

## APPENDIX A – SUPPLEMENTAL INFORMATION

### PURPOSE AND SOURCES AND APPLICATION OF FUNDS

#### Elementary District

**Elementary District Bonds.** The proceeds of the General Obligation Refunding Bonds, Series 2021 (the “Elementary District Bonds”) will be used for (i) together with other legally available funds, if any, refunding all or a portion of the School District No. 9 (Browning), Glacier County, Montana (the “Elementary District”) outstanding General Obligation School Building Bonds, Series 2007 (the “Elementary District Series 2007 Bonds”) maturing in the years 2021\* through 2024\*, inclusive, and 2027\*, outstanding in the total principal amount of \$2,225,000\* (the “Elementary District Refunded Bonds”); and (ii) paying costs associated with the sale and issuance of the Elementary District Bonds and the refunding.

**Elementary District Refunding Plan.** The proceeds of the Elementary District Bonds will be used to provide funds, together with other legally available funds of the Elementary District, if any, to establish an irrevocable escrow to call, pay and redeem on April 30, 2021, in advance of their stated maturities, the Elementary District Refunded Bonds at a price of par, plus interest accrued to the date of redemption (the “Elementary District Refunding Plan”). A portion of the proceeds of the Elementary District Bonds will be used to pay the administrative costs of the refunding and costs of the issuance of the Elementary District Bonds. From the proceeds of the Elementary District Bonds, the Elementary District will deposit sufficient funds and/or securities with U.S. Bank National Association (the “Escrow Agent”) to be used to accomplish the Refunding Plan. The funds and/or securities deposited with the Escrow Agent will be pledged irrevocably to and held in trust for the benefit of the owners of the Elementary District Refunded Bonds by the Escrow Agent, pursuant to an Escrow Agreement to be executed by the Elementary District and the Escrow Agent.

\* Preliminary; subject to change.

Information on the Elementary District Refunded Bonds is as follows:

Issue	Amount Outstanding	Refunded Maturities*	Amount Refunded*	Redemption Date*	Premium
Elementary District Series 2007 Bonds	\$2,225,000	2021-2024, and 2027 <sup>1</sup>	\$2,225,000	April 30, 2021	\$0

Elementary District Refunded Bonds*			
Maturity Years (July 1)*	Principal Amounts*	Interest Rates	CUSIP
2021	\$280,000	4.250%	376382BF3
2022	290,000	4.250	376382BG1
2023	305,000	4.250	376382BH9
2024	315,000	4.250	376382BJ5
2027 <sup>1</sup>	1,035,000	4.375	376382BM8
	<u>\$2,225,000</u>		

\* Preliminary; subject to change.

<sup>1</sup> Term Bond.

## High School District

**High School District Bonds.** The proceeds of the General Obligation Refunding Bonds, Series 2021 (the “High School District Bonds”) will be used for (i) together with other legally available funds, if any, refunding all or a portion of the High School District No. 9 (Browning), Glacier County, Montana (the “High School District”) outstanding General Obligation School Building Bonds, Series 2007 (the “High School District Series 2007 Bonds”) maturing in the years 2021\*, 2023\*, and 2027\*, outstanding in the total principal amount of \$1,490,000\* (the “High School District Refunded Bonds”); and (ii) paying costs associated with the sale and issuance of the High School District Bonds and the refunding.

**High School District Refunding Plan.** The proceeds of the High School District Bonds will be used to provide funds, together with other legally available funds of the High School District, if any, to establish an irrevocable escrow to call, pay and redeem on April 30, 2021, in advance of their stated maturities, the High School District Refunded Bonds at a price of par, plus interest accrued to the date of redemption (the “High School District Refunding Plan”). A portion of the proceeds of the High School District Bonds will be used to pay the administrative costs of the refunding and costs of the issuance of the High School District Bonds. From the proceeds of the High School District Bonds, the High School District will deposit sufficient funds and/or securities with U.S. Bank National Association (the “Escrow Agent”) to be used to accomplish the Refunding Plan. The funds and/or securities deposited with the Escrow Agent will be pledged irrevocably to and held in trust for the benefit of the owners of the High School District Refunded Bonds by the Escrow Agent, pursuant to an Escrow Agreement to be executed by the High School District and the Escrow Agent.

\* Preliminary; subject to change.

Information on the High School District Refunded Bonds is as follows:

Issue	Amount Outstanding	Refunded Maturities*	Amount Refunded*	Redemption Date*	Premium
High School District Series 2007 Bonds	\$1,490,000 <sup>1</sup>	2021 <sup>2</sup> , 2023 <sup>2</sup> , and 2027 <sup>2</sup>	\$1,490,000	April 30, 2021	\$0

### High School District Refunded Bonds\*

Maturity Years (July 1)*	Principal Amounts*	Interest Rates	CUSIP
2021 <sup>2</sup>	\$185,000	4.250%	376379AP8
2023 <sup>2</sup>	400,000	4.250	376379AR4
2027 <sup>2</sup>	905,000	4.375	376379AV5
	<u>\$1,490,000</u>		

\* Preliminary; subject to change.

<sup>1</sup> Excludes the mandatory sinking fund redemption of \$180,000 that was paid July 1, 2020.

<sup>2</sup> Term Bond.

## The Districts

Together the Elementary District and High School District will be referenced as the “Districts” herein, together the Elementary District Bonds and the High School District Bonds will be referenced as the “Bonds” herein, and together the Elementary District Refunded Bonds and the High School District Refunded Bonds will be referenced as the “Refunded Bonds” herein.

## THE DISTRICTS

### General Information

The Districts are located in northern Montana in Glacier County (the “County”) and encompass the unincorporated community of Browning (“Browning”) and surrounding area. Browning dissolved as an incorporated town in February of 2018, with its assets sold and transferred to the Blackfeet Tribe. The Districts’ facilities are located throughout Browning. The Districts are also located entirely within the boundaries of the Blackfeet Indian Reservation (the “Reservation”).

Browning is situated approximately 55 miles south of the Canadian border, 115 miles northwest of the City of Great Falls and 13 miles east of Glacier National Park. Browning had a 2019 population estimate of 1,014 according to United States Census Bureau, a decrease of less than (0.1%) from the 2010 Census estimate of 1,016. According to the U.S. Census Bureau, the County had a 2019 population estimate of 13,753, an increase of 2.6% over the 2010 Census estimate of 13,399.

According to the U.S. Census Bureau estimates released December 2020, the Elementary District had a 2019 estimated population of 8,496. The Elementary District provides instruction to approximately 1,432 elementary students based on the 2019/20 actual average number belonging (“ANB”) count used to determine the ANB that may be used for the 2020/21 budget.

According to the U.S. Census Bureau estimates released December 2020, the High School District had a 2019 estimated population of 9,063. The High School District provides instruction to approximately 583 high school students based on the 2019/20 actual ANB count used to determine the ANB that may be used for the 2020/21 budget.

The primary components of the area’s economy include government at all levels, particularly due to the Reservation and the two Ports of Entry between the United States and Canada, agriculture, retail and wholesale trade and accommodation and food service industries and other activities associated with tourism due to the County’s proximity to Glacier National Park.

### Blackfeet Tribe

The Blackfeet Tribe is primarily located in the County, with the Reservation encompassing approximately 1.5 million acres (2,400.56 square miles). A small portion of the Reservation (approximately 220 square miles) is located outside the County boundaries in neighboring Pondera County. The Reservation is bordered on the north by Canada and on the west by Glacier National Park. The Districts are located entirely within the Reservation. The Reservation was established in 1855 by a treaty with the United States. The Blackfeet Nation is recognized by the United States Government as a nation within a nation through various treaties, agreements, laws and executive orders. The Blackfeet Tribe’s headquarters are located in Browning and are managed by the Tribal Council, which consists of nine elected members that are elected every two years with staggered four-year terms, with the chair of that council also serving as the chief executive officer. The Blackfeet Tribe manages many agencies and programs for its members along with grants, royalty income, contracts and other financial obligations that the Blackfeet Tribe receives. Communities located within the Reservation are Browning, Heart Butte, Starr School, East Glacier, Blackfoot, Seville, St. Mary and Babb. The Blackfeet Tribe has approximately 17,321 enrolled members, of which approximately 8,500 reside on or near the Reservation.

