



# Summary Budget Fiscal Year 2019



435 Ryman Street,  
Missoula, MT 59802  
(406) 552-6110

Prepared by the City of Missoula Finance Department



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Missoula  
Montana**

For the Fiscal Year Beginning

**July 1, 2017**

*Christopher P. Morill*

Executive Director

## **Elected Officials**

Mayor, John Engen

Municipal Court Judge, Kathleen Jenks

## **City Council**

### **Ward One**

#### **Term Expires First Monday In:**

Bryan von Lossberg	2022
Heidi West	2020

### **Ward Four**

#### **Term Expires First Monday In:**

Jesse Ramos	2022
John DiBari	2020

### **Ward Two**

#### **Term Expires First Monday In:**

Jordan Hess	2022
Mirtha Becerra	2020

### **Ward Five:**

#### **Term Expires First Monday In:**

Stacie M. Anderson	2022
Julie Armstrong	2020

### **Ward Three**

#### **Term Expires First Monday In:**

Heather Harp	2022
Gwen Jones	2020

### **Ward Six**

#### **Term Expires First Monday In:**

Julie Merritt	2022
Michelle Cares	2020

## **Administrative Officials**

Dale Bickell	Chief Administrative Officer
Steve Johnson	Central Services Director
Jim Nugent	City Attorney
Mike Brady	Police Chief
Jeff Brandt	Fire Chief
Leigh Griffing	Finance Director
Mike Haynes	Development Services Director
John Wilson	Public Works Director
Ellen Buchanan	Director of Redevelopment, Housing & Economic Development
Carl Horton	Information Technologies Director
Donna Gaukler	Parks & Recreation Director
Tiffany Brander	Interim Missoula Parking Commission Director
Ronald Regan	Cemetery Director
Martha Rehbein	City Clerk
Don Verrue	Certified Building Official
Brian Hensel	Deputy Public Works Director - Transportation
Dennis Bowman	Deputy Public Works Director - Utilities
Laurie Pfau	Human Resources Director
Eran Pehan	Housing and Community Development Director
Scot Colwell	Fleet Maintenance Manager
Matthew Lawson	Facilities Maintenance Manager
Ellen Leahy	City/County Health Department Director
Honore Bray	City/County Library Director

## **City of Missoula Committees, Commissions and Boards**

### **ANIMAL CONTROL BOARD- MISSOULA CITY/COUNTY (Term 2 Years)**

<b>County Appointments:</b>	<b>Start of Term</b>	<b>End of Term</b>
Jesse Munro	Jan 1, 2018	Dec 31, 2019
W. Lynn Gontarek-Gerberson	Jan 1, 2017	Dec 31, 2018
<b>City Appointments:</b>		
Mary Sonalla	May 7, 2018	Dec 31, 2018
Karen Munro	Jan 1, 2017	Dec 31, 2018
<b>Animal Control Board-Must be a license Veterinarian</b>		
Victoria Pickart, DVM	<i>Ongoing Appointment</i>	

### **BICYCLE AND PEDESTRIAN ADVISORY BOARD (Term 3 Years)**

<b>Members:</b>	<b>Start of Term:</b>	<b>End of Term:</b>
Danny Tenenbaum	Oct 23, 2017	Sep 30, 2020
Gene Schmitz	Oct 1, 2017	Sep 30, 2020
Peter Drakos	Oct 1, 2017	Sep 30, 2020
Ryan Yearous	Oct 1, 2015	Sep 30, 2018
Peter Walker-Keleher	Oct 1, 2015	Sep 30, 2018
Bob Wachtel (Chair)	Oct 1, 2015	Sep 10, 2018
Robin Welling	Oct 23, 2017	Sep 30, 2019
Fred Allendorf	Nov 5, 2018	Sep 30, 2019
Britt Arnesen	Nov 7, 2016	Sep 15, 2019

### **BOARD OF ADJUSTMENT (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Sandy Mitchell	Jul 1, 2018	Jun 30, 2021
Sharon Palmer	Jul 1, 2018	Jun 30, 2021
James Sage	Jul 1, 2018	Jun 30, 2021
Andy Short (Chair)	Jul 1, 2017	Jun 30, 2020
Hans Hoffman	Jul 1, 2017	Jun 30, 2020
Patrick Bridegam	Aug 7, 2017	Jun 30, 2020
Zachary Reimer	Jul 1, 2017	Jun 30, 2020
John Newman, Alternate #1	Jun 25, 2018	Jun 30, 2020
Lance Koch, Alternate #2	Jun 25, 2018	Jun 30, 2020

## **City of Missoula Committees, Commissions and Boards**

### **BUILDING CODE BOARD OF APPEALS (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Heather McMilin (At-Large)	Jul 1, 2017	Jun 30, 2020
Jack Moffett (Electrician)	Jul 1, 2017	Jun 30, 2020
Anthony Moretti (Architect)	Nov 19, 2018	Jun 30, 2021
David V. Gray (At-Large)	Jul 1, 2018	Jun 30, 2021
Clayton Anderson (Plumber)	Jul 1, 2018	Jun 30, 2021
John Wells (At-Large)	Jul 1, 2016	Jun 30, 2019
Jonathan Gass (Engineer)	Jul 1, 2016	Jun 30, 2019

### **BUSINESS IMPROVEMENT DISTRICT BOARD (Term 4 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Carma Jean Gilligan (Zone 1)	Jun 1, 2015	May 31, 2019
Charlie Beaton (S. of Clark Fork River)	Jun 1, 2015	May 31, 2019
Scott Stearns (Greater than 20,000sq ft.)	Jul 25, 2016	May 31, 2020
Tim France (Less than 20,000 sq. ft.)	Jun 1, 2016	May 31, 2020
Dan Cedarberg-(At-Large Rep)	Jun 1, 2017	May 31, 2021
Kirk Bodlovic (Zone 2)	Jun 1, 2017	May 31, 2021
Ellen Buchanan-(City of Missoula Rep)	Jun 1, 2018	May 31, 2022

### **CEMETERY BOARD (Term 2 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Neil Carson	Feb 12, 2018	Apr 30, 2020
Paul Filicetti	May 1, 2017	Apr 30, 2020
Kim Seeberger (Chair)	May 1, 2017	Apr 30, 2020
Patrick J. McHugh	May 1, 2018	Apr 30, 2021
Mary Lou Cordis	May 1, 2018	Apr 30, 2021

### **CONSERVATION DISTRICT - MISSOULA CITY/COUNTY (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Tim Hall- City Appointed	Jan 1, 2016	Dec 31, 2018
Paul Parson- City Appointed	Jan 1, 2017	Dec 31, 2019
Elizabeth "Libby" Maclay	Jan 1, 2017	Dec 31, 2020
Sidney Wills	Jan 1, 2015	Dec 31, 2018
Art Pencek	Jan 1, 2015	Dec 31, 2018
Robert Schroeder	Jan 1, 2015	Dec 31, 2018
Greg Martinsen- Non-Voting	N/A	N/A
Travis Greenwalt	Jan 1, 2017	Dec 31, 2020

## **City of Missoula Committees, Commissions and Boards**

### **CONSERVATION LANDS ADVISORY COMMITTEE**

Appointed by the Missoula Parks & Recreation Board

<b>Members:</b>	<b>Start of Term</b>	<b>End of Term</b>
Chris Ryan	Oct 16, 2012	Oct 15, 2019
Nathan Senner	Oct 16, 2017	Oct 15, 2020
Karen Sippy	Oct 16, 2016	Oct 15, 2019
Beverly Dupree	Oct 16, 2016	Oct 15, 2019
Giles Thelen	Oct 16, 2017	Oct 15, 2020
Terry Carlson	Oct 16, 2015	Oct 15, 2018
Carol Fisher	Oct 16, 2016	Oct 15, 2019
Kathleen Kennedy	Oct 16, 2017	Oct 15, 2020
John Pierce	Oct 16, 2016	Oct 15, 2019
Lily Clarke	Oct 16, 2017	Oct 15, 2020

**Non-Voting Members:**

Liz Bradley	N/A	N/A
Patrick Bridgegam	N/A	N/A
Paul Greenough	N/A	N/A

### **DESIGN REVIEW BOARD (Term 1 to 3 Years)**

<b>Members:</b>	<b>Start of Term</b>	<b>End of Term</b>
Maria Chesnut	Jul 1, 2018	Dec 31, 2019
Brandon Prinzing	Jul 1, 2018	Dec 31, 2019
Blake Nicolazzo (Alternate)	Dec 11, 2017	Dec 31, 2018
Kyle Gauthier	Sept. 21, 2015	Dec 31, 2018
Dennis Lippert	Jan 1, 2016	Dec 31, 2018
Jacque Walawander	Jul 1, 2018	Dec 31, 2019
Matt Loomis	Jul 1, 2018	Dec 31, 2019
Ryan Smith	Jan 1, 2016	Dec 31, 2018

### **ENERGY AND CLIMATE TEAM (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Brian Kerns	Mar 13, 2017	Jul 31, 2020
Marcia Brownlee	March 13, 2017	July 31, 2019
Robin Saha	Mar 13, 2017	Jul 31, 2020
Michael Dorshorst	Mar 13, 2017	Jul 31, 2020
Craig Couch	Mar 13, 2017	Jul 31, 2019
Bart Mihailovich	Mar 13, 2017	Jul 31, 2019
Gwen Lankford Spencer	Aug 28, 2017	Jul 31, 2020

## **City of Missoula Committees, Commissions and Boards**

### EXTRAORDINARY EVENTS COMMITTEE

**Members**

Matt Ellis (Chair)  
Ellen Buchanan  
Ed Childers  
Emily Bentley  
Mike Painter  
Dale McCormick  
Linda McCarthy

**Representation**

*Facility Mgr. -Allegiance Field*  
*Missoula Redevelopment Agency*  
*Mayor's Designee-City Council- Ward 6*  
*City Council Representative- Ward 3*  
*Community Forum Representative*  
*Riverfront Neighborhood Council*  
*Missoula Downtown Association*

### HEALTH BOARD- MISSOULA CITY/ COUNTY (Term 3 Years)

**County Appointments (BCC)**

Pamela Boyd  
James Stephens

**Start of Term**

Jan 1, 2018  
Jan 1, 2018

**End of Term**

Dec 31, 2019  
Dec 31, 2020

**City Appointments City Council**

Ross Miller  
Debbie Johnston

Jan 1, 2016  
Jan 1, 2017

Dec 31, 2018  
Dec 31, 2019

**Other Members:**

Jean Curtiss (County)  
Julie Armstrong (City)  
Paul Parson

*County Commissioner Appointed*  
*City Council Appointed*  
*Conservation District Board Appointed*

### HISTORIC PRESERVATION COMMISSION (Term 2 Years)

**Members**

James R. McDonald (Professional)  
Joshua Pollarine (Southeast)  
Steve Adler (Professional)  
Jolene Brink - At Large  
Julia McCarthy-McLavery - At Large  
Paul Filicetti - Downtown  
Cathy Bickenheuser - Professional  
Solomon Martin - Alternate 1  
Bruce Haroldson - Alternate 2

**Start of Term**

Jan 1, 2016  
Jan 1, 2016  
Jan 1, 2016  
Jul 10, 2017  
Feb 6, 2017  
Feb 6, 2017  
Jan 1, 2018  
Mar 6, 2017  
Oct 16, 2017

**End of Term**

Dec 31, 2018  
Dec 31, 2018  
Dec 31, 2018  
Dec 31, 2019  
Dec 31, 2018

## **City of Missoula Committees, Commissions and Boards**

### IMPACT FEE ADVISORY COMMITTEE (Term 4 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Mayoral Appointments:</b>		
Hank Trotter	Dec 1, 2016	Nov 30, 2020
Nick Kaufman (Development Community Rep)	Dec 1, 2016	Nov 30, 2020
Bruce Bender	Feb 13, 2017	Nov 30, 2020
John Freer	Dec 1, 2016	Nov 30, 2020
Jim Galipeau (Certified Public Accountant)	Dec 1, 2014	Nov 30, 2018
Jerry Ford	Dec 1, 2014	Nov 30, 2018
Maria Chesnut	Mar 27, 2017	Nov 30, 2018
<b>City Council Appointments:</b>		
Derek Goldman	Jan 23, 2017	Nov 30, 2020
Adam Pummill	Jun 1, 2015	Nov 30, 2018

### LIBRARY BOARD- MISSOULA CITY/COUNTY (Term 3 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Commissioner Board Appointed:</b>		
Kathryn Doney	Jul 1, 2013	Jun 30, 2018
Rita Henkel	Jul 1, 2014	Jun 30, 2019
Audra Loyal	Jul 1, 2017	Jun 30, 2022
Margaret Wafstet	Jul 1, 2018	Jun 30, 2023
<b>Mayoral Appointments:</b>		
Becky Mosbacher	Jul 1, 2014	Jun 30, 2019
Matt English (Alternate)	Jul 1, 2017	Jun 30, 2022

## **City of Missoula Committees, Commissions and Boards**

### **MAYOR'S DOWNTOWN ADVISORY COMMISSION (2 & 3 Year Terms)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Amy Allison Thompson (Poverello Center)	Dec 6, 2016	Jan 31, 2020
Dan Cederberg (Downtown Attorney)	Mar 1, 2018	Feb 28, 2021
Eran Fowler Pehan (Housing & Community Development Director) Co-Chair	Mar 1, 2016	Feb 28, 2019
Melinda Mason (Children's Mental Health Bureau)	Mar 1, 2016	Feb 28, 2019
Keithi Worthington (Deputy City Attorney)	Apr 9, 2018	Feb 28, 2021
Dave Chrismon (Missoula Downtown)	Jul 1, 2017	Jun 30, 2020
Sue Wilkins (Missoula Correctional Services)	Jun 1, 2018	May 31, 2021
Theresa Williams (Reaching Home Coordinator)	Dec 6, 2016	Jan 31, 2020
Bryan von Lossberg (City Council Ward 1) Co-Chair	May 1, 2016	Apr 30, 2019
Ryan Boyd (Salvation Army)	Jul 31, 2017	Aug 1, 2020
Margaret Borg (Retired Attorney)	Mar 1, 2016	Feb 28, 2019
Nicole Rowley (County Commissioner)	Mar 1, 2018	Feb 28, 2021
Elizabeth Marshall (Missoula Housing Authority)	Jan 1, 2016	Dec 31, 2018
Ginny Merriam (City Communications/Public Information Officer)	Staff	Staff
Alex Beal (Assistant Municipal Court Judge)	Jan 31, 2018	Feb 1, 2021
Michael Moore (Downtown Business Community)	Jan. 1, 2016	Dec. 31, 2018
Lt. Jake Rosling (City Police Department)	Jun 1, 2016	Jul 31, 2019
Tom Snyder (Downtown Business Community)	Jul 1, 2017	Jun 30, 2020
Ethan Smith (City Police Department)	Jan 31, 2018	Feb 1, 2021

### **MISSOULA CIVIC TELEVISION ADVISORY COMMISSION**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Mayoral Appointments:</b>		
Chris Badgley	Jan 8, 2018	Dec 31, 2020
Megan Robson	Jan 1, 2017	Dec 31, 2019
<b>City Council Appointments:</b>		
Bruce Tribbensee	Jun 8, 2015	Dec 31, 2018
Lisa Mecklenberg Jackson	Jan 1, 2017	Dec 31, 2019
<b>City Council Representative:</b>		
Heather Harp	Jan 11, 2018	n/a
Stacie Anderson	Jan 11, 2018	n/a
<b>City Staff Representative</b>		
Ginny Merriam	Mar 1, 2006	n/a
<b>County Representative</b>		
Katie Klietz	Oct 1, 2015	n/a
<b>County Public School Representative</b>		
Hatton Littman	Oct 7, 2013	n/a
<b>U of M Representative</b>		
Jen Sauer	Jun 2, 2005	n/a

## **City of Missoula Committees, Commissions and Boards**

### **MISSOULA HOUSING AUTHORITY BOARD (Term 2/5 Years)**

Resident Member terms are 2 years terms\

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Collin Bangs	Jun 26, 2017	Jun 25, 2022
Monique Casbeer (Resident Member)	Jun 26, 2018	Jun 25, 2020
Kaia Peterson	Jun 26, 2018	Jun 25, 2023
Jamie Hoffmann	Jun 26, 2014	Jun 25, 2019
Heidi DeArment	Aug 10, 2015	Jun 25, 2020
Kila Shields	Jun 26, 2016	Jun 25, 2021
John Richards (Resident Member)	Mar 5, 2018	Jun 25, 2019

### **MISSOULA PARKING COMMISSION BOARD (Term 4 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
John Roemer	May 1, 2017	Apr 30, 2021
Matt Ellis	May 1, 2018	Apr 30, 2022
Pat Corrick	Jul 27, 2015	Apr 30, 2019
Heidi Kendall	Jul 27, 2015	Apr 30, 2019
Joe Easton	Jun 13, 2016	Apr 30, 2020

### **MISSOULA REDEVELOPMENT AGENCY BOARD (Term 4 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Natasha Prinzing Jones	Aug 21, 2017	Apr 30, 2021
Ruth Reineking	May 1, 2018	Apr 30, 2022
Nancy K. Moe	May 1, 2018	Apr 30, 2022
Melanie Brock	May 1, 2015	Apr 30, 2019
Karl J. Englund (Chair)	May 1, 2016	Apr 30, 2020

**City of Missoula  
Committees, Commissions and Boards**

**OPEN SPACE ADVISORY COMMITTEE (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
John Smith	Mar 6, 2017	Jan 25, 2020
Deke Tidwell	Jan 26, 2017	Jan 25, 2020
Robert Erickson	Jan 26, 2017	Jan 25, 2020
Catherine Ipsen	Jan 26, 2018	Jan 25, 2021
Kristine Akland	Jan 26, 2018	Jan 25, 2021
Regan Whitworth	Jan 26, 2018	Jan 25, 2021
Alexis Gibson	Jan 26, 2018	Jan 25, 2021
Eric Anderson	Jan 26, 2016	Jan 25, 2019
Bert Lindler	Jan 26, 2016	Jan 25, 2019
Deanna Bublitz	Jan 26, 2018	Jan 25, 2019
Anna Noson	Jan 26, 2016	Jan 25, 2019
David Cole (Park Board Appointment)	n/a	

**PARKS AND RECREATION (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Ross Mollenhauer	May 1, 2017	Apr 30, 2020
Dayna Swanson	May 1, 2016	Apr 30, 2019
Johnna Eisenmann	May 1, 2017	Apr 30, 2020
Dale Harris (Chair)	May 1, 2016	Apr 30, 2019
John O'Connor	May 1, 2016	Apr 30, 2019
Sonja Verlanic	May 1, 2016	Apr 30, 2019
Christine Ryan	May 1, 2017	Apr 30, 2020

## **City of Missoula Committees, Commissions and Boards**

### PLANNING BOARD (Term 3 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Appointments (BCC)</b>		
Andy Mefford	Jan 1, 2018	Dec 31, 2019
Michael Houlihan	Jan 1, 2018	Dec 31, 2019
Stephanie Laporte Potts	Jan 1, 2018	Dec 31, 2019
Jason Rice	Jan 1, 2018	Dec 31, 2019
<b>Mayoral Appointments</b>		
John Newman	Jan 1, 2017	Dec 31, 2018
Neva Hassanein	Jan 1, 2018	Dec 31, 2019
<b>City Council Appointments</b>		
Dudley Improta	Jan 1, 2018	Dec 31, 2019
Helen Pent Jenkins	Jan 1, 2018	Dec 31, 2019
<b>Planning Board Member</b>		
Jamie Hoffmann	Jan 1, 2017	Dec 31, 2018
Vince Caristo (City Council)	Jan 1, 2018	Dec 31, 2019
Peter Bensen (County)	Jan 1, 2018	Dec 31, 2019

### POLICE COMMISSION (Term 3 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Daniel Doyle	May 1, 2017	Apr 30, 2020
Suzanne Peterson	May 1, 2018	Apr 30, 2021
Babak Rastgoufard	Jul 2, 2018	Apr 30, 2019

### PUBLIC ART COMMITTEE (Term 4 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Lisa Simon	Jun 11, 2018	Jun 30, 2021
Stoney Sasser	Jul 1, 2018	Jun 30, 2022
Peter Lambros, Chair	Aug 13, 2018	Jun 30, 2022
Taag Peterson	Jul 1, 2015	Jun 30, 2019
Kathi Olson	Jul 1, 2015	Jun 30, 2019
Patricia Thornton	Jun 11, 2018	Jun 30, 2021
<b>City Council Appointments</b>		
Courtney LeBlanc	Sep 1, 2015	Jun 30, 2019
Cathay Smith	Apr 25, 2016	Jun 30, 2019
<b>City Council Representative</b>		
Julie Armstrong	n/a	n/a

## **City of Missoula Committees, Commissions and Boards**

### **TOURISM BUSINESS IMPROVEMENT DISTRICT BOARD (Term 4 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Kate Leonberger	Mar 26, 2018	Dec 1, 2018
Lydia Bryan	Feb 13, 2017	Nov 30, 2018
Whitney Bergmann	Dec 31, 2017	Dec 1, 2021
Luke Laslovich	Jul 24, 2017	Dec 1, 2020
Tim Giesler	Feb 8, 2016	Dec 1, 2019

### **TRANSPORTATION POLICY COORDINATING COMMITTEE**

<b>Members</b>	<b>Association</b>	<b>Voting</b>
Don MacArthur	Missoula Urban Transportation District (MUTD)	Yes
Jordan Hess	City Council	Yes
John Engen	Mayor, City of Missoula	Yes
Dave Strohmaier	Board of County Commissioners	Yes
Jean Curtiss	Board of County Commissioners	Yes
Ed Toavs	Montana Department of Transportation (MDT)	Yes
Dick Ainsworth	Missoula Consolidated Planning Board (MCPB)	Yes
Brian Hasselbach	Federal Highway Administration (FHWA A-Helena)	No
Doug Schallenberger	Ravalli County Commissioner	No
Dr. Garon Smith	Missoula City/County Health Board	No

### **URBAN TRANSPORTATION DISTRICT BOARD (Term 4 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Appointments (BCC)</b>		
Marty Blair	Jan 1, 2015	Dec 31, 2018
Doug Odegaard	Jan 1, 2018	Dec 31, 2021
Andrea Davis	Jan 1, 2016	Dec 31, 2019
<b>Mayoral Appointments</b>		
Amy Cilimburg (Chair)	Jan 1, 2018	Dec 31, 2021
Jesse Dodson (Vice Chair)	Apr 25, 2016	Dec 31, 2019
Anna-Margaret Goldman	Apr 3, 2017	Dec 31, 2018
<b>City/County Alternating Appt.</b>		
Don MacArthur (City/County Alternating Appointment)	Jan 1, 2017	Dec 31, 2020

## Budget Message

December 31, 2018

City of Missoula Residents:

This document is the Final Operating and Capital Budget for the City of Missoula, Montana for the fiscal year ending June 30, 2019 (FY 2019). A brief summary of the Final Budget follows.

### Overview of Budgeted Resources

The following table depicts the audited beginning balances, estimated revenues, final budgeted expenditures, and projected ending balances for the budget year. All city funds are included in this budget. The table reflects estimated revenues of \$165.07 million, budgeted expenditures of \$171.39 million with expected expenditure savings of \$1.53 million, resulting in a projected decrease in the ending balances of \$4.79 million. An explanation of the significant changes in fund and cash balances (those greater than 10%) are provided on the following pages.

<b>PROJECTED CHANGES IN FUND AND WORKING CAPITAL BALANCES</b>								
<b>BUDGETED JULY 1, 2018 THROUGH JUNE 30, 2019 (FY 19)</b>								
	Governmental Fund Types				Proprietary Fund Types	Fiduciary Fund Types	Component Units	Total All Funds
	General & Special Purpose	Special Revenue	Debt Service	Capital Project	Enterprise & Internal Service	Trust & Agency		
Nonspendable/Restricted/Committed/Assigned	\$ 3,429,152	\$ 8,564,310	\$ 3,136,114	\$ 663,981	\$ 115,071,504	\$ 7,367	\$ 7,587,171	\$ 138,459,599
Unassigned	1,361,441	(1,043,028)	(424,989)	(4,668,696)	(43,522,491)	392,709	(16,803,555)	(64,708,609)
Fund balance/net assets - July 1, 2018	\$ 4,790,593	\$ 7,521,282	\$ 2,711,125	\$ 4,004,715	\$ 71,549,013	\$ 400,076	\$ (9,216,384)	\$ 73,750,990
Estimated Revenues	55,896,230	29,883,253	2,775,541	5,324,394	38,525,708	—	32,664,560	165,069,686
Budgeted Expenditures	58,333,030	28,616,753	2,856,142	1,401,503	40,243,027	—	39,935,222	171,385,677
Anticipated Expenditure Savings	1,489,412	40,189	—	—	—	—	—	1,529,601
Projected Change in Fund Balance/Net Assets	(947,388)	1,306,689	(80,601)	3,922,891	(1,717,319)	—	(7,270,662)	(4,786,390)
Projected Ending Fund balance/net assets - June 30, 2019								
Nonspendable/Restricted/Committed/Assigned	1,128,882	9,849,616	3,055,401	664,271	726,661	7,367	4,485,484	19,917,682
Unassigned	2,714,323	(1,021,046)	(424,989)	(746,095)	(14,884,029)	392,709	(483,886)	(14,453,013)
Total fund balance/net assets - June 30, 2019	\$ 3,843,205	\$ 8,828,570	\$ 2,630,412	\$ (81,824)	\$ (14,157,368)	\$ 400,076	\$ 4,001,598	\$ 5,464,669

**FY 19 Final Operating and Capital Budget**

Listed below are explanations of the significant changes in fund balance/cash, for each of the major fund groups.

**General Fund (Major Fund)**

- The General Fund year-end fund balance increased from \$3.84 million in FY 2017 to \$4.79 million at the end of FY 2018. The fund balance of \$4.79 million represents 8.33% of the total General Fund expenditures and transfers out. The unassigned portion of the fund balance for the General Fund was \$1.36 million or 2.37% of total General Fund expenditures and transfers but the actual spendable portion (restricted/assigned/committed) was \$3.43 million or 6.02% of total expenditures and transfers out. The building of the fund balance in the prior years was accomplished by budgeting conservatively for revenues with significant expenditure savings required of many large General Fund departments, such as Police, Fire and Parks & Recreation. In budgeting for FY 2019, there is the continued trend to budget conservatively in the revenues and there is an anticipated \$1,489,412 in expenditure savings. In addition to the expenditure savings, a conservative estimate in fund balance reserve has been estimated. Even though there shows a drop in overall fund balance, this is related to the expenses in the General Special Purpose funds, which is to be expected since the funds in these accounts are expected to be fully expensed on projects. After removing the General Special Purpose funds, and budgeting conservatively for revenues, expenditure savings and a conservative reserve, anticipated unassigned General Fund balance could increase by \$310,899 to 1.67 million with an overall net fund balance projection of \$3.84 million at the close of FY 2019.

**Special Revenue Funds**

- Special Revenue Fund balances are usually fully appropriated to be spent, even though certain funds are targeted to have substantial year end fund balances to handle the ongoing operating expense of their programs without developing a negative fund balance (i.e. Street Lighting Assessments Fund, Cable Franchise Fee Fund, Building Inspection Fund, Special District Funds). Most of the other special revenue funds are slated to fully spend the beginning fund balance which exists because projects were not completed during the preceding fiscal year.

**Debt Service Funds**

- The Debt Service year end fund balance is budgeted to be spent for all general obligation debt, but not for special improvement district (SID) debt service funds. The City is required to maintain a reserve equal to 5% of all outstanding SID bonds. In addition, the SID debt service funds are expected to build in size until bonds are called (redeemed) early due to prepayments of the underlying assessments supporting these debt issues.

## FY 19 Final Operating and Capital Budget

### Capital Project Funds

- The Capital Projects year end fund balance for FY 2018 was negative. This will continue to be reduced from year to year as the projects are completed and the bonds are issued to reimburse the City for the infrastructure/projects constructed.

### Enterprise/Internal Service Funds

- The City of Missoula now currently has five Enterprise Funds: Civic Stadium; Water Utility; Wastewater Utility; Storm Water Utility and Aquatics.
  - FY 2018 was the first full year operating the Water Utility. There are no proposed rate increases for the Water Utility at this time. The rates will remain 6% lower than rates under Mountain Water ownership.
    - The City plans to invest \$15.5 million in capital improvements within the first three years under public ownership. A facility plan is underway in FY2019 that will establish a schedule of needed improvements for the utility for many years into the future. More details are provided in regards to the capital projects in the Capital Project section of the budget.
  - The Wastewater Utility rates increased on January 1, 2018 by 2.5% for the final increase of a planned three year phase-in of rate increases, (2016 - 2018). Since FY 2016, the sewer utility realized an increase in revenues of an average 3.30% per year with a modest budgeted increase in revenues of 2.95%.
  - In FY17 the City completed the purchase of Garden City Compost, formerly EKO Compost. FY 2018 was the first full year of operations for the new compost division of the Wastewater Utility. Compost tipping fees and compost sales were budgeted for \$1,077,175 for FY 2018, based on historic analysis of the business and maintaining the existing price structure for tipping fees and compost sales. At the close of FY 2018 actual revenues were \$919,737, enough to cover the costs of acquisition, personnel, operating supplies and site upgrades to be compliant with the Montana Department of Environmental Quality requirements. \$450,000 of this revenue was internal from tipping fees from the wastewater treatment plant. In FY 2019 the decision was made to remove the tipping fees from the wastewater plant. With the removal of the tipping fees, the budgeted compost revenue of \$494,710 is enough to cover the operations and acquisition of the compost plant.
  - The Storm Water Utility responds to regulatory requirements for improved storm water quality, maintains flood management infrastructure and the Missoula levee system in addition to other, more typical storm water infrastructure. The Storm Water Utility also provides public education and outreach opportunities to help with improving community awareness about storm water discharge challenges. The designed and proposed Storm Water Utility rate, resulting from the recently completed rate study, is set to be reviewed by the City Council in FY 2019. The proposed increase in rates will cover the necessary expenditures to meet regulatory requirements including hiring maintenance staff and future capital improvement projects.
  - In FY 2019 the Aquatics fund is budgeted with a net operational loss. At the close of FY 2018 the projected fund balance is \$(85,564). With operational and personnel costs continuing to increase at a higher rate than entry and program fees, there is not sufficient fund balance or revenue to cover the budgeted operational loss. During FY 2018, a request to increase the rates by an average \$0.50 was approved. In FY 2019, the City will be recommending an additional increase in rates, of an amount to be determined, to cover a portion of the expected net operating loss. The Parks department is also looking into opportunities for increasing revenues by adding or upgrading aquatics features.
- The City has one Internal Service Fund, the City Health Insurance plan, which has suffered from significant increases in usage and medical inflation during the past decade. In an attempt to have a positive growth in the fund balance, the City increased contributions to the plan by the employees as well as the benefit portion paid by the City. Furthermore, to assist in maintaining a positive fund balance the City provided additional funding as one-time transfers from the General Fund for the years FY 2012 - FY 2015. In FY 2015, there was a slight reduction in fund balance due to an abnormal increase of costs to the program. The increased cost was a result of the Affordable Care

## FY 19 Final Operating and Capital Budget

Act (ACA) implementation. Part of this implementation that was not recognized prior to FY 2015 is the mandatory inclusions of prescriptions as part of the total claim deductibles.

FY 2017 and FY 2018 experienced a high number of large claims that exceeded budgeted expenditures. In FY 2018 several months of above average claims resulted in expenses exceeding revenue by \$1.1 million, and a decline of the fund balance. Due to decline in fund balance, the administration recommended increasing funding of the plan. Beginning October 2018, the City's contribution to the health plan will be increased by an additional 12% (\$96.00) per employee per year. At this time there will also be an increase to the deductible (\$280) per employee per year.

The City is committed to maintaining a three month reserve in the health plan based on budgeted expenditures. The target fund balance for FY 2019 is \$1.9 million. In an effort to meet the reserve target and stay ahead of the trend of increasing health care costs, the city has increased employee contributions and budgeted for insurance claims expenses 16% higher than the FY 2018 budget. These changes to the budget project a conservative estimate of increasing the fund balance by \$501,000. The Employee Benefit Committee has also been focusing on identifying methods to cut costs within the health plan by utilizing the assistance of the plans third party administrator, Allegiance Benefit Plan Management and with Gallagher Benefit Services an insurance consultant company.

### Component Units

The City of Missoula has four component units: Missoula Parking Commission (MPC), Missoula Redevelopment Agency (MRA), Business Improvement District (BID), and the Tourism Business Improvement District (TBID).

- The Parking Commission has an operating budget of \$2.3 million plus debt service requirements of \$1.0 million. It maintains a debt service reserve of \$0.7 million, for the bond issued for the construction of the Park Place garage in the downtown business district in the spring of 2014. In partnership with the Missoula Redevelopment Agency, the Parking Commission will receive an additional parking garage that has been constructed as part of the Roam student housing project. This will increase the number of parking spaces available by 139 spaces. At the end of FY 18, in anticipation of receiving the Roam P1 garage, the Parking Commission installed Parking Access Revenue Control Systems (PARCS) in P1. Additionally, the Parking Commission updated PARCS in the Central Park and Park Place Garages as well as in the Caras Lot. With the start of FY2019, the Parking Commission purchased a Go-4 Electric Parking Enforcement Scooter and began the implementation of License Plate Recognition to their enforcement operations. The addition of the PARCS and LPR equipment to the Parking Commission's operations will provide for an overall increase in efficiency and ease of use for the citizens that park downtown.
- The Missoula Redevelopment Agency (MRA) was created by the City Council to encourage new development and redevelopment pursuant to the adopted Urban Renewal Plans. Preserving existing public investment, enhancing the tax base, generating employment, and stimulating private investment are the means MRA uses to reclaim urban renewal areas. The MRA encourages infill development, provides for the adaptive reuse of the built environment, and reclaims blighted properties. MRA is empowered by State law and local ordinance to respond aggressively and with flexibility to redevelopment problems and opportunities. Through these activities, MRA also provides alternatives to urban sprawl outside existing municipal service boundaries.

Missoula has six active Urban Renewal Districts (URDs) that are currently being managed by MRA. All of the districts have a tax increment financing (TIF) funding mechanism authorized by State urban renewal law. MRA is also working closely with the Department of Housing and Community Development to identify opportunities to increase affordable housing in the community. The Agency's revenues are derived primarily from Tax Increment Property Tax, State Personal Property Tax Reimbursements, State Entitlements, and Investment Earnings. Small amounts of revenue are received from other miscellaneous sources. The Agency's fiscal year 2018 revenues were \$450,153 higher than in fiscal year 2019.

- URD II, located in the heart of Missoula, covers the approximate area starting north at Toole Avenue, extending south to South 3rd Street, and starting east at Walnut Avenue and running west until Garfield Avenue. URD III runs along the Brooks Street corridor in southwest Missoula. The approximate area that URD III covers, starts in northeast Missoula at 14th Street and Bancroft Street and follows the Brooks Street corridor southwest extending to Reserve Street and 39th Street. The City Council extended the boundaries of URD III to include parcels that the Southgate Mall occupies, and an area

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along the western boundary between Reserve Street and Montana Rail Link's Bitterroot Branch Line. The boundary modification in URD III allowed for consideration of TIF funds to be used in upgrading infrastructure and expanding street connectivity in the area. Mary Avenue was constructed using TIF revenues and now provides an essential east/west connection from Brooks to Reserve Streets.

- MRA provided funding for the City to purchase 12 acres of property from Montana Rail Link in a key location in URD III between North and South Avenues. This acquisition allowed MRA to complete a critical trail connection on the Bitterroot Trail and begin construction of a 4 acre neighborhood park serving the Franklin to Fort and Southgate Triangle neighborhoods. The remaining 8 acres will be developed as a model for mixed use, mixed income housing through a public/private partnership.
- Two smaller districts located in downtown Missoula adjacent to the Clark Fork River are: The Front Street URD which generally occupies the area south of Main Street to the river, and west of Madison Street to one block east of Orange Street, and The Riverfront Triangle URD which occupies the area south of Broadway to the river, and west of Orange Street to the MRL Bitterroot Branch Line. The Front Street URD has active projects in the district including removal of the old Macy's building and updating infrastructure around the new Mercantile Hotel and working with community partners to assist with a large student housing project which includes a floor of public parking. Both projects will be occupied in FY19. The Riverfront Triangle URD saw the completion of a new 5 story Stockman Bank and office building.
- The Hellgate URD, which is located east of Madison Street between Interstate 90 and the Clark Fork River and the North Reserve - Scott Street URD, located between Reserve and Scott Streets north of the MRL railroad and south of Interstate 90.
- In the North Reserve - Scott Street district MRA has assisted with infrastructure upgrades to the national headquarters for a regional home health corporation, and for a new residential neighborhood named Scott Street Village.
- The Downtown Business Improvement District (BID) was created through the efforts of the Missoula Downtown Association to address the challenges created by the termination of the Downtown Urban Renewal District (URD I) on June 30, 2005. Implementation of the district began in 2001 with the creation of a committee, followed by community education through local media campaigns and meetings with property and business owners in the district. Following educating the citizens was the creation of a comprehensive database of property owners in the district, and the petition process to create the district. The verification the petition was finalized at the end of 2004. The BID was presented and approved by the City Council in April 2005. The BID now serves as an advocate for property and business owners in the district and address areas such as safety, cleanliness, appearance, marketing, business retention and recruitment. The district also advocates for public and private investment in buildings and infrastructure.
- The Tourism Business Improvement District (TBID) was created through the efforts of the Missoula Area Convention and Visitor's Bureau to aid tourism, promotion, and marketing within the District. The creation of the district also allows Hotels/Motels outside the City limits in the Missoula Urban area to participate in the Tourism Business Improvement District. The goal of the TBID is to increase four season revenues statewide through effective marketing and promotions. In order for the TBID to accomplish its goal of increasing four season revenues by focusing on high-value, low-impact visitors by working in partnership with the Missoula International Airport to bring key new service to Missoula. The TBID also works with the community to keep and strengthen our present air service by promoting Missoula and Montana and by offering incentives to air services in an attempt to increase the total air service into and out of Missoula. Destination Missoula and the TBID will focus on increasing overnight visitation to Missoula with an emphasis on the months of November through April. In an effort to increase overnight stays in Missoula the TBID/Destination Missoula will leverage marketing funds focusing on Missoula being a prime destination for annual business meetings and/or conventions, sports and sporting events, tour, group, and leisure travel.

## **Planning Processes**

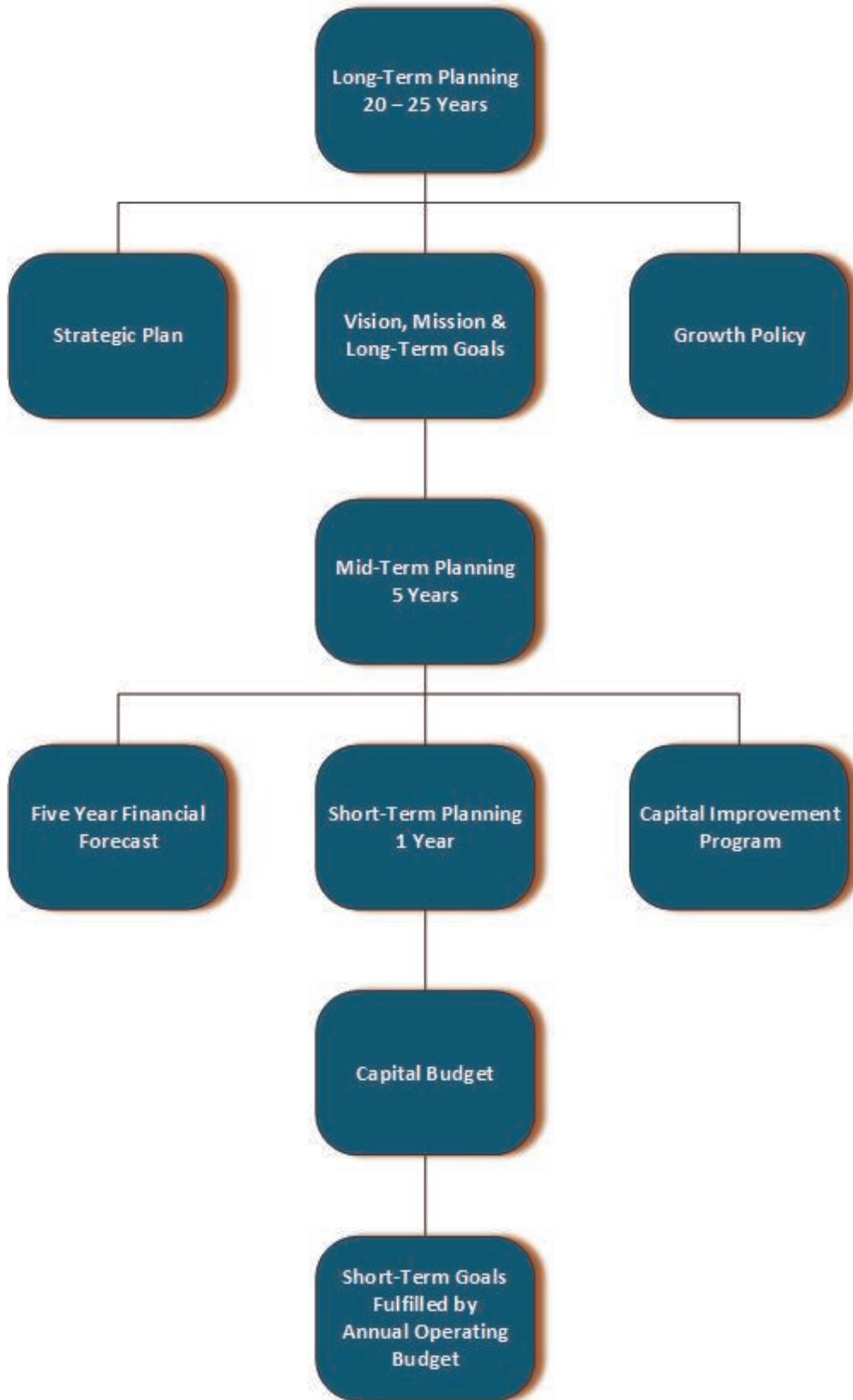


The City of Missoula conducts various planning processes (long-term, mid-term and short-term), to help guide the government and to ensure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to ensure each of these component planning processes are in concert with one another. This “Linkage” is paramount to insure short-term decisions are consistent with the overriding values embodied in the mid-term and long-term planning processes adopted by the City Council. This required linkage dictates that the Operating and Capital Budgets be developed within the context of and consistent with, the City’s long-term and mid-term plans.

Each element of the City’s planning process has a different purpose and time frame. The Strategic Plan, Vision, Mission, Long-term Goals and Growth Policy are the most far-reaching in nature - 20 to 25 years. The Capital Improvement Program and the Five-Year Financial Forecast are mid-term in nature - 5 years. The Annual Budget and the Capital Budget are short-term - covering a 1 year time frame. The most important requisite is that they are coordinated efforts.

Shown below is a hierarchy of the City’s layered planning processes, all which support one another and are designed with a common goal. The chart depicts how the Annual Operating Budget and the Capital Budget fit within the City’s planning process hierarchy.

**FY 19 Final Operating and Capital Budget**



**FY 19 Final Operating and Capital Budget**



**Strategic Plan**

Strategic planning suggests strategies to identify and to move toward desired future states. Strategic planning starts with the process of developing and then implementing plans to reach goals and objectives. Within government, strategic planning provides guidance for organizational management, similar to that for business, but also provides guidance for the evolution or modification of public policy and laws. Areas of such public policy include: funding of infrastructure and rate-setting, it also includes functional plans, such as the City’s Comprehensive Plan for land use, the City of Missoula transportation plan, the City of Missoula wastewater facility master plan, and City of Missoula fire master plan.

The FY 2019 budget continues Strategic Planning initiatives started in FY 1992. The plan was significantly updated in FY 2009 and implemented in FY 2010. The City’s Strategic Plan provides residents, taxpayers and stakeholders a greater understanding of city government. The City’s Strategic Plan focuses on performance and provides for measurable goals and objectives the City intends to achieve within the fiscal year. Department employees will be held accountable for the implementation and success of the plan. As part of the City’s Strategic Planning Process, the City created a set of strategies to help guide the organization. These range from philosophical strategies down to concrete achievable goals for the coming year. The City’s Strategic Planning Process, which is delineated into several charts and paragraphs, is listed below:

<b>City of Missoula Strategic Plan 2010-2019</b>
<p style="text-align: center;"><b>Goal</b></p> <p style="text-align: center;"><b>We believe the City of Missoula has a responsibility to remain financially stable and to provide service to its citizens.</b></p> <p style="text-align: center;"><b>We will work toward success in three areas:</b></p> <ol style="list-style-type: none"><li><b>1. Fiscal Sustainability</b></li><li><b>2. Harmonious natural and built environment</b></li><li><b>3. Quality of life for all people in all places</b></li></ol>

**FY 19 Final Operating and Capital Budget**



**City of Missoula Goals**

The City created a set of short-term and long term goals and strategies. The short-term goals and strategies are those that guide the development of the budget for the coming year. Long-term goals and strategies are more far-reaching in nature and do not change from year to year, however are reviewed and updated every year.

Listed below are the City’s Strategies that help guide the development of this budget. The goals and strategies listed below are addressed very specifically in each of the departmental narratives in this budget document. The extent to which a department can advance these goals and strategies is actually quantified and scored when the individual offices are seeking funding for capital requests. Actual scoring for each of the capital requests is explained in the Capital Budget section of this report.

City of Missoula Strategies	
<b>Missoula will lead the region in the following three areas:</b>	
<b>1. Funding and Service</b>	We will maintain or improve the level of service to citizens. We will work toward sustaining and diversifying fiscal resources. We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula’s economy.
<b>2. Harmonious Natural and Built Environment</b>	We will make sure that our natural and built environments continue to represent Missoula’s values of clean water and clear air. We will work to provide citizens access to parks, open spaces and the natural environment. We will reflect values of sustainability in transportation and building design.
<b>3. Quality of Life for All Citizens</b>	We will work together to meet basic human needs with dignity for all. We will work to provide affordable housing for the work force of Missoula. We will support plans and programs that promote a healthy lifestyle for Missoula’s citizens.

**FY 19 Final Operating and Capital Budget****Strategic Framework**

To assist with strategic planning, each year the City Council and City Administration meet and develop a Strategic Framework for constructing the annual budget. Following is the City of Missoula Strategic Framework developed in April 2018:

**Mission**

Reflecting the needs and values of our citizens, the City of Missoula commits to enhancing opportunity and quality of life through effective delivery of city services and fiscal stewardship, while maintaining and creating a harmonious natural and built environment.

**Vision**

We are an inclusive city where all people can live and celebrate meaningful, purposeful, and fulfilling lives through the confluence of unparalleled recreational, cultural and entrepreneurial opportunity.

**Guiding Principles**

- We believe in economic growth and sustainability based on diversity and fairness in revenue, a healthy environment for job creation, and wage parity so citizens have attainable housing.
- We believe that a sustainable, green infrastructure promotes human health while preserving our natural environment.
- We are intentional, inclusive, and value equity in maintaining our core identity.
- We use realistic planning documents to deploy resources and measure progress.
- We believe in equitable cost-sharing and in what we receive in return.
- We effectively engage a professional staff, consultants and community stakeholders.

**Strategic Goals****A. Organizational Excellence**

The City of Missoula actively demonstrates value-added service to the public via collaboration and education between Departments.

**Strategic Goals**

1. Create a dashboard to better inform the community, to track progress, and to highlight and celebrate achievement.
2. Move forward with succession planning including identifying future leaders and attracting and retaining talent. Communicate the value of working for the City.
3. Implement the space needs study.

**B. Economic Growth and Sustainability**

The City of Missoula achieves economic growth and sustainability through diversity and fairness in revenue, a healthy environment for job creation, and wage parity so citizens have attainable housing.

**Strategic Goals**

1. Provide leadership and cooperate with partners across Montana to achieve tax reform in the State Legislature to include a local option and tax fairness.
2. Increase financial partnerships with the private sector to create opportunities for more jobs and increased wages. Build on existing partnerships.
3. Develop policies to partner on permanent affordable housing.
4. Incentivize infrastructure development.
5. Review policies/processes to ensure there are not impediment to collective bargaining.

**C. Infrastructure/Assets**

Missoula understands and communicates the condition, ideal, expectations and costs of the municipal infrastructure portfolio.

**Strategic Goals**

1. Create CIP programs to address unstudied infrastructure.
2. Create functional, collaborative teams to implement, measure and communicate progress.
3. Identify potential funding streams.

## **FY 19 Final Operating and Capital Budget**

### **D. Intentional/Sustainable Growth**

The City of Missoula applies a balanced structure that guides growth that is responsive, anticipatory, and adaptive, and that ensures that as Missoula, we maintain our identity.

#### Strategic Goals

1. Ensure that “cost-sharing” around infrastructure is equitable and helps s achieve our goals as outlined in our guiding principle.
2. Ensure the availability of diversity in housing options so that Missoulians at every income level can find safe and decent housing.
3. Formalize an annexation strategy that will assist us in developing balanced land uses, addresses economic growth, and identifies the cost of delivering services.

### **E. Environmental/Human Health**

The City of Missoula maintains and improves our natural environment to promote human, mental and social health.

#### Strategic Goals

1. In the next 12 months, create functional working teams across Departments to develop a comprehensive strategy for implementation of R.O.W., AT, and green infrastructure. In 36 months, complete a draft plan with resolution mechanism included.
2. In the next 12 to 36 months, identify sustainable funding services to implement recommendations from Departments regarding Missoula’s most vulnerable populations.  
In the next 12 to 36 months, maintain public safety/health commensurate with State budget cuts and our goals for social equity. Find ways to maintain sufficient access to health services.
3. Implement concrete outcomes from our Conservation and Climate goals.

Departments develop and continue to develop performance measures to identify and track quantitative and qualitative measures of their service delivery performance. Performance budgets emphasize the accomplishment of program objectives. Performance budgeting involves a shift away from inputs (what is going to be purchased), to outcomes (what is going to be accomplished). Annually, the departments review their strategic goals and if the goals were met or need to be redefined. The departments revise the goals and strategies on an annual basis to ensure that they are short term, or can be accomplished within a year.



**FY 19 Final Operating and Capital Budget****Five-Year Financial Planning/Analysis**

Each year the City of Missoula evaluates its current financial condition within the context of existing programs, assesses future financial capacity, and integrates the City's Strategic goals, objectives, and financial policy into its decision-making process. Analysis of the City's financial and economic trends is an integral part of this process.

Finance Department staff perform financial trend analysis each year in conjunction with the annual mid-year budget analysis. The five-year financial planning effort utilizes budgetary and financial information to create a series of local government indicators to monitor changes in the City's financial condition. These indicators, when considered as a whole, can help interested stakeholders gain a better understanding of the City's overall financial condition. This type of analysis of key financial trends and other community factors is similar to the analysis that credit rating agencies undertake to determine the City of Missoula's bond rating.

Using this trend analysis and the framework of the financial policies adopted by City Council, management is able to strategically plan and budget, provide solutions to negative trends, and ultimately preserve the financial health of the City of Missoula. It is a good 'report card' of the City's current financial condition and reference point as staff begins work on the next year's budget. Most importantly, the financial trend analysis assists the City Council and the city administration in focusing on the "Big Picture" of the city's financial operations.

Currently the City is experiencing overcrowding issues with the current facilities that house the staff and with the services provided. The City is renting space for three different departments and a number of staff members. Within five years, the municipal court will need to expand to add another courtroom and add additional staff for the possibility of a newly elected Judge. To address this, the City is looking into developing land at one of the City-owned properties and creating a Public Works Administrative building and relocating the Public Works staff. This will free up space in the current City Hall to allow for expansion of existing departments.

Recently there has been continued growth in commercial and residential building throughout all areas of the city. This increase in building activity is positive for the City as increased building activity translates into increased overall market value, leading to increases in the taxable value. A majority of the City's revenue is tax based and is dependent on increases in the taxable value to cover annual operating increases. In the post recession years, the State Legislature has been limiting the amount of growth the City is able to capture from the increase in the taxable value (this is discussed in further detail in the Budgetary Trends section). Since a majority of revenues are reliant on the tax base and the will of the State Legislature, the City has been actively looking into different revenue streams to supplement the anemic tax allowances. There has been discussion of creating a local option sales tax in an effort to diversify revenues to support City services and reduce the property taxes levied on local residents. Another area of concern is the aging infrastructure and the funding for the infrastructure. The state allowance for the Gas Tax has recently increased which will provide for some additional funding to assist in updating the aging infrastructure.

With the restrictions placed by the State Legislature and no foreseeable additional revenue, the City continues to budget conservatively in revenue growth for the future years. With the limited revenue growth the City is only considering budgetary increases for core services and/or contractual increases. In regards to expanding services, City Administration is requesting that any increases in funding should provide an alternative revenue source, whether it be increases in charges for services or grant/donation funding. One method sought out by the City to assist in funding the backlog of maintenance in the urban forest and conservation land management was to go to the citizens of Missoula for additional funding. On the November ballot, there is a request for the citizens of Missoula to vote for a perpetual four mill levy, specific for conservation land management. The City will continue to budget conservatively in revenues, limit the budgetary increases in the near future, and continue to seek out new revenue sources to support the growing city and core services.

**FY 19 Final Operating and Capital Budget****Capital Improvement Plan**

The City prepares a five-year Capital Improvement Program (CIP) which is summarized within the Annual Operating Budget. The CIP is a multi-year capital improvement plan that forecasts, but does not obligate, future spending for all anticipated capital projects. The CIP is developed and updated annually. The proposed five-year CIP uses conservative financial forecasts and reflects only those projects with the highest priority, that are mandated by the law or some other legal obligation and projects that have the most realistic expectation for completion during the next five years.

As in recent years, the City continues to face numerous capital funding requests. At the same time, the City has finite resources and limited taxing authority to fund the operating costs for many of the proposed capital projects. The proposed five-year CIP attempts to continue, and even expedite, priority projects and projects that are legally obligated, while ensuring long-term sustainability for operating impacts.

The Annual Budget Process includes a re-evaluation of the capital projects included in the CIP for the coming year as well as the anticipated funding sources for the projects. If approved in the Annual Budget Process, the capital items appear in the Annual Operating Budget, which constitutes the formal spending authority for the project. The capital items included in the Annual Operating Budget represent the "Capital Budget".

The City of Missoula utilizes capital lease financing to purchase vehicles and equipment that have outlived their useful life and have been determined by the vehicle maintenance manager to be in need of being replaced. Each fall the City enters into a new capital lease agreement from the vehicles and equipment purchased the prior year. The goal of the City is to enter into a capital lease agreement that total around \$1.5 - \$2.5 million per year with a future lease payment averaging about \$475,000 per year. With the City entering into a lease agreement every year and existing lease payments expire, this maintains a consistent debt payment of approximately \$1.5 million per year. This is the amount used for future capital lease payments when developing the budget and in determining the vehicle and equipment replacement schedule.

An additional summary of the significant capital projects included in the FY 2019 Operating Budget is included in the Capital Projects Section of this budget. The Capital Projects Section includes the details of the current and estimated future debt payments based on of the vehicle and equipment replacements schedule.

**FY 19 Final Operating and Capital Budget**

**STAFFING CHANGES**

The final budget includes a net overall increase of 20.02 full-time equivalent employees (FTE). The chart below shows the change in FTE for the budget year for each major function of the City. Also, included in the appendix is a chart that shows the City's FTE over the last five years.

<b>Staffing Changes (FTE)</b>	
<b>FUNCTION</b>	<b>Net Increase (Decrease)</b>
General Government	1.00
Public Safety	3.00
Public Works	8.47
Housing & Community Development	1.76
Culture & Recreation	5.79
<b>Total for City Departments</b>	<b>20.02</b>

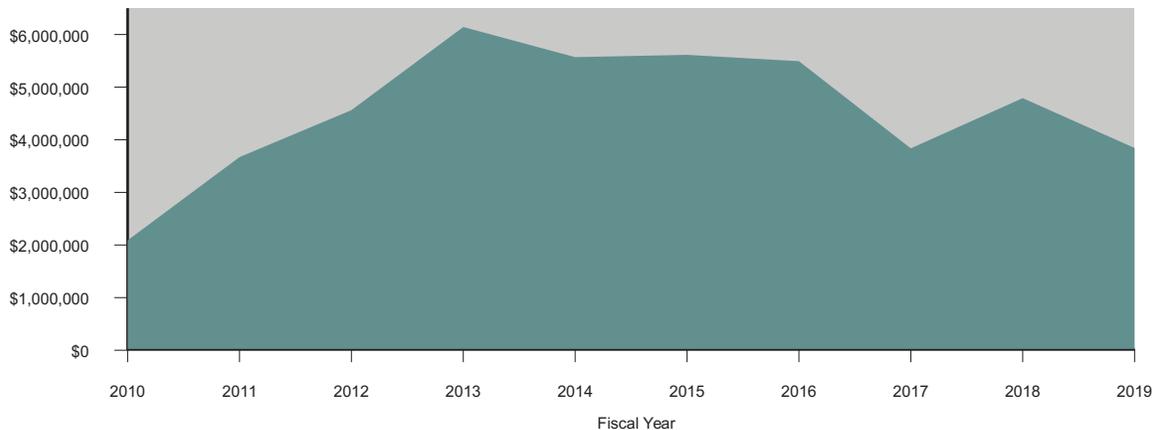
## **FY 19 Final Operating and Capital Budget**

### **BUDGETARY TRENDS**

Shown below are a series of key financial indicators and budgetary trends that affect the ability of the City to sustain current service levels while maintaining financial stability.

Fund balance measures the net financial resources available to finance expenditures of future periods. Rating agencies examine fund balance when considering the credit quality of the City.

#### **CITY OF MISSOULA GENERAL FUND BALANCE**

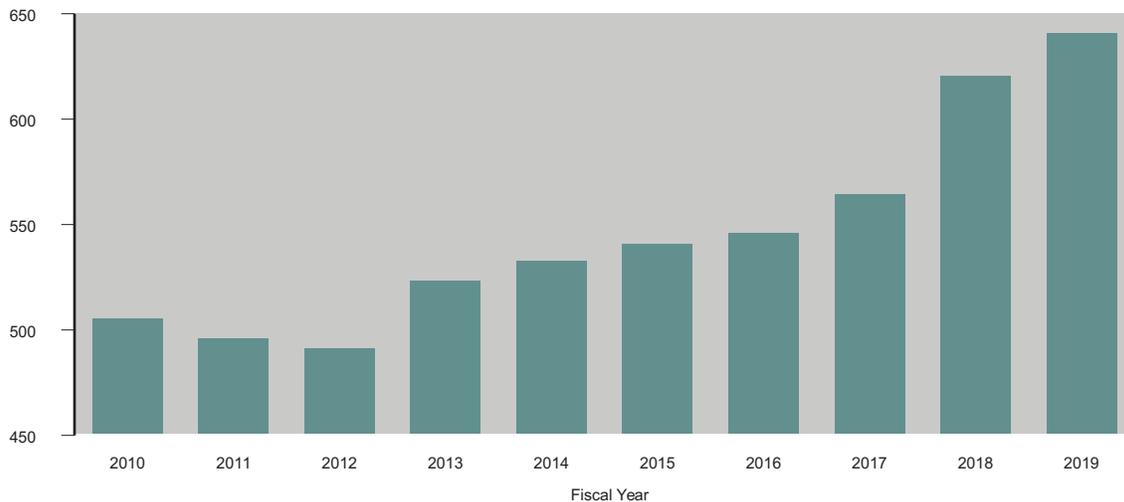


The General Fund balance is one of the better indicators of the City's overall financial health. Shown by the graph above is the City's actual General Fund balance over the course of the last ten years. The increase in fund balance in FY 2010 was due to mandatory budget reductions of 3% across the board for all departments along with mandatory expenditure savings. The 3% reduction in budgets with the mandatory expenditure savings resulted in an increase in the General fund balance from \$1.2 million to \$2.1 million.

In order to combat the reductions to the general fund balance, the City's budgets continue to be structurally balanced, permitting the City to increase its General Fund year-end fund balance from \$2.1 million in FY 2010 to the high point of \$6.1 million by the end of FY 2013, meeting the 7% fund balance target. The continued building of the fund balance from FY 2010 through FY 2013 was accomplished by budgeting conservatively for revenues and by mandating significant expenditure savings from many large General Fund departments. Please note that seven special purpose funds under General Fund control were removed from the Special Revenue fund category at the end of FY 2010 and moved to General Special Purpose Fund accounts in FY 2011, causing an increase in the assigned fund balance by \$1.5 million. The City's goal is to rebuild the fund balance to unassigned fund balance of 7% of the general fund budget. The beginning fund balance for FY 2019 is \$4.8 million and the estimated ending fund balance indicates that the fund continues to decline. The City expects to rebuild the FY 2019 unassigned fund balance by \$310,899. The unassigned fund target balance is \$3.8 million, which is 7% of the operating expenses, the goal identified by the City's rating agency for adequate unassigned fund balance in the General Fund.

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**CITY OF MISSOULA - FTE**



Full-time equivalent employees (FTE) are a key indicator mirroring the growth of the City of Missoula. As shown by the preceding graph, total FTE's grew to 505.58 in FY 2010, and were reduced to 491.29 by FY 2012 in reaction to the economic recession.

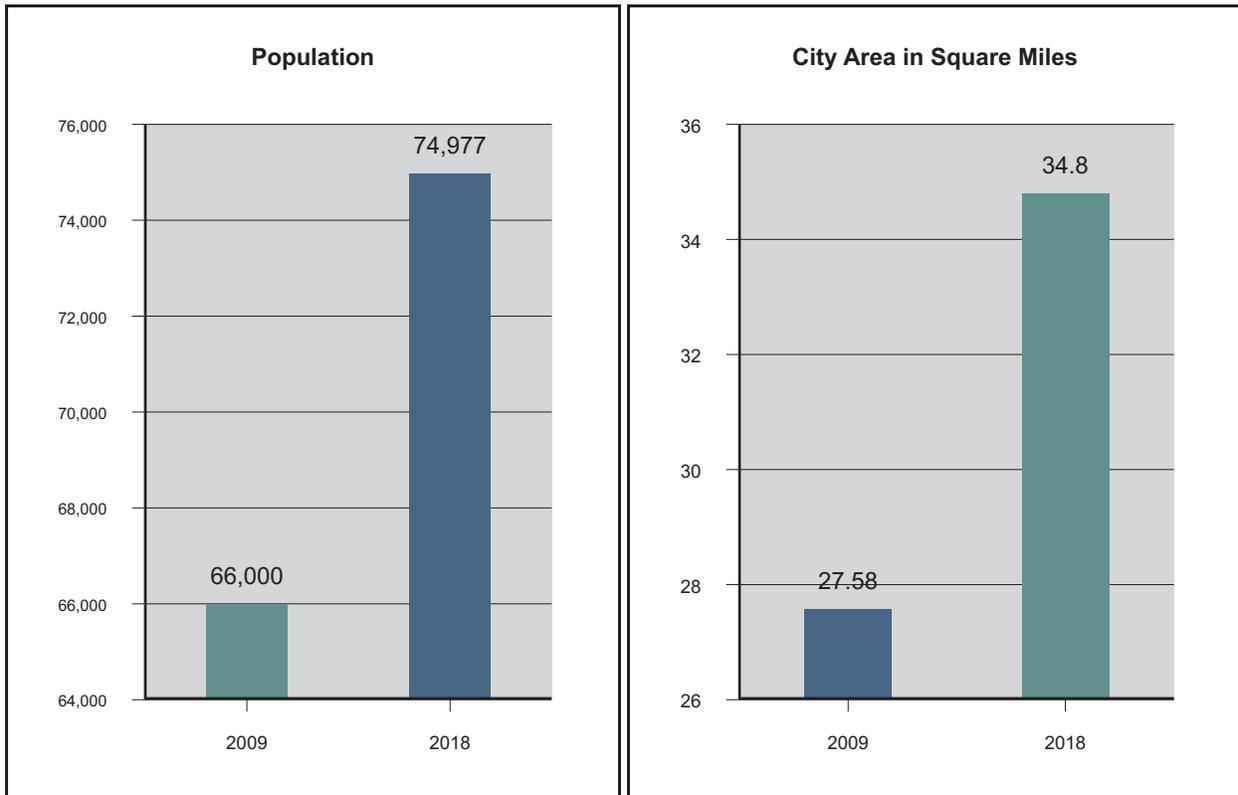
The City has increased the number of FTE's by 30.39% (149.29 FTE) in all departments since FY 2012. In 2013 the City created the Development Services department which included Planning and Transportation divisions. These functions and related staffing were previously performed by Missoula County. In 2017 the City created the Housing and Community Development department and the Storm Water Utility and purchased the composting business adjacent to the Wastewater treatment plant. At the close of 2017 the City was successful in acquiring the Water Utility which brought further increases to the City's overall staffing levels.

Below is a summary of the past 10 years of changes in FTE's by City function.

- General Government - 14.10 FTE's. 6.85 FTE increased in the Municipal Court and Attorney's office.
- Public Safety - 14.00 FTE's. Added 13 new positions in the Police Department.
- Public Works - 36.42 FTE's. 33.00 FTE's acquired from acquisition of water utility.
- Housing & Community Development - 42.01 FTE's. 23.00 FTE's acquired from bringing Planning and Transportation in the City's Development Services Department.
- Culture & Recreation - 18.90 FTE's.

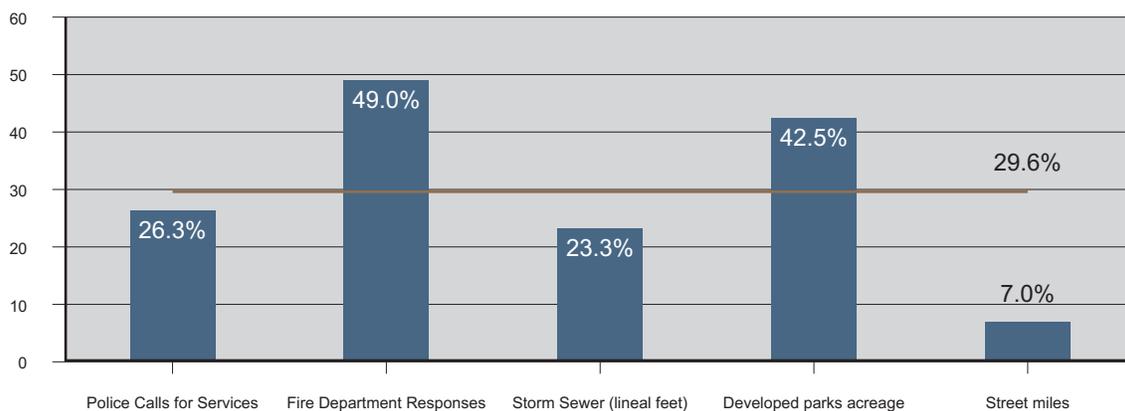
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As indicated by the charts below, the City has seen an increase in population of 14% over the past 10 years and an increase in the number of square miles that the City services of 26%.



The increase in the population and the City's square miles has a correlation to the impact on City services. Seen in the following graph is the 10 year increases in some of the core areas that are of concern to the citizens of Missoula. As indicated by the graph, there is an average increase of 29.6% in core City services in the 10 year period.

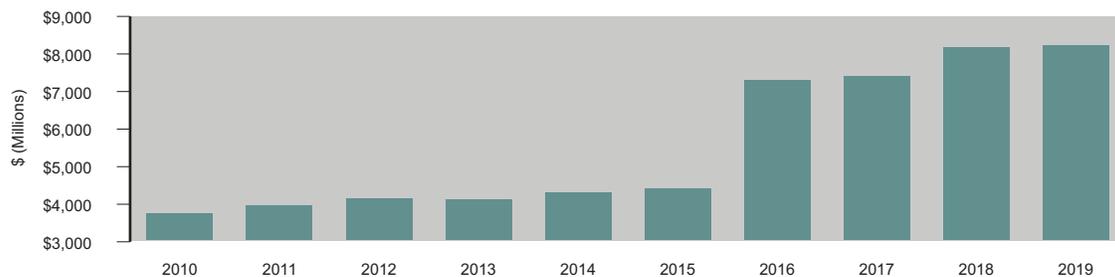
**Operational Increases 2008 - 2018**



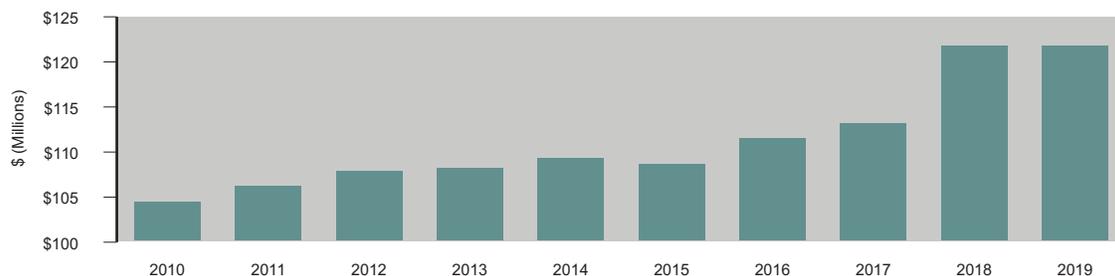
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As a general rule, all real and personal property in the State of Montana is subject to taxation by the State. In addition to taxation by the State, its counties, municipalities and other political subdivisions have the ability to levy taxes. This rule is subject to exceptions in the case of specified classes of exempt property. Property is classified according to its use and character. The different classes of property are taxed proportionately based on their market valuation. Property valuations are based on comprehensive appraisals of all taxable property and is performed by the Department of Revenue every two years. The Department of Revenue certifies market and taxable values to each city on or before the 1<sup>st</sup> Monday in August. The trend of the City of Missoula’s market value is shown by the graph below. As reflected by the graph, the City’s market value has increased from \$3.758 billion in FY 2010 to \$8.235 billion in FY 2019, for an average increase of 10.47% per year over this period. The market value of property in the City reflects the rapid growth the City is experiencing. The graph of taxable values that follows reflects the City’s ability to raise general tax revenue needed to support the growing demand for government services.

**CITY OF MISSOULA MARKET VALUES**



**CITY OF MISSOULA TAXABLE VALUES**

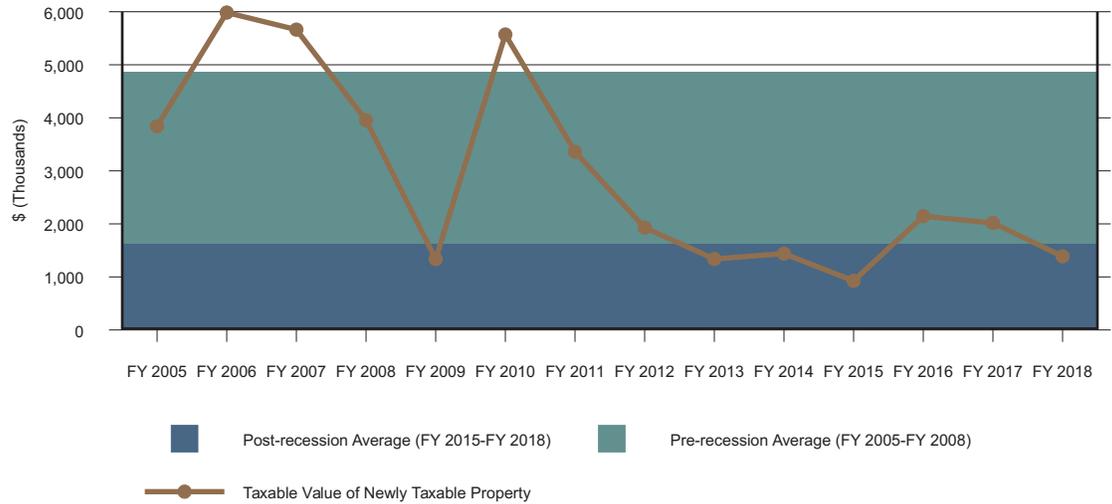


The taxable value for property is determined by applying a statutorily established percentage ratio to the market value of the property, according to its property classification. The applicable ratio for most commercial and residential real properties is currently approximately 2.6%. Shown above is a history of the City’s actual taxable value since 2010.

The increase in taxable values does not coincide with the increase in market values because of adjustments to the percentage ratio by the Montana Legislature and by changes in tax policy implemented through property tax amendments. The adjustments by the Legislature were designed to prevent local taxes from increasing at the same rate as property values. The taxable values (as opposed to market values) more accurately reflect the ability of the City to increase tax revenues. As illustrated in the graph, the City’s taxable value increased from \$104.41 million to \$121.73 million from 2010 to 2019, an average annual increase of only 1.71%, which is a little more than 10% the increase in the market value of the same property. In recent years, the State has been placing a large restriction on the percentage of newly taxable values as compared to years past. In FY 2010 the taxable value was \$104,000 and in the current year the taxable value is \$122,000, an increase of \$18,000. In FY 2010 the inflation factor provided by the State was 1.112% and this resulted in an additional \$1,080,713 in revenue, without raising taxes. Compared to the current year, the State restricted inflation rate is 0.820%, which resulted in an anemic increase in revenues of \$360,063 without raising taxes. With the restrictions on the ability to leverage annual growth from the State, it has made it difficult to fund projects and new budget requests that are sorely needed, without finding creative funding sources or other avenues of revenue.

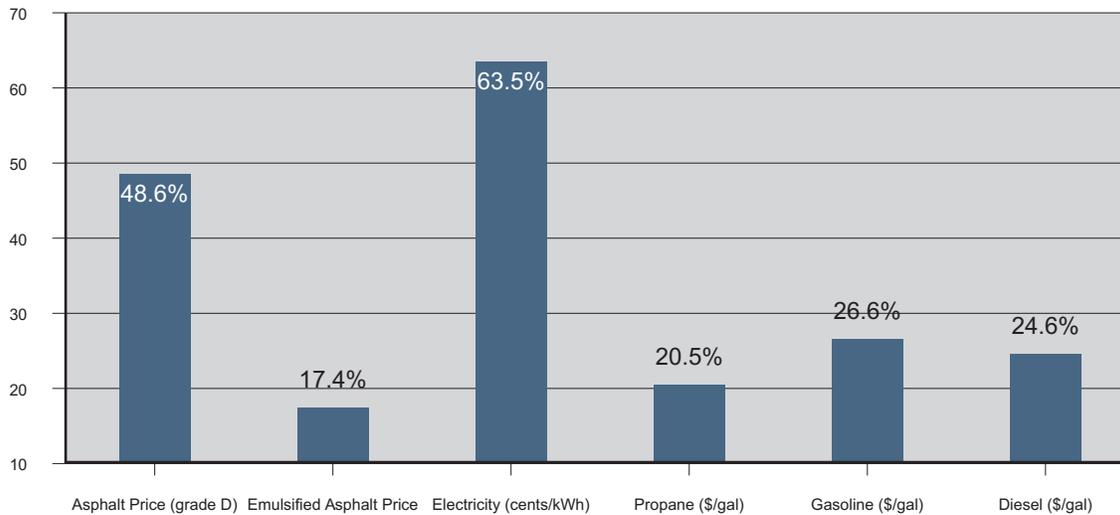
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**Value of Newly Taxable Property**



The above graph illustrates the steep decline in the value of Newly taxable property after the peak of the recession in FY 2010. Based on the 3 year average of the newly taxable property prior to the recession, the City was able to rely on \$4,861 thousand in revenue without having to raise property taxes to support raising utility and service costs, annual personnel increases (union and non-union) and allowed for expanding services and new requests. Compared to the 3 year post-recession average of newly taxable property of \$1,619 thousand, this amount is just enough to cover the annual negotiated union and non-union personnel increases, which leads to the City raising property taxes to cover the ever rising costs of utility and service contracts. The chart below shows the rising costs that the City has experienced in specific operating costs over the past 10 years.

**Operating Increases FY 2008 - FY 2018**



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### SHORT TERM INITIATIVES - MAJOR ISSUES & SOLUTIONS

1. The FY 2019 budget, as adopted, was brought to Council in mid-May, a month earlier than the previous year. Prior to the current year, the budget adoption process was on an accelerated schedule, adopted in FY 2013, to approve the next fiscal year budget prior to the end of the current fiscal year.
2. The calculated additional property tax impact for the current fiscal year is an increase of 3.52% for City taxes and City-wide Road and Park District assessments, which is estimated to be an increase by approximately \$36.03 per year for a home with a market value of \$268,250.
3. The FY 2019 budget includes 3.25% increases for Planning, Fire, Special Events, Business Licenses and Development Services. Building Inspection fees are being held at the current level for this year with the proposal of decreasing or adjusting the fees. The increases in these areas of service will not take effect until January 1, 2019. Several years ago, the City chose not to increase any charges for services fees. At that time, the decision to not increase the fees had a negative effect on the fund balance, and it declined due to increased administrative costs associated with operating these programs. The fund balance absorbed the costs since there was no additional revenue to cover the administrative cost increases that occurred during the year. This year (FY 2019) as well as in the past five years (FY 2013 - FY 2018), based off the experience in FY 2011 and the continuation of annual cost increases for administering the programs, the administration has determined that fees should increase by 2-3% each year in the Business Licensing, Development Services and Planning areas.
4. The actual level of new tax revenue from growth in the City's tax base for the current fiscal year (FY 2019) is \$360,063. This compares to growth in past five fiscal years of \$278,840 for FY 2018; \$429,386 for FY 2017; \$452,529 for FY 2016; \$191,561 for FY 2015 and \$299,612 for FY 2014. The City has budgeted for inflationary trending of property taxes allowed by state law (\$200,688).
5. City property taxes were raised to support the increased expenses and approved requests of the General Fund and in the city-wide assessments supporting expanded service in the Special Road and Park Districts. General Fund increases also come from the City honoring its union contracts. During the heart of the recession (FY 2008 - FY 2011) the City cut overall expenditures by 11% and reduced the workforce by 22 FTE's. Aside from the proposed salary increases for union and non-union staff in during that time and through FY 2017, virtually no new tax funded requests were proposed or approved due to the limited growth in taxes, with the exception of several mandatory expenses. Some examples are: the costs associated with elections that occur in alternating budget years and mandated Department of Justice agreement related to handling cases that involve rape. Starting in FY 2018, administration and Council met and determined strategic initiatives for the FY 2018 budget that identified the priorities of the administration and Council. This process continues through the current budget. These initiatives focused on public safety, supporting existing programs and projects and infrastructure. On the expenditure side, the largest expense is wages and benefits. Roughly 71% of the General Fund budget is devoted to personnel costs. For FY 2019 there is an overall increase in FTE's by 20.00. It is worth noting these FTE increases are from expanding services in the Parks Department, mainly for the newly opened Fort Missoula Regional Park (5.79) and the addition of Call for Service Officers in the Police Department (3.00). The remaining FTE's were from expanding services in the Information Technologies Department (2.00), water utility (6.42), wastewater utility (2.50) and Building Inspection division (1.50).
6. City-wide assessments were increased in the Road District #1 (5.73%) and Park District #1 (1.35%).
  - The increase in the Road District assessments shows the movement of the Public Works - Administration and Streets Departments budgets and personnel from the General Fund into the Road District fund. In addition to this budget consolidation, an additional 0.25 FTE was added to the Streets operators to convert all of the seasonal FTE's to full time FTE. Per the request of the City Council, the FY 2015 budget included a significant Road District #1 funding increase of \$200,000 associated with additional annual support for the startup of a sidewalk support program that was initiated in FY 2014 with the goal to continue to increase the amount of sidewalk projects initiated and supported by this funding source in the upcoming years. The FY 2019 commitment is \$390,000 of City support.
  - The increase to Park District assessments is used to support conservation lands, routine maintenance parks, median-green-way maintenance, urban forestry, spray decks, and

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maintenance, and operational support of the new Fort Missoula Regional Park that opened in the fall of FY 2017, and the County portion of Phase II that opened in the spring of 2018. The opening of Phase II included an increase to the number of FTE's (3.21) that maintain the Fort Missoula Regional Park. As with the Road District fund, the Parks and Recreation budget was moved from the General fund into the Park District fund.

7. Standard & Poor's and Moody's, our ratings agencies, recently completed an updated review of many of our City credits. All of the City's credits were re-affirmed and sustained. One of the areas of concern in prior reviews was that a number of revenue streams that support General Fund functions had been allowed to accumulate balances outside of the General Fund and, to some extent, outside of the City's direct oversight. Many of these funds are now accounted for within General Fund during this budget process and will be kept under administration review and oversight going forward. The purpose and intent will not change for these revenue streams, but they will no longer be allowed to accumulate outside of the General Fund and will be managed more closely by the administration in the future. Standard & Poor's also recommended that future budgets plan to increase the General Fund year-end unassigned fund balance to 7% of the General Fund expenditures per the City's adopted financial policy. Every fiscal year since 2013, the City has budgeted to increase the fund balance in the General Fund.
8. Funding anticipated from HB124 (city entitlement from the State of Montana) is projected at \$8,715,797 for FY 2019, an increase of \$163,079 over FY 2018.
9. The Building Inspection Fund has fully recovered from the recession as economic conditions continue to improve in the construction portion of the Missoula economy. The Building Inspection Division had previously reduced the staffing by four positions several years ago, Facility and Vehicle Maintenance has taken on the responsibility of maintaining and determining the replacement schedule and costs for the inspector's vehicles and there was a recent upgrade to the permitting system software, a cost that has generated many benefits to both the building community and City staff. The Building Inspection Division has been able to maintain its staff since after an increase in staffing of 1 FTE in FY 2018.
10. Impact fees are budgeted conservatively and are anticipated to generate approximately \$1.64 million of revenue for FY 2019. \$1.54 million of impact fees were received in FY 2018 illustrating the increases in construction seen across the city.
11. The City is permitted to levy what is necessary to fund voter-approved General Obligation (GO) Bond debt service. In FY 2019, the City will drop the levy to cover the bond payments (8.23 mills in FY 2019 from 9.35 in FY 2018).
12. General Fund support for the City's Capital Improvement Program will be of \$1,815,289 for FY 2019, compared to \$1,401,503 in FY 2018. In FY 2019, CIP support includes General Fund debt payments plus costs for the scheduled General Fund vehicle and equipment replacement. Some notable projects in the Capital Improvement Program include the completion of the Police Evidence and Storage building, continued IT infrastructure upgrades, phase II of the Wayfinding project and several parks around the City. The City Administration, in conjunction with all City offices, has developed a long-term (20-year) equipment replacement schedule that addresses the fact that the equipment replacement needs are more than \$2 million greater in the first five years (FY 2009-2014) than in the following five years. Seven years ago, the City proposed to smooth out this wave of deferred equipment replacement by financing the equipment scheduled for replacement over successively shorter time frames in the future. This allows equipment to provide better service to residents during fiscally constrained times such as these. There are many Non-General Fund CIP projects that were not affected by the extremely tight funding in the General Fund these past years.
13. The General Fund baseline budget appears to be adequate for the new fiscal year for both fuel and energy costs. The City adopted the Conservation & Climate Action plan which outlines a strategic path to an overall goal of carbon neutrality for municipal operations by 2025. The strategies are organized into three main focus areas of operations: Fleet and Facilities, Internal Policies and Practices and Renewable Energy and offsets. Strategies to meet the goals of the Conservation and Climate Action plan include adding GPS units to the rolling fleet to improve efficiency and reduce fuel consumptions/costs. The City is in the infant stages of the All-In-One recycling pilot, which involves, City Hall, Council Chambers, Street Division and Facility and Vehicle Maintenance. Another strategy is performing a solar study to gather information about installing solar cells to City facilities to reduce the dependence on purchasing electricity from vendors. Central Services is

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- conducting a baseline zero waste study in conjunction with Republic Services in an effort to decrease the amount of refuse the City disposes of every year.
14. This General Fund budget includes cost of living increases of approximately 3.25% for non-union staff. All union contracts were negotiated and approved in FY 2016. On average, there is a negotiated 2.75-3.25% raise for union staff. All union contracts are set to expire at the close of FY 2019.
  15. Inflation based on price indexes for include 2.5% increase in electric and natural gas based on information from Northwestern Energy. As compared to prior years, assumed or trended increases for operating supplies, purchased services and contracts were not automatically accepted into the budget. All increases to the budget for FY 2019 were reviewed as new requests and funded or not funded by the council.
  16. The program enhancements allowed in the FY 2019 budget are detailed in the appendix.
  17. The economic factors driving the budget development are discussed below in the next section of the budget message.

**ECONOMIC FACTORS**

- University of Montana economist, Patrick Barkey, has forecast that Montana's economic growth will have modest growth in the 2.5% range. This continues a post recession improvement that began in 2014. Patrick Barkey has also projected that the Montana economy will continue to recover slower and more consistently than in past years with the main drivers being health care, construction and professional business services leading the charge. He goes on further to say:
  - The pattern of growth solidified in 2017. Most urbanized parts of the state managed to at least tread water or register some growth last year. There was no question that the pattern of growth continued to tilt westward with places like Missoula and Ravalli counties joining the likes of the already high-flying Flathead and Gallatin counties.
- Missoula continues to see growth in the health care, construction, manufacturing and in the financial and business industries. There are four identified areas that are proposed to see growth in

## **FY 19 Final Operating and Capital Budget**

the upcoming year: University of Montana (research) and State Government, Finance and Business Services and Health Care.

- The Missoula Economic Partnership, a public-private economic development organization, opened its doors in June 2011 and is fielding calls from a variety of fronts for business relocation, granting activity, expansion assistance and more. Since the Partnership has opened its doors, the Missoula employment market has enjoyed an increase of 750 jobs. These jobs center around such industries as computer based technologies, manufacturing and health services.
- Wastewater utility rates were increased modestly (2.5% per year) for the past three years, FY 2016 through FY 2018, in order to fund capital improvement projects. This takes into account increasing the capacity of sanitary sewer pipelines and pump stations to accommodate the growth and residential construction being planned for in the Linda Vista and Miller Creek areas. The City has continued to grow in population and in new sewer connections at a rate of approximately 1.5% per year. The sewer fund has been able to continue to build the fund balance to accommodate future projects, however the growth for the past couple of years is not adequate to cover the necessary and requested upgrades to the sewer treatment plant and sewer infrastructure therefore the modest increase in rates by 2.5%. FY 2018 was the first full year of operating Garden City Compost, and utilizing prior estimations and review past year's financial data, there is adequate revenue to cover the cost of operations and acquisition of the compost facility.
- Water utility rates were adopted at the previously approved rate from the Public Service Commission (PSC) which is 6% lower than what Mountain Water was charging prior to the successful condemnation of the water utility. An analysis of the first full year financial data reveals that there is adequate revenue at the current rate structure to cover the operations of the water utility and invest approximately \$5 million in much needed capital improvements to the system.
- All of these factors were considered in preparing the City of Missoula's budget for the 2019 fiscal year. The decline in revenues in FY 2009 through FY 2012, especially in the fee based services related to the decline in economic expansion (planning and engineering fees, business licenses) has reversed and these revenues have been increasing each year since FY 2012.



### **Closing**

We hope the information contained in the FY 2019 Final Budget is of benefit to all interested parties. In closing, we want to tell the public that we have made dramatic changes in the budget process starting in FY 2008 that continue through the current budget process. We have been actively pursuing a Performance Based Budget process since FY 2008. We strongly encourage each and every person using city services to inform us of their ideas, level of satisfaction and problems.

Respectfully,



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John Engen, Mayor

## RECOMMENDED BUDGET PRACTICES

The City of Missoula is striving to incorporate the recommended practices promulgated by the National Advisory Council on State and Local Budgeting (NACSLB) in its annual budget.

The NACSLB was created to provide tools for governments to improve their budgeting processes and to promote their use. The NACSLB focuses on long-term financial planning and encourages governments to consider the longer consequences of actions to ensure that impacts of budget decisions are understood over a multi-year planning horizon and to assess whether program and service levels can be sustained. Practices encourage the development of organizational goals, establishment of policies and plans to achieve these goals, and allocation of resources through the budget process that are consistent with goals, policies and plans. There is also a focus on measuring performance to determine what has been accomplished with scarce government resources.

Following are excerpts of the NACSLB's budget practice recommendations.

### BUDGET DEFINITION

The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets. A good budget process is characterized by several essential features.

- Incorporates a long-term perspective
- Establishes linkages to broad goals
- Focuses budgeting decisions on results and outcomes
- Involves and promotes effective communication with stakeholders
- Provides incentives to government management and employees

These key characteristics of good budgeting make clear that the budget process is not simply an exercise in balancing revenues and expenditures one year at a time, but is strategic in nature, encompassing a multi-year financial and operating plan that allocates resources on the basis of identified goals. A good budget process moves beyond the traditional concept of line-item expenditure control, providing incentives and flexibility to managers that can lead to improved program efficiency and effectiveness.

## MISSION OF THE BUDGET PROCESS

The mission of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to promote stakeholder participation in the process. Communication and involvement with citizens and other stakeholders is stressed. Communication and involvement are essential components of every aspect of the budget process.

### PERFORMANCE BUDGETING

The City of Missoula is moving to a Performance Budgeting approach for the development of its annual operating budget. Performance budgets emphasize the accomplishment of program objectives as opposed to a description of what is going to be purchased by the government.

Performance budgeting involves a shift away from a debate by the City Council of what is going to be purchased toward a debate regarding what is going to be accomplished.

The City of Missoula is in the early stages of its Performance Budgeting efforts. Each department is in the process of identifying performance objectives, identifying and tracking workload indicators, and establishing quantifiable performance measures. It is anticipated that it will take 3 – 5 years to fully implement the performance budgeting system.

### FINANCIAL TREND ANALYSIS

The budget process begins in the winter with the initial updating of the five-year financial trend analysis for the City as a whole.

Using the latest fiscal, operational, and legislative information, the finance office staff works collaboratively with city departments to update the city's most recent financial trend analysis.

The financial trend analysis assists the City Council and the city administration in focusing on the "Big Picture" of the city's financial operations.

### NEEDS ASSESSMENT PHASE

#### Late Winter – Early Spring

Departments have an opportunity to assess current conditions, programs, and needs. Examination of current departmental programs or positions for possible trade-offs, reduction, or elimination is strongly suggested. During this phase, departments are encouraged to thoroughly review all programs and services, assessing their value and priority to the citizens. At the same time, departments are asked to submit requests for new or expanded programs. The first proposals submitted for review are those capital requests that fit within the City's five-year capital improvement program.

From this process, they prepare their preliminary departmental budgets.

### BUDGET DEVELOPMENT AND PRIORITIZATION PHASE

The Finance Department compiles and tabulates the budgetary information submitted by the individual departments and begins the preparation of the preliminary budget in cooperation with the Mayor, City Administrator and the City's CIP and operating budget teams. The needs of the city departments are weighed against projected funds available and a determination must be made as to which services will be included in the final budget. The operating budget includes proposed expenditures and the means of financing them. All capital and operating new requests are scored and ranked by the CIP and operating budget teams.

Within the framework of the City's financial capacity, City Council priorities and departmental needs assessments, budget requests are reviewed and a preliminary City operating budget takes shape.

The purpose of the preliminary budget is to enable the community, stakeholders and the City Commission to comment on a balanced budget well before it is adopted.

### CAPITAL IMPROVEMENTS PROGRAM (CIP) AND ITS RELATIONSHIP TO THE OPERATING BUDGET

The City of Missoula prepares a Capital Improvement Plan (CIP) document separate and apart from the Annual Operating Budget. Unlike the Annual Operating Budget, the CIP is a multi-year capital improvements plan that forecasts, but does not obligate, future spending for all anticipated capital projects.

Whenever the City commits to a CIP plan, there is an associated long-range commitment of The amendment, supporting documents and drafted resolution is presented to the Council for operating funds. For this reason, it is important to evaluate capital commitments in the context of their long-range operating impact. Most capital projects affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs or by providing capacity for new programs to be offered. Such impacts vary widely from project to project and, as such, are evaluated individually during the process of assessing project feasibility.

The multi-year, long-range fiscal analysis also provides an opportunity to review the operating impact of growth-related future capital projects.

**ADOPTION/IMPLEMENTATION  
PHASE**

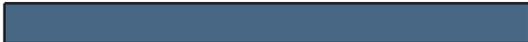


Public hearings are conducted to enable citizens and other interested parties to comment on the proposed budget. Following the public hearings, the City Council may modify the proposed budget or may adopt it without changes.

The budget and the corresponding property tax mill levy must be adopted by the 3rd Monday in August or within 45 days of receiving certified taxable values from the Department of Revenue.

Management control of the budget is maintained by monthly revenue and expenditure reports, whereby departments are able to compare actual results to the budget throughout the fiscal year. In addition, the Finance Director prepares quarterly budget reviews on a city-wide basis, with presentations to the City Council at a public meeting. These budget reviews are aimed at examining expenditure patterns, and recommending corrective action to be taken during the year.

**AMENDING THE BUDGET**



The City's budget may be amended during the course of the year, following public notice, a public hearing, and a majority vote of the City Council. The requesting department is responsible for preparing the budget amendment and supporting documents. The proposed amendment and supporting documents are reviewed by the Finance Department for accuracy and completeness. After Finance reviews and approves the amendment, a budget amendment resolution is drafted and presented along with the amendment and supporting documents to the City Council at a duly noticed public meeting. The amendment, supporting documents and drafted resolution is presented to the Council for review, if approved, a formal public notice is forwarded to the newspaper, setting the date, time, reason, and funding source for the proposed budget amendment. At the public meeting the Council hears a staff report from the pertinent department amendment. Following the staff report, and Council discussion, the meeting is opened up for public input. The City Council considers the Resolution and may approve, amend, table, or deny the Budget Amendment. The annual appropriations and transfers for various departments are controlled and monitored for budgetary compliance at the fund level. Management does not make transfers of appropriations or over-expend appropriations at the department level within a fund without approval of the City Council.

