

Fiscal Year
2025

City of Great Falls, Montana

Annual Comprehensive Financial Report



City of Great Falls, Montana **Annual Comprehensive Financial Report**

Fiscal Year 2025
July 1, 2024 to June 30, 2025



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, 2025

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City of Great Falls, Montana

2 Park Drive South
P.O. Box 5021
Great Falls, Montana 59403

December 22, 2025

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, 2025. 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, 2025. 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.

Eide Bailly, LLP has issued an unmodified ("clean") opinion on the City of Great Falls' financial statements for the fiscal year ended June 30, 2025. 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 11).

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 Judges, who are 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 2025 unemployment rate was 2.9% for Great Falls compared to a rate of 3.1% in June 2024. The June 2025 State of Montana unemployment rate was 2.8%. Both Great Falls and the State of Montana were below the national unemployment rate of 4.4% in June 2025.

Many industries are investing in the Great Falls community.

- Malmstrom Air Force Base and the community continued preparations for a multi-year, multi-billion-dollar missile replacement project.
- Calumet Montana Refinery has invested in Great Falls for many years. The company has announced plans to construct onsite water treatment to complement their production of sustainable aviation fuel.
- Benefis Health System is constructing a new urgent care facility and is developing a new doctor residency program. Touro Medical School is in its fourth year.
- The City of Great Falls held stakeholder and community outreach events for the update of the City of Great Falls Growth Policy. The Great Falls Long Range Transportation Plan was completed.
- Great Falls Public Schools celebrated the opening of its first CORE school – the first teacher prep charter school in Montana in partnership with the University of Montana Western.
- Pasta MT increased their processing capacity with the addition of a new processing line and Montana Specialty Mills completed their expansion which created three times the oil seed processing capacity.
- Various housing, retail, restaurant and hospitality projects are underway in the community as well.

ACCOMPLISHMENTS IN FISCAL YEAR 2025

During Fiscal Year 2025, the City maintained the General Fund balance above the 22% minimum policy threshold. Personnel remains the largest expense, and all but two expiring union contracts have been successfully renegotiated. The management agreement with the Great Falls Public Library was also renegotiated, resulting in the return of 3.5 mills to the General Fund. American Rescue Plan Act (ARPA) projects remain on track, with all funds expected to be spent by the 2026 deadline. The remaining projects are the Police Evidence Building and the Municipal Court Relocation. The City also secured multiple State grants to support improvements to the Civic Center, Animal Shelter, and Police Department. Public Works continues to invest in the City's utility systems and core infrastructure through its capital improvement program. Notable projects this year include the Central Avenue storm drain improvements, upgrades to Sewer Lift Station #1, and the rehabilitation of the 33rd Street Water Storage Tank.

BUDGET OBJECTIVES FOR FISCAL YEAR 2026

The City's General Fund unreserved balance has remained a key focus since the onset of the pandemic. For FY2026, the unreserved General Fund balance is projected to be \$10,238,918 or 23.8% of operating expenditures. Several major factors continue to shape the City's budget outlook, which include labor market trends and inflation at the national level and local impacts from tax protests, legislative actions, and increasing public safety demands. State legislative changes to property tax structures are expected to affect City revenues in FY2026 and beyond. Due to budget constraints, General Fund subsidies for various Park & Recreation funds and the Civic Center Events Fund were not fully met at the requested levels. To address this, two operational and fee structure studies will be conducted in FY2026, one for Park & Recreation and one for Events. Across all City funds, personnel costs, including wages and benefits, remain a significant budget driver, influenced by ongoing labor negotiations and rising health insurance premiums.

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, 2024. This was the 31st consecutive year that the City has achieved this prestigious award (fiscal years ended 1994-2024). 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, 2025.

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, 2024. This was the 34th consecutive year that the City has achieved this prestigious award (fiscal years beginning 1991-2024). 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 is sincerely appreciated.

Respectively submitted,

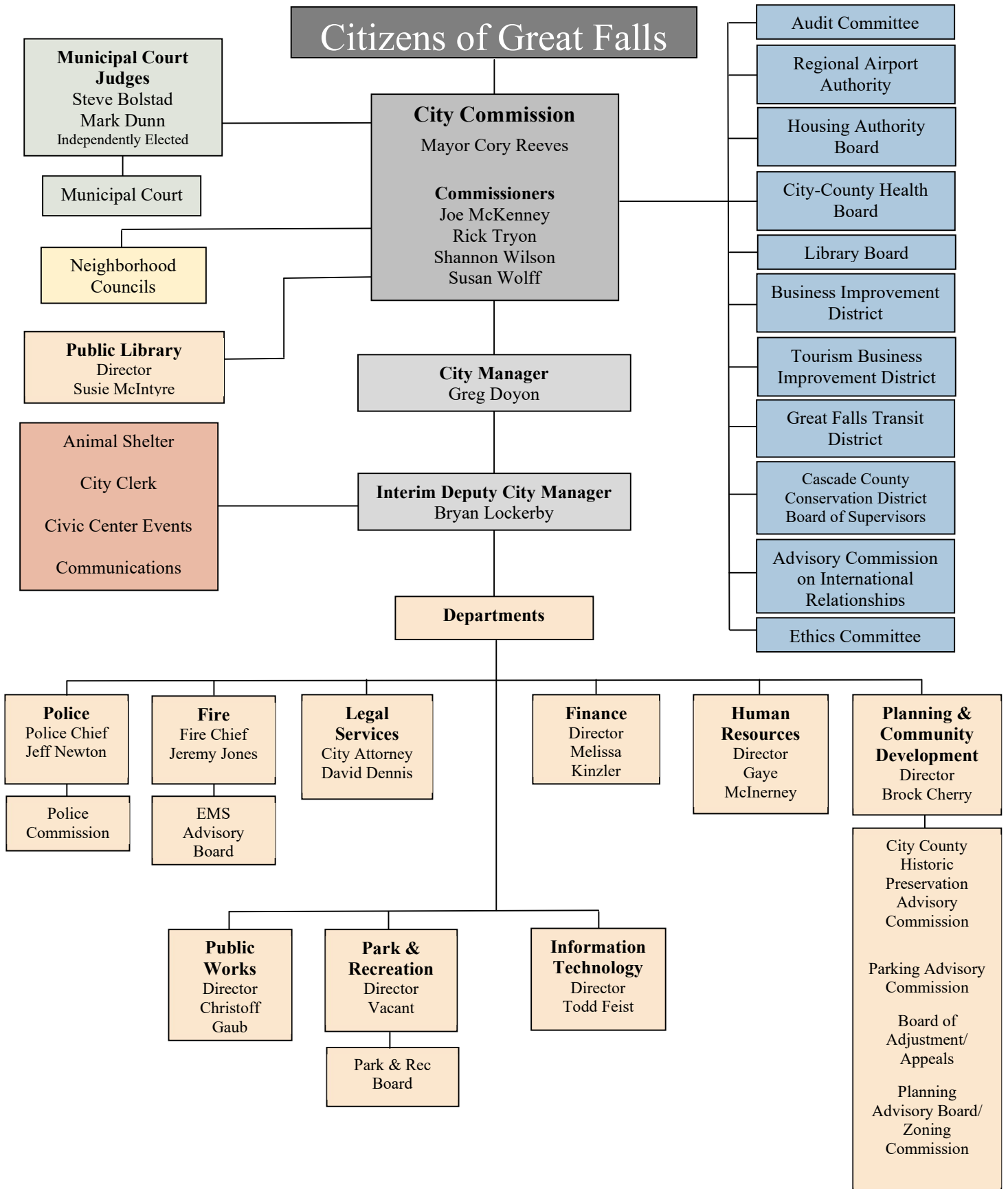


Melissa Kinzler
Finance Director

City of Great Falls, Montana

Organizational Chart

June 30, 2025



City of Great Falls, Montana
List of Elected and Appointed Officials
June 30, 2025

Elected Officials

Cory Reeves	Mayor	(406) 899-0518
Joe McKenney	Commissioner	(406) 868-2980
Rick Tryon	Commissioner	(406) 788-8901
Shannon Wilson	Commissioner	(406) 750-8190
Susan Wolff	Commissioner	(406) 750-1192
Steve Bolstad	Municipal Judge	(406) 771-1380
Mark Dunn	Municipal Judge	(406) 771-1380

Appointed Positions

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

Bryan Lockerby	Interim Deputy City Manager	(406) 455-8450
Lisa Kunz	City Clerk	(406) 455-8451
Meredith Dawson	Communication Specialist	(406) 455-8496
Owen Grubenhoff	Civic Center Events Supervisor	(406) 455-8510
Todd Feist	IT Director	(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
Jeremy Virts	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) 455-8478
Neil Anthon	Chief Prosecutor	(406) 455-8449
Vacant	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
Lonnie Hill	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) 727-8390
Jake McKenna	Public Works/ Utility Systems Supervisor	(406) 455-8137
Jesse Patton	Public Works/ Interim City Engineer	(406) 455-8124
Cody McRady	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, 2024

Christopher P. Merrill

Executive Director/CEO



Independent Auditor's 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 financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Great Falls (the City), as of and for the year ended June 30, 2025 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 the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025, 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.

We did not audit the financial statements of the Great Falls Business Improvement District or the Great Falls Tourism Business Improvement District, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2025. 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 and the Great Falls Tourism Business Improvement District 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's 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.

Correction of Error

As discussed in Note 19 to the financial statements, the City has identified certain errors related to its financial statements for the year ended June 30, 2024 and has corrected these amounts. These corrections relate to the capitalization of certain internal engineering costs, the timing of revenue recognition for federal grants, and the accrual of payroll at fiscal year-end. Accordingly, a restatement has been made to the general, and federal block grant fund balances and the governmental activities, business-type activities, water, sewer, and storm drain net position as of July 1, 2024 to correct the errors. Our opinions are not modified with respect to this matter.

Emphasis of a Matter

As discussed in Note 1 and Note 19 to the financial statements, there was a change to the reporting entity during the year due to the removal of the Public Library Foundation, which was previously reported as a discretely presented component unit. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Auditor's 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 auditor's 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 GAAS 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the general fund and major special revenue funds, schedules of proportionate share of net pension liability and schedules of contributions, and schedule of changes in OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with 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 combining fund financial statements and the individual budgetary comparison schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The 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. In our opinion, the combining fund financial statements and the individual budgetary comparison schedules as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2025 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, grant agreements, and other matters. The purpose of that report is solely 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 the effectiveness of the City's 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.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Denver, Colorado
December 22, 2025

City of Great Falls, Montana
Management's Discussion and Analysis
Fiscal Year 2025

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, 2025. 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 22.

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 \$292,119,956; of this amount; \$17,996,047 is the unrestricted net position.
- The government's total net position increased by \$11,128,877 in comparison with the prior year. This increase was attributable to the increase of governmental activities of \$3,777,106 and an increase of business-type activities of \$7,351,771.
- During fiscal year 2025, the City made the following error corrections which resulted in restatement of beginning balances. Notes 6 and 19 provide more information.
 - The City identified the improper capitalization of certain expenditures for internal engineering services, resulting in overstatement of capital assets by \$9,753,754 at June 30, 2024. Capital assets decreased \$1,364,640 in governmental activities and \$8,389,114 in business-type activities
 - The City identified grant revenue that should have been recorded in the Federal Block Grant Fund in the prior year which resulted in the understatement of accounts receivable and federal revenue of \$111,950 as of June 30, 2024.
 - The City identified accrued payroll that should have been recorded in the prior year which resulted in the understatement of General Fund expenditures by \$563,934 at June 30, 2024.
- As of the close of the most recent fiscal year, the City of Great Falls' governmental funds reported combined ending fund balances of \$46,792,479, an increase of \$603,491 in comparison with the prior year. Approximately 45% of this total amount, \$20,996,817, 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 \$9,981,522 or 22.32% of total general fund expenditures and transfers.
- The City of Great Falls' bonded debt decreased by \$4,040,000 (7.9%) 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 \$208,349,809. 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 \$3,693,726.

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 23 – 25, 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 two component units, the Great Falls Business Improvement District (Business Improvement District) and the Great Falls Tourism Business Improvement District (Tourism Business Improvement District). 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; and Great Falls Tourism Business Improvement District, PO Box 648, 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-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the COVID Recovery Fund, the Street District Fund, and the Federal Block Grant Fund, all of which are considered to be major funds. Data for the basic governmental fund financial statements is presented on pages 26 – 31. Data from the other twenty-nine governmental funds are combined into a single, aggregated presentation, on pages 122 – 148.

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, 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 32 – 39. The other ten proprietary funds are combined into a single, aggregated presentation, presented on pages 150 – 161. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements, presented on pages 163 – 174.

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 40 – 41 with detail data presented on pages 176 – 179.

NOTES TO THE FINANCIAL STATEMENTS. The notes, presented on pages 42 – 104, 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 105 – 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 \$292,119,956.

By far the largest portion of the City of Great Falls' net position, \$224,741,100 (76.9%), 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	
	2025	2024 Restated	2025	2024 Restated	2025	2024 Restated
Assets:						
Current and other assets	\$ 69,953,861	\$ 75,182,265	\$ 48,226,163	\$ 45,672,298	\$118,180,024	\$ 120,854,563
Capital assets	104,627,020	97,421,475	172,790,798	171,842,516	277,417,818	269,263,991
Total assets	174,580,881	172,603,740	221,016,961	217,514,814	395,597,842	390,118,554
Deferred outflows of resources	6,533,709	7,473,605	1,200,347	1,105,611	7,734,056	8,579,216
Total assets and deferred outflows of resources	181,114,590	180,077,345	222,217,308	218,620,425	403,331,898	398,697,770
Liabilities:						
Current liabilities	11,137,370	9,274,883	5,865,197	6,322,189	17,002,567	15,597,072
Noncurrent liabilities	51,059,121	54,806,613	39,405,206	42,634,572	90,464,327	97,441,185
Total liabilities	62,196,491	64,081,496	45,270,403	48,956,761	107,466,894	113,038,257
Deferred inflows of resources	3,396,981	4,251,837	348,067	416,597	3,745,048	4,668,434
Net position:						
Net investment in capital assets	85,910,194	77,550,177	138,830,906	134,888,621	224,741,100	212,438,798
Restricted	41,361,384	46,414,623	8,021,425	7,876,771	49,382,809	54,291,394
Unrestricted	(11,750,460)	(12,220,788)	29,746,507	26,481,675	17,996,047	14,260,887
Total net position	\$ 115,521,118	\$111,744,012	\$176,598,838	\$ 169,247,067	\$292,119,956	\$ 280,991,079

Restatement is due to error corrections resulting in adjustments to and restatements of beginning balances. Notes 6 and 19 provide additional information.

An additional portion of the City of Great Falls' net position, \$49,382,809, represents resources that are subject to external restrictions on how they may be used. Restricted net position reported for the business-type activities is \$8,021,425. 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 is \$17,996,047. In governmental activities, (\$11,750,460) 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 \$6,265,649 due to the addition of machinery and equipment and a decrease in

deferred outflows of resources. Current liabilities and deferred inflows of governmental activities increased by \$1,571,565 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 \$17,996,047. The governmental activities unrestricted net position (\$11,750,460) is negative due to the previous recognition of the GASB 68 and GASB 75 requirements.

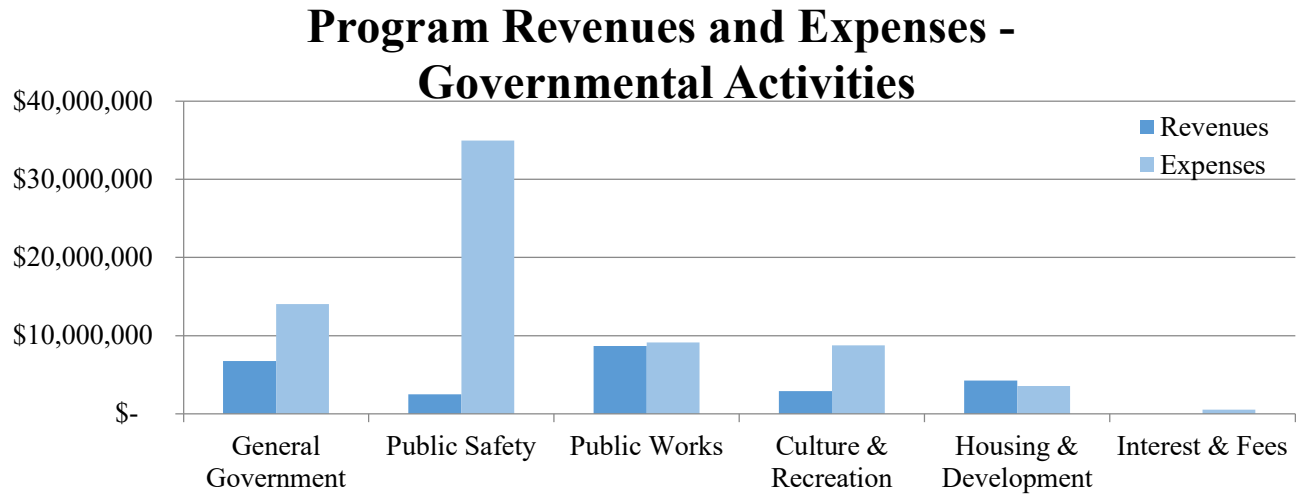
City of Great Falls' Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024 Restated	2025	2024 Restated	2025	2024 Restated
Revenues:						
Program revenues:						
Charges for services	\$ 20,438,613	\$ 21,087,664	\$ 48,230,045	\$ 43,142,492	\$ 68,668,658	\$ 64,230,156
Operating grants and contributions	2,738,194	1,846,506	-	-	2,738,194	1,846,506
Capital grants and contributions	1,891,573	4,791,680	1,688,110	4,428,460	3,579,683	9,220,140
General revenues:						
Property taxes, levied for general purposes	32,285,367	31,070,408	-	-	32,285,367	31,070,408
Grants and contributions, unrestricted	10,164,569	9,815,865	-	-	10,164,569	9,815,865
Other	1,914,108	2,685,865	1,650,041	1,765,396	3,564,149	4,451,261
Miscellaneous	6,691,643	9,054,302	442,915	461,727	7,134,558	9,516,029
Total revenues	<u>76,124,067</u>	<u>80,352,290</u>	<u>52,011,111</u>	<u>49,798,075</u>	<u>128,135,178</u>	<u>130,150,365</u>
Expenses:						
General government	14,034,528	16,853,958	-	-	14,034,528	16,853,958
Public safety	34,935,297	33,446,687	-	-	34,935,297	33,446,687
Public works	9,129,064	8,610,213	-	-	9,129,064	8,610,213
Culture and recreation	8,735,820	7,966,383	-	-	8,735,820	7,966,383
Housing and development	3,562,843	3,289,502	-	-	3,562,843	3,289,502
Interest and fees	539,467	565,684	-	-	539,467	565,684
Water	-	-	15,718,071	14,724,210	15,718,071	14,724,210
Sewer	-	-	12,729,593	12,452,928	12,729,593	12,452,928
Storm Drain	-	-	3,433,013	3,301,952	3,433,013	3,301,952
Sanitation	-	-	5,483,581	5,145,408	5,483,581	5,145,408
Other	-	-	8,705,024	7,013,017	8,705,024	7,013,017
Total expenses	<u>70,937,019</u>	<u>70,732,427</u>	<u>46,069,282</u>	<u>42,637,515</u>	<u>117,006,301</u>	<u>113,369,942</u>
Increase in net position before transfers	5,187,048	9,619,863	5,941,829	7,160,560	11,128,877	16,780,423
Transfers	<u>(1,409,942)</u>	<u>(1,153,741)</u>	<u>1,409,942</u>	<u>1,153,741</u>	<u>-</u>	<u>-</u>
Increase in net position	3,777,106	8,466,122	7,351,771	8,314,301	11,128,877	16,780,423
Total net position - beginning, as previously reported	111,744,012	105,094,514	169,247,067	169,321,880	280,991,079	274,416,394
Adjustments (Note 19)	<u>-</u>	<u>(1,816,624)</u>	<u>-</u>	<u>(8,389,114)</u>	<u>-</u>	<u>(10,205,738)</u>
Total Net Position - Beginning, as Restated	<u>111,744,012</u>	<u>103,277,890</u>	<u>169,247,067</u>	<u>160,932,766</u>	<u>280,991,079</u>	<u>264,210,656</u>
Net position - ending	<u>\$ 115,521,118</u>	<u>\$ 111,744,012</u>	<u>\$ 176,598,838</u>	<u>\$ 169,247,067</u>	<u>\$ 292,119,956</u>	<u>\$ 280,991,079</u>

The City of Great Falls’ revenues totaled \$128,135,178. The total cost of all programs and services was \$117,006,301. 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 \$76,124,067 while expenses were \$70,937,019. Net position thus increased by \$5,187,048 before transfers. Charges for services decreased \$649,051 due to decrease of collections for services in governmental funds. Operating grants and contributions increased \$891,688 because of an increase in grants received in the General Capital Projects Fund. Capital grants and contributions decreased \$2,900,107 due to the fewer grants received for capital projects. Property taxes increased by \$1,214,959 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 \$348,704 primarily due to a stabilization of this revenue. Miscellaneous revenue decreased \$2,362,659 due to less on-behalf pension revenue received.

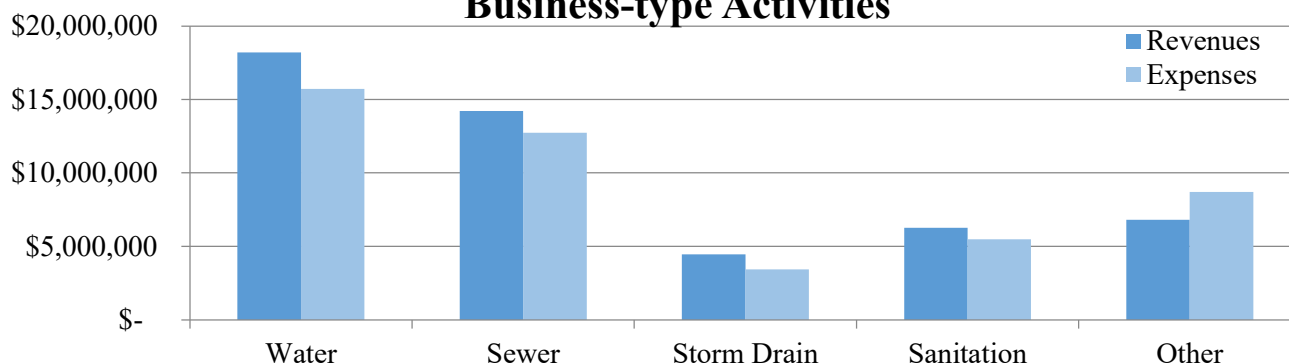
General government related expenses decreased by \$2,819,430 primarily due to pension and OPEB adjustments and spending of American Rescue Plan Act funds. Public safety related expenses increased by \$1,488,610 primarily due to increased personnel costs in the General Fund and other pension adjustments. Public works related expenses increased by \$518,851 primarily due to increased Street Fund activity. Culture and recreation related expenses increased by \$769,437 due to projects in the Park Special Revenue Fund and Library Foundation Fund.



Business-type Activities. Revenues for the most recent year from business-type activities were \$52,011,111 while expenses were \$46,069,282. Net position thus increased by \$5,941,829 before transfers. Overall revenue derived from charges for services increased by \$5,087,553, primarily due to increased rates and usage by customers in the Water Fund, Sewer Fund, Sanitation Fund, and Storm Drain Fund. The business-type activities expenses increased by \$3,431,767 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, Aim High Big Sky Fund and Civic Center Events Fund were subsidized by transfers in from the General Fund in the amounts of \$128,861, \$300,407 and \$134,000, respectively. The 911 Dispatch Center Fund received a transfer in from the 911 Special Revenue Fund of \$346,674. 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 \$46,792,479, an increase of \$603,491 in comparison with the previous year. Approximately 45% of this total amount, \$20,996,817, 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 \$9,981,522. 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 22.32% 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 25.09% to 22.32% of operating expenditures.

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 \$3,860,561. The cash balance of this fund is \$7,209,372. The main difference between fund balance and cash balance is due to the deferment of \$2,960,316 of ARPA funds.

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 \$8,270,997. The fund balance represents 97.64% 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 \$567,749. 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 \$265,396. The fund balance represents 11.3% of total Federal Block Grant Fund expenditures, in compliance with internally set minimum requirements. During the most recent fiscal year, the fund balance of the City of Great Falls' Federal Block Grant Fund decreased by \$615,951. 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 \$8,021,425. Restricted net position increased by \$144,654 from the previous year due to the increase of required bond reserves. Unrestricted net position of the enterprise funds totaled \$29,746,507. The total increase in net position for the enterprise funds of \$7,351,771 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 (\$114,004). The difference was due to the carryover of prior projects. 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, 2025, is \$277,417,818, 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.

Major capital asset events during the most recent fiscal year included the near completion of the Municipal Court relocation in the Civic Center and continued construction of the Police Department evidence building. The usual projects for reconstruction of streets, water mains, sewer mains, and storm drains continued. Various large capital projects were in progress at the end of the fiscal year. Public Works continued work on the sewer lift station upgrades for lift stations #1, #4, and #15 and the Water Treatment Plant Solids Mitigation. Further detail on capital assets is presented in Note 6 on pages 58 - 59.

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

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	2025	2024 Restated	2025	2024 Restated	2025	2024 Restated
Land	\$ 9,816,152	\$ 9,816,152	\$ 4,098,653	\$ 3,815,660	\$ 13,914,805	\$ 13,631,812
Intangible	413,183	247,284	-	-	413,183	247,284
Buildings	25,018,649	4,414,612	4,280,196	4,620,374	29,298,845	9,034,986
Improvements	31,899,719	29,527,476	108,249,557	112,470,000	140,149,276	141,997,476
Machinery and equipment	10,926,328	10,856,279	5,667,123	4,627,054	16,593,451	15,483,333
Infrastructure	19,559,685	19,342,682	30,994,865	32,754,329	50,554,550	52,097,011
Construction in progress	6,993,305	23,216,989	19,500,404	13,555,098	26,493,709	36,772,087
Total capital assets	<u>\$ 104,627,020</u>	<u>\$ 97,421,475</u>	<u>\$ 172,790,798</u>	<u>\$ 171,842,516</u>	<u>\$ 277,417,818</u>	<u>\$269,263,991</u>

Restatement is due to an error correction resulting in restatements of beginning balances. Notes 6 and 19 provide additional information.

Long-term Debt. At the end of the most recent fiscal year, the City of Great Falls had total bonded debt of \$51,323,893. Of this amount, \$9,544,000 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, Airport tax increment district, and the Central MT tax increment district; \$7,820,000 are bonds secured by the Park Maintenance District assessment revenues; and \$33,959,893 are bonds secured solely by specified revenue sources. Further information on long-term debt is presented in Note 7 on pages 60 – 71.

During the most recent fiscal year, the City of Great Falls’ bonded debt decreased by \$4,040,000 (7.9%). All outstanding 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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue bonds	\$ -	\$ -	\$ 33,959,893	\$ 36,953,893	\$ 33,959,893	\$ 36,953,893
General obligation bonds	-	-	-	-	-	-
Special assessment bonds	7,820,000	8,355,000	-	-	7,820,000	8,355,000
Urban renewal tax increment bonds	9,544,000	10,055,000	-	-	9,544,000	10,055,000
Total	<u>\$ 17,364,000</u>	<u>\$ 18,410,000</u>	<u>\$ 33,959,893</u>	<u>\$ 36,953,893</u>	<u>\$ 51,323,893</u>	<u>\$ 55,363,893</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 \$208,442,259. Out of the total debt capacity, \$208,349,809 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 \$3,693,726.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The June 2025 unemployment rate was 2.9% for Great Falls compared to a rate of 3.1% in June 2024. The June 2025 State of Montana rate was 2.8%. Both Great Falls and the State of Montana were below the national unemployment rate of 4.4% in June 2025. 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, 2025,

and spent by December 31, 2026. By the end of Fiscal Year 2025, all projects were underway for the use of these funds involving internal and external recipients.

- The General Fund undesignated fund balance has been spent down since the pandemic and is still above the internal policy of 22% because of CARES Act funds received. However, expenses continue to increase at a faster rate than revenues in the General Fund.
- Taxes, special assessments, and utility rates were raised in fiscal year 2025 but not all revenue lost during the Covid pandemic when the City did not raise any taxes, assessments, or rates has been recouped.

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.

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Basic Financial Statements

City of Great Falls, Montana
Statement of Net Position
June 30, 2025

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Business Improvement District	Tourism Business Improvement District	Formerly DPCU Public Library Foundation
Assets and deferred outflows of resources						
Current assets						
Cash and investments	\$ 59,096,586	\$ 30,562,226	\$ 89,658,812	\$ 204,415	\$ 1,332,444	\$ -
Receivables						
Taxes	3,363,833	-	3,363,833	-	-	-
Special assessments	510,160	-	510,160	54,633	853,827	-
Accounts	62,683	4,551,256	4,613,939	52,900	-	-
Accrued interest	142,416	135,744	278,160	-	-	-
Lease	-	193,663	193,663	-	-	-
Loans	948,287	-	948,287	-	-	-
Other	-	-	-	-	163,415	-
Advance to (from) other city funds	270,025	(270,025)	-	-	-	-
Due to (from) other city funds	360,244	(360,244)	-	-	-	-
Due from other governments	1,252,366	1,541,009	2,793,375	-	-	-
Inventories	338,686	537,855	876,541	-	-	-
Prepaid items	-	13,194	13,194	3,547	29,010	-
Total current assets	66,345,286	36,904,678	103,249,964	315,495	2,378,696	-
Noncurrent assets						
Restricted cash and investments	3,583,226	11,321,485	14,904,711	-	-	-
Other assets	25,349	-	25,349	-	-	-
Capital assets						
Non-depreciable capital assets	16,809,457	23,599,057	40,408,514	-	-	-
Depreciable capital assets, net	87,817,563	149,191,741	237,009,304	28,970	177,750	-
Total noncurrent assets	108,235,595	184,112,283	292,347,878	28,970	177,750	-
Total assets	174,580,881	221,016,961	395,597,842	344,465	2,556,446	-
Deferred outflows of resources						
Deferred charge - pension	5,370,822	1,200,347	6,571,169	-	-	-
Deferred charge - OPEB	1,162,887	-	1,162,887	-	-	-
Total deferred outflows of resources	6,533,709	1,200,347	7,734,056	-	-	-
Total assets and deferred outflows of resources	\$ 181,114,590	\$ 222,217,308	\$ 403,331,898	\$ 344,465	\$ 2,556,446	\$ -
Liabilities						
Current liabilities						
Accounts payable	\$ 4,592,096	\$ 1,926,354	\$ 6,518,450	\$ 5,781	\$ 62,903	\$ -
Payroll payable	620,993	-	620,993	-	-	-
Other payable	661,357	-	661,357	-	-	-
Compensated absences	3,785,137	463,617	4,248,754	-	-	-
Debt due within one year	1,377,550	3,076,000	4,453,550	-	7,735	-
Other liabilities	100,237	399,226	499,463	-	-	-
Total current liabilities	11,137,370	5,865,197	17,002,567	5,781	70,638	-
Noncurrent liabilities						
Compensated absences	2,566,783	354,070	2,920,853	-	-	-
Debt due in more than one year	17,339,276	30,883,893	48,223,169	-	77,559	-
Net pension liability	29,792,600	8,167,243	37,959,843	-	-	-
OPEB liability	1,360,462	-	1,360,462	-	-	-
Total noncurrent liabilities	51,059,121	39,405,206	90,464,327	-	77,559	-
Total liabilities	62,196,491	45,270,403	107,466,894	5,781	148,197	-
Deferred inflows of resources						
Deferred revenue - lease	-	177,454	177,454	-	-	-
Deferred revenue - pension	1,436,656	170,613	1,607,269	-	-	-
Deferred revenue - OPEB	1,960,325	-	1,960,325	-	-	-
Total deferred inflows of resources	3,396,981	348,067	3,745,048	-	-	-
Net Position						
Net investment in capital assets	85,910,194	138,830,906	224,741,100	28,970	177,750	-
Restricted for:						
Debt service	7,065,706	-	7,065,706	-	-	-
Revenue bond reserves	-	5,902,973	5,902,973	-	-	-
Repair and replacement	-	2,118,452	2,118,452	-	-	-
Contributor restrictions	201,844	-	201,844	-	-	-
Grantor restrictions	3,233,606	-	3,233,606	-	-	-
Law restrictions	18,419,269	-	18,419,269	-	-	-
General government	4,219,258	-	4,219,258	-	-	-
Public safety	2,163,307	-	2,163,307	-	-	-
Park and recreation	1,232,903	-	1,232,903	-	-	-
Housing and development	1,676,385	-	1,676,385	-	-	-
Capital outlay	533,529	-	533,529	-	-	-
Library operations	2,590,228	-	2,590,228	-	-	-
Programs and operations	25,349	-	25,349	-	-	-
Unrestricted	(11,750,460)	29,746,507	17,996,047	309,714	2,230,499	-
Total net position	115,521,118	176,598,838	292,119,956	338,684	2,408,249	-
Total liabilities, deferred inflows of resources, and net position	\$ 181,114,590	\$ 222,217,308	\$ 403,331,898	\$ 344,465	\$ 2,556,446	\$ -

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, 2025

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 14,034,528	\$ 5,394,949	\$ 1,365,048	\$ -
Public safety	34,935,297	2,135,193	343,245	-
Public works	9,129,064	8,687,906	-	-
Culture and recreation	8,735,820	2,517,189	141,639	242,359
Housing and development	3,562,843	1,703,376	888,262	1,649,214
Interest and fees	539,467	-	-	-
Total governmental activities	70,937,019	20,438,613	2,738,194	1,891,573
Business- type activities				
Water	15,718,071	18,194,986	-	-
Sewer	12,729,593	13,014,574	-	1,198,662
Storm drain	3,433,013	3,957,105	-	489,448
Sanitation	5,483,581	6,257,372	-	-
Other	8,705,024	6,806,008	-	-
Total business-type activities	46,069,282	48,230,045	-	1,688,110
Total primary government	\$ 117,006,301	\$ 68,668,658	\$ 2,738,194	\$ 3,579,683
Component Units				
Great Falls Business Improvement District	\$ 371,652	\$ 484,910	\$ -	\$ -
Tourism Business Improvement District	\$ 748,719	\$ 743,944	\$ -	\$ -
Formerly DPCU Public Library Foundation	\$ -	\$ -	\$ -	\$ -

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, as previously reported

Adjustments (Note 19)

Total net position - beginning, as restated

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, 2025

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	Formerly DPCU Public Library Foundation
\$ (7,274,531)	\$ -	\$ (7,274,531)	\$ -	\$ -	\$ -
(32,456,859)	-	(32,456,859)	-	-	-
(441,158)	-	(441,158)	-	-	-
(5,834,633)	-	(5,834,633)	-	-	-
678,009	-	678,009	-	-	-
(539,467)	-	(539,467)	-	-	-
(45,868,639)	-	(45,868,639)	-	-	-
-	2,476,915	2,476,915	-	-	-
-	1,483,643	1,483,643	-	-	-
-	1,013,540	1,013,540	-	-	-
-	773,791	773,791	-	-	-
-	(1,899,016)	(1,899,016)	-	-	-
-	3,848,873	3,848,873	-	-	-
<u>\$ (45,868,639)</u>	<u>\$ 3,848,873</u>	<u>\$ (42,019,766)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,258</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,775)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
32,285,367	-	32,285,367	-	-	-
10,164,569	-	10,164,569	-	-	-
1,914,108	1,650,041	3,564,149	-	52,080	-
6,691,643	442,915	7,134,558	-	6,389	-
(1,409,942)	1,409,942	-	-	-	-
49,645,745	3,502,898	53,148,643	-	58,469	-
3,777,106	7,351,771	11,128,877	113,258	53,694	-
113,560,636	177,636,181	291,196,817	225,426	2,354,555	4,356,785
(1,816,624)	(8,389,114)	(10,205,738)	-	-	(4,356,785)
111,744,012	169,247,067	280,991,079	225,426	2,354,555	-
<u>\$ 115,521,118</u>	<u>\$ 176,598,838</u>	<u>\$ 292,119,956</u>	<u>\$ 338,684</u>	<u>\$ 2,408,249</u>	<u>\$ -</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, 2025

			Formerly Major Fund Park Maintenance District	
	General	COVID Recovery		Street District
Assets				
Cash and investments	\$ 9,481,492	\$ 7,209,372	\$ -	\$ 8,636,960
Restricted cash and investments	-	-	-	-
Receivables				
Taxes	2,606,800	-	-	-
Special assessments	-	-	-	258,656
Accounts	17,775	-	-	18,021
Accrued interest	35,516	28,500	-	34,013
Loans	-	-	-	-
Due from other city funds	-	-	-	-
Due from other governments	320,458	-	-	5,232
Advances to other funds	270,025	-	-	-
Other assets	-	-	-	9,734
Total assets	<u>\$ 12,732,066</u>	<u>\$ 7,237,872</u>	<u>\$ -</u>	<u>\$ 8,962,616</u>
Liabilities				
Accounts payable	\$ 849,751	\$ 416,995	\$ -	\$ 602,550
Due to other city funds	-	-	-	-
Other liabilities	4,027	-	-	-
Total liabilities	<u>853,778</u>	<u>416,995</u>	<u>-</u>	<u>602,550</u>
Deferred inflows of resources				
Unavailable revenue-property taxes	1,896,766	-	-	-
Unavailable revenue-special assessments	-	-	-	89,069
Unavailable revenue-liens	-	-	-	-
Unavailable revenue-grants	-	2,960,316	-	-
Total deferred inflows of resources	<u>1,896,766</u>	<u>2,960,316</u>	<u>-</u>	<u>89,069</u>
Fund balances				
Restricted	-	-	-	8,270,997
Assigned	-	3,860,561	-	-
Unassigned	9,981,522	-	-	-
Total fund balances	<u>9,981,522</u>	<u>3,860,561</u>	<u>-</u>	<u>8,270,997</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,732,066</u>	<u>\$ 7,237,872</u>	<u>\$ -</u>	<u>\$ 8,962,616</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, 2025

	Federal Block Grant	Total Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 192,130	\$ 21,678,480	\$ 47,198,434
Restricted cash and investments	-	1,760,011	1,760,011
Receivables			
Taxes	-	757,033	3,363,833
Special assessments	-	251,504	510,160
Accounts	-	4,503	40,299
Accrued interest	-	25,259	123,288
Loans	908,287	40,000	948,287
Due from other city funds	-	360,244	360,244
Due from other governments	131,957	794,719	1,252,366
Advances to other funds	-	-	270,025
Other assets	-	15,615	25,349
Total assets	<u>\$ 1,232,374</u>	<u>\$ 25,687,368</u>	<u>\$ 55,852,296</u>
Liabilities			
Accounts payable	\$ 58,691	\$ 597,394	\$ 2,525,381
Due to other city funds	-	-	-
Other liabilities	-	83,216	87,243
Total liabilities	<u>58,691</u>	<u>680,610</u>	<u>2,612,624</u>
Deferred inflows of resources			
Unavailable revenue-property taxes	-	406,102	2,302,868
Unavailable revenue-special assessments	-	105,225	194,294
Unavailable revenue-liens	-	41,428	41,428
Unavailable revenue-grants	908,287	40,000	3,908,603
Total deferred inflows of resources	<u>908,287</u>	<u>592,755</u>	<u>6,447,193</u>
Fund balances			
Restricted	265,396	17,259,269	25,795,662
Assigned	-	7,154,734	11,015,295
Unassigned	-	-	9,981,522
Total fund balances	<u>265,396</u>	<u>24,414,003</u>	<u>46,792,479</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,232,374</u>	<u>\$ 25,687,368</u>	<u>\$ 55,852,296</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, 2025

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

Total fund balances - governmental funds (page 25)	\$	46,792,479
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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	\$	210,348,143	
Less: accumulated depreciation		(114,606,335)	
Capital assets - net			95,741,808

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.

