



# SUMMARY BUDGET

## Fiscal Year 2020

**City of Missoula**  
**435 Ryman Street**  
**Missoula, Montana 59802**  
**(406) 552-6110**

**Prepared by:**  
**City of Missoula**  
**Finance Department**

*Photo Credit: Taylor Robbins, Destination Missoula*



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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, 2018**

*Christopher P. Morrill*

Executive Director

# Elected Officials

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**Mayor**

John Engen

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**Municipal Court Judge**

Kathleen Jenks

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**City Council**

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**Ward 1**

Bryan von Lossberg  
Heidi West

**Ward 2**

Mirtha Becerra  
Jordan Hess

**Ward 3**

Heather Harp  
Gwen Jones

**Ward 4**

John DiBari\*  
Jesse Ramos  
*Amber Sherrill\*\**

**Ward 5**

Staci M. Anderson  
Julie Armstrong\*  
*John Contos\*\**

**Ward 6**

Michelle Cares\*  
Julie Merritt  
*Sandra Vasecka\*\**

\*City Council member whose term expired December 31, 2019

\*\*Newly elected City Council member sworn-in January 6, 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
Jeremy Keene.....	Public Works Director
Ellen Buchanan.....	Redevelopment, Housing & Economic Development Director
Carl Horton.....	Information Technologies Director
Donna Gaukler.....	Parks and Recreation Director
Tiffany Brander.....	Interim Parking Commission Director
Ronald Regan.....	Cemetery Director
Martha Rehbein.....	Legislative Services Director/City Clerk
Aaron Bowman.....	Building Official
Brian Hensel.....	Deputy Public Works Director - Transportation
Dennis Bowman.....	Deputy Public Works Director - Utilities
Kathy Crego.....	Human Resources Director
Eran Pehan.....	Housing & Community Services 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>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Appointments: Board of County Commissioners</b>	n/a	n/a
Jesse Munro	Jan. 1, 2020	Dec. 31, 2021
W. Lynn Gontarek-Garberson (Vice Chair)	Jan. 1, 2019	Dec. 31, 2020
<b>City Appointments: City Council</b>	n/a	n/a
Mary Sonsalla	Jan. 1, 2019	Dec. 31, 2020
Alaina Hardie	Jan. 1, 2019	Dec. 31, 2020
<b>Animal Control Board - Must be a licensed veterinarian</b>	n/a	n/a
Victoria Pickart, DVM (Chair)	Ongoing Appointment	n/a

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
James Walter	April 15, 2019	Sept. 30, 2020
Ryan Bundy	Nov. 25, 2019	Sept. 30, 2020
Chris Siller	July 15, 2019	Sept. 30, 2020
Eugene Schmitz	May 18, 2020	Sept. 30, 2021
Cory Simenson (Chair)	Oct. 1, 2018	Sept. 30, 2021
Jessica Dougherty Goodburn	Feb. 11, 2019	Sept. 30, 2021
Jessica Tuberty	Nov. 25, 2019	Sept. 30, 2022
Terri Roberts	Dec. 9, 2019	Sept. 30, 2022
Britt Arnesen	Oct. 1, 2019	Sept. 30, 2022

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Sandy Mitchell (Vice Chair)	July 1, 2018	June 30, 2021
Sharon Gordon	July 1, 2018	June 30, 2021
James Sage	July 1, 2018	June 30, 2021
Lance Koch	July 15, 2019	June 30, 2020
Hans Hoffman	July 1, 2017	June 30, 2020
Patrick Bridegam	August 7, 2017	June 30, 2020
John Newman	Jan. 14, 2019	June 30, 2020
Katelyn Hepburn, Alternate #1	July 15, 2019	June 30, 2020
Don Briggs, Alternate #2	July 15, 2019	June 30, 2020

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Heather McMilin (Architect, At-Large)	July 1, 2020	June 30, 2023
Jack Moffett (Electrician)	July 1, 2020	June 30, 2023
Anthony Moretti (Architect)	Nov. 19, 2018	June 30, 2021
David V. Gray (Architect, At-Large)	July 1, 2018	June 30, 2021
Clayton Anderson (Plumber)	July 1, 2018	June 30, 2021
John Wells (Architect, At-Large)	July 1, 2019	June 30, 2022
Jonathan Gass (Engineer)	July 1, 2019	June 30, 2022

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

**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	June 1, 2019	May 31, 2023
Charlie Beaton	South of the Clark Fork River	June 1, 2019	May 31, 2023
Scott Stearns	Large properties (greater than 20,000 square feet)	June 1, 2020	May 31, 2024
Vacant	Small properties (less than 20,000 square feet)	June 1, 2020	May 31, 2024
Dan Cederberg	At-large	June 1, 2017	May 31, 2021
Kirk Bodlovic	Zone 2	June 1, 2017	May 31, 2021
Ellen Buchanan	City of Missoula	June 1, 2018	May 31, 2022

**CEMETERY BOARD (Term 3 Years)**

<b>Members</b>		<b>Start of Term</b>	<b>End of Term</b>
Neil Carson (Chair)		May 1, 2020	April 30, 2023
Paul Filicetti (Vice Chair)		May 1, 2020	April 30, 2023
Kim Seeberger		May 1, 2020	April 30, 2023
Patrick J. McHugh		May 1, 2018	April 30, 2021
Mary Lou Cordis		May 1, 2018	April 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, Chair (Urban Supervisor - City Appointed)		Jan. 1, 2019	Dec. 31, 2021
Paul Parson (Urban Supervisor - City Appointed)		Jan. 1, 2020	Dec. 31, 2022
<b>Elected within the Conservation District</b>		n/a	n/a
Elizabeth "Libby" Maclay		Jan. 1, 2017	Dec. 31, 2020
Sidney Wills		Jan. 1, 2019	Dec. 31, 2022
Art Pencek		Jan. 1, 2019	Dec. 31, 2022
Robert Schroeder		Jan. 1, 2019	Dec. 31, 2022
Travis Greenwalt		Jan. 1, 2017	Dec. 31, 2020

**CONSERVATION LANDS ADVISORY COMMITTEE**

Appointed by the Missoula Parks & Recreation Board

<b>Members</b>		<b>Start of Term</b>	<b>End of Term</b>
Teagan Hayes		November 12, 2019	October 15, 2022
Hannah Specht		October 16, 2018	October 15, 2020
Karen Sippy		November 12, 2019	October 15, 2022
Beverly Dupree		November 12, 2019	October 15, 2022
Giles Thelen		October 16, 2017	October 15, 2020
Kathleen Kennedy		October 16, 2017	October 15, 2020
John O'Connor		February 1, 2020	October 15, 2022
Jamison Starbuck		October 16, 2018	October 15, 2021
Carol Fischer		November 12, 2019	October 15, 2022
Liz Bradley (Non-voting)		n/a	n/a
Paul Greenough (Non-voting)		n/a	n/a
Patrick Bridegam (Non-voting)		n/a	n/a

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

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Maria Chesnut	July 1, 2018	Dec. 31, 2019
Brandon Prinzing	July 1, 2018	Dec. 31, 2019
Jacob Zander (Architect, Alternate)	April 1, 2019	Dec. 31, 2020
Kyle Gauthier (Civil Engineer) (Vice Chair)	Feb. 25, 2019	Dec. 31, 2020
Heather McMilin (Architect, Developer)	Feb. 25, 2019	Dec. 31, 2020
Jacque Walawander	July 1, 2018	Dec. 31, 2019
Matt Loomis (Chair)	July 1, 2018	Dec. 31, 2019
Ryan Smith (Landscape Architect/Urban Designer)	Feb. 25, 2019	Dec. 31, 2020

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Brian Kerns	March 13, 2017	July 31, 2020
Joshua Nichols	October 22, 2018	July 31, 2021
Robin Saha	March 13, 2017	July 31, 2020
Michael Dorshorst	March 13, 2017	July 31, 2020
Chris Rowe	October 22, 2018	July 31, 2021
Jeremy Flesch	August 26, 2019	July 31, 2022
Gwen Lankford Spencer	August 28, 2017	July 31, 2020
Scott McNall (Alternate 1)	August 26, 2019	July 31, 2022
Vacant (Alternate 2)	August 26, 2019	July 31, 2022

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Appointments: Board of County Commissioners (BCC)</b>	n/a	n/a
Pamela Boyd	Jan. 1, 2020	Dec. 31, 2022
James Stephens	Jan. 1, 2018	Dec. 31, 2020
<b>City Appointments: City Council</b>	n/a	n/a
Ross Miller (Chair)	Jan. 1, 2019	Dec. 31, 2021
Debbie Johnston (Vice Chair)	Jan. 1, 2020	Dec. 31, 2022
<b>City-County Health Board</b>	n/a	n/a
Robert Stenger, M.D. Serves at the pleasure of the City-C	May 19, 2019	May 18, 2022
<b>Other Members</b>	n/a	n/a
Josh Slotnick (County) Serves at the pleasure of the Count	n/a	n/a
Amber Sherrill (City) Serves at the pleasure of City	n/a	n/a
Paul Parson Conservation District Board-Serves only c	June 1, 2018	Dec. 31, 2019

**HISTORIC PRESERVATION COMMISSION (Term 2 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
James R. McDonald - Professional	Jan. 7, 2019	Dec. 31, 2020
Jamie Lockman - Alternate 2	Jan. 7, 2019	Dec. 31, 2020
Steve Adler - Professional	Jan. 7, 2019	Dec. 31, 2020
Kent Watson - At Large	Jan. 1, 2020	Dec. 31, 2022
Julia McCarthy-McLavery - At Large	Feb. 6, 2017	Dec. 31, 2019
Paul Filicetti - Downtown	Jan. 1, 2020	Dec. 31, 2022
Cathy Bickenheuser - Professional	Jan. 1, 2020	Dec. 31, 2022
Vacant - Alternate 1	Jan. 1, 2020	Dec. 31, 2022
Bruce Haroldson - Regular Member	Jan. 7, 2019	Dec. 31, 2020

**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 Appointees</b>	n/a	n/a
Hank Trotter	Dec. 1, 2016	Nov. 30, 2020
Nick Kaufman (Development Community Rep)	Dec. 1, 2016	Nov. 30, 2020
Bruce Bender	February 13, 2017	Nov. 30, 2020
John Freer	Dec. 1, 2016	Nov. 30, 2020
Jim Galipeau (Certified Public Accountant)	Dec. 1, 2018	Nov. 30, 2022
Jerry Ford	Dec. 1, 2018	Nov. 30, 2022
Maria Chesnut	Dec. 1, 2018	Nov. 30, 2022
<b>City Council Appointees</b>	n/a	n/a
Derek Goldman	Jan. 23, 2017	Nov. 30, 2020
Dwight Easton	April 15, 2019	Nov. 30, 2023

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Board of County Commissioners (BCC) Appointees</b>	n/a	n/a
Forrest Boughner	Oct. 30, 2019	June 30, 2023
Barbara Berens	July 1, 2019	June 30, 2024
Audra Loyal	July 1, 2017	June 30, 2022
Margaret Wafstet	July 1, 2018	June 30, 2023
<b>Mayoral Appointees</b>	n/a	n/a
Becky Mosbacher	July 1, 2019	June 30, 2024
<b>Alternate</b>	n/a	n/a
Vacant	July 1, 2019	June 30, 2022

**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, 2019	Jan. 31, 2023
Dan Cederberg (Downtown Attorney)	March 1, 2018	Feb. 28, 2021
Eran Fowler Pehan (Director of Housing & Community Development) Co-Chair	Staff	Staff
Keithi Worthington (Deputy City Attorney)	April 9, 2018	Feb. 28, 2021
Dave Chrismon (Missoula Downtown)	July 1, 2020	June 30, 2023
Sue Wilkins (Missoula Correctional Services)	June 1, 2018	May 31, 2021
Theresa Williams (Reaching Home Coordinator)	Staff	Staff
Bryan von Lossberg (City Council Ward 1) Co-Chair	May 1, 2019	April 30, 2022
Ryan Boyd (Salvation Army)	July 31, 2017	Aug. 1, 2020
Margaret Borg (Retired Attorney)	March 1, 2019	Feb. 28, 2022
Juanita Vero (County Commissioner)	July 1, 2019	June 30, 2022
Elizabeth Marshall (Missoula Housing Authority)	Jan. 1, 2019	Dec. 31, 2021
Ginny Merriam (City Communications/Public Information Officer)	Staff	Staff
Alex Beal (Assistant Municipal Court Judge)	Jan. 31, 2018	Feb. 1, 2021
Lt. Jake Rosling (City Police Department)	June 1, 2019	July 31, 2022
Ethan Smith (City Police Department)	Jan. 31, 2018	Feb. 1, 2021
Randy Krastel (Downtown BID Police Officer)	Jan. 1, 2019	Dec. 31, 2021
Ethan Lerman (Asst. Municipal Court Judge)	April 1, 2019	March 31, 2022

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

**MISSOULA CIVIC TELEVISION ADVISORY COMMISSION**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Mayoral Appointees</b>	n/a	n/a
Chris Badgley (Chair)	Jan. 8, 2018	Dec. 31, 2020
Megan Robson	Jan. 1, 2017	Dec. 31, 2019
<b>City Council Appointees</b>	n/a	n/a
Christoffer Lehnherr	March 4, 2019	Dec. 31, 2021
Lisa Mecklenberg Jackson	Jan. 1, 2020	Dec. 31, 2022
<b>City Council Representatives</b>	n/a	n/a
Amber Sherrill	Jan. 1, 2020	n/a
Sandra Vasecka	Jan. 1, 2020	n/a
<b>City Staff Representative</b>	n/a	n/a
Ginny Merriam	March 1, 2006	n/a
<b>County Staff Representative</b>	n/a	n/a
Anne Hughes	Jan. 11, 2018	n/a
<b>Missoula County Public Schools Representative</b>	n/a	n/a
Hatton Littman	Oct. 7, 2013	n/a
<b>University of Montana Representative</b>	n/a	n/a
Jen Sauer	June 2, 2005	n/a

**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	June 26, 2017	June 25, 2022
Monique Casbeer (Resident Member)	June 26, 2020	June 25, 2023
Kaia Peterson	June 26, 2018	June 25, 2023
Mike Nugent	November 14, 2019	June 25, 2024
Vacant	June 26, 2020	June 25, 2023
Kila Shields	June 26, 2016	June 25, 2021
John Richards (Resident Member)	June 26, 2019	June 25, 2021

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
John Roemer (Vice Chair)	May 1, 2017	April 30, 2021
Glenda Bradshaw	June 22, 2020	April 30, 2022
Pat Corrick	May 1, 2019	April 30, 2023
JR Casillas	May 1, 2019	April 30, 2023
Joe Easton (Chair)	May 1, 2020	April 30, 2024

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Natasha Prinzing Jones	August 21, 2017	April 30, 2021
Ruth Reineking	May 1, 2018	April 30, 2022
Nancy K. Moe	May 1, 2018	April 30, 2022
Melanie Brock	May 1, 2019	April 30, 2023
Karl J. Englund (Chair)	May 1, 2020	April 30, 2024

**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>
<b>Mayoral Appointees</b>	n/a	n/a
Julie Gardner (City Resident)	March 1, 2020	Jan. 25, 2023
Alexis Gibson (Outside City Limits)	Jan. 26, 2019	Jan. 25, 2021
Charles Besancon (City Resident)	Jan. 26, 2019	Jan. 25, 2022
<b>City Council Appointees</b>	n/a	n/a
Daniel Gundlach (Park Board Appointment)	March 12, 2019	Jan. 25, 2022
Robert Erickson (City Resident)	Jan. 26, 2020	Jan. 25, 2023
Catherine Ipsen (City Resident)	Jan. 26, 2018	Jan. 25, 2021
Kristine Akland (City Resident)	Jan. 26, 2018	Jan. 25, 2021
Regan Whitworth (City Resident)	Jan. 26, 2018	Jan. 25, 2021
Eric Anderson (Outside City Limits)	Jan. 26, 2019	Jan. 25, 2022
Edward Monnig (City Resident)	Jan. 26, 2019	Jan. 25, 2022
DeAnna Bubnitz (City Resident)	Jan. 26, 2019	Jan. 25, 2022

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Ross Mollenhauer	May 1, 2020	April 30, 2023
Wendy Ninteman	March 11, 2019	April 30, 2022
Margaret (Margie) Costa	May 1, 2020	April 30, 2023
Dale Harris (Chair)	May 1, 2019	April 30, 2022
John O'Connor	May 1, 2019	April 30, 2022
Sonja Verlanic	May 1, 2019	April 30, 2022
Daniel Gundlach	May 1, 2020	April 30, 2023

**PLANNING BOARD (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Board of County Commissioner Appointments (BCC)</b>	n/a	n/a
Andy Mefford	Jan. 1, 2020	Dec. 31, 2021
Peter Bensen	Jan. 1, 2020	Dec. 31, 2021
Stephanie Laporte Potts	Jan. 1, 2020	Dec. 31, 2021
Sean McCoy	Jan. 1, 2020	Dec. 31, 2021
<b>Mayoral Appointments</b>	n/a	n/a
John Newman (Chair)	Jan. 1, 2019	Dec. 31, 2020
Neva Hassanein	Jan. 1, 2020	Dec. 31, 2021
<b>City Council Appointments</b>	n/a	n/a
Vince Caristo	Jan. 1, 2020	Dec. 31, 2021
Caroline Lauer	Jan. 1, 2020	Dec. 31, 2021
<b>Planning Board Appointed Member</b>	n/a	n/a
Josh Schroeder (Conservation District Appointee)	March 5, 2019	Dec. 31, 2021
<b>Alternates</b>	n/a	n/a
Shane Morrissey (City Council)	Jan. 1, 2020	Dec. 31, 2021
Dave Loomis (County)	Jan. 1, 2020	Dec. 31, 2021

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

**POLICE COMMISSION (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Daniel Doyle	May 1, 2020	April 30, 2023
Suzanne Peterson	May 1, 2018	April 30, 2021
Babak Rastgoufard	May 1, 2019	April 30, 2022

**PUBLIC ART COMMITTEE (Term 4 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Mayoral Appointments</b>	n/a	n/a
Lisa Simon	June 11, 2018	June 30, 2021
Stoney Sasser	July 1, 2018	June 30, 2022
Vacant	August 13, 2018	June 30, 2022
Joseph Kellogg	Sept. 16, 2019	June 30, 2023
Kathi Olson	July 1, 2019	June 30, 2023
Danielle M. Vasquez	Jan. 27, 2020	June 30, 2021
<b>City Council Appointments</b>	n/a	n/a
Courtney LeBlanc (Chair)	July 1, 2019	June 30, 2023
Dennis Lippert	July 1, 2019	June 30, 2023
<b>City Council Representative</b>	n/a	n/a
Julie Armstrong	n/a	n/a

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Kate Leonberger	Dec. 1, 2018	Dec. 1, 2022
Jim McLeod	13-May-19	Dec. 1, 2022
Whitney Bergmann (Chair)	Dec. 31, 2017	Dec. 1, 2021
Luke Laslovich	24-Jul-17	Dec. 1, 2020
Kim Sawyer	22-Jul-19	Dec. 1, 2023

**TRANSPORTATION POLICY COORDINATING COMMITTEE**

<b>Members</b>	<b>Association</b>	<b>Voting</b>
Don MacArthur	Missoula Urban Transportation	Yes
Mirtha Becerra	City Council	Yes
John Engen	Mayor, City of Missoula	Yes
Dave Strohmaier	Board of County Commissioners	Yes
Josh Slotnick	Board of County Commissioners	Yes
Bob Vosen	Montana Department of Transpo	Yes
Michael Houlihan	Missoula Consolidated Planning	Yes
Brian Hasselbach	Federal Highway Administration	No
Vacant	Ravalli County Commissioner	No
Debbie Johnston	Missoula City/County Health Boa	No

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

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

<b>Members</b>		<b>Start of Term</b>	<b>End of Term</b>
<b>County Appointments: Board c</b>	n/a	n/a	
Skye Borden	4-Feb-19	December 31, 2022	
Doug Odegaard	1-Jan-18	December 31, 2021	
Andrea Davis	1-Jan-20	December 31, 2023	
<b>City Appointments: Mayor</b>	n/a	n/a	
Amy Cilimburg (Chair)	1-Jan-18	December 31, 2021	
Jesse Dodson (Vice Chair)	1-Jan-20	December 31, 2023	
Anna-Margaret Goldman	1-Jan-19	December 31, 2022	
Don MacArthur (City/County Alternating Appointment)	1-Jan-17	December 31, 2020	



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**OFFICE OF THE MAYOR**

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435 RYMAN MISSOULA, MONTANA 59802-4297 (406) 552-6001

August 19, 2019  
Mayor's Updated Budget Letter

Members of the Missoula City Council:

I'm writing today to convey the City of Missoula's final executive budget for Fiscal Year 2020.

Because of a dramatic increase in the City of Missoula's tax base and value, the City Council adopted the preliminary budget I proposed in June and that its members reviewed by department. It funds essentials and improves on our service delivery in key areas, including police staffing, transportation maintenance improvements, parks maintenance and much more.

In addition to the preliminary recommendations, we added a full-time administrative employee to the Police Department to help manage an increased caseload, replaced lost grant funding for our Internet Crimes Against Children program and funded two contracts for third parties to assist with our climate-change response and zero-waste initiatives. In addition, we created a risk management/safety manager's position in the Central Services arena.

The final budget also accommodates new equipment for snow plowing and additional staff for street maintenance, as supported by our residents in a survey; a new deputy court administrator and a new prosecuting deputy attorney to keep pace with our case load; an additional professional engineer to help with development; a new assistant mechanic for our Fire Department as well as funding for four new paramedics; and increased funding to help take care of and improve our parks.

And we're proposing all of this while lowering our mill levies by **2.52%**.

Here's how that breaks down:

<b>Fund</b>	<b>Mills levied FY2019</b>	<b>Mills levied FY2020</b>	<b>Change in Mills</b>	<b>Change</b>
General	187.24	187.66	0.42	0.22%
Health Insurance	46.70	38.49	-8.21	-17.58%
Road District 1	33.04	32.01	-1.03	-3.11%
Park District 1	15.84	17.52	1.68	10.61%
<b>Non-voted levies Total</b>	<b>282.82</b>	<b>275.68</b>	<b>-7.14</b>	<b>-2.52%</b>

The city has two levies for voter approved initiatives. The levy for outstanding general obligation bonds is going down by 1.14 mills, or 13.85%. Also the newly approved Open Space operating levy will be 4 mills.

The bottom line is that new development and values allow us to do more while levying fewer mills.

Since the recession, we've been active in encouraging high-quality development in the private sector and public realm. Our planning efforts, investments in infrastructure and commitment to services that enhance the livability of the City of Missoula, have paid off financially in the form of significant growth in our tax base.

And while we're reducing our mills this year, I still believe that new revenue, in the form of a tourist tax, makes sense for Missoula and Montana, and I'll continue working with you, the Montana League of Cities and Towns, the Montana Infrastructure Coalition and any and all supporters to make such a local-option tourist tax a reality so Missoula residents' property-tax burden is reduced.

Sincerely,

A handwritten signature in black ink, appearing to read "John Engen". The signature is stylized with a large, sweeping initial "J" and "E".

John Engen  
Mayor



## BUDGET MESSAGE

This document is the Final Operating and Capital Budget for the City of Missoula, Montana for the fiscal year ending June 30, 2020 (FY 2020).

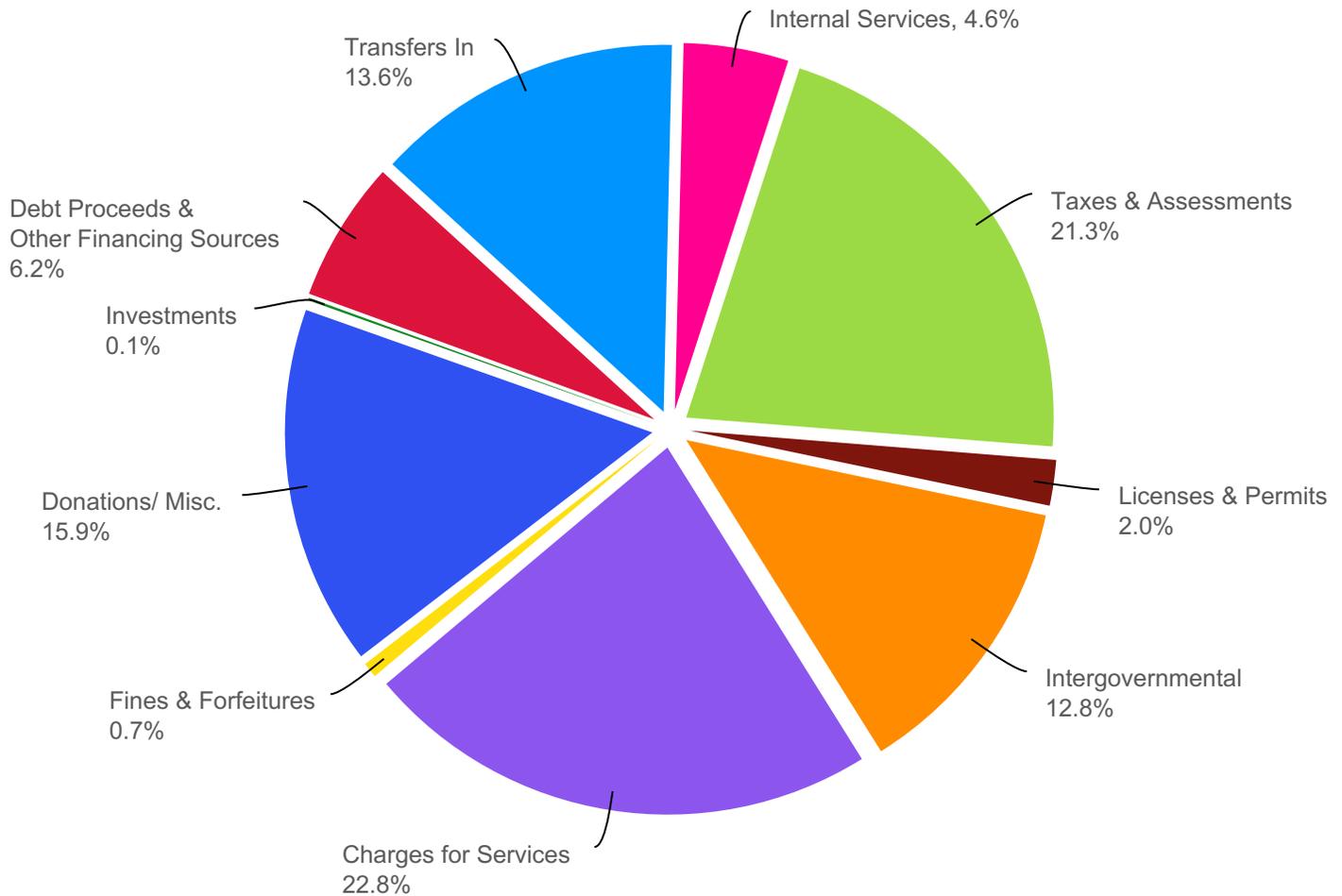
A brief summary of the Final Budget follows.

### 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.

PROJECTED CHANGES IN FUND AND WORKING CAPITAL BALANCES BUDGETED JULY 1, 2019 THROUGH JUNE 30, 2020 (FY20)							
	Governmental Fund Types			Proprietary Fund Types	Fiduciary Fund Types	Component Units	Total All Funds
	General & Special Purpose	Special Revenue	Debt Service	Capital projects	Enterprise & Internal Service	Trust & Agency	
Projected Beginning							
Nonspendable / Assigned /							
Restricted	\$ 2,482,385	\$ 9,633,857	\$ 2,914,952	\$ 548,685	\$ 89,066,026	\$ 315,390	\$11,457,994
Unassigned	3,152,835	(561,134)	186,749	(2,890,468)	(87,569,124)	-	306,301
Total Fund Balance/Cash	<u>5,635,220</u>	<u>9,072,723</u>	<u>3,101,701</u>	<u>(2,341,783)</u>	<u>1,496,902</u>	<u>315,390</u>	<u>11,764,295</u>
Estimated Revenues	61,415,772	32,978,740	2,599,384	20,182,491	43,210,824	-	30,362,838
Budgeted expenditures	63,089,143	31,998,108	2,681,723	15,981,761	51,128,099	-	39,789,816
Anticipated Savings	<u>1,331,906</u>	<u>521,949</u>	-	-	-	-	-
Projected Change in Fund Balance	<u>(341,465)</u>	<u>1,502,581</u>	<u>(82,339)</u>	<u>4,200,730</u>	<u>(7,917,275)</u>	<u>-</u>	<u>(9,426,978)</u>
Projected Ending Fund Balance/Cash	5,293,755	10,575,304	3,019,362	1,858,947	(6,420,373)	315,390	2,337,317
							16,979,702

## Where the Money Comes From Total FY2020 Sources \$190,750,549



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Taxes & Assessments	39,210,472	39,123,373	40,577,674	\$ 1,454,301
Licenses & Permits	4,156,703	3,725,693	3,871,725	146,032
Intergovernmental	21,164,252	21,562,428	24,458,126	2,895,698
Charges for Services	40,813,413	41,187,942	43,406,229	2,218,287
Fines & Forfeitures	1,605,554	1,490,337	1,296,228	(194,109)
Miscellaneous	10,686,864	11,729,946	30,289,336	18,559,390
Investment Earnings	260,738	220,805	222,339	1,534
Debt Proceeds & Other Financing	8,545,135	13,379,256	11,882,415	(1,496,841)
Transfers in	18,730,468	27,121,844	25,921,002	(1,200,842)
Internal Service	6,057,814	6,054,640	8,825,475	2,770,835
	<b>\$ 151,231,413</b>	<b>\$ 165,596,264</b>	<b>\$ 190,750,549</b>	<b>\$ 25,154,285</b>

### **Taxes/Assessments 21.3%**

The Taxes category includes property taxes that support General Fund operations, such as Fire and Police protection. Taxes also includes voter-supported levies to adapt to the growing community, such as the Aquatics and Fire bonds. In Fiscal Year 2020, Taxes includes the \$490,000 Conservation Land Maintenance levy, a voter initiative approved to support efforts to protect and maintain the open space land in and around Missoula.

The Assessments category includes assessments for the Road District #1 and Park District #1. These special districts were established in Fiscal Year 2013 to provide for annual assessments to fund and finance the cost of providing services under the care of the Public Works, Engineering and Parks and Recreation Departments. In Fiscal Year 2019, all Public Works activities were moved out of the General Fund consolidated in the Road District Fund.

### **Charges for Services 22.8%**

The Charges for Services category is a broad category of program revenues that arise from charges to customers, applicants, or others who purchase, use, or directly benefit from the goods, services, or privileges provided, or are otherwise directly affected by the services. Revenues in this category include monthly/semi- annual sewer use charge, water fees, building permits, and engineering fees.

### **Donations/Miscellaneous 15.9%**

The Donations/Misc. category consists of revenue from sources not otherwise provided in other categories. Examples include donations, insurance recovery, and rent revenues.

### **Transfer In 13.6%**

The Transfer In category lists the monetary transfers from one City fund to another City fund. 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.

### **Intergovernmental 12.8%**

Revenues received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes

### **Proceeds and Other Financing Sources 6.2%**

These revenues consist of the debt proceeds received by the City to finance various types of capital improvements and sale of surplus property.

### **Licenses & Permits 2.0%**

The Licenses & Permits category encompasses many of the services the city provides such as building permits, business licenses, code compliance, subdivision reviews, and right-of-way use permits.

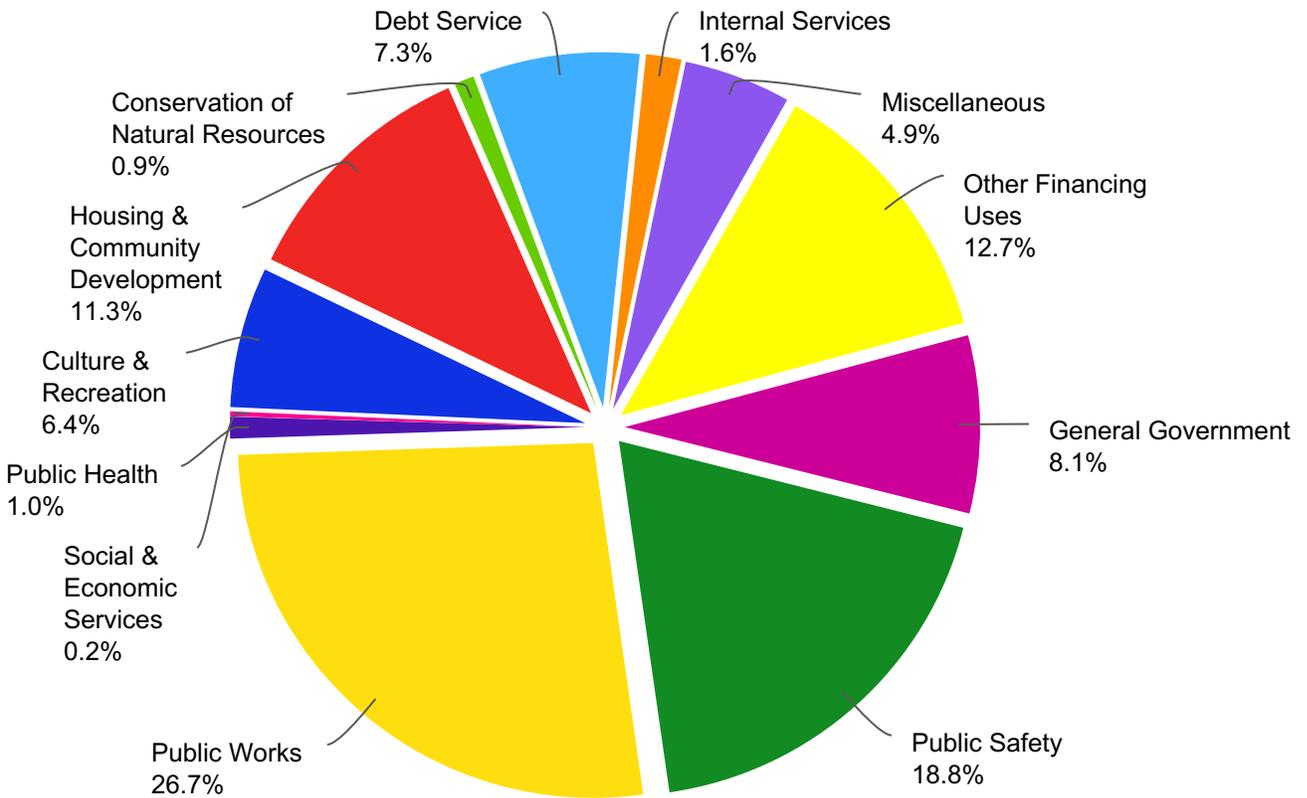
### **Fines & Forfeitures 0.7%**

The Fines & Forfeitures category is made up of revenues from citations issued by the Police department and fees collected by Municipal Court, along with parking tickets issued and collected by the Missoula Parking Commission.

**Investments 0.1%**

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.

## How is the Money Allocated? Total Budgeted Expenses by Function - \$204,668,650



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
General Government	15,201,929	12,902,543	16,571,093	\$ 3,668,550
Public Safety	36,016,603	34,421,781	38,517,300	4,095,519
Public Works	32,440,563	36,093,396	54,720,872	18,627,476
Public Health	1,933,801	1,987,047	2,058,335	71,288
Social & Economic Services	226,459	265,161	469,270	204,109
Culture & Recreation	8,546,022	8,842,741	13,134,965	4,292,224
Housing & Community Development	10,612,118	20,233,783	23,123,863	2,890,080
Conservation of Natural Resources	—	—	1,900,000	1,900,000
Debt Service	13,876,709	15,371,716	14,940,369	(431,347)
Internal Service	7,655,764	6,193,249	3,327,681	(2,865,568)
Miscellaneous	7,942,667	11,651,139	9,983,900	(1,667,239)
Transfer Out/Other Financing Uses	11,678,057	15,574,870	25,921,002	10,346,132
<b>Total City Expenditures</b>	<b>\$ 146,130,692</b>	<b>\$ 163,537,426</b>	<b>\$ 204,668,650</b>	<b>\$ 41,131,224</b>

**Public Works 26.7%**

Public Works encompasses 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.

**Housing & Community Development 11.3%**

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 federal entitlement grant programs and supports the redevelopment of contaminated properties through the administration of federal Brownfield's grants, provides oversight of Reaching Home: Missoula's 10 Year Plan to End Homelessness, and oversees the Office of Neighborhoods and the City of Missoula's Energy Conservation and Climate Action work.

**Public Safety 18.8%**

A major function of government which has as its objective the protection of person and property. Public Safety encompasses the Fire and Police departments.

**Culture & Recreation 6.4%**

All cultural and recreational activities maintained for the benefit of residential citizens and visitors. Includes Aquatics, Fort Missoula Regional Park, and the Parks and Recreation Department.

**General Government/Administration 8.1%**

The General Government/Administration category includes the departments that support the outward-facing departments that interact with citizens.

**General Government Departments**

- Central Services
- City Clerk's Office
- Finance
- Facility Maintenance
- Fleet Maintenance
- Information Technologies

**Administration Departments**

- City Attorney's Office
- City Council
- Mayor's Office
- Municipal Court

**Public Health 1.0%**

Activities involved in the conservation and improvement of public health.

**Social and Economic Services 0.2%**

Activities designed to provide social and economical assistance to persons who are unable to provide essential needs for themselves.

**Conservation of Natural Resources 0.9%**

Includes activities designed to conserve and develop such natural resources as water, soil, forests, and materials.

**Debt Service 7.3%**

A major function which is charged with all interest and principal payments made on debts of the governmental unit.

**Internal Services 1.6%**

Used to charge all expenditures made by a designated department which furnishes services or commodities to other departments of the same government. For the City of Missoula this is the Employee Benefits Fund which houses the City's self-insured employee health insurance program.

**Transfers Out/Other Financing Uses 12.7%**

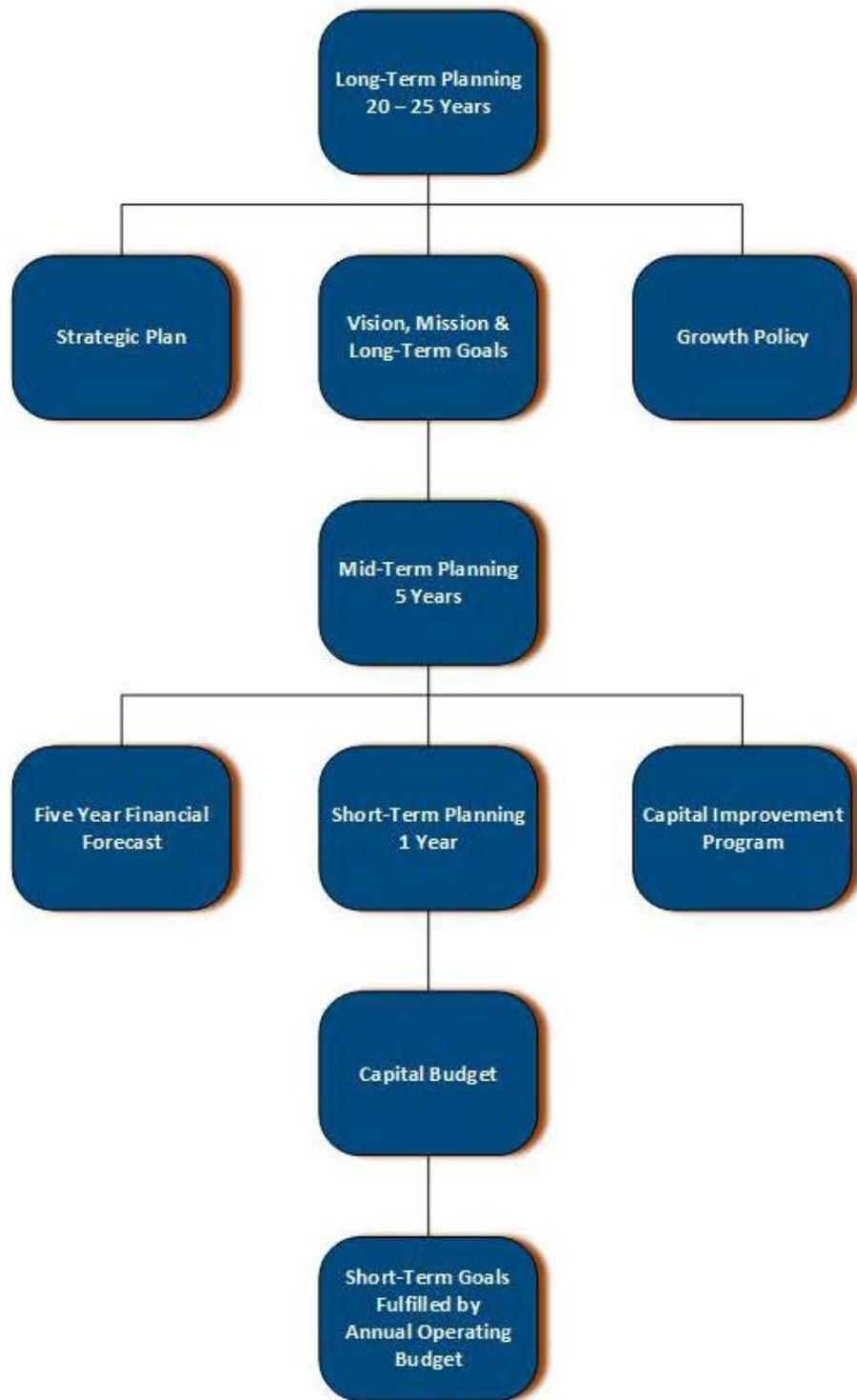
Transfers between two or more budgetary funds as well as occasional Special or Extraordinary Items.

**STAFFING CHANGES**

The final budget includes a net overall increase of 16.70 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.

**Staffing Changes (FTE)**

FUNCTION	Net Increase (Decrease)
General Government	0.15
Public Safety	4.20
Public Works	7.97
Housing & Community Development	3.50
Culture & Recreation	0.88
<b>Total for City Departments</b>	<b>16.70</b>



## **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.

In 2015 the City of Missoula adopted “Our Missoula”, a comprehensive framework developed in collaboration with the broader community to guide responsive and sustainable growth, create economic prosperity, ensure vibrant neighborhoods, and build on infrastructure that serves citizens at a reasonable cost. “Our Missoula” acts as the City’s “North Star” for planning efforts and is the guide other planning processes follow. Five years after its adoption, the Growth Policy is scheduled for an update in the upcoming fiscal year.

Under the guidance of “Our Missoula” the Mayor and City Council work with staff through annual strategic planning work sessions to create and adopt mission, vision, guiding principles, and operating principles.

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 which inform every budget.

# Goals & Strategies

## 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

The City of Missoula is an inclusive city where all people can live and celebrate meaningful, purposeful and fulfilling lives through the confluence of unparalleled recreational, cultural and entrepreneurial opportunities.

Goal	Strategy	Responsible Departments
<b>Organizational Excellence</b>	Explore use of report software and dashboards to present information and demonstrate progress and value	<ul style="list-style-type: none"> <li>• Finance Dept</li> <li>• Mayor's Office</li> </ul>
	Address internal administration succession	<ul style="list-style-type: none"> <li>• Mayor's Office</li> <li>• Central Services</li> </ul>
	Solve City of Missoula space needs	<ul style="list-style-type: none"> <li>• Central Services</li> </ul>
	Review city management organization	<ul style="list-style-type: none"> <li>• Policy Advisory Team</li> </ul>
<b>Economic Growth &amp; Sustainability</b>	Work toward Tax Reform in the Montana State Legislature to include a Local Option Tourist Tax (LOTT)	<ul style="list-style-type: none"> <li>• Mayor's Office</li> </ul>
	Establish a Housing Trust Fund	<ul style="list-style-type: none"> <li>• Housing &amp; Community Development</li> </ul>
	Redevelop under-used and dilapidated properties	<ul style="list-style-type: none"> <li>• Housing &amp; Community Development</li> <li>• Redevelopment Agency</li> </ul>
	Develop organizational and regulatory horsepower to facilitate high-quality housing development	<ul style="list-style-type: none"> <li>• Development Services</li> <li>• Housing &amp; Community Development</li> </ul>
	Develop policies to ensure public funds are not invested in low-cost labor projects	<ul style="list-style-type: none"> <li>• City Council</li> </ul>
	Continue to support creation of living-wage jobs investing in infrastructure and facilities	<ul style="list-style-type: none"> <li>• Development Services</li> <li>• Public Works</li> <li>• Redevelopment Agency</li> </ul>
	Organically grow businesses locally and refine selection through investment in and relationship with Missoula Economic Partnership	<ul style="list-style-type: none"> <li>• Housing &amp; Community Development</li> <li>• Mayor</li> <li>• City Council</li> </ul>
	Develop policies and partner to ensure that Missoula has a range of homes that people can afford across the housing stock	<ul style="list-style-type: none"> <li>• Development Services</li> <li>• Housing &amp; Community Development</li> </ul>
Incentivize infrastructure development among our private partners	<ul style="list-style-type: none"> <li>• Development Services</li> <li>• Public Works</li> </ul>	

Goal	Strategy	Responsible Departments
<b>Public Safety</b>	Increase the minimum police shift size from 5 to 6 officers Conduct a police staffing needs study Conduct and implement a workplace safety study Continue to support a robust, active safety committee	<ul style="list-style-type: none"> <li>• Police</li> <li>• Police</li> <li>• Central Services</li> <li>• Central Services</li> </ul>
<b>Infrastructure/ Assets</b>	Create functional, collaborative teams to implement, measure and communicate progress related to infrastructure and assets Leverage our web platform to communicate assessments, plans and funding Use words and graphics (maps) to promote educational communication with our citizens	<ul style="list-style-type: none"> <li>• Policy Advisory Team</li> <li>• Policy Advisory Team</li> <li>• Policy Advisory Team</li> </ul>
<b>Intentional/ Sustainable Growth</b>	Adopt and implement annexation policy Adopt a Housing Policy and implement recommendations to include funding Identify and formalize levels of service to measure goals and deficiencies Adopt and implement policy to ensure strategic development of infrastructure and help us achieve goals in an environmentally sustainable manner	<ul style="list-style-type: none"> <li>• Development Services</li> <li>• Housing &amp; Community Development</li> <li>• Policy Advisory Team</li> <li>• Development Services</li> <li>• Public Works</li> <li>• Housing &amp; Community Development</li> <li>• Parks</li> </ul>
<b>Environmental/ Human Health</b>	Create functional work teams to develop strategies for transportation systems and green infrastructure Use sustainable funding sources to implement recommendations regarding Missoula's most vulnerable populations Implement concrete outcomes from the Conservation and Climate Action goals Build facilities that help our vulnerable communities	<ul style="list-style-type: none"> <li>• Development Services</li> <li>• Parks</li> <li>• Public Works</li> <li>• Redevelopment Agency</li> <li>• Housing &amp; Community Development</li> <li>• Parks</li> <li>• Housing &amp; Community Development</li> <li>• Parks</li> <li>• Housing &amp; Community Development</li> <li>• Redevelopment Agency</li> <li>• Parks</li> </ul>

## **Annual Budget Development Process**

*The Mayor shall present to the City Council, on an annual basis, a budget for the operation of the City for the City Council's consideration and approval. The budget presented to the City Council by the Mayor shall indicate in sufficient detail all proposed services and programs along with the costs thereof. In addition, the budget submitted by the Mayor to the City Council shall contain an estimated levy of the necessary taxes and fees to carry out the budgeted activities.*

*The City Council shall review on an annual basis the City budget submitted to it by the Mayor. Following the City Council's review of the budget and adoption of any amendments proposed thereto, the City Council shall adopt the budget by resolution and levy the necessary taxes and establish any fees not already in place to fund the budget in accordance with the laws of the State of Montana.*

### **January**

- Finance Department prepares year-end working capital (cash), estimates revenue for the coming year, and adjusts current year budget to project next year's needs.
- Financial information and analyses presented to City Administration and Budget Team.
- Revenue estimates are made along with salary adjustment parameters and costs for all budgets.

### **February**

- Capital Improvement Program initiated and Budget/CIP workshops are held with all supervisory staff.
- Finance Department analyses proposed capital improvement project (CIP) revenues and expenditures.
- Major departments present current mid-year budget performance to City Council Budget Committee of the Whole.

### **March**

- City Administration and City Council meet for Strategic Framework session which will inform budget priorities.
- Budget Team meets with all City Departments. Funding streams are reviewed and requests are discussed, and CIP requests are reviewed for scoring.

### **April**

- Mayor and Budget Team continue meeting with Departments to discuss requests the proposed preliminary budget.
- Budget appeals are heard by the Mayor, CAO and Finance Officer.
- The Mayor's Executive Budget is referred to the Missoula City Council Budget Committee of the Whole for discussion.

### **May**

- City departments and outside agencies who are requesting funding present weekly to the Budget Committee of the Whole.

### **June - August**

- Committee presentations continue through the summer months.

### **August**

- Public Hearings on the preliminary budget are scheduled.
- State Department of Revenue provides Certified Taxable Values by the first Monday in August.
- Tax levies are calculated
- City Council adopts budget resolution and resolutions setting tax levies, assessments, and any approved fee increases.

### **September**

- State law dictates that the budget must be approved and adopted by resolution by the later of the first Thursday after the first Tuesday in September or within 30 calendar days of receiving certified taxable values from the department of revenue.

### **October**

- Monthly Reviews of Budgetary Expenditures and Revenues

- Compile data to create final published budget document

#### **November**

- Monthly reviews of budgetary expenditures and revenues
- Compile data to create final published budget document
- Depending on date of adoption, published budget document may be due to Government Finance Officers Association (GFOA) during the month of November. The GFOA reviews budgets and other financial statements from local, state, and provincial governments in the US and Canada to provide best practices for continuous improvement to the end user which is the public.

#### **December**

- Quarterly reviews of budgetary expenditures and revenues
- Preparations are made for mid-year budget review
- Published budget document due to GFOA

## **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/Administration
- Public Safety
- Public Works
- Public Health
- Social & Economic Services
- Culture & Recreation
- Housing & Community Development
- Conservation of Natural Resources
- Miscellaneous

## **DEPARTMENTS**

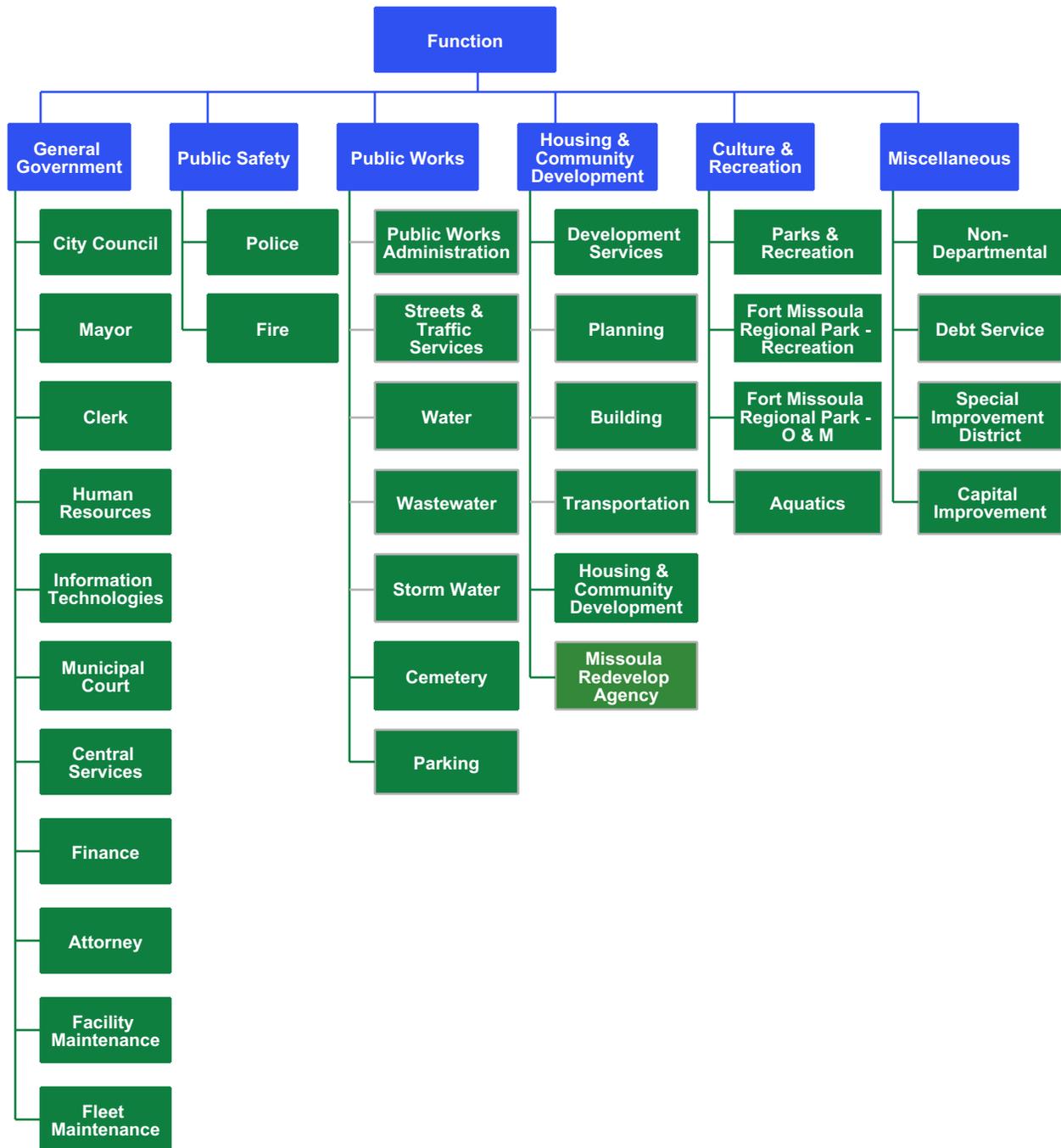
Departments represent a grouping of related programs within a functional area such as Police Department within the broad functional area of Public Safety.

## **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. On the next page is a listing of the Functions and the corresponding Departments.



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
Administration	Attorney	Victim Services, Administration & Civil Law, Criminal Law	General
	Central Services	Central Services Administration, Energy Coordination	General
	Clerk	Administration, Elections	General, Cable Television Franchise
	Council	Legislation	General
	Facility Maintenance	Administration, Utilities, Maintenance	General, Johnson St. Property Rental
	Finance	Administration	General
	Fleet Maintenance	Administration, Equipment Maintenance	General, Capital
	Human Resources	Administration, Training, Risk Management, Labor Relations, Employee Benefits	General
	Information Technologies	Operations, GIS	General, Public Safety & Information Systems, Capital
	Mayor	Administration, Public Relations, Communication, Public Art	General, Public Art
	Municipal Court	Judicial Administration	General
Public Safety	Fire	Administration, Facility, Training, Fire Prevention, EMS, Operations, Maintenance, Grants,	General, Misc. Grants & Donations
	Police	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

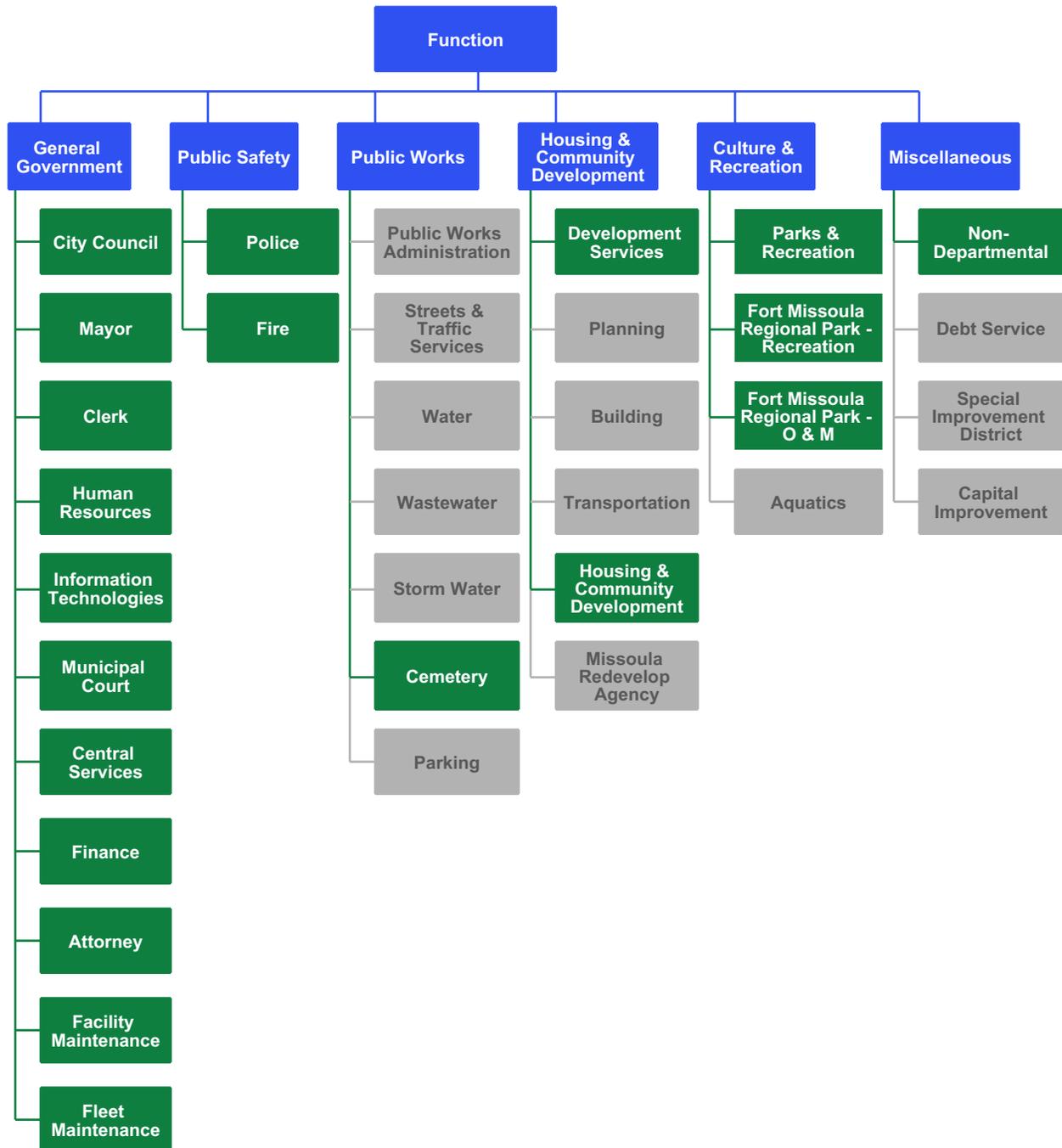
Function	Departments	Activities	Budgeted Funds
<b>Public Works</b>	<b>Cemetery</b>	Administration, Facility, Grounds Maintenance, Burial Services	General, Cremains Wall, Cemetery Capital Reserve, Cemetery Memorial
	<b>Parking Commission</b>	Operations, Equipment Replacement/Maintenance	Parking, Parking Interest, Parking Sinking, Parking Pledged Tax Increment
	<b>Public Works</b>	Administration, Communication Maintenance, Street Lighting, Traffic Signal Maintenance, Signing & Striping	Public Works Road District #1, Street Lighting, Debt Service
	<b>Storm Water</b>	Administration, Construction, Maintenance, Levee Maintenance	Storm Water
	<b>Streets &amp; Traffic Services</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>Wastewater</b>	Administration, Collection, Treatment, Pre-treatment Lab, Compost	Wastewater, Wastewater Loan, Wastewater Development
	<b>Water</b>	Administration, Customer Service, Source of Supply & Pumping, Transmission & Distribution	Water, Water Loan

Function	Departments	Activities	Budgeted Funds
Housing & Community Development	Building	Protective Inspections	Building
	Development Services	Administration, Engineering, Development & Permit Review	General, Development Services Road District #1, George Elmer - Cattle Drive, Building Demolition & Repair
	Housing & Community Development	Administration, Reaching Home, Community Forum, Neighborhoods, Energy Conservation	General, Title I Projects, Program Income Revolving Loan Program, CDBG, CDBG Program Income, HOME Investment Partnership, HOME Program Income
	Missoula Redevelopment Agency	Economic Development	Riverfront URD, North Reserve Scott Street URD, Hellgate URD, Front Street URD, URD II, URD III
	Planning	Administration, Historic Preservation	Planning
	Transportation	Bike/Pedestrian Program, Missoula Planning Organization, Missoula in Motion	Transportation
Culture & Recreation	Parks & Recreation	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
	Fort Missoula Regional Park - Recreation	Recreation, Construction, Concessions	Fort Missoula Regional Park - Recreation
	Fort Missoula Regional Park - Operations & Maintenance	Sports Facility Maintenance, Capital Maintenance & Improvements	Fort Missoula Regional Park - Operations & Maintenance
	Aquatics	Concessions, Currents, Splash, Maintenance, Park Memorial	Aquatics

Function	Departments	Activities	Budgeted Funds
<b>Miscellaneous</b>	<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

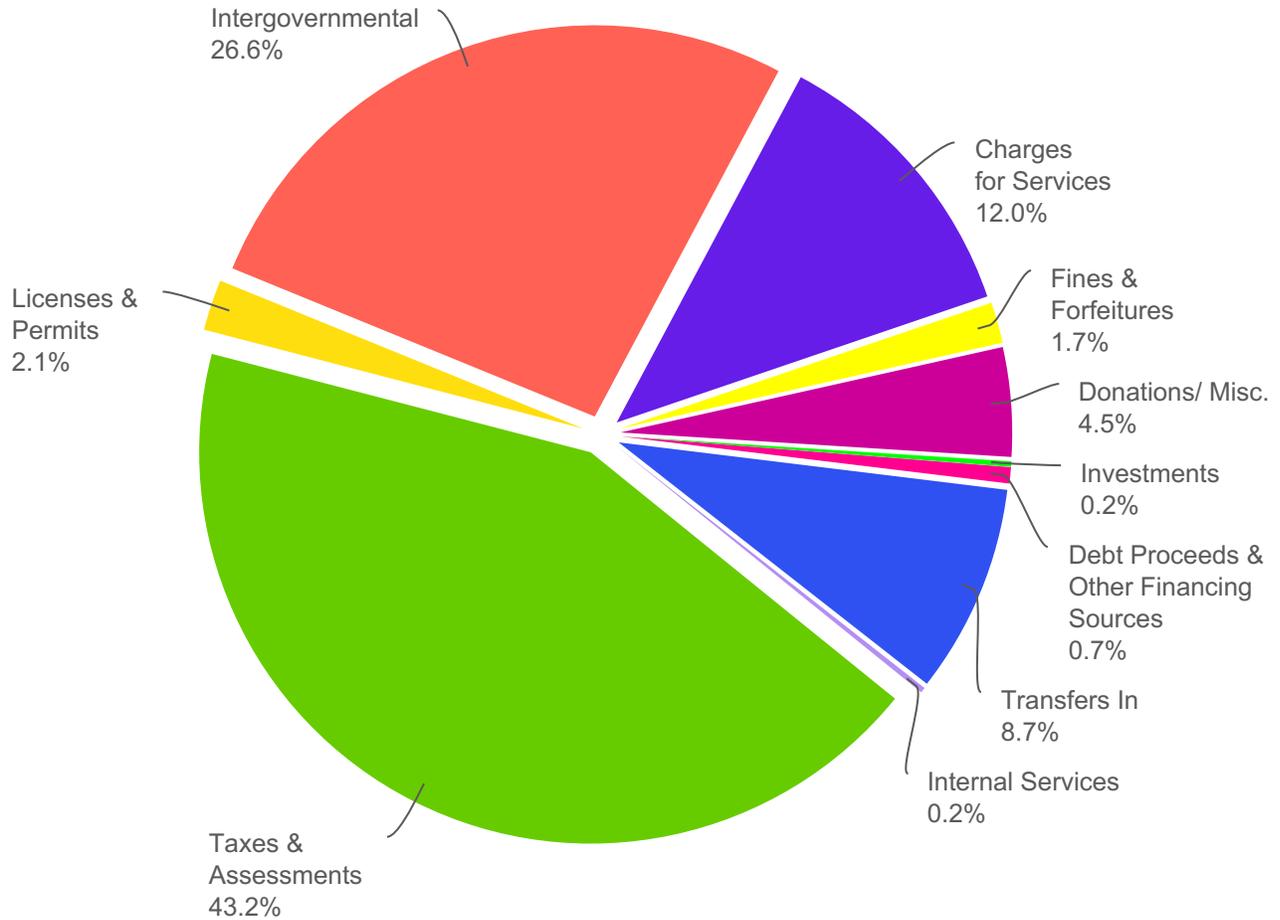
## GENERAL AND GENERAL SPECIAL PURPOSE FUNDS

The General fund, the City's primary operating fund, accounts for all financial transactions not properly accounted for in another fund. The general fund is created and maintained to finance the general, overall functions of a governmental unit, such as general government, public safety, public works (cemetery only), housing and community development, and others. Also accounted for with the primary General Fund are 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.



