



**City Commission Meeting Agenda
2 Park Drive South, Great Falls, MT
Commission Chambers, Civic Center
June 18, 2019
7:00 PM**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL / STAFF INTRODUCTIONS

AGENDA APPROVAL

CONFLICT DISCLOSURE / EX PARTE COMMUNICATIONS

PROCLAMATIONS

1. Paris Gibson Month.

PETITIONS AND COMMUNICATIONS

(Public comment on any matter that is not on the agenda of the meeting and that is within the jurisdiction of the City Commission. Please keep your remarks to a maximum of 3 minutes. When at the podium, state your name and address for the record.)

2. Miscellaneous reports and announcements.

NEIGHBORHOOD COUNCILS

3. Miscellaneous reports and announcements from Neighborhood Councils.

BOARDS AND COMMISSIONS

4. Miscellaneous reports and announcements from Boards and Commissions.

CITY MANAGER

5. Miscellaneous reports and announcements from City Manager.

CONSENT AGENDA

The Consent Agenda is made up of routine day-to-day items that require Commission action. Items may be pulled from the Consent Agenda for separate discussion/vote by any Commissioner.

6. Minutes, June 4, 2019, City Commission Meeting.
7. Total Expenditures of \$1,709,691 for the period of May 17, 2019 through June 5, 2019, to include claims over \$5000, in the amount of \$1,494,267.
8. Contracts List.
9. Accept the bid from Calumet Montana Refining Company of Great Falls and authorize staff to purchase 250 tons of liquid asphalt at \$445.00 per ton for a total of \$111,250.

10. Award a contract in the amount of \$98,000.00 to MJD Contracting for the Dewatering Pump Replacement project, and authorize the City Manager to execute the construction contract documents.
11. Accept the low bid from Thatcher Company of Montana, Inc. and authorize staff to purchase liquid aluminum sulfate in the amount of \$382.00 per ton, up to the maximum amount of 800 dry tons for FY2019/20.

Action: Approve Consent Agenda as presented or remove items for separate discussion and/or vote by any Commission member.

PUBLIC HEARINGS

12. Tourism Business Improvement District (TBID) 2018/2019 Budget Amendment. *Action: Conduct a public hearing and approve or deny the Budget Amendment. (Presented by Rebecca Engum)*
13. Resolution 10296, Establishing Usage Fees for the Community Recreation Center. *Action: Conduct a public hearing and adopt or deny Res. 10296. (Presented by Steve Herring)*

OLD BUSINESS

NEW BUSINESS

ORDINANCES / RESOLUTIONS

14. Ordinance 3201, Amending Title 2, Chapter 21, Sections 080 and 100, of the Official Code of the City of Great Falls (OCCGF), Pertaining to The Great Falls Ethics Committee. *Action: Adopt or deny Ord. 3201. (Presented by Sara Sexe)*
15. Resolution 10293, Intention to vacate 11th Street South between Block 468 and Block 469. *Action: Adopt or deny Res. 10293 and set or not set a public hearing for July 16, 2019. (Presented by Craig Raymond)*

CITY COMMISSION

16. Miscellaneous reports and announcements from the City Commission.
17. Commission Initiatives.

ADJOURNMENT

(Please exit the chambers as quickly as possible. Chamber doors will be closed 5 minutes after adjournment of the meeting.)

Commission meetings are televised on cable channel 190. If a video recording is available it will be posted on the City's website at <https://greatfallsmt.net> after the meeting. City Commission meetings are re-aired on cable channel 190 the following Wednesday morning at 10 am, and the following Tuesday evening at 7 pm.

JOURNAL OF COMMISSION PROCEEDINGS

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Regular City Commission Meeting

Mayor Kelly presiding

CALL TO ORDER: 7:00 PM

Commission Chambers Room 206

Mayor Kelly announced that the AV System upgrade project in the Commission Chambers and Gibson Room is not complete. The meeting is being recorded, but is not being televised.

PLEDGE OF ALLEGIANCE

ROLL CALL/STAFF INTRODUCTIONS: City Commission members present: Bob Kelly, Owen Robinson, Bill Bronson, Mary Sheehy Moe, and Tracy Houck. Also present were the City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Clerk Lisa Kunz; Public Works Director Jim Rearden; Planning and Community Development Director Craig Raymond; Human Resources Director Gaye McInerney; Finance Director Melissa Kinzler; City Attorney Sara Sexe; and, Police Captain Rob Moccasin.

AGENDA APPROVAL: There were no changes proposed by the City Manager or City Commission. The agenda was approved as submitted.

CONFLICT DISCLOSURE/EX PARTE COMMUNICATIONS: Commissioner Bronson noted that he will be asking that certain items on Item 13 on the Consent Agenda be pulled for separate consideration.

1.

PROCLAMATIONS

Mayor Kelly read a proclamation for Men's Health Month (June).

PETITIONS AND COMMUNICATIONS

2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Pam Hendrickson, 1321 5th Avenue North, read a prepared statement regarding her opposition to Commissioner Moe's and Commissioner Robinson's discussions about a potential partnership with Maclean Animal Adoption Center. She objects to "bailing out a nonprofit that always assumed the City would step up and therefore failed to plan appropriately to run themselves for the long-term."

Daniel Hartzell, Dick's RV Park, 1403 11th Street SW, read a prepared statement regarding his proposed "Megans Law – Amnesty for Students."

Jeni Dodd, 3245 8th Avenue North, commented that Commissioners Moe and Robinson are misleading the public about the potential partnership between the Maclean Animal Adoption Center and the City. She discussed contract terms between the Heart of the Valley and the City of Bozeman and others, compared to the Joining Hands Proposal between Maclean and the City of Great Falls.

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Mike Kaszula, 2416 2nd Avenue North, set his wife Karen's cremation urn next to the podium and announced that she passed away from a heart attack. He commented that her MS complications began during the time the Natatorium was closing.

Deb Scherrer, 725 7th Avenue South, read a 2016 *Tribune* article quoting Owen Robinson that "the Foundation thought collaboration made sense for the City and that there was no sense in operating two facilities. The City should take over operations in the newly opened Maclean Animal Adoption Center and close the existing shelter." Ms. Scherrer inquired if Commissioner Robinson still felt that way, and inquired when Cattery Addition construction would begin.

NEIGHBORHOOD COUNCILS

3. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from Neighborhood Council representatives.

BOARDS & COMMISSIONS

4. APPOINTMENTS TO THE BUSINESS IMPROVEMENT DISTRICT (BID) BOARD OF TRUSTEES.

Commissioner Moe moved, seconded by Commissioner Houck, that the City Commission appoint Shari Dolan, Jason Kunz and Matthias Schalper to the Business Improvement District Board of Trustees to four-year terms expiring June 30, 2023.

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

Commissioner Houck applauded those applicants for their willingness to participate and grow the BID.

Commissioner Robinson noted that there were six outstanding candidates and choosing three for appointment was difficult.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

5. APPOINTMENT/REAPPOINTMENT TO THE GOLF ADVISORY BOARD.

Commissioner Moe moved, seconded by Commissioner Robinson, that the City Commission reappoint Jackie Lohman as the Women's Golf Association Member for a three-year term and appoint Greg Bushman as a Men's Golf Association Member for the remainder of a three-year term through March 31, 2020.

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

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Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

6. APPOINTMENT TO THE LIBRARY BOARD.

Commissioner Robinson moved, seconded by Commissioner Moe, that the City Commission appoint Susan McCord to a five-year term through June 30, 2024, to the Library Board.

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners. Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

7. APPOINTMENT TO THE POLICE COMMISSION.

Commissioner Bronson moved, seconded by Commissioner Robinson, that the City Commission appoint Tim Shanks to the Police Commission for a three-year term ending June 30, 2022.

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

Commissioner Moe and Mayor Kelly expressed appreciation to the applicants.

Commissioner Robinson expressed appreciation to Ken Thompson for his service.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

8. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM BOARDS AND COMMISSIONS.

There were no miscellaneous reports and announcements from representatives of boards and commissions.

CITY MANAGER

9. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon announced:

- The Finance Department received the GFOA Distinguished Budget Award for the 28th time since 1992;
- Assistant City Attorney Joe Cik and Great Falls Police Department Officer Brett Munkres were recognized by the Cascade County DUI Task Force;

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- Initial department budget requests were submitted to the City Manager's Office;
- The City of Great Falls hosted the Great Open Spaces City Manager's Association conference last week; and
- The Great Falls Animal Shelter will be hosting its 7th Annual Pet-a-Palooza, a free event for people and pets, on Saturday, June 8th, at Elk's Riverside Park.

The Commission and City staff took a moment of silence to recognize colleagues and their families in Virginia Beach who lost their lives by a mass shooting last week.

CONSENT AGENDA.

10. Minutes, May 21, 2019, Commission meeting.
11. Minutes, May 22, 2019, Special City Commission meeting.
12. Total expenditures of \$2,317,831 for the period of May 1, 2019 through May 22, 2019, to include claims over \$5,000, in the amount of \$2,035,455.
13. Contracts List.
14. Set a public hearing on Resolution 10296 Establishing Usage Fees for the Community Recreation Center for June 18, 2019.
15. Award a contract in the amount of \$71,500 to Wadsworth Builders Company, Inc. for the Gibson Park Restroom Remodel, and authorize the City Manager to execute the construction contract documents. **OF 1737.1**
16. Set a public hearing on the Tourism Business Improvement District 2018/2019 Budget Amendment for June 18, 2019.

Commissioner Bronson moved, seconded by Commissioner Robinson, that the City Commission approve the Consent Agenda as submitted, with the exception of Items 13F, 13G and 14 for separate consideration.

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners.

Commissioner Robinson was appreciative that the Gibson Park ADA and restroom remodel project was moved up on the priority list to this year.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

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Mayor Kelly noted that Items 13F and 13G are 2018/2019 CDBG and HOME agreements with NeighborWorks to fund housing counseling to include eviction prevention and financial coaching, and to fund a development subsidy towards the property at 1509 6th Avenue NW.

Commissioner Bronson noted that he would recuse himself from participation and vote on those two items.

Commissioner Moe moved, seconded by Commissioner Houck, that the City Commission approve Consent Agenda Items 13F and 13G.

Mayor Kelly asked if there were any comments from the public or further discussion amongst the Commissioners.

Sherrie Arey, NeighborWorks Great Falls Executive Director, 509 1st Avenue South, thanked Planning staff for putting these agreements together for NeighborWorks to access these funds, noting that HUD regulations are not easy to navigate.

Commissioner Houck applauded NeighborWorks for its ongoing efforts to support needed housing in the community.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 4-0-1 (Commissioner Bronson abstaining).

Mayor Kelly noted that Item 14 is Resolution 10296 to set a public hearing on usage fees for the Community Recreation Center.

Commissioner Bronson moved, seconded by Commissioner Robinson, that the City Commission set a public hearing for June 18, 2019 to consider adoption of Resolution 10296.

Mayor Kelly asked if there were any comments from the public or further discussion amongst the Commissioners.

Commissioner Moe requested the Park and Recreation Advisory Board's thoughts and rationale be included in the agenda report for the June 18th meeting regarding the broad range increase in the adult basketball league fee, as well as the corporate fee for businesses of 100 or more employees.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

PUBLIC HEARINGS

OLD BUSINESS

NEW BUSINESS

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17. LABOR AGREEMENT BETWEEN THE CITY OF GREAT FALLS AND THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL #8 (IAFF LOCAL #8).

Human Resources Director Gaye McInerney reported that staff recommends that the City Commission approve the labor agreement between the City of Great Falls and the IAFF Local #8. Members of the negotiating teams worked to update the basic contractual language in order to make the Agreement more clear, more understandable, and consistent. More substantial changes included:

Article 4 – Union Membership. The Agreement was updated to comply with the Supreme Court decision in *Janus v. AFSCME, Council 31*. In addition, sections 4.12 and 4.13 were added outlining specific conditions in order for personnel to return to the Union from Administration ranks.

Article 17 – Uniform Allowance. A base clothing allowance will be defined by the standard operating guidelines and separately funded by the City. The employee must request reimbursement of approved costs by the City for up to a maximum of \$650 per fiscal year, use or lose.

Article 26 – Medical Insurance. MMIA raised the health insurance premiums for the City by 10.6 percent. This resulted in a 10 percent increase to the employee premiums. The City still maintains the 90/10 percent cost sharing with the City paying 90 percent and the employee paying 10 percent of the health premiums.

Article 39 – Medical Expense Reimbursement Plan (MERP). The maximum contribution level by the employee was increased from \$50 to \$100 in pre-tax wage deductions.

Addendum 1, Schedule A. Changes in Rank structure were made. Instead of waiting 3 years to achieve a 15 percent increase for Senior Fire Fighter rank, 5 percent will be earned over time in each rank of Fire Fighter 1, Fire Fighter 2 and Senior Fire Fighter.

Fiscal Impact. Addendum 1, Schedule A reflects the negotiated wages with a 2.75 percent increase for each year of the contract. The financial impact of a 2.75 percent increase, a \$650 per fiscal year uniform allowance and three certification pays over two years is approximately \$317,451.

IAFF Local #8 members voted to ratify the contract language in May, 2019.

Commissioner Bronson moved, seconded by Commissioner Houck, that the City Commission approve the labor agreement between the City of Great Falls and the IAFF Local #8, and authorize the City Manager to execute the agreement.

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

Commissioner Bronson commended the City and Union bargaining teams for coming to an agreement in a short amount of time.

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Commissioner Houck expressed kudos as well, noting that both sides were happy with the outcome.

Manager Doyon explained the affinity bargaining process.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

18. **2019/2020 CDBG & HOME ANNUAL ACTION PLAN.**

Planning and Community Development Director Craig Raymond reported that the City's CDBG/HOME program is a program that is funded by the federal government to help fund local community development. The primary goal is to assist the low to moderate income individuals in the community. Because of Great Falls' size and demographic profile, the City is eligible to receive funding on an annual basis. This year the City will receive approximately \$794,666 of CDBG funds, and an award of \$273,088 in HOME funds.

Director Raymond commented that the funding priorities that the Commission is making a decision on tonight are set forth in the Annual Action Plan which must be submitted to HUD by June 30th after the public has had 30 days to comment on the plan. This year the 30-day comment period was held April 17th through May 17th.

Staff spent a considerable amount of time and effort in seeking community input through a number of means including a direct contact with community partners, Community Survey, Neighborhood Council meetings and a Public Needs Hearing.

After carefully considering public input and priorities, the following funding strategy is presented for Commission consideration:

- The recommendation as the highest priority is Economic Development at 50% of the total allocation.
- The next recommendation is 40% of the funding be targeted grants towards Public Infrastructure which includes enhancement of public sidewalks, curb ramps and other City facilities. Twenty percent of the total CDBG fund will be focused on the retrofitting of existing City facilities which are not currently up to ADA standards under this category.
- The final allocation recommendation is that 10% be set aside for Public Service grants. The three top priorities in this category were Homelessness Services, Senior Services and Alcohol and Drug Treatment.

An additional important program for Commission consideration is how HOME funds are allocated. Affordable housing is a continual need, and meeting that need is becoming more challenging every year for a number of reasons. Staff is recommending that the Commission focus the HOME funds on this need. In future years, if allocations remain somewhat consistent, larger sums of money may go towards new construction than has been allocated in the past.

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Staff requests that the City Commission adopt the proposed 2019/2020 Annual Action Plan, authorize staff to submit the Annual Action Plan to HUD for review and approval, and to approve the funding priorities for the 2019/2020 CDBG program.

Commissioner Moe moved, seconded by Commissioner Robinson, that the City Commission adopt the proposed 2019/2020 Annual Action Plan for submission to the U.S. Department of Housing and Urban Development (HUD), and approve the funding priorities for the 2019/2020 Community Development Block Grant Program (CDBG).

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

Sherrie Arey, NeighborWorks Great Falls Executive Director, 509 1st Avenue South, spoke in support of the Commission's adoption of the Annual Action Plan. She encouraged City staff to continue to work with the community and stakeholders as future plans are developed. Affordable housing is going to continue to be a challenge; building prices go up and salaries are stagnant.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

19. **ORDINANCE 3201, AMENDING TITLE 2, CHAPTER 21, SECTIONS 080 AND 100 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF), PERTAINING TO THE GREAT FALLS ETHICS COMMITTEE.**

City Attorney Sara Sexe reported that the Great Falls Ethics Committee was established in 2017 to help City officials and staff continue to comply with Mont. Code Ann. Title 2, Chapter 2, pertaining to code of conduct for public officials and the Great Falls Ethics Code, OCCGF Title 2, Chapter 21.

On May 17, 2019, the Ethics Committee updated its *Rules and Procedures*, by which complaints and responses referred to the Committee are received and heard. In the course of the discussion regarding these updates, the Ethics Committee indicated by consensus support for the Commission to consider changes to the ordinances governing the Committee.

Commissioner Mary Moe suggested a change during public comment on the updates that an alternate Ethics Committee member be appointed by the City Commission to address Committee member unavailability, which would revise OCCGF 2.21.080.

Additionally, in the update discussions, the Ethics Committee indicated support for a staff-recommended change in the determinations to be made under the current ordinance to avoid confusion by the Ethics Committee and all parties involved. This proposed change would replace the two-part process of determining: (1) whether there was an appearance of a violation, and (2) whether there was an actual violation. Legal staff recommends that the City Commission institute a significant process change amending OCCGF 2.21.100 to reflect the duties under Mont. Code Ann. §2-2-144, requiring the Committee to:

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determine whether a complaint appears to be substantiated based on the information and testimony presented. If the Committee determines that a complaint appears to be substantiated, it may refer the matter to the Cascade County Attorney, or to the supervisor of a public employee who may be the subject of the complaint, for disposition. The Committee shall make written findings of its decision, which will be filed with the City Clerk.

If adopted, these changes will assist in allowing for timely due process for all parties involved, including the person who is the subject of any complaint. It also will allow employees the ability to defend challenges to their actions and allow their supervisors to address complaints which are found to be substantiated.

Commissioner Moe moved, seconded by Commissioner Bronson, that the City Commission accept Ordinance 3201 on first reading and set second reading for June 18, 2019.

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners. Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

20. RESOLUTION 10297, TEMPORARILY SUSPENDING THE CITY OF GREAT FALLS DESIGN REVIEW BOARD (DRB) MEETINGS AND REVIEW REQUIREMENTS.

Planning and Community Development Director Craig Raymond reported that this item is a request to adopt Resolution 10297 to further temporarily suspend the requirement that certain projects appear before the Design Review Board for a period of six months.

On November 7, 2018, the City commission adopted Resolution 10256 temporarily suspending the DRB process requirement for six months. As staff has navigated their way through development projects during that time, it became clear that the suspension has had some benefit in alleviating staff workload and streamlining the development process to a degree. Staff and some members in the development community still agree that the DRB can and should have a positive impact to the built environment in Great Falls. Staff has envisioned, based on observations and input received from the community, that a refocused DRB process can have multiple benefits including reduced staff workload, development review efficiency and positive, value added impact to our built environment.

This proposal does not suspend any code required standards or guidelines. Those codes will remain in full force and effect.

Director Raymond concluded that the requested action is that the City Commission adopt Resolution 10297 temporarily suspending the DRB review process while staff engages with the development community to refocus and improve the DRB vision and process.

Commissioner Robinson moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10297.

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Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

Commissioner Moe recalled that six of the nine respondents to the survey supported reinstating the DRB. She suggested having those six responders review the projects that have been approved and provide the data at the conclusion of the planning review process.

Director Raymond noted that Planning and Community Development and Public Works staff will be hosting a development community town hall meeting to get specific feedback on two separate items, one of them being the DRB process.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

CITY COMMISSION

21. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Mayor Kelly announced that the development community town hall meeting is scheduled for Thursday, June 6th, in the Commission Chambers, from 4 PM to 6 PM. Director Raymond noted that invitations were sent to builders, architects, developers, engineers, and realtors.

Mayor Kelly announced that the first budget discussion session was held today at 4:15 PM, and the next scheduled session will be held June 18th at 4:15 PM. To learn more about the budget and to participate in budget discussions, he recommended that citizens review the budget and utilize the “Balancing Act” tool that are available on the City’s website.

Commissioner Houck noted recent flooding events. She reminded everyone to take extra precautions when on the water.

Mayor Kelly congratulated Erin Borland for the expansion of the Farmers Market to include a portion of Central Avenue.

22. COMMISSION INITIATIVES.

Commissioner Robinson noted a *Tribune* article about the tree/bush loss within the City. The reporter didn’t ask about the parks. It was the consensus of the Commission that the City Forester provide a brief report about damage City parks sustained for Manager Doyon to present at the next meeting.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Robinson moved, seconded by Mayor Kelly, to adjourn the regular meeting of June 4, 2019, at 7:58 PM.**

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Motion carried 5-0.

