



Accountant's Financial Statement Preparation Report

BOARD OF DIRECTORS
ST. MARY'S GLACIER WATER AND SANITATION DISTRICT

I have prepared the accompanying balance sheet of St. Mary's Glacier Water and Sanitation District as of December 31, 2018 and June 30, 2019 and the related statements of revenues and expenditures for the periods then ended for St. Mary's Glacier Water and Sanitation District. I have not audited, reviewed or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

I have also prepared the accompanying proposed budgets of revenues, expenditures and funds available prepared on the modified accrual basis of St. Mary's Glacier Water and Sanitation District for the year ending December 31, 2020.

Substantially all of the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

A handwritten signature in black ink, appearing to read "B. Campbell", is written over a horizontal line.

Brendan Campbell, CPA
October 14, 2019

ST. MARY'S GLACIER WATER AND SANITATION DISTRICT			10/14/2019
BALANCE SHEET			
December 31, 2018 and June 30, 2019			
	Unaudited Actual 12/31/2018	Unaudited Actual 6/30/2019	
Assets			
Current Assets			
Cash, Checking	\$ 57,549	\$ 91,731	
Accounts Receivable - User Fees	75,703	157,704	
Accounts Receivable - Misc	1,785	4,607	
Accounts Receivable - County Certified	51,542	47,577	
Accounts Receivable - D & E Grant	41,481	156,524	
Accounts Receivable - Loan	33,231	100,995	
Property Tax Receivable	28,742	2,317	
Due from County	141	7,988	
Prepaid Expenses	3,633	-	
Total Current Assets	\$ 293,807	\$ 569,443	
Total Assets	\$ 293,807	\$ 569,443	
Liabilities			
Current Liabilities			
Accounts Payable	\$ 68,210	\$ 193,862	
Payroll Liabilities	1,373	2,353	
Deferred Rev - Property Taxes	28,742	2,317	
Deferred Rev - User Fees	20,789	44,476	
Total Current Liabilities	\$ 119,114	\$ 243,008	
Total Liabilities	\$ 119,114	\$ 243,008	
Fund Equity			
Fund Balance			
Restricted	\$ 32,366	\$ 121,935	
Unassigned	142,327	204,500	
Total Fund Balance	\$ 174,693	\$ 326,435	
Total Liabilities and Fund Balance	\$ 293,807	\$ 569,443	
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ST. MARY'S GLACIER WATER AND SANITATION DISTRICT								10/14/2019
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS								
December 31, 2018 Actual, 2019 Adopted Budget and Projected Actual								
Year-to-Date Actual, Budget and Variance Through June 30, 2019								
2020 Proposed Budget								
Modified Accrual Budgetary Basis								
GENERAL FUND	2018	2019	2019	Actual	Budget	Variance	2020	
	Unaudited	Adopted	Projected	Through	Through	Through	Proposed	
Revenues	Actual	Budget	Actual	6/30/2019	6/30/2019	6/30/2019	Budget	
Property Taxes	\$ 28,748	\$ 28,742	\$ 28,742	\$ 26,425	\$ 25,353	\$ 1,072	\$ 34,970	Prelim AV \$7,243,190 x 4.828 mills
Specific Ownership Taxes	1,601	1,437	1,735	954	720	234	2,098	6% of Property Taxes
Interest on Delinquent Taxes	133	-	100	28	-	28	-	
Total Revenues	\$ 30,482	\$ 30,179	\$ 30,477	\$ 27,407	\$ 26,073	\$ 1,334	\$ 37,068	
Expenditures								
Administrative								
Audit	\$ 9,956	\$ 7,500	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500	2019 engagement letter
Elections	-	-	-	-	-	-	1,500	Estimate - if cancelled
