



Annual Comprehensive Financial Report Fiscal Year 2021

City of Great Falls, Montana



City of Great Falls, Montana Annual Comprehensive Financial Report

Fiscal Year 2021
July 1, 2020 to June 30, 2021



Prepared by
the City of Great Falls
Finance Department



City of Great Falls, Montana
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

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January 26, 2022

Citizens of the City of Great Falls
Honorable Mayor and City Commission
City of Great Falls, Montana

I am pleased to submit the Annual Comprehensive Financial Report of the City of Great Falls, Montana, for the fiscal year ended June 30, 2021. The Finance Department staff is responsible for preparing this report. Montana statutes state that local governments must file a financial report with the Montana Department of Administration within six months of the end of a fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2021. Management is responsible for the content of the report, the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures. It is believed that the data presented is accurate in all material aspects and presented in a manner designed to fairly set forth the financial position and results of operations of the City of Great Falls (the City) as measured by the financial activity of its various funds. This belief is based on a comprehensive system of internal controls established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. All disclosures necessary for the readers to gain maximum understanding of the City's financial affairs have been included.

Anderson ZurMuehlen & Co., P.C., has issued an unmodified ("clean") opinion on the City of Great Falls' financial statements for the fiscal year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report (page 7).

Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in combination with it. The City of Great Falls' MD&A can be found immediately following the report of the independent auditors (page 10).

PROFILE OF GOVERNMENT

The City of Great Falls, incorporated in 1888, operates under the Commission-Manager form of government. The Mayor and four City Commissioners are elected at large, by popular vote, on a non-partisan basis. The Mayor serves a two-year term, while Commissioners serve four-year terms. The City Manager is appointed by the City Commission and is, in turn, responsible for all other City employees. The only exception is the Municipal Court Judge, who is elected to a four-year term of office. The City became a charter form of government in accordance with the Constitution of Montana effective July 1, 1986. This charter entitles the City to all the powers of a self-governing charter city not prohibited by the Montana Constitution, the charter, or specific provisions of Montana law. The self-governing powers of the City shall be liberally construed. Every reasonable doubt as to the existence of a power or authority of the City shall be resolved in favor of the existence of that power or authority.

Great Falls has nine neighborhood councils comprised of five members each. Members are elected to two-year terms. The elections are held in conjunction with the City general election. Neighborhood council members must be residents of their designated districts. The councils act in an advisory capacity to the City Commission, the City Manager, and to other City advisory bodies.

Services provided by the City of Great Falls include police, fire, municipal court, planning and community development, library, parks and recreation, and public works operations, which includes streets, water, sewer, storm drain, sanitation, and engineering.

The City created an audit committee in fiscal year 1992. Members include the Mayor, a City Commissioner, the City Manager, the City Finance Director, and two private volunteer citizens. During the annual audit, committee members are kept apprised of the audit schedule progression and any special events that may come to light during the audit. Committee members may make suggestions for additional information to be included in the letter of transmittal or the statistical section.

The budget of the City, as required by Montana statutes, must be approved and adopted by resolution by the later of the first Thursday after the first Tuesday in September or 30 calendar days after receiving certified taxable values from the Montana Department of Revenue. The legal spending limits of the City of Great Falls are established at the fund level. Funds with appropriated budgets are the General Fund, special revenue funds, debt service funds, capital project funds, enterprise funds, and internal service funds.

GREAT FALLS AND CASCADE COUNTY ECONOMIC OUTLOOK

The base economy of Great Falls is predominantly agriculture, medical services, and military. The June 2021 unemployment rate of 3.9% for Great Falls compares favorably to the June 2020 rate of 7.0% and slightly unfavorably to the June 2021 State of Montana rate of 3.7%. Due to COVID-19, unemployment rates had increased nationwide throughout 2020, but have since decreased. Both Great Falls and the State of Montana were below the national unemployment rate of 6.1% in June 2021. The national unemployment rate was 11.1% in June 2020.

Many industries are investing in the Great Falls community. Malmstrom Air Force Base continued preparations for their multi-year, multi-billion dollar missile replacement project. Benefis continued construction on a new Women's and Children's Center. Great Falls Public Schools is exploring options to use their federal COVID relief funds. Calumet Montana Refinery announced a project to transition part of their facility to produce renewable diesel. The City also saw new restaurants and retail shops both in the downtown area, in tax increment districts, and throughout the City. New banks and events centers are being constructed as well.

ACCOMPLISHMENTS IN FISCAL YEAR 2021

During Fiscal Year 2021, the City maintained the fund balance of the General Fund during the COVID pandemic keeping it above the 22% minimum policy. Federal relief was received from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) of \$6,189,114 and American Rescue Plan Act (ARPA) of \$9,736,369 in FY2021. This revenue is in the COVID Recovery Special Revenue Fund and has not been spent. CARES Act funds received in the previous year (FY2020 - \$4,584,830) remain in the General Fund. The City issued bonds for \$5.5 million from the Downtown Tax Increment District to complete repairs of the Civic Center façade and roof, and construction has commenced. The City was awarded a \$10 million grant from the U.S. Department of Defense to build a new aquatics and recreation facility. The grant requires matching funds which will come from bonds payable from the Park District. Public Works continued multi-phase filter upgrades at the Water Treatment Plant. The project was started to add a fuel station at the Park & Recreation facility and subsequently close the deteriorating fuel station at the fire station.

BUDGET OBJECTIVES FOR FISCAL YEAR 2022

Continuing the economic recovery from COVID-19 and for the second year in a row, the City Commission adopted a budget that includes no increases for property taxes, assessments, or utility rates. The undesignated General Fund balance is budgeted to be 20.3%, a reduced amount used to offset tax revenue losses in order to not raise property taxes. The CARES Act funding previously received in the General Fund is an additional 12.9%. Throughout FY2022, the City Commission will consider how to spend federal COVID relief funds pursuant to US Department of Treasury guidelines. Major budget drivers in FY2022 included ratifying the labor agreements with the City's eleven unions. All agreements include an 85%/15% cost-sharing method for health insurance and decreased worker's compensation rates. The City is working to issue bonds from the Park District to execute a \$10.0 million grant received for a new aquatics and recreation facility. The City is also working to implement recommendations from the Crime Task Force, which may have budget implications.

LONG-TERM FINANCIAL PLANNING

As permitted by Section 7-6-4034, Montana Code Annotated (MCA), a balance Designated for Cash Flow shall be considered adequate at 22% of annual appropriations in the General Fund. All other tax levy supported funds (Library) shall be considered adequate at 17% of annual appropriations. An unreserved fund balance for other operating funds of the City shall be considered adequate at a range of 8% to 17% of annual appropriations. Such balances designated for

cash flow shall be used to meet extended revenue cycles, meet short-term economic difficulties, respond to unique opportunities, provide for one-time expenditures, and respond to emergency and disaster situations. The balances shall not be available to meet recurring operating expenses. All departments and divisions supported by the resources of the City strive to function within the limits of the financial resources identified or available specifically to them.

RELEVANT FINANCIAL POLICIES

The City's long-term capital debt policy sets the parameters for issuing debt and provides guidance in the timing and structuring of long-term debt commitments. A separate policy issued for Special Improvement Districts (SIDS) financing was adopted by the City Commission on November 20, 1990. The City may use debt financing for one-time capital improvement projects, unusual equipment purchases, and under the following circumstances: a) When the project is included in the City's five-year capital improvement program or is in conformance with the City's general plan; b) When the project is not included in the City's five-year capital improvement program, but it is an emerging critical need whose timing was not anticipated in the five-year capital improvement program or it is a project mandated immediately by state or federal requirements; c) When the project's useful life or the projected service life of the equipment will be equal to or exceed the term of the financing; d) When there are designated revenues sufficient to service the debt, whether from project revenues, other specified and reserved resources, or infrastructure cost sharing revenues; or e) When debt financing (other than tax and revenue anticipation notes) is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures.

AWARDS

Certificate of Achievement for Excellence in Financial Reporting: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Great Falls, Montana, for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the 27th consecutive year that the City has achieved this prestigious award (fiscal years ended 1994-2020). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must fairly reflect the financial condition of the City and satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate for the year ended June 30, 2021.

Distinguished Budget Presentation Award: GFOA presented a Distinguished Budget Presentation Award to the City of Great Falls, Montana, for its annual budget for the fiscal year beginning July 1, 2020. This was the 30th consecutive year that the City has achieved this prestigious award (fiscal years beginning 1991-2020). In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

ACKNOWLEDGMENTS

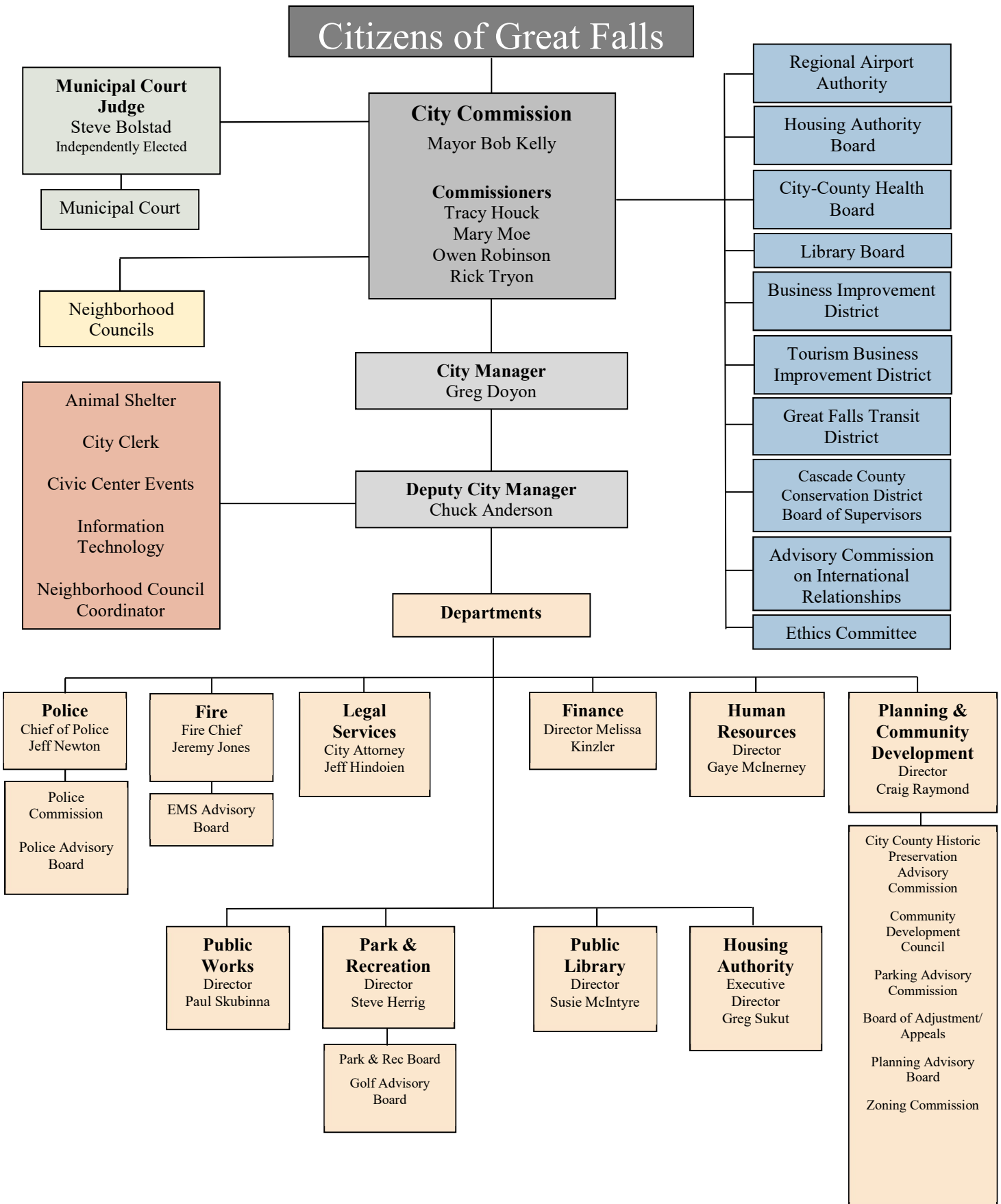
Preparation of this report required the cooperative efforts of many City personnel; in particular, I would like to thank the Accounting Division of the Finance Department. Their dedication to preparing this document each year is sincerely appreciated.

Respectively submitted,



Melissa Kinzler
Finance Director

City of Great Falls, Montana Organizational Chart



City of Great Falls, Montana
List of Elected and Appointed Officials
June 30, 2021

Elected Positions

Bob Kelly	Mayor	870-0212
Tracy Houck	Commissioner	781-8958
Mary Moe	Commissioner	868-9427
Owen Robinson	Commissioner	868-9800
Rick Tryon	Commissioner	788-8904
Steve Bolstad	Municipal Judge	771-1380

Appointed Positions

Greg Doyon	City Manager	455-8450
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Department Positions

Chuck Anderson	Deputy City Manager	455-8450
Lisa Kunz	City Clerk	455-8451
Lanni Klasner	Communication Specialist/Neighborhood Councils	455-8496
Owen Grubenhoff	Civic Center Events Supervisor	455-8510
Jon Legan	Information Technology Operations Manager	455-8483
Gaye McInerney	Human Resources Director	455-8447
Craig Raymond	Planning and CD Director	455-8530
Bruce Haman	Building Official	455-8404
Tom Micuda	Deputy Planning and CD Director	455-8432
Greg Sukut	Housing Authority Executive Director	453-4311
Melissa Kinzler	Finance Director	455-8476
Kirsten Myre	Deputy Finance Director	455-8423
Jeremy Jones	Fire Chief	791-8968
Robert Shupe	Assistant Fire Chief	791-8965
Mike McIntosh	Assistant Fire Chief	791-8971
Jeff Hindoién	City Attorney	455-8478
Neil Anthon	Chief Prosecutor	455-8449
Steve Herrig	Park & Recreation Director	791-8980
Patty Rearden	Deputy Park & Recreation Director	791-8981
Lonnie Dalke	Parks Supervisor	791-8982
Todd Seymanski	City Forester	791-8983
Jeff Newton	Chief of Police	455-8410
Doug Otto	Police Captain	455-8512
John Schaffer	Police Captain	455-8412
Rob Moccasin	Police Captain	455-8413
Susie McIntyre	Library Director	453-9706
Paul Skubinna	Public Works Director	455-8136
Mike Judge	Public Works/Utility Systems Supervisor	727-8390
Jesse Patton	Public Works/ Interim City Engineer	771-1258
Jason Fladland	Public Works/ Water Plant Supervisor	455-8587

All phone numbers listed above are preceded by the area code 406.
Bolded positions denote Elected Officials and Department Heads.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Great Falls
Montana**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor,
City Commissioners and City Manager
City of Great Falls, Montana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Great Falls, Montana (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Great Falls Business Improvement District, the Great Falls Tourism Business Improvement District or the Great Falls Public Library Foundation. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Great Falls Business Improvement District, the Great Falls Tourism Business Improvement District and the Great Falls Public Library Foundation, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Great Falls, Montana, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the City's total OPEB liability and related ratios, schedules of the City's proportionate share of the net pension liability and retirement system contributions, schedules of the City's additional pension contributions and budgetary comparison information on pages 10 through 19 and 101 through 116 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Great Falls, Montana's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2022, on our consideration of the City of Great Falls, Montana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Great Falls, Montana's internal control over financial reporting and compliance.

Anderson Zurmuehlen & Co., P.C.

Great Falls, Montana
January 26, 2022

City of Great Falls, Montana
Management's Discussion and Analysis
Fiscal Year 2021

As management of the City of Great Falls, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City of Great Falls for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in combination with additional information that we have furnished in the accompanying letter of transmittal found on pages 1 - 3 and the City's financial statements, which begin on page 20.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City of Great Falls exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$246,982,909; of this amount; \$3,998,146 is the unrestricted net position.
- The government's total net position increased by \$15,771,805 in comparison with the prior year. This increase was attributable to the increase of governmental activities of \$11,658,239 and an increase of business-type activities of \$4,113,566.
- As of the close of the most recent fiscal year, the City of Great Falls' governmental funds reported combined ending fund balances of \$42,899,214, an increase of \$7,965,211 in comparison with the prior year. Approximately 52.8% of this total amount, \$22,651,475, is available for spending at the government's discretion.
- At the close of the most recent fiscal year, unassigned fund balance for the general fund was \$13,041,527 or 32.06% of total general fund expenditures and transfers.
- The City of Great Falls' bonded debt increased by \$2,179,847 (3.91%) during the most recent fiscal year. This increase is attributable to the issuance of urban renewal tax increment bonds in the Downtown tax increment district and was partially offset by the Water, Sewer, and Storm Drain funds payments on their respective revenue bonds.
- The City's legal debt margin availability is \$158,882,391. The majority of the debt capacity would require a vote of the citizens on the debt issuance. The City's non-voted General Obligation debt capacity is at \$2,327,003.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Great Falls' basic financial statements which are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) other required supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS. The government-wide financial statements, presented on pages 21 – 23, are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Great Falls' assets, deferred outflows, liabilities, and deferred inflows with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Great Falls is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., delinquent taxes and earned but unused compensated absences).

The government-wide financial statements distinguish functions of the City of Great Falls that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Great Falls include general government, public safety, public works, culture and recreation, housing and development, and interest and fees. The business-type activities of the City of Great Falls include activities such as water, sanitary sewer, storm drain, and sanitation operations.

The government-wide financial statements include not only the primary government of the City of Great Falls but also three component units, the Great Falls Business Improvement District (Business Improvement District), the Great Falls Tourism Business Improvement District (Tourism Business Improvement District) and the Great Falls Library Foundation (Public Library Foundation). The exclusion of the component units would cause the City of Great Falls' financial statements to be misleading and should, therefore, be included in the City of Great Falls' financial reports. Consolidated financial information for these component units is reported separately from the financial information presented for the primary government itself. Requests for additional information for the component units should be addressed to Great Falls Business Improvement District, 318 Central Avenue, Great Falls, MT 59401; Great Falls Tourism Business Improvement District, PO Box 648, Great Falls, MT 59403; and Great Falls Public Library Foundation, PO Box 742, Great Falls, MT 59403.

FUND FINANCIAL STATEMENTS. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Great Falls, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Great Falls can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Great Falls maintains thirty-seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, the COVID Recovery Fund, the Street District Fund, and the Federal Block Grant Fund, all of which are considered to be major funds. Data for the basic governmental fund financial statements is presented on pages 24 – 27. Data from the other thirty-three governmental funds are combined into a single, aggregated presentation, on pages 117 – 149.

The City of Great Falls adopts an annual appropriated budget. A budgetary comparison schedule has been provided for the General Fund and the major special revenue funds to demonstrate compliance with this budget. In addition, the City has provided budgetary comparison schedules for non-major governmental funds.

Proprietary Funds. The City of Great Falls maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Great Falls uses enterprise funds to account for its water, sewer, storm drain, sanitation, 911 dispatch center, parking, golf courses, swimming pools, recreation, multi-sports, civic center events, special state projects, and port authority operations. Internal service funds are an accounting device to accumulate and

allocate costs internally among the City of Great Falls' various functions. The City of Great Falls uses internal service funds to account for human resources, city telephone, health and benefits, insurance and safety, finance, information technology, central garage, engineering, public works admin, and civic center facility service. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, Storm Drain, Sanitation, Port Authority, and State Special Projects operations funds, all of which are considered to be major funds of the City of Great Falls. Data for these major funds is presented on pages 28 – 35. The other eight proprietary funds are combined into a single, aggregated presentation, presented on pages 151 – 159. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements, presented on pages 160 – 172.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Great Falls' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Combined data for the fiduciary funds is presented on pages 36 – 37 with detail data presented on pages 173 – 177.

NOTES TO THE FINANCIAL STATEMENTS. The notes, presented on pages 38 – 99, provide additional narrative and tabular information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

OTHER INFORMATION. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Other Post-Employment Benefits, Net Pension Liability, Additional Pension Contributions and the City of Great Falls' budgetary control, on pages 101 – 116.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the end of the most recent fiscal year, the assets and deferred outflows of the City of Great Falls exceeded its liabilities and deferred inflows by \$246,982,909.

By far the largest portion of the City of Great Falls' net position, \$193,085,670 (78.2%), reflects its net investment in capital assets (land, buildings, machinery and equipment, etc.). The City of Great Falls uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Great Falls' investment in its capital assets is reported net, it should be noted that the resources needed to repay the associated debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate such liabilities.

City of Great Falls' Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 65,330,810	\$ 46,626,704	\$ 41,271,354	\$ 37,275,740	\$106,602,164	\$ 83,902,444
Capital assets	76,187,678	74,100,384	181,875,125	186,159,760	258,062,803	260,260,144
Total assets	<u>141,518,488</u>	<u>120,727,088</u>	<u>223,146,479</u>	<u>223,435,500</u>	<u>364,664,967</u>	<u>344,162,588</u>
Deferred outflows of resources	<u>12,362,923</u>	<u>7,204,502</u>	<u>1,995,815</u>	<u>1,291,709</u>	<u>14,358,738</u>	<u>8,496,211</u>
Total assets and deferred outflows of resources	<u>153,881,411</u>	<u>127,931,590</u>	<u>225,142,294</u>	<u>224,727,209</u>	<u>379,023,705</u>	<u>352,658,799</u>
Liabilities:						
Current liabilities	4,718,958	3,836,344	6,283,643	6,864,683	11,002,601	10,701,027
Noncurrent liabilities	<u>60,298,268</u>	<u>47,489,983</u>	<u>56,158,040</u>	<u>59,098,175</u>	<u>116,456,308</u>	<u>106,588,158</u>
Total liabilities	<u>65,017,226</u>	<u>51,326,327</u>	<u>62,441,683</u>	<u>65,962,858</u>	<u>127,458,909</u>	<u>117,289,185</u>
Deferred inflows of resources	<u>3,954,220</u>	<u>3,353,537</u>	<u>627,667</u>	<u>804,973</u>	<u>4,581,887</u>	<u>4,158,510</u>
Net position:						
Net investment in capital assets	62,591,068	66,153,408	130,494,602	130,112,018	193,085,670	196,265,426
Restricted	41,306,322	23,424,215	8,592,771	9,213,962	49,899,093	32,638,177
Unrestricted	<u>(18,987,425)</u>	<u>(16,325,897)</u>	<u>22,985,571</u>	<u>18,633,398</u>	<u>3,998,146</u>	<u>2,307,501</u>
Total net position	<u>\$ 84,909,965</u>	<u>\$ 73,251,726</u>	<u>\$162,072,944</u>	<u>\$157,959,378</u>	<u>\$246,982,909</u>	<u>\$231,211,104</u>

An additional portion of the City of Great Falls' net position, \$49,899,093, represents resources that are subject to external restrictions on how they may be used. Restricted net position reported for the business-type activities was \$8,592,771. The majority of this restricted net position is related to the debt service reserve required for the issuance of revenue-related debt.

The remaining balance of unrestricted net position, \$3,998,146, is due to the previous recognition of the Governmental Accounting Standards Board (GASB) Statement No. 68 (GASB 68) and Statement No. 75 (GASB 75) requirements. The governmental activities capital assets and deferred outflows increased by \$7,245,715 due to the addition of machinery and equipment and an increase in deferred outflows of resources. Current liabilities and deferred inflows of governmental activities increased by \$1,483,297 because of the increase of deferred inflows due to the OPEB liability increase and increased general government debt.

At the end of the most recent fiscal year, the City of Great Falls is able to report positive balances in two categories of net position for the government as a whole. The City's unrestricted net position is positive for the government as a whole at \$3,998,146. The governmental activities \$(18,987,425) unrestricted net position is negative due to the previous recognition of the GASB 68 and GASB 75 requirements.

City of Great Falls' Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$18,022,376	\$14,403,397	\$ 38,045,283	\$ 38,066,347	\$ 56,067,659	\$ 52,469,744
Operating grants and contributions	15,818,889	5,488,027	675,627	649,141	16,494,516	6,137,168
Capital grants and contributions	104,007	3,148,306	-	-	104,007	3,148,306
General revenues:						
Property taxes, levied for general purposes	25,474,915	26,143,194	-	-	25,474,915	26,143,194
Grants and contributions, unrestricted	9,231,662	9,373,657	4,127	2,784	9,235,789	9,376,441
Other	86,413	497,273	29,422	568,929	115,835	1,066,202
Miscellaneous	8,027,170	5,081,769	579,189	207,495	8,606,359	5,289,264
Total revenues	<u>76,765,432</u>	<u>64,135,623</u>	<u>39,333,648</u>	<u>39,494,696</u>	<u>116,099,080</u>	<u>103,630,319</u>
Expenses:						
General government	13,717,027	12,043,073	-	-	13,717,027	12,043,073
Public safety	32,668,855	29,605,935	-	-	32,668,855	29,605,935
Public works	8,745,824	8,370,526	-	-	8,745,824	8,370,526
Culture and recreation	6,690,221	6,623,215	-	-	6,690,221	6,623,215
Housing and development	2,239,153	2,306,897	-	-	2,239,153	2,306,897
Interest and fees	288,800	235,180	-	-	288,800	235,180
Water	-	-	11,452,967	10,590,672	11,452,967	10,590,672
Sewer	-	-	10,494,173	10,226,134	10,494,173	10,226,134
Storm Drain	-	-	2,688,622	2,601,173	2,688,622	2,601,173
Sanitation	-	-	4,278,659	3,963,297	4,278,659	3,963,297
Port Authority	-	-	223,690	241,122	223,690	241,122
State Special Projects	-	-	336,841	343,367	336,841	343,367
Other	-	-	6,502,443	6,552,059	6,502,443	6,552,059
Total expenses	<u>64,349,880</u>	<u>59,184,826</u>	<u>35,977,395</u>	<u>34,517,824</u>	<u>100,327,275</u>	<u>93,702,650</u>
Increase in net position before transfers	12,415,552	4,950,797	3,356,253	4,976,872	15,771,805	9,927,669
Transfers	(757,313)	(929,654)	757,313	929,654	-	-
Increase in net position	11,658,239	4,021,143	4,113,566	5,906,526	15,771,805	9,927,669
Total net position - beginning	73,251,726	69,230,583	157,959,378	152,052,852	231,211,104	221,283,435
Net position - ending	<u>\$84,909,965</u>	<u>\$73,251,726</u>	<u>\$ 162,072,944</u>	<u>\$157,959,378</u>	<u>\$ 246,982,909</u>	<u>\$ 231,211,104</u>

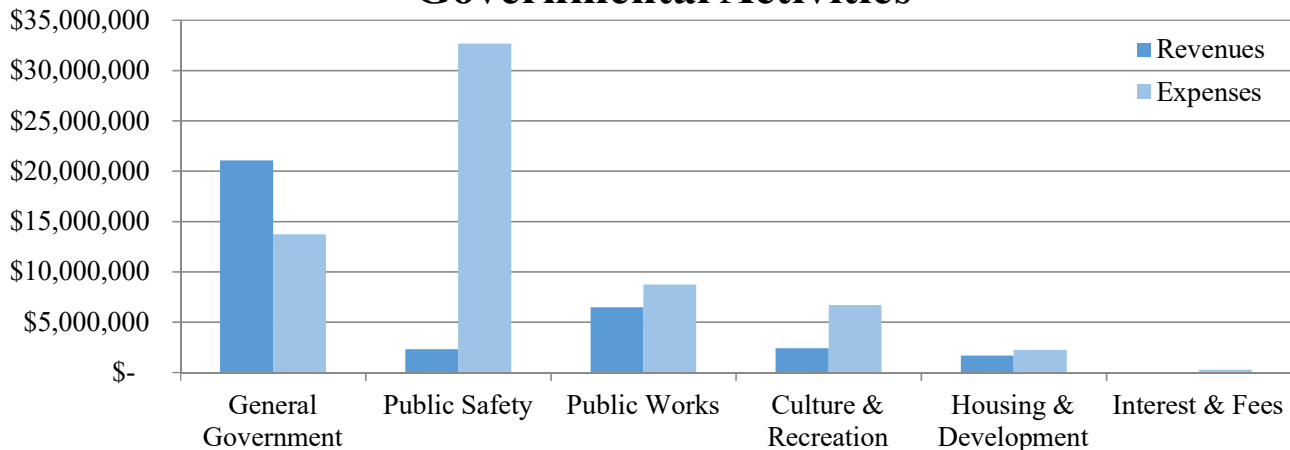
The City of Great Falls' revenues totaled \$116,099,080. The total cost of all programs and services was \$100,327,275. The government was able to cover this year's costs in both governmental activities and business-type activities. Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities. Revenues for the most recent year from governmental activities were \$76,765,432 while expenses were \$64,349,880. Net position thus increased by \$12,415,552 before transfers. Charges for services increased \$3,618,979 due to an increase of collections for services in all governmental funds. Operating grants and contributions increased \$10,330,862 due to an increase in grants and contributions received in the COVID Recovery Fund. Capital grants and contributions decreased \$3,044,299 due to increased grants received in the Federal Block Grant and Gas Tax BaRSAA Funds in Fiscal Year 2020. Property taxes decreased by

\$668,279, primarily due to the settlement of protested taxes from Calumet Refinery in Fiscal Year 2020. Grants and contributions (such as State of Montana Entitlement House Bill 124) that are unrestricted decreased slightly by \$141,995 primarily due to a stabilization of this revenue. Miscellaneous revenue increased \$2,945,401 due additional on-behalf revenue received.

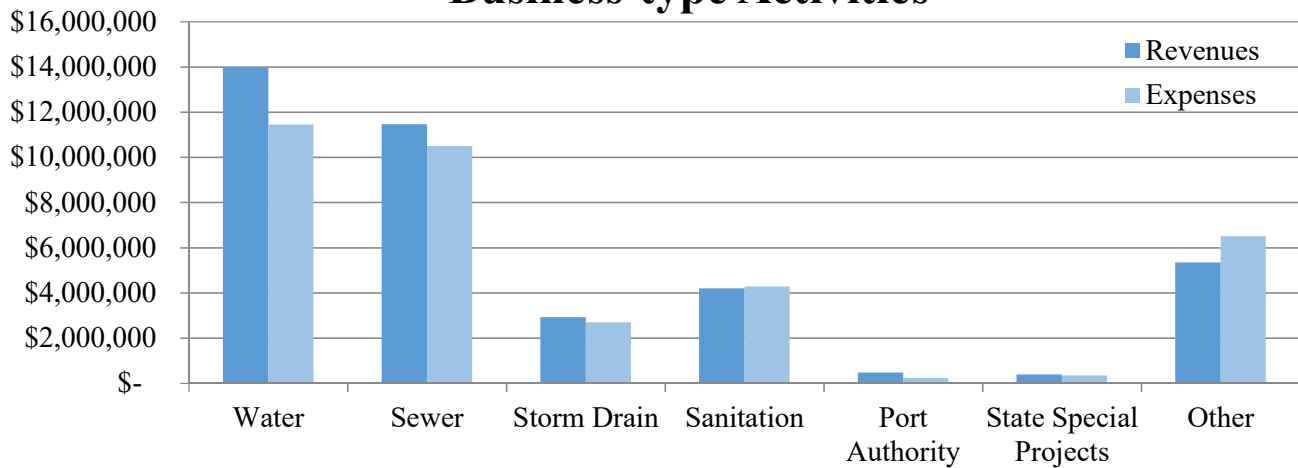
General government related expenses increased by \$1,673,954 primarily due to increased activity in the General Fund in operations. Public safety related expenses increased by \$3,062,920 primarily due to increased activity in the General Fund and the reallocation of the GASB 68 pension adjustment. Public works related expenses increased by \$375,298 primarily due to increased Street Fund activity.

Program Revenues and Expenses - Governmental Activities



Business-type activities. Revenues for the most recent year from business-type activities were \$39,333,648 while expenses were \$35,977,395. Net position thus increased by \$3,356,253 before transfers. Overall revenue derived from charges for services decreased slightly by \$21,064, primarily due to no increased rate increase for the Water Fund, Sewer Fund, Storm Drain Fund and Sanitation Fund. The business-type activities expenses increased by \$1,459,571 primarily due to increased activity in the Water Fund, Sewer Fund, Storm Drain Fund, and Sanitation Fund. Other business-type fund expenses were more than the revenues primarily due to the Swimming Pools Fund, the 911 Dispatch Center Fund, Recreation Fund, and the Civic Center Events Fund. The Swimming Pools Fund, Recreation Fund and the Civic Center Events Fund are subsidized by transfers in from the General Fund in the amounts of \$267,861, \$39,206 and \$267,220 respectively. The 911 Dispatch Center Fund also received a transfer in from the 911 Special Revenue fund of \$344,591.

Program Revenues and Expenses - Business-type Activities



As noted earlier, the City of Great Falls uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Great Falls’ governmental fund reporting is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Great Falls’ financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the most recent fiscal year, the City of Great Falls’ governmental funds reported combined ending fund balances of \$42,899,214, an increase of \$7,965,211 in comparison with the previous year. Approximately 52.8% of this total amount, \$22,651,475, constitutes assigned and unassigned fund balance, which is available for spending at the government’s discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed to provide required security for long-term debt obligations and other restrictions.

The General Fund serves as the chief operating fund of the City. The General Fund is used to account for all financial resources not accounted for in any other fund. At the end of the most recent fiscal year, unassigned fund balance in the General Fund was \$13,041,527. As a measure of the General fund’s liquidity, it may be useful to compare fund balance to total fund expenditures. The fund balance represents 32.06% of total General fund expenditures and transfers out less net pension on-behalf expenditures. This is in compliance with an internally set guideline of 22%. The fund balance guideline was changed in Fiscal Year 2020 from 17% to 22% for cash flow purposes. The fund balance slightly decreased this year due to the City not taking the Inflationary Factor increase or Permissive Medical Levy increase in the Fiscal Year 2021 budget process.

The COVID Recovery Fund was created in FY2021 to account for the City’s receipt of federal funding from the CARES Act and ARPA. At the end of the fiscal year, the fund balance was \$5,578,583. Of the funding received to date, no expenditures have been made.

The Street District Fund reports operations of the Street Division. At the end of the most recent fiscal year, restricted fund balance in the Street District Fund was \$3,586,127. The fund balance represents 48.63% of total Street District Fund expenditures and transfers out, in compliance with internally set minimum requirements. During the most recent fiscal year, the fund balance of the City of Great Falls’ Street District Fund decreased by \$761,224. This was because of increased capital outlay for street projects.

The Federal Block Grant fund accounts for federal funds received to assist in the development of the urban community. At the end of the most recent fiscal year, restricted fund balance in the Federal Block Grant Fund

was \$1,077,832. The fund balance represents 329.3% of total Federal Block Grant Fund expenditures, in compliance with internally set minimum requirements. During the most recent fiscal year, the fund balance of the City of Great Falls' Federal Block Grant Fund decreased by \$104,765. Elements of this decrease were due to the increase in grant administration expenses. The City's revolving loan fund makes up the fund balance in this fund.

Proprietary funds. The City of Great Falls' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Restricted net position of the enterprise funds totaled \$8,592,771. Restricted net position decreased by \$621,191 from the previous year due to the decrease of required bond reserves. Unrestricted net position of the enterprise funds totaled \$22,985,571. The total increase in net position for the enterprise funds of \$4,113,566 is primarily due to an increase in unrestricted net position in the Water, Sewer and Storm Drain Funds due to the retirement of debt.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in a net change in fund balance of \$66,535. The difference was due to an operating grant for the General Fund. A review of actual expenditures compared to the appropriations in the final budget yields no significant negative variances.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Great Falls' investment in capital assets for its governmental and business-type activities as of June 30, 2021, is \$258,062,803, which is net of accumulated depreciation. This investment in capital assets includes land, intangible assets, buildings and structures, improvements, machinery and equipment, infrastructure and construction in progress. The total decrease in the City of Great Falls' investments in capital assets for the most recent fiscal year was 0.84% compared to the prior year.

City of Great Falls' Capital Assets (net of depreciation)

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	2021	2020	2021	2020	2021	2020
Land	\$ 9,816,152	\$ 9,816,152	\$ 3,948,391	\$ 3,948,391	\$ 13,764,543	\$ 13,764,543
Intangible	218,276	218,276	-	-	218,276	218,276
Buildings	4,767,195	5,076,728	12,910,636	13,727,122	17,677,831	18,803,850
Improvements	25,090,150	21,740,799	106,068,269	82,514,383	131,158,419	104,255,182
Machinery and equipment	9,071,424	10,075,529	4,152,444	4,468,811	13,223,868	14,544,340
Infrastructure	21,850,542	23,526,227	40,677,642	42,663,713	62,528,184	66,189,940
Construction in progress	5,373,939	3,646,673	14,117,743	38,837,340	19,491,682	42,484,013
Total capital assets	<u>\$ 76,187,678</u>	<u>\$ 74,100,384</u>	<u>\$181,875,125</u>	<u>\$ 186,159,760</u>	<u>\$ 258,062,803</u>	<u>\$260,260,144</u>

Major capital asset events during the most recent fiscal year included the reconstruction of streets, water mains, sewer mains, and storm drains. Further detail on capital assets is presented in Note 6 on pages 54 - 55.

Long-term debt. At the end of the most recent fiscal year, the City of Great Falls had total bonded debt of \$57,880,660. Of this amount, \$470,000 is general obligation bonds; \$140,000 is general obligation taxable bonds; \$10,775,767 is tax increment urban renewal bonds to be repaid from the tax increments received by the City from its West Bank urban renewal area, Downtown urban renewal area, and the Central MT tax increment district; and

\$46,494,893 are bonds secured solely by specified revenue sources. Further information on long-term debt is presented in Note 7 on pages 55 – 69.

During the most recent fiscal year, the City of Great Falls’ bonded debt increased by \$2,179,847 (3.91%). This increase is attributable to the issuance of urban renewal tax increment bonds in the Downtown tax increment district and was partially offset by the Water, Sewer, and Storm Drain funds payments on their respective revenue bonds

The City of Great Falls ratings from Moody’s are “Aa3” for general obligation (Annual Comment as of July 22, 2021) and “A1” for revenue debt.

City of Great Falls' Outstanding Debt
General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue bonds	\$ -	\$ -	\$ 46,494,893	\$ 50,216,893	\$46,494,893	\$ 50,216,893
General obligation bonds	470,000	620,000	-	-	470,000	620,000
General obligation taxable bonds	140,000	275,000	-	-	140,000	275,000
Special assessment bonds	-	35,000	-	-	-	35,000
Urban renewal tax increment bonds	10,775,767	4,553,920	-	-	10,775,767	4,553,920
Total	\$ 11,385,767	\$ 5,483,920	\$ 46,494,893	\$ 50,216,893	\$57,880,660	\$ 55,700,813

State statutes limit the amount of general obligation debt a governmental entity may issue to 2.50% of its total assessed value of taxable property. The current legal debt capacity for the City of Great Falls is \$159,889,230. Out of the total debt capacity, \$158,882,391 is unused by the City.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The June 2021 unemployment rate of 3.9% for Great Falls compares favorably to the June 2020 rate of 7.0% and slightly unfavorable to the June 2021 State of Montana rate of 3.7%. Both Great Falls and the State of Montana were below the national unemployment rate of 6.1% in June 2021. The majority of City of Great Falls’ taxes are generated from real and personal property. Since the State of Montana and the City of Great Falls do not have sales taxes, the downturn in the national economy does not have a direct effect on tax revenue. During COVID-19, the City was less impacted than those communities relying on sales tax. However, the City will not be unaffected by the pandemic. There is an indirect effect in such that the City of Great Falls newly taxable property will be fluctuating and collection of property taxes could fluctuate. If the mill value decreases with the “floating mill,” the City does have the ability to increase the amount of mills to make up the difference in lost value.

Future challenges and opportunities for the City of Great Falls include:

- The City received a large amount of federal funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and American Rescue Plan Act (ARPA) for COVID relief. There is no timeframe in which the CARES Act money must be spent; however, ARPA funds funding must be obligated by December 31, 2024 and spent by December 31, 2026. No money has been spent to date, but the City Commission has begun discussions on how to best utilize the one-time funding.
- The City received a \$10 million grant from the U.S. Department of Defense to build a new aquatics and recreation center. In the coming year, the City will issue bonds payable from the Park District to fund the \$10

million match required by the grant. This project will replace the City's indoor pool since the Natatorium was closed in 2018.

- The Civic Center facade project began after the closing of \$5.5 million in bonds from the Downtown Tax Increment District. The project will last two years.
- The City developed a Crime Task Force to develop a strategic plan to lower crime in Great Falls. The task force will be using their findings to make recommendations to the City Commission. Some recommendations may have a budget impact.

Ongoing challenges for the City include:

- Funding and adhering to the City's Administrative Capital Improvement Plan,
- Addressing citywide deferred capital maintenance for facilities,
- Replacing high-cost equipment and vehicles,
- Recruitment and retention of city employees.

After reviewing all the financial indicators of the City of Great Falls, the City as a whole has improved as a result of the year's activities, which is reflected in the increase in the City's total fund balance and net position in the fund statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Great Falls' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Melissa Kinzler, Finance Director, PO Box 5021, Great Falls, MT 59403.

Basic Financial Statements

City of Great Falls, Montana

Statement of Net Position

June 30, 2021

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Business Improvement District	Tourism Business Improvement District	Public Library Foundation
Assets and deferred outflows of resources						
Current assets						
Cash and investments	\$ 57,418,204	\$ 28,830,690	\$ 86,248,894	\$ 98,757	\$ 1,189,574	\$ 3,756,735
Receivables						
Taxes	1,066,686	-	1,066,686	-	-	-
Special assessments	339,707	-	339,707	34,601	714,850	-
Accounts	279,175	4,361,922	4,641,097	-	-	-
Accrued interest	30,755	643	31,398	-	-	-
Loans	1,360,858	-	1,360,858	-	-	-
Advance to (from) other city funds	924,061	(924,061)	-	-	-	-
Due to (from) other city funds	171,321	(171,321)	-	-	-	-
Due from other governments	660,547	4,127	664,674	-	-	-
Inventories	253,465	521,379	774,844	-	-	-
Prepaid items	-	24,883	24,883	4,178	12,016	-
Total current assets	<u>62,504,779</u>	<u>32,648,262</u>	<u>95,153,041</u>	<u>137,536</u>	<u>1,916,440</u>	<u>3,756,735</u>
Noncurrent assets						
Restricted cash and investments	2,800,682	8,623,092	11,423,774	-	-	33,155
Other assets	25,349	-	25,349	-	-	-
Capital assets						
Non-depreciable capital assets	15,190,091	18,066,134	33,256,225	-	-	-
Depreciable capital assets, net	60,997,587	163,808,991	224,806,578	26,099	-	-
Total noncurrent assets	<u>79,013,709</u>	<u>190,498,217</u>	<u>269,511,926</u>	<u>26,099</u>	<u>-</u>	<u>33,155</u>
Total assets	<u>141,518,488</u>	<u>223,146,479</u>	<u>364,664,967</u>	<u>163,635</u>	<u>1,916,440</u>	<u>3,789,890</u>
Deferred outflows of resources						
Deferred charge - pension	10,284,447	1,995,815	12,280,262	-	-	-
Deferred charge - OPEB	2,078,476	-	2,078,476	-	-	-
Total deferred outflows of resources	<u>12,362,923</u>	<u>1,995,815</u>	<u>14,358,738</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 153,881,411</u>	<u>\$ 225,142,294</u>	<u>\$ 379,023,705</u>	<u>\$ 163,635</u>	<u>\$ 1,916,440</u>	<u>\$ 3,789,890</u>
Liabilities						
Current liabilities						
Accounts payable	\$ 3,165,264	\$ 1,358,782	\$ 4,524,046	\$ 3,035	\$ 25,675	\$ -
Compensated absences	364,399	79,575	443,974	-	-	-
Debt due within one year	990,188	4,338,644	5,328,832	-	-	-
Other liabilities	199,107	506,642	705,749	-	67,074	-
Total current liabilities	<u>4,718,958</u>	<u>6,283,643</u>	<u>11,002,601</u>	<u>3,035</u>	<u>92,749</u>	<u>-</u>
Noncurrent liabilities						
Compensated absences	4,346,505	523,793	4,870,298	-	-	-
Debt due in more than one year	12,606,421	47,041,879	59,648,300	-	-	-
Net pension liability	34,682,286	8,592,368	43,274,654	-	-	-
OPEB liability	8,663,056	-	8,663,056	-	-	-
Total noncurrent liabilities	<u>60,298,268</u>	<u>56,158,040</u>	<u>116,456,308</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>65,017,226</u>	<u>62,441,683</u>	<u>127,458,909</u>	<u>3,035</u>	<u>92,749</u>	<u>-</u>
Deferred inflows of resources						
Deferred revenue - pension	1,722,110	627,667	2,349,777	-	-	-
Deferred revenue - OPEB	2,232,110	-	2,232,110	-	-	-
Total deferred inflows of resources	<u>3,954,220</u>	<u>627,667</u>	<u>4,581,887</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position						
Net investment in capital assets	62,591,068	130,494,602	193,085,670	26,099	-	-
Restricted for:						
Debt service	2,083,478	-	2,083,478	-	-	-
Revenue bond reserves	-	6,474,319	6,474,319	-	-	-
Repair and replacement	-	2,118,452	2,118,452	-	-	-
Contributor restrictions	296,021	-	296,021	-	-	-
Grantor restrictions	10,889,674	-	10,889,674	-	-	-
Law restrictions	11,879,248	-	11,879,248	-	-	-
General government	5,746,678	-	5,746,678	-	-	-
Public safety	1,244,187	-	1,244,187	-	-	-
Park and recreation	1,135,262	-	1,135,262	-	-	-
Housing and development	1,892,270	-	1,892,270	-	-	-
Capital outlay	5,461,567	-	5,461,567	-	-	-
Library operations	652,588	-	652,588	-	-	1,597,193
Programs and operations	25,349	-	25,349	-	-	-
Unrestricted	<u>(18,987,425)</u>	<u>22,985,571</u>	<u>3,998,146</u>	<u>134,501</u>	<u>1,823,691</u>	<u>2,192,697</u>
Total net position	<u>84,909,965</u>	<u>162,072,944</u>	<u>246,982,909</u>	<u>160,600</u>	<u>1,823,691</u>	<u>3,789,890</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 153,881,411</u>	<u>\$ 225,142,294</u>	<u>\$ 379,023,705</u>	<u>\$ 163,635</u>	<u>\$ 1,916,440</u>	<u>\$ 3,789,890</u>

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 13,717,027	\$ 6,299,660	\$ 14,778,680	\$ -
Public safety	32,668,855	1,760,243	546,928	-
Public works	8,745,824	6,469,236	-	-
Culture and recreation	6,690,221	2,372,103	30,823	-
Housing and development	2,239,153	1,121,134	462,458	104,007
Interest and fees	288,800	-	-	-
Total governmental activities	<u>64,349,880</u>	<u>18,022,376</u>	<u>15,818,889</u>	<u>104,007</u>
Business-type activities				
Water	11,452,967	13,970,585	1,220	-
Sewer	10,494,173	11,452,162	124	4,127
Storm drain	2,688,622	2,917,430	-	-
Sanitation	4,278,659	4,189,046	153	-
Port Authority	223,690	465,187	-	-
State Special Projects	336,841	383,403	-	-
Other	6,502,443	4,667,470	674,130	-
Total business-type activities	<u>35,977,395</u>	<u>38,045,283</u>	<u>675,627</u>	<u>4,127</u>
Total primary government	<u>\$ 100,327,275</u>	<u>\$ 56,067,659</u>	<u>\$ 16,494,516</u>	<u>\$ 108,134</u>
Component Units				
Great Falls Business Improvement District	<u>\$ 299,374</u>	<u>\$ 282,660</u>	<u>\$ -</u>	<u>\$ -</u>
Tourism Business Improvement District	<u>\$ 469,789</u>	<u>\$ 598,750</u>	<u>\$ -</u>	<u>\$ -</u>
Great Falls Public Library Foundation	<u>\$ 599,949</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page

General revenues:

Property taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Total net position - beginning

Total net position - ending

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Activities (Continued)
For the Year Ended June 30, 2021

Net (Expense) Revenue and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Business Improvement District	Tourism Business Improvement District	Public Library Foundation
\$ 7,361,313	\$ -	\$ 7,361,313	\$ -	\$ -	\$ -
(30,361,684)	-	(30,361,684)	-	-	-
(2,276,588)	-	(2,276,588)	-	-	-
(4,287,295)	-	(4,287,295)	-	-	-
(551,554)	-	(551,554)	-	-	-
(288,800)	-	(288,800)	-	-	-
<u>(30,404,608)</u>	<u>-</u>	<u>(30,404,608)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	2,518,838	2,518,838	-	-	-
-	962,240	962,240	-	-	-
-	228,808	228,808	-	-	-
-	(89,460)	(89,460)	-	-	-
-	241,497	241,497	-	-	-
-	46,562	46,562	-	-	-
-	(1,160,843)	(1,160,843)	-	-	-
<u>-</u>	<u>2,747,642</u>	<u>2,747,642</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (30,404,608)</u>	<u>\$ 2,747,642</u>	<u>\$ (27,656,966)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,714)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,961</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (599,949)</u>
25,474,915	-	25,474,915	-	-	-
9,231,662	-	9,231,662	-	-	-
86,413	29,422	115,835	-	1,961	143,143
8,027,170	579,189	8,606,359	-	609	344,155
(757,313)	757,313	-	-	-	-
<u>42,062,847</u>	<u>1,365,924</u>	<u>43,428,771</u>	<u>-</u>	<u>2,570</u>	<u>487,298</u>
11,658,239	4,113,566	15,771,805	(16,714)	131,531	(112,651)
<u>73,251,726</u>	<u>157,959,378</u>	<u>231,211,104</u>	<u>177,314</u>	<u>1,692,160</u>	<u>3,902,541</u>
<u>\$ 84,909,965</u>	<u>\$ 162,072,944</u>	<u>\$ 246,982,909</u>	<u>\$ 160,600</u>	<u>\$ 1,823,691</u>	<u>\$ 3,789,890</u>

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Balance Sheet
Governmental Funds
June 30, 2021

	<u>General</u>	<u>COVID Recovery</u>	<u>Street District</u>	<u>Federal Block Grant</u>	<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and investments	\$ 12,241,807	\$ 15,314,952	\$ 3,630,673	\$ 993,853	\$ 19,570,224	\$ 51,751,509
Restricted cash and investments	-	-	-	-	950,022	950,022
Receivables						
Taxes	694,841	-	-	-	371,845	1,066,686
Special assessments	-	-	147,814	-	191,893	339,707
Accounts	137,164	-	70,140	-	9,424	216,728
Accrued interest	30,203	-	-	-	552	30,755
Loans	-	-	-	1,320,858	40,000	1,360,858
Due from other city funds	33,062	-	-	-	142,954	176,016
Due from other governments	292,625	-	3,125	91,113	273,684	660,547
Advances to other funds	924,061	-	-	-	-	924,061
Other assets	-	-	9,734	-	15,615	25,349
Total assets	<u>\$ 14,353,763</u>	<u>\$ 15,314,952</u>	<u>\$ 3,861,486</u>	<u>\$ 2,405,824</u>	<u>\$ 21,566,213</u>	<u>\$ 57,502,238</u>
Liabilities						
Accounts payable	\$ 1,118,287	\$ -	\$ 166,464	\$ 7,134	\$ 1,497,484	\$ 2,789,369
Due to other city funds	-	-	-	-	4,695	4,695
Other liabilities	40,482	-	50,042	-	116,334	206,858
Total liabilities	<u>1,158,769</u>	<u>-</u>	<u>216,506</u>	<u>7,134</u>	<u>1,618,513</u>	<u>3,000,922</u>
Deferred inflows of resources						
Unavailable revenue-property taxes	153,467	-	-	-	176,406	329,873
Unavailable revenue-special assessments	-	-	58,853	-	76,692	135,545
Unavailable revenue-liens	-	-	-	-	39,457	39,457
Unavailable revenue-grants	-	9,736,369	-	1,320,858	40,000	11,097,227
Total deferred inflows of resources	<u>153,467</u>	<u>9,736,369</u>	<u>58,853</u>	<u>1,320,858</u>	<u>332,555</u>	<u>11,602,102</u>
Fund balances						
Restricted	-	-	3,586,127	1,077,832	15,583,780	20,247,739
Assigned	-	5,578,583	-	-	4,031,365	9,609,948
Unassigned	13,041,527	-	-	-	-	13,041,527
Total fund balances	<u>13,041,527</u>	<u>5,578,583</u>	<u>3,586,127</u>	<u>1,077,832</u>	<u>19,615,145</u>	<u>42,899,214</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 14,353,763</u>	<u>\$ 15,314,952</u>	<u>\$ 3,861,486</u>	<u>\$ 2,405,824</u>	<u>\$ 21,566,213</u>	<u>\$ 57,502,238</u>

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2021

Amounts reported for governmental activities in the statement of net position (page 21) are different because:

Total fund balances - governmental funds (page 24)		\$ 42,899,214
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Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds.

