



**Journal of Commission Work Session
2 Park Drive South, Great Falls, MT
Civic Center Gibson Room 212
October 2, 2018**

1. Call to Order - 5:30 p.m.

CITY COMMISSION MEMBERS PRESENT: Bob Kelly, Bill Bronson and Mary Sheehy Moe. Commissioner Tracy Houck arrived at 6:01 p.m. and Commissioner Owen Robinson was excused.

STAFF PRESENT: Deputy City Manager Chuck Anderson; Finance Director Melissa Kinzler; Assistant City Attorney Joe Cik; and Deputy City Clerk Darcy Dea.

2. Public Comment.

None

3. Introductions & Updates from Neighborhood Council #8.

Steven Grout, NC 8 Official Delegate, introduced fellow council members: Donna Williams and Karen Grove.

Delegate Grout reported that NC 8's boundaries are: the northern boundary is the Missouri River, the southern boundary is Central Avenue, the eastern boundary is 36th Street from Central north to 9th Avenue North then East to 38th Street and north to the Missouri River, the western boundary is 12th Street north from Central Avenue to 7th Avenue North, east to 15th Street North, and north to the Missouri River.

Neighborhood Council 8 held an Annual Ice Cream Social in August.

Delegate Grout reported that there was suspension of the United States Postal Service (USPS) mail delivery on the 1400 block of 4th Avenue North due to an aggressive dog; however, the issue has been resolved. Delegate Grout explained that the process, when calling animal control, is to provide your name, address and file a formal complaint.

Mayor Kelly suggested that NC 8 discuss the process of filing a formal complaint at the Council of Councils meeting on October 30.

There are traffic and safety concerns on 1st and 2nd Avenues North. There have been 54 accidents over the past two years.

Referring to the traffic and safety concerns, Mayor Kelly commended NC 8 for attempting to resolve the issues locally.

NC 8 meets on the third Thursday of each month at 6:00 p.m. in the Women's Annex at the Great Falls Transition Center.

Delegate Grout explained that he views the Commission meetings from home on Channel 190, and commented that he can hear the work sessions in the Gibson room better than the Commission meetings in the Chambers. Delegate Grout commented that it is important for speakers to talk directly into the microphone, and inquired if the image of the speaker in the Chambers could be projected on the screen.

4. Audit Process and Comprehensive Financial Report - Rick Reisig and Melissa Kinzler.

Rick Reisig with Anderson ZurMuehlen reviewed the Fiscal Year (FY) 2017 Comprehensive Annual Financial Report (CAFR). Mr. Reisig reported that the information found in the FY 2017 CAFR will be similar to the FY 2018 CAFR package.

Mayor Kelly commented that this work session would benefit the public with regard to understanding the budget process. Mayor Kelly mentioned that Commissioner Robinson was excused; however, commented that Commissioner Robinson would view the recording of the work session.

Mr. Reisig explained that the audit of the City is comparable to a three-party contract between Anderson ZurMuehlen (hereinafter "AZ"), the City, and the State of Montana, whereas all three parties must agree with the terms of the audit.

The engagements that AZ was hired to do were twofold: one was an agreed upon procedure engagement dealing with building code compliance and the other was the audit of the financial statements of the City of Great Falls. The agreed upon procedure engagement is very structured. The procedures that AZ follows and applies are structured by the State.

The CAFR is a very comprehensive document and is broken out into four main sections: an Introductory Section, Financial Section, Statistical Section and Single Audit Section. The City received the Certificate of Achievement for Excellence from the Government Finance Officers Association (GFOA). It is significant that the City obtains and maintains the Certificate.

Mr. Reisig reviewed the financial statements and foot notes, the management's discussion and analysis, the required supplementary information, the combining and individual funds statements and schedules, the schedule expenditures of federal boards, the Independent Auditor's Report, the income statement, accounting policies, the budget versus actual comparisons, the statistical section, and the internal control and compliance reports.

Commissioner Houck arrived at 6:01 p.m.

Mayor Kelly received clarification that the private purpose trust fund is Castle Pines and agency funds are payroll funds.

Commissioner Houck stepped out at 6:11 and returned at 6:12 p.m.

Referring to the Fair Value Measurements Using chart on page 45, Commissioner Moe received clarification that it is common that Level 2 has the majority of investments, and very little in Level 1.

Finance Director Kinzler reported that City staff prepares the financial statements, and the Auditor's verify them.

Mayor Kelly received clarification that the major cities submit CAFR's, and that the City is required to submit CAFR's.

Assistant City Manager Chuck Anderson reported that the Distinguished Budget Presentation Award was presented to the City for 26 consecutive years.

5. Discussion of Potential Upcoming Work Session Topics.

Deputy City Manager Anderson reported that the agenda for the October 16th work session will consist of updates on the Design Review Board, Continuum of Care, as well as the Official Code of the City of Great Falls (OCCGF) review for Title 15. Mayor Kelly and Commissioner Houck will attend the Neighborhood Council of Councils meeting on October 30. A post budget retreat, to discuss the Fiscal Year 2019 process, will be scheduled in December.

No one requested that any items be added to the work session topic list.

6. Adjourn.

There being no further discussion, Mayor Kelly adjourned the informal work session of October 2, 2018, at 6:35 p.m.