



The Weekly Update – June 15, 2023

Attachments:

1. Journal of City Commission Work Session, June 6, 2023
2. City of Great Falls Total Cash and Investments as of May 31, 2023

JOURNAL OF CITY COMMISSION WORK SESSION
June 6, 2023

City Commission Work Session
Civic Center, Gibson Room 212

Mayor Kelly presiding

CALL TO ORDER: 5:30 p.m.

CITY COMMISSION MEMBERS PRESENT: Bob Kelly, Eric Hinebauch, Rick Tryon, Joe McKenney and Susan Wolff.

STAFF PRESENT: City Manager Greg Doyon; City Attorney David Dennis and Deputy City Attorney Rachel Taylor; Finance Director Melissa Kinzler; Municipal Court Judge Steve Bolstad and Court Supervisor Morgan Medvec; Fire Chief Jeremy Jones; Police Chief Jeff Newton; and, Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

None.

1. SEMI-ANNUAL LITIGATION UPDATE

City Attorney David Dennis recommended that this portion of the meeting be closed to the public pursuant to Mont. Code Ann § 2-3-203(4)(a) to discuss strategy to be followed with respect to a pending litigation matter because an open meeting would have a detrimental effect on the City's litigating position. The meeting will be re-opened at the conclusion of the litigation strategy discussion.

At 5:32 p.m., the meeting continued in executive session in the City Manager's Office with the City Commission, City Manager, City Attorney, Deputy City Attorney and Deputy City Clerk, for the purpose of discussing pending litigation and strategy.

- EXECUTIVE SESSION - -

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The meeting reconvened into an open meeting. Mayor Kelly called the regular meeting back to order at 6:18 p.m.

Mayor Kelly reported that discussion included updates and strategy with regard to pending litigation and claim matters against the City by private litigants.

2. **REVIEW BALLOT LANGUAGE FOR PUBLIC SAFETY LEVY GENERAL OBLIGATION BOND**

City Manager Greg Doyon explained that the new legislation required the bond language to include the taxable value of a \$600,000 home and an increase in property taxes may lead to an increase in rental costs. He reviewed and discussed the draft bond language. The City is using its taxable valuation from fiscal year 2023 as an estimate because fiscal year 2024 taxable valuation would not be available until August 2023 and the interest rate of 5.00% is an estimate as well.

City Finance Manager Melissa Kinzler explained that the new legislation requires some minor language changes to the recent mill levy that passed and will be on the July 5, 2023 Commission meeting agenda. The draft bond language, exhibit A-1, states that the election would be conducted solely by mail ballot.

Commissioner McKenney expressed concern with regard to the state mandated language that states an increase in property taxes may lead to an increase in rental costs. He commented that the word “may” indicates speculation.

It was the consensus of the Commission that the question of issuing general obligation bonds to the qualified electors be on the agenda for the June 20, 2023 Commission meeting.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

City Manager Greg Doyon reported that a proposed FY24 Budget will be a topic for the June 20 and July 5, 2023 work sessions. A storm drain design manual update and solid waste study will be topics for the July 18, 2023 work session. A lead water service line replacement and an energy-consulting contract will be topics for the August 15, 2023 work session.

Commissioner Wolff requested that a City Masterplan update be a topic for an upcoming work session.

Manager Doyon responded that City staff is working on a Request for Proposals (RFP) and an interview for a Planning and Community Development Director is scheduled for next week.

Commissioner Tryon commented that the City should to have a plan if one levy passes and the other does not.

City Manager Doyon responded that regardless if one passes and not the other, some of the items identified in the capital improvement plan would still need to be addressed.

ADJOURN

There being no further discussion, Mayor Kelly adjourned the informal work session of June 6, 2023 at 6:38 p.m.



