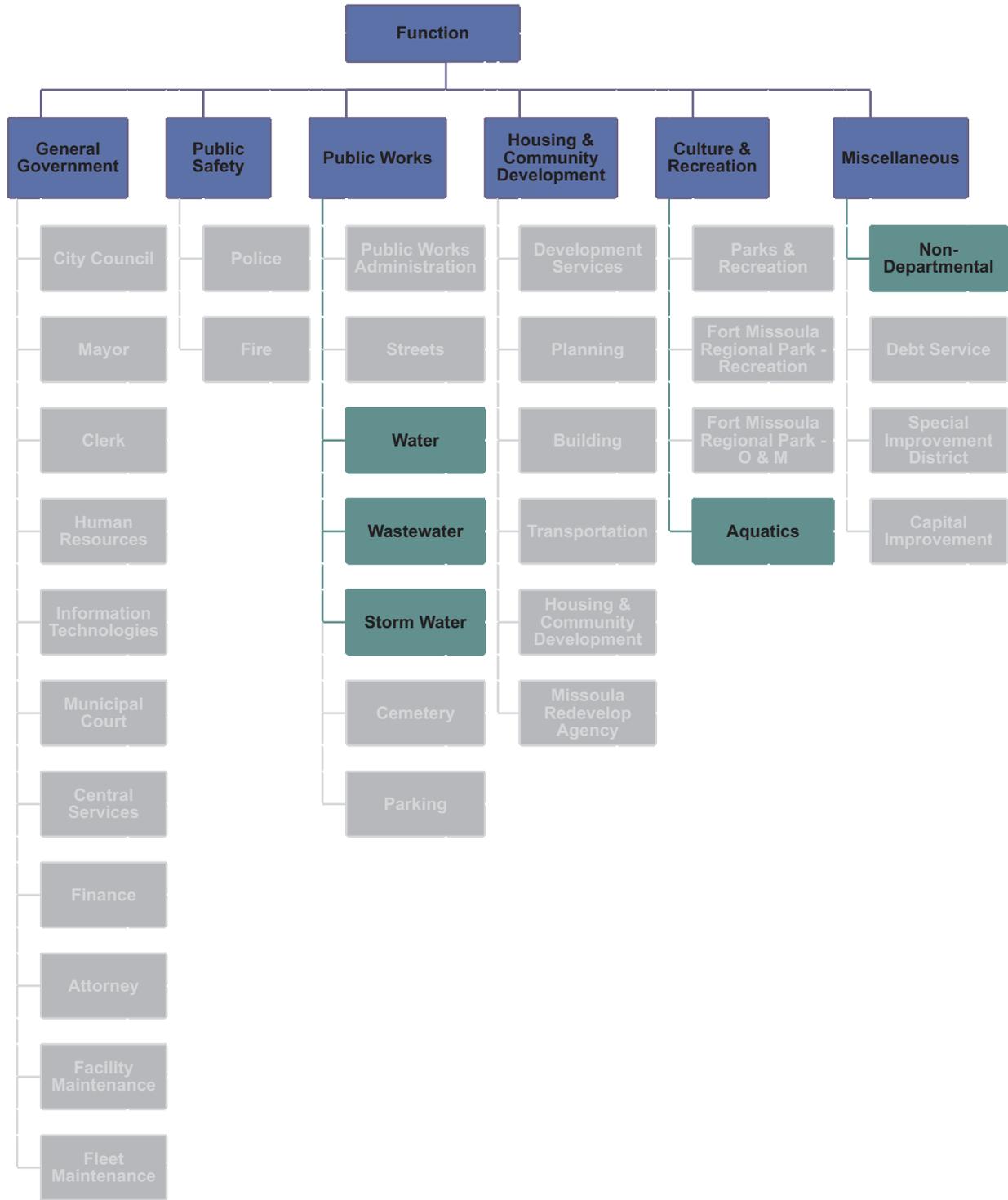
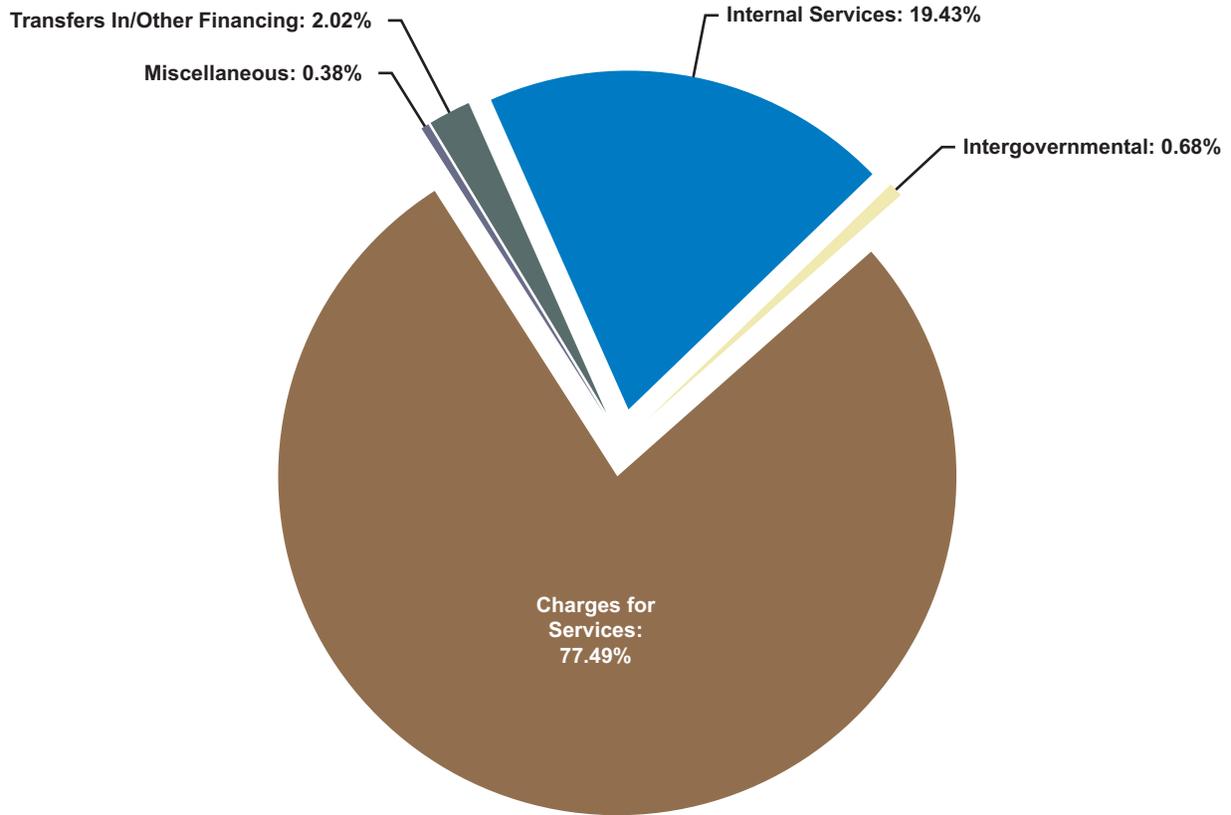


# PROPRIETARY FUNDS

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.