## Administration

A seven-member Board of Trustees is responsible for the administration of the Elementary District (the “Elementary District Board”) and an eight-member Board of Trustees is responsible for the administration of the High School District (the “High School District Board,” and together with the Elementary District Board, the “Board”). Board members are elected by the voters of the Districts and serve overlapping three-year terms. The current Board members, the dates their respective terms expire, the total number of years served on the Board and the member’s respective occupation are as shown below.

Board Member	Term Expires (May)	Total Time Served on Board	Occupation
Donna YellowOwl, Chair	2021	16 years	Director of Maintenance &Facilities
Wendy Bremner, Vice Chair	2021	8 years	Bureau of Indian Affairs
Kristy BullShoe	2023	4 years	Child Protection Services
Brenda Croff	2022	5 years	Administrative Assistant
Mistee Rides At The Door	2023	Newly Elected	Judge –Blackfeet Tribal Court
James Evans	2023	4 years	Self-Employed
Brian Gallup <sup>1</sup>	2022	20 years	Farmer/Rancher
Rae TallWhiteman-Armstrong	2021	2 years	College Student

<sup>1</sup> Serves only on the High School District Board and votes only on High School District matters. All other trustees vote on both Elementary District and High School District matters.

The chief administrative officer of the Districts is the Superintendent, who is hired by and is responsible to the Board. Ms. Corrina Guardipee-Hall has served as Superintendent since July 1, 2017. Prior to joining the Districts, Mrs. Guardipee-Hall was Superintendent for Frazer Public Schools in Frazer, Montana, and was the Superintendent for schools in Kake, Alaska. Mrs. Guardipee-Hall has been involved in education for over 30 years, with 10 years as a teacher and 20 years as an administrator. Mrs. Guardipee-Hall has earned a Bachelor’s degree in Education, a Master’s degree in Educational Leadership and an Educational Specialist Degree in Educational Leadership.

Ms. Crystal Tailfeathers has served as the Districts’ Director of Finance/District Clerk since September 2020. Prior to employment with the Districts, Ms. Tailfeathers was employed as the Data Specialist with for the Districts for two years. Ms. Tailfeathers earned a Bachelor’s degree in Business Administration from the University of Montana.

*Source: The Districts*

## COVID-19

The Districts face challenges to its operations and economic results related to the global COVID-19 pandemic.

On March 12, 2020, the Governor of the State of Montana proclaimed a state of emergency for all counties throughout the State as a result of COVID-19. Since March 12, 2020, the Governor has issued a series of orders and/or directives designed to limit social interactions, including a March 15, 2020 order to close all public K–12 schools in the State, a March 24, 2020 announcement extending closures and mandating social distancing, followed by a stay-at-home order issued on March 25, 2020 that also temporarily closed all non-essential businesses and operations.

On April 22, 2020, the Governor announced a three-phase reopening of Montana with the stay-at-home order expiring on April 26, 2020 for individuals and April 27, 2020 for businesses. Effective June 1, 2020, Montana entered phase-two of reopening the State. However, the Reservation implemented more stringent requirements, adopting an ordinance that contains daily curfew hours, business closure orders, closed the Glacier National Park entrance located on the Reservation, closed roads on the Reservation to non-essential travel, and requires people to quarantine for 14 days if they traveled to an area infected with COVID-19, in addition to social distancing and face mask requirements. The Districts commenced the 2020/21 school year with on-line learning, which is expected to continue through the end of third quarter. The Districts continue to closely monitor the directives and orders from the Governor’s Office and recommendations from the federal, State, and local authorities that impact the Districts and their residents. The Districts cannot predict if the Governor, or other federal, State, or local authority will issue additional directives or orders that might adversely impact the financial condition or operations of the Districts, or the assessed values of property within the Districts.

Measures designed to curtail the spread of the virus may be resumed at any time and may result in delays in the Districts’ operations and receipt of tax and other revenue, increased costs of operations, and curtailment of services. In addition, the economic repercussions of the pandemic are expected to adversely affect the Districts and their residents and may negatively affect the assessed values in the Districts and the ability of property owners to timely pay property taxes.

The Bonds are general obligations of the Districts, payable from general ad valorem taxes levied on taxable property the respective District without limitation as to rate or amount.

**ELEMENTARY DISTRICT FINANCIAL INFORMATION**

**Financial Summary**

(As of the Date of Delivery of the Bonds, but excluding the Refunded Bonds.)

2019 Elementary District Population Estimate <sup>1</sup> .....	8,496
2020/21 Assessed Valuation .....	\$268,980,233
2020/21 Taxable Valuation <sup>2</sup> .....	\$8,255,434
General Obligation (“Direct”) Debt Outstanding <sup>3</sup> .....	\$2,300,000
Overlapping General Obligation Debt Outstanding.....	\$1,619,429
Total Direct and Overlapping General Obligation Debt Outstanding <sup>3</sup> .....	\$3,919,429
Total General Obligation Debt Capacity Remaining <sup>3,4</sup> .....	\$53,877,360
Impact Aid Revenue Bonds <sup>5</sup> .....	\$3,955,000

<sup>1</sup> According to data from the U.S. Census Bureau released December 2020.  
<sup>2</sup> Much of the real property in the Districts is Trust Land, which, as applicable for the Districts, is defined as land held in trust by the United States government for the Blackfeet Tribe or an enrolled member of the Blackfeet Tribe. Trust Land is tax-exempt property; therefore, is not included in the taxable valuation. (See “THE DISTRICTS – Blackfeet Tribe” herein.) There are no tax increment districts located within the Elementary District boundaries for which incremental value is excluded.  
<sup>3</sup> Preliminary; subject to change. Assumes the issuance of the Elementary District Bonds, but excludes the Elementary District Refunded Bonds.  
<sup>4</sup> Preliminary; subject to change. Assumes the issuance of the High School District Bonds, which are being issued simultaneously with the Elementary District Bonds, and excludes the High School District Refunded Bonds.  
<sup>5</sup> Represents the principal amount of Impact Aid Revenue School Building Bonds, Series 2020 that were issued July 15, 2020, to be repaid by impact aid revenues of the Elementary District and are not general obligations of the Elementary District.

## Future Financing

Other than the Elementary District Bonds, the Elementary District does not anticipate, as of the date of this information, the need to incur any additional general obligation indebtedness during the next twelve months.

## Overlapping General Obligation Indebtedness

The following information sets forth the indebtedness of the Elementary District following the issuance of the Elementary District Bonds, excluding the Refunded Bonds, and of taxing entities with boundaries that overlap with all or portions of the Elementary District.

	General Obligation Debt		General Obligation Debt Chargeable to Property Within the Elementary District
	Outstanding	Percent	Amount
Glacier County	\$1,425,000	29.09%	\$414,533
Browning High School District <sup>1</sup>	1,540,000	78.24	1,204,896
Total Overlapping General Obligation Debt <sup>1</sup> .....			\$1,619,429
Total Direct General Obligation Debt <sup>2</sup> .....			2,300,000
Total Direct and Overlapping General Obligation Debt <sup>1,2</sup> .....			\$3,919,429

<sup>1</sup> Preliminary; subject to change. Assumes the issuance of the High School District Bonds, which are being issued simultaneously with the Elementary District Bonds, and excludes the High School Refunded Bonds.

<sup>2</sup> Preliminary; subject to change. Assumes the issuance of the Elementary District Bonds, but excludes the Elementary District Refunded Bonds.

