

Annual Comprehensive Financial Report

Fiscal Year 2023 | July 1, 2022 – June 30, 2023



City of Great Falls, Montana

City of Great Falls, Montana Annual Comprehensive Financial Report

Fiscal Year 2023
July 1, 2022 to June 30, 2023



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, 2023

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December 7, 2023

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, 2023. 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, 2023. 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.

KCoe Isom, LLP has issued an unmodified ("clean") opinion on the City of Great Falls' financial statements for the fiscal year ended June 30, 2023. The independent auditors' 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 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 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 2023 unemployment rate of 2.7% for Great Falls compares favorably to the June 2022 rate of 2.9% and slightly unfavorably to the June 2023 State of Montana rate of 2.5%. Both Great Falls and the State of Montana were below the national unemployment rate of 3.6% in June 2023.

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. Touro Medical School completed construction and opened its doors to medical students, and the Great Falls Clinic continued the expansion of their facilities. Calumet Montana Refinery completed their transition of part of their facility to produce renewable diesel. Farran Realty Partners is nearing completion on two large apartment complexes with over 250 units each, and other housing developments are in progress or soon to begin. Work began on new restaurant and retail space as well as a hotel in the West Bank Tax Increment District, and, throughout the City, new restaurants and retail shops opened.

ACCOMPLISHMENTS IN FISCAL YEAR 2023

During Fiscal Year 2023, the City maintained the fund balance of the General Fund keeping it above the 22% minimum policy. The City Commission awarded many projects to be funded by Covid relief funds. CARES Act funds were used in FY2023 to balance the General Fund budget (\$1,205,000) and to replenish other funds (\$472,000). American Rescue Plan Act (ARPA) funds were awarded to external entities for applicable projects (\$2,884,557). Many internal projects were awarded ARPA funds by the City Commission, including fire station door replacements, fire truck refurbishments, and the Human Resources office remodel. Major progress was made on ongoing projects for the Civic Center façade and the new aquatics and recreation center. Both projects are nearing completion. Public Works began major projects for the water treatment plant solids mitigation, sewer lift station #1, and the clarifier at the wastewater treatment plant. Lastly, the City Commission asked voters to approve an operations levy for the Great Falls Public Library, which was approved in June 2023.

BUDGET OBJECTIVES FOR FISCAL YEAR 2024

For two years during the pandemic (FY2021 and FY2022), the City Commission did not raise property taxes, assessments, or utility rates. Because this was not sustainable for a third year, the City Commission adopted a budget utilizing all available tax increases in FY2023 and again in FY2024. The undesignated General Fund balance is budgeted to be 17.6%, only after the use of \$998,064 of CARES funds to balance the budget. The remaining CARES Act funds in the General Fund is an additional 6.1%. From the Covid Recovery Fund, additional CARES Act funds were used fund an update to the City's growth policy plan, and ARPA funds were allocated towards various projects internal to the City including an evidence building for the Police Department and a Municipal Court remodel. Major budget drivers in FY2024 centered around lingering impacts from Covid and national economic conditions affecting inflation, supply chains, and workforce recruitment, retention, and training. All unions contracts also expired as of June 30, 2023, and the City and unions are working towards new contracts. Voters were asked in November 2023 to approve both a public safety operations levy and bond levy, neither of which passed.

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 Fund) 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, 2022. This was the 29th consecutive year that the City has achieved this prestigious award (fiscal years ended 1994-2022). 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, 2023.

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, 2022. This was the 32nd consecutive year that the City has achieved this prestigious award (fiscal years beginning 1991-2022). 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

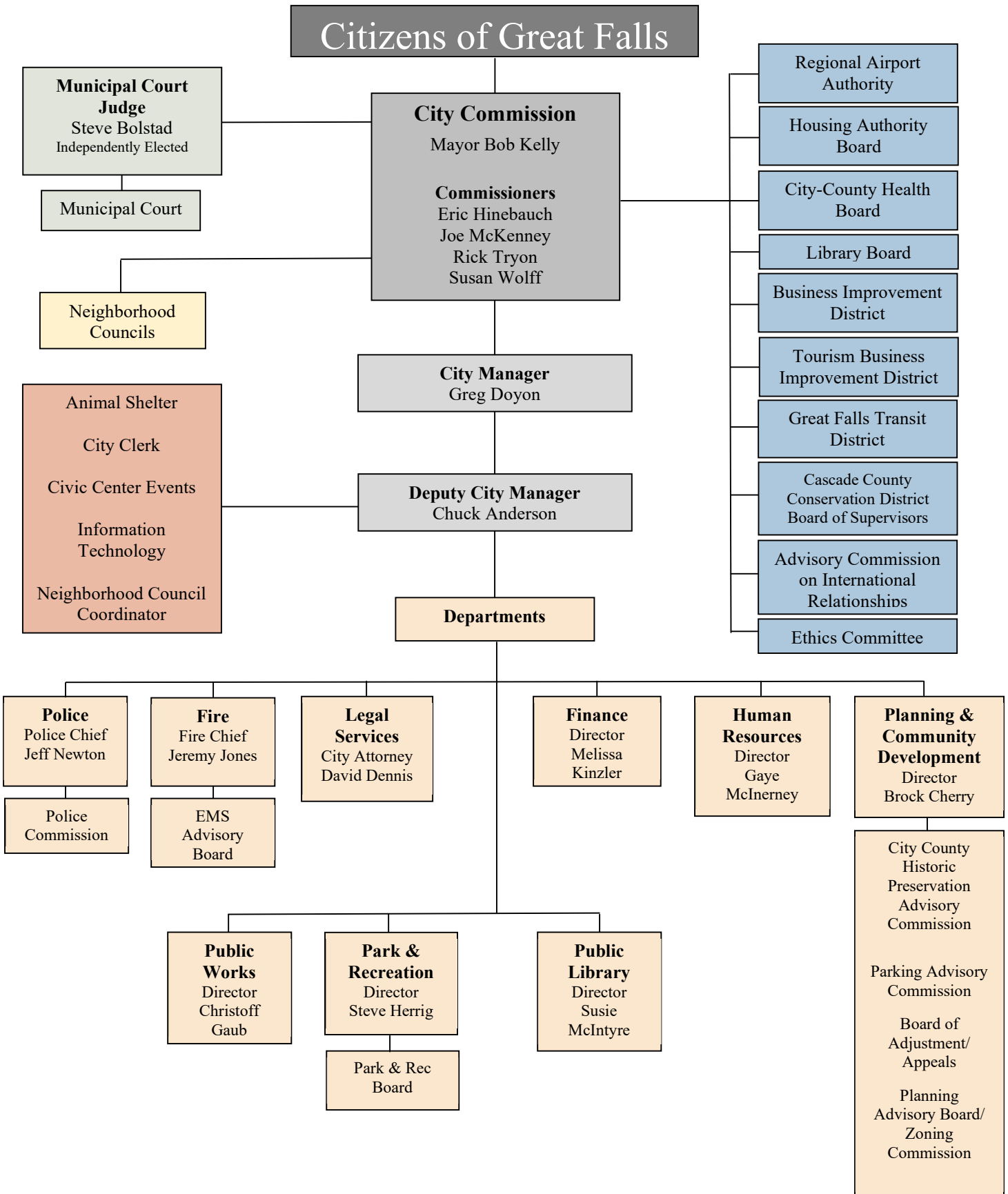
Preparation of this report required the cooperative efforts of many City personnel; in particular, I would like to thank the Accounting Division of the Finance Department. Their dedication to preparing this document each year is sincerely appreciated.

Respectively submitted,



Melissa Kinzler
Finance Director

City of Great Falls, Montana
Organizational Chart
June 30, 2023



City of Great Falls, Montana
List of Elected and Appointed Officials
June 30, 2023

Elected Officials

Bob Kelly	Mayor	(406) 870-0212
Eric Hinebauch	Commissioner	(406) 788-8904
Joe McKenney	Commissioner	(406) 788-8904
Rick Tryon	Commissioner	(406) 788-8904
Susan Wolff	Commissioner	(406) 788-8904
Steve Bolstad	Municipal Judge	(406) 771-1380

Appointed Positions

Greg Doyon	City Manager	(406) 455-8450
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Department Positions

Chuck Anderson	Deputy City Manager	(406) 455-8450
Lisa Kunz	City Clerk	(406) 455-8451
Lanni Klasner	Communication Specialist	(406) 455-8496
Owen Grubenhoff	Civic Center Events Supervisor	(406) 455-8510
Matthew Nowak	Interim IT Operations Manager	(406) 455-8487
Melissa Kinzler	Finance Director	(406) 455-8476
Kirsten Wavra	Deputy Finance Director	(406) 455-8423
Jeremy Jones	Fire Chief	(406) 791-8968
Bob Shupe	Assistant Fire Chief	(406) 791-8965
Gaye McInerney	Human Resource Director	(406) 455-8447
David Dennis	City Attorney	(406) 455-8422
Rachel Taylor	Deputy City Attorney	(406) 455-8441
Neil Anthon	Chief Prosecutor	(406) 455-8449
Steve Herrig	Park and Recreation Director	(406) 791-8980
Jessica Compton	Deputy Park and Recreation Director	(406) 791-8981
Kevin Vining	Parks Supervisor	(406) 791-8982
Todd Seymanski	City Forester	(406) 791-8983
Brock Cherry	Planning and CD Director	(406) 455-8530
Tom Micuda	Deputy Planning and CD Director	(406) 455-8432
Bruce Haman	Building Official	(406) 455-8404
Jeff Newton	Chief of Police	(406) 455-8410
Susie McIntyre	Library Director	(406) 453-9706
Christoff Gaub	Public Works Director	(406) 455-8136
Jake McKenna	Public Works/ Utility Systems Supervisor	(406) 455-8137
Jesse Patton	Public Works/ Interim City Engineer	(406) 727-8390
Jason Fladland	Public Works/Water Plant Supervisor	(406) 455-8587

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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, as of June 30, 2023, 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 (GAAP).

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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

INDEPENDENT AUDITORS' REPORT

(Continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

GAAP requires 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 103 through 119 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

INDEPENDENT AUDITORS' REPORT

(Continued)

We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City'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 GAAS, by us and other auditors. In our opinion, based on our audit 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 December 7, 2023, on our consideration of the City'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's internal control over financial reporting and compliance.

KCoe Isom, LLP

December 7, 2023
Great Falls, Montana

City of Great Falls, Montana
Management's Discussion and Analysis
Fiscal Year 2023

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, 2023. 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 \$274,416,394; of this amount; \$16,046,398 is the unrestricted net position.
- The government's total net position increased by \$4,205,352 in comparison with the prior year. This increase was attributable to the increase of governmental activities of \$2,520,663 and an increase of business-type activities of \$1,684,689.
- The City implemented GASB Statement No. 91 which resulted in a prior period adjustment. The conduit debt obligations and related capital assets in the Port Authority and Special State Projects funds are no longer reported resulting in a decrease in net position of \$3,095,685 as restated at July 1, 2022. Capital assets decreased \$7,012,637 and debt decreased \$3,916,952. Notes 1, 6, 7 and 19 provide more information.
- As of the close of the most recent fiscal year, the City of Great Falls' governmental funds reported combined ending fund balances of \$42,646,766, a decrease of \$5,283,871 in comparison with the prior year. Approximately 42.2% of this total amount, \$17,987,821, is available for spending at the government's discretion within the respective funds.
- At the close of the most recent fiscal year, unassigned fund balance for the general fund was \$10,679,388 or 24.9% of total general fund expenditures and transfers.
- The City of Great Falls' bonded debt decreased by \$4,254,000 (6.7%) during the most recent fiscal year. This decrease is largely attributable to a decrease in revenue bonds in the utility funds.
- The City's legal debt margin availability is \$158,201,440. 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 \$3,297,118.

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-six 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 Park Maintenance District 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 – 29. Data from the other thirty-one governmental funds are combined into a single, aggregated presentation, on pages 120 – 151.

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 administration, 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, and Sanitation 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 30 – 37. The other ten proprietary funds are combined into a single, aggregated presentation, presented on pages 152 – 164. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements, presented on pages 165 – 177.

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 38 – 39 with detail data presented on pages 177 – 182.

NOTES TO THE FINANCIAL STATEMENTS. The notes, presented on pages 40 – 102, 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 103 – 119.

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 \$274,416,394.

By far the largest portion of the City of Great Falls' net position, \$202,097,036 (73.6%), 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	
	2023	2022	2023	2022 Restated	2023	2022 Restated
Assets:						
Current and other						
assets	\$ 74,944,246	\$ 81,469,781	\$ 47,554,684	\$ 49,330,108	\$122,498,930	\$ 130,799,889
Capital assets	89,165,927	80,699,952	173,549,404	168,050,731	262,715,331	248,750,683
Total assets	<u>164,110,173</u>	<u>162,169,733</u>	<u>221,104,088</u>	<u>217,380,839</u>	<u>385,214,261</u>	<u>379,550,572</u>
Deferred outflows of						
resources	9,816,754	9,855,037	1,444,396	1,557,134	11,261,150	11,412,171
Total assets and deferred						
outflows of resources	<u>173,926,927</u>	<u>172,024,770</u>	<u>222,548,484</u>	<u>218,937,973</u>	<u>396,475,411</u>	<u>390,962,743</u>
Liabilities:						
Current liabilities						
	7,065,720	6,102,653	6,983,416	5,615,393	14,049,136	11,718,046
Noncurrent						
liabilities	56,585,059	48,759,111	45,545,421	46,048,539	102,130,480	94,807,650
Total liabilities	<u>63,650,779</u>	<u>54,861,764</u>	<u>52,528,837</u>	<u>51,663,932</u>	<u>116,179,616</u>	<u>106,525,696</u>
Deferred inflows of resources	5,181,634	14,589,155	697,767	2,732,535	5,879,401	17,321,690
Net position:						
Net investment in capital						
assets	68,555,525	65,683,127	133,541,511	124,925,842	202,097,036	190,608,969
Restricted	48,347,038	56,234,194	7,925,922	7,974,359	56,272,960	64,208,553
Unrestricted	(11,808,049)	(19,343,470)	27,854,447	31,641,305	16,046,398	12,297,835
Total net						
position	<u>\$ 105,094,514</u>	<u>\$102,573,851</u>	<u>\$169,321,880</u>	<u>\$ 164,541,506</u>	<u>\$274,416,394</u>	<u>\$ 267,115,357</u>

2022 balances restated for implementation of GASB Statement No. 91. Capital assets and related debt in the Port Authority and Special State Projects funds that meet the definition of conduit debt obligations are no longer reported.

An additional portion of the City of Great Falls' net position, \$56,272,960, represents resources that are subject to external restrictions on how they may be used. Restricted net position reported for the business-type activities is \$7,925,922. The majority of this restricted net position is related to the debt service reserves required for the issuance of revenue-related debt.

The remaining balance of unrestricted net position, \$16,046,398, 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 \$8,427,692 due to the addition of machinery and equipment and a decrease in deferred outflows of resources. Current liabilities

and deferred inflows of governmental activities decreased by \$8,444,454 because of the decrease of deferred inflows due to the OPEB and pension liability adjustments.

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 \$16,046,398. The governmental activities unrestricted net position (\$11,808,049) is negative due to the previous recognition of the GASB 68 and GASB 75 requirements.

City of Great Falls' Changes in Net Position

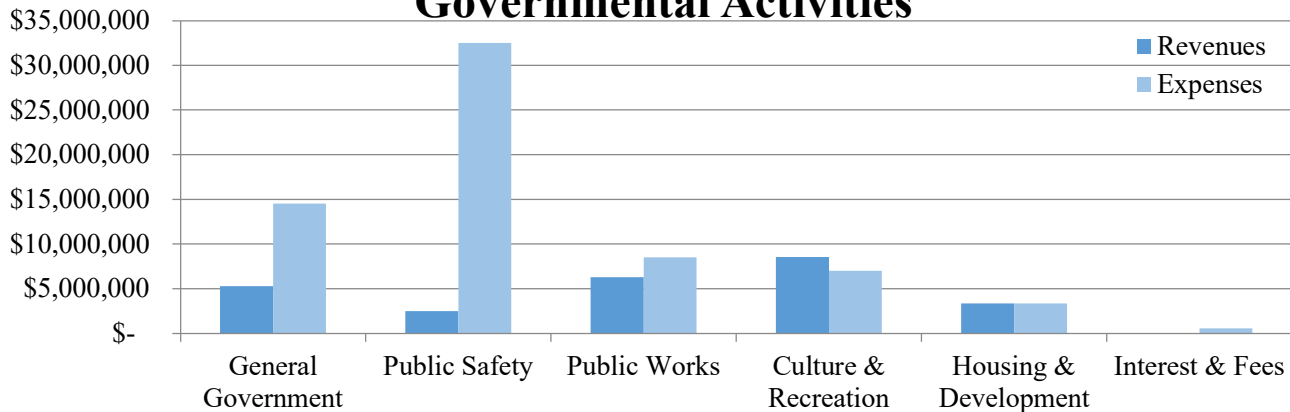
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 18,959,623	\$ 19,186,785	\$ 39,593,884	\$ 40,451,166	\$ 58,553,507	\$ 59,637,951
Operating grants and contributions	431,378	11,099,298	-	-	431,378	11,099,298
Capital grants and contributions	6,628,422	3,186,619	1,409,011	23,258	8,037,433	3,209,877
General revenues:						
Property taxes, levied for general purposes	26,945,209	25,212,308	-	-	26,945,209	25,212,308
Grants and contributions, unrestricted	9,380,134	9,132,692	-	-	9,380,134	9,132,692
Other	1,222,137	49,202	1,101,005	11,819	2,323,142	61,021
Miscellaneous	7,082,661	5,616,794	413,750	513,394	7,496,411	6,130,188
Total revenues	70,649,564	73,483,698	42,517,650	40,999,637	113,167,214	114,483,335
Expenses:						
General government	14,512,758	6,049,893	-	-	14,512,758	6,049,893
Public safety	32,500,521	29,041,592	-	-	32,500,521	29,041,592
Public works	8,506,130	8,556,113	-	-	8,506,130	8,556,113
Culture and recreation	7,011,780	7,294,699	-	-	7,011,780	7,294,699
Housing and development	3,371,865	2,289,786	-	-	3,371,865	2,289,786
Interest and fees	554,317	526,924	-	-	554,317	526,924
Water	-	-	13,814,269	13,217,638	13,814,269	13,217,638
Sewer	-	-	11,260,449	10,841,180	11,260,449	10,841,180
Storm Drain	-	-	2,748,276	2,762,931	2,748,276	2,762,931
Sanitation	-	-	4,986,087	4,502,443	4,986,087	4,502,443
Port Authority	-	-	-	190,993	-	190,993
State Special Projects	-	-	-	330,361	-	330,361
Other	-	-	6,599,725	5,650,649	6,599,725	5,650,649
Total expenses	66,457,371	53,759,007	39,408,806	37,496,195	105,866,177	91,255,202
Increase in net position before transfers	4,192,193	19,724,691	3,108,844	3,503,442	7,301,037	23,228,133
Transfers	(1,671,530)	(2,060,805)	1,671,530	2,060,805	-	-
Increase in net position	2,520,663	17,663,886	4,780,374	5,564,247	7,301,037	23,228,133
Total net position - beginning	102,573,851	84,909,965	167,637,191	162,072,944	270,211,042	246,982,909
Prior period adjustment	-	-	(3,095,685)	-	(3,095,685)	-
Total Net Position - Beginning, as Restated	102,573,851	84,909,965	164,541,506	162,072,944	267,115,357	246,982,909
Net position - ending	\$ 105,094,514	\$ 102,573,851	\$ 169,321,880	\$ 167,637,191	\$ 274,416,394	\$ 270,211,042

The City of Great Falls’ revenues totaled \$113,167,214. The total cost of all programs and services was \$105,866,177. The government was able to cover this year’s costs in both governmental activities and business-type activities. The analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities. Revenues for the most recent year from governmental activities were \$70,649,564 while expenses were \$66,457,371. Net position thus increased by \$4,192,193 before transfers. Charges for services decreased \$227,162 due to decrease of collections for services in governmental funds. Operating grants and contributions decreased \$10,617,920 because of a decrease in grants received in the Covid Recovery Fund. Capital grants and contributions increased \$3,441,803 due to increased grants received in the Park Maintenance District Fund. Property taxes increased by \$1,732,901 due to timing of collections and increases for the inflationary factor and permissive medical levy. Grants and contributions (such as State of Montana Entitlement House Bill 124) that are unrestricted increased by \$247,442 primarily due to a stabilization of this revenue. Miscellaneous revenue increased \$1,465,867 due to more on-behalf pension revenue received.

General government related expenses increased by \$8,462,865 primarily due to pension and OPEB adjustments and spending of American Rescue Plan Act funds. Public safety related expenses increased by \$3,458,929 primarily due to increased personnel costs in the General Fund and other pension adjustments. Public works related expenses decreased by \$49,983 primarily due to decreased Street Fund activity.

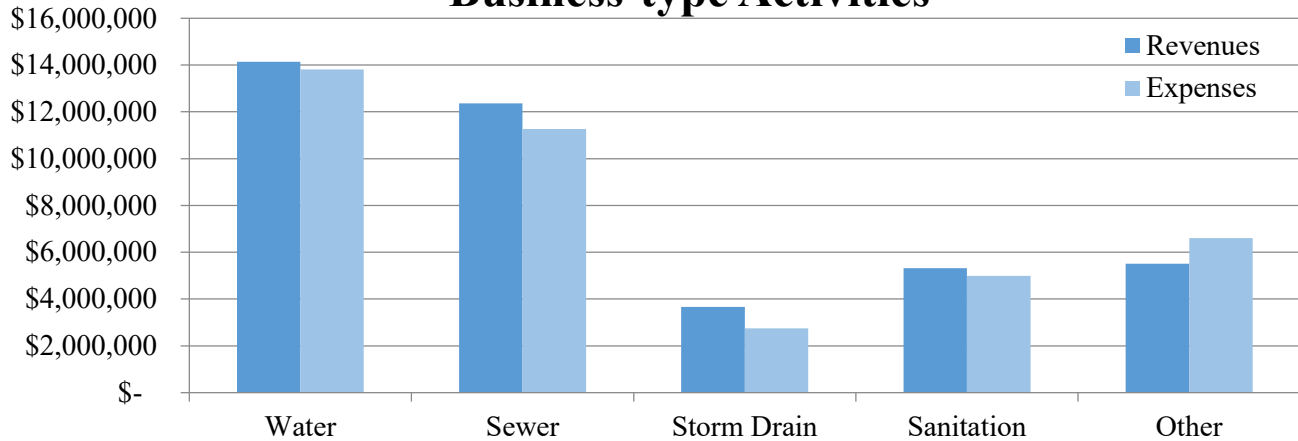
Program Revenues and Expenses - Governmental Activities



Business-type Activities. Revenues for the most recent year from business-type activities were \$42,517,650 while expenses were \$39,408,806. Net position thus increased by \$3,108,844 before transfers and prior period adjustments. Overall revenue derived from charges for services decreased by \$857,282, primarily due to decreased usage by customers in the Water Fund, Sewer Fund, and Storm Drain Fund. The business-type activities expenses increased by \$1,912,611 primarily due to increased activity in the Water Fund, Sewer Fund, Storm Drain Fund, and Sanitation Fund for capital projects. Other business-type fund expenses were slightly more than the revenues. 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 \$265,913, respectively. Additionally, this year, the Parking Fund, Recreation Fund, and Multi-Sports Fund received additional transfers in from the Covid Recovery Fund in the amounts of \$52,876, \$140,000, and \$34,500, respectively. The 911 Dispatch Center Fund received a transfer in from the 911 Special Revenue Fund of \$346,674. The Water Fund received a transfer in of \$24,500 for the transfer of a capital asset, and the Storm Drain Fund received a transfer in of \$500,000 for a capital project.

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

Program Revenues and Expenses - Business-type Activities



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 \$42,646,766, a decrease of \$5,283,871 in comparison with the previous year. Approximately 42.2% of this total amount, \$17,987,821, constitutes assigned and unassigned fund balance, which is available for spending at the government’s discretion within the respective funds. 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 outside 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 \$10,679,388. 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 24.9% of total General fund expenditures and transfers out. 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 decreased this year from 30.0% to 24.9% due to the City not taking the Inflationary Factor increase or Permissive Medical Levy increase during the pandemic and increased costs, primarily for personnel.

The COVID Recovery Fund was created in fiscal year 2021 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 of this fund was \$2,957,037. The cash balance of this fund is \$18,252,928. The large difference between fund balance and cash balance is due to the deferment of \$15,010,775 of ARPA funds.

The Park Maintenance District Fund accounts for special assessment revenues received for the District and expenses associated with identified park and recreation project. Most recently, the fund has been used to account for the building of a new recreation and aquatics center funded by grant revenues and matching funds provided

from a bond issuance. At the end of the most recent fiscal year, restricted fund balance in the Park Maintenance District Fund was \$4,722,229. The fund balance represents 46.5% of total fund expenditures and transfers out, in compliance with internally set minimum requirements.

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 \$5,051,143. The fund balance represents 80.2% 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 increased by \$212,734. The fund balance will be used for future capital improvement 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 \$1,483,427. The fund balance represents 177.6% 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 increased by \$237,513. The City's revolving loan fund makes up the fund balance.

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 \$7,925,922. Restricted net position decreased by \$48,437 from the previous year due to the decrease of required bond reserves. Unrestricted net position of the enterprise funds totaled \$27,854,447. The total increase in net position for the enterprise funds of \$1,684,689 is primarily due to an increase in investment in capital assets.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in a net change in fund balance of \$159,058. The difference was due to operating grants 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, 2023, is \$262,715,331, which is net of accumulated depreciation. This investment in capital assets includes land, intangible assets including leases, buildings and structures, improvements, machinery and equipment, infrastructure and construction in progress. The total increase in the City of Great Falls' investments in capital assets for the most recent fiscal year was 2.72% compared to the prior year.

Major capital asset events during the most recent fiscal year included the usual reconstruction of streets, water mains, sewer mains, and storm drains. Various large capital projects were in progress at the end of the fiscal year. Public Works began work on the water treatment plant solids mitigation and sewer lift station #1 projects. The project to build an evidence building for the Police Department began with the use of ARPA funds. Further detail on capital assets is presented in Note 6 on pages 56 - 57.

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

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	2023	2022	2023	2022 Restated	2023	2022 Restated
Land	\$ 9,816,152	\$ 9,816,152	\$ 3,815,660	\$ 3,815,660	\$ 13,631,812	\$ 13,631,812
Intangible	285,961	324,639	-	-	285,961	324,639
Buildings	4,729,718	4,699,622	4,968,330	5,324,431	9,698,048	10,024,053
Improvements	25,069,774	26,687,035	101,031,280	108,762,024	126,101,054	135,449,059
Machinery and equipment	9,011,235	9,915,424	4,478,283	3,782,834	13,489,518	13,698,258
Infrastructure	19,599,915	20,964,018	36,830,735	38,754,671	56,430,650	59,718,689
Construction in progress	20,653,171	8,293,062	22,425,117	7,611,111	43,078,288	15,904,173
Total capital assets	<u>\$ 89,165,927</u>	<u>\$ 80,699,952</u>	<u>\$ 173,549,404</u>	<u>\$ 168,050,731</u>	<u>\$ 262,715,331</u>	<u>\$ 248,750,683</u>

Restatement due to GASB Statement No. 91. Land decreased by \$194,057 and buildings decreased \$6,818,582.

Long-term Debt. At the end of the most recent fiscal year, the City of Great Falls had total bonded debt of \$58,966,893. Of this amount, \$160,000 is general obligation bonds; \$9,914,000 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; \$8,885,000 are bonds secured by the Park Maintenance District assessment revenues; and \$40,007,893 are bonds secured solely by specified revenue sources. Further information on long-term debt is presented in Note 7 on pages 58 – 70.

During the most recent fiscal year, the City of Great Falls' bonded debt decreased by \$4,254,000 (6.73%). All bonds decreased with the largest being revenue bonds.

The City of Great Falls ratings from Moody's are "Aa3" for general obligation bonds and "A1" for revenue debt.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2023	2022	2023	2022	2023	2022
Revenue bonds	\$ -	\$ -	\$ 40,007,893	\$ 43,124,893	\$ 40,007,893	\$ 43,124,893
General obligation bonds	160,000	315,000	-	-	160,000	315,000
Special assessment bonds	8,885,000	9,415,000	-	-	8,885,000	9,415,000
Urban renewal tax increment bonds	9,914,000	10,366,000	-	-	9,914,000	10,366,000
Total	<u>\$ 18,959,000</u>	<u>\$ 20,096,000</u>	<u>\$ 40,007,893</u>	<u>\$ 43,124,893</u>	<u>\$ 58,966,893</u>	<u>\$ 63,220,893</u>

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 \$158,201,440. Out of the total debt capacity, \$157,794,899 is unused by the City. 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 \$3,297,118.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The June 2023 unemployment rate of 2.7% for Great Falls compares favorably to the June 2022 rate of 2.9% and slightly unfavorable to the June 2023 State of Montana rate of 2.5%. Both Great Falls and the State of Montana were below the national unemployment rate of 3.6% in June 2023. 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 was not 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 funding must be obligated by December 31, 2024, and spent by December 31, 2026. Projects are underway for the use of these funds involving internal and external recipients.
- The voters approved an increased levy of 15 mills for the Great Falls Public Library in June 2023. Voters were asked in November 2023 to approve a public safety operations levy and bond levy, which did not pass.
- During the pandemic, the City did not raise taxes, assessments, or utility rates for two years (fiscal years 2021 and 2022). Taxes and utility rates were raised in fiscal year 2023 but not all revenue will be recouped.
- The City received a \$10 million grant from the U.S. Department of Defense to build a new aquatics and recreation center. This project will replace the City's indoor pool since the Natatorium was closed in 2018. Construction has commenced with an anticipated completion of Summer 2024. The City issued bonds payable from the Park Maintenance District to fund the \$10 million match required by the grant.
- The Civic Center facade project is ongoing after the closing of \$5.5 million in bonds from the Downtown Tax Increment District. The anticipated completion of the project is Summer 2024.

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, 2023

	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	\$ 64,636,713	\$ 33,179,302	\$ 97,816,015	\$ 225,103	\$ 1,376,241	\$ 4,034,023
Receivables						
Taxes	1,262,467	-	1,262,467	-	-	-
Special assessments	391,440	-	391,440	24,810	819,373	-
Accounts	84,708	3,897,142	3,981,850	380	-	-
Accrued interest	96,632	115,261	211,893	-	-	-
Lease	-	228,472	228,472	-	-	-
Loans	1,055,608	-	1,055,608	-	-	-
Other	-	-	-	-	35,785	-
Advance to (from) other city funds	325,755	(325,755)	-	-	-	-
Due from other governments	3,848,380	1,024,692	4,873,072	-	-	-
Inventories	283,468	473,699	757,167	-	-	-
Prepaid items	-	5,628	5,628	2,984	16,631	-
Total current assets	<u>71,985,171</u>	<u>38,598,441</u>	<u>110,583,612</u>	<u>253,277</u>	<u>2,248,030</u>	<u>4,034,023</u>
Noncurrent assets						
Restricted cash and investments	2,933,726	8,956,243	11,889,969	-	-	34,786
Other assets	25,349	-	25,349	-	-	-
Capital assets						
Non-depreciable capital assets	30,469,323	26,240,777	56,710,100	-	-	-
Depreciable capital assets, net	58,696,604	147,308,627	206,005,231	7,793	219,237	-
Total noncurrent assets	<u>92,125,002</u>	<u>182,505,647</u>	<u>274,630,649</u>	<u>7,793</u>	<u>219,237</u>	<u>34,786</u>
Total assets	<u>164,110,173</u>	<u>221,104,088</u>	<u>385,214,261</u>	<u>261,070</u>	<u>2,467,267</u>	<u>4,068,809</u>
Deferred outflows of resources						
Deferred charge - pension	7,825,222	1,444,396	9,269,618	-	-	-
Deferred charge - OPEB	1,991,532	-	1,991,532	-	-	-
Total deferred outflows of resources	<u>9,816,754</u>	<u>1,444,396</u>	<u>11,261,150</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 173,926,927</u>	<u>\$ 222,548,484</u>	<u>\$ 396,475,411</u>	<u>\$ 261,070</u>	<u>\$ 2,467,267</u>	<u>\$ 4,068,809</u>
Liabilities						
Current liabilities						
Accounts payable	\$ 3,837,799	\$ 3,274,400	\$ 7,112,199	\$ 2,621	\$ 82,601	\$ 4,757
Payroll payable	756,520	-	756,520	-	-	-
Other payable	484,382	-	484,382	-	-	-
Compensated absences	377,803	87,101	464,904	-	-	-
Debt due within one year	1,460,498	3,054,000	4,514,498	-	7,016	-
Other liabilities	148,718	567,915	716,633	-	-	-
Total current liabilities	<u>7,065,720</u>	<u>6,983,416</u>	<u>14,049,136</u>	<u>2,621</u>	<u>89,617</u>	<u>4,757</u>
Noncurrent liabilities						
Compensated absences	4,230,133	478,205	4,708,338	-	-	-
Debt due in more than one year	19,266,298	36,953,893	56,220,191	-	92,661	-
Net pension liability	31,795,732	8,113,323	39,909,055	-	-	-
OPEB liability	1,292,896	-	1,292,896	-	-	-
Total noncurrent liabilities	<u>56,585,059</u>	<u>45,545,421</u>	<u>102,130,480</u>	<u>-</u>	<u>92,661</u>	<u>-</u>
Total liabilities	<u>63,650,779</u>	<u>52,528,837</u>	<u>116,179,616</u>	<u>2,621</u>	<u>182,278</u>	<u>4,757</u>
Deferred inflows of resources						
Deferred revenue - lease	-	221,818	221,818	-	-	-
Deferred revenue - pension	1,906,089	475,949	2,382,038	-	-	-
Deferred revenue - OPEB	3,275,545	-	3,275,545	-	-	-
Total deferred inflows of resources	<u>5,181,634</u>	<u>697,767</u>	<u>5,879,401</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position						
Net investment in capital assets	68,555,525	133,541,511	202,097,036	7,793	-	-
Restricted for:						
Debt service	6,523,031	-	6,523,031	-	-	-
Revenue bond reserves	-	5,807,470	5,807,470	-	-	-
Repair and replacement	-	2,118,452	2,118,452	-	-	-
Contributor restrictions	375,410	-	375,410	-	-	-
Grantor restrictions	16,552,096	-	16,552,096	-	-	-
Law restrictions	15,717,946	-	15,717,946	-	-	-
General government	3,239,555	-	3,239,555	-	-	-
Public safety	1,625,564	-	1,625,564	-	-	-
Park and recreation	849,319	-	849,319	-	-	-
Housing and development	1,907,728	-	1,907,728	-	-	-
Capital outlay	1,075,587	-	1,075,587	-	-	-
Library operations	455,453	-	455,453	-	-	2,004,813
Programs and operations	25,349	-	25,349	-	-	-
Unrestricted	<u>(11,808,049)</u>	<u>27,854,447</u>	<u>16,046,398</u>	<u>250,656</u>	<u>2,284,989</u>	<u>2,059,239</u>
Total net position	<u>105,094,514</u>	<u>169,321,880</u>	<u>274,416,394</u>	<u>258,449</u>	<u>2,284,989</u>	<u>4,064,052</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 173,926,927</u>	<u>\$ 222,548,484</u>	<u>\$ 396,475,411</u>	<u>\$ 261,070</u>	<u>\$ 2,467,267</u>	<u>\$ 4,068,809</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, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 14,512,758	\$ 5,798,186	\$ (493,887)	\$ -
Public safety	32,500,521	2,174,062	333,686	-
Public works	8,506,130	6,309,185	-	-
Culture and recreation	7,011,780	2,450,287	-	6,091,626
Housing and development	3,371,865	2,227,903	591,579	536,796
Interest and fees	554,317	-	-	-
Total governmental activities	66,457,371	18,959,623	431,378	6,628,422
Business-type activities				
Water	13,814,269	14,145,653	-	-
Sewer	11,260,449	11,486,223	-	871,169
Storm drain	2,748,276	3,126,725	-	537,842
Sanitation	4,986,087	5,322,552	-	-
Other	6,599,725	5,512,731	-	-
Total business-type activities	39,408,806	39,593,884	-	1,409,011
Total primary government	\$ 105,866,177	\$ 58,553,507	\$ 431,378	\$ 8,037,433
Component Units				
Great Falls Business Improvement District	\$ 295,610	\$ 415,446	\$ -	\$ -
Tourism Business Improvement District	\$ 623,572	\$ 805,242	\$ -	\$ -
Great Falls Public Library Foundation	\$ 408,567	\$ -	\$ -	\$ -

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

Prior period adjustment

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 (Concluded)
For the Year Ended June 30, 2023

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
\$ (9,208,459)	\$ -	\$ (9,208,459)	\$ -	\$ -	\$ -
(29,992,773)	-	(29,992,773)	-	-	-
(2,196,945)	-	(2,196,945)	-	-	-
1,530,133	-	1,530,133	-	-	-
(15,587)	-	(15,587)	-	-	-
(554,317)	-	(554,317)	-	-	-
<u>(40,437,948)</u>	<u>-</u>	<u>(40,437,948)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	331,384	331,384	-	-	-
-	1,096,943	1,096,943	-	-	-
-	916,291	916,291	-	-	-
-	336,465	336,465	-	-	-
-	(1,086,994)	(1,086,994)	-	-	-
<u>-</u>	<u>1,594,089</u>	<u>1,594,089</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (40,437,948)</u>	<u>\$ 1,594,089</u>	<u>\$ (38,843,859)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,836</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,670</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (408,567)</u>
26,945,209	-	26,945,209	-	-	-
9,380,134	-	9,380,134	-	-	-
1,222,137	1,101,005	2,323,142	-	4,151	105,417
7,082,661	413,750	7,496,411	-	1,466	268,680
(1,671,530)	1,671,530	-	-	-	-
<u>42,958,611</u>	<u>3,186,285</u>	<u>46,144,896</u>	<u>-</u>	<u>5,617</u>	<u>374,097</u>
2,520,663	4,780,374	7,301,037	119,836	187,287	(34,470)
102,573,851	167,637,191	270,211,042	138,613	2,097,702	4,098,522
-	(3,095,685)	(3,095,685)	-	-	-
<u>\$ 105,094,514</u>	<u>\$ 169,321,880</u>	<u>\$ 274,416,394</u>	<u>\$ 258,449</u>	<u>\$ 2,284,989</u>	<u>\$ 4,064,052</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, 2023

	<u>General</u>	<u>COVID Recovery</u>	<u>Park Maintenance District</u>	<u>Street District</u>
Assets				
Cash and investments	\$ 9,466,451	\$ 18,252,928	\$ 1,908,962	\$ 5,067,901
Restricted cash and investments	-	-	352,437	-
Receivables				
Taxes	812,579	-	-	-
Special assessments	-	-	45,005	164,780
Accounts	10,463	-	-	25,256
Accrued interest	27,136	51,434	1,772	14,207
Loans	-	-	-	-
Due from other city funds	20,044	-	-	-
Due from other governments	350,065	-	3,092,994	3,576
Advances to other funds	325,755	-	-	-
Other assets	-	-	-	9,734
Total assets	<u>\$ 11,012,493</u>	<u>\$ 18,304,362</u>	<u>\$ 5,401,170</u>	<u>\$ 5,285,454</u>
Liabilities				
Accounts payable	\$ 101,598	\$ 336,550	\$ 662,289	\$ 137,938
Due to other city funds	-	-	-	-
Other liabilities	2,974	-	-	36,457
Total liabilities	<u>104,572</u>	<u>336,550</u>	<u>662,289</u>	<u>174,395</u>
Deferred inflows of resources				
Unavailable revenue-property taxes	228,533	-	-	-
Unavailable revenue-special assessments	-	-	16,652	59,916
Unavailable revenue-liens	-	-	-	-
Unavailable revenue-grants	-	15,010,775	-	-
Total deferred inflows of resources	<u>228,533</u>	<u>15,010,775</u>	<u>16,652</u>	<u>59,916</u>
Fund balances				
Restricted	-	-	4,722,229	5,051,143
Assigned	-	2,957,037	-	-
Unassigned	10,679,388	-	-	-
Total fund balances	<u>10,679,388</u>	<u>2,957,037</u>	<u>4,722,229</u>	<u>5,051,143</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,012,493</u>	<u>\$ 18,304,362</u>	<u>\$ 5,401,170</u>	<u>\$ 5,285,454</u>

Continued on next page

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

City of Great Falls, Montana
Balance Sheet (Concluded)
Governmental Funds
June 30, 2023

	Federal Block Grant	Total Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 1,509,089	\$ 17,707,854	\$ 53,913,185
Restricted cash and investments	-	758,074	1,110,511
Receivables			
Taxes	-	449,888	1,262,467
Special assessments	-	181,655	391,440
Accounts	-	3,068	38,787
Accrued interest	-	2,083	96,632
Loans	1,015,608	40,000	1,055,608
Due from other city funds	-	-	20,044
Due from other governments	150,075	251,670	3,848,380
Advances to other funds	-	-	325,755
Other assets	-	15,615	25,349
Total assets	<u>\$ 2,674,772</u>	<u>\$ 19,409,907</u>	<u>\$ 62,088,158</u>
Liabilities			
Accounts payable	\$ 175,737	\$ 1,260,551	\$ 2,674,663
Due to other city funds	-	20,044	20,044
Other liabilities	-	99,061	138,492
Total liabilities	<u>175,737</u>	<u>1,379,656</u>	<u>2,833,199</u>
Deferred inflows of resources			
Unavailable revenue-property taxes	-	119,863	348,396
Unavailable revenue-special assessments	-	84,868	161,436
Unavailable revenue-liens	-	31,978	31,978
Unavailable revenue-grants	1,015,608	40,000	16,066,383
Total deferred inflows of resources	<u>1,015,608</u>	<u>276,709</u>	<u>16,608,193</u>
Fund balances			
Restricted	1,483,427	13,402,146	24,658,945
Assigned	-	4,351,396	7,308,433
Unassigned	-	-	10,679,388
Total fund balances	<u>1,483,427</u>	<u>17,753,542</u>	<u>42,646,766</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,674,772</u>	<u>\$ 19,409,907</u>	<u>\$ 62,088,158</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, 2023

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

Total fund balances - governmental funds (page 25)		\$ 42,646,766
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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		\$ 190,342,890
Less: accumulated depreciation		<u>(107,398,508)</u>
Capital assets - net		82,944,382

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.