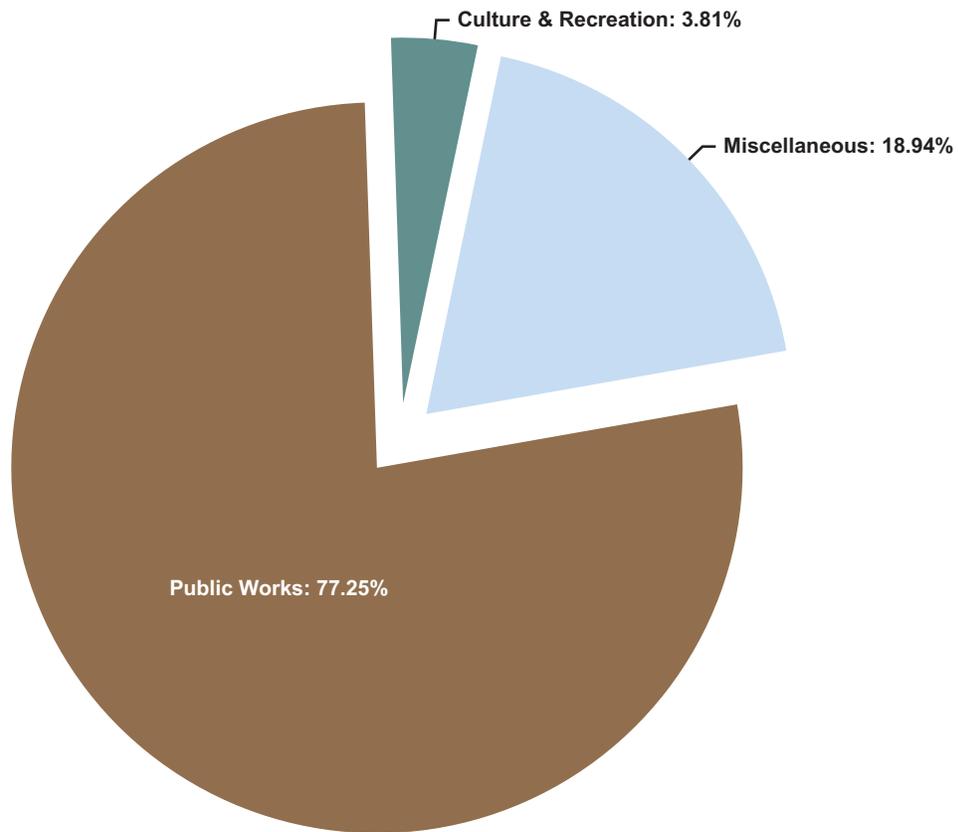


### FY 2019 Budgeted Proprietary Fund Revenues by Category



	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.