3,454,645

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.

12,041,765

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

6,447,193

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

Compensated absences	(5,526,769)	
Leases	(1,260,376)	
Loans and contracts payable	(92,450)	
Special improvement district bonds payable	(7,820,000)	
Tax increment bonds payable	(9,544,000)	
Net pension liability	(24,713,178)	
Total long-term liabilities		(48,956,772)

Net position of governmental activities (page 23)	\$	115,521,118
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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, 2025

			Formerly Major Fund Park Maintenance District	Street District
	General	COVID Recovery		
Revenues				
Taxes	\$ 24,984,703	\$ -	\$ -	\$ -
Licenses and permits	887,024	-	-	19,586
Intergovernmental	14,714,478	6,373,189	-	2,691,220
Charges for services	1,371,758	-	-	240,157
Fines and forfeitures	539,998	-	-	-
Internal services	1,174,389	-	-	216,240
Special assessments	-	-	-	5,543,361
Investment income	128,479	345,618	-	279,062
Other	424,483	-	-	48,704
Total revenues	44,225,312	6,718,807	-	9,038,330
Expenditures				
Current				
General government	6,684,657	894,424	-	-
Public safety	33,268,201	-	-	-
Public works	-	-	-	6,297,923
Culture and recreation	3,187,815	-	-	-
Housing & development	-	-	-	-
Debt service				
Principal	269,979	-	-	-
Interest	43,715	-	-	-
Capital outlay	62,050	5,714,273	-	2,172,658
Total expenditures	43,516,417	6,608,697	-	8,470,581
Excess (deficiency) of revenues over (under) expenditures	708,895	110,110	-	567,749
Other financing sources (uses)				
Transfers in	26,864	-	-	-
Transfers out	(1,196,477)	-	-	-
Issuance of debt	-	-	-	-
Proceeds of capital assets	5,350	-	-	-
Total other financing sources (uses)	(1,164,263)	-	-	-
Net change in fund balances	(455,368)	110,110	-	567,749
Fund balances - beginning, as previously reported	11,000,824	3,750,451	3,378,710	7,703,248
Adjustments (Note 19)	(563,934)	-	(3,378,710)	-
Fund balances - beginning, as restated	10,436,890	3,750,451	-	7,703,248
Fund balances - ending	\$ 9,981,522	\$ 3,860,561	\$ -	\$ 8,270,997

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, 2025

	Federal Block Grant	Total Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ -	\$ 7,300,664	\$ 32,285,367
Licenses and permits	-	1,684,288	2,590,898
Intergovernmental	1,649,214	3,037,529	28,465,630
Charges for services	77,307	246,761	1,935,983
Fines and forfeitures	-	125,021	665,019
Internal services	-	210,238	1,600,867
Special assessments	-	4,539,770	10,083,131
Investment income	467	733,579	1,487,205
Other	-	1,489,675	1,962,862
Total revenues	<u>1,726,988</u>	<u>19,367,525</u>	<u>81,076,962</u>
Expenditures			
Current			
General government	-	5,775,865	13,354,946
Public safety	-	599,652	33,867,853
Public works	-	896,598	7,194,521
Culture and recreation	-	4,556,035	7,743,850
Housing & development	1,603,473	1,713,596	3,317,069
Debt service			
Principal	-	1,089,660	1,359,639
Interest	-	495,752	539,467
Capital outlay	739,466	3,228,253	11,916,700
Total expenditures	<u>2,342,939</u>	<u>18,355,411</u>	<u>79,294,045</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(615,951)</u>	<u>1,012,114</u>	<u>1,782,917</u>
Other financing sources (uses)			
Transfers in	-	719,883	746,747
Transfers out	-	(960,212)	(2,156,689)
Issuance of debt	-	205,166	205,166
Proceeds of capital assets	-	20,000	25,350
Total other financing sources (uses)	<u>-</u>	<u>(15,163)</u>	<u>(1,179,426)</u>
Net change in fund balances	(615,951)	996,951	603,491
Fund balances - beginning, as previously reported	769,397	20,038,342	46,640,972
Adjustments (Note 19)	<u>111,950</u>	<u>3,378,710</u>	<u>(451,984)</u>
Fund balances - beginning, as restated	881,347	23,417,052	46,188,988
Fund balances - ending	<u>\$ 265,396</u>	<u>\$ 24,414,003</u>	<u>\$ 46,792,479</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, 2025

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)	\$ 603,491
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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	\$11,916,700	
Less: current year's depreciation	(5,007,822)	
Total capital asset related expenditures	\$ 6,908,878	

The net effect of various miscellaneous transactions involving net pension liability is to increase net position.	\$ 475,658
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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.	\$ 1,626,143
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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.	\$ (5,528,332)
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of debt		
Lease inception	(205,166)	
Principal repayments		
Leases	236,114	
Loans and contracts	77,524	
Tax increment bonds	511,000	
Special improvement bonds	535,000	
Compensated absences	(1,463,205)	
Total debt-related transactions	\$ (308,732)	

Change in net position of governmental activities (pages 24-25)	\$ 3,777,106
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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, 2025

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 6,971,739	\$ 11,060,682	\$ 6,383,778	\$ 2,102,730
Receivables				
Accounts	2,030,670	1,554,435	357,570	601,353
Accrued interest	42,250	55,384	38,110	-
Lease	193,663	-	-	-
Due from other governments	68,460	1,157,032	315,517	-
Inventories	447,433	-	-	-
Prepaid items	-	-	-	-
Total current assets	9,754,215	13,827,533	7,094,975	2,704,083
Noncurrent assets				
Restricted cash and investments	3,901,134	3,459,713	3,960,638	-
Non-depreciable capital assets	9,387,265	9,701,096	2,188,737	181,646
Depreciable capital assets, net	78,513,070	45,367,375	21,492,419	2,382,686
Total noncurrent assets	91,801,469	58,528,184	27,641,794	2,564,332
Total assets	101,555,684	72,355,717	34,736,769	5,268,415
Deferred outflows of resources				
Deferred charges - pension	428,054	161,639	13,638	259,641
Deferred charges - OPEB	-	-	-	-
Total deferred outflows of resources	428,054	161,639	13,638	259,641
Total assets and deferred outflows of resources	\$ 101,983,738	\$ 72,517,356	\$ 34,750,407	\$ 5,528,056
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 343,420	\$ 401,843	\$ 893,636	\$ 142,308
Payroll payable	-	-	-	-
Other payable (IBNR)	-	-	-	-
Compensated absences	118,907	63,644	-	112,613
Due to other city funds	-	-	-	-
Revenue bonds payable	1,771,000	921,000	384,000	-
Other liabilities	249,962	-	-	-
Total current liabilities	2,483,289	1,386,487	1,277,636	254,921
Noncurrent liabilities				
Advances from other funds	-	-	-	-
Compensated absences	90,805	48,603	-	85,999
Revenue bonds payable	19,008,893	7,173,000	4,702,000	-
Net pension liability	2,992,459	1,138,600	75,798	1,656,609
OPEB liability	-	-	-	-
Total noncurrent liabilities	22,092,157	8,360,203	4,777,798	1,742,608
Total liabilities	24,575,446	9,746,690	6,055,434	1,997,529
Deferred inflows of resources				
Deferred revenue - lease	177,454	-	-	-
Deferred revenue - pension	53,905	21,627	3,617	15,244
Deferred revenue - OPEB	-	-	-	-
Total deferred inflows of resources	231,359	21,627	3,617	15,244
Net position				
Net investment in capital assets	67,120,442	46,974,471	18,595,156	2,564,332
Restricted				
Revenue bond reserves	2,965,620	2,426,715	510,638	-
Repair and replacement	935,514	1,032,938	150,000	-
Total Restricted:	3,901,134	3,459,653	660,638	-
Unrestricted	6,155,357	12,314,915	9,435,562	950,951
Total net position	77,176,933	62,749,039	28,691,356	3,515,283
Total liabilities, deferred inflows of resources, and net position	\$ 101,983,738	\$ 72,517,356	\$ 34,750,407	\$ 5,528,056

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, 2025

	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	\$ 4,043,297	\$ 30,562,226	\$ 11,898,152
Receivables			
Accounts	7,228	4,551,256	22,384
Accrued interest	-	135,744	19,128
Lease	-	193,663	-
Due from other governments	-	1,541,009	-
Inventories	90,422	537,855	338,686
Prepaid items	13,194	13,194	-
Total current assets	4,154,141	37,534,947	12,278,350
Noncurrent assets			
Restricted cash and investments	-	11,321,485	1,823,215
Non-depreciable capital assets	2,140,313	23,599,057	-
Depreciable capital assets, net	1,436,191	149,191,741	8,885,211
Total noncurrent assets	3,576,504	184,112,283	10,708,426
Total assets	7,730,645	221,647,230	22,986,776
Deferred outflows of resources			
Deferred charges - pension	337,375	1,200,347	608,923
Deferred charges - OPEB	-	-	1,162,887
Total deferred outflows of resources	337,375	1,200,347	1,771,810
Total assets and deferred outflows of resources	\$ 8,068,020	\$222,847,577	\$ 24,758,586
Liabilities, deferred inflows of resources, and net position			
Liabilities			
Current liabilities			
Accounts payable	\$ 145,147	1,926,354	\$ 2,066,715
Payroll payable	-	-	620,993
Other payable (IBNR)	-	-	661,357
Compensated absences	168,453	463,617	470,336
Due to other city funds	360,244	360,244	-
Revenue bonds payable	-	3,076,000	-
Other liabilities	149,264	399,226	12,994
Total current liabilities	823,108	6,225,441	3,832,395
Noncurrent liabilities			
Advances from other funds	270,025	270,025	-
Compensated absences	128,663	354,070	354,815
Revenue bonds payable	-	30,883,893	-
Net pension liability	2,303,777	8,167,243	5,079,422
OPEB liability	-	-	1,360,462
Total noncurrent liabilities	2,702,465	39,675,231	6,794,699
Total liabilities	3,525,573	45,900,672	10,627,094
Deferred inflows of resources			
Deferred revenue - lease	-	177,454	-
Deferred revenue - pension	76,220	170,613	129,402
Deferred revenue - OPEB	-	-	1,960,325
Total deferred inflows of resources	76,220	348,067	2,089,727
Net position			
Net investment in capital assets	3,576,505	138,830,906	8,885,211
Restricted			
Revenue bond reserves	-	5,902,973	-
Repair and replacement	-	2,118,452	-
Total Restricted:	-	8,021,425	-
Unrestricted	889,722	29,746,507	3,156,554
Total net position	4,466,227	176,598,838	12,041,765
Total liabilities, deferred inflows of resources, and net position	\$ 8,068,020	\$222,847,577	\$ 24,758,586

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, 2025

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Operating revenues				
Charges for services	\$ 18,188,056	\$ 13,019,428	\$ 3,957,105	\$ 6,222,330
Operating expenses				
Personal services	3,077,549	1,290,626	289,774	1,985,453
Supplies and materials	1,790,778	103,432	16,807	467,588
Purchased services	1,939,561	5,421,675	687,180	1,403,276
Internal services	2,880,508	1,814,207	917,416	1,246,482
Other	6,511	4,020	1,581	4,468
Depreciation	5,467,303	3,833,705	1,386,055	376,314
Total operating expenses	15,162,210	12,467,665	3,298,813	5,483,581
Operating income (loss)	3,025,846	551,763	658,292	738,749
Nonoperating revenues (expenses)				
Investment income	502,171	590,188	372,178	67,982
Interest expense	(555,861)	(261,928)	(134,200)	-
Gain (loss) on sale of capital assets	6,930	(4,854)	-	35,042
Net pension on-behalf revenue	32,651	13,143	3,310	20,179
Other	69,625	4,354	49,647	2,563
Total nonoperating revenues (expenses)	55,516	340,903	290,935	125,766
Income (loss) before contributions and transfers	3,081,362	892,666	949,227	864,515
Capital contributions - grants	-	1,198,662	489,448	-
Transfers in	-	-	500,000	-
Transfers out	-	-	-	-
Total contributions and transfers	-	1,198,662	989,448	-
Change in net position	3,081,362	2,091,328	1,938,675	864,515
Total net position - beginning, as previously reported	78,196,869	62,520,186	29,178,022	2,650,768
Adjustments (Note 19)	(4,101,298)	(1,862,475)	(2,425,341)	-
Total net position - beginning, as restated	74,095,571	60,657,711	26,752,681	2,650,768
Total net position - ending	\$ 77,176,933	\$ 62,749,039	\$ 28,691,356	\$ 3,515,283

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, 2025

	Business Type Activities		Governmental Activities
	Total Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues			
Charges for services	\$ 6,570,338	\$ 47,957,257	\$ 27,319,808
Operating expenses			
Personal services	3,890,530	10,533,932	7,285,291
Supplies and materials	848,843	3,227,448	1,466,144
Purchased services	2,755,086	12,206,778	15,411,555
Internal services	1,024,482	7,883,095	1,237,526
Other	43,294	59,874	(203,538)
Depreciation	142,789	11,206,166	1,110,534
Total operating expenses	8,705,024	45,117,293	26,307,512
Operating income (loss)	(2,134,686)	2,839,964	1,012,296
Nonoperating revenues (expenses)			
Investment income	117,522	1,650,041	426,903
Interest expense	-	(951,989)	-
Gain (loss) on sale of capital assets	235,670	272,788	(49,170)
Net pension on-behalf revenue	190,621	259,904	79,790
Other	56,822	183,011	156,324
Total nonoperating revenues (expenses)	600,635	1,413,755	613,847
Income (loss) before contributions and transfers	(1,534,051)	4,253,719	1,626,143
Capital contributions - grants	-	1,688,110	-
Transfers in	909,942	1,409,942	-
Transfers out	-	-	-
Total transfers	909,942	3,098,052	-
Change in net position	(624,109)	7,351,771	1,626,143
Total net position - beginning, as previously reported	5,090,336	177,636,181	10,415,622
Adjustments (Note 19)	-	(8,389,114)	-
Total net position - beginning, as restated	5,090,336	169,247,067	10,415,622
Total net position - ending	\$ 4,466,227	\$ 176,598,838	\$ 12,041,765

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, 2025

	Business Type Activities			
	Water	Sewer	Storm Drain	Sanitation
Cash flows from operating activities				
Receipts from customers and users	\$ 18,788,476	\$ 12,364,905	\$ 3,912,359	\$ 6,495,238
Receipts from others	69,625	4,354	49,647	2,563
Receipts from other governments	-	1,198,662	489,448	-
Payments to suppliers	(4,546,391)	(6,038,428)	(234,213)	(1,842,872)
Payments to employees	(3,080,992)	(1,212,426)	(290,933)	(1,932,398)
Payments for interfund services used	(2,880,508)	(1,814,207)	(917,416)	(1,246,482)
Payments to others	(6,511)	(4,020)	(1,581)	(4,468)
Net cash provided by (used for) operating activities	8,343,701	4,498,842	3,007,311	1,471,581
Cash flows from noncapital financing activities				
Transfers in	-	-	500,000	-
Transfers out	-	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	-	-	500,000	-
Cash flows from capital and related financing activities				
Proceeds from sale of assets	6,930	17,762	-	35,042
Principal payments - revenue bonds	(1,726,000)	(893,000)	(375,000)	-
Interest paid	(555,861)	(261,928)	(134,200)	-
Acquisition/construction of capital assets	(5,775,998)	(2,925,015)	(2,061,192)	(1,477,340)
Net cash provided by (used for) capital and related financing activities	(8,050,929)	(4,062,181)	(2,570,392)	(1,442,298)
Cash flows from investing activities				
Interest on investments	502,172	590,187	372,178	67,982
Net cash provided by investing activities	502,172	590,187	372,178	67,982
Net increase (decrease) in cash	794,944	1,026,848	1,309,097	97,265
Cash, beginning of year	10,077,929	13,493,547	9,035,319	2,005,465
Cash, end of year (a)	<u>\$ 10,872,873</u>	<u>\$ 14,520,395</u>	<u>\$ 10,344,416</u>	<u>\$ 2,102,730</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 6,971,739	\$ 11,060,682	\$ 6,383,778	\$ 2,102,730
Restricted cash and investments	3,901,134	3,459,713	3,960,638	-
	<u>\$ 10,872,873</u>	<u>\$ 14,520,395</u>	<u>\$ 10,344,416</u>	<u>\$ 2,102,730</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, 2025

	Business Type Activities		Governmental Activities
	Total Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities			
Receipts from customers and users	\$ 6,676,587	\$ 48,237,565	27,439,144
Receipts from others	56,821	183,010	156,324
Receipts from other governments	-	1,688,110	-
Payments to suppliers	(3,592,669)	(16,254,573)	(16,189,196)
Payments to employees	(3,671,144)	(10,187,893)	(7,028,700)
Payments for interfund services used	(1,024,482)	(7,883,095)	(1,237,526)
Payments to others	(43,294)	(59,874)	(115)
Net cash provided by (used for) operating activities	(1,598,181)	15,723,254	3,139,929
Cash flows from noncapital financing activities			
Transfers in	909,942	-	-
Transfers out	-	-	-
Interfund cash flow loans	(408,226)	-	-
Net cash provided by (used for) noncapital financing activities	501,716	-	-
Cash flows from capital and related financing activities			
Proceeds from sale of assets	326,800	386,534	66,613
Principal payments - revenue bonds	-	(2,994,000)	-
Interest paid	-	(951,989)	-
Acquisition/construction of capital assets	(28,655)	(12,268,200)	(1,586,743)
Net cash provided by (used for) capital and related financing activities	298,145	(15,827,655)	(1,520,130)
Cash flows from investing activities			
Interest on investments	117,522	1,650,041	426,903
Net cash provided by investing activities	117,522	1,650,041	426,903
Net increase (decrease) in cash	(680,797)	2,547,357	2,046,702
Cash, beginning of year	<u>4,724,094</u>	<u>39,336,354</u>	<u>11,674,665</u>
Cash, end of year (a)	<u>\$ 4,043,297</u>	<u>\$ 41,883,711</u>	<u>\$ 13,721,367</u>
(a) Shown on the statement of net position as:			
Cash and investments	\$ 4,043,297	\$ 30,562,226	11,898,152
Restricted cash and investments	-	11,321,485	1,823,215
	<u>\$ 4,043,297</u>	<u>\$ 41,883,711</u>	<u>\$ 13,721,367</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, 2025

	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)	\$ 3,025,846	\$ 551,763	\$ 658,292	\$ 738,749
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	(11,433)	(4,602)	(1,159)	(7,065)
Depreciation expense	5,467,303	3,833,705	1,386,055	376,314
Cash provided by (used for) changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	456,696	(654,523)	(44,746)	276,659
(Increase) decrease in due from other governments	209,116	-	-	-
(Increase) decrease in inventories	(34,831)	-	-	-
(Decrease) increase in accounts payable	(816,052)	(513,321)	469,774	27,992
(Decrease) increase in other liabilities	(30,561)	-	-	(3,751)
(Decrease) increase in compensated absences payable	7,990	82,803	-	60,120
Other nonoperating revenue	69,625	1,203,016	539,095	2,563
 Total adjustments	 5,317,853	 3,947,078	 2,349,019	 732,832
 Net cash provided by (used for) operating activities	 \$ 8,343,701	 \$ 4,498,842	 \$ 3,007,311	 \$ 1,471,581

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, 2025

	Business Type Activities		Governmental Activities
	Total Nonmajor Enterprise Funds	Totals	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ (2,134,686)	\$ 2,839,964	\$ 1,012,296
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
GASB 68 pension adjustments	141,059	116,800	(27,938)
Depreciation expense	142,789	11,206,166	1,110,534
Cash provided by (used for) changes in operating assets and liabilities			
(Increase) decrease in accounts receivable	31,210	65,296	13,856
(Increase) decrease in due from other governments	-	209,116	-
(Increase) decrease in inventories	(5,545)	(40,376)	(15,260)
(Decrease) increase in accounts payable	11,261	(820,346)	913,129
(Decrease) increase in other liabilities	80,585	46,273	(103,886)
(Decrease) increase in compensated absences payable	78,327	229,240	284,529
Other nonoperating revenue	56,822	1,871,121	(47,329)
 Total adjustments	 536,508	 12,883,290	 2,127,635
 Net cash provided by (used for) operating activities	 \$ (1,598,181)	 \$ 15,723,254	 \$ 3,139,929

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, 2025

	Private-Purpose Trust Funds	Custodial Funds
Assets		
Cash and investments	\$ 279,733	\$ 79,871
Due from district special assessments	585,668	-
Total assets	<u>865,401</u>	<u>79,871</u>
Liabilities		
Accounts payable and other liabilities	-	79,871
Asset held for others	863,939	-
Total liabilities	<u>863,939</u>	<u>79,871</u>
Net position		
Restricted for:		
Castle Pines Trust	1,462	-
Total net position	<u><u>\$ 1,462</u></u>	<u><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, 2025

	<u>Private-Purpose Trust Funds</u>	<u>Custodial Funds</u>
Additions		
District special assessments	\$ 75,674	\$ -
Appearance bonds and restitution	-	(13,290)
Investment earnings	10,785	-
Total additions	<u>86,459</u>	<u>(13,290)</u>
Deductions		
Payments to debt service for ULRRWSD	86,411	(13,290)
Payments to beneficiaries and clients	-	-
Total deductions	<u>86,411</u>	<u>(13,290)</u>
Net increase in fiduciary net position	48	-
Net position - beginning	1,414	-
Net position - ending	<u>\$ 1,462</u>	<u>\$ -</u>

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

City of Great Falls, Montana
Notes to Financial Statements
June 30, 2025

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, 2025

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.

Exclusion of the Great Falls Public Library Foundation from the Reporting Entity

The Great Falls Public Library Foundation (Foundation) is a legally separate, tax-exempt nonprofit organization that provides financial support to the Great Falls Public Library (Library). In prior years, the Foundation was reported as a discretely presented component unit of the City due to the nature of its financial relationship with the Library. However, for the fiscal year ended March 31, 2025, the City has determined that the Foundation no longer meets the criteria for inclusion in the reporting entity as a component unit. This conclusion is based on the following considerations:

- Increased public funding to the Library Fund has significantly reduced the Library's reliance on the Foundation for capital and programmatic support.
- The bylaws of the Foundation establish its operational independence and grant it full discretion over the use and timing of its resources.
- The City does not appoint a voting majority of the Foundation's board, nor does it have the ability to impose its will on the Foundation or access its resources.

As a result, the Foundation's financial activities are not included in the City's financial statements for the current reporting period. Since the Foundation was previously reported as a discretely presented component unit, its exclusion has no quantitative effect on the beginning net position of the City's governmental and business-type activities. Complete financial statements for the Great Falls Public Library Foundation may be obtained by contacting 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, 2025

1. Summary of Significant Accounting Policies - continued

D. Basis of Presentation - fund financial statements

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

1. The City reports the following major governmental funds:

General Fund

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

COVID Recovery Fund

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

Street District Fund

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

Federal Block Grant Fund

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

2. The City reports the following major enterprise funds:

Water Fund

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

Sewer Fund

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

Storm Drain Fund

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

Sanitation Fund

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

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

1. Summary of Significant Accounting Policies – continued

D. Basis of Presentation - fund financial statements - continued

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 leases are reported as other financing sources.

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

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

1. Summary of Significant Accounting Policies – continued

E. Measurement Focus/Basis of Accounting – continued

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 City's program revenues are from the revolving loan fund.

The proprietary, private-purpose trust, and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

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).

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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

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.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

1. Summary of Significant Accounting Policies - continued

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

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 lease 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

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

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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 - continued

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

In accordance with GASB Statement No. 101, Compensated Absences, the City recognizes a liability for leave that:

- Is attributable to services already rendered,
- Accumulates (i.e., may be carried forward to future periods), and
- Is more likely than not to be used for time off or otherwise paid or settled.

Based on these criteria listed, three types of leave qualify for liability recognition for compensated absences – vacation, sick leave and compensatory time (police and fire).

The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. In governmental funds, a liability is recognized only when it has matured, such as through employee resignation or retirement. The liability is measured using pay rates in effect as of the financial statement date and includes applicable salary-related payments.

Vacation and Compensatory Time

The City's policy permits employees to accumulate earned but unused vacation and compensatory time, subject to limits established by Montana State Statute and applicable union agreements. These balances are eligible for full payment upon separation from employment.

Sick Leave

Employees may accumulate earned but unused sick leave. Upon separation from service, employees are compensated for 25% of their accrued sick leave balance at their current pay rate, subject to eligibility requirements. In addition, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

The City discloses only the net change in the compensated absences liability during the reporting period. The specific governmental funds used to liquidate these liabilities are no longer disclosed.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

1. Summary of Significant Accounting Policies - continued

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

9. Net Position/Fund Balance 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, restricted fund balance is depleted first, followed by committed fund balance and then assigned fund balance. Unassigned fund balance is applied last. When restricted and unrestricted fund balance/net position can be used, restricted fund balance is applied first.

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 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.

11. 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.

12. 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.

13. 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.

G. Encumbrances

The City does not utilize a formal encumbrance accounting system.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

1. Summary of Significant Accounting Policies - continued

H. Pensions

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

2. Cash and Investments

The composition of the City's cash and investments, including restricted cash and investments, on June 30, 2025 was as follows:

		Component Units	
	Primary Government	Business Improvement District	Tourism Business Improvement District
Cash on hand	\$ 12,761	\$ -	\$ -
Deposits in banks	15,204,969	204,415	558,444
Time deposits	42,728,324	-	-
Certificates of deposit	-	-	774,000
U.S. government securities	-	-	-
Short term investment pool (STIP)	46,977,073	-	-
Money market funds	-	-	-
Mutual funds	-	-	-
Equity securities	-	-	-
Totals	<u>\$ 104,923,127</u>	<u>\$ 204,415</u>	<u>\$ 1,332,444</u>

The City's cash and investments for the primary government at June 30, 2025 are reported as:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 59,096,586	\$ 30,562,226	\$ 359,604	\$ 90,018,416
Restricted cash and investments	3,583,226	11,321,485	-	14,904,711
Totals	<u>\$ 62,679,812</u>	<u>\$ 41,883,711</u>	<u>\$ 359,604</u>	<u>\$ 104,923,127</u>

At June 30, 2025, the carrying amount of the City's deposits in banks was \$15,204,969 and the bank balance was \$17,364,257. Of the bank balance \$500,000 was covered by federal depository insurance and \$16,306,471 was covered by a letter of credit from a federal home bank in the City's name. The time deposits of \$42,728,324 were covered by federal depository insurance.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

2. Cash and Investments - continued

At June 30, 2025, the carrying amount of deposits for the Great Falls Business Improvement District, a discretely presented component unit, was \$204,415 and the bank balance was \$204,415. Of the bank balance, \$204,415 was covered by federal depository insurance. At June 30, 2025, the Great Falls Business Improvement District had no cash in excess of FDIC insured limits.

At June 30, 2025, the carrying amount of deposits for the Great Falls Tourism Business Improvement District, a discretely presented component unit, was \$1,332,444 and the bank balances were \$1,332,444. Of the bank balances, \$1,126,966 was covered by federal depository insurance. At June 30, 2025, the Great Falls Tourism Improvement District had \$205,478 in excess of FDIC insured limits.

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, 2025. The City's policy is to have securities for deposits equal to 100% of its insured or guaranteed yield in the City's name. Types of securities that may be pledged as collateral are detailed in MCA 17-6-103.

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

Investments by fair value level:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Certificates of deposit	\$ -	\$ -	\$ -	\$ -
Time deposits	42,728,324	42,728,324	-	-
U.S. treasuries	-	-	-	-
Money market funds	-	-	-	-
Totals	<u>\$ 42,728,324</u>	<u>\$ 42,728,324</u>	<u>\$ -</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

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

2. Cash and Investments – continued

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, 2025, the City had the following investments:

	Fair Value	Investment Maturities (In Years)	
		Less Than 1	1-5
Cash on hand, deposits in banks, savings deposits	\$ 15,217,730	\$ 15,217,730	\$ -
Certificates of deposit	-	-	-
Time deposits	42,728,324	42,728,324	-
U.S. treasuries	-	-	-
Short term investment pool (STIP)	46,977,073	46,977,073	-
Money market funds	-	-	-
Totals	<u>\$ 104,923,127</u>	<u>\$ 104,923,127</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, 2025.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

2. Cash and Investments – continued

Restricted Cash and Investments

Cash and investments of \$14,904,711 are restricted by bond covenants, state statute, or for specific purposes as follows:

Governmental Activities		
Library Improvements		\$ 585,000
Park Maintenance District - bond reserves		352,437
Nonmajor governmental funds		
Central Montana Ag Tech Park TID - current debt service		48,113
Airport TID		64,500
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	6,324	
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		36,615
Total Governmental Activities		<u>3,583,226</u>
Business Activities		
Water		
Current debt service	1,141,375	
Bond reserves	1,141,375	
Operating reserves	682,870	
Vehicle and equipment replacement	935,514	
Subtotal Water		3,901,134
Sewer		
Current debt service	578,856	
Bond reserves	1,157,711	
Operating reserves	690,208	
Vehicle and equipment replacement	1,032,938	
Subtotal Sewer		3,459,713
Storm Drain		
Improvements	1,500,000	
Current debt service	255,319	
Bond reserves	255,319	
Reserve for MS4 Upgrades	1,800,000	
Repair and replacement reserves	150,000	
Subtotal Storm Drain		3,960,638
Total Business Activities		<u>11,321,485</u>
Total		<u><u>\$ 14,904,711</u></u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

3. Receivables

Taxes and Special Assessments

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

The City is permitted, by state statutes, to levy taxes up to certain fixed limits for various purposes. The taxes levied by the City for the year ended June 30, 2025 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, 2025 consists of the following:

Federal Block Grant:	
Deferred payment loan program (a) (b)	\$ 908,287
Nonmajor governmental funds:	
Home Grant - deferred payment loan program (a)	40,000
Total	<u>\$ 948,287</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, 2025, consists of the following:

Water Fund:	
Cell tower lease (c)	\$ 193,663
Total	<u>\$ 193,663</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. Inflows of resources recorded in Fiscal Year 2026 were lease revenue of \$22,182 and lease interest revenue of \$6,075.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

4. Interfund Receivables, Payables, and Transfers

Due To/From Other City Funds

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

Due to/from other City funds at June 30, 2025 consists of the following:

Receivable Fund	Payable Fund	
Non-major special revenue fund - Park & Recreation	Non-major enterprise fund - Aim High Big Sky	\$ 221,056
Non-major special revenue fund - Park & Recreation	Non-major enterprise fund - Recreation	94,031
Non-major special revenue fund - Park & Recreation	Non-major enterprise fund - Multi-sports	45,157
Total		<u>\$ 360,244</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, 2025 consists of the following:

Receivable Fund	Payable Fund	Amount
Major governmental fund - General Fund	Non-major enterprise fund - Golf Courses	\$ 270,025
Total		<u>\$ 270,025</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, 2025 consists of the following:

Recipient Fund	Amount	Purpose
Major governmental funds		
General fund	\$ 26,864	Transfer from soccer park general obligation bond fund to close cash to general fund.
	<u>26,864</u>	Subtotal of major governmental funds
Nonmajor governmental funds		
Planning & Community Development	376,932	Transfer from general fund to planning & community development for operation support.
Natural Resources	256,277	Transfer from general fund to natural resources for operation support.
General Capital Projects	86,674	Transfer from downtown TID bonds fund to general capital projects for project expenses.
	<u>719,883</u>	Subtotal of nonmajor governmental funds
Major enterprise funds		
Storm Drain	500,000	Transfer from downtown TID bonds fund to storm drain for capital improvements project.
	<u>500,000</u>	Subtotal of major enterprise funds

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

4. Interfund Receivables, Payables, and Transfers

Transfers – continued

Nonmajor enterprise funds

Swimming Pools	128,861	Transfer from general fund to swimming pools for operations support.
Aim High Big Sky	300,407	Transfer from general fund to Aim High Big Sky for operations support.
911 Dispatch Center	346,674	Transfer from 911 special revenue to 911 dispatch center for dispatch services.
Civic Center Events	134,000	Transfer from general fund to civic center events for operations support.
	<u>909,942</u>	Subtotal of nonmajor enterprise funds
	<u>1,409,942</u>	Subtotal of enterprise funds
Total	<u>\$ 2,156,689</u>	

5. Due From Other Governments

Amounts due from other governments at June 30, 2025 were as follows:

Fund	Federal	State	County	Total
Governmental funds				
General	\$ -	\$ -	\$ 320,458	\$ 320,458
Street District	-	-	5,232	5,232
Federal Block Grant	131,957	-	-	131,957
Nonmajor governmental funds				
Library	-	-	1,895	1,895
Park & Recreation	-	28,224	-	28,224
Planning & Community Development	143,685	-	-	143,685
Central Montana AG Tech Park TID	-	-	1,449	1,449
Natural Resources	-	-	550	550
Portage Meadows	-	-	24	24
Park Maintenance District	-	-	1,190	1,190
Support & Innovation	-	-	528	528
Police Special Revenue	10,581	-	-	10,581
HIDTA Special Revenue	95,384	-	-	95,384
Home Grant	2,225	-	-	2,225
Street Lighting Districts	-	-	1,436	1,436
West Bank TID Bonds	-	-	2	2
Downtown TID Bonds	-	-	2,317	2,317
General Capital Projects	-	505,223	-	505,223
Master Debt SILD	-	-	6	6
Subtotal governmental funds	<u>383,832</u>	<u>533,447</u>	<u>335,087</u>	<u>1,252,366</u>
Enterprise funds				
Water	\$ 68,460	-	\$ -	68,460
Sewer	1,157,032	-	-	1,157,032
Storm Drain	315,517	-	-	315,517
Subtotal enterprise funds	<u>1,541,009</u>	<u>-</u>	<u>-</u>	<u>1,541,009</u>
Totals	<u>\$ 1,924,841</u>	<u>\$ 533,447</u>	<u>\$ 335,087</u>	<u>\$ 2,793,375</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

6. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance - Restated	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	23,216,989	9,200,032	-	-	(25,423,716)	6,993,305
	33,033,141	9,200,032	-	-	(25,423,716)	16,809,457
Capital assets, being depreciated:						
Buildings	15,403,071	21,227,491	-	-	-	36,630,563
Improvements	62,864,585	4,554,061	-	-	-	67,418,646
Intangible	492,182	-	-	-	-	492,182
Intangible lease	145,041	205,166	-	(145,041)	-	205,166
Machinery and equipment	31,047,233	1,862,934	-	(1,383,395)	-	31,526,772
Infrastructure	80,058,277	1,877,476	-	-	-	81,935,753
	190,010,390	29,727,128	-	(1,528,436)	-	218,209,081
Less accumulated depreciation for:						
Buildings	(10,988,459)	(623,455)	-	-	-	(11,611,914)
Improvements	(33,337,109)	(2,181,818)	-	-	-	(35,518,927)
Machinery and equipment	(20,190,954)	(1,613,343)	-	1,203,852	-	(20,600,444)
Intangible	(273,906)	-	-	-	-	(273,906)
Intangible lease	(116,033)	(39,267)	-	145,041	-	(10,259)
Infrastructure	(60,715,595)	(1,660,473)	-	-	-	(62,376,068)
	(125,622,056)	(6,118,356)	-	1,348,893	-	(130,391,518)
Total capital assets, being depreciated, net	64,388,334	23,608,772	-	(179,543)	-	87,817,563
Governmental activities capital assets, net	\$ 97,421,475	\$ 32,808,804	\$ -	\$ (179,543)	\$ (25,423,716)	\$ 104,627,020
<u>Business-type activities</u>						
Capital assets, not being depreciated:						
Land	\$ 3,815,660	\$ 374,123	\$ -	\$ (91,130)	\$ -	\$ 4,098,653
Construction in Progress	13,555,098	9,811,086	-	(9,378)	(3,856,402)	19,500,404
	17,370,758	10,185,209	-	(100,508)	(3,856,402)	23,599,057
Capital assets, being depreciated:						
Buildings	23,723,320	-	-	-	-	23,723,320
Improvements	215,284,451	3,999,677	-	-	-	219,284,129
Machinery and equipment	17,406,043	1,949,094	-	(390,587)	-	18,964,548
Infrastructure	92,608,478	-	-	-	-	92,608,478
	349,022,293	5,948,771	-	(390,587)	-	354,580,476
Less accumulated depreciation for:						
Buildings	(19,102,946)	(340,178)	-	-	-	(19,443,124)
Improvements	(102,814,451)	(8,220,121)	-	-	-	(111,034,572)
Machinery and equipment	(12,778,989)	(886,406)	-	367,971	-	(13,297,425)
Infrastructure	(59,854,149)	(1,759,463)	-	-	-	(61,613,614)
	(194,550,535)	(11,206,166)	-	367,971	-	(205,388,735)
Total capital assets, being depreciated, net	154,471,758	(5,257,395)	-	(22,616)	-	149,191,741
Business-type activities capital assets, net	\$ 171,842,516	\$ 4,927,814	\$ -	\$ (123,124)	\$ (3,856,402)	\$ 172,790,798

During fiscal year 2025, an error correction resulted in adjustments to and restatements of beginning balances. In governmental activities, this resulted in a decrease of improvements of \$1,518,342, a decrease of infrastructure of \$1,183,699, a decrease of improvements accumulated depreciation of \$801,821, and a decrease of infrastructure accumulated depreciation of \$535,580 at July 1, 2024. In business-type activities, this resulted in a decrease of improvements of \$10,548,245, a decrease of infrastructure of \$4,471,150, a decrease of improvements accumulated depreciation of \$5,284,384 and a decrease of infrastructure accumulated depreciation of \$1,345,896 at July 1, 2024.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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	\$ 1,279,935
Public safety	226,795
Public works	3,378,904
Culture and recreation	999,071
Housing and development	233,651
Total governmental activities	<u>\$ 6,118,356</u>
<u>Business-type activities</u>	
Water	\$ 5,467,303
Sewer	3,833,704
Storm Drain	1,386,055
Sanitation	376,314
Other	142,789
Total business-type activities	<u>\$ 11,206,166</u>

Discretely Presented Component Units

Capital assets activity for the Business Improvement District for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 82,509	\$ 12,000	\$ -	\$ 94,509
Less accumulated depreciation	(61,085)	(4,454)	-	(65,539)
Total capital assets, being depreciated, net	21,424	7,546	-	28,970
Business Improvement District				
capital assets, net	<u>\$ 21,424</u>	<u>\$ 7,546</u>	<u>\$ -</u>	<u>\$ 28,970</u>

Capital assets activity for the Tourism Business Improvement District for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated:				
Leased Office	\$ 246,819	\$ -	\$ -	\$ 246,819
Less accumulated depreciation	(48,325)	(20,744)	-	(69,069)
Total capital assets, being depreciated, net	198,494	(20,744)	-	177,750
Tourism Business Improvement District				
capital assets, net	<u>\$ 198,494</u>	<u>\$ (20,744)</u>	<u>\$ -</u>	<u>\$ 177,750</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt

Compensated Absences Payable

Compensated absences payable, representing vacation, compensatory time and sick leave benefits earned by employees and more likely than not to be used as leave or settled at separation, as well as additional salary-related charges payable by the City as the employer, as of June 30, 2025 were as follows:

Governmental activities	\$ 6,351,920
Business-type activities	817,687
Total	<u>\$ 7,169,607</u>

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
2026	\$ 201,019	\$ 30,551	\$ 231,570
2027	206,788	24,782	231,570
2028	212,723	18,847	231,570
2029	218,829	12,741	231,570
2030	225,109	6,461	231,570
Totals	<u>\$ 1,064,468</u>	<u>\$ 93,382</u>	<u>\$ 1,157,850</u>

Nonmajor Governmental – HIDTA Fund

The City Commission on March 18, 2025 authorized the lease of an office space for the High Intensity Drug Task Force (HIDTA) effective April 1, 2025. The net present value of the lease at inception was \$205,166 with an implied interest rate of 5.00%. 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
2026	\$ 35,024	\$ 9,006	\$ 44,030
2027	38,168	7,184	45,352
2028	41,512	5,200	46,712
2029	45,070	3,043	48,113
2030	36,134	757	36,891
Totals	<u>\$ 195,908</u>	<u>\$ 25,190</u>	<u>\$ 221,098</u>

Loans and Contracts Payable

Major Governmental – General Fund

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

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt – continued

Loans and Contracts Payable - continued

Major Governmental – General Fund – continued

The rates for these InterCap loans are adjusted annually on February 16th. The interest rate varies based on the underlying bond rate of the Montana Board of Investments Municipal Finance Consolidation Act Bonds. The loan will be repaid from General Fund revenue. The interest calculations are projected based on the current interest rate charged of 5.0%.

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2026	\$ 75,513	\$ 2,827	\$ 78,340
Totals	\$ 75,513	\$ 2,827	\$ 78,340

Nonmajor Governmental - Master Debt SILD Fund

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

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

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 5.00%.

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2026	\$ 2,994	\$ 809	\$ 3,803
2027	3,032	588	3,620
2028	3,069	436	3,505
2029	3,108	282	3,390
2030	3,147	126	3,273
2031	1,587	4	1,591
Totals	\$ 16,937	\$ 2,245	\$ 19,182

Conduit Debt Obligations

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%.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt – continued

Conduit Debt Obligations - continued

Special State Projects Fund - continued

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. At June 30, 2025, the notes payable have an outstanding principal amount \$1,443,715.

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, 2025 are as follows:

	Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2025
Series 2012	03-01-2012	2.00 - 4.00%	20	07-01-2032	\$ 855,000	\$ 360,000
Series 2020	04-28-2020	3.00 - 4.00%	20	07-01-2040	3,200,000	2,555,000
Total						<u>\$ 2,915,000</u>

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2026	\$ 150,000	\$ 113,740	\$ 263,740
2027	155,000	108,925	263,925
2028	160,000	103,825	263,825
2029	165,000	97,425	262,425
2030	170,000	91,113	261,113
2031-2035	955,000	349,600	1,304,600
2036-2040	1,160,000	142,600	1,302,600
Totals	<u>\$ 2,915,000</u>	<u>\$ 1,007,228</u>	<u>\$ 3,922,228</u>

The City issued the West Bank Urban Renewal Tax Increment bonds pursuant to Resolutions No. 9815 and 10343 which includes various restrictive provisions and covenants. The more significant provisions and covenants require that reserves be maintained for debt service. The resolution also requires that the tax increment tax collected and available for debt service is at least 1.40 times coverage on total tax increment parity debt above the amount of tax increment taxes received. At June 30, 2025, 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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt – continued

Urban Renewal Tax Increment Bonds Payable - continued

Nonmajor Governmental - West Bank Tax Increment District Bonds - continued

	<u>Parity</u>
<u>Bond reserves</u>	
Bond covenant reserve account	\$ 263,925
Total bond reserves	<u>\$ 263,925</u>
<u>Coverage covenant calculation</u>	
Increment taxes collected and available	\$ 1,051,164
Maximum annual debt service	\$ 263,925
Debt service coverage	3.98x
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, 2025 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, 2025</u>
Series 2021	04-15-2021	2.00 - 3.125%	20	07-01-2040	\$ 5,995,000	\$ 4,915,000
Total						<u>\$ 4,915,000</u>

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

Year Ending June 30	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 270,000	\$ 141,825	\$ 411,825
2027	275,000	136,087	411,087
2028	280,000	129,900	409,900
2029	290,000	123,600	413,600
2030	295,000	116,350	411,350
2031-2035	1,625,000	443,000	2,068,000
2036-2040	1,880,000	179,687	2,059,687
Totals	<u>\$ 4,915,000</u>	<u>\$ 1,270,449</u>	<u>\$ 6,185,449</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt – continued

Urban Renewal Tax Increment Bonds Payable - continued

Nonmajor Governmental – Downtown Tax Increment District Bonds - continued

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

<u>Bond reserves</u>	
Bond covenant reserve account	\$ 414,150
Total bond reserves	<u>\$ 414,150</u>
<u>Coverage covenant calculation</u>	
Increment taxes collected and available	\$ 2,039,762
Maximum annual debt service	414,150
Debt service coverage	4.93x
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.

Special park district revenue bonds outstanding at June 30, 2025 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, 2025</u>
Park District Bonds, Series 2021 (Taxable)	09-21-2022	.310 -2.714%	17	06-01-2038	\$ 10,000,000	<u>\$ 7,820,000</u>
Total						<u>\$ 7,820,000</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>
2026	\$ 540,000	\$ 161,764	\$ 701,764
2027	545,000	155,883	700,883
2028	555,000	148,210	703,210
2029	565,000	139,840	704,840
2030	575,000	129,874	704,874
2031-2035	3,040,000	471,842	3,511,842
2036-2038	2,000,000	106,880	2,106,880
Totals	<u>\$ 7,820,000</u>	<u>\$ 1,314,293</u>	<u>\$ 9,134,293</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt - continued

Special Park District Revenue Bonds - continued

Nonmajor Governmental – Park Maintenance District - 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 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, 2025 are as follows:

	Issue Date	Interest Rate	Term (Years)	Maturity Date	Bonds Issued	Balance June 30, 2025
Central Montana Techpark TID	02-05-2020	2.50%	20	01-01-2040	\$ 1,500,000	\$ 1,144,000
Total						<u>\$ 1,144,000</u>

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

Year Ending June 30	Governmental Activities		
	Principal	Interest	Total
2026	\$ 68,000	\$ 28,175	\$ 96,175
2027	68,000	26,475	94,475
2028	70,000	24,763	94,763
2029	72,000	23,000	95,000
2030	73,000	21,200	94,200
2031-2035	395,000	77,264	472,264
2036-2040	398,000	25,286	423,286
Totals	<u>\$ 1,144,000</u>	<u>\$ 226,163</u>	<u>\$ 1,370,163</u>

Nonmajor Governmental – Airport TID

The City Commission, on September 19, 2023, authorized the issuance of Tax Increment Industrial Infrastructure Revenue Bonds (Great Falls International Airport Tax Increment Financing Industrial District), Series 2023 to pay costs of public infrastructure improvements. The bonds are being repaid from the tax increments received by the City from its Airport TID.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt - continued

Tax Increment Bonds Payable - continued
Nonmajor Governmental – Airport TID - continued

Tax increment bonds outstanding at June 30, 2025 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, 2025</u>
Airport TIF Series 2023 Bonds	09-26-2023	5.00%	13	07-01-2037	\$ 645,000	\$ 570,000
Total						<u>\$ 570,000</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>
2026	\$ 35,000	\$ 28,500	\$ 63,500
2027	35,000	26,750	61,750
2028	40,000	25,000	65,000
2029	40,000	23,000	63,000
2030	45,000	21,000	66,000
2031-2035	255,000	69,500	324,500
2036-2037	120,000	9,000	129,000
Totals	<u>\$ 570,000</u>	<u>\$ 202,750</u>	<u>\$ 772,750</u>

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, 2025 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, 2025</u>
Water 2008, Amended & Restated	01-16-2013	3.00%	16	07-01-2028	\$ 3,225,000	\$ 745,000
Water 2009	07-16-2009	1.75%	20	07-01-2029	333,700	77,000
Water 2014	12-05-2014	2.50%	20	07-01-2034	2,700,893	1,382,893
Water 2016	07-27-2016	2.50%	20	07-01-2036	10,000,000	6,128,000
Water 2017	08-03-2017	2.50%	20	07-01-2037	10,000,000	6,583,000
Water 2018	01-23-2018	2.50%	20	01-01-2038	8,600,000	5,864,000
Sewer 2009	10-01-2009	1.75%	20	07-01-2029	309,816	71,000
Sewer 2012	08-03-2012	3.00%	20	07-01-2032	3,800,000	1,498,000
Sewer 2013A	06-26-2013	3.00%	20	07-01-2033	7,084,000	3,345,000
Sewer 2013B	04-11-2014	3.00%	20	01-01-2034	7,084,000	3,180,000
Storm Drain 2016	09-27-2016	2.50%	20	07-01-2036	5,000,000	2,856,000
Storm Drain 2018	05-30-2018	2.50%	20	01-01-2038	3,270,000	2,230,000
Total						<u>\$ 33,959,893</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt - continued

Revenue Bonds Payable – continued

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

	<u>Business-Type Activities</u>		
Year Ending June 30	Principal	Interest	Total
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	3,068,000	617,618	3,685,618
2030	3,114,000	535,871	3,649,871
2031-2035	14,318,893	1,440,928	15,759,821
2036-2039	3,978,000	125,177	4,103,177
Totals	<u>\$ 33,959,893</u>	<u>\$ 5,082,337</u>	<u>\$ 39,042,230</u>

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, 2025 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, 2025.

<u>Bond Reserves</u>	
Operating account	\$ 682,870
Debt service account	1,141,375
Bond covenant reserve account	<u>1,141,375</u>
Total revenue bond reserves	2,965,620
Repair and replacement account	<u>935,514</u>
Total reserves	<u>\$ 3,901,134</u>
<u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 18,690,227
Operating expenses	<u>(9,694,907)</u>
Net revenues	<u>\$ 8,995,320</u>
Maximum annual debt service requirement	<u>\$ 2,282,750</u>
Percent coverage	<u>394.06%</u>
Percent coverage required	<u>110.00%</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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, 2025, 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, 2025.

<u>Bond Reserves</u>	
Operating account	\$ 690,208
Debt service account	578,856
Bond covenant reserve account	<u>1,157,711</u>
Total revenue bond reserves	<u>2,426,775</u>
Repair and replacement account	<u>1,032,938</u>
Total reserves	<u><u>\$ 3,459,713</u></u>
<u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 13,609,616
Operating expenses	<u>(8,633,960)</u>
Net revenues	<u>\$ 4,975,656</u>
Maximum annual debt service requirement	<u>\$ 1,157,711</u>
Percent coverage	<u><u>429.78%</u></u>
Percent coverage required	<u><u>125.00%</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 sewer system historical operating results.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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, 2025, 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, 2025.

<u>Bond Reserves</u>	
Bond covenant reserve account	\$ 255,319
Debt service account	255,319
Total revenue bond reserves	<u>510,638</u>
Repair and replacement account	150,000
Total reserves	<u><u>\$ 660,638</u></u>
<u>Coverage Covenant Calculation</u>	
Gross revenues	\$ 3,957,105
Operating expenses	<u>(1,912,758)</u>
Net revenues	<u><u>\$ 2,044,347</u></u>
Maximum annual debt service requirement	<u><u>\$ 510,638</u></u>
Percent coverage	<u><u>400.35%</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, 2025, the City recorded a liability of \$25,890,673 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2024, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2025. 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, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERS' participating employers. At June 30, 2025 the City's proportion was 1.06%.

Firefighters' Unified Retirement System (FURS)

At June 30, 2025, the City recorded a liability of \$3,353,864 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2024, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2025. 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, 2024 through June 30, 2025, relative to the total employer contributions received from all of FURS' participating employers. At June 30, 2025 the City's proportion was 2.48%.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt - continued

Net Pension Liability (NPL) – continued

Municipal Police Officers' Retirement System (MPORS)

At June 30, 2025, the City recorded a liability of \$8,715,306 for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of June 30, 2024, with update procedures to roll forward the total pension liability to the measurement date of June 30, 2025. 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, 2024 through June 30, 2025, relative to the total employer contributions received from all of MPORS' participating employers. At June 30, 2025 the City's proportion was 3.90%.

The City is using a June 30, 2024 measurement date for the pension liabilities, with a June 30, 2025 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, 2025 were as follows:

Governmental activities - internal service - Health & Benefits Fund	\$1,360,462
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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, 2025 the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Compensated absences*	\$ 4,604,185	\$ 1,747,735	\$ -	\$ 6,351,920	\$ 3,785,137
Lease Purchase					
General Fund	1,259,879		(195,411)	1,064,468	201,019
HIDTA Fund	31,445	205,166	(40,703)	195,908	35,024
Loans and contracts payable					
General Fund	150,080	-	(74,567)	75,513	75,513
Master Debt SILD	19,894	-	(2,957)	16,937	2,994
Urban renewal tax increment bonds payable					
West Bank TID Series 2012	405,000	-	(45,000)	360,000	45,000
West Bank TID Series 2020	2,655,000	-	(100,000)	2,555,000	105,000
Downtown TID Series 2021	5,180,000	-	(265,000)	4,915,000	270,000
Special District revenue debt					
Park Maintenance District #1	8,355,000	-	(535,000)	7,820,000	540,000
TIF Bonds Payable					
Central MT Ag Techpark TID	1,210,000	-	(66,000)	1,144,000	68,000
Airport TID Series 2023	605,000	-	(35,000)	570,000	35,000
Net pension liability	30,719,873	-	(927,273)	29,792,600	-
OPEB liability	1,369,031	-	(8,569)	1,360,462	-
Totals	<u>\$ 56,564,387</u>	<u>\$ 1,952,901</u>	<u>\$ (2,295,480)</u>	<u>\$ 56,221,808</u>	<u>\$ 5,162,687</u>

*The change in compensated absences above is a net change for the year.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

7. Long-Term Debt - continued

Changes in Noncurrent liabilities – continued

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Business-type activities</u>					
Compensated absences	\$ 588,446	\$ 229,241	\$ -	\$ 817,687	\$ 463,617
Revenue bonds payable					
Water 2008, Amended & Restated	979,000	-	(234,000)	745,000	241,000
Water 2009	95,000	-	(18,000)	77,000	18,000
Water 2014	1,517,893	-	(135,000)	1,382,893	139,000
Water 2016	6,607,000	-	(479,000)	6,128,000	491,000
Water 2017	7,048,000	-	(465,000)	6,583,000	477,000
Water 2018	6,259,000	-	(395,000)	5,864,000	405,000
Sewer 2009	87,000	-	(16,000)	71,000	17,000
Sewer 2012	1,686,000	-	(188,000)	1,498,000	194,000
Sewer 2013A	3,710,000	-	(365,000)	3,345,000	376,000
Sewer 2013B	3,504,000	-	(324,000)	3,180,000	334,000
Storm Drain 2016	3,081,000	-	(225,000)	2,856,000	231,000
Storm Drain 2018	2,380,000	-	(150,000)	2,230,000	153,000
Net pension liability	8,169,266	-	(2,023)	8,167,243	-
Totals	<u>\$ 45,711,605</u>	<u>\$ 229,241</u>	<u>\$ (2,996,023)</u>	<u>\$ 42,944,823</u>	<u>\$ 3,539,617</u>

*The change in compensated absences above is a net change for the year.

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.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

9. Employee Benefit Plans - continued

Public Employees' Retirement System (PERS) – continued

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

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, 2023, 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 351 employers that have participants in the PERS-DCRP totaled \$1,345,278.

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, 2025

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.

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.

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

9. Employee Benefit Plans - continued

Public Employees' Retirement System (PERS) - continued

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
2025	7.900%	7.900%	9.17%	9.070%	0.100%	8.800%	0.370%
2024	7.900%	7.900%	9.17%	9.070%	0.100%	8.800%	0.370%
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 2025. 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, 2025

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 \$35,329,705.

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, 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) as of June 30, 2023, was determined on the results of an actuarial valuation date of June 30, 2024, 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	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, 2025

9. Employee Benefit Plans- continued

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

The actuarial assumptions and methods utilized in the June 30, 2024 valuation, were developed in the five-year experience study for the period ending 2021. However, the current long-term rate of return is based on analysis in the experience study, without consideration for the administrative expenses analysis shown in the experience study.

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 2128. 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, 2024, 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, 2025

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	\$37,742,991	\$25,890,673	\$15,951,927

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, 2024 measurement date for the 2025 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, 2025.

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, 2025, is on an actuarial valuation performed by the Plan's actuary as of June 30, 2024.

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, 2025 and 2024 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 \$25,890,673 and the employer's proportionate share was 1.058593 percent.

As of measurement date	Net Pension Liability as of 6/30/25	Net Pension Liability as of 6/30/24	Percent of Collective NPL as of 6/30/2025	Percent of Collective NPL as of 6/30/2024	Change in Percent of Collective NPL
City Proportionate Share	\$25,890,673	\$25,897,539	1.058593%	1.061221%	(0.002628)%
State of Montana Proportionate Share associated with City	6,718,975	7,145,525	0.274719%	0.292807%	(0.018088)%
Total	\$32,609,648	\$33,043,064	1.333312%	1.354028%	(0.020716)%

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

9. Employee Benefit Plans- continued

Public Employees' Retirement System (PERS) - continued

Changes in actuarial assumptions and methods:

- There have been no changes to the assumptions or other inputs that affected the measurement of the TPL since the previous measurement date.

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, 2025 measurement date, the City recognized a Pension Expense of \$1,555,378 for its proportionate share of the PERS' Pension Expense. The City also recognized grant revenue of \$360,078 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 6/30/2025	Pension Expense as of 6/30/2024
City's Proportionate Share	\$1,555,738	\$2,382,189
State of Montana Proportionate Share associated with City	\$360,078	\$670,356
Total	\$1,915,816	\$3,052,545

At June 30, 2025, 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	\$1,308,374	\$-
Changes in assumptions	-	-
Projected Investment Earnings vs. Actual Investment Earnings	-	575,738
Changes in proportion differences between City contributions and proportionate share of contributions	-	190,515
*Contributions paid to PERS subsequent to the measurement date - FY 2025 contributions	2,032,944	-
Total	\$3,341,318	\$766,253

* \$2,032,944 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, 2025.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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
2026	\$(487,849)
2027	1,682,669
2028	(404,748)
2029	(247,951)
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, 2025

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, 2025

9. Employee Benefit Plans – continued

Firefighters' Unified Retirement System (FURS) - continued

Fiscal Year	Member		Employer	State
	Non-GABA	GABA		
1998-2025	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 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, 2025, was determined by an actuarial valuation date of June 30, 2024, 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 6.40%

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, 2024 valuation, were developed in the five-year experience study for the period ending June 30, 2021. However, the current long-term rate of return is based on analysis in the experience study, without consideration for the administrative expense analysis show in the experience study.

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, 2025

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, 2024, 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	\$6,626,998	\$3,353,864	\$741,037

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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, single-employer, or agent pension plans. This report provides information for employers who are using a June 30, 2024 measurement date for the 2025 reporting. If an employer's fiscal year end is after June 30rd, the employer will not use the measurements shown in this report but will need to wait for the measurement date as of June 30, 2025.

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, 2025, is an actuarial valuation performed by the Plan's actuary as of June 30, 2024.

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, 2025 and 2024 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 \$3,353,864 and the employer's proportionate share was 2.4758 percent.

As of measurement date	Net Pension Liability as of 6/30/25	Net Pension Liability as of 6/30/24	Percent of Collective NPL as of 6/30/2025	Percent of Collective NPL as of 6/30/2024	Change in Percent of Collective NPL
City Proportionate Share	\$3,353,864	\$3,873,739	2.4758%	2.5657%	(0.0899)%
State of Montana Proportionate Share associated with City	7,609,075	8,791,999	5.6170%	5.8233%	(0.2063)%
Total	\$10,962,939	\$12,665,738	8.0928%	8.3890%	(0.2962)%

Changes in actuarial assumptions and methods:

- There have been no changes to the assumptions or other inputs that affected the measurement of the TPL since the previous measurement date.

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, 2025

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, 2025, the City recognized pension expense of \$722,428 for its proportionate share of the FURS' Pension Expense. The City also recognized grant revenue of \$1,885,412 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 6/30/25	Pension Expense as of 6/30/24
City's Proportionate Share	\$722,428	\$870,173
State of Montana Proportionate Share associated with City	1,885,412	2,195,403
Total	\$2,607,840	\$3,065,576

Recognition of Deferred Inflows and Outflows

At June 30, 2025, 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	\$369,615	-
Changes in assumptions	576,659	-
Projected Investment Earnings vs. Actual Investment Earnings	-	80,820
Changes in proportion differences between City contributions and proportionate share of contributions	-	317,234
Difference between actual and expected contributions	-	-
*City Contributions paid to FURS subsequent to the measurement date - # FY 2025 contributions	876,626	-
Total	\$1,822,900	\$398,054

* \$876,626 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, 2025.

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
2026	\$42,205
2027	509,741
2028	49,850
2029	(59,875)
Thereafter	6,301

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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. Member rights are vested after five years of service.

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

2. Second Retirement:

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

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

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, 2025

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.

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		
2000-2025	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, 2025

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, 2024, was determined by an actuarial valuation date of June 30, 2024, using the following actuarial assumptions, applied to all periods include in the measurement. Among those assumptions were the following:

Investment Return (net of investment expense, including inflation)	7.30%
General Wage Growth*	3.50%
*includes inflation at	2.75%
Merit increases	1.0% 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, 2024 valuation, were developed in the five-year experience study for the period ending June 30, 2021. However, the current long-term rate of return is based on analysis in the experience study, without consideration for the administrative expense analysis show in the experience study.

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 2133. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

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, 2024, is based on

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

9. Employee Benefit Plans - continued

Municipal Police Officers' Retirement System (MPORS) – continued
Target Allocation - continued

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 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	\$13,878,011	\$8,715,306	\$4,614,621

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

9. Employee Benefit Plans – continued

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

This report provides information for employers who are using a June 30, 2024 measurement date for the 2025 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, 2025 is on an actuarial valuation performed by the Plan's actuary as of June 30, 2024.

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, 2025 and 2024 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 \$8,715,306 and the employer's proportionate share was 3.8979 percent.

As of measurement date	Net Pension Liability as of 6/30/2025	Net Pension Liability as of 6/30/2024	Percent of Collective NPL as of 6/30/2025	Percent of Collective NPL as of 6/30/2024	Change in Percent of Collective NPL
City Proportionate Share	\$8,715,306	\$9,117,862	3.8979%	3.9328%	(0.0349)%
State of Montana Proportionate Share associated with City	17,724,277	18,401,845	7.9271%	7.9373%	(0.0102)%
Total	\$26,439,583	\$27,519,707	11.8250%	11.8701%	(0.0451)%

Changes in actuarial assumptions and methods:

- There have been no changes to the assumptions or other inputs that affected the measurement of the TPL since the previous measurement date.

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, 2025, the City recognized pension expense of \$1,079,428 for its proportionate share of the MPORS Pension Expense. The City also recognized grant revenue of \$2,520,539 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 6/30/2025	Pension Expense as of 6/30/2024
City's Proportionate Share	\$1,079,428	\$1,444,141
State of Montana Proportionate Share associated with City	2,520,539	3,172,612
Total	\$3,599,967	\$4,616,753

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

9. Employee Benefit Plans – continued

Municipal Police Officers' Retirement System (MPORS) – continued

Recognition of Deferred Inflows and Outflows

At June 30, 2025, 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	\$188,043	\$-
Changes in assumptions	-	58,909
Projected Investment Earnings vs. Actual Investment Earnings	-	119,360
Changes in proportion differences between City contributions and proportionate share of contributions	-	264,693
Difference between actual and expected contributions	-	-
*City Contributions paid to MPORS subsequent to the measurement date - FY 2025 contributions	1,218,908	-
Total	\$1,406,951	\$442,962

* \$1,218,908 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, 2025.

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
2026	\$(403,513)
2027	322,863
2028	(97,526)
2029	(76,744)
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	\$25,890,673	\$3,353,864	\$8,715,306	\$37,959,843
Deferred outflows of resources	\$3,341,318	\$1,822,900	\$1,406,951	\$6,571,169
Deferred inflows of resources	\$766,253	\$398,054	\$442,962	\$1,607,269
Pension expense	\$1,915,816	\$2,607,840	\$3,599,967	\$8,123,623

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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 employers 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, 2025 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, 2025. 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, 2025 the City of Great Falls contributed \$8,942 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$9,523. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$1,061 as of June 30, 2025.

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, 2025 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, 2025. 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, 2025 the City of Great Falls contributed \$18,830 and the employees contributed \$0.

The expected minimum contribution for next fiscal year is \$20,054. The City of Great Falls pays all these amounts on a monthly basis, and there was a payables balance of \$171 as of June 30, 2025.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

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 54 City of Great Falls employees as of June 30, 2025 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, 2025. 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, 2025 the City of Great Falls contributed \$340,846 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$361,297. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$12,718 as of June 30, 2025.

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 five (5) City of Great Falls employees as of June 30, 2025 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, 2025. 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, 2025 the City of Great Falls contributed \$24,828 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$27,559. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$0 as of June 30, 2025.

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 43 City of Great Falls employees as of June 30, 2025 and provides pension benefits.

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

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

10. Multiple-Employer Defined Benefit Pension Plans – continued

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

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, 2025. 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, 2025 the City of Great Falls contributed \$268,202 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$289,657. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$9,794 as of June 30, 2025.

Plumbers and Pipefitters National Pension Fund

The name of the plan is the Plumbers and Pipefitters National Pension Fund. This fund is administered by a joint Board of Trustees consisting of equal representation by the United Association and the contributing employers. This plan issues a publicly available financial report that can be obtained by going to <https://uanpf.org/>. The Plumbers and Pipefitter National Pension Fund covers six (6) City of Great Falls employees as of June 30, 2025 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, 2025. 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, 2025 the City of Great Falls contributed \$38,307 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$40,816. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$251 as of June 30, 2025.

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 34 City of Great Falls employees as of June 30, 2025 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 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

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

10. Multiple-Employer Defined Benefit Pension Plans – continued

Western Conference of Teamsters Pension Plan – continued

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, 2025. The required contribution rate for the employer and its employees for the reporting period is the amount equal to \$3.70 per hour paid to the employee. As of June 30, 2025 the City of Great Falls contributed \$244,271 and the employees contributed \$0.

The expected minimum contribution for the next fiscal year is \$261,369. Although the City of Great Falls pays all these amounts on a monthly basis, there was a payables balance of \$8,742 as of June 30, 2025.

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 provides 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, 2025

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, 2025, the number of active and inactive employees covered by the plan was as follows:

	Medical Plan
Inactive employees or beneficiaries currently covered	12
Active employees	464
Total	476

Total OPEB Liability

The City's total OPEB Liability is \$1,360,462 as of June 30, 2025 and was determined by the application of roll forward procedures to the liability determined as of June 30, 2024. The roll forward procedures included two steps:

- Change the valuation date from June 30, 2024 to June 30, 2025.
- Update the discount rate to reflect the S&P Municipal Bond 20-Year High Grade Rate Index as of June 30, 2025.

Change in Total OPEB Liability

	Total OPEB Liability
OPEB Liability as of 6/30/2024	<u>\$1,369,031</u>
Changes for the year:	
Service cost	73,775
Interest (4.22%)	57,773
Differences between expected and actual experience	13,912
Changes in assumptions	(11,702)
Changes of benefit terms	-
Employer contributions	(142,327)
Net Changes	<u>(8,569)</u>
Balance at 6/30/2025	<u><u>\$1,360,462</u></u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

11. Other Postemployment Benefits – continued

Change 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 4.11% to 4.22%	(\$11,702)

Change in Benefit Terms

There were no changes in Benefit Terms.

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 (3.22%)	Discount Rate (4.22%)	1% Increase (5.22%)
Total OPEB Liability	\$1,472,061	\$1,360,462	\$1,260,220

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 (5.02%)	Trend Rate (6.02%)	1% Increase (7.02%)
Total OPEB Liability	\$1,233,965	\$1,360,462	\$1,508,878

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

For the year ended June 30, 2025 the City recognized OPEB expense of \$(203,654). At June 30, 2025, 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	\$ (94,637)	\$ 1,090,764
Current year amortization of experience differences	(500,012)	(461,152)
Current year amortization of assumption changes	(79,302)	(311,036)
Changes in assumption	1,836,838	1,641,749
	<u>\$ 1,162,887</u>	<u>\$ 1,960,325</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

11. Other Postemployment Benefits – continued

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

Amounts reported as Deferred Inflows and Outflows of resources related to OPEB at June 30, 2025 will be recognized as OPEB expenses as follows:

Year	Actual to Expected Experience (Outflow)	Changes in Assumptions (inflow)	Combined
2025	\$ 1,811	\$ (1,524)	\$ 287
2026	1,811	(1,524)	287
2027	1,811	(1,524)	287
2028	1,811	(1,524)	287
2029	1,811	(1,524)	287
Thereafter	4,857	(4,082)	775
Total	\$ 13,912	\$ (11,702)	\$ 2,210

12. Construction Commitments

The City has entered into contracts for the design, construction or renovation of various facilities at June 30, 2025, some of which are as follows:

Project	Amount Expended to Date	Remaining Construction Commitment	Expected Date of Completion
Mansfield Theater Seating	\$ 74,681	\$ 575,320	Fall 2025
Civic Center Court Relocation	3,030,626	322,041	Fall 2025
Police Evidence Building	2,062,534	2,087,121	Winter 2026
Lift Station #15 Upgrades	66,583	28,617	Summer 2026
South Great Falls Storm Drain Middle Basin	948,277	829,723	Fall 2025
Central Avenue & 3rd St Improvements Phase 3	152	4,848	Winter 2026
Lift Station #4 Upgrades	201,928	1,363,072	Spring 2026
Sedimentation Basin Upgrades	33,521	416,479	Winter 2026
33rd St Water Storage Tank	2,817,473	519,827	Summer 2025
7th Avenue NW Street Reonsctruction Phase 2	59,930	7,370	Summer 2025
Water Treatment Plant Solids Mitigation	12,072,409	440,853	Winter 2026
5th St S & 10th Ave S Drainage Improvements	101,545	1,012,455	Fall 2025
Gibson Flats - Smith Ponds Improvements	7,248	197,752	Winter 2026
4th Ave N Street Reconstruction	2,013,684	227,836	Fall 2025
9th St NW/Watson Coulee Reconstruction	75,115	885	Spring 2027
Lift Station #1 Upgrades	2,464,509	9,316,685	Fall 2027
Central Avenue & 3rd St Drainage Improvements	463,491	3,798,246	Winter 2025
Total	\$ 26,493,708	\$ 21,149,127	

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, 2025, 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,

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

13. Operating Leases - continued

Bulk Water Service - continued

with an option to extend for an additional fifteen-year period. 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, 2025, 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.

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. The 1993 management agreement between the City and Library was renegotiated in fiscal year 2025. The new agreement expires June 30, 2029.

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. On January 21, 2025, another extension was approved for an additional five-year term of February 1, 2025 through January 31, 2030.

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, 2025.

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, 2025 with two five-year extended term options.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

14. Contracted Services - continued

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.

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 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. The City no longer receives workers' compensation coverage through MMIA as of June 30, 2024.

On July 1, 2024, the City obtained worker's compensation coverage from Montana State Fund (MSF). MSF is an independent non-profit public corporation functioning as an autonomous insurance entity supported solely from its own revenues. The City pays a quarterly premium for its workers' compensation insurance coverage with the Montana State Fund workers' compensation program, which is allocated to the employer funds based on total salaries and wages.