Legal	18,000	13,000	10,000	6,500	6,500	-	13,500	Administrative legal costs
Office Supplies and Miscellaneous	-	8,440	12,962	6,481	4,218	2,263	13,000	Postage, mailings, Bill.com fees, etc.
Treasurer's Fees	866	862	862	794	760	34	1,049	3% of Property Taxes
Total Expenditures	\$ 28,822	\$ 29,802	\$ 31,324	\$ 13,775	\$ 11,478	\$ 2,297	\$ 36,549	
Revenues Over/(Under) Exp	\$ 1,660	\$ 377	\$ (847)	\$ 13,632	\$ 14,595	\$ (963)	\$ 519	
Other Sources/(Uses) of Funds								
Transfer from Enterprise Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Other Sources/(Uses) of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Revenues and Other Sources/(Uses) of Funds Over/(Under) Exp	\$ 1,660	\$ 377	\$ (847)	\$ 13,632	\$ 14,595	\$ (963)	\$ 519	
Beginning Fund Balance	\$ 878	\$ 3,184	\$ 2,538	\$ 2,538	\$ 3,184	\$ (646)	\$ 1,691	
Ending Fund Balance	\$ 2,538	\$ 3,561	\$ 1,691	\$ 16,170	\$ 17,779	\$ (1,609)	\$ 2,210	
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ST. MARY'S GLACIER WATER AND SANITATION DISTRICT							10/14/2019	
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS								
December 31, 2018 Actual, 2019 Adopted Budget and Projected Actual								
Year-to-Date Actual, Budget and Variance Through June 30, 2019								
2020 Proposed Budget								
Modified Accrual Budgetary Basis								
ENTERPRISE FUND								
	2018	2019	2019	Actual	Budget	Variance	2020	
	Unaudited	Adopted	Projected	Through	Through	Through	Proposed	
Revenues	Actual	Budget	Actual	6/30/2019	6/30/2019	6/30/2019	Budget	
User Fees and Surcharges	\$ 596,655	\$ 684,870	\$ 684,870	\$ 345,800	\$ 342,435	\$ 3,365	\$ 703,380	Quarterly rate \$555 to \$570 (2.7% inc)
Late Charges & Interest	-	4,000	1,000	591	2,000	(1,409)	1,000	Estimate
Administrative Transfer Fees	16,300	8,000	7,200	3,600	4,000	(400)	8,000	\$400/closing estimated 20 closings
Miscellaneous Revenue	12,812	100	-	-	50	(50)	-	Not anticipated in 2020
Total Revenues	\$ 625,767	\$ 696,970	\$ 693,070	\$ 349,991	\$ 348,485	\$ 1,506	\$ 712,380	
Expenditures								
Administrative								
District Management	\$ 51,705	\$ 57,776	\$ 57,776	\$ 28,892	\$ 28,892	\$ -	78,360	Based on standard services
Accounting and Finance	41,097	41,860	41,860	20,932	20,932	-	65,040	Based on standard services
Accounting - Water Shares	2,600	2,400	3,000	1,800	1,200	600	3,000	Estimate
Legal Fees - District	38,291	50,000	45,000	18,509	25,002	(6,493)	50,000	Estimate
Property Closings	-	-	-	-	-	-	3,120	Estimate - billed hourly
Insurance	21,107	21,740	17,089	13,509	14,373	(864)	19,140	12% increase over 2019 actual
Office & Miscellaneous	10,334	-	-	-	-	-	-	General Fund in 2019 & 2020
Permits, Fees and Memberships	3,820	5,150	3,376	1,688	2,574	(886)	3,500	Estimate
Telephone and Internet Service	1,768	2,270	2,498	1,249	1,134	115	2,573	3% increase over 2019 projected
Water Assessments - Vidler Water	6,151	6,336	6,301	6,301	6,336	(35)	6,490	3% increase over 2019 projected
Settlement	1,926	-	-	-	-	-	-	No amount budgeted in 2020
Bad Debts	(33,181)	54,790	30,000	23,686	27,396	(3,710)	42,203	Estimated 6% uncollectible in 2020
Operations and Maintenance								
System Maint - ORC Contract	178,620	183,979	180,998	90,499	91,992	(1,493)	186,428	3% increase over 2019 projected