## General Obligation Debt Ratios

(As of the Date of Delivery of the Bonds, but excluding the Refunded Bonds.)

Direct Debt Per Capita <sup>1</sup> .....	\$271
Direct and Overlapping General Obligation Debt Per Capita <sup>1,2</sup> .....	\$461
Direct Debt to Assessed Valuation <sup>1</sup> .....	0.86%
Direct and Overlapping General Obligation Debt to Assessed Valuation <sup>1,2</sup> .....	1.46%
Direct Debt to Taxable Valuation <sup>1,3</sup> .....	27.86%
Direct and Overlapping General Obligation Debt to Taxable Valuation <sup>1,2,3</sup> .....	47.48%
Assessed Valuation Per Capita .....	\$31,660
Taxable Valuation Per Capita <sup>3</sup> .....	\$972

<sup>1</sup> Preliminary; subject to change. Assumes the issuance of the Elementary District Bonds, but excludes the Elementary District Refunded Bonds.

<sup>2</sup> Preliminary; subject to change. Assumes the issuance of the High School District Bonds, which are being issued simultaneously with the Elementary District Bonds, and excludes the High School Refunded Bonds.

<sup>3</sup> Much of the property in the Districts is Trust Land, which, as applicable for the Districts, is defined as land held in trust by the United States government for the Blackfeet Tribe or an enrolled member of the Blackfeet Tribe. Trust Land is tax-exempt property; therefore, is not included in the taxable valuation. (See "THE DISTRICTS – Blackfeet Tribe" herein.) There are no tax increment districts located within the Elementary District boundaries for which incremental value is excluded.

## Schedule of General Obligation Bond Debt Service

As of the date of the issuance of the Elementary District Bonds, other than the Elementary District Bonds and excluding the Elementary District Refunded Bonds, the Elementary District will not have any other outstanding general obligation debt. Set forth in the following table is an estimated debt service schedule for the Elementary District Bonds. Some of the interest figures shown below have been rounded.

Elementary District Bonds			
Fiscal Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Total <sup>1</sup>
2021	\$245,000	\$9,200	\$254,200
2022	335,000	30,825	365,825
2023	335,000	25,800	360,800
2024	335,000	20,775	355,775
2025	345,000	15,750	360,750
2026	350,000	10,575	360,575
2027	355,000	5,325	360,325
Total	\$2,300,000	\$118,250	\$2,418,250

<sup>1</sup> Preliminary; subject to change. Based on estimated maturities and interest rates.

## HIGH SCHOOL DISTRICT FINANCIAL INFORMATION

### Financial Summary

(As of the Date of Delivery of the Bonds, but excluding the Refunded Bonds.)

2019 High School District Population Estimate <sup>1</sup> .....	9,063
2020/21 Assessed Valuation .....	\$360,042,083
2020/21 Taxable Valuation <sup>2</sup> .....	\$10,551,112
General Obligation (“Direct”) Debt Outstanding <sup>3</sup> .....	\$1,540,000
Overlapping General Obligation Debt Outstanding.....	\$2,829,815
Total Direct and Overlapping General Obligation Debt Outstanding <sup>3</sup> .....	\$4,369,815
Total General Obligation Debt Capacity Remaining <sup>3, 4</sup> .....	\$55,686,530
Impact Aid Revenue Bonds <sup>5</sup> .....	\$475,000

<sup>1</sup> According to data from the U.S. Census Bureau released December 2020.

<sup>2</sup> Much of the real property in the Districts is Trust Land, which, as applicable for the Districts, is defined as land held in trust by the United States government for the Blackfeet Tribe or an enrolled member of the Blackfeet Tribe. Trust Land is tax-exempt property; therefore, is not included in the taxable valuation. (See “THE DISTRICTS – Blackfeet Tribe” herein.) There are no tax increment districts located within the High School District boundaries for which incremental value is excluded.

<sup>3</sup> Preliminary; subject to change. Assumes the issuance of the High School District Bonds, but excludes the High School District Refunded Bonds.

<sup>4</sup> Preliminary; subject to change. Assumes the issuance of the Elementary District Bonds, which are being issued simultaneously with the High School District Bonds, but excludes the Elementary District Refunded Bonds.

<sup>5</sup> Additionally, the High School District has outstanding its Impact Aid Revenue Refunding Bonds, Series 2015 that have a final maturity of July 1, 2022, which are repaid by impact aid revenues of the High School District and are not general obligations of the High School District.

## Future Financing

Other than the High School District Bonds, the High School District does not anticipate, as of the date of this information, the need to incur any additional general obligation indebtedness during the next twelve months.

## Overlapping General Obligation Indebtedness

The following information sets forth the indebtedness of the High School District following the issuance of the High School District Bonds, excluding the Refunded Bonds, and of taxing entities with boundaries that overlap with all or portions of the High School District.

	General Obligation Debt	General Obligation Debt Chargeable to Property Within the High School District	
		Outstanding	Percent
Glacier County	\$1,425,000	37.18%	\$529,815
Browning Elementary School District <sup>1</sup>	2,300,000	100.00	2,300,000
Total Overlapping General Obligation Debt <sup>1</sup> .....			\$2,829,815
Total Direct General Obligation Debt <sup>2</sup> .....			1,540,000
Total Direct and Overlapping General Obligation Debt <sup>1,2</sup> .....			\$4,369,815

<sup>1</sup> Preliminary; subject to change. Assumes the issuance of the Elementary District Bonds, which are being issued simultaneously with the High School District Bonds, but excludes the Elementary District Refunded Bonds.

<sup>2</sup> Preliminary; subject to change. Assumes the issuance of the High School District Bonds, but excludes the High School District Refunded Bonds.

## General Obligation Debt Ratios

(As of the Date of Delivery of the Bonds, but excluding the Refunded Bonds.)

Direct Debt Per Capita <sup>1</sup> .....	\$170
Direct and Overlapping General Obligation Debt Per Capita <sup>1,2</sup> .....	\$482
Direct Debt to Assessed Valuation <sup>1</sup> .....	0.43%
Direct and Overlapping General Obligation Debt to Assessed Valuation <sup>1,2</sup> .....	1.21%
Direct Debt to Taxable Valuation <sup>1,3</sup> .....	14.60%
Direct and Overlapping General Obligation Debt to Taxable Valuation <sup>1,2,3</sup> .....	41.42%
Assessed Valuation Per Capita .....	\$39,727
Taxable Valuation Per Capita <sup>3</sup> .....	\$1,164

<sup>1</sup> Preliminary; subject to change. Assumes the issuance of the High School District Bonds, but excludes the High School District Refunded Bonds.

<sup>2</sup> Preliminary; subject to change. Assumes the issuance of the Elementary District Bonds, which are being issued simultaneously with the High School District Bonds.

<sup>3</sup> Much of the real property in the Districts is Trust Land, which, as applicable for the Districts, is defined as land held in trust by the United States government for the Blackfeet Tribe or an enrolled member of the Blackfeet Tribe. Trust Land is tax-exempt property; therefore, is not included in the taxable valuation. (See “THE DISTRICTS – Blackfeet Tribe” herein.) There are no tax increment districts located within the High School District boundaries for which incremental value is excluded.



## Schedule of General Obligation Bond Debt Service

As of the date of the issuance of the High School District Bonds, other than the High School District Bonds and excluding the High School District Refunded Bonds, the High School District will not have any other outstanding general obligation debt. Set forth in the following table is an estimated debt service schedule for the High School District Bonds. Some of the interest figures shown below have been rounded.

High School District Bonds			
Fiscal Year	Principal <sup>1</sup>	Interest <sup>1</sup>	Total <sup>1</sup>
2021	\$155,000	\$6,160	\$161,160
2022	230,000	20,775	250,775
2023	230,000	17,325	247,325
2024	225,000	13,875	238,875
2025	230,000	10,500	240,500
2026	230,000	7,050	237,050
2027	240,000	3,600	243,600
Total	\$1,540,000	\$79,285	\$1,619,285

<sup>1</sup> Preliminary; subject to change. Based on estimated maturities and interest rates.