Governmental capital assets		\$ 167,180,323
Less: accumulated depreciation		<u>(98,128,220)</u>
Capital assets - net		69,052,103

Various deferred outflows and inflows involving net pension liability are not available to pay for current period expenditures and, therefore, are deferred in the funds.

7,729,131

Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

451,396

Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are deferred in the funds.

11,602,102

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Compensated absences		(4,140,307)
Capital leases		(1,814,003)
Loans and contracts payable		(396,839)
General obligation bonds payable		(470,000)
General obligation taxable bonds payable		(140,000)
Tax increment bonds payable		(10,775,767)
Net pension liability		<u>(29,087,065)</u>
Total long-term liabilities		<u>(46,823,981)</u>

Net position of governmental activities (page 21)		<u>\$ 84,909,965</u>
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The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	General	COVID Recovery	Street District	Federal Block Grant	Total Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 20,960,760	\$ -	\$ -	\$ -	\$ 4,514,155	\$ 25,474,915
Licenses and permits	951,160	-	14,545	-	1,094,709	2,060,414
Intergovernmental	15,172,639	5,574,333	1,500,151	111,561	1,921,433	24,280,117
Charges for services	1,194,149	-	141,857	109,954	1,559,623	3,005,583
Fines and forfeitures	753,719	-	-	-	71,149	824,868
Internal services	961,965	-	340,618	-	102,091	1,404,674
Special assessments	-	-	4,600,495	-	4,022,189	8,622,684
Investment income	30,812	4,250	(5,636)	104	39,286	68,816
Other	106,531	-	20,705	956	1,142,343	1,270,535
Total revenues	40,131,735	5,578,583	6,612,735	222,575	14,466,978	67,012,606
Expenditures						
Current						
General government	5,001,036	-	-	-	6,232,578	11,233,614
Public safety	30,941,786	-	-	-	512,817	31,454,603
Public works	-	-	5,602,992	-	302,298	5,905,290
Culture and recreation	2,740,807	-	-	-	2,932,320	5,673,127
Housing & development	-	-	-	327,340	1,528,204	1,855,544
Debt service						
Principal	249,401	-	-	-	557,813	807,214
Interest	60,372	-	-	-	228,437	288,809
Capital outlay	31,655	-	1,720,967	-	5,519,617	7,272,239
Total expenditures	39,025,057	-	7,323,959	327,340	17,814,084	64,490,440
Excess (deficiency) of revenues over (under) expenditures	1,106,678	5,578,583	(711,224)	(104,765)	(3,347,106)	2,522,166
Other financing sources (uses)						
Transfers in	-	-	-	-	1,073,055	1,073,055
Transfers out	(1,659,178)	-	(50,000)	-	(344,591)	(2,053,769)
Issuance of debt	-	-	-	-	6,423,759	6,423,759
Total other financing sources (uses)	(1,659,178)	-	(50,000)	-	7,152,223	5,443,045
Net change in fund balances	(552,500)	5,578,583	(761,224)	(104,765)	3,805,117	7,965,211
Fund balances - beginning	13,594,027	-	4,347,351	1,182,597	15,810,028	34,934,003
Fund balances - ending	\$ 13,041,527	\$ 5,578,583	\$ 3,586,127	\$ 1,077,832	\$ 19,615,145	\$ 42,899,214

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2021

Amounts reported for governmental activities in the statement of activities pages (pages 22-23) are different because:

Net change in fund balances - total governmental funds (page 26) \$ 7,965,211

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Expenditures for capital assets	\$ 7,272,239	
Less: current year's depreciation	<u>(4,452,592)</u>	
Total capital asset related expenditures		2,819,647

The net effect of various miscellaneous transactions involving net pension liability is to increase net position. (1,863,836)

Internal service funds are used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities. (726,781)

Not all revenues in the statement of activities provide current financial resources. These revenues are not considered "available" revenues and are unearned in the governmental funds, but have been recognized as revenue in the current period in the statement of activities. Unearned revenue increased by this amount this year. 9,159,347

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt		
Tax increment bonds	(6,456,847)	
Principal repayments		
Capital leases	178,458	
Loans and contracts	73,756	
General obligation bonds	150,000	
General obligation taxable bonds	135,000	
Tax increment bonds	235,000	
Special improvement bonds	35,000	
Compensated absences	<u>(45,716)</u>	
Total debt-related transactions		<u>(5,695,349)</u>

Change in net position of governmental activities (pages 22-23) \$ 11,658,239

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business Type Activities				
	Water	Sewer	Storm Drain	Sanitation	Port Authority
Assets and deferred outflows of resources					
Assets					
Current assets					
Cash and investments	\$ 8,323,391	\$ 12,336,169	\$ 4,616,057	\$ 622,969	\$ 120,158
Receivables					
Accounts	1,800,209	1,608,325	327,760	521,041	-
Accrued interest	-	643	-	-	-
Due from other governments	-	4,127	-	-	-
Inventories	462,756	-	-	-	-
Prepaid items	-	-	-	-	-
Total current assets	<u>10,586,356</u>	<u>13,949,264</u>	<u>4,943,817</u>	<u>1,144,010</u>	<u>120,158</u>
Noncurrent assets					
Restricted cash and investments	3,725,231	3,772,352	946,308	148,880	-
Non-depreciable capital assets	13,739,680	1,335,798	383,510	181,646	194,057
Depreciable capital assets, net	75,384,651	52,173,292	25,121,855	1,586,324	4,205,237
Total noncurrent assets	<u>92,849,562</u>	<u>57,281,442</u>	<u>26,451,673</u>	<u>1,916,850</u>	<u>4,399,294</u>
Total assets	<u>103,435,918</u>	<u>71,230,706</u>	<u>31,395,490</u>	<u>3,060,860</u>	<u>4,519,452</u>
Deferred outflows of resources					
Deferred charges - pension	629,934	234,120	43,189	381,710	-
Deferred charges - OPEB	-	-	-	-	-
Total deferred outflows of resources	<u>629,934</u>	<u>234,120</u>	<u>43,189</u>	<u>381,710</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 104,065,852</u>	<u>\$ 71,464,826</u>	<u>\$ 31,438,679</u>	<u>\$ 3,442,570</u>	<u>\$ 4,519,452</u>
Liabilities, deferred inflows of resources, and net position					
Liabilities					
Current liabilities					
Accounts payable	\$ 737,838	\$ 59,234	\$ 18,774	\$ 253,356	\$ -
Compensated absences	33,958	5,986	-	16,380	-
Due to other city funds	-	-	-	-	-
Loans payable	-	-	-	244,777	-
Notes payable	-	-	-	-	393,059
Revenue bonds payable	1,599,000	1,151,000	620,000	-	-
Other liabilities	395,177	476	2,503	5,940	-
Total current liabilities	<u>2,765,973</u>	<u>1,216,696</u>	<u>641,277</u>	<u>520,453</u>	<u>393,059</u>
Noncurrent liabilities					
Advances from other funds	-	-	-	-	-
Loans payable	-	-	-	-	-
Notes payable	-	-	-	-	1,440,764
Compensated absences	223,495	39,394	-	107,803	-
Revenue bonds payable	25,828,893	10,691,000	6,605,000	-	-
Net pension liability	2,787,380	1,070,062	83,621	1,554,203	-
OPEB liability	-	-	-	-	-
Total noncurrent liabilities	<u>28,839,768</u>	<u>11,800,456</u>	<u>6,688,621</u>	<u>1,662,006</u>	<u>1,440,764</u>
Total liabilities	<u>31,605,741</u>	<u>13,017,152</u>	<u>7,329,898</u>	<u>2,182,459</u>	<u>1,833,823</u>
Deferred inflows of resources					
Deferred revenue - pension	229,030	77,006	27,181	101,211	-
Deferred revenue - OPEB	-	-	-	-	-
Total deferred inflows of resources	<u>229,030</u>	<u>77,006</u>	<u>27,181</u>	<u>101,211</u>	<u>-</u>
Net position					
Net investment in capital assets	61,696,438	41,667,090	18,280,365	1,523,193	2,565,471
Restricted					
Revenue bond reserves	2,789,717	2,739,414	796,308	148,880	-
Repair and replacement	935,514	1,032,938	150,000	-	-
Unrestricted	6,809,412	12,931,226	4,854,927	(513,173)	120,158
Total net position	<u>72,231,081</u>	<u>58,370,668</u>	<u>24,081,600</u>	<u>1,158,900</u>	<u>2,685,629</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 104,065,852</u>	<u>\$ 71,464,826</u>	<u>\$ 31,438,679</u>	<u>\$ 3,442,570</u>	<u>\$ 4,519,452</u>

Continued on next page

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2021

	Business Type Activities - continued			Governmental Activities
	Special State Projects	Total Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ -	\$ 2,811,946	\$ 28,830,690	\$ 5,666,695
Receivables				
Accounts	-	104,587	4,361,922	62,447
Accrued interest	-	-	643	-
Due from other governments	-	-	4,127	-
Inventories	-	58,623	521,379	253,465
Prepaid items	-	24,883	24,883	-
Total current assets	-	3,000,039	33,743,644	5,982,607
Noncurrent assets				
Restricted cash and investments	-	30,321	8,623,092	1,850,660
Non-depreciable capital assets	-	2,231,443	18,066,134	201,024
Depreciable capital assets, net	3,009,139	2,328,493	163,808,991	6,934,551
Total noncurrent assets	3,009,139	4,590,257	190,498,217	8,986,235
Total assets	3,009,139	7,590,296	224,241,861	14,968,842
Deferred outflows of resources				
Deferred charges - pension	-	706,862	1,995,815	1,296,909
Deferred charges - OPEB	-	-	-	2,078,476
Total deferred outflows of resources	-	706,862	1,995,815	3,375,385
Total assets and deferred outflows of resources	\$ 3,009,139	\$ 8,297,158	\$226,237,676	\$ 18,344,227
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ -	\$ 289,580	\$ 1,358,782	\$ 375,895
Compensated absences	-	23,251	79,575	44,135
Due to other city funds	-	171,321	171,321	-
Loans payable	-	-	244,777	-
Notes payable	330,808	-	723,867	-
Revenue bonds payable	-	-	3,370,000	-
Other liabilities	-	102,546	506,642	(7,751)
Total current liabilities	330,808	586,698	6,454,964	412,279
Noncurrent liabilities				
Advances from other funds	-	924,061	924,061	-
Loans payable	-	-	-	-
Notes payable	2,476,222	-	3,916,986	-
Compensated absences	-	153,101	523,793	526,463
Revenue bonds payable	-	-	43,124,893	-
Net pension liability	-	3,097,102	8,592,368	5,595,220
OPEB liability	-	-	-	8,663,056
Total noncurrent liabilities	2,476,222	4,174,264	57,082,101	14,784,739
Total liabilities	2,807,030	4,760,962	63,537,065	15,197,018
Deferred inflows of resources				
Deferred revenue - pension	-	193,239	627,667	463,703
Deferred revenue - OPEB	-	-	-	2,232,110
Total deferred inflows of resources	-	193,239	627,667	2,695,813
Net position				
Net investment in capital assets	202,109	4,559,936	130,494,602	7,135,575
Restricted				
Revenue bond reserves	-	-	6,474,319	-
Repair and replacement	-	-	2,118,452	-
Unrestricted	-	(1,216,979)	22,985,571	(6,684,179)
Total net position	202,109	3,342,957	162,072,944	451,396
Total liabilities, deferred inflows of resources, and net position	\$ 3,009,139	\$ 8,297,158	\$226,237,676	\$ 18,344,227

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Operating revenues				
Charges for services	\$ 13,971,805	\$ 11,456,413	\$ 2,917,430	\$ 4,189,199
Operating expenses				
Personal services	3,094,388	1,114,048	238,865	1,800,586
Supplies and materials	798,139	71,657	7,395	337,714
Purchased services	834,854	3,780,972	112,492	1,041,685
Internal services	1,573,755	1,201,560	429,873	780,109
Other	9,879	4,125	3,466	5,399
Depreciation	4,418,162	3,943,963	1,706,714	306,117
Total operating expenses	10,729,177	10,116,325	2,498,805	4,271,610
Operating income (loss)	3,242,628	1,340,088	418,625	(82,411)
Nonoperating revenues (expenses)				
Investment income	7,618	10,709	132	2,058
Interest expense	(723,790)	(377,848)	(189,817)	(7,049)
Gain (loss) on sale of capital assets	-	-	-	-
Net pension on-behalf revenue	139,706	51,911	11,264	79,219
Other	17,769	-	-	96,832
Total nonoperating revenues (expenses)	(558,697)	(315,228)	(178,421)	171,060
Income (loss) before contributions and transfers	2,683,931	1,024,860	240,204	88,649
Transfers in	76,324	322,330	193,269	-
Transfers out	(286,921)	(76,324)	(34,170)	(287,495)
Total transfers	(210,597)	246,006	159,099	(287,495)
Change in net position	2,473,334	1,270,866	399,303	(198,846)
Total net position - beginning	69,757,747	57,099,802	23,682,297	1,357,746
Total net position - ending	\$ 72,231,081	\$ 58,370,668	\$ 24,081,600	\$ 1,158,900

Continued on next page

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Revenues, Expenses, and Changes in Fund Net Position (Continued)
Proprietary Funds
For the Year Ended June 30, 2021

	Business Type Activities - continued			Governmental Activities	
	Port Authority	Special State Projects	Total Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues					
Charges for services	\$ 465,187	\$ 383,403	\$ 5,341,600	\$ 38,725,037	\$ 22,481,295
Operating expenses					
Personal services	-	-	2,728,923	8,976,810	6,076,860
Supplies and materials	-	-	402,256	1,617,161	1,214,123
Purchased services	872	-	2,066,711	7,837,586	14,432,834
Internal services	-	-	684,285	4,669,582	830,626
Other	-	-	(2,145)	20,724	7,389
Depreciation	116,512	277,767	622,413	11,391,648	1,442,021
Total operating expenses	117,384	277,767	6,502,443	34,513,511	24,003,853
Operating income (loss)	347,803	105,636	(1,160,843)	4,211,526	(1,522,558)
Nonoperating revenues (expenses)					
Investment income	250	-	8,655	29,422	17,595
Interest expense	(106,306)	(59,074)	-	(1,463,884)	-
Gain (loss) on sale of capital assets	-	-	-	-	(41,528)
Net pension on-behalf revenue	-	-	133,151	415,251	292,623
Other	-	-	49,337	163,938	316,971
Total nonoperating revenues (expenses)	(106,056)	(59,074)	191,143	(855,273)	585,661
Income (loss) before contributions and transfers	241,747	46,562	(969,700)	3,356,253	(936,897)
Transfers in	-	-	918,878	1,510,801	308,823
Transfers out	-	-	(68,578)	(753,488)	(98,707)
Total transfers	-	-	850,300	757,313	210,116
Change in net position	241,747	46,562	(119,400)	4,113,566	(726,781)
Total net position - beginning	2,443,882	155,547	3,462,357	157,959,378	1,178,177
Total net position - ending	<u>\$ 2,685,629</u>	<u>\$ 202,109</u>	<u>\$ 3,342,957</u>	<u>\$ 162,072,944</u>	<u>\$ 451,396</u>

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

Business Type Activities

	<u>Water</u>	<u>Sewer</u>	<u>Storm Drain</u>	<u>Sanitation</u>	<u>Port Authority</u>
Cash flows from operating activities					
Receipts from customers and users	\$ 13,971,805	\$ 11,103,898	\$ 2,749,204	\$ 4,189,047	\$ 465,187
Receipts from interfund services provided	-	141,810	-	-	-
Receipts from others	17,769	210,582	11,110	96,832	-
Receipts from other governments	-	124	-	153	-
Payments to suppliers	(1,440,774)	(4,367,377)	(109,450)	(1,305,051)	(872)
Payments to employees	(3,310,132)	(1,042,965)	(214,647)	(1,496,317)	-
Payments for interfund services used	(1,573,755)	(1,201,560)	(429,873)	(776,971)	-
Payments to others	(9,880)	(4,125)	(3,466)	-	-
Net cash provided by operating activities	<u>7,655,033</u>	<u>4,840,387</u>	<u>2,002,878</u>	<u>707,693</u>	<u>464,315</u>
Cash flows from noncapital financing activities					
Transfers in	76,324	322,330	193,269	-	-
Transfers out	(286,921)	(76,324)	(34,170)	(287,495)	-
Interfund cash flow loans	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>(210,597)</u>	<u>246,006</u>	<u>159,099</u>	<u>(287,495)</u>	<u>-</u>
Cash flows from capital and related financing activities					
Proceeds from sale of assets	-	-	-	-	-
Principal payments received - advances	-	-	-	-	-
New borrowing	-	-	-	-	-
Principal payments - revenue bonds	(1,660,000)	(1,454,000)	(608,000)	-	(358,883)
Principal payments - capital leases	-	-	-	-	-
Principal payments - loans	-	-	-	(244,800)	-
Interest paid	(723,790)	(377,848)	(189,817)	(7,049)	(106,306)
Acquisition/construction of capital assets	(4,495,717)	(1,246,458)	(951,998)	(81,892)	-
Net cash provided by (used for) capital and related financing activities	<u>(6,879,507)</u>	<u>(3,078,306)</u>	<u>(1,749,815)</u>	<u>(333,741)</u>	<u>(465,189)</u>
Cash flows from investing activities					
Interest on investments	7,616	10,709	132	2,065	250
Net cash provided by investing activities	<u>7,616</u>	<u>10,709</u>	<u>132</u>	<u>2,065</u>	<u>250</u>
Net increase (decrease) in cash	572,545	2,018,796	412,294	88,522	(624)
Cash, beginning of year	<u>11,476,077</u>	<u>14,089,725</u>	<u>5,150,071</u>	<u>683,327</u>	<u>120,782</u>
Cash, end of year (a)	<u>\$ 12,048,622</u>	<u>\$ 16,108,521</u>	<u>\$ 5,562,365</u>	<u>\$ 771,849</u>	<u>\$ 120,158</u>
(a) Shown on the statement of net position as:					
Cash and investments	\$ 8,323,391	\$ 12,336,169	\$ 4,616,057	\$ 622,969	\$ 120,158
Restricted cash and investments	3,725,231	3,772,352	946,308	148,880	-
	<u>\$ 12,048,622</u>	<u>\$ 16,108,521</u>	<u>\$ 5,562,365</u>	<u>\$ 771,849</u>	<u>\$ 120,158</u>

The notes to the financial statements are an integral part of this statement.

Continued on next page

City of Great Falls, Montana
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2021

	<u>Business Type Activities - continued</u>			<u>Governmental Activities</u>
	<u>State Special Projects</u>	<u>Total Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Internal Service Funds</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 383,403	\$ 3,416,380	\$ 36,278,924	\$ 1,555,648
Receipts from interfund services provided	-	1,335,622	1,477,432	20,878,214
Receipts from others	-	41,092	377,385	19,093
Receipts from other governments	-	674,129	674,406	28,605
Payments to suppliers	-	(2,521,584)	(9,745,108)	(14,701,134)
Payments to employees	-	(2,050,920)	(8,114,981)	(5,453,073)
Payments for interfund services used	-	(715,962)	(4,698,121)	(830,626)
Payments to others	-	-	(17,471)	(18,227)
Net cash provided by operating activities	<u>383,403</u>	<u>178,757</u>	<u>16,232,466</u>	<u>1,478,500</u>
Cash flows from noncapital financing activities				
Transfers in	-	918,878	1,510,801	308,823
Transfers out	-	(68,578)	(753,488)	(98,707)
Interfund cash flow loans	-	(360,991)	(360,991)	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>489,309</u>	<u>396,322</u>	<u>210,116</u>
Cash flows from capital and related financing activities				
Proceeds from sale of assets	-	-	-	(34,561)
Principal payments received - advances	-	-	-	-
New borrowing	-	-	-	-
Principal payments - revenue bonds	-	-	(4,080,883)	-
Principal payments - capital leases	-	-	-	-
Principal payments - loans	(324,328)	-	(569,128)	-
Interest paid	(59,075)	-	(1,463,885)	-
Acquisition/construction of capital assets	-	68,578	(6,707,487)	(625,076)
Net cash provided by (used for) capital and related financing activities	<u>(383,403)</u>	<u>68,578</u>	<u>(12,821,383)</u>	<u>(659,637)</u>
Cash flows from investing activities				
Interest on investments	-	8,650	29,422	17,594
Net cash provided by investing activities	<u>-</u>	<u>8,650</u>	<u>29,422</u>	<u>17,594</u>
Net increase (decrease) in cash	-	745,294	3,836,827	1,046,573
Cash, beginning of year	<u>-</u>	<u>2,096,973</u>	<u>33,616,955</u>	<u>6,470,782</u>
Cash, end of year (a)	<u>\$ -</u>	<u>\$ 2,842,267</u>	<u>\$ 37,453,782</u>	<u>\$ 7,517,355</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ -	\$ 2,811,946	\$ 28,830,690	\$ 5,666,695
Restricted cash and investments	-	30,321	8,623,092	1,850,660
	<u>\$ -</u>	<u>\$ 2,842,267</u>	<u>\$ 37,453,782</u>	<u>\$ 7,517,355</u>

The notes to the financial statements are an integral part of this statement.

Continued on next page

City of Great Falls, Montana
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2021

Business Type Activities

	<u>Water</u>	<u>Sewer</u>	<u>Storm Drain</u>	<u>Sanitation</u>	<u>Port Authority</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$3,242,628	\$ 1,340,088	\$ 418,625	\$ (82,411)	\$ 347,803
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
GASB 68 pension adjustments	214,669	(73,134)	(35,826)	168,266	-
Depreciation expense	4,418,162	3,943,963	1,706,714	306,117	116,512
Cash provided (used) by changes in operating assets and liabilities					
(Increase) decrease in accounts receivable	(87,104)	(293,548)	(34,242)	40,693	-
(Increase) decrease in due from other governments	(312)	(490)	-	-	-
(Increase) decrease in inventories	(94,783)	-	-	-	-
(Decrease) increase in accounts payable	(140,361)	(144,778)	(36,473)	77,401	-
(Decrease) increase in other liabilities	29,083	(320)	(12,000)	3,138	-
(Decrease) increase in compensated absences payable	33,958	5,986	-	16,380	-
Other nonoperating revenue	39,093	62,620	(3,920)	178,109	-
Total adjustments	<u>4,412,405</u>	<u>3,500,299</u>	<u>1,584,253</u>	<u>790,104</u>	<u>116,512</u>
Net cash provided by operating activities	<u>\$7,655,033</u>	<u>\$ 4,840,387</u>	<u>\$2,002,878</u>	<u>\$ 707,693</u>	<u>\$ 464,315</u>

The notes to the financial statements are an integral part of this statement.

Continued on next page

City of Great Falls, Montana
Statement of Cash Flows (Concluded)
Proprietary Funds
For the Year Ended June 30, 2021

	<u>Business Type Activities - continued</u>			<u>Governmental Activities</u>
	<u>State Special Projects</u>	<u>Total Nonmajor Enterprise Funds</u>	<u>Totals</u>	<u>Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$105,636	\$ (1,160,843)	\$ 4,211,526	\$ (1,522,558)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments		168,914	442,889	927,346
Depreciation expense	277,767	622,413	11,391,648	1,442,021
Cash provided (used) by changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	-	20,014	(354,187)	6,451
(Increase) decrease in due from other governments	-	420,112	419,310	(480)
(Increase) decrease in inventories	-	(20,170)	(114,953)	(45,330)
(Decrease) increase in accounts payable	-	13,375	(230,836)	48,366
(Decrease) increase in other liabilities	-	(4,562)	15,339	-
(Decrease) increase in compensated absences payable	-	(8,278)	48,046	219,748
Other nonoperating revenue	-	127,782	403,684	402,936
 Total adjustments	 277,767	 1,339,600	 12,020,940	 3,001,058
 Net cash provided by operating activities	 \$383,403	 \$ 178,757	 \$ 16,232,466	 \$ 1,478,500

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Private-Purpose Trust Funds	Custodial Funds
Assets		
Cash and investments	\$ 233,578	\$ 480,642
Due from district special assessments	778,351	-
Payroll receivable	-	1,023,226
Total assets	<u>1,011,929</u>	<u>1,503,868</u>
Liabilities		
Accounts payable and other liabilities	-	1,503,868
Asset held for others	1,010,596	-
Total liabilities	<u>1,010,596</u>	<u>1,503,868</u>
Net position		
Restricted for:		
Castle Pines Trust	1,333	-
Total net position	<u>\$ 1,333</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

	Total Private- Purpose Trust Funds	Custodial Funds
Additions		
District special assessments	\$ 86,834	\$ -
Employees for unreimbursed medical	-	73,975
Employers	-	59,807,159
Appearance bonds and restitution	-	5,400
Investment earnings	696	-
Total additions	87,530	59,886,534
Deductions		
Payments to debt service for ULRRWSD	87,525	-
Payments to others for payroll benefits	-	59,807,159
Payments to beneficiaries and clients	-	5,400
Payments to Flex 1 plans	-	73,975
Total deductions	87,525	59,886,534
Net increase in fiduciary net position	5	-
Net position - beginning	1,328	-
Net position - ending	\$ 1,333	\$ -

The notes to the financial statements are an integral part of this statement.

City of Great Falls, Montana
Notes to Financial Statements
June 30, 2021

1. Summary of Significant Accounting Policies

A. Description of government-wide financial statements

The government-wide financial statements (statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from its legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The City of Great Falls (government) is a municipal corporation, organized in 1888 under the laws of the State of Montana. The City operates under the Commission/Manager form of government with a self-governing charter which became effective July 1, 1986. The City's executive, legislative, and policy-making body is the City Commission which is composed of a mayor and four commissioners. The City Manager serves as the appointed Chief Executive Officer carrying out the policies established by the City Commission and oversees all operations. The accompanying financial statements present the government and its component units, which are entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Discretely presented component units are organizations for which the primary government is financially accountable or organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit - Great Falls Port Authority (Port Authority Fund)

On September 21, 2004, the City Commission passed Resolution 9425 authorizing the City Commission to Exercise Powers of a Port Authority and reaffirmed Resolution 8841 with City Commissioners as Port Authority Commissioners. The Port Authority governing body is the City Commission. The Port Authority by-laws state the City may fund its debt deficiency, and the services provided by the Port Authority benefit the City. The Port Authority is reported as a blended component unit of the City of Great Falls. This component unit is blended as a proprietary fund presented in these financial statements.

Discretely Presented Component Unit - Great Falls Business Improvement District (Business Improvement District)

The objective of the Business Improvement District is to oversee and manage the appearance, security, and cleanliness of a designated area within Great Falls to make that area appealing to shoppers, office workers, area residents, and tourists as a viable shopping and tourist destination. The Business Improvement District's Board of Trustees is appointed by the City Commission. The Business Improvement District is required to submit an annual budget to the City Commission who may approve or modify the Business Improvement District's Budget. Additionally, the City Commission is responsible for levying the Business Improvement District's assessments on the properties within the Business Improvement District. Separate financial statements of the Business Improvement District may be obtained by contacting the District at 318 Central Avenue, Great Falls, Montana, 59401.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies - continued

B. Reporting Entity - continued

Discretely Presented Component Unit - Great Falls Tourism Business Improvement District (Tourism Business Improvement District)

The objective of the Tourism Business Improvement District is to promote tourism, conventions, trade shows, and travel to the City of Great Falls. The Tourism Business Improvement District's Board of Trustees is appointed by the City Commission. The Tourism Business Improvement District is required to submit an annual budget to the City Commission who may approve or modify the Tourism Business Improvement District's budget. Additionally, the City Commission is responsible for levying the Tourism Business Improvement District's assessments on the properties within the Tourism Business Improvement District. Separate financial statements of the Tourism Business Improvement District may be obtained by contacting the Tourism Business Improvement District at P.O. Box 648, Great Falls, Montana, 59403.

Discretely Presented Component Unit - Great Falls Public Library Foundation (Public Library Foundation)

The Public Library Foundation is a legally separate, tax-exempt component unit of the City. It provides the Great Falls Public Library with a supplemental source of funding in addition to the public funding the Library receives. Although the City does not control the timing or amount of receipts from the Public Library Foundation, the majority of resources, or incomes thereon, which the Public Library Foundation holds, and invests, are restricted by the donors to the activities of the Library. Because these restricted resources held by the Public Library Foundation can only be used by, or for the benefit of, the City, the Public Library Foundation is considered a component unit of the City and is discretely presented in the City's financial statements.

The Public Library Foundation is a private non-profit organization. As such, certain revenue recognition criteria and presentation features are different from Governmental Accounting Standards Board (GASB) revenue recognition criteria and presentation features. No modifications have been made to the Public Library Foundation's financial information in the City's financial reporting entity for these differences.

During the year ended March 31, 2021, the Public Library Foundation distributed \$550,299 to the City for both restricted and unrestricted purposes. Complete financial statements for the Public Library Foundation may be obtained by writing the Public Library Foundation at P.O. Box 742, Great Falls, Montana, 59403.

Related Organization – Great Falls Housing Authority (Housing Authority)

The City Commission appoints all members of the Housing Authority Board, an independent authority that provides safe, decent, sanitary, and affordable housing for the community's low-income residents and sets policy for the operation and management of public housing properties, the Department of Housing and Urban Development (HUD) Section 8 program and other affordable housing programs.

C. Basis of Presentation - government-wide financial statements

While separate government-wide and fund financial statements are presented, the financial statements are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between various functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies – continued

D. Basis of Presentation - fund financial statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

1. The City reports the following major governmental funds:

General Fund

The General Fund serves as the chief operating fund of the City. The General Fund is used to account for all financial resources not accounted for in some other fund.

COVID Recovery Fund

The COVID Recovery Fund accounts for federal relief money received from the CARES Act and American Rescue Plan Act.

Street District Fund

The Street District Fund reports operations of the Street Division, pavement rehabilitation and restoration, street sweeping, snow and ice control, dust abatement and paving markings. This fund also reports activities related to the signs and signals function of the Traffic Division. The major revenue source for this fund is street assessments received.

Federal Block Grant Fund

The Federal Block Grant Fund accounts for federal funds received by the City used to assist in the development of viable urban communities.

2. The City reports the following major enterprise funds:

Water Fund

The Water Fund accounts for all aspects of the City water system operations; including related debt service, administrative expenses, operation and maintenance of the water treatment plant, laboratory and water distribution.

Sewer Fund

The Sewer Fund accounts for all aspects of the City sewer system operations; including related debt service, administrative expenses, operation and maintenance of the wastewater treatment plant and the sewer collection system.

Storm Drain Fund

The Storm Drain Fund accounts for all aspects of the City storm drain system including operation and maintenance and debt service.

Sanitation Fund

The Sanitation Fund accounts for all aspects of providing refuse collection and disposal services to the City.

Port Authority Fund

The Port Authority Fund is used to account for operations of the Great Falls Port Authority as a blended component unit of the City.

Special State Projects Fund

The Special State Projects Fund is used to account for the Montana Board of Investments loan to finance the Infrastructure Loan Program for ADF Group USA, Inc. (ADF).

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies – continued

D. Basis of Presentation - fund financial statements - continued

3. Additionally, the City reports the following types:

Internal Service Funds

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The City uses internal service funds for Central Garage, Information Technology, Insurance and Safety, Health and Benefits, Human Resources, City Telephone, Finance, Engineering, Public Works Admin, and Civic Center Facility Service.

Fiduciary Funds

Fiduciary funds are used to report for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These may include trust or custodial funds. The City reports Private Purpose Trust Funds and Custodial Funds. During the year ended June 30, 2021, the City implemented GASB Statement No. 84 which changes where the City reports fiduciary activities and better assesses the accountability of the City in its role as fiduciary.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparations of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus/ Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies – continued

E. Measurement Focus/Basis of Accounting – continued

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The custodial funds have no measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

F. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and investments

The City's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Generally, cash resources of the individual funds are combined to form a pool of cash and investments which is managed within the Finance Department. Investment criteria are established via Montana Code Annotated (MCA) 7-6-202 and the City's investment policy. Investments, with limited exceptions, are reported at fair value. Investments, in nonparticipating certificates of deposit are reported at cost. Money market investments, including U.S. Treasury and Agency obligations that mature within one year of acquisition are reported at amortized cost. The difference between amortized cost is deemed immaterial and all investments will be reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined annually, and requires the use of valuation techniques, a specific method or combination of methods using one or more of three approaches: market, cost or income approach.

Investment income earned as a result of pooling is distributed to the appropriate funds utilizing a formula based on the average balance of cash and investments of each fund.

The City has a comprehensive investment policy addressing safety, liquidity and yield priorities. This investment policy is more restricted than State Law. The City has a policy of holding its investments to maturity. This is often referred to as 'passive investing'. The two main priorities when investing City funds are safety and liquidity. Investing in government securities and agencies (bonds) meet these priorities. A more active approach to investing requires additional staff time and more intensive continuing education and training. Also, 'active investing' exposes the City to risks related to timing the buying and selling of investments in the market.

All depositories must be either Federal Deposit Insurance Corporation (FDIC) or Federal Savings and Loan Deposit Insurance Corporation (FSLIC) insured. All deposits over the FDIC or FSLIC insured amount are required to be secured with a letter of credit or collateral having a market value of at least 100% of the deposit balance. City criteria for collateral are a limited list of instruments with readily verifiable market values and established marketability. Collateral must be held by an approved third-party financial institution in the name of the City.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies – continued

F. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance – continued

1. Cash and Investments - continued

Except for cash in certain restricted and special funds, the City consolidates cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income is allocated to the various funds based on the funds' respective participation and in accordance with generally accepted accounting principles (GAAP).

Pooling cash assets eliminates the need to maintain uninvested contingency cash for each fund. Cash flow needs can be anticipated for the City as a whole. The fluctuations in cash needs for the individual funds tend to "net out" when combined needs are considered. The total uninvested cash balance for contingencies can be greatly reduced.

2. Receivables

Real property taxes and special assessments can be attached as an enforceable lien on the underlying property. After a period of three years remaining unpaid, Cascade County, acting as the City's collection agent, may begin foreclosure proceedings and sell the property at auction. The City receives its proportionate share of the sale proceeds from the County.

Utility receivables in the enterprise funds can be attached as an enforceable lien on the underlying property and services are disconnected for non-payment.

The City records bad debts using the direct write-off method. GAAP requires the allowance method to be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed.

The City administers a revolving loan fund through the Federal Block Grant and HOME Grant. These receivables are deferred and, therefore, an allowance for uncollectible accounts is not maintained.

3. Interfund Receivables/Payables

Interfund receivables/payables between or within fund types have not been eliminated at the fund financial level.

Due to/from other funds represents short-term amounts owed to a particular fund by another fund within the City for goods or services rendered. Since the City records its financial information for governmental funds on a modified accrual basis, the timing of cash receipts can result in funds reflecting a deficit cash balance. For year-end reporting purposes, most cash deficits within funds are eliminated through usually short-term borrowing between the funds, resulting in amounts due to and due from other funds. The Golf Course Fund cash deficit is considered a long-term borrowing between funds due to the length of time the fund has had a cash deficit.

Interfund loans receivable/payable represent short-term loans between funds within the City for working cash purposes and the current portion of advances.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies - continued

F. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance – continued

3. Interfund Receivables/Payables - continued

Advances to/from other funds represents the noncurrent portion of long-term loans between funds within the City. For year-end reporting purposes, the cash deficit for the Golf Course fund has been classified as an advance due to the length of time the fund has had a cash deficit.

4. Inventories and Prepaid Items

Inventories for supplies are reported at cost. Inventories held for resale are reported at lower of cost or net realizable value. Supplies purchased by governmental funds are recorded as expenditures at the time of purchase. The amounts on hand in governmental funds are not significant.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items arise when charges are entered in the accounts for benefits not yet received. Prepaid items are spread over a short period of time and are regularly recurring costs of operation. In subsequent periods, when the benefit criteria are met, or when the City has a legal claim to the resources, the prepaid items are removed from the balance sheet and expenses are recognized.

5. Capital Assets

Capital assets, which include property, plant, and equipment, are defined by the City as assets with an initial, individual cost of more than \$25,000 and an estimated useful life of three years or more. Such assets are recorded at historical cost where historical cost records are available and at estimated historical cost where no historical records exist. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets should be depreciated over their estimated useful lives unless they are inexhaustible, or are intangible assets with indefinite useful lives. Some intangible assets such as software are depreciated over their useful lives. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

Capital assets purchased by governmental funds (general capital assets such as roads, bridges, curbs and gutters, streets and sidewalks, lighting systems, and similar assets) are recorded as expenditures in those funds when purchased. No depreciation is recorded on these general capital assets at the fund financial reporting level. In the government-wide statement of net position, these assets are capitalized at cost and in the government-wide statement of activities, depreciation is reported.

Capital assets purchased by proprietary funds are capitalized at cost and shown as assets of those funds. Depreciation of capital assets of proprietary funds is computed over the estimated useful lives of the assets using the straight-line method and is charged as an operating expense of those funds.

The estimated useful lives are as follows:

Buildings	40 - 50 years
Improvements	15 - 20 years
Equipment	3 - 25 years
Utility plant	15 - 50 years
Residential streets	40 - 50 years
High traffic streets	20 - 25 years
Gravel or dirt alleys	10 - 15 years
Parking lots	20 - 25 years
Sidewalks, curbs and gutters	40 - 50 years

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies - continued

F. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance – continued

6. Equipment Replacement Reserves

The Information Technology and Central Garage internal service funds equipment replacement reserves are funded by a lease charge on a replacement-cost basis for vehicles and equipment owned by these funds and used by other City funds. An Equipment Revolving Schedule (ERS) has been established by vehicle or equipment item which includes department operation identification, estimated useful life, projected replacement date, reserve goal (estimated replacement cost), annual reserve increment (lease charge), and accumulated reserve balance. The ERS is reviewed and adjusted on an annual basis to assure that realistic replacement reserves are established. Whenever operational changes reduce vehicle or equipment needs, excess accumulated reserves are returned to the fund of origin through an equipment replacement reserve (transfer) when multiple fiscal years are involved, or credited against current year charges when only the current fiscal year is involved.

7. Compensated Absences

All full-time City employees accumulate vacation and sick leave hours for later use or for payment upon termination, retirement or death. In proprietary funds, vested vacation and sick leave benefits are recognized as expenses when earned by the employee and unpaid benefits are liabilities of those funds. Governmental fund types recognize the expenditure when benefits are paid. The remaining balance of vested governmental fund type employees' vacation and sick leave is reflected as a liability in the government-wide statements. The governmental funds typically used in prior years to liquidate the liability for compensated absences are any of the funds with payroll, which include: General, Street District, Federal Block Grant, Library, Planning & Community Development, Permits, Natural Resources, Portage Meadows, Park District, Housing Authority, HIDTA Special Revenue, Home Grant, and all governmental internal service funds.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses) until that time.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

9. Net Position Flow Assumption

Governments fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, the City of Great Falls' flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider assigned fund balance to have been depleted before using any of the components of unassigned fund balance. Further, when the components of restricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

G. Encumbrances

The City does not utilize a formal encumbrance accounting system.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

1. Summary of Significant Accounting Policies - continued

H. Pensions

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the Net Pension Liability (NPL), Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and, Additions to or Deductions from Fiduciary Net Positions. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adheres to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of GASB.

2. Cash and Investments

The composition of the City's cash and investments, including restricted cash and investments, on June 30, 2021 was as follows:

	Primary Government	Component Units		
		Business Improvement District	Tourism Business Improvement District	Public Library Foundation
Cash on hand	\$ 7,652	\$ 402	\$ -	\$ -
Deposits in banks	9,197,446	98,355	1,025,521	63,157
Time deposits	56,105,178	-	-	-
Certificates of deposit	44,759	-	164,053	-
U.S. government securities	6,048,440	-	-	-
Short term investment pool (STIP)	26,977,073	-	-	-
Money market funds	6,340	-	-	192,827
Mutual funds	-	-	-	3,533,906
Totals	\$ 98,386,888	\$ 98,757	\$ 1,189,574	\$ 3,789,890

The City's cash and investments for the primary government at June 30, 2021 are reported as:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 57,418,204	\$ 28,830,690	\$ 714,220	\$ 86,963,114
Restricted cash and investments	2,800,682	8,623,092	-	11,423,774
Totals	\$ 60,218,886	\$ 37,453,782	\$ 714,220	\$ 98,386,888

At June 30, 2021, the carrying amount of the City's deposits in banks was \$9,197,447 and the bank balance was \$10,074,363. Of the bank balance \$332,829 was covered by federal depository insurance and \$9,741,534 was covered by a letter of credit from a federal home bank in the City's name. The time deposits of \$56,105,178 were covered by federal depository insurance.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

2. Cash and Investments - continued

At June 30, 2021, the carrying amount of deposits for the Great Falls Business Improvement District, a discretely presented component unit, was \$98,757 and the bank balance was \$98,355. Of the bank balance, \$98,355 was covered by federal depository insurance. At June 30, 2021, the Great Falls Business Improvement District had no cash in excess of FDIC insured limits.

At June 30, 2021, the carrying amount of deposits for the Great Falls Tourism Business Improvement District, a discretely presented component unit, was \$1,189,574 and the bank balances were \$1,189,574. Of the bank balances, \$1,189,574 was covered by federal depository insurance. At June 30, 2021, the Great Falls Tourism Improvement District had no cash in excess of FDIC insured limits.

At March 31, 2021, the carrying amount of deposits for the Great Falls Public Library Foundation, a discretely presented component unit, was \$255,984 and the bank balance was \$255,984. Of the carrying amount of deposits, \$63,157 was covered by federal depository insurance and \$192,827 was covered by Securities Investors Protection Corporation.

Montana statutes require that the City have securities for deposits equal to 50% of its total deposits that are not insured or guaranteed, held in the City's name by the pledging bank's trustee. The City was in compliance with this statute at June 30, 2021. The City's policy is to have securities for deposits equal to 100% of its insured or guaranteed yield in the City's name. Types of securities that may be pledged as collateral are detailed in MCA 17-6-103.

Montana statutes authorize the City to invest in direct obligations of the United States government in savings or time deposits in a state or national bank, building or loan association, or credit union located in Montana; in investments of the Montana Short-Term Investment Pool (STIP) managed by the Montana Board of Investments; or in repurchase agreements.

Investments by fair value level:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Certificates of deposit	\$ 44,760	\$ -	\$ 44,760	\$ -
Time deposits	56,105,178	56,105,178	-	-
U.S. treasuries	5,046,829	-	5,046,829	-
U.S. agencies	1,001,611	-	1,001,611	-
Money market funds	6,340	-	6,340	-
Totals	\$ 62,204,718	\$ 56,105,178	\$ 6,099,540	\$ -

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy, as follows, is based on the valuation inputs used to measure fair value. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

- Level 1 Inputs – Quoted prices in active markets for identical assets; these investments are valued using prices quoted in active markets.
- Level 2 Inputs – Significant other observable inputs; these investments are valued using inputs other than Level 1 that observable, either indirectly, such as quoted market prices for similar assets or liabilities, quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by market data for the full term of the assets or liabilities. Level 2 inputs are listed at the values provided by the City's banking institutions and listed on monthly statements.
- Level 3 Inputs – Significant unobservable inputs; these investments are valued using fair value to the extent that the observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

2. Cash and Investments – continued

The City voluntarily participates in the STIP administered by the Montana Board of Investments (MBOI). STIP is recorded at Net Asset Value. A local government's STIP ownership is represented by shares, the prices of which are fixed at \$1.00 per share, and participants may buy or sell shares with one business days' notice.

STIP administrative expenses are charged daily against the STIP income, which is distributed on the first calendar day of each month. Shareholders have the option to automatically reinvest their distribution income in additional shares. STIP is not registered with the Securities and Exchange Commission. STIP is not FDIC-insured or otherwise insured or guaranteed by the federal government, the State of Montana, the MBOI or any other entity against investment losses, and there is no guaranteed rate of return on funds invested in STIP shares. The MBOI maintains a reserve fund to offset possible losses and limit fluctuations in STIP's valuation. The STIP investment portfolio consists of securities with maximum maturity of 2 years. Information on investments held in the STIP can be found in the Annual Report on the MBOI website at <http://investmentmt.com/Annual-Reports>.

Investments are in an internal investment pool. It is a common practice for governments to pool the cash and investments of funds to improve investment performance. Unless restricted by bonds, grants, etc., the City pools cash and investments of all funds. The City has the policy of placing restricted investments in the short-term investment pool. At June 30, 2021, the City had the following investments:

	Fair Value	Investment Maturities (In Years)	
		Less Than 1	1-5
Cash on hand, deposits in banks, savings deposits	\$ 9,205,098	\$ 9,205,098	\$ -
Certificates of deposit	44,759	44,759	-
Time deposits	56,105,178	56,105,178	-
U.S. treasuries	5,046,829	2,007,943	3,038,886
U.S. agencies	1,001,611	1,001,611	-
Short term investment pool (STIP)	26,977,073	26,977,073	-
Money market funds	6,340	6,340	-
Totals	<u>\$ 98,386,888</u>	<u>\$ 95,348,002</u>	<u>\$ 3,038,886</u>

Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized. The City's investment policy limits its custodial risk by requiring all deposits under the FDIC or FSLIC insured amount to be insured by the FDIC or FSLIC and all deposits over the FDIC or FSLIC insured amount are required to be secured with collateral.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy minimizes the risk by structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in short-term securities or similar investment pools.

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The City's investment policy minimizes credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City does business, and diversifying the investment portfolio so that potential losses on individual securities will be minimized. Although the STIP investments have been rated by investments security type, STIP, as an external investment pool, has not been rated by the Nationally Recognized Statistical Rating Organizations. More information on STIP is available at the Montana Department of Commerce Board of Investments website at <http://investmentmt.com/STIP>.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

2. Cash and Investments – continued

The U.S. Government Treasury Securities are not considered to have credit risk and do not require disclosure of credit quality. The U.S. Government Agencies Securities are 1.10% in Federal National Mortgage Association, which had a credit rating of "AAA" at June 30, 2021.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in external investment pools are excluded from this requirement.

Restricted Cash and Investments

Cash and investments of \$11,423,774 are restricted by bond covenants, state statute, or for specific purposes as follows:

Governmental Activities

Nonmajor governmental funds

Library - improvements	\$	101,880
Central Montana Ag Tech Park TID - current debt service		48,113
Natural Resources - projects		31,886
West Bank TID Bonds - current debt service	\$	90,068
West Bank TID Bonds - bond reserves	263,925	
Subtotal West Bank TID Bonds		353,993
Downtown TID Bonds - bond reserves		414,150

Internal Service funds

Central Garage - vehicle and equipment replacement		1,557,899
Information Technology - information systems	207,629	
Information Technology - vehicle and equipment replacement	6,324	
Subtotal Information Technology		213,953
Engineering - vehicle and equipment replacement		36,922
Public Works Admin - vehicle and equipment replacement		5,271
Civic Center Facility Service - improvements		36,615
Total Governmental Activities		2,800,682

Business Activities

Water

Current debt service	1,141,375	
Bond reserves	1,141,375	
Operating reserves	506,967	
Vehicle and equipment replacement	935,514	
Subtotal Water		3,725,231

Sewer

Current debt service	745,914	
Bond reserves	1,491,828	
Operating reserves	501,672	
Vehicle and equipment replacement	1,032,938	
Subtotal Sewer		3,772,352

Storm Drain

Current debt service	398,154	
Bond reserves	398,154	
Repair and replacement reserves	150,000	
Subtotal Storm Drain		946,308

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

2. Cash and Investments – continued

Restricted Cash and Investments – continued

Sanitation			
Current debt service	124,403		
Bond reserves	24,477		
Subtotal Sanitation	148,880		148,880
Nonmajor enterprise funds			
Civic Center Events - improvements		30,321	
Total Business Activities		8,623,092	
Total		\$ 11,423,774	

3. Receivables

Taxes and Special Assessments

The City's real estate property tax is levied as of November 1 on the assessed value listed as of January 1 of the same year, for all property located in the City. Assessed values are established by the State of Montana Department of Revenue (State) based on a market value. A revaluation of all property is required to be completed on a periodic basis. Taxable value is defined by state statute as a fixed percentage of assessed value.

The City is permitted, by state statutes, to levy taxes up to certain fixed limits for various purposes. The taxes levied by the City for the year ended June 30, 2021 were within legal limits.

Taxes are due in semi-annual installments on November 30 and May 31 of each year. Property tax lien dates are December 1 and June 1.

The City levies assessments for lighting districts, street maintenance, park maintenance, boulevard maintenance, various special improvement districts (SIDs) and various special improvement lighting districts (SILDs). The assessments are due in semi-annual installments on November 30 and May 31. All assessments are considered delinquent if not paid by May 31.

Loans Receivable

Loans receivable at June 30, 2021 consists of the following:

Federal Block Grant:			
Deferred payment loan program (a) (b)	\$ 1,320,858		
Nonmajor governmental funds:			
Home Grant - deferred payment loan program (a)	40,000		
Total		\$ 1,360,858	

- (a) The deferred payment loan program for both Federal Block Grant and Home Grant was established to provide opportunities for low-income homeowners to rehabilitate, weatherize, maintain, or improve the quality of existing housing. No interest is charged on these loans. Repayment of the loan is required only if the property is sold, or upon satisfaction of the original mortgage, at which time the property owner begins making monthly payments equal to the principal and interest payment on the original mortgage.
- (b) The water and sewer loan program was established to stabilize and improve water and sewer service lines by providing financial assistance to landlords and homeowners who own their rental and residential property. Monthly payments are due the first of every month. No interest is charged on these loans. The terms range from ten to eighteen years. The loans are secured by the property and/or equipment. Deferred inflows of resources equal to the balance of the loans receivable has been recorded.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

4. Interfund Receivables, Payables, and Transfers

Due To/From Other City Funds

The due to other City funds balances reported in the fund financial statements represent credit cash balances in the individual funds at year-end with an offsetting due from other City funds in the corresponding funds. Due to the netting effect, these are eliminated on the government-wide statement of net position.

Due to/from other City funds at June 30, 2021 consists of the following:

Receivable Fund	Payable Fund	
Major governmental fund - General Fund	Nonmajor enterprise fund - Parking Fund	\$ 33,062
Nonmajor governmental fund - Park & Recreation Special Revenue	Nonmajor enterprise fund - Recreation Fund	138,259
Nonmajor governmental fund - Police Special Revenue	Nonmajor governmental fund - HIDTA Special Revenue	4,695
Total		\$ 176,016

Interfund Loans

The advance from the general fund reported in the golf courses fund represents a long-term credit cash balance.