5,446,897

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.

8,984,886

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

16,608,193

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

Compensated absences		(4,044,462)
Capital leases		(1,521,255)
Loans and contracts payable		(246,541)
General obligation bonds payable		(160,000)
Special improvement district bonds payable		(8,885,000)
Tax increment bonds payable		(9,914,000)
Net pension liability		<u>(26,765,352)</u>
Total long-term liabilities		<u>(51,536,610)</u>

Net position of governmental activities (page 21)		<u>\$ 105,094,514</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, 2023

	<u>General</u>	<u>COVID Recovery</u>	<u>Park Maintenance District</u>	<u>Street District</u>
Revenues				
Taxes	\$ 22,042,517	\$ -	\$ -	\$ -
Licenses and permits	982,516	-	-	16,286
Intergovernmental	15,349,017	3,159,008	6,091,626	1,438,211
Charges for services	1,326,545	-	-	287,879
Fines and forfeitures	600,975	-	-	-
Internal services	1,060,700	-	-	30,618
Special assessments	-	-	1,504,539	4,600,853
Investment income	187,703	368,692	59,392	107,943
Other	250,624	-	-	27,186
Total revenues	<u>41,800,597</u>	<u>3,527,700</u>	<u>7,655,557</u>	<u>6,508,976</u>
Expenditures				
Current				
General government	5,807,882	3,688,140	-	-
Public safety	32,179,767	-	-	-
Public works	-	-	-	5,988,691
Culture and recreation	2,955,751	-	472,336	-
Housing & development	-	-	-	-
Debt service				
Principal	257,392	-	530,000	-
Interest	51,223	-	173,338	-
Capital outlay	-	781,244	8,973,941	247,152
Total expenditures	<u>41,252,015</u>	<u>4,469,384</u>	<u>10,149,615</u>	<u>6,235,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>548,582</u>	<u>(941,684)</u>	<u>(2,494,058)</u>	<u>273,133</u>
Other financing sources (uses)				
Transfers in	9,057	-	-	-
Transfers out	<u>(1,619,332)</u>	<u>(578,177)</u>	<u>-</u>	<u>(60,399)</u>
Total other financing sources (uses)	<u>(1,610,275)</u>	<u>(578,177)</u>	<u>-</u>	<u>(60,399)</u>
Net change in fund balances	(1,061,693)	(1,519,861)	(2,494,058)	212,734
Fund balances - beginning	<u>11,741,081</u>	<u>4,476,898</u>	<u>7,216,287</u>	<u>4,838,409</u>
Fund balances - ending	<u>\$ 10,679,388</u>	<u>\$ 2,957,037</u>	<u>\$ 4,722,229</u>	<u>\$ 5,051,143</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 Revenues, Expenditures, and Changes in Fund Balances (Concluded)
Governmental Funds
For the Year Ended June 30, 2023

	Federal Block Grant	Total Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ -	\$ 4,902,692	\$ 26,945,209
Licenses and permits	-	1,723,334	2,722,136
Intergovernmental	540,837	1,971,011	28,549,710
Charges for services	530,550	982,553	3,127,527
Fines and forfeitures	-	198,587	799,562
Internal services	-	144,626	1,235,944
Special assessments	-	2,697,215	8,802,607
Investment income	950	290,362	1,015,042
Other	638	620,147	898,595
Total revenues	<u>1,072,975</u>	<u>13,530,527</u>	<u>74,096,332</u>
Expenditures			
Current			
General government	-	4,302,388	13,798,410
Public safety	-	565,875	32,745,642
Public works	-	21,375	6,010,066
Culture and recreation	-	2,965,938	6,394,025
Housing & development	835,462	2,334,712	3,170,174
Debt service			
Principal	-	647,537	1,434,929
Interest	-	329,756	554,317
Capital outlay	-	3,543,577	13,545,914
Total expenditures	<u>835,462</u>	<u>14,711,158</u>	<u>77,653,477</u>
Excess (deficiency) of revenues over (under) expenditures	<u>237,513</u>	<u>(1,180,631)</u>	<u>(3,557,145)</u>
Other financing sources (uses)			
Transfers in	-	1,377,856	1,386,913
Transfers out	-	(855,731)	(3,113,639)
Total other financing sources (uses)	<u>-</u>	<u>522,125</u>	<u>(1,726,726)</u>
Net change in fund balances	237,513	(658,506)	(5,283,871)
Fund balances - beginning	<u>1,245,914</u>	<u>18,412,048</u>	<u>47,930,637</u>
Fund balances - ending	<u>\$ 1,483,427</u>	<u>\$ 17,753,542</u>	<u>\$ 42,646,766</u>

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, 2023

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 28) \$ (5,283,871)

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	\$13,545,914	
Less: current year's depreciation	<u>(4,730,767)</u>	
Total capital asset related expenditures		8,815,147

The net effect of various miscellaneous transactions involving net pension liability is to decrease net position. (935,016)

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. 2,494,475

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 decreased by this amount this year. (4,016,703)

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.

Principal repayments		
Capital leases	222,312	
Loans and contracts	75,620	
General obligation bonds	155,000	
Tax increment bonds	452,000	
Special improvement bonds	530,000	
Compensated absences	11,699	
Total debt-related transactions		<u>1,446,631</u>

Change in net position of governmental activities (pages 22-23) \$ 2,520,663

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, 2023

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 8,716,427	\$ 13,854,731	\$ 4,778,928	\$ 1,482,820
Receivables				
Accounts	1,444,536	1,368,998	364,676	627,885
Accrued interest	41,550	53,490	20,221	-
Lease	228,472	-	-	-
Due from other governments	-	486,850	537,842	-
Inventories	386,843	-	-	-
Prepaid items	-	-	-	-
Total current assets	<u>10,817,828</u>	<u>15,764,069</u>	<u>5,701,667</u>	<u>2,110,705</u>
Noncurrent assets				
Restricted cash and investments	3,799,416	3,323,508	1,802,998	-
Non-depreciable capital assets	14,249,617	7,349,376	2,228,695	181,646
Depreciable capital assets, net	74,968,315	46,622,687	22,655,741	1,299,956
Total noncurrent assets	<u>93,017,348</u>	<u>57,295,571</u>	<u>26,687,434</u>	<u>1,481,602</u>
Total assets	<u>103,835,176</u>	<u>73,059,640</u>	<u>32,389,101</u>	<u>3,592,307</u>
Deferred outflows of resources				
Deferred charges - pension	510,893	188,983	26,928	310,687
Deferred charges - OPEB	-	-	-	-
Total deferred outflows of resources	<u>510,893</u>	<u>188,983</u>	<u>26,928</u>	<u>310,687</u>
Total assets and deferred outflows of resources	<u>\$ 104,346,069</u>	<u>\$ 73,248,623</u>	<u>\$ 32,416,029</u>	<u>\$ 3,902,994</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 1,291,609	\$ 1,319,594	\$ 243,599	\$ 211,076
Payroll payable	-	-	-	-
Other payable (IBNR)	-	-	-	-
Compensated absences	31,127	4,246	-	19,450
Revenue bonds payable	1,682,000	864,000	508,000	-
Other liabilities	373,386	-	-	4,510
Total current liabilities	<u>3,378,122</u>	<u>2,187,840</u>	<u>751,599</u>	<u>235,036</u>
Noncurrent liabilities				
Advances from other funds	-	-	-	-
Compensated absences	170,865	23,308	-	106,770
Revenue bonds payable	22,505,893	8,987,000	5,461,000	-
Net pension liability	2,973,426	1,131,992	73,011	1,644,873
OPEB liability	-	-	-	-
Total noncurrent liabilities	<u>25,650,184</u>	<u>10,142,300</u>	<u>5,534,011</u>	<u>1,751,643</u>
Total liabilities	<u>29,028,306</u>	<u>12,330,140</u>	<u>6,285,610</u>	<u>1,986,679</u>
Deferred inflows of resources				
Deferred revenue - lease	221,818	-	-	-
Deferred revenue - pension	155,548	57,862	17,736	77,944
Deferred revenue - OPEB	-	-	-	-
Total deferred inflows of resources	<u>377,366</u>	<u>57,862</u>	<u>17,736</u>	<u>77,944</u>
Net position				
Net investment in capital assets	65,030,039	44,121,063	18,915,436	1,481,602
Restricted				
Revenue bond reserves	2,863,902	2,290,570	652,998	-
Repair and replacement	935,514	1,032,938	150,000	-
Unrestricted	<u>6,110,942</u>	<u>13,416,050</u>	<u>6,394,249</u>	<u>356,769</u>
Total net position	<u>74,940,397</u>	<u>60,860,621</u>	<u>26,112,683</u>	<u>1,838,371</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 104,346,069</u>	<u>\$ 73,248,623</u>	<u>\$ 32,416,029</u>	<u>\$ 3,902,994</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 Net Position (Concluded)
Proprietary Funds
June 30, 2023

	Business Type Activities		Governmental Activities
	Total Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets and deferred outflows of resources			
Assets			
Current assets			
Cash and investments	\$ 4,346,396	\$ 33,179,302	\$ 10,723,528
Receivables			
Accounts	91,047	3,897,142	45,921
Accrued interest	-	115,261	-
Lease	-	228,472	-
Due from other governments	-	1,024,692	-
Inventories	86,856	473,699	283,468
Prepaid items	5,628	5,628	-
Total current assets	<u>4,529,927</u>	<u>38,924,196</u>	<u>11,052,917</u>
Noncurrent assets			
Restricted cash and investments	30,321	8,956,243	1,823,215
Non-depreciable capital assets	2,231,443	26,240,777	22,500
Depreciable capital assets, net	1,761,928	147,308,627	6,199,045
Total noncurrent assets	<u>4,023,692</u>	<u>182,505,647</u>	<u>8,044,760</u>
Total assets	<u>8,553,619</u>	<u>221,429,843</u>	<u>19,097,677</u>
Deferred outflows of resources			
Deferred charges - pension	406,905	1,444,396	798,268
Deferred charges - OPEB	-	-	1,991,532
Total deferred outflows of resources	<u>406,905</u>	<u>1,444,396</u>	<u>2,789,800</u>
Total assets and deferred outflows of resources	<u>\$ 8,960,524</u>	<u>\$222,874,239</u>	<u>\$ 21,887,477</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 208,522	3,274,400	\$ 1,163,136
Payroll payable	-	-	756,520
Other payable (IBNR)	-	-	484,382
Compensated absences	32,278	87,101	46,200
Revenue bonds payable	-	3,054,000	-
Other liabilities	190,019	567,915	10,226
Total current liabilities	<u>430,819</u>	<u>6,983,416</u>	<u>2,460,464</u>
Noncurrent liabilities			
Advances from other funds	325,755	325,755	-
Compensated absences	177,262	478,205	517,274
Revenue bonds payable	-	36,953,893	-
Net pension liability	2,290,021	8,113,323	5,030,380
OPEB liability	-	-	1,292,896
Total noncurrent liabilities	<u>2,793,038</u>	<u>45,871,176</u>	<u>6,840,550</u>
Total liabilities	<u>3,223,857</u>	<u>52,854,592</u>	<u>9,301,014</u>
Deferred inflows of resources			
Deferred revenue - lease	-	221,818	-
Deferred revenue - pension	166,859	475,949	326,032
Deferred revenue - OPEB	-	-	3,275,545
Total deferred inflows of resources	<u>166,859</u>	<u>697,767</u>	<u>3,601,577</u>
Net position			
Net investment in capital assets	3,993,371	133,541,511	6,221,543
Restricted			
Revenue bond reserves	-	5,807,470	-
Repair and replacement	-	2,118,452	-
Unrestricted	<u>1,576,437</u>	<u>27,854,447</u>	<u>2,763,343</u>
Total net position	<u>5,569,808</u>	<u>169,321,880</u>	<u>8,984,886</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,960,524</u>	<u>\$222,874,239</u>	<u>\$ 21,887,477</u>

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, 2023

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Operating revenues				
Charges for services	\$ 14,140,242	\$ 11,486,223	\$ 3,126,725	\$ 5,322,552
Operating expenses				
Personal services	2,904,729	1,088,218	234,932	1,758,206
Supplies and materials	1,456,661	113,582	4,045	590,474
Purchased services	1,239,761	4,638,293	156,244	1,262,708
Internal services	2,017,149	1,279,284	541,760	1,019,062
Other	4,390	(972)	4,898	6,432
Depreciation	5,550,135	3,829,006	1,646,089	349,205
Total operating expenses	13,172,825	10,947,411	2,587,968	4,986,087
Operating income (loss)	967,417	538,812	538,757	336,465
Nonoperating revenues (expenses)				
Investment income	384,217	470,616	158,825	22,598
Interest expense	(641,444)	(313,038)	(160,308)	-
Gain on sale of capital assets	5,411	-	-	-
Net pension on-behalf revenue	75,630	27,948	6,547	43,403
Other	102,508	50,806	2,185	16,465
Total nonoperating revenues (expenses)	(73,678)	236,332	7,249	82,466
Income (loss) before contributions and transfers	893,739	775,144	546,006	418,931
Capital contributions - grants	-	871,169	537,842	-
Transfers in	24,500	-	500,000	-
Transfers out	-	-	-	-
Total contributions and transfers	24,500	871,169	1,037,842	-
Change in net position	918,239	1,646,313	1,583,848	418,931
Total net position - beginning	74,022,158	59,214,308	24,528,835	1,419,440
Prior period adjustment	-	-	-	-
Total net position - beginning as restated	74,022,158	59,214,308	24,528,835	1,419,440
Total net position - ending	\$ 74,940,397	\$ 60,860,621	\$ 26,112,683	\$ 1,838,371

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 (Concluded)
Proprietary Funds
For the Year Ended June 30, 2023

	<u>Business Type Activities</u>		<u>Governmental Activities</u>
	<u>Total Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Operating revenues			
Charges for services	\$ 5,512,731	\$ 39,588,473	\$ 23,401,769
Operating expenses			
Personal services	3,104,632	9,090,717	6,449,739
Supplies and materials	601,637	2,766,399	1,580,172
Purchased services	1,775,034	9,072,040	11,260,787
Internal services	838,065	5,695,320	1,024,364
Other	27,686	42,434	28,140
Depreciation	252,671	11,627,106	1,173,077
Total operating expenses	6,599,725	38,294,016	21,516,279
Operating income (loss)	(1,086,994)	1,294,457	1,885,490
Nonoperating revenues (expenses)			
Investment income	64,749	1,101,005	207,095
Interest expense	-	(1,114,790)	-
Gain on sale of capital assets	-	5,411	19,101
Net pension on-behalf revenue	73,284	226,812	178,411
Other	14,974	186,938	149,182
Total nonoperating revenues (expenses)	153,007	405,376	553,789
Income (loss) before contributions and transfers	(933,987)	1,699,833	2,439,279
Capital contributions - grants	-	1,409,011	-
Transfers in	1,147,030	1,671,530	79,696
Transfers out	-	-	(24,500)
Total transfers	1,147,030	3,080,541	55,196
Change in net position	213,043	4,780,374	2,494,475
Total net position - beginning	8,452,450	167,637,191	6,490,411
Prior period adjustment	(3,095,685)	(3,095,685)	-
Total net position - beginning as restated	5,356,765	164,541,506	6,490,411
Total net position - ending	\$ 5,569,808	\$ 169,321,880	\$ 8,984,886

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, 2023

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Cash flows from operating activities				
Receipts from customers and users	\$ 14,169,020	\$ 10,865,470	\$ 2,605,354	\$ 5,208,752
Receipts from others	102,508	50,806	2,185	16,464
Receipts from other governments	-	871,170	537,842	-
Payments to suppliers	(1,781,525)	(3,630,732)	(156,727)	(1,758,651)
Payments to employees	(2,906,742)	(1,089,246)	(228,107)	(1,723,454)
Payments for interfund services used	(2,017,149)	(1,279,284)	(541,760)	(1,019,062)
Payments to others	(4,390)	972	(4,898)	(6,432)
Net cash provided by (used for) operating activities	<u>7,561,722</u>	<u>5,789,155</u>	<u>2,213,887</u>	<u>717,617</u>
Cash flows from noncapital financing activities				
Transfers in	24,500	-	500,000	-
Transfers out	-	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>24,500</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Cash flows from capital and related financing activities				
Proceeds from sale of assets	5,410	-	-	-
Principal payments - revenue bonds	(1,641,000)	(840,000)	(636,000)	-
Interest paid	(641,444)	(313,038)	(160,308)	-
Acquisition/construction of capital assets	(8,997,229)	(6,965,783)	(542,400)	(401,079)
Net cash provided by (used for) capital and related financing activities	<u>(11,274,263)</u>	<u>(8,118,821)</u>	<u>(1,338,708)</u>	<u>(401,079)</u>
Cash flows from investing activities				
Interest on investments	384,216	470,615	158,824	22,598
Net cash provided by investing activities	<u>384,216</u>	<u>470,615</u>	<u>158,824</u>	<u>22,598</u>
Net increase (decrease) in cash	(3,303,825)	(1,859,051)	1,534,003	339,136
Cash, beginning of year restated	<u>15,819,668</u>	<u>19,037,290</u>	<u>5,047,923</u>	<u>1,143,684</u>
Cash, end of year (a)	<u>\$ 12,515,843</u>	<u>\$ 17,178,239</u>	<u>\$ 6,581,926</u>	<u>\$ 1,482,820</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 8,716,427	\$ 13,854,731	\$ 4,778,928	\$ 1,482,820
Restricted cash and investments	3,799,416	3,323,508	1,802,998	-
	<u>\$ 12,515,843</u>	<u>\$ 17,178,239</u>	<u>\$ 6,581,926</u>	<u>\$ 1,482,820</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, 2023

	<u>Business Type Activities</u>		<u>Governmental Activities</u>
	<u>Total Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Cash flows from operating activities			
Receipts from customers and users	\$ 5,582,215	\$ 38,430,811	24,920,387
Receipts from others	13,474	185,437	193,957
Receipts from other governments	-	1,409,012	18,500
Payments to suppliers	(2,815,189)	(10,142,824)	(14,819,619)
Payments to employees	(2,599,500)	(8,547,049)	(6,371,043)
Payments for interfund services used	(838,065)	(5,695,320)	(1,024,364)
Payments to others	(27,688)	(42,436)	(28,140)
Net cash provided by (used for) operating activities	<u>(684,756)</u>	<u>15,597,631</u>	<u>2,889,673</u>
Cash flows from noncapital financing activities			
Transfers in	1,147,030	1,671,530	79,696
Transfers out	-	-	(24,500)
Interfund cash flow loans	(219,810)	(219,810)	-
Net cash provided by (used for) noncapital financing activities	<u>927,220</u>	<u>1,451,720</u>	<u>55,196</u>
Cash flows from capital and related financing activities			
Proceeds from sale of assets	-	5,410	19,101
Principal payments - revenue bonds	-	(3,117,000)	-
Interest paid	-	(1,114,790)	-
Acquisition/construction of capital assets	-	(16,906,491)	(824,586)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>(21,132,871)</u>	<u>(805,485)</u>
Cash flows from investing activities			
Interest on investments	64,752	1,101,005	207,095
Net cash provided by investing activities	<u>64,752</u>	<u>1,101,005</u>	<u>207,095</u>
Net increase (decrease) in cash	307,218	(2,982,519)	2,346,478
Cash, beginning of year restated	<u>4,069,499</u>	<u>45,118,064</u>	<u>10,200,258</u>
Cash, end of year (a)	<u>\$ 4,376,717</u>	<u>\$ 42,135,545</u>	<u>\$ 12,546,743</u>
(a) Shown on the statement of net position as:			
Cash and investments	\$ 4,346,396	\$ 33,179,302	10,723,528
Restricted cash and investments	30,321	8,956,243	1,823,215
	<u>\$ 4,376,717</u>	<u>\$ 42,135,545</u>	<u>\$ 12,546,743</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, 2023

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 967,417	\$ 538,812	\$ 538,757	\$ 336,465
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	145,782	53,872	12,620	83,663
Depreciation expense	5,550,135	3,829,006	1,646,089	349,205
Cash provided by (used for) changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	299,700	(620,277)	(521,371)	(114,468)
(Increase) decrease in due from other governments	-	871,170	537,842	-
(Increase) decrease in inventories	-	-	-	-
(Decrease) increase in accounts payable	914,896	1,121,142	3,561	94,530
(Decrease) increase in other liabilities	(372,931)	(41,643)	(5,795)	(62,450)
(Decrease) increase in compensated absences payable	(45,786)	(13,734)	-	14,207
Other nonoperating revenue	102,508	50,806	2,185	16,464
 Total adjustments	 6,594,305	 5,250,343	 1,675,130	 381,151
 Net cash provided by (used for) operating activities	 \$ 7,561,722	 \$ 5,789,155	 \$ 2,213,887	 \$ 717,617

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, 2023

	<u>Business Type Activities</u>		<u>Governmental Activities</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)	\$ (1,086,994)	\$ 1,294,457	\$ 1,885,490
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
GASB 68 pension adjustments	129,357	425,294	343,899
Depreciation expense	252,671	11,627,106	1,173,075
Cash provided by (used for) changes in operating assets and liabilities			
(Increase) decrease in accounts receivable	(30,871)	(987,287)	1,074,649
(Increase) decrease in due from other governments	-	1,409,012	-
(Increase) decrease in inventories	-	-	21,659
(Decrease) increase in accounts payable	49,894	2,184,023	(849,608)
(Decrease) increase in other liabilities	(18,840)	(501,659)	251,835
(Decrease) increase in compensated absences payable	5,055	(40,258)	(31,456)
Other nonoperating revenue	14,974	186,937	(979,870)
Total adjustments	402,240	14,303,168	1,004,183
Net cash provided by (used for) operating activities	\$ (684,756)	\$ 15,597,631	\$ 2,889,673

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, 2023

	Private-Purpose Trust Funds	Custodial Funds
Assets		
Cash and investments	\$ 251,703	\$ 83,960
Due from district special assessments	681,679	-
Total assets	<u>933,382</u>	<u>83,960</u>
Liabilities		
Accounts payable and other liabilities	-	83,960
Asset held for others	932,026	-
Total liabilities	<u>932,026</u>	<u>83,960</u>
Net position		
Restricted for:		
Castle Pines Trust	1,356	-
Total net position	<u>\$ 1,356</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, 2023

	Private-Purpose Trust Funds	Custodial Funds
Additions		
District special assessments	\$ 69,328	\$ -
Appearance bonds and restitution	-	21,397
Investment earnings	5,830	-
Total additions	75,158	21,397
Deductions		
Payments to debt service for ULRRWSD	75,138	-
Payments to beneficiaries and clients	-	21,397
Total deductions	75,138	21,397
Net increase in fiduciary net position	20	-
Net position - beginning	1,336	-
Net position - ending	\$ 1,356	\$ -

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

City of Great Falls, Montana
Notes to Financial Statements
June 30, 2023

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, 2023

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, 2023, the Public Library Foundation distributed \$248,495 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. Until December 1, 2022, the City provided management and payroll services for the Housing Authority. The Housing Authority Board of Commissioners voted not to renew the management agreement effective December 1, 2022.

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, 2023

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.

Park Maintenance District Fund

The Park Maintenance District Fund accounts for special assessment revenues received for the District and expenses associated with identified park and recreation projects. This fund also pays debt service on the outstanding debt of the District.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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 the classifications of private-purpose trust and custodial funds to better assess 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, 2023

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, 2023

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.

During the year ended June 30, 2022, the City implemented GASB Statement No. 87. The City records lease receivables in accordance with GASB Statement No. 87 for all material lease contracts when the City is the lessor.

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, 2023

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 City records an intangible lease asset and related debt for all material lease contracts when the City is the lessee in accordance with GASB Statement No. 87. The asset is amortized over the term of the lease or the useful life of the leased asset, whichever is less.

The estimated useful lives are as follows:

Buildings	40 - 50 years	High traffic streets	20 - 25 years
Improvements	15 - 20 years	Gravel or dirt alleys	10 - 15 years
Equipment	3 - 25 years	Parking lots	20 - 25 years
Utility plant	15 - 50 years	Sidewalks, curbs and gutters	40 - 50 years
Residential streets	40 - 50 years	Intangible assets	5 - 50 years

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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 assets 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 assets 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.

10. GASB Statement No. 87 – Leases

Effective fiscal year 2022, the City reports any material agreements that meet the definition of a lease as either a right-to-use lease asset and a corresponding liability (City as lessee) or a lease receivable and deferred inflow of resources (City as lessor). The liability is initially recorded as the present value of lease payments expected to be made during the subscription term. The intangible asset is initially recorded as the sum of the

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

1. Summary of Significant Accounting Policies - continued

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

10. GASB Statement No. 87 – Leases – continued

liability plus any direct costs or payments made to the lessor before commencement of the lease term. The lease receivable is initially recorded as the present value of lease payments expected to be received during the term. The deferred inflow of resources is initially recorded as the value of the lease receivable plus any other payments initially received relating to future periods.

G. Encumbrances

The City does not utilize a formal encumbrance accounting system.

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.

I. Governmental Accounting Standards Board (GASB) New Standards

The City has implemented the standards below issued by GASB:

1. GASB Statement No. 91 – Conduit Debt Obligations

Effective fiscal year 2023, this statement establishes that conduit debt is not the liability of the City. Therefore, debt obligations that meet the definition of conduit debt, and any related capital assets, will not be reported as part of the City's financial statements. See notes 6, 7 and 19.

2. GASB Statement No. 94 – Public Private Partnerships

Effective fiscal year 2023, the City does not have any agreements that meet the definition of a public private partnership. Any agreement that meets the definition of an availability payment arrangement (APA) relating to operating or maintaining a nonfinancial asset is reported as an outflow of resources in the period in which the payments relate. The City does not have any APAs that also relate to the financing of a nonfinancial asset, which would be reported as a financed purchase of the underlying asset.

3. GASB Statement No. 96 – Subscription Based IT Agreements (SBITA)

Effective fiscal year 2023, the City does not have any material agreements that meet the definition of SBITA. The City will report any material SBITA agreement as a right-to-use subscription asset and a corresponding liability. The subscription liability is initially recorded as the present value of subscription payments expected to be made during the subscription term. The interest rate used is either the rate the vendor charges or the City's incremental borrowing rate. The subscription asset is initially recorded as the sum of the subscription liability plus any capitalizable costs of implementation.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

2. Cash and Investments

The composition of the City's cash and investments, including restricted cash and investments, on June 30, 2023 was as follows:

	Component Units			
	Primary Government	Business Improvement District	Tourism Business Improvement District	Public Library Foundation
Cash on hand	\$ 11,715	\$ 3	\$ -	\$ -
Deposits in banks	10,654,230	225,100	1,211,202	155,791
Time deposits	22,621,970	-	-	-
Certificates of deposit	44,894	-	165,039	-
U.S. government securities	29,729,153	-	-	-
Short term investment pool (STIP)	46,977,073	-	-	-
Money market funds	2,612	-	-	236,113
Mutual funds	-	-	-	3,676,905
Totals	\$ 110,041,647	\$ 225,103	\$ 1,376,241	\$ 4,068,809

The City's cash and investments for the primary government at June 30, 2023 are reported as:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 64,636,713	\$ 33,179,302	\$ 335,663	\$ 98,151,678
Restricted cash and investments	2,933,726	8,956,243	-	11,889,969
Totals	\$ 67,570,439	\$ 42,135,545	\$ 335,663	\$ 110,041,647

At June 30, 2023, the carrying amount of the City's deposits in banks was \$10,654,230 and the bank balance was \$13,140,524. Of the bank balance \$573,327 was covered by federal depository insurance and \$12,567,197 was covered by a letter of credit from a federal home bank in the City's name. The time deposits of \$22,621,970 were covered by federal depository insurance.

At June 30, 2023, the carrying amount of deposits for the Great Falls Business Improvement District, a discretely presented component unit, was \$225,103 and the bank balance was \$225,103. Of the bank balance, \$225,103 was covered by federal depository insurance. At June 30, 2023, the Great Falls Business Improvement District had no cash in excess of FDIC insured limits.

At June 30, 2023, the carrying amount of deposits for the Great Falls Tourism Business Improvement District, a discretely presented component unit, was \$1,376,241 and the bank balances were \$1,376,241. Of the bank balances, \$1,376,241 was covered by federal depository insurance. At June 30, 2023, the Great Falls Tourism Improvement District had no cash in excess of FDIC insured limits.

At March 31, 2023, the carrying amount of deposits for the Great Falls Public Library Foundation, a discretely presented component unit, was \$391,904 and the bank balance was \$391,904. Of the carrying amount of deposits, \$155,791 was covered by federal depository insurance and \$236,113 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, 2023. 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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

2. Cash and Investments - continued

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	\$ 44,894	\$ -	\$ 44,894	\$ -
Time deposits	22,621,970	22,621,970	-	-
U.S. treasuries	29,729,153	-	29,729,153	-
Money market funds	2,612	-	2,612	-
Totals	<u>\$ 52,398,629</u>	<u>\$ 22,621,970</u>	<u>\$ 29,776,659</u>	<u>\$ -</u>

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.

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, 2023, the City had the following investments:

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

2. Cash and Investments – continued

	Fair Value	Investment Maturities (In Years)	
		Less Than 1	1-5
Cash on hand, deposits in banks, savings deposits	\$ 10,665,945	\$ 10,665,945	\$ -
Certificates of deposit	44,894	44,894	-
Time deposits	22,621,970	22,621,970	-
U.S. treasuries	29,729,153	29,729,153	-
Short term investment pool (STIP)	46,977,073	46,977,073	-
Money market funds	2,612	2,612	-
Totals	<u>\$ 110,041,647</u>	<u>\$ 110,041,647</u>	<u>\$ -</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>.

The U.S. Government Treasury Securities are not considered to have credit risk and do not require disclosure of credit quality. The City had \$0 in U.S. Government Agencies Securities at June 30, 2023.

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 \$11,889,969 are restricted by bond covenants, state statute, or for specific purposes as follows:

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

2. Cash and Investments – continued

Governmental Activities		
Park Maintenance District - bond reserves		\$ 352,437
Nonmajor governmental funds		
Central Montana Ag Tech Park TID - current debt service		48,113
Natural Resources - projects		31,886
West Bank TID Bonds - bond reserves		263,925
Downtown TID Bonds - bond reserves		414,150
Internal Service funds		
Central Garage - vehicle and equipment replacement		1,557,899
Information Technology - information systems	\$ 180,184	
Information Technology - vehicle and equipment replacement	<u>6,324</u>	
Subtotal Information Technology		186,508
Engineering - vehicle and equipment replacement		36,922
Public Works Admin - vehicle and equipment replacement		5,271
Civic Center Facility Service - improvements		<u>36,615</u>
Total Governmental Activities		<u>2,933,726</u>
Business Activities		
Water		
Current debt service	1,141,375	
Bond reserves	1,141,375	
Operating reserves	581,152	
Vehicle and equipment replacement	<u>935,514</u>	
Subtotal Water		3,799,416
Sewer		
Current debt service	578,856	
Bond reserves	1,157,711	
Operating reserves	554,003	
Vehicle and equipment replacement	<u>1,032,938</u>	
Subtotal Sewer		3,323,508
Storm Drain		
Current debt service	326,499	
Bond reserves	326,499	
Reserve for MS4 Upgrades	1,000,000	
Repair and replacement reserves	<u>150,000</u>	
Subtotal Storm Drain		1,802,998
Nonmajor enterprise funds		
Civic Center Events - improvements		<u>30,321</u>
Total Business Activities		<u>8,956,243</u>
Total		<u>\$ 11,889,969</u>

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

3. Receivables - continued

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, 2023 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, 2023 consists of the following:

Federal Block Grant:	
Deferred payment loan program (a) (b)	\$ 1,015,608
Nonmajor governmental funds:	
Home Grant - deferred payment loan program (a)	<u>40,000</u>
Total	<u><u>\$ 1,055,608</u></u>

- (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.