Finance Department
Memorandum

To: Greg Doyon, City Manager; City Commission; Members of the Investment Committee
 From: Kirsten Wavra, Deputy Finance Director
 Date: June 14, 2023
 Re: Total Cash and Investments as of May 31, 2023

The City of Great Falls’ total cash and investments at the end of May 2023 was \$102,590,085.62. This included cash in bank accounts totaling \$12,532,993.52. Total cash and investments decreased from \$110.6 million in April to \$102.6 million at the end of May. This amount fluctuates from month to month depending on payments made on large capital projects and funds received from utilities, taxes, and grants, for example. The General Fund cash balance decreased from \$5.3 million in April to \$2.3 million in May. This includes a CARES Act balance of \$3,379,830 in the General Fund. The General Fund cash balance will continue to decrease until the next major tax payments will be received by the City in June. The graphs for the City’s total cash and investments as well as the General Fund, specifically, are on the next pages. All cash balances are monitored on a monthly basis.

Also on the next page is the summary of the City’s total cash and investments. The maturity dates of the City’s investments run through October 5, 2023. The Investment Committee met in April to determine investment strategies in the current market. The committee decided to invest \$30.0 million in short-term US Treasury Bills. The City’s investment policy specifies the percentage the City of Great Falls must have of the different types of instruments allowed by state statute. The chart below lists those percentages compared to the City’s investments as of May 31st. The investments in the Montana Board of Investments (STIP) and US Bank Insured Cash Sweep (ICS) are liquid and may be called at any time. Interest rates of both STIP and ICS have been increasing.

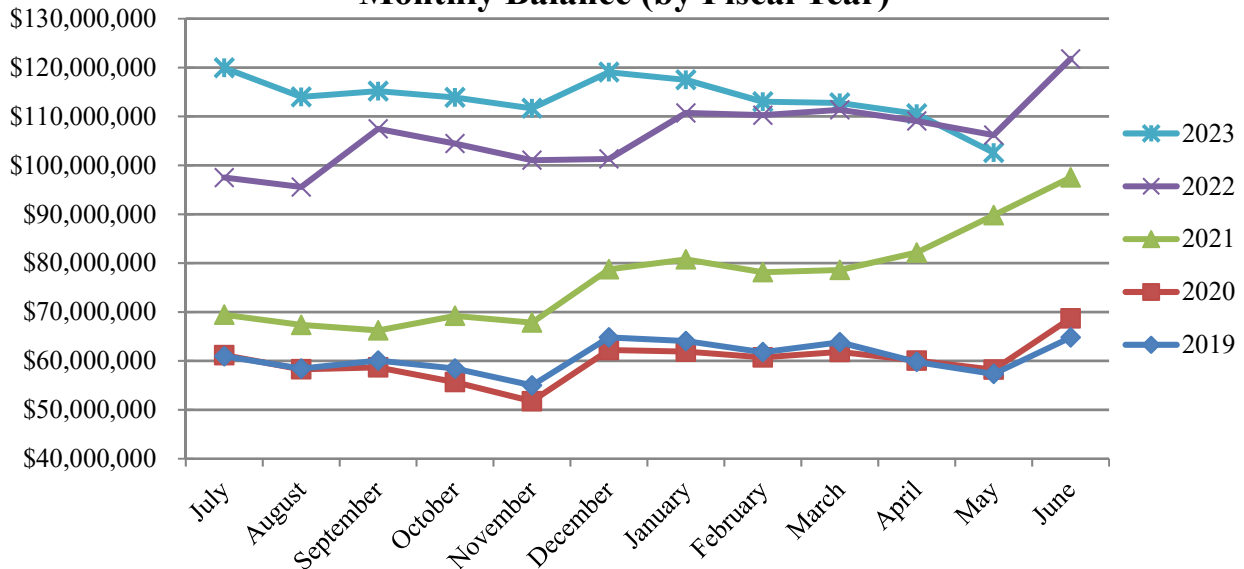
Issuer category	Minimum %	Maximum %	City's Investments % as of May 31, 2023
Master, savings, and ICS accounts	20% combined	100%	71.29%
Montana Board of Investments STIP		100%	
Money Market/Repurchase Agreements		100%	
Direct Obligations of the U.S. which includes Treasury Notes and Bills	0%	80%	28.71%
Obligations of agencies of the U.S.	0%	30%	0%