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 up to \$50 million of coverage for new acquisitions during the coverage period. Members have 120 days 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 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,

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

16. Risk Management - continued

the City has seen increased claims against law enforcement. Despite this, settled claims resulting from these risks have not exceeded the 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 known 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 Beginning of		Claims Payable End of Fiscal	
	Fiscal Year	Claims Incurred	Claims Paid	Year
2025	\$ 493,886	\$ 11,376,281	\$ 11,208,810	661,357
2024	484,382	10,706,610	10,697,106	493,886
2023	692,394	8,244,032	8,452,044	484,382
2022	-	9,431,275	8,738,881	692,394

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.

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

17. Net Positions and Fund Balances - continued

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 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:

	Major Special Revenue Funds				Other Governmental Funds	Total
	General	COVID Recovery	Street District	Federal Block Grant		
Fund balances						
Restricted for						
Land held for resale	\$ -	\$ -	\$ 9,734	\$ -	\$ 15,615	\$ 25,349
Library projects	-	-	-	-	201,844	201,844
Federal block grant	-	-	-	265,396	-	265,396
Federal HOME grant	-	-	-	-	7,894	7,894
Special assessment purposes	-	-	8,261,263	-	5,072,864	13,334,127
Gas Tax projects	-	-	-	-	786,604	786,604
Tax increment districts projects	-	-	-	-	4,178,156	4,178,156
Tax increment debt	-	-	-	-	6,893,495	6,893,495
Special assessment debt	-	-	-	-	102,797	102,797
Total Restricted	<u>-</u>	<u>-</u>	<u>8,270,997</u>	<u>265,396</u>	<u>17,259,269</u>	<u>25,795,662</u>
Assigned for						
General government - planning	-	-	-	-	183,645	183,645
General government - economic development	-	-	-	-	5,226	5,226
General government -support & innovation	-	-	-	-	104,418	104,418
General government - operations and capital improvements	-	3,860,561	-	-	-	3,860,561
Public safety - fire projects	-	-	-	-	77,519	77,519
Public safety - police projects	-	-	-	-	2,085,788	2,085,788
Park and recreation - parkland	-	-	-	-	846,283	846,283
Housing and development	-	-	-	-	728,098	728,098
Capital outlay for general government	-	-	-	-	533,529	533,529
Library operations	-	-	-	-	2,590,228	2,590,228
Total Assigned	<u>-</u>	<u>3,860,561</u>	<u>-</u>	<u>-</u>	<u>7,154,734</u>	<u>11,015,295</u>
Unassigned	<u>9,981,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,981,522</u>
Total Fund Balances	<u>\$ 9,981,522</u>	<u>\$ 3,860,561</u>	<u>\$ 8,270,997</u>	<u>\$ 265,396</u>	<u>\$ 24,414,003</u>	<u>\$ 46,792,479</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

18. Deficit Fund Balances and Net Positions

The Aim High Big Sky enterprise fund has a net position deficit of \$435,921. This is due to slower than anticipated operations since the facility opened in July 2024 and the previous GASB 68 required recording of the unfunded net pension liability.

The Multi-Sports enterprise fund has a net position deficit of \$69,952. This is due to slowdown in operations and the previous GASB 68 required recording of the unfunded net pension liability.

The Civic Center Events enterprise fund has a net position deficit of \$284,690. This is due to slowdown of operations since COVID and reduction of operating subsidy from the General Fund as well as the previous GASB 68 required recording of the unfunded net pension liability.

The Information Technology internal service fund has a net position deficit of \$182,806. 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 \$298,192. 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 \$658,226. 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 \$148,799. This is due to the previous GASB 68 required recording of the unfunded net pension liability.

19. Adjustments and Restatements

Correction of Error in Previously Issued Financial Statements

During fiscal year 2025, the City determined there were certain errors in amounts previously reported in the 2024 financial statements resulting in a restatement of the beginning net position and fund balance. The corrections consist of the following:

- (A) The City identified the improper capitalization of certain expenditures for internal engineering services which were capitalized in fiscal years ranging from 1994 to 2024. Accordingly, capital assets, net of depreciation as of June 30, 2024, were overstated by \$9,753,754. The effect of this correction is shown in Error Correction Column A in the table below.
- (B) The City identified grant revenue that should have been recorded in the prior year. Accordingly, accounts receivable and federal revenue as of June 30, 2024, were understated by \$111,950. The effect of this correction is shown in Error Correction Column B in the table below.
- (C) The City identified accrued payroll that should have been recorded in the prior year. Accordingly, expenditures of the General Fund were understated by \$563,934. The effect of this correction is shown in Error Correction Column C in the table below.

Change to and within the Reporting Entity

During fiscal year 2025, there was a change within the financial reporting entity which resulted in the Park Maintenance District Fund being reported as a nonmajor fund instead of as a major fund due to not meeting the quantitative threshold to be classified as a major fund. As such, beginning fund balance was reclassified from major to presented as a nonmajor fund. The effect of the change on beginning fund balance is shown in the table below.

During fiscal year 2025, there was a change to the financial reporting entity which resulted in the Public Library Foundation no longer being reported as a Discretely Presented Component Unit. This conclusion is based on the following considerations:

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

19. Adjustments and Restatements – continued

Change to and within the Reporting Entity - continued

- Increased public funding to the Library Fund has significantly reduced the Library’s reliance on the Foundation for capital and programmatic support.
- The bylaws of the Foundation establish its operational independence and grant it full discretion over the use and timing of its resources.
- The City does not appoint a voting majority of the Foundation’s board, nor does it have the ability to impose its will on the Foundation or access its resources.

The effect of the change on beginning net position is shown in the table below.

Adjustments to and Restatements of Beginning Balances

During fiscal year 2025, changes to and within the reporting entity and error corrections resulted in adjustments to and restatements of beginning net position and fund net position/fund balance as follows:

	July 1, 2024, As Previously Reported	Error Correction (A)	Error Correction (B)	Error Correction (C)	Change to or Within the Financial Reporting Entity	July 1, 2024, As Restated
Government-Wide						
Governmental Activities	\$ 113,560,636	\$ (1,364,640)	\$ 111,950	\$ (563,934)	\$ -	\$ 111,744,012
Business-Type Activities	177,636,181	(8,389,114)	-	-	-	169,247,067
Total Primary Government	<u>291,196,817</u>	<u>(9,753,754)</u>	<u>111,950</u>	<u>(563,934)</u>	<u>-</u>	<u>280,991,079</u>
Governmental Funds						
Major Funds:						
General Fund	11,000,824	-	-	(563,934)	-	10,436,890
Federal Block Grant Fund	769,397	-	111,950	-	-	881,347
Park Maintenance District Fund	3,378,710	-	-	-	(3,378,710)	-
Nonmajor Funds	20,038,342	-	-	-	3,378,710	23,417,052
Total Governmental Funds	<u>35,187,273</u>	<u>-</u>	<u>111,950</u>	<u>(563,934)</u>	<u>-</u>	<u>34,735,289</u>
Proprietary Funds						
Major Funds:						
Water Fund	78,196,869	(4,101,298)	-	-	-	74,095,571
Sewer Fund	62,520,186	(1,862,475)	-	-	-	60,657,711
Storm Drain Fund	29,178,022	(2,425,341)	-	-	-	26,752,681
Total Proprietary Funds	<u>\$ 169,895,077</u>	<u>\$ (8,389,114)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,505,963</u>
Discretely Presented Component Units						
Public Library Foundation	4,356,785	-	-	-	(4,356,785)	-
Total Discretely Presented Component Units	<u>\$ 4,356,785</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,356,785)</u>	<u>\$ -</u>

City of Great Falls, Montana
Notes to Financial Statements (Continued)
June 30, 2025

19. Adjustments and Restatements – continued

Adjustments to and Restatements of Beginning Balances - continued

If these amounts had been properly recorded in the prior year, the change in net position and change in fund balance would have been adjusted as follows for the year ended June 30, 2024:

	June 30, 2024, As Previously Reported	Error Correction (A)	Error Correction (B)	Error Correction (C)	June 30, 2024, As Restated
Government-Wide					
Governmental Activities	\$ 8,466,122	\$ (1,364,640)	\$ 111,950	\$ (563,934)	\$ 6,649,498
Business-Type Activities	8,314,301	(8,389,114)	-	-	(74,813)
Total Government-Wide	<u>16,780,423</u>	<u>(9,753,754)</u>	<u>111,950</u>	<u>(563,934)</u>	<u>6,574,685</u>
Governmental Funds					
General Fund	321,436	-	-	(563,934)	(242,498)
Federal Block Grant Fund	(714,030)	-	111,950	-	(602,080)
Total Governmental Funds	<u>(392,594)</u>	<u>-</u>	<u>111,950</u>	<u>(563,934)</u>	<u>(844,578)</u>
Proprietary Funds					
Water Fund	3,256,472	(4,101,298)	-	-	(844,826)
Sewer Fund	1,659,565	(1,862,475)	-	-	(202,910)
Storm Drain Fund	3,065,339	(2,425,341)	-	-	639,998
Total Proprietary Funds	<u>\$ 7,981,376</u>	<u>\$ (8,389,114)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (407,738)</u>

20. Subsequent Events

On August 5, 2025, the City Commission approved financing for \$2,500,000 of improvements for the Great Falls Fire Rescue Fire Training Center through the Montana Board of Investments Intercep Loan Program.

On October 21, 2025, the City Commission approved financing of \$2,000,000 through the Drinking Water State Revolving Fund for the Head House Repair Project at the City of Great Falls Water Treatment Plant.

Management has evaluated subsequent events through December 22, 2025, 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 Eight Years*

	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
Service cost	\$ 269,990	\$ 274,467	\$ 276,374	\$ 294,613	\$ 74,466	\$ 72,781	\$ 76,120	\$ 73,775
Interest	242,494	240,915	190,188	183,688	354,319	54,191	53,138	57,773
Differences between expected and actual experience	700,425	(624,573)	1,827,362	(703,992)	(1,697,952)	894,946	319,911	13,912
Changes of assumptions or inputs	(1,071,631)	89,020	(1,017,780)	462,679	(859,823)	(4,037)	(236,167)	(11,702)
Change in benefit terms	-	-	-	-	(4,239,636)	-	-	-
Employer contributions	-	-	-	-	(982,303)	(1,037,112)	(136,867)	(142,327)
Net Change in Total OPEB Liability	\$ 141,278	\$ (20,171)	\$ 1,276,144	\$ 236,988	\$ (7,350,929)	\$ (19,231)	\$ 76,135	\$ (8,569)
Total OPEB Liability - beginning	\$ 7,028,817	\$ 7,170,095	\$ 7,149,924	\$ 8,426,068	\$ 8,663,056	\$ 1,312,127	\$ 1,292,896	\$ 1,369,031
Total OPEB Liability - ending	\$ 7,170,095	\$ 7,149,924	\$ 8,426,068	\$ 8,663,056	\$ 1,312,127	\$ 1,292,896	\$ 1,369,031	\$ 1,360,462
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%	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	\$ 32,959,064	\$ 34,112,631
Total OPEB Liability as a percentage of Covered Employee Payroll	27.5%	26.4%	30.0%	29.8%	4.5%	4.3%	4.2%	4.0%
Notes to Schedule:								
<u>Key Assumptions</u>								
Discount Rate	3.45%	3.36%	2.66%	2.18%	4.09%	4.13%	4.11%	4.22%
Medical Trend	3.45%	4.50%	4.50%	4.50%	6.02%	5.83%	6.26%	6.02%

*GASB Statement No. 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
For the Last Ten Fiscal Years*

Reporting Date (Fiscal Year) As of Measurement Date	Public Employees' Retirement System									
	2016 2015	2017 2016	2018 2017	2019 2018	2020 2019	2021 2020	2022 2021	2023 2022	2024 2023	2025 2024
City's proportionate share of the net pension liability associated with the City	1.34%	1.33%	1.49%	1.07%	1.11%	1.07%	1.04%	1.08%	1.06%	1.06%
City's proportion of the net pension liability	\$ 18,745,848	\$ 22,662,652	\$ 26,279,968	\$ 22,241,067	\$ 23,100,228	\$ 28,148,290	\$ 18,775,957	\$ 25,682,349	\$ 25,897,539	\$ 25,890,673
State of Montana proportionate share of the net pension liability associated with the City	230,260	276,912	335,858	7,433,740	7,503,880	8,851,253	5,522,480	7,660,700	7,145,525	6,718,975
Total	\$ 18,976,108	\$ 22,939,564	\$ 26,615,826	\$ 29,674,807	\$ 30,604,108	\$ 36,999,543	\$ 24,298,437	\$ 33,343,049	\$ 33,043,064	\$ 32,609,648
City's covered payroll	\$ 15,650,061	\$ 15,936,803	\$ 16,751,180	\$ 17,552,424	\$ 18,253,915	\$ 17,901,595	\$ 18,259,759	\$ 18,958,520	\$ 19,714,748	\$ 20,741,568
City's proportionate share of the net pension liability as of its covered payroll	119.78%	142.20%	156.88%	126.71%	126.55%	157.24%	102.83%	135.47%	131.36%	124.83%
Plan fiduciary net position as a percentage of the total pension liability	78.40%	74.71%	73.75%	73.47%	73.85%	68.90%	79.91%	73.66%	73.93%	74.77%

Reporting Date (Fiscal Year) As of Measurement Date	Firefighters' Unified Retirement System									
	2016 2015	2017 2016	2018 2017	2019 2018	2020 2019	2021 2020	2022 2021	2023 2022	2024 2023	2025 2024
City's proportionate share of the net pension liability associated with the City	3.20%	3.21%	3.20%	3.18%	2.99%	3.09%	2.85%	2.80%	2.57%	2.48%
City's proportion of the net pension liability	\$ 3,266,908	\$ 3,669,168	\$ 3,619,015	\$ 3,662,058	\$ 3,428,389	\$ 4,831,711	\$ 2,437,560	\$ 4,453,325	\$ 3,873,739	\$ 3,353,864
State of Montana proportionate share of the net pension liability associated with the City	7,276,274	8,313,182	8,218,387	8,373,484	8,291,572	10,892,307	5,532,479	10,075,277	8,791,999	7,609,075
Total	\$ 10,543,182	\$ 11,982,350	\$ 11,837,402	\$ 12,035,542	\$ 11,719,961	\$ 15,724,018	\$ 7,970,039	\$ 14,528,602	\$ 12,665,738	\$ 10,962,939
City's covered payroll	\$ 4,292,501	\$ 4,523,854	\$ 4,786,308	\$ 5,007,758	\$ 5,182,586	\$ 5,390,299	\$ 5,241,767	\$ 5,432,183	\$ 5,526,807	\$ 5,807,949
City's proportionate share of the net pension liability as of its covered payroll	76.11%	81.11%	75.61%	73.13%	66.15%	89.64%	46.50%	81.98%	70.09%	57.75%
Plan fiduciary net position as a percentage of the total pension liability	76.90%	75.48%	77.77%	79.03%	80.08%	75.34%	87.72%	78.76%	81.00%	83.97%

Reporting Date (Fiscal Year) As of Measurement Date	Municipal Police Officers' Retirement System									
	2016 2015	2017 2016	2018 2017	2019 2018	2020 2019	2021 2020	2022 2021	2023 2022	2024 2023	2025 2024
City's proportionate share of the net pension liability associated with the City	4.20%	4.23%	4.21%	4.13%	4.18%	4.21%	4.12%	4.14%	3.93%	3.90%
City's proportion of the net pension liability	\$ 6,951,884	\$ 7,615,215	\$ 7,485,952	\$ 7,066,266	\$ 8,319,897	\$ 10,294,653	\$ 7,486,525	\$ 9,773,381	\$ 9,117,862	\$ 8,715,306
State of Montana proportionate share of the net pension liability associated with the City	14,085,177	15,116,534	15,257,632	14,444,839	16,942,236	20,763,270	15,216,811	19,864,036	18,401,845	17,724,277
Total	\$ 21,037,061	\$ 22,731,749	\$ 22,743,584	\$ 21,511,105	\$ 25,262,133	\$ 31,057,923	\$ 22,703,336	\$ 29,637,417	\$ 27,519,707	\$ 26,439,583
City's covered payroll	\$ 5,816,404	\$ 5,971,870	\$ 6,306,036	\$ 6,660,919	\$ 6,888,996	\$ 7,210,107	\$ 7,363,636	\$ 7,623,173	\$ 7,929,996	\$ 8,243,735
City's proportionate share of the net pension liability as of its covered payroll	119.52%	127.52%	118.71%	106.09%	120.77%	142.78%	101.67%	128.21%	114.98%	105.72%
Plan fiduciary net position as a percentage of the total pension liability	66.90%	65.62%	68.34%	70.95%	68.84%	64.84%	75.76%	69.67%	71.65%	73.96%

*The amounts presented for each fiscal year were determined as of June 30, the measurement date.

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

	Public Employees' Retirement System									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 1,361,640	\$ 1,401,041	\$ 1,484,347	\$ 1,568,261	\$ 1,568,417	\$ 1,620,926	\$ 1,688,068	\$ 1,784,527	\$ 1,889,892	\$ 2,032,945
Contributions in relation to the contractually required contributions	(1,361,640)	(1,401,041)	(1,484,347)	(1,568,261)	(1,568,417)	(1,620,926)	(1,688,068)	(1,784,527)	(1,889,892)	(2,032,945)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 15,936,803	\$ 16,751,180	\$ 17,552,424	\$ 18,253,915	\$ 17,901,595	\$ 18,253,935	\$ 18,958,520	\$ 19,717,748	\$ 20,741,568	\$ 22,415,778
Contributions of covered payroll	8.56%	8.36%	8.46%	8.59%	8.76%	8.88%	8.90%	9.05%	9.11%	9.07%

	Firefighters' Unified Retirement System									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 646,789	\$ 687,314	\$ 737,064	\$ 714,222	\$ 793,404	\$ 749,881	\$ 785,722	\$ 794,921	\$ 840,988	\$ 876,627
Contributions in relation to the contractually required contributions	(646,789)	(687,314)	(737,064)	(714,222)	(793,404)	(749,881)	(785,722)	(794,921)	(840,988)	(876,627)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 4,523,854	\$ 4,786,308	\$ 5,007,758	\$ 5,182,586	\$ 5,390,299	\$ 5,241,766	\$ 5,432,183	\$ 5,526,807	\$ 5,807,949	\$ 6,104,642
Contributions of covered payroll	14.30%	14.36%	14.72%	13.78%	14.72%	14.31%	14.46%	14.38%	14.48%	14.36%

	Municipal Police Officers' Retirement System									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 874,802	\$ 906,708	\$ 974,098	\$ 996,654	\$ 1,050,475	\$ 1,072,592	\$ 1,120,403	\$ 1,154,230	\$ 1,191,369	\$ 1,218,909
Contributions in relation to the contractually required contributions	(874,802)	(906,708)	(974,098)	(996,654)	(1,050,475)	(1,072,592)	(1,120,403)	(1,154,230)	(1,191,369)	(1,218,909)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 5,971,870	\$ 6,306,036	\$ 6,660,919	\$ 6,888,996	\$ 7,210,107	\$ 7,363,636	\$ 7,623,173	\$ 7,929,996	\$ 8,243,734	\$ 8,458,770
Contributions of covered payroll	14.65%	14.38%	14.62%	14.47%	14.57%	14.57%	14.70%	14.56%	14.45%	14.41%

* The amounts presented for each fiscal year were determined as of June 30, the most recent fiscal year end.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
National Electrical Benefit Fund										
Contractually required contribution	\$ 8,758	\$ 10,210	\$ 11,334	\$ 10,134	\$ 9,052	\$ 9,304	\$ 11,197	\$ 8,025	\$ 8,478	\$ 8,942
Contributions in relation to the contractually required contribution	(8,758)	(10,210)	(11,334)	(10,134)	(9,052)	(9,304)	(11,197)	(8,025)	(8,477)	(8,942)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 291,210	\$ 340,340	\$ 374,565	\$ 332,360	\$ 352,818	\$ 310,120	\$ 382,845	\$ 267,506	\$ 282,594	\$ 298,067
Contributions of covered payroll	3%	3%	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	\$ 18,874	\$ 18,830
Contributions in relation to the contractually required contribution	(19,985)	(24,550)	(29,926)	(27,352)	(23,576)	(23,616)	(27,366)	(18,864)	(18,874)	(18,830)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 291,210	\$ 340,340	\$ 374,565	\$ 332,360	\$ 352,818	\$ 310,120	\$ 382,845	\$ 267,506	\$ 282,594	\$ 298,067
Contributions of covered payroll	7%	7%	8%	8%	7%	8%	7%	7%	7%	6%
LIUNA National (Industrial) Pension Fund										
Contractually required contribution	\$ 243,665	\$ 287,798	\$ 313,336	\$ 317,178	\$ 329,865	\$ 340,747	\$ 348,884	\$ 332,403	\$ 324,384	\$ 340,846
Contributions in relation to the contractually required contribution	(243,665)	(287,798)	(313,336)	(317,178)	(329,865)	(340,747)	(348,884)	(332,403)	(324,384)	(340,846)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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	\$ 1,923,853	\$ 2,197,546
Contributions of covered payroll	11%	12%	13%	14%	16%	16%	18%	17%	17%	16%
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	\$ 26,165	\$ 24,828
Contributions in relation to the contractually required contribution	(22,830)	(20,959)	(22,581)	(24,512)	(27,475)	(28,085)	(28,986)	(29,620)	(26,165)	(24,828)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 181,380	\$ 166,415	\$ 170,325	\$ 155,283	\$ 215,419	\$ 181,337	\$ 189,357	\$ 194,525	\$ 179,609	\$ 151,099
Contributions of covered payroll	13%	13%	13%	16%	13%	15%	15%	15%	15%	16%

* The amounts presented for each fiscal year were determined as of June 30, the most recent fiscal year end.

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

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 251,310	\$ 283,973	\$ 305,795	\$ 339,085	\$ 325,323	\$ 337,421	\$ 317,858	\$ 330,132	\$ 265,648	\$ 268,202
Contributions in relation to the contractually required contribution	(251,310)	(283,973)	(305,795)	(339,085)	(325,323)	(337,421)	(317,858)	(330,132)	(265,648)	(268,202)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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	\$ 1,960,015	\$ 1,902,831
Contributions of covered payroll	15%	15%	16%	17%	17%	17%	16%	15%	14%	14%

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	\$ 34,167	\$ 38,307
Contributions in relation to the contractually required contribution	(44,593)	(47,027)	(49,617)	(52,570)	(50,413)	(54,071)	(37,788)	(41,007)	(34,167)	(38,307)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 252,550	\$ 255,450	\$ 261,509	\$ 268,109	\$ 267,218	\$ 297,421	\$ 277,917	\$ 314,842	\$ 276,517	\$ 339,386
Contributions of covered payroll	18%	18%	19%	20%	19%	18%	14%	13%	12%	11%

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	\$ 237,447	\$ 244,271
Contributions in relation to the contractually required contribution	(182,562)	(189,661)	(190,001)	(209,523)	(214,008)	(235,928)	(229,870)	(235,035)	(237,447)	(244,271)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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	\$ 1,523,017	\$ 1,642,085
Contributions of covered payroll	16%	16%	16%	17%	18%	18%	17%	16%	16%	15%

* The amounts presented for each fiscal year were determined as of June 30, the most recent fiscal year end.

City of Great Falls, Montana
Notes to Required Supplementary Information
For the Year Ended June 30, 2025

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.

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, 2024, which were based on the results of the June 30, 2023 actual valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.30%, net of pension plan investment and administrative expenses
*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	
Active Participants	PUB-2010 General Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
Disabled Retirees	PUB-2010 General Amount Weighted Disabled Retiree mortality table, projected to 2021, set forward one year for both males and females.
Contingent Survivors	PUB-2010 General Amount Weighted Contingent Survivor Mortality projected to 2021 with ages set forward one year for both males and females. Projected generationally using MP-2021.
Health Retirees	PUB-2010 General Amount Weighted Healthy Retiree Mortality Table projected 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 Required Supplementary Information (Continued)
For the Year Ended June 30, 2025

1. Employee Benefit Plan - continued

The actuarial assumptions and methods utilized in the June 30, 2023 valuation, were developed in the five year experience study for the period ending 2021.

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

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

2017:

Working Retiree Limitations – for FURS

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

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

Second Retirement Benefit – for FURS

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

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

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2025

1. Employee Benefit Plan – continued

Refunds – FURS

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

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, 2024, which were based on the results of the June 30, 2023 actual valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.30%, net of pension plan investment and administrative expenses
*Includes inflation at	2.75%
Merit salary increase	1% to 6.40%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality	
Active Participants	PUB-2010 Safety Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
Health Retirees	PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table projected to 2021, with ages set forward one year for males and adjusted 105% for males and 100% for females. Projected generationally using MP-2021.
Disabled Retirees	PUB-2010 Safety Amount Weighted Disabled Retiree Mortality projected to 2021, set forward one year for males.
Contingent Survivors	PUB-2010 Safety Amount Weighted Contingent Survivor Mortality projected to 2021, set forward one year for males. Projected generationally using MP-2021.

The actuarial assumptions and methods utilized in the June 30, 2023 valuation, were developed in the five-year experience study for the period ending 2021.

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

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

2017:

Working Retiree Limitations – for MPORS

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

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

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2025

1) Employee Benefit Plan - continued

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

Second Retirement Benefit – for MPORS

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

Refunds – MPORS

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

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.

City of Great Falls, Montana
Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2025

1. Employee Benefit Plan - continued

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, 2024, which were based on the results of the June 30, 2023 actual valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.30%, net of pension plan investment and administrative expenses
*Includes inflation at	2.75%
Merit salary increase	1% to 6.40%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Mortality	
Active Participants	PUB-2010 Safety Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
Healthy Retiree	PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table projected to 2021, with ages set forward one year for males and adjusted 105% for males and
Disabled Retiree	PUB-2010 Safety Amount Weighted Disabled Retiree Mortality projected to 2021, set forward one year for males.
Contingent Survivor	PUB-2010 Safety Amount Weighted Contingent Survivor Mortality projected to 2021 , set forward one year for males. Projected generationally using MP-2021.

The actuarial assumptions and methods utilized in the June 30, 2023 valuation, were developed in the five-year experience study for the period ending 2021.

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2025

	General			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 26,018,186	\$ 26,018,186	\$ 24,984,703	\$ 1,033,483
Licenses and permits	929,200	929,200	887,024	42,176
Intergovernmental	10,116,751	14,616,822	14,714,478	(97,656)
Charges for services	1,221,048	1,221,048	1,371,758	(150,710)
Fines and forfeitures	680,000	680,000	539,998	140,002
Internal services	1,174,859	1,174,859	1,174,389	470
Investment income	20,000	20,000	128,479	(108,479)
Other	210,250	210,250	424,483	(214,233)
Total revenues	40,370,294	44,870,365	44,225,312	645,053
Expenditures				
Current				
General government				
Personal services	4,380,053	4,426,593	4,112,254	314,339
Operations and maintenance	2,712,053	2,769,621	2,572,403	197,218
Public safety				
Personal service	23,408,389	27,840,655	27,887,224	(46,569)
Operation and maintenance	5,466,401	5,487,651	5,380,977	106,674
Culture and recreation				
Personal services	2,170,403	2,191,668	2,057,834	133,834
Operations and maintenance	1,167,228	1,167,228	1,129,981	37,247
Debt service				
Principal	269,980	269,980	269,979	1
Interest	43,715	43,715	43,715	-
Capital outlay	-	62,050	62,050	-
Total expenditures	39,618,222	44,259,161	43,516,417	742,744
Revenues over (under) expenditures	752,072	611,204	708,895	1,387,797
Other financing sources (uses)				
Transfers in	-	26,864	26,864	-
Transfers out	(1,196,477)	(1,196,477)	(1,196,477)	-
Issuance of debt	-	-	-	-
Proceeds of capital assets	-	-	5,350	5,350
Total other financing sources (uses)	(1,196,477)	(1,169,613)	(1,164,263)	5,350
Net changes in fund balance	\$ (444,405)	\$ (558,409)	(455,368)	\$ 1,393,147
Fund balance - beginning, as previously reported			11,000,824	
Adjustments (Note 19)			(563,934)	
Fund balance - beginning, as restated			10,436,890	
Fund balance - ending			\$ 9,981,522	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds
For the Year Ended June 30, 2025

	COVID Recovery			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	9,333,504	6,373,189	(2,960,315)
Charges for services	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	345,618	345,618
Other	-	-	-	-
Total revenues	-	9,333,504	6,718,807	(2,614,697)
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	523,656	894,424	(370,768)
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	-	9,158,003	5,714,273	3,443,730
Total expenditures	-	9,681,659	6,608,697	3,072,962
Revenues over (under) expenditures	-	(348,155)	110,110	458,265
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ -	\$ (348,155)	\$ 110,110	\$ 458,265
Fund balance - beginning			3,750,451	
Fund balance - ending			<u>\$ 3,860,561</u>	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds (Continued)
For the Year Ended June 30, 2025

	Street District			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 7,146	\$ 7,146	\$ 19,586	\$ 12,440
Intergovernmental	2,715,088	2,737,746	2,691,220	(46,526)
Charges for services	111,500	111,500	240,157	128,657
Internal services	103,338	103,338	216,240	112,902
Special assessments	5,545,751	5,545,751	5,543,361	(2,390)
Investment income	-	-	279,062	279,062
Other	-	-	48,704	48,704
Total revenues	8,482,823	8,505,481	9,038,330	532,849
Expenditures				
Current				
General government				
Personal services				
Operations and maintenance	-	-	-	-
Public works				
Personal services	2,899,263	2,921,921	2,254,187	667,734
Operations and maintenance	4,401,886	4,806,928	4,043,736	763,192
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	7,551,266	8,221,967	2,172,658	6,049,309
Total expenditures	14,852,415	15,950,816	8,470,581	7,480,235
Revenues over (under) expenditures	(6,369,592)	(7,445,335)	567,749	8,013,084
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ (6,369,592)	\$ (7,445,335)	\$ 567,749	\$ 8,013,084
Fund balance - beginning			7,703,248	
Fund balance - ending			\$ 8,270,997	

Required Supplementary Information
City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds (Concluded)
For the Year Ended June 30, 2025

	Federal Block Grant			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	754,777	3,016,520	1,649,214	(1,367,306)
Charges for services	-	354,195	77,307	(276,888)
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	467	467
Other	-	-	-	-
Total revenues	754,777	3,370,715	1,726,988	(1,643,727)
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	70,178	70,178	64,315	5,863
Operations and maintenance	484,658	357,279	1,539,158	(1,181,879)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	200,000	2,589,122	739,466	1,849,656
Total expenditures	754,836	3,016,579	2,342,939	673,640
Revenues over (under) expenditures	(59)	354,136	(615,951)	(970,087)
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ (59)	\$ 354,136	\$ (615,951)	\$ (970,087)
Fund balance - beginning, as previously reported			769,397	
Adjustments (Note 19)			111,950	
Fund balance - beginning, as restated			881,347	
Fund balance - ending			\$ 265,396	

City of Great Falls, Montana
Notes to Budgetary Comparison Schedule
June 30, 2025

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	\$ 4,500,071	Recognizing on-behalf payments for pensions GASB 85
Park Maintenance District	350,468	Contributions and donations
Police Special Revenue	164,276	Grant, donations, and drug forfeiture revenue received
General Capital Projects	1,296,238	Grant revenue for animal shelter, police, and civic center projects
Golf Courses	160,000	Additional charges for services revenue
Water	396,000	Public works grant received

<u>Fund</u>	<u>Amount</u>	<u>Purpose</u>
<u>Expenses/ Expenditures</u>		
General	\$ 4,500,071	Recognizing on-behalf payments for pensions GASB 85
Police Special Revenue	212,389	Additional projects from grants, donations, and drug forfeitures
HIDTA Special Revenue	132,200	Grant revenue received for drug task force operations
West Bank TID Bonds	1,526,677	Activated reserves for City Commission approved TIF projects
Downtown TID Bonds	618,326	Activated reserves for City Commission approved TIF projects
General Capital Projects	1,296,238	Grant revenue for animal shelter, police, and civic center projects
Golf Courses	160,000	Additional expenses from charges for services revenue
Water	396,000	Grant funded capital project

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.

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.

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.

City of Great Falls, Montana
Nonmajor Governmental Funds
Fund Descriptions

Special Revenue Funds (Continued)

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

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

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

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

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.

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.