Lease Receivable

Lease receivable in accordance with GASB Statement No. 87 at June 30, 2023, consists of the following:

Water Fund:	
Cell tower lease (c)	<u>\$ 228,472</u>
Total	<u><u>\$ 228,472</u></u>

- (c) The City grants the right to use space on City-owned property for the installation, operation, and maintenance of antennas, transceivers, and related equipment. The current lease with Verizon Wireless for equipment installed in Clara Park has been recorded with an initial term of 12 years through October 1, 2032, and an interest rate of 2.87%. The original present value of the lease receivable was \$266,181.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

4. Interfund Receivables, Payables, and Transfers – continued

Due to/from other City funds at June 30, 2023 consists of the following:

Receivable Fund	Payable Fund	
Major governmental fund - General Fund	Nonmajor governmental fund - Planning Fund	\$ 20,044
Total		<u>\$ 20,044</u>

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, 2023 consists of the following:

Receivable Fund	Payable Fund	Amount
Major governmental fund - General Fund	Nonmajor enterprise fund - Golf Courses	\$ 325,755
Total		<u>\$ 325,755</u>

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, 2023 consists of the following:

Recipient Fund	Amount	Purpose
Major governmental funds		
General Fund	\$ 9,057	Transfer from general obligation taxable bonds fund to close cash to general fund.
Nonmajor governmental funds		
Library	356,000	Transfers from general fund to library for operation support.
Planning & Community Development	674,432	Transfer from general fund to planning & community development for operation support and transfer from COVID recovery fund to planning for replenishment of funds.
Natural Resources	256,277	Transfer from general fund to natural resources for operation support.
Gas Tax BaRSAA	60,399	Transfer from street district fund for match of project.
General Capital Projects	30,748	Transfer from COVID recovery fund to general capital projects for project expenses.
	<u>1,377,856</u>	Subtotal of nonmajor governmental funds
Major enterprise funds		
Water	24,500	Transfer from central garage fund to water fund for machinery and equipment repurpose.
Storm Drain	500,000	Transfer from downtown TID bonds fund to storm drain for improvements project.
	<u>524,500</u>	Subtotal of major enterprise funds
Nonmajor enterprise funds		
Swimming Pools	267,861	Transfer from general fund to swimming pools for operations support.
911 Dispatch Center	346,674	Transfer from 911 special revenue to 911 dispatch center for dispatch services.
Parking	52,876	Transfer from COVID recovery fund to parking for project expenses.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

4. Interfund Receivables, Payables, and Transfers – continued

Transfers – continued

Recipient Fund	Amount	Purpose
Nonmajor enterprise funds - continued		
Recreation	179,206	Transfer from general fund to recreation for operation support and transfer from COVID recovery fund to recreation for replenishment of funds.
Multi-Sports	34,500	Transfer from COVID recovery fund to multi-sports for replenishment of funds.
Civic Center Events	265,913	Transfer from general fund to civic center events for operation support.
	<u>1,147,030</u>	Subtotal of nonmajor enterprise funds
	<u>1,671,530</u>	Subtotal of enterprise funds
Internal service funds		
Engineering	63,143	Transfer from general fund to engineering for operation support.
Civic Center Facility Service	16,553	Transfer from COVID recovery fund to civic center facility service for project expenses.
	<u>79,696</u>	Subtotal of internal service funds
Total	<u>\$ 3,138,139</u>	

5. Due From Other Governments

Amounts due from other governments at June 30, 2023 were as follows:

Fund	Federal	County	Total
Governmental funds			
General	\$ 32,049	\$ 318,016	\$ 350,065
Park Maintenance District	3,092,016	978	3,092,994
Street District	-	3,576	3,576
Federal Block Grant	150,075	-	150,075
Nonmajor governmental funds			
Library	-	1,953	1,953
Planning & Community Development	189,804	-	189,804
Central Montana AG Tech Park TID	-	20	20
Airport TID	-	2,375	2,375
Natural Resources	-	513	513
Portage Meadows	-	50	50
Support & Innovation	-	727	727
Police Special Revenue	4,990	-	4,990
HIDTA Special Revenue	38,715	-	38,715
Street Lighting Districts	-	1,084	1,084
Soccer Park GO Bond	-	341	341
Downtown TID Bonds	-	1,539	1,539
Subtotal governmental funds	<u>3,517,201</u>	<u>331,179</u>	<u>3,848,380</u>
Enterprise funds			
Sewer	486,850	-	486,850
Storm Drain	537,842	-	537,842
Subtotal enterprise funds	<u>1,024,692</u>	<u>-</u>	<u>1,024,692</u>
Totals	<u>\$ 4,541,893</u>	<u>\$ 331,179</u>	<u>\$ 4,873,072</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Transfers In	Decreases	Transfers Out	Ending Balance
<u>Governmental activities</u>						
Capital assets, not being depreciated:						
Land	\$ 9,816,152	\$ -	\$ -	\$ -	\$ -	\$ 9,816,152
Construction in Progress	8,293,062	12,621,827	-	-	(261,722)	20,653,171
	<u>18,109,214</u>	<u>12,621,827</u>	<u>-</u>	<u>-</u>	<u>(261,722)</u>	<u>30,469,323</u>
Capital assets, being depreciated:						
Buildings	15,460,452	84,185	261,722	-	-	15,806,360
Improvements	56,800,688	500,252	-	-	-	57,300,940
Intangible	492,182	-	-	-	-	492,182
Intangible lease	145,041	-	-	-	-	145,041
Machinery and equipment	26,959,854	833,695	64,720	(102,060)	-	27,756,209
Infrastructure	78,815,534	330,540	-	-	-	79,146,074
	<u>178,673,751</u>	<u>1,748,673</u>	<u>326,442</u>	<u>(102,060)</u>	<u>-</u>	<u>180,646,806</u>
Less accumulated depreciation for:						
Buildings	(10,760,830)	(315,812)	-	-	-	(11,076,643)
Improvements	(30,113,653)	(2,117,512)	-	-	-	(32,231,165)
Machinery and equipment	(17,044,428)	(1,737,200)	(64,720)	101,374	-	(18,744,974)
Intangible	(273,906)	-	-	-	-	(273,906)
Intangible lease	(38,678)	(38,678)	-	-	-	(77,356)
Infrastructure	(57,851,517)	(1,694,642)	-	-	-	(59,546,159)
	<u>(116,083,012)</u>	<u>(5,903,844)</u>	<u>(64,720)</u>	<u>101,374</u>	<u>-</u>	<u>(121,950,203)</u>
Total capital assets, being depreciated, net	<u>62,590,738</u>	<u>(4,155,172)</u>	<u>261,722</u>	<u>(686)</u>	<u>-</u>	<u>58,696,604</u>
Governmental activities capital assets, net	<u>\$ 80,699,952</u>	<u>\$ 8,466,656</u>	<u>\$ 261,722</u>	<u>\$ (686)</u>	<u>\$ (261,722)</u>	<u>\$ 89,165,927</u>
	Beginning Balance - Restated	Increases	Transfers In	Decreases	Transfers Out	Ending Balance
<u>Business-type activities</u>						
Capital assets, not being depreciated:						
Land	\$ 3,815,660	\$ -	\$ -	\$ -	\$ -	\$ 3,815,660
Construction in Progress	7,611,111	14,814,006	-	-	-	22,425,117
	<u>11,426,771</u>	<u>14,814,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,240,777</u>
Capital assets, being depreciated:						
Buildings	23,723,320	-	-	-	-	23,723,320
Improvements	199,346,084	806,436	-	-	-	200,152,522
Machinery and equipment	15,046,668	1,505,333	-	(32,211)	(64,720)	16,455,072
Infrastructure	96,119,627	-	-	-	-	96,119,627
	<u>334,235,699</u>	<u>2,311,769</u>	<u>-</u>	<u>(32,211)</u>	<u>(64,720)</u>	<u>336,450,541</u>
Less accumulated depreciation for:						
Buildings	(18,398,889)	(356,101)	-	-	-	(18,754,990)
Improvements	(90,584,062)	(8,537,180)	-	-	-	(99,121,242)
Machinery and equipment	(11,263,831)	(809,889)	-	32,211	64,720	(11,976,789)
Infrastructure	(57,364,957)	(1,923,935)	-	-	-	(59,288,892)
	<u>(177,611,739)</u>	<u>(11,627,106)</u>	<u>-</u>	<u>32,211</u>	<u>64,720</u>	<u>(189,141,914)</u>
Total capital assets, being depreciated, net	<u>156,623,960</u>	<u>(9,315,336)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,308,627</u>
Business-type activities capital assets, net	<u>\$ 168,050,731</u>	<u>\$ 5,498,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173,549,404</u>

Beginning balances restated for implementation of GASB Statement No. 91. Capital assets and related debt in the Port Authority and Special State Projects funds that meet the definition of conduit debt are no longer reported. This resulted in a decrease of land of \$194,057, a decrease of buildings of \$10,707,299, and a decrease of buildings accumulated depreciation of \$3,888,717 at July 1, 2022.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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	\$ 1,005,630
Public safety	200,754
Public works	3,664,106
Culture and recreation	790,132
Housing and development	243,222
Total governmental activities	\$ 5,903,844
<u>Business-type activities</u>	
Water	\$ 5,550,135
Sewer	3,829,006
Storm Drain	1,646,089
Sanitation	349,205
Other	252,671
Total business-type activities	\$ 11,627,106

Discretely Presented Component Units

Capital assets activity for the Business Improvement District for the year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 72,945	\$ -	\$ (7,845)	\$ 65,100
Less accumulated depreciation	(57,927)	(7,225)	7,845	(57,307)
Total capital assets, being depreciated, net	15,018	(7,225)	-	7,793
Business Improvement District capital assets, net	\$ 15,018	\$ (7,225)	\$ -	\$ 7,793

Capital assets activity for the Tourism Business Improvement District for the year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated:				
Leased Office	\$ 246,819	\$ -	\$ -	\$ 246,819
Less accumulated depreciation	(8,237)	(19,345)	-	(27,582)
Total capital assets, being depreciated, net	238,582	(19,345)	-	219,237
Tourism Business Improvement District capital assets, net	\$ 238,582	\$ (19,345)	\$ -	\$ 219,237

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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, 2023 were as follows:

Governmental activities	\$ 4,607,936
Business-type activities	565,306
Total	\$ 5,173,242

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
2024	\$ 189,959	\$ 41,611	\$ 231,570
2025	195,410	36,160	231,570
2026	201,019	30,551	231,570
2027	206,788	24,782	231,570
2028	212,723	18,847	231,570
2029-2030	443,938	19,202	463,140
Totals	\$ 1,449,837	\$ 171,153	\$ 1,620,990

Nonmajor Governmental – HIDTA Fund

The City Commission on March 18, 2020 authorized the lease of an office space for the High Intensity Drug Task Force (HIDTA). The net present value of the lease at the inception of GASB Statement No. 87 or July 1, 2021, was \$145,041 with an implied interest rate of 2.87%. The term of the lease was for one year with an automatic extension of four consecutive one-year terms.

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2024	\$ 39,973	\$ 1,530	\$ 41,503
2025	31,445	377	31,822
Totals	\$ 71,418	\$ 1,907	\$ 73,325

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt – continued

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 Inter-cap 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 Inter-cap 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 6.00%.

Annual debt service requirements to maturity for the Inter-cap loan are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2024	\$ 73,646	\$ 12,313	\$ 85,959
2025	74,568	7,733	82,301
2026	75,512	5,482	80,994
Totals	<u>\$ 223,726</u>	<u>\$ 25,529</u>	<u>\$ 249,255</u>

Nonmajor Governmental - Master Debt SILD Fund

The City Commission, on June 16, 2015, authorized the borrowing of \$58,000 in Inter-cap 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 Inter-cap 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 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 6.00%.

Annual debt service requirements to maturity for the Inter-cap loans are as follows:

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2024	\$ 2,920	\$ 1,325	\$ 4,245
2025	2,956	1,064	4,020
2026	2,994	885	3,879
2027	3,032	705	3,737
2028	3,069	524	3,593
2029-2031	7,842	192	8,034
Totals	<u>\$ 22,813</u>	<u>\$ 4,695</u>	<u>\$ 27,508</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt – continued

Conduit Debt Obligations

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 economic development project. The term of the loan is twenty (20) years with an annual rate of 4.00%. The Centene property was pledged as collateral, and the loan is paid from payments received from Centene Corporations rental payment.

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 Centene property was pledged as collateral, and the loan is paid from payments received from Centene Corporations rental payment.

Due to the City of Great Falls adoption of GASB Statement No. 91, Conduit Debt Obligations, the Capital Assets and Notes Payable were removed from the Port Authority Fund as a net prior period adjustment of (\$2,840,535). At June 30, 2023, the notes payable have outstanding principal amounts of \$173,839 and \$856,331.

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. The ADF property was pledged as collateral. 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%.

Due to the City of Great Falls adoption of GASB Statement No. 91, Conduit Debt Obligations, the Capital Assets and Notes Payable were removed from the Special State Projects Fund as a net prior period adjustment of (\$255,150). At June 30, 2023, the notes payable have an outstanding principal amount \$2,138,804.

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, 2023, are as follows:

Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2023
04-03-2014	2.00 - 2.55%	10	07-01-2024	\$1,480,000	<u>\$ 160,000</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt - continued

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2024	\$ 160,000	\$ 4,080	\$ 164,080
Totals	\$ 160,000	\$ 4,080	\$ 164,080

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.

Tax increment bonds outstanding at June 30, 2023 are as follows:

	Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2023
Series 2012	03-01-2012	2.00 - 4.00%	20	07-01-2032	\$ 855,000	\$ 450,000
Series 2020	04-28-2020	3.00 - 4.00%	20	07-01-2040	3,200,000	2,750,000
Total						\$ 3,200,000

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2024	\$ 140,000	\$ 122,740	\$ 262,740
2025	145,000	118,338	263,338
2026	150,000	113,740	263,740
2027	155,000	108,925	263,925
2028	160,000	103,825	263,825
2029-2033	885,000	420,938	1,305,938
2034-2038	1,075,000	230,200	1,305,200
2039-2040	490,000	29,600	519,600
Totals	\$ 3,200,000	\$ 1,248,306	\$ 4,448,306

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt – continued

Urban Renewal Tax Increment Bonds Payable - continued
Nonmajor Governmental - West Bank Tax Increment District Bonds - continued

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, 2023, 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.

	Parity
<u>Bond reserves</u>	
Bond covenant reserve account	\$ 263,925
Total bond reserves	\$ 263,925
<u>Coverage covenant calculation</u>	
Increment taxes collected and available	\$ 909,434
Maximum annual debt service	\$ 263,925
Debt service coverage	3.45x
Debt Service coverage required	1.40x

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.

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, 2023 are as follows:

	Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2023
Series 2021	04-15-2021	2.00 - 3.125%	20	07-01-2040	\$ 5,995,000	\$ 5,440,000
Total						\$ 5,440,000

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt – continued

Urban Renewal Tax Increment Bonds Payable - continued

Nonmajor Governmental – Downtown Tax Increment District Bonds - continued

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

Year Ending	Governmental Activities		
	June 30	Principal	Interest
2024	\$ 260,000	\$ 152,325	\$ 412,325
2025	265,000	147,125	412,125
2026	270,000	141,825	411,825
2027	275,000	136,087	411,087
2028	280,000	129,900	409,900
2029-2033	1,530,000	534,700	2,064,700
2034-2038	1,775,000	290,906	2,065,906
2039-2040	785,000	37,031	822,031
Totals	\$ 5,440,000	\$ 1,569,899	\$ 7,009,899

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	\$ 414,150
<u>Coverage covenant calculation</u>	
Increment taxes collected and available	\$ 1,878,479
Maximum annual debt service	414,150
Debt service coverage	4.54x
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.

Special Park District Revenue Bonds

Nonmajor Governmental – Park Maintenance District

The City Commission, on September 21, 2021, authorized the issuance of Special Park District Bonds, Series 2021 (Taxable). The City issued the bonds for the design, construction, equipping and furnishing of a 50,000 square foot recreation center, including a lap pool, a recreational/training pool, general open fitness areas, an indoor gym space, a child watch area, classrooms and ancillary support facilities. The City has been awarded \$10,000,000 in federal grant funds to pay a portion of the costs of the project. The bonds are being repaid from the assessment of the Park Maintenance District. The Bonds are special, limited obligations of the City. The Bonds shall not be or constitute a pledge of the general credit or taxing powers of the City of any kind whatsoever.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt - continued

Special Park District Revenue Bonds - continued
Nonmajor Governmental – Park Maintenance District - continued

Special park district revenue bonds outstanding at June 30, 2023 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, 2023</u>
Park District Bonds, Series 2021 (Taxable)	09-21-2022	.310 -2.714%	17	06-01-2038	\$ 10,000,000	\$ 8,885,000
Total						<u>\$ 8,885,000</u>

Annual debt service requirements to maturity for the special park district revenue bonds are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 530,000	\$ 170,924	\$ 700,924
2025	535,000	167,055	702,055
2026	540,000	161,764	701,764
2027	545,000	155,883	700,883
2028	555,000	148,210	703,210
2029-2033	2,925,000	591,921	3,516,921
2034-2038	3,255,000	256,515	3,511,515
Totals	<u>\$ 8,885,000</u>	<u>\$ 1,652,271</u>	<u>\$ 10,537,271</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 principal amount of Bonds outstanding of the Park District, assessed/market valuations of the Park District, taxable valuation of the Park District/City, and Revenue collection figures of the Park District.

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, 2023 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, 2023</u>
Central Montana Techpark TID	02-05-2020	2.50%	20	01-01-2040	\$ 1,500,000	\$ 1,274,000
Total						<u>\$ 1,274,000</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt – continued

Tax Increment Bonds Payable- continued

Nonmajor Governmental – Central Montana Ag Tech Park TID - continued

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2024	\$ 64,000	\$ 31,450	\$ 95,450
2025	66,000	29,838	95,838
2026	68,000	28,175	96,175
2027	68,000	26,475	94,475
2028	70,000	24,763	94,763
2029-2033	378,000	96,476	474,476
2034-2038	423,000	46,839	469,839
2039-2040	137,000	3,438	140,438
Totals	\$ 1,274,000	\$ 287,454	\$ 1,561,454

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, 2023 are as follows:

	Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2023
Water 2008, Amended & Restated	01-16-2013	3.00%	16	07-01-2028	\$ 3,225,000	\$ 1,206,000
Water 2009	07-16-2009	1.75%	20	07-01-2029	333,700	113,000
Water 2014	12-05-2014	2.50%	20	07-01-2034	2,700,893	1,649,893
Water 2016	07-27-2016	2.50%	20	07-01-2036	10,000,000	7,074,000
Water 2017	08-03-2017	2.50%	20	07-01-2037	10,000,000	7,501,000
Water 2018	01-23-2018	2.50%	20	01-01-2038	8,600,000	6,644,000
Sewer 2009	10-01-2009	1.75%	20	07-01-2029	309,816	103,000
Sewer 2012	08-03-2012	3.00%	20	07-01-2032	3,800,000	1,866,000
Sewer 2013A	06-26-2013	3.00%	20	07-01-2033	7,084,000	4,064,000
Sewer 2013B	04-11-2014	3.00%	20	01-01-2034	7,084,000	3,818,000
Storm Drain 2004, Amended & Restated	01-16-2013	2.25%	11	01-01-2024	2,776,000	142,000
Storm Drain 2016	09-27-2016	2.50%	20	07-01-2036	5,000,000	3,300,000
Storm Drain 2018	05-30-2018	2.50%	20	01-01-2038	3,270,000	2,527,000
Total						\$ 40,007,893

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt - continued

Revenue Bonds Payable – continued

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

Year Ending June 30	Business-Type Activities		
	Principal	Interest	Total
2024	\$ 3,054,000	\$ 1,032,036	\$ 4,086,036
2025	2,994,000	951,987	3,945,987
2026	3,076,000	871,267	3,947,267
2027	3,161,000	788,343	3,949,343
2028	3,244,000	703,133	3,947,133
2029-2033	15,788,000	2,252,882	18,040,882
2034-2038	8,690,893	466,712	9,157,605
Totals	\$ 40,007,893	\$ 7,066,360	\$ 47,074,253

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, 2023 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, 2023.

<u>Bond Reserves</u>	
Operating account	\$ 581,152
Debt service account	1,141,375
Bond covenant reserve account	1,141,375
Total revenue bond reserves	2,863,902
Repair and replacement account	935,514
Total reserves	\$ 3,799,416
<u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 14,524,459
Operating expenses	(7,622,690)
Net revenues	\$ 6,901,769
Maximum annual debt service requirement	\$ 2,282,750
Percent coverage	302.34%
Percent coverage required	110.00%

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt - continued

Revenue Bonds Payable - continued

Water Bond Covenants - continued

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, 2023, the City was in compliance with all provisions and covenants.

Shown below are the bond reserves of the Sewer Fund and the calculation of the coverage covenant as of June 30, 2023.

<u>Bond Reserves</u>	
Operating account	\$ 554,003
Debt service account	578,856
Bond covenant reserve account	<u>1,157,711</u>
Total revenue bond reserves	2,290,570
Repair and replacement account	<u>1,032,938</u>
Total reserves	<u><u>\$ 3,323,508</u></u>
<u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 11,956,839
Operating expenses	<u>(7,118,405)</u>
Net revenues	<u>\$ 4,838,434</u>
Maximum annual debt service requirement	<u>\$ 1,157,711</u>
Percent coverage	<u>417.93%</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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt - continued

Revenue Bonds Payable - continued

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, 2023, the City was in compliance with all provisions and covenants.

Shown below are the bond reserves of the Storm Drain Fund and the calculation of the coverage covenant as of June 30, 2023.

<u>Bond Reserves</u>	
Bond covenant reserve account	\$ 326,499
Debt service account	326,499
Total revenue bond reserves	<u>652,998</u>
Repair and replacement account	<u>150,000</u>
Total reserves	<u><u>\$ 802,998</u></u>
<u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 3,126,725
Operating expenses	<u>(941,879)</u>
Net revenues	<u><u>\$ 2,184,846</u></u>
Maximum annual debt service requirement	<u><u>\$ 652,998</u></u>
Percent coverage	<u><u>334.59%</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 storm drain system historical operating results.

Net Pension Liability (NPL)

Public Employees' Retirement System (PERS)

At June 30, 2023, the City recorded a liability of \$25,682,349 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2022, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2023. 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, 2022 through June 30, 2023, relative to the total employer contributions received from all of PERS' participating employers. At June 30, 2023 the City's proportion was 1.08%.

Firefighters' Unified Retirement System (FURS)

At June 30, 2023, the City recorded a liability of \$4,453,325 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2022, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2023. 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, 2022 through June 30, 2023, relative to the total employer contributions received from all of FURS' participating employers. At June 30, 2023 the City's proportion was 2.85%.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt - continued

Net Pension Liability (NPL) – continued

Municipal Police Officers' Retirement System (MPORS)

At June 30, 2023, the City recorded a liability of \$9,773,381 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2022, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2023. 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, 2022 through June 30, 2023, relative to the total employer contributions received from all of MPORS' participating employers. At June 30, 2023 the City's proportion was 4.14%.

The City is using a June 30, 2021 measurement date for the pension liabilities, with a June 30, 2023 reporting date. For additional information, see Note 9.

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, 2023 were as follows:

Governmental activities - internal service - Health & Benefits Fund	\$1,292,896
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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, 2023 the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Compensated absences	\$ 4,651,088	\$ 564,322	\$ (607,474)	\$ 4,607,936	\$ 377,803
Lease Purchase					
General Fund	1,634,496		(184,659)	1,449,837	189,959
HIDTA Fund	109,071		(37,653)	71,418	39,973
Loans and contracts payable					
General Fund	296,461	-	(72,735)	223,726	73,646
Master Debt SILD	25,698	-	(2,885)	22,813	2,920
General obligation bonds payable					
Soccer Park Bond	315,000	-	(155,000)	160,000	160,000
Urban renewal tax increment bonds payable					
West Bank TID Series 2012	490,000	-	(40,000)	450,000	45,000
West Bank TID Series 2020	2,845,000	-	(95,000)	2,750,000	95,000
Downtown TID Series 2021	5,695,000	-	(255,000)	5,440,000	260,000
Special District revenue debt					
Park Maintenance District #1	9,415,000	-	(530,000)	8,885,000	530,000
TIF Bonds Payable					
Central MT Ag Techpark TID	1,336,000	-	(62,000)	1,274,000	64,000
Net pension liability	22,436,493	9,359,239	-	31,795,732	-
OPEB liability	1,312,127	-	(19,231)	1,292,896	-
Totals	\$ 50,561,434	\$ 9,923,561	\$ (2,061,637)	\$ 58,423,358	\$ 1,838,301

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

7. Long-Term Debt - continued

Changes in Noncurrent liabilities - continued

	Beginning Balance - Restated	Additions	Reductions	Ending Balance	Due Within One Year
<u>Business-type activities</u>					
Compensated absences	\$ 605,561	\$ 72,873	\$ (113,128)	\$ 565,306	\$ 87,101
Revenue bonds payable					
Water 2008, Amended & Restated	1,426,000	-	(220,000)	1,206,000	227,000
Water 2009	131,000	-	(18,000)	113,000	18,000
Water 2014	1,778,893	-	(129,000)	1,649,893	132,000
Water 2016	7,529,000	-	(455,000)	7,074,000	467,000
Water 2017	7,944,000	-	(443,000)	7,501,000	453,000
Water 2018	7,020,000	-	(376,000)	6,644,000	385,000
Sewer 2009	119,000	-	(16,000)	103,000	16,000
Sewer 2012	2,041,000	-	(175,000)	1,866,000	180,000
Sewer 2013A	4,408,000	-	(344,000)	4,064,000	354,000
Sewer 2013B	4,123,000	-	(305,000)	3,818,000	314,000
Storm Drain 2004, Amended & Restated	421,000	-	(279,000)	142,000	142,000
Storm Drain 2016	3,514,000	-	(214,000)	3,300,000	219,000
Storm Drain 2018	2,670,000	-	(143,000)	2,527,000	147,000
Net pension liability	6,263,549	1,849,774	-	8,113,323	-
Totals	<u>\$ 49,994,003</u>	<u>\$ 1,922,647</u>	<u>\$ (3,230,128)</u>	<u>\$ 48,686,522</u>	<u>\$ 3,141,101</u>

Beginning balances restated for implementation of GASB Statement No. 91. Capital assets and related debt in the Port Authority and Special State Projects funds that meet the definition of conduit debt are no longer reported. This resulted in a decrease in Port Authority notes payable of \$243,567 and \$1,197,163 and a decrease in Special State Projects notes payable of \$2,476,222. The total decrease of \$3,916,952 is reflected in the beginning balances as restated at July 1, 2022.

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, 2023

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, 2022, 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 344 employers that have participants in the PERS-DCRP totaled \$1,681,603.

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, 2023

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 average 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, 2023

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 shown 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
2023	7.900%	7.900%	9.07%	8.970%	0.100%	8.700%	0.370%
2022	7.900%	7.900%	8.97%	8.870%	0.100%	8.600%	0.370%
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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans – continued

Public Employees' Retirement System (PERS) - continued

Overview of Contributions – continued

- 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.
- 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 \$34,633,570.

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, as well as the actuarial valuations and experience study, 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, 2022, with updated procedures to roll forward to TPL to June 30, 2023. The TPL in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Investment Return (net of pension plan investment expense, including inflation)	7.30%
General Wage Growth*	3.50%
*includes inflation at	2.75%
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 active participants are based on PUB-2010 General Amount Weighted Employer projected to 2021 for males and females. Projected generationally using MP-2021. Mortality assumptions among disabled retirees are based on PUB-2010 General Amount Weighted Disabled Retiree Mortality tabled, projected to 2021, set forward one year for both males and females. Mortality assumptions among contingent survivors participants are based on PUB-2010 General Amount Weighted Contingent Survivor Mortality projected to 2021 for males and females. Projected generationally using MP-2021. Mortality assumptions for health retirees is based on PUB-2010 General Amount Weighted Healthy Retiree Mortality table project to 2021, with ages set forward one year and adjusted 104% for males and 103% for females. Projected generationally using MP-2021.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) - continued

Actuarial Assumptions – continued

The actuarial assumptions and methods utilized in the June 30, 2022 valuation, were developed in the five-year experience study for the period ending 2021.

Discount Rate

The discount rate used to measure the TPL was 7.30%. 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 2126. 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.

Target Allocations

The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2022, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, are summarized in the following table.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	3.00%	-0.33%
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	6.00%	3.02%
Total	100%	

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) - continued

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate

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 7.30% 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 (6.30%)	Current Discount Rate	1.0% Increase (8.30%)
City of Great Falls' Net Pension Liability	\$37,022,303	\$25,682,349	\$16,168,262

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, 2022 measurement date for the 2023 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, 2023.

GASB 68 allows a measurement date of up to 12 months before the employer's fiscal year-end. The basis for the Total Pension Liability (TPL) as of June 30, 2023, is on an actuarial valuation performed by the Plan's actuary as of June 30, 2022.

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, 2023 and 2022 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 \$25,682,349 and the employer's proportionate share was 1.080050 percent.

As of measurement date	Net Pension Liability as of 6/30/23	Net Pension Liability as of 6/30/22	Percent of Collective NPL as of 6/30/2023	Percent of Collective NPL as of 6/30/2022	Change in Percent of Collective NPL
City Proportionate Share	\$25,682,349	\$18,775,959	1.080050%	1.035503%	0.044547%
State of Montana Proportionate Share associated with City	7,660,700	5,522,480	0.322164%	.304567%	0.017597%
Total	\$33,343,049	\$24,298,439	1.402214%	1.340070%	0.062144%

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) - continued

Changes in actuarial assumptions and methods:

- The discount rate was increased from 7.06% to 7.30%.
- The investment rate of return was increased from 7.06% to 7.30%.
- Updated all mortality tables to the PUB2010 tables for general employees.
- Updated the rates of withdrawal, retirement, and disability.
- Lowered the payroll growth assumption from 3.50% to 3.25%.
- The inflation rate was increased from 2.40% to 2.75%.

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.

Pension Expense

At June 30, 2023, the City recognized a Pension Expense of \$2,511,382 for its proportionate share of the PERS' Pension Expense. The City also recognized grant revenue of \$794,037 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

As of measurement date	Pension Expense as of 6/30/2023	Pension Expense as of 6/30/2022
City's Proportionate Share	\$2,511,382	\$332,818
State of Montana Proportionate Share associated with City	\$794,037	\$1,543,093
Total	\$3,305,419	\$1,875,911

At June 30, 2023, 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	\$327,398	\$-
Changes in assumptions	957,080	1,880,183
Projected Investment Earnings vs. Actual Investment Earnings	754,794	-
Changes in proportion differences between City contributions and proportionate share of contributions	438,216	-
Difference between actual and expected contributions	-	-
*Contributions paid to PERS subsequent to the measurement date - FY 2023 contributions	1,768,414	-
Total	\$4,245,902	\$1,880,183

* \$1,768,414 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, 2024.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) - 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
2024	\$381,651
2025	(688,771)
2026	(814,082)
2027	1,718,506
2028	-
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 (HAC). Members are vested after five years of service.

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;

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans - continued

Firefighters' Unified Retirement System (FURS) - continued

Summary of Benefits and Eligibility - continued

- 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.

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.

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 shown in the table below.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans – continued

Firefighters' Unified Retirement System (FURS) - continued

<u>Fiscal Year</u>	<u>Member</u>		<u>Employer</u>	<u>State</u>
	<u>Non-GABA</u>	<u>GABA</u>		
1998-2023	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, 2023, was determined by an actuarial valuation date of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement. Among those assumptions were the following:

Investment Return (net of pension plan investment expense, including inflation)	7.30%
General Wage Growth*	3.50%
*includes inflation at	2.75%
Merit increases	1% to 6.4%

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 active participants are based on PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table project to 2021 for males and females. Projected generationally using MP-2021. Mortality assumptions among healthy retirees are based on PUB-2010 Safety Amount Weighted Health Retiree Mortality Table projected to 2021, set forward one year for males, adjusted 105% for males and 100% for females. Projected generationally using MP-2021. Mortality assumptions among contingent survivors are based on PUB-2010 Safety Amount Weighted Contingent Survivor Mortality Table projected to 2021, with ages set forward one year for males. Projected generationally using MP-2021. Mortality assumptions for Disabled retirees is based on PUB-2010 Safety Amount Weighted Disabled Retiree Mortality Table project to 2021, set forward one year for males.

The actuarial assumptions and methods utilized in the June 30, 2022 valuation, were developed in the five-year experience study for the period ending 2021.

Discount Rate

The discount rate used to measure the TPL was 7.30%. 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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans – continued

Firefighters' Unified Retirement System (FURS) - continued

Therefore, the long-term expected rate of return on pension plan investments as applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

Target Allocations

The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2022, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, are summarized in the following table.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	3.00%	-0.33%
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	6.00%	3.02%
Total	100%	

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate

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 7.30%, 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 (6.30%)	Current Discount Rate	1.0% Increase (8.30%)
City of Great Falls' proportion share of Net Pension Liability	\$7,718,331	\$4,453,325	\$1,846,234

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans - continued

Firefighters' Unified Retirement System (FURS) - continued

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, sing-employer, or agent pension plans. This report provides information for employers who are using a June 30, 2022 measurement date for the 2023 reporting.

GASB 68 allows a measurement date of up to 12 months before the employer's fiscal year-end. The basis for the TPL as of June 30, 2023, is an actuarial valuation performed by the Plan's actuary as of June 30, 2022.

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, 2023 and 2022 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 \$4,453,325 and the employer's proportionate share was 2.8034 percent.

As of measurement date	Net Pension Liability as of 6/30/23	Net Pension Liability as of 6/30/22	Percent of Collective NPL as of 6/30/2023	Percent of Collective NPL as of 6/30/2022	Change in Percent of Collective NPL
City Proportionate Share	\$4,453,325	\$2,437,560	2.8034%	2.8484%	(0.0450)%
State of Montana Proportionate Share associated with City	10,075,277	5,532,479	6.3426%	6.4650%	(0.1224)%
Total	\$14,528,602	\$7,970,039	9.1460%	9.3134%	(0.1674)%

The following changes in assumptions or other inputs were made that affected the measurement of TPL. Changes in actuarial assumptions and methods:

- The discount rate was increased from 7.06% to 7.30%.
- The investment rate of return was increased from 7.06% to 7.30%.
- The payroll growth rate was reduced from 3.50% to 3.25%.
- All mortality tables were updated to the PUB2010 tables for public safety employees.
- Updated the rates of withdrawal, retirement, disability and merit increases scales.
- The inflation rate was increased from 2.40% to 2.75%.

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 to the Plan between the measurement date of the collective NPL and the City's reporting date that are expected to have significant effect on the City'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,

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans - continued

Firefighters' Unified Retirement System (FURS) - continued

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, 2023, the City recognized pension expense of \$849,215 for its proportionate share of the FURS' Pension Expense. The City also recognized grant revenue of \$2,061,616 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 6/30/23	Pension Expense as of 6/30/22
City's Proportionate Share	\$849,215	\$436,293
State of Montana Proportionate Share associated with City	2,061,616	1,025,239
Total	\$2,910,831	\$1,461,532

Recognition of Deferred Inflows and Outflows

At June 30, 2023, 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	\$388,398	\$8,701
Changes in assumptions	1,157,313	-
Projected Investment Earnings vs. Actual Investment Earnings	279,695	-
Changes in proportion differences between City contributions and proportionate share of contributions	-	212,330
Difference between actual and expected contributions	-	-
*City Contributions paid to FURS subsequent to the measurement date - # FY 2023 contributions	793,649	-
Total	\$2,619,055	\$221,031

* \$793,649 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, 2024.

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
2024	\$366,139
2025	246,752
2026	150,555
2027	679,965
Thereafter	160,962

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans – continued

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.

Summary of Benefits and Eligibility

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.

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.

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:

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans – continued

Municipal Police Officers' Retirement System (MPORS) – continued

Summary of Benefits and Eligibility - continued

- 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
 - iii. does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA;
 - iv. On the initial retirement benefit in January immediately following second retirement, and
 - v. 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.

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 shown 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		
2000-2023	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%

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans - continued

Municipal Police Officers' Retirement System (MPORS) - continued

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, 2022 actuarial valuation was determined using the following actuarial assumptions.

Investment Return (net of admin expense)	7.30%
General Wage Growth*	3.50%
*includes inflation at	2.75%
Merit increases	1% to 6.4%

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 active participants are based on PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table project to 2021 for males and females. Projected generationally using MP-2021. Mortality assumptions among healthy retirees are based on PUB-2010 Safety Amount Weighted Health Retiree Mortality table projected to 2021, set forward one year for males, adjusted 105% for males and 100% for females. Projected generationally using MP-2021. Mortality assumptions among contingent survivors are based on PUB-2010 Safety Amount Weighted Contingent Survivor Mortality Table projected to 2021, with ages set forward one year for males. Projected generationally using MP-2021. Mortality assumptions for Disabled retirees is based on PUB-2010 Safety Amount Weighted Disabled Retiree Mortality Table project to 2021, set forward one year for males.

The actuarial assumptions and methods utilized in the June 30, 2022 valuation, were developed in the five-year experience study for the period ending 2021.

Discount Rate

The discount rate used to measure the TPL was 7.30%. 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.

Target Allocations

The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2022, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans - continued

Municipal Police Officers' Retirement System (MPORS) – continued

Target Allocation - continued

estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocations and best estimates of arithmetic real rates of return of each major asset class as of the most recent experience study, are summarized in the following table.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	3.00%	-0.33%
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	6.00%	3.02%
Total	100%	

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 7.30%, 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 (6.30%)	Current Discount Rate	1.0% Increase (8.30%)
City of Great Falls' proportion of Net Pension Liability	\$14,727,115	\$9,773,381	\$5,839,130

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, 2022 measurement date for the 2023 reporting.

GASB 68 allows a measurement date of up to 12 months before the employer's fiscal year-end. The basis for the TPL as June 30, 2023 is on an actuarial valuation performed by the Plan's actuary as of June 30, 2022.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans – continued

Municipal Police Officers' Retirement System (MPORS) - continued

Net Pension Liability –continued

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, 2023 and 2022 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 \$9,773,381 and the employer’s proportionate share was 4.1375 percent.

As of measurement date	Net Pension Liability as of 6/30/2023	Net Pension Liability as of 6/30/2022	Percent of Collective NPL as of 6/30/2023	Percent of Collective NPL as of 6/30/2022	Change in Percent of Collective NPL
City Proportionate Share	\$9,773,381	\$7,486,525	4.1375%	4.1183%	0.0192%
State of Montana Proportionate Share associated with City	19,864,036	15,216,811	8.4093%	8.3706%	0.0387%
Total	\$29,637,417	\$22,703,336	12.5468%	12.4889%	0.0579%

The following changes in assumptions or other inputs were made that affected the measurement of TPL. Changes in actuarial assumptions and methods:

- The discount rate was increased from 7.06% to 7.30%.
- The investment rate of return was increased from 7.06% to 7.30%.
- The payroll growth rate was reduced from 3.50% to 3.25%.
- All mortality tables were updated to the PUB2010 tables for public safety employees.
- Updated the rates of withdrawal, retirement, disability and merit increases scales.
- The inflation rate was increased from 2.40% to 2.75%.

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 to the Plan between the measurement date of the collective NPL and the City’s reporting date that are expected to have significant effect on the City’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, 2023, the City recognized pension expense of \$1,678,541 for its proportionate share of the MPORS Pension Expense. The City also recognized grant revenue of \$3,405,658 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 6/30/2023	Pension Expense as of 6/30/2022
City's Proportionate Share	\$1,678,541	\$1,196,735
State of Montana Proportionate Share associated with City	3,405,658	2,425,639
Total	\$5,084,199	\$3,622,374

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

9. Employee Benefit Plans – continued

Municipal Police Officers' Retirement System (MPORS) - continued

Recognition of Deferred Inflows and Outflows

At June 30, 2023, 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	\$43,467	\$51,206
Changes in assumptions	862,499	187,592
Projected Investment Earnings vs. Actual Investment Earnings	355,982	-
Changes in proportion differences between City contributions and proportionate share of contributions	-	42,026
Difference between actual and expected contributions	-	-
*City Contributions paid to MPORS subsequent to the measurement date - FY 2023 contributions	1,142,713	-
Total	\$2,404,661	\$280,824

* \$1,142,713 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, 2024.

