

Fiscal Year 2024

ANNUAL

COMPREHENSIVE

FINANCIAL REPORT

for the Fiscal Year ended June 30, 2024

CITY OF
BILLINGS,
MONTANA



ABOUT THE COVER

Skyway Drive – Opened on June 6th, 2024, Skyway Drive is a 6-mile roadway with multi-use path that connects the West End and Heights regions for a safe, prosperous, and well-connected Billings. This breathtaking route contours the signature landscape of sagebrush, evergreens, and sandstone beneath the big sky for residents and visitors to enjoy.

Skyline Trail – Opened on December 7th, 2023, the Skyline Trail further extend recreation and active transportation opportunities for the community by connecting existing trails on the iconic Rimrocks. The Skyline thoughtfully features seating areas with stunning views of the city and the Bighorn, Pryor and Beartooth Mountains, interpretive signs on regional history, paved parking, a MET bus shelter, bike racks, and more.

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Cover Image Design: Allegra Marketing & Print

CITY OF BILLINGS, MONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FINANCE DEPARTMENT
ANDREW ZOELLER, CPA
FINANCE DIRECTOR

FISCAL YEAR 2024
July 1, 2023 – June 30, 2024

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INTRODUCTORY SECTION



February 19, 2025

CITY OF
Billings

Honorable Mayor, Members of the
City Council, City Administrator and the Citizens of the City of Billings, Montana:

The Annual Comprehensive Financial Report (ACFR) of the City of Billings, Montana (the City) for Fiscal Year ended June 30, 2024, is hereby submitted. This report was prepared by the Finance Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control 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.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The City is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the Office of Management and Budget Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations. Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards and the auditor's reports on internal controls and compliance is included in the Single Audit section of this report.

CITY OF BILLINGS PROFILE

The City of Billings was incorporated in 1882 and is located in South Central Montana along Interstate 90. The City of Billings is located in Yellowstone County, the most populous county in Montana. Billings is the largest city in the state with a 2020 Census population of 117,116.

The City of Billings operates under a Home Rule Charter, established in 1976, with a Council-Manager form of government. Policymaking and legislative authority are vested in a 10-member council and mayor (Legislative Branch). The Legislative Branch is responsible for the performance of all duties and obligations imposed on the City by law. Two council members are elected from each of 5 wards for four year terms with a maximum of two consecutive terms. The mayor is elected at large for a four-year term with a maximum of two consecutive terms. The Legislative Branch hires a City Administrator (Manager) to oversee the day-to-day operations of the City.

The City of Billings provides governmental services for public safety, utilities (including water, wastewater, and solid waste), public transportation, construction and maintenance of infrastructure, and general support services to serve the citizens of Billings.

The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council.

Budgets are legally required and are prepared for all the City's funds. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance system as one technique of accomplishing budgetary control. Open encumbrances are reported as reservations of fund balance as of June 30, 2024. Per state law, encumbrances are automatically re-appropriated and added to the following year's adopted budget. This re-appropriation takes place without council action.

ECONOMIC CONDITION AND OUTLOOK

The University of Montana – Missoula, Bureau of Business and Economic Research publishes its Economic Outlook for selected counties in Montana. Following is some information contained in the publication.

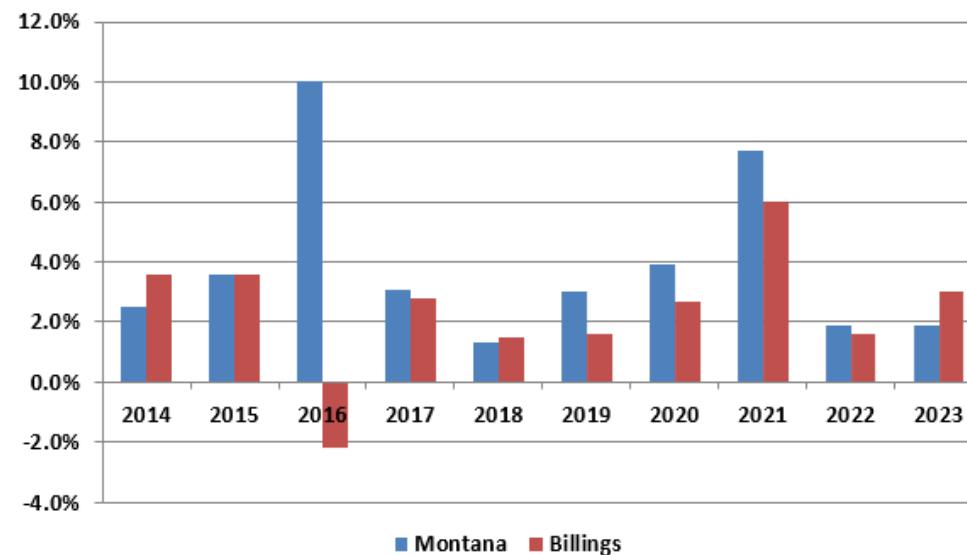
Montana emerged from the pandemic as one of the clear winners among the 50 states in the strength of its economic recovery, but those hectic days of booming growth are behind us. Lost in the news of inflation, high housing prices and tight labor markets is growing evidence that Montana's underlying growth rate has returned to something much closer to its historical average. Measuring growth by inflation corrected total wages, the two industries that contributed the most to the state's overall slowdown were finance and business services along with accommodations and food.

Montana's urbanized areas managed to build, if only slightly, on the sky-high earnings growth propelled by economic reopening, strong visitor spending, and boatloads of federal stimulus that superheated economic growth in the pandemic recovery, which peaked in 2021.

Yellowstone County - After underperforming the rest of the state in the years following the 2014 oil price bust, the state's largest regional economy's pace of growth picked up toward the end of the decade as energy related declines in the four-state region it serves stabilized. Growth coming out of the pandemic has been strong, but slightly less than the state average. Total wages paid in the first half of 2022 showed a moderation in growth. Wages are only about 60% of earnings, however. A different story is told by Montana income tax collections, which have continued to exhibit strong growth right up to the current time. The state's largest health care economy captured its share of headlines in 2023 with the merger of Billings Clinic and Kalispell-based Logan Health as well as the designation of Billings Clinic as a Level 1 trauma center – the first in

the region. In Billings and throughout the state, the industry remained under significant financial pressure, both from higher labor costs and underperforming revenues. The 63,000 Lockwood oil refinery operated by Exxon since 1973 was sold to Par Pacific, who took over operations mid-2023. The outlook for the smaller sized refineries in Montana, including the three operating in Yellowstone County, remains guarded, owing to tightening federal emissions and renewable mandates that could render them uneconomic.

Change in Nonfarm Labor Income



One of the City's largest industries is health care. Presently, the Billings Clinic Health System (approximately 4,000 employees) and Saint Vincent Healthcare (approximately 2,000 employees) employ approximately 6,000 employees. Both healthcare systems have embarked on major expansion programs that will increase the size of their facilities and their employment levels over the next several years.

LONG-TERM FINANCIAL PLANNING

The City of Billings annually completes five-year plans for the General Fund, Public Safety Fund, Library Fund, Airport Fund, Transit Fund and other operating funds. Currently, the Public Safety Fund gets around 34% of its revenue from the General Fund. Historically, the General Fund balance increased slightly through modest increases in expenditures and tax revenue. In September 2020, the residents of Billings approved a mill levy for funding Public Safety into the future. Additionally, in November of 2021 voters approved to increase property taxes to fund Police, Fire, Legal, Municipal Court, and Code Enforcement expenditures. These will both help with the increases into the future. As a result of continued population growth, the City will need to make many decisions related to expansion of City facilities over the next five years. This information will be used when completing the FY26 budget. In 2023 the City of Billings experienced a historically large increase in its tax base of 22%. Much of Montana saw similar increases, and the City expects future legislative changes to slow this increase in the future. The City closely monitors state legislative action that may impact the property tax base.

RELEVANT FINANCIAL POLICIES

The Billings City Council adopts three capital plans each budget year. The three plans are for technology equipment, vehicles, and capital improvements (infrastructure, buildings, building improvements, etc.). These three plans guide the City throughout the fiscal year with capital purchases.

The City Council followed the adopted growth policy by only annexing parcels contained within the boundaries of the policy. Following the policy helps to not overextend City services, which in turn cost more money.

The City Council adopted a reserve level policy authorizing the City Administrator to establish fiscally responsible reserve minimums. The City Administrator adopted an Administrative Order with recommended reserve levels for all operating funds.

MAJOR INITIATIVES

City Council adopts annual goals before beginning budget preparations. The Council adjusted and adopted updated strategic goals in 2024.

- Improve the safety of Billings for all citizens.
- Sustain and upgrade critical infrastructure.
- Foster economic vibrancy through quality designed neighborhoods and business districts.
- Provide exceptional educational, recreational, and cultural services and amenities.
- Cultivate a high-performance organization.

INDEPENDENT AUDIT

The State of Montana requires a biennial audit of the basic financial statements of the City by independent certified public accountants selected by the City Council. However, the City Council has recommended that an annual audit be performed. An annual audit provides a higher level of financial management and fiscal responsibility. JCCS P.C., Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Billings, Montana's financial statements for the year ended June 30, 2024. The independent auditors' report is located at the front of the financial section of this report.

AWARDS

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 Billings, Montana, for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 40th consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must 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 our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department, with special appreciation extended to our Accountants Jim Hauck, Donna Hjelm, Nicole Ratzlaff, and Sarah Lane. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,



Andy Zoeller, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Billings
Montana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

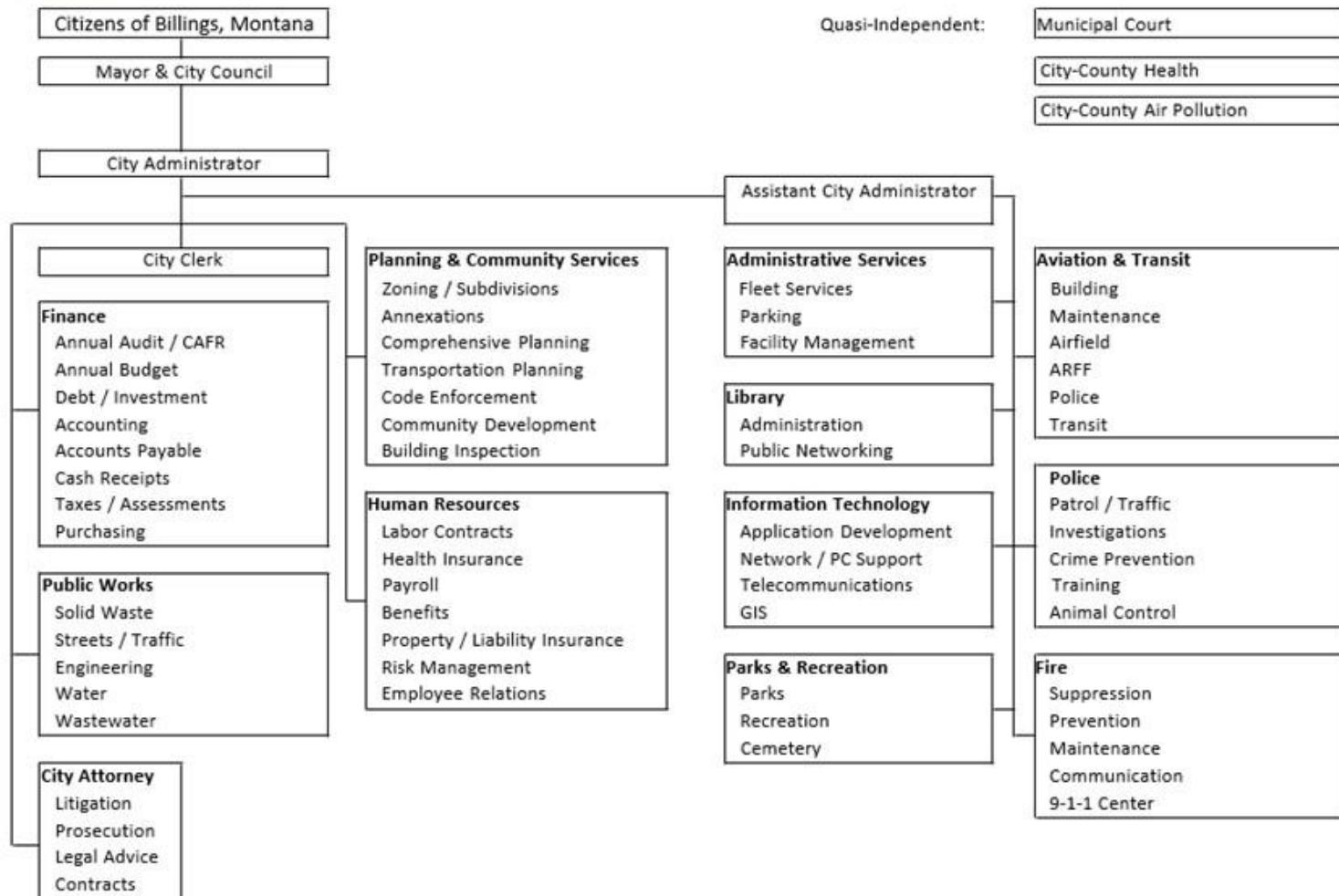
June 30, 2023

Christopher P. Morrell

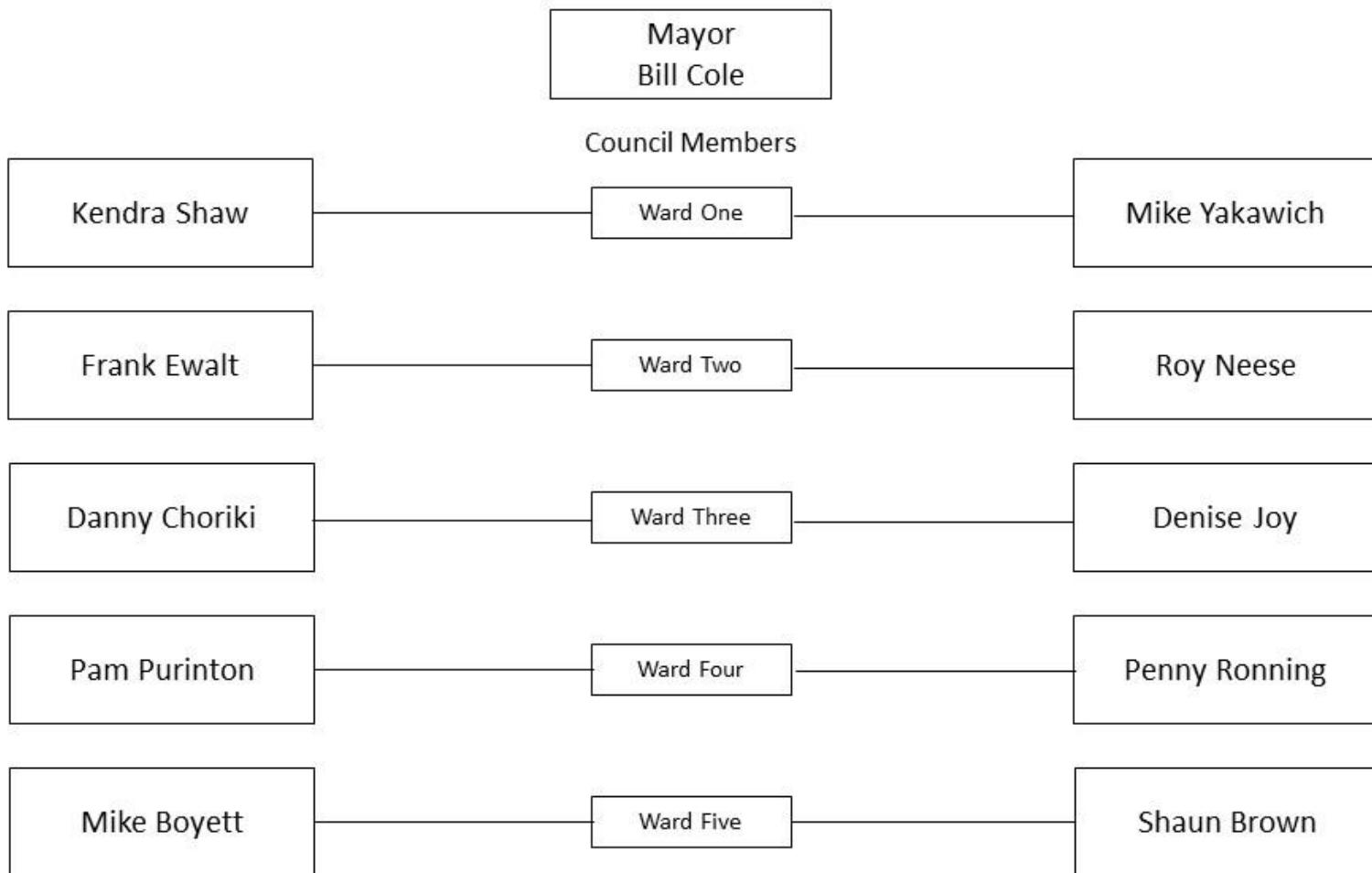
Executive Director/CEO



City of Billings, Montana
Organizational Chart



City of Billings, Montana
Official Roster



FINANCIAL SECTION



ACCOUNTING
AUDIT
TAX
EMPLOYEE BENEFITS
SPECIALIZED SERVICES

**To the Honorable Mayor, Members of the City Council and City Administrator
City of Billings, Montana**

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Billings, Montana, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Billings, Montana's basic financial statements as listed in the table of contents.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Billings, Montana, as of June 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Billings, Montana, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 of Billings, Montana'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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted 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 of Billings, Montana'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 of Billings, Montana'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, other post-employment benefits information, and employee retirement pension benefits information (collectively, the required supplementary information) on pages 4 through 14 and 124 through 144 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 Government 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Billings, Montana's, basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 February 19, 2025, on our consideration of the City of Billings, Montana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Billings, Montana's internal control over financial reporting and compliance.

Junkermier, Clark, Campanella, Stevens, P.C.

Great Falls, Montana
February 19, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Billings (the City) offers the readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2024. In addition to this overview and analysis based on currently known facts, decisions, and conditions, the City encourages readers to consider the information presented in the City's letter of transmittal and the City's financial statements, which begin on pages i and 14 of this report, respectively.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the fiscal year end by \$1.06 Billion (Net Position).
- The total fiscal year end governmental fund balance was \$124.9 Million as reported in the balance sheet.
- The total general fund and public safety fund balances at the fiscal year end were \$11,664,202 and \$3,208,387, respectively. More information regarding the general fund and public safety fund balances is contained in the Economic Factors and Future Outlook toward the end of the Management Discussion and Analysis (MD&A).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following three components:

- 1) Government-wide Financial Statements
- 2) Fund Financial Statements
- 3) Notes to the Financial Statements

Other supplementary information is also included at the end of the Financial Section.

Government-wide Financial Statements. The government-wide statements are designed to provide readers with a broad overview of the City's finances using the accrual basis of accounting, the basis of accounting used by most private-sector businesses.

The statement of net position presents information on all of the City's assets and liabilities. The difference between total assets and deferred outflows minus liabilities and deferred inflows is reported as net position. Over time, increases and decreases in net position may provide an indication of whether the City's financial position is improving or deteriorating.

The statement of activities presents information reflecting how the City's net position has changed during the fiscal year just ended. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City 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 include general government, public safety – police and fire, public health, culture and recreational services, housing and economic development, and public works. The business-type activities of the City include solid waste, airport, water, wastewater, transit, parking operations, and golf course.

Fund Financial Statements. Traditional users of the City's financial statements will find the fund financial statement presentation more familiar. With the implementation of GASB 34, the focus is now on major funds rather than fund types.

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. A major fund should generally meet both of the following criteria: 1) total assets, liabilities, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets, liabilities, etc.) for that fund type (i.e., governmental or enterprise funds), and 2) total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The City, 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 can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Governmental funds are used to report those same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and similar long-term items which are recorded when due. Therefore, the focus of the governmental fund financial statements is on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year.

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this comparison, reconciliations are provided for both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Public Safety Fund, and the City Hall Construction Fund. These three funds are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

The City adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison statements have been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 19-23 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds: enterprise and internal service funds. The proprietary fund financial statements are prepared on the accrual basis of accounting. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its solid waste, airport, water, wastewater, transit, parking operations, and golf course. Internal service funds are used to account for activities and services performed for other organizational units within the City. These costs are allocated internally among the City's various functions. The City uses internal service funds to account for motor pool, postage and copying, information technology, health care benefits, facilities management, telephone services, radio communication services, public works administration, public works engineering, and property and liability insurance. The governmental-type functions use over 50% of these services. As such, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The transit and golf course enterprise funds are considered to be non-major funds and, therefore, are combined into a single, aggregated presentation in the proprietary fund statements. Major fund reporting requirements do not apply to internal service funds; therefore, they are combined into a single, aggregated presentation in the proprietary fund statements.

The basic proprietary fund financial statements can be found on pages 24-28 of this report.

Government-wide Financial Analysis

Net position over time may serve useful as an indicator of a government's financial position. The net position for the fiscal year ending June 30, 2024, was \$1,063,918,543 (assets and deferred outflows exceeded liabilities and deferred inflows), which was an increase of \$81.1 million. The increase is largely attributable to capital contributions from grants and developers and receipt of federal American Rescue Plan funds, interest and investment income, and other intergovernmental revenues. The City continues to make significant investment in capital assets.

The City's largest portion of net position reflects investment in capital assets: land, buildings, improvements other than buildings, equipment and vehicles, and infrastructure. These assets are used to provide services to the citizens of Billings and are not available for future spending. The City's investment in capital assets is reported net of related debt. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following two tables present condensed financial information on the City's Net position and Changes in Net position as of, and for, the fiscal years ended June 30, 2024, and June 30, 2023:

City of Billings, Montana's Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 167,150,539	\$ 161,927,995	\$ 254,834,147	\$ 177,300,185	\$ 421,984,686	\$ 339,228,180
Capital assets	379,387,327	337,915,417	650,622,675	605,911,301	1,030,010,002	943,826,718
Total assets	546,537,866	499,843,412	905,456,822	783,211,486	1,451,994,688	1,283,054,898
Deferred outflows	15,467,505	17,429,288	4,439,124	4,570,997	19,906,629	22,000,285
Long-term liabilities outstanding	156,839,046	140,330,902	206,485,869	135,493,748	363,324,915	275,824,650
Other liabilities	18,515,836	18,004,875	17,440,356	14,362,359	35,956,192	32,367,234
Total liabilities	175,354,882	158,335,777	223,926,225	149,856,107	399,281,107	308,191,884
Deferred inflows	3,402,393	5,266,192	5,299,274	8,842,760	8,701,667	14,108,952
Net position:						
Net investment in capital assets	299,929,479	272,226,830	481,632,395	505,791,106	781,561,874	778,017,936
Restricted	90,944,803	88,796,116	5,256,097	5,256,097	96,200,900	94,052,213
Unrestricted	(7,626,186)	(7,352,215)	193,781,955	118,036,413	186,155,769	110,684,198
Total net position	\$ 383,248,096	\$ 353,670,731	\$ 680,670,447	\$ 629,083,616	\$ 1,063,918,543	\$ 982,754,347

The restricted portion of fiscal year 2024 Net Position (9.6%) represents resources that are subject to external restrictions as to how they may be used.

City of Billings, Montana's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 48,350,376	\$ 45,719,563	\$ 98,230,279	\$ 92,039,463	\$ 146,580,655	\$ 137,759,026
Operating grants and contributions	20,594,658	27,617,157	14,989,200	12,671,963	35,583,858	40,289,120
Capital grants and contributions	14,750,530	16,321,005	15,387,941	16,162,311	30,138,471	32,483,316
General revenues:						
Property taxes	67,525,043	55,308,129	2,648,844	2,567,659	70,173,887	57,875,788
Franchise fees	1,164,864	1,234,441	-	-	1,164,864	1,234,441
Business licenses	719,277	738,127	-	-	719,277	738,127
Unrestricted federal/state shared revenue	25,724,790	18,698,476	-	-	25,724,790	18,698,476
Unrestricted investment earnings	5,976,342	2,782,817	11,472,333	3,145,331	17,448,675	5,928,148
Gain/(Loss) on sale of property and equipment	278,343	58,049	(292,502)	81	(14,159)	58,130
Miscellaneous	2,939,669	865,612	1,612,965	2,644,710	4,552,634	3,510,322
Total revenues	188,023,892	169,343,376	144,049,060	129,231,518	332,072,952	298,574,894

(Continued)

City of Billings, Montana's Changes in Net Position (Continued)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Expenses:						
General government	13,567,851	13,173,759	-	-	13,567,851	13,173,759
Public safety	74,572,970	68,799,123	-	-	74,572,970	68,799,123
Public works	43,718,761	40,965,068	-	-	43,718,761	40,965,068
Public health	1,679,910	1,137,482	-	-	1,679,910	1,137,482
Culture and recreation	15,954,861	13,499,247	-	-	15,954,861	13,499,247
Housing and economic development	5,878,539	4,341,728	-	-	5,878,539	4,341,728
Interest on long-term debt	2,909,958	2,478,157	-	-	2,909,958	2,478,157
Solid Waste	-	-	20,254,380	23,255,407	20,254,380	23,255,407
Airport	-	-	13,316,705	12,930,311	13,316,705	12,930,311
Water	-	-	25,958,215	23,631,246	25,958,215	23,631,246
Wastewater	-	-	21,246,043	19,987,628	21,246,043	19,987,628
Parking	-	-	2,481,945	2,546,887	2,481,945	2,546,887
Transit	-	-	8,654,975	7,314,236	8,654,975	7,314,236
Golf Course	-	-	566,896	700,630	566,896	700,630
Total expenses	158,282,850	144,394,564	92,479,159	90,366,345	250,762,009	234,760,909
Increase in net position before transfers	29,741,042	24,948,812	51,569,901	38,865,173	81,310,943	63,813,985
Transfers	(79,500)	(565,131)	79,500	565,131	-	-
Change in net position	29,661,542	24,383,681	51,649,401	39,430,304	81,310,943	63,813,985
Net position, beginning of year	353,596,485	329,287,050	629,083,616	589,622,028	982,680,101	918,909,078
Restatement - accounting changes and/or error corrections (see Note)	(9,931)	-	(62,570)	31,284	(72,501)	31,284
Net position, end of year	\$ 383,248,096	\$ 353,670,731	\$ 680,670,447	\$ 629,083,616	\$ 1,063,918,543	\$ 982,754,347

Governmental activities. Net Position in governmental activities increased by \$29,577,365 during fiscal year 2024. Net Position increased due to the combination of increased operating grants, capital grants, and property tax revenue.

Business-type activities. Net Position in business-type activities increased by \$51,586,831 during fiscal year 2024. Net Position increased due to Airport, Water, and Wastewater contributed capital of \$15.3 million increases in revenue related to charges for services, and increased investment income on investments.

Financial Analysis of the City's Funds

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

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

The City of Billings Public Safety Fund received approximately 34% of its funding from the General Fund. Therefore, both funds are directly related. The combined fund balances for the General and Public Safety funds experienced a large reduction in the current fiscal year. The decrease is related to the City's purchase of a new law and justice/city hall building. The City used excess reserves in the General fund to acquire the building without debt. Future additional capital outlay will occur as remodeling construction begins.

In compliance with GASB 100, the City of Billings made fund balance adjustments to the Police Programs Fund as an accounting change from closing two police funds. A restatement of \$2,362 was made to increase the nonmajor special revenue beginning net position due to an error correction within one of the funds closed. The restatement resulted in a net position understatement of \$2,362 in the previous year. It is not practical to restate earlier periods for the error correction because it is immaterial. Additionally, two error corrections were made for GASB 87 on the Ballpark Donation Fund and Parks Programs to record the lease receivable and deferred inflows not recorded at the initiation of GASB 87 for lessor leases. Parks Programs will receive a (\$16,743) restatement to the fund balance to adjust for the prior period and the Baseball Field/Stadium Donations for Capital Maintenance Fund will receive a \$4,450 restatement to the fund balance to adjust for the prior period.

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

Unrestricted net position in the proprietary funds is \$187,928,062 for fiscal year ended June 30, 2024, an increase of \$75.6 million. The most significant increases in unrestricted net position were related to increased net operating income in Water and Wastewater funds.

The Solid Waste Fund's net position increased by \$2.4 million due to a net operating income of \$2.0 million, largely driven by a decrease in the landfill closure and post-closure expenses. The Airport Fund's net position increased by \$15.4 million due to capital contributions of \$11.6 million. The Water Fund's net position increased by \$22.2 million due to a net operating income of \$10.7 million and \$1.4 million of contributed capital. The Wastewater Fund's net position increased by \$7.7 million due to a net operating income of \$5.1 million and capital contributions of \$2.3 million. The Parking Fund's net position increased by \$203,904 due to a net operating income of \$43,719.

An error correction of \$62,570 was made to decrease the business-type activities' beginning net position as an error correction for the Water Fund which had a discrepancy in the Construction in Progress in that it was overstated by \$62,570 in the previous year. It is not practical to restate earlier periods because this correction is immaterial

General Fund Budgetary Highlights

General Fund revenues were nearly the same as amounts budgeted. Variances between the final revenue budget and actual revenues received is a result of charges for services being greater than anticipated due to an increase in participation of recreation activities. Variances between the final expenditure budget and actual expenditures resulted from vacancy savings, and some unused funds. City Council has established a goal of increasing the reserve amount in the General Fund to 33% of budgeted expenditures, and plans to slowly increase the fund balance over the next few years.

Capital Asset and Debt Administration

Capital Assets. The City of Billings investment in capital and leased assets for its governmental and business-type activities as of June 30, 2024, was \$1.03 billion (net of accumulated depreciation). The investment in capital assets includes land; construction in progress; buildings; improvements other than buildings, equipment and vehicles; infrastructure, subscription assets, and leased assets. The City had construction commitments of \$123 million for the end of the current fiscal year.

City of Billings, Montana's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 46,676,119	\$ 46,676,119	\$ 17,665,489	\$ 17,665,489	\$ 64,341,608	\$ 64,341,608
Buildings	30,686,282	30,467,530	45,547,909	47,537,794	76,234,191	78,005,324
Improvements other than buildings	35,118,748	31,879,521	65,443,832	61,885,978	100,562,580	93,765,499
Machinery and equipment	26,396,586	17,332,234	27,550,856	25,604,335	53,947,442	42,936,569
Infrastructure	167,838,142	171,570,640	374,124,973	362,417,497	541,963,115	533,988,137
Lease Asset	655,158	815,605	-	18,761	655,158	834,366
Subscription Asset	87,156	170,826	-	-	87,156	170,826
Construction In progress	71,929,135	39,002,941	120,289,616	90,781,447	192,218,751	129,784,388
Total	\$ 379,387,327	\$ 337,915,417	\$ 650,622,675	\$ 605,911,301	\$ 1,030,010,002	\$ 943,826,718

Additional information on the City of Billings' capital assets can be found on pages 62-65 of this report.

City of Billings, Montana's Outstanding Debt
Long-term Debt

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 10,051,400	\$ 11,691,699	\$ -	\$ -	\$ 10,051,400	\$ 11,691,699
Refunding bonds	-	-	2,200,000	2,475,000	2,200,000	2,475,000
Special assessment debt with governmental commitment	20,291,014	20,771,626	-	-	20,291,014	20,771,626
Revenue bonds	35,457,439	29,076,781	145,497,231	72,590,294	180,954,670	101,667,075
Notes payable	-	-	19,696,000	23,262,000	19,696,000	23,262,000
Intercap notes payable	11,965,576	2,369,900	-	-	11,965,576	2,369,900
Lease payable	-	230,778	1,597,050	1,774,141	1,597,050	2,004,919
Total	\$ 77,765,429	\$ 64,140,784	\$ 168,990,281	\$ 100,101,435	\$ 246,755,710	\$ 164,242,219

Long-term debt. The City of Billings had total bonded debt and notes outstanding of \$246,755,710 at the end of the current fiscal year. The majority of the debt consists of revenue bonds payable in the amount of \$180,954,670. These bonds are secured by specific revenue sources consisting mostly of loans for a major Wastewater plant project and Solid Waste Landfill drop-off facility. General Obligation Bonds in the amount of \$10,051,400 of debt is backed by the full faith and credit of the government. The remaining amounts are special assessment debt in the amount of \$20,291,014, which is assessed to benefit property owners, and \$1,597,050 for leases.

Under the current State statutes, City general obligation bonded debt issuances are subject to a legal limitation based on 2.50% of assessed market value of the property subject to taxation. As of June 30, 2024, the City's general obligation bonded debt of \$10,051,400 was well below the legal debt limit of \$439,264,884. General obligation net bonded debt per capita equated to \$83.16.

Additional information on the City of Billings long-term debt can be found on pages 68-80 of this report.

Economic Factors and Future Outlook

The City of Billings is the largest city in Montana and serves as Montana's major trade and service center with major employment in health care, business services, and manufacturing. Most of the City's funds are in good financial condition. The funds relying on property tax struggle because of local and state tax limitations.

In 2023 the State of Montana, including the City of Billings, saw significant increases in tax base growth compared to historical averages. Prior to 2023, tax growth in the City averaged slightly less than 3%. In 2023, the City's tax base increased by 22% related to historically large increases in property values. We do not expect future years to see similar increase, and expect a return to the former historical increases of closer to 3%. Development and construction continue to occur in Billings, during the fiscal year there was development valued at over \$284 million within the City. This is a slight decrease over the most recent fiscal year, but development is trending positively.

Fund balance for the General Fund is slightly above the minimum recommended reserve level as of June 30, 2024. The recommended reserve of 29% of the annual budget was derived from analyzing 10 years of cash flow needs. These reserves are necessary because property taxes, which are the greatest source of revenue for the General Fund, are paid in two installments, November 30 and May 31. As a result, cash balance in the fund decreases significantly in between tax payments. City Council has adopted a goal to increase the fund balance in the General Fund to 33% of budgeted expenditures, but will take time to get reserves to that point.

Of the total mills levied within the City of Billings (City, County, School, and State), the City's portion is approximately 30.4%. The city has seen large growth in both new construction and existing property values. We expect this trend to retract some in the coming years and return to a more modest growth rate in property tax revenue for future fiscal years.

Financial Contact

The City's financial statements are designed to provide users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information presented in this report or requests for additional information should be sent to the attention of the Finance Director at the following address: P.O. Box 1178, Billings, MT 59103.

BASIC FINANCIAL STATEMENTS

CITY OF BILLINGS, MONTANA
Statement of Net Position
June 30, 2024
(Page 1 of 3)

	Governmental Activities	Business-type Activities	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 65,392,736	\$ 98,583,372	\$ 163,976,108
Restricted cash and cash equivalents with fiscal agent	12,394,718	8,324,997	20,719,715
Investments	74,891,958	113,551,655	188,443,613
Receivables	17,324,507	18,465,029	35,789,536
Internal balances	(5,853,893)	5,853,893	-
Inventories	1,070,613	1,678,874	2,749,487
Prepaid items	-	10,895	10,895
Lease Receivable	716,957	4,067,249	4,784,206
Property held for resale	378,825	-	378,825
Restricted assets:			
Temporarily restricted:			
Investments with trustee	-	4,298,183	4,298,183
Permanently restricted:			
Cash and cash equivalents	389,020	-	389,020
Investments	445,098	-	445,098
Capital assets:			
Land and construction in progress	118,605,256	137,955,106	256,560,362
Other capital, lease, and subscription assets, net of depreciation and amortization	260,782,071	512,667,569	773,449,640
Total capital assets	<u>379,387,327</u>	<u>650,622,675</u>	<u>1,030,010,002</u>
Total assets	<u>546,537,866</u>	<u>905,456,822</u>	<u>1,451,994,688</u>
<u>Deferred Outflows</u>			
Deferred charge on refunding of debt	656,793	-	656,793
Other post employment benefits	764,027	787,043	1,551,070
Pensions	<u>14,046,685</u>	<u>3,652,081</u>	<u>17,698,766</u>
Total deferred outflows	<u>15,467,505</u>	<u>4,439,124</u>	<u>19,906,629</u>

(continued)

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

CITY OF BILLINGS, MONTANA

Statement of Net Position

June 30, 2024

(Page 2 of 3)

	Governmental Activities	Business-type Activities	Total
Liabilities			
Accounts payable	10,438,480	13,267,099	23,705,579
Accrued wages and benefits	2,316,231	809,885	3,126,116
Incurred but not reported health benefits	1,402,000	-	1,402,000
Accrued interest	1,206,783	3,362,558	4,569,341
Unearned Revenue	2,439,342	814	2,440,156
Other liabilities	63,000	-	63,000
Claims and judgments - due within one year	650,000	-	650,000
Long-term liabilities:			
Due within one year	12,587,826	10,122,302	22,710,128
Due in more than one year	75,844,567	162,422,274	238,266,841
Subscription based-IT arrangements	85,328	-	85,328
Other post-employment benefits	7,724,815	3,727,367	11,452,182
Lease Liability	661,963	-	661,963
Net pension liability	59,934,547	22,011,692	81,946,239
Landfill closure and postclosure - due in more than one year	-	8,202,234	8,202,234
Total liabilities	<u>175,354,882</u>	<u>223,926,225</u>	<u>399,281,107</u>
Deferred Inflows			
Other post employment benefits	1,258,465	618,254	1,876,719
Leases	659,045	3,895,915	4,554,960
Pensions	1,484,883	785,105	2,269,988
Total deferred inflows	<u>3,402,393</u>	<u>5,299,274</u>	<u>8,701,667</u>

(continued)

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

CITY OF BILLINGS, MONTANA
Statement of Net Position
June 30, 2024
(Page 3 of 3)

<u>Net Position</u>	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	299,929,479	481,632,395	781,561,874
Restricted for:			
Public works	43,474,079	-	43,474,079
Culture and recreation	6,527,365	-	6,527,365
Housing and economic development	21,899,805	-	21,899,805
Capital projects	10,809,091	-	10,809,091
Debt service	7,394,747	5,256,097	12,650,844
Endowments - nonexpendable	839,716	-	839,716
Unrestricted	<u>(7,626,186)</u>	<u>193,781,955</u>	<u>186,155,769</u>
Total net position	<u><u>\$ 383,248,096</u></u>	<u><u>\$ 680,670,447</u></u>	<u><u>\$ 1,063,918,543</u></u>

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

CITY OF BILLINGS, MONTANA
Statement of Activities
For The Fiscal Year Ended June 30, 2024

<u>Functions/Programs:</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary government							
Governmental activities:							
General government	\$ 13,567,851	\$ 3,907,690	\$ 1,459,576	\$ 2,248,196	\$ (5,952,389)	\$ -	\$ (5,952,389)
Public safety	74,572,970	7,117,818	14,470,893	490,595	(52,493,664)	-	(52,493,664)
Public works	43,718,761	34,387,466	24,823	11,101,420	1,794,948	-	1,794,948
Public health	1,679,910	59,625	9,345	-	(1,610,940)	-	(1,610,940)
Culture and recreation	15,954,861	2,867,882	2,288,265	910,319	(9,888,395)	-	(9,888,395)
Housing and economic development	5,878,539	9,895	2,341,756	-	(3,526,888)	-	(3,526,888)
Interest on long-term debt	2,909,958	-	-	-	(2,909,958)	-	(2,909,958)
Total governmental activities	<u>158,282,850</u>	<u>48,350,376</u>	<u>20,594,658</u>	<u>14,750,530</u>	<u>(74,587,286)</u>	<u>-</u>	<u>(74,587,286)</u>
Business-type activities:							
Solid Waste	20,254,380	21,697,884	143,937	-	-	1,587,441	1,587,441
Airport	13,316,705	15,074,252	229,658	11,649,705	-	13,636,910	13,636,910
Water	25,958,215	33,113,796	6,012,704	1,422,579	-	14,590,864	14,590,864
Wastewater	21,246,043	24,398,202	297,440	2,315,657	-	5,765,256	5,765,256
Parking	2,481,945	2,381,900	14,557	-	-	(85,488)	(85,488)
Transit	8,654,975	818,338	8,290,904	-	-	454,267	454,267
Golf Course	566,896	745,907	-	-	-	179,011	179,011
Total business-type activities	<u>92,479,159</u>	<u>98,230,279</u>	<u>14,989,200</u>	<u>15,387,941</u>	<u>-</u>	<u>36,128,261</u>	<u>36,128,261</u>
Total primary government	<u>\$ 250,762,009</u>	<u>\$ 146,580,655</u>	<u>\$ 35,583,858</u>	<u>\$ 30,138,471</u>	<u>(74,587,286)</u>	<u>36,128,261</u>	<u>(38,459,025)</u>
General revenues:							
Property taxes				67,525,043	2,648,844	70,173,887	
Franchise fees				1,164,864	-	1,164,864	
Business license tax				719,277	-	719,277	
Unrestricted federal/state shared revenue				25,724,790	-	25,724,790	
Unrestricted investment earnings				5,976,342	11,472,333	17,448,675	
Gain on sale of capital assets				278,343	(292,502)	(14,159)	
Miscellaneous				2,939,669	1,612,965	4,552,634	
Transfers				(79,500)	79,500	-	
Total general revenues and transfers				<u>104,248,828</u>	<u>15,521,140</u>	<u>119,769,968</u>	
Change in net position				29,661,542	51,649,401	81,310,943	
Net position, beginning of year, as previously stated				<u>353,596,485</u>	<u>629,083,616</u>	<u>982,680,101</u>	
Restatement - accounting changes and/or error corrections (see Note)				(9,931)	(62,570)	(72,501)	
Net position, beginning of year				<u>353,586,554</u>	<u>629,021,046</u>	<u>982,607,600</u>	
Net position, end of year				<u>\$ 383,248,096</u>	<u>\$ 680,670,447</u>	<u>\$ 1,063,918,543</u>	

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

CITY OF BILLINGS, MONTANA
Governmental Funds
Balance Sheet
June 30, 2024

Assets	General Fund	Public Safety Fund	American Rescue Plan Fund	City Hall Construction	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 5,415,298	\$ 2,019,971	\$ -	\$ 2,669,730	\$ 45,563,494	\$ 55,668,493
Cash with fiscal agent	-	-	-	-	12,394,718	12,394,718
Investments	5,965,738	2,325,650	-	3,207,869	52,267,215	63,766,472
Receivables:						
Property taxes	663,062	1,032,285	-	-	521,181	2,216,528
Accounts and unbilled usage	27,048	252,126	-	-	137,392	416,566
Delinquent special assessments	-	-	-	-	1,494,721	1,494,721
Special assessments receivable	-	-	-	-	9,459,266	9,459,266
Accrued interest	43,649	14,332	-	27,423	659,585	744,989
Notes	-	-	-	-	631,503	631,503
Lease Receivable	-	-	-	-	577,627	577,627
Due from other funds	238,182	-	-	-	1,328,443	1,566,625
Due from other governments	-	-	-	-	2,132,564	2,132,564
Inventories	-	3,330	-	-	184,024	187,354
Property held for resale	-	-	-	-	378,825	378,825
Total assets	<u>\$ 12,352,977</u>	<u>\$ 5,647,694</u>	<u>\$ -</u>	<u>\$ 5,905,022</u>	<u>\$ 127,730,558</u>	<u>\$ 151,636,251</u>
Liabilities, Deferred Inflows and Fund Balances						
Liabilities:						
Accounts payable	\$ 230,065	\$ 856,583	\$ -	\$ 2,474,622	\$ 6,016,505	\$ 9,577,775
Accrued wages & benefits	345,703	1,428,649	-	-	311,930	2,086,282
Due to other funds	-	-	-	-	1,349,029	1,349,029
Unearned Revenue	-	-	-	-	2,424,743	2,424,743
Other liabilities	-	-	-	-	63,000	63,000
Total liabilities	<u>575,768</u>	<u>2,285,232</u>	<u>\$ -</u>	<u>2,474,622</u>	<u>10,165,207</u>	<u>15,500,829</u>
Total Liabilities	<u>\$ 575,768</u>	<u>\$ 2,285,232</u>	<u>\$ -</u>	<u>\$ 2,474,622</u>	<u>\$ 10,165,207</u>	<u>\$ 15,500,829</u>
Deferred inflows:						
Leases	-	-	-	-	520,375	520,375
Unavailable Revenue	113,007	154,075	-	-	10,406,311	\$ 10,673,393
Total deferred inflows of resources	<u>113,007</u>	<u>154,075</u>	<u>-</u>	<u>-</u>	<u>10,926,686</u>	<u>11,193,768</u>
Fund balances:						
Unspendable	-	3,330	-	-	1,023,740	1,027,070
Restricted	-	3,205,057	-	3,430,400	95,935,057	102,570,514
Committed	13,159,685	-	-	-	11,016,928	24,176,613
Unassigned	(1,495,483)	-	-	-	(1,337,060)	(2,832,543)
Total fund balances	<u>11,664,202</u>	<u>3,208,387</u>	<u>\$ -</u>	<u>3,430,400</u>	<u>106,638,665</u>	<u>124,941,654</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 12,352,977</u>	<u>\$ 5,647,694</u>	<u>\$ -</u>	<u>\$ 5,905,022</u>	<u>\$ 127,730,558</u>	<u>\$ 151,636,251</u>

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

CITY OF BILLINGS, MONTANA
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2024

Total <i>fund balances</i> for governmental funds	\$ 124,941,654
Total <i>net position</i> reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:	
Land	\$ 44,670,735
Buildings and improvements	41,258,154
Improvements other than buildings	61,168,835
Machinery and equipment	55,666,435
Infrastructure	410,546,518
Construction in progress	71,913,305
Less accumulated depreciation	<u>(315,052,193)</u>
	370,171,789
Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and include:	
Gov't deferred outflows of resources - unavailable tax revenue	10,673,393
Gov't deferred outflows of resources - pensions and OPEB	<u>13,212,184</u>
	23,885,577
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	
General obligation bonds payable	(9,145,000)
add: bond premium	(906,400)
Tax increment bonds payable	(34,695,000)
add: bond premium	(813,520)
less: bond discount	51,081
Special assessment bonds payable	(10,141,443)
less: bond discount	3,627
add: bond premium	(373,766)
Direct placement debt	(9,779,432)
Notes payable	(11,965,576)
Compensated absences payable	(9,196,372)
Other post-employment benefits	(6,764,201)
Net pension liability	(51,512,614)
Claims and judgments	(650,000)
Accrued interest	<u>(1,206,787)</u>
	(147,095,403)
Deferred inflow of resources related to pensions are not available to pay for current period expenditures, and therefore are not recorded in the funds	
Deferred charge on refunding	656,793
Deferred inflows of resources - pensions & OPEB	<u>(2,285,718)</u>
	(1,628,925)
Internal service funds are used by the City to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	
	12,973,404
Total net position of governmental activities	<u>\$ 383,248,096</u>

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

CITY OF BILLINGS, MONTANA
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2024

	General Fund	Public Safety Fund	American Rescue Plan Fund	City Hall Construction	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 22,520,871	\$ 31,778,781	\$ -	\$ 200,000	\$ 12,075,611	\$ 66,575,263
Licenses and permits	1,894,997	51,467	-	-	2,178,897	4,125,361
Intergovernmental	13,889,206	13,123,729	-	657,109	23,359,289	51,029,333
Charges for services	4,670,316	3,130,579	-	-	10,627,875	18,428,770
Fines and forfeitures	1,325,070	94,862	-	-	304,183	1,724,115
Special assessments	11,650	-	-	-	27,546,429	27,558,079
Other	287,433	501,623	-	525,022	7,567,541	8,881,619
Total revenues	44,599,543	48,681,041	-	1,382,131	83,659,825	178,322,540
Expenditures:						
Current:						
General government	14,198,665	-	-	42,500	3,175,511	17,416,676
Public safety	1,014,618	63,348,108	-	-	4,870,157	69,232,883
Public works	-	-	-	-	23,641,748	23,641,748
Public health	-	1,223,088	-	-	-	1,223,088
Culture and recreation	5,137,540	-	-	-	7,220,892	12,358,432
Housing and economic development	-	-	-	-	5,755,747	5,755,747
Capital outlay	107,412	907,032	-	22,882,246	36,266,870	60,163,560
Debt service:						
Principal	-	171,883	-	-	4,413,284	4,585,167
Interest and fiscal charges	-	133,790	-	-	2,477,673	2,611,463
Bond issuance costs	-	-	-	80,000	418,517	498,517
Total expenditures	20,458,235	65,783,901	-	23,004,746	88,240,399	197,487,281
Revenues over (under) expenditures	24,141,308	(17,102,860)	-	(21,622,615)	(4,580,574)	(19,164,741)
Other financing sources (uses):						
Lease interest	-	-	-	-	10,564	10,564
Transfers in	45,059	19,602,624	-	-	9,154,851	28,802,534
Transfers out	(25,277,042)	(1,859,568)	-	-	(1,913,108)	(29,049,718)
Issuance of debt	-	-	-	9,767,559	6,930,000	16,697,559
Premium on bond debt	-	-	-	-	644,705	644,705
Special assessment bonds issued	-	-	-	-	1,300,000	1,300,000
Sale of capital assets	-	735	-	-	172,388	173,123
Total other financing sources (uses)	(25,231,983)	17,743,791	-	9,767,559	16,299,400	18,578,767
Net change in fund balances	(1,090,675)	640,931	-	(11,855,056)	11,718,826	(585,974)
Fund balance, beginning of year, as previously reported	12,754,877	2,567,456	837,214	-	109,378,012	125,537,559
Restatement - accounting changes and/or error corrections (see Note)	-	-	(837,214)	15,285,456	(14,458,173)	(9,931)
Fund balance, beginning, as restated	12,754,877	2,567,456	-	15,285,456	94,919,839	125,527,628
Fund balance, end of year	\$ 11,664,202	\$ 3,208,387	\$ -	\$ 3,430,400	\$ 106,638,665	\$ 124,941,654

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

CITY OF BILLINGS, MONTANA
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For The Fiscal Year Ended June 30, 2024
(Page 1 of 2)

Net change in *fund balances* - total governmental funds \$ (595,905)

The change in *net position* reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlay	60,163,560	
Depreciation	<u>(23,712,612)</u>	36,450,948

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.

105,220

Donations and developer contributions of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.