System Maint/Repair - Non-Contract	17,063	25,000	43,166	21,583	12,498	9,085	40,000	Estimate
Parts and Materials	47,254	46,350	44,766	17,383	23,178	(5,795)	45,000	Estimate
Tools	-	-	-	-	-	-	1,000	New line item in 2020
Water Sampling and Testing	10,728	4,215	4,215	-	-	-	4,341	3% increase over 2018 projected
Chemicals	9,218	8,037	14,590	7,295	4,020	3,275	15,028	3% increase over 2018 projected
Permits and Fees, Operations	7,736	7,725	5,000	-	1,000	(1,000)	5,150	3% increase over 2018 projected
Bldg Rental & Equip Storage - Metro	5,580	6,000	7,466	3,733	3,000	733	7,500	Estimate
Fuel & Mileage	3,074	3,605	3,378	1,689	1,800	(111)	3,500	3% increase over 2018 projected
Machinery & Auto Maint & Repair	7,546	8,240	5,000	813	4,122	(3,309)	8,200	3% increase over 2018 projected
Machinery Rental	20	1,545	-	-	774	(774)	-	Not anticipated in 2020
Utilities Technician Compensation	58,365	58,835	58,835	29,169	29,418	(249)	60,600	Allowance for employee compensation
Utilities, Trash & Utility Locates	19,562	21,039	19,938	12,717	12,020	697	20,536	3% increase over 2018 projected
Total Expenditures	\$ 510,384	\$ 616,892	\$ 594,252	\$ 301,447	\$ 311,661	\$ (10,214)	\$ 670,709	
Revenues Over/(Under) Exp	\$ 115,383	\$ 80,078	\$ 98,818	\$ 48,544	\$ 36,824	\$ 11,720	\$ 41,671	
Other Sources/(Uses) of Funds								
Transfer to Debt Service Fund	\$ (1,822)	\$ (35,401)	\$ -	\$ -	\$ -	\$ -	\$ -	User fees to partially cover debt service
Net Other Sources/(Uses) of Funds	\$ (1,822)	\$ (35,401)	\$ -	\$ -	\$ -	\$ -	\$ -	
Revenues and Other Sources/(Uses) of Funds Over/(Under) Exp								
	\$ 113,561	\$ 44,677	\$ 98,818	\$ 48,544	\$ 36,824	\$ 11,720	\$ 41,671	
Beginning Fund Balance	\$ 27,142	\$ 35,468	\$ 140,703	\$ 140,703	\$ 35,468	\$ 105,235	\$ 239,521	
Ending Fund Balance	\$ 140,703	\$ 80,145	\$ 239,521	\$ 189,247	\$ 72,292	\$ 116,955	\$ 281,192	
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Targeted 3-Month Operating Reserve	\$ 127,596	\$ 154,223	\$ 148,563				\$ 167,677	
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ST. MARY'S GLACIER WATER AND SANITATION DISTRICT								10/14/2019
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS								
December 31, 2018 Actual, 2019 Adopted Budget and Projected Actual								
Year-to-Date Actual, Budget and Variance Through June 30, 2019								
2020 Proposed Budget								
Modified Accrual Budgetary Basis								
DEBT SERVICE FUND	2018	2019	2019	Actual	Budget	Variance	2020	
	Unaudited	Adopted	Projected	Through	Through	Through	Proposed	
Revenues	Actual	Budget	Actual	6/30/2019	6/30/2019	6/30/2019	Budget	
Availability of Service (AOS) Fees	\$ 24,690	\$ 99,600	\$ 99,600	\$ 98,400	\$ 99,600	\$ (1,200)	\$ 99,600	\$240 annual fee x 415 accounts
AOS Late Charges	-	-	1,562	1,562	-	1,562	1,500	Estimate
Total Revenues	\$ 24,690	\$ 99,600	\$ 101,162	\$ 99,962	\$ 99,600	\$ 362	\$ 101,100	
Expenditures								
1999 DOLA Loan - Principal	\$ 5,598	\$ 4,407	\$ 4,407	\$ -	\$ -	\$ -	\$ -	Debt paid off in 2019
1999 DOLA Loan - Interest	500	220	220	-	-	-	-	Debt paid off in 2019
2001 DOLA Loan - Principal	16,769	17,634	17,634	-	-	-	18,516	Debt schedule
2001 DOLA Loan - Interest	3,645	2,780	2,780	-	-	-	1,898	Debt schedule