City of Great Falls
Total Cash & Investment Summary
May 31, 2023

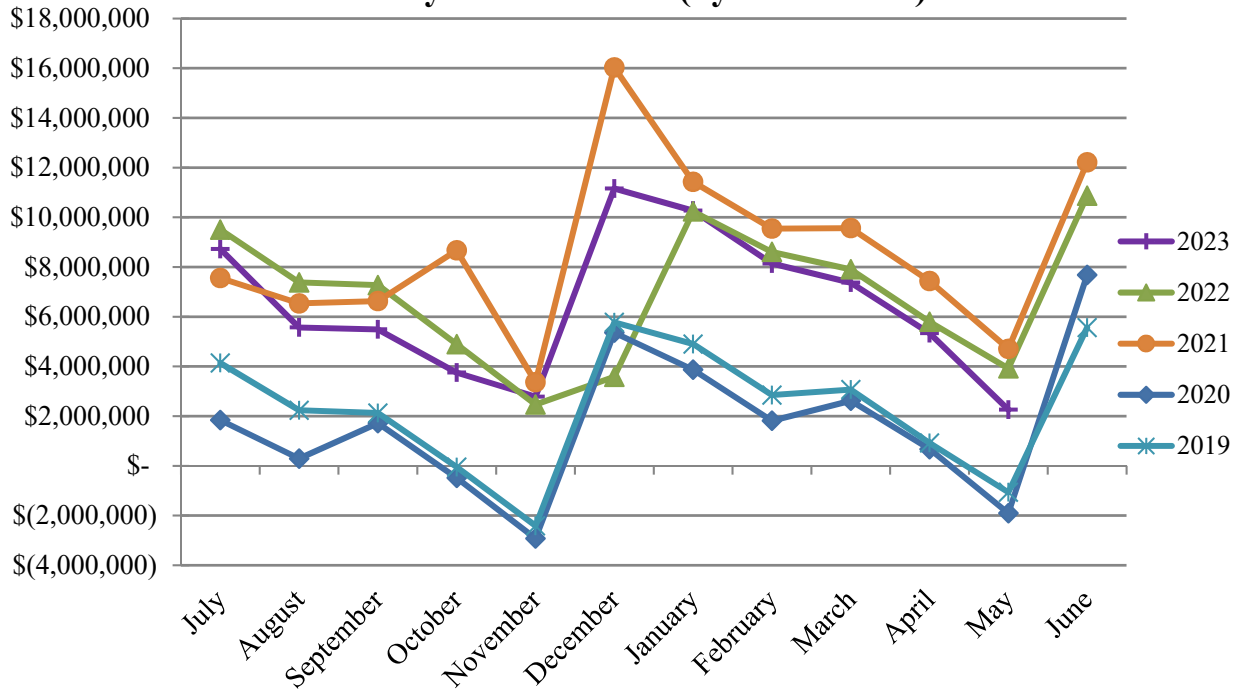
Description	Rate	Due Date	Principal Cost	Market Value
US Bank Investments				
US Treasury Bill	4.820%	10/5/2023	\$ 9,776,405.56	\$ 9,816,811.30
US Treasury Bill	4.940%	8/15/2023	19,681,644.44	19,783,076.20
Insured Cash Sweep	1.025%		13,621,969.59	13,621,969.59
Total US Bank Investments			<u>43,080,019.59</u>	<u>43,221,857.09</u>
State of Montana Short Term				
Investment Pool (STIP)	4.890%		46,977,072.51	46,977,072.51
Total Investments			<u>90,057,092.10</u>	<u>90,198,929.60</u>
Cash on Hand, Deposits in Bank			12,532,993.52	12,532,993.52
Total Cash and Investments			<u><u>\$102,590,085.62</u></u>	<u><u>\$102,731,923.12</u></u>

Compared to previous years, total cash and investments are still at a higher level. The higher levels can be attributed to receipt of American Rescue Plan (ARPA) funding and bond funding from the Park Maintenance District and Downtown Tax Increment District. These monies originally accounted for over \$35 million included in our total cash and investments and are being spent down as the Civic Center façade and new recreation center construction is completed. The ARPA funding is being spent down as it is allocated on a project by project basis.

Total Cash & Investments
Monthly Balance (by Fiscal Year)



General Fund Monthly Cash Balance (by Fiscal Year)



If you have any questions, please feel free to contact me at (406) 455-8423 or kwavra@greatfallsmt.net.