

Program Description

This fund is set up for the issuance of \$1,555,000 Civic Stadium Revenue Bonds for the Civic Stadium Project; to purchase the interest of certain secured lenders in the Civic Stadium; Authorizing and directing the issuance; prescribing the form and terms thereof and the security thereof and the Ordinance declaring the purchase of the Civic Stadium an Urban Renewal Project in Urban Renewal District II and approval of the Missoula Civic Stadium Lease and Use Agreement and the Civic Stadium Agreement.

Goals & Objectives

The City will receive lease payments in the amount of \$120,000 a year for 20 years from Mountain Baseball. The lease payments will be used to make the debt service payments to the creditors of the \$1,555,000 Civic Stadium Revenue Bonds.

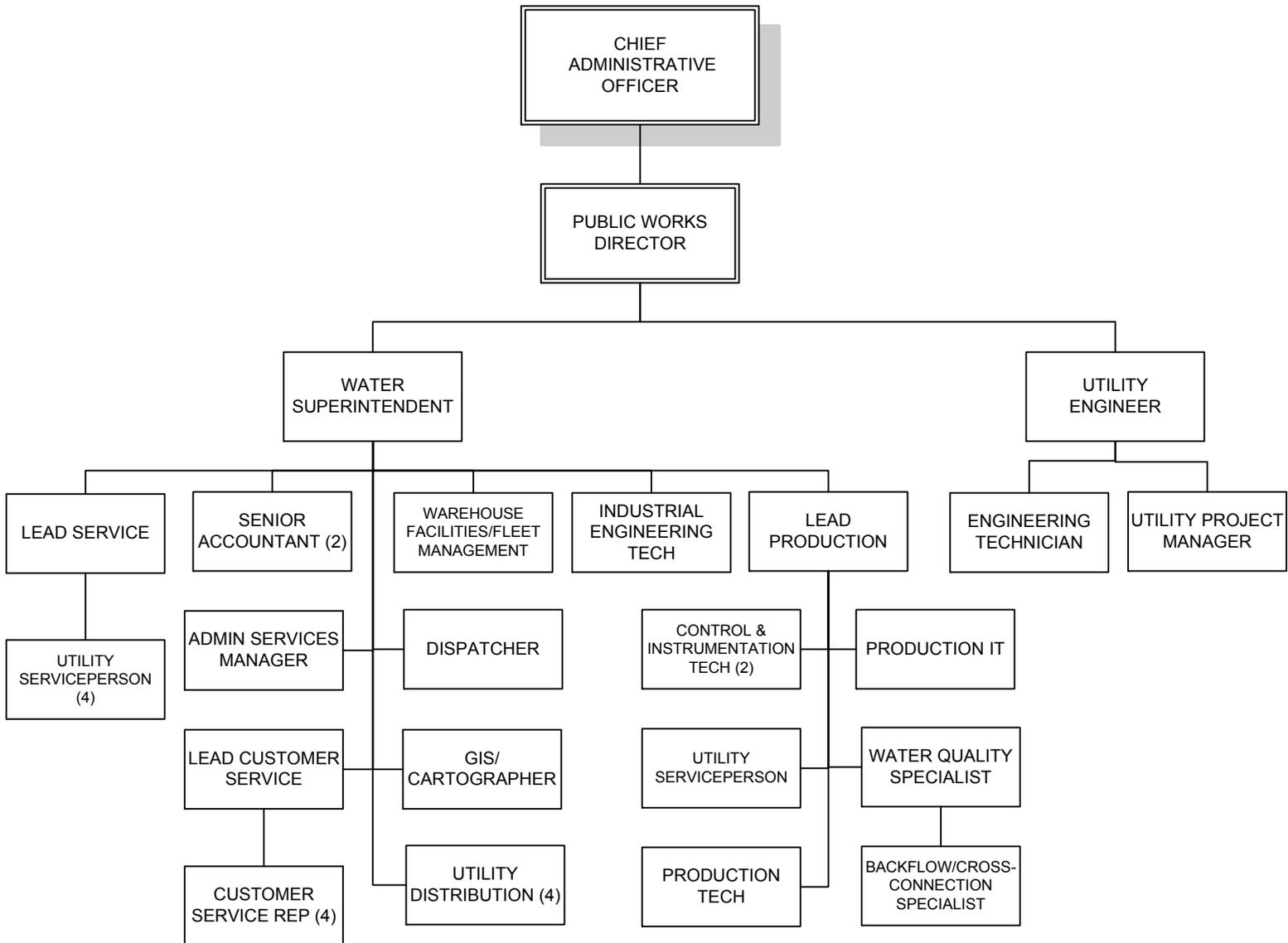
FINANCIAL SUMMARY

Budget by Object of	Actual	Amended	Actual	Adopted	Increase	Percent
Expenditure Category	FY 2016	FY 2017	FY 2017*	FY 2018	(Decrease)	Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-
Miscellaneous	118,500	3,000	122,018	3,484	484	16%
Debt Service	79,206	115,723	77,367	116,516	793	1%
Capital Outlay	-	-	-	-	-	-
Total	\$ 197,706	\$ 118,723	\$ 199,385	\$ 120,000	\$ 1,277	1%

* Un-audited numbers



Water Utility Division



Program Description

The Missoula Water Division (MWD) is responsible for the collection and distribution of domestic and commercial water throughout the Missoula area.

The MWD will provide safe, affordable and reliable water service to the community and protect public health, safety and environmental quality while accommodating community growth and development.

The Division is separated into four distinct sections: Administration and Customer Services, Water Facilities, Source Supply and Pumping, and Transmission and Distribution.

**City Strategic Plan &
Department's Implementation Strategy**

Goal #1: Funding and Service

- Strategy: We will maintain or improve the level of service to citizens.
- Strategy: We will work toward sustaining and diversifying fiscal resources.

Goal #2: Harmonious Natural and Built Environment

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.

Goal #3: Quality of Life for All Citizens

- Strategy: We will continue to monitor and protect water quality to assure a healthy water supply for all citizens utilizing the Missoula Water system.