2018 DOLA Loan - Principal	-	100,000	5,000	-	-	-	60,847	Debt schedule
Bad Debts	-	9,960	14,940	-	-	-	14,940	Estimated 15% uncollectible in 2020
Total Expenditures	\$ 26,512	\$ 135,001	\$ 44,981	\$ -	\$ -	\$ -	\$ 96,201	
Revenues Over/(Under) Exp	\$ (1,822)	\$ (35,401)	\$ 56,181	\$ 99,962	\$ 99,600	\$ 362	\$ 4,899	
Other Sources/(Uses) of Funds								
Transfer from Enterprise (User Fees)	\$ 1,822	\$ 35,401	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Other Sources/(Uses) of Funds	\$ 1,822	\$ 35,401	\$ -	\$ -	\$ -	\$ -	\$ -	
Revenues and Other Sources/(Uses) of Funds Over/(Under) Exp	\$ -	\$ -	\$ 56,181	\$ 99,962	\$ 99,600	\$ 362	\$ 4,899	
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,181	
Ending Fund Balance	\$ -	\$ -	\$ 56,181	\$ 99,962	\$ 99,600	\$ 362	\$ 61,080	
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ST. MARY'S GLACIER WATER AND SANITATION DISTRICT								10/14/2019
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS								
December 31, 2018 Actual, 2019 Adopted Budget and Projected Actual								
Year-to-Date Actual, Budget and Variance Through June 30, 2019								
2020 Proposed Budget								
Modified Accrual Budgetary Basis								
CAPITAL PROJECTS FUND								
	2018	2019	2019	Actual	Budget	Variance	2020	
	Unaudited	Adopted	Projected	Through	Through	Through	Proposed	
Revenues	Actual	Budget	Actual	6/30/2019	6/30/2019	6/30/2019	Budget	
Grant Revenues	\$ 74,813	\$ 240,000	\$ 222,167	\$ 156,524	\$ 183,393	\$ (26,869)	\$ 300,000	Estimate
System Development Fees	72,000	36,000	18,000	18,000	18,000	-	36,000	Estimated 2 system development fees
Total Revenues	\$ 146,813	\$ 276,000	\$ 240,167	\$ 174,524	\$ 201,393	\$ (26,869)	\$ 336,000	
Expenditures								
Testing and Labs	\$ 6,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Flumes/Monitoring Equipment	-	10,000	10,000	-	-	-	5,000	Estimate
Water/Distribution System	-	2,900,000	400,000	58,498	58,498	-	2,400,000	Estimate
Vehicle - Truck	-	-	-	-	-	-	27,500	New line item in 2020
Major Repairs	36,152	-	-	-	-	-	-	
Capital Management Services	-	-	15,000	5,656	-	5,656	15,000	Estimate
Loan Costs of Issuance	28,567	100,000	-	-	-	-	50,000	Estimate - Wastewater
Engineering - Wastewater/Collection	-	-	10,274	5,137	-	5,137	300,000	Estimate
Engineering - Water/Distribution	77,833	262,500	222,167	183,393	183,393	-	100,000	Orsatti proposal
Total Expenditures	\$ 148,592	\$ 3,272,500	\$ 657,441	\$ 252,684	\$ 241,891	\$ 10,793	\$ 2,897,500	
Revenues Over/(Under) Exp	\$ (1,779)	\$ (2,996,500)	\$ (417,274)	\$ (78,160)	\$ (40,498)	\$ (37,662)	\$ (2,561,500)	
Other Sources/(Uses) of Funds								
Loan Proceeds	\$ 33,231	\$ 3,000,000	\$ 400,000	\$ 67,764	\$ -	\$ 67,764	2,550,000	
Net Other Sources/(Uses) of Funds	\$ 33,231	\$ 3,000,000	\$ 400,000	\$ 67,764	\$ -	\$ 67,764	\$ 2,550,000	
Revenues and Other Sources/(Uses) of Funds Over/(Under) Exp								
	\$ 31,452	\$ 3,500	\$ (17,274)	\$ (10,396)	\$ (40,498)	\$ 30,102	\$ (11,500)	
Beginning Fund Balance	\$ -	\$ 1,683	\$ 31,452	\$ 31,452	\$ 1,683	\$ 29,769	\$ 14,178	
Ending Fund Balance	\$ 31,452	\$ 5,183	\$ 14,178	\$ 21,056	\$ (38,815)	\$ 59,871	\$ 2,678	
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