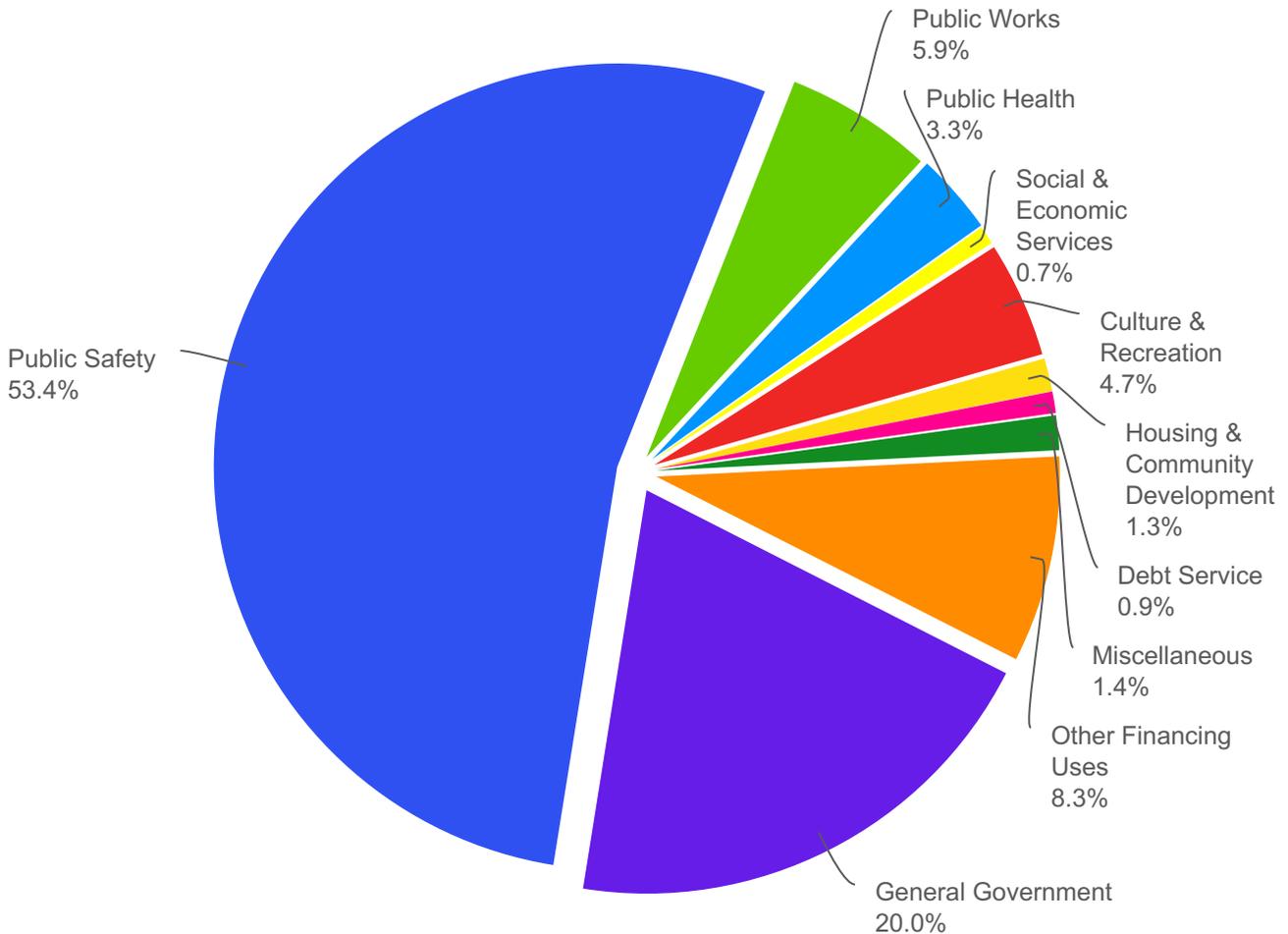


## FY 2020 Budgeted General Fund Revenues by Category



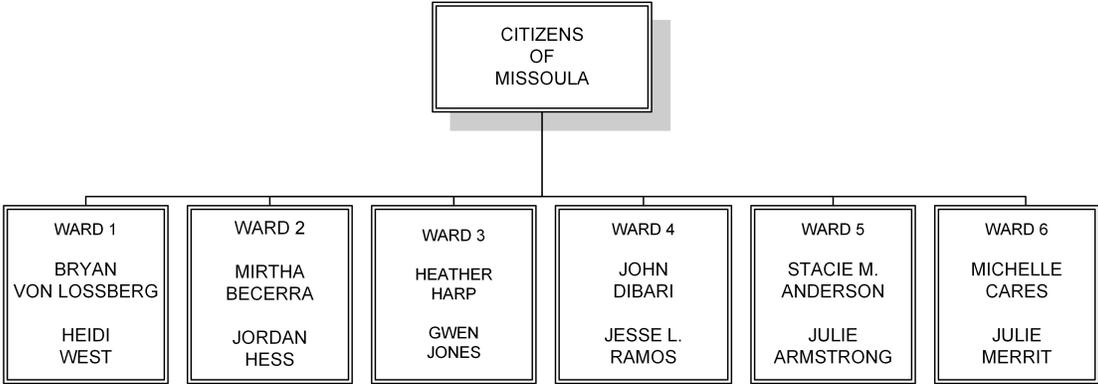
	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Taxes & Assessments	25,917,444	24,719,481	26,554,915	1,835,434
Licenses & Permits	1,266,440	1,130,258	1,296,225	165,967
Intergovernmental	15,035,653	15,527,548	16,343,989	816,441
Charges for Services	7,311,922	6,891,636	7,368,155	476,519
Fines & Forfeitures	1,351,870	1,172,589	1,044,601	(127,988)
Donations/ Misc.	649,156	575,355	2,776,832	2,201,477
Investments	18,289	1,496	147,339	145,843
Debt Proceeds & Other Financing Sources	—	—	417,457	417,457
Transfers In	6,889,771	4,708,444	5,325,132	616,688
Internal Services	—	—	141,127	141,127
<b>Total Revenues</b>	<b>58,440,545</b>	<b>54,726,807</b>	<b>61,415,772</b>	<b>6,688,965</b>

## FY 2020 Budgeted General Fund Expenditures by Function



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
General Government	9,805,326	9,981,311	12,637,131	2,655,820
Public Safety	29,813,003	30,616,224	33,718,730	3,102,506
Public Works	7,039,762	3,198,635	3,745,165	546,530
Public Health	1,933,801	1,987,047	2,058,335	71,288
Social and Economic Services	226,459	265,161	469,270	204,109
Culture and Recreation	5,319,094	1,740,695	2,945,956	1,205,261
Housing and Community Development	409,662	411,399	844,115	432,716
Debt Service	227,804	195,397	556,079	360,682
Miscellaneous	789,338	1,010,169	880,000	(130,169)
Other Financing Uses	1,921,484	5,712,000	5,234,362	(477,638)
<b>Total Expenditures</b>	<b>57,485,733</b>	<b>55,118,038</b>	<b>63,089,143</b>	<b>7,971,105</b>

CITY COUNCIL



## City Council

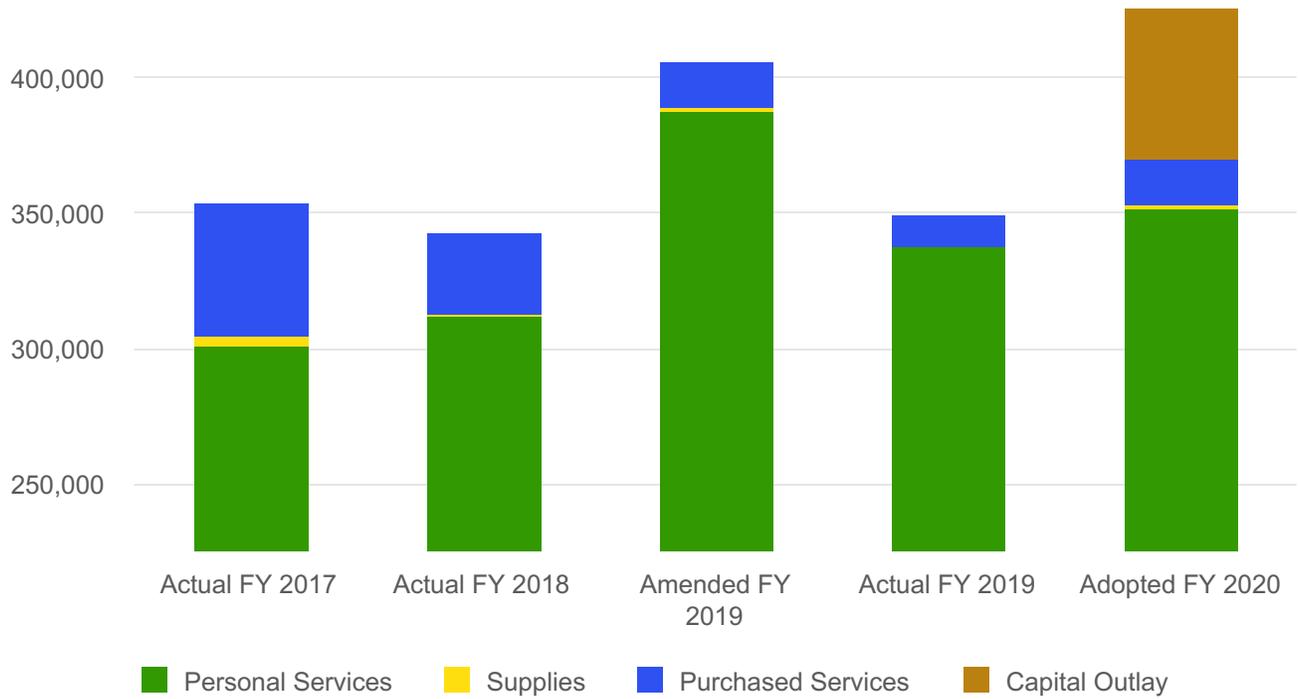
As the elected, policy making body for the City of Missoula, it is the City Council's duty to set policies that will assist all city departments in promoting the general health, safety, and welfare of city residents.

### **GOALS & STRATEGIES**

#### **GOAL: Economic Growth and Sustainability**

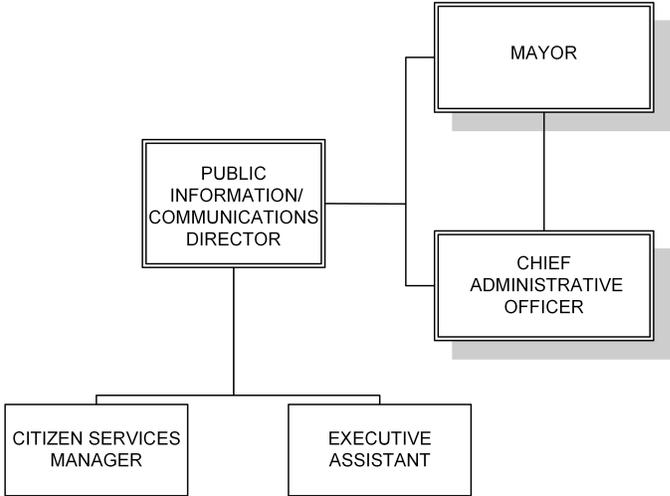
- STRATEGY: Develop policies to ensure public funds are not invested in low-cost labor projects:
  - The City Council adopted resolution 8356 on June 17, 2019 to provide a bidding preference to contractors using a State of Montana Registered Apprentice Program for City of Missoula construction contracts to promote job training, improve the skills of the workforce, and enhance economic vitality in Missoula.
- STRATEGY: Organically grow businesses locally and refine selection through investment in and relationship with Missoula Economic Partnership:
  - The City Council maintained administration's recommended annual \$100,000 investment in the Missoula Economic Partnership. The Council President serves in an ex-officio capacity on the Missoula Economic Partnership board and finance committee.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	301,245	312,047	387,972	337,639	351,864
Supplies	3,713	545	1,300	—	1,300
Purchased Services	48,715	30,267	16,805	12,211	16,805
Capital Outlay	—	—	—	—	60,000
<b>Total</b>	<b>353,673</b>	<b>342,859</b>	<b>406,077</b>	<b>349,850</b>	<b>429,969</b>

**MAYOR'S OFFICE**



## Mayor

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 ensure 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 their official capacity.

### GOALS & STRATEGIES

#### **GOAL: Organization Excellence**

- STRATEGY: Move forward with effective use of dashboards to present information and demonstrate progress and value
  - Accomplished by implementing new management framework and data collection supported with the right software tools to communicate with management, City Council, and the community.
- STRATEGY: Review City management organization
  - Accomplished by engaging in a formal evaluation process to ensure organizational hierarchy and procedures are efficient and effective.

#### **GOAL: Economic Growth and Sustainability**

- STRATEGY: Work towards tax reform in the Montana State Legislature to include a local option tourist tax
  - Accomplished by continuing to work with stakeholders across the community and the state to move toward meaningful tax reform.
- STRATEGY: Organically grow businesses locally and refine selection through investment in and relationship with Missoula Economic Partnership
  - Accomplished by showcasing Missoula's Opportunity Zone for increased private investment.

#### **GOAL: Infrastructure/Assets**

- STRATEGY: Use words and graphics (maps) to promote educational communication with our citizens
  - Accomplished by creating a communications strategic plan and implementing recommendations.

#### **GOAL: Intentional/Sustainable Growth**

- STRATEGY: Identify and formalize levels of service to measure goals and deficiencies
  - Accomplished by implementing a new management framework and choosing the right software tools to track and present information.

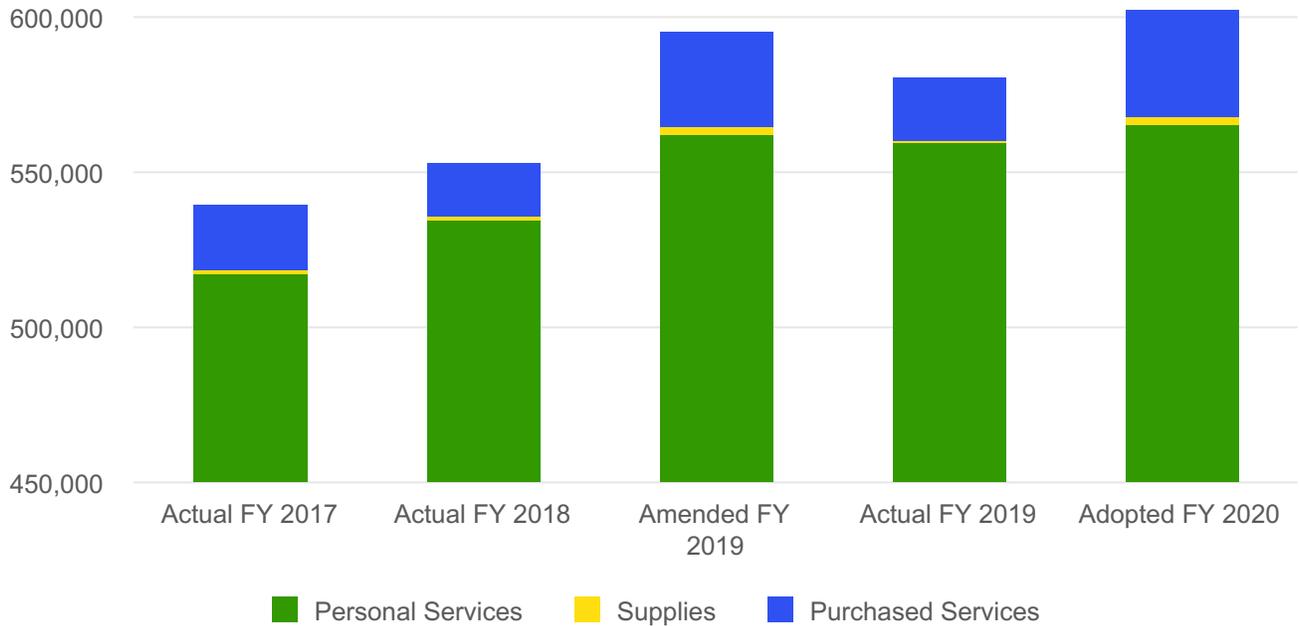
### BUDGET HIGHLIGHTS

In FY 2019, the Mayor's Office achieved strategic goals City Council identified.

- The City began investigating software and management solutions to implement meaningful dashboards for City Council, management, and the community.
- In partnership with Missoula County, the City is implementing the space needs study by actively pursuing acquisition of the former Federal Courthouse.
- The City successfully partnered with Missoula County and the private sector to receive a \$13 million federal BUILD grant to improve infrastructure in the Mullan Road area.

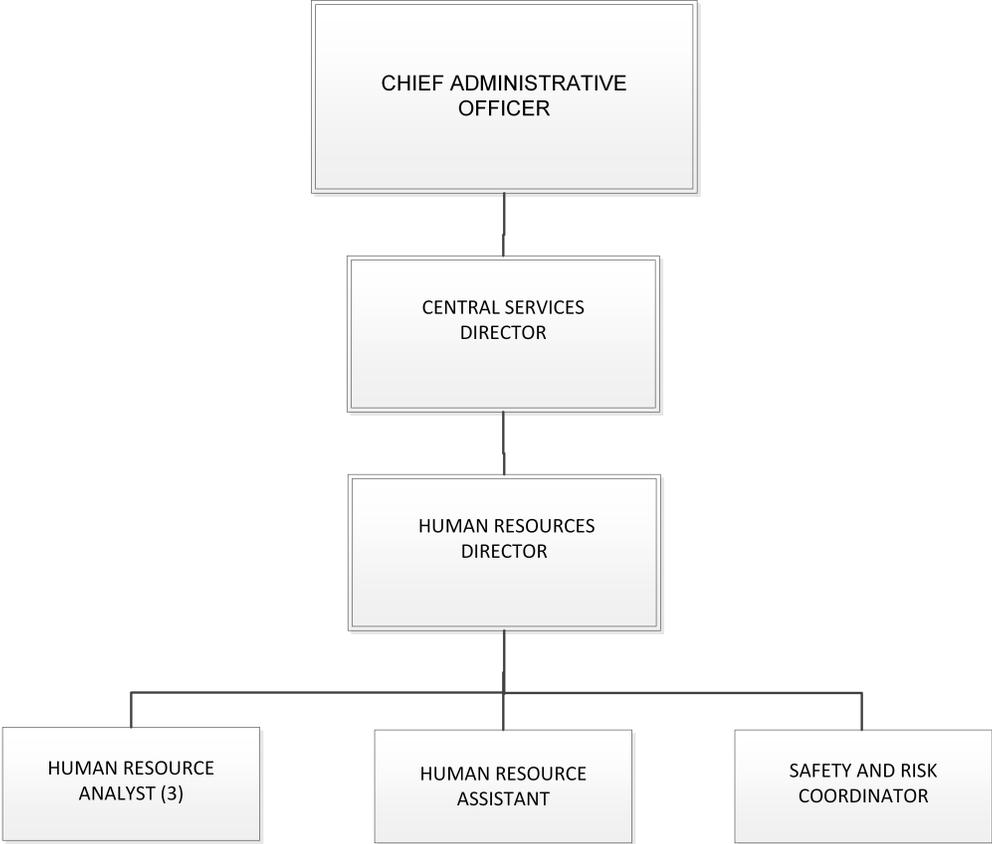
- The City Council passed an ordinance to create an apprenticeship program for infrastructure projects.
- The City is completing facilities plans for water, wastewater, and storm water, as well as a pavement condition assessment and the parks and recreation and open space trails plan.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	517,348	534,328	562,221	559,696	565,382
Supplies	1,384	1,264	2,732	844	2,732
Purchased Services	21,113	17,652	30,629	20,343	34,629
<b>Total</b>	<b>539,845</b>	<b>553,244</b>	<b>595,582</b>	<b>580,883</b>	<b>602,743</b>

**HUMAN RESOURCES**



## **Human Resources**

It is the mission of the human resources department to provide effective human resource management by developing and implementing policies, programs and services that provide a foundation of support to the City of Missoula. In partnership with other City departments the human resources department will:

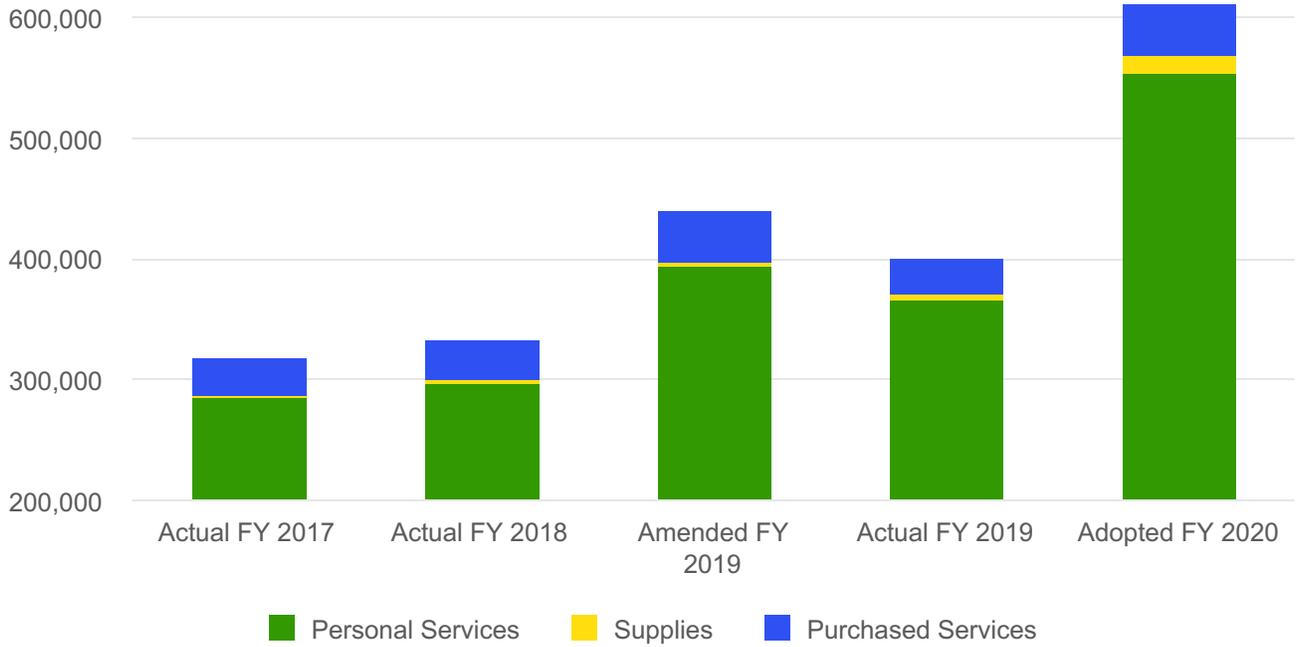
- Provide a diverse workforce in an environment free of discrimination and harassment.
- Hire the most-qualified employees by creating succession planning strategies, branding the City as an “employer of choice,” identifying and implementing best practices in recruitment and selection.
- Retain valued City employees by assuring effective leadership by managers; providing competitive wages and benefits; providing a comprehensive training and professional development program; and ensuring work-life balance.
- Ensure City employees experience a safe and healthful working environment with attention to physical, emotional, and mental well-being.
- Provide inspiration and encouragement for a high level of employee morale.
- Administer a comprehensive employee benefits programs.
- Develop and maintain effective working relationships with the City’s labor partners.
- Provide leadership to a forward-looking, proactive workplace culture.

### **BUDGET HIGHLIGHTS**

The Human Resources Department has started a comprehensive review of recruitment practices in order to most effectively attract the highest quality employees to the City. The changes in practice include, at a minimum:

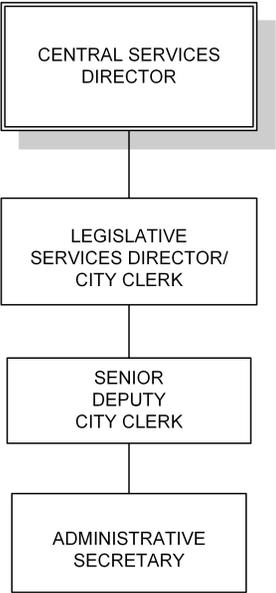
- Identifying most effective recruitment sources for each position.
- Modifying recruitment announcements to identify the City as the “employer-of-choice”.
- Revising recruitment and selection practices to focus on identifying future leaders.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	285,482	297,976	394,084	366,722	554,184
Supplies	2,495	3,358	3,787	4,387	14,686
Purchased Services	30,619	32,493	43,478	30,477	42,803
<b>Total</b>	<b>318,596</b>	<b>333,827</b>	<b>441,349</b>	<b>401,586</b>	<b>611,673</b>

**CITY CLERK'S OFFICE**



## **City Clerk**

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.

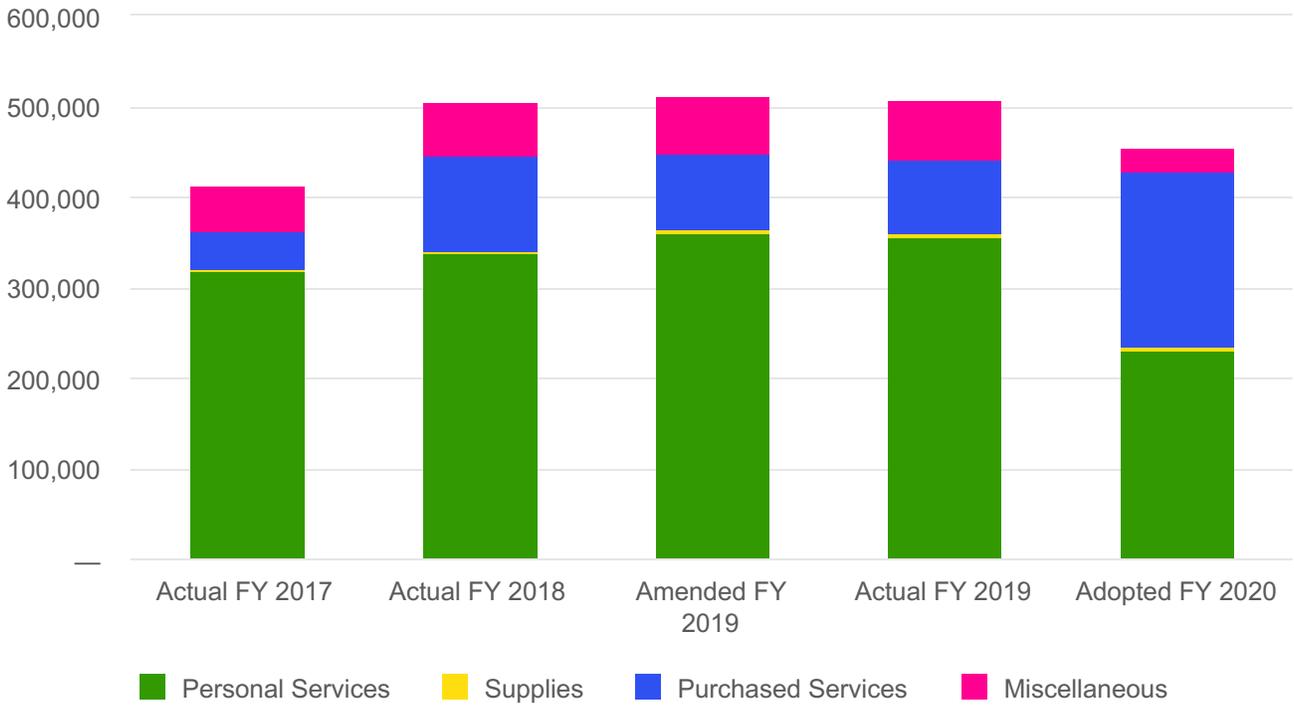
The City Clerk Office provides records management and legislative services for the City of Missoula including:

- Maintaining an index of City of Missoula records including City Council resolutions, ordinances, agreements and petitions.
- Maintaining archival copies of the Journal of Proceedings for the City Council, standing committees and boards and commissions as well as City Council resolutions and ordinances.
- Maintaining and codifying ordinances into Missoula Municipal Code.
- Compiling and publishing the weekly City Council agenda and setting the City Council standing committee schedule.
- Managing City Council appointments to boards and commissions.
- Drafting, and assisting City Council representatives and city staff in drafting, resolutions and ordinances.
- Assuring City Council business is conducted in accordance with the City of Missoula Charter, City Council Rules for the Conduct of Meetings and Business, and requirements of Montana Code Annotated.

### **BUDGET HIGHLIGHTS**

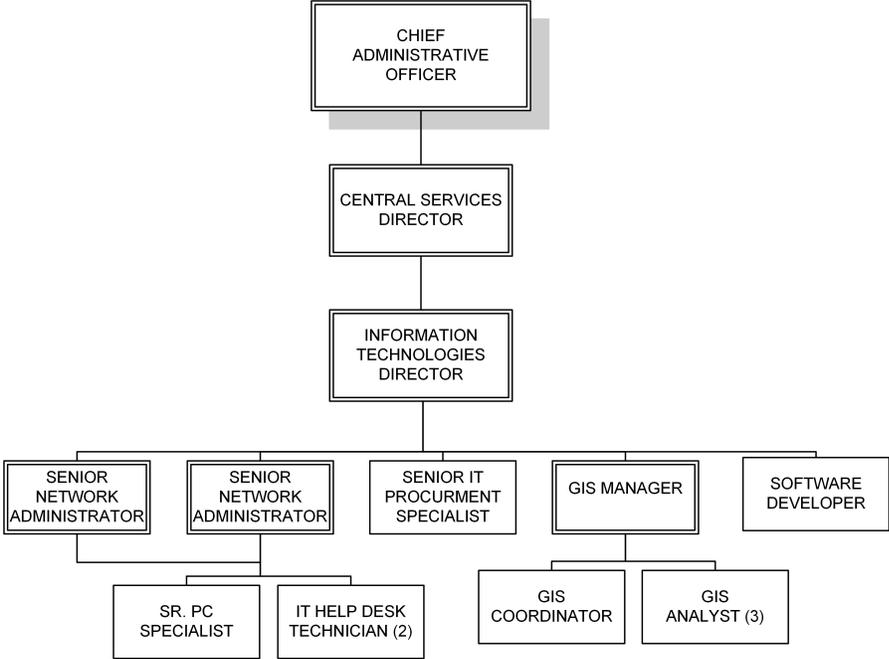
In FY2019, the City Clerk Office completed onboarding the new legislative management solution, eScribe, which provides agenda and minutes management and webcasting for City Council meetings, City Council standing committees and City boards and commissions.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	317,978	339,153	360,603	356,861	231,692
Supplies	2,382	1,416	3,435	3,255	2,778
Purchased Services	42,489	105,892	83,501	80,763	194,315
Miscellaneous	50,333	60,121	64,580	66,473	25,880
<b>Total</b>	<b>413,182</b>	<b>506,582</b>	<b>512,119</b>	<b>507,352</b>	<b>454,665</b>

**INFORMATION TECHNOLOGIES**



## **Information Technologies**

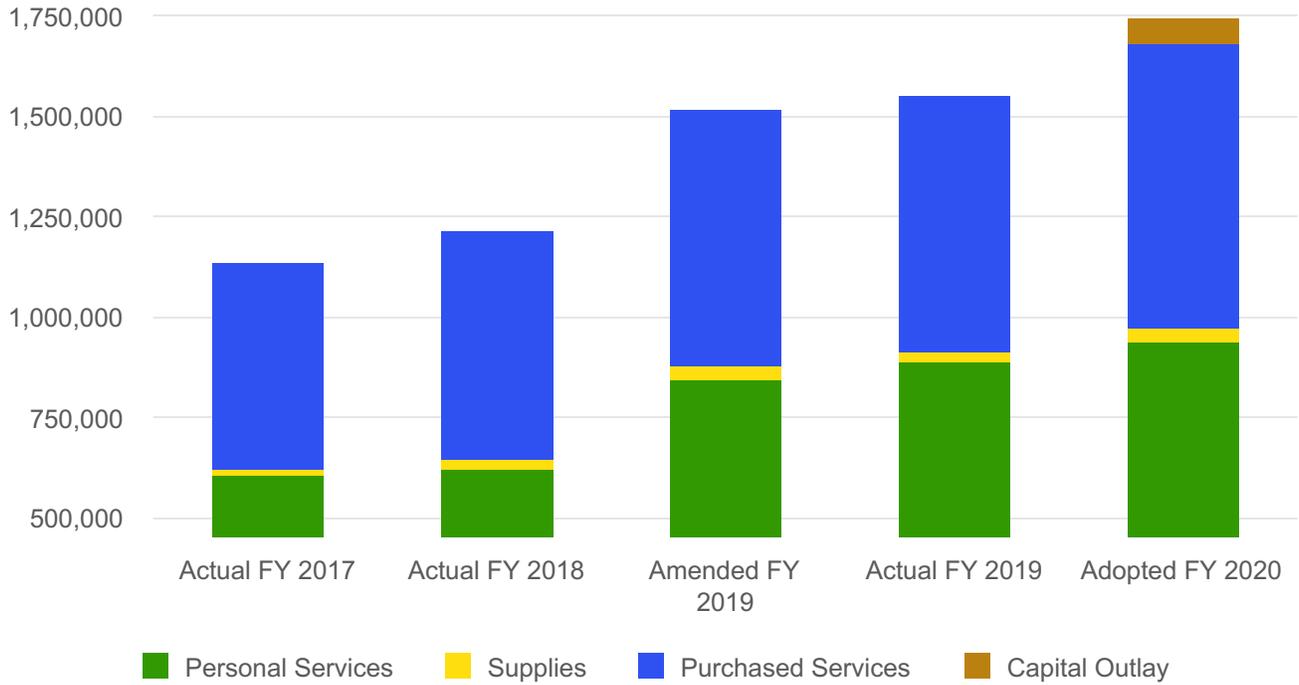
It is the mission of Information Technologies (IT) to deliver network services critical to the achievement of citywide goals and objectives. We also have built and will continue to build a quality, sustainable IT infrastructure. Technology is a key element of the citywide infrastructure and is current, 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 more than 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

### **BUDGET HIGHLIGHTS**

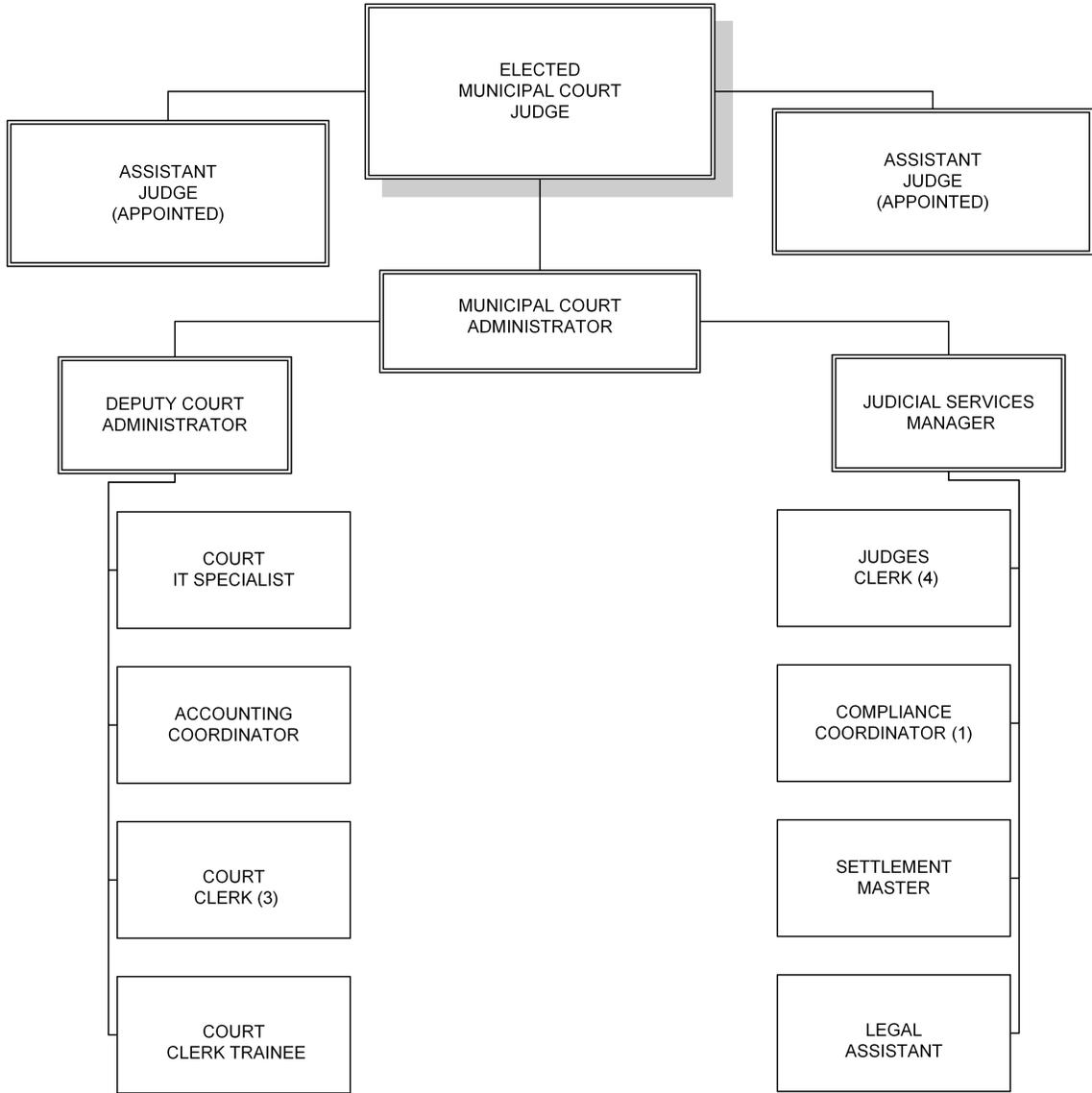
Through the CIP process, we were able to update our entire GIS server platform. Upon migration to the new platform, GIS Services will host a web-based GIS Portal that will provide both City staff and the citizens of Missoula with expanded access to map-centric and task-specific resources, tools, and data.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	610,298	624,449	843,413	889,865	942,023
Supplies	14,712	21,799	38,692	27,381	30,150
Purchased Services	510,779	568,130	634,581	635,139	711,411
Capital Outlay	—	—	—	—	60,880
<b>Total</b>	<b>1,135,789</b>	<b>1,214,378</b>	<b>1,516,686</b>	<b>1,552,385</b>	<b>1,744,464</b>

**MUNICIPAL COURT**



## **Municipal Court**

Municipal Court is the judicial branch of the City of Missoula. The court processes all misdemeanor criminal citations, which includes DUIs and partner/family member assaults, traffic violations, and city ordinance violations issued by the City of Missoula, University of Montana Police, and the Missoula City-County 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 Court's rule-making 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.

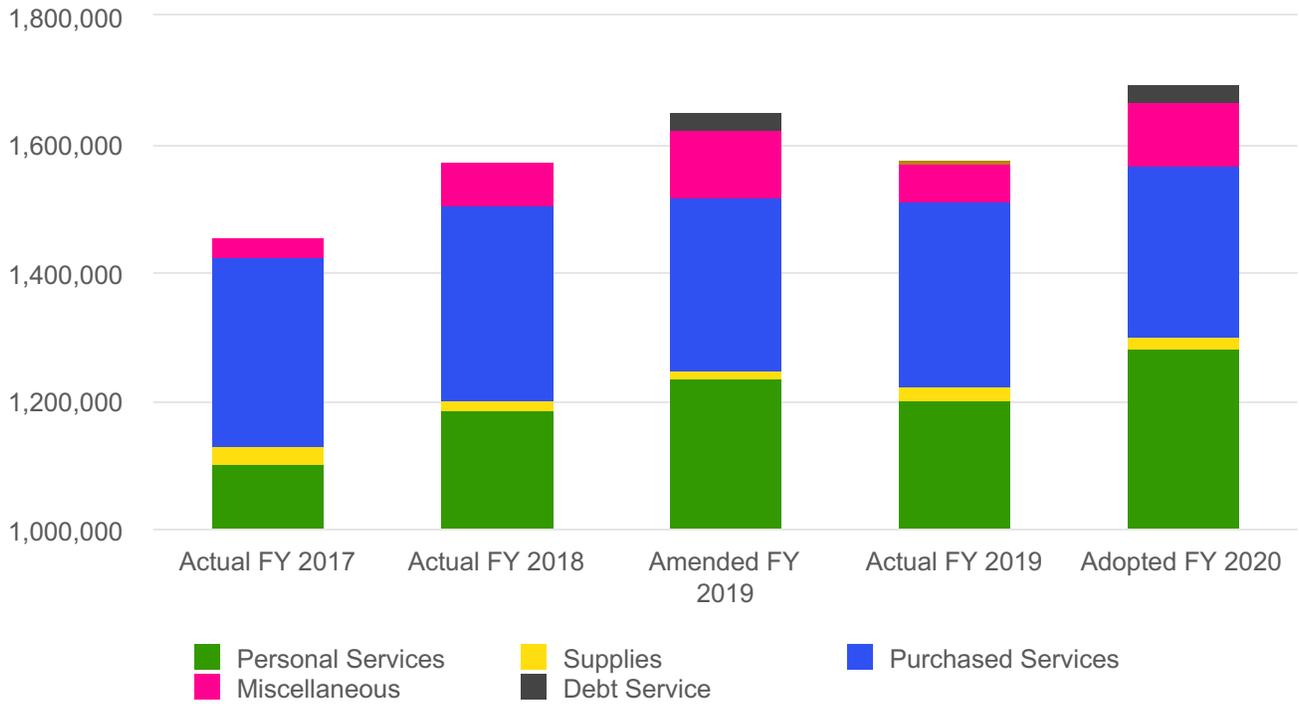
### **BUDGET HIGHLIGHTS**

Municipal Court leadership continues working towards a plan of succession for all employee positions in the court. The court staff are divided into two distinct teams: the Judicial Services team and the Administrative team. The Judicial Services team accomplishes tasks, duties and responsibilities related to the three Judges, the courtrooms, and works closely with the City Attorney office and public defenders.

The Administrative Services team works to provide court services to the public, other city departments and local agencies in the areas of finance, record searches, administrative case work, document sets and technology related to the Court's new web-based software, FullCourt Enterprise.

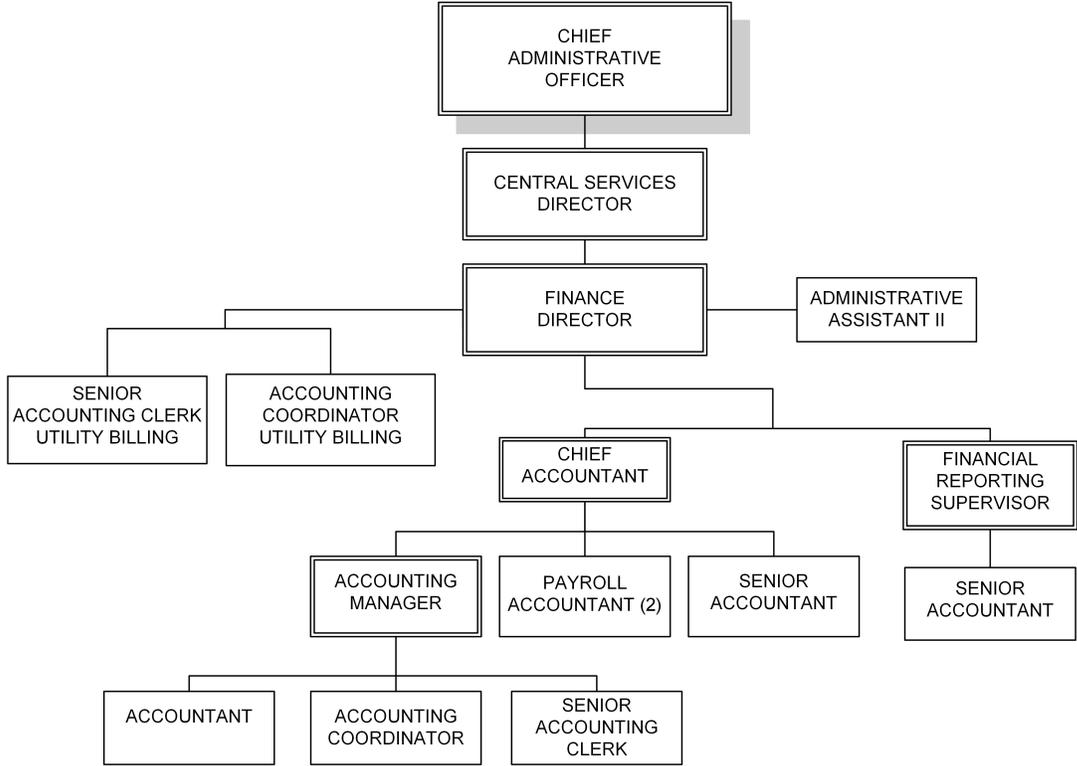
Within each of the two distinct teams, the court has established cross-training on all tasks, duties and responsibilities for employee positions. This cross-training allows for the retention of institutional knowledge.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	1,101,874	1,187,585	1,234,271	1,201,555	1,281,543
Supplies	27,748	15,388	13,818	22,287	17,774
Purchased Services	294,233	301,347	270,115	287,934	269,236
Miscellaneous	32,389	70,698	105,771	59,680	97,764
Debt Service	—	—	27,333	—	27,333
Capital Outlay	—	—	—	4,814	—
<b>Total</b>	<b>1,456,244</b>	<b>1,575,018</b>	<b>1,651,308</b>	<b>1,576,270</b>	<b>1,693,650</b>

**FINANCE**



## Finance

The Finance Department provides full-service accounting functions for the City of Missoula by providing accurate and timely financial information and advice to the city council, city management, citizens, city creditors, banks, and governmental agencies.

The Finance Department provides a variety of financial services to the Council and city staff.

Services include:

- Accounting and financial reporting
- Budgeting
- Payroll
- Accounts payable
- Special Improvement Districts (SIDs) file maintenance and billing
- Project accounting
- Fixed asset management
- Grant management
- Issuing debt, debt service record keeping, and related payments.

### **GOALS & STRATEGIES**

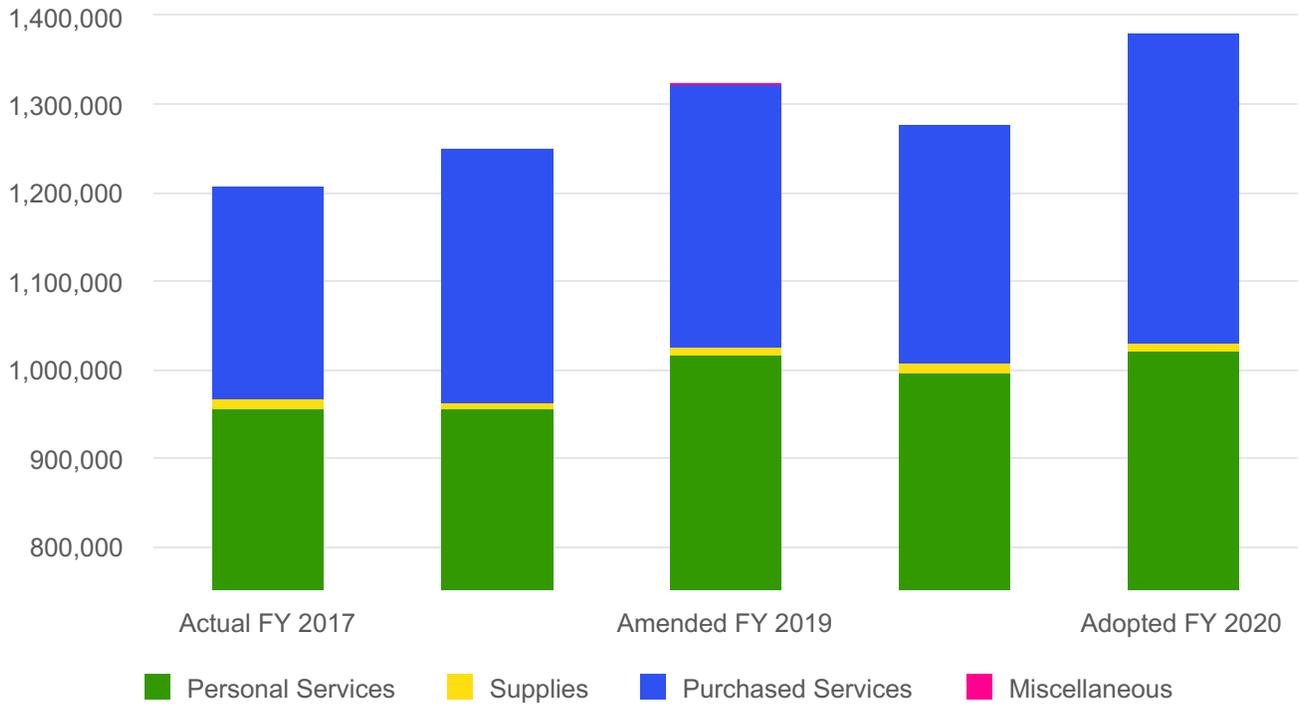
#### **GOAL: Organizational Excellence**

- STRATEGY: Explore use of dashboards and reporting software to present useful information and demonstrate progress and value.
  - Accomplished by utilizing report software to create effective and useful management reports.
    - Finance department will work with individual departments to create useful and meaningful management reports for internal and external uses.
    - Finance department will work with the Mayor's office to publish dashboards/ management reports on the City's website.

### **BUDGET HIGHLIGHTS**

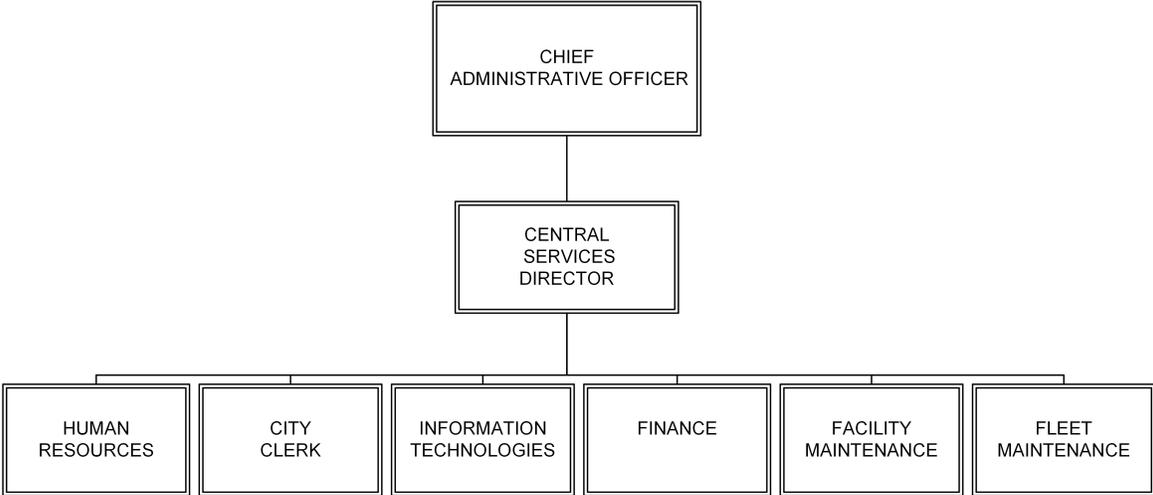
- Extensive phases of budget compilation were automated utilizing new software applications.
- The City received its tenth Distinguished Budget Award from the Government Finance Office Association (GFOA) for its FY2019 published budget document.
- The City also received its nineteenth Certificate of Achievement from the GFOA for its FY2018 Comprehensive Annual Financial Report (CAFR).

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	957,522	956,630	1,017,546	998,425	1,021,666
Supplies	10,159	7,838	8,950	10,620	8,950
Purchased Services	240,482	287,461	298,153	270,289	350,298
Miscellaneous	—	—	500	24	—
<b>Total</b>	<b>1,208,163</b>	<b>1,251,929</b>	<b>1,325,149</b>	<b>1,279,358</b>	<b>1,380,914</b>

**CENTRAL SERVICES**



## **Central Services**

The Central Services Administration manages the City Clerk's Office and the Facility Maintenance, Finance, Human Resources, Information Technology and Geographic Information Services, and Fleet Maintenance departments.

### **GOALS & STRATEGIES**

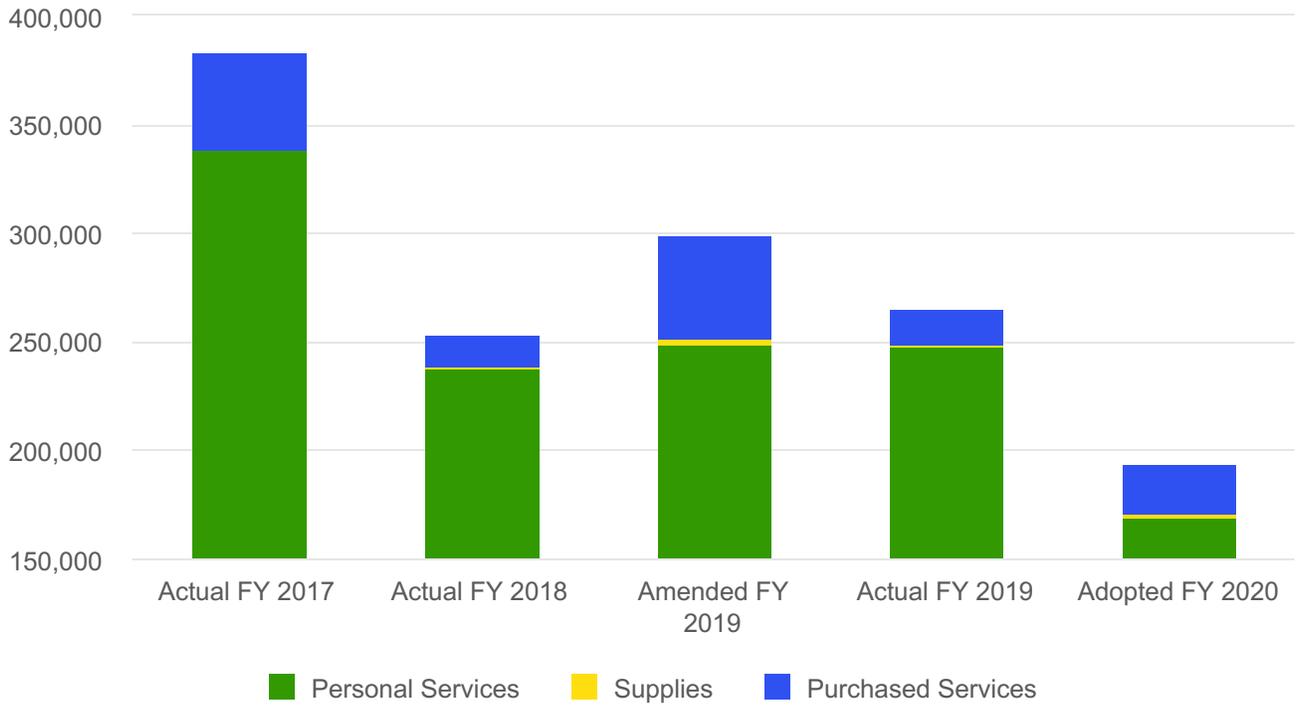
#### **Organizational Excellence**

- Address internal administration succession
- Solve City of Missoula space issues
  - In FY20 Impact Fee revenue was allocated to reconfigure City Hall and space across the street at 414 Ryman to accommodate the addition of new staff that were added for fiscal year 2020. This includes space at 414 Ryman for Municipal Court, a new conference room at 414 Ryman, and new space for new employees in the following offices: City Attorney, Engineering, Human Resources, and GIS.

#### **Public Safety**

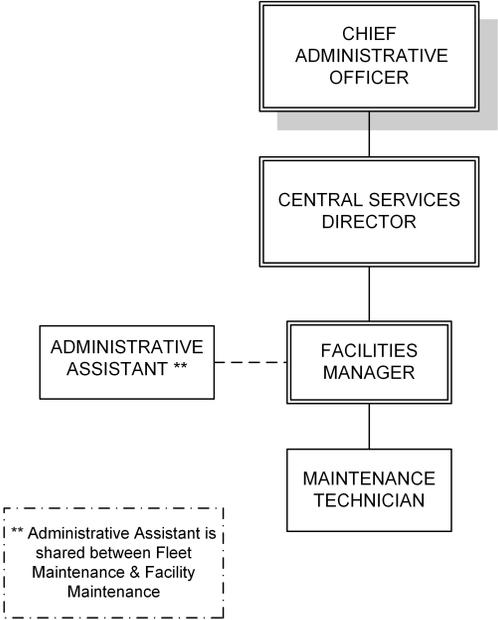
- Conduct and implement a workplace safety study
- Continue to support a robust, active Safety Committee

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	338,409	237,884	249,236	247,861	169,638
Supplies	496	688	2,050	1,409	1,025
Purchased Services	44,778	14,690	48,350	15,864	23,500
<b>Total</b>	<b>383,683</b>	<b>253,262</b>	<b>299,636</b>	<b>265,134</b>	<b>194,163</b>

**FACILITY MAINTENANCE**



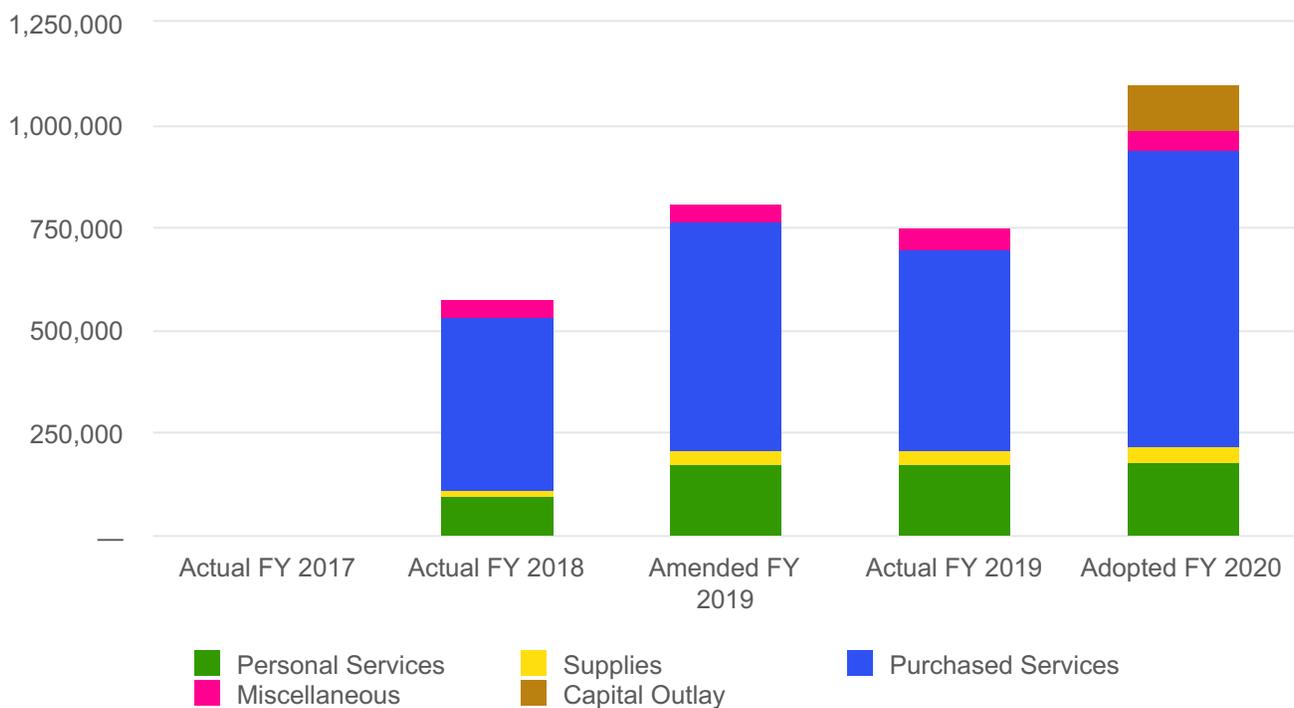
## Facility Maintenance

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.