### 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.

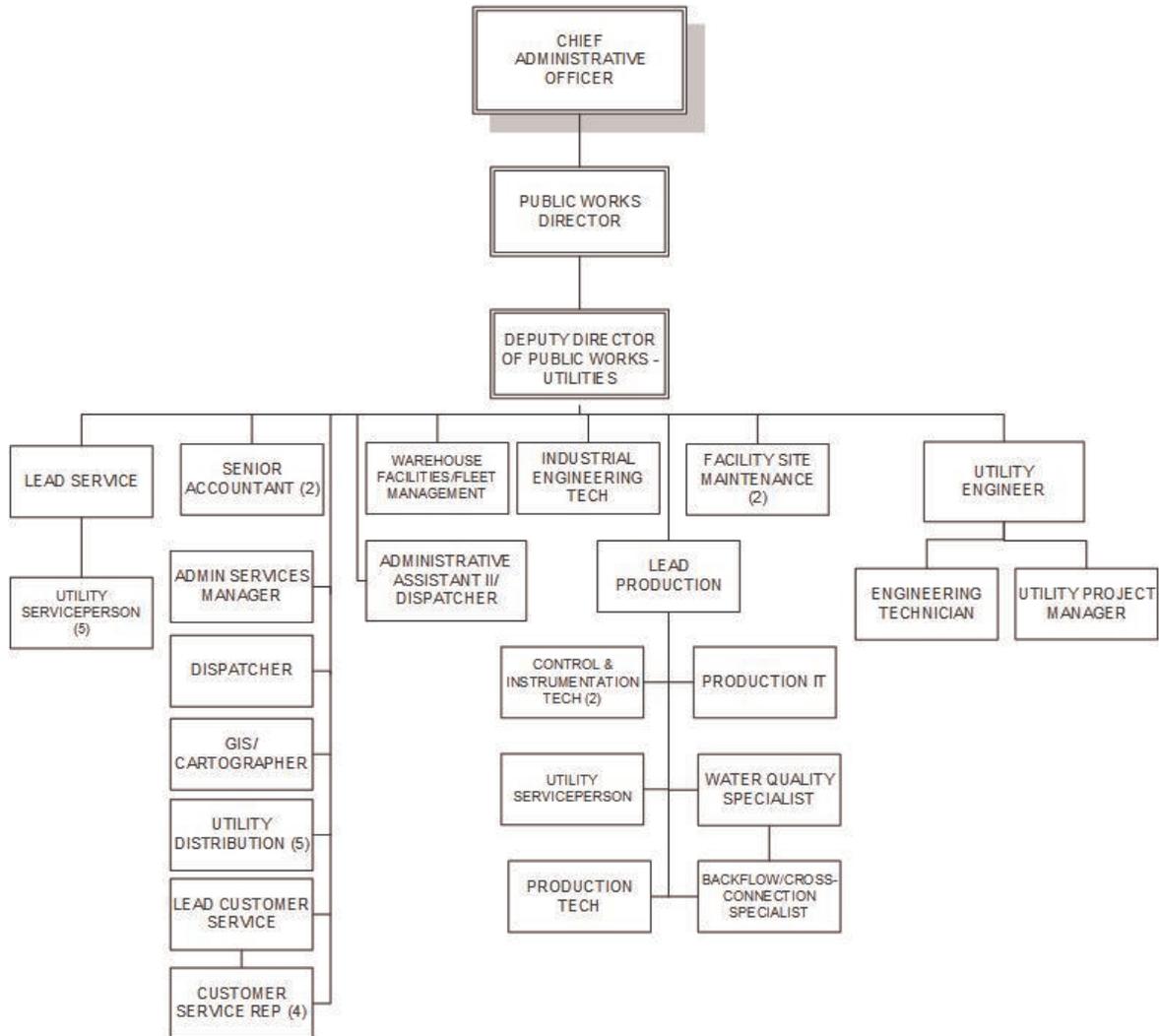
### FINANCIAL SUMMARY

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>				
<b>Title</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
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**