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, 2025

	Special Revenue Funds				
	Park & Recreation	Parkland Trust	Library	Library Foundation	Planning & Community Development
Assets					
Cash and investments	\$ 294,066	\$ 184,380	\$ 1,933,291	\$ 250,305	\$ 115,902
Restricted cash and investments	-	-	585,000	-	-
Receivables					
Taxes	-	-	439,123	-	-
Special assessments	-	-	-	-	-
Accounts	1,482	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	360,244	-	-	-	-
Due from other governments	28,224	-	1,895	-	143,685
Other assets	-	-	-	-	-
Total assets	<u>\$ 684,016</u>	<u>\$ 184,380</u>	<u>\$ 2,959,309</u>	<u>\$ 250,305</u>	<u>\$ 259,587</u>
Liabilities					
Accounts payable	\$ 22,113	\$ -	\$ 19,887	\$ 48,461	\$ 47,907
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	28,035
Total liabilities	<u>22,113</u>	<u>-</u>	<u>19,887</u>	<u>48,461</u>	<u>75,942</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	349,194	-	-
Unavailable revenue-special assessments	-	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>349,194</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	-	-	-	201,844	-
Assigned	661,903	184,380	2,590,228	-	183,645
Total fund balances	<u>661,903</u>	<u>184,380</u>	<u>2,590,228</u>	<u>201,844</u>	<u>183,645</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 684,016</u>	<u>\$ 184,380</u>	<u>\$ 2,959,309</u>	<u>\$ 250,305</u>	<u>\$ 259,587</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

Special Revenue Funds - continued

	Central Montana Ag Tech Park TID	Airport TID	East Industrial Ag Tech Park TID	Economic Revolving	Permits
Assets					
Cash and investments	\$ 3,329,367	\$ 350,943	\$ 240,735	\$ 5,226	\$ 741,156
Restricted cash and investments	48,113	64,500	-	-	-
Receivables	-				
Taxes	96,003	24,814	23,006	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	-	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	1,449	-	-	-	-
Other assets	-	-	-	15,615	-
Total assets	<u>\$ 3,474,932</u>	<u>\$ 440,257</u>	<u>\$ 263,741</u>	<u>\$ 20,841</u>	<u>\$ 741,156</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 13,058
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,058</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	774	-	-	-
Unavailable revenue-special assessments	-	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>774</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	3,474,932	439,483	263,741	15,615	-
Assigned	-	-	-	5,226	728,098
Total fund balances	<u>3,474,932</u>	<u>439,483</u>	<u>263,741</u>	<u>20,841</u>	<u>728,098</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,474,932</u>	<u>\$ 440,257</u>	<u>\$ 263,741</u>	<u>\$ 20,841</u>	<u>\$ 741,156</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

Special Revenue Funds - continued

	Natural Resources	Portage Meadows	Park Maintenance District	Support & Innovation	Gas Tax BaRSAA
Assets					
Cash and investments	\$ 108,717	\$ 189,027	\$ 3,132,861	\$ 207,764	\$ 786,604
Restricted cash and investments	31,886	-	352,437	-	-
Receivables					
Taxes	-	-	-	-	-
Special assessments	31,444	2,725	56,521	34,993	-
Accounts	-	-	-	-	-
Accrued interest	-	-	1,674	-	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	550	24	1,190	528	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 172,597</u>	<u>\$ 191,776</u>	<u>\$ 3,544,683</u>	<u>\$ 243,285</u>	<u>\$ 786,604</u>
Liabilities					
Accounts payable	\$ 2,049	\$ -	\$ 40,465	\$ 114,887	\$ -
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>2,049</u>	<u>-</u>	<u>40,465</u>	<u>114,887</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	-	-	-
Unavailable revenue-special assessments	16,050	1,752	19,624	23,980	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	<u>16,050</u>	<u>1,752</u>	<u>19,624</u>	<u>23,980</u>	<u>-</u>
Fund Balances					
Restricted	154,498	190,024	3,484,594	-	786,604
Assigned	-	-	-	104,418	-
Total fund balances	<u>154,498</u>	<u>190,024</u>	<u>3,484,594</u>	<u>104,418</u>	<u>786,604</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 172,597</u>	<u>\$ 191,776</u>	<u>\$ 3,544,683</u>	<u>\$ 243,285</u>	<u>\$ 786,604</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

Special Revenue Funds - continued

	911 Special Revenue	Police Special Revenue	HIDTA Special Revenue	Fire Special Revenue	Home Grant
Assets					
Cash and investments	\$ 1,507,071	\$ 465,098	\$ 64,363	\$ 74,498	\$ 5,669
Restricted cash and investments	-	-	-	-	-
Receivables					
Taxes		-	-	-	-
Special assessments	-	-	-	-	-
Accounts	-	-	-	3,021	-
Accrued interest	-	-	-	-	-
Loans	-	-	-	-	40,000
Due from other city funds	-	-	-	-	-
Due from other governments	-	10,581	95,384	-	2,225
Other assets	-	-	-	-	-
Total assets	<u>\$ 1,507,071</u>	<u>\$ 475,679</u>	<u>\$ 159,747</u>	<u>\$ 77,519</u>	<u>\$ 47,894</u>
Liabilities					
Accounts payable	\$ 512	\$ 188	\$ 828	\$ -	\$ -
Due to other city funds	-	-	-	-	-
Other liabilities	-	37,403	17,778	-	-
Total liabilities	<u>512</u>	<u>37,591</u>	<u>18,606</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	-	-	-
Unavailable revenue-special assessments	-	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	40,000
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Fund Balances					
Restricted	-	-	-	-	7,894
Assigned	1,506,559	438,088	141,141	77,519	-
Total fund balances	<u>1,506,559</u>	<u>438,088</u>	<u>141,141</u>	<u>77,519</u>	<u>7,894</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,507,071</u>	<u>\$ 475,679</u>	<u>\$ 159,747</u>	<u>\$ 77,519</u>	<u>\$ 47,894</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds				
	- continued		Debt Service Funds		
	Street Lighting Districts	Soccer Park GO Bond	West Bank TID Bonds	Downtown TID Bonds	SID Bonds
Assets					
Cash and investments	\$ 1,220,573	\$ -	\$ 691,755	\$ 5,381,711	\$ 44,702
Restricted cash and investments	-	-	263,925	414,150	-
Receivables					
Taxes	-	-	13,307	160,780	-
Special assessments	71,040	-	-	-	-
Accounts	-	-	-	-	-
Accrued interest	-	-	-	23,585	-
Loans	-	-	-	-	-
Due from other city funds	-	-	-	-	-
Due from other governments	1,436	-	2	2,317	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 1,293,049</u>	<u>\$ -</u>	<u>\$ 968,989</u>	<u>\$ 5,982,543</u>	<u>\$ 44,702</u>
Liabilities					
Accounts payable	\$ 18,762	\$ -	\$ 1,220	\$ 683	\$ -
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>18,762</u>	<u>-</u>	<u>1,220</u>	<u>683</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	10,996	45,138	-
Unavailable revenue-special assessments	30,539	-	-	-	-
Unavailable revenue-liens	-	-	-	-	-
Unavailable revenue-grants	-	-	-	-	-
Total deferred inflows of resources	<u>30,539</u>	<u>-</u>	<u>10,996</u>	<u>45,138</u>	<u>-</u>
Fund Balances					
Restricted	1,243,748	-	956,773	5,936,722	44,702
Assigned	-	-	-	-	-
Total fund balances	<u>1,243,748</u>	<u>-</u>	<u>956,773</u>	<u>5,936,722</u>	<u>44,702</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,293,049</u>	<u>\$ -</u>	<u>\$ 968,989</u>	<u>\$ 5,982,543</u>	<u>\$ 44,702</u>

Continued on next page

City of Great Falls, Montana
Combining Balance Sheet (Concluded)
Nonmajor Governmental Funds
June 30, 2025

	Debt Service Funds - continued	Capital Projects Funds			
	Master Debt SILD	General Capital Projects	Improvement District Projects	Hazard Removal	Total Nonmajor Governmental Funds
Assets					
Cash and investments	\$ 58,016	\$ 281,719	\$ 6,378	\$ 6,583	\$ 21,678,480
Restricted cash and investments	-	-	-	-	1,760,011
Receivables					
Taxes	-	-	-	-	757,033
Special assessments	13,353	-	-	41,428	251,504
Accounts	-	-	-	-	4,503
Accrued interest	-	-	-	-	25,259
Loans	-	-	-	-	40,000
Due from other city funds	-	-	-	-	360,244
Due from other governments	6	505,223	-	-	794,719
Other assets	-	-	-	-	15,615
Total assets	<u>\$ 71,375</u>	<u>\$ 786,942</u>	<u>\$ 6,378</u>	<u>\$ 48,011</u>	<u>\$ 25,687,368</u>
Liabilities					
Accounts payable	\$ -	\$ 266,136	\$ -	\$ 238	\$ 597,394
Due to other city funds	-	-	-	-	-
Other liabilities	-	-	-	-	83,216
Total liabilities	<u>-</u>	<u>266,136</u>	<u>-</u>	<u>238</u>	<u>680,610</u>
Deferred inflows of resources					
Unavailable revenue-property taxes	-	-	-	-	406,102
Unavailable revenue-special assessments	13,280	-	-	-	105,225
Unavailable revenue-liens	-	-	-	41,428	41,428
Unavailable revenue-grants	-	-	-	-	40,000
Total deferred inflows of resources	<u>13,280</u>	<u>-</u>	<u>-</u>	<u>41,428</u>	<u>592,755</u>
Fund Balances					
Restricted	58,095	-	-	-	17,259,269
Assigned	-	520,806	6,378	6,345	7,154,734
Total fund balances	<u>58,095</u>	<u>520,806</u>	<u>6,378</u>	<u>6,345</u>	<u>24,414,003</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 71,375</u>	<u>\$ 786,942</u>	<u>\$ 6,378</u>	<u>\$ 48,011</u>	<u>\$ 25,687,368</u>

City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds

	Park & Recreation	Parkland Trust	Library	Library Foundation	Planning & Community Development
Revenues					
Taxes	\$ -	\$ -	2,958,763	\$ -	\$ -
Licenses and permits	-	-	-	-	128,810
Intergovernmental	141,639	-	244,852	-	900,140
Charges for services	53	-	35,552	-	158,642
Fines and forfeitures	-	-	8,802	-	-
Internal services	-	-	-	-	146,779
Special assessments	-	-	-	-	-
Investment income (loss)	20,958	6,062	44,645	9,685	1,460
Other	350,786	-	42,089	557,342	29,948
Total revenues	<u>513,436</u>	<u>6,062</u>	<u>3,334,703</u>	<u>567,027</u>	<u>1,365,779</u>
Expenditures					
Current					
General government	-	-	-	-	1,692,686
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	146,906	-	2,490,122	709,003	-
Housing & development	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>146,906</u>	<u>-</u>	<u>2,490,122</u>	<u>709,003</u>	<u>1,692,686</u>
Excess (deficiency) of revenues over (under) expenditures	<u>366,530</u>	<u>6,062</u>	<u>844,581</u>	<u>(141,976)</u>	<u>(326,907)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	376,932
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Original Issue Premium	-	-	-	-	-
Proceeds of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,932</u>
Net change in fund balances	366,530	6,062	844,581	(141,976)	50,025
Fund balances - beginning, as previously reported	295,373	178,318	1,745,647	343,820	133,620
Adjustments (Note 19)	-	-	-	-	-
Fund Balances - beginning, as restated	295,373	178,318	1,745,647	343,820	133,620
Fund balances - ending	<u>\$ 661,903</u>	<u>\$ 184,380</u>	<u>\$ 2,590,228</u>	<u>\$ 201,844</u>	<u>\$ 183,645</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, 2025

	Special Revenue Funds - continued				
	Central Montana Ag Tech Park TID	Airport TID	East Industrial Ag Tech Park TID	Economic Revolving	Permits
Revenues					
Taxes	\$ 661,879	\$ 185,498	\$ 402,299	\$ -	\$ -
Licenses and permits	-	-	-	-	1,555,478
Intergovernmental	30,115	12,678	3,568	14,968	13,944
Charges for services	-	-	-	-	16,104
Fines and forfeitures	-	-	-	-	-
Internal services	-	-	-	-	54,487
Special assessments	-	-	-	-	-
Investment income (loss)	101,676	13,151	7,678	212	19,724
Other	-	-	-	-	-
Total revenues	<u>793,670</u>	<u>211,327</u>	<u>413,545</u>	<u>15,180</u>	<u>1,659,737</u>
Expenditures					
Current					
General government	51,767	15,918	34,606	15,059	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	1,642,544
Debt service					
Principal	66,000	35,000	-	-	-
Interest	29,838	30,250	-	-	-
Capital outlay	-	-	354,840	-	-
Total expenditures	<u>147,605</u>	<u>81,168</u>	<u>389,446</u>	<u>15,059</u>	<u>1,642,544</u>
Excess (deficiency) of revenues over (under) expenditures	<u>646,065</u>	<u>130,159</u>	<u>24,099</u>	<u>121</u>	<u>17,193</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Original Issue Premium	-	-	-	-	-
Proceeds of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	646,065	130,159	24,099	121	17,193
Fund balances - beginning, as previously reported	2,828,867	309,324	239,642	20,720	710,905
Adjustments (Note 19)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - beginning, as restated	2,828,867	309,324	239,642	20,720	710,905
Fund balances - ending	<u>\$ 3,474,932</u>	<u>\$ 439,483</u>	<u>\$ 263,741</u>	<u>\$ 20,841</u>	<u>\$ 728,098</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, 2025

Special Revenue Funds - continued

	Natural Resources	Portage Meadows	Park Maintenance District	Support & Innovation	Gas Tax BaRSAA
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	8,715	-	242,359	-	-
Charges for services	18,000	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	8,972	-	-	-	-
Special assessments	506,667	74,725	1,497,981	1,048,881	-
Investment income (loss)	1,542	5,729	99,120	3,322	31,995
Other	-	-	350,468	-	-
Total revenues	<u>543,896</u>	<u>80,454</u>	<u>2,189,928</u>	<u>1,052,203</u>	<u>31,995</u>
Expenditures					
Current					
General government	-	-	-	1,040,598	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	813,951
Culture and recreation	847,086	51,859	311,059	-	-
Housing & development	-	-	-	-	-
Debt service					
Principal	-	-	535,000	-	-
Interest	-	-	167,055	-	-
Capital outlay	-	-	1,070,930	-	-
Total expenditures	<u>847,086</u>	<u>51,859</u>	<u>2,084,044</u>	<u>1,040,598</u>	<u>813,951</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(303,190)</u>	<u>28,595</u>	<u>105,884</u>	<u>11,605</u>	<u>(781,956)</u>
Other financing sources (uses)					
Transfers in	256,277	-	-	-	-
Transfers out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Original Issue Premium	-	-	-	-	-
Proceeds of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>256,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(46,913)	28,595	105,884	11,605	(781,956)
Fund balances - beginning, as previously reported	201,411	161,429	-	92,813	1,568,560
Adjustments (Note 19)	<u>-</u>	<u>-</u>	<u>3,378,710</u>	<u>-</u>	<u>-</u>
Fund Balances - beginning, as restated	201,411	161,429	3,378,710	92,813	1,568,560
Fund balances - ending	<u>\$ 154,498</u>	<u>\$ 190,024</u>	<u>\$ 3,484,594</u>	<u>\$ 104,418</u>	<u>\$ 786,604</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, 2025

Special Revenue Funds - continued

	911 Special Revenue	Police Special Revenue	HIDTA Special Revenue	Fire Special Revenue	Home Grant
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	667,702	10,581	201,381	15,864	4,580
Charges for services	-	5,766	-	12,644	-
Fines and forfeitures	-	72,398	43,821	-	-
Internal services	-	-	-	-	-
Special assessments	-	-	-	-	-
Investment income (loss)	46,469	16,113	2,836	2,024	-
Other	-	59,290	9,703	431	-
Total revenues	<u>714,171</u>	<u>164,148</u>	<u>257,741</u>	<u>30,963</u>	<u>4,580</u>
Expenditures					
Current					
General government	-	-	-	-	-
Public safety	232,756	188,507	159,574	18,815	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	57,405
Debt service					
Principal	-	-	40,703	-	-
Interest	-	-	2,045	-	-
Capital outlay	-	-	205,166	-	-
Total expenditures	<u>232,756</u>	<u>188,507</u>	<u>407,488</u>	<u>18,815</u>	<u>57,405</u>
Excess (deficiency) of revenues over (under) expenditures	<u>481,415</u>	<u>(24,359)</u>	<u>(149,747)</u>	<u>12,148</u>	<u>(52,825)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	(346,674)	-	-	-	-
Issuance of debt	-	-	205,166	-	-
Original Issue Premium	-	-	-	-	-
Proceeds of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>(346,674)</u>	<u>-</u>	<u>205,166</u>	<u>-</u>	<u>-</u>
Net change in fund balances	134,741	(24,359)	55,419	12,148	(52,825)
Fund balances - beginning, as previously reported	1,371,818	462,447	85,722	65,371	60,719
Adjustments (Note 19)	-	-	-	-	-
Fund Balances - beginning, as restated	1,371,818	462,447	85,722	65,371	60,719
Fund balances - ending	<u>\$ 1,506,559</u>	<u>\$ 438,088</u>	<u>\$ 141,141</u>	<u>\$ 77,519</u>	<u>\$ 7,894</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, 2025

	Special Revenue Funds - continued		Debt Service Funds		
	Street Lighting Districts	Soccer Park GO Bond	West Bank TID Bonds	Downtown TID Bonds	SID Bonds
Revenues					
Taxes	\$ -	\$ 1,299	\$ 1,051,164	\$ 2,039,762	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	19,220	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Internal services	-	-	-	-	-
Special assessments	1,408,181	-	-	-	-
Investment income (loss)	30,297	866	30,052	222,525	1,377
Other	313	-	-	-	-
Total revenues	<u>1,438,791</u>	<u>2,165</u>	<u>1,100,436</u>	<u>2,262,287</u>	<u>1,377</u>
Expenditures					
Current					
General government	1,386,762	-	80,049	927,270	1,438
Public safety	-	-	-	-	-
Public works	18,882	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing & development	-	-	-	-	-
Debt service					
Principal	-	-	145,000	265,000	-
Interest	-	-	118,338	147,125	-
Capital outlay	-	-	1,522,636	-	-
Total expenditures	<u>1,405,644</u>	<u>-</u>	<u>1,866,023</u>	<u>1,339,395</u>	<u>1,438</u>
Excess (deficiency) of revenues over (under) expenditures	<u>33,147</u>	<u>2,165</u>	<u>(765,587)</u>	<u>922,892</u>	<u>(61)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	(26,864)	-	(586,674)	-
Issuance of debt	-	-	-	-	-
Original Issue Premium	-	-	-	-	-
Proceeds of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(26,864)</u>	<u>-</u>	<u>(586,674)</u>	<u>-</u>
Net change in fund balances	33,147	(24,699)	(765,587)	336,218	(61)
Fund balances - beginning, as previously reported	1,210,601	24,699	1,722,360	5,600,504	44,763
Adjustments (Note 19)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - beginning, as restated	1,210,601	24,699	1,722,360	5,600,504	44,763
Fund balances - ending	<u>\$ 1,243,748</u>	<u>\$ -</u>	<u>\$ 956,773</u>	<u>\$ 5,936,722</u>	<u>\$ 44,702</u>

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City of Great Falls, Montana
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Concluded)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Debt Service Funds - continued		Capital Projects Funds		Total Nonmajor Governmental Funds
	Master Debt SILD	General Capital Projects	Improvement District Projects	Hazard Removal	
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 7,300,664
Licenses and permits	-	-	-	-	1,684,288
Intergovernmental	-	505,223	-	-	3,037,529
Charges for services	-	-	-	-	246,761
Fines and forfeitures	-	-	-	-	125,021
Internal services	-	-	-	-	210,238
Special assessments	3,335	-	-	-	4,539,770
Investment income (loss)	-	13,498	210	353	733,579
Other	-	89,305	-	-	1,489,675
Total revenues	3,335	608,026	210	353	19,367,525
Expenditures					
Current					
General government	-	529,712	-	-	5,775,865
Public safety	-	-	-	-	599,652
Public works	-	63,765	-	-	896,598
Culture and recreation	-	-	-	-	4,556,035
Housing & development	-	-	-	13,647	1,713,596
Debt service					
Principal	2,957	-	-	-	1,089,660
Interest	1,101	-	-	-	495,752
Capital outlay	-	74,681	-	-	3,228,253
Total expenditures	4,058	668,158	-	13,647	18,355,411
Excess (deficiency) of revenues over (under) expenditures	(723)	(60,132)	210	(13,294)	1,012,114
Other financing sources (uses)					
Transfers in	-	86,674	-	-	719,883
Transfers out	-	-	-	-	(960,212)
Issuance of debt	-	-	-	-	205,166
Original Issue Premium	-	-	-	-	-
Proceeds of capital assets	-	20,000	-	-	20,000
Total other financing sources (uses)	-	106,674	-	-	(15,163)
Net change in fund balances	(723)	46,542	210	(13,294)	996,951
Fund balances - beginning, as previously reported	58,818	474,264	6,168	19,639	20,038,342
Adjustments (Note 19)	-	-	-	-	3,378,710
Fund Balances - beginning, as restated	58,818	474,264	6,168	19,639	23,417,052
Fund balances - ending	\$ 58,095	\$ 520,806	\$ 6,378	\$ 6,345	\$ 24,414,003

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, 2025

	Special Revenue Funds			
	Park & Recreation		Parkland Trust	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	30,000	141,639	-	-
Charges for services	1,000	53	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	20,958	-	6,062
Other	190,633	350,786	-	-
Total revenues	221,633	513,436	-	6,062
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	242,156	146,906	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	242,156	146,906	-	-
Revenues over (under) expenditures	(20,523)	366,530	-	6,062
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ (20,523)	366,530	\$ -	6,062
Fund balance - beginning		295,373		178,318
Fund balance - ending		<u>\$ 661,903</u>		<u>\$ 184,380</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, 2025

Special Revenue Funds - continued

	Library		Library Foundation	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 2,889,600	\$ 2,958,763	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	239,286	244,852	-	-
Charges for services	32,690	35,552	-	-
Fines and forfeitures	6,500	8,802	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	8,000	44,645	10,000	9,685
Other	10,000	42,089	1,877,666	557,342
Total revenues	3,186,076	3,334,703	1,887,666	567,027
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	2,258,465	2,026,997	-	-
Operations and maintenance	474,806	463,125	1,993,752	709,003
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	40,000	-
Total expenditures	2,733,271	2,490,122	2,033,752	709,003
Revenues over (under) expenditures	452,805	844,581	(146,086)	(141,976)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ 452,805	844,581	\$ (146,086)	(141,976)
Fund balance - beginning		1,745,647		343,820
Fund balance - ending		\$ 2,590,228		\$ 201,844

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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, 2025

	Special Revenue Funds - continued			
	Planning & Community Development		Central Montana Ag Tech Park TID	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ 649,000	\$ 661,879
Licenses and permits	105,052	128,810	-	-
Intergovernmental	955,068	900,140	30,115	30,115
Charges for services	104,250	158,642	-	-
Fines and forfeitures	-	-	-	-
Internal services	146,779	146,779	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	1,460	-	101,676
Other	32,000	29,948	-	-
	<u>1,343,149</u>	<u>1,365,779</u>	<u>679,115</u>	<u>793,670</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	923,669	872,299	-	-
Operations and maintenance	809,628	820,387	51,769	51,767
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	-	-	66,000	66,000
Interest	-	-	29,838	29,838
Capital outlay	-	-	-	-
	<u>1,733,297</u>	<u>1,692,686</u>	<u>147,607</u>	<u>147,605</u>
Total expenditures				
Revenues over (under) expenditures	<u>(390,148)</u>	<u>(326,907)</u>	<u>531,508</u>	<u>646,065</u>
Other financing sources (uses)				
Transfers in	376,932	376,932	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
	<u>376,932</u>	<u>376,932</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)				
Net changes in fund balance	<u>\$ (13,216)</u>	<u>50,025</u>	<u>\$ 531,508</u>	<u>646,065</u>
Fund balance - beginning		133,620		2,828,867
Fund balance - ending		<u>\$ 183,645</u>		<u>\$ 3,474,932</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, 2025

Special Revenue Funds - continued				
	Airport TID		East Industrial Ag Tech Park TID	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 199,000	\$ 185,498	\$ 420,000	\$ 402,299
Licenses and permits	-	-	-	-
Intergovernmental	12,678	12,678	3,567	3,568
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	13,151	-	7,678
Other	-	-	-	-
Total revenues	211,678	211,327	423,567	413,545
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	15,519	15,918	31,875	34,606
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	35,400	35,000	-	-
Interest	30,250	30,250	-	-
Capital outlay	-	-	358,000	354,840
Total expenditures	81,169	81,168	389,875	389,446
Revenues over (under) expenditures	130,509	130,159	33,692	24,099
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ 130,509	130,159	\$ 33,692	24,099
Fund balance - beginning		309,324		239,642
Fund balance - ending		\$ 439,483		\$ 263,741

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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, 2025

Special Revenue Funds - continued

	Economic Revolving		Permits	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	1,506,160	1,555,478
Intergovernmental	20,000	14,968	13,944	13,944
Charges for services	-	-	-	16,104
Fines and forfeitures	-	-	-	-
Internal services	-	-	54,487	54,487
Special assessments	-	-	-	-
Investment income (loss)	-	212	-	19,724
Other	-	-	-	-
Total revenues	20,000	15,180	1,574,591	1,659,737
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	15,059	15,059	-	-
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	-	-	1,314,843	1,258,055
Operations and maintenance	-	-	527,555	384,489
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	15,059	15,059	1,842,398	1,642,544
Revenues over (under) expenditures	4,941	121	(267,807)	17,193
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ 4,941	121	\$ (267,807)	17,193
Fund balance - beginning		20,720		710,905
Fund balance - ending		\$ 20,841		\$ 728,098

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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, 2025

Special Revenue Funds - continued

	Natural Resources		Portage Meadows	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	8,715	8,715	-	-
Charges for services	19,000	18,000	-	-
Fines and forfeitures	-	-	-	-
Internal services	13,573	8,972	-	-
Special assessments	536,513	506,667	75,538	74,725
Investment income (loss)	-	1,542	-	5,729
Other	2,000	-	-	-
Total revenues	579,801	543,896	75,538	80,454
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	569,157	561,615	22,175	8,684
Operations and maintenance	376,271	285,471	66,287	43,175
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	945,428	847,086	88,462	51,859
Revenues over (under) expenditures	(365,627)	(303,190)	(12,924)	28,595
Other financing sources (uses)				
Transfers in	256,277	256,277	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	256,277	256,277	-	-
Net changes in fund balance	\$ (109,350)	(46,913)	\$ (12,924)	28,595
Fund balance - beginning		201,411		161,429
Fund balance - ending		\$ 154,498		\$ 190,024

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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, 2025

Special Revenue Funds - continued

	Park Maintenance District		Support & Innovation	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	242,359	242,359	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	1,500,000	1,497,981	1,033,738	1,048,881
Investment income (loss)	-	99,120	-	3,322
Other	350,468	350,468	-	-
Total revenues	2,092,827	2,189,928	1,033,738	1,052,203
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	1,059,753	1,040,598
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	296,392	229,492	-	-
Operations and maintenance	448,094	81,567	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	535,000	535,000	-	-
Interest	167,055	167,055	-	-
Capital outlay	1,706,348	1,070,930	-	-
Total expenditures	3,152,889	2,084,044	1,059,753	1,040,598
Revenues over (under) expenditures	(1,060,062)	105,884	(26,015)	11,605
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	\$ (1,060,062)	105,884	\$ (26,015)	11,605
Fund balance - beginning		3,378,710		92,813
Fund balance - ending		\$ 3,484,594		\$ 104,418

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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, 2025

Special Revenue Funds - continued

	Gas Tax BaRSAA		911 Special Revenue	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	612,447	667,702
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	31,995	-	46,469
Other	-	-	-	-
Total revenues	-	31,995	612,447	714,171
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	232,775	232,756
Public works				
Operations and maintenance	246,269	813,951	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	1,600,000	-	-	-
Total expenditures	1,846,269	813,951	232,775	232,756
Revenues over (under) expenditures	(1,846,269)	(781,956)	379,672	481,415
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(346,674)	(346,674)
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	(346,674)	(346,674)
Net changes in fund balance	<u>\$ (1,846,269)</u>	<u>(781,956)</u>	<u>\$ 32,998</u>	<u>134,741</u>
Fund balance - beginning		1,568,560		1,371,818
Fund balance - ending		<u>\$ 786,604</u>		<u>\$ 1,506,559</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, 2025

Special Revenue Funds - continued

	Police Special Revenue		HIDTA Special Revenue	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	66,341	10,581	273,897	201,381
Charges for services	9,625	5,766	-	-
Fines and forfeitures	72,398	72,398	-	43,821
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	16,113	-	2,836
Other	57,235	59,290	-	9,703
	<u>205,599</u>	<u>164,148</u>	<u>273,897</u>	<u>257,741</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	71,234	71,052
Operation and maintenance	213,289	188,507	132,200	88,522
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	40,703
Interest	-	-	-	2,045
Capital outlay	-	-	-	205,166
	<u>213,289</u>	<u>188,507</u>	<u>203,434</u>	<u>407,488</u>
Total expenditures				
Revenues over (under) expenditures	<u>(7,690)</u>	<u>(24,359)</u>	<u>70,463</u>	<u>(149,747)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	205,166
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,166</u>
Total other financing sources (uses)				
Net changes in fund balance	<u>\$ (7,690)</u>	<u>(24,359)</u>	<u>\$ 70,463</u>	<u>55,419</u>
Fund balance - beginning		462,447		85,722
Fund balance - ending		<u>\$ 438,088</u>		<u>\$ 141,141</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, 2025

Special Revenue Funds - continued

	Fire Special Revenue		Home Grant	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	15,864	15,864	224,488	4,580
Charges for services	6,500	12,644	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	2,024	-	-
Other	100	431	-	-
	<u>22,464</u>	<u>30,963</u>	<u>224,488</u>	<u>4,580</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	19,754	18,815	-	-
Public works				
Operations and maintenance	-	-	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	4,504	4,488
Operations and maintenance	-	-	219,984	52,917
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
	<u>19,754</u>	<u>18,815</u>	<u>224,488</u>	<u>57,405</u>
Total expenditures				
Revenues over (under) expenditures	<u>2,710</u>	<u>12,148</u>	<u>-</u>	<u>(52,825)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)				
Net changes in fund balance	<u>\$ 2,710</u>	<u>12,148</u>	<u>\$ -</u>	<u>(52,825)</u>
Fund balance - beginning		65,371		60,719
Fund balance - ending		<u>\$ 77,519</u>		<u>\$ 7,894</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, 2025

	<u>Special Revenue Funds - continued</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	\$ -	\$ -	\$ -	\$ 1,299
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	1,414,060	1,408,181	-	-
Investment income (loss)	-	30,297	-	866
Other	-	313	-	-
	<u>1,414,060</u>	<u>1,438,791</u>	<u>-</u>	<u>2,165</u>
Total revenues				
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	1,538,227	1,386,762	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	18,882	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
	<u>1,538,227</u>	<u>1,405,644</u>	<u>-</u>	<u>-</u>
Total expenditures				
Revenues over (under) expenditures	<u>(124,167)</u>	<u>33,147</u>	<u>-</u>	<u>2,165</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(26,864)	(26,864)
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(26,864)</u>	<u>(26,864)</u>
Total other financing sources (uses)				
Net changes in fund balance	<u>\$ (124,167)</u>	<u>33,147</u>	<u>\$ (26,864)</u>	<u>(24,699)</u>
Fund balance - beginning		1,210,601		24,699
Fund balance - ending		<u>\$ 1,243,748</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, 2025

Debt Service Funds - continued

	West Bank TID Bonds		Downtown TID Bonds	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ 981,000	\$ 1,051,164	\$ 2,100,000	\$ 2,039,762
Licenses and permits	-	-	-	-
Intergovernmental	19,220	19,220	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	30,052	-	222,525
Other	-	-	-	-
Total revenues	1,000,220	1,100,436	2,100,000	2,262,287
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	75,208	80,049	658,868	927,270
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	145,800	145,000	265,400	265,000
Interest	118,338	118,338	147,125	147,125
Capital outlay	1,526,677	1,522,636	531,652	-
Total expenditures	1,866,023	1,866,023	1,603,045	1,339,395
Revenues over (under) expenditures	(865,803)	(765,587)	496,955	922,892
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(586,674)	(586,674)
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	(586,674)	(586,674)
Net changes in fund balance	\$ (865,803)	(765,587)	\$ (89,719)	336,218
Fund balance - beginning		1,722,360		5,600,504
Fund balance - ending		<u>\$ 956,773</u>		<u>\$ 5,936,722</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, 2025

Debt Service Funds - continued

	SID Bonds		Master Debt SILD	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	11,396	3,335
Investment income (loss)	-	1,377	-	-
Other	-	-	-	-
Total revenues	-	1,377	11,396	3,335
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	1,438	1,438	-	-
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	-	-	2,956	2,957
Interest	-	-	1,101	1,101
Capital outlay	-	-	-	-
Total expenditures	1,438	1,438	4,057	4,058
Revenues over (under) expenditures	(1,438)	(61)	7,339	(723)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balance	<u>\$ (1,438)</u>	(61)	<u>\$ 7,339</u>	(723)
Fund balance - beginning		44,763		58,818
Fund balance - ending		<u>\$ 44,702</u>		<u>\$ 58,095</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, 2025

Capital Projects Funds				
	General Capital Projects		Improvement District Projects	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	1,296,238	505,223	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income (loss)	-	13,498	-	210
Other	116,803	89,305	-	-
Total revenues	1,413,041	608,026	-	210
Expenditures				
Current				
General government				
Personal services	-	-	-	-
Operations and maintenance	789,141	529,712	-	-
Public safety				
Personal services	-	-	-	-
Operation and maintenance	-	-	-	-
Public works				
Operations and maintenance	-	63,765	-	-
Culture and recreation				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	1,093,558	74,681	-	-
Total expenditures	1,882,699	668,158	-	-
Revenues over (under) expenditures	(469,658)	(60,132)	-	210
Other financing sources (uses)				
Transfers in	106,504	86,674	-	-
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	20,000	-	-
Total other financing sources (uses)	106,504	106,674	-	-
Net changes in fund balance	\$ (363,154)	46,542	\$ -	210
Fund balance - beginning		474,264		6,168
Fund balance - ending		\$ 520,806		\$ 6,378

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, 2025

Capital Projects Funds - continued				
	Hazard Removal		Total Nonmajor Governmental Funds	
	Final Budget	Actual	Final Budget	Actual
Revenues				
Taxes	\$ -	\$ -	\$ 7,238,600	\$ 7,300,664
Licenses and permits	-	-	1,611,212	1,684,288
Intergovernmental	-	-	4,064,227	3,037,529
Charges for services	-	-	173,065	246,761
Fines and forfeitures	-	-	78,898	125,021
Internal services	-	-	214,839	210,238
Special assessments	-	-	4,571,245	4,539,770
Investment income (loss)	-	353	-	733,579
Other	-	-	2,636,905	1,489,675
Total revenues	-	353	20,588,991	19,367,525
Expenditures				
Current				
General government				
Personal services	-	-	923,669	872,299
Operations and maintenance	-	-	5,046,485	4,903,566
Public safety				
Personal services	-	-	71,234	71,052
Operation and maintenance	-	-	598,018	528,600
Public works				
Operations and maintenance	-	-	246,269	896,598
Culture and recreation				-
Personal services	-	-	3,146,189	2,826,788
Operations and maintenance	-	-	3,601,366	1,729,247
Housing and development				
Personal services	-	-	1,319,347	1,262,543
Operations and maintenance	13,648	13,647	761,187	451,053
Debt service				
Principal	-	-	1,015,156	1,089,660
Interest	-	-	462,356	495,752
Capital outlay	-	-	6,816,235	3,228,253
Total expenditures	13,648	13,647	24,007,511	18,355,411
Revenues over (under) expenditures	(13,648)	(13,294)	(3,418,520)	1,012,114
Other financing sources (uses)				
Transfers in	-	-	633,209	719,883
Transfers out	-	-	(346,674)	(960,212)
Issuance of debt	-	-	-	205,166
Original Issue Premium	-	-	-	-
Proceeds of capital assets	-	-	-	20,000
Total other financing sources (uses)	-	-	286,535	(15,163)
Net changes in fund balance	<u>\$ (13,648)</u>	<u>(13,294)</u>	<u>\$ (3,131,985)</u>	<u>996,951</u>
Fund balance - beginning		19,639		<u>23,417,052</u>
Fund balance - ending		<u>\$ 6,345</u>		<u>\$ 24,414,003</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.

Aim High Big Sky - This fund is used to account for revenues and expenses related to the Aim High Big Sky Recreation Center, recreation programs, and other miscellaneous fee-based recreation programs administered by the Parks and Recreation Department.

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.