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
2024	\$530,360
2025	164,502
2026	(242,689)
2027	528,951
Thereafter	-

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

	The City's proportionate share associated with PERS	The City's proportionate share associated with FURS	The City's proportionate share associated with MPORS	The City's total proportionate share
Net pension liability	\$25,682,349	\$4,453,325	\$9,773,381	\$39,909,055
Deferred outflows of resources	\$4,245,902	\$2,619,055	\$2,404,661	\$9,269,618
Deferred inflows of resources	\$1,880,183	\$221,031	\$280,824	\$2,382,038
Pension expense	\$3,305,419	\$2,910,381	\$5,084,199	\$11,299,999

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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 four (4) City of Great Falls employees as of June 30, 2023 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, 2023. 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, 2023 the City of Great Falls contributed \$8,025 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$8,427. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$1,026 as of June 30, 2023.

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 four (4) City of Great Falls employees as of June 30, 2023 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, 2023. 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, 2023 the City of Great Falls contributed \$18,864 and the employees contributed \$0.

The expected minimum contribution for next fiscal year is \$19,807. The City of Great Falls pays all these amounts on a monthly basis, and there was a payables balance of \$153 as of June 30, 2023.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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 48 City of Great Falls employees as of June 30, 2023 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, 2023. 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, 2023 the City of Great Falls contributed \$332,403 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$349,013. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$10,853 as of June 30, 2023.

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, 2023 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, 2023. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.62 per hour paid to the employee. As of June 30, 2023 the City of Great Falls contributed \$29,620 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$31,101. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$1,160 as of June 30, 2023.

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 49 City of Great Falls employees as of June 30, 2023 and provides pension benefits.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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, 2023. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.65 per hour paid to the employee. As of June 30, 2023 the City of Great Falls contributed \$330,132 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$346,639. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$14,144 as of June 30, 2023.

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 five (5) City of Great Falls employees as of June 30, 2023 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, 2023. 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, 2023 the City of Great Falls contributed \$41,007 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$43,057. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$366 as of June 30, 2023.

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 38 City of Great Falls employees as of June 30, 2023 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, 2023

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, 2023. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.60 per hour paid to the employee. As of June 30, 2023 the City of Great Falls contributed \$235,035 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$246,786. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$8,869 as of June 30, 2023.

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 requirements 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 or their spouse reaches their Medicare eligibility date, 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. Prior to July 1, 2022, coverage was allowed to continue for life.

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 converted to a self-insured plan administered by Blue Cross Blue Shield of Montana effective July 1, 2021. 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, 2023

11. Other Postemployment Benefits – continued

Benefits Provided - continued

The table below presents a high-level summary of the medical benefits.

	Cost Sharing
Medical Deductible (Individual/ Family)	\$500/\$1,000
Out-of-Pocket Maximum (Individual/ Family)	\$2,500/\$5,000
Coinsurance	30%
Prescription Deductible	\$100
Prescription Copays:	
Generic	\$10
Brand Formulary	\$30
Brand Non-Formulary	\$50
Prescription Out-of-Pocket Maximum	None

Employees Covered by Benefit Terms

As of June 30, 2023, the number of active and inactive employees covered by the plan was as follows:

	Medical Plan
Inactive employees or beneficiaries currently covered	33
Active employees	455
Total	488

Total OPEB Liability

The City's total OPEB Liability is \$1,292,896 as of June 30, 2023 and was determined by an actuarial valuation as of that date.

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 3.5% Source: Pension valuations 6/30/21
Discount Rate	4.13% Source: S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2023
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

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

11. Other Postemployment Benefits – continued

Change in Total OPEB Liability

	Total OPEB Liability
OPEB Liability as of 6/30/2022	\$1,312,127
Changes for the year:	
Service cost	72,781
Interest (4.13%)	54,191
Differences between expected and actual experience	894,946
Changes in assumptions	(4,037)
Changes of benefit terms	-
Employer contributions	(1,037,112)
Net Changes	(19,231)
Balance at 6/30/2023	\$1,292,896

Changes in Assumptions

The table below shows the assumption changes that were made and their impact on the liability.

Assumption	Description of Change	Impact on Liability
Discount Rate	Increased from 4.09% to 4.13%	(\$4,037)

Change in Benefit Terms

There were no changes in Benefit Terms.

Employer Contribution

Employer contributions in a self-funded plan are calculated as the sum of retiree claims and admin costs less retiree premiums.

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 (3.13%)	Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB Liability	\$1,398,001	\$1,292,896	\$1,196,471

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 (4.83%)	Trend Rate (5.83%)	1% Increase (6.83%)
Total OPEB Liability	\$1,162,581	\$1,292,896	\$1,446,991

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

11. Other Postemployment Benefits – continued

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

For the year ended June 30, 2023 the City recognized OPEB expense of \$(1,129,053). At June 30, 2023, 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	\$ 534,101	\$ 1,841,852
Current year amortization of experience differences	(459,953)	(375,544)
Current year amortization of assumption changes	(80,546)	(383,421)
Changes in assumption	1,997,930	2,192,658
Total	\$ 1,991,532	\$ 3,275,545

Amounts reported as Deferred Inflows and Outflows of resources related to OPEB as June 30, 2023 will be recognized as OPEB expenses as follows:

Year ended June 30:

2024	\$ 98,661
2025	\$ 98,661
2026	\$ 98,661
2027	\$ 98,661
2028	\$ 98,661
Thereafter	\$ 397,604

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

12. Construction Commitments

The City has entered into contracts for the design, construction or renovation of various facilities at June 30, 2023, some of which are as follows:

Project	Amount Expended to Date	Remaining Construction Commitment	Expected Date of Completion
Civic Center RTU Upgrades	\$ 214,569	\$ 1,185,431	Summer 2024
Police Evidence Building	172,878	4,327,122	Summer 2025
Fire Department Overhead Doors	393,797	3,617	Fall 2023
Civic Center Façade	5,323,604	388,078	Fall 2023
Aquatic and Recreation Center	13,521,581	6,478,419	Spring 2025
Elk Park Force Main Repair	215,661	-	Summer 2023
WWTP Sec. Clarifier Rehab/Bypass	3,659,114	1,025,749	Spring 2024
Water Treatment Plant Filter Upgrade	4,846,984	277,027	Fall 2023
Sanitary Sewer Trenchless Rehab	857,092	-	Summer 2023
Sanitary Sewer Trenchless Rehab	195	904,805	Winter/Spring 2024
Water Treatment Plant Solids Mitigation	1,760,874	10,730,999	Summer 2024
Southside Water Main Replacement	1,410,716	580,734	Fall 2023
Southwest Side Water Main Replacement	1,016,867	625,197	Fall 2023
Valeria Way Storm Drain	195	899,805	Fall 2023
Public Works Backup Generator	22,500	4,375	Summer 2024
Lower Northside Water Main Replacement	1,947	2,028,328	Summer 2024
Water Treatment Plant Filtration Improvements	5,709,460	152,185	Fall 2023
Valeria Way Storm Drain	1,577,528	-	Summer 2023
Central Avenue & 3rd St Drainage Improvements	537,842	945,210	Fall 2024
Southwest Side Street Reconstruction	1,004,241	49,363	Spring 2024
Lift Station #1 Repairs	805,007	7,000,000	Fall 2025
Central Avenue & 3rd St Drainage Improvements	25,635	87,604	Fall 2025
Total	\$ 43,078,288	\$ 37,694,048	

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, 2023, 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, 2023, were not significant.

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 through an interlocal agreement with Cascade County. The current term of the agreement runs from October 1, 2021 to September 30, 2023, and was extended for another two-year term through September 30, 2025.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

14. Contracted Services - continued

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. The Housing Authority Board of Commissioners voted not to renew the management agreement effective December 1, 2022.

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 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.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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.

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.

On July 1, 2021, the City reverted to a self-insured health plan administered by Blue Cross/Blue Shield. The City provides medical, dental and vision benefits and it is operated as an internal service fund, the Health and Benefits Fund. Rates are determined in consultation with Blue Cross/Blue Shield based on past claim experience. Included in the rates is a premium for a commercial "stop-loss" policy for any one claimant who exceeds \$150,000 in covered charges during a year.

Liabilities of the Health and Benefits Fund are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. These claims are estimated using a standard actuarial reserve methodology know as a "completion factor method (CGF)". Using the claims date by paid date we developed a set of CGF specific completion factors that reflect the average pattern of claim payments over a 6-12 month period for each incurred month.

Fiscal Year	Claims Payable			Claims Paid	Claims Payable
	Beginning of Fiscal Year	Claims Incurred	End of Fiscal Year		
2023	\$ 692,394	\$ 8,936,426	\$ 8,452,044	\$ 484,382	
2022	-	9,431,275	8,738,881	692,394	

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

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, 2023

17. Net Positions and Fund Balances - continued

	Major Special Revenue Funds						Total
	General	COVID Recovery	Park Maintenance District	Street District	Federal Block Grant	Other Governmen- tal Funds	
Fund balances							
Restricted for							
Land held for resale	\$ -	\$ -	\$ -	\$ 9,734	\$ -	\$ 15,615	\$ 25,349
Library projects	-	-	-	-	-	375,410	375,410
Federal block grant	-	-	-	-	1,483,427	-	1,483,427
Federal HOME grant	-	-	-	-	-	57,894	57,894
Special assessment purposes	-	-	4,722,229	5,041,409	-	1,806,441	11,570,079
Gas Tax projects	-	-	-	-	-	1,657,437	1,657,437
Tax increment districts projects	-	-	-	-	-	2,413,028	2,413,028
General obligation debt	-	-	-	-	-	38,316	38,316
General obligation taxable debt	-	-	-	-	-	-	-
Tax increment debt	-	-	-	-	-	6,343,804	6,343,804
Tax increment construction	-	-	-	-	-	591,498	591,498
Special assessment debt	-	-	-	-	-	102,703	102,703
Total Restricted	-	-	4,722,229	5,051,143	1,483,427	13,402,146	24,658,945
Assigned for							
General government - planning	-	-	-	-	-	105,124	105,124
General government - economic development	-	-	-	-	-	4,897	4,897
General government -support & innovation	-	-	-	-	-	99,062	99,062
General government - operations and capital improvements	-	2,957,037	-	-	-	-	2,957,037
Public safety - fire projects	-	-	-	-	-	31,705	31,705
Public safety - police projects	-	-	-	-	-	1,593,859	1,593,859
Park and recreation - parkland	-	-	-	-	-	725,087	725,087
Housing and development	-	-	-	-	-	852,120	852,120
Capital outlay for general government	-	-	-	-	-	484,089	484,089
Library operations	-	-	-	-	-	455,453	455,453
Total Assigned	-	2,957,037	-	-	-	4,351,396	7,308,433
Unassigned	10,679,388	-	-	-	-	-	10,679,388
Total Fund Balances	\$ 10,679,388	\$ 2,957,037	\$ 4,722,229	\$ 5,051,143	\$ 1,483,427	\$ 17,753,542	\$ 42,646,766

18. Deficit Fund Balances and Net Positions

The Information Technology internal service fund has a net position deficit of \$505,440. This is due to the previous GASB 68 required recording of the unfunded net pension liability.

The Human Resources internal service fund has a net position deficit of \$368,376. 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 \$676,744. 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 \$66,434. This is due to the previous GASB 68 required recording of the unfunded net pension liability.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2023

19. Prior Period Adjustments and Restatements

The City has implemented GASB Statement No. 91, Conduit Debt Obligations, and the City has two funds that have previously reported conduit debt obligations. GASB 91 establishes that a conduit debt obligation is not a liability of the issuer. Therefore, the debt and related capital assets in the Port Authority fund and Special State Projects fund are no longer reported by the City. The beginning net position of the Port Authority and State Special Project funds were restated to record the implementation of GASB 91 as noted below:

	Business Type Activities Nonmajor Enterprise Funds		
	Port Authority	State Special Projects	Total
	Beginning net position as previously reported at June 30, 2022	\$ 2,959,894	\$ 255,150
Recorded capital assets at June 30, 2022	(4,281,265)	(2,731,372)	(7,012,637)
Recorded debt at June 30, 2022	1,440,730	2,476,222	3,916,952
Prior period adjustment implementation of GASB 91, Conduit Debt Obligations	<u>(2,840,535)</u>	<u>(255,150)</u>	<u>(3,095,685)</u>
Net position as restated, July 1, 2022	<u>\$ 119,359</u>	<u>\$ -</u>	<u>\$ 119,359</u>

The Payroll fund, previously reported as a custodial fund, was combined with the Health & Benefits internal service fund. The activities of this fund do not meet the criteria to be reported as fiduciary activities; therefore, the assets and liabilities of the Payroll fund have been combined with the funds of the City. The beginning cash balance on the statement of cash flows for proprietary funds was restated as noted below:

	Governmental Activities Internal Service Funds
Ending cash balance as previously reported at June 30, 2022	\$ 9,941,289
Restatement to combine Payroll fund	258,969
Beginning cash balance as restated, July 1, 2022	<u>\$ 10,200,258</u>

20. Subsequent Events

As of July 24, 2023, the building and land owned by Great Falls Port Authority was sold, and the associated debt was paid off. These assets and related debt were not reported at June 30, 2023, in accordance with GASB Statement No. 91.

On September 26, 2023, the City closed on a bond issuance for the Airport Tax Increment District to reimburse project expenses pursuant to the development agreement with Great Falls International Airport.

Management has evaluated subsequent events through December 7, 2023, the date on which the financial statements were available to be issued.

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

	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Service cost	\$ 269,990	\$ 274,467	\$ 276,374	\$ 294,613	\$ 74,466	\$ 72,781
Interest	242,494	240,915	190,188	183,688	354,319	54,191
Differences between expected and actual experience	700,425	(624,573)	1,827,362	(703,992)	(1,697,952)	894,946
Changes of assumptions or inputs	(1,071,631)	89,020	(1,017,780)	462,679	(859,823)	(4,037)
Change in benefit terms	-	-	-	-	(4,239,636)	-
Employer contributions	-	-	-	-	(982,303)	(1,037,112)
Net Change in Total OPEB Liability	\$ 141,278	\$ (20,171)	\$ 1,276,144	\$ 236,988	\$ (7,350,929)	\$ (19,231)
Total OPEB Liability - beginning	\$ 7,028,817	\$ 7,170,095	\$ 7,149,924	\$ 8,426,068	\$ 8,663,056	\$ 1,312,127
Total OPEB Liability - ending	\$ 7,170,095	\$ 7,149,924	\$ 8,426,068	\$ 8,663,056	\$ 1,312,127	\$ 1,292,896
Plan Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position as a percentage of the Total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 26,067,551	\$ 27,110,253	\$ 28,117,535	\$ 29,101,648	\$ 29,296,025	\$ 30,321,386
Total OPEB Liability as a percentage of Covered Employee Payroll	27.5%	26.4%	30.0%	29.8%	4.5%	4.3%
Notes to Schedule:						
<u>Key Assumptions</u>						
Discount Rate	3.45%	3.36%	2.66%	2.18%	4.09%	4.13%
Medical Trend	3.45%	4.50%	4.50%	4.50%	6.02%	5.83%

*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 *

Reporting Date (Fiscal Year) As of Measurement Date	Public Employees' Retirement System									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	2014	2015	2016	2017	2018	2019	2020	2021	2022	
City's proportionate share of the net pension liability associated with the City	1.39%	1.34%	1.33%	1.49%	1.07%	1.11%	1.07%	1.04%	1.08%	
City's proportion of the net pension liability	\$ 17,266,157	\$ 18,745,848	\$ 22,662,652	\$ 26,279,968	\$ 22,241,067	\$ 23,100,228	\$ 28,148,290	\$ 18,775,957	\$ 25,682,349	
State of Montana proportionate share of the net pension liability associated with the City	210,846	230,260	276,912	335,858	7,433,740	7,503,880	8,851,253	5,522,480	7,660,700	
Total	\$ 17,477,003	\$ 18,976,108	\$ 22,939,564	\$ 26,615,826	\$ 29,674,807	\$ 30,604,108	\$ 36,999,543	\$ 24,298,437	\$ 33,343,049	
City's covered payroll	\$ 15,769,377	\$ 15,650,061	\$ 15,936,803	\$ 16,751,180	\$ 17,552,424	\$ 18,253,915	\$ 17,901,595	\$ 18,259,759	\$ 18,958,520	
City's proportionate share of the net pension liability as of its covered payroll	111.22%	119.78%	142.20%	156.88%	126.71%	126.55%	157.24%	102.83%	135.47%	
Plan fiduciary net position as a percentage of the total pension liability	79.87%	78.40%	74.71%	73.75%	73.47%	73.85%	68.90%	79.91%	73.66%	

Reporting Date (Fiscal Year) As of Measurement Date	Firefighters' Unified Retirement System									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	2014	2015	2016	2017	2018	2019	2020	2021	2022	
City's proportionate share of the net pension liability associated with the City	3.36%	3.20%	3.21%	3.20%	3.18%	2.99%	3.09%	2.85%	2.80%	
City's proportion of the net pension liability	\$ 3,276,335	\$ 3,266,908	\$ 3,669,168	\$ 3,619,015	\$ 3,662,058	\$ 3,428,389	\$ 4,831,711	\$ 2,437,560	\$ 4,453,325	
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	8,373,484	8,291,572	10,892,307	5,532,479	10,075,277	
Total	\$ 10,667,586	\$ 10,543,182	\$ 11,982,350	\$ 11,837,402	\$ 12,035,542	\$ 11,719,961	\$ 15,724,018	\$ 7,970,039	\$ 14,528,602	
City's covered payroll	\$ 4,359,771	\$ 4,292,501	\$ 4,523,854	\$ 4,786,308	\$ 5,007,758	\$ 5,182,586	\$ 5,390,299	\$ 5,241,767	\$ 5,432,183	
City's proportionate share of the net pension liability as of its covered payroll	75.15%	76.11%	81.11%	75.61%	73.13%	66.15%	89.64%	46.50%	81.98%	
Plan fiduciary net position as a percentage of the total pension liability	76.70%	76.90%	75.48%	77.77%	79.03%	80.08%	75.34%	87.72%	78.76%	

Reporting Date (Fiscal Year) As of Measurement Date	Municipal Police Officers' Retirement System									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	2014	2015	2016	2017	2018	2019	2020	2021	2022	
City's proportionate share of the net pension liability associated with the City	4.34%	4.20%	4.23%	4.21%	4.13%	4.18%	4.21%	4.12%	4.14%	
City's proportion of the net pension liability	\$ 6,822,498	\$ 6,951,884	\$ 7,615,215	\$ 7,485,952	\$ 7,066,266	\$ 8,319,897	\$ 10,294,653	\$ 7,486,525	\$ 9,773,381	
State of Montana proportionate share of the net pension liability associated with the City	13,782,261	14,085,177	15,116,534	15,257,632	14,444,839	16,942,236	20,763,270	15,216,811	19,864,036	
Total	\$ 20,604,759	\$ 21,037,061	\$ 22,731,749	\$ 22,743,584	\$ 21,511,105	\$ 25,262,133	\$ 31,057,923	\$ 22,703,336	\$ 29,637,417	
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	\$ 7,363,636	\$ 7,623,173	
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%	101.67%	128.21%	
Plan fiduciary net position as a percentage of the total pension liability	67.00%	66.90%	65.62%	68.34%	70.95%	68.84%	64.84%	75.76%	69.67%	

* 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	2022	2023
Contractually required contribution	\$ 1,334,152	\$ 1,361,640	\$ 1,401,041	\$ 1,484,347	\$ 1,568,261	\$ 1,568,417	\$ 1,620,926	\$ 1,688,068	\$ 1,768,414
Contributions in relation to the contractually required contributions	<u>(1,334,152)</u>	<u>(1,361,640)</u>	<u>(1,401,041)</u>	<u>(1,484,347)</u>	<u>(1,568,261)</u>	<u>(1,568,417)</u>	<u>(1,620,926)</u>	<u>(1,688,068)</u>	<u>(1,768,414)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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	\$18,958,520	\$19,717,748
Contributions of covered payroll	8.43%	8.56%	8.36%	8.46%	8.59%	8.76%	8.88%	8.90%	8.97%

	Firefighters' Unified Retirement System								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 628,398	\$ 646,789	\$ 687,314	\$ 737,064	\$ 714,222	\$ 793,404	\$ 749,881	\$ 785,722	\$ 793,649
Contributions in relation to the contractually required contributions	<u>(628,398)</u>	<u>(646,789)</u>	<u>(687,314)</u>	<u>(737,064)</u>	<u>(714,222)</u>	<u>(793,404)</u>	<u>(749,881)</u>	<u>(785,722)</u>	<u>(793,649)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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	\$5,432,183	\$5,526,807
Contributions of covered payroll	14.64%	14.30%	14.36%	14.72%	13.78%	14.72%	14.31%	14.46%	14.36%

	Municipal Police Officers' Retirement System								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 843,147	\$ 874,802	\$ 906,708	\$ 974,098	\$ 996,654	\$ 1,050,475	\$ 1,072,592	\$ 1,120,403	\$ 1,142,713
Contributions in relation to the contractually required contributions	<u>(843,147)</u>	<u>(874,802)</u>	<u>(906,708)</u>	<u>(974,098)</u>	<u>(996,654)</u>	<u>(1,050,475)</u>	<u>(1,072,592)</u>	<u>(1,120,403)</u>	<u>(1,142,713)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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	\$7,623,173	\$7,929,996
Contributions of covered payroll	14.38%	14.65%	14.38%	14.62%	14.47%	14.57%	14.57%	14.70%	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	2022	2023
National Electrical Benefit Fund								
Contractually required contribution	\$ 8,758	\$ 10,210	\$ 11,334	\$ 10,134	\$ 9,052	\$ 9,304	\$ 11,197	\$ 8,025
Contributions in relation to the contractually required contribution	(8,758)	(10,210)	(11,334)	(10,134)	(9,052)	(9,304)	(11,197)	(8,025)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 291,210	\$ 340,340	\$ 374,565	\$ 332,360	\$ 352,818	\$ 310,120	\$ 382,845	\$ 267,506
Contributions of covered payroll	3%	3%	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	\$ 27,366	\$ 18,864
Contributions in relation to the contractually required contribution	(19,985)	(24,550)	(29,926)	(27,352)	(23,576)	(23,616)	(27,366)	(18,864)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 291,210	\$ 340,340	\$ 374,565	\$ 332,360	\$ 352,818	\$ 310,120	\$ 382,845	\$ 267,506
Contributions of covered payroll	7%	7%	8%	8%	7%	8%	7%	7%
LIUNA National (Industrial) Pension Fund								
Contractually required contribution	\$ 243,665	\$ 287,798	\$ 313,336	\$ 317,178	\$ 329,865	\$ 340,747	\$ 348,884	\$ 332,403
Contributions in relation to the contractually required contribution	(243,665)	(287,798)	(313,336)	(317,178)	(329,865)	(340,747)	(348,884)	(332,403)
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	\$ 1,935,069	\$ 1,936,639
Contributions of covered payroll	11%	12%	13%	14%	16%	16%	18%	17%
I.A.M. National Pension Fund								
Contractually required contribution	\$ 22,830	\$ 20,959	\$ 22,581	\$ 24,512	\$ 27,475	\$ 28,085	\$ 28,986	\$ 29,620
Contributions in relation to the contractually required contribution	(22,830)	(20,959)	(22,581)	(24,512)	(27,475)	(28,085)	(28,986)	(29,620)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 181,380	\$ 166,415	\$ 170,325	\$ 155,283	\$ 215,419	\$ 181,337	\$ 189,357	\$ 194,525
Contributions of covered payroll	13%	13%	13%	16%	13%	15%	15%	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*

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

	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 251,310	\$ 283,973	\$ 305,795	\$ 339,085	\$ 325,323	\$ 337,421	\$ 317,858	\$ 330,132
Contributions in relation to the contractually required contribution	(251,310)	(283,973)	(305,795)	(339,085)	(325,323)	(337,421)	(317,858)	(330,132)
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	\$ 1,959,464	\$ 2,132,713
Contributions of covered payroll	15%	15%	16%	17%	17%	17%	16%	15%

Plumbers and Pipefitters National Pension Fund

Contractually required contribution	\$ 44,593	\$ 47,027	\$ 49,617	\$ 52,570	\$ 50,413	\$ 54,071	\$ 37,788	\$ 41,007
Contributions in relation to the contractually required contribution	(44,593)	(47,027)	(49,617)	(52,570)	(50,413)	(54,071)	(37,788)	(41,007)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 252,550	\$ 255,450	\$ 261,509	\$ 268,109	\$ 267,218	\$ 297,421	\$ 277,917	\$ 314,842
Contributions of covered payroll	18%	18%	19%	20%	19%	18%	14%	13%

Western Conference of Teamsters Pension Plan

Contractually required contribution	\$ 182,562	\$ 189,661	\$ 190,001	\$ 209,523	\$ 214,008	\$ 235,928	\$ 229,870	\$ 235,035
Contributions in relation to the contractually required contribution	(182,562)	(189,661)	(190,001)	(209,523)	(214,008)	(235,928)	(229,870)	(235,035)
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	\$ 1,375,152	\$ 1,477,617
Contributions of covered payroll	16%	16%	16%	17%	18%	18%	17%	16%

* 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, 2023

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 and methods were used to determine contribution rates reported for fiscal year ended June 30, 2022, which were based on the results of the June 30, 2021 actual 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	0.29%

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2023

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.

The actuarial assumptions and methods utilized in the June 30, 2021 valuation, were developed in the six year experience study for the period ending 2016.

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.

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2023

1. Employee Benefit Plan - continued

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

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 and methods were used to determine contribution rates reported for fiscal year ended June 30, 2022, which were based on the results of the June 30, 2021 actual 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.

The actuarial assumptions and methods utilized in the June 30, 2021 valuation, were developed in the six year experience study for the period ending 2016.

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2023

1. Employee Benefit Plan - continued

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.
- 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.

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2023

1. Employee Benefit Plan - continued

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 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.

MPORS- Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ended June 30, 2022, which were based on the results of the June 30, 2021 actual 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	0.17%

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.

The actuarial assumptions and methods utilized in the June 30, 2021 valuation, were developed in the six year experience study for the period ending 2016.

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2023

	General			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 22,978,679	\$ 22,978,679	\$ 22,042,517	\$ (936,162)
Licenses and permits	1,011,200	1,062,894	982,516	(80,378)
Intergovernmental	9,464,998	15,287,736	15,349,017	61,281
Charges for services	1,200,461	1,274,894	1,326,545	51,651
Fines and forfeitures	770,000	770,000	600,975	(169,025)
Internal services	1,060,044	1,060,044	1,060,700	656
Investment income	15,000	15,000	187,703	172,703
Other	156,364	252,289	250,624	(1,665)
Total revenues	36,656,746	42,701,536	41,800,597	(900,939)
Expenditures				
Current				
General government				
Personal services	3,564,548	3,669,136	3,576,089	93,047
Operations and maintenance	2,124,922	2,156,922	2,231,793	(74,871)
Public safety				
Personal service	21,858,124	27,366,605	26,847,136	519,469
Operation and maintenance	5,279,427	5,476,074	5,332,631	143,443
Culture and recreation				
Personal services	2,010,695	2,063,768	1,949,477	114,291
Operations and maintenance	1,096,082	1,096,082	1,006,274	89,808
Debt service				
Principal	257,393	257,393	257,392	1
Interest	51,223	51,223	51,223	-
Capital outlay	-	-	-	-
Total expenditures	36,242,414	42,137,203	41,252,015	885,188
Revenues over (under) expenditures	414,332	564,333	548,582	(15,751)
Other financing sources (uses)				
Transfers in	-	9,057	9,057	-
Transfers out	(1,619,332)	(1,619,332)	(1,619,332)	-
Total other financing sources (uses)	(1,619,332)	(1,610,275)	(1,610,275)	-
Net changes in fund balance	\$ (1,205,000)	\$ (1,045,942)	(1,061,693)	\$ (15,751)
Fund balance - beginning			11,741,081	
Fund balance - ending			\$ 10,679,388	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds
For the Year Ended June 30, 2023

	COVID Recovery			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	3,159,008	3,159,008	-
Charges for services	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	368,692	368,692
Other	-	-	-	-
	<u>-</u>	<u>3,159,008</u>	<u>3,527,700</u>	<u>368,692</u>
Total revenues	-	3,159,008	3,527,700	368,692
Expenditures				
Current				
General government				
Personal services	-	-	63,430	(63,430)
Operations and maintenance	88,410	5,960,015	3,624,710	2,335,305
Public works				
Personal services	-	-	-	-
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	5,663,724	1,139,243	781,244	357,999
	<u>5,752,134</u>	<u>7,099,258</u>	<u>4,469,384</u>	<u>2,629,874</u>
Total expenditures	5,752,134	7,099,258	4,469,384	2,629,874
Revenues over (under) expenditures	<u>(5,752,134)</u>	<u>(3,940,250)</u>	<u>(941,684)</u>	<u>2,998,566</u>
Other financing sources (uses)				
Transfers out	<u>(472,000)</u>	<u>(578,177)</u>	<u>(578,177)</u>	<u>-</u>
Total other financing sources (uses)	<u>(472,000)</u>	<u>(578,177)</u>	<u>(578,177)</u>	<u>-</u>
Net changes in fund balance	<u>\$ (6,224,134)</u>	<u>\$ (4,518,427)</u>	<u>\$ (1,519,861)</u>	<u>\$ 2,998,566</u>
Fund balance - beginning			<u>4,476,898</u>	
Fund balance - ending			<u>\$ 2,957,037</u>	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds (Continued)
For the Year Ended June 30, 2023

	Park Maintenance District			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	10,000,000	6,091,626	(3,908,374)
Charges for services	-	-	-	-
Internal services	-	-	-	-
Special assessments	1,500,000	1,500,000	1,504,539	4,539
Investment income	-	-	59,392	59,392
Other	-	-	-	-
	<u>1,500,000</u>	<u>11,500,000</u>	<u>7,655,557</u>	<u>(3,844,443)</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services				
Operations and maintenance	-	-	-	-
Public works				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	250,001	250,001	211,862	38,139
Operations and maintenance	509,879	428,502	260,474	168,028
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	530,000	530,000	530,000	-
Interest	172,938	172,938	173,338	(400)
Capital outlay	27,791	15,717,801	8,973,941	6,743,860
	<u>1,490,609</u>	<u>17,099,242</u>	<u>10,149,615</u>	<u>6,949,627</u>
Total expenditures				
Revenues over (under) expenditures	<u>9,391</u>	<u>(5,599,242)</u>	<u>(2,494,058)</u>	<u>3,105,184</u>
Other financing sources (uses)				
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)				
Net changes in fund balance	<u>\$ 9,391</u>	<u>\$ (5,599,242)</u>	<u>\$ (2,494,058)</u>	<u>\$ 3,105,184</u>
Fund balance - beginning			<u>7,216,287</u>	
Fund balance - ending			<u>\$ 4,722,229</u>	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds (Continued)
For the Year Ended June 30, 2023

	Street District			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 7,146	\$ 7,146	\$ 16,286	\$ 9,140
Intergovernmental	1,366,878	1,431,540	1,438,211	6,671
Charges for services	111,500	111,500	287,879	176,379
Internal services	109,101	109,101	30,618	(78,483)
Special assessments	4,583,265	4,583,265	4,600,853	17,588
Investment income	-	-	107,943	107,943
Other	-	-	27,186	27,186
	<u>6,177,890</u>	<u>6,242,552</u>	<u>6,508,976</u>	<u>266,424</u>
Expenditures				
Current				
General government				
Personal services				
Operations and maintenance	-	-	-	-
Public works				
Personal services	2,643,185	2,707,847	2,456,497	251,350
Operations and maintenance	4,052,859	4,109,881	3,532,194	577,687
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	1,650,252	2,508,951	247,152	2,261,799
	<u>8,346,296</u>	<u>9,326,679</u>	<u>6,235,843</u>	<u>3,090,836</u>
Revenues over (under) expenditures	<u>(2,168,406)</u>	<u>(3,084,127)</u>	<u>273,133</u>	<u>3,357,260</u>
Other financing sources (uses)				
Transfers out	<u>(60,399)</u>	<u>(60,399)</u>	<u>(60,399)</u>	<u>-</u>
Total other financing sources (uses)	<u>(60,399)</u>	<u>(60,399)</u>	<u>(60,399)</u>	<u>-</u>
Net changes in fund balance	<u>\$ (2,228,805)</u>	<u>\$ (3,144,526)</u>	<u>\$ 212,734</u>	<u>\$ 3,357,260</u>
Fund balance - beginning			<u>4,838,409</u>	
Fund balance - ending			<u>\$ 5,051,143</u>	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds (Concluded)
For the Year Ended June 30, 2023

	Federal Block Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,239,810	1,812,519	540,837	(1,271,682)
Charges for services	-	533,375	530,550	(2,825)
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	950	950
Other	-	-	638	638
	<u>1,239,810</u>	<u>2,345,894</u>	<u>1,072,975</u>	<u>(1,272,919)</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services				
Operations and maintenance	-	-	-	-
Public works				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	193,992	198,033	139,334	58,699
Operations and maintenance	855,642	1,498,910	696,128	802,782
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	190,176	190,176	-	190,176
	<u>1,239,810</u>	<u>1,887,119</u>	<u>835,462</u>	<u>1,051,657</u>
Total expenditures				
Revenues over (under) expenditures	<u>-</u>	<u>458,775</u>	<u>237,513</u>	<u>(221,262)</u>
Other financing sources (uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ -</u>	<u>\$ 458,775</u>	<u>\$ 237,513</u>	<u>\$ (221,262)</u>
Fund balance - beginning			<u>1,245,914</u>	
Fund balance - ending			<u>\$ 1,483,427</u>	

City of Great Falls, Montana
Notes to Budgetary Comparison Schedule
June 30, 2023

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	\$ 5,666,141	Recognizing on-behalf payments for pensions GASB 85
Park & Recreation	121,816	Grants and contributions for park improvements
Parkland Trust	33,968	Payment of Lieu of park land
Support & Innovation	217,531	Additional assessment revenue received
Airport TID	96,410	Additional tax increment revenue received
Park Maintenance District	10,000,000	Grant revenue for recreation and aquatic center project
Police Special Revenue	289,493	Grant and drug forfeiture revenue received
Fire Special Revenue	34,729	Grant revenue received for equipment purchases
Community Development Block Grant	533,375	Program revenue returned to City
Sewer	2,659,758	Grant revenue for capital projects
Storm Drain	734,774	Grant revenue for capital projects
Central Garage	62,946	Insurance recovery revenue

City of Great Falls, Montana
Notes to Budgetary Comparison Schedule (Continued)
June 30, 2023

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	\$ 5,666,141	Recognizing on-behalf payments for pensions GASB 85
Park & Recreation	227,331	Grants and contributions for park improvements
Support & Innovation	217,531	Pass-through of additional assessment revenue received
Airport TID	300,000	Activated reserves for Commission approved project
Park Maintenance District	10,000,000	Capital Outlay from grant revenue for recreation and aquatic center
Police Special Revenue	267,518	Additional projects from grants and drug forfeitures received
Fire Special Revenue	46,588	Grant revenue received for equipment purchases
Downtown TID Bonds	803,066	Activated reserves for City Commission approved TIF projects
Sewer	2,659,758	Grant revenue for capital projects
Storm Drain	734,774	Grant revenue for capital projects
Central Garage	62,946	Repairs completed with insurance recovery revenue

b. Excess of Expenditures Over Appropriations

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

City of Great Falls, Montana
Nonmajor Governmental Funds
Fund Descriptions

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.

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.

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.

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).

City of Great Falls, Montana
Nonmajor Governmental Funds
Fund Descriptions

Special Revenue Funds (Continued)

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. As of December 1, 2022, the City no longer provides management of the Housing Authority.