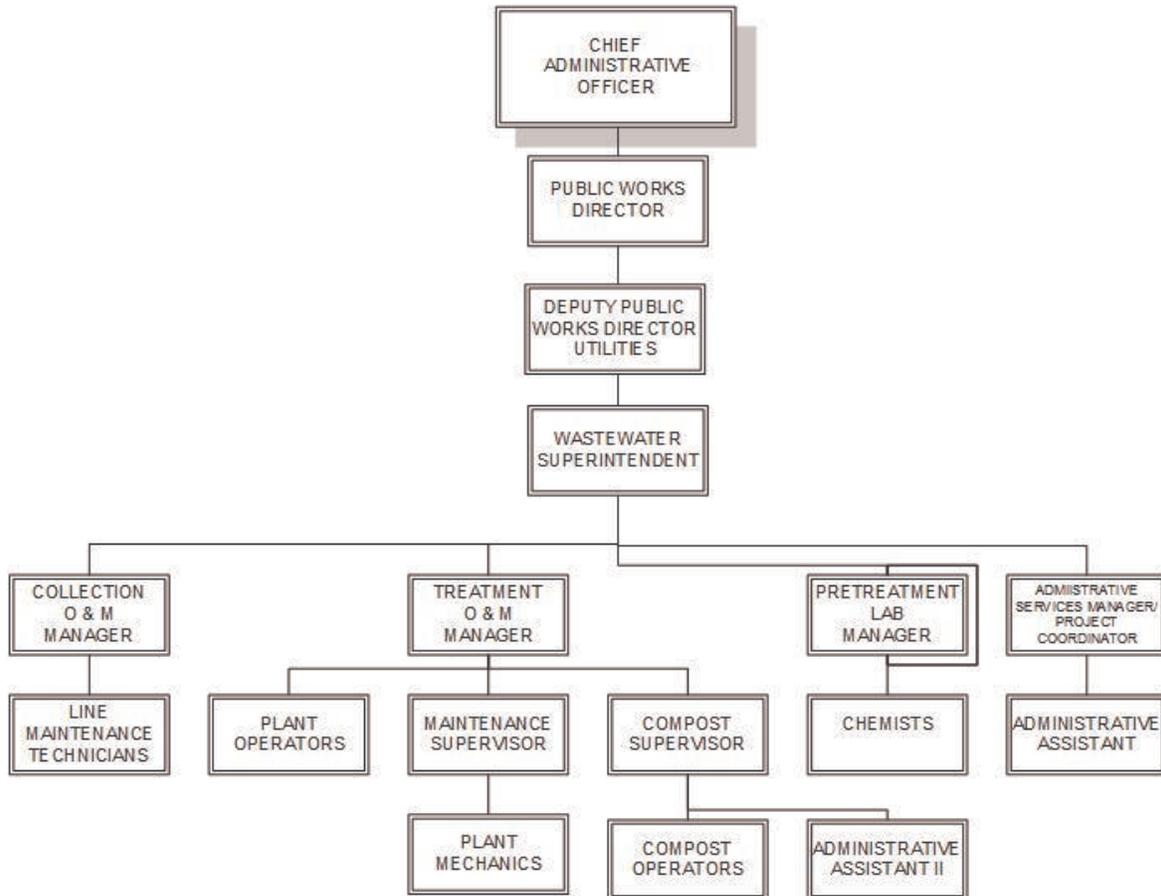
<b>Measure</b>	<b>Actual FY 2016</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Adopted FY 2019</b>
Continue to meet or exceed industry safety standards			100%	100%
Continue scheduled maintenance on the water system and maintain a reliable system.			100%	100%