Donations, developer contributions and other noncash increases in capital assets	5,683,186	
Transfer to Enterprise Fund	<u>-</u>	5,683,186

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Unavailable tax revenue	949,783	
Deferred outflow of resources - pensions and OPEB	<u>(1,832,663)</u>	(882,880)

Proceeds from debt issues are other financing sources in the funds, but debt issues are long-term liabilities in the statement of net assets.

Notes issued	(9,767,559)	
Special assessment bond issued	(1,300,000)	
Tax increment bond issued	<u>(6,930,000)</u>	(17,997,559)

Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Bond premiums	(437,171)	
Deferred loss on refunding	(63,788)	
Deferred inflow of resources - pensions and opeb	1,458,847	
Bond discounts	<u>(5,859)</u>	952,029

(continued)

For The Fiscal Year Ended June 30, 2024
(Page 2 of 2)

Repayment of bond principal is an expenditure in the governmental funds,
but the repayment reduces long-term liabilities in the statement of net position.

General obligation debt	1,480,000	
Special assessment debt	1,047,009	
Direct placement debt	701,274	
Tax increment debt	1,185,000	
Notes payable	<u>171,883</u>	4,585,166

Internal service funds are used by management to charge the costs of certain activities, such as fleet management,
insurance and telecommunication, to individual funds. The net revenue (expense)
of certain internal service funds is reported with governmental activities.

887,073

Some expenses reported in the statement of activities, do not require the use of current financial
resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(510,970)	
Other post-employment benefits	(135,710)	
Net Pension Liability	(2,038,839)	
Claims and judgments	3,100,000	
Interest and amortization expenses	<u>49,852</u>	464,333
Change in net position of governmental activities	<u>\$ 29,651,611</u>	

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

CITY OF BILLINGS, MONTANA
Proprietary Funds
Statement of Net Position (Page 1 of 2)
June 30, 2024

	Business-type Activities								Internal Service Funds
	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Nonmajor Enterprise Funds	Total		
Assets									
Current assets:									
Cash and cash equivalents	\$ 7,238,378	\$ 12,533,928	\$ 61,216,822	\$ 12,375,022	\$ 939,663	\$ 4,279,559	\$ 98,583,372	\$ 10,113,263	
Restricted cash and cash equivalents with fiscal agent	1,210,263	-	3,540,600	3,574,134	-	-	8,324,997	-	
Investments	8,247,682	14,445,657	71,276,172	14,126,697	1,081,541	4,373,906	113,551,655	11,570,584	
Receivables:									
Property taxes	-	-	-	-	-	76,697	76,697	-	
Accounts and unbilled usage	1,713,654	1,459,401	4,805,163	2,679,033	33,765	-	10,691,016	75,844	
Delinquent Special Assessments	561	-	-	647	-	-	1,208	14,649	
Accrued interest	101,632	183,890	810,321	174,096	12,504	47,769	1,330,212	137,877	
Lease Receivable	11,614	1,928,534	-	-	-	-	1,940,148	51,582	
Receivables from other governments	-	20,832	5,163,423	200,000	-	986,704	6,370,959	-	
Inventories	-	21,282	1,352,119	-	-	305,473	1,678,874	883,259	
Prepaid items	-	-	-	-	-	10,895	10,895	-	
Total current assets	<u>18,523,784</u>	<u>30,593,524</u>	<u>148,164,620</u>	<u>33,129,629</u>	<u>2,067,473</u>	<u>10,081,003</u>	<u>242,560,033</u>	<u>22,847,058</u>	
Noncurrent assets:									
Lease Receivable	74,181	2,041,704	11,216	-	-	-	2,127,101	87,748	
Restricted investments with trustee	4,298,183	-	-	-	-	-	4,298,183	-	
Property and equipment:									
Land	493,448	4,764,618	4,347,462	959,585	5,665,085	1,435,291	17,665,489	2,005,383	
Buildings	983,554	34,878,745	26,987,525	18,156,288	36,539,190	10,582,649	128,127,951	9,381,235	
Improvements other than buildings	38,181,500	124,357,266	1,386,633	3,044,360	578,056	1,767,713	169,315,528	2,830,868	
Equipment and vehicles	25,807,950	17,483,536	19,038,472	15,184,983	875,837	12,533,084	90,923,862	9,204,301	
Infrastructure	-	-	295,059,485	306,524,995	-	-	601,584,480	-	
Construction in progress	5,040,863	62,021,312	36,728,821	15,434,902	57,562	1,006,157	120,289,617	15,833	
Lease asset	-	-	-	-	-	-	-	1,136,499	
Subscription asset	-	-	-	-	-	-	-	254,496	
Less: accumulated depreciation/amortization	<u>(26,664,723)</u>	<u>(133,670,152)</u>	<u>(157,506,354)</u>	<u>(127,490,675)</u>	<u>(19,764,518)</u>	<u>(12,187,830)</u>	<u>(477,284,252)</u>	<u>(15,613,078)</u>	
Total noncurrent assets	<u>48,214,956</u>	<u>111,877,029</u>	<u>226,053,260</u>	<u>231,814,438</u>	<u>23,951,212</u>	<u>15,137,064</u>	<u>657,047,959</u>	<u>9,303,285</u>	
Total assets	<u>66,738,740</u>	<u>142,470,553</u>	<u>374,217,880</u>	<u>264,944,067</u>	<u>26,018,685</u>	<u>25,218,067</u>	<u>899,607,992</u>	<u>32,150,343</u>	
Deferred Outflows									
Other post employment benefits	168,357	149,073	162,920	120,110	36,060	150,523	787,043	201,198	
Pensions	919,842	692,185	662,700	622,697	93,028	661,629	3,652,081	1,397,330	
Total assets and deferred outflows	<u>\$ 67,826,939</u>	<u>\$ 143,311,811</u>	<u>\$ 375,043,500</u>	<u>\$ 265,686,874</u>	<u>\$ 26,147,773</u>	<u>\$ 26,030,219</u>	<u>\$ 904,047,116</u>	<u>\$ 33,748,871</u>	

(continued)

CITY OF BILLINGS, MONTANA
Proprietary Funds
Statement of Net Position (Page 2 of 2)
June 30, 2024

	Business-type Activities							Internal Service Funds
	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Nonmajor Enterprise Funds	Total	
Liabilities								
Current liabilities:								
Accounts payable	\$ 1,283,456	\$ 2,560,989	\$ 6,614,338	\$ 2,395,318	\$ 40,153	\$ 372,845	\$ 13,267,099	\$ 860,705
Accrued wages and benefits	195,614	136,621	123,142	115,933	16,830	221,745	809,885	229,949
Due to other funds	-	-	-	-	-	-	-	217,596
Compensated absences	572,464	636,191	499,069	553,129	46,255	363,444	2,670,552	1,104,943
Accrued interest payable	-	-	1,764,600	97,209	50,006	-	1,911,815	-
Incurred but not reported health benefits	-	-	-	-	-	-	-	1,402,000
Notes payable	-	-	2,406,000	1,254,000	185,068	-	3,845,068	-
Unearned Revenue	424	-	-	390	-	5,063	5,877	14,599
Accrued interest payable from restricted assets	355,263	66,555	-	1,028,925	-	-	1,450,743	-
Lease liability	-	-	-	-	-	-	-	160,862
Revenue bonds payable from restricted assets	855,000	346,682	580,000	1,825,000	-	-	3,606,682	-
Total current liabilities	3,262,221	3,747,038	11,987,149	7,269,904	338,312	963,097	27,567,721	3,990,654
Noncurrent liabilities:								
Compensated absences	189,440	210,529	165,153	183,043	15,307	120,272	883,744	365,649
Other post employment benefits	833,849	700,728	760,481	535,054	172,495	724,760	3,727,367	960,614
Net pension liability	5,544,039	4,171,913	3,994,201	3,753,100	560,693	3,987,746	22,011,692	8,421,933
Revenue bonds payable	19,121,095	3,252,273	74,806,331	2,815,848	-	-	99,995,547	-
Notes payable	-	-	10,655,000	49,476,000	1,411,983	-	61,542,983	-
Lease liability	-	-	-	-	-	-	-	501,101
Subscription Liability	-	-	-	-	-	-	-	85,328
Landfill closure and postclosure-payable from restricted assets	8,202,234	-	-	-	-	-	8,202,234	-
Total noncurrent liabilities	33,890,657	8,335,443	90,381,166	56,763,045	2,160,478	4,832,778	196,363,567	10,334,625
Total liabilities	37,152,878	12,082,481	102,368,315	64,032,949	2,498,790	5,795,875	223,931,288	14,325,279
Deferred Inflows								
Other post employment benefits	124,702	111,410	137,345	95,233	29,839	119,725	618,254	157,240
Leases	84,572	3,801,742	9,601	-	-	-	3,895,915	138,670
Pensions	197,743	148,802	142,464	133,864	19,999	142,233	785,105	300,390
Total deferred inflows of resources	407,017	4,061,954	289,410	229,097	49,838	261,958	5,299,274	596,300
Net Position								
Net investment in capital assets	23,866,497	106,236,370	137,594,713	176,443,590	22,354,161	15,137,064	481,632,395	8,629,108
Restricted for:								
Bond and notes payable ordinance reserve	-	2,425,000	1,386,571	1,444,526	-	-	5,256,097	-
Unrestricted	6,400,547	18,506,006	133,404,491	23,536,712	1,244,984	4,835,322	187,928,062	10,198,184
Total net position	30,267,044	127,167,376	272,385,775	201,424,828	23,599,145	19,972,386	674,816,554	18,827,292
Total liabilities, deferred inflows, and net position	\$ 67,826,939	\$ 143,311,811	\$ 375,043,500	\$ 265,686,874	\$ 26,147,773	\$ 26,030,219	\$ 33,748,871	
Adjustment to reflect the consolidation of internal service fund activites related to enterprise funds							5,853,893	
Net position of business-type activities							\$ 680,670,447	

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

CITY OF BILLINGS, MONTANA
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2024

	Business-type Activities							Internal Service Funds
	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Nonmajor Enterprise Funds	Totals	
Operating revenues:								
Charges for services	\$ 21,697,884	\$ 12,511,636	\$ 33,113,796	\$ 24,398,202	\$ 2,381,900	\$ 1,564,245	\$ 95,667,663	\$ 34,440,094
Operating expenses:								
Salaries and benefits	7,733,816	5,244,569	4,743,467	4,790,578	627,713	5,888,412	29,028,555	9,945,187
Supplies	4,198,889	1,135,581	2,996,370	1,935,882	101,114	906,915	11,274,751	922,623
Contracted services	2,996,904	1,264,332	4,134,088	2,703,521	520,892	648,817	12,268,554	19,645,470
Utilities	133,134	907,305	2,027,401	1,812,287	105,346	93,974	5,079,447	776,277
Other	993,767	306,615	668,114	544,292	126,637	273,710	2,913,135	4,985,623
Depreciation/Amortization	3,184,870	4,155,662	7,785,518	7,416,592	856,479	1,248,186	24,647,307	925,189
Landfill closure and post-closure	444,026	-	-	-	-	-	444,026	-
Total operating expenses	19,685,406	13,014,064	22,354,958	19,203,152	2,338,181	9,060,014	85,655,775	37,200,369
Operating income (loss)	2,012,478	(502,428)	10,758,838	5,195,050	43,719	(7,495,769)	10,011,888	(2,760,275)
Nonoperating revenue (expenses):								
Taxes	-	-	-	-	-	2,648,844	2,648,844	96,529
Intergovernmental	143,937	229,658	6,012,704	297,440	14,557	8,290,904	14,989,200	218,654
Interest expense	(643,519)	(120,683)	(3,377,761)	(1,904,313)	(69,288)	-	(6,115,564)	12,715
Lease interest	330	155,643	1,525	-	-	-	157,498	629
Interest and investment income	1,007,998	1,369,539	6,481,040	1,551,061	79,436	316,559	10,805,633	1,056,876
Customer Facility Charge	-	790,506	-	-	-	-	790,506	-
Passenger Facility Charge	-	1,772,110	-	-	-	-	1,772,110	-
Gain (loss) on sale of capital assets	-	-	1,650	(10,824)	-	(283,328)	(292,502)	32
Other	3,473	100,035	887,436	282,327	1,480	23,277	1,298,028	2,210,543
Total nonoperating revenue (expense)	512,219	4,296,808	10,006,594	215,691	26,185	10,996,256	26,053,753	3,595,978
Income (loss) before capital contributions and transfers	2,524,697	3,794,380	20,765,432	5,410,741	69,904	3,500,487	36,065,641	835,703
Capital contributions	-	11,649,705	1,422,579	2,315,657	-	-	15,387,941	-
Transfers in	59,042	-	48,774	19,009	134,000	-	260,825	358,894
Transfers out	(178,243)	-	-	-	-	(20,000)	(198,243)	(174,292)
Change in net position	2,405,496	15,444,085	22,236,785	7,745,407	203,904	3,480,487	51,516,164	1,020,306
Net position, beginning of year, as previously reported	27,861,548	111,723,291	250,211,560	193,679,421	23,395,241	16,491,899	623,362,960	17,806,986
Restatement - accounting changes and/or error corrections (see Note)	-	-	(62,570)	-	-	-	(62,570)	-
Net Position, beginning, as restated	27,861,548	111,723,291	250,148,990	193,679,421	23,395,241	16,491,899	623,300,390	17,806,986
Net position, end of year	\$ 30,267,044	\$ 127,167,376	\$ 272,385,775	\$ 201,424,828	\$ 23,599,145	\$ 19,972,386		\$ 18,827,292
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						5,853,893		
Change in net position of business-type activities							\$ 680,670,447	

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

CITY OF BILLINGS, MONTANA
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2024
 (Page 1 of 2)

	Solid Waste	Airport	Water	Wastewater	Parking	Nonmajor	Internal
	Fund	Fund	Fund	Fund	Fund	Enterprise	Service
Cash flows from operating activities:							
Cash received from customers and users	\$ 22,419,180	\$ 12,086,859	\$ 32,139,745	\$ 24,611,991	\$ 2,370,689	\$ 1,569,224	\$ 95,197,688
Cash received from other sources	3,473	100,035	887,436	282,327	1,480	23,277	1,298,028
Cash paid to employees for services	(7,145,388)	(5,236,974)	(4,881,343)	(4,554,627)	(702,436)	(5,363,610)	(27,884,378)
Cash paid to suppliers and contracted services	(8,320,427)	(3,264,848)	(5,726,574)	(6,277,191)	(847,579)	(2,263,633)	(26,700,252)
Net cash provided (used) by operating activities	<u>6,956,838</u>	<u>3,685,072</u>	<u>22,419,264</u>	<u>14,062,500</u>	<u>822,154</u>	<u>(6,034,742)</u>	<u>41,911,086</u>
							<u>619,843</u>
Cash flows from noncapital financing activities:							
Cash received from tax revenues	(137)	-	-	(257)	-	2,672,236	2,671,842
Cash received from intergovernmental revenues	143,937	1,551,536	4,559,306	97,440	14,557	8,042,465	14,409,241
Cash received from local community sponsors	-	-	-	-	-	-	-
Transfers from other funds	59,042	-	48,774	19,009	134,000	-	260,825
Net cash provided (used) by noncapital financing activities	<u>202,842</u>	<u>1,551,536</u>	<u>4,608,080</u>	<u>116,192</u>	<u>148,557</u>	<u>10,714,701</u>	<u>17,341,908</u>
							<u>650,061</u>
Cash flows from capital and related financing activities:							
Capital grants and contributions	-	11,649,705	1,422,579	2,315,657	-	-	15,387,941
Acquisition and construction of capital assets	(7,924,657)	(14,562,142)	(26,672,877)	(16,738,804)	(113,471)	(3,346,730)	(69,358,681)
Proceeds from sales of capital assets	-	-	1,650	(10,824)	-	(283,328)	(292,502)
Cash paid for interest	(663,894)	(108,559)	(1,827,557)	(1,964,944)	(78,689)	-	(4,643,643)
Proceeds from bonds	-	-	(1,400,000)	-	-	-	(1,400,000)
Principal paid on bonds, notes and leases payable	(901,168)	225,000	73,040,331	(3,316,988)	(177,090)	-	68,870,085
Transfers to other funds	(178,243)	-	-	-	-	(20,000)	(198,243)
Facilities charges	-	2,562,616	-	-	-	-	2,562,616
Net cash provided (used) by capital and related financing activities	<u>(9,667,962)</u>	<u>(233,380)</u>	<u>44,564,126</u>	<u>(19,715,903)</u>	<u>(369,250)</u>	<u>(3,650,058)</u>	<u>10,927,573</u>
							<u>(886,968)</u>
Cash flows from investing activities:							
Cash received from interest	381,384	977,267	4,553,063	1,139,423	54,961	222,384	7,328,482
Sale of investments	11,038,326	15,216,016	47,839,228	19,186,581	969,055	4,633,180	98,882,386
Purchase of investments	(10,650,244)	(18,442,415)	(90,071,761)	(18,208,088)	(1,382,580)	(5,584,880)	(144,339,970)
Net cash provided (used) by investing activities	<u>769,466</u>	<u>(2,249,132)</u>	<u>(37,679,470)</u>	<u>2,117,916</u>	<u>(358,564)</u>	<u>(729,316)</u>	<u>(38,129,102)</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,738,816)</u>	<u>2,754,096</u>	<u>33,912,000</u>	<u>(3,419,295)</u>	<u>242,897</u>	<u>300,585</u>	<u>32,051,465</u>
Cash and cash equivalents, beginning of year	<u>10,261,308</u>	<u>11,665,893</u>	<u>30,855,113</u>	<u>19,368,451</u>	<u>696,766</u>	<u>3,978,974</u>	<u>76,826,505</u>
Cash and cash equivalents, end of year	<u>\$ 8,522,492</u>	<u>\$ 14,419,989</u>	<u>\$ 64,767,113</u>	<u>\$ 15,949,156</u>	<u>\$ 939,663</u>	<u>\$ 4,279,559</u>	<u>\$ 108,877,971</u>
							<u>\$ 10,039,519</u>
Cash and cash equivalents consists of:							
Cash and cash equivalents	\$ 7,238,378	\$ 12,533,928	\$ 61,216,822	\$ 12,375,022	\$ 939,663	\$ 4,279,559	\$ 98,583,372
Restricted cash and cash equivalents with fiscal agent	1,210,263	-	3,540,600	3,574,134	-	-	8,324,997
Cash and cash equivalents, end of year	<u>\$ 8,448,641</u>	<u>\$ 12,533,928</u>	<u>\$ 64,757,422</u>	<u>\$ 15,949,156</u>	<u>\$ 939,663</u>	<u>\$ 4,279,559</u>	<u>\$ 106,908,369</u>
							<u>\$ 10,113,263</u>

(continued)

CITY OF BILLINGS, MONTANA
Proprietary Funds
Statement of Cash Flows
for the Year Ended June 30, 20
(Page 2 of 2)

	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income to net cash provided (used) by operating activities:								
Operating income (loss)								
\$ 2,012,478	\$ (502,428)	\$ 10,758,838	\$ 5,195,050	\$ 43,719	\$ (7,495,769)	\$ 10,011,888	\$ (2,760,274)	
Other nonoperating income (expense)	3,473	100,035	887,436	282,327	1,480	23,277	1,298,028	2,210,543
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation expense	3,184,870	4,155,662	7,785,518	7,416,592	856,479	1,248,186	24,647,307	925,189
Landfill closure and postclosure	444,026	-	-	-	-	-	444,026	-
(Increase) decrease in receivables	795,567	1,547,349	(964,102)	213,789	(11,211)	4,979	1,586,371	151,692
(Increase) decrease in inventories	-	20,304	11,341	-	-	(119,081)	(87,436)	(579,058)
(Increase) decrease in prepaid items	-	-	-	-	-	(1,847)	(1,847)	15,177
Increase (decrease) in accounts payable	(72,004)	(1,643,445)	4,078,109	718,791	6,410	(219,289)	2,868,572	115,656
Increase (decrease) in accrued liabilities	588,428	7,595	(137,876)	235,951	(74,723)	524,802	1,144,177	540,920
Net cash provided (used) by operating activities	<u>\$ 6,956,838</u>	<u>\$ 3,685,072</u>	<u>\$ 22,419,264</u>	<u>\$ 14,062,500</u>	<u>\$ 822,154</u>	<u>\$ (6,034,742)</u>	<u>\$ 41,911,086</u>	<u>\$ 619,845</u>
Noncash investing, capital and financing activities:								
Increase (decrease) in investment market value	158,160	245,769	1,209,564	286,339	14,184	-	1,914,016	1,577,474
Contribution of capital assets	-	11,649,705	1,422,579	2,315,657	-	-	15,387,941	-

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

CITY OF BILLINGS, MONTANA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Total Fiduciary Funds
Assets	
Cash and cash equivalents	\$ 393,404
Investments	454,502
Receivables:	
Delinquent special assessments	142,453
Total Receivables	<u>142,453</u>
Investments	
Total assets	<u><u>\$ 990,359</u></u>
Liabilities, Deferred Inflows and Fund Balances	
Liabilities:	
Accounts payable	\$ 847,554
Total liabilities	<u>847,554</u>
Deferred inflows:	
Deferred Revenue	\$ 142,453
Individuals, organizations, and other governments	352
Total Net Position	<u>-</u> <u>352</u>
Total liabilities, deferred inflows and fund balances	<u><u>\$ 990,359</u></u>

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

CITY OF BILLINGS, MONTANA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Total Fiduciary Funds
Investments earnings:	
Tax collections for other governments	\$ 5,088
Special Assessments collections for other organizations	<u>2,125,913</u>
Total Additions	<u>2,131,001</u>
 Deductions:	
Payments made to organizations	<u>2,131,001</u>
Total Deductions	<u>2,131,001</u>
Net increase (decrease) in fiduciary net position	-
Net position - beginning	352
 Net position - ending	<u><u>\$ 352</u></u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

I. Summary of Significant Accounting Policies

The financial statements of the City of Billings (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The City's significant accounting policies are described below.

A. Reporting Entity

The City of Billings financial statements include those separate governmental entities that are controlled by or are dependent on the City. The determination to include separate governmental entities is based on the criteria of Governmental Accounting Standards Board (GASB) Statement No. 61. GASB Statement No. 61 defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. To be financially accountable, a voting majority of the organization's governing body must be appointed by the City, and either a) the City must be able to impose its will, or b) the City may potentially benefit financially or be financially responsible for the organization. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Data from these units are combined with data of the primary government.

Blended Component Unit – The Par 3 Golf Course (Golf Course) is governed by the City Council. Debt issuance authorizations are approved by the City Council. The Golf Course is reported as an enterprise fund. Complete financial statements for the Golf Course may be obtained at the entity's administrative offices:

Par 3 Golf Course: 19 South 19th Street West, Billings, MT 59102

The City has no discretely presented component units.

The City provides a full range of municipal services. Included are parks and recreation, streets and traffic control, sanitation, public transit, airport, water, wastewater, library, community development, public safety (police and fire protection), and general administrative services.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Related Organization – The City Council is responsible for appointing the members of the governing boards of the Billings Housing Authority. The City Council approves through resolution the Tourism Business Improvement District (TBID) and the Downtown Business Improvement District (DBID) annual budgets. However, the City is not able to impose its will on the three entities. Nor is there a potential for the three entities to provide specific financial benefits to, or impose specific financial burdens on, the City. As a result, the Billings Housing Authority, the TBID, and the DBID are considered related organizations and not component units of the City.

B. Government-wide and Fund Financial Statements

The goal of government-wide financial statements is to present a broad overview of a government's finances. The basic statements that form the government-wide financial statements are the statement of net position and the statement of activities. These two statements report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally financed through taxes and intergovernmental revenues, are reported separately from business-type activities, which are normally financed through user fees and charges for goods and services.

The statement of activities reports gross direct expenses by function reduced by program revenues. This results in a measurement of net revenue or expense for each of the government's activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues are directly associated with the function or business-type activity and include a) charges for services and b) operating or capital grants and contributions that are restricted to a particular function. Taxes and other items not classified as program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, although the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using economic resources measurement focus and 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.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, 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.

Taxes, intergovernmental revenue, charges for service, special assessments, and investment income associated with the current fiscal period are the major revenues that are considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund

The General Fund is used to account for resources traditionally associated with the government that are not required legally or by sound financial management to be accounted for in another fund.

Public Safety

The Public Safety Fund accounts for the Police Department operations, including the Animal Control, and the Fire Department operations. Major revenue sources include property taxes, intergovernmental and transfers from the General Fund.

City Hall Construction

This fund is used to account for the expenditures related to the construction of new City Hall.

The City reports the following major proprietary funds:

Solid Waste Fund

The Solid Waste Fund accounts for the operations of the City's garbage collection and landfill activities.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Airport Fund

The Airport Fund accounts for the Billings Logan International Airport operations and for all the resources received and used for acquisition and development of airport capital improvements and equipment.

Water Fund

The Water Fund accounts for the operations of the City's water system.

Wastewater Fund

The Wastewater Fund accounts for the operations of the City's wastewater system.

Parking Fund

The Parking Fund accounts for the operations of the City's public parking, which includes four parking garages and on-street parking in the downtown district.

In addition, the City reports for the following fund types:

Internal Service Funds

The internal service funds account for fleet services, postage and copying, information technology, health care benefits, telephone services, liability and property insurance, radio communication services, facilities management, public works administration, and public works engineering on a cost reimbursement basis.

Fiduciary Funds

Fiduciary funds are reported using the economic resources measurement focus. The fiduciary funds are used to account for assets held by the City as an agent for private organizations or other governments. Fiduciary funds are custodial in nature (assets equal liabilities). The City currently has three such funds including the Downtown Business Improvement District, Tourism Business Improvement District, and License Plate Fund. These funds receive money from either Yellowstone County or a trust fund, and the City remits the monies to the appropriate BID or grantee as prescribed by either state law or a grant agreement.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

The City has prepared its government-wide and proprietary fund financial statements in accordance with all applicable GASB pronouncements.

As a general rule, the City has eliminated the effect of interfund activity from the government-wide financial statements. Exceptions to this general rule are charges between the government's water, wastewater, and solid waste functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Other interfund activities not eliminated are indirect general and administrative costs that are allocated to other funds. Therefore, certain indirect costs are included in the program expenses reported for individual functions and activities.

Amounts reported as program revenues include: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds report operating revenues and expenses separately from non-operating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with a proprietary fund's principal on-going operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. The Transit fund also receives property tax revenue and operating grants to support its operations. Operating expenses for enterprise funds and internal service funds include the costs 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.

D. Assets, Deferred Inflows, Liabilities, Deferred Outflows, and Net Position or Equity

1. Cash and Cash Equivalents and Investments

The government's cash and cash equivalents are 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 are managed by the City's finance director. Investments and cash equivalents consist primarily of U.S. Treasury and U.S. agency obligations, certificate of deposits, and State of Montana Short-Term Investment Pool (STIP).

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Certificates of deposit are reported at cost. Investments are carried at fair value in all funds. The fair value of investments is determined monthly and is based on current market prices. Changes in the fair value of investments are recognized in revenue at the end of each month.

Interest income earned as a result of pooling and changes in the fair value of investments are distributed to the appropriate funds utilizing a formula based on the average book value of cash and investments of each fund.

According to GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools," STIP is considered an external investment pool. The STIP investments are purchased in accordance with the statutorily mandated "Prudent Expert Principle." This pool is managed to preserve principal, while obtaining money market-type returns and 24-hour liquidity. Funds may be invested for one or more days. Although not registered with the Securities and Exchange Commission (SEC) as an investment company, STIP is managed similar to money market funds that are governed by SEC rule 2a7 of the Investment Company Act of 1940. As a 2a7-like pool, the STIP utilizes an amortized cost unit value to report net assets. The portfolio may include asset-backed securities, commercial paper, corporate, U.S. Government direct obligations, U.S. Government agency securities, repurchase agreements, institutional money market funds, certificates of deposit, and variable-rate (floating-rate) instruments. Investments must have a maximum maturity of 397 days or less, unless they are variable rate securities. The portfolio is carried at amortized cost or book value with a constant unit value of \$1.00.

Asset-backed securities represent debt securities collateralized by a pool of mortgage and non-mortgage assets, such as trade and loan receivables, equipment leases, credit cards, etc. Commercial paper is unsecured short-term debt with maturities ranging from 1 to 270 days. U.S. Government direct obligations include U.S. Treasury securities and debt explicitly guaranteed by the U.S. Government. U.S. Government agency securities include U.S. Government and mortgage-backed securities. Repurchase agreements (REPOs) represent an agreement between a seller and a buyer, usually of U.S. Government securities, whereby the seller agrees to repurchase the securities at an agreed upon price and stated time. Variable rate securities pay a variable rate of interest until maturity. The STIP portfolio's variable rate securities reset to LIBOR (London Interbank Offered Rate).

The City issues warrants in payment of its obligations. When the warrants are presented to the Finance department, the City transfers funds to redeem the warrants. Cash balances are reported net of outstanding warrants.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

2. Receivables and Payables

All outstanding balances between funds are reported as "due to/from other funds" (current portion). Any residual balances outstanding between the governmental activities and business-type activities are reported as "internal balances."

Under its Home Rule Charter, the City is permitted to levy taxes at a maximum rate for payment for general governmental services and payment of principal and interest on long-term general obligation debt. The City is currently levying at the rate of 206.57 mills.

All property within the City limits is assessed on taxable market value. Property taxes are in two installments, due on November 30 and May 31 of each fiscal year. Payments not received on or before these dates are considered delinquent and accrue interest at a monthly compounding rate of 5/6 of 1% per month from and after such delinquency until paid, plus 2% as a penalty. Property taxes are attached as an enforceable lien on the property. Notice of foreclosure is filed with the County Clerk and Recorder five years from the date of delinquency. Property tax revenue is budgeted for the ensuing fiscal year.

Notes receivable are reported net of allowances for amounts deemed uncollectible. Allowances are computed from receivables net of amounts collected in the 60 days subsequent to June 30, 2024. Estimates for uncollectible amounts at June 30, 2024, based on net receivables are as follows: \$40,000 for Downtown Revolving Loans based upon historical experience and 100% of notes receivable that are in default. Personal property tax is exempt from this process because an amount cannot be estimated, as this tax is not levied. There is no allowance calculated for real property taxes, as any uncollected amount results in a lien on the property.

3. Inventories and Prepaid Items

Inventories of supplies are recorded at cost. Inventories that are held for sale in proprietary funds are stated at the lower of cost (average cost method) or market. The cost of inventory is recorded as an expenditure at the time the inventory items are purchased in governmental funds.

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.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

4. Restricted Assets

Governmental Activities:

A portion of the proceeds from cemetery plot sales are classified as permanently restricted assets. State statutes require that the investment earnings from such permanently restricted assets are used for the care, maintenance, and improvement of such cemetery lots and the grounds, roads, walks, and avenues leading thereto.

Business-type Activities:

Certain proceeds of the City's enterprise funds, notes payable, and closure/post-closure costs for the landfill, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position. They are maintained in either separate bank accounts or a separate fund within the City's pooled cash, and their use is limited by applicable covenants.

In the Airport fund the "revenue bond current debt service" account is used to segregate resources accumulated for debt service payments. The "capital replacement" account is used to report resources set aside to meet unexpected contingencies or to fund asset replacements.

The Airport fund's restricted assets consist of amounts restricted by bond covenants and Federal Aviation Administration (FAA) requirements. In Water and Wastewater, the notes payable ordinance reserve account is used to set aside resources from operations for debt service. The following table reports restricted assets:

DNRC – Notes Payable – Water	\$1,386,571
DNRC – Notes Payable – Wastewater	1,444,526
Solid Waste Closure/Post-Closure	4,298,183
Series 2020A Airport Revenue Construction Bonds	
Debt service reserve	\$2,000,000
Capital replacement reserve	225,000
Series 2020B Airport Revenue Refunding Bonds	

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Debt service reserve	200,000
Passenger Facility Charges	6,631,383
Customer Facility Charges	2,595,344
Transit Grantor Restriction	<u>49,279</u>
Total Restricted Assets	<u><u>\$18,830,286</u></u>

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost equal to or greater than \$5,000 for equipment and vehicles and \$25,000 for construction projects including non-building, building, and infrastructure.

In the case of the initial capitalization of general infrastructure assets (i.e. those reported by governmental activities), the City chose to include assets from 1980 forward to comply with GASB 34. The City estimated historical cost for the initial reporting of these assets through back trending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Property and equipment of the government are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	5-50
Improvements other than buildings	5-50
Equipment and vehicles	3-30
Infrastructure	10-50

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

6. Property Held for Resale

Property purchased for Urban Renewal Development is reported at the lower of cost or estimated net realizable value in the Special Improvement Districts Debt Service Fund and nonmajor governmental funds.

7. Compensated Absences

Employees earn vacation leave at the rate of 120 hours per year for the first 10 years. During years 11 to 21, employees earn vacation leave at an increasing rate, reaching 192 hours in year 21. There is no requirement that annual leave be taken, but the maximum permissible accumulation is two times the annual accrual as of the first pay period in January.

Full time employees earn 96 hours of sick leave per year, which may be accumulated without limit. Upon separation, employees are paid 25% of the remaining balance at their current rate of pay.

All accumulated vacation and 25% of accumulated sick leave are accrued when incurred in the government-wide and proprietary financial statements. This liability, which totals \$14,221,262 at June 30, 2024, includes the related FICA, Medicare, and retirement costs. The unrecorded accumulated sick leave benefits total \$11,479,368 at June 30, 2024.

8. Long-term Obligations

In the government-wide financial statements and in the proprietary fund type financial statements, long-term debt and other long-term obligations, such as notes payable, are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds, on a straight-line basis, over the term of the related issue. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt is reported as other financing sources. Discounts on debt issuances are reported as other financing uses, while bond premiums are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

9. Pensions

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, and Pension Expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

10. Fund Balance

Governmental funds fund balances can be classified into five categories. The categories are un-spendable, restricted, committed, assigned and unassigned.

The following table displays the City's fund balances by major purpose as displayed on page 18 of the governmental funds balance sheet. GASB Statement 54 requires the disclosure of the purpose of each major fund.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

<u>Major Funds</u>						
	<u>General Fund</u>	<u>Public Safety</u>	<u>City Hall Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>	
Unspendable						
Cemetery Perpetual Care	\$ -	\$ -	\$ -	\$ 839,716	\$ 839,716	
Nonspendable form	- -	- -	- -	184,024	184,024	
Restricted						
Building Inspection	- -	- -	- -	4,369,782	4,369,782	
Tax Increment Districts	- -	- -	- -	19,104,449	19,104,449	
Roads and Streets	- -	- -	- -	32,131,331	32,131,331	
Grants	- -	- -	- -	2,171,916	2,171,916	
Cemetery Improvements	- -	- -	- -	69,057	69,057	
Emergency 911	- -	- -	- -	2,657,859	2,657,859	
Public Safety	- 3,208,387	3,208,387	- -	- -	3,208,387	
Planning	- -	- -	- -	1,474,261	1,474,261	
Library	- -	- -	- -	2,833,587	2,833,587	
Park Programs	- -	- -	- -	2,506,220	2,506,220	
Street & Traffic	- -	- -	- -	8,240,476	8,240,476	
Light Maintenance Districts	- -	- -	- -	2,438,505	2,438,505	
Park Maintenance Districts	- -	- -	- -	2,729,219	2,729,219	
Debt Service	- -	- 3,430,400	3,430,400	7,386,261	10,816,661	
Capital Projects	- -	- -	- -	7,822,134	7,822,134	
Committed						
General Government	13,159,685	- -	- -	- -	13,159,685	
Arterial	- -	- -	- -	- -	- -	
Sidewalk Hazard Repair	- -	- -	- -	94,136	94,136	
Animal Shelter Donations	- -	- -	- -	24,030	24,030	
Library	- -	- -	- -	2,512,803	2,512,803	
Downtown Revolving Loan	- -	- -	- -	1,970,836	1,970,836	
Park Maintenance Districts	- -	- -	- -	4,739,865	4,739,865	
Ball Field Maintenance	- -	- -	- -	706,868	706,868	
Unassigned						
General Government	(1,495,483)	- -	- -	- -	(1,495,483)	
Roads and Streets	- -	- -	- -	(878,020)	(878,020)	
Debt Service	- -	- -	- -	(1,373)	(1,373)	
Grants	- -	- -	- -	(14,224)	(14,224)	
Capital Projects	- -	- -	- -	(443,443)	(443,443)	
Total Fund Balances	\$ 11,664,202	\$ 3,208,387	\$ 3,430,400	\$ 106,638,665	\$ 124,941,654	

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

The unspendable category includes balances that cannot be spent, because the balance is not in a spendable form or there are legal or contractual restrictions on the balance.

The restricted category contains balances that are restricted for specific purposes by enabling legislation, external resource providers such as creditors or grantors, or laws or regulations of other governments.

The committed category contains balances pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. The Billings City Council is that authority that makes these commitments by passing an ordinance or resolution.

Resolution number 10-18914 was passed by City Council designating committed fund balances:

“Exhibit A

“Recommended Fund and Working Capital Balances Policy

“Recommended Fund and Working Capital Balances policy statement:

“The City shall use recommended Fund and Working Balances for certain funds as a best practice. Fund Balance (“Assigned”) and Working Capital Balance (“Assigned”) will be the designations for accounting purposes.

“Recommended balances purpose:

“The policy is necessary to provide sufficient cash flow for daily financial needs, secure and maintain investment grade bond ratings, offset revenue shortfalls, and provide funds for unforeseen expenditures related to emergencies.

“Recommended balances implementation authority:

“Upon adoption of this Statement of Policy, the City of Billings Council authorizes the City Administrator to establish recommended balance procedures which may be necessary to support

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

the policy statement and adopt such documents by Administrative Order. The City Administrator will review the procedures with the City Council at a work session every five years or as deemed necessary prior to the five years.

"The balance in the General Fund column represents a minimum fund balance per Administrative Order Number 112. The minimum balance is necessary because of how property taxes get billed. The City needs five months of reserves to cover payroll and operating expenses due to the timing of tax receipt collection.

"Pursuant to this Administrative Order, I hereby establish the following procedures regarding City of Billings recommended fund and working capital balances.

"City Council adopted by resolution on February 22, 2010, establishing a policy for recommended balances authorizing the City Administrator to adopt procedures by Administrative Order.

"Minimum recommended balance expressed as a percent to total budget less capital is as follows:

<u>"FUND DESCRIPTION</u>	<u>% of Budget (less capital)</u>
FUND BALANCE	
Billed on Taxes	
General Operating	29%
Public Safety	0%
City County Planning	13%
City County Library	25%
Street Maintenance	42%
Street Lights Maintenance	42%
Park Maintenance Districts	70%
Other Revenues	
Building Inspection	25%
Street/Traffic Operating	4%"

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

The assigned category is for balances constrained by an official who the governing body has delegated the authority to assign amounts to be used for specific purposes. The City Administrator is the official that would assign amounts for specific purposes per the City Charter.

The unassigned category is the residual classification for the General Fund. A negative unassigned fund balance occurs when expenditures exceed amounts that are unspendable, restricted, and committed fund balances.

The Library Fund has amounts in the restricted and committed categories. The restricted portion is the part of fund balance that voters approved through specific mills. The committed portion of fund balance is part of the City's general mills that City Council has authorized to go to the Library. There is no distinction between the two regarding expenditures as they both are available for operations.

The General Fund has amounts in the committed and unassigned categories. The flow assumption for the General Fund is that the unassigned balance is used for expenditures first.

The Public Safety Fund has amounts restricted for Police, Fire, and Animal control purposes.

In accordance with GASB 54, fund balances are classified as unspendable, restricted, committed, and unassigned. When expenditures are incurred, the City will determine, on a case-by-case basis, which classification of funds are to be used, taking into account any requirements of grant agreements, contracts, business circumstances, and other constraints. If no restrictions exist, the order of spending of resources will be unassigned, committed, and lastly, restricted.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

11. Net Investment in capital assets

At June 30, 2024 net investment in capital assets of the primary government consisted of the following amounts:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Net investment in capital assets:		
Net property, plant, and equipment	\$ 379,387,327	\$ 650,622,675
Less:		
General obligation bonds, net	(10,051,400)	-
Revenue bonds payable, net	(35,852,607)	(149,294,280)
Notes payable and other long-term debt	(33,463,343)	(19,696,000)
Deferred charge on refunding debt	656,793	-
Lease and Subscription Liabilities	(747,291)	-
Amount of unspent debt proceeds	-	-
Total net investment in capital assets	<u>\$ 299,929,479</u>	<u>\$ 481,632,395</u>

12. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. They are the deferred charge on refunding, the deferred amount related to pensions, and the deferred amount related to other post-employment benefits, as a result of the adoption of GASB 75. These are reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded, or refunding, debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two items that qualify for reporting in this category. The item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report deferred revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The items, *pensions and OPEB*, are reported only on the accrual statements, and are a result of the City's adoption of GASB 68 and GASB 75.

The changes in net pension liability are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and difference between expected or actual experience), are amortized over the weighted-average, remaining service life of all participants in the respective pension plan, and are recorded as a component of pension expense beginning with the period in which they are incurred.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and are amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed five-year period of recognition.

E. New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

Statement No. 100 "Accounting Changes and Error Corrections." The provisions for this statement are effective for the current reporting period.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

II. Stewardship, Compliance, and Accountability

A. Deficit Fund Equity

Funds with deficit fund balances at June 30, 2024, are listed below. The deficit fund balances do not represent any type of legal violation.

<u>Fund</u>	<u>Deficit</u>
Nonmajor Special Revenue Funds:	
Attorney Grants	\$ 14,224
Arterial Fees	\$ 455,338
Bike Path/Trail Donation Fund	\$ 422,682
Nonmajor Debt Service Funds	
Series 2010 Park	\$ 1,373
Nonmajor Capital Projects Funds	
Sidewalk and Curb Districts	\$ 420,733
Special Improvements Districts	\$ 22,710
Internal Service Funds	
Information Technology	\$ 951,252
Property Insurance	\$ 393,500
Public Works Administration	\$ 560,192
Public Works Engineering	\$ 2,628,082

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

A transfer will eliminate the Attorney Grants, Bike Path/Trail Donations, Arterial Fees, and the Series 2010 Park funds. The internal service funds deficit net position will likely not be removed, as it is largely a result of the net pension and other post-employment benefits liabilities.

III. Detailed Notes on All Funds

A. Cash and Cash Equivalents and Investments

Cash and investments as of June 30, 2024, consist of the following:

Deposits in local banks	\$ 17,051,929
Outstanding checks and reconciling items	(977,346)
Montana State Short Term Investment Pool (STIP)	<u>148,290,545</u>
	<u><u>\$ 164,365,128</u></u>

Investments:

US Government and US Agency Obligations	\$ 186,747,664
Certificates of deposits	<u>6,439,230</u>
	<u><u>\$ 193,186,894</u></u>

Cash and investments as of June 30, 2024, are classified in the statement of net position as follows:

Cash and cash equivalents	\$ 163,976,108
Cash and cash equivalents, permanently restricted	<u>389,020</u>
	<u><u>\$ 164,365,128</u></u>
Investments	\$ 188,443,613
Investments, temporarily restricted	4,298,183
Investments, permanently restricted	<u>445,098</u>
	<u><u>\$ 193,186,894</u></u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Investments Authorized by the Montana Code and the City's Investment Policy

Under the City's investment policy and in accordance with Montana law, the City is restricted to investing funds in specific types of investment instruments. The following are the types of permitted instruments:

- U.S. government and U.S. agency obligations.
- Interest-bearing savings accounts, certificates of deposit, and time deposits insured by the Federal Deposit Insurance Corporation of which are at least 50% collateralized.
- State of Montana Short Term Investment Pool (STIP).
- U.S. Government security money market mutual funds.
- Short-term discount obligations of the Federal National Mortgage Association.
- Repurchase agreements where there is a master repurchase agreement and collateral held by a third party.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2024:

U.S. Treasury securities of \$183,207,967 using quoted market prices (Level 1 inputs)

The remainder of the City's investments are not required to be measured at fair value.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment is, the greater the sensitivity its fair value will be to changes in market interest rates.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

The City's investments are not highly sensitive to interest rate fluctuations. The City employs a "buy and hold" investment strategy whereby investments are held to maturity at which time the investment is redeemed at par.

One way the City manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities, so a portion of the portfolio is maturing or coming close to maturity evenly, over time, as necessary to provide the cash flow and liquidity needed for operations.

Investment Type	<u>Totals</u>	12 Months or <u>Less</u>	13 to 24 Months	25 to 60 Months	Over 60 Months
US Treasury Notes	\$ 3,539,698	\$ 840,332	\$ 1,440,937	\$ 1,258,430	\$ -
US Government Agency Securities	183,207,967	86,313,456	74,414,957	22,479,554	-
Certificates of Deposit	<u>6,439,230</u>	<u>6,439,230</u>	-	-	-
	<u><u>\$ 193,186,895</u></u>	<u><u>\$ 93,593,018</u></u>	<u><u>\$ 75,855,894</u></u>	<u><u>\$ 23,737,984</u></u>	<u><u>\$ -</u></u>

Credit Risk

Under the City's investment policy, safety of principal is the foremost objective of the City of Billings. Each investment transaction shall seek first to ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value.

The investment portfolio for the City shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the government's investment risk constraints and the cash flow characteristics of the portfolio.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2024, the City's investments in U.S. Government Agency Securities were rated AAA by Moody's Investors Service or by Standard and Poor. Of those not rated, there was an implied AAA rating. Although the Montana Short Term Investment Pool (STIP) investments have been rated by investments security type, STIP, as an external investment pool, has not been rated by the

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Nationally Recognized Statistical Rating Organizations. More information on STIP is available at the Montana Department of Commerce Board of Investments website at <http://www.investmentmt.com/Programs/STIP>.

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer that represent 5% or more of the total City's investments are as follows (other than STIP):

<u>Issuer</u>	<u>Investment Type</u>	<u>Total</u>	
Federal Farm Credit Bank	Federal agency securities	\$29,485,905	15.23%
Federal Home Loan Bank	Federal agency securities	\$114,398,381	59.10%
Federal Home Loan Mortgage Corp.	Federal agency securities	\$26,197,173	13.53%
US Treasury Notes	Federal agency securities	\$15,555,220	8.04%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2024, the City had some exposure to custodial credit risk, but within compliance with Montana Code Annotated 7-6-207.

City policy requires that the City obtain securities for the uninsured portion of the deposits as follows:

- 1) Securities equal 50% of such deposits if the institution in which the deposits are made has a net worth to total assets ratio of 6% or more, or
- 2) Securities equal to 100% of the uninsured deposits if the institution in which the deposits are made has a net worth to total assets ratio of less than 6%.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. City policy requires investments to be collateralized by the actual security held in safekeeping by the primary agent. As of June 30, 2024, none of the City's investments are exposed to custodial credit risk because all counterparties provide insurance in excess of the investments held.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Restricted Cash and Cash Equivalents with Fiscal Agent

Cash of \$25,017,898 is restricted by bond covenants or for specific purposes as follows:

Current debt service:

Nonmajor government funds	\$12,394,718
Water fund	3,540,600
Wastewater fund	3,574,134
Solid Waste	5,508,446
Total	<u>\$25,017,898</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

B. Receivables

Receivables as of year-end for the City's individual major funds, nonmajor funds, and internal service funds in the aggregate are presented below. See footnote I, D, 2 regarding the collectability of accounts receivable.

	General Fund	Public Safety Fund	City Hall Construction	Non-Major Governmental Funds	Internal Service Funds	Governmental Activities Total
Taxes	\$ 663,062	\$ 1,032,285	\$ -	\$ 521,181	\$ -	\$ 2,216,528
Accounts	27,048	252,126	-	137,392	75,844	492,410
Special assessments	-	-	-	10,953,987	14,649	10,968,636
Accrued interest	43,649	14,332	27,423	659,585	137,877	882,866
Notes	-	-	-	631,503	-	631,503
From other governments	-	-	-	2,132,564	-	2,132,564
TOTAL	\$ 733,759	\$ 1,298,743	\$ 27,423	\$ 15,036,212	\$ 228,370	\$ 17,324,507

	Solid Waste Fund	Airport Fund	Water Fund	Wastewater Fund	Parking Fund	Non-Major Enterprise Funds	Business-type Activities Total
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,697	\$ 76,697
Accounts	1,713,654	1,459,401	4,805,163	2,679,033	33,765	-	10,691,016
Special assessments	561	-	-	647	-	-	1,208
Accrued interest	101,632	183,890	810,321	174,096	12,504	47,769	1,330,212
From other governments	-	20,832	5,163,423	200,000	-	986,704	6,370,959
TOTAL	\$ 1,815,847	\$ 1,664,123	\$ 10,778,907	\$ 3,053,776	\$ 46,269	\$ 1,111,170	\$ 18,470,092

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

	<u>Unavailable</u>
Delinquent property taxes receivable:	
General fund	\$ 93,790
Public safety fund	153,988
Nonmajor governmental funds	53,659
Special assessments not yet due:	
General fund	-
Nonmajor governmental funds	9,712,658
Notes receivable not yet due:	
Nonmajor governmental funds	<u>631,503</u>
Total	<u><u>\$ 10,645,598</u></u>

C. Operating Lease Receivable, GASB 87 Leases, and SBITA contracts

Regulated Leases:

- The City's Airport leases a portion of its property to commercial airlines, commercial air freight haulers, car rental companies, concessionaires, fixed base operators who service the aviation industry, private hangar owners, Federal and State governmental agencies whose main function is wildland fire suppression, and the Transportation Security Agency. Lease agreements with the Airlines and certain U.S. Government agencies are cancelable, all other leases are non-cancelable. The Airport's leases consist of the following:

Cancelable:

- Operating lease agreements with the airlines for landing fees and terminal building rentals are adjusted annually based on compensatory and residual formulas, which are defined in the lease agreement. The terminal building rents are calculated using a compensatory formula to recover certain operating, capital and debt services costs. The landing fee rates are calculated based on a residual methodology by which landing fees plus terminal rents plus non-airline revenues cover all of the Airport's costs. Thus, keeping the Airport fiscally whole each year. The airline lease terms are for the period of July 1, 2013 through June 30, 2024 and allows the lessee to terminate with 180 days written notice. Fiscal year 2024 revenues for landing fees and terminal building rents totaled \$1,372,997 and \$2,165,539 respectively.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

- Operating lease agreements with two U.S. Government agencies consist of leases for ground and building space. Each agreement allows the lessee to terminate with 60 days written notice. Each lease's term is for a ten year period, ending August 31, 2031. Fiscal year 2024 payments totaled \$319,878.