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, 2023

Special Revenue Funds

	Park & Recreation	Parkland Trust	Library	Library Foundation	Planning & Community Development
Assets					
Cash and investments	\$ 595,891	\$ 171,031	\$ 471,982	\$ 401,874	\$ 300
Restricted cash and investments	-	-	-	-	-
Receivables					
Taxes	-	-	125,464	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	1,454
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	-	-	1,953	-	189,804
Other assets	-	-	-	-	-
Total assets	\$ 595,891	\$ 171,031	\$ 599,399	\$ 401,874	\$ 191,558
Liabilities					
Accounts payable	\$ 41,835	\$ -	\$ 43,999	\$ 26,464	\$ 66,390
Due to other city funds	-	-	-	-	20,044
Other liabilities	-	-	-	-	-
Total liabilities	41,835	-	43,999	26,464	86,434
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	99,947	-	-
Unavailable revenue-special assessments	-	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	-	-	99,947	-	-
Fund Balances					
Restricted	-	-	-	375,410	-
Assigned	554,056	171,031	455,453	-	105,124
Total fund balances	554,056	171,031	455,453	375,410	105,124
Total liabilities, deferred inflows of resources, and fund balances	\$ 595,891	\$ 171,031	\$ 599,399	\$ 401,874	\$ 191,558

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2023

Special Revenue Funds - continued

	Central Montana Ag Tech Park TID	Airport TID	East Industrial Ag Tech Park TID	Economic Revolving
Assets				
Cash and investments	\$ 1,938,896	\$ 135,999	\$ 162,047	\$ 4,897
Restricted cash and investments	48,113	-	-	-
Receivables				
Taxes	14,401	75,845	37,189	-
Special assessments	-	-	-	-
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Loans	-	-	-	-
Due from other city funds	-	-	-	-
Due from other governments	20	2,375	-	-
Other assets	-	-	-	15,615
Total assets	<u>\$ 2,001,430</u>	<u>\$ 214,219</u>	<u>\$ 199,236</u>	<u>\$ 20,512</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other city funds	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources				
Unavailable revenue-property taxes	-	1,857	-	-
Unavailable revenue-special assessments	-	-	-	-
Unavailable revenue-liens	-	-	-	-
Unavailable revenue-grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>1,857</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	2,001,430	212,362	199,236	15,615
Assigned	-	-	-	4,897
Total fund balances	<u>2,001,430</u>	<u>212,362</u>	<u>199,236</u>	<u>20,512</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,001,430</u>	<u>\$ 214,219</u>	<u>\$ 199,236</u>	<u>\$ 20,512</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2023

Special Revenue Funds - continued

	Permits	Natural Resources	Portage Meadows	Support & Innovation
Assets				
Cash and investments	\$ 877,659	\$ 287,931	\$ 132,360	\$ 84,053
Restricted cash and investments	-	31,886	-	-
Receivables				
Taxes	-	-	-	-
Special assessments	-	21,575	1,054	59,857
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Loans	-	-	-	-
Due from other city funds	-	-	-	-
Due from other governments	-	513	50	727
Other assets	-	-	-	-
Total assets	<u>\$ 877,659</u>	<u>\$ 341,905</u>	<u>\$ 133,464</u>	<u>\$ 144,637</u>
Liabilities				
Accounts payable	\$ 25,539	\$ 1,071	\$ -	\$ 4,118
Due to other city funds	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>25,539</u>	<u>1,071</u>	<u>-</u>	<u>4,118</u>
Deferred inflows of resources				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-special assessments	-	7,633	-	41,457
Unavailable revenue-liens	-	-	-	-
Unavailable revenue-grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>7,633</u>	<u>-</u>	<u>41,457</u>
Fund Balances				
Restricted	-	333,201	133,464	-
Assigned	852,120	-	-	99,062
Total fund balances	<u>852,120</u>	<u>333,201</u>	<u>133,464</u>	<u>99,062</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 877,659</u>	<u>\$ 341,905</u>	<u>\$ 133,464</u>	<u>\$ 144,637</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2023

Special Revenue Funds - continued

	Gas Tax BaRSAA	911 Special Revenue	Police Special Revenue	HIDTA Special Revenue	Fire Special Revenue
Assets					
Cash and investments	\$ 1,754,816	\$ 1,193,311	\$ 419,408	\$ 53,378	\$ 31,376
Restricted cash and investments	-	-	-	-	-
Receivables					
Taxes	-	-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	750	-	864
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	-	-	4,990	38,715	-
Other assets	-	-	-	-	-
Total assets	\$ 1,754,816	\$ 1,193,311	\$ 425,148	\$ 92,093	\$ 32,240
Liabilities					
Accounts payable	\$ 97,379	\$ -	\$ 17,467	\$ 165	\$ 535
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	54,285	44,776	-
Total liabilities	97,379	-	71,752	44,941	535
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	1,657,437	-	-	-	-
Assigned	-	1,193,311	353,396	47,152	31,705
Total fund balances	1,657,437	1,193,311	353,396	47,152	31,705
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,754,816	\$ 1,193,311	\$ 425,148	\$ 92,093	\$ 32,240

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2023

	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	\$ 48,342	\$ -	\$ 1,660,432	\$ 33,513	\$ 1,057,306
Restricted cash and investments	-	-	-	-	263,925
Receivables					
Taxes	-	-	-	6,880	15,386
Special assessments	-	-	46,847	-	-
Accounts	-	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	40,000	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	9,552	-	1,084	341	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 97,894</u>	<u>\$ -</u>	<u>\$ 1,708,363</u>	<u>\$ 40,734</u>	<u>\$ 1,336,617</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ 352,958	\$ -	\$ -
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>352,958</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	-	2,418	3,071
Unavailable revenue-special assessments	-	-	15,629	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	40,000	-	-	-	-
Total deferred inflows of resources	<u>40,000</u>	<u>-</u>	<u>15,629</u>	<u>2,418</u>	<u>3,071</u>
Fund Balances					
Restricted	57,894	-	1,339,776	38,316	1,333,546
Assigned	-	-	-	-	-
Total fund balances	<u>57,894</u>	<u>-</u>	<u>1,339,776</u>	<u>38,316</u>	<u>1,333,546</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 97,894</u>	<u>\$ -</u>	<u>\$ 1,708,363</u>	<u>\$ 40,734</u>	<u>\$ 1,336,617</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2023

	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	\$ 4,435,631	\$ -	\$ 44,590	\$ 57,911	\$ 457,054
Restricted cash and investments	414,150	-	-	-	-
Receivables					
Taxes	174,723	-	-	-	-
Special assessments	-	-	-	20,344	-
Accounts	-	-	-	-	-
Accrued interest	2,083	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	1,539	-	-	7	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 5,028,126</u>	<u>\$ -</u>	<u>\$ 44,590</u>	<u>\$ 78,262</u>	<u>\$ 457,054</u>
Liabilities					
Accounts payable	\$ 5,298	\$ -	\$ -	\$ -	\$ -
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>5,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	12,570	-	-	-	-
Unavailable revenue-special assessments	-	-	-	20,149	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	<u>12,570</u>	<u>-</u>	<u>-</u>	<u>20,149</u>	<u>-</u>
Fund Balances					
Restricted	5,010,258	-	44,590	58,113	-
Assigned	-	-	-	-	457,054
Total fund balances	<u>5,010,258</u>	<u>-</u>	<u>44,590</u>	<u>58,113</u>	<u>457,054</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,028,126</u>	<u>\$ -</u>	<u>\$ 44,590</u>	<u>\$ 78,262</u>	<u>\$ 457,054</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Concluded)
Nonmajor Governmental Funds
June 30, 2023

Capital Projects Funds - continued

	Improvement District Projects	Downtown TID	Hazard Removal	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 5,916	\$ 1,168,831	\$ 21,119	\$ 17,707,854
Restricted cash and investments	-	-	-	758,074
Receivables				
Taxes	-	-	-	449,888
Special assessments	-	-	31,978	181,655
Accounts	-	-	-	3,068
Accrued interest	-	-	-	2,083
Loans	-	-	-	40,000
Due from other city funds	-	-	-	-
Due from other governments	-	-	-	251,670
Other assets	-	-	-	15,615
Total assets	\$ 5,916	\$ 1,168,831	\$ 53,097	\$ 19,409,907
Liabilities				
Accounts payable	\$ -	\$ 577,333	\$ -	\$ 1,260,551
Due to other city funds	-	-	-	20,044
Other liabilities	-	-	-	99,061
Total liabilities	-	577,333	-	1,379,656
Deferred inflows of resources				
Unavailable revenue-property taxes	-	-	-	119,863
Unavailable revenue-special assessments	-	-	-	84,868
Unavailable revenue-liens	-	-	31,978	31,978
Unavailable revenue-grants	-	-	-	40,000
Total deferred inflows of resources	-	-	31,978	276,709
Fund Balances				
Restricted	-	591,498	-	13,402,146
Assigned	5,916	-	21,119	4,351,396
Total fund balances	5,916	591,498	21,119	17,753,542
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,916	\$ 1,168,831	\$ 53,097	\$ 19,409,907

City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

Special Revenue Funds

	Park & Recreation	Parkland Trust	Library	Library Foundation	Planning & Community Development
Revenues					
Taxes	\$ -	\$ -	\$ 906,924	\$ -	\$ -
Licenses and permits	-	-	-	-	103,020
Intergovernmental	-	-	246,626	10,000	561,142
Charges for services	155	33,968	39,286	-	172,498
Fines and forfeitures	-	-	7,365	-	-
Internal services	-	-	-	-	109,350
Special assessments	-	-	-	-	-
Investment income (loss)	9,087	2,445	4,833	6,126	698
Other	152,697	-	9,105	319,620	61,645
Total revenues	161,939	36,413	1,214,139	335,746	1,008,353
Expenditures					
Current					
General government	-	-	-	-	1,365,197
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	254,268	-	1,604,151	302,655	-
Housing & development	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	254,268	-	1,604,151	302,655	1,365,197
Excess (deficiency) of revenues over (under) expenditures	(92,329)	36,413	(390,012)	33,091	(356,844)
Other financing sources (uses)					
Transfers in	-	-	356,000	-	674,432
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	-	-	356,000	-	674,432
Net change in fund balances	(92,329)	36,413	(34,012)	33,091	317,588
Fund balances - beginning	646,385	134,618	489,465	342,319	(212,464)
Fund balances - ending	\$ 554,056	\$ 171,031	\$ 455,453	\$ 375,410	\$ 105,124

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, 2023

	Special Revenue Funds - continued			
	Central Montana Ag Tech Park TID	Airport TID	East Industrial Ag Tech Park TID	Economic Revolving
Revenues				
Taxes	\$ 450,093	\$ 198,824	\$ 400,716	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	9,479	3,359	1,606	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	28,625	4,125	2,922	75
Other	-	-	-	-
Total revenues	<u>488,197</u>	<u>206,308</u>	<u>405,244</u>	<u>75</u>
Expenditures				
Current				
General government	28,102	13,233	28,855	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Housing & development	-	-	-	-
Debt service				
Principal	62,000	-	-	-
Interest	33,012	-	-	-
Capital outlay	-	300,000	330,540	-
Total expenditures	<u>123,114</u>	<u>313,233</u>	<u>359,395</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>365,083</u>	<u>(106,925)</u>	<u>45,849</u>	<u>75</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 change in fund balances	365,083	(106,925)	45,849	75
Fund balances - beginning	<u>1,636,347</u>	<u>319,287</u>	<u>153,387</u>	<u>20,437</u>
Fund balances - ending	<u>\$ 2,001,430</u>	<u>\$ 212,362</u>	<u>\$ 199,236</u>	<u>\$ 20,512</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, 2023

Special Revenue Funds - continued

	Permits	Natural Resources	Portage Meadows	Support & Innovation
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	1,620,314	-	-	-
Intergovernmental	32,331	16,166	-	-
Charges for services	43,263	18,000	-	-
Fines and forfeitures	-	-	-	-
Internal services	33,776	1,500	-	-
Special assessments	-	456,870	69,568	994,158
Investment income (loss)	13,851	3,900	1,855	1,194
Other	-	5,315	-	7,700
Total revenues	1,743,535	501,751	71,423	1,003,052
Expenditures				
Current				
General government	-	-	-	984,962
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	757,578	47,286	-
Housing & development	1,635,906	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	1,635,906	757,578	47,286	984,962
Excess (deficiency) of revenues over (under) expenditures	107,629	(255,827)	24,137	18,090
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	107,629	450	24,137	18,090
Fund balances - beginning	744,491	332,751	109,327	80,972
Fund balances - ending	\$ 852,120	\$ 333,201	\$ 133,464	\$ 99,062

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, 2023

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	-	678,043	99,345	199,612	34,729
Charges for services	-	-	12,880	-	24,150
Fines and forfeitures	-	-	190,148	1,074	-
Internal services	-	-	-	-	-
Special assessments	-	-	-	-	-
Investment income (loss)	29,194	15,608	5,992	646	752
Other	-	-	29,207	3,999	2,847
Total revenues	29,194	693,651	337,572	205,331	62,478
Expenditures					
Current					
General government	-	-	-	-	-
Public safety	-	142,477	218,311	155,397	49,690
Public works	21,375	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	-
Debt service					
Principal	-	-	-	37,653	-
Interest	-	-	-	2,641	-
Capital outlay	891,101	-	31,610	-	-
Total expenditures	912,476	142,477	249,921	195,691	49,690
Excess (deficiency) of revenues over (under) expenditures	(883,282)	551,174	87,651	9,640	12,788
Other financing sources (uses)					
Transfers in	60,399	-	-	-	-
Transfers out	-	(346,674)	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	60,399	(346,674)	-	-	-
Net change in fund balances	(822,883)	204,500	87,651	9,640	12,788
Fund balances - beginning	2,480,320	988,811	265,745	37,512	18,917
Fund balances - ending	\$ 1,657,437	\$ 1,193,311	\$ 353,396	\$ 47,152	\$ 31,705

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, 2023

	<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	\$ -	\$ -	\$ -	\$ 158,222	\$ 909,434
Licenses and permits	-	-	-	-	-
Intergovernmental	50,644	16,166	-	256	11,507
Charges for services	-	638,353	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	-	-	-	-	-
Special assessments	-	-	1,167,548	-	-
Investment income (loss)	-	-	20,319	1,573	22,168
Other	-	-	-	-	-
Total revenues	<u>50,644</u>	<u>654,519</u>	<u>1,187,867</u>	<u>160,051</u>	<u>943,109</u>
Expenditures					
Current					
General government	-	-	1,377,225	4,689	74,047
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	44,039	654,519	-	-	-
Debt service					
Principal	-	-	-	155,000	135,000
Interest	-	-	-	8,161	127,730
Capital outlay	-	-	-	-	-
Total expenditures	<u>44,039</u>	<u>654,519</u>	<u>1,377,225</u>	<u>167,850</u>	<u>336,777</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,605</u>	<u>-</u>	<u>(189,358)</u>	<u>(7,799)</u>	<u>606,332</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	6,605	-	(189,358)	(7,799)	606,332
Fund balances - beginning	<u>51,289</u>	<u>-</u>	<u>1,529,134</u>	<u>46,115</u>	<u>727,214</u>
Fund balances - ending	<u>\$ 57,894</u>	<u>\$ -</u>	<u>\$ 1,339,776</u>	<u>\$ 38,316</u>	<u>\$ 1,333,546</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, 2023

	Debt Service Funds - continued				Capital Projects Funds
	General Obligation			Master Debt SILD	General Capital Projects
	Downtown TID Bonds	Taxable Bonds	SID Bonds		
Revenues					
Taxes	\$ 1,878,479	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	-	-	-	-	-
Special assessments	-	-	-	9,071	-
Investment income (loss)	83,298	138	106	350	6,699
Other	-	-	-	-	28,012
Total revenues	<u>1,961,777</u>	<u>138</u>	<u>106</u>	<u>9,421</u>	<u>34,711</u>
Expenditures					
Current					
General government	420,609	-	1,359	-	4,110
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	-
Debt service					
Principal	255,000	-	-	2,884	-
Interest	157,825	-	-	387	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>833,434</u>	<u>-</u>	<u>1,359</u>	<u>3,271</u>	<u>4,110</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,128,343</u>	<u>138</u>	<u>(1,253)</u>	<u>6,150</u>	<u>30,601</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	30,748
Transfers out	(500,000)	(9,057)	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	<u>(500,000)</u>	<u>(9,057)</u>	<u>-</u>	<u>-</u>	<u>30,748</u>
Net change in fund balances	628,343	(8,919)	(1,253)	6,150	61,349
Fund balances - beginning	<u>4,381,915</u>	<u>8,919</u>	<u>45,843</u>	<u>51,963</u>	<u>395,705</u>
Fund balances - ending	<u>\$ 5,010,258</u>	<u>\$ -</u>	<u>\$ 44,590</u>	<u>\$ 58,113</u>	<u>\$ 457,054</u>

Continued on next page

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, 2023

Capital Projects Funds - continued

	Improvement District Projects	Downtown TID	Hazard Removal	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 4,902,692
Licenses and permits	-	-	-	1,723,334
Intergovernmental	-	-	-	1,971,011
Charges for services	-	-	-	982,553
Fines and forfeitures	-	-	-	198,587
Internal services	-	-	-	144,626
Special assessments	-	-	-	2,697,215
Investment income (loss)	90	23,258	435	290,362
Other	-	-	-	620,147
Total revenues	<u>90</u>	<u>23,258</u>	<u>435</u>	<u>13,530,527</u>
Expenditures				
Current				
General government	-	-	-	4,302,388
Public safety	-	-	-	565,875
Public works	-	-	-	21,375
Culture and recreation	-	-	-	2,965,938
Housing & development	-	-	248	2,334,712
Debt service				
Principal	-	-	-	647,537
Interest	-	-	-	329,756
Capital outlay	-	1,990,326	-	3,543,577
Total expenditures	<u>-</u>	<u>1,990,326</u>	<u>248</u>	<u>14,711,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>90</u>	<u>(1,967,068)</u>	<u>187</u>	<u>(1,180,631)</u>
Other financing sources (uses)				
Transfers in	-	-	-	1,377,856
Transfers out	-	-	-	(855,731)
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>522,125</u>
Net change in fund balances	90	(1,967,068)	187	(658,506)
Fund balances - beginning	<u>5,826</u>	<u>2,558,566</u>	<u>20,932</u>	<u>18,412,048</u>
Fund balances - ending	<u>\$ 5,916</u>	<u>\$ 591,498</u>	<u>\$ 21,119</u>	<u>\$ 17,753,542</u>

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, 2023

Special Revenue Funds

	Park & Recreation		Parkland Trust	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	37,300	-	-	-
Charges for services	1,000	155	33,968	33,968
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	9,087	-	2,445
Other	134,316	152,697	-	-
Total revenues	172,616	161,939	33,968	36,413
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	245,760	254,268	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	245,760	254,268	-	-
Revenues over (under) expenditures	(73,144)	(92,329)	33,968	36,413
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ (73,144)	(92,329)	\$ 33,968	36,413
Fund balance - beginning		646,385		134,618
Fund balance - ending		\$ 554,056		\$ 171,031

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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, 2023

Special Revenue Funds - continued

	Library		Library Foundation	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 895,975	\$ 906,924	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	245,448	246,626	22,000	10,000
Charges for services	38,100	39,286	-	-
Fines and forfeitures	6,500	7,365	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	2,500	4,833	1,100	6,126
Other	8,000	9,105	271,280	319,620
Total revenues	1,196,523	1,214,139	294,380	335,746
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	1,298,085	1,237,512	-	-
Operations and maintenance	355,165	366,639	549,287	302,655
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	17,263	-	10,000	-
Total expenditures	1,670,513	1,604,151	559,287	302,655
Revenues over (under) expenditures	(473,990)	(390,012)	(264,907)	33,091
Other financing sources (uses)				
Transfers in	356,000	356,000	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	356,000	356,000	-	-
Net changes in fund balance	\$ (117,990)	(34,012)	\$ (264,907)	33,091
Fund balance - beginning		489,465		342,319
Fund balance - ending		\$ 455,453		\$ 375,410

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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, 2023

	Special Revenue Funds - continued			
	Planning & Community Development		Central Montana Ag Tech Park TID	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ 350,000	\$ 450,093
Licenses and permits	102,182	103,020	-	-
Intergovernmental	882,207	561,142	3,517	9,479
Charges for services	182,009	172,498	-	-
Fines and forfeitures	-	-	-	-
Internal services	167,500	109,350	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	698	-	28,625
Other	70,862	61,645	-	-
Total revenues	<u>1,404,760</u>	<u>1,008,353</u>	<u>353,517</u>	<u>488,197</u>
Expenditures				
Current				
General government				
Personal services	986,171	759,209	-	-
Operations and maintenance	774,645	605,988	28,102	28,102
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	-	-	62,000	62,000
Interest	-	-	33,363	33,012
Capital outlay	-	-	-	-
Total expenditures	<u>1,760,816</u>	<u>1,365,197</u>	<u>123,465</u>	<u>123,114</u>
Revenues over (under) expenditures	<u>(356,056)</u>	<u>(356,844)</u>	<u>230,052</u>	<u>365,083</u>
Other financing sources (uses)				
Transfers in	674,432	674,432	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>674,432</u>	<u>674,432</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ 318,376</u>	<u>317,588</u>	<u>\$ 230,052</u>	<u>365,083</u>
Fund balance - beginning		<u>(212,464)</u>		<u>1,636,347</u>
Fund balance - ending		<u>\$ 105,124</u>		<u>\$ 2,001,430</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, 2023

	Special Revenue Funds - continued			
	Airport TID		East Industrial Ag Tech Park TID	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 196,410	\$ 198,824	\$ 380,000	\$ 400,716
Licenses and permits	-	-	-	-
Intergovernmental	23	3,359	-	1,606
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	4,125	-	2,922
Other	-	-	-	-
Total revenues	<u>196,433</u>	<u>206,308</u>	<u>380,000</u>	<u>405,244</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	13,234	13,233	28,855	28,855
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	300,000	300,000	330,540	330,540
Total expenditures	<u>313,234</u>	<u>313,233</u>	<u>359,395</u>	<u>359,395</u>
Revenues over (under) expenditures	<u>(116,801)</u>	<u>(106,925)</u>	<u>20,605</u>	<u>45,849</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>\$ (116,801)</u>	<u>(106,925)</u>	<u>\$ 20,605</u>	<u>45,849</u>
Fund balance - beginning		<u>319,287</u>		<u>153,387</u>
Fund balance - ending		<u>\$ 212,362</u>		<u>\$ 199,236</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, 2023

Special Revenue Funds - continued

	Economic Revolving		Permits	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	1,270,000	1,620,314
Intergovernmental	-	-	32,331	32,331
Charges for services	-	-	-	43,263
Fines and forfeitures	-	-	-	-
Internal services	-	-	33,776	33,776
Special assessments	-	-	-	-
Investment income (loss)	-	75	-	13,851
Other	-	-	15,000	-
Total revenues	-	75	1,351,107	1,743,535
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	-	-	1,158,940	1,082,233
Operations and maintenance	-	-	543,802	553,673
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	1,702,742	1,635,906
Revenues over (under) expenditures	-	75	(351,635)	107,629
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	<u>\$ -</u>	<u>75</u>	<u>\$ (351,635)</u>	<u>107,629</u>
Fund balance - beginning		<u>20,437</u>		<u>744,491</u>
Fund balance - ending		<u>\$ 20,512</u>		<u>\$ 852,120</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, 2023

Special Revenue Funds - continued

	Natural Resources		Portage Meadows	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	16,166	16,166	-	-
Charges for services	18,000	18,000	-	-
Fines and forfeitures	-	-	-	-
Internal services	1,500	1,500	-	-
Special assessments	480,324	456,870	68,515	69,568
Investment income (loss)	-	3,900	-	1,855
Other	2,000	5,315	-	-
Total revenues	<u>517,990</u>	<u>501,751</u>	<u>68,515</u>	<u>71,423</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	525,451	425,634	16,023	-
Operations and maintenance	585,795	331,944	54,749	47,286
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>1,111,246</u>	<u>757,578</u>	<u>70,772</u>	<u>47,286</u>
Revenues over (under) expenditures	<u>(593,256)</u>	<u>(255,827)</u>	<u>(2,257)</u>	<u>24,137</u>
Other financing sources (uses)				
Transfers in	256,277	256,277	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>256,277</u>	<u>256,277</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ (336,979)</u>	450	<u>\$ (2,257)</u>	24,137
Fund balance - beginning		<u>332,751</u>		<u>109,327</u>
Fund balance - ending		<u>\$ 333,201</u>		<u>\$ 133,464</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, 2023

Special Revenue Funds - continued

	Support & Innovation		Gas Tax BaRSAA	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	1,207,970	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	992,747	994,158	-	-
Investment income (loss)	-	1,194	-	29,194
Other	-	7,700	-	-
	<u>992,747</u>	<u>1,003,052</u>	<u>1,207,970</u>	<u>29,194</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	1,014,745	984,962	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	21,375
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	2,558,178	891,101
	<u>1,014,745</u>	<u>984,962</u>	<u>2,558,178</u>	<u>912,476</u>
Total expenditures				
Revenues over (under) expenditures	<u>(21,998)</u>	<u>18,090</u>	<u>(1,350,208)</u>	<u>(883,282)</u>
Other financing sources (uses)				
Transfers in	-	-	60,399	60,399
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>60,399</u>	<u>60,399</u>
Net changes in fund balance	<u>\$ (21,998)</u>	<u>18,090</u>	<u>\$ (1,289,809)</u>	<u>(822,883)</u>
Fund balance - beginning		<u>80,972</u>		<u>2,480,320</u>
Fund balance - ending		<u>\$ 99,062</u>		<u>\$ 1,657,437</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, 2023

Special Revenue Funds - continued

	911 Special Revenue		Police Special Revenue	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	612,447	678,043	129,056	99,345
Charges for services	-	-	8,050	12,880
Fines and forfeitures	-	-	190,148	190,148
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	15,608	-	5,992
Other	-	-	24,884	29,207
Total revenues	<u>612,447</u>	<u>693,651</u>	<u>352,138</u>	<u>337,572</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	142,477	142,477	236,808	218,311
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	-	-	31,610	31,610
Total expenditures	<u>142,477</u>	<u>142,477</u>	<u>268,418</u>	<u>249,921</u>
Revenues over (under) expenditures	<u>469,970</u>	<u>551,174</u>	<u>83,720</u>	<u>87,651</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(346,674)	(346,674)	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>(346,674)</u>	<u>(346,674)</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ 123,296</u>	<u>204,500</u>	<u>\$ 83,720</u>	<u>87,651</u>
Fund balance - beginning		<u>988,811</u>		<u>265,745</u>
Fund balance - ending		<u>\$ 1,193,311</u>		<u>\$ 353,396</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, 2023

Special Revenue Funds - continued

	HIDTA Special Revenue		Fire Special Revenue	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	216,975	199,612	34,729	34,729
Charges for services	-	-	11,500	24,150
Fines and forfeitures	-	1,074	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	646	-	752
Other	-	3,999	100	2,847
Total revenues	216,975	205,331	46,329	62,478
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	85,556	72,592	-	-
Operation and maintenance	81,444	82,805	46,588	49,690
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	39,624	37,653	-	-
Interest	-	2,641	-	-
Capital outlay	-	-	-	-
Total expenditures	206,624	195,691	46,588	49,690
Revenues over (under) expenditures	10,351	9,640	(259)	12,788
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ 10,351	9,640	\$ (259)	12,788
Fund balance - beginning		37,512		18,917
Fund balance - ending		\$ 47,152		\$ 31,705

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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, 2023

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	319,759	50,644	16,166	16,166
Charges for services	-	-	1,626,349	638,353
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	-	-	-
Other	-	-	-	-
	<u>319,759</u>	<u>50,644</u>	<u>1,642,515</u>	<u>654,519</u>
Total revenues	<u>319,759</u>	<u>50,644</u>	<u>1,642,515</u>	<u>654,519</u>
Expenditures				
Current				
General government				
Personal services	-	-	1,598,206	635,527
Operations and maintenance	-	-	44,309	18,992
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	28,886	42,470	-	-
Operations and maintenance	259,365	1,569	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
	<u>288,251</u>	<u>44,039</u>	<u>1,642,515</u>	<u>654,519</u>
Total expenditures	<u>288,251</u>	<u>44,039</u>	<u>1,642,515</u>	<u>654,519</u>
Revenues over (under) expenditures	<u>31,508</u>	<u>6,605</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>\$ 31,508</u>	<u>6,605</u>	<u>\$ -</u>	<u>-</u>
Fund balance - beginning		<u>51,289</u>		<u>-</u>
Fund balance - ending		<u>\$ 57,894</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, 2023

	<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	\$ 158,222
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	256
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	1,161,507	1,167,548	-	-
Investment income (loss)	-	20,319	-	1,573
Other	-	-	-	-
Total revenues	<u>1,161,507</u>	<u>1,187,867</u>	<u>164,500</u>	<u>160,051</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	1,378,956	1,354,971	4,689	4,689
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	32,650	22,254	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	155,000	155,000
Interest	-	-	8,162	8,161
Capital outlay	-	-	-	-
Total expenditures	<u>1,411,606</u>	<u>1,377,225</u>	<u>167,851</u>	<u>167,850</u>
Revenues over (under) expenditures	<u>(250,099)</u>	<u>(189,358)</u>	<u>(3,351)</u>	<u>(7,799)</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>\$ (250,099)</u>	<u>(189,358)</u>	<u>\$ (3,351)</u>	<u>(7,799)</u>
Fund balance - beginning		<u>1,529,134</u>		<u>46,115</u>
Fund balance - ending		<u>\$ 1,339,776</u>		<u>\$ 38,316</u>

Continued on next page

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, 2023

Debt Service Funds - continued

	West Bank TID Bonds		Downtown TID Bonds	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 861,000	\$ 909,434	\$ 1,550,000	\$ 1,878,479
Licenses and permits	-	-	-	-
Intergovernmental	4,684	11,507	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	22,168	-	83,298
Other	-	-	-	-
Total revenues	<u>865,684</u>	<u>943,109</u>	<u>1,550,000</u>	<u>1,961,777</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	66,043	74,047	420,609	420,609
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	255,000	255,000
Interest	127,730	127,730	157,825	157,825
Capital outlay	-	-	274,010	-
Total expenditures	<u>328,773</u>	<u>336,777</u>	<u>1,107,444</u>	<u>833,434</u>
Revenues over (under) expenditures	<u>536,911</u>	<u>606,332</u>	<u>442,556</u>	<u>1,128,343</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(500,000)	(500,000)
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(500,000)</u>	<u>(500,000)</u>
Net changes in fund balance	<u>\$ 536,911</u>	<u>606,332</u>	<u>\$ (57,444)</u>	<u>628,343</u>
Fund balance - beginning		<u>727,214</u>		<u>4,381,915</u>
Fund balance - ending		<u>\$ 1,333,546</u>		<u>\$ 5,010,258</u>

Continued on next page

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, 2023

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 (loss)	-	138	-	106
Other	-	-	-	-
Total revenues	<u>-</u>	<u>138</u>	<u>-</u>	<u>106</u>
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	1,359	1,359
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	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,359</u>	<u>1,359</u>
Revenues over (under) expenditures	<u>-</u>	<u>138</u>	<u>(1,359)</u>	<u>(1,253)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(9,057)	(9,057)	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>(9,057)</u>	<u>(9,057)</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>\$ (9,057)</u>	<u>(8,919)</u>	<u>\$ (1,359)</u>	<u>(1,253)</u>
Fund balance - beginning		<u>8,919</u>		<u>45,843</u>
Fund balance - ending		<u>\$ -</u>		<u>\$ 44,590</u>

Continued on next page

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, 2023

	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	9,071	-	-
Investment income (loss)	-	350	-	6,699
Other	-	-	-	28,012
Total revenues	15,984	9,421	-	34,711
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	7,750	4,110
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	2,884	2,884	-	-
Interest	388	387	-	-
Capital outlay	-	-	273,173	-
Total expenditures	3,272	3,271	280,923	4,110
Revenues over (under) expenditures	12,712	6,150	(280,923)	30,601
Other financing sources (uses)				
Transfers in	-	-	30,748	30,748
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	-	30,748	30,748
Net changes in fund balance	<u>\$ 12,712</u>	<u>6,150</u>	<u>\$ (250,175)</u>	<u>61,349</u>
Fund balance - beginning		<u>51,963</u>		<u>395,705</u>
Fund balance - ending		<u>\$ 58,113</u>		<u>\$ 457,054</u>

Continued on next page

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, 2023

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 (loss)	-	90	-	23,258
Other	-	-	-	-
Total revenues	-	90	-	23,258
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	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	2,547,053	1,990,326
Total expenditures	-	-	2,547,053	1,990,326
Revenues over (under) expenditures	-	90	(2,547,053)	(1,967,068)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ -	90	\$ (2,547,053)	(1,967,068)
Fund balance - beginning		5,826		2,558,566
Fund balance - ending		\$ 5,916		\$ 591,498

Continued on next page

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, 2023

	<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	\$ -	\$ -	\$ 4,397,885	\$ 4,902,692
Licenses and permits	-	-	1,372,182	1,723,334
Intergovernmental	-	-	3,780,778	1,971,011
Charges for services	-	-	1,918,976	982,553
Fines and forfeitures	-	-	196,648	198,587
Internal services	-	-	202,776	144,626
Special assessments	-	-	2,719,077	2,697,215
Investment income (loss)	-	435	3,600	290,362
Other	-	-	526,442	620,147
	<u>-</u>	<u>435</u>	<u>15,118,364</u>	<u>13,530,527</u>
Expenditures				
Current				
General government				
Personal services	-	-	2,584,377	1,394,736
Operations and maintenance	-	-	3,783,296	3,539,917
Public safety				
Personal services	-	-	85,556	72,592
Operation and maintenance	-	-	507,317	493,283
Public works				
Operations and maintenance	-	-	-	43,629
Culture and recreation				
Personal services	-	-	1,839,559	1,663,146
Operations and maintenance	-	-	1,790,756	1,302,792
Housing and development				
Personal services	-	-	1,187,826	1,124,703
Operations and maintenance	248	248	803,415	555,490
Debt service				
Principal	-	-	609,884	647,537
Interest	-	-	327,080	329,756
Capital outlay	-	-	6,000,217	3,543,577
	<u>248</u>	<u>248</u>	<u>19,519,283</u>	<u>14,711,158</u>
Revenues over (under) expenditures	<u>(248)</u>	<u>187</u>	<u>(4,400,919)</u>	<u>(1,180,631)</u>
Other financing sources (uses)				
Transfers in	-	-	1,347,108	1,377,856
Transfers out	-	-	(346,674)	(855,731)
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,000,434</u>	<u>522,125</u>
Net changes in fund balance	<u>\$ (248)</u>	<u>187</u>	<u>\$ (3,400,485)</u>	<u>(658,506)</u>
Fund balance - beginning		<u>20,932</u>		<u>18,412,048</u>
Fund balance - ending		<u>\$ 21,119</u>		<u>\$ 17,753,542</u>

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.

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
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2023

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ -	\$ 547,776	\$ 2,848,157	\$ 243,477
Receivables				
Accounts	48,481	2,308	-	-
Inventories	86,856	-	-	-
Prepaid items	5,628	-	-	-
Total current assets	<u>140,965</u>	<u>550,084</u>	<u>2,848,157</u>	<u>243,477</u>
Noncurrent assets				
Restricted cash and investments	-	-	-	-
Non-depreciable capital assets	1,362,597	-	-	863,397
Depreciable capital assets, net	357,815	113,965	210,840	823,540
Total noncurrent assets	<u>1,720,412</u>	<u>113,965</u>	<u>210,840</u>	<u>1,686,937</u>
Total assets	<u>1,861,377</u>	<u>664,049</u>	<u>3,058,997</u>	<u>1,930,414</u>
Deferred outflows of resources				
Deferred charge - pension	-	41,373	268,326	13,689
Total deferred outflows of resources	<u>-</u>	<u>41,373</u>	<u>268,326</u>	<u>13,689</u>
Total assets and deferred outflows of resources	<u>\$ 1,861,377</u>	<u>\$ 705,422</u>	<u>\$ 3,327,323</u>	<u>\$ 1,944,103</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 93,032	\$ 16,608	\$ 13,709	\$ 72,028
Compensated absences	-	349	21,789	-
Due to other city funds	-	-	-	-
Other liabilities	35,380	325	-	-
Total current liabilities	<u>128,412</u>	<u>17,282</u>	<u>35,498</u>	<u>72,028</u>
Noncurrent liabilities				
Advances from other funds	325,755	-	-	-
Compensated absences	-	1,914	119,687	-
Net pension liability	-	213,075	1,503,916	88,334
Total noncurrent liabilities	<u>325,755</u>	<u>214,989</u>	<u>1,623,603</u>	<u>88,334</u>
Total liabilities	<u>454,167</u>	<u>232,271</u>	<u>1,659,101</u>	<u>160,362</u>
Deferred inflows of resources				
Deferred revenue - pension	-	16,175	108,906	1,864
Total deferred inflows of resources	<u>-</u>	<u>16,175</u>	<u>108,906</u>	<u>1,864</u>
Net position				
Net investment in capital assets	1,720,412	113,965	210,840	1,686,937
Unrestricted	(313,202)	343,011	1,348,476	94,940
Total net position	<u>1,407,210</u>	<u>456,976</u>	<u>1,559,316</u>	<u>1,781,877</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,861,377</u>	<u>\$ 705,422</u>	<u>\$ 3,327,323</u>	<u>\$ 1,944,103</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Net Position (Continued)
Nonmajor Enterprise Funds
June 30, 2023

	<u>Recreation</u>	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>	<u>Civic Center Events</u>
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 38,114	\$ 30,233	\$ 41,837	\$ 478,280
Receivables				
Accounts	36,123	4,135	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total current assets	<u>74,237</u>	<u>34,368</u>	<u>41,837</u>	<u>478,280</u>
Noncurrent assets				
Restricted cash and investments	-	-	-	30,321
Non-depreciable capital assets	5,449	-	-	-
Depreciable capital assets, net	219,538	27,265	-	8,965
Total noncurrent assets	<u>224,987</u>	<u>27,265</u>	<u>-</u>	<u>39,286</u>
Total assets	<u>299,224</u>	<u>61,633</u>	<u>41,837</u>	<u>517,566</u>
Deferred outflows of resources				
Deferred charge - pension	32,731	3,423	-	47,363
Total deferred outflows of resources	<u>32,731</u>	<u>3,423</u>	<u>-</u>	<u>47,363</u>
Total assets and deferred outflows of resources	<u>\$ 331,955</u>	<u>\$ 65,056</u>	<u>\$ 41,837</u>	<u>\$ 564,929</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 4,470	\$ 4,476	\$ 18	\$ 4,181
Compensated absences	6,595	208	-	3,337
Due to other city funds	-	-	-	-
Other liabilities	1,400	-	-	152,914
Total current liabilities	<u>12,465</u>	<u>4,684</u>	<u>18</u>	<u>160,432</u>
Noncurrent liabilities				
Advances from other funds	-	-	-	-
Compensated absences	36,202	1,141	-	18,318
Net pension liability	168,225	43,803	-	272,668
Total noncurrent liabilities	<u>204,427</u>	<u>44,944</u>	<u>-</u>	<u>290,986</u>
Total liabilities	<u>216,892</u>	<u>49,628</u>	<u>18</u>	<u>451,418</u>
Deferred inflows of resources				
Deferred revenue - pension	9,586	2,005	-	28,323
Total deferred inflows of resources	<u>9,586</u>	<u>2,005</u>	<u>-</u>	<u>28,323</u>
Net position				
Net investment in capital assets	224,987	27,265	-	8,965
Unrestricted	(119,510)	(13,842)	41,819	76,223
Total net position	<u>105,477</u>	<u>13,423</u>	<u>41,819</u>	<u>85,188</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 331,955</u>	<u>\$ 65,056</u>	<u>\$ 41,837</u>	<u>\$ 564,929</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Net Position (Concluded)
Nonmajor Enterprise Funds
June 30, 2023

	<u>Port Authority</u>	<u>Special State Projects</u>	<u>Total Nonmajor Enterprise Funds</u>
Assets and deferred outflows of resources			
Assets			
Current assets			
Cash and investments	\$ 118,522	\$ -	\$ 4,346,396
Receivables			
Accounts	-	-	91,047
Inventories	-	-	86,856
Prepaid items	-	-	5,628
Total current assets	<u>118,522</u>	<u>-</u>	<u>4,529,927</u>
Noncurrent assets			
Restricted cash and investments	-	-	30,321
Non-depreciable capital assets	-	-	2,231,443
Depreciable capital assets, net	-	-	1,761,928
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>4,023,692</u>
Total assets	<u>118,522</u>	<u>-</u>	<u>8,553,619</u>
Deferred outflows of resources			
Deferred charge - pension	-	-	406,905
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>406,905</u>
Total assets and deferred outflows of resources	<u>\$ 118,522</u>	<u>\$ -</u>	<u>\$ 8,960,524</u>
Liabilities, deferred inflows of resources, and net position			
Liabilities			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ 208,522
Compensated absences	-	-	32,278
Due to other city funds	-	-	-
Other liabilities	-	-	190,019
Total current liabilities	<u>-</u>	<u>-</u>	<u>430,819</u>
Noncurrent liabilities			
Advances from other funds	-	-	325,755
Compensated absences	-	-	177,262
Net pension liability	-	-	2,290,021
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>2,793,038</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>3,223,857</u>
Deferred inflows of resources			
Deferred revenue - pension	-	-	166,859
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>166,859</u>
Net position			
Net investment in capital assets	-	-	3,993,371
Unrestricted	118,522	-	1,576,437
Total net position	<u>118,522</u>	<u>-</u>	<u>5,569,808</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 118,522</u>	<u>\$ -</u>	<u>\$ 8,960,524</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, 2023