Continue to meet or exceed industry standards 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 sewerage 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

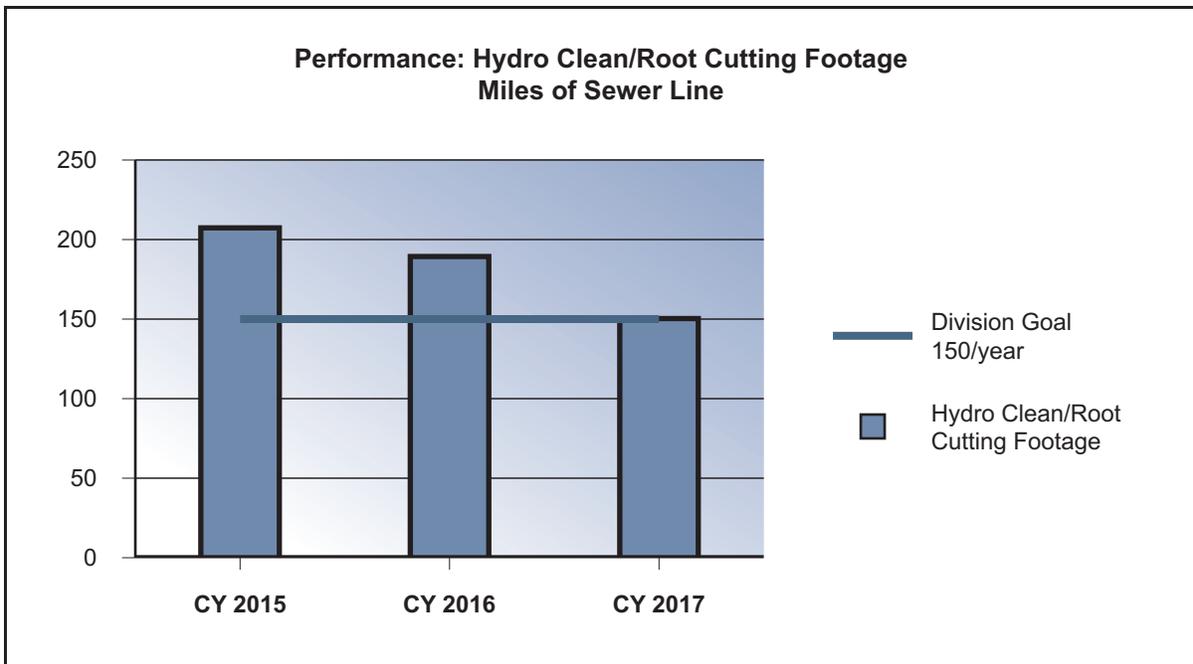
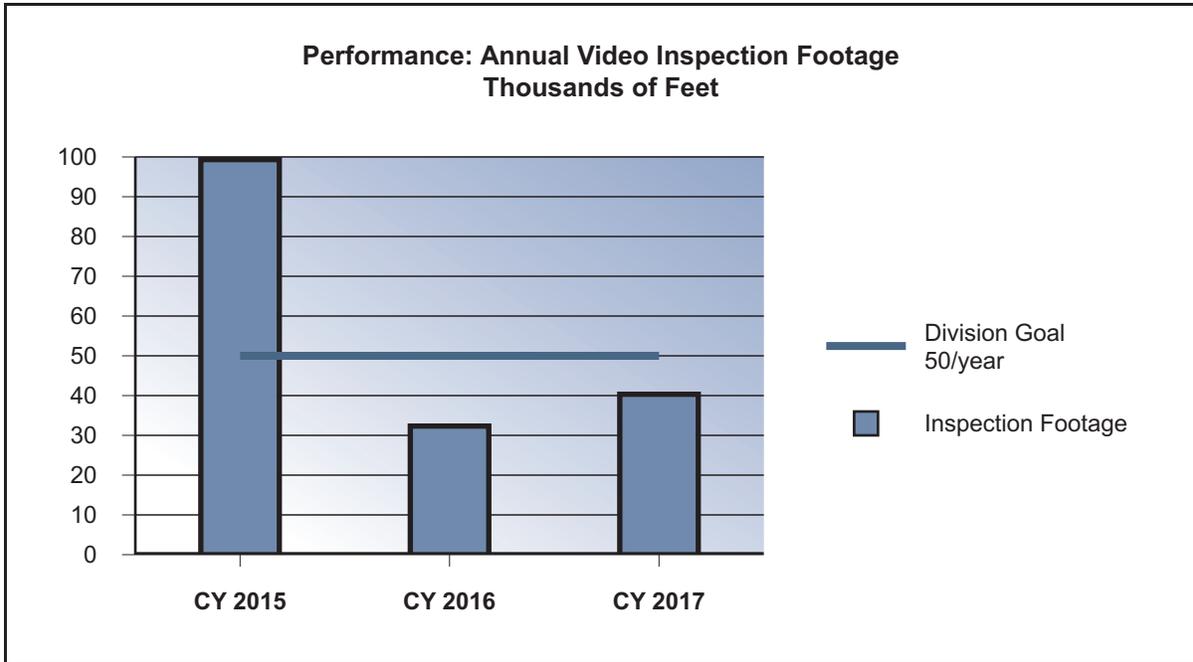
**STAFFING SUMMARY**

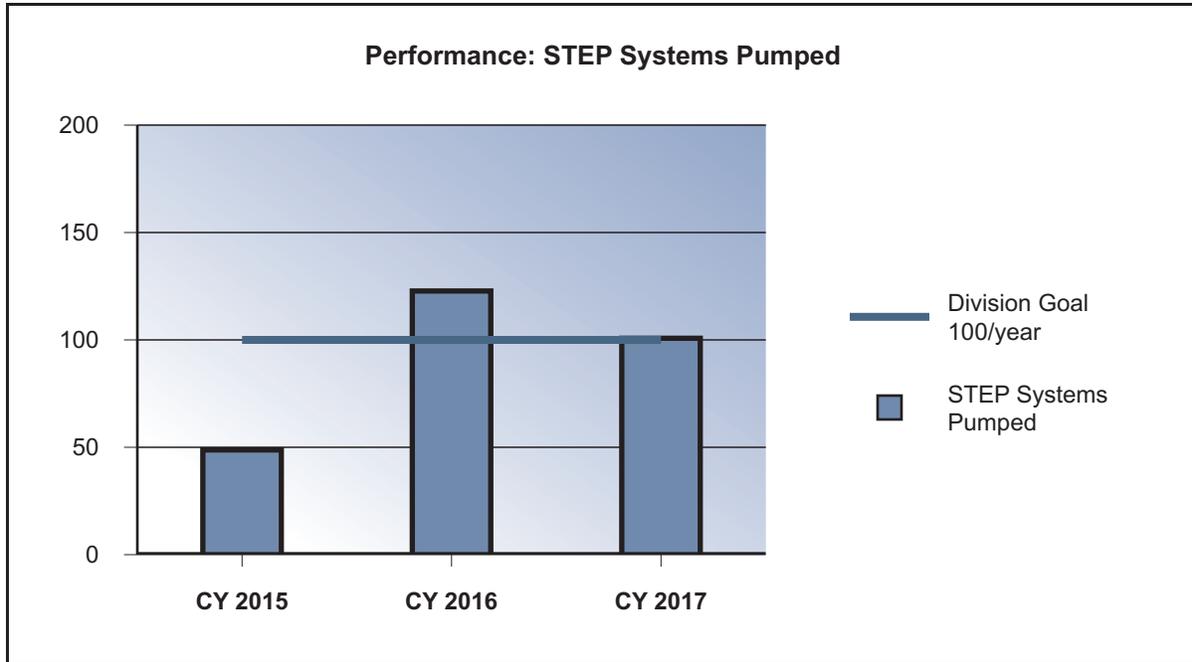