Advances to/from other funds at June 30, 2021 consists of the following:

Receivable Fund	Payable Fund	Amount
Major governmental fund - General Fund	Nonmajor enterprise fund - Golf Courses	\$ 924,061
Total		\$ 924,061

Transfers

Transfers represent the movement of cash assets between City funds and operations. Transfers are transactions which must be recorded, but should not be confused with operating revenues and expenditures. Recurring transfers are authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

Transfers to/from other funds for the year ended June 30, 2021 consists of the following on the next page:

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

4. Interfund Receivables, Payables, and Transfers - continued

Transfers – continued

Recipient Fund	Amount	Purpose
Nonmajor governmental funds		
Library	\$ 350,000	Transfers from general fund to library for operation support.
Planning & Community Development	271,932	Transfer from general fund to planning & community development for operation support.
Natural Resources	256,277	Transfer from general fund to natural resources for operation support.
Gas Tax BaRSSA	50,000	Transfer from street district fund for match of project.
General Obligation Taxable Bonds	144,846	Transfer from general fund to general obligation taxable bonds for debt service.
	<u>1,073,055</u>	Subtotal of nonmajor governmental funds
Nonmajor enterprise funds		
Swimming Pools	267,861	Transfer from general fund to swimming pools for operations support.
911 Dispatch Center	344,591	Transfer from 911 special revenue to 911 dispatch center for dispatch services.
Recreation	39,206	Transfer from general fund to recreation for operation support.
Civic Center Events	267,220	Transfer from general fund to civic center events for operation support and capital asset.
	<u>918,878</u>	Subtotal of nonmajor enterprise funds
Major enterprise funds		
Water	76,324	Transfer from sewer fund to water for capital assets.
Sewer	322,330	Transfer from storm drain fund, sanitation fund, and 911 dispatch fund to sewer for capital assets.
Storm Drain	193,269	Transfer from sanitation fund to storm drain for capital assets.
	<u>591,923</u>	Subtotal of major enterprise funds
	<u>1,510,801</u>	Subtotal of enterprise funds
Internal service funds		
Central Garage	222,440	Transfer from water fund, storm drain fund, 911 dispatch center fund and multi-sports to central garage for capital assets.
Information Technology	15,206	Transfer from water fund and city telephone fund to information technology for capital assets
Insurance & Safety	6,000	Transfer from human resources fund to insurance and safety for capital assets.
Human Resources	2,034	Transfer from city telephone fund to human resources for capital assets.
Engineering	63,143	Transfer from general fund to engineering for operation support.
	<u>308,823</u>	Subtotal of internal service funds
Total	<u>\$ 2,892,679</u>	

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

5. Due From Other Governments

Amounts due from other governments at June 30, 2021 were as follows:

Fund	Federal	County	Other	Total
General	\$ 6,045	\$ 286,580	\$ -	\$ 292,625
Street District	-	3,125	-	3,125
Federal Block Grant	91,113	-	-	91,113
Nonmajor governmental funds				
Library	-	420	-	420
Planning & Community Development	97,768	-	-	97,768
Airport TID	-	24	-	24
Natural Resources	-	449	-	449
Portage Meadows	-	20	-	20
Park Maintenance District	-	879	-	879
Support & Innovation	-	371	-	371
HIDTA Special Revenue	111,439	-	-	111,439
Fire Special Revenue	2,650	-	-	2,650
Home Grant	3,655	-	-	3,655
Housing Authority	-	-	53,420	53,420
Street Lighting Districts	-	967	-	967
Soccer Park GO Bond	-	80	-	80
Downtown TID Bonds	-	1,517	-	1,517
Master Debt SILD	-	25	-	25
Subtotal nonmajor governmental funds	215,512	4,752	53,420	273,684
Enterprise funds				
Sewer	4,127	-	-	4,127
Subtotal enterprise funds	4,127	-	-	4,127
Totals	<u>\$ 316,797</u>	<u>\$ 294,457</u>	<u>\$ 53,420</u>	<u>\$ 664,674</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Transfers In	Adjustments	Decreases	Transfers Out	Ending Balance
<u>Governmental activities</u>							
Capital assets, not being depreciated:							
Land	\$ 9,816,152	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,816,152
Construction in Progress	3,646,673	5,531,072	-	-	-	(3,803,806)	5,373,939
	13,462,825	5,531,072	-	-	-	(3,803,806)	15,190,091
Capital assets, being depreciated:							
Buildings	15,195,479	-	-	-	-	-	15,195,479
Improvements	47,844,489	1,759,015	3,513,750	-	-	-	53,117,254
Intangible	492,182	-	-	-	-	-	492,182
Machinery and equipment	23,639,769	573,089	290,057	202,281	(201,348)	-	24,503,848
Infrastructure	78,013,956	-	-	-	-	-	78,013,956
	165,185,875	2,332,104	3,803,807	202,281	(201,348)	-	171,322,719
Less accumulated depreciation for:							
Buildings	(10,118,751)	(309,533)	-	-	-	-	(10,428,284)
Improvements	(26,103,690)	(1,922,773)	-	(641)	-	-	(28,027,104)
Machinery and equipment	(13,564,240)	(1,986,620)	-	(41,384)	159,820	-	(15,432,424)
Intangible	(273,906)	-	-	-	-	-	(273,906)
Infrastructure	(54,487,729)	(1,675,685)	-	-	-	-	(56,163,414)
	(104,548,316)	(5,894,611)	-	(42,025)	159,820	-	(110,325,132)
Total capital assets, being depreciated, net	60,637,559	(3,562,507)	3,803,807	160,256	(41,528)	-	60,997,587
Governmental activities capital assets, net	\$ 74,100,384	\$ 1,968,565	\$ 3,803,807	\$ 160,256	\$ (41,528)	\$ (3,803,806)	\$ 76,187,678
<u>Business-type activities</u>							
Capital assets, not being depreciated:							
Land	\$ 3,948,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,948,391
Construction in Progress	38,837,340	5,190,347	-	-	-	(29,909,944)	14,117,743
	42,785,731	5,190,347	-	-	-	(29,909,944)	18,066,134
Capital assets, being depreciated:							
Buildings	34,446,627	-	-	-	(14,458)	-	34,432,169
Improvements	156,766,455	1,416,059	29,909,944	-	-	-	188,092,458
Machinery and equipment	14,116,442	675,319	-	(202,280)	-	-	14,589,481
Infrastructure	96,088,627	-	-	-	-	-	96,088,627
	301,418,151	2,091,378	29,909,944	(202,280)	(14,458)	-	333,202,735
Less accumulated depreciation for:							
Buildings	(20,719,505)	(802,028)	-	-	-	-	(21,521,533)
Improvements	(74,252,072)	(7,777,912)	-	5,795	-	-	(82,024,189)
Machinery and equipment	(9,647,631)	(825,637)	-	36,231	-	-	(10,437,037)
Infrastructure	(53,424,914)	(1,986,071)	-	-	-	-	(55,410,985)
	(158,044,122)	(11,391,648)	-	42,026	-	-	(169,393,744)
Total capital assets, being depreciated, net	143,374,029	(9,300,270)	29,909,944	(160,254)	(14,458)	-	163,808,991
Business-type activities capital assets, net	\$ 186,159,760	\$ (4,109,923)	\$ 29,909,944	\$ (160,254)	\$ (14,458)	\$ (29,909,944)	\$ 181,875,125

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

6. Capital Assets - continued

Primary Government - continued

Depreciation was charged to functions/programs of the primary government as follows:

<u>Governmental activities</u>	
General government	\$ 838,468
Public safety	234,982
Public works	3,781,491
Culture and recreation	753,143
Housing and development	286,527
Total governmental activities	\$ 5,894,611
<u>Business-type activities</u>	
Water	\$ 4,418,162
Sewer	3,943,963
Storm Drain	1,706,714
Sanitation	306,117
Port Authority	116,512
Special State Projects	277,767
Other	622,413
Total business-type activities	\$ 11,391,648

Discretely Presented Component Unit

Capital assets activity for the Business Improvement District for the year ended June 30, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 72,945	\$ -	\$ -	\$ 72,945
	72,945	-	-	72,945
Less accumulated depreciation	(35,765)	(11,081)	-	(46,846)
Total capital assets, being depreciated, net	37,180	(11,081)	-	26,099
Business Improvement District capital assets, net	\$ 37,180	\$ (11,081)	\$ -	\$ 26,099

7. Long-Term Debt

Compensated Absences Payable

Compensated absences payable, representing vested vacation and sick leave benefits earned by employees and payable upon termination, as well as additional salary-related charges payable by the City as the employer, as of June 30, 2021 were as follows:

Governmental activities	\$ 4,710,904
Business-type activities	603,368
Total	\$ 5,314,272

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Lease purchase

Major Governmental – General Fund

The City Commission on March 17, 2020 authorized the lease purchase of \$1,992,461 for the purchase of public safety communication equipment. The term of the lease purchase is for ten years with an interest rate of 2.87%.

Annual debt service requirements to maturity for the lease purchase are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2022	\$ 179,507	\$ 52,063	\$ 231,570
2023	184,659	46,911	231,570
2024	189,959	41,611	231,570
2025	195,410	36,160	231,570
2026	201,019	30,551	231,570
2027-2030	863,449	62,831	926,280
Totals	<u>\$ 1,814,003</u>	<u>\$ 270,127</u>	<u>\$ 2,084,130</u>

Loans and Contracts Payable

Major Governmental – General Fund

The City Commission on December 1, 2015, authorized the borrowing of \$801,098 with only \$796,859 being drawn in Intercap funds for the purchase of two fire trucks. The term of the loan is ten years with an initial interest rate of 1.25%.

The rates for these Intercap loans are adjusted annually on February 16th. The interest rate varies based on the underlying bond rate of the Montana Board of Investments Municipal Finance Consolidation Act Bonds. The loan will be repaid from General Fund revenue. The interest calculations are projected based on the current interest rate charged of 1.65%.

Annual debt service requirements to maturity for the Intercap loan are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2022	\$ 71,833	\$ 5,779	\$ 77,612
2023	72,734	5,165	77,899
2024	73,646	3,961	77,607
2025	74,568	2,742	77,310
2026	75,512	1,508	77,020
Totals	<u>\$ 368,293</u>	<u>\$ 19,155</u>	<u>\$ 387,448</u>

Nonmajor Governmental - Master Debt SILD Fund

The City Commission, on June 16, 2015, authorized the borrowing of \$58,000 in Intercap funds by the General Fund for the purpose of designing and installing city street lights in Stone Meadows Addition Phase II. The term of the loan is fifteen years with an initial interest rate of 1.25%.

The rates for these Intercap loans are adjusted annually on February 16th. The interest rate varies based on the underlying bond rate of the Montana Board of Investments Municipal Finance Consolidation Act Bonds.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Loans and Contracts Payable - continued

Nonmajor Governmental - Master Debt SILD Fund - continued

The loan will be repaid from assessments of the property owners in the street light districts in the Master Debt SILD Fund. The interest calculations are projected based on the current interest rate charged of 1.65%.

Annual debt service requirements to maturity for the Intercap loans are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2022	\$ 2,848	\$ 459	\$ 3,307
2023	2,884	390	3,274
2024	2,920	342	3,262
2025	2,956	294	3,250
2026	2,975	244	3,219
2027-2031	13,963	476	14,439
Totals	<u>\$ 28,546</u>	<u>\$ 2,205</u>	<u>\$ 30,751</u>

Major Enterprise Fund – Sanitation

The City Commission, on March 15, 2016, authorized the borrowing of \$1,540,000 in Intercap funds for the purpose of purchasing six sanitation trucks. The term of the loan is six years with an initial interest rate of 2.50%. The loan is on a reimbursement basis.

The rates for these Intercap loans are adjusted annually on February 16th. The interest rate varies based on the underlying bond rate of the Montana Board of Investments Municipal Finance Consolidation Act Bonds. The loan will be repaid from the Sanitation Fund. The interest calculations are projected based on the current interest rate charged of 1.65%.

The more significant provisions and covenants require that reserves be maintained for debt service and that the net revenues for each fiscal year be at least equal to 125% of the maximum principal and interest to become due in any year. Net revenues are revenues for a specified period less the operating expenses for the same period. Revenues refers to all revenues and receipts from rates, fees, charges, rentals, penalties, interest, any sales of property, and all income received from the investment of revenues and receipts. Operating expenses include current expenses of operation, maintenance and minor repair of the system, excluding interest on bonds and depreciation. At June 30, 2021 the City was in compliance with all provisions and covenants.

Shown below are the bond reserves of the Sanitation Fund and the calculation of the coverage covenant as of June 30, 2021.

<u>Bond Reserves</u>	
Bond covenant reserve account	\$ 124,403
Debt service account	24,477
Total reserves	<u>\$ 148,880</u>
<u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 4,367,308
Operating expenses	(3,965,493)
Net revenues	<u>\$ 401,815</u>
Maximum annual debt service requirement	<u>\$ 247,798</u>
Percent coverage	<u>162.15%</u>
Percent coverage required	<u>125.00%</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Loans and Contracts Payable - continued
Major Enterprise Fund – Sanitation - continued

Annual debt service requirements to maturity for the Intercap loan are as follows:

Year Ending June 30	Business-Type Activities		
	Principal	Interest	Total
2022	\$ 244,777	\$ 3,021	\$ 247,798
Totals	\$ 244,777	\$ 3,021	\$ 247,798

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report.

Notes Payable
Port Authority Fund

The Great Falls Port Authority on May 25, 2005, authorized the borrowing of \$1,075,000 from the Great Falls Development Authority, Inc. for the purpose of constructing a building for the Centene project. The term of the loan is twenty (20) years with an annual rate of 4.00%. The loan will be repaid from operating funds of the Great Falls Port Authority.

The Great Falls Port Authority on November 30, 2007, authorized the borrowing of \$4,763,794, from the Montana Board of Investments (MBOI) Infrastructure Loan Program for the purpose of financing infrastructure improvements for the Centene project to enhance economic development and create jobs in the basic sector of the economy. The term of the loan is eighteen (18) years with an annual rate of 4.43%. The loan will be repaid from operating funds of the Great Falls Port Authority.

Special State Projects Fund

The City Commission, on April 15, 2014, authorized the borrowing of \$4,999,800 from the MBOI Infrastructure Loan Program for the purpose of funding an infrastructure project that provides facilities/services to basic sector businesses. The project was the construction of a new structural steel fabrication complex. This complex is leased to ADF Group USA, Inc. (ADF) at the monthly rental fee of \$31,955 for fifteen years, which is equal to the infrastructure loan payments. ADF has an option reserved for the purchase of the lease upon full satisfaction of the City's obligation under the note at any time without penalty. The term of the note is fifteen (15) years with an interest rate of 1.98%.

Notes payable outstanding at June 30, 2021 are as follows:

	Business-Type Activities					
	Start Date	Interest Rate	Term (Years)	Maturity Date	Loan Issued	Balance June 30, 2021
Port Authority Improvements	03-02-2005	4.00%	20	10-01-2025	\$ 1,075,000	\$ 310,570
Port Authority Improvements	11-30-2007	4.43%	18 ¼	09-30-2025	4,763,794	1,523,253
Special State Projects Improvements	04-18-2014	1.98%	15	04-15-2029	4,999,800	2,807,030
Total						<u>\$ 4,640,853</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Notes Payable – continued
Special State Projects Fund - continued

Annual debt service requirements to maturity for the notes payable are as follows:

Year Ending June 30	Business-Type Activities		
	Principal	Interest	Total
2022	\$ 723,867	\$ 124,723	\$ 848,590
2023	747,948	100,641	848,589
2024	772,759	75,831	848,590
2025	798,871	49,718	848,589
2026	511,741	26,753	538,494
2027-2029	1,085,667	32,589	1,118,256
Totals	<u>\$ 4,640,853</u>	<u>\$ 410,255</u>	<u>\$ 5,051,108</u>

General Obligation Bonds
Nonmajor Governmental - Soccer Park GO Bond

In November 2003, a general obligation bond of \$2.5 million was approved by the taxpayers for the acquisition of land and construction of a soccer park. General obligation bonds were issued June 15, 2004. The Great Falls Soccer Foundation partnered with the City to construct the Seibel Soccer Park. In March 2014, these bonds were refunded by Series 2014A Soccer for a term of ten (10) years with variable interest rates between 2.00% and 2.55%.

General obligation bonds outstanding at June 30, 2021, are as follows:

Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2021
04-03-2014	2.00 - 2.55%	10	07-01-2024	\$1,480,000	<u>\$ 470,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2022	\$ 155,000	\$ 11,249	\$ 166,249
2023	155,000	7,761	162,761
2024	160,000	4,080	164,080
Totals	<u>\$ 470,000</u>	<u>\$ 23,090</u>	<u>\$ 493,090</u>

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report. Required information includes the annual report regarding property values, city indebtedness and city tax rates, levies, city population and collections.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

General Obligation Taxable Bonds

Nonmajor Governmental - General Obligation Taxable Bonds

The City Commission, on December 6, 2005, authorized the borrowing of \$1,500,000 from First Interstate Bank in the form of a taxable non-voted general obligation note by the Electric Fund for the purpose of preliminary design, engineering, feasibility and environmental review costs related to the construction of a 250 MW coal fire generation plant. In March 2014, this note was refunded by the issuance of limited tax general obligation refund bonds Series 2014B for a term of eight (8) years with variable interest rates between 1.00% and 3.60%. These bonds are not unlimited tax general obligation bonds of the City and the full faith, credit and taxing power of the City will not be pledged to the payment thereof.

Limited tax general obligation bonds (taxable) outstanding at June 30, 2021, are as follows:

<u>Interest Rate</u>	<u>Term (Years)</u>	<u>Maturity Date</u>	<u>Bonds Issued</u>	<u>Balance June 30, 2021</u>
1.00 - 3.60%	8	07-01-2022	\$1,065,000	<u>\$ 140,000</u>

Annual debt service requirements to maturity for limited tax general obligation bonds (taxable) are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 140,000	\$ 5,040	\$ 145,040
Totals	<u>\$ 140,000</u>	<u>\$ 5,040</u>	<u>\$ 145,040</u>

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report. Required information includes the annual report regarding property values, city indebtedness and city tax rates, levies, city population and collections.

Urban Renewal Tax Increment Bonds Payable

Nonmajor Governmental - West Bank Tax Increment District Bonds

The City Commission, on February 21, 2012, authorized the issuance of West Bank Urban Renewal Refunding Revenue Bonds, Series 2012 to refund the City's outstanding Tax Increment Urban Renewal Subordinate Lien Revenue Note, Series 2009A. The bonds are being repaid from the tax increments received by the City from its West Bank urban renewal area.

The City Commission, on April 21, 2020, authorized the issuance of West Bank Urban Renewal Revenue and Refunding Bonds, Series 2020 to refund the City's outstanding West Bank Urban Renewal District Tax Increment Revenue Bonds, Series 2009A and to pay costs of public improvements associated with West Bank, LLC. The bonds are being repaid from the tax increments received by the City from its West Bank urban renewal area.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt – continued

Urban Renewal Tax Increment Bonds Payable - continued

Nonmajor Governmental - West Bank Tax Increment District Bonds - continued

Tax increment bonds outstanding at June 30, 2021 are as follows:

	Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2021
Series 2012	03-01-2012	2.00 - 4.00%	20	07-01-2032	\$ 855,000	\$ 530,000
Series 2020	04-28-2020	3.00 - 4.00%	20	07-01-2040	3,200,000	<u>2,935,000</u>
Total						<u>\$ 3,465,000</u>

Annual debt service requirements to maturity for tax increment bonds are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2022	\$ 130,000	\$ 130,910	\$ 260,910
2023	135,000	126,930	261,930
2024	140,000	122,740	262,740
2025	145,000	118,338	263,338
2026	150,000	113,740	263,740
2027-2031	825,000	485,888	1,310,888
2032-2036	995,000	311,400	1,306,400
2037-2040	945,000	96,200	1,041,200
Totals	<u>\$ 3,465,000</u>	<u>\$ 1,506,146</u>	<u>\$ 4,971,146</u>

The City issued the West Bank Urban Renewal Tax Increment bonds pursuant to Resolutions No. 9815 and 10343 which includes various restrictive provisions and covenants. The more significant provisions and covenants require that reserves be maintained for debt service. The resolution also requires that the tax increment tax collected and available for debt service is at least 1.40 times coverage on total tax increment parity debt above the amount of tax increment taxes received. At June 30, 2021, the City was in compliance with all provisions and covenants. Shown below are the parity note reserves of the West Bank Tax Increment Fund and the calculation of the coverage covenant.

<u>Bond reserves</u>	
Bond covenant reserve account	\$ 414,150
Total bond reserves	<u>\$ 414,150</u>
<u>Coverage covenant calculation</u>	
Increment taxes collected and available	\$ 858,061
Maximum annual debt service	414,150
Debt service coverage	2.07x
Debt Service coverage required	1.25x

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report. Required information includes figures for the appraised value, total taxable value, the incremental taxable value of property, the ten major taxpayers within the West Bank Urban Renewal Area, the West Bank Renewal Tax Increment District Debt Service Fund - Statement of Revenues, Expenditures and Changes in Fund Balance for ten years and Bond Reserves, Coverage Covenant Calculation, Principal Amounts of Bonds, and Trends in Value and Tax Increment.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Urban Renewal Tax Increment Bonds Payable

Nonmajor Governmental – Downtown Tax Increment District Bonds

The City Commission, on April 6, 2021, authorized the issuance of Tax Increment Urban Renewal Revenue Bonds (Downtown Urban Renewal District), Series 2021 bonds to pay costs of public improvements associated with the Civic Center Façade project. The bonds are being repaid from the tax increments received by the City from its Downtown Urban renewal area.

Tax increment bonds outstanding at June 30, 2021 are as follows:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Term (Years)</u>	<u>Maturity Date</u>	<u>Bonds Issued</u>	<u>Balance June 30, 2021</u>
Series 2021	04-15-2021	2.00 - 3.125%	20	07-01-2040	\$ 5,995,000	\$ 5,945,000
Total						<u>\$ 5,945,000</u>

Annual debt service requirements to maturity for tax increment bonds are as follows:

Year Ending June 30	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 250,000	\$ 163,675	\$ 413,675
2023	255,000	157,426	412,426
2024	260,000	152,325	412,325
2025	265,000	147,125	412,125
2026	270,000	141,825	411,825
2027-2031	1,445,000	613,437	2,058,437
2032-2036	1,675,000	394,250	2,069,250
2037-2040	1,525,000	120,937	1,645,937
Totals	<u>\$ 5,945,000</u>	<u>\$ 1,891,000</u>	<u>\$ 7,836,000</u>

Shown below are the note reserves of the Downtown Tax Increment District Bonds Fund and the calculation of the coverage covenant.

<u>Bond reserves</u>	
Bond covenant reserve account	\$ 414,150
Total bond reserves	<u>\$ 414,150</u>
<u>Coverage covenant calculation</u>	
Increment taxes collected and available	\$ 858,061
Maximum annual debt service	\$ 414,150
Debt service coverage	2.07x
Debt Service coverage required	1.25x

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report. Required information includes figures for the appraised value, total taxable value, the incremental taxable value of property, the Downtown Tax Increment District Debt Service Fund - Statement of Revenues, Expenditures and Changes in Fund Balance for one year and Bond Reserves, Coverage Covenant Calculation, Principal Amounts of Bonds, and Trends in Value and Tax Increment.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Special Assessment Debt

Nonmajor Governmental - Improvement District Revolving

The City has a secondary responsibility on the special assessment bonds issued for the various Special Improvement District's (SIDs). The City has a limited obligation to pay the debt service on these bonds even if the assessments on the property owners are in default. State law provides for and the City utilizes a "Special Improvement District Revolving Fund" to accumulate resources for such debt service payment. If this fund does not have adequate resources to pay the special assessment debt service in any year, it is legally unclear what additional responsibility the City has to pay the debt service in the year it is due. The Special Improvement District Revolving Fund is included as a debt service fund. The Special Improvement District Revolving Fund debt was paid off as of June 30, 2021.

<u>Sid No.</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Term (Years)</u>	<u>Maturity Date</u>	<u>Bonds Issued</u>	<u>Balance June 30, 2021</u>
1301	05-15-2005	3.50 - 5.00%	15	08-01-2020	\$ 630,000	\$ -
Total						<u>\$ -</u>

Tax Increment Bonds Payable

Nonmajor Governmental - Central Montana Ag Tech Park TID

The City Commission, on December 17, 2019, authorized the issuance of Tax Increment Industrial Infrastructure Revenue Bonds (DNRC), Series 2020 to pay costs of public storm drain improvements. The bonds are being repaid from the tax increments received by the City from its Central Montana Ag Tech Park TID.

Tax increment bonds outstanding at June 30, 2021 are as follows:

	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Term (Years)</u>	<u>Maturity Date</u>	<u>Bonds Issued</u>	<u>Balance June 30, 2021</u>
Central Montana Techpark TID	02-05-2020	2.50%	20	01-01-2040	\$ 1,500,000	\$ 1,365,767
Total						<u>\$ 1,365,767</u>

Annual debt service requirements to maturity for tax increment bonds are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2022	\$ 61,000	\$ 36,400	\$ 97,400
2023	62,000	34,900	96,900
2024	64,000	33,363	97,363
2025	66,000	31,800	97,800
2026	67,000	28,538	95,538
2027-2031	362,000	116,451	478,451
2032-2036	410,000	68,564	478,564
2037-2040	273,767	16,151	289,918
Totals	<u>\$ 1,365,767</u>	<u>\$ 366,167</u>	<u>\$ 1,731,934</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt – continued

Revenue Bonds Payable

The City also issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. The revenue bonds are accounted for in the appropriate proprietary fund.

Revenue bonds issued to make capital improvements outstanding at June 30, 2021 are as follows:

	Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2021
Water 2000, Amended & Restated	01-16-2013	2.00%	8	01-01-2021	\$ 1,487,000	\$ -
Water 2008, Amended & Restated	01-16-2013	3.00%	16	07-01-2028	3,225,000	1,640,000
Water 2009	07-16-2009	1.75%	20	07-01-2029	333,700	149,000
Water 2014	12-05-2014	2.50%	20	07-01-2034	2,700,893	1,903,893
Water 2016	07-27-2016	2.50%	20	07-01-2036	10,000,000	7,973,000
Water 2017	08-03-2017	2.50%	20	07-01-2037	10,000,000	8,376,000
Water 2018	01-23-2018	2.50%	20	01-01-2038	8,600,000	7,386,000
Sewer 2002, Amended & Restated	01-16-2013	2.00%	9	01-01-2022	5,590,000	336,000
Sewer 2009	10-01-2009	1.75%	20	07-01-2029	309,816	135,000
Sewer 2012	08-03-2012	3.00%	20	07-01-2032	3,800,000	2,210,000
Sewer 2013A	06-26-2013	3.00%	20	07-01-2033	7,084,000	4,742,000
Sewer 2013B	04-11-2014	3.00%	20	01-01-2034	7,084,000	4,419,000
Storm Drain 2004, Amended & Restated	01-16-2013	2.25%	11	01-01-2024	2,776,000	693,000
Storm Drain 2016	09-27-2016	2.50%	20	07-01-2036	5,000,000	3,723,000
Storm Drain 2018	05-30-2018	2.50%	20	01-01-2038	3,270,000	2,809,000
Total						\$ 46,494,893

Annual debt service requirements to maturity for the revenue bonds payable are as follows:

Year Ending June 30	Business-Type Activities		
	Principal	Interest	Total
2022	\$ 3,370,000	\$ 1,198,648	\$ 4,568,648
2023	3,117,000	1,114,788	4,231,788
2024	3,054,000	1,032,036	4,086,036
2025	2,994,000	944,987	3,938,987
2026	3,076,000	871,267	3,947,267
2027-2031	15,784,000	3,047,867	18,831,867
2032-2036	13,364,893	1,074,079	14,438,972
2037-2038	1,735,000	142,639	1,877,639
Totals	\$ 46,494,893	\$ 9,426,311	\$ 55,921,204

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Revenue Bonds Payable – continued

Water Bond Covenants

The City issued the water system bonds pursuant to resolutions authorizing each debt issue, which includes various restrictive provisions and covenants. The more significant provisions and covenants require that reserves be maintained for operations, debt service, and repair and replacement and that the net revenues for each fiscal year be at least equal to 110% of the maximum principal and interest to become due in any year. Net revenues are revenues for a specified period less the operating expenses for the same period. Revenues mean all revenues and receipts from rates, fees, charges and rentals, from penalties and interest, and from any sales of property and all income received from the investment of revenues and receipts, including interest earnings on all accounts excluding the Construction Account. Operating expenses include current expenses of operation, maintenance and minor repair of the system, excluding interest on bonds and depreciation. At June 30, 2021 the City was in compliance with all provisions and covenants.

Shown below are the bond reserves of the Water Fund and the calculation of the coverage covenant as of June 30, 2021.

<u>Bond Reserves</u>	
Operating account	\$ 506,967
Debt service account	1,141,375
Bond covenant reserve account	<u>1,141,375</u>
Total revenue bond reserves	2,789,717
Repair and replacement account	<u>935,514</u>
Total reserves	<u><u>\$ 3,725,231</u></u>
 <u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 13,979,423
Operating expenses	<u>(6,311,015)</u>
Net revenues	<u><u>\$ 7,668,408</u></u>
Maximum annual debt service requirement	<u><u>\$ 2,282,750</u></u>
Percent coverage	<u><u>335.93%</u></u>
Percent coverage required	<u><u>110.00%</u></u>

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report. Required information includes updated figures for the number of system connections, user rates, major system users, and water system historical operating results.

Sewer Bond Covenants

The City issued the sewer system bonds pursuant to resolutions authorizing each debt issue, which includes the various restrictive provisions and covenants. The more significant provisions and covenants require that reserves be maintained for operations, debt service, and repair and replacement and that the net revenues for each fiscal year be at least equal to 125% of the maximum principal and interest to become due in any year. Net revenues are revenues for a specified period less the operating expenses for the same period. Revenues mean all revenues and receipts from rates, fees, charges, rentals, penalties, interest, any sales of property, and all income received from the investment of revenues and receipts, including interest earnings on all accounts, excluding the Construction Account. Operating expenses include current expenses of operation, maintenance and minor repair of the system, excluding interest on bonds and depreciation. At June 30, 2021, the City was in compliance with all provisions and covenants.

Shown on the next page are the bond reserves of the Sewer Fund and the calculation of the coverage covenant as of June 30, 2021.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Revenue Bonds Payable - continued
Sewer Bond Covenants - continued

<u>Bond Reserves</u>	
Operating account	\$ 501,672
Debt service account	745,914
Bond covenant reserve account	<u>1,491,828</u>
Total revenue bond reserves	2,739,414
Repair and replacement account	<u>1,032,938</u>
Total reserves	<u>\$ 3,772,352</u>
 <u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 11,467,122
Operating expenses	<u>(6,172,362)</u>
Net revenues	<u>\$ 5,294,760</u>
Maximum annual debt service requirement	<u>\$ 1,491,828</u>
Percent coverage	<u>354.92%</u>
Percent coverage required	<u>125.00%</u>

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report. Required information includes updated figures for the number of system connections, user rates, major system users, and sewer system historical operating results.

Storm Drain Bond Covenants

The City issued the storm drain system bonds pursuant to resolutions authorizing each debt issue, which includes various restrictive provisions and covenants. The more significant provisions and covenants require that reserves be maintained for operations, debt service, repair, and replacement and that the net revenues for each fiscal year be at least equal to 110% of the maximum principal and interest to become due in any year. Net revenues are revenues for a specified period less the operating expenses for the same period. Revenues mean all revenues and receipts from rates, fees, charges, rentals, penalties, interest, any sales of property and all income received from the investment of revenues and receipts, including interest earnings on all accounts, excluding the Construction Account, Repair and Replacement Account, and Surplus Account. Operating expenses include current expenses of operation, maintenance and minor repair of the system, excluding interest on bonds and depreciation. At June 30, 2021, the City was in compliance with all provisions and covenants.

Shown on the next page are the bond reserves of the Storm Drain Fund and the calculation of the coverage covenant as of June 30, 2021.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Revenue Bonds Payable - continued
Storm Drain Bond Covenants – continued

<u>Bond Reserves</u>	
Bond covenant reserve account	\$ 398,154
Debt service account	398,154
Total revenue bond reserves	<u>796,308</u>
Repair and replacement account	150,000
Total reserves	<u>\$ 946,308</u>
 <u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 2,917,430
Operating expenses	(792,091)
Net revenues	<u>\$ 2,125,339</u>
Maximum annual debt service requirement	<u>\$ 796,308</u>
Percent coverage	<u>266.90%</u>
Percent coverage required	<u>110.00%</u>

Additional Covenant Requirements: Debt covenants require information in addition to the operating results already provided within the Financial Section to be presented annually, but does not require that information to be audited. As a result, the required information is provided in the Statistical Section of the City's Annual Comprehensive Financial Report. Required information includes updated figures for the number of system connections, user rates, major system users, and storm drain system historical operating results.

Net Pension Liability (NPL)

Public Employees' Retirement System (PERS)

At June 30, 2021, the City recorded a liability of \$28,148,290 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2020, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2021. The City's proportion of the net pension liability was based on the employer's contributions received by PERS during the measurement period July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERS' participating employers. At June 30, 2021 the City's proportion was 1.06%.

Firefighters' Unified Retirement System (FURS)

At June 30, 2021, the City recorded a liability of \$4,831,711 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2020, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2021. The City's proportion of the net pension liability was based on the employer's contributions received by FURS during the measurement period July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of FURS' participating employers. At June 30, 2021 the City's proportion was 3.09%.

Municipal Police Officers' Retirement System (MPORS)

At June 30, 2021, the City recorded a liability of \$10,294,653 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2020, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2021. The City's proportion of the net pension liability was based on the employer's contributions received by MPORS during the measurement period July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of MPORS' participating employers. At June 30, 2021 the City's proportion was 4.21%.

The City is using a June 30, 2020 measurement date for the pension liabilities, with a June 30, 2021 reporting date. For additional information, see Note 9.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Other Post-Employment Benefits (OPEB) Payable

Internal Service - Health & Benefits

OPEB payable, representing benefits earned by employees but payable after retirement, as of June 30, 2021 were as follows:

Governmental activities - internal service - Health & Benefits Fund \$8,663,056

No governmental fund has been used to liquidate the net pension obligation or net other post-employment benefit obligations.

For additional information, see Note 11.

Changes in Noncurrent liabilities

During the year ended June 30, 2021 the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Compensated absences	\$ 4,578,755	\$ 518,319	\$ (386,170)	\$ 4,710,904	\$ 364,399
Lease Purchase	1,992,461	-	(178,458)	1,814,003	179,507
Loans and contracts payable					
General Fund	439,236	-	(70,943)	368,293	71,833
Master Debt SILD	31,359	-	(2,813)	28,546	2,848
General obligation bonds payable					
Soccer Park Bond	620,000	-	(150,000)	470,000	155,000
General obligation taxable bonds payable	275,000	-	(135,000)	140,000	140,000
Urban renewal tax increment bonds payable					
West Bank TID Series 2012	570,000	-	(40,000)	530,000	40,000
West Bank TID Series 2020	3,020,000	-	(85,000)	2,935,000	90,000
Downtown TID Series 2021	-	5,995,000	(50,000)	5,945,000	250,000
Special assessment debt					
SID No. 1301	35,000	-	(35,000)	-	-
TIF Bonds Payable					
Central MT Ag Techpark TID	963,920	461,847	(60,000)	1,365,767	61,000
Net pension liability	27,657,464	7,024,822	-	34,682,286	-
OPEB liability	8,426,068	236,988	-	8,663,056	-
Totals	<u>\$ 48,609,263</u>	<u>\$ 14,236,976</u>	<u>\$ (1,193,384)</u>	<u>\$ 61,652,855</u>	<u>\$ 1,354,587</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

7. Long-Term Debt - continued

Changes in Noncurrent liabilities - continued

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Business-type activities</u>					
Compensated absences	\$ 606,307	\$ 82,278	\$ (85,217)	\$ 603,368	\$ 79,575
Loans and contracts payable					
Sanitation	489,576	-	(244,799)	244,777	244,777
Notes payable					
Port Authority Improvements 2005	374,638	-	(64,068)	310,570	66,969
Port Authority Improvements 2007	1,835,238	-	(311,985)	1,523,253	326,090
State Special Projects Improvements	3,131,359	-	(324,329)	2,807,030	330,808
Revenue bonds payable					
Water 2000, Amended & Restated	100,000	-	(100,000)	-	-
Water 2008, Amended & Restated	1,848,000	-	(208,000)	1,640,000	214,000
Water 2009	166,000	-	(17,000)	149,000	18,000
Water 2014	2,026,893	-	(123,000)	1,903,893	125,000
Water 2016	8,406,000	-	(433,000)	7,973,000	444,000
Water 2017	8,797,000	-	(421,000)	8,376,000	432,000
Water 2018	7,744,000	-	(358,000)	7,386,000	366,000
Sewer 2002, Amended & Restated	999,000	-	(663,000)	336,000	336,000
Sewer 2009	151,000	-	(16,000)	135,000	16,000
Sewer 2012	2,373,000	-	(163,000)	2,210,000	169,000
Sewer 2013A	5,066,000	-	(324,000)	4,742,000	334,000
Sewer 2013B	4,707,000	-	(288,000)	4,419,000	296,000
Storm Drain 2004, Amended & Restated	959,000	-	(266,000)	693,000	272,000
Storm Drain 2016	3,930,000	-	(207,000)	3,723,000	209,000
Storm Drain 2018	2,944,000	-	(135,000)	2,809,000	139,000
Net pension liability	7,191,050	1,401,318	-	8,592,368	-
Totals	<u>\$ 63,845,061</u>	<u>\$ 1,483,596</u>	<u>\$ (4,752,398)</u>	<u>\$ 60,576,259</u>	<u>\$ 4,418,219</u>

8. Tax Abatements

In accordance with GASB Statement No. 77, *Tax Abatement Disclosures* requires disclosure of tax abatement information about a reporting government's own tax abatement and those that are entered into by other governments and that reduce the reporting government's tax revenue.

The City of Great Falls provides tax abatements under three programs: 1) Remodeling, reconstruction or expansion of buildings or structures, 2) New and expanding industry, and 3) Historic property tax abatement.

All three of these programs do not receive tax abatement until after the construction is completed.

9. Employee Benefit Plans

Public Employees' Retirement System (PERS)

Plan Description – PERS - Defined Contribution Retirement Plan (DCRP)

The City contributed to the State of Montana Public Employee Retirement System Defined Contribution Retirement Plan (PERS-DCRP) for employees that have elected the DCRP. The PERS-DCRP is administered by the PERB and is reported as a multiple-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, MCA.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Public Employees' Retirement System (PERS) – continued

Plan Description – PERS - Defined Contribution Retirement Plan (DCRP) - continued

All new PERS members are initially members of the PERS-DBRP (Define Benefit Retirement Plan) and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans.

Members and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The State Legislature has the authority to establish and amend contribution rates.

Benefits are dependent upon eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and the attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

At the plan level for the measurement period ended June 30, 2020, the PERS-DCRP employer did not recognize any net pension liability or pension expense for the defined contribution plan. Plan level non-vested forfeitures for the 329 employers that have participants in the PERS-DCRP totaled \$775,195.

Plan Description – PERS - Defined Benefit Retirement Plan (DBRP)

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, MCA. This plan provides retirement benefits to cover employees of the State, and local governments, and certain employees of the Montana University System, and school districts. Benefits are established by state law and can be amended by the Legislature.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

Summary of Benefits and Eligibility

1. Service retirement:

Hired prior to July 1, 2011:

- Age 60, 5 years of membership service;
- Age 65, regardless of membership service; or
- Any age, 30 years of membership service.

Hired on or after July 1, 2011:

- Age 65, 5 years of membership service;
- Age 70, regardless of membership service.

2. Early retirement:

Hired prior to July 1, 2011:

- Age 50, 5 years of membership service; or
- Any age, 25 years of membership service.

Hired on or after July 1, 2011:

- Age 55, 5 years of membership service.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Public Employees' Retirement System (PERS) - continued

Summary of Benefits and Eligibility - continued

3. Second retirement (requires returning to PERS-covered employer or PERS service):

- A. Retire before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:
 - a. A refund of member's contribution plus return interest (currently 2.02% effective July 1, 2018).
 - b. No service credit for second employment;
 - c. Start the same benefit amount the month following termination; and
 - d. Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.
- B. Retire before January 1, 2016 and accumulate at least 2 years of additional service credit:
 - a. A recalculated retirement benefit based on provisions in effect after the initial retirement; and
 - b. GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.
- C. Retire on or after January 1, 2016 and accumulate 5 or more years of service credit:
 - a. The same retirement as prior to the return to service;
 - b. A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire dates; and
 - c. GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

Member's highest average compensation (HAC):

- Hired prior to July 1, 2011 - the highest average compensation during any consecutive 36 months;
- Hired on or after July 1, 2011 - the highest average compensation during any consecutive 60 months;

Compensation Cap

- Hired on or after July 1, 2013 - 110% annual cap on compensation considered as part of a member's highest compensation.

Monthly benefit formula

- Members hired prior to July 1, 2011:
 - a. Less than 25 years of membership service: 1.785% of HAC per year of service credit;
 - b. 25 years of membership service or more: 2% of HAC per year of service credit.
- Members hired on or after July 1, 2011:
 - a. Less than 10 years of membership service: 1.5% of HAC per year of service credit;
 - b. 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
 - c. 30 years or more of membership service: 2% of HAC per year of service credit.

Vesting

- 5 years of membership service

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007;
- 1.5% for members hired on or after July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
 - a. 1.5% for each year PERS is funded at or above 90%;
 - b. 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - c. 0% whenever the amortization period for PERS is 40 years or more.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Public Employees' Retirement System (PERS) - continued

Overview of Contributions

The State Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

Special Funding

The State of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as special funding. Those employers who received special funding are all participating employers.

Not Special Funding

Per Montana law, state agencies and universities paid their own additional contributions. The employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions.

Member and employer contribution rates are show in the table below.

Fiscal Year	Member		State & Universities	Local Government		School Districts	
	Hired <7/01/11	Hired >7/01/11	Employer	Employer	State	Employer	State
2021	7.900%	7.900%	8.87%	8.770%	0.100%	8.500%	0.370%
2020	7.900%	7.900%	8.77%	8.670%	0.100%	8.400%	0.370%
2019	7.900%	7.900%	8.67%	8.570%	0.100%	8.300%	0.370%
2018	7.900%	7.900%	8.57%	8.470%	0.100%	8.200%	0.370%
2017	7.900%	7.900%	8.47%	8.370%	0.100%	8.100%	0.370%
2016	7.900%	7.900%	8.37%	8.270%	0.100%	8.000%	0.370%
2015	7.900%	7.900%	8.27%	8.170%	0.100%	7.900%	0.370%
2014	7.900%	7.900%	8.17%	8.070%	0.100%	7.800%	0.370%
2012-2013	6.900%	7.900%	7.17%	7.070%	0.100%	6.800%	0.370%
2010-2011	6.900%		7.17%	7.070%	0.100%	6.800%	0.370%
2008-2009	6.900%		7.04%	6.935%	0.100%	6.800%	0.235%
2000-2007	6.900%		6.90%	6.800%	0.100%	6.800%	0.100%

- 1) Member contributions to the system of 7.90% are temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
- 2) Employer contribution to the system:
 - a. Effective July 1, 2014, following the 2013 Legislative Session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and member contributions rates.
 - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
 - c. The portion of employer contributions allocated to the Plan Choice Rate (PCR) are included in the employers reporting. The PCR paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans – continued

Public Employees' Retirement System (PERS) - continued

Overview of Contributions - continued

- 3) Non Employer Contributions:
 - a. Special funding
 - The State contributes 0.1% of members' compensation on behalf of local government entities.
 - The State contributes 0.37% of members' compensation on behalf of school district entities.
 - The State contributed a Statutory Appropriation from the General Fund of \$33,951,150.

Stand-Alone Statements

The financial statements of the Montana Public Employees Retirement Board (PERB) Annual Comprehensive Financial Report (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena, MT 59620-0131, (406) 444-3154 or both are available on the MPERA website at <https://mpera.mt.gov/about/annualreports1/annualreports>.

Actuarial Assumptions

The Total Pension Liability (TPL) used to calculate the Net Pension Liability (NPL) was determined by an actuarial valuation as of June 30, 2020, with updated procedures to roll forward to TPL to June 30, 2021. The TPL in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions:

Investment Return (net of admin expense)	7.34%
Admin Expense as % of Payroll	0.30%
General Wage Growth*	3.50%
*includes inflation at	2.40%
Merit increases	0% to 4.80%

Post-retirement benefit increases

- Guaranteed Annual Benefit Adjustment (GABA) each January

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, inclusive of other adjustments to member's benefit.

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired on or after July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
 - a. 1.5% for each year PERS is funded at or above 90%;
 - b. 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - c. 0% whenever the amortization period for PERS is 40 years or more.

Mortality assumptions among contributing members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, males set back 1 year. Mortality assumptions among disabled members were based on RP 2000 Combined Mortality Tables with no projections.

The most recent experience study, performed for the period covering fiscal years 2011 through 2016, is outlined in a report dated May 5, 2017 and can be found on the MPERA website. The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the Plan. The long-term rate of return as of June 30, 2020, was calculated using the average long-term capital market assumptions published in the Survey of Capital Market Assumptions 2020 Edition by Horizon Actuarial Service, LLC, yielding a median real rate of return at 4.94%. The assumed inflation is based on the intermediate inflation of 2.4% in the 2020 OASID Trustees Report by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.34%. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, are summarized in the table on the next page.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) - continued
Actuarial Assumptions – continued

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	2.00%	0.11%
Domestic Equity	30.00%	6.19%
International Equity	16.00%	6.92%
Private Investments	14.00%	10.37%
Natural Resources	4.00%	3.43%
Real Estate	9.00%	5.74%
Core Fixed Income	20.00%	1.57%
Non-Core Fixed Income	5.00%	3.97%
Total	100%	

Discount Rate

The discount rate used to measure the TPL was 7.34%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 0.1% of salaries for local governments and 0.37% paid by school districts. In addition, the State contributed a statutory appropriation from the general fund. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2123. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

Sensitivity Analysis

The following presents the employer's sensitivity of the NPL to the discount rate is shown in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.34% as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease (6.34%)	Current Discount Rate	1.0% Increase (8.34%)
City of Great Falls' Net Pension Liability	\$38,744,456	\$28,148,290	\$19,247,585

Net Pension Liability (NPL)

In accordance with GASB 68, *Accounting and Financial Reporting for Pensions*, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with their participation in the Public Employees' Retirement System Defined Benefit Retirement Plan (the Plan). This includes the proportionate share of the collective Net Pension Liability; Pension Expense; and Deferred Outflows and Deferred Inflows of Resources associated with pensions. Employers are provided guidance in GASB 68, paragraph 74, where pension amounts must be combined as a total or aggregate for reporting whether provided through cost-sharing, single-employer, or agent plans. This report provides information for employers who are using a June 30, 2020 measurement date for the 2021 reporting. If an employer's fiscal year end is after June 30th, the employer will not use the measurements shown in this report but will need to wait for the measurement date as of June 30, 2021.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) - continued
Net Pension Liability (NPL) - continued

GASB 68 allows a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2020, was determined by taking the results of the June 30, 2019, actuarial valuation and applying the standard roll forward procedures. The roll forward procedure uses a calculation that add the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and applies the expected investment rate of return for the year. The roll forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The TPL minus the Fiduciary Net Position equals the NPL. The proportionate shares of the employer's and the state of Montana's NPL for June 30, 2021 and 2020 are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of \$28,148,290 and the employer's proportionate share was 1.066946 percent.

As of measurement date	Net Pension Liability as of 6/30/21	Net Pension Liability as of 6/30/20	Percent of Collective NPL as of 6/30/2021	Percent of Collective NPL as of 6/30/2020	Change in Percent of Collective NPL
City Proportionate Share	\$28,148,290	\$23,100,228	1.066946%	1.10511%	(0.038164)%
State of Montana Proportionate Share associated with City	8,851,253	7,503,880	0.335502%	.358984%	(0.023482)%
Total	\$36,999,543	\$30,604,108	1.402448%	1.464094%	(0.061646)%

Changes in actuarial assumptions and methods:

- The discount rate was lowered from 7.65% to 7.34%.
- The investment rate of return was lowered from 7.65% to 7.34%.
- The inflation rate was reduced from 2.75% to 2.40%.

Changes in benefit terms:

- There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share:

- There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collect net pension. If there were changes that are expect to have an impact on the NPL, the employer should disclose the amount of the expected resultant changes in the employer's proportionate share of the collective NPL, if known.

Pension Expense

As of measurement date	Pension Expense as of 6/30/2021	Pension Expense as of 6/30/2020
City's Proportionate Share	\$3,489,639	\$2,785,280
State of Montana Proportionate Share associated with City	\$1,447,552	\$509,434
Total	\$4,937,191	\$3,294,714

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) – continued

Pension Expense - continued

At June 30, 2021, the City recognized a Pension Expense of \$3,489,639 for its proportionate share of the PERS' Pension Expense. The City also recognized grant revenue of \$1,447,552 for the support provided by the State of Montana for its proportionate share of the Pension Expense that is associated with the City.

Recognition of Deferred Inflows and Outflows

At June 30, 2021, the City reported its proportionate share of PERS' deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

As of measurement date	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$454,372	\$804,802
Changes in assumptions	1,949,163	-
Projected Investment Earnings vs. Actual Investment Earnings	2,437,391	-
Changes in proportion differences between City contributions and proportionate share of contributions	-	1,437,669
Difference between actual and expected contributions	-	-
*Contributions paid to PERS subsequent to the measurement date - FY 2021 contributions	1,600,870	-
Total	\$6,441,796	\$2,242,471

* \$1,600,870 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2022	\$(154,921)
2023	1,292,777
2024	851,645
2025	608,951
2026	-
Thereafter	-

Firefighters' Unified Retirement System (FURS)

Plan Description

The Firefighters' Unified Retirement System (FURS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established in 1981, and governed by Title 19, chapters 2 & 13, MCA. This plan provides retirement benefits to firefighters employed by first- and second-class cities, other cities and rural fire district departments that adopt the plan, and to firefighters hired by the Montana Air National Guard on or after October 1, 2001. Benefits are established by state law and can only be amended by the Legislature. The FURS provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAV). Member rights are vested after five years of service.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Firefighters' Unified Retirement System (FURS)

Summary of Benefits and Eligibility

1. Service retirement and monthly benefit formula:

Hired on or after July 1, 1981, or has elected to be covered by Guaranteed Annual Benefit Adjustment (GABA):

- 20 years of membership services
- 2.5% of HAC x years of service credit

Hired prior to July 1, 1981, and who had not elected to be covered by GABA, the great of above, or:

- If a membership service is less than 20 years, then 2% of the highest monthly compensation (HMC) x years of service credit and greater
- If membership services is greater or equal to 20 years, then 50% of HMS + 2% of HMC x years of service credit in excess of 20

2. Early retirement:

Age 50 with 5 years of membership service – Normal retirement benefit calculated using HAC and service credit

3. Second retirement:

Applies to retirement system members re-employed in a FURS position on or after July 1, 2017:

If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:

- is not awarded service credit for the period of reemployment;
- is refunded the accumulated contributions associated with the period of reemployment;
- starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
- Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA in January immediately following second retirement.

If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:

- is awarded service credit for the period of reemployment;
- starting the first month following termination of service, receives the same retirement benefit previously paid to the member;
- a second retirement benefit for the period of reemployment calculated based on the laws in effect as of the members' rehire date, and
- does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA on the initial retirement benefit in January immediately following second retirement, and on the second retirement benefit starting in January after receiving that benefit for at least 12 months.

A member who returns to covered service is not eligible for a disability benefit.

4. Vesting

- 5 years of membership service

Member's compensation period used in benefit calculation

- Hired prior to July 1, 1981 and not electing GABA - highest monthly compensation (HMC);
- Hired after June 30, 1981 and those electing GABA – highest average compensation (HAC) during any consecutive 36 months (or shorter period of total service).
- Part-time firefighter: 15% of regular compensation of a newly confirmed full-time firefighter.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Firefighters' Unified Retirement System (FURS) - continued

Summary of Benefits and Eligibility - continued

Compensation Cap

- Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member’s highest average compensation.

Guaranteed Annual Benefit Adjustment (GABA)

- Hired on or after July 1, 1997, or those electing GABA, and has been retired for at least 12 months – the member’s benefit increases by 3.0% each January.

Minimum Benefit Adjustment (non-GABA)

- A member with 10 or more years of membership service who has not elected to be covered under GABA – the minimum benefit provided may not be less than 50% of the monthly compensation paid to a newly confirmed active firefighter of the employer that last employed the member as a firefighter in the current fiscal year.

Overview of Contributions

The State legislature has the authority to establish and amend contribution rates to the plan. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member’s compensation. Contributions are deducted from each member’s salary and remitted by participating employers.

Special Funding

MCA 19-13-604 requires the State of Montana to contribute a percentage of total compensation directly to the Plan annually after the end of each fiscal year. Member, the City and State contribution rates are show in the table below.

Fiscal Year	Member		Employer	State
	Non-GABA	GABA		
1998-2021	9.500%	10.700%	14.360%	32.610%
1997	7.800%		14.360%	32.610%

Stand-Alone Statements

The financial statements of the Montana Public Employees Retirement Board (PERB) Annual Comprehensive Financial Report (ACFR) and the GASB Report disclose the Plan’s fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena, MT 5920-0131, (406)444-3154 or both are available on the MPERA website at <https://mpera.mt.gov/about/annualreports1/annualreports>.

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions.