### BUDGET HIGHLIGHTS

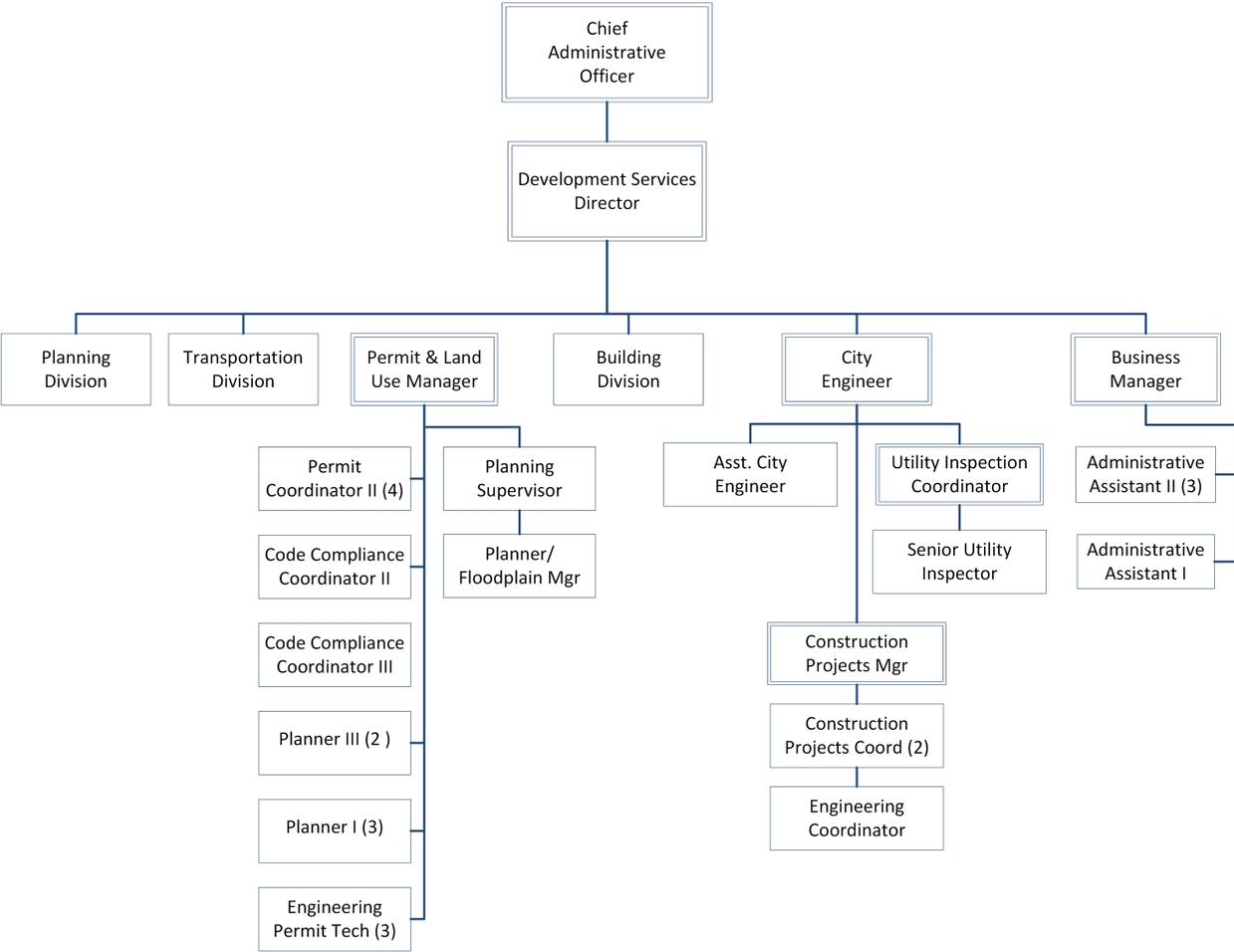
In FY 2019 started the process for the City of Missoula Growth Policy/Space needs planning by hiring an engineering firm to assist with the current and future space needs for the City of Missoula.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	—	98,612	175,751	173,701	177,553
Supplies	—	13,612	31,245	33,937	38,145
Purchased Services	—	421,485	557,581	491,665	724,634
Miscellaneous	—	43,134	45,862	52,809	45,862
Capital Outlay	—	—	—	—	113,226
<b>Total</b>	<b>—</b>	<b>576,843</b>	<b>810,439</b>	<b>752,112</b>	<b>1,099,420</b>

# DEVELOPMENT SERVICES



## **Development Services**

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 divisions 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 plan 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 support the General Fund.

The City Engineering Division manages infrastructure capital projects including roads, sidewalks, and complete streets, review engineering plans for public surface and utility infrastructure, as well as conducting inspections. City Engineering Division staff also review and approve engineering plans for private development along with approve, inspect and accept that will become publicly owned. Revenues for inspections and plan review services support the General Fund. Administration fees charged to projects cover project management expenses.

### **GOALS & STRATEGIES**

#### **GOAL: Economic Growth & Sustainability**

- STRATEGY: Develop organizational and regulatory horsepower to facilitate high-quality housing development
  - Continue to review and update community development regulations includes subdivision, subdivision exemption, and zoning.
  - Collaborate with Missoula County in developing a comprehensive Master Plan for the Mullan Area.
  - Work with neighborhoods to provide information, education, and planning resources.
  - Explore ways to facilitate high-quality housing development through the lens of health equity, in collaboration with the multi-partner team of the Missoula Invest Health Initiative.
  - Provide updated and analyzed information on housing development activity through the Our Missoula Development Guide annual review.
  - Complete the Public Works Standards Manual.
  - Overhaul our codes, processes, and procedures to gain efficiencies with review and approval of housing developments, ultimately saving developer costs.
- STRATEGY: Continue to support creation of living-wage jobs investing in infrastructure and facilities
  - Overhaul our codes, processes, and procedures to gain efficiencies with review and approval of housing developments, ultimately saving developer costs.
- STRATEGY: Develop policies and partner to ensure that Missoula has a range of homes that people can afford across the housing stock
  - Analyze and propose incentives and updated community development regulations including subdivision, subdivision exemption ,and zoning tools that help with new

development and preservation of housing stock, which implement the Housing Policy and are coordinated with sister departments and partner agencies and organizations.

- Collaborate with Missoula County in developing a comprehensive Master Plan for the Mullan Area.
- Collaborate with sister departments and the Missoula Invest Health Initiative for supportive research, education and programs.
- STRATEGY: Incentivize infrastructure development among our private partners
  - Accomplished by continuing to improve staffing levels, process review and operational efficiencies.
  - Explore potential incentives for infrastructure development through the Mullan Area planning process and the BUILD grant.
  - Work with sister departments to explore new infrastructure incentives as described in adopted city policies.
  - Continue to work with developers and their representatives on public/private partnerships to design and ultimately construct public infrastructure.
- 

#### **GOAL: Intentional/Sustainable Growth**

- STRATEGY: Adopt and implement annexation policy
  - City adopted an Annexation Policy in July 2019 (FY20). Implementation practices for annexation requests are being developed.
- STRATEGY: Adopt and implement policy to ensure strategic development of infrastructure and help us achieve goals in an environmentally sustainable manner
  - Continue to build collaboration between Development Services, Public Works, and Montana Department of Transportation to ensure that the City's Complete Streets policy is implemented.
  - Create opportunities to move the City closer to adopted mode split goals for bike, walking and transit, such as the 5<sup>th</sup>/6<sup>th</sup> Streets lane reconfiguration project.
  - Complete the Pavement Condition Assessment to provide data necessary for more efficient street maintenance investments.
  - Begin implementation of the Pedestrian Facilities Master Plan through identification of priority sidewalk projects.
  - Review the Our Missoula City Growth Policy for updates to Citywide goals, objectives, and actions.
  - Promote the City adopted Adaptive Reuse Ordinance as a viable alternative for sustainable development.
  - Participate in sister department efforts to address Climate Resiliency.
  - Manage BUILD grant implementation to allow design and construction of infrastructure in the area bounded by N Reserve / Mullan Rd / Airport Property / W Broadway.

#### **GOAL: Environmental/Human Health**

- STRATEGY: Create functional work teams to develop strategies for transportation systems and green infrastructure
  - Participate in ongoing Traffic Services, infrastructure coordination, and project design teams to ensure work considers and enhances multi-modal transportation networks, safety, and achieves goals such as health, equity, connectivity, and safety.
  - Create advisory committees to assist with updating and implementing the Long Range Transportation Plan update and the review of the Our Missoula City Growth Policy, to ensure that project and policy development is more closely linked to planning, goals and values and considers environmental sustainability.

- Through the Transportation Demand Management Consortium, improve coordination between Transportation Planning, Transit, Parking Commission, and MRTMA Vanpools to create more effective use of existing transportation facilities.
- Continue to discuss future funding and management of the City's curb and sidewalk program to substantially lower the assessment on single family and duplex properties.

## **BUDGET HIGHLIGHTS**

In FY2019, Development Services made progress on the following strategic goals:

### **Organizational Excellence**

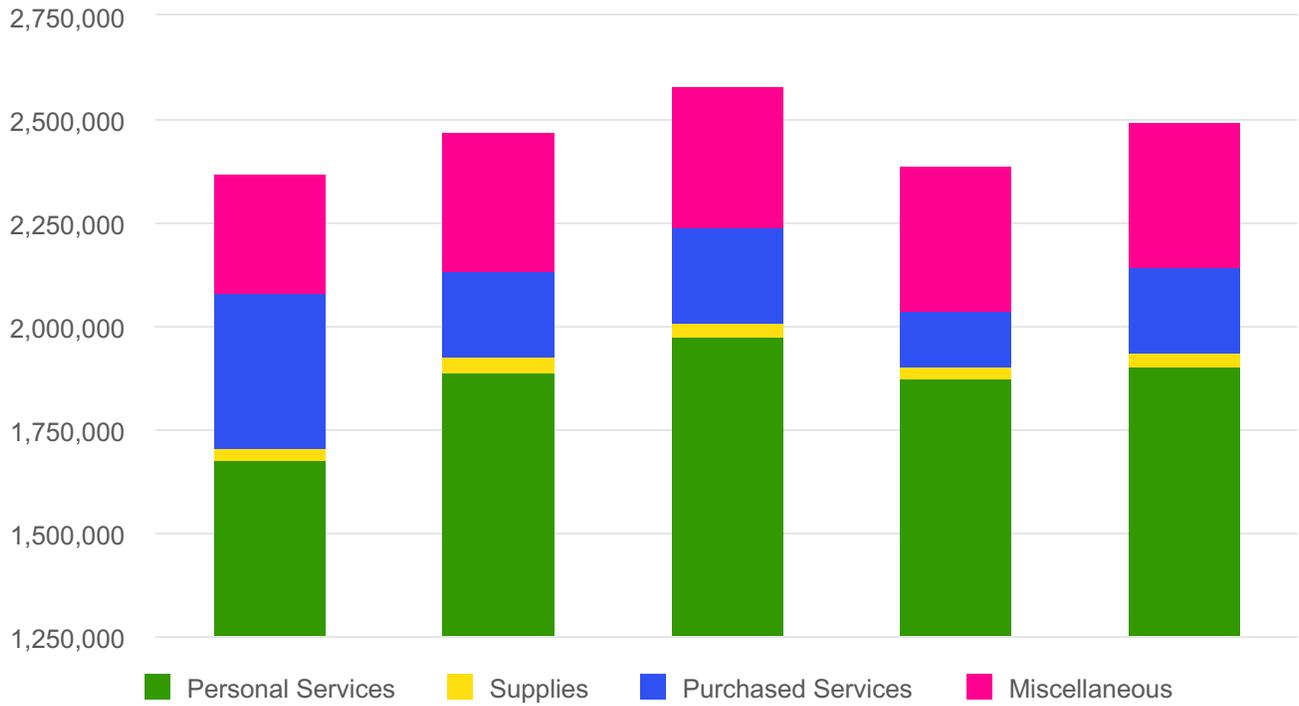
Submitted funding requests for two additional full time professional staff in FY20: a Transportation Engineer and a Planner and requested approval to hire the incoming Permits and Land Use Manager in advance of the retirement of a long-tenured staff member in December 2019. Altered the organizational structure of the department to remove the Assistant Director position, following the retirement of a long tenured staff member, and to create and fill a Business Manager position, responsible for financial oversight and budgeting in addition to department operations with four administrative assistant positions.

Additionally, the Department made gains against goals for **Economic Growth and Sustainability** and **Infrastructure/Assets**. Although the market value of construction leveled out to a certain degree, Development Services managed an increase in the type and number of projects reviewed and processed, and an increase in the complexity of projects. Of particular note was an uptick in the number of annexations, subdivisions, and also large, capital projects within the floodplain including Rattlesnake dam removal and Greenough Park bank stabilization among others. Staff also initiated and/or completed several impactful projects that are helping guide future development and public processes including:

- Design Excellence Program
- Draft City Annexation Policy
- Pedestrian Facilities Master Plan
- Pavement Condition Assessment
- Historic Preservation Demolition Ordinance Update & Adaptive Reuse Zoning Overlay, and
- the maturation of Electronic Document Review (EDR) system for commercial plan review.

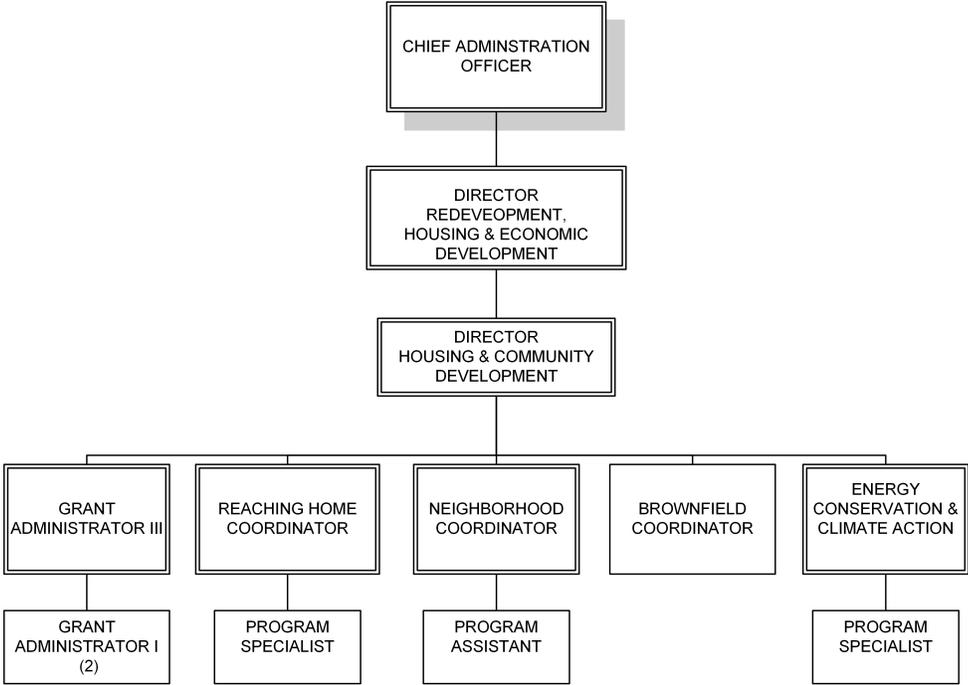
Detailed highlights of the above projects and programs and more are located within the Special Fund section for the Building Division, Transportation Planning Division, and Long Range Planning Division.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	1,678,003	1,891,209	1,974,967	1,876,071	1,905,475
Supplies	28,834	35,068	32,336	28,850	33,788
Purchased Services	374,561	208,643	231,831	133,410	207,026
Miscellaneous	286,500	338,170	343,153	353,359	349,410
<b>Total</b>	<b>2,367,898</b>	<b>2,473,090</b>	<b>2,582,287</b>	<b>2,391,690</b>	<b>2,495,699</b>

**HOUSING & COMMUNITY DEVELOPMENT**



## **Housing & Community Development**

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. HCD also oversees the Office of Neighborhoods and the City of Missoula's Energy Conservation and Climate Action work.

### **GOALS & STRATEGIES**

#### **GOAL: Economic Growth & Sustainability**

- STRATEGY: Establish a housing trust fund
  - Create an Affordable Housing Trust Fund through ordinance and resolution, develop an allocation methodology and operational program, and convene a citizen driven advisory group to assist the City of Missoula in setting annual funding priorities.
- STRATEGY: Redevelop underused and dilapidated properties
  - Strategically invest EPA Brownfields funds to support redevelopment through the assessment and the clean-up of hazardous and petroleum waste.
- STRATEGY: Develop organizational and regulatory horsepower to facilitate high-quality housing development
  - This will be accomplished through the suite of strategies in A Place to Call Home aimed at reducing barriers and promoting access to affordable homes, including the analysis and update of regulatory code.
- STRATEGY: Organically grow businesses locally and refine selection through investment in and relationship with Missoula Economic Partnership
  - Enter into an annual contract with the Missoula Economic Partnership to improve economic diversity and quality of life by engaging in strategic business development.
- STRATEGY: Develop policies and partner to ensure that Missoula has a range of homes that people can afford across the housing stock
  - This will be accomplished through the suite of strategies in A Place to Call Home aimed at partnering to create and preserve affordable homes and will be supported through the annual allocation of federal entitlement funds.

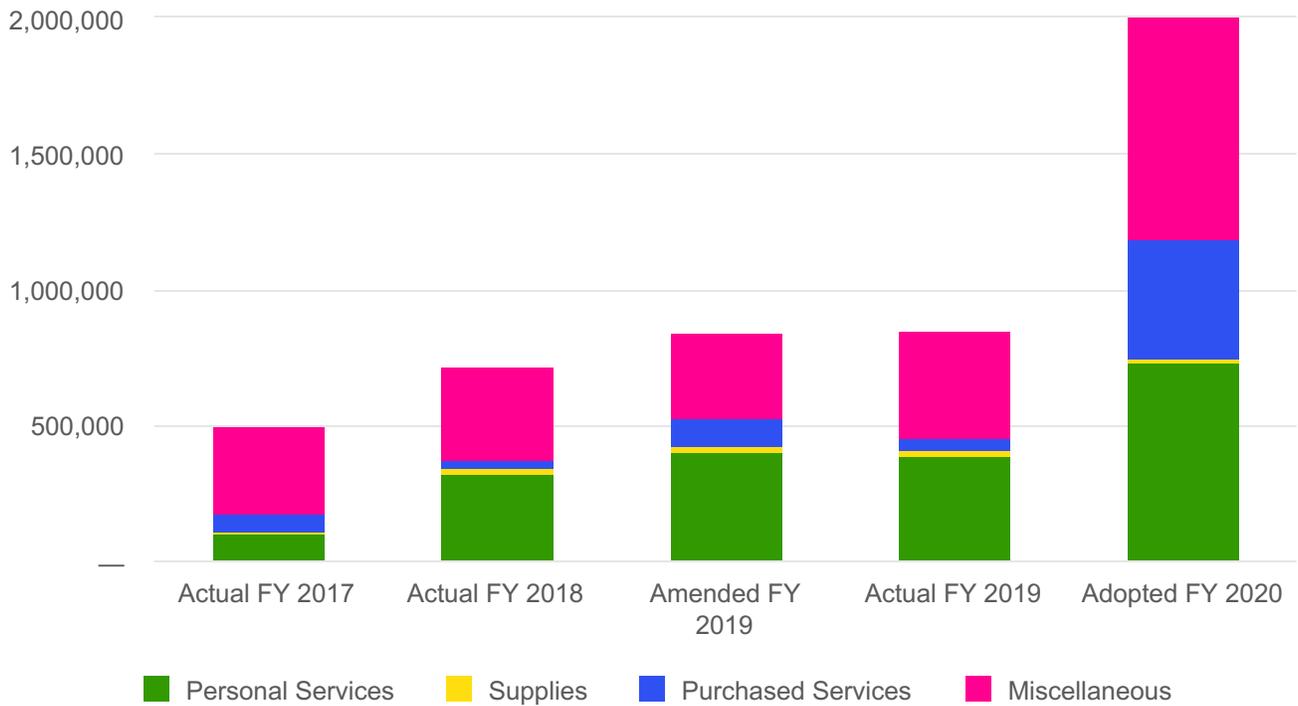
**GOAL: Intentional/Sustainable Growth**

- STRATEGY: Adopt a Housing Policy and implement recommendations to include funding
  - Develop an implementation strategy and timeline for A Place to Call Home that prioritizes key recommendations. Communicate this framework and implementation progress to City Council and the broader community on a quarterly basis.
- STRATEGY: Adopt and implement policy to ensure strategic development of infrastructure and help us achieve goals in an environmentally sustainable manner
  - Work across City departments to create and implement a framework that will ensure the strategic development of infrastructure and shared goals

**GOAL: Environmental/Human Health**

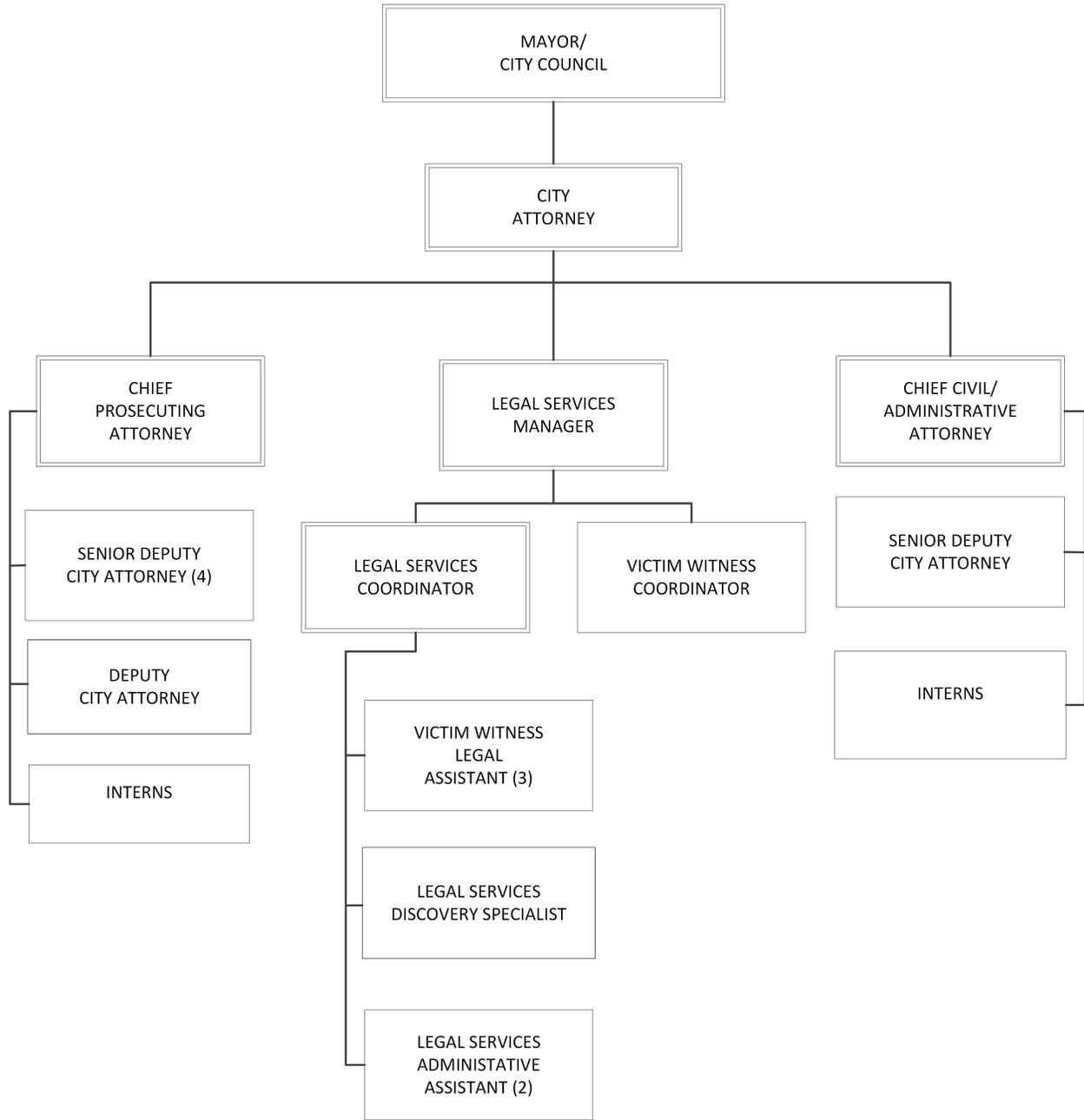
- STRATEGY: Use sustainable funding sources to implement recommendations regarding Missoula's most vulnerable populations
  - Improve individual health outcomes and community outcomes, while decreasing community expenditures, through the construction of Permanent Supportive Housing and a Navigation Center that will meet the needs of Missoula's most vulnerable populations.
- STRATEGY: Implement concrete outcomes from the Conservation and Climate Action goals
  - Create an annual work plan that prioritizes the implementation of key strategies outlined in Zero by Fifty and the 100% Clean Electricity Resolution. Enter into an annual contract with community partners to support this work. Communicate implementation progress to City Council and the broader community on a quarterly basis.
- STRATEGY: Build facilities that help our vulnerable communities
  - Ensure that basic needs like food, shelter, and community connection are met through the presence of adequate shelter services and the creation of equitable third spaces. Enter into contracts with community partners on an annual basis to support this work.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	102,027	325,119	406,058	391,062	731,414
Supplies	10,291	17,915	21,111	17,125	18,341
Purchased Services	63,704	33,689	98,879	46,763	434,402
Miscellaneous	322,303	344,031	316,532	392,543	824,320
<b>Total</b>	<b>498,325</b>	<b>720,926</b>	<b>842,580</b>	<b>847,493</b>	<b>2,008,477</b>

**CITY ATTORNEY'S OFFICE**



## **City Attorney**

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.

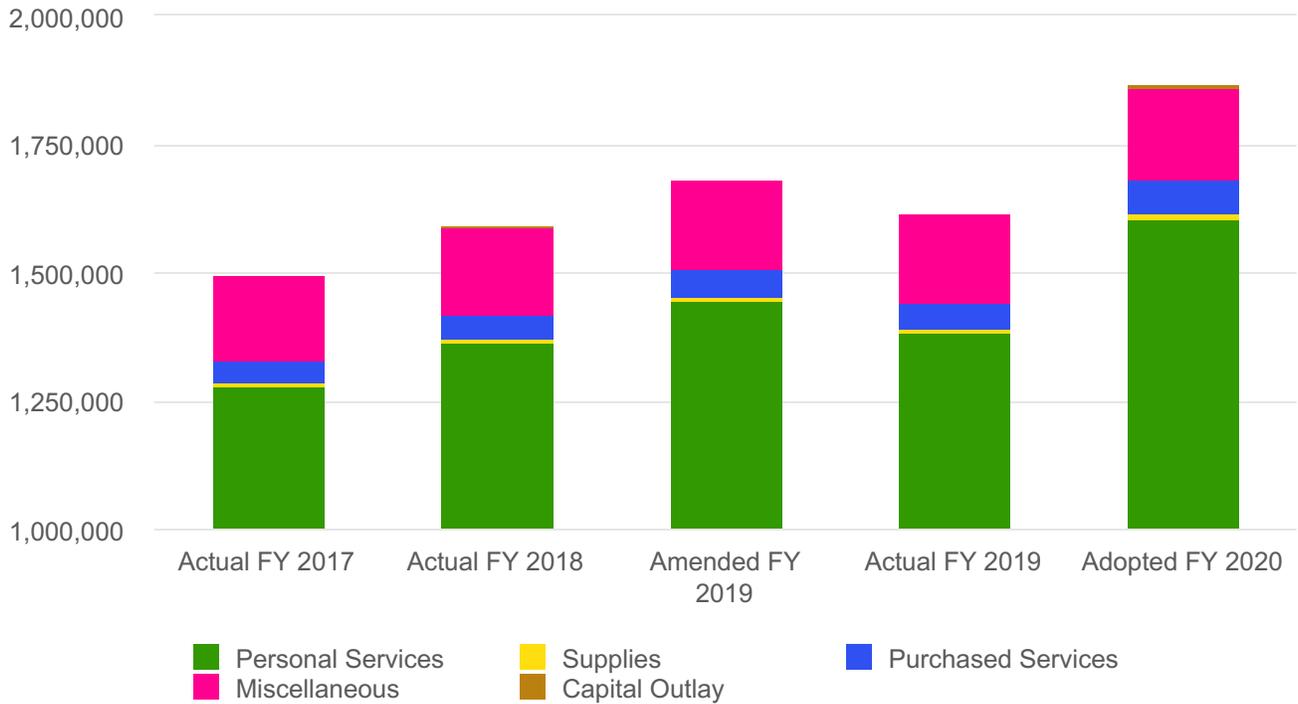
### **ALTERNATIVE DISPUTE RESOLUTION**

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**

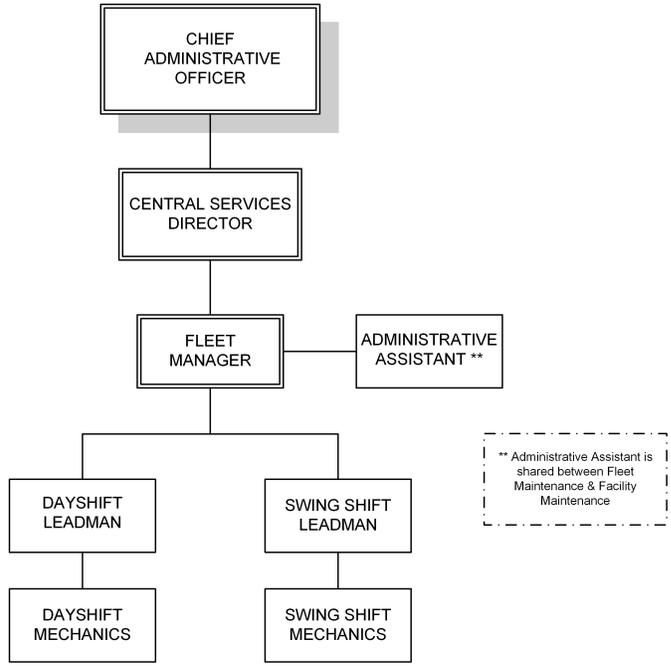
This is the amount of money that is transferred to the Missoula County Crime Victim Advocates Program. The Healthy Relationships Project Coordinator builds, coordinates, and provides training and support for coalitions of community members working to prevent teen dating violence and intimate partner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

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	1,280,294	1,364,445	1,447,097	1,384,891	1,603,330
Supplies	6,889	8,043	7,631	8,407	13,581
Purchased Services	40,346	47,030	53,344	49,451	66,763
Miscellaneous	167,818	167,818	173,233	173,233	178,414
Capital Outlay	—	4,332	—	—	4,674
<b>Total</b>	<b>1,495,347</b>	<b>1,591,668</b>	<b>1,681,305</b>	<b>1,615,982</b>	<b>1,866,762</b>

# FLEET MAINTENANCE



\*\* Administrative Assistant is shared between Fleet Maintenance & Facility Maintenance

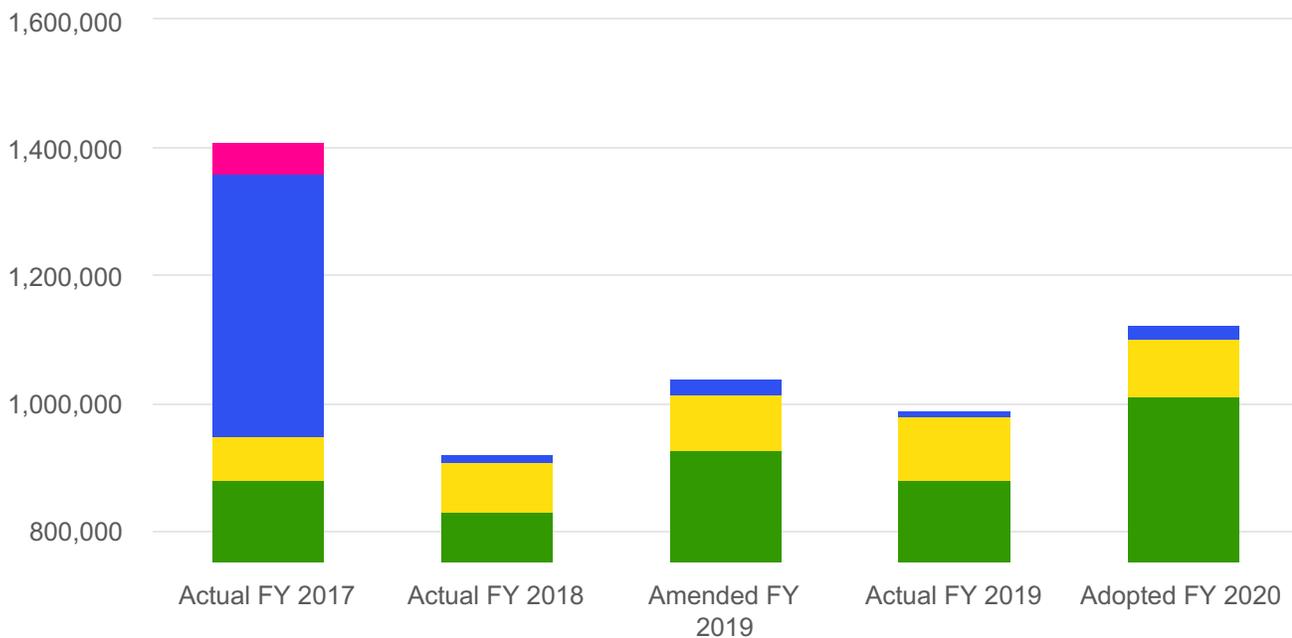
## Fleet Maintenance

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.

### BUDGET HIGHLIGHTS

The Fleet Maintenance Division is part of a team to identify, implement and purchase core equipment and vehicles to help build and create functional infrastructure for the Citizens of Missoula. We continue to strive to identify and implement sustainable and green alternative energy sources throughout the City of Missoula Fleet.

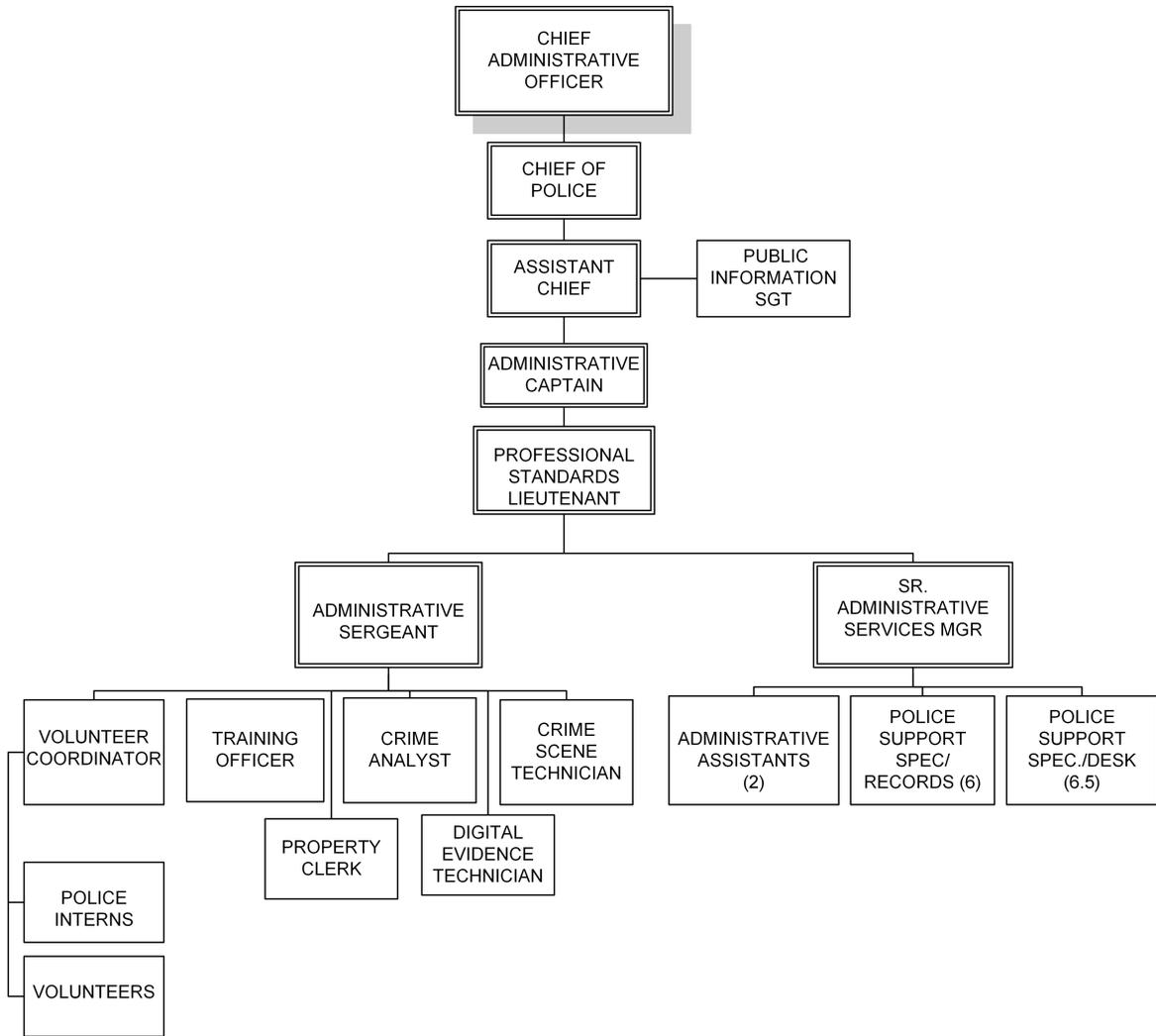
### EXPENSE SUMMARY



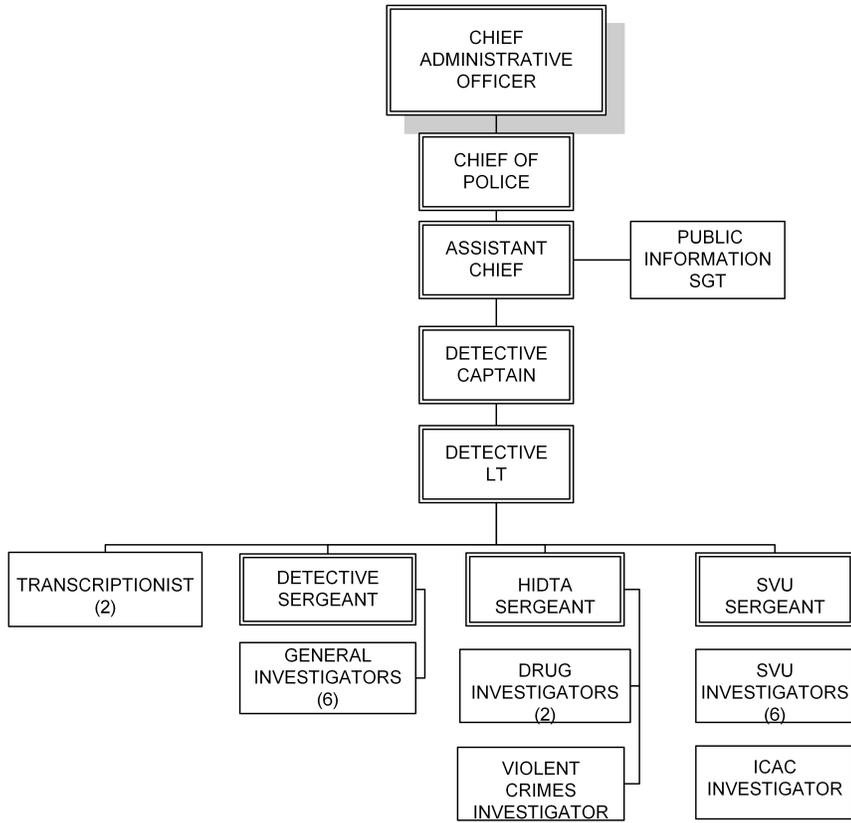
■ Personal Services    
 ■ Supplies    
 ■ Purchased Services    
 ■ Miscellaneous

	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	879,313	831,600	928,034	879,755	1,012,468
Supplies	70,321	78,129	85,981	99,132	90,026
Purchased Services	410,638	10,525	24,425	11,626	21,425
Miscellaneous	48,540	—	—	—	—
<b>Total</b>	<b>1,408,812</b>	<b>920,254</b>	<b>1,038,440</b>	<b>990,513</b>	<b>1,123,919</b>

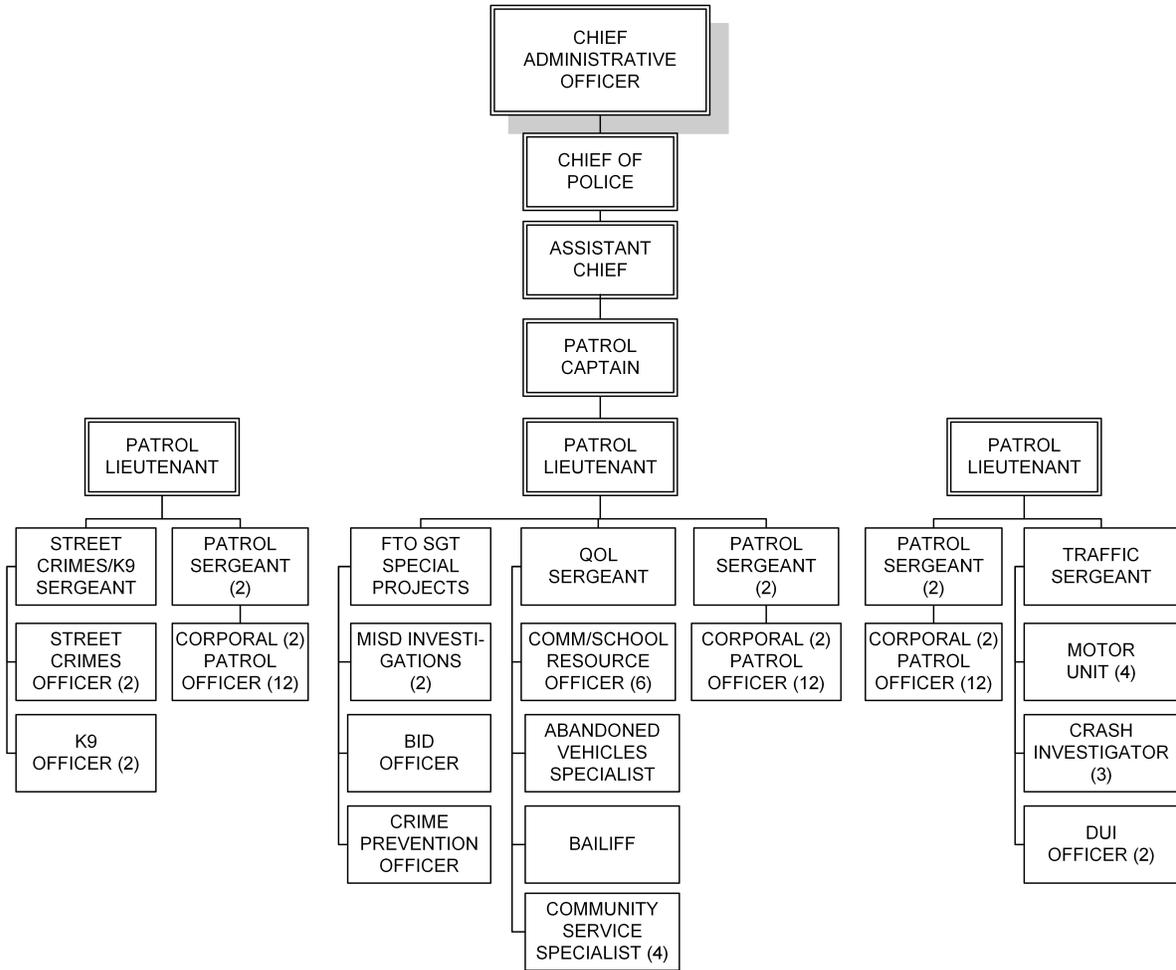
**POLICE DEPARTMENT- ADMINISTRATIVE DIVISION**



**POLICE DEPARTMENT – DETECTIVE DIVISION**



**POLICE DEPARTMENT – PATROL DIVISION**



## **Police**

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: Reducing sexual violence and abuse of victims; Quality of Life; Prescription Drug Abuse; Crisis Intervention; Underage Drinking; Driving Under the Influence; Drug Trafficking; Traffic Enforcement.

### **GOALS & STRATEGIES**

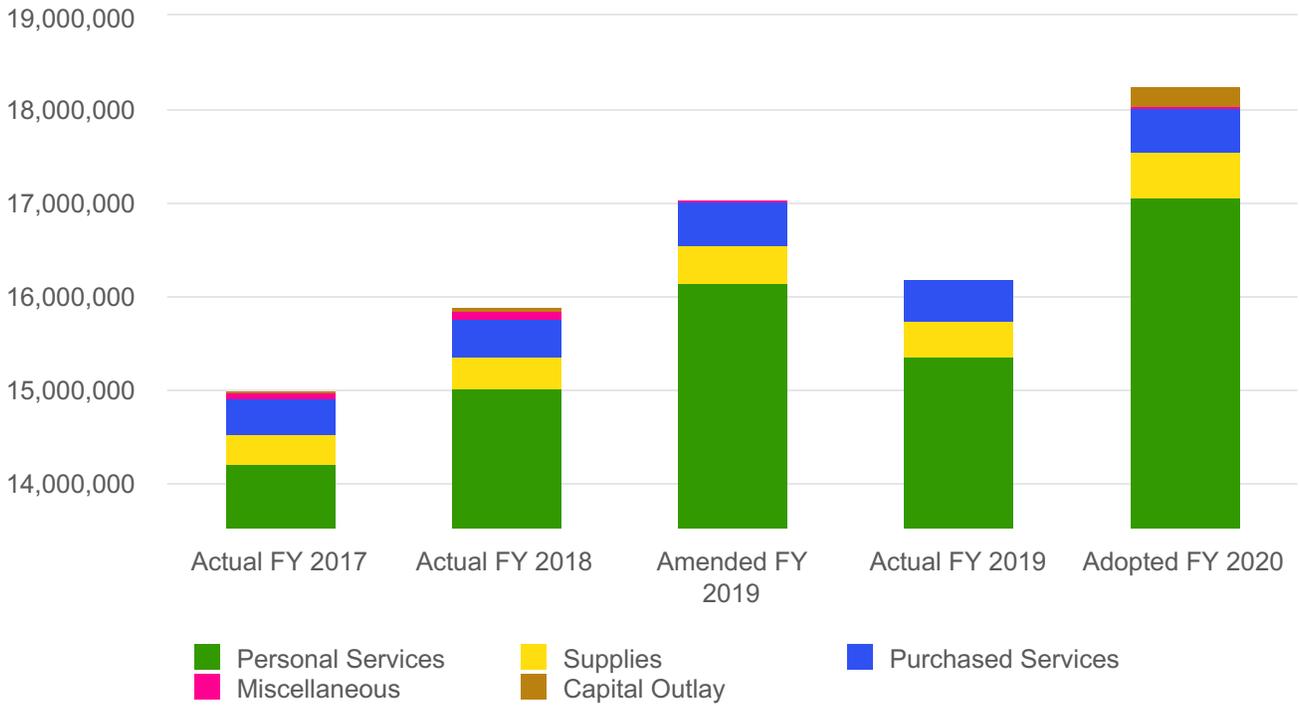
#### **Public Safety**

- Increase the minimum police shift size from five to six officers
  - Accomplished by the hiring of three additional officers in both FY'19 and FY'20.
- Conduct a Police staffing needs study
  - The study is currently in progress and department is:
    - Reviewing calls for service data, including how long calls may take and the number of personnel needed for the calls;
    - Reviewing outside influences on officers' time such as court appearances, overtime; time off, worker's compensation claims;
    - Reviewing current scheduling;
    - Reviewing deployment zones;

### **BUDGET HIGHLIGHTS**

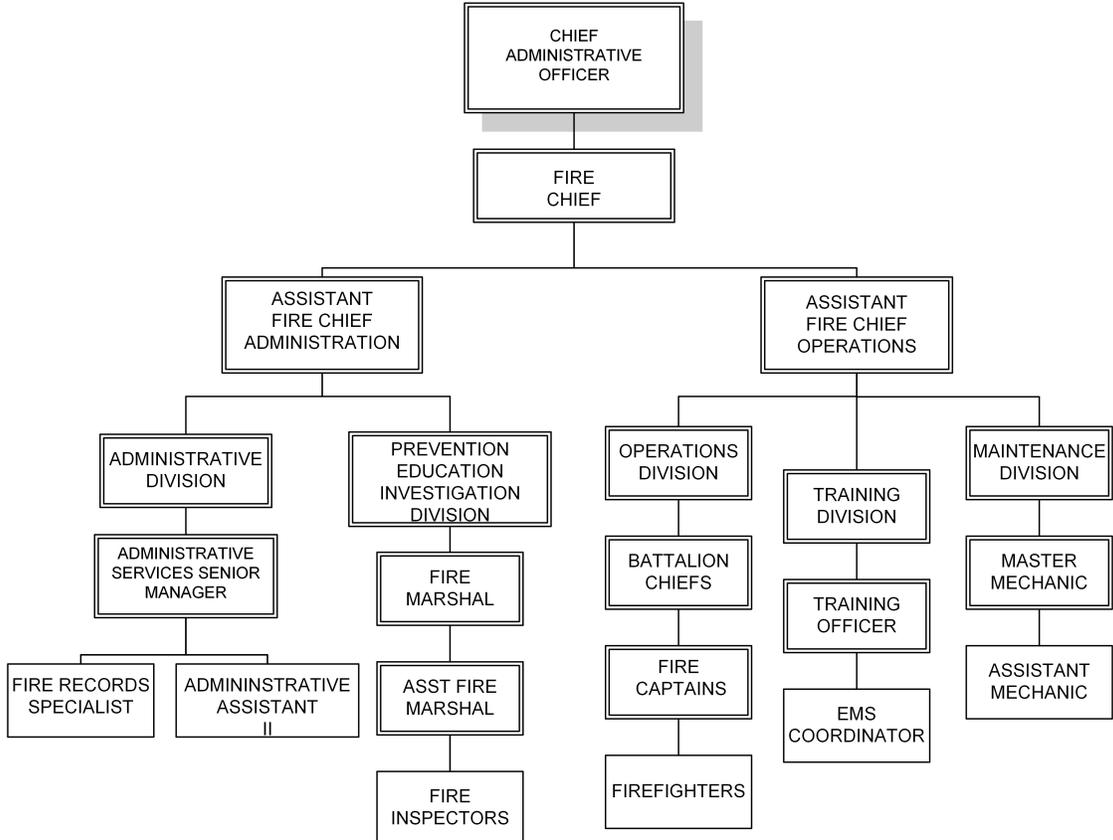
The Missoula Police Department has utilized its budget to hire additional officers to enhance the department's ability to to delivery quality service. The department also initiated the staffing study the was provided in the budget.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	14,202,995	15,012,368	16,150,594	15,353,262	17,051,250
Supplies	326,651	350,729	391,716	375,121	488,706
Purchased Services	369,065	404,633	465,500	453,979	484,515
Miscellaneous	80,606	77,391	20,552	8,500	10,650
Capital Outlay	18,336	32,059	—	24	210,000
<b>Total</b>	<b>14,997,653</b>	<b>15,877,180</b>	<b>17,028,362</b>	<b>16,190,886</b>	<b>18,245,121</b>

# FIRE DEPARTMENT



## **Fire**

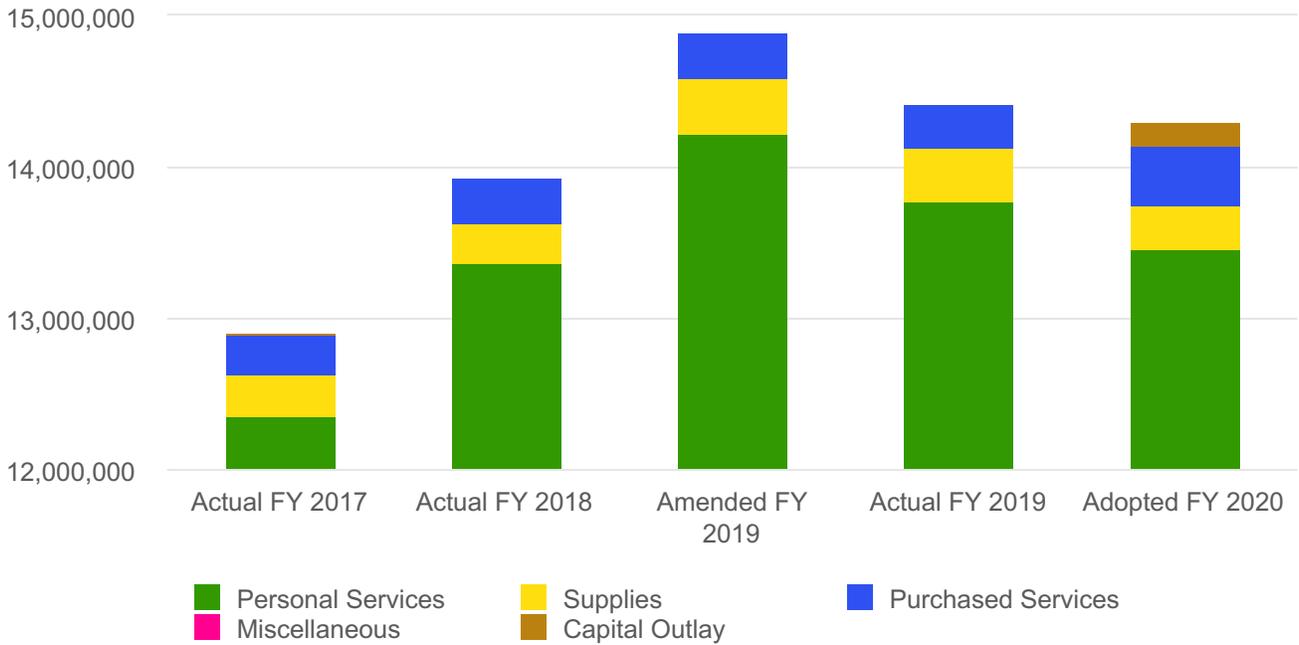
We will focus on our mission to save lives, protect property and ease pain and suffering while being recognized as the premier public safety organization, respected and admired by our peers and our community as the most effective, innovative, and efficient fire department in the state of Montana and the region.

### **BUDGET HIGHLIGHTS**

Throughout FY19: MFD saw 3 new upper-level promotions, Jeff Brandt was promoted to Fire Chief, Brad Davis was promoted to Assistant Fire Chief of Operations, and Eric Petroff was promoted to Master Mechanic.

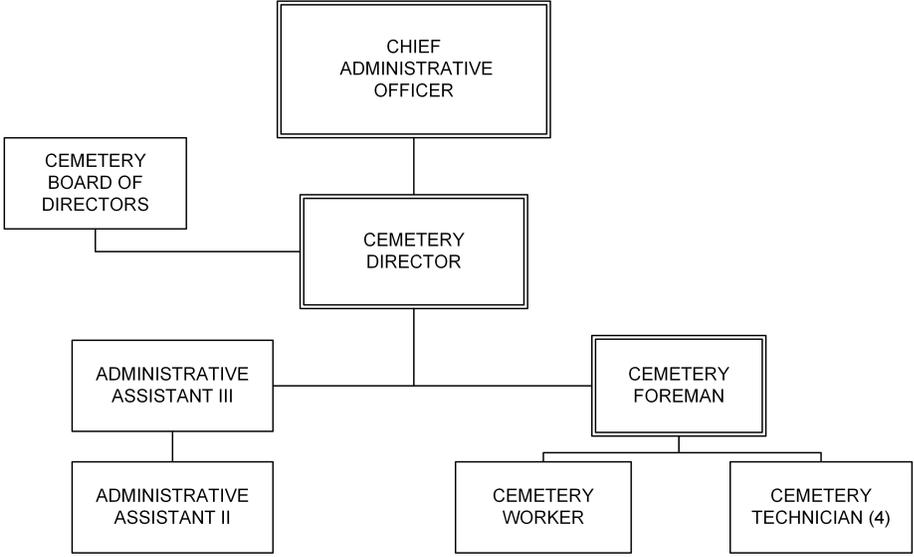
- October, 2018: MFD implemented a scheduling software, Crew Sense, designed to electronically manage and streamline shifts, rotating schedules, station assignments, and call-in crews.
- Spring, 2019: MFD invested in 921 Docs, a fire investigation reporting software designed to simplify and maximize success of this task for faster report turnaround.
- In 2018 and 2019, MFD worked to compile a comprehensive Master Fire Plan that details MFD's scope of service and goals moving forward. Additionally, MFD created a 2018 Annual Report to detail accomplishments, data, and statistics of that year.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	12,353,644	13,363,530	14,228,534	13,771,884	13,463,588
Supplies	284,440	272,328	357,868	357,794	285,556
Purchased Services	254,497	296,935	302,088	292,400	389,236
Miscellaneous	308	3,020	3,008	3,259	3,048
Capital Outlay	11,576	10	—	—	159,054
<b>Total</b>	<b>12,904,465</b>	<b>13,935,823</b>	<b>14,891,498</b>	<b>14,425,337</b>	<b>14,300,482</b>

**CEMETERY**



## **Cemetery**

It is the mission of the Missoula City Cemetery and the Missoula City Cemetery Board of Trustees to provide affordable options for the community who use the Missoula City Cemetery, to expand cemetery services that keep this cemetery relevant, usable, and sustainable for future generations, and to provide quality control to meet the expectations of the community we serve.

The Missoula City Cemetery provides a variety of services to the citizens of Missoula including:

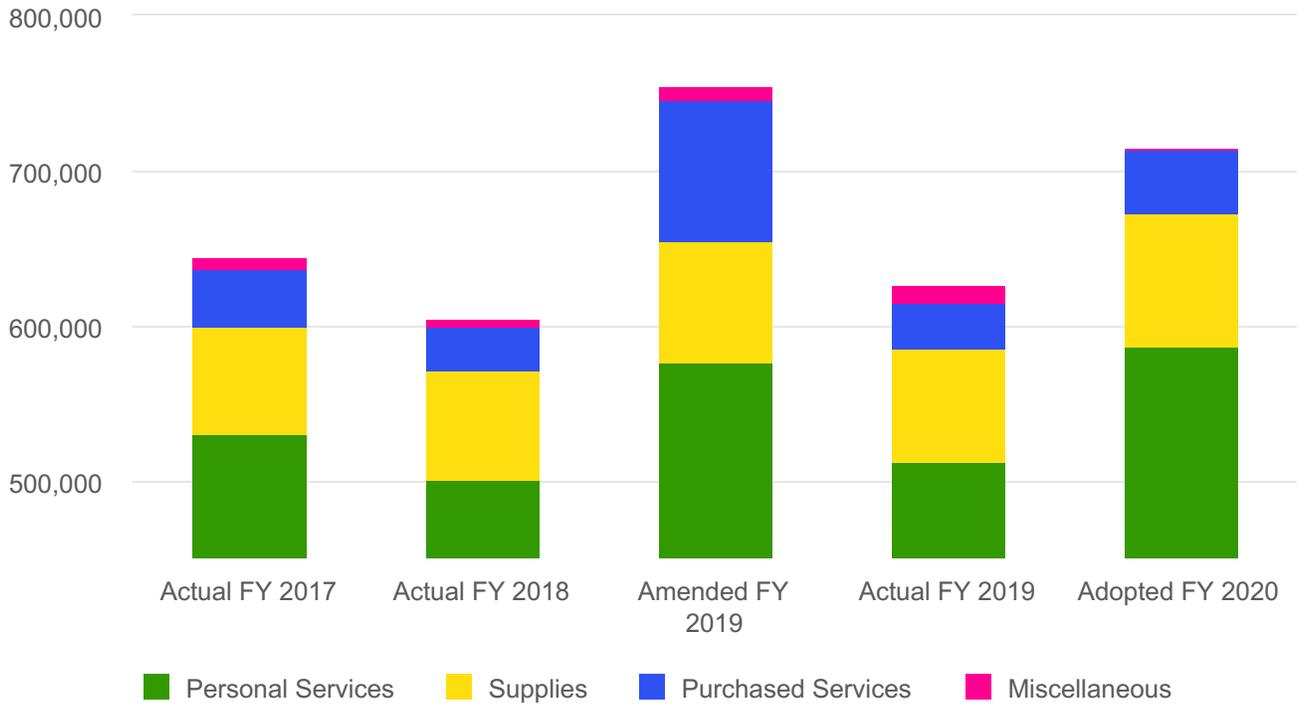
- Maintaining a beautiful, tranquil, and pristine interment setting.
- Extend compassionate guidance with interment needs.
- Offering affordable costs associated with interments.
- Conduct interments with utmost dignity, integrity, and respect.
- Remain attentive and pro-active to evolving interment trends.
- Promote the active services, benefits, and development of the cemetery.
- Endorse the historical significance of the cemetery.

### **BUDGET HIGHLIGHTS**

In FY2019, the Missoula City Cemetery received approval for a Cemetery Needs Study.

- Phase I of this process was to send out a Request for Qualifications.
  - Bid proposals were received, and a consultant firm was hired to review and assess cemetery needs.
- Phase II of this implementation the Cemetery will have a kick off meeting in December 2019.
  - The Cemetery Needs Study will be accomplished by end of FY 2020.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	530,775	501,864	577,361	512,822	586,703
Supplies	69,495	70,253	78,090	72,861	86,275
Purchased Services	36,541	27,977	90,691	30,245	41,361
Miscellaneous	7,811	5,640	8,685	11,111	500
<b>Total</b>	<b>644,622</b>	<b>605,734</b>	<b>754,827</b>	<b>627,039</b>	<b>714,839</b>

## Non-Departmental

The purpose of Non-Departmental accounts is for expenditures 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.