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>
Operating revenues				
Charges for services	\$ 1,788,516	\$ 435,878	\$ 1,927,893	\$ 671,830
Operating expenses				
Personal services	488,417	287,679	1,672,512	84,769
Supplies and materials	352,349	148,184	55,846	3,402
Purchased services	728,847	80,724	230,180	509,061
Internal services	-	141,472	216,141	68,100
Other	(3,490)	144	-	(634)
Depreciation	28,223	3,941	114,258	84,696
Total operating expenses	<u>1,594,346</u>	<u>662,144</u>	<u>2,288,937</u>	<u>749,394</u>
Operating income (loss)	<u>194,170</u>	<u>(226,266)</u>	<u>(361,044)</u>	<u>(77,564)</u>
Nonoperating revenues (expenses)				
Investment income (loss)	-	7,789	44,972	3,086
Proceeds (loss) on sale of capital assets	-	-	-	-
Net pension on-behalf revenue	-	2,486	55,754	2,325
Other	(4,790)	-	148	960
Total nonoperating revenues (expenses)	<u>(4,790)</u>	<u>10,275</u>	<u>100,874</u>	<u>6,371</u>
Income (loss) before contributions and transfers	<u>189,380</u>	<u>(215,991)</u>	<u>(260,170)</u>	<u>(71,193)</u>
Transfers in	-	267,861	346,674	52,876
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>267,861</u>	<u>346,674</u>	<u>52,876</u>
Change in net position	<u>189,380</u>	<u>51,870</u>	<u>86,504</u>	<u>(18,317)</u>
Total net position - beginning	1,217,830	405,106	1,472,812	1,800,194
Prior period adjustment	-	-	-	-
Total net position - beginning as restated	<u>1,217,830</u>	<u>405,106</u>	<u>1,472,812</u>	<u>1,800,194</u>
Total net position - ending	<u>\$ 1,407,210</u>	<u>\$ 456,976</u>	<u>\$ 1,559,316</u>	<u>\$ 1,781,877</u>

Continued on next page

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, 2023

	<u>Recreation</u>	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>	<u>Civic Center Events</u>
Operating revenues				
Charges for services	\$ 359,331	\$ 66,167	\$ 63,791	\$ 199,325
Operating expenses				
Personal services	267,545	45,283	-	258,427
Supplies and materials	24,027	14,202	296	3,331
Purchased services	136,677	26,971	26,736	34,904
Internal services	119,663	18,908	793	272,988
Other	15	-	31,586	65
Depreciation	14,086	2,804	-	4,663
Total operating expenses	562,013	108,168	59,411	574,378
Operating income (loss)	(202,682)	(42,001)	4,380	(375,053)
Nonoperating revenues (expenses)				
Investment income (loss)	268	413	612	7,512
Proceeds (loss) on sale of capital assets	-	-	-	-
Net pension on-behalf revenue	4,746	903	-	7,070
Other	5,738	-	-	12,918
Total nonoperating revenues (expenses)	10,752	1,316	612	27,500
Income (loss) before contributions and transfers	(191,930)	(40,685)	4,992	(347,553)
Transfers in	179,206	34,500	-	265,913
Transfers out	-	-	-	-
Total transfers	179,206	34,500	-	265,913
Change in net position	(12,724)	(6,185)	4,992	(81,640)
Total net position - beginning	118,201	19,608	36,827	166,828
Prior period adjustment	-	-	-	-
Total net position - beginning as restated	118,201	19,608	36,827	166,828
Total net position - ending	\$ 105,477	\$ 13,423	\$ 41,819	\$ 85,188

Continued on next page

City of Great Falls, Montana
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position (Concluded)
Nonmajor Enterprise Funds
For the Year Ended June 30, 2023

	<u>Port Authority</u>	<u>Special State Projects</u>	<u>Total Nonmajor Enterprise Funds</u>
Operating revenues			
Charges for services	\$ -	\$ -	\$ 5,512,731
Operating expenses			
Personal services		-	3,104,632
Supplies and materials		-	601,637
Purchased services	934	-	1,775,034
Internal services		-	838,065
Other	-	-	27,686
Depreciation	-	-	252,671
Total operating expenses	934	-	6,599,725
Operating income (loss)	(934)	-	(1,086,994)
Nonoperating revenues (expenses)			
Investment income (loss)	97	-	64,749
Proceeds (loss) on sale of capital assets		-	-
Net pension on-behalf revenue		-	73,284
Other		-	14,974
Total nonoperating revenues (expenses)	97	-	153,007
Income (loss) before contributions and transfers	(837)	-	(933,987)
Transfers in		-	1,147,030
Transfers out			-
Total transfers	-	-	1,147,030
Change in net position	(837)	-	213,043
Total net position - beginning	2,959,894	255,150	8,452,450
Prior period adjustment	(2,840,535)	(255,150)	(3,095,685)
Total net position - beginning as restated	119,359	-	119,359
Total net position - ending	\$ 118,522	\$ -	\$ 5,569,808

City of Great Falls, Montana
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2023

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 1,742,509	\$ 435,464	\$ 1,927,893	\$ 671,830
Receipts from interfund services provided	-	-	-	-
Receipts from others	(4,790)	-	148	960
Receipts from other govts	-	-	-	-
Payments to suppliers	(1,521,398)	(227,553)	(285,829)	(501,494)
Payments to employees	-	(305,628)	(1,630,526)	(81,993)
Payments for interfund services used	-	(141,472)	(216,141)	(68,100)
Payments to others	3,488	(144)	-	634
Net cash provided by (used for) operating activities	<u>219,810</u>	<u>(239,334)</u>	<u>(204,455)</u>	<u>21,837</u>
Cash flows from noncapital financing activities				
Transfers in	-	267,861	346,674	52,876
Transfers out	-	-	-	-
Interfund cash flow loans	(219,810)	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>(219,810)</u>	<u>267,861</u>	<u>346,674</u>	<u>52,876</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	-	-	-	-
Net cash provided by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities				
Interest and dividends on investments	-	7,789	44,972	3,085
Net cash provided by investing activities	<u>-</u>	<u>7,789</u>	<u>44,972</u>	<u>3,085</u>
Net increase (decrease) in cash	-	36,316	187,191	77,798
Cash, beginning of year	<u>-</u>	<u>511,460</u>	<u>2,660,966</u>	<u>165,679</u>
Cash, end of year (a)	<u>\$ -</u>	<u>\$ 547,776</u>	<u>\$ 2,848,157</u>	<u>\$ 243,477</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ -	\$ 547,776	\$ 2,848,157	\$ 243,477
Restricted cash and investments	-	-	-	-
	<u>\$ -</u>	<u>\$ 547,776</u>	<u>\$ 2,848,157</u>	<u>\$ 243,477</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, 2023

	<u>Recreation</u>	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>	<u>Civic Center Events</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 383,538	\$ 62,632	\$ 63,790	\$ 294,559
Receipts from interfund services provided	-	-	-	-
Receipts from others	5,738	-	-	11,418
Receipts from other govts	-	-	-	-
Payments to suppliers	(160,051)	(45,110)	(27,012)	(45,808)
Payments to employees	(272,260)	(48,514)	-	(260,579)
Payments for interfund services used	(119,663)	(18,908)	(793)	(272,988)
Payments to others	(15)	-	(31,586)	(65)
Net cash provided by (used for) operating activities	<u>(162,714)</u>	<u>(49,899)</u>	<u>4,398</u>	<u>(273,463)</u>
Cash flows from noncapital financing activities				
Transfers in	179,206	34,500	-	265,913
Transfers out	-	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>179,206</u>	<u>34,500</u>	<u>-</u>	<u>265,913</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	-	-	-	-
Net cash provided by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities				
Interest and dividends on investments	270	415	612	7,512
Net cash provided by investing activities	<u>270</u>	<u>415</u>	<u>612</u>	<u>7,512</u>
Net increase (decrease) in cash	16,762	(14,984)	5,010	(38)
Cash, beginning of year	<u>21,352</u>	<u>45,217</u>	<u>36,827</u>	<u>508,639</u>
Cash, end of year (a)	<u>\$ 38,114</u>	<u>\$ 30,233</u>	<u>\$ 41,837</u>	<u>\$ 508,601</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 38,114	\$ 30,233	\$ 41,837	\$ 478,280
Restricted cash and investments	-	-	-	30,321
	<u>\$ 38,114</u>	<u>\$ 30,233</u>	<u>\$ 41,837</u>	<u>\$ 508,601</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, 2023

	<u>Port Authority</u>	<u>State Special Projects</u>	<u>Total Nonmajor Enterprise Funds</u>
Cash flows from operating activities			
Receipts from customers and users	\$ -	\$ -	\$ 5,582,215
Receipts from interfund services provided	-	-	-
Receipts from others	-	-	13,474
Receipts from other govts	-	-	-
Payments to suppliers	(934)	-	(2,815,189)
Payments to employees	-	-	(2,599,500)
Payments for interfund services used	-	-	(838,065)
Payments to others	-	-	(27,688)
Net cash provided by (used for) operating activities	<u>(934)</u>	<u>-</u>	<u>(684,756)</u>
Cash flows from noncapital financing activities			
Transfers in	-	-	1,147,030
Transfers out	-	-	-
Interfund cash flow loans	-	-	(219,810)
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>927,220</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	-	-	-
Net cash provided by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Interest and dividends on investments	97	-	64,752
Net cash provided by investing activities	<u>97</u>	<u>-</u>	<u>64,752</u>
Net increase (decrease) in cash	(837)	-	307,218
Cash, beginning of year	<u>119,359</u>	<u>-</u>	<u>4,069,499</u>
Cash, end of year (a)	<u>\$ 118,522</u>	<u>\$ -</u>	<u>\$ 4,376,717</u>
(a) Shown on the statement of net position as:			
Cash and investments	\$ 118,522	\$ -	\$ 4,346,396
Restricted cash and investments	-	-	30,321
	<u>\$ 118,522</u>	<u>\$ -</u>	<u>\$ 4,376,717</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, 2023

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>911 Dispatch Center</u>	<u>Parking</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 194,170	\$ (226,266)	\$ (361,044)	\$ (77,564)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	-	4,792	95,568	4,482
Depreciation expense	28,223	3,941	114,258	84,696
Cash provided by (used for) changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	(51,123)	(420)	-	-
(Increase) decrease in due from other governments	-	-	-	-
(Increase) decrease in inventories	-	-	-	-
(Decrease) increase in accounts payable	48,214	1,354	196	10,969
(Decrease) increase in other liabilities	5,116	(23,331)	(58,452)	(1,707)
(Decrease) increase in compensated absences payable	-	596	4,871	-
Other nonoperating revenue	(4,790)	-	148	960
Total adjustments	\$ 25,640	\$ (13,068)	\$ 156,589	\$ 99,400
Net cash provided by (used for) operating activities	<u>\$ 219,810</u>	<u>\$ (239,334)</u>	<u>\$ (204,455)</u>	<u>\$ 21,837</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, 2023

	<u>Recreation</u>	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>	<u>Civic Center Events</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ (202,682)	\$ (42,001)	\$ 4,380	\$ (375,053)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	9,148	1,740	-	13,627
Depreciation expense	14,086	2,804	-	4,663
Cash provided by (used for) changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	24,207	(3,535)	-	-
(Increase) decrease in due from other governments	-	-	-	-
(Increase) decrease in inventories	-	-	-	-
(Decrease) increase in accounts payable	653	(3,936)	17	(7,573)
(Decrease) increase in other liabilities	(19,278)	(5,040)	-	83,852
(Decrease) increase in compensated absences payable	5,416	69	-	(5,897)
Other nonoperating revenue	5,738	-	-	12,918
Total adjustments	<u>\$ 39,970</u>	<u>\$ (7,898)</u>	<u>\$ 17</u>	<u>\$ 101,590</u>
Net cash provided by (used for) operating activities	<u>\$ (162,714)</u>	<u>\$ (49,899)</u>	<u>\$ 4,398</u>	<u>\$ (273,463)</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, 2023

	Port Authority	State Special projects	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ (934)	\$ -	\$ (1,086,994)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
GASB 68 pension adjustments	-	-	129,357
Depreciation expense	-	-	252,671
Cash provided by (used for) changes in operating assets and liabilities			-
(Increase) decrease in accounts receivable	-	-	(30,871)
(Increase) decrease in due from other governments	-	-	-
(Increase) decrease in inventories	-	-	-
(Decrease) increase in accounts payable	-	-	49,894
(Decrease) increase in other liabilities	-	-	(18,840)
(Decrease) increase in compensated absences payable	-	-	5,055
Other nonoperating revenue	-	-	14,974
Total adjustments	\$ -	\$ -	\$ 402,240
Net cash provided by (used for) operating activities	\$ (934)	\$ -	\$ (684,756)

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 health insurance premiums. This fund also accounts for the payment of other payroll deductions including federal and state.

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, 2023

	<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	\$ 2,923,824	\$ 98,491	\$ 319,247	\$ 5,302,850
Receivables				
Accounts	16,880	3,700	-	5,809
Inventories	283,468	-	-	-
Total current assets	<u>3,224,172</u>	<u>102,191</u>	<u>319,247</u>	<u>5,308,659</u>
Noncurrent assets				
Restricted cash and investments	1,557,899	186,508	-	-
Advance to other funds	-	-	-	-
Non-depreciable capital assets	-	-	-	-
Depreciable capital assets, net	5,161,146	-	81,166	-
Total noncurrent assets	<u>6,719,045</u>	<u>186,508</u>	<u>81,166</u>	<u>-</u>
Total assets	<u>9,943,217</u>	<u>288,699</u>	<u>400,413</u>	<u>5,308,659</u>
Deferred outflows of resources				
Deferred charge - pension	142,292	119,205	-	-
Deferred charge - OPEB	-	-	-	1,991,532
Total deferred outflows of resources	<u>142,292</u>	<u>119,205</u>	<u>-</u>	<u>1,991,532</u>
Total assets and deferred outflows of resources	<u>\$ 10,085,509</u>	<u>\$ 407,904</u>	<u>\$ 400,413</u>	<u>\$ 7,300,191</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 277,659	\$ 5,412	\$ 994	\$ 801,762
Payroll payable	-	-	-	756,520
Other payable	-	-	-	484,382
Compensated absences	6,894	9,005	-	-
Other liabilities	-	-	-	-
Total current liabilities	<u>284,553</u>	<u>14,417</u>	<u>994</u>	<u>2,042,664</u>
Noncurrent liabilities				
Compensated absences	77,184	100,823	-	-
Net pension liability	811,096	753,883	-	-
OPEB liability	-	-	-	1,292,896
Total noncurrent liabilities	<u>888,280</u>	<u>854,706</u>	<u>-</u>	<u>1,292,896</u>
Total liabilities	<u>1,172,833</u>	<u>869,123</u>	<u>994</u>	<u>3,335,560</u>
Deferred inflows of resources				
Deferred revenue - pension	60,650	44,221	-	-
Deferred revenue - OPEB	-	-	-	3,275,545
Total deferred inflows of resources	<u>60,650</u>	<u>44,221</u>	<u>-</u>	<u>3,275,545</u>
Net position				
Net investment in capital assets	5,161,145	-	81,165	-
Unrestricted	3,690,881	(505,440)	318,254	689,086
Total net position	<u>8,852,026</u>	<u>(505,440)</u>	<u>399,419</u>	<u>689,086</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 10,085,509</u>	<u>\$ 407,904</u>	<u>\$ 400,413</u>	<u>\$ 7,300,191</u>

Continued on next page

City of Great Falls, Montana
Combing Statement of Net Position (Continued)
Internal Service Funds
June 30, 2023

	<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	\$ 108,391	\$ 67,884	\$ 546,485	\$ 697,960
Receivables				
Accounts	-	-	-	19,532
Inventories	-	-	-	-
Total current assets	<u>108,391</u>	<u>67,884</u>	<u>546,485</u>	<u>717,492</u>
Noncurrent assets				
Restricted cash and investments	-	-	-	36,922
Advance to other funds	-	-	-	-
Non-depreciable capital assets	-	-	-	-
Depreciable capital assets, net	2,479	7,243	-	420,934
Total noncurrent assets	<u>2,479</u>	<u>7,243</u>	<u>-</u>	<u>457,856</u>
Total assets	<u>110,870</u>	<u>75,127</u>	<u>546,485</u>	<u>1,175,348</u>
Deferred outflows of resources				
Deferred charge - pension	38,618	3,252	163,677	214,971
Deferred charge - OPEB	-	-	-	-
Total deferred outflows of resources	<u>38,618</u>	<u>3,252</u>	<u>163,677</u>	<u>214,971</u>
Total assets and deferred outflows of resources	<u>\$ 149,488</u>	<u>\$ 78,379</u>	<u>\$ 710,162</u>	<u>\$ 1,390,319</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Accounts payable	\$ 4,356	\$ 233	\$ 28,598	\$ 13,675
Payroll payable	-	-	-	-
Other payable	-	-	-	-
Compensated absences	10,331	-	8,963	6,183
Other liabilities	-	-	-	10,226
Total current liabilities	<u>14,687</u>	<u>233</u>	<u>37,561</u>	<u>30,084</u>
Noncurrent liabilities				
Compensated absences	115,670	-	100,352	69,228
Net pension liability	397,666	20,346	1,145,887	1,282,245
OPEB liability	-	-	-	-
Total noncurrent liabilities	<u>513,336</u>	<u>20,346</u>	<u>1,246,239</u>	<u>1,351,473</u>
Total liabilities	<u>528,023</u>	<u>20,579</u>	<u>1,283,800</u>	<u>1,381,557</u>
Deferred inflows of resources				
Deferred revenue - pension	(10,159)	1,718	103,106	75,196
Deferred revenue - OPEB	-	-	-	-
Total deferred inflows of resources	<u>(10,159)</u>	<u>1,718</u>	<u>103,106</u>	<u>75,196</u>
Net position				
Net investment in capital assets	2,479	7,244	-	420,934
Unrestricted	(370,855)	48,838	(676,744)	(487,368)
Total net position	<u>(368,376)</u>	<u>56,082</u>	<u>(676,744)</u>	<u>(66,434)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 149,488</u>	<u>\$ 78,379</u>	<u>\$ 710,162</u>	<u>\$ 1,390,319</u>

Continued on next page

City of Great Falls, Montana
Combing Statement of Net Position (Concluded)
Internal Service Funds
June 30, 2023

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Assets and deferred outflows of resources			
Assets			
Current assets			
Cash and investments	\$ 381,824	\$ 276,572	\$ 10,723,528
Receivables			
Accounts	-	-	45,921
Inventories	-	-	283,468
Total current assets	<u>381,824</u>	<u>276,572</u>	<u>11,052,917</u>
Noncurrent assets			
Restricted cash and investments	5,271	36,615	1,823,215
Advance to other funds	-	-	-
Non-depreciable capital assets	22,500	-	22,500
Depreciable capital assets, net	370,789	155,288	6,199,045
Total noncurrent assets	<u>398,560</u>	<u>191,903</u>	<u>8,044,760</u>
Total assets	<u>780,384</u>	<u>468,475</u>	<u>19,097,677</u>
Deferred outflows of resources			
Deferred charge - pension	67,555	48,698	798,268
Deferred charge - OPEB	-	-	1,991,532
Total deferred outflows of resources	<u>67,555</u>	<u>48,698</u>	<u>2,789,800</u>
Total assets and deferred outflows of resources	<u>\$ 847,939</u>	<u>\$ 517,173</u>	<u>\$ 21,887,477</u>
Liabilities, deferred inflows of resources, and net position			
Liabilities			
Current liabilities			
Accounts payable	\$ 2,680	\$ 27,767	\$ 1,163,136
Payroll payable	-	-	756,520
Other payable	-	-	484,382
Compensated absences	2,221	2,603	46,200
Other liabilities	-	-	10,226
Total current liabilities	<u>4,901</u>	<u>30,370</u>	<u>2,460,464</u>
Noncurrent liabilities			
Compensated absences	24,871	29,146	517,274
Net pension liability	318,865	300,392	5,030,380
OPEB liability	-	-	1,292,896
Total noncurrent liabilities	<u>343,736</u>	<u>329,538</u>	<u>6,840,550</u>
Total liabilities	<u>348,637</u>	<u>359,908</u>	<u>9,301,014</u>
Deferred inflows of resources			
Deferred revenue - pension	33,320	17,980	326,032
Deferred revenue - OPEB	-	-	3,275,545
Total deferred inflows of resources	<u>33,320</u>	<u>17,980</u>	<u>3,601,577</u>
Net position			
Net investment in capital assets	393,288	155,288	6,221,543
Unrestricted	72,694	(16,003)	2,763,343
Total net position	<u>465,982</u>	<u>139,285</u>	<u>8,984,886</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 847,939</u>	<u>\$ 517,173</u>	<u>\$ 21,887,477</u>

City of Great Falls, Montana
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2023

	Central Garage	Information Technology	Insurance & Safety	Health & Benefits
Operating revenues				
Charges for services	\$ 3,561,948	\$ 1,942,181	\$ 1,770,746	\$ 9,744,420
Operating expenses				
Personal services	1,000,035	836,008	-	-
Supplies and materials	1,057,052	244,077	7,259	-
Purchased services	175,838	911,513	1,770,728	7,372,054
Internal services	243,923	65,104	4,521	1,771
Other	150	-	-	-
Depreciation	1,060,139	833	13,504	-
Total operating expenses	<u>3,537,137</u>	<u>2,057,535</u>	<u>1,796,012</u>	<u>7,373,825</u>
Operating income (loss)	<u>24,811</u>	<u>(115,354)</u>	<u>(25,266)</u>	<u>2,370,595</u>
Nonoperating revenues (expenses)				
Investment income (loss)	64,095	6,837	5,397	95,576
Proceeds on sale of capital assets	19,101	-	-	-
Net pension on-behalf revenue	24,759	24,125	-	-
Other	115,274	246	-	10,960
Total nonoperating revenues (expenses)	<u>223,229</u>	<u>31,208</u>	<u>5,397</u>	<u>106,536</u>
Income (loss) before contributions and transfers	<u>248,040</u>	<u>(84,146)</u>	<u>(19,869)</u>	<u>2,477,131</u>
Transfers in	-	-	-	-
Transfers out	(24,500)	-	-	-
Total transfers	<u>(24,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	223,540	(84,146)	(19,869)	2,477,131
Total net position - beginning	<u>8,628,486</u>	<u>(421,294)</u>	<u>419,288</u>	<u>(1,788,045)</u>
Total net position - ending	<u>\$ 8,852,026</u>	<u>\$ (505,440)</u>	<u>\$ 399,419</u>	<u>\$ 689,086</u>

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City of Great Falls, Montana
Combining Statement of Revenues, Expenses and Changes in Fund Net Position (Continued)
Internal Service Funds
For the Year Ended June 30, 2023

	<u>Human Resources</u>	<u>City Telephone</u>	<u>Finance</u>	<u>Engineering</u>
Operating revenues				
Charges for services	\$ 992,585	\$ 90,364	\$ 1,990,474	\$ 1,940,100
Operating expenses				
Personal services	913,956	22,419	1,313,463	1,585,011
Supplies and materials	128,257	-	37,385	56,389
Purchased services	40,131	50,753	444,857	76,078
Internal services	83,762	3,060	192,516	310,436
Other	-	-	(6)	27,996
Depreciation	607	6,209	-	42,886
Total operating expenses	<u>1,166,713</u>	<u>82,441</u>	<u>1,988,215</u>	<u>2,098,796</u>
Operating income (loss)	<u>(174,128)</u>	<u>7,923</u>	<u>2,259</u>	<u>(158,696)</u>
Nonoperating revenues (expenses)				
Investment income (loss)	3,387	966	7,728	11,732
Proceeds on sale of capital assets	-	-	-	-
Net pension on-behalf revenue	26,087	676	38,329	43,744
Other	50	-	273	-
Total nonoperating revenues (expenses)	<u>29,524</u>	<u>1,642</u>	<u>46,330</u>	<u>55,476</u>
Income (loss) before contributions and transfers	<u>(144,604)</u>	<u>9,565</u>	<u>48,589</u>	<u>(103,220)</u>
Transfers in	-	-	-	63,143
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,143</u>
Change in net position	<u>(144,604)</u>	<u>9,565</u>	<u>48,589</u>	<u>(40,077)</u>
Total net position - beginning	<u>(223,772)</u>	<u>46,517</u>	<u>(725,333)</u>	<u>(26,357)</u>
Total net position - ending	<u>\$ (368,376)</u>	<u>\$ 56,082</u>	<u>\$ (676,744)</u>	<u>\$ (66,434)</u>

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City of Great Falls, Montana
Combining Statement of Revenues, Expenses and Changes in Fund Net Position (Concluded)
Internal Service Funds
For the Year Ended June 30, 2023

	<u>Public Works Admin</u>	<u>Civic Center Facility Service</u>	<u>Total Internal Service Funds</u>
Operating revenues			
Charges for services	\$ 737,707	\$ 631,244	\$ 23,401,769
Operating expenses			
Personal services	392,992	385,855	6,449,739
Supplies and materials	31,889	17,864	1,580,172
Purchased services	134,660	284,175	11,260,787
Internal services	94,902	24,369	1,024,364
Other	-	-	28,140
Depreciation	27,696	21,203	1,173,077
Total operating expenses	<u>682,139</u>	<u>733,466</u>	<u>21,516,279</u>
Operating income (loss)	<u>55,568</u>	<u>(102,222)</u>	<u>1,885,490</u>
Nonoperating revenues (expenses)			
Investment income (loss)	6,179	5,198	207,095
Proceeds on sale of capital assets	-	-	19,101
Net pension on-behalf revenue	11,224	9,467	178,411
Other	-	22,379	149,182
Total nonoperating revenues (expenses)	<u>17,403</u>	<u>37,044</u>	<u>553,789</u>
Income (loss) before contributions and transfers	<u>72,971</u>	<u>(65,178)</u>	<u>2,439,279</u>
Transfers in	-	16,553	79,696
Transfers out	-	-	(24,500)
Total transfers	<u>-</u>	<u>16,553</u>	<u>55,196</u>
Change in net position	72,971	(48,625)	2,494,475
Total net position - beginning	<u>393,011</u>	<u>187,910</u>	<u>6,490,411</u>
Total net position - ending	<u>\$ 465,982</u>	<u>\$ 139,285</u>	<u>\$ 8,984,886</u>

City of Great Falls, Montana
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2023

	<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	\$ 3,576,553	\$ 1,919,981	\$ 1,770,746	\$ 11,286,076
Receipts from interfund services provided	-	-	-	-
Receipts from others	115,274	246	-	10,960
Receipts from other govts	-	18,500	-	-
Payments to suppliers	(992,131)	(1,167,871)	(1,776,986)	(9,604,309)
Payments to employees	(980,243)	(824,349)	-	-
Payments for interfund services used	(243,923)	(65,104)	(4,521)	(1,771)
Payments to others	(150)	-	-	-
Net cash provided by (used for) operating activities	<u>1,475,380</u>	<u>(118,597)</u>	<u>(10,762)</u>	<u>1,690,955</u>
Cash flows from noncapital financing activities				
Transfers in	-	-	-	-
Transfers out	(24,500)	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>(24,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities				
Proceeds from sale of assets	19,101	-	-	-
Principal payments received - advances	-	-	-	-
Principal payments - loans	-	-	-	-
Interest paid	-	-	-	-
Acquisition/construction of capital assets	(774,172)	-	-	-
Net cash provided by (used for) capital and related financing activities	<u>(755,071)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities				
Interest and dividends on investments	64,095	6,837	5,398	95,576
Net cash provided by (used for) investing activities	<u>64,095</u>	<u>6,837</u>	<u>5,398</u>	<u>95,576</u>
Net increase (decrease) in cash	759,904	(111,760)	(5,364)	1,786,532
Cash, beginning of year restated	<u>3,721,819</u>	<u>396,759</u>	<u>324,611</u>	<u>3,516,318</u>
Cash, end of year (a)	<u>\$ 4,481,723</u>	<u>\$ 284,999</u>	<u>\$ 319,247</u>	<u>\$ 5,302,850</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 2,923,824	\$ 98,491	\$ 319,247	\$ 5,302,850
Restricted cash and investments	1,557,899	186,508	-	-
	<u>\$ 4,481,723</u>	<u>\$ 284,999</u>	<u>\$ 319,247</u>	<u>\$ 5,302,850</u>

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City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2023

	<u>Human Resources</u>	<u>City Telephone</u>	<u>Finance</u>	<u>Engineering</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 992,585	\$ 90,365	\$ 1,990,620	\$ 1,924,510
Receipts from interfund services provided	-	-	-	-
Receipts from others	50	-	273	44,774
Receipts from other govts	-	-	-	-
Payments to suppliers	(164,799)	(51,736)	(478,926)	(121,701)
Payments to employees	(885,324)	(21,115)	(1,298,228)	(1,589,401)
Payments for interfund services used	(83,762)	(3,060)	(192,516)	(310,436)
Payments to others	-	-	6	(27,996)
Net cash provided by (used for) operating activities	<u>(141,250)</u>	<u>14,454</u>	<u>21,229</u>	<u>(80,250)</u>
Cash flows from noncapital financing activities				
Transfers in	-	-	-	63,143
Transfers out	-	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</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	-	-	-	(27,914)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,914)</u>
Cash flows from investing activities				
Interest and dividends on investments	<u>3,387</u>	<u>965</u>	<u>7,728</u>	<u>11,732</u>
Net cash provided by (used for) investing activities	<u>3,387</u>	<u>965</u>	<u>7,728</u>	<u>11,732</u>
Net increase (decrease) in cash	(137,863)	15,419	28,957	(33,289)
Cash, beginning of year restated	<u>246,254</u>	<u>52,465</u>	<u>517,528</u>	<u>768,171</u>
Cash, end of year (a)	<u>\$ 108,391</u>	<u>\$ 67,884</u>	<u>\$ 546,485</u>	<u>\$ 734,882</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 108,391	\$ 67,884	\$ 546,485	\$ 697,960
Restricted cash and investments	-	-	-	36,922
	<u>\$ 108,391</u>	<u>\$ 67,884</u>	<u>\$ 546,485</u>	<u>\$ 734,882</u>

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City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2023

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Cash flows from operating activities			
Receipts from customers and users	\$ 737,707	\$ 631,244	\$ 24,920,387
Receipts from interfund services provided	-	-	-
Receipts from others	-	22,380	193,957
Receipts from other govts	-	-	18,500
Payments to suppliers	(167,083)	(294,077)	(14,819,619)
Payments to employees	(404,539)	(367,844)	(6,371,043)
Payments for interfund services used	(94,902)	(24,369)	(1,024,364)
Payments to others	-	-	(28,140)
Net cash provided by (used for) operating activities	<u>71,183</u>	<u>(32,666)</u>	<u>2,889,673</u>
Cash flows from noncapital financing activities			
Transfers in	-	16,553	79,696
Transfers out	-	-	(24,500)
Interfund cash flow loans	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>16,553</u>	<u>55,196</u>
Cash flows from capital and related financing activities			
Proceeds from sale of assets	-	-	19,101
Principal payments received - advances	-	-	-
Principal payments - loans	-	-	-
Interest paid	-	-	-
Acquisition/construction of capital assets	(22,500)	-	(824,586)
Net cash provided by (used for) capital and related financing activities	<u>(22,500)</u>	<u>-</u>	<u>(805,485)</u>
Cash flows from investing activities			
Interest and dividends on investments	<u>6,180</u>	<u>5,199</u>	<u>207,097</u>
Net cash provided by (used for) investing activities	<u>6,180</u>	<u>5,199</u>	<u>207,097</u>
Net increase (decrease) in cash	54,863	(10,914)	2,346,480
Cash, beginning of year restated	<u>332,232</u>	<u>324,101</u>	<u>10,200,258</u>
Cash, end of year (a)	<u>\$ 387,095</u>	<u>\$ 313,187</u>	<u>\$ 12,546,743</u>
(a) Shown on the statement of net position as:			
Cash and investments	\$ 381,824	\$ 276,572	\$ 10,723,528
Restricted cash and investments	<u>5,271</u>	<u>36,615</u>	<u>1,823,215</u>
	<u>\$ 387,095</u>	<u>\$ 313,187</u>	<u>\$ 12,546,743</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, 2023

	<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)	\$ 24,811	\$ (115,354)	\$ (25,266)	\$ 2,370,595
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	47,725	46,502	-	-
Depreciation expense	1,060,139	832	13,503	-
Cash provided by (used for) changes in operating assets and liabilities				
(Increase) decrease in accounts receivable Due from other governments	(7,054)	(3,700)	-	1,057,274
(Increase) decrease in inventories	21,659	-	-	-
(Decrease) increase in accounts payable	240,758	(12,281)	1,002	(1,103,203)
Other liabilities	(35,112)	(30,507)	-	484,382
(Decrease) increase in compensated absences payable	7,179	(4,337)	-	-
Other nonoperating revenue	115,274	246	-	(1,118,093)
Total adjustments	\$ 1,450,568	\$ (3,245)	\$ 14,505	\$ (679,640)
Net cash provided by (used for) operating activities	<u>\$ 1,475,380</u>	<u>\$ (118,597)</u>	<u>\$ (10,762)</u>	<u>\$ 1,690,955</u>

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City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2023

	<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)	\$ (174,128)	\$ 7,923	\$ 2,259	\$ (158,696)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	50,285	1,303	73,882	84,319
Depreciation expense	607	6,209	-	42,886
Cash provided by (used for) changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	-	-	146	27,983
Due from other governments	-	-	-	-
(Increase) decrease in inventories	-	-	-	-
(Decrease) increase in accounts payable	3,589	(983)	3,316	10,766
Other liabilities	(31,835)	-	(48,739)	(56,537)
(Decrease) increase in compensated absences payable	10,183	-	(9,908)	(30,972)
Other nonoperating revenue	50	-	273	-
Total adjustments	\$ 32,879	\$ 6,529	\$ 18,970	\$ 78,445
Net cash provided by (used for) operating activities	<u>\$ (141,250)</u>	<u>\$ 14,454</u>	<u>\$ 21,229</u>	<u>\$ (80,250)</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, 2023

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ 55,568	\$ (102,222)	\$ 1,885,490
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
GASB 68 pension adjustments	21,634	18,249	343,899
Depreciation expense	27,696	21,203	1,173,075
Cash provided by (used for) changes in operating assets and liabilities			
(Increase) decrease in accounts receivable	-	-	1,074,649
Due from other governments	-	-	-
(Increase) decrease in inventories	-	-	21,659
(Decrease) increase in accounts payable	(534)	7,962	(849,608)
Other liabilities	(16,620)	(13,197)	251,835
(Decrease) increase in compensated absences payable	(16,561)	12,960	(31,456)
Other nonoperating revenue	-	22,380	(979,870)
Total adjustments	\$ 15,615	\$ 69,557	\$ 1,004,183
Net cash provided by (used for) operating activities	<u>\$ 71,183</u>	<u>\$ (32,666)</u>	<u>\$ 2,889,673</u>

City of Great Falls, Montana
Fiduciary Funds
Fund Descriptions

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.

City of Great Falls, Montana
Combining Statement of Fiduciary Net Position
Private-Purpose Trust Funds
June 30, 2023

	Castle Pines Trust	ULRRWSD Trust	Total Private- Purpose Trust Funds
Assets			
Cash and investments	\$ 1,356	\$ 250,347	\$ 251,703
Due from district special assessments	-	681,679	681,679
Total assets	1,356	932,026	933,382
Liabilities			
Asset held for others	-	932,026	932,026
Total liabilities	-	932,026	932,026
Net Position			
Restricted for:			
Castle Pines Trust	1,356	-	1,356
Total Net Position	\$ 1,356	\$ -	\$ 1,356

City of Great Falls, Montana
Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds
For the Year Ended June 30, 2023

	<u>Castle Pines Trust</u>	<u>ULRRWSD Trust</u>	<u>Total Private-Purpose Trust Funds</u>
Additions			
District special assessments	\$ -	\$ 69,328	\$ 69,328
Investment earnings	20	5,810	5,830
Total additions	<u>20</u>	<u>75,138</u>	<u>75,158</u>
Deductions			
Payments to debt service for ULRRWSD	<u>-</u>	<u>75,138</u>	<u>75,138</u>
Total deductions	<u>-</u>	<u>75,138</u>	<u>75,138</u>
Net increase (decrease) in fiduciary net position	20	-	20
Net position - beginning	1,336	-	1,336
Net position - ending	<u>\$ 1,356</u>	<u>\$ -</u>	<u>\$ 1,356</u>

City of Great Falls, Montana
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

	Court	Total Custodial Funds
Assets		
Cash and investments	\$ 83,960	\$ 83,960
Payroll receivable	-	-
Total assets	83,960	83,960
Liabilities		
Accounts payable and other liabilities	83,960	83,960
Assets held for others	-	-
Other liabilities	-	-
Total liabilities	83,960	83,960
Net position		
Total net position	\$ -	\$ -

City of Great Falls, Montana
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2023

	Court	Total Custodial Funds
Additions		
Appearance bonds and restitution	\$ 21,397	\$ 21,397
Total additions	21,397	21,397
Deductions		
Payments to beneficiaries and clients	21,397	21,397
Total deductions	21,397	21,397
Net increase (decrease) in fiduciary net position	-	-
Net position - beginning	-	-
Net position - ending	\$ -	\$ -

**Statistical Section
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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.