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2016	Amended FY 2017	Actual FY 2017*	Adopted FY 2018	Increase (Decrease)	Percent Change
Personal Services	1,008	\$ -	623,989	4,002,601	\$ 4,002,601	
Supplies	-	-	10,500	341,760	341,760	
Purchased Services	2,714,819	-	3,960,694	2,342,415	2,342,415	
Miscellaneous	-	-	84,418	1,757,474	1,757,474	
Debt Service	-	-	-	4,481,960	4,481,960	
Capital Outlay	-	-	49,462	6,585,000	6,585,000	
Total	\$ 2,715,827	\$ -	\$ 4,729,064	\$ 19,511,210	\$ 19,511,210	

* Un-audited numbers

STAFFING SUMMARY

Title	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
Superintendent			1.00	1.00
Administrative Assistant / Dispatch				1.00
Backflow Cross Connect Technician				1.00
Business Administration Manager				1.00
Cartographer GIS Coordinator				1.00
Utility Engineer				1.00
Control & Instrumentation Technicians			1.00	2.00
Customer Service Representatives				3.00
Dispatcher				1.00
Utility Project manager				1.00
Engineering Technician I				1.00
Lead Control & Instrumentation tech				1.00
Generator Utility Service Person 3				1.00
Industrial Engineer Assistant 2/Safety Technician			1.00	1.00
Production Technician 3				1.00
Lead Utility Service person				1.00
Senior Accountants			1.00	2.00
Lead Utility Distribution person				1.00
Utility Service Persons			3.00	8.00
Warehouse Facilities/Fleet Maintenance			1.00	1.00
Water Quality Technician				1.00
Total	-	-	8.00	32.00

2018 Budget Highlights

Purchased Services:

- No changes.

New Operating Requests Funded:

- Replace 10 existing computer systems reaching the end of useful life.
- Replace 4 utility vehicles reaching the end of useful life.

FY 2018 Planned Projects:

Replacement of older water mains that have reached the end of useful life and are leaking. Some, but not all the main replacements include:

- South 2nd Street West (900 Block) 220 feet of 2-inch water main replacement
- Scott Street (Rogers Street to City Shops) 100 year old 6-inch water main replacement and extension
- Stoddard Street (Scott Street Bridge to Milton Street) 1,200 feet of 100 year old 6-inch water main replacement, meter pits and meters
- South 4th Street (South Higgins to Orange Street) 1,500 feet of 6-inch water main replacement and services

Performance Measures & Workload Indicators

Performance Measures

Measure	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018*
1 . Continue to meet or exceed industry safety goals				100%
2 . Continue scheduled maintenance on the water distribution system and maintain water quality and reliability.				100%
3 . Continue to meet or exceed industry standards for customer services and billing accuracy				100%
4 . Continue performing hydrant inspections, flow testing, and continue the high level ISO rating.				100%
5 . Replace 5% of existing water meters per year.				100%

* Dept created in FY 2018

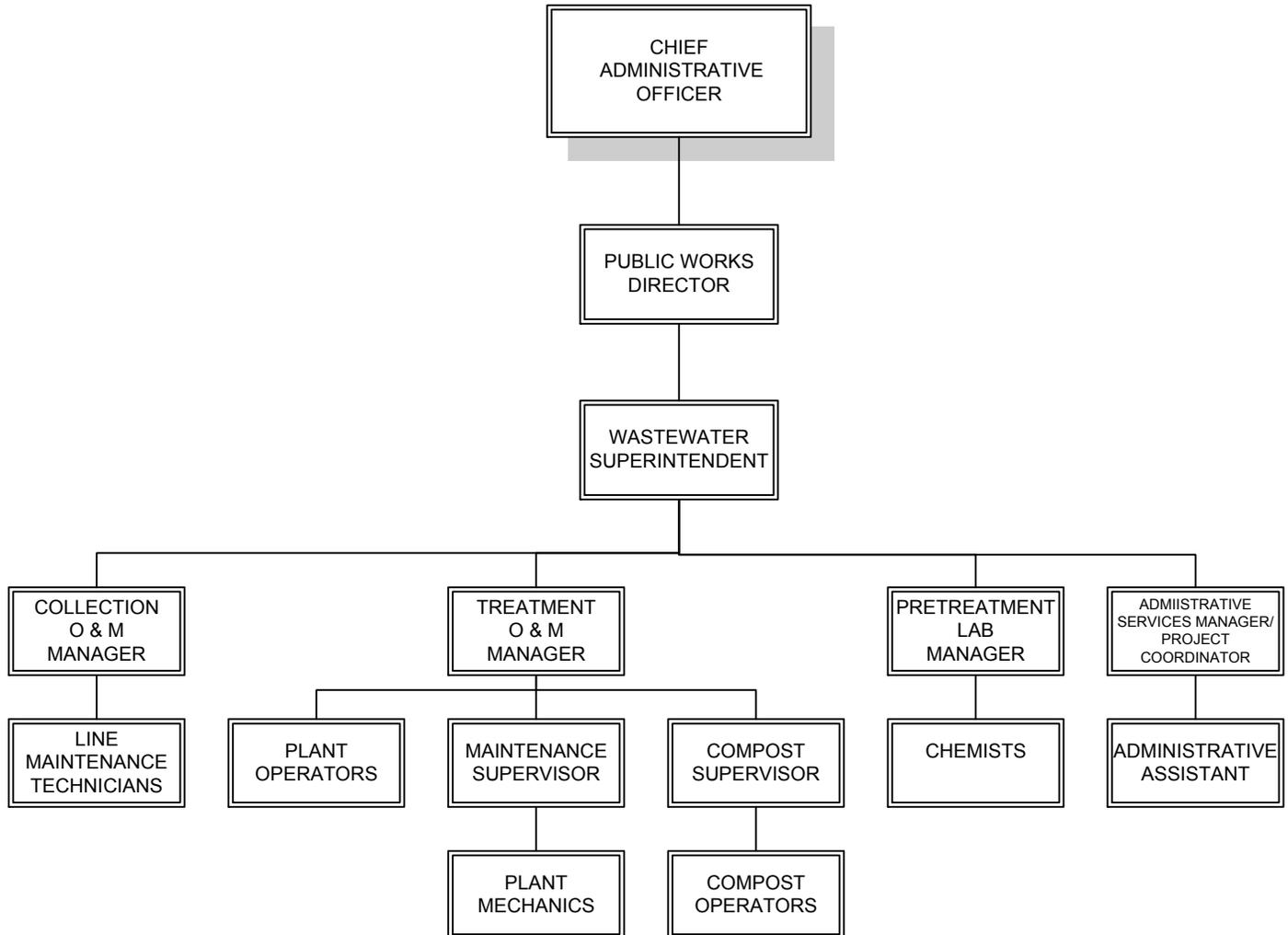
Workload Indicators

Indicator	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018*
1 . Maintain the insurance Mod factor below industry's minimum				100%
2 . Decrease system leakage annually				5%
3 . Inspect 1550 hydrants twice a year				3,100
4 . Flow test 1/3 of the hydrants every year				517
5 . Operate Blow off's for water quality annually				670
6 . Replace 5% of existing water meters annually				1,000
7 . Answer customer phones within 20 seconds				98%

* Dept created in FY 2018



Public Works Waste Water Division



Program Description

The Wastewater Utility is responsible for the collection and treatment of domestic and industrial wastewater generated in the Missoula sewered areas. Administration, maintenance, operation, monitoring, testing and the pretreatment program are the primary functions of the Utility. These activities are conducted under the Montana Pollution Discharge Elimination System (MPDES) permit issued by the Montana Department Environmental Quality (MDEQ) and the National Pollution Discharge Elimination System (NPDES) permit issued by the United States Environmental Protection Agency (USEPA). The Utility considers itself a water resource recovery facility with a goal of recovering 100% of the by-products of wastewater treatment including bio-solids and green waste recycle for compost, bio-fuel for electricity and heat, and treated effluent for irrigation.