Title	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
WASTEWATER SUPERINTENDENT	1.00	1.00	1.00	1.00
COLLECTION & MAINTENANCE MANAGER	1.00	1.00	1.00	1.00
WASTEWATER PLANT MANAGER	1.00	1.00	1.00	1.00
PRE-TREATMENT LAB MANAGER	1.00	1.00	1.00	1.00
CHEMIST	2.00	2.00	3.00	3.00
PLANT MAINTENANCE 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**

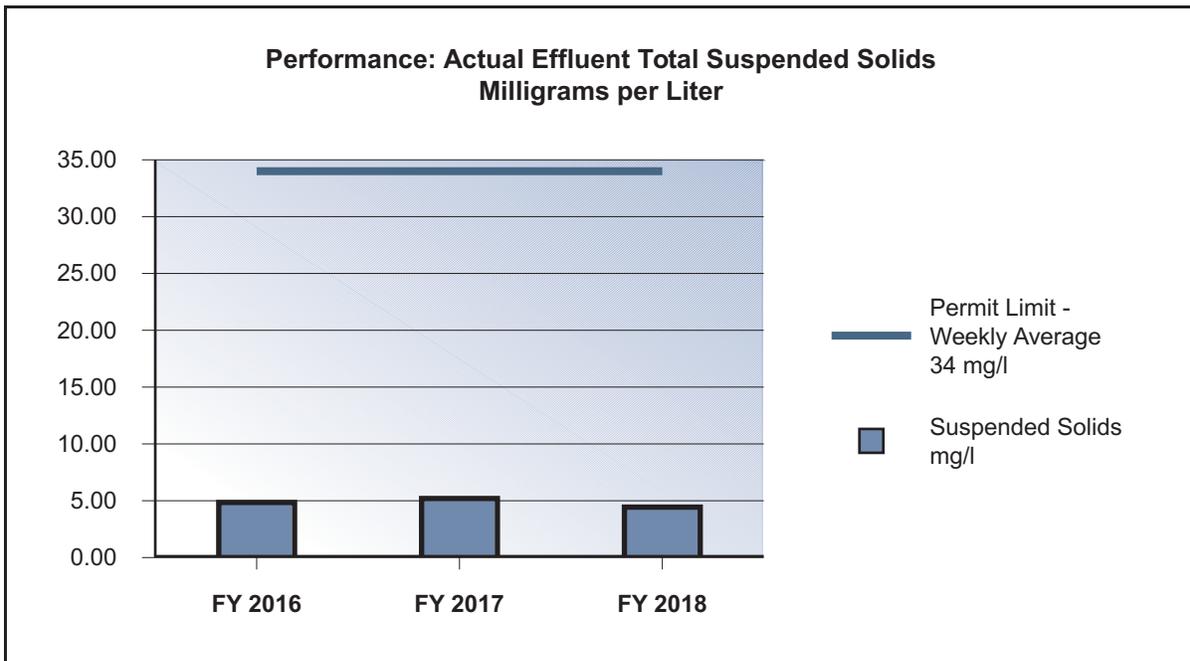
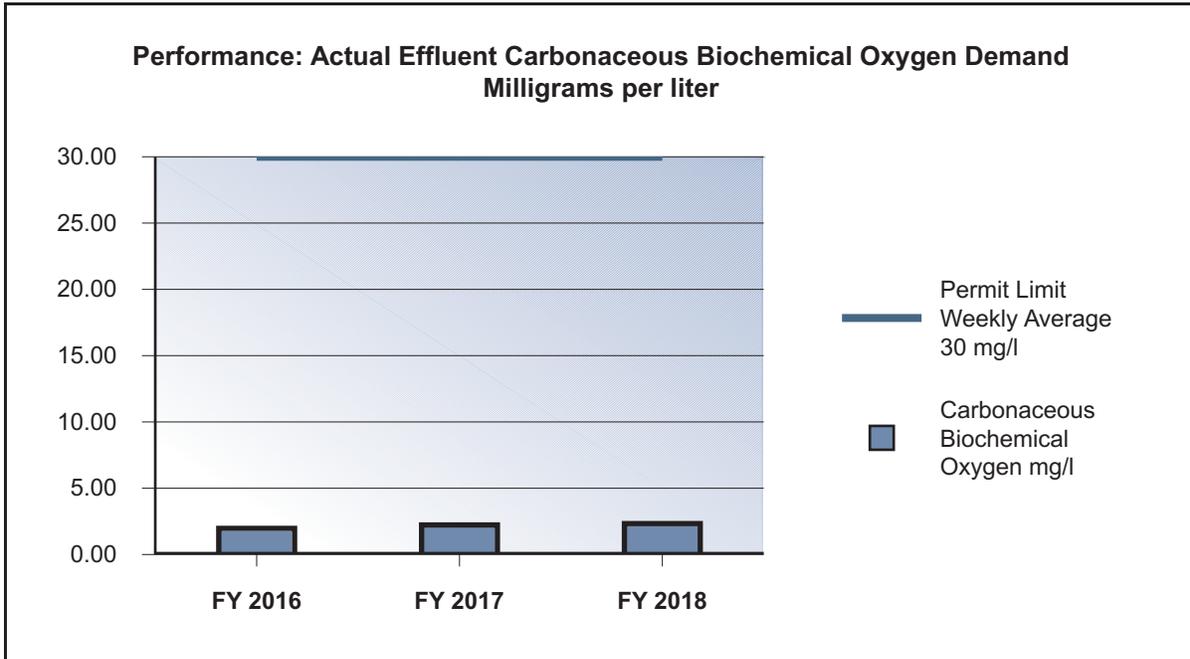
**Performance Measures**

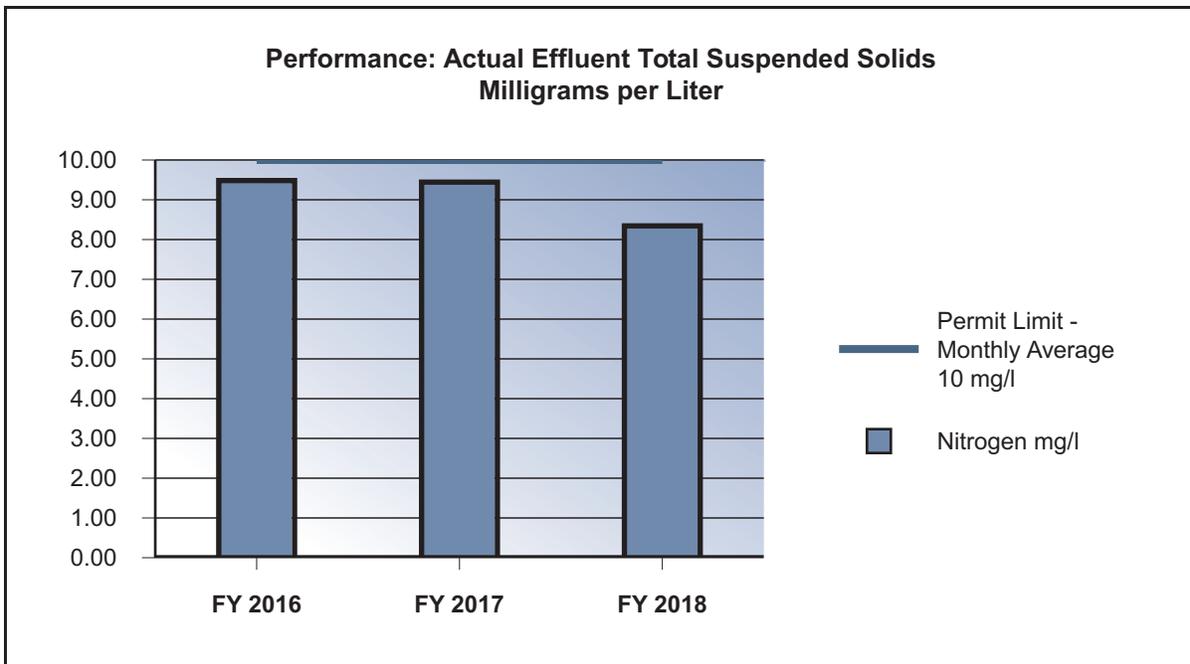
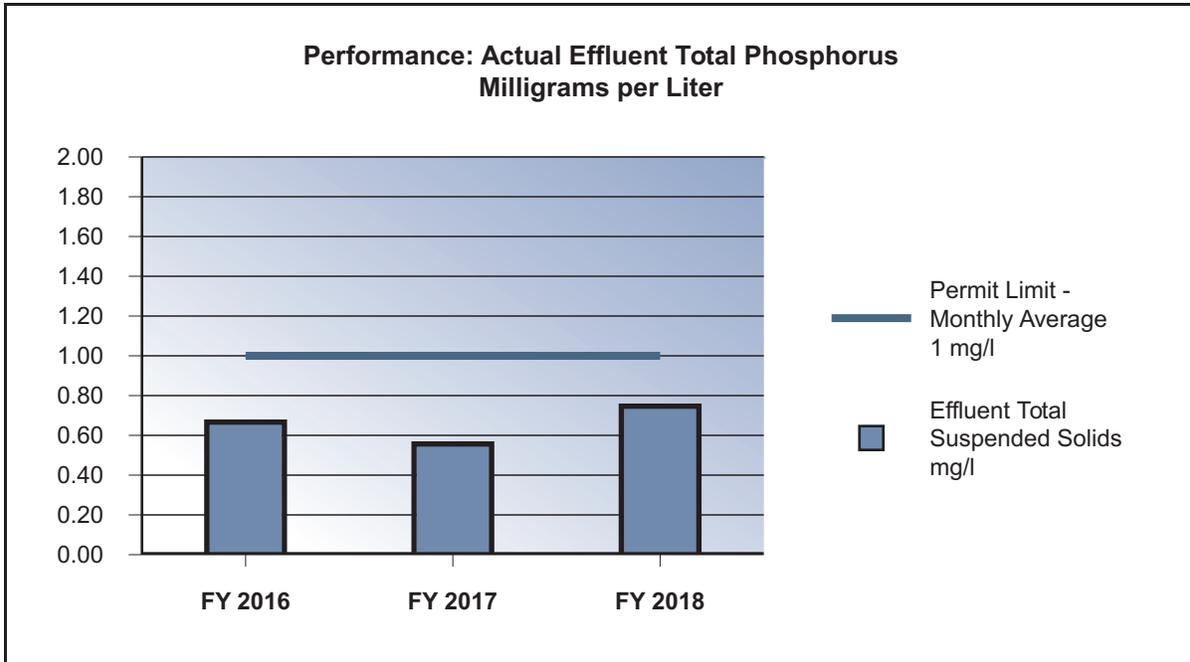
Measure	Actual FY 2016	Actual FY 2017	Actual FY 2018	Adopted FY 2019
Continue scheduled maintenance on the collection system to prevent sanitary sewer over-flows, sewer back-ups and identify and repair sewer lines.	100%	100%	100%	100%
Continue to exceed MPDES permit requirements for discharge into the 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