

**Required Supplementary Information Other Than Management
Discussion and Analysis**

City of Great Falls, Montana
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 10,022,255	\$ 10,027,255	\$ 10,100,433	\$ 73,178
Licenses and permits	595,707	595,707	632,394	36,687
Intergovernmental	5,621,761	6,062,531	5,788,017	(274,514)
Charges for services	853,897	855,287	922,890	67,603
Fines and forfeitures	1,477,896	1,477,896	1,393,761	(84,135)
Internal services	814,809	833,269	810,435	(22,834)
Investment income	50,000	50,000	61,440	11,440
Other	21,100	183,575	59,702	(123,873)
	<u>19,457,425</u>	<u>20,085,520</u>	<u>19,769,072</u>	<u>(316,448)</u>
EXPENDITURES				
Current				
General government				
Personal services	1,318,966	1,460,744	1,332,323	128,421
Operations and maintenance	1,007,352	1,041,434	1,035,649	5,785
Public safety				
Personal service	10,653,663	10,788,533	10,667,560	120,973
Operation and maintenance	2,416,356	2,589,145	2,443,659	145,486
Culture and recreation				
Personal services	1,197,316	1,197,610	1,126,210	71,400
Operations and maintenance	599,349	598,905	599,191	(286)
Debt service				
Principal	60,262	60,262	-	60,262
Interest	20,174	20,174	18,036	2,138
Capital outlay	-	78,978	75,290	3,688
Total expenditures	<u>17,273,438</u>	<u>17,835,785</u>	<u>17,297,918</u>	<u>537,867</u>
Revenues over (under) expenditures	<u>2,183,987</u>	<u>2,249,735</u>	<u>2,471,154</u>	<u>221,419</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	361,000	404,512	381,232	(23,280)
Transfers out	(2,698,768)	(2,726,063)	(2,671,123)	54,940
Proceeds of general capital asset dispositions	-	-	4,605	4,605
Total other financing sources (uses)	<u>(2,337,768)</u>	<u>(2,321,551)</u>	<u>(2,285,286)</u>	<u>36,265</u>
Net changes in fund balance	<u>\$ (153,781)</u>	<u>\$ (71,816)</u>	185,868	<u>\$ 257,684</u>
Fund balances -- beginning			<u>2,922,544</u>	
Fund balance -- ending			<u>\$ 3,108,412</u>	

The accompanying notes are an integral part of these financial statements.

City of Great Falls, Montana
Budgetary Comparison Schedule - Special Revenue Funds
Year Ended June 30, 2007

	Street District			
	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
REVENUES				
Licenses and permits	\$ 5,000	\$ 5,000	\$ 4,231	\$ (769)
Intergovernmental	1,347,480	1,347,480	1,380,676	33,196
Charges for services	137,220	137,220	147,325	10,105
Internal services	198,027	147,241	83,801	(63,440)
Special assessments	2,422,478	2,422,478	2,536,877	114,399
Investment income	10,000	10,000	67,881	57,881
Other	4,253	4,253	99,382	95,129
	<u>4,124,458</u>	<u>4,073,672</u>	<u>4,320,173</u>	<u>246,501</u>
EXPENDITURES				
Current				
Public works				
Personal services	1,651,873	1,651,873	1,610,635	41,238
Operations and maintenance	1,988,981	2,186,781	1,578,138	608,643
Housing and development				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Capital outlay	712,332	1,545,176	685,414	859,762
Total expenditures	<u>4,353,186</u>	<u>5,383,830</u>	<u>3,874,187</u>	<u>1,509,643</u>
Revenues over (under) expenditures	<u>(228,728)</u>	<u>(1,310,158)</u>	<u>445,986</u>	<u>1,756,144</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	191,281	191,281	-
Transfers out	<u>(20,642)</u>	<u>(20,642)</u>	<u>(20,642)</u>	<u>-</u>
Total other financing sources	<u>(20,642)</u>	<u>170,639</u>	<u>170,639</u>	<u>-</u>
Net changes in fund balance	<u>\$ (249,370)</u>	<u>\$ (1,139,519)</u>	616,625	<u>\$ 1,756,144</u>
Fund balances -- beginning			<u>1,107,442</u>	
Fund balance -- ending			<u>\$ 1,724,067</u>	

The accompanying notes are an integral part of these financial statements.

Continued on next page

City of Great Falls, Montana
Budgetary Comparison Schedule - Speical Revenue Funds (Concluded)
Year Ended June 30, 2007

	Community Development Block Grant			
	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	980,377	980,377	1,106,777	126,400
Charges for services	225,000	420,953	450,839	29,886
Internal services	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Other	-	-	90	90
	<u>1,205,377</u>	<u>1,401,330</u>	<u>1,557,706</u>	<u>156,376</u>
Total revenues				
EXPENDITURES				
Current				
Public works				
Personal services	-	-	-	-
Operations and maintenance	-	-	-	-
Housing and development				
Personal services	114,600	129,155	127,459	1,696
Operations and maintenance	636,758	1,472,673	778,549	694,124
Capital outlay	213,914	648,572	520,539	128,033
Total expenditures	<u>965,272</u>	<u>2,250,400</u>	<u>1,426,547</u>	<u>823,853</u>
Revenues over (under) expenditures	<u>240,105</u>	<u>(849,070)</u>	<u>131,159</u>	<u>980,229</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	<u>(1,931)</u>	<u>(1,931)</u>	<u>(1,931)</u>	<u>-</u>
Total other financing sources	<u>(1,931)</u>	<u>(1,931)</u>	<u>(1,931)</u>	<u>-</u>
Net changes in fund balance	<u>\$ 238,174</u>	<u>\$ (851,001)</u>	129,228	<u>\$ 980,229</u>
Fund balances -- beginning			<u>371,458</u>	
Fund balance -- ending			<u>\$ 500,686</u>	

The accompanying notes are an integral part of these financial statements.

1. Summary of Significant Accounting Policies

a. Budgets and Budgetary Accounting

Annual budgets are legally required and are prepared for all funds except trust and agency funds. The budgets are prepared on the same basis and using the same accounting practices as are used to account and prepare financial reports for the funds.

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

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

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

Fund	Amount	Purpose
Revenues		
General	\$ 358,792	Federal Underage Age Drinking Grant Received
General	\$ 78,978	Federal Firearm Training Grant Received
Expenditures		
General	\$ 358,792	Federal Underage Age Drinking Grant Expenditures
General	\$ 78,978	Federal Firearm Training Grant Expenditures

b. Excess of Expenditures Over Appropriations

The special revenue funds that have excess expenditures over appropriations are: Lighting Districts, CCALS Fire, Library, Master Debt SILD, and Sidewalk Hazard. The Lighting Districts special revenue fund was over budget due to unexpected price increases in electrical utilities. The CCALS Fire special revenue fund was over budget due to the purchase of supplies and materials. The Library special revenue fund was over budget due to unexpected expenditures in personal services, supplies, and capital outlay.

The Master Debt SILD debt service fund was over budget due to interest expenses being higher than anticipated.

The Sidewalk Hazard capital project fund was over budget due to additional unbudgeted sidewalk repairs.