## COMBINED FINANCIAL INFORMATION

### Debt Limitations

**General Obligation Debt Limitation.** Pursuant to State law, the maximum amount for which an elementary school district or a high school district in Montana may become indebted by the issuance of bonds, including all outstanding indebtedness, is equal to the greater of: (i) 100% of the taxable value of property subject to taxation by the district as ascertained by the last assessment for property taxes, or (ii) 100% of the statewide Facility Guaranteed Mill Value per ANB for the district multiplied by 1,000, multiplied by the number of students enrolled in the district (based on the greater of the current year ANB utilized for budget purposes or the 3-year average ANB calculated under Section 20-9-311, Montana Code Annotated).

**Debt Limitation under computation (i).** The total debt limitation for each of the Districts, respectively, based on computation (i) described above, is shown in the following table.

Debt Limitation under computation (i)		
	Elementary District	High School District
Debt Limit Based on 100% of Taxable Value	\$8,255,434 <sup>1</sup>	\$10,551,112 <sup>2</sup>

<sup>1</sup> There are no tax increment districts located within the Elementary District boundaries for which such incremental value is excluded.

<sup>2</sup> There are no tax increment districts located within the High School District boundaries for which such incremental value is excluded.

**Debt Limitation under computation (ii).** The total debt limitation for the Districts, respectively, based on computation (ii) described above, is shown in the following table.

Debt Limitation under computation (ii)		
	Elementary District	High School District
100% of 2020/21 Facility Guaranteed Mill Value per ANB x 1,000	\$39,230	\$96,830
Times the ANB Used for the 2020/21 Budget	1,432	591
Total Debt Limitation	\$56,177,360	\$57,226,530

**Elementary District’s Debt Limitation and Debt Capacity Remaining.** Based on the information presented above, the Elementary District’s total statutory debt limitation is \$56,177,360. Giving effect to the issuance of the Elementary District Bonds in the amount of \$2,300,000<sup>1</sup> and no other outstanding Elementary District general obligation debt, the Elementary District is expected to have remaining debt capacity following such issuance of \$53,877,360<sup>1</sup>.

**High School District’s Debt Limitation and Debt Capacity Remaining.** Based on the information presented above, the High School District’s total statutory debt limitation is \$57,226,530. Giving effect to the issuance of the High School District Bonds in the amount of \$1,540,000<sup>2</sup> and no other outstanding High School District general obligation debt, the High School District is expected to have remaining debt capacity following such issuance of \$55,686,530<sup>2</sup>.

<sup>1</sup> Preliminary; subject to change. Assumes the issuance of the Elementary District Bonds and excludes the Elementary District Refunded Bonds.

<sup>2</sup> Preliminary; subject to change. Assumes the issuance of the High School District Bonds and exclude the High School District Refunded Bonds.

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## Trends in Property Valuations

The 2015 Legislature changed the reappraisal process from a six-year cycle to a two-year cycle for Class Three and Four property, changed certain tax rates, and eliminated the homestead and comstead exemptions that were utilized under prior law. Class Ten property remains on a six-year reappraisal cycle and other property valuations are based on comprehensive appraisals performed by the Department of Revenue each year. See the table titled “Elementary District Valuation by Property Classification” and “High School District Valuation by Property Classification” herein for a breakdown of property by classification as located in the Districts, respectively.

**Elementary District Valuation Trends.** Of the 2020/21 Elementary District assessed valuation, approximately \$76,597,604 is allocable to property that is tax-exempt due to it being classified as Trust Land/tribal property. Set forth in the following table are the assessed and taxable valuations of real and personal property located within the Elementary District for the fiscal years 2015/16 through 2020/21.

Elementary District				
Fiscal Year	Assessed Valuation	Percent of Change	Taxable Valuation <sup>2</sup>	Percent of Change
2020/21 <sup>1</sup>	\$268,980,233	(0.3)%	\$8,255,434	5.2%
2019/20 <sup>1</sup>	269,764,900	2.5	7,847,537	5.7
2018/19	263,137,713	2.0	7,423,911	10.1
2017/18	257,889,301	7.0	6,744,736	6.2
2016/17	240,983,292	0.9	6,351,001	2.8
2015/16	238,921,026	---	6,177,164	---

<sup>1</sup> The assessed valuations for fiscal years 2019/20 and 2020/21 are based on the reappraisal effective January 1, 2019.

<sup>2</sup> Commencing in 2015/16 and thereafter, with the exception of Class Ten property, taxable value represents the value after the applicable tax rates are applied to assessed value. The applicable mill levy rates are then applied to the taxable value of taxable property to determine tax revenue. There are no tax increment districts located within the Elementary District for which incremental value is excluded.

**Elementary District Valuation by Property Classification.** The following table shows the assessed and taxable values for each property classification in the Elementary District for the 2020/21 fiscal year.

Property Classification	Elementary District			
	2020/21 Assessed Value	% of 2020/21 Assessed Value	2020/21 Taxable Value <sup>1</sup>	% of 2020/21 Taxable Value
3 agricultural land	\$63,504,158	23.61%	\$1,420,518	17.21%
4 residential	68,163,913	25.34	896,140	10.85
4 commercial	44,053,501	16.38	832,607	10.09
5 pollution control, electric and telephone coops, etc.	22,107,540	8.22	663,228	8.03
8 business equipment	12,561,471	4.67	224,394	2.72
9 pipelines and non-elec. generating property of elec. utility	25,837,151	9.61	3,100,460	37.56
10 Forest land	652,345	0.24	2,428	0.03
12 airlines and railroads	28,931,613	10.76	925,811	11.21
13 electrical generation and telecommunication	3,159,656	1.17	189,581	2.30
<b>Total</b>	<b>\$268,971,348</b>	<b>100.00%</b>	<b>\$8,255,167</b>	<b>100.00%</b>

<sup>1</sup> Represents information provided at the State level and may differ from certified valuations due to timing of the data being compiled.

Source: Department of Revenue

**High School District Valuation Trends.** Of the 2020/21 High School District assessed valuation, approximately \$84,149,406 is allocable to property that is tax-exempt due to it being classified as Trust Land/tribal property. Set forth in the following table are the assessed and taxable valuations of real and personal property located within the High School District for the fiscal years 2015/16 through 2020/21.

High School District				
Fiscal Year	Assessed Valuation	Percent of Change	Taxable Valuation <sup>2</sup>	Percent of Change
2020/21 <sup>1</sup>	\$360,042,083	0.4%	\$10,551,112	4.8%
2019/20 <sup>1</sup>	358,430,140	3.4	10,068,450	6.9
2018/19	346,634,859	0.7	9,421,423	6.8
2017/18	344,240,601	7.3	8,818,755	6.3
2016/17	320,883,752	1.2	8,299,525	3.5
2015/16	317,175,962	---	8,019,604	---

<sup>1</sup> The assessed valuations for fiscal years 2019/20 and 2020/21 are based on the reappraisal effective January 1, 2019.

<sup>2</sup> Commencing in 2015/16 and thereafter, with the exception of Class Ten property, taxable value represents the value after the applicable tax rates are applied to assessed value. The applicable mill levy rates are then applied to the taxable value of taxable property to determine tax revenue. There are no tax increment districts located within the High School District for which incremental value is excluded.

**High School District Valuation by Property Classification.** The following table shows the assessed and taxable values for each property classification in the High School District for the 2020/21 fiscal year.