The Wastewater Utility is separated into five distinct sections:

- Wastewater Collection
 - Wastewater Treatment
 - Wastewater Administration
 - Wastewater Pretreatment / Laboratory
 - Garden City Compost Sales and Green Waste Acceptance
-

City Strategic Plan & Department's Implementation Strategy

Goal #1: Funding and Service

- Strategy: We will maintain and improve the level of service to citizens.
 - Complete Phase I of the Garden City Compost facility upgrades which includes construction of the concrete compost bunkers, installation of the aeration blowers and aeration piping. Upgrades are being implemented to meet the Montana Department of Environmental Quality regulations and to control offending odors from drifting into residential and commercial areas within Missoula.
 - Replace/repair/reroute existing sewer pipes on Broadway and Russell, timing the projects in conjunction with the Montana DOT reconstruction of Russell St.
 - Upgrade lift stations located at Momont St. and Reserve St.; the existing lift stations are nearing the end of useful life or at capacity which could lead to failure of the system.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
 - Complete the installation of the biogas electrical generation project. This project will use the biogas produced at the wastewater treatment and generate electricity and heat for use at the facility.
 - Establish a site plan and architectural drawings to renovate the existing facility and add an expanded laboratory due to the increased testing and testing equipment. Also identify a space for construction of an administrative building for administrative staff and functions.

Goal #2: Harmonious Natural and Built Environment

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
 - Install additional irrigation pumps to divert effluent discharge from the Clark Fork River to the Hybrid Poplar tree farm to reduce the amount of phosphorus and nitrogen from entering the river.
 - Create an expansion plan of the Hybrid Poplar Tree farm with the Montana Department of Environmental Quality and Hybrid Energy Group.
-

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2016	Amended FY 2017	Actual FY 2017*	Adopted FY 2018	Increase (Decrease)	Percent Change
Personal Services	1,784,479	\$ 1,888,712	1,091,287	2,295,009	\$ 406,297	22%
Supplies	542,803	634,570	301,810	902,620	268,050	42%
Purchased Services	1,676,023	1,571,836	877,005	2,381,756	809,920	52%
Miscellaneous	3,994,655	1,457,338	676,114	1,462,440	5,102	0%
Debt Service	39	-	-	2,744,309	2,744,309	
Capital Outlay	19,387	-	490,576	1,645,452	1,645,452	
Total	\$ 8,017,385	\$ 5,552,456	\$ 3,436,791	\$ 11,431,586	\$ 5,879,130	106%

* Un-audited numbers

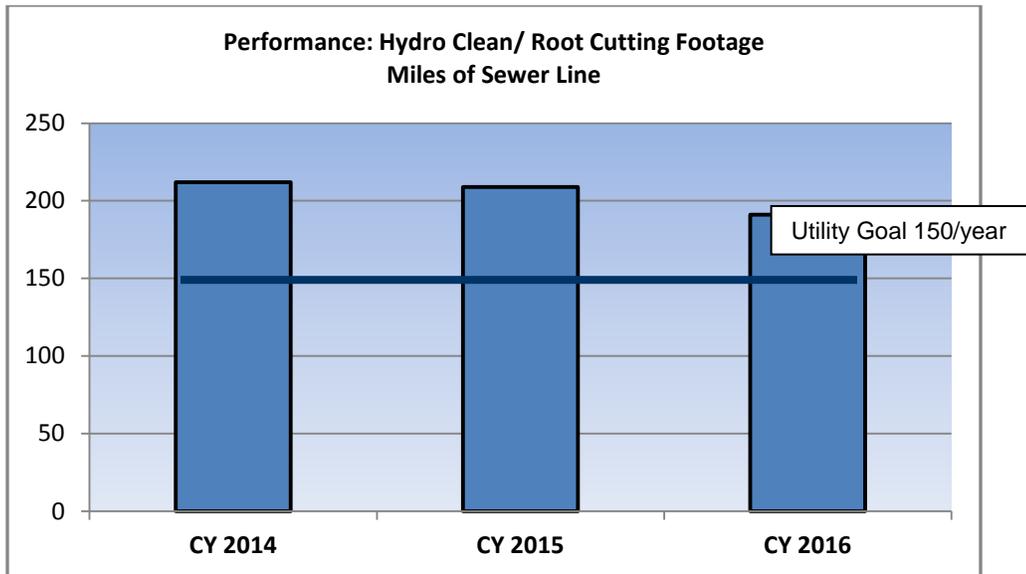
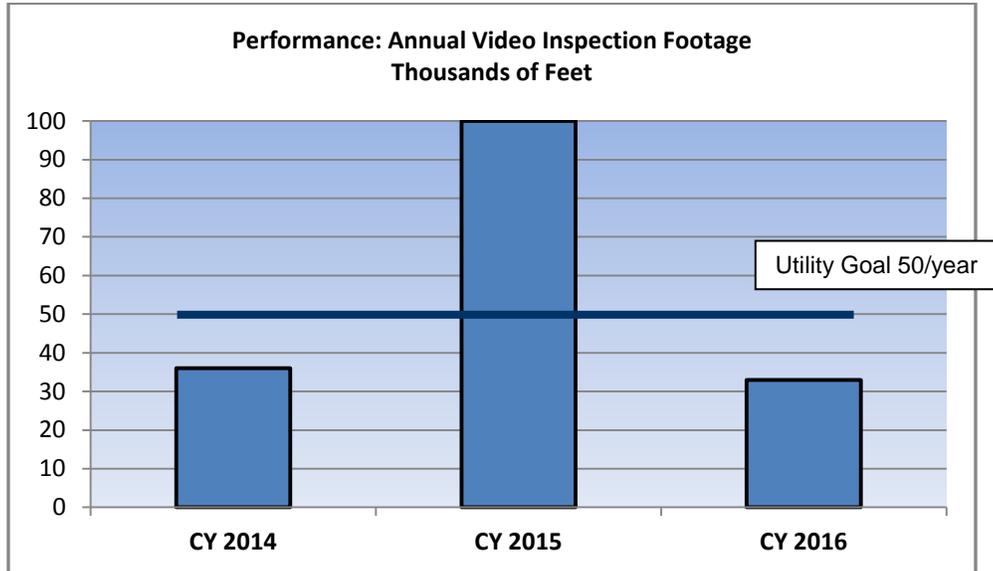
STAFFING SUMMARY