Non-cancelable:

- Annual rentals with annual increases based on CPI-U.
- Agreements under which the Airport receives revenue from the operation of concessions located on Airport property which provide for the payment of a fee based on the greater of an aggregated percentage of gross receipts or a guaranteed minimum. Payments contingent on gross receipts that are associated with these non-cancelable leases totaled \$3,167,194 for the fiscal year ended June 30, 2024.

The acquisition costs and accumulated depreciation for the above described leased property follows:

	Acquisition Cost	Accumulated Depreciation
Land	\$ 90,768	\$ 0
Buildings	23,528,427	18,399,686
Non-Building Improvements	6,020,018	3,240,612
Equipment	<u>2,819,550</u>	<u>1,985,033</u>
Total	<u>\$ 32,458,763</u>	<u>\$ 23,625,331</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

At June 30, 2024, minimum future rents and fees to be received under the non-cancelable leases or concession agreements for each fiscal year are as follows:

<u>Year Ending June 30:</u>	
2025	\$ 3,167,194
2026	3,079,869
2027	2,964,494
2028	745,396
2029	672,401
2030-2034	2,709,057
2035-2039	1,609,745
2040-2044	925,205
2045-2050	469,071
<u>Total</u>	<u>\$ 16,342,432</u>

GASB 87 Leases

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The City leases a nonfinancial asset in the form of a building. The related obligation is presented in the amounts equal to the present value of lease payments, payable during the remaining lease term. As the lessee, a lease liability and the associated lease asset is recognized on the government-wide *Statement of Net Position*.

The City did not incur expenses related to its leasing activities related to residual value guarantees, lease termination penalties or losses due to impairment. As a lessee, there are currently no agreements that include sale-leaseback and lease-leaseback transactions.

As of June 30, 2024, the City had minimum principal and interest payment requirements for its leasing activities with a remaining term in excess of one year as follows:

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Governmental Activities	<u>Liability</u>		<u>Total</u> <u>Interest</u>	<u>Total</u> <u>Payment</u>	<u>Liability</u> <u>Ending</u> <u>Balance</u>
	<u>Beginning</u> <u>Balance</u>	<u>Total</u> <u>Principal</u>			
Fiscal year ending June 30:					
2024	\$ 822,127	\$ 160,038	\$ 3,849	\$ 163,887	\$ 662,089
2025	\$ 662,089	\$ 160,862	\$ 3,025	\$ 163,887	\$ 501,228
2026	501,228	\$ 161,691	2,196	163,887	339,537
2027	339,537	\$ 162,524	1,363	163,887	177,013
2028	177,013	\$ 163,362	525	163,887	13,651
2029	13,651	\$ 13,651	6	13,657	-
					<u>\$662,089</u>

Additionally as the lessor, the City leases City-owned properties such as land and buildings. The related receivables are presented in the Statement of Net Position for the amounts equal to the present value of lease payments expected to be received during the lease term.

The City's variable payments clause within its lease arrangements as the lessor, is similar to the arrangements made as lessee. The City did not incur revenue related to residual value guarantees or lease termination penalties. It also does not currently have agreements that include sale-leaseback and lease-leaseback transactions.

As of June 30, 2024, the City had minimum principal and interest lease receivable payments for its leasing activities with a remaining term in excess of one year as follows:

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

	<u>Receivable</u>	<u>Beginning</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Payment</u>	<u>Receivable</u>				
	<u>Balance</u>					<u>Ending Balance</u>				
Government-wide Activities										
Fiscal year ending June 30:										
2024	\$ 7,869,162		\$ 3,084,956	\$ 79,661	\$ 3,164,617	\$ 4,784,206				
2025	\$ 4,784,206		\$ 2,089,125	\$ 49,287	\$ 2,138,412	\$ 2,695,081				
2026	2,695,082		908,968	31,919	940,887	1,786,114				
2027	1,786,114		766,808	18,256	785,064	1,019,306				
2028	1,019,306		250,171	10,475	260,646	769,135				
2029	769,135		139,686	7,672	147,358	629,450				
2030-2049	629,450		<u>629,450</u>	37,467	666,917	-				
			<u>4,784,206</u>							

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

	<u>Receivable</u>				<u>Receivable</u>
	<u>Beginning</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>	<u>Ending</u>
	<u>Balance</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
Business-type Activities					
Fiscal year ending June 30:					
2024	\$ 7,209,776	\$3,003,197	\$69,097	\$3,072,294	\$4,206,579
2025	\$ 4,206,579	\$2,004,865	\$41,022	\$2,045,887	\$2,201,714
2026	2,201,714	823,592	24,564	848,156	\$1,378,122
2027	1,378,122	710,293	11,830	722,123	\$ 667,829
2028	667,829	222,803	4,688	227,491	\$ 445,026
2029	445,026	111,546	2,438	113,984	\$ 333,480
2030-2049	333,480	<u>333,480</u>	3,892	337,372	-
			<u>\$4,206,579</u>		

	<u>Receivable</u>				<u>Receivable</u>
	<u>Beginning</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>	<u>Ending</u>
	<u>Balance</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Balance</u>
Governmental Activities					
Fiscal year ending June 30:					
2024	\$ 659,386	\$ 81,759	\$10,564	\$ 92,323	\$ 577,627
2025	\$ 577,627	\$ 84,260	\$ 8,265	\$ 92,525	\$ 493,367
2026	493,368	85,376	7,355	92,731	407,992
2027	407,992	56,515	6,426	62,941	351,477
2028	351,477	27,368	5,787	33,155	324,109
2029	324,109	28,140	5,234	33,374	295,970
2030-2049	295,970	<u>295,970</u>	33,575	329,545	-
			<u>\$ 577,627</u>		

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Subscription-Based Information Technology Arrangements (SBITA)

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The City uses various SBITA assets that it contracts through cloud computing arrangements, such as software as a service and platform as a service. The related obligations are presented in the amounts equal to the present value of subscription payments payable during the remaining SBITA term. A SBITA asset is presented as part of Equipment, in the Capital Assets section, on the government-wide Statement of Net Position and presented as part of Equipment in the Capital Assets note in table D.

The City has a variety of variable payment clauses, within its SBITA arrangements, including variable payments based on future performance and usage of the underlying asset. Components of variable payments that are fixed in substance, are included in the measurement of the SBITA liability presented in the table below. The City did not incur expenses related to its SBITA activities such as termination penalties, not previously included in the measurement of the SBITA liability, or losses due to impairment.

Furthermore, the City does not have commitments under SBITA that have not commenced as of the end of the Fiscal Year 2024.

As of June 30, 2024, the City had minimum principal and interest payment requirements for its SBITA activities, with a remaining term in excess of one year, as follows:

	<u>Beginning Balance</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Payment</u>	<u>SBITA Asset Liability</u>
Governmental Activities					
	7/1/2023				\$ 168,833
Fiscal year ending June 30:	2024	\$ 168,833	\$ 83,505	\$ 3,687	\$ 87,192
	2025	\$ 85,328	\$ 85,328	\$ 1,864	\$ 87,192
SBITA Liability					<u>\$ 85,328</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

D. Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

Governmental activities:	<u>Balance</u>	<u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfer In/Out</u>	<u>Balance</u>
		<u>June 30, 2023</u>				<u>June 30, 2024</u>
Capital assets not being depreciated:						
Land	\$ 46,676,119	\$ -	\$ -	\$ -	\$ -	\$ 46,676,119
Construction in Progress	39,002,941	54,956,477	730,476	(21,299,807)	(21,299,807)	71,929,135
Total capital assets, not being depreciated	<u>85,679,060</u>	<u>54,956,477</u>	<u>730,476</u>	<u>(21,299,807)</u>	<u>(21,299,807)</u>	<u>118,605,254</u>
Capital assets being depreciated/amortized:						
Buildings	49,321,950	663,436	47,657	701,660	50,639,389	
Improvements other than Buildings	58,478,939	578,397	-	4,942,366	63,999,702	
Equipment	53,923,697	5,018,266	1,018,184	6,946,957	64,870,736	
Infrastructure	396,489,697	5,683,186	-	8,373,635	410,546,518	
Lease Asset	1,136,499	-	-	-	1,136,499	
SBITA Asset	254,496	-	-	-	254,496	
Total capital assets, being depreciated/amortized	<u>559,605,278</u>	<u>11,943,285</u>	<u>1,065,841</u>	<u>20,964,618</u>	<u>591,447,340</u>	
Less accumulated depreciation/amortization for:						
Buildings	18,854,420	1,144,954	46,267	-	19,953,107	
Improvements other than Buildings	26,599,418	2,281,536	-	-	28,880,954	
Equipment	36,591,463	3,177,975	960,099	(335,189)	38,474,150	
Infrastructure	224,919,057	17,789,319	-	-	242,708,376	
Lease Asset	320,894	160,447	-	-	481,341	
SBITA Asset	83,670	83,670	-	-	167,340	
Total accumulated depreciation/amortization	<u>307,368,922</u>	<u>24,637,901</u>	<u>1,006,366</u>	<u>(335,189)</u>	<u>330,665,267</u>	
Total capital assets, being depreciated/amortized, net	<u>252,236,357</u>	<u>(12,694,616)</u>	<u>59,475</u>	<u>21,299,807</u>	<u>260,782,073</u>	
Governmental activities capital assets, net	<u><u>\$ 337,915,417</u></u>	<u><u>\$ 42,261,861</u></u>	<u><u>\$ 789,951</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 379,387,327</u></u>	

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Business-type activities:	Balance				Balance <u>June 30, 2024</u>
	<u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfer In/Out</u>	
Capital assets not being depreciated:					
Land	\$ 17,665,489	\$ -	\$ -	\$ -	\$ 17,665,489
Construction in Progress	90,781,446	41,963,149	62,569	(12,392,410)	120,289,616
Total capital assets, not being depreciated	108,446,935	41,963,149	62,569	(12,392,410)	137,955,105
Capital assets being depreciated/amortized:					
Buildings	126,183,474	507,815	-	1,436,663	128,127,952
Improvements other than Buildings	162,323,332	3,436,704	-	3,555,492	169,315,528
Equipment	85,262,648	6,570,832	1,476,921	574,894	90,931,453
Infrastructure	577,308,659	17,266,771	151,500	7,160,550	601,584,480
Lease asset	18,761	-	18,761	-	-
Total capital assets, being depreciated/amortized	951,096,874	27,782,122	1,647,182	12,727,599	989,959,413
Less accumulated depreciation/amortization for:					
Buildings	78,698,333	3,881,710	-	-	82,580,043
Improvements other than Buildings	100,427,994	3,443,702	-	-	103,871,696
Equipment	59,615,019	4,602,049	1,171,660	335,189	63,380,597
Infrastructure	214,891,162	12,719,845	151,500	-	227,459,507
Total accumulated depreciation/amortization	453,632,508	24,647,306	1,323,160	335,189	477,291,843
Total capital assets, being depreciated, net	497,464,366	3,134,816	324,022	12,392,410	512,667,570
Business-type activities capital assets, net	\$ 605,911,301	\$ 45,097,965	\$ 386,591	\$ -	\$ 650,622,675

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

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

Governmental activities:

General Government	\$ 59,930
Public Safety	1,537,170
Public Works	18,803,869
Public Health	293,659
Culture & recreation	2,941,133
Housing and community development	76,851
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>925,289</u>
Total depreciation expense - governmental activities	<u>\$ 24,637,901</u>

Business-type activities:

Solid Waste	\$ 3,184,870
Airport	4,155,662
Water	7,785,518
Wastewater	7,416,592
Parking	856,479
Transit	1,170,468
Golf Course	<u>77,718</u>
Total depreciation expense - business-type activities	<u>\$ 24,647,307</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Construction Commitments

The City has active construction projects as of June 30, 2024. At year-end, the City's commitments with the contractors, rounded to the nearest thousand, are as follows:

General Fund	\$ 4,737
Public Safety Fund	547
Solid Waste Fund	3,915
Airport Fund	10,453
Water Fund	69,730
Wastewater Fund	6,098
Nonmajor Enterprise Funds	7,801
Nonmajor Governmental Funds	19,457
Nonmajor Internal Services Funds	967
	<hr/>
	<u>\$ 123,705</u>

Gas Tax, Storm Sewer assessments, and Arterial Fee assessments fund infrastructure. User fees and bonds finance Water, Wastewater, and Solid Waste projects. Grants, passenger facility charges, and charges for service fund Airport projects.

Other Commitments

At June 30, 2024, the Stillwater Construction fund had commitments of over \$4.4 million for the continued remodel of the Stillwater City Hall Building.

At June 30, 2024, the Wastewater fund had commitments of \$4.4 million for improvements to various sewer extensions and replacements.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

E. Interfund Receivables, Payables, and Transfers

The composition of inter-fund balances as of June 30, 2024, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 20,586
General Fund	Internal Service Funds	217,596
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,328,443
Totals		<u>\$1,566,624</u>

During the course of its operation, the City has numerous transactions between funds to finance operations, reimbursable grants, debt service, and capital outlay in advance of loan proceeds.

Interfund transfers:

	Transfers in:								
	General Fund	Public Safety Fund	Nonmajor Governmental Funds	Wastewater Fund	Water Fund	Solid Waste	Parking Fund	Internal Service	Total
Transfers Out:									
General	\$ -	\$ 19,294,455	\$ 5,950,614	\$ -	\$ -	\$ -	\$ 31,973	\$ 25,277,042	
Public Safety	-	-	1,795,886	-	-	-	4,000	59,682	1,859,568
Nonmajor Governmental Funds	38,459	308,169	1,351,351	-	-	-	130,000	85,129	1,913,108
Solid Waste Fund	-	-	34,500	-	-	-	-	143,743	178,243
Nonmajor Enterprise Fund	-	-	20,000	-	-	-	-	-	20,000
Subtotal	38,459	19,602,624	9,152,351	-	-	-	134,000	320,527	29,247,961
Internal Service Funds	6,600	-	2,500	19,009	48,774	59,042	-	38,367	174,292
Total	<u>\$ 45,059</u>	<u>\$ 19,602,624</u>	<u>\$ 9,154,851</u>	<u>\$ 19,009</u>	<u>\$ 48,774</u>	<u>\$ 59,042</u>	<u>\$ 134,000</u>	<u>\$ 358,894</u>	<u>\$ 29,422,253</u>

Transfers are made for funding projects, meeting debt service requirements, grant matches, and distributing interest earnings between funds. Public Safety receives funding from the General Fund by a transfer.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

F. Lease Obligations

Business-Type Activities:

Lease Payable – Park II (Business-Type Activities) – On September 1, 2006, the City signed a lease obligation to finance the construction of an expansion of the Park II Parking Garage which is a six level parking structure located in the heart of downtown Billings. In September 2012, Park 4 Garage was sold and the proceeds of the sale were applied to reduce the debt of the Park II loan. This reduced the remaining lease obligation from \$4,756,651 to \$2,640,384 and reduced interest expense by \$780,057 over the life of the lease.

The assets acquired through leases are as follows:

	<u>Business-type Activities</u>
Assets:	
Buildings	\$ 5,930,000
Accumulated Depreciation	<u>(3,327,388)</u>
Total	<u>\$ 2,602,612</u>

The following is a schedule, by year, of the future minimum lease payments at June 30, 2024:

<u>Year ending June 30</u>	<u>Business-type Activities</u>
2025	\$ 201,961
2026	201,961
2027	201,961
2028	201,961
2029	201,961
2030-2033	<u>807,839</u>
Total minimum lease payments	1,817,644
Less: Amount representing interest	<u>(346,323)</u>
Present value of minimum lease payments	<u>\$ 1,471,321</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

G. Long-Term Debt

Governmental Activities:

General Obligation Bonds Payable – The City issued general obligation bonds to provide funds for governmental activities for the acquisition and construction of major capital improvements. General obligation bonds are the direct obligations and pledge the full faith and credit of the City. At June 30, 2024, the outstanding general obligation bonded indebtedness of the City, serviced by the City's debt service funds, was as follows:

General Obligation Bonds Series 2004A, issued in the total aggregate amount of \$3,460,000 and interest rate is 3.00%, due July 1, 2024, payable in annual installments of \$245,000 to \$345,000, callable on or after July 1, 2021.	\$ 345,000
General Obligation Bonds Series 2015, issued in the total aggregate amount of \$6,270,000 and interest ranging from 2.00%-3.50%, due July 1, 2027. These bonds were issued to refund General Obligation Bonds Series 2007A on July 1, 2018.	2,755,000
General Obligation Refunding Bonds Series 2021, issued in the total aggregate amount of \$7,310,000 and interest ranging from 1.00%-5.00%, due July 1, 2032, payable in annual installments of \$530,000 to \$765,000, callable on or after July 1, 2030.	<u>6,045,000</u>
	<u>\$ 9,145,000</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Tax Increment Bonds Payable – At June 30, 2024, the outstanding tax increment bonds indebtedness of the City was as follows:

Tax Increment Revenue Bonds Series 2013, issued in the total aggregate amount of \$13,210,000 and interest ranging from 2.50%-6.50%, due July 1, 2038, payable in annual installments of \$387,813 to \$967,750. The City issued tax increment bonds to provide funds for the construction of the Empire Parking Garage and retail space.	\$ 9,960,000
Tax Increment Revenue Refunding Bonds, Series 2024A, issued in the total aggregate amount of \$6,930,000 and interest at 5.00% due July 1, 2038, payable in annual installments of \$15,000 to \$835,000. These bonds were issued to refund Tax Increment Series 2013A.	6,930,000
Tax Increment Refunding Bonds Series 2015, issued in the total aggregate amount of \$5,170,000 and interest ranging from 2.00%-4.38%, due July 1, 2039, payable in annual installments of \$125,000 to \$330,000. These bonds were issued to retire the debt for the Special Improvement District 1385 bonds.	3,915,000
Tax Increment Revenue Bonds Series 2015, issued in the total aggregate amount of \$3,165,000 and interest ranging from 2.00%-4.65%, due July 1, 2039, payable in annual installments of \$85,000 to \$200,000. The bond proceeds were used for improvements in the East Billings Urban Renewal District.	2,380,000
Tax Increment Revenue Bonds Series 2016, issued in the total aggregate amount of \$4,935,000 and interest ranging from 2.00% to 3.75%, due July 1, 2040, payable in annual installments of \$150,000 to \$295,000. The bonds were issued for reconstruct and sewer improvements in the South Billings Urban Renewal District.	3,830,000
Tax Increment Revenue Bonds Series 2018, issued in the total aggregate amount of \$3,405,000 and interest ranging from 3.00% to 5.00%, due July 2038, payable in installments of \$105,000 to \$237,000. The bonds were issued for storm sewer, sidewalk, lighting, and landscaping improvements in the East Billings Urban Renewal District.	2,825,000
Tax Increment Revenue Bonds Series 2020, issued in the total aggregate amount of \$2,165,000 and interest ranging from 2.00%-4.00% due July 2044, payable in annual installments of \$101,000 to \$108,000. The bonds were issued for a two way street conversion and installation of parking garage controls and pay stations.	1,975,000
Tax Increment Revenue Bonds Series 2022, issued in the total aggregate amount of \$3,000,000 and interest ranging from 5.00% to 5.88% due to July 2047, payable in annual installments from \$65,000 to \$210,000. The bonds were issued for Street Improvements within the district.	<u>2,880,000</u>
	<u>\$34,695,000</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Special Assessment Debt With Government Commitment – Special assessment bonds are payable from the collection of special assessments levied against benefited property owners within the special improvement district. State Law states, “To the extent that such special assessment collections are not sufficient to make the required debt service payments, the City is obligated to levy and collect a general property tax on all taxable property in the City to provide additional funding for the debt service payments.” However, since the City of Billings is governed by its Charter, the voters must approve all levy increases. The cash reserve balance in the special improvement districts funds must equal at least 10% of the principal amount of bonds outstanding. The bonds are issued with specified maturity dates, but must be called and repaid earlier, at par value plus accrued interest, if the related special assessments are collected.

The City's outstanding Special Assessment Debt from direct borrowing and direct placements related to governmental activities of \$19,920,875 is secured by the revolving fund. In the event there is no money or insufficient money in the appropriate district fund with which to pay the special improvement district or sidewalk bonds the City shall annually or more often if necessary issue an order authorizing a loan or advance from the Revolving Fund for an amount sufficient to make good on any deficiency.

The various bonds outstanding at June 30, 2024, are as follows:

Special improvement districts, issued in the total aggregate amount of \$12,645,316 and interest ranging from 2.80%-6.43%, payable from the special improvement districts fund in varying installments to 2036.	\$ 6,762,608
Sidewalk and curb districts, issued in the total aggregate amount of \$6,591,593 and interest ranging from 3.25%-5.97%, payable from the sidewalk and curb districts fund in varying installments to 2034.	4,053,267
Storm Sewer Revenue Bonds Series 2013, issued in the total aggregate amount of \$4,270,000 and interest ranging from 3.00%-5.00%, payable from the storm sewer fund in varying installments to 2033, callable on or after July 1, 2023.	2,550,000
Storm Sewer Revenue Bonds Series 2015, issued in the total aggregate amount of \$9,615,000 and interest ranging from 2.00%-5.00%, payable from the Storm Sewer fund in varying installments to 2035, callable on or after July 1, 2025.	<u>6,555,000</u>
	<u>\$ 19,920,875</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Business-Type Activities:

Notes Payable – The Montana Department of Natural Resources and Conservation (DNRC) authorized the issuance of notes payable for various construction and rehabilitation projects related to the water and wastewater systems as noted in the following table. All notes are due in semi-annual installments with terms of 20 years. The covenants of both the water and wastewater notes require that funds be set aside in reserve for the delinquency of the debt. The required reserve is the highest amount of principal and interest for any annual debt service over the 20-year note payable for Wastewater, and half of the highest annual debt service payment for Water. The amounts reserved as of June 30, 2024, are \$1,444,526 for Wastewater and \$1,386,571 for Water.

	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Wastewater:			
Headworks Building	\$ 4,515,000	2.25%	July 1, 2025
Briarwood Sewer	\$ 7,400,000	3.00%	July 1, 2028
Ultra-violet System	\$ 2,900,000	3.00%	July 1, 2030
Ultra-violet System	\$ 816,000	3.00%	July 1, 2030
Wastewater Replacement Lines	\$ 5,387,000	3.00%	July 1, 2029
Wastewater Replacement Lines	\$ 359,300	1.75%	July 1, 2029
5 Mile Lift Station	\$ 3,100,000	3.00%	July 1, 2033
Water:			
Filter Building	\$17,300,000	2.25%	July 1, 2025
Water Replacement Lines	\$ 2,750,000	3.00%	July 1, 2029
Water Replacement Lines	\$ 333,700	1.75%	July 1, 2029
Zone 4 Water Lines	\$ 7,412,000	3.00%	July 1, 2029
2010 Water Replacement Lines	\$ 2,800,000	3.00%	July 1, 2030
Zone 3 Water Lines	\$ 3,100,000	3.00%	July 1, 2032
Zone 3 Chapple Reservoir	\$ 6,100,000	3.00%	July 1, 2034
Briarwood Reservoir	\$ 3,700,000	2.50%	July 1, 2035

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

The amounts outstanding as of June 30, 2024, are as follows:

	<u>Due within one year</u>	<u>Due after one year</u>	<u>Total</u>
Wastewater	<u>\$ 1,254,000</u>	<u>\$ 5,381,000</u>	<u>\$6,635,000</u>
Water	<u>\$ 2,406,000</u>	<u>\$10,655,000</u>	<u>\$13,061,000</u>

Revenue Bonds Payable – At June 30, 2024, the outstanding revenue bonded indebtedness of the City was as follows:

2020A Airport Revenue Construction Bonds were authorized up to the total aggregate amount of \$30,000,000. The total amount borrowed was \$1,398,955 and interest ranging from 2.65% the first three years, 4.17% the next 11 years, 3.60% the remaining 10 years, due July 1, 2044, payable in semi-annual installments of principal plus interest. Interest only payments are for the first three years of issued debt.

The Series 2020A bonds shall be subject to redemption at any time, at the option of the city, in whole or in part, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest to, but excluding, the Redemption Date, without premium; provided, however, that if the Series 2020A bonds are redeemed with proceeds of refunding bonds or other debt obligations of the City during the periods below, the Series 2020A Bonds shall be subject to a prepayment penalty on the principal amount so redeemed equal to the following:

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

<u>Redemption Date</u>	<u>Prepayment Premium % of Outstanding Principal Amount to be Prepaid</u>
On or before January 20, 2024	0%
From January 21, 2024 to and including January 20, 2028	5%
From January 21, 2028 to and including January 20, 2031	4%
From January 21, 2031 to and including January 20, 2034	3%
On or after January 21, 2034	0%
Outstanding balance 2020A bond	\$1,398,955
Less current portion	(66,682)
Total	\$1,332,273

The 2020A bonds are secured by Airport Net Revenues, which are the Airport's "Gross Revenues" remaining after a provision for payment of maintenance and operating expenses. "Gross Revenues" do not include bond proceeds; Airport Improvement Plan (AIP) grants; Customer Facility Charges (CFCs) and Passenger Facility Charges (PFCs) and interest thereon; and proceeds from the sale of Airport assets.

2020B Airport Revenue Refunding Bonds issued in aggregate amount of \$3,000,000, and interest of 3.60% due July 1, 2030, payable in annual installments of \$260,000 to \$350,000.

The Series 2020B Bonds shall be subject to redemption at any time, at the option of the City, in whole or in part, at a Redemption Price equal to the principal amount thereof to be redeemed plus interest to, but excluding, the Redemption Date, without premium; provided, however, that if the Series 2020B Bonds are redeemed with proceeds of refunding bonds or other debt obligations of the City during the periods below, the Series 2020B Bonds shall be subject to a prepayment penalty on the principal amount so redeemed equal to the following:

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

<u>Redemption Date</u>	<u>Prepayment Premium % of Outstanding Principal Amount to be Prepaid</u>
From July 20, 2020 to and including July 20, 2022	3%
From July 21, 2022 to and including July 20, 2024	2%
From July 21, 2024 to and including July 20, 2025	1%
On or after July 21, 2025	0%
Outstanding balance 2020B bond	\$2,200,000
Less current portion	<u>(280,000)</u>
Total	<u>\$1,920,000</u>

The 2020A and 2020B bonds are special, limited obligations of the City, and the owners may not look to the general or any other fund of the City for payment of the principal, premium, or interest thereof.

The revenue bond ordinance restrictions are as follows:

Revenue bond ordinances include various restrictive covenants. The 2020A and 2020B bond covenants require that revenues and CFC collections equal at least 125% of the debt service requirement for each fiscal year. The more significant reserve covenants require reserves for debt service, facilities and equipment replacement. The City is in compliance with all covenants as of June 30, 2024.

	<u>Airport Fund</u>
2020A Debt Service	\$ 2,000,000
2020B Debt Service	200,000
Replacement and depreciation	225,000
Operations and Maintenance	0
	<u>\$ 2,425,000</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Series 2020B revenue bonds were issued to refund the car wash facility bonds (2010B) and Series 2020A revenue bonds were issued to remodel the terminal building. The Airport Fund accounts for all airport activities, which include CFC collections and expenses, PFC collections (\$1,625,377) and expenses, AIP grants, and all other Airport Operations. However, investors in the Series 2020B revenue bonds rely on the revenue generated by CFC collections (\$723,405) and investors in the 2020A revenue bonds rely on airport operating revenues net of AIP grants and CFC and PFC collections.

2017 Sewer System Revenue Bonds, issued in the aggregate amount of \$56,505,000 and interest ranging from 2.00% - 5.00%, due July 1, 2036, payable in annual installments of \$1,430,000 to \$5,125,000, callable on or after July 1, 2027.

Less current portion	\$ 44,095,000
	<u>(1,825,000)</u>
Total	<u>\$ 42,355,000</u>

The City will covenant to impose sewer charges on all customers of the system to provide revenues sufficient to pay the principal and interest on the bonds. A surety bond, together with the balance in the reserve account, will satisfy the reserve requirement.

2019 Solid Waste System Revenue Bonds, issued in the aggregate amount of \$21,990,000 and interest ranging from 3.00% to 5.00%, due July 1, 2039, payable in annual installments of \$1,536,425 to \$1,547,825 callable on or after July 1, 2028.

Less current portion	\$ 18,965,000
	<u>(855,000)</u>
Total	<u>\$ 18,110,000</u>

The City will covenant to impose rates, fees, charges, and rentals for all services and facilities furnished to provide revenues sufficient to pay the principal and interest on the bonds. An amount equal to the maximum principal and interest payment has been placed in a reserve account.

2023A Water System Revenue Bonds issued in the aggregate amount of \$70,000,000 and interest ranging from 3.875% to 5% due to July 1, 2043, paying in annual installments of \$2,011,344 to \$6,211,800 callable on or after July 1, 2033.

Less current portion	\$ 70,000,000
	<u>(580,000)</u>
Total	<u>\$ 69,420,000</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Defeased Debt – In prior years, the City defeased certain revenue and special assessment bonds by the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2024, there were no bonds.

Summary of Debt Maturities – Annual debt service principal and interest payments required on all outstanding debt at June 30, 2024, are as follows:

GOVERNMENTAL ACTIVITIES

Year ending June 30	General Obligation Bonds		Tax Increment		Special Assessment Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	1,540,000	301,835	1,195,000	1,585,953	746,443	377,874
2026	1,260,000	235,285	1,265,000	1,534,222	750,000	352,995
2027	1,320,000	177,885	1,305,000	1,478,522	825,000	327,121
2028	1,375,000	123,085	1,375,000	1,417,441	1,010,000	291,528
2029	680,000	77,185	1,950,000	1,338,330	820,000	253,600
2030-2034	2,970,000	81,693	10,905,000	5,244,254	4,695,000	722,857
2035-2039	-	-	13,140,000	2,373,522	1,295,000	44,128
2040-2044	-	-	1,855,000	578,525	-	-
2045-2049	-	-	1,705,000	134,538	-	-
	<u>\$ 9,145,000</u>	<u>\$ 996,968</u>	<u>\$ 34,695,000</u>	<u>\$ 15,685,307</u>	<u>\$ 10,141,443</u>	<u>\$ 2,370,103</u>

	Special Assessment		Bonds-Direct Placement		Intercap Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	601,755	433,189	445,535	559,513		
2026	855,849	406,331	643,636	663,111		
2027	902,387	367,265	676,643	626,382		
2028	904,460	350,986	711,418	587,773		
2029	869,042	287,778	746,757	548,714		
2030-2034	4,173,085	851,596	4,361,497	2,051,512		
2035-2039	1,472,854	136,952	4,380,090	806,093		
2040-2044	-	-	-	-		
	<u>\$ 9,779,432</u>	<u>\$ 2,834,097</u>	<u>\$ 11,965,576</u>	<u>\$ 5,843,098</u>		

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

BUSINESS TYPE ACTIVITIES

Year ending

June 30	Revenue Bonds-Airport		Lease Payable-Parking		Lease Payable-Park II	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	346,682	129,730	48,581	5,238	136,487	65,474
2026	356,682	118,806	50,845	2,975	142,560	59,400
2027	371,682	105,277	26,303	605	148,904	53,056
2028	381,682	91,298	-	-	155,530	46,430
2029	391,682	77,089	-	-	162,452	39,509
2030-2034	1,018,412	214,983	-	-	725,388	82,455
2035-2039	333,412	109,540	-	-	-	-
2040-2044	333,412	49,027	-	-	-	-
2045-2049	65,309	1,376	-	-	-	-
	<u>\$ 3,598,955</u>	<u>\$ 897,126</u>	<u>\$ 125,729</u>	<u>\$ 8,818</u>	<u>\$ 1,471,321</u>	<u>\$ 346,324</u>
	Notes Payable-Water		Notes Payable-Wastewater			
	Principal	Interest	Principal	Interest		
2025	2,406,000	351,885	1,254,000	185,143		
2026	1,904,000	288,605	1,144,000	149,463		
2027	1,387,000	242,749	1,030,000	117,692		
2028	1,428,000	201,960	1,062,000	86,607		
2029	1,471,000	159,975	864,000	55,567		
2030-2034	4,047,000	335,155	1,281,000	74,496		
2035-2039	418,000	7,090	-	-		
2040-2045	-	-	-	-		
	<u>\$ 13,061,000</u>	<u>\$ 1,587,419</u>	<u>\$ 6,635,000</u>	<u>\$ 668,968</u>		
	Revenue Bonds-Wastewater		Revenue Bonds-Solid Waste		Revenue Bonds-Water	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	1,825,000	2,012,225	855,000	689,150	580,000	3,147,187
2026	1,920,000	1,918,600	895,000	645,399	445,000	3,121,562
2027	2,165,000	1,816,475	940,000	599,524	1,595,000	3,070,562
2028	2,415,000	1,701,975	990,000	551,274	1,670,000	2,988,938
2029	2,535,000	1,578,225	1,040,000	500,526	1,755,000	2,903,312
2030-2034	18,545,000	5,436,875	5,870,000	1,855,626	13,680,000	12,759,938
2035-2039	14,690,000	900,800	6,865,000	981,333	22,080,000	8,320,619
2040-2045	-	-	1,510,000	26,425	28,195,000	2,907,900
	<u>\$ 44,095,000</u>	<u>\$15,365,175</u>	<u>\$ 18,965,000</u>	<u>\$ 5,849,257</u>	<u>\$ 70,000,000</u>	<u>\$39,220,018</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Changes in Long-Term Obligations – During the year ended June 30, 2024, the following changes occurred in liabilities reported in the long-term obligations:

	Balance June 30, 2023	Issued/ Accrued	Refunded/ Redeemed/ Matured	Balance June 30, 2024	Due within one year
Governmental Activities:					
General obligation bonds:					
Series 2004A Streets	\$ 675,000	\$ -	\$ 330,000	\$ 345,000	\$ 345,000
Add: premium received	38,229	-	19,112	19,117	
Series 2015 Refunding	3,375,000	-	620,000	2,755,000	640,000
Add: premium received	193,779	-	48,444	145,335	
Series 2021 Refunding Library	6,575,000	-	530,000	6,045,000	555,000
Add: premium received	834,691	-	92,743	741,948	
Tax Increment 2013	10,375,000	-	415,000	9,960,000	80,000
Add: premium received	20,882	-	3,481	17,401	
Less: bond discount	(967)	-	(162)	(805)	
Series 2024 Tax Increment Refunding (2013A)	6,930,000	-	-	6,930,000	
Add: premium received	644,705	-	-	644,705	
Tax Increment 2015	4,090,000	-	175,000	3,915,000	180,000
Less: bond discount	(16,622)	-	(1,039)	(15,583)	
Tax Increment 2015-EBURD	2,485,000	-	105,000	2,380,000	110,000
Less: bond discount	(22,355)	-	(1,397)	(20,958)	
Tax Increment 2016	3,995,000	-	165,000	3,830,000	170,000
Less: bond discount	(24)	-	(2)	(22)	
Tax Increment 2018-East	2,965,000	-	140,000	2,825,000	145,000
Add: premium received	76,295	-	4,768	71,527	
Tax Increment 2020-27th	2,040,000	-	65,000	1,975,000	65,000
Add: premium received	83,881	-	3,994	79,887	
Tax Increment 2022-South	3,000,000	-	120,000	2,880,000	65,000
Less: bond discounts	(14,309)	-	(596)	(13,713)	
Special assessment debt with governmental commitment	11,188,452	-	1,047,009	10,141,443	746,443
Less: bond discounts	(6,290)	-	(2,663)	(3,627)	
Add: premium received	408,758	-	34,992	373,766	
Direct Placement	9,180,706	1,300,000	701,274	9,779,432	601,755
Intercap notes payable	2,369,900	9,767,559	171,883	11,965,576	445,535
Lease payable	210,000	-	210,000	-	
Add: premium received	20,778	-	20,778	-	
Compensated absences	10,206,347	9,612,906	9,152,287	10,666,966	8,439,093
Total governmental activities	<u>\$ 74,347,131</u>	<u>\$ 28,255,170</u>	<u>\$ 14,169,906</u>	<u>\$ 88,432,395</u>	<u>\$ 12,587,826</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

	Balance June 30, 2023	Issued/ Accrued	Refunded/ Redeemed/ Matured	Balance June 30, 2024	Due within one year
Business Activities:					
Notes Payable					
Water from DNRC	\$ 2,725,000	\$ -	\$ 1,072,000	\$ 1,653,000	\$ 1,096,000
Water from DNRC-ARRA Part B	122,000	-	18,000	104,000	18,000
Water from DNRC- Rehab	1,088,000	-	154,000	934,000	159,000
Water from DNRC-Zone 4	2,644,000	-	374,000	2,270,000	385,000
Water from DNRC-Waterlines	994,000	-	121,000	873,000	124,000
Wastewater from DNRC-Briarwood	2,198,000	-	373,000	1,825,000	385,000
Wastewater from DNRC	711,000	-	280,000	431,000	286,000
Wastewater from DNRC	131,000	-	19,000	112,000	20,000
Wastewater from DNRC	1,628,000	-	230,000	1,398,000	238,000
Wastewater from DNRC-UV	1,059,000	-	129,000	930,000	130,000
Wastewater from DNRC-UV	366,000	-	44,000	322,000	46,000
Wastewater from DNRC-5 Mile	1,762,000	-	145,000	1,617,000	149,000
Water from DNRC-Zone 3	1,601,000	-	148,000	1,453,000	153,000
Water from DNRC-Zone 3 Chapple	3,942,000	-	292,000	3,650,000	300,000
Water from DNRC-Briarwood	2,291,000	-	167,000	2,124,000	171,000
Sewer System Revenue	45,835,000	-	1,740,000	44,095,000	1,825,000
Add: premium received	4,997,836	-	356,988	4,640,848	
Solid Waste Revenue	19,780,000	-	815,000	18,965,000	855,000
Add: premium received	1,078,503	-	67,406	1,011,097	
West End Reservoir	-	70,000,000	-	70,000,000	580,000
Add: premium received	-	5,386,331		5,386,331	
Lease payable - Park II	1,601,993	-	130,672	1,471,321	136,487
Lease payable - Parking	172,148	-	46,419	125,729	48,581
Airport Series 2020A	898,955	500,000	-	1,398,955	66,682
Airport Series 2020B	2,475,000	-	275,000	2,200,000	280,000
Compensated absences	3,537,247	3,077,599	3,060,551	3,554,295	2,670,553
Total business type activities	<u>\$ 103,638,682</u>	<u>\$ 78,963,930</u>	<u>\$ 10,058,036</u>	<u>\$ 172,544,576</u>	<u>\$ 10,122,303</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Governmental activities include internal service fund liabilities for lease payable, compensated absences, and intercap notes payable. Internal service fund compensated absences totaled \$1,520,945 and \$1,470,592 at June 30, 2023 and 2024, respectively and are generally liquidated by the related internal service fund. Compensated absences for the remaining governmental activities are generally liquidated by the general fund and other governmental funds.

Arbitrage – The Tax Reform Act of 1986 (ACT) substantially revised the treatment to be afforded to earnings on the proceeds of tax-exempt debt and now requires the City to calculate and remit rebateable arbitrage earnings to the Internal Revenue Service. Certain City debt and interest earned on the proceeds thereof are subject to the requirements of the Act. At June 30, 2024, the City had no arbitrage rebate liability for its governmental and business-type activities.

H. Post-Employment Healthcare Benefits

From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 75, the City recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the City's future cash flows. Recognition of the full liability occurred in fiscal year 2017, the year that GASB 75 was implemented. A separate postemployment benefit plan report is not prepared for the health insurance plan. There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

Plan Measurement Date. June 30, 2024

Plan Description. The City provides continuous medical insurance coverage for eligible participants enrolled in the City sponsored plan, a single-employer plan, called the City of Billings Employee Benefit Plan (the Plan). Total plan contributions paid by the City in 2024 were 17.0% of total payroll and benefits. The retiree benefits are provided in the form of an implicit rate subsidy where pre 65 retirees and a closed group of post 65 retirees receive health insurance coverage by paying a combined retiree/active rate. Dental and life insurance benefits are also provided on a fully contributory basis. The Plan does not prepare separate financial statements, but is included in the City's ACFR and reported as an internal service fund as City Health Insurance Fund. A Plan Document describing the Plan in its entirety, including contribution rates, eligibility, etc., can be obtained from the Human Resources Department of the City of Billings.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Retirement eligibility is determined based upon the employee's retirement system and is as follows:

Police and Fire employees:

Must complete a minimum of 20 years of membership service OR complete a minimum of 5 years of membership service at a minimum age of 50 plus the employee must be actively employed and covered by the City's medical plan prior to retirement.

All Other Employees:

Must complete a minimum of 25 years of membership service at any age OR complete a minimum of 5 years of membership service at a minimum age of 50 (55 if hired on or after July 1, 2011) plus the employee must be actively employed and covered by the City's medical plan prior to retirement.

Eligible retirees receive pre 65 health care coverage through one of two self-insured medical plans: Plan C and Plan D. A closed group of retirees age 65 and older is enrolled in one of the plans.

The number of participants as of July 1, 2023, the effective date of the biennial OPEB valuation, follows. There have been no significant changes in the number covered or the type of coverage since that date.

Active employees	913
Retired employees	<u>76</u>
Total	<u>989</u>

Funding Policy. The City currently pays for post-employment healthcare benefits on a pay-as-you-go basis. Although the City has studied the establishment of trusts that would be used to accumulate and invest assets necessary to pay for any accumulated liability on an actuarial basis, these financial statements assume that pay-as-you-go funding will continue. The amount of covered payroll related to the plan for the year ending June 30, 2024, is \$65,666,000. The ratio of the FY 2024 net OPEB liability to annual covered payroll is 0.17.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Annual OPEB Cost and Net OPEB Liability. The City's other post-employment benefit (OPEB) cost (expense) is calculated based on the Entry Age Normal cost method based on a level percentage of projected salary, in accordance with the parameters of GASB Statement 75. The following table shows sources of changes in the net OPEB liability for the City:

Changes in Net OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Total OPEB Liability – Start of Year	\$11,230,969	\$ -	\$11,230,969
Changes for the year			
Service cost	695,788	-	695,788
Interest cost	425,184	-	425,184
Changes of benefit term	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	(344,023)	-	(344,023)
(Other changes, separately identified if significant)	-	-	-
Contributions – employer	-	-	-
Net Investment Income	-	-	-
Benefit payments	(555,736)	-	(555,736)
Admin Expense	-	-	-
Net change in total OPEB liability	<u>\$221,213</u>	<u>_____</u>	<u>\$221,213</u>
Total OPEB Liability – End of Year	<u>\$11,452,182</u>	<u>_____</u>	<u>\$11,452,182</u>

The annual OPEB expense recognized in fiscal year 2024 is as follows:

Service Cost	\$ 695,788
Interest Cost	425,184
Changes of benefit terms	-
Current recognized deferred outflows/(inflows)	
Difference between expected and actual experience	(217,342)
Changes in assumptions or other inputs	43,797
(Other changes, separately identified, if significant)	-
Total Expense	<u>\$947,427</u>

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Recognition of the deferred outflows and inflows occur in future periods and, therefore, are reported on the Statement of Net Position as required by GASB Statement 75. The detailed schedule of deferred outflows and inflows related to the OPEB liability is as follows:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Differences between actual and expected experience	\$ 518,748	\$ (461,015)
Changes of assumptions	<u>1,032,322</u>	<u>(1,415,708)</u>
Total	<u>\$ 1,551,070</u>	<u>\$(1,876,723)</u>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources:

For Fiscal Year End:	2025	\$(283,096)
	2026	(175,621)
	2027	92,483
	2028	45,318
	2029	(42,265)
	Thereafter	\$ 37,528

Actuarial Methods and Assumptions. Projections of benefits for financial reporting are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of employer contributions to the health insurance plan, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits. The City has elected not to fund this liability.

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

In the June 30, 2024, actuarial valuation, the liabilities were computed using the entry age normal based on level percentage of projected salary. The actuarial assumptions utilized a 3.93% discount rate. Because the plan is unfunded, the discount rate is based on the index rate for 20-year, tax-exempt, general obligation bonds with an average rating of AA or higher. The valuation assumes a 6.5% healthcare cost trend increase for fiscal year 2023-2024, reduced each year until an ultimate health care cost trend rate of 4.0% is reached.

The contribution to the Plan by the City is determined annually by the City's Health Insurance Committee, with the aid of a consultant, and subsequently approved and adopted through the City's budget process.

The Health Insurance Committee may modify the Plan.

Sensitivity Analysis. Sensitivity measurements of the net OPEB liability based on health care cost trends and discount rates:

Healthcare cost trend sensitivity analysis

	Net OPEB Liability	% Difference
1% Decrease	\$10,060,000	-12%
Current Trend	\$11,452,000	N/A
1% Increase	\$13,116,000	15%

Discount Rate trend sensitivity analysis

	Net OPEB Liability	% Difference
1% Increase 4.93%	\$10,323,000	-10%
Current Trend 3.93%	\$11,452,000	N/A
1% Decrease 2.93%	\$12,752,000	11%

IV. Other Notes

A. Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; medical insurance costs of employees; pollution liability; and natural disasters.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

For general liability and injuries to employees, the City has elected to participate in the Montana Municipal Interlocal Authority – Liability Coverage (MMIA – Liability Program) and the Montana Municipal Interlocal Authority – Workers’ Compensation (MMIA – Workers’ Compensation) programs. These entities are public entity risk pools currently operating as common risk management and coverage programs, pursuant to their formation by Interlocal Agreements under the Interlocal Cooperation Act. The City pays annual assessments to the MMIA – Liability Program and the MMIA – Workers’ Compensation for its general liability and workers’ compensation coverage. There have been no significant changes to levels of coverage from the previous year.

The MMIA – Liability coverage has specific exclusions for airfield operations; subsequently the City’s airport fund annually purchases a separate general liability insurance policy to provide liability coverage for the airport’s operations. This policy is provided through a private insurance company. It provides coverage up to \$100 million per occurrence.

For damage to and destruction of buildings and facilities, the City has elected to insure its buildings and facilities with insurance purchased from a private carrier. Such insurance has a deductible of \$250,000 per occurrence. The rateable exposure limit is \$746,813,038 (inclusive of Business Income Coverage) with a blanket policy limit of \$500 million, underwritten by Affiliated FM Insurance Company. There have been no significant changes to levels of insurance from the previous year, and settlement payments have not exceeded insurance coverage during the current year or the two previous fiscal years.

In addition, the City also elected to purchase, at various limits, Crime Coverage. The Crime Coverage protects against loss in the event of employee theft, computer fraud, computer program data restoration, funds transfer fraud, claim expense, and faithful performance of duty.

The City has established a medical self-insurance fund to pay medical claims of the City’s employees and their covered dependents. Revenues to the plan from the various funds and employee contributions are recorded as a charge for service in the City health insurance fund, an internal service fund. Medical claims over \$250,000 per individual per calendar year are covered through a private insurance carrier. The fund records health care costs as expenses when claims are incurred; including incurred but not reported (IBNR) claims. The fund establishes claims liabilities, including IBNR, based on the estimated ultimate cost of settling the claims (including the effects of inflation and other societal and economic factors), using past experience adjusted for current trends, and any other factors that modify past experience. Claims liabilities include only specific, incremental claim adjustment expenses. Estimated recoveries on claims are evaluated in terms of their estimated, realizable value and deducted from the liability for unpaid claims.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

Following is a summary of the changes in the balances of health insurance claim liabilities, which are included in accrued liabilities in the Combined Balance Sheet, during fiscal years 2022, 2023 and 2024:

	<u>Beginning-of-fiscal-year liability</u>	<u>Incurred claims and claim administrative expenses</u>	<u>Payments of claims and claim administrative expenses</u>	<u>End-of-fiscal-year liability</u>
2021-2022	1,200,338	13,075,668	13,147,006	1,129,000
2022-2023	1,129,000	12,021,693	12,042,693	1,108,000
2023-2024	1,108,000	14,268,600	13,974,600	1,402,000

Retired employees may continue their health care coverage through the City's group health plan until the month end of their 65th birthday. In compliance with COBRA, the City also allows terminated employees to continue their health care coverage for 18 months past the date of termination.

Approximately 15 retired and terminated employees participated in the City's health plan during the last year. Claims paid in excess of premiums received for these participants totaled approximately \$ 423,276 for the fiscal year ended June 30, 2024. There have been no material changes in health insurance coverage from the previous year. The City has a two-tiered health insurance plan. The amount of employee contributions is based on the level of coverage chosen from the two tiers. Beginning January 1, 2012, the City implemented a two-tiered health insurance plan and will have only one area hospital in-network. These changes were completed using the RFP process and were approved and implemented by the Health Insurance Committee in order to reduce health care costs and avoid increases in premiums for both the City and employees.

All risk management activities are accounted for in the internal service funds. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. Coverage limits and the deductibles on the commercial policies have not changed materially from the previous year.

CITY OF BILLINGS, MONTANA

Notes to the Financial Statements

B. Pollution Remediation

Effective July 1, 2008, the City implemented the provisions of GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations. The City has determined that the implementation of GASB 49 had no material effect on prior year financial statements.

C. Subsequent Events

Management has evaluated subsequent events through February 19, 2025, the date on which the financial statements were available to be issued. The City of Billings has pursued financing and a historical tax credit for the Construction of the new City Hall. To realize the historical tax credit, the City of Billings has entered into an agreement with First Interstate Bank which closed on November 20th, 2024. The agreement forms two partnerships and will include \$14 million in lease financing to finish the construction of the project, split realization of any historical tax credit, and realize additional investment returns for First Interstate Bank. As part of this lease financing, the entire Intercap note payable shown in FY2024 was refinanced and included as part of the new lease financing total in FY2025.