### **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 **\$461,905**

### **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 **\$82,225**

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 **\$67,775**

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 DEPARTMENT CONTRIBUTION** - Activity budget equals **\$1,650,217**

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

### **HEALTH INSURANCE RESERVE & TRANS TO EMPLOYEE BENEFIT FUND** - Activity budget equals **\$522,000**

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.

**SALARY RESERVE NON-UNION INCREASE** - Activity budget equals **\$1,001,954**

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.

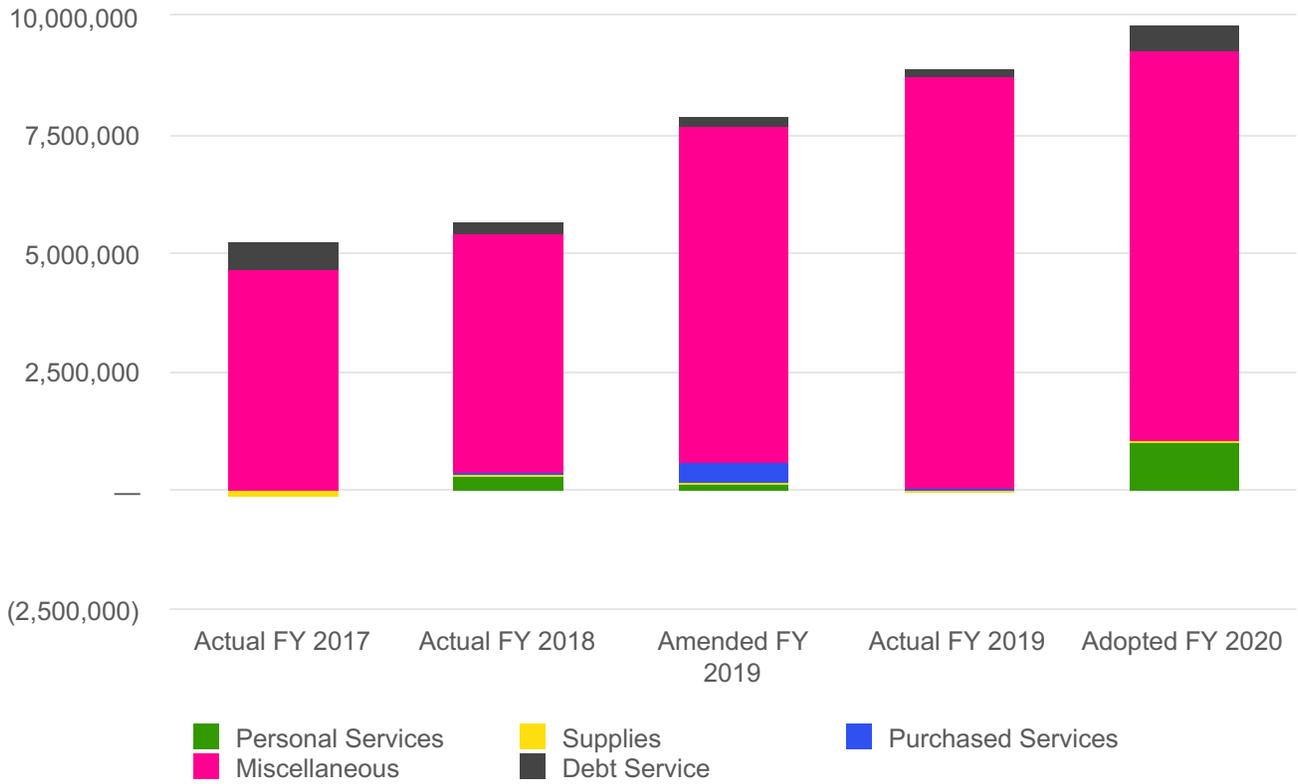
**TRANSFER TO C.I.P. FUND** - Activity budget equals **\$1,817,016**

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.

## EXPENSE SUMMARY



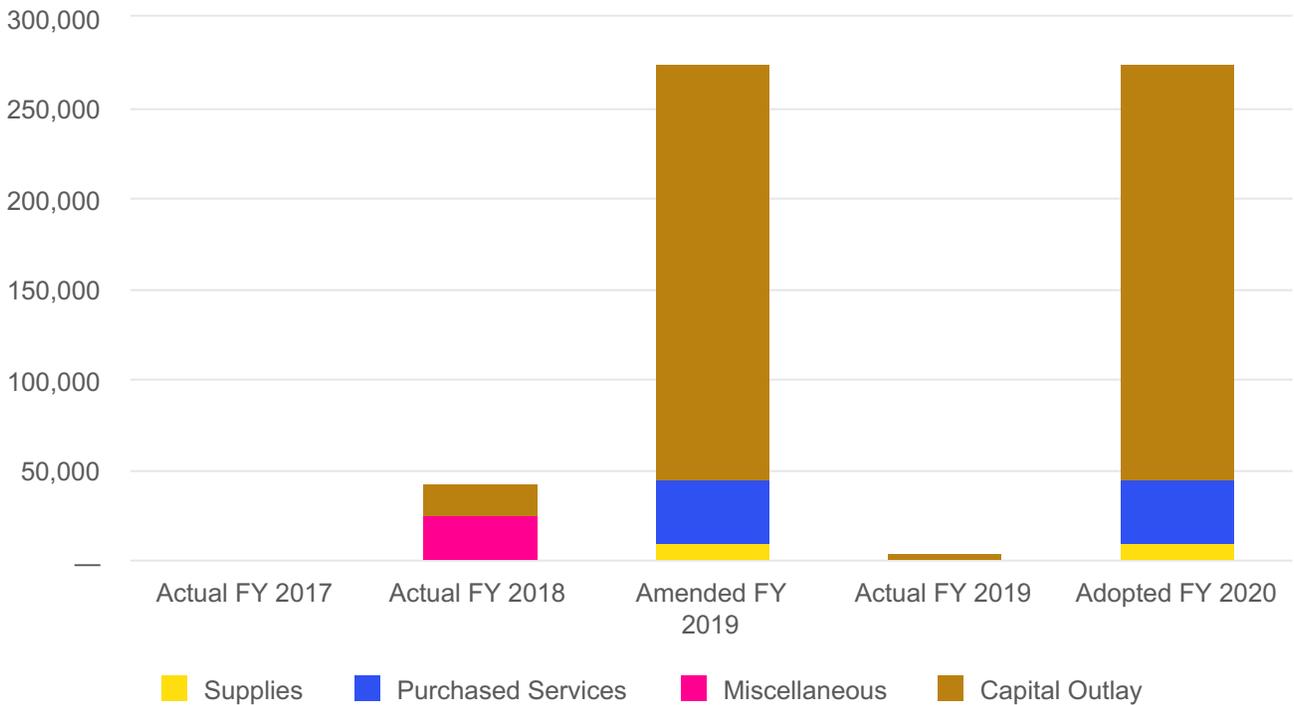
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	(1,548)	289,759	159,135	5,203	1,033,065
Supplies	(87,242)	59,265	25,000	(10,927)	25,000
Purchased Services	37,000	55,540	433,200	48,138	—
Miscellaneous	4,618,852	5,039,421	7,082,103	8,690,424	8,249,612
Debt Service	590,350	227,804	196,436	183,556	544,015
<b>Total</b>	<b>5,157,412</b>	<b>5,671,789</b>	<b>7,895,874</b>	<b>8,916,394</b>	<b>9,851,692</b>

## 1211 Park Acquisition & Development

The Park Acquisition & Development 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.

### EXPENSE SUMMARY

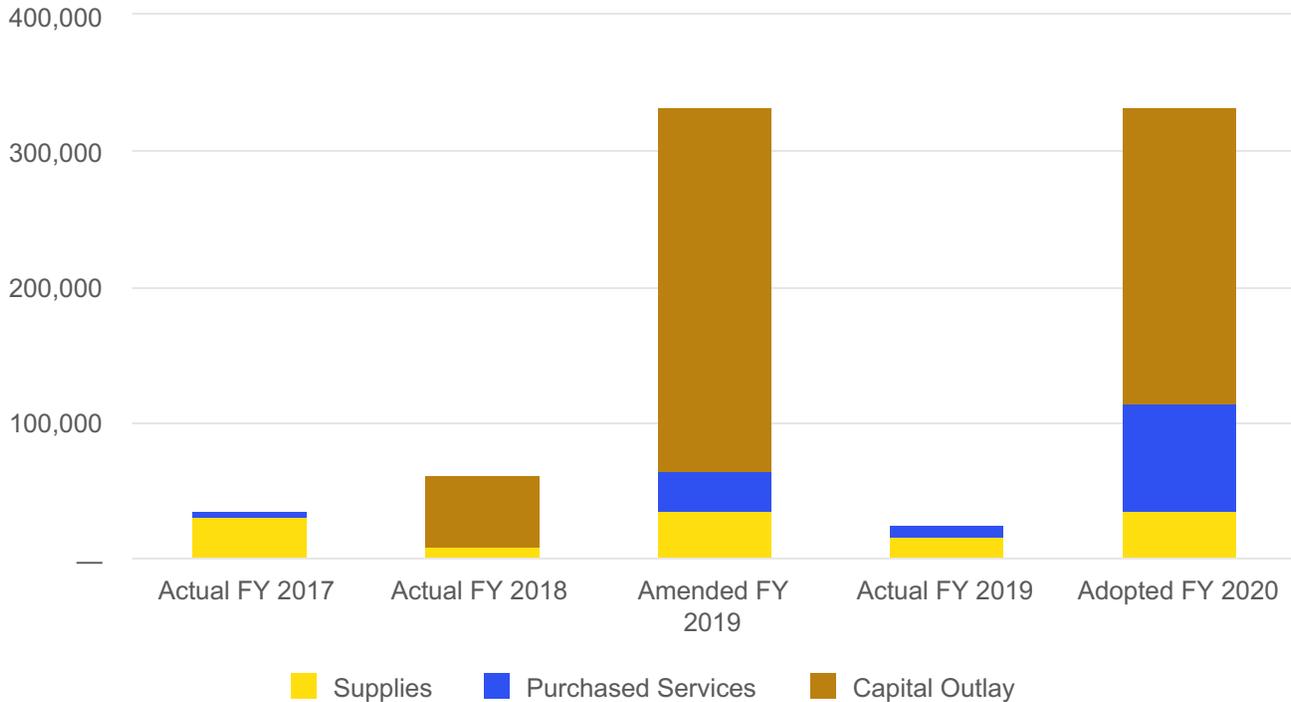


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Supplies	—	—	10,000	—	10,000
Purchased Services	—	—	35,000	—	35,000
Miscellaneous	—	24,779	—	—	—
Capital Outlay	—	17,948	229,959	4,067	229,959
<b>Total</b>	<b>—</b>	<b>42,727</b>	<b>274,959</b>	<b>4,067</b>	<b>274,959</b>

## 1212 Park Enterprise

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.

### EXPENSE SUMMARY

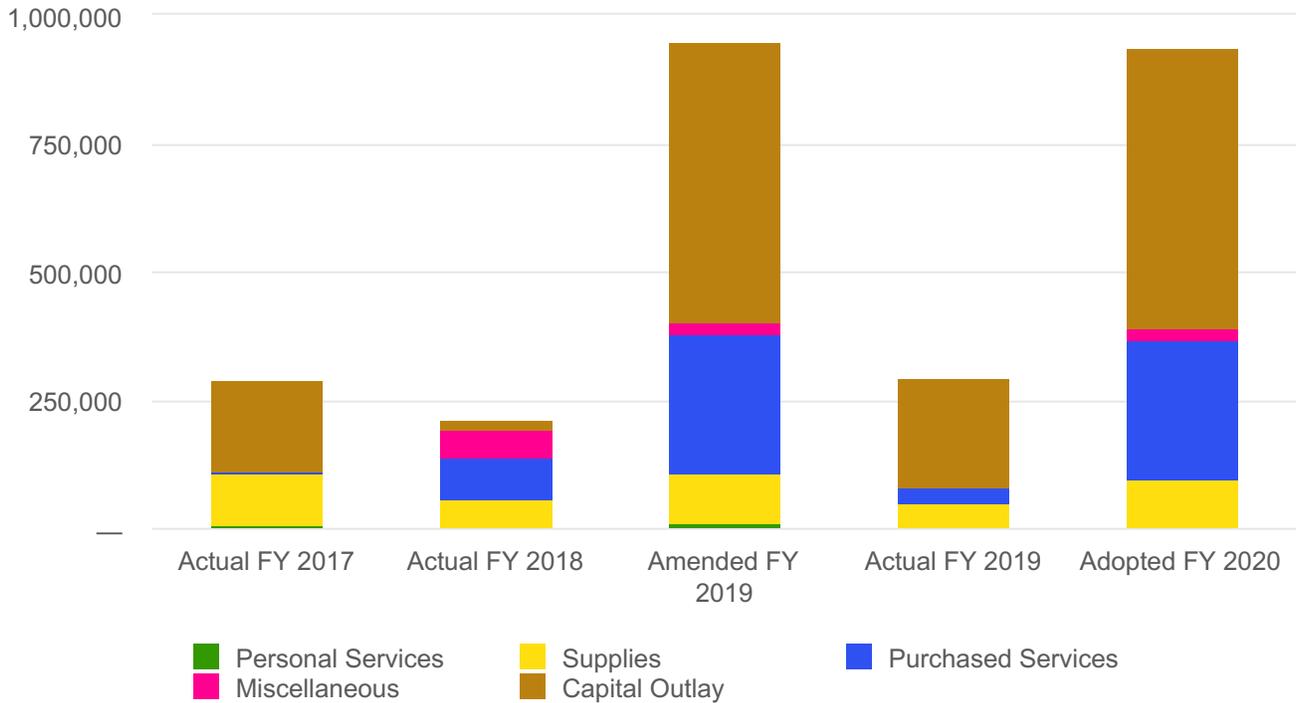


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Supplies	31,208	8,645	35,000	16,408	35,000
Purchased Services	4,302	—	30,000	8,297	80,000
Capital Outlay	—	53,131	267,360	—	217,360
<b>Total</b>	<b>35,510</b>	<b>61,776</b>	<b>332,360</b>	<b>24,705</b>	<b>332,360</b>

## 1216 Parks, Recreation, Open Space and Trails

The Parks, Recreation, Open, and Trails fund is donated and/or earmarked funds gifted and allocated for specific causes, areas, projects issues, or programs.

### EXPENSE SUMMARY

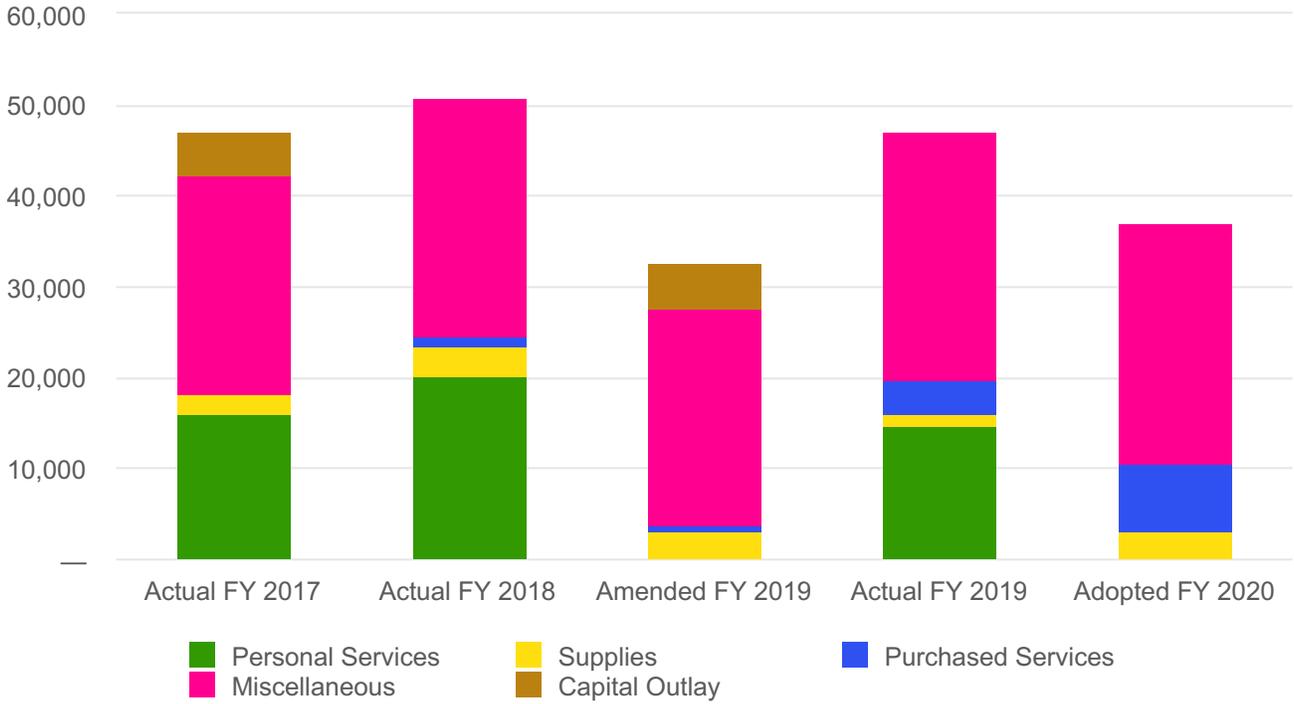


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	6,359	1,041	13,200	2,391	—
Supplies	100,903	56,284	93,600	49,726	95,600
Purchased Services	3,635	83,668	272,500	30,441	272,500
Miscellaneous	—	51,137	25,000	—	25,000
Capital Outlay	179,746	22,778	544,726	213,925	544,726
<b>Total</b>	<b>290,643</b>	<b>214,908</b>	<b>949,026</b>	<b>296,483</b>	<b>937,826</b>

## 1217 City Life

The City Life fund is for projects that enhance the quality of life in our community by promoting public sports and wellness programs and recreational opportunities at an indoor facility.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	15,903	20,129	—	14,634	—
Supplies	2,258	3,271	3,000	1,427	3,000
Purchased Services	—	1,017	700	3,718	7,600
Miscellaneous	24,000	26,400	24,000	27,400	26,400
Capital Outlay	4,992	—	5,000	—	—
<b>Total</b>	<b>47,153</b>	<b>50,817</b>	<b>32,700</b>	<b>47,179</b>	<b>37,000</b>

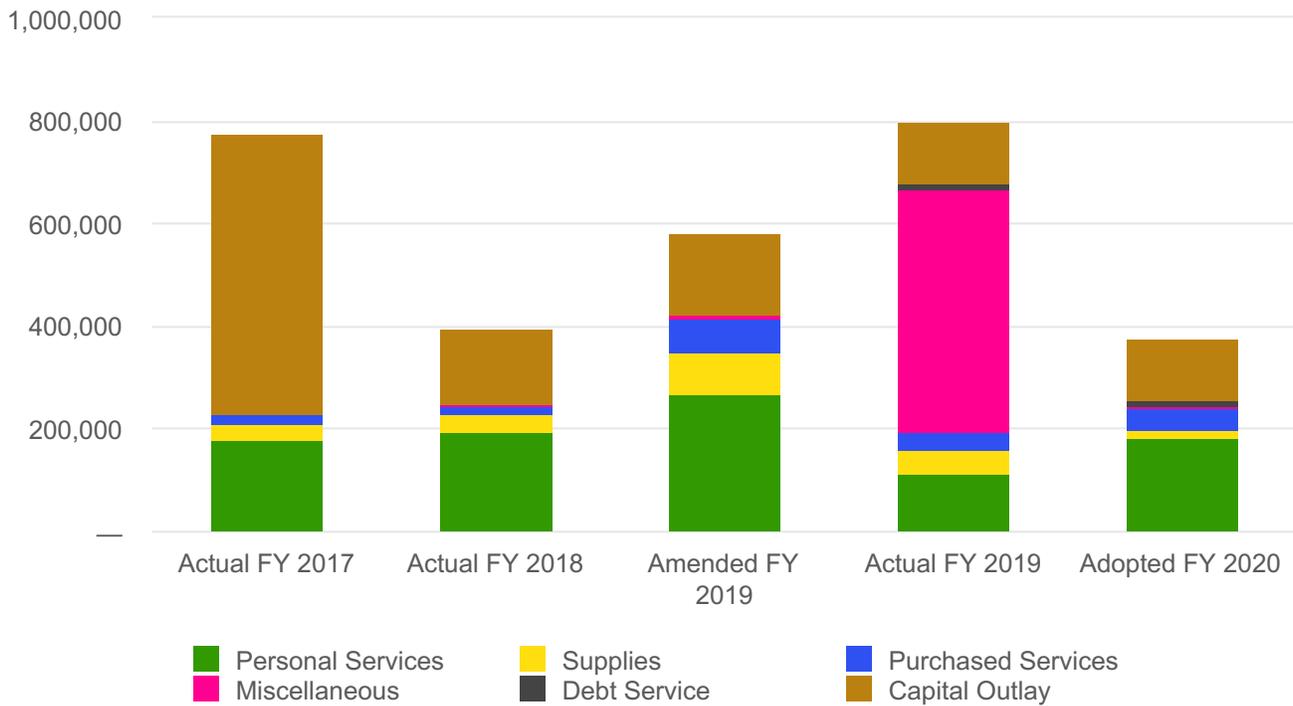
## 1219 Fort Missoula Regional Park - Recreation

The Fort Missoula Regional Park (FMRP) General Fund-Special Fund was established to track all expenditures and revenues generated from organized sporting events, rental of facilities and social gatherings. Revenue sources for General Fund, Special Funds are received through donations, user fees, such as organized recreation leagues, rentals, programs and special event sponsorship.

The citizens of Missoula and the surrounding communities benefit from the creation of the Fort Missoula Regional Park through the promotion of 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.

### EXPENSE SUMMARY



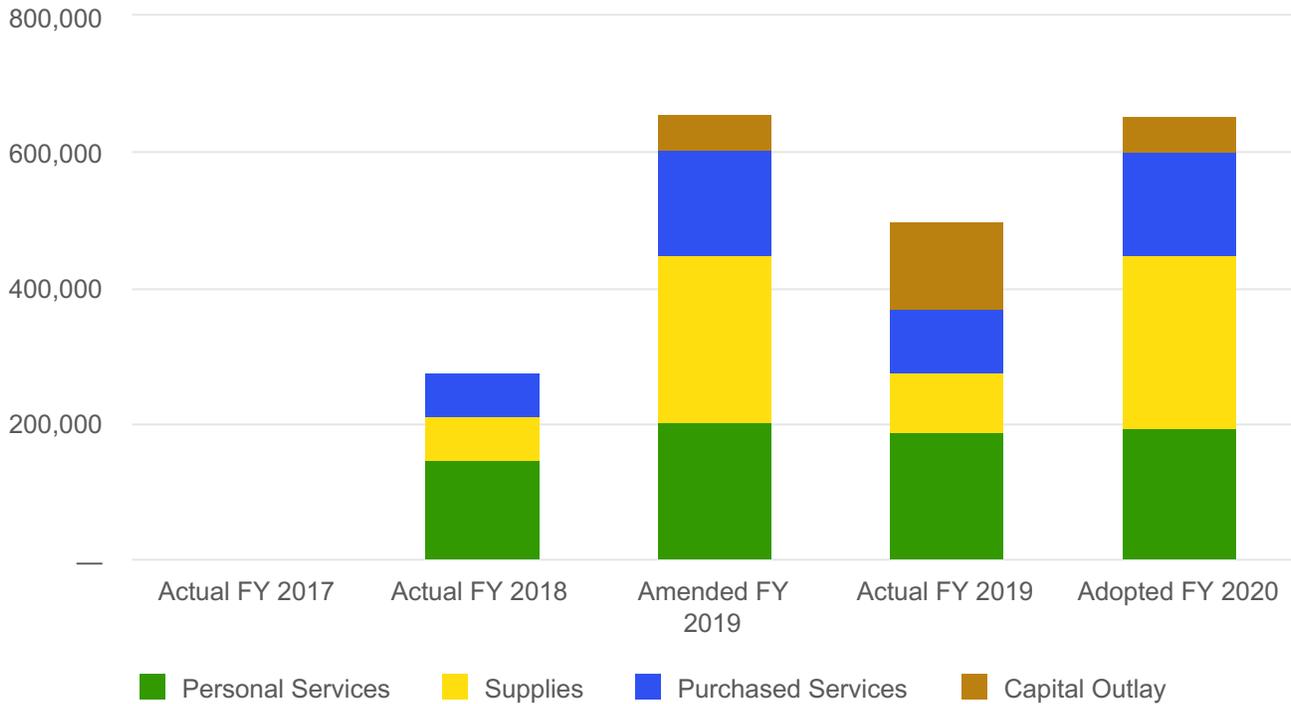
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	177,949	193,082	266,627	113,567	180,893
Supplies	30,402	35,167	82,000	43,410	18,600
Purchased Services	18,533	15,864	67,835	35,751	40,479
Miscellaneous	—	2,382	5,000	473,428	5,000
Debt Service	—	—	—	11,842	12,064
Capital Outlay	549,237	148,290	160,000	122,201	120,000
<b>Total</b>	<b>776,121</b>	<b>394,785</b>	<b>581,462</b>	<b>800,199</b>	<b>377,036</b>

## 1221 Fort Missoula Regional Park - Operations & Administration

The Fort Missoula Regional Park - Operations & Administration fund is a segregated fund established to account for the maintenance and operations of Fort Missoula Regional Park.

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

### EXPENSE SUMMARY

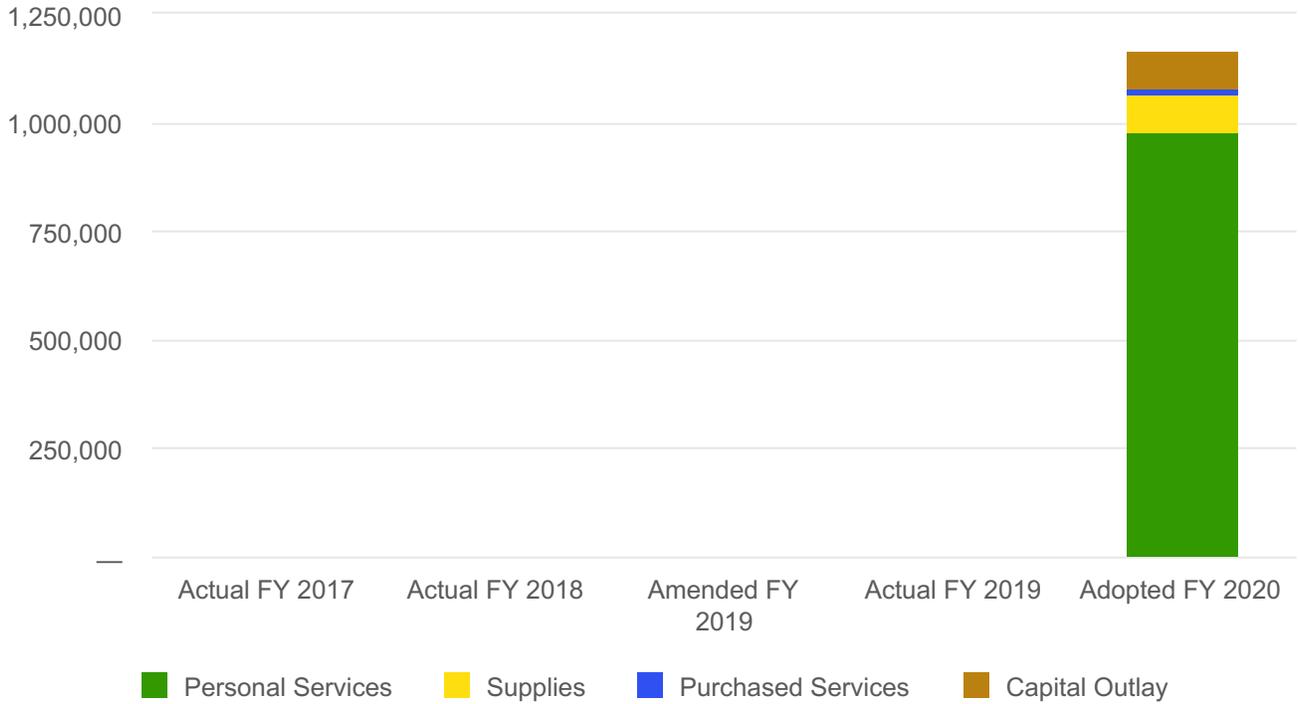


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	—	146,870	202,932	187,101	193,553
Supplies	—	64,334	245,700	88,460	253,622
Purchased Services	—	63,733	154,604	92,840	153,345
Capital Outlay	—	—	52,800	128,572	52,800
<b>Total</b>	<b>—</b>	<b>274,937</b>	<b>656,036</b>	<b>496,973</b>	<b>653,320</b>

## 1225 All Hazards

The All Hazards fund was created in Fiscal Year 2020 to track revenues and expenses for the All Hazards Program. Revenues are generated from deploying City Fire Department resources throughout the country to respond to identified hazards such as wildfires, hurricanes and floods and are reimbursed for use of fire department resources including staff and equipment.

### EXPENSE SUMMARY

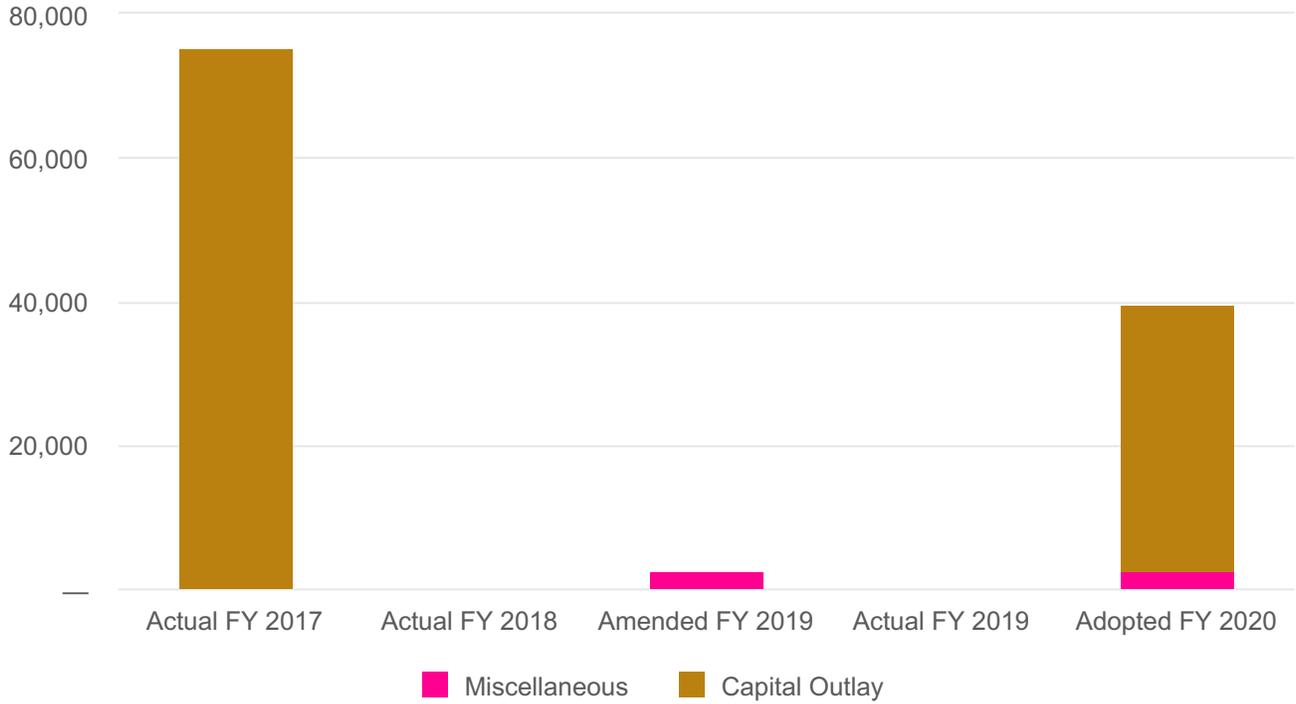


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	—	—	—	—	982,000
Supplies	—	—	—	—	87,073
Purchased Services	—	—	—	—	10,000
Capital Outlay	—	—	—	—	89,054
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,168,127</b>

## 1241 Cemetery Niche Wall

The Cemetery Niche Wall fund collects all revenue generated from niche or memorial wall sales and services at the Missoula City Cemetery.

### EXPENSE SUMMARY

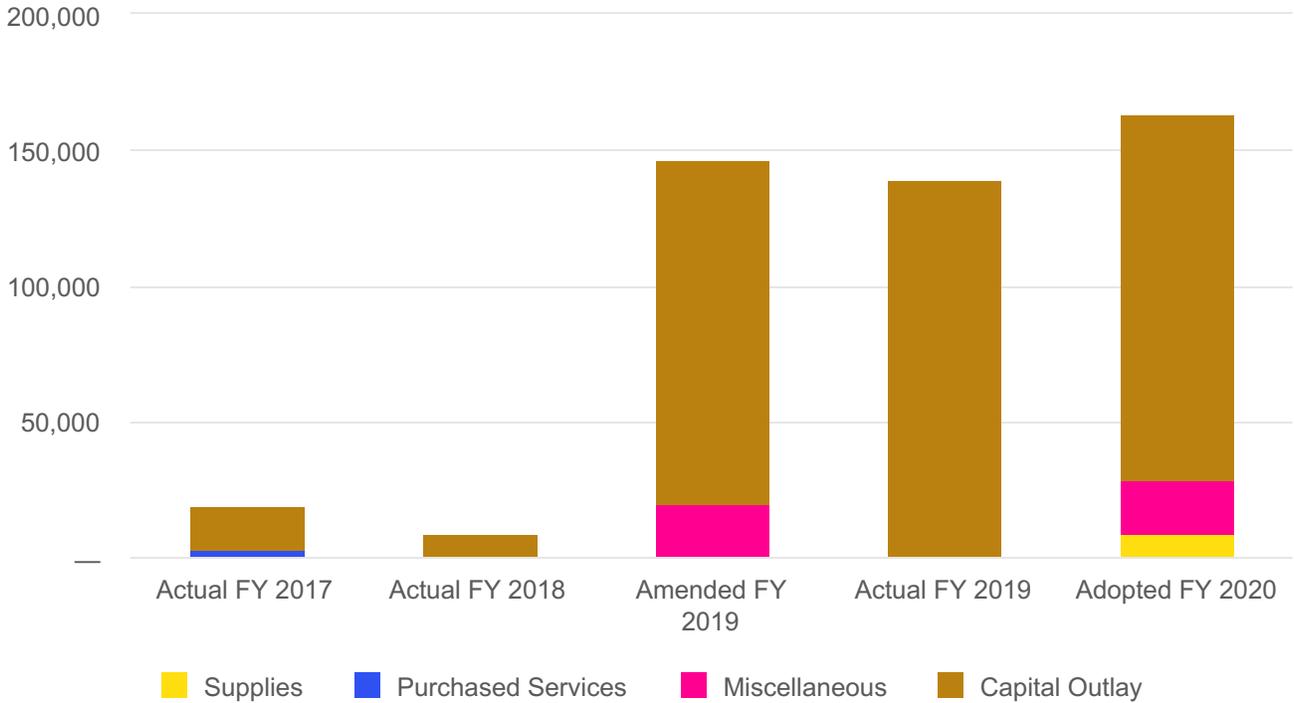


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	—	2,500	199	2,500
Capital Outlay	75,346	183	—	—	37,000
<b>Total</b>	<b>75,346</b>	<b>183</b>	<b>2,500</b>	<b>199</b>	<b>39,500</b>

## 1242 Cemetery Capital Reserve

The Cemetery Capital Reserve fund collects 50% of all revenue generated from sales and services at the Missoula City Cemetery with the exception of niche or memorial wall sales and services revenue, which is deposited into 1241 Cemetery Niche Wall fund and memorial monetary donations, which are deposited into the Memorial Reserve Fund.

### EXPENSE SUMMARY



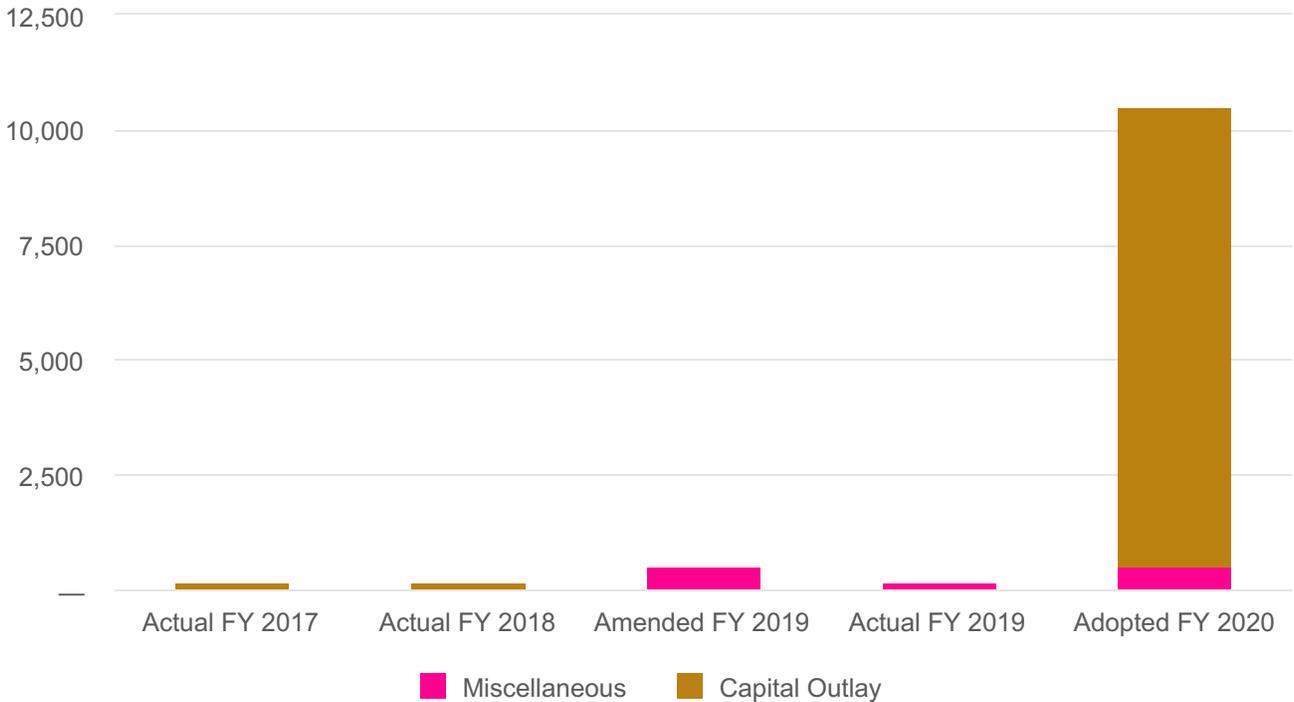
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Supplies	—	—	—	—	8,500
Purchased Services	2,696	—	—	—	—
Miscellaneous	—	—	20,000	—	20,000
Capital Outlay	16,091	8,784	126,216	139,091	135,000
<b>Total</b>	<b>18,787</b>	<b>8,784</b>	<b>146,216</b>	<b>139,091</b>	<b>163,500</b>

## 1243 Cemetery Grants & Donations

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.

The Cemetery Grants & Donations fund collected all donations to the Missoula City Cemetery. A record of which is maintained by the Missoula City Cemetery office.

### EXPENSE SUMMARY

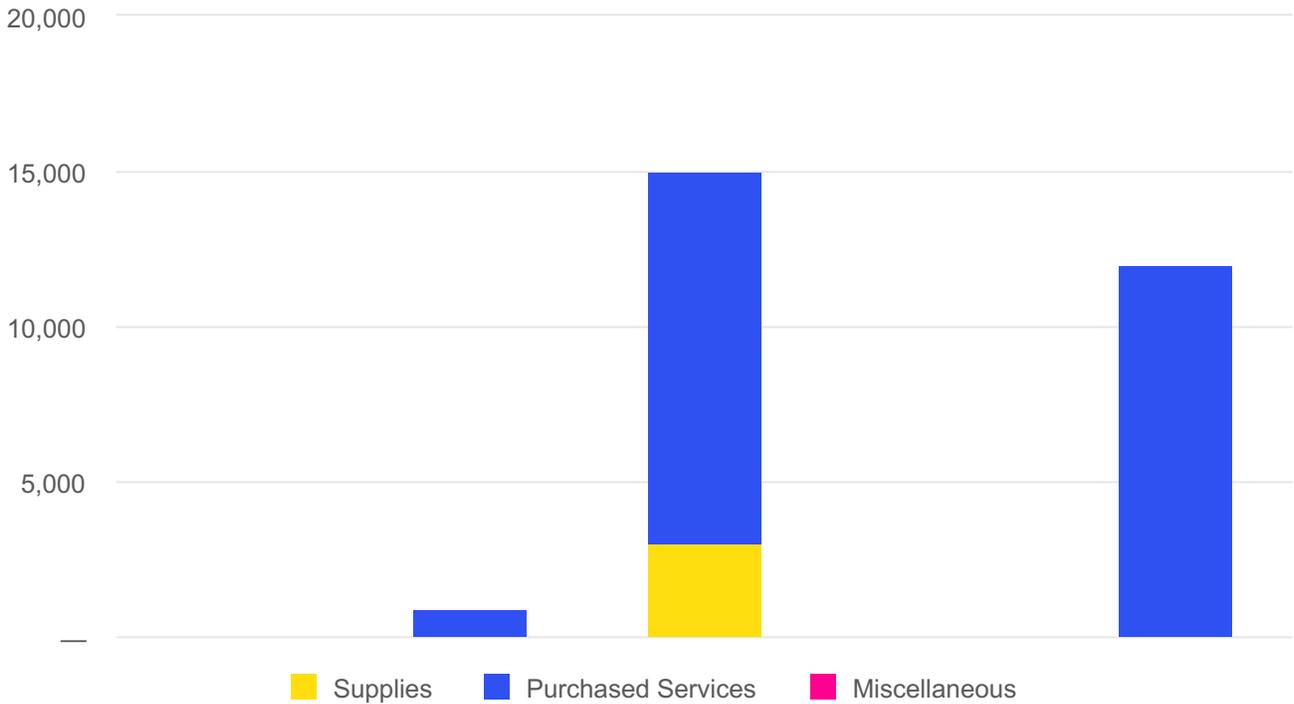


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	—	500	159	500
Capital Outlay	164	194	—	—	10,000
<b>Total</b>	<b>164</b>	<b>194</b>	<b>500</b>	<b>159</b>	<b>10,500</b>

## 1251 Johnson Street Property Rental

The Johnson Street Property Rental fund is used to pay for expenses related to maintaining the property at the corner of Johnson Street and North Avenue. 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 under-served area of the community.

### EXPENSE SUMMARY

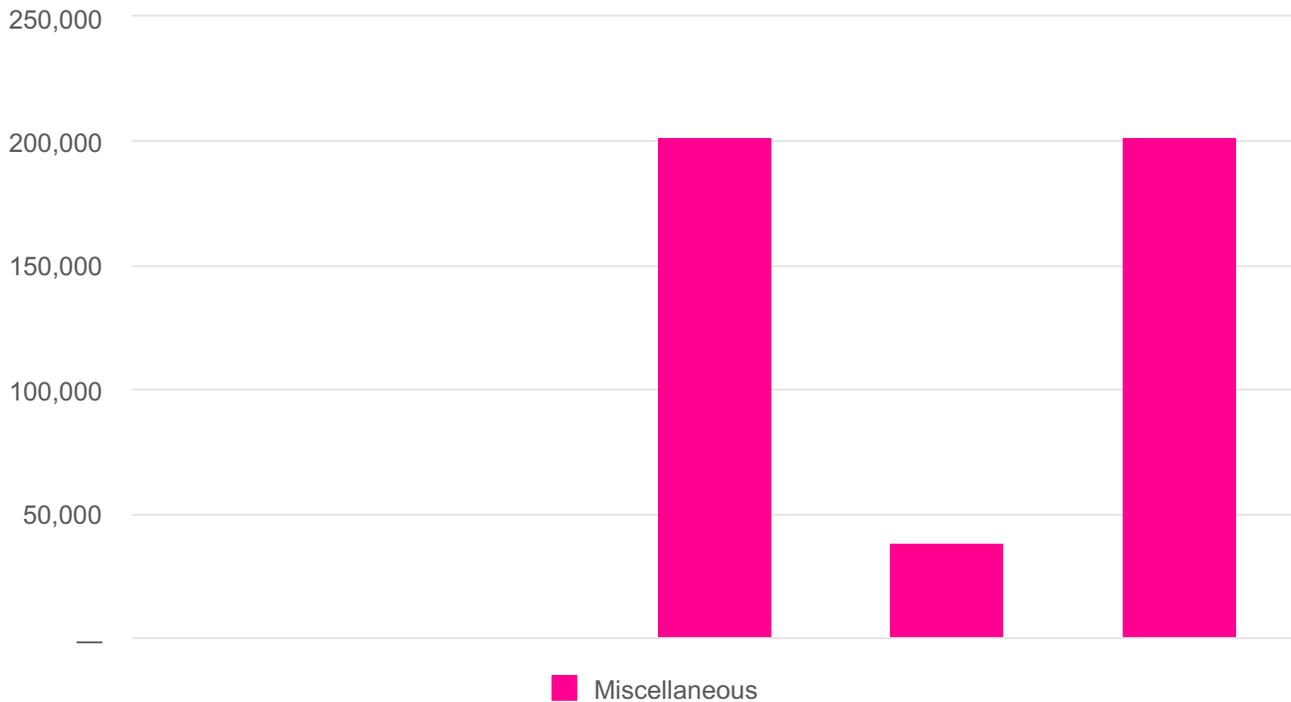


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Supplies	—	—	3,000	—	—
Purchased Services	—	920	12,000	—	12,000
<b>Total</b>	<b>—</b>	<b>920</b>	<b>15,000</b>	<b>—</b>	<b>12,000</b>

## 1265 Title I Projects

The Title I Project fund was created when the City began receiving revenues in Fiscal Year 1986 from projects 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 must be used for eligible projects of the Housing and Community Development Act of 1974 as amended.

### EXPENSE SUMMARY

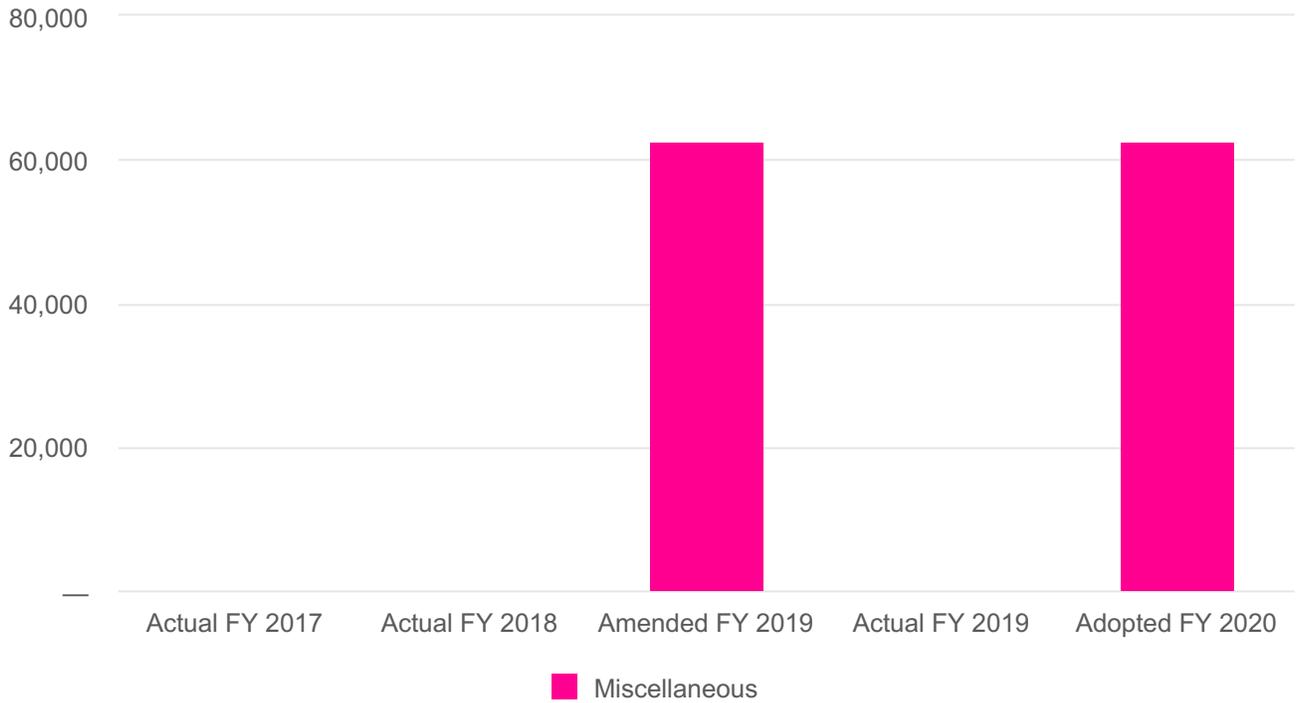


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	—	201,924	38,718	201,924
<b>Total</b>	—	—	<b>201,924</b>	<b>38,718</b>	<b>201,924</b>

## 1396 Program Income Revolving Loan Fund

The 1396 Program Income Revolving Loan Fund derives its funding from sewer assistance grants that have been repaid to the City of Missoula, in addition to a Water Quality District appropriation.

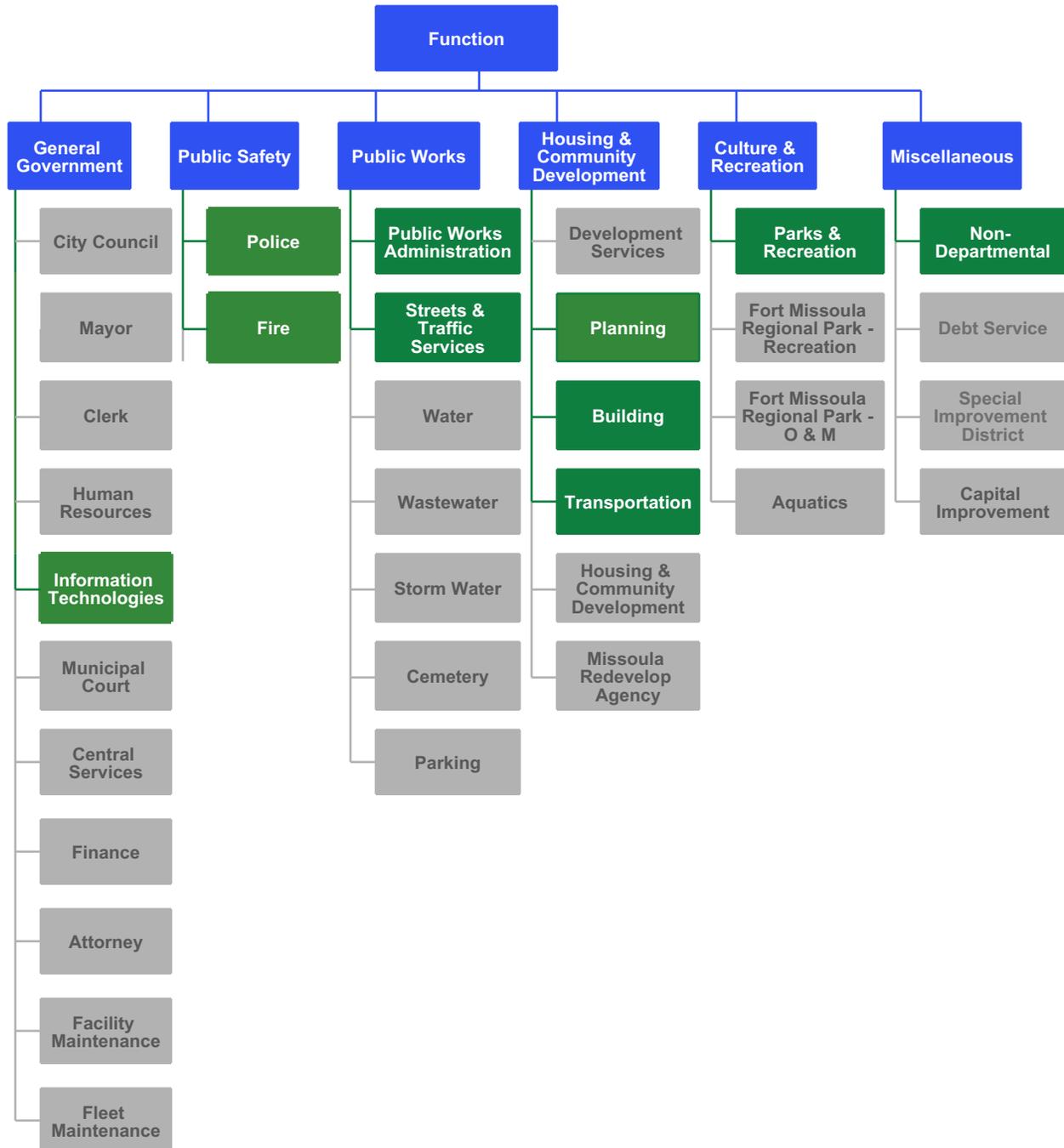
### EXPENSE SUMMARY



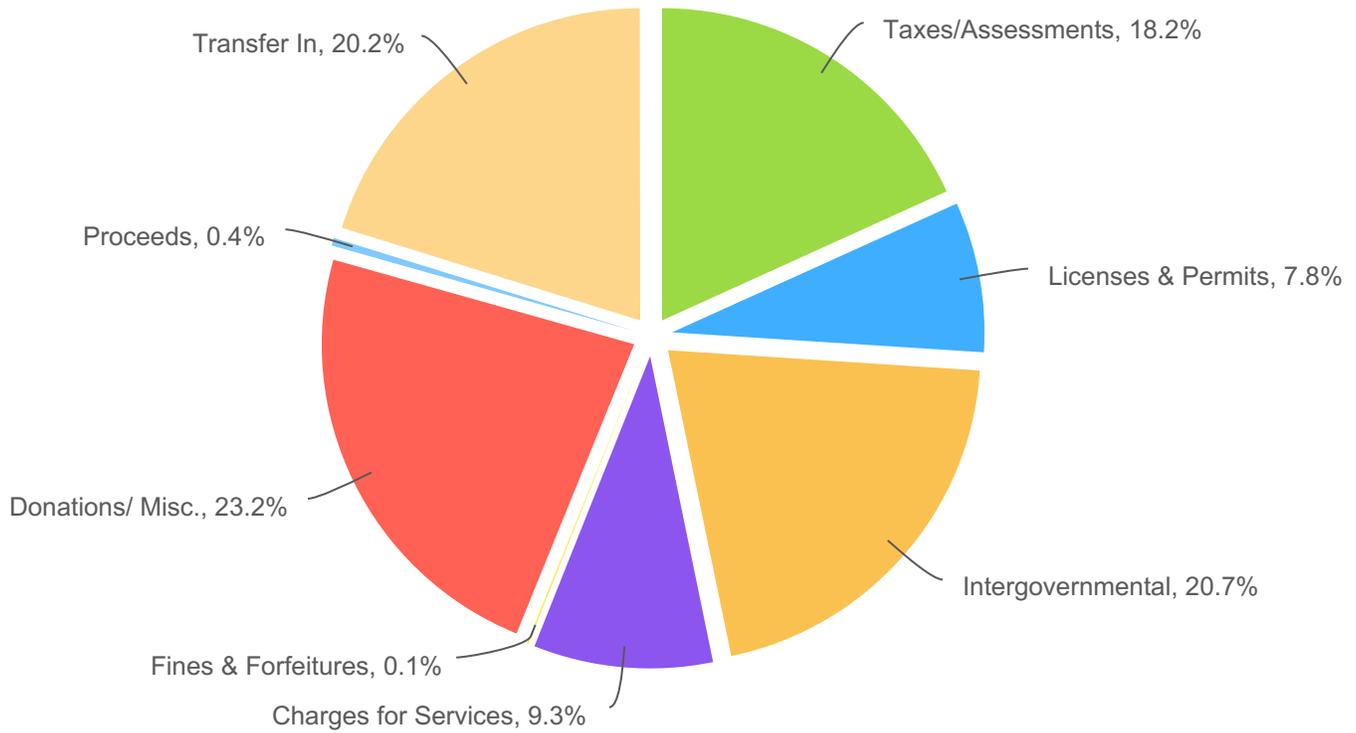
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	—	62,439	—	62,439
<b>Total</b>	—	—	<b>62,439</b>	—	<b>62,439</b>

## 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. Below 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.

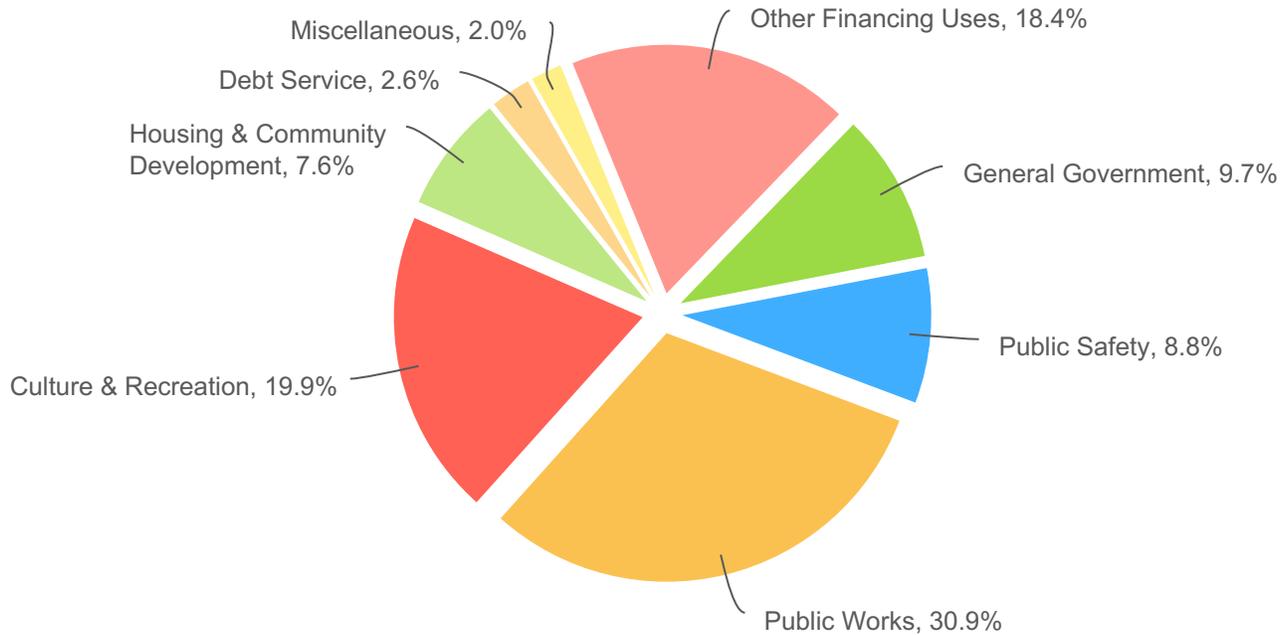


### FY 2020 Budgeted Special Revenue Funds by Category



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Taxes & Assessments	5,027,537	5,708,721	6,011,497	302,776
Licenses & Permits	2,888,630	2,594,083	2,575,500	(18,583)
Intergovernmental	4,712,990	4,829,256	6,838,383	2,009,127
Charges for Services	1,692,219	3,211,024	3,058,150	(152,874)
Fines & Forfeitures	11,958	28,838	31,627	2,789
Donations/ Misc.	4,349,060	6,751,766	7,665,312	913,546
Debt Proceeds & Other Financing Sources	—	—	136,500	136,500
Transfers In	940,613	5,629,455	6,661,771	1,032,316
<b>Total Sources</b>	<b>19,623,007</b>	<b>28,753,143</b>	<b>32,978,740</b>	<b>4,225,597</b>

## FY 2020 Budgeted Special Revenue Expenditures by Function



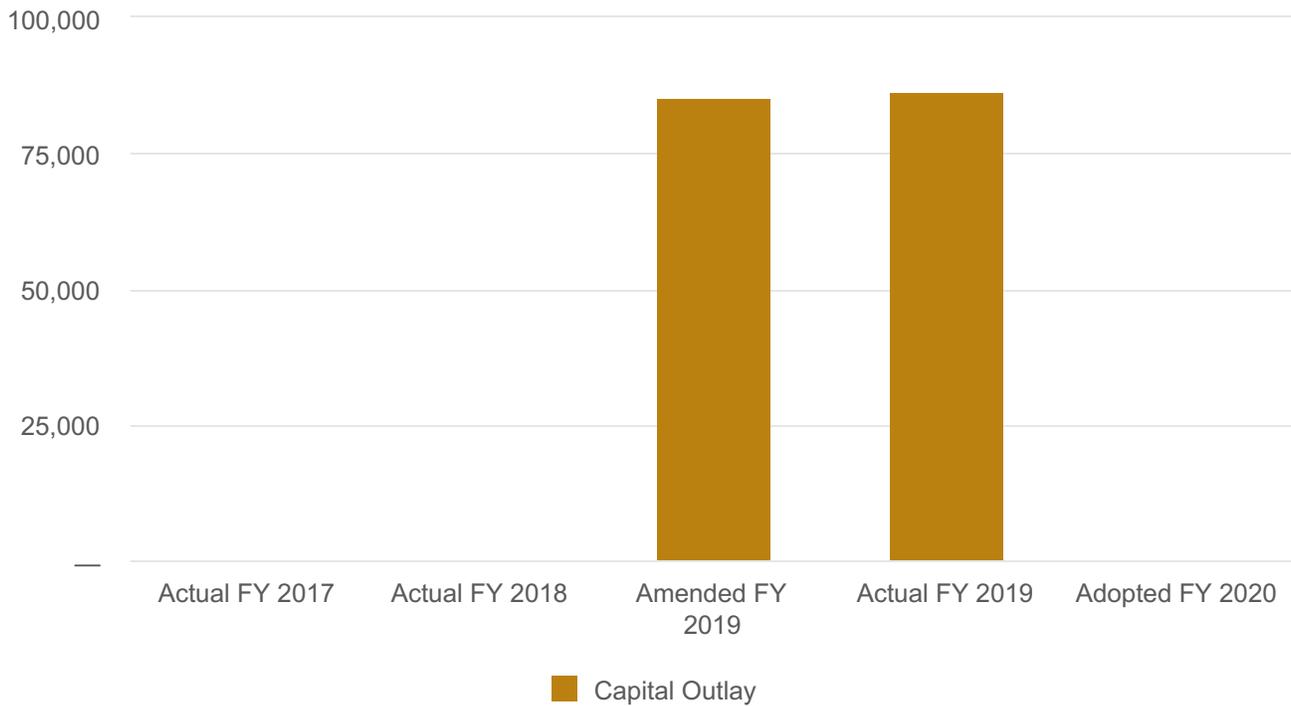
	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
General Government	1,986,695	2,354,910	3,116,621	761,711
Public Safety	3,555,812	2,658,957	2,803,120	144,163
Public Works	3,361,290	9,903,114	9,891,058	(12,056)
Culture & Recreation	1,147,916	5,421,064	6,372,241	951,177
Housing & Community Development	1,446,502	601,754	2,432,357	1,830,603
Debt Service	840,309	837,694	846,897	9,203
Miscellaneous	42,151	45,556	651,949	606,393
Other Financing Uses	5,790,829	5,306,449	5,883,865	577,416
<b>Total Uses</b>	<b>18,171,504</b>	<b>27,129,498</b>	<b>31,998,108</b>	<b>4,868,610</b>

## 2310 Public Safety Information Systems

As part of the inter-local agreement between the City of Missoula and Missoula County for the new Public Safety Software, a special fund was to be created and maintained by the City of Missoula.