City of Great Falls, Montana
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2025

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>Aim High Big Sky</u>	<u>911 Dispatch Center</u>
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 772,263	\$ 161,193	\$ 1,200	\$ 2,853,703
Receivables				
Accounts	6,628	-	-	-
Inventories	90,422	-	-	-
Prepaid items	13,194	-	-	-
Total current assets	<u>882,507</u>	<u>161,193</u>	<u>1,200</u>	<u>2,853,703</u>
Noncurrent assets				
Restricted cash and investments	-	-	-	-
Non-depreciable capital assets	1,271,467	-	-	-
Depreciable capital assets, net	310,586	106,082	-	145,804
Total noncurrent assets	<u>1,582,053</u>	<u>106,082</u>	<u>-</u>	<u>145,804</u>
Total assets	<u>2,464,560</u>	<u>267,275</u>	<u>1,200</u>	<u>2,999,507</u>
Deferred outflows of resources				
Deferred charge - pension	-	38,061	33,274	212,927
Total deferred outflows of resources	<u>-</u>	<u>38,061</u>	<u>33,274</u>	<u>212,927</u>
Total assets and deferred outflows of resources	<u>\$ 2,464,560</u>	<u>\$ 305,336</u>	<u>\$ 34,474</u>	<u>\$ 3,212,434</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 51,786	\$ 21,916	\$ 9,543	\$ 13,633
Compensated absences	-	10,335	37,536	95,160
Due to other city funds	-	-	221,056	-
Other liabilities	24,423	-	1,855	-
Total current liabilities	<u>76,209</u>	<u>32,251</u>	<u>269,990</u>	<u>108,793</u>
Noncurrent liabilities				
Advances from other funds	270,025	-	-	-
Compensated absences	-	7,893	28,665	72,692
Net pension liability	-	213,753	169,705	1,512,966
Total liabilities	<u>346,234</u>	<u>253,897</u>	<u>468,360</u>	<u>1,694,451</u>
Deferred inflows of resources				
Deferred revenue - pension	-	7,789	2,035	45,776
Total deferred inflows of resources	<u>-</u>	<u>7,789</u>	<u>2,035</u>	<u>45,776</u>
Net position				
Net investment in capital assets	1,582,053	106,082	-	145,804
Unrestricted	536,273	(62,432)	(435,921)	1,326,403
Total net position	<u>2,118,326</u>	<u>43,650</u>	<u>(435,921)</u>	<u>1,472,207</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 2,464,560</u>	<u>\$ 305,336</u>	<u>\$ 34,474</u>	<u>\$ 3,212,434</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Net Position (Continued)
Nonmajor Enterprise Funds
June 30, 2025

	Parking	Recreation	Multi-Sports	Ice Breaker Run
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 41,382	\$ -	\$ 1,000	\$ 46,152
Receivables				
Accounts	600	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total current assets	<u>41,982</u>	<u>-</u>	<u>1,000</u>	<u>46,152</u>
Noncurrent assets				
Restricted cash and investments	-			
Non-depreciable capital assets	863,397	5,449	-	-
Depreciable capital assets, net	657,480	191,365	21,657	-
Total noncurrent assets	<u>1,520,877</u>	<u>196,814</u>	<u>21,657</u>	<u>-</u>
Total assets	<u>1,562,859</u>	<u>196,814</u>	<u>22,657</u>	<u>46,152</u>
Deferred outflows of resources				
Deferred charge - pension	10,557	-	2,478	-
Total deferred outflows of resources	<u>10,557</u>	<u>-</u>	<u>2,478</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 1,573,416</u>	<u>\$ 196,814</u>	<u>\$ 25,135</u>	<u>\$ 46,152</u>
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 37,562	\$ 4,249	\$ 3,732	\$ 40
Compensated absences	-	-	604	-
Due to other city funds	-	94,031	45,157	-
Other liabilities	-	1,400	-	-
Total current liabilities	<u>37,562</u>	<u>99,680</u>	<u>49,493</u>	<u>40</u>
Noncurrent liabilities				
Advances from other funds	-	-	-	-
Compensated absences	-	-	461	-
Net pension liability	89,032	-	43,983	-
Total liabilities	<u>126,594</u>	<u>99,680</u>	<u>93,937</u>	<u>40</u>
Deferred inflows of resources				
Deferred revenue - pension	56	-	1,150	-
Total deferred inflows of resources	<u>56</u>	<u>-</u>	<u>1,150</u>	<u>-</u>
Net position				
Net investment in capital assets	1,520,877	196,815	21,657	-
Unrestricted	(74,111)	(99,681)	(91,609)	46,112
Total net position	<u>1,446,766</u>	<u>97,134</u>	<u>(69,952)</u>	<u>46,112</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,573,416</u>	<u>\$ 196,814</u>	<u>\$ 25,135</u>	<u>\$ 46,152</u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Net Position (Concluded)
Nonmajor Enterprise Funds
June 30, 2025

	Civic Center Events	Port Authority	Total Nonmajor Enterprise Funds
Assets and deferred outflows of resources			
Assets			
Current assets			
Cash and investments	\$ 133,809	\$ 32,595	\$ 4,043,297
Receivables			
Accounts	-	-	7,228
Inventories	-	-	90,422
Prepaid items	-	-	13,194
Total current assets	<u>133,809</u>	<u>32,595</u>	<u>4,154,141</u>
Noncurrent assets			
Restricted cash and investments	-	-	-
Non-depreciable capital assets	-	-	2,140,313
Depreciable capital assets, net	3,217	-	1,436,191
Total noncurrent assets	<u>3,217</u>	<u>-</u>	<u>3,576,504</u>
Total assets	<u>137,026</u>	<u>32,595</u>	<u>7,730,645</u>
Deferred outflows of resources			
Deferred charge - pension	40,078	-	337,375
Total deferred outflows of resources	<u>40,078</u>	<u>-</u>	<u>337,375</u>
Total assets and deferred outflows of resources	<u>\$ 177,104</u>	<u>\$ 32,595</u>	<u>\$ 8,068,020</u>
Liabilities, deferred inflows of resources, and net position			
Liabilities			
Current liabilities			
Accounts payable	\$ 2,686	\$ -	\$ 145,147
Compensated absences	24,818	-	168,453
Due to other city funds	-	-	360,244
Other liabilities	121,586	-	149,264
Total current liabilities	<u>149,090</u>	<u>-</u>	<u>823,108</u>
Noncurrent liabilities			
Advances from other funds	-	-	270,025
Compensated absences	18,952	-	128,663
Net pension liability	274,338	-	2,303,777
Total liabilities	<u>442,380</u>	<u>-</u>	<u>3,525,573</u>
Deferred inflows of resources			
Deferred revenue - pension	19,414	-	76,220
Total deferred inflows of resources	<u>19,414</u>	<u>-</u>	<u>76,220</u>
Net position			
Net investment in capital assets	3,217	-	3,576,505
Unrestricted	(287,907)	32,595	889,722
Total net position	<u>(284,690)</u>	<u>32,595</u>	<u>4,466,227</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 177,104</u>	<u>\$ 32,595</u>	<u>\$ 8,068,020</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, 2025

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>Aim High Big Sky</u>	<u>911 Dispatch Center</u>
Operating revenues				
Charges for services	\$ 2,219,165	\$ 355,486	\$ 1,005,784	\$ 1,818,774
Operating expenses				
Personal services	-	355,074	1,345,822	1,849,738
Supplies and materials	522,017	115,513	114,588	70,770
Purchased services	1,434,750	112,112	301,714	212,892
Internal services	-	164,988	163,889	268,862
Other	-	(6)	1,401	-
Depreciation	22,693	3,941	-	16,497
Total operating expenses	1,979,460	751,622	1,927,414	2,418,759
Operating income (loss)	239,705	(396,136)	(921,630)	(599,985)
Nonoperating revenues (expenses)				
Investment income (loss)	-	5,644	177	96,321
Interest expense	-	-	-	-
Proceeds (loss) on sale of capital assets	211,870	-	-	-
Net pension on-behalf revenue	-	5,708	11,441	20,529
Other	25,128	-	3,689	582
Total nonoperating revenues (expenses)	236,998	11,352	15,307	117,432
Income (loss) before contributions and transfers	476,703	(384,784)	(906,323)	(482,553)
Transfers in	-	128,861	300,407	346,674
Transfers out	-	-	-	-
Total transfers	-	128,861	300,407	346,674
Change in net position	476,703	(255,923)	(605,916)	(135,879)
Total net position - beginning	1,641,623	299,573	169,995	1,608,086
Total net position - ending	\$ 2,118,326	\$ 43,650	\$ (435,921)	\$ 1,472,207

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, 2025

	<u>Parking</u>	<u>Recreation</u>	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>
Operating revenues				
Charges for services	\$ 605,125	\$ 84,000	\$ 74,473	\$ 68,273
Operating expenses				
Personal services	96,194	(49,002)	31,691	-
Supplies and materials	1,469	152	15,115	3,084
Purchased services	565,576	4,492	47,063	31,219
Internal services	84,350	6,209	20,845	13,647
Other	4	-	2	41,887
Depreciation	81,021	14,086	2,804	-
Total operating expenses	828,614	(24,063)	117,520	89,837
Operating income (loss)	(223,489)	108,063	(43,047)	(21,564)
Nonoperating revenues (expenses)				
Investment income (loss)	3,013	-	-	1,759
Interest expense	-	-	-	-
Proceeds (loss) on sale of capital assets	-	23,800	-	-
Net pension on-behalf revenue	1,084	148,910	104	-
Other	495	-	-	-
Total nonoperating revenues (expenses)	4,592	172,710	104	1,759
Income (loss) before contributions and transfers	(218,897)	280,773	(42,943)	(19,805)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	-	-	-	-
Change in net position	(218,897)	280,773	(42,943)	(19,805)
Total net position - beginning	1,665,663	(183,639)	(27,009)	65,917
Total net position - ending	<u>\$ 1,446,766</u>	<u>\$ 97,134</u>	<u>\$ (69,952)</u>	<u>\$ 46,112</u>

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, 2025

	<u>Civic Center Events</u>	<u>Port Authority</u>	<u>Total Nonmajor Enterprise Funds</u>
Operating revenues			
Charges for services	\$ 339,258	\$ -	\$ 6,570,338
Operating expenses			
Personal services	261,013	-	3,890,530
Supplies and materials	6,135	-	848,843
Purchased services	45,268	-	2,755,086
Internal services	301,692	-	1,024,482
Other	6	-	43,294
Depreciation	1,747	-	142,789
Total operating expenses	615,861	-	8,705,024
Operating income (loss)	(276,603)	-	(2,134,686)
Nonoperating revenues (expenses)			
Investment income (loss)	10,608	-	117,522
Interest expense	-	-	-
Proceeds (loss) on sale of capital assets	-	-	235,670
Net pension on-behalf revenue	2,845	-	190,621
Other	26,928	-	56,822
Total nonoperating revenues (expenses)	40,381	-	600,635
Income (loss) before contributions and transfers	(236,222)	-	(1,534,051)
Transfers in	134,000	-	909,942
Transfers out	-	-	-
Total transfers	134,000	-	909,942
Change in net position	(102,222)	-	(624,109)
Total net position - beginning	(182,468)	32,595	5,090,336
Total net position - ending	\$ (284,690)	\$ 32,595	\$ 4,466,227

City of Great Falls, Montana
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2025

	Golf Courses	Swimming Pools	Aim High Big Sky	911 Dispatch Center
Cash flows from operating activities				
Receipts from customers and users	\$ 2,241,325	\$ 355,206	\$ 1,228,695	\$ 1,818,774
Receipts from interfund services provided	-	-	-	-
Receipts from others	25,127	-	3,690	583
Receipts from other govts	-	-	-	-
Payments to suppliers	(1,975,396)	(238,908)	(418,240)	(275,659)
Payments to employees	-	(338,887)	(1,129,715)	(1,816,403)
Payments for interfund services used	-	(164,988)	(163,889)	(268,862)
Payments to others	-	6	(1,401)	-
Net cash provided by (used for) operating activities	291,057	(387,572)	(480,860)	(541,567)
Cash flows from noncapital financing activities				
Transfers in	-	128,861	300,407	346,674
Transfers out	-	-	-	-
Interfund cash flow loans	(408,226)	-	-	-
Net cash provided by (used for) noncapital financing activities	(408,226)	128,861	300,407	346,674
Cash flows from capital and related financing activities				
Proceeds from sale of assets	303,000	-	-	-
Principal payments received - leases	-	-	-	-
New borrowing - loans	-	-	-	-
Principal payments - loans	-	-	-	-
Principal payments - advances	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Principal payments - revenue bonds	-	-	-	-
Principal payments - leases	-	-	-	-
Discount/premium	-	-	-	-
Interest paid	-	-	-	-
Acquisition/construction of capital assets	-	-	-	(28,655)
Net cash provided by capital and related financing activities	303,000	-	-	(28,655)
Cash flows from investing activities				
Interest and dividends on investments	-	5,644	177	96,321
Net cash provided by investing activities	-	5,644	177	96,321
Net increase (decrease) in cash	185,831	(253,067)	(180,276)	(127,227)
Cash, beginning of year	586,432	414,260	181,476	2,980,930
Cash, end of year (a)	<u>\$ 772,263</u>	<u>\$ 161,193</u>	<u>\$ 1,200</u>	<u>\$ 2,853,703</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 772,263	\$ 161,193	\$ 1,200	\$ 2,853,703
Restricted cash and investments	-	-	-	-
	<u>\$ 772,263</u>	<u>\$ 161,193</u>	<u>\$ 1,200</u>	<u>\$ 2,853,703</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, 2025

	Parking	Recreation	Multi-Sports	Ice Breaker Run
Cash flows from operating activities				
Receipts from customers and users	\$ 604,525	\$ (12,538)	\$ 112,090	\$ 68,273
Receipts from interfund services provided	-	-	-	-
Receipts from others	495	-	-	-
Receipts from other govts	-	-	-	-
Payments to suppliers	(533,258)	(5,153)	(59,505)	(34,263)
Payments to employees	(96,574)	-	(31,738)	-
Payments for interfund services used	(84,350)	(6,209)	(20,845)	(13,647)
Payments to others	(4)	-	(2)	(41,887)
Net cash provided by (used for) operating activities	(109,167)	(23,900)	-	(21,524)
Cash flows from noncapital financing activities				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	-	-	-	-
Cash flows from capital and related financing activities				
Proceeds from sale of assets	-	23,800	-	-
Principal payments received - leases	-	-	-	-
New borrowing - loans	-	-	-	-
Principal payments - loans	-	-	-	-
Principal payments - advances	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Principal payments - revenue bonds	-	-	-	-
Principal payments - leases	-	-	-	-
Discount/premium	-	-	-	-
Interest paid	-	-	-	-
Acquisition/construction of capital assets	-	-	-	-
Net cash provided by capital and related financing activities	-	23,800	-	-
Cash flows from investing activities				
Interest and dividends on investments	3,013	-	-	1,759
Net cash provided by investing activities	3,013	-	-	1,759
Net increase (decrease) in cash	(106,154)	(100)	-	(19,765)
Cash, beginning of year	147,536	100	1,000	65,917
Cash, end of year (a)	<u>\$ 41,382</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 46,152</u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 41,382	\$ -	\$ 1,000	\$ 46,152
Restricted cash and investments	-	-	-	-
	<u>\$ 41,382</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 46,152</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, 2025

	Civic Center Events	Port Authority	Total Nonmajor Enterprise Funds
Cash flows from operating activities			
Receipts from customers and users	\$ 260,237	\$ -	\$ 6,676,587
Receipts from interfund services provided	-	-	-
Receipts from others	26,926	-	56,821
Receipts from other govts	-	-	-
Payments to suppliers	(52,287)	-	(3,592,669)
Payments to employees	(257,827)	-	(3,671,144)
Payments for interfund services used	(301,692)	-	(1,024,482)
Payments to others	(6)	-	(43,294)
Net cash provided by (used for) operating activities	(324,647)	-	(1,598,181)
Cash flows from noncapital financing activities			
Transfers in	134,000	-	909,942
Transfers out	-	-	-
Interfund cash flow loans	-	-	(408,226)
Net cash provided by (used for) noncapital financing activities	134,000	-	501,716
Cash flows from capital and related financing activities			
Proceeds from sale of assets	-	-	326,800
Principal payments received - leases	-	-	-
New borrowing - loans	-	-	-
Principal payments - loans	-	-	-
Principal payments - advances	-	-	-
Proceeds from sale of assets	-	-	-
Principal payments - revenue bonds	-	-	-
Principal payments - leases	-	-	-
Discount/premium	-	-	-
Interest paid	-	-	-
Acquisition/construction of capital assets	-	-	(28,655)
Net cash provided by capital and related financing activities	-	-	298,145
Cash flows from investing activities			
Interest and dividends on investments	10,608	-	117,522
Net cash provided by investing activities	10,608	-	117,522
Net increase (decrease) in cash	(180,039)	-	(680,797)
Cash, beginning of year	313,848	32,595	4,724,094
Cash, end of year (a)	\$ 133,809	\$ 32,595	\$ 4,043,297
(a) Shown on the statement of net position as:			
Cash and investments	\$ 133,809	\$ 32,595	\$ 4,043,297
Restricted cash and investments	-	-	-
	\$ 133,809	\$ 32,595	\$ 4,043,297

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Nonmajor Enterprise Funds
For the Year Ended June 30, 2025

	<u>Golf Courses</u>	<u>Swimming Pools</u>	<u>Aim High Big Sky</u>	<u>911 Dispatch Center</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 239,705	\$ (396,136)	\$ (921,630)	\$ (599,985)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	-	(247)	149,907	(7,188)
Depreciation expense	22,693	3,941	-	16,497
Cash provided by (used for) changes in operating assets and liabilities				-
(Increase) decrease in accounts receivable	22,923	-	-	-
(Increase) decrease in due from other governments	-	-	-	-
(Increase) decrease in inventories	(5,545)	-	-	-
(Decrease) increase in accounts payable	(18,629)	(11,283)	(1,938)	8,003
(Decrease) increase in other liabilities	4,782	(280)	222,911	-
(Decrease) increase in compensated absences payable	-	16,434	66,200	40,523
Other nonoperating revenue	25,128	-	3,690	583
Total adjustments	\$ 51,352	\$ 8,565	\$ 440,770	\$ 58,418
Net cash provided by (used for) operating activities	<u>\$ 291,057</u>	<u>\$ (387,572)</u>	<u>\$ (480,860)</u>	<u>\$ (541,567)</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, 2025

	<u>Parking</u>	<u>Recreation</u>	<u>Multi-Sports</u>	<u>Ice Breaker Run</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ (223,489)	\$ 108,063	\$ (43,047)	\$ (21,564)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	(380)	-	(37)	-
Depreciation expense	81,021	14,086	2,804	-
Cash provided by (used for) changes in operating assets and liabilities	-			
(Increase) decrease in accounts receivable	(600)	-	8,887	-
(Increase) decrease in due from other governments	-	-	-	-
(Increase) decrease in inventories	-	-	-	-
(Decrease) increase in accounts payable	33,787	(508)	2,673	40
(Decrease) increase in other liabilities	-	(96,538)	28,730	-
(Decrease) increase in compensated absences payable	-	(49,002)	(10)	-
Other nonoperating revenue	495	-	-	-
Total adjustments	\$ 114,323	\$ (131,962)	\$ 43,047	\$ 40
Net cash provided by (used for) operating activities	<u>\$ (109,167)</u>	<u>\$ (23,900)</u>	<u>\$ -</u>	<u>\$ (21,524)</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, 2025

	Civic Center Events	Port Authority	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ (276,603)	\$ -	\$ (2,134,686)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
GASB 68 pension adjustments	(996)	-	141,059
Depreciation expense	1,747	-	142,789
Cash provided by (used for) changes in operating assets and liabilities			
(Increase) decrease in accounts receivable	-	-	31,210
(Increase) decrease in due from other governments	-	-	-
(Increase) decrease in inventories	-	-	(5,545)
(Decrease) increase in accounts payable	(884)	-	11,261
(Decrease) increase in other liabilities	(79,020)	-	80,585
(Decrease) increase in compensated absences payable	4,182	-	78,327
Other nonoperating revenue	26,926	-	56,822
Total adjustments	\$ (48,045)	\$ -	\$ 536,508
Net cash provided by (used for) operating activities	<u>\$ (324,647)</u>	<u>\$ -</u>	<u>\$ (1,598,180)</u>

City of Great Falls, Montana
Internal Service Funds
Fund Descriptions

The internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Central Garage Fund – This fund is used to account for fleet operations for the City. Functions include maintenance, fuel dispensing, and replacement services for all major vehicles and motor equipment owned by the City.

Information Technology Fund – This fund is used to account for providing centralized and personal computer operations, equipment services, and support.

Insurance & Safety Fund – This fund is used to account for central insurance and safety program costs of the City, which includes centralized handling of premium payments, claims processing, and general insurance administration.

Health & Benefits Fund – This fund is used to account for payroll deductions made to the City's health insurance plan and payments from retirees and component units. The fund processes payments of 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
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	Central Garage	Information Technology	Insurance & Safety	Health & Benefits
Assets and deferred outflows of resources				
Assets				
Current assets				
Cash and investments	\$ 1,794,763	\$ 648,471	\$ 370,799	\$ 6,284,029
Receivables				
Accounts	15,387	-	-	5,465
Accrued interest	-	-	-	19,128
Due from other governments	-	-	-	-
Inventories	338,686	-	-	-
Total current assets	2,148,836	648,471	370,799	6,308,622
Noncurrent assets				
Restricted cash and investments	1,557,899	186,508	-	-
Non-depreciable capital assets	-	-	-	-
Depreciable capital assets, net	7,841,423	-	63,318	-
Total noncurrent assets	9,399,322	186,508	63,318	-
Total assets	11,548,158	834,979	434,117	6,308,622
Deferred outflows of resources				
Deferred charge - pension	112,369	88,231	-	-
Deferred charge - OPEB	-	-	-	1,162,887
Total deferred outflows of resources	112,369	88,231	-	1,162,887
Total assets and deferred outflows of resources	\$ 11,660,527	\$ 923,210	\$ 434,117	\$ 7,471,509
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Current liabilities				
Accounts payable	\$ 108,874	\$ 192,913	\$ 30,418	\$ 1,679,907
Payroll payable	-	-	-	620,993
Other payable	-	-	-	661,357
Compensated absences	66,640	82,513	-	-
Other liabilities	-	-	-	-
Total current liabilities	175,514	275,426	30,418	2,962,257
Noncurrent liabilities				
Compensated absences	50,272	62,247	-	-
Net pension liability	817,840	760,844	-	-
OPEB liability	-	-	-	1,360,462
Total noncurrent liabilities	868,112	823,091	-	1,360,462
Total liabilities	1,043,626	1,098,517	30,418	4,322,719
Deferred inflows of resources				
Deferred revenue - pension	25,011	7,499	-	-
Deferred revenue - OPEB	-	-	-	1,960,325
Total deferred inflows of resources	25,011	7,499	-	1,960,325
Net position				
Net investment in capital assets	7,841,423	-	63,318	-
Unrestricted	2,750,467	(182,806)	340,381	1,188,465
Total net position	10,591,890	(182,806)	403,699	1,188,465
Total liabilities, deferred inflows of resources, and net position	\$ 11,660,527	\$ 923,210	\$ 434,117	\$ 7,471,509

Continued on next page

City of Great Falls, Montana
Combining Statement of Net Position (Continued)
Internal Service Funds
June 30, 2025

	<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	\$ 228,788	\$ 216,719	\$ 623,105	\$ 796,528
Receivables				
Accounts	-	-	30	1,502
Accrued interest	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Total current assets	228,788	216,719	623,135	798,030
Noncurrent assets				
Restricted cash and investments	-	-	-	36,922
Non-depreciable capital assets	-	-	-	-
Depreciable capital assets, net	1,265	-	-	338,947
Total noncurrent assets	1,265	-	-	375,869
Total assets	230,053	216,719	623,135	1,173,899
Deferred outflows of resources				
Deferred charge - pension	34,264	2,278	118,150	160,773
Deferred charge - OPEB	-	-	-	-
Total deferred outflows of resources	34,264	2,278	118,150	160,773
Total assets and deferred outflows of resources	\$ 264,317	\$ 218,997	\$ 741,285	\$ 1,334,672
Liabilities, deferred inflows of resources, and net position				
Liabilities				
Accounts payable	\$ 799	\$ 6,582	\$ 17,149	\$ 18,602
Payroll payable	-	-	-	-
Other payable	-	-	-	-
Compensated absences	80,677	-	101,350	84,124
Other liabilities	-	-	-	12,994
Total current liabilities	81,476	6,582	118,499	115,720
Noncurrent liabilities				
Compensated absences	60,862	-	76,457	63,462
Net pension liability	404,788	20,568	1,156,214	1,294,574
OPEB liability	-	-	-	-
Total noncurrent liabilities	465,650	20,568	1,232,671	1,358,036
Total liabilities	547,126	27,150	1,351,170	1,473,756
Deferred inflows of resources				
Deferred revenue - pension	15,383	542	48,341	9,715
Deferred revenue - OPEB	-	-	-	-
Total deferred inflows of resources	15,383	542	48,341	9,715
Net position				
Net investment in capital assets	1,265	-	-	338,947
Unrestricted	(299,457)	191,305	(658,226)	(487,746)
Total net position	(298,192)	191,305	(658,226)	(148,799)
Total liabilities, deferred inflows of resources, and net position	\$ 264,317	\$ 218,997	\$ 741,285	\$ 1,334,672

Continued on next page

City of Great Falls, Montana
Combing Statement of Net Position (Concluded)
Internal Service Funds
June 30, 2025

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Assets and deferred outflows of resources			
Assets			
Current assets			
Cash and investments	\$ 506,910	\$ 428,040	\$ 11,898,152
Receivables			
Accounts	-	-	22,384
Accrued interest	-	-	19,128
Due from other governments	-	-	-
Inventories	-	-	338,686
Total current assets	<u>506,910</u>	<u>428,040</u>	<u>12,278,350</u>
Noncurrent assets			
Restricted cash and investments	5,271	36,615	1,823,215
Non-depreciable capital assets	-	-	-
Depreciable capital assets, net	524,740	115,518	8,885,211
Total noncurrent assets	<u>530,011</u>	<u>152,133</u>	<u>10,708,426</u>
Total assets	<u>1,036,921</u>	<u>580,173</u>	<u>22,986,776</u>
Deferred outflows of resources			
Deferred charge - pension	54,679	38,179	608,923
Deferred charge - OPEB	-	-	1,162,887
Total deferred outflows of resources	<u>54,679</u>	<u>38,179</u>	<u>1,771,810</u>
Total assets and deferred outflows of resources	<u>\$ 1,091,600</u>	<u>\$ 618,352</u>	<u>\$ 24,758,586</u>
Liabilities, deferred inflows of resources, and net position			
Liabilities			
Current liabilities			
Accounts payable	\$ 5,482	\$ 5,989	\$ 2,066,715
Payroll payable	-	-	620,993
Other payable	-	-	661,357
Compensated absences	32,906	22,126	470,336
Other liabilities	-	-	12,994
Total current liabilities	<u>38,388</u>	<u>28,115</u>	<u>3,832,395</u>
Noncurrent liabilities			
Compensated absences	24,824	16,691	354,815
Net pension liability	321,810	302,784	5,079,422
OPEB liability	-	-	1,360,462
Total noncurrent liabilities	<u>346,634</u>	<u>319,475</u>	<u>6,794,699</u>
Total liabilities	<u>385,022</u>	<u>347,590</u>	<u>10,627,094</u>
Deferred inflows of resources			
Deferred revenue - pension	17,631	5,280	129,402
Deferred revenue - OPEB	-	-	1,960,325
Total deferred inflows of resources	<u>17,631</u>	<u>5,280</u>	<u>2,089,727</u>
Net position			
Net investment in capital assets	524,740	115,518	8,885,211
Unrestricted	164,207	149,964	3,156,554
Total net position	<u>688,947</u>	<u>265,482</u>	<u>12,041,765</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,091,600</u>	<u>\$ 618,352</u>	<u>\$ 24,758,586</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, 2025

	Central Garage	Information Technology	Insurance & Safety	Health & Benefits
Operating revenues				
Charges for services	\$ 3,808,997	\$ 2,320,589	\$ 2,074,720	\$ 11,489,323
Operating expenses				
Personal services	1,045,599	999,825	-	-
Supplies and materials	1,025,967	319,147	-	-
Purchased services	134,635	836,646	2,107,006	11,219,879
Internal services	251,038	76,649	4,783	1,873
Other	150	-	-	(203,653)
Depreciation	1,016,900	-	8,924	-
Total operating expenses	<u>3,474,289</u>	<u>2,232,267</u>	<u>2,120,713</u>	<u>11,018,099</u>
Operating income (loss)	<u>334,708</u>	<u>88,322</u>	<u>(45,993)</u>	<u>471,224</u>
Nonoperating revenues (expenses)				
Investment income (loss)	116,610	33,206	14,089	175,790
Interest expense	-	-	-	-
Proceeds on sale of capital assets	(49,170)	-	-	-
Net pension on-behalf revenue	10,846	11,077	-	-
Other	103,648	176	-	2,065
Total nonoperating revenues (expenses)	<u>181,934</u>	<u>44,459</u>	<u>14,089</u>	<u>177,855</u>
Income (loss) before contributions and transfers	<u>516,642</u>	<u>132,781</u>	<u>(31,904)</u>	<u>649,079</u>
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	516,642	132,781	(31,904)	649,079
Total net position - beginning	<u>10,075,248</u>	<u>(315,587)</u>	<u>435,603</u>	<u>539,386</u>
Total net position - ending	<u>\$ 10,591,890</u>	<u>\$ (182,806)</u>	<u>\$ 403,699</u>	<u>\$ 1,188,465</u>

Continued on next page

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, 2025

	Human Resources	City Telephone	Finance	Engineering
Operating revenues				
Charges for services	\$ 1,189,813	\$ 202,263	\$ 2,211,385	\$ 2,480,100
Operating expenses				
Personal services	982,995	29,106	1,486,013	1,889,263
Supplies and materials	29,877	-	9,770	25,220
Purchased services	43,282	51,758	561,846	117,687
Internal services	107,909	3,375	221,926	403,967
Other	-	-	(35)	-
Depreciation	607	1,035	-	40,694
Total operating expenses	<u>1,164,670</u>	<u>85,274</u>	<u>2,279,520</u>	<u>2,476,831</u>
Operating income (loss)	<u>25,143</u>	<u>116,989</u>	<u>(68,135)</u>	<u>3,269</u>
Nonoperating revenues (expenses)				
Investment income (loss)	4,857	5,588	20,169	26,191
Interest expense	-	-	-	-
Proceeds on sale of capital assets	-	-	-	-
Net pension on-behalf revenue	11,115	368	16,979	20,463
Other	<u>45,758</u>	<u>-</u>	<u>304</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>61,730</u>	<u>5,956</u>	<u>37,452</u>	<u>46,654</u>
Income (loss) before contributions and transfers	<u>86,873</u>	<u>122,945</u>	<u>(30,683)</u>	<u>49,923</u>
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	86,873	122,945	(30,683)	49,923
Total net position - beginning	<u>(385,065)</u>	<u>68,360</u>	<u>(627,543)</u>	<u>(198,722)</u>
Total net position - ending	<u>\$ (298,192)</u>	<u>\$ 191,305</u>	<u>\$ (658,226)</u>	<u>\$ (148,799)</u>

Continued on next page

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, 2025

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Operating revenues			
Charges for services	\$ 812,332	\$ 730,286	\$ 27,319,808
Operating expenses			
Personal services	455,082	397,408	7,285,291
Supplies and materials	38,438	17,725	1,466,144
Purchased services	113,183	225,633	15,411,555
Internal services	120,572	45,434	1,237,526
Other	-	-	(203,538)
Depreciation	21,145	21,229	1,110,534
Total operating expenses	748,420	707,429	26,307,512
Operating income (loss)	63,912	22,857	1,012,296
Nonoperating revenues (expenses)			
Investment income (loss)	15,455	14,948	426,903
Interest expense	-	-	-
Proceeds on sale of capital assets	-	-	(49,170)
Net pension on-behalf revenue	4,978	3,964	79,790
Other	1,532	2,841	156,324
Total nonoperating revenues (expenses)	21,965	21,753	613,847
Income (loss) before contributions and transfers	85,877	44,610	1,626,143
Transfers in	-	-	-
Transfers out	-	-	-
Total transfers	-	-	-
Change in net position	85,877	44,610	1,626,143
Total net position - beginning	603,070	220,872	10,415,622
Total net position - ending	\$ 688,947	\$ 265,482	\$ 12,041,765

City of Great Falls, Montana
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

	Central Garage	Information Technology	Insurance & Safety	Health & Benefits
Cash flows from operating activities				
Receipts from customers and users	\$ 3,785,743	\$ 2,326,206	\$ 2,074,720	\$ 11,655,537
Receipts from interfund services provided	-	-	-	-
Receipts from others	103,648	176	-	2,065
Receipts from other govts	-	-	-	-
Payments to suppliers	(1,210,889)	(1,011,476)	(2,084,385)	(10,511,300)
Payments to employees	(1,008,810)	(953,211)	-	-
Payments for interfund services used	(251,038)	(76,649)	(4,783)	(1,873)
Payments to others	(150)	-	-	-
Net cash provided by (used for) operating activities	<u>1,418,504</u>	<u>285,046</u>	<u>(14,448)</u>	<u>1,144,429</u>
Cash flows from noncapital financing activities				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities				
Proceeds from sale of assets	66,613	-	-	-
Principal payments received - advances	-	-	-	-
Principal payments - loans	-	-	-	-
Interest paid	-	-	-	-
Acquisition/construction of capital assets	(1,501,511)	-	-	-
Net cash provided by (used for) capital and related financing activities	<u>(1,434,898)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities				
Interest and dividends on investments	<u>116,610</u>	<u>33,206</u>	<u>14,089</u>	<u>175,790</u>
Net cash provided by (used for) investing activities	<u>116,610</u>	<u>33,206</u>	<u>14,089</u>	<u>175,790</u>
Net increase (decrease) in cash	100,216	318,252	(359)	1,320,219
Cash, beginning of year restated	<u>3,252,446</u>	<u>516,727</u>	<u>371,158</u>	<u>4,963,810</u>
Cash, end of year (a)	<u><u>\$ 3,352,662</u></u>	<u><u>\$ 834,979</u></u>	<u><u>\$ 370,799</u></u>	<u><u>\$ 6,284,029</u></u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 1,794,763	\$ 648,471	\$ 370,799	\$ 6,284,029
Restricted cash and investments	<u>1,557,899</u>	<u>186,508</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 3,352,662</u></u>	<u><u>\$ 834,979</u></u>	<u><u>\$ 370,799</u></u>	<u><u>\$ 6,284,029</u></u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2025

	Human Resources	City Telephone	Finance	Engineering
Cash flows from operating activities				
Receipts from customers and users	\$ 1,189,813	\$ 202,263	\$ 2,211,470	\$ 2,450,774
Receipts from interfund services provided	-	-	-	-
Receipts from others	45,758	-	304	-
Receipts from other govts	-	-	-	-
Payments to suppliers	(73,260)	(46,891)	(573,698)	(177,847)
Payments to employees	(937,454)	(29,235)	(1,435,976)	(1,847,779)
Payments for interfund services used	(107,909)	(3,375)	(221,926)	(403,967)
Payments to others	-	-	35	-
Net cash provided by (used for) operating activities	<u>116,948</u>	<u>122,762</u>	<u>(19,791)</u>	<u>21,181</u>
Cash flows from noncapital financing activities				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Interfund cash flow loans	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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	-	-	-	-
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities				
Interest and dividends on investments	<u>4,857</u>	<u>5,588</u>	<u>20,169</u>	<u>26,191</u>
Net cash provided by (used for) investing activities	<u>4,857</u>	<u>5,588</u>	<u>20,169</u>	<u>26,191</u>
Net increase (decrease) in cash	121,805	128,350	378	47,372
Cash, beginning of year restated	<u>106,983</u>	<u>88,369</u>	<u>622,727</u>	<u>786,078</u>
Cash, end of year (a)	<u><u>\$ 228,788</u></u>	<u><u>\$ 216,719</u></u>	<u><u>\$ 623,105</u></u>	<u><u>\$ 833,450</u></u>
(a) Shown on the statement of net position as:				
Cash and investments	\$ 228,788	\$ 216,719	\$ 623,105	\$ 796,528
Restricted cash and investments	-	-	-	36,922
	<u><u>\$ 228,788</u></u>	<u><u>\$ 216,719</u></u>	<u><u>\$ 623,105</u></u>	<u><u>\$ 833,450</u></u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2025

	Public Works Admin	Civic Center Facility Service	Total Internal Service Funds
Cash flows from operating activities			
Receipts from customers and users	\$ 812,332	\$ 730,286	\$ 27,439,144
Receipts from interfund services provided	-	-	-
Receipts from others	1,532	2,841	156,324
Receipts from other govts	-	-	-
Payments to suppliers	(239,929)	(259,521)	(16,189,196)
Payments to employees	(430,412)	(385,823)	(7,028,700)
Payments for interfund services used	(120,572)	(45,434)	(1,237,526)
Payments to others	-	-	(115)
Net cash provided by (used for) operating activities	<u>22,949</u>	<u>42,349</u>	<u>3,139,929</u>
Cash flows from noncapital financing activities			
Transfers in	-	-	-
Transfers out	-	-	-
Interfund cash flow loans	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities			
Proceeds from sale of assets	-	-	66,613
Principal payments received - advances	-	-	-
Principal payments - loans	-	-	-
Interest paid	-	-	-
Acquisition/construction of capital assets	(85,232)	-	(1,586,743)
Net cash provided by (used for) capital and related financing activities	<u>(85,232)</u>	<u>-</u>	<u>(1,520,130)</u>
Cash flows from investing activities			
Interest and dividends on investments	<u>15,455</u>	<u>14,948</u>	<u>426,903</u>
Net cash provided by (used for) investing activities	<u>15,455</u>	<u>14,948</u>	<u>426,903</u>
Net increase (decrease) in cash	(46,828)	57,297	2,046,702
Cash, beginning of year restated	<u>559,009</u>	<u>407,358</u>	<u>11,674,665</u>
Cash, end of year (a)	<u><u>\$ 512,181</u></u>	<u><u>\$ 464,655</u></u>	<u><u>\$ 13,721,367</u></u>
(a) Shown on the statement of net position as:			
Cash and investments	\$ 506,910	\$ 428,040	\$ 11,898,152
Restricted cash and investments	<u>5,271</u>	<u>36,615</u>	<u>1,823,215</u>
	<u><u>\$ 512,181</u></u>	<u><u>\$ 464,655</u></u>	<u><u>\$ 13,721,367</u></u>

Continued on next page

City of Great Falls, Montana
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2025

	<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)	\$ 334,708	\$ 88,322	\$ (45,993)	\$ 471,224
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	(3,797)	(3,879)	-	-
Depreciation expense	1,016,900	-	8,924	-
Cash provided by (used for) changes in operating assets and liabilities				-
(Increase) decrease in accounts receivable	(7,994)	5,617	-	(1,257)
Due from other governments	-	-	-	-
(Increase) decrease in inventories	(15,260)	-	-	-
(Decrease) increase in accounts payable	(50,287)	144,317	22,621	933,205
Other liabilities	-	-	-	(57,155)
(Decrease) increase in compensated absences payable	40,586	50,493	-	-
Other nonoperating revenue	103,648	176	-	(201,588)
Total adjustments	\$ 1,083,796	\$ 196,724	\$ 31,545	\$ 673,205
Net cash provided by (used for) operating activities	<u>\$ 1,418,504</u>	<u>\$ 285,046</u>	<u>\$ (14,448)</u>	<u>\$ 1,144,429</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, 2025

	<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)	\$ 25,143	\$ 116,989	\$ (68,135)	\$ 3,269
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
GASB 68 pension adjustments	(3,892)	(129)	(5,945)	(7,165)
Depreciation expense	607	1,035	-	40,694
Cash provided by (used for) changes in operating assets and liabilities				
(Increase) decrease in accounts receivable	-	-	85	17,405
Due from other governments	-	-	-	-
(Increase) decrease in inventories	-	-	-	-
(Decrease) increase in accounts payable	(101)	4,867	(2,082)	(34,940)
Other liabilities	-	-	-	(46,731)
(Decrease) increase in compensated absences payable	49,433	-	55,982	48,649
Other nonoperating revenue	45,758	-	304	-
Total adjustments	\$ 91,805	\$ 5,773	\$ 48,344	\$ 17,912
Net cash provided by (used for) operating activities	<u>\$ 116,948</u>	<u>\$ 122,762</u>	<u>\$ (19,791)</u>	<u>\$ 21,181</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, 2025

	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)	\$ 63,912	\$ 22,857	\$ 1,012,296
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
GASB 68 pension adjustments	(1,743)	(1,388)	(27,938)
Depreciation expense	21,145	21,229	1,110,534
Cash provided by (used for) changes in operating assets and liabilities			
(Increase) decrease in accounts receivable	-	-	13,856
Due from other governments	-	-	-
(Increase) decrease in inventories	-	-	(15,260)
(Decrease) increase in accounts payable	(88,308)	(16,163)	913,129
Other liabilities	-	-	(103,886)
(Decrease) increase in compensated absences payable	26,413	12,973	284,529
Other nonoperating revenue	1,532	2,841	(47,329)
Total adjustments	\$ (40,961)	\$ 19,492	\$ 2,127,635
Net cash provided by (used for) operating activities	<u>\$ 22,949</u>	<u>\$ 42,349</u>	<u>\$ 3,139,929</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, 2025