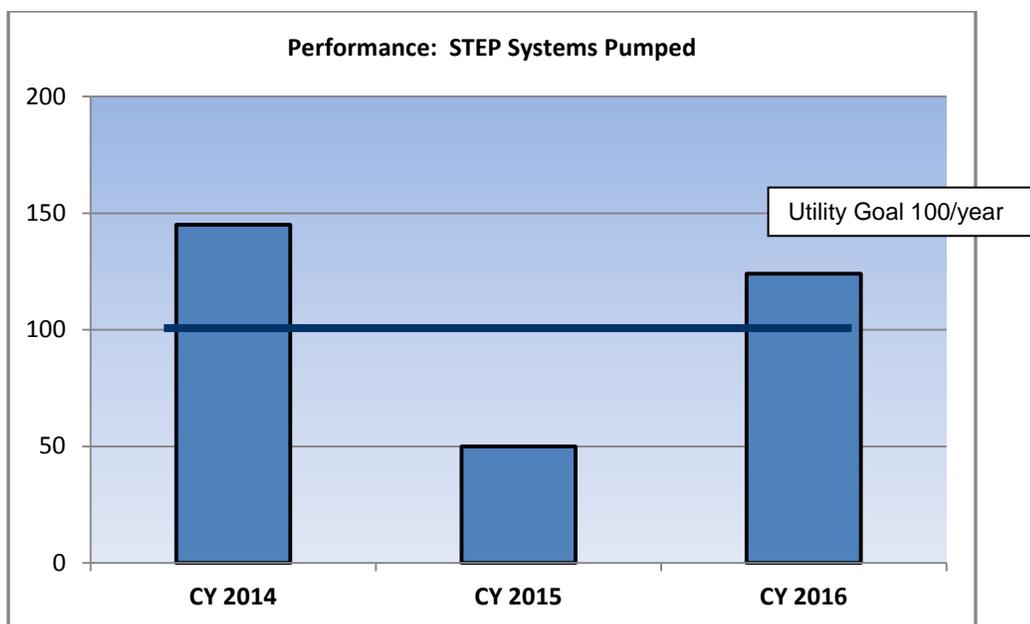
Title	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
WASTEWATER SUPERINTENDENT	1.00	1.00	1.00	1.00
COLLECTION & MAINTENANCE MANAGER	1.00	1.00	1.00	1.00
WASTEWATER PLANT MANAGER	1.00	1.00	1.00	1.00
PRE-TREATMENT LAB MANAGER	1.00	1.00	1.00	1.00
CHEMIST	1.00	1.00	1.00	1.00
CHEMIST	1.00	1.00	1.00	1.00
PLANT MAINTENANCE SUPERVISOR	1.00	1.00	1.00	1.00
MECHANIC/OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
ADMINISTRATIVE SERVICES MANAGER	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	-	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	-	0.50	0.50	0.50
INTERMITTENT LABORERS/INTERN	0.50	0.50	0.50	0.50
Total	22.50	24.00	24.00	24.00

2018 Budget Highlights

Personal Services:

- Staffing increased to add an additional Green Waste Inspector for the compost facility in order to extend hours and season as well as provide coverage for lunch, sick and vacation leave for the other Inspector.
- The City welcomes the new staff at Garden City Compost.





Performance Measures & Workload Indicators

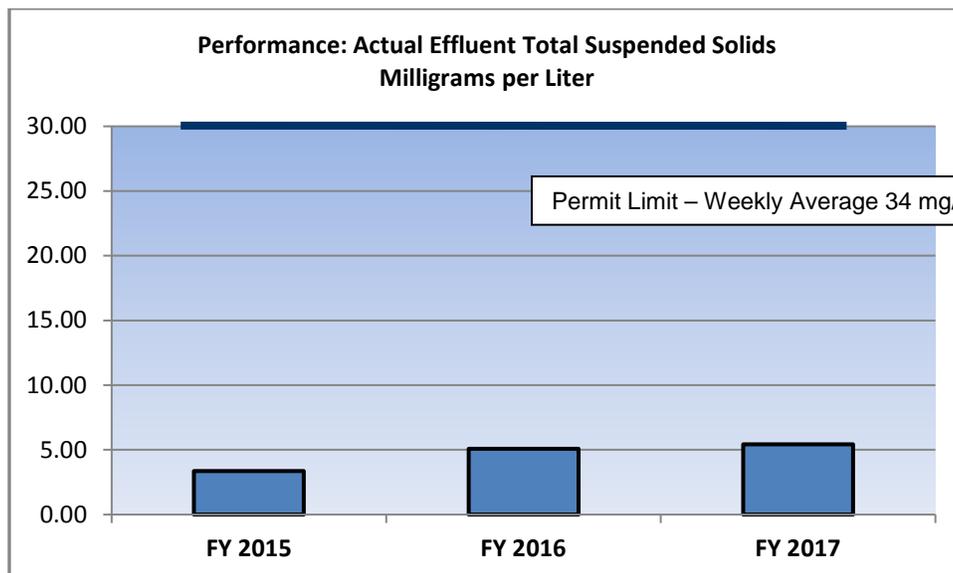
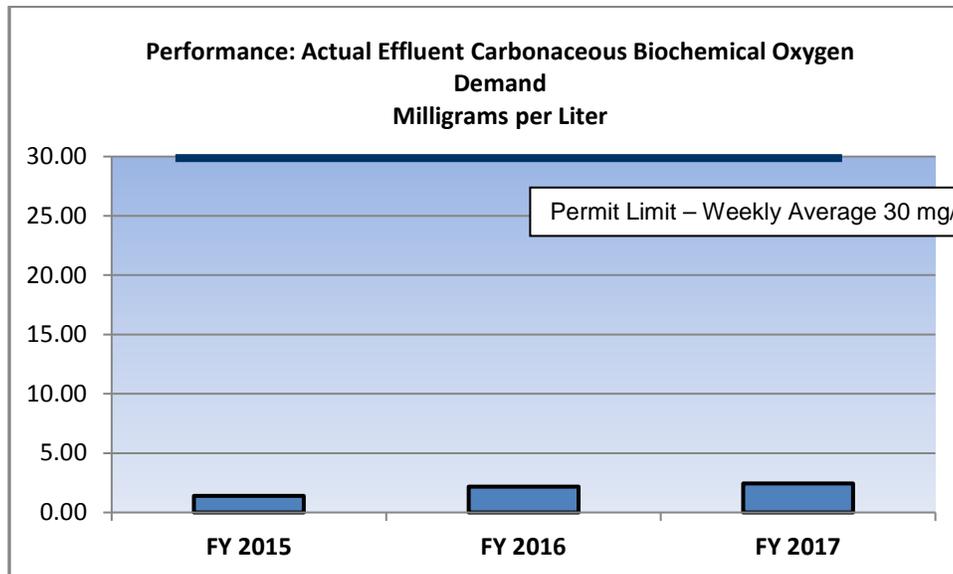
Performance Measures