In April, Council approved a resolution authorizing a private negotiated sale for the refunding of 2013A tax increment bonds. It has been determined by refunding the 2013A bonds, the City will save \$559,033. The closing took place on June 13th and the bond proceeds were distributed to the escrow account to refund the 2013A bonds on September 10, 2024. Refunding the 2013A bond changes the current portion of the debt for all tax increment bonds to \$815,000, reducing the current portion of the debt from \$1,195,000 in the original debt schedule.

D. Claims and Judgments

The City is involved with numerous other lawsuits from other claimants. Based on past claims history and management's best estimates, the City expects to pay approximately \$650,000 for insurance deductibles and amounts not covered by insurance.

Changes in Claims and Judgments:

Fiscal Year	Beginning of Fiscal Year	Changes in the Estimate for Claims of Prior Periods	Claims Incurred During Year	Payments of Claims	End of Fiscal Year	Amount Due Within One Year
2021	\$ 1,300,000	\$ -	\$ -	\$ -	\$ 1,300,000	\$ 1,300,000
2022	\$ 1,300,000	\$ (2,450,000)	\$ -	\$ -	\$ 3,750,000	\$ 3,750,000
2023	\$ 3,750,000	\$ -	\$ -	\$ -	\$ 3,750,000	\$ 3,750,000
2024	\$ 3,750,000	\$ -	\$ -	\$ 3,100,000	\$ 650,000	\$ 650,000

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

E. Contingent Liabilities

1. Landfill Closure and Post-closure

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for many years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as an operating expense in each period based on the estimate of landfill capacity used as of each balance sheet date. The \$8,202,234 reported as landfill closure and post-closure care liability at June 30, 2024, represents the cumulative amount reported to date based on the use of approximately 61% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care of \$5.2 million as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2024. Revised closure costs were completed during fiscal year 2021. During fiscal year 2022, additional post-closure costs were increased by \$4,732,800 for the gas flair project. The City expects to close the landfill in 44 years, in the year 2067. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City has established an irrevocable solid waste management financial assurance trust. The City is required to make payments into the trust over the life of the landfill to provide funds for closure and post-closure care. In fiscal year 2024, \$218,416 was funded into the trust. The trust market value increased \$177,472 during the year. The cumulative amount of payments of \$4,298,183 is reported as restricted investments at June 30, 2024.

	Balance June 30, 2023	Accrual Amount	Balance June 30, 2024
Net change in Landfill Liability	\$ 7,758,208	\$ 444,026	\$ 8,202,234

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

2. Lawsuits

The City is involved with lawsuits, from other claimants, which arise out of the normal course of operations by the City. Management has accrued for any material deductibles and amounts not covered by the City insurance carriers. The City has reduced the estimated lawsuits from these actions to \$650,000.

The City of Billings is being sued by a group of citizens. Plaintiffs filed a class action complaint on May 16, 2018 asserting that the franchise fees assessed by the City were illegal sales taxes. The City has filed an answer denying the substance of the Plaintiffs' claims. The District Court stayed further litigation in this case pending resolution of the City's appeal of the Class Certification Order. Although the City is vigorously defending this claim, the City received a final judgment for \$3,100,000.

3. Grants

The City has federal and state grants for specific purposes that are subject to annual audits and other periodic reviews by grantor agencies. Such reviews could result in requests for reimbursement by grantor agencies for costs, which may be disallowed as appropriate expenses under the grant terms. Management of the City believes disallowances, if any, will not be material.

F. **Conduit Debt**

The City has authorized the issuance of certain bonds in its name to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying government-wide financial statements. The only requirement for this type of issue is to request the amount needed for City approval; and when completely paid or called, they must notify the City in this event.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

To further promote the general welfare of the City and its residents, the City of Billings has issued two bonds that will improve a higher education facility. The 2004 note is secured by certain land, land improvements, buildings and accounts receivable and the note 2011 is secured by equipment. The notes are not a general obligation or indebtedness of the City. As of June 30, 2024, the bonds have an aggregate outstanding principal amount payable of \$5,576,699.

G. Pension Plans

The City of Billings contributes to four separate pension plans which cover substantially all full-time employees. They are the Public Employees' Retirement System-defined benefit retirement plan (PERS-DBRP), Public Employees' Retirement System-defined contribution plan (PERS-DCRP), Firefighters' Unified Retirement System (FURS), and the Municipal Police Officers' Retirement System (MPORS). The PERS-DCRP is a defined contribution plan, and the other plans are defined benefit pension systems. All plans are administered by the Public Employment Retirement Board (PERB). The City's financial statements include on-behalf contributions made by the State of Montana as described in the following plan descriptions. The City's aggregate net pension expense for all plans in FY 2024 was \$15,996,805.

**CITY OF BILLINGS
PERS-DEFINED BENEFIT
GASB 68 NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED
JUNE 30, 2023 (MEASUREMENT DATE)
JUNE 30, 2024 (REPORTING DATE)**

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with 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 Statement 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, 2023, measurement date for the 2024 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, 2024.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Summary of Significant Accounting Policies -

MPERA prepared 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 Position. 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 in 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 adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

General Information about the Pension Plan –

Plan Description: 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, Montana Code Annotated (MCA). This plan provides retirement benefits to covered 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 only be amended by the Legislature.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they 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).

Benefits Provided: 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.

Service retirement:

- Hired prior to July 1, 2011:
 - Age 60, 5 years of membership service
 - Age 65, regardless of membership service
 - Any age, 30 years of membership service
- Hired on or after July 1, 2011:
 - Age 65, 5 years of membership service

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

- Age 70, regardless of membership service

Early retirement:

- Hired prior to July 1, 2011:
 - Age 50, 5 years of membership service
 - Any age, 25 years of membership service
- Hired on or after July 1, 2011:
 - Age 55, 5 years of membership service

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

- Retired before January 1, 2016 and accumulate less than 2 years additional service credit or retired on or after January 1, 2016 and accumulate less than 5 years additional service credit:
 - A refund of member's contributions plus return interest (currently 2.02% effective July 1, 2018).
 - No service credit for second employment.
 - Start the same benefit amount the month following termination; and
 - Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.
- Retired before January 1, 2016 and accumulate at least 2 years of additional service credit:
 - A recalculated retirement benefit based on provisions in effect after the initial retirement; and
 - GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.
- Retired on or after January 1, 2016 and accumulate 5 or more years of service credit:
 - The same retirement as prior to the return to service.
 - A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
 - 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 highest average compensation during any consecutive 36 months.
- Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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
 - Less than 25 years of membership service: 1.785% of HAC per year of service credit;
 - 25 years of membership service or more: 2% of HAC per year of service credit.
- Members hired on or after July 1, 2011
 - Less than 10 years of membership service: 1.5% of HAC per year of service credit;
 - 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
 - 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 all other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between 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% reduced by 0.1% for each 2.0% PERS is funded below 90%; and
 - c) 0% whenever the amortization period for PERS is 40 years or more.

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

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

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

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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
2024	7.9000%	7.900%	9.170%	9.070%	0.100%	8.800%	0.370%
2023	7.9000%	7.900%	9.070%	8.970%	0.100%	8.700%	0.370%
2022	7.9000%	7.900%	8.970%	8.870%	0.100%	8.600%	0.370%
2021	7.9000%	7.900%	8.870%	8.770%	0.100%	8.500%	0.370%
2020	7.9000%	7.900%	8.770%	8.670%	0.100%	8.400%	0.370%
2019	7.9000%	7.900%	8.670%	8.570%	0.100%	8.300%	0.370%
2018	7.9000%	7.900%	8.570%	8.470%	0.100%	8.200%	0.370%
2017	7.9000%	7.900%	8.470%	8.370%	0.100%	8.100%	0.370%
2016	7.9000%	7.900%	8.370%	8.270%	0.100%	8.000%	0.370%
2015	7.9000%	7.900%	8.270%	8.170%	0.100%	7.900%	0.370%
2014	7.9000%	7.900%	8.170%	8.070%	0.100%	7.800%	0.370%
2012 - 2013	6.9000%	7.900%	7.170%	7.070%	0.100%	6.800%	0.370%
2010 - 2011	6.9000%		7.170%	7.070%	0.100%	6.800%	0.370%
2008 - 2009	6.9000%		7.035%	6.935%	0.100%	6.800%	0.235%
2000 - 2007	6.9000%		6.900%	6.800%	0.100%	6.800%	0.100%

1. Member contributions to the system of 7.9% 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 contributions to the system:
 - a. Effective July 1, 2014, following the 2013 Legislative session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contributions rates.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

- 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 was 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
 - i. The State contributed 0.1% of members' compensation on behalf of local government entities.
 - ii. The State contributed 0.37% of members' compensation on behalf of school district entities.
 - iii. The State contributed a Statutory Appropriation from the General Fund of \$34,979,900.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2023, and 2022, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

The employer recorded a liability of \$55,639,831 and the employer's proportionate share was 2.279990 percent.

As of measurement date	Net Pension Liability as of 6/30/2023	Net Pension Liability as of 6/30/2022	Percent of Collective NPL as of 6/30/2023	Percent of Collective NPL as of 6/30/2022	Change in Percent of Collective NPL
City of Billings' Proportionate Share	\$55,639,831	\$51,431,998	2.279990%	2.162930%	0.117060%
State of Montana Proportionate Share associated with the Employer	15,397,887	15,384,782	0.630969%	0.646994%	(0.016025)%
Total	\$71,037,718	\$66,816,780	2.910959%	2.809924%	0.101035%

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. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collective net pension. If there were changes that are expected to have an impact on the net pension liability, the employer should disclose the amount of the expected resultant change in the employer's proportionate share of the collective net pension liability, if known.

Pension Expense -At June 30, 2023, the employer recognized a Pension Expense of \$6,407,285 for its proportionate share of the Plan's pension expense. The employer also recognized grant revenue of \$1,444,549 for the support provided by the State of Montana for its proportionate share of the pension expense associated with the employer. (*Two years of pension expense are documented in the below table but are not necessary for the employer's disclosures.*)

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

As of measurement date	Pension Expense as of 6/30/2023	Pension Expense as of 6/30/2022
City of Billings' Proportionate Share of PERS	\$ 6,407,285	\$ 5,676,035
State of Montana Proportionate Share associated with the Employer	1,444,549	1,594,643
Total	\$ 7,851,834	\$ 7,270,678

Recognition of Deferred Inflows and Outflows - At June 30, 2023, the employer recognized its proportionate share of Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$ 2,216,040	\$ -
Projected Investment Earnings vs. Actual Investment Earnings	141,170	-
Changes in Assumptions	-	1,984,539
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	2,869,718	-
Employer Contributions subsequent to the measurement date	4,004,582	-
Total	\$ 9,231,510	\$ 1,984,539

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:	Amount of deferred outflows and deferred inflows recognized in future years as an increase or (decrease) to Pension Expense
2024	\$ 433,250
2025	\$ (143,220)
2026	\$ 3,290,067
2027	\$ (337,707)
Thereafter	\$ -

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Actuarial Assumptions - The total pension liability as of June 30, 2023, was determined on the results of an actuarial valuation date of June 30, 2023, 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* *includes Inflation at	3.50% 2.75%
Merit Increases	0% to 4.80%
Post Retirement Increases	
1. Guaranteed Annual Benefit Adjustment (GABA) each January <ul style="list-style-type: none"> • 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 all other adjustments to the member's benefit. • Members hired prior to July 1, 2007 • Members hired between July 1, 2007 & June 30, 2013 • Members hired on or after July 1, 2013 <ul style="list-style-type: none"> • For each year PERS is funded at or above 90% <ul style="list-style-type: none"> • The 1.5% is reduced by 0.1% for each 2.0% PERS is funded below 90% • 0% whenever the amortization period for PERS is 40 years or more 	3.00% 1.50% 1.50% 0.00%

Mortality:

Active Participants

PUB-2010 General Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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 males and females. Projected generationally using MP-2021.
Healthy 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.

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. 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 would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 0.10% of the salaries paid by 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 2127. 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, 2023, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown in the experience study. 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.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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	3.0%	(0.33)%
Domestic Equity	30.0%	5.90%
International Equity	17.0%	7.14%
Private Investments	15.0%	9.13%
Real Assets	5.0%	4.03%
Real Estate	9.0%	5.41%
Core Fixed Income	15.0%	1.14%
Non-Core Fixed Income	6.0%	3.02%
Total	100.0%	

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 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 Billings's Net Pension Liability	\$80,371,531	\$55,639,831	\$34,892,144

PERS Disclosure for the defined contribution plan

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

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

All new PERS 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.

Member 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 348 employers that have participants in the PERS-DCRP totaled \$1,409,309.

Pension plan fiduciary net position: The stand-alone financial statements (76d) 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. These 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 are available on the MPERA website at <https://mpera.mt.gov/about/annualreports1/annualreports>.

CITY OF BILLINGS FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM GASB 68 NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2023 (MEASUREMENT DATE) JUNE 30, 2024 (REPORTING DATE)

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the Firefighters' Unified Retirement System (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 Statement 68, paragraph 74, where pension amounts must be combined as a total or aggregate for reporting, whether provided

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

through cost-sharing, single-employer, or agent pension plans. This report provides information for employers who are using a June 30, 2023 measurement date for the 2024 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, 2024.

Summary of Significant Accounting Policies -

MPERA prepared 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 Position. 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 in 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 adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

General Information about the Pension Plan-

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, Montana Code Annotated (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.

Benefits provided – 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). Member rights are vested after five years of service.

Service retirement and monthly benefit formula:

- Hired on or after July 1, 1981, or has elected to be covered by GABA:
 - 20 years of membership service, regardless of age
 - 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 greater of above, or:
 - If membership service is less than 20 years:
 - 2% of the highest monthly compensation (HMC) for each year of service credit, or

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

- If membership service is greater or equal to 20 years:
 - 50% of HMC plus 2% of HMC for each year of service credit in excess of 20
- Early retirement: Age 50 with 5 years of membership service – Normal retirement benefit calculated using HAC and service credit.

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 re-employment;
 - is refunded the accumulated contributions associated with the period of re-employment;
 - 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 re-employment but receives a Guaranteed Annual Benefit Adjustment (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 re-employment;
 - starting the first month following termination of service, receives:
 - * the same retirement benefit previously paid to the member; and
 - * a second retirement benefit for the period of re-employment 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 re-employment 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 on or after June 30, 1981 and those electing GABA: highest average compensation (HAC) during any consecutive 36 months (or shorter period of total service).

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

- 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 part of a member's highest average compensation (HAC).

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.

Contributions – The State Legislature has the authority to establish and amend contribution rates to the plan. Member and employer contributions rates are specified by the Montana Statute and are a percentage of the members' 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 the total compensation directly to the Plan annually after the end of each fiscal year. Member, Employer and State contribution rates are shown in the table below:

Fiscal Year	Member			
	Non-GABA	GABA	Employer	State
1998 - 2024	9.500%	10.700%	14.360%	32.610%
1997	7.800%		14.360%	32.610%

Pension Liability, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

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

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2023, and 2022, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. Due to the existence of the special funding situation, the state is required to report a proportionate share of a local government's collective NPL that is associated with the non-state employer. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid.

The employer recorded a liability of \$9,169,467 and the employer's proportionate share was 6.0733 percent.

As of measurement date	Net Pension Liability as of 6/30/2023	Net Pension Liability as of 6/30/2022	Percent of Collective NPL as of 6/30/2023	Percent of Collective NPL as of 6/30/2022	Change in Percent of Collective NPL
City of Billings' Proportionate Share	\$ 9,169,467	\$ 9,378,898	6.0733%	5.9042%	0.1691%
State of Montana Proportionate Share associated with the Employer	20,811,396	21,219,343	13.7842%	13.3580%	0.4262%
Total	\$ 29,980,863	\$ 30,598,241	19.8575%	19.2622%	0.5953%

Changes in actuarial assumptions and methods: There have been no changes to the actuarial 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. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collective net pension. If there were changes that are expected to have an impact on the net pension liability, the employer should disclose the amount of the expected resultant change in the employer's proportionate share of the collective net pension liability, if known.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Pension Expense—At June 30, 2023 measurement date, the employer recognized its proportionate share of the Plan's pension expense of \$2,240,057. The employer also recognized grant revenue of \$5,196,701 for the support provided by the State of Montana for its proportionate share of the pension expense that is associated with the employer (*Two years of pension expense are documented in the table below but are not necessary for the employer's disclosures.*)

As of measurement date	Pension Expense as of 6/30/2023	Pension Expense as of 6/30/2022
City of Billings' Proportionate Share	\$ 2,240,057	\$ 1,831,095
State of Montana Proportionate Share associated with the Employer	5,196,701	4,341,929
Total	\$ 7,436,759	\$ 6,173,024

Recognition of deferred inflows and outflows

At June 30, 2023, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

As of measurement date	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$ 848,422	\$ 9,426
Projected Investment Earnings vs. Actual Investment Earnings	240,952	-
Changes in Assumptions	1,960,874	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	16,367
Employer Contributions Subsequent to the Measurement Date	2,039,290	-
Total	\$ 5,089,538	\$ 25,793

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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 <u>June 30:</u>	Amount of deferred outflows and deferred inflows recognized in future years as an <u>increase or (decrease) to Pension Expense</u>	
2024	\$ 611,053	
2025	\$ 385,388	
2026	\$ 1,532,284	
2027	\$ 407,545	
Thereafter	\$ 88,186	

Actuarial Assumptions – The total pension liability as of June 30, 2023, was determined by an actuarial valuation date of June 30, 2023, 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* *includes Inflation at	3.50% 2.75%
Merit Increases	1.00% to 6.40%
Post Retirement Increases <ol style="list-style-type: none"> 1. Guaranteed Annual Benefit Adjustment (GABA) each January <ul style="list-style-type: none"> • Members hired on or after July 1, 1997 or those electing GABA • Requires 12 full months of retirement before GABA will be made 2. Minimum Benefit Adjustment (non-GABA) <ul style="list-style-type: none"> • Members with 10 or more years of membership service and member did not elect GABA 	3.00% <p>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</p>

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Mortality:

Active Participants	PUB-2010 Safety Amount Weighted Employee Mortality Table projected to 2021 for males and females. Projected generationally using MP-2021.
Healthy Retirees	PUB-2010 Safety Amount Weighted Healthy 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.
Contingent Survivors	PUB-2010 Safety Amount Weighted Contingent Survivor Mortality Table projected to 2021, set forward one year for males. Projected generationally using MP-2021.
Disabled Retirees	PUB-2010 Safety Amount Weighted Disabled Retiree Mortality Table projected to 2021, set forward one year for males.

The actuarial assumptions and methods utilized in the June 30, 2023 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 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 would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 32.61% of the salaries paid by employers. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2133. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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, 2023, is based on analysis in the experience study report dated May 2, 2022, without consideration for the administrative expense analysis shown in the experience study. 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 rate 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	3.0%	(0.33)%
Domestic Equity	30.0%	5.90%
International Equity	17.0%	7.14%
Private Investments	15.0%	9.13%
Real Assets	5.0%	4.03%
Real Estate	9.0%	5.41%
Core Fixed Income	15.0%	1.14%
Non-Core Fixed Income	6.0%	3.02%
Total	100.0%	

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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 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 BILLINGS Net Pension Liability	\$16,723,030	\$9,169,467	\$3,140,730

Pension plan fiduciary net position: The stand-alone financial statements (76d) 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 are available on the MPERA website at <https://mpera.mt.gov/about/annualreports1/annualreports>.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

CITY OF BILLINGS
MUNICIPAL POLICE OFFICERS' RETIREMENT SYSTEM
GASB 68 NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED
JUNE 30, 2023 (*MEASUREMENT DATE*)
JUNE 30, 2024 (*REPORTING DATE*)

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the Municipal Police Officers' Retirement System (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 Statement 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, 2023 measurement date for the 2024 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, 2024.

Summary of Significant Accounting Policies –

MPERA prepared 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 Position. 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 in 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 adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

General Information about the Pension Plan

Plan Description: The Municipal Police Officers' Retirement System (MPORS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established in 1974 and governed by Title 19, chapters 2 & 9, Montana Code Annotated (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.

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 only 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 date as 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.

Benefits provided - 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.

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.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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:
 - is not awarded service credit for the period of re-employment;
 - 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 Guaranteed Annual Benefit Adjustment (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, and
 - a second retirement benefit for the period of reemployment calculated based on the laws in effect as of the member's 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 final average compensation (FAC)

- 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 FAC.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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)

- 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.

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 19-9-702 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, Employer and State contribution rates are shown in the table below.

Fiscal Year	Member						
	Hired <7/1/75	Hired >6/30/75	Hired >6/30/79	Hired >6/30/97	GABA	Employer	State
2000-2024	5.80%	7.00%	8.50%	9.00%		14.410%	29.370%
1998-1999	7.80%	9.00%	10.50%	11.00%		14.410%	29.370%
1997	7.80%	9.00%	10.50%			14.360%	29.370%

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

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

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2023, and 2022, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. Due to the existence of the special funding situation, the state is required to report a

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

proportionate share of a local government'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 \$17,136,911 and the employer's proportionate share was 7.3917 percent.

As of measurement date	Net Pension Liability as of 6/30/2023	Net Pension Liability as of 6/30/2022	Percent of Collective NPL as of 6/30/2023	Percent of Collective NPL as of 6/30/2022	Change in Percent of Collective NPL
City of Billings' Proportionate Share	\$ 17,136,911	\$ 17,029,007	7.3917%	7.2091%	0.1826%
State of Montana Proportionate Share associated with the Employer	34,585,999	34,610,829	14.9181%	14.6523%	0.2658%
Total	\$ 51,722,910	\$ 51,639,836	22.3098%	21.8614%	0.4484%

Changes in actuarial assumptions and methods: There have been no changes to the actuarial 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. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collective net pension. If there were changes that are expected to have an impact on the net pension liability, the employer should disclose the amount of the expected resultant change in the employer's proportionate share of the collective net pension liability, if known.

Pension Expense – At June 30, 2023 measurement date, the employer recognized its proportionate share of the Plan's pension expense of 3,020,043. The employer also recognized grant revenue of \$5,962,878 for the support provided by the State of

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Montana for its proportionate share of the pension expense associated with the employer. (*Two years of pension expense are documented in the above table, but are not necessary for the employer's disclosures.*

As of measurement date	Pension Expense as of 6/30/2023	Pension Expense as of 6/30/2022
City of Billings' Proportionate Share	\$ 3,020,043	\$ 2,860,366
State of Montana Proportionate Share associated with the Employer	5,962,878	5,933,972
Total	\$ 8,982,921	\$ 8,794,337

Recognition of Deferred Inflows and Outflows – At June 30, 2023, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$ 224,088	\$ 36,229
Projected Investment Earnings vs. Actual Investment Earnings	240,568	-
Changes in Assumptions	514,371	223,423
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	229,226	-
Employer Contributions subsequent to the measurement date	2,169,458	-
Total	\$ 3,377,711	\$ 259,652

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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 <u>June 30:</u>	Amount of deferred outflows and deferred inflows recognized in future years as an <u>increase or (decrease) to Pension Expense</u>
2024	\$ 369,351
2025	\$ (370,560)
2026	\$ 1,024,373
2027	\$ (74,564)
Thereafter	\$ -

Actuarial Assumptions – The total pension liability as of June 30, 2023, was determined by an actuarial valuation date of June 30, 2023, 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* *includes Inflation at	3.50% 2.75%
Merit Increases	1.0% to 6.40%
Post Retirement Increases <ol style="list-style-type: none"> 1. Guaranteed Annual Benefit Adjustment (GABA) each January <ul style="list-style-type: none"> • Members hired on or after July 1, 1997 or those electing GABA • Requires 12 full months of retirement before GABA will be made 2. Minimum Benefit Adjustment (non-GABA) <ul style="list-style-type: none"> • Benefit for a retired member or member's survivor and member did not elect GABA 	3.00%
	The minimum benefit provided should not be less than 50% of the monthly compensation paid to a newly confirmed police officer of the employer that last employed the member as a police officer

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Mortality:

Active Participants	PUB-2010 Safety Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
Healthy Retirees	PUB-2010 Safety Amount Weighted Healthy Retiree mortality table projected to 2021 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 table projected to 2021, set forward 1 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 June 30, 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 would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 29.37% of the 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

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

through the year 2134. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

Target Allocations – The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2023 is based on analysis in the experience study report dated May 2, 2022, without consideration for the administrative expense analysis shown in the experience study. 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	Real Rate of Return Arithmetic Basis
Cash Equivalents	3.0%	(0.33)%
Domestic Equity	30.0%	5.90%
International Equity	17.0%	7.14%
Private Investments	15.0%	9.13%
Real Assets	5.0%	4.03%
Real Estate	9.0%	5.41%
Core Fixed Income	15.0%	1.14%
Non-Core Fixed Income	6.0%	3.02%
Total	100.0%	

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

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 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.

	1.0% Decrease (6.30%)	Current Discount Rate	1.0% Increase (8.30%)
City of Billings' Net Pension Liability	\$ 26,445,591	\$ 17,136,911	\$ 9,745,896

Pension plan fiduciary net position – The stand-alone financial statements (76d) 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. These 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 are available on the MPERA website at <https://mpera.mt.gov/about/annualreports1/annualreports>.

H. Accounting Changes & Error Corrections

In compliance with GASB 100, effective for fiscal years beginning after June 15, 2023, all fund balance adjustments need to be categorized as either Accounting Changes or Error Corrections.

Accounting changes are to be classified into one of these three categories:

1. Changes in Accounting Principles
2. Changes in Accounting Estimates
3. To or Within the Financial Reporting Entity

Error Corrections

I. Proprietary Funds: Water Fund Construction in Process error correction

An accounting error correction was made to decrease the business-type activities' beginning net position as of July 1, 2023 by \$62,570. The correction was made to the Water Fund which had a discrepancy in the Construction in Process accounts from the prior year where the ending net position was overstated by \$31,285. Fiscal year ended 2024 correction is to fix the previous year's overstatement. It is not practical to restate earlier periods for the error correction because it is considered to be immaterial.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Business-type Activities:

Net Position at July 1, 2023, as previously stated	\$ 623,362,960
Water Fund correction	(62,570)
Net Position at July 1, 2023, as restated	<hr/> \$ 623,300,390

II. Governmental Funds - Non-Major Special Revenue Fund: Baseball Field/Stadium Donations for Capital Maintenance Fund Lessor Receivables and Deferred Inflow error correction

Governmental-type Activities:

Net Position at July 1, 2023, as previously stated	\$ 428,023
Baseball Field/Stadium Donations for Capital Maintenance Fund correction	(4,450)
Net Position at July 1, 2023, as restated	<hr/> \$ 432,473

In compliance with GASB 100 and GASB 87 the City of Billings made fund balance adjustments to the Baseball Field/Stadium Donations for Capital Maintenance Fund to record the lease receivable and deferred inflows not recorded at the initiation of GASB 87 for lessor leases. The Baseball Field/Stadium Donations for Capital Maintenance Fund will receive a \$4,450 restatement to the fund balance to adjust for the prior period net of lease deferred inflows and lease receivables for prior periods.

III. Governmental Funds - Non-Major Special Revenue Fund: Park Programs Fund Lessor Receivables and Deferred Inflow error correction

Governmental-type Activities:

Net Position at July 1, 2023, as previously stated	\$ 2,147,854
Park Programs Fund correction	(16,743)
Net Position at July 1, 2023, as restated	<hr/> \$ 2,131,111

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

In compliance with GASB 100 and GASB 87 the City of Billings made fund balance adjustments to the Park Programs Fund to record the lease receivable and deferred inflows not recorded at the initiation of GASB 87 for lessor leases. The Parks Programs Fund will receive a \$4,450 restatement to the fund balance to adjust for the prior period net of lease deferred inflows and lease receivables for prior periods.

Accounting Changes – To or Within the Financial Reporting Entity

I. Nonmajor Special Revenue Funds: Police Programs fund closure and error correction

An accounting change was made within the Police Programs Funds where two police funds were closed during the year that are longer active. A restatement of \$2,362 was made to increase the nonmajor special revenue beginning net position due to an error correction within one of the funds closed. The restatement resulted in a net position understatement of \$2,362 in the previous year. It is not practical to restate earlier periods for the error correction because it is considered to be immaterial.

Police Programs Funds:

Fund balance at July 1, 2023, as previously stated	\$	738,077
Correction for fund closure		2,362
Fund balance at July 1, 2023, as restated	\$	740,439

II. Major Fund and Nonmajor Fund reclassifications

- a. American Rescue Plan Fund has been classified as a Nonmajor Special Revenue fund. In accordance with GASB 100, the July 1, 2023 beginning fund balance of \$837,214 is adjusted on the Governmental Major Fund reports from a major beginning fund balance to a special revenue beginning fund balance.
- b. City Hall Construction Special Revenue fund has been classified as a Major Governmental Fund. In accordance with GASB 100, the July 1, 2023 beginning fund balance of \$15,285,456 is adjusted on the Special Revenue Fund reports and is reported on the Major Government Fund reports.

CITY OF BILLINGS, MONTANA

Notes to Financial Statements

Major Governmental Funds :

Fund balance at July 1, 2023, as previously stated	\$ 125,537,559
American Rescue Plan Fund moved to special revenue funds	(837,214)
City Hall Construction Fund moved from capital projects funds	15,285,456
Other Nonmajor Governmental Funds	(14,445,880)
Fund balance at July 1, 2023, as restated	<u>\$ 125,539,921</u>

Other Nonmajor Governmental Funds :

Fund balance at July 1, 2023, as previously stated	\$ 109,378,012
Special Revenue Funds	
American Rescue Plan Fund moved from Major Fund	837,214
Police Program Funds, correction	2,362
Total Special Revenue Fund Changes	<u>839,576</u>
Capital Projects Funds	
City Hall Construction to Major Governmental Funds	(15,285,456)
Fund balance at July 1, 2023, as restated	<u>\$ 94,932,132</u>

REQUIRED SUPPLEMENTAL INFORMATION

Required Supplemental Information

CITY OF BILLINGS, MONTANA

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	\$ 23,004,702	\$ 23,004,702	\$ 22,520,871	\$ 483,831
Licenses and permits	1,974,028	1,974,028	1,894,997	79,031
Intergovernmental	13,279,363	13,279,363	13,435,079	(155,716)
Charges for services	4,924,395	4,924,395	4,670,316	254,079
Fines and forfeitures	1,294,046	1,294,046	1,325,070	(31,024)
Special assessments	-	-	11,650	(11,650)
Other	<u>65,000</u>	<u>65,000</u>	<u>287,434</u>	<u>(222,434)</u>
Total revenues	<u>44,541,534</u>	<u>44,541,534</u>	<u>44,145,417</u>	<u>396,117</u>
Expenditures:				
Current:				
General government	\$ 14,648,790	\$ 14,496,787	\$ 13,744,539	\$ 752,248
Public safety	1,088,766	1,088,766	1,014,618	74,148
Culture and recreation	4,918,168	5,101,948	5,137,540	(35,592)
Capital outlay	<u>19,345</u>	<u>137,905</u>	<u>107,412</u>	<u>30,493</u>
Total expenditures	<u>20,675,069</u>	<u>20,825,406</u>	<u>20,004,109</u>	<u>821,297</u>
Revenues over (under) expenditures	<u>23,866,465</u>	<u>23,716,128</u>	<u>24,141,308</u>	<u>(425,180)</u>
Other financing sources (uses):				
Transfers in	10,600	10,600	45,059	(34,459)
Transfers out	<u>(25,302,233)</u>	<u>(25,302,233)</u>	<u>(25,277,042)</u>	<u>(25,191)</u>
Total other financing sources (uses)	<u>(25,291,633)</u>	<u>(25,291,633)</u>	<u>(25,231,983)</u>	<u>(59,650)</u>
Net change in fund balances	<u>\$ (1,425,168)</u>	<u>\$ (1,575,505)</u>	<u>(1,090,675)</u>	<u>\$ (484,830)</u>
Fund balances, beginning of year, as previously reported			12,754,877	
Restatement - accounting changes and/or error corrections (see Note)			-	
Fund balance, beginning of year, as restated			<u>12,754,877</u>	
Fund balance, end of year			<u>\$ 11,664,202</u>	

Required Supplemental Information

CITY OF BILLINGS, MONTANA
Major Special Revenue Fund - Public Safety
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes	\$ 31,007,138	\$ 31,007,138	\$ 31,778,781	\$ (771,643)
Licenses and permits	34,200	34,200	51,467	(17,267)
Intergovernmental	3,796,880	3,796,880	3,616,876	180,004
Charges for services	2,607,756	2,607,756	3,130,579	(522,823)
Fines and forfeitures	34,800	34,800	94,862	(60,062)
Other	122,100	122,100	501,623	(379,523)
 Total revenues	 37,602,874	 37,602,874	 39,174,188	 (1,571,314)
 Expenditures:				
Current:				
Public safety	53,666,367	54,335,692	53,841,255	494,437
Public health	1,095,770	1,095,770	1,223,088	(127,318)
Capital outlay	734,734	989,062	907,032	82,030
Debt service:				
Principal	179,089	179,089	171,883	7,206
Interest and fiscal charges	133,205	133,205	133,790	(585)
 Total expenditures	 55,809,165	 56,732,818	 56,277,048	 455,770
 Revenues over (under) expenditures	 (18,206,291)	 (19,129,944)	 (17,102,860)	 (2,027,084)
 Other financing sources (uses):				
Transfers in	19,606,749	19,606,749	19,602,624	4,125
Transfers out	(1,855,568)	(1,855,568)	(1,859,568)	4,000
Sale of capital assets	110	110	735	(625)
Total other financing sources (uses)	17,751,291	17,751,291	17,743,791	7,500
Net change in fund balances	\$ (455,000)	\$ (1,378,653)	\$ 640,931	\$ (2,019,584)
 Fund balances, beginning of year, as previously reported			2,567,456	
Restatement - accounting changes and/or error corrections (see Note)			-	
Fund balance, beginning of year, as restated			2,567,456	
Fund balance, end of year			<u>\$ 3,208,387</u>	

Required Supplemental Information

CITY OF BILLINGS, MONTANA
Major Capital Projects Fund- City Hall Construction
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
Intergovernmental	650,000	650,000	657,109	(7,109)
Other	97,000	97,000	525,022	(428,022)
 Total revenues	 947,000	 947,000	 1,382,131	 (435,131)
 Expenditures:				
General government	-	-	42,500	(42,500)
Capital Outlay	1,200,000	22,924,809	22,882,246	42,563
Total expenditures	<u>1,200,000</u>	<u>22,924,809</u>	<u>22,924,746</u>	<u>63</u>
 Revenues over (under) expenditures	 (253,000)	 (21,977,809)	 (21,542,615)	 (435,194)
 Other financing sources (uses):				
Transfers in	100,000	100,000	-	100,000
Transfers out	-	-	-	-
Bond discount costs	-	(80,000)	(80,000)	-
Issuance of debt	-	-	9,767,559	(9,767,559)
Total other financing sources (uses)	<u>100,000</u>	<u>20,000</u>	<u>9,687,559</u>	<u>(9,667,559)</u>
Net change in fund balances	<u><u>\$ (153,000)</u></u>	<u><u>\$(21,957,809)</u></u>	<u><u>(11,855,056)</u></u>	<u><u>\$ (10,102,753)</u></u>
 Fund balances, beginning of year, as previously reported			15,285,456	
Restatement - accounting changes and/or error corrections (see Note)			-	
Fund balance, beginning of year, as restated			<u>15,285,456</u>	
Fund balance, end of year			<u><u>\$ 3,430,400</u></u>	

Required Supplemental Information

A. Budgetary Information

Budgets are legally required and are prepared for all the City's governmental funds. Except for on-behalf payments by the State of Montana for pension plan contributions, these budgets are prepared on the same basis and use the same accounting practices as are used to account for and prepare financial reports for the governmental funds, consistent with accounting principles generally accepted in the United States of America.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) On or before June 1st, all departments and agencies of the City submit requests for appropriations to the city administrator so that a budget may be prepared.
- 2) Before June 10th, the proposed budget and tax levy must be submitted to the city clerk and then is presented to the city council for review and approval.
- 3) The council holds public hearings and a final budget and tax levy must be prepared, adopted, and submitted to the county auditor, no later than the first Thursday in September or within 30 calendar days of receiving certified taxable values from the Montana Department of Revenue.

The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The city council may amend the budget at the fund level by reducing appropriations when (1) a shortfall is anticipated and budgeted revenues occur resulting in expenditures for the year exceeding actual revenues and available cash balances or, (2) savings result from unanticipated adjustments in projected expenditures. Amended appropriations are made at the total expenditure, or fund level, and public hearings are required.

Annual appropriated budgets are adopted for all the City's funds, and all annual appropriations lapse at fiscal year-end. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances outstanding at year end will be re-appropriated and honored during the subsequent year. The annual appropriated budget was amended during the year. The major fund amendments were for the Public Safety Fund and City Hall Construction Fund.

Management can transfer appropriations between and among expenditure classes of salaries and benefits, operations and maintenance, capital outlay, interest and debt redemption, or miscellaneous without city council approval or a public hearing.

Required Supplemental Information

Spending control is established by the total amount of expenditures budgeted for the fund, but management control is exercised at budgetary line item levels. Individual fund budgets are the same as the appropriation amounts.

B. Reconciliation of Budgetary Revenues and Expenditures and GAAP Revenues and Expenditures

	General Fund	Public Safety Fund
<u>Revenues</u>		
Actual amounts (budgetary basis) "Total revenues" from the budget	\$ 44,145,417	\$ 39,174,188
Differences-budget to GAAP:		
On-behalf payments by the State of Montana for pension plan contributions are not a budgetary resource but are revenues for financial reporting purposes	<u>454,127</u>	<u>9,506,853</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds	<u>\$ 44,599,544</u>	<u>\$ 48,681,041</u>
<u>Expenditures</u>		
Actual amounts (budgetary basis) "Total expenditures" from the budget	\$ 20,004,108	\$ 56,277,048
Differences-budget to GAAP:		
On-behalf payments by the State of Montana for pension plan contributions are not a budgetary outflow but are expenditures for financial reporting purposes	<u>454,127</u>	<u>9,506,853</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds	<u>\$ 20,458,235</u>	<u>\$ 65,783,901</u>

C. Other Post-Employment Benefits Liability

Actuarial Assumptions and Methods

Valuation Date June 30, 2024

Measurement Date June 30, 2024

Discount Rate 3.65% per annum (BOY)

3.93% per annum (EOY)

Source: Bond Buyer 20-Bond GO index

Salary Increase Rate 3.0% per annum

Inflation Rate 2.5% per annum

Census Data The census was provided by the City as of June 30, 2023.

Marriage Rate The assumed number of eligible spouses is based on the current information proportions of single and family contracts in census provided.

Spouse Age Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.

Medicare Eligibility All current and future retirees are assumed to be eligible for Medicare at age 65.

Actuarial Cost Method Entry Age Normal based on level percentage of projected salary.

Amortization Method

Experience/Assumptions gains and losses are amortized over a closed period of 7.8 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service).

Mortality Rates

PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).

Required Supplemental Information

Plan Participation Percentage

The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 50% of all employees and their dependents who are eligible for early retiree benefits will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement.

Health Care Cost Trend Rate

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced at 0.25% each year until reaching the ultimate trend rate.

Expense Type	Select	Ultimate
Pre-Medicare Medical and Rx Benefits	6.5%	4.0%
Stop Loss Fees	6.5%	4.0%
Administration Fees	4.0%	4.0%

Per Capita Health Claim Cost

Expected retiree claim costs were developed using 24 months of historical claim experience through March 2023. The annual age 60 claim costs for retirees and their spouses are provided in the table below.

Per Capita Cost	Age 60
Standard Plan	\$ 10,527
HDHP	\$ 9,713

Non-Claim Expenses

Non-claim expenses are based on the current amounts charged per retired employee. Expenses for FYE 2023 are provided in the table below.

Expense Type	Per Retiree per Month
Specific Stop Loss Premium – Single	\$32.14
Specific Stop Loss Premium – Family	\$81.21
Administrative Fee	\$22.01

Plan Election Percentage

Based on current retiree plan elections, future retirees are assumed to elect plan coverage at the following rates.

Plan Name	% Election
Standard Plan	76%
HDHP Plan	24%

Required Supplemental Information

Age Based Morbidity

The assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study, with sample rates shown below:

Sample Age	Male	Female
45	4.6%	1.6%
50	6.2%	4.2%
55	5.4%	2.4%
60	4.7%	3.6%
65	1.7%	2.4%
70	1.8%	2.0%
75	1.2%	1.3%
80	0.8%	1.1%

Retirement Age

Sample retirement ages and associated probabilities are provided in the table below. These values are based on the 2022 Actuarial Valuation Reports of the PERS, MPORS and FURS.

Age	<30 YOS	30+ YOS	Police	Fire
		or 65 w/ 25 YOS		
<50	0%	10%	42%	16%
50-54	4.5%	15.8%	42%	16%
55	5.5%	15.8%	42%	25%
56-58	6%	15.8%	42%	25%
59	7%	15.8%	42%	25%
60	9%	15.8%	42%	25%
61	9%	15.8%	42%	40%
62	15%	22%	42%	40%
63-64	15%	22%	42%	100%
65-66	30%	35%	100%	100%
67	25%	35%	100%	100%
68-69	25%	30%	100%	100%
70	100%	100%	100%	100%

Required Supplemental Information

Termination

The rate of withdrawal is based on the withdrawal assumption used in the 2022 Actuarial Valuation Reports of the PERS, MPORS and FURS. The rate of withdrawal for reasons other than death and retirement is dependent on an employee's age and years of service. Sample rates are provided below.

Years of Service	Other	Police	Fire
0	35%	16%	9%
1	27%	13%	7%
2	18%	10%	5%
3	14%	8%	4%
4	11%	7%	3%
5	11%	7%	2%
6	10%	7%	2%
7	9%	7%	2%
8	8%	5%	2%
9	7%	5%	2%
10	6%	5%	2%
11	6%	5%	2%
12	5%	3%	1%
13	5%	2%	1%
14	4.5%	2%	1%
15+	3%	2%	1%

Required Supplemental Information

Required Supplemental OPEB Information
Other Post Employment Benefits Liability
Last Ten Fiscal Years¹
(Dollar amounts in Thousands)

	2017	2018	2019	2020	2021	2022	2023	2024
Present Value of Future Benefits								
Actives	\$ 12,984	\$ 13,457	\$ 10,046	\$ 11,843	\$ 13,948	\$ 10,992	\$ 14,209	\$ 13,986
Retirees	2,797	2,350	2,470	2,255	2,993	2,459	2,569	2,112
Total	\$ 15,781	\$ 15,807	\$ 12,516	\$ 14,098	\$ 16,941	\$ 13,451	\$ 16,778	\$ 16,097
Total OPEB Liability								
Actives	\$ 7,665	\$ 7,964	\$ 6,047	\$ 7,245	\$ 7,623	\$ 7,120	\$ 8,662	\$ 9,340
Retirees	2,797	2,907	2,470	2,255	2,993	2,459	2,569	2,112
Total OPEB Liability (TOL)	\$ 10,462	\$ 10,871	\$ 8,517	\$ 9,500	\$ 10,616	\$ 9,579	\$ 11,231	\$ 11,452
Fiduciary Net Position (FNP)	-	-	-	-	-	-	-	-
Net OPEB Liability (NOL)	\$ 10,462	\$ 10,871	\$ 8,517	\$ 9,500	\$ 10,616	\$ 9,579	\$ 11,231	\$ 11,452
Covered-employee payroll	49,636	51,621	54,617	56,529	66,995	69,340	63,445	65,666
NOL as a % of covered-employee payroll	21.1%	21.1%	15.6%	16.8%	15.8%	13.8%	18.0%	17.0%
Total OPEB Expense								
Service cost	\$ 556	\$ 577	\$ 600	\$ 621	\$ 486	\$ 594	\$ 466	\$ 696
Interest cost	320	416	435	312	217	237	347	425
Current recognized deferred outflows/(inflows)								
Difference between actual and expected experience	(123)	(123)	(390)	(390)	(362)	(363)	(292)	(217)
Changes in assumptions or other inputs	406	405	279	344	414	238	336	44
Total Expense	\$ 1,159	\$ 1,275	\$ 924	\$ 887	\$ 755	\$ 706	\$ 857	\$ 947

¹ In FY2017, The City of Billings adopted GASB 75.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan

Required Supplemental Information

Required Supplemental OPEB Information

Changes in Net OPEB Liability

Last Ten Fiscal Years ¹

(Dollar amounts in Thousands)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total OPEB Liability - Start of Year	\$ 7,960,611	\$ 10,461,920	\$ 10,871,015	\$ 8,517,106	\$ 9,500,481	\$ 10,615,885	\$ 9,578,587	\$ 11,230,969
Changes for the year								
Service cost	\$ 555,749	\$ 577,256	\$ 599,538	\$ 620,522	\$ 485,890	\$ 594,195	\$ 466,230	\$ 695,788
Interest cost	319,718	416,118	435,068	311,943	216,552	237,355	347,220	425,184
Differences between expected and actual experience	(908,269)	-	(2,062,008)	-	220,640	-	547,434	-
Changes in assumptions or other inputs	3,000,891	(10,723)	(972,358)	500,850	567,606	(1,425,964)	764,165	(344,023)
Benefit payments	(466,780)	(573,556)	(354,149)	(449,940)	(375,284)	(442,885)	(472,667)	(555,736)
Net change in OPEB liability	\$ 2,501,309	\$ 409,095	\$ (2,353,909)	\$ 983,375	\$ 1,115,404	\$ (1,037,299)	\$ 1,652,382	\$ 221,213
Total OPEB Liability - End of Year	\$ 10,461,920	\$ 10,871,015	\$ 8,517,106	\$ 9,500,481	\$ 10,615,885	\$ 9,578,586	\$ 11,230,969	\$ 11,452,182

¹ In FY2017, The City of Billings adopted GASB 75.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan

Required Supplemental Information

D. Schedules of the City's Proportionate Share of the Net Pension Liability

Schedule of the City's Proportionate Share of the Net Pension Liability
Public Employees Retirement System (PERS)
Last Ten Fiscal Years ¹
(Dollar amounts in Thousands)

As of measurement date	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability	55,640	51,432	36,767	56,156	44,239	43,207	51,226	41,741	34,676	30,549
Employer's proportion of the net pension liability (percentage)	2.28%	2.16%	2.03%	2.13%	2.12%	2.07%	2.63%	2.45%	2.48%	2.45%
State's net pension liability	15,398	15,385	10,850	17,704	14,409	14,470	682	510	426	373
Total	71,038	66,817	47,617	73,860	58,648	57,677	51,908	42,251	35,102	30,922
Employer's covered payroll	42,333	37,984	35,795	35,734	34,920	34,044	32,627	29,353	28,950	27,980
Employer's proportionate share as a percent of covered payroll	131.43%	135.40%	102.71%	157.15%	126.69%	126.91%	157.01%	142.20%	119.78%	111.22%
Plan fiduciary net position as a percent of total pension liability	73.93%	73.66%	79.91%	68.90%	73.85%	73.47%	73.75%	74.71%	78.40%	79.87%

¹ In FY2015, The City of Billings adopted GASB 68.

Required Supplemental Information

Schedule of the City's Proportionate Share of the Net Pension Liability

Firefighters' Unified Retirement System (FURS)

Last Ten Fiscal Years¹

(Dollar amounts in Thousands)

As of measurement date

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability	9,169	9,379	5,292	9,758	6,904	7,280	7,218	7,367	6,829	6,450
Employer's proportion of the net pension liability (percentage)	6.07%	5.90%	6.18%	6.23%	6.02%	6.32%	6.39%	6.45%	6.68%	6.61%
State's net pension liability	20,811	21,219	12,010	21,998	16,697	16,645	16,391	16,690	15,210	14,551
Total	29,981	30,598	17,302	31,756	23,601	23,925	23,609	24,057	22,039	21,001

Employer's covered payroll	13,082	11,441	11,379	10,941	10,436	9,955	9,546	9,083	8,973	8,583
Employer's proportionate share as a percent of covered payroll	70.09%	81.98%	46.50%	89.19%	66.15%	73.13%	75.61%	81.11%	76.11%	75.15%
Plan fiduciary net position as a percent of total pension liability	81.00%	78.76%	87.72%	75.34%	80.08%	79.03%	77.77%	75.48%	76.90%	76.71%

¹ In FY2015, The City of Billings adopted GASB 68.

Schedule of the City's Proportionate Share of the Net Pension Liability

Municipal Police Officers' Retirement System (MPORS)

Last Ten Fiscal Years¹

(Dollar amounts in Thousands)

As of measurement date

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability	17,137	17,029	13,103	17,962	14,478	12,573	12,567	12,571	11,661	11,275
Employer's proportion of the net pension liability (percentage)	7.39%	7.21%	7.21%	7.34%	7.27%	7.34%	7.06%	6.98%	7.05%	7.18%
State's net pension liability	34,586	34,611	26,633	36,229	29,482	25,694	25,613	24,955	23,627	22,778
Total	51,723	51,640	39,736	54,191	43,960	38,267	38,180	37,526	35,288	34,053

Employer's covered payroll	14,904	13,448	13,045	12,581	11,988	11,585	10,538	9,859	9,757	9,628
Employer's proportionate share as a percent of covered payroll	114.98%	126.62%	100.45%	142.78%	120.77%	108.53%	119.25%	127.52%	119.52%	117.11%
Plan fiduciary net position as a percent of total pension liability	71.65%	69.67%	75.76%	64.84%	68.84%	70.95%	68.34%	65.62%	66.90%	67.01%

¹ In FY2015, The City of Billings adopted GASB 68.

Required Supplemental Information

E. Schedules of the City's Contributions

Schedule of the City's Contributions
Public Employees Retirement System (PERS)
Last Ten Fiscal Years ¹
(Dollar amounts in Thousands)

As of most recent FYE (reporting date)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required DB contributions	4,005	3,834	3,381	3,174	3,129	3,003	2,884	2,731	2,453	2,386
Plan choice rate required contributions	-	-	-	-	-	-	-	-	83	125
Contributions in relation to the contractually required contributions	4,005	3,834	3,381	3,174	3,129	3,003	2,884	2,731	2,536	2,510
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll	44,152	42,333	37,984	35,795	35,734	34,920	34,044	32,627	29,353	28,950
Contributions of covered payroll (as a percentage)	9.07%	9.06%	8.90%	8.87%	8.76%	8.60%	8.47%	8.37%	8.64%	8.67%

¹ In FY2015, The City of Billings adopted GASB 68.