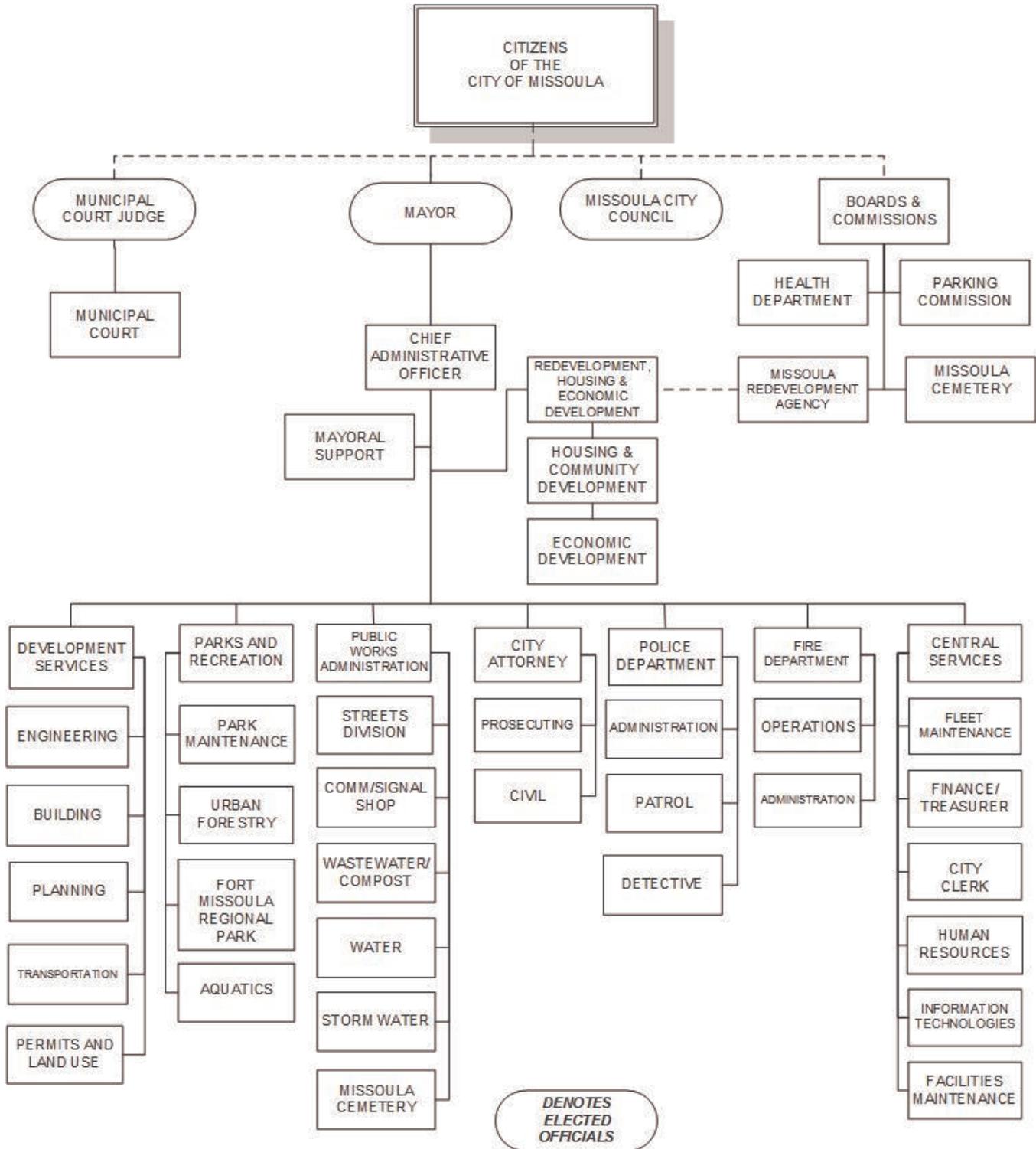
# BUDGET PROCESS

## THE BUDGET TIMELINE

January	<p>The Finance Department prepares mid-year budget reviews by updating budget to actual expenditures and revenues for all departments. Assist major departments in preparing budget review for Council.</p> <p>The Capital Improvement Program is initiated for next fiscal year with a press release notifying the public and a workshop scheduled for all City supervisory staff.</p>	May	<p>Budget appeals are heard by the mayor, CAO, and Finance Director.</p> <p>The budget process is referred to the Missoula City Council Budget Committee of the Whole.</p> <p>The Mayor launches the public budget process with an overview of expenses and new requests crafted by staff.</p>
February	<p>Major Departments present mid-year budget reviews to City Council and identify goals and initiatives to be completed by year end.</p> <p>The Capital Improvement Program is initiated for next fiscal year with a press release notifying public and a workshop is scheduled for all City supervisory staff.</p>	June	<p>Weekly meeting in the Budget Committee of the Whole are scheduled with City departments and outside agencies to review annual new requests and to review updated and newly requested CIP's.</p> <p>Preliminary budget presented and updated weekly by Finance Department with voted, recommended and/or proposed changes.</p>
March	<p>Finance Department reviews approved and funded Capital Improvement Program (CIP) projects from prior year and begins processing in budget software to update the status of CIP's as well as identify any new projects for consideration.</p> <p>Baseline salaries, expenditures and revenues are updated for all departments and funds.</p>	July	<p>Weekly meetings in the Budget Committee of the Whole with scheduled departments and outside agencies to review new requests and CIP funding requests continue.</p> <p>Preliminary budget presented and updated weekly by Finance Department with voted, recommended and/or proposed changes.</p>
April	<p>City Council and City Administration meet and develop a Strategic Framework for constructing the annual budget.</p> <p>Finance Department reviews submitted CIP's for expenditures and funding sources and prepares CIP's for review by CIP Team.</p> <p>The CIP team meets with Departments submitting CIP requests to review requests for expenditures, funding sources and level of need and recommend approval &amp; funding.</p> <p>Finance Staff analyze baseline budget and new requests submitted by departments.</p> <p>The Budget Team meets with Department Heads to review baseline budgets, proposed baseline increases and new budget requests.</p> <p>Mayor and Budget Team review assumptions and make recommendations for approval of new requests and baseline increases.</p> <p>Finance Staff projects expenditures and revenues for remainder of current year and assumptions for upcoming budget to be provided to Mayor and Budget Team.</p>	August	<p>Finance staff update financial information with voted, recommended and/or proposed changes for Final budget resolution.</p> <p>Tax levies received first Monday in August from Department of Revenue.</p> <p>Further review of the budget and CIP's are discussed after receiving final levy values.</p> <p>Annual budget and tax levies presented to City Council for adoption.</p>
		September	<p>Final budget document are published on the City's website.</p> <p>Quarterly review of budgetary expenditures and revenues.</p>
		October	<p>Monthly review of budgetary expenditures and revenues.</p>
		November	<p>Monthly review of budgetary expenditures and revenues.</p>
		December	<p>Quarterly review of budgetary expenditures and revenues.</p> <p>Preparations are made for the mid-year budget review.</p>



# FY 2019 Citizens of the City of Missoula



CITY OF MISSOULA BUDGET INCREASES FOR FY 2019

REQUESTED AND FUNDED OPERATING BUDGET INCREASES								
Department	Rank	Amount	Funded	Not Funded	One-Time Costs	Ongoing Costs	Non-Budgeted Tax Revenues Funded	Non-Budgeted Non-Tax Revenues Funded
<b>General Fund</b>								
<b>Mayor:</b>								
2019 Legislative Session	1	33,200	33,200	—	33,200	—	5,644	27,556
Citizen Survey	2	25,000	—	25,000	—	25,000	—	—
Strategic Budget Plan Facilitation	3	2,000	—	2,000	—	2,000	—	—
<b>Sub-total</b>		<b>60,200</b>	<b>33,200</b>	<b>27,000</b>	<b>33,200</b>	<b>27,000</b>	<b>5,644</b>	<b>27,556</b>
<b>Human Resources:</b>								
City-wide training software system	1	39,548	—	39,548	1,500	38,048	—	—
Human Resource Analyst	2	67,490	—	67,490	3,986	63,504	—	—
<b>Sub-total</b>		<b>107,038</b>	<b>—</b>	<b>107,038</b>	<b>5,486</b>	<b>101,552</b>	<b>—</b>	<b>—</b>
<b>City Clerk:</b>								
Increase Neighborhood Project Fund	1	7,000	—	7,000	—	7,000	—	—
Purchase iPads	2	7,145	—	7,145	—	7,145	—	—
MLCT Dues Increase	3	6,533	6,533	—	—	6,533	6,533	—
<b>Sub-total</b>		<b>20,678</b>	<b>6,533</b>	<b>14,145</b>	<b>—</b>	<b>20,678</b>	<b>6,533</b>	<b>—</b>
<b>Information Technologies:</b>								
Baseline Request-Software Maintenance	1	25,116	25,116	—	—	25,116	25,116	—
Public Safety/Accela Help Desk Tech	2	70,687	—	70,687	4,521	66,166	—	—
GIS manager	3	79,196	79,196	—	5,521	73,675	—	79,196
Software Developer/Analyst	4	75,836	75,836	—	5,521	70,315	—	75,836
<b>Sub-total</b>		<b>250,835</b>	<b>180,148</b>	<b>70,687</b>	<b>15,563</b>	<b>235,272</b>	<b>25,116</b>	<b>155,032</b>
<b>Municipal Court:</b>								
Administrative Assistant III	1	60,893	—	60,893	5,529	55,364	—	—
Assistant Judge II to .85 FTE	2	36,523	—	36,523	320	36,203	—	—
MT Judicial Branch PreTrial Diversion Program	3	50,565	—	50,565	—	50,565	—	—
<b>Sub-total</b>		<b>147,981</b>	<b>—</b>	<b>147,981</b>	<b>5,849</b>	<b>142,132</b>	<b>—</b>	<b>—</b>
<b>Finance Department:</b>								
Contractual Agreement Increases	1	49,090	49,090	—	—	49,090	49,090	—
<b>Sub-total</b>		<b>49,090</b>	<b>49,090</b>	<b>—</b>	<b>—</b>	<b>49,090</b>	<b>49,090</b>	<b>—</b>
<b>Central Services Department:</b>								
Energy Conservation Program Specialist	1	52,434	—	52,434	—	52,434	—	—
Climate Action Development & Implementation	2	35,000	—	35,000	35,000	—	—	—
Zero Waste Development & Implementation	3	32,000	—	32,000	32,000	—	—	—
Facilities Master Planning	4	100,000	—	100,000	100,000	—	—	—
Franchise Fee Negotiation	5	10,000	10,000	—	10,000	—	10,000	—
<b>Sub-total</b>		<b>229,434</b>	<b>10,000</b>	<b>219,434</b>	<b>177,000</b>	<b>52,434</b>	<b>10,000</b>	<b>—</b>
<b>Facilities Maintenance:</b>								
Baseline Adjustments - Maint & Utilities	1	61,103	61,103	—	—	61,103	61,103	—
<b>Sub-total</b>		<b>61,103</b>	<b>61,103</b>	<b>—</b>	<b>—</b>	<b>61,103</b>	<b>61,103</b>	<b>—</b>
<b>Development Services Department:</b>								
Staff Traffic Engineer	1	102,794	—	102,794	8,809	93,985	—	—
<b>Sub-total</b>		<b>102,794</b>	<b>—</b>	<b>102,794</b>	<b>8,809</b>	<b>93,985</b>	<b>—</b>	<b>—</b>
<b>Housing &amp; Community Development:</b>								
Reaching Home Expansion: Coordinated Entry	1	55,000	55,000	—	—	55,000	—	55,000
Internship Program, University of Montana	2	7,500	—	7,500	—	7,500	—	—
<b>Sub-total</b>		<b>62,500</b>	<b>55,000</b>	<b>7,500</b>	<b>—</b>	<b>62,500</b>	<b>—</b>	<b>55,000</b>

REQUESTED AND FUNDED OPERATING BUDGET INCREASES								
Department	Rank	Amount	Funded	Not Funded	One-Time Costs	Ongoing Costs	Non-Budgeted Tax Revenues Funded	Non-Budgeted Non-Tax Revenues Funded
<b>Attorney:</b>								
Deputy City Attorney Prosecution	1	100,606	—	100,606	8,800	91,806	—	—
Justware maintenance		890	—	890	—	890	—	—
Continuation funding for RVS	2	5,415	5,415	—	—	5,415	5,415	—
<b>Sub-total</b>		<b>106,911</b>	<b>5,415</b>	<b>101,496</b>	<b>8,800</b>	<b>98,111</b>	<b>5,415</b>	<b>—</b>
<b>Fleet Maintenance:</b>								
Contractual obligations Tool Allowance	1	760	760	—	—	760	760	—
Contractual obligation Eye Glasses	2	3,200	3,200	—	—	3,200	3,200	—
Contractual obligation Clothing allowance	3	240	240	—	—	240	240	—
Contractual obligation CDL	4	800	800	—	—	800	800	—
<b>Sub-total</b>		<b>5,000</b>	<b>5,000</b>	<b>—</b>	<b>—</b>	<b>5,000</b>	<b>5,000</b>	<b>—</b>
<b>Police:</b>								
Hire CFS Officers	1	488,666	229,463	259,203	113,440	375,226	220,032	9,431
SVOR - contribution to County	2	55,385	55,385	—	—	55,385	55,385	—
Staffing Study	3	17,500	17,500	—	17,500	—	17,500	—
Annual Maintenance Costs	4	17,430	—	17,430	3,000	14,430	—	—
On-line warrant program	5	5,000	—	5,000	—	5,000	—	—
Increase call-in hours for PSS	6	8,587	—	8,587	—	8,587	—	—
Chaplain stipend	7	13,200	—	13,200	—	13,200	—	—
Ammunition	8	8,190	—	8,190	—	8,190	—	—
Snow removal - Catlin Street Building	9	2,500	—	2,500	—	2,500	—	—
<b>Sub-total</b>		<b>616,458</b>	<b>302,348</b>	<b>314,110</b>	<b>133,940</b>	<b>482,518</b>	<b>292,917</b>	<b>9,431</b>
<b>Fire:</b>								
Utilities	1	10,728	10,728	—	—	10,728	10,728	—
Assistant Mechanic	2	135,435	—	135,435	—	135,435	—	—
Life Pack 15 Data Plan	3	1,254	—	1,254	—	1,254	—	—
Crew Sense Software	4	6,048	—	6,048	—	6,048	—	—
Officer Development	5	15,000	—	15,000	15,000	—	—	—
Facility Projects	6	10,000	—	10,000	—	10,000	—	—
EMS Supplies	7	2,000	—	2,000	—	2,000	—	—
Rescue Supplies	8	1,500	—	1,500	—	1,500	—	—
<b>Sub-total</b>		<b>181,965</b>	<b>10,728</b>	<b>171,237</b>	<b>15,000</b>	<b>166,965</b>	<b>10,728</b>	<b>—</b>
<b>Cemetery:</b>								
Baseline Adjustment - Utilities & Postage	1	681	681	—	—	681	—	681
Baseline Adjustment - Green Waste Charges	2	1,500	1,500	—	—	1,500	—	1,500
Cemetery Master Plan	3	50,000	50,000	—	50,000	—	—	50,000
<b>Sub-total</b>		<b>52,181</b>	<b>52,181</b>	<b>—</b>	<b>50,000</b>	<b>2,181</b>	<b>—</b>	<b>52,181</b>
<b>Non-Departmental:</b>								
Non-Union Salary Increase	1	391,413	391,413	—	—	391,413	391,413	—
Health Premium Increase	2	703,983	703,983	—	—	703,982.55	703,983	—
Deductible Increase	3	(232,074)	(232,074)	—	—	(232,074)	(232,074)	—
Annual Salary Increase - Health	4	47,375	47,375	—	—	47,375	47,375	—
Annual Salary Increase - Animal Control	5	5,871	5,871	—	—	5,871	5,871	—
Aging Service Annual Funding Increase	6	8,750	8,750	—	—	8,750	8,750	—
Downtown Master Plan Update	7	400,000	400,000	—	400,000	—	—	400,000
<b>Sub-total</b>		<b>1,325,318</b>	<b>1,325,318</b>	<b>—</b>	<b>400,000</b>	<b>925,317.55</b>	<b>925,318</b>	<b>400,000</b>
<b>General Fund Total</b>		<b>3,379,486</b>	<b>2,096,064</b>	<b>1,283,422</b>	<b>853,647</b>	<b>2,525,839</b>	<b>1,396,864</b>	<b>699,200</b>

REQUESTED AND FUNDED OPERATING BUDGET INCREASES								
Department	Rank	Amount	Funded	Not Funded	One-Time Costs	Ongoing Costs	Non-Budgeted Tax Revenues Funded	Non-Budgeted Non-Tax Revenues Funded
<b>General Fund Special</b>								
<b>1219 Fort Missoula Regional Park - Rec:</b>								
Contractual Utility Increases	1	584	584	—	—	584	—	584
<b>Sub-total</b>		<b>584</b>	<b>584</b>	<b>—</b>	<b>—</b>	<b>584</b>	<b>—</b>	<b>584</b>
<b>1251 Johnson Street Property:</b>								
Building upkeep	1	15,000	15,000	—	—	15,000	—	15,000
<b>Sub-total</b>		<b>15,000</b>	<b>15,000</b>	<b>—</b>	<b>—</b>	<b>15,000</b>	<b>—</b>	<b>15,000</b>
<b>General Fund &amp; General Fund Special Total</b>		<b>3,395,070</b>	<b>2,111,648</b>	<b>1,283,422</b>	<b>853,647</b>	<b>2,541,423</b>	<b>1,396,864</b>	<b>714,784</b>
<b>NON-GENERAL FUND REQUESTS</b>								
<b>Medical Levy Outside Cap:</b>								
Increase in Medical Levy		701,398	701,398	—	—	701,398	—	701,398
<b>Sub-total</b>		<b>701,398</b>	<b>701,398</b>	<b>—</b>	<b>—</b>	<b>701,398</b>	<b>—</b>	<b>701,398</b>
<b>Building:</b>								
Baseline Adjustments		40,300	40,300	—	16,000	24,300	—	40,300
<b>Sub-total</b>		<b>40,300</b>	<b>40,300</b>	<b>—</b>	<b>16,000</b>	<b>24,300</b>	<b>—</b>	<b>40,300</b>
<b>Road District 1 - Public Works:</b>								
Non-Union Wage Increase		80,612	80,612	—	—	80,612	80,612	—
Seasonal Traffic Services Laborer	1	45,218	—	45,218	—	45,218	—	—
Electronic Technician	2	78,216	—	78,216	2,192	76,024	—	—
Traffic Marking Paint & Beads	3	20,708	—	20,708	—	20,708	—	—
City-Owned Street Light Repair Fund	4	11,100	—	11,100	—	11,100	—	—
Baseline Adjustment	5	13,750	—	13,750	—	13,750	—	—
Street Lighting Master Plan	6	145,000	—	145,000	145,000	—	—	—
Hire 0.25 Seasonal Street Operator	7	20,627	20,627	—	—	20,627	20,627	—
Hire 2.0 New FTE Street Operators	8	165,008	—	165,008	—	165,008	—	—
<b>Sub-total</b>		<b>580,239</b>	<b>101,239</b>	<b>479,000</b>	<b>147,192</b>	<b>433,047</b>	<b>101,239</b>	<b>—</b>
<b>Road District 1 - Development Services:</b>								
ADA Ramp Assistance	1	40,000	—	40,000	—	40,000	—	—
Durable Safety Pavement Markings	2	75,000	—	75,000	—	75,000	—	—
Engineering Standards and Specifications Manual	3	60,000	60,000	—	60,000	—	15,000	45,000
<b>Sub-total</b>		<b>175,000</b>	<b>60,000</b>	<b>115,000</b>	<b>60,000</b>	<b>115,000</b>	<b>15,000</b>	<b>45,000</b>
<b>Park District 1:</b>								
Non-Union Wage Increase		146,792	146,792	—	—	146,792	146,792	—
Contractual Increases	1	9,496	9,496	—	—	9,496	9,496	—
Recreation Program Growth	2	46,250	46,250	—	—	46,250	—	46,250
Electronic Development Review Process	3	8,595	—	8,595	8,595	—	—	—
Reallocate Aquatics Salaries to General Fund	4	34,642	14,671	19,971	—	34,642	14,671	—
Unfunded Trails and Facilities (G&H)	5	88,422	7,250	81,172	—	88,422	7,250	—
Unfunded Cons. Lands Lands	6	97,652	—	97,652	—	97,652	—	—
Urban Forestry Staffing	7	144,838	—	144,838	15,080	129,758	—	—
Operations Jeffrey Park	8	31,791	22,353	9,438	—	31,791	22,353	—
Stipend: Moon Randolph Caretaker	9	10,000	—	10,000	—	10,000	—	—
Green Infrastructure and Utilities: Pilot Program	10	32,300	—	32,300	30,000	2,300	—	—
Operations MRL Park	11	30,345	—	30,345	—	30,345	—	—
PAM Cyclical Maintenance	12	60,000	—	60,000	—	60,000	—	—
Grant Creek Trail	13	5,000	—	5,000	—	5,000	—	—
Bitterroot Trail Extensions	14	13,388	—	13,388	—	13,388	—	—
Van Buren Sidewalk/path	15	2,600	—	2,600	—	2,600	—	—
Syringa and Bellevue Bike Park maintenance	16	12,640	—	12,640	—	12,640	—	—

REQUESTED AND FUNDED OPERATING BUDGET INCREASES								
Department	Rank	Amount	Funded	Not Funded	One-Time Costs	Ongoing Costs	Non-Budgeted Tax Revenues Funded	Non-Budgeted Non-Tax Revenues Funded
Broadway Island Maintenance	17	35,476	—	35,476	—	35,476	—	—
Russell Street Maintenance	18	77,405	—	77,405	19,261	58,144	—	—
Hellgate Park	19	2,975	—	2,975	—	2,975	—	—
Missoula Water	20	8,680	—	8,680	—	8,680	—	—
CO2 Graffiti Remover	21	31,300	—	31,300	30,000	1,300	—	—
G&H Half-ton LUV	22	29,700	—	29,700	28,000	1,700	—	—
Pavement Grinder	23	16,300	—	16,300	15,000	1,300	—	—
Pavement Striper	24	17,300	—	17,300	15,000	2,300	—	—
<b>Sub-total</b>		<b>993,887</b>	<b>246,812</b>	<b>747,075</b>	<b>160,936</b>	<b>832,951</b>	<b>200,562</b>	<b>46,250</b>
<b>Gas Tax:</b>								
Materials Increases	1	115,165	115,165	—	—	115,165	—	115,165
<b>Sub-total</b>		<b>115,165</b>	<b>115,165</b>	<b>—</b>	<b>—</b>	<b>115,165</b>	<b>—</b>	<b>115,165</b>
<b>Water:</b>								
Utility Service Personnel		62,807	—	62,807	—	62,807	—	—
Utility Service Personnel		62,807	—	62,807	—	62,807	—	—
<b>Sub-total</b>		<b>125,614</b>	<b>—</b>	<b>125,614</b>	<b>—</b>	<b>125,614</b>	<b>—</b>	<b>—</b>
<b>Wastewater:</b>								
Baseline Increase - Utilities	1	180,422	180,422	—	—	180,422	—	180,422
<b>Sub-total</b>		<b>180,422</b>	<b>180,422</b>	<b>—</b>	<b>—</b>	<b>180,422</b>	<b>—</b>	<b>180,422</b>
<b>Storm Water:</b>								
Regulatory Compliance Specialist	1	81,179	81,179	—	10,351	70,828	—	81,179
Baseline Budget Increase	2	26,683	26,683	—	—	26,683	—	26,683
Storm Water Sampling / Testing Equipment	3	37,880	37,880	—	37,480	400	—	37,880
City of Missoula Standards and Specifications	4	10,000	10,000	—	10,000	—	—	10,000
<b>Sub-total</b>		<b>155,742</b>	<b>155,742</b>	<b>—</b>	<b>57,831</b>	<b>97,911</b>	<b>—</b>	<b>155,742</b>
<b>Aquatics:</b>								
Increase GF Contribution to Aquatics	1	78,000	—	78,000	—	78,000	—	—
Contractual Utility Increases	2	5,059	5,059	—	—	5,059	—	5,059
<b>Sub-total</b>		<b>83,059</b>	<b>5,059</b>	<b>78,000</b>	<b>—</b>	<b>83,059</b>	<b>—</b>	<b>5,059</b>
<b>Parking Commission:</b>								
Baseline Increases	1	231,212	231,212	—	—	231,212	—	231,212
Professional Services - One Time Administrative Assistant Support	2	9,600	9,600	—	9,600	—	—	9,600
Debt & Professional Services - T2 Services	3	222,417	222,417	—	600	221,817	—	222,417
Roam Garage Expenses	4	24,304	24,304	—	—	24,304	—	24,304
Tailgate Deicer Spreaders	5	4,000	4,000	—	4,000	—	—	4,000
Downtown Master Plan Contribution	6	75,000	75,000	—	75,000	—	—	75,000
<b>Sub-total</b>		<b>566,533</b>	<b>566,533</b>	<b>—</b>	<b>89,200</b>	<b>477,333</b>	<b>—</b>	<b>566,533</b>
<b>MRA</b>								
Stand-up Desks	1	2,000	2,000	—	2,000	—	—	2,000
<b>Sub-total</b>		<b>2,000</b>	<b>2,000</b>	<b>—</b>	<b>2,000</b>	<b>—</b>	<b>—</b>	<b>2,000</b>
<b>Non-General Fund Total</b>		<b>3,719,359</b>	<b>2,174,670</b>	<b>1,544,689</b>	<b>533,159</b>	<b>3,186,200</b>	<b>316,801</b>	<b>1,857,869</b>
<b>Grand Total - All Funds</b>		<b>\$ 7,114,429</b>	<b>\$ 4,286,318</b>	<b>\$ 2,828,111</b>	<b>\$ 1,386,806</b>	<b>\$ 5,727,623</b>	<b>\$ 1,713,665</b>	<b>\$ 2,572,653</b>

## OVERVIEW OF BUDGETED RESOURCES

## PROJECTED CHANGES IN FUND AND WORKING CAPITAL BALANCES

## DETAIL OF ALL FUNDS

Fiscal Year 2018 - 2019

Fund #	Fund Name	Audited	FY 2019			Projected	
		Beginning	Estimated Revenues		Budgeted	Ending	
		Balances	Tax or	Budgeted	Expenditure	Balances	
		July 1, 2018	Non-Tax	Assessment	Expenditures	Savings	June 30, 2019
1000	General Fund	2,405,063	31,200,234	22,792,248	55,172,634	1,489,412	2,714,323
1211	Park Acquisition and Development Fund	350,869	20,000	—	274,959	—	95,910
1212	Park Enterprise Fund	492,276	54,700	—	332,360	—	214,616
1216	Parks Recreation Trails Forestry Land Memorial	648,461	417,450	—	931,100	—	134,811
1217	Parks City Life Gym	11,325	48,700	—	32,700	—	27,325
1219	Fort Missoula Regional Park - Recreation	262,611	440,414	—	581,212	—	121,813
1221	Fort Missoula Regional Park - Maintenance	(112,052)	655,992	—	655,702	—	(111,762)
1241	Cemetery Cremain Wall & Memorials Fund	38,699	14,033	—	2,500	—	50,232
1242	Cemetery Capital Reserve Fund	328,764	49,002	—	85,000	—	292,766
1243	Cemetery Cremain Memorial Fund	10,511	1,533	—	500	—	11,544
1251	Johnson Street Property Lease Fund	115,114	—	—	—	—	115,114
1265	Title 1 Projects	149,762	201,924	—	201,924	—	149,762
1396	Title 1 Income Revolving Loan Program	89,190	—	—	62,439	—	26,751
<b>Total General Fund</b>		<b>4,790,593</b>	<b>33,103,982</b>	<b>22,792,248</b>	<b>58,333,030</b>	<b>1,489,412</b>	<b>3,843,205</b>
<b>SPECIAL REVENUE FUNDS</b>							
2250	Planning	(60,585)	535,454	—	643,208	—	(168,339)
2310	Public Safety Information Systems	63,285	24,000	—	85,486	—	1,799
2321	Impact Fee	3,488,683	1,636,000	—	1,800,000	—	3,324,683
2322	George Elmer - Cattle Dr.	1	15,000	—	15,000	—	1
2365	Public Art	18,913	78,350	—	94,293	—	2,970
2372	Employee Permissive Health Insurance Levy	(365,999)	—	5,212,217	4,693,217	—	153,001
2389	Cable Franchise Fee	(75,587)	692,250	—	721,288	—	(104,625)
2390	Drug Forfeiture Fund	4,972	10,000	—	15,800	—	(828)
2394	Building Inspection	2,437,448	1,888,585	—	1,742,809	—	2,583,224
2395	City Grants & Program Income	4,295	25,000	—	25,000	—	4,295
2399	Dangerous Building	—	15,000	—	15,000	—	—
2400	Street Lighting Districts	138,922	359,171	—	359,171	—	138,922
2500	Street Maintenance Fund	(1,479)	106,210	—	105,354	—	(623)
2511	Willowwood Park Maintenance Assessment	43	—	—	—	—	43
2512	Public Works - Road District #1	(533,974)	2,325,700	3,412,492	5,738,192	—	(533,974)
2522	Development Services - Road District #1	—	45,000	727,443	720,683	40,189	91,949
2513	Parks District #1	35,956	3,919,812	2,056,723	5,973,856	—	38,635
2820	Gas Tax Fund	410,518	2,257,265	—	1,337,665	—	1,330,118
2918	Law Enforcement Grants	(10,337)	122,873	—	122,873	—	(10,337)
2919	HIDTA	274,816	55,000	—	140,600	—	189,216
2939	CDBG Program	13,015	29,463	—	29,463	—	13,015
2940	Community Development Block Grant Fund	(8,213)	566,756	—	566,756	—	(8,213)
2941	HOME Grant	8,135	367,993	—	367,993	—	8,135
2943	City Home Program	463,321	457,657	—	457,650	—	463,328

Fund #	Fund Name	Audited	FY 2019				Projected
		Beginning	Estimated Revenues		Budgeted	Ending	
		Balances	Tax or	Budgeted	Expenditure	Balances	
		July 1, 2018	Non-Tax	Assessment	Expenditures	Savings	June 30, 2019
2955	Transportation Department	196,689	1,615,029	—	1,307,223	—	504,495
2987	Transportation Grants	14,272	—	—	208,379	—	(194,107)
2988	Grants & Donations	304,764	20,000	—	71,650	—	253,114
2989	Misc. Police Grants & Donations	(33,132)	528,754	—	480,088	—	15,534
2991	Brownfields	733,139	778,056	—	778,056	—	733,139
<b>Total Special Revenues</b>		<b>7,521,881</b>	<b>18,474,378</b>	<b>11,408,875</b>	<b>28,616,753</b>	<b>40,189</b>	<b>8,828,570</b>
<b>DEBT SERVICE FUNDS</b>							
3000	SID Revolving	557,436	19,700	—	100,000	—	477,136
3091	Series 2012A Aquatics Refunding Bond	(29,305)	—	575,385	575,385	—	(29,305)
3092	Series 2013 GO Refunding Bond	(207,272)	—	426,342	426,342	—	(207,272)
3095	2004 Refunding Bonds	(1,432)	—	—	—	—	(1,432)
3096	New Fire Station GO Bonds	(154,030)	—	—	—	—	(154,030)
3097	2007 Refunding Bonds	25,676	—	—	—	—	25,676
3100	Sidewalk & Curb Warrants Fund	1,324	—	—	—	—	1,324
3305	Judgment Levies	34	—	—	—	—	34
3410	FY 02 Sidewalk & Curb Fund	350	—	—	—	—	350
3420	FY 03 Sidewalk & Curb Fund	(351)	—	—	—	—	(351)
3430	FY 04 Sidewalk & Curb Fund	(3,627)	—	—	—	—	(3,627)
3440	FY 05 Sidewalk & Curb Fund	63,588	—	—	—	—	63,588
3450	FY 06 Sidewalk & Curb Fund	100,997	—	—	—	—	100,997
3460	FY 07 Sidewalk & Curb Fund	23,171	47,950	—	47,950	—	23,171
3461	Series 2008A Sidewalk & Curb Fund	26,314	25,938	—	25,938	—	26,315
3462	Series 2009 Sidewalk & Curb Fund	120,164	35,280	—	35,280	—	120,164
3463	Series 2010 Sidewalk & Curb Fund	60,000	39,725	—	39,725	—	60,000
3464	FY 12 Sidewalk & Curb Fund	6,702	63,583	—	63,583	—	6,703
3465	FY 13 Sidewalk & Curb Fund	(21,551)	37,159	—	37,159	—	(21,551)
3466	FY 15 Sidewalk & Curb Fund	16,727	54,721	—	54,721	—	16,727
3467	FY 16 Sidewalk & Curb Fund	(5,406)	31,782	—	31,782	—	(5,406)
3468	FY 17 Sidewalk & Curb Fund	27,551	34,440	—	34,440	—	27,551
3510	SID 510	119,629	—	—	—	—	119,629
3512	SID 512	203,594	—	—	—	—	203,594
3520	SID 520	127,654	156,560	—	156,560	—	127,654
3521	SID 521	990	—	—	—	—	990
3522	SID 522	(663)	—	—	—	—	(663)
3524	SID 524	554,893	305,340	—	305,340	—	554,893
3525	SID 525	236,997	33,100	—	33,100	—	236,997
3526	SID 526	17,103	192,920	—	192,920	—	17,103
3530	SID 530	(1,352)	—	—	—	—	(1,352)
3532	SID 532	11,454	38,178	—	38,178	—	11,454
3533	Gilbert St Sewer SID	15,120	17,919	—	17,919	—	15,120
3534	Lincolnwood Sewer Phase 1	40,961	18,519	—	18,519	—	40,961
3535	Slant Street Traffic Calming Fund	—	—	—	—	—	—
3536	Lincolnwood Sewer Phase 2	90,404	31,875	—	31,875	—	90,404
3540	SID 540	345,819	117,760	—	117,760	—	345,819
3541	SID 541	61,426	60,395	—	60,345	—	61,476

Fund #	Fund Name	Audited	FY 2019				Projected
		Beginning	Estimated Revenues		Budgeted	Ending	
		Balances	Tax or		Expenditure	Balances	
		July 1, 2018	Non-Tax	Assessment	Expenditures	Savings	June 30, 2019
3543	SID 543	22,451	—	—	—	—	22,451
3544	SID 544	222,847	140,381	—	140,381	—	222,847
3545	SID 545	118	—	—	—	—	118
3546	SID 546	68	—	—	—	—	68
3548	SID 548	20,419	99,375	—	99,375	—	20,419
3549	SID 549	14,019	171,215	—	171,565	—	13,669
<b>Total Debt Service Funds</b>		<b>2,711,011</b>	<b>1,773,815</b>	<b>1,001,727</b>	<b>2,856,141</b>	<b>—</b>	<b>2,630,412</b>
<b>CAPITAL PROJECT FUNDS</b>							
4060	Capital Improvement Program Fund	(4,257,566)	4,984,394	—	1,401,503	—	(674,675)
4451	FY 07 Sidewalk/Curb Fund	34	—	—	—	—	34
4454	FY 10 Sidewalk/Curb Fund	888	—	—	—	—	888
4455	FY 11 Sidewalk/Curb Fund	537	—	—	—	—	537
4456	FY 12 Sidewalk/Curb Fund	48,778	—	—	—	—	48,778
4457	FY 13 Sidewalk/Curb Fund	33,363	—	—	—	—	33,363
4459	FY 15 Sidewalk/Curb Fund	57,724	—	—	—	—	57,724
4460	FY 16 Sidewalk/Curb Fund	11,112	—	—	—	—	11,112
4461	FY 17 Sidewalk/Curb Fund	42,935	—	—	—	—	42,935
4462	FY 18 Sidewalk/Curb Fund	(339,710)	340,000	—	—	—	290
4463	FY 19 Sidewalk/Curb Fund	(9,156)	—	—	—	—	(9,156)
4531	SID 531 Traffic Calming Fund	(1,070)	—	—	—	—	(1,070)
4532	Maloney Ranch SID	763	—	—	—	—	763
4533	Rattlesnake Sewer SID	10	—	—	—	—	10
4534	SID 534 Lincolnwood Fund	(13)	—	—	—	—	(13)
4535	Slant Street Traffic Calming Fund	(4,724)	—	—	—	—	(4,724)
4536	SID 536 Lincolnwood Phase 2	2,219	—	—	—	—	2,219
4539	SID 539	(140)	—	—	—	—	(140)
4540	SID 540	91,427	—	—	—	—	91,427
4541	SID 541	23,575	—	—	—	—	23,575
4544	Miller Creek Mitigation Fund	3,526	—	—	—	—	3,526
4545	Miller Creek Twite Construction	1,393	—	—	—	—	1,393
4546	Miller Creek Maloney Construction	10,024	—	—	—	—	10,024
4547	Miller Creek McCarthy Construction	18,656	—	—	—	—	18,656
4548	SID 548	120,648	—	—	—	—	120,648
4745	Maloney/Twite Miller CR Fund	1,291	—	—	—	—	1,291
4941	SID 549	124,401	—	—	—	—	124,401
4944	SID 544	244	—	—	—	—	244
4945	SID 545	(3,263)	—	—	—	—	(3,263)
4946	SID 546	(3,887)	—	—	—	—	(3,887)
4948	Storm Water Outfall Retrofits	70,433	—	—	—	—	70,433
4949	Way Finding Project	(17,250)	—	—	—	—	(17,250)
4990	ARRA Enhancements	(2,498)	—	—	—	—	(2,498)
4991	ARRA HB645	(23,676)	—	—	—	—	(23,676)
4992	WFL Miller Creek Rd	(33)	—	—	—	—	(33)
4993	Western Federal Lands	(5,710)	—	—	—	—	(5,710)
<b>Total Capital Project Funds</b>		<b>(4,004,715)</b>	<b>5,324,394</b>	<b>—</b>	<b>1,401,503</b>	<b>—</b>	<b>(81,824)</b>

Fund #	Fund Name	Audited	FY 2019			Projected
		Beginning	Estimated Revenues		Budgeted	Ending
		Balances	Tax or	Budgeted	Expenditure	Balances
		July 1, 2018	Non-Tax	Assessment	Savings	June 30, 2019
<b>ENTERPRISE FUNDS</b>						
5020	Civic Stadium	82,503	120,000	—	120,000	82,503
5210	Water Fund	(11,626,906)	18,350,241	—	20,275,361	(13,552,026)
5311	Wastewater/Compost Operating Fund	90,545	9,330,950	—	9,851,839	(430,344)
5315	Wastewater Loan Fund	—	15,000	—	15,000	—
5325	Wastewater Development Fund	—	982,000	—	540,000	442,000
5450	Storm Water	(290,375)	340,410	—	403,995	(353,960)
5711	Aquatics	(396,778)	1,382,434	—	1,533,355	(547,699)
<b>Total Enterprise Funds</b>		<b>(12,141,011)</b>	<b>30,521,035</b>	<b>—</b>	<b>32,739,550</b>	<b>(14,359,526)</b>
<b>INTERNAL SERVICE FUND</b>						
6050	Employee Benefit Plan Fund	(299,038)	8,004,673	—	7,503,477	202,158
<b>Total Internal Service Fund</b>		<b>(299,038)</b>	<b>8,004,673</b>	<b>—</b>	<b>7,503,477</b>	<b>202,158</b>
<b>COMPONENT UNITS</b>						
7370	Parking Commission Fund	1,178,354	2,500,405	—	2,298,996	1,379,763
7371	MPC Interest Funds 2014 Bonds	(40,680)	151,995	—	249,551	(138,236)
7372	MPC Sinking Fund Series 2014 Bonds	(93,000)	165,000	—	275,000	(203,000)
7375	MPC TIF Series 2014 Bonds	180,579	232,538	—	232,538	180,579
<b>Total Parking Commission</b>		<b>1,225,253</b>	<b>3,049,938</b>	<b>—</b>	<b>3,056,085</b>	<b>1,219,106</b>
7380	Downtown Business Improvement	160,102	364,000	—	364,000	160,102
7381	Tourism Business Improvement District	593,572	857,294	—	837,644	613,222
<b>Total Improvement Districts</b>		<b>753,674</b>	<b>1,221,294</b>	<b>—</b>	<b>1,201,644</b>	<b>773,324</b>
7383	MRA Riverfront Triangle URD	239,205	1,694,273	—	1,859,273	74,205
7384	MRA Riverfront Triangle URD	—	765,647	—	765,647	—
7385	MRA Front St URD	653,755	6,872,321	—	7,532,909	(6,833)
7386	MRA Tax Increment Debt Service - Safeway	90,620	121,844	—	122,922	89,542
7387	MRA URD II Brownfields Revolving Loan Fund	—	58,092	—	58,092	—
7388	MRA Reserve 3.6M TIF	986,074	—	—	—	986,074
7389	MRA Tax Increment Debt Service	402,632	402,839	—	678,309	127,162
7390	MRA Tax Increment Debt Interest Fund	—	3,089,882	—	3,089,882	—
7392	Urban Renewal District II Fund	3,458,842	2,360,455	—	5,536,137	283,160
7393	Urban Renewal District III Fund	1,911,679	6,320,701	—	8,368,197	(135,817)
7394	MRA URD III Debt Clearing	—	3,068,461	—	3,068,461	—
7395	MRA Tax Increment Debt Service	—	950,575	—	947,761	2,814
7396	NRSS Debt Service Sinking	—	165,976	—	164,275	1,701
7397	North Reserve/Scott St URD	1,025,465	1,288,269	—	2,070,819	242,915
7398	Hellgate URD	129,976	128,375	—	256,750	1,601
7399	Inter-mountain Bond	—	146,652	—	146,652	—
7400	Front St Bond Clearing	—	516,716	—	516,716	—
7401	Front St Parking Structure	315,982	211,330	—	209,680	317,632
7402	Front St Subordinate Lien Note	79,059	230,920	—	285,011	24,968
<b>Total Redevelopment Agency</b>		<b>9,293,333</b>	<b>28,393,328</b>	<b>—</b>	<b>35,677,493</b>	<b>2,009,168</b>
<b>Total Component Unit Funds</b>		<b>11,272,260</b>	<b>32,664,560</b>	<b>—</b>	<b>39,935,222</b>	<b>4,001,598</b>
<b>Total All Funds</b>		<b>9,850,981</b>	<b>129,866,837</b>	<b>35,202,850</b>	<b>171,385,676</b>	<b>1,529,601</b>

The City of Missoula has an important responsibility to its citizens to carefully account for public funds, manage city finances wisely, manage growth, and plan for the adequate funding of services desired by the public, including the provision and maintenance of public facilities. As Missoula continues to grow at a record pace, its government needs to insure that it is capable of adequately funding and providing those local government services the citizens require. The following fiscal and budgetary policies are designed to meet these goals.

The overall goal of the city's fiscal policy is to establish and maintain effective management of the city's financial resources. Formal policy statements and major objectives provide the foundation for achieving this goal. Accordingly, this section outlines the policies used in guiding the preparation and management of the city's overall budget and the major objectives to be accomplished.

Financial policies are guidelines for operational and strategic decision making related to financial matters. Financial policies identify acceptable and unacceptable courses of action, establish parameters in which the government can operate, and provide a standard against which the government's fiscal performance can be judged.

The following City financial policies, endorsed by the City Council, establish the framework for the City of Missoula's overall fiscal planning and management. They set forth guidelines against which current budgetary performance can be measured. The City of Missoula's financial policies show the credit rating industry and prospective investors (bond buyers) the City's commitment to sound financial management and fiscal integrity. The financial policies also improve the City's fiscal stability by helping City officials plan fiscal strategy with a consistent approach. Adherence to adopted financial policies promotes sound financial management, which can lead to improvement in City bond ratings and lower cost of capital. The City is in compliance with the comprehensive financial policies in this budget.

## OPERATING BUDGET POLICIES

Links to Financial Plans

- 1) **Five-Year Plan.** The City of Missoula's annual budget will be developed in accordance with the policies and priorities set forth in the five year strategic financial plan, Council goals, the needs of the city, and state and federal laws. Program/project priorities and service levels will be established by the aforementioned plans.

### Scope.

- 1) **Comprehensive Budget.** A comprehensive annual budget will be prepared for all funds expended by the city. State law (7-6-4005), states that "Local government officials may not make a disbursement or an expenditure or incur an obligation in excess of the total appropriations for a fund." Inclusion of all funds in the budget enables the council, the administration, and the public to consider all financial aspects of city government when preparing, modifying, and monitoring the budget, rather than deal with the city's finances on a "piece meal" basis.
- 2) **Competing Requests.** The budget process is intended to weigh all competing requests for City resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged.
- 3) **Understandable.** The budget will be prepared in such a manner as to facilitate its understanding by citizens and elected officials. One of the stated purposes of the budget is to present a picture of the city government operations and intentions for the year to the citizens of the City of Missoula. Presenting a budget document that is understandable to the citizens furthers the goal of effectively communicating local government finance issues to both elected officials and the public.
- 4) **Budgetary Emphasis.** Budgetary emphasis will focus on providing those basic government services which provide the maximum level of services, to the most citizens, in the most cost effective manner, with due consideration being given to all costs--economic, fiscal, and social. Adherence to this basic philosophy provides the citizens of the City of Missoula assurance that its government and elected officials are responsive to the basic needs of the citizens and that its government is operated in an economical and efficient manner.

### Budgeting Control System.

- 1) **Budgetary Control.** The City will exercise budgetary control (maximum spending authority) through City Council approval of appropriation authority for each program. The budgetary control system enables the Council to

monitor current year operations and acts as an early warning mechanism when departments deviate in any substantive way from the original budget.

- 2) **Budget to Actual Reports.** Reports comparing actual revenues and expenditures to budgeted amounts will be prepared monthly and posted to the City's web-site. Monthly reports comparing actual revenues and expenditures to budget amounts provide the mechanism for the Council and the administration to regularly monitor compliance with the adopted budget. Quarterly reports will also be prepared that summarize the monthly detailed reports.

**Balanced Budget Definition and Requirement.**

- 1) **Balanced Budget.** The city will maintain a balanced budget. This means that:
  - \* Operating revenues must fully cover operating expenditures, including debt service.
  - \* Ending fund balance (or working capital in proprietary funds) must meet minimum policy levels.
  - \* Under this policy, it is allowable for total expenditures to exceed revenues in a given year as long as the projected ending fund balance meets minimum policy levels.

**Performance Measurement Integration.**

- 1) **Program Objectives.** The annual budget will establish measurable program objectives and allow reasonable time to accomplish those objectives.

**REVENUE POLICIES**



**Diversification and Stabilization.**

- 1) **Diversification.** The city will seek to maintain a diversified and stable revenue base to protect it from short-term fluctuations in any one revenue source.
- 2) **Aggressive Collection.** The city will pursue an aggressive policy of collecting revenues. An aggressive policy of collecting revenues will help to insure the city's revenue estimates are met, all taxpayers are treated fairly and consistently, and delinquencies are kept to a minimum.
- 3) **Grant Opportunities.** The city will aggressively pursue opportunities for Federal or State grant funding. An aggressive policy of pursuing opportunities for Federal or State grant funding provides citizens assurance that the city is striving to obtain all state and federal funds to which it is entitled--thereby reducing dependence upon local taxpayers for the support of local public services.
- 4) **Current Revenues for Current Uses.** The city will make all current expenditures with current revenues.
- 5) **Enterprise Funds.** The city will set fees and rates at levels which fully recover the total direct and indirect costs—including operations, depreciation of capital assets, and debt service.
- 6) **Earmarking.** The City recognizes that generally accepted accounting principles for state and local governments discourage the "earmarking" of General Fund revenues, and accordingly, the practice of designating General Fund revenues for specific programs should be minimized in the City's management of its fiscal affairs.
- 7) **Realistic and Conservative.** The city will estimate revenues in a realistic and conservative manner. Aggressive revenue estimates significantly increase the chances of budgetary shortfalls occurring during the year--resulting in either deficit spending or required spending reductions. Realistic and conservative revenue estimates, on the other hand, will serve to minimize the adverse impact of revenue shortfalls and will also reduce the need for mid-year spending reductions.
- 8) **One-Time Revenues.** The city will give highest priority in the use of one-time revenues to the funding of capital assets or other non-recurring expenditures. Utilizing one-time revenues to fund on-going expenditures results in incurring annual expenditure obligations which may be unfunded in future years. Using one-time revenues to fund capital assets or other nonrecurring expenditures better enables future administrations and council's to cope

with the financial problems when these revenue sources are discontinued, since these types of expenditures can more easily be eliminated.

### User Fees.

- 1) **Cost-Effective.** User fees will be collected only if the city finds it cost-effective and administratively feasible to do so. User fees are often costly to administer. Prior to establishing user fees, the costs to establish and administer the fees will be considered in order to provide assurance that the city's collection mechanisms are being operated in an efficient manner.
- 2) **Beneficiary Populations.** User fees and charges will be used, as opposed to general taxes, when distinct beneficiary populations or interest groups can be identified. User fees and charges are preferable to general taxes because user charges can provide clear demand signals which assist in determining what services to offer, their quantity, and their quality. User charges are also more equitable, since only those who use and benefit from the service must pay-- thereby eliminating the subsidy provided by nonusers to users, which is inherent in general tax financing.
- 3) **Community-Wide Versus Special Benefit.** The level of user fee cost recovery should consider the community-wide versus special service nature of the program or activity. The use of general-purpose revenues is appropriate for community-wide services, while other user fees are appropriate for services that are of special benefit to identified individuals or groups.
- 4) **General.** The following general concepts will be used in developing and implementing mservice charges and user fees:
  - Revenues should not exceed the reasonable cost of providing the service.
  - Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs and organizationwide support costs such as accounting, personnel, information technology, legal services, fleet maintenance, and insurance.
  - The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection.
  - Rate structures should be sensitive to the "market" for similar services as well as to smaller, infrequent users of the service.
  - A unified approach should be used in determining cost recovery levels for various programs based on the factors discussed above.

## EXPENDITURE POLICIES



### Maintenance of Capital Assets.

**Capital Assets.** The budget will provide for adequate maintenance of capital, plant, and equipment and for their orderly replacement. All governments experience prosperous times as well as periods of economic decline. In periods of economic decline, proper maintenance and replacement of capital, plant, and equipment is generally postponed or eliminated as a first means of balancing the budget. Recognition of the need for adequate maintenance and replacement of capital, plant, and equipment, regardless of the economic conditions, will assist in maintaining the government's equipment and infrastructure in good operating condition.

## RESERVE POLICIES



### Unreserved Fund Balance.

- 1) **General Fund.** An undesignated general fund reserve will be maintained by the city. The undesignated reserve will be used for: cash flow purposes, equipment acquisition and replacement, and to enable the city to meet

unexpected expenditure demands or revenue shortfalls. The City will focus on attaining and maintaining a fund balance equal to 7% of the General Fund's budget.

- 2) **Enterprise Funds.** Enterprise Fund Reserves will be maintained to meet four objectives: (1) ensure adequate funding for operations; (2) to ensure infrastructure repair and replacement; (3) to provide working capital to provide level rate change for customers; and, (4) to maintain the legally required coverage for outstanding revenue bond debt.
- 3) **Insurance Funds.** Self-Insurance Reserves will be maintained at a level, which, together with purchased insurance policies, will adequately indemnify the City's property, liability, and health benefit risk. The City will focus on attaining and maintaining a fund balance equal to three months of claims experience for the City's health plan insurance budget.
- 4) **Required Reserves.** Reserves will be established for funds which are not available for expenditure or are legally segregated for a specific use, in accordance with Governmental Accounting and Financial Reporting Standards (GAFR). The City's policy is to manage and account for its financial activity in accordance with Generally Accepted Accounting Principles (GAAP), as set forth by the Governmental Accounting Standards Board (GASB). This policy is consistent with GASB requirements.

### Utilizing Unreserved Fund Balances.

- 1) **Spending Reserves.** On-going expenditures will be limited to levels which can be supported by current revenues. Utilization of reserves to fund on-going expenditures will produce a balanced budget, however, this practice will eventually cause severe financial problems. Once reserve levels are depleted, the city would face elimination of on-going costs in order to balance the budget. Therefore, the funding of on-going expenditures will be limited to current revenues.

## CAPITAL IMPROVEMENT POLICIES

### CIP Formulation.

- 1) **CIP Purpose.** The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. The CIP is a five-year plan organized into the same functional groupings used for the operating programs. The CIP will reflect a balance between capital replacement projects that repair, replace or enhance existing facilities, equipment or infrastructure; and capital facility projects that significantly expand or add to the City's existing fixed assets.
- 2) **CIP Criteria.** Construction projects and capital purchases of \$5,000 or more will be included in the Capital Improvement Plan (CIP) as long as the useful life of the asset exceeds five years; minor capital outlays of less than \$5,000 will be included in the regular operating budget. Vehicles intended for use on streets and highways, costing less than \$35,000, are not included in the CIP. The Capital Improvement Plan (CIP) differentiates the financing of high cost longlived physical improvements from low cost "consumable" equipment items contained in the operating budget. CIP items may be funded through debt financing or current revenues while operating budget items are annual or routine in nature and should only be financed from current revenues.
- 3) **Deteriorating Infrastructure.** The capital improvement plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

### Project Financing.

- 1) **Minor Capital Projects.** Minor capital projects or recurring capital projects, which primarily benefit current residents, will be financed from current revenues. Minor capital projects or recurring capital projects represent relatively small costs of an ongoing nature, and therefore, should be financed with current revenues rather than utilizing debt financing. This policy also reflects the view that those who benefit from a capital project should pay for the project.
- 2) **Major Capital Projects.** Major capital projects, which benefit future residents, will be financed with other financing sources (e.g. debt financing). Major capital projects represent large expenditures of a nonrecurring

nature which primarily benefit future residents. Debt financing provides a means of generating sufficient funds to pay for the costs of major projects. Debt financing also enables the costs of the project to be supported by those who benefit from the project, since debt service payments will be funded through charges to future residents.

## DEBT MANAGEMENT POLICIES

### Restrictions on Debt Issuance.

- 1) **Repayment of Borrowed Funds.** The city will repay borrowed funds, used for capital projects, within a period not to exceed the expected useful life of the project. This policy reflects the view that those residents who benefit from a project should pay for the project. Adherence to this policy will also help prevent the government from overextending itself with regard to the incurrence of future debt.

### Limitations on Outstanding Debt

- 1) **Reliance on Long-Term Debt.** The City will limit long-term debt to capital improvements which cannot be financed from current revenues. Incurring long-term debt serves to obligate future taxpayers. Excess reliance on long-term can cause debt levels to reach or exceed the government's ability to pay. Therefore, conscientious use of long-term debt will provide assurance that future residents will be able service the debt obligations left by former residents.
- 2) **Debt Not Used for Current Operations.** The city will not use long-term debt for financing current operations. This policy reflects the view that those residents who benefit from a service should pay for the service. Utilization of long-term debt to support current operations would result in future residents supporting services provided to current residents.

### Debt Refinancing

- 1) **General Refinancing Guidelines.** Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancings will be considered (within federal tax law constraints) under the following conditions:
  - There is a net economic benefit.
  - It is needed to modernize covenants that are adversely affecting the City's financial position or operations.
  - The City wants to reduce the principal outstanding in order to achieve future working capital to do so from other sources.
- 2) **Standards for Economic Savings.** The federal government has placed significant conditions on the tax-exempt refunding of outstanding issues. Refundings have two general categories:
  - Current refundings, where the refunding bonds are settled within 90 days of an optional prepayment date; and
  - Advance refundings, where refundings are settled more than 90 days in advance of an optional prepayment date. The federal restrictions are that any issue can only be advance refunded once on a tax-exempt basis.

On advance refundings the City will seek to obtain a minimum present value savings level of 3% of the present value of refunded debt service. State law requires a demonstration of savings of 0.5% reduction in the average coupon interest rate between the refunding and refunded bonds.

The complete debt management policy for the City of Missoula can be found in the appendix to this budget document.

## ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

**GAAP.** The City will manage and account for its financial activity in accordance with Generally Accepted Accounting Principles (GAAP), as set forth by the Governmental Accounting Standards Board (GASB). GASB is recognized as the authority with respect to governmental accounting. Managing the city's finances in accordance with GAAP and in accordance with the rules set forth by GASB, provides the citizens of the City of Missoula assurance that their public funds are being accounted for in a proper manner.

**Basis of Accounting.** The city will maintain its accounting records for general governmental operations on a modified accrual basis, with revenues recorded when available and measurable, and expenditures recorded when services or goods are received and liabilities incurred. Accounting records for proprietary fund types and similar trust funds will be maintained on an accrual basis, with all revenues recorded when earned and expenses recorded at the time liabilities are incurred, without regard to receipt or payment of cash. Adherence to this policy will enable the city to prepare its financial statements in accordance with Generally Accepted Accounting Principles as set forth by the Governmental Accounting Standards Board. The basis of accounting is the same for both the budget and the financial statements. It is worth noting that depreciation is not budgeted. Likewise, debt principle is budgeted for but is reported as a reduction of liability for the proprietary funds on the financial statements at year end.

**Financial Report.** The City of Missoula will prepare an Annual Financial Report (AFR) in conformity with Generally Accepted Accounting Principles (GAAP). The report will be made available to the general public.

**Audits.** An annual audit will be performed by an independent public accounting firm, with an audit opinion to be included with the City's published Annual Financial Report (AFR). Audits of the city's financial records provide the public assurance that its funds are being expended in accordance with Local, State, and Federal law and in accordance with Generally Accepted Accounting Principles. Audits also provide management and the Council with suggestions for improvement in its financial operations from independent experts in the accounting field.

## INVESTMENT POLICIES

### Scope

This policy applies to the investment of shortterm operating funds. Proceeds from certain bond issues will be covered by a separate policy.

**Pooling of Funds.** Except for cash in certain restricted and special funds, the City of Missoula will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

**General Objectives.** The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

**Safety.** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

- a. Credit Risk
 

The City of Missoula will minimize credit risk, the risk of loss due to the failure of the security issuer *or* backer, by:

  - i. Limiting investments to the safest types of securities
  - ii. Pre-qualifying the financial institutions, broker/dealers intermediaries, and advisers with which the City of Missoula will do business
  - iii. Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
- b. Interest Rate Risk

The City of Missoula will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

**Liquidity.** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in money market mutual funds or local government investment pools, which offer same-day liquidity for short-term funds.

**Yield.** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- a. A security with declining credit may be sold early to minimize loss of principal.
- b. A security swap would improve the quality, yield, or target duration in the portfolio.
- c. Liquidity needs of the portfolio require that the security be sold.

**Other areas.** The complete investment policy, which is provided in detail in the appendix, also addresses standards of care, ethics and conflicts of interest, delegation of authority, safekeeping and custody, suitable and authorized investments, investment parameters, maximum maturities, and policy considerations.

## FUND ACCOUNTING

The City of Missoula maintains accounts in accordance to the principle of fund accounting to ensure that limitations and restrictions on the City's available resources are observed and adhered to. Fund accounting classifies resources into funds or account groups with respect to the intended activities or objectives specified by those resources for accounting controls and financial reporting purposes. Each fund is an independent fiscal and accounting entity, and its operations are accounted for in a separate set of selfbalancing accounts that comprise of assets, liabilities, fund equity, revenues, and expenditures or expenses. Account groups are reporting mechanisms used to compile certain assets and liabilities of the governmental funds that are not directly recorded in those funds.

A **FUND** is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The most common reason for establishing a fund is to separately account for restricted-use revenue or to comply with state or federal law. There is no limit to the number of funds that a government may establish and maintain for accounting and financial reporting. A generally practiced governmental accounting guideline is that a government should use the smallest number of individual funds as possible, consistent with its particular circumstances, and that individual funds are closed when its intended purpose no longer exists.

An **ACCOUNT** is an organizational or budgetary breakdown which is found within city funds. Each department serves a specific function as a distinct organizational unit of government within the given fund. Its primary purpose is organizational and budgetary accountability.

An **OBJECT OF EXPENDITURE** refers to specific, detailed expenditure classification. It relates to a specific type of item purchased or service obtained. Examples of objects of expenditure include salaries, supplies, contracted services, travel, etc.

The City's financial operations and fund structure conform to generally accepted accounting principles. The funds are grouped under governmental funds, proprietary funds, and fiduciary fund types. The City's fund structure is comprised of the following funds, all of which are budgeted.

## GOVERNMENTAL FUND TYPES

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the City's governmental fund types:

**General Fund** — accounts for all financial resources except those required to be accounted for in another fund. The General Fund is the City's primary operating fund.

**Special Revenue Funds** — account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes (other than for major capital projects). Examples include: Building Inspection, Impact Fees, Health Insurance Levy and the Cable Franchise Fee Fund.

**Debt Service Funds** — account for the accumulation of resources for, and the payment of, principal and interest on general long-term debt.

**Capital Project Funds** — account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds.) Examples include: Open Space Acquisition, 2006 Fire Station General Obligation Bond Construction Fund and the Capital Improvement Program Fund.

## PROPRIETARY FUND TYPES

Proprietary Funds are used to account for ongoing organizations or activities which are similar to those often found in the private sector. The following proprietary funds are used by the City.

**Enterprise Funds** — account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples include: Wastewater Treatment Plant Fund.

**Internal Service Funds** — account for the financing of goods or services provided by one department to other departments of the City, or to other governmental units, on a cost-reimbursement basis. Examples include: Employee Health Insurance.

## COMPONENT UNITS

Component Units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations of which the nature and significance of their relationship with the primary government is such that exclusion of these organizations from the primary government's financial statements would be misleading or where there is a financial benefit/burden relationship.

Component Units are either blended or discrete. Blended component units funding sources and uses are "blended" in with the primary government's basic financial statements while discretely presented component units are shown only in Government-wide financial statements: Statement of Net Position and Statement of Activities. The City of Missoula includes four discretely presented component units:

1. Missoula Parking Commission
2. Business Improvement District
3. Tourism Business Improvement District
4. Missoula Redevelopment Agency

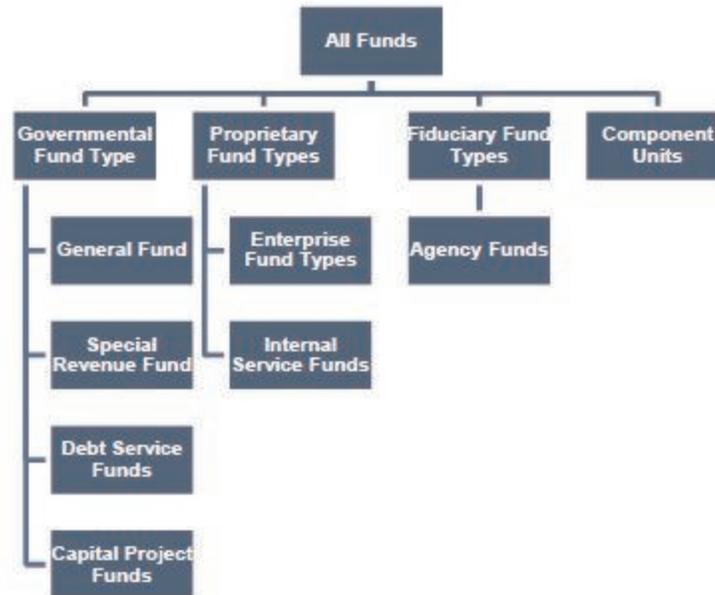
## FIDUCIARY FUND TYPES

Trust and Agency Funds: Trust and agency funds are used to account for assets held by a Governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

## CONSISTENCY WITH AUDITED FINANCIAL STATEMENTS

The City of Missoula's budgeted funds are consistent with the City's audited financial statements.

Shown below is a graphic summary of the City's Fund Structure.



Below is the detail to the graph of the City's Fund Structure.

1. Governmental Fund Types

a. General Fund

- i. City Council
- ii. Mayor
- iii. Human Resources
- iv. City Clerk
- v. Information Technologies
- vi. Municipal Court
- vii. Finance
- viii. Central Services
- ix. Facilities Maintenance
- x. Development Services
- xi. Housing and Community Development
- xii. Attorney
- xiii. Fleet Maintenance
- xiv. Police
- xv. Fire
- xvi. Cemetery
- xvii. Non-Departmental

b. General Fund - Special Purpose Funds

- i. Park Acquisition and Development
- ii. Park Enterprise
- iii. Parks and Recreation, Trails and Development
- iv. Parks and Recreation – City Life Gym
- v. Fort Missoula Regional Park - Recreation
- vi. Fort Missoula Regional Park - Operations & Maintenance
- vii. Cemetery Cremain Wall and Cemetery Donations
- viii. Cemetery Capital Reserve Fund
- ix. Cemetery Memorial
- x. Johnson Street Property Lease
- xi. Title I Projects
- xii. Program Income Revolving Loan Program

c. Special Revenue Funds

- i. Planning Department Fund

- ii. Public Safety Information Systems
- iii. Impact Fee
- iv. George Elmer-Cattle Drive
- v. Public Art
- vi. Employee Health Insurance Levy (outside cap)
- vii. Cable Television Franchise
- viii. Drug Forfeiture
- ix. Building Inspection
- x. City Grants and Program Income
- xi. Dangerous Building Demolition Repair
- xii. Street Lighting Assessment
- xiii. Street Maintenance Assessment
- xiv. Public Works - Road District #1
- xv. Development Services - Road District #1
- xvi. Park District #1
- xvii. State Gas Tax
- xviii. Law Enforcement Block Grant
- xix. HIDTA
- xx. CDBG Program Income
- xxi. CDBG
- xxii. HOME
- xxiii. City HOME Program Income
- xxiv. Transportation Grants
- xxv. Transportation Department
- xxvi. Grants and Donations
- xxvii. Miscellaneous Police Grants and Donations
- xxviii. Brownfields Grants
- d. Debt Service
  - i. General Obligation
    - 1. 2012A Aquatics Refunding
    - 2. 2013A refunding
  - ii. Special Improvement
    - 1. SID Revolving Fund
    - 2. Sidewalk and Curb Bonded Debt Service
    - 3. SID Bonded Debt Service
- e. Capital Projects
  - i. Capital Improvement Program (CIP)
  - ii. Open Space
- 2. Proprietary Funds
  - a. Enterprise Funds
    - i. Civic Stadium
    - ii. Water Utility
    - iii. Wastewater/Compost Utility
    - iv. Wastewater Loan
    - v. Wastewater Development
    - vi. Storm Water Utility
    - vii. Aquatics
  - b. Internal Service
    - i. Employee Benefit Plan
- 3. Fiduciary Funds
  - a. Agency Funds
- 4. Component Units
  - a. Parking Commission
  - b. Business Improvement District (BID)
  - c. Tourism Business Improvement District (TBID)
  - d. Missoula Redevelopment Agency (MRA)

**FUNCTIONS, DEPARTMENTS, PROGRAMS/ACTIVITIES**

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**PURPOSE**



The organizational units set forth in this section of the Budget represent the City's system of delivery of services and allows the City to accomplish the following:

- Establish policies and goals that define the nature and level of service to be provided.
- Identify activities performed in delivering program services.
- Set objectives for improving delivery of services.
- Appropriate the resources required to perform activities and accomplish objectives.

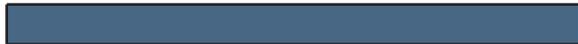
**ORGANIZATION**



The City's operating expenditures are organized into the following hierarchical categories:

- Function
- Department
- Program/Activity

**FUNCTION**



Function represents the highest level of summarization used in the City's operating structure. Functions are a grouping of relating operations and programs that may cross organizational (departmental) boundaries. Functions are aimed at accomplishing a broad goal or delivering a major service. The nine functions in the city's operating structure are:

- General Government
- Public Safety
- Public Works
- Public Health
- Social & Economic Services
- Culture & Recreation
- Housing & Community Development
- Conservation of Natural Resources
- Miscellaneous

**DEPARTMENTS**



Departments represent a grouping of related programs within a functional area such as Police Department within the broad functional area of Public Safety.

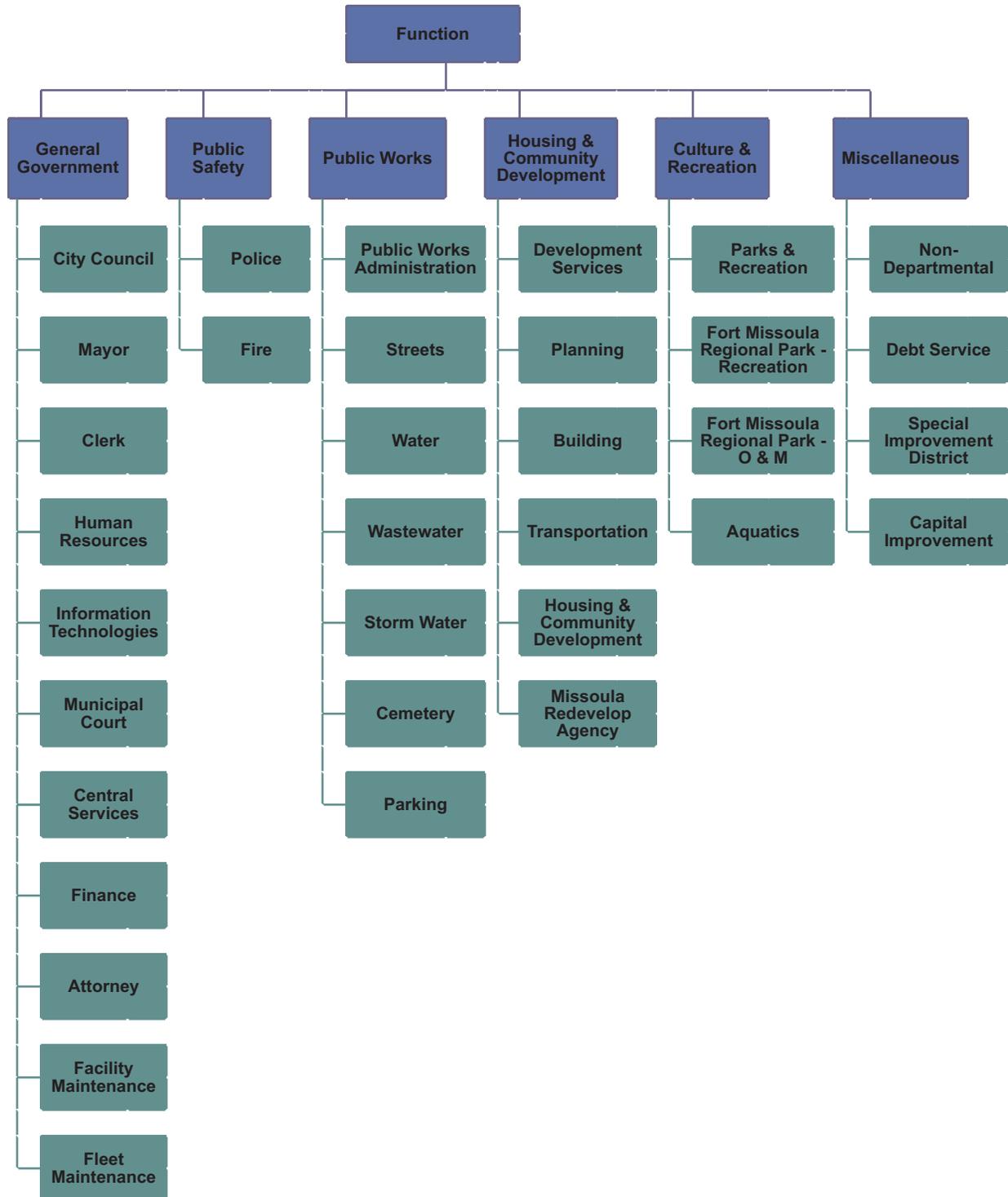
**PROGRAM/ACTIVITY**



Programs/Activities of a Department are the specific services and task performed in the pursuit of its objectives and goals.

**FUNCTION/DEPARTMENT DETAIL**

This summary budget is reported by funds. Functions/Departments will have budgeted activity in more than one fund. Below is a listing of the Functions and the corresponding Departments.



**ORGANIZATIONAL UNITS**

**FUNCTIONS, DEPARTMENTS, PROGRAMS/ACTIVITIES**

The Departments have Activities within them and there are specific funds that they use for operational budgeting. The following table lists the Departments and corresponding activities and budgeted fund for the current fiscal year.

Function	Departments	Activities	Budgeted Funds
General Government	<b>Council</b>	Legislation	General
	<b>Mayor</b>	Administration, Public Relations, Communication, Public Art	General, Public Art
	<b>Clerk</b>	Administration, Elections, Community Forum, Neighborhoods	General, Cable Television Franchise
	<b>Human Resources</b>	Administration, Training, Risk Management, Labor Relations, Employee Benefits	General
	<b>Information Technologies</b>	Operations, GIS	General, Public Safety & Information Systems, Capital
	<b>Municipal Court</b>	Judicial Administration	General
	<b>Central Services</b>	Central Services Administration, Energy Coordination	General
	<b>Finance</b>	Administration	General
	<b>Attorney</b>	Victim Services, Administration & Civil Law, Criminal Law	General
	<b>Facility Maintenance</b>	Administration, Utilities, Maintenance	General, Johnson St. Property Rental
	<b>Fleet Maintenance</b>	Administration, Equipment Maintenance	General, Capital
Public Safety	<b>Police</b>	Administration, Training, Detectives, Uniform Patrol, Community Resource Officer, Abandoned Vehicle/Bike, Communications, Evidence & ID, Special Teams	General, Drug Forfeiture, Law Enforcement Block Grants, HIDTA, Police Misc. Grants & Donations
	<b>Fire</b>	Administration, Facility, Training, Fire Prevention, EMS, Operations, Maintenance, Grants,	General, Misc. Grants & Donations
Public Works	<b>Public Works Administration</b>	Administration, Communication Maintenance, Street Lighting, Traffic Signal Maintenance, Signing & Striping	Public Works Road District #1, Street Lighting, Debt Service
	<b>Streets</b>	Administration, Street Restoration & Maintenance, Gas Tax Maintenance, BaRSAA Gas Tax, Snow and Ice Control, Street Cleaning, State/MRA Projects, Flood Control Maintenance	Public Works Road District #1, Impact Fee, Street Maintenance, Gas Tax
	<b>Water</b>	Administration, Customer Service, Source of Supply & Pumping, Transmission & Distribution	Water
	<b>Wastewater</b>	Administration, Collection, Treatment, Pretreatment Lab, Compost	Wastewater, Wastewater Loan, Wastewater Development
	<b>Storm Water</b>	Administration, Construction, Maintenance, Levee Maintenance	Storm Water
	<b>Cemetery</b>	Administration, Facility, Grounds Maintenance, Burial Services	General, Cremains Wall, Cemetery Capital Reserve, Cemetery Memorial
	<b>Parking Commission</b>	Operations, Equipment Replacement/Maintenance	Parking, Parking Interest, Parking Sinking, Parking Pledged Tax Increment

**ORGANIZATIONAL UNITS**

**FUNCTIONS, DEPARTMENTS, PROGRAMS/ACTIVITIES**

Function	Departments	Activities	Budgeted Funds
Housing & Community Development	<b>Development Services</b>	Administration, Engineering, Development & Permit Review	General, Development Services Road District #1, George Elmer - Cattle Drive, Building Demolition & Repair
	<b>Planning</b>	Administration, Historic Preservation	Planning
	<b>Building</b>	Protective Inspections	Building
	<b>Transportation</b>	Bike/Pedestrian Program, Missoula Planning Organization, Missoula in Motion	Transportation
	<b>Housing &amp; Community Development</b>	Administration, Reaching Home	General, Title I Projects, Program Income Revolving Loan Program, CDBG, CDBG Program Income, HOME Investment Partnership, HOME Program Income
	<b>Missoula Redevelopment Agency</b>	Economic Development	Riverfront URD, North Reserve Scott Street URD, Hellgate URD, Front Street URD, URD II, URD III
Culture & Recreation	<b>Parks &amp; Recreation</b>	Administration, Parks Asset Management, Projects & Planning, Operations, Green Ways & Horticulture, Urban Forestry, Conservation Lands, Safety & Training, Park Maintenance Routing, Park Maintenance Sports Facilities, Recreation, Recreation MORE Program, Recreation Adult Sports, Recreation Youth Sports, Spray Decks, Recreation Youth Grants	Park District #1, Parks Development & Expansion, Parks Enterprise, Parks & Recreation - Trails & Development, City Life, Impact Fees, Transportation Grants, Capital Improvements
	<b>Fort Missoula Regional Park - Recreation</b>	Recreation, Construction, Concessions	Fort Missoula Regional Park - Recreation
	<b>Fort Missoula Regional Park - Operations &amp; Maintenance</b>	Sports Facility Maintenance, Capital Maintenance & Improvements	Fort Missoula Regional Park - Operations & Maintenance
	<b>Aquatics</b>	Concessions, Currents, Splash, Maintenance, Park Memorial	Aquatics
Miscellaneous	<b>Non-Departmental, GO, SID &amp; Assessment Bonds, SID Revolving, Capital Improvements</b>	Skill/Competency Based Pay, Salary Reserve, Termination Pay, SID Assessments, Protective Inspections, Health Department Contribution, Animal Control Contribution, Aging Services Contribution, Aquatics Subsidy, Park District #1 Subsidy, Principal & Interest, Merchant Fees, Reimbursable Losses, Contingency, Emergency Response, Comprehensive Insurance, Transfers,	General, Civic Stadium, Misc. Grants & Donations, Capital, Employee Benefit Plan, Downtown Business Improvement District, Tourism Business Improvement District

# FINANCIAL SUMMARY

## OVERVIEW OF BUDGETED RESOURCES SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES BUDGETED JULY 1, 2018 THROUGH JUNE 30, 2019 (FY 19)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Component Units	Total All Funds
	General & General Special	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust & Agency		
Nonspendable/Restricted/Committed/Assigned	3,429,152	\$8,611,187	\$3,136,000	\$ 663,981	\$ 31,164,945	\$ —	\$ 7,367	\$ 11,405,940	\$ 138,459,599
Unassigned	\$ 1,361,441	(1,089,306)	(424,989)	(4,668,696)	(43,305,956)	(299,038)	392,709	(133,680)	(64,708,609)
Fund balance/net assets - July 1, 2018	\$4,790,593	7,521,282	2,711,125	(4,004,715)	71,848,051	(299,038)	400,076	(9,216,384)	73,750,990
<b>Estimated Revenues</b>									
Taxes & Assessments	24,539,152	11,146,813	2,737,922	—	—	—	—	8,126,811	46,550,698
Licenses & Permits	1,211,486	2,460,450	—	—	—	—	—	—	3,671,936
Intergovernmental	15,908,143	7,025,069	—	260,000	263,473	—	—	1,016,270	24,472,955
Charges for Services	7,589,105	2,835,954	—	—	29,852,297	—	—	2,290,000	42,567,356
Fines & Forfeitures	1,350,774	10,000	—	—	—	—	—	200,000	1,560,774
Miscellaneous	808,104	873,666	17,919	340,000	147,000	—	—	72,405	2,259,094
Investment Earnings	147,339	—	—	—	—	—	—	—	147,339
Long Term Debt proceeds	—	—	19,700	2,906,605	55,265	—	—	12,916,857	15,898,427
Transfers In/Other Financing	4,342,127	5,531,301	—	1,817,789	203,000	519,868	—	8,042,217	20,456,302
Internal Service	—	—	—	—	—	7,484,805	—	—	7,484,805
<b>Total Estimated Revenues</b>	<b>55,896,230</b>	<b>29,883,253</b>	<b>2,775,541</b>	<b>5,324,394</b>	<b>30,521,035</b>	<b>8,004,673</b>	<b>—</b>	<b>32,664,560</b>	<b>165,069,686</b>
<b>Budgeted Expenditures</b>									
General Government	10,972,346	2,463,909	—	—	—	—	—	—	13,436,255
Public Safety	31,481,669	2,490,820	—	—	—	—	—	—	33,972,489
Public Works	3,235,742	5,348,292	—	—	18,157,957	—	—	2,298,956	29,040,947
Public Health	1,987,047	—	—	—	—	—	—	—	1,987,047
Social and Economic Services	323,616	—	—	—	—	—	—	—	323,616
Culture and Recreation	1,745,856	5,386,043	—	—	1,489,839	—	—	—	8,621,738
Housing & Community Development	483,858	2,058,817	—	—	—	—	—	22,742,217	25,284,892
Debt Service	223,769	932,877	2,756,142	1,401,503	7,153,256	—	—	3,347,981	15,815,528
Internal Service	897,832	151,949	—	—	72,000	7,503,477	—	21,500	8,646,758
Capital Outlay	1,306,919	3,144,337	—	—	5,866,498	—	—	4,083,512	14,401,266
Transfers Out/Other Financing	5,674,376	6,639,709	100,000	—	—	—	—	7,441,056	19,855,141
<b>Total Budgeted Expenditures</b>	<b>58,333,030</b>	<b>28,616,753</b>	<b>2,856,142</b>	<b>1,401,503</b>	<b>32,739,550</b>	<b>7,503,477</b>	<b>—</b>	<b>39,935,222</b>	<b>171,385,677</b>
<b>Projected Change in</b>									
Fund Balance/Net Assets	(2,436,800)	1,266,500	(80,601)	3,922,891	(2,218,515)	501,196	—	(7,270,662)	(6,315,991)
Anticipated Expenditure Savings	1,489,412	40,189	—	—	—	—	—	—	1,529,601
<b>Projected Ending</b>									
Fund balance/net assets - June 30, 2019									
Nonspendable/Restricted/Committed/Assigned	1,128,882	9,849,616	3,055,401	664,271	524,503	202,158	7,367	4,485,484	19,917,682
Unassigned	2,714,323	(1,021,046)	(424,989)	(746,095)	(14,884,029)	—	392,709	(483,886)	(14,453,013)
<b>Total fund balance/net assets - June 30, 2019</b>	<b>\$ 3,843,205</b>	<b>8,827,971</b>	<b>2,630,524</b>	<b>(81,824)</b>	<b>69,629,536</b>	<b>202,158</b>	<b>400,076</b>	<b>(16,487,046)</b>	<b>68,964,600</b>

# FINANCIAL SUMMARY

## OVERVIEW OF BUDGETED RESOURCES SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES ACTUAL JULY 1, 2017 THROUGH JUNE 30, 2018 (FY 18)

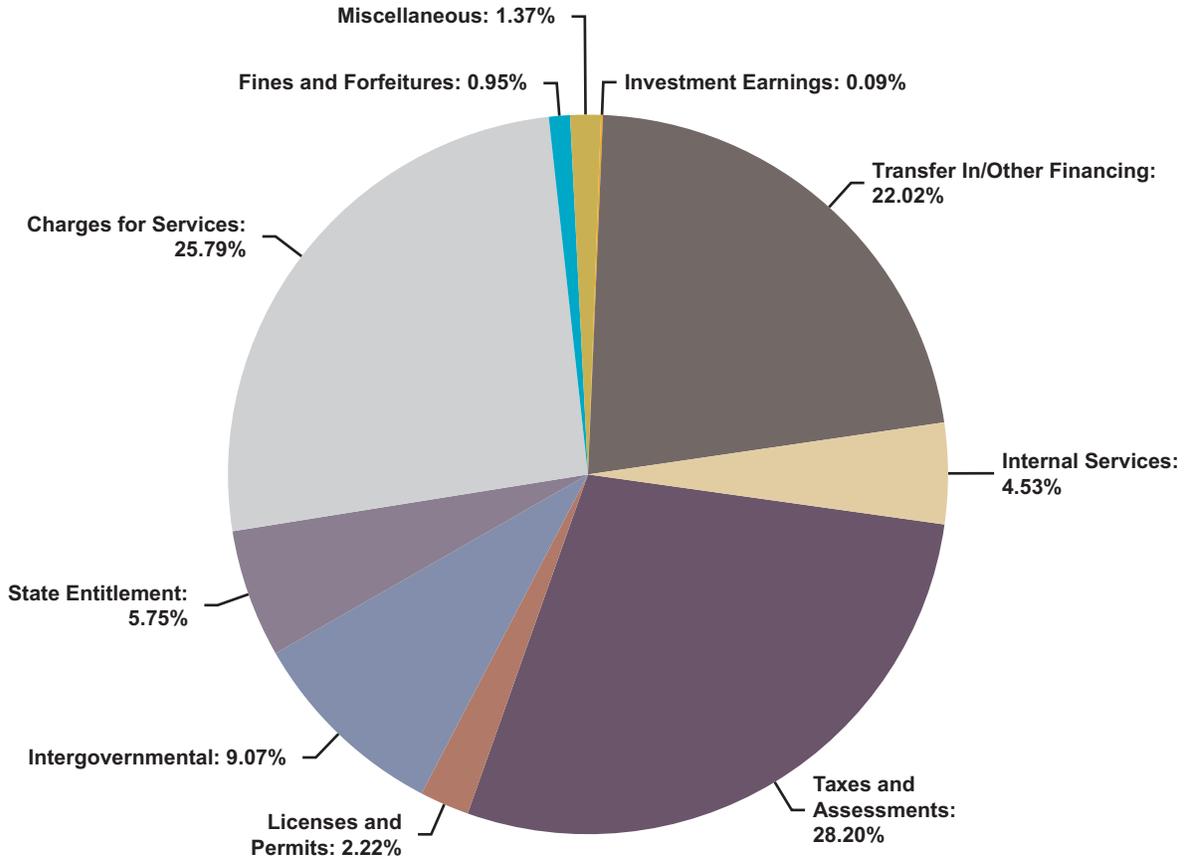
	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Component Units	Total All Funds
	General & General Special	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust & Agency		
<b>Revenues</b>									
Taxes & Assessments	25,917,444	9,174,672	2,833,658	—	—	—	—	7,228,807	45,154,581
Licenses & Permits	1,266,440	2,888,630	—	—	1,633	—	—	—	4,156,703
Intergovernmental	15,035,653	4,712,989	—	30,115	309,236	—	7,367	793,333	20,888,693
Charges for Services	7,311,921	1,692,219	—	—	29,423,048	—	—	2,371,209	40,798,397
Fines & Forfeitures	1,351,870	11,958	—	—	—	—	89,962	252,410	1,706,200
Miscellaneous	532,403	201,924	15,531	134,597	173,593	—	—	1,138,756	2,196,804
Investment Earnings	18,289	—	7,535	—	—	—	—	134,137	159,961
Internal Service	—	—	—	—	—	6,057,812	—	—	6,057,812
<b>Total Revenues</b>	<b>51,434,020</b>	<b>18,682,392</b>	<b>2,856,724</b>	<b>164,712</b>	<b>29,907,510</b>	<b>6,057,812</b>	<b>97,329</b>	<b>11,918,652</b>	<b>121,119,151</b>
<b>Expenditures</b>									
General Government	9,731,439	1,644,607	—	—	—	—	—	—	11,376,046
Public Safety	29,774,937	2,186,971	—	36,456	—	—	116,403	—	32,114,767
Public Works	6,916,240	1,195,968	—	97,596	26,142,135	—	—	2,412,510	36,764,449
Public Health	1,933,801	—	—	—	—	—	—	—	1,933,801
Social and Economic Services	226,459	—	—	—	—	—	—	—	226,459
Culture and Recreation	4,711,840	871,085	—	—	1,983,108	—	—	—	7,566,033
Housing & Community Development	409,490	791,432	—	—	—	—	—	4,265,464	5,466,386
Miscellaneous	789,338	100,527	377	15,558	—	—	—	99,088	1,004,888
Debt Service	227,804	847,791	3,046,581	1,386,620	—	—	—	3,112,061	8,620,857
Capital Outlay	310,289	2,247,668	—	4,461,584	—	—	—	3,026,154	10,045,695
Business-type	—	—	—	—	—	7,655,761	—	—	7,655,761
<b>Total Expenditures</b>	<b>55,031,637</b>	<b>9,886,049</b>	<b>3,046,958</b>	<b>5,997,814</b>	<b>28,125,243</b>	<b>7,655,761</b>	<b>116,403</b>	<b>12,915,277</b>	<b>122,775,142</b>
<b>Other financing sources (uses)</b>									
Transfers in	6,889,771	940,611	—	2,439,469	203,000	519,981	—	7,209,081	18,201,913
Transfers (out)	(2,454,099)	(8,285,445)	(85,678)	(73,765)	(93,961)	—	—	(7,209,081)	(18,202,029)
Proceeds from long term debt/capital leases	—	—	—	6,302,010	—	—	—	—	6,302,010
Contributions from property owners	—	—	—	—	3,475,847	—	—	—	3,475,847
IRS interest reimbursement revenues	—	—	—	—	231,344	—	—	—	231,344
Interest revenue	—	—	—	—	132,810	—	—	—	132,810
Debt service interest expense	—	—	—	—	(4,783,367)	—	—	—	(4,783,367)
<b>Total other financing sources (uses)</b>	<b>4,552,425</b>	<b>(7,344,834)</b>	<b>(85,678)</b>	<b>8,667,714</b>	<b>(834,327)</b>	<b>519,981</b>	<b>—</b>	<b>—</b>	<b>5,475,281</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>954,808</b>	<b>1,451,509</b>	<b>(275,912)</b>	<b>2,834,612</b>	<b>947,940</b>	<b>(1,077,968)</b>	<b>(19,074)</b>	<b>(996,625)</b>	<b>3,819,290</b>
<b>Fund balance/net assets - July 1, 2017</b>									
Nonspendable/Restricted/Committed/Assigned	3,382,924	7,265,244	3,366,502	766,883	76,473,326	—	—	8,045,925	99,300,804
Unassigned	452,861	(1,195,469)	(379,470)	(7,741,322)	(4,564,784)	778,930	419,150	(16,092,356)	(28,322,460)
<b>Restatement</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>135,119</b>	<b>(1,008,427)</b>	<b>—</b>	<b>—</b>	<b>(173,328)</b>	<b>(1,046,636)</b>
<b>Fund balance/net assets - June 30, 2018</b>									
Nonspendable/Restricted/Committed/Assigned	3,429,152	8,564,310	3,136,114	663,981	115,071,504	—	7,367	7,587,171	138,459,599
Unassigned	1,361,441	(1,043,028)	(424,989)	(4,668,696)	(43,223,453)	(299,038)	392,709	(16,803,555)	(64,708,609)
<b>Total fund balance/net assets - June 30, 2018</b>	<b>4,790,593</b>	<b>7,521,282</b>	<b>2,711,125</b>	<b>(4,004,715)</b>	<b>71,848,051</b>	<b>(299,038)</b>	<b>400,076</b>	<b>(9,216,384)</b>	<b>73,750,990</b>

# FINANCIAL SUMMARY

## OVERVIEW OF BUDGETED RESOURCES SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES ACTUAL JULY 1, 2016 THROUGH JUNE 30, 2017 (FY 17)

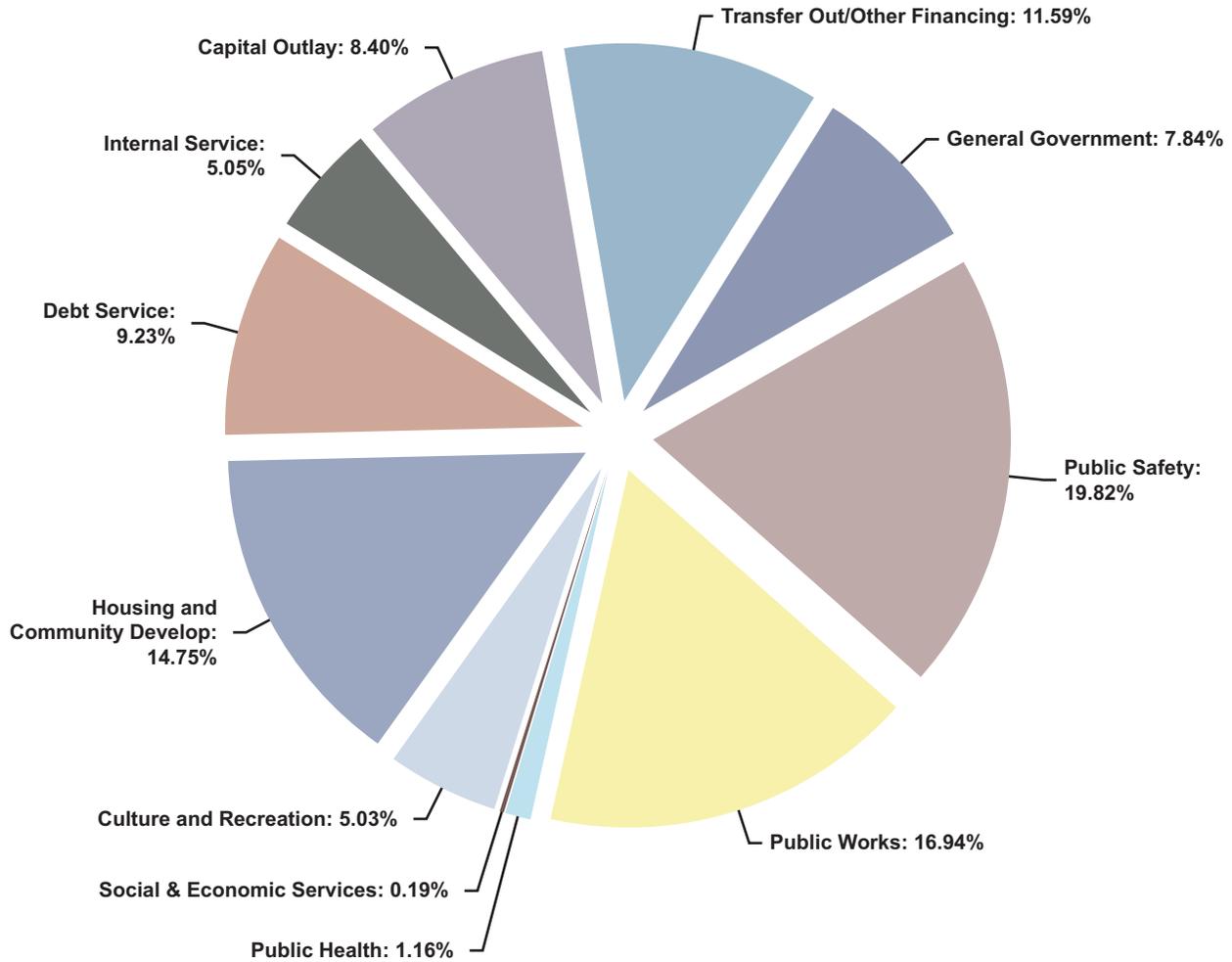
	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Component Units	Total All Funds
	General & General Special	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust & Agency		
<b>Revenues</b>									
Taxes & Assessments	24,544,854	7,946,063	3,205,830	—	—	—	—	4,183,862	39,880,609
Licenses & Permits	1,559,844	2,883,016	—	—	1,046	—	—	—	4,443,906
Intergovernmental	14,542,043	4,242,237	—	355,631	39,217	—	5,347	793,447	19,977,922
Charges for Services	6,036,333	1,951,475	—	—	10,535,246	—	92,027	2,011,774	20,626,855
Fines & Forfeitures	1,609,079	15,843	—	—	—	—	—	222,438	1,847,360
Miscellaneous	201,152	70,640	15,531	463,101	326,372	—	—	50,283	1,127,079
Investment Earnings	10,617	—	8,673	—	—	—	—	—	19,290
Internal Service	—	—	—	—	—	5,322,681	—	—	5,322,681
<b>Total Revenues</b>	<b>48,503,922</b>	<b>17,109,274</b>	<b>3,230,034</b>	<b>818,732</b>	<b>10,901,881</b>	<b>5,322,681</b>	<b>97,374</b>	<b>7,261,804</b>	<b>93,245,702</b>
<b>Expenditures</b>									
General Government	9,445,752	1,683,473	614	366,825	—	—	—	—	11,496,664
Public Safety	27,866,210	1,993,599	—	3,045,500	—	—	144,238	—	33,049,547
Public Works	6,542,516	1,123,546	—	1,516,679	10,126,218	—	—	1,499,760	20,808,719
Public Health	1,797,051	—	—	—	—	—	—	—	1,797,051
Social and Economic Services	210,000	—	—	—	—	—	—	—	210,000
Culture and Recreation	4,274,094	772,722	—	1,329,084	2,175,129	—	—	—	8,551,029
Housing & Community Development	585,818	687,824	—	—	—	—	—	12,639,489	13,913,131
Miscellaneous	75,181	58,886	—	41,449	—	—	—	609,583	785,099
Debt Service	590,350	850,641	3,207,204	1,125,937	—	—	—	2,126,205	7,900,337
Capital Outlay	1,148,875	2,301,503	—	3,479,133	—	—	—	—	6,929,511
Business-type	—	—	—	—	—	6,015,400	—	—	6,015,400
<b>Total Expenditures</b>	<b>52,535,847</b>	<b>9,472,194</b>	<b>3,207,818</b>	<b>10,904,607</b>	<b>12,301,347</b>	<b>6,015,400</b>	<b>144,238</b>	<b>16,875,037</b>	<b>111,456,488</b>
<b>Other financing sources (uses)</b>									
Transfers in	6,337,497	247,208	144,634	2,837,883	860,438	514,085	—	5,248,741	16,190,486
Transfers (out)	(2,247,457)	(7,801,583)	(90,454)	(144,812)	(657,438)	—	—	(12,748,479)	(23,690,223)
Proceeds from long term debt/capital leases	—	—	—	4,651,112	—	—	—	9,145,655	13,796,767
Acquisition expenses	—	—	—	—	(3,931,747)	—	—	—	(3,931,747)
Sale of fixed assets	14,445	—	—	—	43,547	—	—	—	57,992
Contributions from property owners	—	—	—	—	795,791	—	—	—	795,791
IRS interest reimbursement revenues	—	—	—	—	233,816	—	—	—	233,816
Interest revenue	—	—	—	—	75	—	—	105,376	105,451
Debt service interest expense	—	—	—	—	(901,076)	—	—	—	(901,076)
<b>Total other financing sources (uses)</b>	<b>4,104,485</b>	<b>(7,554,375)</b>	<b>54,180</b>	<b>7,344,183</b>	<b>(3,556,594)</b>	<b>514,085</b>	<b>—</b>	<b>1,751,293</b>	<b>2,657,257</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	72,560	82,705	76,396	(2,741,692)	(4,956,060)	(178,634)	(46,864)	(7,861,940)	(15,553,529)
<b>Fund balance/net assets - July 1, 2016</b>									
Nonspendable/Restricted/Committed/Assigned	3,693,355	8,807,220	3,262,393	962,521	83,415,074	—	—	8,177,064	108,317,627
Unassigned	1,799,447	(233,313)	(351,757)	(9,958,916)	136,698	957,564	466,014	(8,361,555)	(15,545,818)
<b>Restatement</b>	<b>(1,729,577)</b>	<b>(2,586,837)</b>	<b>—</b>	<b>4,763,648</b>	<b>(6,687,170)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(6,239,936)</b>
<b>Fund balance/net assets - June 30, 2017</b>									
Nonspendable/Restricted/Committed/Assigned	3,382,924	7,265,244	3,366,502	766,883	76,473,326	—	—	8,045,925	99,300,804
Unassigned	452,861	(1,195,469)	(379,470)	(7,741,322)	(4,564,784)	778,930	419,150	(16,092,356)	(28,322,460)
<b>Total fund balance/net assets - June 30, 2017</b>	<b>3,835,785</b>	<b>6,069,775</b>	<b>2,987,032</b>	<b>(6,974,439)</b>	<b>71,908,542</b>	<b>778,930</b>	<b>419,150</b>	<b>(8,046,431)</b>	<b>70,978,344</b>

## City of Missoula Proposed Revenues FY 2019



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decrease)
Taxes and Assessments	\$ 39,880,609	\$ 45,154,581	\$ 46,550,698.1	\$ 1,396,117
Licenses and Permits	4,443,906	4,156,703	3,671,936	(484,767)
Intergovernmental	10,681,329	11,544,876	14,973,426	3,428,550
State Entitlement	9,291,246	9,336,450	9,499,529	163,079
Charges for Services	20,534,828	40,798,397	42,567,356	1,768,959
Fines and Forfeitures	1,847,360	1,616,238	1,560,774	(55,464)
Miscellaneous	1,127,079	2,196,804	2,259,095	62,291
Investment Earnings	19,290	159,961	147,339	(12,622)
Transfer In/Other Financing	31,180,303	28,460,677	36,354,729	7,894,052
Internal Services	5,322,681	6,057,812	7,484,805	1,426,993
<b>Total City Revenues</b>	<b>\$ 124,328,631</b>	<b>\$ 149,482,499</b>	<b>\$ 165,069,687.1</b>	<b>\$ 15,587,188</b>

## City of Missoula Proposed Expenditures FY 2019



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decrease)
General Government	\$ 11,496,664	\$ 11,376,046	\$ 13,436,255	\$ 2,060,209
Public Safety	32,905,309	31,998,364	33,972,489	1,974,125
Public Works	20,808,719	36,764,449	29,040,947	(7,723,502)
Public Health	1,797,051	1,933,801	1,987,047	53,246
Social & Economic Services	210,000	226,459	323,616	97,157
Culture and Recreation	8,551,029	7,566,033	8,621,738	1,055,705
Housing and Community Develop	13,913,131	5,466,386	25,284,892	19,818,506
Debt Service	7,900,337	8,620,857	15,815,528	7,194,671
Internal Service	6,800,499	8,660,649	8,646,758	(13,891)
Capital Outlay	6,929,511	10,045,695	14,401,266	4,355,571
Transfer Out/Other Financing	28,523,046	22,985,396	19,855,141	(3,130,255)
<b>Total City Expenditures</b>	<b>\$ 139,835,296</b>	<b>\$ 145,644,135</b>	<b>\$ 171,385,677</b>	<b>\$ 25,741,542</b>

ASSUMPTIONS, ESTIMATES, & TRENDS

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**Overview**

Funding for services provided to City of Missoula residents comes from a variety of sources. The City strives to maintain a diversified and stable revenue system that will provide shelter from short-term fluctuations in any one revenue source and ensure the ability to provide ongoing services, within the confines of Montana Law. The City of Missoula is heavily reliant upon a property tax levy for its General Fund, which is explained in greater detail on the following pages. The City will continue its policy of seeking alternative revenue sources to lower the tax burden for City services, charging users for specific services

where feasible, and aggressively collecting all revenues due the City. Enterprise fund revenues are generated through direct fees for service.

City revenues are divided into nine basic categories: Taxes and Assessments; Licenses and Permits; Intergovernmental Revenue; Charges for Services; Fines and Forfeitures; Miscellaneous Revenue; Investment Earnings; Bond Proceeds and Other Financing Sources; and Inter-fund Transfers.

**Taxes and Assessments:** This revenue is derived from the levy of taxes on real property and personal tangible property. Examples of taxes are property taxes and local option motor vehicle taxes.

**Licenses and Permits:** Revenues derived from the issuance of local licenses and permits.

**Intergovernmental Revenue:** Revenues received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes (PILT). State entitlement, grants, and PILT are examples of Intergovernmental Revenue.

**Charges for Services:** All revenues stemming from charges for current services—primarily revenues of Enterprise and Internal Service Funds. Examples of charges for services are the monthly/semi-annual sewer use charge, building permits, and engineering fees.

**Fines and Forfeitures:** Revenues received from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations, and for neglect of official duty. Examples include: traffic fines, court fines, victim witness fines and bonds forfeited.

**Miscellaneous Revenue:** Revenue from sources not otherwise provided in other categories. Rent is an example of a miscellaneous revenue.

**Investment Earnings:** Revenue derived from the investment of available cash balances. Interest income is allocated proportionately to funds authorized by law to accrue interest, based on their respective cash balances.

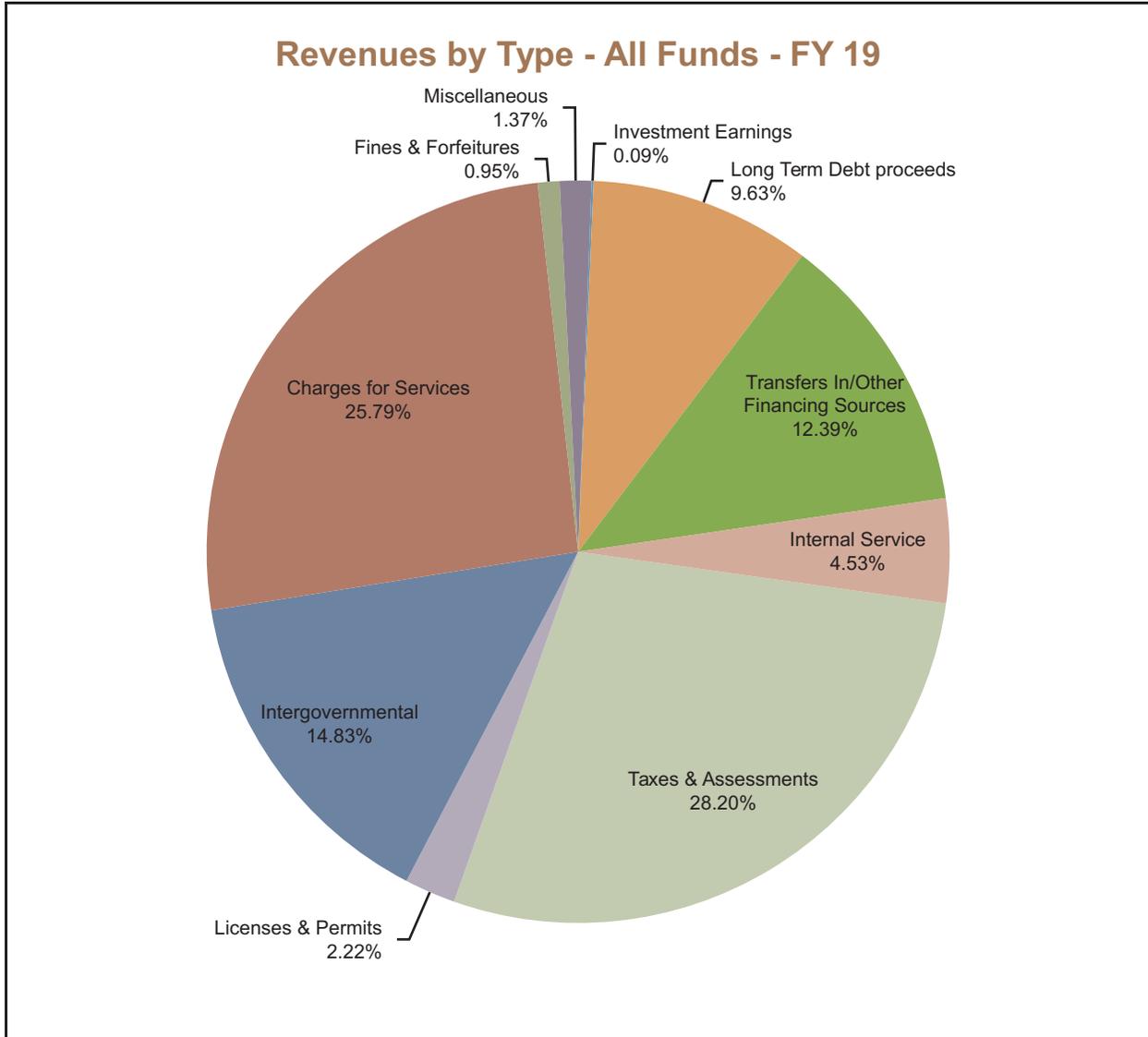
**Bond Proceeds and Other Financing Sources:** These revenues consist of the debt proceeds received by the City to finance various types of capital improvements.

**Interfund Transfers:** Transfers between individual funds of a governmental unit are not repayable and are not considered charges for goods or services. An example is matching funds transferred from the General Fund and other special revenue funds to the Capital Improvement Fund for the funding of capital projects.

**ASSUMPTIONS, ESTIMATES, & TRENDS**

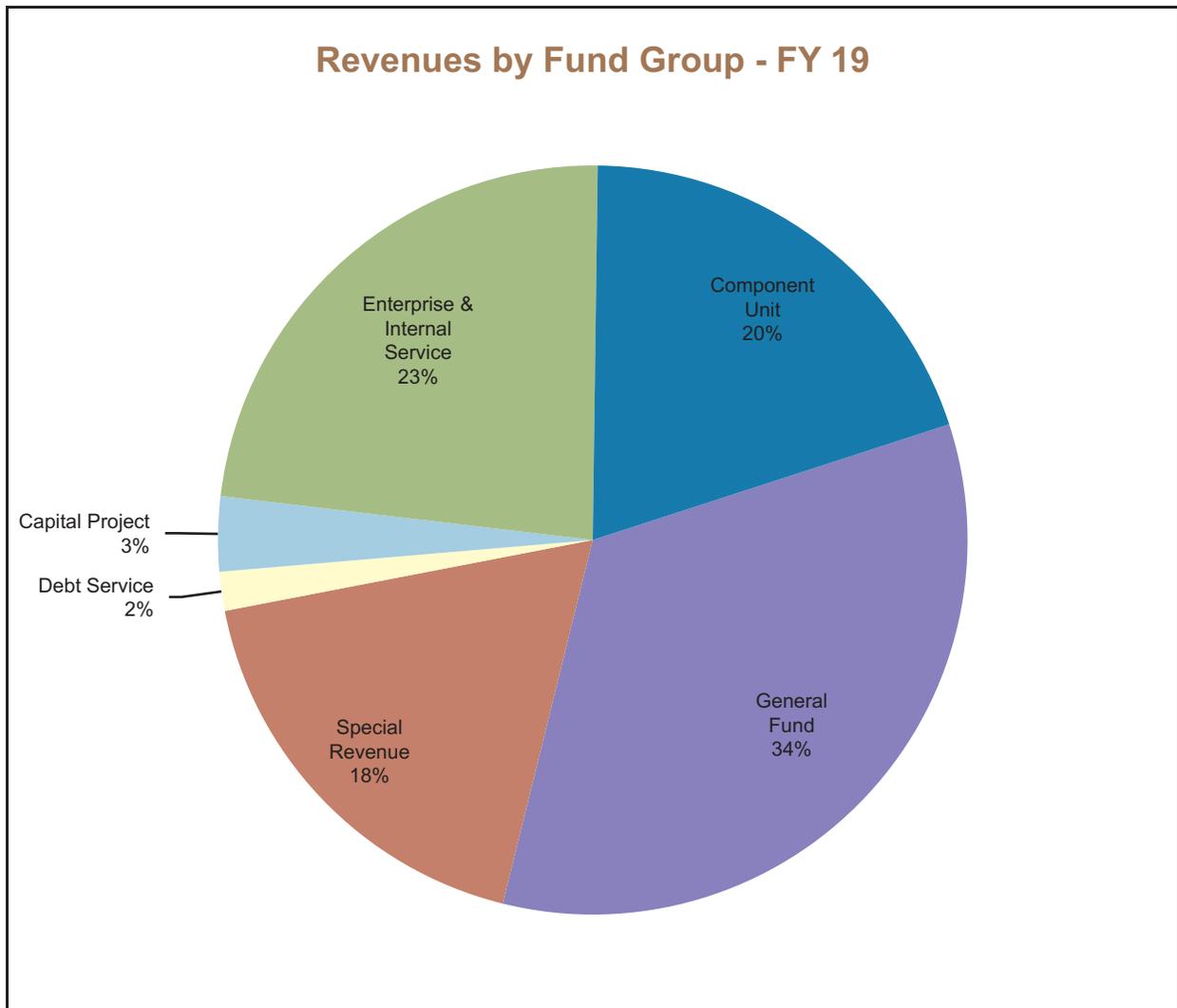
The two pie charts (below) give a graphic overview of total City revenues — one by the sources described on the previous page and the other by major fund group.

As depicted by the graph of revenues “by type”, the Taxes & Assessments category and Charges for Services make up the two largest categories of City revenues for FY 2019 (53.99%). Intergovernmental revenues make up the next largest category (14.83%). Finally, Transfers In/Other Financing Sources (12.39%) and Long Term Debt proceeds (9.63%) make up the fourth and fifth largest categories. These revenue categories make up 90.84% of all City revenues.



ASSUMPTIONS, ESTIMATES, & TRENDS

Revenues by Fund Group also help give the reader a look at the "Big Picture" of City revenues. As shown by the graph below, the General Fund (33.86%), Enterprise & Internal Service Funds (23.34%), Component Unit Funds (19.79%), and Special Revenue Funds (18.10%), make up 95.09% of the City's total revenues.



### Revenue Forecast Assumptions & Methodology

Forecasting as used in the budget refers to estimating future changes in revenues. It provides an estimate of how much revenue will be available and the resources required to meet current service levels and programs over the forecast period. The value of forecasts is in estimating whether, given assumptions about local financial policies and economic trends, the City will have sufficient resources to meet requirements of ongoing, planned, or mandated programs. Forecast models have the added value of providing a planning tool for capital projects and/or indicate when bonded indebtedness will be required for capital funding. In short, forecasting provides an estimate of the financial flexibility of the City, as well as insight into tax, revenue, and service options the City Council must address. Our forecasting methodology reflects a combination of internal analysis and locally generated consensus forecasts covering such factors as population growth, revenue trends, and inflation. Specifically, for the revenue forecasts, we begin with models that include prior year actual collections and project the balance of the current fiscal year based on prior year patterns. In general, we seek to match revenue sources with the economic and/ or demographic variables that most directly affect year-to-year changes in those revenues.

Methods to project the revenues suggested in the budget vary depending upon the type of revenue examined. However, the most common method used is **Trend Analysis** and especially a year-to date approach. Examination of a variety of revenue sources on a monthly basis, have revealed consistent patterns in monthly collections. Trends are identified, along with an analysis of whether or not the trend is likely to continue. These have been good indicators of revenue collections during the course of a year and help to set a basis for future projections. Forecast variances are analyzed and used to improve forecasting in future periods. **Expert Judgment** is a projection methodology that relies upon individual department directors and financial managers to make projections for the revenues that affect their operations.

### Revenue Estimates

The National Advisory Council on State and Local Budgeting prepared a set of recommended practices relating to governmental revenue estimates. Stated below are some excerpts from their recommended practices, along with the City of Missoula's revenue estimate practices.

Projection of revenues and other resources is critical in order to understand the level of funding available for services and capital acquisition. Projections for future budget periods help determine the likelihood that services can be sustained and highlight future financial issues to be addressed. Preparing revenue projections also enhances our understanding of revenue sensitivity to changes in assumptions and to controllable factors such as changes to tax rates or fees.

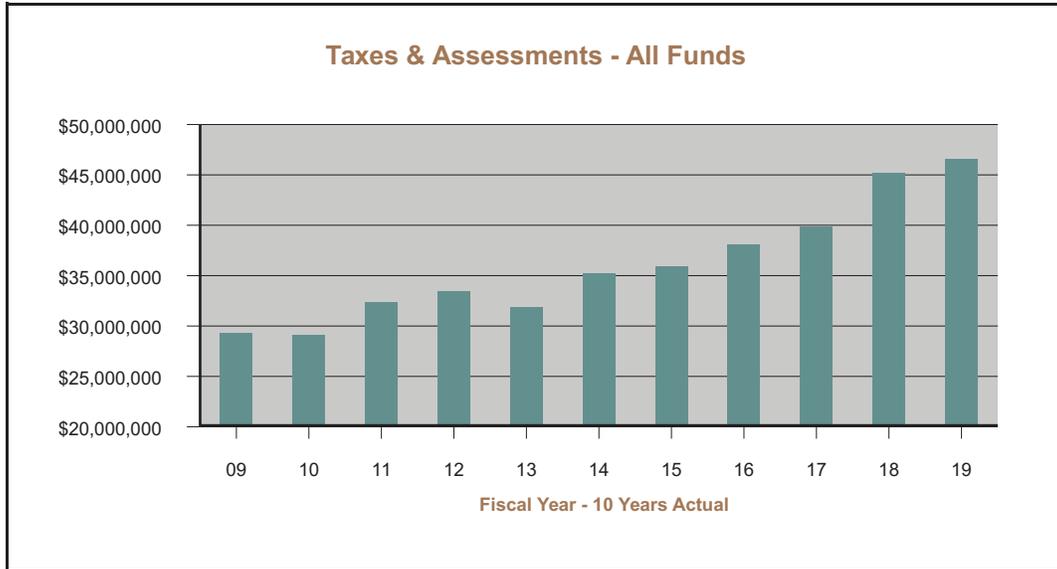
One of the key analytical tools, to assist in the development of revenue estimates, is the comprehensive five year financial forecast. This forecast considered key revenue and expenditure projection factors such as population, increases in the consumer price index (CPI) and other growth factors. The trending of these key factors and their effect on revenues and expenditures for the past ten years provided a historical basis for the five year financial forecast. The first City of Missoula forecast was prepared in 2003 and it has been updated annually since then. Overall, the City's practice is to budget revenues conservatively and to use as much information as possible to enhance the accuracy of revenue estimates. By identifying and utilizing as many revenue-related variables as possible in forecasting, we hope to minimize the risks of overstating or understating revenues that could arise from using only a few variables. The approach to forecasting, in general, is to apply a conservative philosophy that will produce the long-term goal of not overstating revenues. Most estimates involve two projections: an estimate for the amount to be collected in the current year based on year-to-date activity; and an estimate for the increase or decrease in receipts anticipated for a future budget year. As part of the mid-year budget review process, the revenue assumptions included in the forecast are comprehensively reexamined based on actual results for 2013 - 2017 as well as emerging trends at the mid-point of the year.

Individual revenue categories, their trends, and estimates follow. The revenue estimates described below represent 83% of total City revenues.

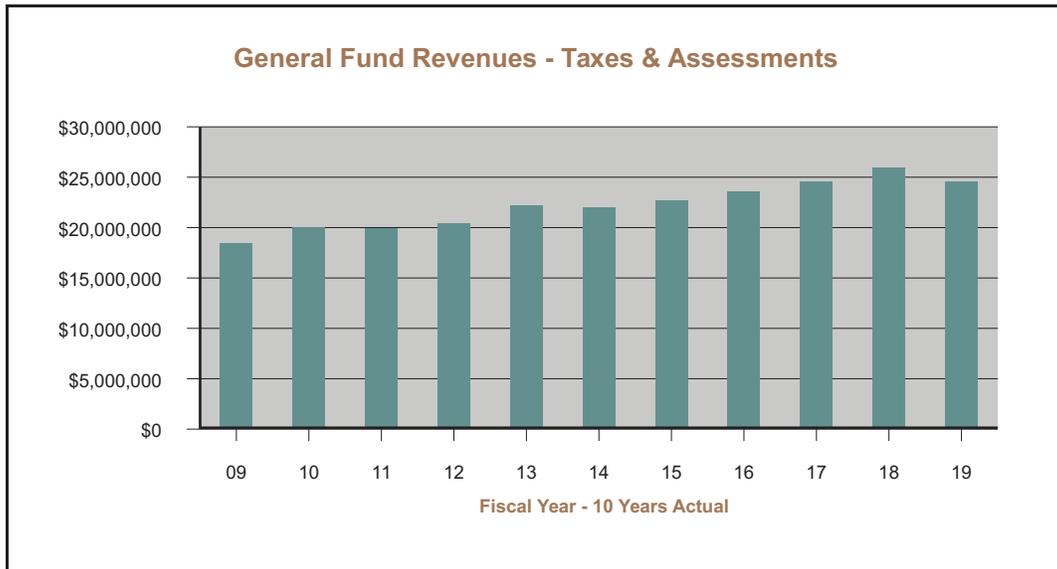
ASSUMPTIONS, ESTIMATES, & TRENDS

Key Revenue Estimates & Trends

Shown by the graph below are **Taxes and Assessments** for all City funds, over a 10-year period (10 years actual from FY 2009 - FY 2018). The graph reflects the steady growth the City of Missoula is experiencing. Certain debt service levies and assessments go down in some years as the debt is paid off. Property taxes, which comprise the majority of this revenue category, are dependent upon a combination of taxable values and mill levies. A modest increase of 3.09% was budgeted for FY 2019.

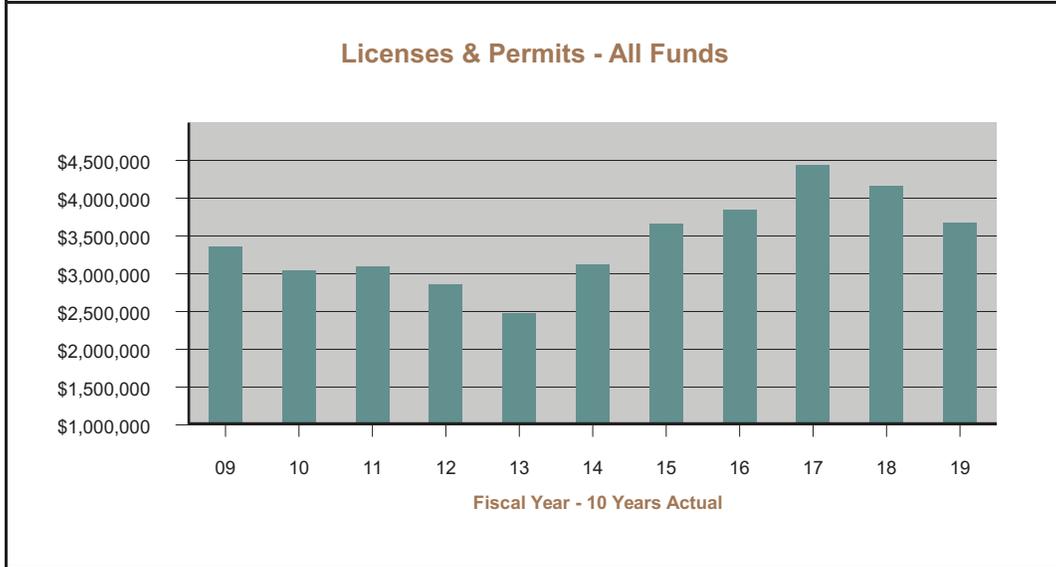


The following graph shows actual **General Fund Taxes & Assessments** for the last 10 years. Although not displayed on the graph, there was very little growth in General Fund taxes from FY 2001 - FY 2002 due to the slow economy and the lack of annexations. As the economy accelerated so did the number of annexations and actual growth until the recession beginning in FY 2009 until FY 2012. After FY 2012 the growth again continued in the taxes and assessments categories.

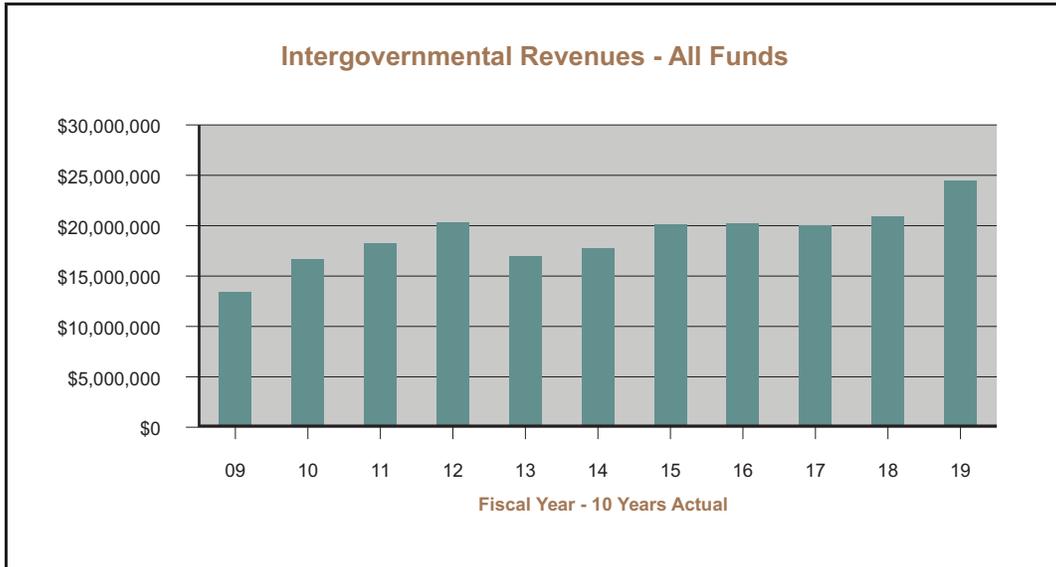


**ASSUMPTIONS, ESTIMATES, & TRENDS**

**Licenses & Permits** for all City funds are shown below. A decline occurred between FY 2001 (not shown) and FY 2002 due to the State Legislature’s elimination of several revenue sources (categorized as Licenses & Permits) which the Legislature replaced with entitlement revenues (HB124 revenue) now shown as Intergovernmental Revenue. The decline from FY 2009 to FY 2013 was due to the economic slowdown experienced by the nation and the City of Missoula. The increase from FY 2014 - FY 2017 is due to the growth in new construction and remodels within the City.

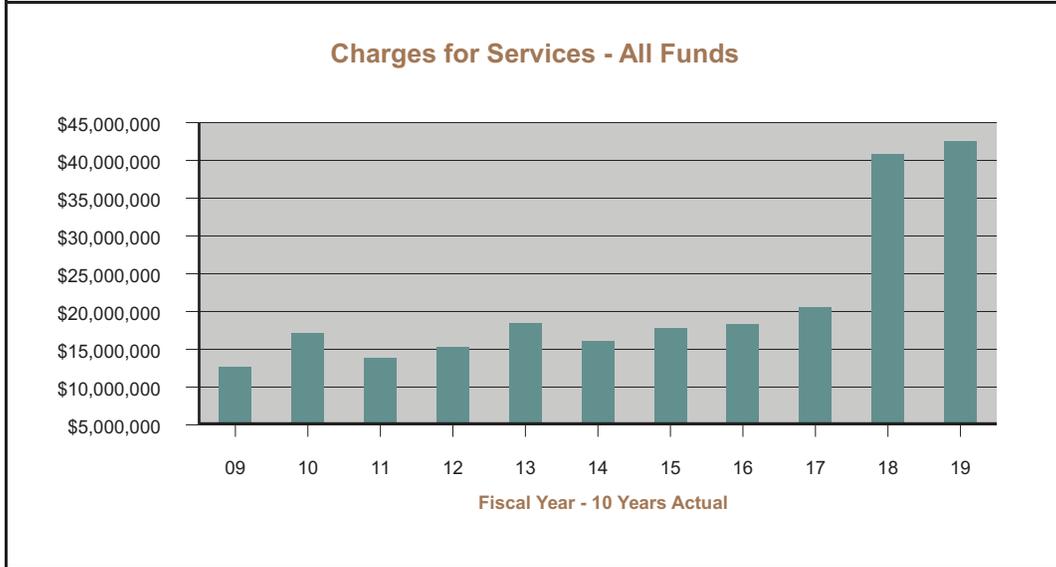


The increases in **Intergovernmental Revenues** (not shown but especially from FY 2001 through FY 2003) reflect the State Legislature’s distribution of entitlement (HB124) revenues to City governments. Since the increase in FY 2003, these revenues have remained relatively stable although the level of grant receipts has fluctuated significantly from year to year. In addition to the entitlement revenues, this category also includes grants and State reimbursement for services provided by the City.