Mayor Bob Kelly

City Clerk Lisa Kunz

Minutes Approved: June 18, 2019

DRAFT



ITEM: \$5,000 Report
 Invoices and Claims in Excess of \$5,000

PRESENTED BY: Finance Director

ACTION REQUESTED: Approval with Consent Agenda

LISTING OF ALL ACCOUNTS PAYABLE CHECKS ISSUED AVAILABLE ONLINE AT
<http://greatfallsmt.net/finance/checkregister>

TOTAL CHECKS ISSUED AND WIRE TRANSFERS MADE ARE NOTED BELOW WITH AN ITEMIZED LISTING OF ALL TRANSACTIONS GREATER THAN \$5000:

ACCOUNTS PAYABLE CHECK RUNS FROM MAY 23, 2019 - JUNE 5, 2019	1,673,925.53
MUNICIPAL COURT ACCOUNT CHECK RUN FOR MAY 17, 2019 - MAY 30, 2019	35,765.00
TOTAL: \$	<u><u>1,709,690.53</u></u>

GENERAL FUND

POLICE

MOTOROLA SOLUTIONS INC	RADIO UPGRADES	8,760.00
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FIRE

L N CURTIS & SONS	SAFETY EQUIPMENT FIRE NOMEX HOODS	6,015.00
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SPECIAL REVENUE FUND

STREET DISTRICT

ENNIS-FLINT INC	PAINT AND BEADS	15,942.00
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PARK DISTRICT

WADSWORTH BUILDERS CO	OF 1740.1 ECWP BATH HOUSE RESTORE	217,218.82
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LIBRARY

EBSCO	BOOKS, MAGAZINES, PERIODICALS & SUBSCRIPTIONS (SPLIT AMONG FUNDS)	1,228.27
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LIBRARY FOUNDATION

EBSCO	BOOKS, MAGAZINES, PERIODICALS & SUBSCRIPTIONS (SPLIT AMONG FUNDS)	3,892.90
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PARK MAINTENANCE DISTRICT

L'HEUREUX PAGE WERNER PC	OF 1737.1 GIBSON PARK RESTROOM	13,000.00
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SPECIAL REVENUE FUND (CONT.)

DOWNTOWN TID

MCKINSTRY ESSENTION LLC	GREAT FALLS PARKING GARAGE LIGHTING RETROFIT	136,610.43
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ENTERPRISE FUNDS

WATER

TD&H ENGINEERING	OF 1494.6 WATER MAIN CROSSINGS UNDER THE UPPER MISSOURI RIVER & SUN RIVER	94,206.60
THATCHER CO OF MONTANA	CHEMICALS	22,642.25

SEWER

VEOLIA WATER NORTH AMERICA HDR ENGINEERING INC	480 VOLT CABLE REPLACEMENT OF 1731.1 SEPTAGE RECEIVING STATION AND DEWATERING PUMP	14,945.06 13,688.81
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SANITATION

OLYMPIC SALES INC	SANITATION CONTAINERS	53,505.00
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911 DISPATCH CENTER

CENTURYLINK	MAY 2019 CHARGES	5,841.70
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ICE BREAKER RUN

ENMOTIVE	2019 ICE BREAKER TIMING SERVICES	7,837.50
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CIVIC CENTER EVENTS

GREAT FALLS SYMPHONY ASSOCIATION INC	19-55 CELTIC WOMAN CASH OUT	51,235.42
CONCERT MUSIC 4 U2 ENJOY	19-103 MOE BANDY CASH OUT	5,813.36

INTERNAL SERVICES FUND

INFORMATION TECHNOLOGY

MOBILE WIRELESS LLC	ANNUAL NETMOTION MAINTENANCE	5,457.00
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CENTRAL GARAGE

MOUNTAIN VIEW CO-OP	FUEL	31,583.65
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TRUST AND AGENCY

COURT TRUST MUNICIPAL COURT

CITY OF GREAT FALLS	FINES & FORFEITURES COLLECTIONS	24,009.75
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PAYROLL CLEARING

STATE TREASURER	MONTANA TAXES	51,966.00
ICMA RETIREMENT TRUST	EMPLOYEE CONTRIBUTIONS	10,515.91
FIREFIGHTER RETIREMENT	FIREFIGHTER RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	53,685.66
STATEWIDE POLICE RESERVE FUND	POLICE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	68,688.73
PUBLIC EMPLOYEE RETIREMENT	PUBLIC EMPLOYEE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	135,196.29
US BANK	FEDERAL TAXES, FICA & MEDICARE	220,025.58
AFLAC	EMPLOYEE CONTRIBUTIONS	9,485.83
LABORERS INTERNATIONAL UNION	EMPLOYEE CONTRIBUTIONS	30,532.50
WESTERN CONF OF TEAMSTERS	EMPLOYEE CONTRIBUTIONS	18,652.81
MONTANA OE - CI TRUST FUND	EMPLOYEE CONTRIBUTIONS	28,360.71
NATIONWIDE RETIREMENT SOLUTIONS	EMPLOYEE CONTRIBUTIONS	14,918.40

UTILITY BILLS

NORTHWESTERN ENERGY	MARCH 2019 TRANSMISSION CHARGES	24,453.38
NORTHWESTERN ENERGY	MAY 2019 SLD CHARGES	85,492.50
NORTHWESTERN ENERGY	APRIL 2019 WATER PLANT CHARGES	8,858.70

CLAIMS OVER \$5000 TOTAL: \$ 1,494,266.52

COMMUNICATION TO THE CITY COMMISSION

DATE: June 18, 2019

ITEM: CONTRACTS LIST
 Itemizing contracts not otherwise approved or ratified by City Commission Action
 (Listed contracts are available for inspection in the City Clerk’s Office.)

PRESENTED BY: Lisa Kunz, City Clerk

ACTION REQUESTED: Ratification of Contracts through the Consent Agenda

MAYOR’ S SIGNATURE: _____

CONTRACTS LIST

	DEPARTMENT	OTHER PARTY (PERSON OR ENTITY)	PERIOD	AMOUNT	PURPOSE
A	Planning and Community Development	Montana Department of Commerce, Community Development Division, 301 S. Park Ave., Helena, MT 59620-0523	06/18/2019 – 06/30/2020	\$20,000 grant award	Montana Department of Commerce Main Street Program Contract #MT-MMS-19-004 to create a downtown block revitalization revisioning study for three target blocks (CR: 120418.8A)
B	Planning and Community Development	Great Falls Development Authority	06/18/2019-06/30/2020	N/A	Memorandum of Understanding to execute the duties of the Main Street Program Contract #MT-MMS-19-004
C	Human Resources/ Administration	International Association of Machinists Local #88	07/01/2018-06/30/2019	\$3.00/hr (2.5% compounding)	Ratification of Rehabilitation Plan Preferred Schedule Supplemental

				increase each anniversary date while the rehabilitation plan remains in effect)	Agreement; all other provisions of the Agreement between the City of Great Falls and Public Employees Crafts Council approved as Item 15 at the August 21, 2018 Commission meeting remain in effect.
D	Park and Recreation	Montana Entertainment & Fireworks, dba Big Sky Fireworks	07/04/2019	\$17,000 (paid for by People's Park & Recreation Foundation)	Contract agreement for 4 th of July Pyrotechnic Display
E	Public Works – Engineering	Terracon Consultants, Inc.	06/18/2019 – 12/31/2019	\$5,000	Professional Services Agreement to complete geo-technical soil investigation for new pavilion structure at Jaycee Park OF 1740.2
F	Administration	National Museum of the United States Air Force (NMUSAF)	04/01/2019-03/31/2020	N/A	Ratification of the 2019 Loan Agreement SDA0175 – Annual loan renewal agreement for aircraft on display at Lions Park.



Item: Liquid Asphalt CRS-2P
From: Kenny Jorgensen, Street Manager
Initiated By: Public Works Department
Presented By: Jim Rearden, Public Works Director
Action Requested: Accept the bid from Calumet Refining Company for liquid asphalt.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (accept/not accept) the bid from Calumet Montana Refining Company of Great Falls and authorize staff to purchase 250 tons of liquid asphalt at \$445.00 per ton for a total of \$111,250.”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Staff Recommendation: Staff recommends that the City Commission accept the bid for 250 tons of liquid asphalt to Calumet Montana Refining Company of Great Falls for \$111,250.

Background:

Purpose

This asphalt emulsion will be used by the Street Division in the street chip-sealing program.

Evaluation and Selection Process

The specifications were advertised two times in the Great Falls Tribune, mailed to three prospective bidders and advertised on the City of Great Falls website. The bid opening was held on June 5, 2019, with one bidder responding.

Conclusion

The bid by Calumet Montana Refining Company of Great Falls meets specifications for the liquid asphalt.

Fiscal Impact:

The bid received in 2019 of \$445 per ton is \$20,000 higher than the bid received in 2018 of \$365 per ton. Funding for this year’s purchase of liquid asphalt is in the proposed FY 2020 Street Maintenance Budget.

Alternatives:

The City Commission could vote to not accept the bid for liquid asphalt.

Attachments/Exhibits:

Bid Tab

Bid List

CITY OF GREAT FALLS
PO BOX 5021
GREAT FALLS MT 59403

LIQUID ASPHALT CRS-2P

Project Number
Bids Taken at Civic Center
Date: June 5, 2019
Tabulated By: Debbie Kimball
Page 1 of 1

NAME & ADDRESS OF BIDDER	Bid Security	Affidavit of Non- Collusion	Cost Per Ton	Total 250 Tons
Calumet Montana Refining Company	Bid Bond 10%	√	\$445	\$111,250

LIQUID ASPHALT BID LIST

1. CALUMET MONTANA REFINING COMPANY
1900 10TH ST NE
GREAT FALLS, MT 59404

2. WESTERN EMULSION PLANT
7315 MOSSMAIN LANE
BILLINGS, MT 59106
406-628-1401
ATTN: SEAN OR PHYLLIS

3. CHS: ASPHALT DEPARTMENT
PO BOX 909
LAUREL, MT 59044
406-628-5200
ATTN: BILL STARR



Item: Construction Contract Award: Dewatering Pump Replacement, O. F. 1731.2
From: Engineering Division
Initiated By: Public Works Department
Presented By: Jim Rearden, Public Works Director
Action Requested: Consider Bids and Approve Contract

Suggested Motion:

1. Commissioner moves:

"I move the City Commission (award/not award) a contract in the amount of \$98,000.00 to MJD Contracting for the Dewatering Pump Replacement project, and authorize the City Manager to execute the construction contract documents."

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Staff Recommendation: Approve construction contract award.

Summary:

This project will replace two aging vertical turbine pumps installed in 1977 located in the Waste Water Treatment Plant (WWTP). The pumps have been requiring an increased amount of costly maintenance and style and location of the pumps make them extremely difficult to work on.

Background:

These essential pumps are in the secondary basin complex at the WWTP. The secondary basin complex is made up of four 1.22 million gallon final clarifiers and three 1.6 million gallon bio-reactors. These pumps are used to move liquid biosolids and other fluids from one location to another when either draining the basins and/or bringing other basins on line in the process train. They also assist in pumping groundwater collected continually in the plant underdrain system to the headworks.

Two bids were received and opened for this project on June 5, 2019. The bids were \$98,000.00 and \$200,783.00. MJD Contracting submitted the low bid.

HDR Engineering designed the project. City Environmental Division, and Engineering Staff will work with HDR to perform contract administration duties. HDR, Engineering Staff, and Community

Development will coordinate with Veolia Staff throughout the project to perform inspection duties.

City staff recommends awarding the contract to MJD Contracting in the amount of \$98,000.00. MJD Contracting has executed all the necessary documents.

Fiscal Impact:

This project is being funded through the Sanitary Sewer Fund.

Alternatives:

The City Commission could vote to deny award of the construction contract and re-bid the project at a later date or cancel the project.

Concurrences:

DEQ has reviewed and approved the plans and specifications for this project.

Attachments/Exhibits:

1. Bid tabulation is attached.
2. Vicinity Map.

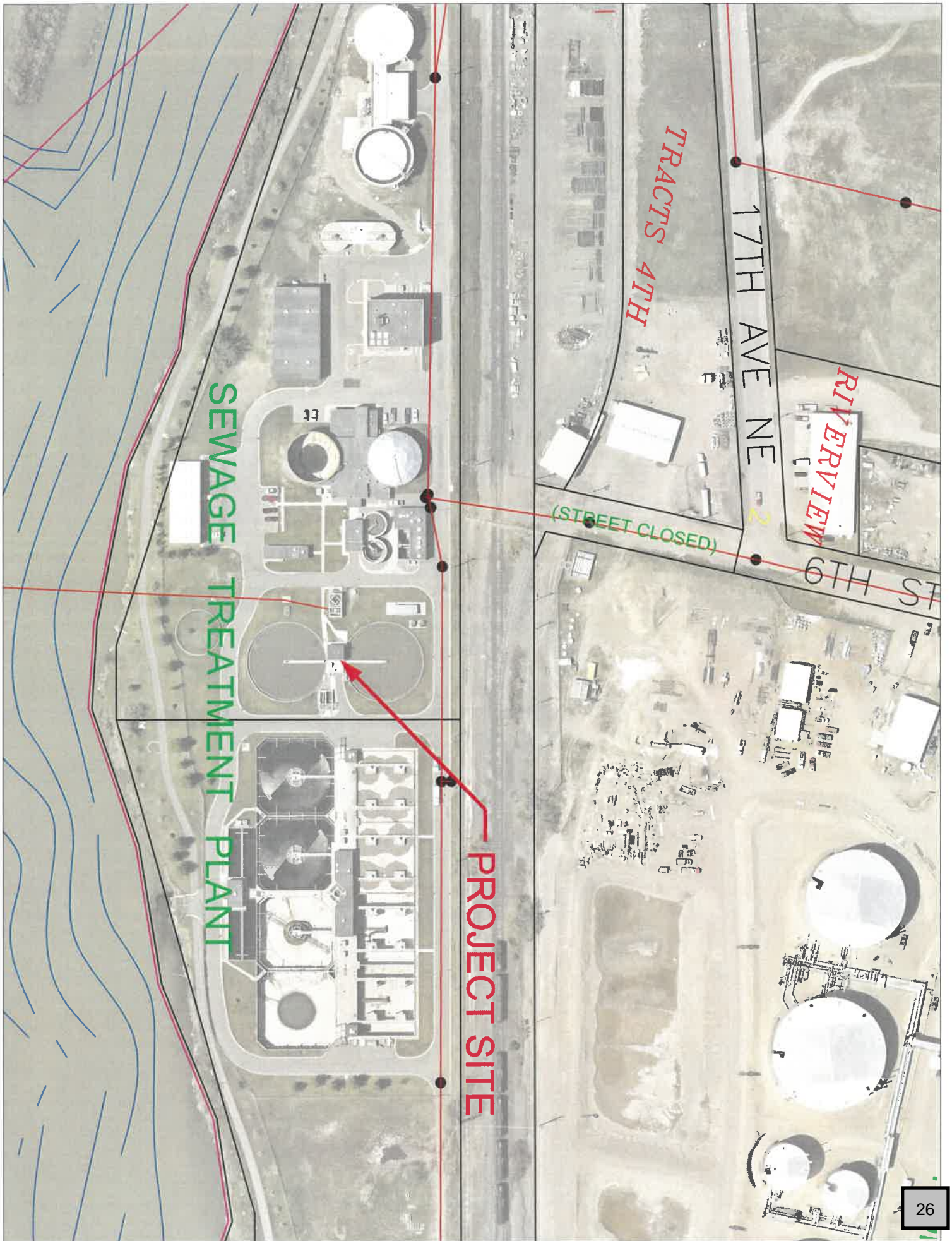
CITY OF GREAT FALLS
 P.O. BOX 5021
 GREAT FALLS, MT 59403

BID TABULATION SUMMARY

City of Great Falls Dewatering Pump Replacement
 O.F. 1731.2

Project Number _____
 Bid Received at Civic Center
 Date: June 5, 2019
 Tabulated By: Rick Johnson

	Name & Address of Bidder	Acknowledge Addendum #1	Acknowledge Addendum #2	10% Bid Security	Affidavit of Non-Collusion	Certificate of Non-Segregated Facilities	Certificate of Compliance with Insurance Req.	Total Bid
1	Central Plumbing & Heating	Yes	N/A	Yes	N/A	Yes	Yes	\$200,783.00
2	MJD Contracting	Yes	N/A	Yes	N/A	Yes	Yes	\$98,000.00
3								
4								
5								
6								
7								
8								
9								
10	Engineer's Estimate							\$168,000.00





Item: Purchase of Liquid Aluminum Sulfate.
From: Water Treatment Plant
Initiated By: Public Works Department
Presented By: Jim Rearden, Director of Public Works
Action Requested: Approval of Bid.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (accept/not accept) the low bid from Thatcher Company of Montana, Inc. and authorize staff to purchase liquid aluminum sulfate in the amount of \$382.00 per ton, up to the maximum amount of 800 dry tons for FY2019/20.”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Staff Recommendation: Staff recommends that the City Commission accept the low bid from Thatcher Company of Montana, Inc. in the amount of \$382.00 per dry ton for liquid aluminum sulfate for FY 2019/20.

Summary: Liquid aluminum sulfate is used in the water treatment process to coagulate suspended particles in the raw water stream to allow their removal. Specifications and bid materials were prepared for the purchase of liquid aluminum sulfate for the Water Treatment Plant for the upcoming fiscal year. Notices were sent out to all prospective bidders and publicly advertised. The bid from Thatcher Company of Montana, Inc. was acceptable as submitted.

Bids were accepted on June 5, 2019, for FY 2019/20 Water Treatment Plant chemical needs. Thatcher Company of Montana, Inc., with headquarters in Missoula Montana, provided the lowest acceptable bid for liquid aluminum sulfate at \$382.00 per dry ton. This Commission action would award a contract for FY 2019/20.

Fiscal Impact: This price reflects a 4.2 % decrease from the FY 2018/19 contract price. The new contract would allow for the purchase of a maximum of 800 dry tons for a total cost of \$305,600.

Attachments/Exhibits:

Bid Tabulation



WATER PLANT

**QUOTE TABULATION SUMMARY
2019-20 WATER TREATMENT CHEMICALS**

Project # N/A

Quotes Rcvd by: 6/5/2019

Date: 6/5/2019

Tabulated by D.McNeese

	Name & Address of Bidder	10% Bid Security (Yes/No)	Liquid Ammonium Sulfate Bid Price Approx 200,000lbs Delivery 10 days AFO	Liquid Chlorine Bid Price Approx 80 tons Delivery 10 days AFO	Liquid Alum Sulfate Bid Price Approx 800 dry tons	Liquid Alum Cert of Chemical Analysis (Yes/No)	Liquid Alum Cert of Compliance w ANSI/NSF Standard 60 (Yes/No)
1	THATCHER COMPANY OF MT, INC. PO BOX 27407 SALT LAKE CITY UT 84127-0407	YES	N/A	N/A	\$382/DRY TON	YES	YES
2	HAWKINS, INC 1519 OLD HARDIN RD BILLINGS MT 59101	N/A	N/A	N/A	NO BID	N/A	N/A
3	UNIVAR USA INC 8201 S. 212TH KENT WA 98032	N/A	N/A	N/A	NO BID	N/A	N/A
4	CHEMTRADE CHEMICALS US LLC 90 EAST HALEY RD, SUITE 200 PARSIPPANY NJ 07054	YES	N/A	N/A	\$465/DRY TON	YES	YES
5	KEMIRA 4321 W 6TH STREET LAWRENCE KS 66049	YES	N/A	N/A	\$611/DRY TON	YES	YES
6							
8							
8							



Item: Tourism Business Improvement District (TBID) 2018/2019 Budget Amendment

From: Rebecca Engum, Great Falls Montana Tourism Executive Director

Initiated By: Tourism Business Improvement District Board of Directors

Presented By: Rebecca Engum, Great Falls Montana Tourism Executive Director

Action Requested: Conduct a Public Hearing for the Tourism Business Improvement District 2018/2019 Budget Amendment and approve the Amendment.

Public Hearing:

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
 2. Mayor closes public hearing and asks the will of the Commission.
-

Suggested Motion:

1. Commissioner moves:

“I move the City Commission (approve/deny) the 2018/2019 Tourism Business Improvement District Budget Amendment.”

2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
-

Board Recommendation: The TBID recommends the City Commission conduct a public hearing for the 2018/2019 TBID Budget Amendment and approve the Amendment.

Background: The Commission approved the 2018/2019 TBID Budget and Work Plan on July 17, 2018. That work plan included key performance indicators to complete a study at Montana ExpoPark for a MultiPurpose Event Center in Great Falls as well as increase traffic through Great Falls International Airport.

The TBID has placed assessment funds into reserves to be used for strategically aligned specific purposes are declared as obligations available for expenditure according to the reserve purpose in the Fiscal Year needed.

During the March 28, 2019 Board of Directors meeting, the TBID Board approved an amendment to the budget to accommodate reserve spending to support moving the MultiPurpose Event Center forward

with Great Falls Area Lodging Association. The amendment also included financial investment to support increased direct air service by carriers into the Great Falls International Airport.

In an audit of the Great Falls Tourism Business Improvement District, the auditor delivered one finding related to increased expenses over the approved budget. This finding noted that an amendment to the 2017/2018 budget was not submitted to the City of Great Falls, even though presented and approved by the TBID Board.

To prevent any future findings, the TBID Board approved budget amendment is presented to the City of Great Falls for approval.

Fiscal Impact: There is no fiscal impact to the City of Great Falls. The increased budget funds are coming from previously received TBID Assessment that have been placed in reserves.

Alternatives: The City Commission could request TBID Board cut expenses to meet approved 2018/2019 Budget.

Concurrences: Finance staff is responsible for assessing and collecting the revenues for the TBID. TBID maintains a staff to fulfill the strategic plan as set by the Board of Directors.

Attachments/Exhibits:

Audit of Financials Statements as of June 30, 2018
Approved 2018/2019 Work Plan
Approved 2018/2019 Budget
TBID Approved Budget Amendment
3-28-2019 Board of Directors Meeting Minutes

**GREAT FALLS TOURISM
BUSINESS IMPROVEMENT DISTRICT**

GREAT FALLS, MONTANA

FINANCIAL STATEMENTS
AS OF
JUNE 30, 2018 AND 2017

Our reports are issued with the understanding that, without our consent, they may be reproduced only in their entirety. Should it be desired to issue or publish a condensation or a portion of this report and our name is to be used in connection therewith, our approval must first be secured.

Douglas Wilson & Company, P.C.