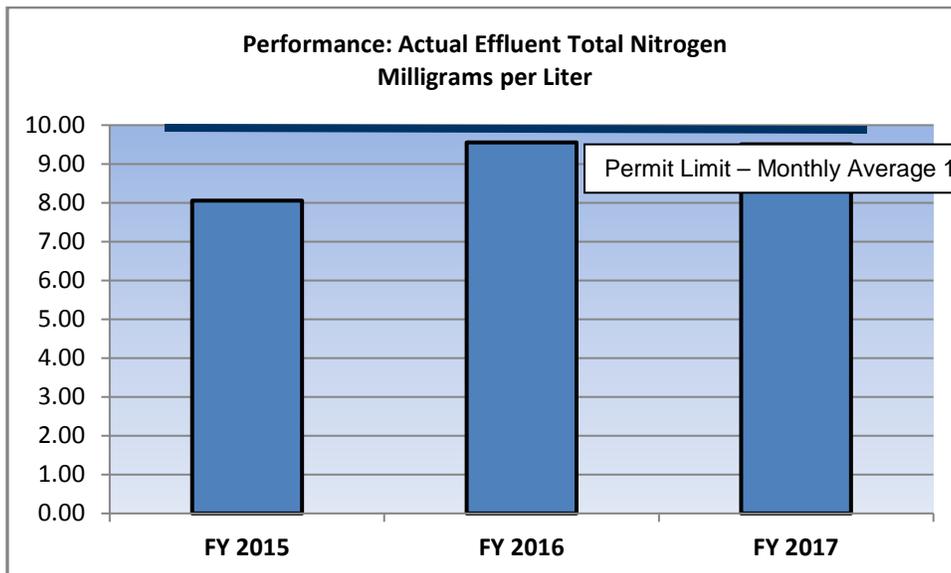
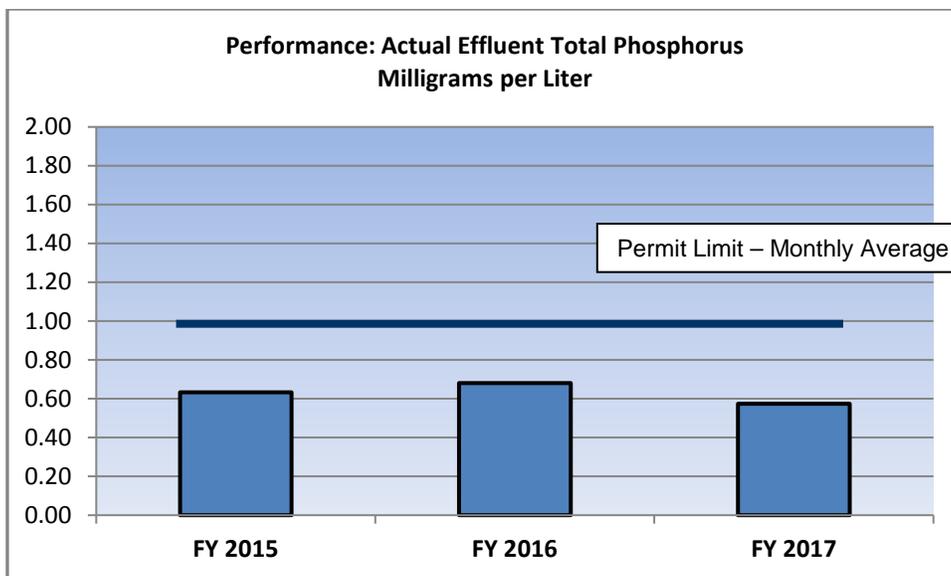
Measure	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
1 . Continue scheduled maintenance on the collection system to prevent sanitary sewer over-flows, sewer back-ups and identify and repair sewer lines prone to ground water infiltration.	100%	100%	100%	100%
2 . Continue to exceed MPDES permit requirements for discharge into the Clark Fork River and use the Wastewater Facility Plan and other source material to plan for future growth and regulatory changes.	100%	100%	100%	100%
3 . Continue to operate a certified laboratory. Continue 100% compliance with Significant Industrial User (SIU) inspections.	100%	100%	100%	100%

Workload Indicators

Indicator	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
1 . Annual sewer main hydro-cleaning/root cutting (feet)	1,117,037	1,103,520	1,008,480	800,000
2 . Annual sewer main video inspection (feet)	35,574	100,320	32,505	50,000
3 . Annual STEP tanks pumped	145	50	124	101
4 . Treated plant effluent cBOD and TSS	<5 mg/l	<5 mg/l	<5 mg/l	<5 mg/l
5 . Treated plant effluent phosphorus	0.63 mg/l	0.68 mg/l	0.57 mg/l	<1 mg/l
6 . Treated plant effluent nitrogen	8.06 mg/l	9.55 mg/l	9.51 mg/l	<10 mg/l
7 . Laboratory QA/QC certification	Pass	Pass	Pass	Pass
8 . 15 Annual Significant Industrial User (SIU) inspections	100%	100%	100%	100%

Wastewater Treatment Performance Measures





Pretreatment/ Laboratory Performance Measures

Year	Laboratory QA/QC	15 Annual SIU Inspections
FY15	Passed all	100%
FY16	Passed all	100%
FY17	Passed all	100%

Program Description

This fund accounts for the receipts and disbursements made pursuant to the two loan programs available to offset the costs of sewer connections for residential properties.

Activities and Objectives

The City Sewer Loan Program was created to provide financial assistance to property owners to connect to sanitary sewer. Eligibility requirements include: home has to be owner occupied, property has to be less than 50,000 square feet in size and owners need to be below Federal HUD Median Household Income 80% Limit level. This program is not available to properties outside the City limits.

