Donation Fund						
101000 CASH	2,324.00	389.72	0.00	0.00	60.00	2,653.72
2223 Library Foundation (501C3)						
101000 CASH	14,421.00	3,573.00	0.00	0.00	0.00	17,994.00
2820 GAS APPORTIONMENT TAX						
101000 CASH	56,484.46	11,975.38	0.00	0.00	11,163.24	57,296.60
2821 Gas Tax (2nd Portion)						
101000 CASH	0.00	11,206.31	210.00	0.00	7,180.49	4,235.82
Total 2000	133,402.60	87,762.16	4,210.00	16.94	77,929.19	147,428.63
4000 CAPITAL PROJECTS						
101000 CASH	40,778.05	7,425.59	0.00	0.00	15,819.78	32,383.86
101204 CD# 18905 Capital	7,956.98	15.88	0.00	0.00	0.00	7,972.86
Total Fund	48,735.03	7,441.47	0.00	0.00	15,819.78	40,356.72
4001 Library - Capital Improvements/Depreciation Fund						
101000 CASH	0.00	0.00	1,500.00	0.00	0.00	1,500.00
Total 4000 CAPITAL PROJECTS	48,735.03	7,441.47	1,500.00	0.00	15,819.78	41,856.72
5210 WATER FUND						
101000 CASH	48,530.83	143,842.65	0.00	263.97	132,328.29	59,781.22
101200 Savings 39415	17,602.75	0.00	5,000.00	0.00	0.00	22,602.75
101206 CD #30164 - WATER	29,586.00	41.75	0.00	0.00	0.00	29,627.75
101208 CD #3036 Water	33,775.00	123.14	0.00	0.00	0.00	33,898.14
102206 CD #30164 - WATER	0.27	3.89	0.00	4.16	0.00	0.00
102208 CD #3036 Water	-0.28	27.79	0.00	27.51	0.00	0.00
Total Fund	129,494.57	144,039.22	5,000.00	295.64	132,328.29	145,909.86
5310 SEWER FUND						
101000 CASH	102,715.80	142,756.22	7,336.11	16,684.33	153,543.32	82,580.48
101210 Sewer Reserve (Repairs and	0.00	0.00	5,000.00	0.00	0.00	5,000.00
102203 CD #40174 - SEWER (loan	20,640.17	16,475.82	0.00	12,349.00	0.00	24,767.99
102240 Sewer Replacement Account	41,500.00	0.00	0.00	0.00	0.00	41,500.00
Total Fund	164,855.97	159,232.04	12,336.11	29,032.33	153,543.32	153,848.47
Total 5000	294,350.54	303,271.26	17,336.11	29,327.97	285,871.61	299,758.33
7010 Library Donation Fund (Special Requests)						
101000 CASH	0.36	389.36	0.00	389.72	0.00	0.00
7120 FIRE DISABILITY						

TOWN OF TWIN BRIDGES
Schedule of Cash Receipts & Disbursements
For the Year 2017-2018

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
101000 CASH	369.83	2,146.59	0.00	0.00	2,138.31	378.11
7910 PAYROLL CLEARING						
101000 CASH	6,089.45	0.00	222,323.85	219,980.85	0.00	8,432.45
7930 CLAIMS CLEARING FUND						
101000 CASH	4,125.29	0.00	259,545.48	258,552.38	0.00	5,118.39
Total 7000	10,584.93	2,535.95	481,869.33	478,922.95	2,138.31	13,928.95
Totals	528,868.89	557,386.59	504,915.44	508,267.86	504,915.44	577,987.62

Cash Lead Sheet

	Range of Interest Rates	Maturity Date	Balance Per Bank Statement 6/30/2018	Deposits in Transit	Outstanding Checks	Other Cash Items	OS Payroll Liabilities	Book Balance 6/30/2018
Cash on Hand:								
Petty cash - Library			250					250
Total			250					250
Demand Deposits:								
Ruby Valley 116858			395,917	67				395,984
Total			395,917	67				395,984
Savings, NDE, Money Market Deposits:								
Library 501C 3 Fund			14,421					14,421
Ruby Valley 39415 Reserve			24,931					24,931
Total			39,352					39,352
Time Deposits:								
Ruby Valley CD 18905 (Capital Impr)			7,973					7,973
Ruby Valley CD 30164 (water)			29,628					29,628
Ruby Valley CD 33036 (water)			33,898					33,898
Ruby Valley CD 40174 (Sewer)			37,116					37,116
Ruby Valley CD 40397 (library)			15,056					15,056
Ruby Valley CD 40398 (Library)			15,158					15,158
Total			138,829					138,829
Total Cash and Deposits			574,348	67				574,415

Leadsheets

Per Cash Report	
General	\$ 75,015
Library	\$ 65,248
Library Donation Fund	\$ 2,654
Library Foundation (501C3)	\$ 14,421
Gas Tax	\$ 57,297
Gas Tax (2nd)	\$ 4,236
Capital Projects	\$ 40,357
Library Capital Improvement Projects	\$ 1,500,000
Water Fund	\$ 145,910
Sewer Funds	\$ 153,848
Fire Disability	\$ 378
Payroll Clearing Fund	\$ 8,432
Claims Clearing Fund	\$ 5,118
Total Cash per Financials	\$ 574,415
Difference	\$ (0)

**GENERAL
INFORMATION
SECTION**

GENERAL INFORMATION
(Complete all portions applicable to entity)

1. Class of county/city	
2. Date of incorporation	Town
3. County seat	1902
4. Form of government	
5. Population (most recent estimate)	Comm-Ex
6. Land area	375
7. Miles of roads/streets/alleys	
8. Taxable valuation	6,473
9. Road taxable valuation (county)	483,018
10. Number of water consumers	
11. Average daily water consumption	276
12. Miles of water main	
13. Miles of sanitary and storm sewers	
14. Number of building permits issued	
15. Number of full-time employees	3

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

Fund/activity	Mills
General Fund	137.20
Fire Disability	3.00
Capital Improvements	3.00
TOTAL	143.20