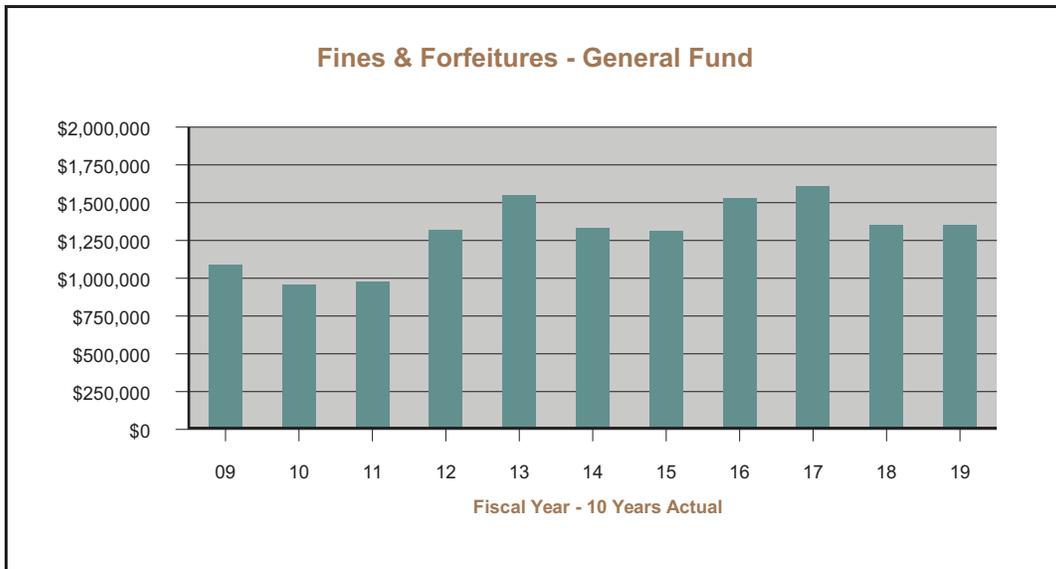


**ASSUMPTIONS, ESTIMATES, & TRENDS**

**Charges for services**, for all funds, represents 26% of total City revenues. This category is dominated by revenues in the City’s Enterprise Funds, which include water, wastewater, storm water charges and City health plan premiums. Many of these revenues are growth related such as engineering fees, zoning fees, subdivision fees, building permits, impact fees and similar revenues. The large jump in revenues from FY 2017 to FY 2018 is due to the acquisition of the water utility. The acquisition of the water utility increased the revenue by over \$20 million. This source is anticipated to be maintained at the FY 2018 level or greater for the foreseeable future.

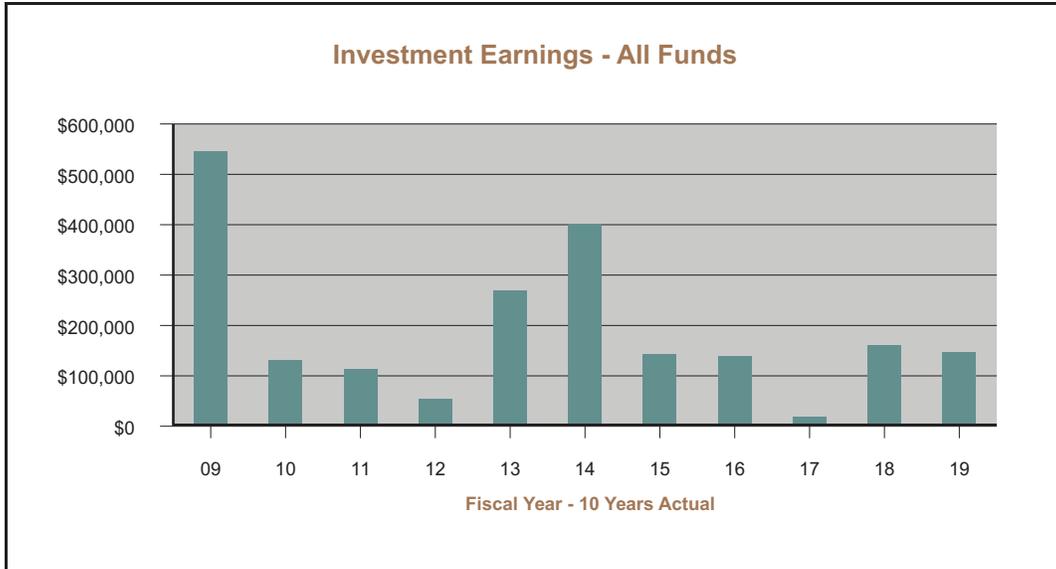


To a large extent, **Fines and Forfeitures**, within the General Fund, reflect the growth in the City of Missoula. As shown by the graph, fines and forfeitures have increased from \$1,086,994 in FY 2009 to \$1,351,870 in FY 2018 with a high of \$1,609,079 in FY 2017. The decrease through FY 2009 and FY 2011 was the result of staffing shortages in Police due to officers being called up to active duty in the armed forces and a significant number of workers compensation injuries that temporarily reduced staffing. This revenue stream is dependent on being fully staffed in the Police Department.

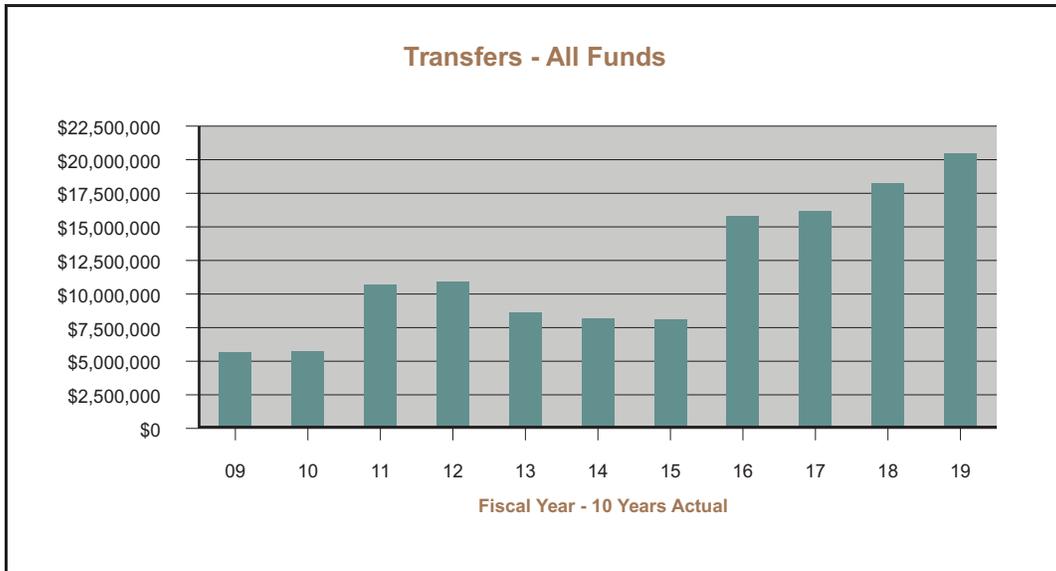


**ASSUMPTIONS, ESTIMATES, & TRENDS**

**Investment earnings** reflect a combination of available cash balances together with the interest rate the City is able to obtain. As shown by the graph, investment earnings have been quite volatile, with sharp declines occurring in FY 2010 and extending through the current year, which correspond to the decline in interest rates nationally in those years. Interest earnings in FY 2019 are expected to be similar to FY 2016, as interest rates are near 50-year lows nationally.

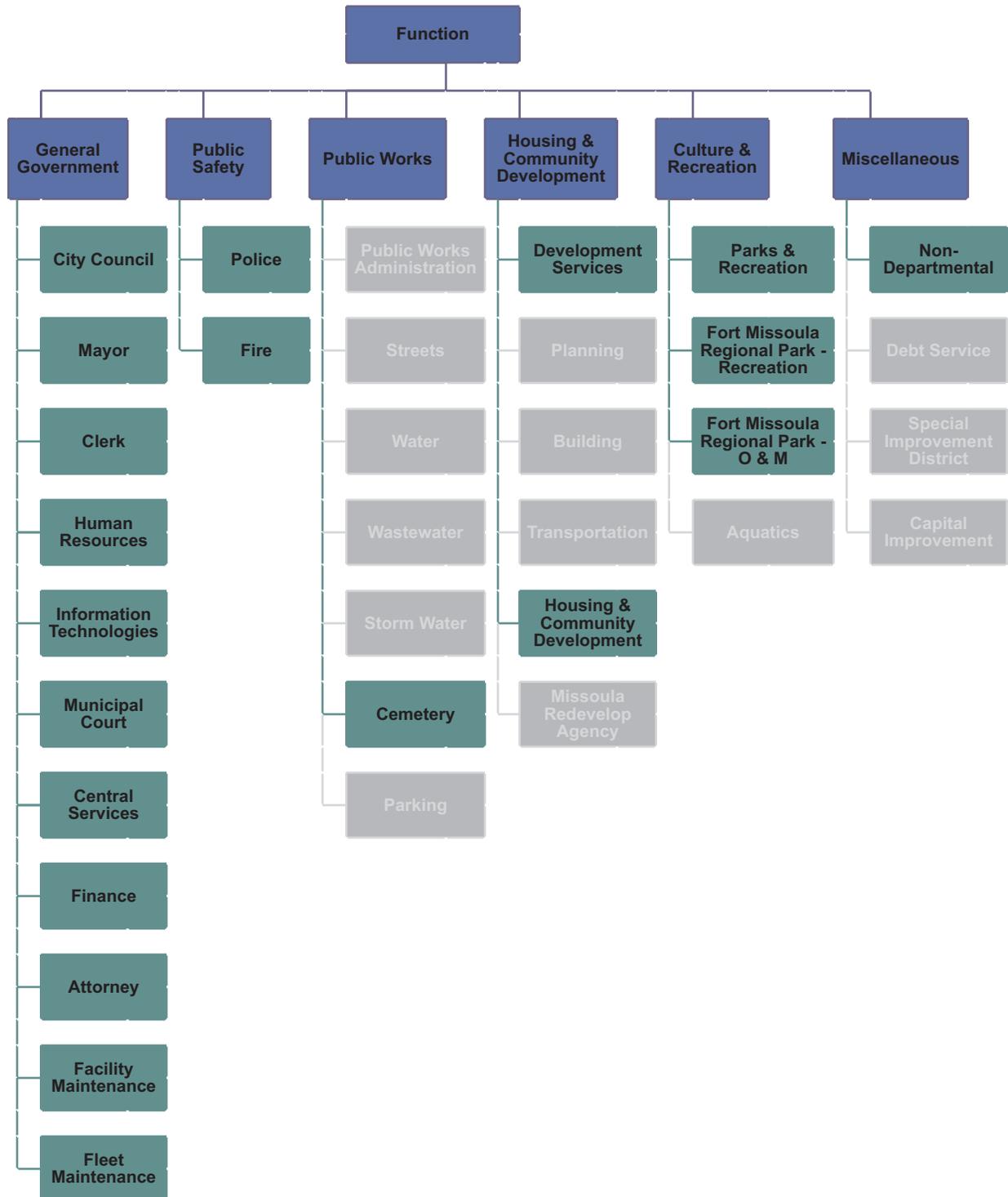


**Transfers** that occur between various City funds will fluctuate significantly from year to year, as can be seen from the following graph.

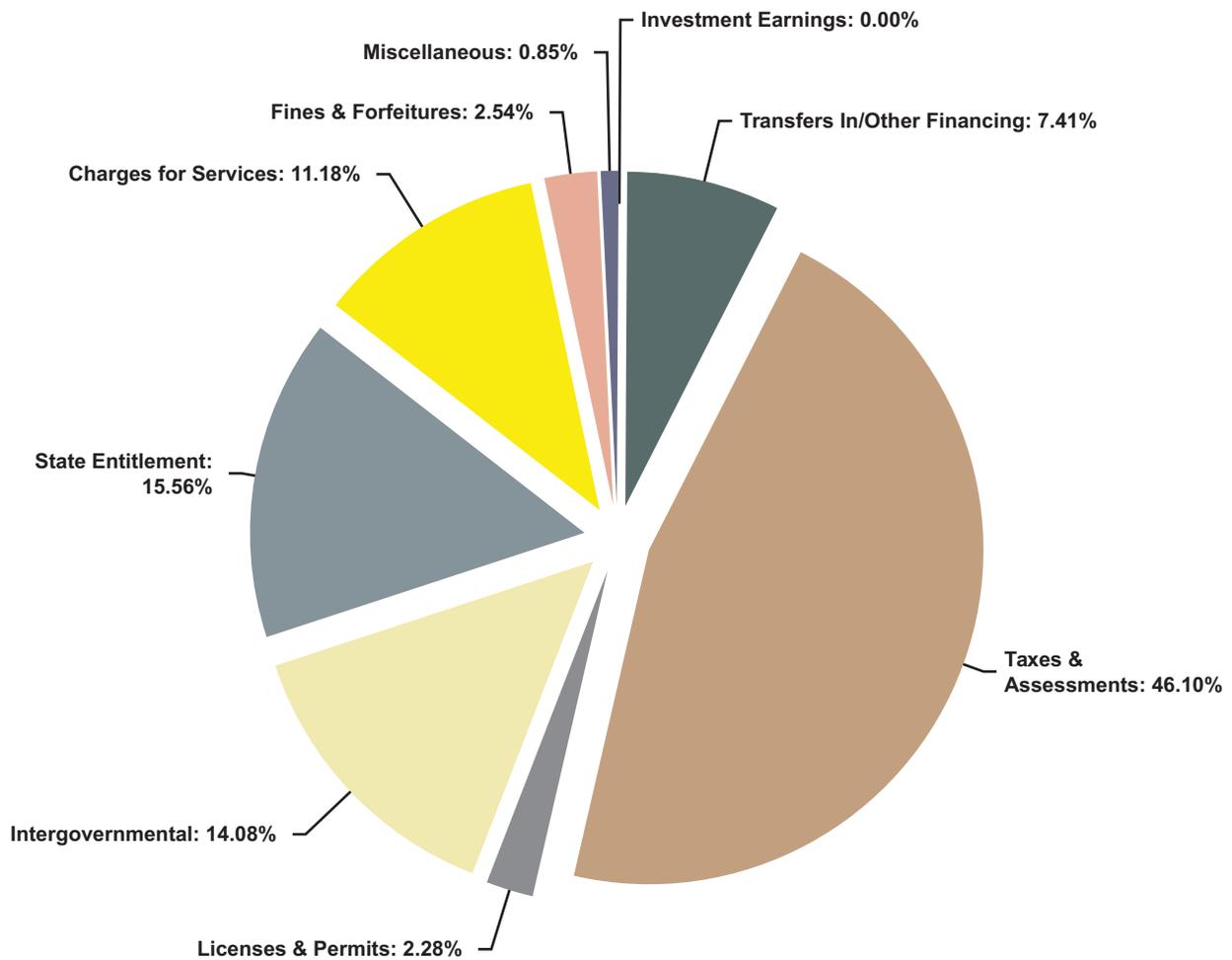


## GENERAL AND GENERAL SPECIAL PURPOSE FUNDS

General fund is considered the City's primary operating fund. Majority of the City's departments fall under the category of the General Fund. Also included in this section is the General Special Purpose Funds. General Special Purpose Funds are budgetary allocations set aside for specific purposes and are usually lump sum in nature. Following is a diagram that identifies the specific departments that are contained within the General and General Special Purpose Funds. Departments highlighted in green are included in this section.

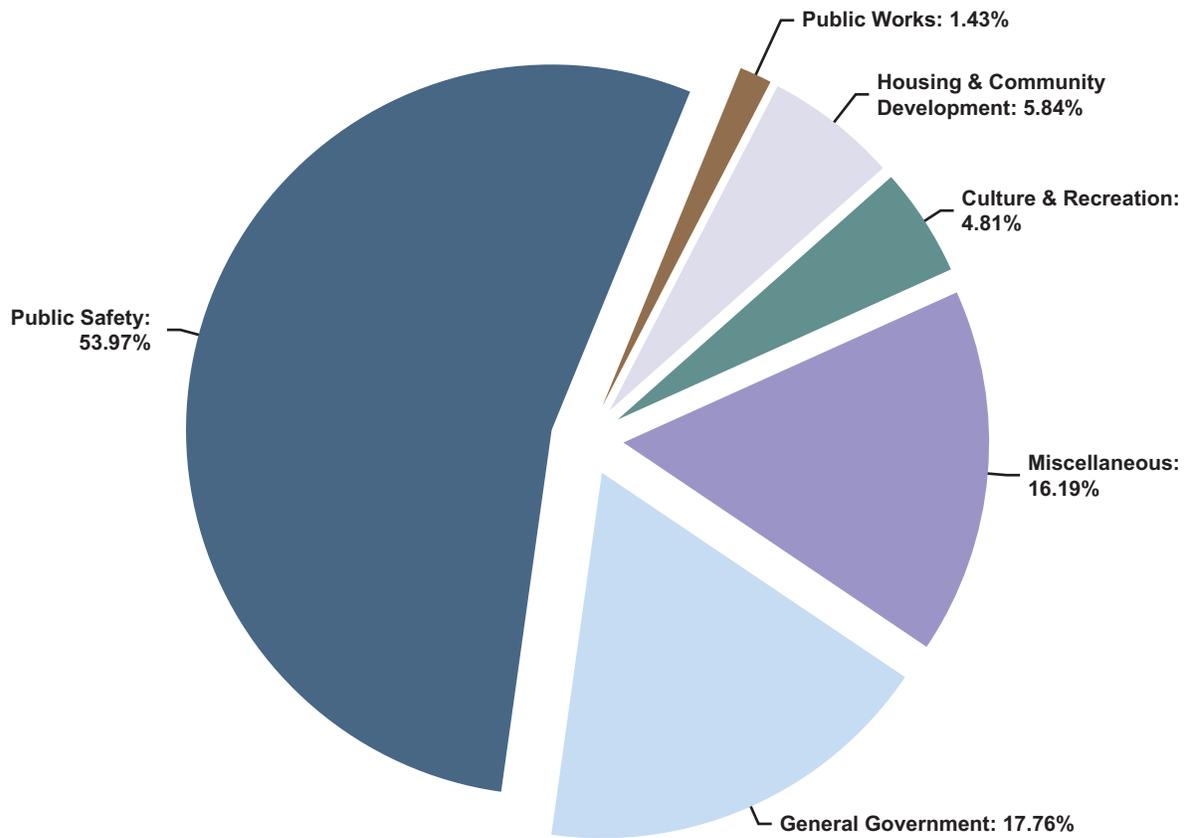


### FY 2019 Budgeted General Fund Revenues by Category



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Taxes & Assessments	\$ 24,544,854	\$ 25,917,444	\$ 24,539,152	\$ (1,378,292)
Licenses & Permits	1,559,844	1,266,440	1,211,486	(54,954)
Intergovernmental	6,034,528	6,482,935	7,491,725	1,008,790
State Entitlement	8,507,515	8,552,718	8,280,681	(272,037)
Charges for Services	6,036,333	7,311,921	5,952,188	(1,359,733)
Fines & Forfeitures	1,609,079	1,351,870	1,350,774	(1,096)
Miscellaneous	201,152	532,403	455,071	(77,332)
Investment Earnings	10,617	18,289	415	(17,874)
Transfers In/Other Financing	6,351,942	7,006,524	3,944,946	(3,061,578)
<b>Total Sources</b>	<b>\$ 54,855,864</b>	<b>\$ 58,440,544</b>	<b>\$ 53,226,438</b>	<b>(5,214,106)</b>

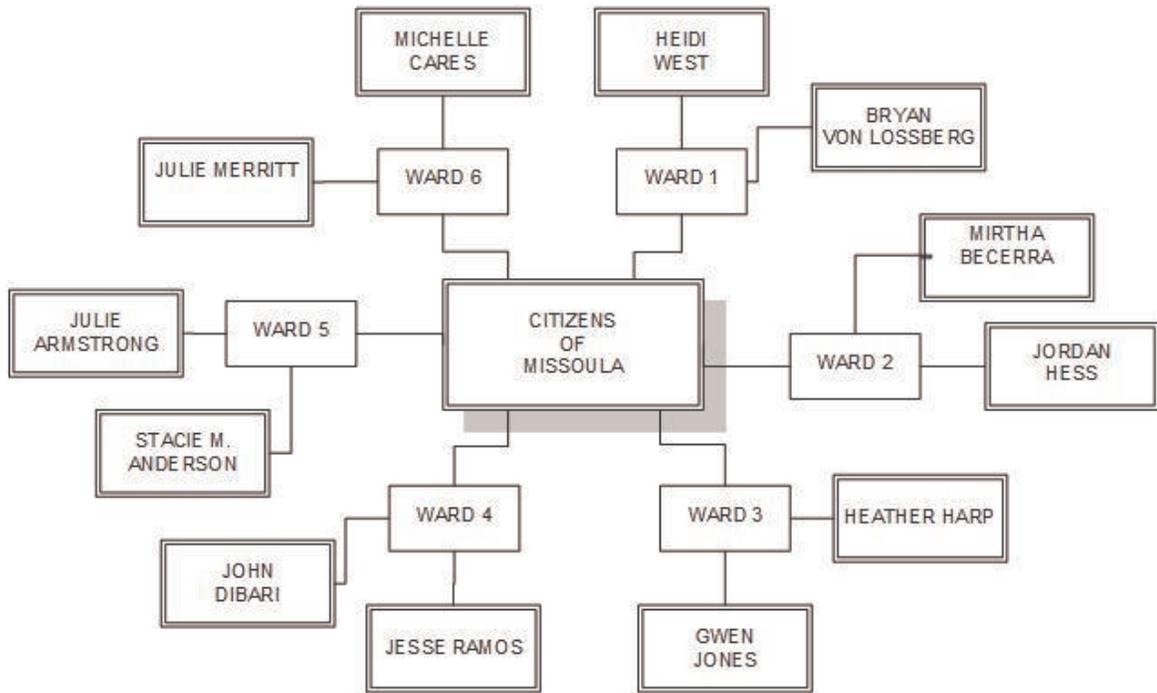
### FY 2019 Budgeted General Fund Expenditures by Function



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
General Government	\$ 9,445,752	\$ 9,731,439	\$ 10,361,711	\$ 630,272
Public Safety	27,866,210	29,774,937	31,482,669	1,707,732
Public Works	6,542,516	6,916,240	833,267	(6,082,973)
Housing & Community Development	585,818	409,490	3,405,357	2,995,867
Culture & Recreation	4,274,094	4,711,840	2,808,033	(1,903,807)
Miscellaneous	6,068,914	5,941,790	9,441,993	3,500,203
<b>Total Uses</b>	<b>\$ 54,783,304</b>	<b>\$ 57,485,736</b>	<b>\$ 58,333,030</b>	<b>\$ 847,294</b>



# City Council



## Program Description

As the elected, policy making body for the City of Missoula, it is the City Council's duty to set policies that will assist all City departments in promoting the general health, safety and welfare of city residents.

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Continue to create, review and implement methods of developing and reviewing municipal policies and procedures.
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - Cooperate with other governmental bodies in order to provide services efficiently and effectively and in a manner resulting in the most equitable distribution of tax burden attainable.

#### Goal: 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.
  - Strive to improve public facilities and the quality of services delivered, in order to meet the needs of the citizenry and assure revenues necessary to support these facilities and services

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### 2018 Budget Highlights

- None
- 

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 301,245	\$ 363,420	\$ 312,047	\$ 387,972	\$ 24,552	7%
Supplies	3,713	1,850	545	1,300	(550)	-30%
Purchased Services	48,715	35,222	30,267	16,805	(18,417)	-52%
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 353,673</b>	<b>\$ 400,492</b>	<b>\$ 342,859</b>	<b>\$ 406,077</b>	<b>\$ 5,585</b>	<b>1%</b>

\* Un-audited numbers

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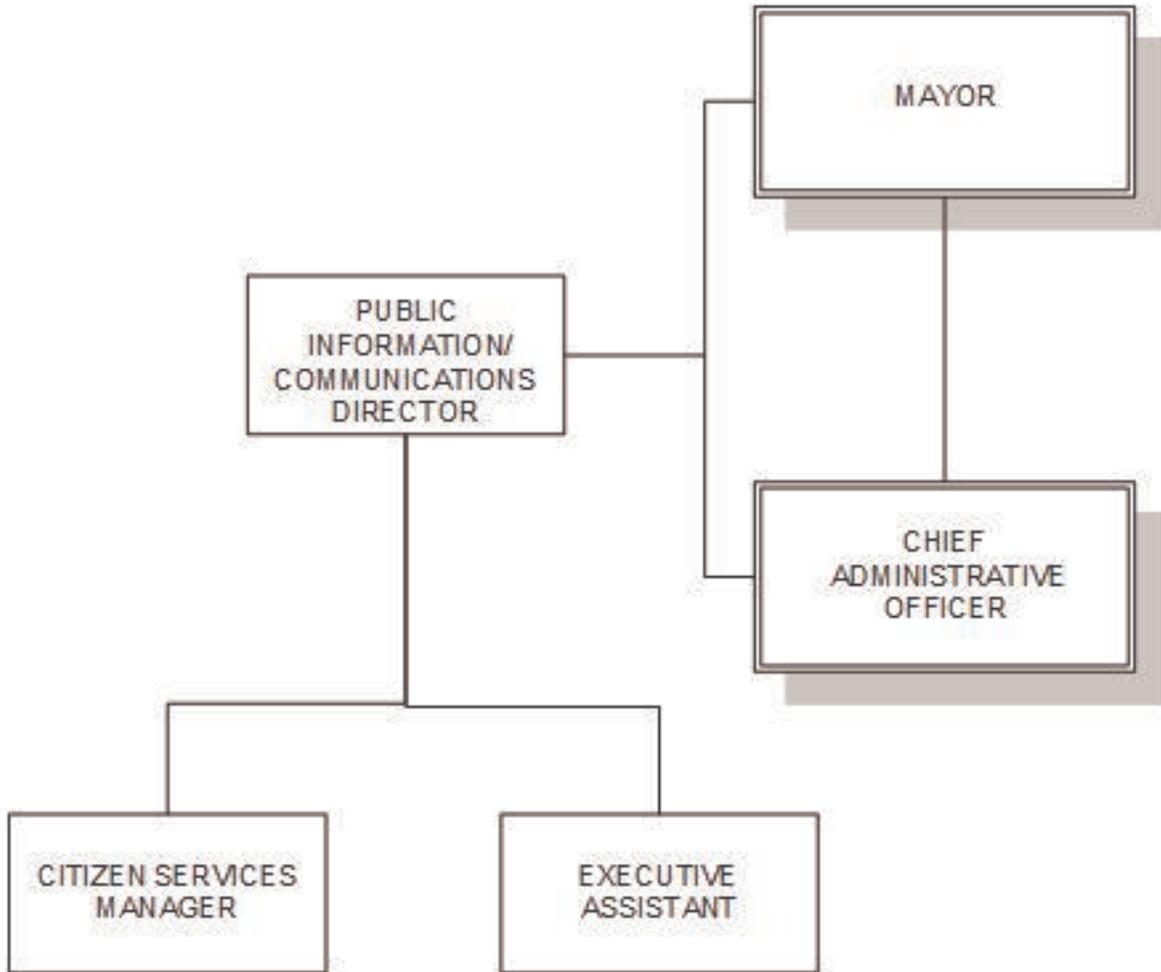
**STAFFING SUMMARY**

<b>Title</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
Ward 1 - Council Member	1.00	1.00	1.00	1.00
Ward 1 - Council Member	1.00	1.00	1.00	1.00
Ward 2 - Council Member	1.00	1.00	1.00	1.00
Ward 2 - Council Member	1.00	1.00	1.00	1.00
Ward 3 - Council Member	1.00	1.00	1.00	1.00
Ward 3 - Council Member	1.00	1.00	1.00	1.00
Ward 4 - Council Member	1.00	1.00	1.00	1.00
Ward 4 - Council Member	1.00	1.00	1.00	1.00
Ward 5 - Council Member	1.00	1.00	1.00	1.00
Ward 5 - Council Member	1.00	1.00	1.00	1.00
Ward 6 - Council Member	1.00	1.00	1.00	1.00
Ward 6 - Council Member	1.00	1.00	1.00	1.00
<b>Total</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>



# Mayor's Office

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## Program Description

The mayor is the chief executive for City government and is responsible for oversight and supervision of all departments in a line of authority running through the chief administrative officer to assure that all City services are delivered to the citizens of Missoula in an effective, efficient and equitable manner. The mayor serves as a catalyst for developing community-wide goals and works to establish public and private partnerships with citizens, governmental and quasi-governmental entities for the benefit of achieving community objectives. The mayor makes appearances at various activities and functions in his official capacity.

The Public Information and Communications program serves as the media and public information liaison for the mayor and the City and provides information about City affairs to its citizens. This activity provides direct and indirect services that enhance communication and relationships among employees, administrators, City Council, the boards and commissions and the public. The Communications Office also guides programming for the contracted government programming hours on Missoula Community Access Television (MCAT)..

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## City Strategic Goals & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Invest in public safety with additional police officers to keep up with Missoula's growing population.
  - Maintain and improve infrastructure through the Capital Improvement Program, with funding for streets and sidewalks, park construction and upgrades, and water and wastewater system improvements.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - We will work in the legislative session to protect the City's base budget and look to provide more diversified funding to reduce property taxes and enhance service.
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - We will partner with the University of Montana and the Missoula Economic Partnership in the Innovate UM initiative to create an innovation corridor in Missoula.

### Goal: Quality of Life for All People in All Places

- Strategy: We will work to provide affordable housing for the work force of Missoula..
  - The mayor's housing initiative continues to develop a housing policy and implement the 10-year Plan to End Homelessness.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 517,348	\$ 537,969	\$ 534,328	\$ 562,221	\$ 24,252	5%
Supplies	1,384	2,732	1,264	2,732	—	0%
Purchased Services	21,113	30,629	17,652	30,208	—	0%
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 539,845</b>	<b>\$ 531,511</b>	<b>\$ 532,838</b>	<b>\$ 595,582</b>	<b>\$ 24,252</b>	<b>5%</b>

\* Un-audited numbers

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## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Mayor***	1.00	1.00	1.00	1.00
Chief Administrative Officer	1.00	1.00	1.00	1.00
Citizen Services Manager	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
Public Information/Communications Director	1.00	1.00	1.00	1.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

\*\*\* Denotes: Elected Official

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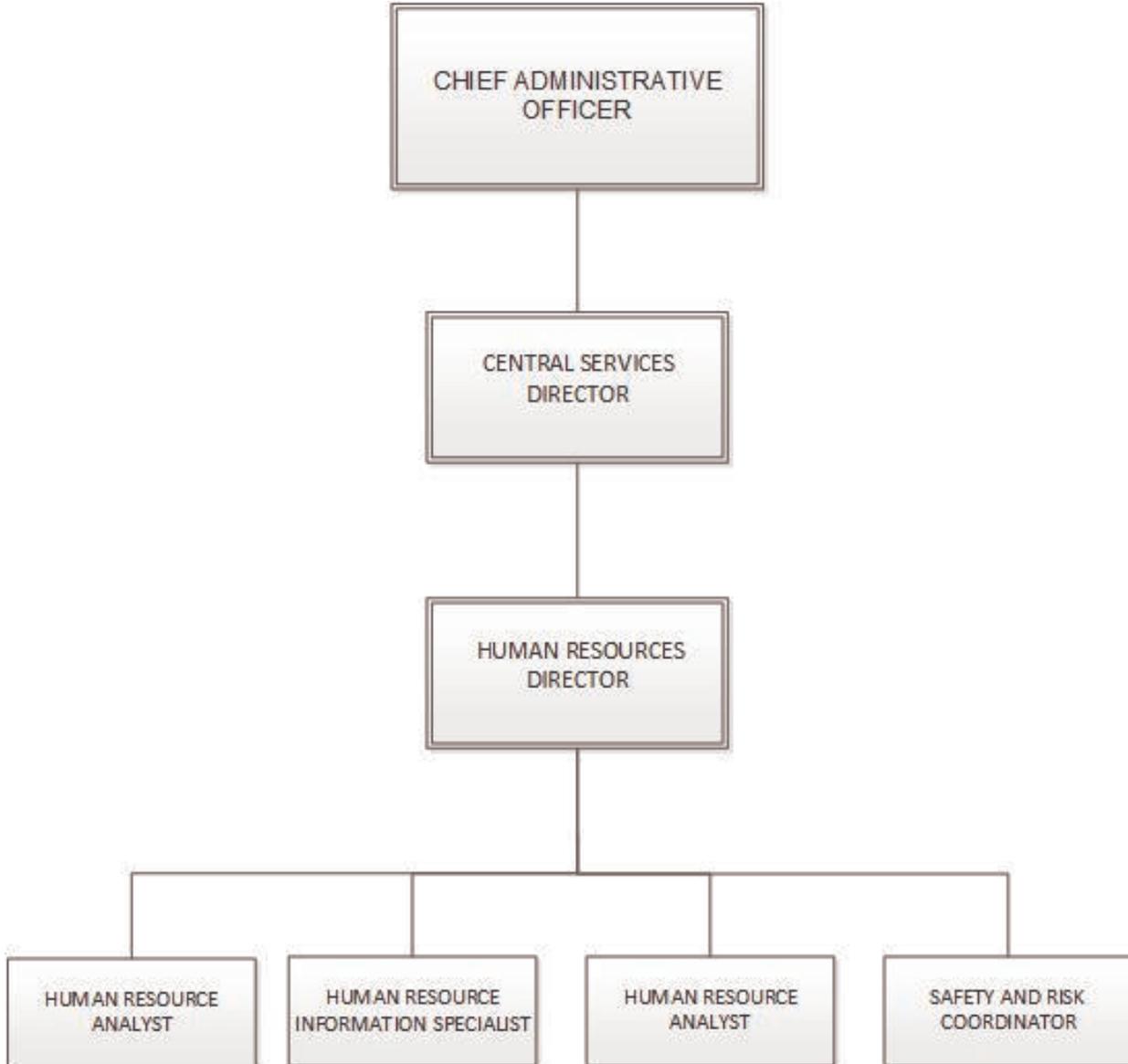
## 2018 Budget Highlights

- Manage a balanced budget and maintain services.



# Human Resources

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## Program Description

The primary purpose of the Human Resources department is to develop and maintain the programs and policies necessary for the equitable treatment and development of City employees. The major activities of the department are: human resources program administration, EEO/AA/ADA compliance, labor and personnel relations, recruitment and selection, compensation, benefits and training.

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

#### Goal Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Provide Human Resource services to department leaders supporting their efforts to provide services to the citizens of Missoula
  - Develop creative approaches to enable the City of Missoula to recruit and retain qualified employees at a time when Baby Boomers are exiting the workforce and competition for talented employees is increasing by implementing: Succession planning, retention of experienced workers through flexible scheduling, benefits, work/life balance, mentoring programs, and training and development.
  - Work with department leaders to manage employment risk by revising, updating and implementing personnel policies and procedures

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 285,481	\$ 265,822	\$ 273,939	\$ 394,084	\$ 31,634	9%
Supplies	2,495	3,115	716	3,787	—	0%
Purchased Services	30,619	42,983	29,285	43,478	—	0%
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 318,595</b>	<b>\$ 409,715</b>	<b>\$ 333,827</b>	<b>\$ 441,349</b>	<b>\$ 31,634</b>	<b>8%</b>

\* Un-audited numbers

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## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Human Resources Director	1.00	1.00	1.00	1.00
Human Resources Analyst	2.00	2.00	2.00	2.00
Human Resources Information Specialist	1.00	1.00	1.00	1.00
Safety and Risk Coordinator	—	—	1.00	1.00
<b>Total</b>	<b>4.00</b>	<b>4.00</b>	<b>5.00</b>	<b>5.00</b>

### 2018 Budget Highlights

- Research and develop more efficient and effective methods of training and staff development for all employees. Continue to develop skill and training programs to match requirements of skill based pay.
- Develop innovative ways for reducing health care costs while maintaining employee satisfaction
- Work with vendors and providers to implement the effects of health care reform on the City of Missoula Health Benefit Plan

### Performance Measures & Workload Indicators

#### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Number of recruitments.	123	106	130	130
Average number of applications per recruitment.	33	75	28	30
New cases with work days lost due to work related injuries.	12	19	16	15
Number of employee complaints filed with the Human Rights Commission	—	—	2	—
Number of employee complaints filed in District Court.	—	—	—	—
Number of arbitration hearings settled and/or resolved	—	—	—	—

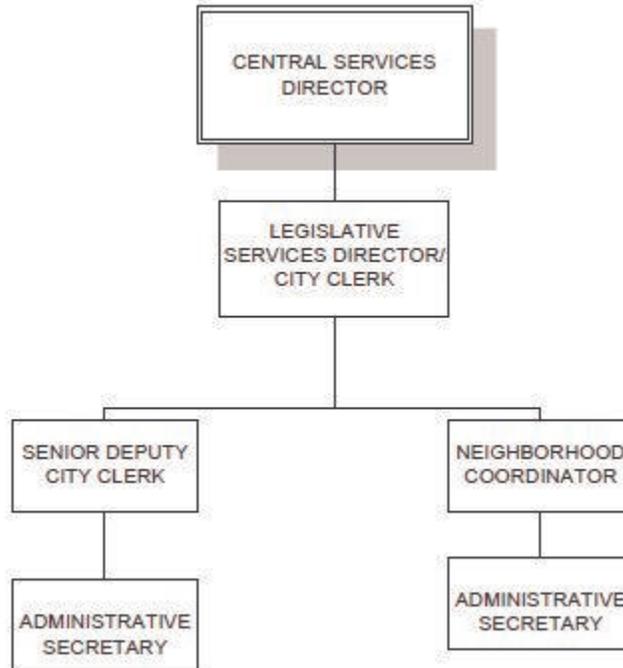
#### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Number of applications for recruitments.	4,111	4,963	2,798	3,000
Workers' compensation claims	60	84	77	66
New Hires	244	222	198	220
Terminations	261	153	172	170
Union grievances settled and/or resolved	5	11	5	5
Non-union grievances settled and/or resolved	2	—	1	—
Employment related complaints	—	2	3	3
Health Plan changes and amendments	1	3	3	2
Reclassification requests	23	35	21	30
Collective Bargaining Agreements to negotiate	4	1	2	1
Health insurance appeals	5	5	1	3
Formal employee disciplinary issues and terminations	6	5	7	5
Employee pay, benefit and status changes	1,700	1,800	1,327	1,600
Accommodations under the ADA	1	3	4	2
Requests for Family Medical Leave	42	51	38	44



# City Clerk's Office

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## Program Description

It is the mission of the City Clerk Office staff to efficiently and courteously communicate and provide information, advice and services to Missoula's citizens, elected officials, neighborhood councils, and city employees. The City's neighborhood office is part of the City Clerk Office providing community outreach, volunteer coordination, training and grant administration services to Missoula's neighborhoods.

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Continue to research business processes that can be automated in order to improve efficiency and access to information.
  - Implement new legislative management solution including workflows, document collaboration, and approval systems to enhance efficiencies.
  - Continue the migration of the established Missoula Municipal Code to the Municode online platform to streamline access to information.

#### Goal: 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.
  - Continue to work with neighborhood councils to serve Missoula citizens.
  - Coordinate the implementation of the new Local government citizens Academy through the Office of Neighborhoods.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 317,978	\$ 340,874	\$ 339,153	\$ 360,603	\$ 19,729	6 %
Supplies	2,382	3,435	1,416	3,435	—	0 %
Purchased Services	42,488	153,801	105,892	83,501	(70,300)	-46 %
Miscellaneous	50,333	108,049	60,121	64,580	(43,469)	-40 %
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 413,181</b>	<b>\$ 606,159</b>	<b>\$ 506,582</b>	<b>\$ 512,119</b>	<b>\$ (94,040)</b>	<b>-16 %</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
City Clerk/Records Manager	1.00	1.00	1.00	1.00
Senior Deputy City Clerk	1.00	1.00	1.00	1.00
Administrative Assistant IV	1.00	1.00	1.00	1.00
Neighborhood Coordinator	1.00	1.00	1.00	1.00
Administrative Assistant II	1.00	1.00	1.00	1.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

## 2018 Budget Highlights

Successfully migrated Missoula Municipal Code Title 20 to the Municode online platform.

- Completed the bid proposal process for the new legislative management solution and chose the new provider.

## Performance Measures & Workload Indicators

### Performance Measures

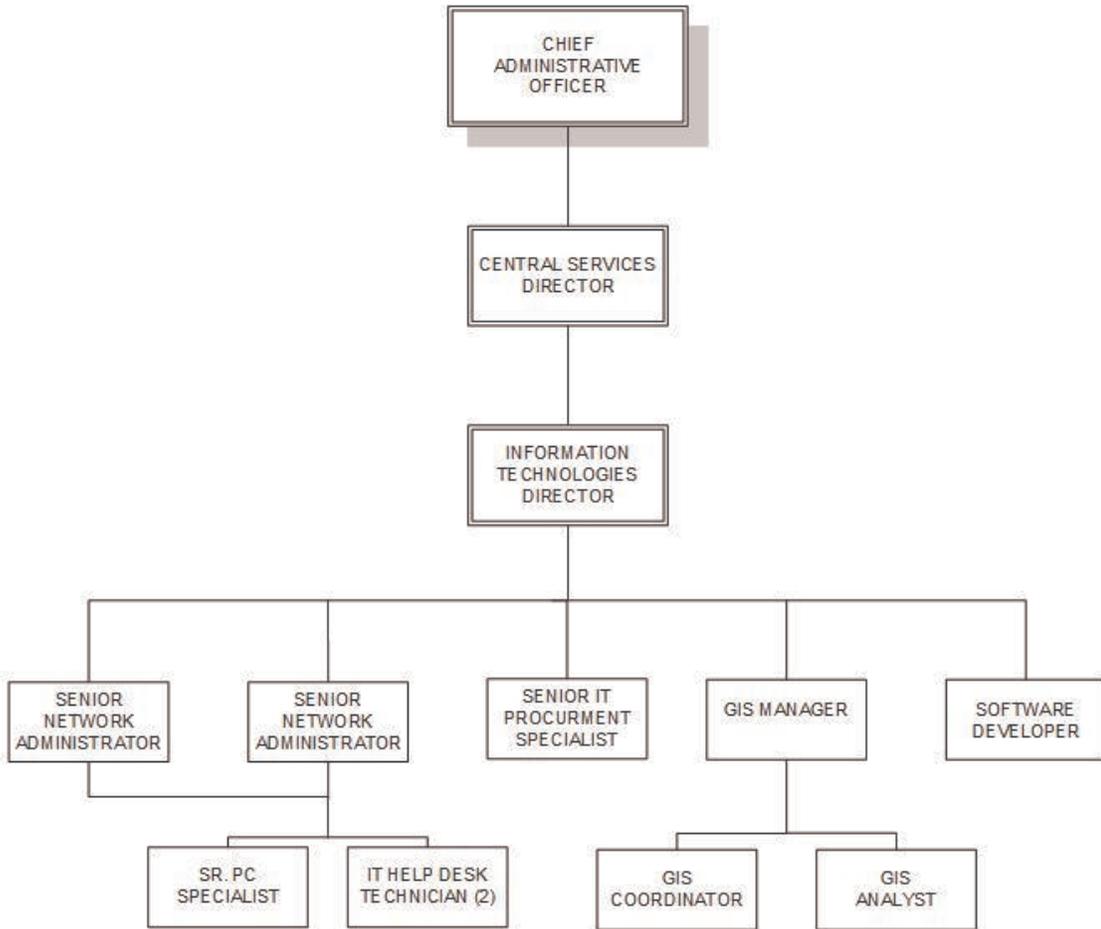
Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Customer Requests Served in Less than 10 Minutes	90%	90%	90%	90%
Council Meeting Minutes Ready by Next Meeting	67%	84%	87%	80%
Council Minutes Approved with No Corrections	84%	98%	100%	94%

### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Agreement Processed	216	302	276	265
Deeds Processed	6	23	8	12
Easements Processed	66	81	47	65
Miscellaneous Documents Processed	29	16	4	16
Sewer Agreements Processed	62	62	68	64
Ordinances Processed	29	14	15	19
Petitions Processed	44	53	51	49
Resolutions	104	101	85	97
Average Length of Council Meetings (in hours)	1:23	1:31	1:35	1:30



# Information Technologies



## Program Description

It is the mission of Information Technologies (IT) to deliver network services critical to the achievement of citywide goals and objectives. We also have built and will continue to build a quality, sustainable IT infrastructure. Technology is a key element of the citywide infrastructure and is current, secure and reliable - ensuring employee confidence. This is accomplished by:

Supporting the decision making process through easy access to city information. Providing customer service and support for the core computer systems. Assisting with the purchase, installation and management of over 500 computers and servers on a City-wide local and wide area network. Lending our Technology expertise, and offering consulting support services to City Departments. Provide enterprise security measures for mission-critical applications that require high availability through our custom built cloud system.

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will work toward sustaining and diversifying fiscal resources.
    - Consolidate GIS platform into a single MSSQL database server
    - Expand on Automation Asset Management
    - Long range planning for disaster recovery and business continuity.
- 

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 610,298	\$ 641,203	\$ 624,449	\$ 843,413	\$ 202,210	32%
Supplies	14,711	27,234	21,799	38,692	11,458	42%
Purchased Services	510,778	611,781	568,130	634,581	22,800	4%
Miscellaneous	—	—	—	—	—	
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ 1,135,787</b>	<b>\$ 1,280,218</b>	<b>\$ 1,214,378</b>	<b>\$ 1,516,686</b>	<b>\$ 236,468</b>	<b>18%</b>

\* Un-audited numbers

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## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Information Technologies Director	1.00	1.00	1.00	1.00
Senior Network System Administrator	2.00	2.00	2.00	2.00
Senior Pc Specialist	—	1.00	1.00	1.00
Help-desk Technician	1.00	1.00	2.00	2.00
Procurement Specialist	1.00	1.00	1.00	1.00
Senior GIS Technician *	1.00	1.00	1.00	1.00
GIS Technician *	1.00	1.00	1.00	1.00
Software Developer	—	—	—	1.00
GIS Manager	—	—	—	1.00
<b>Total</b>	<b>7.00</b>	<b>8.00</b>	<b>9.00</b>	<b>11.00</b>

\*GIS integrated into IT in FY16

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**2018 Budget Highlights**

Server Virtualization Consolidation and Maintenance Program \$67,000

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**Performance Measures & Workload Indicators**
**Performance Measures**

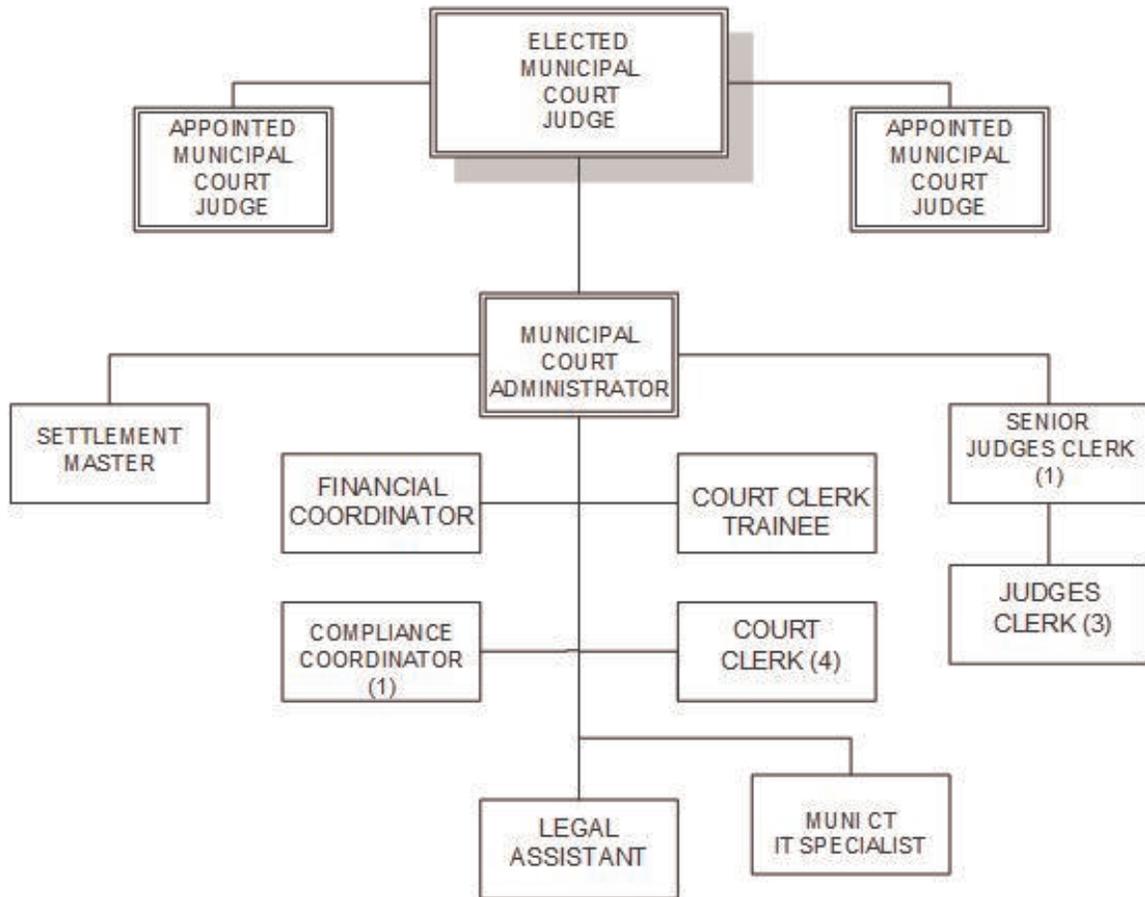
Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Percent of requests that met service level agreements	99.00%	90.00%	91.65%	95.00%
Average ratio of open to complete incidents per month	166/166	162/162	150/150	170/170
Percent of network service availability	99.90%	99.80%	99.90%	99.80%
Average percent of computers with current updates	75.00%	81.40%	95.00%	97.00%

## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Users supported	495	495	557	557
Average number of Helpdesk requests per month	166	155	201	166
Computers and laptops supported	205	233	294	205
Thin Clients supported	256	245	219	261
Servers supported	117	145	148	125
Virtual desktops	—	56	63	63
Tier 1 software applications supported	51	54	57	59
Tier 2 software applications supported	28	33	33	34
Tier 3 software applications supported	50	53	63	54
Phones supported	462	465	473	512
Easement/Conveyance reviewed or created	40	60	72	80
Released for construction and as-built drawings	54	48	52	50
Number of Sewer Connection Cards Drawn	250	500	700	500
Number of GIS users	46	47	46	46
Business license renewal via Automation	566	843	800	900
Permits issued through Accela Citizen Access	2,148	1,686	2,054	2,500
Purchase Orders per year	212	242	222	260



# Municipal Court



## Program Description

Municipal Court is the Judicial Branch of the City of Missoula. The Court processes all misdemeanor criminal citations, which includes DUI's and Partner Family Member Assaults, traffic violations, and City Ordinance violations issued by the City of Missoula, University of Montana Police and the Health Department. The Court also handles the issuance of Temporary Restraining Orders and Protective Orders in domestic violence and stalking situations, and processes search warrant requests and returns.

Municipal Court is a Limited Jurisdiction Court of Record and has the same powers and duties as a District Judge in matters within its jurisdiction. The Court makes and alters rules for the conduct of its business and prescribes form of process. The Court establishes rules for appeal to District Court, which are subject to the Montana Supreme Courts rulemaking and supervisory authority.

The purpose of the Municipal Court is to impartially interpret the law. The Court enforces private rights and attempts to prevent conduct that unjustifiably inflicts or threatens harm to individuals or public interests.

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Increase fine payments credited to defendant accounts through increased opportunity for the use of alternative sentencing options when defendants do not have financial means to pay fines.
  - Use of elected Judge time to serve on committees established for Jail Diversion, Missoula Downtown Association, and entities working toward an overcrowded jail situation.
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - Increase accuracy in data collection and reporting through secondary data entry and additional tracking for comparative uses with other Municipal Court statistics.
  - Use of court management and staff researching applicable options for compliance with sentencing requirements of our Judges.

### Goal: Quality of Life for All People in All Places

- Strategy: We will work together to meet basic human needs with dignity for all.
    - Utilize statutory authority over defendants to ensure accountability for all sentencing orders.
    - Utilize area resources that support safe and healthy alternatives for defendants to meet the sentencing orders put in place for all defendants, regardless of ability to pay.
-

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 1,101,874	\$ 1,198,453	\$ 1,187,585	\$ 1,234,271	\$ 35,818	3%
Supplies	27,748	18,422	15,388	13,818	(4,604)	-25%
Purchased Services	294,233	286,399	301,347	270,115	(16,284)	-6%
Miscellaneous	29,889	112,793	70,698	105,771	(7,022)	-6%
Debt Service	2,500	27,333	—	27,333	—	0%
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 1,456,244</b>	<b>\$ 1,643,400</b>	<b>\$ 1,575,018</b>	<b>\$ 1,651,308</b>	<b>\$ 7,908</b>	<b>0%</b>

\* Un-audited numbers

**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
MUNICIPAL JUDGE	1.00	1.00	1.00	1.00
JUDGE	0.85	0.85	0.85	0.85
MUNICIPAL COURT ADMINISTRATOR	1.00	1.00	1.00	1.00
JUDGES CLERK	4.00	4.00	3.00	3.00
COURT CLERK	8.00	6.00	4.00	4.00
FILE CLERK	1.00	1.00	1.00	1.00
LEGAL ASSISTANT	1.00	1.00	1.00	1.00
FINANCIAL COORDINATOR	1.00	1.00	1.00	1.00
MUNI COURT IT SPECIALIST		1.00	1.00	1.00
SETTLEMENT MASTER		1.00	1.00	1.00
JUDGE			0.50	0.50
SENIOR JUDGES CLERK			1.00	1.00
COMPLIANCE COORDINATOR			1.00	1.00
<b>Total</b>	<b>17.85</b>	<b>17.85</b>	<b>14.85</b>	<b>14.85</b>

**2018 Budget Highlights**

None

## Performance Measures & Workload Indicators

### Performance Measure

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Monies collected that stay with the City which include fines, city surcharge, attorney fees, NSF fees, crime victim surcharges and time payment fees.	1,964,314	1,933,554	1,543,379	1,350,000
Monies collected that go to other agencies which include state tech surcharges and police academy surcharges.	145,724	128,249	171,136	125,000
Monies collected as restitution for victims.	140,126	139,926	159,861	70,000

### Workload Indicator

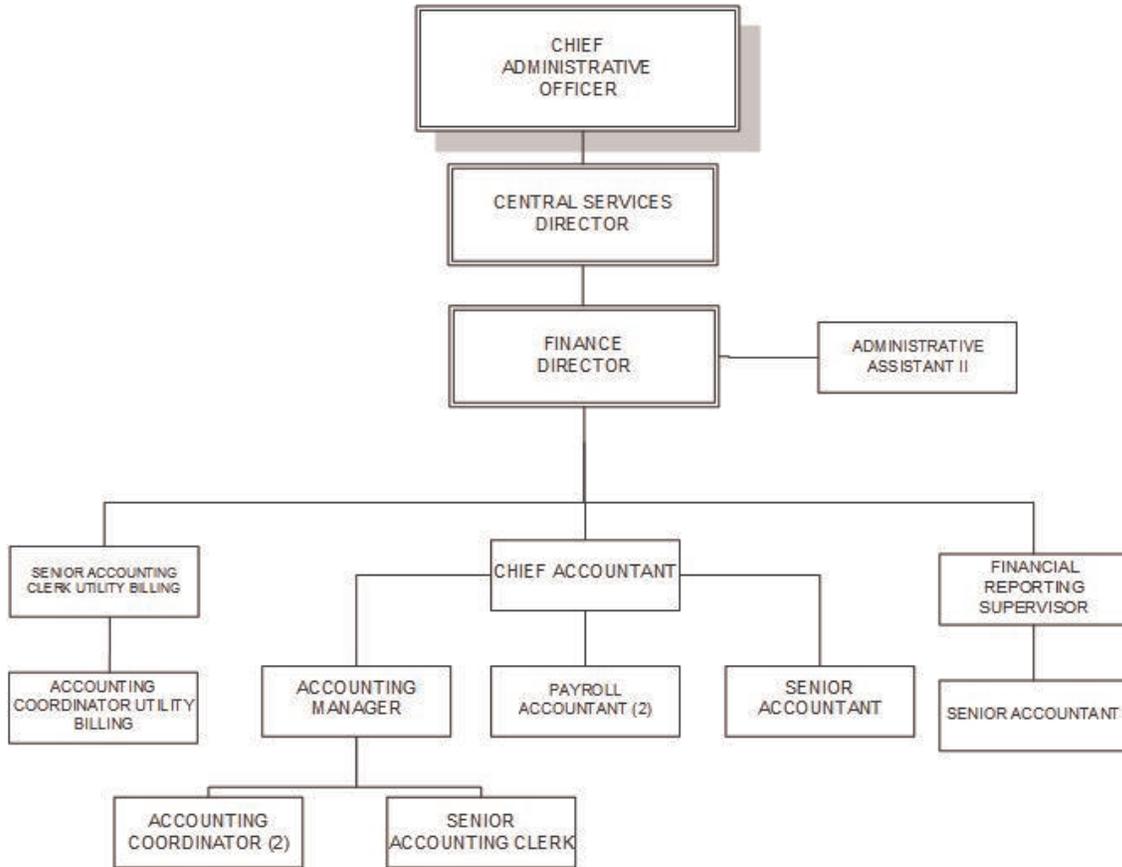
indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Citations Processed	20,810	18,086	16,102	18,000
Judge Trials Set	686	572	629	800
Jury Trials Set	1,345	2,080	1,595	2,080
Warrants Issued	3,526	4,203	3,485	4,500
Programs monitored for compliance *	2,713	1,508	2,590	2,500
Bonds Entered	1,232	1,078	792	1,347
Orders of Protection Filed	351	245	260	300
Accounts Turned to Collections	—	98	46	200
Alcohol Monitoring	155	172	178	895
GPS Tracking	19	20	14	16
Work Release **	348	355	256	340
Misdemeanor Probation	209	75	230	165
Jury Trials Held	—	24	23	52
Home Arrest	—	1	3	5

\* Alcohol Monitoring started February 1, 2010

\*\* Work Release used in lieu of jail due to jail space constraints



# Finance



## Program Description

The mission of the Finance/Budget division is to ensure that City's financial resources are protected through sound financial management, including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.

The Finance Division provides a variety of financial services to the Council and City staff. Services include accounting and financial reporting, budgeting, payroll, accounts payable, special improvement district file maintenance and billing, project accounting, fixed asset management, grant management, utility billing and debt service record keeping and payments.

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## City Strategic Plan & Department's Implementation Strategy

### Goal #1 Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
    - Completion of summarization of revenues, expenses, assets and liabilities in monthly quarterly and annual reports - this is then reported to Mayor's office, departments, council, citizens and creditors.
    - Completion and implementation of metered, flow based wastewater rates for current and future wastewater utility customers by the end of FY2019. This will be accomplished by using the results of the flow based utility study.
  - Strategy: We will work toward sustaining and diversifying fiscal resources.
    - Balance budget within state law with minimal employee cuts while maintaining current services during time of economic stress.
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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 957,522	\$ 1,020,168	\$ 956,630	\$ 1,017,546	\$ (2,622)	—%
Supplies	10,159	8,950	7,838	8,950	—	—%
Purchased Services	240,482	249,063	287,461	298,153	49,090	20%
Miscellaneous	—	500	—	500	—	—%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 1,208,163</b>	<b>\$ 1,278,681</b>	<b>\$ 1,251,929</b>	<b>\$ 1,325,149</b>	<b>\$ 46,468</b>	<b>4%</b>

\* Un-audited numbers

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## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
FINANCE DIRECTOR	1.00	1.00	1.00	1.00
CHIEF ACCOUNTANT	1.00	1.00	—	1.00
SENIOR ACCOUNTANT	1.00	2.00	2.00	2.00
ACCOUNTING SUPERVISOR	1.00	—	—	—
FINANCIAL REPORTING SUPERVISOR	—	1.00	1.00	1.00
FINANCIAL SERVICES SUPERVISOR	—	—	1.00	—
PROJECT ACCOUNTANT	1.00	1.00	—	—
ACCOUNTING COORDINATOR	2.00	2.00	2.00	3.00
ACCOUNTANT	—	1.00	1.00	—
FISCAL ANALYST	1	—	—	—
PAYROLL ACCOUNTANT	1.00	1.00	1.00	2.00
SENIOR ACCOUNTING CLERK	5.00	5.00	5.00	2.00
ADMINISTRATIVE SECRETARY	1.00	1.00	1.00	1.00
BUSINESS LICENSE SPECIALIST	1.00	—	—	—
ACCOUNTING MANAGER	—	—	—	1.00
<b>Total</b>	<b>16.00</b>	<b>16.00</b>	<b>15.00</b>	<b>14.00</b>

## 2018 Budget Highlights

- The City received its ninth Distinguished Budget Award from the Government Finance Office Association (GFOA) for its FY2018 published budget document. The City also received its eighteenth Certificate of Achievement from the GFOA for its FY2017 Comprehensive Annual Financial Report (CAFR).

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
The Finance Department will produce a clean "unqualified" audit opinion.	100%	100%	100%	100%
The Finance Department will produce client prepared work papers which are delivered to the auditors by the agreed delivery date.	100%	100%	100%	100%
The Finance Department will receive the Government Finance Officer's Association's Certificate of Excellence in Financial Reporting award for the Comprehensive Annual Financial Report.	100%	100%	100%	100%
The Finance Department will deliver the preliminary and final budget to the council by agreed delivery dates.	100%	100%	100%	100%
The Finance Department will receive the Government Finance Officer's Association's Distinguished Budget Presentation Award for the publication of the City's annual summary budget.	100%	100%	100%	100%

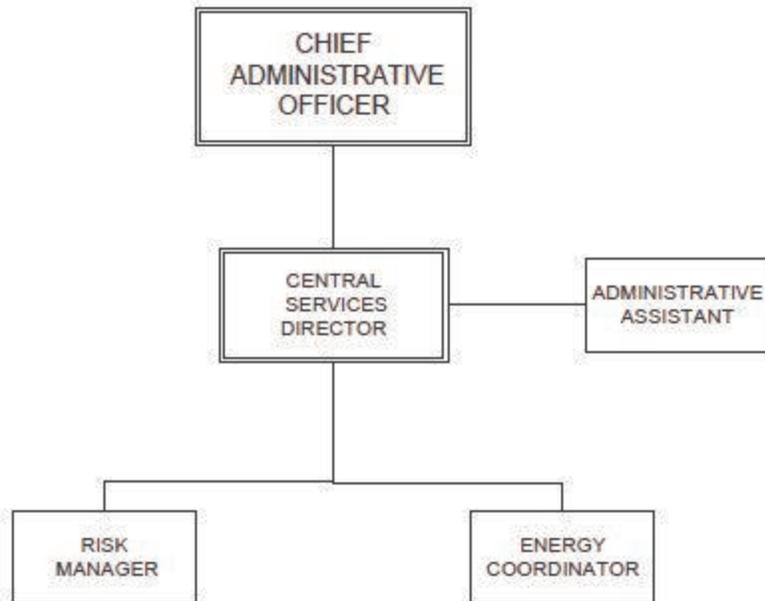
## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Accounts Payable (Total claims paid)	\$ 41,639,953	\$ 41,345,102	\$ 57,858,637	\$ 69,469,326
Sewer/Utility Billing (Total billed)	\$ 8,203,825	\$ 8,592,738	\$ 9,133,985	\$ 9,320,315
Special Improvement District (Total billed)	\$ 2,221,813	\$ 2,221,810	\$ 2,293,148	\$ 2,332,900
Payroll (Total salary wages paid)	\$ 44,352,974	\$ 45,951,641	\$ 50,606,012	\$ 48,935,279



# Central Services

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## Program Description

The Central Services Administration manages the divisions of Finance, Human Resources, Information Technology, City Clerk, Geographic Information Services, and Vehicle and Facility Maintenance.

### City Strategic Plan & Division's Implementation Strategy

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Develop the new team of Central Service Division Heads and provide improved services to the Departments of the City

#### Goal: 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..
  - Integrate energy conservation, climate action and sustainability in the City's natural and built environment to reflect Missoula's values of clear air, clean water and resiliency.
  - Implement City energy efficiency, conservation and renewable energy projects.
  - Complete Emissions Inventory Update.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 338,409	\$ 239,626	\$ 237,884	\$ 249,236	\$ 9,610	4%
Supplies	496	2,050	688	2,050	—	0%
Purchased Services	44,778	58,350	14,690	48,350	(10,000)	-17%
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 383,683</b>	<b>\$ 300,026</b>	<b>\$ 253,262</b>	<b>\$ 299,636</b>	<b>\$ (390)</b>	<b>0%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Central Services Director	1.00	1.00	1.00	1.00
Administrative Assistant	0.50	—	—	—
Risk Manager	1.00	1.00	—	—
Energy Coordinator	1.00	1.00	1.00	1.00
<b>Total</b>	<b>3.50</b>	<b>3.00</b>	<b>2.00</b>	<b>2.00</b>

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## 2018 Budget Highlights

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- None
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## Performance Measures & Workload Indicators

### Performance Measures

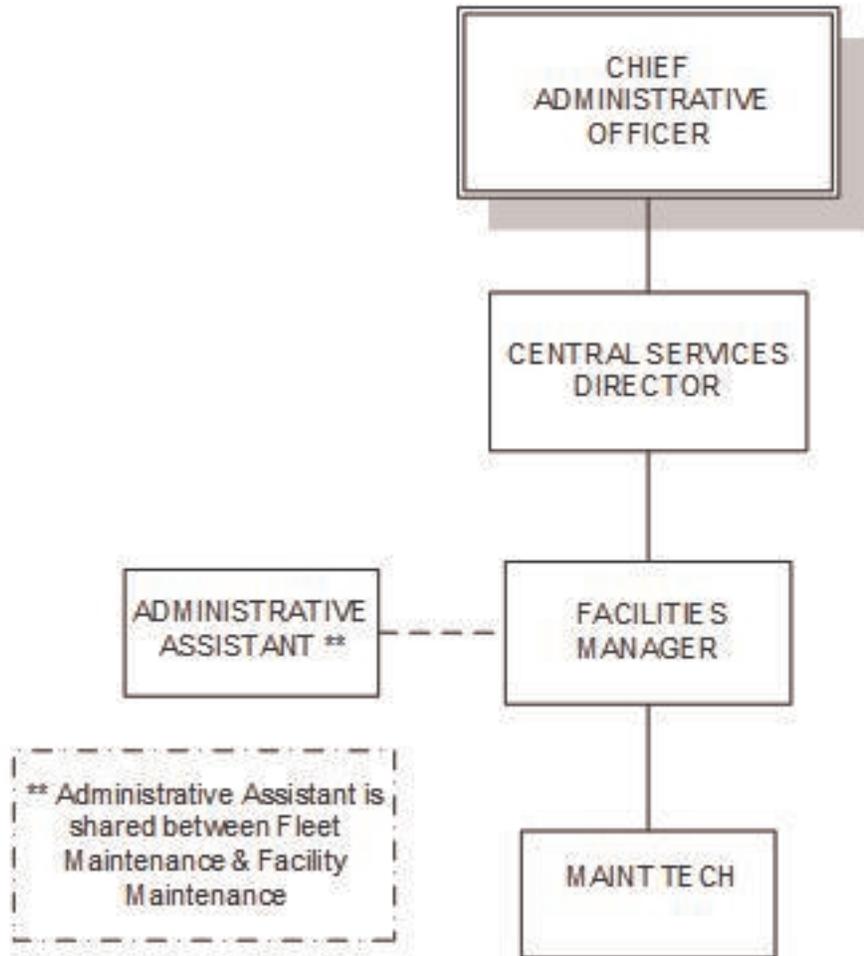
Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Reduce the City's Worker's Compensation mod factor to 1 or lower.	1.00	1.00	1.00	1.00
Develop and consult on Energy Conservation and Greenhouse Gas Reduction Activities with department heads (number of projects & policies).	19	10	24	24
Comprehensively track energy consumption, costs and operational emissions (number of tracking systems).	2	2	2	2

### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Number of energy conservation projects initiated.	19	5	24	24
Reduce operational greenhouse gas emissions by 5% below 2008 baseline.	100%	100%	100%	100%



# Central Services Facility Maintenance



## Program Description

The Facility Maintenance Department of Central Services is responsible for the management and maintenance of facilities owned by the City of Missoula: City Hall, City Council Chambers, City Shop Complex, Street Department, Police Evidence and the Missoula Art Museum at 229,173 total square feet. The Facility Maintenance Department, which was formerly combined with the City's Fleet Management function in Central Services, was established at the end of FY2017.

### City Strategic Plan & Division's Implementation Strategy

#### Goal: Fiscal Sustainability

- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - With the addition of our HVAC/Facility Maintenance Tech position (hired November FY 2018) work with JCI to bring the City Hall HVAC system to a more dependable/reliable level to reduce the cost of current maintenance contract. Bring a larger percentage of maintenance in-house.

#### Goal: 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.
  - Develop and implement a comprehensive building maintenance program.
  - Work to modernize City of Missoula facilities to conserve energy and resources through proactive maintenance, technology, and conservation
  - With the completion of new space needs assessment work to complete a master plan for the City of Missoula facilities.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 879,313	\$ 163,728	\$ 98,612	\$ 175,751	\$ 12,023	7%
Supplies	70,321	19,585	13,612	31,245	11,660	60%
Purchased Services	410,638	458,139	421,485	557,581	99,442	22%
Miscellaneous	48,540	45,862	43,134	45,862	—	0%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 383,683</b>	<b>\$ 300,026</b>	<b>\$ 253,262</b>	<b>\$ 299,636</b>	<b>\$ 24,789</b>	<b>8%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Maintenance Manager	—	1.00	1.00	1.00
Maintenance Tech	—	—	1.00	1.00
<b>Total</b>	<b>—</b>	<b>1.00</b>	<b>2.00</b>	<b>2.00</b>

## 2018 Budget Highlights

- Work toward stabilization of the aging City HVAC infrastructure to reduce maintenance costs and increase efficiency.
- Purchase and start planning CMMS (Computer Maintenance Management System) for Facilities Department to better track and manage work orders and preventive maintenance program.
- Start City wide Space needs current and 20 year projection to provide a baseline for master planning of City Facility growth.

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Scheduled repair work is an indication of proactive maintenance, is more cost effective and results in less downtime.			67%	70%
Preventative Maintenance (P/M) promotes a better more stable building environment, longer system life, and less emergency repair			12%	25%
Emergency repair - goal is less than 5%			10%	5%

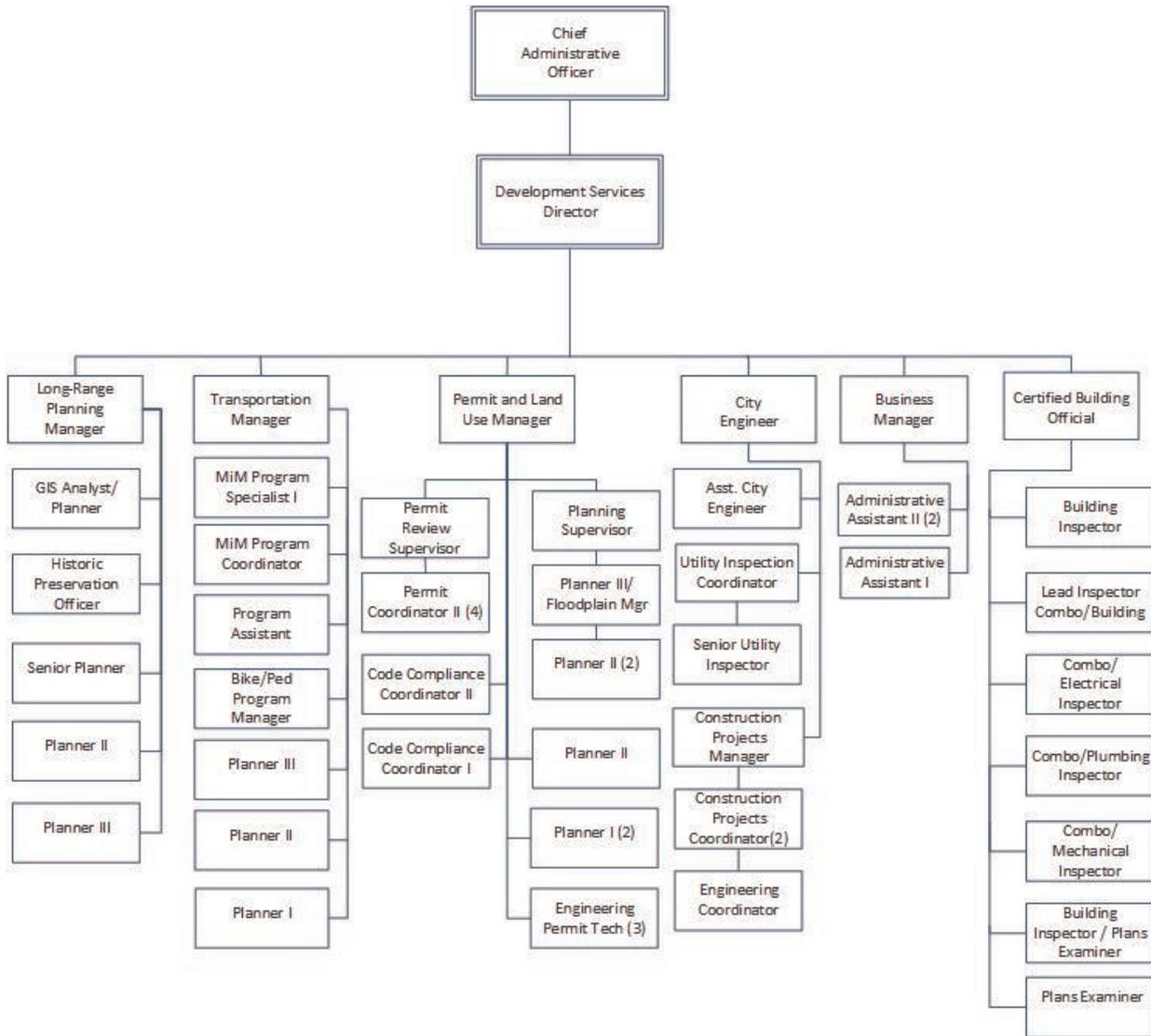
\*FY 18 is the first year for our P/M schedule, and tracking.

## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Total number of Facility repair orders completed	1,261	1,230	*312	**800
Total available labor hour budgeted	2,080	2,080	2,080	2,080
Total hours worked on work order/scheduled maintenance	1,768	1,825	*840	2,080



# Development Services



## Program Description

Development Services combines land use planning, transportation planning, building and engineering services to create a “one-stop shopping” environment for the development community and the citizens of Missoula. Development Services oversee the following departments in the Special Revenue funds: Planning (2250); Building Inspection (2394); Transportation (2955). For more information on these departments please see their narratives in the Special Revenue section.

The Permits and Land Use Division is responsible for planning and zoning including taking planning applications to the City-County Planning Board, Design Review Board & Board of Adjustment. Division staff conduct plans review, issue permits, conduct site inspections and issue final approvals or Certificates of Occupancy for completed projects. Over 7,000 permits are issued and over 5,000 business licenses issued or renewed annually. The division is also responsible for floodplain administration and compliance with city codes and business license regulations. Building related permit revenues and expenses go to the Building Fund (Fund 2394). All other revenues and expenses go to the General Fund.

The City Engineering Division manages infrastructure capital projects including roads, sidewalks, trails and sewer projects as well as conducting utility locates and inspections. City Engineering Division staff also review and approve engineering plans for private development and review, approve and inspect infrastructure that will become publicly owned. Revenues and expenses for locates and inspections go to the General Fund. Administration fees charged to projects cover project management expenses.

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## City Strategic Plan & Division’s Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Continue to refine the ACCELA Automation permitting system and continue to expand on-line services, mapping tools and easy access to helpful information
  - Streamline plan review, reduce costs and increase convenience to customers through implementation of Electronic Plan Review
  - Continue to expand resources on the website

### Goal: Harmonious Natural and Built Environment

- Strategy: We will reflect values of sustainability in transportation and building design.
  - Implement the strategies of the recently approved plans.
  - Continue to streamline and implement Transportation Demand Management (TDM) programs that support sustainable transportation options and improve air quality through internal coordination between planning, engineering and transportation functions and leadership of the TDM Consortium with our outside TDM partners.
  - Expand upon the recently adopted commercial design standards to improve the visual appearance of the built-environment.

### Goal: Quality of Life for All People in All Places

- Strategy: We will work to provide affordable housing for the work force of Missoula.
  - Continue to implement the “focus inwards” policy that was a cornerstone of the Growth Policy and continue to direct development toward areas that have the infrastructure and services to support it
  - Investigate housing needs and work proactively to support and encourage the provision of affordable housing opportunities for the citizens of Missoula.
- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula’s citizens.
  - Focus on land use/transportation links that promote healthy lifestyles and continue to participate in active living and healthy communities initiatives.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 1,678,003	\$ 1,883,059	\$ 1,891,209	\$ 1,974,967	\$ 91,908	5 %
Supplies	28,834	41,184	35,068	32,336	(8,848)	(21)%
Purchased Services	374,561	326,689	208,643	205,233	(121,456)	(37)%
Miscellaneous	110,780	324,755	338,170	343,153	18,398	6 %
Debt Service	175,720	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ 2,367,898</b>	<b>\$ 2,575,687</b>	<b>\$ 2,473,090</b>	<b>\$ 2,555,689</b>	<b>\$ (19,998)</b>	<b>(1)%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
DEVELOPMENT SERVICES DIRECTOR*	0.80	0.80	0.80	0.80
ASST. DIRECTOR DEV. SVCS./BUILDING OFFICIAL*	0.10	0.10	0.10	0.10
ADMIN. SVCS MANAGER/PROJECTS COOR.*	0.80	0.80	0.80	0.90
ADMINISTRATIVE ASSISTANT II	—	—	—	0.90
ADMINISTRATIVE ASSISTANT I	2.10	2.10	1.40	0.70
PERMIT & LAND USE MANAGER	—	—	0.70	1.00
PERMIT REVIEW SUPERVISOR*	1.00	1.00	1.00	0.30
PERMIT COORDINATOR II*	—	—	1.00	1.70
PERMIT COORDINATOR I*	1.00	1.00	1.00	—
PERMIT/LICENSE COORDINATOR II	1.00	1.00	—	—
ENGINEERING PERMIT TECHNICIAN II	2.00	2.00	2.00	—
ENGINEERING PERMIT TECHNICIAN I	1.00	1.00	1.00	3.00
CODE COMPLIANCE COORDINATOR II	1.00	1.00	1.00	1.00
CODE COMPLIANCE COORDINATOR I	—	—	1.00	1.00
PLANNING SUPERVISOR	1.00	1.00	1.00	1.00
CITY ENGINEER	1.00	1.00	1.00	1.00
ASSISTANT CITY ENGINEER	1.00	—	—	1.00
CONSTRUCTION PROJECT MANAGER	—	1.00	1.00	1.00
CONSTRUCTION PROJECT COORDINATOR	1.00	1.00	1.00	2.00
SENIOR CONSTRUCTION PROJECT	0.75	3.75	1.75	—
Engineering Administrative Technician	2.00	—	2.00	—
CODE COMPLIANCE MANAGER	1.00	—	—	—
SENIOR UTILITY INSPECTOR	1.00	1.00	1.00	1.00
UTILITY INSPECTOR COORDINATOR	1.00	1.00	1.00	1.00
PLANNER III / FLOODPLAIN MANAGER	1.00	1.00	1.00	0.20
PLANNER III	0.30	0.30	0.30	1.00
PLANNER II**	1.00	1.00	1.00	2.00
PLANNER I	0.60	0.90	0.70	2.00
<b>Total</b>	<b>23.45</b>	<b>23.75</b>	<b>24.55</b>	<b>24.60</b>

\*Positions are partially funded by Building Inspection (2394)

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**2018 Budget Highlights**

None

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**Performance Measures & Workload Indicators**

**Performance Measures**

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Development Services' multi-dwelling and commercial building permit review should be completed in three weeks or less. (%)	99%	99%	99%	99%
Development Services' residential building permit review should be completed in two weeks or less. (%)	99%	99%	99%	99%
Fulfilled the programmatic requirements of the Unified Planning and Work Program (UPWP) and completed specific planning projects and processes on time. (%)	100%	100%	100%	100%
City Planning Division maintenance of Zoning code and Subdivision regulations. (%)	100%	100%	100%	100%
City Planning Division annual Urban Fringe Development Area Yearbook provides comprehensive tracking of community services and natural resource impacts along with new development patterns. (%)	100%	100%	100%	100%

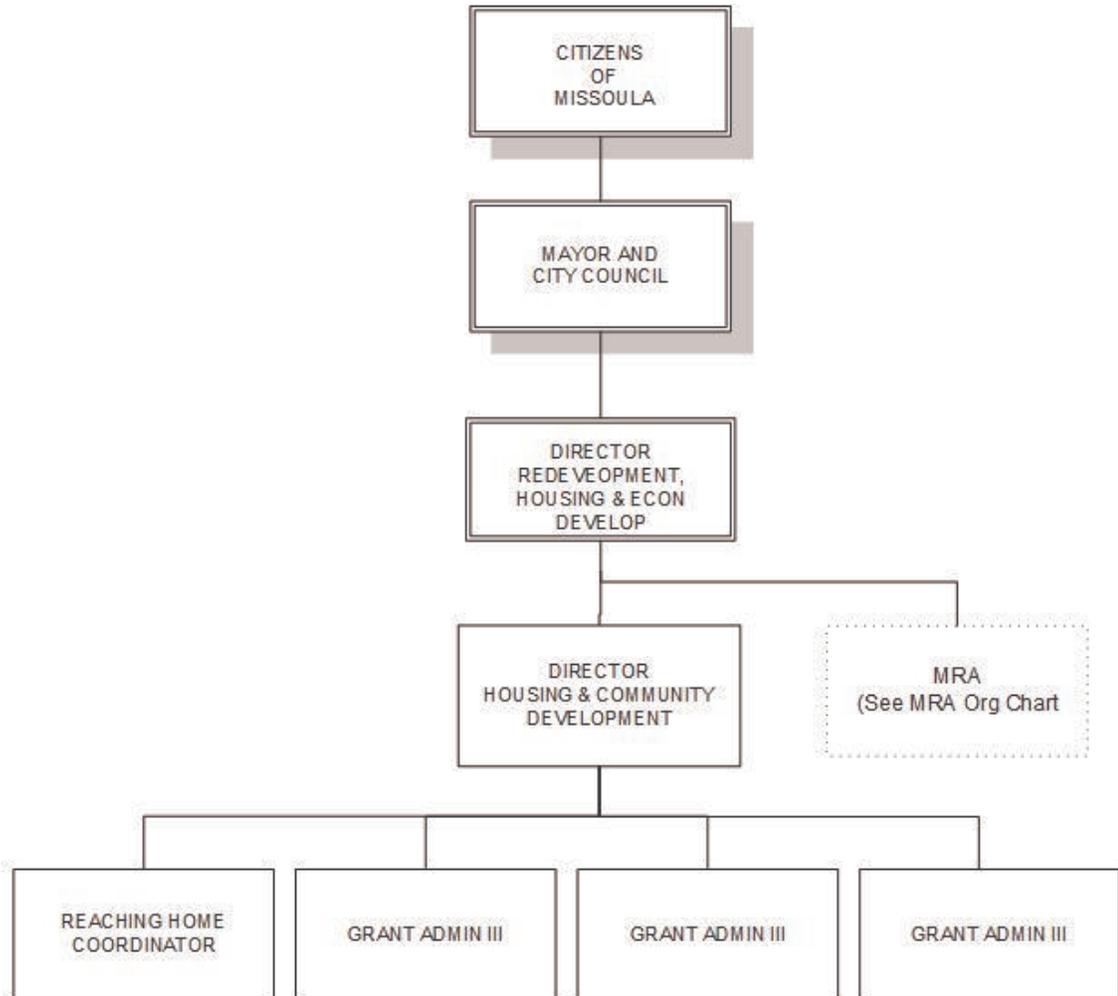
## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Miles / Square Feet of new & RR sidewalk installed annually	3	108,514	214,589	4
Miles / Lineal Feet of new & RR curb	3	14,038	39,530	3
Lineal feet of sanitary sewer main installed	16,610	24,010	17,371	15,150
New/Repairs of Sewer Services	712	839	962	853
Right-of-way permits issued	327	325	353	330
Excavation permits issued	742	952	1,205	1,200
Sewer utility locates completed	664	1,218	1,578	1,242
Building permits reviewed	1,515	1,576	1,434	1,500
Sign Permits	157	129	151	148
Zoning Compliance Permits	47	46	42	45
Fence Permits	121	188	142	130
ADA Permits	54	120	72	70
ROW Vacations		2	5	8
Acres/Number of new annexations of property	181	5/10.11 acres	5/79.36 acres	4/3278.22
Rezoning	3	4	8	5
Board of Adjustment Applications	14	9	7	10
Design Review Board	11	12	6	8
Conditional Use Applications	8	15	9	10
Subdivision Phasing Plan Amendments	3	2	2	1
Subdivision Final Plats	5	3	5	6
Subdivision Minor Adjustments	1	4	1	1
Subdivision - New Request		2	2	4
Subdivision exemption reviews	38	32	26	30
Subdivision Phase Public Hearing			1	1
Complaints assessed for violations		504	483	500
Community Presentations Given*	5	3	3	3

\*Subdivision was edited to include 3 indicators.



# Redevelopment, Housing & Economic Development



## Program Description

In order to create and implement effective housing policy and programs for our community, the city established the office of Housing and Community Development (HCD) in 2017. HCD is responsible for creating and implementing housing policy that will put Missoula on the right track to meet our present and growing housing demand for all income levels and specialized needs.

The Housing and Community Development office also administers Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) federal entitlement grant programs. In addition to these grant programs, HCD supports the redevelopment of contaminated properties through the administration of federal Brownfields grants, as awarded by the Environmental Protection Agency. HCD is responsible for ensuring these federal funds are used to maximize and leverage local dollars to meet shared objectives in the areas of housing and economic development for Missoula's citizens.

In addition to policy development and grant management, HCD provides oversight of Reaching Home: Missoula's 10 Year Plan to End Homelessness. This includes the direct administration of the At Risk Housing Coalition (ARHC), oversight of Missoula's Coordinated Entry System, and facilitation of Project Homeless Connect.

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## City Strategic Plan & Division's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - The Office of Housing and Community Development will employ the use of Brownfields Assessment and Cleanup grants and loans to support redevelopment and economic development initiatives within the city of Missoula. In the next year, the Brownfields program will support over \$600,000 in redevelopment work, including significant abatement in the Riverfront Triangle.
  - The Office of Housing and Community Development will make available through competitive application the use of CDBG funds to support eligible economic development initiatives that support job growth, including broadband initiatives.

### Goal: Harmonious Natural and Built Environment

- Strategy: We will work to provide citizens access to parks, open spaces and the natural environment.
  - The Office of Housing and Community Development will identify community priorities that support access to parks and the natural environment through our annual Community Needs Assessment process. HCD will make available through competitive application the use of CDBG funds to support park creation, repair, and enhancement in areas serving low to moderate income citizens

### Goal: Quality of Life for All People in All Places

- Strategy: We will work to provide affordable housing for the work force of Missoula.
  - The Office of Housing and Community Development will continue to support new construction, rehabilitation, and acquisition of housing dedicated to low to moderate income citizens of Missoula through the strategic use of CDBG and HOME funds. Pending federal allocation, over \$500,000 will be allocated to these activities. HCD will also continue to provide rental assistance to families making below 60% of the area median income. In FY18, \$100,000 has been allocated to Tenant Based Rental Assistance. In addition to housing activities, CDBG funds will be used to provide basic services to people living in poverty and homelessness. Pending federal allocation, approximately \$77,000 will be dedicated to the provision of social services for citizens making below 50% of the area median income. These funds will be granted to area non-profits in alignment with our approved Consolidated Action Plan.
  - The Office of Housing and Community Development will work with public and private partners to create and implement comprehensive city-wide housing policy that will put Missoula on the right track to meet our present and growing housing demand for all income levels and specialized needs.

- The Office of Housing and Community Development will provide leadership and direct oversight to Reaching Home: Missoula’s 10 Year Plan to End Homelessness, to ensure progress is made on the benchmarks outlined in the adopted plan. Additionally, the office will facilitate the work of the At Risk Housing Coalition and the Missoula Continuum of Care, to provide ongoing support to our non-profit community that serves at-risk and homeless citizens and to ensure compliance with federal mandates regarding Coordinated Entry Systems.

**FINANCIAL SUMMARY^**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 102,027	\$ 353,816	\$ 325,119	\$ 401,270	\$ 47,454	13%
Supplies	10,291	16,437	17,915	21,111	4,674	28%
Purchased Services	63,704	38,529	33,689	98,879	60,350	157%
Miscellaneous	15,411	385,956	344,031	316,532	(69,424)	-18%
Debt Service	306,892	—	—	—	—	
Capital Outlay	—	4,000	172	—	(4,000)	-100%
<b>Total</b>	<b>\$ 498,325</b>	<b>\$ 798,738</b>	<b>\$ 720,926</b>	<b>\$ 837,792</b>	<b>\$ 39,054</b>	<b>5%</b>

\* Un-audited numbers

^New Department for FY17

**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Housing Director	—	1.00	1.00	1.00
Grants Administrator III	—	1.00	1.00	1.00
Grants Administrator III	—	1.00	1.00	1.00
Administrative Assistant IV	—	—	1.00	1.00
Reaching Home Coordinator	—	—	1.00	1.00
<b>Total</b>	<b>—</b>	<b>3.00</b>	<b>5.00</b>	<b>5.00</b>

\* Dept created in FY17

**2018 Budget Highlights**

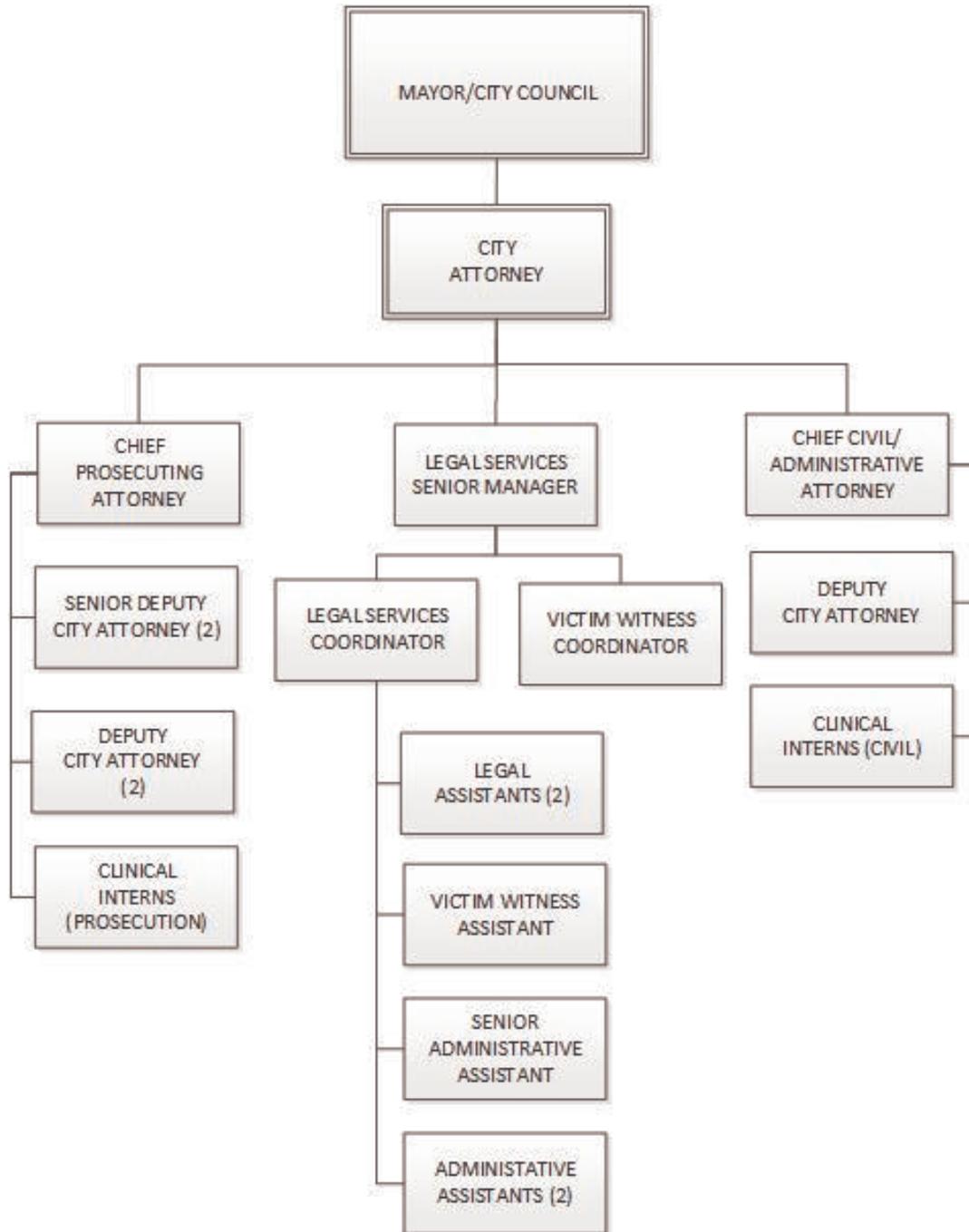
None

Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Establish monitoring and reporting compliance for all federal funds (to include the CAPER, Action Plan, and ConPlan).	0%	100%	100%	100%
Execute grant contracts for projects in alignment with local and federal initiatives.	0%	100%	100%	100%
Draft and present to council a comprehensive policy to meet the current and growing demand for affordable housing.	0%	0%	75%	100%
Provide pre-development consultation and support to both non-profit and for profit developers to encourage construction of mixed income housing.	0%	100%	100%	100%
Meet benchmarks outlined in Reaching Home: Missoula's 10 Year Plan to End Homelessness through increased oversight and alignment of goals.	0%	100%	100%	100%



# City Attorney's Office



## Program Description

The City Attorney is the chief legal adviser for the Mayor, City Council, and all City departments. The City Attorney's Office also provides limited legal services to the Missoula Housing Authority and Missoula Urban Transportation District. The City Attorney's Office prosecutes misdemeanor violations of state and city law as well as city ordinance civil infractions filed in Missoula Municipal Court.

### ALTERNATIVE DISPUTE RESOLUTION

This is for a donation to the Community Dispute Resolution Center (CDRC). The CDRC provides low-cost or free mediation services and conflict resolution education to the Police Department and for the Neighborhood Councils.

### HEALTHY RELATIONSHIP PROGRAM

This is the amount of money that is transferred to the Missoula County Crime Victim Advocates Program. The Healthy Relationships Project Coordinator builds, coordinates, and provides training and support for coalitions of community members working to prevent teen dating violence and intimate partner violence (IPV) for the Missoula County Department of Grants and Community Programs.

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Strive to timely keep abreast of legislative and judicial changes in the law as well as effectively and competently represent the City in all legal proceedings and forums involving the City.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Assist the City Administration in attempting to attain liability and workers' compensation reduced experience modification factors from the preceding year and most importantly strive to attain experience modification factors significantly less than 1.0.

### Goal: Quality of Life for All People in All Places

- Strategy: We will work together to meet basic human needs with dignity for all.
  - Increase the safety of victims of personal crimes and the community as a whole by working to increase convictions and accountability of offenders in compliance with sentencing mandates such as counseling and substance monitoring.
  - Aggressively prosecute high misdemeanor crimes that occur in the City with a focus on sexual assault, domestic violence, DUI, criminal mischief and theft.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 1,280,294	\$ 1,403,021	\$ 1,364,445	\$ 1,447,099	\$ 44,078	3%
Supplies	6,889	7,631	8,043	7,631	—	0%
Purchased Services	40,346	53,344	47,030	53,344	—	0%
Miscellaneous	167,818	167,818	167,818	173,233	5,415	3%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	4,289	4,332	—	(4,289)	-100%
<b>Total</b>	<b>\$ 1,495,347</b>	<b>\$ 1,636,103</b>	<b>\$ 1,591,668</b>	<b>\$ 1,681,307</b>	<b>\$ 45,204</b>	<b>3%</b>

\* Un-audited numbers

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**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
City Attorney	1.00	1.00	1.00	1.00
Chief Civil/Admin Attorney	1.00	1.00	1.00	1.00
Chief Prosecuting Attorney	1.00	1.00	1.00	1.00
Senior Deputy City Attorney	3.00	2.00	2.00	—
Deputy City Attorney III	—	—	—	1.00
Deputy City Attorney II	—	—	—	1.00
Deputy City Attorney	2.00	3.00	3.00	3.00
Legal Services Administrative Manager	1.00	1.00	—	—
Legal Services Senior Manager	—	—	1.00	1.00
Legal Services Coordinator	—	—	1.00	1.00
Legal Services Technology Specialist	1.00	1.00	—	—
Victim Witness Coordinator	—	—	1.00	1.00
Senior Legal Assistant	1.00	1.00	—	—
Victim Witness Legal Assistant	—	—	1.00	3.00
Legal Assistant	2.00	2.00	2.00	—
Legal Services Discovery Specialist	—	—	—	1.00
Senior Legal Administrative Assistant	1.00	1.00	1.00	—
Legal Services Administrative Assistant	2.00	2.00	2.00	2.00
<b>Total</b>	<b>16.00</b>	<b>16.00</b>	<b>17.00</b>	<b>17.00</b>

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**2018 Budget Highlights**

The Attorney's Office applied for and received a VOCA grant earmarked for victim services. The grant monies improved services to victims in the City Attorney's Office. Many improvements to standard processes were instituted in victim services including initial victim contact and notifications, and more frequent contact and notice to victims throughout the proceedings. Progress continues with processes and overall improvement of services to victims of crime. The grant expires at the end of Fiscal Year 2019. Additional grant monies will be sought to continue the program into Fiscal Year 2020.

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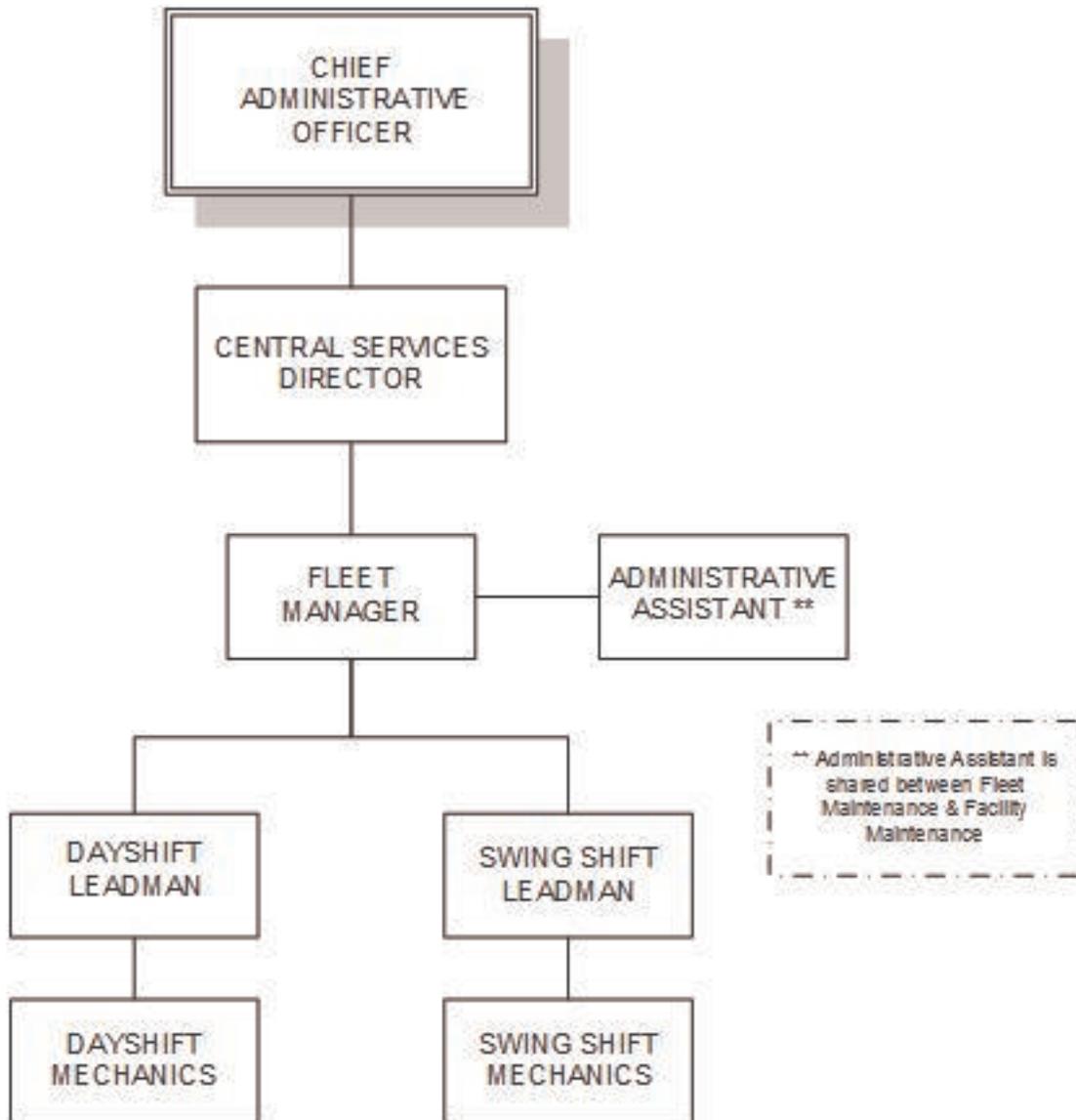
## Performance Measures & Workload Indicators

### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Contracts/agreements reviewed	374	405	492	492
Subdivisions/amended plats/certificates of survey reviewed	35	32	37	37
Confidential Criminal Justice Information requests reviewed	13	30	122	122
Legal opinions issued	35	25	33	33
New Cases	3,777	3,543	4,372	4,372
Misdemeanor	3,610	3,166	3,137	3,137
PTR (no longer separate case)	17	N/A	N/A	N/A
Charging Reviews	50	69	77	77
Driver's License Reinstatement District Court	50	40	56	56
Investigative Subpoena	8	14	14	14
Code Violation	12	7	1	1
Restitution	NT	247	184	184
Partner Family Member Assault new cases	168	168	187	187
Order of Protection and No Contact Violation new cases	66	29	102	102
Sexual Assault new cases	17	7	11	11
DUI (§ 61-8-401 / § 61-8-411 / § 61-8-465 MCA) new cases	282	290	299	299
Unlawful Refusal of Breath or Blood Alcohol/Drug Test new cases (10.56.020)	157	131	122	122
Charges added (may have multiple charges in one case)	7,598	6,901	6,925	6,925
PTRs prepared (multiple petitions often needed for compliance)	318	197	251	251



# Central Services - Fleet Maintenance



## Program Description

The Fleet Maintenance Division of the Central Services Department is responsible for providing fleet management services to vehicles and equipment, owned by the City of Missoula. The vehicles and equipment managed by this division include all of the City vehicles and equipment with the exception of the emergency Fire Department vehicles. This division of Central Services also provides welding and fabrication services. Most if not all of City Vehicles and Equipment are procured through this division as well.

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Continue to upgrade equipment to enhance City staffs response and efficiency
  - Continue to update staff training to better service vehicle and equipment
  - Continue to build strong working relationships with all departments to help understand and fulfill their needs

#### Goal: Harmonious Natural and Built Environment

- Strategy: We will reflect values of sustainability in transportation and building design.
    - Continue to search for and apply efficient and sustainable alternatives to traditional energy applications in equipment.
- 

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Change
Personal Services	\$ 820,974	\$ 977,763	\$ 831,600	\$ 928,034	\$ (49,729)	-5%
Supplies	66,652	81,781	78,129	85,981	4,200	5%
Purchased Services	409,261	23,625	10,525	24,425	800	3%
Miscellaneous	—	—	—	—	—	
Debt Service	—	—	—	—	—	
Capital Outlay	21,560	—	—	—	—	
<b>Total</b>	<b>\$ 1,318,447</b>	<b>\$ 1,449,180</b>	<b>\$ 1,345,208</b>	<b>\$ 1,038,440</b>	<b>\$ (44,729)</b>	<b>-3%</b>

\* Un-audited numbers

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## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Fleet Manager	1.00	1.00	1.00	1.00
Welder/Mechanic	1.00	1.00	1.00	1.00
Lead Mechanic	1.00	1.00	1.00	1.00
Lead Mechanic	1.00	1.00	1.00	1.00
Mechanic	1.00	1.00	1.00	1.00
Mechanic	1.00	1.00	1.00	1.00
Mechanic	1.00	1.00	1.00	1.00
Mechanic	1.00	1.00	1.00	1.00
Mechanic	1.00	1.00	1.00	1.00
Administrative Secretary	0.50	0.50	0.75	0.75
<b>Total</b>	<b>9.50</b>	<b>9.50</b>	<b>9.75</b>	<b>9.75</b>

### 2018 Budget Highlights

In the past year the Shop was able to increase Technician training, increasing knowledge and competency for vehicle repair. This training has increased productivity and decreased repair time in the shop.

In respect to the Goal of sustainable energy in transportation, this last year the City of Missoula added its first fully Electric vehicle to its fleet.

### Performance Measures & Workload Indicators

#### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Scheduled repair work is an indication of proactive maintenance. Scheduled work costs less and results in far less downtime than unscheduled work. unscheduled work cost 50% more and results in higher downtime rates. the goal is 70% scheduled repair work.	99.16%	97.77%	98.2%	> 70%
Preventive maintenance (PM) promotes a safer, more efficient, fleet of vehicles. Additionally PM will extend the useful life of City equipment. The goal is set at 60% direct PM work. Note, indirect time was factor in FY2012	61.51%	74.85%	80.22%	> 60%
The average age of the fleet reveals how effectively the equipment replacement program is being funded. An average age of 5-7 years is considered ideal in many APWA fleets. The goal set is a fleet with an average of 7 years.	10.38	9.15	9.68	7
The total percent of breakdown repairs. The goal is less than 5% of the total number of repair jobs.	1.23%	2.23%	1.8%	< 5%

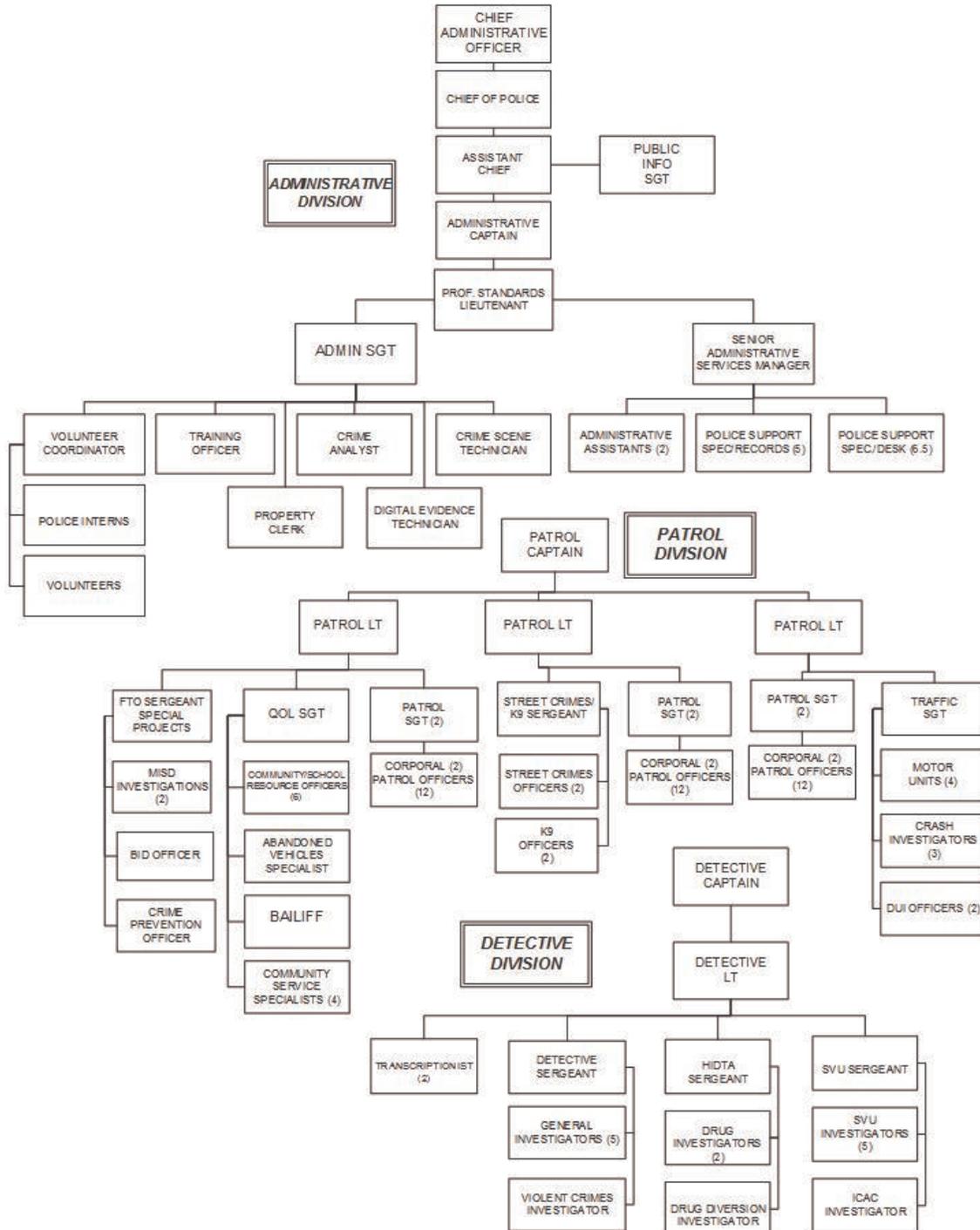
## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Total number of equipment repair jobs completed.	5,850	4,916	4,916	6,100
Total number of mechanic labor hours budgeted	16,640	14,560	14,560	16,640
Total number of mechanic labor hours on work orders	15,076	13,971	13,971	>% 95
Total vehicle, trailer, and equipment count excluding small equipment and emergency fire equipment. Added Gen Sets in FY 2016.	408	497	497	>475
Total number of repair jobs resulting form accidents.	39	32	32	<45
Total parts and labor dollars spent on accident repairs.	39,008	44,910	44,910	<40,000
Total gallons of diesel fuel used. (CFA records)	82,009	88,488	88,488	**93,000
Total gallons of unleaded used. (CFA records)	111,516	127,464	127,464	**161,000
Total gallons of fuel used. (CFA records)	193,525	190,637	190,637	**254,000

\*\* Increase in the amount of fuel is related to the addition of compost, water utility and addition of vehicles to the fleet.