There are two payment alternatives: 1) the loan payments are deferred and do not have to be paid off until the property or owners no longer meet the eligibility requirements; or 2) the loan is paid off over eight years. Both options accrue interest at the rate established for the City's Sidewalk and Curb Warrants (currently 5.536%)

The Bank Sewer Loan Program was created in FY95 in conjunction with local banks and credit unions. The participating banks and credit unions provide loans for the connection costs to the City sewer system and the City guarantees the loan, providing that the property owners complete the City's application and related City forms. If a loan is defaulted on, the City buys the loan and places it as a lien on the property. Residential properties, including rentals and multi-family units are eligible for this program. This program is available to residential properties in or out of the City limits.

TOTAL FUND EXPENDITURES - \$TBD

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2016	Amended FY 2017	Actual FY 2017*	Adopted FY 2018	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	20,000	-	-	(20,000)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
Total	\$ -	\$ 20,000	\$ -	\$ -	\$ (20,000)	-100%

* Un-audited numbers

Program Description

This fund is established to segregate expenditures and revenues of the Sewer Development Fee. The fee is charged on new sewer connections to reflect a contribution by new customers toward the cost of the existing physical plant and sewer lines. This contribution compensates existing users for the Sewer plant and additions which were built to allow sufficient capacity for future community growth.

Activities and Objectives

Sewer Development Fees are earmarked for necessary sewer projects related to new connections and sewer system capacity expansion. The City Council has to give prior approval to any expenditure from the Sewer Development Fee Fund.

\$50,000 is appropriated for various projects that may come up as the year progresses where it is appropriate to increase capacity of a private line being installed for future users.

The expenditures for FY 2018 are as follows:

- Oversizing Assistance - \$ 50,000
- Broadway Interceptor- \$ 90,000
- Momont Lift Station #1 - \$ 400,000

TOTAL FUND EXPENDITURES - \$ 540,000

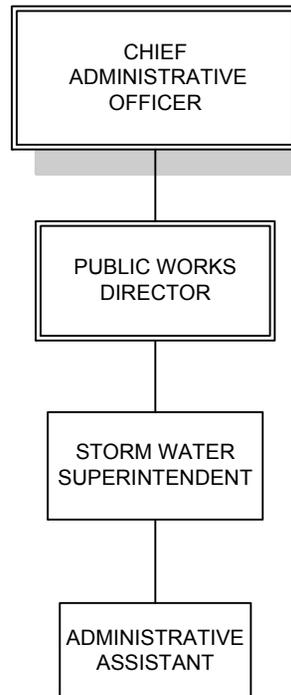
FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2016	Amended FY 2017	Actual FY 2017*	Adopted FY 2018	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	68,653	-	35,065	-	-	
Miscellaneous	-	-	64,621	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	1,118,994	21,663	-	(1,118,994)	-100%
Total	\$ 68,653	\$ 1,118,994	\$ 121,348	\$ -	\$ (1,118,994)	-100%

* Un-audited numbers



Storm Water Division



Program Description

The Storm Water Utility Division is responsible for the administration, operation and maintenance, monitoring, sampling and testing and reporting of the storm water utility system serving Missoula, including but not limited to pollution prevention efforts for storm water discharges to Missoula water bodies (aquifer, creeks, streams and rivers), manage storm water runoff volumes with planned and maintained storm water infrastructure as well as working to improve storm water discharge quality through pre-treatment.

These activities are performed under the Municipal Separate Storm Sewer System (MS4) permit in compliance with the Montana Pollution Discharge Elimination System (MPDES) as required by the Montana Department Environmental Quality (MDEQ) and the National Pollution Discharge Elimination System (NPDES) permit issued by the United States Environmental Protection Agency (USEPA).

The Storm Water Utility Division is also responsible for the operation and maintenance, inspection and reporting of the Missoula levee system to the US Army Corps of Engineers (USACE), high hazard dam structure at Playfair Park to the Montana Department of Natural Resource Conservation (DNRC) and for storm water system flood maintenance management in support of the Federal Emergency Management Agency (FEMA) Community Rating System (CRS) for reduction in flood insurance costs for citizens of Missoula.

The Storm Water Utility Division work is separated into four (4) functional sections:

- Storm Water Utility Administration and Customer Service;
- Storm Water Utility Regulatory Permit Compliance and Annual Reporting;
 - Municipal Separate Storm Sewer System (MS4) Permit (MTDEQ),
 - Missoula Levee System (USACE),
 - Dam Structure (DNRC),
 - Storm Water Flood Maintenance Management Reporting (FEMA / CRS);
- Storm Water Utility Operations System Maintenance Projects; and
- Storm Water Utility Operations System Construction Projects

City Strategic Plan & Department's Implementation Strategy

Goal #1: Funding and Service

- Strategy: Storm Water Utility Division will maintain or improve the level of service to citizens.
 - Operate and Maintain the storm water system to minimize flooding and potential pollution discharge;
 - Implement and use the Accela Asset Management System to improve efficiencies;
 - Utilize GPS equipment in conjunction with the Accela Asset Management System for operational efficiency.
- Strategy: Storm Water Utility Division will work toward sustaining and diversifying fiscal resources.
 - Research and apply for grants and other alternative funding for improvements to the storm water system for pollution prevention activities.

Goal #2: Harmonious Natural and Built Environment

- Strategy: Storm Water Utility Division will ensure that the natural and built environments continue to represent Missoula's values of clean water, clean earth and clean air.
 - Monitor, understand and actively participate in the planning of future MPDES permit thresholds.
 - Review and enhance local requirements (ordinances) to improve storm water discharge quality.

Goal #3: Quality of Life for All Citizens

- Strategy: Storm Water Utility Division will work to provide a healthier environment.
 - Improve storm water pretreatment availability and performance to protect state waters.
 - Provide cleaner storm water discharge for public health, safety and recreation opportunities.

FINANCIAL SUMMARY^

Budget by Object of Expenditure Category	Actual FY 2016	Amended FY 2017	Actual FY 2017*	Adopted FY 2018	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 136,790	\$ 154,190	\$ 216,317	\$ 79,527	58%
Supplies	-	15,671	13,721	34,546	18,875	120%
Purchased Services	-	19,590	60,169	27,563	7,973	41%
Miscellaneous	-	26,380	27,325	26,988	608	2%
Debt Service	-	51,569	-	53,772	2,203	4%
Capital Outlay	-	35,000	-	26,498	(8,502)	-24%
Total	\$ -	\$ 285,000	\$ 255,405	\$ 385,684	\$ 100,684	35%

* Un-audited numbers

^ Fund created in FY17

STAFFING SUMMARY

Title	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
SUPERINTENDENT			1.00	1.00
ADMINISTRATIVE ASSISTANT IV			1.00	1.00
UTILITY MAINTENANCE TECHNICIAN				2.00
Total	-	-	2.00	4.00

2018 Budget Highlights

Personnel:

- Requested the addition of two Storm Water Utility Maintenance Technicians. These positions will utilize necessary heavy equipment and tools required for vactoring or jetting storm water utility infrastructure for both regularly scheduled maintenance as well as on-demand emergency service.
- Requested the addition of one shared GIS Technician to provide service to the Storm Water Utility, Water Utility and Wastewater Utility divisions of the Public Works Department. This position will be housed in the IT Division, GIS Group of the Central Services Department. The physical location, ongoing mapping and work order maintenance of the City of Missoula Storm Water Utility infrastructure and assets is a requirement of the Montana DEQ storm water discharge permit issued to the city.