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

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GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**BOARD OF DIRECTORS
JULY 1, 2017 – JUNE 30, 2018**

Mr. Scott Shull Chairperson
Ms. Malissa Hollan Vice-Chairperson
Mr. Scott Arensmeyer Secretary/Treasurer
Ms. Becky Amaral-Miller Director
Mr. David Buckingham Director
Mr. Robert Dompier Director
Ms. Laura Price-Manning Director



Douglas **WILSON**
and Company, PC

To the Board of Directors
Great Falls Tourism Business Improvement District
Great Falls, Montana

Randal J. Boysun, CPA
Gerard K. Schmitz, CPA
Myra L. Bakke, CPA
Melissa H. Soldano, CPA

Douglas N. Wilson, CPA
Bruce H. Gaare, CPA

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities and the major fund of the Great Falls Tourism Business Improvement District (the District), a component unit of the City of Great Falls as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Great Falls Tourism Business Improvement District, as of June 30, 2018 and 2017, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 through 9 and 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2018 on our consideration of the Great Falls Tourism Business Improvement District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Great Falls Tourism Business Improvement District's internal control over financial reporting and compliance.



Great Falls, Montana
September 24, 2018

**GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

Our discussion and analysis of the Great Falls Tourism Business Improvement District (the District), a component unit of the City of Great Falls, Montana, financial performance provides an overview of the District's financial activity for the fiscal years ended June 30, 2018 and 2017. This discussion and analysis should be read in conjunction with the financial statements and related notes, which follow this section.

FINANCIAL HIGHLIGHTS

- Net position decreased \$161,754 for the fiscal year ended June 30, 2018.
- Net position decreased \$45,145 for the fiscal year ended June 30, 2017.
- The District spent approximately \$74,000 during both the fiscal years ended June 30, 2018 and 2017, in Leisure Marketing. Including promotion of the Great Falls area through social media advertising campaigns.
- The District spent approximately \$58,000 and \$60,000 for the fiscal years ended June 30, 2018 and 2017, respectively, promoting sporting events in Great Falls, including Horseracing, High School and University Athletics, Special Olympics, PRCA and College Rodeos.
- The District spent approximately \$47,000 and \$49,000 for the fiscal years ended June 30, 2018 and 2017, respectively, in meeting, convention/event sales including attendance at consumer shows in partnership with Central Montana Tourism. The District also continued with the comprehensive support of Western Art Week.

OVERVIEW OF THE FINANCIAL STATEMENTS

A special-purpose government's presentation of financial statements focuses on the government as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and should enhance the District's accountability.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. These statements combine governmental fund's current financial resources with capital assets and long-term obligations (if applicable).

The statement of net position presents information on all the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (*Continued*)
FOR FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

OVERVIEW OF THE FINANCIAL STATEMENTS (*Continued*)

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's operations are accounted for under one fund: general fund.

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

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

The financial statements described above can be found on pages 10-15 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided within financial statements. The notes to the financial statements can be found on pages 16-21 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains certain *required supplementary information* concerning the budgetary comparison for the general fund. This can be found on page 22 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the years ended June 30, 2018 and 2017, assets exceeded liabilities by \$1,272,465 and \$1,434,219, respectively.

**GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

District's Net Position

The following is a summary of the District's assets, liabilities, and net position at June 30, and is presented on the accrual basis.

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Current assets	\$ 1,157,275	\$ 1,298,348	\$ 1,316,268
Noncurrent assets	<u>158,988</u>	<u>157,336</u>	<u>165,897</u>
Total assets		1,455,684	1,482,165
Current liabilities	43,798	21,465	2,801
Noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>21,465</u>	<u>2,801</u>
Total net position	<u><u>\$ 1,272,465</u></u>	<u><u>\$ 1,434,219</u></u>	<u><u>\$ 1,479,364</u></u>

District's Changes in Net Position

The following is a summary of the District's revenues, expenditures, and changes in net position for the fiscal years ended June 30, and is presented on the accrual basis.

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Program revenues:			
Assessment income	<u>\$ 380,373</u>	<u>\$ 390,090</u>	<u>\$ 409,751</u>
General revenues:			
Interest income	2,731	2,823	2,805
Penalties	856	629	8,053
Refunds and miscellaneous	<u>1,755</u>	<u>931</u>	<u>4,005</u>
Total general revenues	<u>5,342</u>	<u>4,383</u>	<u>14,863</u>
Total revenues	<u>385,715</u>	<u>394,473</u>	<u>424,614</u>
Program expenditures	<u>547,469</u>	<u>439,618</u>	<u>417,560</u>
Change in net position	<u>(161,754)</u>	<u>(45,145)</u>	<u>7,054</u>
Net position, beginning of year	<u>1,434,219</u>	<u>1,479,364</u>	<u>1,472,310</u>
Net position, end of year	<u><u>\$ 1,272,465</u></u>	<u><u>\$ 1,434,219</u></u>	<u><u>\$ 1,479,364</u></u>

**GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (*Continued*)
FOR FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (*Continued*)

The statements of revenues, expenses and changes of net position reflect how the District's net position changed during the fiscal year. In the case of the District, the District's change in net position decreased by \$161,754 and \$45,145, respectively, for the fiscal years ended June 30, 2018 and 2017.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUND

Since all of the District's operations are accounted for under the general fund, a separate discussion of the fund's activities is not particularly meaningful. The changes discussed in the section above provide adequate explanation of the fund's activities during the year.

GENERAL FUND BUDGETARY HIGHLIGHTS

For fiscal year ended June 30, 2018, the District's total actual revenues were lower than budget amounts by \$4,776. Actual expenditures were over budgeted expenditures during the year by \$147,469.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District's current budget for the fiscal year ending June 30, 2019, projects revenues are to decrease by approximately \$30,000 from the current year's actual revenues.

Expenditures are budgeted to decrease \$181,879 from the current year's actual expenditures.

The approved budget for fiscal year ending June 30, 2019 includes net revenue of approximately \$365,590. Budgeted expenditures also total \$365,590.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, customers, and grantors with a general overview of the District's finances. If you have questions about this report or need additional financial information, the contact information is as follows:

Rebecca Engum, TBID Executive Director
100 1st Avenue North – Lower Level Suite
Great Falls, MT 59401
Phone: (406) 761-4434

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

STATEMENTS OF NET POSITION
AS OF JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 763,285	\$ 877,896
Assessments Receivable	383,963	411,362
Prepays	10,027	9,090
Total Current Assets	<u>1,157,275</u>	<u>1,298,348</u>
NONCURRENT ASSETS		
Certificate of Deposit	<u>158,988</u>	<u>157,336</u>
Total Assets	<u>1,316,263</u>	<u>1,455,684</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	<u>43,798</u>	<u>21,465</u>
Total Liabilities	<u>43,798</u>	<u>21,465</u>
NET POSITION		
Unrestricted	<u>1,272,465</u>	<u>1,434,219</u>
Total Net Position	<u>\$ 1,272,465</u>	<u>\$ 1,434,219</u>

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

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	Governmental Activities	
	<u>2018</u>	<u>2017</u>
EXPENDITURES:		
Sports Sales and Tournament Retention	\$ 57,900	\$ 60,735
Meeting, Convention and Event Sales	47,275	48,960
Leisure Marketing	74,008	73,523
Opportunity Marketing and Community Enrichment	122,466	58,198
Administration	245,820	198,202
Total Expenditures	<u>547,469</u>	<u>439,618</u>
 PROGRAM REVENUES:		
Assessment Income	<u>380,373</u>	<u>390,090</u>
Total Program Revenues	<u>380,373</u>	<u>390,090</u>
 Net Program Revenue	<u>(167,096)</u>	<u>(49,528)</u>
 GENERAL REVENUES:		
Interest	2,731	2,823
Penalties	856	629
Reimbursements	<u>1,755</u>	<u>931</u>
Total General Revenues	<u>5,342</u>	<u>4,383</u>
 Change in Net Position	 (161,754)	 (45,145)
 Net Position, Beginning of Year	 <u>1,434,219</u>	 <u>1,479,364</u>
 Net Position, End of Year	 <u>\$ 1,272,465</u>	 <u>\$ 1,434,219</u>

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

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**BALANCE SHEETS - GOVERNMENTAL FUND
AS OF JUNE 30, 2018 AND 2017**

	General Fund	
	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and Cash Equivalents	\$ 763,285	\$ 877,896
Assessments Receivable	383,963	411,362
Certificate of Deposit	158,988	157,336
Prepays	10,027	9,090
Total Assets	<u>\$ 1,316,263</u>	<u>\$ 1,455,684</u>
 LIABILITIES		
Accounts Payable	\$ 43,798	\$ 21,465
Total Liabilities	<u>43,798</u>	<u>21,465</u>
 DEFERRED INFLOWS OF RESOURCES		
Unavailable Assessment Revenue	380,373	389,882
Total Deferred Inflows of Resources	<u>380,373</u>	<u>389,882</u>
 FUND BALANCE		
Assigned	150,100	174,600
Unassigned	741,992	869,737
Total Fund Balance	<u>892,092</u>	<u>1,044,337</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,316,263</u>	<u>\$ 1,455,684</u>

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

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEETS TO THE STATEMENTS OF NET POSITION
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Total Fund Balance - Governmental Fund	\$ 892,092	\$ 1,044,337
<p>Amounts reported for governmental activities in the statements of net position are different because:</p>		
Assessments receivable are not available to pay for current period expenditures and, therefore, are deferred in the governmental fund balance sheets.	<u>380,373</u>	<u>389,882</u>
Total Net Position - Governmental Activities	<u><u>\$ 1,272,465</u></u>	<u><u>\$ 1,434,219</u></u>

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGE
IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	General Fund	
	<u>2018</u>	<u>2017</u>
Revenues:		
Assessment Income	\$ 389,882	\$ 414,647
Interest Income	2,731	2,823
Penalties Income	856	629
Reimbursements	1,755	931
Total Revenues	<u>395,224</u>	<u>419,030</u>
Expenditures:		
Sports Sales and Tournament Retention	57,900	60,735
Meeting, Convention and Event Sales	47,275	48,960
Leisure Marketing	74,008	73,523
Opportunity Marketing and Community Enrichment	122,466	58,198
Administration	245,820	198,202
Total Expenditures	<u>547,469</u>	<u>439,618</u>
Change In Fund Balance	(152,245)	(20,588)
Fund Balance, beginning of year at July 1	<u>1,044,337</u>	<u>1,064,925</u>
Fund Balance, end of year at June 30	<u>\$ 892,092</u>	<u>\$ 1,044,337</u>

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

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENTS
OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
TO THE STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Total Net Change in Fund Balance - Governmental Fund	\$ (152,245)	\$ (20,588)
<p>In the statements of activities, certain program revenues such as assessment income are recognized by the amounts earned during the year. In the governmental funds, however, revenues are recognized by the amount of financial resources measurable and available. This is the increase or (decrease) in the deferred inflows of resources related to assessment revenue.</p>	<u>(9,509)</u>	<u>(24,557)</u>
Total Change in Net Position - Governmental Activities	<u><u>\$ (161,754)</u></u>	<u><u>\$ (45,145)</u></u>

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Operations - The Great Falls Tourism Business Improvement District (the District) was created by resolution of the City Commission of the City of Great Falls under the authority of Sections 7-12-1121 through 7-12-1133, Montana Code Annotated. The mission of the District is to generate room nights for lodging facilities in the Great Falls, Montana (the City) by effectively marketing the region as a preferred travel destination.

The Board of Directors of the District is appointed by the City. Directors must be property owners, or their assignees, within the District. The Board has all powers necessary to carry out the functions of the District including entering into contracts, hiring and terminating personnel, and providing for the management and administration of the affairs of the District, among others.

Reporting Entity - The financial statements of the District consist only of the operations of the District. The District has no oversight responsibility for any other entity. Oversight responsibility over another entity includes financial interdependency with that entity; the ability to select that entity's governing authority, the ability to select the entity's management, the ability to significantly influence the entity's operations, and accountability for the fiscal matters of the entity.

The District is considered a component unit of the City; therefore, its financial statements are included in the financial statements of the City. The City exercises oversight responsibility through its ability to select the District's Board of Directors.

Fund Accounting - The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of its assets, liabilities, fund balance, revenues, and expenditures. All financial activities of the District are accounted for under one fund: the general fund. The general fund is classified as a Governmental Fund Type and uses the modified accrual basis of accounting whereby revenues are recognized when measurable and available and expenditures are recognized when liabilities are incurred. The general fund accounts for all financial activities of the District, except those required to be accounted for in other funds.

Basis of Presentation - The District follows generally accepted accounting principles (GAAP), as embodied in GASB 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", as a special-purpose entity engaged in a single governmental program. The District's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2018 AND 2017**

function and, therefore, are clearly identifiable to a particular function. Program revenues include assessments collected from local hotels, motels, or inns. Revenues that are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from general revenues of the District.

Fund Financial Statements - The District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The emphasis of governmental fund financial statements is on major funds. Each major fund is presented in a separate column, of which the District only has a general fund. Generally accepted accounting principles require the general fund be reported as a major fund, as well as all other governmental funds whose assets, liabilities, revenues, or expenditures exceed 10% or more of the total for all governmental funds. Accordingly, the District reports the general fund as a major fund.

Basis of Accounting - The government-wide financial statements of the District are reported using the economic resources measurement focus under the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Revenues from assessments are recognized when billed, rather than when collected. The governmental fund financial statements of the District are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Revenues are recorded when susceptible to accrual, that is, when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Certain revenues of the District require specific revenue recognition terms. The District considers assessments as available if they are collected within 60 days after year-end.

Assessments collected through August 31 are reported as revenue in the fiscal year ended June 30. The amount of assessments receivable not collected is a reconciling difference between the government-wide financial statements and the governmental fund financial statements.

Fund Equity - The following classifications describe the relative strength of the spending constraints:

Nonspendable - Amounts that cannot be spent, either because they are in nonspendable form, or because they are legally or contractually required to be maintained intact. The District had no nonspendable fund balances for the years ended June 30, 2018 and 2017.

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**NOTES TO FINANCIAL STATEMENTS (*Continued*)
JUNE 30, 2018 AND 2017**

Restricted - Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. The District had no restricted fund balances for the years ended June 30, 2018 and 2017.

Committed - Amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board of Directors is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Directors. The District had no committed fund balances for the years ended June 30, 2018 and 2017.

Assigned - Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent can be expressed by the Board of Directors or by an official or body to which the Board of Directors delegates the authority. The amounts designated by the Board of Directors as "set-asides" for future funding requests of organizations and projects are considered to be assigned fund balances. The District had assigned fund balances in the amount of \$150,100 and \$174,600 as of June 30, 2018 and 2017, respectively.

Unassigned - All other spendable amounts that are not categorized in the above fund balance categories. The District had unassigned fund balances in the amount of \$741,992 and \$869,737 at June 30, 2018 and 2017, respectively.

Net Position - The District classifies its net position into the following three categories:

- Net Investment in Capital Assets - This represents the District's total investment in capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position.
- Restricted - The restricted component of net position consist of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. This represents the resources in which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.
- Unrestricted - The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. This represents the resources that are available for general use.

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**NOTES TO FINANCIAL STATEMENTS (*Continued*)
JUNE 30, 2018 AND 2017**

Use of Restricted Funds - When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash, Cash Equivalents and Investments - The District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash consists of amounts in demand deposit accounts.

The District, as a component unit of the City, utilizes the City's investment policy. Investment criteria are established via Montana Code Annotated (MCA) 7-6-202 and the City's investment policy. The City investment committee reviews policies and conducts an annual review of the financial condition and registration of all qualified financial institutions and broker/dealers. Investments of the District consist solely of a certificate of deposit, described in Note 2 to the financial statements.

The City has a comprehensive investment policy addressing safety, liquidity, and yield priorities. This investment policy is more restricted than State Law. The City has a policy of holding its investments to maturity. This is often referred to as "passive investing". The District follows this policy for a number of reasons. First, the two main priorities when investing District funds are safety and liquidity. A more active approach to investing requires additional staff time and more intensive continuing education and training. In addition, "active investing" exposes the District to risks related to timing the buying and selling of investments in the market.

All depositories must be either Federal Deposit Insurance Corporation (FDIC) or Federal Savings and Loan Deposit Insurance Corporation (FSLIC) insured. All deposits over the FDIC or FSLIC insured amount are required to be secured by collateral having a market value of at least 100% of the deposit balance. District criteria for collateral are a limited list of instruments with a readily verifiable market value and established marketability. Collateral must be held by an approved third party financial institution in the name of the District. At June 30, 2018 and 2017, the District had \$125,261 and \$179,901, respectively, of deposits in excess of FDIC insured limits. The full amount is uncollateralized.

Budget and Budgetary Accounting - An operating budget is adopted each fiscal year for the general fund. The basis of budgetary accounting is the same as the basis described above for the governmental fund financial statements. As required by Section 7-12-1132, MCA, the District submits, at a time determined by the City, the operating budget and a work plan to the Commission for its approval. The budget and work plan are discussed at a public hearing, after which the Commission either approves or denies the documents.

Upon approval, the Commission adopts a resolution levying an assessment on the occupied room nights in the District. A copy of the resolution is maintained by the City in order to include the assessments on the tax rolls and collect in the same manner as other taxes.

Encumbrances - All appropriations lapse at the end of the fiscal year. Encumbrances at year end are reflected as part of fund balance since they do not constitute expenditures or liabilities.

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**NOTES TO FINANCIAL STATEMENTS (*Continued*)
JUNE 30, 2018 AND 2017**

Investment Risks - Due to the nature of the District's investments, interest rate risk, credit risk, and concentration of credit risk are not applicable for the years ended June 30, 2018 and 2017. The District does not have policies for interest rate risk, credit risk, and concentration of credit risk.

Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investments that are in the possession of another party. The District does not have a custodial credit risk policy for investments. However, for the years ended June 30, 2018 and 2017, the District had no unsecured or uncollateralized investments.

Economic Dependency - The District's sole source of funding is its assessment revenue, which results from a \$1 per occupied room night assessment from hotels, motels, and inns located in Great Falls, Montana. The amount of assessment revenue is dependent on the number of stays by qualified persons during the year.

Use of Estimates - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

NOTE 2: CERTIFICATE OF DEPOSIT:

At June 30, 2018, the District had a certificate of deposit of \$158,988 at a financial institution located in Great Falls, Montana. The certificate of deposit has a fixed interest rate of 1.0%, and maturity date of March 26, 2019.

At June 30, 2017, the District had a certificate of deposit of \$157,336 at a financial institution located in Great Falls, Montana. The certificate of deposit has a fixed interest rate of 1.0%, and maturity date of March 26, 2018.

NOTE 3: ASSESSMENTS RECEIVABLE:

Assessments receivable includes all delinquent assessments from all years. All hotels, motels, or inns with six or more rooms that are within the District are assessed for the costs of tourism promotion and operating the Great Falls Tourism Business Improvement District. The applicable hotels are subject to an annual assessment of \$1 per occupied room night. Stays by persons who are otherwise exempt from paying a transient occupancy tax are exempt from the assessment. The assessments may be modified annually by resolution or adoption of the City's budget.

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

Each hotel, motel, or inn reports its occupied room totals to the District on a quarterly basis. Assessments are included on the tax rolls of the City and are collected in the same manner as other taxes of the City. Taxes are due in two equal installments, November 30 and May 31 of each fiscal year, and remitted monthly to the County who then remits them to the City. The District's portion of taxes collected is distributed monthly by the City.

Assessments receivable are carried at original invoice amount. Assessments receivable are included as part of the County property tax assessments and would be collected upon a sale should the County place a lien on the property for delinquent taxes. The County would assess a tax lien on the property rather than deeming the receivables uncollectible, and the District follows this policy. Accordingly, an allowance for uncollectible assessments is not considered necessary.

NOTE 4: DEFERRED INFLOWS OF RESOURCES:

The unassigned fund balance amount of \$741,992 includes the effect of deferring the recognition of amounts associated with imposed nonexchange revenue transactions for assessments as of June 30, 2018. The \$380,373 balance of the deferred inflow of resources at June 30, 2018 will be recognized as revenue next fiscal year.

NOTE 5: CONTRACTS AND AGREEMENTS:

Effective August 5, 2015 the District entered into an agreement with the Great Falls Area Chamber of Commerce, a non-profit organization. Under the agreement, the Great Falls Area Chamber of Commerce provides management and office space to the District. During the years ended June 30, 2018 and 2017, the District recognized expense of \$178,308 and \$141,010, respectively, related to the agreement.

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**SCHEDULE OF REVENUES AND EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance from Budget Positive (Negative)</u>
REVENUES:			
Assessments	\$ 400,000	\$ 389,882	\$ (10,118)
Interest	-	2,731	2,731
Penalties	-	856	856
Reimbursements	-	1,755	1,755
Total Revenues	<u>400,000</u>	<u>395,224</u>	<u>(4,776)</u>
EXPENDITURES:			
Sports Sales and Tournament Retention	7,500	57,900	(50,400)
Meeting, Convention and Event Sales	62,000	47,275	14,725
Leisure Marketing	21,516	74,008	(52,492)
Opportunity Marketing and Community Enrichment	47,500	122,466	(74,966)
Administration	261,484	245,820	15,664
Total Expenditures	<u>400,000</u>	<u>547,469</u>	<u>(147,469)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(152,245)</u>	<u>\$ (152,245)</u>
Fund Balance at July 1, 2017		<u>1,044,337</u>	
Fund Balance at June 30, 2018		<u>\$ 892,092</u>	



Douglas **WILSON**
and Company, PC

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To the Board of Directors
Great Falls Tourism Business Improvement District
Great Falls, Montana

**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Great Falls Tourism Business Improvement District (the District), a component unit of the City of Great Falls, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated September 24, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2018-001.