The 2310 Public Safety Information Systems fund was created and the Missoula County 911 center, Missoula County Sheriff Office, City of Missoula Police Department, and City of Missoula Fire Department and Missoula Rural Fire Districts combined, contribute \$6,000 per year into this fund for a total of \$24,000 per year.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Capital Outlay	—	—	85,486	86,620	—
<b>Total</b>	—	—	85,486	86,620	—

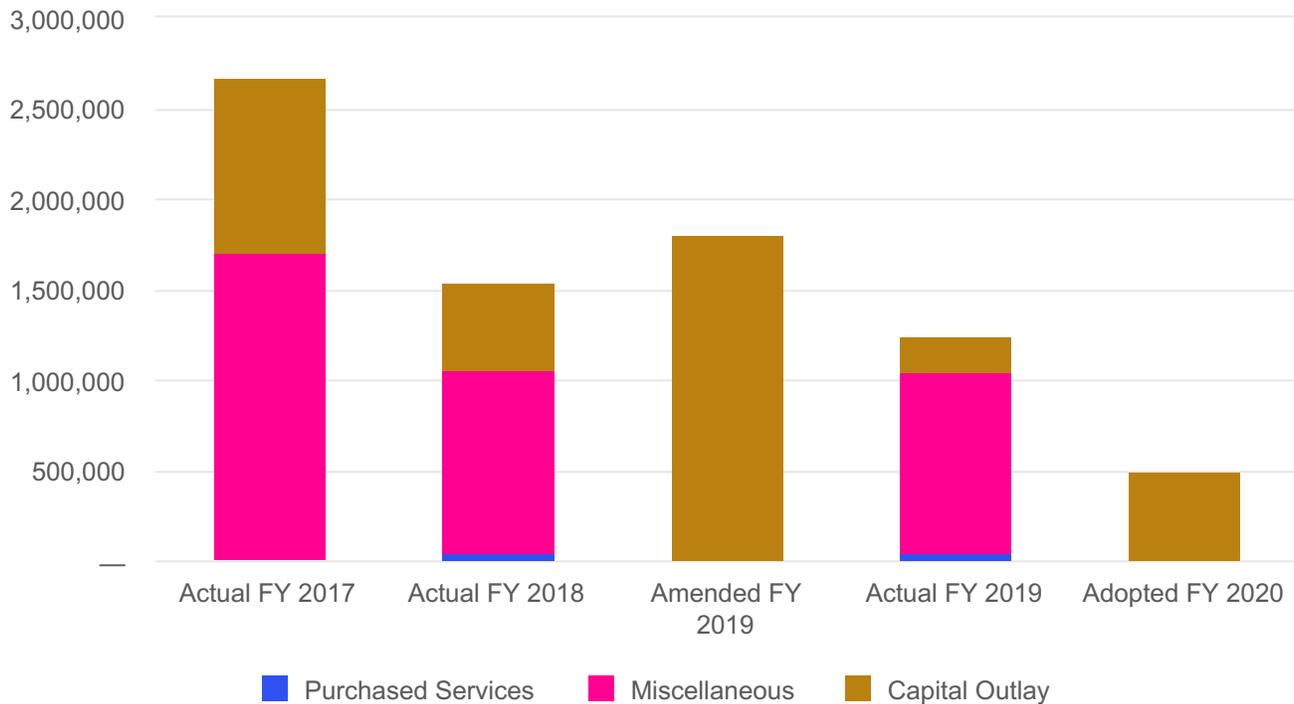
## 2321 Impact Fee

The purpose and intent of development impact fees are to establish uniform imposition, calculation, expenditure, and administration of development impact fees imposed on new development.

The 2321 Impact Fee fund is used to ensure that new development contributes its fair and proportionate share towards the cost of public facilities reasonably necessitated by such new development; that new development benefits from the provision of the public facilities; that impact fees are collected and expended only on public facilities where the demand is generated by the new development, and that impact fees assessed are proportionate in the amount to the degree of impact of new development has on public facilities.

On May 10, 2004, the City of Missoula adopted Ordinance 3250 enacting impact fees, which went into effect on October 1, 2004.

### EXPENSE SUMMARY

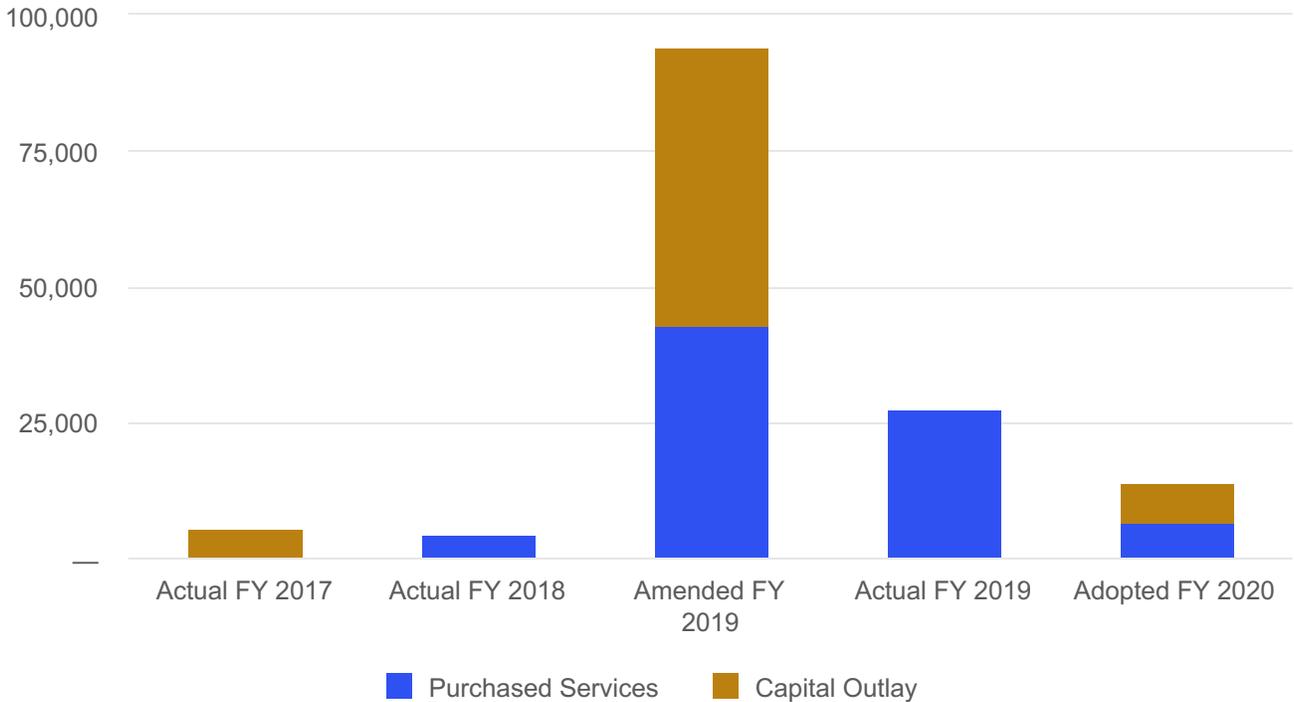


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	10,629	42,357	—	47,068	—
Miscellaneous	1,692,801	1,010,184	—	997,753	—
Capital Outlay	968,384	483,115	1,800,000	194,647	500,000
<b>Total</b>	<b>2,671,814</b>	<b>1,535,655</b>	<b>1,800,000</b>	<b>1,239,468</b>	<b>500,000</b>

## 2365 Public Art

The goals of 2365 Public Art fund are to develop a formal structure through which the creation, development and maintenance of public art may be realized, and 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.

### EXPENSE SUMMARY

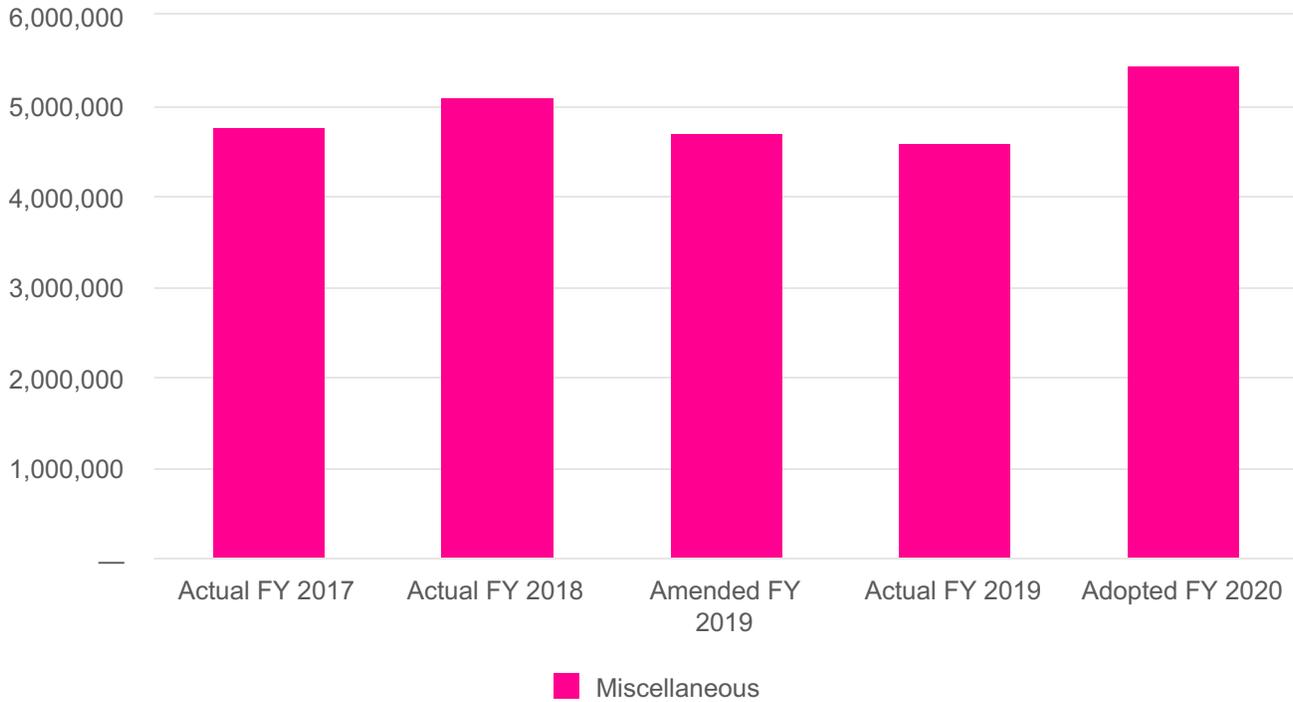


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	362	4,530	42,888	27,300	6,600
Capital Outlay	5,000	—	51,405	—	7,500
<b>Total</b>	<b>5,362</b>	<b>4,530</b>	<b>94,293</b>	<b>27,328</b>	<b>14,100</b>

## 2372 Permissive Medical Levy

The City of Missoula has the authority to create 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 2372 Permission Medical Levy fund received the tax revenues from the levy and transfers the funds to the general fund to offset the cost of health insurance.

### EXPENSE SUMMARY

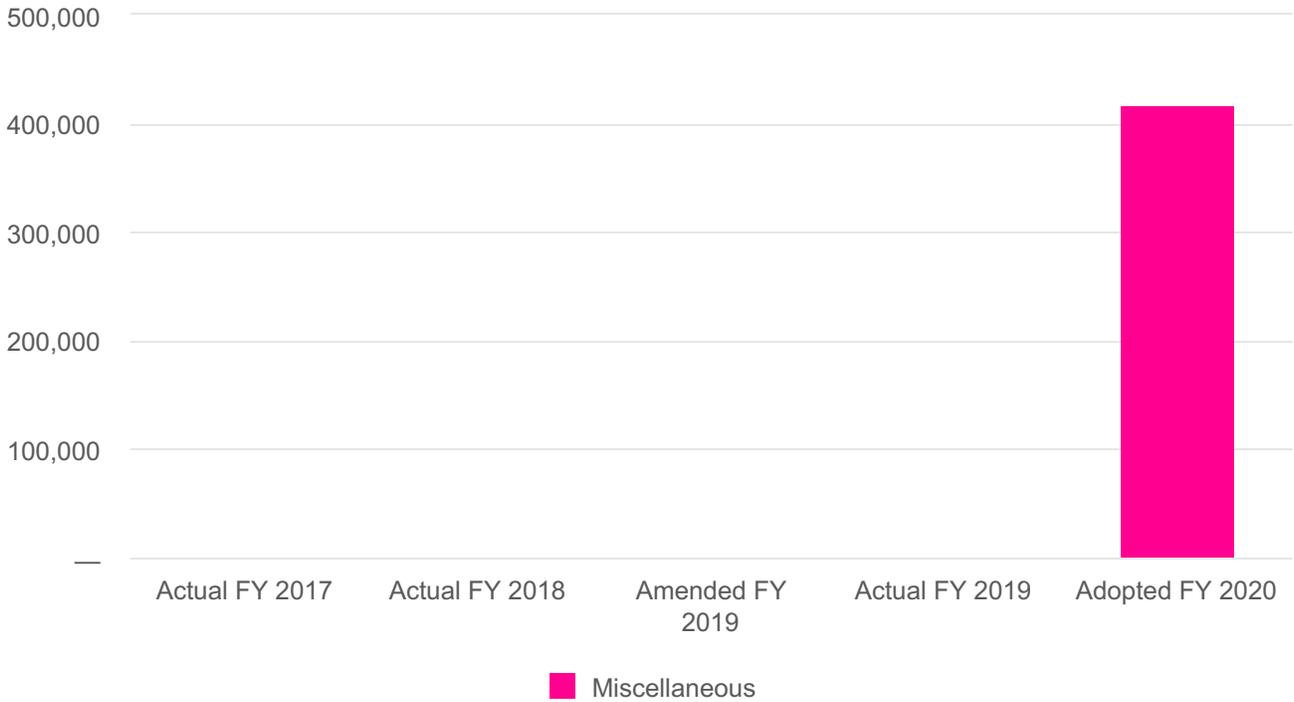


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	4,774,150	5,101,004	4,693,217	4,603,577	5,445,471
<b>Total</b>	<b>4,774,150</b>	<b>5,101,004</b>	<b>4,693,217</b>	<b>4,603,577</b>	<b>5,445,471</b>

## 2384 Conservation Land Maintenance Levy

The 2384 Conservation Land Maintenance Levy fund was created in Fiscal Year 2020 for the purpose of paying a portion of the costs of stewardship and conservation of open-space lands that are managed as natural areas, including care and maintenance of, improvements to, and acquisition of interests in such open space lands. The City is authorized to levy permanently up to four mills per year.

### EXPENSE SUMMARY

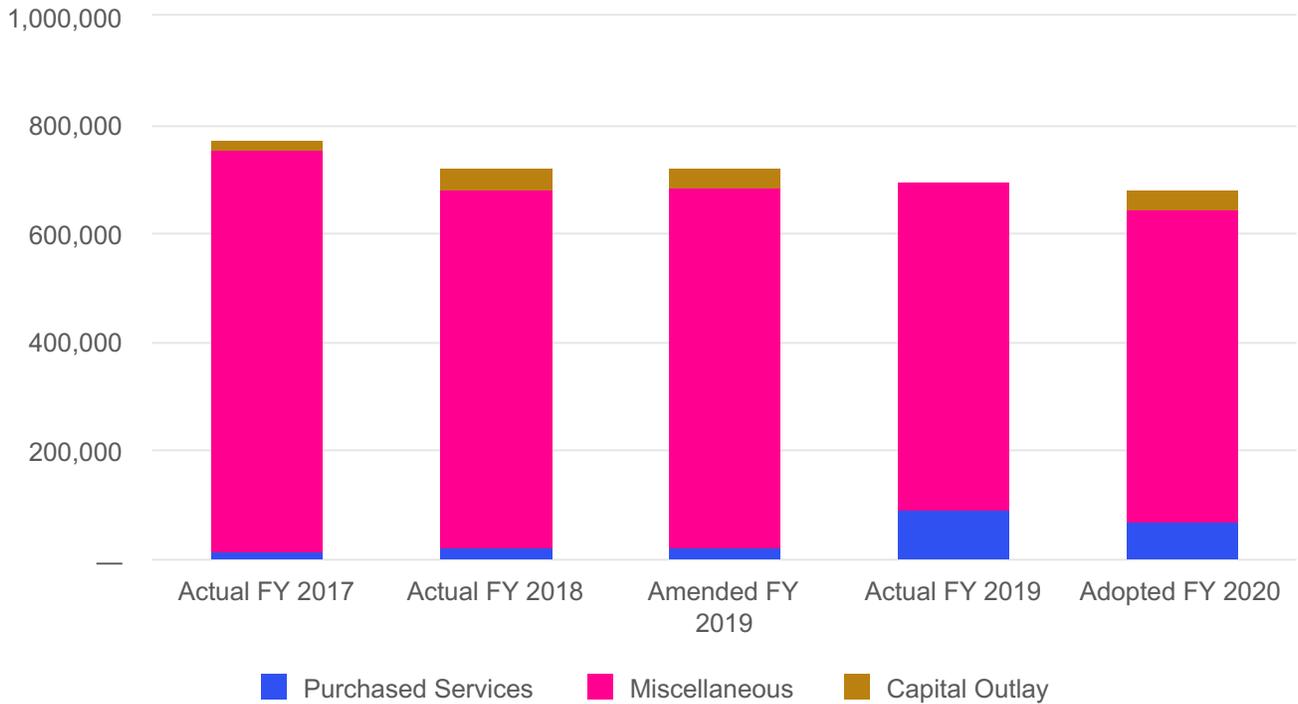


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	—	—	—	416,805
<b>Total</b>	—	—	—	—	<b>416,805</b>

## 2389 Cable Franchise

The City of Missoula adopted a 15-year, non-exclusive cable 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. Those revenues go into the 2389 Cable Franchise fund.

### EXPENSE SUMMARY

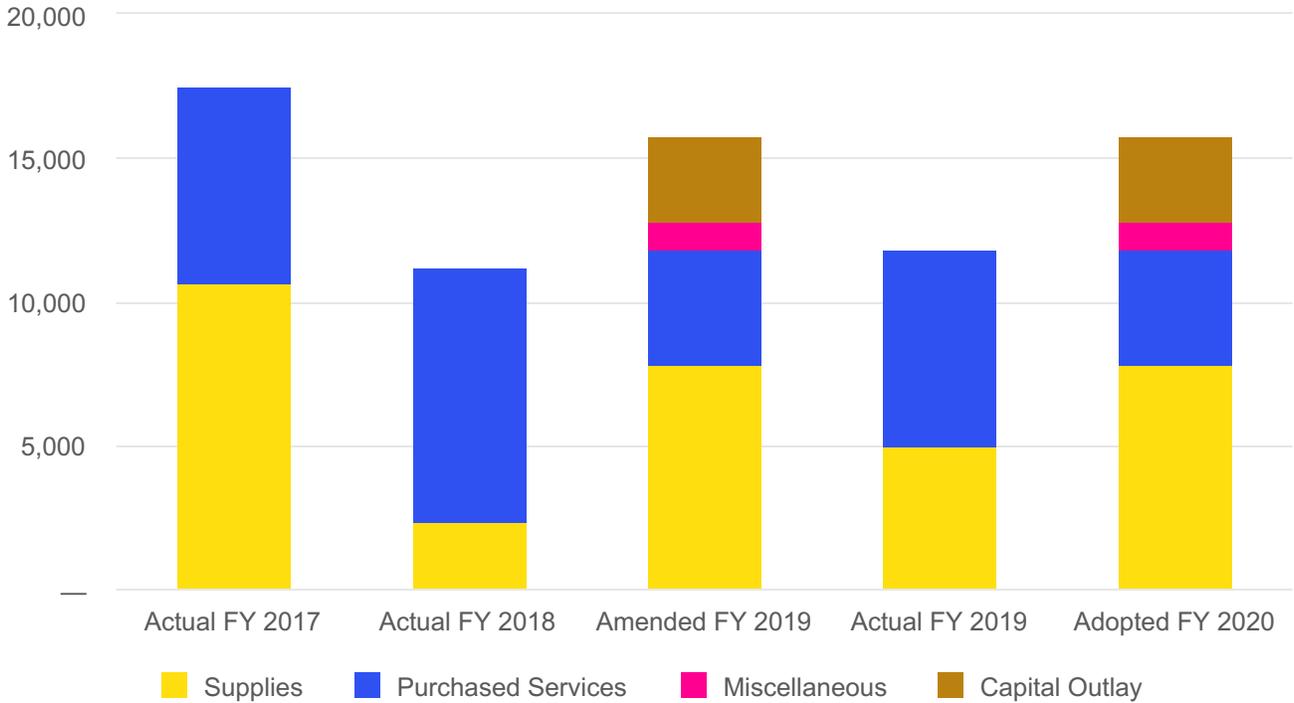


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	12,900	22,451	22,288	90,629	71,400
Miscellaneous	742,723	657,655	661,433	605,089	572,600
Capital Outlay	18,671	40,654	37,567	—	37,567
<b>Total</b>	<b>774,294</b>	<b>720,760</b>	<b>721,288</b>	<b>695,718</b>	<b>681,567</b>

## 2390 Drug Forfeiture

Pursuant to Section 44-12-213 of Montana Codes Annotated, the City of Missoula 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 the 2390 Drug Forfeiture fund has to be spent on drug-related expenses.

### EXPENSE SUMMARY



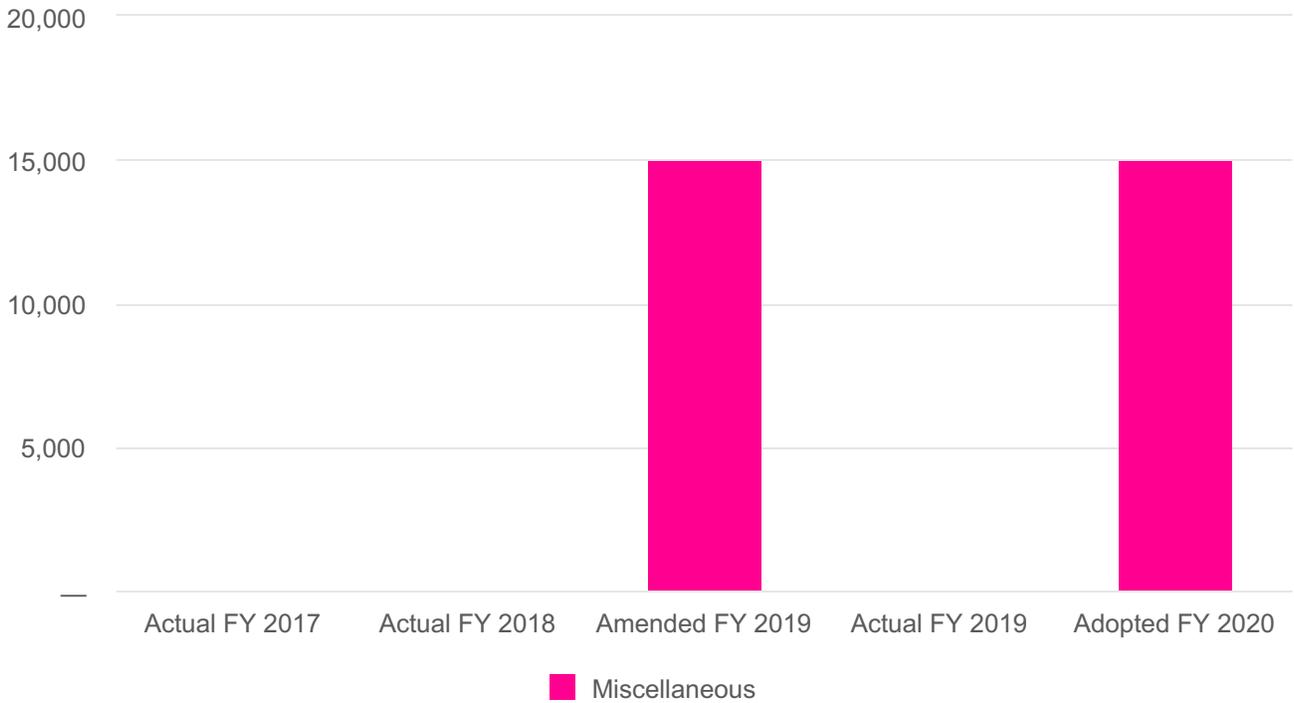
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Supplies	10,670	2,385	7,800	4,977	7,800
Purchased Services	6,866	8,837	4,000	6,833	4,000
Miscellaneous	—	—	1,000	—	1,000
Capital Outlay	—	—	3,000	—	3,000
<b>Total</b>	<b>17,536</b>	<b>11,222</b>	<b>15,800</b>	<b>11,810</b>	<b>15,800</b>

## 2399 Dangerous Building

The City of Missoula, 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 related 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 2399 Dangerous Building fund receives advances from the general fund for the demolition, collects the lien assessment, and returns the money to the general fund after collection of the assessment.

### EXPENSE SUMMARY

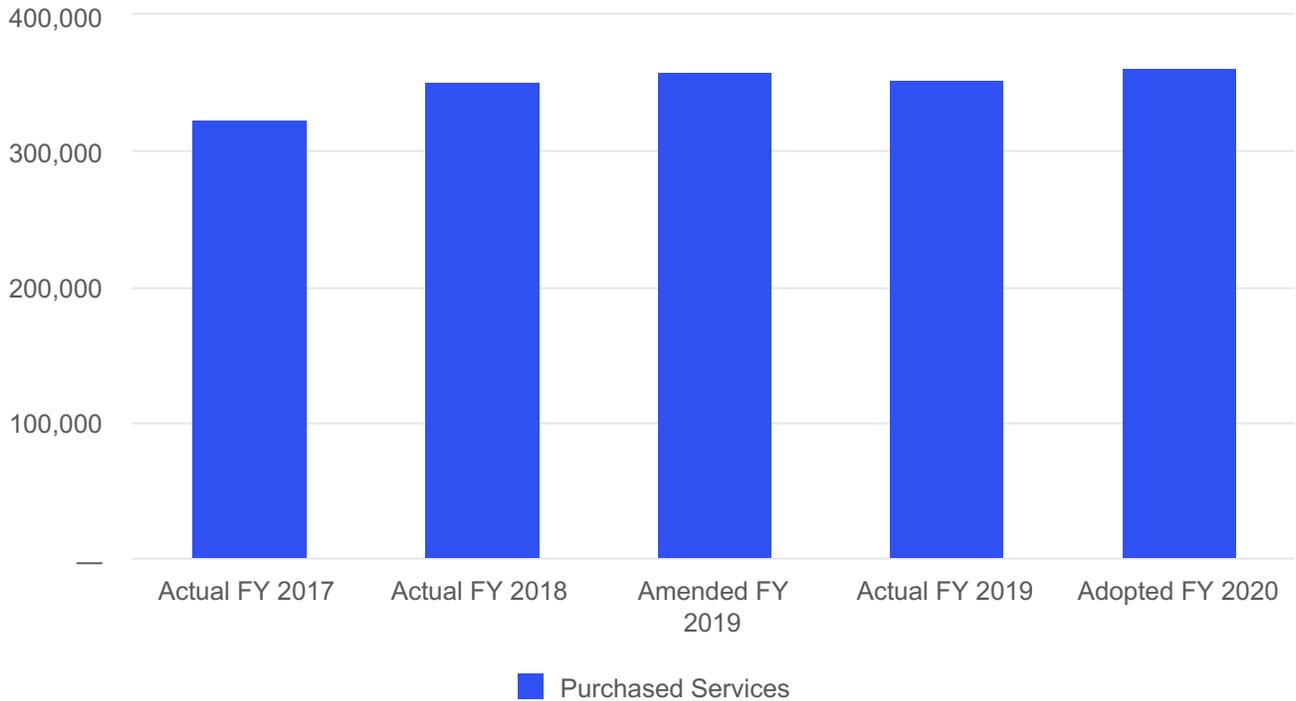


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	—	15,000	—	15,000
<b>Total</b>	—	—	<b>15,000</b>	—	<b>15,000</b>

## 2400 Street Lighting

The purpose of the 2400 Street Lighting 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.

### EXPENSE SUMMARY

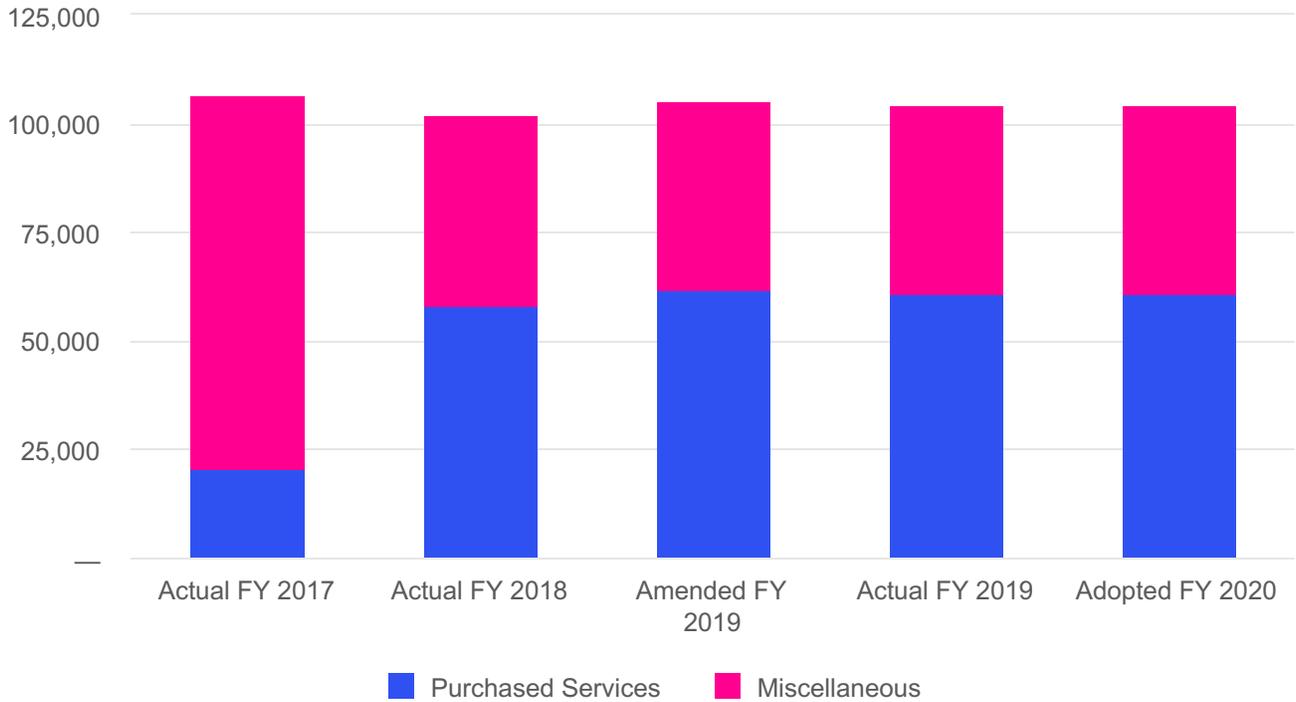


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	324,162	352,243	359,171	353,610	361,838
<b>Total</b>	<b>324,162</b>	<b>352,243</b>	<b>359,171</b>	<b>353,610</b>	<b>361,838</b>

## 2500 Street Maintenance

The purpose of the 2500 Street Maintenance fund is to pay for the services associated with the maintenance and care of Street Maintenance District #1, which includes weekly flushing/sweeping of the rights-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 rights-of-way of the district.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	20,745	58,378	61,854	61,000	61,000
Miscellaneous	86,046	43,511	43,500	43,500	43,500
<b>Total</b>	<b>106,791</b>	<b>101,889</b>	<b>105,354</b>	<b>104,500</b>	<b>104,500</b>

## 2512 Public Works Road District #1

The Public Works Road District #1 program encompasses a city-wide road district entitled “City of Missoula Road District Number 1” and is designed to fund street maintenance services provided to all city residents. The assessment is used to purchase materials necessary for ongoing maintenance, repair, improvement, construction, and reconstruction of city streets, alleys, and other public facilities located in the public right-of-way or within public easements.

The Public Works Department oversees the divisions that promote, manage, and maintain the City's public infrastructure, including the street system, street signs, city-owned streetlights, 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, 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, and other projects for other departments and the community in general.

In Fiscal Year 2018, the Traffic Services Sign Shop, as well as the Traffic Signal and Communication Shop, were moved so 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.

### GOALS & STRATEGIES

#### **GOAL: Economic Growth & Sustainability**

- STRATEGY: Continue to support creation of living-wage jobs investing in infrastructure and facilities
  - Accomplished by maintaining city streets and related infrastructure that will allow for multi-modal access to businesses and other workplaces for employees.
  - Accomplished by maintaining infrastructure that will enhance the City's appeal to new businesses or those wishing to relocate to Missoula.
  - Accomplished by expanding the level of street maintenance services provided that in turn results in expanded employment opportunities.

#### **GOAL: Intentional/Sustainable Growth**

- STRATEGY: Adopt and implement policy to ensure strategic development of infrastructure and help us achieve goals in an environmentally sustainable manner
  - Accomplished by assisting the Storm Water Division with dry well sump maintenance.
  - Accomplished by recycling asphalt millings for alley maintenance and pothole patching.
  - Accomplished by digging sumps to ensure storm water is able to collect in sumps and infiltrate into the aquifer.
  - Accomplished by the leaf collection program, which collects leaves city-wide to keep them from clogging storm drain inlets.
  - Accomplished by use of liquid deicer within the Missoula Valley Fugitive Particulate Zone to maintain air quality standards.
  - Accomplished by removing particulate from streets that maintaining air and water quality standards through year-round street sweeping programs.

- Accomplished by coordinating with other City departments so that utility, sidewalk, parks and recreation, and other projects are scheduled to make the best use of resources and have the least amount of impact as possible on a neighborhood due to construction.

**GOAL: Environmental/Human Health**

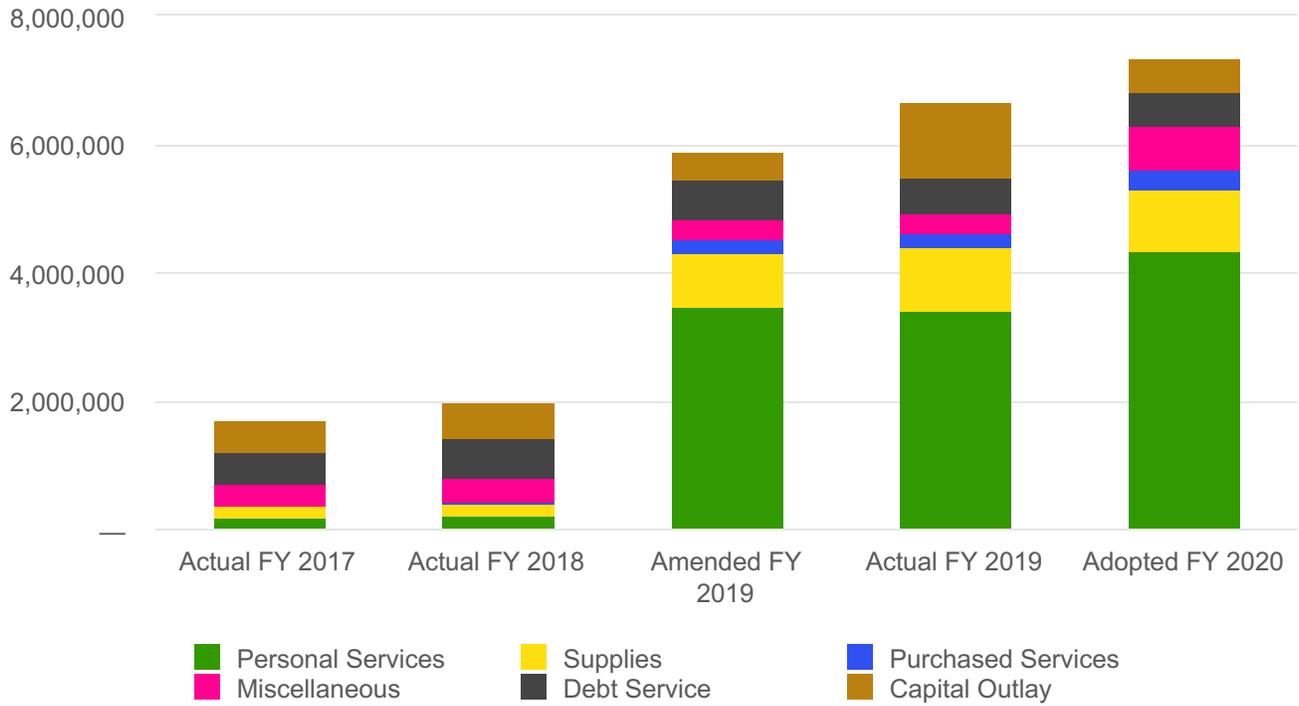
- STRATEGY: Create functional work teams to develop strategies for transportation systems and green infrastructure
  - Accomplished by continuing to work cooperatively with other City staff in the Traffic Services Group, which is composed of staff from not only Street Maintenance and Public Works Administration but also the City Engineer and Bike/Pedestrian Coordinator from the Development Services Department to address transportation system challenges through weekly meetings and to answer public inquiries and requests for changes to the transportation system, including stop signs, striping, and traffic calming.
  - Accomplished by working to comply with the City’s “complete streets” policy by adding bike lanes to streets that meet specific criteria.
  - Accomplished by attending monthly meetings with Montana Department of Transportation meetings.

**BUDGET HIGHLIGHTS**

In Fiscal Year 2019, the Public Works Department’s Street Maintenance Division completed many projects to help them maintain or improve City streets. The major projects completed include the following:

- Preliminary work on 5<sup>th</sup> and 6<sup>th</sup> Streets in order to bring them up to minimum standards required by the Montana Department of Transportation (MDT) to complete a mill and overlay project on these streets during the summer of 2020. This work included installing Americans with Disabilities Act (ADA) ramps that meet current standards. Streets Division staff also installed four dry well sumps to direct storm water off of the roadways and performed paving maintenance on deteriorated street sections to bring their condition to a level that will allow for MDT’s mill and overlay project.
- Street Maintenance partnered with Missoula Water on the South Avenue water main replacement project by coordinating the water main replacement construction work with the needed street repair and related infrastructure work. Streets staff completed ADA ramp upgrades, dry sump installation, and a full asphalt mill and overlay on South Avenue from Maurice Avenue to Ronald Avenue.
  - This coordination meant the entire section of street from Maurice Avenue to Ronald Avenue was improved from curb to curb instead of only the trench repair work that would have been needed for the water main project.
  - The two city divisions were able to share some of the costs for the projects.
  - The street was closed down only once instead of two times, preventing further inconvenience to citizens in the neighborhood.
- Division staff chip-sealed the commercial routes in the City’s newly annexed area off of Expressway.

## EXPENSE SUMMARY

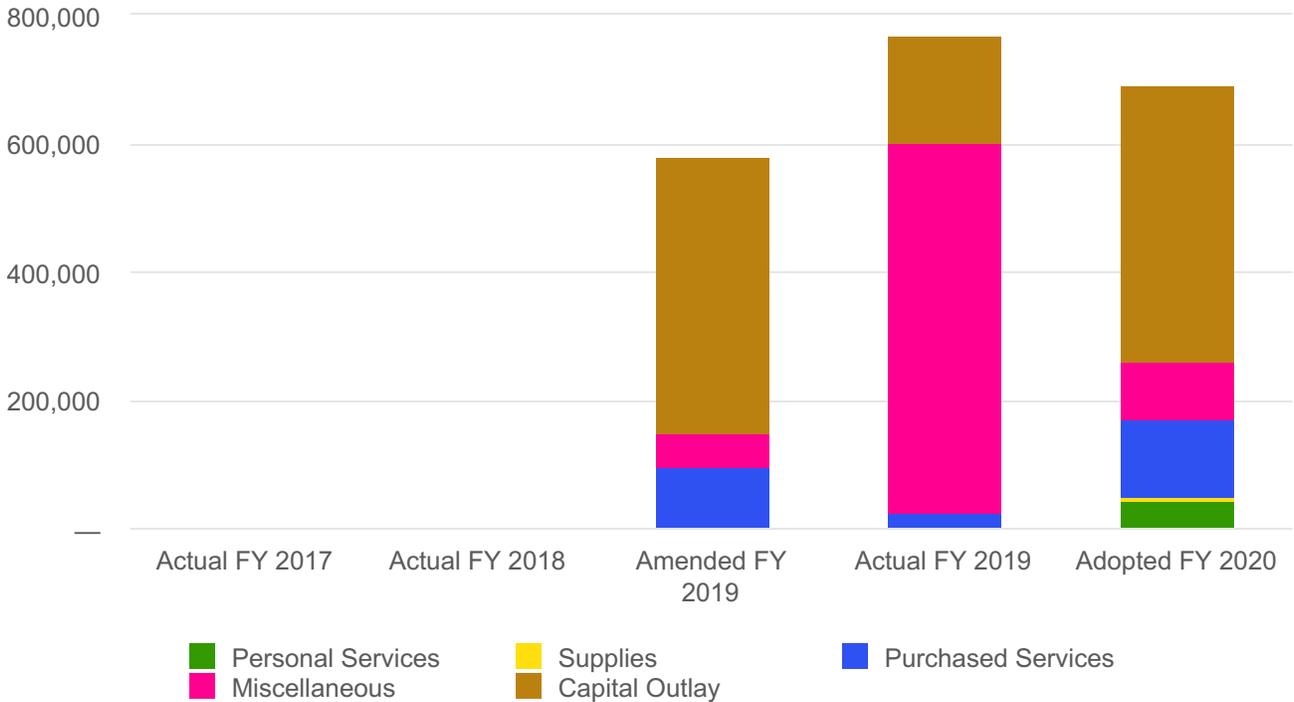


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	170,979	217,286	3,487,599	3,412,012	4,352,478
Supplies	191,382	196,347	808,133	982,764	945,099
Purchased Services	13,326	25,630	218,170	216,921	324,880
Miscellaneous	330,312	379,344	328,964	306,679	664,832
Debt Service	500,160	597,705	629,060	584,217	525,898
Capital Outlay	485,908	560,561	408,500	1,171,057	545,000
<b>Total</b>	<b>1,692,067</b>	<b>1,976,873</b>	<b>5,880,426</b>	<b>6,673,650</b>	<b>7,358,187</b>

## 2522 Development Services Road District #1

The 2522 Development Services Road District #1 fund was created to track expenses related to Development Services aspects of the special Road District assessments, which include, but are not limited to, the Sidewalk Subsidy program, management of sidewalk/curb construction projects, and Americans with Disabilities Act (ADA) sidewalk/curb ramp assistance program. The fund was created in Fiscal Year 2019.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	—	—	—	—	42,226
Supplies	—	—	—	—	6,625
Purchased Services	—	—	97,500	25,358	120,325
Miscellaneous	—	—	51,760	576,897	91,949
Capital Outlay	—	—	430,000	165,247	430,000
<b>Total</b>	<b>—</b>	<b>—</b>	<b>579,260</b>	<b>767,501</b>	<b>691,125</b>

## 2513 Parks District #1

The Parks District #1 program encompasses a city-wide park district entitled “CITY OF MISSOULA PARK DISTRICT NUMBER 1” designed to maintain the base level of service (Fiscal Year 2009) 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; and 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 promote quality of life, pride in community, and community engagement in a variety of forms and ways. Missoula Parks and Recreation provides places, programs and services essential to our quality of life; reflects community values; fosters a sense of place; and develops and preserves infrastructure and lands critical to supporting a healthy community. For everyone, “Parks and Recreation is me”!

### **GOALS & STRATEGY**

#### **GOAL: Intentional/Sustainable Growth**

- STRATEGY: Adopt and implement policy to ensure strategic development of infrastructure and help us achieve goals in an environmentally sustainable manner
  - Accomplished by continuing to update Missoula Parks Master Plan, (PROST) plan
  - Accomplished by continuing to integrate and implement adopted manual and plans into all projects (Urban Forestry, Conservation Lands Management, Open Space, Design Manual).
  - Accomplished by green infrastructure design and implementation within the BID and URD areas.

#### **GOAL: Environmental/Human Health**

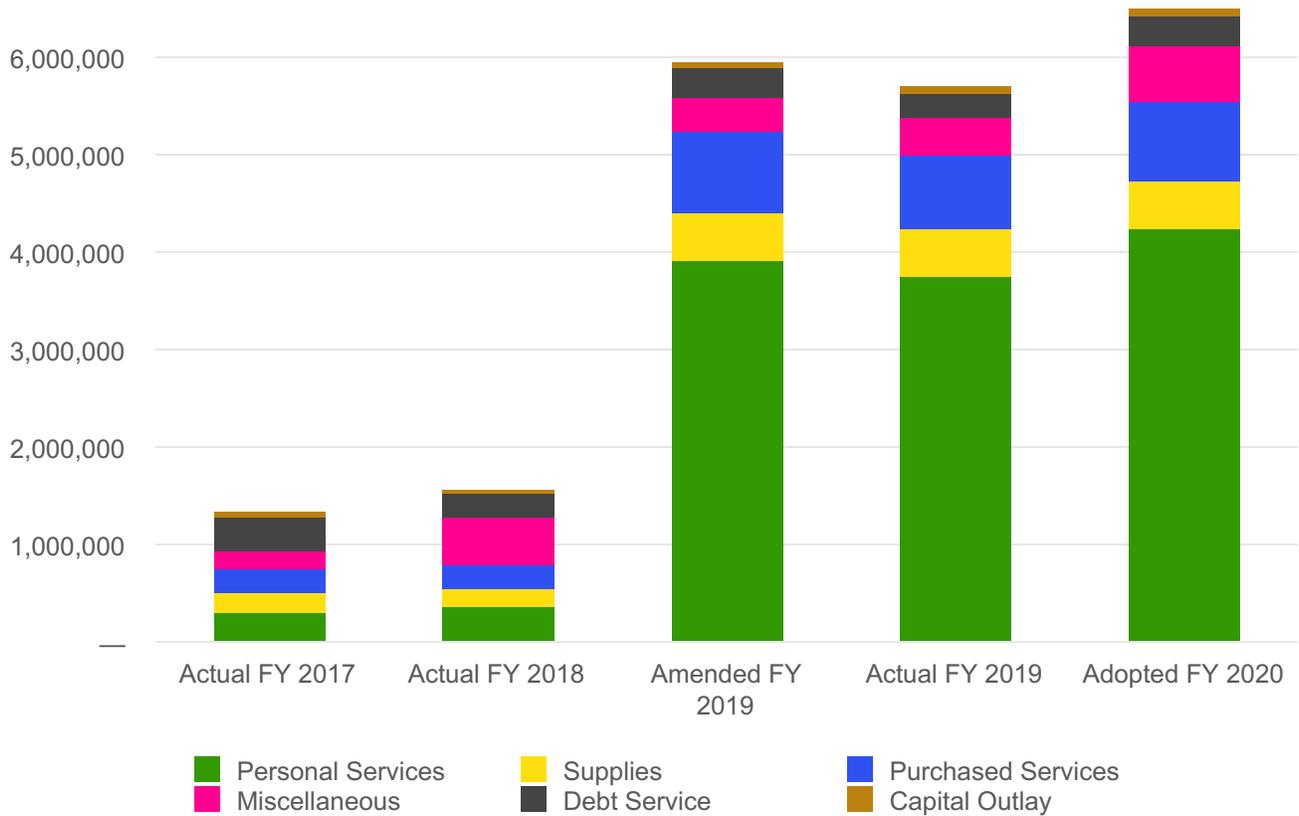
- STRATEGY: Create functional work teams to develop strategies for transportation systems and green infrastructure
  - Accomplished by working with appropriate city departments and other stake holders to increase active transportation systems as part of new development.
    - Advance equity and inclusion efforts with the department of Housing and Community Development to assure access to trails and green spaces for all in the community.
    - Continue collaboration with Development Services to enhance mode split transportation goals and green infrastructure opportunities, the Public Works divisions for effective and efficient storm water drainage in order to implement industry wide best management practices.

- Accomplished by ongoing partnership with Trees For Missoula, community partners and advocates to advance messaging, education and outreach.
- Accomplished by ongoing Open Space Bond reforestation project, prioritizing inclusive partnerships with local businesses, citizens groups and educators
- STRATEGY: Use sustainable funding sources to implement recommendations regarding Missoula's most vulnerable populations.
  - Accomplished by using funds provided by the 2018 Open Space Bond and Conservation Stewardship Levy strategically, and for the benefit of all.
  - Accomplished by collaborating with organizations that serve communities to empower diverse populations and provide multigenerational-based programming.
  - Accomplished by implementing best practices for policies and procedures that provide least restrictive barriers to participation and registration.
  - Accomplished through staff training in the areas of diversity, equity, and community health.
- STRATEGY: Implement concrete outcomes from the Conservation and Climate action goals
  - Accomplished by participating in the development of a Climate Resiliency Plan.
  - Accomplished by incorporating zero waste goals into departmental operations.
  - Accomplished by implementation of goals outlined in adopted plans, (Urban Forestry Management Plan and Conservation Lands Management Plan).
- STRATEGY: Build facilities that help our vulnerable communities
  - Accomplished by continuing to plan, acquire, manage, develop and connect parks, trail systems, open space lands and facilities for the benefit of all community members.
    - Inclusive aquatics and playground facilities
    - Walkable neighborhood, community and regional park facilities
    - Well connected commuter trail systems
  - Accomplished by working with community groups and other partners to ensure Parks and open space are accessible for all community members.

### **BUDGET HIGHLIGHTS**

- Phase 2 of Fort Missoula Regional Park substantially complete.
- Montana Rail Link Park opened to the public.
- Two Bike Parks, Syringa and Bellevue, open to the public.
- City and County pass 2018 Open Space Bond.
- City passes Conservation Land and Stewardship Levy.
- Four additional Dog Parks, Hellgate, Montana Rail Link Park and two at Fort Missoula Regional Park.
- Recreation Program expands to offer after school programs for students attending certain Missoula County Public School sites
- Equity and safety efforts including working with City/County health on regulations and programs that meet Crime Prevention Through Environmental Design, (CPTED) guidelines and/or increase services to citizens, especially those who are most in need.
- Updated MMC ordinance 12.28 and 12.48 to gain efficiencies and expand opportunities for active transportation and enhance preservation efforts
- Updated Open Space Ordinance and adopted the Open Space Chapter of the Parks and Recreation, Open Space and Trails Plan, (PROST).

## EXPENSE SUMMARY

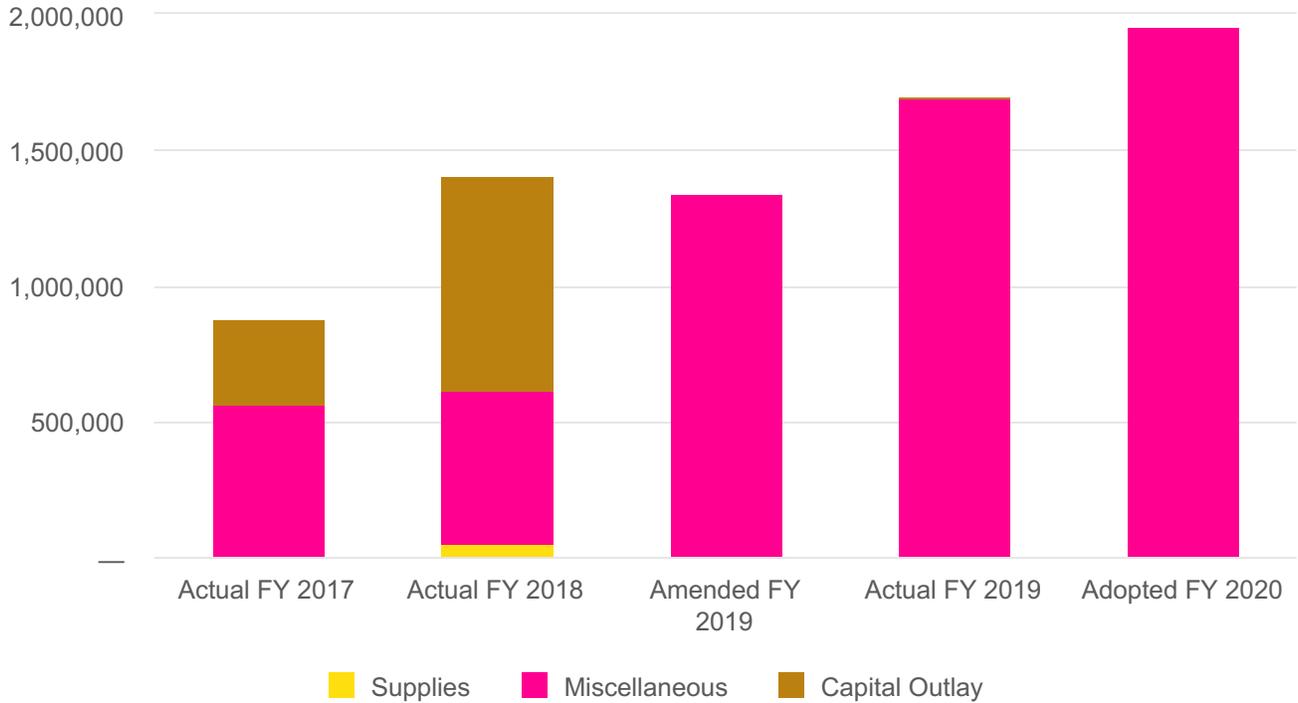


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	315,807	362,518	3,921,682	3,764,062	4,246,832
Supplies	190,563	187,688	502,531	495,051	502,531
Purchased Services	259,044	246,258	822,154	744,891	812,654
Miscellaneous	168,214	484,205	353,672	389,772	562,694
Debt Service	350,480	242,605	303,817	253,476	320,999
Capital Outlay	64,128	47,864	70,000	68,858	70,000
<b>Total</b>	<b>1,348,236</b>	<b>1,571,138</b>	<b>5,973,856</b>	<b>5,716,110</b>	<b>6,515,710</b>

## 2820 Gas Tax

The 2820 Gas Tax fund is set up to receive and distribute gasoline tax revenues from the State of Montana. Pursuant to Montana Code Annotated § 15-70-202, expenditures from this fund are restricted to labor and materials for street improvements and cannot be used for equipment purchases.

### EXPENSE SUMMARY

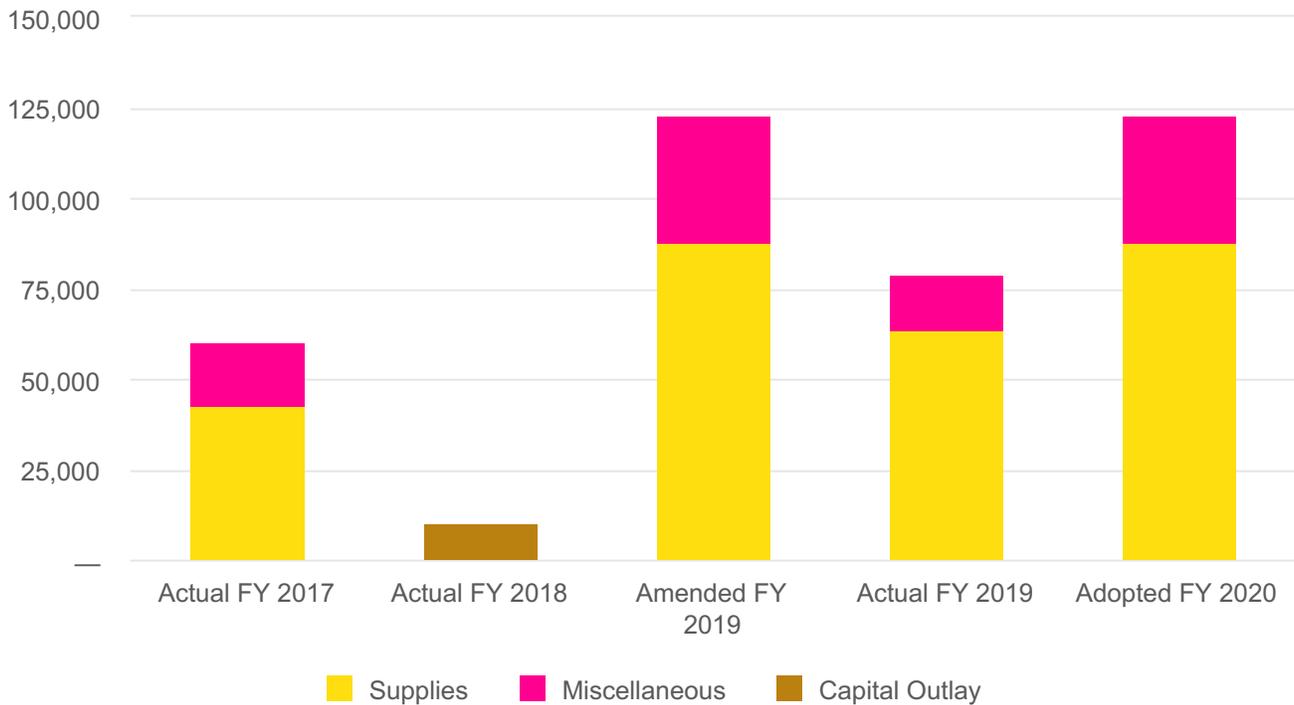


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Supplies	—	49,569	—	—	—
Miscellaneous	564,000	564,000	1,337,665	1,689,107	1,958,578
Capital Outlay	314,710	791,299	—	12,316	—
<b>Total</b>	<b>878,710</b>	<b>1,404,868</b>	<b>1,337,665</b>	<b>1,701,423</b>	<b>1,958,578</b>

## 2918 Law Enforcement Block Grants

Funds from the Montana Department of Justice, Bureau of Justice Assistance Edward Byrne Memorial Grants are awarded annually to the City of Missoula and are maintained in the 2918 Law Enforcement Block Grants fund.

### EXPENSE SUMMARY



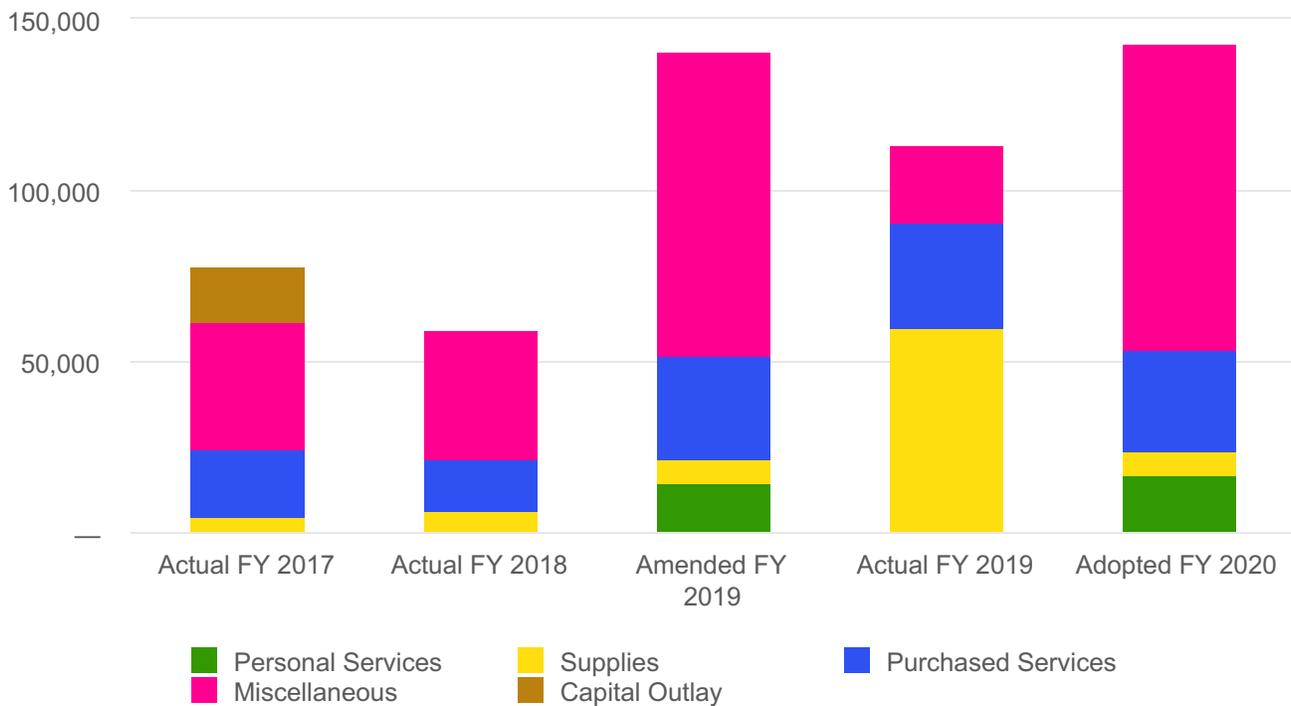
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Supplies	43,124	350	88,124	63,619	88,124
Miscellaneous	17,253	—	34,749	15,749	34,749
Capital Outlay	—	9,818	—	—	—
<b>Total</b>	<b>60,377</b>	<b>10,168</b>	<b>122,873</b>	<b>79,368</b>	<b>122,873</b>

## 2919 HIDTA (High-Intensity Drug Trafficking Area)

The City of Missoula is the fiscal agent for a federal, state, county and municipal task force called the High Intensity Drug Trafficking Area (HIDTA) Task Force. The 2919 HIDTA 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.