Property Classification	High School District			
	2020/21 Assessed Value	% of 2020/21 Assessed Value	2020/21 Taxable Value <sup>1</sup>	% of 2020/21 Taxable Value
3 agricultural land	\$64,953,497	18.04%	\$1,460,689	13.84%
4 residential	110,654,193	30.73	1,466,834	13.90
4 commercial	61,978,193	17.22	1,162,262	11.02
5 pollution control, electric and telephone coops, etc.	23,914,502	6.64	717,437	6.80
8 business equipment	13,622,390	3.78	240,309	2.28
9 pipelines and non-elec. generating property of elec. utility	30,342,749	8.43	3,641,129	34.51
10 Forest land	1,194,259	0.33	4,438	0.04
12 airlines and railroads	48,023,605	13.34	1,536,755	14.57
13 electrical generation and telecommunication	5,349,810	1.49	320,992	3.04
<b>Total</b>	<b>\$360,033,198</b>	<b>100.00%</b>	<b>\$10,550,845</b>	<b>100.00%</b>

<sup>1</sup> Represents information provided at the State level and may differ from certified valuations due to timing of the data being compiled.

Source: Department of Revenue

## Tax Collections

The following tables demonstrate the tax collection history for property taxes levied by the Elementary District and High School District, respectively for all funds for fiscal years ended June 30, 2016 through 2020. In Montana, first half property tax collections are due on November 30 and second half property taxes are due on May 31.

Elementary District			
Fiscal Year	Total Tax Levy	Total Tax Collections <sup>1</sup>	Total Collections as Percent of Levy <sup>1</sup>
2019/20	\$1,600,273	\$1,442,845	90.2%
2018/19	1,595,385	1,502,616	94.2
2017/18	1,637,884	1,687,859	103.1
2016/17	1,549,293	1,572,515	101.5
2015/16	1,326,093	1,139,107	85.9

<sup>1</sup>Total tax collection figures include penalty and interest collected on delinquent taxes.

Source: *The Elementary District's Trustees' Reports and Budgets*

High School District			
Fiscal Year	Total Tax Levy	Total Tax Collections <sup>1</sup>	Total Collections as Percent of Levy <sup>1</sup>
2019/20	\$902,922	\$821,657	91.0%
2018/19	880,507	830,550	94.3
2017/18	862,734	880,391	102.0
2016/17	811,644	813,031	100.2
2015/16	728,874	635,603	87.2

<sup>1</sup>Total tax collection figures include penalty and interest collected on delinquent taxes.

Source: *The High School District's Trustees' Reports and Budgets*

Approximately 35% of the land located within the boundaries of the Blackfeet Reservation is held in fee patent, taxable status. The Blackfeet Tribe claims their portion of such land is exempt from taxation based upon an agreement dating back to 1980. Negotiations regarding the collection of these taxes are ongoing between Glacier County and the Blackfeet Tribe.

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## Tax Levies

The following table shows the mill rates per \$1,000 of taxable value for property located in the Districts for the tax years 2016/17 through 2020/21. Property may be assessed for other specific levies, which are not shown below.

Taxing Entity	----- Fiscal Year -----				
	2016/17	2017/18	2018/19	2019/20	2020/21
University Millage	6.00	6.00	6.00	6.00	6.00
Statewide School Equalization	40.00	40.00	40.00	40.00	40.00
Countywide School Levy	117.73	121.49	124.52	119.37	114.58
Glacier County	188.44	181.22	182.80	190.26	192.22
Browning High School District	97.76	97.82	93.46	89.70	88.48
Browning Elementary District	243.92	242.85	214.94	203.92	211.97
County Road Fund	52.68	54.30	55.81	56.30	58.85
Conservation District	1.77	1.65	1.69	1.90	1.96
<b>Total</b>	<b>748.30</b>	<b>745.33</b>	<b>719.22</b>	<b>707.45</b>	<b>714.06</b>

<sup>1</sup> Browning dissolved as an incorporated town in February of 2018, with its assets sold and transferred to the Blackfeet Tribe.

Source: Glacier County

## Major Taxpayers

The following table lists the major taxpayers within the Elementary District and High School District, respectively, for fiscal year 2020/21, in declining order of taxable value.

Elementary District			
Taxpayer	Business	2020/21 Taxable Value	% of Elementary District 2020/21 Taxable Value (\$8,255,434)
1. Northwestern Energy	Utility	\$2,025,292	24.5%
2. BNSF Railway Co.	Railroad	925,811	11.2
3. Phillips 66 Carrier LLC	Pipeline	723,396	8.8
4. Glacier Electric Cooperative	Utility	505,281	6.1
5. Rocky Mountain Pipeline Systems LLC	Pipeline	351,772	4.3
6. Xanterra Parks & Resorts	Travel/Hospitality	261,051	3.2
7. Glacier Park Inc.	Resort/Lodging	226,301	2.7
8. Blackfeet Tribe	Tribe	213,176	2.6
9. 3 Rivers Telephone Cooperative	Telecommunications	139,312	1.7
10. Verizon Inc.	Telecommunications	122,291	1.5
<b>Total</b>		<b>\$5,493,683</b>	<b>66.6%</b>

Source: Department of Revenue

High School District

			2020/21 Taxable Value	% of High School District 2020/21 Taxable Value (\$10,551,112)
Taxpayer	Business			
1. Northwestern Energy	Utility		\$2,565,961	24.3%
2. BNSF Railway Co.	Railroad		1,537,481	14.6
3. Phillips 66 Pipeline LLC	Pipeline		723,396	6.9
4. Glacier Electric Cooperative	Utility		559,490	5.3
5. Glacier Park Inc.	Resort/Lodging		411,949	3.9
6. Rocky Mountain Pipeline Systems LLC	Pipeline		351,772	3.3
7. Xanterra Parks & Resorts	Travel/Hospitality		261,051	2.5
8. Blackfeet Tribe	Tribe		256,919	2.4
9. Verizon Wireless	Telecommunications		206,464	2.0
10. 3 Rivers Telephone Cooperative	Telecommunications		139,312	1.3
Total			\$7,013,795	66.5%

Source: Department of Revenue

### Enrollment Trends

The Elementary District provides education for students in grades kindergarten through eight and the High School District provides education for students in grades nine through twelve. The lower table below shows the Districts' enrollment figures for the current year and the past nine years based on actual historical ANB enrollment. The Elementary District's current actual ANB enrollment count is 1,432 and the High School District's current actual ANB enrollment count is 583, in each case based on the 2019/20 actual ANB count used to determine the ANB that may be used for the 2020/21 budget.

Actual ANB Enrollment				
Year Counts Taken	School Year	Elementary District Actual K-8 ANB Enrollment <sup>1</sup>	High School District Actual 9-12 ANB Enrollment <sup>1</sup>	Total Actual ANB Enrollment <sup>1</sup>
2019/20	2020/21	1,432	583	2,015
2018/19	2019/20	1,387	613	2,000
2017/18	2018/19	1,445	578	2,023
2016/17	2017/18	1,529	581	2,110
2015/16	2016/17	1,542	559	2,101
2014/15	2015/16	1,485	524	2,009
2013/14	2014/15	1,466	540	2,006
2012/13	2013/14	1,446	516	1,962
2011/12	2012/13	1,429	500	1,929
2010/11	2011/12	1,427	517	1,944

<sup>1</sup> The enrollment counts shown are the actual ANB counts rather than the three-year average counts districts may use in certain instances for budgeting purposes.

Source: The Districts and OPI

## Management of District Funds

In October of 2019, four Glacier County school districts, including the Districts (the Elementary District and the High School District), sent notice to the Glacier County Treasurer requesting that all school funds be distributed to each school district, respectively, so that each school district could better manage its own finances. The school districts, together with the Montana Office of Public Instruction, were concerned about the timeliness and accuracy of the County's financial reporting and because the Districts were starting large capital improvement projects that were mostly paid from cash, it was important to make the accounting changes early in fiscal year 2019/20. It is the Districts' understanding that the County is working with various State agencies to improve cash management practices.