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.



Great Falls, Montana
September 24, 2018

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED JUNE 30, 2018**

Findings Relating to Basic Financial Statements

FINDING 2018-001

Criteria: The Great Falls Tourism Business Improvement District is required to present a budgetary comparison as Required Supplementary Information in accordance with Governmental Accounting Standards.

Condition: The Great Falls Tourism Business Improvement District's actual expenditures exceeded budgeted amounts for the fiscal year ended June 30, 2018.

Cause: Management did not make budget amendments after actual expenditures exceeded budgeted amounts.

Effect: Expenditures on Great Falls Tourism Business Improvement District's budgetary comparison schedule exceeded actual expenditures by \$147,469 for the fiscal year ended June 30, 2018.

Management Response: Management will review budget-to-actual reports throughout the fiscal year, and budget amendments will be made and approved by the District's board of directors as necessary and submitted to the City of Great Falls.

GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT

GREAT FALLS, MONTANA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2018**

Findings Relating to Basic Financial Statements

None

Great Falls Montana Tourism FY19 Marketing Plan



Great Falls Montana Tourism
100 1st Ave N, Lower Level Suite
Great Falls MT 59401
www.VisitGreatFallsMontana.org

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YouTube | [@GreatFallsMontanaTourism](https://www.youtube.com/GreatFallsMontanaTourism)

Adpoted by Convention and Visitors Bureau Board of Directors and Tourism Business Improvement District Board of Director 4-19-2018

Executive Summary

Founded in 1883, the City of Great Falls has a population of nearly 60,000 residents and is the county seat of Cascade County. Great Falls is named for a series of five waterfalls on the Missouri River that was made famous by Lewis and Clark's 31-day portage of the falls – the longest the duo spent in any one location. The promise of hydroelectric power and rail access was instrumental in the founding of Great Falls. The first hydroelectric dam was built in 1890, attracting industry and visitors to the “electric city.”

Great Falls visitors can enjoy nearly every outdoor activity available in Montana: hiking, road, trail and mountain biking, hunting, fishing, swimming, kayaking, canoeing, cross-country skiing, snowshoeing, and many opportunities for viewing local wildlife. The city offers an extensive hiking and biking trail system along the river, three golf courses, a disc golf course, a skate park, a water park, a 15-field soccer park, a minor-league baseball stadium, and a system of city parks. Nearby is Giant Springs State Park, the First Peoples Buffalo Jump, two ski resorts, and the Bob Marshall Wilderness. The most well-known natural attraction in the region is Glacier National Park. Great Falls also offers one of the more convenient starting points for travel to Canada's Waterton Lakes National Park.



Great Falls is home to Malmstrom Air Force Base and the 341st Missile Wing. It has a significant history and geographic presence in the city. The base attracts contractors traveling for business, but most of its service members stay siloed from the community.

Tourism is a critical driver of the Great Falls economy, accounting for 8% of the GDP. According to the Institute for Tourism and Recreational Research, non-residents spend on average \$250 million in Cascade County. 87% of those expenditures are spent on dining, retail, fuel, lodging and grocery stores. Businesses that make up the Tourism Industry account for 3,080 jobs and over \$72 million in payroll. Tourism Industry businesses account for over \$33 million in property taxes.

Great Falls Montana Tourism is focused on one vision, to strengthen the Great Falls Montana economy by being the preferred choice for a genuine Montana experience. We work to bring that vision to reality every day by promoting Great Falls Montana as a preferred destination for travelers to visit, stay, and return. The strategies that govern the implementation are:

- Share Great Falls' unique adventures and amazing art
- Focus on diverse landscapes and uncrowded spaces
- Showcase the "too much to do"
- Develop Champions of Great Falls
- Grow Meetings Segment
- Engage More Voices
- Lure Next Generation of Travelers
- Support, Celebrate and Create Assets

Great Falls Montana Tourism implements this by creating, delivering and integrating content, placing media nationally in targeted markets, engaging potential and previous visitors through social sites, website, newsletters, and the Visit Great Falls app. Great Falls Montana Tourism supports champions with great tourism ideas through grants, we gain insight and educate potential visitors through trade shows in key markets, we develop and source photos and videos and create NEW signature events that will level out annual seasonality.



Our investment in market and consumer behavior research is essential to ensure the delivery of a specifically crafted trip planning message during a critical stage of the consumer purchase process.

Great Falls is at a critical crossroad. In the past 8 years, Great Falls has seen a 28% growth in visitation; however, the last years have been stagnant. The message of Great Falls | Montana's Basecamp for Art & Adventure resonates with our target market; however, our budgets fail in comparison to our peer Montana cities, regional destinations, and National attractions. Lower budgets can be

combated effectively with proud, Great Falls Montana Champions. We know that consumers are 85% more likely to act based on a recommendation of a friend, or a friend of a friend than any paid media.

In FY18, Great Falls Montana Tourism identified strategic outcomes for its marketing. These are outcomes that are focused on a three-year strategy. We

have established a cohesive tourism brand that positions Great Falls as a premier destination for targeted groups by using our Montana's Basecamp for Art & Adventure message. We have made significant progress towards getting buy-in and promote the use of Great Falls' tourism identity by Great Falls Montana Tourism members, its strategic partners, and the entire Great Falls community. Our local economic development organization, Great Falls Development Authority has adopted messaging, colors and images that support the Basecamp message. Our Downtown Great Falls Business Improvement District adopted imaging for the Downtown Banners that reflect the Basecamp message. We still have work to do, but early adopters are helping to build the identity.

Great Falls Montana Tourism is still working toward these outcomes:

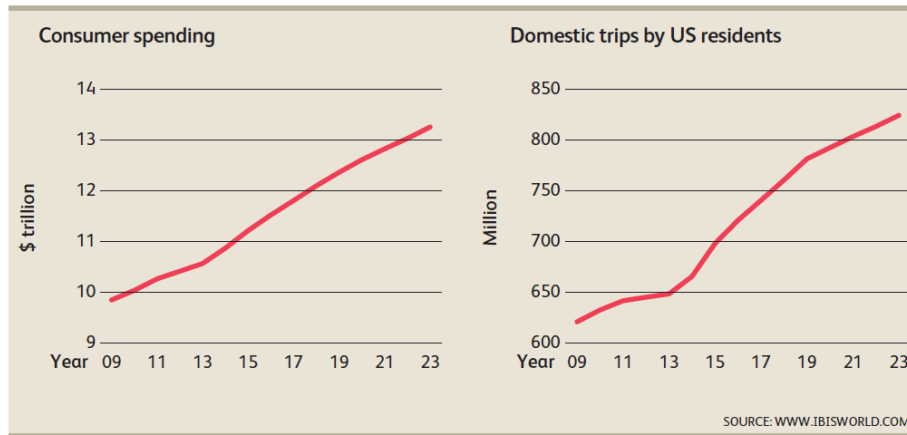
1. Increase overnight tourism visitation
2. Increase group meeting stays
3. Increase attendance at key events like the Montana State Fair, Western Art Week, and the PRCA Circuit Championship
4. Increase foot traffic at Great Falls International Airport
5. Raise the profile of the city within targeted audience groups and regions both on and offline (e.g. in-state visitors from Central and Eastern Montana, Canadian regional travelers from communities near the border, and out-of-state visitors from cities with direct flights to Great Falls)

Challenges still exist for Great Falls Montana Tourism to achieve the outcomes. The open space and natural beauty of Montana continues to lure travelers to our rugged landscapes. Non-Resident visitation continues to grow in Montana overall; however, Great Falls Montana Tourism is challenged to get those independent adventurers to leave the National Park Regions to experience a true, authentic Montana experience on the Missouri River in the heart of MONTANA. Great Falls provides a BASECAMP for a wide range of outdoor adventures and offers a haven of rich arts, culture, and history in a vibrant, modern community where the expansive, unspoiled, diverse landscape renews one's spirit. However, with 84% of Great Falls' overnight guests traveling by car, visitors to Great Falls must drive for several hours to access Glacier National Park, and its popular western entrance is even farther away. By car, visitors from the west, south, and southeast must pass through several cities that most directly compete with Great Falls, including Missoula, Butte, Bozeman, and Billings. Tenacious, determined, and focused on the future, Great Falls Montana Tourism is dedicated to growing tourism.

Great Falls Montana Tourism must position the city as the premier destination for the experiences the city offers and target audiences seek. Finally, Great Falls Montana Tourism must engage these groups using effective tools and measurable campaigns that build awareness and drive visitation.

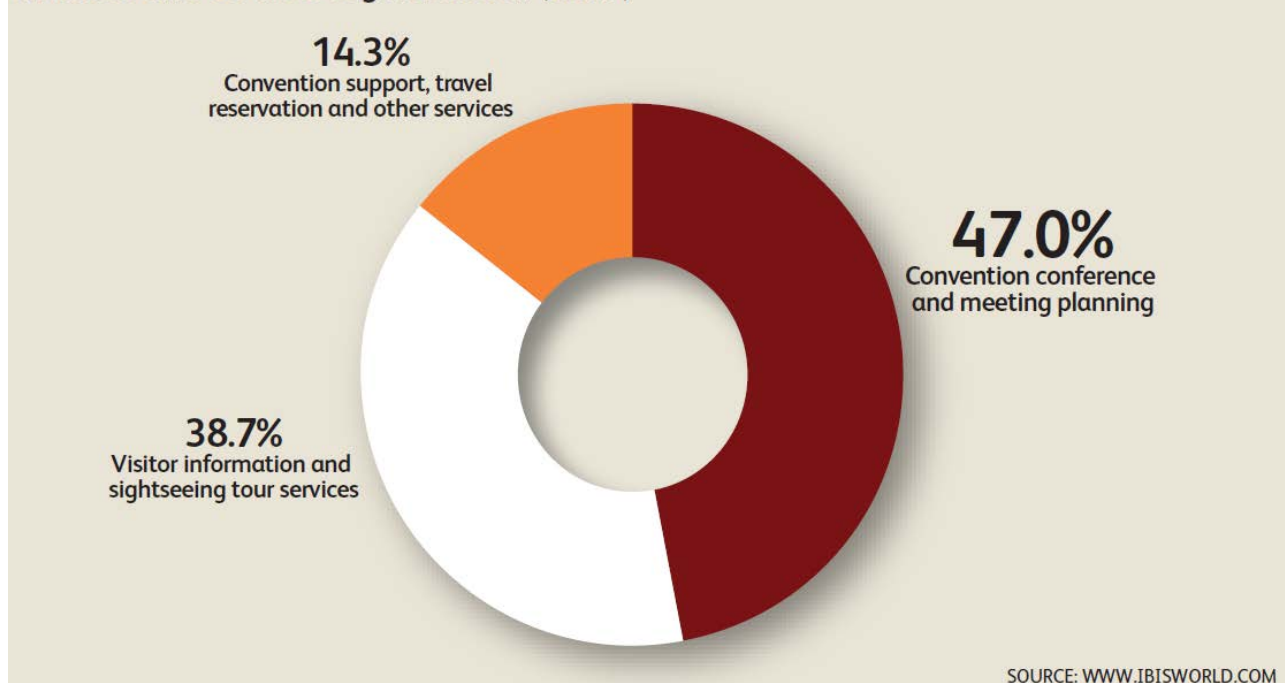
Industry

The Destination Management Organization [DMO] is part of a mature industry driven by continued growth in domestic travel and strong, growing consumer spending. This industry is defined by organizations that market and promote communities and local facilities to business and leisure travelers. Nationally, organizations provide travel information on attractions and accommodations, maps and brochures, and some even organize and deliver group tours.

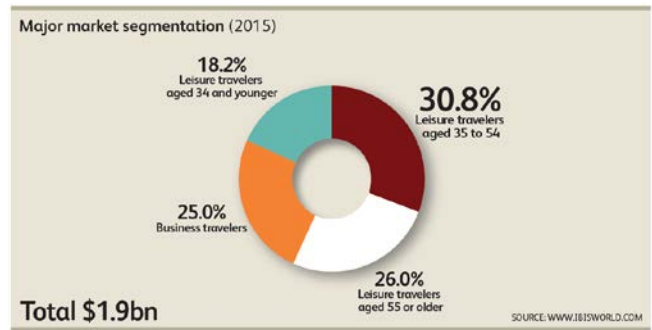
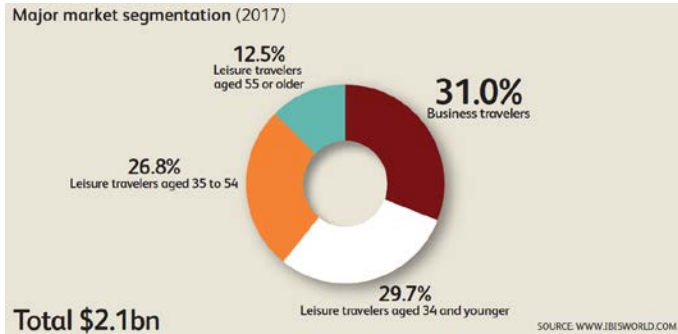


The industry nationally is led by Las Vegas CVB with 16.6% of total market share, followed by Visit Florida with 11.7%. From 2015 to today, the service focus has stayed relatively the same with 47% of efforts spent on securing Convention and Meeting Planning and just under 39% spent on leisure travel.

Products and services segmentation (2017)

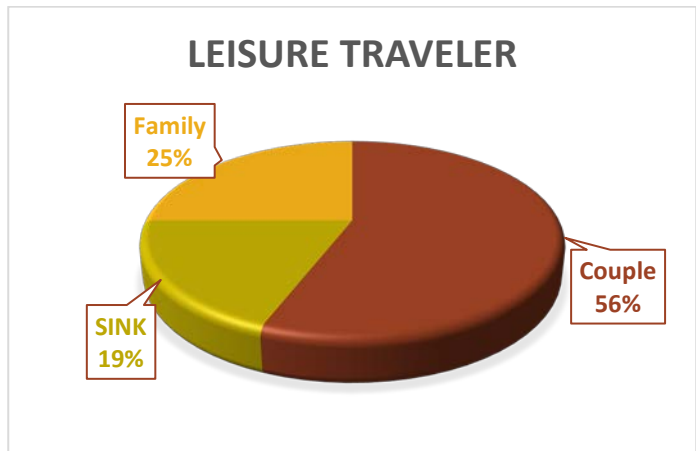
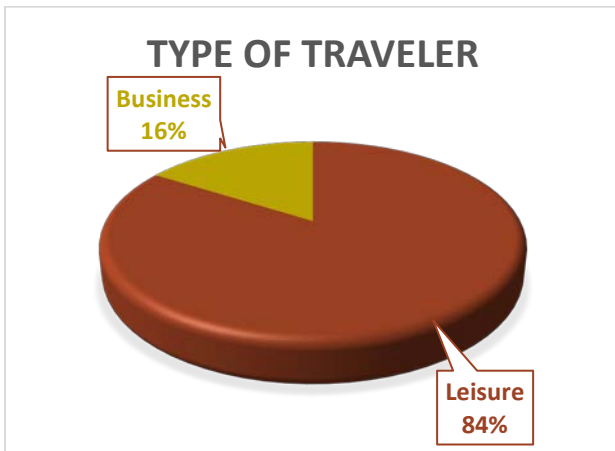


The service focus follows the markets that DMOs work to serve. The Business Traveler segment has grown 6% nationally over the past 3 years and a substantial shift in the 34-year-old and younger segment gaining 11.5% in 3 years and the 55-year-old and older segment decreasing 13.5%. The leisure traveler 35-54 has decreased 4%, nationally.



Great Falls Montana

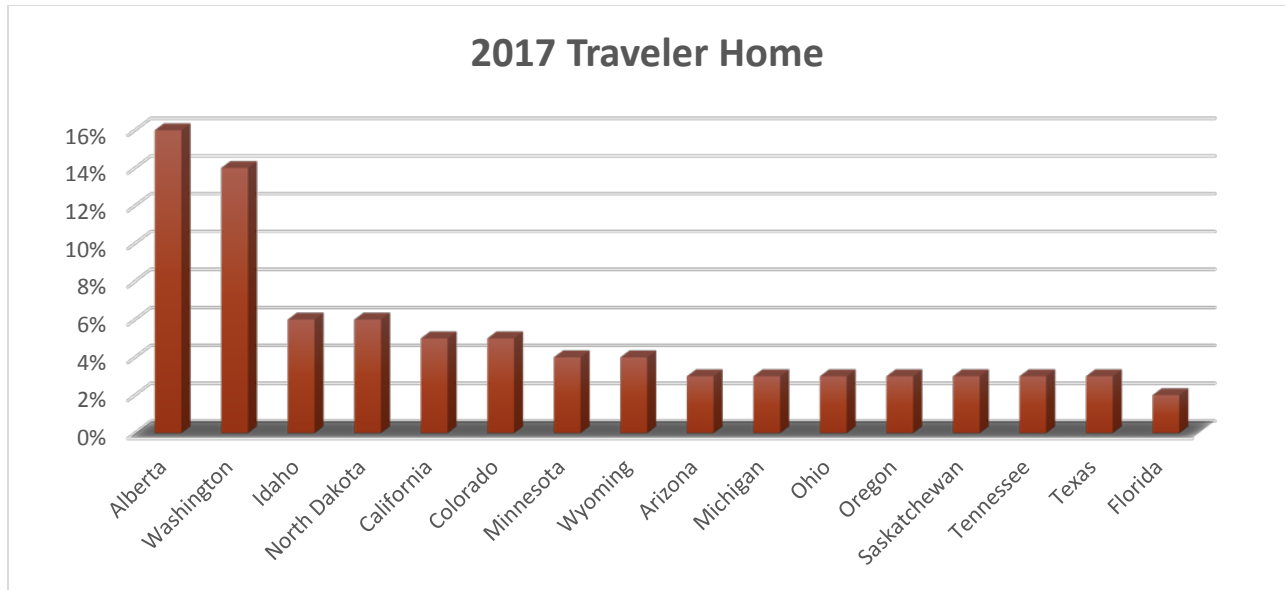
In Great Falls, the Business Traveler segment has been stagnant, however, hasn't had substantial investment until recently.



The constant profile of the Great Falls leisure traveler is between the ages of 55-64, with income of \$75,000-\$150,000 annually, traveling as a couple by personal vehicle.

The Great Falls, Montana tourism economy is driven by the Alberta traveler. This traveler comes to Great Falls, Montana to shop, receive medical care, and to travel from GTF to warmer climates, predominately Las Vegas, followed by Phoenix. The high concentration of Alberta in our customer mix is nothing new making the Alberta economy a key factor in our local industry.

Great Falls, Montana receives visitors both domestically and internationally, however the home base for our top travelers remains consistent.



The only outlier in 2017 comes from North Dakota, accounting for 6% of our guests, up from 3% in 2015 and not registering in 2016.

Historic Top 5 Visitor Residency Locations

Year	Location	%	Location	%	Location	%	Location	%	Location	%
2017	Alberta	16	Washington	14	Idaho	6	North Dakota	6	Colorado	5
2016	Alberta	16	Washington	9	Colorado	6	Idaho	5	Utah	4
2015	Alberta	19	Washington	11	California	8	Idaho	6	Texas	5
2014	Alberta	17	Washington	14	Wyoming	6	Colorado	5	California	5
2013	Alberta	19	Washington	10	California	6	Wyoming	6	Texas	5
2012	Alberta	25	Washington	12	Idaho	6	Minnesota	5	Colorado	5

In 2017, Great Falls Montana hosted 892,958 people overnight, a 19% decrease over 2016. 78% of those visitors have been here before. 84% of the Great Falls non-resident traveler market drove in, by RV, Motorcycle or Automobile. 15% arrived by plane, 5% through Billings air service and 10% through Great Falls air service.



Great Falls International Airport is serviced by Delta, United, Alaska, and Allegiant, providing direct flights from Seattle, Las Vegas, Phoenix, Salt Lake City, Denver, Minneapolis, and Chicago seasonally.

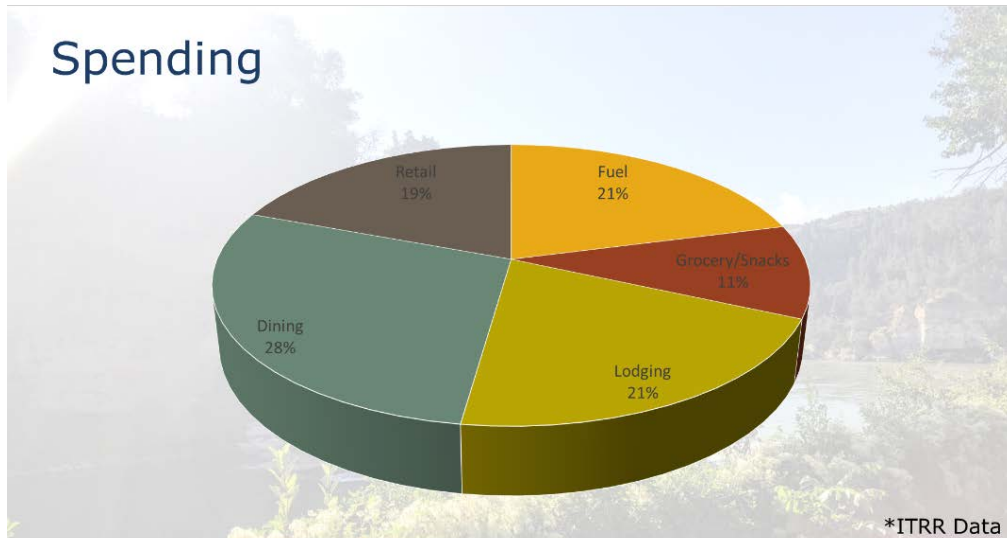


This summer, the United Chicago seasonal flight will be daily, Allegiant is increasing the seating capacity for Las Vegas and Phoenix, and Alaska is adding a flight to Seattle. This increased capacity provides air travelers more opportunity to come to Great Falls, Montana.