Supplies:

- Requested an increase to the supplies budget to provide necessary office furniture, computer systems and field equipment to support addition of the new positions. The total cost for the GIS Technician will be supported by each of the three city public utility budgets; one-third of those costs will be derived from the Storm Water Utility budget.

FY18 Projects:

- Requested funding to address the following projects in FY 2018:
 - Completion of the Caras Park Outfall Pretreatment Retrofit Project started in FY 2016;
 - Completion of the 'Storm Water Utility Rate Study' project and the 'Storm Water Utility Facility and Operations Plan' project started in FY17;

- o Begin addressing priorities identified in the ‘Storm Water Utility Rate Study’ project and the ‘Storm Water Utility Facility and Operations Plan’ project, including any recommended rate increase needed to implement the plans; and
- o Update the existing design plan for the CIP ‘Upper Gharrett Storm Water Drainage Improvements and Construction Project’.

Performance Measures & Workload Indicators

Performance Measures

Measure	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
1 . Perform storm water maintenance that will reduce pollutants collecting in the system that could potentially discharge to the rivers and streams during a wet weather event.			100%	100%
2 . Comply with MPDES permit requirements for Clark Fork River discharge and reference the Storm Water Facility Plan and other source documents to plan for future growth.			100%	100%
3 . Actively seek public involvement, participation, outreach, and education opportunities for citizens to learn, provide input, and recognize how to reduce and prevent pollutants from entering the storm water system.			100%	100%

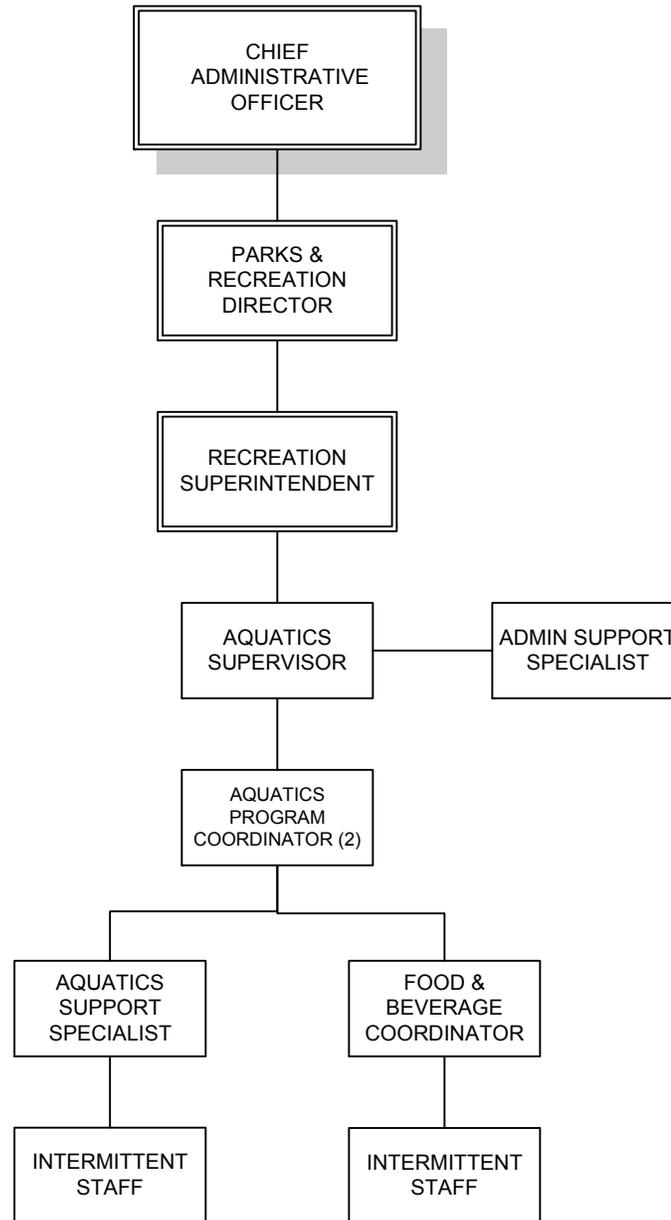
*Dept created in FY 17

Workload Indicators

Indicator	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
1 . Perform drainage maintenance on Storm Water discharge points			90	75
2 . Perform Storm Water maintenance on piped lines			26	20
3 . Perform dry weather storm water inspections			10	50
4 . Perform biannual wet weather storm water inspections and sampling			4	8
5 . Meet at least quarterly with Storm Water Management Team			2	4
6 . Continually update Storm Water website at least quarterly			1	4



Aquatics Division



Program Description

The goal of this activity is to provide quality aquatics programs, opportunities and facilities for citizens of all ages, interests, and abilities thus giving every resident as well as guests an opportunity for lifetime leisure skills, water safety skills and active, healthy life styles.

City Strategic Plan & Department's Implementation Strategy

Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
 - Operational goal for new mobile kitchen is to provide a \$30,000 net increase in concessions revenue sales annually, after a 3 year payback for the purchase of the equipment/trailer.
 - We will continue cooperate with Missoula Aquatic Club to provide access to private rental of the 50m pool for Swim Team practice.

Goal #2: Harmonious natural and built environment

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
 - Continue to research and implement energy reduction programs; currently replacing Splash Deck feature pump motors with Variable Frequency Drive motors that allow for energy conservation and reduced maintenance.

Goal #3: Quality of life for all people in all places

- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
 - Promote healthy Aquatics Programs

We will use the new Grill Trailer kitchen to increase the amount of menu items that are created from scratch. Using fresh foods as much as possible.