Investment Return (net of admin expense)	7.34%
Admin Expense as % of Payroll	0.13%
General Wage Growth*	3.50%
*includes inflation at	2.40%
Merit increases	0% to 6.3%

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans – continued

Firefighters' Unified Retirement System (FURS) - continued

Actuarial Assumptions - Continued

Postretirement Benefit Increases

- Guaranteed Annual Benefit Adjustment (GABA)
 - Hired on or after July 1, 1997, or those electing GABA - after the member has completed 12 full months of retirement, the member’s benefit increases by a maximum of 3% each January.
- Minimum Benefit Adjustment (non-GABA)
 - Members with 10 or more years of membership service and member did not elect GABA. The minimum benefit provided should be less than 50% of the current base compensation of a newly confirmed active firefighter of the employer that last employed the member as a firefighter.

Mortality assumptions among contributing members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with Scale BB, set back one year for males. Mortality assumptions among Disabled members are based on RP 2000 Combined Mortality Tables with no projections.

The most recent experience study, performed for the period covering fiscal years 2011 through 2016, is outlined in a report dated May 5, 2017 and can be found on the MPERA website. The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the Plan. The long-term rate of return as of June 30, 2020, was calculated using the average long-term capital market assumptions published in the Survey of Capital Market Assumptions 2020 Edition by Horizon Actuarial Service, LLC, yielding a median real rate of return at 4.94%. The assumed inflation is based on the intermediate inflation of 2.4% in the 2020 OASID Trustees Report by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.34%. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, are summarized in the table below.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	2.00%	0.11%
Domestic Equity	30.00%	6.19%
International Equity	16.00%	6.92%
Private Investments	14.00%	10.37%
Natural Resources	4.00%	3.43%
Real Estate	9.00%	5.74%
Core Fixed Income	20.00%	1.57%
Non-Core Fixed Income	5.00%	3.97%
Total	100%	

Discount Rate

The discount rate used to measure the TPL was 7.34%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. The State contributes 32.61% of salaries paid by employers. Based on those assumptions, the Plan’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2133. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans – continued

Firefighters' Unified Retirement System (FURS) - continued

Sensitivity Analysis

The following presents the City's sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change to the liability. The NPS was calculated using the discount rate of 7.34%, as well as what the NPL would be if it was calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease (6.34%)	Current Discount Rate	1.0% Increase (8.34%)
City of Great Falls' proportion share of Net Pension Liability	\$7,814,502	\$4,831,711	\$2,435,020

Net Pension Liability

In accordance with GASB 68, *Accounting and Financial Reporting for Pensions*, employers and the non-employer entity are required to recognize and report certain amounts associated with their participation in the Firefighters' Unified Retirement System (FURS Defined Benefit Retirement Plan). This includes the proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions. Employers are provided in GASB 68, paragraph 74, where pension amounts must be combined as a total or aggregate for reporting, whether provided through cost-sharing, single-employer, or agent pension plans. This report provides information for employers who are using a June 30, 2020 measurement date for the 2021 reporting.

GASB 68 allows a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2020, was determined by the results of the June 30, 2019, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The roll forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The TPL minus the Fiduciary Net Position equals the NPL. The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2021 and 2020 are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. Due to the existence of the special funding situation, the State is required to report a proportionate share of a City's collective NPL that is associated with the non-state employer. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of \$4,831,711 and the employer's proportionate share was 3.0878 percent.

As of measurement date	Net Pension Liability as of 6/30/21	Net Pension Liability as of 6/30/20	Percent of Collective NPL as of 6/30/2021	Percent of Collective NPL as of 6/30/2020	Change in Percent of Collective NPL
City Proportionate Share	\$4,831,711	\$3,428,389	3.0878%	2.9886%	0.0992%
State of Montana Proportionate Share associated with City	10,892,307	8,291,572	6.9610%	7.2280%	(0.2670)%
Total	\$15,724,018	\$11,719,961	10.0488%	10.2166%	(0.1678)%

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Firefighters' Unified Retirement System (FURS) - continued
Net Pension Liability - continued

Changes in actuarial assumptions and methods:

The discount rate was lowered from 7.65% to 7.34%.

The investment rate of return was lowered from 7.65% to 7.34%.

The inflation rate was reduced from 2.75% to 2.40%.

Changes in benefit terms:

There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collect net pension. If there were changes that are expect to have an impact on the NPL, the employer should disclose the amount of the expected resultant changes in the employer's proportionate share of the collective NPL, if known.

Pension Expense

At June 30, 2021, the City recognized pension expense of \$911,691 for its proportionate share of the FURS' Pension Expense. The City also recognized grant revenue of \$2,065,370 for the support provided by the State of Montana for its proportionate share of the Pension Expense that is associated with the City.

As of measurement date	Pension Expense as of 6/30/21	Pension Expense as of 6/30/20
City's Proportionate Share	\$911,691	\$660,298
State of Montana Proportionate Share associated with City	2,065,370	1,727,349
Total	\$2,977,061	\$2,387,647

Recognition of Deferred Inflows and Outflows

At June 30, 2021, the City reported its proportionate share of FURS' deferred outflows of resources and deferred inflows of resources related to FURS from the following sources:

As of measurement date	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$328,855	\$25,151
Changes in assumptions	858,321	-
Projected Investment Earnings vs. Actual Investment Earnings	620,298	
Changes in proportion differences between City contributions and proportionate share of contributions	-	49,659
Difference between actual and expected contributions	-	-
*City Contributions paid to FURS subsequent to the measurement date - # FY 2021 contributions	752,718	-
Total	\$2,560,192	\$74,810

* \$752,718 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2022.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Firefighters' Unified Retirement System (FURS) - continued

Recognition of Deferred Inflows and Outflows - continued

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2022	\$363,624
2023	449,463
2024	383,270
2025	251,405
Thereafter	284,902

Municipal Police Officers' Retirement System (MPORS)

Plan Description (MPORS)

The Municipal Police Officers' Retirement System (MPORS), administered by MPERA, is a multiple-employer, cost-sharing defined benefit plan that was established in 1974 and is governed by Title 19, chapters 2 & 9 of the MCA. This plan provides retirement benefits to all municipal police officers employed by first- and second-class cities and other cities that adopt the plan. Benefits are established by state law and can only be amended by the Legislature.

Plan Description Deferred Retirement Option Plan (DROP)

Beginning July 2002, eligible members of MPORS can participate in the DROP by filing a one-time irrevocable election with the Board. The DROP is governed by Title 19, Chapter 9, Part 12, MCA. A member must have completed at least twenty years of membership service to be eligible. They may elect to participate in the DROP for a minimum of one month and a maximum of 60 months and may participate in the DROP once. A participant remains a member of the MPORS, but will not receive membership service or service credit in the system for the duration of the member's DROP period. During participation in the DROP, all mandatory contributions continue to the retirement system. A monthly benefit is calculated based on salary and years of service to the date of the beginning of the DROP period. The monthly benefit is paid into the member's DROP account until the end of the DROP period. At the end of the DROP period, the participant may receive the balance of the DROP account in a lump-sum payment or in a direct rollover to another eligible plan, as allowed by the IRS. If the participant continues employment after the DROP period ends, they will again accrue membership service and service credit. The DROP account cannot be distributed until employment is formally terminated.

Summary of Benefits and Eligibility

MPORS provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and compensation. Member's rights are vested after five years of service.

1. Service retirement and monthly benefit formula:
 - 20 years of membership service, regardless of age.
 - Age 50 with 5 years of membership service (Early Retirement).
 - 2.5% of FAC x years of service credit.

2. Second Retirement:

Re-calculated using specific criteria for members who return to covered MPORS employment prior to July 1, 2017:

 - Less than 20 years of membership service, upon re-employment, repay benefits and subsequent retirement is based on total MPORS service.
 - More than 20 years of membership service, upon re-employment, receives initial benefit and a new retirement benefit based on additional service credit and FAC after re-employment.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans – continued

Municipal Police Officers' Retirement System (MPORS) – continued
Summary of Benefits and Eligibility - continued

Applies to retirement system members re-employed in a MPORS position on or after July 1, 2017:

- If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
 - a. is not awarded service credit for the period or reemployment;
 - b. is refunded the accumulated contributions associated with the reemployment;
 - c. starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
 - d. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following retirement.
- If the members works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
 - a. is awarded service credit for the period of reemployments;
 - b. starting the first month following termination of service, receives:
 - i. The same retirement benefit previously paid to the members and
 - ii. A second retirement benefit for the period of reemployment and calculated based on the laws in effect as a member's rehire date; and
 - c. does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA;
 - i. On the initial retirement benefit in January immediately following second retirement, and
 - ii. On the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- A member who returns to covered service is not eligible for a disability benefit.

Vesting

- 5 years of membership service

Member's final average compensation (FAC) is:

- Hired prior to July 1, 1977 - average monthly compensation of final year of service;
- Hired on or after July 1, 1977 - final average compensation (FAC) for last consecutive 36 months.

Compensation Cap

- Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's final average compensation.

Guaranteed Annual Benefit Adjustment (GABA)

- Hired on or after July 1, 1997, or those electing GABA - after the member has retired for at least 12 months, a GABA will be made each year in January equal to 3%.

Minimum Benefit Adjustment (non-GABA)

- The minimum benefit provided may not be less than 50% of the compensation paid to a newly confirmed police officer of the employer that last employed the member as a police officer in the current fiscal year.

Overview of Contributions

The State Legislature has the authority to establish and amend contribution rates to the plan. Member and employer contribution rates are specified by state law for periodic member and City contributions and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Municipal Police Officers' Retirement System (MPORS) - continued

Special Funding

MCA 19-9-702 requires the State of Montana to contribute a percentage of total compensation directly to the Plan annually after the end of each fiscal year. Member, the City and State contribution rates are show in the table below.

Fiscal Year	Member				Employer	State
	Hired <7/1/75	Hired >6/30/75	Hired >6/30/79	Hired >6/30/97 GABA		
2000-2021	5.800%	7.000%	8.500%	9.000%	14.410%	29.370%
1998-1999	7.800%	9.000%	10.500%	11.000%	14.410%	29.370%
1997	7.800%	9.000%	10.500%		14.360%	29.370%

Stand-Alone Statements

The stand-alone financial statements of the Montana Public Employees Retirement Board (PERB) Annual Comprehensive Financial Report (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or both are available on the MPERA website at <https://mpera.mt.gov/about/annualreports1/annualreports>.

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions.

Investment Return (net of admin expense)	7.34%
Admin Expense as % of Payroll	0.15%
General Wage Growth*	3.50%
*includes inflation at	2.40%
Merit increases	0% to 6.6%

Post-retirement Benefit Increases

- **Guaranteed Annual Benefit Adjustment (GABA)**
Hired on or after July 1, 1997, or those electing GABA – and has been retired for at least 12 months, a GABA will be made each year in January equal to 3%.
- **Minimum Benefit Adjustment (non-GABA)**
If hired before July 1, 1997, and member did not elect GABA - the minimum benefit adjustment is equal to 50% of the current base compensation of a newly confirmed police officer of the employer that last employed the member as a police officer.

Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 using scale BB, set back one year for males.

Mortality assumptions among Disabled Retirees were based on RP 2000 Combined Mortality Tables.

The most recent experience study, performed for the period covering fiscal years 2011 through 2016, is outlined in a report dated May 5, 2017 and can be located on the MPERA website. The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the Plan. The long-term rate of return as of June 30, 2020, was calculated using the average long-term capital market assumptions published in the Survey of Capital Market Assumptions 2020 Edition by Horizon Actuarial Service, LLC, yielding a median real rate of return at 4.94%. The assumed inflation is based on the intermediate inflation of 2.4% in the 2020 OASID Trustees Report by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.34%. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, are summarized in the table on the next page.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans - continued

Municipal Police Officers' Retirement System (MPORS) – continued
Actuarial Assumptions - continued

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	2.00%	0.11%
Domestic Equity	30.00%	6.19%
International Equity	16.00%	6.92%
Private Investments	14.00%	10.37%
Natural Resources	4.00%	3.43%
Real Estate	9.00%	5.74%
Core Fixed Income	20.00%	1.57%
Non-Core Fixed Income	5.00%	3.97%
Total	100%	

Discount Rate

The discount rate used to measure the TPL was 7.34%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 29.37% of salaries pensionable payroll paid by employers. Based on those assumptions, the System’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2134. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

Sensitivity Analysis

The following presents the City’s sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.34%, as well as what the NPL would be if it were calculated using a discount rate 1.0% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease (6.34%)	Current Discount Rate	1.0% Increase (8.34%)
City of Great Falls' proportion of Net Pension Liability	\$14,675,676	\$10,294,653	\$6,799,598

Net Pension Liability

In accordance with GASB 68, *Accounting and Financial Reporting for Pensions*, employers and the non-employer entity are required to recognize and report certain amounts associated with their participation in the Municipal Police Officers’ Retirement System (MPORS). This includes the proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions. Employers are provided in GASB 68, paragraph 74, where pension amounts must be combined as a total or aggregate for reporting, whether provided through cost-sharing, sing-employer, or agent pension plans. This report provides information for employers who are using a June 30, 2020 measurement date for the 2021 reporting.

GASB 68 allows a measurement date of up to 12 months before the employer’s fiscal year-end can be utilized to determine the Plan’s TPL. The basis for the TPL as of June 30, 2020, was determined by the results of the June 30, 2019, actuarial valuation and applying standard roll forward procedures. The roll forward procedures

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans – continued

Municipal Police Officers' Retirement System (MPORS) - continued
Net Pension Liability –continued

uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds the plan year, and then applies the expected investment rate of return for the year. The roll forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The TPL minus the Fiduciary Net Position equals the NPL. The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2021 and 2020 are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. Due to the existence of the special funding situation, the State is required to report a proportionate share of a City's collective NPL that is associated with the non-state employer. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of \$10,294,653 and the employer's proportionate share was 4.2090 percent.

As of measurement date	Net Pension Liability as of 6/30/2021	Net Pension Liability as of 6/30/2020	Percent of Collective NPL as of 6/30/2021	Percent of Collective NPL as of 6/30/2020	Change in Percent of Collective NPL
City Proportionate Share	\$10,294,653	\$8,319,898	4.2090%	4.1799%	0.0291%
State of Montana Proportionate Share associated with City	20,763,270	16,942,236	8.4891%	8.5118%	(0.0227)%
Total	\$31,05,923	\$25,262,134	12.6981%	12.6917%	0.0064%

Changes in actuarial assumptions and methods:

- The discount rate was lowered from 7.65% to 7.34%.
- The investment rate of return was lowered from 7.65% to 7.34%.
- The inflation rate was reduced from 2.75% to 2.40%.

Changes in benefit terms:

There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collect net pension. If there were changes that are expect to have an impact on the NPL, the employer should disclose the amount of the expected resultant changes in the employer's proportionate share of the collective NPL, if known.

Pension Expense

At June 30, 2021, the City recognized pension expense of \$1,836,100 for its proportionate share of the MPORS Pension Expense. The City also recognized grant revenue of \$3,760,928 for the support provided by the State of Montana for its proportionate share of the Pension Expense that is associated with the City.

As of measurement date	Pension Expense as of 6/30/2021	Pension Expense as of 6/30/2020
City's Proportionate Share	\$1,836,100	\$1,298,172
State of Montana Proportionate Share associated with City	3,760,928	2,029,538
Total	\$5,597,028	\$3,327,710

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

9. Employee Benefit Plans – continued

Municipal Police Officers' Retirement System (MPORS) - continued

Recognition of Deferred Inflows and Outflows

At June 30, 2021, the employer reported its proportionate share of MPORS' deferred outflows of resources and deferred inflows of resources related to MPORS from the following sources:

As of measurement date	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$493,447	\$32,496
Changes in assumptions	874,840	-
Projected Investment Earnings vs. Actual Investment Earnings	800,581	-
Changes in proportion differences between City contributions and proportionate share of contributions	48,307	-
Difference between actual and expected contributions	-	-
*City Contributions paid to MPORS subsequent to the measurement date - FY 2021 contributions	1,061,099	-
Total	\$3,278,274	\$32,496

* \$1,061,099 reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2022	\$652,069
2023	790,690
2024	556,939
2025	184,980
Thereafter	-

Totals for all systems (PERS) (FURS) and (MPORS)

	The Citys proportionate share associated with PERS	The Citys proportionate share associated with FURS	The Citys proportionate share associated with MPORS	The Citys total proportionate share
Net pension liability	\$28,148,290	\$4,831,711	\$10,294,653	\$43,274,654
Deferred outflows of resources	\$6,441,796	\$2,560,192	\$3,278,274	\$12,280,262
Deferred inflows of resources	\$2,242,471	\$74,810	\$32,496	\$2,349,777
Pension expense	\$4,937,191	\$2,977,061	\$5,597,028	\$13,511,280

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

10. Multiple-Employer Defined Benefit Pension Plans

The City of Great Falls provides pension benefits through cost-sharing, multiple employer, collective bargained defined benefit pension plans that qualify for reporting under GASB 78. GASB 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, applies to cost-sharing multi-employer defined benefit pension plans that is not state or local governmental pension plans, provide defined benefit pensions to both employees of employers, and employees to the employees that are not state or local governmental employers, and do not have a predominate state or local governmental employer – either individually or collectively – that provides pensions through the plan.

National Electrical Benefit Fund

The National Electrical Benefit Fund plan is self-administered by the Trustees. This plan issues a publicly available financial report that can be obtained by going to <https://www.nebf.com/nebf/>. This plan covers five (5) City of Great Falls employees as of June 30, 2021 and provides pension benefits.

The authority in which the benefit terms were established and may be amended as follows:

In accordance with the Employees Benefit Agreement of the National Electrical Benefit Fund (“NEBF”), as entered into between the National Electrical Contractors Association and the International Brotherhood of Electrical Workers on September 3, 1946, as amended, and now delineated as the restated Employees Benefit Agreement and Trust. The pension fund is regulated by the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Reform Act of 2014 (MPRA) and is guaranteed by the Pension Benefit Guaranty Corporation (PBGC), an agency of the U.S. Government established by ERISA.

All contribution amounts being paid by the City of Great Falls are per the labor agreement between the City of Great Falls and the International Brotherhood of Electrical Workers for the time period July 1, 2016 – June 30, 2021. The required contribution rate for the employer and its employees for the reporting period is the amount equal to 3% of the gross monthly labor payroll. As of June 30, 2021 the City of Great Falls contributed \$9,304 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$9,490. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$1,503 as of June 30, 2021.

Eighth District Electrical Pension Fund

The Eighth District Electrical Pension Fund is a plan administered by CompuSys of Colorado, Inc. This plan issues a publicly available financial report that can be obtained by going to <https://www.ourbenefitoffice.com/8thDistrictBenefits/Benefits/Home.aspx>. This plan covers five (5) City of Great Falls employees as of June 30, 2021 and provides pension benefits.

The authority in which the benefit terms were established and may be amended as follows:

The Plan is a defined benefit pension plan formed June 1, 1972 by agreement between the Southern Colorado Chapter of the National Electrical Contractors Association (NECA) and the International Brotherhood of Electrical Workers (IBEW) Local Union No. 68. Subsequently, various other locals have been admitted to the Plan. The pension fund is regulated by the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Reform Act of 2014 (MPRA).

All contribution amounts being paid by the City of Great Falls are per the labor agreement between the City of Great Falls and the International Brotherhood of Electrical Workers for the time period July 1, 2016 – June 30, 2021. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$2.25 per hour paid to the employee. As of June 30, 2021 the City of Great Falls contributed \$23,616 and the employees contributed \$0.

The expected minimum contribution for next fiscal year is \$24,165. The City of Great Falls pays all these amounts on a monthly basis, and there was a payables balance of \$0 as of June 30, 2021.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

10. Multiple-Employer Defined Benefit Pension Plans – continued

LIUNA National (Industrial) Pension Fund

The LIUNA National (Industrial) Pension Fund is a plan self-administered by a joint labor-management Board of Trustees. This plan issues a publicly available financial report that can be obtained by going to www.efast.dol.gov. This plan covers 43 City of Great Falls employees as of June 30, 2021 and provides pension benefits.

The authority in which the benefit terms were established and may be amended as follows:

The LIUNA National (Industrial) Pension Fund was established in 1967. The pension fund is regulated by the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Reform Act of 2014 (MPRA) and is guaranteed by the Pension Benefit Guaranty Corporation (PBGC), an agency of the U.S. Government established by ERISA. LIUNA National (Industrial) Pension Fund is also regulated by the Internal Revenue Code, and the Taft-Hartley Act.

All contribution amounts being paid by the City of Great Falls are per the Agreement between the City of Great Falls and the City of Great Falls Public Employees Crafts Council from July 1, 2016 – June 30, 2021. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.93 per hour paid to the employee. As of June 30, 2021 the City of Great Falls contributed \$340,747 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$351,499. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$14,058 as of June 30, 2021.

I.A.M. National Pension Fund

The I.A.M. National Pension Fund is a plan administered by a joint Board of Trustees consisting of equal representation by the I.A.M. and the contributing employers. This plan issues a publicly available financial report that can be obtained by going to <https://www.iamnpf.org/>. This plan covers four (4) City of Great Falls employees as of June 30, 2021 and provides pension benefits.

The authority in which the benefit terms were established and may be amended as follows:

The I.A.M. National Pension Fund was established in May 1960 by agreement between the International Association of Machinists and Aerospace Workers, AFL-CIO that and was known as IAM Labor Management Pension Fund. This agreement was then amended and restated to be named the I.A.M. National Pension Fund with the final amendment and restatement completed on May 15, 2014. The pension fund is regulated by the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Reform Act of 2014 (MPRA) and is guaranteed by the Pension Benefit Guaranty Corporation (PBGC), an agency of the U.S. Government established by ERISA.

All contribution amounts being paid by the City of Great Falls are per the Agreement between the City of Great Falls and the City of Great Falls Public Employees Crafts Council from July 1, 2016 – June 30, 2021. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.45 per hour paid to the employee. As of June 30, 2021 the City of Great Falls contributed \$28,085 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$28,704. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$1,125 as of June 30, 2021.

Central Pension Fund of the International Union of Operating Engineers and Participating Employers

The Central Pension Fund of the International Union of Operating Engineers and Participating Employers (Central Pension Fund) is a plan administered by the Board of Trustees, half of whom represent the Participating Employers and half of whom represent the Participating Employees. This plan issues a publicly available financial report that can be obtained by going to <https://www.cpfuoe.org/>. The Central Pension Fund covers 48 City of Great Falls employees as of June 30, 2021 and provides pension benefits.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

10. Multiple-Employer Defined Benefit Pension Plans – continued

Central Pension Fund of the International Union of Operating Engineers and Participating - continued

The authority in which the benefit terms were established and may be amended as follows:

The Central Pension Fund was established in 1960. This pension fund is regulated by the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Reform Act of 2014 (MPRA) and is guaranteed by the Pension Benefit Guaranty Corporation (PBGC), an agency of the U.S. Government established by ERISA.

All contribution amounts being paid by the City of Great Falls are per the Agreement between the City of Great Falls and the City of Great Falls Public Employees Crafts Council from July 1, 2016 – June 30, 2021. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.50 per hour paid to the employee. As of June 30, 2021 the City of Great Falls contributed \$337,421 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$345,857. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$13,327 as of June 30, 2021.

Plumbers and Pipefitters National Pension Fund

The name of the plan is the Plumbers and Pipefitters National Pension Fund. This fund is administered by a joint Board of Trustees consisting of equal representation by the United Association and the contributing employers. This plan issues a publicly available financial report that can be obtained by going to <https://uanpf.org/>. The Plumbers and Pipefitter National Pension Fund covers six (6) City of Great Falls employees as of June 30, 2021 and provides pension benefits.

The authority in which the benefit terms were established and may be amended as follows:

Per Agreement and Declaration of Trust effective the 23rd day of June 1968; by and between the United Association of Journeymen and Apprentices of Plumbing and Pipefitting Industry of the United States and Canada, AFL-CIO as amended, and restated as of March 2, 2010. This pension fund is regulated by the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Reform Act of 2014 (MPRA) and is guaranteed by the Pension Benefit Guaranty Corporation (PBGC), an agency of the U.S. Government established by ERISA.

All contribution amounts being paid by the City of Great Falls are per the Agreement between the City of Great Falls and the City of Great Falls Public Employees Crafts Council from July 1, 2016 – June 30, 2021. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$4.00 per hour paid to the employee. As of June 30, 2021 the City of Great Falls contributed \$54,071 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$41,600. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$1,665 as of June 30, 2021

Western Conference of Teamsters Pension Plan

The Western Conference of Teamsters Pension Trust is a plan self-administered by the Trustees. This plan issues a publicly available financial report that can be obtained by going to <https://wctpension.org/forms-documents/plan-documents>. Western Conference of Teamsters Pension Trust covers 35 City of Great Falls employees as of June 30, 2021 and provides pension benefits.

The authority in which the benefit terms were established and may be amended as follows:

Per the Agreement and Declaration of Trust made this 26th day of April 1955, by and between the undersigned Union Trustees and Employer Trustees, who together with the successor Trustees and additional Trustees

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

10. Multiple-Employer Defined Benefit Pension Plans – continued

Western Conference of Teamsters Pension Plan - continued

designated in the manner hereinafter provided are hereinafter collectively referred to as Trustees. This pension fund is regulated by the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Reform Act of 2014 (MPRA) and is guaranteed by the Pension Benefit Guaranty Corporation (PBGC), an agency of the U.S. Government established by ERISA.

All contribution amounts being paid by the City of Great Falls are per the Agreement between the City of Great Falls and the City of Great Falls Public Employees Crafts Council from July 1, 2016 – June 30, 2021. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.50 per hour paid to the employee. As of June 30, 2021 the City of Great Falls contributed \$235,928 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$241,826. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$9,128 as of June 30, 2021

11. Other Postemployment Benefits (OPEB)

The City allows its retired employees to continue to participate in its group health insurance plan at a premium rate that does not cover all of the related healthcare costs. This results in an OPEB referred to as an "implicit rate subsidy." OPEB is considered to be a long-term liability and is recorded on the accrual basis for the government-wide Statements of Net Position and Activities.

Plan Description

The City provides a single-employer defined benefit post-employment health care plan that covers eligible retired employees of the City. A former covered employee whose employment with the City terminates due solely to retirement can continue coverage under the plan as a retiree if they have met the eligibility requirements and are receiving a retirement benefit from a qualified pension plan. Eligibility requires are as follows:

PERS:	Age 55 with 5 years of service or 25 years of service regardless of age
FURS:	20 years of service
MPORS:	Age 50 with 5 years of service or 20 years of service regardless of age

Coverage will continue for as long as the retiree is enrolled under the plan and the applicable premiums are paid, provided a break in coverage does not occur. If a break in coverage occurs, the retiree is no longer eligible to participate or re-enroll in the plan.

The retiree's termination of coverage from the plan does not apply to the retiree's spouse, provided the retiree is terminating because of Medicare coverage. The spouse of a retiree is permitted to maintain coverage unless the spouse is also eligible for Medicare coverage or the spouse has or is eligible for equivalent coverage.

No assets have accumulated in a trust that meets the criteria of GASB 75, paragraph 4.

Benefits Provided

The City is a member of the Montana Municipal Interlocal Authority (MMIA), a local government risk retention pool which administers the City's group health insurance plan. To continue this health insurance coverage, the retirees are required to pay the full amount of their premium. State law does not require that the City provide the same premium rates to retirees as it pays for its active employees, nor does it require that the City pay any portion of the retiree premiums. Premium rates and healthcare benefits may be administratively altered at the end of any contract year.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

11. Other Postemployment Benefits – continued

Benefits Provided - continued

MMIA issues an annual financial report that can be obtained at Montana Municipal Interlocal Authority, PO Box 6669, Helena, MT 59604-6669. The table below presents a high-level summary of the medical benefits. As of July 1, 2021 the City no longer participates in the Montana Municipal Interlocal Authority risk retention pool. The City became a self-insured plan as of July 1, 2021.

Employees Covered by Benefit Terms

As of June 30, 2021, the number of active and inactive employees covered by the plan was as follows:

	Medical Plan
Inactive employees or beneficiaries currently covered	45
Active employees	450
Total	495

Total OPEB Liability

The City's total OPEB Liability is \$8,663,056 as of June 30, 2021 and was determined by the application of roll-forward procedures to the liability determined as of June 30, 2020. The roll forward procedures included two steps:

- Change the valuation date from June 30, 2020 to June 30, 2021.
- Update the discount rate to reflect the S&P Municipal Bond 20-Year High Grade Rate Index as of June 30, 2021.

Actuarial Methods and Assumptions

The actuarial assumptions used in the valuation represents a reasonable long-term expectation of future OPEB outcomes. The assumptions are tested with each valuation for ongoing reasonableness and are updated if appropriate.

General Inflation	3.0% per year
Payroll Growth	PERS 3.5%, FURS 3.5%, MPORS 3.50% Source: Pension valuations 6/30/19
Discount Rate	2.18% Source: S&R Municipal Bond 20 Year High Grade Rate Index as of June 30, 2021
Cost Method	Entry age normal, determined as a level percent of projected pay.
Funding Policy	Pay as you go
Mortality Rate	RP-2014 Scale MP-2014 Fully Generational
Medical Trend Rate	The premium and the age-adjusted premiums were assumed to increase at the rate of 4.5% per year.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

11. Other Postemployment Benefits – continued

Change in Total OPEB Liability

	Total OPEB Liability
OPEB Liability as of 6/30/2020	\$8,426,068
Changes for the year:	
Service cost	294,613
Interest (2.18%)	183,688
Differences between expected and actual experience	(703,992)
Changes in assumptions	462,679
Changes of benefit terms	-
Net Changes	236,988
Balance at 6/30/2021	\$8,663,056

Changes in Assumptions

The change in assumptions and other inputs reflect a change in the discount rate from 2.66% to 2.18%.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or higher than the current discount rate.

	1% Decrease (1.18%)	Discount Rate (2.18%)	1% Increase (3.18%)
Total OPEB Liability	\$9,760,520	\$8,663,056	\$7,739,490

Sensitivity of the Total OPEB Liability to Changes in the Health Cost Trend Rates

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a medical trend rate that is 1-percentage-point lower or higher than the current trend rate.

	1% Decrease (3.5%)	Trend Rate (4.5%)	1% Increase (5.5%)
Total OPEB Liability	\$7,620,359	\$8,663,056	\$9,913,976

OPEB Expenses and Deferred Outflows of Resources / Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021 the City recognized OPEB expense of \$448,441. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 703,992
Current year amortization of experience differences	(360,845)	(184,548)
Changes in assumption	2,439,321	1,712,666
Total	\$ 2,078,476	\$ 2,232,110

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

11. Other Postemployment Benefits – continued

OPEB Expenses and Deferred Outflows of Resources / Deferred Inflows of Resources Related to OPEB - continued

Amounts reported as Deferred Inflows and Outflows of resources related to OPEB as June 30, 2021 will be recognized as OPEB expenses as follows:

Year ended	
June 30:	
2022	\$ (36,125)
2023	(36,125)
2024	(36,125)
2025	(36,125)
2026	(36,125)
Thereafter	(24,563)

12. Construction Commitments

The City has entered into contracts for the design, construction or renovation of various facilities at June 30, 2021, some of which are as follows:

Project	Amount Expended to Date	Remaining Construction Commitment	Expected Date of Completion
River Crossings for Upper Missouri & Sun River	\$ 6,117,998	\$ 436,943	Fall 2021
Fox Farm Water Main Replacement	388,967	91,033	Fall 2021
South Side Water Main Phase I	305,740	269,260	Fall 2021
Water Storage Tank	36,895	866,570	Fall 2021
SCADA Wonderware Software to Ignition/Fiberglass Alum Tank	14,076	155,924	Fall 2021
Misc Water Plant Improvements: HS2 Pump, boiler exhaust, shed roof	3,480	96,520	Fall 2021
Skyline Addition Annexation	43,000	553,000	Winter 2021
Lower Northside Water Main and Street Reconstruction	607,962	1,912,419	Winter 2021
East Ridge Phase 5 Subdivision: Water, Sewer, Road, Storm Drain	30,111	233,725	Summer 2022
Missouri River N Bank Stabilization	11,048	119,552	Summer 2022
Sanitary Sewer Phase 23	199	999,801	Summer 2022
22nd Ave S Detention Pond	195	207,000	Fall 2021
Park & Recreation Fueling Station	160,744	510,000	Fall 2021
Civic Center Façade	859,019	4,707,069	Summer 2022
Park District Irrigation	404,904	596,700	Summer 2022
Park District Lions Park Restrooms	14,672	253,283	Summer 2022
Stuckey Road Improvements	25,936	103,493	Fall 2021
Encino/Grande Vista Phase II Road Improvements	616,044	802,905	Fall 2021
Aquatic and Recreation Center	1,007,083	18,992,917	Summer 2025

13. Operating Leases

The City leases some of its property to others under operating leases expiring in future years. The current year rental costs and minimum future rentals on noncancelable operating leases as of June 30, 2021, were not significant.

Bulk Water Service

The City issued Cascade County a license to operate bulk water service dispensing stations for Cascade County residents. The term of this agreement is for the period of fifteen years from July 1, 2010, through June 30, 2025. The County is required to pay for utility services at the same rate as other commercial customers.

The City also leases certain office equipment from others under operating leases expiring in future years. The current year rental costs and minimum future rentals on noncancelable operating leases as of June 30, 2021, were not significant.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

14. Contracted Services

The City has entered into intergovernmental agreements with Cascade County for the following services:

Fire Districts

The City provides fire protection for 16 rural fire districts. The current term of this agreement is for the period of three years from October 1, 2018 to September 30, 2021. The agreement is renewed every three years and was renewed as of October 5, 2021 for October 1, 2021 to September 30, 2023.

Dispatch and Communication Services

The City provides dispatching and communication services for Cascade County, the Town of Cascade, the City of Belt, and the Town of Neihart and rural fire departments. The agreement is dated June 6, 2018, and continues in effect until cancelled by either party.

Library

The City contributes to the operations of the Library Board. The financial accounting and reporting for the library operations is performed by the City. The County assesses a rural mill levy for the purpose of making contributions to the City's library operating costs.

Health Department

On November 22, 1999, the County and the City entered into an interlocal agreement establishing management authority, maintenance responsibilities, and ownership of record for the new City-County Health Department building. The City contributes to the operations of the City-County Health Department. The financial accounting and reporting for the health department is performed by the County and the County assesses a rural levy for department operating costs. The City remits to the County a contribution for operating costs on a periodic basis.

The City has entered into agreements with the following entities for operation of certain facilities:

Golf Courses

The City has a management agreement with CourseCo, Inc., d/b/a Great Falls Golf, LLC for operations of the Anaconda Hills Golf Course and Eagle Falls Golf Club. The agreement was approved December 18, 2018, for the period of February 1, 2019 to January 31, 2022. On September 21, 2021, an extension of the agreement was approved for an additional three-year term of February 1, 2022 through January 31, 2025.

Housing Authority

The City provides management and payroll services for the Great Falls Housing Authority. The Housing Authority reimburses the City for the costs related to providing these services.

Parking Facilities

The City has an operations and management agreement with SP Plus Corporation for operation of all the City's parking facilities and for enforcement of parking violations. The term of the contract is from January 1, 2021 through December 31, 2023.

Solid Waste

The City has contracted with Montana Waste Systems, currently operating a private landfill for landfill privileges. The contract was approved for the period of January 1, 2017 to December 31, 2024 with two five-year extended term options.

Soccer Park

The Seibel Soccer Park was built and is owned by the City, but is operated and maintained through a lease by the Great Falls Soccer Foundation. The lease was approved June 2, 2009 with a twenty-five year term. As a condition of the lease agreement the Great Falls Soccer Foundation will be responsible for maintenance and upkeep of all property and buildings, and be responsible for all associated costs.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

14. Contracted Services - continued

Wastewater Treatment Plant

The City's wastewater treatment plant is operated by Veolia Water North America Operating Services, LLC. The contract was renewed on December 15, 2020 for January 1, 2021 through December 31, 2030.

15. Contingencies

The City is a defendant in various lawsuits, which arise out of the normal course of operations by the City. Management of the City intends to vigorously defend each claim and believes no material losses will be incurred on such claims.

16. Risk Management

The City faces a considerable number of risks of loss, including damage to and loss of its own property and the property of others, employment-related claims, Public Official Errors and Omissions, environmental damage, workers' compensation, and medical insurance costs of employees.

In 1986, the City joined together with other Montana cities to form the Montana Municipal Interlocal Authority (MMIA) which established a workers' compensation plan and a tort liability plan. MMIA is a risk retention pool funded by member cities and towns, providing risk management services and multiple coverage programs. The City's statutory liability limits for damages in tort action are \$750,000 per claim and \$1.5 million per occurrence and has secured its general liability coverage through the MMIA with a \$7,500 deductible per claim. The City pays a quarterly premium for its workers' compensation insurance coverage with the MMIA workers' compensation program, which is allocated to the employer funds based on total salaries and wages. The agreements for formation of the pools provide that they will be self-sustaining through member premiums. The MMIA liability plan and the MMIA workers' compensation program originally issued \$4.41 million and \$7.61 million in bonds, respectively, to immediately finance the necessary insurance reserves. The liability program has no debt outstanding at this time. In June of 1994, the workers' compensation bonds were refunded and reissued in the amount of \$7.62 million. All members signed a contingent note for a pro-rata share of this liability in case operating revenues were insufficient to cover the debt service. The bonds were retired on September 1, 2010.

In 1998, the MMIA developed a property insurance program of which the City is now a member. This is an all risk policy, essentially all property owned by the City being insured for 100% of replacement cost, or stated amount, subject to a \$25,000 deductible for property and \$10,000 deductible for vehicles per occurrence. MMIA reinsures their property insurance with a national municipal pool, Alliant Property Insurance Program. The property program funding differs from the liability and workers' compensation programs in that it has not utilized bond proceeds as a form of funding for losses. The program provides \$25 million of coverage for new acquisitions during the coverage period. Members have 18 months from date of acquisition to schedule property for coverage.

In 2013, the City became a member of the MMIA health insurance plan, which is a local government risk retention pool established and administered by MMIA. The group health insurance plan is considered an agent multiple-employer self-funded plan. On July 1, 2021, however, the City separated from the MMIA health insurance plan and became a self-funded plan with Blue Cross Blue Shield as the Third-Party Administrator.

The MMIA property and liability coverages, transferring all risks of loss except for relatively small deductible amounts, are purchased through the MMIA and includes Public Officials Errors & Omission. Coverage limits and the deductibles in the commercial policies have stayed relatively constant for the last several years. The premiums for the policies are allocated between the City's funds based on prior years' loss experiences. Following national trends, the City has seen increased claims against law enforcement. Despite this, settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

17. Net Positions and Fund Balances

In the government-wide financial statements, net positions are classified in the following categories:

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure in future years, into one component of net position. Accumulated depreciation and outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduces this category.

Restricted Net Position

This category represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through Constitutional provision enabling legislation. Additionally, this category represents restrictions placed on the categories of Capital Projects, Debt Service, and specific projects and programs established by the City Commission.

Unrestricted Net Position

This category represents the net position of the City which are not restricted for any project or other purpose.

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves and designations are established by actions of the City Commission and Management and can be increased, reduced, or eliminated by similar actions.

The fund balance categories are as follows:

1. Nonspendable fund balance - The net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
2. Restricted fund balance - Are externally imposed by creditors, grantors, contributions, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation or established by the City Commission.
3. Committed fund balance - Fund balance committed by a City Commission adopted ordinance.
4. Assigned fund balance - Fund balance that has been appropriated by the City Commission through budget resolution for the upcoming fiscal year.
5. Unassigned fund balance - The remaining of fund balance not classified into other categories. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The City has a policy for minimum fund balance of 22% of annual appropriations for the General Fund. All other tax levy supported funds shall be considered adequate at 17% of annual appropriations. An unreserved fund balance for other operating funds of the City shall be considered adequate at a range of 8% to 22% of annual appropriations. Such balances shall be used to meet extended revenue cycles, meet short-term economic difficulties, respond to unique opportunities, provide for one-time expenditures, and respond to emergency and disaster situations. The City has elected to show the different fund balance categories in aggregate on the face of the financial statements for the governmental funds. The detail of the composition of the different categories is shown below:

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

17. Net Positions and Fund Balances - continued

	Major Special Revenue Funds					Total
	General	COVID Recovery	Street District	Federal Block Grant	Other Governmental Funds	
Fund balances						
Restricted for						
Land held for resale	\$ -	\$ -	\$ 9,734	\$ -	\$ 15,615	\$ 25,349
Library projects	-	-	-	-	296,021	296,021
Federal block grant	-	-	-	1,077,832	-	1,077,832
HOME grant	-	-	-	-	75,473	75,473
Special assessment purposes	-	-	3,576,393	-	3,155,495	6,731,888
Gas Tax projects	-	-	-	-	908,993	908,993
Tax increment districts projects	-	-	-	-	4,166,515	4,166,515
General obligation debt	-	-	-	-	56,174	56,174
General obligation taxable debt	-	-	-	-	9,267	9,267
Tax increment debt	-	-	-	-	1,785,150	1,785,150
Tax increment construction	-	-	-	-	5,023,787	5,023,787
Special assessment debt	-	-	-	-	91,290	91,290
Total Restricted	-	-	3,586,127	1,077,832	15,583,780	20,247,739
Assigned for						
General government - planning	-	-	-	-	50,813	50,813
General government - economic development	-	-	-	-	4,812	4,812
General government -support & innovation	-	-	-	-	68,210	68,210
General government - operations and capital improvements	-	5,578,583	-	-	-	5,578,583
Public safety - fire projects	-	-	-	-	60,855	60,855
Public safety - police projects	-	-	-	-	1,183,332	1,183,332
Park and recreation - parkland	-	-	-	-	1,041,563	1,041,563
Housing and development	-	-	-	-	531,412	531,412
Capital outlay for general government	-	-	-	-	437,780	437,780
Library operations	-	-	-	-	652,588	652,588
Total Assigned	-	5,578,583	-	-	4,031,365	9,609,948
Unassigned	13,041,527	-	-	-	-	13,041,527
Total Fund Balances	\$ 13,041,527	\$ 5,578,583	\$ 3,586,127	\$ 1,077,832	\$ 19,615,145	\$ 42,899,214

18. Deficit Fund Balances and Net Positions

The Recreation nonmajor enterprise fund has a fund balance deficit of \$13,697. This is due to the previous GASB 68 required recording of the unfunded net pension liability and slowdown of operations during COVID-19.

The Multi-Sports nonmajor enterprise fund has a fund balance deficit of \$14,376. This is due to slowdown of operations during COVID-19.

The Civic Center Events nonmajor enterprise fund has a fund balance deficit of \$299,987. This is due to the previous GASB 68 required recording of the unfunded net pension liability and a slowdown of operations during COVID-19.

The Information Technology internal service fund has a net position deficit of \$341,554. This is due to the previous GASB 68 required recording of the unfunded net pension liability.

The Health and Benefit internal service fund has a net position deficit of \$7,295,541. This is due to the previous GASB 75 required recording of the unfunded OPEB liability.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2021

18. Deficit Fund Balances and Net Positions - continued

The Human Resources internal service fund has a net position deficit of \$338,701. This is due to the previous GASB 68 required recording of the unfunded net pension liability.

The Finance internal service fund has a net position deficit of \$877,904. This is due to the previous GASB 68 required recording of the unfunded net pension liability.

The Engineering internal service fund has a net position deficit of \$290,399. This is due to the previous GASB 68 required recording of the unfunded net pension liability.

19. Subsequent Events

In May 2021, the City received \$9,736,368 from the American Rescue Plan Act. No amount has been expended and all revenue was deferred at the end of fiscal year 2021.

On September 21, 2021, the City finalized the issuance of \$10,000,000 in bonds out of the Park Maintenance District for the match of the grant from the Office of Economic Development for the construction of a recreation and aquatic facility. The total project is \$20,000,000.

On November 2, 2021, the construction contract was awarded to Swank Enterprises for the new recreation and aquatics facility.

Management has evaluated subsequent events through January 26, 2022, the date on which the financial statements were available to be issued.



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Required Supplementary Information
City of Great Falls, Montana
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Last Four Years*

	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>	<u>6/30/2021</u>
Service cost	\$ 269,990	\$ 274,467	\$ 276,374	\$ 294,613
Interest	242,494	240,915	190,188	183,688
Differences between expected and actual experience	700,425	(624,573)	1,827,362	(703,992)
Changes of assumptions or inputs	<u>(1,071,631)</u>	<u>89,020</u>	<u>(1,017,780)</u>	<u>462,679</u>
Net Change in Total OPEB Liability	\$ 141,278	\$ (20,171)	\$ 1,276,144	\$ 236,988
Total OPEB Liability - beginning	\$ 7,028,817	\$ 7,170,095	\$ 7,149,924	\$ 8,426,068
Total OPEB Liability - ending	\$ 7,170,095	\$ 7,149,924	\$ 8,426,068	\$ 8,663,056
Plan Fiduciary Net Position	-	-	-	-
Plan Fiduciary Net Position as a percentage of the Total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 26,067,551	\$ 27,110,253	\$ 28,117,535	\$ 29,101,648
Total OPEB Liability as a percentage of Covered Employee Payroll	27.5%	26.4%	30.0%	29.8%
Notes to Schedule:				
<u>Key Assumptions</u>				
Discount Rate	3.45%	3.36%	2.66%	2.18%
Medical Trend	3.45%	4.50%	4.50%	4.50%

*GASB Statement #75 was implemented in Fiscal Year 2018. This schedule is intended to show information for ten years. Additional years information will be displayed as it becomes available.

Note: No assets have accumulated in a trust that meets the criteria of GASB Statement 75, paragraph 4.

Required Supplementary Information
City of Great Falls, Montana
Schedule of the City's Proportionate Share of the Net Pension Liability
All Fiscal Years *

Public Employees' Retirement System

Reporting Date (Fiscal Year) As of Measurement Date	Public Employees' Retirement System							
	2014	2015	2016	2017	2018	2019	2020	2021
City's proportionate share of the net pension liability associated with the City	1.33%	1.34%	1.33%	1.33%	1.49%	1.07%	1.11%	1.07%
City's proportion of the net pension liability	\$ 17,266,157	\$ 18,745,848	\$ 22,662,652	\$ 22,662,652	\$ 26,279,968	\$ 22,241,067	\$ 23,100,228	\$ 28,148,290
State of Montana proportionate share of the net pension liability associated with the City	210,846	230,260	276,912	276,912	335,858	7,433,740	7,503,880	8,851,253
Total	\$ 17,477,003	\$ 18,976,108	\$ 22,939,564	\$ 22,939,564	\$ 26,615,826	\$ 29,674,807	\$ 30,604,108	\$ 36,999,543
City's covered payroll	\$ 15,769,377	\$ 15,650,061	\$ 15,936,803	\$ 16,751,180	\$ 17,552,424	\$ 18,253,915	\$ 18,253,915	\$ 17,901,595
City's proportionate share of the net pension liability as of its covered payroll	111.22%	119.78%	142.20%	142.20%	156.88%	126.71%	126.55%	157.24%
Plan fiduciary net position as a percentage of the total pension liability	79.87%	78.40%	74.71%	74.71%	73.75%	73.47%	73.85%	68.90%

Firefighters' Unified Retirement System

Reporting Date (Fiscal Year) As of Measurement Date	Firefighters' Unified Retirement System							
	2014	2015	2016	2017	2018	2019	2020	2021
City's proportionate share of the net pension liability associated with the City	3.36%	3.20%	3.21%	3.21%	3.20%	3.18%	2.99%	3.09%
City's proportion of the net pension liability	\$ 3,276,335	\$ 3,266,908	\$ 3,669,168	\$ 3,669,015	\$ 3,619,015	\$ 3,662,058	\$ 3,428,389	\$ 4,831,711
State of Montana proportionate share of the net pension liability associated with the City	7,391,251	7,276,274	8,313,182	8,218,387	8,218,387	8,373,484	8,291,572	10,892,307
Total	\$ 10,667,586	\$ 10,543,182	\$ 11,982,350	\$ 11,887,402	\$ 11,837,402	\$ 12,035,542	\$ 11,719,961	\$ 15,724,018
City's covered payroll	\$ 4,359,771	\$ 4,292,501	\$ 4,523,854	\$ 4,786,308	\$ 5,007,758	\$ 5,007,758	\$ 5,182,586	\$ 5,390,299
City's proportionate share of the net pension liability as of its covered payroll	75.15%	76.11%	81.11%	81.11%	75.61%	73.13%	66.15%	89.64%
Plan fiduciary net position as a percentage of the total pension liability	76.70%	76.90%	75.48%	77.77%	77.77%	79.03%	80.08%	75.34%

Municipal Police Officers' Retirement System

Reporting Date (Fiscal Year) As of Measurement Date	Municipal Police Officers' Retirement System							
	2014	2015	2016	2017	2018	2019	2020	2021
City's proportionate share of the net pension liability associated with the City	4.34%	4.20%	4.23%	4.23%	4.21%	4.13%	4.18%	4.21%
City's proportion of the net pension liability	\$ 6,822,498	\$ 6,951,884	\$ 7,615,215	\$ 7,615,215	\$ 7,485,952	\$ 7,066,266	\$ 8,319,897	\$ 10,294,653
State of Montana proportionate share of the net pension liability associated with the City	13,782,261	14,085,177	15,116,534	15,116,534	15,257,632	14,444,839	16,942,236	20,763,270
Total	\$ 20,604,759	\$ 21,037,061	\$ 22,731,749	\$ 22,731,749	\$ 22,743,584	\$ 21,511,105	\$ 25,262,133	\$ 31,057,923
City's covered payroll	\$ 5,825,529	\$ 5,816,404	\$ 5,971,870	\$ 6,306,036	\$ 6,660,919	\$ 6,888,996	\$ 7,210,107	\$ 7,210,107
City's proportionate share of the net pension liability as of its covered payroll	117.11%	119.52%	127.52%	118.71%	106.09%	120.77%	142.78%	142.78%
Plan fiduciary net position as a percentage of the total pension liability	67.00%	66.90%	65.62%	68.34%	70.95%	68.84%	68.84%	64.84%

* GASB Statement 68 was implemented in Fiscal Year 2015. This schedule is intended to show information for ten years. Additional years information will be displayed as it becomes available.

Required Supplementary Information
City of Great Falls, Montana
Schedule of the City Retirement Systems Contributions
All Fiscal Years *

Public Employees' Retirement System

	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 1,319,344	\$ 1,363,529	\$ 1,401,041	\$ 1,477,477	\$ 1,656,534	\$ 1,552,068	\$ 1,600,870
Contributions in relation to the contractually required contributions	(1,319,344)	(1,363,529)	(1,401,041)	(1,477,477)	(1,656,534)	(1,552,068)	(1,600,870)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 15,650,061	\$ 15,936,803	\$ 16,751,180	\$ 17,552,424	\$ 18,253,915	\$ 17,901,595	\$ 18,253,935
Contributions of covered payroll	8.43%	8.56%	8.36%	8.42%	9.07%	8.67%	8.77%

Firefighters' Unified Retirement System

	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 630,134	\$ 646,789	\$ 687,314	\$ 719,115	\$ 756,690	\$ 774,046	\$ 752,718
Contributions in relation to the contractually required contributions	(630,134)	(646,789)	(687,314)	(719,115)	(756,690)	(774,046)	(752,718)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 4,292,501	\$ 4,523,854	\$ 4,786,308	\$ 5,007,758	\$ 5,182,586	\$ 5,390,299	\$ 5,241,766
Contributions of covered payroll	14.68%	14.30%	14.36%	14.36%	14.60%	14.36%	14.36%

Municipal Police Officers' Retirement System

	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution	\$ 847,013	\$ 875,869	\$ 906,708	\$ 894,469	\$ 993,462	\$ 1,038,977	\$ 1,061,099
Contributions in relation to the contractually required contributions	(847,013)	(875,869)	(906,708)	(894,469)	(993,462)	(1,038,977)	(1,061,099)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 5,861,404	\$ 5,971,870	\$ 6,306,036	\$ 6,660,919	\$ 6,888,996	\$ 7,210,107	\$ 7,363,636
Contributions of covered payroll	14.45%	14.67%	14.38%	13.43%	14.42%	14.41%	14.41%

* GASB Statement 68 was implemented in Fiscal Year 2015. This schedule is intended to show information for ten years. Additional years information will be displayed as it becomes available.