### EXPENSE SUMMARY

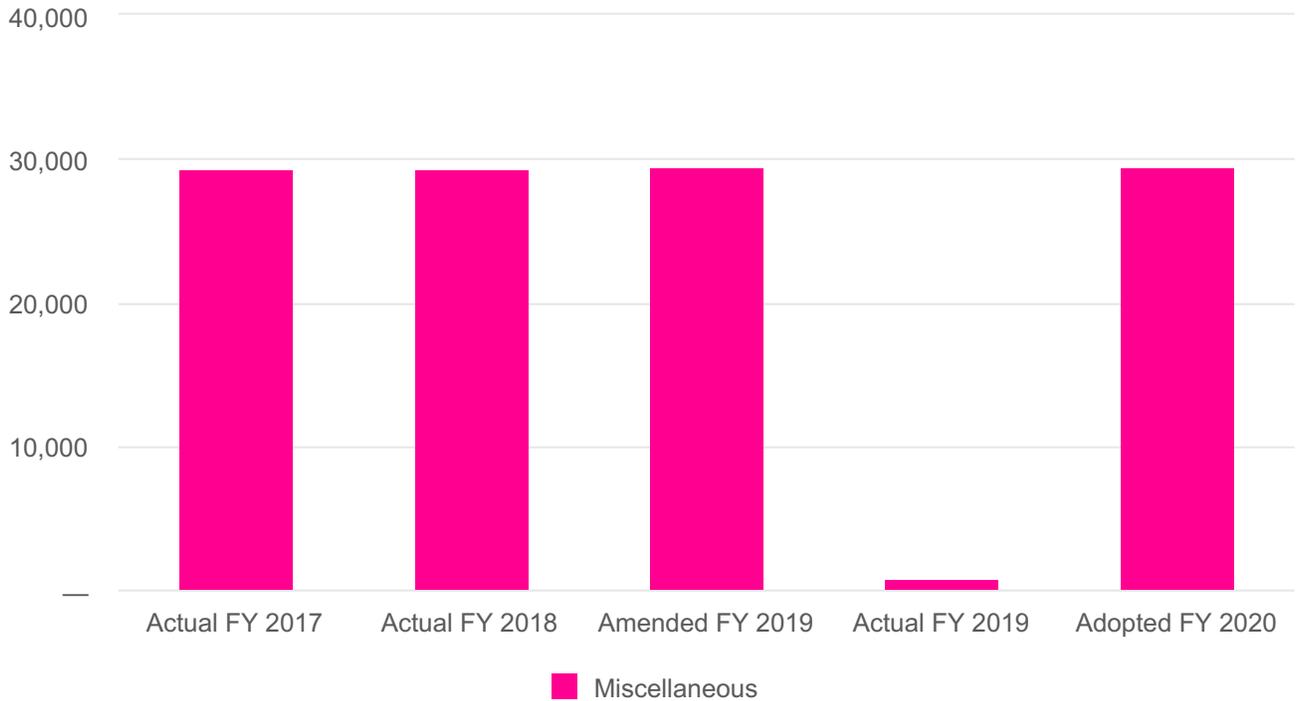


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	—	—	14,671	—	16,885
Supplies	4,619	6,276	7,000	59,865	7,000
Purchased Services	19,919	15,232	29,850	31,079	29,850
Miscellaneous	37,132	37,762	89,079	22,343	89,079
Capital Outlay	16,432	—	—	—	—
<b>Total</b>	<b>78,102</b>	<b>59,270</b>	<b>140,600</b>	<b>113,287</b>	<b>142,814</b>

## 2939 Community Development Block Grant Program Income

The purpose of the 2939 Community Development Block Grant (CDBG) Program Income fund is to receive re-payment from CDBG-entitlement-assisted projects, and then use the funds collected to assist additional CDBG-eligible activities.

### EXPENSE SUMMARY

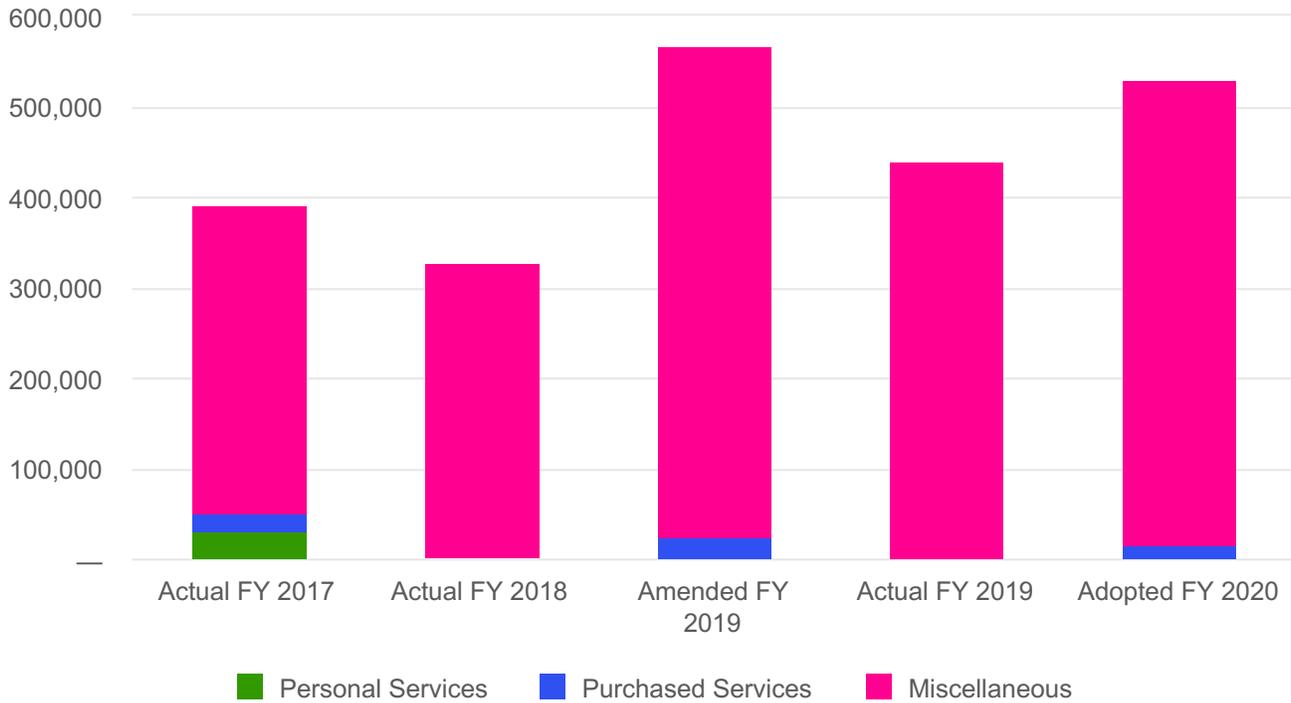


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	29,370	29,370	29,463	793	29,463
<b>Total</b>	<b>29,370</b>	<b>29,370</b>	<b>29,463</b>	<b>793</b>	<b>29,463</b>

## 2940 Community Development Block Grant

The purpose of the 2940 Community Development Block Grant fund is to handle transactions related to Community Development Block Grants awarded to the City.

### EXPENSE SUMMARY

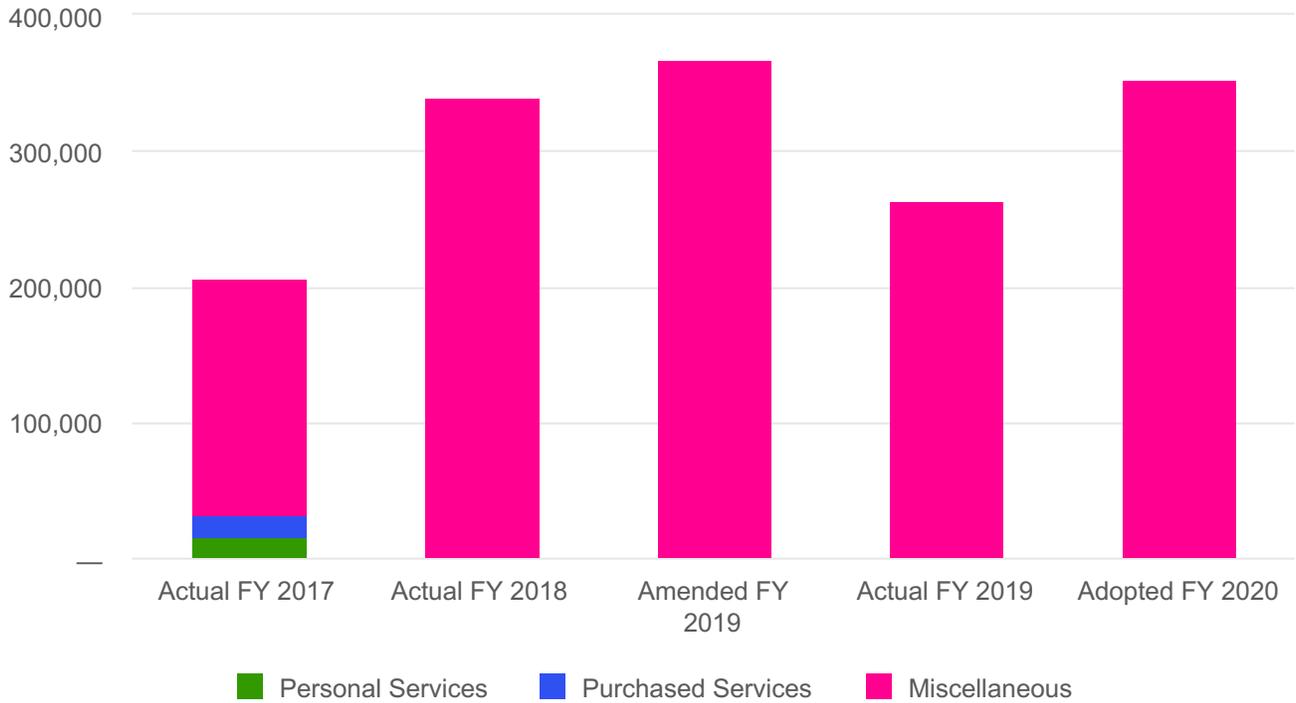


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	31,205	—	—	—	—
Purchased Services	19,059	1,983	23,200	416	15,682
Miscellaneous	340,197	326,322	543,556	438,446	513,484
<b>Total</b>	<b>390,461</b>	<b>328,305</b>	<b>566,756</b>	<b>438,862</b>	<b>529,166</b>

## 2941 HOME

The purpose of the 2941 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.

### EXPENSE SUMMARY

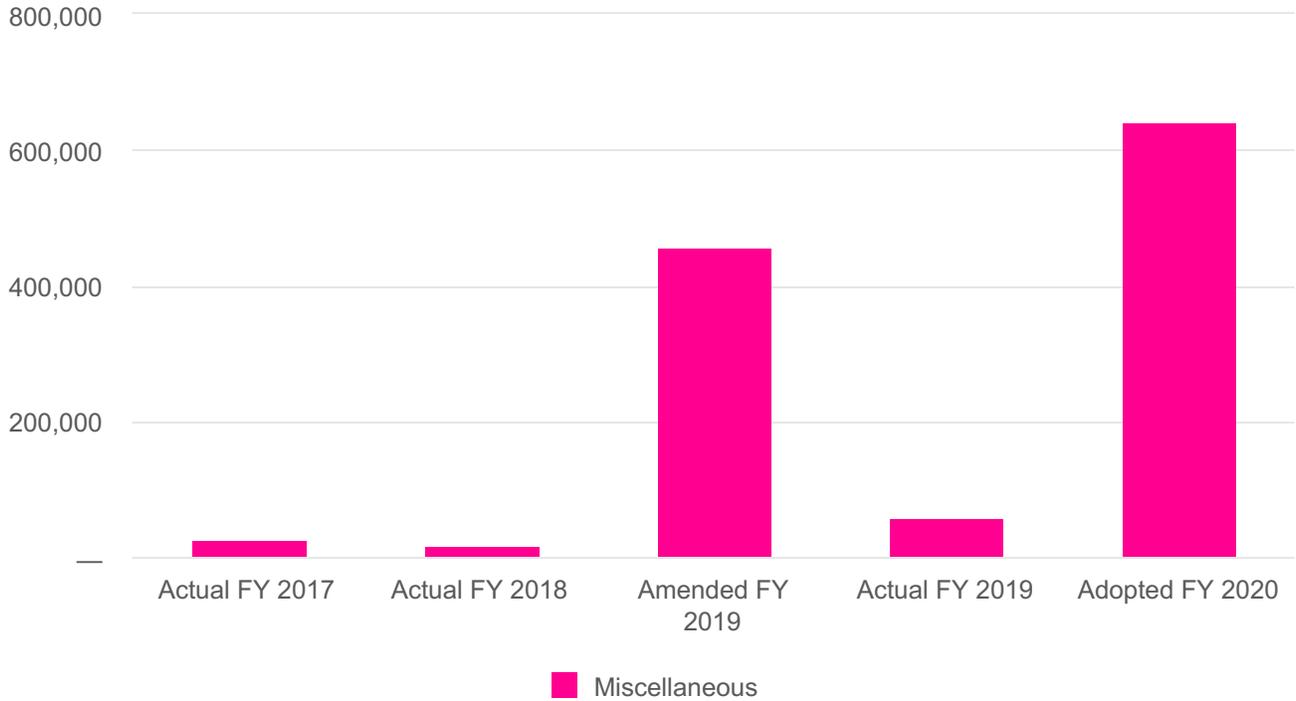


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	16,468	—	—	—	—
Purchased Services	15,538	283	—	—	—
Miscellaneous	174,903	340,214	367,993	263,435	353,625
<b>Total</b>	<b>206,909</b>	<b>340,497</b>	<b>367,993</b>	<b>263,435</b>	<b>353,625</b>

## 2943 HOME Program Income

The 2943 HOME Program Income fund handles the funds related to repayment of loans provided to low- and moderate-income home buyers for down payment, home buyer 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.

### EXPENSE SUMMARY

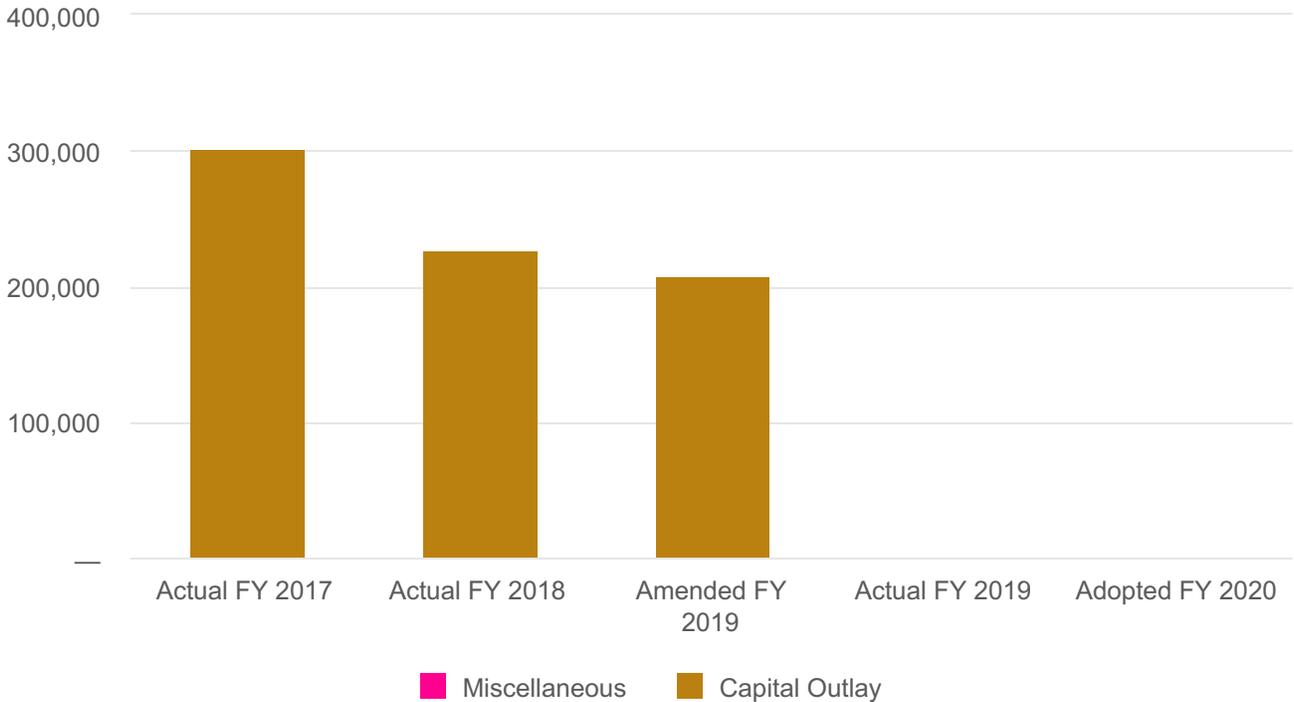


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	26,224	17,323	457,650	59,597	642,047
<b>Total</b>	<b>26,224</b>	<b>17,323</b>	<b>457,650</b>	<b>59,597</b>	<b>642,047</b>

## 2987 Transportation Grants

Periodically, U.S. Congress approves a new transportation funding bill. The 2987 Transportation Grants fund was created to accept federal grant funds set aside for the City of Missoula and 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.

### EXPENSE SUMMARY



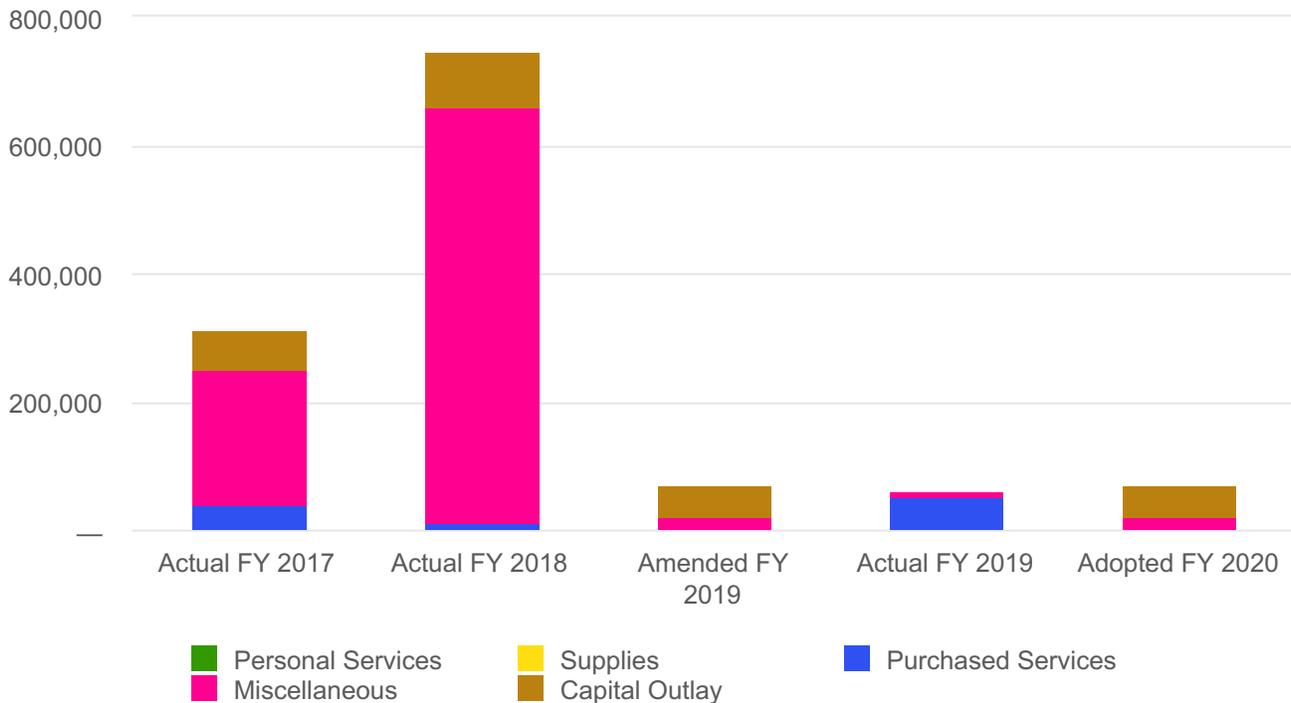
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	78	—	—	—
Capital Outlay	301,558	227,282	208,379	—	—
<b>Total</b>	<b>301,558</b>	<b>227,360</b>	<b>208,379</b>	<b>—</b>	<b>—</b>

## 2988 Miscellaneous Grants and Donations

The 2988 Miscellaneous Grants and Donations fund exists to receive and expend the following:

- **Miscellaneous Grants and Donations** - Activity budget equals **\$ 20,000**  
The \$ 20,000 is for an appropriation and spending authority for any donations/grants the City receives.
- **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 of Missoula with these funds to improve the condition of the roads at Fort Missoula.

### EXPENSE SUMMARY

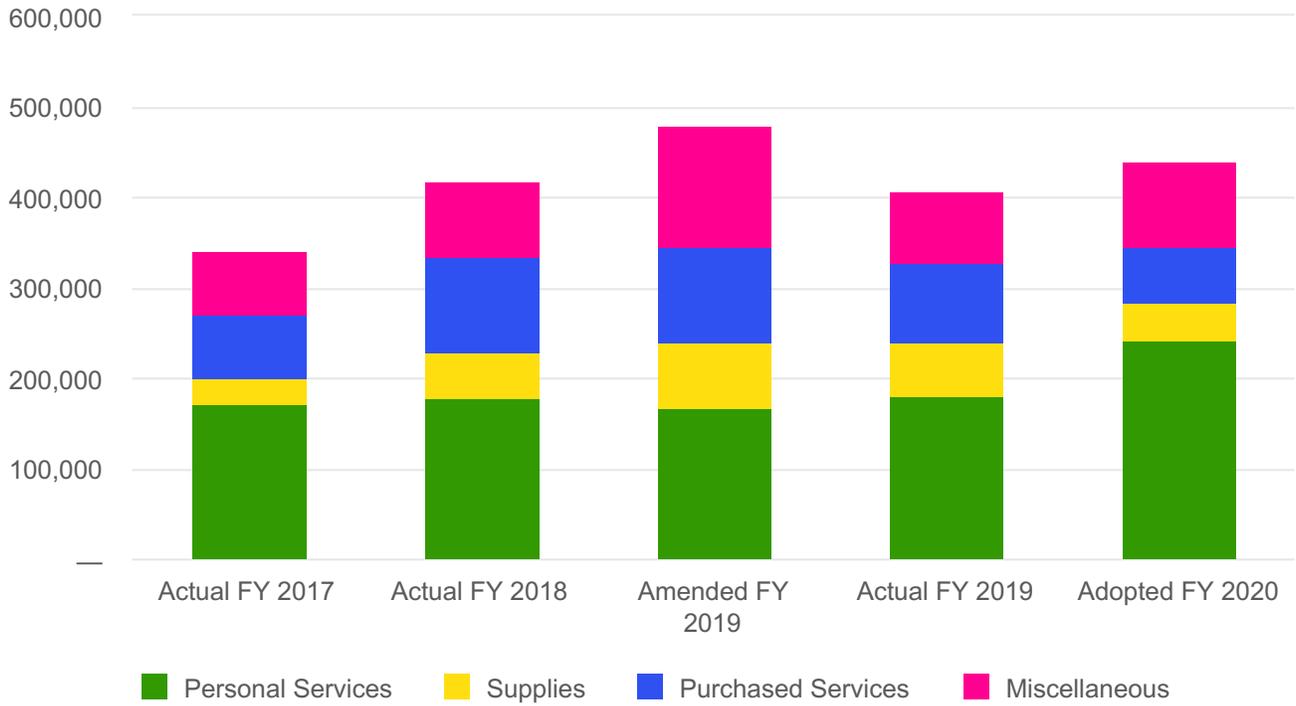


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	3,346	—	—	—	—
Supplies	—	—	—	3,765	—
Purchased Services	36,754	11,936	—	50,231	—
Miscellaneous	210,173	648,277	21,650	9,505	21,650
Capital Outlay	62,307	87,078	50,000	—	50,000
<b>Total</b>	<b>312,580</b>	<b>747,291</b>	<b>71,650</b>	<b>63,501</b>	<b>71,650</b>

## 2989 Police Miscellaneous Grants and Donations

The 2989 Police Miscellaneous Grants and Donations fund exists to receive and expend a variety of grant and donation funds related to the Police Department.

### EXPENSE SUMMARY

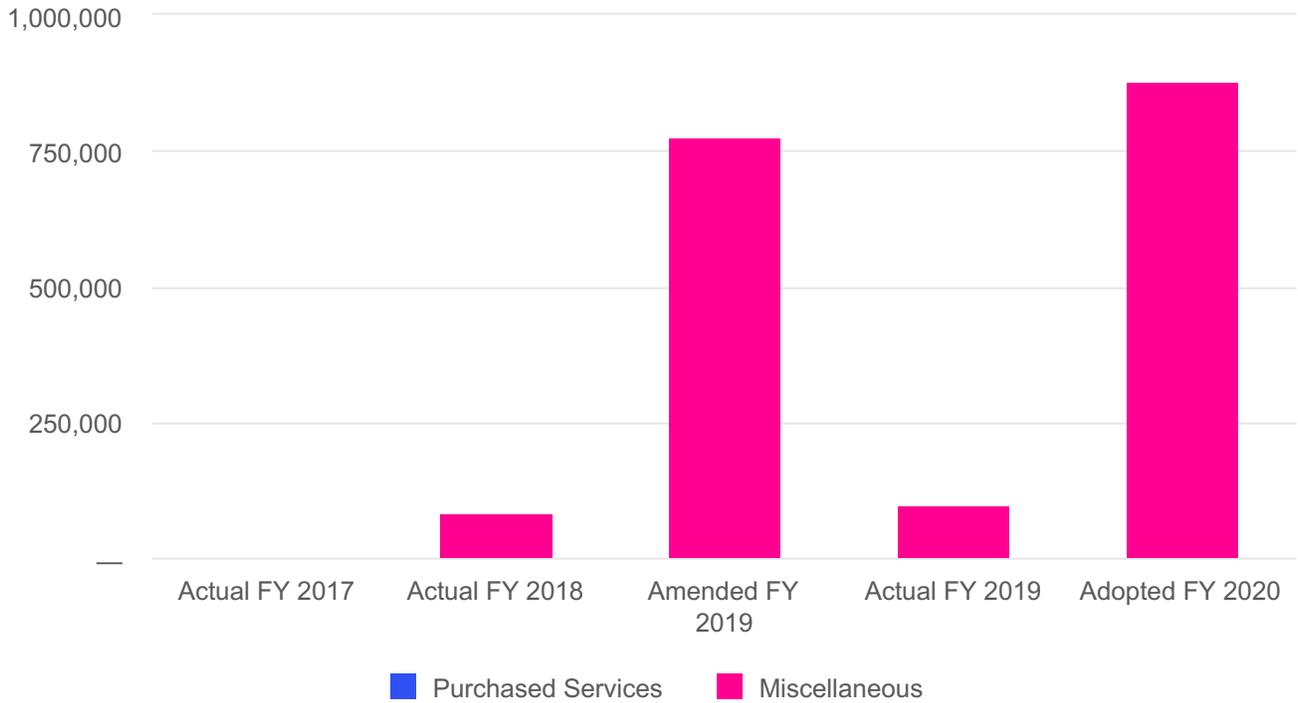


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	172,277	176,995	166,919	180,487	242,424
Supplies	27,583	50,773	72,332	58,708	40,371
Purchased Services	69,567	106,665	105,825	87,274	63,201
Miscellaneous	71,075	82,217	135,012	80,677	92,593
<b>Total</b>	<b>340,502</b>	<b>416,650</b>	<b>480,088</b>	<b>407,146</b>	<b>438,589</b>

## 2991 Brownfields

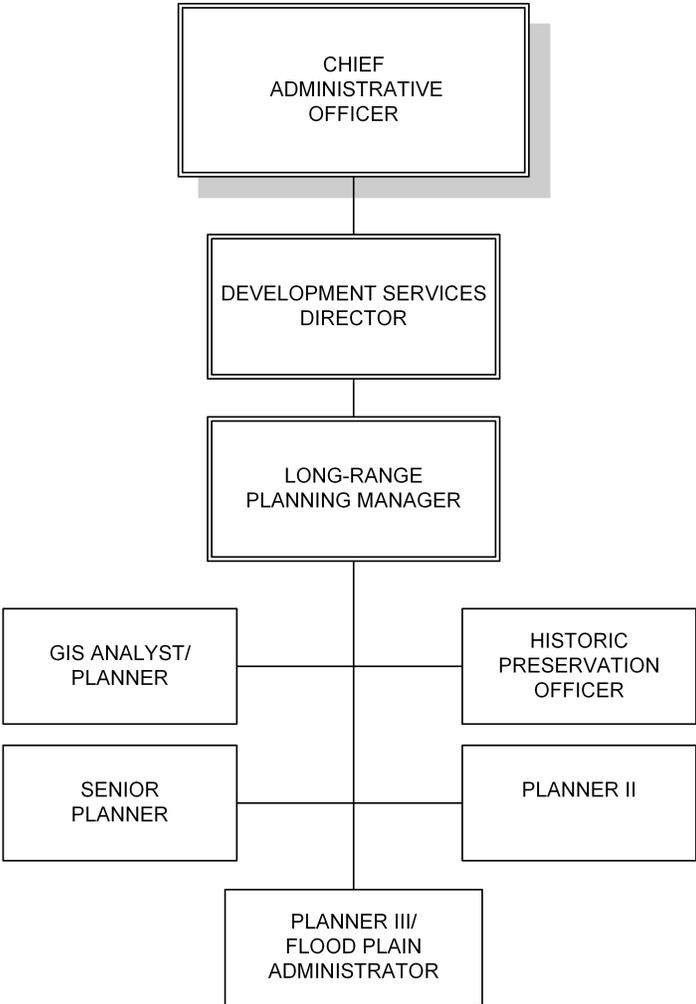
The 2991 Brownfields fund was set up to receive and expend funds received from the Environmental Protection Agency to make assessments for potential brownfields sites and loans, and a limited number of cleanup grants to eligible owners of brownfield sites within the City of Missoula.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	—	—	2,900	—	2,900
Miscellaneous	—	82,729	775,156	100,067	875,156
<b>Total</b>	—	82,729	778,056	100,067	878,056

**DEVELOPMENT SERVICES – PLANNING DIVISION**



## 2250 Planning

The City of Missoula 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.

### **BUDGET HIGHLIGHTS**

In Fiscal Year 2019, the Long Range Planning Division, including the Historic Preservation Office, made progress on the following strategic goals:

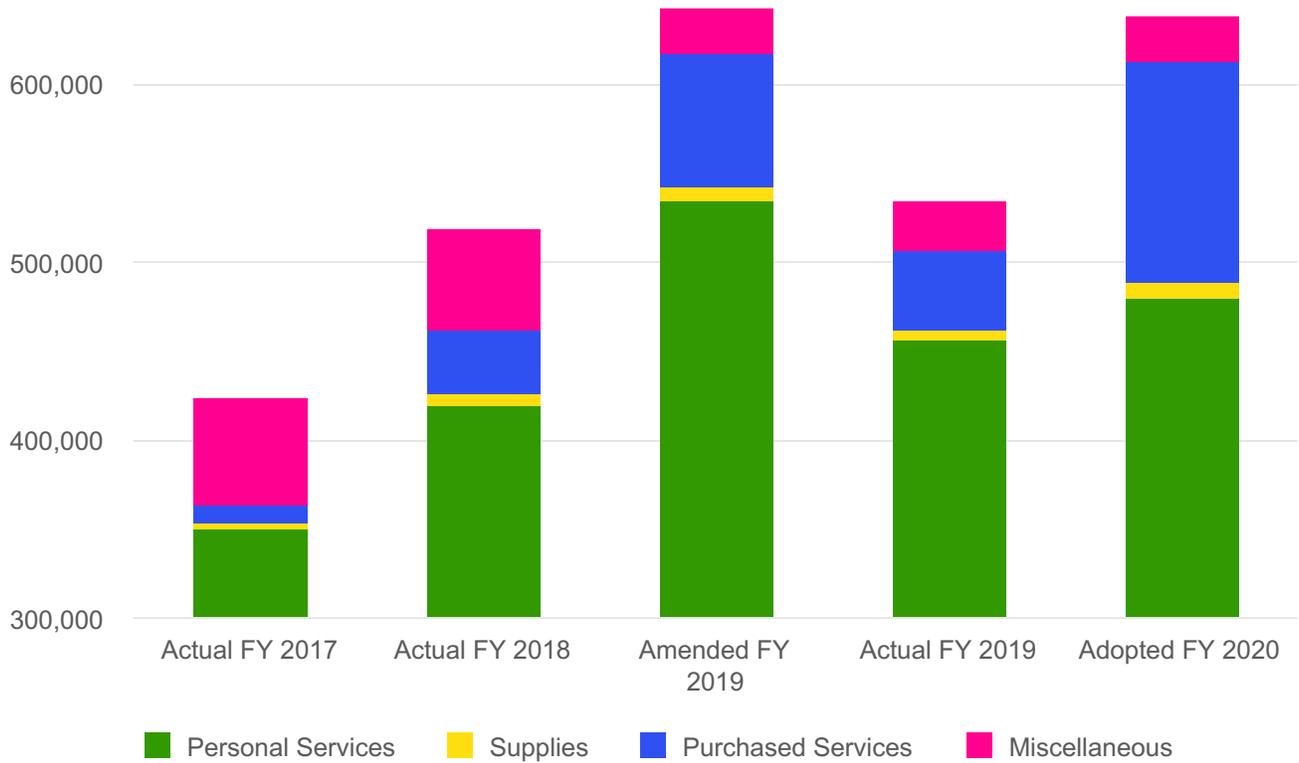
#### **Economic Growth and Sustainability**

- Updated existing zoning regulations and districts to replace the older requirements under Special District #2 (SD) and Enterprise Commercial (EC) Overlays. This change enables a simplified and modernized review process for new development that reflects the changing needs of the City and supports economic growth.
- City Annexation Policy – developed a draft annexation policy that addresses intentional/sustainable growth through research and coordination among agencies, to be adopted in FY20.
- Our Missoula Development Guide – replaced the Urban Fringe Development Area project and yearbook as a community tool for guiding future residential development that takes City growth policy elements into consideration along with an evaluation of developable lands. This helps with tracking residential development changes over the years, demonstrating progress towards meeting City housing goals, and informs the public of areas of emphasis in a highly visual manner.

#### **Infrastructure/Assets**

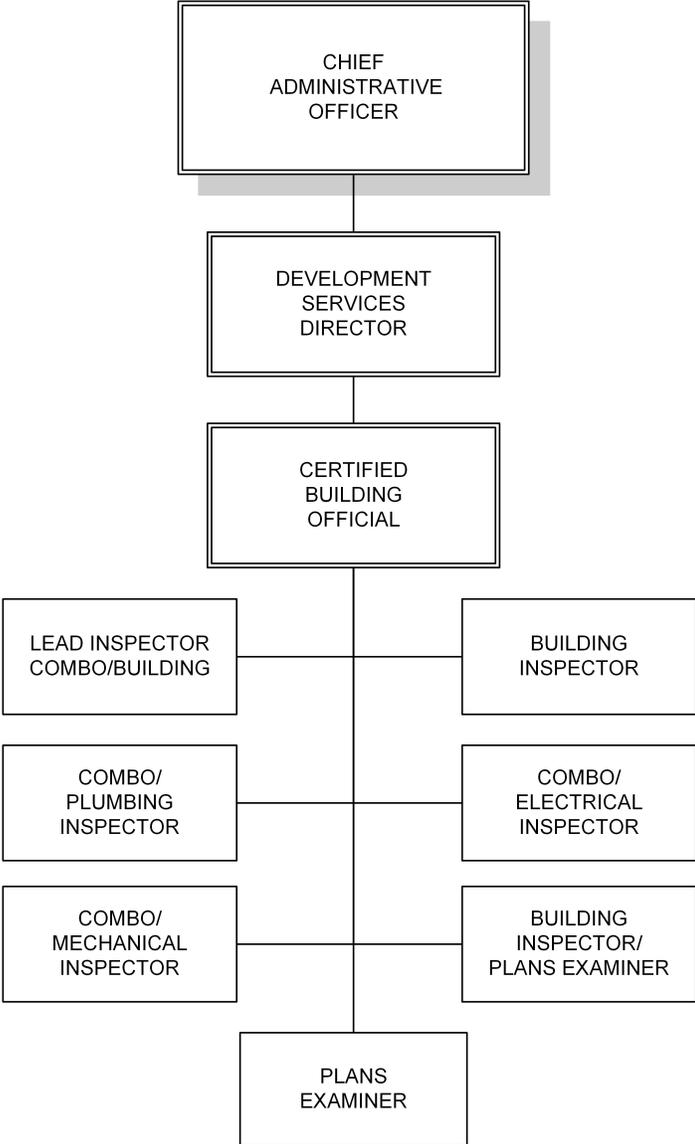
- Design Excellence Program – worked with consultants and stakeholders to craft a comprehensive system of development review that requires consideration of design standards and design guidelines through zoning to accomplish high quality, cohesive building and site design along the commercial corridors and within the downtown.
- Updated the Historic Preservation Demolition Ordinance to clarify the procedure and expectations of demolition review. This helps to provide demolition policy that reflects national standards and local sensitivity to our quality of life.
- Adaptive Reuse Zoning Overlay – developed a draft zoning overlay for the adaptive reuse of existing local Historically Significant Buildings which allows new uses and densities to extend the life of an existing building, promotes environmental sustainability, and enhances local economic growth, to be adopted in Fiscal Year 2020.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	350,122	419,247	535,001	456,388	480,263
Supplies	3,222	7,073	7,750	5,234	8,885
Purchased Services	10,651	36,298	74,637	45,163	123,502
Miscellaneous	60,573	56,650	25,820	28,011	26,340
<b>Total</b>	<b>424,568</b>	<b>519,269</b>	<b>643,208</b>	<b>534,796</b>	<b>638,990</b>

**DEVELOPMENT SERVICES – BUILDING DIVISION**



## **2394 Building Inspection**

The Building Inspection Division of the Development Services Department is certified by the State of Montana 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.

### **BUDGET HIGHLIGHTS**

In Fiscal Year 2019, the Building Division made progress on the following strategic goals:

#### **Organizational Excellence**

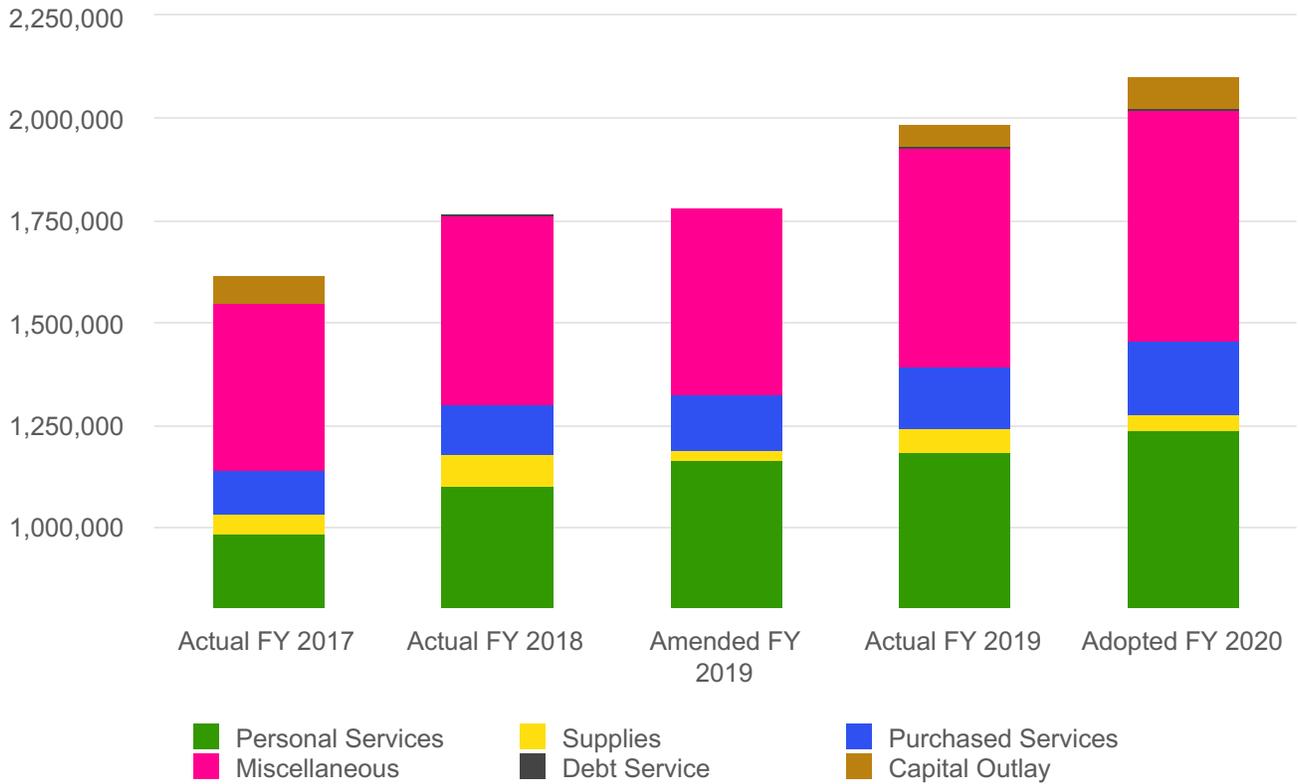
Successfully navigated the loss of long-tenured senior staff (Building Official and Plans Examiner) to retirement and hired dynamic, innovative successional staff from within the organization and externally recruiting new talent for lower level positions.

#### **Economic Growth and Sustainability**

Continued the maturation of the Electronic Document Review (EDR) system for Commercial Building Permits, which

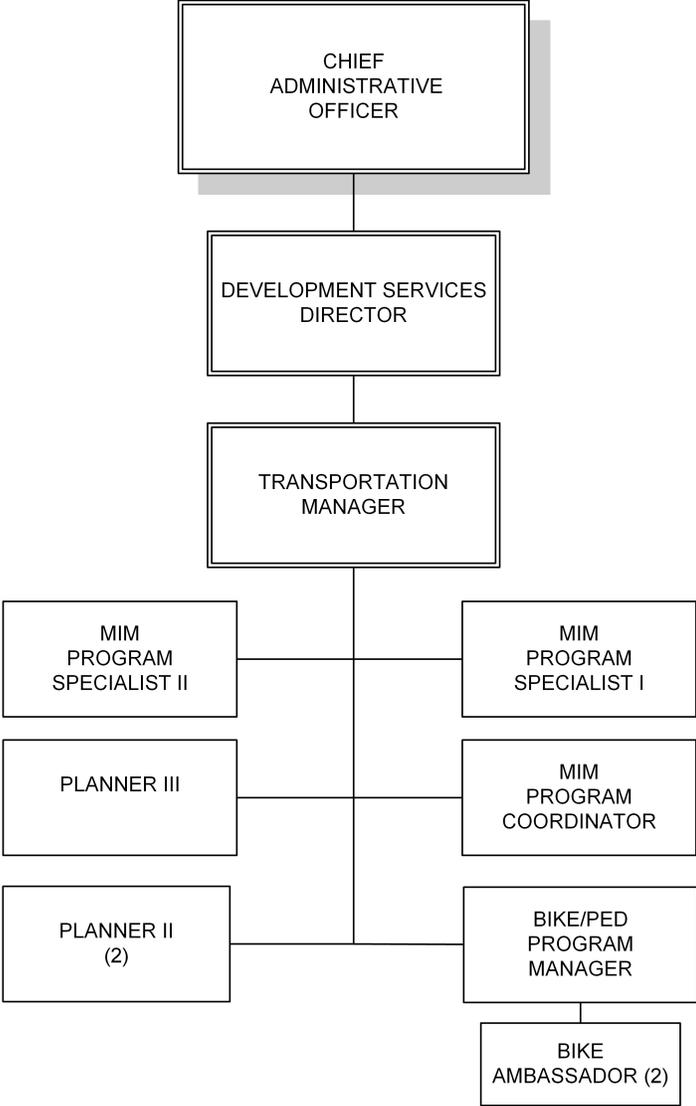
- 1.) increases the efficiency of operations by supporting concurrent review processes (versus formerly linear) and limiting the amount of paper plan scanning required;
- 2.) limits liability by requiring acknowledgement and implementation of plan review comments;  
and
- 3.) supports cost effectiveness and environmental practices by applicants and reviewers in having paperless, online permit and plan review capabilities.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	983,652	1,099,292	1,165,649	1,185,754	1,239,030
Supplies	47,750	78,289	22,675	58,651	37,265
Purchased Services	110,724	121,791	135,051	149,079	180,678
Miscellaneous	408,864	462,306	459,734	534,685	565,306
Debt Service	—	7,483	—	7,483	4,115
Capital Outlay	64,404	—	—	50,072	80,000
<b>Total</b>	<b>1,615,394</b>	<b>1,769,161</b>	<b>1,783,109</b>	<b>1,985,724</b>	<b>2,106,394</b>

**DEVELOPMENT SERVICES – TRANSPORTATION DIVISION**



## 2955 Transportation

The Transportation Planning Division provides multi-modal transportation planning and transportation options services to the City and broader Missoula region. Three primary programs within the division help accomplish this mission:

1. **Missoula Metropolitan Planning Organization (MPO)** - The MPO leads the City and region's long-range transportation planning, through continuous, comprehensive, and cooperative planning processes. The MPO also participates in planning and policy creation to achieve the region's goals such as increased multi-modal connectivity, transportation safety, health, equity, and supports a shift towards a mode shift goal of halving our Single Occupancy Vehicle (SOV) trips.
2. **Missoula In Motion (MIM)** - MIM's mission is to increase the use of sustainable transportation in Missoula through education, encouragement, and engagement. Programs within MIM include WayToGo!, Commuter Challenge, Individualized Marketing, events (such as Sunday Streets), and school outreach.
3. **Bicycle and Pedestrian Office** - The mission of the Bike/Pedestrian Program is to enhance non-motorized transportation in Missoula through a variety of annual activities, including managing the Bicycle Ambassadors, Bike Racks for Businesses program, Bicycle Registration, and the Bicycle Pedestrian Advisory Board. The program also focuses on ensuring implementation of the City's Complete Streets Policy through project identification, design, maintenance activities, planning, and policy.

### BUDGET HIGHLIGHTS

In Fiscal Year 2019, the Transportation Planning Division made progress on the following Strategic Goals:

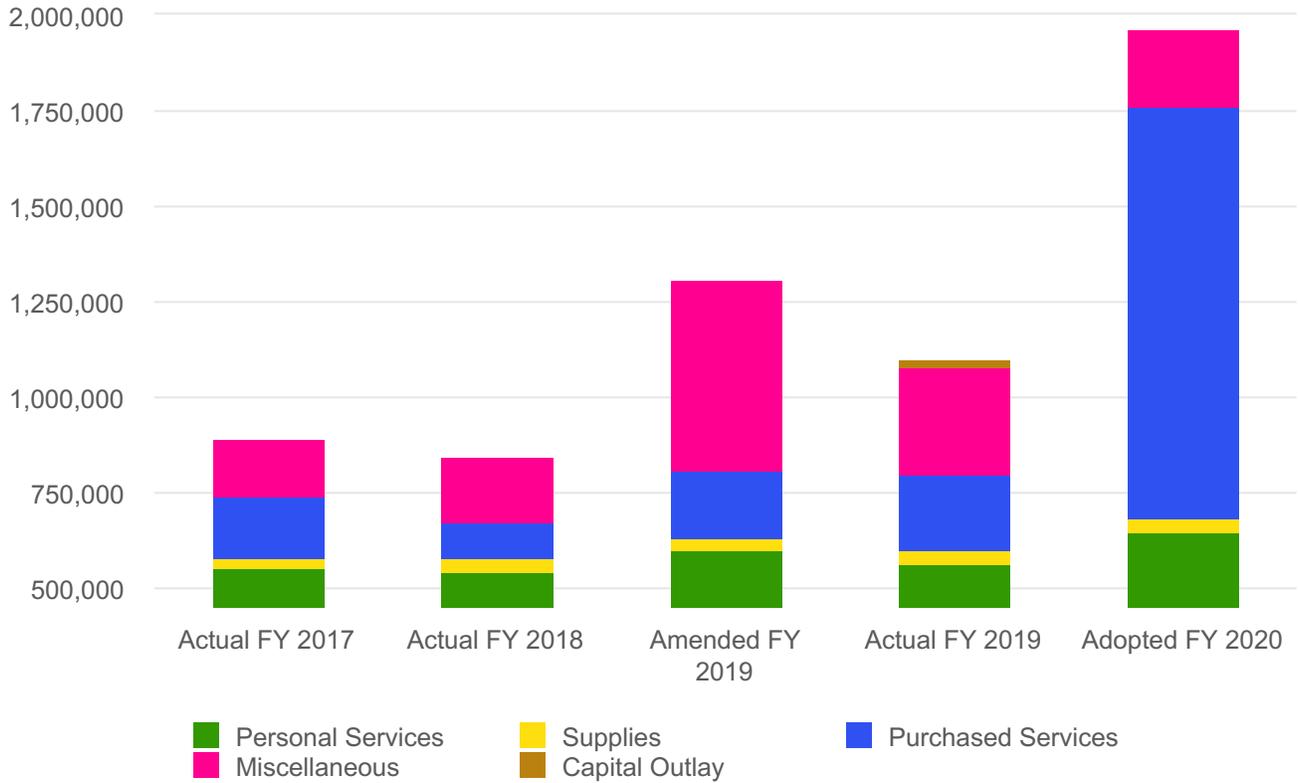
#### **Infrastructure/Assets:**

- Adopted the Pedestrian Facilities Master Plan, which brought together a collaborative working group to implement improvements to Missoula's pedestrian network. The plan prioritizes project areas based on benefits to adopted goals such as health, equity and connectivity.
- Initiated a Pavement Condition Assessment to better communicate road maintenance needs and to improve cost-effectiveness of funding investments
- Participated in a multi-agency partnership to pursue BUILD grant funding for necessary infrastructure in the Mullan area west of Reserve Street
- Continued to build on motorized and non-motorized traffic counts, providing the data necessary to plan for appropriate multi-modal transportation infrastructure

In addition to the goals listed above, the Transportation Division accomplished the following activities:

- Participated in project planning and design to ensure implementation of the Complete Streets Policy
- Successfully engaged Missoulians in TDM activities through events such as Sunday Streets and the Commuter Challenge, WayToGo Club, and workplace assessments
- Developed an individualized marketing campaign to encourage mode shift to non-Single Occupancy Vehicle trips
- Adopted a Strategic Plan to ensure continued effectiveness of Missoula In Motion's transportation options activities

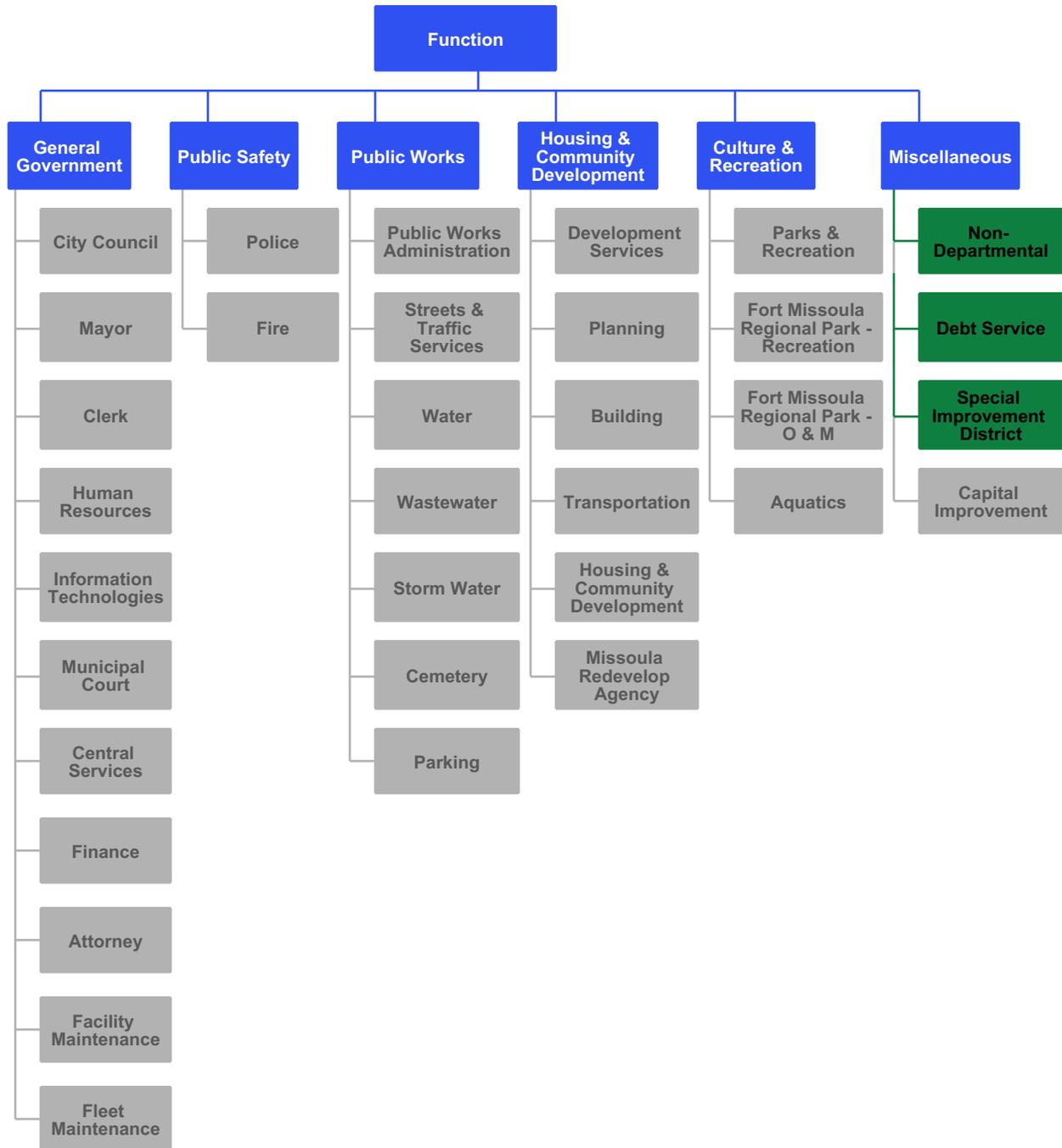
## EXPENSE SUMMARY



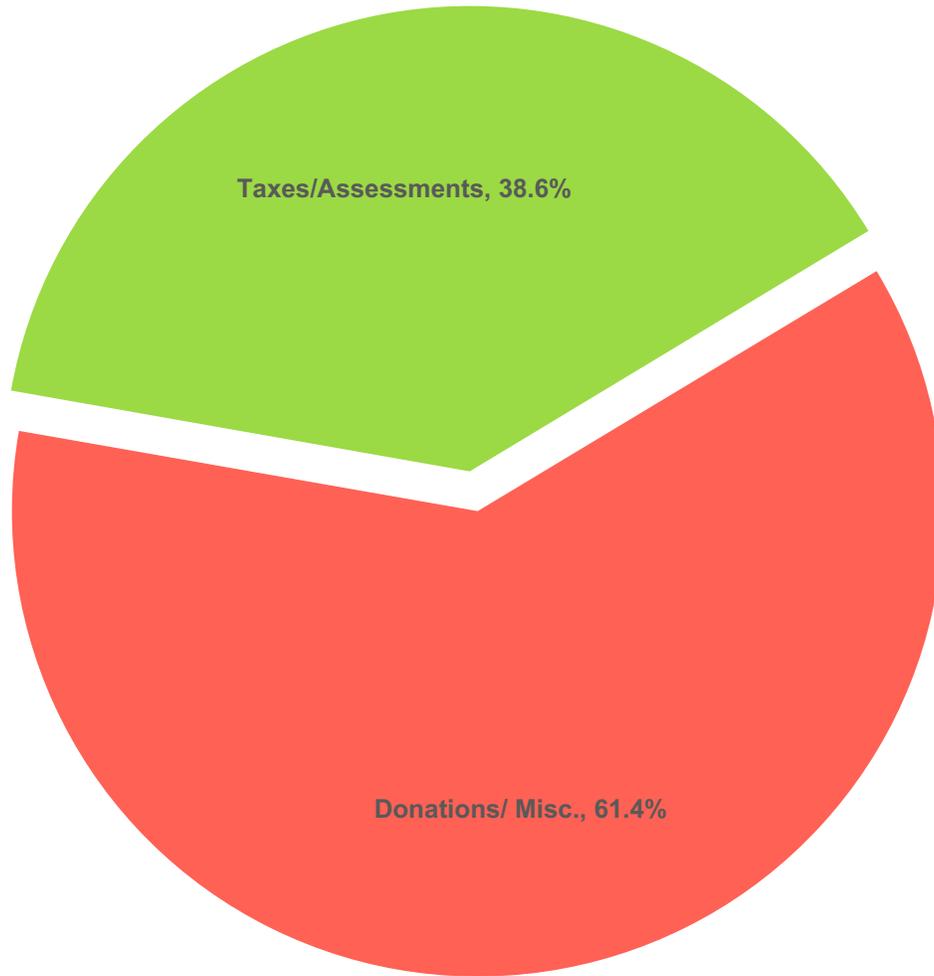
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	554,787	541,350	601,981	563,826	647,800
Supplies	26,967	40,043	29,150	36,257	35,150
Purchased Services	158,920	91,755	177,948	196,274	1,075,675
Miscellaneous	148,999	170,302	498,144	283,696	207,135
Capital Outlay	—	—	—	21,555	—
<b>Total</b>	<b>889,673</b>	<b>843,450</b>	<b>1,307,223</b>	<b>1,101,608</b>	<b>1,965,760</b>

## 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.

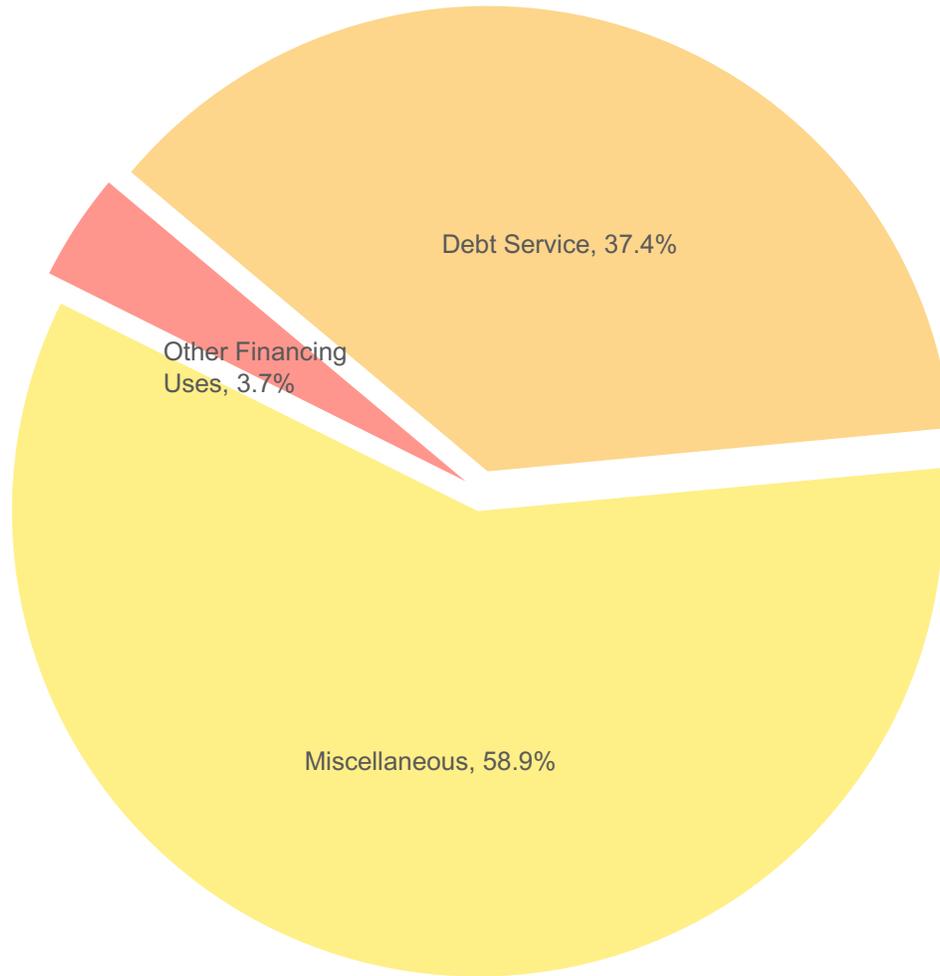


### FY 2020 Budgeted Debt Service Revenues by Category



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Taxes/Assessments	1,123,993	1,007,092	1,003,091	(4,001)
Donations/ Misc.	1,725,199	1,525,744	1,596,293	70,549
Investment	7,535	6,980	—	(6,980)
Proceeds	—	19,700	—	(19,700)
<b>Total Sources</b>	<b>2,856,727</b>	<b>2,559,515</b>	<b>2,599,384</b>	<b>39,868</b>

### FY 2020 Debt Service Budgeted Expenditures by Function

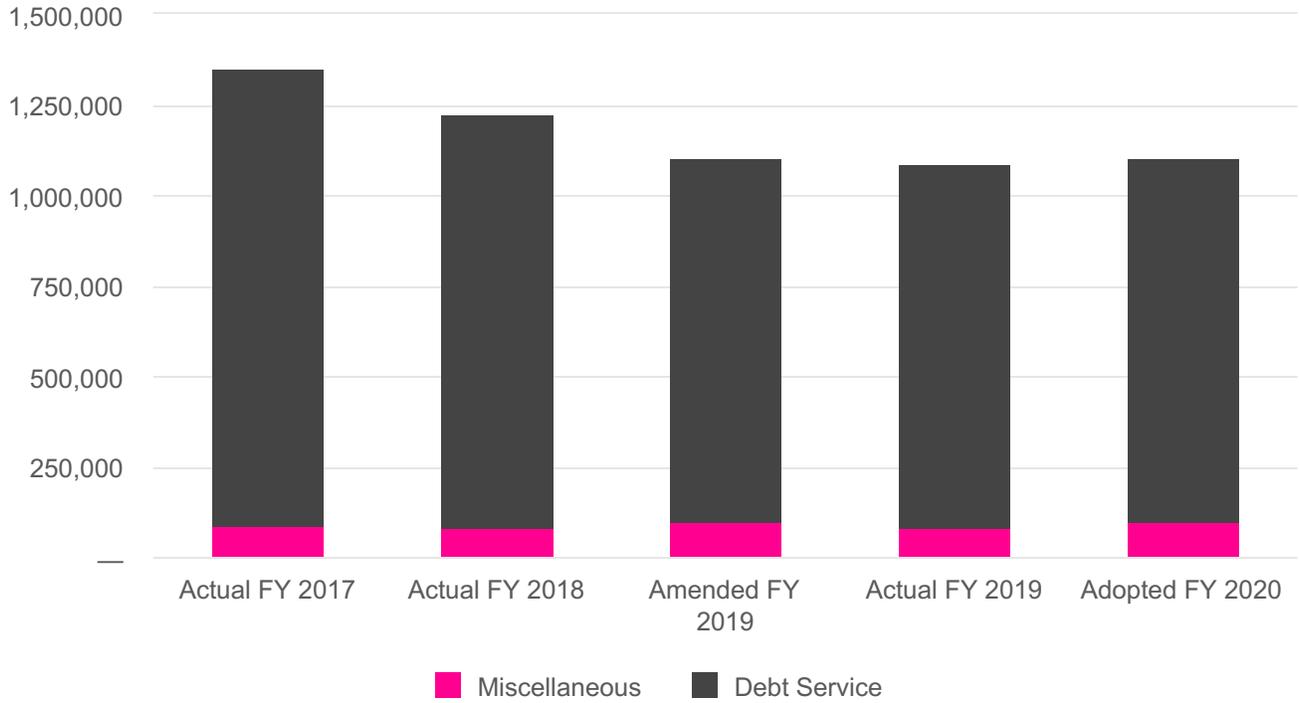


	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase
Debt Service	1,142,778	1,005,177	1,003,091	(2,086)
Miscellaneous	1,904,175	1,788,080	1,578,632	(209,448)
Other Financing Uses	85,679	85,696	100,000	14,304
<b>Total Uses</b>	<b>3,132,632</b>	<b>2,878,953</b>	<b>2,681,723</b>	<b>(197,230)</b>

## General Obligation Bonds

An individual 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.