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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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
General government	\$ 9,116,629	\$ 9,175,818	\$ 8,951,277	\$ 9,087,518	\$ 11,065,928	\$ 10,014,604	\$ 12,043,073	\$ 13,717,027	\$ 6,049,893	\$ 14,512,758
Public safety	18,452,067	18,925,163	21,047,599	22,308,585	25,387,960	26,468,988	29,605,935	32,668,855	29,041,592	32,500,521
Public works	6,609,221	7,176,330	6,319,333	7,268,736	7,660,240	8,030,532	8,370,526	8,745,824	8,556,113	8,506,130
Culture and recreation	4,908,524	5,018,301	5,309,937	4,983,866	5,481,757	5,338,401	6,623,215	6,690,221	7,294,699	7,011,780
Housing and development	2,100,706	3,285,664	1,985,526	3,032,685	2,442,155	2,266,478	2,306,897	2,239,153	2,289,786	3,371,865
Interest and Fees	275,752	213,945	202,091	195,289	184,098	172,555	235,180	288,800	526,924	554,317
Total governmental activities expenses	<u>41,462,899</u>	<u>43,795,221</u>	<u>43,815,763</u>	<u>46,876,679</u>	<u>52,222,138</u>	<u>52,291,558</u>	<u>59,184,826</u>	<u>64,349,880</u>	<u>53,759,007</u>	<u>66,457,371</u>
Business-type activities										
Golf courses	1,274,279	1,286,360	-	-	-	-	-	-	-	-
Water	8,260,040	8,192,979	8,265,032	8,940,287	9,765,723	10,425,580	10,590,672	11,452,967	13,217,638	13,814,269
Sewer	7,823,272	7,856,343	7,802,738	9,433,803	9,540,200	9,851,779	10,226,134	10,494,173	10,841,180	11,260,449
Storm drain	1,322,246	1,485,612	1,626,546	1,995,463	2,251,017	2,500,962	2,601,173	2,688,622	2,762,931	2,748,276
Sanitation	3,367,323	3,249,148	3,351,925	3,856,076	3,645,331	3,847,103	3,963,297	4,278,659	4,502,443	4,986,087
Electric	854,118	175,481	-	-	-	-	-	-	-	-
Port authority	325,092	312,659	299,366	285,948	271,210	256,234	241,122	223,690	190,993 *	-
State Special Projects	63,680	373,134	367,623	361,514	355,527	349,420	343,367	336,841	330,361 *	-
Other	4,597,136	4,570,909	5,729,950	6,208,611	6,662,665	6,346,272	6,552,059	6,502,443	5,650,649	6,599,725
Total business-type activities expenses	<u>27,887,186</u>	<u>27,502,625</u>	<u>27,443,180</u>	<u>31,081,702</u>	<u>32,491,673</u>	<u>33,577,350</u>	<u>34,517,824</u>	<u>35,977,395</u>	<u>37,496,195</u>	<u>39,408,806</u>
Total primary government expenses	<u>\$ 69,350,085</u>	<u>\$ 71,297,846</u>	<u>\$ 71,258,943</u>	<u>\$ 77,958,381</u>	<u>\$ 84,713,811</u>	<u>\$ 85,868,908</u>	<u>\$ 93,702,650</u>	<u>\$ 100,327,275</u>	<u>\$ 91,255,202</u>	<u>\$ 105,866,177</u>
Program Revenues										
Governmental Activities:										
Charges for services										
General government	\$ 5,864,755	\$ 6,466,937	\$ 6,371,925	\$ 6,253,126	\$ 6,065,475	\$ 7,084,764	\$ 3,141,467	\$ 6,299,660	\$ 6,537,043	\$ 5,798,186
Public safety	1,638,667	1,698,851	1,607,759	1,759,398	1,765,576	843,365	1,524,117	1,760,243	1,609,179	2,174,062
Public works	4,770,651	5,440,670	5,911,491	6,225,343	6,066,093	6,203,263	6,187,528	6,469,236	6,975,531	6,309,185
Culture and recreation	750,894	730,995	799,487	755,906	771,207	2,257,770	2,435,123	2,372,103	2,411,228	2,450,287
Housing and development	1,387,925	1,813,459	2,096,699	1,738,247	1,902,249	1,405,620	1,115,162	1,121,134	1,653,804	2,227,903
Operating grants and contributions	1,171,027	2,236,251	1,675,205	1,449,025	2,666,624	1,400,143	5,488,027	15,818,889	11,099,298	431,378
Capital grants and contributions	616,593	1,211,232	1,399,292	1,748,919	1,014,668	668,996	3,148,306	104,007	3,186,619	6,628,422
Total governmental activities program revenues	<u>16,200,512</u>	<u>19,598,395</u>	<u>19,861,858</u>	<u>19,929,964</u>	<u>20,251,892</u>	<u>19,863,921</u>	<u>23,039,730</u>	<u>33,945,272</u>	<u>33,472,702</u>	<u>26,019,423</u>

* Golf Courses was moved to the other category for FY 2016. The Electric Fund was closed in FY 2015. Port Authority and Special State Projects moved to the other category FY 2023.

City of Great Falls, Montana
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities										
Charges for services										
Golf Courses	\$ 1,314,324	\$ 1,350,398	* \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water	9,872,232	11,038,165	11,117,378	12,108,595	13,972,825	13,221,101	13,726,302	13,970,585	14,803,895	14,145,653
Sewer	10,446,285	10,904,305	10,541,575	11,173,547	11,426,703	11,441,446	11,613,924	11,452,162	11,599,985	11,486,223
Storm Drain	1,867,201	1,993,861	2,105,174	2,410,858	2,632,616	2,878,879	3,110,007	2,917,430	3,196,684	3,126,725
Sanitation	3,257,465	3,465,672	3,453,572	3,644,315	3,692,698	3,838,298	4,201,779	4,189,046	4,673,425	5,322,552
Electric	1,849,794	3,692	*	-	-	-	-	-	-	-
Port Authority	465,187	465,187	465,187	465,188	465,187	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	383,402	*
Other	3,152,726	3,647,316	4,588,459	4,602,675	4,775,665	4,794,727	4,565,746	4,667,470	5,328,588	5,512,731
Operating grants and contributions	870,461	11,119	177,174	108,544	-	-	649,141	675,627	-	-
Capital grants and contributions	-	-	-	-	-	-	-	4,127	23,258	1,409,011
Total business-type activities program revenues	<u>33,095,675</u>	<u>33,263,117</u>	<u>32,831,921</u>	<u>34,897,124</u>	<u>37,349,096</u>	<u>37,023,040</u>	<u>38,715,488</u>	<u>38,725,037</u>	<u>40,474,424</u>	<u>41,002,895</u>
Total primary government program revenues	<u>\$ 49,296,187</u>	<u>\$ 52,861,512</u>	<u>\$ 52,693,779</u>	<u>\$ 54,827,088</u>	<u>\$ 57,600,988</u>	<u>\$ 56,886,961</u>	<u>\$ 61,755,218</u>	<u>\$ 72,670,309</u>	<u>\$ 73,947,126</u>	<u>\$ 67,022,318</u>
Net (Expense)/Revenue										
Governmental activities	\$ (25,262,387)	\$ (24,196,826)	\$ (23,953,905)	\$ (26,946,715)	\$ (31,970,246)	\$ (32,427,637)	\$ (36,145,096)	\$ (30,404,608)	\$ (20,286,305)	\$ (40,437,948)
Business-type activities	5,208,489	5,760,492	5,388,741	3,815,422	4,857,423	3,445,690	4,197,664	2,747,642	2,978,229	1,594,089
Total primary government net expense	<u>\$ (20,053,898)</u>	<u>\$ (18,436,334)</u>	<u>\$ (18,565,164)</u>	<u>\$ (23,131,293)</u>	<u>\$ (27,112,823)</u>	<u>\$ (28,981,947)</u>	<u>\$ (31,947,432)</u>	<u>\$ (27,656,966)</u>	<u>\$ (17,308,076)</u>	<u>\$ (38,843,859)</u>
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property taxes	\$ 17,124,467	\$ 17,982,474	\$ 18,224,876	\$ 19,665,472	\$ 19,042,057	\$ 21,739,975	\$ 26,143,194	\$ 25,474,915	\$ 25,212,308	\$ 26,945,209
Grants and contributions not restricted to specific programs	8,042,009	8,578,380	8,624,074	8,506,999	8,520,364	8,670,610	9,373,657	9,231,662	9,132,692	9,380,134
Unrestricted investment earnings	8,681	97,419	146,782	77,389	223,271	622,092	425,419	86,413	49,202	1,222,137
Miscellaneous	463,284	2,831,946	3,489,764	3,604,956	4,411,096	4,802,670	5,081,769	8,027,170	5,616,794	7,082,661
Gain (loss) on sale of capital assets	-	-	-	284,822	(63,656)	88,999	71,854	-	-	-
Transfers	(1,875,441)	(569,896)	(1,202,370)	(931,689)	(902,483)	(929,654)	(929,654)	(757,313)	(2,060,805)	(1,671,530)
Total governmental activities general revenues	<u>23,763,000</u>	<u>28,920,323</u>	<u>29,283,126</u>	<u>31,207,949</u>	<u>31,230,649</u>	<u>34,994,692</u>	<u>40,166,239</u>	<u>42,062,847</u>	<u>37,950,191</u>	<u>42,958,611</u>
Business Type Activities:										
Grants and contributions not restricted to specific programs	89	24,960	2,632	14,953	1,252	1,874	2,784	-	-	-
Unrestricted investment earnings	13,487	91,417	109,398	43,714	115,980	801,240	584,254	29,422	11,819	1,101,005
Miscellaneous	787,181	114,395	710,061	513,414	383,939	216,148	207,495	579,189	513,394	413,750
Gain (loss) on sale of capital assets	-	-	-	-	16,260	49,390	(15,325)	-	-	-
Transfers	1,875,441	569,896	1,202,370	931,689	902,483	929,654	929,654	757,313	2,060,805	1,671,530
Extraordinary item	-	-	-	-	-	-	-	-	-	-
Total business-type activities general revenues	<u>2,676,198</u>	<u>800,668</u>	<u>2,024,461</u>	<u>1,503,770</u>	<u>1,419,914</u>	<u>1,998,306</u>	<u>1,708,862</u>	<u>1,365,924</u>	<u>2,586,018</u>	<u>3,186,285</u>
Total primary government general revenues	<u>\$ 26,439,198</u>	<u>\$ 29,720,991</u>	<u>\$ 31,307,587</u>	<u>\$ 32,711,719</u>	<u>\$ 32,650,563</u>	<u>\$ 36,992,998</u>	<u>\$ 41,875,101</u>	<u>\$ 43,428,771</u>	<u>\$ 40,536,209</u>	<u>\$ 46,144,896</u>
Change in Net Position										
Governmental activities	\$ (1,499,387)	\$ 4,723,497	\$ 5,329,221	\$ 4,261,234	\$ (739,597)	\$ 2,567,055	\$ 4,021,143	\$ 11,658,239	\$ 17,663,886	\$ 2,520,663
Business-type activities	7,884,687	6,561,160	7,413,202	5,319,192	6,277,337	5,443,996	5,906,526	4,113,566	5,564,247	4,780,374
Total primary government	<u>\$ 6,385,300</u>	<u>\$ 11,284,657</u>	<u>\$ 12,742,423</u>	<u>\$ 9,580,426</u>	<u>\$ 5,537,740</u>	<u>\$ 8,011,051</u>	<u>\$ 9,927,669</u>	<u>\$ 15,771,805</u>	<u>\$ 23,228,133</u>	<u>\$ 7,301,037</u>

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 for FY 2016. The Electric Fund was closed in FY 2015. Port Authority and Special State Projects moved to the other category FY 2023.

City of Great Falls, Montana
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 69,788,446	\$ 69,736,173	\$ 66,393,049	\$ 68,231,770	\$ 65,775,809	\$ 66,973,666	\$ 66,153,408	\$ 62,591,068	\$ 65,683,127	\$ 68,555,525
Restricted	7,528,842	10,075,593	16,712,699	18,200,964	20,093,281	20,213,914	23,424,215	41,306,322	56,234,194	48,347,038
Unrestricted	6,161,194	(16,610,550)	(14,575,311)	(13,641,063)	(19,205,562)	(17,956,997)	(16,325,897)	(18,987,425)	(19,343,470)	(11,808,049)
Total governmental activities net position	<u>\$ 83,478,482</u>	<u>\$ 63,201,216</u>	<u>\$ 68,530,437</u>	<u>\$ 72,791,671</u>	<u>\$ 66,663,528</u>	<u>\$ 69,230,583</u>	<u>\$ 73,251,726</u>	<u>\$ 84,909,965</u>	<u>\$ 102,573,851</u>	<u>\$ 105,094,514</u>
Business-Type activities										
Net investment in capital assets	\$ 104,871,641	\$ 110,400,631	\$ 116,023,829	\$ 117,442,637	\$ 118,781,340	\$ 123,530,483	\$ 130,112,018	\$ 130,494,602	\$ 128,021,527	\$ 133,541,511
Restricted	4,653,658	7,682,782	7,477,563	8,592,636	10,342,611	10,350,105	9,213,962	8,592,771	7,974,359	7,925,922
Unrestricted	17,907,355	9,515,712	11,510,935	14,296,246	17,484,905	18,172,264	18,633,398	22,985,571	31,641,305	27,854,447
Total business-type activities net position	<u>\$ 127,432,654</u>	<u>\$ 127,599,125</u>	<u>\$ 135,012,327</u>	<u>\$ 140,331,519</u>	<u>\$ 146,608,856</u>	<u>\$ 152,052,852</u>	<u>\$ 157,959,378</u>	<u>\$ 162,072,944</u>	<u>\$ 167,637,191</u>	<u>\$ 169,321,880</u>
Primary government										
Net investment in capital assets	\$ 174,660,087	\$ 180,136,804	\$ 182,416,878	\$ 185,674,407	\$ 184,557,149	\$ 190,504,149	\$ 196,265,426	\$ 193,085,670	\$ 193,704,654	\$ 202,097,036
Restricted	12,182,500	17,758,375	24,190,262	26,793,600	30,435,892	30,564,019	32,638,177	49,899,093	64,208,553	56,272,960
Unrestricted	24,068,549	(7,094,838)	(3,064,376)	655,183	(1,720,657)	215,267	2,307,501	3,998,146	12,297,835	16,046,398
Total primary government net position	<u>\$ 210,911,136</u>	<u>\$ 190,800,341</u>	<u>\$ 203,542,764</u>	<u>\$ 213,123,190</u>	<u>\$ 213,272,384</u>	<u>\$ 221,283,435</u>	<u>\$ 231,211,104</u>	<u>\$ 246,982,909</u>	<u>\$ 270,211,042</u>	<u>\$ 274,416,394</u>

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	3,068,392	5,892,518	7,026,833	8,684,105	7,086,399	6,992,761	13,594,027	13,041,527	11,741,081	10,679,388
Total General Fund	<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>	<u>\$ 11,741,081</u>	<u>\$ 10,679,388</u>
All Other Governmental Funds										
Nonspendable	\$ 25,349	\$ 25,349	\$ 25,349	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	4,986,807	7,020,783	9,189,220	9,976,542	11,577,709	12,234,266	16,377,283	20,247,739	28,090,921	24,658,945
Assigned	2,516,686	3,029,461	4,525,824	5,186,112	5,658,221	5,362,925	4,962,693	9,609,948	8,311,099	7,308,433
Unassigned	(4,242)	(2,600)	(71,364)	(24,045)	(29,660)	(45,234)	-	-	(212,464)	-
Total All Other Governmental Funds	<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>	<u>\$ 36,189,556</u>	<u>\$ 31,967,378</u>

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 decrease in General Fund unassigned fund balance in 2022 was due to not using the inflationary factor and permissive medical levy.

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.

The increase in All Other Governmental Funds Restricted balance was due to COVID funding received in 2022.

City of Great Falls, Montana
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	\$ 17,124,467	\$ 17,982,474	\$ 18,224,876	\$ 19,665,473 ¹	\$ 19,042,057	\$ 21,739,975	\$ 26,143,194	\$ 25,474,915	\$ 25,212,308	\$ 26,945,209
Licenses & permits	2,055,879	2,495,048	2,497,673	2,440,334	2,470,070	2,409,720	2,025,310	2,060,414	2,546,075	2,722,136
Intergovernmental	11,387,609	13,224,455	13,082,799	13,283,947	15,705,866	15,739,945	23,395,658	24,280,117	20,742,205	28,549,710
Charges for services	2,910,944	2,906,916	3,256,242	2,977,325	3,155,620	3,113,928	3,225,465	3,005,583	3,330,765	3,127,527
Fines & forfeitures	939,146	1,052,578	866,178	932,647	854,590	734,585	700,862	824,868	735,985	799,562
Internal service	1,068,809	1,061,100	1,012,506	1,164,382	1,182,948	967,666	974,109	1,404,674	1,833,277	1,235,944
Special assessments	6,654,478	6,834,965	7,338,572	6,859,028	6,804,476	8,333,057	8,865,522	8,622,684	8,509,065	8,802,607
Other	917,119	776,643	727,272	1,102,848	693,183	946,240	1,721,497	1,270,535	907,107	898,595
Investment income	321	65,782	105,570	38,148	157,479	499,233	343,763	68,816	37,520	1,015,042
Total revenues	43,058,772	46,399,961	47,111,688	48,464,132	50,066,289	54,484,349	67,395,380	67,012,606	63,854,307	74,096,332
Expenditures										
General government	8,116,341	7,992,378	8,343,304	8,332,346	9,283,151	8,909,329 ²	10,073,320 ²	11,233,614	10,962,325 ²	13,798,410
Public safety	18,263,076	18,535,967	19,189,830	20,751,256	25,169,696	26,736,872 ²	27,937,861 ²	31,454,603	29,271,140 ²	32,745,642
Public works	4,773,496	4,767,232	4,765,396	5,145,631	5,317,670	5,911,177	5,645,522	5,905,290	6,012,672	6,010,066
Culture & recreation	4,233,348	4,018,480	4,096,963	4,279,873	4,615,269	4,708,138	5,524,815	5,673,127	6,674,692	6,394,025
Housing & development	1,797,475	2,485,943	2,150,885	2,598,400	2,032,080	1,873,922	1,834,564	1,855,544	2,051,764	3,170,174
Debt service										
Principal	558,887	642,516	761,895	755,264	468,826	489,302 ³	2,106,980	807,214 ⁴	1,669,780	1,434,929
Interest & fees	272,889	211,806	199,450	192,808	182,234	172,325	235,180	288,809	469,082	554,317
Capital outlay	2,637,817	1,726,777	3,091,932	2,347,528	1,545,782	4,348,438	6,940,176	7,272,239	9,764,524	13,545,914
Total expenditures	40,653,329	40,381,099	42,599,655	44,403,106	48,614,708	53,149,503	60,298,418	64,490,440	66,875,979	77,653,477
Excess of revenues over (under) expenditures	2,405,443	6,018,862	4,512,033	4,061,026	1,451,581	1,334,846	7,096,962	2,522,166	(3,021,672)	(3,557,145)
Other financing sources (uses)										
Transfers in	844,012	1,092,415	1,010,674	1,108,018	1,782,760	1,096,173	1,083,374	1,073,055	3,465,171	1,386,913
Transfers out	(2,695,291)	(1,738,759)	(2,315,449)	(2,113,939)	(2,773,386)	(2,088,970)	(2,076,171)	(2,053,769)	(5,589,119)	(3,113,639)
Issuance of debt	-	-	852,666	2,193	-	-	4,192,920	6,423,759	10,177,043	-
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)	(2,021,559)	(646,344)	218,318	(934,174)	(981,626)	(992,797)	3,202,323	5,443,045	8,053,095	(1,726,726)
Net change in fund balance	\$ 383,884	\$ 5,372,518	\$ 4,730,351	\$ 3,126,852	\$ 469,955	\$ 342,049	\$ 10,299,285	\$ 7,965,211	\$ 5,031,423	\$ (5,283,871)
Debt service as a percentage of noncapital expenditures	2.19%	2.21%	2.43%	2.25%	1.38%	1.36%	4.39%	1.92%	3.75%	3.10%

¹ This year's decrease in taxes is due primarily to protested taxes.

² This year's increase in expenditures is due to increased personal and operation costs.

³ This year's increase in expenditures for debt service and issuance was due to a refinancing in West Bank TID.

⁴ This year's increase in expenditures is due to debt issuance of the Park Maintenance District.

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	Direct Mills Applied
	Market Value	Taxable Assessed Value	Market Value	Taxable Assessed Value	Market Value	Taxable Assessed Value		
TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - TOTAL								
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	5,884,723,172	99,693,994	117,669,352	1,957,622	6,002,392,524	101,651,616	1.69%	208.79
2022	6,129,022,004	102,728,367	141,235,004	2,393,884	6,270,257,008	105,122,251	1.68%	201.35
2023	9,285,388,935	175,800,413	346,098,767	7,590,201	9,631,487,702	183,390,614	1.90%	214.05
TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - NET OF TAX INCREMENT DISTRICTS (TID)								
2014	2,467,468,606	66,426,926	219,254,983	5,723,343	2,686,723,589	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	5,531,417,698	92,141,649	98,843,159	1,662,118	5,630,260,857	93,803,767	1.67%	208.79
2022	5,784,571,571	95,214,667	117,667,119	1,998,905	5,902,238,690	97,213,572	1.65%	201.35
2023	9,285,388,935	175,800,413	346,098,767	7,590,201	9,631,487,702	183,390,614	1.90%	214.05
TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - TOTAL TAX INCREMENT DISTRICTS (TID) ¹								
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	353,305,474	7,552,345	18,826,193	295,504	372,131,667	7,847,849	2.11%	202.79
2022	344,450,433	7,513,700	23,567,885	394,979	368,018,318	7,908,679	2.15%	195.35
2023	353,912,521	7,875,271	19,788,082	329,080	373,700,603	8,204,351	2.20%	208.05

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 (DOR) 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.

Fiscal Year 2021 values revised due to changes in valuation from DOR.

City of Great Falls, Montana
Taxable Assessed Value and Market Value of Taxable Property All Tax Increment Districts
Last Ten Fiscal Years

Real Property										
	Downtown Urban Renewal TID Market Value	Downtown Urban Renewal TID TAV	Industrial International Malting Co. TID Market Value	Industrial International Malting Co. TID TAV	Urban Renewal West Bank TID Market Value	Urban Renewal West Bank TID TAV	International Airport TID Market Value	International Airport TID TAV Value	East Tech Park TID Market Value	East Industrial Ag Tech Park TID TAV Value
Base Value	N/A	\$ 3,643,575	N/A	\$ 362,124	N/A	\$ 292,250	N/A	\$ 107,149	N/A	\$ 2,322
2014	123,431,697	3,646,875	19,953,345	502,683	30,330,227	771,868	4,658,658	118,320	N/A	N/A
2015	128,594,319	3,685,340	34,752,393	809,138	35,118,927	867,572	4,801,702	118,600	1,367,296	33,774
2016	195,391,550	3,211,943	46,763,872	844,655	46,788,808	872,334	8,374,742	140,006	2,364,447	44,879
2017	179,749,691	3,783,918	42,590,582	804,532	44,466,752 ²	837,983	7,814,404	140,691	2,317,148	43,984
2018	180,209,897	3,819,643	46,740,875	681,946	49,358,717	940,473	7,917,092	142,654	15,273,661	287,973
2019	180,097,784	3,851,787	49,506,568	733,149	55,379,006	1,053,913	7,919,065	142,678	20,570,280	381,670
2020	189,911,142	4,584,180	47,164,129	723,019	71,532,946	1,364,492	11,032,895	200,349	20,829,527	399,395
2021	187,358,379	4,535,315	47,777,015	770,645	72,602,036	1,387,087	12,378,138	226,077	33,189,906	633,221
2022	186,221,679	4,601,003	45,915,839	773,016	75,021,299	1,436,389	12,657,903	231,602	24,633,713	471,690
2023	187,227,589	4,763,578	47,811,738	840,399	76,862,398	1,470,160	17,312,288	319,442	24,698,508	481,692
Personal Property										
	Downtown Urban Renewal TID Market Value	Downtown Urban Renewal TID TAV	Industrial International Malting Co. TID Market Value	Industrial International Malting Co. TID TAV	Urban Renewal West Bank TID Market Value	Urban Renewal West Bank TID TAV	International Airport TID Market Value	International Airport TID TAV Value	East Tech Park TID Market Value	East Industrial Ag Tech Park TID TAV Value
2014	12,583,883	834,448	765,763	15,310	684,712 ¹	14,766	2,556	51	N/A	N/A
2015	12,583,384	816,242	925,650	13,885	489,792 ¹	7,664	810	12	N/A	N/A
2016	16,625,748	875,948	1,484,318	22,265	952,066	14,511	611,534	9,173	N/A	N/A
2017	4,414,343	68,004	4,634,259	69,513	215,888	6,805	667,766	10,175	N/A	N/A
2018	5,035,663 ³	76,664	4,268,423	64,027	405,439	6,316	805,253	12,362	1,504,307	33,922
2019	5,293,018	81,449	4,601,093	69,016	769,986	11,526	841,265	12,788	4,762,480	80,525
2020	7,352,426	113,602	4,562,251	68,433	1,001,063	15,015	748,241	11,338	7,066,516	114,144
2021	10,803,885	168,643	4,528,642	67,930	950,403	14,230	809,488	12,274	1,733,775	32,427
2022	14,891,441	252,184	4,186,936	62,804	2,021,880	30,880	805,478	12,154	1,662,150	36,957
2023	10,740,442	175,661	3,487,428	52,311	996,787	15,596	2,955,915	51,073	1,607,510	34,439

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 Direct	
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
2022	6.00	40.00	129.07	97.97	260.37	21.74	167.33	32.44	1.58	-	201.35	756.50
2023	6.00	40.00	132.81	98.94	246.72	22.71	177.54	34.94	1.57	-	214.05	761.23

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	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Northwestern Energy, LLC	\$ 7,021,257	1	6.56%	\$ 4,453,407	1	5.71%
Montana Renewables, LLC	4,053,418	2	3.78%			
Calumet Montana Refining, LLC ⁴	3,712,690	3	3.47%	2,426,032	2	3.11%
Energy West Montana Inc. ²	2,369,569	4	2.21%	835,493	5	1.07%
Burlington Northern Santa Fe Railroad Co	1,610,280	5	1.50%	635,316	7	0.81%
Bresnan Communications (Charter)	927,111	6	0.87%	840,911	4	1.08%
Pasta Montana LLC	758,494	7	0.71%	602,900	8	0.77%
3010 Great Falls Stolley, LLC	709,149	8	0.66%			
Verizon Wireless	653,663	9	0.61%			
Federal Express Corp	614,298	10	0.57%	514,508	10	0.66%
GK Development Inc. ¹			0.00%	701,176	6	0.90%
CenturyLink, Inc. ³				1,146,315	3	1.47%
Benefis Health System, Inc.				544,470	9	0.70%
	<u>\$ 22,429,929</u>		<u>20.94%</u>	<u>\$ 12,700,528</u>		<u>16.27%</u>
Total Assessed Taxable Value	<u>\$107,111,238</u>			<u>\$ 78,054,590</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						
2014	15,877,678	14,442,695	90.96%	1,420,599	15,863,294	99.91%
2015	16,499,453	14,897,755	90.29%	1,582,230	16,479,985	99.88%
2016	17,481,060	15,536,927	88.88%	1,770,287	17,307,214	99.01%
2017	18,951,993	16,514,190	87.14%	2,328,861	18,843,051	99.43%
2018	20,555,516	17,914,889	87.15%	2,546,721	20,461,610	99.54%
2019	21,338,561	19,942,269	93.46%	758,469	20,700,738	97.01%
2020	23,254,940	22,916,657	98.55%	314,985	23,231,643	99.90%
2021	24,085,350	23,822,361	98.91%	262,989	24,085,350	100.00%
2022	24,597,149	23,720,984	96.44%	526,291	24,247,275	98.58%
2023	24,837,644	-	0.00%	-	-	0.00%
PROPERTY TAX LEVIES AND COLLECTIONS - NET OF TAX INCREMENT DISTRICTS ¹						
2014	15,324,979	13,928,320	90.89%	1,382,275	15,310,595	99.91%
2015	15,671,690	14,087,159	89.89%	1,565,063	15,652,222	99.88%
2016	16,490,112	14,728,958	89.32%	1,587,308	16,316,266	98.95%
2017	18,099,805	15,775,631	87.16%	2,215,231	17,990,862	99.40%
2018	19,342,096	16,703,221	86.36%	2,544,922	19,248,143	99.51%
2019	19,774,666	18,389,811	93.00%	750,036	19,139,847	96.79%
2020	20,393,115	20,100,840	98.57%	276,165	20,377,004	99.92%
2021	20,569,852	20,422,478	99.28%	147,374	20,569,852	100.00%
2022	21,301,396	20,488,886	96.19%	526,291	21,015,177	98.66%
2023	21,164,694	21,020,040	99.32%	-	21,020,040	99.32%
PROPERTY TAX LEVIES AND COLLECTIONS - TAX INCREMENT DISTRICTS ¹						
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%	113,630	852,189	100.00%
2018	1,213,420	1,211,668	99.86%	1,799	1,213,467	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%	38,820	2,854,638	99.75%
2021	3,515,498	3,399,883	96.71%	115,615	3,515,498	100.00%
2022	3,295,753	3,232,098	98.07%	-	3,232,098	98.07%
2023	3,672,950	3,661,479	99.69%	-	3,661,479	99.69%

Source: City of Great Falls, Montana

¹ Downtown Urban Renewal Tax Increment District; Industrial International Malting 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, 2023

	<u>SID Number</u>	<u>Issue Date</u>	<u>Original Issue</u>	<u>Accumulated Cash Balance</u>	<u>Maturity Date</u>	<u>Outstanding Balance</u>	<u>C/Y Principal and Interest Assessments Outstanding</u>	<u>Delinquent Principal and Interest Assessments</u>
Special Improvement District (SID)								
Medical Tech Park	1301	05/15/2005	\$ 630,000	\$ -	8/1/2020	\$ -	\$ -	\$ -
Total Bonds Outstanding			<u>\$ 630,000</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assessments Outstanding	Misc.							-
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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Beginning fund balance, July 1	\$ 95,923	\$ 50,980	\$ 21,591	\$ 16,304	\$ 15,322	\$ 14,504	\$ 13,669	\$ 12,691	\$ 11,524	\$ 10,269
Receipts over (under) disbursements	(44,943)	(29,389)	(5,287)	(982)	(818)	(835)	(978)	(1,167)	(1,255)	34,321
Ending fund balance, June 30	<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>	<u>\$ 10,269</u>	<u>\$ 44,590</u>
Assets										
Cash	\$ 50,980	\$ 21,591	\$ 16,304	\$ 15,322	\$ 14,504	\$ 13,669	\$ 12,691	\$ 11,524	\$ 10,269	\$ 44,590
Assessments receivable	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Due from Other City Funds	-	-	-	-	-	-	-	-	-	-
Total assets	<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>	<u>\$ 10,269</u>	<u>\$ 44,590</u>
Liabilities										
Deferred revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Fund Balance	<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>	<u>10,269</u>	<u>44,590</u>
Total Liabilities/Fund Balances	<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>	<u>\$ 10,269</u>	<u>\$ 44,590</u>

Source: City of Great Falls, Montana

Revolving fund only do not include individual SID funds

For receipts over(under) disbursements use net change in fund balances

**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
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
2022	10,269	-	NA
2023	44,590	-	NA

Source: City of Great Falls, Montana

City of Great Falls, Montana
Special Improvement District Assessment Billings and Collections
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Assessment Billing</u>	<u>Assessed</u>		<u>Collections</u>	
		<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
2014	\$ 55,276	\$ 55,276	100.0%	\$ 55,579	100.5% ¹
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% ²
2021	-	-	NA	NA	NA
2022	-	-	NA	NA	NA
2023	-	-	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**

<u>Fiscal Year</u>	<u>Assessment Billing</u>	<u>Collections in Year Assessed</u>		<u>Total Outstanding</u>
		<u>Amount</u>	<u>Percent</u>	<u>Assessment</u>
				<u>Amount</u>
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
2022	8,580,794	8,470,902	98.7%	1,112,043
2023	8,889,983	8,735,431	98.3%	1,041,062

Assessments are Street Maintenance, Park Maintenance, Boulevard Districts, Lighting Districts, Business Improvement District, Tourism Business Improvement District, Special Improvement Districts, and Upper Lower River Road Water Sewer District.

Source: City of Great Falls, Montana

City of Great Falls, Montana
West Bank Urban Renewal District Principal Taxpayers
Fiscal Year 2023

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Taxable Value</u>
Big Sky Select Courthouse LLC	Courthouse	\$ 284,620	1	19.16%
Riverside Hotel Partners LLC	Hotel	246,017	2	16.56%
Virk Hospitality Great Falls LLC	Hotel	196,619	3	13.23%
Skiprock LLC	Retail	184,588	4	12.42%
Talcott Properties LLC	Retail	84,742	5	5.70%
Paige Trust	Retail	69,847	6	4.70%
Stockman Bank of MT	Bank	64,023	7	4.31%
Citizens Alliance Bank	Bank	63,802	8	4.29%
JD Land LLC	Retail	35,804	9	2.41%
Kobe Holdings LLC	Restaurant	27,065	10	1.82%
Principal Taxpayers Total Assessed Taxable Value		<u>\$ 1,257,127</u>		<u>84.61%</u>
District Total Assessed Taxable Value		<u><u>\$ 1,485,756</u></u>		

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

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	\$ 394,485	\$ 411,464	\$ 348,904	\$ 365,098	\$ 454,674	\$ 574,686	\$ 797,831	\$ 876,250	\$ 870,611	\$ 909,434
Investment Income	1,173	4,629	5,785	3,448	11,897	17,675	7,909	2,788	1,763	22,168
Other	13	4,684	5,134	4,684	4,684	4,684	20,369	2,342	11,507	11,507
Total revenues	<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>	<u>883,881</u>	<u>943,109</u>
Expenditures										
General Government	18,759	19,176	2,856	46,404	30,095	35,439	50,391	67,066	68,178	74,047
Debt Service										
Principal	85,000	90,000	90,000	95,000	95,000	100,000	1,725,000	125,000	130,000	135,000
Interest & fees	126,228	123,728	120,828	117,818	114,418	110,875	178,859	135,710	131,660	127,730
Capital Outlay	-	4,068	220,030	163,198	71,508	700,000	1,942,614	750,000	425,380	-
Total Expenditures	<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>	<u>755,218</u>	<u>336,777</u>
Revenues over (under) expenditures	165,684	183,805	(73,891)	(49,190)	160,234	(349,269)	(3,070,755)	(196,396)	128,663	606,332
Other Financing Sources (Uses) - Issuance of Debt	-	-	-	-	-	-	3,200,000	-	-	-
Revenues and other financing uses over (under) expenditures	165,684	183,805	(73,891)	(49,190)	160,234	(349,269)	129,245	(196,396)	128,663	606,332
Fund balances, beginning of year	628,329	794,013	977,818	903,927	854,737	1,014,971	665,702	794,947	598,551	727,214
Transfers in (out)	-	-	-	-	-	-	-	-	-	-
Fund balances, end of year	<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>	<u>\$ 727,214</u>	<u>\$ 1,333,546</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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Bond reserves</u>										
Debt service account	\$ 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	263,925	263,925	263,925	263,925
Total bond reserves	<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>\$ 263,925</u>	<u>\$ 263,925</u>
<u>Coverage covenant calculation</u>										
Increment taxes collected and available	\$ 394,485	\$ 411,464	\$ 348,904	\$ 365,098	\$ 454,674	\$ 574,686	\$ 797,831	\$ 876,250	\$ 870,611	\$ 909,434
Maximum annual debt service	216,165	216,165	216,165	216,165	216,165	216,165	263,925	263,925	263,925	263,925
Debt service coverage	1.82x	1.90x	1.61x	1.69x	2.10x	2.66x	3.02x	3.32x	3.30x	3.45x
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	\$ 1,800,000	\$ 1,745,000	\$ 1,690,000	\$ 1,630,000	\$ 1,570,000	\$ 1,505,000	\$ -	\$ -	\$ -	\$ -
Series 2012	785,000	750,000	715,000	680,000	645,000	610,000	570,000	530,000	490,000	450,000
Series 2020	-	-	-	-	-	-	3,020,000	2,935,000	2,845,000	2,750,000
Total Outstanding Principal	<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>	<u>\$ 3,335,000</u>	<u>\$ 3,200,000</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
2022	292,536	1,174,733	1,467,269	870,611	11,507	882,118
2023	292,536	1,485,756	1,778,292	909,434	11,507	920,941

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
Third Year

	2021	2022	2023
Revenues			
Taxes	\$ 858,061	\$ 1,565,894	\$ 1,878,479
Investment Income	193	4,658	83,298
Other	-	-	-
Total Revenues	<u>858,254</u>	<u>1,570,552</u>	<u>1,961,777</u>
Expenditures			
General Government	235	353,327	420,609
Debt Service			
Principal	50,000	250,000	255,000
Interest & Fees	35,570	164,025	157,825
Capital Outlay	-	-	-
Total Expenditures	<u>85,805</u>	<u>767,352</u>	<u>833,434</u>
Revenues over (under) expenditures	772,449	803,200	1,128,343
Other Financing Sources (Uses)			
Issuance of Debt	414,150	-	-
Transfer in (out)	-	2,392,116	(500,000)
Net Change in fund balance	1,186,599	3,195,316	628,343
Fund balance, beginning of year	-	1,186,599	4,381,915
Fund balance, end of year	<u>\$ 1,186,599</u>	<u>\$ 4,381,915</u>	<u>\$ 5,010,258</u>

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
Third Year

	Fiscal Year 2021*	Fiscal Year 2022	Fiscal Year 2023
<u>Bond reserves</u>			
Bond covenant reserve account	\$ 414,150	\$ 414,150	\$ 414,150
Total bond reserves	<u>\$ 414,150</u>	<u>\$ 414,150</u>	<u>\$ 414,150</u>
<u>Coverage covenant calculation</u>			
Increment taxes collected and available	\$ 858,061	\$ 1,565,894	\$ 1,878,479
Maximum annual debt service	414,150	414,150	414,150
Debt service coverage	2.07x	3.78x	4.54x
Debt service coverage required	1.25x	1.25x	1.25x
<u>Principal Amount of Bonds Outstanding</u>			
Series 2021	<u>\$ 5,945,000</u>	<u>\$ 5,695,000</u>	<u>\$ 5,440,000</u>
Total Outstanding Principal	<u>\$ 5,945,000</u>	<u>\$ 5,695,000</u>	<u>\$ 5,440,000</u>

<u>Trends in Taxable Value and Tax Increment</u>				
Fiscal Year	Base Value	Incremental Value	Total Taxable Value	Total Tax Increment Revenue
2021	\$ 3,643,698	\$ 1,060,260	\$ 4,703,958	\$ 858,061
2022	3,643,698	1,209,489	4,853,187	1,565,894
2023	3,643,698	1,295,541	4,939,239	1,878,479

* Fiscal Year 2021 only had a half year of tax increment revenue.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Park Maintenance Special Revenue Fund Debt
Principal Amount of Bonds, Trends in Value and Revenue Collections
Second Year

<u>Principal Amount of Bonds Outstanding</u>	<u>Fiscal Year</u> 2022	<u>Fiscal Year</u> 2023
Park Maintenance District #1	\$ 9,415,000	\$ 8,885,000
Total Outstanding Principal	<u>\$ 9,415,000</u>	<u>\$ 8,885,000</u>

<u>Park District/ City of Great Falls</u>		
Assessed		
<u>Fiscal Year</u>	<u>Market Value</u>	<u>Taxable Value</u>
2022/ 2023	\$ 6,328,057,598 **	\$ 107,111,238
2021/ 2022	6,271,302,382 *	105,181,199 *

<u>Fiscal Year</u>	<u>Total Billed</u> Revenue	<u>Revenue Paid in</u> Fiscal Year Billed	<u>Percent</u> Collected in Fiscal Year Billed	<u>Delinquent</u> Revenues Collected	<u>Total Revenues</u> Collected (Current and Delinquent)
2022/2023	\$ 1,500,000	\$ 1,484,558	98.97%	\$ -	\$ 1,484,558
2021/2022	1,500,000	1,483,153	98.88%	16,327	1,499,480
2020/2021*	1,500,000	1,489,573	99.30%	10,139	1,499,712
2019/2020	1,500,000	1,484,269	98.95%	13,290	1,497,559
2018/2019	1,500,000	1,476,920	98.46%	22,842	1,499,762

*Certified taxable valuation information from the Department of Revenue revised 10/21/2021.