Required Supplementary Information
City of Great Falls, Montana
Schedule of the City Additional Pension Contributions
All Fiscal Years*

	2016	2017	2018	2019	2020	2021
National Electrical Benefit Fund						
Contractually required contribution	\$ 8,758	\$ 10,210	\$ 11,334	\$ 10,134	\$ 9,052	\$ 9,304
Contributions in relation to the contractually required contribution	(8,758)	(10,210)	(11,334)	(10,134)	(9,052)	(9,304)
Contributions deficiency (excess)	-	-	-	-	-	-
City's covered payroll	\$ 291,210	\$ 340,340	\$ 374,565	\$ 332,360	\$ 352,818	\$ 310,120
Contributions of covered payroll	3%	3%	3%	3%	3%	3%
Eighth District Electrical Pension						
Contractually required contribution	\$ 19,985	\$ 24,550	\$ 29,926	\$ 27,352	\$ 23,576	\$ 23,616
Contributions in relation to the contractually required contribution	(19,985)	(24,550)	(29,926)	(27,352)	(23,576)	(23,616)
Contributions deficiency (excess)	-	-	-	-	-	-
City's covered payroll	\$ 291,210	\$ 340,340	\$ 374,565	\$ 332,360	\$ 352,818	\$ 310,120
Contributions of covered payroll	7%	7%	8%	8%	7%	8%
LIUNA National (Industrial) Pension Fund						
Contractually required contribution	\$ 243,665	\$ 287,798	\$ 313,336	\$ 317,178	\$ 329,865	\$ 340,747
Contributions in relation to the contractually required contribution	(243,665)	(287,798)	(313,336)	(317,178)	(329,865)	(340,747)
Contributions deficiency (excess)	-	-	-	-	-	-
City's covered payroll	\$ 2,165,989	\$ 2,372,831	\$ 2,427,644	\$ 2,244,405	\$ 2,114,308	\$ 2,072,091
Contributions of covered payroll	11%	12%	13%	14%	16%	16%
I.A.M. National Pension Fund						
Contractually required contribution	\$ 22,830	\$ 20,959	\$ 22,581	\$ 24,512	\$ 27,475	\$ 28,085
Contributions in relation to the contractually required contribution	(22,830)	(20,959)	(22,581)	(24,512)	(27,475)	(28,085)
Contributions deficiency (excess)	-	-	-	-	-	-
City's covered payroll	\$ 181,380	\$ 166,415	\$ 170,325	\$ 155,283	\$ 215,419	\$ 181,337
Contributions of covered payroll	13%	13%	13%	16%	13%	15%

* GASB Statement #78 was implemented in Fiscal Year 2016. This schedule is intended to show information for ten years. Additional years information will be displayed as it becomes available.

Required Supplementary Information
City of Great Falls, Montana
Schedule of the City Additional Pension Contributions (Continued)
All Fiscal Years*

	2016	2017	2018	2019	2020	2021
Central Pension Fund of the International Union of Operating Engineers and Participating Employers						
Contractually required contribution	\$ 251,310	\$ 283,973	\$ 305,795	\$ 339,085	\$ 325,323	\$ 337,421
Contributions in relation to the contractually required contribution	(251,310)	(283,973)	(305,795)	(339,085)	(325,323)	(337,421)
Contributions deficiency (excess)	-	-	-	-	-	-
City's covered payroll	\$ 1,724,007	\$ 1,867,018	\$ 1,935,505	\$ 1,969,754	\$ 1,939,936	\$ 2,021,957
Contributions of covered payroll	15%	15%	16%	17%	17%	17%
Plumbers and Pipefitters National Pension Fund						
Contractually required contribution	\$ 44,593	\$ 47,027	\$ 49,617	\$ 52,570	\$ 50,413	\$ 54,071
Contributions in relation to the contractually required contribution	(44,593)	(47,027)	(49,617)	(52,570)	(50,413)	(54,071)
Contributions deficiency (excess)	-	-	-	-	-	-
City's covered payroll	\$ 252,550	\$ 255,450	\$ 261,509	\$ 268,109	\$ 267,218	\$ 297,421
Contributions of covered payroll	18%	18%	19%	20%	19%	18%
Western Conference of Teamsters Pension Plan						
Contractually required contribution	\$ 182,562	\$ 189,661	\$ 190,001	\$ 209,523	\$ 214,008	\$ 235,928
Contributions in relation to the contractually required contribution	(182,562)	(189,661)	(190,001)	(209,523)	(214,008)	(235,928)
Contributions deficiency (excess)	-	-	-	-	-	-
City's covered payroll	\$ 1,176,980	\$ 1,193,723	\$ 1,157,790	\$ 1,246,400	\$ 1,222,726	\$ 1,342,781
Contributions of covered payroll	16%	16%	16%	17%	18%	18%

* GASB Statement #78 was implemented in Fiscal Year 2016. This schedule is intended to show information for ten years. Additional years information will be displayed as it becomes available.

City of Great Falls, Montana
Notes to Required Supplementary Information
For the Year Ended June 30, 2021

1. Employee Benefit Plan

Changes of Benefit Terms: Public Employees' Retirement System (PERS)

The following changes to the plan provision were made as identified:

2017:

Working Retiree Limitations – for PERS

Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

Refunds – PERS

- 1) Terminating members eligible to retire may, in lieu of receiving monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2) Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3) Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Interest credited to member accounts

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

Lump-sum payouts

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

Disabled PERS Defined Contribution (DC) Members

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disable members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

PERS – Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following Actuarial Assumptions were adopted from the June 30, 2019 actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increase	0% to 8.47%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table, with no projections
Admin Expense as % of Payroll	0.30%

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2021

1. Employee Benefit Plan - continued

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

Changes of Benefit Terms: Firefighters' Unified Retirement System (FURS)

The following changes to the plan provision were made as identified:

2017:

Working Retiree Limitations – for FURS

Applies to retirement system members who return on or after July 1, 2017 to covered employment in the system from which they retired.

- 1) Members who return for less than 480 hours in a calendar year:
 - a. May not become an active member in the system; and
 - b. Are subject to a \$1 reduction in their retirement benefit for each \$3 earned in excess of \$5,000 in the calendar year.
- 2) Members who return for 480 or more hours in a calendar year:
 - a. Must become an active member of the system"
 - b. Will stop receiving a retirement benefit from the system; and
 - c. Will be eligible for a second retirement benefit if they earn 5 or more years of service credit through their second employment.
- 3) Employee, employer and state contributions, if any, apply as follows:
 - a. Employer contributions and state contributions (if any) must be paid on all working retirees;
 - b. Employee contributions must be paid on working retirees who return to covered employment for 480 or more hours in a calendar year.

Second Retirement Benefit – for FURS

Applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired.

- 1) If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
 - a. Is not awarded service credit for the period or reemployment;
 - b. Is refunded the accumulated contributions associated with the reemployment;
 - c. Starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
 - d. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following retirement.
- 2) If the members works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
 - a. Is awarded service credit for the period of reemployments;
 - b. Starting the first month following termination of service, receives:
 - i. The same retirement benefit previously paid to the members and
 - ii. A second retirement benefit for the period of reemployment and calculated based on the laws in effect as a member's rehire date; and
 - c. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA;
 - i. On the initial retirement benefit in January immediately following second retirement, and
 - ii. On the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- 3) A member who returns to covered service is not eligible for a disability benefit.

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2021

1. Employee Benefit Plan - continued

Refunds – FURS

- 1) Terminating members eligible to retire may, in lieu of receiving monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2) Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3) Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Interest credited to member accounts

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

Lump-sum payouts

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member’s accumulated contributions rate than the present value of the member’s benefit.

FURS -Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following Actuarial Assumptions were adopted from the June 30, 2019 actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increase	0% to 6.30%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table, with no projections
Admin Expense as % of Payroll	0.13%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year’s actual administrative expenses.

Changes of Benefit Terms: Municipal Police Officers’ Retirement System (MPORS)

The following changes to the plan provision were made as identified:

2017:

Working Retiree Limitations – for MPORS

Applies to retirement system members who return on or after July 1, 2017 to covered employment in the system from which they retired.

- 1) Members who return for less than 480 hours in a calendar year:
 - a. May not become an active member in the system; and
 - b. Are subject to a \$1 reduction in their retirement benefit for each \$3 earned in excess of \$5,000 in the calendar year.

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2021

1. Employee Benefit Plan - continued

- 2) Members who return for 480 or more hours in a calendar year:
 - a. Must become an active member of the system
 - b. Will stop receiving a retirement benefit from the system; and
 - c. Will be eligible for a second retirement benefit if they earn 5 or more years of service credit through their second employment.
- 3) Employee, employer and state contributions, if any, apply as follows:
 - a. Employer contributions and state contributions (if any) must be paid on all working retirees;
 - b. Employee contributions must be paid on working retirees who return to covered employment for 480 or more hours in a calendar year.

Second Retirement Benefit – for MPORS

- 1) Applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired.
- 2) If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
 - a. Is not awarded service credit for the period or reemployment;
 - b. Is refunded the accumulated contributions associated with the reemployment;
 - c. Starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
 - d. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following retirement.
- 3) If the members works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
 - a. Is awarded service credit for the period of reemployments;
 - b. Starting the first month following termination of service, receives:
 - i. The same retirement benefit previously paid to the members and
 - ii. A second retirement benefit for the period of reemployment and calculated based on the laws in effect as a member's rehire date; and
 - c. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA;
 - i. On the initial retirement benefit in January immediately following second retirement, and
 - ii. On the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- 4) A member who returns to covered service is not eligible for a disability benefit.

Refunds – MPORS

- Terminating members eligible to retire may, in lieu of receiving monthly retirement benefit, refund their accumulated contributions in a lump sum.
- Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- Trusts, estates, and charitable organizations listed as beneficiaries are entitle to receive only a lump-sum payment.

Interest credited to member accounts

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2021

1. Employee Benefit Plan - continued

Lump-sum payouts

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

MPORS- Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following Actuarial Assumptions were adopted from the June 30, 2019 actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increase	0% to 6.60%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table, with no projections
Admin Expense as % of Payroll	0.15%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2021

	General			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 21,139,142	\$ 21,139,142	\$ 20,960,760	\$ (178,382)
Licenses and permits	1,070,600	1,070,600	951,160	(119,440)
Intergovernmental	8,834,250	15,212,429	15,172,639	(39,790)
Charges for services	1,193,304	1,193,304	1,194,149	845
Fines and forfeitures	770,000	770,000	753,719	(16,281)
Internal services	967,525	967,525	961,965	(5,560)
Investment income	15,000	15,000	30,812	15,812
Other	144,322	144,322	106,531	(37,791)
Total revenues	34,134,143	40,512,322	40,131,735	(380,587)
Expenditures				
Current				
General government				
Personal services	3,142,575	3,312,979	3,096,759	216,220
Operations and maintenance	1,889,312	1,903,933	1,904,277	(344)
Public safety				
Personal service	20,314,577	26,212,420	26,039,413	173,007
Operation and maintenance	4,478,579	4,970,653	4,902,373	68,280
Culture and recreation				
Personal services	2,018,507	2,108,279	1,821,329	286,950
Operations and maintenance	973,747	973,747	919,478	54,269
Debt service				
Principal	249,401	249,401	249,401	-
Interest	60,372	60,372	60,372	-
Capital outlay	220,000	-	31,655	(31,655)
Total expenditures	33,347,070	39,791,784	39,025,057	766,727
Revenues over (under) expenditures	787,073	720,538	1,106,678	386,140
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,659,178)	(1,659,178)	(1,659,178)	-
Total other financing sources (uses)	(1,659,178)	(1,659,178)	(1,659,178)	-
Net changes in fund balance	\$ (872,105)	\$ (938,640)	(552,500)	\$ 386,140
Fund balance - beginning			13,594,027	
Fund balance - ending			\$ 13,041,527	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds
For the Year Ended June 30, 2021

	COVID Recovery			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	15,310,703	5,574,333	(9,736,370)
Charges for services	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	3,574	4,250	676
Other	-	-	-	-
Total revenues	<u>-</u>	<u>15,314,277</u>	<u>5,578,583</u>	<u>(9,735,694)</u>
Expenditures				
Current				
General government				
Operations and maintenance	-	-	-	-
Public works				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>15,314,277</u>	<u>5,578,583</u>	<u>(9,735,694)</u>
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ -</u>	<u>\$ 15,314,277</u>	<u>\$ 5,578,583</u>	<u>\$ (9,735,694)</u>
Fund balance - beginning			<u>-</u>	
Fund balance - ending			<u>\$ 5,578,583</u>	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds (Continued)
For the Year Ended June 30, 2021

	Street District			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 7,146	\$ 7,146	\$ 14,545	\$ 7,399
Intergovernmental	1,379,896	1,508,326	1,500,151	(8,175)
Charges for services	111,500	111,500	141,857	30,357
Internal services	111,768	111,768	340,618	228,850
Special assessments	4,583,265	4,583,265	4,600,495	17,230
Investment income	-	-	(5,636)	(5,636)
Other	1,000	1,000	20,705	19,705
	<u>6,194,575</u>	<u>6,323,005</u>	<u>6,612,735</u>	<u>289,730</u>
Total revenues				
Expenditures				
Current				
General government				
Operations and maintenance	-	-	-	-
Public works				
Personal services	2,608,661	2,737,091	2,622,660	114,431
Operations and maintenance	3,809,650	3,809,650	2,980,332	829,318
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Capital outlay	1,753,989	3,188,813	1,720,967	1,467,846
	<u>8,172,300</u>	<u>9,735,554</u>	<u>7,323,959</u>	<u>2,411,595</u>
Total expenditures				
Revenues over (under) expenditures	<u>(1,977,725)</u>	<u>(3,412,549)</u>	<u>(711,224)</u>	<u>2,701,325</u>
Other financing sources (uses)				
Transfers out	(50,000)	(50,000)	(50,000)	-
	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total other financing sources				
Net changes in fund balance	<u>\$ (2,027,725)</u>	<u>\$ (3,462,549)</u>	<u>\$ (761,224)</u>	<u>\$ 2,701,325</u>
Fund balance - beginning			<u>4,347,351</u>	
Fund balance - ending			<u>\$ 3,586,127</u>	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds (Concluded)
For the Year Ended June 30, 2021

	Federal Block Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,283,862	1,338,026	111,561	(1,226,465)
Charges for services	-	-	109,954	109,954
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	104	104
Other	-	-	956	956
	<u>1,283,862</u>	<u>1,338,026</u>	<u>222,575</u>	<u>(1,115,451)</u>
Total revenues				
Expenditures				
Current				
General government				
Operations and maintenance	-	-	-	-
Public works				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	194,784	202,339	183,702	18,637
Operations and maintenance	423,191	684,219	143,638	540,581
Capital outlay	190,176	211,482	-	211,482
	<u>808,151</u>	<u>1,098,040</u>	<u>327,340</u>	<u>770,700</u>
Total expenditures				
Revenues over (under) expenditures	475,711	239,986	(104,765)	(344,751)
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balance	<u>\$ 475,711</u>	<u>\$ 239,986</u>	<u>\$ (104,765)</u>	<u>\$ (344,751)</u>
Fund balance - beginning			<u>1,182,597</u>	
Fund balance - ending			<u>\$ 1,077,832</u>	

1. Summary of Significant Accounting Policies

a. Budgets and Budgetary Accounting

Annual budgets are legally required and are prepared for all funds except trust and custodial funds. The budgets are prepared on the same basis and using the same accounting practices as are used to account and prepare financial reports for the funds except capital outlay and debt principal are budgeted in the proprietary funds. Depreciation is not budgeted.

The City is required to prepare its accounting records and financial reports in accordance with generally accepted accounting principles established by the governmental accounting standards board according to Title 7, Chapter 6, Part 6, MCA. For budgeting purposes, the budget must show the complete expenditure program for the local government entity for the coming fiscal year and the sources by which it will be funded. The legal level of budgetary control is at the fund level. The final budget is enacted by the City Commission after holding public hearings as required by state statutes.

The City is organized under the provisions of the commission-manager form of government. The City Commission retains authority to set budget parameters through approval and adoption of annual budgets. The authority to make transfers of appropriations between funds is retained by the City Commission. The City Manager is delegated the authority to make transfers or revisions within appropriations of any fund. The Annual Budget Resolution allows the City Manager the flexibility to incorporate the appropriated reserves and contingency accounts into the adopted budget. The City Manager may delegate, to Department Directors, the authority to make transfers or revisions within appropriations of specific operations, limited to the fund level of accountability.

All appropriations lapse at the end of the fiscal year, but the Annual Budget Resolution allows for the “carryover” of the appropriation in specific circumstances. Major changes without "carryovers" in the legally adopted budgets consisted of:

<u>Fund</u>	<u>Amount</u>	<u>Purpose</u>
<u>Revenues</u>		
General	\$6,158,019	Recognizing on-behalf payments for pensions GASB 85
General	74,887	CARES grant
COVID Recovery	5,574,334	CARES grant
COVID Recovery	9,736,369	American Rescue Plan grant
Park & Recreation	237,150	Contributions for park improvement projects
Library	141,995	Contributions for bookmobile
Street District	128,430	Recognizing on-behalf payments for pensions GASB 85
Support and Innovation	164,728	Additional assessments revenues received
Housing Authority	75,547	Recognizing on-behalf payments for pensions GASB 85
Downtown TID Bonds	414,150	Sale of bonds
General Capital Improvements	129,000	Additional revenue received for capital improvements for City Commission approved projects
Downtown TID	5,547,752	Sale of bonds
Sanitation	89,404	Insurance recoveries
911 Dispatch Center	160,456	Public safety grant
911 Dispatch Center	518,275	CARES grant
911 Dispatch Center	102,759	Recognizing on-behalf payments for pensions GASB 68

1. Summary of Significant Accounting Policies – continued

a. Budgets and Budgetary Accounting – continued

<u>Fund</u>	<u>Amount</u>	<u>Purpose</u>
<u>Expenses/ Expenditures</u>		
General	\$6,158,019	Recognizing on-behalf payments for pensions GASB 85
General	74,887	CARES grant
Park & Recreation	237,150	Grants and contributions for park improvements
Library	128,917	Capital outlay for bookmobile
Street District	128,430	Recognizing on-behalf payments for pensions GASB 85
Support and Innovation	164,728	Additional assessments revenues received
Housing Authority	75,547	Recognizing on-behalf payments for pensions GASB 85
West Bank TID Bonds	750,000	Activated reserves for capital improvements for City Commission approved project
Downtown TID Bonds	85,570	Debt service payments
General Capital Improvements	129,000	Additional revenue received for capital improvements for City Commission approved projects
Downtown TID	5,547,752	Capital improvements from sale of bonds
Sanitation	254,303	Capital outlay from insurance recoveries and reserves
911 Dispatch Center	160,456	Public safety grant
911 Dispatch Center	218,454	Recognizing on-behalf payments for pensions GASB 68

b. Excess of Expenditures Over Appropriations

There were no excess expenditures over appropriations in the Governmental Funds.

Special Revenue Funds

Special revenue funds account for resources and expenditures which are designated by law or contractual agreement for specified functions or activities and are legally required to be accounted for in separate funds.

Park & Recreation Fund – This fund is used to account for donations and contributions related to Parks and Recreation, including Park Land “Trust”, and special events operated by Park and Recreation.

Parkland Trust Fund – This fund is used to account for payments in lieu of parkland that are received.

Library Fund – This fund is used to account for fund operations for the Great Falls Public Library.

Library Foundation Fund – This fund is used to account for restricted and unrestricted donations for the Great Falls Public Library.

Planning & Community Development Fund – This fund is used to account for fund operations for the City’s Planning and Community Development (PCD) Department. The Department accounts for subdivision reviews, annexations, re-zoning, transportation planning, historic preservation, and other related planning services within the City of Great Falls incorporated limits.

Central Montana Ag Tech Park TID Fund – This fund is used to account for fund operations to encourage industrial growth by providing tax increment financing from the Central MT Ag Tech Tax Increment District.

Airport TID Fund – This fund is used to account for special revenue derived from the Airport Tax Increment District.

Downtown TID Fund – This fund is used to account for revenue derived from the Downtown Urban Renewal District.

East Industrial Ag Tech Park TID Fund - This fund is used to account for revenue derived from the East Industrial Ag Tech Park Tax Increment District.

Economic Revolving Fund – This fund is used to account for economic development activities including the pass-through grants from the Big Sky Economic Development grants.

Permits Fund – This fund is used to account for the revenues and expenses associated with the building permit process of the City.

Natural Resources Fund – This fund is used to account for fund operations to provide arboriculture, horticultural, and natural resource services in all public property and right-of-ways within the City of Great Falls.

Portage Meadows Fund – The purpose of this fund is to maintain the grass, trees, and irrigation system, and to provide snow removal in the green belt park of Portage Meadows Addition. The City created a special improvement maintenance district and assesses the property owners for the maintenance costs.

Park Maintenance District Fund – The fund accounts for special assessment revenues received for the District and expenses associated with identified park and recreation projects of the District.

Support & Innovation Fund – This fund is used to account for general government support provided to governmental and quasi-governmental entities which operate under their own policy-making boards. This includes the assessments raised by the Business Improvement District and the Tourism Business Improvement District.

Gas Tax BaRSAA Fund – This fund is used to account for gas tax revenue received from the increased tax of the Bridge and Road Safety Accountability Act. Revenue is used for street maintenance capital projects.

911 Special Revenue Fund – This fund is used to account for the shares of telephone charges received to support 911 emergency telephone services. The City operates a regional 911 emergency telephone center.

Special Revenue Funds (Continued)

Police Special Revenue Fund – This fund is used to account for drug forfeitures, court judgments, crime prevention education, and other contributions or donations to the Police Department.

HIDTA Special Revenue Fund – This fund is used to account for the High Intensity Drug Trafficking Area task force. HIDTA is funded through a Grant by the Office of National Drug Control Policy (ONDCP).

Fire Special Revenue Fund – This fund is used to account for donations and miscellaneous grants to the Fire Department for fire prevention and education.

Home Grant Fund – This fund is used to account for the federal grant funds received through the HOME Investment Partnership Program to expand the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing for very low to low income people.

Housing Authority Fund – This fund is used to account for staff to manage the Housing Authority. The City of Great Falls provides staff and management to the Great Falls Housing Authority Board of Commissioners, through a contractual agreement, to manage and operate public housing in Great Falls and Section 8 vouchers and certificates.

Street Lighting Districts Fund – This fund is used to account for the collection of assessments and subsequent payment of special lighting district costs.

Debt Service Funds

The debt service funds account for the accumulation of resources for the payment of principal and interest on debt such as general obligation, tax increment, and special assessment.

Soccer Park GO Bond Fund – This fund is used to account for General Obligation Bonds Series 2004 payable for construction of the Electric City Soccer Park. The bonds were refinanced in 2014 and are now General Obligation Bonds Series 2014A.

West Bank TID Bonds Fund – This fund is used to account for the debt of the West Bank Park Urban Renewal District.

Downtown TID Bonds – This fund is used to account for the debt of the Downtown Tax Increment District. Debt was issued April 6, 2021 and is scheduled to be paid off on July 1, 2040.

General Obligation Taxable Bonds Fund - This fund is used to account for the debt of the refinancing of the general obligation taxable bonds that were used to finance the Highwood Generating Station Feasibility Study.

SID Bonds Fund – This fund is used to account for bonded indebtedness on Special Improvement Districts (SIDs).

Master Debt SILD Fund – This fund is used to account for City owned and operated new lighting districts debt.

Capital Projects Funds

The capital projects funds account for the financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

General Capital Projects Fund – This fund is used to account for general purpose funds dedicated to capital projects.

Improvement District Projects Fund – This fund is used to account for general improvement capital projects financed by special assessments.

Downtown TID – This fund is used to account for the Civic Center Façade project, which was paid for by bonds issued from the Downtown TID Bonds Fund.

Hazard Removal Fund – This fund is used to account for fund operations for accomplishing the removal of dangerous buildings and the cleanup of problem properties when the property owner is financially unable or unwilling to correct the problem.

City of Great Falls, Montana
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

Special Revenue Funds

	Park & Recreation	Parkland Trust	Library	Library Foundation	Planning & Community Development
Assets					
Cash and investments	\$ 774,003	\$ 134,334	\$ 574,568	\$ 326,018	\$ 774
Restricted cash and investments	-	-	101,880	-	-
Receivables					
Taxes	-	-	98,242	-	-
Special assessments	-	-	-	-	-
Accounts	4,000	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	138,259	-	-	-	-
Due from other governments	-	-	420	-	97,768
Other assets	-	-	-	-	-
Total assets	\$ 916,262	\$ 134,334	\$ 775,110	\$ 326,018	\$ 98,542
Liabilities					
Accounts payable	\$ 9,033	\$ -	\$ 48,547	\$ 29,997	\$ 35,184
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	12,545
Total liabilities	9,033	-	48,547	29,997	47,729
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	73,975	-	-
Unavailable revenue-special assessments	-	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	-	-	73,975	-	-
Fund Balances					
Restricted	-	-	-	296,021	-
Assigned	907,229	134,334	652,588	-	50,813
Total fund balances	907,229	134,334	652,588	296,021	50,813
Total liabilities, deferred inflows of resources, and fund balances	\$ 916,262	\$ 134,334	\$ 775,110	\$ 326,018	\$ 98,542

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2021

Special Revenue Funds - continued

	Central Montana Ag Tech Park TID	Airport TID	Downtown TID	East Industrial Ag Tech Park TID	Economic Revolving
Assets					
Cash and investments	\$ 1,384,066	\$ 193,255	\$ 2,391,084	\$ 110,638	\$ 4,812
Restricted cash and investments	48,113	-	-	-	-
Receivables					
Taxes	47,007	2,419	-	20,472	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	-	24	-	-	-
Other assets	-	-	-	-	15,615
Total assets	\$ 1,479,186	\$ 195,698	\$ 2,391,084	\$ 131,110	\$ 20,427
Liabilities					
Accounts payable	\$ 32,002	\$ -	\$ -	\$ -	\$ -
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	32,002	-	-	-	-
Deferred inflows of resources					
Unavailable revenue-property taxes	(295)	216	-	(1,360)	-
Unavailable revenue-special assessments	-	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	(295)	216	-	(1,360)	-
Fund Balances					
Restricted	1,447,479	195,482	2,391,084	132,470	15,615
Assigned	-	-	-	-	4,812
Total fund balances	1,447,479	195,482	2,391,084	132,470	20,427
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,479,186	\$ 195,698	\$ 2,391,084	\$ 131,110	\$ 20,427

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2021

Special Revenue Funds - continued

	Permits	Natural Resources	Portage Meadows	Park Maintenance District	Support & Innovation
Assets					
Cash and investments	\$ 575,363	\$ 355,171	\$ 91,231	\$ 1,476,875	\$ 210,937
Restricted cash and investments	-	31,886	-	-	-
Receivables					
Taxes	-	-	-	-	-
Special assessments	-	19,052	1,069	37,220	14,139
Accounts	-	1,824	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	-	449	20	879	371
Other assets	-	-	-	-	-
Total assets	<u>\$ 575,363</u>	<u>\$ 408,382</u>	<u>\$ 92,320</u>	<u>\$ 1,514,974</u>	<u>\$ 225,447</u>
Liabilities					
Accounts payable	\$ 43,951	\$ 47,669	\$ -	\$ 438,338	\$ 152,434
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>43,951</u>	<u>47,669</u>	<u>-</u>	<u>438,338</u>	<u>152,434</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	-	-	-
Unavailable revenue-special assessments	-	7,246	511	11,967	4,803
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>7,246</u>	<u>511</u>	<u>11,967</u>	<u>4,803</u>
Fund Balances					
Restricted	-	353,467	91,809	1,064,669	-
Assigned	531,412	-	-	-	68,210
Total fund balances	<u>531,412</u>	<u>353,467</u>	<u>91,809</u>	<u>1,064,669</u>	<u>68,210</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 575,363</u>	<u>\$ 408,382</u>	<u>\$ 92,320</u>	<u>\$ 1,514,974</u>	<u>\$ 225,447</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2021

Special Revenue Funds - continued

	Gas Tax BaRSAA	911 Special Revenue	Police Special Revenue	HIDTA Special Revenue	Fire Special Revenue
Assets					
Cash and investments	\$ 908,993	\$ 887,227	\$ 317,115	\$ -	\$ 56,885
Restricted cash and investments	-	-	-	-	-
Receivables					
Taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	1,950	-	1,650
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	4,695	-	-
Due from other governments	-	-	-	111,439	2,650
Other assets	-	-	-	-	-
Total assets	\$ 908,993	\$ 887,227	\$ 323,760	\$ 111,439	\$ 61,185
Liabilities					
Accounts payable	\$ -	\$ -	\$ 27,058	\$ 3,552	\$ 330
Due to other city funds	-	-	-	4,695	-
Other liabilities	-	-	84,267	19,522	-
Total liabilities	-	-	111,325	27,769	330
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	-	-	-
Unavailable revenue-special assessments	-	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances					
Restricted	908,993	-	-	-	-
Assigned	-	887,227	212,435	83,670	60,855
Total fund balances	908,993	887,227	212,435	83,670	60,855
Total liabilities, deferred inflows of resources, and fund balances	\$ 908,993	\$ 887,227	\$ 323,760	\$ 111,439	\$ 61,185

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds - continued			Debt Service Funds	
	Home Grant	Housing Authority	Street Lighting Districts	Soccer Park GO Bond	West Bank TID Bonds
Assets					
Cash and investments	\$ 72,759	\$ -	\$ 1,816,286	\$ 51,455	\$ 232,678
Restricted cash and investments	-	-	-	-	353,993
Receivables					
Taxes	-	-	-	6,491	13,521
Special assessments	-	-	42,552	-	-
Accounts	-	-	-	-	-
Accrued interest	-	-	552	-	-
Loans	40,000	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	3,655	53,420	967	80	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 116,414</u>	<u>\$ 53,420</u>	<u>\$ 1,860,357</u>	<u>\$ 58,026</u>	<u>\$ 600,192</u>
Liabilities					
Accounts payable	\$ 941	\$ 53,420	\$ 200,369	\$ -	\$ -
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>941</u>	<u>53,420</u>	<u>200,369</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	-	1,852	1,641
Unavailable revenue-special assessments	-	-	14,438	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	40,000	-	-	-	-
Total deferred inflows of resources	<u>40,000</u>	<u>-</u>	<u>14,438</u>	<u>1,852</u>	<u>1,641</u>
Fund Balances					
Restricted	75,473	-	1,645,550	56,174	598,551
Assigned	-	-	-	-	-
Total fund balances	<u>75,473</u>	<u>-</u>	<u>1,645,550</u>	<u>56,174</u>	<u>598,551</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 116,414</u>	<u>\$ 53,420</u>	<u>\$ 1,860,357</u>	<u>\$ 58,026</u>	<u>\$ 600,192</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2021

	Debt Service Funds - continued				Capital Projects Funds
	Downtown TID Bonds	General Obligation Taxable Bonds	SID Bonds	Master Debt SILD	General Capital Projects
Assets					
Cash and investments	\$ 687,616	\$ 9,617	\$ 47,098	\$ 43,490	\$ 446,014
Restricted cash and investments	414,150	-	-	-	-
Receivables					
Taxes	183,693	-	-	-	-
Special assessments	-	-	-	38,404	-
Accounts	-	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	1,517	-	-	25	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 1,286,976</u>	<u>\$ 9,617</u>	<u>\$ 47,098</u>	<u>\$ 81,919</u>	<u>\$ 446,014</u>
Liabilities					
Accounts payable	\$ -	\$ 350	\$ -	\$ -	\$ 58,894
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>350</u>	<u>-</u>	<u>-</u>	<u>58,894</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	100,377	-	-	-	-
Unavailable revenue-special assessments	-	-	-	37,727	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	<u>100,377</u>	<u>-</u>	<u>-</u>	<u>37,727</u>	<u>-</u>
Fund Balances					
Restricted	1,186,599	9,267	47,098	44,192	-
Assigned	-	-	-	-	387,120
Total fund balances	<u>1,186,599</u>	<u>9,267</u>	<u>47,098</u>	<u>44,192</u>	<u>387,120</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,286,976</u>	<u>\$ 9,617</u>	<u>\$ 47,098</u>	<u>\$ 81,919</u>	<u>\$ 446,014</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Concluded)
Nonmajor Governmental Funds
June 30, 2021

Capital Projects Funds - continued

	Improvement District Projects	Downtown TID	Hazard Removal	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 5,814	\$ 5,339,202	\$ 44,846	\$ 19,570,224
Restricted cash and investments	-	-	-	950,022
Receivables				
Taxes	-	-	-	371,845
Special assessments	-	-	39,457	191,893
Accounts	-	-	-	9,424
Accrued interest	-	-	-	552
Loans	-	-	-	40,000
Due from other city funds	-	-	-	142,954
Due from other governments	-	-	-	273,684
Other assets	-	-	-	15,615
Total assets	<u>\$ 5,814</u>	<u>\$ 5,339,202</u>	<u>\$ 84,303</u>	<u>\$ 21,566,213</u>
Liabilities				
Accounts payable	\$ -	\$ 315,415	\$ -	\$ 1,497,484
Due to other city funds	-	-	-	4,695
Other liabilities	-	-	-	116,334
Total liabilities	<u>-</u>	<u>315,415</u>	<u>-</u>	<u>1,618,513</u>
Deferred inflows of resources				
Unavailable revenue-property taxes	-	-	-	176,406
Unavailable revenue-special assessments	-	-	-	76,692
Unavailable revenue-liens	-	-	39,457	39,457
Unavailable revenue-grants	-	-	-	40,000
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>39,457</u>	<u>332,555</u>
Fund Balances				
Restricted	-	5,023,787	-	15,583,780
Assigned	5,814	-	44,846	4,031,365
Total fund balances	<u>5,814</u>	<u>5,023,787</u>	<u>44,846</u>	<u>19,615,145</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,814</u>	<u>\$ 5,339,202</u>	<u>\$ 84,303</u>	<u>\$ 21,566,213</u>

City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds

	Park & Recreation	Parkland Trust	Library	Library Foundation	Planning & Community Development
Revenues					
Taxes	\$ -	\$ -	\$ 885,465	\$ -	\$ -
Licenses and permits	-	-	-	-	101,775
Intergovernmental	-	-	278,047	28,998	498,102
Charges for services	485	-	26,011	-	80,140
Fines and forfeitures	-	-	6,262	-	-
Internal services	-	-	-	-	82,845
Special assessments	-	-	-	-	-
Investment income	(1,093)	441	1,505	1,190	620
Other	295,879	-	142,302	267,064	27,550
Total revenues	<u>295,271</u>	<u>441</u>	<u>1,339,592</u>	<u>297,252</u>	<u>791,032</u>
Expenditures					
Current					
General government	-	-	-	-	1,237,298
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	55,934	-	1,465,398	364,269	-
Housing & development	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	285,970	-	128,917	32,134	-
Total expenditures	<u>341,904</u>	<u>-</u>	<u>1,594,315</u>	<u>396,403</u>	<u>1,237,298</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(46,633)</u>	<u>441</u>	<u>(254,723)</u>	<u>(99,151)</u>	<u>(446,266)</u>
Other financing sources (uses)					
Transfers in	-	-	350,000	-	271,932
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>271,932</u>
Net change in fund balances	<u>(46,633)</u>	<u>441</u>	<u>95,277</u>	<u>(99,151)</u>	<u>(174,334)</u>
Fund balances - beginning	953,862	133,893	557,311	395,172	225,147
Fund balances - ending	<u>\$ 907,229</u>	<u>\$ 134,334</u>	<u>\$ 652,588</u>	<u>\$ 296,021</u>	<u>\$ 50,813</u>

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City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	Central Montana Ag Tech Park TID	Airport TID	Downtown TID	East Industrial Ag Tech Park TID	Economic Revolving
Revenues					
Taxes	\$ 367,750	\$ 99,609	\$ 744,992	\$ 512,781	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	1,759	11	-	-	45,000
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	-	-	-	-	-
Special assessments	-	-	-	-	-
Investment income	5,099	481	6,894	258	16
Other	-	-	-	-	-
Total revenues	<u>374,608</u>	<u>100,101</u>	<u>751,886</u>	<u>513,039</u>	<u>45,016</u>
Expenditures					
Current					
General government	18,362	22,769	122,893	15,864	45,000
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	-
Debt service					
Principal	60,000	-	-	-	-
Interest	31,155	-	-	-	-
Capital outlay	781,402	-	21,324	437,579	-
Total expenditures	<u>890,919</u>	<u>22,769</u>	<u>144,217</u>	<u>453,443</u>	<u>45,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(516,311)</u>	<u>77,332</u>	<u>607,669</u>	<u>59,596</u>	<u>16</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Issuance of debt	461,857	-	-	-	-
Total other financing sources (uses)	<u>461,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(54,454)	77,332	607,669	59,596	16
Fund balances - beginning	<u>1,501,933</u>	<u>118,150</u>	<u>1,783,415</u>	<u>72,874</u>	<u>20,411</u>
Fund balances - ending	<u>\$ 1,447,479</u>	<u>\$ 195,482</u>	<u>\$ 2,391,084</u>	<u>\$ 132,470</u>	<u>\$ 20,427</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	Permits	Natural Resources	Portage Meadows	Park Maintenance District	Support & Innovation
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	992,934	-	-	-	-
Intergovernmental	53,250	30,219	-	-	-
Charges for services	-	14,000	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	18,246	1,000	-	-	-
Special assessments	-	410,365	65,193	1,507,598	892,189
Investment income	(895)	1,124	297	5,458	316
Other	17,194	9,068	-	30,600	-
Total revenues	1,080,729	465,776	65,490	1,543,656	892,505
Expenditures					
Current					
General government	-	-	-	-	920,952
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	704,905	49,165	292,649	-
Housing & development	1,397,171	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	66,721	-	1,790,201	-
Total expenditures	1,397,171	771,626	49,165	2,082,850	920,952
Excess (deficiency) of revenues over (under) expenditures	(316,442)	(305,850)	16,325	(539,194)	(28,447)
Other financing sources (uses)					
Transfers in	-	256,277	-	-	-
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	-	256,277	-	-	-
Net change in fund balances	(316,442)	(49,573)	16,325	(539,194)	(28,447)
Fund balances - beginning	847,854	403,040	75,484	1,603,863	96,657
Fund balances - ending	\$ 531,412	\$ 353,467	\$ 91,809	\$ 1,064,669	\$ 68,210

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City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	Gas Tax BaRSAA	911 Special Revenue	Police Special Revenue	HIDTA Special Revenue	Fire Special Revenue
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	569,438	42,811	217,372	53,833
Charges for services	-	-	11,358	-	6,048
Fines and forfeitures	-	-	55,302	9,585	-
Internal services	-	-	-	-	-
Special assessments	-	-	-	-	-
Investment income	3,346	2,600	1,083	234	104
Other	-	-	1,170	30,724	7,268
Total revenues	<u>3,346</u>	<u>572,038</u>	<u>111,724</u>	<u>257,915</u>	<u>67,253</u>
Expenditures					
Current					
General government	-	-	-	-	-
Public safety	-	135,630	123,997	197,375	55,815
Public works	285,441	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	726,162	-	-	-	-
Total expenditures	<u>1,011,603</u>	<u>135,630</u>	<u>123,997</u>	<u>197,375</u>	<u>55,815</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,008,257)</u>	<u>436,408</u>	<u>(12,273)</u>	<u>60,540</u>	<u>11,438</u>
Other financing sources (uses)					
Transfers in	50,000	-	-	-	-
Transfers out	-	(344,591)	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	<u>50,000</u>	<u>(344,591)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(958,257)	91,817	(12,273)	60,540	11,438
Fund balances - beginning	<u>1,867,250</u>	<u>795,410</u>	<u>224,708</u>	<u>23,130</u>	<u>49,417</u>
Fund balances - ending	<u>\$ 908,993</u>	<u>\$ 887,227</u>	<u>\$ 212,435</u>	<u>\$ 83,670</u>	<u>\$ 60,855</u>

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City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	<u>Special Revenue Funds - continued</u>			<u>Debt Service Funds</u>	
	<u>Home Grant</u>	<u>Housing Authority</u>	<u>Street Lighting Districts</u>	<u>Soccer Park GO Bond</u>	<u>West Bank TID Bonds</u>
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 169,247	\$ 876,250
Licenses and permits	-	-	-	-	-
Intergovernmental	24,472	75,547	-	232	2,342
Charges for services	-	1,421,581	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	-	-	-	-	-
Special assessments	-	-	1,132,503	-	-
Investment income	-	-	1,135	312	2,788
Other	-	-	600	-	-
Total revenues	<u>24,472</u>	<u>1,497,128</u>	<u>1,134,238</u>	<u>169,791</u>	<u>881,380</u>
Expenditures					
Current					
General government	-	1,497,128	1,329,221	4,514	67,066
Public safety	-	-	-	-	-
Public works	-	-	16,857	-	-
Culture and recreation	-	-	-	-	-
Housing & development	83,245	-	-	-	-
Debt service					
Principal	-	-	-	150,000	125,000
Interest	-	-	-	14,749	135,710
Capital outlay	-	-	-	-	750,000
Total expenditures	<u>83,245</u>	<u>1,497,128</u>	<u>1,346,078</u>	<u>169,263</u>	<u>1,077,776</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(58,773)</u>	<u>-</u>	<u>(211,840)</u>	<u>528</u>	<u>(196,396)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(58,773)	-	(211,840)	528	(196,396)
Fund balances - beginning	<u>134,246</u>	<u>-</u>	<u>1,857,390</u>	<u>55,646</u>	<u>794,947</u>
Fund balances - ending	<u>\$ 75,473</u>	<u>\$ -</u>	<u>\$ 1,645,550</u>	<u>\$ 56,174</u>	<u>\$ 598,551</u>

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City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Debt Service Funds - continued				Capital Projects Funds
	General Obligation			Master Debt SILD	General Capital Projects
	Downtown TID Bonds	Taxable Bonds	SID Bonds		
Revenues					
Taxes	\$ 858,061	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	-	-	-	-	-
Special assessments	-	-	-	14,341	-
Investment income	193	228	40	125	2,743
Other	-	-	179,687	-	133,237
Total revenues	<u>858,254</u>	<u>228</u>	<u>179,727</u>	<u>14,466</u>	<u>135,980</u>
Expenditures					
Current					
General government	235	-	222,954	-	728,322
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	-
Debt service					
Principal	50,000	135,000	35,000	2,813	-
Interest	35,570	9,845	875	533	-
Capital outlay	-	-	-	-	19,295
Total expenditures	<u>85,805</u>	<u>144,845</u>	<u>258,829</u>	<u>3,346</u>	<u>747,617</u>
Excess (deficiency) of revenues over (under) expenditures	<u>772,449</u>	<u>(144,617)</u>	<u>(79,102)</u>	<u>11,120</u>	<u>(611,637)</u>
Other financing sources (uses)					
Transfers in	-	144,846	-	-	-
Transfers out	-	-	-	-	-
Issuance of debt	414,150	-	-	-	-
Total other financing sources (uses)	<u>414,150</u>	<u>144,846</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,186,599	229	(79,102)	11,120	(611,637)
Fund balances - beginning	-	9,038	126,200	33,072	998,757
Fund balances - ending	<u>\$ 1,186,599</u>	<u>\$ 9,267</u>	<u>\$ 47,098</u>	<u>\$ 44,192</u>	<u>\$ 387,120</u>

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City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances (Concluded)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Capital Projects Funds - continued

	Improvement District Projects	Downtown TID	Hazard Removal	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 4,514,155
Licenses and permits	-	-	-	1,094,709
Intergovernmental	-	-	-	1,921,433
Charges for services	-	-	-	1,559,623
Fines and forfeitures	-	-	-	71,149
Internal services	-	-	-	102,091
Special assessments	-	-	-	4,022,189
Investment income	19	2,475	150	39,286
Other	-	-	-	1,142,343
Total revenues	19	2,475	150	14,466,978
Expenditures				
Current				
General government	-	-	-	6,232,578
Public safety	-	-	-	512,817
Public works	-	-	-	302,298
Culture and recreation	-	-	-	2,932,320
Housing & development	-	46,528	1,260	1,528,204
Debt service				
Principal	-	-	-	557,813
Interest	-	-	-	228,437
Capital outlay	-	479,912	-	5,519,617
Total expenditures	-	526,440	1,260	17,814,084
Excess (deficiency) of revenues over (under) expenditures	19	(523,965)	(1,110)	(3,347,106)
Other financing sources (uses)				
Transfers in	-	-	-	1,073,055
Transfers out	-	-	-	(344,591)
Issuance of debt	-	5,547,752	-	6,423,759
Total other financing sources (uses)	-	5,547,752	-	7,152,223
Net change in fund balances	19	5,023,787	(1,110)	3,805,117
Fund balances - beginning	5,795	-	45,956	15,810,028
Fund balances - ending	\$ 5,814	\$ 5,023,787	\$ 44,846	\$ 19,615,145

City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds

	Park & Recreation		Parkland Trust	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	274,450	-	-	-
Charges for services	1,000	485	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	(1,093)	-	441
Other	39,600	295,879	-	-
Total revenues	<u>315,050</u>	<u>295,271</u>	<u>-</u>	<u>441</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	134,618	55,934	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	460,074	285,970	-	-
Total expenditures	<u>594,692</u>	<u>341,904</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>(279,642)</u>	<u>(46,633)</u>	<u>-</u>	<u>441</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ (279,642)</u>	<u>(46,633)</u>	<u>\$ -</u>	<u>441</u>
Fund balance - beginning		<u>953,862</u>		<u>133,893</u>
Fund balance - ending		<u>\$ 907,229</u>		<u>\$ 134,334</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	Library		Library Foundation	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 834,000	\$ 885,465	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	275,422	278,047	-	28,998
Charges for services	35,100	26,011	-	-
Fines and forfeitures	7,000	6,262	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	2,500	1,505	1,100	1,190
Other	151,955	142,302	118,775	267,064
Total revenues	1,305,977	1,339,592	119,875	297,252
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	1,221,526	1,196,670	-	-
Operations and maintenance	291,096	268,728	391,539	364,269
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	128,917	128,917	11,500	32,134
Total expenditures	1,641,539	1,594,315	403,039	396,403
Revenues over (under) expenditures	(335,562)	(254,723)	(283,164)	(99,151)
Other financing sources (uses)				
Transfers in	350,000	350,000	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	350,000	350,000	-	-
Net changes in fund balance	\$ 14,438	95,277	\$ (283,164)	(99,151)
Fund balance - beginning		557,311		395,172
Fund balance - ending		\$ 652,588		\$ 296,021

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue Funds - continued			
	Planning & Community Development		Central Montana Ag Tech Park TID	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ 367,750	\$ 367,750
Licenses and permits	101,155	101,775	-	-
Intergovernmental	591,229	498,102	-	1,759
Charges for services	245,489	80,140	-	-
Fines and forfeitures	-	-	-	-
Internal services	183,267	82,845	-	-
Special assessments	-	-	-	-
Investment income	-	620	-	5,099
Other	30,000	27,550	-	-
	<u>1,151,140</u>	<u>791,032</u>	<u>367,750</u>	<u>374,608</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	1,008,247	883,190	-	-
Operations and maintenance	395,525	354,108	18,362	18,362
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	60,000	60,000
Interest	-	-	36,401	31,155
Capital outlay	-	-	790,533	781,402
	<u>1,403,772</u>	<u>1,237,298</u>	<u>905,296</u>	<u>890,919</u>
Total expenditures				
Revenues over (under) expenditures	<u>(252,632)</u>	<u>(446,266)</u>	<u>(537,546)</u>	<u>(516,311)</u>
Other financing sources (uses)				
Transfers in	271,932	271,932	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	507,080	461,857
Total other financing sources (uses)	<u>271,932</u>	<u>271,932</u>	<u>507,080</u>	<u>461,857</u>
Net changes in fund balance	<u>\$ 19,300</u>	<u>(174,334)</u>	<u>\$ (30,466)</u>	<u>(54,454)</u>
Fund balance - beginning		<u>225,147</u>		<u>1,501,933</u>
Fund balance - ending		<u>\$ 50,813</u>		<u>\$ 1,447,479</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	<u>Airport TID</u>		<u>Downtown TID</u>	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues				
Taxes	\$ 99,544	\$ 99,609	\$ 1,184,000	\$ 744,992
Licenses and permits	-	-	-	-
Intergovernmental	-	11	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	481	-	6,894
Other	-	-	-	-
	<u>99,544</u>	<u>100,101</u>	<u>1,184,000</u>	<u>751,886</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	46,206	22,769	89,949	122,893
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	107,383	-	205,109	21,324
	<u>153,589</u>	<u>22,769</u>	<u>295,058</u>	<u>144,217</u>
Total expenditures				
Revenues over (under) expenditures	<u>(54,045)</u>	<u>77,332</u>	<u>888,942</u>	<u>607,669</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ (54,045)</u>	<u>77,332</u>	<u>\$ 888,942</u>	<u>607,669</u>
Fund balance - beginning		<u>118,150</u>		<u>1,783,415</u>
Fund balance - ending		<u>\$ 195,482</u>		<u>\$ 2,391,084</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	East Industrial Ag		Economic Revolving	
	Tech Park TID			
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 512,577	\$ 512,781	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	45,000	45,000
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	258	-	16
Other	-	-	-	-
Total revenues	<u>512,577</u>	<u>513,039</u>	<u>45,000</u>	<u>45,016</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	15,864	15,864	45,000	45,000
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	468,473	437,579	-	-
Total expenditures	<u>484,337</u>	<u>453,443</u>	<u>45,000</u>	<u>45,000</u>
Revenues over (under) expenditures	<u>28,240</u>	<u>59,596</u>	<u>-</u>	<u>16</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ 28,240</u>	<u>59,596</u>	<u>\$ -</u>	<u>16</u>
Fund balance - beginning		<u>72,874</u>		<u>20,411</u>
Fund balance - ending		<u>\$ 132,470</u>		<u>\$ 20,427</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	<u>Permits</u>		<u>Natural Resources</u>	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	947,475	992,934	-	-
Intergovernmental	52,883	53,250	30,219	30,219
Charges for services	-	-	14,000	14,000
Fines and forfeitures	-	-	-	-
Internal services	18,246	18,246	1,000	1,000
Special assessments	-	-	431,617	410,365
Investment income	-	(895)	-	1,124
Other	15,000	17,194	2,000	9,068
	<u>1,033,604</u>	<u>1,080,729</u>	<u>478,836</u>	<u>465,776</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	498,585	484,123
Operations and maintenance	-	-	453,392	220,782
Housing and development				
Personal services	1,064,901	1,048,426	-	-
Operations and maintenance	349,860	348,745	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	235,083	-	66,720	66,721
	<u>1,649,844</u>	<u>1,397,171</u>	<u>1,018,697</u>	<u>771,626</u>
Total expenditures				
Revenues over (under) expenditures	<u>(616,240)</u>	<u>(316,442)</u>	<u>(539,861)</u>	<u>(305,850)</u>
Other financing sources (uses)				
Transfers in	-	-	256,277	256,277
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>256,277</u>	<u>256,277</u>
Net changes in fund balance	<u>\$ (616,240)</u>	<u>(316,442)</u>	<u>\$ (283,584)</u>	<u>(49,573)</u>
Fund balance - beginning		<u>847,854</u>		<u>403,040</u>
Fund balance - ending		<u>\$ 531,412</u>		<u>\$ 353,467</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	<u>Portage Meadows</u>		<u>Park Maintenance District</u>	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	65,252	65,193	1,500,000	1,507,598
Investment income	-	297	-	5,458
Other	-	-	-	30,600
	<u>65,252</u>	<u>65,490</u>	<u>1,500,000</u>	<u>1,543,656</u>
Total revenues	<u>65,252</u>	<u>65,490</u>	<u>1,500,000</u>	<u>1,543,656</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	16,081	3,263	270,072	198,264
Operations and maintenance	49,186	45,902	1,937,051	94,385
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	851,550	1,790,201
	<u>65,267</u>	<u>49,165</u>	<u>3,058,673</u>	<u>2,082,850</u>
Total expenditures	<u>65,267</u>	<u>49,165</u>	<u>3,058,673</u>	<u>2,082,850</u>
Revenues over (under) expenditures	<u>(15)</u>	<u>16,325</u>	<u>(1,558,673)</u>	<u>(539,194)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ (15)</u>	<u>16,325</u>	<u>\$ (1,558,673)</u>	<u>(539,194)</u>
Fund balance - beginning		<u>75,484</u>		<u>1,603,863</u>
Fund balance - ending		<u>\$ 91,809</u>		<u>\$ 1,064,669</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	<u>Support & Innovation</u>		<u>Gas Tax BaRSAA</u>	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	1,000,000	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	890,986	892,189	-	-
Investment income	-	316	-	3,346
Other	-	-	-	-
	<u>890,986</u>	<u>892,505</u>	<u>1,000,000</u>	<u>3,346</u>
Total revenues	<u>890,986</u>	<u>892,505</u>	<u>1,000,000</u>	<u>3,346</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	944,950	920,952	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	285,441
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	2,460,215	726,162
	<u>944,950</u>	<u>920,952</u>	<u>2,460,215</u>	<u>1,011,603</u>
Total expenditures	<u>944,950</u>	<u>920,952</u>	<u>2,460,215</u>	<u>1,011,603</u>
Revenues over (under) expenditures	<u>(53,964)</u>	<u>(28,447)</u>	<u>(1,460,215)</u>	<u>(1,008,257)</u>
Other financing sources (uses)				
Transfers in	-	-	50,000	50,000
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Net changes in fund balance	<u>\$ (53,964)</u>	<u>(28,447)</u>	<u>\$ (1,410,215)</u>	<u>(958,257)</u>
Fund balance - beginning		<u>96,657</u>		<u>1,867,250</u>
Fund balance - ending		<u>\$ 68,210</u>		<u>\$ 908,993</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	911 Special Revenue		Police Special Revenue	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	612,447	569,438	29,711	42,811
Charges for services	-	-	12,633	11,358
Fines and forfeitures	-	-	55,302	55,302
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	2,600	-	1,083
Other	-	-	-	1,170
Total revenues	612,447	572,038	97,646	111,724
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	135,630	135,630	124,185	123,997
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	135,630	135,630	124,185	123,997
Revenues over (under) expenditures	476,817	436,408	(26,539)	(12,273)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(346,674)	(344,591)	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	(346,674)	(344,591)	-	-
Net changes in fund balance	\$ 130,143	91,817	\$ (26,539)	(12,273)
Fund balance - beginning		795,410		224,708
Fund balance - ending		\$ 887,227		\$ 212,435