# Police Department



## Program Description

The Mission of the Police Department is to serve the community of Missoula in a collaborative effort to enhance the quality of life through crime prevention, enforcement of laws, promotion of safety, and reduction of fear. We promote respect and protection of human rights and embrace diversity and the dignity of every person by providing responsive, professional police services with compassion and concern. The Department manages its objectives through collaborative partnerships and the efforts of three major Divisions: Administrative Division; Detective Division; Uniform Patrol Division

As a policing organization, our priority is maintaining a healthy and safe community through measured response to the following issues: Reduce sexual violence and abuse of victims; Quality of Life; Prescription Drug Abuse; Crisis Intervention; Underage Drinking; Driving Under the Influence; Drug Trafficking; Traffic Enforcement.

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability:

- Strategy: We will maintain or improve the level of service to citizens.
  - Identify state and federal partners to obtain funding and enhance department's delivery of service.

### Goal: 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 efforts in providing policing plans to address criminal acts and continue our misdemeanor follow-up efforts.

### Goal: Quality of Life for All People in All Places

- Strategy: We will work together to meet basic human needs with dignity for all.
    - Continue with department's outreach to community organizations to provide them with information and resources available through the Missoula Police Department. Participate in public engagement opportunities to share information about significant health and safety issues within our community.
    - Continue efforts in educating and communicating with the community and the University of Montana in an effort to identify and reduce sexual violence and partner family member violence incidents in our community.
    - Maintain our Quality of Life program. Collaborate with community organizations to provide resources for individuals in crisis.
-

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 14,202,995	\$ 15,368,046	\$ 15,012,368	\$ 16,093,156	\$ 725,110	5 %
Supplies	326,651	318,777	350,729	374,556	15,921	4 %
Purchased Services	369,065	266,295	404,633	463,000	77,885	20 %
Miscellaneous	74,606	16,217	77,391	10,650	(71,214)	(87)%
Debt Service	18,336	—	—	—	—	
Capital Outlay	6,000	—	32,059	—	(40,950)	(100)%
<b>Total</b>	<b>\$ 14,997,653</b>	<b>\$ 16,234,610</b>	<b>\$ 15,877,180</b>	<b>\$ 16,941,362</b>	<b>\$ 706,752</b>	<b>4 %</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
CHIEF OF POLICE	1.00	1.00	1.00	1.00
ASSISTANT CHIEF	1.00	1.00	1.00	1.00
CAPTAINS	3.00	3.00	3.00	3.00
LIEUTENANTS	5.00	5.00	5.00	5.00
SERGEANTS	15.00	15.00	15.00	15.00
CORPORAL	6.00	6.00	6.00	6.00
POLICE OFFICERS	73.00	75.00	75.00	78.00
Sr. ADMIN SERVICES MANAGER	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	2.00	2.00	2.00	2.00
SUPPORT SPECIALIST	10.00	10.00	10.00	10.00
RECORDS SPECIALIST	—	—	—	—
CALL-IN SUPPORT SPECIALIST	1.50	1.50	1.50	1.50
EVIDENCE TECHNICIAN	1.00	1.00	1.00	1.00
PROPERTY CLERK	1.00	1.00	1.00	1.00
CRIME SCENE TECHNICIAN	1.00	1.00	1.00	1.00
SPECIAL SERVICES ASSISTANT	1.00	1.00	1.00	1.00
TRANSCRIPTIONIST	1.00	1.00	1.00	1.00
VOLUNTEER COORDINATOR	0.50	0.50	0.75	0.75
CRASH INVESTIGATORS	3.00	3.00	3.00	3.00
ABANDONED VEHICLE SPECIALIST	1.00	1.00	1.00	1.00
COMMUNITY SERVICE SPECIALIST	2.00	2.00	4.00	4.00
<b>Total</b>	<b>130.00</b>	<b>132.00</b>	<b>134.25</b>	<b>137.25</b>

## 2018 Budget Highlights

None

## Performance Measures & Workload Indicators

### Performance Measures

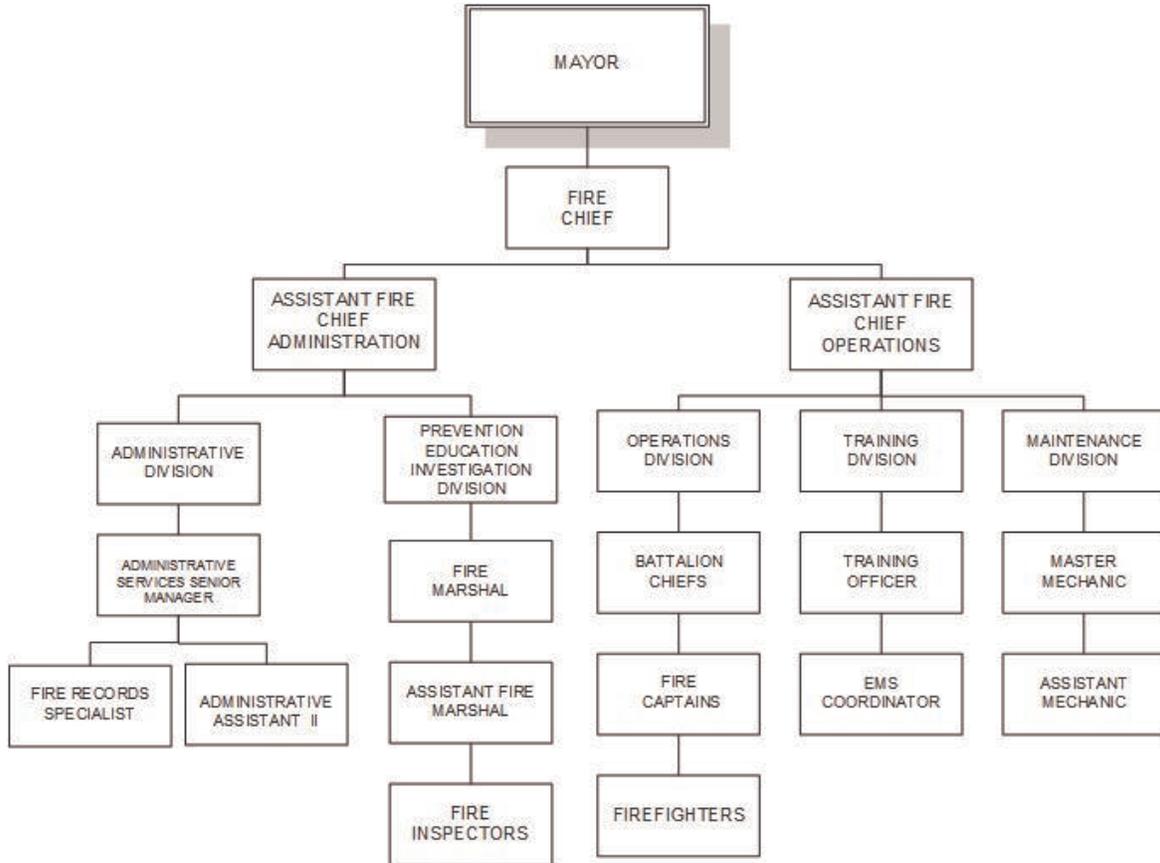
Measure	Actual CY 2014	Actual CY 2015	Actual CY 2017	Adopted CY 2018
Quality of Life for all citizens - Reduce property and violent crime	8,556	9,335	9,194	8,798
Quality of Life for all citizens - Reduce fear and blight, enhance personal safety by increasing safety in public places, including downtown - Downtown Disorderly Conduct & Disturbances	1,102	1,089	1,377	942
Quality of Life for all citizens - Reduce fear and blight, enhance personal safety by increasing safety in public places, including downtown - Downtown Assaults, except domestic	135	95	103	130
Quality of Life for all citizens - Maintain abandoned vehicle program - Abandoned vehicles - complaints	918	1,022	1,314	1,561
Quality of Life for all citizens - Maintain abandoned vehicle program - Abandoned vehicles - towed	120	117	139	131
Enhance department's delivery of service - Ratio of citizen complaints sustained: not sustained (includes complaints against all department employees)	15:40	6:33	7:31	4:24
Enhance department's delivery of service - Reduce Use of Force incidents	191	192	181	196
Enhance department's delivery of service - Assaults on Officers	20	21	13	17
Enhance department's delivery of service - Increase professionalism with - Advanced Training hours per officer (average)	64	83	80	75
Enhance department's delivery of service - Increase professionalism with - Crisis Intervention Training for officers (hours)	—	—	240	258
Reduce sexual violence through offender accountability - Percentage of sexual assault cases referred for prosecution	35%	46%	48%	55%

### Workload Indicators

Indicator	Actual CY 2014	Actual CY 2015	Actual CY 2017	Adopted CY 2018
Calls for Service	407,770	42,791	53,206	54,126
Misdemeanor Investigations	814	1,361	1,571	1,737
Mental Health-Related Responses	342	467	460	608
Traffic Follow Up Investigations	91	115	106	179
DUI Arrests	590	503	460	459
Injury Crashes	5,447	452	435	373
Injury Crashes related to DUI	28	38	39	30
Injury Crashes - Bike/Pedestrian	64	76	62	41
Quality of Life Complaints	2,381	1,970	2,331	1,836
Partner/Family Member Assaults	368	389	364	385
Vandalism	828	871	1,049	926
Square Miles of Patrol Area/City Limits	29.2	29.2	29.6	29.7



# Fire Department



## Program Description

The Fire Department's purpose is to maintain and improve the quality of life and commerce in Missoula by saving lives, protecting property, and easing suffering through the efficient and effective delivery of emergency services, code enforcement, public education, and ongoing training.

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Monitor & improve response times for emergency incidents, with a goal of meeting NFPA standards.
  - Monitor & reduce apparatus down time & repair costs; continue to evaluate & refine our apparatus & facility maintenance & replacement schedule.
  - Monitor & increase total training hours; continue to increase number of ALS certified firefighters.

#### Goal: 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.
  - We will continue to work with the Missoula City-County Health Department and as part of the Missoula Regional Hazardous Materials Team to provide rapid response to threats to the environment.
  - Renew operations level hazardous materials training for all MFD personnel & technician level hazardous materials training for MFD personnel certified as HM Technicians. Maintain & inventory Missoula Regional HM Trailer & equipment.

#### Goal: Quality of Life for All People in All Places:

- Strategy: We will work together to meet basic human needs with dignity for all.
  - We will work with MESI and Missoula's medical community to provide basic emergency medical services and advanced life support services to citizens.
  - We will strive to ensure a safe community by enforcing fire codes and providing public education programs to citizens.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 12,353,644	\$ 11,677,178	\$ 12,169,756	\$ 14,228,534	\$ 569,528	4%
Supplies	284,440	269,923	317,771	357,868	1,000	0%
Purchased Services	254,496	242,104	221,880	302,088	(12,393)	-4%
Miscellaneous	308	(62,962)	2,996	3,008	—	0%
Debt Service	—	—	—	—	—	—
Capital Outlay	11,576	—	—	—	—	—
<b>Total</b>	<b>\$ 12,904,464</b>	<b>\$ 12,126,243</b>	<b>\$ 12,712,403</b>	<b>\$ 14,891,498</b>	<b>\$ 558,135</b>	<b>4%</b>

\* Un-audited numbers

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**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
FIRE CHIEF	1.00	1.00	1.00	1.00
ASSISTANT CHIEF	2.00	2.00	2.00	2.00
TRAINING OFFICER	1.00	1.00	1.00	1.00
FIRE MARSHAL	1.00	1.00	1.00	1.00
ASSISTANT FIRE MARSHAL	1.00	1.00	1.00	1.00
INSPECTORS	3.00	3.00	3.00	3.00
FIRE BATTALION CHIEFS	4.00	4.00	4.00	4.00
CAPTAINS	20.00	20.00	20.00	20.00
EMS COORDINATOR	1.00	1.00	1.00	1.00
15 YEAR FIREFIGHTERS	7.00	8.00	9.00	7.00
SENIOR FIREFIGHTERS	10.00	13.00	20.00	24.00
FIREFIGHTERS FIRST CLASS	23.00	24.00	21.00	16.00
3 YEAR FIREFIGHTERS	14.00	6.00	5.00	5.00
FIREFIGHTERS	2.00	5.00	1.00	4.00
TRAINEE FIREFIGHTERS	1.00	1.00	1.00	1.00
PROBATIONARY FIREFIGHTERS	1.00	1.00	1.00	1.00
MASTER MECHANIC	1.00	1.00	1.00	1.00
ASSISTANT MECHANIC	1.00	1.00	1.00	1.00
ADMINISTRATIVE SERVICES MANAGER	1.00	1.00	1.00	1.00
<b>Total</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>

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**2018 Budget Highlights**

None

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual CY 2014	Actual CY 2015	Actual CY 2017	Adopted CY 2018
Total Inspections Completed	1,439	1,171	1,025	1,500
Liquor License Inspections Completed (Goal = 100%)	94%	99%	99%	100%
Percentage Schools Inspected (Goal = 100%)	100%	100%	83%	100%
Percentage New Business License Inspections (Goal = 100%)	100%	100%	100%	100%
Occupancies Past Due for 5 Year Inspection (Goal < 100)	309	437	415	<100
System Response Time 90th Percentile. 911 Alarm Received to MFD Arrival - Code 3 1st Due. (Goal= 6 min or less)	8:32	8:34	9:19	6:00
System Response Percentage at 6 Minutes or Less. 911 Alarm Received to MFD Arrival - Code 3 First Due. (Goal = 90%)	62%	62%	63%	90%
MFD Average Response Time. Dispatch to MFD Arrival - Code 3 First Due	4:49	4:51	4:53	4:00
Fires Extinguished at Room of Origin (Goal = 75%)	79%	76%	78%	75%
Level One Training - Operations Attendance (Goal = 100%)	69%	72%	75%	100%
Apparatus Down-Time Percentage (Goal < 2%)	n/a	<1.%	<1.%	<2.%

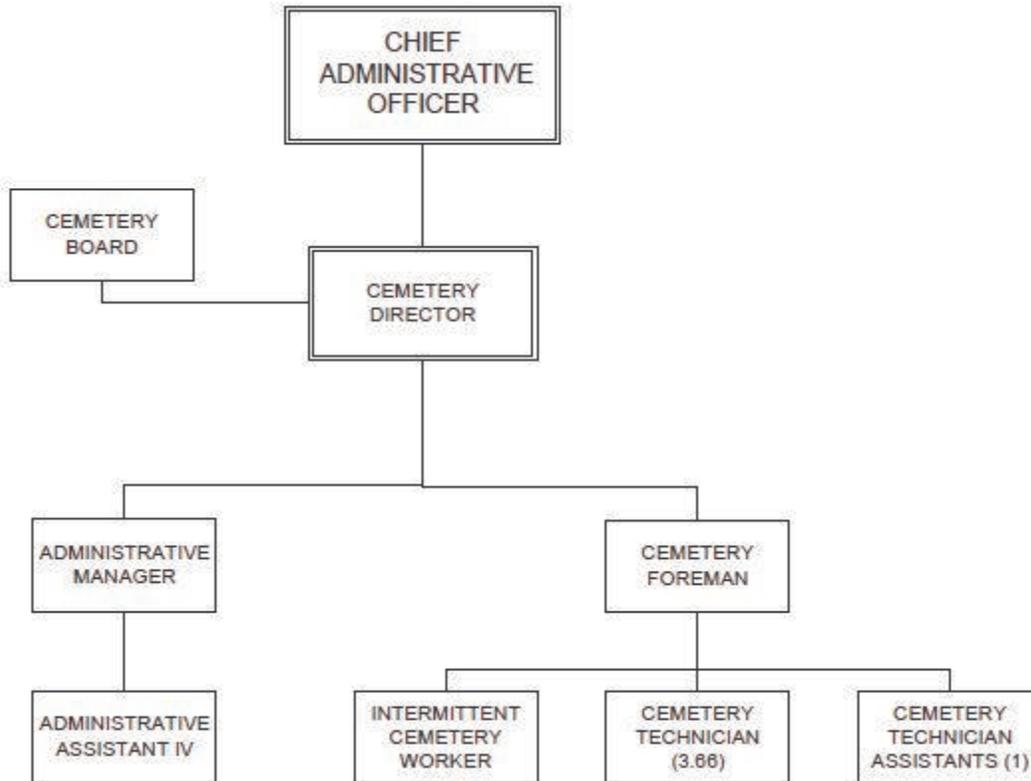
## Workload Indicators

Indicator	Actual CY 2014	Actual CY 2015	Actual CY 2017	Adopted CY 2018
Total Call Volume	7,865	8,169	8,650	9,095
Structure Fires	68	71	68	70
Vehicle Fires	24	25	20	25
Grass, Wildland Fires	65	61	79	80
Medical Aid	5,268	5,746	5,804	6,200
Technical Rescue	14	19	20	20
Other	2,426	2,247	2,659	2,700
Fire Investigations	68	44	50	55
Plans Review	359	325	397	425
Public Educations Events/Drills	116	194	192	200
Stations Tours	33	57	56	60
Total Training Hours Delivered	3,506	3,452	3,716	3,800
Total Training Hours Received	17,148	17,243	17,062	17,200



# Cemetery

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## Program Description

It is the mission of the Missoula City Cemetery and the Missoula City Cemetery Board of Trustees to:

- \* Provide excellence in maintaining a beautiful, tranquil, and pristine interment setting
- \* Extend compassionate guidance with interment needs
- \* Persevere in fiscal responsibility to the public by offering affordable costs associated with interments
- \* Conduct interments with utmost dignity, integrity, and respect
- \* Remain attentive and pro-active to evolving interment trends
- \* Promote the active services, benefits, and development of the cemetery
- \* Endorse the historical significance of the cemetery

Historical Note: A group of prominent local citizens founded the cemetery in December 1884, consisting of 16 acres and named the 'Garden City Cemetery.' The City of Missoula purchased the cemetery in May 1901 for \$1 and re-named it the 'Missoula City Cemetery.' The Missoula City Cemetery Board of Trustees is one of the longest serving boards in the history of the City of Missoula and continues oversight of the management, preservation, and improvements of the cemetery.

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## City Strategic Plan & Department's Implementation Strategy

### Goal: 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.
  - Crack seal roads on the east side of the cemetery to prevent deterioration of cemetery infrastructure.
- Strategy: We will work to provide citizens access to parks, open spaces and the natural environment.
  - Develop ideas to balance public access with cemetery needs through master plan discussions and implementation.

### Goal: Quality of Life for All People in All Places

- Strategy: We will work together to meet basic human needs with dignity for all.
    - Continue to provide affordable interment alternatives for all citizens.
- 

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	530,775	563,710	501,864	577,361	13,651	2%
Supplies	69,495	78,090	70,253	78,090	—	0%
Purchased Services	36,541	38,510	27,977	90,691	52,181	135%
Miscellaneous	7,811	8,685	5,640	8,685	—	0%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>644,622</b>	<b>688,995</b>	<b>605,734</b>	<b>754,827</b>	<b>65,832</b>	<b>10%</b>

\* Un-audited numbers

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**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
CEMETERY DIRECTOR	1.00	1.00	1.00	1.00
CEMETERY MAINTENANCE FOREMAN	1.00	1.00	1.00	1.00
CEMETERY SEXTON	1.00	—	—	—
ADMINISTRATIVE MANAGER	—	1.00	—	—
ADMINISTRATIVE ASSISTANT III	—	—	1.00	1.00
INTERMITTENT LABORERS	0.42	0.42	0.42	0.42
ADMINISTRATIVE ASSISTANT IV	1.00	1.00	—	—
ADMINISTRATIVE ASSISTANT II	—	—	1.00	1.00
SEASONAL MAINT TECH. ASSIST.	2.49	0.83	—	—
CEMETERY MAINTENANCE TECHNICIAN	2.00	3.66	4.49	4.49
<b>Total</b>	<b>8.91</b>	<b>8.91</b>	<b>8.91</b>	<b>8.91</b>

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**2018 Budget Highlights**

- Niche Inscriptions: Cemetery staff provided all inscriptions on niche walls in this first year of instating this service.
  - Monument Setting: Cemetery staff provided all monument installations in this first year of re-instating a past service.
  - Monument Cleaning: Cemetery staff provided monument cleanings in this first year of offering this optional service.
-

## Performance Measures & Workload Indicators

### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
1. Provide efficient, courteous, and responsive service to the public, assist in future needs planning, coordinate current interment needs, provide additional staff over the Memorial Day weekend, and sponsor Stories and Stones tour.	100%	100%	100%	100%
2. Coordinate scheduling of interments with funeral homes, assist families who make arrangements on their own, and conduct each interment of a loved one with dignity, integrity, and respect.	100%	100%	100%	100%
3. Create and maintain permanent records for purchases, plot maps, interments, and Cemetery Board of Trustees meetings, policies, and actions.	100%	100%	100%	100%
4. Promote the cemetery through excellent customer service, an informative website, pamphlets of sales and services, and public tours.	100%	100%	100%	100%
5. Continue and expand public services that include annual flower beds and boxes, monument cleaning and setting, and niche wall inscriptions.	100%	100%	100%	100%
6. Maintain pristine grounds that highlight the beauty and tranquility of the cemetery and continue to develop areas that offer the public additional interment options.	100%	100%	100%	100%

### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
1. Grave Sales	40	39	31	37
2. Niche Sales	26	12	34	24
3. Interments	73	79	55	69
4. Disinterments	1	—	1	1
5. Foundation / Setting	39	39	36	38
6. Cleaning Monuments	—	—	11	11
7. Niche Inscriptions	—	5	14	14
8. Mowing / Leaf Removal	2,125	2,125	2,125	2,125
9. Trimming / Weeding	1,450	1,450	1,450	1,450
10. Irrigation	1,600	1,600	1,600	1,600
11. Equipment / Vehicle Repair	450	450	450	450
12. Vegetation Control	550	550	550	550
13. Facility Maintenance	1,875	1,875	1,875	1,875
14. Flower Boxes / Beds	250	250	250	250
15. Cleaning Monuments	—	—	11	11
16. Niche Inscriptions	—	5	14	14

Note: 1-7 equal actual numbers

Note: 8-16 equal actual hours

## Program Description

The purpose of Non-Departmental accounts is for expenditures which are of a general nature and not accurately assignable to any individual department. Rather than spreading the costs among departments, all expenditures are consolidated into separate, non-departmental accounts.

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### Goals & Objectives

#### **AGING SERVICES - Activity Budget equals \$183,750**

The City agreed to pay 1 mill to Missoula Aging Services in FY 01. This amount has grown steadily in the past years as the value of a City mill increased. However, now that the "Big Bill - HB 124" has been enacted by the Legislature, the value of a mill and its trailing revenues has changed substantially. The formula for providing support to Missoula Aging Services will need to be changed for future years.

#### **ANIMAL CONTROL TRANSFER - Activity budget equals \$373,118**

This program consists of a transfer of funds to the City/County Health Department for animal control activities. The program objectives are provided in the Health Department's section of this budget

#### **ACCELA AUTOMATION DEBT SERVICE - Activity budget equals \$100,426**

#### **AQUATICS SUBSIDY - Activity budget equals \$203,000**

#### **COMPREHENSIVE INSURANCE - Activity budget equals \$650,000**

This program is used to fund the City's automobile, general liability, property fire and other insurance premiums, insurance claim deductibles, sewer backup claims paid under the City's Goodwill Policy, and certain claims defense or administration costs.

#### **CONTINGENCY - Activity budget equals \$117,832**

The City formerly levied and appropriated a \$10,000 contingency account in the Finance Office budget to be used for unanticipated expenditures. This amount has often not been sufficient, so the City Council agreed in FY 88 to raise the contingency to \$50,000. The City Council directed that this account be funded from the year end cash balance (cash reserves) so as not to levy for an expenditure that will most likely not be used. It was raised to \$100,000 in FY 91, but had to be lowered to \$66,000 in FY 92. It has remained around \$100,000 since FY 93.

#### **DEBT SERVICE OPERATING EQUIPMENT - Activity budget equals \$82,110**

Projected annual debt service for the master lease vehicles purchased in preceding fiscal years.

#### **EMERGENCY RESPONSE CONTINGENCY - Activity budget equals \$50,000**

This activity was established in FY 97 for the purpose of recording the City's expenditures that it frequently incurs related to responding to emergency disaster events which will be reimbursed. Recent events that fall into this category are the responses to the 1996 Montana Rail Link chlorine spill, forest fire fighting assistance to the Montana Department of Natural Resources and the 1996 winter floods.

#### **HEALTH INSURANCE RESERVE & TRANS TO EMPLOYEE BENEFIT FUND - Activity budget equals \$519,868**

This contribution is for a subsidy to pay for a portion of the retirees' premiums to the Employee Benefit Fund and also reserves the City's share of health insurance contribution for eligible employees.

#### **MERCHANT FEES - Activity budget equals \$55,000**

This is a fee that the City incurs from providing the service of accepting credit cards for multiple types of transactions including, but not limited to business licenses, police reports, fingerprints, etc.. This amount is the annual fee that is payable to the different credit card merchants the City utilizes for taking such payments.

#### **PROTECTIVE INSPECTION - Activity budget equals \$5,000**

These are costs charged to the General Fund by the city's Building Inspectors for time that they spend doing safety inspections. By State law, our building inspectors can only charge time to the Building Inspection

fund for their time involved in issuing building permits (as well as mechanical, electrical & plumbing permits too.

**REIMBURSABLE LOSSES - Activity budget equals \$25,000**

This account is for expenditures made pursuant to insurance claims for damaged, destroyed, or missing City property. The expenditures in this account are completely reimbursed by the City's insurance carriers.\n

**SALARY RESERVE NON-UNION INCREASE - Activity budget equals \$122,437**

This is for a salary reserve for the salary increase for all the non-union employees.

**SKILL & COMPETENCY BASED PAY RESERVE - Activity budget equals \$6,111**

This is a salary reserve for the employees participating in the Skill and Competency Based Pay program.

**SID ASSESSMENTS - Activity budget equals \$131,915**

This program provides the funding of the City's at large share of special assessments, such as curbs and sidewalks construction and street maintenance and street sweeping, on properties owned by the City such as City parks, City offices and the City art museum building.

**TERMINATION PAY - Activity budget equals \$25,000**

Yearly expenditures for terminations are budgeted for in a central fund because terminations often cannot be predicted in advance. A central fund is used to keep the appropriations to a minimal level, which is based on historical levels. Although the City finances terminations by vacancy savings (holding positions vacant for a period of time), \$25,000 is appropriated because the level of termination liability in several departments, especially Police and Fire could not be absorbed by vacancy savings if large terminations occurred or if terminations occurred near the end of the fiscal year.

**TRANSFER TO C.I.P. FUND - Activity budget equals \$1,815,289**

This is a transfer to the Capital Improvement Program (C.I.P.) Fund for general fund financed capital improvements.

**Park District #1 Subsidy - Activity budget equals \$2,895,346**

This represents the operations and maintenance portion of the Parks & Recreation program that is supported by the General Fund.

**INTER-CAP LOAN - Activity budget equals \$13,900**

This activity is for the repayment for the State of Montana Board of Investments Inter-Cap loan in the amount of \$360,000 for the purchase of property located at 1305 E Broadway.

**GENERAL GOVERNMENT ONE-TIME REQUESTS - Activity budget equals \$433,200**

This activity is for one-time expenses approved during the budget process. For FY 2019 these are:

\$400,000 for Business Improvement District Master Plan update.

\$ 33,000 for a lobbyist to assist the City with monitoring and representing the City's interest in the 2019 State of Montana Legislative Session.

**HEALTH DEPARTMENT CONTRIBUTION - Activity budget equals \$1,571,397**

This program represents the City's contribution to the City/County Health Department pursuant to inter-local agreement.

- The City-County Health Department is operated under an interlocal agreement between the City of Missoula and Missoula County and is accredited by the national Public Health Accreditation Board. The seven-member Board of Health, which governs the Department, is appointed equally by the City Council and the County Commissioners. Health Board members also serve in separate governing capacities as the Air Pollution Control Board and as the Water Quality District Board, both of which are also established by city-county interlocal agreements. The Water Quality District Board has an eighth member appointed by the local Conservation District. The department mission is "To promote conditions that support health individuals, communities, and environments."
- The Health Services Division programs are designed to prevent disease and promote the health and well-being of individuals and families in Missoula City and County. Activities include immunizations offered on a sliding fee rate, maternal child health programs, the federal Women's, Infants and Children's Supplemental

Nutrition Education Program (WIC) and various grant programs designed to prevent health problems at the earliest stages of life including the Nurse-Family Partnership home visitation program for pregnant women and infants which operates in partnership between several Montana counties.

- The Environmental Health Division conducts programs to protect air and water quality, assure food and consumer safety, and safe management of wastewater, solids, and hazardous materials in our environment. The division has several regulatory enforcement programs mandated by State law, local ordinances, or County resolutions and is the home of the Missoula Valley Water Quality District and Missoula City-County Animal Control.
- The Health Promotion Division initiates and coordinates with other agencies to prevent and curb risk factors that would otherwise lead to obesity, injury, cancer or other chronic conditions. Health Promotion also serves as the hub of the department-wide infectious disease control programs and coordinates community health assessment, community health planning for the community and the department's quality improvement, and accreditation endeavors. The Suicide Prevention and Substance Abuse Prevention Programs are also housed in Health Promotion and involved in extensive community partnerships.
- The department is linked with Partnership Health Center, a federally-qualified community health center, that provides primary medical, dental, behavioral health, and pharmacy services on a sliding-fee basis at its Missoula downtown site and other satellite sites under the governance of the Partnership Health Center Board.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 386	\$ 38,894	\$ 289,759	\$ 153,548	\$ 114,654	295 %
Supplies	(231,403)	50,000	59,265	25,000	(25,000)	(50)%
Purchased Services	407,588	22,023	55,540	433,200	411,177	1,867 %
Miscellaneous	5,056,508	5,303,260	5,039,421	8,571,515	3,268,255	62 %
Debt Service	565,484	227,887	227,804	196,436	(31,451)	(14)%
Capital Outlay	8,000	—	—	—	—	
<b>Total</b>	<b>\$ 5,806,563</b>	<b>\$ 5,642,064</b>	<b>\$ 5,671,789</b>	<b>\$ 9,379,699</b>	<b>\$ 3,737,635</b>	<b>66 %</b>

\* Un-audited numbers

### Program Description

This fund accounts for the revenues and expenditures of money received from developers as "Payment in Lieu of" park land dedications. Pursuant to Section 76-3-606 MCA, developers may make cash contributions instead of dedicating part of the area being developed as park land.

This money is then earmarked for park acquisition, development and/or capital improvements. The allocation of funds is dependent on the adopted community parks plan; Master Parks Plan for the Greater Missoula Area adopted May 2004 as an amendment to Missoula Growth Policy.

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### Activities & Objectives

Potential projects for the use of these funds in FY2019 are listed below. It should be noted that the City's Parks and Recreation Department provides much of the labor for many of these projects.

Development shall be determined per the Master Parks & Recreation Plan for the Greater Missoula Area as adopted May 2004 as an amendment to Growth Policy.

Per the Master Park Plan, funds received will be spent within a 1.5 mile radius of where the new development is located that contributed the cash-in-lieu.

CIP Park Development projects. See Park CIP program for details on proposed projects.

Using cash-in-lieu funds for maintenance of parks is not to exceed the percentage as outlined in 76-3-606 MCA. (50%)

Other funding sources for park acquisition and development include:

- Per Ordinance #3270 sale of parkland revenue
- Fees assessed for park encroachments and easements
- Fees assessed as agreed upon through development

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### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	10,000	—	10,000	—	—
Purchased Services	—	35,000	—	35,000	—	—
Miscellaneous	—	—	24,779	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	229,959	17,948	229,959	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ 274,959</b>	<b>\$ 42,727</b>	<b>\$ 274,959</b>	<b>\$ —</b>	<b>0%</b>

\* Un-audited numbers

### Program Description

The Park Enterprise Fund was established to earmark fees from many recreation programs and facility rentals for purchases and improvements to benefit those programs directly. The revenue sources are from organized recreation leagues, and user groups, with a portion or percent of their fee going to that program specifically.

### Activities & Objectives

The operating supplies purchased from this fund include bases, goals, nets, turf, seed, field liners, specialized turf aerators, specialized soils, lights, fixtures, and irrigation repair parts. The purchased services account is for any major repairs that might need to be done by an electrician or other contractor.

The capital outlay projects are geared towards the needs of the individual programs, but potential projects for FY 18 are listed below. Supplies, equipment, and labor for installation or construction of these projects is often provided by the Parks and Recreation Department to leverage these funds.

1. Tennis Court Resurfacing, tennis supplies and materials
2. Soccer field construction, improvements, repair, maintenance and goals
3. Softball field construction, improvements, repair, maintenance and lights
4. Volleyball court construction, improvements, repair and maintenance
5. Basketball facilities construction, improvements, repair and maintenance
6. Athletic field construction, improvements, repair and maintenance, equipment
7. Improvements to parks
8. Aquatics and spray deck improvements
9. Recreation facility and equipment improvements
10. Ropes Course improvements and inspections

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	
Supplies	31,207.75	35,000	8,645	35,000	—	0%
Purchased Services	4,302.4	30,000	—	30,000	—	0%
Miscellaneous	—	—	—	—	—	
Debt Service	—	—	—	—	—	
Capital Outlay	—	267,360	53,131	267,360	—	0%
<b>Total</b>	<b>\$ 35,510.15</b>	<b>\$ 332,360</b>	<b>\$ 61,776</b>	<b>\$ 332,360</b>	<b>\$ —</b>	<b>-4%</b>

\* Un-audited numbers

## Program Description

Donated and/or earmarked funds gifted and allocated for specific causes, areas, projects issues, or programs.

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### Activities & Objectives

#### Improvement and Acquisitions - \$310,000

This fund was started in FY 1992 with the acquisition of the RS Green-way and development of a community trail plan. The fund shall be used for general or specific earmarked trail projects to include all facets of trail planning, acquisition, design, construction, improvements, amenities and maintenance.

#### Developed Parks- \$150,000

This includes donations from individuals, businesses, service groups and non-profits. Donations are earmarked for supplies, purchased services, improvements at specified facility and may include park benches, trash cans, playground equipment, and other improvements as needed.

#### Recreation Special Events Donations - \$70,000

This includes donations from individuals, businesses, service groups and non-profits. Donations are earmarked and may include youth scholarships, program supplies, participant t-shirts, awards, volunteer shirts and incentives, advertising, purchased services, such as professional musicians and artists, program grant matches, survey fees, educational tools, safety equipment and supplies.

#### Urban Forestry -\$75,000

Includes donations and special fund-raisers with funds earmarked to be used for purchase of trees, planting materials, memorial plaques, advertising, special equipment and contract services that are specifically for the advancement of the City's Urban Forestry program,. Activities and projects include Christmas Evergreen, Memorial Trees, Cost Share, and Run for the Trees and various grant programs. Includes new grant received for Silva - Missoula Art Museum project.

#### Special Events Revolving Account - \$25,000

This activity is for any special event held by Parks & Recreation to raise funds for a specific purpose or cause. The balance of the fundraising effort will be assigned to the cause for which the event was held. Kiwanis Park - \$69,650 Money received for the construction of new playground at Kiwanis Park. This is funding from CDBG and includes funding for a playground and replacement of the restroom.

#### Conservation Lands Management Donations and Grants - \$130,000

Donations, gifts and fund-raisers held and funds earmarked specifically for acquisitions, maintenance and management of Open Space and Conservation lands. Funds may be used for acquisition including all related acquisition costs, signs, trail construction, herbicide treatment, vegetation management practices, volunteer projects and incentives, fencing, and professional services related to land acquisition and management.

#### Recreation MORE - \$30,000

Financial or in kind support for events or program organized for the MORE program which includes volunteer events.

#### Recreation Sports and Wellness - \$15,000

Financial or in-kind support for events or programs for Adult programs

#### Recreation Scholarship - \$25,000

Financial or in-kind support for events or programs for Youth or Family Scholarships

#### County Weed Program - \$15,000

Money received for Vegetation management on Conservation Lands.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 6,359	\$ 13,200	\$ 1,041	\$ 13,200	\$ —	0%
Supplies	100,903	96,100	56,284	93,600	(2,500)	-3%
Purchased Services	3,634	267,450	83,668	272,500	5,050	2%
Miscellaneous	—	125,000	51,137	25,000	(100,000)	-80%
Debt Service	—	—	—	—	—	—
Capital Outlay	179,746	356,450	22,778	526,800	170,350	48%
<b>Total</b>	<b>\$ 290,642</b>	<b>\$ 858,200</b>	<b>\$ 214,908</b>	<b>\$ 931,100</b>	<b>\$ 72,900</b>	<b>8%</b>

\* Un-audited numbers

## Program Description

Enhance the quality of life in our community by promoting public sports and wellness programs and recreational opportunities at an indoor facility.

### Activities & Objectives

Implement improvements to various recreation programs based on customer evaluations, trends and staff expertise.

Provide comprehensive recreation program opportunities for all ages and interests, including special events, tournaments, non-traditional recreation and partnership programming.

Continue building on collaborative efforts with agencies, organizations and businesses to further the mission of Active Kids by providing programs and promoting the Daily Dose concept to enhance physical health and combat childhood obesity among Missoula citizens.

Continue to work toward providing adequate recreational programming in the winter and shoulder seasons due to a lack of community gym space.

Promote the Lets Move, Missoula initiative by providing year round access to safe places and programs for residents to increase their activity levels.

Local gyms in our community have very limited access for sports and wellness programs, therefore we will continue to partner with other organizations to provide rental time for partner programs.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 15,903	\$ 17,000	\$ 20,129	\$ —	\$ (17,000)	-100%
Supplies	2,257	2,500	3,271	3,000	500	20%
Purchased Services	—	2,000	1,017	700	(1,300)	-65%
Miscellaneous	24,000	24,000	26,400	24,000	—	0%
Debt Service	—	—	—	—	—	—
Capital Outlay	4,992	5,000	—	5,000	—	0%
<b>Total</b>	<b>\$ 47,152</b>	<b>\$ 50,500</b>	<b>\$ 50,817</b>	<b>\$ 32,700</b>	<b>\$ (17,800)</b>	<b>-35%</b>

\* Un-audited numbers

## Program Description

The Fort Missoula Regional Park, (FMRP) General Fund-Special Fund was established to track all expenditures and revenues generated from the day to day operations of the park including scheduled maintenance of the park and its facilities, organized sporting events and social gatherings. Revenue sources for General Fund, Special Funds are received through donations, user fees, such as organized recreation leagues, programs and social event sponsorships. The citizens of Missoula and the surrounding communities benefit from the creation of the Fort Missoula Regional Park through promoting sports, recreation, science, historical, and cultural opportunities. The City of Missoula in collaboration with Missoula County ensure the annual ongoing maintenance and minimum basic services required to operate the park are adequately addressed and funded.

## Activities & Objectives

### Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Collaborate with user groups to solicit feedback and be responsive to needs of user groups
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Implement the Leaf-A-Legacy Program to encourage corporate and individual contributions in support of Park amenities,
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - Work with partners to host regional tournaments and special events at Fort Missoula Regional Park

### Goal #2: Harmonious Natural and Built Environment

- Strategy: We will work to provide citizens access to parks, open spaces and the natural environment.
  - Develop the Rx Trail and Rx trail program at Fort Missoula Regional Park

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 177,949	\$ 305,616	\$ 193,082	\$ 266,627	\$ (38,989)	(13)%
Supplies	30,402	143,827	35,167	82,000	(61,827)	(43)%
Purchased Services	18,533	99,904	15,864	67,585	(32,319)	(32)%
Miscellaneous	—	5,000	2,382	5,000	—	— %
Debt Service	—	—	—	—	—	
Capital Outlay	549,237	41,400	148,290	160,000	118,600	286 %
<b>Total</b>	<b>\$ 776,121</b>	<b>\$ 595,747</b>	<b>\$ 394,785</b>	<b>\$ 581,212</b>	<b>\$ (14,535)</b>	<b>(4)%</b>

\* Un-audited numbers

<b>STAFFING SUMMARY</b>				
<b>Title</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
Recreation Events Specialist			1.00	1.00
Adult Program Coordinator			0.75	0.75
Food and Beverage Coordinator			0.40	0.40
Event Park Attendant			1.16	1.16
Recreation Special Events Attendant			0.51	0.51
Softball Concessions Officials			0.88 0.73	1.50 0.73
<b>Total</b>	—	—	<b>5.43</b>	<b>6.05</b>

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### 2018 Budget Highlights

Opened most areas of Fort Missoula Regional Park Phase 2

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### Performance Measures & Workload Indicators

#### Performance Measures

<b>Measure</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
Diamond Rental blocks achieved			355	545
Rectangular Rental Hours Achieved			5,078	5,500

## Program Description

A segregated fund established to account for the maintenance and operations of Fort Missoula Regional Park. This fund will be used to ensure adequate funding for infrastructure repair/replacement, including routine cyclical maintenance. The Fort Missoula Regional Park Operation Fund will include revenue from both the transfer in of funds from the City and County.

## Activities & Objectives

### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Provide baseline maintenance services needed to operate the park as a state of art regional park destination.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ 97,833	\$ 146,870	\$ 202,932	\$ 105,099	107%
Supplies	—	151,046	64,334	245,700	94,654	63%
Purchased Services	—	61,582	63,733	154,270	92,688	151%
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	26,400	—	52,800	26,400	100%
<b>Total</b>	<b>\$ —</b>	<b>\$ 336,861</b>	<b>\$ 274,937</b>	<b>\$ 655,702</b>	<b>\$ 318,841</b>	<b>95%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Maintenance Tech II				0.80
Maintenance Tech Assistant				0.66
Maintenance Worker				1.74
Park Attendant				0.42
<b>Total</b>	—	—	—	<b>3.62</b>

## 2018 Budget Highlights

None

### Program Description

Cemetery Niche Wall Fund. All revenue generated from niche or memorial wall sales and service at the Missoula City Cemetery is deposited into the Cemetery Niche Wall Fund

### Activities & Objectives

This fund is to remain intact and grow for the future development of new sections designated for niche or memorial walls, the purchase of new walls, costs associated with inscriptions or nameplates, and the repair and maintenance to existing structures.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	—	—	2,500	2,500	—
Debt Service	—	—	—	—	—	—
Capital Outlay	75,346	10,000	183	—	(10,000)	-100%
<b>Total</b>	<b>\$ 75,346</b>	<b>\$ 10,000</b>	<b>\$ 183</b>	<b>\$ 2,500</b>	<b>\$ (7,500)</b>	<b>-75%</b>

\* Un-audited numbers

## Program Description

Cemetery Capital Reserve Fund Fifty percent of all revenue generated from sales and services at the Missoula City Cemetery is deposited into the Cemetery Capital Reserve Fund. The only cemetery revenue exceptions are for niche or memorial wall sales and services which are deposited into the Niche Reserve Fund and memorial monetary donations which are deposited into the Memorial Reserve Fund.

## Activities & Objectives

The Cemetery Capital Reserve Fund is intended to provide for the care, equipment, maintenance, and improvement of the Missoula City Cemetery. Equipment is purchased from this fund following the City of Missoula Growth Replacement Schedule. All revenues placed into the Cemetery Capital Reserve Fund are designated and used for the long-term care of the cemetery until further review between Missoula City Council and Missoula Cemetery Board of Trustees.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 2,696	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	—	—	—	—	—	
Miscellaneous	—	10,000	—	20,000	10,000	100%
Debt Service	—	—	—	—	—	
Capital Outlay	16,091	130,000	8,784	65,000	(65,000)	-50%
<b>Total</b>	<b>\$ 18,787</b>	<b>\$ 140,000</b>	<b>\$ 8,784</b>	<b>\$ 85,000</b>	<b>\$ (55,000)</b>	<b>-39%</b>

\* Un-audited numbers

### Program Description

Cemetery Memorial Fund. All donations received by the Missoula City Cemetery are deposited to the Cemetery Memorial Fund. A record of donations is maintained by the Missoula City Cemetery office.

### Activities & Objectives

The Missoula City Cemetery Board of Trustees directs the use of these funds within the scope of the master plan development and public outreach programs for the cemetery.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	—	—	500	500	—
Debt Service	—	—	—	—	—	—
Capital Outlay	163	8,000	194	—	(8,000)	-100%
<b>Total</b>	<b>\$ 163</b>	<b>\$ 8,000</b>	<b>\$ 194</b>	<b>\$ 500</b>	<b>\$ (7,500)</b>	<b>-93.75%</b>

\* Un-audited numbers

### Program Description

The purpose of this fund is to pay for expenses related to maintaining the property at the corner of Johnson St. and North Ave. This is funded by rent revenues received from the current tenants located at the property. The buildings were part of the acquisition of the Johnson Street property from Montana Rail Link in order to acquire land to create a much needed connection in the Bitterroot Branch Trail and to create a park in an undeserved area of the community.

### Activities & Objectives

Funds are expensed for the maintenance and upkeep of the buildings located on Johnson Street and North Ave. For FY 2019 this includes snow removal on the sidewalks that are adjacent to the property.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	920	—	—	—
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>920</b>	<b>\$ —</b>	<b>\$ —</b>	<b>—</b>

\* Un-audited numbers

## Program Description

The City began receiving revenues in FY86 from projects done in the Central Business District which used the U.S. Department of Housing and Urban Development's Urban Development Action Grants. The revenues will be loan repayments from the Central Square office building and from the Sheraton Hotel project.

All expenditures have to be for eligible projects of the Housing and Community Development Act of 1974 as amended.

## Activities & Objectives

The City has been receiving lease payments and loan repayments from the Central Square Office Building since FY1986. During FY1988, the City reached an agreement on a payoff of the Sheraton Hotel promissory note with the existing owners and the new partnership that bought out the old partnership. As part of that agreement, the City received \$600,000 at the closing of the deal as the payoff of the promissory note.

In May of 1996, the City passed Resolution #5867 which establishes the funding level and priorities for community based organization grants for the Title I Program Income Fund. The City has established a minimum fund balance of \$500,000 through FY1998 or until entitlement status is obtained. At that time, the City agreed to the following: Up to one-half of the Title I funds in excess of a \$500,000 fund balance will be available for internal City projects and up to half of the Title I funds in excess of a \$500,000 fund balance will be available to Community Based Organizations (CBO). Resolution #6538, approved in August, 2002, authorized internal City projects and CBO grants from the Title I Program Income fund in a total amount of approximately \$100,000 per year (beginning in FY2004), with the realization that this level of funding may eventually result in the exhaustion of the fund.

Projects identified to date:

- FY 2018 Contributions administered by HCD - To be determined, based on applications received. Estimated amount available is \$146,924.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	146,924	—	201,924	55,000	37%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ 146,924</b>	<b>\$ —</b>	<b>\$ 201,924</b>	<b>\$ 55,000</b>	<b>37%</b>

\* Un-audited numbers

**Program Description**

This program derives its funding from sewer assistance grants that have been repaid to the City of Missoula in addition to a Water Quality District appropriation.

**Activities & Objectives**

This fund is used to provide sewer connection assistance to limited income persons within Missoula County.

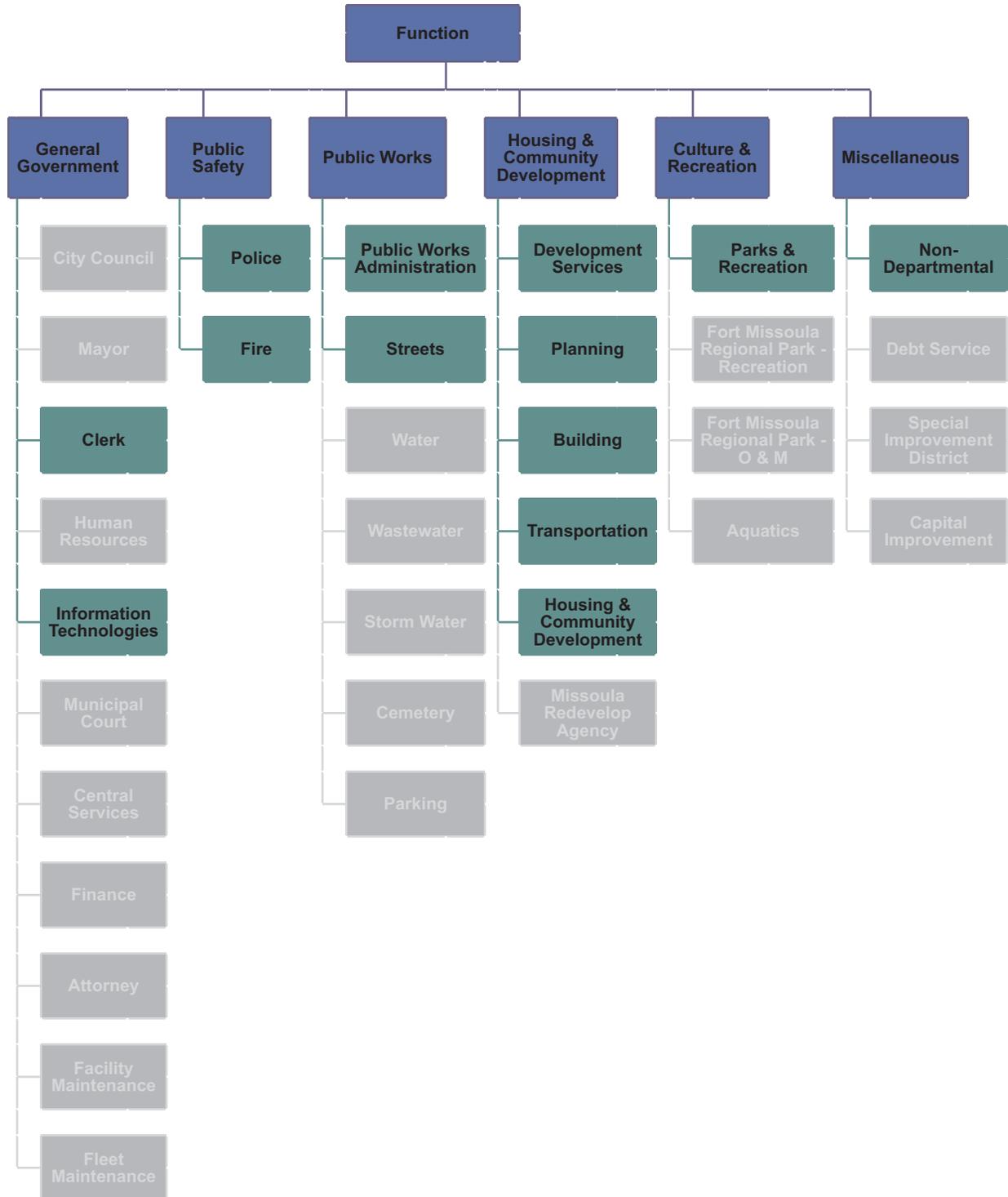
**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	62,439	—	62,439	—	0%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ 62,439</b>	<b>\$ —</b>	<b>\$ 62,439</b>	<b>\$ —</b>	<b>0%</b>

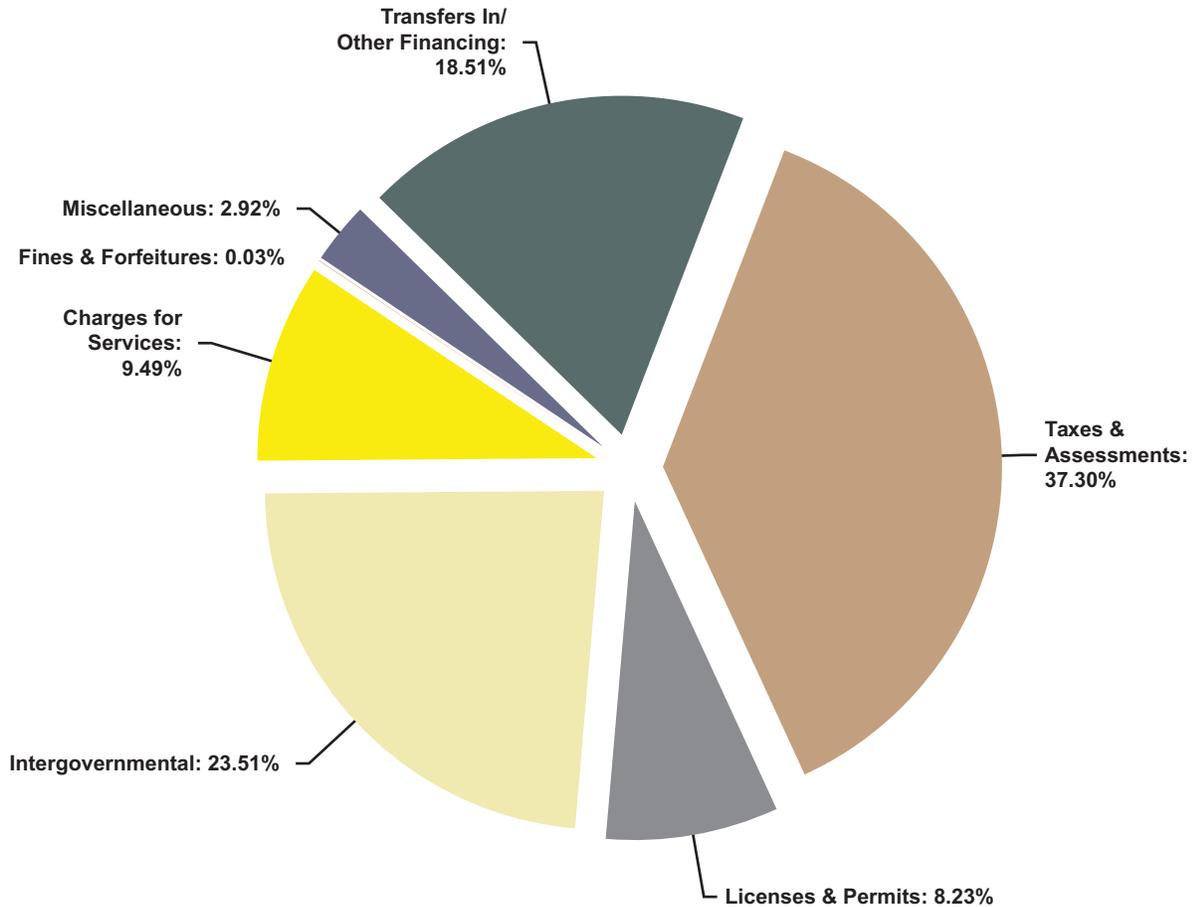
\* Un-audited numbers

## SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for receipts from revenue sources that have been earmarked for specific activities and related expenditures. Following is a diagram that identifies the specific departments that are contained within the Special Revenue funds. Departments highlighted in green are included in this section.

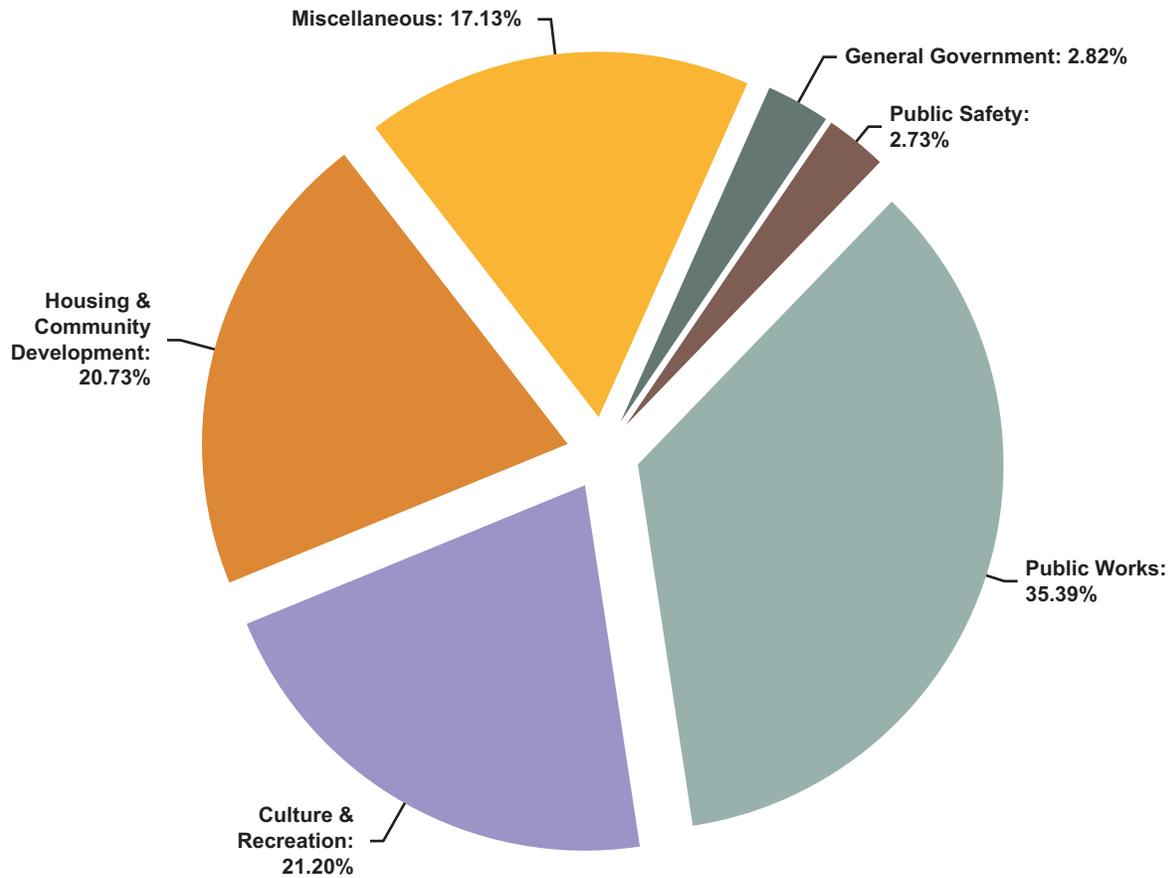


### FY 2019 Budgeted Special Revenue Funds by Category



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Taxes & Assessments	\$ 7,946,063	\$ 9,174,672	\$ 11,146,813	\$ 1,972,141
Licenses & Permits	2,883,016	2,888,630	2,460,450	(428,180)
Intergovernmental	4,242,237	4,712,989	7,025,069	2,312,080
Charges for Services	1,951,475	1,692,219	2,835,954	1,143,735
Fines & Forfeitures	15,843	11,958	10,000	(1,958)
Miscellaneous	70,640	201,924	873,666	671,742
Transfers In/Other Financing	247,208	940,611	5,531,301	4,590,690
<b>Total Sources</b>	<b>\$ 17,356,482</b>	<b>\$ 19,623,003</b>	<b>\$ 29,883,253</b>	<b>\$ 10,260,250</b>

### FY 2019 Budgeted Special Revenue Expenses by Function



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
General Government	\$ 1,683,473	\$ 1,644,607	\$ 806,774	\$ (837,833)
Public Safety	1,993,599	2,186,971	781,011	(1,405,960)
Public Works	1,123,546	1,195,968	10,126,065	8,930,097
Culture & Recreation	687,824	791,432	6,068,149	5,276,717
Housing & Community Development	772,722	871,085	5,933,158	5,062,073
Miscellaneous	11,012,613	11,481,431	4,901,596	(6,579,835)
<b>Total Uses</b>	<b>\$ 17,273,777</b>	<b>\$ 18,171,494</b>	<b>\$ 28,616,753</b>	<b>\$ 10,445,259</b>

## Program Description

As part of the inter-local for the new Public Safety Software a special fund was to be created and maintained by the City of Missoula. The Missoula County 911 center, Missoula County Sheriff Office, City of Missoula Police Department, City and Missoula Rural Fire Districts combined, are each required to contribute \$6,000 per year in this fund for a total of \$24,000 per year.

## Activities & Objectives

This fund will be used to replace hardware as needed. Expensing funds in 2019 to replace all the server hardware for the Public Safety project.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	85,486	85,486	
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 85,486</b>	<b>\$ 85,486</b>	

\* Un-audited numbers

## Program Description

The purpose and intent of the development impact fees are to establish uniform imposition, calculation, expenditure and administration of development impact fees imposed on new development. To assure that new development contributes its fair and proportionate share towards the cost of public facilities reasonably necessitated by such new development. To ensure that new development benefits from the provision of the public facilities. To ensure that impact fees are collected and expended only on public facilities the demand for which is generated by the new development. To ensure that impact fees assessed are proportionate in the amount to the degree of impact of new development has on public facilities.

The City of Missoula enacted general impact fees for the first time with the adoption of Ordinance # 3250 on May 10, 2004. This Ordinance went into effect on October 1, 2004.

## Activities & Objectives

The City of Missoula chose not to implement development impact fees at the maximum level identified in the impact fee study adopted in 2004, conducted by Tischler and Associates. Tischler Bise has been contracted to review the current fee structure and will propose recommendations for updating the fees in mid FY 2019. Proposed recommendations to the Impact Fee structure are anticipated to be completed within FY 2019 and adoption and implementation of the proposed changes by the end FY 2019.

The use of Impact Fees on projects are approved by the Impact Fee Advisory Committee (IFAC). IFAC meets quarterly to review the status of approved projects, review and vote on proposals, make recommendations on use of the Impact Fee fund.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	10,629	—	42,357	—	—	—
Miscellaneous	1,692,800	—	1,010,184	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	968,384	3,205,295	483,115	1,800,000	(1,405,295)	-44%
<b>Total</b>	<b>\$ 2,671,813</b>	<b>\$ 3,205,295</b>	<b>\$ 1,535,656</b>	<b>\$ 1,800,000</b>	<b>\$ (1,405,295)</b>	<b>-44%</b>

\* Un-audited numbers

### Program Description

This fund is to contract for the construction of the intersection improvements (roundabout) at George Elmer Drive and Cattle Drive. The area developers (44 Ranch and Flynn Ranch) were unable to come to agreement between themselves in order to fulfill both of their respective subdivision conditions.

### Activities & Objectives

A funding agreement for design and construction is planned to be executed with the 44 Ranch developer prior to the beginning of FY14. The construction will most likely be completed in phases with phase 1 constructing the center or splitter islands for the pedestrian crossing of George Elmer Drive in construction season 2015 and the phase 2 or remainder of the roundabout with appurtenances construction being planned for construction by 2016. Phase 1 construction is estimated at \$15,000 and phase 2 estimated at \$50,000.

### FINANCIAL SUMMARY

Budget by Object of	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	15,000	—	15,000	—	0%
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ 15,000</b>	<b>\$ —</b>	<b>\$ 15,000</b>	<b>\$ —</b>	<b>0%</b>

\* Un-audited numbers

## Program Description

The goals of the public art fund are to develop a formal structure through which the creation, development and maintenance of public art may be realized. To further public accessibility to the arts through educational programs, dissemination of information, development of public art projects, development of public art funding sources and by serving an advisory/advocacy role with public art sponsors and media.

## Activities & Objectives

On July 1, 2003 the Public Art Ordinance #3221 went into effect. This Ordinance established a mechanism to fund and maintain public art within the City of Missoula. The Mayor has established a Public Art Committee that provides advice and recommendations on public art to the City Council. The Missoula Cultural Council has been tasked with providing administrative oversight of the Public Art Committee. The ordinance established a Percent for Art Program based off of capital expenditures expended by the city. The Percent for Art Program focuses on both the outside and the inside of new and remodeled City owned public spaces. The art may serve a function, express a theme, or commemorate an important person. It may underscore or provide a counterpoint to the architecture and surrounding site. It may serve as a landmark that adds definition to the City of Missoula.

The Public Art Fund receives one and one half percent (1.5%) of eligible construction costs of City capital improvement projects, paid wholly or in part by the City of Missoula to construct or remodel any public or city building, structure, park or any portion thereof, to be allocated for public art. No less than eighty percent (80%) of one percent (1%) of this allocation will be used for on-site artwork; up to twenty percent (20%) of this one percent (1%) may be used for program administration necessary to carry out the provisions of this chapter. A half percent (0.5%) of this allocation will be deposited in a public art trust fund used to provide maintenance for existing artworks. If the public art trust fund exceeds \$200,000, the Public Art Committee has the discretion to put the half percent (0.5%) toward artwork. When the eligible construction costs of a City capital improvement project are less than \$100,000, the Public Art Committee has discretion to determine that a particular piece of on-site art is not required and may designate one hundred percent (100%) of the one and one half percent (1.5%) allocation for art to be deposited in a public art trust fund for maintenance of artworks and/or to fund additional projects

The following are considered exemptions from the Percent for Art Program:

- Projects for water, storm water or wastewater facility, except for office buildings;
- Street construction and repair, inclusive of the public right of way improvements, such as curb, sidewalk and traffic control facilities and landscaping; and maintenance projects.

These exemptions do not preclude the department from proposing and including funding for art in any of their projects. City departments are encouraged to include art to some degree in any of these exempted categories.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 362	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	15,943	4,530	42,888	26,945	169 %
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	5,000	—	—	51,405	51,405	—
<b>Total</b>	<b>\$ 5,362</b>	<b>\$ 15,943</b>	<b>\$ 4,530</b>	<b>\$ 94,293</b>	<b>\$ 78,350</b>	<b>491 %</b>

\* Un-audited numbers

## Program Description

The City has the authority to levy a special levy in addition to the All Purpose Levy for the costs of an employee health insurance plan. The City's health insurance plan is a self-insurance with the City paying claims costs up to a certain level. This fund received the tax revenues from the levy and transfers the funds to the general fund to offset the cost of health insurance.

## Activities & Objectives

The levy in FY 2019 is 46.70 mills which is an increase of 11.46% when compared with the FY 2018 levy of 41.90 mills.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services		\$ —	\$ —	\$ —	\$ —	—
Supplies		—	—	—	—	—
Purchased Services		—	—	—	—	—
Miscellaneous	4,774,150	5,101,004	5,101,004	4,693,217	(407,787)	-8%
Debt Service		—	—	—	—	—
Capital Outlay		—	—	—	—	—
<b>Total</b>	<b>\$ 4,774,150</b>	<b>\$ 5,101,004</b>	<b>\$ 5,101,004</b>	<b>\$ 4,693,217</b>	<b>\$ (407,787)</b>	<b>-8%</b>

\* Un-audited numbers

## Program Description

The City adopted a 15 year non-exclusive franchise ordinance, Ordinance #3237, beginning on December 1, 2003 with Bresnan Communications covering the cable system in the Missoula Valley. Bresnan Communications sold to Cable Vision and Cable Vision was sold to Charter in the spring of 2013. The City will receive 5% of the gross revenues of Charter Communications plus twenty nine cents per month per customer for capital equipment replacement.

## Activities & Objectives

\$ 721,288 of franchise fees from Charter are projected and budgeted. The decrease in Charter's remittances in the past was related primarily to market decreases. The FY 2019 budget assumes little to no growth. City is in the process of negotiating the Franchise Fee agreement with Charter Communications. The negotiations are anticipated to be completed and presented to City Council for implemented in FY 2019.

Pursuant to an approved contract with the City, Missoula Community Access Television (MCAT) is budgeted to receive \$440,000 in FY2019

		FY 2019	FY 2018
350 Account	Cable TV Negotiator/SIRE Maintenance	\$20,288	\$20,288
370 Account	Travel to training workshops	1,000	1,000
380 Account	Training on new regulations	1,000	1,000
700 Account	MCAT Operations Contribution	440,000	440,000
820 Account	Transfer to General Fund	221,433	221,433
940 Account	Capital-Replacement & Second Channel	37,567	37,567
	<b>Total</b>	<b>\$721,288</b>	<b>\$721,288</b>

Monitor and take appropriate actions to implement any legislative changes to cable television regulations

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Increase Change
Personal Services	\$ 12,900	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	—	22,288	22,451	22,288	—	0%
Miscellaneous	742,722	661,433	657,655	661,433	—	0%
Debt Service	—	—	—	—	—	
Capital Outlay	18,671	37,567	40,654	37,567	—	0%
<b>Total</b>	<b>\$ 774,293</b>	<b>\$ 721,288</b>	<b>\$ 720,760</b>	<b>\$ 721,288</b>	<b>\$ —</b>	<b>0%</b>

\* Un-audited numbers

## Program Description

Pursuant to Section 44-12-213 Montana Codes Annotated the City is entitled to receive property, money from sales of seized property, cash payments resulting from Justice of the Peace verdicts, and seized cash from drug related crimes provided that it has a Drug Forfeiture Fund. Money received in this fund has to be spent on drug related expenditures.

## Activities & Objectives

To support enforcement of drug laws within the Missoula community as well as providing drug-related training to department personnel.

Possible Equipment and Capital purchase could include: K9 supplies and expenses related to K9 and drug enforcement programs.

Supplies	\$7,800
Purchased Services	4,000
Miscellaneous	1,000
Capital Outlay	3,000
<b>Total</b>	<b>\$15,800</b>

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	—
Supplies	10,669	6,500	2,385	7,800	1,300	20%
Purchased Services	6,866	5,300	8,837	4,000	(1,300)	-25%
Miscellaneous	—	1,000	—	1,000	—	0%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	5,000	—	3,000	(2,000)	-40%
<b>Total</b>	<b>\$ 17,535</b>	<b>\$ 17,800</b>	<b>\$ 11,222</b>	<b>\$ 15,800</b>	<b>\$ (2,000)</b>	<b>-11%</b>

\* Un-audited numbers

### Program Description

This fund is to aid qualified landlords for rehabilitation work, in an effort to improve the rental housing stock in Missoula. In addition, this fund will be used to assist low to moderate income individuals.

### Activities & Objectives

The program income appropriations will be used to provide assistance to low and moderate income persons under the State of Montana CDBG Program Income Guidelines.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies						—
Purchased Services						—
Miscellaneous	34			25,000	25,000	
Debt Service						—
Capital Outlay						—
<b>Total</b>	<b>\$ 34</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	

\* Un-audited numbers

### Program Description

The City, through the Uniform Building Code (UBC) has the authority to levy a special assessment on property where a building on the property has been declared a danger in need of abatement. The UBC requires that a separate fund be established to account for the costs of steps taken to abate a danger or demolish a building. The City Council may then levy a special assessment upon this property to recover its costs. This fund receives advances from the general fund to do the demolition, collects the lien assessment, and returns the money back to the general fund after collection of the assessment.

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### Activities & Objectives

\$15,000 is appropriated in possible abatements. Advances come from the general fund and after collection of assessments, the money will be returned to the general fund.

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### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	
Supplies	—	—	—	—	—	
Purchased Services	—	—	—	—	—	
Miscellaneous	—	15,000	—	15,000	—	0%
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ —</b>	<b>\$ 15,000</b>	<b>\$ —</b>	<b>\$ 15,000</b>	<b>\$ —</b>	<b>0%</b>

\* Un-audited numbers

## Program Description

The purpose of this fund is to pay 90% of the utility bills for the City's street lighting districts. The City assesses itself for 10% of this utility cost to handle the additional lighting needed at intersections.

## Activities & Objectives

Property owners in the City's street lighting districts are assessed each year for the cost of operating the lights in the districts. Included in the bill, is the electricity to operate the lights, annual maintenance for the light pole and ballast and rental of the lighting apparatus. A 2.5% increase is included in the budget in response to a Northwestern Energy statement indicating a proposed 2.5% rate increase to be reviewed by the Public Service Commission.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	
Supplies	—	—	—	—	—	
Purchased Services	324,161	365,014	352,243	359,171	(5,843)	-2%
Miscellaneous	—	—	—	—	—	
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ 324,161</b>	<b>\$ 365,014</b>	<b>\$ 352,243</b>	<b>\$ 359,171</b>	<b>\$ (5,843)</b>	<b>-2%</b>

\* Un-audited numbers

### Program Description

The purpose of this fund is to pay for the services associated with the maintenance and care of Street Maintenance District #1. These services include weekly flushing/sweeping of the right-of-way by the Street Department. The City has contracted with the Business Improvement District to maintain the garbage and recycle containers within the district and to dispose of any rubbish within the right-of-way of the district

### Activities & Objectives

The costs associated with the flushing/sweeping are expended in the General Fund, Street Maintenance Department. Annually, the actual costs for weekly flushing/sweeping are calculated and are transferred to the General Fund to offset the costs. The Business Improvement District is charged with maintaining the cleanliness of the Street Maintenance district by picking up the rubbish discarded in the right-of-way and emptying the eighty-six recycling and garbage cans located throughout the district. This is an increase of sixty-two recycling and garbage cans from the original contract signed in FY 2009.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	20,745	61,854	58,378	61,854	—	0%
Miscellaneous	86,046	41,000	43,511	43,500	2,500	6%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 106,791</b>	<b>\$ 102,854</b>	<b>\$ 101,889</b>	<b>\$ 105,354</b>	<b>\$ 2,500</b>	<b>2%</b>

\* Un-audited numbers

## Program Description/Work Plan

This program encompasses a City-wide road district entitled "CITY OF MISSOULA ROAD DISTRICT NUMBER 1" designed to maintain the current level of service as provided to all city residents. The assessment is used for the purpose of funding the purchase of materials necessary for ongoing maintenance, repair, improvement, construction, and reconstruction of city streets, alleys, parking lots, storm water facilities, and other public facilities located in the public right-of-way and/or within public easements.

The Public Works Administration Department oversees the divisions that promote, manage, and maintain the City's public infrastructure, including the street system, street signs and lights, traffic signals, wastewater treatment plant and sewer system, storm water system, and water system--all of which are essential for a thriving local economy and a high quality of life for Missoula's citizens.

The Street Maintenance Division maintains the public streets, alleys, and rights-of-way for use by the traveling public. To accomplish this task, the Division cleans and sweeps the streets; picks up and removes leaves; patches and completes major street maintenance projects; performs snow and ice control; cleans storm water sumps as needed; grades alleyways; performs street reconstruction services; maintains state-owned roadways within the City; major street construction projects; and other projects for other departments and the community in general.

In FY18, the Traffic Services/Sign Shop as well as the Traffic Signal and Communication Shop were moved so that they are now part of the Street Maintenance Division. The Sign Shop installs and maintains street signs, lane striping, curb painting, and other roadway markings. The Traffic Signal and Communication Shop installs and repairs not only traffic signals and City-owned street lights but also safety lighting and communications systems and equipment in all City-owned vehicles, from snow plows to police cruisers.

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - The Street Maintenance Division will coordinate with the Water, Wastewater, and Storm Water utilities to ensure that utility and street projects are scheduled so as to avoid unnecessary duplication of effort and resources as much as feasible.
  - The Street Maintenance Division will negotiate City's contract with the Montana Department of Transportation for providing services on MDT routes for which MDT pays the materials and equipment costs, and the City pays for the labor.
  - The Street Maintenance Division will continue to monitor snow plowing operations to ensure high levels of service on residential streets.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - The Public Works Department will use the new state gas tax money, known as the Bridge and Road Safety and Accountability Act (BaRSAA), to fund new roadway construction, maintenance, and related projects that otherwise would be delayed.

### Goal: 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.
  - The Street Maintenance Division will continue to use an asphalt recycler to reduce waste in the landfill and improve service to the community by having hot asphalt available for patching in the winter.
  - The Street Maintenance Division will continue street sweeping activities to help reduce the amount of dirt and debris entering the storm water collection systems and to reduce airborne particulate.

**Goal: 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.
  - The Street Maintenance Division’s Sign Shop stripes bike lanes to improve connectivity between trails and parks and to promote safer bicycle travel around the city.

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 170,979	\$ 217,286	\$ 217,286	\$ 3,487,599	\$ 3,270,313	1,505%
Supplies	191,382	191,361	196,347	808,133	\$ 616,772	322%
Purchased Services	13,326	133,800	25,630	218,170	\$ 84,370	63%
Miscellaneous	330,311	481,207	379,344	287,964	\$ (193,243)	-40%
Debt Service	500,160	651,410	597,705	629,060	\$ (22,350)	-3%
Capital Outlay	485,908	455,802	560,561	408,500	\$ (47,302)	-10%
<b>Total</b>	<b>\$ 1,692,066</b>	<b>\$ 2,130,866</b>	<b>\$ 1,976,873</b>	<b>\$ 5,839,426</b>	<b>\$ 3,708,560</b>	<b>174%</b>

\* Un-audited numbers

**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
PUBLIC WORKS DIRECTOR	1.00	1.00	1.00	1.00
TRAFFIC SERVICES COORDINATOR	1.00	1.00	1.00	1.00
TRAFFIC MAINTENANCE WORKER II	2.00	2.00	2.00	2.00
SEASONAL LABORER	1.42	1.53	1.53	1.53
COMMUNICATION SHOP SUPERVISOR	1.00	1.00	1.00	1.00
ELECTRONIC TECHNICIAN	2.00	2.00	2.00	2.00
DEPUTY PUBLIC WORKS DIRECTOR-STREETS	—	—	—	1.00
ADMINISTRATIVE ASSISTANT II	1.00	1.00	1.00	1.00
ADMINISTRATIVE SERVICES MANAGER	0.50	0.50	0.50	1.00
STREETS SUPERINTENT	1.00	1.00	1.00	2.00
FINISH BLADE OPERATOR	1.00	1.00	1.00	1.00
SECOND BLADE OPERATOR	1.00	1.00	1.00	1.00
LABORER/OPERATOR	7.00	7.00	7.00	12.00
SEASONAL OPERATOR	2.50	3.50	2.50	—
OPERATOR	9.00	9.00	9.00	9.00
TANDEM TRUCK OPERATOR	4.00	4.00	4.00	4.00
SPECIAL SERVICES ADMINISTRATOR	0.46	0.11	0.46	0.46
<b>Total</b>	<b>35.88</b>	<b>36.64</b>	<b>35.99</b>	<b>40.99</b>

## 2018 Budget Highlights

The Streets Maintenance Division was approved to have one part-time laborer/operator moved to full-time to assist in pothole patching, crack sealing, snow removal, and sanding/ice control.

The Streets Maintenance Division utilized BaRSAA funds to complete a mill and overlay project on Ft. Missoula Road. This project also included roadway striping and replacing old signs.

### Performance Measures & Workload Indicators

#### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Percentage of planned City blocks chip and sealed	100%	100%	100%	100%
Percentage of planned City blocks overlayed with asphalt	100%	100%	100%	100%
City streets crack sealed based on 2000 hours	220	120	280	300
Clean storm water sumps	155	255	556	500
Install new sumps	5	22	21	21
Re-dig existing sumps	13	20	12	12
Sweep all commercial areas and state routes once a month percentage	100%	100%	100%	100%
Sweep all downtown businesses once a week percentage	100%	100%	100%	100%
Sweep Republic landfill once a week in exchange for sweeping disposal percentage	100%	100%	100%	100%
Operate Dura Patch Truck 400 hours a year percentage	68%	86%	90%	100%

## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Miles of streets/alleys in the City limits	380	383	383	385
Hours of traffic signal maintenance annually	2,440	2,440	2,230	2,230
Hours of street/traffic sign maintenance annually	2,000	2,000	2,000	2,000
Hours of street painting and striping annually	2,600	2,600	2,600	2,600
Hours to install fleet radios/electronics annually	1,020	1,020	1,000	1,000
Hours to repair/maintain fleet radios/electronics annually	1,680	1,680	2,122	2,122
Hours worked patching potholes	3,590	3,353	2,776.5	3,000
Labor cost patching potholes	183,450	134,109	113,213	130,000
Equipment cost patching potholes	133,053	155,098	117,426	120,000
Total cost patching potholes	316,503	389,207	230,639	250,000
Hours worked on Alley Maintenance	790	463	406	450
Labor cost on Alley Maintenance	41,439	20,807	16,915	17,000
Equipment cost on alley maintenance	71,594	44,065	41,099	42,500
Total cost on alley maintenance	113,033	64,872	58,014	59,500
Hours worked street cleaning	6,055	4,760	3,958.5	4,500
Labor cost for street cleaning	316,090	188,613	162,799	183,000
Equipment cost for street cleaning	589,316	636,944	486,942	600,000
Total cost for street cleaning	905,406	825,557	649,741	783,000
Loads of sweeping debris hauled to Republic	1,314	1,561	1,049	1,400
Hours worked on leaf removal	2,715	2,704	2,872	2,700
Labor cost on leaf removal	138,387	140,363	118,149	150,000
Equipment cost on leaf removal	190,342	231,080	249,463	230,000
Total cost on leaf removal	328,729	371,443	367,612	380,000
Total leaf loads hauled to Garden City Compost	995	931	1,034	1,000
Loads of sand used	562	572	825	500
Tons of sand collected	2,655	4,374	5,723	4,000
Gallons of deicer used	389,852	397,541	431,883	300,000
PM10 Levels	17	14	22.1	21

### Program Description

This fund was created to track expenses related to Development Services aspects of the special Road District assessments.

### Activities & Objectives

Administrative functions: \$154,449

This activity includes allotment for the maintenance of traffic circles and repayment for expenses related to the South Ave Right of Way lawsuit and acquisition.

ADA Sidewalk Ramp Assistance: \$60,000

This activity provides specific assistance to residential owner occupied property that covers a portion of the costs of installing American with Disabilities Act (ADA) compliant curb ramps.

Annual Sidewalk Installation Replacement Program: \$390,000

This program systematically replaces hazardous and deteriorated sidewalks and installs curb ramps throughout the existing sidewalk system of Missoula, and installs new curbs and sidewalks where there are none. The replacement program is based on the Master Sidewalk Replacement program with the goal to install/replace all sidewalks within the City of Missoula in the next 25 years.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	\$ —	—
Purchased Services	—	—	—	97,500	\$ 97,500	
Miscellaneous	—	—	—	91,949	\$ 91,949	
Debt Service	—	—	—	—	\$ —	—
Capital Outlay	—	—	—	430,000	\$ 430,000	
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 619,449</b>	<b>\$ 619,449</b>	

\* Un-audited numbers

## Program Description/Work Plan

This program encompasses a city-wide park district entitled "CITY OF MISSOULA PARK DISTRICT NUMBER 1" designed to maintain the base level of service (FY09) provided to all city residents. An annual assessment will be established for the purpose of funding and/or financing costs associated with providing services including but not limited to: Maintenance, repair, replacement, upkeep, installation, improvement, operational enhancement, construction, reconstruction, acquisition of land; Implementation of measures required to maintain public health safety or meet legal or regulatory requirements; Purchasing, replacing and/or maintaining equipment, tools or vehicles used to carry out the functions described herein; Any other functions, labor, supplies and/or materials necessary for management and maintenance of City-owned facilities.

Park lands and equipment under the responsibility and care of the City of Missoula Parks and Recreation Department including but not limited to: Public Parks and Park areas (as described in the master Parks and Recreation plan for the greater Missoula area, Recreation facilities, trails, open space (as defined by the City of Missoula Urban Area Open Space Plan), urban forest, medians, boulevards, pathways, sidewalks, public easements and other facilities located in the City and/or owned by the City; and providing for other matters properly relating thereto.

Missoula Parks and Recreation is inclusive, serving all, with lands to steward and protect as well as lands and facilities open for use. We build and grow loyal constituents through appropriate communication, quality services, and demonstrated belief in the power of community. We promote quality of life, pride in community, and community engagement in a variety of forms and ways. For everyone, "Parks and Recreation is me"!

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Use survey data from recently completed Parks, Recreation, Open Space and Trails (PROST) to inform the services Parks and Recreation Offer.
  - Invest in Parks and Recreation employee training. Apply the recently passed GO Bond and Mill Levy to address eligible improvements per Park Asset Management, Conservation Lands, Urban Forestry, Open Space Plans and PROST. Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Develop policies that allow Missoula Parks and Recreation to diversify fiscal resources in a way that is congruent with the mission of Missoula Parks and Recreation Department. Work with The Friends of Missoula Parks Foundation to continue to develop capacity for alternative funding. Through grants and working with Partners in Parks, and numerous governmental and NGO organizations to achieve shared goals through shared resources.
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - Collaborate with the County on fiscal management of Fort Missoula Regional Park.
  - Continue to collaborate with County Schools and County Health Department to offer programs that promote healthy and active lifestyles.
  - Collaborate with tourism, downtown, and numerous outdoor recreation and cultural groups to facilitate development of programs and facilities to meet needs.

### Goal: 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.
  - Update Missoula Parks and Recreation Design Manual. Work with Neighborhood Councils and other stake holders to engage in Master Park planning efforts. Maintain, diversify and renew our urban forest while recognizing it as an essential and utilitarian eco-system.

- Strategy: We will work to provide citizens access to parks, open spaces and the natural environment.
  - Begin management of Missoula's two newest parks, MRL and Jeffery Park.
  - Apply the OS Bond Funds to eligible projects. Apply the Conservation and Stewardship Mill Levy to enhance maintenance of our parks, open spaces, and natural environment.
- Strategy: We will reflect values of sustainability in transportation and building design.
  - Update Missoula Parks and Recreation Design Manual. Constant review of development projects with the LRTP and ATP goals in the forefront. Continue efforts to achieve Complete Streets and Climate Resiliency through a health Urban Forest.

**Goal: Quality of Life for All People in All Places**

- Strategy: We will work together to meet basic human needs with dignity for all.
  - Offer quality Programs at affordable prices and a scholarship program to help ensure programs can be accessed by all. Provide all citizens access to a park, trail, or open space within at 10-12 minute walk. Partner with affordable housing developers and agencies to assure even low cost housing has access to parks and playgrounds.
- Strategy: We will work to provide affordable housing for the work force of Missoula.
  - Collaborate with partners to ensure access to Parks and trails is part of the conversation regarding affordable housing. Emphasize great Active Transportation systems and walking access to parks.
- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
  - Development of the McCormick Rx trail, which is the second Rx (prescription) trail. Continue 5210, Active Kids, Equity Health, Missoula Aging Services, Senior Center health promotion partnerships.
  - Continue to engage all demographics in direct program services, facilitated programs, and through excellence in design.

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**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 315,806	\$ 374,326	\$ 362,518	\$ 3,921,682	\$ 3,547,356	948 %
Supplies	190,563	185,326	187,688	502,531	317,205	171 %
Purchased Services	259,044	272,286	246,258	822,154	549,868	202 %
Miscellaneous	168,214	483,890	484,205	353,672	(130,218)	-27 %
Debt Service	350,480	205,734	242,605	303,817	98,083	48 %
Capital Outlay	64,128	70,000	47,864	70,000	—	0 %
<b>Total</b>	<b>\$ 1,348,235</b>	<b>\$ 1,591,562</b>	<b>\$ 1,571,138</b>	<b>\$ 5,973,856</b>	<b>\$ 4,382,294</b>	<b>275 %</b>

\* Un-audited numbers

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## STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
DIRECTOR	1.00	1.00	1.00	1.00
PARK SERVICES AND SYSTEMS MANAGER	1.00	1.00	1.00	1.00
PARK MAINTENANCE MANAGER	1.00	1.00	1.00	1.00
OPEN SPACE ACQUISITION & GRANTS MANAGER	1.00	1.00	1.00	1.00
PARKS & TRAILS DESIGN & DEVELOPMENT	1.00	1.00	1.00	1.00
RECREATION MANAGER	1.00	1.00	1.00	1.00
RECREATION SUPPORT SPECIALIST	1.00	1.00	1.00	1.00
RECREATION SPECIALIST-M.O.R.E.	1.00	1.00	1.00	1.00
SPORTS AND WELLNESS SUPERVISOR	1.00	1.00	1.00	1.00
ADMIN SERVICE MGR/PROJECT COORDINATOR	1.00	0.90	0.90	1.00
CONSTRUCTION PROJECT COORDINATOR	1.00	1.00	1.00	1.00
URBAN FORESTER	1.00	1.00	1.00	1.00
CONSERVATION LAND MANAGER	1.00	1.00	1.00	1.00
ADMIN SERVICE MGR/PROJECT COORDINATOR	1.00	1.00	1.00	1.00
ADMIN III - 100 HICKORY	1.00	1.00	1.00	1.00
RECREATION SUPPORT SPECIALIST	1.00	1.00	1.00	1.00
COMMUNICATION SPECIALIST	0.75	0.75	0.75	0.75
SAFETY/TRAINING COORDINATOR	0.83	0.83	0.83	0.83
MORE COORDINATOR	0.89	0.89	0.89	0.89
YOUTH COORDINATOR	0.83	0.83	0.83	0.89
SPORTS AND WELLNESS COORDINATOR	—	0.25	0.25	0.25
RECREATION SUPPORT SPECIALIST	—	—	0.25	0.25
ARBORIST	1.00	1.00	1.00	1.00
FORESTRY SPECIALIST	1.66	1.66	0.83	0.83
MAINTENANCE TECHNICIAN ASST	4.15	4.15	4.15	4.32
MAINTENANCE WORKERS	7.20	7.50	7.50	7.73
MAINTENANCE TECHNICIAN	8.00	7.00	7.00	7.20
CREW CHIEF	—	1.00	1.00	1.00
PARK ATTENDANT	6.41	6.49	6.49	6.81
INTERMITTENT POSITIONS (RECEIVE NO BENEFITS)				
OFFICIALS	0.81	0.81	0.81	
LEVEL 1 INTERMITTENT RECREATION	0.38	0.38	0.38	0.38
LEVEL 2 INTERMITTENT RECREATION	2.83	2.84	2.84	2.84
LEVEL 3 INTERMITTENT RECREATION	1.32	1.32	1.32	1.32
LEVEL 4 INTERMITTENT RECREATION	2.76	4.55	5.09	5.09
LEVEL 5 INTERMITTENT RECREATION	1.10	1.03	1.16	1.16
LEVEL 6 SPECIALTY INSTRUCTOR	0.01	0.01	0.31	0.31
PHONE RECEPTIONIST	0.41	0.41	—	—
<b>Total</b>	<b>57.34</b>	<b>59.60</b>	<b>59.58</b>	<b>59.85</b>

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**2018 Budget Highlights**

- Phase I of Jeffery Park: installation of utilities, irrigation, interior walkways, trees, drinking fountain, trash cans, mutt mitt stations and plaza complete.
- In conjunction with MRA, designed and constructed the Montana Rail Link Park and connected the Bitterroot Branch trail between South and North Ave.
- Designed and 95% complete on construction of Phase I of Syringa and Bellevue Bike Park with planned opening of Parks in late spring 2019.

- With the help of volunteers, planted/replaced 210 trees within the Missoula urban forest.

## Performance Measures & Workload Indicators

### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Number of Shelter/permits	538	518	597	600
Number of People Served	22,596	20,333	23,767	24,000
Develop Parks and Trails Standards (%)	75	100	100	100
Amount of external funds leveraged *	27,037,000	13,750,000	641,845	500,000

### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
<b>MAINTENANCE</b>				
Number of lights maintained	427	496	550	570
Number of restrooms maintained	32	35	38	44
Number of athletic fields maintained	37	43	49	53
Number of playgrounds maintained	34	38	39	43
Number of irrigation systems maintained	114	116	118	119
Number of dog parks maintained	3	3	4	6
Number of benches maintained	235	235	240	253
Acres of turf irrigated	399	452	475	500
<b>URBAN FORESTRY</b>				
Number of trees planted by staff	150	160	168	160
Number of trees planted by Volunteers in Planting (TFM)	^	58	42	60
Number of mature trees pruned by staff	250	1,157	2,272	1,900
Number of young trees pruned by Volunteers in Pruning (TFM)	^	1,638	800	300
Number of high risk trees removed	30	222	287	275
Miles of paved commuter trails maintained	23	28	29	30
Number of annual flowers planted	5,220	3,184	3,250	3,000
Number of plants grown in-house	^	975	750	700
Number of shrubs and perennials planted	^	216	180	150
Number of bridges maintained	^	8	16*	16
Miles of green-way maintained	^	48	49	49
Number of landscape acres maintained	^	54	54	54
Number of Plazas maintained	^	1	2	2
Under crossings	2	2	2	3

## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
<b>CONSERVATION LANDS</b>				
Total number of Acres of Conservation Lands	4,120	4,194	4,194	4,200
Acres of Park Preserves		3,960	3,960	3,960
Acres of Public Natural Areas		154	154	158
Acres of Urban Park lands w/ Special Resources		80	80	82
Number of acres thinned on CL for fuel reduction		49	62	30
Number of acres surveyed on which weed were sprayed		123	63	65
Number of acres grazed for weed control on CL		300	350	600
Miles of conservation trail maintained	48	48	48	54
Number of acres reseeded on CL		83	96	100
Number of trailheads and access points maintained CL	66	66	66	69
Number of kiosks		5	5	6
Number of bridges		5	5	5
Number of native plants planted on CL		7,135	4,560	4,600
Acres of Invasive Tree Removals		14	12	10

## Program Description

This fund is set up to receive and distribute gasoline tax revenues from the State. Pursuant to M.C.A. § 15-70-202, expenditures from this fund are restricted to labor and materials for street improvements and cannot be used for equipment purchases.

## Activities & Objectives

Funds received for Gas Tax will be transferred into Road District #1 for labor and material expensed in street improvements.

BaRSAA Gas Tax funds will be expensed on specific project identified in the Capital Improvement section of the budget

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	49,569	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	564,000	564,000	564,000	1,337,665	773,665	137%
Debt Service	—	—	—	—	—	—
Capital Outlay	314,709	813,219	791,299	—	(813,219)	-100%
<b>Total</b>	<b>\$ 878,709</b>	<b>\$ 1,377,219</b>	<b>\$ 1,404,868</b>	<b>\$ 1,337,665</b>	<b>\$ (39,554)</b>	<b>-3%</b>

\* Un-audited numbers

## Program Description

Department of Justice, Bureau of Justice Assistance Edward Byrne Memorial Grants is awarded annually to the City of Missoula.

## Activities & Objectives

Department of Justice Edward Byrne Memorial JAG Grant for 2017, 2018 and anticipated 2019.

The Justice Assistance Grants provide a half-time property clerk and other programs for the Missoula County Sheriff Department as well as provide funding for numerous programs within the City of Missoula Police Department. The City of Missoula will reimburse the County of Missoula for their expenses as outlined in the grant award document.

The Edward Byrne Memorial Discretionary Grants Program furthers the Department's mission by assisting state and local jurisdictions in improving the criminal justice system and assisting communities in preventing drug abuse and crime.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	—
Supplies	43,124	43,124	350	88,124	45,000	104 %
Purchased Services	—	—	—	—	—	—
Miscellaneous	17,252.88	17,249	—	34,749	17,500	101 %
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	9,818	—	—	—
<b>Total</b>	<b>\$ 60,376.88</b>	<b>\$ 60,373</b>	<b>\$ 10,168</b>	<b>\$ 122,873</b>	<b>\$ 62,500</b>	<b>104 %</b>

\* Un-audited numbers

## Program Description

The City of Missoula is the fiscal agent for a Federal, State, County and Municipal task force called the High Intensity Drug Trafficking Area Task Force. The 2919 fund is set up for forfeiture of assets and is a shared account pro-rated to Missoula County Attorney and Sheriff, City of Missoula and the HIDTA Task Force operations account.

Expenditure of these forfeiture funds is controlled by state and federal statutes restricting expenditures to drug-related investigations and training. Expenditures include lease expenses, equipment, training and supplies to support local drug task force office. This fund also provides grants to local substance abuse prevention programs as well as District Court Youth Drug Court.

## Activities & Objectives

**HIDTA Forfeiture Fund** - Activity budget equals **\$140,600**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ 14,671	\$ —	\$ 14,671	—	0%
Supplies	4,619	7,000	6,276	7,000	—	0%
Purchased Services	19,919	29,850	15,232	29,850	—	0%
Miscellaneous	37,132	89,079	37,762	89,079	—	0%
Debt Service		—	—	—	—	
Capital Outlay	16,432	—	—	—	—	
<b>Total</b>	<b>78,102</b>	<b>140,600</b>	<b>59,270</b>	<b>140,600</b>	<b>—</b>	<b>0%</b>

\* Un-audited numbers

## Program Description

The purpose of the Community Development Block Grant (CDBG) Program Income account is to receive re-payment from CDBG-Entitlement assisted projects, and then use the funds collected to assist additional CDBG-eligible activities.

## Activities & Objectives

Each year, the City of Missoula awards CDBG funding to community development projects. Program Income funds will be used to support one of the CDBG-eligible projects selected for funding as part of this process.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	—
Supplies	—	—	—	—	—	—
Purchased Services	—	29,463	—	—	(29,463)	-100%
Miscellaneous	29,370	—	29,370	29,463	29,463	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 29,370</b>	<b>\$ 29,463</b>	<b>\$ 29,370</b>	<b>\$ 29,463</b>	<b>—</b>	<b>0%</b>

\* Un-audited numbers

## Program Description

The purpose of the Community Development Block Grant Fund is to handle transactions related to Community Development Block Grants that are awarded to the City.

### Activities & Objectives

Administration - Activity budget equals \$113,351

Projects - Projects to be determined budget equals \$453,405

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 31,205.24	\$ —	\$ —	\$ —	—	—
Supplies	—	—	—	—	—	—
Purchased Services	19,059.17	—	1,983	23,200	23,200	—
Miscellaneous	340,196.86	575,247	326,322	543,556	(31,691)	-6%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 390,461.27</b>	<b>\$ 575,247</b>	<b>\$ 328,305</b>	<b>\$ 566,756</b>	<b>(8,491)</b>	<b>-1%</b>

\* Un-audited numbers

## Program Description

The purpose of the Home Investment Partnership Program Fund is to handle transactions related to expanding the supply of decent, safe, sanitary and affordable housing for low-income households.

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### Activities & Objectives

Administration - Activity budget equals \$40,000

Construction Projects - Projects to be determined budget equals \$380,000

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### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 16,468.11	\$ —	\$ —	\$ —	—	—
Supplies	—	—	—	—	—	—
Purchased Services	15,538.19	—	283	—	—	—
Miscellaneous	174,902	406,753	340,214	367,993	(38,760)	-10%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 206,908.3</b>	<b>\$ 406,753</b>	<b>\$ 340,497</b>	<b>\$ 367,993</b>	<b>\$ (38,760)</b>	<b>-10%</b>

\* Un-audited numbers

## Program Description

This program derives its funding from the repayment of loans provided to low- and moderate-income homebuyers for down payment, homebuyer education and closing cost assistance, as well as repayment of loans and the interest on those loans to organizations providing housing through funds provided by the City's HOME program.

## Activities & Objectives

This fund is used to provide funds for any housing activities allowed by the federal HOME program, including but not limited to acquisition, construction or rehabilitation of housing, down payment assistance and other related costs or tenant-based rental assistance.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	
Supplies	—	—	—	—	—	
Purchased Services	—	25,000	—	—	(25,000)	-100%
Miscellaneous	26,224.04	20,112	17,323	457,650	437,538	2,176%
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ 26,224.04</b>	<b>\$ 45,112</b>	<b>\$ 17,323</b>	<b>\$ 457,650</b>	<b>\$ 412,538</b>	<b>914%</b>

\* Un-audited numbers

## Program Description

Periodically, the United States Congress approves a new transportation funding bill. The 2987 fund was created to accept Federal grant funds set aside for the City of Missoula along with any matching money from other City Funds. These funds potentially include PL and CMAQ federal funds that could be expended for projects identified by the City's Capital Improvement Program (CIP) and approved by the State.

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## Activities & Objectives

No projects are anticipated for FY9. CTEP funds are no longer available.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	—	78	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	301,558.05	208,379	227,282	208,379	—	0%
<b>Total</b>	<b>\$ 301,558.05</b>	<b>\$ 208,379</b>	<b>\$ 227,360</b>	<b>\$ 208,379</b>	<b>\$ —</b>	<b>0%</b>

\* Un-audited numbers

## Program Description

This fund exists to receive and expend a variety of grant and donation funds.

### Activities & Objectives

Miscellaneous Grants and Donations - Activity budget equals \$ 20,000

The \$ 20,000 is for an appropriation and spending authority for any donations/grants that the City receives.

Miscellaneous Fire Donations

Fire Explorers Program - Activity budget equals \$1,650

The Fire Explorer Program, in conjunction with the Boy Scouts of America, offers young adults real life experiences, training and exposure to the career opportunities available in the fire service.

Fort Missoula Roads - Activity budget equals \$50,000

As a condition of accepting responsibility for maintaining the infrastructure at Fort Missoula, the U.S. Army provided the City with these funds to improve the condition of the roads at Fort Missoula.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 3,346	\$ —	\$ —	\$ —	—	
Supplies	—	—	—	—	—	
Purchased Services	36,754	59,760	11,936	—	(59,760)	-100%
Miscellaneous	210,173	91,910	648,277	21,650	(70,260)	-76%
Debt Service	—	—	—	—	—	
Capital Outlay	62,307	24,822	—	50,000	25,178	101%
<b>Total</b>	<b>\$ 312,580</b>	<b>\$ 176,492</b>	<b>\$ 660,213</b>	<b>\$ 71,650</b>	<b>\$ (104,842)</b>	<b>-59%</b>

\* Un-audited numbers

^ Split Police Grants into Fund 2989 in FY2017

## Program Description

This fund exists to receive and expend a variety of grant and donation funds related to the Police Department.

### Activities & Objectives

Miscellaneous Grants & Donations - Activity budget equals \$20,000

Anti-Graffiti - Activity budget equals \$5,000

Funds provided by grants and donations provided to Missoula Police Department enable the volunteer program to purchase supplies needed to paint over graffiti.

ICAC Grant- Activity budget equals \$ 106,478

Internet Crimes against Children (ICAC) provides funding to help local law enforcement agencies enhance their investigative response to offenders who use the Internet, online communication systems, or other computer technology to sexually exploit children.

Bulletproof Vest Grant - Activity budget equals \$ 28,000

This program provides for a fifty (50%) percent reimbursement of bullet proof vests for law enforcement officers through the Bulletproof Vest Grant Partnership Program.

Traffic Safety Grants (Seat Belts and Capital Outlay) - Activity budget equals \$53,600

The City has applied for a traffic safety grant to enforce seatbelt safety. This will also be used to cover overtime costs for seatbelt enforcement as well as fuel for vehicles. No Capital Outlay is anticipated in this fiscal year.

Drug Task Force Grant (HIDTA) - Activity budget equals \$228,126

The City of Missoula is the fiscal agent for a Federal, State, County and Municipal task force called the High Intensity Drug Trafficking Area Task Force. This task force has been in existence since FY 2003.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 172,277	\$ 172,079	\$ 176,995	\$ 166,919	(5,160)	-3%
Supplies	27,583	83,832	50,773	72,332	(11,500)	-14%
Purchased Services	69,567	105,825	106,665	105,825	—	0%
Miscellaneous	71,075	135,012	82,217	135,012	—	0%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 340,502</b>	<b>\$ 496,748</b>	<b>\$ 416,650</b>	<b>\$ 480,088</b>	<b>(16,660)</b>	<b>-3%</b>

\* Un-audited numbers

^ New fund created for FY17

### Program Description

This fund was set up to receive and expend funds received from the Environmental Protection Agency to make assessments for potential Brownfields sites and loans and a limited number of cleanup grants to eligible owners of Brownfield sites within the City of Missoula.

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### Activities & Objectives

**Brownfields assessment Grant - Activity Budget equals: \$125,478**

This Environmental Protection Agency grant enables the City to conduct assessments of potential Brownfields sites for eligible owners within the City of Missoula.

**Brownfields Cleanup RLF - Activity Budget equals: \$652,578**

This Environmental Protection Agency grant enables the City to make cleanup loans and a limited number of cleanup grants to eligible owners of Brownfield sites within the City of Missoula.

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### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	2,900	2,900	—
Miscellaneous	—	887,678	82,729	775,156	(112,522)	-13%
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ 887,678</b>	<b>\$ 82,729</b>	<b>\$ 778,056</b>	<b>\$ (109,622)</b>	<b>-12%</b>

\* Un-audited numbers

^ Fund created in FY2018

## Program Description

The City Planning section manages Growth Policy requirements and legislative initiatives of the City Council and Administration as they relate to that policy. The section facilitates a long-range vision for the community that is implemented through adopted plans, policies, code, the historic preservation program and partnerships

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Enhance the methods of communication to improve the citizen's understanding of development and planning issues especially through internet information, additional UFDA analysis, UFDA reset, and UFDA yearbook
  - Participate in workshops and planning process aimed at community development and design excellence. Provide oversight regarding the historic preservation ordinance, assistance with historic resources and coordinate with the Historic Preservation Commission.
  - Continue to maintain and update the City zoning code, City zoning maps, and subdivision regulations. Develop an Annexation Policy through analysis and a coordinated process with agencies, governing body, and interested persons.
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - Work with the Housing and Community Development Division to inform future housing strategies.
  - Explore partnerships with other organizations to gather information and provide recommendations about key community elements such as housing and community design.

#### Goal: 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.
  - Focus on sustainability through implementing actions from the growth policy. Participate in other organization efforts to address climate change.
  - Assist with sub-area planning efforts.
- Strategy: We will reflect values of sustainability in transportation and building design.
  - Focus on sustainability through implementing actions from the growth policy including exploring node development potential; considering adaptive reuse concepts; participating in other organization efforts to address climate change; and participating in the process to develop a climate resiliency plan.

#### Goal: Quality of Life for All People in All Places

- Strategy: We will work to provide affordable housing for the work force of Missoula.
  - Coordinate with Housing and Community Development division.
  - Help to analyze needs and propose land use and zoning tools that enhance opportunities for affordable housing.
  - Review the Residential Allocation map.
- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
  - Enhance coordination between transportation and planning will be reflected in future community planning processes including Transit Planning, the Sidewalk Master Planning process, efforts to develop coordinated planning along Brooks Street and through design excellence guidelines.

- Pursue new partnership with health interests to address health equity for low and moderate income households. Help to implement recommendations through the Invest Health initiative.

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 350,122.1	\$ 435,662	\$ 419,247	\$ 535,001	\$ 99,339	23 %
Supplies	3,221.95	9,263	7,073	7,750	(1,513)	-16 %
Purchased Services	10,650.56	76,037	36,298	74,637	(1,400)	-2 %
Miscellaneous	60,573.3	25,000	56,650	25,820	820	3 %
Debt Service		—	—	—	—	
Capital Outlay		—	—	—	—	
<b>Total</b>	<b>\$ 424,567.91</b>	<b>\$ 545,962</b>	<b>\$ 519,268</b>	<b>\$ 643,208</b>	<b>\$ 97,246</b>	<b>18 %</b>

\* Un-audited numbers

**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
PLANNING MANAGER	1.00	1.00	1.00	1.00
SENIOR PLANNER	1.00	1.00	1.00	1.00
PLANNER III			1.00	1.00
GIS ANALYST/PLANNER	1.00	1.00	1.00	1.00
PLANNER II	0.50	0.50	0.50	0.50
HISTORIC PRESERVATION OFFICER	1.00	1.00	1.00	1.00
<b>Total</b>	<b>4.50</b>	<b>4.50</b>	<b>5.50</b>	<b>5.50</b>

**2018 Budget Highlights**

Maintain and improve level of service to citizens by managing Title 20 Zoning Code amendments that are responsive to the Growth Policy and by updating data for the Urban Fringe Development Area and by expanding the education and outreach relating to downtown historic resources

Support the quality of life for all people and all places by addressing design development that enhances connectivity and walkability along Brooks Street; neighborhood character concerns within the University Neighborhood Districts; and continuing the community engagement related to developing commercial building design standards and guidelines. Support Plans and Programs that promote a healthy lifestyle for Missoula's citizens through participation in the Missoula Invest Health Initiative that raised awareness about the relationship between human health and the need for a healthy built environment and helped to bring a CDBG grant for sidewalk improvements to two low and moderate income neighborhoods.

Support sustainability measures including greater coordination between land use and transportation elements by supporting Brooks Street planning; support for the master planning of the North Reserve Scott Street area including amendments to the Growth Policy land use map; ability to establish tourist homes with new regulations: and support for the development of a zero-waste plan.

Support the efforts to address affordable housing through development of new Title 20 zoning code tools such as new base zoning districts and exceptions worked into the townhouse exemption development option, and reduced parking requirements for small homes.

## Performance Measures & Workload Indicators

### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
City Planning Division maintenance of Zoning code and subdivision regulations. (%)	100%	100%	500%	100%
City Planning Division provides annual comprehensive tracking of community services and natural resource impacts along with new development patterns. (%)	100%	100%	100%	100%

### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
City Title Amendment Packages (This does not account for the number and complexity of amendments for each package).	6	6	3	4
Mapping	44	55	75	65
Planning Education/Outreach Activities	15	26	36	30
Planning Board Meetings	8	8	4	7
Historic Preservation Permits	3	4	5	5
Staffing at Historic Preservation Commission Meetings	16	14	12	12
Historic Preservation Education/Outreach activities	3	10	17	20

## Program Description

The Building Inspection Division of the Development Services Department is certified by the State for the purpose of administering and enforcing building regulations in the City of Missoula. The regulations used are the codes which are adopted by the State Department of Commerce and the Missoula City Council.