Since 2019/20, the Districts have managed their own investments through accounts at Stockman Bank and LPL Financial. However, the County remains responsible for annually levying and collecting property tax revenues for the Districts, including property tax revenues for the repayment of the Bonds. After property taxes are levied and collected, the County distributes the property tax revenues to each of the school districts within the County, including the Districts, for deposit to their respective accounts.

In response to the request by the four Glacier County school districts, the County began to distribute funds to the school districts as funds were available to the County. As of August 2020, the Districts and the County currently estimate that there are no additional funds that are owed to the Districts by the County. However, the Districts and County have agreed that this issue can be readdressed in the future if additional information becomes available that indicates funds are still owed to the Districts.

According to notes in the Districts' most recent audit report (2018/19), the County owed the Districts \$4,242,848 as of June 30, 2019. As of August 2020, the Districts received an additional \$1,710,153, with the County retaining the difference of \$2,532,695 to pay for outstanding warrants and claims of the Districts that were administered through the County. Of the \$1,710,153, \$740,361 was allocated to the Elementary District and \$969,792 to the High School District. Of the Elementary District allocation (\$740,361), \$4,976 was allocated to the Elementary District's General Fund, \$477,766 to the Elementary District's Impact Aid Fund, and \$257,619 across sixteen other Elementary District funds. Of the High School District allocation (\$969,792), none was allocated to the High School District's General Fund, \$733,973 to the High School District's Impact Aid Fund, and \$235,819 across sixteen other High School District funds.

*Source: The Districts*



## Summary of the Districts' General Fund Financial Statements

The results for the Districts shown below were extracted from the Districts' audited financials.

### BROWNING ELEMENTARY DISTRICT GENERAL FUND

#### Summary of Statements of Revenues Collected, Expenditures Paid, and Changes in Fund Balance

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>Revenues:</b>						
Local Revenue	\$608,241	\$515,868	\$677,194	\$701,887	\$605,220	\$621,520
State Revenue	7,726,762	7,964,323	8,450,552	8,493,461	8,491,205	8,466,183
<b>Total Revenue</b>	<b>\$8,335,003</b>	<b>\$8,480,191</b>	<b>\$9,127,746</b>	<b>\$9,195,348</b>	<b>\$9,096,425</b>	<b>\$9,087,704</b>
<b>Expenditures:</b>						
Instruction	\$7,186,734	\$7,400,193	\$7,063,687	\$7,251,934	\$7,011,396	\$6,453,524
Support Services	571,467	730,858	834,442	664,661	662,572	681,716
Education Media Services	322,494	330,933	299,646	324,005	376,579	265,380
General Administration	42,559	0	0	0	6,829	0
School Administration	156,538	89,150	116,028	119,320	167,117	1,365,791
Business Services	0	0	0	0	68,405	185,735
Operation and Maintenance	49,956	49,219	786,615	123,025	559,788	7,611
School Food	0	0	0	0	0	0
Transportation	0	0	0	591	140,017	0
Extracurricular	0	0	0	0	0	0
Community Services	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0
Capital Outlay	0	0	0	30,664	0	0
<b>Total Expenditures</b>	<b>\$8,329,748</b>	<b>\$8,600,353</b>	<b>\$9,100,418</b>	<b>\$8,514,200</b>	<b>\$8,992,703</b>	<b>\$8,959,756</b>
<b>Excess of Revenues</b>	<b>\$5,255</b>	<b>\$(120,162)</b>	<b>\$27,328</b>	<b>\$681,148</b>	<b>\$103,722</b>	<b>\$127,948</b>
<b>Over/(Under) Expenditures</b>						
Net Transfers	0	0	75,670	26,189	35,476	10,927
Fund Balance, July 1	427,313	425,572	301,040	404,038	915,612	879,155
Restatements	(6,996)	(4,370)	0	(195,763)	0	0
<b>Fund Balance, June 30</b>	<b>\$425,572</b>	<b>\$301,040</b>	<b>\$404,038</b>	<b>\$915,612</b>	<b>\$1,054,810</b>	<b>\$1,018,030</b>
<b>Fund Balance as a % of Exp.<sup>1</sup></b>	<b>5.1%</b>	<b>3.5%</b>	<b>4.4%</b>	<b>10.8%</b>	<b>11.7%</b>	<b>11.4%</b>

<sup>1</sup> All of the ending fund balances are unassigned.

Source: The Districts' Audits.

**BROWNING ELEMENTARY DISTRICT****GENERAL FUND**

## Summary of Balance Sheet

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>ASSETS</b>						
Cash and Investments	\$424,805	\$301,040	\$404,038	\$1,091,270	\$1,241,924	\$1,286,966
Taxes Receivable	379,734	487,174	487,174	487,174	389,039	438,429
Due from Other Governments	0	0	0	0	0	6,168
<b>TOTAL ASSETS</b>	<b>\$804,539</b>	<b>\$788,214</b>	<b>\$891,212</b>	<b>\$1,578,444</b>	<b>\$1,630,963</b>	<b>\$1,731,564</b>
<b>LIABILITIES</b>						
Accrued Payroll	\$0	\$0	\$0	\$175,658	\$187,111	\$275,104
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$175,658</b>	<b>\$187,111</b>	<b>\$275,104</b>
<b>DEFERRED INFLOWS/RESOURCES</b>						
Deferred Inflows	\$378,967	\$487,174	\$487,174	\$487,174	\$389,039	\$438,430
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$378,967</b>	<b>\$487,174</b>	<b>\$487,174</b>	<b>\$487,174</b>	<b>\$389,039</b>	<b>\$438,430</b>
<b>FUND BALANCES</b>						
Restricted	\$0	\$0	\$0	\$0	\$0	\$0
Nonspendable	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	425,572	301,040	404,038	915,612	1,054,813	1,018,030
<b>TOTAL FUND EQUITY</b>	<b>\$425,572</b>	<b>\$301,040</b>	<b>\$404,038</b>	<b>\$915,612</b>	<b>\$1,054,813</b>	<b>\$1,018,030</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$804,539</b>	<b>\$788,214</b>	<b>\$891,212</b>	<b>\$1,578,444</b>	<b>\$1,630,963</b>	<b>\$1,731,564</b>

Source: The Districts' Audits.

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**BROWNING HIGH SCHOOL DISTRICT**

**GENERAL FUND**

Summary of Statements of Revenues Collected, Expenditures Paid, and Changes in Fund Balance

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>Revenues:</b>						
Local Revenue	\$188,812	\$156,549	\$211,279	\$233,104	\$185,657	\$208,866
State Revenue	3,355,102	3,326,421	3,568,541	3,714,426	3,801,147	4,192,908
<b>Total Revenue</b>	<b>\$3,543,914</b>	<b>\$3,482,970</b>	<b>\$3,779,820</b>	<b>\$3,947,530</b>	<b>\$3,986,804</b>	<b>\$4,401,774</b>
<b>Expenditures:</b>						
Instruction	\$2,471,265	\$2,251,999	\$2,517,612	\$2,505,831	\$2,630,796	\$2,442,922
Support Services	527,611	532,959	569,876	524,991	633,563	759,117
Education Media Services	71,675	102,496	133,348	145,345	199,754	153,515
General Administration	68,247	107,394	114,557	66,032	65,333	144,744
School Administration	308,563	398,522	330,241	384,989	187,267	641,575
Business Services	0	0	0	0	0	58,922
Operation and Maintenance	38,825	35,232	18,410	10,079	87,876	5,288
School Food	0	0	0	0	0	0
Transportation	0	0	0	0	65,289	0
Extracurricular	53,646	84,785	92,105	82,688	63,546	79,061
Community Services	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$3,539,832</b>	<b>\$3,513,387</b>	<b>\$3,776,149</b>	<b>\$3,719,955</b>	<b>\$3,933,424</b>	<b>\$4,285,144</b>
<b>Excess of Revenues Over/(Under) Expenditures</b>	<b>\$4,082</b>	<b>\$(30,417)</b>	<b>\$3,671</b>	<b>\$227,575</b>	<b>\$53,380</b>	<b>\$116,630</b>
Net Transfers	0	0	0	0	0	0
Fund Balance, July 1	190,522	194,604	160,282	163,953	306,924	281,563
Restatements	0	(3,904)		(84,604)	0	0
<b>Fund Balance, June 30</b>	<b>\$194,604</b>	<b>\$160,283</b>	<b>\$163,953</b>	<b>\$306,924</b>	<b>\$360,304</b>	<b>\$398,194</b>
<b>Fund Balance as a % of Exp.<sup>1</sup></b>	<b>5.5%</b>	<b>4.6%</b>	<b>4.3%</b>	<b>8.3%</b>	<b>9.2%</b>	<b>9.3%</b>

<sup>1</sup> All of the ending fund balances are unassigned.