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	HIDTA Special Revenue		Fire Special Revenue	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	216,975	217,372	51,183	53,833
Charges for services	-	-	6,500	6,048
Fines and forfeitures	9,585	9,585	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	234	-	104
Other	30,724	30,724	4,168	7,268
Total revenues	<u>257,284</u>	<u>257,915</u>	<u>61,851</u>	<u>67,253</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	70,354	77,456	-	-
Operation and maintenance	127,081	119,919	55,815	55,815
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>197,435</u>	<u>197,375</u>	<u>55,815</u>	<u>55,815</u>
Revenues over (under) expenditures	<u>59,849</u>	<u>60,540</u>	<u>6,036</u>	<u>11,438</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ 59,849</u>	<u>60,540</u>	<u>\$ 6,036</u>	<u>11,438</u>
Fund balance - beginning		<u>23,130</u>		<u>49,417</u>
Fund balance - ending		<u>\$ 83,670</u>		<u>\$ 60,855</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Special Revenue Funds - continued

	<u>Home Grant</u>		<u>Housing Authority</u>	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	280,426	24,472	75,547	75,547
Charges for services	-	-	1,560,383	1,421,581
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	<u>280,426</u>	<u>24,472</u>	<u>1,635,930</u>	<u>1,497,128</u>
Expenditures				
Current				
General government				
Personal services	-	-	1,605,128	1,466,272
Operations and maintenance	-	-	30,802	30,856
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	23,173	23,251	-	-
Operations and maintenance	257,253	59,994	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>280,426</u>	<u>83,245</u>	<u>1,635,930</u>	<u>1,497,128</u>
Revenues over (under) expenditures	<u>-</u>	<u>(58,773)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ -</u>	<u>(58,773)</u>	<u>\$ -</u>	<u>-</u>
Fund balance - beginning		<u>134,246</u>		<u>-</u>
Fund balance - ending		<u>\$ 75,473</u>		<u>\$ -</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	<u>Special Revenue Funds</u>		<u>Debt Service Funds</u>	
	<u>Street Lighting Districts</u>		<u>Soccer Park GO Bond</u>	
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues				
Taxes	\$ -	\$ -	\$ 164,500	\$ 169,247
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	232
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	1,123,242	1,132,503	-	-
Investment income	-	1,135	-	312
Other	-	600	-	-
	<u>1,123,242</u>	<u>1,134,238</u>	<u>164,500</u>	<u>169,791</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	1,389,287	1,329,221	4,515	4,514
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	40,848	16,857	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	150,000	150,000
Interest	-	-	14,750	14,749
Capital outlay	-	-	-	-
	<u>1,430,135</u>	<u>1,346,078</u>	<u>169,265</u>	<u>169,263</u>
Total expenditures				
Revenues over (under) expenditures	<u>(306,893)</u>	<u>(211,840)</u>	<u>(4,765)</u>	<u>528</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ (306,893)</u>	<u>(211,840)</u>	<u>\$ (4,765)</u>	<u>528</u>
Fund balance - beginning		<u>1,857,390</u>		<u>55,646</u>
Fund balance - ending		<u>\$ 1,645,550</u>		<u>\$ 56,174</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Debt Service Funds - continued

	West Bank TID Bonds		Downtown TID Bonds	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 876,167	\$ 876,250	\$ 858,062	\$ 858,061
Licenses and permits	-	-	-	-
Intergovernmental	4,684	2,342	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	529	2,788	-	193
Other	-	-	-	-
Total revenues	<u>881,380</u>	<u>881,380</u>	<u>858,062</u>	<u>858,254</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	67,066	67,066	235	235
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	125,000	125,000	50,000	50,000
Interest	135,791	135,710	35,570	35,570
Capital outlay	750,000	750,000	-	-
Total expenditures	<u>1,077,857</u>	<u>1,077,776</u>	<u>85,805</u>	<u>85,805</u>
Revenues over (under) expenditures	<u>(196,477)</u>	<u>(196,396)</u>	<u>772,257</u>	<u>772,449</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	414,150	414,150
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>414,150</u>	<u>414,150</u>
Net changes in fund balance	<u>\$ (196,477)</u>	<u>(196,396)</u>	<u>\$ 1,186,407</u>	<u>1,186,599</u>
Fund balance - beginning		<u>794,947</u>		<u>-</u>
Fund balance - ending		<u>\$ 598,551</u>		<u>\$ 1,186,599</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Debt Service Funds - continued

	General Obligation Taxable			
	Bonds		SID Bonds	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	228	-	40
Other	-	-	179,687	179,687
	<u>-</u>	<u>228</u>	<u>179,687</u>	<u>179,727</u>
Total revenues	-	228	179,687	179,727
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	221,754	222,954
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	135,000	135,000	35,000	35,000
Interest	9,846	9,845	3,350	875
Capital outlay	-	-	-	-
	<u>144,846</u>	<u>144,845</u>	<u>260,104</u>	<u>258,829</u>
Total expenditures	144,846	144,845	260,104	258,829
Revenues over (under) expenditures	<u>(144,846)</u>	<u>(144,617)</u>	<u>(80,417)</u>	<u>(79,102)</u>
Other financing sources (uses)				
Transfers in	144,846	144,846	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>144,846</u>	<u>144,846</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ -</u>	<u>229</u>	<u>\$ (80,417)</u>	<u>(79,102)</u>
Fund balance - beginning		<u>9,038</u>		<u>126,200</u>
Fund balance - ending		<u>\$ 9,267</u>		<u>\$ 47,098</u>

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Debt Service Funds		Capital Projects Funds	
	Master Debt SILD		General Capital Projects	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	15,984	14,341	-	-
Investment income	-	125	-	2,743
Other	-	-	129,000	133,237
Total revenues	15,984	14,466	129,000	135,980
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	134,940	728,322
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	2,813	2,813	-	-
Interest	533	533	-	-
Capital outlay	-	-	793,626	19,295
Total expenditures	3,346	3,346	928,566	747,617
Revenues over (under) expenditures	12,638	11,120	(799,566)	(611,637)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ 12,638	11,120	\$ (799,566)	(611,637)
Fund balance - beginning		33,072		998,757
Fund balance - ending		\$ 44,192		\$ 387,120

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

Capital Projects Funds - continued

	Improvement District Projects		Downtown TID	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	19	2,182	2,475
Other	-	-	-	-
Total revenues	-	19	2,182	2,475
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	46,528	46,528
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	5,501,224	479,912
Total expenditures	-	-	5,547,752	526,440
Revenues over (under) expenditures	-	19	(5,545,570)	(523,965)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	5,547,752	5,547,752
Total other financing sources (uses)	-	-	5,547,752	5,547,752
Net changes in fund balance	\$ -	19	\$ 2,182	5,023,787
Fund balance - beginning		5,795		-
Fund balance - ending		\$ 5,814		\$ 5,023,787

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City of Great Falls, Montana
Combining Schedule of Revenues, Expenditures
and Changes In Fund Balances
Budget and Actual (Concluded)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	<u>Capital Projects Funds</u>		<u>Total Nonmajor Governmental Funds</u>	
	<u>Hazard Removal</u>			
	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues				
Taxes	\$ -	\$ -	\$ 4,896,600	\$ 4,514,155
Licenses and permits	-	-	1,048,630	1,094,709
Intergovernmental	-	-	3,540,176	1,921,433
Charges for services	-	-	1,875,105	1,559,623
Fines and forfeitures	-	-	71,887	71,149
Internal services	-	-	202,513	102,091
Special assessments	-	-	4,011,097	4,022,189
Investment income	148	150	6,459	39,286
Other	-	-	700,909	1,142,343
	<u>148</u>	<u>150</u>	<u>16,353,376</u>	<u>14,466,978</u>
Total revenues				
	<u>148</u>	<u>150</u>	<u>16,353,376</u>	<u>14,466,978</u>
Expenditures				
Current				
General government				
Personal services	-	-	2,613,375	2,349,462
Operations and maintenance	-	-	3,404,690	3,883,116
Public safety				
Personal services	-	-	70,354	77,456
Operation and maintenance	-	-	442,711	435,361
Public works				
Operations and maintenance	-	-	40,848	302,298
Culture and recreation				
Personal services	-	-	2,006,264	1,882,320
Operations and maintenance	-	-	3,256,882	1,050,000
Housing and development				
Personal services	-	-	1,088,074	1,071,677
Operations and maintenance	1,261	1,260	654,902	456,527
Debt service				
Principal	-	-	605,000	557,813
Interest	-	-	271,278	228,437
Capital outlay	-	-	12,830,407	5,519,617
	<u>1,261</u>	<u>1,260</u>	<u>27,284,785</u>	<u>17,814,084</u>
Total expenditures				
	<u>1,261</u>	<u>1,260</u>	<u>27,284,785</u>	<u>17,814,084</u>
Revenues over (under) expenditures	<u>(1,113)</u>	<u>(1,110)</u>	<u>(10,931,409)</u>	<u>(3,347,106)</u>
Other financing sources (uses)				
Transfers in	-	-	1,073,055	1,073,055
Transfers out	-	-	(346,674)	(344,591)
Issuance of debt	-	-	6,883,132	6,423,759
	<u>-</u>	<u>-</u>	<u>7,609,513</u>	<u>7,152,223</u>
Total other financing sources (uses)				
	<u>-</u>	<u>-</u>	<u>7,609,513</u>	<u>7,152,223</u>
Net changes in fund balance	<u>\$ (1,113)</u>	<u>(1,110)</u>	<u>\$ (3,321,896)</u>	<u>3,805,117</u>
Fund balance - beginning		<u>45,956</u>		<u>15,810,028</u>
Fund balance - ending		<u>\$ 44,846</u>		<u>\$ 19,615,145</u>



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City of Great Falls, Montana
Nonmajor Enterprise Funds
Fund Descriptions

The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, or for operations where periodic determination of revenues, expenses and net income is considered desirable. These funds account for services rendered to the general public on a user charge basis.

Golf Courses Fund – This fund accounts for the operation of two eighteen-hole golf courses: Eagle Falls and Anaconda Hills.

Swimming Pools Fund – This fund is used to account for fund operations for operating three swimming pools.

911 Dispatch Center Fund – This fund is used to account for fund operations including the answering and dispatching of calls for County-wide law enforcements, fire and ambulance services.

Parking Fund – This fund is used to account for fund operations for public parking. The Planning & Community Development Department administers a management contract with SP Plus Corporation for the day-to-day operation of parking facilities and parking enforcement. The fund receipts and processes all citation-based revenue.

Recreation Fund – This fund is used to account for revenues and expenses related to the recreation center, recreation programs, and other miscellaneous fee-based recreation programs administered by Recreation Division.

Multi-Sports Fund – This fund is used to account for revenues and expenses related to a multi-sports complex.

Ice Breaker Run Fund – This fund is used to account for revenues and expenses related to the Ice Breaker road race.

Civic Center Events Fund – This fund is used to account for fund operations for the promotion and coordination of the use of the Civic Center arena, auditorium, ballroom, and Gibson Room.

City of Great Falls, Montana
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2021

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>	<u>Recreation</u>
Assets and deferred outflows of resources					
Assets					
Current assets					
Cash and investments	\$ -	\$ 396,684	\$ 2,399,186	\$ 80	\$ 100
Receivables					
Accounts	9,413	1,733	-	2,950	87,191
Inventories	58,623	-	-	-	-
Prepaid items	24,883				
Total current assets	<u>92,919</u>	<u>398,417</u>	<u>2,399,186</u>	<u>3,030</u>	<u>87,291</u>
Noncurrent assets					
Restricted cash and investments	-	-	-	-	-
Non-depreciable capital assets	1,362,597	-	-	863,397	5,449
Depreciable capital assets, net	453,200	121,847	451,833	994,230	247,835
Total noncurrent assets	<u>1,815,797</u>	<u>121,847</u>	<u>451,833</u>	<u>1,857,627</u>	<u>253,284</u>
Total assets	<u>1,908,716</u>	<u>520,264</u>	<u>2,851,019</u>	<u>1,860,657</u>	<u>340,575</u>
Deferred outflows of resources					
Deferred charge - pension	133,805	47,942	386,602	18,902	44,928
Total deferred outflows of resources	<u>133,805</u>	<u>47,942</u>	<u>386,602</u>	<u>18,902</u>	<u>44,928</u>
Total assets and deferred outflows of resources	<u>\$ 2,042,521</u>	<u>\$ 568,206</u>	<u>\$ 3,237,621</u>	<u>\$ 1,879,559</u>	<u>\$ 385,503</u>
Liabilities, deferred inflows of resources, and net position					
Liabilities					
Current liabilities					
Accounts payable	\$ 65,452	\$ 65,703	\$ 60,360	\$ 41,562	\$ 33,027
Compensated absences	-	782	15,116	-	4,411
Due to other city funds	-	-	-	33,062	138,259
Other liabilities	27,461	3,525	-	850	1,400
Total current liabilities	<u>92,913</u>	<u>70,010</u>	<u>75,476</u>	<u>75,474</u>	<u>177,097</u>
Noncurrent liabilities					
Advances from other funds	924,061				
Compensated absences	-	5,150	99,560	-	29,029
Net pension liability	614,573	219,180	1,645,161	89,140	178,077
Total noncurrent liabilities	<u>1,538,634</u>	<u>224,330</u>	<u>1,744,721</u>	<u>89,140</u>	<u>207,106</u>
Total liabilities	<u>1,631,547</u>	<u>294,340</u>	<u>1,820,197</u>	<u>164,614</u>	<u>384,203</u>
Deferred inflows of resources					
Deferred revenue - pension	7,649	18,383	117,528	7,186	14,997
Total deferred inflows of resources	<u>7,649</u>	<u>18,383</u>	<u>117,528</u>	<u>7,186</u>	<u>14,997</u>
Net position					
Net investment in capital assets	1,815,797	121,847	451,833	1,857,627	253,284
Unrestricted	(1,412,472)	133,636	848,063	(149,868)	(266,981)
Total net position	<u>403,325</u>	<u>255,483</u>	<u>1,299,896</u>	<u>1,707,759</u>	<u>(13,697)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 2,042,521</u>	<u>\$ 568,206</u>	<u>\$ 3,237,621</u>	<u>\$ 1,879,559</u>	<u>\$ 385,503</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Net Position (Continued)
Nonmajor Enterprise Funds
June 30, 2021

	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>	<u>Civic Center Events</u>	<u>Total Nonmajor Enterprise Funds</u>
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 4,464	\$ 11,032	\$ 400	\$ 2,811,946
Receivables				
Accounts	3,300	-	-	104,587
Inventories	-	-	-	58,623
Prepaid items				24,883
Total current assets	<u>7,764</u>	<u>11,032</u>	<u>400</u>	<u>3,000,039</u>
Noncurrent assets				
Restricted cash and investments	-	-	30,321	30,321
Non-depreciable capital assets	-	-	-	2,231,443
Depreciable capital assets, net	32,874	-	26,674	2,328,493
Total noncurrent assets	<u>32,874</u>	<u>-</u>	<u>56,995</u>	<u>4,590,257</u>
Total assets	<u>40,638</u>	<u>11,032</u>	<u>57,395</u>	<u>7,590,296</u>
Deferred outflows of resources				
Deferred charge - pension	5,832	-	68,851	706,862
Total deferred outflows of resources	<u>5,832</u>	<u>-</u>	<u>68,851</u>	<u>706,862</u>
Total assets and deferred outflows of resources	<u>\$ 46,470</u>	<u>\$ 11,032</u>	<u>\$ 126,246</u>	<u>\$ 8,297,158</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 10,844	\$ 6,478	\$ 6,154	\$ 289,580
Compensated absences	149	-	2,793	23,251
Due to other city funds	-	-	-	171,321
Other liabilities	-	-	69,310	102,546
Total current liabilities	<u>10,993</u>	<u>6,478</u>	<u>78,257</u>	<u>586,698</u>
Noncurrent liabilities				
Advances from other funds				924,061
Compensated absences	984	-	18,378	153,101
Net pension liability	46,144	-	304,827	3,097,102
Total noncurrent liabilities	<u>47,128</u>	<u>-</u>	<u>323,205</u>	<u>4,174,264</u>
Total liabilities	<u>58,121</u>	<u>6,478</u>	<u>401,462</u>	<u>4,760,962</u>
Deferred inflows of resources				
Deferred revenue - pension	2,725	-	24,771	193,239
Total deferred inflows of resources	<u>2,725</u>	<u>-</u>	<u>24,771</u>	<u>193,239</u>
Net position				
Net investment in capital assets	32,874	-	26,674	4,559,936
Unrestricted	(47,250)	4,554	(326,661)	(1,216,979)
Total net position	<u>(14,376)</u>	<u>4,554</u>	<u>(299,987)</u>	<u>3,342,957</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 46,470</u>	<u>\$ 11,032</u>	<u>\$ 126,246</u>	<u>\$ 8,297,158</u>

City of Great Falls, Montana
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>	<u>Recreation</u>
Operating revenues					
Charges for services	\$ 1,623,437	\$ 442,060	\$ 2,586,124	\$ 300,171	\$ 272,779
Operating expenses					
Personal services	-	282,209	1,873,516	66,199	236,746
Supplies and materials	208,519	111,762	32,302	2,212	29,180
Purchased services	1,048,116	67,640	277,983	558,371	74,907
Internal services	-	98,372	176,291	57,528	80,866
Other	(986)	16	-	(1,237)	62
Depreciation	187,355	101,707	126,734	167,479	14,589
Total operating expenses	1,443,004	661,706	2,486,826	850,552	436,350
Operating income (loss)	180,433	(219,646)	99,298	(550,381)	(163,571)
Nonoperating revenues (expenses)					
Investment income (loss)	-	813	6,566	919	36
Proceeds (loss) on sale of capital assets	-	-	-	-	-
Net pension on-behalf revenue	-	4,577	102,759	3,369	8,111
Other	40,370	-	1,778	1,440	3,373
Total nonoperating revenues (expenses)	40,370	5,390	111,103	5,728	11,520
Income (loss) before contributions and transfers	220,803	(214,256)	210,401	(544,653)	(152,051)
Transfers in	-	267,861	344,591	-	39,206
Transfers out	-	-	(36,021)	-	-
Total transfers	-	267,861	308,570	-	39,206
Change in net position	220,803	53,605	518,971	(544,653)	(112,845)
Total net position - beginning	182,522	201,878	780,925	2,252,412	99,148
Total net position - ending	\$ 403,325	\$ 255,483	\$ 1,299,896	\$ 1,707,759	\$ (13,697)

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City of Great Falls, Montana
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position (Continued)
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>	<u>Civic Center Events</u>	<u>Total Nonmajor Enterprise Funds</u>
Operating revenues				
Charges for services	\$ 64,829	\$ 11,921	\$ 40,279	\$ 5,341,600
Operating expenses				
Personal services	22,005	-	248,248	2,728,923
Supplies and materials	9,982	24	8,275	402,256
Purchased services	22,468	9,221	8,005	2,066,711
Internal services	24,723	704	245,801	684,285
Other	-	-	-	(2,145)
Depreciation	2,805	-	21,744	622,413
Total operating expenses	81,983	9,949	532,073	6,502,443
Operating income (loss)	(17,154)	1,972	(491,794)	(1,160,843)
Nonoperating revenues (expenses)				
Investment income (loss)	3	12	306	8,655
Proceeds (loss) on sale of capital assets	-	-	-	-
Net pension on-behalf revenue	655	-	13,680	133,151
Other	-	-	2,376	49,337
Total nonoperating revenues (expenses)	658	12	16,362	191,143
Income (loss) before contributions and transfers	(16,496)	1,984	(475,432)	(969,700)
Transfers in	-	-	267,220	918,878
Transfers out	(32,557)	-	-	(68,578)
Total transfers	(32,557)	-	267,220	850,300
Change in net position	(49,053)	1,984	(208,212)	(119,400)
Total net position - beginning	34,677	2,570	(91,775)	3,462,357
Total net position - ending	\$ (14,376)	\$ 4,554	\$ (299,987)	\$ 3,342,957

City of Great Falls, Montana
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>	<u>Recreation</u>
Cash flows from operating activities					
Receipts from customers and users	\$ 1,631,625	\$ 442,060	\$ 576,610	\$ 300,172	\$ 349,040
Receipts from interfund services provided	-	-	1,335,622	-	-
Receipts from others	31,196	16	1,779	2,352	3,373
Receipts from other govts	-	-	673,892	-	-
Payments to suppliers	(1,301,830)	(156,823)	(311,509)	(611,113)	(90,730)
Payments to employees	-	(274,401)	(1,226,861)	(85,495)	(221,459)
Payments for interfund services used	-	(98,297)	(176,291)	(90,780)	(79,366)
Payments to others	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>360,991</u>	<u>(87,445)</u>	<u>873,242</u>	<u>(484,864)</u>	<u>(39,142)</u>
Cash flows from noncapital financing activities					
Transfers in	-	267,861	344,591	-	39,206
Transfers out	-	-	(36,021)	-	-
Interfund cash flow loans	<u>(360,991)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used for) noncapital financing activities	<u>(360,991)</u>	<u>267,861</u>	<u>308,570</u>	<u>-</u>	<u>39,206</u>
Cash flows from capital and related financing activities					
Proceeds from sale of assets	-	-	-	-	-
Principal payments received - capital leases	-	-	-	-	-
New borrowing - loans	-	-	-	-	-
Principal payments - loans	-	-	-	-	-
Principal payments - advances	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Principal payments - revenue bonds	-	-	-	-	-
Principal payments - capital leases	-	-	-	-	-
Discount/premium	-	-	-	-	-
Interest paid	-	-	-	-	-
Acquisition/construction of capital assets	<u>-</u>	<u>-</u>	<u>36,021</u>	<u>-</u>	<u>-</u>
Net cash provided by capital and related financing activities	<u>-</u>	<u>-</u>	<u>36,021</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities					
Interest and dividends on investments	<u>-</u>	<u>813</u>	<u>6,564</u>	<u>919</u>	<u>36</u>
Net cash provided by investing activities	<u>-</u>	<u>813</u>	<u>6,564</u>	<u>919</u>	<u>36</u>
Net increase (decrease) in cash	-	181,229	1,224,397	(483,945)	100
Cash, beginning of year	<u>-</u>	<u>215,455</u>	<u>1,174,789</u>	<u>484,025</u>	<u>-</u>
Cash, end of year (a)	<u>\$ -</u>	<u>\$ 396,684</u>	<u>\$ 2,399,186</u>	<u>\$ 80</u>	<u>\$ 100</u>
(a) Shown on the statement of net position as:					
Cash and investments	\$ -	\$ 396,684	\$ 2,399,186	\$ 80	\$ 100
Restricted cash and investments	-	-	-	-	-
	<u>\$ -</u>	<u>\$ 396,684</u>	<u>\$ 2,399,186</u>	<u>\$ 80</u>	<u>\$ 100</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Multi-Sports</u>	<u>Ice Breaker Rund</u>	<u>Civic Center Events</u>	<u>Total Nonmajor Enterprise Funds</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 64,829	\$ 11,921	\$ 40,123	\$ 3,416,380
Receipts from interfund services provided	-	-	-	1,335,622
Receipts from others	-	-	2,376	41,092
Receipts from other govts	-	-	237	674,129
Payments to suppliers	(30,385)	(2,767)	(16,427)	(2,521,584)
Payments to employees	(20,262)	-	(222,442)	(2,050,920)
Payments for interfund services used	(24,723)	(704)	(245,801)	(715,962)
Payments to others	-	-	-	-
Net cash provided by (used for) operating activities	<u>(10,541)</u>	<u>8,450</u>	<u>(441,934)</u>	<u>178,757</u>
Cash flows from noncapital financing activities				
Transfers in	-	-	267,220	918,878
Transfers out	(32,557)	-	-	(68,578)
Interfund cash flow loans	-	-	-	(360,991)
Net cash provided by (used for) noncapital financing activities	<u>(32,557)</u>	<u>-</u>	<u>267,220</u>	<u>489,309</u>
Cash flows from capital and related financing activities				
Proceeds from sale of assets	-	-	-	-
Principal payments received - capital leases	-	-	-	-
New borrowing - loans	-	-	-	-
Principal payments - loans	-	-	-	-
Principal payments - advances	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Principal payments - revenue bonds	-	-	-	-
Principal payments - capital leases	-	-	-	-
Discount/premium	-	-	-	-
Interest paid	-	-	-	-
Acquisition/construction of capital assets	32,557	-	-	68,578
Net cash provided by capital and related financing activities	<u>32,557</u>	<u>-</u>	<u>-</u>	<u>68,578</u>
Cash flows from investing activities				
Interest and dividends on investments	3	12	303	8,650
Net cash provided by investing activities	<u>3</u>	<u>12</u>	<u>303</u>	<u>8,650</u>
Net increase (decrease) in cash	(10,538)	8,462	(174,411)	745,294
Cash, beginning of year	<u>15,002</u>	<u>2,570</u>	<u>205,132</u>	<u>2,096,973</u>
Cash, end of year (a)	<u>\$ 4,464</u>	<u>\$ 11,032</u>	<u>\$ 30,721</u>	<u>\$ 2,842,267</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 4,464	\$ 11,032	\$ 400	\$ 2,811,946
Restricted cash and investments	-	-	30,321	30,321
	<u>\$ 4,464</u>	<u>\$ 11,032</u>	<u>\$ 30,721</u>	<u>\$ 2,842,267</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>	<u>Recreation</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ 180,433	\$ (219,646)	\$ 99,298	\$ (550,381)	\$ (163,571)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
GASB 68 pension adjustments	-	6,072	130,810	(4,357)	14,904
Depreciation expense	187,355	101,707	126,734	167,479	14,589
Cash provided (used) by changes in operating assets and liabilities					
(Increase) decrease in accounts receivable	(19,607)	856	-	(823)	42,638
(Increase) decrease in due from other governments		-	418,462	-	1,650
(Increase) decrease in inventories	(20,170)	-	-	-	-
(Decrease) increase in accounts payable	(18,559)	20,079	6,324	(17,627)	14,156
(Decrease) increase in other liabilities	25,948	75	-	(33,252)	-
(Decrease) increase in compensated absences payable	-	(165)	(15,393)	-	3,995
Other nonoperating revenue	25,591	3,577	107,007	(45,903)	32,497
Total adjustments	\$ 180,558	\$ 132,201	\$ 773,944	\$ 65,517	\$ 124,429
Net cash provided by (used for) operating activities	<u>\$ 360,991</u>	<u>\$ (87,445)</u>	<u>\$ 873,242</u>	<u>\$ (484,864)</u>	<u>\$ (39,142)</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Concluded)
Nonmajor Enterprise Funds
For the Year Ended June 30, 2021

	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>	<u>Civic Center Events</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ (17,154)	\$ 1,972	\$ (491,794)	\$ (1,160,843)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	997	-	20,488	168,914
Depreciation expense	2,805	-	21,744	622,413
Cash provided (used) by changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	(3,050)	-	-	20,014
(Increase) decrease in due from other governments	-	-	-	420,112
(Increase) decrease in inventories	-	-	-	(20,170)
(Decrease) increase in accounts payable	4,715	6,478	(2,191)	13,375
(Decrease) increase in other liabilities	-	-	2,667	(4,562)
(Decrease) increase in compensated absences payable	492	-	2,793	(8,278)
Other nonoperating revenue	654	-	4,359	127,782
Total adjustments	<u>\$ 6,613</u>	<u>\$ 6,478</u>	<u>\$ 49,860</u>	<u>\$ 1,339,600</u>
Net cash provided by (used for) operating activities	<u>\$ (10,541)</u>	<u>\$ 8,450</u>	<u>\$ (441,934)</u>	<u>\$ 178,757</u>

City of Great Falls, Montana
Internal Service Funds
Fund Descriptions

The internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Central Garage Fund – This fund is used to account for fleet operations for the City. Functions include maintenance, fuel dispensing, and replacement services for all major vehicles and motor equipment owned by the City.

Information Technology Fund – This fund is used to account for providing centralized and personal computer operations, equipment services, and support.

Insurance & Safety Fund – This fund is used to account for central insurance and safety program costs of the City, which includes centralized handling of premium payments, claims processing, and general insurance administration.

Health & Benefits Fund – This fund is used to account for payroll deductions made to the City’s health insurance plan and payments from retirees and component units. The fund processes payments of premiums.

Human Resources Fund – This fund is used to account for providing professional services to the management of the City, its employees and the public through the administration of a comprehensive Human Resources Program. This fund is also used to account for providing centralized payroll services to the City’s employees.

City Telephone Fund – This fund is used to account for overseeing operations related to all City telephones, telephone leases, and long-distance carriers for the Civic Center, Park & Recreation, Fire and Police Department buildings.

Finance Fund – This fund is used to account for providing centralized services for accounting, cash investments, utility billing and customer service, debt issuance, and capital asset tracking.

Engineering Fund – This fund is used to account for providing technical support for the Utilities and Operation branches of Public Works and other departments within the City.

Public Works Admin Fund – This fund is used to account for the overall planning, organizing, and coordination of the three branches of Public Works: utilities, operations, and engineering.

Civic Center Facility Services Fund – This fund is used to account for the costs of maintaining and operating the Civic Center and the City departments located there.

City of Great Falls, Montana
Combing Statement of Net Position
Internal Service Funds
June 30, 2021

	<u>Central Garage</u>	<u>Information Technology</u>	<u>Insurance & Safety</u>	<u>Health & Benefits</u>
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 1,913,428	\$ 290,222	\$ 360,967	\$ 1,510,732
Receivables				
Accounts	8,593	-	-	40,851
Inventories	253,465	-	-	-
Total current assets	<u>2,175,486</u>	<u>290,222</u>	<u>360,967</u>	<u>1,551,583</u>
Noncurrent assets				
Restricted cash and investments	1,557,899	213,953	-	-
Non-depreciable capital assets	201,024	-	-	-
Depreciable capital assets, net	5,680,345	1,939	110,819	-
Total noncurrent assets	<u>7,439,268</u>	<u>215,892</u>	<u>110,819</u>	<u>-</u>
Total assets	<u>9,614,754</u>	<u>506,114</u>	<u>471,786</u>	<u>1,551,583</u>
Deferred outflows of resources				
Deferred charge - pension	213,417	183,984	19,321	-
Deferred charge - OPEB	-	-	-	2,078,476
Total deferred outflows of resources	<u>213,417</u>	<u>183,984</u>	<u>19,321</u>	<u>2,078,476</u>
Total assets and deferred outflows of resources	<u>\$ 9,828,171</u>	<u>\$ 690,098</u>	<u>\$ 491,107</u>	<u>\$ 3,630,059</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 105,562	\$ 45,215	\$ 5,823	\$ 7,213
Compensated absences	5,632	8,186	-	-
Other liabilities	-	-	-	23,221
Total current liabilities	<u>111,194</u>	<u>53,401</u>	<u>5,823</u>	<u>30,434</u>
Noncurrent liabilities				
Compensated absences	67,186	97,647	-	-
Net pension liability	901,970	818,592	84,917	-
OPEB liability	-	-	-	8,663,056
Total noncurrent liabilities	<u>969,156</u>	<u>916,239</u>	<u>84,917</u>	<u>8,663,056</u>
Total liabilities	<u>1,080,350</u>	<u>969,640</u>	<u>90,740</u>	<u>8,693,490</u>
Deferred inflows of resources				
Deferred revenue - pension	62,660	62,012	7,026	-
Deferred revenue - OPEB	-	-	-	2,232,110
Total deferred inflows of resources	<u>62,660</u>	<u>62,012</u>	<u>7,026</u>	<u>2,232,110</u>
Net position				
Net investment in capital assets	5,881,369	1,939	110,819	-
Unrestricted	2,803,792	(343,493)	282,522	(7,295,541)
Total net position	<u>8,685,161</u>	<u>(341,554)</u>	<u>393,341</u>	<u>(7,295,541)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 9,828,171</u>	<u>\$ 690,098</u>	<u>\$ 491,107</u>	<u>\$ 3,630,059</u>

Continued on next page

City of Great Falls, Montana
Combing Statement of Net Position (Continued)
Internal Service Funds
June 30, 2021

	<u>Human Resources</u>	<u>City Telephone</u>	<u>Finance</u>	<u>Engineering</u>
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 136,966	\$ 31,893	\$ 439,822	\$ 472,563
Receivables				
Accounts	-	-	138	12,865
Inventories	-	-	-	-
Total current assets	<u>136,966</u>	<u>31,893</u>	<u>439,960</u>	<u>485,428</u>
Noncurrent assets				
Restricted cash and investments	-	-	-	36,922
Non-depreciable capital assets	-	-	-	-
Depreciable capital assets, net	3,787	19,662	-	493,729
Total noncurrent assets	<u>3,787</u>	<u>19,662</u>	<u>-</u>	<u>530,651</u>
Total assets	<u>140,753</u>	<u>51,555</u>	<u>439,960</u>	<u>1,016,079</u>
Deferred outflows of resources				
Deferred charge - pension	98,390	5,169	271,963	330,249
Deferred charge - OPEB	-	-	-	-
Total deferred outflows of resources	<u>98,390</u>	<u>5,169</u>	<u>271,963</u>	<u>330,249</u>
Total assets and deferred outflows of resources	<u>\$ 239,143</u>	<u>\$ 56,724</u>	<u>\$ 711,923</u>	<u>\$ 1,346,328</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Accounts payable	\$ 26,062	\$ 877	\$ 86,140	\$ 52,340
Compensated absences	7,213		8,827	8,678
Other liabilities	-	-	-	(30,972)
Total current liabilities	<u>33,275</u>	<u>877</u>	<u>94,967</u>	<u>30,046</u>
Noncurrent liabilities				
Compensated absences	86,036	-	105,297	103,508
Net pension liability	413,497	22,698	1,276,975	1,388,090
OPEB liability	-	-	-	-
Total noncurrent liabilities	<u>499,533</u>	<u>22,698</u>	<u>1,382,272</u>	<u>1,491,598</u>
Total liabilities	<u>532,808</u>	<u>23,575</u>	<u>1,477,239</u>	<u>1,521,644</u>
Deferred inflows of resources				
Deferred revenue - pension	45,036	1,858	112,588	115,083
Deferred revenue - OPEB	-	-	-	-
Total deferred inflows of resources	<u>45,036</u>	<u>1,858</u>	<u>112,588</u>	<u>115,083</u>
Net position				
Net investment in capital assets	3,787	19,662	-	493,729
Unrestricted	(342,488)	11,629	(877,904)	(784,128)
Total net position	<u>(338,701)</u>	<u>31,291</u>	<u>(877,904)</u>	<u>(290,399)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 239,143</u>	<u>\$ 56,724</u>	<u>\$ 711,923</u>	<u>\$ 1,346,328</u>

Continued on next page

City of Great Falls, Montana
Combing Statement of Net Position (Concluded)
Internal Service Funds
June 30, 2021

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Assets and deferred outflows of resources			
Assets			
Current assets			
Cash and investments	\$ 247,603	\$ 262,499	\$ 5,666,695
Receivables			
Accounts	-	-	62,447
Inventories	-	-	253,465
Total current assets	<u>247,603</u>	<u>262,499</u>	<u>5,982,607</u>
Noncurrent assets			
Restricted cash and investments	5,271	36,615	1,850,660
Non-depreciable capital assets	-	-	201,024
Depreciable capital assets, net	<u>426,577</u>	<u>197,693</u>	<u>6,934,551</u>
Total noncurrent assets	<u>431,848</u>	<u>234,308</u>	<u>8,986,235</u>
Total assets	<u>679,451</u>	<u>496,807</u>	<u>14,968,842</u>
Deferred outflows of resources			
Deferred charge - pension	101,007	73,409	1,296,909
Deferred charge - OPEB	-	-	2,078,476
Total deferred outflows of resources	<u>101,007</u>	<u>73,409</u>	<u>3,375,385</u>
Total assets and deferred outflows of resources	<u>\$ 780,458</u>	<u>\$ 570,216</u>	<u>\$ 18,344,227</u>
Liabilities, deferred inflows of resources, and net position			
Liabilities			
Current liabilities			
Accounts payable	\$ 23,861	\$ 22,802	\$ 375,895
Compensated absences	2,992	2,607	44,135
Other liabilities	-	-	(7,751)
Total current liabilities	<u>26,853</u>	<u>25,409</u>	<u>412,279</u>
Noncurrent liabilities			
Compensated absences	35,695	31,094	526,463
Net pension liability	366,435	322,046	5,595,220
OPEB liability	-	-	8,663,056
Total noncurrent liabilities	<u>402,130</u>	<u>353,140</u>	<u>14,784,739</u>
Total liabilities	<u>428,983</u>	<u>378,549</u>	<u>15,197,018</u>
Deferred inflows of resources			
Deferred revenue - pension	29,996	27,444	463,703
Deferred revenue - OPEB	-	-	2,232,110
Total deferred inflows of resources	<u>29,996</u>	<u>27,444</u>	<u>2,695,813</u>
Net position			
Net investment in capital assets	426,577	197,693	7,135,575
Unrestricted	<u>(105,098)</u>	<u>(33,470)</u>	<u>(6,684,179)</u>
Total net position	<u>321,479</u>	<u>164,223</u>	<u>451,396</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 780,458</u>	<u>\$ 570,216</u>	<u>\$ 18,344,227</u>

City of Great Falls, Montana
Combining State of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	Central Garage	Information Technology	Insurance & Safety	Health & Benefits
Operating revenues				
Charges for services	\$ 3,312,849	\$ 1,540,937	\$ 1,272,255	\$ 10,834,087
Operating expenses				
Personal services	1,105,947	821,321	86,279	-
Supplies and materials	935,936	151,836	2,007	-
Purchased services	103,160	536,722	1,294,234	11,534,473
Internal services	170,599	61,144	12,924	1,573
Other	-	-	-	-
Depreciation	1,271,349	4,123	19,857	-
Total operating expenses	<u>3,586,991</u>	<u>1,575,146</u>	<u>1,415,301</u>	<u>11,536,046</u>
Operating income (loss)	<u>(274,142)</u>	<u>(34,209)</u>	<u>(143,046)</u>	<u>(701,959)</u>
Nonoperating revenues (expenses)				
Investment income (loss)	10,221	2,013	2,776	(2,060)
Proceeds (loss) on sale of capital assets	(41,528)	-	-	-
Net pension on-behalf revenue	49,048	41,315	4,548	-
Other	309,447	6,967	-	-
Total nonoperating revenues (expenses)	<u>327,188</u>	<u>50,295</u>	<u>7,324</u>	<u>(2,060)</u>
Income (loss) before contributions and transfers	<u>53,046</u>	<u>16,086</u>	<u>(135,722)</u>	<u>(704,019)</u>
Transfers in	222,440	15,206	6,000	-
Transfers out	(67,930)	(17,200)	-	-
Total transfers	<u>154,510</u>	<u>(1,994)</u>	<u>6,000</u>	<u>-</u>
Change in net position	207,556	14,092	(129,722)	(704,019)
Total net position - beginning	<u>8,477,605</u>	<u>(355,646)</u>	<u>523,063</u>	<u>(6,591,522)</u>
Total net position - ending	<u>\$ 8,685,161</u>	<u>\$ (341,554)</u>	<u>\$ 393,341</u>	<u>\$ (7,295,541)</u>

Continued on next page

City of Great Falls, Montana
Combining State of Revenues, Expenses and Changes in Fund Net Position (Continued)
Internal Service Funds
For the Year Ended June 30, 2021

	<u>Human Resources</u>	<u>City Telephone</u>	<u>Finance</u>	<u>Engineering</u>
Operating revenues				
Charges for services	\$ 578,034	\$ 77,655	\$ 1,824,216	\$ 1,704,685
Operating expenses				
Personal services	593,472	22,077	1,207,707	1,383,214
Supplies and materials	20,983	-	14,454	34,955
Purchased services	88,750	53,466	441,048	53,943
Internal services	52,141	2,594	192,762	242,351
Other	-	-	7,389	-
Depreciation	833	6,209	2,399	67,266
Total operating expenses	<u>756,179</u>	<u>84,346</u>	<u>1,865,759</u>	<u>1,781,729</u>
Operating income (loss)	<u>(178,145)</u>	<u>(6,691)</u>	<u>(41,543)</u>	<u>(77,044)</u>
Nonoperating revenues (expenses)				
Investment income (loss)	606	102	969	1,292
Proceeds (loss) on sale of capital assets	-	-	-	-
Net pension on-behalf revenue	28,782	1,228	61,961	69,544
Other	-	-	293	-
Total nonoperating revenues (expenses)	<u>29,388</u>	<u>1,330</u>	<u>63,223</u>	<u>70,836</u>
Income (loss) before contributions and transfers	<u>(148,757)</u>	<u>(5,361)</u>	<u>21,680</u>	<u>(6,208)</u>
Transfers in	2,034	-	-	63,143
Transfers out	(6,641)	(6,936)	-	-
Total transfers	<u>(4,607)</u>	<u>(6,936)</u>	<u>-</u>	<u>63,143</u>
Change in net position	(153,364)	(12,297)	21,680	56,935
Total net position - beginning	<u>(185,337)</u>	<u>43,588</u>	<u>(899,584)</u>	<u>(347,334)</u>
Total net position - ending	<u>\$ (338,701)</u>	<u>\$ 31,291</u>	<u>\$ (877,904)</u>	<u>\$ (290,399)</u>

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City of Great Falls, Montana
Combining State of Revenues, Expenses and Changes in Fund Net Position (Concluded)
Internal Service Funds
For the Year Ended June 30, 2021

	<u>Public Works Admin</u>	<u>Civic Center Facility Service</u>	<u>Total Internal Service Funds</u>
Operating revenues			
Charges for services	\$ 689,853	\$ 646,724	\$ 22,481,295
Operating expenses			
Personal services	470,411	386,432	6,076,860
Supplies and materials	26,873	27,079	1,214,123
Purchased services	102,162	224,876	14,432,834
Internal services	75,269	19,269	830,626
Other	-	-	7,389
Depreciation	28,093	41,892	1,442,021
Total operating expenses	<u>702,808</u>	<u>699,548</u>	<u>24,003,853</u>
Operating income (loss)	<u>(12,955)</u>	<u>(52,824)</u>	<u>(1,522,558)</u>
Nonoperating revenues (expenses)			
Investment income (loss)	672	1,004	17,595
Proceeds (loss) on sale of capital assets	-	-	(41,528)
Net pension on-behalf revenue	21,031	15,166	292,623
Other	75	189	316,971
Total nonoperating revenues (expenses)	<u>21,778</u>	<u>16,359</u>	<u>585,661</u>
Income (loss) before contributions and transfers	<u>8,823</u>	<u>(36,465)</u>	<u>(936,897)</u>
Transfers in	-	-	308,823
Transfers out	-	-	(98,707)
Total transfers	<u>-</u>	<u>-</u>	<u>210,116</u>
Change in net position	8,823	(36,465)	(726,781)
Total net position - beginning	<u>312,656</u>	<u>200,688</u>	<u>1,178,177</u>
Total net position - ending	<u>\$ 321,479</u>	<u>\$ 164,223</u>	<u>\$ 451,396</u>

City of Great Falls, Montana
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	<u>Central Garage</u>	<u>Information Technology</u>	<u>Insurance & Safety</u>	<u>Health & Benefits</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 1,236	\$ 300	\$ -	\$ 1,387,041
Receipts from interfund services provided	3,309,483	1,508,602	1,272,255	9,447,047
Receipts from others	-	15,000	-	-
Receipts from other govts	2,130	17,035	-	-
Payments to suppliers	(852,782)	(620,567)	(1,283,016)	(11,026,539)
Payments to employees	(1,038,486)	(754,896)	(79,948)	-
Payments for interfund services used	(170,599)	(61,144)	(12,924)	(1,573)
Payments to others	(10,838)	-	-	-
Net cash provided by (used for) operating activities	<u>1,240,144</u>	<u>104,330</u>	<u>(103,633)</u>	<u>(194,024)</u>
Cash flows from noncapital financing activities				
Transfers in	222,440	15,206	6,000	-
Transfers out	(67,930)	(17,200)	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>154,510</u>	<u>(1,994)</u>	<u>6,000</u>	<u>-</u>
Cash flows from capital and related financing activities				
Proceeds from sale of assets	(41,528)	6,967	-	-
Principal payments received - advances	-	-	-	-
Principal payments - loans	-	-	-	-
Interest paid	-	-	-	-
Acquisition/construction of capital assets	(529,446)	11,686	(24,202)	-
Net cash provided by (used for) capital and related financing activities	<u>(570,974)</u>	<u>18,653</u>	<u>(24,202)</u>	<u>-</u>
Cash flows from investing activities				
Interest and dividends on investments	10,221	2,014	2,775	(2,060)
Net cash provided by (used for) investing activities	<u>10,221</u>	<u>2,014</u>	<u>2,775</u>	<u>(2,060)</u>
Net increase (decrease) in cash	833,901	123,003	(119,060)	(196,084)
Cash, beginning of year	<u>2,637,426</u>	<u>381,172</u>	<u>480,027</u>	<u>1,706,816</u>
Cash, end of year (a)	<u>\$ 3,471,327</u>	<u>\$ 504,175</u>	<u>\$ 360,967</u>	<u>\$ 1,510,732</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 1,913,428	\$ 290,222	\$ 360,967	\$ 1,510,732
Restricted cash and investments	<u>1,557,899</u>	<u>213,953</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,471,327</u>	<u>\$ 504,175</u>	<u>\$ 360,967</u>	<u>\$ 1,510,732</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2021

	Human Resources	City Telephone	Finance	Engineering
Cash flows from operating activities				
Receipts from customers and users	\$ -	\$ -	\$ -	\$ 167,071
Receipts from interfund services provided	578,034	77,655	1,823,378	1,533,267
Receipts from others	-	-	262	3,567
Receipts from other govts	-	-	576	780
Payments to suppliers	(55,195)	(46,531)	(351,906)	(97,518)
Payments to employees	(554,410)	(20,537)	(1,123,742)	(1,187,636)
Payments for interfund services used	(52,141)	(2,594)	(192,762)	(242,351)
Payments to others	-	-	(7,389)	-
Net cash provided by (used for) operating activities	<u>(83,712)</u>	<u>7,993</u>	<u>148,417</u>	<u>177,180</u>
Cash flows from noncapital financing activities				
Transfers in	2,034	-	-	63,143
Transfers out	(6,641)	(6,936)	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>(4,607)</u>	<u>(6,936)</u>	<u>-</u>	<u>63,143</u>
Cash flows from capital and related financing activities				
Proceeds from sale of assets	-	-	-	-
Principal payments received - advances	-	-	-	-
Principal payments - loans	-	-	-	-
Interest paid	-	-	-	-
Acquisition/construction of capital assets	6,641	1,245	(2,399)	(62,849)
Net cash provided by (used for) capital and related financing activities	<u>6,641</u>	<u>1,245</u>	<u>(2,399)</u>	<u>(62,849)</u>
Cash flows from investing activities				
Interest and dividends on investments	605	100	971	1,292
Net cash provided by (used for) investing activities	<u>605</u>	<u>100</u>	<u>971</u>	<u>1,292</u>
Net increase (decrease) in cash	(81,073)	2,402	146,989	178,766
Cash, beginning of year	<u>218,039</u>	<u>29,491</u>	<u>292,833</u>	<u>330,719</u>
Cash, end of year (a)	<u><u>\$ 136,966</u></u>	<u><u>\$ 31,893</u></u>	<u><u>\$ 439,822</u></u>	<u><u>\$ 509,485</u></u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 136,966	\$ 31,893	\$ 439,822	\$ 472,563
Restricted cash and investments	-	-	-	36,922
	<u><u>\$ 136,966</u></u>	<u><u>\$ 31,893</u></u>	<u><u>\$ 439,822</u></u>	<u><u>\$ 509,485</u></u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2021

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Cash flows from operating activities			
Receipts from customers and users	\$ -	\$ -	\$ 1,555,648
Receipts from interfund services provided	689,853	638,640	20,878,214
Receipts from others	75	189	19,093
Receipts from other govts	-	8,084	28,605
Payments to suppliers	(134,677)	(232,403)	(14,701,134)
Payments to employees	(345,924)	(347,494)	(5,453,073)
Payments for interfund services used	(75,269)	(19,269)	(830,626)
Payments to others	-	-	(18,227)
Net cash provided by (used for) operating activities	<u>134,058</u>	<u>47,747</u>	<u>1,478,500</u>
Cash flows from noncapital financing activities			
Transfers in	-	-	308,823
Transfers out	-	-	(98,707)
Interfund cash flow loans	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>210,116</u>
Cash flows from capital and related financing activities			
Proceeds from sale of assets	-	-	(34,561)
Principal payments received - advances	-	-	-
Principal payments - loans	-	-	-
Interest paid	-	-	-
Acquisition/construction of capital assets	(25,752)	-	(625,076)
Net cash provided by (used for) capital and related financing activities	<u>(25,752)</u>	<u>-</u>	<u>(659,637)</u>
Cash flows from investing activities			
Interest and dividends on investments	672	1,004	17,594
Net cash provided by (used for) investing activities	<u>672</u>	<u>1,004</u>	<u>17,594</u>
Net increase (decrease) in cash	108,978	48,751	1,046,573
Cash, beginning of year	<u>143,896</u>	<u>250,363</u>	<u>6,470,782</u>
Cash, end of year (a)	<u><u>\$ 252,874</u></u>	<u><u>\$ 299,114</u></u>	<u><u>\$ 7,517,355</u></u>
(a) Shown on the statement of net position as:			
Cash and investments	\$ 247,603	\$ 262,499	\$ 5,666,695
Restricted cash and investments	<u>5,271</u>	<u>36,615</u>	<u>1,850,660</u>
	<u><u>\$ 252,874</u></u>	<u><u>\$ 299,114</u></u>	<u><u>\$ 7,517,355</u></u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2021

	<u>Central Garage</u>	<u>Information Technology</u>	<u>Insurance & Safety</u>	<u>Health & Benefits</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ (274,142)	\$ (34,209)	\$ (143,046)	\$ (701,959)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	65,978	53,442	5,883	532,033
Depreciation expense	1,271,349	4,123	19,857	-
Cash provided (used) by changes in operating assets and liabilities				
(Increase) decrease in accounts receivable Due from other governments	(80)	-	218	(29,251)
(Increase) decrease in inventories	(45,330)	-	-	-
(Decrease) increase in accounts payable	(28,803)	60,759	6,131	7,213
(Decrease) increase in compensated absences payable	(3,535)	11,234	-	-
Other nonoperating revenue	254,707	8,981	7,324	(2,060)
Total adjustments	\$ 1,514,286	\$ 138,539	\$ 39,413	\$ 507,935
Net cash provided by (used for) operating activities	<u>\$ 1,240,144</u>	<u>\$ 104,330</u>	<u>\$ (103,633)</u>	<u>\$ (194,024)</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2021

	<u>Human Resources</u>	<u>City Telephone</u>	<u>Finance</u>	<u>Engineering</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ (178,145)	\$ (6,691)	\$ (41,543)	\$ (77,044)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	53,316	2,816	88,550	51,756
Depreciation expense	833	6,209	2,399	67,266
Cash provided (used) by changes in operating assets and liabilities				
(Increase) decrease in accounts receivable Due from other governments	-	-	-	35,564
(Increase) decrease in inventories	-	-	-	-
(Decrease) increase in accounts payable	3,684	4,331	25,480	(47,311)
(Decrease) increase in compensated absences payable	7,213	-	8,827	145,657
Other nonoperating revenue	29,387	1,328	64,704	1,292
Total adjustments	<u>\$ 94,433</u>	<u>\$ 14,684</u>	<u>\$ 189,960</u>	<u>\$ 254,224</u>
Net cash provided by (used for) operating activities	<u>\$ (83,712)</u>	<u>\$ 7,993</u>	<u>\$ 148,417</u>	<u>\$ 177,180</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Concluded)
Internal Service Funds
For the Year Ended June 30, 2021

	<u>Public Works Admin</u>	<u>Civic Center Facility Service</u>	<u>Total Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ (12,955)	\$ (52,824)	\$ (1,522,558)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
GASB 68 pension adjustments	53,915	19,657	927,346
Depreciation expense	28,093	41,892	1,442,021
Cash provided (used) by changes in operating assets and liabilities			
(Increase) decrease in accounts receivable	-	-	6,451
Due from other governments	(480)	-	(480)
(Increase) decrease in inventories	-	-	(45,330)
(Decrease) increase in accounts payable	12,779	4,103	48,366
(Decrease) increase in compensated absences payable	31,600	18,752	219,748
Other nonoperating revenue	21,106	16,167	402,936
Total adjustments	<u>\$ 147,013</u>	<u>\$ 100,571</u>	<u>\$ 3,001,058</u>
Net cash provided by (used for) operating activities	<u>\$ 134,058</u>	<u>\$ 47,747</u>	<u>\$ 1,478,500</u>

A category of funds used to report assets held in a trust agreement or equivalent arrangement that has certain characteristics or in a custodial capacity for the benefit of others and which therefore cannot be used to support the City's own programs.