Schedule of the City's Contributions
Firefighters' Unified Retirement System (FURS)
Last Ten Fiscal Years ¹
(Dollar amounts in Thousands)

As of most recent FYE (reporting date)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	2,039	1,882	1,655	1,628	1,602	1,438	1,465	1,371	1,299	1,314
Contributions in relation to the contractually required contributions	2,039	1,882	1,655	1,628	1,602	1,438	1,465	1,371	1,299	1,314
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll	14,201	13,082	11,441	11,379	10,941	10,436	9,955	9,546	9,083	8,973
Contributions as a percent of covered payroll	14.36%	14.38%	14.46%	14.31%	14.64%	13.78%	14.72%	14.36%	14.30%	14.64%

¹ In FY2015, The City of Billings adopted GASB 68.

Required Supplemental Information

Schedule of the City's Contributions
Municipal Police Officers' Retirement System (MPORS)
Last Ten Fiscal Years¹
(Dollar amounts in Thousands)

As of most recent FYE (reporting date)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	2,169	2,169	1,952	1,877	1,833	1,734	1,733	1,522	1,444	1,414
Contributions in relation to the contractually required contributions	2,169	2,169	1,952	1,877	1,833	1,734	1,733	1,522	1,444	1,414
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Employer's covered payroll	15,055	14,904	13,448	13,045	12,581	11,988	11,585	10,538	9,859	9,757
Contributions as a percent of covered payroll	14.41%	14.56%	14.52%	14.39%	14.57%	14.47%	14.96%	14.44%	14.65%	14.50%

¹ In FY2015, The City of Billings adopted GASB 68.

Notes to Required Supplementary Information -
for the year ended June 30, 2023 (as of Measurement Date)

Changes of Benefit Terms

The following changes to the PERS plan provisions 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

- 1) Terminating members eligible to retire may, in lieu of receiving a 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 disabled 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.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions.

Actuarially determined contributions are determined on the valuation date payable in the fiscal year beginning immediately following the valuation date. The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2023, which were based on the results of the June 30, 2022 actuarial valuation:

General Wage Growth*	3.5%
Investment Rate of Return*	7.30% net of pension plan investment & administrative expenses
*Includes inflation at	2.75%
Merit salary increase	0% to 4.80%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization	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 males and females. Projected generationally using MP-2021.

Required Supplemental Information

Healthy 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.

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

Changes of Benefit Terms

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

2017:

Working Retiree Limitations – for FURS

1. Applies to retirement system members who return on or after July 1, 2017 to covered employment in the system from which they retired.
2. 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.
3. 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.
4. 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

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 of reemployment;
 - b. Is refunded the accumulated contributions associated with the period of reemployment;

Required Supplemental Information

- 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 second retirement.

3. 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:
 - a. Is awarded service credit for the period of reemployment;
 - b. Starting the first month following termination of service, receives:
 - i. The same retirement benefit previously paid to the member, and
 - ii. A second retirement benefit for the period of reemployment calculated based on the laws in effect as of the 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

1. Terminating members eligible to retire may, in lieu of receiving a 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

- 1) 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.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

Actuarially determined contributions are determined on the valuation date payable in the fiscal year beginning immediately following the valuation date. The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2023, which were based on the results of the June 30, 2022 actuarial valuation:

General Wage Growth*	3.5%
Investment Rate of Return*	7.30% net of pension plan investments & administrative expenses
*Includes inflation at	2.75%
Merit salary increases	1% to 6.40%

Required Supplemental Information

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 Retirees	PUB-2010 Safety Amount Weighted Healthy Retiree Mortality Table projected to 2021, 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, 2022 valuation, were developed in the five-year experience study for the period ending 2021.

Changes of Benefit Terms

The following changes to the MPORS plan provisions were made as identified:

2017:

Working Retiree Limitations – For MPORS

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

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

Required Supplemental Information

- 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 of reemployment;
 - b. Is refunded the accumulated contributions associated with the period of 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 second retirement.
- 3) 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:
 - a. Is awarded service credit for the period of reemployment;
 - b. Starting the first month following termination of service, receives:
 - i. The same retirement benefit previously paid to the member, and
 - ii. A second retirement benefit for the period of reemployment calculated based on the laws in effect as of the 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

- 1) Terminating members eligible to retire may, in lieu of receiving a 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.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

Actuarially determined contributions are determined on the valuation date payable in the fiscal year beginning immediately following the valuation date. The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2023, which were based on the results of the June 30, 2022 actuarial valuation:

General Wage Growth*	3.5%
Investment Rate of Return*	7.30% net of pension plan investments & administrative expenses
*Includes inflation at	2.75%
Merit salary increases	1% to 6.40%
Asset Valuation method	Four-year smoothed market
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay, open

Mortality

Active Participants	PUB-2010 Safety Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
Healthy Retirees	PUB-2010 Safety Amount Weighted Healthy Retiree mortality table projected to 2021 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 table 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, 2022 valuation, were developed in the five-year experience study for the period ending 2021.

SUPPLEMENTAL INFORMATION

MAJOR FUNDS

BUDGET AND ACTUAL SCHEDULES

CITY OF BILLINGS, MONTANA
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	\$ 23,004,702	\$ 23,004,702	\$ 22,520,871	\$ 483,831
Licenses and permits	1,974,028	1,974,028	1,894,997	79,031
Intergovernmental	13,279,363	13,279,363	13,435,079	(155,716)
Charges for services	4,924,395	4,924,395	4,670,316	254,079
Fines and forfeitures	1,294,046	1,294,046	1,325,070	(31,024)
Special assessments	-	-	11,650	(11,650)
Other	<u>65,000</u>	<u>65,000</u>	<u>287,434</u>	<u>(222,434)</u>
 Total revenues	 <u>44,541,534</u>	 <u>44,541,534</u>	 <u>44,145,417</u>	 <u>396,117</u>
 Expenditures:				
Current:				
General government	\$ 14,648,790	\$ 14,496,787	\$ 13,744,539	\$ 752,248
Public safety	1,088,766	1,088,766	1,014,618	74,148
Culture and recreation	4,918,168	5,101,948	5,137,540	(35,592)
Capital outlay	<u>19,345</u>	<u>137,905</u>	<u>107,412</u>	<u>30,493</u>
Total expenditures	<u>20,675,069</u>	<u>20,825,406</u>	<u>20,004,109</u>	<u>821,297</u>
 Revenues over (under) expenditures	 <u>23,866,465</u>	 <u>23,716,128</u>	 <u>24,141,308</u>	 <u>(425,180)</u>
 Other financing sources (uses):				
Transfers in	10,600	10,600	45,059	(34,459)
Transfers out	<u>(25,302,233)</u>	<u>(25,302,233)</u>	<u>(25,277,042)</u>	<u>(25,191)</u>
Total other financing sources (uses)	<u>(25,291,633)</u>	<u>(25,291,633)</u>	<u>(25,231,983)</u>	<u>(59,650)</u>
Net change in fund balances	<u><u>\$ (1,425,168)</u></u>	<u><u>\$ (1,575,505)</u></u>	<u><u>(1,090,675)</u></u>	<u><u>\$ (484,830)</u></u>
Fund balances, beginning of year, as previously reported			12,754,877	
Restatement - accounting changes and/or error corrections (see Note)			-	
Fund balance, beginning of year, as restated			<u>12,754,877</u>	
Fund balance, end of year			<u><u>\$ 11,664,202</u></u>	

CITY OF BILLINGS, MONTANA
Major Special Revenue Fund - Public Safety
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	\$ 31,007,138	\$ 31,007,138	\$ 31,778,781	\$ (771,643)
Licenses and permits	34,200	34,200	51,467	(17,267)
Intergovernmental	3,796,880	3,796,880	3,616,876	180,004
Charges for services	2,607,756	2,607,756	3,130,579	(522,823)
Fines and forfeitures	34,800	34,800	94,862	(60,062)
Other	122,100	122,100	501,623	(379,523)
 Total revenues	 37,602,874	 37,602,874	 39,174,188	 (1,571,314)
 Expenditures:				
Current:				
Public safety	53,666,367	54,335,692	53,841,255	494,437
Public health	1,095,770	1,095,770	1,223,088	(127,318)
Capital outlay	734,734	989,062	907,032	82,030
Debt service:				
Principal	179,089	179,089	171,883	7,206
Interest and fiscal charges	133,205	133,205	133,790	(585)
 Total expenditures	 55,809,165	 56,732,818	 56,277,048	 455,770
 Revenues over (under) expenditures	 (18,206,291)	 (19,129,944)	 (17,102,860)	 (2,027,084)
 Other financing sources (uses):				
Transfers in	19,606,749	19,606,749	19,602,624	4,125
Transfers out	(1,855,568)	(1,855,568)	(1,859,568)	4,000
Sale of capital assets	110	110	735	(625)
Total other financing sources (uses)	17,751,291	17,751,291	17,743,791	7,500
Net change in fund balances	\$ (455,000)	\$ (1,378,653)	\$ 640,931	\$ (2,019,584)
 Fund balances, beginning of year, as previously reported			2,567,456	
Restatement - accounting changes and/or error corrections (see Note)			-	
Fund balance, beginning of year, as restated			2,567,456	
Fund balance, end of year			\$ 3,208,387	

CITY OF BILLINGS, MONTANA
Major Capital Projects Fund - City Hall Construction
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
Intergovernmental	650,000	650,000	657,109	(7,109)
Other	97,000	97,000	10,292,581	(10,195,581)
Total revenues	<u>947,000</u>	<u>947,000</u>	<u>11,149,690</u>	<u>(10,202,690)</u>
Expenditures:				
Operations and maintenance	-	-	42,500	(42,500)
Capital outlay	1,200,000	22,924,809	22,882,246	42,563
Total expenditures	<u>1,200,000</u>	<u>22,924,809</u>	<u>22,924,746</u>	<u>63</u>
Revenues over (under) expenditures	<u>(253,000)</u>	<u>(21,977,809)</u>	<u>(11,775,056)</u>	<u>(10,202,753)</u>
Other financing sources (uses):				
Transfers in	100,000	100,000	-	100,000
Transfers out	-	-	-	-
Bond discount costs	-	(80,000)	(80,000)	-
Total other financing sources (uses)	<u>100,000</u>	<u>20,000</u>	<u>(80,000)</u>	<u>100,000</u>
Net change in fund balances	<u>\$ (153,000)</u>	<u>\$ (21,957,809)</u>	<u>(11,855,056)</u>	<u>\$ (10,102,753)</u>
Fund balances, beginning of year, as previously reported			15,285,456	
Restatement - accounting changes and/or error corrections (see Note)			-	
Fund balance, beginning of year, as restated			15,285,456	
Fund balance, end of year			<u>\$ 3,430,400</u>	

NONMAJOR GOVERNMENT FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for the proceeds of specific revenue sources that are administratively or legally restricted to expenditures for special purposes.

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of resources for, and payment of, interest principal and related costs on bonded general long-term debt.

NONMAJOR CAPITAL PROJECTS FUNDS

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds) and the construction of public improvements that are financed through assessments to individual property owners.

NONMAJOR PERMANENT FUND

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

CITY OF BILLINGS, MONTANA
Nonmajor Government Funds
Combining Balance Sheet

June 30, 2024

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
Assets					
Cash and cash equivalents	\$ 39,342,767	\$ 1,975,043	\$ 3,856,664	\$ 389,020	\$ 45,563,494
Cash with fiscal agent	9,586,444	2,808,274	-	-	12,394,718
Investments	45,098,546	2,298,762	4,424,809	445,098	52,267,215
Receivables:					
Property taxes	461,227	59,954	-	-	521,181
Accounts and unbilled usage	137,392	-	-	-	137,392
Delinquent special assessments	1,426,782	67,939	-	-	1,494,721
Special assessments receivable	-	9,459,266	-	-	9,459,266
Accrued interest	517,260	101,472	35,255	5,598	659,585
Notes	631,503	-	-	-	631,503
Lease Receivable	577,627	-	-	-	577,627
Due from other funds	1,328,443	-	-	-	1,328,443
Due from other governments	2,132,564	-	-	-	2,132,564
Inventories	184,024	-	-	-	184,024
Property held for resale	35,000	155,997	187,828	-	378,825
Total assets	\$ 101,459,579	\$ 16,926,707	\$ 8,504,556	\$ 839,716	\$ 127,730,558
Liabilities, Deferred Inflows and Fund Balances					
Liabilities:					
Accounts payable	\$ 5,495,424	\$ -	\$ 521,081	\$ -	\$ 6,016,505
Accrued wages & benefits	311,930	-	-	-	311,930
Unearned Revenue	2,424,743	-	-	-	2,424,743
Other liabilities	-	63,000	-	-	63,000
Due to other funds	744,245	-	604,784	-	1,349,029
Total liabilities	8,976,342	63,000	1,125,865	-	10,165,207
Deferred inflows:					
Leases	520,375	-	-	-	520,375
Unavailable Revenue	927,492	9,478,819	-	-	10,406,311
Total deferred inflows of resources	1,447,867	9,478,819	-	-	10,926,686
Fund balance:					
Unspendable	184,024	-	-	839,716	1,023,740
Restricted	80,726,662	7,386,261	7,822,134	-	95,935,057
Committed	11,016,928	-	-	-	11,016,928
Unassigned	(892,244)	(1,373)	(443,443)	-	(1,337,060)
Total fund balances	91,035,370	7,384,888	7,378,691	839,716	106,638,665
Total liabilities, deferred inflows and fund balances	\$ 101,459,579	\$ 16,926,707	\$ 8,504,556	\$ 839,716	\$ 127,730,558

CITY OF BILLINGS, MONTANA
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2024

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ 10,309,642	\$ 1,765,969	\$ -	\$ -	\$ 12,075,611
Licenses and permits	2,178,897	-	-	-	2,178,897
Intergovernmental	23,359,289	-	-	-	23,359,289
Charges for services	10,536,287	65,000	-	26,588	10,627,875
Fines and forfeitures	304,183	-	-	-	304,183
Special assessments	25,970,647	1,575,782	-	-	27,546,429
Other	5,520,795	563,160	1,440,672	42,914	7,567,541
Total revenues	78,179,740	3,969,911	1,440,672	69,502	83,659,825
Expenditures:					
Current:					
General government	3,152,087	21,636	1,788	-	3,175,511
Public safety	4,858,948	-	11,209	-	4,870,157
Public works	23,639,508	2,240	-	-	23,641,748
Culture and recreation	7,220,892	-	-	-	7,220,892
Housing and economic development	5,746,615	-	9,132	-	5,755,747
Capital outlay	31,686,471	-	4,580,399	-	36,266,870
Debt service:					
Principal	1,185,000	3,228,284	-	-	4,413,284
Interest and fiscal charges	1,307,260	1,170,413	-	-	2,477,673
Bond issuance costs	395,517	-	23,000	-	418,517
Total expenditures	79,192,298	4,422,573	4,625,528	-	88,240,399
Revenues over (under) expenditures	(1,012,558)	(452,662)	(3,184,856)	69,502	(4,580,574)
Other financing sources (uses):					
Lease interest	10,564	-	-	-	10,564
Transfers in	6,499,416	442,163	2,213,272	-	9,154,851
Transfers out	(1,568,531)	(11,888)	(302,163)	(30,526)	(1,913,108)
Issuance of debt	6,930,000	-	-	-	6,930,000
Premium on bond debt	644,705	-	-	-	644,705
Special assessment bonds issued	-	-	1,300,000	-	1,300,000
Sale of capital assets	160,363	-	12,025	-	172,388
Total other financing sources (uses)	12,676,517	430,275	3,223,134	(30,526)	16,299,400
Net change in fund balances	11,663,959	(22,387)	38,278	38,976	11,718,826
Fund balance, beginning of year, as previously reported	78,544,128	7,407,275	22,625,869	800,740	109,378,012
Restatement - accounting changes and/or error corrections (see Note)	827,283	-	(15,285,456)	-	(14,458,173)
Fund balance, beginning, as restated	79,371,411	7,407,275	7,340,413	800,740	94,919,839
Fund balance, end of year	\$ 91,035,370	\$ 7,384,888	\$ 7,378,691	\$ 839,716	\$ 106,638,665

NONMAJOR SPECIAL REVENUE FUNDS

The City's non-major special revenue funds and their purposes are:

- The Gas Tax Fund accounts for revenues received from the State of Montana gasoline tax.
- The EOC 911 Fund accounts for monies received from the State of Montana 911 program.
- The Animal Shelter Donations Fund accounts for donations to the Animal Shelter for specific purposes.
- The Developmental Services Grants Fund accounts for revenues from the Federal government for community and housing related programs.
- The Library Fund accounts for operations of the Billings Library.
- The Cemetery Improvements Fund accounts for expansion projects at the cemetery.
- The Street Maintenance Districts Fund accounts for various street programs.
- The Road Maintenance District Fun accounts for special assessments that support maintenance for an emergency route in and out of Briarwood Subdivision.
- The Light Maintenance Districts Fund accounts for the maintenance of street lighting systems within several such districts within the City.
- The Park Maintenance Districts Fund accounts for revenues and expenditures which are related to parks maintenance within the various districts of the City.
- The Storm Sewer Fund accounts for the operation and maintenance of the storm sewer system.
- The North 27th Street Tax Increment Operating Fund accounts for revenues from property tax levies on increased taxable values in the North 27th Street Tax Increment District. Amounts collected are used for the benefit of the tax increment district from which collections were assessed. Major revenue sources include property tax and revenue bond processes.

- The South Tax Increment Operating Fund accounts for revenues from property tax levies in the South Tax Increment District, not including the Miller Crossing properties, on increased values. Amounts collected are used for the benefit of the tax increment district from which collections were assessed.
- The East Tax Increment Operating Fund accounts for revenues from property tax levies on increased taxable values in the East Tax Increment District. Amounts collected are used for the benefit of the tax increment district from which collections were assessed.
- The Parks Program Fund accounts for revenues and expenditures related to park acquisitions and park improvements.
- The Police Program Fund accounts for the following programs: Montana Board of Crime Control, Justice Assistant Grants, High Intensity Drug Traffic Area, Technology Grants, Homeland Security Grants, Internet Crimes Against Children, Highway Traffic Safety Grants, Community Police Officer and other law enforcement related programs.
- The Amend Park Fund accounts for funds designated for the maintenance of Amend Park.
- The Sidewalk Hazzard Repair Fund was established to repair sidewalk defects. Repairs are completed without bond financing and are charged to the real property owner.
- The City-County Planning Fund, through an inter-local agreement, accounts for the operation of the Planning Department, which promotes the health, safety, convenience and welfare of the Community.
- The Building Inspection Fund accounts for building permits and inspections for private construction in the City.
- The Street &Traffic Fund accounts for street cleaning, snow removal, minor street repairs, signage, street striping, forestry and traffic signal maintenance.
- The City Attorney Grants Fund accounts for grants from the Montana Board of Crime Control that includes the Victim/Witness Grant and Domestic Violence Unit Grant to supplement the City Attorney's efforts.
- The Anti-Graffiti fund accounts for donations and court fines received to encourage the reporting of graffiti vandalism. Associated expenses will be paid from this fund.

- The Fire Programs Fund accounts for the Regional HazMat Team, grants, donations and other fire related programs.
- The Municipal Court Grants Fund is funded by grants.
- The Downtown Revolving Loan Program Fund accounts for low-interest loans to qualified property owners located in downtown Billings. Loans are funded by local banks and the City of Billings.
- The Baseball Field/Stadium Donations for Capital Maintenance Fund accounts for donations to fund future capital maintenance for the new baseball field/stadium.
- The Arterial Fees Fund complements other funds in the construction of arterial streets with in the City.
- The Ballpark Repair Fund accounts for minor repairs at the ballpark facility.
- The Bike Path/Trail Donation Fund accounts for the funds accumulated for trails development.
- The Park District 1 Fund accounts for the citywide park assessment, maintenance and improvements.
- The American Rescue Plan accounts for funds received from the American Rescue Plan Act (ARPA). This Fund was considered a Major fund in fiscal year 2023 and has been classified as a Nonmajor Special Revenue Fund in fiscal year 2024, in accordance with GASB 100.

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2024
(Page 1 of 4)

	Gas Tax Fund	EOC 911 Fund	Animal Shelter Donations Fund	Development Services Grants Fund	Library Fund	Cemetery Improvements Fund	Street Maintenance Districts Fund	Road Maintenance District 6 Fund
Assets								
Cash and cash equivalents	\$ 5,805,291	\$ 1,898,718	\$ 11,114	\$ 420,079	\$ 2,530,434	\$ 32,656	\$ 7,158,030	\$ 11,573
Cash with fiscal agent	-	-	-	-	-	-	-	-
Investments	6,699,222	2,150,071	12,761	485,085	2,902,510	35,907	8,340,131	13,362
Receivables:								
Property taxes	-	-	-	-	38,337	-	-	-
Accounts and unbilled usage	4,880	-	-	-	-	-	-	-
Delinquent special assessments	-	-	-	-	-	-	906,693	28
Accrued interest	83,145	24,689	155	9,107	30,919	494	108,974	157
Notes	-	-	-	-	-	-	-	-
Lease Receivable	-	-	-	-	-	-	-	-
Due from other funds	1,328,443	-	-	-	-	-	-	-
Due from other governments	-	-	-	130,698	86,953	-	-	-
Inventories	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	35,000	-	-	-	-
Total assets	<u>\$ 13,920,981</u>	<u>\$ 4,073,478</u>	<u>\$ 24,030</u>	<u>\$ 1,079,969</u>	<u>\$ 5,589,153</u>	<u>\$ 69,057</u>	<u>\$ 16,513,828</u>	<u>\$ 25,120</u>
Liabilities, Deferred Inflows and Fund Balances								
Liabilities:								
Accounts payable	\$ 182,686	\$ 1,411,612	\$ -	\$ 30,773	\$ 177,101	\$ -	\$ 398,767	\$ -
Accrued wages & benefits	2,403	4,007	-	12,499	60,224	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned Revenue	2,424,743	-	-	-	-	-	-	-
Total liabilities	<u>2,609,832</u>	<u>1,415,619</u>	<u>-</u>	<u>43,272</u>	<u>237,325</u>	<u>-</u>	<u>398,767</u>	<u>-</u>
Deferred inflows:								
Leases	-	-	-	-	-	-	-	-
Unavailable Revenue	-	-	-	-	5,438	-	158,196	-
Total deferred inflows of resources	-	-	-	-	5,438	-	158,196	-
Fund balances:								
Unspendable	-	-	-	-	-	-	-	-
Restricted	11,311,149	2,657,859	-	1,036,697	2,833,587	69,057	15,956,865	25,120
Committed	-	-	24,030	-	2,512,803	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>11,311,149</u>	<u>2,657,859</u>	<u>24,030</u>	<u>1,036,697</u>	<u>5,346,390</u>	<u>69,057</u>	<u>15,956,865</u>	<u>25,120</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 13,920,981</u>	<u>\$ 4,073,478</u>	<u>\$ 24,030</u>	<u>\$ 1,079,969</u>	<u>\$ 5,589,153</u>	<u>\$ 69,057</u>	<u>\$ 16,513,828</u>	<u>\$ 25,120</u>

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2024
(Page 2 of 4)

	Light Maintenance Districts Fund	Park Maintenance Districts Fund	Storm Sewer Fund	North 27th Street Tax Increment Operating Fund	South Tax Increment Operating Fund	East Tax Increment Operating Fund	Parks Program Fund	Police Programs Fund
Assets								
Cash and cash equivalents	\$ 1,146,984	\$ 1,243,962	\$ 2,466,103	\$ 557,672	\$ 2,858,509	\$ 921,788	\$ 1,080,344	\$ 226,858
Cash with fiscal agent	-	-	-	8,580,995	642,856	362,593	-	-
Investments	1,313,644	1,439,719	2,853,257	613,277	3,275,993	1,069,290	1,232,363	242,268
Receivables:								
Property taxes	-	-	-	157,296	212,900	52,694	-	-
Accounts and unbilled usage	-	-	-	-	-	-	-	65,528
Delinquent special assessments	136,974	49,138	331,975	-	-	-	-	-
Accrued interest	14,310	15,394	33,611	8,296	38,308	12,992	15,063	5,962
Notes	-	-	-	-	-	-	-	-
Lease Receivable	-	-	-	-	-	-	429,158	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	548,308
Inventories	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-
Total assets	\$ 2,611,912	\$ 2,748,213	\$ 5,684,946	\$ 9,917,536	\$ 7,028,566	\$ 2,419,357	\$ 2,756,928	\$ 1,088,924
Liabilities, Deferred Inflows and Fund Balances								
Liabilities:								
Accounts payable	\$ 152,024	\$ 13,350	\$ 791,529	\$ 45,199	\$ 132,599	\$ 34,987	\$ 50,208	\$ 108,008
Accrued wages & benefits	-	-	-	-	-	-	-	12,526
Due to other funds	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Total liabilities	152,024	13,350	791,529	45,199	132,599	34,987	50,208	120,534
Deferred inflows:								
Leases	-	-	-	-	-	-	417,539	-
Unavailable Revenue	21,383	5,644	55,220	11,396	29,045	7,784	-	-
Total deferred inflows of resources	21,383	5,644	55,220	11,396	29,045	7,784	417,539	-
Fund balances:								
Unspendable	-	-	-	-	-	-	-	-
Restricted	2,438,505	2,729,219	4,838,197	9,860,941	6,866,922	2,376,586	2,289,181	-
Committed	-	-	-	-	-	-	-	968,390
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	2,438,505	2,729,219	4,838,197	9,860,941	6,866,922	2,376,586	2,289,181	968,390
Total liabilities, deferred inflows and fund balances	\$ 2,611,912	\$ 2,748,213	\$ 5,684,946	\$ 9,917,536	\$ 7,028,566	\$ 2,419,357	\$ 2,756,928	\$ 1,088,924

CITY OF BILLINGS, MONTANA

Nonmajor Special Revenue Funds

Combining Balance Sheet

June 30, 2024

(Page 3 of 4)

	Amend Park Fund	Sidewalk Hazard Repair Fund	City-County Planning Fund	Building Inspection Fund	Street & Traffic Fund	City Attorney Grants Fund	Fire Programs Fund	Municipal Court Grant Fund
Assets								
Cash and cash equivalents	\$ 109,685	\$ 40,280	\$ 602,493	\$ 2,020,125	\$ 4,091,161	\$ 1	\$ 167,404	\$ 4,407
Cash with fiscal agent	-	-	-	-	-	-	-	-
Investments	125,277	45,770	699,422	2,316,507	4,702,661	(353)	191,179	5,169
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Accounts and unbilled usage	-	7,540	-	51,505	7,939	-	-	-
Delinquent special assessments	-	-	-	-	-	-	-	-
Accrued interest	1,577	546	6,890	27,066	24,641	7	2,215	67
Notes	-	-	-	-	-	-	-	-
Lease Receivable	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	229,240	-	434	-	-	44,342
Inventories	-	-	-	-	184,024	-	-	-
Property held for resale	-	-	-	-	-	-	-	-
Total assets	\$ 236,539	\$ 94,136	\$ 1,538,045	\$ 4,415,203	\$ 9,010,860	\$ (345)	\$ 360,798	\$ 53,985
Liabilities, Deferred Inflows and Fund Balances								
Liabilities:								
Accounts payable	\$ 19,500	\$ -	\$ 33,281	\$ 11,981	\$ 461,436	\$ (194)	\$ -	\$ 12,245
Accrued wages & benefits	-	-	30,503	36,389	124,924	14,073	-	2,783
Due to other funds	-	-	-	-	-	-	-	16,469
Unearned Revenue	-	-	-	-	-	-	-	-
Total liabilities	19,500	-	63,784	48,370	586,360	13,879	-	31,497
Deferred inflows:								
Leases	-	-	-	-	-	-	-	-
Unavailable Revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balances:								
Unspendable	-	-	-	-	184,024	-	-	-
Restricted	217,039	-	1,474,261	4,366,833	8,240,476	-	360,798	22,488
Committed	-	94,136	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(14,224)	-	-
Total fund balances	217,039	94,136	1,474,261	4,366,833	8,424,500	(14,224)	360,798	22,488
Total liabilities, deferred inflows and fund balances	\$ 236,539	\$ 94,136	\$ 1,538,045	\$ 4,415,203	\$ 9,010,860	\$ (345)	\$ 360,798	\$ 53,985

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2024
(Page 4 of 4)

	Baseball Field/Stadium Donations for Capital Maintenance										Total	Nonmajor	Special	Revenue	Funds
	Downtown	Arterial Fees	Ballpark	Bike Path/Trail	Park District 1	Anti-Graffiti	American	Rescue Plan							
Assets	Revolving	Fund	Fund	Repair Fund	Donation Fund	Fund	Rescue Plan	Funds							
Cash and cash equivalents	\$ 907,454	\$ 230,410	\$ -	\$ 75,345	\$ -	\$ 2,326,213	\$ 1,856	\$ 395,818							
Cash with fiscal agent	-	-	-	-	-	-	-	-							
Investments	1,050,775	264,397	(65,587)	86,798	(11)	2,645,502	2,144	350,036							
Receivables:															
Property taxes	-	-	-	-	-	-	-	-							
Accounts and unbilled usage	-	-	-	-	-	-	-	-							
Delinquent special assessments	-	-	272	-	-	1,702	-	-							
Accrued interest	12,607	3,217	2,339	1,068	497	26,868	-	6,079							
Notes	631,503	-	-	-	-	-	-	-							
Lease Receivable	-	148,469	-	-	-	-	-	-							
Due from other funds	-	-	-	-	-	-	-	-							
Due from other governments	-	-	1,087,246	-	5,343	-	-	-							
Inventories	-	-	-	-	-	-	-	-							
Property held for resale	-	-	-	-	-	-	-	-							
Total assets	<u>\$ 2,602,339</u>	<u>\$ 646,493</u>	<u>\$ 1,024,270</u>	<u>\$ 163,211</u>	<u>\$ 5,829</u>	<u>\$ 5,000,285</u>	<u>\$ 4,000</u>	<u>\$ 751,933</u>							
Liabilities, Deferred Inflows and Fund Balances															
Liabilities:															
Accounts payable	\$ -	\$ -	\$ 755,677	\$ -	\$ 424,394	\$ 247,210	\$ 1,051	\$ -							
Accrued wages & benefits	-	-	-	-	-	11,599	-	-							
Due to other funds	-	-	723,659	-	4,117	-	-	-							
Unearned Revenue	-	-	-	-	-	-	-	-							
Total liabilities	<u>-</u>	<u>-</u>	<u>1,479,336</u>	<u>-</u>	<u>428,511</u>	<u>258,809</u>	<u>1,051</u>	<u>-</u>							
Deferred inflows:															
Leases	-	102,836	-	-	-	-	-	-							
Unavailable Revenue	631,503	-	272	-	-	1,611	-	-							
Total deferred inflows of resources	<u>631,503</u>	<u>102,836</u>	<u>272</u>	<u>-</u>	<u>-</u>	<u>1,611</u>	<u>-</u>	<u>-</u>							
Fund balances:															
Unspendable	-	-	-	-	-	-	-	-							
Restricted	-	-	-	-	-	-	-	2,949	751,933	80,726,662					
Committed	1,970,836	543,657	-	163,211	-	4,739,865	-	-							
Unassigned	-	-	(455,338)	-	(422,682)	-	-	-							
Total fund balances	<u>1,970,836</u>	<u>543,657</u>	<u>(455,338)</u>	<u>163,211</u>	<u>(422,682)</u>	<u>4,739,865</u>	<u>2,949</u>	<u>751,933</u>							
Total liabilities, deferred inflows and fund balances	<u>\$ 2,602,339</u>	<u>\$ 646,493</u>	<u>\$ 1,024,270</u>	<u>\$ 163,211</u>	<u>\$ 5,829</u>	<u>\$ 5,000,285</u>	<u>\$ 4,000</u>	<u>\$ 751,933</u>							

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2024
(Page 1 of 4)

	Gas Tax Fund	EOC 911 Fund	Animal Shelter Donations Fund	Development Services Grants Fund	Library Fund	Cemetery Improvement s Fund	Street Maintenance Districts Fund	Road Maintenance District 6 Fund
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,324,209	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	7,864,771	1,074,672	-	2,192,192	1,827,828	-	-	-
Charges for services	-	-	-	9,895	16,415	34,904	-	-
Fines and forfeitures	-	-	-	-	17,114	-	-	-
Special assessments	-	-	-	-	-	-	16,229,229	2,881
Other	1,013,083	210,993	1,198	480	464,455	8,152	666,666	1,166
Total revenues	8,877,854	1,285,665	1,198	2,202,567	3,650,021	43,056	16,895,895	4,047
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	1,018,360	-	-	-	-	-	564
Public works	993,455	-	-	-	-	-	9,511,403	-
Culture and recreation	-	-	-	-	4,576,928	521	-	-
Housing and economic development	-	-	-	1,554,903	-	-	-	-
Capital outlay	2,882,273	2,195,000	-	677,489	-	197,943	1,721,812	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	3,875,728	3,213,360	-	2,232,392	4,576,928	198,464	11,233,215	564
Revenues over (under) expenditures	5,002,126	(1,927,695)	1,198	(29,825)	(926,907)	(155,408)	5,662,680	3,483
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	370,000	-	66,552	1,372,418	-	-	-
Transfers out	-	(370,000)	-	-	(24,876)	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	88,263	-	-	-	-
Total other financing sources (uses)	-	-	-	154,815	1,347,542	-	-	-
Net change in fund balances	5,002,126	(1,927,695)	1,198	124,990	420,635	(155,408)	5,662,680	3,483
Fund balance, beginning of year, as previously reported	6,309,023	4,585,554	22,832	911,707	4,925,755	224,465	10,294,185	21,637
Restatement - accounting changes and/or error corrections (see Note)	-	-	-	-	-	-	-	-
Fund balance, beginning, as restated	6,309,023	4,585,554	22,832	911,707	4,925,755	224,465	10,294,185	21,637
Fund balance, end of year	\$ 11,311,149	\$ 2,657,859	\$ 24,030	\$ 1,036,697	\$ 5,346,390	\$ 69,057	\$ 15,956,865	\$ 25,120

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2024
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	Light Maintenance Districts Fund	Park Maintenance Districts Fund	Storm Sewer Fund	North 27th Street Tax Increment Operating Fund	South Tax Increment Operating Fund	East Tax Increment Operating Fund	Parks Program Fund	Police Programs Fund
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ 2,699,486	\$ 4,560,758	\$ 1,089,031	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	316,783	342,607	211,630	-	1,104,090
Charges for services	-	-	-	-	-	-	28,362	273,819
Fines and forfeitures	-	-	-	-	-	-	-	229,683
Special assessments	2,714,281	1,347,317	5,630,956	-	-	-	-	-
Other	118,349	108,507	276,914	92,002	391,822	87,067	199,190	105,394
Total revenues	2,832,630	1,455,824	5,907,870	3,108,271	5,295,187	1,387,728	227,552	1,712,986
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	1,482,540
Public works	2,572,490	-	1,922,481	-	-	-	-	-
Culture and recreation	-	814,884	-	-	-	-	39,307	-
Housing and economic development	-	-	-	1,326,752	2,210,756	486,000	-	-
Capital outlay	-	-	3,795,544	653,647	2,769,742	1,152	58,012	-
Debt service:								
Principal	-	-	-	480,000	460,000	245,000	-	-
Interest and fiscal charges	-	-	-	605,065	482,469	219,726	-	-
Bond issuance costs	-	-	-	395,517	-	-	-	-
Total expenditures	2,572,490	814,884	5,718,025	3,460,981	5,922,967	951,878	97,319	1,482,540
Revenues over (under) expenditures	260,140	640,940	189,845	(352,710)	(627,780)	435,850	130,233	230,446
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	7,837	-
Transfers in	-	-	-	146,350	-	-	20,000	-
Transfers out	-	-	(130,000)	(276,350)	(305,673)	-	-	(2,495)
Issuance of debt	-	-	-	6,930,000	-	-	-	-
Premium on bond debt	-	-	-	644,705	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(130,000)	7,444,705	(305,673)	-	27,837	(2,495)
Net change in fund balances	260,140	640,940	59,845	7,091,995	(933,453)	435,850	158,070	227,951
Fund balance, beginning of year, as previously reported	2,178,365	2,088,279	4,778,352	2,768,946	7,800,375	1,940,736	2,147,854	738,077
Restatement - accounting changes and/or error corrections (see Note)	-	-	-	-	-	-	(16,743)	2,362
Fund balance, beginning, as restated	2,178,365	2,088,279	4,778,352	2,768,946	7,800,375	1,940,736	2,131,111	740,439
Fund balance, end of year	\$ 2,438,505	\$ 2,729,219	\$ 4,838,197	\$ 9,860,941	\$ 6,866,922	\$ 2,376,586	\$ 2,289,181	\$ 968,390

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2024
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	Amend Park Fund	Sidewalk Hazard Repair Fund	City-County Planning Fund	Building Inspection Fund	Street & Traffic Fund	City Attorney Grants Fund	Fire Programs Fund	Municipal Court Grant Fund
Revenues:								
Taxes	\$ -	\$ -	\$ 636,158	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	106,475	2,072,422	-	-	-	-
Intergovernmental	-	-	968,929	-	522,320	206,393	55,795	391,480
Charges for services	10,672	5,270	402,441	-	9,710,259	-	-	-
Fines and forfeitures	-	-	-	-	-	57,386	-	-
Special assessments	-	29,501	-	-	-	-	-	-
Other	11,988	4,153	88,595	241,345	317,227	711	71,307	437
Total revenues	22,660	38,924	2,202,598	2,313,767	10,549,806	264,490	127,102	391,917
Expenditures:								
Current:								
General government	-	-	2,175,516	-	-	594,529	-	382,042
Public safety	-	-	-	2,307,208	-	98	50,178	-
Public works	-	26,341	-	-	8,610,895	-	-	-
Culture and recreation	20,857	-	-	-	-	-	-	-
Housing and economic development	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	187,068	1,327,521	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	20,857	26,341	2,175,516	2,494,276	9,938,416	594,627	50,178	382,042
Revenues over (under) expenditures	1,803	12,583	27,082	(180,509)	611,390	(330,137)	76,924	9,875
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	311,031	-	34,500	325,078	-	5
Transfers out	(7,934)	-	(3,528)	-	(83,129)	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	72,100	-	-	-
Total other financing sources (uses)	(7,934)	-	307,503	-	23,471	325,078	-	5
Net change in fund balances	(6,131)	12,583	334,585	(180,509)	634,861	(5,059)	76,924	9,880
Fund balance, beginning of year, as previously reported	223,170	81,553	1,139,676	4,547,342	7,789,639	(9,165)	283,874	12,608
Restatement - accounting changes and/or error corrections (see Note)	-	-	-	-	-	-	-	-
Fund balance, beginning, as restated	223,170	81,553	1,139,676	4,547,342	7,789,639	(9,165)	283,874	12,608
Fund balance, end of year	\$ 217,039	\$ 94,136	\$ 1,474,261	\$ 4,366,833	\$ 8,424,500	\$ (14,224)	\$ 360,798	\$ 22,488

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2024
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	Baseball	Field/Stadium Donations for Capital Maintenance Fund		Arterial Fees Fund	Ballpark Repair Fund	Bike Path/Trail Donation Fund	Park District 1 Fund	Anti-Graffiti	American Rescue Plan	Total Nonmajor Special Revenue Funds
	Downtown Revolving Loan Fund	Capital Maintenance Fund								
Revenues:										
Taxes	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,309,642
Licenses and permits	-	-		-	-	-	-	-	-	2,178,897
Intergovernmental	-	-		3,162,619	-	2,223,196	893,984	-	-	23,359,289
Charges for services	-	41,183		-	-	-	3,067	-	-	10,536,287
Fines and forfeitures	-	-		-	-	-	-	-	-	304,183
Special assessments	-	-		146	-	-	16,336	-	-	25,970,647
Other	259,006	82,059		438,094	8,370	2,364	196,247	4,000	49,454	5,520,795
Total revenues	259,006	123,242		3,600,859	8,370	2,225,560	1,109,634	4,000	49,454	78,179,740
Expenditures:										
Current:										
General government	-	-		-	-	-	-	-	-	3,152,087
Public safety	-	-		-	-	-	-	-	-	4,858,948
Public works	-	-		2,443	-	-	-	-	-	23,639,508
Culture and recreation	-	14,785		-	24,335	-	1,728,224	1,051	-	7,220,892
Housing and economic development	168,204	-		-	-	-	-	-	-	5,746,615
Capital outlay	-	-		10,472,140	-	2,593,128	2,019,265	-	134,735	31,686,471
Debt service:										
Principal	-	-		-	-	-	-	-	-	1,185,000
Interest and fiscal charges	-	-		-	-	-	-	-	-	1,307,260
Bond issuance costs	-	-		-	-	-	-	-	-	395,517
Total expenditures	168,204	14,785		10,474,583	24,335	2,593,128	3,747,489	1,051	134,735	79,192,298
Revenues over (under) expenditures	90,802	108,457		(6,873,724)	(15,965)	(367,568)	(2,637,855)	2,949	(85,281)	(1,012,558)
Other financing sources (uses):										
Lease interest	-	2,727		-	-	-	-	-	-	10,564
Transfers in	-	-		-	30,000	-	3,823,482	-	-	6,499,416
Transfers out	-	-		-	-	-	(364,546)	-	-	(1,568,531)
Issuance of debt	-	-		-	-	-	-	-	-	6,930,000
Premium on bond debt	-	-		-	-	-	-	-	-	644,705
Sale of capital assets	-	-		-	-	-	-	-	-	160,363
Total other financing sources (uses)	-	2,727		-	30,000	-	3,458,936	-	-	12,676,517
Net change in fund balances	90,802	111,184		(6,873,724)	14,035	(367,568)	821,081	2,949	(85,281)	11,663,959
Fund balance, beginning of year, as previously reported	1,880,034	428,023		6,418,386	149,176	(55,114)	3,918,784	-	-	78,544,128
Restatement - accounting changes and/or error corrections (see Note)	-	4,450		-	-	-	-	-	837,214	827,283
Fund balance, beginning, as restated	1,880,034	432,473		6,418,386	149,176	(55,114)	3,918,784	-	837,214	79,371,411
Fund balance, end of year	\$ 1,970,836	\$ 543,657		\$ (455,338)	\$ 163,211	\$ (422,682)	\$ 4,739,865	\$ 2,949	\$ 751,933	\$ 91,035,370