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2016	Amended FY 2017	Actual FY 2017*	Adopted FY 2018	Increase (Decrease)	Percent Change
Personal Services	\$ 722,210	\$ 681,213	\$ 762,074	\$ 771,813	\$ 90,600	13%
Supplies	181,705	213,500	235,907	213,500	-	0%
Purchased Services	258,675	322,706	275,496	343,057	20,351	6%
Miscellaneous	504,132	12,000	515,204	16,647	4,647	39%
Debt Service	-	-	-	-	-	-
Capital Outlay	-	35,000	-	35,000	-	0%
Total	\$ 1,666,722	\$ 1,264,419	\$ 1,788,681	\$ 1,380,017	\$ 115,598	9%

* Un-audited numbers

STAFFING SUMMARY

Title	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
AQUATICS STAFF				
AQUATICS SUPERVISOR	1.00	1.00	1.00	1.00
AQUATICS PROGRAM COORDINATOR	2.00	2.00	2.00	2.00
REC ADMIN SPECIALIST	1.00	1.00	1.00	1.00
REC SUPPORT SPECIALIST	0.75	0.75	0.75	0.75
FOOD AND BEVERAGE CORRINATOR				0.50
LEVEL 1 INTERMITTENT RECREATION	1.20	1.96	1.96	1.95
LEVEL 2 INTERMITTENT RECREATION	2.50	7.53	4.59	2.92
LEVEL 3 INTERMITTENT RECREATION	6.50	4.55	6.53	6.40
LEVEL 4 INTERMITTENT RECREATION	2.18	4.23	4.23	3.73
LEVEL 4 CONCESSION CAPTAINS				0.58
LEVEL 5 INTERMITTENT RECREATION	5.50	0.22	1.16	2.83
LEVEL 5 INTERMITTENT SPECIALTY INSTRUCTOR	0.50	0.39	0.41	0.46
PART TIME CASHIER		-	-	-
PART TIME CUSTODIAN	0.75	0.25	0.25	-
Total	23.88	23.88	23.88	24.12

Highlights

Splash Montana and Currents Aquatics Center continue to be extremely popular recreational facilities with all age groups. "The Lake" 50-meter pool is heavily utilized by fitness swimmers and the local competitive swim teams. Splash Montana continues to host several special swim events each year at The Lake, including the Firecracker Swim Meet and the Wild Fire Kids Triathlon.

Accomplishments include:

- ❖ Completed Lazy River Tile Project
- ❖ Increased per capita Gross Food Sales at Splash by 28 cents
- ❖ Splash Montana listed as Best Place for Kid's Fun finalist in the Missoula Independent's Best of Missoula 2016.
- ❖ Best Ever Gross Swim Lesson and Private Lesson Revenue at Currents.
- ❖ Successfully promoted and operated first "Dive In Movie" at Currents Aquatics Center

Goals for 2018

- ❖ Continue to increase Swim Lesson revenue through booking a greater number of private lessons for individuals who prefer one on one instruction.
- ❖ Increase Swim Lesson and General Admission revenue through booking a greater number of daycare and youth organizations for swim lessons and recreational swim trips.
- ❖ Increase per Capita food sales at Splash Montana and establish shoulder season revenue stream through food sales utilizing mobile grill.

Aquatics Performance Measures & Workload Indicators

Performance Measures

Measure	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
1 . Increase sale of punch card and drop in visits	\$ 575,988	\$ 504,071	518417*	\$ 545,000
2 . Implement cyclic maintenance program at Splash and Currents to be funded through subsidy and reserve balance.	\$ 35,000	\$ 35,000	\$ 103,210	\$ 56,000
3 . Increase Avg \$ per person spent after entry at Splash Montana	\$ 2.66	\$ 3.11	\$ 3.07	\$ 3.15

* Punchcard revenue entered as Pass revenue for April, May and June of FY17 due to transfer to Rec Trac set up error

Workload Indicators

Indicator	Actual FY 2015	Actual FY 2016	Actual FY 2017	Adopted FY 2018
1 . Number of daily admissions at Currents	43,603	48,608	47,535	50,000
2 . Number of daily admissions at Splash	60,555	40,799	48,796	50,000
3 . Number attending swim lessons at Currents	9,956	10,422	9,425	10,600
4 . Number attending swim lessons at Splash	3,280	3,142	3,512	3,550
5 . Total Attendance includes rentals and passes	187,908	172,353	168,130	180,000
6 . Splash concessions revenue.	\$ 201,265	\$ 153,901	\$ 190,050	\$ 195,000

Program Description

This fund is set up as an internal service fund for the City's self-insured employee health insurance program. The fund receives revenues in the form of monthly employer contributions from all City departments, employee contributions, and payments from retired employees who are given the option of paying monthly insurance premiums to remain on the health insurance plan. Retired employee contributions receive a 15% subsidy from the City.

Goals & Objectives

- Each City department is charged per payroll for contributions to the employee health insurance program. The revenue from General Fund tax supported departments originates in special health insurance tax levy funds (2371 and 2372) where state law allows a special tax levy above and beyond the special all-purpose General Fund levy. These revenues are transferred regularly to the General Fund to reimburse the General Fund for the expenditures of the contributions to the health insurance fund. The FY 2017 monthly premium for the health insurance paid on behalf of the City of \$790 per employee (3% increase from FY 2016) is increasing an additional 5% or \$40 per employee per month starting in October 2017. The 5% increase puts the contribution to \$830 per employee. Additional contributions in the amount of \$1,200,000 were made to the plan over FY 2014 and FY 2015 in order to reverse the trend of a declining fund balance into an annual growth in fund balance. The end of FY2017, the unaudited fund balance is \$778,930. This is a decrease in fund balance of \$178,000 from FY 2016. As in years past, the plan experienced unanticipated increase in volume of claims and several large claims that eclipsed the budgeted increase in claims based on a historic analysis. With the budgeted 5% increase in contributions and an additional \$400,000 budgeted in claims above the actual FY 2017 expenses, there is an anticipated fund balance increase of \$550,000. With the budgeted increase to the fund balance, the projected FY 2018 ending fund balance is \$1,338,000 or 87% of the targeted reserve.

Administration Recommendation

- The City is committed to maintaining a 3 month reserve in the health plan based off the budgeted expenditures. The target fund balance for FY2018, meeting the reserve requirement, is \$1,540,000. In order to continue to build fund balance the administration recommended that the City's funding of the health plan be increased by an additional 5% (\$40.00) per employee beginning October 2017. The Employee Benefit Committee has been focusing on identifying ways and methods to cut costs within the health plan by utilizing the assistance of the plans third party administrator, Allegiance.

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2016	Amended FY 2017	Actual FY 2017*	Adopted FY 2018	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	5,220,417	6,440,784	6,015,400	7,498,009	1,057,225	16%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
Total	\$ 5,220,417	\$ 6,440,784	\$ 6,015,400	\$ 7,498,009	\$ 1,057,225	16%

* Un-audited numbers