Source: The Districts' Audits.

**BROWNING HIGH SCHOOL DISTRICT****GENERAL FUND**

## Summary of Balance Sheet

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>ASSETS</b>						
Cash and Investments	\$194,604	\$160,283	\$163,953	\$385,661	\$447,708	\$509,984
Taxes Receivable	145,562	163,887	163,887	163,887	145,582	160,399
Other Current Assets	0	0	0	0	0	0
<b>TOTAL ASSETS</b>	<b>\$340,166</b>	<b>\$324,170</b>	<b>\$327,840</b>	<b>\$549,548</b>	<b>\$593,290</b>	<b>\$670,383</b>
<b>LIABILITIES</b>						
Accrued Payroll	\$0	\$0	\$0	\$78,737	\$87,408	\$111,790
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,737</b>	<b>\$87,408</b>	<b>\$111,790</b>
<b>DEFERRED INFLOWS/RESOURCES</b>						
Deferred Inflows	\$145,562	\$163,887	\$163,887	\$163,887	\$145,582	\$160,399
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$145,562</b>	<b>\$163,887</b>	<b>\$163,887</b>	<b>\$163,887</b>	<b>\$145,582</b>	<b>\$160,399</b>
<b>FUND BALANCES</b>						
Restricted	\$0	\$0	\$0	\$0	\$0	\$0
Nonspendable	0	0	0	0	0	0
Assigned	0	0	0	0	0	0
Unassigned	194,604	160,283	163,953	306,924	360,300	398,194
<b>TOTAL FUND EQUITY</b>	<b>\$194,604</b>	<b>\$160,283</b>	<b>\$163,953</b>	<b>\$306,924</b>	<b>\$360,300</b>	<b>\$398,194</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$340,166</b>	<b>\$324,170</b>	<b>\$327,840</b>	<b>\$549,548</b>	<b>\$593,290</b>	<b>\$670,383</b>

Source: The Districts' Audits.

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## Summary of the Districts Impact Aid Fund Financial Statements

The results for the Districts shown below were extracted from the Districts' audited financials.

### BROWNING ELEMENTARY DISTRICT IMPACT AID FUND

#### Summary of Statements of Revenues Collected, Expenditures Paid, and Changes in Fund Balance

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>Revenues:</b>						
Local Revenue	\$137,956	\$95,029	\$86,953	\$136,034	\$370	\$576,813
Federal Sources <sup>1</sup>	8,080,334	7,254,595	9,004,083	9,508,575	12,250,628	10,207,785
<b>Total Revenue</b>	<b>\$8,218,290</b>	<b>\$7,349,624</b>	<b>\$9,091,036</b>	<b>\$9,644,609</b>	<b>\$12,250,998</b>	<b>\$10,784,598</b>
<b>Expenditures:</b>						
Instruction	\$520,554	\$702,219	\$663,868	\$1,173,562	\$593,788	\$1,269,982
Support Services	87,794	75,519	124,805	32,861	32,289	262,950
Education Media Services	277,966	294,156	428,059	406,324	362,677	301,265
General Administration	348,032	574,393	594,112	629,758	687,659	698,428
School Administration	563,062	1,031,757	1,061,595	1,017,216	1,227,114	132,229
Business Services	369,446	413,840	350,038	342,687	276,797	201,458
Operation and Maintenance	1,754,840	1,865,494	1,179,155	1,778,718	1,291,575	2,005,744
School Food	132,915	0	5,344	34,902	0	10,035
Transportation	157,523	139,407	129,242	137,607	237,090	278,949
Extracurricular	140,790	107,222	216,963	198,037	187,316	167,944
Community Services	16,341	10,926	97,006	12,931	12,598	12,028
Other Current Charges	5,988	0	0	0	0	0
Capital Outlay	1,313,440	132,955	875,873	1,151,913	864,126	15,675,287
<b>Total Expenditures</b>	<b>\$5,688,691</b>	<b>\$5,347,888</b>	<b>\$5,726,060</b>	<b>\$6,916,216</b>	<b>\$5,773,029</b>	<b>\$21,016,298</b>
<b>Excess of Revenues Over Under) Expenditures</b>	<b>\$2,529,599</b>	<b>\$2,001,736</b>	<b>\$3,364,976</b>	<b>\$2,728,393</b>	<b>\$6,477,969</b>	<b>\$(10,231,700)</b>
Net Transfers <sup>2</sup>	(7,170,988)	0	0	0	0	0
Fund Balance, July 1	14,377,510	9,743,128	11,759,129	15,139,207	17,991,376	24,401,134
Restatements/Encumbrances	7,007	14,265	15,828	123,776	0	9,876,101
<b>Fund Balance, June 30<sup>3</sup></b>	<b>\$9,743,128</b>	<b>\$11,759,129</b>	<b>\$15,139,933</b>	<b>\$17,991,376</b>	<b>\$24,469,345</b>	<b>\$24,045,535<sup>4</sup></b>

<sup>1</sup> These amounts are all Impact Aid Revenues received by the District in the indicated fiscal years. Impact Aid Revenues are first transferred to the Trustee for application of Impact Aid Basic Support as set forth therein; upon fully funding deposits to the funds as required in the Indenture, the Trustee will transfer the remaining Impact Aid Basic Support and other Impact Aid Revenues to the Impact Aid Fund.

<sup>2</sup> The amount of the transfer out in 2014/15 takes includes proceeds for the sale of a general asset in the amount of \$1,012 and the District's \$7,172,000 transfer out to the Interlocal Agreement Cooperative Fund, which could be used by the District or the Browning High School District. The Districts have not renewed the Interlocal Agreement Cooperative Fund since in fiscal year 2016/17.

<sup>3</sup> The amount of 'set-aside' pursuant to the District's Set-Aside Policy is included in the Impact Aid Fund Balance as of June 30 shown above. As of April 15, 2020, the District had an estimated cumulative amount of \$12,709,932.30 allocated to the 15% Set-Aside Policy, which had been accumulated through the years, but remained unused for capital improvements or related debt service.

<sup>4</sup> The Elementary District expects to allocate approximately \$11,200,000 of cash for a project to build a new middle school and related improvements that is expected to be completed in early 2021 and approximately \$4,600,000 of cash for the sportsplex project shared with the High School District that is expected to be completed by summer 2021.

Source: The Districts' audits.