Private-Purpose Trust Funds

Private-purpose trust funds are used to report all fiduciary activities that do not meet the requirements to be reported in pension trust funds or investment trust funds, but do meet the requirements to be a GASB other fiduciary trust.

Castle Pines Trust Fund – This fund is used to account for assessments collected from the buyers of Castle Pines Subdivision lots as closing costs to be used for future construction of off-site public improvements related to the subdivision.

ULRRWSD (Upper Lower River Road Water Sewer District) Trust Fund – This fund is used to account for assessments and expenses for the District for the addition of the District to the City's water and sanitary sewer systems in all phases.

Custodial Funds

Custodial funds are used to report activities carried out exclusively for the benefit of those outside of the government but not administered through GASB postemployment benefit trusts or GASB other fiduciary trusts.

Court Fund – This fund is used to account for appearance bond and restitution money.

Flex 1 Plans Fund – This fund is used to account for employee Flex 1 unreimbursed medical and daycare plan deductions.

Payroll Fund – This fund is used to account for federal, state, and other payroll deductions.

City of Great Falls, Montana
Combining Statement of Fiduciary Net Position
Private-Purpose Trust Funds
June 30, 2021

	Castle Pines Trust	ULRRWSD Trust	Total Private- Purpose Trust Funds
Assets			
Cash and investments	\$ 1,333	\$ 232,245	\$ 233,578
Due from district special assessments	-	778,351	778,351
Total assets	1,333	1,010,596	1,011,929
Liabilities			
Asset held for others	-	1,010,596	1,010,596
Total liabilities	-	1,010,596	1,010,596
Net Position			
Restricted for:			
Castle Pines Trust	1,333	-	1,333
Total Net Position	\$ 1,333	\$ -	\$ 1,333

City of Great Falls, Montana
Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds
For the Year Ended June 30, 2021

	<u>Castle Pines Trust</u>	<u>ULRRWSD Trust</u>	<u>Total Private-Purpose Trust Funds</u>
Additions			
District special assessments	\$ -	\$ 86,834	\$ 86,834
Investment earnings	5	691	696
Total additions	<u>5</u>	<u>87,525</u>	<u>87,530</u>
Deductions			
Payments to debt service for ULRRWSD	<u>-</u>	<u>87,525</u>	<u>87,525</u>
Total deductions	<u>-</u>	<u>87,525</u>	<u>87,525</u>
Net increase (decrease) in fiduciary net position	5	-	5
Net position - beginning	1,328	-	1,328
Net position - ending	<u>\$ 1,333</u>	<u>\$ -</u>	<u>\$ 1,333</u>

City of Great Falls, Montana
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021

	<u>Court</u>	<u>Flex 1 Plans</u>	<u>Payroll</u>	<u>Total Custodial Funds</u>
Assets				
Cash and investments	\$ 46,908	\$ 26,225	\$ 407,509	\$ 480,642
Payroll receivable	-	-	1,023,226	1,023,226
Total assets	<u>46,908</u>	<u>26,225</u>	<u>1,430,735</u>	<u>1,503,868</u>
Liabilities				
Accounts payable and other liabilities	46,908	26,225	1,430,735	1,503,868
Assets held for others	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>46,908</u>	<u>26,225</u>	<u>1,430,735</u>	<u>1,503,868</u>
Net position				
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Great Falls, Montana
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2021

	<u>Court</u>	<u>Flex 1 Plans</u>	<u>Payroll</u>	<u>Total Custodial Funds</u>
Additions				
Employees for unreimbursed medical	\$ -	\$ 73,975	\$ -	\$ 73,975
Employers	-	-	59,807,159	59,807,159
Appearance bonds and restitution	5,400	-	-	5,400
Total additions	<u>5,400</u>	<u>73,975</u>	<u>59,807,159</u>	<u>59,886,534</u>
Deductions				
Payments to others for payroll benefits	-	-	59,807,159	59,807,159
Payments to beneficiaries and clients	5,400	-	-	5,400
Payments to Flex 1 plans	-	73,975	-	73,975
Total deductions	<u>5,400</u>	<u>73,975</u>	<u>59,807,159</u>	<u>59,886,534</u>
Net increase (decrease) in fiduciary net position	-	-	-	-
Net position - beginning	-	-	-	-
Net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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**Statistical Section
Table of Contents**

This part of the City of Great Falls' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	180
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	185
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	190
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	215
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	217

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Great Falls, Montana
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General government	\$ 9,528,095	\$ 8,696,774	\$ 9,116,629	\$ 9,175,818	\$ 8,951,277	\$ 9,087,518	\$ 11,065,928	\$ 10,014,604	\$ 12,043,073	\$ 13,717,027
Public safety	17,821,137	18,473,368	18,452,067	18,925,163	21,047,599	22,308,585	25,387,960	26,468,988	29,605,935	32,668,855
Public works	5,643,757	6,823,866	6,609,221	7,176,330	6,319,333	7,268,736	7,660,240	8,030,532	8,370,526	8,745,824
Culture and recreation	5,211,517	5,280,872	4,908,524	5,018,301	5,309,937	4,983,866	5,481,757	5,338,401	6,623,215	6,690,221
Housing and development	2,599,225	2,986,916	2,100,706	3,285,664	1,985,526	3,032,685	2,442,155	2,266,478	2,306,897	2,239,153
Interest and Fees	312,101	286,266	275,752	213,945	202,091	195,289	184,098	172,555	235,180	288,800
Total governmental activities expenses	41,115,832	42,548,062	41,462,899	43,795,221	43,815,763	46,876,679	52,222,138	52,291,558	59,184,826	64,349,880
Business-type activities										
Golf courses	1,371,666	1,393,735	1,274,279	1,286,360	-	8,940,287	9,765,723	10,425,580	10,590,672	11,452,967
Water	8,066,706	8,360,315	8,260,040	8,192,979	8,265,032	8,940,287	9,765,723	10,425,580	10,590,672	11,452,967
Sewer	7,265,547	7,676,489	7,823,272	7,856,343	7,802,738	9,433,803	9,540,200	9,851,779	10,226,134	10,494,173
Storm drain	1,243,172	1,358,316	1,322,246	1,485,612	1,626,546	1,995,463	2,251,017	2,500,962	2,601,173	2,688,622
Sanitation	3,464,588	3,406,713	3,367,323	3,249,148	3,351,925	3,856,076	3,645,331	3,847,103	3,963,297	4,278,659
Electric	3,648,328	2,606,675	854,118	175,481	-	-	-	-	-	-
Port authority	310,766	298,960	325,092	312,659	299,366	285,948	271,210	256,234	241,122	223,690
State Special Projects	-	-	63,680	373,134	367,623	361,514	355,527	349,420	343,367	336,841
Other	4,523,324	4,598,631	4,597,136	4,570,909	5,729,950	6,208,611	6,662,665	6,346,272	6,552,059	6,502,443
Total business-type activities expenses	29,894,097	29,699,834	27,887,186	27,502,625	27,443,180	31,081,702	32,491,673	33,577,350	34,517,824	35,977,395
Total primary government expenses	\$ 71,009,929	\$ 72,247,896	\$ 69,350,085	\$ 71,297,846	\$ 71,258,943	\$ 77,958,381	\$ 84,713,811	\$ 85,868,908	\$ 93,702,650	\$ 100,327,275
Program Revenues										
Governmental Activities:										
Charges for services	\$ 5,856,691	\$ 7,176,911	\$ 5,864,755	\$ 6,466,937	\$ 6,371,925	\$ 6,253,126	\$ 6,065,475	\$ 7,084,764	\$ 3,141,467	\$ 6,299,660
General government	1,594,501	1,488,048	1,638,667	1,698,851	1,607,759	1,759,398	1,765,576	843,365	1,524,117	1,760,243
Public safety	5,503,781	4,884,645	4,770,651	5,440,670	5,911,491	6,225,343	6,066,093	6,205,263	6,187,528	6,469,236
Public works	1,267,802	745,946	750,894	730,995	799,487	755,906	771,207	2,257,770	2,435,123	2,372,103
Culture and recreation	1,347,775	1,311,128	1,387,925	1,813,459	2,096,699	1,738,247	1,902,249	1,405,620	1,115,162	1,121,134
Housing and development	1,081,039	2,277,090	1,171,027	2,236,251	1,675,205	1,449,025	2,666,624	1,400,143	5,488,027	15,818,889
Operating grants and contributions	458,821	499,861	616,593	1,211,232	1,399,292	1,748,919	1,014,668	668,996	3,148,306	104,007
Capital grants and contributions	17,110,410	18,383,629	16,200,512	19,598,395	19,861,858	19,929,964	20,251,892	19,863,921	23,039,730	33,945,272
Total governmental activities program revenues	17,110,410	18,383,629	16,200,512	19,598,395	19,861,858	19,929,964	20,251,892	19,863,921	23,039,730	33,945,272

* Golf Courses was moved to the other category for FY 2016. The Electric Fund was closed in FY 2015.

City of Great Falls, Montana
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities										
Charges for services										
Golf Courses	\$ 1,404,894	\$ 1,379,693	\$ 1,314,324	\$ 1,350,398	* \$	\$	\$	\$	\$	\$
Water	9,586,179	10,585,717	9,872,232	11,038,165	11,117,378	12,108,595	13,972,825	13,221,101	13,726,302	13,970,585
Sewer	8,972,566	10,230,776	10,446,285	10,904,305	10,541,575	11,173,547	11,426,703	11,441,446	11,613,924	11,452,162
Storm Drain	1,864,490	1,930,203	1,867,201	1,993,861	2,105,174	2,410,858	2,632,616	2,878,879	3,110,007	2,917,430
Sanitation	3,263,001	3,149,008	3,257,465	3,465,672	3,453,572	3,644,315	3,692,698	3,838,298	4,201,779	4,189,046
Electric	3,292,906	2,472,625	1,849,794	3,692	*	-	-	-	-	-
Port Authority	465,188	465,187	465,187	465,187	465,187	465,188	465,187	465,187	465,187	465,187
State Special Projects	-	-	-	383,402	383,402	383,402	383,402	383,402	383,402	383,403
Other	3,288,579	3,421,754	3,152,726	3,647,316	4,588,459	4,602,675	4,775,665	4,794,727	4,565,746	4,667,470
Operating grants and contributions	-	-	870,461	11,119	177,174	108,544	-	-	649,141	675,627
Capital grants and contributions	-	42,130	-	-	-	-	-	-	-	4,127
Total business-type activities program revenues	\$ 32,137,803	\$ 33,677,093	\$ 33,095,675	\$ 33,263,117	\$ 32,831,921	\$ 34,897,124	\$ 37,349,096	\$ 37,023,040	\$ 38,715,488	\$ 38,725,037
Total primary government program revenues	\$ 49,248,213	\$ 52,060,722	\$ 49,296,187	\$ 52,861,512	\$ 52,693,779	\$ 54,827,088	\$ 57,600,988	\$ 56,886,961	\$ 61,755,218	\$ 72,670,309
Net (Expense)/Revenue										
Governmental activities	\$ (24,005,422)	\$ (24,164,433)	\$ (25,262,387)	\$ (24,196,826)	\$ (23,953,905)	\$ (26,946,715)	\$ (31,970,246)	\$ (32,427,637)	\$ (36,145,096)	\$ (30,404,608)
Business-type activities	2,243,706	3,977,239	5,208,489	5,760,492	5,388,741	3,815,422	4,857,423	3,445,690	4,197,664	2,747,642
Total primary government net expense	\$ (21,761,716)	\$ (20,187,194)	\$ (20,053,898)	\$ (18,436,334)	\$ (18,565,164)	\$ (23,131,293)	\$ (27,112,823)	\$ (28,981,947)	\$ (31,947,432)	\$ (27,656,966)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property taxes	\$ 15,520,772	\$ 16,238,131	\$ 17,124,467	\$ 17,982,474	\$ 18,224,876	\$ 19,665,472	\$ 19,042,057	\$ 21,739,975	\$ 26,143,194	\$ 25,474,915
Grants and contributions not restricted to specific programs	6,727,541	7,612,104	8,042,009	8,578,380	8,624,074	8,506,999	8,520,364	8,670,610	9,373,657	9,231,662
Unrestricted investment earnings	96,731	48,395	8,681	97,419	146,782	77,389	223,271	622,092	425,419	86,413
Miscellaneous	1,132,493	475,503	463,284	2,831,946	3,489,764	3,604,956	4,411,096	4,802,670	5,081,769	8,027,170
Gain (loss) on sale of capital assets	-	-	-	-	-	284,822	(63,656)	88,999	71,854	-
Transfers	(1,209,727)	(10,017,773)	(1,875,441)	(569,896)	(1,202,370)	(931,689)	(902,483)	(929,654)	(929,654)	(757,313)
Total governmental activities general revenues	\$ 22,667,810	\$ 14,356,360	\$ 23,763,000	\$ 28,920,323	\$ 29,283,126	\$ 31,207,949	\$ 31,230,649	\$ 34,994,692	\$ 40,166,239	\$ 42,062,847
Business Type Activities:										
Grants and contributions not restricted to specific programs	-	50,488	89	24,960	2,632	14,953	1,252	1,874	2,784	-
Unrestricted investment earnings	64,538	26,276	13,487	91,417	109,398	43,714	115,980	801,240	584,254	29,422
Miscellaneous	537,209	120,976	787,181	114,395	710,061	513,414	383,939	216,148	207,495	579,189
Gain (loss) on sale of capital assets	-	-	-	-	-	-	16,260	49,390	(15,325)	-
Transfers	1,209,727	10,017,773	1,875,441	569,896	1,202,370	931,689	902,483	929,654	929,654	757,313
Extraordinary item	(1,400,000)	(4,117,122)	-	-	-	-	-	-	-	-
Total business-type activities general revenues	\$ 411,474	\$ 6,098,391	\$ 2,676,198	\$ 800,668	\$ 2,024,461	\$ 1,503,770	\$ 1,419,914	\$ 1,998,306	\$ 1,708,862	\$ 1,365,924
Total primary government general revenues	\$ 22,679,284	\$ 20,454,751	\$ 26,439,198	\$ 29,720,991	\$ 31,307,587	\$ 32,711,719	\$ 32,650,563	\$ 36,992,998	\$ 41,875,101	\$ 43,428,771
Change in Net Position										
Governmental activities	\$ (1,737,612)	\$ (9,808,073)	\$ (1,499,387)	\$ 4,723,497	\$ 5,329,221	\$ 4,261,234	\$ (739,597)	\$ 2,567,055	\$ 4,021,143	\$ 11,658,239
Business-type activities	2,655,180	10,075,650	7,884,687	6,561,160	7,413,202	5,319,192	6,277,337	5,443,996	5,906,526	4,113,566
Total primary government	\$ 917,568	\$ 267,577	\$ 6,385,300	\$ 11,284,657	\$ 12,742,423	\$ 9,580,426	\$ 5,537,740	\$ 8,011,051	\$ 9,927,669	\$ 15,771,805

General government encompasses the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Internal Service Funds.
* Golf Courses was moved to the other category from FY 2016 forward. The Electric Fund was closed in FY 2015.

City of Great Falls, Montana
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 72,430,194	\$ 71,608,711	\$ 69,788,446	\$ 69,736,173	\$ 66,393,049	\$ 68,231,770	\$ 65,775,809	\$ 66,973,666	\$ 66,153,408	\$ 62,591,068
Restricted	10,536,256	8,702,271	7,528,842	10,075,593	16,712,699	18,200,964	20,093,281	20,213,914	23,424,215	41,306,322
Unrestricted	11,872,002	4,666,887	6,161,194	(16,610,550)	(14,575,311)	(13,641,063)	(19,205,562)	(17,956,997)	(16,325,897)	(18,987,425)
Total governmental activities net position	\$ 94,838,452	\$ 84,977,869	\$ 83,478,482	\$ 63,201,216	\$ 68,530,437	\$ 72,791,671	\$ 66,663,528	\$ 69,230,583	\$ 73,251,726	\$ 84,909,965
Business-Type activities										
Net investment in capital assets	\$ 93,789,614	\$ 100,276,282	\$ 104,871,641	\$ 110,400,631	\$ 116,023,829	\$ 117,442,637	\$ 118,781,340	\$ 123,530,483	\$ 130,112,018	\$ 130,494,602
Restricted	10,824,265	5,803,799	4,653,658	7,682,782	7,477,563	8,592,636	10,342,611	10,350,105	9,213,962	8,592,771
Unrestricted	5,223,850	13,467,886	17,907,355	9,515,712	11,510,935	14,296,246	17,484,905	18,172,264	18,633,398	22,985,571
Total business-type activities net position	\$ 109,837,729	\$ 119,547,967	\$ 127,432,654	\$ 127,599,125	\$ 135,012,327	\$ 140,331,519	\$ 146,608,856	\$ 152,052,852	\$ 157,959,378	\$ 162,072,944
Primary government										
Net investment in capital assets	\$ 166,219,808	\$ 171,884,993	\$ 174,660,087	\$ 180,136,804	\$ 182,416,878	\$ 185,674,407	\$ 184,557,149	\$ 190,504,149	\$ 196,265,426	\$ 193,085,670
Restricted	21,360,521	14,506,070	12,182,500	17,758,375	24,190,262	26,793,600	30,435,892	30,564,019	32,638,177	49,899,093
Unrestricted	17,095,852	18,134,773	24,068,549	(7,094,838)	(3,064,376)	655,183	(1,720,657)	215,267	2,307,501	3,998,146
Total primary government net position	\$ 204,676,181	\$ 204,525,836	\$ 210,911,136	\$ 190,800,341	\$ 203,542,764	\$ 213,123,190	\$ 213,272,384	\$ 221,283,435	\$ 231,211,104	\$ 246,982,909

In Fiscal Year 2015, GASB 68 was implemented which resulted in the negative unrestricted balance in the governmental activities.

City of Great Falls, Montana
Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 59,696	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	6,636,339	1,520,000	3,068,392	5,892,518	7,026,833	8,684,105	7,086,399	6,992,761	13,594,027	13,041,527
Total general fund	<u>\$ 6,696,035</u>	<u>\$ 1,520,000</u>	<u>\$ 3,068,392</u>	<u>\$ 5,892,518</u>	<u>\$ 7,026,833</u>	<u>\$ 8,684,105</u>	<u>\$ 7,086,399</u>	<u>\$ 6,992,761</u>	<u>\$ 13,594,027</u>	<u>\$ 13,041,527</u>
All Other Governmental Funds										
Nonspendable	\$ 713,907	\$ 25,349	\$ 25,349	\$ 25,349	\$ 25,349	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,829,759	6,079,675	4,986,807	7,020,783	9,189,220	9,976,542	11,577,709	12,234,266	16,377,283	20,247,739
Assigned	2,932,894	2,597,247	2,516,686	3,029,461	4,525,824	5,186,112	5,658,221	5,362,925	4,962,693	9,609,948
Unassigned	<u>(38,601)</u>	<u>(13,163)</u>	<u>(4,242)</u>	<u>(2,600)</u>	<u>(71,364)</u>	<u>(24,045)</u>	<u>(29,660)</u>	<u>(45,234)</u>	-	-
Total all other governmental funds	<u>\$ 10,437,959</u>	<u>\$ 8,689,108</u>	<u>\$ 7,524,600</u>	<u>\$ 10,072,993</u>	<u>\$ 13,669,029</u>	<u>\$ 15,138,609</u>	<u>\$ 17,206,270</u>	<u>\$ 17,551,957</u>	<u>\$ 21,339,976</u>	<u>\$ 29,857,687</u>

The increase in General Fund unassigned fund balance in 2012 was due to an increase in taxes revenue collected due to newly taxable property and under spending in expenditure budget.

The decrease in General Fund unassigned fund balance in 2013 was due to the one time transfer of \$5,553,054 to the Electric fund to cover the cash deficit in the Electric fund.

The decrease in General Fund unassigned fund balance in 2018 was due to protested taxes not received in the fiscal year.

The increase in General Fund unassigned fund balance in 2020 was due to an increase in tax revenue collected due to the Calumet settlement as well as CARES funding.

The fluctuations in All Other Governmental Funds Restricted balances were due to the changing needs for debt service reserves and capital projects restrictions in the funds.

City of Great Falls, Montana
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 15,575,895	\$ 16,238,131	\$ 17,124,467	\$ 17,982,474	\$ 18,224,876	\$ 19,665,473	\$ 19,042,057	\$ 21,739,975	\$ 26,143,194	\$ 25,474,915
Licenses & permits	2,122,096	2,045,169	2,055,048	2,495,048	2,497,673	2,440,334	2,470,070	2,409,720	2,025,310	2,060,414
Intergovernmental	11,195,580	11,864,173	11,387,609	13,224,455	13,082,799	13,283,947	15,705,866	15,739,945	23,395,658	24,280,117
Charges for services	2,934,191	2,904,088	2,910,944	2,906,916	3,256,242	2,977,325	3,155,620	3,113,928	3,225,465	3,005,583
Fines & forfeitures	1,264,402	1,147,959	939,146	1,052,578	866,178	932,647	854,590	734,585	700,862	824,868
Internal service	1,014,815	1,058,730	1,068,809	1,061,100	1,012,506	1,164,382	1,182,948	967,666	974,109	1,404,674
Special assessments	6,358,146	6,665,671	6,654,478	6,834,965	7,338,572	6,859,028	6,804,476	8,333,057	8,865,522	8,622,684
Other	1,714,371	716,288	917,119	776,643	727,272	1,102,848	693,183	946,240	1,721,497	1,270,535
Investment income	55,573	25,862	321	65,782	105,570	38,148	157,479	499,233	343,763	68,816
Total revenues	42,235,069	42,666,071	43,058,772	46,399,961	47,111,688	48,464,132	50,066,289	54,484,349	67,395,380	67,012,606
Expenditures										
General government	7,518,860	7,779,966	8,116,341	7,992,378	8,343,304	8,332,346	9,283,151	8,909,329	10,073,320	11,233,614
Public safety	17,360,185	18,271,958	18,263,076	18,535,967	19,189,830	20,751,256	25,169,696	26,736,872	27,937,861	31,454,603
Public works	4,475,802	4,731,856	4,773,496	4,767,232	4,765,396	5,145,631	5,317,670	5,911,177	5,645,522	5,905,290
Culture & recreation	4,521,930	4,397,868	4,233,348	4,018,480	4,096,963	4,279,873	4,615,269	4,708,138	5,524,815	5,673,127
Housing & development	2,181,794	2,605,288	1,797,475	2,485,943	2,150,885	2,598,400	2,032,080	1,873,922	1,834,564	1,855,544
Debt service										
Principal	1,269,759	444,479	558,887	642,516	761,895	755,264	468,826	489,302	2,106,980	807,214
Interest & fees	312,101	282,232	272,889	211,806	199,450	192,808	182,234	172,325	235,180	288,809
Capital outlay	2,417,859	2,899,085	2,637,817	1,726,777	3,091,932	2,347,528	1,545,782	4,348,438	6,940,176	7,272,239
Total expenditures	40,058,290	41,412,732	40,653,329	40,381,099	42,599,655	44,403,106	48,614,708	53,149,503	60,298,418	64,490,440
Excess of revenues over (under) expenditures	2,176,779	1,253,339	2,405,443	6,018,862	4,512,033	4,061,026	1,451,581	1,334,846	7,096,962	2,522,166
Other financing sources (uses)										
Transfers in	990,377	924,746	844,012	1,092,415	1,010,674	1,108,018	1,782,760	1,096,173	1,083,374	1,073,055
Transfers out	(2,319,341)	(9,072,667)	(2,695,291)	(1,738,759)	(2,315,449)	(2,113,939)	(2,773,386)	(2,088,970)	(2,076,171)	(2,053,769)
Issuance of debt	-	-	-	-	852,666	2,193	-	-	4,192,920	6,423,759
Issuance of refunding bonds	-	-	2,349,720	-	-	-	-	-	-	-
Payment to refunded bonds escrow agent	-	-	(2,520,000)	-	-	-	-	-	-	-
Proceeds of capital assets	-	-	-	-	670,427	69,554	9,000	-	2,200	-
Total other financing sources (uses)	(1,328,964)	(8,147,921)	(2,021,559)	(646,344)	218,318	(934,174)	(981,626)	(992,797)	3,202,323	5,443,045
Net change in fund balance	\$ 847,815	\$ (6,894,582)	\$ 383,884	\$ 5,372,518	\$ 4,730,351	\$ 3,126,852	\$ 469,955	\$ 342,049	\$ 10,299,285	\$ 7,965,211
Debt service as a percentage of noncapital expenditures	4.20%	1.89%	2.19%	2.21%	2.43%	2.25%	1.38%	1.36%	4.39%	1.92%

¹ This year's increase in special assessment is due primarily to an increase in Street District fund and Lighting Districts fund assessments.

² This year's increase in transfers out is due to one-time transfers to the Electric Fund cash deficit and settlement payment.

³ This year's decrease in investment income is due to adjustments which 'mark investments to market' and interest receivable.

⁴ This year's decrease in taxes is due primarily to protected taxes.

⁵ This year's increase in expenditures is due to increased personal and operation costs.

⁶ This year's increase in expenditures for debt service and issuance was due to a refinancing in West Bank TID.

City of Great Falls, Montana
Taxable Assessed and Market Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Total Real & Personal Property		Ratio of Taxable Assessed Value to Total Market Value	
	Market Value	Taxable Assessed Value	Market Value	Taxable Assessed Value	Market Value	Taxable Assessed Value	Assessed Value to Total Market Value	Direct Mills Applied
	TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - TOTAL							
2012	\$ 2,353,657,366	\$ 62,915,536	\$ 343,605,243	\$ 15,793,499	\$ 2,697,262,609	\$ 78,709,035	2.92%	183.24
2013	2,562,754,623	71,724,719	217,648,518	6,128,272	2,780,403,141	77,852,991	2.80%	193.57
2014	2,645,842,533	71,466,672	233,291,897	6,587,918	2,879,134,430	78,054,590	2.71%	198.74
2015	2,711,922,840	70,661,377	216,917,883	5,436,977	2,928,840,723	76,098,354	2.60%	204.54
2016	4,902,476,643	78,823,672	363,583,585	9,754,099	5,266,060,228	88,577,771	1.68%	190.29
2017	4,956,742,318	80,856,634	395,573,329	10,491,169	5,352,315,647	91,347,803	1.71%	198.24
2018	5,515,576,327	94,060,050	106,575,740	1,762,443	5,622,152,067	95,822,493	1.70%	194.78
2019	5,657,454,119	97,741,707	113,347,623	1,822,862	5,770,801,742	99,564,569	1.73%	201.24
2020	5,988,180,028	102,882,454	116,532,959	1,897,868	6,104,712,987	104,780,322	1.72%	200.78
2021	6,254,334,210	104,743,273	141,235,004	2,393,884	6,395,569,214	107,137,157	1.68%	208.79
	TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - NET OF TAX INCREMENT DISTRICTS (TID)							
2012	2,299,416,422	61,430,953	341,552,897	15,728,446	2,640,969,319	77,159,399	2.92%	183.24
2013	2,510,700,401	70,256,694	216,731,371	6,108,978	2,727,431,772	76,365,672	2.80%	193.57
2014	2,617,468,606	66,426,926	219,254,983	5,723,343	2,836,723,589	72,150,269	2.69%	198.74
2015	2,507,288,203	65,146,953	202,918,247	4,599,174	2,710,206,450	69,746,127	2.57%	204.54
2016	4,602,793,224	73,709,855	343,909,919	8,832,202	4,946,703,143	82,542,057	1.67%	190.29
2017	4,679,803,741	75,245,526	385,641,073	10,336,672	5,065,444,814	85,582,198	1.69%	198.24
2018	5,216,076,085	88,187,361	94,556,655	1,569,152	5,310,632,740	89,756,513	1.69%	194.78
2019	5,343,981,416	91,578,510	97,111,181	1,567,981	5,441,092,597	93,146,491	1.71%	201.24
2020	5,647,709,389	95,611,019	95,802,462	1,575,336	5,743,511,851	97,186,355	1.69%	200.78
2021	5,909,883,777	97,229,573	117,667,119	1,998,905	6,027,550,896	99,228,478	1.65%	208.79
	TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - TOTAL TAX INCREMENT DISTRICTS (TID)¹							
2012	54,240,944	1,484,583	2,052,346	65,053	56,293,290	1,549,636	2.75%	177.24
2013	52,054,222	1,468,025	917,147	19,294	52,971,369	1,487,319	2.81%	187.57
2014	178,373,927	5,039,746	14,036,914	864,575	192,410,841	5,904,321	3.07%	192.74
2015	204,634,637	5,514,424	13,999,636	837,803	218,634,273	6,352,227	2.91%	198.54
2016	299,683,419	5,113,817	19,673,666	921,897	319,357,085	6,035,714	1.89%	184.29
2017	276,938,577	5,611,108	9,932,256	154,497	286,870,833	5,765,605	2.01%	192.24
2018	299,500,242	5,872,689	12,019,085	193,291	311,519,327	6,065,980	1.95%	188.78
2019	313,472,703	6,163,197	16,236,442	254,881	329,709,145	6,418,078	1.95%	195.24
2020	340,470,639	7,271,435	20,730,497	322,532	361,201,136	7,593,967	2.10%	194.78
2021	344,450,433	7,513,700	23,567,885	394,979	368,018,318	7,908,679	2.15%	202.79

Source: Montana State Department of Revenue.

¹ University mill levies of 6 mills are excluded from tax increment districts.

Note: The City's real estate property tax is levied as of November 1 on the assessed value listed as of January 1 of the same year, for all property located in the City. Assessed values are established by the Montana Department of Revenue based on a market value. A revaluation of all property is required to be completed on a periodic basis. Taxable value is defined by State statute as a fixed percentage of assessed value.

**City of Great Falls, Montana
Taxable Assessed Value and Market Value of Taxable Property All Tax Increment Districts
Last Ten Fiscal Years**

Base Value Year	Real Property																			
	Downtown Urban				Industrial International Maltng Co.				Urban Renewal West Bank				International Airport Market				East Industrial Ag Tech Park			
	Renewal TID Market Value	Downtown Urban Renewal TID TAV	Industrial International Maltng Co. TID Market Value	Industrial International Maltng Co. TID TAV	Urban Renewal West Bank TID Market Value	Urban Renewal West Bank TID TAV	International Airport Market Value	International Airport Market TID TAV	International Airport Market Value	International Airport Market TID TAV	Urban Renewal West Bank TID Market Value	Urban Renewal West Bank TID TAV	International Airport Market Value	International Airport Market TID TAV	East Industrial Ag Tech Park TID Market Value	East Industrial Ag Tech Park TID TAV				
2012	N/A	\$ 3,643,575	N/A	\$ 362,124	N/A	\$ 292,250	N/A	\$ 107,149	N/A	\$ 292,250	N/A	\$ 107,149	N/A	\$ 2,322	N/A					
2013	-	-	19,258,904	523,995	30,791,048	846,591	4,190,992	113,997	4,190,992	846,591	113,997	4,190,992	113,997	N/A	N/A					
2014	-	-	19,198,044	504,908	28,541,803	849,635	4,314,375	113,482	4,314,375	849,635	113,482	4,314,375	113,482	N/A	N/A					
2015	123,431,697	3,646,875	19,953,345	502,683	30,330,227	771,868	4,658,658	118,320	4,658,658	771,868	118,320	4,658,658	118,320	N/A	N/A					
2016	128,594,319	3,685,340	34,752,393	809,138	35,118,927	867,572	4,801,702	118,600	4,801,702	867,572	118,600	4,801,702	118,600	1,367,296	33,774					
2017	195,391,550	3,211,943	46,763,872	844,655	46,788,808	872,334	8,374,742	140,006	8,374,742	872,334	140,006	8,374,742	140,006	2,364,447	44,879					
2018	179,749,691	3,783,918	42,590,582	804,532	44,466,752	837,983	7,814,404	140,691	7,814,404	837,983	140,691	7,814,404	140,691	2,317,148	43,984					
2019	180,209,897	3,819,643	46,740,875	681,946	49,358,717	940,473	7,917,092	142,654	7,917,092	940,473	142,654	7,917,092	142,654	15,273,661	287,973					
2020	180,097,784	3,851,787	49,506,568	733,149	55,379,006	1,053,913	7,919,065	142,678	7,919,065	1,053,913	142,678	7,919,065	142,678	20,570,280	381,670					
2021	189,911,142	4,584,180	47,164,129	723,019	71,532,946	1,364,492	11,032,895	200,349	11,032,895	1,364,492	200,349	11,032,895	200,349	20,829,527	399,395					
2021	186,221,679	4,601,003	45,915,839	773,016	75,021,299	1,436,389	12,657,903	231,602	12,657,903	1,436,389	231,602	12,657,903	231,602	24,633,713	471,690					

Note: Incremental Value equals Base Value less Tax Increment District (TID) Taxable Assessed Value (TAV)
¹ The decrease in personal property for this year is due to the method of valuation which had the property as personal while under construction. Once placed in production the property became real property.
² The decrease in value this year is due to the demolition of several prominent structures & improvements in the district.
³ The changes during FY 2018 were caused by the Montana Department of Revenue providing the wrong information/ reports to the City in previous years.
Source: Montana Department of Revenue

City of Great Falls, Montana
Property Tax Mills Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Overlapping Governments										Direct			Total
	State University	State School Equalization	Cascade County	State-Other School	Great Falls School Districts	Transit District	City of Great Falls	Permissive Medical Levy	Soccer Park Debt Service	Swimming Pool Debt Service	Total			
2012	6.00	40.00	126.23	95.72	180.11	19.09	161.52	15.44	2.56	3.72	183.24	650.39		
2013	6.00	40.00	131.02	102.63	186.38	20.00	169.13	17.93	2.58	3.93	193.57	679.60		
2014	6.00	40.00	131.36	103.48	186.59	20.24	172.19	20.06	2.57	3.92	198.74	686.41		
2015	6.00	40.00	133.56	106.45	200.28	21.17	175.77	22.87	2.28	3.62	204.54	712.00		
2016	6.00	40.00	121.87	101.86	186.60	19.61	162.17	23.03	1.97	3.12	190.29	666.23		
2017	6.00	40.00	127.07	103.26	181.31	19.60	167.26	26.14	1.90	2.94	198.24	675.48		
2018	6.00	40.00	127.28	105.57	231.99	19.31	165.41	27.63	1.74	-	194.78	724.93		
2019	6.00	40.00	129.64	104.24	249.97	19.65	169.62	29.86	1.76	-	201.24	750.74		
2020	6.00	40.00	126.92	102.53	243.93	21.33	165.99	33.11	1.68	-	200.78	741.49		
2021	6.00	40.00	131.62	100.21	274.18	22.52	172.84	34.23	1.72	-	208.79	783.32		

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Great Falls. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Treasurer, Cascade County, Montana.

City of Great Falls, Montana
Principal Taxpayers
Current Year and Nine Years Ago

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Calumet Montana Refining, LLC	⁴ \$ 8,210,160	1	8.08%	\$ 1,675,080	2	2.13%
Northwestern Energy, LLC	6,613,469	2	6.51%	4,022,549	1	5.11%
Energy West Montana Inc	1,899,330	3	1.87%	816,479	5	1.04%
Burlington Northern Santa Fe Railroad Co	1,243,262	4	1.22%	637,450	8	
Pasta Montana LLC	779,353	5	0.77%	640,907	7	0.81%
Verizon Wireless	688,997	6	0.68%			
DOC Great Falls Holding LLC	675,352	7	0.66%			
Bresnan Communications (Charter)	717,541	8	0.71%	1,595,332	3	2.03%
GK Development Inc	¹ 622,090	9	0.61%	700,946	6	0.89%
Walmart Real Estate Business Trust	537,061	10	0.53%			
Centurylink, Inc				948,562	4	1.21%
General Mills, Inc				554,168	10	0.70%
Benefis Health System, Inc				581,912	9	0.74%
	<u>\$ 21,986,615</u>		<u>21.63%</u>	<u>\$12,173,385</u>		<u>14.66%</u>
Total Assessed Taxable Value	<u>\$101,651,616</u>			<u>\$78,709,035</u>		

Source: Treasurer's Office, Cascade County, Montana

¹ In Fiscal Year 2014, Holiday Village Partners LLC changed to GK Development Inc

² In Fiscal Year 2014, Great Falls Gas Co. changed to Energy West Montana Inc.

³ In Fiscal Year 2015, Qwest Corporation changed to Centurylink, Inc.

⁴ In Fiscal Year 2015, Montana Refining Corp. changed to Calumet Montana Refining, LLC

City of Great Falls, Montana
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected Within the Fiscal Year of the Levy	% Levy Collected	Collection in Subsequent Years	Total Tax Collections	% Total Tax Collections to Total Tax Levy
PROPERTY TAX LEVIES AND COLLECTIONS - TOTAL						
2012	\$ 14,722,663	\$ 13,104,833	89.01%	\$ 1,604,668	\$ 14,709,501	99.91%
2013	15,921,285	13,820,468	86.80%	2,086,107	15,906,575	99.91%
2014	15,877,678	14,442,695	90.96%	1,420,433	15,863,128	99.91%
2015	16,499,453	14,897,755	90.29%	1,581,949	16,479,704	99.88%
2016	17,481,060	15,536,927	88.88%	1,770,891	17,307,818	99.01%
2017	18,951,993	16,514,190	87.14%	2,328,673	18,842,863	99.42%
2018	20,555,516	17,914,889	87.15%	2,543,590	20,458,479	99.53%
2019	21,338,561	19,942,269	93.46%	749,764	20,692,033	96.97%
2020	23,254,940	22,916,657	98.55%	296,650	23,213,307	99.82%
2021	24,085,350	23,822,361	98.91%	-	23,822,361	98.91%
PROPERTY TAX LEVIES AND COLLECTIONS - NET OF TAX INCREMENT DISTRICTS ¹						
2012	14,257,354	12,659,663	88.79%	1,584,529	14,244,192	99.91%
2013	15,450,077	13,351,783	86.42%	2,083,584	15,435,367	99.90%
2014	15,324,979	13,928,320	90.89%	1,382,109	15,310,429	99.91%
2015	15,671,690	14,087,159	89.89%	1,564,782	15,651,941	99.87%
2016	16,490,112	14,728,958	89.32%	1,587,912	16,316,870	98.95%
2017	18,099,805	15,775,631	87.16%	2,215,044	17,990,675	99.40%
2018	19,342,096	16,703,221	86.36%	2,541,838	19,245,059	99.50%
2019	19,774,666	18,389,811	93.00%	741,331	19,131,142	96.75%
2020	20,393,115	20,100,840	98.57%	265,340	20,366,180	99.87%
2021	20,569,852	20,422,478	99.28%	-	20,422,478	99.28%
PROPERTY TAX LEVIES AND COLLECTIONS - TAX INCREMENT DISTRICTS ¹						
2012	465,309	445,170	95.67%	20,139	465,309	100.00%
2013	471,208	468,685	99.46%	2,523	471,208	100.00%
2014	552,699	514,375	93.07%	38,324	552,699	100.00%
2015	827,763	810,596	97.93%	17,167	827,763	100.00%
2016	990,948	807,969	81.53%	182,979	990,948	100.00%
2017	852,188	738,559	86.67%	113,629	852,188	100.00%
2018	1,213,420	1,211,668	99.86%	1,752	1,213,420	100.00%
2019	1,563,895	1,552,458	99.27%	8,433	1,560,891	99.81%
2020	2,861,825	2,815,818	98.39%	31,310	2,847,128	99.49%
2021	3,515,498	3,399,883	96.71%	-	3,399,883	96.71%

Source: City of Great Falls, Montana

¹ Downtown Urban Renewal Tax Increment District; Industrial International Maltng Co. Tax Increment District; Urban Renewal West Bank Tax Increment District; East Industrial Park Tax Increment District; Great Falls International Airport Tax Increment District

City of Great Falls, Montana
Special Improvement Districts Outstanding
June 30, 2021

SID Number	Issue Date	Original Issue	Accumulated Cash Balance	Maturity Date	Outstanding Balance	C/Y Principal and Interest Assessments Outstanding	Delinquent Principal and Interest Assessments
Special Improvement District (SID) Medical Tech Park	05/15/2005	\$ 630,000	\$ 35,574	8/1/2020	\$ -	\$ -	\$ -
Total Bonds Outstanding		<u>\$ 630,000</u>	<u>\$ 35,574</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessments Outstanding							-
Total assessments outstanding							<u>\$ -</u>

Source: City of Great Falls, Montana

City of Great Falls, Montana
Statement of Changes in Fund Balances of the Special Improvement District Revolving Fund
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Beginning fund balance, July 1	\$ 125,712	\$ 125,176	\$ 95,923	\$ 50,980	\$ 21,591	\$ 16,304	\$ 15,322	\$ 14,504	\$ 13,669	\$ 12,691
Receipts over (under) disbursements	(27,536)	(29,253)	(44,943)	(29,389)	(5,287)	(982)	(818)	(835)	(978)	(1,167)
Ending fund balance, June 30	<u>\$ 125,176</u>	<u>\$ 95,923</u>	<u>\$ 50,980</u>	<u>\$ 21,591</u>	<u>\$ 16,304</u>	<u>\$ 15,322</u>	<u>\$ 14,504</u>	<u>\$ 13,669</u>	<u>\$ 12,691</u>	<u>\$ 11,524</u>
Assets										
Cash	\$ 124,950	\$ 95,731	\$ 50,980	\$ 21,591	\$ 16,304	\$ 15,322	\$ 14,504	\$ 13,669	\$ 12,691	\$ 11,524
Assessments receivable	-	-	-	-	-	-	-	-	-	-
Accrued interest	226	192	-	-	-	-	-	-	-	-
Due from Other City Funds	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 125,176</u>	<u>\$ 95,923</u>	<u>\$ 50,980</u>	<u>\$ 21,591</u>	<u>\$ 16,304</u>	<u>\$ 15,322</u>	<u>\$ 14,504</u>	<u>\$ 13,669</u>	<u>\$ 12,691</u>	<u>\$ 11,524</u>
Liabilities										
Deferred revenue	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	125,176	95,923	50,980	21,591	16,304	15,322	14,504	13,669	12,691	11,524
Total Liabilities/Fund Balances	<u>\$ 125,176</u>	<u>\$ 95,923</u>	<u>\$ 50,980</u>	<u>\$ 21,591</u>	<u>\$ 16,304</u>	<u>\$ 15,322</u>	<u>\$ 14,504</u>	<u>\$ 13,669</u>	<u>\$ 12,691</u>	<u>\$ 11,524</u>

Source: City of Great Falls, Montana

City of Great Falls, Montana
Special Improvement District Revolving Fund
Last Ten Fiscal Years

Fiscal Year	Revolving Fund Cash Balance	Principal Amount of Bonds	Percentage
2012	\$ 124,950	\$ 370,000	33.77%
2013	95,731	370,000	25.87%
2014	50,980	215,000	23.71%
2015	21,591	175,000	12.34%
2016	16,304	125,000	13.04%
2017	15,322	85,000	18.03%
2018	14,504	60,000	24.17%
2019	13,669	35,000	39.05%
2020	12,691	35,000	36.26%
2021	11,524	-	NA

Individual Special Improvement Districts - Continuing Disclosure

	SID 1301
Properties with assessments outstanding	
Number	-
Amount	\$ -
Market Value	2,570,898
Undeveloped properties with assessments outstanding	
Number	-
Amount	\$ -

Source: City of Great Falls, Montana

City of Great Falls, Montana
Special Improvement District Assessment Billings and Collections
Last Ten Fiscal Years

Fiscal Year	Assessment Billing	Assessed		Collections	
		Amount	Percent	Amount	Percent
2012	\$ 74,280	\$ 73,378	98.8%	\$ 73,708	99.2%
2013	71,469	71,183	99.6%	71,946	100.7%
2014	55,276	55,276	100.0%	55,579	100.5%
2015	53,169	53,169	100.0%	53,169	100.0%
2016	51,062	51,062	100.0%	51,062	100.0%
2017	48,955	48,955	100.0%	48,955	100.0%
2018	46,848	46,848	100.0%	46,848	100.0%
2019	44,741	44,741	100.0%	44,741	100.0%
2020	42,634	42,634	100.0%	42,634	100.0%
2021	-	-	NA	NA	NA

1 Collections are higher than billing because of SID payoffs made when properties were sold or refinanced.

2 Fiscal Year 2020 was the last year of assessment billing for SID 1301.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Special Assessment Billings and Collections
Last Ten Fiscal Years

Fiscal Year	Assessment Billing	Collections in Year Assessed		Total Outstanding Assessment
	Amount	Amount	Percent	Amount
2012	\$ 6,384,737	\$ 5,788,307	90.7%	\$ 2,014,226
2013	6,621,680	6,246,345	94.3%	1,913,383
2014	6,638,541	6,604,245	99.5%	1,342,209
2015	6,848,321	6,783,380	99.1%	1,289,795
2016	7,210,595	7,168,045	99.4%	1,527,590
2017	6,942,609	6,862,695	98.8%	1,395,975
2018	6,906,661	6,767,235	98.0%	1,268,269
2019	8,444,062	8,266,069	97.9%	1,220,711
2020	8,871,909	8,598,181	96.9%	1,187,488
2021	8,650,082	8,567,779	99.0%	1,078,517

Assessments are Street Maintenance, Park Maintenance, Boulevard Districts, Lighting Districts, Business Improvement District, Tourism Business Improvement District and Special Improvement Districts.