The visitation and airport deboarding trends in Great Falls, coupled with our room demand data, indicates there may be a strong shift by travelers from staying in lodging facilities to camping. We often hear from travelers the cost to stay in hotels is high and the rooms are limited in availability as concerns for travel. For Great Falls, cost is reasonable, and rooms are available throughout the year. This is a different story from some of our peer cities.



In 2016, Non-Resident Visitors spent just under \$204 million in Cascade County, with the majority of spending occurring in the traditional top 5 categories: Dining, Retail, Fuel, Lodging, Grocery/Convenience Stores.



Great Falls, Montana received 6% of the total 12.4 million visitors to the State of Montana and 6% of the total visitor spending. This is down 3% from 2016.

Competition

The appeal of Montana’s spectacular, unspoiled nature, inspires people to travel. However, as the 4th largest state in the US, with 6 travel regions and over 100 vibrant and charming small towns that provide impressive outdoor experiences, Great Falls competes within the State, as well as the Northwest Region and the Nation to orient and facilitate the visitor to experience Montana’s Basecamp for Art & Adventure. The competitive analysis ensures Great Falls differentiates itself and delivers the experience it promises.

In State

Billings | Positions itself as Montana’s Trailhead, it sells the starting point for a drivable vacation through Montana’s outdoors. Similar to Great Falls in landscape and location to a National Park, Billings outperforms Great Falls by being Montana’s largest City and having an established, strategic Tourism effort.

Bozeman | Presents an upscale vacation destination with hotels, shopping, museums, and symphony to match its ski resort, cross-country trails, natural hot springs, and breweries.

Missoula | A university town that promotes a variety of amenities and experiences without focusing on any one option. Montanans know the city as

a laid-back city for fly fisherman, paddle boarders, and mountain bikers. Features many microbreweries and a distillery.

Kalispell | The popular western gateway to Glacier National Park, offering closer accesses to its popular attractions. Positions itself as a vacation destination and its airport (though smaller than Great Falls') makes it accessible to out-of-state travelers.

Out of State

Sioux Falls, South Dakota | Sioux Falls is nearly three times the size of Great Falls. The city has a strong tourism website that promotes attractions and tourism-related businesses. Downtown Sioux Falls has access to the Big Sioux River and the scenic Falls Park, with an outdoor sculpture garden and nearby Native American and Early European historic attractions. The city has a range of shopping, dining, and hospitality options, but limited outdoor recreation attractions.

Fargo, North Dakota | With a population nearly double that of Great Falls, the city highlights an eclectic mix of art, culture, dining, and other attractions online. The website leverages social content from visitors and residents to demonstrate the broad range of venues and activities available for people to enjoy. Art museums and festivals are promoted heavily. The city has access to open space and wilderness for activities like hunting, fishing, golfing, biking, cross-country skiing, and snowmobiling, but there are no major outdoor attractions nearby.

Bismark, North Dakota | The capital city of North Dakota has done a good job with meetings and conventions, drawing over 100,000 people annually. They promote their downtown and have been ranked as one of the top 100 places to live. Their website leverages videos to tell visitors about featured activities from their new heritage museum to riverboat cruises to golf.

Boise, Idaho | The impressive river city is the capital of Idaho with over 220,000 residents. With similar elements to Great Falls, Montana and a history of growth Great Falls would like to emulate, the aligned community efforts to secure funding, and support a growing leisure and business travel industry is worth taking note of.

Canadian communities with direct access to wilderness north of Glacier | Great Falls is well-positioned to compete with this set, being located just as close to wilderness, as communities like Cranbrook, and logistically more convenient, with access to the Great Falls International Airport. Even with a three-hour drive to Waterton lake, flying through Great Falls International Airport is preferred by many U.S. fliers.

SWOT

Strengths

- **ART** | Great Falls' deep connection to Lewis and Clark's historic expedition and its hydroelectric heritage have spawned several museums and historic sites. This may draw a select group, but enriches the visitation experience for other tourists and meeting attendees. The C.M. Russell museum has anchored the arts in Great Falls since the artist's death in 1930. Russell became the world renowned "Cowboy Artist" working and living in the city. Great Falls also has two more art museums and over a dozen art galleries.
- **GROWTH** | Downtown and riverfront neighborhoods have new restaurants, coffee shops, and breweries, and many offer live music and events. These new options have changed the experience that had been dominated by older bars and casinos, energizing the dining and nightlife experience for visitors and locals alike.
- **BASECAMP** | Great Falls has a large network of hiking and biking trails, a significant collection of city parks, a water park, skate park, ball fields, and Giant Springs State Park. The River's Edge Trail offers 53 miles of multipurpose trails including great views of the city's largest waterfall, Rainbow Falls. Bob Marshall Wilderness Area and the Helena-Lewis and Clark National Forest are nearby, as is the First Peoples Buffalo Jump. The Eastern entrance to Glacier National Park is a two-and-a-half-hour drive. Great Falls offers the most convenient airport access for Canada's Waterton Lakes National Park. The Missouri River offers visitors fly fishing day trips and overnight stays in fishing cabins.
- **CENTRAL** | location within the State and region for long-distance travelers – Situated on Interstate 15, Great Falls is roughly halfway between Salt Lake City, Utah, and Edmonton, Alberta (via Highway 2 in Alberta, Canada). Travelers by car travel up and down the I-15 corridor.
- **MAFB** | Local businesses and Malmstrom Air Force Base bring a significant group of long-term contractors and business travelers to the city.
- **GTF** | This international airport is small and accessible. The airport offers direct flights from Seattle, Denver, Las Vegas, Minneapolis, Phoenix, Salt Lake City, and Chicago, seasonally.

Weakness

- **PERCEPTION** | Great Falls has had a reputation as a rusty industrial town made up of dive bars and casinos. While it is not surprising that other Montana communities have held on to this negative view, it is Great Falls natives that perpetuate this perception despite real change and growth in the community.
- **NEW** | Great Falls Montana Tourism is relatively only a few years old. With substantial organizational and operational successes to date, the established identity, marketing strategy, and other foundational elements need time to

work and be refined, to position the city as a tourism destination or to increase visitation.

- **IMPRESSION** | Immediate thoughts of Montana include Mountains, and Great Falls, on the Missouri River, is surrounded by four mountain ranges, but not in any of them. Main thoroughfares have noticeable casinos and industrial infrastructure. These elements of the community are not attractive to many tourists and meeting planners.

Opportunities

- **REPUTATION** | Online reviews of Great Falls are positive. People that already visit Great Falls enjoy it and are likely to return. This group should be studied and targeted. The positive experience current visitors have should be shared on a larger scale.
- **MILITARY** | While military personnel have traditionally been siloed from life and culture in Great Falls, Malmstrom Air Force Base's nearly 3,500 residents hail from all over the United States and, if properly engaged with the community's assets, can become tourism ambassadors for Great Falls when returning home.
- **TRUE MONTANA** | Even as Great Falls grows and changes, the city continues to offer a classic Montana experience that many residents feel has been lost by other cities in the state. This authentic experience is a significant draw for former Great Falls residents, for other Montanans, and anyone with nostalgic connections to the state.
- **I-15** | Montana and other western mountain state/province residents are accustomed to driving long distances. Many potential visitors travel up and down the I-15 corridor, which runs right through Great Falls. Roughly 2 million visitors drove through Great Falls last year, however, only 44% spend a night. Promotion of the city and events to these travelers could increase visitation and overnight stays.
- **COMMUNITY** | Government, the business community, and residents alike need to internalize and reflect a new optimistic spirit about the city. A cohesive and authentic identity based on Great Falls' real and growing assets can inspire community pride that is shared with visitors and even competing cities.
- **AIRPORT** | While direct flights to Great Falls are not a differentiator from other Montana cities, the presence of an international airport is a strong asset. The airport and its attractions should be promoted both in the airport itself and in the airports that have direct connections.

Threats

- **SKEPTICISMS** | Residents can undermine new positioning and investments for new visitors if they are not properly engaged. To a large extent, this is already true today.

- CANADIAN DOLLAR | Poor exchange rates for Canadian tourists suppress visitation and spending in Great Falls.
- MISALIGNMENT | Great Falls Montana Tourism should avoid the temptation to position the city as the “gateway to Glacier” or anything that sets up a misaligned expectation about a mountain city. Great Falls’ distant mountain views are only difficult to appreciate for people that expect close-up mountain access.

Message Focus

An authentic Montana experience is highly valued by many residents inside the state and beyond. Over the past two decades as all Montana cities have experienced significant growth, Great Falls has retained the true Montana character. Tourists can access this experience along with the modern amenities found in Great Falls today and use the city as a jumping-off point for excursions into Central and Western Montana, and even the Southern Canadian Rockies.

Great Falls, Montana is truly designed for independent, outdoor adventurers and planners of meetings looking for a true, authentic Montana experience. Great Falls is located on the Missouri River in the heart of Montana and provides a basecamp for a wide range of outdoor adventures and offers a haven of rich arts, culture, and history in a vibrant, modern community where an expansive, unspoiled, diverse landscape renews one’s spirit.

Visitors to Montana have an extensive list of desired activities they would participate in on a trip to Montana. Taken from the research conducted by Destination Analyst’s 2016 Brand Study, below is a list of desired activities.

Desired Activities on a Montana Trip



Great Falls, Montana is a basecamp to the Bob Marshall Wilderness, a day hike paradise, as well as the Big Belt Mountains, Highwood Mountains, and Little Belt Mountains. Great Falls Montana Tourism launched Great Falls Montana Restaurant

Week in February to showcase the variety, quality and localness of our food scene. Our community is roughly 2.5 hours to Glacier National Park's East Entrance and home to the Lewis & Clark Interpretive Center, which has North America's Most Extensive display of the entire Lewis & Clark Expedition. Central Montana Tourism Region has developed 10 wonderful motorcycle rides and has provided the content of six of those rides to Great Falls, Montana to use to promote not just motorcycle rides, but all scenic drives that explore our small towns and use Great Falls, Montana as a basecamp. First Peoples Buffalo Jump State Park and National Historic Landmark, provides genuine insight to our first people's independent spirit, and is minutes from Great Falls. Giant Springs State Park, in Great Falls, is the State's most visited State Park and is home to the world's largest natural spring, flowing at 156 million gallons of water per day into the Missouri River, which runs through Great Falls, providing quick and easy access for kayaking, canoeing, boating, and fishing. This is the beginning of what Great Falls, Montana offers.

To experience Great Falls, is to experience Montana and our marketing focuses on what visitors to Montana want to do and what visitors to Great Falls have consistently done. According to the Institute of Tourism and Recreation Research's Annual Visitor Survey, the top 5 activities stay consistent each year.

Top 5 Activities

Year	Activity	%	Activity	%	Activity	%	Activity	%	Activity	%
2017	Scenic Driving	51	Day Hiking	29	Nature Photography	28	Camping	25	Lewis & Clark Sites	25
2016	Scenic Driving	59	Day Hiking	33	Nature Photography	33	Camping	29	Shopping	28
2015	Scenic Driving	60	Nature Photography	32	Shopping	31	Lewis & Clark Sites	31	Day Hiking	30
2014	Scenic Driving	61	Shopping	38	Nature Photography	29	Day Hiking	27	Camping	27
2013	Scenic Driving	69	Shopping	42	Historical Sites	32	Day Hiking	30	Wildlife Watching	29
2012	Scenic Driving	66	Nature Photography	35	Shopping	33	Lewis & Clark Sites	28	Historical Sites	27

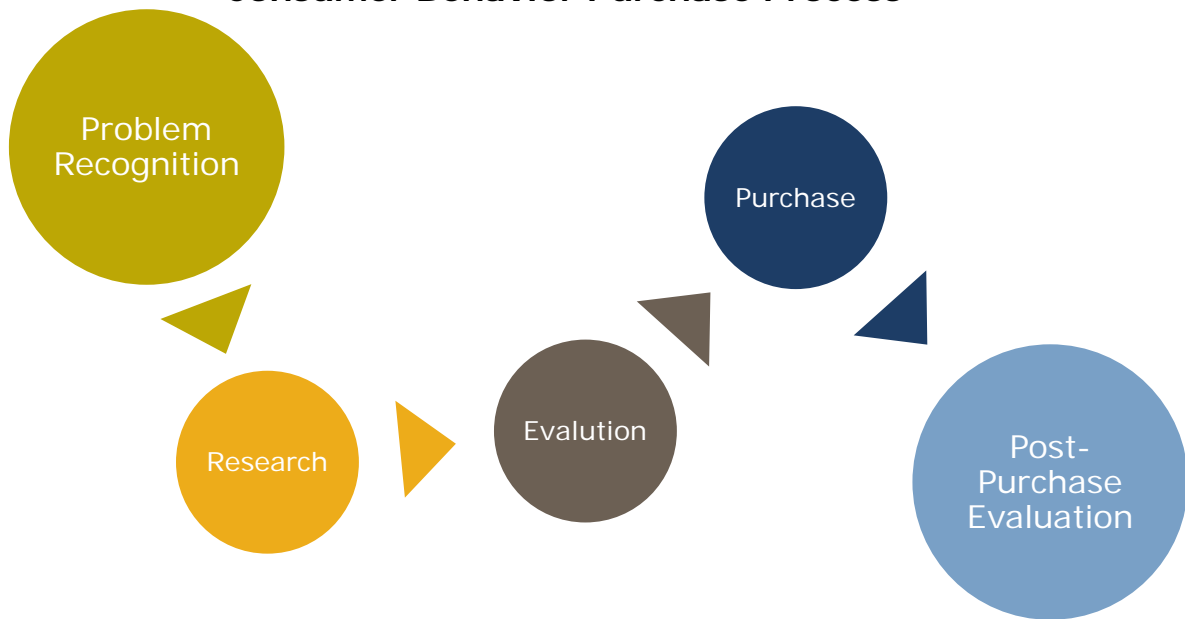
Along with this, and the entire Destination Analysts research completed in October 2016 for the State of Montana, we see Great Falls' ability to capitalize on State strategies, and messaging, with our current market of Family and History Buffs as well as our emerging market of Single Income/Double Income No Kids.

The Great Falls emerging market is 34-year-old and younger, a segment that is trending nationally, and that we saw 19% of last year. Great Falls Montana Tourism continues to build assets that are designed to attract them to Great Falls

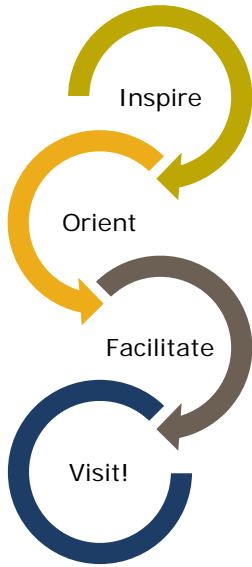
for authentic experiences that contain a unique mix of outdoor and cultural experiences, focusing on our strengths.

While the State of Montana will work to inspire and orient with their marketing message, Great Falls Montana Tourism will focus on refinement of the inspiration and orientation to Great Falls and facilitation of experiences through our strategies. Throughout our Marketing Strategies, we develop messages that follow the consumer behavior purchase process using a formula that will inspire them to choose Great Falls.

Consumer Behavior Purchase Process



Anytime a purchase occurs, it requires dissatisfaction, in its broadest form. For travel decisions, the dissatisfaction is either too much work and the need for a break, an experience that hasn't been had, or peers having an experience you want to be able to be included in. Once the potential visitor has determined they are going to travel, they begin researching where to go, what to do, and what experiences to have. This is where our efforts to inspire and orient begin and where peer influencers can be helpful, by also sharing inspiration. Studies show consumers are 85% more likely to act based on a recommendation of a peer, or a friend of a peer than any paid media.

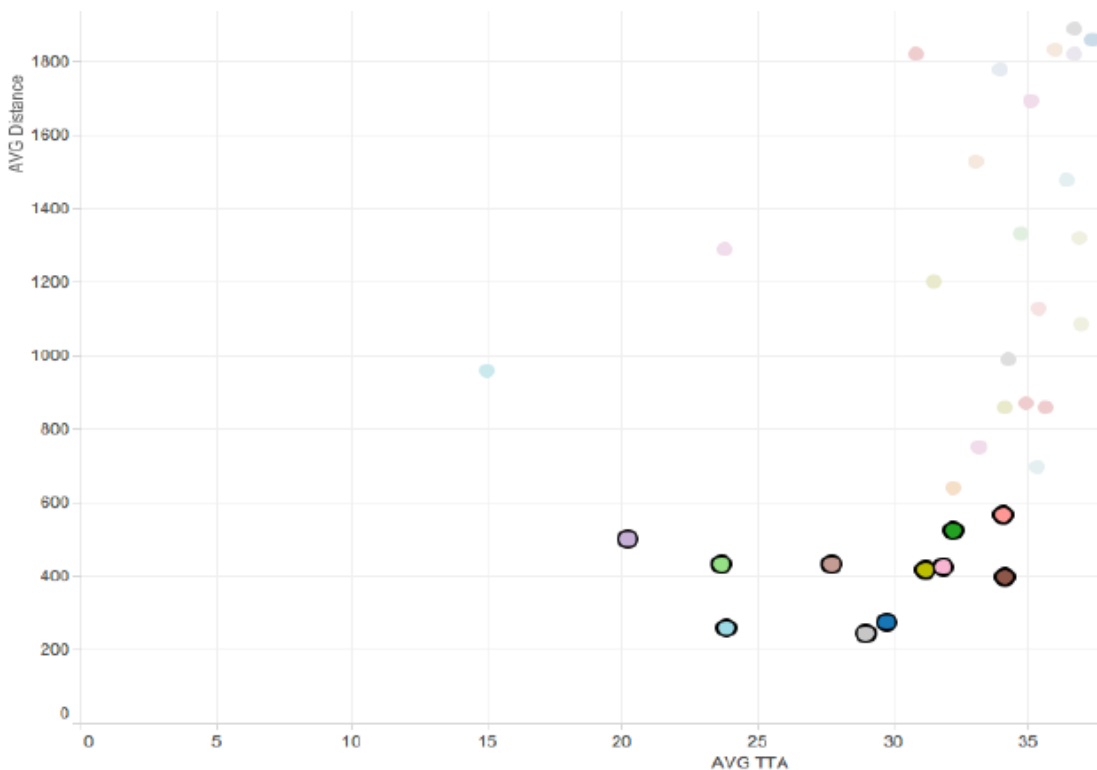


During the evaluation stage, consumers are working to find one option over another. This is when we begin to orient them on how to get to Great Falls, where they can stay, and facilitate the experience they can have to have. Done correctly, the purchase phase occurs and the visit to Great Falls occurs. After the visit to Great Falls, an evaluation of the purchase occurs – and Great Falls consistently delivers on the expectations it sets, and the consumer is satisfied and makes a second trip to Great Falls, as research shows 78% of people coming to Great Falls have been here before.

Knowing what activities visitors like to experience, how they make decisions, and how to help influence the decisions at each stage is cornerstone to Great Falls

Montana Tourism’s Marketing Strategies, both for the Leisure and Business market segments.

Timing of message is critical. Through the State of Montana Department of Commerce’s Office of Tourism and Business Development Arrivalist data, we know that our leisure drive market [within 600 miles] arrive within 35 days of connecting with a marketing message. This provides a smaller lead time to deliver a message to produce results with our leisure traveler strategy.



The business segment is planning now for conventions and meetings in 2020 and beyond, with decisions occurring year-round, based on the industry segment.

Objectives

Our core objectives through our marketing efforts are driven by Great Falls Montana Tourism's Vision to strengthen the Great Falls Montana economy by being the preferred choice for a genuine Montana experience.

Objective 1 | Increase awareness of Great Falls, Montana as a tourism destination for leisure travelers to visit by personal vehicle, using Montana's Basecamp for Art & Adventure message.

Objective 2 | Promote established and new signature events to leisure travelers in drive markets from 150 – 600 miles from Great Falls, Montana. Use established and new signature events as bleisure travel opportunities with meeting planners.

Objective 3 | Increase awareness of Great Falls, Montana as a tourism destination for leisure travelers to visit by air, using Montana's Basecamp for Art & Adventure message.

Objective 4 | Increase awareness of Great Falls, Montana with meeting planners as a destination for 300-900 room night meetings looking for the affordable and convenient genuine Montana experience: hiking, biking, fly fishing, outdoor excursions at parks, and natural attractions, dining, breweries, historic attractions and museums.