### EXPENSE SUMMARY



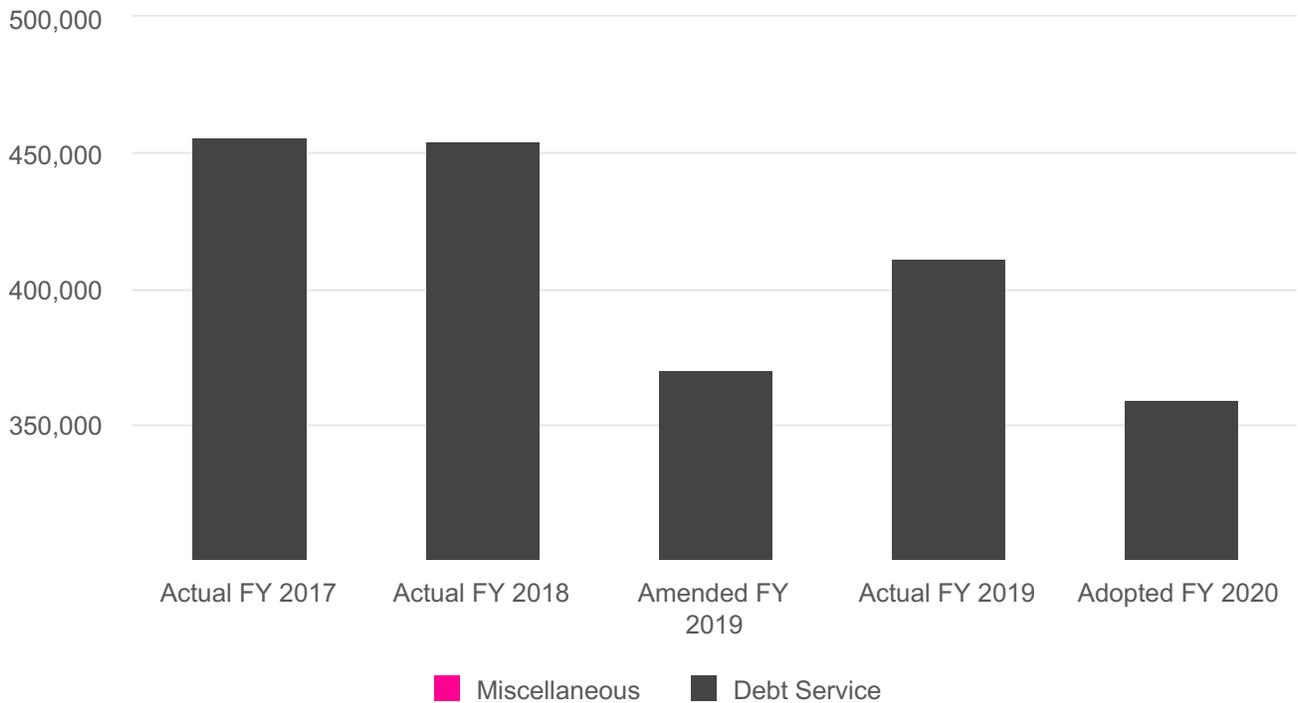
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	86,788	82,339	100,000	82,376	100,000
Debt Service	1,264,255	1,142,778	1,001,727	1,005,177	1,003,091
<b>Total</b>	<b>1,351,043</b>	<b>1,225,116</b>	<b>1,101,727</b>	<b>1,087,553</b>	<b>1,103,091</b>

## Sidewalk, Curb and Gutter Bonds

### Sidewalk, Curb and Gutter Bonds with Government Commitment

Adjacent property owners are assessed for principal and interest to repay sidewalk, curb and gutter bonds. If sufficient funds are not received, loans are made from the SID Revolving fund. This fund is financed by fees paid by issuance of each new sidewalk, curb and gutter bond and, if needed, from cash transferred from the general fund. 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.

### EXPENSE SUMMARY



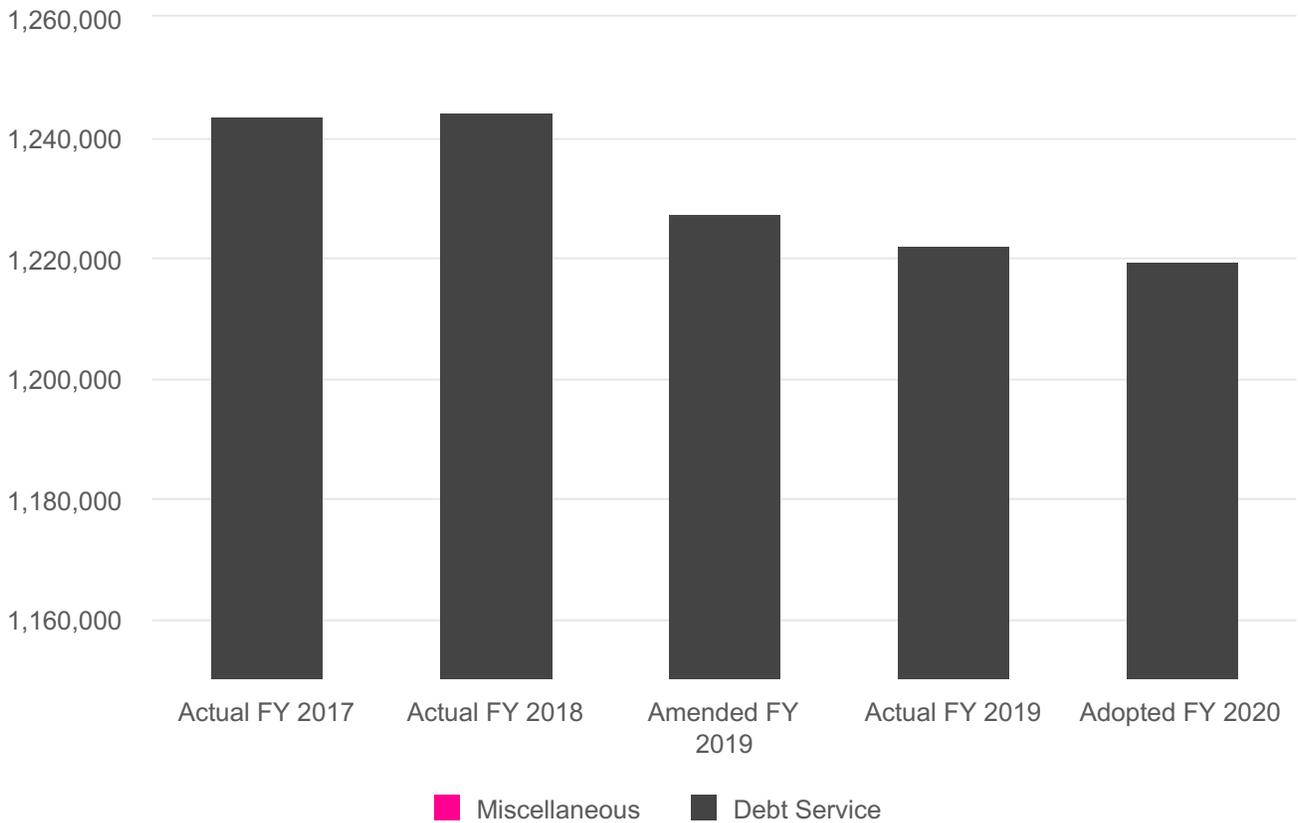
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	—	—	—	10	—
Debt Service	455,933	454,623	370,577	411,405	359,102
<b>Total</b>	<b>455,933</b>	<b>454,623</b>	<b>370,577</b>	<b>411,415</b>	<b>359,102</b>

## Special Improvement District Bonds

### 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, 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.

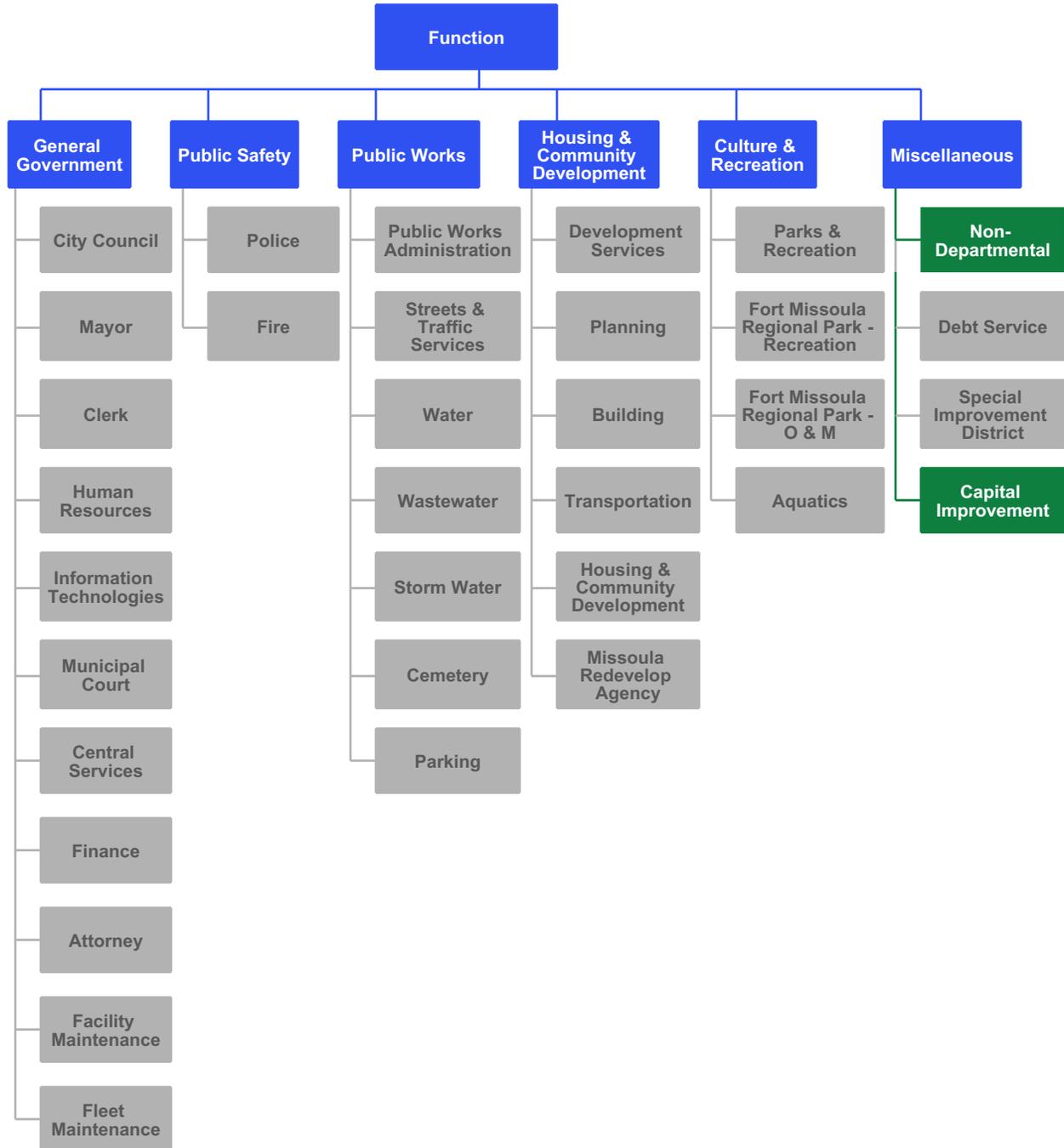
### EXPENSE SUMMARY



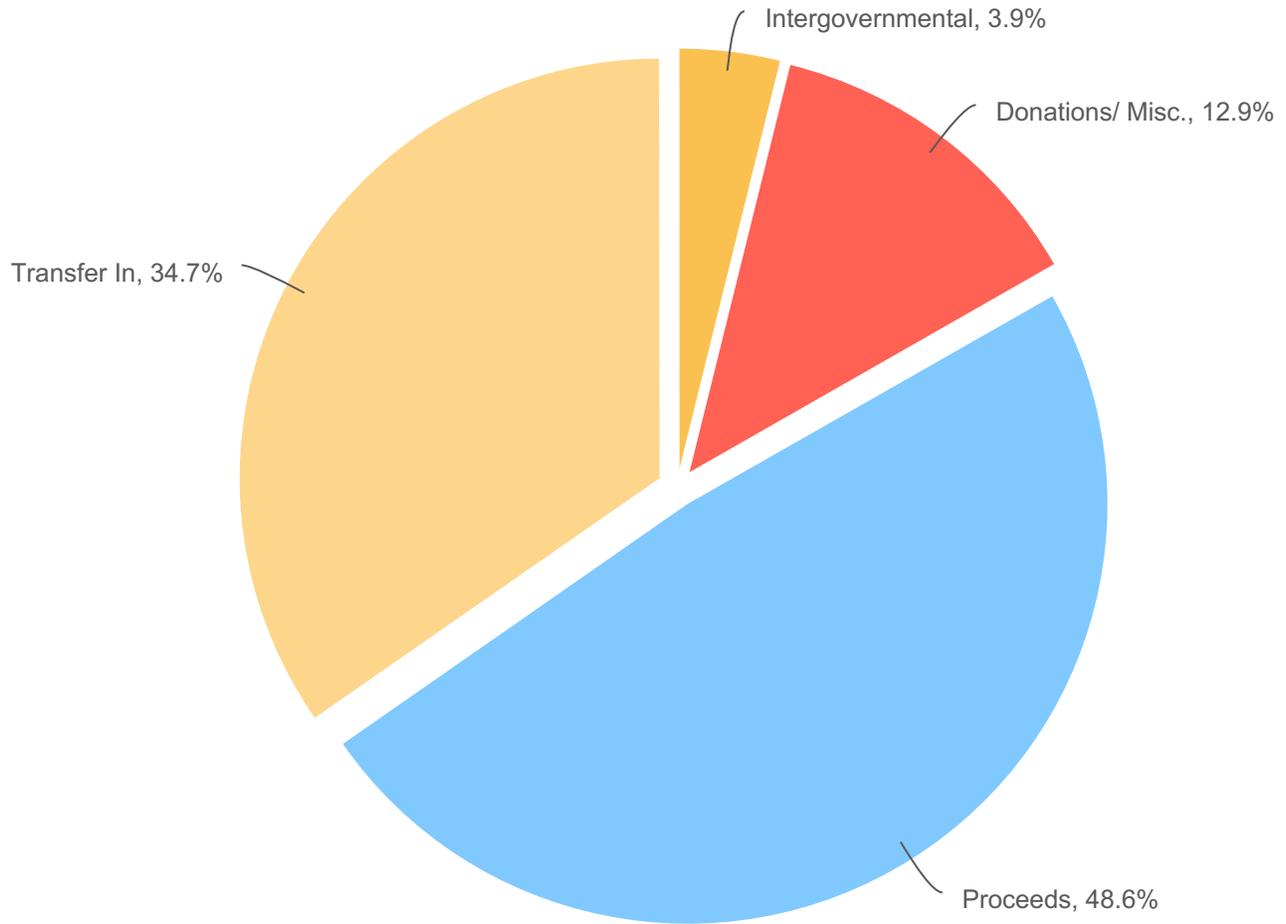
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	3,998	3,511	—	3,320	—
Debt Service	1,239,644	1,240,616	1,227,277	1,218,606	1,219,530
<b>Total</b>	<b>1,243,642</b>	<b>1,244,127</b>	<b>1,227,277</b>	<b>1,221,926</b>	<b>1,219,530</b>

## 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.

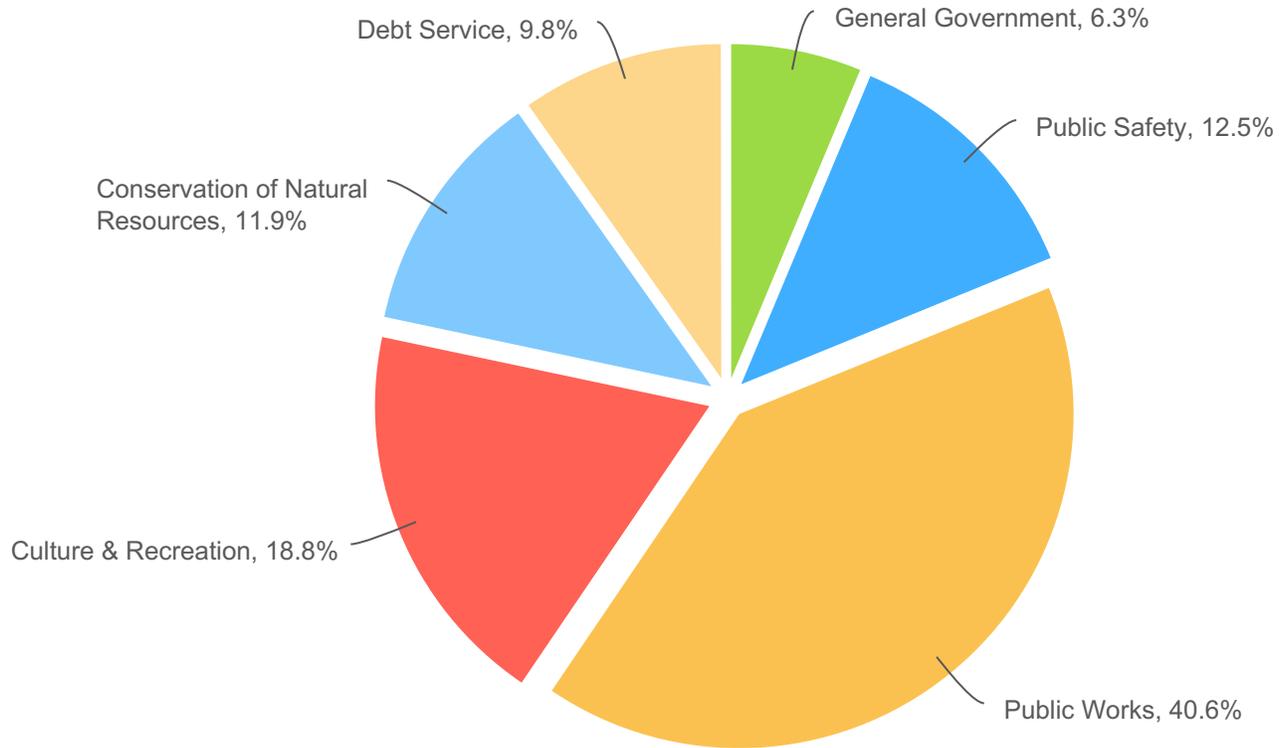


### FY 2020 Budgeted Capital Funds Revenues by Category



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Intergovernmental	30,115	—	779,441	779,441
Donations/ Misc.	134,597	103,907	2,602,840	2,498,933
Proceeds	6,302,010	374,300	9,802,479	9,428,179
Transfer In	2,439,469	3,690,617	6,997,731	3,307,114
<b>Total Sources</b>	<b>8,906,190</b>	<b>4,168,824</b>	<b>20,182,491</b>	<b>16,013,667</b>

### FY 2020 Budgeted Capital Funds Expenditures by Function



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
General Government	335,130	566,323	1,010,474	444,151
Public Safety	2,647,788	1,146,600	2,001,450	854,850
Public Works	972,218	2,589,186	6,496,378	3,907,192
Culture & Recreation	721,799	351,667	3,009,555	2,657,888
Conservation of Natural Resources	—	—	1,900,000	1,900,000
Debt Service	1,379,085	1,700,371	1,563,904	(136,468)
Miscellaneous	15,559	88,702	—	(88,702)
<b>Total Uses</b>	<b>6,071,579</b>	<b>6,442,849</b>	<b>15,981,761</b>	<b>9,538,911</b>

## 4000 Capital Improvement Program

In an effort to assist the project managers in tracking capital improvement projects, the City expanded the number of capital improvement program funds from one to six. The funds and description of each is below:

- **4010** - General Government Core Vehicles and Equipment
- **4011** - Information Technologies Projects
- **4013** - Administrative Projects
  
- **4020** - Public Safety Core Vehicles and Equipment
- **4023** - Public Safety Facility Improvements
  
- **4030** - Public Works Core Vehicles and Equipment
- **4033** - Sidewalk/Curb Projects
- **4035** - Roadway Improvements
  
- **4060** - Capital Debt Payments
  
- **4080** - Culture and Recreation Vehicles and Equipment
- **4081** - Culture and Recreation Parks Projects
- **4083** - Culture and Recreation Conservation Land Management Projects
- **4085** - Culture and Recreation Urban Forestry Projects
  
- **44XX** - Sidewalk, Curb and Gutter
- **45XX** - Special Improvement Districts

### **Revenues - \$20,182,491**

Revenues for this fund are comprised of debt proceeds, transfers from other funds, private donations, developer contributions, and local, state, and federal grants,

### **Expenditures - \$15,981,761**

The FY 2020 expenditures in this fund include... land, construction, design & engineering, and capital equipment

**Revenues by Fund**

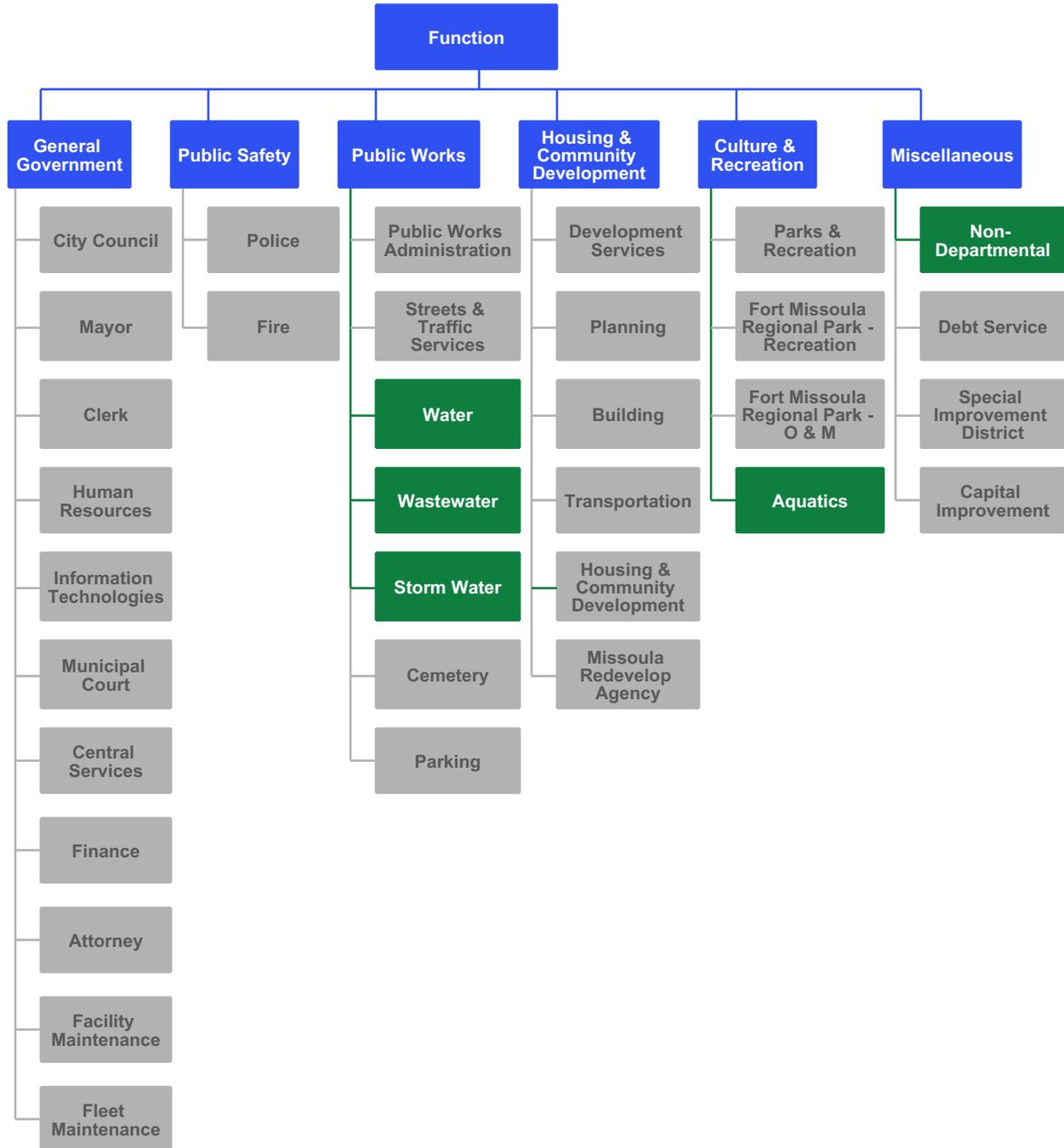
Fund	Description	FY 2017 Actual	FY 2018 Actual	FY 2019 Budgeted	FY 2019 Estimated	FY 2020 Adopted
<b>4010</b>	Bond/Capital Lease	—	—	—	—	927,555
<b>4011</b>	Bond/Capital Lease	—	—	—	—	1,081,846
<b>4013</b>	Bond/Capital Lease	—	—	—	—	279,007
<b>4020</b>	Bond/Capital Lease	—	—	—	—	2,596,321
<b>4023</b>	Transfers	—	—	—	—	326,000
<b>4030</b>	Bond/Capital Lease	—	—	—	—	1,783,330
<b>4033</b>	Bond/Capital Lease	—	—	—	—	410,000
	Transfers from BaRSAA	—	—	—	—	3,306
<b>4035</b>	Grants	—	—	—	—	401,539
	Donations	—	—	—	—	96,000
	Cont. from BaRSAA	—	—	—	—	—
<b>4060</b>	Transfers	1,330,842	1,404,003	1,817,789	1,817,789	1,669,516
<b>4080</b>	Bond/Capital Lease	—	—	—	—	856,877
<b>4081</b>	Grants	—	—	—	—	522,750
	Donations	—	—	—	—	160,702
	Bond/Capital Lease	—	—	—	—	408,843
<b>4083</b>	Grants	—	—	—	—	318,314
	Donations	—	—	—	—	233,058
<b>4085</b>	Grants	—	—	—	—	33,461
	Donations	—	—	—	—	—

**Expenditures by Function and Fund**

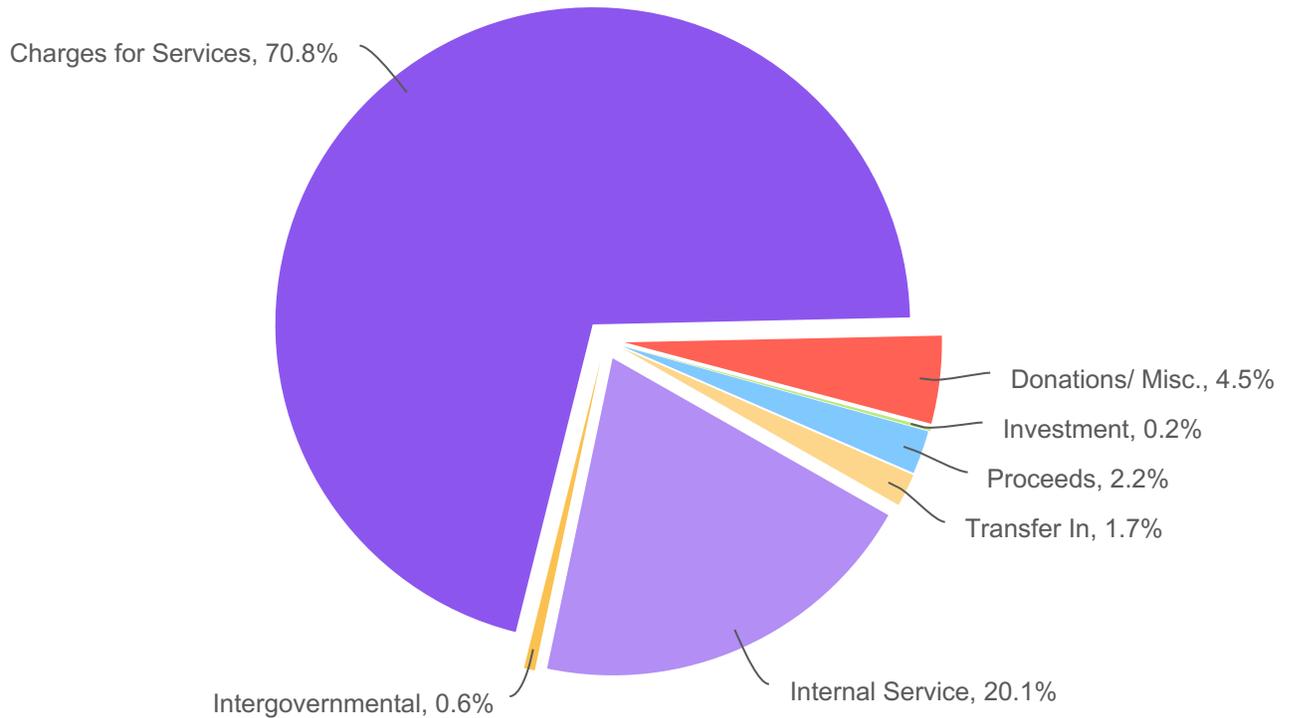
	FY 2017 Actual	FY 2018 Actual	FY 2019 Budgeted	FY 2019 Estimated	FY 2020 Adopted
<b>Culture &amp; Recreation</b>					
4080 Core Vehicle & Equipment	—	695,738	123,055	332,599	95,000
4081 Parks	—	—	75,000	11,668	1,641,060
4083 Conservation Land Management	—	—	—	—	1,096,355
4085 Urban Forestry	—	26,061	—	7,400	177,140
<b>General Government</b>					
4010 Core Vehicle & Equipment	—	62,038	—	23,587	397,500
4011 Information Technologies Projects	—	255,808	164,000	371,786	404,575
4013 Administrative Projects	—	9,750	—	163,971	105,286
4060 Capital Debt	374,890	7,143	159,676	6,567	103,113
<b>Miscellaneous</b>					
4060 Capital Debt	1,127,562	1,385,688	1,241,827	1,700,371	1,563,904
4083 Conservation Land Management	—	—	—	—	1,900,000
<b>Public Safety</b>					
4020 Core Vehicle & Equipment	—	234,919	—	984,435	1,675,450
4023 Public Safety Facility	—	—	—	—	326,000
<b>Public Works</b>					
4030 Core Vehicle & Equipment	—	199,712	—	520,353	780,200
4033 Sidewalk/Curb	—	134,303	17,500	800,595	410,000
4035 Roadway	—	10,184	3,007,428	996,268	5,306,178
<b>Total Capital Funds</b>	<b>7,680,240</b>	<b>6,004,681</b>	<b>4,788,486</b>	<b>6,396,934</b>	<b>15,981,761</b>

## 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 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.

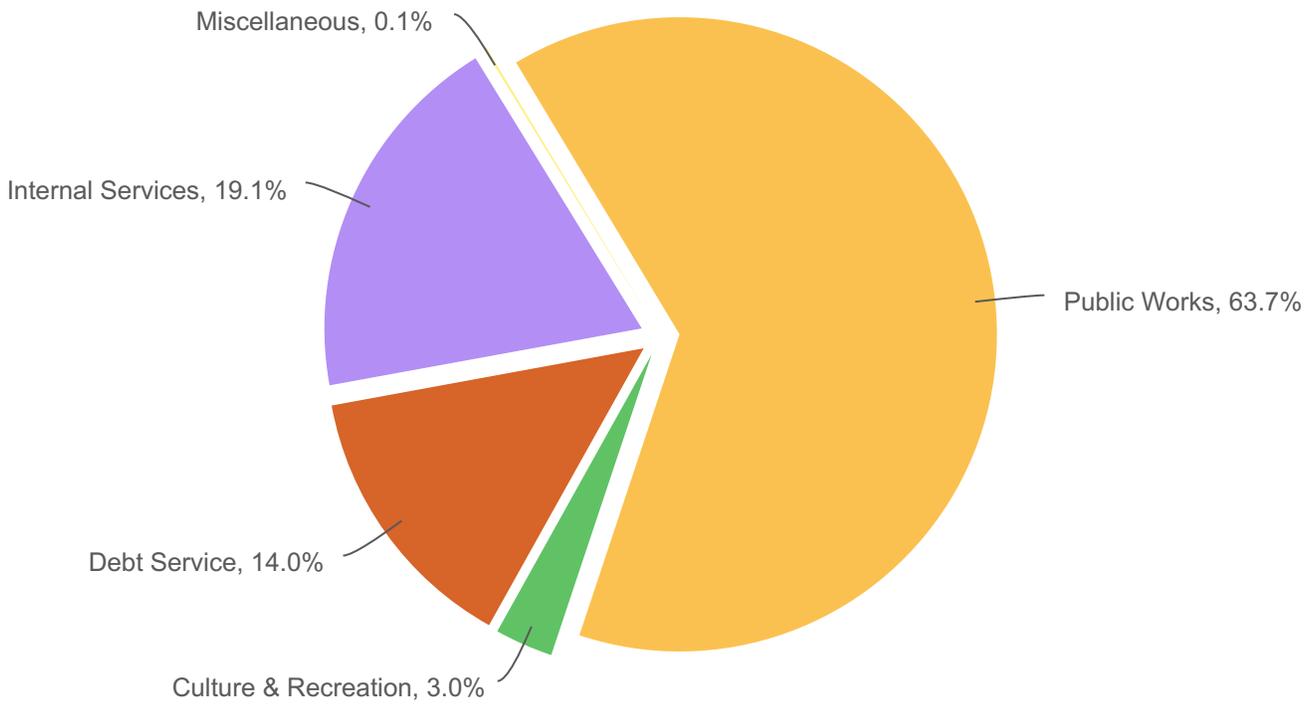


### FY 2020 Budgeted Enterprise Funds Revenues by Category



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Licenses & Permits	1,633	1,352	—	(1,352)
Intergovernmental	540,579	359,930	248,555	(111,375)
Charges for Services	29,423,050	28,628,978	30,576,924	1,947,946
Donations/ Misc.	3,649,441	2,701,593	1,936,197	(765,396)
Investment	132,811	114,256	75,000	(39,256)
Proceeds	—	—	964,800	964,800
Transfer In	722,981	910,095	725,000	(185,095)
Internal Service	6,057,814	6,054,640	8,684,348	2,629,708
<b>Total Uses</b>	<b>40,528,309</b>	<b>38,770,844</b>	<b>43,210,824</b>	<b>4,439,980</b>

### FY 2020 Budgeted Enterprise Funds Expenditures by Function



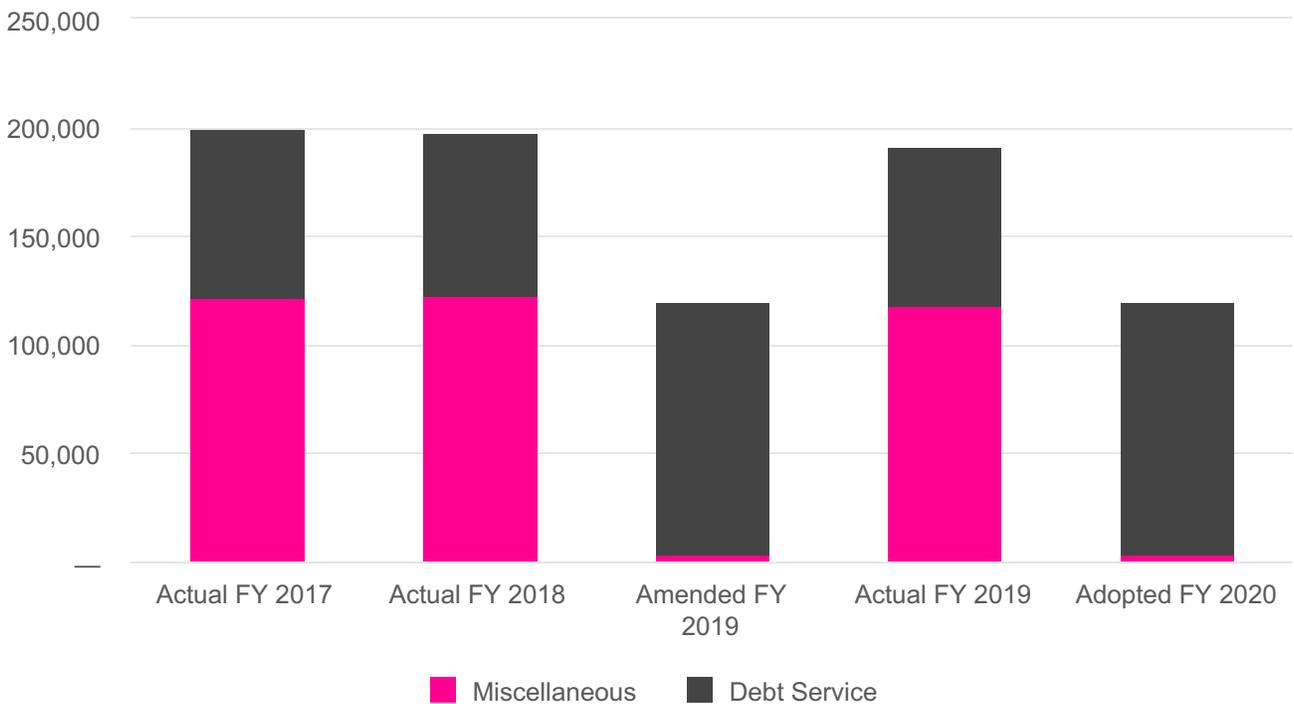
	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
General Government	3,074,778	—	—	—
Public Works	19,185,851	18,364,446	32,589,888	14,225,442
Culture & Recreation	1,357,212	1,329,315	1,516,445	187,130
Debt Service	4,783,103	5,558,103	7,176,866	1,618,763
Internal Services	7,655,764	6,193,249	9,772,900	3,579,651
Miscellaneous	4,601,627	8,004,923	72,000	(7,932,923)
<b>Total Uses</b>	<b>40,658,335</b>	<b>39,450,036</b>	<b>51,128,099</b>	<b>11,678,063</b>

## Civic Stadium

The Civic Stadium fund was set up for the issuance of \$1,555,000 in 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.

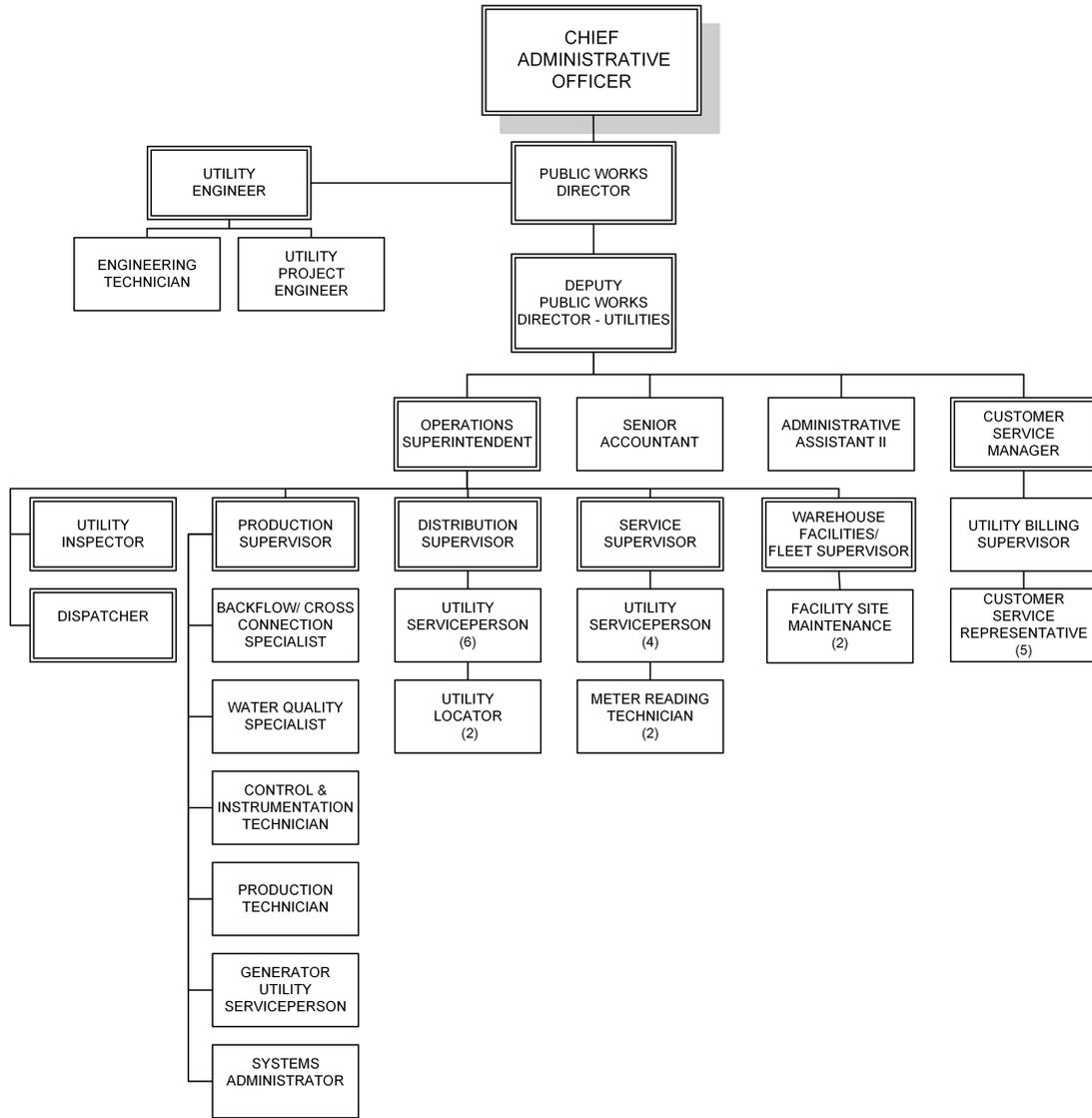
The City will receive lease payments in the amount of \$120,000 a year for 20 years from Big Sky Professional Baseball LLC (formerly Mountain Baseball LLC). The lease payments will be used to make the debt service payments to the creditors of the \$1,555,000 Civic Stadium Revenue Bonds.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Miscellaneous	122,018	122,683	3,484	118,500	3,969
Debt Service	77,367	75,006	116,516	72,873	116,031
<b>Total</b>	<b>199,385</b>	<b>197,689</b>	<b>120,000</b>	<b>191,373</b>	<b>120,000</b>

## PUBLIC WORKS – WATER DIVISION



## Water Utility

The Water Utility Fund accounts for the water utility's activities including distribution of domestic and commercial water throughout the Missoula area. The water utility 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 water utility is separated into four distinct sections:

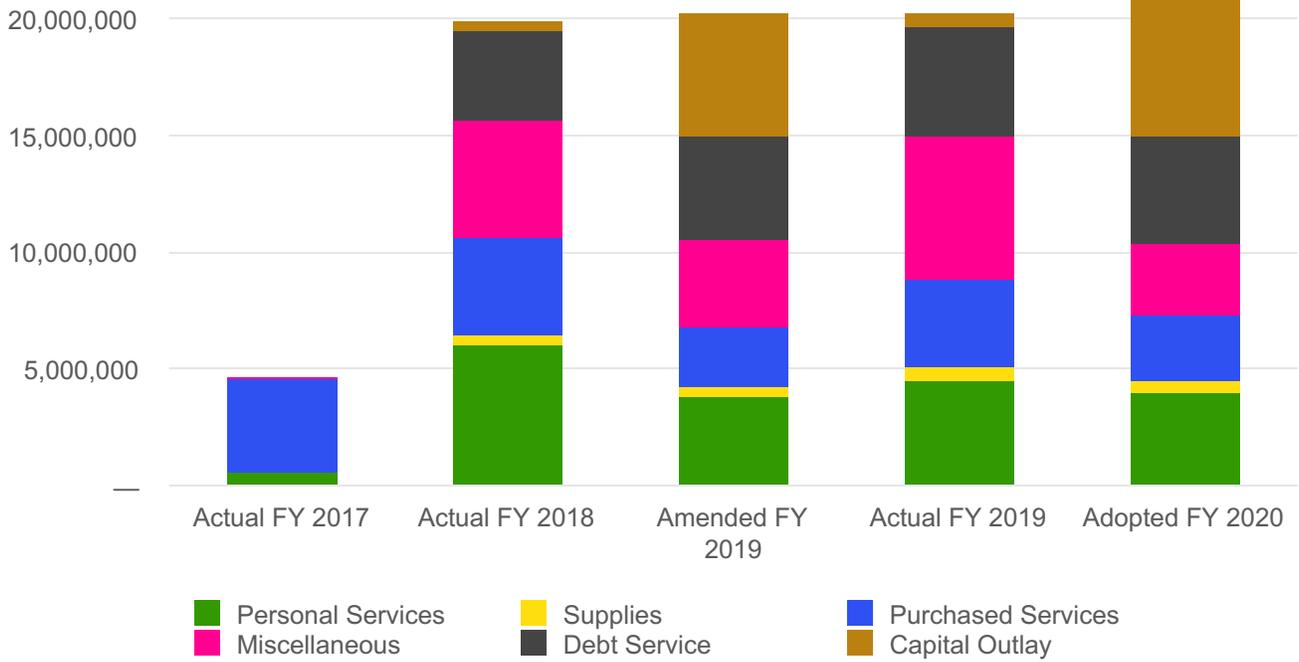
1. Administration and Customer Services
2. Water Facilities
3. Source Supply
4. Pumping, Transmission, and Distribution

### **BUDGET HIGHLIGHTS**

#### **Infrastructure & Assets**

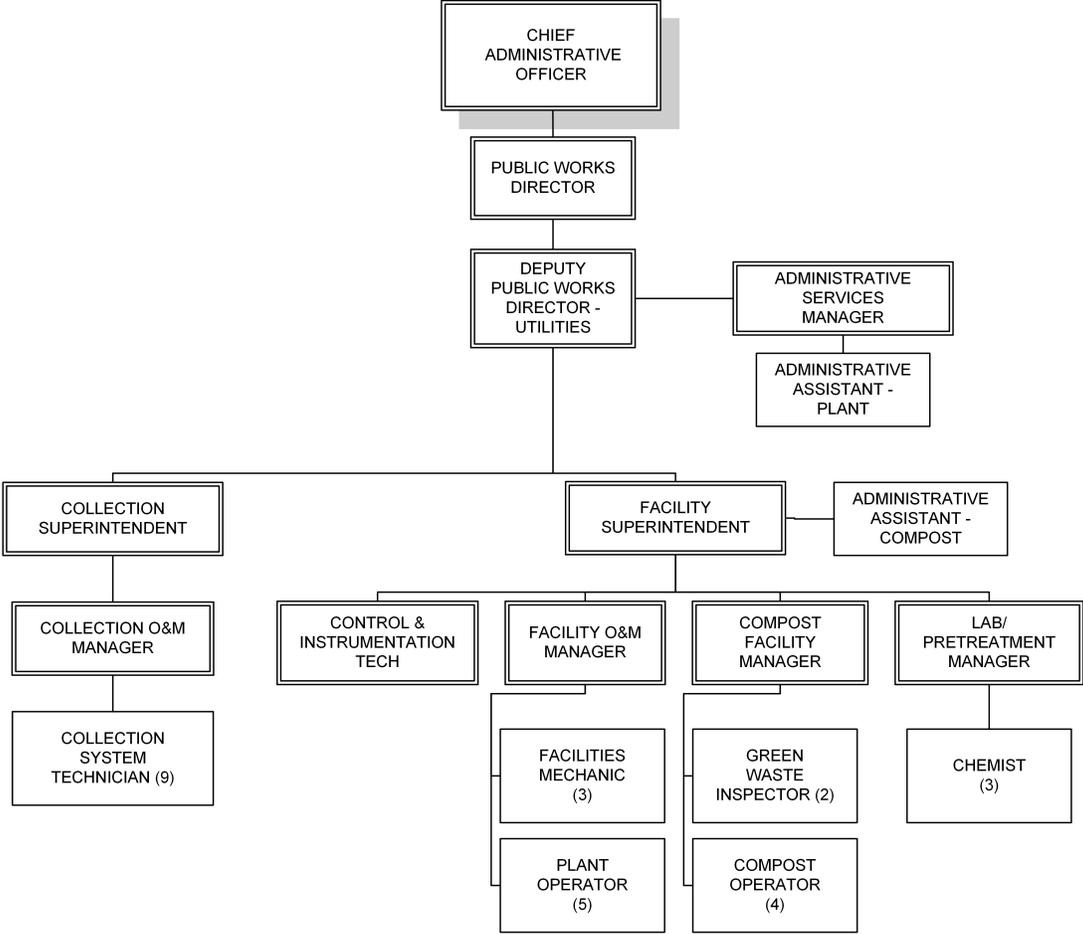
- Create CIP programs to address unstudied infrastructure:
  - Completed the master plans and nearly completed the rate studies for water, wastewater, and storm water utilities
    - Improved our understanding of our infrastructure
    - Identified the highest priority capital needs
    - Identified required revenue to make necessary infrastructure improvements
    - Implemented the Capital Improvement Program
  - Will continue to further knowledge in areas such as leakage reduction
- Create functional, collaborative teams to implement, measure, and communicate progress:
  - Parks & Rec Quarterly Update Meetings
    - Discussed many areas of overlap
    - Coordinated planned improvements at Waterworks Hill, Rattlesnake Intake Dam, and Crestline Tank site
  - Development Services Biweekly Update Meetings
    - Reviewed developments and Public Work's capital projects
  - Capital Projects with Public Works Streets and Utilities, Development Services, MRA, and Parks & Rec
    - Minimized impacts to the public
    - Maximized efficiency of infrastructure investments
    - Examples:
      - South Ave Water Main Replacement
        - Worked with streets to install new ADA ramps and a complete a full street overlay
      - Wyoming Street Water Main Extension
        - Worked with MRA to install new water main in advance of MRA's project to reconstruct that section of the street

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	626,331	6,023,351	3,802,211	4,540,320	4,044,226
Supplies	10,500	465,265	451,760	565,206	464,235
Purchased Services	3,960,694	4,199,134	2,600,615	3,744,831	2,864,784
Miscellaneous	84,418	4,991,494	3,726,109	6,190,425	2,994,314
Debt Service	—	3,878,652	4,442,404	4,669,177	4,607,119
Capital Outlay	49,462	367,969	5,265,000	586,288	6,244,624
<b>Total</b>	<b>4,731,405</b>	<b>19,925,865</b>	<b>20,288,099</b>	<b>20,296,247</b>	<b>21,219,302</b>

**PUBLIC WORKS – WASTEWATER DIVISION**



## **Wastewater/Compost Utility**

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

The Wastewater Utility is separated into five distinct sections:

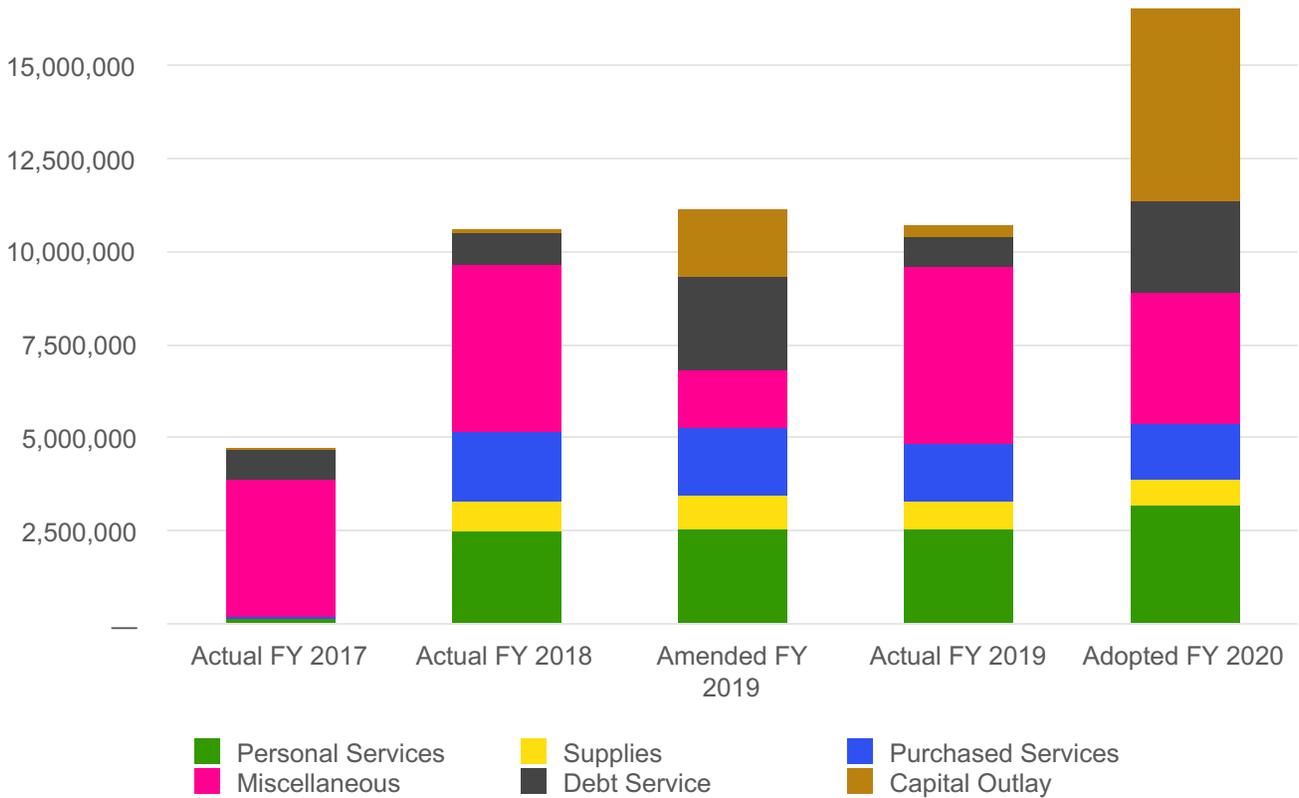
1. Wastewater Collection
2. Wastewater Treatment
3. Wastewater Administration
4. Wastewater Pre-treatment / Laboratory
5. Garden City Compost Sales and Green Waste Acceptance

### **BUDGET HIGHLIGHTS**

#### **Infrastructure & Assets**

- Create CIP programs to address unstudied infrastructure:
  - The master plans have been completed and the rate study for Wastewater is nearly complete.
  - The Wastewater Division has identified required revenue to make necessary infrastructure improvements and identified the highest priority capital needs.
- Create functional, collaborative teams to implement, measure, and communicate progress:
  - In FY2019, the Wastewater Division partnered with a developer to install a sewer main extension in order to accommodate development at 1900 W Broadway and surrounding parcels on Maple Street and West Broadway.
  - The Wastewater Division worked with an engineering firm to create a sewer modeling study to help address future capital improvements that are needed to accommodate development and growth. Development in the West Mullan corridor and the land between Cemetery Rd and I-90 are currently being studied.
  - The utilities meet on a regular basis to collaborate and communicate progress on capital projects and maintenance in order to ensure the best use of funds and the smallest amount of interruption to the public for projects to be completed.