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Gas Tax Fund				EOC 911 Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	4,370,334	4,370,334	7,864,771	(3,494,437)	1,112,010	1,112,010	1,074,672	37,338
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	21,000	21,000	1,013,083	(992,083)	26,236	26,236	210,993	(184,757)
Total revenues	4,391,334	4,391,334	8,877,854	(4,486,520)	1,138,246	1,138,246	1,285,665	(147,419)
Expenditures:								
Current:								
Salaries and benefits	95,333	95,333	95,313	20	165,074	165,074	170,628	(5,554)
Operations and maintenance	353,760	376,815	898,142	(521,327)	1,238,438	1,315,729	847,732	467,997
Capital outlay	3,647,000	8,208,910	2,882,273	5,326,637	-	2,195,000	2,195,000	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	4,096,093	8,681,058	3,875,728	4,805,330	1,403,512	3,675,803	3,213,360	462,443
Revenues over (under) expenditures	295,241	(4,289,724)	5,002,126	(9,291,850)	(265,266)	(2,537,557)	(1,927,695)	(609,862)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	370,000	(370,000)
Transfers out	-	-	-	-	-	-	(370,000)	370,000
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 295,241	\$ (4,289,724)	5,002,126	\$ (9,291,850)	\$ (265,266)	\$ (2,537,557)	\$ (1,927,695)	\$ (609,862)
Fund balances, beginning of year, as previously reported			6,309,023				4,585,554	
Restatement - accounting changes and/or error corrections (see Note)			-				-	-
Fund balance, beginning of year, as restated			6,309,023				4,585,554	
Fund balance, end of year			\$ 11,311,149				\$ 2,657,859	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Animal Shelter Donation Fund				Development Services Grant Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	2,237,758	2,237,758	1,685,002	552,756
Charges for services	-	-	-	-	15,000	15,000	9,895	5,105
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	410	410	1,198	(788)	662,501	584,021	507,670	76,351
Total revenues	410	410	1,198	(788)	2,915,259	2,836,779	2,202,567	634,212
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	494,132	653,592	485,906	167,686
Operations and maintenance	-	-	-	-	1,838,377	4,089,357	1,068,997	3,020,360
Capital outlay	-	-	-	-	-	1,029,857	677,489	352,368
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	2,332,509	5,772,806	2,232,392	3,540,414
Revenues over (under) expenditures	410	410	1,198	(788)	582,750	(2,936,027)	(29,825)	(2,906,202)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	79,750	79,750	66,552	13,198
Transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	88,263	(88,263)
Total other financing sources (uses)	-	-	-	-	79,750	79,750	154,815	(75,065)
Net change in fund balances	\$ 410	\$ 410	1,198	\$ (788)	\$ 662,500	\$ (2,856,277)	124,990	\$ (2,981,267)
Fund balances, beginning of year, as previously reported			22,832				911,707	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			22,832				911,707	
Fund balance, end of year			\$ 24,030				\$ 1,036,697	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Library Fund				Cemetery Improvements Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ 1,322,239	\$ 1,322,239	\$ 1,324,209	\$ (1,970)	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	1,682,400	1,682,400	1,827,828	(145,428)	-	-	-	-
Charges for services	14,650	14,650	16,415	(1,765)	14,000	14,000	34,904	(20,904)
Fines and forfeitures	15,000	15,000	17,114	(2,114)	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	143,500	143,500	464,455	(320,955)	2,500	2,500	8,152	(5,652)
Total revenues	<u>3,177,789</u>	<u>3,177,789</u>	<u>3,650,021</u>	<u>(472,232)</u>	<u>16,500</u>	<u>16,500</u>	<u>43,056</u>	<u>(26,556)</u>
Expenditures:								
Current:								
Salaries and benefits	2,732,811	2,732,811	2,599,649	133,162	-	-	-	-
Operations and maintenance	1,970,483	2,137,766	1,977,279	160,487	-	7,760	521	7,239
Capital outlay	5,000	15,000	-	15,000	230,000	230,000	197,943	32,057
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	<u>4,708,294</u>	<u>4,885,577</u>	<u>4,576,928</u>	<u>308,649</u>	<u>230,000</u>	<u>237,760</u>	<u>198,464</u>	<u>39,296</u>
Revenues over (under) expenditures	<u>(1,530,505)</u>	<u>(1,707,788)</u>	<u>(926,907)</u>	<u>(780,881)</u>	<u>(213,500)</u>	<u>(221,260)</u>	<u>(155,408)</u>	<u>(65,852)</u>
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	1,196,458	1,196,458	1,372,418	(175,960)	-	-	-	-
Transfers out	(22,876)	(22,876)	(24,876)	2,000	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>1,173,582</u>	<u>1,173,582</u>	<u>1,347,542</u>	<u>(173,960)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (356,923)</u>	<u>\$ (534,206)</u>	<u>420,635</u>	<u>\$ (954,841)</u>	<u>\$ (213,500)</u>	<u>\$ (221,260)</u>	<u>(155,408)</u>	<u>\$ (65,852)</u>
Fund balances, beginning of year, as previously reported			4,925,755				224,465	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			4,925,755				224,465	
Fund balance, end of year			<u>\$ 5,346,390</u>				<u>\$ 69,057</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Street Maintenance Districts Fund				Road Maintenance Dist. 6 Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	15,784,000	15,784,000	16,229,229	(445,229)	2,875	2,875	2,881	(6)
Other	20,500	20,500	666,666	(646,166)	200	200	1,166	(966)
Total revenues	<u>15,804,500</u>	<u>15,804,500</u>	<u>16,895,895</u>	<u>(1,091,395)</u>	<u>3,075</u>	<u>3,075</u>	<u>4,047</u>	<u>(972)</u>
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	7,883,111	7,883,111	9,511,403	(1,628,292)	563	563	564	(1)
Capital outlay	6,584,000	9,253,799	1,721,812	7,531,987	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	<u>14,467,111</u>	<u>17,136,910</u>	<u>11,233,215</u>	<u>5,903,695</u>	<u>563</u>	<u>563</u>	<u>564</u>	<u>(1)</u>
Revenues over (under) expenditures	<u>1,337,389</u>	<u>(1,332,410)</u>	<u>5,662,680</u>	<u>(6,995,090)</u>	<u>2,512</u>	<u>2,512</u>	<u>3,483</u>	<u>(971)</u>
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,337,389</u>	<u>\$(1,332,410)</u>	<u>5,662,680</u>	<u>\$(6,995,090)</u>	<u>\$ 2,512</u>	<u>\$ 2,512</u>	<u>3,483</u>	<u>\$ (971)</u>
Fund balances, beginning of year, as previously reported			10,294,185				21,637	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			10,294,185				21,637	
Fund balance, end of year			<u>\$ 15,956,865</u>				<u>\$ 25,120</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Light Maintenance Districts Fund				Park Maintenance Districts Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	2,700,000	2,700,000	2,714,281	(14,281)	1,348,036	1,348,036	1,347,317	719
Other	6,000	6,000	118,349	(112,349)	13,000	13,000	108,507	(95,507)
Total revenues	<u>2,706,000</u>	<u>2,706,000</u>	<u>2,832,630</u>	<u>(126,630)</u>	<u>1,361,036</u>	<u>1,361,036</u>	<u>1,455,824</u>	<u>(94,788)</u>
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	3,239,446	3,263,601	2,572,490	691,111	1,284,867	1,284,867	814,884	469,983
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	<u>3,239,446</u>	<u>3,263,601</u>	<u>2,572,490</u>	<u>691,111</u>	<u>1,284,867</u>	<u>1,284,867</u>	<u>814,884</u>	<u>469,983</u>
Revenues over (under) expenditures	<u>(533,446)</u>	<u>(557,601)</u>	<u>260,140</u>	<u>(817,741)</u>	<u>76,169</u>	<u>76,169</u>	<u>640,940</u>	<u>(564,771)</u>
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (533,446)</u>	<u>\$ (557,601)</u>	<u>260,140</u>	<u>\$ (817,741)</u>	<u>\$ 76,169</u>	<u>\$ 76,169</u>	<u>640,940</u>	<u>\$ (564,771)</u>
Fund balances, beginning of year, as previously reported			2,178,365				2,088,279	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			<u>2,178,365</u>				<u>2,088,279</u>	
Fund balance, end of year			<u>\$ 2,438,505</u>				<u>\$ 2,729,219</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Storm Sewer Fund				North 27th Street Tax Increment Operating Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,651,476	\$ 2,651,476	\$ 2,699,486	\$ (48,010)
Licenses and permits	500	500	-	500	-	-	-	-
Intergovernmental	-	-	-	-	266,797	266,797	316,783	(49,986)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	5,440,000	5,440,000	5,630,956	(190,956)	-	-	-	-
Other	21,110	21,109	276,914	(255,805)	4,727,000	4,727,001	92,002	4,634,999
Total revenues	<u>5,461,610</u>	<u>5,461,609</u>	<u>5,907,870</u>	<u>(446,261)</u>	<u>7,645,273</u>	<u>7,645,274</u>	<u>3,108,271</u>	<u>4,537,003</u>
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	1,987,497	2,185,751	1,922,481	263,270	1,982,107	2,293,228	1,326,752	966,476
Capital outlay	2,712,000	5,883,743	3,795,544	2,088,199	4,300,000	4,728,211	653,647	4,074,564
Debt service:								
Principal	-	-	-	-	480,000	480,000	480,000	-
Interest and fiscal charges	-	-	-	-	603,865	603,865	605,065	(1,200)
Bond Issuance Costs	-	-	-	-	-	-	395,517	(395,517)
Total expenditures	<u>4,699,497</u>	<u>8,069,494</u>	<u>5,718,025</u>	<u>2,351,469</u>	<u>7,365,972</u>	<u>8,105,304</u>	<u>3,460,981</u>	<u>4,644,323</u>
Revenues over (under) expenditures	<u>762,113</u>	<u>(2,607,885)</u>	<u>189,845</u>	<u>(2,797,730)</u>	<u>279,301</u>	<u>(460,030)</u>	<u>(352,710)</u>	<u>(107,320)</u>
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	146,350	(146,350)
Transfers out	(1,015,000)	(1,015,000)	(130,000)	(885,000)	(130,000)	(130,000)	(276,350)	146,350
Issuance of debt	-	-	-	-	-	-	6,930,000	(6,930,000)
Premium on bond debt	-	-	-	-	-	-	644,705	(644,705)
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(1,015,000)</u>	<u>(1,015,000)</u>	<u>(130,000)</u>	<u>(885,000)</u>	<u>(130,000)</u>	<u>(130,000)</u>	<u>7,444,705</u>	<u>(7,574,705)</u>
Net change in fund balances	<u>\$ (252,887)</u>	<u>\$ (3,622,885)</u>	<u>59,845</u>	<u>\$ (3,682,730)</u>	<u>\$ 149,301</u>	<u>\$ (590,030)</u>	<u>7,091,995</u>	<u>\$ (7,682,025)</u>
Fund balances, beginning of year, as previously reported			4,778,352				2,768,946	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			4,778,352				2,768,946	
Fund balance, end of year			<u>\$ 4,838,197</u>				<u>\$ 9,860,941</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	South Tax Increment Operating Fund				East Tax Increment Operating Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ 3,756,660	\$ 3,756,660	\$ 4,560,758	\$ (804,098)	\$ 801,340	\$ 801,340	\$ 1,089,031	\$ (287,691)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	292,587	292,587	342,607	(50,020)	171,479	171,479	211,630	(40,151)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	<u>6,550,000</u>	<u>6,550,000</u>	<u>391,822</u>	<u>6,158,178</u>	<u>15,000</u>	<u>15,000</u>	<u>87,067</u>	<u>(72,067)</u>
Total revenues	<u>10,599,247</u>	<u>10,599,247</u>	<u>5,295,187</u>	<u>5,304,060</u>	<u>987,819</u>	<u>987,819</u>	<u>1,387,728</u>	<u>(399,909)</u>
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	2,241,716	2,835,042	2,210,756	624,286	826,530	884,042	486,000	398,042
Capital outlay	10,529,622	10,606,007	2,769,742	7,836,265	110,000	110,000	1,152	108,848
Debt service:								
Principal	460,000	460,000	460,000	-	245,000	245,000	245,000	-
Interest and fiscal charges	481,269	481,269	482,469	(1,200)	219,626	219,626	219,726	(100)
Bond Issuance Costs	150,000	150,000	-	150,000	-	-	-	-
Total expenditures	<u>13,862,607</u>	<u>14,532,318</u>	<u>5,922,967</u>	<u>8,609,351</u>	<u>1,401,156</u>	<u>1,458,668</u>	<u>951,878</u>	<u>506,790</u>
Revenues over (under) expenditures	<u>(3,263,360)</u>	<u>(3,933,071)</u>	<u>(627,780)</u>	<u>(3,305,291)</u>	<u>(413,337)</u>	<u>(470,849)</u>	<u>435,850</u>	<u>(906,699)</u>
Other financing sources (uses):	-	-	-	-	-	-	-	-
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(312,294)	(312,294)	(305,673)	(6,621)	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(312,294)</u>	<u>(312,294)</u>	<u>(305,673)</u>	<u>(6,621)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u><u>\$3,575,654</u></u>	<u><u>\$4,245,365</u></u>	<u><u>(933,453)</u></u>	<u><u>\$3,311,912</u></u>	<u><u>\$ (413,337)</u></u>	<u><u>\$ (470,849)</u></u>	<u><u>435,850</u></u>	<u><u>\$ (906,699)</u></u>
Fund balances, beginning of year, as previously reported			7,800,375				1,940,736	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			<u>7,800,375</u>				<u>1,940,736</u>	
Fund balance, end of year			<u>\$ 6,866,922</u>				<u>\$ 2,376,586</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Parks Program Fund				Police Programs Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	592,851	592,851	1,104,090	(511,239)
Charges for services	-	-	28,362	(28,362)	274,890	274,890	273,819	1,071
Fines and forfeitures	-	-	-	-	120,000	120,000	229,683	(109,683)
Special assessments	-	-	-	-	-	-	-	-
Other	162,750	162,750	199,190	(36,440)	99,050	99,050	105,394	(6,344)
Total revenues	162,750	162,750	227,552	(64,802)	1,086,791	1,086,791	1,712,986	(626,195)
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	499,835	499,835	490,733	9,102
Operations and maintenance	26,393	37,622	39,307	(1,685)	859,912	1,220,915	991,807	229,108
Capital outlay	-	-	58,012	(58,012)	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	26,393	37,622	97,319	(59,697)	1,359,747	1,720,750	1,482,540	238,210
Revenues over (under) expenditures	136,357	125,128	130,233	(5,105)	(272,956)	(633,959)	230,446	(864,405)
Other financing sources (uses):								
Lease interest	-	-	7,837	(7,837)	-	-	-	-
Transfers in	5,000	5,000	20,000	(15,000)	-	-	-	-
Transfers out	-	-	-	-	-	-	(2,495)	2,495
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	5,000	5,000	27,837	(22,837)	-	-	(2,495)	2,495
Net change in fund balances	\$ 141,357	\$ 130,128	158,070	\$ (27,942)	\$ (272,956)	\$ (633,959)	227,951	\$ (861,910)
Fund balances, beginning of year, as previously reported			2,147,854				738,077	
Restatement - accounting changes and/or error corrections (see Note)			(16,743)				2,362	
Fund balance, beginning of year, as restated			2,131,111				740,439	
Fund balance, end of year			\$ 2,289,181				\$ 968,390	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Amend Park Fund				Sidewalk Hazard Repair Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	25,000	25,000	10,672	14,328	12,000	12,000	5,270	6,730
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	150,000	150,000	29,501	120,499
Other	2,300	2,300	11,988	(9,688)	200	200	4,153	(3,953)
Total revenues	<u>27,300</u>	<u>27,300</u>	<u>22,660</u>	<u>4,640</u>	<u>162,200</u>	<u>162,200</u>	<u>38,924</u>	<u>123,276</u>
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	85,989	85,989	20,857	65,132	150,000	180,820	26,341	154,479
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	<u>85,989</u>	<u>85,989</u>	<u>20,857</u>	<u>65,132</u>	<u>150,000</u>	<u>180,820</u>	<u>26,341</u>	<u>154,479</u>
Revenues over (under) expenditures	<u>(58,689)</u>	<u>(58,689)</u>	<u>1,803</u>	<u>(60,492)</u>	<u>12,200</u>	<u>(18,620)</u>	<u>12,583</u>	<u>(31,203)</u>
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(5,000)	(5,000)	(7,934)	2,934	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>(7,934)</u>	<u>2,934</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (63,689)</u>	<u>\$ (63,689)</u>	<u>(6,131)</u>	<u>\$ (57,558)</u>	<u>\$ 12,200</u>	<u>\$ (18,620)</u>	<u>12,583</u>	<u>\$ (31,203)</u>
Fund balances, beginning of year, as previously reported			223,170				81,553	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			223,170				81,553	
Fund balance, end of year			<u>\$ 217,039</u>				<u>\$ 94,136</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	City-County Planning Fund				Building Inspection Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ 508,247	\$ 508,247	\$ 636,158	\$ (127,911)	\$ -	\$ -	\$ -	\$ -
Licenses and permits	85,000	85,000	106,475	(21,475)	2,571,000	2,571,000	2,072,422	498,578
Intergovernmental	1,209,969	1,226,969	968,929	258,040	-	-	-	-
Charges for services	373,347	373,347	402,441	(29,094)	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	11,000	11,000	88,595	(77,595)	72,000	72,000	241,345	(169,345)
Total revenues	2,187,563	2,204,563	2,202,598	1,965	2,643,000	2,643,000	2,313,767	329,233
Expenditures:								
Current:								
Salaries and benefits	1,433,083	1,433,083	1,331,839	101,244	1,757,328	1,757,328	1,575,560	181,768
Operations and maintenance	1,254,036	1,342,139	843,677	498,462	793,675	793,675	731,648	62,027
Capital outlay	-	-	-	-	75,000	476,395	187,068	289,327
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	2,687,119	2,775,222	2,175,516	599,706	2,626,003	3,027,398	2,494,276	533,122
Revenues over (under) expenditures	(499,556)	(570,659)	27,082	(597,741)	16,997	(384,398)	(180,509)	(203,889)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	301,031	301,031	311,031	(10,000)	-	-	-	-
Transfers out	(3,528)	(3,528)	(3,528)	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	297,503	297,503	307,503	(10,000)	-	-	-	-
Net change in fund balances	\$ (202,053)	\$ (273,156)	334,585	\$ (607,741)	\$ 16,997	\$ (384,398)	(180,509)	\$ (203,889)
Fund balances, beginning of year, as previously reported			1,139,676				4,547,342	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			1,139,676				4,547,342	
Fund balance, end of year			<u>\$ 1,474,261</u>				<u>\$ 4,366,833</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Street & Traffic Fund				City Attorney Grants Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	463,800	463,800	522,320	(58,520)	160,000	160,000	206,393	(46,393)
Charges for services	9,539,239	9,539,239	9,710,259	(171,020)	-	-	-	-
Fines and forfeitures	-	-	-	-	46,000	46,000	57,386	(11,386)
Special assessments	-	-	-	-	-	-	-	-
Other	20,000	20,000	317,226	(297,226)	-	-	711	(711)
Total revenues	10,023,039	10,023,039	10,549,805	(526,766)	206,000	206,000	264,490	(58,490)
Expenditures:								
Current:								
Salaries and benefits	5,057,646	5,057,646	4,501,985	555,661	601,894	601,894	580,288	21,606
Operations and maintenance	4,873,193	5,284,013	4,108,909	1,175,104	16,500	16,500	14,339	2,161
Capital outlay	1,832,186	2,780,838	1,327,521	1,453,317	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	11,763,025	13,122,497	9,938,415	3,184,082	618,394	618,394	594,627	23,767
Revenues over (under) expenditures	(1,739,986)	(3,099,458)	611,390	(3,710,848)	(412,394)	(412,394)	(330,137)	(82,257)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	34,500	(34,500)	418,036	418,036	325,078	92,958
Transfers out	(83,129)	(83,129)	(83,129)	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	72,100	(72,100)	-	-	-	-
Total other financing sources (uses)	(83,129)	(83,129)	23,471	(106,600)	418,036	418,036	325,078	92,958
Net change in fund balances	\$(1,823,115)	\$(3,182,587)	634,861	\$(3,817,448)	\$ 5,642	\$ 5,642	(5,059)	\$ 10,701
Fund balances, beginning of year, as previously reported			7,789,639				(9,165)	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			7,789,639				(9,165)	
Fund balance, end of year			\$ 8,424,500				\$ (14,224)	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Fire Program Fund				Municipal Court Grant Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	204,375	204,375	55,795	148,580	547,827	547,827	391,480	156,347
Charges for services	22,000	22,000	-	22,000	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	46,506	46,506	71,307	(24,801)	-	-	437	(437)
Total revenues	272,881	272,881	127,102	145,779	547,827	547,827	391,917	155,910
Expenditures:								
Current:								
Salaries and benefits	7,500	7,500	-	7,500	197,514	197,514	174,012	23,502
Operations and maintenance	250,500	250,500	50,178	200,322	350,313	350,313	208,030	142,283
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	258,000	258,000	50,178	207,822	547,827	547,827	382,042	165,785
Revenues over (under) expenditures	14,881	14,881	76,924	(62,043)	-	-	9,875	(9,875)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	5	(5)
Transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	5	(5)
Net change in fund balances	\$ 14,881	\$ 14,881	76,924	\$ (62,043)	\$ -	\$ -	9,880	\$ (9,880)
Fund balances, beginning of year, as previously reported			283,874				12,608	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			283,874				12,608	
Fund balance, end of year			\$ 360,798				\$ 22,488	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Downtown Revolving Loan Fund				Baseball Field / Stadium Donation For Capital Maintenance Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	41,183	(41,183)
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	142,000	142,000	259,006	(117,006)	74,500	74,500	82,059	(7,559)
Total revenues	142,000	142,000	259,006	(117,006)	74,500	74,500	123,242	(48,742)
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	843,892	843,892	168,204	675,688	10,759	10,759	14,785	(4,026)
Capital outlay	-	-	-	-	70,000	70,000	-	70,000
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	843,892	843,892	168,204	675,688	80,759	80,759	14,785	65,974
Revenues over (under) expenditures	(701,892)	(701,892)	90,802	(792,694)	(6,259)	(6,259)	108,457	(114,716)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	2,727	(2,727)
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	2,727	(2,727)
Net change in fund balances	\$ (701,892)	\$ (701,892)	90,802	\$ (792,694)	\$ (6,259)	\$ (6,259)	111,184	\$ (117,443)
Fund balances, beginning of year, as previously reported			1,880,034				428,023	
Restatement - accounting changes and/or error corrections (see Note)			-				4,450	
Fund balance, beginning of year, as restated			1,880,034				432,473	
Fund balance, end of year			\$ 1,970,836				\$ 543,657	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Arterial Fees Fund				Ballpark Repair Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	3,162,619	(3,162,619)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	146	(146)	-	-	-	-
Other	1,000	1,000	438,094	(437,094)	2,000	2,000	8,370	(6,370)
Total revenues	1,000	1,000	3,600,859	(3,599,859)	2,000	2,000	8,370	(6,370)
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	2,443	3,064	2,443	621	30,726	30,726	24,335	6,391
Capital outlay	450,000	12,452,057	10,472,140	1,979,917	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	452,443	12,455,121	10,474,583	1,980,538	30,726	30,726	24,335	6,391
Revenues over (under) expenditures	(451,443)	(12,454,121)	(6,873,724)	(5,580,397)	(28,726)	(28,726)	(15,965)	(12,761)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	30,000	30,000	30,000	-
Transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	30,000	30,000	30,000	-
Net change in fund balances	\$ (451,443)	\$ (12,454,121)	(6,873,724)	\$ (5,580,397)	\$ 1,274	\$ 1,274	14,035	\$ (12,761)
Fund balances, beginning of year, as previously reported			6,418,386				149,176	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			6,418,386				149,176	
Fund balance, end of year			\$ (455,338)				\$ 163,211	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Park District 1 Fund				Bike Path/Trail Donation			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	893,984	(893,984)	-	-	2,223,196	(2,223,196)
Charges for services	-	-	3,067	(3,067)	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	16,336	(16,336)	-	-	-	-
Other	42,000	42,000	196,247	(154,247)	200	200	2,364	(2,164)
Total revenues	42,000	42,000	1,109,634	(1,067,634)	200	200	2,225,560	(2,225,360)
Expenditures:								
Current:								
Salaries and benefits	446,579	266,579	279,005	(12,426)	-	-	-	-
Operations and maintenance	1,596,161	1,631,661	1,449,219	182,442	-	-	-	-
Capital outlay	3,182,991	4,779,824	2,019,265	2,760,559	-	3,063,553	2,593,128	470,425
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	5,225,731	6,678,064	3,747,489	2,930,575	-	3,063,553	2,593,128	470,425
Revenues over (under) expenditures	(5,183,731)	(6,636,064)	(2,637,855)	(3,998,209)	200	(3,063,353)	(367,568)	(2,695,785)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	3,823,482	3,823,482	3,823,482	-	-	-	-	-
Transfers out	(364,546)	(364,546)	(364,546)	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	3,458,936	3,458,936	3,458,936	-	-	-	-	-
Net change in fund balances	\$1,724,795	\$(3,177,128)	821,081	\$(3,998,209)	\$ 200	\$(3,063,353)	(367,568)	\$(2,695,785)
Fund balances, beginning of year, as previously reported			3,918,784				(55,114)	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			3,918,784				(55,114)	
Fund balance, end of year			<u>\$ 4,739,865</u>				<u>\$ (422,682)</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Anti-Graffiti Fund				American Rescue Plan			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	-	-	4,000	(4,000)	-	-	49,454	(49,454)
Total revenues	-	-	4,000	(4,000)	-	-	49,454	(49,454)
Expenditures:								
Current:								
Salaries and benefits	-	-	-	-	-	-	-	-
Operations and maintenance	-	4,000	1,051	2,949	-	-	-	-
Capital outlay	-	-	-	-	-	1,466,210	134,735	1,331,475
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-
Total expenditures	-	4,000	1,051	2,949	-	1,466,210	134,735	1,331,475
Revenues over (under) expenditures	-	(4,000)	2,949	(6,949)	-	(1,466,210)	(85,281)	(1,380,929)
Other financing sources (uses):								
Lease interest	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-
Premium on bond debt	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	\$ -	\$ (4,000)	2,949	\$ (6,949)	\$ -	\$ (1,466,210)	(85,281)	\$ (1,380,929)
Fund balances, beginning of year, as previously reported								
Restatement - accounting changes and/or error corrections (see Note)			-				837,214	
Fund balance, beginning of year, as restated			-				837,214	
Fund balance, end of year			\$ 2,949				\$ 751,933	

CITY OF BILLINGS, MONTANA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024
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	Total Nonmajor Special Revenue Funds			
	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	\$ 9,039,962	\$ 9,039,962	\$ 10,309,642	\$ (1,269,680)
Licenses and permits	2,656,500	2,656,500	2,178,897	477,603
Intergovernmental	13,312,187	13,329,187	22,852,099	(9,522,912)
Charges for services	10,290,126	10,290,126	10,536,287	(246,161)
Fines and forfeitures	181,000	181,000	304,183	(123,183)
Special assessments	25,424,911	25,424,911	25,970,647	(545,736)
Other	12,884,463	12,805,983	6,027,984	6,777,999
Total revenues	73,789,149	73,727,669	78,179,739	(4,452,070)
Expenditures:				
Current:				
Salaries and benefits	13,488,729	13,468,189	12,284,918	1,183,271
Operations and maintenance	35,991,387	40,644,220	32,333,131	8,311,089
Capital outlay	33,727,799	67,349,404	31,686,471	35,662,933
Debt service:				
Principal	1,185,000	1,185,000	1,185,000	-
Interest and fiscal charges	1,304,760	1,304,760	1,307,260	(2,500)
Bond Issuance Costs	150,000	150,000	395,517	(245,517)
Total expenditures	85,847,675	124,101,573	79,192,297	44,909,276
Revenues over (under) expenditures	(12,058,526)	(50,373,904)	(1,012,558)	(49,361,346)
Other financing sources (uses):				
Lease interest	-	-	10,564	(10,564)
Transfers in	5,853,757	5,853,757	6,499,416	(645,659)
Transfers out	(1,936,373)	(1,936,373)	(1,568,531)	(367,842)
Issuance of debt	-	-	6,930,000	(6,930,000)
Premium on bond debt	-	-	644,705	(644,705)
Sale of capital assets	-	-	160,363	(160,363)
Total other financing sources (uses)	3,917,384	3,917,384	12,676,517	(8,759,133)
Net change in fund balances	\$ (8,141,142)	\$ (46,456,520)	11,663,959	\$ (58,120,479)
Fund balances, beginning of year, as previously reported			78,544,128	
Restatement - accounting changes and/or error corrections (see Note)			827,283	
Fund balance, beginning of year, as restated			79,371,411	
Fund balance, end of year	\$ 91,035,370			

NONMAJOR DEBT SERVICE FUNDS

The City's non-major debt services funds and their purposes are:

- The Series 2012 Library Fund accounts for the payment of debt issued for the construction of the new library building.
- The Storm Sewer Fund accounts for the payment of debt used for the construction of storm sewers.
- The Series 2010 Parks Fund accounts for the payment of debt used for citywide park improvements.
- The Series 2004A Street Improvements Fund accounts for payment of debt used for citywide street improvements.
- The Series 2015 GO Refunding Fund accounts for the payment of the 2007A Baseball Field & Stadium Fund. A crossover refunding was done in 2015 to retire the debt on 07/01/2017.
- The Special Improvement Districts Fund accounts for the accumulation for and payment of special assessment debt used for the construction of projects within special improvement districts.
- The Sidewalk and Curb Districts Fund accounts for the accumulation for and payment of special assessment debt used for the construction of sidewalks and curbs.

CITY OF BILLINGS, MONTANA
Nonmajor Debt Service Funds
Combining Balance Sheet
June 30, 2024

	Series 2012 Library Fund	Storm Sewer Fund	Series 2010 Parks Fund	Series 2004A Street Improvement s Fund	Series 2015 G.O. Refunding Fund	Special Improvement Districts Fund	Sidewalk Curb Districts Fund	Total Nonmajor Debt Service Funds
Assets								
Cash and cash equivalents	\$ 41,766	\$ 479,214	\$ 60	\$ 2,912	\$ 51,071	\$ 1,008,962	\$ 391,058	\$ 1,975,043
Cash with fiscal agent	661,968	830,447	-	350,175	696,300	243,928	25,456	2,808,274
Investments	37,662	569,647	(1,552)	1,926	62,312	1,178,725	450,042	2,298,762
Property taxes	22,742	-	2	12,040	25,170	-	-	59,954
Delinquent special assessments	-	-	-	-	-	45,273	22,666	67,939
Special assessments receivable	-	-	-	-	-	6,057,665	3,401,601	9,459,266
Accrued interest	2,329	9,643	119	962	2,140	57,561	28,718	101,472
Property held for resale	-	-	-	-	-	155,997	-	155,997
Total assets	\$ 766,467	\$ 1,888,951	\$ (1,371)	\$ 368,015	\$ 836,993	\$ 8,748,111	\$ 4,319,541	\$ 16,926,707
Liabilities, Deferred Inflows and Fund Balances								
Liabilities:								
Other liabilities	-	-	-	-	-	63,000	-	63,000
Total liabilities	-	-	-	-	-	63,000	-	63,000
Deferred Inflows:								
Unavailable Revenue	3,250	-	2	1,716	3,518	6,066,916	3,403,417	9,478,819
Fund balances:								
Restricted	763,217	1,888,951	-	366,299	833,475	2,618,195	916,124	7,386,261
Unassigned	-	-	(1,373)	-	-	-	-	(1,373)
Total fund balances	763,217	1,888,951	(1,373)	366,299	833,475	2,618,195	916,124	7,384,888
Total liabilities, deferred inflows and fund balances	\$ 766,467	\$ 1,888,951	\$ (1,371)	\$ 368,015	\$ 836,993	\$ 8,748,111	\$ 4,319,541	\$ 16,926,707

CITY OF BILLINGS, MONTANA
Nonmajor Debt Service Funds
Combining Statement of Revenue, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2024

	Series 2012 Library Fund	Storm Sewer Fund	Series 2010 Parks Fund	Series 2004A Street Improvement s Fund	Series 2015 G.O. Refunding Fund	Special Improvement Districts Fund	Sidewalk and Curb Districts Fund	Total Nonmajor Debt Service Funds
Revenues:								
Taxes	\$ 669,779	\$ -	\$ 10	\$ 354,776	\$ 741,404	\$ -	\$ -	\$ 1,765,969
Charges for services	-	-	-	-	-	65,000	-	65,000
Special assessments	-	-	-	-	-	885,372	690,410	1,575,782
Other	16,918	71,676	1	5,602	10,897	329,912	128,154	563,160
Total revenues	686,697	71,676	11	360,378	752,301	1,280,284	818,564	3,969,911
Expenditures:								
Current:								
General government	11,104	4,320	-	352	5,860	-	-	21,636
Public works	-	-	-	-	-	1,820	420	2,240
Principal	530,000	640,000	-	330,000	620,000	752,073	356,211	3,228,284
Interest and fiscal charges	227,585	362,810	-	19,696	122,300	261,785	176,237	1,170,413
Total expenditures	768,689	1,007,130	-	350,048	748,160	1,015,678	532,868	4,422,573
Revenues over (under) expenditures	(81,992)	(935,454)	11	10,330	4,141	264,606	285,696	(452,662)
Other financing sources:								
Transfers in	-	130,000	-	-	-	311,839	324	442,163
Transfers out	-	-	-	-	-	-	(11,888)	(11,888)
Total other financing sources (uses)	-	130,000	-	-	-	311,839	(11,564)	430,275
Net change in fund balances	(81,992)	(805,454)	11	10,330	4,141	576,445	274,132	(22,387)
Fund balance, beginning of year, as previously reported	845,209	2,694,405	(1,384)	355,969	829,334	2,041,750	641,992	7,407,275
Restatement - accounting changes and/or error corrections (see Note)	-	-	-	-	-	-	-	-
Fund balance, beginning of year, as restated	845,209	2,694,405	(1,384)	355,969	829,334	2,041,750	641,992	7,407,275
Fund balance, end of year	\$ 763,217	\$ 1,888,951	\$ (1,373)	\$ 366,299	\$ 833,475	\$ 2,618,195	\$ 916,124	\$ 7,384,888

CITY OF BILLINGS, MONTANA
Nonmajor Debt Service Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

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	Series 2012 Library Fund				Storm Sewer Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ 670,935	\$ 670,935	\$ 669,779	\$ 1,156	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	3,500	3,500	16,919	(13,419)	10,400	10,400	71,677	(61,277)
Total revenues	674,435	674,435	686,698	(12,263)	10,400	10,400	71,677	(61,277)
Expenditures:								
Current:								
Operations and maintenance	13,854	13,854	11,104	2,750	11,430	11,430	6,936	4,494
Debt service:								
Principal	530,000	530,000	530,000	-	640,000	640,000	640,000	-
Interest and fiscal charges	231,700	231,700	227,585	4,115	360,194	360,194	360,194	-
Total expenditures	775,554	775,554	768,689	6,865	1,011,624	1,011,624	1,007,130	4,494
Revenues over (under) expenditures	(101,119)	(101,119)	(81,991)	(19,128)	(1,001,224)	(1,001,224)	(935,453)	(65,771)
Other financing sources:								
Transfers in	-	-	-	-	1,015,000	1,015,000	130,000	885,000
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	1,015,000	1,015,000	130,000	885,000
Net change in fund balances	\$ (101,119)	\$ (101,119)	(81,991)	\$ (19,128)	\$ 13,776	\$ 13,776	(805,453)	\$ 819,229
Fund balances, beginning of year, as previously reported			845,208				2,694,404	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			845,208				2,694,404	
Fund balance, end of year			\$ 763,217				\$ 1,888,951	

(continued)

CITY OF BILLINGS, MONTANA
Nonmajor Debt Service Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

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	Parks Series 2000 GO Debt				Series 2004A Street Improvements Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ 10	\$ (10)	\$ 354,896	\$ 354,896	\$ 354,776	\$ 120
Charges for services	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Other	-	-	-	-	450	450	5,602	(5,152)
Total revenues	-	-	10	(10)	355,346	355,346	360,378	(5,032)
Expenditures:								
Current:								
Operations and maintenance	-	-	-	-	7,599	7,599	4,348	3,251
Debt service:								
Principal	-	-	-	-	330,000	330,000	330,000	-
Interest and fiscal charges	-	-	-	-	15,700	15,700	15,700	-
Total expenditures	-	-	-	-	353,299	353,299	350,048	3,251
Revenues over (under) expenditures	-	-	10	(10)	2,047	2,047	10,330	(8,283)
Other financing sources:								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-
Net change in fund balances	\$ -	\$ -	10	\$ (10)	\$ 2,047	\$ 2,047	\$ 10,330	\$ (8,283)
Fund balances, beginning of year, as previously reported					(1,383)			355,969
Restatement - accounting changes and/or error corrections (see Note)					-			-
Fund balance, beginning of year, as restated					(1,383)			355,969
Fund balance, end of year					\$ (1,373)			\$ 366,299

CITY OF BILLINGS, MONTANA
Nonmajor Debt Service Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

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	Series 2015 G.O. Refunding Fund				Special Improvement Districts Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ 743,468	\$ 743,468	\$ 741,404	\$ 2,064	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	65,000	(65,000)
Special assessments	-	-	-	-	980,000	980,000	885,372	94,628
Other	400	400	10,897	(10,496)	14,000	14,000	329,912	(315,912)
Total revenues	743,868	743,868	752,301	(8,432)	994,000	994,000	1,280,284	(286,284)
Expenditures:								
Current:								
Operations and maintenance	9,110	9,110	5,860	3,250	52,700	52,700	2,256	50,444
Debt service:								
Principal	620,000	620,000	620,000	-	720,000	720,000	752,073	(32,073)
Interest and fiscal charges	122,300	122,300	122,300	-	337,400	337,400	261,349	76,051
Total expenditures	751,410	751,410	748,160	3,250	1,110,100	1,110,100	1,015,678	94,422
Revenues over (under) expenditures	(7,542)	(7,542)	4,141	(11,683)	(116,100)	(116,100)	264,606	(380,706)
Other financing sources:								
Transfers in	-	-	-	-	-	-	311,839	(311,839)
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	311,839	(311,839)
Net change in fund balances	\$ (7,542)	\$ (7,542)	4,141	\$ (11,683)	\$ (116,100)	\$ (116,100)	576,445	\$ (692,545)
Fund balances, beginning of year, as previously reported			829,334				2,041,750	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			829,334				2,041,750	
Fund balance, end of year			\$ 833,475				\$ 2,618,195	

CITY OF BILLINGS, MONTANA
Nonmajor Debt Service Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

(Page 4 of 4)

	Sidewalk and Curb Districts Fund				Total Nonmajor Debt Service Funds			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,769,299	\$ 1,769,299	\$ 1,765,969	\$ 3,330
Charges for services	-	-	-	-	-	-	65,000	(65,000)
Special assessments	535,000	535,000	690,410	(155,410)	1,515,000	1,515,000	1,575,782	(60,782)
Other	1,500	1,500	128,155	(126,654)	30,250	30,250	563,162	(532,912)
Total revenues	<u>536,500</u>	<u>536,500</u>	<u>818,565</u>	<u>(282,065)</u>	<u>3,314,549</u>	<u>3,314,549</u>	<u>3,969,913</u>	<u>(655,364)</u>
Expenditures:								
Current:								
Operations and maintenance	14,300	14,300	420	13,880	108,993	108,993	30,924	78,069
Debt service:								
Principal	340,000	340,000	356,211	(16,211)	3,180,000	3,180,000	3,228,284	(48,284)
Interest and fiscal charges	136,400	136,400	176,237	(39,837)	1,203,694	1,203,694	1,163,365	40,329
Total expenditures	<u>490,700</u>	<u>490,700</u>	<u>532,868</u>	<u>(42,168)</u>	<u>4,492,687</u>	<u>4,492,687</u>	<u>4,422,573</u>	<u>70,114</u>
Revenues over (under) expenditures	<u>45,800</u>	<u>45,800</u>	<u>285,697</u>	<u>(239,897)</u>	<u>(1,178,138)</u>	<u>(1,178,138)</u>	<u>(452,660)</u>	<u>(725,478)</u>
Other financing sources:								
Transfers in	-	-	324	(324)	1,015,000	1,015,000	442,163	572,837
Transfers out	-	-	(11,888)	11,888	-	-	(11,888)	11,888
Total other financing sources	-	-	(11,564)	11,564	1,015,000	1,015,000	430,275	584,725
Net change in fund balances	<u>\$ 45,800</u>	<u>\$ 45,800</u>	<u>274,133</u>	<u>\$ (228,333)</u>	<u>\$ (163,138)</u>	<u>\$ (163,138)</u>	<u>(22,385)</u>	<u>\$ (140,753)</u>
Fund balances, beginning of year, as previously reported			641,991				7,407,273	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			641,991				<u>7,407,273</u>	
Fund balance, end of year			<u>\$ 916,124</u>				<u>\$ 7,384,888</u>	

NONMAJOR CAPITAL PROJECTS FUNDS

The City's non-major capital projects funds and their purposes are:

- The Urban Renewal Property Acquisition Fund is used to account for the local urban renewal projects.
- The Sidewalk and Curb Districts Fund accounts for the construction of sidewalks and curbs.
- The Special Improvement Districts Fund accounts for the construction of streets, water and wastewater trunk lines.
- The Capital Replacement Fund is used for capital replacement for governmental funds.
- The Park Construction Fund is used for the construction of parks.
- The Fire Station Construction Fund accounts for the costs of the construction of Fire Station #8.
- The City Hall Construction Fund accounts for the costs to relocate City Hall to the Stillwater Building.
- The Dog Park Construction Fund accounts for the construction of the new dog parks in Billings.
- The City Hall Construction Fund accounts for the costs to relocate City Hall to the Stillwater Building. This fund is considered a Major fund for fiscal year 2024 and has been reported as such, in accordance with GASB 100.

CITY OF BILLINGS, MONTANA
Nonmajor Capital Projects Funds
Combining Balance Sheet
June 30, 2024

	Urban Renewal Property Acquisition Fund	Sidewalk and Curb Districts Fund	Special Improvements Districts Fund	Capital Replacement Fund	Park Construction Fund	Fire Station Construction Fund	City Hall Construction Fund	Dog Park Construction Fund	Total Nonmajor Capital Projects Funds
Assets									
Cash and cash equivalents	\$ 10,067	\$ 53,366	\$ 227,245	\$ 3,443,848	\$ 32,112	\$ 87,589	\$ -	\$ 2,437	\$ 3,856,664
Investments	11,512	64,031	262,610	3,962,906	42,657	78,212	-	2,881	4,424,809
Receivables:									
Accrued interest	(11,296)	528	1,277	43,170	447	1,095	-	34	35,255
Property held for resale	187,828	-	-	-	-	-	-	-	187,828
Total assets	\$ 198,111	\$ 117,925	\$ 491,132	\$ 7,449,924	\$ 75,216	\$ 166,896	\$ -	\$ 5,352	\$ 8,504,556
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ -	\$ 6,610	\$ 441,106	\$ -	\$ -	\$ 73,365	\$ -	\$ -	521,081
Due to other funds	-	532,048	72,736	-	-	-	-	-	604,784
Total Liabilities	-	538,658	513,842	-	-	73,365	-	-	1,125,865
Fund balance (deficit)									
Restricted	198,111	-	-	7,449,924	75,216	93,531	-	5,352	7,822,134
Unassigned	-	(420,733)	(22,710)	-	-	-	-	-	(443,443)
Total fund balance (deficit)	198,111	(420,733)	(22,710)	7,449,924	75,216	93,531	-	5,352	7,378,691
Total liabilities and fund balances	\$ 198,111	\$ 117,925	\$ 491,132	\$ 7,449,924	\$ 75,216	\$ 166,896	\$ -	\$ 5,352	\$ 8,504,556

CITY OF BILLINGS, MONTANA
Nonmajor Capital Projects Funds
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	Urban Renewal Property Acquisition Fund	Sidewalk and Curb Districts Fund	Special Improvements Districts Fund	Capital Replacement Fund	Park Construction Fund	Fire Station Construction Fund	City Hall Construction Fund	Dog Park Construction Fund	Total Nonmajor Capital Projects Funds
Revenues:									
Other	\$ 1,514	\$ 242,448	\$ 855,735	\$ 317,735	\$ 3,460	\$ 19,518	\$ -	\$ 262	\$ 1,440,672
Total revenues	1,514	242,448	855,735	317,735	3,460	19,518	-	262	1,440,672
Expenditures:									
Current:									
General government	-	-	-	1,788	-	-	-	-	1,788
Public safety	-	-	-	11,209	-	-	-	-	11,209
Housing and economic development	9,132	-	-	-	-	-	-	-	9,132
Capital outlay	-	689,132	2,033,907	1,483,238	-	374,122	-	-	4,580,399
Bond issuance costs	-	-	23,000	-	-	-	-	-	23,000
Total expenditures	9,132	689,132	2,056,907	1,496,235	-	374,122	-	-	4,625,528
Revenues over (under) expenditures	(7,618)	(446,684)	(1,201,172)	(1,178,500)	3,460	(354,604)	-	262	(3,184,856)
Other financing sources (uses):									
Transfers in	-	1,888	-	2,211,384	-	-	-	-	2,213,272
Transfers out	-	(324)	(301,839)	-	-	-	-	-	(302,163)
Special assessment bonds issued	-	-	1,300,000	-	-	-	-	-	1,300,000
Sale of capital assets	-	-	-	12,025	-	-	-	-	12,025
Total other financing sources (uses)	-	1,564	998,161	2,223,409	-	-	-	-	3,223,134
Net change in fund balances	(7,618)	(445,120)	(203,011)	1,044,909	3,460	(354,604)	-	262	38,278
Fund balance, beginning of year, as previously reported	205,729	24,387	180,301	6,405,015	71,756	448,135	15,285,456	5,090	22,625,869
Restatement - accounting changes and/or error corrections (see Note)	-	-	-	-	-	-	(15,285,456)	-	(15,285,456)
Fund balance (deficit), beginning of year, as restated	205,729	24,387	180,301	6,405,015	71,756	448,135	-	5,090	7,340,413
Fund balance (deficit), end of year	\$ 198,111	\$ (420,733)	\$ (22,710)	\$ 7,449,924	\$ 75,216	\$ 93,531	\$ -	\$ 5,352	\$ 7,378,691

CITY OF BILLINGS, MONTANA
Nonmajor Capital Projects Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

(Page 1 of 5)

	Urban Renewal Property Acquisition Fund				Sidewalk and Curb Districts Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Other	\$ 270	\$ 270	\$ 1,514	\$ (1,244)	\$ 1,847,750	\$ 1,847,750	\$ 242,447	\$ 1,605,303
Total revenues	<u>270</u>	<u>270</u>	<u>1,514</u>	<u>(1,244)</u>	<u>1,847,750</u>	<u>1,847,750</u>	<u>242,447</u>	<u>1,605,303</u>
Expenditures:								
Current:								
Operations and maintenance	13,045	13,045	9,132	3,913	-	-	-	-
Capital outlay	7,000	7,000	-	7,000	1,822,750	2,681,772	689,132	1,992,640
Debt service:								
Bond issuance costs	-	-	-	-	25,000	25,000	-	25,000
Total expenditures	<u>20,045</u>	<u>20,045</u>	<u>9,132</u>	<u>10,913</u>	<u>1,847,750</u>	<u>2,706,772</u>	<u>689,132</u>	<u>2,017,640</u>
Revenues over (under) expenditures	<u>(19,775)</u>	<u>(19,775)</u>	<u>(7,618)</u>	<u>(12,157)</u>	<u>-</u>	<u>(859,022)</u>	<u>(446,685)</u>	<u>(412,337)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	1,888	(1,888)
Transfers out	-	-	-	-	-	-	(324)	324
Total other financing sources (uses)	-	-	-	-	-	-	1,564	(1,564)
Net change in fund balances	<u>\$ (19,775)</u>	<u>\$ (19,775)</u>	<u>(7,618)</u>	<u>\$ (12,157)</u>	<u>\$ -</u>	<u>\$ (859,022)</u>	<u>(445,121)</u>	<u>\$ (413,901)</u>
Fund balances, beginning of year, as previously reported			205,729				24,388	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			<u>205,729</u>				<u>24,388</u>	
Fund balance, end of year			<u>\$ 198,111</u>				<u>\$ (420,733)</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Capital Projects Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

(Page 2 of 5)

	Special Improvement Districts Fund				Capital Replacement Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Other	\$ 3,076,250	\$ 3,076,250	\$ 2,155,735	\$ 920,515	\$ 72,116	\$ 72,116	\$ 329,760	\$ (257,644)
Total revenues	<u>3,076,250</u>	<u>3,076,250</u>	<u>2,155,735</u>	<u>920,515</u>	<u>72,116</u>	<u>72,116</u>	<u>329,760</u>	<u>(257,644)</u>
Expenditures:								
Current:								
Operations and maintenance	-	-	-	-	2,565	17,848	12,997	4,851
Capital outlay	3,076,250	5,303,489	2,033,907	3,269,582	1,565,093	1,922,997	1,483,238	439,759
Debt service:								
Bond issuance costs	-	-	23,000	(23,000)	-	-	-	-
Total expenditures	<u>3,076,250</u>	<u>5,303,489</u>	<u>2,056,907</u>	<u>3,246,582</u>	<u>1,567,658</u>	<u>1,940,845</u>	<u>1,496,235</u>	<u>444,610</u>
Revenues over (under) expenditures	-	(2,227,239)	98,828	(2,326,067)	(1,495,542)	(1,868,729)	(1,166,475)	(702,254)
Other financing sources (uses):								
Transfers in	-	-	-	-	2,208,884	2,208,884	2,211,384	(2,500)
Transfers out	-	-	(301,839)	301,839	-	-	-	-
Total other financing sources (uses)	-	-	(301,839)	301,839	2,208,884	2,208,884	2,211,384	(2,500)
Net change in fund balances	<u>\$ -</u>	<u>\$(2,227,239)</u>	<u>(203,011)</u>	<u>\$(2,024,228)</u>	<u>\$ 713,342</u>	<u>\$ 340,155</u>	<u>1,044,909</u>	<u>\$ (704,754)</u>
Fund balances, beginning of year, as previously reported			180,301				6,405,015	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			180,301				6,405,015	
Fund balance, end of year			<u>\$ (22,710)</u>				<u>\$ 7,449,924</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Capital Projects Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

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	Park Construction Fund				Fire Station Construction Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Other	\$ 600	\$ 600	\$ 3,459	\$ (2,859)	\$ 15,000	\$ 15,000	\$ 19,519	\$ (4,519)
Total revenues	600	600	3,459	(2,859)	15,000	15,000	19,519	(4,519)
Expenditures:								
Current:								
Operations and maintenance	-	-	-	-	-	-	-	-
Capital outlay	65,662	65,662	-	65,662	-	490,000	374,122	115,878
Debt service:								
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	65,662	65,662	-	65,662	-	490,000	374,122	115,878
Revenues over (under) expenditures	(65,062)	(65,062)	3,459	(68,521)	15,000	(475,000)	(354,603)	(120,397)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	\$ (65,062)	\$ (65,062)	3,459	\$ (68,521)	\$ 15,000	\$ (475,000)	\$ (354,603)	\$ (120,397)
Fund balances, beginning of year, as previously reported			71,757				448,134	
Restatement - accounting changes and/or error corrections (see Note)			-				-	
Fund balance, beginning of year, as restated			71,757				448,134	
Fund balance, end of year			\$ 75,216				\$ 93,531	

CITY OF BILLINGS, MONTANA
Nonmajor Capital Projects Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

(Page 4 of 5)

	City Hall Construction Fund				Dog Park Construction Fund			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
Revenues:								
Other	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 263	\$ 4,737
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>263</u>	<u>4,737</u>
Expenditures:								
Current:								
Operations and maintenance	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	5,000	5,000	-	5,000
Debt service:								
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263</u>	<u>(263)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	263	\$ (263)
Fund balances, beginning of year, as previously reported			15,285,456				5,089	
Restatement - accounting changes and/or error corrections (see Note)			<u>(15,285,456)</u>				<u>-</u>	
Fund balance, beginning of year, as restated			<u>-</u>				5,089	
Fund balance, end of year			<u>\$ -</u>				<u>\$ 5,352</u>	

CITY OF BILLINGS, MONTANA
Nonmajor Capital Projects Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual
For the Fiscal Year Ended June 30, 2024

(Page 5 of 5)

	Total Nonmajor Capital Project Funds			
	Original Budget	Final Budget	Actual	Variance
Revenues:				
Other	\$ 5,016,986	\$ 5,016,986	\$ 2,752,697	\$ 2,264,289
Total revenues	<u>5,016,986</u>	<u>5,016,986</u>	<u>2,752,697</u>	<u>2,264,289</u>
Expenditures:				
Current:				
Operations and maintenance	15,610	30,893	22,129	8,764
Capital outlay	6,541,755	10,475,920	4,580,399	5,895,521
Debt service:				
Bond issuance costs	25,000	25,000	23,000	2,000
Total expenditures	<u>6,582,365</u>	<u>10,531,813</u>	<u>4,625,528</u>	<u>5,906,285</u>
Revenues over (under) expenditures	<u>(1,565,379)</u>	<u>(5,514,827)</u>	<u>(1,872,831)</u>	<u>(3,641,996)</u>
Other financing sources (uses):				
Transfers in	2,208,884	2,208,884	2,213,272	(4,388)
Transfers out	-	-	(302,163)	302,163
Total other financing sources (uses)	<u>2,208,884</u>	<u>2,208,884</u>	<u>1,911,109</u>	<u>297,775</u>
Net change in fund balances	<u>\$ 643,505</u>	<u>\$ (3,305,943)</u>	<u>38,278</u>	<u>\$ (3,344,221)</u>
Fund balances, beginning of year, as previously reported			22,625,869	
Restatement - accounting changes and/or error corrections (see Note)			<u>(15,285,456)</u>	
Fund balance, beginning of year, as restated			<u>7,340,413</u>	
Fund balance, end of year			<u><u>\$ 7,378,691</u></u>	

NONMAJOR PERMANENT FUND

The City's non-major permanent fund is:

- The Cemetery Perpetual Care Fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to maintain the City's cemeteries.

CITY OF BILLINGS, MONTANA

Nonmajor Permanent Fund

Balance Sheet

June 30, 2024

	Cemetery Perpetual Care Fund
Assets	
Cash and cash equivalents	\$ 389,020
Investments	445,098
Accrued interest receivable	5,598
Total assets	<u><u>\$ 839,716</u></u>

	Fund Balance
Liabilities:	-
Total liabilities	-
Fund balance:	
Unspendable	\$ 839,716
Total fund balance	<u><u>\$ 839,716</u></u>

CITY OF BILLINGS, MONTANA
Nonmajor Permanent Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget to Actual
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Charges for services	\$ 15,750	\$ 15,750	\$ 26,588	\$ 10,838
Other	7,700	7,700	42,914	35,214
Total revenues	<u>23,450</u>	<u>23,450</u>	<u>69,502</u>	<u>46,052</u>
Expenditures:				
Current:				
Revenues over (under) expenditures	<u>23,450</u>	<u>23,450</u>	<u>69,502</u>	<u>46,052</u>
Other financing sources (uses):				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(5,600)	(5,600)	(30,526)	(24,926)
Total other financing sources (uses)	<u>(5,600)</u>	<u>(5,600)</u>	<u>(30,526)</u>	<u>(24,926)</u>
Net change in fund balances	<u>\$ 17,850</u>	<u>\$ 17,850</u>	<u>38,976</u>	<u>\$ 21,126</u>
Fund balance, beginning of year, as previously reported			800,740	
Restatement - accounting changes and/or error corrections (see Note)			-	
Fund balance, beginning of year, as restated			<u>800,740</u>	
Fund balance, end of year			<u>\$ 839,716</u>	

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes. The City's non-major enterprise funds and their purposes are:

- The Transit Fund accounts for the operation of the City's public transportation system.
- The Golf Course Fund accounts for the operation of the Par-3 Golf Course.