**Certified taxable valuation information from the Department of Revenue revised 8/5/2022.

Source: City of Great Falls, Montana

City of Great Falls, Montana
Major Water, Sanitary Sewerage, and Storm Drain System Users
June 30, 2023

Customer	Water Charges	Rank	Percent of Total Water		Rank	Percent of Total Sewer		Storm Drain Charges	Rank	Percent of Total Storm Drain	
			Revenues	Sewer Charges		Revenues	Charges			Revenues	Revenues
Malmstrom AFB	\$ 689,985	1	4.75%	\$ 584,745	1	5.09%	\$ -			0.00%	
Calumet Montana Refining, LLC	561,929	2	3.87%	299,800	3	2.61%	8,878			0.24%	
City of Great Falls	275,481	3	1.90%	22,904		0.20%	22,832	6		0.62%	
Great Falls Public Schools	200,479	4	1.38%	61,287	10	0.53%	136,125	1		3.71%	
Benefis Health Systems	199,958	5	1.38%	199,964	4	1.74%	48,801	2		1.33%	
Black Eagle, Cascade Co, Water District	155,411	6	1.07%	65,449	9	0.57%	-			0.00%	
Cascade County	149,780	7	1.03%	85,918		0.75%	7,666			0.21%	
Great Falls Housing Authority	124,628	8	0.86%	158,161	5	1.38%	17,259	8		0.47%	
University of Providence	69,194	9	0.48%	21,207		0.18%	17,940	7		0.49%	
Prairie Water Company, LLC	62,857	10	0.43%	112		0.00%	97			0.00%	
Malteurop North America, Inc	28,611		0.20%	562,921	2	4.90%	3,189			0.09%	
Town Pump	60,306		0.42%	76,000	7	0.66%	13,716	10		0.37%	
DFA Dairy Brands Fluid, LLC	50,548		0.35%	68,539	8	0.60%	2,212			0.06%	
BN Santa Fe Railway Co	3,552		0.02%	1,704		0.01%	44,731	3		1.22%	
Walmart	26,492		0.18%	14,283		0.12%	28,948	4		0.79%	
GK Holiday Village LLC	24,067		0.17%	17,236		0.15%	23,372	5		0.64%	
Highwoods, LLC	37,164		0.26%	32,681		0.28%	16,040	9		0.44%	
	<u>\$ 2,720,441</u>		<u>18.73%</u>	<u>\$ 2,272,911</u>		<u>19.79%</u>	<u>\$ 391,806</u>			<u>10.69%</u>	

Source: Utility Division, City of Great Falls, Montana.

**City of Great Falls, Montana
Current Water Rate Structure
June 30, 2023**

	<u>Residential</u>	<u>Low Income</u>	<u>Commercial</u>	<u>Black Eagle</u>	<u>Malmstrom AFB</u>
Monthly service charge					
Meter size (in inches)					
3/4	\$ 8.57	\$ 7.71	\$ 8.57	\$ -	\$ -
1	10.15	9.13	10.15	-	-
1 1/4	16.07	14.45	16.07	-	-
1 1/2	16.07	14.45	16.07	-	-
2	22.03	19.81	22.03	-	-
3	69.34	62.39	69.34	-	-
4	95.08	85.60	95.08	-	-
6	163.13	146.83	163.13	-	-
8	238.41	214.57	238.41	238.41	238.41
10	337.12	303.42	337.12	-	337.12
12	497.48	447.73	497.48	-	-
Monthly consumption charge					
First 600 cf	\$ 1.94	\$ 1.75	\$ 2.21	\$ 2.24	\$ 2.55
Over 600 cf	3.25	2.93	2.21	2.24	2.55
Monthly fire hydrant charge					
Meter size (in inches)					
3/4	\$ 2.97	\$ 2.97	\$ 2.97		
1	4.10	4.10	4.10		
1 1/4	9.42	9.42	9.42		
1 1/2	9.42	9.42	9.42		
2	14.62	14.62	14.62		
3	41.26	41.26	41.26		
4	61.62	61.62	61.62		
6	128.17	128.17	128.17		
Annual fire line charge					
Line size (in inches)					
2			\$ 23.76		
3			57.78		
4			100.45		
6			291.98		
8			621.72		
12			1,804.18		
16			3,844.68		

Source: Utility Division, City of Great Falls, Montana.

City of Great Falls, Montana
Historical Water System Connections
Last Ten Fiscal Years

Fiscal Year	Residential Customers	Commercial/ Industrial Customers	Total Customers	% of Residential Customers	Debt per connection
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	18,810	2,589	21,399	87.9%	\$ 1,282
2022	18,916	2,579	21,495	88.0%	\$ 1,202
2023	18,853	2,600	21,453	87.9%	\$ 1,127

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenues:										
Water charges for services ¹	\$ 9,857,288	\$ 11,027,200	\$ 11,107,594	\$ 12,076,482	\$ 13,961,722	\$ 13,214,836	\$ 13,720,128	\$ 13,971,805	\$ 14,789,878	\$ 14,140,242
Investment income	21,555	42,582	65,942	40,766	125,218	409,326	229,572	7,618	9,843	384,217
Gain (loss) on disposal of assets	12,298	1,459	562	9,106	7,070	(58,232)	-	-	-	-
Total operating revenues	9,891,141	11,071,241	11,174,098	12,126,354	14,094,010	13,565,930	13,949,700	13,979,423	14,799,721	14,524,459
Operating Expenses:²										
Personal services	2,321,012	2,296,225	2,287,701	2,525,022	2,747,271	2,734,340	2,776,465	3,094,388	2,787,713	2,904,729
Supplies and materials	872,711	870,907	912,383	858,466	1,261,800	1,126,160	949,325	798,139	1,276,819	1,456,661
Purchased services	799,501	706,909	692,198	704,133	857,070	792,263	672,260	834,854	1,074,815	1,239,761
Internal services	1,394,791	1,385,165	1,244,844	1,349,756	1,342,248	1,414,835	1,638,132	1,573,755	1,812,502	2,017,149
Other	50,551	45,877	47,330	50,211	46,671	46,733	47,426	9,879	21,980	4,390
Total operating expenses	5,438,566	5,305,083	5,184,456	5,487,588	6,255,060	6,114,331	6,083,608	6,311,015	6,973,829	7,622,690
Net revenue available for debt service	\$ 4,452,575	\$ 5,766,158	\$ 5,989,642	\$ 6,638,766	\$ 7,838,950	\$ 7,451,599	\$ 7,866,092	\$ 7,668,408	\$ 7,825,892	\$ 6,901,769
Net revenue	\$ 4,452,575	\$ 5,766,158	\$ 5,989,642	\$ 6,638,766	\$ 7,838,950	\$ 7,451,599	\$ 7,866,092	\$ 7,668,408	\$ 7,825,892	\$ 6,901,769
Depreciation expense	(2,759,952)	(2,857,431)	(3,035,806)	(3,436,604)	(3,490,663)	(3,531,514)	(3,740,167)	(4,418,162)	(5,561,198)	(5,550,135)
Total non-operating income	49,847	69,164	159,102	355,766	61,222	66,840	65,376	157,475	208,994	183,549
Total non-operating expenses	(61,522)	(30,465)	(44,770)	(16,115)	(20,000)	(779,734)	(766,897)	(723,790)	(682,611)	(641,444)
Transfers in (out)	-	-	-	-	-	-	-	(210,597)	-	24,500
Net income (loss)	\$ 1,680,948	\$ 2,947,426	\$ 3,068,168	\$ 3,541,813	\$ 4,389,509	\$ 3,207,191	\$ 3,424,404	\$ 2,473,334	\$ 1,791,077	\$ 918,239
Reserve cash account balances:										
Reserve account	\$ 485,055	\$ 328,066	\$ 328,066	\$ 647,330	\$ 1,241,960	\$ 1,241,948	\$ 1,191,893	\$ 1,141,375	\$ 1,141,375	\$ 1,141,375
Current debt service reserve account	40,421	314,021	328,066	647,330	1,241,960	1,241,948	1,191,893	1,141,375	1,141,375	1,141,375
Operating reserve account	527,204	527,204	442,090	432,038	457,299	521,255	509,528	506,967	525,918	581,152
Repair/replacement reserve account	935,514	935,514	935,514	935,514	935,514	935,514	935,514	935,514	935,514	935,514
Total reserves	\$ 1,988,194	\$ 2,104,805	\$ 2,033,736	\$ 2,662,212	\$ 3,876,733	\$ 3,940,665	\$ 3,828,828	\$ 3,725,231	\$ 3,744,182	\$ 3,799,416
* Maximum future principal and interest	\$ 485,055	\$ 656,075	\$ 656,075	\$ 1,294,659	\$ 2,483,921	\$ 2,483,897	\$ 2,383,785	\$ 2,282,750	\$ 2,282,750	\$ 2,282,750
Debt service coverage	917.95%	878.89%	912.95%	512.78%	315.59%	300.00%	329.98%	335.93%	342.83%	302.34%

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, 2023

	<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	\$ 9.92	\$ 8.91	\$ 9.92	\$ 9.92	\$ 9.92	\$ 9.01
Per 100 cf ¹	2.73	2.45	3.08	3.20	2.74	2.15

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	0.373 /lb
TSS>250mg/L	0.550 /lb

Pre-Treatment:

Monthly service charge	\$ 9.02
Volume charge/ccf	1.56
BOD>200 mg/L	0.373 /lb
TSS>250mg/L	0.550 /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 Customers	Commercial/ Industrial Customers	Total Customers	% of Residential Customers	Debt per connection
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	18,646	2,463	21,109	88.3%	560.99
2022	18,732	2,465	21,197	88.4%	504.36
2023	18,770	2,490	21,260	88.3%	463.36

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenues:¹										
Sanitary sewer charges for services	\$ 10,445,901	\$ 10,903,714	\$ 10,541,575	\$ 11,009,843	\$ 11,426,321	\$ 11,441,446	\$ 11,617,561	\$ 11,456,413	\$ 11,623,243	\$ 11,486,223
Investment income	8,712	45,462	62,831	52,518	114,991	300,410	230,436	10,709	3,266	470,616
Gain on disposal of assets	-	-	-	-	-	98,782	62,807	-	-	-
Total operating revenues	10,454,613	10,949,176	10,604,406	11,062,361	11,541,312	11,840,638	11,910,804	11,467,122	11,626,509	11,956,839
Operating Expenses:²										
Personal services	827,825	894,692	898,041	971,755	1,008,462	1,033,931	1,073,928	1,114,048	1,087,508	1,088,218
Supplies and materials	70,796	65,554	70,751	66,588	82,493	74,523	78,926	71,657	98,304	113,582
Purchased services	3,543,057	3,318,492	2,762,614	3,420,855	3,771,745	3,535,482	3,679,802	3,780,972	4,208,903	4,638,293
Internal services	842,952	1,001,671	1,030,174	1,095,245	1,031,948	1,091,402	1,154,076	1,201,560	1,244,307	1,279,284
Other	154,369	31,820	28,822	35,664	36,454	32,403	33,330	4,125	9,012	(972)
Total operating expenses	5,438,999	5,312,229	4,790,402	5,590,107	5,931,102	5,767,741	6,020,062	6,172,362	6,648,034	7,118,405
Net revenue available for debt service	\$ 5,015,614	\$ 5,636,947	\$ 5,814,004	\$ 5,472,254	\$ 5,610,210	\$ 6,072,897	\$ 5,890,742	\$ 5,294,760	\$ 4,978,475	\$ 4,838,434
Net revenue	\$ 5,015,614	\$ 5,636,947	\$ 5,814,004	\$ 5,472,254	\$ 5,610,210	\$ 6,072,897	\$ 5,890,742	\$ 5,294,760	\$ 4,978,475	\$ 4,838,434
Depreciation expense	(2,332,859)	(2,378,678)	(2,429,975)	(3,318,708)	(3,608,749)	(3,590,930)	(3,770,774)	(3,943,963)	(3,852,318)	(3,829,006)
Total non-operating income	22,501	24,875	471,173	229,254	237,006	34,847	18,328	51,911	58,311	78,754
Total non-operating expenses	(51,414)	(165,437)	(753,049)	(521,486)	(350)	(493,107)	(435,298)	(377,848)	(340,828)	(313,038)
Capital contributions - grants										871,169
Transfers in (out)	110,973	-	-	-	-	-	-	246,006	-	-
Net income (loss)	\$ 2,764,815	\$ 3,117,707	\$ 3,102,153	\$ 1,861,314	\$ 2,238,117	\$ 2,023,707	\$ 1,702,998	\$ 1,270,866	\$ 843,640	\$ 1,646,313
Reserve cash account balances:										
Reserve account	\$ 2,281,282	\$ 2,287,583	\$ 2,241,398	\$ 2,211,075	\$ 2,500,758	\$ 2,482,663	\$ 1,831,843	\$ 1,491,828	\$ 1,157,711	\$ 1,157,711
Current debt service reserve account	189,650	1,141,423	1,109,609	1,270,958	1,250,379	1,241,331	915,922	745,914	578,856	578,856
Operating reserve account	428,890	428,890	442,686	399,200	465,842	494,259	480,645	501,672	514,364	554,003
Repair/replacement reserve account	1,032,938	1,032,938	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	\$ 3,932,760	\$ 4,890,834	\$ 4,826,631	\$ 4,914,171	\$ 5,249,917	\$ 5,251,191	\$ 4,261,348	\$ 3,772,352	\$ 3,283,869	\$ 3,323,508
Maximum future principal and interest	\$ 2,050,230	\$ 2,287,583	\$ 2,594,536	\$ 2,541,916	\$ 2,500,758	\$ 2,482,663	\$ 1,831,843	\$ 1,491,828	\$ 1,157,711	\$ 1,157,711
Debt service coverage	244.64%	246.41%	224.09%	215.28%	224.34%	244.61%	321.57%	354.92%	430.03%	417.93%

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, 2023

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.	\$0.6695831 (per 1,000 sq. ft.) + \$2.2319436433
Group B Accounts in this group include Two Family Residential; Townhouse Residential; Three/Four Family Residential; Condominium Residential; & Mobile Homes and Trailer Courts.	\$0.8369789 (per 1,000 sq. ft.) + \$2.2319436433
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.	\$1.0880726 (per 1,000 sq. ft.) + \$2.2319436433
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).	\$1.5065620 (per 1,000 sq. ft.) + \$2.2319436433
Group E Accounts in this group consist of developed property that does not discharge storm water runoff into an underground storm drainage system.	\$0.1673958 (per 1,000 sq. ft.) + \$2.2319436433

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
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
2022	18,523	\$1,430,650	1,921	\$ 163,866	1,040	\$ 751,429	1,347	\$ 747,825	1,104	\$ 89,474	23,935	\$3,183,244	\$ 276
2023	17,750	\$1,456,000	1,812	\$ 167,092	1,024	\$ 641,256	1,288	\$ 786,159	1,072	\$ 74,175	22,946	\$3,124,682	\$ 260

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Revenues ¹	<u>\$ 1,857,326</u>	<u>\$ 2,005,166</u>	<u>\$ 2,120,599</u>	<u>\$ 2,419,771</u>	<u>\$ 2,663,503</u>	<u>\$ 2,997,284</u>	<u>\$ 3,110,007</u>	<u>\$ 2,917,430</u>	<u>\$ 3,196,684</u>	<u>\$ 3,126,725</u>
Operating Expenses:										
Personal services	45,917	30,757	27,614	105,170	295,974	310,809	256,552	238,865	195,821	234,932
Supplies	3,609	3,379	4,439	8,971	11,032	15,488	10,419	7,395	6,003	4,045
Other services	47,293	62,590	61,356	163,709	157,897	107,040	109,000	115,958	265,243	161,142
Internal support	<u>293,276</u>	<u>328,981</u>	<u>318,979</u>	<u>352,648</u>	<u>360,667</u>	<u>395,582</u>	<u>406,829</u>	<u>429,873</u>	<u>449,534</u>	<u>541,760</u>
Total operating expenses	<u>390,095</u>	<u>425,707</u>	<u>412,388</u>	<u>630,498</u>	<u>825,570</u>	<u>828,919</u>	<u>782,800</u>	<u>792,091</u>	<u>916,601</u>	<u>941,879</u>
Net operating income	<u>\$ 1,467,231</u>	<u>\$ 1,579,459</u>	<u>\$ 1,708,211</u>	<u>\$ 1,789,273</u>	<u>\$ 1,837,933</u>	<u>\$ 2,168,365</u>	<u>\$ 2,327,207</u>	<u>\$ 2,125,339</u>	<u>\$ 2,280,083</u>	<u>\$ 2,184,846</u>
Bonded Debt Service Requirements (per Operating Year):										
Principal	\$ 279,000	\$ 279,000	\$ 279,000	\$ 438,000	\$ 514,000	\$ 579,539	\$ 596,000	\$ 608,000	\$ 620,000	\$ 636,000
Interest	<u>7,920</u>	<u>7,920</u>	<u>7,920</u>	<u>77,238</u>	<u>148,194</u>	<u>199,854</u>	<u>203,954</u>	<u>189,815</u>	<u>175,211</u>	<u>160,308</u>
Total	<u>\$ 286,920</u>	<u>\$ 286,920</u>	<u>\$ 286,920</u>	<u>\$ 515,238</u>	<u>\$ 662,194</u>	<u>\$ 779,393</u>	<u>\$ 799,954</u>	<u>\$ 797,815</u>	<u>\$ 795,211</u>	<u>\$ 796,308</u>
Operating year coverage	511.37%	550.49%	595.36%	347.27%	277.55%	278.21%	290.92%	266.39%	286.73%	274.37%
Maximum future principal and interest	\$ 286,920	\$ 286,920	\$ 286,920	\$ 606,283	\$ 830,349	\$ 800,139	\$ 797,815	\$ 796,308	\$ 796,308	\$ 652,998
Bond covenant coverage	511.37%	550.49%	595.36%	295.12%	221.34%	271.00%	291.70%	266.90%	286.33%	334.59%

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
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities							Business-Type Activities			Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	General Obligation Taxable Bonds	Special Improvement Districts Bonds	Special District Revenue Bonds	Tax Increment Bonds	Capital Leases	Loans and Contracts Payable	Capital Leases	Loans and Notes Payable	Revenue Bonds Payable			
2014	\$ 2,220,000	\$1,035,000	\$ 215,000	\$ -	\$2,585,000	\$ -	\$ 335,102 ^b	\$ 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 ^b	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
2022	315,000	-	-	9,415,000	10,366,000	1,743,567	322,158	-	3,916,952	43,124,893	69,203,570	16.29%	1,325
2023	160,000	-	-	8,885,000	9,914,000	1,521,255	246,539	-	- ^c	40,007,893	60,734,687	13.4%	1,130

^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.

^c The implementation of GASB 91 removed the Loans and Notes payable from the City of Great Falls financial statements.

City of Great Falls
Summary of Limited General Obligations
June 30, 2023

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Fund</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Principal Amount Outstanding</u>
12-11-2015	\$ 802,000	General Fund	Purchase of Fire Trucks - Intercap Loan	2026	\$ 223,726
07-31-2015	58,000	Nonmajor Governmental Fund - Master Debt SILD	Design/Install City Street Lights - Intercap Loan #1309	2030	22,813
	<u>\$ 860,000</u>				<u>\$ 246,539</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 limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
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	101,651,616	0.99%	20.22	150,059,813	1,006,839	149,052,974	0.67%
2022	637,158	105,122,251	0.61%	12.20	156,756,425	637,158	156,119,267	0.41%
2023	406,539	183,390,614	0.22%	7.56	240,787,193	406,539	240,380,654	0.17%

^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, 2023

<u>Jurisdiction</u>	<u>General Obligation Debt Outstanding¹</u>	<u>Percent Allocable to City¹</u>	<u>Amount Allocable to City</u>
Elementary School District No. 1	\$ 36,925,000	69.37%	\$ 25,616,350
High School District No. 1	43,335,000	68.17%	29,539,959
Cascade County	-	-	-
Total overlapping debt			55,156,309
Total direct debt ²			20,726,794
Total direct and overlapping debt			<u>\$ 75,883,103</u>

¹ Accounting staff from Great Falls Public Schools

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
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%
2022	60,403	4,248,346	52,226	10,132	2.9%
2023	60,382	4,543,743	53,765	9,971	2.7%

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	2023			2014		
	Number of Employees ¹	Rank	Percentage of Total Employment	Number of Employees ¹	Rank	Percentage of Total Employment
Malmstrom Air Force Base	4,017 ²	1	11%	4,693	1	12%
Benefis Health Care Center	3,300	2	9%	2,695	2	7%
Great Falls Public Schools	1,941	3	5%	2,035	3	5%
Montana Air National Guard	589 ³	4	2%	1,229	4	3%
Wal-Mart	614 ⁵	5	2%	475	8	1%
Great Falls Clinic Specialty Center	700	6	2%	447	9	1%
City of Great Falls	508 ⁴	7	1%	541	6	1%
Cascade County	486	8	1%	500	7	1%
North 40 Outfitters	310	9	1%	-	-	-
D.A. Davidson	238 ⁵	10	1%	-	-	-
Asurion (formerly N.E.W. Customer Services Cos.)				552	5	2%
Easter Seals - Goodwill				416	10	1%

Source:

2023: Administration offices of each individual employer.

2014: Great Falls Tribune, Great Falls Montana Outlook 2014 printed February 23, 2014

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 Federal Fiscal Year 2022 Report

³ Includes military and civilian personnel.

⁴ Does not include seasonal labor.

⁵ Updated information not available for 2023. Presented same as 2022.

City of Great Falls, Montana
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	-
City Manager	4.17	4.17	4.16	4.00	4.00	4.00	4.00	4.00	4.00	4.00
City Clerk	1.51	1.51	1.84	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	3.60	3.60	4.60	4.60	4.60	4.60	4.60	4.60	7.60	7.60
Insurance & Safety	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	8.00	8.00
Animal Shelter Operations	5.00	9.00	9.00	9.28	10.28	10.28	10.28	10.28	10.28	10.28
Events	-	4.54	4.54	4.54	4.54	4.54	4.54	4.54	4.54	8.64
Planning & Community Development	24.70	25.12	24.92	25.25	26.73	28.50	27.50	29.50	29.50	24.53
Fire	68.00	69.00	71.00	71.00	72.00	71.00	71.00	71.00	71.00	71.00
Finance	33.56	26.06	26.06	26.06	16.10	16.10	16.10	16.10	16.10	16.10
Legal	7.25	7.25	7.25	8.00	9.00	9.29	9.29	9.29	9.29	10.29
Library	21.54	17.47	17.47	18.17	17.80	17.80	17.80	17.80	17.80	18.18
Municipal Court	-	7.50	7.50	8.00	8.50	9.00	10.49	10.49	10.49	10.49
Park & Recreation	84.31	74.43	73.18	73.76	80.84	78.04	63.46	63.46	63.46	59.28
Police	128.00	127.00	129.00	132.00	132.00	132.00	133.00	133.00	133.00	136.00
Public Works	133.95	134.63	131.50	135.50	136.53	137.20	136.65	131.94	135.94	135.25
Total	536.34	532.03	532.77	542.91	553.67	553.10	539.46	536.75	542.75	522.89

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 215, 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.

In 2022, the payroll function was moved from Finance to Human Resources and Insurance & Safety was moved to Human Resources.

In 2023, the CC Facilities fund moved from Planning to Events. As of December 1, 2022, The Housing Authority were no long City employees.

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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Building Permits										
Residential Permits Issued	317	319	307	312	247	261	207	183	164	175
Residential Permits Value	\$20,429,394	\$47,027,407	\$24,072,839	\$24,988,681	\$17,895,208	\$ 14,432,565	\$11,271,021	\$ 7,669,127	\$ 14,543,669	\$ 17,075,066
Commercial Permits Issued	183	265	216	237	248	189	150	144	155	136
Commercial Permits Value	\$34,045,526	\$38,100,796	\$56,007,682	\$76,851,256	\$62,080,118	\$ 99,886,513	\$57,670,970	\$63,909,044	\$ 120,169,314	\$ 186,722,448
Fire Department										
Structure Fires	51	49	66	52	52	69	55	73	60	54
Fire Calls	589	615	626	677	688	120	110	66	105	58
EMS/Rescue Calls	4,772	4,764	5,009	5,132	5,624	5,451	5,809	5,626	4,897	4,567
Haz-Mat Calls	49	45	69	59	61	105	120	276	104	85
Public Service Calls	852	809	768	867	952	931	907	1,964	1,991	1,593
Good Intent Calls	487	528	586	683	678	925	970	391	441	475
Out of City	88	96	88	NA	5	6	8	4	13	11
Library										
Yearly Patrons	222,979	197,519	179,797	174,705	169,164	157,959	152,241	73,583	89,604	98,001
Yearly Circulation	346,063	307,935	293,360	279,909	280,497	274,574	296,820	246,995	232,039	257,898
Yearly Internet Users	59,708	50,433	40,004	62,434	89,443	89,844	90,868	55,633	81,381	97,024
Sanitation										
Residential Customers	14,879	14,891	15,000	15,000	15,190	15,805	16,937	16,214	16,721	16,859
Commercial Customers	1,630	1,917	1,700	1,700	2,070	1,525	1,439	1,298	1,461	1,585
Streets										
Weed Violations	1,312	2,655	2,481	2,448	2,925	2,713	2,052	2,384	2,537	2,352
Water Main Breaks										
Number of Breaks	41	46	37	33	38	34	44	27	33	36
Break Cost	\$ 247,672	\$ 234,659	\$ 174,045	\$ 191,096	\$ 184,979	\$ 181,232	\$ 290,718	\$ 174,507	\$ 232,769	\$ 281,712
911 Center Calls										
Police	40,216	38,093	38,074	42,139	43,768	43,655	48,680	46,214	43,459	39,924
Great Falls Fire	6,876	6,723	7,111	7,492	8,094	8,110	8,541	8,577	7,739	7,071
Cascade County	11,879	12,455	12,638	12,866	15,521	12,642	16,793	19,503	19,972	21,242
Medical Calls	6,075	6,195	6,600	6,881	7,611	9,154	9,182	9,053	9,270	11,264
Rural Fire	769	737	939	980	1,018	1,095	1,229	1,726	1,668	1,593
City Planning										
Annexation Applications	5	2	3	2	4	7	4	4	2	3
Subdivision Applications	8	8	8	2	8	7	5	2	5	5
Zoning Applications	6	5	10	2	10	6	6	2	4	3
Court										
Number of Violations	10,011	11,607	11,315	13,261	13,166	11,174	12,523	10,513	10,325	10,353
	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Parking										
Number of Violations	13,843	15,692	14,629	14,354	12,857	11,602	9,593	7,849	8,003	16,445
Number of Monthly Permits Issued	9,312	10,270	9,195	5,975	5,422	6,193	6,116	5,609	8,965	5,610

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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Fire Department										
Number of Stations	4	4	4	4	4	4	4	4	4	4
Number of Training Centers	1	1	1	1	1	1	1	1	1	1
Number of Fire Vehicles	23	23	24	24	29	29	29	28	28	28
Police Department										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Vehicles	71	77	83	71	70	70	70	72	71	74
Sanitation										
Number of Collection Trucks	23	23	24	24	24	23	23	23	19	19
Streets										
Miles of Streets/Alleys	383	383	383	383	383	383	383	383	383	393
Miles of Street Striping	100	78	50	50	50	50	50	50	50	50
Street Signs	12,913	12,995	13,690	13,073	14,072	14,270	14,270	14,489	14,637	14,667
City/State Street Signals	89	89	89	89	90	90	90	90	90	90
Water										
Water mains (miles)	312.82	313.64	314.51	318.11	318.94	320.25	321.16	322.16	327.62	330.65
Fire hydrants	3,154	3,169	3,185	3,233	3,246	3,266	3,274	3,284	3,355	3,366
¹ Storage capacity (million gallons)	10.75	10.75	10.75	8.75	8.75	9.75	9.75	9.75	9.75	9.75
Sanitary Sewer										
Sanitary sewers (miles)	246.59	247.34	249.02	252.54	252.97	253.82	254.05	254.45	255.00	255.22
Storm sewers (miles)	119.09	120.36	120.36	122.94	122.98	124.52	125.61	127.59	127.59	127.6
² Treatment capacity (million gallons)	13	13	13	13	13	13	13	13	13	13
Parks and recreation										
Number of parks	66	66	66	66	66	66	66	67	67	58
Acreage of parks	1,155	1,155	1,215	1,214	1,214	1,214	1,214	1,224	1,225	1,225
Trees (approximately)	42,500	42,000	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,000
Pools	4	4	4	4	4	3	3	3	3	3
Golf Courses	2	2	2	2	2	2	2	2	2	2
Skate Park	1	1	1	1	1	1	1	1	1	1
Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Parking										
Parking lots	6	6	6	6	5	5	5	5	5	5
Parking garages	2	2	2	2	2	2	2	2	2	2
Off street parking spaces	1,143	1,122	1,122	1,122	1,097	1,098	1,098	1,098	1,098	1,098
Metered parking spaces	1,100	1,092	1,092	1,092	946	946	946	946	946	946
Library										
Number of Books Purchased	9,793	9,703	10,491	8,134	9,774	10,131	9,428	8,414	8,819	7,148

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.

Source: City of Great Falls, Montana

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INDEPENDENT AUDITORS' 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 (GAAS) 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 (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 7, 2023.

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'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.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

INDEPENDENT AUDITORS' 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

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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.

KCoe Jam, LLP

December 7, 2023
Great Falls, Montana



INDEPENDENT AUDITORS' 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

Opinion on Each Major Federal Program

We have audited the City of Great Falls, Montana's (the City) 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's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

(Continued)

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

KCoe Jam, LLP

December 7, 2023
Great Falls, Montana

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Funding Agency	Federal Assistance Listing Number	Program Number	Program or Award Amount	Revenues	Expenditures	Passed Through to Subrecipients
United States Department of Defense						
Direct Programs						
Community Investment - Big Sky Recreation Center	12.600	CIP1280-20-01	\$ 10,000,000	\$ 6,091,626	\$ 6,091,626	\$ -
Total Department of Defense				<u>6,091,626</u>	<u>6,091,626</u>	<u>-</u>
United States Department of Health and Human Services						
Direct Programs						
HIDTA 2021	95.001	G-21RM0045A	277,979	7,711	7,711	-
HIDTA 2022	95.001	G-22RM0045A	232,216	100,820	100,820	-
HIDTA 2023	95.001	G-23RM0045A	247,224	91,082	91,082	-
Total Department of Health and Human Services				<u>199,613</u>	<u>199,613</u>	<u>-</u>
United States Department of Housing and Urban Development						
Direct Program						
Community Development Block Grant						
Entitlement Program	14.218	B-22-MC-30-0002	764,295	536,796	536,796	472,502
HOME Investment Partnership Program	14.239	M-22-MC-30-0218	319,759	50,644	50,644	-
Total Department of Housing & Urban Development				<u>587,440</u>	<u>587,440</u>	<u>472,502</u>
Department of Homeland Security						
Direct Programs						
Assistance to Firefighters - SCBA	97.044	EMW-2021-FG-07950	99,546	99,545	99,545	-
Pass Through State of Montana						
Pre-Disaster Mitigation Grant	91.017	PDMC-PJ-08-MT-2019-005	397,750	220,051	220,051	-
HAZMAT Sustainability	97.067	19HSGHAZ	40,000	34,729	34,729	-
Total Department of Homeland Security				<u>354,325</u>	<u>354,325</u>	<u>-</u>
United States Department of the Interior - National Park Service						
Pass Through State of Montana Historic Preservation Office						
Historic Preservation Fund	15.904	MT-20-017	6,000	6,000	6,000	-
Total National Park Service				<u>6,000</u>	<u>6,000</u>	<u>-</u>

continued on next page

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Funding Agency	Federal Assistance Listing Number	Program Number	Program or Award Amount	Revenues	Expenditures	Passed Through to Subrecipients
United States Department of Justice						
Direct Programs						
BJA FY 20 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1039	84,380	42,039	42,039	-
Bulletproof Vest Program	16.607	2017-BUBX14074090	7,976	9,442	9,442	-
COPS CPD Crisis Intervention	16.710	15JCOPS-21-GG-02329-SPPS	239,000	57,052	57,052	-
COPS Hiring	16.710	15JCOPS-21-GG-03522-UHPX	375,000	190,790	190,790	-
Justice Assistance Grant (JAG) 22	16.738	15PBJA-21-GG-01630-JAGX	52,829	19,632	19,632	-
Justice Assistance Grant (JAG) 23	16.738	15PBJA-21-GG-01630-JAGX	42,435	11,038	11,038	-
Total Department of Justice				<u>329,993</u>	<u>329,993</u>	<u>-</u>
United States Department of Transportation						
Direct Programs						
Highway Planning and Construction	20.205	N/A	1,373,400	411,642	411,642	-
Federal Transit Metropolitan Planning Funds	20.505	N/A	125,252	118,294	118,294	118,294
Pass Through Montana Department of Transportation						
HMEP	20.703	HM-HMP-0576-16	59,584	6,986	6,986	-
Total Department of Transportation				<u>536,922</u>	<u>536,922</u>	<u>118,294</u>

continued on next page

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards (Concluded)
Year Ended June 30, 2023

Funding Agency	Federal Assistance Listing Number	Program Number	Program or Award Amount	Revenues	Expenditures	Passed Through to Subrecipients
United States Department of the Treasury American Rescue Plan Act (ARPA)	21.027					
Direct Program			19,472,738			
Internal Programs						
Admin Expense			267,750	63,430	63,430	-
IT Network Security			140,270	140,270	140,270	-
Fire Station Doors			425,000	393,797	393,797	-
HR Office Remodel			829,310	785,130	785,130	-
Library Internet Expansion			15,000	15,000	15,000	-
Parking Garage Security Improvements			52,786	52,876	52,876	-
Miscellaneous Fire Department Equipment			88,410	88,410	88,410	-
Park & Rec Admin Building ADA Restroom			75,000	8,000	8,000	-
Animal Shelter Cattery			35,600	30,748	30,748	-
Fire Station Infrastructure			3,028,000	299,765	299,765	-
PD Evidence Building/PD Front Entrance			4,500,000	172,878	172,878	-
Civic Center HVAC			1,346,667	214,569	214,569	-
Total Internal Programs				2,264,873	2,264,873	-
Subawards						
Great Falls Air Port SCASD			150,000	150,000	150,000	150,000
Alliance for Youth			287,278	11,997	11,997	11,997
Discovery Family Counseling Services			49,000	30,405	30,405	30,405
Great Falls Voyagers			600,000	568,800	568,800	568,800
Great Falls College Montana State University			197,350	20,412	20,412	20,412
Great Falls Scottish Rite Childhood Language Disorders Clinic			70,894	15,971	15,971	15,971
Helping Hands			49,900	49,900	49,900	49,900
Peace Place			375,000	34,156	34,156	34,156
United Way			85,000	7,075	7,075	7,075
YWCA			75,000	5,420	5,420	5,420
Total Subawards				894,136	894,136	894,136
Total ARPA Direct Program				3,159,009	3,159,009	894,136
Pass Through Montana Department of Natural Resources and Conservation			5,729,200			
House Bill 632 - ARPA Water and Sewer Competitive Grant Award						
Central Avenue and 3rd Street Drainage Improvements			1,864,600	336,718	336,718	-
Lift Station No. 1 Facility Improvements and Supplemental Foremain			2,000,000	651,119	651,119	-
House Bill 632 - ARPA Water and Sewer Minimum Allocation Grant Award						
Central Avenue and 3rd Street Drainage Improvements			1,864,600	201,123	201,123	-
Total ARPA Pass Through				1,188,960	1,188,960	-
Total Department of the Treasury				4,347,969	4,347,969	-
Total Federal Financial Assistance				\$ 12,453,888	\$ 12,453,888	\$ 1,484,932

City of Great Falls, Montana
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

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 are included in the Schedule.

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, are 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.

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, 2023

Summary of Auditors' Results

Financial Statements:

Type of auditors' 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 auditors' 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, 2023, are as follows:	<u>CFDA#</u>
Community Investment – Big Sky Recreation Center	12.600
American Rescue Plan Act	21.027
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
Status of Prior Audit Findings
Year Ended June 30, 2023

There were no prior year audit findings relative to the financial statements or major federal award programs.