**BROWNING ELEMENTARY DISTRICT****IMPACT AID FUND**

## Summary of Balance Sheet

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>ASSETS</b>						
Cash and Investments	\$9,782,112	\$11,768,466	\$15,155,168	\$18,099,639	\$24,763,464	\$24,024,219
Due From Other Governments	0	0	0	0	0	592,285
<b>TOTAL ASSETS</b>	<b>\$9,782,112</b>	<b>\$11,768,466</b>	<b>\$15,155,168</b>	<b>\$18,099,639</b>	<b>\$24,763,464</b>	<b>\$24,616,504</b>
<b>LIABILITIES</b>						
Accounts Payable	\$38,984	\$9,337	\$15,961	\$40,052	\$210,736	\$570,969
Accrued Payroll	0	0	0	68,211	83,383	0
Due to Other Funds	0	0	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>\$38,984</b>	<b>\$9,337</b>	<b>\$15,961</b>	<b>\$108,263</b>	<b>\$294,119</b>	<b>\$570,969</b>
<b>DEFERRED INFLOWS/RESOURCES</b>						
Deferred Inflows	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCES</b>						
Reserve for Encumbrances	\$0	\$0	\$0	\$0	\$0	\$9,876,101
Assigned	51,283	40,115	35,234	0	0	0
Unassigned	9,691,845	11,719,014	15,103,973	17,991,376	24,469,345	14,169,434
<b>TOTAL FUND EQUITY</b>	<b>\$9,743,128</b>	<b>\$11,759,129</b>	<b>\$15,139,207</b>	<b>\$17,991,376</b>	<b>\$24,469,345</b>	<b>\$24,045,535</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$9,782,112</b>	<b>\$11,768,466</b>	<b>\$15,155,168</b>	<b>\$18,099,639</b>	<b>\$24,763,464</b>	<b>\$24,616,504<sup>1</sup></b>

<sup>1</sup> The Elementary District expects to allocate approximately \$11,200,000 of cash for a project to build a new middle school and related improvements that is expected to be completed in early 2021. The Elementary District and High School District are each expecting to contribute one-half (approximately \$4,385,500) of total project costs of the sportsplex project (currently estimated to be approximately \$8,771,000) that is expected to be completed by summer 2021.

Source: The District's audits.

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**BROWNING HIGH SCHOOL DISTRICT**

**IMPACT AID FUND**

Summary of Statements of Revenues Collected, Expenditures Paid, and Changes in Fund Balance

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>Revenues:</b>						
Local Revenue	\$24,473	\$33,678	\$56,951	\$132,893	\$28,389	\$333,841
Federal Sources <sup>1</sup>	3,249,017	3,613,740	3,593,854	5,339,780	5,019,516	4,579,564
<b>Total Revenue</b>	<b>\$3,273,490</b>	<b>\$3,647,418</b>	<b>\$3,650,805</b>	<b>\$5,472,673</b>	<b>\$5,047,905</b>	<b>\$4,913,405</b>
<b>Expenditures:</b>						
Instruction	\$366,073	\$98,686	\$164,440	\$287,068	\$167,846	\$224,944
Support Services	18,242	14,111	28,059	28,894	11,971	37,902
Education Media Services	98,017	96,984	129,735	176,818	101,310	78,712
General Administration	169,781	203,064	205,026	190,380	207,058	130,864
School Administration	73,555	109,442	60,592	117,680	370,548	107,946
Business Services	92,412	156,843	116,635	115,046	118,724	81,908
Operation and Maintenance	427,847	527,486	634,666	747,497	655,213	759,609
School Food	0	0	1,781	0	0	0
Transportation	53,794	62,173	53,133	65,249	84,020	147,777
Extracurricular	384,638	441,932	468,232	537,099	504,501	537,537
Community Services	5,784	3,990	3,931	4,291	0	3,780
Debt Service	2,145,014	31,508	0	0	4,208	0
Other Current Charges	67,100	19,445	0	0	0	0
Capital Outlay	31,892	94,326	432,064	13,250	132,422	290,636
<b>Total Expenditures</b>	<b>\$3,934,149</b>	<b>\$1,859,990</b>	<b>\$2,298,294</b>	<b>\$2,283,272</b>	<b>\$2,357,821</b>	<b>\$5,017,525</b>
<b>Excess of Revenues Over Under) Expenditures</b>	<b>\$(660,659)</b>	<b>\$1,787,428</b>	<b>\$1,352,511</b>	<b>\$3,189,401</b>	<b>\$2,690,084</b>	<b>\$(104,120)</b>
Net Transfers	0	0	(257,025)	(242,250)	(49,850)	(434,975)
Proceeds of Long-term Debt	1,570,000	0	0	0	0	0
Fund Balance, July 1	2,417,745	3,359,054	5,191,276	6,292,369 <sup>3</sup>	9,367,329	12,007,564
Restatements/Encumbrances	31,968	44,794	4,879	127,809	0	2,349,900
<b>Fund Balance, June 30<sup>2</sup></b>	<b>\$3,359,054</b>	<b>\$5,191,276</b>	<b>\$6,291,641<sup>3</sup></b>	<b>\$9,367,329</b>	<b>\$12,007,563</b>	<b>\$13,818,369</b>

<sup>1</sup> These amounts are all Impact Aid Revenues received by the High School District in the indicated fiscal years. Impact Aid Revenues are first transferred to the Trustee for application of Impact Aid Basic Support as set forth therein; upon fully funding deposits to the funds as required in the Indenture, the Trustee will transfer the remaining Impact Aid Basic Support and other Impact Aid Revenues to the Impact Aid Fund.

<sup>2</sup> The amount of 'set-aside' pursuant to the High School District's Set-Aside Policy is included in the Impact Aid Fund Balance as of June 30 shown above. As of April 15, 2020, the High School District had an estimated cumulative amount of \$5,504,133.45 allocated to the 15% Set-Aside Policy, which had been accumulated through the years, but remained unused for capital improvements or related debt service.

<sup>3</sup> As shown in the audits, the 2016/17 ending balance differs from the 2017/18 beginning balance by \$728.

Source: The Districts' audits.

**BROWNING HIGH SCHOOL DISTRICT****IMPACT AID FUND**

## Summary of Balance Sheet

	Audited 2014/15	Audited 2015/16	Audited 2016/17	Audited 2017/18	Audited 2018/19	Unaudited 2019/20
<b>ASSETS</b>						
Cash and Investments	\$3,221,570	\$4,814,902	\$5,918,412	\$9,028,490	\$11,661,801	\$13,032,476
Restricted Cash and Investments	173,397	383,600	383,671	385,739	407,685	909,904
<b>TOTAL ASSETS</b>	<b>\$3,394,967</b>	<b>\$5,198,502</b>	<b>\$6,302,083</b>	<b>\$9,414,229</b>	<b>\$12,069,486</b>	<b>\$13,942,380</b>
<b>LIABILITIES</b>						
Accounts Payable	\$35,913	\$7,226	\$9,714	\$28,074	\$31,579	\$0
Accrued Payroll	0	0	0	18,826	26,550	0
Other Current Liabilities	0	0	0	0	0	124,011
Construction Retainage Payable	0	0	0	0	3,793	0
<b>TOTAL LIABILITIES</b>	<b>\$35,913</b>	<b>\$7,226</b>	<b>\$9,714</b>	<b>\$46,900</b>	<b>\$61,922</b>	<b>\$124,011</b>
<b>DEFERRED INFLOWS/RESOURCES</b>						
Deferred Inflows	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCES</b>						
Reserve for Encumbrances	\$0	\$0	\$0	\$0	\$0	\$2,349,890
Assigned	13,259	16,756	2,715	0	0	0
Unassigned	3,345,795	5,174,520	6,289,654	9,367,329	12,007,564	11,468,469
<b>TOTAL FUND EQUITY</b>	<b>\$3,359,054</b>	<b>\$5,191,276</b>	<b>\$6,292,369</b>	<b>\$9,367,329</b>	<b>\$12,007,564</b>	<b>\$13,818,369</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$3,394,967</b>	<b>\$5,198,502</b>	<b>\$6,302,083</b>	<b>\$9,414,229</b>	<b>\$12,069,486</b>	<b>\$13,942,380<sup>1</sup></b>

<sup>1</sup> The High School District and Elementary District are each expecting to contribute one-half (approximately \$4,385,500) of total project costs of the sportsplex project (currently estimated to be approximately \$8,771,000) that is expected to be completed by summer 2021.

Source: The Districts' audits.

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