

RESOLUTION NO. 407

**A RESOLUTION AUTHORIZING CASH RECONCILIATION JOURNAL ENTRIES TO
CORRECT CASH BALANCE**

WHEREAS, the Town of Stevensville's cash balance is not reconciled to the Town of Stevensville's financial statements; and

WHEREAS, the Town of Stevensville has not been issued an audit report for fiscal year 2015 per Montana Code Annotated (MCA) 2-7-503 & 2-7-514, due to cash not balancing; and

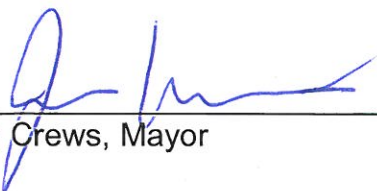
WHEREAS, the Town of Stevensville contracted with Jessica Connolly, CPA to reconcile cash for June 30, 2014 and June 30, 2015; and

NOW THEREFOR, BE IT RESOLVED, that the Town of Stevensville Council authorizes the following journal entries to correct the cash balance per Jessica Connolly's reconciliation results in order to receive a fiscal year 2015 audit report:

Period 13/15 (June 30, 2014 Adjustment)
Credit Cash: Account # 101000 - \$7,026.77
Debit Prior Period Adjustment (PPA): Account # 271500 - \$7,026.77
Period 13/15 (June 30, 2015 Adjustment)
Credit Cash: Account # 101000 - \$33,414.62
Credit Misc Revenue: Account # 360000 - \$33,414.62

Passed and Adopted by the Town Council of the Town of Stevensville, Montana, this 22nd day of May, 2017.

APPROVED:



Jim Crews, Mayor

ATTEST:



Stacy Bartlett, Town Clerk

Connolly Accounting & Tax Services
Jessica M. Connolly, CPA



P.O. Box 426 ♦ St. Regis, MT 59866 ♦ (406) 649-7206

May 1, 2017

To: Jim Crews, Town of Stevensville - Mayor

I have been hired by the Town of Stevensville to perform FY 2016 closing entries and prepare the FY 2016 Annual Financial Report. In addition, the FY 2015 audit report has not been issued due to the fact cash has not balanced for several years. Consequently, I was also been hired to reconcile cash for June 30, 2014 and June 30, 2015.

On April 7th, I completed the cash reconciliations for June 2014 and June 2015, as follows:

June 2014 cash is overstated \$7,026.77, this will be corrected in FY 2015 as a prior period adjustment.

June 2015 cash is understated \$26,387.85 or \$33,414.62 after the \$7,026.77 adjustment above.

I recommend the corrections be made in the General Fund. It is possible the errors are not all related to the General Fund, however, due to the fact the errors could have occurred anytime between July 2013 to June 2015, I do not believe it is cost effective to spend additional time on this issue.

Please inform your auditors as soon as possible the cash adjustments should be made to the General Fund. Once the cash adjustments are completed, the auditors will be able to issue the FY 2015 audit report which has a due date of June 30, 2016.

Sincerely,

Jessica M. Connolly, CPA

Town of Stevensville			
		7/31/2015	
RMB 018 Main checking account	\$	1,655,561.13	
RMB 188 Water Checking	\$	228,880.87	
RMB 706 Drug Forfeiture savings	\$	942.01	
RMB 318 Sewer Checking	\$	381,335.28	
RMB 684 Airport Savings	\$	59,124.72	
RMB 811 CIP Savings Account	\$	106,591.34	
RMB 479 City Fire Engine Savings	\$	36,829.60	
Max Market Savings	\$	209,000.95	
MFCU savings COPS Grant opened 6/5/14	\$	10,002.62	
MFCU 731 Sidewalk savings	\$	9,657.76	
Farmer State Bank 8533600 CD	\$	16,291.74	
Rocky Mountain Bank 6010955 CD	\$	6,529.22	
Bank Total	\$	2,720,747.24	
PLUS			
adj to cash for cd's not at bank	\$	143.62	JV1180, RV3781, RV 3782
DEPOSITS IN TRANSIT	\$	15,217.65	RV3483 8 june court
DEPOSITS IN TRANSIT	\$	16,222.69	TV233
DEPOSITS IN TRANSIT	\$	104.19	UB 3740
Check cleared bank but not redeemed until 11/15	\$	79.58	#-99739
Check cleared bank but not redeemed until 11/15	\$	2,297.12	#-99737
Plus petty cash	\$	150.00	
TOTAL	\$	34,214.85	
LESS			
IE ACH's			
aflac	\$	127.18	
usable life	\$	21.50	
unknown to balance with June	\$	(0.33)	
TOTAL	\$	148.35	
Reconciled Bank Balance	\$	2,754,813.74	
BMS Cash report	\$	2,728,425.89	
Difference	\$	26,387.85	
June 15 variance	\$	26,387.85	
	\$	0.00	