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
    - Continue implementation of web-based Accela Automation permitting system to increase convenience and accessibility to customers.
  - Strategy: We will work toward sustaining and diversifying fiscal resources.
    - Annually perform fiscal balance review to ensure sustainability of revenue.
- 

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 983,651.51	\$ 1,096,461	\$ 1,099,292	\$ 1,165,649	\$ 69,188	6%
Supplies	47,749.75	22,675	78,289	22,675	—	0%
Purchased Services	110,723.62	94,751	121,791	94,751	—	0%
Miscellaneous	408,864.15	416,338	462,306	459,734	43,396	10%
Debt Service	—	—	7,483	—	—	
Capital Outlay	64,403.96	—	—	—	—	
<b>Total</b>	<b>\$ 1,615,392.99</b>	<b>\$ 1,630,225</b>	<b>\$ 1,769,161</b>	<b>\$ 1,742,809</b>	<b>\$ 112,584</b>	<b>7%</b>

\* Un-audited numbers

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<b>STAFFING SUMMARY</b>				
Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
DIRECTOR OF DEVELOPMENT SERVICES	0.20	0.20	0.20	0.20
ASSIST. DIRECTOR/BUILDING OFFICIAL	0.90	0.90	0.90	0.90
SENIOR CONSTRUCTION PLANS EXAMINER	1.00	1.00	1.00	1.00
COMBO BUILDING/PLANS EXAMINER	1.00	1.00	1.00	1.00
COMBO/ELECTRICAL INSPECTOR	1.00	1.00	1.00	1.00
COMBO/PLUMBING INSPECTOR	1.00	1.00	1.00	1.00
COMBO/BUILDING INSPECTOR	1.00	1.00	1.00	1.00
COMBO/MECHANICAL INSPECTOR	1.00	1.00	1.00	1.00
LEAD COMBO/BUILDING INSPECTOR	1.00	1.00	1.00	1.00
PERMIT REVIEW SUPERVISOR	0.70	0.70	0.70	0.70
PERMIT COORDINATOR I	0.70	—	0.80	1.80
PERMIT COORDINATOR II	1.40	2.00	1.50	1.50
ADMIN SERVICES SENIOR MANAGER	0.20	0.10	0.10	0.10
ADMINISTRATIVE ASSISTANTS (3)	0.90	0.90	1.40	—
ADMINISTRATIVE ASSISTANT I	—	—	—	0.30
ADMINISTRATIVE ASSISTANT II	—	—	—	1.10
PLANNER III/FLOODPLAIN MANAGER	—	—	0.80	0.80
<b>Total</b>	<b>12.00</b>	<b>11.80</b>	<b>13.40</b>	<b>14.40</b>

### 2018 Budget Highlights

Invested in new workstations for electronic document review staff to include EDR capable computers and office desk to house the new equipment.

Invested in new IT hardware to support the upcoming EDR application implementation.

### Performance Measures & Workload Indicators

#### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Respond to all construction inspection requests (building, electrical, mechanical and plumbing) within one working day.	100%	100%	100%	100%
Make inspections to ensure code compliance with approved plans and the requirements of the appropriate code.	100%	100%	100%	100%

## Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Number of building permits issued	1,515	1,576	1,434	1,530
Review residential plans within two weeks (%)	99.0%	95.0%	95.0%	99.0%
Review multi-family, commercial & industrial within three weeks (%)	99.0%	95.0%	95.0%	99.0%
Number of plans withdrawn	11	29	12	20

## Program Description

The Transportation Planning Division provides transportation planning and transportation options services within three key areas and through various funding sources:

- Missoula Metropolitan Planning Organization (MPO) - The MPO is funded through Federal transportation planning funds (PL funds) and Federal Transit Authority funds (5303 funds) and performs transportation planning for the Missoula region, including the urbanized areas of the City and County of Missoula. Each year, the MPO staff manages and administers grant funds; completes the annual Unified Planning Work Program and Transportation Improvement Program; supports the ongoing functions of the Transportation Policy Coordinating Committee and the Transportation Technical Advisory Committee; and coordinates with other agencies and organizations to support transportation planning efforts in the urbanized area. The MPO will be focusing on developing a Pedestrian Master Plan and supporting other agency transportation planning efforts this fiscal year.
- Missoula In Motion (MIM) - MIM is funded primarily through federal Congestion Mitigation and Air Quality (CMAQ) funds, with matching funds provided by local partners, including the City General Fund and Missoula County. Each year, the staff manages and administers CMAQ grant funds; implements and supports a variety of projects and programs, including: Sunday Streets Missoula, Walk and Roll Week, the Way to Go! For Workplaces employer program, and offers a comprehensive and state-of-the-art website and trip-logging/planning platform available to the public. MIM also develops and deploys education and encouragement materials regarding sustainable transportation options; and collaborates with other Transportation Options providers to advance initiatives and programs. MIM anticipates significant expansion of the Way to Go! For Workplaces employer program this fiscal year as a result of the implementation of its new website and platform.
- Bicycle and Pedestrian Office - The Bike/Ped Office is funded primarily through CMAQ, as well as the City General Fund. The Bike/Ped Program Manager administers grant and General Funds to perform a variety of annual activities, including managing the Bicycle Ambassadors, Bike Racks for Businesses program, and Bicycle Registration. Ongoing activities include supporting the functions of the Bicycle and Pedestrian Advisory Board, participating in and supporting events that encourage utilizing active transportation, engaging with other agencies and organizations regarding safety education and policy matters affecting bicycling and walking, and working with other city departments to implement bicycle and pedestrian infrastructure projects. The Bike/Ped Manager anticipates focusing on planning, policy, and infrastructure implementation work this fiscal year.

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## City Strategic Goals & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Continue to serve as a resource for citizens and other agencies by providing transportation data and information; enhance methods of communication to improve citizen understanding and involvement in transportation issues.
  - Implement bicycle and pedestrian programs and outreach; develop progressive planning policies and documents to support bicycle and pedestrian projects that improve transportation system connectivity and safety.
  - Implement innovative Transportation Demand Management programs, events, and projects that improve citizen access to the transportation system and transportation system efficiency and convenience.

### Goal: Harmonious Natural and Built Environment

- Strategy: We will reflect values of sustainability in transportation and building design.
  - Review and update planning policies to ensure they adequately promote a sustainable balance between the natural and built environment and reflect community values.

- Continue implementation of Transportation Options programs and multimodal transportation infrastructure that supports sustainable transportation options and improves air quality and traffic flow with the cooperation of other City Departments and outside agencies.

**Goal: 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.
  - Enhance coordination between Transportation, Planning, and Engineering divisions to promote a healthy lifestyle for Missoula's citizens.
  - Continue to provide education and outreach programs that encourage the use of sustainable transportation options that supports public health, as well as transportation system efficiency.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 554,787.12	\$ 640,093	\$ 541,350	\$ 601,981	\$ (38,112)	-6%
Supplies	26,967.2	35,660	40,043	29,150	(6,510)	-18%
Purchased Services	158,920.26	153,283	91,755	177,948	24,665	16%
Miscellaneous	148,999.34	496,955	170,302	498,144	1,189	0%
Debt Service		—	—	—	—	
Capital Outlay		—	—	—	—	
<b>Total</b>	<b>\$ 889,673.92</b>	<b>\$ 1,325,991</b>	<b>\$ 843,450</b>	<b>\$ 1,307,223</b>	<b>\$ (18,768)</b>	<b>-1%</b>

\* Un-audited numbers

### STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
TRANSPORTATION MANAGER	1.00	1.00	1.00	1.00
PLANNER III	2.00	2.00	2.00	1.00
PLANNER I	1.00	1.00	1.00	1.00
PROGRAM SPECIALIST II	1.00	1.00	1.00	1.00
PROGRAM SPECIALIST I	1.00	1.00	1.00	1.00
PROGRAM ASSISTANT	1.00	1.00	1.00	1.00
PROGRAM VACANCY MIM	1.00	1.00	1.00	1.00
BICYCLE/PEDESTRIAN PROGRAM MANAGER	1.00	1.00	1.00	1.00
BIKE AMBASSADOR	0.29	0.29	0.29	0.29
BIKE AMBASSADOR	0.28	0.28	0.28	0.28
PLANNER II	—	—	—	1.00
<b>Total</b>	<b>9.57</b>	<b>9.57</b>	<b>9.57</b>	<b>9.57</b>

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## 2018 Budget Highlights

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None

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## Performance Measures & Workload Indicators

### Performance Measures

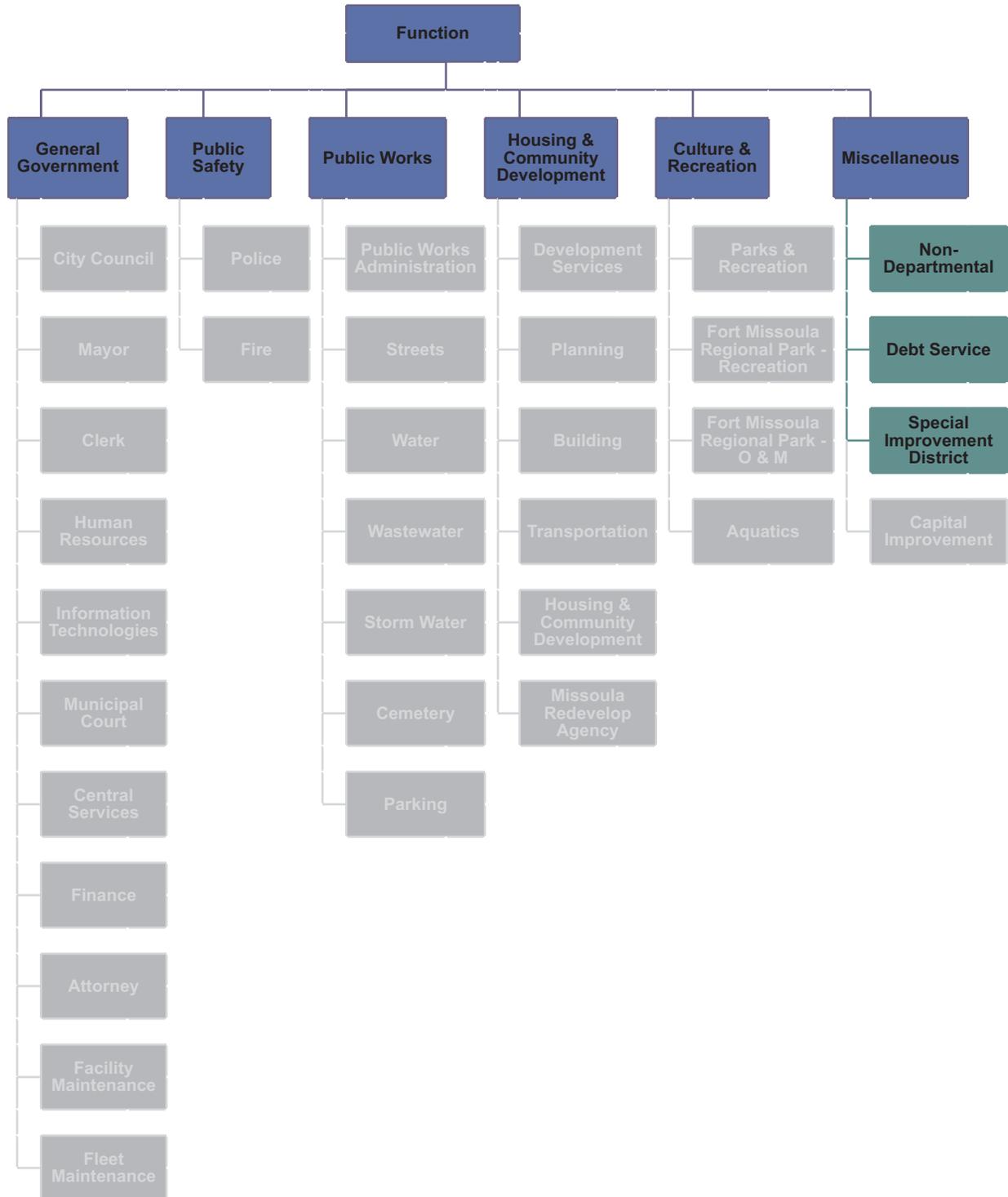
Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Complete required annual Unified Planning Work Program Transportation Improvement Program and other transportation planning document updates on time. (%)	100%	100%	100%	100%
Fulfill the programmatic requirements of the Unified Annual Planning Work Program. (%)	100%	100%	100%	100%
Maintain required MPO documents via amendments as required. (%)	100%	100%	100%	100%
Fulfill programmatic requirements of Federal Grants including Congestion Mitigation Air Quality, PL, FTA 5303. (%)	100%	100%	100%	100%

### Workload Indicators

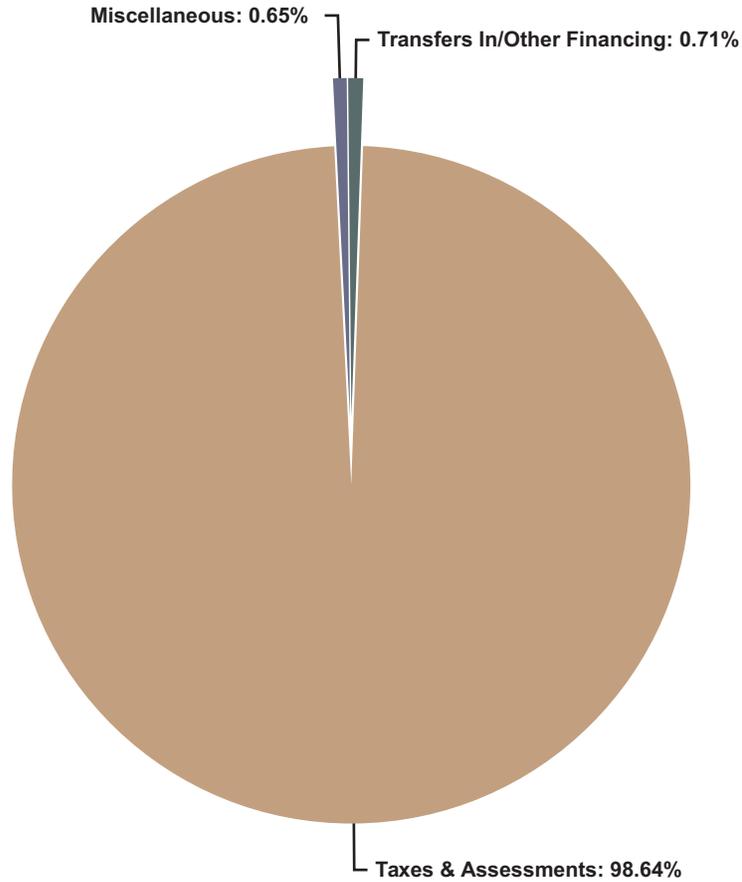
Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Bicycle parking spaces added	154	150	82	120
Bicycle licenses (registrations) issued	428	379	526	550
MIM participating Workplace employers	32	30	34	40
MIM participating Way to Go! Missoula members	2,788	1,401	2,059	2,500
MIM participating Commuter Challenge businesses	77	75	97	110
MIM outreach events and presentations	49	51	47	25
MIM website visits	21,981	*	13,521	22,000
Roadway projects evaluated for bicycle facilities	10	10	10	10
Traffic model runs completed to support transportation planning	10	65*	25	10
Active subcommittees staffed including TDM Consortium	6	8	8	7
TTAC, TPCC and BPAB meetings held	40	27	30	29

## DEBT SERVICE FUNDS

Debt Service funds are set up to receive dedicated revenues use to make principal and interest payments on City debt. These funds are used to account for the accumulation of resources for, and the payment of, general obligation and special assessment debt principal and interest and related costs. Following is a diagram that identifies the specific departments that are contained within the Debt Service Funds. Departments highlighted in green are included in this section.

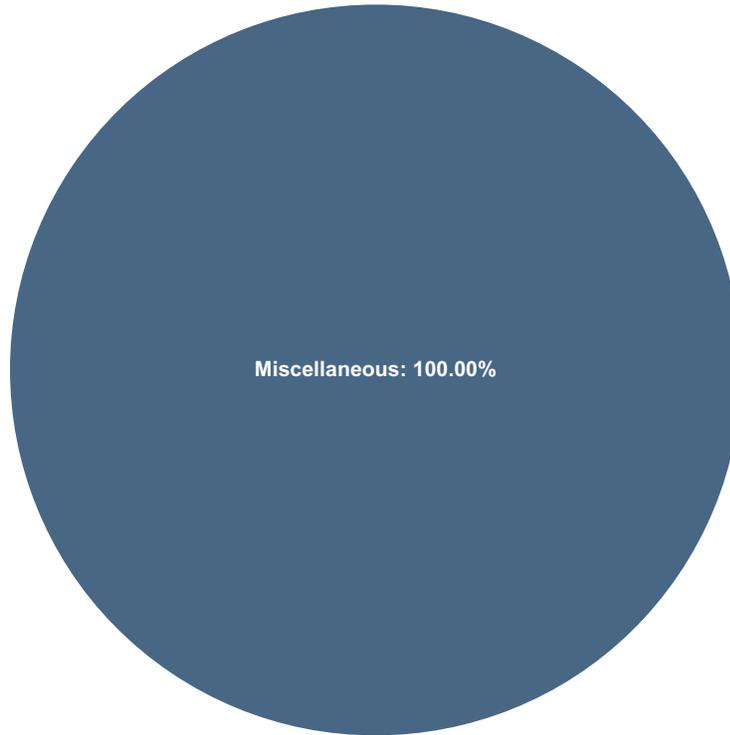


### FY 2019 Budgeted Debt Service Revenues by Category



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Taxes & Assessments	\$ 3,205,830	\$ 2,833,658	\$ 2,737,922	\$ (95,736)
Miscellaneous	15,531	15,531	17,919	2,388
Investment Earnings	8,673	7,535	—	(7,535)
Transfers In/Other Financing	144,634	—	19,700	19,700
<b>Total Sources</b>	<b>\$ 3,374,668</b>	<b>\$ 2,856,724</b>	<b>\$ 2,775,541</b>	<b>\$ (81,183)</b>

### FY 2019 Budgeted Debt Service Fund Expenditures by Function



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
General Government	\$ 614	\$ —	\$ —	—
Miscellaneous	3,297,658	3,132,636	2,856,142	(276,494)
<b>Total Uses</b>	<b>\$ 3,298,272</b>	<b>\$ 3,132,636</b>	<b>\$ 2,856,142</b>	<b>\$ (276,494)</b>

## Program Description

A separate fund has been set up for each general obligation bond issue. These funds include cash and taxes receivable. Bonds payable appear in the long-term debt accounts. Pursuant to Section 7-6-4232 (2), the City Council may anticipate for delinquencies in establishing for debt service levies. This authority is not present for other tax levies.

## Activities & Objectives

### General Obligation Voted Debt

#### 2012A Aquatics GO Bond - Activity budget equals: \$575,385

Refinanced in 2012. Originally issued in 2004 to construct the new aquatics facilities that were located at McCormick Park and Playfair Park as well as 4 splash decks around the city. Interest rate varies from 1.5% to 2.25%.

## FINANCIAL SUMMARY

### 2013A Aquatics Refunding Bond

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	—	—	—	—	—
Debt Service	593,785	591,848	595,648	575,385	(16,463)	-3%
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 593,785</b>	<b>\$ 591,848</b>	<b>\$ 595,648</b>	<b>\$ 575,385</b>	<b>\$ (16,463)</b>	<b>-3%</b>

\* Un-audited numbers

#### 2013 GO Refunding Bond - Activity budget equals: \$426,342

Issued in 2013 to provide funds for refunding on July 1, 2013 the City's outstanding General Obligation Bonds, Series 2006 and Series 2007. The interest rate varies from 1.5% to 2.25%.

## FINANCIAL SUMMARY

### 2013A Refunding Bond

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	—	21	—	—	—
Debt Service	547,130	546,780	547,130	426,342	(120,438)	-22%
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 547,130</b>	<b>\$ 546,780</b>	<b>\$ 547,151</b>	<b>\$ 426,342</b>	<b>\$ (120,438)</b>	<b>-22%</b>

\* Un-audited numbers

### Activities & Objectives

#### Special improvement District (SID) Debt

##### Special Assessment Debt with Government Commitment

Property owners are assessed for principal and interest to repay special assessment bonds. If sufficient funds are not received, loans are made from the SID Revolving fund. This fund is financed by fees paid by each new SID, by cash transferred from the general fund if needed and by any surplus remaining in completed SID's. The cash balance in the Revolving Fund must equal at least 5% of the principal amount of debt outstanding. If the cash balance is less than 5%, a levy is required to bring the cash balance to the required minimum.

**TOTAL FUND EXPENDITURES = \$1,754,414**

### FINANCIAL SUMMARY

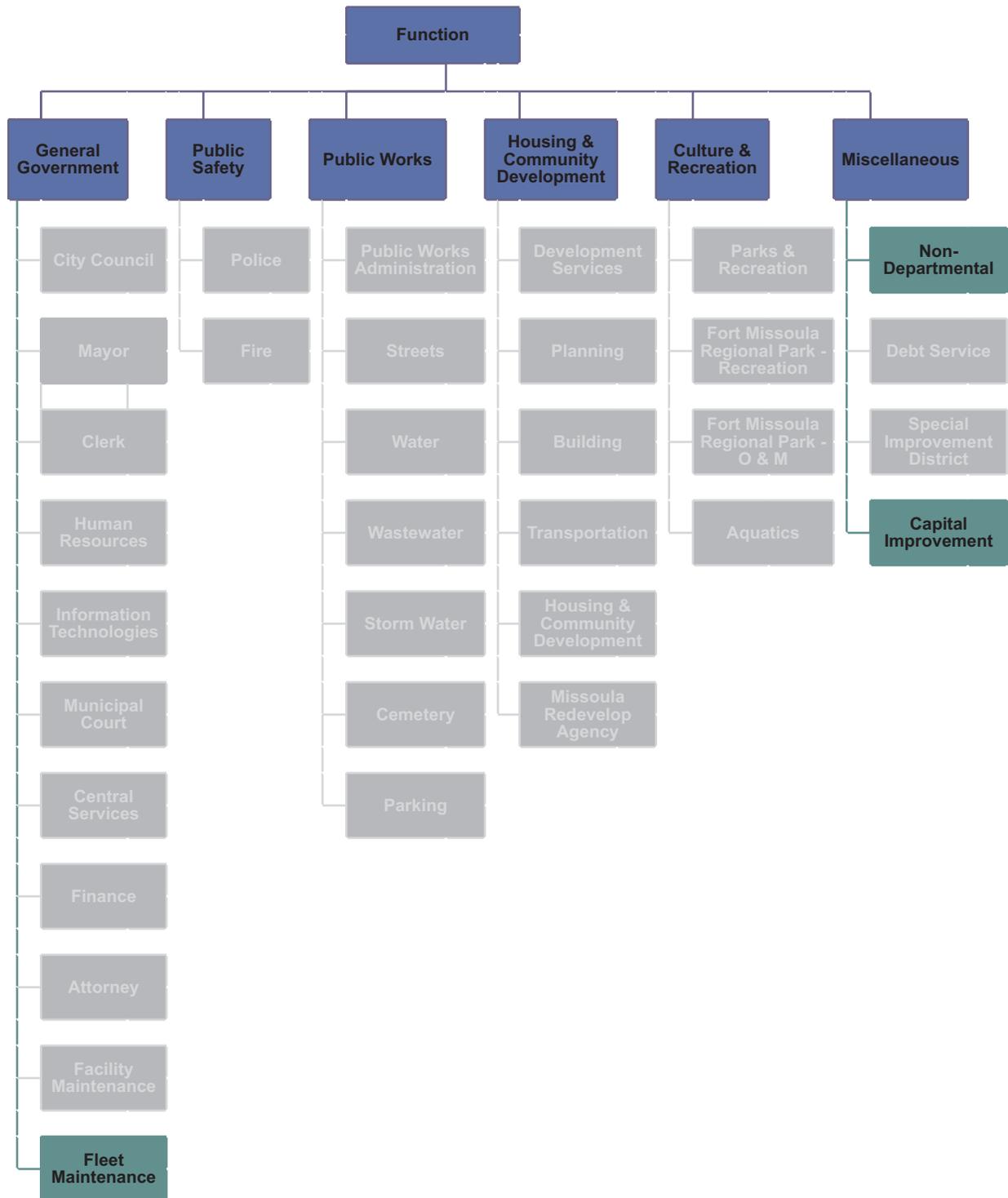
Special Improvement District Debt 3100-3550

Budget by Object of Expenditure Category	Actual FY 2015	Amended FY 2016	Actual FY 2016*	Adopted FY 2017	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	—
Supplies	—	—	—	—	—	—
Purchased Services	350	—	—	—	—	—
Miscellaneous	3,772	2,100	150	—	(2,100)	-100%
Debt Service	1,942,597	1,524,875	1,549,640	1,754,414	229,539	15%
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ 1,946,719</b>	<b>\$ 1,526,975</b>	<b>\$ 1,549,790</b>	<b>\$ 1,754,414</b>	<b>\$ 227,439</b>	<b>15%</b>

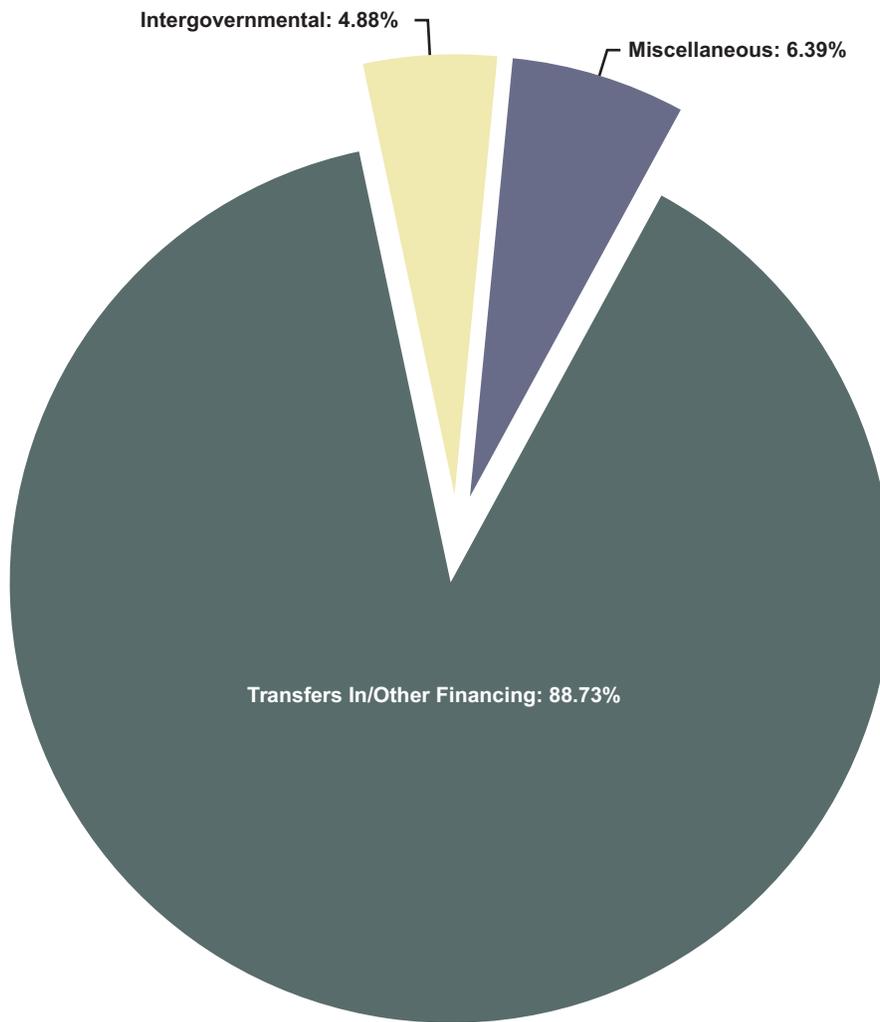
\* Un-audited numbers

# CAPITAL PROJECTS FUNDS

Capital Projects Funds include the funds for the Capital Improvement Program and Capital Budget Funds. The Capital Improvement Program and Capital Budget projects the City's need for capital equipment and infrastructure needs for a set number of years and is updated annually. The first year of the adopted Capital Improvement Program becomes the Annual Capital Budget. Following is a diagram that identifies the specific departments that are contained within the Capital Projects Funds. Departments highlighted in green are included in this section.

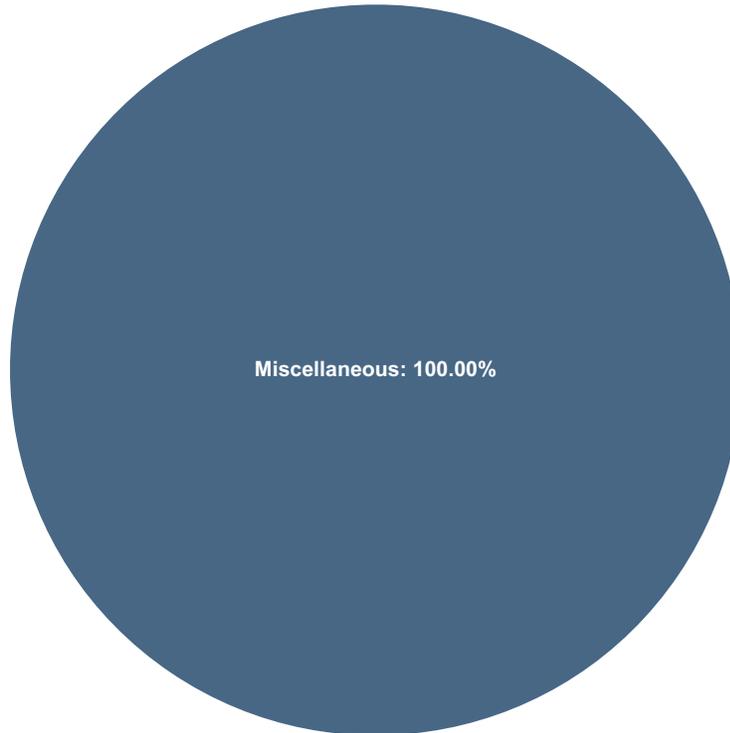


**FY 2019 Budgeted Capital Project Fund Revenues by Category**



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Intergovernmental	355,631	30,115	260,000	229,885
Miscellaneous	463,101	134,597	340,000	205,403
Transfers In/Other Financing	7,488,995	8,741,479	4,724,394	(4,017,085)
<b>Total Sources</b>	<b>\$ 8,307,727</b>	<b>\$ 8,906,191</b>	<b>\$ 5,324,394</b>	<b>\$ (3,581,797)</b>

## FY 2019 Budgeted Capital Fund Expenditures by Function



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
General Government	\$ 366,825	\$ —	\$ —	\$ —
Public Safety	3,045,500	36,456	—	(36,456)
Public Works	1,516,679	97,596	—	(97,596)
Housing & Community Development	1,329,084	—	—	—
Miscellaneous	4,791,331	5,937,527	1,401,503	(4,536,024)
<b>Total Uses</b>	<b>\$ 11,049,419</b>	<b>\$ 6,071,579</b>	<b>\$ 1,401,503</b>	<b>\$ (4,670,076)</b>

### Program Description

The Capital Improvement Program is a five-year planning program designed to guide decisions concerning capital expenditures. The first year of the plan is the current year's capital budget.

This fund accounts for the City's major capital projects, except those that are funded within special funds such as Sewer R&D, the Missoula Redevelopment Agency, or Community Development Block Grants.

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### Activities & Objectives

The following descriptions are bond payments for completed projects. Revenues for the payments are transferred in from the General Fund. For additional information on active projects, please see the FY 2019-2024 Capital Improvement Program projects document.

**2016A Shop Remodel - Refunding - Debt payment equals \$371,000**

This request is to handle the debt service for the expansion of the City Shop buildings to meet the demands of space needs for expanding City departments.

**2010A White Pine - Refunding Bond - Debt payment equals \$133,750**

This request is to handle the debt service for the expansion of the City Shops and creation of White Pine Park on Scott Street. In addition, the proceeds handled the cleanup of the White Pine sash site from industrial contamination.

**2010C Energy Performance - Debt payment equals \$83,163**

This request is handle the debt service for the Johnson Control Energy Savings contract.

**Internally Financed Equipment - Prior Years - Debt payment equals \$103,113**

This is internal financing payment for prior year heavy equipment replacement.

**Core Vehicle and Equipment Replacement - Lease - Debt payment equals \$1,043,560**

This request will handle the lease debt service entered annually for the replacement of core vehicles and equipment for various City departments.

**Total Fund Expenditures \$1,401,503**

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### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	\$ —	—
Purchased Services	84,447.66	—	80,991	—	\$ —	—
Miscellaneous	17,797.56	—	6,603	—	\$ —	—
Debt Service	2,250,656	1,401,503	1,386,228	1,401,503	\$ —	0 %
Capital Outlay	11,866,642.38	263,500	3,960,391	—	\$ (263,500)	-100 %
<b>Total</b>	<b>\$ 14,219,543.6</b>	<b>\$ 1,665,003</b>	<b>\$ 5,434,213</b>	<b>\$ 1,401,503</b>	<b>\$ (263,500)</b>	<b>-16 %</b>

\* Un-audited numbers

### Program Description

This fund is set up for the City to acquire open space land and conversation easements.

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### Activities & Objectives

The debt was issued in two series, one for \$3.5 million and one for \$1.5 million. The remaining bond sale of \$1,500,000 has been used to acquire open space parcels such as the front and back side of Mt. Sentinel, riparian corridors along the Clark Fork River, and a small pocket park in the River Road area and pay associated costs as determined by the Open Space Advisory Committee and the City Council. In FY 2009, \$200,000 was transferred as City match for the Bicycle Commuter Network projects. The remaining balance is targeted for purchasing parkland in neighborhoods with a low Level of Service in regards to parkland, such as the Franklin to the Fort neighborhood. All funds have been expended at this time.

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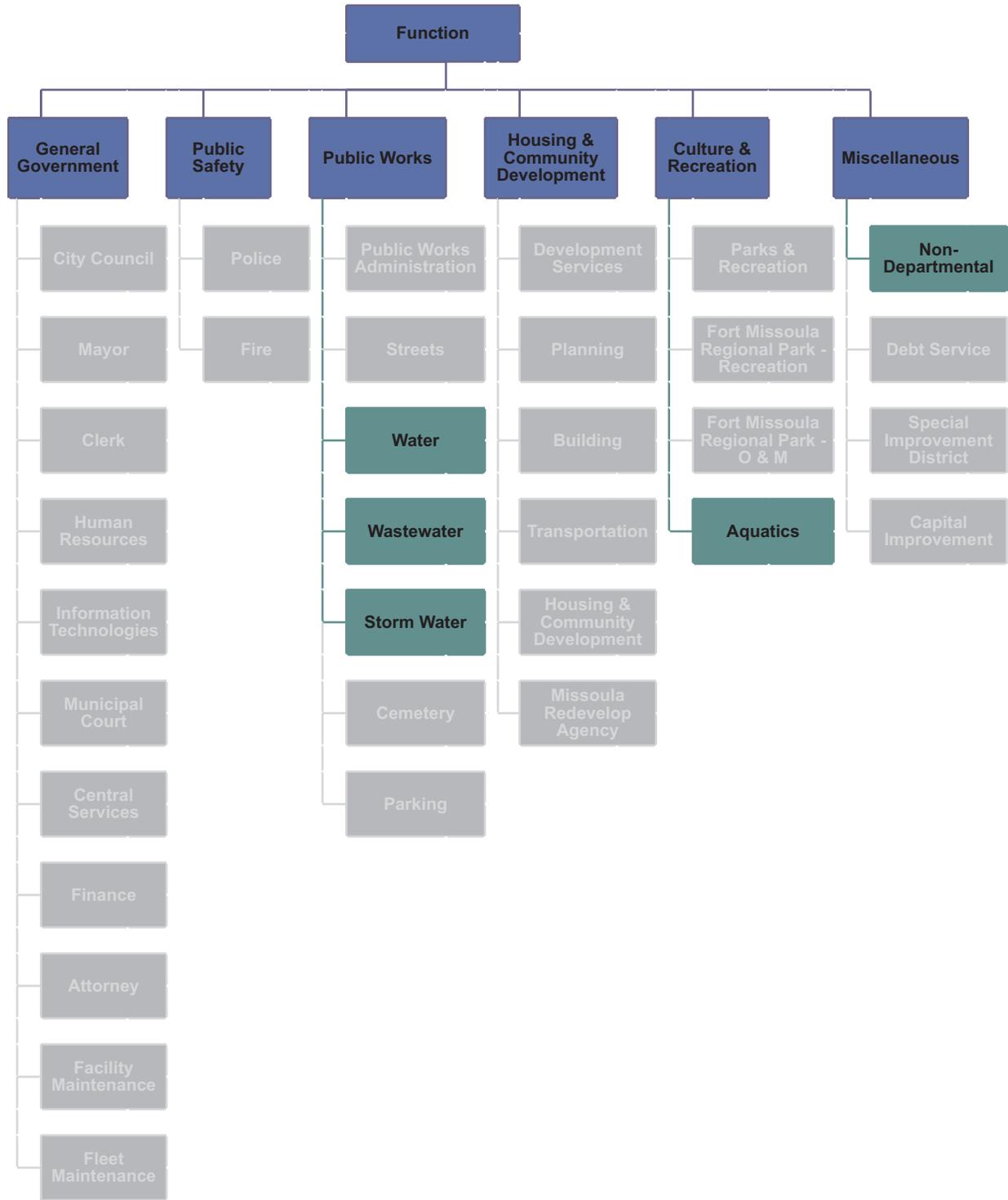
### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	—	—	—	—
Miscellaneous	—	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	389,534	—	—	—	—	—
<b>Total</b>	<b>\$ 389,534</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>—</b>

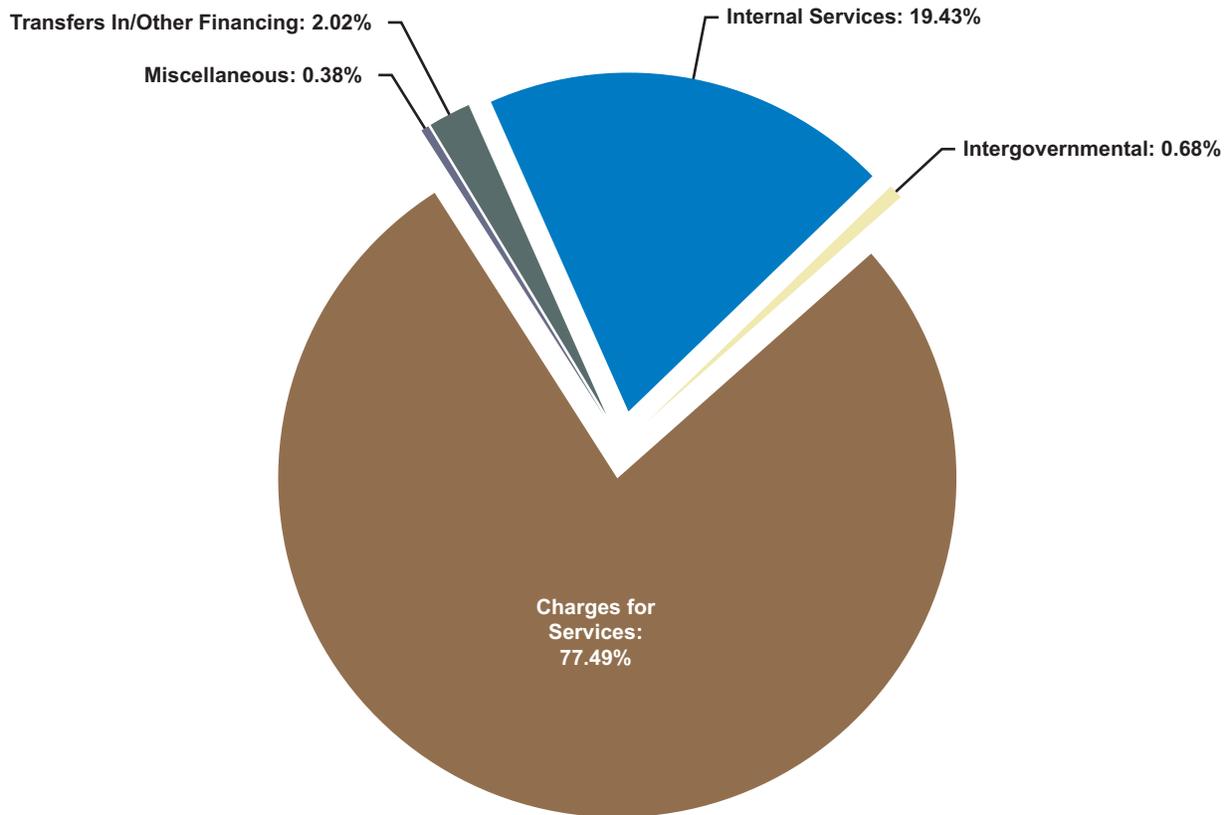
\* Un-audited numbers

# PROPRIETARY FUNDS

Proprietary funds are business-like funds that include Enterprise funds and Internal Service Funds. Following is a diagram that identifies the specific departments that are contained within the Proprietary Funds. Enterprise funds provide goods or services to the general public for a fee. Internal service funds account for goods and services provided by one department or agency to another department or agency of the governmental unit (or to other governmental units) on a cost-reimbursement basis. Departments highlighted in green are included in this section.

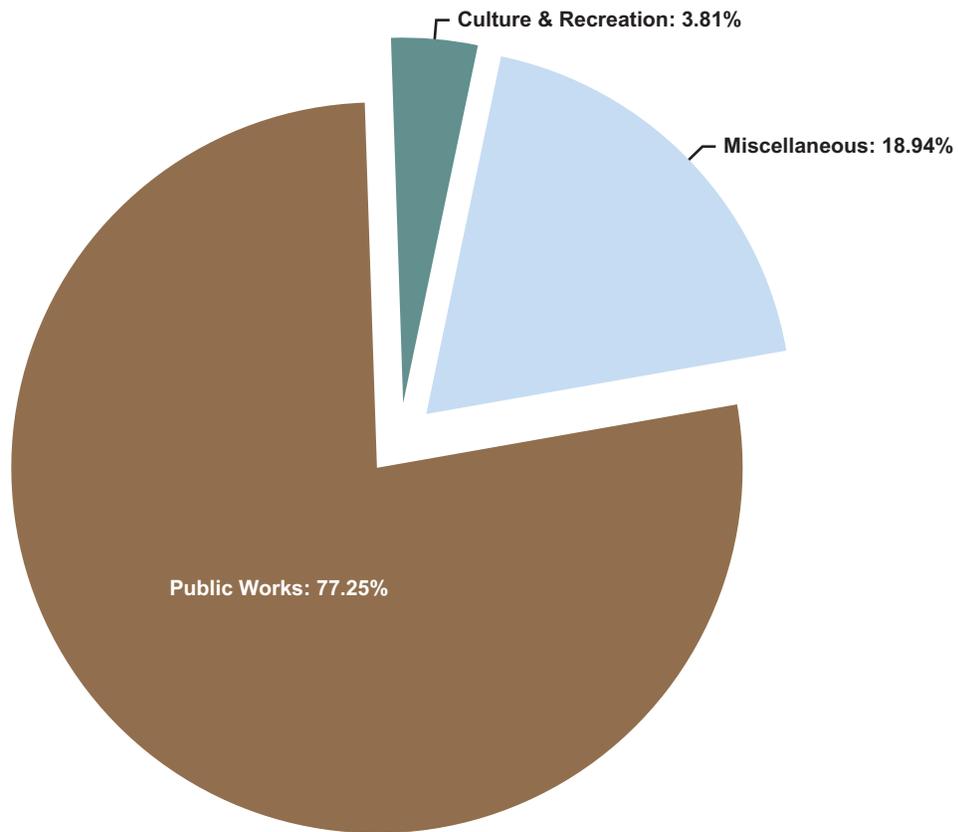


### FY 2019 Budgeted Proprietary Fund Revenues by Category



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Licenses & Permits	1,046	1,633	—	(1,633)
Intergovernmental	39,217	309,236	263,473	(45,763)
Charges for Services	10,535,246	29,423,048	29,852,297	429,249
Miscellaneous	326,372	173,593	147,000	(26,593)
Transfers In/Other Financing	2,447,752	4,562,982	778,133	(3,784,849)
Internal Services	5,322,681	6,057,812	7,484,805	1,426,993
<b>Total Sources</b>	<b>\$ 18,672,314</b>	<b>\$ 40,528,304</b>	<b>\$ 38,525,708</b>	<b>\$ (2,002,596)</b>

### FY 2019 Budgeted Proprietary Expenditures by Function



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Public Works	10,126,218	26,142,135	31,086,195	4,944,060
Culture & Recreation	—	—	1,533,355	1,533,355
Housing & Community Development	2,175,129	1,983,108	—	(1,983,108)
Miscellaneous	6,672,838	7,749,722	7,623,477	(126,245)
<b>Total Uses</b>	<b>\$ 18,974,185</b>	<b>\$ 35,874,965</b>	<b>\$ 40,243,027</b>	<b>\$ 4,368,062</b>

### 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.

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### Activities & 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.

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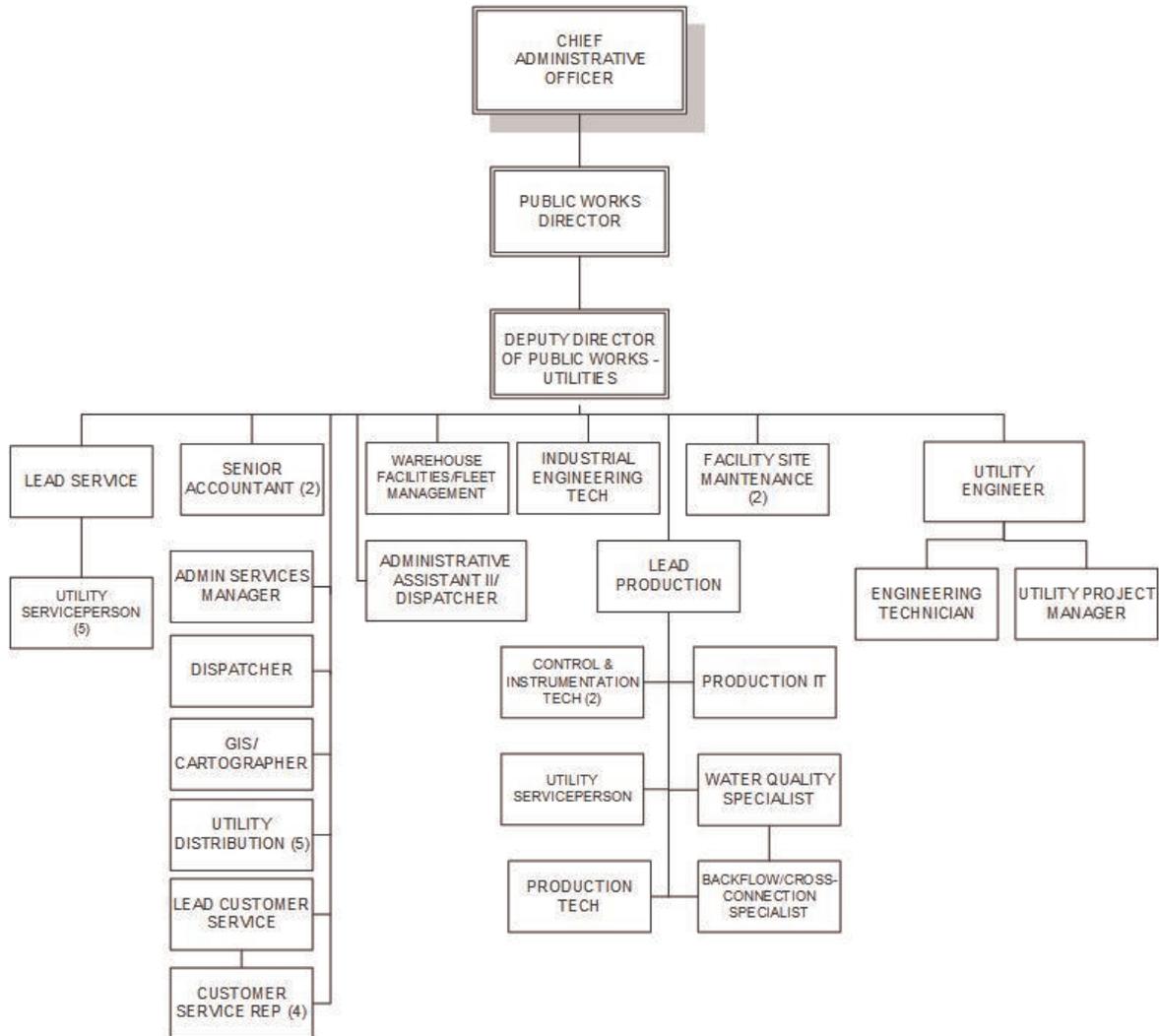
### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services		\$ —	\$ —	\$ —	—	
Supplies		—	—	—	—	
Purchased Services		—	—	—	—	
Miscellaneous	3,517	3,484	122,683	3,484	—	0%
Debt Service	195,868	116,516	75,006	116,516	—	0%
Capital Outlay		—	—	—	—	
<b>Total</b>	<b>\$ 199,385</b>	<b>\$ 120,000</b>	<b>\$ 197,689</b>	<b>\$ 120,000</b>	<b>\$ —</b>	<b>0%</b>

\* Un-audited numbers



# Public Works Water Utility



### 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.

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

**Goal: Fiscal Sustainability**

- Strategy: We will maintain or improve the level of service to citizens.
  - We will Continue to maintain and improve the level of service, while being fiscally responsible

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### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 626,330.55	\$ 4,099,202	\$ 6,023,351	\$ 3,789,473	\$ (309,729)	-8 %
Supplies	10,500.26	341,760	465,265	451,760	110,000	32 %
Purchased Services	3,960,694.48	2,342,415	4,199,134	2,600,615	258,200	11 %
Miscellaneous	84,417.94	1,786,207	4,991,494	3,726,109	1,939,902	109 %
Debt Service	—	4,481,960	3,878,652	4,442,404	(39,556)	-1 %
Capital Outlay	49,462.44	6,585,000	367,969	5,265,000	(1,320,000)	-20 %
<b>Total</b>	<b>\$ 4,731,405.67</b>	<b>\$ 19,636,544</b>	<b>\$ 19,925,865</b>	<b>\$ 20,275,361</b>	<b>\$ 638,817</b>	<b>3 %</b>

\* Un-audited numbers

<b>STAFFING SUMMARY</b>				
Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Superintendent		1.00	1.00	1.00
Administrative Assistant I/ Dispatch			1.00	1.00
Backflow Cross Connect Technician			1.00	1.00
Business Administration Manager			1.00	1.00
Cartographer GIS Coordinator			1.00	1.00
Utility Engineer			1.00	1.00
Control & Instrumentation Technicians		1.00	3.00	3.00
Customer Service Representatives			5.00	4.00
Dispatcher			1.00	1.00
Utility Project manager			1.00	1.00
Engineering Technician I			1.00	1.00
Lead Control & Instrumentation tech			1.00	1.00
Generator Utility Service Person 3			1.00	1.00
Industrial Engineer Assistant 2/Safety Technician		1.00	1.00	1.00
Production Technician 3			1.00	1.00
Lead Utility Service person			1.00	1.00
Senior Accountants		1.00	1.00	1.00
Lead Utility Distribution person			1.00	1.00
Utility Service Persons		3.00	11.00	13.00
Warehouse Facilities/Fleet Maintenance		1.00	1.00	1.00
Water Quality Technician			1.00	1.00
Lead Customer service person			1.00	1.00
Customer Service / Billing Manager			1.00	1.00
Maintenance worker/Seasonal worker			2.00	2.00
Deputy Public Works Director Utilities				1.00
<b>Total</b>	<b>—</b>	<b>8.00</b>	<b>41.00</b>	<b>43.00</b>

### 2018 Budget Highlights

- Improved system reliability
- Made Capital improvements to the system

### Performance Measures & Workload Indicators

#### Performance Measures

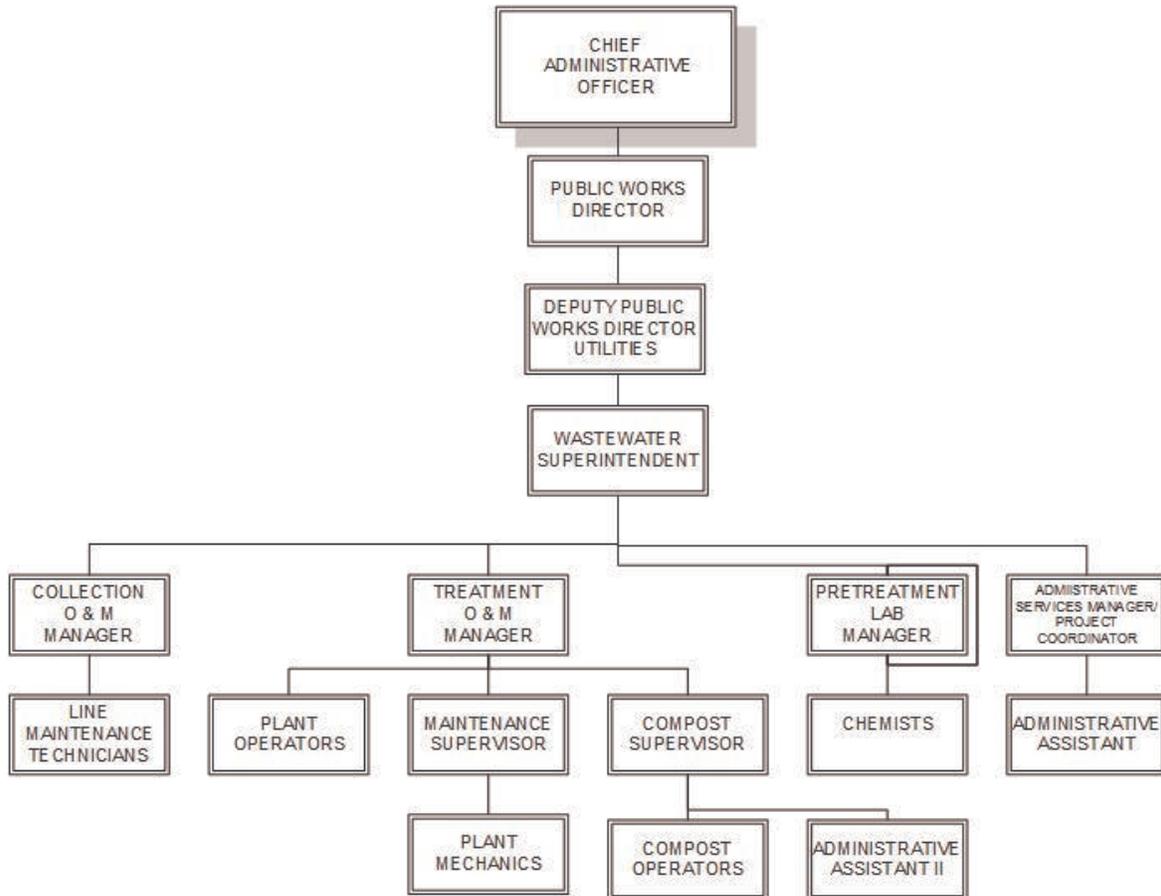
Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Continue to meet or exceed industry safety standards			100%	100%
Continue scheduled maintenance on the water system and maintain a reliable system.			100%	100%
Continue to meet or exceed industry standards in water quality.			100%	100%
Continue to meet or exceed industry standards in Customer service.			100%	100%

Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Maintain the insurance Mod factor below industry's minimum			100%	100%
Decrease system leakage			5%	10%
Continue to be a leader in system sampling and source water			100%	100%
Answer Customer calls within 20 sec.			98%	100%



# Public Works Wastewater/Compost Utility



## Program Description

The Wastewater Utility is responsible for the collection and treatment of domestic and industrial wastewater generated in the Missoula sewer 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.

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We will maintain or 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.
  - 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.
  - Maintain the gravity and STEP sewer system by cleaning and video inspecting on an annual basis. This includes cleaning every sewer main within a two year period and video inspecting every main within a 10 year period, on an ongoing basis, while maintaining residential STEP systems at least once every 17 years.
- 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 facility 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.
  - Replace aging roofs on Solids Handling Building and Boiler Room to protect and maintain current infrastructure.

### Goal: 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 an upgraded irrigation pump 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 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 2,068,534	\$ 2,344,260	\$ 2,488,494	\$ 2,588,217	\$ 243,957	10%
Supplies	770,219	902,620	800,269	877,620	(25,000)	-3%
Purchased Services	1,567,841	2,381,756	1,864,623	2,323,756	(58,000)	-2%
Miscellaneous	1,375,398	1,466,074	4,509,406	1,521,682	55,608	4%
Debt Service	31,803	2,744,309	829,441	2,540,564	(203,745)	-7%
Capital Outlay	43,815	1,694,223	144,862	—	(1,694,223)	-100%
<b>Total</b>	<b>\$ 5,857,610</b>	<b>\$ 11,533,242</b>	<b>\$ 10,637,095</b>	<b>\$ 9,851,839</b>	<b>\$ (1,681,403)</b>	<b>-15%</b>

\* Un-audited numbers

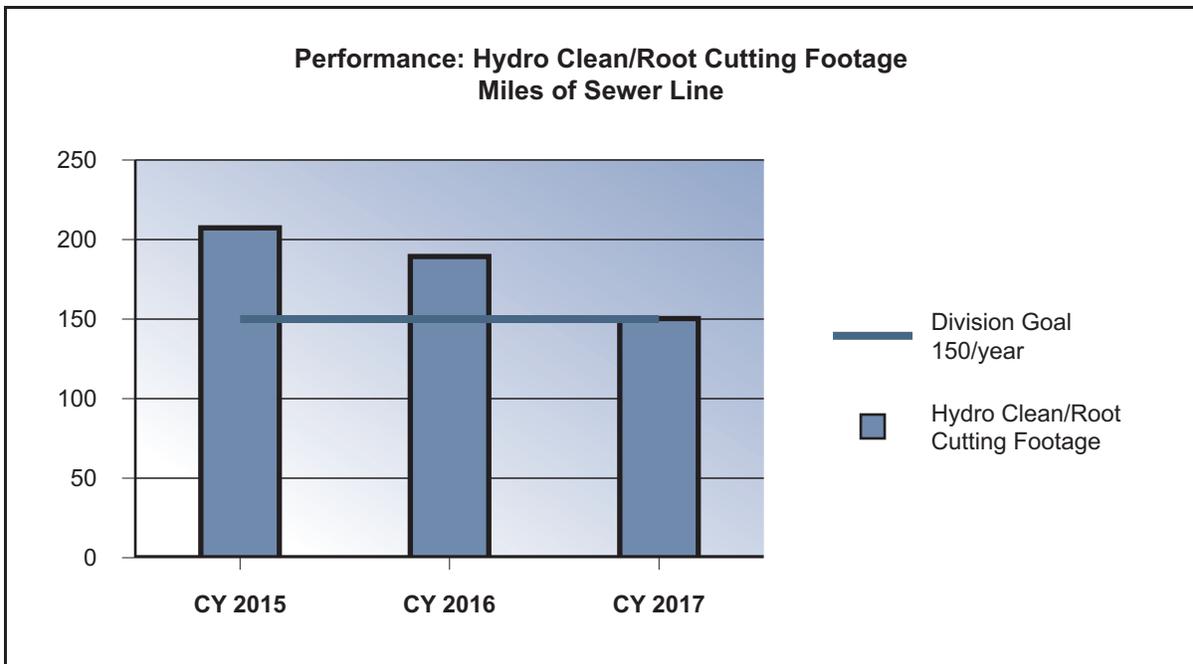
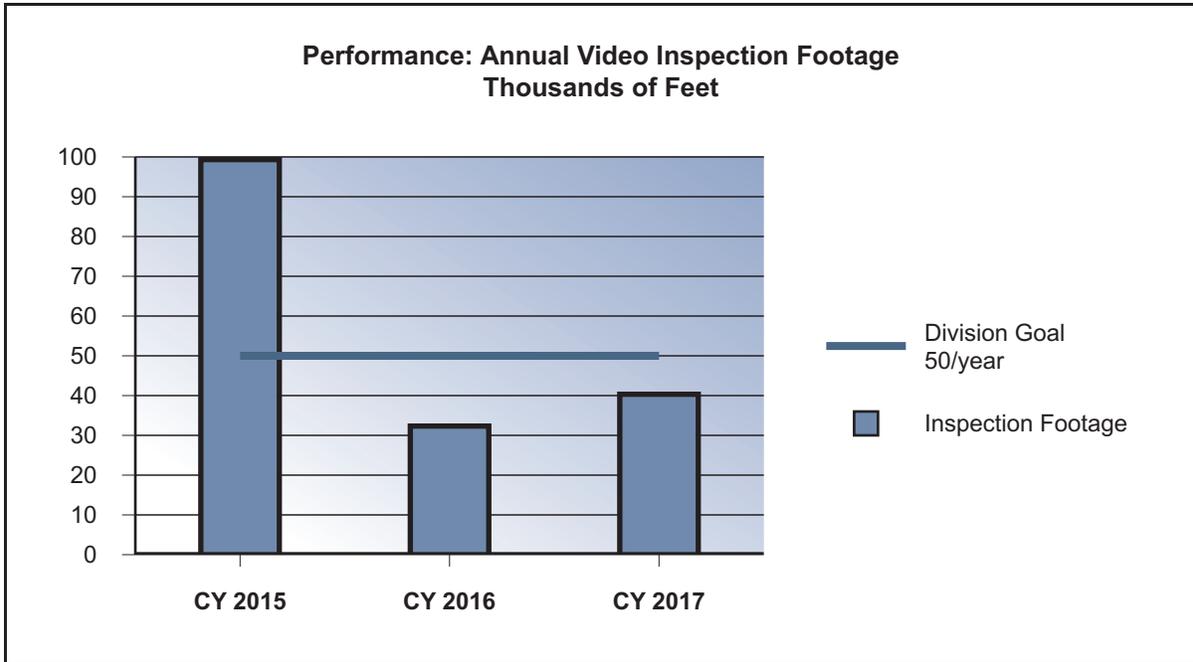
**STAFFING SUMMARY**

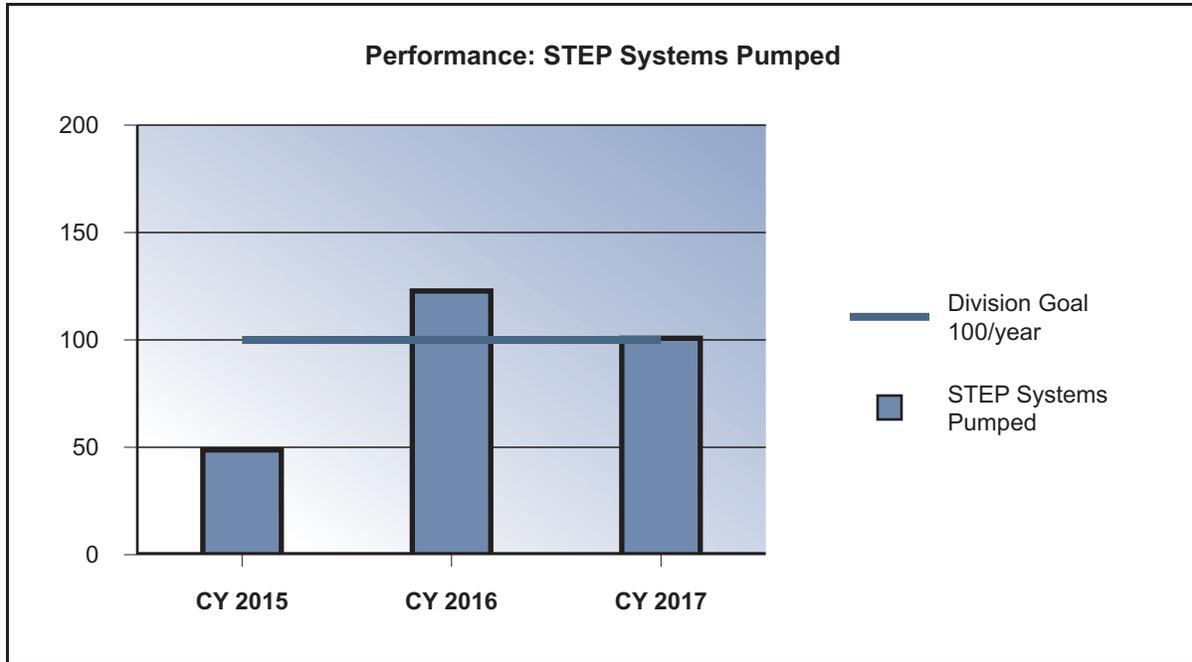
Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
WASTEWATER SUPERINTENDENT	1.00	1.00	1.00	1.00
COLLECTION & MAINTENANCE MANAGER	1.00	1.00	1.00	1.00
WASTEWATER PLANT MANAGER	1.00	1.00	1.00	1.00
PRE-TREATMENT LAB MANAGER	1.00	1.00	1.00	1.00
CHEMIST	2.00	2.00	3.00	3.00
PLANT MAINTENANCE SUPERVISOR	1.00	1.00	1.00	1.00
MECHANIC/OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	5.00	5.00	5.00	5.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	8.00	8.00	8.00	8.00
ADMINISTRATIVE SERVICES MANAGER	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	1.50	1.50	2.50	2.50
INTERMITTENT LABORERS/INTERN	0.50	0.50	0.50	0.50
COMPOST FACILITY SUPERVISOR	—	—	1.00	1.00
COMPOST OPERATOR	—	—	4.00	4.00
GREENWASTE INSPECTOR	—	—	1.66	1.66
<b>Total</b>	<b>24.00</b>	<b>24.00</b>	<b>32.66</b>	<b>32.66</b>

**2018 Budget Highlights**

Staffing increase of one Lab Chemist to ensure all lab testing is completed and compliant with DEQ requirements.  
 Staffing increase of an Administrative Assistant for Garden City Compost in order to better serve the customers.

Purchased upgraded variable speed drives for main influent pumps at the wastewater facility. This increases reliability and allows remote fault clearing.





**Performance Measures & Workload Indicators**

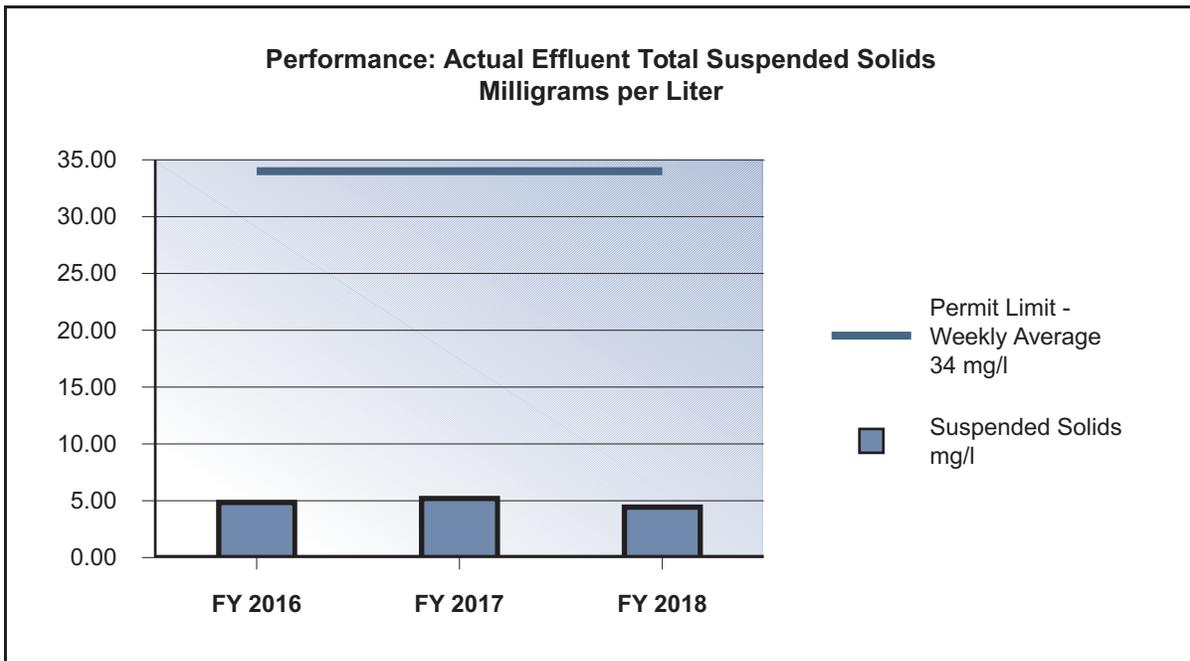
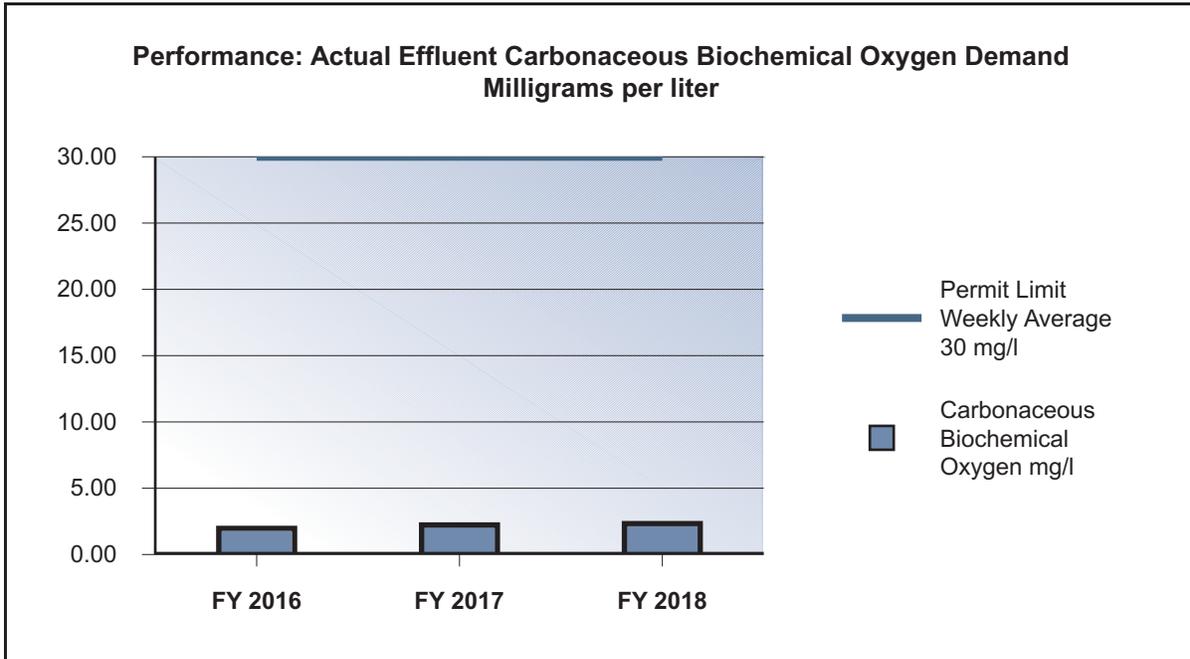
**Performance Measures**

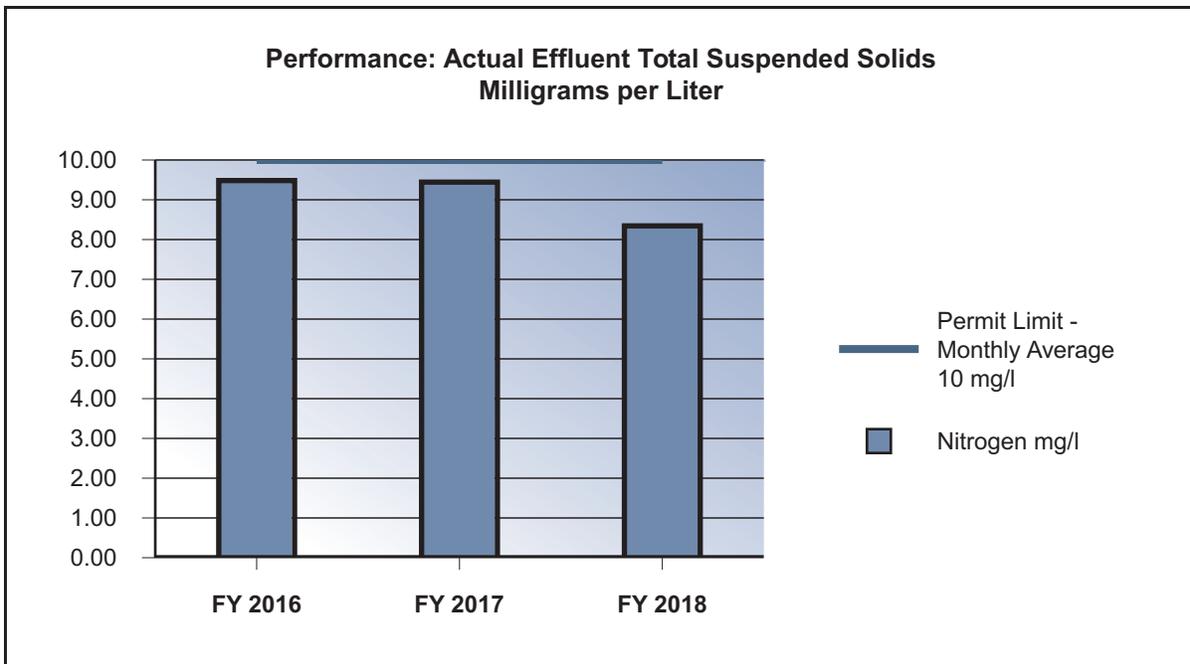
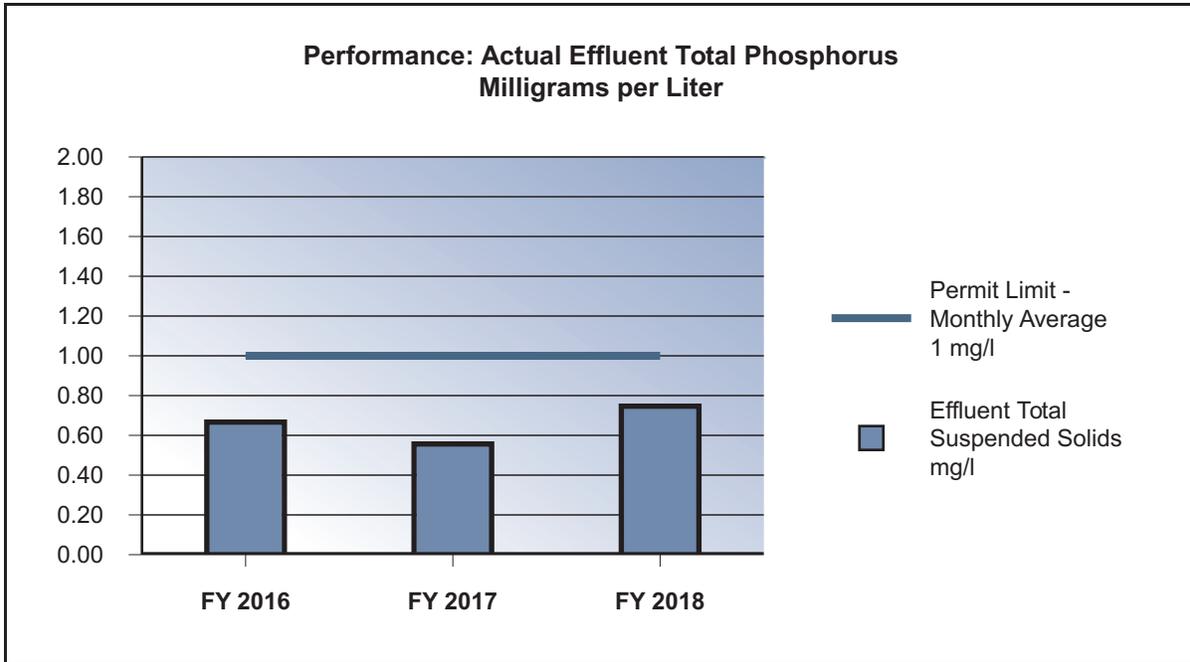
Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Continue scheduled maintenance on the collection system to prevent sanitary sewer over-flows, sewer back-ups and identify and repair sewer lines.	100%	100%	100%	100%
Continue to exceed MPDES permit requirements for discharge into the 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%
Continue to operate a certified laboratory. Continue 100% compliance with Significant Industrial User (SIU) inspections.	100%	100%	100%	100%

**Workload Indicators**

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Annual sewer main hydro-cleaning/root cutting (feet)	1,103,520	1,008,480	802,244	800,000
Annual sewer main video inspection (feet)	100,320	32,505	40,340	50,000
Annual STEP tanks pumped	50	124	102	100
Treated plant effluent cBOD and TSS	5 mg/l	5.4 mg/l	4.7 mg/l	<5 mg/l
Treated plant effluent phosphorus	.68 mg/l	.57 mg/l	.76 mg/l	<1 mg/l
Treated plant effluent nitrogen	9.5 mg/l	9.5 mg/l	8.4 mg/l	<10 mg/l
Laboratory QA/QC certification	Pass	Pass	Pass	Pass
15 Annual Significant Industrial User (SIU) inspections	15	15	15	15

**Wastewater Treatment Performance Measures**





**Pretreatment/ Laboratory Performance Measures**

Year	Laboratory QA/QC	15 Annual SIU Inspections
FY 2016	Passed all	100%
FY 2017	Passed all	100%
FY 2018	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 & Objectives

The City Wastewater 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 Wastewater 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 wastewater 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 - \$15,000**

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	18,285	—	—	—
Miscellaneous	—	—	—	15,000	15,000	—
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>18,285</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	

\* 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 & 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.

The expenditures for FY 2019 are as follows:

- Main Replace - \$50,000
- Main Extension - \$0
- Interceptor/STEP Tanks - \$490,000

**TOTAL FUND EXPENDITURES - \$540,000**

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services		\$ —	\$ —	\$ —	—	—
Supplies		—	—	—	—	—
Purchased Services	35,064.88	—	—	—	—	—
Miscellaneous	64,621	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Capital Outlay	21,662.5	—	—	540,000	540,000	
<b>Total</b>	<b>\$ 121,348.38</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 540,000</b>	<b>\$ 540,000</b>	

\* Un-audited numbers

## 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 and levee system serving the City of Missoula. This includes but is not limited to pollution prevention efforts for storm water discharges to Missoula water bodies (aquifer, creeks, streams and rivers), provide for storm water public education and outreach programs, 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:

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

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## City Strategic Plan & Department's Implementation Strategy

### Goal: Fiscal Sustainability

- Strategy: We 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 and infrastructure inventory.
- Strategy: We 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.
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - The Storm Water Utility, as required by the MTDEQ MS4 Permit, works with the public in several ways via the storm water public education and outreach programs.

### Goal: 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.
  - 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.

- Strategy: We will work to provide citizens access to parks, open spaces and the natural environment.
  - Improve storm water pretreatment availability and performance to protect state waters.
  - Participate with Parks and Recreation in the development and maintenance of certain storm water infrastructure located within and / or adjacent to park facilities.

**Goal: 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.
  - The Storm Water Utility will work to develop storm water infrastructure with Low Impact Design (LID) and development.

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ 216,317	\$ 192,872	\$ 258,472	\$ 42,155	19 %
Supplies	—	34,546	5,061	34,546	—	0 %
Purchased Services	—	27,563	16,048	27,563	—	0 %
Miscellaneous	—	26,988	23,007	3,144	(23,844)	-88 %
Debt Service	—	53,772	270	53,772	—	0 %
Capital Outlay	—	46,498	117,398	26,498	(20,000)	-43 %
<b>Total</b>	<b>\$ —</b>	<b>\$ 405,684</b>	<b>\$ 354,656</b>	<b>\$ 403,995</b>	<b>\$ (1,689)</b>	<b>0 %</b>

\* Un-audited numbers

**STAFFING SUMMARY**

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
SUPERINTENDENT		1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT II (prior IV)		1.00	1.00	1.00
UTILITY MAINTENANCE TECHNICIAN			2.00	2.00
REGULATORY COMPLIANCE SPECIALIST				1.00
<b>Total</b>	<b>—</b>	<b>2.00</b>	<b>4.00</b>	<b>5.00</b>

**2018 Budget Highlights**

The Storm Water utility will strive to respond to most storm water service calls within 24-hours.

Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
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%	100%
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%	100%
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%	100%

Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Perform maintenance on storm water inlets / sumps		90	82	75
Perform maintenance on storm water pipe mains		26	27	25
Perform dry weather storm water inspections		10	8	25
Perform biannual wet weather storm water inspections and sampling		4	6	8
Meet quarterly with Storm Water Management Team		2	4	4
Continually update storm water website at least quarterly		1	4	6

## 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.

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

**Goal: Fiscal Sustainability**

- Strategy: We will maintain or improve the level of service to citizens.
  - We will continue cooperate with Missoula Aquatic Club to provide access to private rental of the 50m pool for Swim Team practice.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - We continue to seek additional opportunities to expand facility access to the 18-27 year old population base.

**Goal: 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; install a Variable Frequency Drive on the Currents Slide Pump motor, research the feasibility of utilizing a pool blanket on the Pond at Splash to reduce heating and evaporation related costs.

**Goal: 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, utilize unique programming to draw people to swimming who may not have it as part of their normal day to day behavior.
  - 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.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 768,933.56	\$ 771,813	\$ 878,922	\$ 924,404	\$ 152,591	20 %
Supplies	235,906.78	213,500	184,689	213,500	—	0 %
Purchased Services	275,496.45	343,057	284,796	343,057	—	0 %
Miscellaneous	28,881.46	16,647	21,412	17,394	747	4 %
Debt Service	—	—	—	—	—	
Capital Outlay	—	35,000	—	35,000	—	0 %
<b>Total</b>	<b>\$ 1,309,218.25</b>	<b>\$ 1,380,017</b>	<b>\$ 1,369,819</b>	<b>\$ 1,533,355</b>	<b>\$ 153,338</b>	<b>11 %</b>

\* Un-audited numbers

<b>STAFFING SUMMARY</b>				
<b>Title</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
<b>AQUATICS STAFF</b>				
AQUATICS SUPERVISOR	1.00	1.00	1.00	1.00
RECREATION ADMIN SUPPORT	2.00	2.00	1.00	1.00
AQUATICS PROGRAM COORDINATOR	1.00	1.00	2.00	2.00
RECREATION SUPPORT SPECIALIST	—	0.75	0.75	0.75
FOOD AND BEVERAGE COORDINATOR	2.30	1.20	0.50	0.50
ATTENDANT I, CASHIER, CONCESSIONS ATTENDANT	12.90	2.50	1.95	1.11
CASHIERS, COOK I, ATTENDANT II	3.06	6.50	2.92	2.89
LIFE GUARDS, COOK II, ATTENDANT II	1.75	2.18	6.40	7.68
AQUATICS INSTRUCTORS	0.95	5.50	3.73	4.20
AQ LEADERS	0.49	0.50	2.83	4.26
SPECIALTY INSTRUCTORS	1.61		0.46	0.39
CONCESSION CAPTAINS	0.75	0.75	0.58	0.93
<b>Total</b>	<b>27.81</b>	<b>23.88</b>	<b>24.12</b>	<b>26.71</b>

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**2018 Budget Highlights**

None

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**Performance Measures & Workload Indicators**

**Performance Measures**

<b>Measure</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
Increase sale of punch card and drop in visits	\$ 504,071	\$ 518,417	\$ 525,722	\$ 627,000
Implement cyclic maintenance program at Splash and Currents to be funded through subsidy and reserve balance.	\$ 35,000	\$ 103,210	\$ —	\$ —
Increase Avg \$ per person spent after entry at Splash Montana	\$ 3.11	\$ 3.07	\$ 3.06	\$ 3.15

Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Number of daily admissions at Currents	48,608	47,535	43,087	52,000
Number of daily admissions at Splash	40,799	48,796	50,299	50,000
Number attending swim lessons at Currents	10,422	9,425	8,989	10,800
Number attending swim lessons at Splash	3,142	3,512	3,505	3,500
Total Attendance includes rentals and passes	172,353	168,130	173,708	190,000
Splash concessions revenue.	153,901	190,050	188,381	240,000

## 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.

## Activities & 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 FY2018 monthly premium for the health insurance paid on behalf of the City of \$830 per employee is increasing by 12% or \$96 per employee per month starting in October 2018 to \$926 per employee. The end of FY2018, the unaudited fund balance is \$(299,000) and the budgeted ending fund balance for FY2019 is anticipating an increase of \$501,000 (\$202,000).

## 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 FY2019, meeting the reserve requirement, is \$1.9 million. In order to continue to build fund balance the administration recommended that the City's funding of the health plan be increased by 12% (\$96.00) per employee beginning October 2018. In addition to the increase in the City's contribution, the employees are asked to increase an equivalent of 12% (\$27.00) per employee and \$137.00 per spouse/employee, when applicable, per month. 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 Benefit Plan Management and Gallagher Benefit Services, an insurance consultant company.

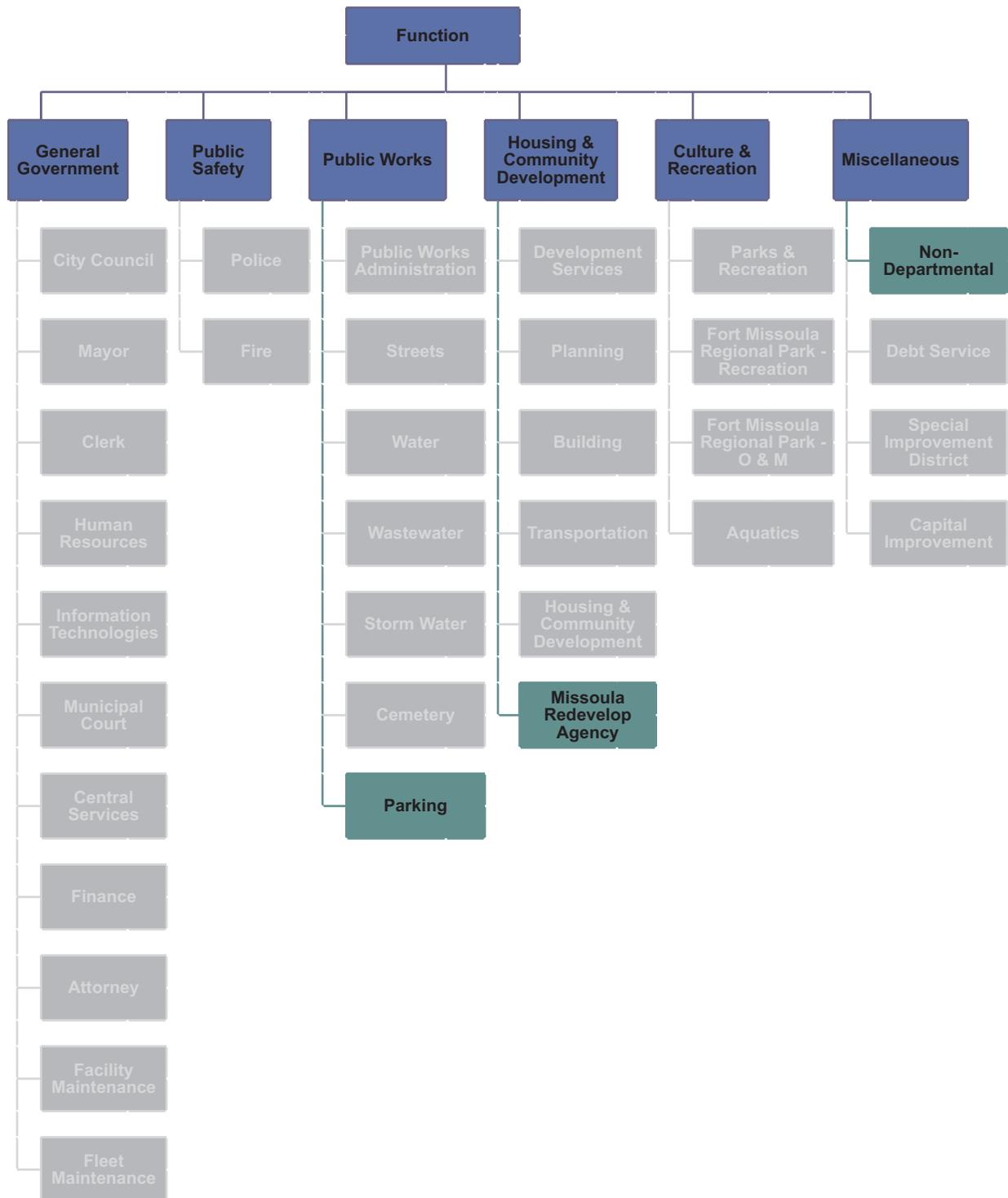
## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services		\$ —	\$ —	\$ —	—	
Supplies		—	—	—	—	
Purchased Services	6,015,399.51	7,503,477	7,655,764	7,503,477	—	0%
Miscellaneous		—	—	—	—	
Debt Service		—	—	—	—	
Capital Outlay		—	—	—	—	
<b>Total</b>	<b>\$ 6,015,399.51</b>	<b>\$ 7,503,477</b>	<b>\$ 7,655,764</b>	<b>\$ 7,503,477</b>	<b>\$ —</b>	<b>0%</b>

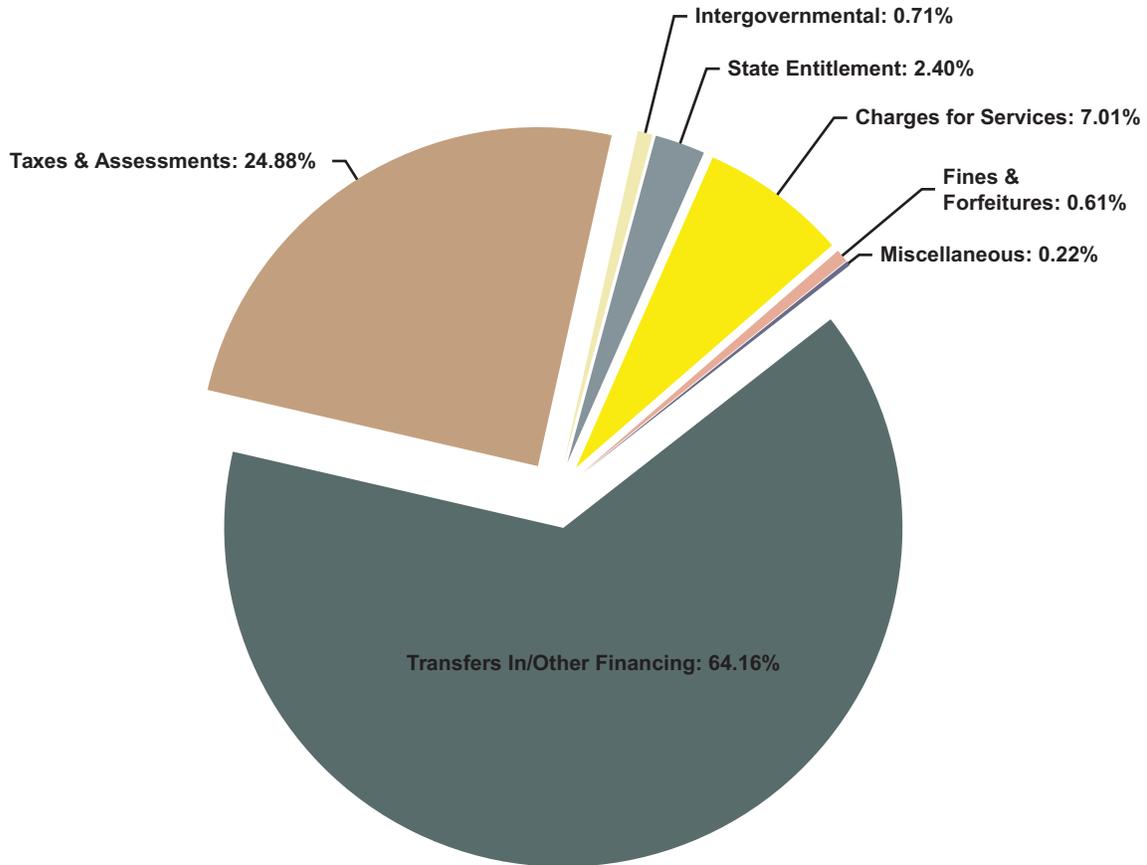
\* Un-audited numbers

## COMPONENT UNIT FUNDS

Component units are legally separate organizations for which the elected officials of the agency are financially accountable. In addition, component units can be other organizations of which the nature and significance of their relationship with the agency is such that exclusion of these organizations from the agency's financial statements would be misleading. Departments highlighted in green are included in this section.

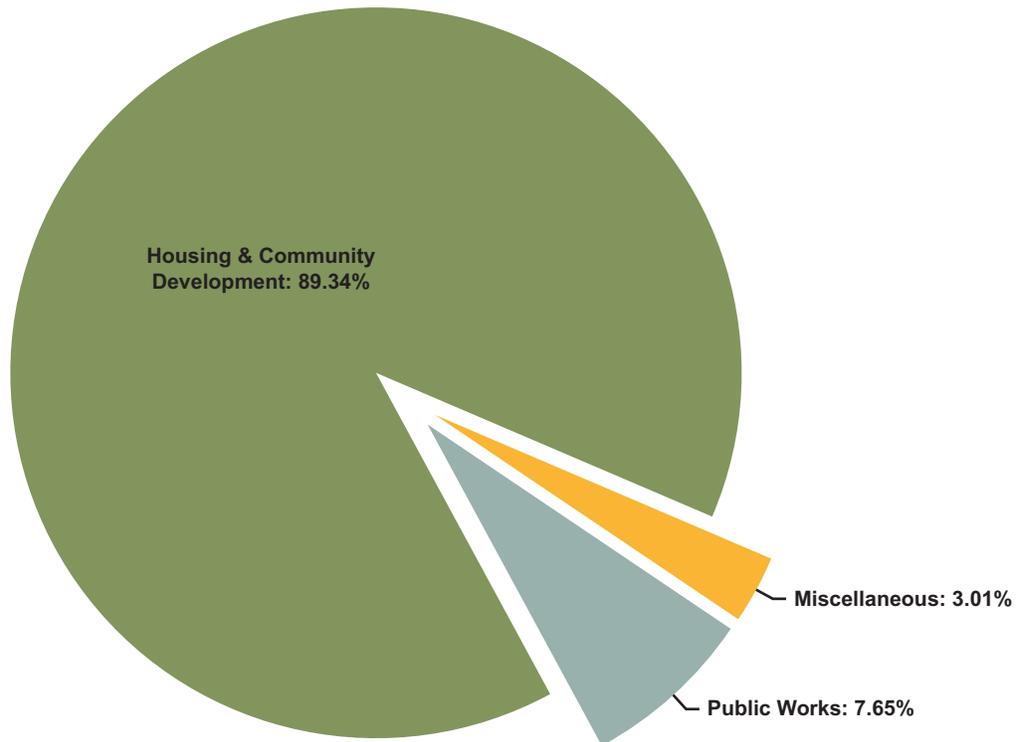


### FY 2019 Budgeted Component Unit Fund Revenue by Category



	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Taxes & Assessments	\$ 4,183,862	\$ 7,228,807	\$ 8,126,811	\$ 898,004
Intergovernmental	793,447	793,333	232,538	(560,795)
State Entitlement	783,731	783,732	783,732	—
Charges for Services	2,011,774	2,371,209	2,290,000	(81,209)
Fines & Forfeitures	222,438	252,410	200,000	(52,410)
Miscellaneous	50,283	1,138,756	72,405	(1,066,351)
Investment Earnings	—	134,137	—	(134,137)
Transfers In/Other Financing	14,499,772	7,209,081	20,959,074	13,749,993
<b>Total Sources</b>	<b>\$ 22,545,307</b>	<b>\$ 19,911,465</b>	<b>\$ 32,664,560</b>	<b>\$ 12,753,095</b>

### FY 2019 Budgeted Component Unit Fund Expenditures by Function

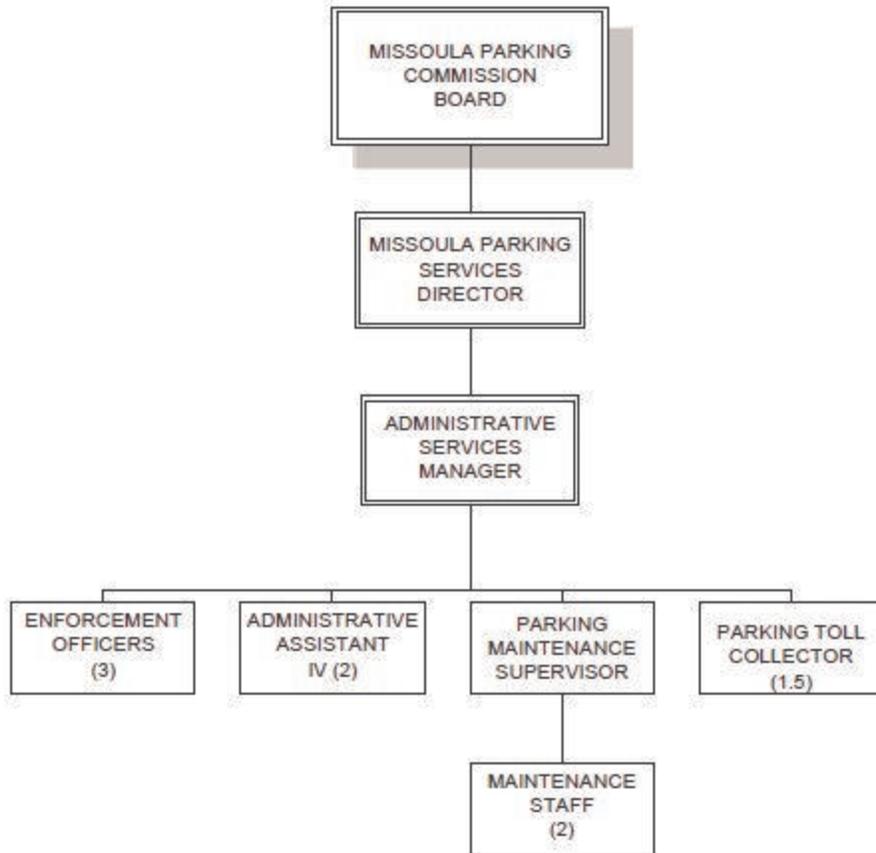


	Actual FY 2017	Actual FY 2018	Adopted FY 2019	Budget Increase (Decr)
Public Works	1,499,760	2,412,510	3,056,085	643,575
Culture & Recreation	12,639,489	4,265,464	—	(4,265,464)
Housing & Community Development	—	—	35,677,493	35,677,493
Miscellaneous	15,484,267	13,446,384	1,201,644	(12,244,740)
<b>Total Uses</b>	<b>\$ 29,623,516</b>	<b>\$ 20,124,358</b>	<b>\$ 39,935,222</b>	<b>\$ 19,810,864</b>



# Missoula Parking Commission

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## Program Description

The Missoula Parking Commission (MPC) works with government, businesses and citizens to provide and manage parking and parking alternatives. MPC identifies and responds to changing parking needs in the area for which it is responsible.

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Implementing gating equipment in the Student Housing Project and update all existing gating equipment.
  - Evaluating the parking impacts of upcoming Downtown construction and development on current parking availability. Improve the level of service to citizens by determining and evaluating additional available parking options for any displaced lease holders during times of construction.

#### Goal: 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.
    - Determine repairs that are needed, the costs associated with those repairs and develop a phased plan to bring the structures and lots to an acceptable state of repair.
- 

### Parking Commission (7370):

#### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 652,158.17	\$ 742,478	\$ 756,336	\$ 793,104	\$ 50,626	7%
Supplies	34,774.97	66,950	100,425	66,950	—	0%
Purchased Services	587,752.48	583,246	534,424	590,495	7,249	1%
Miscellaneous	1,098,122.48	631,376	553,557	637,369	5,993	1%
Debt Service	161,533.67	211,078	41,023	211,078	—	0%
Capital Outlay	47,450	—	405	—	—	
<b>Total</b>	<b>\$ 2,581,791.77</b>	<b>\$ 2,235,128</b>	<b>\$ 1,986,170</b>	<b>\$ 2,298,996</b>	<b>\$ 63,868</b>	<b>3%</b>

\* Un-audited numbers

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**Parking Interest Fund (7371):****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	—	—	—	—	—	
Miscellaneous	—	350	270	350	—	0%
Debt Service	263,439.31	257,150	256,459	249,201	(7,949)	-3%
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ 263,439.31</b>	<b>\$ 257,500</b>	<b>\$ 256,729</b>	<b>\$ 249,551</b>	<b>\$ (7,949)</b>	<b>-3%</b>

\* Un-audited numbers

**Parking Sinking Fund (7372):****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	—	—	—	—	—	
Miscellaneous	—	—	—	—	—	
Debt Service	—	255,000	—	275,000	20,000	8%
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ —</b>	<b>\$ 255,000</b>	<b>\$ —</b>	<b>\$ 275,000</b>	<b>\$ 20,000</b>	<b>8%</b>

\* Un-audited numbers

**Parking Pledged Tax Increment (7375):****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	—	—	—	—	—	
Miscellaneous	—	204,860	—	232,538	27,678	14%
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ —</b>	<b>\$ 204,860</b>	<b>\$ —</b>	<b>\$ 232,538</b>	<b>\$ 27,678</b>	<b>14%</b>

\* Un-audited numbers

### STAFFING SUMMARY

Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
DIRECTOR	1.00	1.00	1.00	1.00
ADMINISTRATIVE SERVICES SENIOR MANAGER	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASST II	2.00	2.00	2.00	2.00
ENFORCEMENT OFFICER	3.00	3.00	3.00	3.00
PARKING MAINTENANCE SUPERVISOR	1.00	1.00	1.00	1.00
MAINT. WORKER / FEE COLLECTOR	2.00	2.00	3.00	3.00
TOLL COLLECTOR	1.50	1.50	1.50	—
PARKING SERVICES ASSISTANT	—	—	1.00	1.00
<b>Total</b>	<b>11.50</b>	<b>11.50</b>	<b>13.50</b>	<b>12.00</b>

### 2018 Budget Highlights

Completed the LPR and PARCS Capital Project.

### Performance Measures & Workload Indicators

#### Performance Measures

Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
To perform a condition evaluation of all the parking facilities and make repairs where necessary.	50%	40%	50%	50%
To implement on-street License Plate Recognition software to improve enforcement measures within our jurisdiction.	0%	15%	90%	100%

#### Workload Indicators

Indicator	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Number of tickets issued	32,062	37,758	36,855	37,000
Revenue from tickets	\$ 146,475	\$ 208,388	\$ 241,726	\$ 200,000
Number of special permits issued	491	359	434	425
Revenue from special permits	\$ 21,542	\$ 15,208	\$ 25,487	\$ 24,060
Number of RPPP permits issued	821	1,007	979	915
Revenue from RPPP permits issued	\$ 13,488	\$ 13,203	\$ 12,855	\$ 13,345
Number of RPPP tickets	2,294	2,633	1,915	2,400
Revenue from RPPP tickets	\$ 11,485	\$ 14,050	\$ 8,750	\$ 10,560
Meter Revenue	\$ 713,017	\$ 1,012,262	\$ 1,207,803	\$ 1,000,000
Lease Parking Revenue	\$ 803,900	\$ 878,129	\$ 963,905	\$ 1,118,000

## Program Description/ Work-plan

The Downtown Business Improvement District (BID) was created in 2005 through the efforts of the Missoula Downtown Association to address the challenges created by the termination of the Downtown Urban Renewal District (URD I). With 75% of the property owners supporting the BID, it was renewed in 2010 for a 10-year period. The BID serves as an advocate and service provider for property owners in the district and works to improve Downtown safety, cleanliness, marketing, business retention and recruitment, and both public and private investment in buildings and infrastructure. The BID's obligation is to ratepayers but the board members recognize the importance of working with business owners, employees and potential investors in Downtown.

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

The BID continues to work on the following programs recognizing its needs may change as additional input and knowledge is available. These objectives are subject to change as the Board and ratepayers further define the priorities for the district: 1. Maintain an accurate database of ratepayers within the BID; 2. Maintain a formal system for communicating with ratepayers within the BID; 3. Oversee the activities of the Clean Team and Ambassador programs and refine them as appropriate; 4. Identify new programs and priorities for the BID based on input from the ratepayers; 5. Increase focus on economic development, including recruitment and retention of business downtown.

Maintaining a comprehensive marketing effort with the Missoula parking Commission and Missoula Downtown Association remains a priority. It is important to reinforce the BID's identity and mission throughout the community as well as downtown. The BID will continue to perform research and data acquisition as needed to fulfill the following objectives: 1. Communicate the assets of Downtown and identify the programs that will achieve that purpose; 2. Refine the BID communication tools to best serve the needs of the ratepayers and serve as a forum for dialogue and dissemination of ideas; 3. Distribution of educational materials to ratepayers, developers, investors, elected officials, and the general public; 4. Work with business and property owners to identify marketing needs and develop programs and activities to address those needs; 5. Identify ways in which the BID can enhance the uniqueness of the downtown district through branding, graphics, signage, or other means; 6. Work with the MDA and the MDF to identify areas where the organizations can enhance each other's activities and efforts; 7. Refine and enhance the recruitment and retention of new and existing businesses.

The BID maintenance staff maintains a total of 65 trash and 15 recycling receptacles in Downtown Missoula. The City of Missoula contracts with the BID to maintain the city's original 24 garbage cans and to pick-up and dispose of that garbage. Since 2009 the BID has provided graffiti removal, sidewalk cleaning, snow & ice removal and other services. The BID's streetscape and maintenance objectives are: 1. Work with business and property owners, the MDA, MPC, and MRA to further identify areas in which the BID can assist in achieving the goal of improving the cleanliness and appearance of downtown; 2. Refine the operation of the Clean Team to best serve the needs of the downtown property owners and businesses 3. Coordinate with the MDA, the City, property owners and business owners to improve the street environment through the use of place-making - planters, flower baskets, boulevard trees, banners, flags, holiday decorations, benches,, trash receptacles, public art and pianos; 4. Continue the program of phasing in streetscape improvements, as is being done with new trash receptacles on an annual basis; 5. Continue to evaluate expansion and improvements to Downtown recycling; 6. Continue to work with individual property owners to enhance the level of building facade maintenance; 7. Provide snow removal services for all Downtown alleys, the protected bike lanes on North Higgins, and for Downtown property owners as a contracted service.

Another high priority for property and business owners is safety and security Downtown. The BID's Ambassador Program improves the safety of the area through foot patrols, employee escorts, and hospitality services for visitors. The BID also contracts with the City of Missoula for a dedicated Downtown Beat Patrol Officer for full-time, year-round patrol of Downtown Missoula. Safety objectives are to: 1. monitor and refine the Downtown Ambassador Program to best address the needs of the downtown stakeholders and community members; 2. Continue to work with the City Police Department to enhance efforts to improve safety in Downtown Missoula 3. Work with community leaders to reduce homelessness, loitering, and panhandling in Downtown Missoula.

The Downtown Master Plan was approved by the Missoula City Council in 2009. This 20-year community vision has been a key instrument for guiding Downtown growth in the areas of land use, circulation, employment, housing, parking, retail and tourism. In partnership with several other organizations, the BID is responsible for implementation of the Downtown Master Plan and began the effort to update the plan in 2018.

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**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	360,000	457,737	315,000	62,000	(395,737)	-86%
Miscellaneous	—	—	—	302,000	302,000	
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ 360,000</b>	<b>\$ 457,737</b>	<b>\$ 315,000</b>	<b>\$ 364,000</b>	<b>\$ (93,737)</b>	<b>-20%</b>

\* Un-audited numbers

### Program Description/Work-plan

The Tourism Business Improvement District (TBID) was created through the efforts of the Missoula Area Convention and Visitor's Bureau to aid tourism, promotion, and marketing within the District and allowing Hotels/Motels outside the City limits in the Missoula Urban area to donate funds to the Tourism Business Improvement District.

#### TBID Strategic Plan

Goal: The goal of the TBID is to increase four season revenues statewide through effective marketing and promotions, focusing on high-value, low-impact visitors. This goal is achieved through the following: 1. Continue to work in partner ship with the Missoula International Airport to bring key new service to Missoula and to work with the community to keep and strengthen our present service through partnership marketing campaigns with the Missoula International Airport to raise awareness of available air service and Missoula as a destination in our direct flight cities, as well as potential markets; work in partnership with the Missoula International Airport to pitch new air service to key target markets; work in partnership with the Missoula International Airport, Missoula Economic Partnership, city and county government, key organizations, private businesses and individuals to create a fund to be used for flight guarantees for new air service and as matching funds for grant applications b the airport; 2. Destination Missoula and the TBID will partner to provide public relations services; 3. Destination Missoula and the TBID will increase overnight visitation to Missoula with emphasis on the months of November through April by concentrating marketing funds on the the areas of meetings and conventions, sports and events, tour and group travel, leisure travel, and culinary travel.

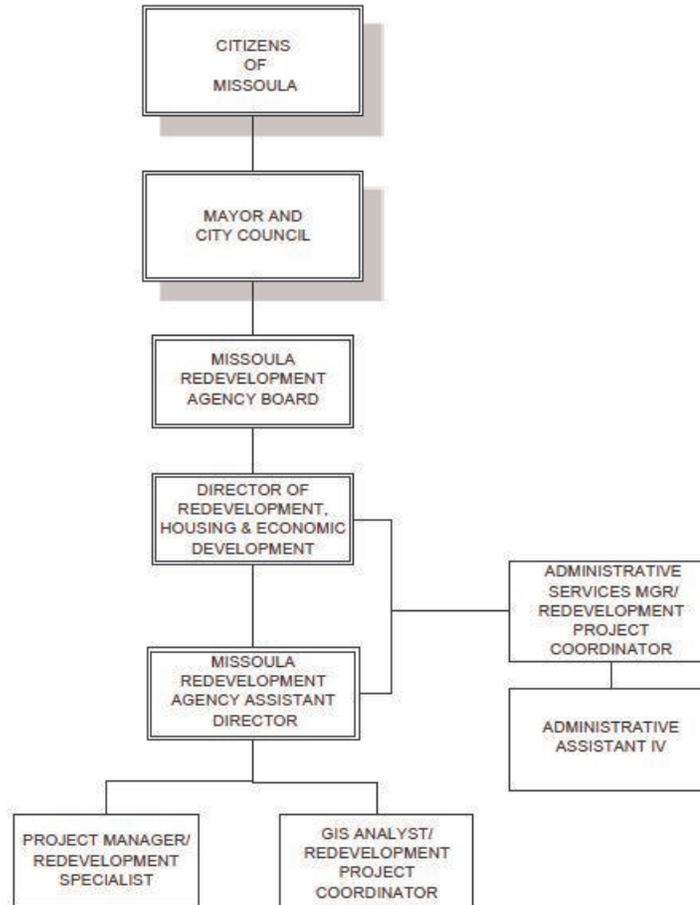
#### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	—	
Supplies	—	—	—	—	—	
Purchased Services	—	837,644	—	837,644	—	0%
Miscellaneous	—	—	—	—	—	
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ —</b>	<b>\$ 837,644</b>	<b>\$ —</b>	<b>\$ 837,644</b>	<b>\$ —</b>	<b>0%</b>

\* Un-audited numbers



# Missoula Redevelopment Agency



*NOTE: MRA BOARD MEMBERS ARE APPOINTED BY THE MAYOR AND ARE APPROVED BY THE CITY COUNCIL*

## Program Description

The Missoula Redevelopment Agency (MRA) was created by the City Council to encourage new development and redevelopment pursuant to the adopted Urban Renewal Plans. Preserving existing public investment, enhancing the tax base, generating employment, and stimulating private investment are the means MRA uses to reclaim urban renewal areas. The MRA encourages infill development, provides for the adaptive reuse of the built environment, and reclaims blighted properties. MRA is empowered by State law and local ordinance to respond aggressively and with flexibility to redevelopment problems and opportunities. Through these activities, MRA also provides alternatives to urban sprawl outside existing municipal service boundaries.