CITY OF BILLINGS, MONTANA
Nonmajor Enterprise Funds
Combining Statement of Net Position
June 30, 2024
(Page 1 of 2)

Assets	Transit Fund	Golf Course	Total
Current assets:			
Cash and cash equivalents	\$ 3,795,732	\$ 483,827	\$ 4,279,559
Restricted cash and cash equivalents with			
Investments	4,373,906	-	4,373,906
Receivables:			
Property taxes	76,697	-	76,697
Accrued interest	47,769	-	47,769
Receivables from other governments	986,704	-	986,704
Inventories	304,813	660	305,473
Prepaid items	-	10,895	10,895
Total current assets	<u>9,585,621</u>	<u>495,382</u>	<u>10,081,003</u>
Noncurrent assets:			
Property and equipment:			
Land	1,435,291	-	1,435,291
Buildings	8,642,862	1,939,787	10,582,649
Improvements other than buildings	1,767,713	-	1,767,713
Equipment and vehicles	12,533,084	-	12,533,084
Construction in progress	1,006,157	-	1,006,157
Less: accumulated depreciation/amortization	<u>(10,787,331)</u>	<u>(1,400,499)</u>	<u>(12,187,830)</u>
Total noncurrent assets	<u>14,597,776</u>	<u>539,288</u>	<u>15,137,064</u>
Total assets	<u>24,183,397</u>	<u>1,034,670</u>	<u>25,218,067</u>
Deferred Outflows			
Other post employment benefits	150,523	-	150,523
Pensions	661,629	-	661,629
Total assets and deferred outflows	<u>\$ 24,995,549</u>	<u>\$ 1,034,670</u>	<u>\$ 26,030,219</u>

(continued)

CITY OF BILLINGS, MONTANA
Nonmajor Enterprise Funds
Combining Statement of Net Position

June 30, 2024

(Page 2 of 2)

Liabilities	Transit Fund	Golf Course	Total
Current liabilities:			
Accounts payable	\$ 365,882	\$ 6,963	\$ 372,845
Accrued wages and benefits	136,385	85,360	221,745
Compensated absences	363,444	-	363,444
Unearned Revenue	5,063	-	5,063
Total current liabilities	870,774	92,323	963,097
Noncurrent liabilities:			
Compensated absences	120,272	-	120,272
Other post employment benefits	724,760	-	724,760
Net pension liability	3,987,746	-	3,987,746
Total noncurrent liabilities	4,832,778	-	4,832,778
Total liabilities	5,703,552	92,323	5,795,875
Deferred Inflows			
Other post employment benefits	119,725	-	119,725
Pensions	142,233	-	142,233
Total deferred inflows of resources	261,958	-	261,958
Net Position			
Net investment in capital assets	14,597,776	539,288	15,137,064
Restricted for:			
Unrestricted	4,432,263	403,059	4,835,322
Total net position	19,030,039	942,347	19,972,386
Total liabilities, deferred inflows, and net position	\$ 24,995,549	\$ 1,034,670	\$ 26,030,219

CITY OF BILLINGS, MONTANA
Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024

	<u>Transit Fund</u>	<u>Golf Course Fund</u>	<u>Total Nonmajor Enterprise Fund</u>
Operating revenues:			
Charges for services and use of facilities	\$ 818,338	\$ 745,907	\$ 1,564,245
Operating expenses:			
Salaries and benefits	5,620,748	267,664	5,888,412
Supplies	838,224	68,691	906,915
Contracted services	621,235	27,582	648,817
Utilities	65,413	28,561	93,974
Other	177,030	96,680	273,710
Depreciation	1,170,468	77,718	1,248,186
Total operating expenses	8,493,118	566,896	9,060,014
Operating income (loss)	(7,674,780)	179,011	(7,495,769)
Nonoperating revenues (expenses):			
Taxes	2,648,844	-	2,648,844
Intergovernmental	8,290,904	-	8,290,904
Interest and investment income	315,857	702	316,559
Net gain (loss) on sale of capital assets	(283,328)	-	(283,328)
Other	23,277	-	23,277
Total nonoperating revenue (expense)	10,995,554	702	10,996,256
Income (loss) before capital contributions and transfers	3,320,774	179,713	3,500,487
Transfers in	-	-	-
Transfers out	-	(20,000)	(20,000)
Change in net position	3,320,774	159,713	3,480,487
Net position, beginning of year, as previously reported			
Restatement - accounting changes and/or error corrections (see Note)	-	-	-
Net position, beginning, as restated	15,709,265	782,634	16,491,899
Net position, end of year	\$ 19,030,039	\$ 942,347	\$ 19,972,386

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2024
(Page 1 of 2)

	Transit	Golf	Total
	Fund	Couse	Nonmajor
			Enterprise
Cash flows from operating activities:			
Cash received from customers and users	\$ 823,317	\$ 745,907	\$ 1,569,224
Cash received from interfund services provided	-	-	-
Cash received from other sources	23,277	-	23,277
Cash paid to employees for services	(5,096,486)	(267,124)	(5,363,610)
Cash paid to suppliers and contracted services	<u>(2,045,655)</u>	<u>(217,978)</u>	<u>(2,263,633)</u>
Net cash provided (used) by operating activities	<u>(6,295,547)</u>	<u>260,805</u>	<u>(6,034,742)</u>
Cash flows from noncapital financing activities:			
Cash received from tax revenues	2,672,236	-	2,672,236
Cash received from intergovernmental revenues	<u>8,042,465</u>	<u>-</u>	<u>8,042,465</u>
Net cash provided (used) by noncapital financing activities	<u>10,714,701</u>	<u>-</u>	<u>10,714,701</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(3,169,762)	(176,968)	(3,346,730)
Proceeds from sales of capital assets	(283,328)	-	(283,328)
Transfers to other funds	-	<u>(20,000)</u>	<u>(20,000)</u>
Net cash provided (used) by capital and related financing activities	<u>(3,453,090)</u>	<u>(196,968)</u>	<u>(3,650,058)</u>
Cash flows from investing activities:			
Cash received from interest	221,682	702	222,384
Sale of investments	4,633,180	-	4,633,180
Purchase of investments	<u>(5,584,880)</u>	<u>-</u>	<u>(5,584,880)</u>
Net cash provided (used) by investing activities	<u>(730,018)</u>	<u>702</u>	<u>(729,316)</u>
Net increase (decrease) in cash and cash equivalents	236,046	64,539	300,585
Cash and cash equivalents, beginning of year			
Cash and cash equivalents, end of year	<u>\$ 3,795,732</u>	<u>\$ 483,827</u>	<u>\$ 4,279,559</u>
Cash and cash equivalents consists of:			
Cash and cash equivalents	\$ 3,795,732	\$ 483,827	\$ 4,279,559
Restricted cash and cash equivalents with fiscal agent	-	-	-
Cash and cash equivalents, end of year	<u>\$ 3,795,732</u>	<u>\$ 483,827</u>	<u>\$ 4,279,559</u>

CITY OF BILLINGS, MONTANA
Nonmajor Enterprise Funds
Statement of Cash Flows
For the Year Ended June 30, 2024
(Page 2 of 2)

	Transit Fund	Golf Fund	Nonmajor Enterprise Funds	Total
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)				
	\$ (7,674,780)	\$ 179,011	\$ (7,495,769)	\$ (7,495,769)
Other nonoperating income (expense)	23,277	-	23,277	23,277
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	1,170,468	77,718	1,248,186	1,248,186
(Increase) decrease in receivables	4,979	-	4,979	4,979
(Increase) decrease in inventories	(119,081)	-	(119,081)	(119,081)
(Increase) decrease in prepaid items	-	(1,847)	(1,847)	(1,847)
Increase (decrease) in accounts payable	(224,672)	5,383	(219,289)	(219,289)
Increase (decrease) in accrued liabilities	<u>524,262</u>	<u>540</u>	<u>524,802</u>	<u>524,802</u>
Net cash provided (used) by operating activities	<u><u>\$ (6,295,547)</u></u>	<u><u>\$ 260,805</u></u>	<u><u>\$ (6,034,742)</u></u>	<u><u>\$ (6,034,742)</u></u>
Noncash investing, capital and financing activities:				
Increase (decrease) in investment market value	58,205	-	58,205	58,205

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

INTERNAL SERVICE FUNDS

The City's internal service funds and their purposes are:

- The Fleet Services Fund accounts for the maintenance and repair of vehicles used in the operation of City services.
- The Central Services Fund accounts for postage and copying services used in the operation of the City services.
- The Information Technology Fund accounts for technology services used in the operation of the City services.
- The City Health Insurance Fund accounts for the accumulation and allocation of costs associated with health benefits of City employees, enrolled dependents, and retired employees under 66 years of age.
- The Central Telephone Services Fund accounts for the maintenance and operation of the City-wide telephone system.
- The Property Insurance Fund accounts for property and liability insurance costs.
- The Radio Communications Fund accounts for the maintenance and operation of the City-wide 800 MHz radio system.
- The Facilities Management Fund accounts for amounts received for paying facility management costs.
- The Public Works Administration Fund provides administration services to the Public Works operational divisions.
- The Public Works Engineering Fund provides engineering services to the Public Works projects.

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Net Position
June 30, 2024
(Page 1 of 4)

	Fleet Services Fund	Central Service Fund	Information Technology Fund	City Health Insurance Fund	Central Telephone Services Fund	Property Insurance Fund
Assets						
Cash and cash equivalents	\$ 1,073,100	\$ 118,262	\$ 574,297	\$ 4,889,921	\$ 196,269	\$ -
Restricted cash and cash equivalents with						
Investments	1,235,418	135,336	661,136	5,610,571	225,445	(12,009)
Receivables:						
Accounts and unbilled usage	-	-	-	(1,204)	-	-
Accrued interest	15,590	1,650	7,615	66,143	2,681	(722)
Delinquent Special Assessments	-	-	-	-	-	-
Lease Receivable	-	-	-	-	-	-
Inventories	883,259	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total current assets	3,207,367	255,248	1,243,048	10,565,431	424,395	(12,731)
Noncurrent assets:						
Lease Receivable	-	-	-	-	-	-
Land	-	-	-	-	-	-
Buildings	32,091	-	-	-	-	-
Improvements other than buildings	-	-	87,575	-	-	-
Equipment and vehicles	1,031,831	126,771	2,162,356	-	831,465	-
Construction in progress	-	-	-	-	-	-
Lease asset	-	-	-	-	-	-
Subscription asset	-	-	254,496	-	-	-
Less: accumulated depreciation/amortization	(1,040,659)	(101,243)	(2,106,476)	-	(640,716)	-
Total noncurrent assets	23,263	25,528	397,951	-	190,749	-
Total assets	3,230,630	280,776	1,640,999	10,565,431	615,144	(12,731)
Deferred Outflows						
Other post employment benefits	49,820	-	48,040	-	2,808	2,682
Pensions	195,327	-	356,930	-	27,387	18,445
Total assets and deferred outflows	\$ 3,475,777	\$ 280,776	\$ 2,045,969	\$ 10,565,431	\$ 645,339	\$ 8,396

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Net Position
June 30, 2024
(Page 2 of 4)

	Radio Communications Fund	Facilities Management Fund	Public Works Administration Fund	Public Works Engineering Fund	Total Internal Service Funds
Assets					
Cash and cash equivalents	\$ 439,044	\$ 2,050,122	\$ 674,209	\$ 98,039	\$ 10,113,263
Restricted cash and cash equivalents with					
Investments	502,284	2,328,444	777,417	106,542	11,570,584
Receivables:					
Accounts and unbilled usage	-	(2,527)	-	79,575	75,844
Accrued interest	6,253	28,317	9,247	1,103	137,877
Delinquent Special Assessments	-	-	-	14,649	14,649
Lease Receivable	-	46,123	5,459	-	51,582
Inventories	-	-	-	-	883,259
Prepaid items	-	-	-	-	-
Total current assets	947,581	4,450,479	1,466,332	299,908	22,847,058
Noncurrent assets:					
Lease Receivable	-	50,988	36,760	-	87,748
Land	-	2,005,383	-	-	2,005,383
Buildings	385,655	8,963,489	-	-	9,381,235
Improvements other than buildings	19,692	2,723,601	-	-	2,830,868
Equipment and vehicles	3,896,291	630,581	85,522	439,484	9,204,301
Construction in progress	-	15,833	-	-	15,833
Lease asset	-	-	-	1,136,499	1,136,499
Subscription Asset	-	-	-	-	254,496
Less: accumulated depreciation/amortization	(4,339,151)	(6,451,410)	(68,990)	(864,433)	(15,613,078)
Total noncurrent assets	(37,513)	7,938,465	53,292	711,550	9,303,285
Total assets	910,068	12,388,944	1,519,624	1,011,458	32,150,343
Deferred Outflows					
Other post employment benefits	-	15,241	25,257	57,350	201,198
Pensions	-	97,713	292,267	409,261	1,397,330
Total assets and deferred outflows	\$ 910,068	\$ 12,501,898	\$ 1,837,148	\$ 1,478,069	\$ 33,748,871

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Net Position
June 30, 2024
(Page 3 of 4)

	Fleet Services Fund	Central Service Fund	Information Technology Fund	City Health Insurance Fund	Central Telephone Services Fund	Property Insurance Fund
Liabilities						
Current liabilities:						
Accounts payable	\$ 225,704	\$ 4,968	\$ 84,306	\$ 225,269	\$ 7,586	\$ 6,991
Accrued wages and benefits	38,412	-	52,370	-	4,378	2,872
Due to other funds	-	-	-	-	-	217,596
Compensated absences	177,375	-	205,122	-	18,825	33,051
Incurred but not reported health benefits	-	-	-	1,402,000	-	-
Lease liability	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-
Total current liabilities	<u>441,491</u>	<u>4,968</u>	<u>341,798</u>	<u>1,627,269</u>	<u>30,789</u>	<u>260,510</u>
Noncurrent liabilities:						
Compensated absences	58,697	-	67,880	-	6,230	10,937
Other post employment benefits	223,535	-	233,235	-	15,754	13,150
Net pension liability	1,177,265	-	2,151,274	-	165,065	111,173
Lease liability	-	-	-	-	-	-
Subscription Liability	-	-	85,328	-	-	-
Total noncurrent liabilities	<u>1,459,497</u>	<u>-</u>	<u>2,537,717</u>	<u>-</u>	<u>187,049</u>	<u>135,260</u>
Total liabilities	<u>1,900,988</u>	<u>4,968</u>	<u>2,879,515</u>	<u>1,627,269</u>	<u>217,838</u>	<u>395,770</u>
Deferred Inflows						
Other post employment benefits	39,363	-	40,975	-	2,194	2,161
Leases	-	-	-	-	-	-
Pensions	41,990	-	76,731	-	5,887	3,965
Total deferred inflows of resources	<u>81,353</u>	<u>-</u>	<u>117,706</u>	<u>-</u>	<u>8,081</u>	<u>6,126</u>
Net Position						
Net investment in capital assets	23,263	25,528	312,623	-	190,749	-
Restricted for:						
Unrestricted	<u>1,470,173</u>	<u>250,280</u>	<u>(1,263,875)</u>	<u>8,938,162</u>	<u>228,671</u>	<u>(393,500)</u>
Total net position	<u>1,493,436</u>	<u>275,808</u>	<u>(951,252)</u>	<u>8,938,162</u>	<u>419,420</u>	<u>(393,500)</u>
Total liabilities, deferred inflows, and net position	<u>\$ 3,475,777</u>	<u>\$ 280,776</u>	<u>\$ 2,045,969</u>	<u>\$ 10,565,431</u>	<u>\$ 645,339</u>	<u>\$ 8,396</u>

(continued)

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Net Position
June 30, 2024
(Page 4 of 4)

	Radio Communications Fund	Facilities Management Fund	Public Works Administration Fund	Public Works Engineering Fund	Total Internal Service Funds
Liabilities					
Current liabilities:					
Accounts payable	\$ 2,209	\$ 275,098	\$ 15,691	\$ 12,883	\$ 860,705
Accrued wages and benefits	- -	17,658	49,093	65,166	229,949
Due to other funds	- -	- -	- -	- -	217,596
Compensated absences	- -	66,818	237,761	365,991	1,104,943
Incurred but not reported health benefits	- -	- -	- -	- -	1,402,000
Lease liability	- -	- -	- -	160,862	160,862
Unearned Revenue	- -	- -	- -	14,599	14,599
Total current liabilities	2,209	359,574	302,545	619,501	3,990,654
Noncurrent liabilities:					
Compensated absences	- -	22,111	78,680	121,114	365,649
Other post employment benefits	- -	75,729	135,545	263,666	960,614
Net pension liability	- -	588,932	1,761,538	2,466,686	8,421,933
Lease liability	- -	- -	- -	501,101	501,101
Subscription Liability	- -	- -	- -	- -	85,328
Total noncurrent liabilities	- -	686,772	1,975,763	3,352,567	10,334,625
Total liabilities	2,209	1,046,346	2,278,308	3,972,068	14,325,279
Deferred Inflows					
Other post employment benefits	- -	12,207	14,238	46,102	157,240
Leases	- -	96,706	41,964	- -	138,670
Pensions	- -	21,006	62,830	87,981	300,390
Total deferred inflows of resources	- -	129,919	119,032	134,083	596,300
Net Position					
Net investment in capital assets	(37,513)	7,887,477	16,532	210,449	8,629,108
Restricted for:					
Unrestricted	945,372	3,438,156	(576,724)	(2,838,531)	10,198,184
Total net position	907,859	11,325,633	(560,192)	(2,628,082)	18,827,292
Total liabilities, deferred inflows, and net position	\$ 910,068	\$ 12,501,898	\$ 1,837,148	\$ 1,478,069	\$ 33,748,871

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024

(Page 1 of 2)

	Fleet Services Fund	Central Service Fund	Information Technology Fund	City Health Insurance Fund	Central Telephone Services Fund	Property Insurance Fund
Operating revenues:						
Charges for services and use of facilities	\$ 3,568,869	\$ 106,639	\$ 3,492,546	\$ 13,995,845	\$ 461,832	\$ 3,770,947
Operating expenses:						
Salaries and benefits	1,354,844	-	2,422,166	52,500	191,272	126,764
Supplies	49,190	12,964	704,085	-	538	-
Contracted services	223,700	78,317	275,847	15,340,168	20,704	-
Utilities	8,556	-	48,599	-	204,701	-
Other	1,043,812	(2)	34,125	95,369	2,355	3,582,837
Depreciation/Amortization	6,517	15,384	170,348	-	66,738	-
Total operating expenses	2,686,619	106,663	3,655,170	15,488,037	486,308	3,709,601
Operating income (loss)	882,250	(24)	(162,624)	(1,492,192)	(24,476)	61,346
Nonoperating revenues (expenses):						
Taxes	-	-	-	-	-	-
Intergovernmental	30,565	-	55,852	-	4,286	2,886
Interest expense	-	-	(3,687)	-	-	-
Lease interest	-	-	-	-	-	-
Interest and investment income	121,372	12,363	59,203	526,951	19,292	7,371
Gain (loss) on sale of capital assets	-	-	-	-	-	-
Other	31,204	104	59,178	(1,159)	29	8,402
Total nonoperating revenue (expense)	183,141	12,467	170,546	525,792	23,607	18,659
Income (loss) before capital contributions and transfers	1,065,391	12,443	7,922	(966,400)	(869)	80,005
Transfers in	-	-	2,000	-	-	-
Transfers out	(165,192)	-	(2,500)	-	-	-
Change in net position	900,199	12,443	7,422	(966,400)	(869)	80,005
Net position, beginning of year, as previously reported	593,237	263,365	(958,674)	9,904,562	420,289	(473,505)
Restatement - accounting changes and/or error corrections (see Note)	-	-	-	-	-	-
Net position, beginning, as restated	593,237	263,365	(958,674)	9,904,562	420,289	(473,505)
Net position, end of year	\$ 1,493,436	\$ 275,808	\$ (951,252)	\$ 8,938,162	\$ 419,420	\$ (393,500)

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024

(Page 2 of 2)

	Radio Communications Fund	Facilities Management Fund	Public Works Administration Fund	Public Works Engineering Fund	Total Internal Service Funds
Operating revenues:					
Charges for services and use of facilities	\$ 333,516	\$ 2,290,609	\$ 3,166,856	\$ 3,252,435	\$ 34,440,094
Operating expenses:					
Salaries and benefits	-	862,162	2,209,378	2,726,101	9,945,187
Supplies	14	64,399	41,710	49,723	922,623
Contracted services	10,288	2,336,655	861,198	498,593	19,645,470
Utilities	16,871	452,494	4,956	40,100	776,277
Other	-	72,615	20,925	133,587	4,985,623
Depreciation	110,301	369,135	5,023	181,742	925,189
Total operating expenses	137,474	4,157,460	3,143,190	3,629,846	37,200,368
Operating income (loss)	196,042	(1,866,851)	23,666	(377,411)	(2,760,274)
Nonoperating revenues (expenses):					
Taxes	-	-	-	96,529	96,529
Intergovernmental	-	15,290	45,734	64,041	218,654
Interest expense	-	20,125	-	(3,723)	12,715
Lease interest	-	629	-	-	629
Interest and investment income	42,779	196,541	64,487	6,517	1,056,876
Gain (loss) on sale of capital assets	-	32	-	-	32
Other	490	2,111,373	483	439	2,210,543
Total nonoperating revenue (expense)	43,269	2,343,990	110,704	163,803	3,595,978
Income (loss) before capital contributions and transfers	239,311	477,139	134,370	(213,608)	835,704
Transfers in	-	356,894	-	-	358,894
Transfers out	-	(6,600)	-	-	(174,292)
Change in net position	239,311	827,433	134,370	(213,608)	1,020,306
Net position, beginning of year, as previously reported Restatement - accounting changes and/or error corrections (see Note)	668,548	10,498,200	(694,562)	(2,414,474)	17,806,986
Net position, beginning, as restated	668,548	10,498,200	(694,562)	(2,414,474)	17,806,986
Net position, end of year	\$ 907,859	\$ 11,325,633	\$ (560,192)	\$ (2,628,082)	\$ 18,827,292

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2024
(Page 1 of 4)

	Fleet Services Fund	Central Service Fund	Information Technology Fund	City Health Insurance Fund	Central Telephone Services Fund	Property Insurance Fund
Cash flows from operating activities:						
Cash received from customers and users	\$ 3,568,869	\$ 106,639	\$ 3,492,546	\$ 13,996,988	\$ 461,832	\$ 3,770,947
Cash received from other sources	31,204	104	59,178	(1,159)	29	8,402
Cash paid to employees for services	(1,471,258)	-	(2,362,726)	(52,500)	(181,652)	(122,225)
Cash paid to suppliers and contracted services	(1,768,511)	(93,167)	(1,017,593)	(15,034,037)	(226,898)	(3,642,030)
Net cash provided (used) by operating activities	<u>360,304</u>	<u>13,576</u>	<u>171,405</u>	<u>(1,090,708)</u>	<u>53,311</u>	<u>15,094</u>
Cash flows from noncapital financing activities:						
Cash received from tax revenues	-	-	-	-	-	-
Cash received from intergovernmental revenues	30,565	-	55,852	-	4,286	2,886
Transfers from other funds	-	-	2,000	-	-	(24,016)
Net cash provided (used) by noncapital financing activities	<u>30,565</u>	<u>-</u>	<u>57,852</u>	<u>-</u>	<u>4,286</u>	<u>(21,130)</u>
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	(1)	-	(67,087)	-	-	-
Proceeds from sales of capital assets	70,000	-	-	-	-	-
Cash paid for interest	-	-	(3,687)	-	-	-
Proceeds from bonds	-	-	(83,505)	-	-	-
Principal paid on bonds, notes and leases payable	-	-	-	-	-	-
Transfers to other funds	<u>(165,192)</u>	<u>-</u>	<u>(2,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(95,193)</u>	<u>-</u>	<u>(156,779)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:						
Cash received from interest	(185,028)	(11,364)	(58,657)	354,847	(36,828)	8,093
Sale of investments	1,285,148	151,554	732,930	7,070,779	234,773	-
Purchase of investments	<u>(1,307,510)</u>	<u>(153,876)</u>	<u>(744,137)</u>	<u>(7,173,319)</u>	<u>(238,362)</u>	<u>(2,057)</u>
Net cash provided (used) by investing activities	<u>(207,390)</u>	<u>(13,686)</u>	<u>(69,864)</u>	<u>252,307</u>	<u>(40,417)</u>	<u>6,036</u>
Net increase (decrease) in cash and cash equivalents	<u>88,286</u>	<u>(110)</u>	<u>2,614</u>	<u>(838,401)</u>	<u>17,180</u>	<u>(0)</u>
Cash and cash equivalents, beginning of year						
Cash and cash equivalents, end of year	<u>\$ 1,073,100</u>	<u>\$ 118,262</u>	<u>\$ 574,297</u>	<u>\$ 4,889,921</u>	<u>\$ 196,269</u>	<u>\$ (0)</u>
Cash and cash equivalents consists of:						
Cash and cash equivalents	\$ 1,073,100	\$ 118,262	\$ 574,297	\$ 4,889,921	\$ 196,269	\$ -
Restricted cash and cash equivalents with fiscal agent	-	-	-	-	-	-
Cash and cash equivalents, end of year	<u>\$ 1,073,100</u>	<u>\$ 118,262</u>	<u>\$ 574,297</u>	<u>\$ 4,889,921</u>	<u>\$ 196,269</u>	<u>\$ -</u>

(continued)

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2024
(Page 2 of 4)

	Radio Communications Fund	Facilities Management Fund	Public Works Administration Fund	Public Works Engineering Fund	Internal Service Funds	Total
Cash flows from operating activities:						
Cash received from customers and users	\$ 333,516	\$ 2,293,136	\$ 3,166,856	\$ 3,313,655	\$ 34,504,984	
Cash received from other sources	490	2,111,373	483	439	2,210,543	
Cash paid to employees for services	-	(720,663)	(2,058,450)	(2,728,793)	(9,698,267)	
Cash paid to suppliers and contracted services	(27,139)	(2,976,653)	(906,219)	(705,169)	(26,397,416)	
Net cash provided (used) by operating activities	<u>306,867</u>	<u>707,193</u>	<u>202,670</u>	<u>(119,868)</u>	<u>619,844</u>	
Cash flows from noncapital financing activities:						
Cash received from tax revenues	-	-	-	96,529	96,529	
Cash received from intergovernmental revenues	-	15,290	45,734	64,041	218,654	
Transfers from other funds	-	356,894	-	-	334,878	
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>372,184</u>	<u>45,734</u>	<u>160,570</u>	<u>650,061</u>	
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	(67,290)	(0)	1	(23,367)	(157,745)	
Proceeds from sales of capital assets	-	32	-	-	70,032	
Cash paid for interest	-	17,759	-	(3,723)	10,349	
Proceeds from bonds	-	-	-	-	(83,505)	
Principal paid on bonds, notes and leases payable	-	(230,782)	-	(321,025)	(551,807)	
Transfers to other funds	-	(6,600)	-	-	(174,292)	
Net cash provided (used) by capital and related financing activities	<u>(67,290)</u>	<u>(219,591)</u>	<u>1</u>	<u>(348,115)</u>	<u>(886,968)</u>	
Cash flows from investing activities:						
Cash received from interest	(137,302)	(490,843)	(134,503)	65,965	(625,619)	
Sale of investments	471,071	2,351,831	800,311	204,360	13,302,757	
Purchase of investments	(478,823)	(2,386,783)	(811,902)	(205,480)	(13,502,249)	
Net cash provided (used) by investing activities	<u>(145,054)</u>	<u>(525,795)</u>	<u>(146,094)</u>	<u>64,845</u>	<u>(825,111)</u>	
Net increase (decrease) in cash and cash equivalents	94,523	333,991	102,311	(242,568)	(442,174)	
Cash and cash equivalents, beginning of year						
Cash and cash equivalents, end of year	<u>\$ 439,044</u>	<u>\$ 2,100,481</u>	<u>\$ 710,969</u>	<u>\$ (62,823)</u>	<u>\$ 10,039,520</u>	
Cash and cash equivalents consists of:						
Cash and cash equivalents	\$ 439,044	\$ 2,050,122	\$ 674,209	\$ 98,039	\$ 10,113,263	
Restricted cash and cash equivalents with fiscal agent	-	-	-	-	-	
Cash and cash equivalents, end of year	<u>\$ 439,044</u>	<u>\$ 2,050,122</u>	<u>\$ 674,209</u>	<u>\$ 98,039</u>	<u>\$ 10,113,263</u>	

(continued)

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2024
(Page 3 of 4)

	Fleet	Central	Information	City Health	Telephone	Central
	Services	Service	Technology	Insurance	Services	Property
	Fund	Fund	Fund	Fund	Fund	Fund
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 882,250	\$ (24)	\$ (162,624)	\$ (1,492,192)	\$ (24,476)	\$ 61,346
Other nonoperating income (expense)	31,204	104	59,178	(1,159)	29	8,402
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	6,517	15,384	170,348	-	66,738	-
(Increase) decrease in receivables	-	-	-	1,143	-	-
(Increase) decrease in inventories	(579,058)	-	-	-	-	-
(Increase) decrease in prepaid items	-	-	-	-	-	-
Increase (decrease) in accounts payable	135,805	(1,888)	45,063	107,500	1,400	(59,193)
Increase (decrease) in accrued liabilities	(116,414)	-	59,440	294,000	9,620	4,539
Net cash provided (used) by operating activities	\$ 360,304	\$ 13,576	\$ 171,405	\$ (1,090,708)	\$ 53,311	\$ 15,094
Noncash investing, capital and financing activities:						
Increase (decrease) in investment market value	293,767	22,452	112,066	124,046	54,008	0

(continued)

CITY OF BILLINGS, MONTANA
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2024
(Page 4 of 4)

	Radio Communications Fund	Facilities Management Fund	Public Works Administration Fund	Public Works Engineering Fund	Total Internal Service Funds
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 196,042	\$ (1,866,851)	\$ 23,666	\$ (377,411)	\$ (2,760,274)
Other nonoperating income (expense)	490	2,111,373	483	439	2,210,543
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	110,301	369,135	5,023	181,742	925,189
(Increase) decrease in receivables	-	53,110	36,219	61,220	151,692
(Increase) decrease in inventories	-	-	-	-	(579,058)
(Increase) decrease in prepaid items	-	-	-	15,177	15,177
Increase (decrease) in accounts payable	34	(101,073)	(13,649)	1,657	115,656
Increase (decrease) in accrued liabilities	-	141,499	150,928	(2,692)	540,920
Net cash provided (used) by operating activities	<u>\$ 306,867</u>	<u>\$ 707,193</u>	<u>\$ 202,670</u>	<u>\$ (119,868)</u>	<u>\$ 619,845</u>

Noncash investing, capital and financing activities:

Increase (decrease) in investment market value	174,920	664,632	191,693	(60,109)	1,577,474
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The notes to the financial statements are an integral part of this statement.

CUSTODIAL FUNDS

The City's Custodial Funds and their purposes are:

- The Downtown Business Improvement District Fund accounts for amounts the City receives from Yellowstone County for Billings Business Improvement District (BID) assessments and remits the same to the BID as required by State Statutes.
- The Tourism Business Improvement District Fund accounts for amounts the City receives from Yellowstone County for Billings Tourism Business Improvement District (TBID) assessments and remits the same to the TBID as required by State Statutes.
- The License Plate Fund accounts for amounts the City receives from Yellowstone County for license plate assessments and remits the same to the License Plate Fund as required by State Statutes.

CITY OF BILLINGS, MONTANA
Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2024

	Downtown Business Improvement District	Tourism Business Improvement District	License Plate Fund	Total Fiduciary Funds
Assets				
Cash and cash equivalents	\$ 56,690	\$ 336,551	\$ 163	\$ 393,404
Investments	65,495	388,818	189	454,502
Receivables:				
Delinquent special assessments	34,143	108,310	-	142,453
Total Receivables	<u>156,328</u>	<u>833,679</u>	<u>352</u>	<u>990,359</u>
Investments				
Total assets	<u><u>156,328</u></u>	<u><u>833,679</u></u>	<u><u>352</u></u>	<u><u>990,359</u></u>
Liabilities, Deferred Inflows and Fund Balances				
Liabilities:				
Accounts payable	\$ 122,185	\$ 725,369	\$ -	\$ 847,554
Total liabilities	<u>122,185</u>	<u>725,369</u>	<u>-</u>	<u>847,554</u>
Deferred inflows:				
Deferred Revenue	\$ 34,143	\$ 108,310	\$ -	\$ 142,453
Individuals, organizations, and other governments	-	-	-	-
	-	-	<u>352</u>	<u>352</u>
Total Net Position	<u>-</u>	<u>-</u>	<u>352</u>	<u>352</u>
Total liabilities, deferred inflows and fund balances	<u><u>156,328</u></u>	<u><u>833,679</u></u>	<u><u>352</u></u>	<u><u>990,359</u></u>

CITY OF BILLINGS, MONTANA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Downtown Business Improvement District	Tourism Business Improvement District	License Plate Fund	Total Fiduciary Funds
Investments earnings:				
Tax collections for other governments	\$ -	\$ -	\$ 5,088	\$ 5,088
Special Assessments collections for other organizations	502,946	1,622,967	-	2,125,913
Total Additions	502,946	1,622,967	5,088	2,131,001
 Deductions:				
Payments made to organizations	502,946	1,622,967	5,088	2,131,001
Total Deductions	502,946	1,622,967	5,088	2,131,001
Net increase (decrease) in fiduciary net position	-	-	-	-
Net position - beginning of year, as previously reported	-	-	352	352
Restatement - accounting changes and/or error corrections (see Note)	-	-	-	-
Net position, beginning, as restated	-	-	352	352
Net position, end of year	\$ -	\$ -	\$ 352	\$ 352

STATISTICAL SECTION (UNAUDITED)

This part of the City of Billings' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Pages</u>
Financial Trends	207-214
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	215-219
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	
Debt Capacity	212-229
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	230-232
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within the City of Billings.</i>	
Operating Information	233-236
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

CITY OF BILLINGS, MONTANA
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net invested in capital assets	\$ 173,274	\$ 201,511	\$ 208,499	\$ 213,236	\$ 219,975	\$ 226,975	\$ 223,844	\$ 258,020	\$ 272,196	\$ 299,929
Restricted	61,917	62,749	53,672	64,435	57,055	60,518	73,990	75,217	88,796	90,945
Unrestricted	25,416	5,297	11,293	1,067	2,785	3,218	15,919	(2,252)	(7,352)	(7,626)
Total governmental activities net position	<u>\$ 260,607</u>	<u>\$ 269,557</u>	<u>\$ 273,464</u>	<u>\$ 278,738</u>	<u>\$ 279,815</u>	<u>\$ 290,711</u>	<u>\$ 313,753</u>	<u>\$ 330,985</u>	<u>\$ 353,640</u>	<u>\$ 383,248</u>
Business-type activities										
Net invested in capital assets	\$ 337,910	\$ 353,451	\$ 309,890	\$ 325,091	\$ 372,952	\$ 414,790	\$ 443,663	\$ 479,578	\$ 505,791	\$ 481,632
Restricted	7,412	4,930	55,101	28,198	26,771	15,154	5,256	5,256	5,256	5,256
Unrestricted	60,588	73,261	87,687	117,362	90,415	88,095	103,340	104,642	118,036	193,782
Total business-type activities net position	<u>\$ 405,910</u>	<u>\$ 431,642</u>	<u>\$ 452,678</u>	<u>\$ 470,651</u>	<u>\$ 490,138</u>	<u>\$ 518,039</u>	<u>\$ 552,259</u>	<u>\$ 589,476</u>	<u>\$ 629,083</u>	<u>\$ 680,670</u>
Primary government										
Net invested in capital assets	\$ 511,184	\$ 554,962	\$ 518,389	\$ 538,327	\$ 592,927	\$ 641,765	\$ 667,507	\$ 737,598	\$ 777,987	\$ 781,561
Restricted	69,329	67,679	108,773	92,633	83,826	75,672	79,246	80,473	94,052	96,201
Unrestricted	86,004	78,558	98,980	118,429	93,200	91,313	119,259	102,390	110,684	186,156
Total primary government net position	<u>\$ 666,517</u>	<u>\$ 701,199</u>	<u>\$ 726,142</u>	<u>\$ 749,389</u>	<u>\$ 769,953</u>	<u>\$ 808,750</u>	<u>\$ 866,012</u>	<u>\$ 920,461</u>	<u>\$ 982,723</u>	<u>\$ 1,063,918</u>

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)
(Page 1 of 3)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 9,533	\$ 8,166	\$ 8,801	\$ 9,167	\$ 8,679	\$ 10,597	\$ 12,206	\$ 11,115	\$ 13,174	\$ 13,568
Public safety	43,085	43,855	45,516	52,599	39,965	55,230	63,498	59,187	68,799	74,573
Public works	31,320	32,695	38,203	37,156	40,942	42,401	40,603	40,097	40,965	43,719
Public health	1,059	957	1,002	1,038	1,449	1,188	1,413	1,124	1,137	1,680
Culture and recreation	11,212	10,867	11,269	11,458	17,397	11,924	15,224	13,514	13,499	15,955
Housing and economic development	4,612	4,475	5,890	5,338	4,984	4,068	5,201	4,121	4,342	5,879
Interest on long-term debt	2,779	2,939	2,775	2,830	2,560	2,514	3,709	1,959	2,478	2,910
Total governmental activities expenses	<u>103,600</u>	<u>103,954</u>	<u>113,456</u>	<u>119,586</u>	<u>115,976</u>	<u>127,922</u>	<u>141,854</u>	<u>131,117</u>	<u>144,394</u>	<u>158,284</u>
Business-type activities:										
Solid waste	11,823	11,988	12,117	13,753	14,163	15,117	16,548	20,863	23,255	20,254
Airport	12,616	12,538	12,907	14,067	13,088	12,930	12,519	12,526	12,930	13,317
Water	17,652	18,534	19,534	20,673	20,096	21,138	21,712	22,194	23,631	25,958
Wastewater	12,314	12,953	14,750	14,975	15,751	16,550	18,895	19,690	19,988	21,246
Parking	2,538	2,425	2,401	2,503	2,431	2,371	2,671	2,687	2,547	2,482
Transit	6,170	5,715	5,667	5,993	6,146	6,263	6,610	6,982	7,314	8,655
Golf course	436	450	478	435	466	407	465	520	701	567
Total business-type activities expenses	<u>63,549</u>	<u>64,603</u>	<u>67,854</u>	<u>72,399</u>	<u>72,141</u>	<u>74,776</u>	<u>79,420</u>	<u>85,462</u>	<u>90,366</u>	<u>92,479</u>
Total primary government expenses	<u><u>\$ 167,149</u></u>	<u><u>\$ 168,557</u></u>	<u><u>\$ 181,310</u></u>	<u><u>\$ 191,985</u></u>	<u><u>\$ 188,117</u></u>	<u><u>\$ 202,698</u></u>	<u><u>\$ 221,274</u></u>	<u><u>\$ 219,026</u></u>	<u><u>\$ 234,760</u></u>	<u><u>\$ 250,763</u></u>

(continued)

CITY OF BILLINGS, MONTANA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)
(Page 2 of 3)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,855	\$ 3,286	\$ 3,414	\$ 3,560	\$ 3,439	\$ 3,046	\$ 3,668	\$ 4,000	\$ 3,898	\$ 3,908
Public safety	5,857	5,627	5,200	5,166	5,362	5,917	6,488	7,001	6,976	7,118
Public works	23,271	24,763	25,476	27,892	29,006	30,012	31,006	31,376	32,055	34,387
Culture and recreation	42	50	48	56	48	46	40	39	26	60
Other activities	2,326	2,472	2,411	2,301	2,492	2,378	2,563	2,640	2,764	2,878
Operating grants and contributions	16,554	11,713	12,034	18,856	7,914	21,723	36,640	21,155	27,617	20,595
Capital grants and contributions	7,884	9,568	11,036	7,118	6,060	11,358	12,692	11,288	16,321	14,751
Total governmental activities program revenues	<u>58,789</u>	<u>57,479</u>	<u>59,619</u>	<u>64,949</u>	<u>54,321</u>	<u>74,480</u>	<u>93,097</u>	<u>77,499</u>	<u>89,657</u>	<u>83,697</u>
Business-type activities:										
Charges for services:										
Solid waste	13,925	13,888	14,715	15,407	15,474	16,791	17,679	18,909	19,980	21,698
Airport	9,536	9,915	10,078	12,356	12,887	11,153	10,269	11,547	12,995	15,074
Water	24,740	25,914	24,686	27,995	25,326	26,201	31,512	31,525	31,777	33,113
Wastewater	18,469	18,915	19,798	19,518	23,970	20,971	22,716	23,628	23,570	24,398
Other activities	2,752	2,496	2,675	2,856	3,002	2,669	2,872	3,293	3,717	3,946
Operating grants and contributions	2,195	3,894	4,024	3,721	1,462	7,003	8,381	13,745	12,672	14,989
Capital grants and contributions	4,366	12,326	9,163	3,745	3,170	12,143	17,216	18,237	16,161	15,387
Total business-type activities program revenues	<u>75,983</u>	<u>87,348</u>	<u>85,139</u>	<u>85,598</u>	<u>85,291</u>	<u>96,931</u>	<u>110,645</u>	<u>120,884</u>	<u>120,872</u>	<u>128,605</u>
Total primary government program revenues	<u>\$ 134,772</u>	<u>\$ 144,827</u>	<u>\$ 144,758</u>	<u>\$ 150,547</u>	<u>\$ 139,612</u>	<u>\$ 171,411</u>	<u>\$ 203,742</u>	<u>\$ 198,443</u>	<u>\$ 210,529</u>	<u>\$ 212,302</u>
Net (expense)/revenue										
Governmental activities	\$ (45,165)	\$ (55,977)	\$ (53,837)	\$ (54,637)	\$ (61,655)	\$ (53,442)	\$ (48,757)	\$ (53,558)	\$ (54,737)	\$ (74,587)
Business-type activities	11,380	19,494	17,285	13,199	13,150	22,155	31,225	35,422	30,506	36,126
Total primary government	<u>\$ (33,785)</u>	<u>\$ (36,483)</u>	<u>\$ (36,552)</u>	<u>\$ (41,438)</u>	<u>\$ (48,505)</u>	<u>\$ (31,287)</u>	<u>\$ (17,532)</u>	<u>\$ (18,136)</u>	<u>\$ (24,231)</u>	<u>\$ (38,461)</u>

(continued)

CITY OF BILLINGS, MONTANA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)
(Page 3 of 3)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 32,198	\$ 36,636	\$ 37,269	\$ 38,684	\$ 39,670	\$ 41,000	\$ 45,107	\$ 49,898	\$ 55,308	\$ 67,525
Franchise fees	3,808	3,946	3,833	3,852	1,458	1,300	1,480	1,238	1,234	1,165
Business license tax	759	755	763	762	766	786	759	701	738	719
Unrestricted federal/state shared revenue	15,550	15,878	16,408	17,139	18,109	19,198	19,688	20,327	18,699	25,726
Unrestricted investment earnings	196	332	228	428	2,314	1,725	177	(1,541)	2,783	5,976
Gain on sale of property and equipment	949	(2,212)	267	140	58	242	20	(9)	58	278
Miscellaneous	221	194	144	(783)	441	372	4,839	762	866	2,940
Transfers	(4,144)	(101)	(502)	(309)	(85)	(282)	(270)	(199)	(596)	(80)
Total governmental activities	49,537	55,428	58,410	59,913	62,731	64,341	71,800	71,177	79,090	104,249
Business-type activities:										
Property taxes	1,865	1,981	2,054	2,230	2,264	2,351	2,397	2,508	2,568	2,649
Unrestricted federal/state shared revenue	421	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	445	752	657	1,498	3,596	2,537	254	(1,815)	3,145	11,472
Gain on sale of property and equipment	61	-	28	24	170	19	26	(16)	-	(293)
Miscellaneous	353	153	835	711	219	556	629	1,191	2,645	1,613
Transfers	4,144	101	502	309	85	282	270	62	565	80
Total business-type activities	7,289	2,987	4,076	4,772	6,334	5,745	3,576	1,930	8,923	15,521
Total primary government	\$ 56,826	\$ 58,415	\$ 62,486	\$ 64,685	\$ 69,065	\$ 70,086	\$ 75,376	\$ 73,107	\$ 88,013	\$ 119,770
Change in Net Position										
Governmental activities	\$ (6,440)	\$ 1,591	\$ 3,773	\$ (1,742)	\$ 9,289	\$ 10,899	\$ 23,043	\$ 17,619	\$ 24,353	\$ 29,662
Business-type activities	26,783	20,272	17,275	17,922	28,489	27,900	34,801	37,352	39,429	51,647
Total primary government net position	\$ 20,343	\$ 21,863	\$ 21,048	\$ 16,180	\$ 37,778	\$ 38,799	\$ 57,844	\$ 54,971	\$ 63,782	\$ 81,309

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

Fiscal Year	Business		
	Property Tax	License Tax	Total
2015	32,198	759	32,957
2016	36,636	755	37,391
2017	37,269	763	38,032
2018	38,684	762	39,446
2019	39,670	766	40,436
2020	41,000	786	41,786
2021	45,107	759	45,866
2022	49,898	701	50,599
2023	58,948	738	59,686
2024	67,525	719	68,244

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund										
Unspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	9,952	10,638	11,651	11,858	12,723	12,289	12,198	11,826	11,210	13,159
Unassigned	<u>14,928</u>	<u>16,553</u>	<u>16,621</u>	<u>15,860</u>	<u>9,676</u>	<u>10,108</u>	<u>21,259</u>	<u>(247)</u>	<u>1,545</u>	<u>(1,495)</u>
Total	<u>\$24,880</u>	<u>\$27,191</u>	<u>\$28,272</u>	<u>\$27,718</u>	<u>\$22,399</u>	<u>\$22,397</u>	<u>\$33,457</u>	<u>\$ 11,579</u>	<u>\$ 12,755</u>	<u>\$ 11,664</u>
All other governmental funds										
Unspendable	\$ 760	\$ 800	\$ 808	\$ 859	\$ 906	\$ 902	\$ 897	\$ 940	\$ 956	\$ 1,024
Restricted	72,549	71,238	72,033	63,728	63,182	67,110	81,019	84,665	98,295	102,563
Committed	10,817	10,258	9,022	10,709	9,242	11,532	15,031	15,399	13,597	10,971
Unassigned	<u>(396)</u>	<u>(275)</u>	<u>(118)</u>	<u>(23)</u>	<u>(246)</u>	<u>(267)</u>	<u>(501)</u>	<u>(841)</u>	<u>(66)</u>	<u>(1,337)</u>
Total	<u>\$83,730</u>	<u>\$82,021</u>	<u>\$81,745</u>	<u>\$75,273</u>	<u>\$73,084</u>	<u>\$79,277</u>	<u>\$96,446</u>	<u>\$100,163</u>	<u>\$112,782</u>	<u>\$113,221</u>

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)
(Page 1 of 2)

	Fiscal Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 33,763	\$ 37,286	\$ 37,213	\$ 38,619	\$ 39,787	\$ 41,210	\$ 45,944	\$ 47,385	\$ 56,374	\$ 66,575
Licenses and permits	6,984	6,879	6,596	6,456	4,074	4,507	4,743	5,162	4,702	4,125
Intergovernmental	28,279	30,061	28,991	30,225	32,132	39,945	47,680	43,660	48,546	52,882
Charges for services	11,966	13,144	13,565	14,613	15,654	15,436	16,853	17,522	17,492	18,429
Fines and forfeitures	2,079	1,964	1,754	1,838	1,751	1,471	1,782	1,471	1,384	1,724
Special assessments	22,303	22,515	22,921	24,319	24,874	25,246	26,899	27,640	29,274	27,558
Other	3,247	3,569	4,200	4,097	4,308	3,526	3,256	738	4,177	8,892
Total revenues	<u>108,621</u>	<u>115,418</u>	<u>115,240</u>	<u>120,167</u>	<u>122,580</u>	<u>131,341</u>	<u>147,157</u>	<u>143,578</u>	<u>161,949</u>	<u>180,185</u>
Expenditures										
Current:										
General government	7,869	8,074	8,331	8,859	9,499	9,705	10,052	11,251	12,079	17,040
Public safety	43,924	45,669	47,106	50,111	53,168	54,248	57,627	58,930	64,701	71,176
Public works	18,472	19,059	21,862	21,926	23,207	24,213	22,267	24,035	22,585	23,769
Public health	843	856	821	854	964	931	965	926	934	1,234
Culture and recreation	8,374	8,920	8,201	8,911	10,384	9,526	10,452	10,946	11,486	12,494
Housing and economic development	4,423	4,418	5,718	5,217	4,582	3,975	4,841	4,126	4,258	5,768
Capital outlay	18,893	25,726	14,445	17,818	26,544	16,531	19,673	39,570	29,235	60,163
Debt service:										
Principal	9,157	4,322	4,801	11,481	3,896	4,028	4,461	12,837	4,264	4,585
Interest and fiscal charges	2,492	2,551	2,734	2,951	2,530	2,541	2,520	2,528	2,427	2,611
Bond issuance costs	464	136	69	28	75	15	176	175	156	499
Total expenditures	<u>114,911</u>	<u>119,731</u>	<u>114,088</u>	<u>128,156</u>	<u>134,849</u>	<u>125,713</u>	<u>133,034</u>	<u>165,324</u>	<u>152,125</u>	<u>199,339</u>
Excess of revenues over (under) expenditures	<u>\$ (6,290)</u>	<u>\$ (4,313)</u>	<u>\$ 1,152</u>	<u>\$ (7,989)</u>	<u>\$ (12,269)</u>	<u>\$ 5,628</u>	<u>\$ 14,123</u>	<u>\$ (21,746)</u>	<u>\$ 9,824</u>	<u>\$ (19,154)</u>

(continued)

CITY OF BILLINGS, MONTANA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)
(Page 2 of 2)

	Fiscal Years									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other financing sources (uses)										
Transfers in	\$ 28,504	\$ 26,615	\$ 28,252	\$ 34,501	\$ 33,474	\$ 27,990	\$ 17,514	\$ 56,898	\$ 40,765	\$ 28,802
Transfers out	(29,094)	(27,194)	(29,023)	(35,098)	(33,950)	(28,812)	(18,014)	(57,390)	(41,518)	(29,049)
Issuance of debt	6,270	-	-	-	3,465	285	2,516	4,000	-	16,697
Special assessment bonds issued	18,655	5,375	226	1,415	1,625	857	10,925	76	4,711	1,300
Premium on bonds issued	1,130	-	-	-	95	-	1,112	-	-	644
Bond discounts	(61)	-	-	-	-	-	-	-	(15)	-
Sale of capital assets	1,852	119	267	140	58	243	55	-	29	173
Total other financing sources (uses)	<u>27,256</u>	<u>4,915</u>	<u>(278)</u>	<u>958</u>	<u>4,767</u>	<u>563</u>	<u>14,108</u>	<u>3,584</u>	<u>3,972</u>	<u>18,567</u>
Net change in fund balances	<u><u>\$ 20,966</u></u>	<u><u>\$ 602</u></u>	<u><u>\$ 874</u></u>	<u><u>\$ (7,031)</u></u>	<u><u>\$ (7,502)</u></u>	<u><u>\$ 6,191</u></u>	<u><u>\$ 28,231</u></u>	<u><u>\$ (18,162)</u></u>	<u><u>\$ 13,796</u></u>	<u><u>\$ (587)</u></u>
Debt service as a percentage of noncapital expenditures	12.1%	7.3%	7.6%	13.1%	5.9%	6.0%	6.2%	12.2%	5.4%	5.2%

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
General Government Tax Revenues By Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

Fiscal Year	Property Tax	Business License Tax	Total
2015	33,763	759	34,522
2016	37,286	755	38,041
2017	37,213	763	37,976
2018	38,684	762	39,446
2019	39,787	766	40,553
2020	41,210	786	41,996
2021	45,944	759	46,703
2022	47,385	701	48,086
2023	56,374	738	57,112
2024	66,575	719	67,294

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
Taxable and Estimated Market Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Real Property ^{3,4}		Personal Property		Total		Direct Tax Rate	Ratio of Taxable Value to Estimated Market
	Estimated Market Value	Taxable Value	Estimated Market Value	Taxable Value	Estimated Market Value ¹	Taxable Value ²		
2015	6,141,298,543	163,095,567	209,710,048	3,762,699	6,351,008,591	166,858,266	168.12	2.6%
2016	11,372,527,592 ⁵	187,958,670	254,824,924	4,087,311	11,627,352,516	192,045,981	158.84	1.7%
2017	11,491,184,706	191,197,155	252,088,832	3,979,017	11,743,273,538	195,176,172	160.40	1.7%
2018	12,191,541,683	199,511,334	279,769,621	4,331,658	12,471,311,304	203,842,992	159.00	1.6%
2019	12,273,523,077	200,187,216	282,104,998	4,354,464	12,555,628,075	204,541,680	163.12	1.6%
2020	12,976,135,665	210,145,002	293,702,841	4,593,206	13,269,838,506	214,738,208	160.02	1.6%
2021	13,101,213,404	213,024,539	298,179,913	4,666,927	13,399,393,317	217,691,466	179.48	1.6%
2022	13,805,565,763	223,987,417	296,854,773	4,647,822	14,102,420,536	228,635,239	177.30	1.6%
2023	13,999,552,034	227,313,276	257,795,255	4,112,801	14,257,347,289	231,426,077	211.00	1.6%
2024	17,697,584,344	277,618,987	313,136,658	5,062,732	18,010,721,002	282,681,719	206.57	1.6%

¹ State of Montana Department of Revenue (both real and personal property).