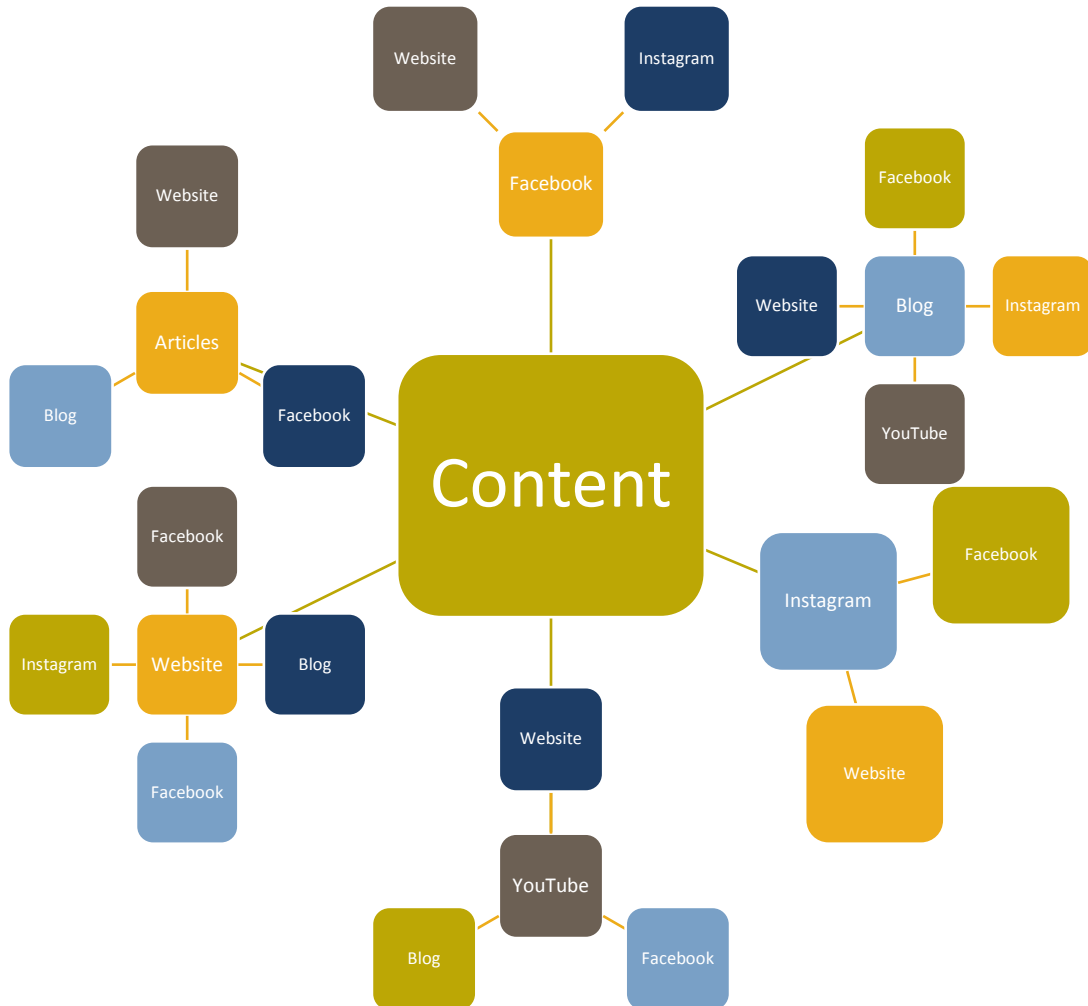
Objective 5 | Support local entrepreneurs who look to create more tourist-centric activities and attractions, based on strategic needs, that strengthen Great Falls' marketability as a destination.

Objective 6 | Increase October-May travel through meeting planners and leisure travelers.

Leisure Traveler Strategy

Great Falls Montana Tourism's leisure strategy is steeped in developing appropriate content for our market segments that will cross-populate media channels to facilitate a decision to visit Great Falls, Montana.

Content Sharing Matrix



With Great Falls Montana Tourism’s limited, and declining budget, the content we develop is leveraged on multiple platforms, to encourage engagement and can mostly be done by our current team. Great Falls Montana Tourism uses developed content in the following strategies:

- Adventure Awaits Emails | Delivered to our email database of inquiries approximately 6 times a year, with each email delivered no less than 35 days prior to season changes, signature events and start of desired activities.
- Basecamp Blog | Weekly stories about all the is Great Falls, Montana. The annual schedule of blog topics and posting consider holidays and events in the next 40 days, activities available by season, unique features, new experiences, and tips of how to make the most of a trip to Great Falls.
- Facebook | Posts are strategically planned weekly throughout the year, considering the market the post is directed to. The Great Falls Montana

Tourism Facebook market is: 56 years old and older, female and from Canada. Posts look to encourage engagement to connect with visitors planning trips to Montana. A mix of posts that share Tourism developed content, news, feature local businesses, landscape images, recreational amenities, and events. Posts will balance information transfer for sharing and question asking for comments.

- Instagram | A photo rich site dominated mostly by 35-year olds and younger has high engagement, however, a posting should occur at minimum, daily. Fresh and different content is essential across platforms. Posts should be relative to other content posting and drive traffic to deeper engagement opportunities.
- YouTube | The photo is good, but a full video that shows the entire story is better. Great Falls Montana Tourism will look to add video content from Champions as well as produced paid content that reinforce the unique assets of Great Falls as Montana's Basecamp for Art & Adventure.
- VisitGreatFallsMontana.org | Increasing content related to top activities and increased interests is essential for the growth of the website. Dedicated pages to information and resources along with quality images and videos help inspire, orient and facilitate visitors.

Joint Ventures

Great Falls Montana Tourism has greatly appreciated previous joint ventures with the Office of Tourism and Business Development, Central Montana, and Great Falls International Airport. These joint ventures strategically leverage our limited budget and will continue to be staples in our leisure traveler strategy. Great Falls Montana Tourism will take advantage of joint ventures that fit with our market, strategy and message focus.

Trade Shows

Great Falls Montana Tourism will attend the Calgary Outdoor Adventure and Travel Show in March 2019, the Calgary Women's Show in October 2019 and the Denver International Sportsmen's Expo in January 2019. These shows provide an opportunity to hear from the market about their interests and share the Great Falls, Montana story.

Media Placement

Great Falls Montana Tourism is strategically focused on continually increasing the investment in paid media placement. The landscape for paid media placement is extremely competitive and increasingly saturated with competitor messages. With a limited budget, compared to our competitors, Great Falls will continue to place higher value on digital placement than print; and higher value on digital placement that drives traffic to focused content. Our strategic approach to leveraging partner placements to further the Basecamp message will continue, looking at the media

placed by our partners and either placing additional media or allowing their placement to stand alone so our investment can be placed elsewhere.

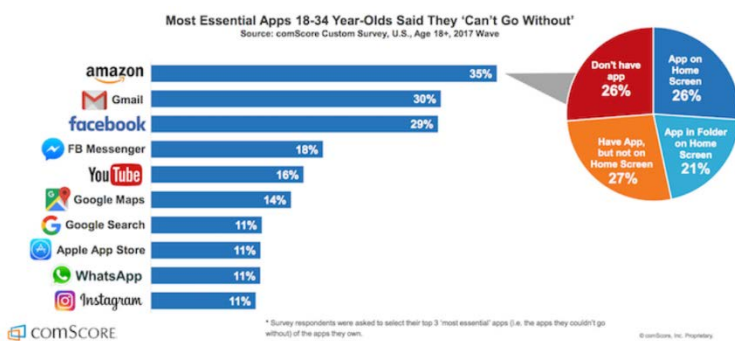
Events

Great Falls plays host to a great number of wonderful events, however, Great Falls Montana Tourism is directly involved with two; Western Art Week, a staple to our community, and our newest effort, Great Falls Montana Restaurant Week – Montana’s Biggest. Great Falls Montana Tourism will continue an investment to support these key events as well as make investments to develop new signature events that support our strategic priorities. Specific to Western Art Week in 2019, Great Falls Montana Tourism will provide stipends for temporary staff to collect surveys during Western Art Week to determine the economic impact of the event.

Visit Great Falls App

The Visit Great Falls App was developed in support of our strategic priority to be prepared for the next generation of leisure travelers. 18-24 year old are the highest user of apps, spending 93.5 hours each month on smartphone apps. The app this group uses the most is Amazon and uses 9 apps total throughout any given day. In a month, this group uses 30 different apps. This is a relatively new media, and we know the current Visit Great Falls App is used to find out about events. People do rely on a handful of apps and uninstall apps regularly because they don't use them anymore. Great Falls Montana Tourism is new to apps, however, being able to grow with the emerging travel market is

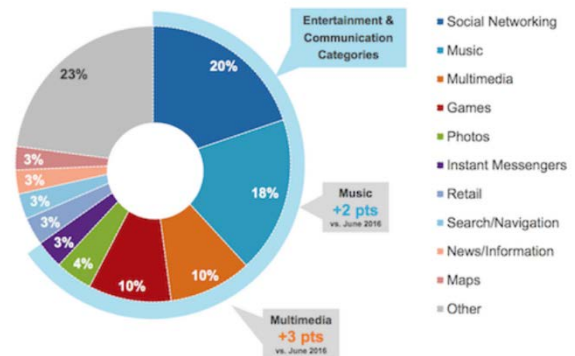
key. Our efforts will continue to evolve as we watch how Visit Great Falls App is used and the trends of apps are followed.



Source: [comScore](#)

key. Our efforts will continue to evolve as we watch how Visit Great Falls App is used and the trends of apps are followed.

Share of Mobile App Category Time Spent



Source: [comScore](#)

Great Falls Montana Tourism utilizes the app to support signature events and conventions and will continue to leverage the platform to support and grow our tourism effort. Investments will be made to improve the app to match the uses of apps to the

market that uses them and the objectives of Great Falls Montana Tourism's overall marketing strategy.

Montana's Basecamp Visitor Magazine

The historic large format content pieces Great Falls Montana Tourism has developed have been successful. This content has increased traffic to our website and engaged readers for over 5 minutes. These impressive results, along with the continued decline in requests for visitor guides, and ever increasing mobile website usage, Great Falls Montana Tourism is going to develop a content rich online magazine that will have stories about day hikes, scenic drives, historic sites, and other topics that we know, based on previous visitor's activities, our visitors are interested in. This easy read, content heavy magazine will serve to inspire and facilitate visitors and provide support to other marketing strategies.

Photo & Video Library

Great Falls Montana Tourism, through Facebook, our website and Instagram can easily use 580 emotion evoking images each year along with various length videos. We will continue to source photos and videos through photo and video solicitations, staged photo shoots, hired photo and video productions and Great Falls Champions.

Great Falls Champions

This effort is driven by two elements: 78% of visitors have been to Great Falls before AND consumers are 85% more likely to act based on a recommendation of a friend, or a friend of a friend than any paid media. This effort has multiple components and will grow and evolve each year. The current phase of implementation will include securing Great Falls Champions that will be advocates for our community and who will utilize a web-based platform to easily share our content through their social channels. Our efforts will continue to get more formalized, with commitments from Champions to share blog content, photos, videos, and volunteering for strategic efforts. The initial Champions effort includes education through Great Falls College MSU to ensure our Champions are fully prepared to share Great Falls' story.

MAFB Welcome to Great Falls | Montana's Basecamp for Art & Adventure

Great Falls Montana Tourism staff has worked with Malmstrom Air Force Base leadership and committed to provide regularly scheduled presentations to service personnel new to Base. These presentations will:

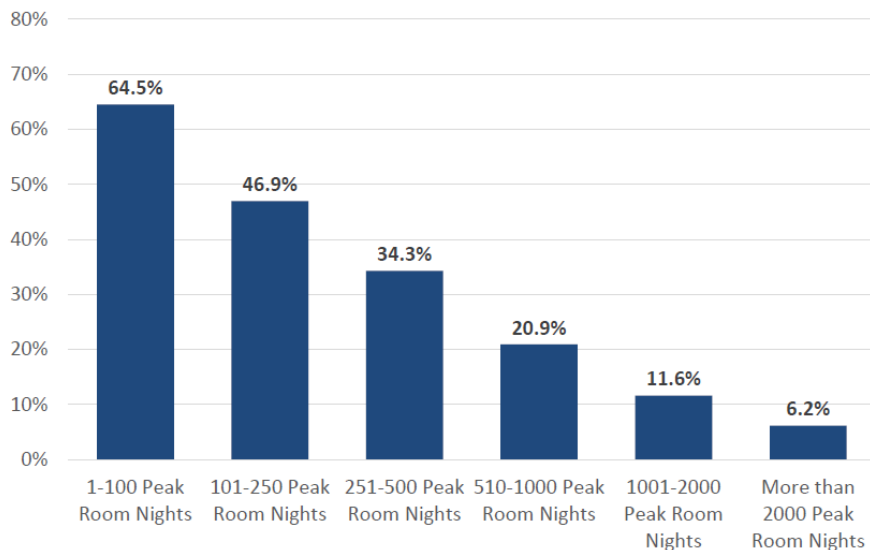
1. Educate new personnel about what Great Falls has to offer
2. Encourage those newly stationed to experience Great Falls
3. Share what resources are available to have a Great Falls experience
4. Ask them to invite friends and family to Great Falls

Business Traveler Strategy

Great Falls Montana Tourism is relatively new to the Convention and Meeting effort. However, plan to continue to make a balanced investment in research, building relationships and incentivizing the right projects. Our focus for the collective business traveler is two-fold. The first is to secure multi-property filling conventions and meetings. The second is to promote the leisure opportunities available to the meeting planners, and attendees to the conventions and meetings to turn the business traveler into a bleisure traveler and to bring the attendee back, with their family, for a leisure trip.

Meeting Planner Message

The majority of meetings nationally produce 250 room nights on peak or less, according to 2017 Destination Analyst research.

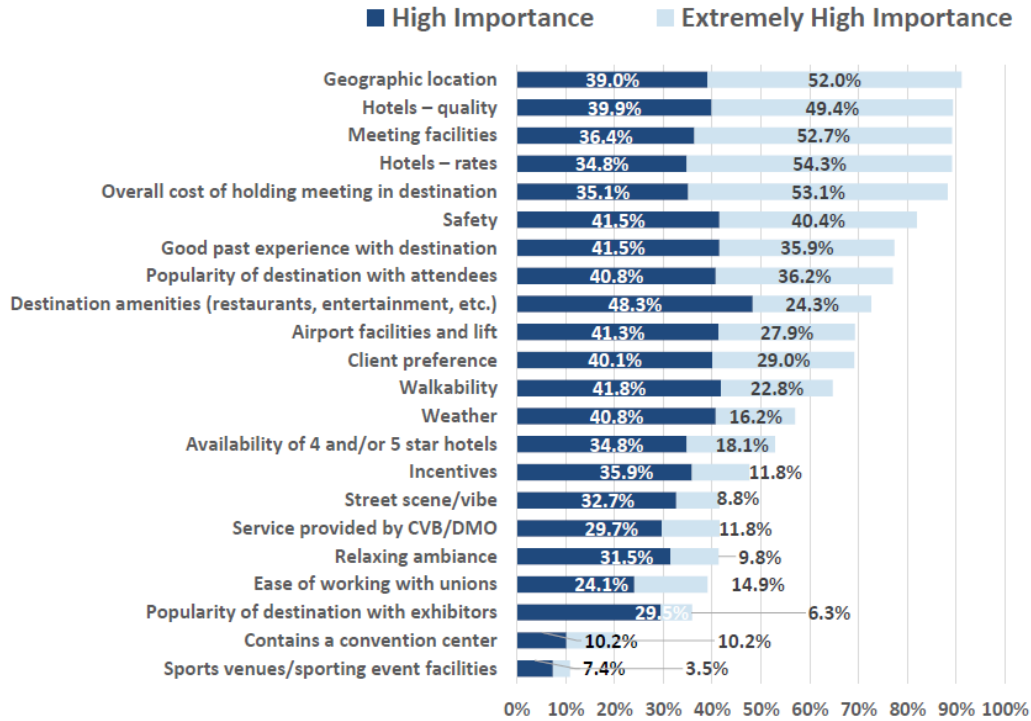


That same Destination Analyst research indicates the meeting planners top 5 success factors include attendee satisfaction, Number of Attendee Registrations and staying in budget.



With a very large industry, delivering a message that cuts through the clutter is essential. Our efforts are focused on ensuring planners are successful. The content delivered to meeting planners is focused on the top 5 success factors and education on decision drivers. Great Falls Montana Tourism knows that geographic location, quality and rates of hotels, types and availability of meeting facilities and budgets, are key drivers in choosing a location.

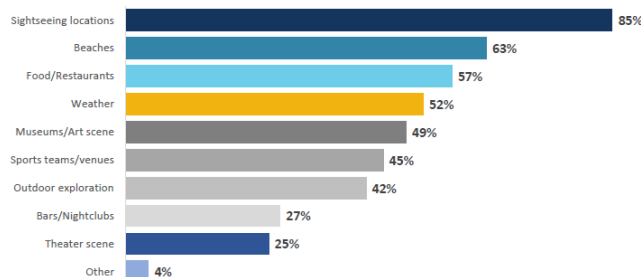
Factors that Drive Location Decision



Passing on a given location is primarily driven by budget.

Bleisure travelers are business travelers that add on to their trip for leisure. Research from Expedia Media Solutions indicates 43% of business travelers will add leisure, equal to the number of days of the business travel. Factors that influence the bleisure decision include sightseeing locations, museums/art scene and outdoor exploration.

Factors Influencing Bleisure Decision



Meeting Planner Monthly Email

Great Falls Montana Tourism will continue to send a monthly meeting planner email to our database of meeting planners. The database is a complete list of meeting planners we have met with at tradeshow and meeting planner events, meeting planners we have worked with in the past, and new meeting planners we have prospected through Empowermint+ or independent research. Through our collective strategic efforts in the Business Traveler segment, the database continues to grow.

The email a regular follow up with meeting planners to reinforce the Great Falls Montana message to educate and inform planners of Great Falls' capacity, venues, hotels, past business case studies, and services provided by Great Falls Montana Tourism. Highlights include information about familiarization trip opportunities, new announced projects that are industry specific, and upcoming bleisure opportunity events. An emphasis is always placed on Great Falls Montana Tourism's acceptance of open request for proposals.

Meeting Planner Networking Events

These opportunities provide Great Falls, Montana face-to-face conversations with meeting planners who are looking to book business for clients in the west or northwest region. During the networking events, our team has the ability to visit with meeting planners about current and future request for proposal specifications, business needs for the next 3-5 years and how Great Falls can meet the needs they have during a set appointment. Previously, Great Falls Montana Tourism has attended Networking Events offered through:

- Connect
- IMEX
- Smart Meetings
- Montana Society of Association Executives

with good success. The key to making the previous and current investments produce results in consistency. Attending, meeting, networking and follow-up communication introduces Great Falls and continues to reinforce our unique opportunities and competitive advantages. Great Falls Montana Tourism will participate in four meeting planner events during FY 19 through Connect, Smart Meetings, Small Market Meetings, and Montana Society of Association Executives. Each provider gathers and hosts meeting planners differently, helping to diversify our lead profile. More preference will be provided to events that focus on planners planning in the northwest region that have agriculture, history, outdoor or adventure industry

Impact Incentives

Great Falls Montana Tourism has a strong pipeline of high priority leads. The ability to incentivize our location based on impact helps land deals. There are a

few different ways to provide incentives through the proposal process. Incentives can include:

- Tourism Team Time for a specific Task
- Added Value through App modules
- Fundraising Assistance
- Coordination of a dignitary's attendance
- Cash

New for FY19, Great Falls Montana Tourism will utilize a formula to provide for Impact Incentives to respond quickly during the proposal stage. These incentives would be provided to open and viable requests for proposals based on the following formula:

estimated total event attendance X current average value of one overnight visitor

X total # of days in Great Falls X 2% = Maximum Impact Incentive

An example of this formula using the 2020 Montana Governor's Conference on Tourism.

400 people x each spending on average \$270 x for 3 days x 2% = \$6,480

The impact incentives would be used to produce immediate results on high impact opportunities and let meeting planners know Great Falls Montana Tourism is ready for their business.

Recruitment Incentives

Great Falls Montana Tourism's sales strategy includes having branded items to use as gifts, giveaways or support materials to be used at trade shows, meeting planner events, and exhibition events. Recruitment incentive materials will include items such as logoed pens, notepads, banners, flyers, and trade show displays. This investment also includes attending events, meetings, or trade shows to make connections and strengthen existing relationships with planners of meetings or potential future business.

Familiarization Trips

The goal of a familiarization trip is to invite meeting planners with open and viable requests for proposals to Great Falls for a hands-on experience of our venues, hotels, and attractions. Familiarization trips help the meeting planner see the possibilities of hosting their event in Great Falls, build strong relationships between our Great Falls Team and the meeting planner. The Tourism Team will build an inclusive itinerary that focuses on the needs of the RFP and considers the market

segment that the meeting planner serves. (ie. Agriculture, military, outdoors, etc.) We will invite meeting planners with RFPs servicing 300-900 room night clients. This opportunity will be provided strategically to meeting planners that Great Falls Montana Tourism has vetted that have a highest probability of bringing new business to Great Falls, Montana.

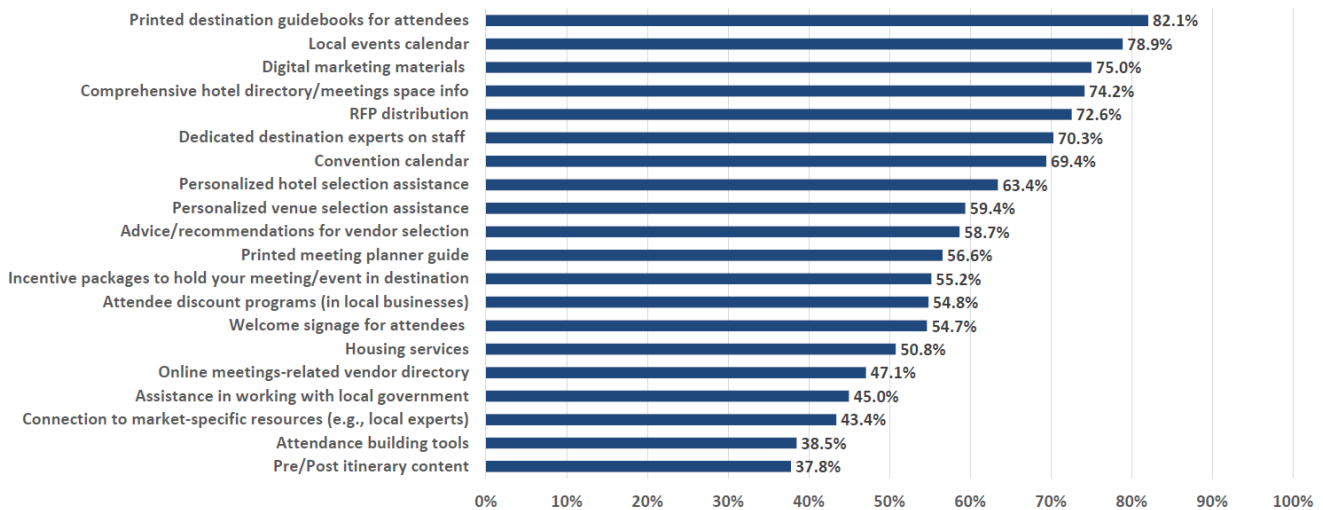
Local Outreach

Great Falls Montana Tourism knows our local community has amazing leadership that is well connected throughout their respective industries regionally and nationally. Our Tourism Team will continue to deliver Bring it to the Basecamp outreach to local business leaders, civic clubs, and networking groups. This outreach focuses on getting individuals to look at their personal network – both business and social to provide leads for Great Falls Montana Tourism to follow.