Source: City of Great Falls, Montana

City of Great Falls, Montana
West Bank Urban Renewal District Principal Taxpayers
Fiscal Year 2021

Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Assessed Taxable Value
Big Sky Select Courthouse LLC	Courthouse	\$ 287,076	1	20.49%
Riverside Hotel Partners LLC	Hotel	243,798	2	17.40%
Virk Hospitality Great Falls LLC	Hotel	188,550	3	13.46%
Skiprock LLC	Retail	180,802	4	12.90%
Talcott Properties LLC	Retail	73,128	5	5.22%
Stockman Bank of MT	Bank	63,210	6	4.51%
Paige Trust	Retail	59,022	7	4.21%
JD Land LLC	Retail	34,067	8	2.43%
Kobe Holdings LLC	Restaurant	26,844	9	1.92%
Burlington Northern Sante Fe Railroad Co	Railroad	22,432	10	1.60%
Principal Taxpayers Total Assessed Taxable Value		\$ 1,178,929		84.13%
District Total Assessed Taxable Value		\$ 1,401,317		

Source: Treasurer's Office, Cascade County, Montana

City of Great Falls, Montana

West Bank Urban Renewal Tax Increment District Debt Service Fund

Ten Year Statement of Revenues, Expenditures and Changes in Fund Balance

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 364,984	\$ 371,310	\$ 394,485	\$ 411,464	\$ 348,904	\$ 365,098	\$ 454,674	\$ 574,686	\$ 797,831	\$ 876,250
Investment Income	1,117	1,093	1,173	4,629	5,785	3,448	11,897	17,675	7,909	2,788
Other	812,776	-	13	4,684	5,134	4,684	4,684	4,684	20,369	2,342
Total revenues	<u>1,178,877</u>	<u>372,403</u>	<u>395,671</u>	<u>420,777</u>	<u>359,823</u>	<u>373,230</u>	<u>471,255</u>	<u>597,045</u>	<u>826,109</u>	<u>881,380</u>
Expenditures										
General Government	1,795	18,536	18,759	19,176	2,856	46,404	30,095	35,439	50,391	67,066
Debt Service										
Principal	855,659	85,000	85,000	90,000	90,000	95,000	95,000	100,000	1,725,000	125,000
Interest & fees	140,368	128,528	126,228	123,728	120,828	117,818	114,418	110,875	178,859	135,710
Capital Outlay	-	2,440	-	4,068	220,030	163,198	71,508	700,000	1,942,614	750,000
Total Expenditures	<u>997,822</u>	<u>234,504</u>	<u>229,987</u>	<u>236,972</u>	<u>433,714</u>	<u>422,420</u>	<u>311,021</u>	<u>946,314</u>	<u>3,896,864</u>	<u>1,077,776</u>
Revenues over (under) expenditures	181,055	137,899	165,684	183,805	(73,891)	(49,190)	160,234	(349,269)	(3,070,755)	(196,396)
Other Financing Sources (Uses) - Issuance of Debt	-	-	-	-	-	-	-	-	3,200,000	-
Revenues and other financing uses over (under) expenditures	181,055	137,899	165,684	183,805	(73,891)	(49,190)	160,234	(349,269)	129,245	(196,396)
Fund balances, beginning of year	297,549	490,338	628,329	794,013	977,818	903,927	854,737	1,014,971	665,702	794,947
Transfers in (out)	11,734	92	-	-	-	-	-	-	-	-
Fund balances, end of year	<u>\$ 490,338</u>	<u>\$ 628,329</u>	<u>\$ 794,013</u>	<u>\$ 977,818</u>	<u>\$ 903,927</u>	<u>\$ 854,737</u>	<u>\$ 1,014,971</u>	<u>\$ 665,702</u>	<u>\$ 794,947</u>	<u>\$ 598,551</u>

West Bank Urban Renewal Tax Increment District taxes were first billed in Fiscal Year 2010

Source: City of Great Falls, Montana

City of Great Falls, Montana
West Bank Urban Renewal Tax Increment District Debt Service Fund
Bond Reserves, Coverage Covenant Calculation, Principal Amount of Bonds, and Trends in Value and Tax Increment

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Bond reserves</u>										
Debt service account	\$ 115,065	\$ 17,548	\$ 17,752	\$ 88,762	\$ 88,762	\$ 88,762	\$ 90,068	\$ 90,068	\$ 90,068	\$ 90,068
Bond covenant reserve account	216,165	216,165	216,165	216,165	216,165	216,165	216,165	216,165	263,925	263,925
Total bond reserves	<u>\$ 331,230</u>	<u>\$ 233,713</u>	<u>\$ 233,917</u>	<u>\$ 304,927</u>	<u>\$ 304,927</u>	<u>\$ 304,927</u>	<u>\$ 306,233</u>	<u>\$ 306,233</u>	<u>\$ 353,993</u>	<u>\$ 353,993</u>
<u>Coverage covenant calculation</u>										
Increment taxes collected and available	\$ 364,984	\$ 371,310	\$ 394,485	\$ 411,464	\$ 348,904	\$ 365,098	\$ 454,674	\$ 574,686	\$ 797,831	\$ 876,250
Maximum annual debt service	216,165	216,165	216,165	216,165	216,165	216,165	216,165	216,165	263,925	263,925
Debt service coverage	1.69x	1.72x	1.82x	1.90x	1.61x	1.69x	2.10x	2.66x	3.02x	3.32x
Debt service coverage required	1.40x	1.40x	1.40x	1.40x	1.40x	1.40x	1.40x	1.40x	1.40x	1.40x
<u>Principal Amount of Bonds Outstanding</u>										
Series 2009	\$ 1,900,000	\$ 1,850,000	\$ 1,800,000	\$ 1,745,000	\$ 1,690,000	\$ 1,630,000	\$ 1,570,000	\$ 1,505,000	\$ -	\$ -
Series 2012	850,000	820,000	785,000	750,000	715,000	680,000	645,000	610,000	570,000	530,000
Series 2020	-	-	-	-	-	-	-	-	3,020,000	2,935,000
Total Outstanding Principal	<u>\$ 2,750,000</u>	<u>\$ 2,670,000</u>	<u>\$ 2,585,000</u>	<u>\$ 2,495,000</u>	<u>\$ 2,405,000</u>	<u>\$ 2,310,000</u>	<u>\$ 2,215,000</u>	<u>\$ 2,115,000</u>	<u>\$ 3,590,000</u>	<u>\$ 3,465,000</u>

Fiscal Year	Trends in Taxable Value			Trends in Tax Increment		
	Base Value	Incremental Value	Total Taxable Value	Tax Increment Revenue	Entitlement Share Revenue	Total Tax Increment
2020	\$ 238,214	\$ 1,141,518	\$ 1,379,732	\$ 797,831	\$ 4,684	\$ 802,515
2021	292,536	1,108,781	1,401,317	876,250	2,342	878,592

West Bank Urban Renewal Tax Increment District taxes were first billed in Fiscal Year 2010

Source: City of Great Falls, Montana

City of Great Falls, Montana
Downtown Tax Increment District Bonds Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
First Year

	2021
Revenues	
Taxes	\$ 858,061
Investment Income	193
Other	-
Total Revenues	858,254
Expenditures	
General Government	235
Debt Service	
Principal	50,000
Interest & Fees	35,570
Capital Outlay	-
Total Expenditures	85,805
Revenues over (under) expenditures	772,449
Other Financing Sources (Uses) - Issuance of Debt	414,150
Revenues and other financing uses over (under) expenditures	1,186,599
Fund balance, beginning of year	-
Transfers in (out)	-
Fund balance, end of year	\$ 1,186,599

Source: City of Great Falls, Montana

City of Great Falls, Montana
Downtown Tax Increment District Bonds Debt Service Fund
Bond Reserves, Coverage Covenant Calculation, Principal Amount of Bonds, Trends in Value and Tax Increment
First Year

	<u>Fiscal Year</u>		<u>Trends in Taxable Value and Tax Increment</u>	
	2021		Total	Total Tax
<u>Bond reserves</u>			Taxable	Increment
Debt service account	\$ 90,068		Value	Revenue
Bond covenant reserve account	263,925		Incremental	
Total bond reserves	<u>\$ 353,993</u>		Value	\$ 858,061
			Base Value	\$ 3,643,698
			Value	\$ 1,060,260
			Total	\$ 4,703,958
<u>Coverage covenant calculation</u>				
Increment taxes collected and available	\$ 858,061			
Maximum annual debt service	414,150			
Debt service coverage	2.07x			
Debt service coverage required	1.25x			
<u>Principal Amount of Bonds Outstanding</u>				
Series 2021	\$ 5,945,000			
Total Outstanding Principal	<u>\$ 5,945,000</u>			
Fiscal Year	2021			

Source: City of Great Falls, Montana

City of Great Falls, Montana
Major Water, Sanitary Sewerage, and Storm Drain System Users
June 30, 2021

Customer	Water		Percent of Total Water		Sewer		Percent of Total Sewer		Storm Drain		Percent of Total Storm Drain	
	Charges	Rank	Revenues	Rank	Charges	Rank	Revenues	Rank	Charges	Rank	Revenues	Rank
Calumet Montana Refining, LLC	\$ 694,972	1	4.97%	3	\$ 338,408	3	2.95%	10	\$ 16,409	10	0.56%	
Malmstrom AFB	511,615	2	3.66%	2	523,169	2	4.56%		-		0.00%	
City of Great Falls	307,528	3	2.20%		22,358		0.19%	4	24,298	4	0.83%	
Benefis Health Systems	197,147	4	1.41%	4	196,570	4	1.71%	2	46,499	2	1.59%	
Great Falls Public Schools	173,664	5	1.24%	8	70,123	8	0.61%	1	130,865	1	4.49%	
Black Eagle, Cascade Co, Water District	158,589	6	1.13%	9	58,770	9	0.51%		-		0.00%	
Cascade County	119,401	7	0.85%	7	78,579	7	0.69%		7,506		0.26%	
Great Falls Housing Authority	108,966	8	0.78%	5	137,323	5	1.20%		15,707		0.54%	
Town Pump	80,137	8	0.57%	6	104,939	6	0.92%		14,190		0.49%	
University of Providence	59,525	10	0.43%		18,152		0.16%	8	18,067	8	0.62%	
Meadow Gold Daries	39,573		0.28%	10	53,028	10	0.46%		1,670		0.06%	
Walmart	32,871		0.24%		16,841		0.15%	3	28,797	3	0.99%	
Malteurop North America, Inc	31,142		0.22%	1	576,414	1	5.03%		3,099		0.11%	
GK Holiday Village LLC	16,077		0.12%		10,365		0.09%	5	22,988	5	0.79%	
Great Falls Marketplace Holdings, LLC	10,765		0.08%		6,320		0.06%	6	22,809	6	0.78%	
Great Falls College, MSU	11,242		0.08%		4,413		0.04%	9	18,036	9	0.62%	
BN Santa Fe Railway Co	4,549		0.03%		3,079		0.03%	7	21,401	7	0.73%	
	<u>\$ 2,557,763</u>		<u>18.30%</u>		<u>\$ 2,218,851</u>		<u>16.40%</u>		<u>\$ 392,341</u>		<u>12.89%</u>	

Source: Utility Division, City of Great Falls, Montana.

City of Great Falls, Montana
Current Water Rate Structure
June 30, 2021

	Residential	Low Income	Commercial	Black Eagle	Malmstrom AFB
Monthly service charge					
Meter size (in inches)					
3/4	\$ 7.79	\$ 7.01	\$ 7.79	\$ -	\$ -
1	9.23	8.30	9.23	-	-
1 1/4	14.61	13.14	14.61	-	-
1 1/2	14.61	13.14	14.61	-	-
2	20.03	18.01	20.03	-	-
3	63.04	56.72	63.04	-	-
4	86.44	77.82	86.44	-	-
6	148.30	133.48	148.30	-	-
8	216.74	195.06	216.74	216.74	216.74
10	306.47	275.84	306.47	-	306.47
12	452.25	407.03	452.25	-	-
Monthly consumption charge					
First 600 cf	\$ 1.76	\$ 1.59	\$ 2.01	\$ 2.04	\$ 2.32
Over 600 cf	2.95	2.66	2.01	2.04	2.32
Monthly fire hydrant charge					
Meter size (in inches)					
3/4	\$ 2.70	\$ 2.70	\$ 2.70		
1	3.73	3.73	3.73		
1 1/4	8.56	8.56	8.56		
1 1/2	8.56	8.56	8.56		
2	13.29	13.29	13.29		
3	37.51	37.51	37.51		
4	56.02	56.02	56.02		
6	116.52	116.52	116.52		
Annual fire line charge					
Line size (in inches)					
2			\$ 21.60		
3			52.53		
4			91.32		
6			265.44		
8			565.20		
12			1,640.16		

Source: Utility Division, City of Great Falls, Montana.

City of Great Falls, Montana
Historical Water System Connections
Last Ten Fiscal Years

Fiscal Year	Commercial/ Industrial			% of		Debt per connection
	Residential Customers	Commercial/ Industrial Customers	Total Customers	Residential Customers	Customers	
2012	18,325	2,362	20,687	88.6%		375
2013	18,604	2,832	21,436	86.8%		314
2014	18,307	2,406	20,713	88.4%		233
2015	18,357	2,602	20,959	87.6%		213
2016	18,409	2,430	20,839	88.3%		215
2017	18,481	2,706	21,187	87.2%		293
2018	18,370	2,401	20,771	88.4%		707
2019	18,546	2,669	21,215	87.4%		1,452
2020	18,629	2,747	21,376	87.1%		1,361
2021	19,066	3,127	22,193	85.9%		1,236

Source: Utility Division, City of Great Falls, Montana

City of Great Falls, Montana
Water System Historical Operating Results and Revenue Bond Covenant Coverage
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues:										
Water charges for services ¹	\$ 9,586,179	\$ 10,551,476	\$ 9,857,288	\$ 11,027,200	\$ 11,107,594	\$ 12,076,482	\$ 13,961,722	\$ 13,214,836	\$ 13,720,128	\$ 13,971,805
Investment income	27,400	15,089	21,555	42,582	65,942	40,766	125,218	409,326	229,572	7,618
Gain on disposal of assets	1,681	8,124	12,298	1,459	562	9,106	7,070	(58,232)	-	-
Total operating revenues	<u>9,615,260</u>	<u>10,574,689</u>	<u>9,891,141</u>	<u>11,071,241</u>	<u>11,174,098</u>	<u>12,126,354</u>	<u>14,094,010</u>	<u>13,565,930</u>	<u>13,949,700</u>	<u>13,979,423</u>
Operating Expenses:²										
Personal services	2,196,201	2,264,051	2,321,012	2,296,225	2,287,701	2,525,022	2,747,271	2,734,340	2,776,465	3,094,388
Supplies and materials	985,185	824,822	872,711	870,907	912,383	858,466	1,261,800	1,126,160	949,325	798,139
Purchased services	848,400	943,415	799,501	706,909	692,198	704,133	857,070	792,263	672,260	834,854
Internal services	1,239,423	1,332,709	1,394,791	1,385,165	1,244,844	1,349,756	1,342,248	1,414,835	1,638,132	1,573,755
Other	45,594	45,806	50,551	45,877	47,330	50,211	46,671	46,733	47,426	9,879
Total operating expenses	<u>5,314,803</u>	<u>5,410,803</u>	<u>5,438,566</u>	<u>5,305,083</u>	<u>5,184,456</u>	<u>5,487,588</u>	<u>6,255,060</u>	<u>6,114,331</u>	<u>6,083,608</u>	<u>6,311,015</u>
Net revenue available for debt service	<u>\$ 4,300,457</u>	<u>\$ 5,163,886</u>	<u>\$ 4,452,575</u>	<u>\$ 5,766,158</u>	<u>\$ 5,989,642</u>	<u>\$ 6,638,766</u>	<u>\$ 7,838,950</u>	<u>\$ 7,451,599</u>	<u>\$ 7,866,092</u>	<u>\$ 7,668,408</u>
Net revenue	\$ 4,300,457	\$ 5,163,886	\$ 4,452,575	\$ 5,766,158	\$ 5,989,642	\$ 6,638,766	\$ 7,838,950	\$ 7,451,599	\$ 7,866,092	\$ 7,668,408
Depreciation expense	(2,532,581)	(2,755,971)	(2,759,952)	(2,857,431)	(3,035,806)	(3,436,604)	(3,490,663)	(3,531,514)	(3,740,167)	(4,418,162)
Total non-operating income	286,084	50,307	49,847	69,164	159,102	355,766	61,222	66,840	65,376	157,475
Total non-operating expenses	(219,322)	(193,541)	(61,522)	(30,465)	(44,770)	(16,115)	(20,000)	(779,734)	(766,897)	(723,790)
Transfers in (out)	-	(300,477)	-	-	-	-	-	-	-	(210,597)
Net income (loss)	<u>\$ 1,834,638</u>	<u>\$ 1,964,204</u>	<u>\$ 1,680,948</u>	<u>\$ 2,947,426</u>	<u>\$ 3,068,168</u>	<u>\$ 3,541,813</u>	<u>\$ 4,389,509</u>	<u>\$ 3,207,191</u>	<u>\$ 3,424,404</u>	<u>\$ 2,473,334</u>
Reserve cash account balances:										
Reserve account	\$ 1,337,490	\$ 485,055	\$ 485,055	\$ 328,066	\$ 328,066	\$ 647,330	\$ 1,241,960	\$ 1,241,948	\$ 1,191,893	\$ 1,141,375
Current debt service reserve account	1,001,297	40,413	40,421	314,021	328,066	647,330	1,241,960	1,241,948	1,191,893	1,141,375
Operating reserve account	773,434	521,109	527,204	527,204	442,090	432,038	457,299	521,255	509,528	506,967
Repair/replacement reserve account	975,582	975,582	935,514	935,514	935,514	935,514	935,514	935,514	935,514	935,514
Total reserves	<u>\$ 4,087,803</u>	<u>\$ 2,022,159</u>	<u>\$ 1,988,194</u>	<u>\$ 2,104,805</u>	<u>\$ 2,033,736</u>	<u>\$ 2,662,212</u>	<u>\$ 3,876,733</u>	<u>\$ 3,940,665</u>	<u>\$ 3,828,828</u>	<u>\$ 3,725,231</u>
* Maximum future principal and interest	\$ 1,329,511	\$ 485,055	\$ 485,055	\$ 656,075	\$ 656,075	\$ 1,294,659	\$ 2,483,921	\$ 2,483,897	\$ 2,383,785	\$ 2,282,750
Debt service coverage	323.46%	1064.60%	917.95%	878.89%	912.95%	512.78%	315.59%	300.00%	329.98%	335.93%

Note: Water Revenue Bonds amended and restated Fiscal Year 2013; Water Revenue Bonds issued in Fiscal Year 2015.

¹ Includes all operating revenues and interest income other than bonded construction funds and repair and replacement reserve funds interest earnings.

² Total operating expense exclusive of depreciation.

* As of Fiscal Year 2015, the maximum future principal and interest required is 110% of the maximum future principal and interest payment.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Current Sanitary Sewerage Rate Structure
June 30, 2021

	<u>Residential</u>	<u>Low Income</u>	<u>Commercial</u>	<u>Black Eagle</u>	<u>Malmstrom AFB</u>	<u>MaltEurop</u>
Standard Sewer						
Monthly service charge	\$ 9.02	\$ 8.10	\$ 9.02	\$ 9.02	\$ 9.02	\$ 8.19
Per 100 cf ¹	2.48	2.23	2.80	2.91	2.49	1.95

¹ Residential, low income and qualifying commercial customers are billed at a flat rate based on the winter quarter average for the reads in December, January, February and March.

Sewer Extra-Strength:

BOD>200 mg/L	0.339 /lb
TSS>250mg/L	0.500 /lb

Pre-Treatment:

Monthly service charge	\$ 9.02
Volume charge/ccf	1.42
BOD>200 mg/L	0.339 /lb
TSS>250mg/L	0.500 /lb

Source: Utility Division, City of Great Falls, Montana.

City of Great Falls, Montana
Historical Sewerage System Connections
Last Ten Fiscal Years

Fiscal Year	Residential		Commercial/		Total Customers	% of Residential Customers	Debt per connection
	Customers	Customers	Industrial Customers	Customers			
2012	18,083	2,316			20,399	88.6%	683
2013	18,634	2,774			21,408	87.0%	594
2014	18,165	2,343			20,508	88.6%	549
2015	18,199	2,359			20,558	88.5%	506
2016	18,256	2,378			20,634	88.5%	961
2017	18,320	2,389			20,709	88.5%	1,025
2018	18,525	2,691			21,216	87.3%	910.73
2019	18,394	2,396			20,790	88.5%	738.14
2020	18,469	2,408			20,877	88.5%	636.87
2021	19,555	2,475			22,030	88.8%	537.54

Source: Utility Division, City of Great Falls, Montana

City of Great Falls, Montana
Sanitary Sewerage System Historical Operating Results and Revenue Bond Covenant Coverage
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues:¹										
Sanitary sewer charges for services	\$ 8,972,566	\$ 10,264,207	\$ 10,445,901	\$ 10,903,714	\$ 10,541,575	\$ 11,009,843	\$ 11,426,321	\$ 11,441,446	\$ 11,617,561	\$ 11,456,413
Investment income	31,724	13,662	8,712	45,462	62,831	52,518	114,991	300,410	230,436	10,709
Gain on disposal of assets	2,505	147	-	-	-	-	-	98,782	62,807	-
Total operating revenues	9,006,795	10,278,016	10,454,613	10,949,176	10,604,406	11,062,361	11,541,312	11,840,638	11,910,804	11,467,122
Operating Expenses:²										
Personal services	832,920	838,822	827,825	894,692	898,041	971,755	1,008,462	1,033,931	1,073,928	1,114,048
Supplies and materials	83,847	77,330	70,796	65,554	70,751	66,588	82,493	74,523	78,926	71,657
Purchased services	2,979,993	3,352,392	3,543,057	3,318,492	2,762,614	3,420,855	3,771,745	3,535,482	3,679,802	3,780,972
Internal services	844,275	843,699	842,952	1,001,671	1,030,174	1,095,245	1,031,948	1,091,402	1,154,076	1,201,560
Other	42,214	34,432	154,369	31,820	28,822	35,664	36,454	32,403	33,330	4,125
Total operating expenses	4,783,249	5,146,675	5,438,999	5,312,229	4,790,402	5,590,107	5,931,102	5,767,741	6,020,062	6,172,362
Net revenue available for debt service	\$ 4,223,546	\$ 5,131,341	\$ 5,015,614	\$ 5,636,947	\$ 5,814,004	\$ 5,472,254	\$ 5,610,210	\$ 6,072,897	\$ 5,890,742	\$ 5,294,760
Net revenue	\$ 4,223,546	\$ 5,131,341	\$ 5,015,614	\$ 5,636,947	\$ 5,814,004	\$ 5,472,254	\$ 5,610,210	\$ 6,072,897	\$ 5,890,742	\$ 5,294,760
Depreciation expense	(2,043,243)	(2,209,363)	(2,332,859)	(2,378,678)	(2,429,975)	(3,318,708)	(3,608,749)	(3,590,930)	(3,770,774)	(3,943,963)
Total non-operating income	2,091	14,266	22,501	24,875	471,173	229,254	237,006	34,847	18,328	51,911
Total non-operating expenses	(439,055)	(320,451)	(51,414)	(165,437)	(753,049)	(521,486)	(350)	(493,107)	(435,298)	(377,848)
Transfers in (out)	-	(278,802)	110,973	-	-	-	-	-	-	246,006
Net income (loss)	\$ 1,743,339	\$ 2,336,991	\$ 2,764,815	\$ 3,117,707	\$ 3,102,153	\$ 1,861,314	\$ 2,238,117	\$ 2,023,707	\$ 1,702,998	\$ 1,270,866
Reserve cash account balances:										
Reserve account	\$ 1,956,105	\$ 1,766,857	\$ 2,281,282	\$ 2,287,583	\$ 2,241,398	\$ 2,211,075	\$ 2,500,758	\$ 2,482,663	\$ 1,831,843	\$ 1,491,828
Current debt service reserve account	1,365,971	147,238	189,650	1,141,423	1,109,609	1,270,958	1,250,379	1,241,331	915,922	745,914
Operating reserve account	572,758	398,604	428,890	428,890	442,686	399,200	465,842	494,259	480,645	501,672
Repair/replacement reserve account	765,777	765,777	1,032,938	1,032,938	1,032,938	1,032,938	1,032,938	1,032,938	1,032,938	1,032,938
Total reserves	\$ 4,660,611	\$ 3,078,476	\$ 3,932,760	\$ 4,890,834	\$ 4,826,631	\$ 4,914,171	\$ 5,249,917	\$ 5,251,191	\$ 4,261,348	\$ 3,772,352
Maximum future principal and interest	\$ 1,943,004	\$ 1,766,857	\$ 2,050,230	\$ 2,287,583	\$ 2,594,536	\$ 2,541,916	\$ 2,500,758	\$ 2,482,663	\$ 1,831,843	\$ 1,491,828
Debt service coverage	217.37%	290.42%	244.64%	246.41%	224.09%	215.28%	224.34%	244.61%	321.57%	354.92%

Note: Sewer Revenue Bonds issued in 2012; Sewer Revenue Bonds amended and restated in Fiscal Year 2013; Sewer Revenue Bonds issued in 2013.

¹ Includes all operating revenues and interest income other than bonded construction funds and repair and replacement reserve funds interest earnings.

² Total operating expense exclusive of depreciation.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Current Storm Drain Land Use Classifications and Standard Monthly Service Charges
June 30, 2021

Classification	Rate
Group A Accounts in this group include Single Family; Mobile Home Single Family; Residence Predominant with Business; & Bed & Breakfast Residential. Additional area above 15,000 sq. feet shall be defined as agricultural or undeveloped.	\$0.6087119 (per 1,000 sq. ft.) + \$2.0290396757
Group B Accounts in this group include Two Family Residential; Townhouse Residential; Three/Four Family Residential; Condominium Residential; & Mobile Homes and Trailer Courts.	\$0.7608899 (per 1,000 sq. ft.) + \$2.0290396757
Group C Accounts in this group include Multiple Dwellings; Boarding and Rooming Houses; Retirement and Nursing; Condominium General Business/Office; Financial Institution Bank; Hotel/Motel (1-10 units); Light Industry; Day Care (owner not living on premises); Railroad/Public Utilities; Schools Public/Private; Churches; & Semi-Public.	\$0.9891569 (per 1,000 sq. ft.) + \$2.0290396757
Group D Accounts in this group include Hotel/Motel (over 10 units); Heavy Industry; General Business; Shopping Centers; Office Buildings/Banks/Financial Cos.; Public Buildings (Governmental Services); Parking Lots; Parks; & Vacant Land (residential and commercial).	\$1.3696018 (per 1,000 sq. ft.) + \$2.0290396757
Group E Accounts in this group consist of developed property that does not discharge storm water runoff into an underground storm drainage system.	\$0.1521780 (per 1,000 sq. ft.) + \$2.0290396757

Source: Utility Division, City of Great Falls, Montana

City of Great Falls, Montana
Historical Storm Drainage System Accounts
Last Ten Fiscal Years

Fiscal Year	Group A		Group B		Group C		Group D		Group E		Total		
	Number of Accounts	Revenues	Number of Accounts	Revenues	Number of Accounts	Revenues	Number of Accounts	Revenues	Number of Accounts	Revenues	Number of Accounts	Revenues	Debt per Connection
2012	16,283	897,674	1,603	104,687	907	369,932	1,134	421,749	969	71,705	20,896	1,865,747	178
2013	16,246	881,899	1,561	101,145	911	377,750	1,156	422,334	1,000	67,882	20,874	1,851,010	159
2014	16,280	904,190	1,565	102,333	913	384,942	1,180	434,586	1,002	76,875	20,940	1,902,926	127
2015	16,311	914,469	1,586	104,025	920	394,355	1,182	444,347	1,049	78,517	21,048	1,935,713	116
2016	17,373	1,001,773	1,687	115,637	968	431,272	1,275	502,529	1,113	87,975	22,416	2,139,186	88
2017	17,463	1,104,726	1,692	127,282	956	488,176	1,300	574,563	1,137	91,501	22,548	2,386,248	87
2018	17,551	1,218,470	1,693	140,107	960	538,270	1,306	640,125	1,108	96,538	22,618	2,633,510	255
2019	17,569	1,308,476	1,690	149,581	959	580,299	1,297	689,232	1,108	102,840	22,623	2,830,428	426
2020	17,762	1,392,671	1,659	158,240	1,022	622,448	1,293	736,365	1,117	108,900	22,853	3,018,624	343
2021	17,550	1,332,263	1,740	155,875	991	611,007	1,276	726,122	1,058	81,051	22,615	2,906,318	319

Source: Utility Division, City of Great Falls, Montana

City of Great Falls, Montana
Storm Drain System Historical Operating Results and Revenue Bond Coverage
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues ¹	\$ 1,893,445	\$ 1,938,535	\$ 1,857,326	\$ 2,005,166	\$ 2,120,599	\$ 2,419,771	\$ 2,663,503	\$ 2,997,284	\$ 3,110,007	\$ 2,917,430
Operating Expenses:										
Personal services	44,393	46,357	45,917	30,757	27,614	105,170	295,974	310,809	256,552	238,865
Supplies	7,037	3,609	3,609	3,379	4,439	8,971	11,032	15,488	10,419	7,395
Other services	42,016	100,305	47,293	62,590	61,356	163,709	157,897	107,040	109,000	115,958
Internal support	270,109	281,801	293,276	328,981	318,979	352,648	360,667	395,582	406,829	429,873
Total operating expenses	363,555	432,072	390,095	425,707	412,388	630,498	825,570	828,919	782,800	792,091
income	\$ 1,529,890	\$ 1,506,463	\$ 1,467,231	\$ 1,579,459	\$ 1,708,211	\$ 1,789,273	\$ 1,837,933	\$ 2,168,365	\$ 2,327,207	\$ 2,125,339

Bonded Debt Service Requirements (per Operating Year):

Principal	\$ 410,472	\$ 279,000	\$ 279,000	\$ 279,000	\$ 279,000	\$ 438,000	\$ 514,000	\$ 579,539	\$ 596,000	\$ 608,000
Interest	117,735	7,920	7,920	7,920	7,920	77,238	148,194	199,854	203,954	189,815
Total	\$ 528,207	\$ 286,920	\$ 286,920	\$ 286,920	\$ 286,920	\$ 515,238	\$ 662,194	\$ 779,393	\$ 799,954	\$ 797,815
Operating year coverage	289.64%	525.05%	511.37%	550.49%	595.36%	347.27%	277.55%	278.21%	290.92%	266.39%
Maximum future principal and int	\$ 528,207	\$ 286,920	\$ 286,920	\$ 286,920	\$ 286,920	\$ 606,283	\$ 830,349	\$ 800,139	\$ 797,815	\$ 796,308
Bond covenant coverage	289.64%	525.05%	511.37%	550.49%	595.36%	295.12%	221.34%	271.00%	291.70%	266.90%

Note: Storm Drain System revenue bonds issued in Fiscal Year 2005. Storm Drain System revenue bonds 2003 were redeemed in Fiscal Year 2013.

¹ Includes all operating revenues and interest income excluding interest earnings on the construction account, repair and replacement account, and surplus account.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Sanitation Historical Operating Results and Intercep Loan Coverage
Six Fiscal Years

	Fiscal Year					
	2016	2017	2018	2019	2020	2021
Operating Revenues ¹						
Sanitation charges for services	\$ 3,452,468	\$ 3,639,175	\$ 3,690,985	\$ 3,836,379	\$ 4,201,007	\$ 4,189,199
Investment income	4,945	4,146	10,284	10,165	6,265	2,058
Proceeds on sale of capital items	100	-	983	-	-	-
Other	16,092	13,921	10,388	34,460	33,261	176,051
Total operating revenues	<u>3,473,605</u>	<u>3,657,242</u>	<u>3,712,640</u>	<u>3,881,004</u>	<u>4,240,533</u>	<u>4,367,308</u>
Operating Expenses:						
Personal services	1,264,476	1,393,589	1,454,779	1,449,341	1,557,716	1,800,586
Supplies	307,095	290,267	305,726	336,784	299,352	337,714
Purchased services	874,432	901,484	806,352	1,028,711	1,053,455	1,041,685
Internal support	706,236	749,159	786,413	740,589	741,081	780,109
Other	3,200	14,306	-	-	-	5,399
Total operating expenses	<u>3,155,439</u>	<u>3,348,805</u>	<u>3,353,270</u>	<u>3,555,425</u>	<u>3,651,604</u>	<u>3,965,493</u>
Net operating income	<u>\$ 318,166</u>	<u>\$ 308,437</u>	<u>\$ 359,370</u>	<u>\$ 325,579</u>	<u>\$ 588,929</u>	<u>\$ 401,815</u>
Maximum annual debt service requirement	\$ 74,913	\$ 273,857	\$ 273,700	\$ 267,469	\$ 251,849	\$ 247,798
Intercep Loan covenant coverage	424.71%	112.63%	131.30%	121.73%	233.84%	162.15%

¹ Includes all operating revenues and interest income.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities										Business-Type Activities				Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	General Obligation Taxable Bonds	Special Improvement Districts Bonds	Tax Incremental Bonds	Capital Leases	Loans and Contracts Payable	Capital Leases	Loans and Notes Payable	Revenue Bonds Payable	Total Primary Government						
2012	\$ 2,994,899	-	\$ 370,000	\$ 2,755,000	\$ -	\$ 456,696	\$ 573,355	\$ 5,904,784	\$ 22,169,649	\$ 35,224,383	11.14%	908				
2013	2,640,000	-	370,000	2,670,000	-	410,959	443,548	5,538,024	19,117,404	31,189,935	9.66%	791				
2014	2,220,000	1,035,000	215,000	2,585,000	-	335,102	305,109	9,102,195	27,191,243	42,988,649	12.89%	1,053				
2015	1,835,000	915,000	175,000	2,495,000	-	289,892	157,464	8,524,230	30,258,336	44,649,922	13.30%	1,095				
2016	1,445,000	790,000	125,000	2,405,000	-	997,230	-	8,332,876	29,417,446	43,512,552	12.84%	1,057				
2017	1,050,000	665,000	85,000	2,310,000	-	812,996	-	8,536,188	39,754,845	53,214,029	15.38%	1,265				
2018	910,000	540,000	60,000	2,215,000	-	647,607	-	7,655,250	53,392,077	65,419,934	18.45%	1,508				
2019	765,000	410,000	35,000	2,115,000	-	543,575	-	6,753,503	54,579,893	65,201,971	17.37%	1,419				
2020	620,000	275,000	35,000	4,553,920	1,992,461	470,595	-	5,830,811	50,216,893	63,994,680	16.50%	1,347				
2021	470,000	140,000	-	10,775,767	1,814,003	396,839	-	4,885,630	46,494,893	64,977,132	16.03%	1,305				

^a See Demographic Statistics Schedule for personal income and population data. These ratios are calculated using personal income and population for two prior calendar years.

^b According to MCA, 7-7-4201, funds borrowed from Montana Board of Investments are to be included in the total amount of general obligation debt. These funds are included in the loans and contracts payable column of the Ratios of Outstanding Debt by Type statistical information.

City of Great Falls
Summary of Limited General Obligations
June 30, 2021

Date of Issue	Original Amount	Fund	Purpose	Final Maturity	Principal Amount Outstanding
12-11-2015	\$ 802,000	General Fund	Purchase of Fire Trucks - Intercap Loan	2026	\$ 368,293
07-31-2015	58,000	Nonmajor Governmental Fund - Master Debt SILD	Design/Install City Street Lights - Intercap Loan #1309	2030	28,546
03-25-2014	1,065,000	Nonmajor Governmental Fund - General Obligation Taxable Bonds	2014B LTGO Bonds - Refund 2005 Note Payable	2023	140,000
	<u>\$ 1,925,000</u>				<u>\$ 536,839</u>

According to MCA, 7-7-4201, funds borrowed from Montana Board of Investments are to be included in the total amount of general obligation debt. These funds are included in the loans and contracts payable column of the Ratios of Outstanding Debt by Type statistical information.

City of Great Falls, Montana
Ratios of Net General Bonded Debt Outstanding and Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Net General Bonded Debt ^c	Real and Personal Taxable Assessed Value	Percentage of General Obligation Bonds to Taxable Assessed Value	Per Capita ^a	Debt Limit ^b	Total net debt applicable to debt limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2012	\$4,658,775	\$ 78,709,035	5.92%	120.10	\$67,431,565	\$ 4,658,775	\$ 62,772,790	6.91%
2013	4,156,979	77,852,991	5.34%	105.38	69,510,079	4,156,979	65,353,100	5.98%
2014	3,590,102	78,054,590	4.60%	87.95	71,978,361	3,590,102	68,388,259	4.99%
2015	3,039,892	76,098,354	3.99%	74.58	73,221,018	3,039,892	70,181,126	4.15%
2016	3,232,230	88,577,771	3.65%	78.52	131,651,506	3,232,230	128,419,276	2.46%
2017	2,527,996	91,347,803	2.77%	60.11	133,807,891	2,527,996	131,279,895	1.89%
2018	2,097,607	95,822,493	2.19%	48.36	140,553,802	2,097,607	138,456,195	1.49%
2019	1,718,575	99,564,569	1.73%	37.39	144,270,044	1,718,575	142,551,469	1.19%
2020	1,365,595	104,780,322	1.30%	28.74	152,617,825	1,365,595	151,252,230	0.89%
2021	1,006,839	107,137,157	0.94%	20.22	159,889,230	1,006,839	158,882,391	0.63%

^a See Demographic Statistics Schedule for personal income and population data. These ratios are calculated using personal income and population for two prior calendar years.

^b Effective July 1, 2007 the legal debt limit increased from 1.51% to 2.5% of the assessed value of taxable property according to MCA 7-7-4201.

^c According to MCA 7-7-4201, funds borrowed from Montana Board of Investments are to be included in the total amount of general obligation debt. These funds are included in the loans and contracts payable column of the Ratios of Outstanding Debt by Type statistical information. The Business-type activities Electric Fund notes payable is a taxable non-voted general obligation note. This note has been added to the net general bonded debt amount. In fiscal year 2013, all net general bonded debt amounts were restated to include this additional debt. In fiscal year 2014, the Business-type activities Electric Fund notes payable was refinanced and is a Governmental-type activities general obligation taxable bond.

The debt limitation may not exceed 2.50% of the total assessed value of taxable property within the city as ascertained by the last assessment for state and county taxes. The general obligation debt does not require any reserves.

City of Great Falls, Montana
Computation of Direct And Overlapping Long Term Debt
June 30, 2021

Jurisdiction	General Obligation Debt Outstanding¹	Percent Allocable to City¹	Amount Allocable to City
Elementary School District No. 1	\$ 43,042,800	69.25%	\$ 29,806,045
High School District No. 1	48,075,287	68.04%	32,708,796
Cascade County	-	58.08%	-
Total overlapping debt			62,514,840
Total direct debt ²			13,596,609
Total direct and overlapping debt			<u>\$ 76,111,449</u>

¹ Accounting staff from Great Falls Public School

² City of Great Falls, Montana

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Great Falls. This process recognizes that the entire debt burden borne by the residents and businesses should be taken into account when considering the city's ability to issue and repay long-term debt. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

City of Great Falls, Montana
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population ¹	Personal Income ²	Per Capita Income ²	School Enrollment ³	Unemployment Rate ⁴
2012	58,950	3,161,768	38,790	10,109	5.4%
2013	58,893	3,228,329	39,448	10,198	5.1%
2014	59,351	3,336,106	40,822	10,347	4.0%
2015	59,152	3,357,888	40,759	10,193	3.9%
2016	59,638	3,389,496	41,163	10,520	4.1%
2017	59,178	3,460,063	42,053	10,549	3.8%
2018	58,876	3,546,163	43,375	10,476	3.9%
2019	58,701	3,752,800	45,959	10,416	3.4%
2020	58,434	3,879,504	47,518	10,491	6.9%
2021	60,442	4,052,262	49,803	10,461	3.9%

¹ U.S. Census Bureau, Population Estimates, for one calendar year prior.

² U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System for Great Falls, Montana www.bea.doc.gov/bea/regional/bearfacts. The personal income and per capita income information is for two calendar years prior. Personal income estimates are in thousands of dollars.

³ Great Falls School District No. 1. Great Falls, Montana.

⁴ Montana Department of Labor & Industry Research & Analysis Bureau for Cascade County.

City of Great Falls, Montana
Major Employers
Current Year and Nine Years Ago

Employer	2021			2012		
	Number of Employees ¹	Rank	Percentage of Total Employment ²	Number of Employees ¹	Rank	Percentage of Total Employment
Malmstrom Air Force Base	4,121 ³	1	11%	4,095	3	11%
Benefis Health Care Center	3,322	2	9%	2,639	2	7%
Great Falls Public Schools	1,963	3	5%	2,015	3	6%
Wal-Mart	818	4	2%	540	6	1%
Great Falls Clinic Speciality Center	688	5	2%	432	9	1%
Montana Air National Guard	547 ³	6	2%	1,095 ³	4	3%
Pacific Hide & Fur Depot Inc.	500 ⁴	7	1%			
City of Great Falls	487 ⁴	8	1%	538 ⁴	7	1%
Cascade County	450	9	1%	523 ⁴	8	1%
US Government	350	10	1%			
Easter Seals - Goodwill	201	11	1%	383	10	1%
Asurion (formerly N.E.W. Customer Services Cos.)	-			550	5	2%

Source: 2020: DatabaseUSA Exported from: JobsEQ

2012: Great Falls Tribune, Great Falls Montana Outlook 2012 printed February 26, 2012

¹ Full-time equivalents in full and part time positions (Full-time equivalent is a term used whereby the number of scheduled hours is divided by the hours in a full work week. The hours of several part time employees may add up to one FTE).

² Based on bls.gov Employment figure as of August 2021.

³ Includes military and civilian personnel.

⁴ Does not include seasonal labor.

City of Great Falls, Montana
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Mayor/City Commission	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Housing Authority	18.50	18.50	18.50	18.50	18.50	18.50	18.50	18.50	18.50	18.50
City Manager	4.17	4.17	4.17	4.17	4.16	4.00	4.00	4.00	4.00	4.00
City Clerk	1.51	1.51	1.51	1.51	1.84	2.00	2.00	2.00	2.00	2.00
Cable 7	0.50	-	-	-	-	-	-	-	-	-
Human Resources	3.60	3.60	3.60	3.60	4.60	4.60	4.60	4.60	4.60	4.60
Insurance & Safety	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Information Technology	-	-	-	-	-	-	8.00	8.00	8.00	8.00
Animal Shelter Operations	8.50	5.00	5.00	9.00	9.00	9.28	10.28	10.28	10.28	10.28
Events	-	-	-	4.54	4.54	4.54	4.54	4.54	4.54	4.54
Planning & Community Development	25.60	25.60	24.70	25.12	24.92	25.25	26.73	28.50	27.50	29.50
Fire	68.00	68.00	68.00	69.00	71.00	71.00	72.00	71.00	71.00	71.00
Finance	36.00	35.00	33.56	26.06	26.06	26.06	16.10	16.10	16.10	16.10
Legal	7.75	7.75	7.25	7.25	7.25	8.00	9.00	9.29	9.29	9.29
Library	21.54	21.54	21.54	17.47	17.47	18.17	17.80	17.80	17.80	17.80
Municipal Court	-	-	-	7.50	7.50	8.00	8.50	9.00	10.49	10.49
Park & Recreation	85.98	85.98	84.31	74.43	73.18	73.76	80.84	78.04	63.46	63.46
Police	126.00	126.00	128.00	127.00	129.00	132.00	132.00	132.00	133.00	133.00
Public Works	135.95	133.95	133.95	134.63	131.50	135.50	136.53	137.20	136.65	131.94
Total	544.85	538.85	536.34	532.03	532.77	542.91	553.67	553.10	539.46	536.75

Full-time equivalent is a term used, whereby the number of scheduled hours is divided by the hours in a full work week. The hours of several part time employees may add up to one FTE.

The number of employees listed on the major employers listing, page 216, is different from this total due to the calculations of FTE's.

In 2015 the Events employees were separated from the Park and Recreation Department and listed on their own.

In 2015 the Municipal Court employees were separated from the Finance Department and listed on their own.

In 2018, the Information Technology employees were separated from the Finance Department and listed on their own.

In 2020, the Park & Recreation Department Golf employees moved to a private management company.

Source: Finance Office, City of Great Falls, Montana

City of Great Falls, Montana
Operating Indicators by Function/Program
Last Ten Years

Function/Program	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Building Permits										
Residential Permits Issued	366	294	317	319	307	312	247	261	207	183
Residential Permits Value	\$17,785,534	\$14,491,053	\$20,429,394	\$47,027,407	\$24,072,839	\$24,988,681	\$17,895,208	\$ 14,432,565	\$11,271,021	\$ 7,669,127
Commercial Permits Issued	231	214	183	265	216	237	248	189	150	144
Commercial Permits Value	\$51,889,436	\$52,741,273	\$34,045,526	\$38,100,796	\$56,007,682	\$76,851,256	\$62,080,118	\$ 99,886,513	\$57,670,970	\$63,909,044
Fire Department										
Structure Fires	49	55	51	49	66	52	52	69	55	73
Fire Calls	601	637	589	615	626	677	688	120 ²	110	66
EMS/Rescue Calls	4,401	4,297	4,772	4,764	5,009	5,132	5,624	5,451	5,809	5,626
Haz-Mat Calls	87	85	49	45	69	59	61	105	120	276
Public Service Calls	738	841	852	809	768	867	952	931	907	1,964
Good Intent Calls	506	425	487	528	586	683	678	925 ²	970	391
Out of City	105	141	88	96	88	NA	5	6	8	4
Library										
Yearly Patrons	224,118	223,192	222,979	197,519	179,797	174,705	169,164	157,959	152,241	73,583
Yearly Circulation	339,267	335,399	346,063	307,935	293,360	279,909	280,497	274,574	296,820	246,995
Yearly Internet Users	65,657	62,843	59,708	50,433	40,004	62,434	89,443	89,844	90,868	55,633
Sanitation										
Residential Customers	14,836	14,547	14,879	14,891	15,000	15,000	15,190	15,805 ³	16,937	16,214
Commercial Customers	1,658	1,686	1,630	1,917	1,700	1,700	2,070	1,525 ³	1,439	1,298
Streets										
Weed Violations	2,329	2,853	1,312	2,655	2,481	2,448	2,925	2,713	2,052	2,384
Water Main Breaks	38	37	41	46	37	33	38	34	44	27
Number of Breaks										
Break Cost	\$ 154,845	\$ 180,574	\$ 247,672	\$ 234,659	\$ 174,045	\$ 191,096	\$ 184,979	\$ 181,232	\$ 290,718	\$ 174,507
911 Center Calls										
Police	46,188	43,831	40,216	38,093	38,074	42,139	43,768	43,655	48,680	46,214
Great Falls Fire	6,447	6,528	6,876	6,723	7,111	7,492	8,094	8,110	8,541	8,577
Cascade County	12,749	13,443	11,879	12,455	12,638	12,866	15,521	12,642	16,793	19,503
Medical Calls	5,703	5,611	6,075	6,195	6,600	6,881	7,611	9,154	9,182	9,053
Rural Fire	790	980	769	737	939	980	1,018	1,095	1,229	1,726
City Planning										
Annexation Applications	3	12	5	2	3	2	4	7	4	4
Subdivision Applications	5	7	8	8	8	2	8	7	5	2
Zoning Applications	7	15	6	5	10	2	10	6	6	2
Court										
Number of Violations	17,999	14,769	10,011	11,607	11,315	13,261	13,166	11,174	12,523	10,513
Parking										
Number of Violations	16,645	17,305	13,843	15,692	14,629	14,354	12,857	11,602	9,593	7,849
Number of Monthly Permits Issued	9,347	8,950	9,312	10,270	9,195	5,975	5,422	6,193	6,116	5,609

² In 2018, the Fire Department changed the classification of call for statistics.

³ In 2018, the Sanitation adjusted Duplex & Triplex counts to Residential from Commercial as was recorded in previous years.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	Calendar Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fire Department	4	4	4	4	4	4	4	4	4	4
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Training Centers	21	21	23	23	24	24	29	29	29	28
Police Department	1	1	1	1	1	1	1	1	1	1
Number of Stations	68	69	71	77	83	71	70	70	70	72
Number of Police Vehicles	22	22	23	23	24	24	24	23	23	23
Sanitation	377	377	383	383	383	383	383	383	383	383
Number of Collection Trucks	100	100	100	78	50	50	50	50	50	50
Streets	12,237	12,764	12,913	12,995	13,690	13,073	14,072	14,270	14,270	14,489
Miles of Streets/Alleys	89	89	89	89	89	89	90	90	90	90
Miles of Street Striping	24	32	32	32	32	32	32	32	32	32
Street Signs	490	490	490	490	490	490	490	490	490	490
City/State Street Signals	309.51	311.40	312.82	313.64	314.51	318.11	318.94	320.25	321.16	322.16
Housing Authority	3,125	3,139	3,154	3,169	3,185	3,233	3,246	3,266	3,274	3,284
Affordable Housing Units	12.25	12.25	10.75	10.75	10.75	8.75	8.75	9.75	9.75	9.75
Public Housing Units	242.78	244.07	246.59	247.34	249.02	252.54	252.97	253.82	254.05	254.45
Water	117.70	118.50	119.09	120.36	120.36	122.94	122.98	124.52	125.61	127.59
Water mains (miles)	21	21	13	13	13	13	13	13	13	13
Fire hydrants	64	64	66	66	66	66	66	66	66	67
Storage capacity (million gallons)	1,150	1,150	1,155	1,155	1,215	1,214	1,214	1,214	1,214	1,224
Sanitary Sewer	45,000	42,500	42,500	42,000	41,500	41,500	41,500	41,500	41,500	41,500
Sanitary sewers (miles)	4	4	4	4	4	4	4	3	3	3
Storm sewers (miles)	2	2	2	2	2	2	2	2	2	2
Treatment capacity (million gallons)	1	1	1	1	1	1	1	1	1	1
Parks and recreation	64	64	66	66	66	66	66	66	66	67
Number of parks	1,150	1,150	1,155	1,155	1,215	1,214	1,214	1,214	1,214	1,224
Acreage of parks	45,000	42,500	42,500	42,000	41,500	41,500	41,500	41,500	41,500	41,500
Trees (approximately)	4	4	4	4	4	4	4	3	3	3
Pools	2	2	2	2	2	2	2	2	2	2
Golf Courses	1	1	1	1	1	1	1	1	1	1
Skate Park										

Function/Program	Fiscal Year				
	2012	2013	2014	2015	2016
Parking	6	6	6	6	6
Parking lots	2	2	2	2	2
Parking garages	1,143	1,143	1,122	1,122	1,122
Off street parking spaces	1,100	1,100	1,092	1,092	1,092
Metered parking spaces	8,924	9,367	9,793	9,703	10,491
Library					
Number of Books Purchased			9,774	10,131	9,428

¹ This storage capacity does not include 3.45 million gallons of clearwells at the Wastewater Treatment Plant.

² This treatment capacity is a daily number.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor,
City Commissioners and City Manager
City of Great Falls, Montana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Great Falls, Montana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Great Falls, Montana's basic financial statements, and have issued our report thereon dated January 26, 2022.

Our report includes a reference to other auditors who audited the financial statements of the Great Falls Business Improvement District, the Great Falls Tourism Business Improvement District, and the Great Falls Public Library Foundation, as described in our report on the City of Great Falls, Montana's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors. The financial statements of the Great Falls Public Library Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Great Falls Public Library Foundation or that are reported on separately by those auditors who audited the financial statements of the Great Falls Public Library Foundation

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Great Falls, Montana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Great Falls, Montana's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Great Falls, Montana's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Great Falls, Montana’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anderson ZurMuehlen & Co., P.C.

Great Falls, Montana
January 26, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor,
City Commissioners and City Manager
City of Great Falls, Montana

Report on Compliance for Each Major Federal Program

We have audited the City of Great Falls, Montana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Great Falls, Montana's major federal programs for the year ended June 30, 2021. The City of Great Falls, Montana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Great Falls, Montana's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Great Falls, Montana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Great Falls, Montana's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Great Falls, Montana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the City of Great Falls, Montana is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Great Falls, Montana's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Great Falls, Montana's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Anderson Zurmuehlen & Co., P.C.

Great Falls, Montana
January 26, 2022

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Funding Agency	Federal CFDA Number	Program Number	Program or Award Amount	Grant Revenues	Expenditures	Passed Through to Subrecipients
Department of the Treasury						
Direct Program						
CARES Act	21.019	COVID-61010-2020-0031297	\$ 11,244,351	\$ 6,189,114	\$ 6,189,114	\$ -
Pass Through Montana Department of Health and Human Services						
CARES Social Service Nonprofit Grant	21.019	COVID-61010-2020-0031297	28,998	28,998	28,998	-
Total Department of the Treasury				6,218,112	6,218,112	-
Department of Housing and Urban Development						
Direct Program						
Community Development Block Grant						
Entitlement Program	14.218	B-20-MC-30-0002	808,208	104,006	104,006	96,415
HOME Investment Partnership Program	14.239	M21-MC-30-0218	125,252	24,472	24,472	-
Total Department of Housing & Urban Development				128,478	128,478	96,415
Department of Transportation						
Direct Programs						
Highway Planning and Construction	20.205	N/A	1,373,400	286,556	286,556	-
Federal Transit Metropolitan Planning Funds	20.505	N/A	125,252	146,563	146,563	146,563
Pass Through Montana Department of Transportation						
HMEP Travel	20.703	N/A	-	463	463	-
Total Department of Transportation				433,582	433,582	146,563
White House Office of National Drug Control Policy						
Direct Programs						
HIDTA 2020	95.001	G-20RM0045A	232,216	105,932	105,932	-
HIDTA 2021	95.001	G-21RM0045A	277,979	111,439	111,439	-
Total White House Office of National Drug Control Policy				217,371	217,371	-
Department of Justice						
Direct Programs						
Bulletproof Vest Program	16.607	2020-BUBX14074090	7,976	6,045	6,045	-
BJA FY 20 Coronavirus Emergency Supplemental Funding Program	16.034	2020-YD-BX-1039	84,380	42,341	42,341	-
Pass Through Montana Board of Crime Control						

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2021

Funding Agency	Federal CFDA Number	Program Number	Program or Award Amount	Grant Revenues	Expenditures	Passed Through to Subrecipients
Justice Assistance Grant	16.738	2019-DJ-BX-0078	26,189	42,811	42,811	-
Total Department of Justice				91,197	91,197	-
National Park Service						
Pass Through State of Montana Historic Preservation Office						
Historic Preservation Fund	15.904	MT-20-017	4,500	4,500	4,500	-
Total National Park Service				4,500	4,500	-
Department of Homeland Security						
Pass Through State of Montana						
HAZMAT 2020	97.067	EMW-2019-SS00010	40,000	11,493	11,493	-
FEMA Assistance to Firefighters	97.044	EMW-2018-FO-00718	145,273	138,158	138,158	-
Total Department of Homeland Security				149,651	149,651	-
Department of Administration						
Pass Through State of Montana						
Pre-Disaster Mitigation Grant	91.017	PDMC-PJ-08-MT-2019-005	397,750	4,127	4,127	-
Total Expenditures of Federal Awards				\$ 7,247,018	\$ 7,247,018	\$ 242,978

City of Great Falls, Montana
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

NOTE 1. REPORTING ENTITY

The accompanying Schedule of Expenditure of Federal Awards includes the federal award activity of the City of Great Falls, Montana (the City). The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Guidance Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The City's reporting entity is defined in Note 1 to the City's financial statements. Federal awards received directly from federal agencies and passed through other government agencies is included in the schedule.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditure of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the City's financial statements. All federal awards received, cash and noncash, is included, as well as all federal awards expended or consumed. Such expenditures are recognized following the cost principles contained in the Uniform Guidance from Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Guidance Administrative Requirements, Subpart E Cost Principles* and OMB Circular A-87.

NOTE 3. INDIRECT COSTS

The City did not elect to use the 10% de minimis indirect cost rate from Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Guidance Administrative Requirements, Subpart E Cost Principles*.

City of Great Falls, Montana
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2021

Summary of Auditor Results

Financial Statements:

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? None

Significant deficiencies identified that are not considered to be material weaknesses? None reported

Noncompliance material to financial statements? None

Federal Awards:

Internal control over major programs:

Material weakness identified? None

Significant deficiencies identified that are not considered to be material weaknesses? None reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? None

The major programs for the year ended June 30, 2021, are as follows:

	<u>CFDA#</u>
COVID-19 CARES Act Coronavirus Relief Fund	21.019

Dollar threshold used to distinguish Type A programs: \$750,000

Auditee qualified as low-risk auditee? Yes

Findings Relating to Financial Statements

None

Findings Relating to Federal Awards

None

City of Great Falls, Montana
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2021

There were no prior year audit findings relative to the financial statements or major federal award programs.