² Yellowstone County, Montana, Assessors Office (both real and personal property).

³ Market value and taxable value includes Utilities category.

⁴ Breakdown of commercial and residential property values is not available.

⁵ The 6 year appraisal cycle was done by the State, going forward it will be every 2 years.

CITY OF BILLINGS, MONTANA
Property Tax Rates – Direct and Overlapping Governments
(Per \$1000 of Assessed Value)
Last Ten Fiscal Years
(Unaudited)

Fiscal	City						Big Sky				Total		
	General				Obligation		School		Economic		Direct and		
	Year	General ³	Library ³	Public	Safety	Transit ³	Bonds	Total ²	County	Education ¹	District	Authority	State
2015	74.00	5.00	64.59	10.00	14.53	168.12	117.10	102.50	249.75	3.09	46.10	686.66	
2016	67.64	4.57	64.41	9.17	13.05	158.84	109.58	102.50	253.28	2.87	42.95	670.02	
2017	70.61	4.77	64.30	9.54	11.18	160.40	113.71	102.50	255.52	2.95	50.61	685.69	
2018	70.61	5.00	62.40	10.00	10.99	159.00	112.09	102.50	263.96	3.17	51.64	692.36	
2019	74.00	5.00	62.88	10.00	11.24	163.12	124.76	102.50	272.73	3.29	47.87	714.27	
2020	74.00	5.00	60.17	10.00	10.85	160.02	123.03	102.50	269.06	3.24	42.94	700.79	
2021	74.00	5.00	80.00 ⁵	10.00	10.48	179.48	124.16	102.50	272.91	3.28	49.98	732.31	
2022	74.00	5.00	80.00	10.00	8.30	177.30	124.32	102.50	251.61	3.29	40.36	699.38	
2023	74.00	5.00	114.00 ⁶	10.00	8.00	211.00	126.39	102.50	251.54	3.37	40.56	735.36	
2024	73.10	4.27	114.00	8.53	6.67	206.57	112.25	102.50	215.51	3.01	38.53	678.37	

Source: Yellowstone County, Montana, Treasurer

¹ Includes School Equalization Levy and other Education Levies.

² Under State Law, voter approval is required for additional tax rate increases.

³ General mills are fixed by charter, increases require an amendment to the charter.

⁴ General Obligation Library Bond for 6.12 mills was issued.

⁵ Voters approved 60 mills for PS II no longer at the cap of 8.2 million

⁶ Voters approved 34 mills for PS III

CITY OF BILLINGS, MONTANA
Principal Property Taxpayers
June 30, 2024 and Ten Years Ago
(Unaudited)

Taxpayer	Tax Year 2023			Tax Year 2014		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Northwestern Energy	\$ 11,288,656	1	4.0%	\$ 7,894,315	1	4.7%
Montana Dakota Utilities	5,015,012	2	1.8%	2,518,340	3	1.5%
Charter Communications	2,642,784	3	0.9%	-	-	0.0%
Verizon Wireless	979,877	4	0.3%	928,229	5	0.6%
Lumen Technologies	824,544	5	0.3%	-	-	0.0%
Wal-Mart/Sam's Real Estate	798,681	6	0.3%	875,909	7	0.5%
AT&T Mobility	780,710	7	0.3%	881,177	6	0.5%
RSS WFCM	732,966	8	0.3%	-	-	0.0%
Billings 401 LLC	607,331	9	0.2%	-	-	0.0%
Scheels All Sports Inc	596,544	10	0.2%	-	-	0.0%
Rimrock Owner LP	-		0.0%	618,560	8	0.4%
United Airlines	-		0.0%	502,370	9	0.3%
Stockman Bank	-		0.0%	448,519	10	0.3%
Century Link LLC	-		0.0%	2,373,247	4	1.4%
Bresnan Broadband	-		0.0%	2,535,803	2	1.5%
Total	<u>\$ 24,267,105</u>		<u>8.6%</u>	<u>\$ 19,576,469</u>		<u>11.7%</u>
Total taxable value	\$ 282,681,719			\$ 166,858,266		

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
Property Tax Levies and Collections ¹
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Total Tax Levy¹ for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Delinquent
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2015	26,391,143	25,590,811	97.0%	4,894,272	30,485,083	115.5%	800,332
2016	28,231,663	27,220,145	96.4%	1,041,105	28,261,250	100.1%	1,011,518
2017	28,795,414	27,087,538	94.1%	770,715	27,858,253	96.7%	1,707,876
2018	30,101,821	28,340,613	94.1%	1,644,651	29,985,264	99.6%	1,761,208
2019	31,249,233	29,999,888	96.0%	1,699,576	31,699,464	101.4%	1,249,345
2020	31,902,292	30,755,958	96.4%	1,229,472	31,985,430	100.3%	1,146,334
2021	36,501,009	35,308,395	96.7%	1,154,970	36,463,365	99.9%	1,192,614
2022	37,715,911	36,430,761	96.6%	1,250,966	37,681,727	99.9%	1,285,150
2023	46,158,070	44,198,787	95.8%	1,230,167	45,428,954	98.4%	1,959,283
2024	54,705,707	52,863,717	96.6%	2,025,377	54,889,094	100.3%	1,841,990

Source: City of Billings, Montana

¹ The total tax levy, collections and outstanding delinquent taxes are net of tax increment amounts.

CITY OF BILLINGS, MONTANA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)
(Unaudited)

Governmental Activities						
Fiscal Year	General Obligation Bonds	Tax Increment Bonds	Special Assessment Bonds	Intercap Notes Payable	Notes Payable	Leases Payable
2015	26,921	20,376	22,737	54	1,153	3,737
2016	32,094	26,032	21,363	48	712	3,362
2017	30,109	25,516	19,585	43	249	2,935
2018	21,669	24,810	18,767	38	-	2,515
2019	19,797	27,640	18,954	32	-	2,084
2020	17,885	26,779	18,405	312	-	1,638
2021	24,260	28,125	18,213	2,727	-	1,182
2022	13,512	27,131	20,499	2,536	-	712
2023	11,692	29,077	20,772	2,370	-	231
2024	10,051	35,457	20,291	11,966	-	-

Business-Type Activities										
Fiscal Year	Revenue Bonds	Revenue Bonds	Rev Bonds/ Notes Payable	Rev Bonds/ Notes Payable	Revenue Bonds	Lease Payable	Lease Payable	Total Primary Government	Percentage of Personal Income	Per Capita
	Airport	Wastewater	Water	Wastewater	Solid Waste	Parking	Airport	Government	Income	Per Capita
2015	10,437	-	28,446	16,514	-	2,942	1,120	134,437	2.90%	1.22
2016	9,559	-	30,049	15,506	-	2,818	1,045	142,588	2.81%	1.29
2017	8,473	63,305	28,264	14,503	-	2,687	968	196,637	3.78%	1.79
2018	7,348	59,980	28,257	13,470	-	2,551	886	180,291	3.30%	1.65
2019	6,184	58,532	24,199	12,408	23,338	2,409	799	196,376	3.45%	1.79
2020	4,977	56,684	22,085	11,318	23,271	2,261	709	186,324	3.15%	1.70
2021	3,899	54,797	19,917	10,197	22,503	2,106	614	188,540	2.84%	1.61
2022	3,639	52,845	17,692	9,043	21,701	1,944	-	171,254	2.44%	1.46
2023	3,374	50,833	15,407	7,855	20,859	1,774	-	164,244	3.41%	1.39
2024	3,599	48,436	13,061	6,635	19,976	1,597	-	171,069	3.32%	1.42

Source: City of Billings, Montana

CITY OF BILLINGS, MONTANA
Ratio of General Obligation Bonded Debt Outstanding
To Taxable Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population ¹	Taxable Value ²	General Obligation Bonds ³	Less: Amounts Available in Debt Service Funds ⁴		Net	Actual Taxable Value of Property	Percentage of Estimated Actual Taxable Value of Property	Net Bonded Debt Per Capita
				Service Funds ⁴	Net				
2015	108,869	166,858,266	26,921,315	2,653,784	24,267,531	14.5%	222.91		
2016	110,263	181,997,580	32,093,610	2,852,317	29,241,293	16.1%	265.20		
2017	110,323	185,589,273	30,109,235	2,505,033	27,604,202	14.9%	250.21		
2018	109,642	193,797,788	21,668,610	2,392,468	19,276,142	9.9%	175.81		
2019	109,544	195,708,313	19,797,206	2,468,288	17,328,918	8.9%	158.19		
2020	109,431	204,149,357	17,885,802	2,429,945	15,455,857	7.6%	141.24		
2021	117,116	207,822,943	24,259,578	10,236,650	14,022,928	6.7%	119.74		
2022	117,445	217,874,388	13,511,998	1,888,193	11,623,805	5.3%	98.97		
2023	118,288	221,061,478	11,691,699	1,675,943	10,015,756	4.5%	84.67		
2024	122,077	269,766,883	10,051,400	1,708,443	8,342,957	3.1%	68.34		

Sources and other information:

¹ Census taken every ten years. Actual census figures given for 2021.

All other years are estimated by City/County Planning, Yellowstone County, Montana.

² Yellowstone County, Montana, Assessors Office (these amounts do not include the incremental increases to the Tax Increment District).

³ Amount does not include Special Assessment, tax increment or revenue bonds. In 2013, 2014, 2015 and 2016 recorded net of adjustments

⁴ Amount does not include Special Assessment, tax increment debt service funds

CITY OF BILLINGS, MONTANA
Direct and Overlapping General Obligation Bonded Debt
June 30, 2024
(Unaudited)

Governmental Unit	Debt Outstanding	Percent Applicable to City²	Estimated Share of Overlapping Debt
Overlapping:			
Yellowstone County	\$ 7,004,733¹	55.89%	\$ 3,914,945
School Districts			
School District #2	\$ 110,262,502 ¹	44.63%	\$ 49,210,155
Elder Grove SD #4	14,485,000 ¹	0.17%	\$ 24,625
Elysian SD #23	10,130,000 ¹	4.99%	\$ 505,487
<u>Independent SD #52</u>	1,200,000 ¹	0.37%	\$ 4,440
Total School Districts	<u>136,077,502</u>		<u>49,744,706</u>
Total Overlapping Debt	<u>\$ 143,082,235</u>		<u>\$ 53,659,651</u>
Direct:			
City of Billings			
General Obligation	\$ 10,051,400		
Tax Increment	35,457,439		
Special Assesment	20,291,014		
Intercap Notes	11,965,576		
<u>Lease</u>	-		
Total Direct Debt	<u>\$ 77,765,429</u>	100.0%	<u>\$ 77,765,429</u>
Total Direct and Overlapping Debt	<u>\$ 220,847,664</u>		<u>\$ 131,425,080</u>

Source and other information:

¹ Finance Department, Yellowstone County, Montana.

² The percentage of overlapping debt applicable to the City is estimated using taxable property values.

Applicable percentages were estimated by determining the portion of the other government's taxable value that is within the City's boundaries and dividing it by the other government total taxable value.

CITY OF BILLINGS, MONTANA
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in 000's)
(Unaudited)

	Fiscal Year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$ 158,762	\$ 289,112	\$ 291,981	\$ 311,783	\$ 313,872	\$ 331,727	\$ 334,985	\$ 352,553	\$ 356,427	\$ 447,608
Total net debt applicable to limit	<u>23,326</u>	<u>27,260</u>	<u>32,622</u>	<u>23,758</u>	<u>21,887</u>	<u>20,014</u>	<u>23,865</u>	<u>11,624</u>	<u>10,016</u>	<u>8,343</u>
Legal debt margin	<u>\$ 135,436</u>	<u>\$ 261,852</u>	<u>\$ 259,360</u>	<u>\$ 288,024</u>	<u>\$ 291,985</u>	<u>\$ 311,713</u>	<u>\$ 311,119</u>	<u>\$ 340,929</u>	<u>\$ 346,411</u>	<u>\$ 439,265</u>
Total net debt applicable to the limit as a percentage of debt limit	14.69%	9.43%	11.17%	7.62%	6.97%	6.03%	7.12%	3.30%	2.81%	1.86%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed market value:	
Real property	\$ 17,359,598,815
Personal property	206,729,285
Utilities	<u>337,985,529</u>
Total assessed value	<u>\$ 17,904,313,629</u>
Debt amount limited to 2.5% of total assessed value	\$447,607,841
Less:	
General obligation bonded debt outstanding	10,051,400
Total net debt applicable to limit	10,051,400
Plus:	
Amount set aside for repayment of GO debt	<u>1,708,443</u>
Total net debt applicable to limit	<u>11,759,843</u>
Legal debt margin	<u>\$439,264,884</u>

Source: City of Billings, Montana

Note: Under state law, the City of Billings, Montana's outstanding general obligation debt was not to exceed 1.51% prior to FY 08 and 2.50% starting in FY 08 of total assessed market value.

CITY OF BILLINGS, MONTANA
Pledged-Revenue Coverage
Water and Wastewater Debt
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Gross Revenue¹	Less: Operating Expense²	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2015	\$ 43,267,946	\$ 18,684,310	\$ 24,583,636	\$ 2,572,407	\$ 1,196,733	\$ 3,769,140	652%
2016	44,906,310	19,688,620	25,217,690	2,924,000	1,232,897	4,156,897	607%
2017	46,152,358	21,104,769	25,047,589	2,957,000	1,229,859	4,186,859	598%
2018	48,671,532	21,804,167	26,867,365	6,025,000	3,572,904	9,597,904	280%
2019	51,824,655	21,032,368	30,792,287	4,550,000	3,447,181	7,997,181	385%
2020	49,051,466	22,700,211	26,351,255	4,679,000	2,946,113	7,625,113	346%
2021	54,603,285	23,699,867	30,903,418	4,819,000	2,797,480	7,616,480	406%
2022	54,086,228	24,560,244	29,525,984	4,974,000	2,644,198	7,618,198	388%
2023	57,320,902	25,985,450	31,335,452	5,128,000	2,469,158	7,597,158	412%
2024	65,545,624	26,356,000	39,189,624	5,309,000	5,282,074	10,591,074	370%

Source: City of Billings, Montana

¹ Includes operating revenue and interest income.

² Total operating expenses exclusive of depreciation.

³ During FY2024 WATER Revenue Bonds were issued for the West-end Reservoir. Prin Payments will begin in FY2025.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF BILLINGS, MONTANA
Pledged-Revenue Coverage
Airport Revenue Bonds
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Gross Revenue ¹	CFC revenue not to exceed		Less: Operating Expense ²	Net Revenue Available for Debt Service	Debt Service Requirements						
		2020B Debt Serv	2020B			2000/2010A Principal	2000/2010A Interest	2020A Principal	2020A Interest	2020B Principal	2020B Interest	Total
2015	\$ 9,683,881	\$ 495,394	\$ 7,198,727	\$ 2,980,548	\$ 730,000	\$ 229,719	\$ -	\$ -	\$ 270,000	\$ 225,394	\$ 1,455,113	205%
2016	10,279,572	492,219	7,095,930	3,675,861	765,000	199,818	-	-	275,000	217,219	1,457,037	252%
2017	10,556,892	493,819	7,453,340	3,597,371	795,000	166,631	-	-	285,000	208,819	1,455,450	247%
2018	11,761,416	495,119	8,618,384	3,638,151	825,000	131,728	-	-	295,000	200,119	1,451,847	251%
2019	11,396,600	491,006	7,526,174	4,361,432	860,000	95,362	-	-	300,000	191,006	1,446,368	302%
2020	11,377,081	491,281	7,597,295	4,271,067	895,000	54,756	-	-	310,000	181,281	1,441,037	296%
2021	12,131,553	490,644	7,861,087	4,761,110 ^{3,4}	670,000	16,750	-	-	320,000	170,644	1,177,394	404%
2022	9,657,638	359,830	7,754,996	2,262,472 ^{3,4}	-	-	-	-	22,896	260,000	99,830	382,726
2023	11,547,039	353,358	8,579,018	3,321,379 ^{3,4}	-	-	-	-	23,820	265,000	88,358	377,178
2024	14,258,198	359,150	8,858,402	5,758,946 ^{3,4}	-	-	-	-	34,323	275,000	84,150	393,473

Source: City of Billings, Montana

¹ Includes operating revenue, intergovernmental revenue, other revenue, interest income net of CFC and PFC interest.

² Total operating expense exclusive of depreciation.

³ In FY 2021, Airport series 2010B revenue bonds were refunded for the CFC project. The CFC bonds are now 2020 B Series.

⁴ Also, In FY 2021, Airport series 2020A revenue bond draws began for the new terminal. Interest will be paid starting in FY22 and principal paid in future years.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF BILLINGS, MONTANA
Pledged-Revenue Coverage
Special Assessment Bonds
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Gross¹ Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	\$ 7,183,892	\$ 6,593,709	\$ 613,603	\$ 7,207,312	99.7%
2016	1,855,339	1,641,069	343,342	1,984,411	93.5%
2017	1,676,582	1,527,648	308,749	1,836,397	91.3%
2018	1,774,099	1,686,466	257,392	1,943,858	91.3%
2019	1,551,560	871,327	274,229	1,145,556	135.4%
2020	1,387,550	822,734	285,151	1,107,885	125.2%
2021	1,244,705	1,052,690	285,194	1,337,884	93.0%
2022	1,642,838	1,095,633	327,141	1,422,774	115.5%
2023	1,571,834	792,293	402,347	1,194,640	131.6%
2024	1,596,457	1,108,284	435,586	1,543,870	103.4%

Source: City of Billings, Montana

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ Gross Revenue includes special assessments and investment earnings on reserves.

CITY OF BILLINGS, MONTANA
Pledged-Revenue Coverage
Storm Sewer Bonds²
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Gross¹ Revenue	Less: Operating Expense	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 3,747,959	\$ 3,505,136	\$ 242,823	\$ 100,000	\$ 173,094	\$ 273,094	88.9%
2016	4,038,829	3,538,658	500,171	160,000	389,450	549,450	91.0%
2017	4,239,414	2,508,407	1,731,007	465,000	487,220	952,220	181.8%
2018	4,359,288	2,926,665	1,432,623	530,000	476,528	1,006,528	142.3%
2019	4,619,127	7,972,036	(3,352,909) ³	545,000	459,369	1,004,369	-333.8%
2020	4,622,541	3,362,035	1,260,506	560,000	445,122	1,005,122	125.4%
2021	4,764,254	2,872,168	1,892,086	575,000	425,419	1,000,419	189.1%
2022	4,912,328	3,123,522	1,788,806	590,000	405,594	995,594	179.7%
2023	5,414,985	2,761,168	2,653,817	615,000	381,319	996,319	266.4%
2024	5,907,870	5,718,025	189,845	640,000	362,810	1,002,810	18.9%

Source: City of Billings, Montana

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ Gross revenue includes assessments and investment earnings.

² Included in special assessment bonds in the financial statements and related notes.

³ Storm Sewer reserves were used in FY2019 to fund capital projects.

CITY OF BILLINGS, MONTANA
Pledged-Revenue Coverage
Parking Notes Payable
Last Ten Fiscal Years
(Unaudited)

Fiscal	Gross¹		Less:	Net Revenue		Debt Service Requirements³			Coverage
	Year	Revenue	Operating	Available for	Principal	Interest⁴	Total		
2015	\$ 1,519,591	\$ 1,717,715	\$ (198,124)	\$ 119,120	\$ 136,660	\$ 255,780	-77%		
2016	1,590,253	1,520,808	69,445	124,485	131,295	255,780	27%		
2017	1,636,217	1,538,722	97,495	130,092	125,688	255,780	38%		
2018	1,673,213	1,673,343	(130)	135,952	119,828	255,780	0%		
2019	1,755,684	1,608,964	146,720	142,076	113,704	255,780	57%		
2020	1,755,004	1,540,872	214,132	148,476	107,304	255,780	84%		
2021	1,936,752	1,816,379	120,373	155,163	100,617	255,780	47%		
2022	2,240,581	1,798,345	442,236	162,153	93,627	255,780	173%		
2023	2,445,370	1,670,098	775,272	169,457	86,323	255,780	303%		
2024	2,553,097	1,550,990	1,002,107	177,091	78,689	255,780	392%		

Source: City of Billings, Montana

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ Gross revenue includes operating revenue Tax Increment TF and interest income.

² Total operating expense exclusive of depreciation

³ The lease for Parking was refinanced in FY2013. The debt service requirements will decrease in subsequent years.

⁴ The interest reported is cash basis. However, the interest reported in the Government-Wide financial statement is accrued.

CITY OF BILLINGS, MONTANA
Pledged-Revenue Coverage
Solid Waste Revenue Bonds
Last Ten Fiscal Years
(Unaudited)

Fiscal	Gross	Less:		Net Revenue Available for	Debt Service Requirements³		
		Operating	Debt Service		Principal	Interest⁴	Total
Year	Revenue¹	Expense²					
2019	\$ 15,905,395	\$ 11,232,020	\$ 4,673,375	\$ -	\$ 313,590	\$ 313,590	1490%
2020	17,467,951	11,410,721	6,057,230	-	430,887	430,887	1406%
2021	17,942,110	12,500,203	5,441,907	700,000	844,275	1,544,275	352%
2022	19,281,872	13,530,911	5,750,961	735,000	808,400	1,543,400	373%
2023	22,660,968	18,029,104	4,631,864	775,000	770,650	1,545,650	300%
2024	22,709,685	16,056,510	6,653,175	815,000	730,900	1,545,900	430%

Source: City of Billings, Montana

¹ Includes operating revenue, other revenue, and interest income.

² Total operating expense exclusive of depreciation.

³ The Solid Waste revenue bonds were sold in FY2019 and the first principal payment occurred in FY2021.

⁴ The interest reported is cash basis. However, the interest reported in the Government-Wide financial statement is accrued.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF BILLINGS, MONTANA
Demographic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Total Personal Income ⁵		Per Capita		School Enrollment ³	Unemployment Rate ⁴
	Population ¹	(In thousands)	Personal Income ⁵	Median Age ²		
2015	108,869	4,638,473	42,606	38.3	16,120	2.9%
2016	110,263	5,077,832	46,052	38.1	16,644	3.2%
2017	110,323	5,201,509	47,148	38.1	16,648	3.2%
2018	109,642	5,455,786	49,760	38.3	16,649	3.0%
2019	109,544	5,698,369	52,019	37.6	16,649	2.9%
2020	109,431	5,916,825	54,069	38.2	16,677	4.9%
2021	117,116	6,634,504	56,649	36.9	16,945	3.1%
2022	117,445	7,011,232	59,698	37.3	16,800	2.6%
2023	118,288	7,213,675	60,984	37.6	17,000	2.8%
2024	120,864	7,727,923	63,939	37.7	22,400	3.3%

Sources and other information:

- ¹ Census taken every ten years. Actual census figures given for 2021.
 All other years are estimated by City/County Planning, Yellowstone County, Montana.
- ² Census and Economic Information Center (CEIC), Montana Department of Commerce
- ³ Billings School District #2.
- ⁴ State of Montana Research & Analysis Bureau.
- ⁵ Bureau of Economic Analysis. Current Fiscal Year given as estimate only.

CITY OF BILLINGS, MONTANA
Top 20 Private Employers in Yellowstone County
(Unaudited)

2021	
Employer	Number of Employees¹
Billings Clinic	1,000 or More
St. Vincent Healthcare	1,000 or More
Wal-Mart	1,000 or More
Albertsons Food & Drug	500-999
Cenex Harvest States	500-999
First Interstate Bank	500-999
SCL Medical Group	500-999
St John's United	500-999
Wells Fargo	500-999
Charter Communications	250-499
Costco	250-499
ExxonMobil	250-499
McDonalds	250-499
Phillips 66 Company	250-499
Rocky Mountain College	250-499
ROI Solutions	250-499
Sysco Food Service	250-499
Target	250-499
Town Pump	250-499
United Parcel Service	250-499

Sources and other information:

Montana Department of Labor and Industry

CITY OF BILLINGS, MONTANA
Full-Time Equivalent City of Billings Employees by Function
Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	84.6	84.6	85.9	88.9	86.9	92.4	93.6	111.9	115.0	116.0
Planning and community services	38.8	39.5	40.3	44.6	42.1	42.1	42.8	42.2	43.5	47.8
Library	31.9	31.8	32.8	32.8	32.8	32.8	32.8	33.8	34.8	37.8
Public safety										
Police	166.0	167.3	173.3	170.3	171.3	177.3	177.3	201.8	201.8	214.3
Animal shelter	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Police Grants	-	-	-	-	4.0	4.0	4.0	4.0	4.0	4.0
Fire	146.5	147.1	157.1	156.8	158.8	159.8	159.8	175.3	175.3	181.3
Emergency Operating Center	-	-	-	-	0.3	1.3	1.3	1.3	1.3	1.3
Streets/Traffic	45.0	47.0	47.0	48.0	48.0	48.0	48.0	51.0	56.0	56.0
Water and Wastewater	103.0	103.0	104.1	104.0	103.0	97.0	97.1	98.0	100.1	98.8
Sanitation	64.5	63.5	63.5	63.5	64.5	67.0	69.0	73.0	86.0	86.0
Parking	12.0	12.0	12.5	12.5	12.5	12.5	12.5	13.0	11.0	10.0
Aviation	56.0	56.0	55.6	54.4	54.4	54.4	54.7	56.2	57.2	57.2
Transit	55.3	55.3	55.7	55.9	55.9	55.9	55.6	59.3	64.3	68.3
Internal services	75.0	78.0	77.0	78.0	79.0	88.8	89.1	95.1	97.9	100.9
Total	885.6	892.1	911.8	916.7	920.5	940.3	944.6	1,022.9	1,055.2	1,086.7

Source: City of Billings Annual Budget

City of Billings
Operating Indicators by Activity
Last Ten Years
(Unaudited)

Activity	Report Period ¹	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police											
Dispatched Calls	FY	68,817	78,484	88,447	95,214	92,912	96,080	94,532	83,668	90,079	89,769
Arrests	CY	10,064	11,942	12,084	11,011	11,026	10,299	11,538	11,035	9,939	14,606
Traffic Violations	CY	15,460	17,068	24,463	23,973	27,149	22,609	17,871	20,519	17,367	20,106
Traffic Accidents	CY	3,845	2,518	2,521	2,395	2,610	2,318	1,772	2,465	2,395	2,391
Fire											
Dispatched Calls	FY	lot Available ²	13,263	13,880	14,441	15,810	16,264	18,365	17,803	19,625	17,795
Inspections	CY	2,027	1,043	2,516	1,058	1,497	942	729	857	1,026	453
Solid Waste											
Residential Customers	FY	35,623	31,721	31,874	32,055	32,413	32,845	33,182	33,637	33,871	34,160
Commerical Customers	FY	2,900	2,559	2,624	2,603	2,586	2,591	2,641	2,667	2,691	3,501
Landfill trips	FY	146,635	140,007	154,894	151,795	174,773	177,850	127,053	112,203	163,561	161,531
Water											
Customers	FY	30,326	30,651	30,311	31,435	32,811	32,674	32,948	33,197	32,683	33,159
Average Daily Consumption (millions of gallons)	FY	21	21.5	21.3	22	19	21	23.1	22.2	23.3	22.0
Wastewater											
Customers	FY	33,894	34,292	34,543	35,302	35,292	35,667	35,937	36,385	36,718	36,992
Average Daily Treatment (millions of gallons)	FY	16	15	16	18.7	19	22	18.9	20.6	18.7	19.1

Source: City of Billings Operating Budget, Billings, Montana

¹ CY represents a Calendar Year, FY represents a Fiscal Year (July 1-June 30). Calendar Year stats are to date at the time of data inquiry (typically end of November).

² A new system was implemented, so an accurate number cannot be given for FY15.

City of Billings
Capital Asset Statistics by Activity
Last Ten Years
(Unaudited)
(Page 1 of 2)

		Report										
		Period¹										
Date of Incorporation - 1882		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Form of Government - Council/Administrator												
Area in Square Miles		FY	42.5	43.0	42.9	43.0	43.0	44.8	44.5	44.7	45.2	45.5
Activity												
Public Safety												
Police												
Stations		FY	1	1	1	1	1	1	1	1	1	
Police Officers		FY	141.4	142	150	145	154*	182	154	157	160	167
Fire												
Stations		FY	7	7	7	7	7	7	7	7	8	
Firefighters/Officers/Dispatchers		FY	145.1	144.8	153.8	155.8	155.8	156.5	156.5	160.6	172.5	149.0
Streets												
Streets (miles)		CY	537.8	545.1	545.6	545.6	545.6	633.0**	559.1	560.5	564.7	574.3
Streetlights		FY	8,376	8,480	8,202	8,533	8,796	8,691	8,881	8,847	8,858	8,851
Street Light Maintenance Districts		FY	187	192	185	194	193	194	197	197	198	197
City Parks												
Developed Acres		FY	1,183	1,201	1,204	1,204	1,223	1,223	1,223	1,255	1,255	1,268
Undeveloped Acres		FY	290	282	279	279	268	268	268	248	248	246
Natural Park Acres		FY	1,107	1,167	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,203
Parking												
Garages		FY	3	4	4	4	4	4	4	4	4	

(continued)

Source: City of Billings Operating Budget, Billings, Montana

¹ CY represents a Calendar Year, FY represents a Fiscal Year

* Number reflects a change to Authorized vs. Actuals for the previous years.

** Includes all Federal, State and City Streets in the City Limits of Billings

City of Billings
Capital Asset Statistics by Activity
Last Ten Years
(Unaudited)
(Page 2 of 2)

	Report Period¹	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Water											
Water Mains (miles)	FY	476	468	481	487	492	484	487	499	497	499
Fire Hydrants	FY	4,392	4,405	4,211	4,517	4,645	4,670	4,717	4,801	4,871	4,894
Maximum Daily Capacity (millions of gallons)	FY	60	60	60	60	60	60	60	60	60	65
Wastewater											
Storm Sewers (miles)	FY	232.0	219	264	270	272	276	279	283	291	294
Sanitary Sewers (miles)	FY	497	495	499	502	507	510	513	519	524	528
Maximum Daily Capacity (millions of gallons)	FY	26	26	26	26	30	30	30	65	32	32

Source: City of Billings Operating Budget, Billings, Montana

¹ CY represents a Calendar Year, FY represents a Fiscal Year

CITY OF BILLINGS, MONTANA
Property Value, Construction and Bank Deposits
Last Ten Fiscal Years
(Unaudited)

Construction ¹			Residential ²			Bank Deposits		Property Value ⁴
Fiscal Year	Commercial	Number of	Residential	Number of	Permits	Value	(in thousands) ³	
2015	76	75,258,982		419		100,954,761	4,886,513	6,350,470,915
2016	84	79,697,699		503		93,464,621	4,904,589	11,626,879,232
2017	67	78,801,883		294		69,702,982	5,019,961	11,743,014,785
2018	55	59,259,933		308		71,519,348	5,169,216	12,470,840,779
2019	69	67,294,314		304		77,974,865	5,207,328	12,559,773,345
2020	74	53,986,705		264		70,830,904	6,093,106	13,269,068,603
2021	60	33,288,129		432		119,913,110	6,842,613	13,399,393,317
2022	101	169,188,108	⁷	409		116,444,427	7,763,109 ⁶	14,102,107,396
2023	78	135,103,595		223		68,296,256	7,345,496	14,257,070,989
2024	75	77,831,167		209		71,729,546	7,470,256	18,009,985,939

Sources and other information:

¹ Building Department (new construction permits), City of Billings, Montana.

² Single family only.

³ Individual banks

⁴ State of Montana Department of Revenue.

⁵ Commercial values increased due to several large projects, including a new library, parking garage, a large sporting goods retailer and a VA clinic.

⁶ FDIC.gov individual banks

⁷ Commercial values increased due to several large projects, including a new medical university, a grocery store and relocation of several existing businesses

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**To the Honorable Mayor, Members of the City Council and and City Administrator
City of Billings, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Billings, Montana as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Billings, Montana's basic financial statements and have issued our report thereon dated February 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Billings, Montana's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Billings, Montana's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Billings, Montana's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Billings, Montana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Junkermier, Clark, Campanella, Stevens, P.C.

Great Falls, Montana
February 19, 2025

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

**To the Honorable Mayor, Members of the City Council and and City Administrator
City of Billings, Montana**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Billings, Montana's 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 each of the City of Billings, Montana's major federal programs for the year ended June 30, 2024. The City of Billings, Montana's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Billings, Montana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with 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 agreement applicable to City of Billings, Montana's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Billings, Montana'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 generally accepted auditing standards, 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 City of Billings, Montana's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 City of Billings, Montana'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 City of Billings, Montana'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 City of Billings, Montana's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Junkermier, Clark, Campanella, Stevens, P.C.

Great Falls, Montana
February 19, 2025

SINGLE AUDIT SECTION

CITY OF BILLINGS, MONTANA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024
(Page 1 of 5)

Federal Grantor	Federal AL Number	Passed Through to Subrecipients	Program Amount or Grant Award	Program Expenditures
<u>U.S. Department of Housing and Urban Development</u>				
<i>CDBG - Entitlement Grants Cluster</i>				
Community Development Block Grants and Entitlement Grants:	14.218			
Grant Entitlement B-19-MC-30-0001		\$	-	\$ 649,979 \$ 13,780
Grant Entitlement B-20-MC-30-0001		-	-	657,719 12,467
Grant Entitlement B-21-MC-30-0001		-	-	654,649 117,473
Grant Entitlement B-22-MC-30-0001		-	-	648,400 695,551
Grant Entitlement B-23-MC-30-0001		-	-	623,918 611,868
COVID-19 CDBG CV	14.218			
Grant Entitlement B-20-MW-30-0001		-	909,126	222,038
AL Subtotal of 14.218 Federal Awards		-	<u>4,143,791</u>	<u>1,673,177</u>
Home Investment Partnerships Program:	14.239			
Grant Entitlement M 22 MC 300213		-	372,752	5,801
Grant Entitlement M 23 MC 300213		-	378,085	153,568
COVID-19 HOME ARP Investment Partnership Program	14.239			
Grant Entitlement M21-MO-30-0213		-	1,211,321	58,820
AL Subtotal of 14.239 Federal Awards		-	<u>1,962,158</u>	<u>218,189</u>
<u>Corporation for National and Community Service</u>				
AmeriCorps VISTA - VISTA State Support Grant	94.013			
21VSDMT001 / 22VS244326		-	85,000	85,000
AL Subtotal of 94.013 Federal Awards		-	<u>85,000</u>	<u>85,000</u>
<u>U.S. Department of Transportation</u>				
Airport Improvement Program:	20.106			
AIP3-30-0008-064-2020		-	283,788	225
AIP3-30-0008-077-2023		-	6,693,860	5,092,585
AIP3-30-0008-078-2023		-	2,690,845	2,690,845
AIP3-30-0008-079-2023		-	777,418	777,418
AIP3-30-0008-080-2023		-	1,144,220	1,058,495
COVID-19 Airport Improvement Program	20.106			
AIP3-30-0008-074-2021 ARPA		-	6,142,967	2,030,137
AL Subtotal of 20.106 Federal Awards		-	<u>17,733,098</u>	<u>11,649,705</u>

(continued)

CITY OF BILLINGS, MONTANA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024
(Page 2 of 5)

<u>Federal Grantor</u>	<u>Federal AL Number</u>	<u>Passed Through to Subrecipients</u>	<u>Program Amount or Grant Award</u>	<u>Expenditures</u>
<u>U.S. Department of Transportation (continued)</u>				
<i>Federal Transit Cluster</i>				
Federal Transit Capital & Ops Assistance Formula Grants FTA Section 5307- Small Urban Formula Op Grant MT-2024-001-00	20.507		- 2,617,672	2,617,672
Federal Transit Capital & Ops Assistance Formula Grants FTA Section 5307 Small Urban Formula- Op Grant MT-2024-007-00	20.507		- 2,490,065	1,943,855
AL Subtotal of 20.507 Federal Awards			<u>5,107,737</u>	<u>4,561,527</u>
Federal Transit Metropolitan Planning Grants FTA Section 5339-Capital-Small Urban Capital Projects Grant FTA Section 5339b-Capital Competitive Grant-Bus & Bus Facilities FTA Section 5339c-Capital Competitive Grant- Low Emissions	20.526			
AL subtotal of 20.526 Federal Awards			- 213,497	501
Federal Transit Cluster subtotal			<u>1,956,955</u>	<u>1,954,030</u>
			- 3,871,249	460,600
			<u>6,041,701</u>	<u>2,415,131</u>
			- 11,149,438	6,976,658
Federal Transit Metropolitan Planning Grants FTA Section 5303-Operating-Passed Through the State of Montana Contract # 113180 FTA Section 5303-Operating-Passed Through the State of Montana Contract # 112678 AL subtotal of 20.505 Federal Awards	20.505			
			189,020	189,020
			<u>266,495</u>	<u>27,938</u>
			- 455,515	216,958
Federal Transit Metropolitan Planning Grants FTA Section 5310-Capital Passed Through the state of Montana Contracts #113226-227, #113465-466 AL subtotal of 20.513 Federal Awards Federal Transit Services Program Cluster subtotal	20.513			
			- 407,229	407,229
			<u>407,229</u>	<u>407,229</u>
			- 407,229	407,229
<i>Highway Planning and Construction Cluster</i>				
State and Community Highway Safety: Passed through the State of Montana: Contract #112823-MDT-FFY2024 Contract #111885-MDT-FFY2022 AL subtotal of 20.600 Federal Awards	20.600			
			- 17,000	9,953
			<u>15,000</u>	<u>7,838</u>
			- 32,000	17,790

(continued)

CITY OF BILLINGS, MONTANA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024
(Page 3 of 5)

<u>Federal Grantor</u>	<u>Federal AL Number</u>	<u>Passed Through to Subrecipients</u>	<u>Program Amount or Grant Award</u>	<u>Expenditures</u>
Federal Railroad Administration Traspassing Grant Railroad Trespassing Enforcement - FR-CRS-0166 AL subtotal of 20.325 Federal Awards	20.325	- - -	120,000 120,000 120,000	42,034 42,034 42,034
<u>U.S. Department of Transportation (continued)</u>				
Highway Planning and Construction: Passed through the State of Montana Metropolitan Planning Funds SPR-PL-1 (57) Contract #110611 AL subtotal of 20.205 Federal Awards	20.205	- - -	920,704 920,704 920,704	920,704 920,704 920,704
Federal Highway Administration Passed through the State of Montana FWP-Recreational Trails Program - FY2023 Contract # RTP2304-001 FWP-Recreational Trails Program - FY2022 Contract # RTP2202-002 AL subtotal of 20.219 Federal Awards	20.219	- - -	106 4,290 4,396	106 4,290 4,396
State Homeland Security Program HMEP-BILFD SafetyOff AL subtotal of 20.703 Federal Awards	20.703	- - -	51,280 51,280 51,280	3,756 3,756 3,756
BUILD Grant 2020 Northwest Billings Connector and Marathon Trail AL subtotal of 20.933 Federal Awards	20.933	- - -	11,656,765 11,656,765 11,656,765	5,385,815 5,385,815 5,385,815
<u>U.S. Department of Interior</u>				
Historic Preservation Fund Grants-In-Aid: Passed through the Montana Historic Society; MT-23-011 AL subtotal of 15.904 Federal Awards	15.904	- - -	23,300 23,300 23,300	13,000 13,000 13,000
LWCF-Land & Water Conservation Fund Grant Passed through Montana Fish Wildlife and Parks; P20AP00471 30-00761 AL subtotal of 15.916 Federal Awards	15.916	- - -	394,588 394,588 394,588	394,588 394,588 394,588

(continued)

CITY OF BILLINGS, MONTANA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024
(Page 4 of 5)

<u>Federal Grantor</u>	<u>Federal AL Number</u>	<u>Passed Through to Subrecipients</u>	<u>Program Amount or Grant Award</u>	<u>Expenditures</u>
<u>U.S. Department of Justice</u>				
Bureau of Justice Assistance	16.838			
COSSAP 2020-AR-BX-0091		-	900,000	281,258
AL subtotal of 16.838 Federal Awards		-	900,000	281,258
Equitable Sharing Program	16.922			
Asset Forfeiture		-	41,252	41,252
AL subtotal of 16.922 Federal Awards		-	41,252	41,252
Billings Adult Misdemeanor Treatment Court-DUI Grant	16.585			
15PBJA-21-GG-04260-DGCT		-	549,956	110,473
AL subtotal of 16.585 Federal Awards		-	549,956	110,473
<u>U.S. Department of Justice (continued)</u>				
Violence Against Women Formula Grants passed through	16.588			
State of Montana Board of Crime Control				
Domestic Violence Investigator 23-W02-1486		-	55,443	12,780
Domestic Violence Investigator 24-W02-1797		-	59,582	22,557
Domestic Violence Prosecution Unit VOCA V01-765		-	240,000	171,047
Domestic Violence Unit VAWA 23-W03-1481		-	85,177	88,032
AL subtotal of 16.588 Federal Awards		-	440,202	294,416
Project Safe Neighborhoods	16.609			
#24-001-1747		-	45,185	23,185
AL subtotal of 16.609 Federal Awards		-	45,185	23,185
Justice Assistance Grants:	16.738			
2021 JAG 15PBJA21GG01627JAGX		-	105,725	14,766
2022 JAG 15PBJA-22-GG-02116-JAGX		14,832	123,669	24,379
2023 15PBJA-23-GG-03583-JAGX		9,177	152,772	9,975
AL subtotal of 16.738 Federal Awards		24,009	382,166	49,120
<u>Department of Health and Human Services</u>				
Substance Abuse and Mental Health Services	93.243			
H79TI081914		-	399,723	267,682
AL subtotal of 93.243 Federal Awards		-	399,723	267,682

(continued)

CITY OF BILLINGS, MONTANA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024
(Page 5 of 5)

<u>Federal Grantor</u>	<u>Federal AL Number</u>	<u>Passed Through to Subrecipients</u>	<u>Program Amount or Grant Award</u>	<u>Expenditures</u>
<u>Department of Homeland Security</u>				
Homeland Security Grant Program	97.067			
EMW-2023-SS-00059		-	345,000	345,000
EMW-2021-SS-00042		-	100,000	15,967
23HSBLNGEOD/EMW-2023-SS-00059		-	70,000	66,937
21HSBLNNGSHAZ		-	175,000	51,869
AL subtotal of 97.067 Federal Awards			<u>690,000</u>	<u>479,773</u>
FEMA Disaster Declaration #4655	97.036			
AL subtotal of 97.036 Federal Awards			<u>3,094,402</u>	<u>-</u>
<u>Office of National Drug Control Policy</u>				
High Intensity Drug Traffic Area Award:	95.001			
2024 HIDTA AWARD #G24RM0038A		-	227,745	82,142
2023 HIDTA AWARD #G23RM0038A		-	243,895	131,749
AL subtotal of 95.001 Federal Awards			<u>471,640</u>	<u>213,891</u>
<u>U.S. Department of the Treasury</u>				
American Rescue Plan Act: State & Local Fiscal Recovery Funds	21.027			
City of Billings			-	15,940,314
State of Montana Passthrough ARPA Water Competitive Grant Program			2,000,000	2,000,000
AC-22-0004			2,000,000	-
AC-22-0005			4,160,000	4,160,000
AMC-23-0055			2,150,000	2,150,000
AMC-23-0056			-	4,447,145
AMC-23-0213			-	3,300,000
AMC-23-0215			<u>33,997,459</u>	<u>14,645,382</u>
AL subtotal of 21.027 Federal Awards				
<u>National Endowment for the Arts</u>				
Our Town, Design	45.024			
1897310-42-22			-	50,000
AL subtotal of 45.024 Federal Awards			<u>50,000</u>	<u>33,756</u>
Total federal awards (all sources)			<u>\$ 24,009</u>	<u>\$ 90,201,247</u>
			<u>\$ 44,449,186</u>	

CITY OF BILLINGS, MONTANA
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Billings, Montana for the year ended June 30, 2024. The City's reporting entity is described in Note 1 in the City's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other governmental agencies, is included in the schedule. The information in this schedule is presented in accordance with 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of, the basic financial statements.

(2) Significant Accounting Policies

Amounts reported in the schedule of expenditures of federal awards are recognized on the modified accrual basis when they become a demand on current available federal resources and eligibility requirements are met, or on the accrual basis, at the time liabilities are incurred and all eligibility requirements are met, depending on the basis of accounting used by the respective fund. Such expenditures are recognized following the cost principles in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

The City has elected not to use the 10% De Minimis indirect cost rate allowed under the Uniform Guidance.

(4) ARPA Reconciliation

ARPA fund eligibility requirements are considered to be met at the time of project completion. The State of Montana withholds payments to the City until projects are complete, therefore, the City considers that the eligibility of the expenditures as being met at that point in time. Once these projects are complete and the grant funds are remitted to the City from the State is the point in which the expenditures are recognized in the Schedule of Expenditures and Federal Awards. The below reconciliation depicts the reconciliation of each of the relevant grant awards that are affected:

	Federal AL	Passed Through to to subrecipients	Program Amount or amount or	Expenditures
<u>Reconciliation of ARPA Passthrough Grants</u>				
Payments 7/1/2023 to 6/30/2024 but grant is not finalized	21.027			
AM-23-0213		- 4,447,145	3,359,030	
		- 4,447,145	3,359,030	
Payments 7/1/2023 to 6/30/2024 and grant is finalized				
AC-22-0004		- 2,000,000	200,000	
AMC-23-0055		- 4,160,000	1,112,379	
AMC-23-0056		- 2,150,000	1,437,596	
		- 8,310,000	2,749,975	
Payments received in prior years				
AC-22-0004		- 2,000,000	1,800,000	
AMC-23-0055		- 4,160,000	3,047,621	
AMC-23-0056		- 2,150,000	712,404	
		- 8,310,000	5,560,025	
Awarded but no payments				
AC-22-0005		- 2,000,000	-	
AMC-23-0215		- 3,300,000	-	
		- 5,300,000	-	

(5) FEMA

FEMA Disaster Declaration #4655 - FEMA Disaster Declaration Grant #4655 is an ongoing grant as a result of the flood event on June 14, 2022. Fiscal Year 2023 expenditures included Emergency Protective Measures, Debris Removal, and other immediate needs. During Fiscal Year 2024, the City and FEMA have collaborated to obligate funding for a final Engineering and Design (A&E) project for repairs and hazard mitigation from damages on the second water intake. A portion of the project was obligated in Fiscal Year 2024, but is still under review. However, the Engineering and Design Project (A&E) should be fully obligated in Fiscal Year 2025. FEMA will not approve expenditures on the project until it has been fully reviewed, therefore, the City considers that the eligibility of the expenditures as being met at that point in time. Once these projects are obligated for reimbursement, the expenditures will be recognized in the Schedule of Expenditures and Federal Awards. Therefore in Fiscal Year 2024 Schedule of Expenditures and Federal Awards the grant award has increased to the current approved obligated amount, but no expenditures are listed for Fiscal Year 2024.

CITY OF BILLINGS, MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

Financial Statements

Type of auditors' report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiencies identified not considered to be material weakness? No

Non-compliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiencies identified not considered to be material weakness? No

Type of auditor's report issued on compliance for major programs Unmodified

Audit findings that are required to be reported in accordance with the Uniform Guidance Section 200.516 in Part III are reported in this schedule. No

Identification of major programs:

Airport Improvement Program - AL 20.106

Federal Transit Cluster - AL 20.507 and 20.526

Coronavirus State and Local Fiscal Recovery Funds - AL 21.027

Dollar threshold used to distinguish between Type A and Type B \$1,333,476

Auditee qualified as low-risk auditee? No

CITY OF BILLINGS, MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

FINDINGS - NONE

CITY OF BILLINGS, MONTANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2024

FINDINGS - NONE



CITY OF
Billings