Development of Services

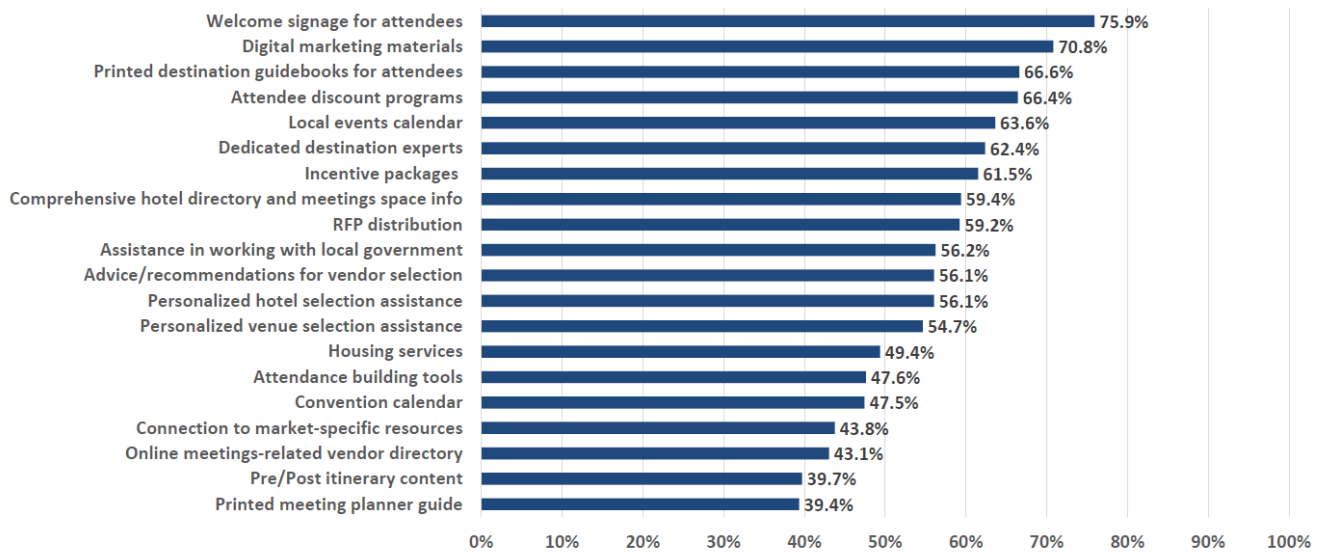
As we look to compete regionally and nationally, Great Falls Montana Tourism will continue to take strategic steps to develop the DMO Services that meeting planners desire, use and need.

DMO Services Meeting Planners Know Of



Great Falls Montana Tourism currently has capabilities in these core services. With our Visit Great Falls App, newly implemented incentive plans, and attendance building work, Great Falls is working to position itself with the services meeting planners want to use.

DMO Resources Meeting Planners Want to Use



Focus on the Future

Great Falls Montana Tourism is making the commitment to stay focused on implementing and refining our strategic marketing plan, refining operations, and preparing for growth. Our time is limited and best spent on producing high-impact results for Great Falls.

In the past two years, Great Falls Montana Tourism has:

1. Strategically aligned the City of Great Falls' Tourism efforts
2. Adopted one 5-year Strategic Plan
3. Hired an Executive Director, Business Development Director and Tourism Assistant to further its efforts
4. Developed internal operational systems and processes
5. Secured Customer Relationship Management systems
6. Started email distribution to consolidated inquiry lists
7. Created a blog
8. Launched a Tourism website, www.VisitGreatFallsMontana.org
9. Established an Instagram and YouTube presence
10. Established a Great Falls Montana Tourism Marketing Strategy
11. Consolidated all Great Falls Montana Tourism efforts into one location
12. Developed and launched the first version of Visit Great Falls App
13. Began Certified Destination Management Executive Certification
14. Continue to assess and develop plan to improve Montana ExpoPark
15. Created a NEW signature event

Great Falls Montana Tourism will work to ensure our current efforts produce results so that in the future, our organization can:

- Create broader City of Great Falls tourism content for top-performing planning and booking sites, including TripAdvisor and other travel websites about area attractions, shopping, restaurants, outdoor recreational destinations, and events.
- Establish Great Falls Montana Tourism as an industry leading Destination Management Organization
- Grow capabilities of Convention and Meeting services to meet meeting planner needs
- Provide ongoing education to restaurants, hotels, and retail businesses to solicit Yelp and Google reviews of their businesses
- Encourage restaurants, hotels, and retail businesses to establish and maintain their digital reputation by respectfully replying to critiques and leverage the feedback to improve services and overall facilities
- Support Great Falls, Montana workforce recruitment efforts
- Identify gaps in Great Falls, Montana’s destination experience and support the development of efforts to fill those gaps
- Strategically approach recruitment of Sporting Events into Great Falls
- Increase investment and develop innovate approaches in opportunities that meet our strategic objectives to grow non-peak visitation; develop and grow the pipeline; celebrate, support and create assets; build Great Falls; and develop and retain talent

Key Performance Indicators

Great Falls Montana Tourism uses a performance dashboard that focuses our efforts on the key performance indicators that determine if marketing efforts are on track to meet strategic objectives. Our FY18 indicators and performance are below, with one quarter left in the Fiscal Year.

Demonstrate Operational Excellence		Previous Year
Increase Occupancy Year to Date 1.5%	0.4%	57.70%
Increase Annual Room Demand 1.5%	-1.0%	461,832
Increase Annual RevPAR 4%	4.5%	3%
Renew Tourism Business Improvement District	Renewed!	NA
Build Team Great Falls		
Increase attendance at Signature Events		NA
Increase traffic through GTF 2%	-41%	-6%
Launch Great Falls Champions Program	25%	10%
Grow Shoulder & Off-Peak Visitation		
Secure 4 NEW Business Travel Commitments	1	0
Celebrate, Support & Create Assets		
Launch Great Falls App	Launched!	NA
Complete ExpoPark Study	75%	NA
Develop & Grow the Tourism Pipeline		
Increase Facebook engagement to 13,200	25,230	NA
Deliver 6 Great Adventure Updates to Inquiries	3	4

Establish 80,000 website unique visitors	64,312	90,091
Establish 1,500 Instagram followers	699	339
Deliver 52 engaging blog posts	36	NA
Increase non-resident Visitors who spent one night 5%	-52%	44%
as of		31-Mar-18

Great Falls Montana Tourism saw success mixed with some areas still needing focus. Limited marketing investment during the organizational development of Great Falls Montana Tourism, coupled with a soft Alberta economy, development of a Business Development Director, slow ag economy, a larger than normal fire season, and larger investments by peer cities in marketing combined to negatively impact some of our results.

With two new lodging properties, increased investment in leisure media placement, a completed Montana ExpoPark vision and strategy, and a strong effort with meeting planners, Great Falls Montana Tourism will stay stingy with our time and committed on implementing and refining our strategic marketing plan, refining operations, and preparing for growth to produce high-impact results for Great Falls, Montana.

In Fiscal Year 19, Great Falls Montana Tourism will look to:

1. Increase Occupancy Year to Date 1.5%
2. Increase Annual Room Demand 1.5%
3. Increase Annual RevPAR 6%
4. Increase participation in Great Falls Montana Restaurant Week
5. Launch another NEW Fall signature event
6. Increase Room Demand During Western Art Week
7. Increase traffic through GTF 5%
8. Secure 4 NEW Meeting and Convention Commitments
9. Increase non-resident Visitors who spent one night 5%
10. Deliver 26 engaging, social-share-worthy, blog posts
11. Establish 1,500 Instagram followers

Great Falls Montana Tourism Budget Summary

July 1, 2018 - June 30, 2019

Adopted by Convention and Visitors Bureau Board of Directors and Tourism Business Improvement

District Board of Directors 4-19-2018

	CVB	GENERAL	TBID	Total		National
Income						
Bed Tax	\$146,524	\$0	\$0	\$146,524		
TBID Assessment	\$0	\$0	\$362,590	\$362,590		
Membership	\$0	\$10,000	\$0	\$10,000		
Advertising	\$0	\$20,750	\$3,000	\$23,750		
Total Income	\$146,524	\$30,750	\$365,590	\$542,864		
Expenses						
Personnel						
Wages	\$25,865	\$0	\$129,655	\$155,520		
Payroll Expense		\$0	\$48,114	\$48,114		
Total Personnel	\$25,865	\$0	\$177,769	\$203,634	38%	47%
Administration						
Rent	\$0	\$0	\$12,245	\$12,245		
Accounting	\$0	\$0	\$8,100	\$8,100		
Memberships	\$0	\$0	\$14,410	\$14,410		
Subscription	\$0	\$0	\$23,970	\$23,970		
Phone	\$0	\$0	\$4,200	\$4,200		
Utilities	\$0	\$0	\$0	\$0		
Maintenance	\$0	\$0	\$2,580	\$2,580		
Supplies	\$0	\$0	\$10,000	\$10,000		
Postage	\$0	\$1,000	\$1,000	\$2,000		
Parking	\$0	\$0	\$720	\$720		
Insurance	\$1,890	\$0	\$2,800	\$4,690		
Professional Fees	\$1,550	\$0	\$9,850	\$11,400		
TAC	\$1,000	\$0	\$0	\$1,000		
Professional Development	\$0	\$0	\$8,000	\$8,000		
Travel	\$0	\$0	\$2,500	\$2,500		
Total Admin	\$4,440	\$1,000	\$100,375	\$105,815	19%	11%
Leisure Traveler Media	\$110,219	\$0	\$0	\$110,219	20%	
Conventions Meetings & Groups	\$0	\$0	\$43,246	\$43,246	8%	
Opportunity	\$1,000	\$0	\$25,000	\$26,000	5%	
Photo and Video Library	\$0	\$0	\$7,000	\$7,000	1%	
Visitor Guide	\$0	\$25,250	\$0	\$25,250	5%	
Joint Venture	\$5,000	\$0	\$0	\$5,000	1%	
Trade Shows	\$0	\$0	\$3,000	\$3,000	1%	
Website	\$0	\$0	\$5,000	\$5,000	1%	
App	\$0	\$0	\$1,200	\$1,200	0%	
Events	\$0	\$4,500	\$3,000	\$7,500	1%	
Total Expenses	\$146,524	\$30,750	\$365,590	\$542,864	43%	47%
Net Profit	\$0	\$0	\$0	\$0		

Great Falls Montana Tourism Budget Summary
July 1, 2018 - June 30, 2019

Adopted 3-28-2019

	Adopted 3-28-2019				National	Proposed Budget Changes	
	CVB	GENERAL	TBID	Total		\$	%
Income							
Bed Tax	\$192,773	\$0	\$0	\$192,773		\$46,249.00	32%
TBID Assessment	\$0	\$0	\$380,373	\$380,373		\$17,782.74	5%
Membership	\$0	\$10,000	\$0	\$10,000		\$0.00	0%
Advertising	\$0	\$20,750	\$3,000	\$23,750		\$0.00	0%
Total Income	<u>\$192,773</u>	<u>\$30,750</u>	<u>\$383,373</u>	<u>\$606,896</u>		<u>\$64,031.74</u>	<u>12%</u>
Expenses							
Personnel							
Wages	\$35,115	\$0	\$116,080	\$151,195		-\$4,325.00	-3%
Payroll Expense		\$0	\$45,000	\$45,000		-\$3,114.00	-6%
Total Personnel	<u>\$35,115</u>	<u>\$0</u>	<u>\$161,080</u>	<u>\$196,195</u>	32%	<u>-\$7,439.00</u>	<u>-4%</u>
Administration							
Rent	\$0	\$0	\$14,000	\$14,000		\$1,755.00	14%
Accounting	\$0	\$0	\$8,100	\$8,100		\$0.00	0%
Memberships	\$0	\$0	\$14,410	\$14,410		\$0.00	0%
Subscription	\$0	\$0	\$23,970	\$23,970		\$0.00	0%
Phone	\$0	\$0	\$4,200	\$4,200		\$0.00	0%
Utilities	\$0	\$0	\$0	\$0		\$0.00	0%
Maintenance	\$0	\$0	\$3,000	\$3,000		\$420.00	16%
Supplies	\$0	\$0	\$13,000	\$13,000		\$3,000.00	30%
Postage	\$0	\$1,000	\$1,000	\$2,000		\$0.00	0%
Parking	\$0	\$0	\$0	\$0		-\$720.00	-100%
Insurance	\$1,890	\$0	\$2,800	\$4,690		\$0.00	0%
Professional Fees	\$1,550	\$0	\$9,850	\$11,400		\$0.00	0%
TAC	\$1,000	\$0	\$0	\$1,000		\$0.00	0%
Professional Development	\$0	\$0	\$8,000	\$8,000		\$0.00	0%
Travel	\$0	\$0	\$2,500	\$2,500		\$0.00	0%
Total Admin	<u>\$4,440</u>	<u>\$1,000</u>	<u>\$104,830</u>	<u>\$110,270</u>	18%	<u>\$4,455.00</u>	<u>4%</u>
Leisure Traveler Media	\$147,218	\$0	\$0	\$147,218	24%	\$36,999.00	34%
Conventions Meetings & Groups	\$0	\$0	\$43,246	\$43,246	7%	\$0.00	0%
ExpoPark	\$0	\$0	\$62,500	\$62,500	10%	\$62,500.00	100%
Opportunity	\$1,000	\$0	\$90,000	\$91,000	15%	\$65,000.00	250%
Photo and Video Library	\$0	\$0	\$7,000	\$7,000	1%	\$0.00	0%
Visitor Guide	\$0	\$25,250	\$0	\$25,250	4%	\$0.00	0%
Joint Venture	\$5,000	\$0	\$0	\$5,000	1%	\$0.00	0%
Trade Shows	\$0	\$0	\$3,000	\$3,000	0%	\$0.00	0%
Website	\$0	\$0	\$5,000	\$5,000	1%	\$0.00	0%
App	\$0	\$0	\$1,200	\$1,200	0%	\$0.00	0%
Events	\$0	\$4,500	\$3,000	\$7,500	1%	\$0.00	0%
Total Expenses	<u>\$192,773</u>	<u>\$30,750</u>	<u>\$480,856</u>	<u>\$704,379</u>	66%	<u>\$161,515.00</u>	<u>30%</u>
Net Profit	<u>\$0</u>	<u>\$0</u>	<u>-\$97,483</u>	<u>-\$97,483</u>			



Boards of Directors Meeting Minutes

Great Falls Convention and Visitors Bureau Board of Directors & Great Falls Tourism Business Improvement District Board of Directors

Thursday, March 28, 2019 | 9:00 AM – 11:00 AM | Great Falls Area Chamber of Commerce Lower Level Video Conference Center, 100 1st Avenue N, Great Falls, Montana

CVB Signature: _____

TBID Signature: _____

TBID Board: Scott Shull, Becky Amaral-Miller, David Buckingham, Malissa Hollan, Laurie Price

CVB Board: Wayne Thares, Peggy O'Hare, Kaylene Kershner, Scott Lettre, Brett Doney, Michelle Dahl, Patty Rearden

Staff: Rebecca Engum, Jake Bash

Guests: Sylvan La Cross, Dick Lyman, Tonya Jorgensen

9:02 | 1. Welcome, Introductions, Call to Order – Kaylene Kershner, Scott Shull

9:03 | 2. Public Comment – Kaylene Kershner, Scott Shull
Opportunity for public comment related to items on the agenda

9:05 | 3. Consent Agenda – Kaylene Kershner, Scott Shull
Convention and Visitors Bureau Board of Directors
a) approve/reject 2-21-2019 Minutes

CVB ACTION TAKEN:

Motion made to approve 2-21-2019 minutes. Seconded. No Discussion. All in favor. None Opposed. The motion passed.

Tourism Business Improvement District Board of Directors

- a) approve/reject 2-21-2019 Minutes
- b) approve/reject 3-18-2019 Minutes

TBID ACTION TAKEN:

Motion made to approve to 2-21-2019 minutes and 3-18-2019 minutes. Seconded. No Discussion. All in favor. None Opposed. The motion passed.

9:07 | 4. Convention and Visitors Bureau Finance Report – Scott Lettre
Convention and Visitors Bureau Board of Directors accept/reject finance report as presented

Mission

To passionately promote Great Falls Montana as a preferred destination for travelers, tourists and conventions to visit, stay, experience, and return.

10:33 | 9. Bylaws – Rebecca Engum

Convention and Visitors Bureau Board of Directors approve/deny repealing and replacing bylaws.

No action taken

10:41 | 10. Appoint Joint Performance Committee – Brett Doney, Scott Shull

Directors appointed from CVB: Kaylene Kershner, Scott Lettre, Brett Doney.

Directors appointed from TBID: Becky Amaral-Miller, Laurie Price, Scott Shull.

10:47 | 11. Business Development Report – Jake Bash

Report provided by Jake Bash

10:52 | 12. Executive Director Report – Rebecca Engum

Report provided by Rebecca Engum

11:00 | 13. Montana ExpoPark Report – Rebecca Engum

Report provided by Rebecca Engum

11:06 | 14. Public Comment – Brett Doney, Scott Shull

Opportunity for public comment related to Tourism in Great Falls, Montana

11:06 | 15. Adjourn – Brett Doney, Scott Shull

Mission

To passionately promote Great Falls Montana as a preferred destination for travelers, tourists and conventions to visit, stay, experience, and return.



Item: Resolution 10296 Establishing Usage Fees for the Community Recreation Center
From: Park and Recreation
Initiated By: Erica McNamee, Recreation Center Supervisor
Presented By: Steve Herrig, Park and Recreation Director
Action Requested: Conduct Public Hearing and adopt Resolution 10296

Public Hearing:

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
 2. Mayor closes public hearing and asks the will of the Commission.
-

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Resolution 10296, Establishing Usage Fees for the Community Recreation Center”
 2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
-

Staff Recommendation: Staff recommends the City Commission adopt Resolution 10296, Community Recreation Center Fees.

Summary: Staff is proposing a range for fees for the Community Recreation Center to allow the flexibility to set fees based on cost recovery and market comparisons. Program costs will be determined and fees reviewed following the completion of each program.

	<u>Current Fees</u>	<u>Recommended Fee Range</u>
Open Gym Admission		
Youth 17 & under	\$2.00 - \$5.00	\$2.00 - \$5.00
Adults 18 & up	\$3.00 - \$6.00	\$3.00 - \$6.00
Fitness Day Pass	\$5.00 - \$8.00	\$5.00 - \$8.00
Noon Ball Day Pass	\$3.00 - \$5.00	\$3.00 - \$5.00
Gym Rental		
Hourly	\$30.00 - \$50.00	\$30.00 - \$50.00

Meeting Room		
Hourly	\$15.00 - \$30.00	\$15.00 - \$30.00
Dance Studio		
Hourly	\$15.00 - \$30.00	\$15.00 - \$30.00
Mezzanine		
Hourly	\$10.00 - \$20.00	\$10.00 - \$20.00
Stage		
Hourly	\$10.00 - \$20.00	\$10.00 - \$20.00
Kitchen		
Hourly	\$15.00 - \$30.00	\$15.00 - \$30.00
Banquet Room		
Hourly	\$20.00 - \$50.00	\$20.00 - \$50.00
After regular business hours		
Hourly	\$15.00 - \$20.00	\$15.00 - \$20.00
After School Program	\$95.00 - \$120.00/mo.	\$95.00 - \$120.00/mo.
School's Out Fun Days	\$25.00 - \$35.00/day	\$25.00 - \$35.00/day
Summer Camp (all day)	\$100.00 - \$175.00/week	\$100.00 - \$175.00/week
Summer Camp (½ day)	\$40.00 - \$80.00/week	\$40.00 - \$80.00/week
Home School P.E.	\$20.00 - \$30.00/mo.	\$20.00 - \$30.00/mo.
Youth Basketball League	\$100.00 - \$120.00/season	\$100.00 - \$120.00/season
Youth Basketball Tournaments	\$125.00 - \$200.00	\$125.00 - \$200.00
Adult Basketball Leagues	\$485.00 - \$575.00	\$500.00 - \$650.00
Adult Volleyball Leagues	\$100.00 - \$200.00	\$100.00 - \$200.00
Noon Ball 10 x punch card	\$25.00 - \$45.00	\$25.00 - \$45.00
Fitness memberships	\$25.00 - \$250.00/mo.	\$25.00 - \$250.00/mo.
Fitness memberships		
Corporate Rate, 50 employees or more	N/A	\$15.00 - \$25.00/mo.

Background: The Community Recreation Center last set fees in July of 2014 for facility use and program fees. The proposed fees include an increase in adult basketball leagues and establishes a corporate membership for the fitness center for businesses and organizations with 50 or more employees.