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

#### Goal: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - MRA has initiated programs to build sidewalks in URD II and URD III where they do not exist or are deficient. Over 14 miles of sidewalks have already been constructed with the goal of completing the sidewalk network in both districts within the life of those districts. The Agency has also built major street and trail connections in URD II and III which are catalysts for significant private investment in new buildings and renovation of older buildings. This creates new tax base for the City with predictable revenue streams.

#### Goal: 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.
  - MRA has funded the construction/reconstruction of Mary Avenue between Reserve and Brooks Streets providing a heavily landscaped, essential east/west connector that is safe and comfortable for pedestrian, bicycle and vehicular use. In addition to connecting the neighborhoods to employment and shopping, the new street provides a new connection to the Bitterroot Trail. MRA has funded the construction of a pedestrian/bicycle bridge over S. Reserve St. which completes the Bitterroot Trail between Missoula and Lolo and provides large, underserved neighborhoods safe access to Fort Missoula Regional Park. MRA has just completed construction of the last major gap in the Bitterroot Branch Trail between North and Livingston Avenues in URD III. This trail section creates the eastern edge of a new 4 acre neighborhood park, creating a green oasis in the midst of one of the city's denser neighborhoods.

#### Goal: Quality of Life for All People in All Places

- Strategy: We will work to provide affordable housing for the work force of Missoula.
    - MRA is an active participant in the effort to create meaningful housing policy for the city that will meet the needs of all groups. This policy will help guide where MRA makes investment in infrastructure, including parks to support denser housing. Housing shortages exist for most sectors in Missoula and it is critical that our labor force be able to live close to employment and shopping rather than having to commute into Missoula from less expensive outlying areas.
-

**MRA Front St URD (7385,7400,7401,7402)****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	70,207	—	26,500	—	—	
Miscellaneous	1,890,647	1,220,397	594,363	4,849,613	3,629,216	297 %
Debt Service	330,858	330,577	317,513	494,691	164,114	50 %
Capital Outlay	842	3,256,115	34,500	3,200,012	(56,103)	-2 %
<b>Total</b>	<b>\$ 2,292,554</b>	<b>\$ 4,807,089</b>	<b>\$ 972,876</b>	<b>\$ 8,544,316</b>	<b>\$ 3,737,227</b>	<b>78 %</b>

\* Un-audited numbers

**Hellgate URD (7398)****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	—	—	—	—	—	
Miscellaneous	—	—	—	256,750	256,750	
Debt Service	—	—	—	—	—	
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 256,750</b>	<b>\$ 256,750</b>	

\* Un-audited numbers

^Fund Created in FY17

**North Reserve/ Scott Street URD (7397, 7384, 7396)****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	
Supplies	—	—	—	—	—	
Purchased Services	1,343.15	47,000	34,917	—	(47,000)	-100 %
Miscellaneous	479,403.61	1,014,785	545,812	2,836,466	1,821,681	180 %
Debt Service	118,956.18	87,824	89,421	164,275	76,451	87 %
Capital Outlay	—	—	—	—	—	
<b>Total</b>	<b>\$ 599,702.94</b>	<b>\$ 1,149,609</b>	<b>\$ 670,150</b>	<b>\$ 3,000,741</b>	<b>\$ 1,851,132</b>	<b>161 %</b>

\* Un-audited numbers

**MRA Riverfront Triangle URD (7383)****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	—	—	500	—	—	—
Miscellaneous	—	1,558,382	25,500	1,859,273	300,891	19 %
Debt Service	—	—	—	—	—	—
Capital Outlay	—	—	16,681	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>\$ 1,558,382</b>	<b>\$ 42,681</b>	<b>\$ 1,859,273</b>	<b>\$ 300,891</b>	<b>19 %</b>

\* Un-audited numbers

**MRA URD II (7392, 7390, 7386, 7387, 7388, 7389, 7399)****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	—	—	—	—	—	—
Purchased Services	2,650	32,551	149,005	278,226	245,675	755 %
Miscellaneous	2,680,234.34	5,217,799	3,233,413	7,590,043	2,372,244	45 %
Debt Service	858,211.75	994,635	1,014,106	1,005,975	11,340	1 %
Capital Outlay	17,754.25	77,750	—	757,750	680,000	875 %
<b>Total</b>	<b>\$ 3,558,850.34</b>	<b>\$ 6,322,735</b>	<b>\$ 4,396,524</b>	<b>\$ 9,631,994</b>	<b>\$ 3,309,259</b>	<b>52 %</b>

\* Un-audited numbers

**MRA URD III (7393, 7394, 7395)****FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2017	Amended FY 2018	Actual FY 2018	Adopted FY 2019	Increase (Decrease)	Percent Change
Personal Services	\$ 533,261.21	\$ 562,039	\$ 562,408	\$ 606,990	\$ 44,951	8 %
Supplies	3,681.84	9,126	11,953	11,126	2,000	22 %
Purchased Services	857,442.7	1,100,662	632,720	385,228	(715,434)	-65 %
Miscellaneous	6,439,452.21	8,656,639	6,157,703	8,619,374	(37,265)	0 %
Debt Service	473,952.5	1,184,513	951,293	947,761	(236,752)	-20 %
Capital Outlay	4,648,497.75	6,157,517	2,295,681	1,813,940	(4,343,577)	-71 %
<b>Total</b>	<b>\$ 12,956,288.21</b>	<b>\$ 17,670,496</b>	<b>\$ 10,611,758</b>	<b>\$ 12,384,419</b>	<b>\$ (5,286,077)</b>	<b>-30 %</b>

\* Un-audited numbers

<b>STAFFING SUMMARY</b>				
<b>Title</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
DIRECTOR	1.00	1.00	1.00	1.00
ASSISTANT DIRECTOR	1.00	1.00	1.00	1.00
REDEVELOPMENT SPECIALIST / PROJECT MANAGER	1.00	1.00	1.00	1.00
GIS ANALYST / REDEV. PROJECT COOR.	1.00	1.00	1.00	1.00
REDEVELOPMENT FINANCE / PROJECT MGR	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT II	1.00	1.00	1.00	1.00
<b>Total</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>

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**2018 Budget Highlights**

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None

## City of Missoula Debt Management

Debt in a governmental entity is an effective financial management tool. Active debt management provides fiscal advantages to the City of Missoula and its citizens. Debt can serve several different purposes. It is useful in matching costs to benefits of public assets. It is useful as an economic development tool. It allows governments to build and acquire assets that would not otherwise be able to be built or acquired. Debt eliminates the need for governments to build up large reserve balances to build or acquire assets. In other words, debt is not something that should be avoided or eliminated. Rather, debt is something that should be used and managed effectively. Debt can be mismanaged, however. Over use of debt places a burden on the financial resources of the City and its taxpayers. Thus, it is important to create policies and follow practices to insure debt is used wisely. Debt management is a critical component of the City of Missoula's financial operations. The City takes an active role in managing its debt. This is done through a variety of means including: debt management policies, bond ratings, comprehensive planning for future bond issues, and management of existing and proposed debt levels, and legal debt margins, and debt service payments. This section of the budget provides an analysis of each of these factors in addition to providing a detailed schedule of future debt service obligations of the City.

### Major Bond Issues

Listed below is a brief description of the City's major outstanding bond issues, followed by a graphic overview of all outstanding debt of the City, by purpose.

- A. **2012 Aquatics GO Refunding Bond** - These bonds were refinanced in 2013. Originally issued in 2004 to construct the new aquatics facilities that were located at McCormick Park and Playfair Park as well as four splash decks around the city. The bonds are financed over 20 years. The bonds will be repaid with property tax revenue, specifically dedicated for that purpose. When the bond have been repaid, the property tax levy will be discontinued. Interest rate varies from 1.5% to 2.25%.

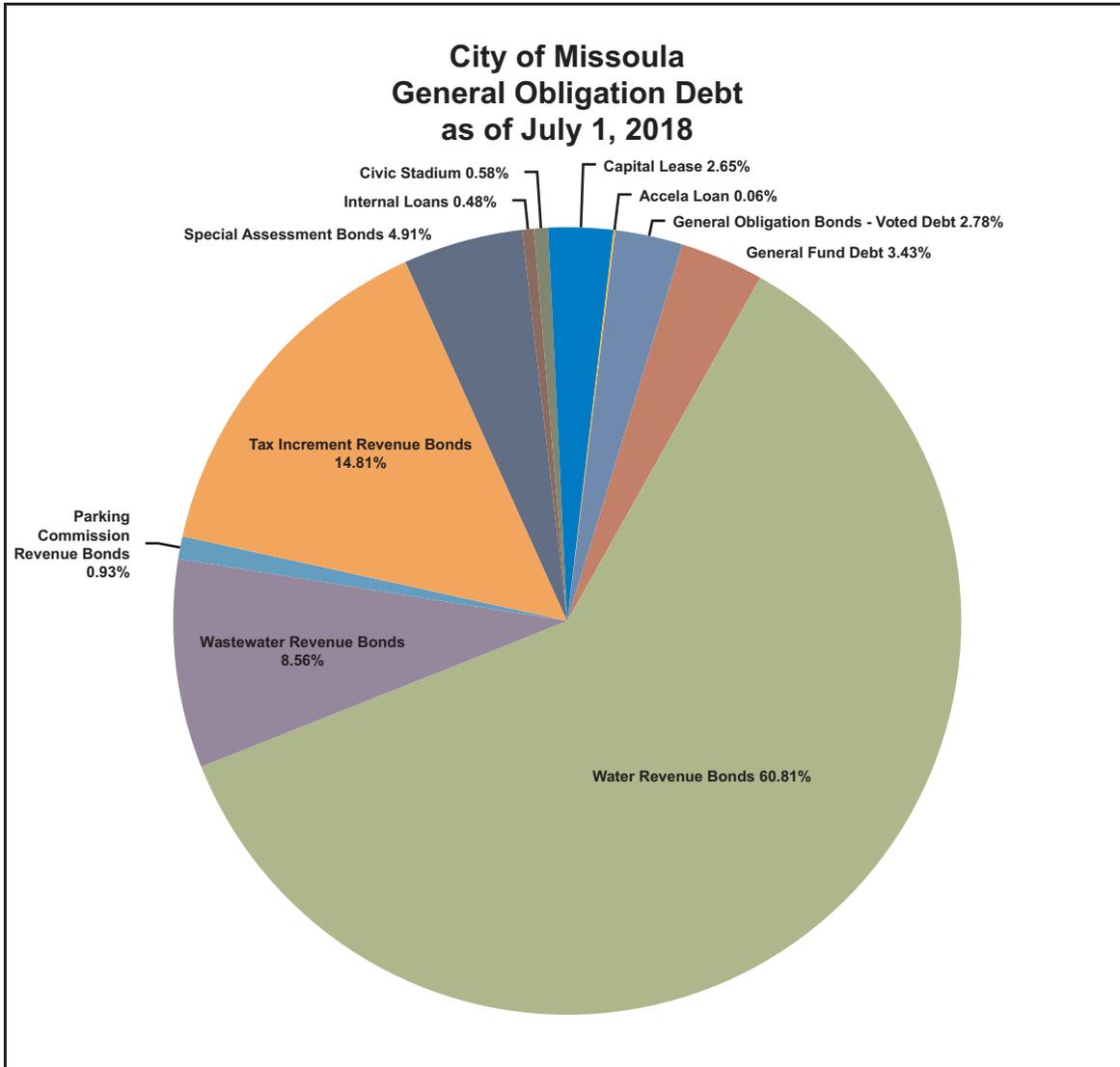
**TOTAL FUND DEBT SERVICE EXPENDITURES = \$ 575,385**

- B. **2013 GO Refunding Bond** - These bonds were issued on July 1, 2013 to provided funds for refunding the City's outstanding General Obligation Bonds, Series 2006 (partial advanced refunding) and Series 2007 (full refunding). These bonds were financed over 20 years. The bonds will be repaid with property tax revenue, specifically dedicated for that purpose. When the bonds have been repaid, the property tax levy will be discontinued. The interest rate varies from 1.5% to 2.25%.

**TOTAL FUND DEBT SERVICE EXPENDITURES = \$ 426,342**

## Outstanding Debt

Shown on the below is a pie chart which presents the City’s current outstanding indebtedness by purpose. As shown by the graph, voted General Obligation indebtedness (for open space acquisition, public safety and recreation facilities) represents a substantial component of the City’s debt and this reflects the priorities of the public and the City Council. Despite the several categories of outstanding debt reflected below, the City of Missoula actually has a relatively low level of outstanding debt, which is more fully described below.



At the end of the current fiscal year, the City of Missoula had a total of \$227,290,424 of long term debt outstanding of which \$218,708,094 was bonded debt. Of this amount, \$6,315,000 comprises debt backed by the full faith and credit of the government and 11,148,712 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment, although this debt is collateralized with liens on the properties against which the debt is assessed. The majority of the remainder of the City of Missoula’s bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

## CITY OF MISSOULA'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
General Obligation Bonds	\$ 6,315,000	\$ 6,315,000	\$ —	\$ —	\$ 6,315,000	\$ 6,315,000
Limited Obligation Bonds	4,185,000	7,785,000	—	—	4,185,000	7,785,000
Revenue Bonds	—	—	192,662,893	191,350,655	192,662,893	191,350,655
Special Assessment Bonds	11,148,712	11,148,712	—	—	11,148,712	11,148,712
Accela Loans & Notes Payable	147,321	147,321	1,312,237	1,312,237	1,459,558	1,459,558
Capital Lease	5,738,210	6,712,114	2,423,701	2,519,385	8,161,911	9,231,499
Compensated Absences	5,267,720	5,486,890	464,514	553,381	5,732,234	6,040,271
Post Employment Benefits	2,819,485	8,164,087	190,814	1,212,846	3,010,299	9,376,933
Total Outstanding Debt	\$ 35,621,448	\$ 45,759,124	\$ 197,054,159	\$ 196,948,504	\$ 232,675,607	\$ 242,707,628

The City of Missoula's total debt was increased by \$1,313,512 (0.56%) during the 2018 fiscal year, this is due to more debt being issued than debt maturing. The City acquired new debt of \$8,508,518 during FY 2018 while it retired/paid down \$(7,195,006) in principal. \$2,343,262 is for new capital equipment leases in the governmental fund. Annual infrastructure projects updating the aging right-of-way, such as streets, sidewalks and curb systems throughout the City issued debt backed by assessments in the amount of \$364,013 for Sidewalk//Curb improvements and. City also issued \$3,594,735 for improvements made at the newly acquired Catlin Street building that is housing some overflow police staff and a secure storage facility for evidence and files. MRA entered into agreements amounting to \$2,206,508 of projects within two of their districts. In URD III, \$1,665,000 was issued for the Mary Avenue project to improve infrastructure and the road system around the mall and improve Mary Avenue from the mall to Reserve Street. The remaining \$541,508 was issued in the North Reserve/Scott Street district to assist with infrastructure in a new development named the Scott Street Village.

State statutes limit the amount of general obligation debt a governmental entity may issue to 2.5% of its total assessed valuation. The current debt limitation for the City of Missoula is \$205,866,289, which is significantly in excess of the City of Missoula's outstanding general obligation debt. As of fiscal year end, the City of Missoula was only utilizing 3.07% of its legal, voted general obligation bond limit. In addition, the City was utilizing 3.78% of its legal debt limit for non-voted General Fund (limited obligation) debt.

## Debt Capacity – Legal Debt Margin

The schedule below provides a visual presentation of the city's projected debt capacity (legal debt margin) with any proposed new debt within the current fiscal year included. This reflects the philosophy of the City Council in holding down the level of debt on the taxpayers, despite the city's rapid development and growing population.

### VOTED GENERAL OBLIGATION BOND

Maximum Allowable Debt - City of Missoula, Montana

Assessed Valuation: FY 2019 Certified Market Value	8,234,651,575	
Factor Allowed for Indebtedness	2.50%	
<b>Total Indebtedness Allowed</b>		<b>\$ 205,866,289</b>
<u>Less Current Indebtedness:</u>		
2012A Aquatics Refunding	3,255,000	
2013A Refunding Bonds	3,060,000	
<b>Total Current Indebtedness</b>		<b>\$ 6,315,000</b>
<b>Maximum Indebtedness Available (July 1, 2018)</b>		<b>\$ 199,551,289</b>
<u>Proposed Debt FY 2019</u>		
<b>Total Proposed Debt</b>		<b>\$ —</b>
<b>Net Amount of Debt Available</b>		<b>\$ 199,551,289</b>

## Proposed Debt in the Next Five Years

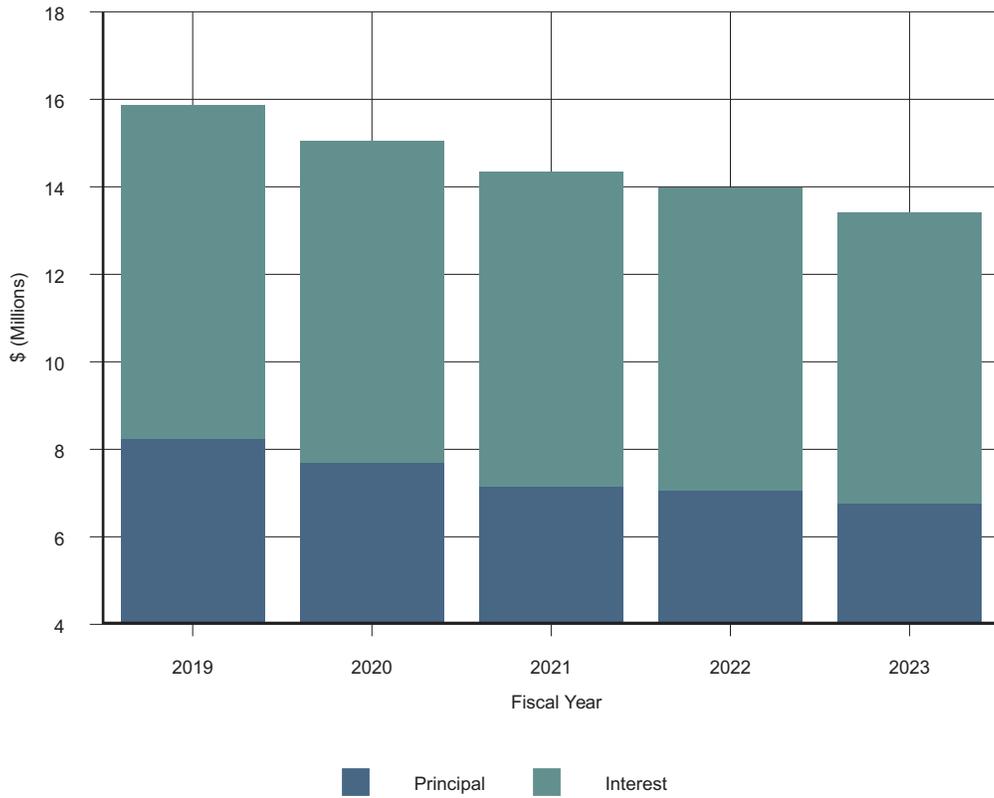
Listed below is a brief description of the city's proposed debt issuances, with the proposed debt amount, over the course of the next five year period. Following the narrative's description, is a graphic depiction of the City's current debt capacity and the proposed future debt will affect the remaining debt capacity for the City of Missoula. The graphic representation is a useful tool for the City Administration and City Council to utilize in reviewing and scheduling the timing of future projects that will result in a minimal tax increase to the citizens while providing needed infrastructure improvements.

- A. \$1,100,000 in outdated software replacement. This includes an enterprise content management system to increase efficiencies in procedural paperwork and access to records. Update the financial management and reporting system and the time and attendance management system as both systems are antiquated and the systems are not being supported.
- B. \$1,600,000 for IT systems updates and to upgrade the backup systems.
- C. \$ 2,060,000 in Special Improvement District bonds for the City of Missoula. This assessment covers upgrading the curbs, sidewalks, and drainage improvements to meet current ADA standards for the area surrounding City Hall and parking improvements on Pine, Owens and Alder Streets.
- D. \$1,200,000 per year of special sidewalk and alley approach bonds to address aging infrastructure in the city that directly benefits the adjacent, abutting landowners.
- E. \$15,276,000 combined in special improvement bonds for road and infrastructure improvements on increased use and aging right-of-way around Missoula. These future projects include reconstruction of: South Avenue from Reserve Street to 36th Street; Duncan - Greenough Drive from Vine Street to Mountain View Drive; Lower Miller Creek Phases III - IV; Old US Highway 93; South 3rd Street from Reserve Street to Hiberta Street.
- F. \$1,000,000 - \$2,500,000 per year of short term capital leases to replace aging core vehicles and equipment.
- G. \$24,000,000 of planned Redevelopment Agency projects that include the purchase of the Hotel Fox Conference Center and parking structure.

## Debt Service

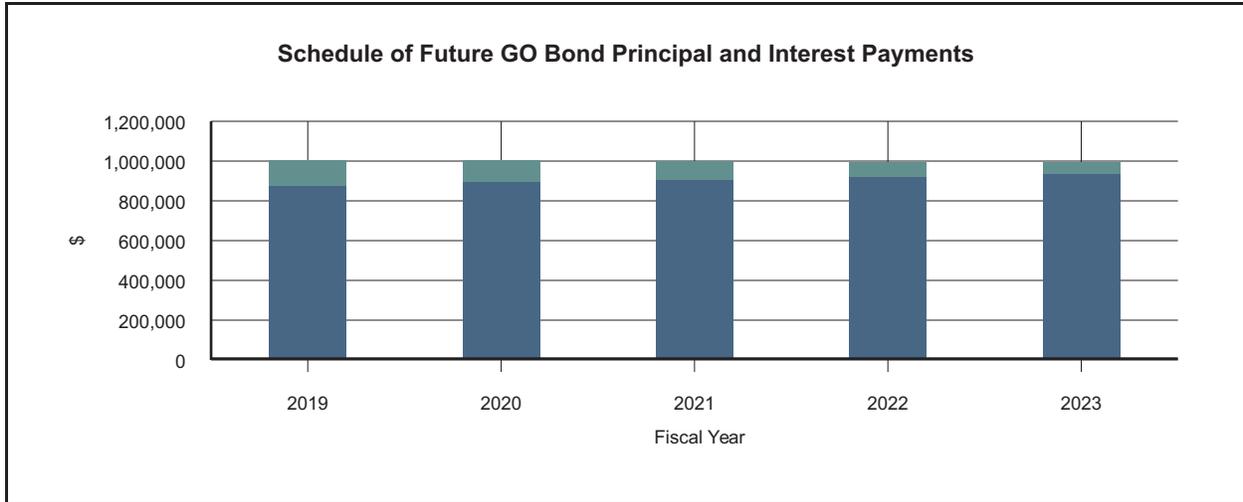
The graph below shows the City’s principal and interest payments in the current budget year and five years beyond. As shown by the graph, principal payments and interest payments decline in four of the next five years. This reflects the declining debt level as the result of the scheduled payments the City will be making.

**Schedule of Future Bond Principal and Interest Payments**



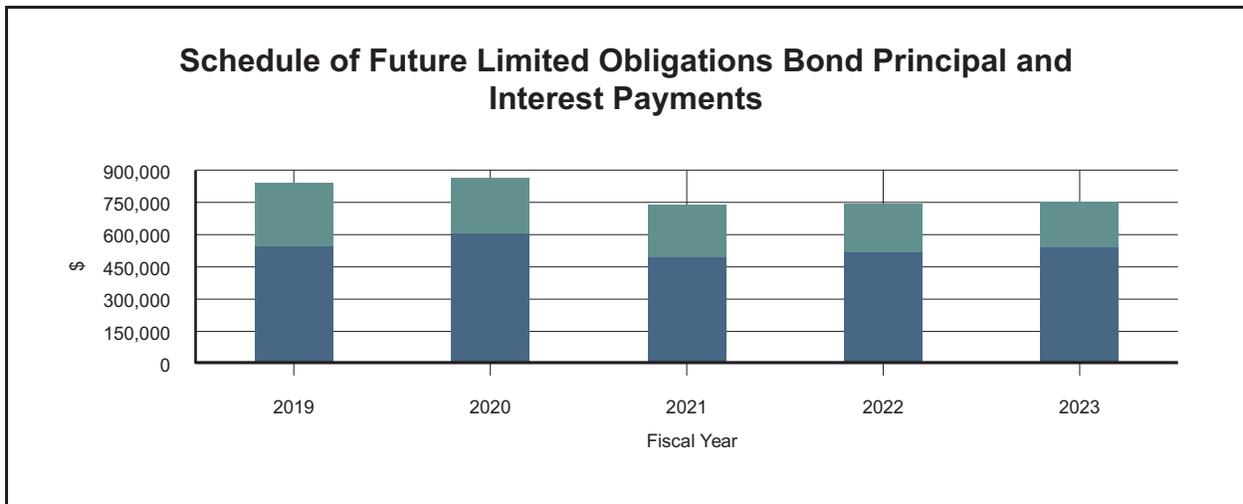
Most major debt obligations for the City are typically structured with declining interest payments and increasing principal payments—thereby resulting in relatively level debt service payments over the life of the bonds.

In FY 2019 there is a reduction in debt payments and this is due to bonds that were refunded in FY 2016 will be paid in full. The final payments on the outstanding refunded debt to the bondholders will result in a 2% reduction in property tax requirements. As you can see from the graph below, due to the lower interest rate of the refunded bonds, the annual obligation towards the debt service payments has plateaued. This will result in consistent property taxes with no expected increases for all the citizens in Missoula related to debt.



**General Obligation Debt**

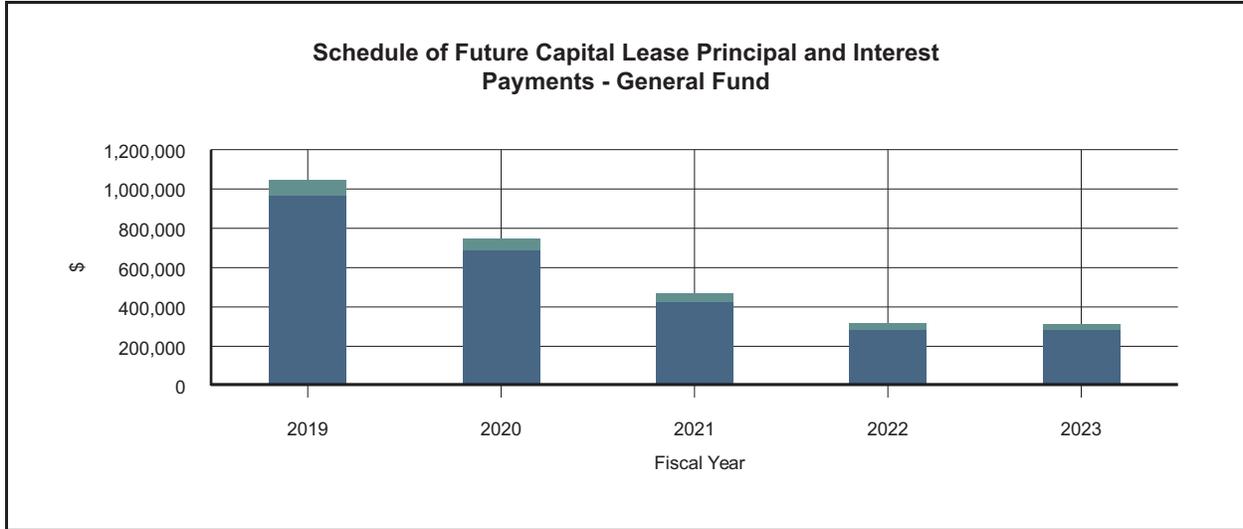
Year	2019	2020	2021	2022	2023
<b>Principal</b>	\$ 875,000	\$ 895,000	\$ 905,000	\$ 920,000	\$ 935,000
<b>Interest</b>	126,027	107,391	91,014	74,176	56,756
<b>Total</b>	<u>\$ 1,001,027</u>	<u>\$ 1,002,391</u>	<u>\$ 996,014</u>	<u>\$ 994,176</u>	<u>\$ 991,756</u>



**Limited Obligation Debt**

Year	2019	2020	2021	2022	2023
<b>Principal</b>	\$ 546,378	\$ 607,709	\$ 497,205	\$ 521,880	\$ 544,524
<b>Interest</b>	291,534	258,479	241,508	222,158	208,184
<b>Total</b>	<u>\$ 837,912</u>	<u>\$ 866,188</u>	<u>\$ 738,713</u>	<u>\$ 744,038</u>	<u>\$ 752,708</u>

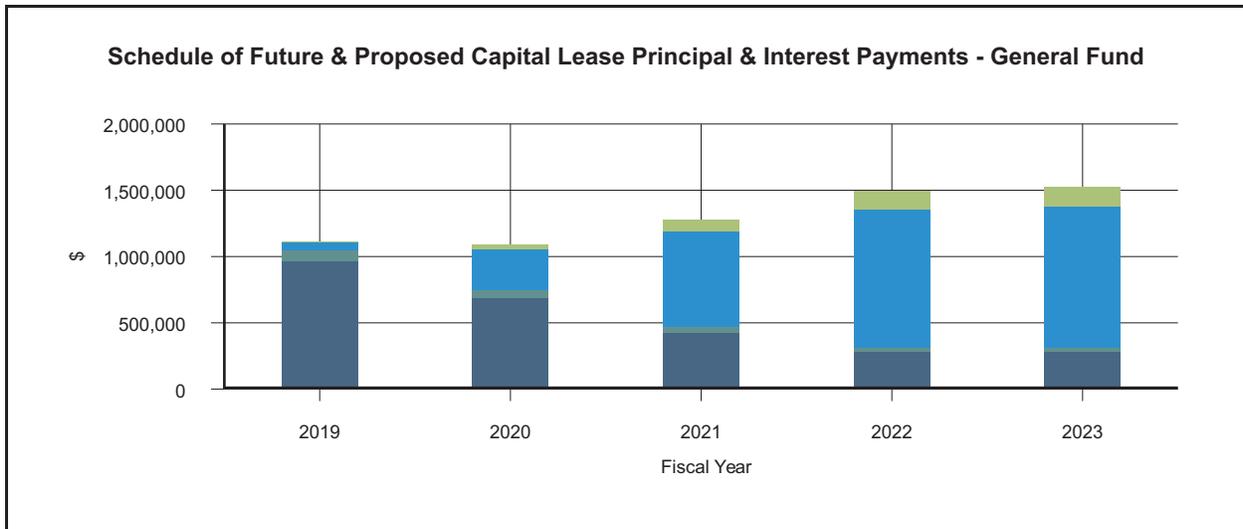
As can be seen in the table above, the General Fund's limited obligation debt service requirements will decrease approximately \$(191,000) after FY 2020 and remain fairly constant over the next four years.



### Capital Lease - General Fund

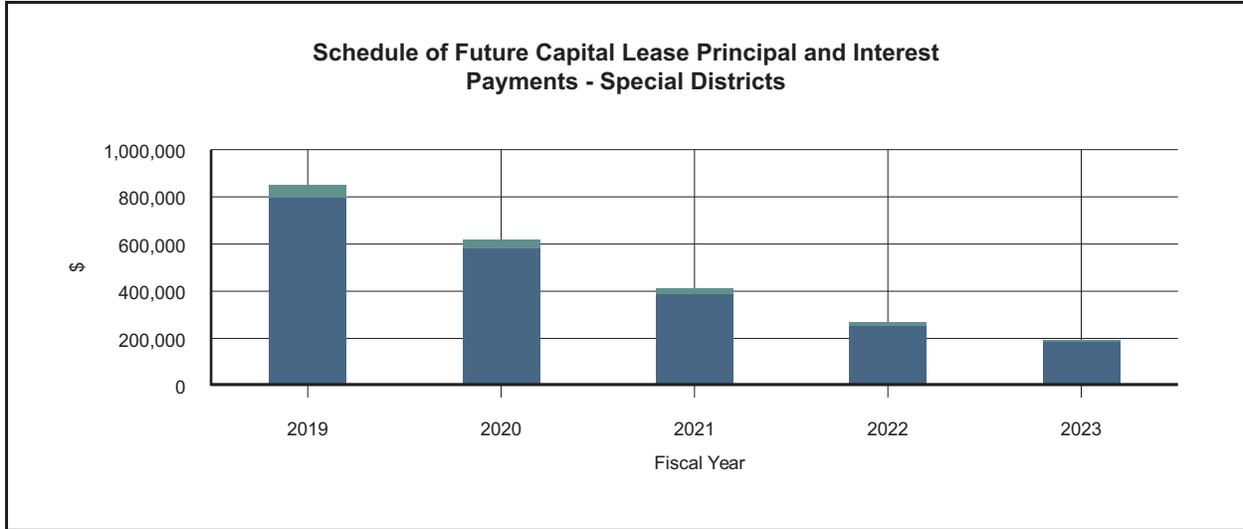
Year	2019	2020	2021	2022	2023
<b>Principal</b>	\$ 965,054	\$ 689,330	\$ 427,207	\$ 284,527	\$ 285,112
<b>Interest</b>	78,506	58,295	42,556	32,592	25,787
<b>Total</b>	\$ 1,043,560	\$ 747,625	\$ 469,763	\$ 317,119	\$ 310,899

The graph and table above illustrate the declining impact of future capital lease payment on the General Fund after FY 2019. The City enters into new leases annually, even though the capital lease payments show a drop in payments, due to the annual issuance, the payments are relatively flat. The following graph illustrates the current debt service payments and the proposed annual debt service payments based on the capital replacement schedule.



### Capital Lease - General Fund Current & Proposed

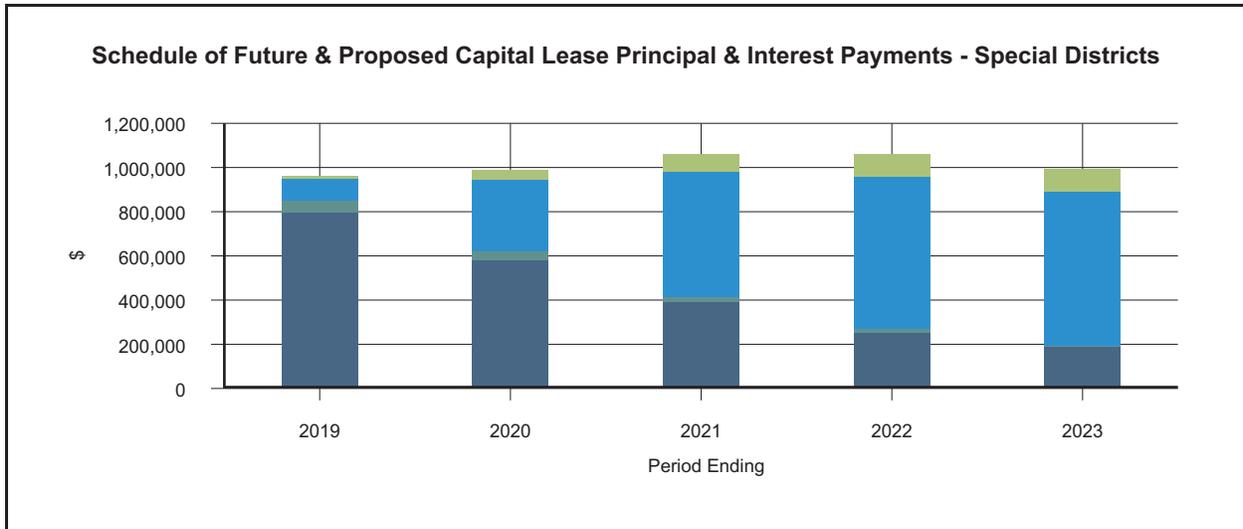
Year	2019	2020	2021	2022	2023
<b>Principal</b>	\$ 1,032,138	\$ 999,490	\$ 1,149,463	\$ 1,320,617	\$ 1,351,690
<b>Interest</b>	85,053	89,011	130,210	172,265	174,882
<b>Total</b>	\$ 1,117,191	\$ 1,088,501	\$ 1,279,673	\$ 1,492,882	\$ 1,526,572



### Capital Lease - Special Districts

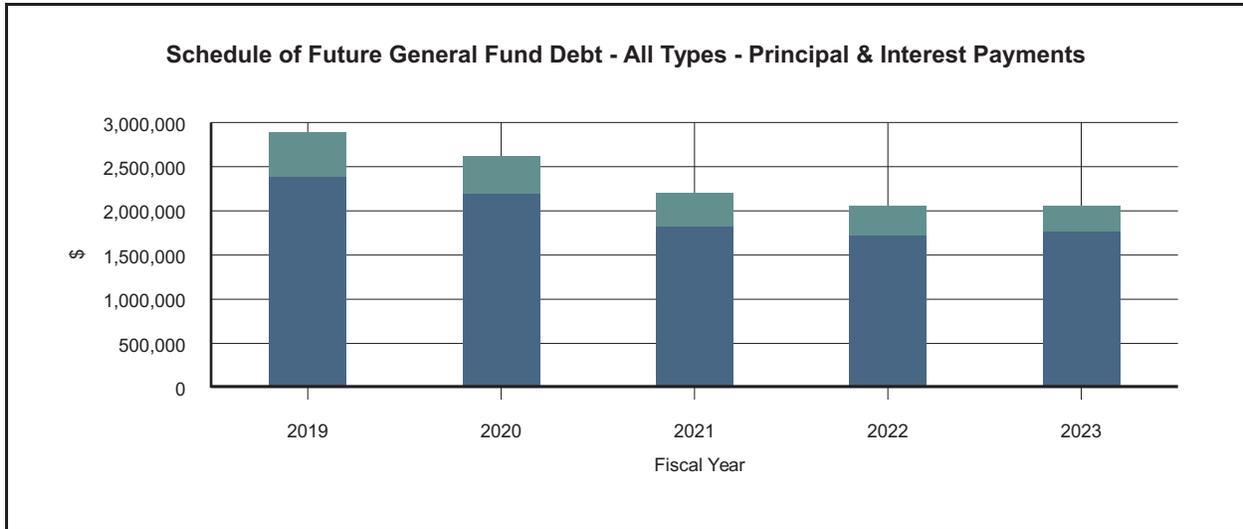
Year	2019	2020	2021	2022	2023
<b>Principal</b>	\$ 797,095	\$ 584,303	\$ 390,954	\$ 255,377	\$ 187,969
<b>Interest</b>	52,441	36,089	22,820	13,523	6,694
<b>Total</b>	\$ 849,536	\$ 620,392	\$ 413,774	\$ 268,900	\$ 194,663

The graph and table above illustrate the declining impact of future capital lease payment on the Special Districts after FY 2019. The largest component of the lease is the three year lease, which will reflect a large drop every three years as the lease expires. Below, the graph shows the proposed replacement list debt service payments and the effort to make the annual payments consistent.



### Capital Lease - Special Districts Current & Proposed

Year	2019	2020	2021	2022	2023
<b>Principal</b>	\$ 897,142	\$ 906,528	\$ 957,452	\$ 945,601	\$ 885,099
<b>Interest</b>	65,424	80,187	103,203	112,812	108,168
<b>Total</b>	\$ 962,566	\$ 986,715	\$ 1,060,655	\$ 1,058,413	\$ 993,267



Year	2019	2020	2021	2022	2023
<b>Principal</b>	\$ 2,386,432	\$ 2,192,039	\$ 1,829,412	\$ 1,726,407	\$ 1,764,636
<b>Interest</b>	496,067	424,165	375,078	328,926	290,727
<b>Total</b>	<u>\$ 2,882,499</u>	<u>\$ 2,616,204</u>	<u>\$ 2,204,490</u>	<u>\$ 2,055,333</u>	<u>\$ 2,055,363</u>

When all of the various types of General Fund indebtedness are combined into one graph and table, as seen above, it is apparent that after FY 2019, each future year has a smaller debt service requirement than the preceding year. This fact, combined with reduced GO bond debt requirements after FY 2019, this will free up in excess of \$850,000 per year of tax supported projects. This information will be utilized as future budgets and capital financing needs must be addressed. All of these various financing mechanisms are used to pay for the cost of city infrastructure over time, as the benefit provided by maintaining our infrastructure is realized over time. This approach matches future costs with future benefits to be received. The bonding capacity will also be used in future planning of the City's needs such as additional space for expanding services, or for adding new services in areas of public safety that is an identified concern by the Mayor and City Council.

## Bond Rating

Bond ratings reflect the relative strength of the city's financial management and planning capabilities and the quality of its elected and administrative leadership, as well as its wealth and social characteristics. Bond ratings serve as a statement of a locality's economic, financial and managerial condition and represent the business community's assessment of the investment quality of a local government. Highly rated bonds are more attractive and are more competitive in the market and thereby help lower interest costs paid by City residents. High-grade ratings reduce the cost of raising capital for City projects and a substantial savings for the City taxpayers.

The City of Missoula continues to seek ways to improve and maintain these ratings so as to provide the finest quality services and lowest cost. Concentrated efforts have been made to maintain and improve the City's "highgrade" ratings for its general obligation bonds through innovations in financial and debt administration. In May of 2014, Standard and Poor's of New York increased the assigned rating from AA- to AA+ for all of the City's outstanding voted GO debt. This rating upgrade was based on the City's continued economic expansion and management's maintenance of good reserve levels, very strong management at the City, strong liquidity, strong budget flexibility and performance, strong debt and contingent liabilities, and a strong and adequate institutional framework along with an ongoing stable outlook for the city.



# AA+

The City of Missoula's "AA+" Bond Rating saves city residents thousands of dollars annually.

Quoted below are excerpts from the Standard & Poor's May 22, 2014 rating upgrade.

### Credit Profile

Missoula Gen Fund Oblig Bonds

*Long Term Rating*

AA/Stable

Upgraded

### Ratings Detail (As of May 22, 2014)

Missoula Gen Fund Oblig Rfdg Bnds ser 2010 A

*Long Term Rating*

AA/Stable

Upgraded

Missoula GO rfdg bnds

*Long Term Rating*

AA+/Stable

Upgraded

Missoula Ltd Tax GO Bnds

*Long Term Rating*

AA/Stable

Upgraded

#### Missoula GO

*Unenhanced Rating*

AA+(SPUR)/Stable

Upgraded

#### Missoula GO (CIFG)

*Unenhanced Rating*

AA+(SPUR)/Stable

Upgraded

### Rationale

Standard & Poor's Ratings Services raised its long-term rating and underlying rating (SPUR) on Missoula, Mont.'s unlimited-tax general obligation (GO) bonds to 'AA+' from 'AA-', based on its local GO criteria released Sept. 12, 2013. At the same time, we raised our long-term rating on the City's previously issued general fund GO bonds to 'AA' from 'A+'. The outlook is stable.

An unlimited ad valorem property tax pledge secures the GO bonds. Lease payments from Missoula secure the city's limited-tax general fund bonds.

The ratings reflect the following factors for the City, specifically its:

#### Strong economy

Missoula is in Missoula County and is the state's second-largest city, with a population estimate of 68,000. It serves as a regional trade and service center for an 11-county area with a population estimate of more than 350,000 in western Montana. The area economy has ties to health care, retail, and tourism-related activities. The city's local economy is, in our opinion, strong, supported by a broad and diverse economy and is home to the University of Montana. The economy has what we consider adequate income indicators: Per capita phased-in market value and projected per capita effective buying income are roughly \$101,600 and 88% of the national average, respectively. The county unemployment rate (2013) was 5.3%, according to the Bureau of Labor Statistics.

### **Very strong management**

We believe Missoula's management conditions are very strong with "strong" financial practices under our Financial Management Assessment methodology, indicating practices are strong, well embedded, and likely sustainable. Key items include the monthly reporting of the city's financial position and investment performance to the governing body with procedures for budget adjustments in place if needed; management typically performs adjustments just once a year. Missoula has a comprehensive five-year capital improvement plan with identified funding sources, which it updates annually; the plan is linked to the operating budget via a five-year financial plan that management uses for internal planning purposes. Management updates the financial master plan during its annual budget process with identified possible out-year expenditure pressure. Officials have recently adopted formal ongoing debt management policies that include specific target debt level guidelines for various types of city-issued debt, as well as refunding targets and the use of derivatives, which the state is not allowed to use. The city also recently adopted a formal unreserved fund balance policy equal to 7% of general fund budgeted expenditures.

### **Strong budgetary flexibility**

We believe Missoula's budgetary flexibility is strong, with available reserves at 10.7% of operating expenditures in fiscal 2013, equivalent to about \$4.7 million. Budgeted numbers indicate balance and therefore we don't anticipate a major draw on the city's reserves.

### **Very strong liquidity**

We believe very strong liquidity supports city's finances, with total government available cash to government fund expenditures and cash to debt service above 15% and 120%, respectively. Based on past issuance of debt, we believe that the issuer has strong access to capital markets to provide for liquidity needs if necessary. Initial numbers for 2014 indicate a balanced budget and therefore we don't anticipate a major change in the city's overall cash position. However, should cash fall slightly, we still view the city's access to external markets as strong, which would keep the city's overall liquidity assessment as very strong.

### **Strong budgetary performance**

In our opinion, Missoula's budgetary performance is strong overall, with a surplus of 3.1% for the general fund and basically balanced results for the total governmental funds in fiscal 2013. Budget numbers indicate a closeto-balanced general fund. There are no projections for total governmental funds. Historically, total governmental funds have been either close to balanced or run small deficits. The budgetary performance results for 2014 are currently ambiguous, but we do not anticipate a substantial weakening in either fund.

### **Strong debt and contingent liabilities**

We feel Missoula's debt and contingent liabilities profile is strong. Initially, the debt profile is adequate with about 9% of carrying charge and net direct debt 50% of revenue. The city also anticipates issuing additional debt in the medium term. However, offsetting an increase in the debt burden is rapid amortization with more than 65% of debt amortized in 10 years and a low overall debt level at less than 3% of market value. Missoula participates in the state's pension program, and it has contributed the annual required contribution payments each year. The city's 2013 contribution represented 5% of total governmental expenditures.

### **Adequate institutional framework**

We consider the Institutional Framework score for Montana municipalities strong.

## **Outlook**

The stable outlook reflects our opinion of Missoula's very strong financial flexibility, supported by strong financial performance and very strong liquidity. In our opinion, the city's very strong management provides additional stability to the rating.

## Investment Policy

The investment of capital funds is incorporated into the City's cash management program. All unexpended bond proceeds are deposited into a consolidated treasurer's account and invested with other funds in order to obtain maximum earnings. The segregation of each project's equity is preserved and reported separately. Interest earned on capital funds during the construction period is credited to the respective project's fund or enterprise fund wherein the debt service is paid.

## Management of Debt and Equity Funding of Capital Needs

An integral part of the City's financial strength has been to aggressively take advantage of the marketplace and refund outstanding debt, thereby reducing interest expense while using excess surpluses wisely to equity fund (pay with cash) capital project expenses and to fund depreciation of capital assets. This actively managed debt program allow us to pass along savings from the refunding of outstanding debt along to the taxpayers through reductions in the tax rates.

## Debt Management Policies

The City of Missoula has developed a set of financial management policies that cover all aspects of its financial operations. Policies on debt management are one component of those financial policies. All of the City's financial management policies on included in the Executive Summary. Listed below are excerpts from those policies, which relate specifically to debt management.

### Restrictions on Debt Issuance

- 1) **Repayment of Borrowed Funds.** The city will repay borrowed funds, used for capital projects, within a period not to exceed the expected useful life of the project. This policy reflects the view that those residents who benefit from a project should pay for the project. Adherence to this policy will also help prevent the government from over-extending itself with regard to the incurrence of future debt.

### Limitations on Outstanding Debt

- 1) **Reliance on Long-Term Debt.** The City will limit long-term debt to capital improvements which cannot be financed from current revenues. Incurring long-term debt serves to obligate future taxpayers. Excess reliance on long-term debt can cause debt levels to reach or exceed the government's ability to pay. Therefore, conscientious use of long-term debt will provide assurance that future residents will be able service the debt obligations left by former residents.
- 2) **Debt Not Used for Current Operations.** The city will not use long-term debt for financing current operations. This policy reflects the view that those residents who benefit from a service should pay for the service. Utilization of long-term debt to support current operations would result in future residents supporting services provided to current residents.

### Debt Refinancing

- 1) **General Refinancing Guidelines.** Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancing's will be considered (within federal tax law constraints) under the following conditions:
  - There is a net economic benefit.
  - It is needed to modernize covenants that are adversely affecting the City's financial position or operations.
  - The City wants to reduce the principal outstanding in order to achieve future working capital to do so from other sources.
- 2) **Standards for Economic Savings.** The federal government has placed significant conditions on the tax-exempt refunding of outstanding issues. Refunding's have two general categories:
  - Current refunding's, where the refunding bonds are settled within 90 days of an optional prepayment date; and

- Advance refunding's, where refunding's are settled more than 90 days in advance of an optional prepayment date. The federal restrictions are that any issue can only be advance refunded once on a tax-exempt basis.

On advance refunding's the City will seek to obtain a minimum present value savings level of 3% of the present value of refunded debt service. State law requires a demonstration of savings of 0.5% reduction in the average coupon interest rate between the refunding and refunded bonds.

The complete debt management policy for the City of Missoula can be found in the appendix to this budget document.

## OVERVIEW

The Montana Legislature has passed legislation which allows a municipality to set aside a portion of its general all-purpose levy for replacement and acquisition of property, plant or equipment costing in excess of five thousand dollars (\$5,000.00) with a life expectancy of five (5) years or more.

To set up a capital improvement *fund* the City is required to formally adopt a *Capital Improvement Program (CIP)*. The main advantage of this method of budgeting and planning is that projects can be earmarked and carried from one year to the next. If it is recognized that renovation of a public building will be needed in five years, an amount can be set aside annually so the project can be funded at the end of five years. The CIP fund also allows a project to be done in phases, with funds allocated for architectural planning the first year and construction in later years.

The Capital Improvement Program is a 5-year planning document designed to guide decisions concerning capital expenditures. This is a planning document and, as for all planning documents, it is subject to revision in order to reflect changes in community needs and service requirements, environmental factors and Council priorities. The first year of the Plan is intended to accurately reflect that year's anticipated appropriation for major capital projects and is called the *Capital Budget*. The subsequent four years represent an anticipated capital need during the period as submitted and approved. The CIP must be reviewed and revised each year in order to add new projects and revise priorities.

The process of determining major capital needs and establishing a financial program extending beyond the annual budget encourages the City to examine long-range needs and allows more coherent city-wide fiscal policies. The CIP provides a basis to compare projects and provides opportunities to explore alternate funding sources, since most capital improvement requests exceed the available revenues.

The capital budget is separate and distinct from the City's operating budget for several reasons. First, capital outlays reflect non-recurring capital improvements rather than ongoing expenses. Where possible, capital projects are funded from nonrecurring funding sources such as debt proceeds and grants; these one-time revenue sources are not appropriate funding sources for recurring operating expenses. Second, capital projects tend to be of high cost in nature, requiring more stringent control and accountability. To provide direction for the capital program, the City Council has adopted policies relating to the Capital Improvement Program and the Capital Budget, which are discussed later in this section.

## CIP PURPOSE

The purpose is to set up a five- (5) year Capital Improvement Program for Fiscal Years 2019 - 2023 in order to establish a capital improvement fund. The main goals are:

- To ease the review of the annual capital budget through a uniform and fair process.
- To invite and promote public participation in the annual budget process. This is accomplished through a reasonable, sensible and responsible approach by providing documentation and advertising and scheduling public meetings early in the process.
- To link capital budget requests with the City strategic plan, adopted policies, and other approved planning documents.
- To link capital expenditures with operating budgets.
- To increase awareness, cooperation, coordination and participation between departments, agencies, stakeholders and other political jurisdictions.

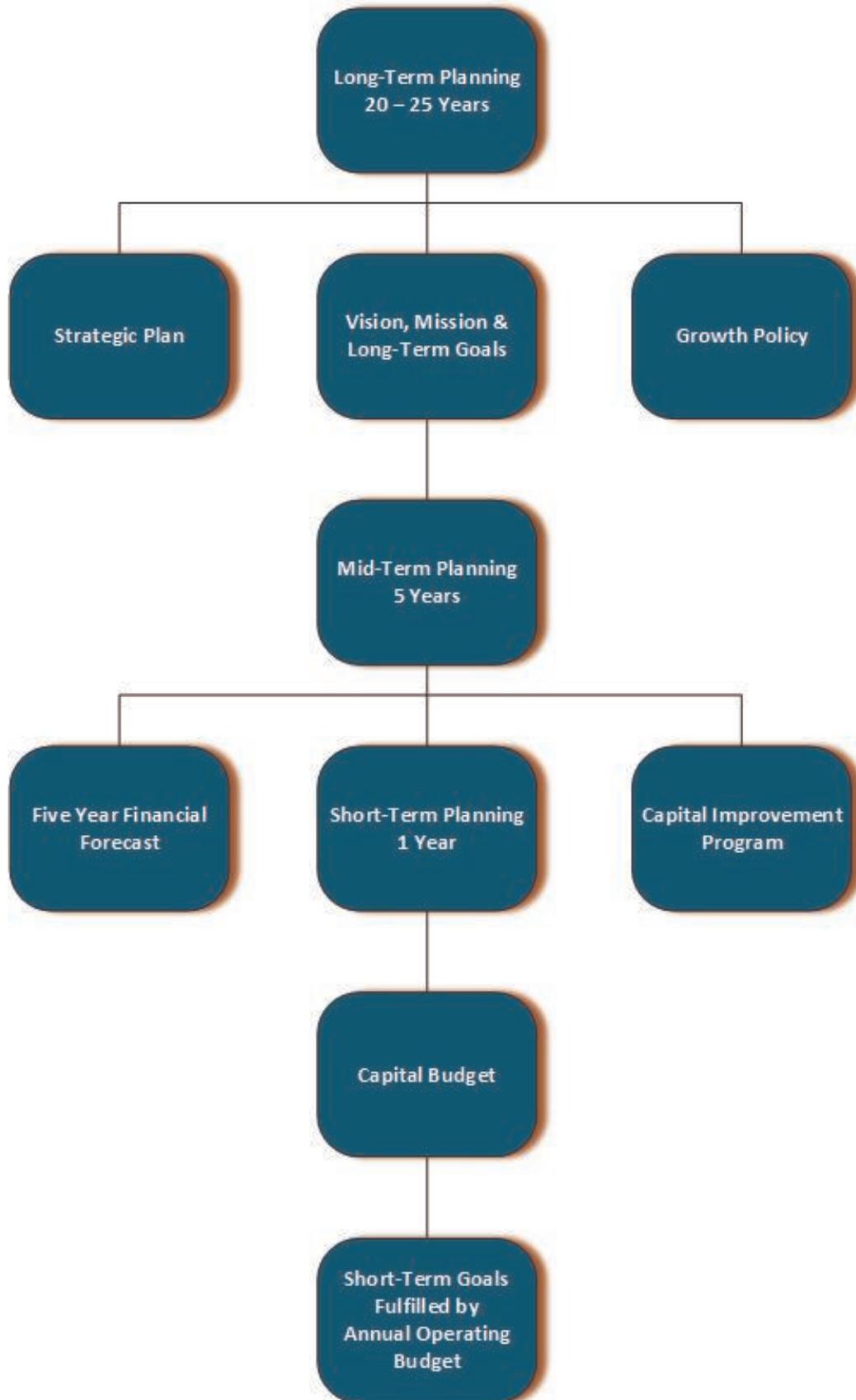
## LINKAGE

The City of Missoula conducts various planning processes (long-term, mid-term and short-term), to help guide the government and to insure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to insure each of these component planning processes are in concert with one another. This so called “Linkage” is paramount to insure short-term decisions are consistent with the overriding values embodied in the mid-term and long-term planning processes adopted by the City Council. This required linkage dictates that the CIP be developed within the context of and consistent with, the City’s long-term and mid-term plans.

One area of linkage between the City’s future capital requirements has to do with the level of future debt service, including the debt supported by the General Fund and General Obligation debt supported by taxes. The Debt Management section of this budget reviews the future debt service requirements in these two areas. As discussed in that section of this budget document, after FY 2019, each future year has a smaller debt service requirement than the preceding year for the General Fund and the voted GO debt service. Additionally, alternative revenue streams, the Road and Park special district assessments have been developed and enhanced by the City Council during the past fiscal years. These special district assessments will be used to further enhance and support the City’s infrastructure needs in their designated areas. Both the declining future debt service requirements and the availability of a new funding stream will provide more flexibility for the City in future budgets in the Capital Improvement Program that is tax supported.

Each element of the City’s planning process has a different purpose and time-frame. The Strategic Plan, Vision, Mission, Long-term Goals and Growth Policy are the most far-reaching in nature — 20 to 25 years. The Capital Improvement Program and the Five-Year Financial Forecast are mid-term in nature — 5 years. The Annual Budget and the Capital Budget are short-term — covering a 1 year time-frame. The most important requisite is that they are coordinated and are in concert with one another.

Shown on the following page is a hierarchy of the City’s layered planning processes, all which support one another and are designed with a common goal. The chart depicts how the Capital Improvement Program, the Annual Operating Budget, and the Capital Budget fit within the City’s planning process hierarchy.



## CAPITAL PLANNING

Capital Planning refers to the process of identifying and prioritizing City capital needs for determining which capital projects should be funded in the capital budget as resources become available. Citywide planning is guided by the City's Strategic Plan and the Growth Policy. These plans provide long term direction for the growth and development of the City.

Proposed capital projects are reviewed for compliance to the adopted Strategic Plan and Growth Policy as part of the budget adoption process.

## PROCESS

### General Discussion:

*The capital improvements process provides for the identification, review, planning, and budgeting of current and future capital expenditures.*

All requests for capital improvement projects are reviewed, evaluated and weighted in order to assist the Mayor and City Council in selecting the projects to be funded. Department heads are responsible for submitting CIP requests. CIP projects are initiated mainly by departmental staff, which can include City Council, while community organizations, citizen groups, stakeholders and even the individual citizens can initiate these programs. Evaluation of the CIP projects are based on approved categories. These categories are designed to represent the typical areas that administrative and management decisions are based on. Prior to submittal, each department is required to rank each of the submitted CIP's based off the priorities established by each department. This process is designed to provide a comprehensive look at long term capital needs of the City, which is essential for effective budgeting and decision-making aligning with the City's Strategic Plan.

The adoption of a CIP by the City *is strictly a statement of intent, not an appropriation of funding for projects contained within*. A list of approved CIP projects will be updated on an annual basis as new needs become known and priorities change. The possibility of a project with a low priority can remain in the CIP longer than four years due to a more important project bumping ahead for quicker implementation. On occasion, some approved projects, with a lower priority, are funded in advance of projects with a higher priority, in order to meet legal requirements or a new or identified source of funding becomes available in order to complete the project.

### Definitions:

For the purposes of this process, "Capital", is defined as an item or items that have a single acquisition cost of at least \$5,000 and a usable life for a minimum of 5 years. This definition assists in delineating a major project or piece of equipment as a capital program, rather than routine maintenance or replacement of operating equipment. This definition also includes any major expenditure for physical facilities.

- Replacement vehicles intended for use on streets and highways that have an operating cost less than \$35,000 are **not** included in this CIP program (they are on the core equipment replacement schedule).
- For on street vehicles with an operating costs less than \$35,000, and are **not** currently on the Core Equipment Replacement list, you will be required to submit a "New Request" form during the annual budget process (this is in order to be placed on the Core Replacement Program going forward).

### FY 2019 - 2023 Capital Improvement Program

1. Recommendation for 2019 - 2023 Capital Improvement Program:  
When possible, department heads must, where appropriate, consult the City's Strategic Plan, Comprehensive Plan Update and amendments, Transportation Plan, Wastewater Master Plan, Fire Master Plan and other planning documents or studies to determine if the proposed project(s) are meeting the City and community's goals, and provide their findings.
2. The Project Rating System:  
When considering a department's proposal(s) the CIP Budget Team will meet with each Department and Division Head. The purpose for this meeting will be: 1) to assure that both the department/ division head and the CIP review team are fully briefed on the department's proposal(s) and the departments priority of submitted projects; and 2) discussion between the CIP review team and the department/ division head regarding how the departments prioritized the submitted projects.
3. Coordination:  
Department and Division Heads are encouraged to coordinate project proposals with affected City staff/departments in addition to external stakeholders such as Missoula County, the Neighborhood Councils, the Chamber of Commerce, the University of Montana, the School Districts and other for or non-profit community organizations.
4. External Projects:  
Projects initiated by community organizations, citizen groups, stakeholders and the individual citizen will be directed to the appropriate department heads after the project is submitted to the Finance Department.

### Annual Review

The CIP projects are reviewed on an annual basis that coincides with the budget process. During this annual review, projects that have been approved and funded in the prior fiscal year is reviewed to determine the current status of the project and determine if the project is to continue to receive funding or require the project to be re-submitted for further review. A project that was approved and funded in the prior year or a project that was approved and not funded is required to complete the "Update" tab on the CIP review form in addition to the Project and Rating tabs. New projects being submitted are required to complete the Project and Rating tabs of the CIP review form and if the project is approved, this project will be added to the CIP list and ranked in accordance with the CIP Project guidelines.

**Responsibilities for Program Development**

Prior to the project being presented to the Mayor and City Council for FY 2019 - 2023, each project should be reviewed for financial feasibility, conformance to established City Strategic Goals, or other adopted planning documents, and response to public need. It is the responsibility of the department head to identify and answer the following:

- Identify if there is a serious problem - or - opportunity, which this project will address.
- Why is your organization working on the project, are you the best option?
- Whose quality of life will be less then it ought to be and how, precisely, their quality of life will be affected, if you do not accomplish this project successfully.
- What the long term consequences (null-alternatives) will be if you fail to accomplish this project.

Department heads are also responsible for identifying all of the Potentially Affected Interests (PAI's) for the given project and coordinating/communicating with the PAI's. PAI's or "Interests is identified as any entity with a unique system of values and that hold a special interest in the project. This can include but not limited to:

- An Individual
- A group
- A corporation
- An institution
- Another agency or official inside or outside of the City.

Following are the responsibilities that lie with each City department/agency that will be required to review the proposed CIP project to verify that the project meets the City Strategic Goals, adopted planning documents or other mandated/approved plans"

1. Department Heads
  - a. Prepare project request forms.
  - b. Provide all necessary supporting data (project sheets, maps, environmental data forms, fiscal notes, schedules, etc.) for the CIP Committee.
  - c. Review projects with other department heads when there is a need to coordinate projects.
  - d. Meet with CIP Team on projects.
2. Public Works/Central Services Review feasibility and cost estimates as necessary for proposed construction or public works type projects including preparatory studies.
3. Energy Efficiency Program - As appropriate, review all projects for environmental impact.
4. Missoula Redevelopment Agency: Examine all projects that relate to urban renewal districts to see that they correspond to Missoula redevelopment plans.
5. CIP Team
  - a. Review revenue estimates.
  - b. Review fund summaries.
  - c. Provide overall coordination for development of the CIP.
  - d. Review departmental requests and staff comments.
  - e. Review priorities, staff advice, and recommended additions, adjustments, or deletions.
  - f. Review financial impact on current and future debt service and recommend appropriate proposed CIP projects for future financing.

**Method for Rating Projects -- Definition of Criteria**

Identify the top four (4) program ratings that best describe the CIP and provide a one to two (1-2) sentence rationale supporting the program rating.

- REQ - Required - Is the project necessary to meet a contractual obligation, Federal, State, or local legal requirements? This criterion includes projects mandated by a Court Order in order to meet requirements of the law or other requirements.
- URG - Urgent - Is this project urgently required? Will delay result in curtailment of an essential service? This rating should **only** be used if an emergency is clearly indicated. If picked, provide evidence that the project is urgent and the effect if the project is not completed.

- **EFF - Efficiency** - Does the project demonstrate a clear efficiency or productivity gain as demonstrated by a cost/benefit analysis?
  - Use a cost/benefit analysis, and/or another systematic method of determining the relative merits of the investment where it is appropriate. You may develop your own method of analysis; however, you may wish to review this method with the Finance Staff or CIP Team prior to submitting the project in order to resolve any questionable elements.
  - An example may include a piece of equipment purchased that increases productivity by fifty percent (50%) and thereby reduces personnel and operating costs. This enables the City to avoid additional personnel or operation costs in the future in order to keep up with growing public service demand. Another example would include the acquisition of equipment so that a particular operation could be performed in-house as opposed to contracting outside when the in-house costs would be less than outside contracting costs.
  - Types of analysis include established cost/benefit calculations, return on investment, and pay-back period through operating savings or other capital savings, and accepted industry rating schemes such as The American Asphalt Institute test. Also, estimate the number of people served over the life expectancy of the project and divide by the cost of the project. Relate this to other similar projects. Put this figure in the comment section and attach the information used to arrive at the figure. Where possible use standard measurements, for example, average daily trips (ADT).
  - Reduction in energy, consumption, use of natural resources, or reduced pollution could be considered efficiency improvements.
- **LEV - Leverage** - Does the project have funding partners where the CIP portion of funding leverages a significant amount of other sources? Examples include federal or state grant funding.
- **PLN - Plan** - Does the project meet a goal in an adopted City plan? Examples include the City's Strategic Plan, Growth Policy and amendments, Transportation Plan, Wastewater Facilities Plan, Fire Master Plan, etc.
- **REP - Replacement** - Does the project or capital asset replace an existing asset that is at the end of its useful life (and is not already included in the CIP replacement program)? This category also applies to the replacement or renovation of obsolete and inefficient facilities, which will result in substantial improvement in services to the public at the least possible cost.
- **EXP - Expansion** -- Does the project improve or expand upon essential City services (or correct a deficiency) where such services are recognized and accepted as being necessary and effective?
- **DEL - Delay** - While the project may meet other categories, it could be delayed to a future fiscal year without consequence.

**2019 - 2023 Guides for Department Heads in Preparing Information on Projects**

**Process**

1. Requests for all City building construction needs should be sent to the Central Services Director. Please include the following information: the square footage, the number of people affected and the function of the people affected. Also note the problem with the existing space.
2. Submit project forms to the Finance. If there are any PAI's that you wish to be sure get a copy of the preliminary list, please submit their names and addresses with the projects.
3. All on-road vehicles worth less than \$35,000 are not included in the Capital Improvement Program. If a department wishes to request a new vehicle (not on the current Core Equipment replacement program) a New Request Form must be submitted to Finance with that Department's budget for the year.

**Filling Out Forms**

**MAJOR DEPARTMENT/ Division/Sub-Department:**

This is broken down into six (6) Major departments with each major department consisting of a Divisions/Sub-Departments For the purposes of the following, first will be the Major Departments followed by the Divisions/Sub-Department.

The department structure is broken down as follows:

- **Central Services**
  - City Clerk
  - Facility Maintenance
  - Finance/Treasurer
  - Fleet Maintenance
  - Human Resources
  - Information Technologies
  - Mayor

- **Development Services**
  - Building
  - Permit & Land Use
  - Planning
  - Transportation
- **Public Safety**
  - Attorney
  - Fire
  - Municipal Court
  - Police
- **Public Works**
  - Cemetery
  - Communication/Sign Shop
  - Engineering
  - Storm Water
  - Streets
  - Wastewater/Compost
  - Water
- **Culture & Recreation**
  - Aquatics
  - Fort Missoula Regional Park
  - Parks & Recreation
- **Redevelopment & Housing**
  - Housing and Community Development
  - MRA

***CIP AMENDMENT PROCEDURE***

In the case of a situation that arises which involves receipt of unanticipated revenue or unanticipated Missoula Redevelopment Agency projects the following amendment procedure is prescribed:

1. Department head requests an amendment to the CIP through the Finance Director.
2. CIP Team reviews the request.
3. CIP Team takes the request to all department heads for comments.
4. CIP Team makes recommendation to Council.
5. Amendment goes to Council for approval.

The purpose of this procedure is to handle large capital requests, which occur at mid-fiscal year and to adjust the CIP so that it remains up-to-date and therefore a useful working document.

***TAX INCREMENT FUNDS***

The unique nature of tax increment funds is recognized. The Missoula Redevelopment Agency undertakes capital expenditures, which are intended to encourage additional private investment within the Central Business District. Not all of these expenditures are committed a year or more in advance and they require the ability on the part of the Missoula Redevelopment Agency (MRA) to respond promptly to developer requests.

Pursuant to the purpose of the CIP all anticipated projects to be funded in part or totally with tax increment funds for acquisition of property and public works facilities will be placed in the CIP. Tax increment funds not committed or anticipated for specific projects within these budget categories will be appropriated as contingency funds, and be made available for authorized expenditures under State law. For project requests made during the fiscal year, which require tax increment financing, the CIP amendment procedure described in Section V shall be used.

The following project categories may be financed with tax increments funds and will not be subject to the CIP process: demolition and removal of structures, relocation of occupants and cost incurred under redevelopment activities described under MCA 7-15-4233. Section MCA 7-15-4233 outlines the exercise of powers and costs incurred for planning and management, administration and specific urban renewal projects, i.e., rehabilitation programs.

***APPROVAL DOCUMENTATION***

Each submitted Capital Project will be approved/not approved by the Mayor and approved/not approved by the City Council. Each CIP will also be designated as funded/not funded. If the CIP project is approved AND funded, this is the official approval that the project can commence upon adoption of the budget. If the CIP project is approved and NOT funded, the project cannot be started after the budget is adopted, however the request will carry forward on the CIP list. If the project is NOT approved and NOT funded, the project will be removed from the CIP list and a new CIP request will need to be filled out in the next budget season.

## CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

<b>General Fund Tax Levy:</b>	The City of Missoula sets aside a portion (amount varies from year to year) of its General Fund Tax Levy for projects in a Capital Improvement Program (C.I.P.).
<b>Cash Balance:</b>	This fund source is a contribution of the City's general fund cash balance, in addition to the portion of the CIP that comes from the general fund tax levy. This category also includes projects which use excess cash reserves in the CIP fund itself.
<b>State Revenues:</b>	The City receives various payments from the State of Montana for different purposes. A portion of Gas Tax revenues is earmarked for labor and material costs of street projects. The City also maintains State routes within City limits and does special street projects for the State. Revenues from these activities are used for labor, material, and capital outlay expenditures.
<b>Tax Increment Funds:</b>	This funding source consists of taxes levied on increases in the value of parts of the Central Business District tax base, which began in 1978 and continue today in a few new districts adjacent to the original Central Business District. These funds are earmarked for redevelopment projects within the district boundaries. Several new Urban Renewal Districts have been created to supersede the original downtown district that will address redevelopment issues in two older parts of the City.
<b>Sewer R &amp; D Fund:</b>	The Sewer Replacement and Depreciation Fund consists of funds set aside annually for future investment in sewage treatment plant facilities.
<b>Parking Commission:</b>	The Missoula Parking Commission maintains substantial cash reserves that are available to them for projects related to parking needs.
<b>Grants/Donations:</b>	This fund source consists of Federal grants, State grants, and donations by citizens and businesses where the money is passed through the City.
<b>CTEP:</b>	These are Federal grants primarily directed towards improving or expanding non-motorized transportation.
<b>G.O. Bonds:</b>	These are bonds for which the full faith and credit of the City is pledged. G.O. Bonds require voter approval.
<b>Special Assessments &amp; Other Debt:</b>	Special Assessments are charges against certain properties to defray the cost of infrastructure improvements deemed primarily to benefit those properties. Also included are Revenue bonds where the debt service payments are paid for exclusively from the project earnings and Sidewalk/Curb Assessments. Other debt can include revenue bonds for Sewer project loans and tax increment bonds, which were sold to finance the downtown parking structure. Tax increment bonds are repaid by tax increment revenues, which were previously discussed.
<b>Special District Assessments for Roads &amp; Parks:</b>	These city-wide assessments (levied on the property tax bills) provide some funding for capital construction projects in the city for roads and parks.
<b>Title One:</b>	These are funds generated by repayment of HUD and UDAG projects.
<b>Trails Fund:</b>	Donations and land lease payments have been set aside in a special revenue fund for the purpose of expanding the trails system.
<b>Cable TV:</b>	These are funds generated from collection of franchise fees paid by subscribers of the local cable television operators.
<b>User Fees:</b>	User fees are charges for city services where the benefits received from such services can be directly and efficiently applied to those who receive the benefits.
<b>Park Acquisition &amp; Development Fund:</b>	This fund is set up to account for funding that developer's pay to the City instead of donating park land when they are subdividing bare land.
<b>CMAQ:</b>	These are federal grants aimed at mitigating air quality problems.

**Other & Private:**

This fund source represents other miscellaneous categories. One type of funding source would be the operating budget, which are the “in-kind” costs of City employee labor that are funded by the operating budget. Private investment is not included in the total City costs of the project, but is shown to demonstrate the “leveraging” of private investment that some projects, especially projects of the Missoula Redevelopment Agency, have. Also included are projects where the State of Montana may fund the project and be responsible for its implementation, so the project does not affect city funds or go through our treasury. These projects are shown because they affect the urban area.

**CAPITAL BUDGET AND ITS IMPACT ON FUTURE OPERATING BUDGETS**

Whenever the City commits to a CIP plan, there is an associated long-range commitment of operating funds. For this reason, it is important to evaluate capital commitments in the context of their long-range operating impact. Most capital projects affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs or by providing capacity for new programs to be offered. Such impacts vary widely from project to project and, as such, are evaluated individually during the process of assessing project feasibility. The five-year financial forecast also provides an opportunity to review the operating impact of growth-related future capital projects.

The operating impact of capital projects is analyzed and taken into consideration during the extensive CIP prioritization process. Estimated new revenues and/or operational efficiency savings associated with projects are also taken into consideration (net operating costs). Departmental staff plan and budget for significant start-up costs, as well as the operation and maintenance of new facilities. The cost of operating new or expanded facilities or infrastructure is included in the annual budget requests for the year it is to be in service and the request is reviewed by administration and council for approval to be added to the operating budget. Debt service payments on any debt issued for capital projects is also included in the operating budget.

Listed below are two tables. The first table contains the capital items included in this year’s Annual Budget, together with projected impacts on future operating budgets (exclusive of equipment replacement costs). The second table shows the equipment replacement costs by department for the next five fiscal years. A detail of the summarized capital replacement schedule is printed in the appendix to this report.

Please note that the level of operating budget impact is disclosed in the tables below. The General Fund debt service impacts have been in the CIP budget for many years and are discussed in further detail in the debt management section of this document.

The General Fund equipment in the attached replacement schedules will be financed with capital leases ranging from 3 to 15 years. Most leases have a term of 3 to 5 years, depending on the useful life of the equipment. The enterprise fund equipment in the replacement schedule will be paid for in cash.

Enterprise fund projects supported by revenue bonds will be funded with debt that is rated by national rating agencies (Standard & Poor and Moody’s). Rate covenants are in place for the all current revenue bonds requiring that debt service coverage ratios be maintained in order to maintain the debt ratings. No future revenue bonded debt can be issued without a demonstrated history of maintaining adequate debt service coverage ratios (please see the statistical section for coverage calculations for parking, wastewater and MRA).

Other than the debt financed projects discussed above, most non-General Fund supported projects are paid for in cash from various types of revenue streams such as grants and tax increment dollars.

The following capital financings occurred during the previous fiscal year (FY 2018):

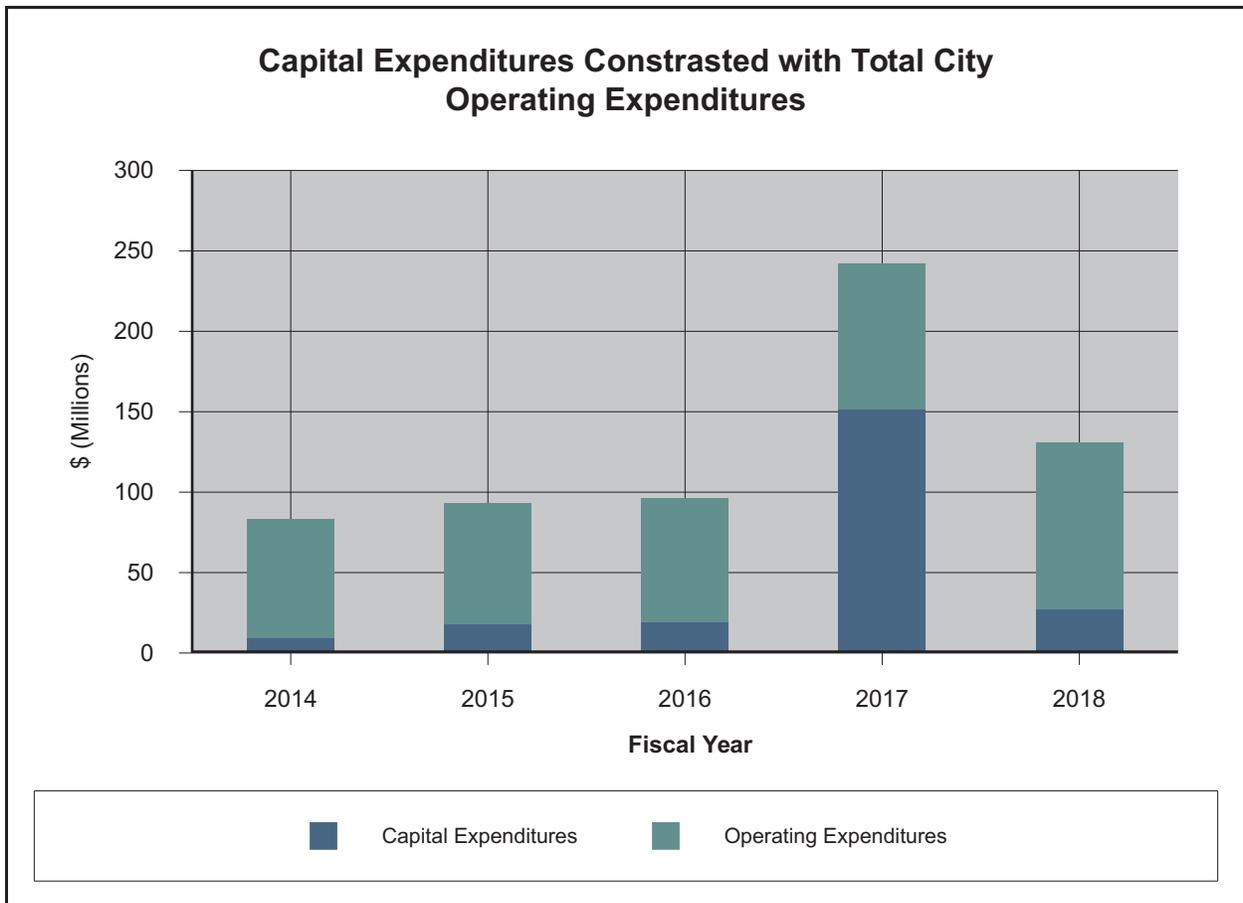
- \$2,343,262 Master Governmental Lease Purchase Agreement – heavy equipment/rolling stock for the General Fund and Road and Park District 1 – sold and closed on October 31, 2017.

## CAPITAL EXPENDITURES CONTRASTED WITH TOTAL CITY OPERATING EXPENDITURES

The investment by the City in its capital and infrastructure is of primary importance to insure the longterm viability of service levels. The amount of capital expenditures in relation to the total City budget is a reflection of the City's commitment to this goal.

The City of Missoula strives to provide for adequate maintenance of capital, plant, and equipment and for their orderly replacement. All governments experience prosperous times as well as periods of economic decline. In periods of economic decline, proper maintenance and replacement of capital, plant, and equipment is generally postponed or eliminated as a first means of balancing the budget. Recognition of the need for adequate maintenance and replacement of capital, plant, and equipment, regardless of the economic conditions, will assist in maintaining the government's equipment and infrastructure in good operating condition.

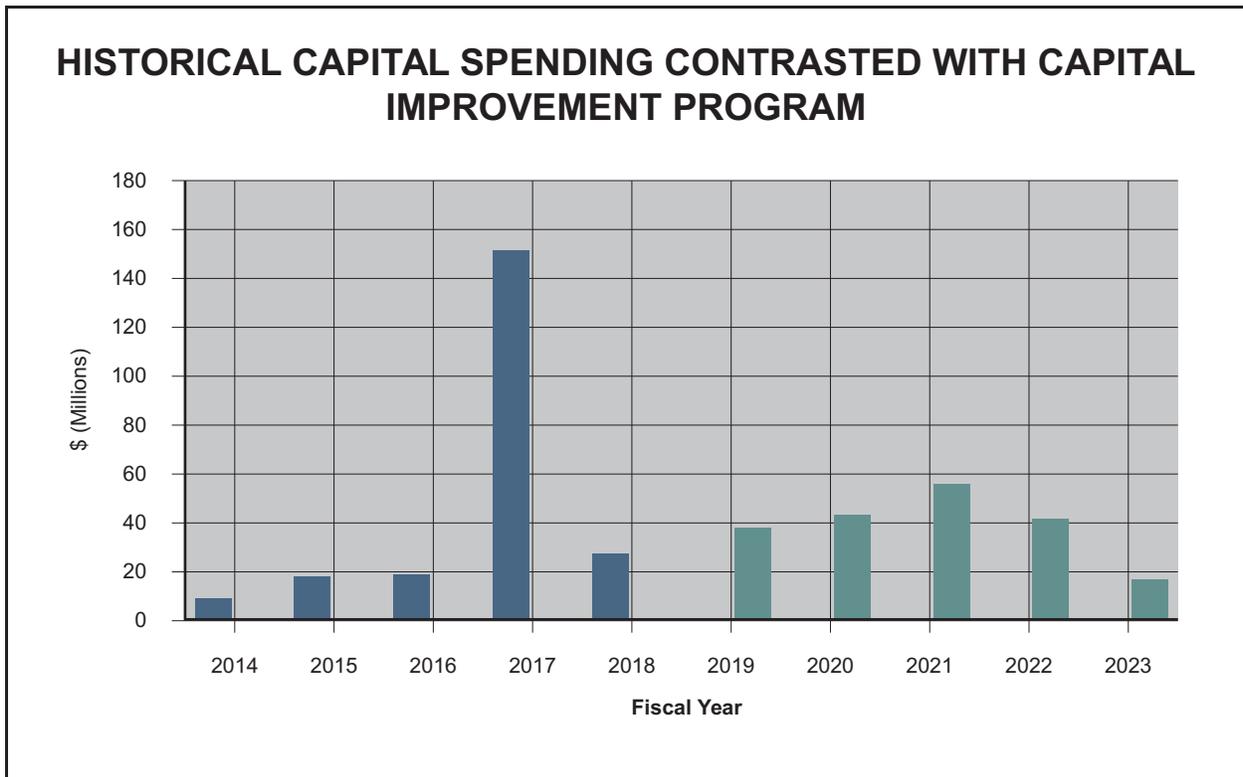
The graph below illustrates Missoula's historical investment in capital. The graph depicts actual capital expenditures over the course the last five years (for which audited values are not available at the time of publication of the budget) as compared to the City's operating budget. Obligating resources to capital investment is appropriate for a growing community, as Missoula strives to meet level of service standards identified in the Strategic Plan and community outcomes identified in the Growth Management Plan.



### CAPITAL IMPROVEMENT PROGRAM (NEXT FIVE YEARS) CONTRASTED WITH HISTORICAL CAPITAL SPENDING (PREVIOUS FIVE YEARS)

Another indicator of Missoula’s commitment to providing adequate maintenance of capital, plant, and equipment as well as orderly and timely replacement of capital, plant and equipment is the amount of projected capital spending over the course of the next five to six years as compared to the previous five-year period. This information is useful to the City Council in their deliberations when determining which items and when these items will or can be included in the Capital Budget. This information also helps the City Council make decisions with a long-term perspective in regards to the capital and operating budget.

Shown below is a graph which contrasts historical capital spending (last five years of audited values) with the capital spending identified in the Capital Improvement Program (the next five years). Noted in FY 2017 there is a large capital expenditure increase and this is from the acquisition of the water utility. Acquiring the water utility added a little more than 100 million in assets in FY 2017.



## CAPITAL IMPROVEMENT POLICIES

The City of Missoula has developed a set of financial management policies that cover all aspects of its financial operations. These and other policies are reviewed periodically by the Chief Administrative Office, the Finance Director and the City Council and are detailed in the Executive Summary section of this document. Policies on capital improvements are one component of those financial policies. Listed below are excerpts from those policies, which relate specifically to capital improvements.

### CIP Formulation:

- 1) **CIP Purpose.** The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. The CIP is a five-year plan organized into the same functional groupings used for the operating programs. The CIP will reflect a balance between capital replacement projects that repair, replace or enhance existing facilities, equipment or infrastructure; and capital facility projects that significantly expand or add to the City's existing fixed assets.
- 2) **CIP Criteria.** Construction projects and capital purchases of \$5,000 or more will be included in the Capital Improvement Plan (CIP); minor capital outlays of less than \$5,000 will be included in the regular operating budget. The Capital Improvement Plan (CIP) differentiates the financing of high cost long-lived physical improvements from low cost "consumable" equipment items contained in the operating budget. CIP items may be funded through debt financing or current revenues while operating budget items are annual or routine in nature and should only be financed from current revenues.
- 3) **Deteriorating Infrastructure.** The Capital Improvement Plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

### Project Financing:

- 1) **Minor Capital Projects.** Minor capital projects or recurring capital projects, which primarily benefit current residents, will be financed from current revenues. Minor capital projects or recurring capital projects represent relatively small costs of an on-going nature, and therefore, should be financed with current revenues rather than utilizing debt financing. This policy also reflects the view that those who benefit from a capital project should pay for the project.
- 2) **Major Capital Projects.** Major capital projects, which benefit future residents, will be financed with other financing sources (e.g. debt financing). Major capital projects represent large expenditures of a non-recurring nature which primarily benefit future residents. Debt financing provides a means of generating sufficient funds to pay for the costs of major projects. Debt financing also enables the costs of the project to be supported by those who benefit from the project, since debt service payments will be funded through charges to future residents.

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

FY 2019 Capital Budget & Operating Budget Impacts Projects by Department/Project Name					
FY 2019 Capital Budget		Annual Operating Budget Impacts			
Department/Project Title	Appropriation	Personal Services Costs	Other Operating Costs	Debt Service Costs	Total
<b>General Fund Capital Purchases</b>					
PC - Computer and Copier Replacement - City Wide	112,300				112,300
Core Equipment replacement	2,594,550				2,594,550
<b>CIP - General Fund</b>					
White Pine Debt Service Series 2010A Refunded				133,750	133,750
Energy Savings Performance Debt 2010C (\$1,010,000)				83,163	83,163
Maint Shop Remodel/Refunding-2016A (\$3.9M)				371,000	371,000
Debt Service for Core Equipment Replacement Purchased in Internally Financed Equipment - owed to CIP (thru 2029)				1,043,560	1,043,560
Copier & IT Equip Replacement Schedule				103,113	103,113
				50,063	50,063
<b>Water Utility</b>					
Main Replacements/Extensions	3,617,747				3,617,747
System Improvements	1,213,293				1,213,293
South Ave Well Improvement	182,932				182,932
Customer Accounting & Collection	400,000				400,000
Water Facility Plan	359,867				359,867
Vehicles	220,000				220,000
Water Rate Study	57,018				57,018
Wilderness Dam improvements	50,000				50,000
Intake Dam Removal	25,000				25,000
Farviews PRV	286,178				286,178
Front St Riverfront Triangle replacement	317,000				317,000
<b>Sewer Utility</b>					
Upgrade Momont Lift Station 1	331,000				331,000
Russell St. Sewer Re-Route Project	15,000				15,000
Momont Lift Station #2	550,000				550,000
Reserve St. Lift Station	740,990				740,990
Wastewater Laboratory Expansion	326,000				326,000
Grant Creek Lift Station	50,000				50,000
Garden City Compost Facility Plan, Phase II	420,000				420,000
Gerald Ave. Sewer Main Replacement Project	220,000				220,000
Trommel Screen for Composting Facility	300,000				300,000
Wastewater Treatment Facility Roof Replacement	150,000				150,000
Riverfront Triangle Sewer Main Replacement	169,994				169,994
<b>Storm Water Utility</b>					
Upper Gharrett / South Hills Dr Drainage Improvements	49,904				49,904
Household Hazardous Waste Facility	72,100			9,337	81,437
Riverfront Triangle Development - MRA	122,796				122,796
<b>Missoula Parking Commission</b>					
Gate Arm Equipment (PARCS)	359,656			190,227	549,883
MLPR Project	258,651				258,651
Bobcat Toolcat 5600	80,000		1,000		81,000
<b>Missoula Redevelopment Agency</b>					
Montana Rail Link Park (Johnson St. Park)	1,613,750				1,613,750
URD III Sidewalks - Missing Segments	400,000				400,000
West Broadway Island Development	356,000				356,000
<b>Other Funds - CIP - FY 2019</b>					
Enterprise Content Management Software	83,944				83,944
Legislative Management Solution	83,532		16,744		100,276
IT Infrastructure Upgrades	164,000		15,000		179,000
Backup System Upgrade	165,000				165,000
Missoula Art Museum roof repair	25,000				25,000
Security Remodel	55,000				55,000
Grant Creek/ I-90 Intersection Improvements	100,000				100,000
Higgins Ave to Caras Park ADA Route	50,000				50,000
Riverfront Triangle	647,130				647,130
Mullan Rd. Reconstruction	705,000				705,000
Mullan & George Elmer Dr. Signal	820,000				820,000

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

FY 2019 Capital Budget & Operating Budget Impacts Projects by Department/Project Name					
FY 2019 Capital Budget	Annual Operating Budget Impacts				
Department/Project Title	Appropriation	Personal Services Costs	Other Operating Costs	Debt Service Costs	Total
Cregg Ln. Roadway Improvements (Orange to Hickory)	683,860				683,860
Van Buren Phase III	452,250				452,250
South Ave Improvements (Reserve to 36th)	1,838,000				1,838,000
Street Improvement & Major Maint Program	1,200,000				1,200,000
Wyoming Street Improvements - Prince to California	687,428				687,428
Bicycle Safety Project - Stephens & Orange	42,500				42,500
CIP PAM Major Infrastructure	3,051,000				3,051,000
Bellevue Master Park Plan implementation	42,100				42,100
Silvers Park Variable Frequency Drive Pumps	36,000				36,000
Parks Recreation Open Space Trails Plan (PROST)	78,000				78,000
4010 Mower	79,000		3,600		82,600
Milwaukee Road Railroad Bridge West	60,000				60,000
Rec Non CDL Bus	61,000				61,000
Rattlesnake Dam Restoration and Access	133,000				133,000
Water Works Hill Road Parking Lot Trail	650,000				650,000
Play Fair Park	40,000				40,000
44 Ranch Playground	84,500				84,500
Fairview Parks - Ninkpata & Whitaker	20,000				20,000
Dragon Hollow Repairs	75,000				75,000
Remove Landscaping of Reserve Street Medians	43,700		(6,700)		37,000
South Hills Spur Phase 3	5,000				5,000
Urban Forest Renewal	50,000	70,000	1,200		121,200
Missoula Active Transportation	350,000				350,000
Improvements to Rose Garden and WW II Memorial	5,000				5,000
Bellevue Park - Bike Park Update	88,042				88,042
Fort Missoula Regional Park Update	39,219				39,219
Hellgate Park Update	31,400	8,663	2,887		42,950
Jeffrey Park Phase 1 Update	16,668	6,415	24,864		47,947
Kim Williams Expansion Update	5,000	6,332	1,200		12,532
McCormick Park and Comm. Center Update	50,381				50,381
MRL Park Update	5,876				5,876
Syringa Park Update	268,750	3,459	1,154		273,363
Equipment Replacement	53,379				53,379
Station 1 Projects	117,000		360		117,360
Smart Boards	61,394				61,394
Station 4 Training Ground Stabilization	200,000				200,000
Station 4 Land	853,000				853,000
Station 4 HVAC	87,200				87,200
Secure Cold Storage	28,500				28,500
Station 6 Land	400,000				400,000
EMS Response Unit	8,085				8,085
Vehicle - Deputy Public Works Director	39,590		4,590		44,180
Complete Streets Improvement Program	200,000				200,000
CDBG Sidewalk Project	854,615				854,615
Wayfinding	912,800				912,800
Chip Sealing	16,500				16,500
Crack Sealing	3,500				3,500
Aquatics Cyclical Maintenance	35,000				35,000
Aquatics - Revenue Generation	33,000				33,000
<b>GRAND TOTAL</b>	<b>33,096,569</b>	<b>94,869</b>	<b>65,899</b>	<b>1,984,213</b>	<b>35,241,550</b>

City of Missoula

Capital Improvement Program Projects for Fiscal Years 2019 - 2023

Schedule of Total Project costs and proposed ongoing Operating Budget Impacts by Fiscal Year

	TOTAL PROJEC	FUTURE OPERATING BUDGET IMPACT			
		FY20	FY21	FY22	FY23
<b>Storm Water Division</b>					
Upper Gharrett / South Hills Dr Drainage Improvements	49,904	41,254	41,254	41,254	41,254
Household Hazardous Waste Facility	72,100	9,337	9,337	9,337	9,337
<b>Missoula Parking Commission</b>					
Gate Arm Equipment (PARCS)	359,656	294,457	297,727	190,227	190,227
MLPR Project	258,651	5,828	6,119	—	—
Bobcat Toolcat 5600	80,000	1,000	1,000	1,000	1,000
<b>Missoula Redevelopment Agency</b>					
Montana Rail Link Park (Johnson St. Park)	1,613,750	113,000	113,000	113,000	113,000
<b>Other Funds - CIP - FY 2019</b>					
Legislative Management Solution	83,532	16,744	16,744	16,744	16,744
IT Infrastructure Upgrades	164,000	—	15,000	—	—
Backup System Upgrade	165,000	10,000	10,000	10,000	10,000
Bellevue Master Park Plan implementation	42,100	15,700	15,700	15,700	—
4010 Mower	79,000	3,600	3,600	3,600	—
Rattlesnake Dam Restoration and Access	133,000	—	6,500	6,500	—
Water Works Hill Road Parking Lot Trail	650,000	7,520	7,520	7,520	7,520
44 Ranch Playground	84,500	6,273	6,273	6,273	—
Fairview Parks - Ninkpata & Whitaker	20,000	—	32,500	32,500	—
Remove Landscaping of Reserve Street Medians	43,700	(6,700)	(6,700)	(6,700)	—
Urban Forest Renewal	50,000	109,300	2,500	93,950	—
Bellevue Park - Bike Park Update	88,042	15,700	15,700	15,700	15,700
Hellgate Park Update	31,400	11,550	11,550	11,550	11,550
Jeffrey Park Phase 1 Update	16,668	31,279	31,279	31,279	31,279
Kim Williams Expansion Update	5,000	7,532	7,532	7,532	7,532
Syringa Park Update	268,750	9,225	9,225	9,225	9,225
<b>Total Project Costs and Proposed Operating Impacts</b>	<b>\$ 30,389,719</b>	<b>\$ 702,599</b>	<b>\$ 653,360</b>	<b>\$ 616,191</b>	<b>\$ 464,368</b>

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

DEPARTMENT	EQUIPMENT REPLACEMENT TOTALS				
	FY2019	FY2020	FY2021	FY2022	FY2023
<b>FLEET SERVICES</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	40,000	—	—	—	—
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 40,000</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
<b>P.W. ENGINEERING</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	105,000	35,000	41,000	35,000	45,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 105,000</b>	<b>\$ 35,000</b>	<b>\$ 41,000</b>	<b>\$ 35,000</b>	<b>\$ 45,000</b>
<b>POLICE DEPARTMENT</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	597,450	832,450	557,450	527,450	532,450
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 597,450</b>	<b>\$ 832,450</b>	<b>\$ 557,450</b>	<b>\$ 527,450</b>	<b>\$ 532,450</b>
<b>FIRE EMERGENCY VEHICLES</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	70,000	2,265,000	845,000	280,000	55,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 70,000</b>	<b>\$ 2,265,000</b>	<b>\$ 845,000</b>	<b>\$ 280,000</b>	<b>\$ 55,000</b>
<b>FIRE ADMINISTRATION</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	125,000	40,000	—	—	40,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 125,000</b>	<b>\$ 40,000</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 40,000</b>
<b>P.W. STREET DIVISION</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	1,195,600	1,287,100	222,050	212,100	764,100
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 1,195,600</b>	<b>\$ 1,287,100</b>	<b>\$ 222,050</b>	<b>\$ 212,100</b>	<b>\$ 764,100</b>
<b>P.W. VEHICLE MAINTENANCE</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	253,500	54,500	—	12,000	3,500
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 253,500</b>	<b>\$ 54,500</b>	<b>\$ —</b>	<b>\$ 12,000</b>	<b>\$ 3,500</b>
<b>P.W. TRAFFIC SERVICES</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	40,000	23,000	115,000	—	—
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 40,000</b>	<b>\$ 23,000</b>	<b>\$ 115,000</b>	<b>\$ —</b>	<b>\$ —</b>
<b>PARKS DEPARTMENT</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	168,000	112,000	55,000	224,500	182,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 168,000</b>	<b>\$ 112,000</b>	<b>\$ 55,000</b>	<b>\$ 224,500</b>	<b>\$ 182,000</b>
Grand Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Grand Total CIP Portion	2,594,550	4,649,050	1,835,500	1,291,050	1,622,050
<b>TOTAL GENERAL FUND</b>	<b>\$ 2,594,550</b>	<b>\$ 4,649,050</b>	<b>\$ 1,835,500</b>	<b>\$ 1,291,050</b>	<b>\$ 1,622,050</b>

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

DEPARTMENT	EQUIPMENT REPLACEMENT TOTALS				
<b>CEMETERY</b>					
Total Operating Portion	\$ 45,000	\$ 30,000	\$ 81,000	\$ 25,000	\$ 40,000
Total CIP Portion	—	—	—	—	—
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 45,000</b>	<b>\$ 30,000</b>	<b>\$ 81,000</b>	<b>\$ 25,000</b>	<b>\$ 40,000</b>
<b>P.W. BUILDING INSPECTION</b>					
Total Operating Portion	\$ 60,000	\$ 60,000	\$ 90,000	\$ 30,000	\$ 60,000
Total CIP Portion	—	—	—	—	—
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 90,000</b>	<b>\$ 30,000</b>	<b>\$ 60,000</b>
<b>P.W. WASTE WATER TREATMENT</b>					
Total Operating Portion	\$ —	\$ —	\$ —	\$ —	\$ —
Total CIP Portion	545,000	680,000	853,000	130,000	33,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 545,000</b>	<b>\$ 680,000</b>	<b>\$ 853,000</b>	<b>\$ 130,000</b>	<b>\$ 33,000</b>
<b>PARKING COMMISSION</b>					
Total Operating Portion	\$ 150,000	\$ 50,000	\$ 18,000	\$ 50,000	\$ —
Total CIP Portion	—	—	—	—	—
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 150,000</b>	<b>\$ 50,000</b>	<b>\$ 18,000</b>	<b>\$ 50,000</b>	<b>\$ —</b>
Total Operating Portion	\$ 255,000	\$ 140,000	\$ 189,000	\$ 105,000	\$ 100,000
Total CIP Portion	545,000	680,000	853,000	130,000	33,000
<b>TOTAL NON-GENERAL FUND</b>	<b>800,000</b>	<b>820,000</b>	<b>1,042,000</b>	<b>235,000</b>	<b>133,000</b>
Grand Total	\$ 3,394,550	\$ 5,469,050	\$ 2,877,500	\$ 1,526,050	\$ 1,755,050
Federal Transportation Portion	—	—	—	—	—
<b>TOTALS</b>	<b>\$ 3,394,550</b>	<b>\$ 5,469,050</b>	<b>\$ 2,877,500</b>	<b>\$ 1,526,050</b>	<b>\$ 1,755,050</b>

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
<b>FLEET SERVICES</b>			<b>220</b>				
TOYOTA PRIUS	ADMIN	2004	\$ 40,000	\$ 0	\$ 0	\$ 0	\$ 0
DODGE GRAND CARAVAN	MRA	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
WAYFINDING SIGNS	DEV SRVS	2017					
<b>Total Core Units</b>		<b>3</b>	<b>\$ 40,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

<b>ENGINEERING DIVISION</b>			<b>280</b>				
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
FORD ESCAPE	ENGR	2014	\$ 0	\$ 0	\$ 0	\$ 35,000	\$ 0
JEEP GRAND CHEROKEE	ADMIN	2005	\$ 35,000				
JEEP LIBERTY	ENGR.	2006	\$ 0	\$ 0	\$ 35,000	\$ 0	\$ 0
CHEVROLET IMPALA	ADMIN	2007	\$ 0	\$ 35,000	\$ 0	\$ 0	\$ 0
CHEVY COLORADO	ENGR	2005	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
GMC SIERRA 2500	ENGR	2008	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
NISSAN FRONTIER	INSPECTION	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD F250	INSPECTION	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,000
CHEVY COLORADO	ENGR	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY COLORADO	ENGR	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD ESCAPE	INSPECTION	2012	\$ 0	\$ 0	\$ 6,000	\$ 0	\$ 0
<b>Total Core Units</b>		<b>11</b>	<b>\$ 105,000</b>	<b>\$ 35,000</b>	<b>\$ 41,000</b>	<b>\$ 35,000</b>	<b>\$ 45,000</b>

<b>POLICE DEPARTMENT</b>			<b>290</b>				
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
FORD ESCAPE	ADMIN	2012	\$ 0	\$ 35,000	\$ 0	\$ 0	\$ 0
BUICK LACROSSE	DETECTIVE	2007	\$ 0	\$ 0	\$ 35,000	\$ 0	\$ 0
CHEVROLET IMPALA	DETECTIVE	2013	\$ 0	\$ 35,000	\$ 0	\$ 0	\$ 0
FORD ESCAPE	ADMIN	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVROLET G30 VAN	CRIME VAN	2004	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
DODGE JOURNEY	ADMIN	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE 1500	K9	2014	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 0
FORD TAURUS	DETECTIVE	2013	\$ 0	\$ 0	\$ 35,000	\$ 0	\$ 0
DODGE DAKOTA	AI	2010	\$ 0	\$ 40,000	\$ 0	\$ 0	\$ 0
DODGE DAKOTA	AI	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE JOURNEY	ADMIN	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE JOURNEY	ADMIN	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE JOURNEY	ADMIN	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE 1500SSV	K9	2016	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE 1500SSV	PATROL	2016	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE PROMASTER 2500	PATROL	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE JOURNEY	ADMIN	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD FUSION	DETECTIVE	2017	\$ 0	\$ 0	\$ 0	\$ 35,000	\$ 0
CHEVROLET TAHOE	PATROL	2011	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE CHARGER	PATROL	2013	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER	PATROL	2013	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER	PATROL	2014	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE CHARGER	PATROL	2014	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE CHARGER	PATROL	2014	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE CHARGER	PATROL	2014	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE CHARGER	PATROL	2014	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE CHARGER	PATROL	2014	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
DODGE CHARGER ALL WHL DRIVE	PATROL	2014	\$ 45,000	\$ 0	\$ 0	\$ 45,000	\$ 0
DODGE CHARGER ALL WHL DRIVE	PATROL	2014	\$ 45,000	\$ 0	\$ 0	\$ 45,000	\$ 0
DODGE CHARGER ALL WHL DRIVE	PATROL	2014	\$ 45,000	\$ 0	\$ 0	\$ 45,000	\$ 0
DODGE CHARGER ALL WHL DRIVE	PATROL	2014	\$ 45,000	\$ 0	\$ 0	\$ 45,000	\$ 0
DODGE CHARGER ALL WHL DRIVE	PATROL	2014	\$ 45,000	\$ 0	\$ 0	\$ 45,000	\$ 0
DODGE CHARGER ALL WHL DRIVE	PATROL	2014	\$ 45,000	\$ 0	\$ 0	\$ 45,000	\$ 0
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
DODGE CHARGER ALL WHL DRIVE	PATROL	2017	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 45,000
HONDA ST1300PA	PATROL	2012	\$ 35,000	\$ 0	\$ 0	\$ 35,000	\$ 0
HONDA ST1300PA	PATROL	2012	\$ 35,000	\$ 0	\$ 0	\$ 35,000	\$ 0
HONDA ST1300PA	PATROL	2012	\$ 35,000	\$ 0	\$ 0	\$ 35,000	\$ 0
HONDA ST1300PA	PATROL	2012	\$ 35,000	\$ 0	\$ 0	\$ 35,000	\$ 0
CHEVROLET IMPALA	DETECTIVE	2007	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
FORD F150 CREW CAB	DETECTIVE	2007	\$ 0	\$ 40,000	\$ 0	\$ 0	\$ 0
CHEVROLET IMPALA	DETECTIVE	2008	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
CHEVROLET IMPALA	DETECTIVE	2008	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
MALIBU HYBRID	DETECTIVE	2009	\$ 0	\$ 35,000	\$ 0	\$ 0	\$ 0
MALIBU HYBRID	DETECTIVE	2009	\$ 0	\$ 35,000	\$ 0	\$ 0	\$ 0
MALIBU HYBRID	DETECTIVE	2009	\$ 0	\$ 35,000	\$ 0	\$ 0	\$ 0
MOBILE & HANDHELD RADIOS	PATROL	0	\$ 46,000	\$ 46,000	\$ 46,000	\$ 46,000	\$ 46,000
POLICE ONGOING EQUIP REPLACEMENT	PATROL	0	\$ 36,450	\$ 36,450	\$ 36,450	\$ 36,450	\$ 36,450
<b>Total Core Units</b>		<b>54</b>	<b>\$ 597,450</b>	<b>\$ 832,450</b>	<b>\$ 557,450</b>	<b>\$ 527,450</b>	<b>\$ 532,450</b>

<b>FIRE EMERGENCY VEHICLES</b>			<b>300</b>				
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
CATARAFT TUBES AND TRAILER	RESCUE	2002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FIRE ENGINE (TYPE 1)	RESPONSE	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
RESCUE WATER CRAFT	RESCUE	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,000
FIRE ENGINE (TYPE 1)	RESPONSE	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FIRE ENGINE (TYPE 1)	RESPONSE	2003	\$ 0	\$ 530,000	\$ 0	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
FIRE ENGINE (TYPE 1)	RESPONSE	2002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FIRE ENGINE (TYPE 1)	RESPONSE	1999	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FIRE ENGINE (TYPE 1)	RESPONSE	2006	\$ 0	\$ 0	\$ 550,000	\$ 0	\$ 0
FIRE ENGINE (TYPE 1)	RESPONSE	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
LADDER TRUCK	RESPONSE	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
LADDER TRUCK	RESPONSE	1999	\$ 0	\$ 1,400,000	\$ 0	\$ 0	\$ 0
WATER TENDER (20 YR.)	RESPONSE	2001	\$ 0	\$ 0	\$ 260,000	\$ 0	\$ 0
WILDLAND ENGINE (TYPE 3)	RESPONSE	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
WILD LAND ENGINE (TYPE 2)	RESPONSE	1999	\$ 0	\$ 300,000	\$ 0	\$ 0	\$ 0
WILDLAND ENGINE (TYPE 3)	RESPONSE	2012	\$ 0	\$ 0	\$ 0	\$ 120,000	\$ 0
WILD LAND ENGINE (TYPE 6)	RESPONSE	2007	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
COMMAND VEHICLE	RESPONSE	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
COMMAND VEHICLE	RESPONSE	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
COMMAND VEHICLE	RESPONSE	2007	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
EQUIPMENT FOR TYPE 1 ENGINE	RESPONSE	NEW	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GENERATORS (All 5 Stations)	RESPONSE	2006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
COMPRESSORS AND FILL STATION	RESPONSE	1999	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SCBA (15 YRS.)	PPE	2011	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
INFORMATION SYSTEMS (MIDC'S)	6 UNITS		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
THERMAL IMAGERS (6 YRS.)	7 UNITS		\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
COMMUNICATION HAND HELD AND MOBILE RADIOS	60 UNITS	REPLACE	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
DEFIBRILLATORS (10 YRS.)	5 UNITS	2002	\$ 0	\$ 0	\$ 0	\$ 125,000	\$ 0
<b>Total Core Units</b>		<b>27</b>	<b>\$ 70,000</b>	<b>\$ 2,265,000</b>	<b>\$ 845,000</b>	<b>\$ 280,000</b>	<b>\$ 55,000</b>

<b>FIRE DEPT. ADMINISTRATION</b>		<b>300</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
CHEVROLET IMPALA	FIRE CHIEF	2007	\$ 45,000	\$ 0	\$ 0	\$ 0	\$ 0
CHEVROLET COLORADO	INSPECTION	2015	\$ 40,000	\$ 0	\$ 0	\$ 0	\$ 0
FORD RANGER	INSPECTION	2006	\$ 0	\$ 40,000	\$ 0	\$ 0	\$ 0
TOYOTA PRIUS	EMS	2009	\$ 40,000	\$ 0	\$ 0	\$ 0	\$ 0
FORD F 250	TRAINING	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NISSAN NV3500 VAN	MOTOR POOL	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,000
NISSAN FRONTIER	TRAINING	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Core Units</b>		<b>7</b>	<b>\$ 125,000</b>	<b>\$ 40,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 40,000</b>