	Castle Pines Trust	ULRRWSD Trust	Total Private- Purpose Trust Funds
Assets			
Cash and investments	\$ 1,462	\$ 278,271	\$ 279,733
Due from district special assessments	-	585,668	585,668
Total assets	<u>1,462</u>	<u>863,939</u>	<u>865,401</u>
Liabilities			
Asset held for others	-	863,939	863,939
Total liabilities	<u>-</u>	<u>863,939</u>	<u>863,939</u>
Net Position			
Restricted for:			
Castle Pines Trust	1,462	-	1,462
Total Net Position	<u><u>\$ 1,462</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,462</u></u>

City of Great Falls, Montana
Combining Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Funds
For the Year Ended June 30, 2025

	<u>Castle Pines Trust</u>	<u>ULRRWSD Trust</u>	<u>Total Private-Purpose Trust Funds</u>
Additions			
District special assessments	\$ -	\$ 75,674	\$ 75,674
Investment earnings	48	10,737	10,785
Total additions	<u>48</u>	<u>86,411</u>	<u>86,459</u>
Deductions			
Payments to debt service for ULRRWSD	<u>-</u>	<u>86,411</u>	<u>86,411</u>
Total deductions	<u>-</u>	<u>86,411</u>	<u>86,411</u>
Net increase (decrease) in fiduciary net position	48	-	48
Net position - beginning	1,414	-	1,414
Net position - ending	<u><u>\$ 1,462</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,462</u></u>

City of Great Falls, Montana
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	Court	Total Custodial Funds
Assets		
Cash and investments	\$ 79,871	\$ 79,871
Payroll receivable	-	-
Total assets	<u>79,871</u>	<u>79,871</u>
Liabilities		
Accounts payable and other liabilities	79,871	79,871
Assets held for others	-	-
Other liabilities	-	-
Total liabilities	<u>79,871</u>	<u>79,871</u>
Net position	<u>-</u>	<u>-</u>
Total net position	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Great Falls, Montana
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2025

	<u>Court</u>	<u>Total Custodial Funds</u>
Additions		
Appearance bonds and restitution	\$ (13,290)	\$ (13,290)
Total additions	<u>(13,290)</u>	<u>(13,290)</u>
Deductions		
Payments to beneficiaries and clients	<u>(13,290)</u>	<u>(13,290)</u>
Total deductions	<u>(13,290)</u>	<u>(13,290)</u>
Net increase (decrease) in fiduciary net position	-	-
Net position - beginning	-	-
Net position - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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Statistical Section

Table of Contents

This part of the City of Great Falls' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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Financial Trends	182
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	187
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	192
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	217
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	219
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities:										
General government	\$ 8,951,277	\$ 9,087,518	\$ 11,065,928	\$ 10,014,604	\$ 12,043,073	\$ 13,717,027	\$ 6,049,893	\$ 14,512,758	\$ 16,853,958	\$ 14,034,528
Public safety	21,047,599	22,308,585	25,387,960	26,468,988	29,605,935	32,668,855	29,041,592	32,500,521	33,446,687	34,935,297
Public works	6,319,333	7,268,736	7,660,240	8,030,532	8,370,526	8,745,824	8,556,113	8,506,130	8,610,213	9,129,064
Culture and recreation	5,309,937	4,983,866	5,481,757	5,338,401	6,623,215	6,690,221	7,294,699	7,011,780	7,966,383	8,735,820
Housing and development	1,985,526	3,032,685	2,442,155	2,266,478	2,306,897	2,239,153	2,289,786	3,371,865	3,289,502	3,562,843
Interest and Fees	202,091	195,289	184,098	172,555	235,180	288,800	526,924	554,317	565,684	539,467
Total governmental activities expenses	<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>	<u>70,732,427</u>	<u>70,937,019</u>
Business-type activities										
Water	8,265,032	8,940,287	9,765,723	10,425,580	10,590,672	11,452,967	13,217,638	13,814,269	14,724,210	15,718,071
Sewer	7,802,738	9,433,803	9,540,200	9,851,779	10,226,134	10,494,173	10,841,180	11,260,449	12,452,928	12,729,593
Storm drain	1,626,546	1,995,463	2,251,017	2,500,962	2,601,173	2,688,622	2,762,931	2,748,276	3,301,952	3,433,013
Sanitation	3,351,925	3,856,076	3,645,331	3,847,103	3,963,297	4,278,659	4,502,443	4,986,087	5,145,408	5,483,581
Port authority	299,366	285,948	271,210	256,234	241,122	223,690	190,993 *	- *	- *	-
State Special Projects	367,623	361,514	355,527	349,420	343,367	336,841	330,361 *	- *	- *	-
Other	5,729,950	6,208,611	6,662,665	6,346,272	6,552,059	6,502,443	5,650,649	6,599,725	7,013,017	8,705,024
Total business-type activities expenses	<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>	<u>42,637,515</u>	<u>46,069,282</u>
Total primary government expenses	<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>	<u>\$ 113,369,942</u>	<u>\$ 117,006,301</u>
Program Revenues										
Governmental Activities:										
Charges for services										
General government	\$ 6,371,925	\$ 6,253,126	\$ 6,065,475	\$ 7,084,764	\$ 3,141,467	\$ 6,299,660	\$ 6,537,043	\$ 5,798,186	\$ 5,266,870	\$ 5,394,949
Public safety	1,607,759	1,759,398	1,765,576	843,365	1,524,117	1,760,243	1,609,179	2,174,062	1,987,289	2,135,193
Public works	5,911,491	6,225,343	6,066,093	6,203,263	6,187,528	6,469,236	6,975,531	6,309,185	9,867,670	8,687,906
Culture and recreation	799,487	755,906	771,207	2,257,770	2,435,123	2,372,103	2,411,228	2,450,287	2,437,242	2,517,189
Housing and development	2,096,699	1,738,247	1,902,249	1,405,620	1,115,162	1,121,134	1,653,804	2,227,903	1,528,593	1,703,376
Operating grants and contributions	1,675,205	1,449,025	2,666,624	1,400,143	5,488,027	15,818,889	11,099,298	431,378	1,846,506	2,738,194
Capital grants and contributions	1,399,292	1,748,919	1,014,668	668,996	3,148,306	104,007	3,186,619	6,628,422	4,791,680	1,891,573
Total governmental activities program revenues	<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>	<u>27,725,850</u>	<u>25,068,380</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 in FY 2023.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-type activities										
Charges for services										
Water	\$ 11,117,378	\$ 12,108,595	\$ 13,972,825	\$ 13,221,101	\$ 13,726,302	\$ 13,970,585	\$ 14,803,895	\$ 14,145,653	\$ 15,822,166	\$ 18,194,986
Sewer	10,541,575	11,173,547	11,426,703	11,441,446	11,613,924	11,452,162	11,599,985	11,486,223	12,382,409	13,014,574
Storm Drain	2,105,174	2,410,858	2,632,616	2,878,879	3,110,007	2,917,430	3,196,684	3,126,725	3,524,574	3,957,105
Sanitation	3,453,572	3,644,315	3,692,698	3,838,298	4,201,779	4,189,046	4,673,425	5,322,552	5,838,392	6,257,372
Port Authority	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	383,403	383,402	- *	- *	-
Other	4,588,459	4,602,675	4,775,665	4,794,727	4,565,746	4,667,470	5,328,588	5,512,731	5,574,951	6,806,008
Operating grants and contributions	177,174	108,544	-	-	649,141	675,627	-	-	-	-
Capital grants and contributions	-	-	-	-	-	4,127	23,258	1,409,011	4,428,460	1,688,110
Total business-type activities program revenues	32,831,921	34,897,124	37,349,096	37,023,040	38,715,488	38,725,037	40,474,424	41,002,895	47,570,952	49,918,155
Total primary government program revenues	52,693,779	54,827,088	57,600,988	56,886,961	61,755,218	72,670,309	73,947,126	67,022,318	75,296,802	74,986,535
Net (Expense)/Revenue										
Governmental activities	\$ (23,953,905)	\$ (26,946,715)	\$ (31,970,246)	\$ (32,427,637)	\$ (36,145,096)	\$ (30,404,608)	\$ (20,286,305)	\$ (40,437,948)	\$ (43,006,577)	\$ (45,868,639)
Business-type activities	5,388,741	3,815,422	4,857,423	3,445,690	4,197,664	2,747,642	2,978,229	1,594,089	4,933,437	3,848,873
Total primary government net expense	\$ (18,565,164)	\$ (23,131,293)	\$ (27,112,823)	\$ (28,981,947)	\$ (31,947,432)	\$ (27,656,966)	\$ (17,308,076)	\$ (38,843,859)	\$ (38,073,140)	\$ (42,019,766)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property taxes	\$ 18,224,876	\$ 19,665,472	\$ 19,042,057	\$ 21,739,975	\$ 26,143,194	\$ 25,474,915	\$ 25,212,308	\$ 26,945,209	\$ 31,070,408	\$ 32,285,367
Grants and contributions not restricted to specific programs	8,624,074	8,506,999	8,520,364	8,670,610	9,373,657	9,231,662	9,132,692	9,380,134	9,815,865	10,164,569
Unrestricted investment earnings	146,782	77,389	223,271	622,092	425,419	86,413	49,202	1,222,137	2,685,865	1,914,109
Miscellaneous	3,489,764	3,604,956	4,411,096	4,802,670	5,081,769	8,027,170	5,616,794	7,082,661	9,054,302	6,691,643
Gain (loss) on sale of capital assets	-	284,822	(63,656)	88,999	71,854	-	-	-	-	-
Transfers	(1,202,370)	(931,689)	(902,483)	(929,654)	(929,654)	(757,313)	(2,060,805)	(1,671,530)	(1,153,741)	(1,409,942)
Total governmental activities general revenues	29,283,126	31,207,949	31,230,649	34,994,692	40,166,239	42,062,847	37,950,191	42,958,611	51,472,699	49,645,746
Business Type Activities:										
Grants and contributions not restricted to specific programs	2,632	14,953	1,252	1,874	2,784	-	-	-	-	-
Unrestricted investment earnings	109,398	43,714	115,980	801,240	584,254	29,422	11,819	1,101,005	1,765,396	1,650,041
Miscellaneous	710,061	513,414	383,939	216,148	207,495	579,189	513,394	413,750	461,727	442,915
Gain (loss) on sale of capital assets	-	-	16,260	49,390	(15,325)	-	-	-	-	-
Transfers	1,202,370	931,689	902,483	929,654	929,654	757,313	2,060,805	1,671,530	1,153,741	1,409,942
Total business-type activities general revenues	2,024,461	1,503,770	1,419,914	1,998,306	1,708,862	1,365,924	2,586,018	3,186,285	3,380,864	3,502,898
Total primary government general revenues	\$ 31,307,587	\$ 32,711,719	\$ 32,650,563	\$ 36,992,998	\$ 41,875,101	\$ 43,428,771	\$ 40,536,209	\$ 46,144,896	\$ 54,853,563	\$ 53,148,644
Change in Net Position										
Governmental activities	\$ 5,329,221	\$ 4,261,234	\$ (739,597)	\$ 2,567,055	\$ 4,021,143	\$ 11,658,239	\$ 17,663,886	\$ 2,520,663	\$ 8,466,122	\$ 3,777,107
Business-type activities	7,413,202	5,319,192	6,277,337	5,443,996	5,906,526	4,113,566	5,564,247	4,780,374	8,314,301	7,351,771
Total primary government	12,742,423	9,580,426	5,537,740	8,011,051	9,927,669	15,771,805	23,228,133	7,301,037	16,780,423	11,128,878

General government encompasses the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Internal Service Funds.

*Port Authority and Special State Projects moved to the other category in FY 2023.

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 66,393,049	\$ 68,231,770	\$ 65,775,809	\$ 66,973,666	\$ 66,153,408	\$ 62,591,068	\$ 65,683,127	\$ 68,555,525	\$ 78,914,817	\$ 85,910,194
Restricted	16,712,699	18,200,964	20,093,281	20,213,914	23,424,215	41,306,322	56,234,194	48,347,038	46,414,623	41,361,384
Unrestricted	(14,575,311)	(13,641,063)	(19,205,562)	(17,956,997)	(16,325,897)	(18,987,425)	(19,343,470)	(11,808,049)	(11,768,804)	(11,750,460)
Total governmental activities net position	<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>	<u>\$ 113,560,636</u>	<u>\$ 115,521,118</u>
Business-Type activities										
Net investment in capital assets	\$ 116,023,829	\$ 117,442,637	\$ 118,781,340	\$ 123,530,483	\$ 130,112,018	\$ 130,494,602	\$ 128,021,527	\$ 133,541,511	\$ 143,277,735	\$ 138,830,906
Restricted	7,477,563	8,592,636	10,342,611	10,350,105	9,213,962	8,592,771	7,974,359	7,925,922	7,876,711	8,021,425
Unrestricted	11,510,935	14,296,246	17,484,905	18,172,264	18,633,398	22,985,571	31,641,305	27,854,447	26,481,675	29,746,507
Total business-type activities net position	<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>	<u>\$ 177,636,121</u>	<u>\$ 176,598,838</u>
Primary government										
Net investment in capital assets	\$ 182,416,878	\$ 185,674,407	\$ 184,557,149	\$ 190,504,149	\$ 196,265,426	\$ 193,085,670	\$ 193,704,654	\$ 202,097,036	\$ 222,192,552	\$ 224,741,100
Restricted	24,190,262	26,793,600	30,435,892	30,564,019	32,638,177	49,899,093	64,208,553	56,272,960	54,291,334	49,382,809
Unrestricted	(3,064,376)	655,183	(1,720,657)	215,267	2,307,501	3,998,146	12,297,835	16,046,398	14,712,871	17,996,047
Total primary government net position	<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>	<u>\$ 291,196,757</u>	<u>\$ 292,119,956</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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	7,026,833	8,684,105	7,086,399	6,992,761	13,594,027	13,041,527	11,741,081	10,679,388	11,000,824	9,981,522
Total General Fund	<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>	<u>\$ 11,000,824</u>	<u>\$ 9,981,522</u>
All Other Governmental Funds										
Nonspendable	\$ 25,349	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	9,189,220	9,976,542	11,577,709	12,234,266	16,377,283	20,247,739	28,090,921	24,658,945	26,242,487	25,795,662
Assigned	4,525,824	5,186,112	5,658,221	5,362,925	4,962,693	9,609,948	8,311,099	7,308,433	9,397,661	11,015,295
Unassigned	(71,364)	(24,045)	(29,660)	(45,234)	-	-	(212,464)	-	-	-
Total All Other Governmental Funds	<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>	<u>\$ 35,640,148</u>	<u>\$ 36,810,957</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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$ 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	\$ 31,070,408	\$ 32,285,367
Licenses & permits	2,497,673	2,440,334	2,470,070	2,409,720	2,025,310	2,060,414	2,546,075	2,722,136	2,408,425	2,590,898
Intergovernmental	13,082,799	13,283,947	15,705,866	15,739,945	23,395,658	24,280,117	20,742,205	28,549,710	32,457,381	28,465,630
Charges for services	3,256,242	2,977,325	3,155,620	3,113,928	3,225,465	3,005,583	3,330,765	3,127,527	1,859,037	1,935,983
Fines & forfeitures	866,178	932,647	854,590	734,585	700,862	824,868	735,985	799,562	632,058	665,019
Internal service	1,012,506	1,164,382	1,182,948	967,666	974,109	1,404,674	1,833,277	1,235,944	1,324,502	1,600,867
Special assessments	7,338,572	6,859,028	6,804,476	8,333,057	8,865,522	8,622,684	8,509,065	8,802,607	9,532,374	10,083,131
Other	727,272	1,102,848	693,183	946,240	1,721,497	1,270,535	907,107	898,595	2,223,308	1,487,205
Investment income	105,570	38,148	157,479	499,233	343,763	68,816	37,520	1,015,042	3,038,917	1,962,862
Total revenues	<u>47,111,688</u>	<u>48,464,132</u>	<u>50,066,289</u>	<u>54,484,349</u>	<u>67,395,380</u>	<u>67,012,606</u>	<u>63,854,307</u>	<u>74,096,332</u>	<u>84,546,410</u>	<u>81,076,962</u>
Expenditures										
General government	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 ²	15,782,775	13,354,946
Public safety	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 ²	33,534,923	33,867,853
Public works	4,765,396	5,145,631	5,317,670	5,911,177	5,645,522	5,905,290	6,012,672	6,010,066	6,232,937	7,194,521
Culture & recreation	4,096,963	4,279,873	4,615,269	4,708,138	5,524,815	5,673,127	6,674,692	6,394,025	7,245,138	7,743,850
Housing & development	2,150,885	2,598,400	2,032,080	1,873,922	1,834,564	1,855,544	2,051,764	3,170,174	3,076,201	3,317,069
Debt service										
Principal	761,895	755,264	468,826	489,302 ³	2,106,980	807,214 ⁴	1,669,780	1,434,929	1,500,497	1,359,639
Interest & fees	199,450	192,808	182,234	172,325	235,180	288,809	469,082	554,317	565,684	539,467
Capital outlay	3,091,932	2,347,528	1,545,782	4,348,438	6,940,176	7,272,239	9,764,524	13,545,914	12,113,133	11,916,700
Total expenditures	<u>42,599,655</u>	<u>44,403,106</u>	<u>48,614,708</u>	<u>53,149,503</u>	<u>60,298,418</u>	<u>64,490,440</u>	<u>66,875,979</u>	<u>77,653,477</u>	<u>80,051,288</u>	<u>79,294,045</u>
Excess of revenues over (under) expenditures	<u>4,512,033</u>	<u>4,061,026</u>	<u>1,451,581</u>	<u>1,334,846</u>	<u>7,096,962</u>	<u>2,522,166</u>	<u>(3,021,672)</u>	<u>(3,557,145)</u>	<u>4,495,122</u>	<u>1,782,917</u>
Other financing sources (uses)										
Transfers in	1,010,674	1,108,018	1,782,760	1,096,173	1,083,374	1,073,055	3,465,171	1,386,913	634,456	746,747
Transfers out	(2,315,449)	(2,113,939)	(2,773,386)	(2,088,970)	(2,076,171)	(2,053,769)	(5,589,119)	(3,113,639)	(1,788,197)	(2,156,689)
Issuance of debt	852,666	2,193	-	-	4,192,920	6,423,759	10,177,043	-	652,825	205,166
Proceeds of capital assets	670,427	69,554	9,000	-	2,200	-	-	-	-	25,350
Total other financing sources (uses)	<u>218,318</u>	<u>(934,174)</u>	<u>(981,626)</u>	<u>(992,797)</u>	<u>3,202,323</u>	<u>5,443,045</u>	<u>8,053,095</u>	<u>(1,726,726)</u>	<u>(500,916)</u>	<u>(1,179,426)</u>
Net change in fund balance	<u>\$ 4,730,351</u>	<u>\$ 3,126,852</u>	<u>\$ 469,955</u>	<u>\$ 342,049</u>	<u>\$ 10,299,285</u>	<u>\$ 7,965,211</u>	<u>\$ 5,031,423</u>	<u>\$ (5,283,871)</u>	<u>\$ 3,994,206</u>	<u>\$ 603,491</u>
Debt service as a percentage of noncapital expenditures	2.43%	2.25%	1.38%	1.36%	4.39%	1.92%	3.75%	3.10%	3.04%	2.82%

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

	Real Property		Personal Property		Total Real & Personal Property		Ratio of Taxable	
Fiscal Year	Market Value	Taxable Assessed Value	Market Value	Taxable Assessed Value	Market Value	Taxable Assessed Value	Assessed Value to Total Market Value	Direct Mills Applied
TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - TOTAL								
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	6,049,811,888	100,509,903	280,453,270	6,601,335	6,330,265,158	107,111,238	1.69%	214.05
2024	8,168,791,721	134,781,300	152,129,129	2,600,780	8,320,920,850	137,382,080	1.65%	200.72
2025	8,218,699,085	135,498,753	118,991,285	2,010,473	8,337,690,370	137,509,226	1.65%	210.35
TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - NET OF TAX INCREMENT DISTRICTS (TID)								
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	5,695,899,367	92,634,632	260,665,188	6,272,255	5,956,564,555	98,906,887	1.66%	214.05
2024	7,728,665,710	125,212,984	129,400,994	2,209,245	7,858,066,704	127,422,229	1.62%	200.72
2025	7,776,667,830	126,037,675	102,569,535	1,721,067	7,879,237,365	127,758,742	1.62%	210.35
TAXABLE ASSESSED AND MARKET VALUE OF TAXABLE PROPERTY - TOTAL TAX INCREMENT DISTRICTS (TID) ¹								
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
2024	440,126,011	9,568,316	22,728,135	391,535	462,854,146	9,959,851	2.15%	194.72
2025	442,031,255	9,461,078	16,421,750	289,406	458,453,005	9,750,484	2.13%	204.35

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.

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 Industrial Ag Tech Park TID Market Value	East Industrial Ag Tech Park TID TAV Value
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	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
2024	234,905,476	5,636,990	63,067,195	1,222,865	94,183,739	1,795,911	18,761,277	346,161	29,208,324	566,389
2025	238,182,051	5,495,904	62,166,240	1,266,927	94,254,963	1,794,324	18,806,671	348,885	28,621,330	555,038
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 Industrial Ag Tech Park TID Market Value	East Industrial Ag Tech Park TID TAV Value
2016	\$ 16,625,748	\$ 875,948	\$ 1,484,318	\$ 22,265	\$ 952,066	\$ 14,511	\$ 611,534	\$ 9,173	N/A	N/A
2017	² 4,414,343	68,004	4,634,259	69,513	215,888	6,805	667,766	10,175	N/A	N/A
2018	² 5,035,663	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
2024	12,738,084	213,733	3,200,366	48,006	1,455,732	22,939	3,215,752	57,615	2,118,201	49,242
2025	6,740,537	122,124	4,516,251	67,823	748,216	13,261	2,559,226	43,725	1,857,520	42,473

Note: Incremental Value equals Base Value less Tax Increment District (TID) Taxable Assessed Value (TAV)

¹ The decrease in value this year is due to the demolition of several prominent structures & improvements in the district.

² 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	Great Falls Library	Soccer Park Debt Service	Swimming Pool Debt Service	Total Direct	
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
2024	6.00	40.00	134.49	93.89	207.07	20.15	152.41	30.06	17.00	1.25	-	200.72	702.32
2025	6.00	40.00	141.48	78.22	197.13	21.32	160.96	32.39	17.00	-	-	210.35	694.50

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	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Montana Renewables, LLC	\$ 7,980,294	1	5.80%			
Northwestern Energy, LLC	6,693,897	2	4.87%	\$ 4,842,736	2	5.47%
Calumet Montana Refining, LLC ²	5,835,838	3	4.24%	5,672,576	1	6.40%
Energy West Montana Inc.	2,185,339	4	1.59%	1,196,760	4	1.35%
3010 Great Falls Stolley, LLC	1,062,939	5	0.77%			
Pasta Montana LLC	987,333	6	0.72%	571,005	8	0.64%
Charter Communications (Bresnan)	944,050	7	0.69%	1,227,710	3	1.39%
Wal-Mart	650,924	8	0.47%			
Burlington Northern Santa Fe Railroad Co	614,646	9	0.45%	623,346	6	0.70%
Talus ICG LLC	605,646	10	0.44%			
GK Development Inc.				828,144	5	0.93%
CenturyLink, Inc.				585,119	7	0.66%
Verizon Wireless				504,194	9	0.57%
Orix, LLC				477,307	10	0.54%
	<u>\$ 27,560,906</u>		<u>20.04%</u>	<u>\$ 16,528,897</u>		<u>18.66%</u>
Total Assessed Taxable Value	<u>\$137,509,226</u>			<u>\$ 88,577,771</u>		

Source: Treasurer's Office, Cascade County, Montana

¹ In Fiscal Year 2015, Qwest Corporation changed to CenturyLink, Inc.

² 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						
2016	\$ 17,481,060	\$ 15,536,927	88.88%	\$ 1,877,853	\$ 17,414,780	99.62%
2017	18,951,993	16,514,190	87.14%	2,347,556	18,861,746	99.52%
2018	20,555,516	17,914,889	87.15%	2,547,797	20,462,686	99.55%
2019	21,338,561	19,942,269	93.46%	781,550	20,723,819	97.12%
2020	23,254,940	22,916,657	98.55%	337,616	23,254,274	100.00%
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%	876,165	24,597,149	100.00%
2023	24,837,644	24,681,519	99.37%	156,126	24,837,644	100.00%
2024	30,475,383	28,727,544	94.26%	37,983	28,765,526	94.39%
2025	31,331,729	30,293,427	96.69%	-	30,293,427	96.69%
PROPERTY TAX LEVIES AND COLLECTIONS - NET OF TAX INCREMENT DISTRICTS ¹						
2016	\$ 16,490,112.00	\$ 14,728,958.00	89.32%	\$ 1,694,874	\$ 16,423,832	99.60%
2017	18,099,805	15,775,631	87.16%	2,233,926	18,009,557	99.50%
2018	19,342,096	16,703,221	86.36%	2,546,045	19,249,266	99.52%
2019	19,774,666	18,389,811	93.00%	770,113	19,159,924	96.89%
2020	20,393,115	20,100,840	98.57%	291,609	20,392,449	100.00%
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%	812,510	21,301,396	100.00%
2023	21,164,694	21,020,040	99.32%	144,655	21,164,694	100.00%
2024	26,063,711	24,407,858	93.65%	37,983	24,445,841	93.79%
2025	26,957,241	25,972,364	96.35%	-	25,972,364	96.35%
PROPERTY TAX LEVIES AND COLLECTIONS - TAX INCREMENT DISTRICTS ¹						
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%	1,752	1,213,420	100.00%
2019	1,563,895	1,552,458	99.27%	11,437	1,563,895	100.00%
2020	2,861,825	2,815,818	98.39%	46,007	2,861,825	100.00%
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%	63,655	3,295,753	100.00%
2023	3,672,950	3,661,479	99.69%	11,471	3,672,950	100.00%
2024	4,411,671	4,319,685	97.91%	-	4,319,685	97.91%
2025	4,374,488	4,321,063	98.78%	-	4,321,063	98.78%

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, 2025

	<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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Beginning fund balance, July 1	\$ 21,591	\$ 16,304	\$ 15,322	\$ 14,504	\$ 13,669	\$ 12,691	\$ 11,524	\$ 10,269	\$ 44,590	\$ 44,763
Receipts over (under) disbursements	(5,287)	(982)	(818)	(835)	(978)	(1,167)	(1,255)	34,321	173	(61)
Ending fund balance, June 30	<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>	<u>\$ 44,763</u>	<u>\$ 44,702</u>
Assets										
Cash	\$ 16,304	\$ 15,322	\$ 14,504	\$ 13,669	\$ 12,691	\$ 11,524	\$ 10,269	\$ 44,590	\$ 44,763	\$ 44,702
Assessments receivable	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Due from Other City Funds	-	-	-	-	-	-	-	-	-	-
Total assets	<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>	<u>\$ 44,763</u>	<u>\$ 44,702</u>
Liabilities										
Deferred revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Fund Balance	<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>	<u>44,763</u>	<u>44,702</u>
Total Liabilities/Fund Balances	<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>	<u>\$ 44,763</u>	<u>\$ 44,702</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
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
2024	44,763	-	NA
2025	44,702	-	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>
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% ¹
2021	-	-	NA	NA	NA
2022	-	-	NA	NA	NA
2023	-	-	NA	NA	NA
2024	-	-	NA	NA	NA
2025			NA	NA	NA

1 Fiscal Year 2020 was the last year of assessment billing for SID 1301.

Source: City of Great Falls, Montana

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

Fiscal Year	Assessment Billing	Collections in Year Assessed		Total Outstanding Assessment
		Amount	Percent	Amount
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
2024	9,566,148	9,454,116	98.8%	1,001,911
2025	10,175,127	10,037,395	98.6%	1,054,298

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 2025

Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Assessed Taxable Value
Big Sky Select Courthouse LLC	Courthouse	\$ 335,201	1	22.12%
Riverside Hotel Partners LLC	Hotel	266,683	2	17.60%
Virk Hospitality Great Falls LLC	Hotel	228,297	3	15.07%
Skiprock LLC	Retail	145,268	4	9.59%
Talcott Properties LLC	Retail	106,740	5	7.05%
Citizens Alliance Bank	Bank	93,568	6	6.18%
Paige Trust	Retail	84,434	7	5.57%
Stockman Bank of MT	Bank	78,003	8	5.15%
JD Land LLC	Retail	53,535	9	3.53%
Colter Falls LLC	Retail	50,104	10	3.31%
Principal Taxpayers Total Assessed Taxable Value		<u>\$ 1,441,833</u>		<u>95.17%</u>
District Total Assessed Taxable Value		<u><u>\$ 1,515,049</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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$ 348,904	\$ 365,098	\$ 454,674	\$ 574,686	\$ 797,831	\$ 876,250	\$ 870,611	\$ 909,434	\$ 985,282	\$ 1,051,164
Investment Income	5,785	3,448	11,897	17,675	7,909	2,788	1,763	22,168	69,387	30,052
Other	5,134	4,684	4,684	4,684	20,369	2,342	11,507	11,507	19,220	19,220
Total revenues	<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>	<u>1,073,889</u>	<u>1,100,436</u>
Expenditures										
General Government	2,856	46,404	30,095	35,439	50,391	67,066	68,178	74,047	77,593	80,049
Debt Service										
Principal	90,000	95,000	95,000	100,000	1,725,000	125,000	130,000	135,000	140,000	145,000
Interest & fees	120,828	117,818	114,418	110,875	178,859	135,710	131,660	127,730	123,540	118,338
Capital Outlay	220,030	163,198	71,508	700,000	1,942,614	750,000	425,380	-	343,942	1,522,636
Total Expenditures	<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>	<u>685,075</u>	<u>1,866,023</u>
Revenues over (under) expenditures	(73,891)	(49,190)	160,234	(349,269)	(3,070,755)	(196,396)	128,663	606,332	388,814	(765,587)
Other Financing Sources (Uses) -										
Issuance of Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and other financing uses over (under) expenditures	(73,891)	(49,190)	160,234	(349,269)	129,245	(196,396)	128,663	606,332	388,814	(765,587)
Fund balances, beginning of year	977,818	903,927	854,737	1,014,971	665,702	794,947	598,551	727,214	1,333,546	1,722,360
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<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>	<u>\$ 1,722,360</u>	<u>\$ 956,773</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
Ten Years

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Bond reserves</u>										
Debt service account	\$ 88,762	\$ 88,762	\$ 90,068	\$ 90,068	\$ 90,068	\$ 90,068	\$ -	\$ -	\$ -	\$ -
Bond covenant reserve account	216,165	216,165	216,165	216,165	263,925	263,925	263,925	263,925	263,925	263,925
Total bond reserves	<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>\$ 263,925</u>	<u>\$ 263,925</u>
<u>Coverage covenant calculation</u>										
Increment taxes collected and available	\$ 348,904	\$ 365,098	\$ 454,674	\$ 574,686	\$ 797,831	\$ 876,250	\$ 870,611	\$ 909,434	\$ 985,282	\$ 1,051,164
Maximum annual debt service	216,165	216,165	216,165	216,165	263,925	263,925	263,925	263,925	263,925	263,925
Debt service coverage	1.61x	1.69x	2.10x	2.66x	3.02x	3.32x	3.30x	3.45x	3.73x	3.98x
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	\$ 1,690,000	\$ 1,630,000	\$ 1,570,000	\$ 1,505,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Series 2012	715,000	680,000	645,000	610,000	570,000	530,000	490,000	450,000	405,000	360,000
Series 2020	-	-	-	-	3,020,000	2,935,000	2,845,000	2,750,000	2,655,000	2,555,000
Total Outstanding Principal	<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>	<u>\$ 3,060,000</u>	<u>\$ 2,915,000</u>
	Trends in Taxable Value				Trends in Tax Increment					
			Incremental	Total	Tax	Entitlement				
Fiscal Year	Base Value	Value	Taxable	Value	Increment	Share	Total Tax			
					Revenue	Revenue	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				
2024	292,536	1,526,314	1,818,850	985,282	19,220	1,004,502				
2025	292,536	1,515,049	1,807,585	1,051,164	19,220	1,070,384				

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
Fifth Year

	2021	2022	2023	2024	2025
Revenues					
Taxes	\$ 858,061	\$ 1,565,894	\$ 1,878,479	\$ 2,096,313	\$ 2,039,762
Investment Income	193	4,658	83,298	244,058	222,525
Other	-	-	-	-	-
Total Revenues	<u>858,254</u>	<u>1,570,552</u>	<u>1,961,777</u>	<u>2,340,371</u>	<u>2,262,287</u>
Expenditures					
General Government	235	353,327	420,609	437,926	927,270
Debt Service					
Principal	50,000	250,000	255,000	260,000	265,000
Interest & Fees	35,570	164,025	157,825	152,725	147,125
Capital Outlay	-	-	-	399,474	-
Total Expenditures	<u>85,805</u>	<u>767,352</u>	<u>833,434</u>	<u>1,250,125</u>	<u>1,339,395</u>
Revenues over (under) expenditures	772,449	803,200	1,128,343	1,090,246	922,892
Other Financing Sources (Uses)					
Issuance of Debt	414,150	-	-	-	-
Transfer in (out)	-	2,392,116	(500,000)	(500,000)	(586,674)
Net Change in fund balance	1,186,599	3,195,316	628,343	590,246	336,218
Fund balance, beginning of year	-	1,186,599	4,381,915	5,010,258	5,600,504
Fund balance, end of year	<u>\$ 1,186,599</u>	<u>\$ 4,381,915</u>	<u>\$ 5,010,258</u>	<u>\$ 5,600,504</u>	<u>\$ 5,936,722</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
Fifth Year

	Fiscal Year 2021*	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
<u>Bond reserves</u>					
Bond covenant reserve account	\$ 414,150	\$ 414,150	\$ 414,150	\$ 414,150	\$ 414,150
Total bond reserves	<u>\$ 414,150</u>	<u>\$ 414,150</u>	<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	\$ 2,096,313	\$ 2,039,762
Maximum annual debt service	414,150	414,150	414,150	414,150	414,150
Debt service coverage	2.07x	3.78x	4.54x	5.06x	4.93x
Debt service coverage required	1.25x	1.25x	1.25x	1.25x	1.25x
<u>Principal Amount of Bonds Outstanding</u>					
Series 2021	\$ 5,945,000	\$ 5,695,000	\$ 5,440,000	\$ 5,180,000	\$ 4,915,000
Total Outstanding Principal	<u>\$ 5,945,000</u>	<u>\$ 5,695,000</u>	<u>\$ 5,440,000</u>	<u>\$ 5,180,000</u>	<u>\$ 4,915,000</u>

Trends in Taxable Value and Tax Increment				
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
2024	3,643,698	2,207,025	5,850,723	2,096,313
2025	3,643,698	1,974,330	5,618,028	2,039,762

* 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
Fourth Year

	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
<u>Principal Amount of Bonds Outstanding</u>				
Park Maintenance District #1	\$ 9,415,000	\$ 8,885,000	\$ 8,355,000	\$ 7,820,000
Total Outstanding Principal	<u>\$ 9,415,000</u>	<u>\$ 8,885,000</u>	<u>\$ 8,355,000</u>	<u>\$ 7,820,000</u>

<u>Park District/ City of Great Falls</u>		
Fiscal Year	Assessed Market Value	Taxable Value
2024/ 2025	\$ 8,337,690,370	\$ 137,509,226
2023/ 2024	8,317,572,494	137,382,080
2022/ 2023	6,328,057,598 **	107,111,238
2021/ 2022	6,271,302,382 *	105,181,199 *

Fiscal Year	Total Billed Revenue	Revenue Paid in Fiscal Year Billed	Percent Collected in Fiscal Year Billed	Delinquent Revenues Collected	Total Revenues Collected (Current and Delinquent)
2024/2025	\$ 1,500,000	\$ 1,484,332	98.96%	-	1,484,332
2023/2024	1,500,000	1,487,020	99.13%	10,056	1,497,076
2022/2023	1,500,000	1,484,558	98.97%	14,667	1,499,226
2021/2022	1,500,000	1,483,153	98.88%	16,693	1,499,846
2020/2021*	1,500,000	1,489,573	99.30%	10,366	1,499,939
2019/2020	1,500,000	1,484,269	98.95%	13,454	1,497,723
2018/2019	1,500,000	1,476,920	98.46%	23,000	1,499,920