Town of Stevensville				
		6/30/2015		
RMB 018 Main checking account	\$	1,910,284.34	x	
RMB 188 Water Checking	\$	219,049.13	x	
RMB 706 Drug Forfeiture savings	\$	941.99	x	
RMB 318 Sewer Checking	\$	381,335.28	x	
RMB 684 Airport Savings	\$	59,123.21	x	
RMB 811 CIP Savings Account	\$	106,573.24	x	
RMB 479 City Fire Engine Savings	\$	36,824.91	x	
Max Market Savings	\$	208,983.20	x	
MFCU savings COPS Grant opened 6/5/14	\$	5,002.62	x	
MFCU 731 Sidewalk savings	\$	9,657.35	x	
Farmer State Bank 8100280 CD	\$	-		
Farmer State Bank 8532620 CD	\$	-		
Farmer State Bank 8533600 CD	\$	16,291.74	x	
Rocky Mountain Bank 20430000566 CD	\$	-		
Rocky Mountain Bank 6010955 CD	\$	6,529.22	x	
Bank Total	\$	2,960,596.23		
PLUS				
DEPOSITS IN TRANSIT	\$	28.00	RV 3380	swimming
DEPOSITS IN TRANSIT	\$	1,217.52	RV3392	june court
DEPOSITS IN TRANSIT	\$	32,041.42	TV233	
DEPOSITS IN TRANSIT	\$	308.64	UB 3740	
DEPOSITS IN TRANSIT	\$	25.00	RV3383	business licenses
DEPOSITS IN TRANSIT	\$	5,000.00	RV 3566	cops grants
Plus petty cash	\$	150.00		
TOTAL	\$	38,770.58		
LESS				
IE ACH's				
aflac	\$	127.18		
usable life	\$	21.50		
UI	\$	996.79		
TOTAL	\$	1,145.47		
Reconciled Bank Balance	\$	2,998,221.34		
BMS Cash report	\$	2,971,833.49		
Difference	\$	26,387.85		

Town of Stevensville			
		7/31/2014	
RMB 018 Main checking account		\$ 1,720,254.24	
RMB 188 Water Checking		\$ 253,488.35	
RMB 706 Drug Forfeiture savings		\$ 791.77	
RMB 318 Sewer Checking		\$ 195,118.51	
RMB 684 Airport Savings		\$ 1,797.66	
RMB 811 CIP Savings Account		\$ 170,214.42	
RMB 479 City Fire Engine Savings		\$ 58,519.28	
Max Market Savings		\$ 198,916.27	
MFCU savings COPS Grant opened 6/5/14		\$ 5,000.33	
MFCU 731 Sidewalk savings		\$ 9,652.92	
Farmer State Bank 8100280 CD		\$ 45,320.64	
Farmer State Bank 8532620 CD		\$ 56,112.65	
Farmer State Bank 8533600 CD		\$ 16,082.94	
Rocky Mountain Bank 20430000566 CD		\$ 11,224.14	
Rocky Mountain Bank 6010955 CD		\$ 6,477.30	
Bank Total		\$ 2,748,971.42	
PLUS			
	DEPOSITS IN TRANSIT		UB In transit
	DEPOSITS IN TRANSIT	\$ 13,819.90	TV220 8/21/14
	DEPOSITS IN TRANSIT	\$ 35.50	RV 2954 8/1/14
	DEPOSITS IN TRANSIT		
	DEPOSITS IN TRANSIT		
	DEPOSITS IN TRANSIT		
	Plus petty cash	\$ 150.00	
	TOTAL	\$ 14,005.40	
LESS			
	IE ACH's		
	aflac 8/1	\$ 127.18	
	unknown to balance with June PFW	\$ 288.69	
	life insurance 8/1	\$ 43.00	
	Unrecorded drug forfeiture interest for 7/14	\$ 0.02	
	TOTAL	\$ 458.89	
	Reconciled Bank Balance	\$ 2,762,517.93	
	BMS Cash report	\$ 2,769,544.70	
Difference		\$ (7,026.77)	

Town of Stevensville			
		Bank 6/30/14	
RMB 018 Main checking account	\$	1,744,392.19	
RMB 188 Water Checking	\$	273,862.85	Per July Statement
RMB 706 Drug Forfeiture savings	\$	791.75	Per July Statement
RMB 318 Sewer Checking	\$	198,333.09	Per July Statement
RMB 684 Airport Savings	\$	1,797.61	Per July Statement
RMB 811 CIP Savings Account	\$	170,163.84	Per July Statement
RMB 479 City Fire Engine Savings	\$	58,501.89	Per July Statement
Max Market Savings	\$	198,882.49	Per July Statement
MFCU savings COPS Grant opened 6/5/14	\$	5,000.12	Per July Statement
MFCU 731 Sidewalk savings	\$	9,652.51	Per July Statement
Farmer State Bank 8100280 CD	\$	45,320.64	Per July Statement
Farmer State Bank 8532620 CD	\$	55,716.76	
Farmer State Bank 8533600 CD	\$	16,082.94	
Rocky Mountain Bank 20430000566 CD	\$	11,224.14	
Rocky Mountain Bank 6010955 CD	\$	6,477.30	
Bank Total	\$	2,796,200.12	
PLUS			
DEPOSITS IN TRANSIT	\$	78.77	UB In transit 7/1/14
DEPOSITS IN TRANSIT	\$	43,553.83	TV218 7/17/14
DEPOSITS IN TRANSIT	\$	498.69	RV 2933 7/25/14
DEPOSITS IN TRANSIT	\$	138.00	RV2876 7/1/14
DEPOSITS IN TRANSIT	\$	2,130.00	June court collections RV 2924 7/18/14
Plus petty cash	\$	150.00	
TOTAL	\$	46,549.29	
LESS			
IE ACH's			
aflac 7/2/14	\$	127.18	
ui 7/17/14	\$	1,021.60	
life insurance 7/1/14	\$	43.00	
TOTAL	\$	1,191.78	
Reconciled Bank Balance	\$	2,841,557.63	
BMS Cash report	\$	2,848,584.40	
Difference	\$	(7,026.77)	