<b>BUILDING DIVISION</b>		<b>310</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
NISSAN ROGUE	INSPECTION	2017	\$ 0	\$ 0	\$ 30,000	\$ 0	\$ 0
FORD ESCAPE	INSPECTION	2012	\$ 0	\$ 0	\$ 0	\$ 30,000	\$ 0
JEEP PATRIOT	INSPECTION	2015	\$ 0	\$ 30,000	\$ 0	\$ 0	\$ 0
JEEP PATRIOT	INSPECTION	2014	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 30,000
JEEP PATRIOT	INSPECTION	2014	\$ 30,000	\$ 0	\$ 0	\$ 0	\$ 30,000
NISSAN ROGUE	INSPECTION	2017	\$ 0	\$ 0	\$ 30,000	\$ 0	\$ 0
NISSAN FRONTIER	INSPECTION	2016	\$ 0	\$ 30,000	\$ 0	\$ 0	\$ 0
NISSAN ROGUE	INSPECTION	2017	\$ 0	\$ 0	\$ 30,000	\$ 0	\$ 0
<b>Total Core Units</b>		<b>8</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 90,000</b>	<b>\$ 30,000</b>	<b>\$ 60,000</b>

<b>STREET DIVISION</b>		<b>320</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
CHEVROLET SILVERADO	ADMIN	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,000
DODGE 1500 4X4	ADMIN	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE 1500 4X4	ADMIN	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE 3/4 TON	PAVING CREW	2002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
F350 FLAT BED / LIFT GATE	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,000
FORD F350 CREW CAB	OPERATIONS	2007	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 0
JOHNSTON 650	SWEEPER	2007	\$ 0	\$ 0	\$ 0	\$ 33,550	\$ 0
JOHNSTON 650	SWEEPER	2007	\$ 0	\$ 0	\$ 0	\$ 33,550	\$ 0
JOHNSTON 650	SWEEPER	2012	\$ 0	\$ 33,550	\$ 0	\$ 0	\$ 0
JOHNSTON 650	SWEEPER	2006	\$ 33,550	\$ 0	\$ 0	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
ISUZU JOHNSTON 650	SWEeper	2009	\$ 33,550	\$ 0	\$ 0	\$ 0	\$ 0
PETERBILT JOHNSTON 650	SWEeper	2013	\$ 0	\$ 33,550	\$ 0	\$ 0	\$ 0
ELGIN BROOM BEAR	SWEeper	2005	\$ 0	\$ 0	\$ 33,550	\$ 0	\$ 0
IH TANDEM VAC-CON	VACUUM	2002	\$ 0	\$ 270,000	\$ 0	\$ 0	\$ 0
CAT	GRADER	2006	\$ 0	\$ 350,000	\$ 0	\$ 0	\$ 0
CAT	GRADER	1982	\$ 350,000	\$ 0	\$ 0	\$ 0	\$ 0
F350 FORD DUMP BOX	1 TON DUMP	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 50,000
ELGIN BROOM BEAR	SWEeper	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 33,550
I.H. TANDEM AXLE	TANDEM DUMP	2009	\$ 0	\$ 130,000	\$ 0	\$ 0	\$ 0
I.H. TANDEM AXLE	TANDEM DUMP	2007	\$ 190,000	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	TANDEM DUMP	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	FLUSHER	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	TANDEM DUMP	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
I.H. 7400	FLUSHER	2007	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
I.H. TANDEM AXLE	TANDEM DUMP	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 130,000
STERLING TANDEM AXLE	TANDEM DUMP	2002	\$ 190,000	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	TANDEM DUMP	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
ROSCO SPR-H	CHIP SPREADER	1997	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAT AP500E	PAVER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAT	LOADER	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAT	LOADER	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD 700 WROSCO DISTRIBUTOR	DISTRIBUTOR	1989	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAT	BACKHOE	2006	\$ 0	\$ 0	\$ 0	\$ 120,000	\$ 0
BOMAG	ASPHALT ROLL	2003	\$ 75,000	\$ 0	\$ 0	\$ 0	\$ 0
CAT	LOADER	2004	\$ 0	\$ 150,000	\$ 0	\$ 0	\$ 0
KOMTSU	LOADER	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD SINGLE AXLE	ANTI-ICE/PLOW	1997	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BOBCAT	SKID STEER	1996	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAT	SKID STEER	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD F750	POTHOLE TRUCK	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD/ROSCO	POTHOLE TRUCK	1996	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
STERLING	SANDER/PLOW	2001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
STERLING	SANDER/PLOW	2005	\$ 135,000	\$ 0	\$ 0	\$ 0	\$ 0
IH 7400 SINGLE AXLE	SANDER/PLOW	2006	\$ 135,000	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	DEDICATED SANDERS	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	DEDICATED SANDERS	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	DEDICATED SANDERS	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	DEDICATED SANDERS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	DEDICATED SANDERS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER 108SD	SANDER/PLOW	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
AUTOCAR	VACUUM SWEEPER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
AUTOCAR	VACUUM SWEEPER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
AUTOCAR	VACUUM SWEEPER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	SANDER/PLOW	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	FLUSHER	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	FLUSHER	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CIMLINE CRACK SEALER	CRACK SEALER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HUDSON HD	ASPHALT RECYCLER	2012	\$ 0	\$ 250,000	\$ 0	\$ 0	\$ 0
CATERPILLAR PS 150B	RUBBER TIRED ROLLER	2001	\$ 0	\$ 0	\$ 80,000	\$ 0	\$ 0
DYNAPACK CP132 9	RUBBER TIRED ROLLER	2001	\$ 0	\$ 0	\$ 80,000	\$ 0	\$ 0
HOMEMADE CONVEYOR	CONVEYOR	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TOW MASTER	TRAILER	1997	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
ECONOLINE	PAVER TRAILER	2003	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,000
TOW MASTER T40	PAVER TRAILER	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TRAIL KING	TRAILER	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
OVERBUILT PAVER TRAILER	TRAILER	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BOSS RTE PLO	SNOW PLOW	2008	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
SCHMIDT	SNOW PLOW	1986	\$ 25,000	\$ 0	\$ 0	\$ 0	\$ 0
SCHMIDT	SNOW PLOW	1992	\$ 0	\$ 25,000	\$ 0	\$ 0	\$ 0
SCHMIDT	SNOW PLOW	2004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,000
SCHMIDT HSP4210POLLY	SNOW PLOW	2007	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SCHMIDT	SNOW PLOW	2002	\$ 0	\$ 0	\$ 0	\$ 25,000	\$ 0
SCHMIDT	SNOW PLOW	2004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SCHMIDT	SNOW PLOW	2006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HENKE	SNOW PLOW	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HENKE	SNOW PLOW	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HENKE	SNOW PLOW	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BONNELL	SNOW PLOW	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BONNELL	SNOW PLOW	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NORTON CLIPPER	CEMENT SAW	2005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SANDERS	1 PER 2 YEARS	7 TOTAL	\$ 16,000	\$ 0	\$ 16,000	\$ 0	\$ 16,000
ASPHALT WACKIER	1 PER 2 YEARS	4 TOTAL	\$ 2,500	\$ 0	\$ 2,500	\$ 0	\$ 2,500
DEICER UNITS	1 PER 2 YEARS	7 TOTAL	\$ 10,000	\$ 0	\$ 10,000	\$ 0	\$ 10,000
NEW FOR FY 16 to 17 HEAVIER ROLLER	NEW REQUEST		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Core Units</b>		<b>84</b>	<b>\$ 1,195,600</b>	<b>\$ 1,287,100</b>	<b>\$ 222,050</b>	<b>\$ 212,100</b>	<b>\$ 382,050</b>

<b>FLEET MAINTENANCE</b>		<b>321</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
HYSTER	OPERATION	2002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY EXT. CAB COLORADO	OPERATION	2005	\$ 0	\$ 40,000	\$ 0	\$ 0	\$ 0
CAT - OLYMPIAN	GENERATOR	2000	\$ 60,000	\$ 0	\$ 0	\$ 0	\$ 0
CARGO TRAILER	OPERATIONS	1 PER	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GENI ONE MAN LIFT	OPERATIONS	1 PER	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BENPAK (Lift)	OPERATIONS	1 PER	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FLOOR CLEANING MACHINE	OPERATIONS	0	\$ 28,000	\$ 0	\$ 0	\$ 0	\$ 0
FORD ESCAPE	OPERATION	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD RANGER EXT CAB	OPERATION	2002	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
GMC 2500 4WD DR	INSPECTION	2004	\$ 40,000	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY 1 TON 4 WHL	OPERATIONS	1997	\$ 60,000	\$ 0	\$ 0	\$ 0	\$ 0
ENGINE LATHE	Shop Equipment	1953	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
VERTICAL MILLING MACHINE	Shop Equipment	1986	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TRUCK WELDER	Welding Equipment	1963	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BELT GRINDER	Welding Equipment	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
A/C MACHINE	Shop Equipment	1990	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SHOP WELDERS	Welding Equipment	1995	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PLAZMA CUTTER	Welding Equipment	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,500
BAND SAW	Welding Equipment	2000	\$ 0	\$ 6,500	\$ 0	\$ 0	\$ 0
PROCUT BRAKE LATHE	Shop Equipment	2012	\$ 0	\$ 0	\$ 0	\$ 12,000	\$ 0
ROTARY VEHICLE LIFT	Shop Equipment	1992	\$ 8,000	\$ 0	\$ 0	\$ 0	\$ 0
ROTARY VEHICLE LIFT	Shop Equipment	2002	\$ 0	\$ 8,000	\$ 0	\$ 0	\$ 0
ROTARY VEHICLE LIFT	Shop Equipment	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PRESSURE WASHERS	Shop Equipment	2001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
WASTE OIL BURNER	Shop Equipment	2005	\$ 15,000	\$ 0	\$ 0	\$ 0	\$ 0
PARTS WASHER	Shop Equipment	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
OTC FILTER CRUSHER	Shop Equipment	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SHOP AIR COMPRESSORS	Shop Equipment	1999	\$ 7,500	\$ 0	\$ 0	\$ 0	\$ 0
DRILL PRESS	Shop Equipment	1986	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TIRE MACHINE AND BALANCER	Shop Equipment	2005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Core Units</b>		<b>30</b>	<b>\$ 60,000</b>	<b>\$ 40,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

<b>TRAFFIC DIVISION</b>		<b>322</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
ISUZU NPR	OPERATIONS	2,013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HONDA RANCHER ATV	OPERATIONS	2,013	\$ 0	\$ 8,000	\$ 0	\$ 0	\$ 0
ISUZU NPR	OPERATIONS	2,015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE GRAND CARAVAN	VAN	2,005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
FORD F550	MAN LIFT	2,016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GMC SIERRA	COM SHOP	2,009	\$ 0	\$ 0	\$ 45,000	\$ 0	\$ 0
ISUZU NPR	OPERATIONS	2,014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PACESETTER	OPERATIONS	2,015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PACESETTER	OPERATIONS	2,015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
EDCO 8 INCH CEMENT GRINDER	OPERATIONS	2,008	\$ 0	\$ 15,000	\$ 0	\$ 0	\$ 0
HYSTER FORKLIFT	FORKLIFT	1,984	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY 1/2 EXT CAB PICKUP	ENGR.	2,002	\$ 40,000	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY PICKUP	ADMIN	2,004	\$ 0	\$ 0	\$ 35,000	\$ 0	\$ 0
DODGE D250	OPERATIONS	2,001	\$ 0	\$ 0	\$ 35,000	\$ 0	\$ 0
<b>Total Core Units</b>		<b>14</b>	<b>\$ 40,000</b>	<b>\$ 23,000</b>	<b>\$ 115,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

<b>WASTEWATER/COMPOST DIVISION</b>		<b>330</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
FORD FUSION HYBRID	PLANT MAINT	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CAT 416 D LOADER BACKHOE	PLANT MAINT	2005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD TRANSIT CONNECT	OPERATIONS	2012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GMC SIERRA 3500	COMPOST	2004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE RAM 3500	PLANT MAINT	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DOOSAN FORKLIFT	PLANT MAINT	2006	\$ 0	\$ 0	\$ 15,000	\$ 0	\$ 0
PIPE HUNTER SIDEKICK EASEMENT	OPERATIONS	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY COLORADO	OPERATIONS	2015	\$ 0	\$ 0	\$ 0	\$ 35,000	\$ 0
CHEVY COLORADO	OPERATIONS	2015	\$ 0	\$ 0	\$ 0	\$ 35,000	\$ 0
IH AQUATEC	OPERATIONS	2011	\$ 0	\$ 0	\$ 270,000	\$ 0	\$ 0
DODGE GRAND CARAVAN	OPERATIONS	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY 1 TON	OPERATIONS	2004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
IH AQUATEC	VACUUM	2008	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
INGERSOLL RAND	COMPRESSOR	1988	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	JETTIER	1997	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER	JETTIER	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GMC SIERRA 1500	COMPOST	2012	\$ 0	\$ 0	\$ 0	\$ 35,000	\$ 0
FORD F150	OPERATIONS	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SECA JETTIER UNIT	COLLECTIONS	2004	\$ 350,000	\$ 0	\$ 0	\$ 0	\$ 0
GMC SIERRA 3500	COLLECTIONS	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 0
GMC SIERRA 3500	COLLECTIONS	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 0
GMC SIERRA 3500	COLLECTIONS	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 0
GMC SIERRA 3500	COLLECTIONS	2016	\$ 0	\$ 45,000	\$ 0	\$ 0	\$ 0
CAT 938G LOADER	COMPOST	2005	\$ 0	\$ 250,000	\$ 0	\$ 0	\$ 0
CASE 821 LOADER	COMPOST	1994	\$ 0	\$ 250,000	\$ 0	\$ 0	\$ 0
CASE 521 LOADER	COMPOST	1994	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
WILDCAT TROMMEL SCREEN	COMPOST	1996	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
POWERSCREEN TROMMEL	COMPOST	2001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOBARK 1200 TUB GRINDER	COMPOST	1994	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FREIGHTLINER FL 80	COMPOST	2000	\$ 0	\$ 0	\$ 190,000	\$ 0	\$ 0
AULICK TRAILER	COMPOST	2009	\$ 0	\$ 0	\$ 65,000	\$ 0	\$ 0
INTERNATIONAL 4900 6x4	COMPOST	1996	\$ 0	\$ 0	\$ 190,000	\$ 0	\$ 0
INTERNATIONAL 1850	COMPOST	1975	\$ 160,000	\$ 0	\$ 0	\$ 0	\$ 0
TOYOTA FORK LIFT	COMPOST	2002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CASE 921 LOADER	COMPOST	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CASE 921 LOADER	COMPOST	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOBARK 1200XL TUB GRINDER	COMPOST	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
ROTO-MIX 3410 ROTARY MIXER	COMPOST	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
40 HP BLOWERS	COMPOST	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CMC PUMP	COLLECTIONS	1956	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
COMC 3" PUMP	PLANT	1951	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,000
LANDA PRESSURE WASH	PLANT	1986	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,000
OLYMPIAN GENERATOR	COLLECTIONS	1999	\$ 0	\$ 0	\$ 41,000	\$ 0	\$ 0
OLYMPIAN GENERATOR	COLLECTIONS	1999	\$ 0	\$ 0	\$ 41,000	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
OLYMPIAN GENERATOR	COLLECTIONS	2002	\$ 0	\$ 0	\$ 41,000	\$ 0	\$ 0
SULLAIR 210H COMPRESSOR	COLLECTIONS	2005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NASHUA TRAILER	COLLECTIONS	1957	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
RETTING UTILITY TRAILER	COLLECTIONS	1999	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SECA JETTIER UNIT	COLLECTIONS	1995	\$ 0	\$ 0	\$ 0	\$ 25,000	\$ 0
<b>Total Core Units</b>		<b>49</b>	<b>\$ 545,000</b>	<b>\$ 680,000</b>	<b>\$ 853,000</b>	<b>\$ 130,000</b>	<b>\$ 33,000</b>

<b>CEMETERY</b>			<b>340</b>				
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
CASE 580 CKB	Loader w/3pt. Hitch	1,974	\$ 0	\$ 0	\$ 56,000	\$ 0	\$ 0
SULAIR COMPRESSOR DF210HJD	Air Compressor	2,013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO WALK BEHIND	Mower	2,002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
KUBOTA	Mower	2,012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HUSTLER \ ATTACHMENTS	Mower	2,002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HUSTLER \ ATTACHMENTS	Mower	2,001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,000
POLARIS RANGER	Utility Cart	2,002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO WORKMAN	Utility Cart	2,012	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE	Tractor	2,007	\$ 0	\$ 0	\$ 0	\$ 25,000	\$ 0
KUBOTA	Utility Cart	2,004	\$ 0	\$ 0	\$ 25,000	\$ 0	\$ 0
HUSTLER \ ATTACHMENTS	Mower	2,004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PROCORE 880	SOIL AERATOR	2,004	\$ 0	\$ 30,000	\$ 0	\$ 0	\$ 0
HUSTLER \ ATTACHMENTS	Mower	2,007	\$ 45,000	\$ 0	\$ 0	\$ 0	\$ 0
TORO WORKMAN	Utility Cart	2,015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BACKHOE LOADER	OPERATION	2,010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
KUBOTA	UTV	2,013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Core Units</b>		<b>16</b>	<b>\$ 45,000</b>	<b>\$ 30,000</b>	<b>\$ 81,000</b>	<b>\$ 25,000</b>	<b>\$ 40,000</b>

<b>PARKS DEPARTMENT</b>			<b>370</b>				
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
DODGE RAM 1500	OPERATIONS	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
DODGE GRAND CARAVAN	OPERATIONS	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD TRANSIT 15 PASSENGER	OPERATIONS	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NISSAN NV 3500SV 15 PASSENGER VAN	OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD F350 FLAT BED LIFT GATE	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GMC SIERRA PICKUP	OPERATIONS	2006	\$ 0	\$ 0	\$ 35,000	\$ 0	\$ 0
CHEVY SILVERADO HYBRID	OPERATIONS	2006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
POLARIS 6x6 UTV	CONSERVATION	2008	\$ 20,000	\$ 0	\$ 0	\$ 0	\$ 0
MORBARK CHIPPER	CONSERVATION	2010	\$ 0	\$ 40,000	\$ 0	\$ 0	\$ 0
CASE 580L	OPERATIONS	1998	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD F-250	OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE 1545 72" MOWER	OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,000
TORO 5900 16' MOWER	OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD TRANSIT 15 PASSENGER	RECREATION	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE TRACTOR 6310	CONSERVATION	2001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BOBCAT TOOL CAT	OPERATIONS	2012	\$ 0	\$ 0	\$ 0	\$ 70,000	\$ 0
KUBOTA F3990	OPERATIONS	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HONDA RUBICON	OPERATIONS	2012	\$ 0	\$ 10,000	\$ 0	\$ 0	\$ 0
KUBOTA 3680	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 30,000	\$ 0
TORO 5900 16' MOWER	MOWER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVY PICKUP	OPERATIONS	2000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO 5900 16' MOWER	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 96,000
FORD F700 AERIAL LIFT TRUCK	FORESTRY	2002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
AERIAL LIFT TRUCK	FORESTRY	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BANDIT 3200 STUMP GRINDER	FORESTRY	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NISSAN NV 3500SV 15 PASSANGER VAN	OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE 1545 72" MOWER	OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,000
MITSUBISHI (MINI TRUCK)	OPERATIONS	1998	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
HONDA (MINI TRUCK)	OPERATIONS	2000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MITSUBISHI (MINI TRUCK)	OPERATIONS	1996	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
GMC SIERRA PICKUP	OPERATIONS	2005	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
KUBOTA MOWER	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CASE MINI EXCAVATOR	OPERATIONS	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD F350 DUMP BOX	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVROLET ¼ TON PICKUP	OPERATIONS	1999	\$ 0	\$ 0	\$ 0	\$ 32,000	\$ 0
GMC SIERRA PICKUP	OPERATIONS	2004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE 1445	MOWER	2006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE 1445	MOWER	2005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BANDIT 255XP	CHIPPER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BANDIT 250XP	CHIPPER	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO 580D MOWER	MOWER	2006	\$ 95,000	\$ 0	\$ 0	\$ 0	\$ 0
KUBOTA UTV	OPERATIONS	2006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
KUBOTA UTV	OPERATIONS	2006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD F 250	OPERATIONS	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO 5900 16' MOWER	MOWER	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE 1445	MOWER	2007	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
RYAN RENOVAIRE	TURF MAINTENANCE	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PJ UTILITY TRAILER	OPERATIONS	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PJ UTILITY TRAILER	OPERATIONS	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPORT LAND TRAILER	OPERATIONS	2005	\$ 0	\$ 10,000	\$ 0	\$ 0	\$ 0
SPORT LAND TRAILER	OPERATIONS	2005	\$ 0	\$ 10,000	\$ 0	\$ 0	\$ 0
SPORT LAND TRAILER	OPERATIONS	2006	\$ 0	\$ 10,000	\$ 0	\$ 0	\$ 0
UTILITY TRAILER	OPERATIONS	2005	\$ 0	\$ 10,000	\$ 0	\$ 0	\$ 0
UTILITY TRAILER	OPERATIONS	2005	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
B&B TRAILERS UTILITY TRAILER	OPERATIONS	2007	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GARGOMATE TRAILER	OPERATIONS	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PJ TRAILER CAR HAULER TRAILER 16'	OPERATIONS	2017	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO TOP DRESSER	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
REDMAX 12 TON TRAILER	OPERATIONS	1995	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TRAILER	OPERATIONS	2006	\$ 0	\$ 0	\$ 0	\$ 15,000	\$ 0
WALTON TRAILER	OPERATIONS	2012	\$ 0	\$ 0	\$ 0	\$ 10,000	\$ 0
RYAN RENOVAIRE	OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
WALTON TRAILER	OPERATIONS	2012	\$ 0	\$ 0	\$ 0	\$ 10,000	\$ 0
WALTON TRAILER	OPERATIONS	2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,000
FABIQUE RAFT TRAILER	OPERATIONS	2011	\$ 0	\$ 0	\$ 5,000	\$ 0	\$ 0
FABIQUE RAFT TRAILER	OPERATIONS	2010	\$ 0	\$ 5,000	\$ 0	\$ 0	\$ 0
HOME MADE TRAILER	OPERATIONS	2010	\$ 0	\$ 5,000	\$ 0	\$ 0	\$ 0
PACEAMERIC BACKCOUNTRY TRAILER	SPLASH FOOD TRAILER	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
LANDPRIDE SLIP SEEDER	OPERATIONS	2009	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PJ TRAILER CAR HAULER TRAILER	OPERATIONS	2014	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
PJ TRAILER	OPERATIONS	2003	\$ 0	\$ 0	\$ 15,000	\$ 0	\$ 0
PULL BEHIND AERATOR	OPERATIONS	1995	\$ 0	\$ 12,000	\$ 0	\$ 0	\$ 0
TORO 5900 16' MOWER	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO WORKMAN XD-D	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
TORO WORKMAN XD-D	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
NEWSTRIPE 1700 RIDE ON STRIPER	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 10,500	\$ 0
TORO WORKMAN ELECTRIC	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 10,000	\$ 0
TORO WORKMAN ELECTRIC	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 10,000	\$ 0
TORO WORKMAN ELECTRIC	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 10,000	\$ 0
TORO SANDPRO 5040	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 17,000	\$ 0
HYSTER H60FT FORKLIFT	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTIVE ENCLOSED CARGO TRAILER	FORT OPERATIONS	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FORD F250	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
JOHN DEERE 1545 72" MOWER	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
BOSS RT3 SNOW PLOW	FORT OPERATIONS	2016	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SKID STEER	OPERATIONS		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
POST POUNDER	OPERATIONS		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
ARROW BOARD TRAILER	FORT OPERATIONS		\$ 18,000	\$ 0	\$ 0	\$ 0	\$ 0
RECREATION TRAILER	FORT OPERATIONS		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Core Units</b>		<b>89</b>	<b>\$ 168,000</b>	<b>\$ 112,000</b>	<b>\$ 55,000</b>	<b>\$ 224,500</b>	<b>\$ 182,000</b>

<b>PARKING COMM.</b>		<b>395</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
GRACO LINE PAINTER	MAINTENANCE	2015	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
CHEVROLET 3500	METER READ	1995	\$ 50,000	\$ 0	\$ 0	\$ 0	\$ 0
GO-4	METER READ	2010	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GO-4	METER READ	2003	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GO-4	METER READ	2006	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
GO-4	METER READ	2006	\$ 50,000	\$ 0	\$ 0	\$ 0	\$ 0
GO-4	METER READ	2008	\$ 0	\$ 0	\$ 0	\$ 50,000	\$ 0
GMC	SNOW PLOW	2005	\$ 0	\$ 50,000	\$ 0	\$ 0	\$ 0
JOHN DEERE GATOR	SNOW PLOW	2005	\$ 0	\$ 0	\$ 18,000	\$ 0	\$ 0
GMC SIERRA	SNOW PLOW	2008	\$ 50,000	\$ 0	\$ 0	\$ 0	\$ 0
JOHNSTON 605	SWEeper	1999	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Core Units</b>		<b>11</b>	<b>\$ 150,000</b>	<b>\$ 50,000</b>	<b>\$ 18,000</b>	<b>\$ 50,000</b>	<b>\$ 0</b>

<b>WATER UTILITY</b>		<b>335</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
GMC 2500	Vacant position	2013					
GMC 2500	Operations Sup	2013					
Ford 350 EXTCAB V10 W/Flatbed	Distribution	2002					
Ford 350 EXTCAB V10 W/Service body	Production	2002					
Ford 350 EXTCAB V10 W/Service body	Production	2006					
Ford 350 EXTCAB V10 W/Service body	Production	2002					
Ford 250 V8 W/ Service Body	Service	2011					
Ford EXTCAB 150	Service	2010					
Ford EXTCAB 150	Back flow	2010					
Chevy 2500 W/ Flatbed	Distribution	2008					
Chevy 2500 W/ Flatbed	Distribution	2004					
Chevy 3500 EXTCAB W/ Flatbed Diesel Dually	Distribution	2006					
Chevy 2500 W/ Service Body	Service	2004					
Chevy 2500 W/ Service Body	Service	2004					
Chevy W/ Knapheide van	Service	2007					
Chevy 2500 W/ Service Body Diesel	Production	2008					
Chevy 2500 W Service Body Diesel	Production	2004					
Chevy 2500	Vacant position	2007					
Chevy EXTCAB 1500	Spare/Engineering	2011					
Chevy 1500	Safety	2011					
VW	Pool car	2014					
Chevy 2500 pickup	Pool car	2003					
91 Chevy pickup	Production	1991					
Boom truck	Production	1984					
Ford Generator Truck	Production	1997					
Ford Dump Truck	Distribution	1990					
Zeeman Equipment Trailer	Distribution	1990					
Snake River Equipment Trailer	Distribution	2015					
Cat Skid steer	Distribution	2015					
Vacuum and Trailer	Service						
Charmac Enclosed trailer 14'	Operations	2010?					
Charmac Enclosed trailer 24'	Operations	2013?					
<b>Total Core Units</b>		<b>32</b>	<b>\$ 0</b>				

<b>STORM WATER UTILITY</b>		<b>335</b>					
VEHICLE DESCRIPTION	OPERATION FUNCTION	YEAR	FY2019	FY2020	FY2021	FY2022	FY2023
FORD F150 SUPER CAB PICKUP	ADMIN	2017					
<b>Total Core Units</b>		<b>1</b>	<b>\$ 0</b>				

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

**FY19 - FY23 City of Missoula Copier / Printer & Plotter Replacement Schedule**

DEPT.	COPIER/PRINTER DESCRIPTION	FY2019	FY2020	FY2021	FY2022	FY2023
ATTORNEY	W7855PT (+ Env. Try, 3 hole punch & office finisher LX)			12,600		
CEMETERY	Sharp MX-5141N (+ saddle stitch finisher and other requirements)		10,700			
CLERK	W7855PT (+ Bookmaker, 3 hole punch & office finisher LX)(Envelope Feed Tray - secondary order)				12,800	
COUNCIL	Sharp MX-M365N (+ Inner Finisher, stand w/ drawer and power filter)					5,800
DEV. SERVICES (Prev. Bldg.)	Xerox W7855PT				12,500	
DEV. SERVICES (Prev. PW)	Xerox WC7556P Color MFP				13,500	
FINANCE	HP LJ M725DN MFP (+ Carepack)					
FIRE	Xerox WC7556P Color MFP					
HUMAN RESOURCES	Konica Minolta C360 Bizhub Color Digital MFS					
MAYOR	W7855PT (+ 3 hole punch & office finisher LX)			12,200		
MRA	Sharp MX4101N					
MUNI COURT	Toshiba e-Studio 5540ct Digital MFS Color with a fax board					
PARKING	HP LaserJet Pro M570DN					
PARKS & REC AQUATICS	Ricoh MPC5501		11,400			
PARKS & REC FACILITIES	Toshiba e-Studio 5540ct Digital MFS Color	10,000				
PARKS & REC FACILITIES	Konica Minolta Bizhub 350					
POLICE	Konica Minolta BizHub C552	15,300				
POLICE	New Device			13,500		
STREET	Xerox W7125PT Color MFS		7,100			
TRANSPORTATION	Xerox 5855APT	12,000				
WWTP	Konica Minolta Bizhub 223 MFP					
WWTP	Xerox W7835PT			8,700		
DEPT.	PLOTTER	FY2019	FY2020	FY2021	FY2022	FY2023
FIRE	HP Designjet Z6200 42" Graphics Plotter w/ Post Script/PDF Upgrade Option for Z6200 (+Ink Pckg) & HP 3 Year Extended Warranty for HP Z6200					
PARKS	HP Designjet T2300 PostScript eMultifunction printer & HP 3-yr NBD DJet HW Spt				12,500	
POLICE	HP Designjet T2300 PostScript eMultifunction printer & HP 3-yr NBD DJet HW Spt				12,500	
ENGINEERING	HP Designjet Z6200 42" Graphics Plotter (+ Ink Pckg) & Extended Warranty - 3YR Next day on-site warranty					
DEPT.	OTHER EQUIPMENT	FY2017	FY2018	FY2019	FY2020	FY2021
FINANCE	HASLER M3000 Machine number: 07DX8253 062.2					
	COMPUTER REPLACEMENT - PERIPHERALS	50,000	50,000	50,000	50,000	50,000
	COMPUTER REPLACEMENT - SERVERS	25,000	25,000	25,000	25,000	25,000
		<b>\$ 112,300</b>	<b>\$ 104,200</b>	<b>\$ 122,000</b>	<b>\$ 138,800</b>	<b>\$ 80,800</b>

## RESOLUTION NUMBER 7167

**A RESOLUTION OF THE MISSOULA CITY COUNCIL CREATING A DEBT MANAGEMENT POLICY OF THE CITY OF MISSOULA.**

**WHEREAS** a debt management policy is helpful for issuing, administering and managing municipal debt; and

**WHEREAS**, Title 7, Chapter 7 of the Montana Code Annotated is entitled "Debt Management" for local government; and

**WHEREAS**, prudent financial management encourages the Missoula City Council to establish a Debt Management Policy to serve as a guideline when the City of Missoula is issuing debt instruments; and

**WHEREAS** the Missoula City Council considered and adopted the attached municipal debt policy for the City of Missoula at its \_\_\_\_\_, 2006 meeting; and

**NOW, THEREFORE, BE IT RESOLVED**, that the attached Policy of the City of Missoula be established as the official debt management policy.

**FURTHER BE IT RESOLVED THAT** this document shall also be included in the Missoula Administrative Rules and Procedures as Policy No. \_\_\_\_, on file in the Missoula City Clerks' Office.

PASSED AND ADOPTED this 16th day of October, 2006.

ATTEST: APPROVED:

/s/ Martha L. Rehbein

Martha L. Rehbein, City Clerk

(Seal)

/s/ John Engen

John Engen, Mayor

## Debt Management Policy

### City of Missoula

#### Executive Summary

This debt policy for the City of Missoula is designed to provide a clear basis as to the City's policies and practices so that our creditors, elected officials and citizens will understand the basis of debt issuance by the City. This policy formally puts in writing what our past and present debt issuance practices have been.

The policy addresses the following issues:

1. Provides a statement of purpose.
2. Provides general guidelines, definitions and conditions for debt issuance.
3. Discusses the various types of debt issued by the City.
4. Identifies debt structuring characteristics addressing repayment terms, tax exempt status, prepayment provisions, sale to accredited investors and credit ratings.
5. Discusses the three methods for selling the City's debt and the preferred method of sale.
6. Provides a process for underwriter selection for negotiated sales.
7. Provides the basis of award for bond sales.
8. Provides the basic guidelines for the City's debt management:
  - Required Debt service cash flow monitoring.
  - Targeted debt level maximum for voted G.O. debt (66% of statutory debt capacity).
  - Targeted debt level maximum for non-voted General Fund debt (66% of legal debt limit).
  - Targeted debt level maximum for annual appropriation obligations (capital leases) which would be 1% of General fund Expenditures in the preceding year.
  - Basis for issuance of revenue debt (enterprise funds).
  - Criteria for securing the issuance of special improvement district debt and curb & gutter debt.
  - Guidelines for the issuance of tax increment debt.
  - Criteria for the refunding of City debt.
  - Criteria for the use of derivatives (currently illegal for Montana cities).
9. Establishes interim reporting to the Mayor and Council.
10. Other administrative procedures and guidelines for the City Finance office.

This Debt Management Policy is adopted to promote the effective use of debt as a financing tool and to guide decision-making on its application.

## Debt Management Policy

### I. Statement of Purpose

- A. To preserve the public trust and prudently manage public assets to minimize costs to taxpayers and ensure current decisions positively impact future citizens.
- B. To minimize borrowing costs.
- C. To preserve access to capital markets.
- D. To ensure future financial flexibility in debt financing options.

### II. Guidelines for Use of Debt Financing

- A. Debt is a financing tool which should only be judiciously used within the City's legal, financial and debt market capacities.
- B. Definitions
  1. Debt. The creation of debt occurs when a governing body incurs a financial obligation that cannot, or will not, be repaid from current fiscal period revenues. Debt may be in the form of bond or note.
  2. Short Term Debt. For purposes of this policy, Short Term Debt means debt with a repayment term of less than 5 years.
  3. Long term Debt. For purposes of this Policy, Long Term Debt means debt with repayment terms beyond the term of the Short Term Debt, up to the maximum term allowable by law, generally twenty years.
  4. Cash Flow Financing. Cash flow financing means tax and revenue anticipation notes (TANS and RANS) that are issued in anticipation of the receipt of the revenues, and tax dollars levied and appropriated and expected to be received in the fiscal year in which the note is issued. Because TANS and RANS are payable from current year revenues they do not constitute debt.

#### C. General Conditions for the Use of Long-term Debt

Debt will be considered when some or all of the following conditions exist:

1. Estimated future revenues are sufficient to ensure the long-term viability of repayment of the debt obligation;
2. Other financing options have been explored and they are not viable for the timely or economic acquisition or completion of a capital project;
3. A capital project is mandated by federal or state authorities with no other viable funding option available; and
4. The asset useful life lends itself to long term debt financing.

#### D. Debt Issuance versus Pay-As-You-Go (PAYG) Financing

The City shall seek to appropriately use PAYG financing, when feasible, based on the following criteria:

1. The project can be adequately funded from available current revenues and fund balances;
2. The project can be completed within an acceptable timeframe when funded from current revenues;
3. Additional debt levels could adversely impact credit ratings or capacities to repay existing obligations;
4. Market conditions are such that PAYG presents a favorable option; or
5. The asset's useful life itself is not conducive to long term debt financing.

### III. Types of Debt

The City may have choices as to the type of debt which would best meet the needs of the particular financing and its overall objectives. The following is a listing of the types of debt and general guidelines as to their use.

#### A. General Obligation and Related Debt

1. *General Obligation (G.O.)*. General Obligation bonds provide the investor with its most secure City transaction, because of the City's pledge of its unlimited authority to levy ad valorem property taxes for debt service. G.O. bonds require voter approval to be issued. The overall amount of G.O. bonds is limited by statute.
2. *General Fund Bonds*. General Fund bonds are secured by a long-term pledge by the City of General Fund revenues. It differs from a G. O. bond in that it is not a long-term pledge of an unconditional levy of property taxes. The issuance of General Fund bonds has three statutory restrictions: a) no single issue can exceed 10% of the General Fund budget for each of the two preceding years; b) at the time of issuance the total of all such debt service cannot exceed 2% of the General Fund's revenues for each of the two preceding years; and c) the maximum term of any issue cannot exceed 20 years.
3. *Annual Appropriation Obligations*. These obligations are financial contracts which are secured solely by the City's pledge to annually consider an appropriation for their payment. As this consideration is on an annual basis, the obligations do not provide a legally binding commitment for a long-term pledge of repayment. They are less secure to the investor due to the risk of non-appropriation. The City has the potential to use annual appropriation obligations for either governmental purpose projects or as additional security for economic development projects. The City will consider its use in the latter case only in extreme situations and then only for public improvements having a city-wide benefit. In economic development applications the City will look to the related economic development revenues to provide full payment of all obligations and to have a minimum coverage level of 130%.

#### B. Revenue Debt

1. *Revenue Bonds* can be issued to fund certain types of revenue producing municipal enterprises, infrastructure systems or in relation to economic development projects. Revenue bonds are secured by the revenues of the particular system or project being financed. Revenue bonds are not secured by general municipal revenues or the general property tax.
2. *Tax Increment Financing (TIF) Debt*; this type of revenue bond is secured by TIF revenues from a TIF district or an individual TIF project. TIF bonds can only fund eligible project costs permitted under the statute. In certain cases TIF bonds may be issued as federally taxable securities due to the nature of expenditures and the special augmented security provided by private parties involved with a development.

#### C. Special Assessment Debt

1. *Special Improvement District (SID) Debt*; this type of bond is secured by special assessments levied on specific properties for related municipal infrastructure improvements which specially benefit those particular properties. The statute requires a 5% contribution to an overall SID revolving fund, and the provision for up to an additional 5% for the funding of a debt service reserve fund specific to a particular bond issue, if necessary to secure and market the debt.
2. *Curb and Gutter Debt*; this type of bond is secured by special assessments levied on specific properties for these improvements which specially benefit those particular properties. The statute requires a 5% contribution to an overall SID revolving fund.

#### D. Conduit Bonds

The City may act as an issuer for a private or non-profit party. In these cases the City acts as a 'conduit' issuer of tax-exempt bonds as defined by federal and state law. Conduit bonds are secured solely by revenues of the private or non-profit party, and are not an obligation of the City.

#### E. Debt Structuring Characteristics

In general the City will seek to structure its debt issues with these terms. The City recognizes that certain debt transactions may require deviations from these terms given the specific financial conditions.

1. *Repayment Term*. The City will structure its debt to comply with all federal and state and local requirements as to repayment terms. The City will seek to repay its debt in an expeditious manner within the City's overall financial objectives and in consideration of the dedicated repayment revenue source(s) and the useful life of the project.
2. *Taxable debt*. The City shall primarily seek to issue and/or guarantee only tax-exempt debt and avoid taxable debt to reduce interest expenses. However, the City recognizes that in certain cases the

issuance of taxable debt may be required and/or beneficial to the City in reducing its risk for a particular project. Prior to issuing taxable debt the City will complete an evaluation of the cost and risk differentials.

3. *Prepayment Provisions.* Redemption provisions and call features shall be in compliance with particular statutory provisions by type of issue, and be evaluated in the context of each bond sale to enhance marketability of the bonds; to ensure flexibility related to potential early redemption; to foster future refunding transactions; or in consideration of special conditions of the transaction. Additional cost of call premium and higher interest rates as a result of including a call provision shall also be evaluated.
4. *Sale to Accredited Investors.* Certain issues may be of a highly speculative nature due to the type of project or the revenue structure. The City wants to ensure that all of its issues are purchased by investors fully knowledgeable of the risks involved with the investment. For highly speculative issues the City will require the purchase by qualified investors, those generally defined by the Securities and Exchange Commission, Regulation D. To ensure these types of investors are maintained both in the primary and secondary bond markets, the City will require either minimum denominations of \$50,000 or that all future investors are accredited.
5. *Credit Ratings.* The City will seek to obtain investment grade credit ratings when possible. Credit ratings provide a standard for proper bond structuring, generally expand the market thereby reducing overall financing costs and provide an independent assessment of overall financial condition.

#### IV. Bond Sale

##### A. Method of Sale

Three methods of sale exist for the placement of municipal bonds:

1. *Competitive sale.* Bonds are marketed to a wide audience of investment banking (underwriting) firms. Their bids are submitted at a specified time. The underwriter is selected based on its best bid (lowest true interest cost) for its securities.
2. *Negotiated sale.* The City selects the underwriter or group of underwriters of its securities in advance of the bond sale. The City financing team works with the underwriter to bring the issue to market and negotiates all interest rates and terms of the sale.
3. *Private placement.* The City sells its bonds to a limited number of sophisticated investors, and not the general public. Private placement bonds are often characterized as having higher risk or a specific type of investor base.

##### B. Preferred Method of Sale

The City will sell their municipal bond issues on a competitive basis unless specific conditions exist which warrant a different manner. Such conditions may include:

1. A bond structure which is not conducive to a competitive bond sale due to its structure;
2. An issue which lacks an investment grade rating or has complex security provisions;
3. An issue with a small principal amount; and
4. A municipal bond market which is experiencing significant volatility.

Regardless of the conditions above, the City must follow the particular statutory provisions for the method of sale for each type of issue. Further, on all sales the City will obtain an opinion from its financial adviser as to the reasonableness of the financing structure and the proposed interest rates.

##### C. Selection of Underwriter for Negotiated Sales

For negotiated sales, the City will select an underwriter(s) through a competitive process. This process will include a request for proposals from firms considered appropriate for the underwriting of the particular issue. The Director of Finance will set criteria deemed appropriate for the evaluation of underwriter proposals and select the underwriter(s) based on such criteria.

##### D. Award of Sale

The City and its agencies will award the sale of its bonds on a true interest cost (TIC) basis. A TIC basis considers the time value of money in its calculation.

## V. Guidelines for Debt Management

Proactive debt management is a key component to the immediate and long-term success of the City's financial objectives. A successful debt management program begins with comprehensive information on the current debt program status and definition of the future direction of the City's capital financing objectives.

The City recognizes that a negative event relating to the repayment of any of its issues will have significant long term adverse consequences for all future debt obligations regardless of type. The City will seek to incorporate into each of its issues sufficient security provisions to mitigate this risk.

### A. Debt Service Cash Flow Monitoring

The City shall maintain a system of debt service revenue forecasting for each of its major debt categories. For revenue only transactions the City will assess the probability of future collections of pledged revenues.

### B. Guidelines for Targeted Debt Level Maximums

Maintaining the appropriate levels of debt is important to preserve capacity for future infrastructure investments and to position for high credit quality. Each type of debt has its own appropriate level. The appropriate levels are internally determined based on a variety of factors, such as: infrastructure investment needs of the particular service area, capacity to repay debt from the specific revenue source, and the sector's credit rating objectives. Since these factors can change over time, any debt guideline must be periodically reviewed to reflect evolving City conditions.

#### 1. General Obligation Debt

The sum of all City direct debt by type shall not exceed the lesser of:

Percent of Assessed Valuation	66% of legal debt limit
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#### 2. General Fund Debt

Principal Of Each Debt Issue Not To Exceed : (a) 10% of General Fund Budget each preceding two years, and (b) total debt service for all outstanding debt (66 % of General Fund Legal limit = 66% X 2% Revenues for each preceding two years) = 1.32% (of General Fund revenues) which is the targeted limit for General Fund debt issuance.

#### 3. Annual Appropriation Obligations (i.e. capital leases)

Percent of General Municipal Expenditures in preceding year: - 1.0 %

#### 4. Revenue (Enterprise) Obligations

Each type of enterprise fund revenue debt has an estimated capacity caused by its financial position, user rate revenue generation capability, and existing and anticipated future debt requirements.

#### 5. Special Improvement District; Curb and Gutter Revenue Bonds;

The City will seek to maintain a security profile which will assist in mitigating any exposure of revenue deficiency draws against the overall revolving fund and funded reserve levels, and where possible obtain investment-grade credit ratings. The City recognizes that having to draw upon the revolving fund, supplemental reserves or a payment default puts at risk the City's ability to efficiently fund all outstanding and future related issues. To maintain appropriate security the City will generally require the following security profile to each of these issues;

- Funding of the 5% SID Revolving Fund is mandatory,
- Financing improvements to properties where at least 50% have structures on the parcels, and
- Assessments to Market Value being less than 33%.

If these conditions cannot be met and the City still wishes to issue the bonds, then the City may seek one or more of the following additional risk mitigation approaches

- Debt Service Reserve equal to an additional 5% may be established for a specific debt issue,
- Require the project to be constructed and financed in multiple phases, or
- Require supplemental private party guarantees in the form of direct pay letters-of-credits from financial institutions with industry credit ratings of good or higher.

#### 6. Tax Increment Financing Debt;

Where possible the City will seek to have pay-as-you-go TIF debt, wherein the project's private beneficiary receives debt payments over a period of time only from actual revenue collections.

Where the project or financing does not lend itself to a PAYG approach, the City will require the individual TIF issues to have a funded debt service reserve, coverage at a minimum of 125%, an executed development contract clearly specifying the developer's requirements as to timing and valuation of development with suitable remedies for the City in the event of non-performance. Where appropriate the City will seek such other security guarantees as are deemed necessary solely by the City, regardless of the tax standing of the particular issue.

#### 7. Defeasance, Prepayment and Refunding

The accelerated retirement and restructuring of debt can be valuable debt management tools. Accelerated retirement occurs through the use of defeasance and the exercise of prepayment provisions. Debt is often restructured through the issuance of refunding bonds.

The federal government has placed significant conditions on the tax-exempt refunding of outstanding issues. Refundings have two general categories:

Current refundings, where the refunding bonds are settled within 90 days of an optional prepayment date; and

Advance refundings, where refundings are settled more than 90 days in advance of an optional prepayment date. The federal restrictions are that any issue can only be advance refunded once on a tax-exempt basis.

On advance refundings the City will seek to obtain a minimum present value savings level of 3% of the present value of refunded debt service.

State law requires a demonstration of savings of 0.5% reduction in the average coupon interest rate between the refunding and refunded bonds.

#### 8. Derivatives

Montana municipalities are not currently authorized to use derivatives. If state law authorizes municipalities to use derivatives, the City would consider their use in conjunction with significant evaluation as to the risks and benefits and with the advice of independent industry professionals. If used, the City would follow the Government Finance Officers Association's Recommended Practice on the use of Derivatives.

### VI. Interim Reporting

The Director of Finance will provide the Mayor, City Council and Chief Administrative Officer a summary debt report at minimum at six-month intervals within 30 days of each December 31<sup>st</sup> and June 30<sup>th</sup>. While the contents of the summary debt report may vary over time, at minimum it will cover the actual experience to the Guidelines for Targeted Debt Maximums.

### VII. Compliance

#### A. Compliance with Statutory and Code of Ordinances

The authority and manner in which the City issues its bonds are in large part dictated by the conveyed state statutory authority. The statutes provide numerous requirements on the issuance and structuring of City bonds, with variations by type of debt. The City will follow all statutory requirements in the issuance and structuring of its debt obligations, as well as ordinances provisions relative to debt issuance, term of debt, structuring, method of sale, etc.

#### B. Monitoring of Covenant Compliance

The City's revenue bonds generally have a number of bond covenants requiring ongoing compliance and conditions for future bond issuance on an equal security ('parity') basis. The City will maintain a compliance monitoring system by revenue bond type of all bond covenants. The system will track trends in coverage levels over time and capacity availability under the additional bonds covenants.

#### C. Federal Arbitrage and Rebate Compliance

1. The City will fully comply with the federal arbitrage and rebate regulations. Concurrent with this policy, the City will take all permitted steps to minimize any rebate liability through proactive management in the structuring and oversight of its individual debt issues.
2. All of the City's tax-exempt issues and obligations are subject to arbitrage compliance regulations. The Finance Department and the requesting departments shall be responsible for the following:

- a. Using bond proceeds only for the purpose and authority for which the bonds were issued. Tax-exempt bonds will not be issued unless it can be demonstrated that 85% of the proceeds will be expended within the three-year temporary period.
- b. Performing rebate calculations on certain construction funds as determined by IRS. The City will engage an arbitrage consulting firm to perform annual rebate calculations.
- c. Performing rebate computations annually, but in no event later than each five-year anniversary date of the issuance and at the final maturity for all bonds. Examining whether the City met the rebate exception calculation rules.
- d. Maintaining detailed investment records, including purchase prices, sale prices and comparable market prices for all securities.
- e. Monitoring expenditure of the bond proceeds and exercising best efforts to spend bond proceeds in such a manner that the City shall meet one of the spend-down exemptions from rebate.
- f. Monitoring the investment of bond proceeds with awareness of rules pertaining to yield restrictions.

To the extent rebate liability exists, the City will report such liability in its comprehensive annual financial report (CAFR).

## VIII. Disclosure Compliance

### A. Introduction

Disclosure is both a regulatory requirement and a highly advisable means to enhance the marketing of the City's bonds. The Securities and Exchange Commission (SEC) regulates both primary disclosure, the initial marketing of a bond issue, and continuing disclosure, the ongoing information to the market about the status of the issue and issuer. Initial and ongoing disclosure are subject to the anti-fraud provisions of the securities laws, requiring an issuer to provide all material information about a bond issue and the security for the bond issue. In addition to general anti-fraud issues, the SEC regulates the manner in which bond underwriters can underwrite municipal securities. SEC Rule 15c2-12 (the "Rule") requires, among other things, that an underwriter obtain an official statement meeting certain requirements. The Rule also prohibits an underwriter from marketing municipal securities unless the issuer enter into an undertaking to provide continuing disclosure to the market.

Adequate disclosure on both a primary and continuing basis can enhance the marketability of the City's bonds by providing potential investors with current and professional information regarding the City. Timely and accurate completion of these tasks both influences investors' decisions on purchasing the City's bonds and contributes to the competitive audience for the City's bonds.

The City will fully comply with disclosure regulations.

### B. Primary

In the preparation of official statements the City will follow professional and market standards in the presentation of disclosure about its bond issues. The City will facilitate the distribution of the official statements in a timely manner to allow investors adequate time to make their investment decisions in an informed manner. The City will disclose all material information about its bond issue and the security for the bond issue.

The City will execute continuing disclosure undertakings in a manner to fully comply with regulatory provisions and ensure a full disclosure of appropriate information to the market.

### C. Secondary

The City will meet all substantive and time requirements in its annual continuing disclosure filings, which include making the City's CAFR available to the public 180-270 days after the fiscal year end. The City will keep current with any changes in both the administrative aspects of its filing requirements and the national repositories responsible for ensuring issuer compliance with the continuing disclosure regulations. In the event a 'material event' occurs requiring immediate disclosure, the City will ensure information flows to the appropriate disclosure notification parties in a timely manner.

Any filing may be made solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org>, unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

# CITY OF MISSOULA INVESTMENT POLICY

Revised February 2000

Modeled After Government Finance Officers Association  
Sample Investment Policy  
Committee on Cash Management

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## I. Scope

This policy applies to the investment of short-term operating funds. Proceeds from certain bond issues will be covered by a separate policy.

### 1. Pooling of Funds

Except for cash in certain restricted and special funds, the City of Missoula will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

## II. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

### 1. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

#### a. Credit Risk

The City of Missoula will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City of Missoula will do business
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

#### b. Interest Rate Risk

The City of Missoula will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
  - Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

### 2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in money market mutual funds or local government investment pools, which offer same-day liquidity for short-term funds.

### 3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1. A security with declining credit may be sold early to minimize loss of principal.
2. A security swap would improve the quality, yield, or target duration in the portfolio.
3. Liquidity needs of the portfolio require that the security be sold.

## III. Standards of Care

### 1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. *Ethics and Conflicts of Interest* Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City of Missoula.
3. *Delegation of Authority* Authority to manage the investment program is granted to the City's Finance Director/Treasurer, hereinafter referred to as investment officer and derived from the following: 7-6-201 M.C.A. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

#### IV. Safekeeping and Custody

1. *Authorized Financial Dealers and Institutions*  
A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of National Association of Securities Dealers (NASD) certification
- Proof of state registration
- Completed broker/dealer questionnaire
- Certification of having read and understood and agreeing to comply with the City of Missoula's investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer. (See the GFOA Recommended Practice on "Governmental Relationships with Securities Dealers," in Appendix 3.)

From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to the criteria under Paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.

## 2. *Internal Controls*

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City of Missoula are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record-keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

3. *Delivery vs. Payment* All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

## V. **Suitable and Authorized Investments**

### 1. *Investment Types*

Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following investments will be permitted by this policy and are those defined by state and local law (7-6-2 01 M.C.A., 7-6-202 M.C.A., 7-6-206 M.C.A. 17-6-204 M.C.A.) where applicable:

#### **7-6-201. Deposit of public funds in financial institutions.**

(1) Except as provided in 7-6-202, 7-6-206 or 7-6-2701, it shall be the duty of all county and city treasurers and town clerks to deposit all public money in their possession and under their control in any solvent banks, building and loan associations, savings and loan associations, or credit unions located in the county, city, or town of which such treasurer is an officer, subject to national supervision or state examination as the local governing body may designate, and no other.

(2) Said local governing body is hereby authorized to deposit such public money not necessary for immediate use by such county, city, or town in a savings or time deposit with any bank, building and loan association, savings and loan association, or credit union authorized above or in a repurchase agreement as authorized in 7-6-213.

(3) The treasurer or town clerk shall take from such bank, building and loan association, savings and loan association, or credit union such security as the local governing body may prescribe, approve, and deem fully sufficient and necessary to insure the safety and prompt payment of all such deposits, together with the interest on any time or savings deposits.

(4) All such deposits shall be subject to withdrawal by the treasurer or town clerk in such amounts as may be necessary from time to time. No deposit of funds shall be made or permitted to remain in any bank, building and loan association, savings and loan association, or credit union until the security for such deposits shall have been first approved by the local governing body and delivered to the treasurer or town clerk.

#### **7-6-202. Investment of public money in direct obligations of United States.**

(1) A local governing body may invest public money not necessary for immediate use by the county, city, or town in the following eligible securities:

(a) United States government treasury bills, notes, and bonds and in United States treasury obligations, such as state and local government series (SLGS), separate trading of registered interest and principal of securities (STRIPS), or similar United States treasury obligations;

(b) United States treasury receipts in a form evidencing the holder's ownership of future interest or principal payments on specific United States treasury obligations that, in the absence of payment default by the United States, are held in a special custody account by an independent trust company in a certificate or book-entry form with the federal reserve bank of New York; or

(c) obligations of the following agencies of the United States, subject to the limitations in subsection (2):

- (i) federal home loan bank;
- (ii) federal national mortgage association;
- (iii) federal home mortgage corporation; and
- (iv) federal farm credit bank.

(2) An investment in an agency of the United States is authorized under this section if the investment is a general obligation of the agency and has a fixed or zero-coupon rate and does not have prepayments that are based on underlying assets or collateral, including but not limited to residential or commercial mortgages, farm loans, multifamily housing loans, or student loans.

(3) The local governing body may invest in a United States government security money market fund if;

(a) the fund is sold and managed by a management-type investment company or investment trust registered under the Investment Company Act of 1940 (15 U.S.C. 80a-64), as may be amended;

(b) the fund consists only of eligible securities as described in this section;

(c) the use of repurchase agreements is limited to agreements that are fully collateralized by the eligible securities, as described in this section, and the investment company or investment trust takes delivery of the collateral for any repurchase agreement, either directly or through an authorized custodian;

(d) the fund is listed in a national financial publication under the category of "money market mutual funds", showing the fund's average maturity, yield, and asset size; and

(e) the fund's average maturity does not exceed 397 days.

(4) Except as provided in subsection (5), an investment authorized in this part may not have a maturity date exceeding 5 years, except when the investment is used in an escrow account to refund an outstanding bond issue in advance.

(5) An investment of the assets of a local government group self-insurance program established pursuant to 2-9-211 or 39-71-2103 in an investment authorized in this part may not have a maturity date exceeding 10 years, and the average maturity of all those authorized investments of a local government group self-insurance program may not exceed 6 years.

(6) This section may not be construed to prevent the investment of public funds under the state unified investment program established in Title 17, chapter 6, part 2.

#### **7-6-206. Time deposits-repurchase agreement.**

(1) Public money not necessary for immediate use by a county, city, or town that is not invested as authorized in 7-6-202 may be placed in time or savings deposits with a bank, savings and loan association, or credit union in the state or placed in repurchase agreements as authorized in 7-6-213. Money placed in repurchase agreements is subject to subsection (2).

(2) The local governing body may solicit bids for time or savings deposits from a bank, savings and loan association, or credit union in the state. The local governing body may deposit public money in the institutions unless a local financial institution agrees to pay the same rate of interest bid by a financial institution not located in the county, city, or town. The governing body may solicit bids by notice sent by mail to the investment institutions that have requested that their names be listed for bid notice with the department of administration.

#### **17-6-204. Investment of local government funds.**

(1) The governing body of any city, county, school district, or other local government unit or political subdivision having funds which are available for investment and are not required by law or by any covenant or agreement with bondholders or others to be segregated and invested in a different manner may direct its treasurer to remit such funds to the state treasurer for investment under the direction of the board of investments as part of the pooled investment fund.

(2) A separate account, designated by name and number for each such participant in the fund, shall be kept to record individual transactions and totals of all investments belonging to each participant. A monthly report shall be furnished to each participant having a beneficial interest in the pooled investment fund, showing the changes in investments made during the preceding month. Details of any investment transaction shall be furnished to any participant upon request.

(3) The principal and accrued income, and any part thereof, of each and every account maintained for a participant in the pooled investment fund shall be subject to payment at any time from the fund upon request. Accumulated income shall be remitted to each participant at least annually.

(4) No order or warrant shall be issued upon any account for a larger amount than the principal and accrued income of the account to which it applies, and if any such order or warrant is

issued, the participant receiving it shall reimburse the excess amount to the fund from any funds not otherwise appropriated, and the state treasurer shall be liable under his official bond for any amount not so reimbursed.

Investment in derivatives of the above instruments is not authorized by the City of Missoula's investment policy. (See the GFOA Recommended Practice on "Use of Derivatives by State and Local Governments," 1994.)

## 2. *Collateralization*

Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, collateralization will be required on non-negotiable certificates of deposit to the extent allowable by state law. (See GFOA Recommended Practices, Appendix 3.) Montana state law (7-6-207 M.C.A. and 7-6-208 M.C.A) establishes the deposit security requirements for City investments:

### **7-6-207. Deposit security.**

1. The local governing body may require security only for that portion of the deposits which is not guaranteed or insured according to law and, as to such unguaranteed or uninsured portion, to the extent of:
  - a. 50% of such deposits if the institution in which the deposit is made has a net worth to total assets ratio of 6% or more; or
  - b. 100% if the institution in which the deposit is made has a net worth to total assets ratio of 6%. The security shall consist of those enumerated in 17-6-103 or cashier's checks issued to the depository institution by any federal reserve bank.
2. When negotiable securities are furnished, such securities may be placed in trust. The trustee's receipt may be accepted in lieu of the actual securities when such receipt is in favor of the treasurer or town clerk and his successors. All warrants or other negotiable securities must be properly assigned or endorsed in blank. It is the duty of the appropriate governing body, upon the acceptance and approval of any of the above-mentioned bonds or securities, to make a complete minute entry of the acceptance and approval upon the record of their proceedings, and the bonds and securities shall be reapproved at least quarter-annually thereafter.

### **7-6-208. Substitution of deposit security.**

- (1) Any bank, building and loan association, savings and loan association, or credit union pledging securities as provided in 7-6-207, at any time it deems advisable or desirable, may substitute like securities for all or any part of the securities pledged. The collateral so substituted shall be approved by the governing body of the county, city, or town at its next official meeting.
- (2) Such securities so substituted shall at the time of substitution be at least equal in principal amount to the securities for which substitution is made. In the event that the securities so substituted are held in trust, the trustee shall, on the same day the substitution is made, forward a receipt by registered or certified mail to the county, city, or town and to the depository bank, building and loan association, savings and loan association, or credit union. The receipt shall specifically describe and identify both the securities so substituted and those released and returned to the depository bank, building and loan association, savings and loan association, or credit union.

Securities eligible for pledging to secure deposits of public funds are enumerated in 17-6-103 M.C.A.

### (3) *Repurchase Agreements*

Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements, (See GFOA Recommended Practices, Appendix 3.)

## **VI. Investment Parameters**

1. *Diversification* The investments shall be diversified by:
  - limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
  - limiting investment in securities that have higher credit risks, investing in securities with varying maturities, and
  - continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. (See the GFOA Recommended Practice on "Diversification of Investments in a Portfolio" in Appendix 3.)

2. *Maximum Maturities* To the extent possible, the City of Missoula shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City of Missoula will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. The City of Missoula shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives. (See the GFOA Recommended Practice on "Maturities of Investments in a Portfolio" in Appendix 3.)

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIPs, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

## VII. Reporting

### 1. *Methods*

The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner, which will allow the City of Missoula to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment officer, the legislative body, and any pool participants. The report will include the following:

- a. Listing of individual securities held at the end of the reporting period.
- b. Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
- c. Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- d. Listing of investment by maturity date.
- e. Percentage of the total portfolio, which each type of investment represents.

2. *Performance Standards* The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/ economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.

### 3. *Marking to Market*

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools." (See GFOA Recommended Practices, Appendix 3.) In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

## VIII. Policy Considerations

### 1. *Exemption*

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

### 2. *Amendments*

This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

## Appendix 1: Glossary

The following is a glossary of key investing terms, many of which appear in GFOA's Sample Investment Policy.

**Accrued Interest** - The accumulated interest due on a bond as of the last interest payment made by the issuer.

**Agency** - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

**Amortization** - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

**Average Life** - The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

**Basis Point** - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

**Bid** - The indicated price at which a buyer is willing to purchase a security or commodity.

**Book Value** - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

**Callable Bond** - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

**Call Price** - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

**Call Risk** - The risk to a bondholder that a bond may be redeemed prior to maturity.

**Cash Sale/Purchase** - A transaction that calls for delivery and payment of securities on the same day that the transaction is initiated.

**Collateralization** - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

**Commercial Paper** - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

**Convexity** - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

**Coupon Rate** - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

**Credit Quality** - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

**Credit Risk** - The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

**Current Yield (Current Return)** - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

**Delivery Versus Payment (DVP)** - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

**Derivative Security** - Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

**Discount** - The amount by which the par value of a security exceeds the price paid for the security.

**Diversification** - A process of investing assets among a range of security types by sector, maturity, and quality rating.

**Duration** - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

**Fair Value** - The amount, at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Federal Funds (Fed Funds)** - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each

other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

**Federal Funds Rate** - Interest rate charged by one institution lending federal funds to the other.

**Government Securities** - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

**Interest Rate** - See "Coupon Rate."

**Interest Rate Risk** - The risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value.

**Internal Controls** - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits require estimates and judgments by management. Internal controls should address the following points:

1. Control of collusion - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of transaction authority from accounting and record keeping - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation of transactions for investments and wire transfers - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third-party custodian - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

**Inverted Yield Curve** - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

**Investment Company Act of 1940** - Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

**Investment Policy** - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

**Investment-grade Obligations** - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

**Liquidity** - An asset that can be converted easily and quickly into cash.

**Local Government Investment Pool (LGIP)** - An investment by local governments in which their money is pooled as a method for managing local funds.

**Mark-to-market** - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

**Market Risk** - The risk that the value of a security will rise or decline as a result of changes in market conditions.

**Market Value** - Current market price of a security.

**Maturity** - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

**Money Market Mutual Fund** - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

**Mutual Fund** - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus that is updated and filed by the SEC annually.

**Mutual Fund Statistical Services** - Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services, and Morningstar.

**National Association of Securities Dealers (NASD)** - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

**Net Asset Value** - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$\frac{[(\text{Total assets}) - (\text{Liabilities})]}{(\text{Number of shares outstanding})}$$

**No Load Fund** - A mutual fund, which does not levy a sales charge on the purchase of its shares.

**Nominal Yield** - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

**Offer** - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

**Par** - Face value or principal value of a bond, typically \$1,000 per bond.

**Positive Yield Curve** - A chart formation that illustrates short-term securities having lower yields than long-term securities.

**Premium** - The amount by which the price paid for a security exceeds the security's par value.

**Prime Rate** - A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

**Principal** - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

**Prospectus** - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

**Prudent Person Rule** - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

**Regular Way Delivery** - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

**Reinvestment Risk** - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

**Repurchase Agreement (repo or RP)** - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

**Reverse Repurchase Agreement (Reverse Repo)** - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

**Rule 2a-7 of the Investment Company Act** - Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

**Safekeeping** - Holding of assets (e.g., securities) by a financial institution.

**Serial Bond** - A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

**Sinking Fund** - Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

**Swap** - Trading one asset for another.

**Term Bond** - Bonds comprising a large part or all of a particular issue that come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

**Total Return** - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period.

$$(\text{Price Appreciation}) + (\text{Dividends paid}) + (\text{Capital gains}) = \text{Total Return}$$

**Treasury Bills** - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000.

Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

**Treasury Notes** - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from \$1,000 to \$1 million or more.

**Treasury Bonds** - Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000. Currently, the longest outstanding maturity for such securities is 30 years.

**Uniform Net Capital Rule** - SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

**Volatility** - A degree of fluctuation in the price and valuation of securities.

**"Volatility Risk" Rating** - A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns ("aaa" by S&P; "V-1" by Fitch) to those that are highly sensitive with currently identifiable market volatility risk ("ccc-" by S&P, "V-10" by Fitch).

**Weighted Average Maturity (WAM)** - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

**When Issued (WI)** - A conditional transaction in which an authorized new security has not been issued. All "when issued" transactions are settled when the actual security is issued.

**Yield** - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

**Yield-to-call (YTC)** - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

**Yield Curve** - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

**Yield-to-maturity** - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

**Zero-coupon Securities** - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

\*This glossary has been adapted from an article, entitled "Investment terms for everyday use," that appeared in the April 5, 1996, issue of *Public Investor*, GFOA's subscription investment newsletter.

## Appendix 2: Investment Pools

### 1. Definition

In most states, there are provisions for the creation and operation of a government investment pool. The purpose of a pool is to allow political subdivisions to pool investable funds in order to achieve a potentially higher yield.

There are basically three (3) types of pools: 1) state-run pools; 2) pools that are operated by a political subdivision where allowed by law and the political subdivision is the trustee; and 3) pools that are operated for profit by third parties. Prior to any political subdivision being involved with any type of pool, a thorough investigation of the pool and its policies and procedures must be reviewed.

### 2. Pool Questionnaire

Prior to entering a pool, the following questions and issues should be considered:

#### **Securities:**

Government pools may invest in a broader range of securities than an entity may invest in. It is important to be aware of, and comfortable with, the securities a pool buys. The following is a list of questions an investment officer may wish to ask a prospective pool:

1. Does the pool provide a written statement of investment policy and objectives?
2. Does the statement contain:
  - a. a description of eligible investment instruments?
  - b. the credit standards for investments?
  - c. the allowable maturity range of investments?
  - d. the maximum allowable dollar weighted average portfolio maturity?
  - e. the limits of portfolio concentration permitted for each type of security?
  - f. the policy on reverse repurchase agreements, options, short sales and futures?
3. Are changes in the policies communicated to the pool participants?
4. Does the pool contain only the types of securities that are permitted by your investment policy?

**Interest:** Interest is not reported in a standard format, so it is important to know how interest is quoted, calculated, and distributed in order to make comparisons with other investment alternatives.

#### **Interest Calculations:**

1. Does the pool disclose the following about yield calculations:
  - a. the methodology used to calculate interest? (simple maturity, yield to maturity, etc.)
  - b. the frequency of interest payments?
  - c. how interest is paid? (credited to principal at the end of the month, each quarter; mailed?)
  - d. how are gains/losses reported? factored monthly or only when realized?

#### **Reporting:**

1. Is the yield reported to participants of the pool monthly? (If not, how often?)
2. Are expenses of the pool deducted before quoting the yield?
3. Is the yield generally in line with the market yields for other investment alternatives?
4. How often does the pool report? What information does that report include? Does it include the market value of securities?

**Security:** The following questions are designed to help safeguard funds from loss of principal and loss of market value.

1. Does the pool disclose safekeeping practices?
2. Is the pool subject to audit by an independent auditor at least annually?
3. Is a copy of the audit report available to participants?
4. Who makes the portfolio decisions?
5. How does the manager monitor the credit risk of the securities in the pool?
6. Is the pool monitored by someone on the board of a separate neutral party external to the investment function to ensure compliance with written policies?
7. Does the pool have specific policies with regard to the various investment vehicles?
  - a. What are the different investment alternatives?
  - b. What are the policies for each type of investment?
8. Does the pool mark the portfolio to its market value?

9. Does the pool disclose the following about how portfolio securities are valued:
  - a. the frequency with which the portfolio securities are valued?
  - b. the method used to value the portfolio (cost, current value, or some other method)?

### **Operations:**

The answers to these questions will help determine whether this pool meets the entity's operational requirements:

1. Does the pool limit eligible participants?
2. What entities are permitted to invest in the pool?
3. Does the pool allow multiple accounts and sub-accounts?
4. Is there a minimum or maximum account size?
5. Does the pool limit the number of transactions each month? What is the number?
6. Is there a limit on transaction amounts for withdrawals and deposits?
  - a. What is the minimum and maximum withdrawal amount permitted?
  - b. What is the minimum and maximum deposit amount permitted?
7. How much notice is required for withdrawals/deposits?
8. What is the cutoff time for deposits and withdrawals?
9. Can withdrawals be denied?
10. Are the funds 100 percent withdrawable at anytime?
11. What are the procedures for making deposits and withdrawals?
  - a. What is the paperwork required, if any?
  - b. What is the wiring process?
12. Can an account remain open with a zero balance?
13. Are confirmations sent following each transaction?

### **Statements:**

It is important for (*the designated official*) and the agency's trustee (when applicable), to receive statements monthly so the pool's records of activity and holdings are reconciled by (*the designated official*) and its trustee.

1. Are statements for each account sent to participants?
  - a. What are the fees?
  - b. How often are they passed?
  - c. How are they paid?
  - d. Are there additional fees for wiring funds? (What is the fee?)
2. Are expenses deducted before quoting the yield?

### **Questions to Consider for Bond Proceeds:**

It is important to know (1) whether the pool accepts bond proceeds and (2) whether the pool qualifies with the U.S. Department of the Treasury as an acceptable commingled fund for arbitrage purposes.

1. Does the pool accept bond proceeds subject to arbitrage rebate?
2. Does the pool provide accounting and investment records suitable for proceeds of bond issuance subject to arbitrage rebate?
3. Will the yield calculation reported by the pool be acceptable to the IRS or will it have to be recalculated?
4. Will the pool accept transaction instructions from a trustee?
5. Are separate accounts allowed for each bond issue so that the interest earnings of funds subject to rebate are not commingled with funds not subject to regulations?

## **Appendix 3: GFOA Recommended Practices and Policy Statements**

A complete list of the City's adopted investment practices can be found in Resolution #6301.

## RESOLUTION 8296

A resolution fixing the annual appropriations and the Capital Improvement Program for the City of Missoula as set forth in the Fiscal Year 2019 Budget and Capital Improvement Program including:

The Tourism Business

Improvement District work plan and budget for Fiscal Year 2019 The Business Improvement District work plan and budget for Fiscal Year 2019. The Park District Number 1 work plan and budget for Fiscal Year 2019. The Road District Number 1 work plan and budget for Fiscal Year 2019

**WHEREAS**, the City Council of Missoula has deliberated on the Fiscal Year 2019 Budget and held public hearings for public comment.

**NOW, THEREFORE, BE IT RESOLVED BY THE MISSOULA CITY COUNCIL:**

## SECTION I

That the total budgeted expenditures, transfers-out and year-end fund balance for the City of Missoula, Montana for Fiscal Year 2019 is hereby estimated at \$217,057,900 The breakdown of the funds and estimated local property taxes required are as follows:

Budgeted Expenditures	\$169,856,076
Inter-fund Transfers Out	20,452,590
<u>Projected End-of-year Fund Balance</u>	<u>26,749,234</u>
Total Funds Required	\$217,057,900
Beginning-of-year Fund Balance	\$31,535,623
Non-tax Revenues	129,866,837
<u>Inter-fund Transfers In</u>	<u>20,452,590</u>
Sub-total Non-Tax Funds Available	\$181,855,050
Estimated Property Tax Requirements	\$35,202,850

## SECTION II

That annual appropriations and transfers out for various departments of the City of Missoula, Montana for the Fiscal Year 2019 will be controlled and monitored for budgetary compliance at the fund level.

## SECTION III

Generally accepted accounting principles (GAAP) require expenditures to be recognized in the fiscal year in which the goods or services are received. Previous fiscal year appropriations for incomplete improvements in progress of

construction, or segments thereof entered into under contract or purchase order by the City, are hereby declared authorized appropriations provided they meet the following criteria:

- a. related financing was provided in the prior fiscal year;
- b. the appropriations were not obligated by year end;
- c. the purpose was not included, or rejected, in current budget financing or appropriations; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Missoula, Montana shall adopt the Capital Improvement Program for Fiscal Years 2019-2023.

AND, BE IT FURTHER RESOLVED THAT the Missoula City Clerk is directed to enter this resolution into the minutes of the meeting at which this resolution was adopted.

PASSED AND ADOPTED this 27<sup>th</sup> day of August, 2018.

ATTEST:

APPROVED:

/s/ Martha L. Rehbein

Martha L. Rehbein  
City Clerk

/s/ John Engen

John Engen  
Mayor

(S E A L)



**MONTANA**  
Form AB-72T  
Rev. 3-12

**2018 Certified Taxable Valuation Information**  
(15-10-202, MCA)  
**Missoula County**  
CITY OF MISSOULA

Certified values are now available online at [property.mt.gov/cov](http://property.mt.gov/cov)

1.	2018 Total Market Value1 .....	\$	8,234,651,575
2.	2018 Total Taxable Value2 .....	\$	129,852,557
3.	2018 Taxable Value of Newly Taxable Property .....	\$	1,922,592
4.	2018 Taxable Value less Incremental Taxable Value3 .....	\$	121,729,687
5.	2018 Taxable Value of Net and Gross Proceeds4 (Class 1 and Class 2) .....	\$	—
6.	TIF Districts		

Tax Increments District Name	Current Taxable Value <sup>2</sup>	Base Taxable Value	Incremental Value
URBAN RENEWAL II #1	3,936,281	1,546,186	2,390,095
URBAN RENEWAL III	11,134,939	8,172,844	2,962,095
U R FRONT ST	1,931,931	1,413,035	518,896
HELLGATE URD 1-1H; 201	1,175,577	1,025,448	150,129
N RESERVE SCOTT ST URD	583,552	295,864	287,688
U R RIVERFRONT TRI	702,205	157,858	544,347
URBAN RENEWAL II #4	663,919	313,637	350,282
N RESERVE SCOTT ST URD	2,114,679	1,195,341	919,338

<sup>^</sup> Increment based on the percentage of overall increment for the TIFD

Total Incremental Value \$ 8,122,870

Preparer LISA THOMAS

Date 8/3/2018

<sup>1</sup>Market value does not include class 1 and class 2 value

<sup>2</sup>Taxable value is calculated after abatements have been applied

<sup>3</sup>This value is the taxable value less total incremental value of all tax increment financing districts

<sup>4</sup>The taxable value of class 1 and class 2 is included in the taxable value totals

**For Information Purposes Only**

2018 taxable value of centrally assessed property having a market value of \$1 million or more, which has transferred to a different ownership in compliance with 15-10-202(2), MCA.

I. Value Included in "newly taxable" property	\$	—
II. Total value exclusive of "newly taxable" property	\$	0

**Resolution Number 8297**

**A resolution levying taxes for municipal and administrative purposes for the fiscal year 2019.**

**WHEREAS**, The City Council of Missoula has deliberated on the Fiscal Year 2019 Budget and necessary mill levy of property taxes; and,

**WHEAREAS**, pursuant to House Bill 124 and Senate Bill 265 enacted by the 2001 Montana State Legislature, the City has carry-forward of unlevied tax millage equal to \$2,335,999 (19.19 mills); and,

**WHEAREAS**, the value of a city mill is \$121,730,000.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MISSOULA, MONTANA:**

**THAT** there is hereby levied upon all taxable property in the City of Missoula, Montana, the following General and Special taxes for municipal and administrative purposes for the Fiscal Year 2019, to-wit:

All Purpose General Fund Levy be established at 187.24 mills;  
Employee Health Insurance Levy (outside levy cap) be established at 46.70 mills; 2012 Aquatics Refunding G.O. Bond Levy at 4.73 mills;  
2013 G.O. Refunding Bond Levy be established at 3.50 mills; Total Levy for the City of Missoula, Montana - 242.17 mills.

**AND BE IT FURTHER RESOLVED THAT** the City Clerk is directed to enter this resolution into the minutes of the meeting at which this resolution was adopted.

**PASSED AND ADOPTED** this 27th day of August, 2018

ATTEST: APPROVED:

/s/ Martha L. Rehbein

Martha L. Rehbein, CMC  
City Clerk

/s/ John Engen

John Engen  
Mayor

(SEAL)

**DETERMINATION OF TAX REVENUE AND MILL LEVY LIMITATIONS  
UNDER SECTION 15-10-420, MCA  
GENERAL FUND  
FYE June 30, 2019  
City of Missoula, Montana**

**MAXIMUM PROPERTY TAXES AUTHORIZED:**

Enter Ad valorem tax revenue ACTUALLY assessed in the prior year (from Prior Year's form Line 17)	\$ 24,474,089	\$ 24,474,089
Add: Current year inflation adjustment @ 0.82%		\$ 200,688
Subtract: Ad valorem tax revenue ACTUALLY assessed in the prior year for Class 1 and 2 property, (net and gross proceeds) (from Prior Year's form Line 20)- (enter as negative)		—
Adjusted ad valorem tax revenue		\$ 24,674,777

**ENTERING TAXABLE VALUES**

Enter 'Total Taxable Value' - from Department of Revenue Certified Taxable Valuation Information form, line # 2	\$ 129,852,557	\$ 129,853
Subtract: 'Total Incremental Value' of all tax increment financing districts (TIF Districts) - from Department of Revenue Certified Taxable Valuation Information form, line # 6 (enter as negative)	\$ (8,122,870)	\$ (8,123)
Taxable value per mill (after adjustment for removal of TIF per mill incremental district value)		\$ 121,730
Subtract: 'Total Value of Newly Taxable Property' - from Department of Revenue Certified Taxable Valuation Information form, line # 3 (enter as negative)	\$ (1,922,592)	\$ (1,923)
Subtract: 'Taxable Value of Net and Gross Proceeds, (Class 1 & 2 properties)' - from Department of Revenue Certified Taxable Valuation Information form, line # 5 (enter as negative)		—
Adjusted Taxable value per mill		\$ 119,807
CURRENT YEAR calculated mill levy		205.95
CURRENT YEAR calculated ad valorem tax revenue		\$ 25,070,294

**CURRENT YEAR AUTHORIZED LEVY/ASSESSMENT**

Enter total number of carry forward mills from prior year (from Prior Year's form Line 22)	0.48	0.48
Total current year authorized mill levy, including Prior Years' carry forward mills		206.43
Total current year authorized ad valorem tax revenue assessment		\$ 25,128,724

**CURRENT YEAR ACTUALLY LEVIED/ASSESSED**

Enter number of mills actually levied in current year (Number should equal total non-voted mills, which includes the number of carry forward mills, actually imposed per the final approved current year budget document. Do Not include voted or permissive mills imposed in the current year.)	187.24	187.24
Total ad valorem tax revenue actually assessed in current year		\$ 22,792,725

**RECAPITULATION OF ACTUAL:**

Ad valorem tax revenue actually assessed	\$ 22,432,739
Ad valorem tax revenue actually assessed for newly taxable property	359,986
Ad valorem tax revenue actually assessed for Class 1 & 2 properties (net-gross proceeds)	—
Total ad valorem tax revenue actually assessed in current year	\$ 22,792,725
Total carry forward mills that may be levied in a subsequent year (Number should be equal to or greater than zero. A (negative) number indicates an over levy.)	19.19

## RESOLUTION NUMBER 8299

**A resolution levying taxes on the lots, pieces and parcels of land located in the Downtown Business Improvement District of the City of Missoula for fiscal year 2019 in the amount of \$315,766.58 in accordance with 7-12-1132 MCA.**

**WHEREAS**, pursuant to 7-12-1101, et seq., MCA, the City of Missoula is authorized to create business improvement districts (BID); and

**WHEREAS**, on April 4, 2005, the Missoula City Council adopted resolution [6898](#) creating a business improvement in downtown Missoula and on March 22, 2010, the City Council adopted resolution [7511](#) to extend the duration of the business improvement district for a period of ten years; and

**WHEREAS**, on June 8, 2015, the City Council adopted Resolution [7958](#) extending the boundaries of the BID; and

**WHEREAS**, the Mayor with the advice and consent of the City Council has appointed a Board of Trustees in accordance with 7-12-1121, MCA; and

**WHEREAS**, whereas, in accordance with 7-12-1132, MCA, the BID Board has submitted a work plan and budget for fiscal year 2019; and

**WHEREAS**, in accordance with 7-12-1132, the City Council has held a public hearing on the BID work plan and budget for fiscal year 2019, and has approved it as part of the city FY 2019 budget, and

**WHEREAS**, resolution [7511](#) sets forth the annual assessment formula for the district; and

**WHEREAS**, the BID has been in existence since April 4, 2005; and

**NOW THEREFORE BE IT RESOLVED**, the City Council of the City of Missoula hereby levies and assesses a tax on the lots, pieces and parcels of land located in the BID as shown on Exhibit A for fiscal year 2019 according to the following table:

Type of Property	BID Zone 1	BID Zone 2
All property not referred to below	\$200 plus 2.5% of the property's taxable value	\$150 plus 2.0% of the property's taxable value
Land owned by the United States Federal Government	Exempt	Exempt
City land	\$200 plus 2.5 cents per square foot	\$150 plus 2.5 cents per square foot
City park land	\$200 plus 1.0 cent per square foot	\$150 plus 1.0 cent per square foot
County Land	\$200 plus 2.5 cents per square foot	\$150 plus 2.5 cents per square foot
Missoula Parking Commission	\$200 plus 2.5 cents per square foot	\$150 plus 2.5 cents per square foot
Property zoned primarily residential deemed by the Council to be Missoula Zoning Districts R-1, R-2, and R-3	Exempt	Exempt

**BE IT FURTHER RESOLVED**, that the City Treasurer and the Montana Department of Revenue are hereby instructed to not assess properties located within the Business Improvement District for which the property taxpayer has qualified for property tax assistance as provided by 15-6-134 and 15-6-191, MCA.

**BE IT FURTHER RESOLVED**, that the taxes for the Downtown Business Improvement District in the amount of **\$ 315,766.58** and listed on Exhibit A are now due and payable to the City Treasurer of the City of Missoula and will be delinquent on November 30, 2018, and May 31, 2019, at 5:00 p.m.

**PASSED AND ADOPTED** this 10<sup>th</sup> day of September, 2018.

ATTEST:

APPROVED:

\_\_\_\_\_  
Martha L. Rehbein  
City Clerk

\_\_\_\_\_  
John Engen  
Mayor

**CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE**

I, the undersigned, being the duly qualified and acting recording officer of the City of Missoula, Montana (the "City"), hereby certify that the attached resolution is a true copy of a resolution entitled: **"A resolution of the City Council of the City of Missoula, Montana, levying and assessing the lots and parcels within the City of Missoula Road District Number 1 in the amount of \$4,289,935 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2019 for city-owned facilities, land and equipment under the responsibility and care of the City of Missoula Public Works Department's Street Division, Central Service's Vehicle Maintenance Division and Development Service's Engineering Division providing for a method of assessments; and providing for other matters properly relating thereto."** (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on August 27, 2018, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at such meeting, the Resolution was adopted by the following vote:

AYES, and in favor thereof: Stacie M. Anderson, Julie Armstrong, Mirtha Becerra, John DiBari, Heather Harp, Jordan Hess, Gwen Jones, Bryan von Lossberg, Heidi West

NAYS: Jesse L. Ramos

ABSENT: None

ABSTAIN: none

WITNESS my hand officially this 27th day of August, 2018.

CITY OF MISSOULA  
Missoula County, Montana

Martha L. Rehbein, CMC City Clerk

( S E A L )

### Resolution 8294

**A resolution of the City Council of the City of Missoula, Montana, levying and assessing the lots and parcels within the City of Missoula Road District Number 1 in the amount of \$4,289,935 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2019 for city-owned facilities, land and equipment under the responsibility and care of the City of Missoula Public Works Department's Street Division, Central Service's Vehicle Maintenance Division and Development Service's Engineering Division providing for a method of assessments; and providing for other matters properly relating thereto.**

### CITY OF MISSOULA

#### Missoula County, Montana

#### City of Missoula Road District

**Number 1 Be it resolved by the City Council of the City of Missoula, Montana:**

**Whereas**, the City of Missoula, Montana (the "City") is a municipality duly organized and existing under and by virtue of the Constitution and laws of the State of Montana;

**Whereas**, the City Council of the City (the "Council") is authorized by Montana Code Annotated ("MCA"), Title 7, Chapter 11, Part 10, as amended, to create special districts to provide maintenance, purchasing and improvement services for City-owned facilities, land and equipment under the responsibility and care of the City of Missoula Public Works Department's Street, Engineering, and Vehicle Maintenance Divisions to the inhabitants of the special district;

**Whereas**, the Council is authorized by MCA, Title 7, Chapter 11, Part 10, as amended, to finance the maintenance, purchasing and improvement services within the special district by levying an assessment on the lots and parcels within the boundaries of the special district;

**Whereas**, after providing notice and conducting the public hearing required by MCA 7-11-1007, the City adopted Resolution No. 7563 on September 13, 2010, (the "Creation Resolution") creating a special district to known as the "City of Missoula Road District Number 1" (the "District") for the purpose of providing services including but not limited to: (1) maintenance, repair, replacement, upkeep, installation, improvement, operational enhancement, construction, reconstruction, acquisition of right-of-way; and/or (2) implementation of measures required to maintain public health and safety or meet legal or regulatory requirements; and/or (3) purchasing, replacing, and/or maintaining equipment, tools or vehicles used to carry out the functions described herein; and/or (4) any other functions and/or labor, supplies and materials necessary for management and maintenance of City-owned facilities, lands and equipment under the responsibility and care of the City's Public Works Department's Street, Engineering, and Vehicle Maintenance Divisions including but not limited to: streets, alleys, driveways, alley approaches, sidewalks, curbs and gutters, medians, boulevards, lighting, parking lots, support facilities, public amenities, storm water facilities, and traffic control inclusive of traffic signals, signs, and pavement markings, and other public facilities located in the public right-of-way and/or within public easements (collectively, the "Services and Improvements");

**Whereas**, after providing public notice and conducting a public hearing, the Council adopted

ordinances 3491 and 3492 on January 28, 2013, and February 11, 2013, respectively finalizing the creation of the Development Services Office and transferring responsibilities for Engineering Services from the Public Works Department to Development Services and said ordinances are now in effect;

**Whereas**, after providing public notice and conducting a public hearing, the Council adopted Resolution 7736 on September 24, 2012, establishing a funding assistance program for curb and sidewalk assessments for public right-of-way construction projects, identified the City of Missoula Road District Number 1 as a funding source for ongoing fiscal support of public right-of-way improvement projects and announced the Council's intention to include fiscal support for public right-of-way improvement projects from City of Missoula Road District Number 1 in fiscal year 2014;

**Whereas**, the Mayor and City Council created a Central Services Department in the fiscal year 2015 budget which transferred responsibilities for Vehicle Maintenance and GIS Services from the Public Works Department to Central Services.

**Whereas**, after due notice and conducting a public hearing, the Council adopted Resolution No. 8189 on August 27, 2018, fixing the annual appropriations and the capital improvement program for the City as set forth in the fiscal year 2019 budget which included a work plan and budget for the District in the amount of \$4,289,935 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2019.

**Whereas**, in accordance with MCA 7-11-1024, the City Council has determined that each lot or parcel of land including the improvements on the lot or parcel shall be assessed for that part of the cost of the special district that its taxable valuation bears to the total taxable valuation of the property in the District;

**Whereas**, pursuant to MCA Sections 7-11-1025, the City must provide notice of the annual levy and assessment of all lots and parcels in the District for the costs of the Services and Improvements to be provided each year within the District;

**Whereas**, notice of the annual levy and assessment of all lots and parcels in the District for the costs of the Services and Improvements to be provided within the District to be levied was published in the *Missoulian*, a newspaper of general circulation in Missoula County, on August 12, 2018 and August 19, 2018; and

**Whereas**, a public hearing was held on August 27, 2018, during a regular meeting of the Council;

**Whereas**, at such hearing the Council heard and passed upon all such protests regarding the annual levy and assessment of all lots and parcels in the District for the costs of the Services and Improvements to be provided within the District.

**NOW, THEREFORE IT IS HEREBY FOUND, DETERMINED AND ORDERED**, as follows:

**Section 1. Assessments; Assessment Methods: Property to be Assessed.** Properties located in the District are hereby levied and assessed for their portion of the cost of Services and Improvements to be made in fiscal year 2019 in accordance with this Section 1 and the terms of Resolution No. . The costs to provide the Services and Improvements in the District shall initially be assessed against each lot or parcel of land, including the improvements on the lot or parcel, for that part of the cost of the Services and Improvements that such lot or parcel's taxable valuation bears to the total taxable valuation of the property in the District. Such taxable valuation shall be based upon the last- completed assessment roll for state, City, county and school district taxes. The assessments shall be based on such taxable value as assigned by the Montana Department of Revenue.

In fiscal year 2019, the Council estimates the cost of the Services and Improvements to be performed in the District to total \$4,289,935. The work plan and budget for the Services and Improvements to be provided in fiscal year 2019 were approved by the City Council on August 27, 2018, and are on file and available for public inspection in the City Clerk's office.

Total levy for Road District #1 \$4,289,935

The Council may, and hereby reserves, all rights granted by MCA Section 7-11-1025 to, change the method of assessment for the District for fiscal year 2019 and thereafter.

A map and description of the boundaries of the District are attached hereto as Exhibits "A" and "B".

**Section 2. List of Properties Assessed.** The official list of those properties subject to assessment, fees or

taxation within the District, including the names of the owners of such properties and the amount of assessment on each property, is on file and available for public inspection in the Missoula County Treasurer's Office, and further such list is the last completed county assessment roll for the lots or parcels of land including improvements thereon, within the boundaries of the District. The list may not be distributed or sold for use as a mailing list in accordance with MCA Section 2-6-109.

**Section 3. Ratifier.** All actions not inconsistent with the provisions of this Resolution heretofore taken by the City and its employees with respect to the creation of the District are hereby in all respects ratified, approved and confirmed.

**Section 4. Repealer.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

**Section 5. No Personal Recourse.** No recourse shall be had for any claim based on this Resolution against any Council member or the City, nor any officer or employee, past, present or future, of the City or of any successor body as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

**Section 6. Effective Date.** This Resolution shall be in full force and effect from and after its date of adoption.

**PASSED AND ADOPTED** by the City Council of the City of Missoula, Montana, this 27th day of August, 2018.

ATTEST:

CITY OF MISSOULA

Missoula County, Montana

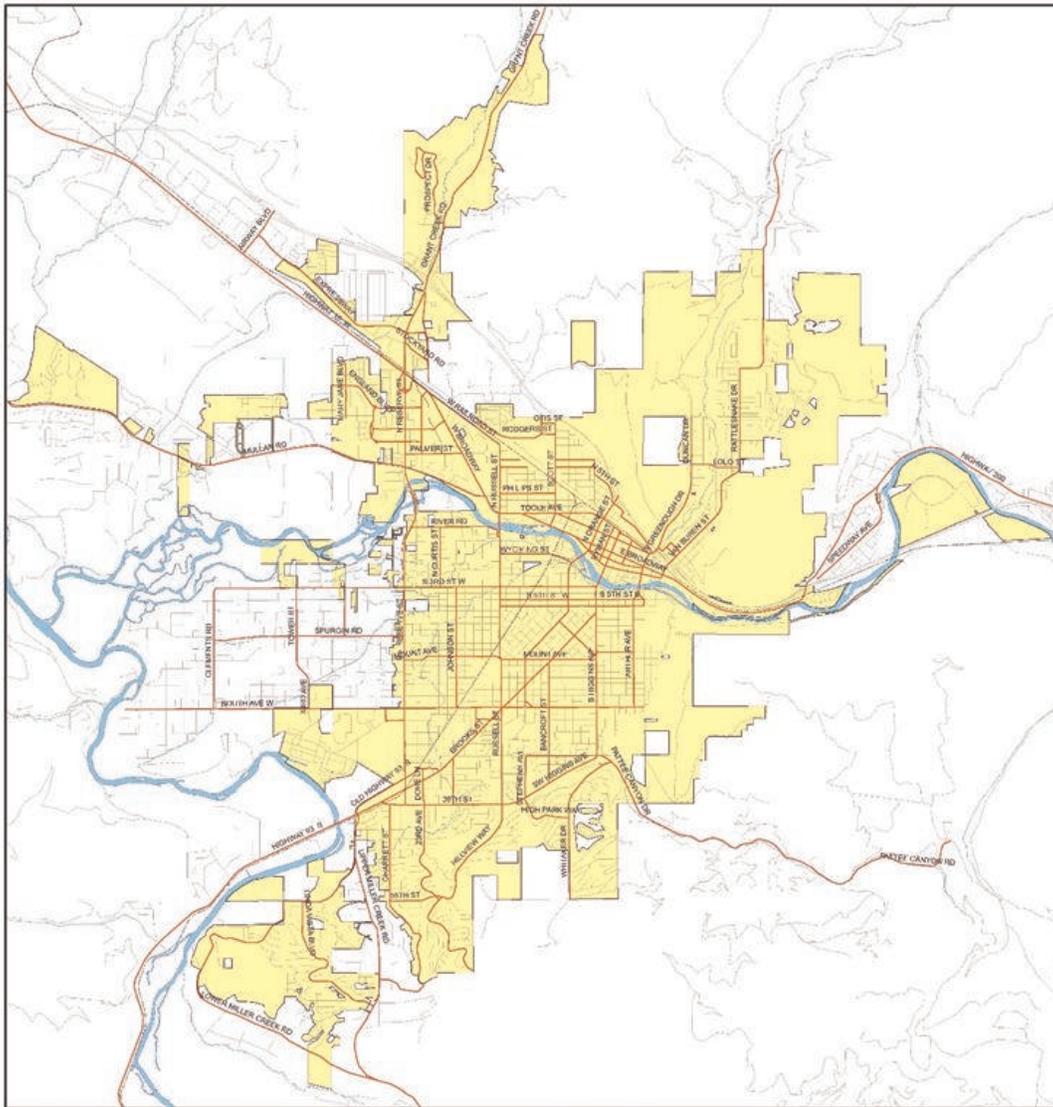
Martha L. Rehbein, CMC  
City Clerk

John Engen,  
Mayor

(S E A L)

EXHIBIT "A"

MAP OF THE DISTRICT



**CITY OF MISSOULA, MONTANA - CITY LIMITS MAP**

City Limits as of:  
April 11, 2016



**29.6 Square Miles**  
**18,913 Acres**  
**823,844,338 Square Feet**

Printing Date: Tuesday, April 12, 2016  
File: CityMap\_8.5x11\_PDF.mxd  
Prepared By: GIS Services



**EXHIBIT "B"**

## DISTRICT BOUNDARIES

The District boundary is described as the incorporated boundary of the City of Missoula in accordance with City Council municipal annexation resolutions and municipal annexation ordinances filed in the Missoula City Clerk's public records as well as all properties later annexed thereto. Parcels within the boundary are the current parcels subject to City of Missoula property taxes as shown in the tax rolls of the Montana Department of Revenue and inclusive of those parcels that are exempt from property taxes except park land, common areas and greenways, open space lands, and parcels used as a public street and alley right-of-ways as well as all parcels later annexed thereto.

**RESOLUTION 8295**

**A resolution of the City Council of the city of Missoula, Montana, levying and assessing the lots and parcels within the city of Missoula Park District Number 1 in the amount of \$2,056,723 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2019 for city-owned facilities, land and equipment under the responsibility and care of the city of Missoula Parks and Recreation Department; providing for a method of assessments; and providing for other matters properly relating thereto.**

**CITY OF MISSOULA****Missoula County, Montana****City of Missoula Park District****Number 1 Be it resolved by the City Council of the City of Missoula, Montana:**

**Whereas**, the City of Missoula, Montana (the "City") is a municipality duly organized and existing under and by virtue of the Constitution and laws of the State of Montana;

**Whereas**, the City Council of the City (the "Council") is authorized by Montana Code Annotated ("MCA"), Title 7, Chapter 11, Part 10, as amended, to create special districts to provide maintenance, purchasing and improvement services for City-owned facilities, land and equipment under the responsibility and care of the City of Missoula Parks and Recreation Department to the inhabitants of the special district;

**Whereas**, the Council is authorized by MCA, Title 7, Chapter 11, Part 10, as amended, to finance the maintenance, purchasing and improvement services within the special district by levying an assessment on the lots and parcels within the boundaries of the special district;

**Whereas**, after providing notice and conducting the public hearing required by MCA 7-11-1007 the City adopted Resolution No. 7564 on September 13, 2010, (the "Creation Resolution") creating a special district to be known as the "City of Missoula Park District Number 1" (the "District") for the purpose of providing services including but not limited to: (1) maintenance, repair, replacement, upkeep, installation, improvement, operational enhancement, construction, reconstruction, acquisition of land; and/or (2) implementation of measures required to maintain public health and safety or meet legal or regulatory requirements; and/or (3) purchasing, replacing, and/or maintaining equipment, tools or vehicles used to carry out the functions described herein; and/or (4) any other functions, labor, supplies and/or materials necessary for management and maintenance of City-owned facilities, lands and equipment under the responsibility and care of the City of Missoula Parks and Recreation Department including but not limited to: public parks and park areas (as described in the Master Parks and Recreation Plan for the Greater Missoula Area) recreation facilities, trails, open space (as defined in the City of Missoula Urban Area Open Space Plan), urban forest, medians, boulevards, pathways, sidewalks, public easements, and other facilities which are located in the City limits and/or are owned by the City (collectively, the "Services and Improvements");

**Whereas**, after due notice and conducting a public hearing, the Council adopted Resolution No. on August 27, 2018, fixing the annual appropriations and the capital improvement program for the City as set forth in the fiscal year 2019 budget which included a work plan and budget for the District in the amount of \$2,056,723 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2019;

**Whereas**, in accordance with MCA 7-11-1024, the City Council has determined that each lot or parcel of land including the improvements on the lot or parcel shall be assessed for that part of the cost of the special district that its taxable valuation bears to the total taxable valuation of the property in the District;

**Whereas**, pursuant to MCA Sections 7-11-1025, the City must provide notice of the annual levy and assessment of all lots and parcels in the District for the costs of the Services and Improvements to be provided each year within the District;

**Whereas**, notice of the annual levy and assessment of all lots and parcels in the District for the costs of the Services and Improvements to be provided within the District to be levied was published in the *Missoulian*, a newspaper of general circulation in Missoula County, on August 12, 2018, and August 19, 2018; and

and

**Whereas**, a public hearing was held on August 27, 2018, during a regular meeting of the Council;

**Whereas**, at such hearing the Council heard and passed upon all such protests regarding the annual levy and assessment of all lots and parcels in the District for the costs of the Services and Improvements to be provided within the District.

**NOW, THEREFORE IT IS HEREBY FOUND, DETERMINED AND ORDERED**, as follows:

**Section 1. Assessments; Assessment Methods: Property to be Assessed.** Properties located in the District are hereby levied and assessed for their portion of the cost of Services and Improvements to be made in fiscal year 2019 in accordance with this Section 1 and the terms of Resolution No. The costs to provide the Services and Improvements in the District shall initially be assessed against each lot or parcel of land, including the improvements on the lot or parcel, for that part of the cost of the Services and Improvements that such lot or parcel's taxable valuation bears to the total taxable valuation of the property in the District. Such taxable valuation shall be based upon the last- completed assessment roll for state, City, county and school district taxes. The assessments shall be based on such taxable value as assigned by the Montana Department of Revenue.

In fiscal year 2019, the Council estimates the cost of the services and improvements to be performed in the district to total \$2,056,723. The work plan and budget for the Services and Improvements to be provided in fiscal year 2019 were approved by the City Council on August 27, 2018, and are on file and available for public inspection in the City Clerk's office.

Total levy for Park District #1 \$2,056,723

The Council may, and hereby reserves, all rights granted by MCA Section 7-11-1025 to, change the method of assessment for the District for fiscal year 2019 and thereafter.

A map and description of the boundaries of the District are attached hereto as Exhibits "A" and "B".

**Section 2. List of Properties Assessed.** The official list of those properties subject to assessment, fees or taxation within the District, including the names of the owners of such properties and the amount of assessment on each property, is on file and available for public inspection in the Missoula County Treasurer's Office, and further such list is the last completed county assessment roll for the lots or parcels of land including improvements thereon, within the boundaries of the District. The list may not be distributed or sold for use as a mailing list in accordance with MCA Section 2-6-109.

**Section 3. Ratifier.** All actions not inconsistent with the provisions of this Resolution heretofore taken by the City and its employees with respect to the creation of the District are hereby in all respects ratified, approved and confirmed.

**Section 4. Repealer.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

**Section 5. No Personal Recourse.** No recourse shall be had for any claim based on this Resolution against any Council member or the City, nor any officer or employee, past, present or future, of the City or of any successor body as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

**Section 6. Effective Date.** This Resolution shall be in full force and effect from and after its date of adoption.

PASSED AND ADOPTED by the City Council of the City of Missoula, Montana, this 27th day of August, 2018.