*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, 2025

Customer	Water Charges	Rank	Percent of Total Water Revenues	Sewer Charges	Rank	Percent of Total Sewer Revenues	Storm Drain Charges	Rank	Percent of Total Storm Drain Revenues
Calumet Montana Refining, LLC	\$ 1,149,590	1	6.34%	\$ 449,710	3	3.45%	\$ 21,099	-	0.53%
Malmstrom AFB	614,134	2	3.39%	615,804	1	4.73%	-	-	0.00%
City of Great Falls	353,264	3	1.95%	27,291	-	0.21%	32,387	5	0.82%
Benefis Health Systems	257,149	4	1.42%	244,309	4	1.88%	70,075	2	1.77%
Great Falls Public Schools	223,011	5	1.23%	85,563	9	0.66%	169,000	1	4.27%
Cascade County	213,436	6	1.18%	120,121	6	0.92%	11,401	-	0.29%
Black Eagle Water District	199,957	7	1.10%	91,824	7	0.71%	-	-	0.00%
Great Falls Housing Authority	141,765	8	0.78%	175,296	5	1.35%	20,586	-	0.52%
University of Providence	95,687	9	0.53%	35,055	-	0.27%	22,633	10	0.57%
General Mills	93,120	10	0.51%	23,663	-	0.18%	2,477	-	0.06%
Malteurop North America, Inc	34,440	-	0.19%	591,905	2	4.55%	23,002	9	0.58%
National Laundry Compnay	71,469	-	0.39%	72,669	10	0.56%	1,474	-	0.04%
DFA Dairy Brands Fluid, LLC	67,822	-	0.37%	86,920	8	0.67%	2,953	-	0.07%
BN Santa Fe Railway Co	4,893	-	0.03%	2,750	-	0.02%	64,668	3	1.63%
Walmart	45,937	-	0.25%	21,804	-	0.17%	38,111	4	0.96%
GK Holiday Village LLC	32,079	-	0.18%	26,574	-	0.20%	30,521	6	0.77%
Great Falls Marketplace Holdings LLC	24,945	-	0.14%	14,351	-	0.11%	29,729	7	0.75%
Great Falls College MSU	21,948	-	0.12%	4,524	-	0.03%	23,619	8	0.60%
	<u>\$ 3,644,646</u>		<u>19.86%</u>	<u>\$ 2,690,133</u>		<u>20.66%</u>	<u>\$ 563,735</u>		<u>12.90%</u>

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

City of Great Falls, Montana
Current Water Rate Structure
June 30, 2025

	<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	\$ 9.85	\$ 8.87	\$ 9.85	\$ -	\$ -
1	11.68	10.50	11.68	-	-
1 1/4	18.48	16.62	18.48	-	-
1 1/2	18.48	16.62	18.48	-	-
2	25.34	22.78	25.34	-	-
3	76.75	71.75	79.75	-	-
4	109.35	98.44	109.35	-	-
6	187.60	168.65	187.60	-	-
8	274.18	246.75	274.18	274.18	274.18
10	387.68	348.94	387.68	-	387.68
12	572.10	514.89	572.10	-	-
Monthly consumption charge					
First 600 cf	\$ 2.23	\$ 2.01	\$ 2.54	\$ 2.58	\$ 2.93
Over 600 cf	3.73	3.36	2.54	2.58	2.93
Monthly fire hydrant charge					
Meter size (in inches)					
3/4	\$ 3.42	\$ 3.42	\$ 3.42		
1	4.72	4.72	4.72		
1 1/4	10.83	10.83	10.83		
1 1/2	10.83	10.83	10.83		
2	16.81	16.81	16.81		
3	47.45	47.45	47.45		
4	70.87	70.87	70.87		
6	147.40	147.40	147.40		
Annual fire line charge					
Line size (in inches)					
2			\$ 27.36		
3			66.48		
4			115.56		
6			335.76		
8			714.96		
12			2,074.80		
16			4,421.40		

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
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
2024	18,516	2,754	21,270	87.1%	\$ 1,058
2025	18,688	2,834	21,522	86.8%	\$ 966

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Revenues:										
Water charges for services ¹	\$ 11,107,594	\$ 12,076,482	\$ 13,961,722	\$ 13,214,836	\$ 13,720,128	\$ 13,971,805	\$ 14,789,878	\$ 14,140,242	\$ 15,808,056	\$ 18,188,056
Investment income	65,942	40,766	125,218	409,326	229,572	7,618	9,843	384,217	526,513	502,171
Gain (loss) on disposal of assets	562	9,106	7,070	(58,232)	-	-	-	-	-	-
Total operating revenues	<u>11,174,098</u>	<u>12,126,354</u>	<u>14,094,010</u>	<u>13,565,930</u>	<u>13,949,700</u>	<u>13,979,423</u>	<u>14,799,721</u>	<u>14,524,459</u>	<u>16,334,569</u>	<u>18,690,227</u>
Operating Expenses: ²										
Personal services	2,287,701	2,525,022	2,747,271	2,734,340	2,776,465	3,094,388	2,787,713	2,904,729	2,957,884	3,077,549
Supplies and materials	912,383	858,466	1,261,800	1,126,160	949,325	798,139	1,276,819	1,456,661	1,549,629	1,790,778
Purchased services	692,198	704,133	857,070	792,263	672,260	834,854	1,074,815	1,239,761	1,562,137	1,939,561
Internal services	1,244,844	1,349,756	1,342,248	1,414,835	1,638,132	1,573,755	1,812,502	2,017,149	2,123,937	2,880,508
Other	47,330	50,211	46,671	46,733	47,426	9,879	21,980	4,390	851	6,511
Total operating expenses	<u>5,184,456</u>	<u>5,487,588</u>	<u>6,255,060</u>	<u>6,114,331</u>	<u>6,083,608</u>	<u>6,311,015</u>	<u>6,973,829</u>	<u>7,622,690</u>	<u>8,194,438</u>	<u>9,694,907</u>
Net revenue available for debt service	<u>\$ 5,989,642</u>	<u>\$ 6,638,766</u>	<u>\$ 7,838,950</u>	<u>\$ 7,451,599</u>	<u>\$ 7,866,092</u>	<u>\$ 7,668,408</u>	<u>\$ 7,825,892</u>	<u>\$ 6,901,769</u>	<u>\$ 8,140,131</u>	<u>\$ 8,995,320</u>
Net revenue	\$ 5,989,642	\$ 6,638,766	\$ 7,838,950	\$ 7,451,599	\$ 7,866,092	\$ 7,668,408	\$ 7,825,892	\$ 6,901,769	\$ 8,140,131	\$ 8,995,320
Depreciation expense	(3,035,806)	(3,436,604)	(3,490,663)	(3,531,514)	(3,740,167)	(4,418,162)	(5,561,198)	(5,550,135)	(5,930,592)	(5,467,303)
Total non-operating income	159,102	355,766	61,222	66,840	65,376	157,475	208,994	183,549	197,138	109,206
Total non-operating expenses	(44,770)	(16,115)	(20,000)	(779,734)	(766,897)	(723,790)	(682,611)	(641,444)	(599,181)	(555,861)
Capital contributions - grants	-	-	-	-	-	-	-	-	1,448,977	-
Transfers in (out)	-	-	-	-	-	(210,597)	-	24,500	-	-
Net income (loss)	<u>\$ 3,068,168</u>	<u>\$ 3,541,813</u>	<u>\$ 4,389,509</u>	<u>\$ 3,207,191</u>	<u>\$ 3,424,404</u>	<u>\$ 2,473,334</u>	<u>\$ 1,791,077</u>	<u>\$ 918,239</u>	<u>\$ 3,256,473</u>	<u>\$ 3,081,362</u>
Reserve cash account balances:										
Reserve account	\$ 328,066	\$ 647,330	\$ 1,241,960	\$ 1,241,948	\$ 1,191,893	\$ 1,141,375	\$ 1,141,375	\$ 1,141,375	\$ 1,141,375	\$ 1,141,375
Current debt service reserve account	328,066	647,330	1,241,960	1,241,948	1,191,893	1,141,375	1,141,375	1,141,375	1,141,375	1,141,375
Operating reserve account	442,090	432,038	457,299	521,255	509,528	506,967	525,918	581,152	635,224	682,870
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	<u>\$ 2,033,736</u>	<u>\$ 2,662,212</u>	<u>\$ 3,876,733</u>	<u>\$ 3,940,665</u>	<u>\$ 3,828,828</u>	<u>\$ 3,725,231</u>	<u>\$ 3,744,182</u>	<u>\$ 3,799,416</u>	<u>\$ 3,853,488</u>	<u>\$ 3,901,134</u>
* Maximum future principal and interest	\$ 656,075	\$ 1,294,659	\$ 2,483,921	\$ 2,483,897	\$ 2,383,785	\$ 2,282,750	\$ 2,282,750	\$ 2,282,750	\$ 2,282,750	\$ 2,282,750
Debt service coverage	912.95%	512.78%	315.59%	300.00%	329.98%	335.93%	342.83%	302.34%	356.59%	394.06%

Note: 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, 2025

	<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	\$ 10.91	\$ 9.80	\$ 10.91	\$ 10.91	\$ 10.91	\$ 9.91
Per 100 cf ¹	3.00	2.70	3.39	3.52	3.01	2.36

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	0.410 /lb
TSS>250mg/L	0.605 /lb

Pre-Treatment:

Monthly service charge	\$ 10.91
Volume charge/ccf	1.72
BOD>200 mg/L	0.410 /lb
TSS>250mg/L	0.605 /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
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
2024	18,359	2,410	20,769	88.4%	432.71
2025	18,531	2,431	20,962	88.4%	386.13

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Revenues: ¹										
Sanitary sewer charges for services	\$ 10,541,575	\$ 11,009,843	\$ 11,426,321	\$ 11,441,446	\$ 11,617,561	\$ 11,456,413	\$ 11,623,243	\$ 11,486,223	\$ 12,382,409	\$ 13,019,428
Investment income	62,831	52,518	114,991	300,410	230,436	10,709	3,266	470,616	652,017	590,188
Gain on disposal of assets	-	-	-	98,782	62,807	-	-	-	-	-
Total operating revenues	<u>10,604,406</u>	<u>11,062,361</u>	<u>11,541,312</u>	<u>11,840,638</u>	<u>11,910,804</u>	<u>11,467,122</u>	<u>11,626,509</u>	<u>11,956,839</u>	<u>13,034,426</u>	<u>13,609,616</u>
Operating Expenses: ²										
Personal services	898,041	971,755	1,008,462	1,033,931	1,073,928	1,114,048	1,087,508	1,088,218	1,021,444	1,290,626
Supplies and materials	70,751	66,588	82,493	74,523	78,926	71,657	98,304	113,582	122,800	103,432
Purchased services	2,762,614	3,420,855	3,771,745	3,535,482	3,679,802	3,780,972	4,208,903	4,638,293	5,759,174	5,421,675
Internal services	1,030,174	1,095,245	1,031,948	1,091,402	1,154,076	1,201,560	1,244,307	1,279,284	1,378,277	1,814,207
Other	28,822	35,664	36,454	32,403	33,330	4,125	9,012	(972)	802	4,020
Total operating expenses	<u>4,790,402</u>	<u>5,590,107</u>	<u>5,931,102</u>	<u>5,767,741</u>	<u>6,020,062</u>	<u>6,172,362</u>	<u>6,648,034</u>	<u>7,118,405</u>	<u>8,282,497</u>	<u>8,633,960</u>
Net revenue available for debt service	<u>\$ 5,814,004</u>	<u>\$ 5,472,254</u>	<u>\$ 5,610,210</u>	<u>\$ 6,072,897</u>	<u>\$ 5,890,742</u>	<u>\$ 5,294,760</u>	<u>\$ 4,978,475</u>	<u>\$ 4,838,434</u>	<u>\$ 4,751,929</u>	<u>\$ 4,975,656</u>
Net revenue	\$ 5,814,004	\$ 5,472,254	\$ 5,610,210	\$ 6,072,897	\$ 5,890,742	\$ 5,294,760	\$ 4,978,475	\$ 4,838,434	\$ 4,751,929	\$ 4,975,656
Depreciation expense	(2,429,975)	(3,318,708)	(3,608,749)	(3,590,930)	(3,770,774)	(3,943,963)	(3,852,318)	(3,829,006)	(3,882,573)	(3,833,705)
Total non-operating income	471,173	229,254	237,006	34,847	18,328	51,911	58,311	78,754	35,768	17,497
Total non-operating expenses	(753,049)	(521,486)	(350)	(493,107)	(435,298)	(377,848)	(340,828)	(313,038)	(287,858)	(266,782)
Capital contributions - grants								871,169	1,042,299	1,198,662
Transfers in (out)	-	-	-	-	-	246,006	-	-	-	-
Net income (loss)	<u>\$ 3,102,153</u>	<u>\$ 1,861,314</u>	<u>\$ 2,238,117</u>	<u>\$ 2,023,707</u>	<u>\$ 1,702,998</u>	<u>\$ 1,270,866</u>	<u>\$ 843,640</u>	<u>\$ 1,646,313</u>	<u>\$ 1,659,565</u>	<u>\$ 2,091,328</u>
Reserve cash account balances:										
Reserve account	\$ 2,241,398	\$ 2,211,075	\$ 2,500,758	\$ 2,482,663	\$ 1,831,843	\$ 1,491,828	\$ 1,157,711	\$ 1,157,711	\$ 1,157,711	\$ 1,157,711
Current debt service reserve account	1,109,609	1,270,958	1,250,379	1,241,331	915,922	745,914	578,856	578,856	578,856	578,856
Operating reserve account	442,686	399,200	465,842	494,259	480,645	501,672	514,364	554,003	593,200	690,208
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	<u>\$ 4,826,631</u>	<u>\$ 4,914,171</u>	<u>\$ 5,249,917</u>	<u>\$ 5,251,191</u>	<u>\$ 4,261,348</u>	<u>\$ 3,772,352</u>	<u>\$ 3,283,869</u>	<u>\$ 3,323,508</u>	<u>\$ 3,362,705</u>	<u>\$ 3,459,713</u>
Maximum future principal and interest	\$ 2,594,536	\$ 2,541,916	\$ 2,500,758	\$ 2,482,663	\$ 1,831,843	\$ 1,491,828	\$ 1,157,711	\$ 1,157,711	\$ 1,157,711	\$ 1,157,711
Debt service coverage	224.09%	215.28%	224.34%	244.61%	321.57%	354.92%	430.03%	417.93%	410.46%	429.78%

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, 2025

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.	\$0.7700206 (per 1,000 sq. ft.) + \$2.5667351898
Group B Accounts in this group include Two Family Residential; Townhouse Residential; Three/Four Family Residential; Condominium Residential; & Mobile Homes and Trailer Courts.	\$0.9625257 (per 1,000 sq. ft.) + \$2.5667351898
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.	\$1.2512835 (per 1,000 sq. ft.) + \$2.5667351898
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).	\$1.7325463(per 1,000 sq. ft.) + \$2.5667351898
Group E Accounts in this group consist of developed property that does not discharge storm water runoff into an underground storm drainage system.	\$0.1925051 (per 1,000 sq. ft.) + \$2.5667351898

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
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
2024	17,539	\$1,596,107	1,734	\$ 182,292	1,022	\$ 786,584	1,310	\$ 836,155	1,070	\$ 92,884	22,675	\$3,494,023	\$ 241
2025	17,630	\$1,826,385	1,700	\$ 203,115	1,008	\$ 889,060	1,268	\$ 986,180	1,059	\$ 112,818	22,665	\$4,017,558	\$ 224

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Revenues ¹	<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>	<u>\$ 3,524,574</u>	<u>\$ 3,957,105</u>
Operating Expenses:										
Personal services	27,614	105,170	295,974	310,809	256,552	238,865	195,821	234,932	395,255	289,774
Supplies	4,439	8,971	11,032	15,488	10,419	7,395	6,003	4,045	2,318	16,807
Other services	61,356	163,709	157,897	107,040	109,000	115,958	265,243	161,142	477,301	688,761
Internal support	<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>	<u>573,993</u>	<u>917,416</u>
Total operating expenses	<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>	<u>1,448,867</u>	<u>1,912,758</u>
Net operating income	<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>	<u>\$ 2,075,707</u>	<u>\$ 2,044,347</u>
Bonded Debt Service Requirements (per Operating Year):										
Principal	\$ 279,000	\$ 438,000	\$ 514,000	\$ 579,539	\$ 596,000	\$ 608,000	\$ 620,000	\$ 636,000	\$ 508,000	\$ 375,000
Interest	<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>	<u>144,998</u>	<u>134,200</u>
Total	<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>	<u>\$ 652,998</u>	<u>\$ 509,200</u>
Operating year coverage	595.36%	347.27%	277.55%	278.21%	290.92%	266.39%	286.73%	274.37%	317.87%	401.48%
Maximum future principal and interest	\$ 286,920	\$ 606,283	\$ 830,349	\$ 800,139	\$ 797,815	\$ 796,308	\$ 796,308	\$ 652,998	\$ 510,638	\$ 510,638
Bond covenant coverage	595.36%	295.12%	221.34%	271.00%	291.70%	266.90%	286.33%	334.59%	406.49%	400.35%

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					
	General Obligation Bonds	General Obligation Taxable Bonds	Special Improvement Districts Bonds	Special District Revenue Bonds	Tax Increment Bonds	Leases	Loans and Contracts Payable	Leases	Loans and Notes Payable	Revenue Bonds Payable	Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
2016	\$ 1,445,000	\$ 790,000	\$ 125,000	\$ -	\$ 2,405,000	\$ -	\$ 997,230 ^b	\$ -	\$ 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
2024	-	-	-	8,355,000	10,055,000	1,291,324	169,974	-	- ^c	36,953,893	56,825,191	11.7%	997
2025	-	-	-	7,820,000	9,544,000	1,064,468	92,450	-	-	33,959,893	52,480,811	10.3%	873

^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, 2025

<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	\$ 75,513
07-31-2015	58,000	Nonmajor Governmental Fund - Master Debt SILD	Design/Install City Street Lights - Intercap Loan #1309	2030	16,937
	<u>\$ 860,000</u>				<u>\$ 92,450</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
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	107,111,238	0.38%	7.56	158,256,629	406,539	157,850,090	0.26%
2024	169,974	137,382,080	0.12%	2.98	208,023,021	169,974	207,853,047	0.08%
2025	92,450	137,509,226	0.07%	1.54	208,442,259	92,450	208,349,809	0.04%

^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, 2025

Jurisdiction	General Obligation Debt Outstanding¹	Percent Allocable to City¹	Amount Allocable to City
Elementary School District No. 1	\$ 33,630,000	72.37%	\$ 24,338,344
High School District No. 1	38,835,000	71.31%	27,691,877
Cascade County	-	-	-
Total overlapping debt			52,030,222
Total direct debt ²			18,520,918
Total direct and overlapping debt			<u>\$ 70,551,140</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
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%
2024	60,442	4,838,950	57,020	10,372	3.4%
2025	60,406	5,104,663	60,126	10,192	2.8%

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	2025			2016		
	Number of Employees ¹	Rank	Percentage of Total Employment	Number of Employees ¹	Rank	Percentage of Total Employment
Malmstrom Air Force Base	3,950 ²	1	11%	3,590	1	12%
Benefis Health Care Center	3,706	2	10%	3,107	2	7%
Great Falls Public Schools	1,921	3	5%	2,048	3	5%
Montana Air National Guard	1,023 ³	4	3%	1,229	4	3%
Great Falls Clinic Specialty Center	724	5	2%	541	5	1%
Wal-Mart	740	6	2%	413	8	1%
City of Great Falls	562 ⁴	7	2%	575	6	1%
Cascade County	461	8	1%	500	7	1%
North 40 Outfitters	430	9	1%		-	-
D.A. Davidson	221	10	1%		-	-
Centene				370	9	2%
Albertsons				319	10	1%

Source:

2025: Administration offices of each individual employer.

2016: Great Falls Tribune, Great Falls Montana Outlook 2016 printed February 21, 2016

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 Approx. 3350 active duty and 600 civilians (as of March 2025)

³ Includes full time and part time military and civilian personnel.

⁴ Does not include seasonal labor.

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

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Mayor/City Commission	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.75
Housing Authority	18.50	18.50	18.50	18.50	18.50	18.50	18.50	-	-	-
City Manager	4.16	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
City Clerk	1.84	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	4.60	4.60	4.60	4.60	4.60	4.60	7.60	7.60	7.60	7.60
Insurance & Safety	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	9.00	9.00
Animal Shelter Operations	9.00	9.28	10.28	10.28	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	8.64	8.36	7.64
Planning & Community Development	24.92	25.25	26.73	28.50	27.50	29.50	29.50	24.53	23.53	21.00
Fire	71.00	71.00	72.00	71.00	71.00	71.00	71.00	71.00	71.00	71.00
Finance	26.06	26.06	16.10	16.10	16.10	16.10	16.10	16.10	16.10	16.10
Legal	7.25	8.00	9.00	9.29	9.29	9.29	9.29	10.29	11.39	11.10
Library	17.47	18.17	17.80	17.80	17.80	17.80	17.80	18.18	31.61	31.57
Municipal Court	7.50	8.00	8.50	9.00	10.49	10.49	10.49	10.49	10.59	11.09
Park & Recreation	73.18	73.76	80.84	78.04	63.46	63.46	63.46	59.28	54.15	78.39
Police	129.00	132.00	132.00	132.00	133.00	133.00	133.00	136.00	136.00	136.00
Public Works	131.50	135.50	136.53	137.20	136.65	131.94	135.94	135.25	136.25	135.25
Total	<u>532.77</u>	<u>542.91</u>	<u>553.67</u>	<u>553.10</u>	<u>539.46</u>	<u>536.75</u>	<u>542.75</u>	<u>522.89</u>	<u>533.11</u>	<u>553.77</u>

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 218, is different from this total due to the calculations of FTE's.

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. December 1, 2022, Housing Authority were no long City employees.

In 2024, the Library mill levy passed which allowed for the increase in employees in the Library Fund.

In 2025, the City opened the Aim High Big Sky Recreation Center which added 25.95 FTEs for Park & Recreation.

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									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Building Permits										
Residential Permits Issued	307	312	247	261	207	183	164	175	207	233
Residential Permits Value	\$24,072,839	\$24,988,681	\$17,895,208	\$ 14,432,565	\$11,271,021	\$ 7,669,127	\$ 14,543,669	\$ 17,075,066	\$ 22,293,749	\$ 22,821,721
Commercial Permits Issued	216	237	248	189	150	144	155	136	108	116
Commercial Permits Value	\$56,007,682	\$76,851,256	\$62,080,118	\$ 99,886,513	\$57,670,970	\$63,909,044	\$ 120,169,314	\$ 186,722,448	\$ 91,390,696	\$ 84,479,937
Fire Department										
Structure Fires	66	52	52	69	55	73	60	54	32	36
Fire Calls	626	677	688	120	110	66	105	58	81	90
EMS/Rescue Calls	5,009	5,132	5,624	5,451	5,809	5,626	4,897	4,567	3,599	4,044
Haz-Mat Calls	69	59	61	105	120	276	104	85	58	325
Public Service Calls	768	867	952	931	907	1,964	1,991	1,593	1,778	1,100
Good Intent Calls	586	683	678	925	970	391	441	475	438	655
Out of City	88	NA	5	6	8	4	13	11	17	50
Library										
Yearly Patrons	179,797	174,705	169,164	157,959	152,241	73,583	89,604	98,001	111,517	119,725
Yearly Circulation	293,360	279,909	280,497	274,574	296,820	246,995	232,039	257,898	275,288	304,654
Yearly Internet Users	40,004	62,434	89,443	89,844	90,868	55,633	81,381	97,024	94,159	103,749
Sanitation										
Residential Customers	15,000	15,000	15,190	15,805	16,937	16,214	16,721	16,859	17,231	16,904
Commercial Customers	1,700	1,700	2,070	1,525	1,439	1,298	1,461	1,585	1,553	1,364
Streets										
Weed Violations	2,481	2,448	2,925	2,713	2,052	2,384	2,537	2,352	2,653	226
Water Main Breaks										
Number of Breaks	37	33	38	34	44	27	33	36	21	28
Break Cost	\$ 174,045	\$ 191,096	\$ 184,979	\$ 181,232	\$ 290,718	\$ 174,507	\$ 232,769	\$ 281,712	133,318	344,694
911 Center Calls										
Police	38,074	42,139	43,768	43,655	48,680	46,214	43,459	39,924	42,032	38,922
Great Falls Fire	7,111	7,492	8,094	8,110	8,541	8,577	7,739	7,071	7,209	6,760
Cascade County	12,638	12,866	15,521	12,642	16,793	19,503	19,972	21,242	27,092	30,010
Medical Calls	6,600	6,881	7,611	9,154	9,182	9,053	9,270	11,264	11,978	9,756
Rural Fire	939	980	1,018	1,095	1,229	1,726	1,668	1,593	1,509	1,837
City Planning										
Annexation Applications	3	2	4	7	4	4	2	3	2	2
Subdivision Applications	8	2	8	7	5	2	5	5	3	5
Zoning Applications	10	2	10	6	6	2	4	3	3	12
Court										
Number of Violations	11,315	13,261	13,166	11,174	12,523	10,513	10,325	10,353	9,412	8,203
	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Parking										
Number of Violations	14,629	14,354	12,857	11,602	9,593	7,849	8,003	16,445	9,449	10,547
Number of Monthly Permits Issued	9,195	5,975	5,422	6,193	6,116	5,609	8,965	5,610	5,378	5,511

Source: City of Great Falls, Montana

City of Great Falls, Montana
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	Calendar Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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	24	24	29	29	29	28	28	28	28	28
Police Department										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Vehicles	83	71	70	70	70	72	71	74	73	73
Sanitation										
Number of Collection Trucks	24	24	24	23	23	23	19	19	20	23
Streets										
Miles of Streets/Alleys	383	383	383	383	383	383	383	393	393	393
Miles of Street Striping	50	50	50	50	50	50	50	50	50	50
Street Signs	13,690	13,073	14,072	14,270	14,270	14,489	14,637	14,667	13,650	14,830
City/State Street Signals	89	89	90	90	90	90	90	90	90	90
Housing Authority										
Affordable Housing Units	32	32	32	32	32	32	32	32	32	32
Public Housing Units	490	490	490	490	490	490	490	490	490	490
Water										
Water mains (miles)	314.51	318.11	318.94	320.25	321.16	322.16	327.62	330.65	331	331
Fire hydrants	3,185	3,233	3,246	3,266	3,274	3,284	3,355	3,366	3,368	3,368
¹ Storage capacity (million gallons)	10.75	8.75	8.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75
Sanitary Sewer										
Sanitary sewers (miles)	249.02	252.54	252.97	253.82	254.05	254.45	255.00	255.22	271	272.1
Storm sewers (miles)	120.36	122.94	122.98	124.52	125.61	127.59	127.59	127.6	128	128
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	67	67	58	58	57
Acreage of parks	1,215	1,214	1,214	1,214	1,214	1,224	1,225	1,225	1,225	1,225
Trees (approximately)	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,000	41,000	39,000
Pools	4	4	4	3	3	3	3	3	3	5
Golf Courses	2	2	2	2	2	2	2	2	2	2
Skate Park	1	1	1	1	1	1	1	1	1	1
	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Parking										
Parking lots	6	6	5	5	5	5	5	5	5	5
Parking garages	2	2	2	2	2	2	2	2	2	2
Off street parking spaces	1,122	1,122	1,097	1,098	1,098	1,098	1,098	1,098	1,098	1,071
Metered parking spaces	1,092	1,092	946	946	946	946	946	946	946	946
Library										
Number of Books Purchased	10,491	8,134	9,774	10,131	9,428	8,414	8,819	7,148	7,879	8,923

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 Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Mayor and City Commission
City of Great Falls
Great Falls, Montana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Great Falls (the City), as of and for the year ended June 30, 2025, 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 22, 2025.

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 City'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2025-01 that we consider to be a material weakness.

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*.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Denver, Colorado
December 22, 2025



Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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

Report on Compliance for the Major Federal Program

Qualified Opinion

We have audited City of Great Falls's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2025. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Community Development Block Grants/Entitlement Grants

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major Federal program identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2025.

Basis for Qualified Opinion

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 (*Government Auditing Standards*); 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 Auditor's 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 the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on Community Development Block Grants/Entitlement Grants

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements for *Assistance Listing No. 14.218 Community Development Block Grants/Entitlement Grants as described in finding numbers 2025-002 for Reporting*.

Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

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 program.

Auditor's 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 the major federal program as a whole.

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.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a material weakness.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-002 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 22, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Handwritten signature of Eric Bailly LLP in cursive script.

Denver, Colorado
December 22, 2025

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures	Amount Passed- Through to Subrecipients
<u>United States Department of Defense</u>				
<i>Direct:</i>				
Community Investment - Big Sky Recreation Center	12.600	CIP1280-20-01	242,359	—
Community Cooperation - Malmstrom Compatability/Resilience	12.003	MIR1952-24-01	68,460	—
Total United States Department of Defense			310,819	—
<u>United States Department of Health and Human Services</u>				
<i>Direct:</i>				
HIDTA 2024	95.001	G-24RM0045A	105,997	—
HIDTA 2025	95.001	G-25RM0045A	95,384	—
Total United States Department of Health and Human Services			201,381	—
<u>U.S. Department of Housing and Urban Development</u>				
<i>Direct:</i>				
Community Development Block Grant				
Community Development Block Grants/Entitlement Grants	14.218	B-20/21/22/23/24-MC-30-0003	2,478,225	122,172
<i>Direct:</i>				
Home Investment Partnership Program	14.239	M-24-MC-30-0218	4,580	—
Total Home Investment Partnership Program			4,580	—
Total U.S. Department of Housing and Urban Development			2,482,805	122,172
<u>U.S. Department of the Interior - National Parks Service</u>				
<i>Pass Through State of Montana Historic Preservation Office:</i>				
Historic Preservation Fund	15.904	MT-20-017	6,000	—
Total U.S. Department of the Interior			6,000	—
<u>U.S. Department of Justice</u>				
<i>Direct:</i>				
Bulletproof Vest Program	16.607	2023-BUBX14074090	6,605	—
COPS CPD Crisis Intervention	16.71	15JCOPS-21-GG-02329-SPPS	44,668	—
COPS Hiring	16.71	15JCOPS-21-GG-03522-UHPX	64,147	—
Justice Assistance Grant (JAG) 25	16.738	15PBJA-25-GG-01630-JAGX	10,581	—
Total U.S. Department of Justice			126,001	—
<u>U.S. Department of Transportation</u>				
<i>Direct Programs</i>				
Highway Planning and Construction	20.205	N/A	722,594	—
Federal Transit Metropolitan Planning Funds	20.205	N/A	161,089	161,089
Total U.S. Department of Transportation			883,683	161,089

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures	Aount Passed- Through to Subrecipients
<u>U.S. Department of the Treasury</u>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds				
<i>Direct:</i>				
<i>Internal Programs</i>				
Animal Shelter Cattery	21.027	N/A	800	
Fire Station Infrastructure	21.027	N/A	173,724	
PD Evidence Building	21.027	N/A	1,526,240	
Civic Center HVAC	21.027	N/A	1,666,224	
Court Remodel	21.027	N/A	2,521,809	
Total Internal Programs			5,888,797	—
<i>Subawards</i>				
Alliance for Youth	21.027	N/A	58,759	58,759
Cascade County Historical Society	21.027	N/A	9,282	9,282
Discovery Family Counseling Services	21.027	N/A	18,155	18,155
Great Falls Voyagers	21.027	N/A	15,500	15,500
Great Falls College Montana State University	21.027	N/A	42,083	42,083
Great Falls Scottish Rite Childhood Language Disorders Clinic	21.027	N/A	28,343	28,343
Great Falls TBID	21.027	N/A	97,784	97,784
Ideal Option	21.027	N/A	8,769	8,769
NeighborWorks Great Falls	21.027	N/A	143,676	143,676
Opportunities Inc.	21.027	N/A	10,525	10,525
United Way	21.027	N/A	7,719	7,719
YWCA	21.027	N/A	43,795	43,795
Total Subawards			484,390	484,390
Programs			6,373,187	484,390
<i>Pass Through Montana Department of Natural Resources and Conservation</i>				
House Bill 632 - ARPA Water and Sewer Competitive Grant Award				
Central Avenue and 3rd Street Drainage Improvements	21.027	N/A	244,724	—
House Bill 632 - ARPA Water and Sewer Minimum Allocation Grant Award				
Central Avenue and 3rd Street Drainage Improvements	21.027	N/A	244,724	—
Lift Station No. 1 Facility Improvements and Supplemental Forcemain	21.027	N/A	847,224	—
Through			1,336,672	—
Total U.S. Department of the Treasury			7,709,859	484,390

City of Great Falls, Montana
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures	Amount Passed- Through to Subrecipients
U.S. Department of Homeland Security				
<i>Passed through State of Montana</i>				
Pre-Disaster Mitigation Grant	91.017	PDMC-PJ-08-MT-2019-005	351,438	—
HAZMAT Sustainability	97.067	19HSGHAZ	15,864	—
Total U.S. Department of Homeland Security			367,302	—
Total Federal Financial Assistance			12,087,850	767,651

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of Great Falls (the City) under programs of the federal government for the year ended June 30, 2025. The information is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets (*or net position or fund balance*), or cash flows.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

The City does not draw for indirect administrative expenses and has not elected to use the 10% de minimus cost rate.

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Qualified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Community Development Block Grants/Entitlement Grants	14.218
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

**2025-001: Restatements and Material Audit Adjustments
Material Weakness**

<i>Criteria:</i>	The City is required to provide accurate GAAP basis financial data for preparation of the annual financial statements. Additionally, a good system of internal accounting control contemplates an adequate system for recording, processing and reconciling account balances to the financial statements and ensuring cutoff is accurate for both accounts receivable, accrued expenses and related revenues and expenditures.
<i>Condition:</i>	<p>Based on audit procedures performed as of June 30, 2025, we identified the following material adjustments that were recorded in order to fairly present the financial statements in accordance with GAAP.</p> <ul style="list-style-type: none">• Internal engineering service expenses were improperly capitalized over a period spanning from fiscal year 1994 through fiscal year 2024. This resulted in an overstatement of capital assets (net of depreciation) by \$9,753,754 as of June 30, 2024.• Additionally, Federal grant revenue and corresponding receivable totaling \$111,950 in the CDBG Fund was not recorded in FY2024. These funds were identified and drawn down from the grant in FY2025. Because the associated expenses occurred in FY2024, the grant revenue became available at that time and should have been recognized in the same corresponding year.• Lastly, payroll expenditures incurred during fiscal year 2025 and paid in fiscal year 2026 were not accrued as of June 30, 2025, resulting in a restatement to the general fund of approximately \$563,000.
<i>Cause:</i>	The City's financial reporting process lacked sufficient review and reconciliation procedures to ensure accurate classification of costs, timely recognition of grant revenues, and proper accrual of year-end expenditures.
<i>Effect:</i>	Financial statements were materially misstated prior to audit adjustments, impacting the accuracy of reported capital assets, grant revenues, and expenditures. This could lead to misinformed decision-making by management, noncompliance with GAAP, and potential reputational risk.
<i>Recommendation:</i>	We recommend the City Implement enhanced review and reconciliation procedures for capital asset transactions and ensure controls are in place at year end to ensure timely recognition of grant revenues and other accruals that may be necessary.
<i>Views of Responsible Officials:</i>	Agree

Section III – Federal Award Findings and Questioned Costs

**2025-002: U.S. Department of Housing and Urban Development, ALN # 14.218
Community Development Block Grants/Entitlement Grants
Reporting
Material Weakness in Internal Control over Compliance and Material Noncompliance**

- Criteria:* The Uniform Guidance, Section 200.303 Internal Controls, requires that the non-Federal entity must establish and maintain documentation of effective internal controls over Federal awards that provide reasonable assurance that awards are being managed in compliance with Federal statutes, regulations and the terms and conditions of the Federal award.
- Condition:* During testing of reporting compliance for the CDBG program, we reviewed three quarterly PR29 Cash on Hand reports submitted to HUD. One of the three reports contained an inaccurate amount in Line 13 – Revolving Funds Received During the Reporting Period. The incorrect figure did not reflect actual program activity for the quarter, resulting in a discrepancy between reported and actual cash activity. As such, ending Cash on Hand does not agree to underlying accounting records.
- Additionally, we tested the annual PR26 CDBG Financial Summary Report for Program Year 2023 which was filed during the City's current fiscal year. The City was unable to support the accuracy of the amount reported within line 5, current program income.
- Cause:* The City's internal review process for CDBG reporting was insufficient to detect and correct errors prior to submission. Specifically, the lack of a documented secondary review and reconciliation of source data to the PR29 and PR26 reports contributed to the inaccurate reporting within both reports.
- Effect:* The submission of inaccurate information to HUD could lead to misinterpretation of program cash flow and compliance status. While the error was isolated, it indicates a weakness in internal controls that could result in future reporting inaccuracies, potentially impacting Federal oversight and funding decisions.

Questioned Costs: None Reported

Context/Sampling: A nonstatistical sample of 4 reports out of 6 were selected for Reporting testing.

Repeat Finding from Prior Year: No

Recommendation: We recommend the City ensure review and approval controls are in place to ensure all required reports are accurate and submitted timely.

Views of Responsible Officials: Agree