While setting the public hearing date, Commissioner Moe inquired about the number of employees needed for the Corporate Rate. During the Park and Recreation Advisory Board meeting on June 10,

2019 the Board recommended reducing the requirement to 50 employees to allow for more businesses to be included.

Fiscal Impact: The increase in adult basketball fees is needed to cover increased costs for referees. The corporate rate for the fitness center is intended to increase revenues through increased usage.

Alternatives: The City Commission could decide not to set the public hearing for the Community Recreation Center fees and leave the fees as established by Resolution No. 10076 in July of 2014.

Concurrences: The Park and Recreation Advisory Board recommended the City Commission adopt the proposed Community Recreation Center fees at its June 10, 2019 meeting.

Attachments/Exhibits: Resolution No. 10296

RESOLUTION NO. 10296

**A RESOLUTION ESTABLISHING USAGE FEES
FOR THE COMMUNITY RECREATION CENTER**

WHEREAS, the Park and Recreation Department’s primary focus is to enhance the overall health and livability of our community; and

WHEREAS, the City Commission adopted Resolution 10076 titled “A Resolution Establishing Usage Fees for the Community Recreation Center” on July 1, 2014; and

WHEREAS, having considered the cost of operation, administration and maintenance of the Community Recreation Center, it is deemed necessary and appropriate to adjust fees associated therewith, thereby reducing the subsidy from the general fund.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, that:

- 1) Resolution No. 10076 is hereby repealed; and
- 2) Fees associated with the Community Recreation Center are hereby established as follows:

Open Gym Admission	Youth 17 & Under	\$2.00 - \$5.00
	Adults 18 & Up	\$3.00 - \$6.00
	Fitness Day Pass	\$5.00 - \$8.00
	Noon Basketball Day Pass	\$3.00 - \$5.00
Gym	Hourly	\$30.00 - \$50.00
Meeting Room	Hourly	\$15.00 - \$30.00
Dance Studio	Hourly	\$15.00 - \$30.00
Mezzanine	Hourly	\$10.00 - \$20.00
Stage	Hourly	\$10.00 - \$20.00
Kitchen	Hourly	\$15.00-30.00
Banquet Room	Hourly	\$20.00-50.00
After Regular Business Hours additional fee applies	Hourly	\$15.00 - \$20.00
After School Program	Monthly	\$95.00 - \$120.00
School’s Out Fun Days	Daily	\$25.00 - \$35.00
Summer Camp	All Day	\$100.00 - \$175.00
Summer Camp	½ Day	\$40.00 - \$80.00
Home School Physical Education	Monthly	\$20.00 - \$30.00

Youth Basketball League	League Season	\$100.00 - \$120.00
Youth Basketball Tournament	Per Tournament	\$125.00 - \$200.00
Adult Basketball League	League Season	\$500.00 - \$650.00
Adult Volleyball League	League Season	\$100.00 - \$200.00
Noon Basketball Punch Card	10 Time	\$25.00 - \$45.00
Fitness Membership	Monthly	\$25.00 - \$250.00
Fitness Membership, Corporate Rate, 50 employees or more	Monthly	\$15.00 - \$25.00
Non Resident Fee	Additional fee	10% - 20%

BE IT FURTHER RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS that these fees shall become effective upon adoption.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, this 18th day of June, 2019.

Bob Kelly, Mayor

Attest:

Lisa Kunz, City Clerk

(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney



Item: Ordinance 3201, “An Ordinance Amending Title 2, Chapter 21, Sections 080 and 100, of the Official Code of the City of Great Falls (OCCGF), Pertaining to The Great Falls Ethics Committee.”

From: Legal Department

Initiated By: Legal Department

Presented By: Sara R. Sexe, City Attorney

Action Requested: Adopt Ordinance 3201 on second reading.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Ordinance 3201.”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Staff Recommendation:

Staff recommends the City Commission adopt Ordinance 3201.

Background:

The Great Falls Ethics Committee was established in 2017 to help City officials and staff continue to comply with Mont. Code Ann. Title 2, Chapter 2, pertaining to code of conduct for public officials and the Great Falls Ethics Code, OCCGF Title 2, Chapter 21.

Recently, on May 17, 2019, the Ethics Committee updated its *Rules and Procedures*, by which complaints and responses which are referred to the Committee are received and heard. In the course of the discussion regarding these updates, the Ethics Committee indicated support for the Commission to consider changes to the ordinances governing the Committee.

One change suggested during public comment on the updates, provided by Commissioner Mary Moe, was that an alternate Ethics Committee member be appointed by the City Commission to address Committee member unavailability, which would revise OCCGF §2.21.080.

Additionally, in the update discussions, the Ethics Committee indicated support for a change in the determinations to be made under the current ordinance to avoid confusion by the Ethics Committee and all parties involved. This proposed change would replace the two-part process of determining, 1.)

whether there was an appearance of a violation, and then 2.) whether there was an actual violation. Legal staff recommends that the City Commission institute a significant process change amending OCCGF 2.21.100 to reflect the duties under Mont. Code Ann. §2-2-144, requiring the Committee to:

determine whether a complaint appears to be substantiated based on the information and testimony presented. If the Committee determines that a complaint appears to be substantiated, it may refer the matter to the Cascade County Attorney, or to the supervisor of a public employee who may be the subject of the complaint, for disposition. The Committee shall make written findings of its decision, which will be filed with the City Clerk.

If adopted, these changes will assist in allowing for timely due process for all parties involved, including the person who is the subject of any complaint. It also will allow employees the ability to defend challenges to their actions and allow their supervisors to address complaints which are found to be substantiated.

Ordinance 3201 was accepted unanimously on first reading. There was no other Commission discussion or public comment.

Fiscal Impact:

None.

Alternatives:

The Commission could deny Ordinance 3201, or the Commission could postpone action on the item to a date certain for further suggested amendments.

Concurrences:

Ethics Committee
City Manager's Office
City Clerk's Office

Attachments/Exhibits:

Ord. 3201
Ord. 3201 Exhibit "A"

ORDINANCE 3201

AN ORDINANCE AMENDING TITLE 2, CHAPTER 21, SECTION 080 AND 100, OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF), PERTAINING TO THE GREAT FALLS ETHICS COMMITTEE DUTIES.

* * * * *

WHEREAS, the City Commission established Title 2, Chapter 21, of the OCCGF outlining provisions pertaining to the Great Falls Code of Ethics; and

WHEREAS, the City Commission established the Great Falls Ethics Committee to ensure that all City officers and employees are performing their duties in compliance with the provisions of Mont. Code Ann. Title 2, Chapter 2, and the provisions of the Great Falls Code of Ethics; and

WHEREAS, OCCGF §2.21.080 pertaining to the Committee membership requires the Committee to appoint members for consecutive terms and the City Commission wishes to amend OCCGF §2.21.080 to allow the Ethics Committee to appoint an alternate member in case of member unavailability.

WHEREAS, OCCGF §2.21.100 pertaining to the Committee duties requires the Committee, upon complaint and referral, to make a finding as to whether there is an appearance of a violation, an actual violation, and then make a written recommendation to the City Clerk; and

WHEREAS, the City Commission wishes to amend OCCGF §2.21.100 to allow the Committee to determine with written findings whether a complaint appears to be substantiated, and if so, refer it, for disposition, to the County Attorney, or to the supervisor of a public employee who may be the subject of a complaint.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA:

Section 1. OCCGF Title 2, Chapter 21, Section 080 shall be amended as depicted in Exhibit “A” attached hereto, with deleted language identified by ~~strikeout~~ and inserted language **bolded**; and

Section 2. OCCGF Title 2, Chapter 21, Section 100 shall be amended as depicted in Exhibit "A" attached hereto, with deleted language identified by ~~strikeout~~ and inserted language **bolded**; and

Section 3. This Ordinance will become effective thirty (30) days after adoption by the City Commission.

ACCEPTED by the City Commission of the City of Great Falls, Montana on first reading June 4, 2019.

ADOPTED by the City Commission of the City of Great Falls, Montana on second reading June 18, 2019.

Bob Kelly, Mayor

ATTEST:

(CITY SEAL)

Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

Sara R. Sexe, City Attorney

State of Montana)
County of Cascade : ss
City of Great Falls)

I, Lisa Kunz, City Clerk of the City of Great Falls, Montana, do certify that I did post as required by law and as prescribed and directed by the Commission, Ordinance 3201 on the Great Falls Civic Center posting board and the Great Falls City website.

Lisa Kunz, City Clerk

(CITY SEAL)

Title 2 - ADMINISTRATION AND PERSONNEL

Chapter 21 CODE OF ETHICS

Chapter 21 CODE OF ETHICS

Sections:

2.21.080 Committee membership.

A. Subject to the provisions provided in Subsection (B.) of this part, the Committee shall consist of three (3) members **and one (1) alternate member, who shall be appointed and ready to serve in the event that a Committee member is unable or unavailable to serve. The members and alternate shall be** appointed by the City Commission for not more than three (3) consecutive, three-year terms. Members shall be qualified electors and residents of the City. Members shall not be City employees. As is reasonably possible, the members shall have experience and or training in the following:

1. Public administration;
2. Governmental operation;
3. Political practices; or
4. Legal practice.

B. The first appointee to the Great Falls Ethics Committee shall serve an initial term of three (3) years, the second appointee shall serve an initial term of two (2) years, and the third appointee shall serve an initial term of one (1) year. Following the expiration of these initial terms, the provisions of Subsection (A.) of this part shall apply.

(Ord. 3201; 2019, Ord. 3169, 2017).

2.21.100 Committee duties.

The Committee shall meet and be presented testimony regarding matters referred to it. **When considering an ethics complaint** ~~Based on the information and testimony presented,~~ the Committee shall: **determine whether a complaint appears to be substantiated based on the information and testimony presented. If the Committee determines that a complaint appears to be substantiated, it may refer the matter to the Cascade County Attorney, or to the supervisor of a public employee who may be the subject of the complaint, for disposition. The Committee shall make written findings of its decision, which will be filed with the City Clerk.**

~~A. Make a written finding, filed with the City Clerk, as to whether there is an appearance of a violation of any provision on Mont. Code Ann. Title 2, Chapter 2, or a violation of this chapter;~~

Exhibit "A"

Title 2 - ADMINISTRATION AND PERSONNEL

Chapter 21 CODE OF ETHICS

- ~~B. Make a written finding, filed with the City Clerk, as to whether the appearance of a violation rises to a level of an actual violation; and~~
- ~~C. Make a written recommendation, filed with the City Clerk, in consultation with the City Attorney's Office, as to the correct course of action to eliminate any violation and/or reduce the appearance of any violation.~~

(Ord. 3201; 2019, Ord. 3169, 2017).

...



Item: Resolution 10293 – Intention to vacate 11th Street South between Block 468 and Block 469

From: Brad Eatherly, Planner I, Planning and Community Development

Initiated By: Great Falls Public Schools

Presented By: Craig Raymond, Director, Planning and Community Development

Action Requested: City Commission adopt Resolution 10293

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Resolution 10293, and set a public hearing for July 16, 2019”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Staff Recommendation: Staff recommends adoption of Resolution of Intent 10293.

Summary:

The applicant, Great Falls Public Schools, has submitted an application to vacate 11th Street South between Block 468 and Block 469 of the Great Falls Original Townsite. Approval of the proposed right of way vacation request is necessary to facilitate the School District’s proposal to construct a new elementary school building on the property.

Background:

The original construction of Longfellow Elementary School was completed in 1950. The school building, which has just been demolished, was constructed on property that encompasses two city blocks. The City Commission did take previous action to vacate 7th Alley South, but has never taken action to vacate 11th Street South.

The applicant is proposing to construct a new elementary school building on the same two blocks that contained the former building. This development is one of the cornerstone projects being funded by the approximately \$100 million bond approved by Cascade County voters in 2017.

According to Section 7-3-4448, Montana Code Annotated (M.C.A.), the owner must file a request for the intent to vacate any right-of-way. City staff must then present a Resolution of the Intention to Vacate such right-of-way to the City Commission. If Resolution 10293 is adopted, the next step would

be for the Commission to set a date for a public hearing regarding the vacation of the right-of-way. M.C.A. requires a petition to be sent to each of the owners abutting the right of way property. Unless 51 percent of the affected property owners object to the proposed vacation, the Commission may, by ordinance, declare such vacation. Staff notes that the applicant is the only property owner on either side of the right-of-way.

If the right-of-way is vacated at the requested July 16 public hearing, the Commission will also be asked to approve a non-administrative subdivision to aggregate all the individual lots on the property. This request was considered by the Great Falls Planning Advisory Board on May 14, 2019. The Planning Advisory Board voted unanimously in favor of the request, subject to the City Commission's decision on the right-of-way vacation.

Utility Issues: A portion of the existing sanitary sewer line that crosses through the 11th Street South right-of-way proposed for vacation will be moved southward into the 7th Avenue South right-of-way as part of the new school building project. However, a very small portion of the relocated sewer will still be located in the vacated 11th Street South right-of-way. This will require the dedication of an easement to ensure City access for maintenance.

Fiscal Impact:

If the Commission decides to vacate the right-of-way, there will be no negative effect to the City considering the previous school building was built upon the right-of-way in 1950.

Alternatives:

Due process requires that the City Commission hold a public hearing whether or not the right-of-way vacation request is ultimately approved. This action is simply a preliminary step towards the notification and the hearing process.

Concurrences:

Representatives from the City's Public Works and Fire Departments have been notified of the Intention to Vacate the street and have no objections to the request.

Attachments/Exhibits:

Resolution 10293

Exhibit A

Applicant's Petition to Vacate

RESOLUTION 10293

A RESOLUTION OF INTENTION BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, TO VACATE 11TH STREET SOUTH BETWEEN BLOCK 468 AND BLOCK 469, GREAT FALLS ORIGINAL TOWNSITE, IN ACCORDANCE WITH THE PROVISIONS OF MONT. CODE ANN. § 7-3-4448, AND DIRECTING NOTICE TO BE GIVEN AS PROVIDED BY LAW

* * * * *

WHEREAS, the subdivision plat of the Great Falls Original Townsite dedicated an eighty (80) foot wide right-of-way for 11th Street South between Block 468 and Block 469; and,

WHEREAS, Great Falls Public Schools owns the properties on both sides of said right-of-way and has submitted a petition to have said 11th Street South vacated; and,

WHEREAS, Mont. Code Ann. § 7-3-4448 sets forth, in pertinent part: (1)...Before vacating any street or part thereof or narrowing any street, the commission shall first pass a resolution declaring its intention to do so; and

WHEREAS, it is determined retention of 11th Street South between Block 468 and Block 469 serves no practical or functional traffic related purpose and is not needed for access by the public; and

WHEREAS, it is determined that a twenty (20) foot wide utility easement will be created to accommodate public utilities; and

WHEREAS, the right-of-way and easement therein of any owner is not impaired by requested vacation; and

WHEREAS, an Amended Plat of Lots 1-14, Block 468 and Lots 1-14, Block 469, of the Great Falls Original Townsite as well as the vacated right-of-way, has been prepared which reflects the aggregation of said parcels and the requested vacated right-of-way; and,

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF GREAT FALLS, MONTANA.

That Tuesday, the 2nd day of July, 2019, at 7:00 P.M. in the Commission Chambers of the Civic Center, 2 Park Drive South, Great Falls, Montana, is hereby set as the time and place at which the City Commission shall hear all persons relative to the proposed vacation of 11th Street South between Blocks 468 and 469, Great Falls Original Townsite; and,

BE IT FURTHER RESOLVED BY SAID CITY COMMISSION that the City Clerk of the City shall forthwith cause notice of this Resolution to be: (1) published in the Great Falls Tribune, the newspaper published nearest such land, and (2) posted to the Great Falls Civic Center posting board and the Great Falls City website.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, on this 4th day of June, 2019.

Bob Kelly, Mayor

ATTEST:

Lisa Kunz, City Clerk

(CITY SEAL)

APPROVED FOR LEGAL CONTENT:

Sara Sexe, City Attorney

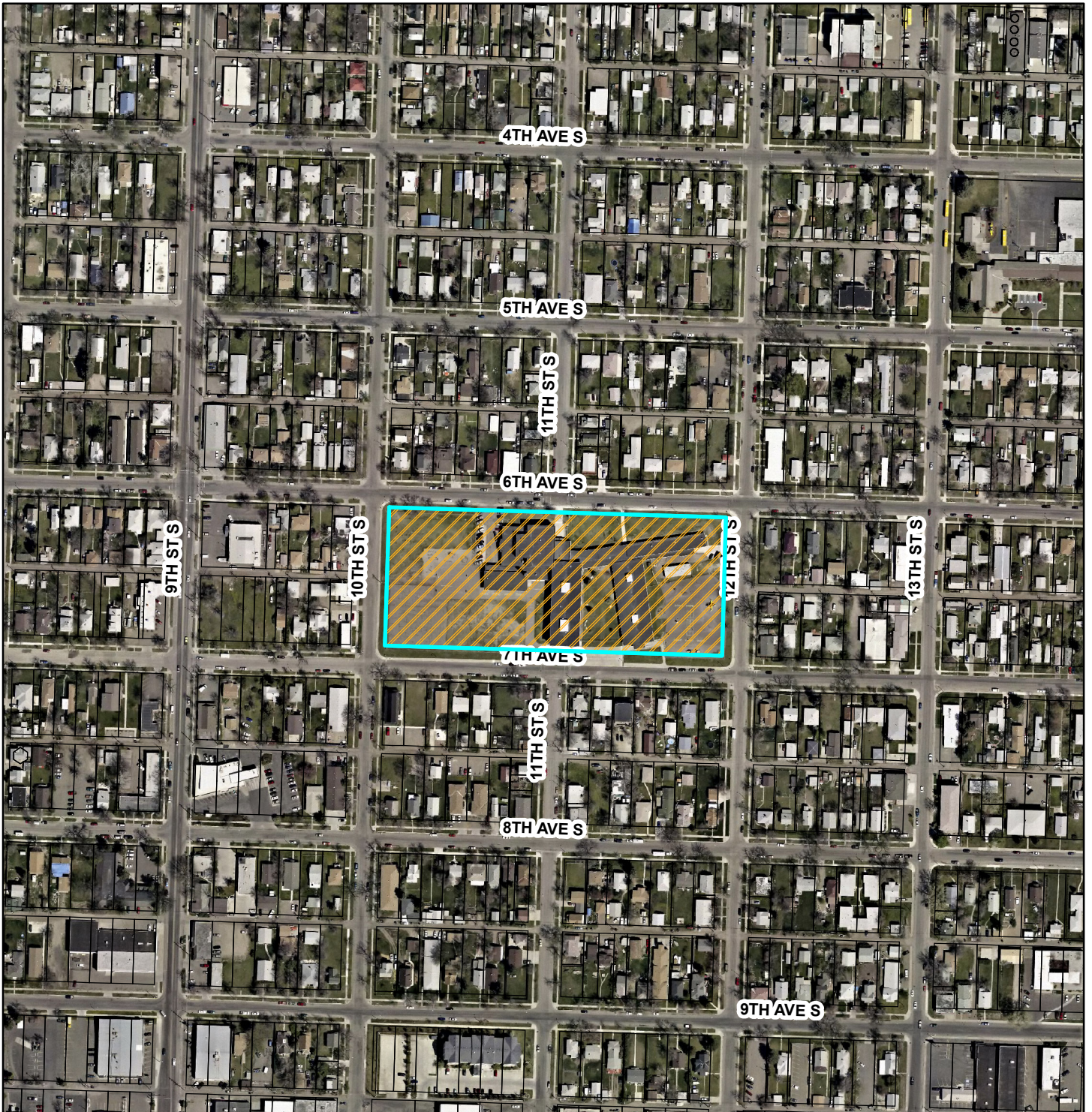
State of Montana)
County of Cascade : ss
City of Great Falls)


I, Lisa Kunz, City Clerk of the City of Great Falls, Montana, do certify that I did post as required by law and as prescribed and directed by the Commission, Resolution 10293 on the Great Falls Civic Center posting board and the Great Falls City website.

Lisa Kunz, City Clerk

(CITY SEAL)


AERIAL MAP



 Subject Property

 City Limits

360 180 0 360 Feet



N





Great Falls Public Schools

District Offices • 1100 4th Street South • P.O. Box 2429 • Great Falls, Montana 59403
406.268.6052 • www.gfps.k12.mt.us

March 18, 2019

Mayor Bob Kelly & City Commission
City of Great Falls
P.O. Box 5021
Great Falls, MT 59403

Re: Petition to Vacate 11th Street South between 6th and 7th Avenue South
(Longfellow Elementary School Site)

We, the undersigned, are asking the City Commission of the City of Great Falls to vacate 11th Street South between 6th and 7th Avenue South. This portion of 11th Street South is located between City Blocks 468 and 469 of the 1st Addition to the Great Falls Townsite which are 100% owned by Great Falls Public School District. The procedure to vacate streets is outlined in the Montana Code Annotated 7-3-4448.

Longfellow Elementary School is currently located on these blocks as well as built over 11th Street South that is being requested to vacate. During construction of the current school, a vacation of the 7th Avenue South alley between 12th Street South and 10th Street South was recorded, but the street vacation was omitted. This request addresses that omission. This omission was found due to a new school being planned for the site to replace the existing school.

Owners:

Authorized Signature:

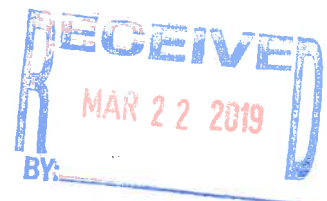
Date:

Great Falls Public School District



Brian Patrick
Director of Business Operations

3-18-19



Vision Statement: All kids are engaged in learning today. . . for life tomorrow.
Mission Statement: We successfully educate students to navigate their future.