CITY OF MISSOULA  
Missoula County, Montana

/s/ John Engen

John Engen  
Mayor

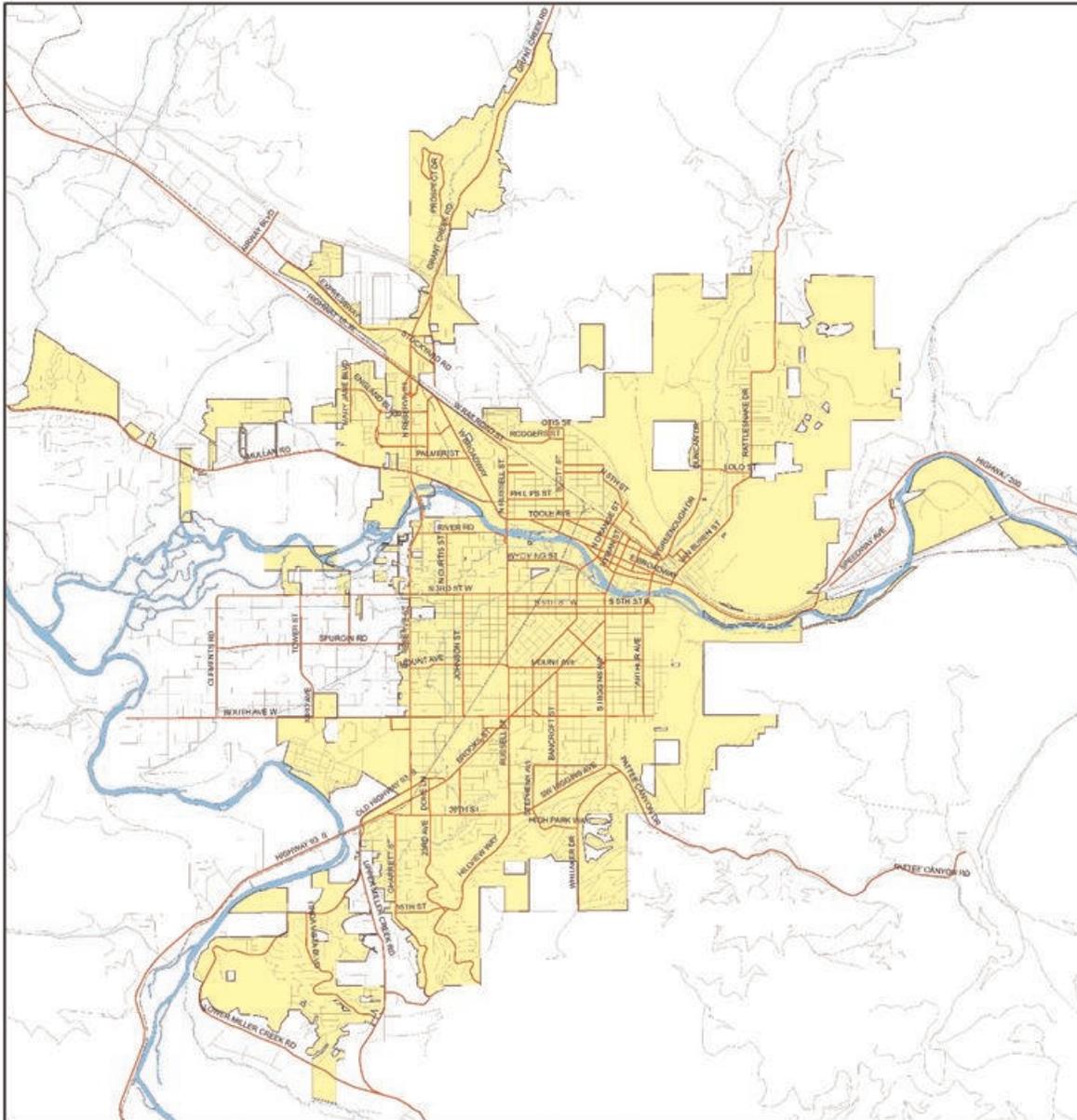
ATTEST:

/s/ Martha L. Rehbein

Martha L. Rehbein, CMC  
City Clerk

( S E A L )

EXHIBIT "A"  
Map of the District



### CITY OF MISSOULA, MONTANA - CITY LIMITS MAP

City Limits as of:  
April 11, 2016



**29.6 Square Miles**  
**18,913 Acres**  
**823,844,338 Square Feet**

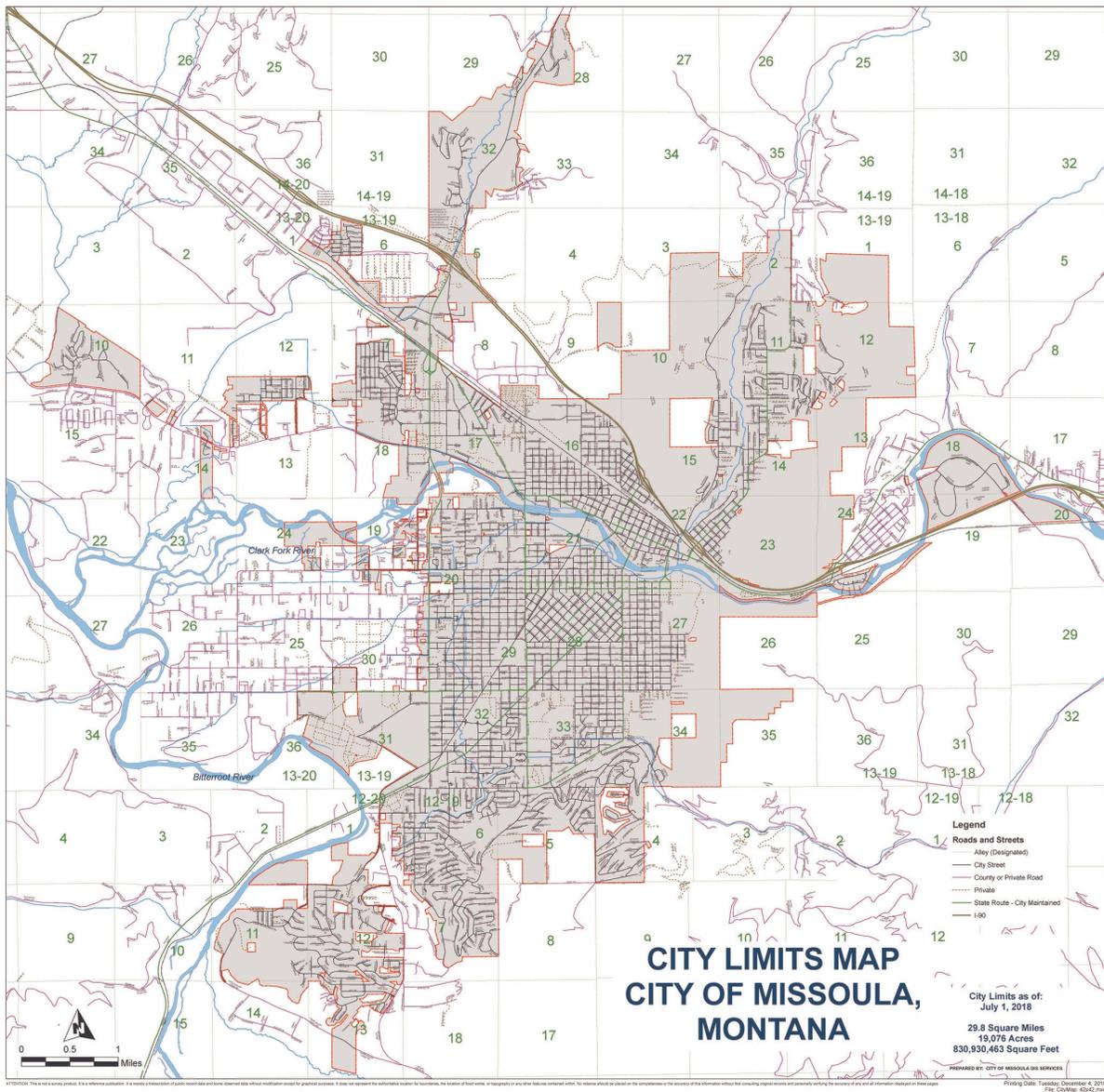
Printing Date: Tuesday, April 12, 2016  
File: CityMap\_8.5x11\_PDF.mxd  
Prepared By: GIS Services



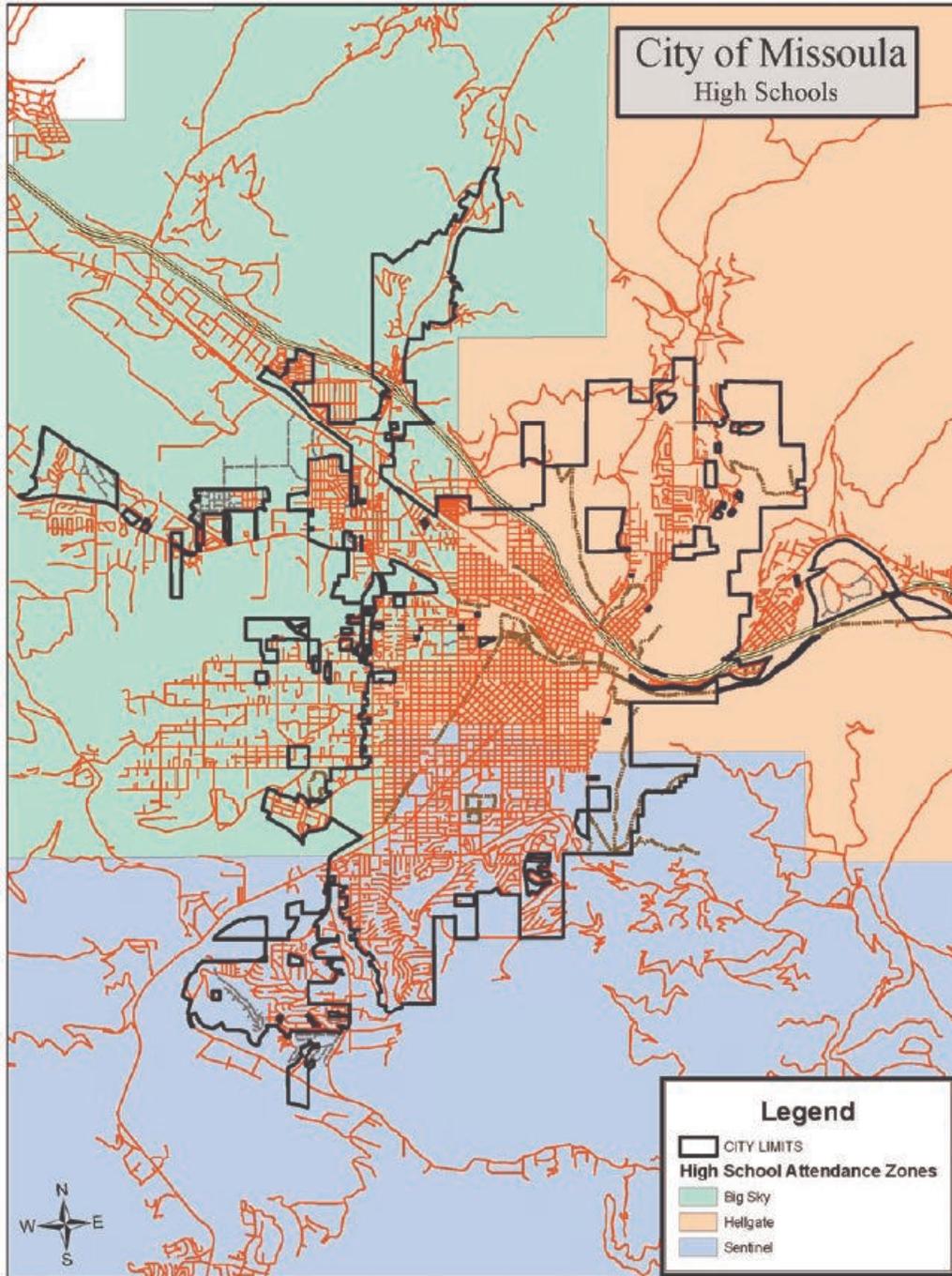
**EXHIBIT "B"**

## DISTRICT BOUNDARIES

The District boundary is described as the incorporated boundary of the City of Missoula in accordance with City Council municipal annexation resolutions and municipal annexation ordinances filed in the Missoula City Clerk's public records as well as all properties later annexed thereto. Parcels within the boundary are the current parcels subject to City of Missoula property taxes as shown in the tax rolls of the Montana Department of Revenue and inclusive of those parcels that are exempt from property taxes except park land, common areas and greenways, open space lands, and parcels used as a public street and alley right-of-ways as well as all parcels later

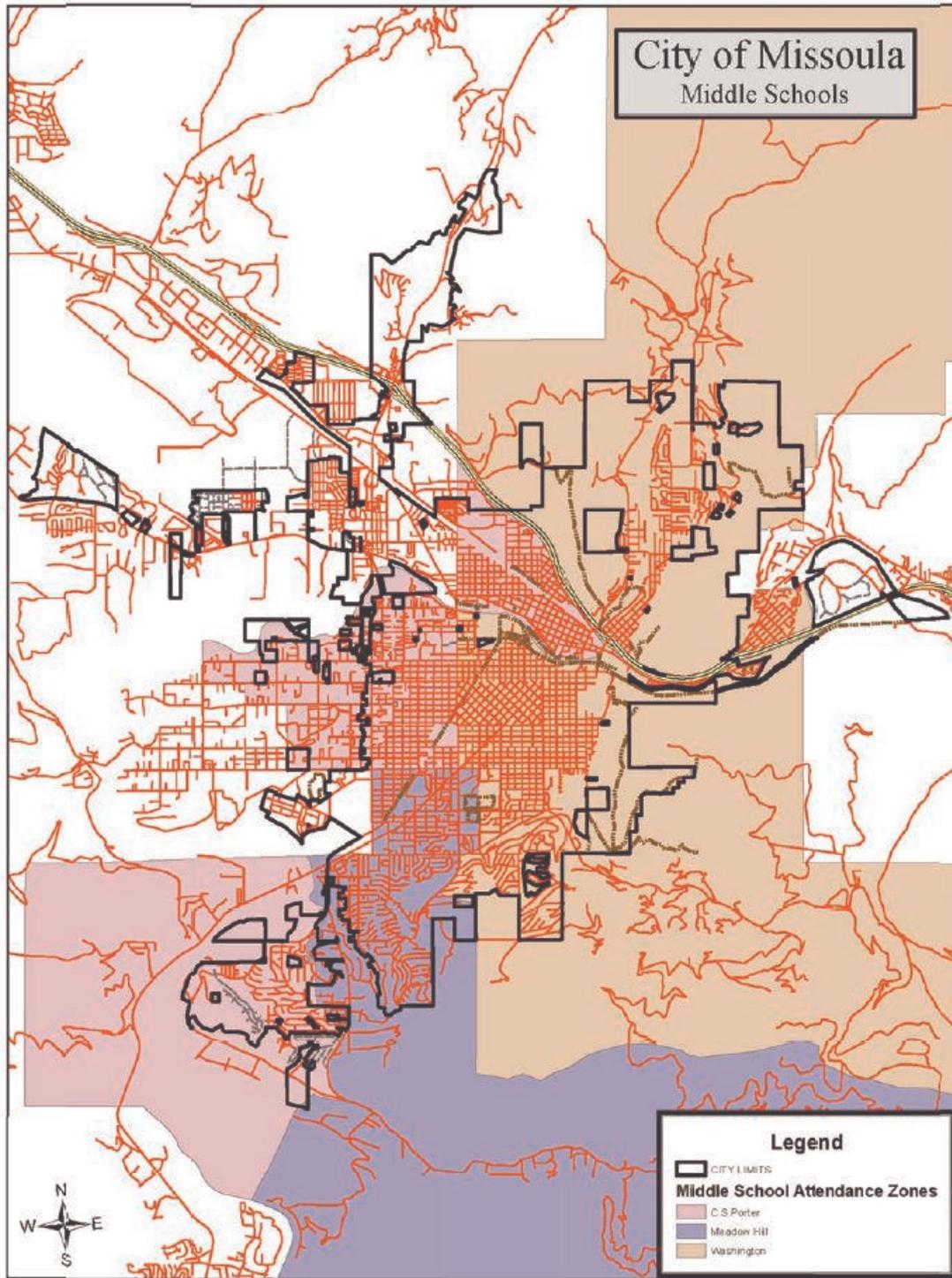


City of Missoula is home to Missoula County School District 1. Included in Missoula County, School District 1 are the following schools that serve the City of Missoula:



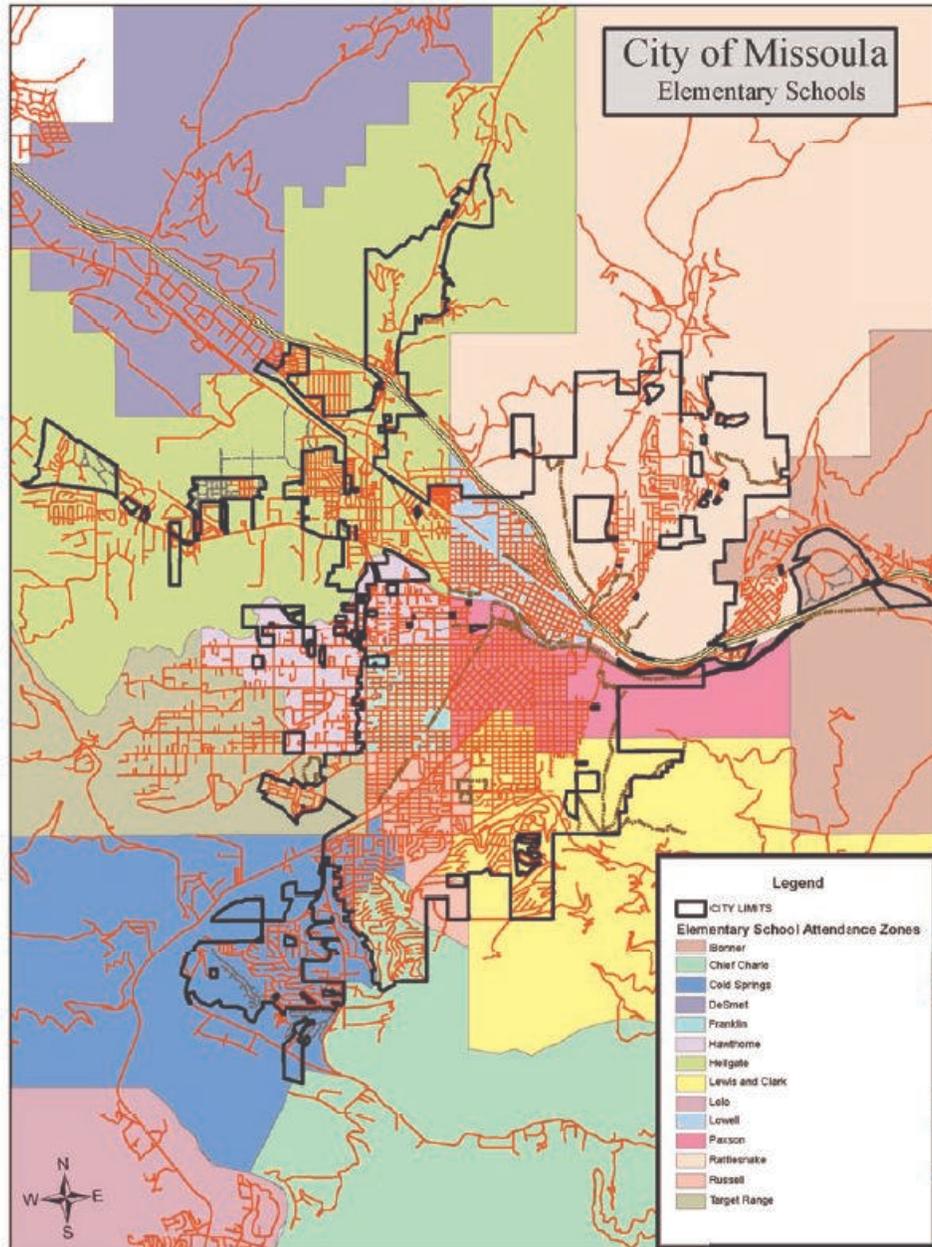
High Schools (serves grade 9 through grade 12)

Big Sky High School	3110 South Ave W	Missoula, MT	59804	(406) 728-2401
Hellgate High School	900 S Higgins Ave	Missoula, MT	59801	(406) 728-2402
Willard Alternative High School	901 S 6 <sup>th</sup> St W	Missoula, MT	59801	(406) 542-4073
Sentinel High School	901 South Ave W	Missoula, MT	59801	(406) 728-2403



Middle Schools (serves grade 6 though grade 8)

C.S Porter School	2510 Central Ave	Missoula, MT	59804	(406) 542-4060
Washington Middle School	645 W Central Ave	Missoula, MT	59801	(406) 542-4085
Meadow Hill Middle School	4210 Reserve St	Missoula, MT	59803	(406) 542-4045



Elementary Schools (serves kindergarten though 5<sup>th</sup> grade)

Russell School	3216 Russell St	Missoula, MT	59801	(406) 542-4080
Franklin School	1901 S 10 <sup>th</sup> St W	Missoula, MT	59801	(406) 542-4020
Chief Charlo Elementary	5600 Longview St	Missoula, MT	59803	(406) 542-4005
Lewis and Clark School	2901 Park St	Missoula, MT	59801	(406) 542-4035
Cold Springs School	2625 Briggs St	Missoula, MT	59803	(406) 542-4010
Hawthorne School	2855 S 3 <sup>rd</sup> St W	Missoula, MT	59804	(406) 542-4025
Lowell School	1200 Sherwood Ave	Missoula, MT	59802	(406) 542-4040
Rattlesnake School	1220 Pineview Dr	Missoula, MT	59802	(406) 542-4050
Paxon Elementary	101 Evans St	Missoula, MT	59801	(406) 542-4055

CITY OF MISSOULA, MONTANA  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Fund</b>										
Reserved	\$ 699,325	\$ 740,667	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved	201,062	1,348,317	—	—	—	—	—	—	—	—
Nonspendable*			1,148,767	1,232,302	1,259,186	1,129,654	1,404,250	—	—	—
Inventory	—	—	—	—	—	—	—	1,055,988	1,143,230	1,088,330
Prepaid Expenses	—	—	—	—	—	—	—	277,986	253,003	244,220
Restricted*	—	—	165,282	105,804	157,822	179,972	179,972	—	—	—
Cemetery memorial	—	—	—	—	—	—	—	7,490	25,587	49,210
Title I Revolving Loan programs	—	—	—	—	—	—	—	658,660	235,191	238,952
Assigned*	—	—	1,203,481	1,284,045	1,757,237	1,716,911	1,868,348	1,693,229	1,725,913	1,808,443
Unassigned*	—	—	1,152,657	1,940,474	2,968,121	2,543,264	2,160,723	1,799,445	452,861	1,361,438
<b>Total General Fund</b>	<b>\$ 900,387</b>	<b>\$ 2,088,984</b>	<b>\$ 3,670,187</b>	<b>\$ 4,562,625</b>	<b>\$ 6,142,366</b>	<b>\$ 5,569,801</b>	<b>\$ 5,613,293</b>	<b>\$ 5,492,798</b>	<b>\$ 3,835,785</b>	<b>\$ 4,790,593</b>
<b>All other governmental funds</b>										
Reserved	\$ 3,654,339	\$ 3,869,555	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved, reported in:										
Special revenue funds	3,814,089	4,124,600	—	—	—	—	—	—	—	—
Debt service funds	—	—	—	—	—	—	—	—	—	—
Capital projects funds	(4,728,035)	(4,089,044)	—	—	—	—	—	—	—	—
Nonspendable*	—	—	11,505	12,042	—	—	—	—	—	13,071
Restricted*	—	—	7,911,860	7,409,318	6,789,639	6,302,882	6,342,952	—	—	—
Building construction inspections	—	—	—	—	—	—	—	1,451,087	1,998,851	2,430,808
Capital Project expenditures	—	—	—	—	—	—	—	962,521	766,883	663,981
Debt	—	—	—	—	—	—	—	3,262,391	—	3,136,114
Grant restrictions for program expenditures	—	—	—	—	—	—	—	509,292	960,141	1,526,669
Law Enforcement	—	—	—	—	—	—	—	293,319	3,653,132	281,688
Public works safety & maintenance	—	—	—	—	—	—	—	186,680	125,277	138,965
Committed*	—	—	1,374,228	2,048,128	2,892,425	4,543,997	5,289,662	6,279,094	3,722,872	3,918,115
Assigned*	—	—	—	—	—	—	21,240	87,754	171,473	254,994
Unassigned*, reported in:										
Special revenue funds	—	—	(332,574)	(149,817)	(105,325)	(986,470)	(400,440)	(233,312)	(1,195,469)	(1,043,028)
Debt service funds	—	—	(36,421)	(174,575)	(23,761)	(189,696)	(331,743)	(351,757)	(379,470)	(424,989)
Capital projects funds	—	—	(3,962,631)	(4,602,847)	(5,681,029)	(8,125,283)	(9,907,630)	(9,958,916)	(7,741,322)	(4,668,696)
Water funds	—	—	—	—	—	—	(3,532,964)	(6,248,789)	—	—
Neighborhood stabilization funds	—	—	—	(4,139)	—	—	—	—	—	—
<b>Total other governmental funds</b>	<b>\$ 2,740,393</b>	<b>\$ 3,905,111</b>	<b>\$ 4,965,967</b>	<b>\$ 4,538,110</b>	<b>\$ 3,871,949</b>	<b>\$ 1,545,430</b>	<b>\$ (2,518,923)</b>	<b>\$ (3,760,636)</b>	<b>\$ 2,082,368</b>	<b>\$ 6,227,692</b>

Source: City of Missoula

\* Restated to conform to GASB Statement No. 54

**CITY OF MISSOULA, MONTANA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Taxes and assessments	\$26,649,687	\$27,445,555	\$28,256,587	\$29,396,016	\$31,729,767	\$31,161,007	\$32,506,332	\$34,184,222	\$35,696,747	\$37,925,774
Licenses and permits	2,753,704	3,050,653	3,092,436	2,866,229	3,227,926	3,119,709	3,663,422	3,848,093	4,442,860	4,155,070
Intergovernmental	13,147,938	20,456,138	17,531,499	25,130,561	17,665,516	17,000,835	19,095,397	19,423,835	19,139,911	19,778,757
Charges for services	4,439,499	4,475,126	5,160,326	5,106,399	6,057,449	5,596,577	6,368,100	7,047,188	7,987,812	9,004,140
Fines and forfeitures	1,130,177	1,203,587	1,008,945	1,344,578	1,565,130	1,347,949	1,326,509	1,546,732	1,624,922	1,363,828
Miscellaneous	1,168,486	1,464,092	1,205,961	613,255	625,976	544,245	836,745	733,501	750,424	884,455
Interest earnings	156,522	63,362	32,409	41,691	47,960	21,214	13,687	13,251	19,290	25,824
Gain on disposal of fixed assets	—	—	—	—	—	—	—	—	14,445	116,753
<b>Total revenues</b>	<b>\$49,446,013</b>	<b>\$58,158,513</b>	<b>\$56,288,163</b>	<b>\$64,498,728</b>	<b>\$60,919,724</b>	<b>\$58,791,536</b>	<b>\$63,810,192</b>	<b>\$66,796,822</b>	<b>\$69,676,411</b>	<b>\$73,254,601</b>
<b>Expenditures</b>										
General government	\$ 7,752,035	\$ 7,252,975	\$ 6,493,866	\$ 6,949,250	\$ 8,034,601	\$ 9,838,640	\$10,204,889	\$10,871,089	\$11,129,850	\$11,376,046
Public safety	21,669,039	22,227,258	22,431,087	23,834,156	25,803,943	28,002,557	28,012,238	29,027,968	29,870,105	31,998,361
Public works	6,624,812	6,577,834	7,962,836	7,437,537	7,393,392	7,193,974	9,962,351	10,519,825	7,950,005	8,209,804
Public health	1,404,043	1,368,398	1,372,380	1,431,431	1,482,096	1,550,087	1,644,431	1,706,945	1,797,051	1,933,801
Social and economic	118,450	118,450	116,000	116,000	116,000	210,000	210,000	175,000	210,000	226,459
Culture and recreation	3,278,075	3,293,005	3,289,120	3,528,049	3,838,271	4,091,295	4,434,040	4,769,242	5,046,809	5,582,925
Community development	1,193,372	4,017,676	2,264,947	10,348,859	1,238,419	227,258	1,411,431	1,336,254	1,273,642	1,200,922
Conservation of natural resources	—	7,757	450	100	120	120	—	—	—	—
Miscellaneous	—	1,041,180	1,189,351	1,003,472	1,049,647	1,057,905	788,789	818,567	165,219	905,800
Debt service - principal	3,026,661	3,121,407	3,484,312	3,689,100	3,057,702	3,695,116	4,696,540	7,128,255	4,738,252	4,534,378
Debt service - interest	1,595,937	1,584,136	1,595,391	1,556,195	2,531,043	841,703	836,167	1,197,723	1,035,880	974,418
Capital outlay	5,401,985	8,518,735	7,777,324	6,202,777	6,863,986	5,749,618	8,477,784	6,366,171	12,903,656	7,019,541
<b>Total expenditures</b>	<b>\$52,064,409</b>	<b>\$59,128,811</b>	<b>\$57,977,065</b>	<b>\$66,096,927</b>	<b>\$61,409,220</b>	<b>\$62,458,274</b>	<b>\$70,678,660</b>	<b>\$73,917,039</b>	<b>\$76,120,469</b>	<b>\$73,962,455</b>
Excess of revenues over (under) expenditures	<b>\$ (2,618,396)</b>	<b>\$ (970,298)</b>	<b>\$ (1,688,902)</b>	<b>\$ (1,598,199)</b>	<b>\$ (489,496)</b>	<b>\$ (3,666,738)</b>	<b>\$ (6,868,468)</b>	<b>\$ (7,120,217)</b>	<b>\$ (6,444,058)</b>	<b>\$ (707,854)</b>
<b>Other financing sources (uses)</b>										
Transfers in	\$ 5,343,911	\$ 5,531,051	\$ 4,989,066	\$ 7,143,975	\$ 7,539,764	\$ 7,246,955	\$ 7,227,765	\$ 7,334,163	\$ 9,567,223	\$10,269,851
Transfers out	(5,282,309)	(5,557,582)	(4,797,139)	(7,478,899)	(8,145,604)	(8,060,866)	(8,065,955)	(8,056,043)	(10,284,306)	(10,898,986)
Payments to Refunded Bond Escrow Agent	—	(983,591)	—	—	(5,541,672)	(5,781,508)	—	—	—	—
Issuance of Refunding Bonds	—	1,000,000	—	—	5,480,000	5,860,000	—	—	—	—
Premium on Refunded Bonds	—	—	—	—	152,081	—	—	—	—	—
Issuance of long term debt/capital leases	—	3,276,941	4,168,336	2,559,396	1,895,150	1,514,851	3,159,644	6,472,883	4,651,112	6,302,010
Proceeds from sale of capital assets	82,716	56,794	—	—	22,171	465	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>\$ 144,318</b>	<b>\$ 3,323,613</b>	<b>\$ 4,360,263</b>	<b>\$ 2,224,471</b>	<b>\$ 1,401,890</b>	<b>\$ 779,897</b>	<b>\$ 2,321,454</b>	<b>\$ 5,751,003</b>	<b>\$ 3,934,029</b>	<b>\$ 5,672,875</b>
<b>Net change in fund balances</b>	<b>\$ (2,474,078)</b>	<b>\$ 2,353,315</b>	<b>\$ 2,671,361</b>	<b>\$ 626,272</b>	<b>\$ 912,394</b>	<b>\$ (2,886,841)</b>	<b>\$ (4,547,014)</b>	<b>\$ (1,369,214)</b>	<b>\$ (2,510,029)</b>	<b>\$ 4,965,021</b>
Debt service as a percentage of non-capital expenditures	10.55%	10.76%	12.61%	9.96%	12.37%	9.00%	10.72%	14.87%	15.16%	12.98%

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
OVERLAPPING PROPERTY TAX LEVIES  
Last Ten Fiscal Years**

<b>Taxing Authority</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
City of Missoula	222.45	225.56	233.24	240.90	243.52	245.62	252.81	260.08	252.27	242.17
<b>County of Missoula</b>										
County Wide	138.94	139.80	142.47	145.04	150.32	160.09	167.96	172.32	174.44	179.26
Open Space Bond Levy		1.66	2.33	3.04	3.33	3.45	2.74	3.22	3.10	3.15
Fort Missoula Regional Park	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.43	12.09	12.27
School Equalization	104.62	103.45	100.94	100.17	104.60	105.64	104.35	103.73	101.91	102.04
<b>Total</b>	<b>243.56</b>	<b>244.91</b>	<b>245.74</b>	<b>248.25</b>	<b>258.25</b>	<b>269.18</b>	<b>275.05</b>	<b>292.70</b>	<b>291.54</b>	<b>296.72</b>
<b>District Schools</b>										
School District One	142.75	141.50	145.18	141.88	148.94	150.34	149.71	180.04	212.54	216.04
High Schools	76.46	74.63	76.44	71.92	72.19	72.77	75.11	85.01	103.10	100.03
<b>Total</b>	<b>219.21</b>	<b>216.13</b>	<b>221.62</b>	<b>213.80</b>	<b>221.13</b>	<b>223.11</b>	<b>224.82</b>	<b>265.05</b>	<b>315.64</b>	<b>316.07</b>
<b>State Levies</b>										
University	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Education Foundation	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
<b>Total</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>	<b>46.00</b>
Urban Transportation District	16.30	16.45	17.69	19.51	21.05	34.26	40.47	40.47	36.78	37.29
<b>Total Levy on City Residents</b>	<b>747.52</b>	<b>749.05</b>	<b>764.29</b>	<b>768.46</b>	<b>789.95</b>	<b>818.17</b>	<b>839.15</b>	<b>904.30</b>	<b>942.23</b>	<b>938.25</b>
<b>Overall Property Tax Increase (Decrease)</b>	<b>(0.15)%</b>	<b>0.20%</b>	<b>2.03%</b>	<b>0.55%</b>	<b>2.80%</b>	<b>3.57%</b>	<b>2.56%</b>	<b>7.76%</b>	<b>4.19%</b>	<b>(0.42)%</b>
<b>Other Levies of Interest</b>										
County Only	35.80	36.18	36.18	36.38	36.37	36.37	37.70	39.57	37.88	37.97
Missoula Rural Fire	94.13	97.97	97.97	100.33	102.39	112.59	112.61	114.33	110.38	113.69

Source: County of Missoula Accounting Office  
 Note: University mills not allocated to MRA

**CITY OF MISSOULA, MONTANA  
ESTIMATED MARKET VALUE, TAXABLE VALUE AND MILL LEVY  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Estimated Market Value</b>	<b>Taxable Value City Without Tax Increment</b>	<b>Ratio of Total Assessed Value to Total Estimated Market Value</b>	<b>Taxable Value Tax Increment Districts</b>	<b>Mill Levy</b>
2010	\$ 3,757,969,949	\$ 104,408,018	2.78%	\$ 4,507,159	222.45
2011	3,965,146,053	106,229,033	2.68%	5,245,004	225.56
2012	4,140,685,284	107,878,992	2.61%	5,114,782	233.24
2013	4,110,699,383	108,167,019	2.63%	4,530,936	240.90
2014	4,305,020,382	109,336,360	2.54%	4,732,437	243.52
2015	4,406,017,003	108,677,495	2.47%	3,946,539	245.62
2016	7,303,174,348	111,843,874	1.53%	4,012,384	252.81
2017	7,390,919,522	113,132,406	1.53%	4,569,578	260.08
2018	8,176,081,623	121,755,578	1.49%	7,588,347	252.27
2019	8,234,651,575	121,729,687	1.48%	8,122,870	242.17

Source: Missoula County Assessors Office

**CITY OF MISSOULA, MONTANA**  
**ASSESSED VALUE AND ESTIMATED TAXABLE VALUE OF PROPERTY**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Equipment &amp; Fixtures</b>	<b>Electric, Airline &amp; Telecommunications</b>	<b>Railroad</b>	<b>Electric, Phone Co-ops &amp; Pollution Control</b>	<b>Other</b>	<b>Tax Increment District</b>	<b>Total Taxable Assessed Value</b>
2010	96,352	5,133	3,585	348	380	3,117	(4,507)	104,408
2011	96,914	4,785	5,304	397	393	3,681	(5,245)	106,229
2012	98,235	4,851	5,376	402	398	3,732	(5,115)	107,879
2013	98,669	3,852	5,175	440	407	4,155	(4,531)	108,167
2014	99,741	4,086	4,928	587	346	4,381	(4,732)	109,336
2015	101,034	2,242	3,848	501	396	4,604	(3,947)	108,677
2016	103,502	2,058	3,048	604	361	6,283	(4,012)	111,844
2017	104,237	2,546	4,584	521	397	5,417	(4,570)	113,132
2018	116,306	2,623	3,510	654	398	5,852	(7,588)	121,756
2019	116,906	2,580	3,319	639	396	6,013	(8,123)	121,730

\*Property in the City does have a Market Value and is assessed at the actual value at a rate of 2.5%; therefore, the assessed values are equal to actual value.

\*This table presents taxable property assessments at values calculated after certified values were received from the Department of Revenue. These values will not articulate to certified values due to the date that this report is run by the Department of Revenue.

^ 2009 Values are no longer available due to Department of Revenue (DOR) software constraints and timing issues in FY2009.

Source: Missoula County Assessor's Office and Department of Revenue.

**CITY OF MISSOULA, MONTANA  
PROPERTY VALUE AND NEW CONSTRUCTION  
Last Ten Fiscal Years**

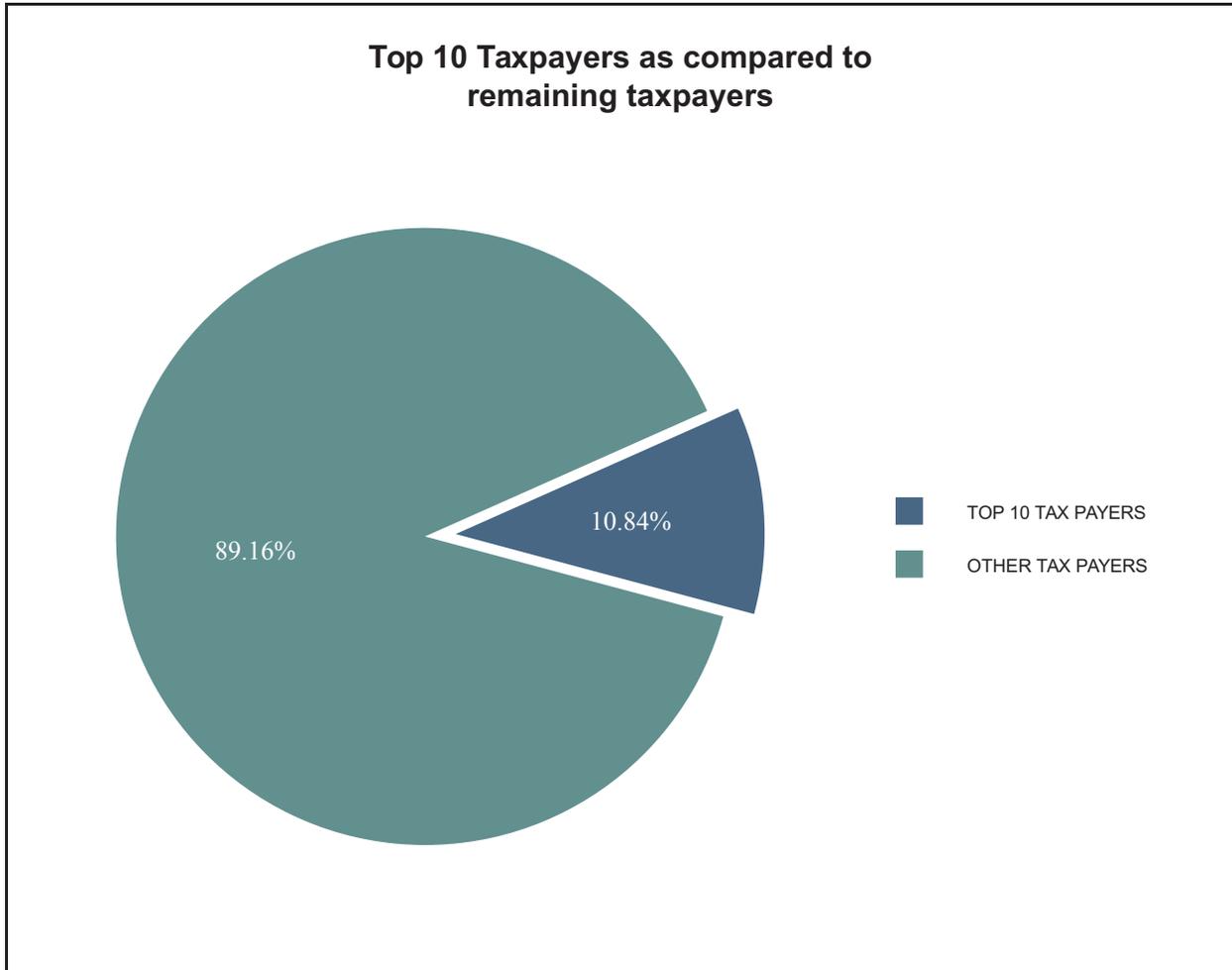
Fiscal Year	Assessed Value City Property	New Construction						% Change Over Last Year
		Single Family		Multi-Family		All Construction		
		Number	Value Estimate	Number	Value Estimate	Number	Value Estimate	
2009	3,369,424,088	142	11,627,586	73	3,019,865	1,291	63,987,567	-51.95%
2010	3,757,969,949	139	12,643,362	63	2,552,415	1,306	54,867,213	-16.62%
2011	3,965,146,053	95	8,892,276	262	17,010,385	1,283	87,790,572	60.01%
2012	4,140,685,284	96	9,675,751	329	15,186,996	1,395	58,443,007	-33.43%
2013	4,110,699,383	127	11,284,179	371	14,682,857	1,485	68,558,394	17.31%
2014	4,305,020,382	160	18,828,163	210	9,575,271	1,319	74,177,588	8.20%
2015	4,406,017,003	176	18,033,312	302	12,840,095	1,427	122,960,429	65.76%
2016	7,303,174,348	195	20,368,865	150	9,679,420	1,515	117,605,567	-4.35%
2017	7,390,919,522	246	25,059,568	736	41,624,374	1,576	161,435,250	37.27%
2018	8,176,081,623	253	25,610,521	310	15,000,260	1,434	167,128,016	3.53%

Source: City of Missoula Building Inspection Office and Missoula County Assessor

**CITY OF MISSOULA  
FOR FY 2018 - FY 2019**

Rank	Taxpayer	Taxable Value
1	NORTHWESTERN ENERGY	\$ 5,963,176
2	SOUTHGATE MALL MONTANA LLC ***	1,204,365
3	RCHP BILLINGS MISSOULA LLC *	978,437
4	VERIZON WIRELESS	940,956
5	MONTANA RAIL LINK	857,669
6	CENTURYLINK INC**	803,213
7	GATEWAY LIMITED PARTNERSHIP	782,889
8	CHARTER COMMUNICATIONS	773,709
9	UT MISSOULA LLC	464,151
10	ST PATRICK HOSPITAL CORP	422,095
		\$ 13,190,660

\* Formerly Community Hospital



**CITY OF MISSOULA, MONTANA  
PROPERTY TAX LEVIES AND COLLECTIONS  
GOVERNMENTAL FUND TYPES  
Last Ten Fiscal Years**

Fiscal Year Ended June 30th	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date*		
		Amount	Percentage of Levy		Amount	Percentage of Levy	Percentage of Delinquencies
2009	\$ 22,914,220	\$ 22,301,910	97.33%	\$ 317,891	\$ 22,619,800	98.72%	2.67 %
2010	23,225,564	22,737,517	97.90%	636,697	23,374,213	100.64%	2.10 %
2011	23,961,021	22,743,766	94.92%	862,661	23,606,427	98.52%	5.08 %
2012	25,161,696	24,607,176	97.80%	211,507	24,818,683	98.64%	2.20 %
2013	26,057,435	26,150,721	100.36%	850,849	27,001,570	103.62%	(0.36)%
2014	26,625,590	25,882,072	97.21%	140,631	26,022,703	97.74%	2.79 %
2015	26,693,366	26,658,963	99.87%	209,372	26,868,335	100.66%	0.13 %
2016	28,203,105	27,863,139	98.79%	100,318	27,963,457	99.15%	1.21 %
2017	29,423,476	28,786,655	97.84%	98,256	28,884,910	98.17%	2.16 %
2018	30,713,521	30,145,774	98.15%	217,539	30,363,313	98.86%	1.85 %

Source: City of Missoula

\* Delinquent tax collections include amounts collected from penalties, interest, and other delinquent collections. The City does not identify delinquent collections by the year for which the tax was levied.

In 2014 this table was updated to reflect all taxes levied by the City of Missoula, not just the General Fund.

While 2014 delinquencies are within a normal range we feel it germane to the reader to mention the passage of SB96 which reduced 2014 tax receipts for strict personal property. The legislature attempted to make taxing jurisdictions whole by one-time payments. The City of Missoula received a one-time payment of \$327,628 which is reflected in Intergovernmental revenues rather than tax receipts.

**CITY OF MISSOULA, MONTANA  
 GENERAL OBLIGATION DEBT RATIOS  
 REQUIRED CONTINUING DISCLOSURE**

The following general obligation debt ratios are provided as of June 30, 2018

Market Valuation	\$	8,176,081,623
Market Valuation (Less Tax Increment)	\$	8,168,493,276
Taxable Valuation	\$	129,343,925
Taxable Valuation (Less Tax Increment)	\$	121,755,578
Population		74,977
Direct Debt Per Capita	\$	233
Direct and Overlapping Debt Per Capita	\$	2,175
Direct Debt to Market Valuation		0.21%
Direct and Overlapping Debt to Market Valuation		1.87%
Direct Debt to Taxable Valuation		13.50%
Direct and Overlapping Debt to Taxable Valuation		118.19%
Market Valuation per Capita	\$	109,048
Taxable Valuation per Capita	\$	1,725

Source: City of Missoula

**SUMMARY OF DIRECT DEBT, INDIRECT DEBT AND DEBT RATIOS  
REQUIRED CONTINUING DISCLOSURE  
AS OF JUNE 30, 2018**

	Summary of Direct Debt		
	Gross Debt	Less: Debt Service Funds	Net Direct Debt
General Obligation Debt Supported by Taxes	\$ 17,463,712	—	\$ 17,463,712
Debt Supported by General Fund	13,898,727	—	13,898,727
Revenue Debt (Water and Sewer)	120,495,224	( a )	120,495,224
Revenue Debt (TIF and Parking)	44,428,284	( b )	44,428,284
Subtotal of Direct Debt	<u>\$ 196,285,947</u>		<u>\$ 196,285,947</u>

- (a) Monies are transferred from the Sewer Enterprise Fund to make the principal and interest payments on these bonds.  
 (b) Monies from the Missoula Parking Commission and tax increment revenues are used to make principal and interest payments on these bonds.

	Summary of Indirect Debt		
	G.O. Debt as of June 30, 2018	Debt Applicable to Tax Capacity of City	
		Percentage <sup>^</sup>	Amount
Taxing Unit:			
Missoula County High School District	\$ 70,275,000	88.26%	\$ 62,024,715
Missoula County Elementary School District	83,125,000	50.54%	42,011,375
Hellgate Elementary School District	28,290,000	15.91%	4,500,939
School District No. 20 (Desmet)	75,000	2.96%	2,220
Missoula County	45,470,000	56.14%	25,526,858
Subtotal of Indirect Debt	<u>\$ 227,235,000</u>		<u>\$ 134,066,107</u>

**Total of Direct and Indirect Debt**      \$ 330,352,054

	Debt Ratios*	
	G.O. Net Direct Debt	G.O. Indirect & Net Direct Debt
Current Year Estimated Value	0.21%	1.85%
Per Capita	\$233	\$2,021

\*Includes general obligation debt and debt supported by general fund revenues, excludes revenue supported debt.  
<sup>^</sup>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

Source: City of Missoula  
 Source: Missoula County Assessors Office  
 Source: Local Schools

**CITY OF MISSOULA, MONTANA**  
**LEGAL DEBT MARGIN INFORMATION**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$ 84,236	\$ 93,949	\$ 99,129	\$ 103,517	\$ 102,767	\$ 107,626	\$ 110,150	\$ 182,579	\$ 184,773	\$ 204,402
Total net debt applicable to limit	16,426	15,224	13,966	12,661	12,124	11,555	10,178	8,731	7,548	6,462
Legal debt Margin	\$ 67,809	\$ 78,725	\$ 85,163	\$ 90,856	\$ 90,643	\$ 96,071	\$ 99,973	\$ 173,848	\$ 177,225	\$ 197,940
Total net debt applicable to the limit as a percentage of debt limit	19.50%	16.20%	14.09%	12.23%	11.80%	10.74%	9.24%	4.78%	4.08%	3.16%

**Legal Debt Margin Calculation for Fiscal Year 2018**

Assessed Value of Taxable Property as Ascertained by the last Assessment for Taxes	8,176,082
Debt Limit 2.5% of Assessed Value (1)	<u>2.50%</u>
General Obligation Debt Limit	204,402
Less: Outstanding General Obligation Debt, June 30, 2018	<u>6,462</u>
Total net debt applicable to limit	<u>197,940</u>
Legal Debt Margin	<u><u>197,940</u></u>

(1) Montana Statute (7-7-4201) prescribes a legal debt limit of 2.5% of the total assessed value of taxable property, which was increased in the FY 2007 legislature from 1.51%.  
 Source: City of Missoula  
 Source: Missoula County Assessors Office

STATISTICAL SECTION

CITY OF MISSOULA, MONTANA  
 RATIO OF OUTSTANDING DEBT BY TYPE  
 Last Ten Fiscal Years

Fiscal Year	Governmental Activities							Business-Type Activities				Total Primary Government	Total Personal Per capita Income*	Total Population	Debt as a Percentage of Personal Income	Debt Per Capita	Debt as a Percentage of Market Value
	General Obligation Bonds	Limited Obligation Bonds	Special Assessment Bonds	Bond Premiums	Loans Payable	Capital Leases	Sidewalk & Curb Warrants	Revenue Bonds	Capital Leases	Notes Payable	FBO Contracts Payable						
2009	16,235,000	5,130,000	14,030,295		191,309	—	100,248	14,801,231	—	—		50,488,083	35,531	66,295	2.14%	762	1.34%
2010	15,065,000	4,935,000	14,350,241		159,063	1,378,125	—	13,883,485	—	—		49,770,914	33,642	66,788	2.22%	745	1.32%
2011	13,840,000	5,625,000	15,021,055		125,646	1,959,752	—	24,579,098	71,250	—		61,221,801	35,936	67,565	2.52%	906	1.63%
2012	12,570,000	5,285,000	15,322,685		91,014	2,174,849	—	23,600,000	385,660	2,525,270		61,954,479	38,046	68,484	2.38%	905	1.50%
2013	11,465,000	4,935,000	14,189,516		659,267	2,215,466	—	22,051,000	337,080	2,236,246		58,088,575	37,486	69,039	2.24%	841	1.41%
2014	11,020,000	4,575,000	12,738,346		534,747	3,201,445	—	20,857,000	232,296	1,962,919		55,121,753	39,211	69,821	2.01%	789	1.28%
2015	9,750,000	4,210,000	11,394,176		427,513	4,967,415	—	19,631,000	149,281	1,430,114		51,959,499	40,803	71,022	1.79%	732	1.18%
2016	8,395,000	5,100,000	10,693,500	383,138	336,190	4,989,470	—	18,799,002	92,293	1,392,863		50,181,456	44,134	72,070	1.58%	696	0.69%
2017	7,305,000	4,650,000	12,173,827	363,981	242,822	4,879,043	—	158,062,445	389,699	1,353,747		189,420,564	45,370	73,747	5.66%	2,569	2.56%
2018	6,315,000	7,779,735	11,148,712	344,824	147,321	5,626,847	—	157,684,279	401,474	1,312,237	5,525,518	196,285,947	47,215	74,977	5.54%	2,618	2.40%

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Montana Department of Labor - Research and Analysis Bureau

\*2010 is the most recent data available. Preceding years to 2004-2009 are City estimates.

**CITY OF MISSOULA, MONTANA  
RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS FOR  
Last Ten Fiscal Years**

Amounts expressed in thousands, except population and per capita

<b>Fiscal Year</b>	<b>General Obligation Bonds*</b>	<b>Total Taxable Assessed Valuation</b>	<b>Percentage of Taxable Value of Property</b>	<b>Estimated Population</b>	<b>Per Capita</b>
2009	\$ 16,235	\$ 103,000	15.76%	66,295	\$ 245
2010	15,065	104,408	14.43%	66,788	226
2011	13,840	106,229	13.03%	67,565	205
2012	12,570	107,879	11.65%	68,484	184
2013	11,465	108,167	10.60%	69,039	166
2014	11,020	109,336	10.08%	69,821	158
2015	9,750	108,677	8.97%	71,022	137
2016	8,395	111,844	7.51%	72,070	116
2017	7,305	113,132	6.46%	73,747	99
2018	6,315	121,756	5.19%	74,977	84

\* Presented as net bonded debt (net bonded debt is balance of outstanding debt less restricted funds collected for debt payment). First year presented is FY2012. All other fiscal years is presented as total bonded debt.

Source Restricted Debt: Combining Balance Sheet - Nonmajor Debt Service Funds

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Bureau of Economic Analysis

**CITY OF MISSOULA, MONTANA  
 REVOLVING FUND YEAR-END BALANCES  
 REQUIRED CONTINUING DISCLOSURE  
 Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Revolving Fund Cash Balance</b>	<b>Principal Amount of Bonds</b>	<b>Percentage</b>
2009	\$ 719,399	\$ 14,030,295	5.13%
2010	746,320	14,250,241	5.24%
2011	794,547	15,021,055	5.29%
2012	774,812	15,322,685	5.06%
2013	719,735	14,189,516	5.07%
2014	636,917	12,738,346	5.00%
2015	569,709	11,394,176	5.00%
2016	535,000	10,693,500	5.00%
2017	624,223	12,173,827	5.13%
2018	557,436	11,148,712	5.00%

Source: City of Missoula

**CITY OF MISSOULA, MONTANA**  
**REVOLVING FUND CHANGES IN FUND BALANCE**  
**REQUIRED CONTINUING DISCLOSURE**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Beginning Balance	\$ 779,966	\$ 719,399	\$ 764,101	\$ 794,547	\$ 791,209	\$ 735,266	\$ 652,449	\$ 586,596	\$ 550,531	\$ 624,222
Disbursements/Transfers	(60,567)	44,702	30,446	(3,338)	(55,943)	(82,817)	(65,853)	(36,065)	73,691	(66,787)
Ending Balance	<u>\$719,399</u>	<u>\$764,101</u>	<u>\$794,547</u>	<u>\$791,209</u>	<u>\$ 735,266</u>	<u>\$ 652,449</u>	<u>\$ 586,596</u>	<u>\$ 550,531</u>	<u>\$ 624,222</u>	<u>\$ 557,435</u>
Assets:										
Cash	\$ 702,257	\$ 746,320	\$ 793,639	\$ 774,812	\$ 719,735	\$ 636,917	\$ 569,709	\$ 535,000	\$ 624,223	\$ 557,436
Due from SID Funds	—	—	—	865	—	—	569,709	—	41,452	25,920
Other Receivables	182,844	167,952	135,548	134,640	119,108	103,577	88,046	72,514	—	—
Total Assets	<u>885,101</u>	<u>914,272</u>	<u>929,187</u>	<u>910,317</u>	<u>838,843</u>	<u>740,494</u>	<u>1,227,463</u>	<u>607,514</u>	<u>665,674</u>	<u>583,356</u>
Liabilities:										
Interfund Payable	—	—	—	—	—	—	568,353	—	—	—
Deferred Revenue	165,702	150,171	134,639	119,108	103,577	88,046	72,514	56,983	41,452	25,920
Total Liabilities	<u>165,702</u>	<u>150,171</u>	<u>134,639</u>	<u>119,108</u>	<u>103,577</u>	<u>88,046</u>	<u>640,867</u>	<u>56,983</u>	<u>41,452</u>	<u>25,920</u>
Total Fund Balance	<u>\$ 719,399</u>	<u>\$ 764,101</u>	<u>\$ 794,548</u>	<u>\$ 791,209</u>	<u>\$ 735,266</u>	<u>\$ 652,448</u>	<u>\$ 586,596</u>	<u>\$ 550,531</u>	<u>\$ 624,222</u>	<u>\$ 557,436</u>

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
Last Ten Fiscal Years**

Fiscal Year	Population		Income Statistics		State Unemployment Rate	Missoula County Unemployment Rate
	Estimated City Population	County Population	Total Personal Income (2)	Per Capita Income		
2009	66,295	108,000	3,818,772	35,531	5.7%	6.3%
2010	66,788	109,299	3,866,079	33,642	6.5%	7.3%
2011	67,565	110,160	3,958,700	35,936	6.3%	6.7%
2012	68,484	111,077	4,226,000	38,046	5.4%	5.9%
2013	69,039	111,731	4,188,400	37,486	4.8%	5.2%
2014	69,821	112,681	4,418,300	39,211	4.1%	4.5%
2015	71,022	114,181	4,658,900	40,803	3.5%	3.8%
2016	72,070	116,130	5,125,320	44,134	3.5%	3.8%
2017	73,747	119,108	5,279,080 <sup>1</sup>	45,370 <sup>1</sup>	4.0%	3.6%
2018	74,977	120,447	5,466,596 <sup>1</sup>	47,215 <sup>1</sup>	4.0%	3.6%

(1) 2010 population is from the US Census Bureau. All other years are estimated.

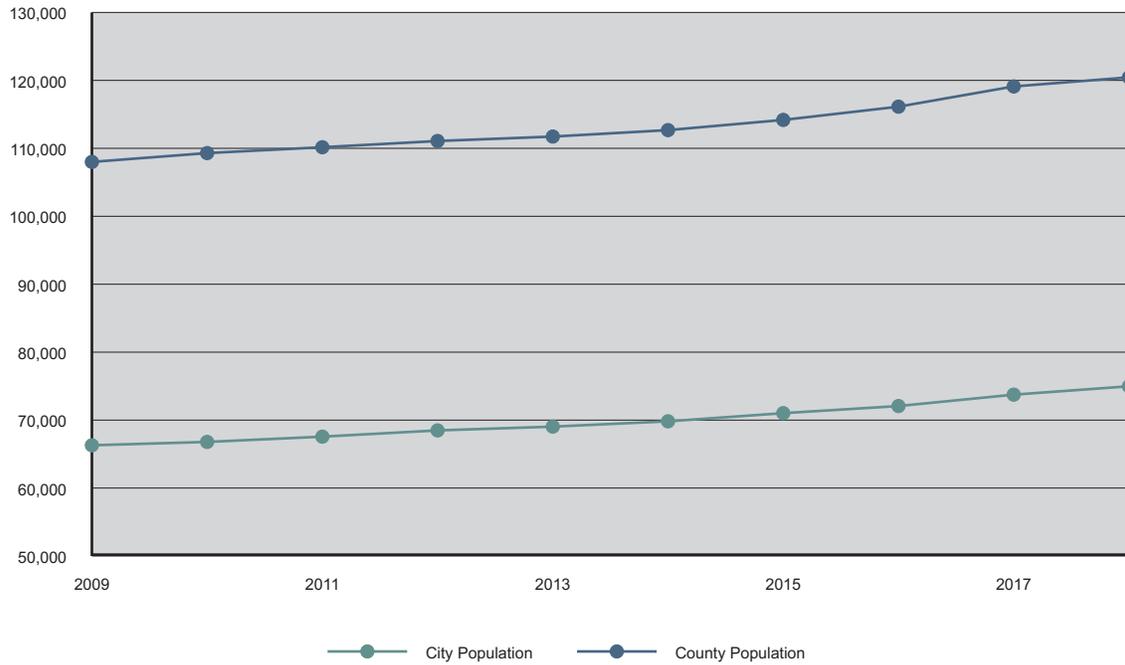
(2) Only Missoula County information available.

\* Estimate based on average increase of prior years.

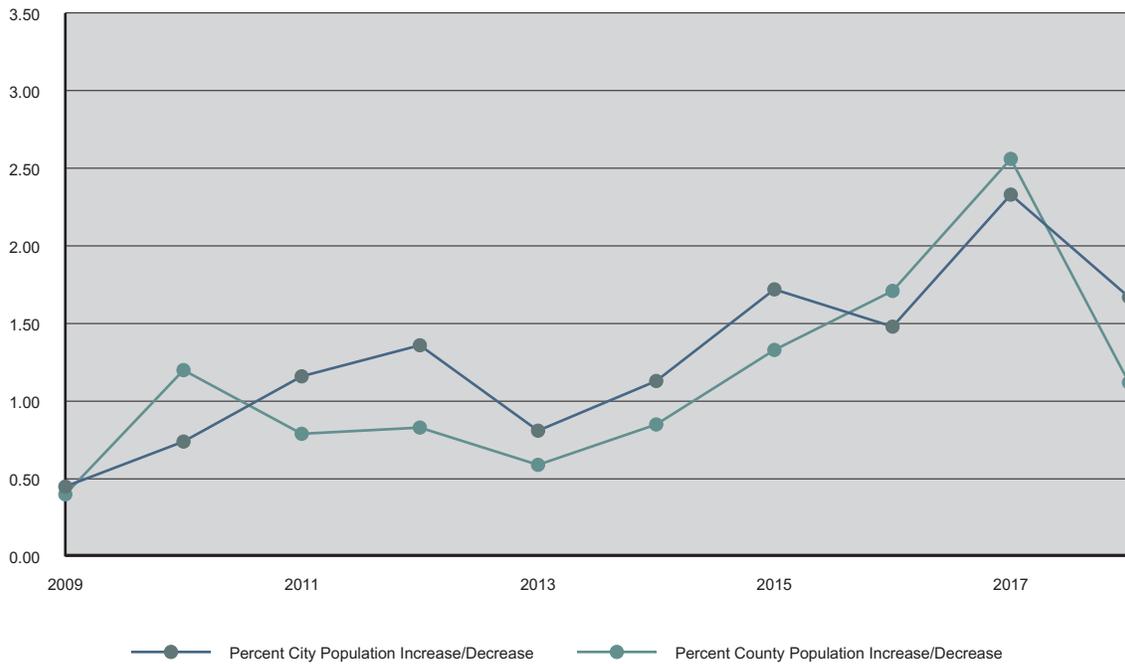
Source - Bureau of Economic Analysis, Department of Labor & Industry, Research & Analysis Bureau

N/A - Not available

County and City of Missoula Population per year



County and City of Missoula Percent increase in population per year



City of Missoula  
Climate Demographics  
Last 30 years

Temperature	Missoula (1893-2010)	Kalispell (1899-2010)	Butte (1894-2010)	State of Montana	State of Idaho
Latest 30 Year Normal Temperature (1981-2010)	45.90	43.25	39.85	42.70	44.4
Average Temperature	45.85	43.20	39.86	43.21	45.95
Average Annual High Temperature	58.1	55.3	53.9	55.94	58.86
Average Annual Low Temperature	33.7	31.2	25.8	30.49	33.03
Lowest Temperature	-33 (1/26/1957)	-38 (1/30/1950 - 1/31/1950)	-52 (2/9/1933)	-70 Rogers Pass (1/20/1954)	-60 Island Park Dam (1/18/1943)
Highest Temperature	107 (7/6/2007)	105 (8/4/1961)	100 (7/22/1931)	117 Medicine Lake (7/5/1937)	118 Orofino (7/28/1934)

Precipitation	Missoula (1893-2010)	Kalispell (1899-2010)	Butte (1894-2010)
Latest 30 Year Normal Precipitation (1981-2010)	13.84	17.21	12.78
Average Precipitation (Jan-Dec) in inches	14.13	17.00	12.75
Driest Month	Trace August 1967	Trace August 1955	Trace October 1987
Driest Year	8.16 inches 1931	10.42 inches 1944	6.89 inches 1935
Greatest 24-hour Precipitation	2.32 inches (11/5/1927)	2.71 inches (6/29/1982)	3.00 inches (06/09/1913)
Wettest Month	7.38 inches May 1980	6.02 inches July 1983	8.86 inches June 1913
Wettest Year	21.92 inches 1998	25.23 inches 1996	20.55 inches 1909
Annual Average Snowfall in inches	37.00	55.00	62.00
Greatest 24-hour Snow	27.5 inches (11/30/1893)	20.1 inches (12/27/1911)	30.0 inches (10/10/1911)
Greatest Monthly Snow	54.1 inches December 1996	55.9 inches December 1936	32.5 inches October 1911
Greatest Annual Snowfall	106.1 inches 1996	148.8 inches 1996	125.5 inches 1996
Greatest Snow Depth	27.0 inches (12/29/1996)	61.0 inches (12/30/1996)	27.0 inches (12/29/1996)

Source: National Weather Service Forecast Office, Missoula, MT and U.S Climate Data Center

CITY OF MISSOULA, MONTANA  
 TOP EMPLOYERS IN CITY OF MISSOULA  
 Current and Ten Years Ago

Employer	Type of Product or Service	2018	Percentage of Total City Employment	2009	Percentage of Total City Employment
University of Montana	Higher Education	2,892	3.86%	3,651	5.27%
St. Patrick Hospital	Healthcare	1,605	2.14%	1,600	2.31%
Montana Rail Link	Rail Transportation	1,167	1.56%	254	0.37%
Missoula County Public Schools	Public Education	1,129	1.51%	1,424	2.06%
Community Medical Center	Healthcare	860	1.15%	1,200	1.73%
Missoula County	Government	853	1.14%	775	1.12%
Us Forest Service	Federal Government	704	0.94%	800	1.15%
AT&T/DirectTV	Service	675	0.90%	1,000	1.44%
City of Missoula	Government	621	0.83%	514	
Wal-Mart	Retail	585	0.78%	524	0.76%
Western Montana Clinic				252	0.36%

Source - Bureau of Economic Analysis and Department of Labor & Industry, Research & Analysis Bureau

CITY OF MISSOULA, MONTANA  
CITY SERVICES AND EMPLOYMENT

<b>Bargaining Unit</b>	<b>Number of Members</b>	<b>Date Contract Expires</b>
International Association of Firefighters, Local No. 271	89	June 30, 2019
Missoula Police Protective Association	100	June 30, 2019
Montana Federation of Public Employees *		
Building Inspectors	6	June 30, 2019
Maintenance Technicians (Parks and Recreation)	9	June 30, 2019
Wastewater Chemists	3	June 30, 2019
Planners	17	June 30, 2019
Parking Commission	7	June 30, 2019
Wastewater Plant Operators	6	June 30, 2019
Teamsters Union, Local No. 2 - Streets	22	June 30, 2019
Operators' Union, Local No. 4000 - Streets	12	June 30, 2019
Machinists Union, Local No. 88, District No. 86	8	June 30, 2019
Teamsters, Parks and Recreation	25	June 30, 2019
Wastewater Operator's Union, Local 400	8	June 30, 2019
International Brotherhood of Electrical Workers	2	June 30, 2019

Note: Basic services provided through City government include Police and Fire protection, Municipal Sewer and Sanitation, Street Maintenance and Construction, Building Inspection, Zoning Enforcement, Public Works, and Parks and Recreation. As of June 30, 2015, the City employed approximately 626 workers, including Seasonal and Intermittent. Of the total City workforce, approximately 46% were members of organized bargaining units. State law requires Montana Cities to bargain collectively with formally recognized bargaining units. The City considers relations with its bargaining groups to be satisfactory.

\* Formerly MPEA and MEA-MFT

Source: City of Missoula

MISSOULA, MONTANA METROPOLITAN AREA  
 EMPLOYMENT BY MAJOR INDUSTRY TYPE  
 ANNUAL AVERAGE  
 Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (A)
Goods Producing	5,500	4,600	4,700	4,400	4,500	4,600	4,900	4,900	5,100	5,500
Trade, Transportation and Utilities	12,100	11,300	11,400	11,600	11,100	11,900	12,300	12,200	12,200	12,600
Professional and Business Service	6,100	6,900	6,900	6,800	7,000	7,000	6,500	6,400	6,500	6,600
Educational and Health Services	8,900	9,200	9,500	9,800	10,000	10,000	10,300	10,400	10,800	10,900
Healthcare and Social Assistance	8,400	8,700	9,000	9,200	9,300	9,400	9,700	9,800	10,100	10,300
Leisure and Hospitality	7,600	7,000	6,900	7,400	7,300	7,700	8,100	8,100	8,500	8,500
Government	8,300	10,300	8,400	10,300	10,500	10,600	10,800	10,800	11,000	10,900
	<u>56,900</u>	<u>58,000</u>	<u>56,800</u>	<u>59,500</u>	<u>59,700</u>	<u>61,200</u>	<u>62,600</u>	<u>62,600</u>	<u>64,200</u>	<u>65,300</u>

Source: Department of Labor & Industry, Research & Analysis Bureau

(A) Most recent data available through June 2018.

All other years are annual data

CITY OF MISSOULA, MONTANA  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Government</b>										
Business Licenses Issued	5,141	5,947	5,103	5,872	5,585	5,418	4,566	5,821	5,658	5,466
Amount of SID's Billed (\$)	2,759,874	2,788,949	2,979,149	2,806,770	2,565,463	2,468,350	2,277,577	2,221,810	2,516,030	2,372,380
# Sewer Bills	42,323	42,860	43,493	44,495	45,042	45,042	45,213	45,664	46,326	47,232
<b>Public Safety Activities</b>										
Citations issued	31,700	25,136	20,232	20,554	18,139	15,420	14,042	13,442	20,791	18,413
Orders of Protection issued	398	277	209	236	203	318	267	351	245	193
Attorney's Office - Lawsuits & Claims	41	26	24	22	32	29	28	35	25	33
Attorney - Opened criminal files	2,372	2,313	3,029	4,007	4,255	3,955	3,023	3,777	4,238	3,248
Officers/1,000 population	2	1	1	2	2	2	2	2	1	1
Total sworn officers	101	100	100	104	106	109	109	109	106	109
Police calls for Service	41,424	41,373	40,272	41,334	42,302	41,728	45,605	42,791	53,206	54,126
Total Fire Department Incident Responses*	5,850	6,217	5,752	6,131	6,548	6,745	7,140	7,865	8,169	8,650
<b>Public Works</b>										
Miles of sidewalk installed	4.00	6.78	5.42	4.72	5.58	9.19	4.35	3.48	4.15	8.13
Building Permits Issued	1,291	1,306	1,283	1,395	1,485	1,319	1,427	1,515	1,576	1,434
Construction Value of Bldg permits issued (\$)	63,987,567	54,867,213	87,790,572	58,443,007	68,558,394	74,177,588	122,960,429	117,605,567	161,435,250	167,128,016
Miles of Street	383	391	413	416	419	422	428	443	454	456
Population	66,295	66,788	67,565	68,484	69,039	69,821	71,022	72,070	73,747	74,977

Source: City of Missoula

\* Fire Department Incident Responses are based on Calendar Years. Current Year number through 12/31/17.

CITY OF MISSOULA, MONTANA  
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
 Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>GENERAL GOVERNMENT</b>										
Vehicles	4	4	4	2	2	2	2	2	2	2
Buildings	3	3	3	4	4	5	5	5	5	5
<b>PUBLIC SAFETY ACTIVITIES</b>										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Engines/Trucks/Vehicles/Vans	26	25	25	31	32	32	33	34	31	32
Police Motorcycles	6	6	6	4	5	5	5	5	5	5
Police Patrol Cars/Passenger Vehicles/ Other Vehicles	62	63	63	66	59	63	63	67	72	77
<b>PUBLIC WORKS</b>										
Curbs (lineal feet)	1,957,574	2,100,819	2,135,361	2,159,796	2,182,153	2,241,246	2,259,480	2,273,980	2,288,394	2,327,924
Sidewalks (sq. feet)	10,232,017	10,599,017	12,699,836	12,824,406	13,345,978	13,588,598	13,703,420	13,795,344	13,904,798	14,119,387
Storm Sewer (lineal feet)	157,826	162,158	168,148	172,360	179,388	179,888	180,368	183,538	184,199	189,001
Sumps	5,307	5,385	5,496	5,524	4,183	4,209	5,585	5,617	5,624	5,742
Signs	56,635	57,502	58,369	59,236	60,103	60,970	61,837	62,704	63,571	64,438
Vehicles	161	163	165	163	123	123	123	225	248	285
Buildings	4	4	4	4	5	5	5	5	6	5
<b>CULTURE AND RECREATION</b>										
Parks	67	68	69	70	70	70	70	72	71	72
Trails	22									
Commuter	N/A	22	22	23	23	23	23	23	23	23
Recreational	N/A	55	55	56	56	56	56	58	56	59
Park Shelter/Band Shells/Pavilions	10	12	15	17	18	18	18	24	20	21
Buildings	23	23	23	23	23	23	23	23	23	23
Vehicles (Including trailers)	58	59	59	59	108	112	112	115	112	112
<b>HOUSING &amp; COMMUNITY DEVELOPMENT</b>										
Vehicles	1	1	1	1	1	1	1	1	1	1

Source: City of Missoula Fixed Asset Accounting Module

Source: Various City of Missoula Departments

**CITY OF MISSOULA, MONTANA**  
**SPECIAL ASSESSMENTS BILLED AND COLLECTED**  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Assessments Billed</b>	<b>Current Assessments Paid</b>	<b>Percent Collected</b>	<b>Delinquent Assessments Paid</b>	<b>Total Assessments Paid</b>	<b>Penalty and Interest Paid</b>
2009	\$ 2,759,874	\$ 2,666,875	96.63%	\$ 109,340	\$ 2,776,215	\$ 11,539
2010	2,788,949	2,796,909	100.29%	136,607	2,933,516	14,999
2011	2,979,149	2,818,935	94.62%	159,941	2,978,876	18,139
2012	2,806,770	2,760,131	98.34%	160,377	2,920,508	16,070
2013	2,565,463	2,549,864	99.39%	51,388	2,601,252	8,058
2014	2,468,350	2,464,285	99.84%	19,211	2,483,496	11,121
2015	2,277,577	2,308,308	101.35%	8,655	2,316,963	8,359
2016	2,221,810	2,185,888	98.38%	5,286	2,191,174	4,989
2017	2,516,030	2,454,187	97.54%	35,599	2,489,786	4,337
2018	2,372,380	2,304,210	97.13%	58,556	2,362,766	4,321

Note: Property tax levies are set in August at the time the City budget is approved and billed November 1 by the County. Half of the taxes are due by November 30 and the other half by May 31. After those dates, the bills are delinquent (and a lien is placed on the property). The interest charged on delinquent taxes is one percent per month, with a two percent penalty.

Source: City of Missoula

CITY OF MISSOULA, MONTANA  
 SPECIAL IMPROVEMENT DISTRICT 512, 521 AND 522  
 REQUIRED CONTINUING DISCLOSURE

<b>Fiscal Year</b>	<b>Combined Market Value of All Districts</b>	<b>Average Ratio of Market Value to Assessments of Individual Parcels</b>	<b>Highest Ratio of Market Value to Assessments of Individual Parcels</b>	<b>Lowest Ratio of Market Value to Assessments of Individual Parcels</b>	<b>Median Ratio of Market Value to Assessments of Individual Parcels</b>
2009	\$ 234,349,048	954.97	6,111.87	20.47	160.49
2010	236,039,170	1,071.95	30,710.27	22.07	247.40
2011	215,320,296	1,296.29	51,474.37	40.46	823.26
2012	296,665,021	1,601.54	60,391.92	47.21	957.42
2013	343,465,684	43.42	43.42	43.42	43.42
2014	212,236,360	6,153.16	233,364.95	81.73	3,711.41
2015	275,246,631	7,937.62	244,392.70	10.65	5,041.41
2016	281,792,739	9,733.94	483,578.62	11.17	5,382.13
2017	228,884,766	14,537.55	260,053.13	972.25	10,318.56
2018	Completed	Completed	Completed	Completed	Completed

Source: City of Missoula and Missoula County Assessor's Office

CITY OF MISSOULA, MONTANA  
 SPECIAL IMPROVEMENT DISTRICTS  
 Current as of June 30, 2018

SID Number	Combined Market Value of All Districts	Average Ratio of Market Value to Assessments of Individual Parcels	Highest Ratio of Market Value to Assessments of Individual Parcels	Lowest Ratio of Market Value to Assessments of Individual Parcels	Median Ratio of Market Value to Assessments of Individual Parcels
FY2011 Total	\$ 2,698,949,941	1,042.61	42,350.68	0.03	341.14
FY2012 Total	3,105,150,944	893.51	26,719.49	1.76	429.81
FY2013 Total	3,365,098,815	352.35	40,261.28	4.87	110.58
FY2014 Total	1,497,286,124	1,737.80	233,364.95	0.22	442.92
FY2015 Total	2,373,479,490	2,861.51	244,392.70	0.17	795.46
FY2016 Total	2,446,652,631	4,299.09	1,131,599.24	0.17	832.07
FY2017 Total	2,320,102,073	5,830.90	310,647.67	0.18	1,654.98
0524	719,226,897	278.65	10,260.7	4.47	186.96
0525	29,575,696	98.45	452.8	21.66	56.04
0526	106,769,459	85.42	1,267.26	4.71	54.82
0532	64,124,627	151.03	492.37	30.86	149.88
0533	11,250,663	146.19	652.08	31.91	57.96
0534	13,872,524	65.78	120.74	23.70	63.81
0536	24,217,712	64.47	121.89	4.13	62.63
0540	112,760,486	107.87	184.31	62.77	103.18
0541	544,138,454	880.21	4,733.8	0.02	804.20
0544	100,732,672	55.50	239.72	6.87	53.15
0545	14,613,388	951.29	5,596.12	238.46	833.10
0546	12,166,671	891.98	1,146.13	354.89	889.36
0548	9,337,312	44.45	90.5	0.20	48.70
0549	202,646,551	144.47	536.04	3.05	128.37
CS08	8,728,611	100.09	330.82	11.21	88.76
CS09	7,712,403	50.18	165.94	6.86	32.87
CS10	10,343,042	52.30	277.27	7.80	40.54
CS12	61,572,069	360.82	5,815.79	13.47	155.94
CS13	67,392,392	907.53	11,208.76	322.00	358.03
CS15	26,426,945	185.54	2,901.36	8.99	91.04
CS16	17,586,495	272.04	4,035.16	8.34	74.74
CS17	15,213,947	333.20	7,428.43	4.83	70.00
CS18	22,290,541	372.03	4,201.73	15.15	132.39
CS346	16,131,394	41.02	120.31	15.58	24.41
FY2018 Total	\$ 2,218,830,951	276.69	11,208.76	0.02	81.75

Source: City of Missoula and Missoula County Assessor's Office

^ First year to disclose information for all City SID's is FY 2011

\*Not all info available at time of budget publication. See FY 2016 CAFR

**CITY OF MISSOULA, MONTANA**  
**MISSOULA PARKING COMMISSION RATES AND FEES**  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>On-Street Hourly Parking</b>	<b>Garage Hourly Parking</b>	<b>Parking Garage Lease Space Range</b>	<b>Off-Street Lease Space Range</b>	<b>Average Off-Street and Garage Lease Rate</b>
2009	\$ 0.50	\$ 0.25	55.00 TO 65.00	30.00 TO 50.00	\$ 45.00
2010	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2011	0.50	1.00	65.00 TO 75.00	35.00 TO 55.00	49.00
2012	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	51.00
2013	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	51.00
2014	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	53.00
2015	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	53.00
2016	0.50 - 4.00	1.00	65.00 TO 75.00	30.00 TO 55.00	56.25
2017	0.50 - 4.00	1.00	75.00 TO 85.00	40.00 TO 60.00	65.00
2018	1.00 - 4.00	1.00	75.00 TO 85.00	40.00 TO 70.00	65.00

Source: Missoula Parking Commission

\* First year of new LUKE on street parking meter machines

CITY OF MISSOULA, MONTANA  
 MISSOULA PARKING COMMISSION OPERATIONS AND FACILITIES  
 Last Ten Fiscal Years

Fiscal Year	Parking Meters	Leased Parking Spaces	Parking Lots Throughout Downtown Missoula	Leased Parking Garage Spaces	University District Parking Permits	Percentage of Parking Ticket Revenue	Percentage of Parking Meter Revenue	Percentage of Garage Parking Revenue	Percentage of Leased Parking Revenue other than Parking Garage	Percentage of Other Revenue
2009	1,129	800	12	257	1,011	19%	35%	16%	21%	10%
2010	1,061	800	12	257	1,166	18%	37%	18%	23%	4%
2011	1,061	800	12	257	1,198	18%	37%	18%	23%	4%
2012	1,015	855	12	257	1,012	17%	38%	14%	29%	3%
2013	1,015	890	12	460	1,025	16%	34%	16%	32%	1%
2014	1,015	1,133	12	522	870	14%	33%	19%	31%	1%
2015	1,061	1,275	15	523	918	12%	38%	21%	27%	3%
2016*	134	1,226	15	529	821	8%	39%	25%	24%	4%
2017	134	1,244	15	541	760	10%	46%	26%	16%	2%
2018	135	1,262	14	439	988	9%	49%	17%	20%	4%

Source: Missoula Parking Commission

\* FY2016 first year of LUKE on street parking meter machines

**CITY OF MISSOULA, MONTANA  
 COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
 HISTORICAL VALUE OF TAX INCREMENT DISTRICTS  
 For the Last Ten Fiscal Years**

**Urban Renewal District II (1-1C, 4-1C)**

Fiscal Year	Personal Property		Total Taxable Value
	Personal Attached Taxable Value	(Unattached) Taxable Value	
2009	\$ 3,162,083	\$ 358,422	\$ 3,520,505
2010	3,302,146	318,269	3,620,415
2011	3,415,110	336,897	3,752,007
2012	3,371,473	309,233	3,680,706
2013	3,379,411	262,535	3,641,946
2014	3,436,681	249,282	3,685,963
2015	3,586,154	216,449	3,802,603
2016	3,696,539	195,043	3,891,582
2017	3,698,497	250,016	3,948,513
2018	4,477,327	265,612	4,742,939

**Urban Renewal District III (1-1D)**

Fiscal Year	Real Property & Personal Attached	Personal Property	Total Taxable Value
	Taxable Value	(Unattached) Taxable Value	
2009	\$ 8,468,861	\$ 468,589	\$ 8,937,450
2010	9,027,375	514,481	9,541,856
2011	8,939,540	568,590	9,508,130
2012	9,118,547	552,532	9,671,079
2013	8,797,853	381,195	9,179,048
2014	8,964,779	393,662	9,358,441
2015	8,293,647	177,106	8,470,753
2016	8,540,441	230,608	8,771,049
2017	9,818,839	279,493	10,098,332
2018	10,846,954	355,738	11,202,692

**Front Street URD (1-1F)**

Fiscal Year	Real Property & Personal Attached	Personal Property	Total Taxable Value
	Taxable Value	(Unattached) Taxable Value	
2009	\$ 1,362,450	\$ 51,225	\$ 1,413,675
2010	1,571,488	50,604	1,622,092
2011	2,105,933	124,059	2,229,992
2012	1,908,040	121,154	2,029,194
2013	1,903,163	83,983	1,987,146
2014	1,885,618	78,619	1,964,237
2015	1,911,595	38,792	1,950,387
2016	1,804,310	34,789	1,839,099
2017	1,785,638	33,176	1,818,814
2018	1,881,011	34,435	1,915,446

**CITY OF MISSOULA, MONTANA  
 COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
 HISTORICAL VALUE OF TAX INCREMENT DISTRICTS  
 For the Last Ten Fiscal Years**

**Riverfront Triangle URD**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
2010 <sup>^</sup>	\$ 133,871	\$ —	\$ 133,871
2011	153,701	36,236	189,937
2012	132,286	36,579	168,865
2013	112,584	279	112,863
2014	113,735	3,259	116,994
2015	119,533	1,337	120,870
2016	130,687	2,196	132,883
2017	111,140	1,764	112,904
2018	344,129	1,399	345,528

**Hellgate URD (1-1H) #**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
2016 <sup>#</sup>	\$ 960,528	\$ —	\$ 960,528
2017	982,521	257	\$ 982,778
2018	1,162,396	2,433	\$ 1,164,829

**North Reserve / Scott Street URD (1-1N, 4-1N) #**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
2016 <sup>#</sup>	\$ 1,563,956	\$ —	\$ 1,563,956
2017	1,563,249	378	\$ 1,563,627
2018	2,332,473	4,653	\$ 2,337,126

\* First year data available as district was created in FY 2009  
<sup>^</sup> First year data available as district was created in FY 2010  
<sup>#</sup> First year data available as district was created in FY 2016

**CITY OF MISSOULA, MONTANA  
COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
TAXABLE VALUE OF DISTRICTS COMPARED TO CITY  
For the Last Ten Fiscal Years**

**Urban Renewal District II**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2010	\$ 107,159,214	\$ 3,620,415	\$ 1,760,592	1.6%
2011	111,474,037	3,752,007	1,892,184	1.7%
2012	112,993,774	3,680,706	1,820,883	1.6%
2013	112,697,955	3,641,946	1,782,123	1.6%
2014	109,336,360	3,685,963	1,826,140	1.7%
2015	112,624,034	3,802,603	1,942,780	1.7%
2016	115,856,258	3,891,582	2,031,759	1.8%
2017	117,701,984	3,948,513	2,088,690	1.8%
2018	129,343,925	4,742,939	2,883,116	2.2%
2019	129,852,557	4,600,200	2,740,377	2.1%

**Urban Renewal District III**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2010	\$ 107,159,214	\$ 9,541,856	\$ 2,537,510	2.4%
2011	111,474,037	9,508,130	2,503,784	2.2%
2012	112,993,774	9,671,079	2,666,733	2.4%
2013	112,697,955	9,179,048	2,174,702	1.9%
2014	109,336,360	9,358,441	2,355,095	2.2%
2015	112,624,034	8,470,753	1,466,407	1.3%
2016	115,856,258	8,771,049	1,766,703	1.5%
2017	117,701,984	10,131,604	1,958,760	1.7%
2018	129,343,925	11,202,692	3,029,848	2.3%
2019	129,852,557	11,134,939	2,962,095	2.3%

**Front Street URD**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2010	\$ 107,159,214	\$ 1,622,092	\$ 209,057	0.2%
2011	111,474,037	2,229,992	816,957	0.7%
2012	112,993,774	2,029,197	616,159	0.5%
2013	112,697,955	1,987,146	574,111	0.5%
2014	109,336,360	1,964,237	551,202	0.5%
2015	112,624,034	1,950,387	537,352	0.5%
2016	115,856,258	1,839,099	426,064	0.4%
2017	117,701,984	1,828,962	415,927	0.4%
2018	129,343,925	1,915,446	502,411	0.4%
2019	129,852,557	1,931,931	518,896	0.4%

**CITY OF MISSOULA, MONTANA  
 COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
 TAXABLE VALUE OF DISTRICTS COMPARED TO CITY  
 For the Last Ten Fiscal Years**

**Riverfront Triangle**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2010	\$ 104,408,018	\$ 133,871	\$ —	0.0%
2011	111,474,037	189,937	32,079	0.0%
2012	112,993,774	168,865	11,007	0.0%
2013	112,697,955	112,863	—	0.0%
2014	109,336,360	116,994	—	0.0%
2015	112,624,034	120,870	—	0.0%
2016	115,856,258	132,883	—	0.0%
2017	117,701,984	112,904	—	0.0%
2018	129,343,925	345,528	187,670	0.1%
2019	129,852,557	702,205	544,347	0.4%

**Hellgate Urban Renewal District #**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2016 #	\$ 115,856,258	\$ 960,528	\$ —	0.0%
2017	117,701,984	985,733	—	0.0%
2018	129,343,925	1,164,829	139,381	0.1%
2019	129,852,557	1,175,577	150,129	0.1%

**North Reserve / Scott Street Urban Renewal District #**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2016 #	\$ 115,855,770	\$ 1,563,946	\$ 72,741	0.1%
2017	117,701,984	1,567,859	106,201	0.1%
2018	129,343,925	2,337,126	845,921	0.7%
2019	129,852,557	2,698,231	1,207,026	0.9%

# First year data available as district was created in FY 2016  
 Source: City of Missoula and Missoula County Assessor's Office

CITY OF MISSOULA, MONTANA  
 COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
 TRENDS IN PROPERTY VALUATION IN CITY  
 For the Last Ten Fiscal Years

Fiscal Year	City Appraised Value	City Taxable Value (includes district)	Incremental Taxable Value District II	Incremental Taxable Value District III	Incremental Taxable Value Front Street URD	Incremental Taxable Value Riverfront Triangle URD	Hellgate Urban Renewal District	North Reserve / Scott Street Urban Renewal District	City Taxable Value (without district)
2010	\$ 3,684,720,974	\$ 107,159,214	\$ 1,760,592	\$ 2,537,510	\$ 209,057	\$ —	\$ —	\$ —	\$ 102,652,055
2011	3,965,146,053	111,474,037	1,892,184	2,503,784	816,957	32,079	—	—	106,229,033
2012	4,140,685,284	112,993,774	1,820,883	2,666,733	616,159	11,007	—	—	107,878,992
2013	4,110,699,383	112,697,955	1,782,123	2,174,702	574,111	—	—	—	108,167,019
2014	4,305,020,382	114,068,797	1,826,140	2,355,095	551,202	—	—	—	109,336,360
2015	4,406,017,003	112,624,034	1,942,780	1,466,407	537,352	—	—	—	108,677,495
2016	7,303,174,348	115,856,258	2,031,759	1,766,703	426,064	—	—	72,741	111,558,991
2017	7,390,919,522	117,701,984	2,088,690	1,958,760	415,927	—	—	106,201	113,132,406
2018	8,176,081,623	129,343,925	2,883,116	3,029,848	502,411	187,670	139,381	845,921	121,755,578
2019	8,234,651,575	129,852,557	2,740,377	2,962,095	518,896	544,347	150,129	1,207,026	121,729,687

Source: City of Missoula and Missoula County Assessor's Office

**CITY OF MISSOULA, MONTANA  
 MISSOULA REDEVELOPMENT AGENCY  
 COMPONENT UNIT TAX INCREMENT REVENUE BOND COVERAGE  
 URD II: MILLSITE \$3.6M BONDS**

FISCAL YEAR	PROJECTED PLEDGED TAX INCREMENT	MAXIMUM PROJECTED DEBT	COVERAGE
2010			
With State Entitlement	1,369,859	250,400	547%
Without State Entitlement	1,113,237	250,400	445%
2011			
With State Entitlement	1,493,995	250,400	597%
Without State Entitlement	1,210,373	250,400	483%
2012			
With State Entitlement	1,429,000 A	250,400 B	571%
Without State Entitlement	1,173,740	250,400	469%
2013			
With State Entitlement	1,474,944 C	250,400	589%
Without State Entitlement	1,157,656	250,400	462%
2014			
With State Entitlement	1,522,881	676,428 D	225%
Without State Entitlement	1,208,093	676,428	179%
2015			
With State Entitlement	1,668,283 E	676,428	247%
Without State Entitlement	1,225,692	676,428	181%
2016			
With State Entitlement	1,713,113	676,428	253%
Without State Entitlement	1,270,522	676,428	188%
2017			
With State Entitlement	2,274,167	676,428	336%
Without State Entitlement	1,831,576	676,428	271%
2018			
With State Entitlement	3,089,882	676,428	457%
Without State Entitlement	2,647,291	676,428	391%
2019			
With State Entitlement	2,615,825	674,645	388%
Without State Entitlement	2,178,234	674,645	323%

A State Entitlement amount reduced by 10% to \$255,260 by 2011 Legislative action

B Civic Stadium Note issued February 2012 is subordinate to the Series 2006 bonds so not included in Max. Projected DS. Civic Stadium DS is \$500K Max Annual through FY15.

C Personal Property Tax Reduction Reimbursement approved by 2011 Legislature under SB372. Annual Reimbursement is \$62,028.

D Series 2013 \$5.75M Bond issued March 2013 on parity with Series 2006 Bond. Max. Annual DS \$426,028

E Personal Property Tax Reduction Reimbursement approved by 2013 Legislature under SB96. Annual Reimbursement is \$125,303.

Source: City of Missoula Annual Reports

CITY OF MISSOULA, MONTANA  
 PROPERTY TAX LEVIES IN THE URBAN RENEWAL DISTRICT II  
 Last Ten Fiscal Years

	Fiscal Year									
	FY '10	FY '11	FY '12	FY '13	FY '14	FY '15	FY '16	FY '17	FY '18	FY '19
	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Taxing Authority</b>										
State University Mill Levy	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
State Statewide School Equalization	26.92	26.60	26.28	26.55	26.15	19.23	18.78	18.44	15.26	16.54
General Countywide School Levy	54.71	53.28	51.18	51.46	52.68	50.80	49.00	47.82	38.88	42.18
Missoula County	72.66	72.00	72.24	74.51	75.71	76.98	78.86	79.44	66.56	74.10
Missoula High school District	39.98	38.44	38.76	36.94	36.36	34.99	35.27	39.19	39.34	41.35
City of Missoula	116.33	116.17	118.27	123.75	122.64	118.10	118.70	119.89	96.25	100.11
Urban Transportation District	8.52	8.47	8.97	10.02	10.60	16.47	19.00	18.66	14.03	15.41
Increment 1-1C *	353.75	359.55	372.64	369.31	387.47	419.86	440.51	475.22	569.62	537.83
Subtotal	678.87	680.51	694.34	698.54	717.61	742.43	766.12	804.66	845.94	833.52
School District 1-1C	74.65	72.88	73.61	72.88	75.01	72.29	70.29	83.00	81.09	89.31
Total levies for property in the District lying within School District 1-1C	753.52	753.39	767.95	771.42	792.62	814.72	836.41	887.66	927.03	922.83
	FY '10	FY '11	FY '12	FY '13	FY '14	FY '15	FY '16	FY '17	FY '18	FY '19
<b>Taxing Authority</b>	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
State University Mill Levy	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
State Statewide School Equalization	24.90	22.73	25.87	25.85	26.37	21.37	20.96	18.89	18.17	18.90
General Countywide School Levy	49.44	43.27	50.14	49.71	53.27	56.44	54.68	49.00	46.29	48.20
Missoula County	65.66	58.47	70.77	71.98	76.55	85.54	88.01	81.40	79.23	84.68
Missoula High school District	36.13	31.21	37.97	35.69	36.76	38.88	39.36	40.16	46.83	47.25
City of Missoula	105.12	94.34	115.86	119.55	124.01	131.23	132.48	122.85	114.58	114.40
Urban Transportation District	7.70	6.88	8.79	9.68	10.72	18.31	21.21	19.12	16.71	17.62
Increment 4-1C *	398.69	441.03	384.35	384.05	382.13	378.47	387.52	446.55	490.85	471.41
Subtotal	693.64	703.93	699.75	702.51	715.81	736.24	750.22	783.97	818.66	808.46
School District 4-1C	74.27	66.18	75.98	71.89	74.84	82.45	69.94	68.36	86.69	91.04
Total levies for property in the District lying within School District	767.91	770.11	775.73	774.40	790.65	818.69	820.16	852.33	905.35	899.50

\* Note: Tax Increment districts are not taxing authorities and do not levy taxes, i.e. levy mills. Total incremental taxable value can be viewed as a percentage of total taxable value in a district, from information provided by the Montana Department of Revenue. For purposes of disclosure, this report shows that same percentage broken down as a portion of the total mills levied in the district.

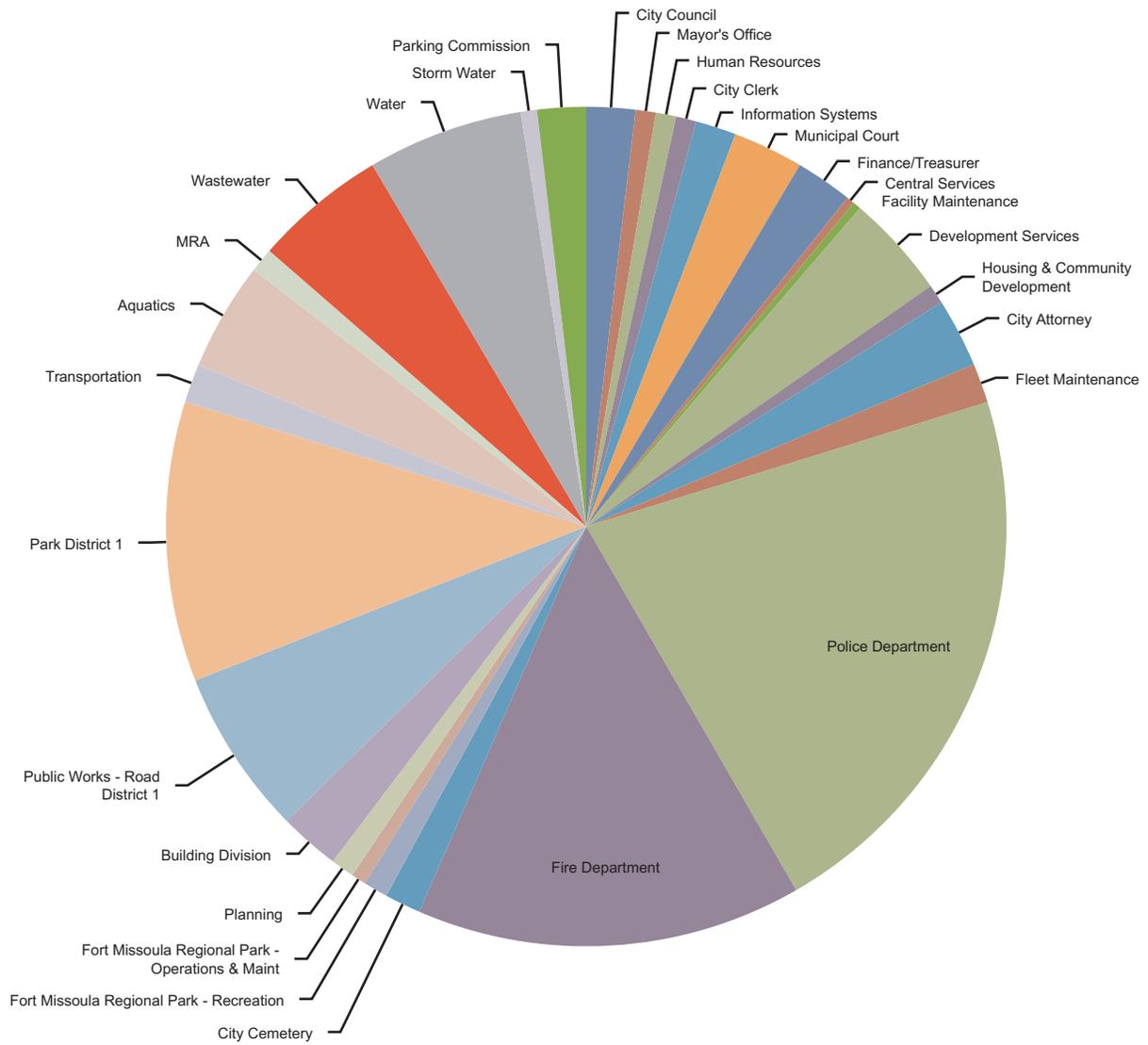
**CITY OF MISSOULA, MONTANA**  
**Urban Renewal District II - Top 10 Taxpayers**  
**Tax Year 2018 (FY19)**

	<b>Taxpayer</b>	<b>Type of Business</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>
			<b>Total Tax</b>	<b>Market Value</b>	<b>Taxable Value</b>
1	MW Corso Associates	Residential - Apartments	\$ 255,284	\$ 19,061,700	\$ 257,332
2	OSD Building #1 LLC	Residential/Commercial Developers	165,351	12,147,536	166,740
3	Millsite Revitalization Project LLC	Residential/Commercial Developers	154,061	8,469,180	154,673
4	Nutritional Laboratories	Food Supplement Manufacturer	141,367	8,872,808	147,466
5	Spirit Master Funding IX LLC	Grocery Store (real property)	136,282	7,064,265	133,515
6	Good Food Store Inc	Grocery Store	125,404	6,867,506	125,076
7	Gregg Mario Company LLC	Residential - Apartments	110,940	8,285,800	111,858
8	Blackfoot Telephone Co-op Inc	Co-op Communications	100,754	3,731,257	111,938
9	Missoula Electric Co-op Inc	Co-op Electric Utility	92,660	3,326,675	99,801
10	Engineering Support Services LLC	Owners	85,739	4,683,762	88,521
			<b>Total</b>	<b>\$ 82,510,489</b>	<b>\$ 1,396,920</b>

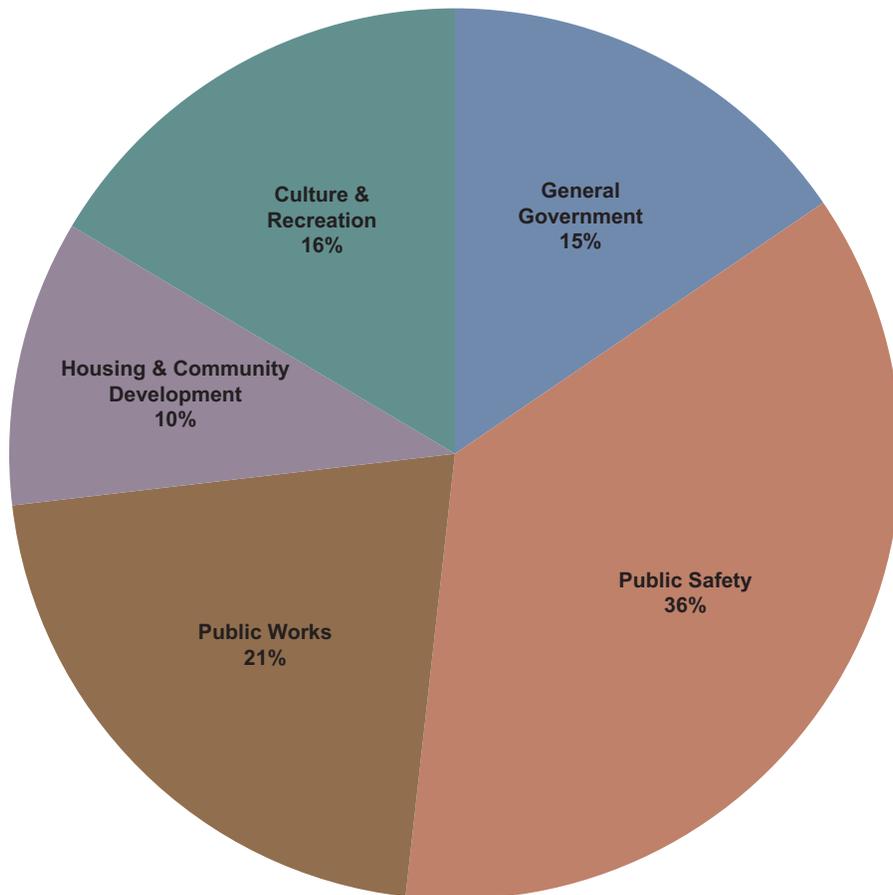
CITY OF MISSOULA  
 SCHEDULE OF FTE TRENDS  
 FY 2015 - 2019

	2015	2016	2017	2018	2019
	# FTE	# FTE	# FTE	# FTE	Adopted
<b>City Departments</b>					
City Council	12.00	12.00	12.00	12.00	12.00
Mayor's Office	5.00	5.00	5.00	5.00	5.00
Human Resources	4.00	4.00	4.00	5.00	5.00
City Clerk	5.00	5.00	5.00	5.00	5.00
Information Systems	6.00	8.00	8.00	8.00	10.00
Municipal Court	17.85	17.85	17.85	17.35	17.35
Finance/Treasurer	15.00	15.00	16.00	15.00	14.00
Central Services	3.00	3.00	3.00	2.00	2.00
Facility Maintenance	—	—	—	2.00	2.00
Development Services	23.50	23.75	23.87	25.60	25.60
Housing & Community Development	—	—	3.00	4.75	4.75
GIS	3.00	—	—	—	—
City Attorney	16.00	16.00	16.00	17.00	17.00
Public Works - Operations	8.42	8.42	8.53	8.53	—
Street Division	28.79	28.79	28.79	28.00	—
Fleet Maintenance	10.50	10.50	10.50	9.75	9.75
Police Department	130.00	132.00	134.50	134.50	137.50
Fire Department	95.00	95.00	95.00	95.00	95.00
City Cemetery	8.92	8.92	8.91	8.91	8.91
Parks and Recreation	57.00	57.60	59.60	59.60	—
<b>Total General</b>	<b>448.98</b>	<b>450.83</b>	<b>459.55</b>	<b>462.99</b>	<b>370.86</b>
<b>General Fund % Increase</b>	<b>7.24%</b>	<b>0.41%</b>	<b>1.93%</b>	<b>0.75%</b>	<b>-19.90%</b>
<b>General Fund Special &amp; Special Revenue Funds</b>					
Fort Missoula Regional Park Recreation	—	—	1.75	7.46	6.05
Fort Missoula Regional Park Ops & Maint	—	—	—	—	3.62
Planning	4.50	4.50	4.50	5.50	5.76
Building Division	11.10	12.00	11.88	13.40	14.90
Road District 1	0.25	0.75	2.66	4.38	40.96
Parks District 1	1.98	2.73	7.22	8.49	69.07
Transportation	8.40	9.57	9.57	9.57	9.57
<b>Total Special District</b>	<b>26.23</b>	<b>29.55</b>	<b>37.58</b>	<b>48.80</b>	<b>149.93</b>
<b>Enterprise Funds</b>					
Aquatics	25.45	23.88	23.77	24.13	26.71
MRA	6.00	6.00	6.00	6.00	6.00
Wastewater	22.50	24.00	24.00	30.16	32.66
Water	—	—	—	32.00	38.42
Storm Water	—	—	2.00	4.00	4.00
Parking Commission	11.50	11.50	11.50	12.50	12.00
<b>Total Enterprise</b>	<b>65.45</b>	<b>65.38</b>	<b>67.27</b>	<b>108.79</b>	<b>119.79</b>
<b>Non-General Fund % Increase</b>	<b>2.17%</b>	<b>3.54%</b>	<b>10.45%</b>	<b>50.30%</b>	<b>71.15%</b>
<b>Total For City Departments</b>	<b>540.66</b>	<b>545.76</b>	<b>564.40</b>	<b>620.58</b>	<b>640.58</b>

### City FTE Count by Department - FY 2019



### City FTE Count by Function - FY 2019



**Accrual Basis** - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**Appropriation** - An authorization made by the City Council which permits the City to incur obligations to make expenditures for specific purposes.

**Arbitration** - Review of tax-exempt bonds to ensure that the tax-exempt bond proceeds that are invested do not yield a profit.

**Assessed Valuation** - A value that is established for real and personal property for use as a basis for levying property taxes.

**Asset** - Resources owned or held by a government which have monetary value.

**Available (Undesignated) Fund Balance** - Refers to the funds remaining from the prior years which are available for appropriation and expenditure in the current year.

**Audit** - An examination by a trained accountant of the financial records of a business or governmental entity, including noting improper or careless practices, recommendation for improvements, and a balancing of the books.

**Balanced Budget** - The city will maintain a balanced budget. This means that:

- \* Operating revenues must fully cover operating expenditures, including debt service.
- \* Ending fund balance (or working capital in proprietary funds) must meet minimum policy levels.
- \* Under this policy, it is allowable for total expenditures to exceed revenues in a given year as long as the projected ending fund balance meets minimum policy levels.

**Base Budget Allowances** - Funding for ongoing expenditures for personnel, commodities, contractual services and replacement of existing equipment previously authorized. The base budget allowance provides funding to continue previously authorized services and programs.

**Bonds** - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation, revenue bonds, and special improvement district bonds. These are most frequently used to finance capital projects.

**Bond Rating** - An evaluation of a bond issuer's credit quality and perceived ability to pay the principal and interest on time and in full.

**Bond Refinancing** - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

**Budget** - A plan of financial operation for a specific time period (City of Missoula's budget is for a fiscal year July 1 - June 30). The budget contains the estimated expenditures needed to continue the county's operations for the fiscal year and revenues anticipated to finance them.

**Budget Calendar** - The schedule of key dates or milestones which the City follows in the preparation, adoption, and administration of the budget.

**Budget Message** - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the upcoming period.

**Budgetary Basis** - This refers to the form of accounting utilized throughout the budget process. These generally take one of three forms: GAAP, Cash, and Modified Accrual.

**Budgetary Control** - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

**Capital Budget** - See Capital Improvement Program

**Capital Expenditures** - The item has a unit cost over \$5,000, it benefits future periods, it has a normal useful life of 1 year or more, it has an identity that does not change with use (i.e., retains its identity throughout its useful life), and it is identifiable and can be separately accounted for. Improvements to existing assets must add value and life to be included in the value of any Capital item.

**Capital Improvements** - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

**Capital Improvement Program (CIP)** - A plan for capital expenditures needed to maintain, replace and expand the City's heavy equipment and public infrastructure (for example, streets, parks, buildings, etc). The CIP projects these capital equipment and infrastructure needs for a set number of years (normally 5) and is updated annually to reflect the latest priorities, cost estimates or changing financial strategies. The first year of the adopted Capital Improvement Program becomes the Annual Capital Budget.

**Capital Outlay** - Items that cost more than \$5,000 and have a useful life of more than one year.

**Capital Project** - New facility, technology system, land acquisition or equipment acquisition, or improvements to existing facilities beyond routine maintenance. Capital projects are included in the Capital Improvement Program and become fixed assets.

**Cash Basis** - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

**CDBG** - Community Development Block Grant.

**CIP** - See Capital Improvement Program.

**Component Unit Fund** - Legally separate organizations for which the elected officials of the agency are financially accountable. In addition, component units can be other organizations of which the nature and significance of their relationship with the agency is such that exclusion of these organizations from the agency's financial statements would be misleading.

**Conservation of Natural Resources** - Is a major function of government which includes activities designed to conserve and develop such natural resources as water, soil, forests, and materials.

**Contingency** - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Contractual Services** - Expenditures for services performed by firms, individuals or other city departments.

**Culture and Recreation** - This is a major function of government which includes all cultural and recreational activities maintained for the benefit of residential citizens and visitors.

**Debt Ratios** - Ratios which provide a method of assessing debt load and the ability to repay debt which plays a part in the determination of credit ratings. They are also used to evaluate the City's debt position over time and against its own standards and policies.

**Debt Service** - Payment of principal and interest on an obligation resulting from the issuance of bonds.

**Debt Service Fund** - Debt Service Funds are set up to receive dedicated revenues used to make principal and interest payments on City debt. They are used to account for the accumulation of resources for, and the payment of, general obligation and special assessment debt principal, interest and related costs.

**Debt Service Fund Requirements** - The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

**Deficit** - The excess of an entity's liabilities over its assets or the excess of expenditures over revenues during a single accounting period.

**Department** - A major administrative division of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area.

**Depreciation** - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy, or obsolescence.

**Derivatives** - A financial security with a value that is relied upon, or derived from, and underlying asset or group of assets. The derivative itself is a contract between two or more parties, and its price is determined by fluctuations in the underlying asset. The most common underlying assets include stocks, bonds, commodities, interest rates and market indexes.

**Distinguished Budget Presentation Awards Program** - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

**Division** - A group of homogeneous cost centers within a department, i.e. Administration, Engineering, Signing & Striping, Traffic Sign Maintenance, Communications Maintenance, Street Lighting, Bike-Ped Program and Weed Cutting all make up the Engineering Division within the Public Works Department.

**Enterprise Funds** - Funds that are accounted for in a manner similar to a private business. Enterprise funds usually recover their costs (including depreciation) through user fees. The City has one such self-supporting fund in its primary governmental reporting unit: Wastewater Treatment Fund.

**Estimate** - The most recent prediction of current year revenue and expenditures. Estimates are based upon many months of actual expenditure and revenue information and are prepared to consider the impact of unanticipated costs or other economic changes.

**Estimated Revenue** - The amount of projected revenue to be collected during the fiscal year.

**Fiduciary Funds** - are used to report assets held in a trustee or agency capacity for other and therefore cannot be used to support the government's own programs.

**Fixed Assets** - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

**FTE** - See Full-Time Equivalent

**Full Faith and Credit** - A pledge of a government's taxing power to repay debt obligations.

**Full-Time Equivalent (FTE)** - A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time clerk working for 20 hours per week would be equivalent to one-half of a full-time position or 0.5 FTE.

**Fund** - An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities and fund balance, which record all financial transactions for specific activities of government functions.

**Fund Balance** - As used in the budget, the excess of resources over expenditures. The beginning fund balance is the residual funds brought forward from the previous fiscal year.

**GAAP** - See Generally Accepted Accounting Principles

**GASB** - Governmental Accounting Standards Board

**General Fund** - Accounts for all financial resources except those required to be accounted for in another fund. The General Fund is the City's primary operating fund.

**General Government** - As a functional classification this account is charged with all expenditures for the legislative, executive, and judicial branches of a governmental unit. It is also charged with expenditures made by other top-level auxiliary and staff agencies in the administrative branches of government.

**General Obligation Bonds (G.O. Bonds)** - Bonds that require voter approval and finance a variety of public capital projects such as roads, buildings, parks and improvements. The bonds are backed by the "full faith and credit" of the issuing government.

**Goal** - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

**G. O. Bonds** - See General Obligation Bonds

**Governmental Funds** - are those through which most governmental functions of the city are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds.

**Grant** - A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (e.g., public safety or drug enforcement, but it is sometimes for general purposes).

**Housing and Community Development** - Is a major function which is concerned with development and enforcement of building and occupancy standards, and the upgrading of existing facilities.

**Infrastructure** - Facilities that support the daily life and growth of the city, for example, streets, public buildings, wastewater treatment and parks.

**Improvement Districts** - Special assessment districts formed by property owners who desire and are willing to pay for mutually enjoyed improvements such as roads or maintenance districts.

**Intergovernmental Revenue** - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

**Levy** - See Tax Levy

**Line-Item Budget** - A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

**Major Fund** - Funds whose revenues, expenditures/expenses, assets or liabilities are at least ten percent of the total for their fund category (governmental or enterprise) and five percent of the aggregate of all governmental and enterprise funds in total.

**Mandate** - Legislation passed by the state or federal government requiring action or provision of services and/or programs. Examples include the Americans with Disabilities Act, which requires actions such as physical facility improvements and provision of specialized transportation services.

**Miscellaneous** - Is charged with expenditures which cannot be properly classified under, or allocated to, the other defined functions.

**MRA** - Missoula Redevelopment Agency.

**Non-major Fund** - The remaining funds in a fund category that are not classified as a major fund.

**NACSLB** - National Advisory Council on State and Local Budgeting.

**NVRA** - National Voter Registration Act.

**Objective** - A desired output-oriented accomplishment that can be measured and achieved within a given time frame, and advances the activity and organization toward a corresponding goal.

**Operating Budget** - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel; supplies, utilities, materials, travel, and fuel.

**Operating Funds** - Resources derived from continuing revenue sources used to finance ongoing operating expenditures and "pay-as-you-go" capital projects.

**Ordinance** - A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the city.

**Outstanding Bonds** - Bonds not yet retired through principal and interest payments.

**Overlapping Debt** - The City's proportionate share of the debt of other local governmental units which either overlap it or underlie it. The debt is generally apportioned based on relative assessed value.

**Pay-As-You-Go Capital Projects** - Capital projects whose funding comes from day-to-day City operating revenue sources.

**Performance Budget** - A budget that focuses upon departmental goals and objectives rather than line items, programs, or funds. Workload and unit cost data are collected in order to assess the effectiveness and efficiency of services.

**Personal Services** - All costs related to compensating City employees including employee benefits costs such as contributions for retirement, social security, and health and workers' compensation insurance. It also includes fees paid to elected officials, jurors, and election judges and clerks. It does not include fees for professional or other services.

**PILT** - Payment in Lieu of Taxes from another government or non-profit entity.

**Program Budget** - A budget that focuses upon broad functions or activities of an agency or jurisdiction rather than upon its organizational budget units or object classes of expenditure.

**Property Tax** - A levy upon each \$100 of assessed valuation of property within the City of Missoula.

**Proprietary Fund** - Business-like funds that include Enterprise funds and Internal Service Funds. Following is a diagram that identifies the specific departments that are contained within the Proprietary Funds. Enterprise funds provide goods or services to the general public for a fee. Internal service funds account for goods and services provided by one department or agency to another department or agency of the governmental unit (or to other governmental units) on a cost-reimbursement basis.

**Public Health** - Is a major function of government which includes all expenditures involved in the conservation and improvement of public health.

**Public Safety** - Is a major function of government which has as its objective the protection of person and property; for instance, police protection, fire protection, protective inspection and correction.

**Public Works** - Is a major function of government which provides those services necessary to achieve a satisfactory living environment for the community and individual, such as street, garbage and water services.

**Resolution** - A special or temporary order of a legislative body (City Council) requiring less legal formality than an ordinance or statute.

**Resources** - Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.

**Restricted Funds** - See Special Revenue Fund.

**Revenue** - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

**Revenue Bonds** - Bonds usually sold for constructing a project that will produce revenue for the government. That revenue is pledged to pay the principal and interest of the bond.

**Risk Management** - An organized attempt to protect a government's assets against accidental loss in the most economical method.

**Salary Savings** - Budget savings realized through normal employee turnover.

**SID** - Special Improvement District. A district that is created by the City Council through resolution for the creation of some for of infrastructure, such as sewer lines or roads or is created for the maintenance of some facility or service the City provides, such as street lighting.

**Social & Economic Services** - Is a major function of a government which includes all activities designed to provide social and economical assistance to persons who are unable to provide essential needs for themselves.

**Special Revenue Fund** - A fund used to account for receipts from revenue sources that have been earmarked for specific activities and related expenditures. Examples include funds such as Cemetery Perpetual Care, Drug Forfeiture and Law Enforcement Block Grant .

**State-Shared Revenues** - Revenues levied and collected by the state but shared with local governments as determined by state government each year. Entitlement funds received by the City from the state is the largest of such shared revenues.

**Taxes** - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

**Tax Levy** - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

**Transfers In/Out** - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

**Unreserved Fund Balance** - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

**User Fees or User Charges** - A fee paid for a public service or use of a public facility by the individual or organization benefiting from the service.

**Working Capital** - Funds or money available for day to day operations. Working capital is determined by subtracting current liabilities from current assets.

**Workload Indicator** - A unit of work to be done (e.g., number of permit applications received or the number of burglaries to be investigated).