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	169,638	2,488,494	2,588,217	2,573,533	3,185,760
Supplies	—	800,269	860,370	760,169	722,670
Purchased Services	35,065	1,882,909	1,831,966	1,510,581	1,507,456
Miscellaneous	3,713,611	4,509,406	1,545,267	4,761,668	3,531,046
Debt Service	785,826	829,441	2,540,564	816,053	2,453,716
Capital Outlay	78,338	151,770	1,832,823	341,799	5,191,142
<b>Total</b>	<b>4,782,479</b>	<b>10,662,289</b>	<b>11,199,207</b>	<b>10,763,803</b>	<b>16,591,790</b>

## **Storm Water Utility**

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
- 4) Storm Water Utility Operations System Construction Projects

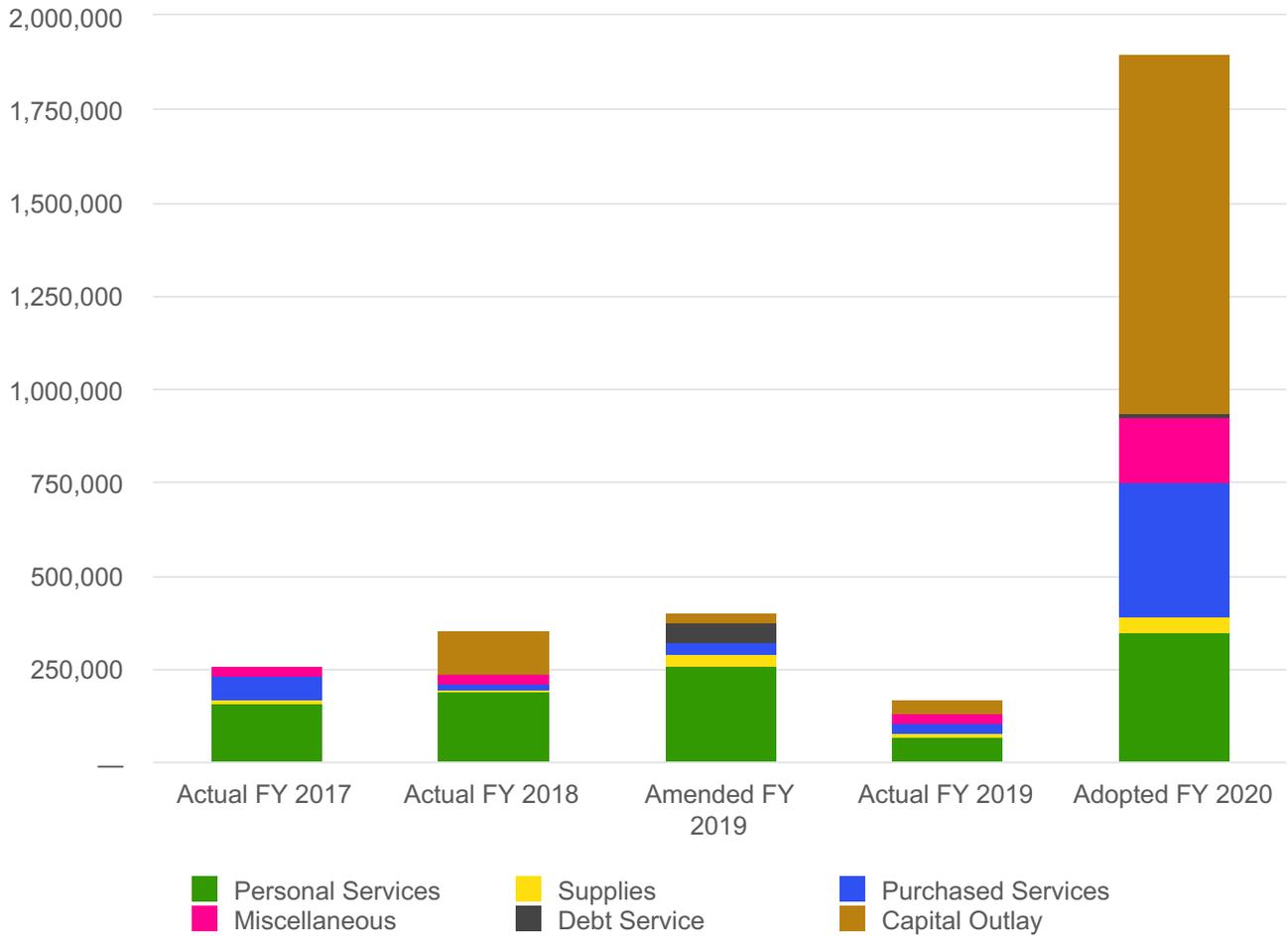
### **BUDGET HIGHLIGHTS**

#### **Infrastructure & Assets**

- Create CIP programs to address unstudied infrastructure:
  - Completed the master plans and nearly completed the rate studies for water, wastewater, and storm water utilities
    - Improved our understanding of our infrastructure
    - Identified the highest priority capital needs
    - Identified required revenue to make necessary infrastructure improvements
    - Implemented the Capital Improvement Program
  - Will continue to further implementation in areas such as proactive maintenance.
  - Create and implement MS4 Permit compliance measures in the following areas:

- MS4 - MCM 3 Illicit Discharge Detection and Elimination
  - Discussed with Missoula Valley Water Quality District current IDDE process and how to more effectively capture data.
  - Upgraded inter-department communication from annual to quarterly reporting.
- MS4 - MCM 4 & 5 Construction and Post-Construction Management
  - Developed new Construction and Post-Construction inspection checklists that will be used by Development Services and the Engineering Technicians.
  - Met with Development Services permitting staff to ensure new permits will integrate into the existing Accela system.
  - Implemented new water sampling program
- MS4 - MCM 6 Pollution Prevention and Good Housekeeping
  - Internal training program through ProProfs for ease of training and tracking of all City employees trained in mitigation of storm water pollution.
- Capital Projects with Public Works Streets and Utilities, Development Services, MRA, and Parks & Rec
  - Maximized efficiency of infrastructure investments
  - Examples:
    - Upper Gharrett Drainage project
      - Set to complete Fall 2020
    - Caras Park Retrofit Phase II
      - Analyzing phase II and how it will best be implemented within the Downtown Master plan

## EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	156,355	192,872	258,472	67,332	347,458
Supplies	13,721	5,061	34,546	13,633	42,489
Purchased Services	60,169	16,048	27,563	23,767	358,734
Miscellaneous	27,325	23,007	3,144	29,582	176,058
Debt Service	—	270	53,772	462	10,092
Capital Outlay	—	117,398	26,498	35,256	964,800
<b>Total</b>	<b>257,570</b>	<b>354,656</b>	<b>403,995</b>	<b>170,032</b>	<b>1,899,631</b>

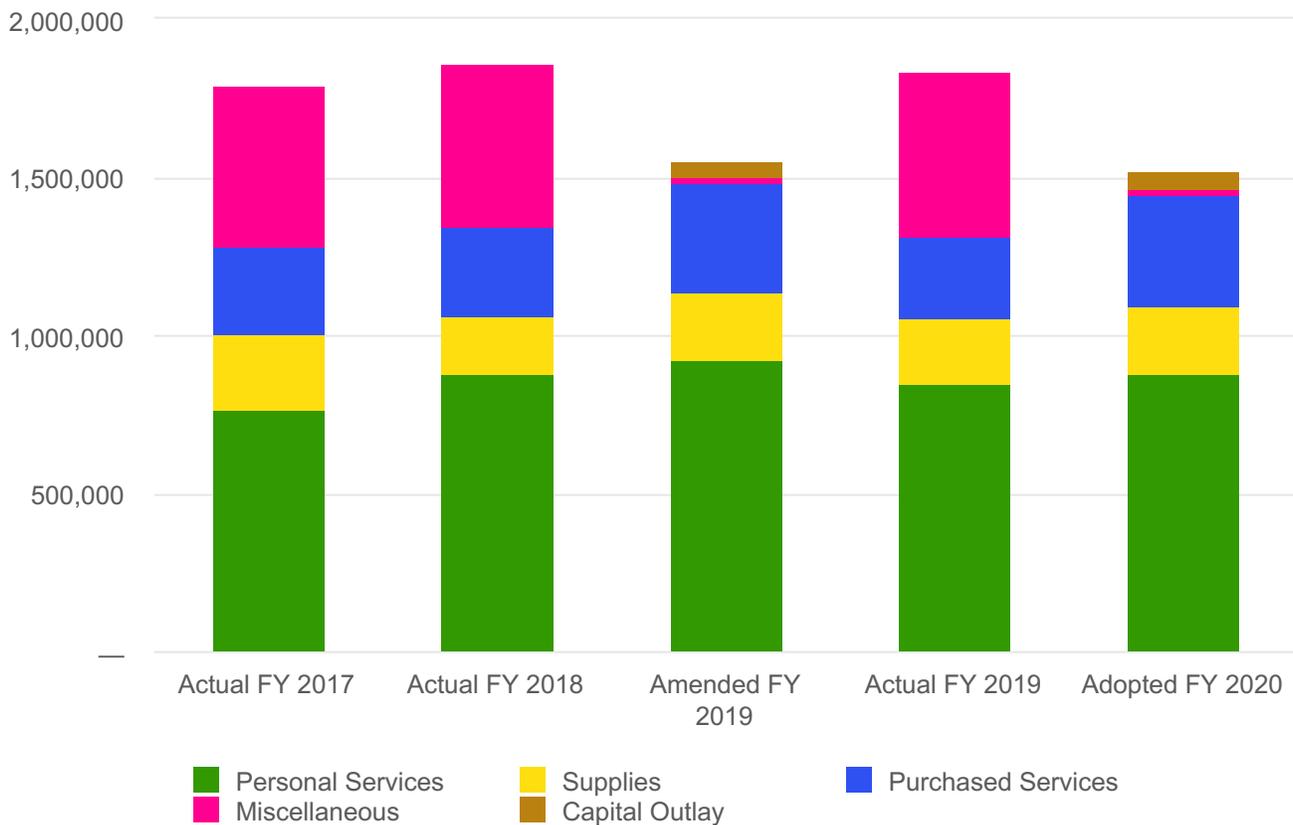
## Aquatics

The goal of this fund 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.

### BUDGET HIGHLIGHTS

- Over 170,000 persons serviced at two aquatics facilities
- 4,500 unique attendees in swim lessons, represents a 14% increase over FY18
- Concessions operating at a net of ~15% and helping to keep admissions as low as possible

### EXPENSE SUMMARY



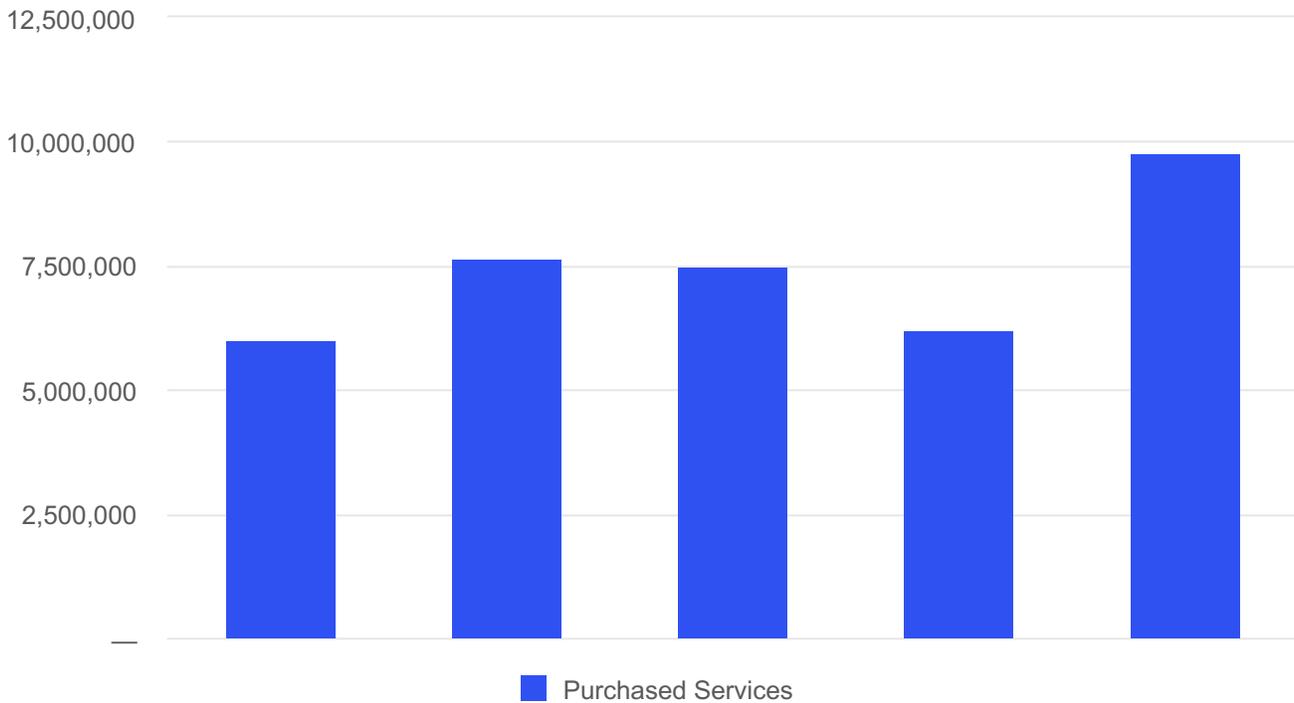
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	768,934	878,922	924,404	848,714	877,895
Supplies	235,907	184,689	213,500	207,786	213,500
Purchased Services	275,496	284,796	348,116	258,327	356,421
Miscellaneous	515,204	512,019	17,394	520,504	17,660
Capital Outlay	—	—	47,000	—	59,000
<b>Total</b>	<b>1,795,540</b>	<b>1,860,426</b>	<b>1,550,414</b>	<b>1,835,330</b>	<b>1,524,476</b>

## Employee Benefit

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.

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.

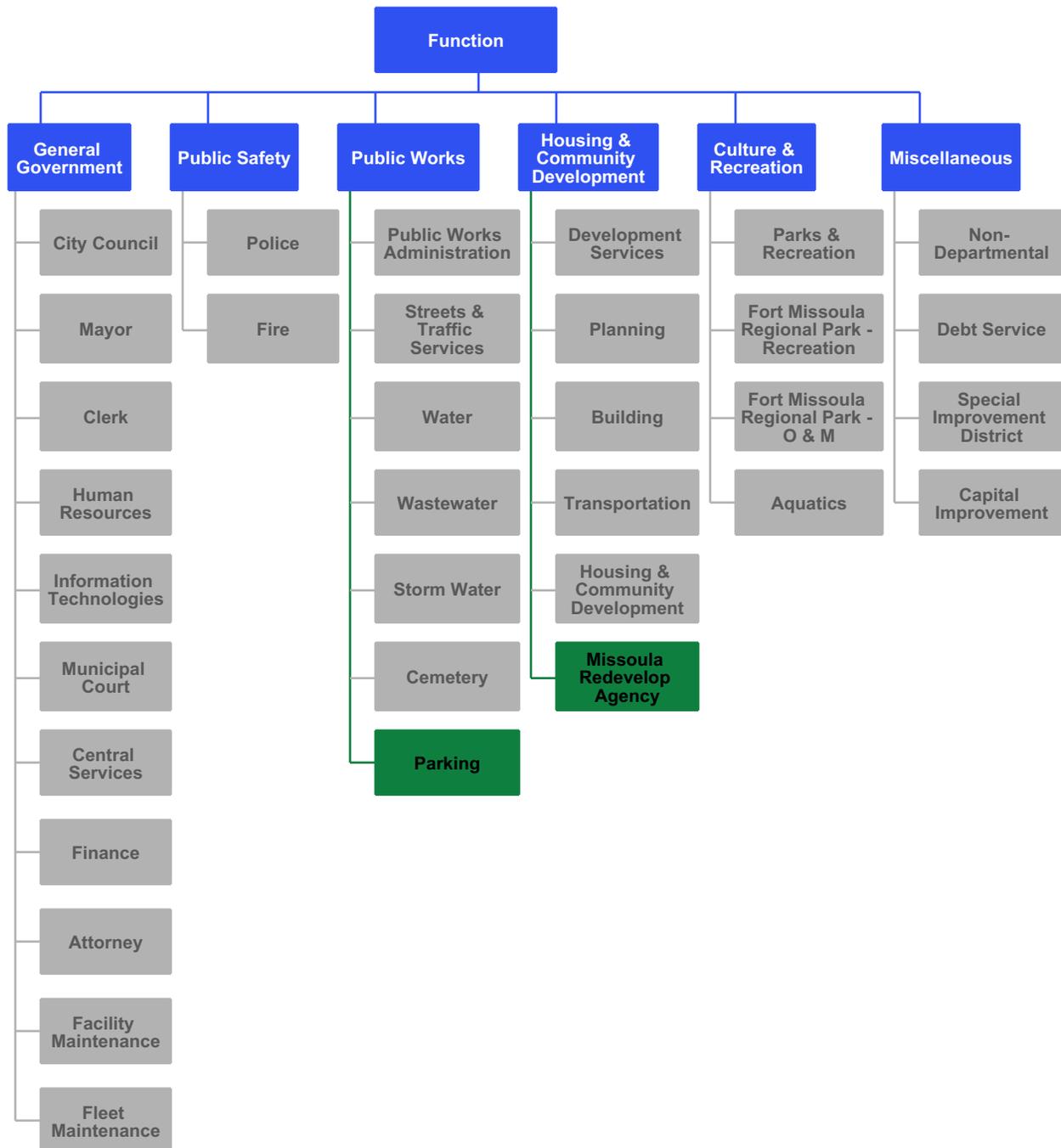
### EXPENSE SUMMARY



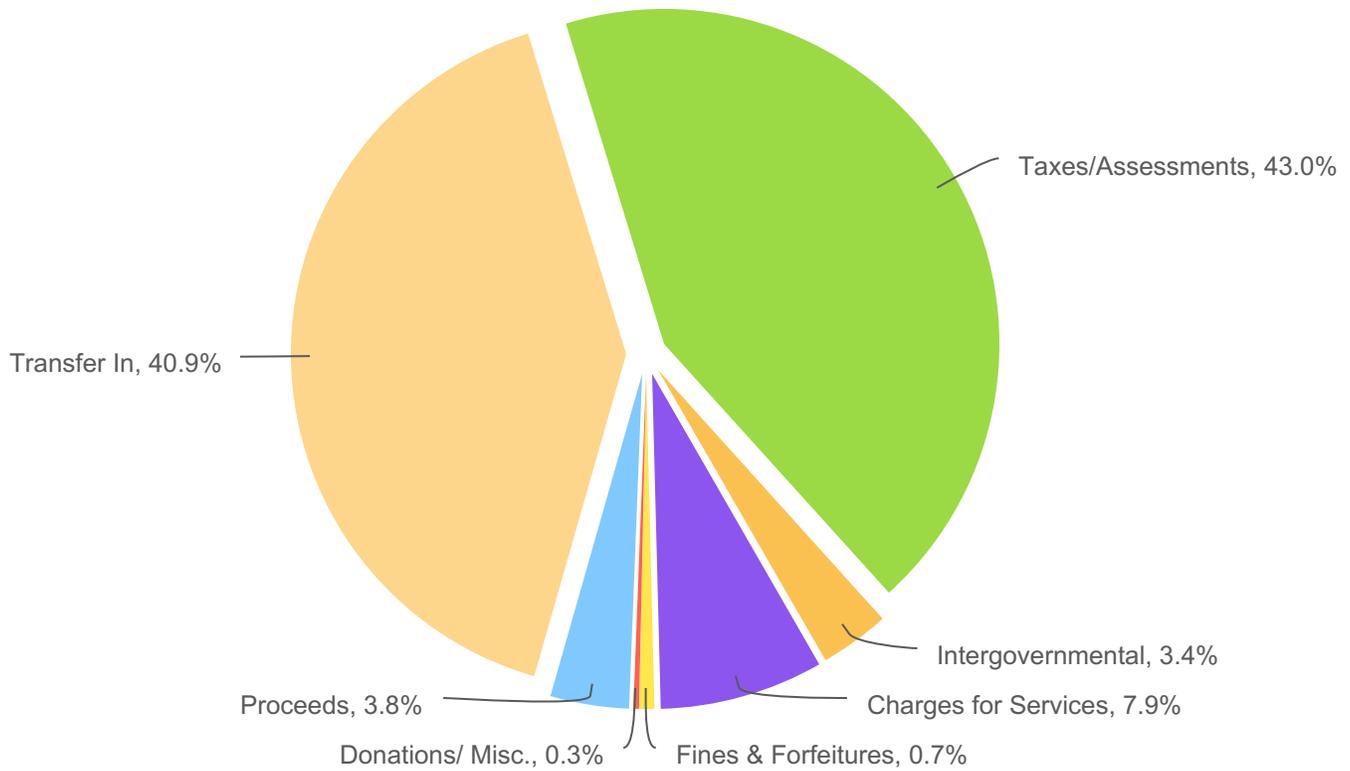
	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	6,015,400	7,655,764	7,503,477	6,193,249	9,772,900
Total	6,015,400	7,655,764	7,503,477	6,193,249	9,772,900

## 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.

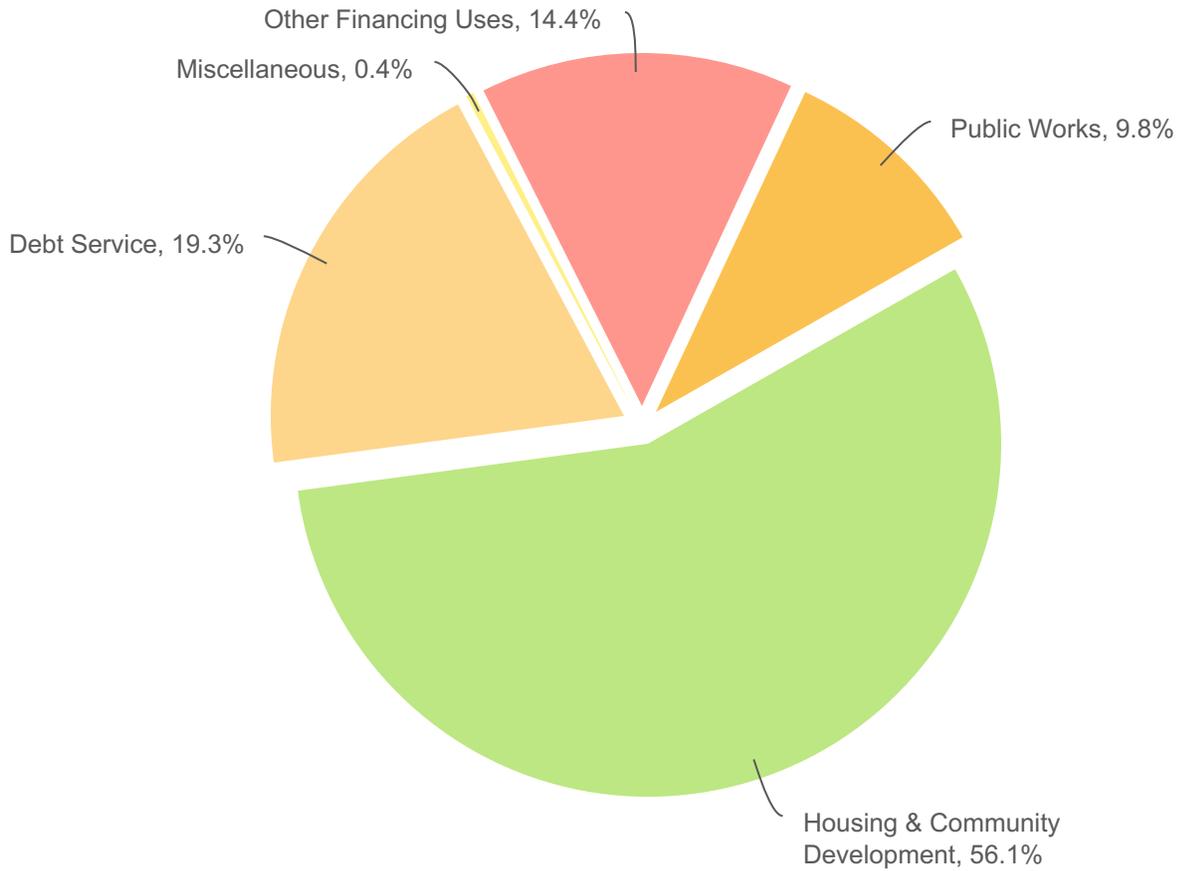


### FY 2020 Budgeted Component Unit Funds Revenues by Category



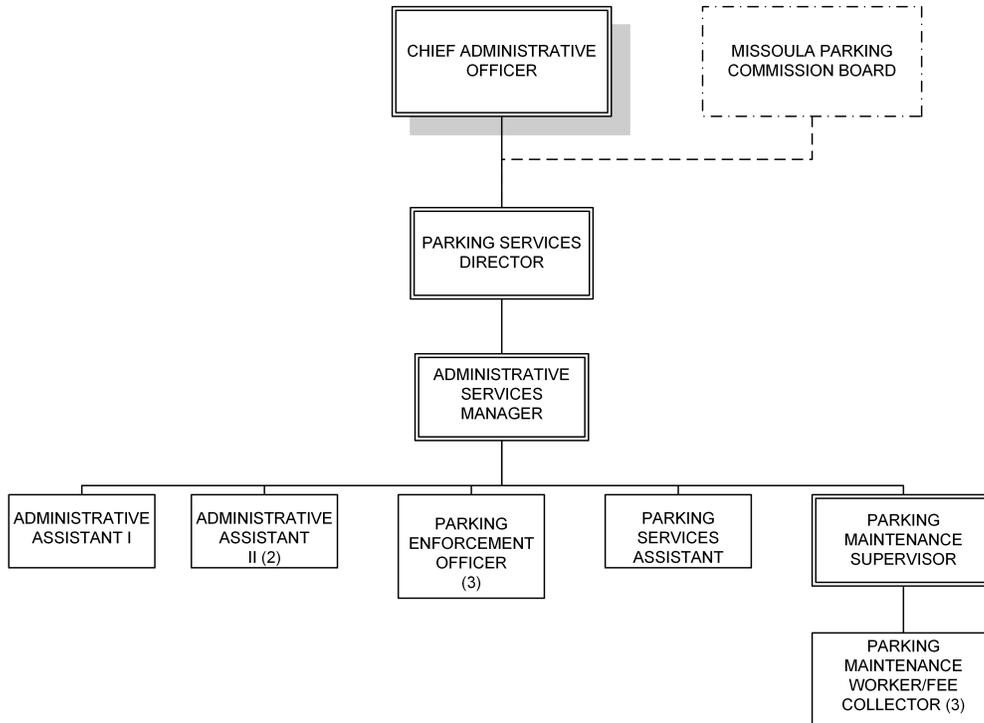
	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Taxes/Assessments	7,141,499	7,688,080	13,066,847	5,378,767
Intergovernmental	844,914	845,693	1,027,199	181,506
Charges for Services	2,386,223	2,456,304	2,403,000	(53,304)
Fines & Forfeitures	241,726	288,910	220,000	(68,910)
Donations/ Misc.	179,411	71,580	86,330	14,750
Investment	102,103	98,073	—	(98,073)
Proceeds	2,243,126	12,985,256	1,155,500	(11,829,756)
Transfer In	7,737,634	12,183,232	12,403,962	220,730
<b>Total Sources</b>	<b>20,876,636</b>	<b>36,617,128</b>	<b>30,362,838</b>	<b>(6,254,290)</b>

### FY 2020 Budgeted Component Unit Funds Expenditures by Function



	Actual FY 2018	Actual FY 2019	Adopted FY 2020	Budget Increase (Decrease)
Public Works	1,881,442	2,038,015	3,910,526	1,872,511
Housing & Community Development	8,755,953	19,220,629	22,326,652	3,106,023
Debt Service	5,503,630	6,074,973	7,695,945	1,620,972
Miscellaneous	589,817	713,709	145,100	(568,609)
Other Financing Uses	3,880,064	4,470,725	5,711,593	1,240,868
<b>Total Uses</b>	<b>20,610,906</b>	<b>32,518,051</b>	<b>39,789,816</b>	<b>7,271,765</b>

# MISSOULA PARKING COMMISSION



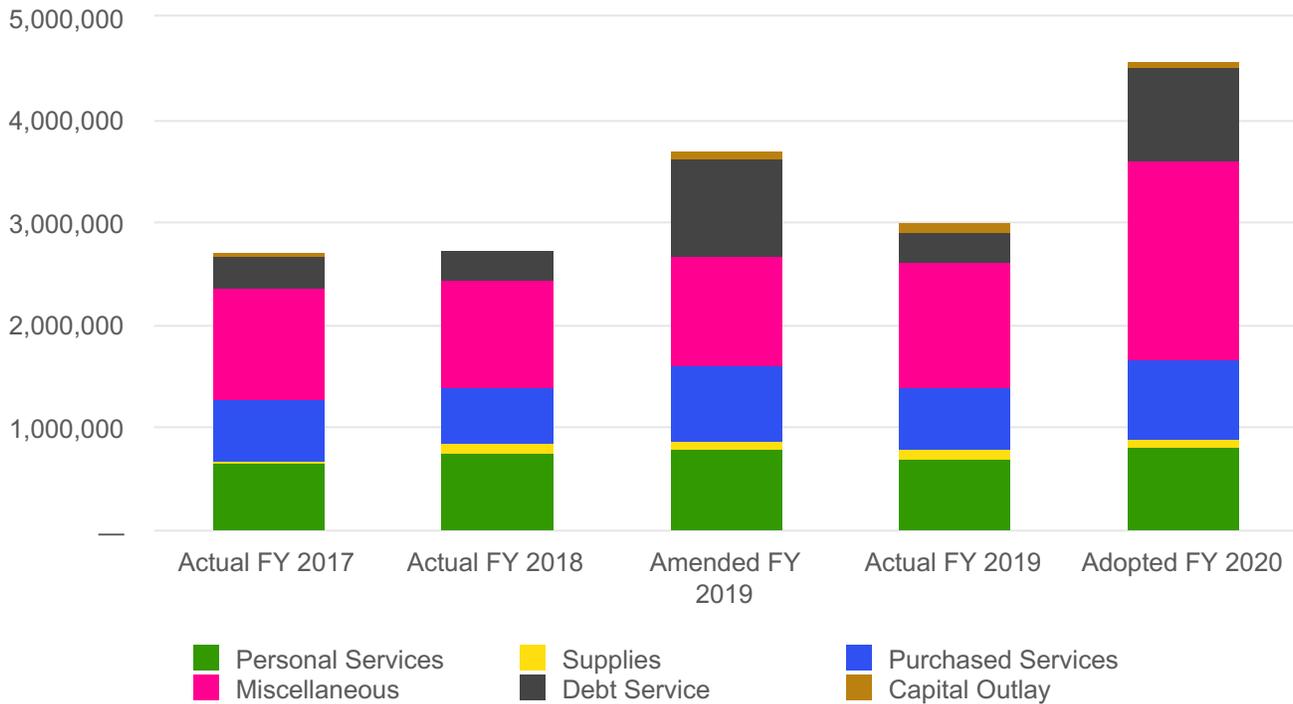
## Parking Commission

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.

### **BUDGET HIGHLIGHTS**

In FY2019, in partnership with the Missoula Redevelopment Agency, MPC added the Roam Garage with 148 spaces to our public parking inventory. Additionally, MPC implemented License Plate Recognition (LPR) to our enforcement platform which has created a more efficient and effective parking program. Our LPR software also creates a more environmentally friendly parking environment for our lease and Residential Parking Permit Program parkers. Lastly, in FY2019 the Parking Commission replaced an outdated gas powered Enforcement Scooter with a new Go-4 Electric Parking Enforcement Scooter reducing fuel costs and emissions.

### **EXPENSE SUMMARY**

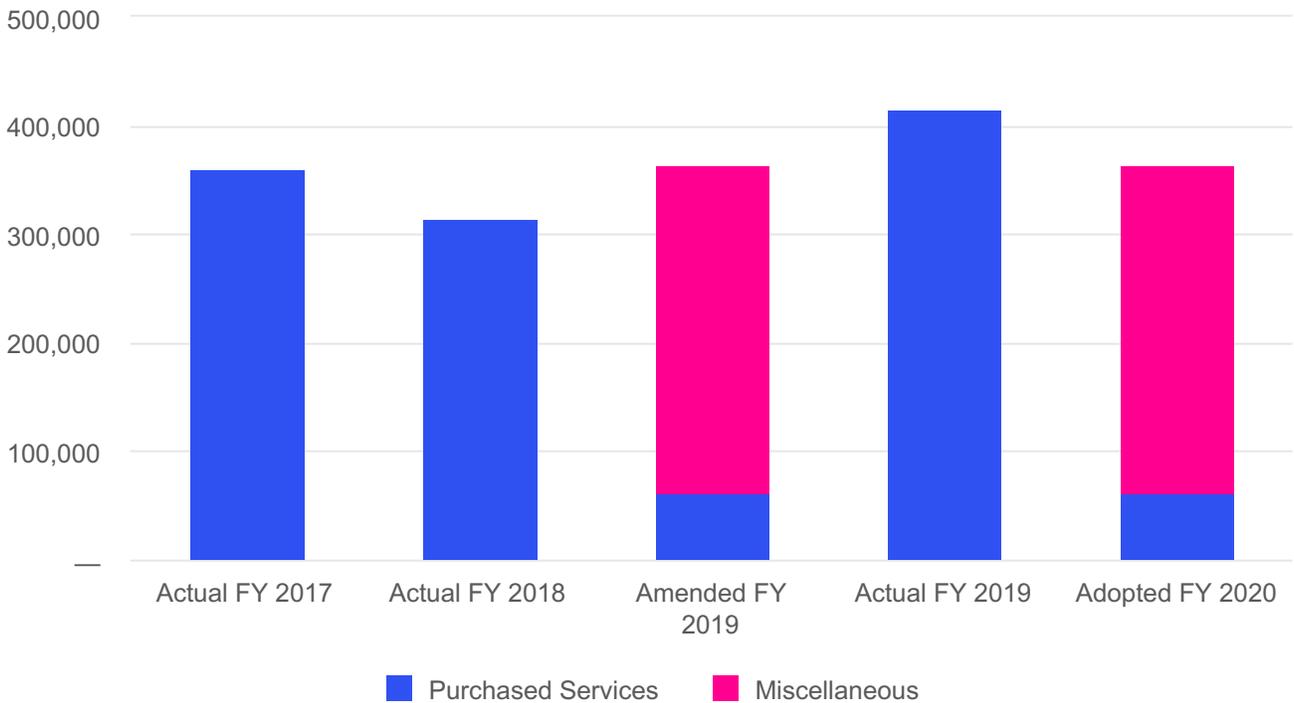


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	652,158	756,336	793,104	698,735	816,052
Supplies	34,775	100,425	73,050	90,837	73,050
Purchased Services	587,752	534,424	743,831	598,763	781,678
Miscellaneous	1,098,122	1,044,555	1,068,857	1,219,891	1,933,535
Debt Service	293,022	297,482	943,776	303,060	917,386
Capital Outlay	47,450	405	80,000	95,877	50,000
<b>Total</b>	<b>2,713,279</b>	<b>2,733,627</b>	<b>3,702,618</b>	<b>3,007,163</b>	<b>4,571,701</b>

## Business Improvement District

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.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	360,000	315,000	62,000	415,000	62,000
Miscellaneous	—	—	302,000	—	302,000
<b>Total</b>	<b>360,000</b>	<b>315,000</b>	<b>364,000</b>	<b>415,000</b>	<b>364,000</b>

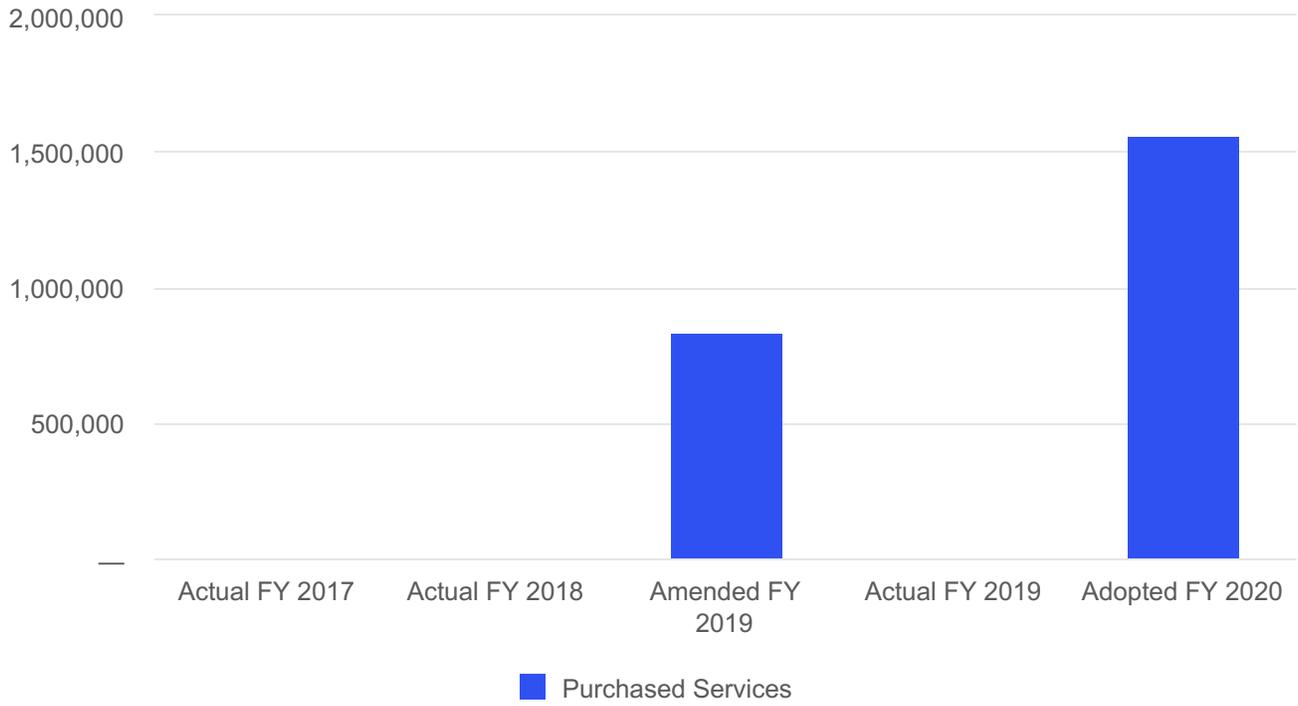
## **Tourism Business Improvement District**

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.

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:

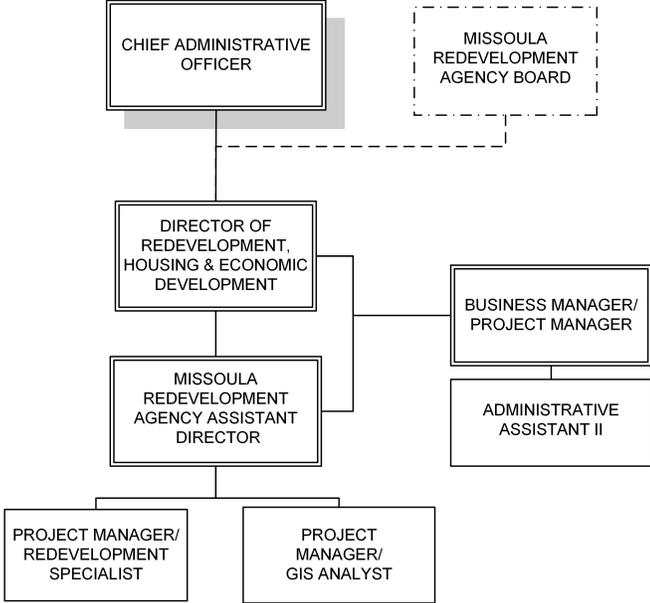
- Continue to work in partnership with the Missoula International Airport to bring key new service to Missoula and to work with the community to keep and strengthen our present service through partnership marketing campaigns with the Missoula International Airport to raise awareness of available air 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 by the airport;
- Destination Missoula and the TBID will partner to provide public relations services;
- 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 areas of meetings and conventions, sports and events, tour and group travel, leisure travel, and culinary travel.

**EXPENSE SUMMARY**



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	—	—	837,644	—	1,558,471
<b>Total</b>	—	—	<b>837,644</b>	—	<b>1,558,471</b>

# MISSOULA REDEVELOPMENT AGENCY



*NOTE: MRA BOARD MEMBERS ARE APPOINTED BY THE MAYOR AND APPROVED BY THE CITY COUNCIL*

## **REDEVELOPMENT AGENCY**

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.

### **GOALS & STRATEGIES**

#### **GOAL: Economic Growth & Sustainability**

- STRATEGY: Redevelop underused and dilapidated properties
  - Accomplished by private/public partnerships in the Urban Renewal Districts that facilitate redevelopment of existing built environment.
- STRATEGY: Continue to support creation of living-wage jobs by investing in infrastructure and facilities
  - Accomplished by MRA managed infrastructure improvements projects such as streets, curbs, gutters, sidewalks, public facilities, trail systems and parks.

#### **GOAL: Environmental/Human Health**

- STRATEGY: Create functional work teams to develop strategies for transportation systems and green infrastructure
  - Accomplished by partnering with city and county staff, neighborhoods and community organizations to pursue master planning processes to guide future development in the urban renewal areas.
- STRATEGY: Build facilities that help our vulnerable communities
  - Accomplished by partnering with City, County and community organizations to analyze, gather input, develop plans and use tax increment financing as a tool to help address homelessness, affordable housing, and other community needs such as deteriorating infrastructure and Crime Prevention Through Environmental Design (CPTED).

### **BUDGET HIGHLIGHTS**

In fiscal year 2019, MRA accomplished the above goals through the following projects:

#### **Facade Improvement Projects In Progress or Completed:**

- Adrastea (Naylor) Building - 830 West Central Avenue
- Aspen Grove Therapy & Wellness
- Bridge Pizza South - 3000 Brooks Street
- Cornerstone Dental - 3111 Grant Street
- Dram Shop Central - 2700 Paxson Street
- Montana Ace Garden Center - 1101 Burlington St
- Solar Plexus - 1605 Stephens Avenue
- The Trail Head - 2505 Garfield Street
- Tremper's Kent Plaza - 1200-1210 West Kent Ave
- Westside Lanes & Fun Center - 1615 Wyoming Street

#### **Infrastructure Improvement Projects In Progress or Completed:**

- Bitterroot Trail - Pine to Spruce Streets
- Bitterroot Trail - Johnson Street Extension
- California Street Reconstruction - Design/Engineering
- Dearborn Ave Sidewalks - Irrigation Repair
- Downtown Intersections - MDT/ADA Upgrades - Bulb Out Construction
- Fire Hydrant - Dore Lane/Brooks Street
- Garden City Harvest - 1657 River Rd - Neighborhood Water Main Extension
- Howard Raser Drive Street Lighting
- Police Facility - 101 North Catlin
- Public Art - "Perseverance" in Silver Park
- Mary Avenue East
- Mary Avenue West - Street Trees
- Missoula Public Library
- Street Trees in URD III
- West Broadway Island - Trail & Bridge
- Wyoming Street Reconstruction

**Master Planning Processes In Progress or Completed:**

- Brooks Street Corridor - TOD Infrastructure Study
- Design Excellence Standards Development
- Downtown Master Plan & Update
- Missoula College Pedestrian Bridge Study

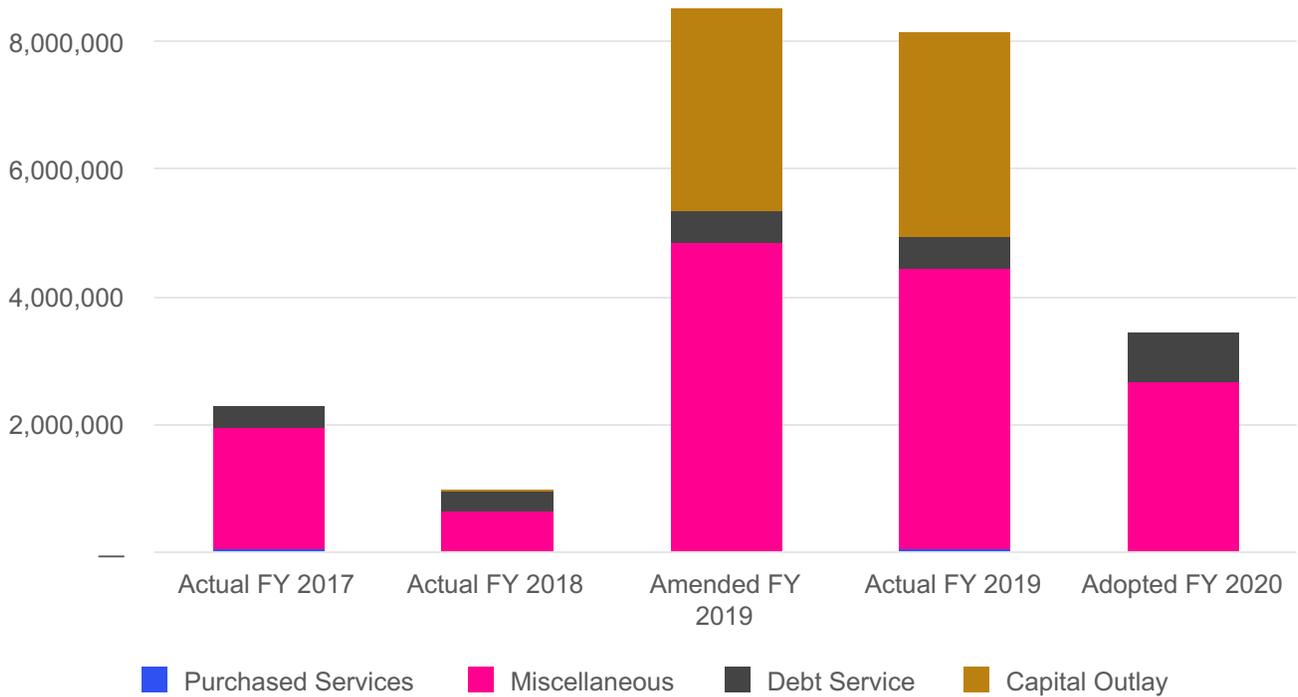
**Projects addressing Community Needs In Progress or Completed:**

- Front Street Housing Project - Acquisition of Public Parking
- Lee Gordon Place - 503 East Front Street (NMCDC) - Affordable Housing
- Montana Street Homes - 1717 Montana Street (Homeward)
- Dragon Hollow - Community Benefit Organization
- YWCA Expansion - 1800 S 3rd St W - Community Need Organization

## Front Street Urban Renewal District

The Front Street Urban Renewal District was established to address blighting conditions as defined by Urban Renewal Law (7-15 parts 42 & 43) in Montana Code Annotated. A Study of Blight was conducted for the area and the findings were adopted by City Council in August 2007. An Urban Renewal Plan was prepared to address the conditions found and was adopted by City Council on October 2007. The Urban Renewal District includes Main Street and Front Street between Higgins Avenue and Madison Street and is generally bound by Higgins Avenue, Main Street, Madison Street, and the Clark Fork River.

### EXPENSE SUMMARY

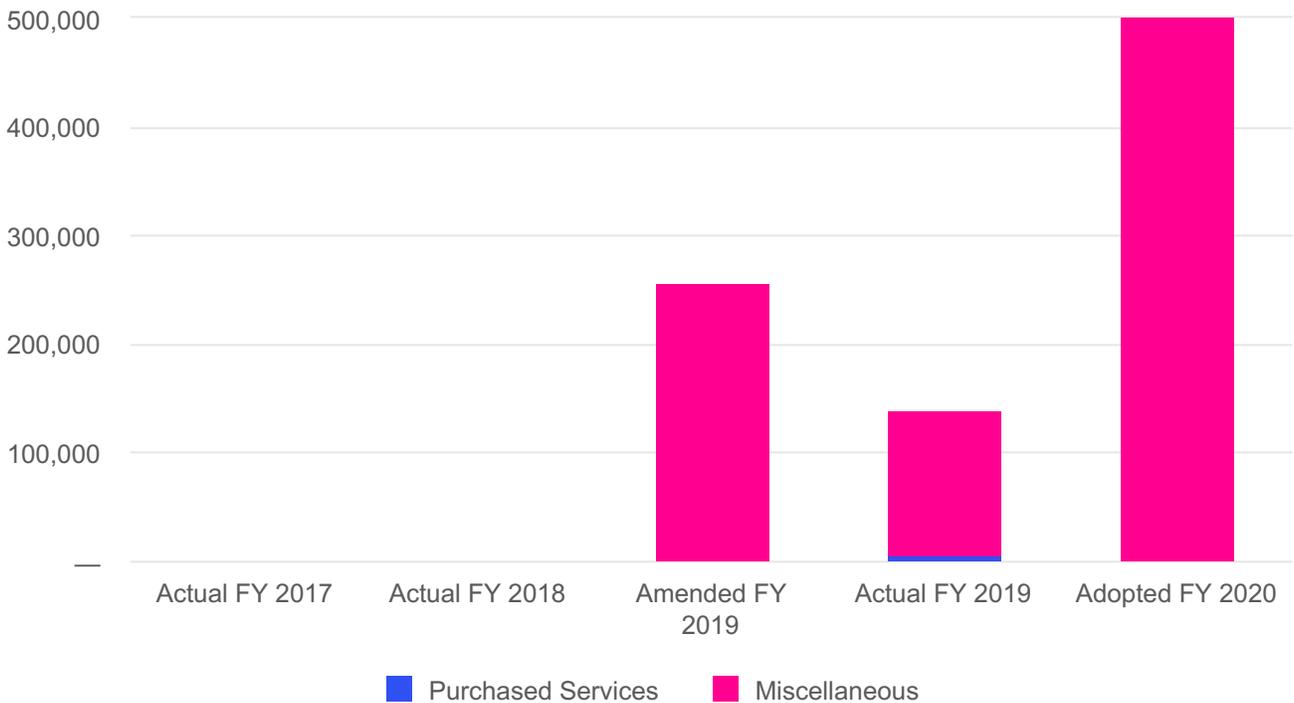


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	70,207	26,500	—	50,000	—
Miscellaneous	1,890,647	619,363	4,849,613	4,417,510	2,683,525
Debt Service	330,858	317,513	494,691	494,690	786,619
Capital Outlay	842	34,500	3,200,012	3,200,000	—
<b>Total</b>	<b>2,292,554</b>	<b>997,876</b>	<b>8,544,316</b>	<b>8,162,200</b>	<b>3,470,144</b>

## Hellgate Urban Renewal District

The Hellgate Urban Renewal District was established to address blighting conditions as defined by Urban Renewal Law (7-15 parts 42 & 43) in Montana Code Annotated. A Study of Blight was conducted for the area and the findings were adopted by City Council in April 2014. An Urban Renewal Plan was prepared to address the conditions found and was adopted by City Council on August 2014. The Urban Renewal District includes the East Broadway corridor and is generally bound by Madison Street, I-90, the Missoula College, and the Clark Fork River.

### EXPENSE SUMMARY

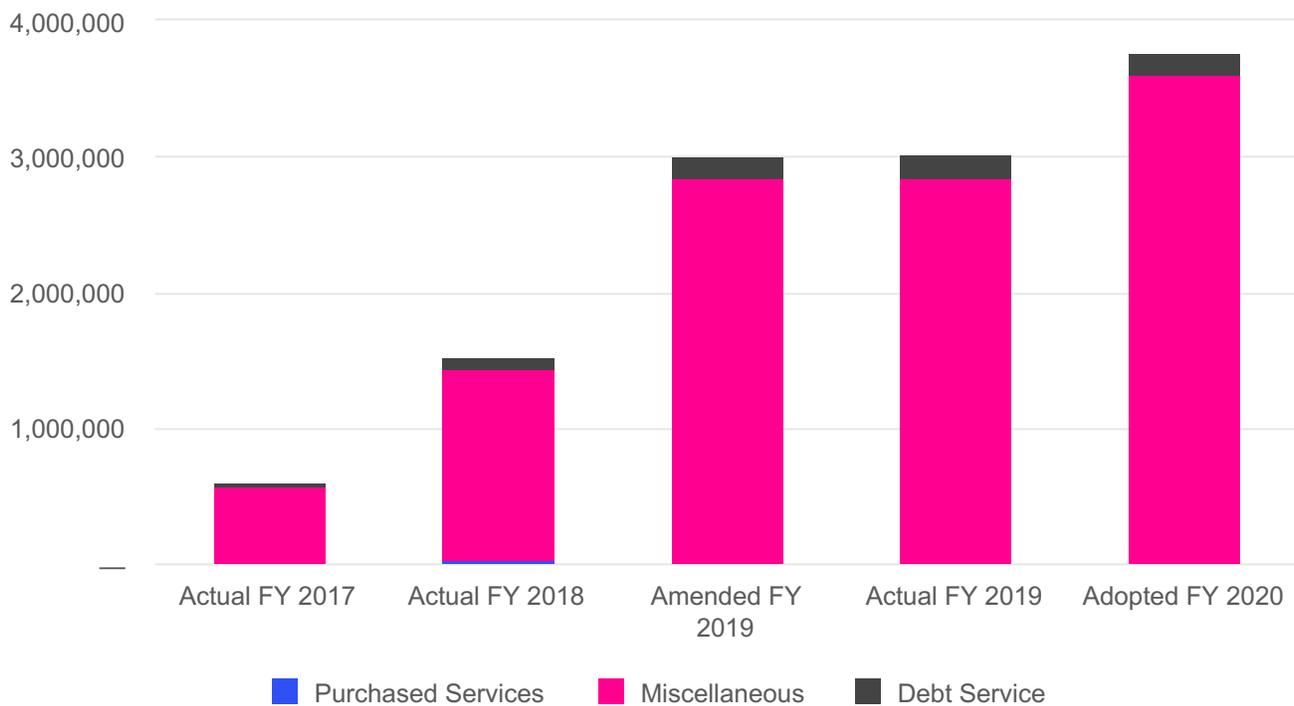


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	—	—	—	5,000	—
Miscellaneous	—	—	256,750	133,992	502,283
<b>Total</b>	—	—	256,750	138,992	502,283

## North Reserve - Scott Street Urban Renewal District

The North Reserve - Scott Street Urban Renewal District was established to address blighting conditions as defined by Urban Renewal Law (7-15 parts 42 & 43) in Montana Code Annotated. A Study of Blight was conducted for the area and the findings were adopted by City Council in April 2014. An Urban Renewal Plan was prepared to address the conditions found and was adopted by City Council on August 2014. The Urban Renewal District includes the North Reserve Street corridor and the area west of Scott Street within the City limits. The district is generally bound by North.Reserve Street, I-90, Scott Street, and the MRL tracks and does not include the County lands within those boundaries.

### EXPENSE SUMMARY

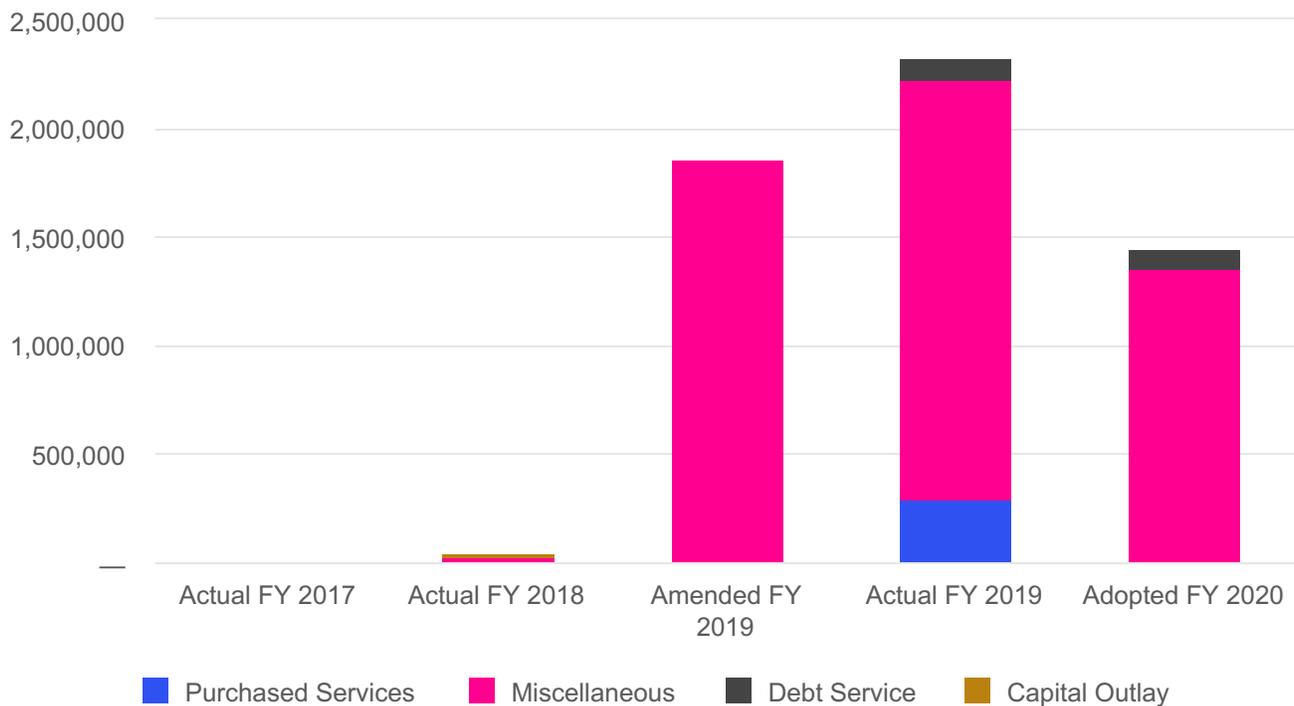


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	1,343	34,917	—	—	—
Miscellaneous	569,379	1,395,014	2,836,466	2,849,444	3,607,907
Debt Service	28,980	89,421	164,275	163,725	163,725
<b>Total</b>	<b>599,702</b>	<b>1,519,352</b>	<b>3,000,741</b>	<b>3,013,169</b>	<b>3,771,632</b>

## Riverfront Urban Renewal District

The Riverfront Triangle Urban Renewal District was established to address blighting conditions as defined by Urban Renewal Law (7-15 parts 42 & 43) in Montana Code Annotated. A Study of Blight was conducted for the area and the findings were adopted by City Council in May 2007. An Urban Renewal Plan was prepared to address the conditions found and was adopted by City Council on July 2008. The Urban Renewal District includes a portion of the West Broadway corridor and North Orange Street and is generally bound by West Broadway, North Orange Street, and the Clark For River.

### EXPENSE SUMMARY

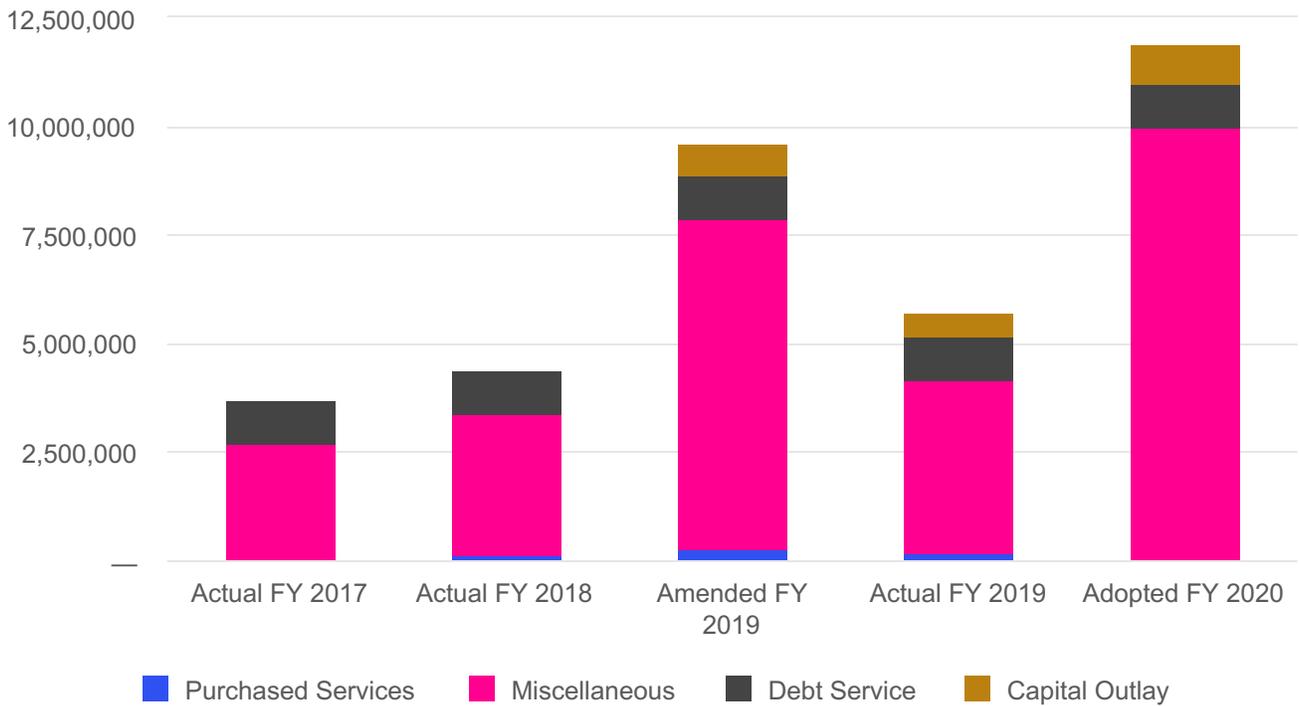


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	—	500	—	294,027	—
Miscellaneous	—	25,500	1,859,273	1,935,162	1,352,855
Debt Service	—	—	—	94,391	94,391
Capital Outlay	—	16,681	—	4,995	—
<b>Total</b>	<b>—</b>	<b>42,681</b>	<b>1,859,273</b>	<b>2,328,575</b>	<b>1,447,246</b>

## Urban Renewal District II

The Urban Renewal District II was established to address blighting conditions as defined by Urban Renewal Law (7-15 parts 42 & 43) in Montana Code Annotated. A Study of Blight was conducted for the area and the findings were adopted by City Council in September 1991. An Urban Renewal Plan was prepared to address the conditions found and was adopted by City Council on December 1991. The Urban Renewal District includes the West.Broadway and Russell Streets corridors and is generally bound by Spruce Street, the Bitterroot Branch railroad line, Garfield Street and S 3rd St West.

### EXPENSE SUMMARY

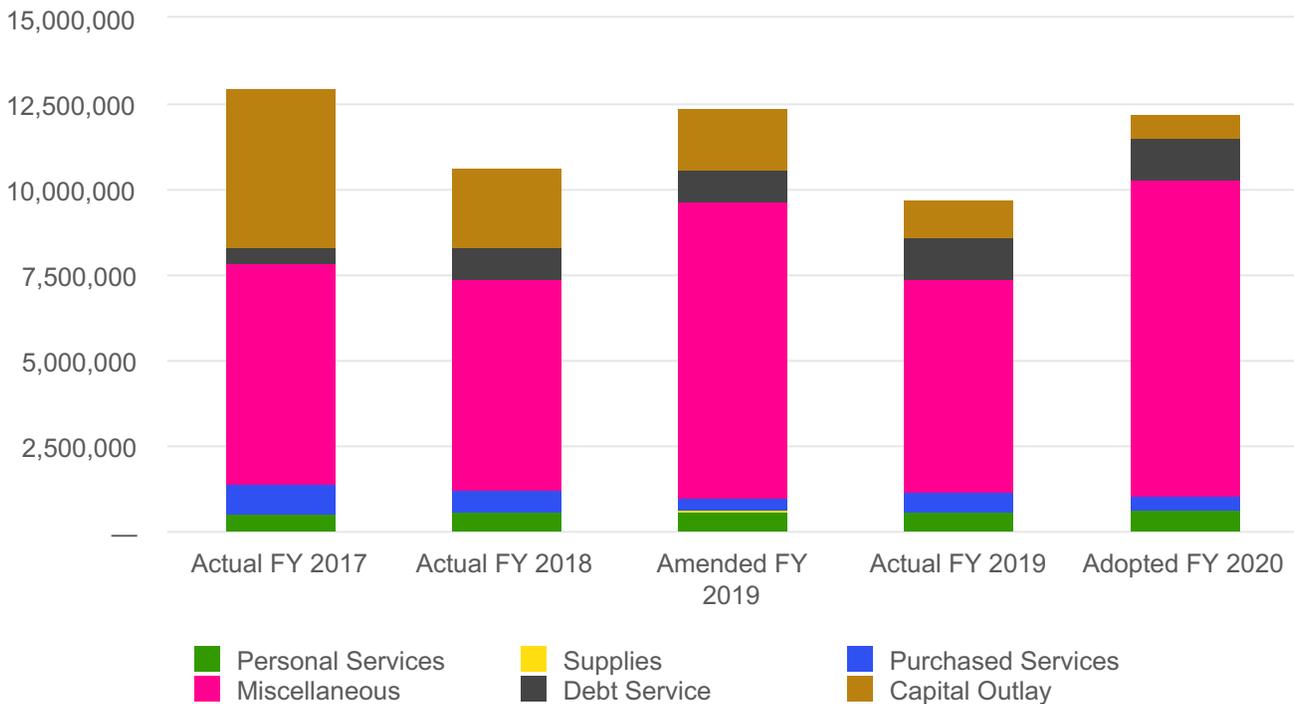


	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Purchased Services	2,650	149,005	278,226	203,275	19,799
Miscellaneous	2,680,234	3,232,393	7,590,043	3,942,717	9,953,358
Debt Service	1,005,349	1,014,106	1,005,975	1,012,364	999,681
Capital Outlay	17,751	—	757,750	578,907	939,659
<b>Total</b>	<b>3,705,984</b>	<b>4,395,504</b>	<b>9,631,994</b>	<b>5,737,263</b>	<b>11,912,497</b>

## Urban Renewal District III

The Urban Renewal District III was established to address blighting conditions as defined by Urban Renewal Law (7-15 parts 42 & 43) in Montana Code Annotated. A Study of Blight was conducted for the area and the findings were adopted by City Council in October 2000. An Urban Renewal Plan was prepared to address the conditions found and was adopted by City Council on December 11, 2000. The Urban Renewal District includes the Brooks Street, South Avenue and Russell Street corridors, and is generally bound by Mount Avenue, Brooks Street and Reserve Street.

### EXPENSE SUMMARY



	Actual FY 2017	Actual FY 2018	Amended FY 2019	Actual FY 2019	Adopted FY 2020
Personal Services	533,261	562,408	606,990	585,706	616,718
Supplies	3,682	11,953	11,126	7,129	9,126
Purchased Services	857,443	632,720	385,228	566,968	412,573
Miscellaneous	6,439,452	6,157,703	8,619,374	6,218,571	9,256,291
Debt Service	473,953	951,293	947,761	1,231,167	1,233,041
Capital Outlay	4,648,498	2,295,681	1,813,940	1,112,103	664,093
<b>Total</b>	<b>12,956,289</b>	<b>10,611,758</b>	<b>12,384,419</b>	<b>9,721,644</b>	<b>12,191,842</b>

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## **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 a Budget Review Team. 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 Budget Review Team.

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.

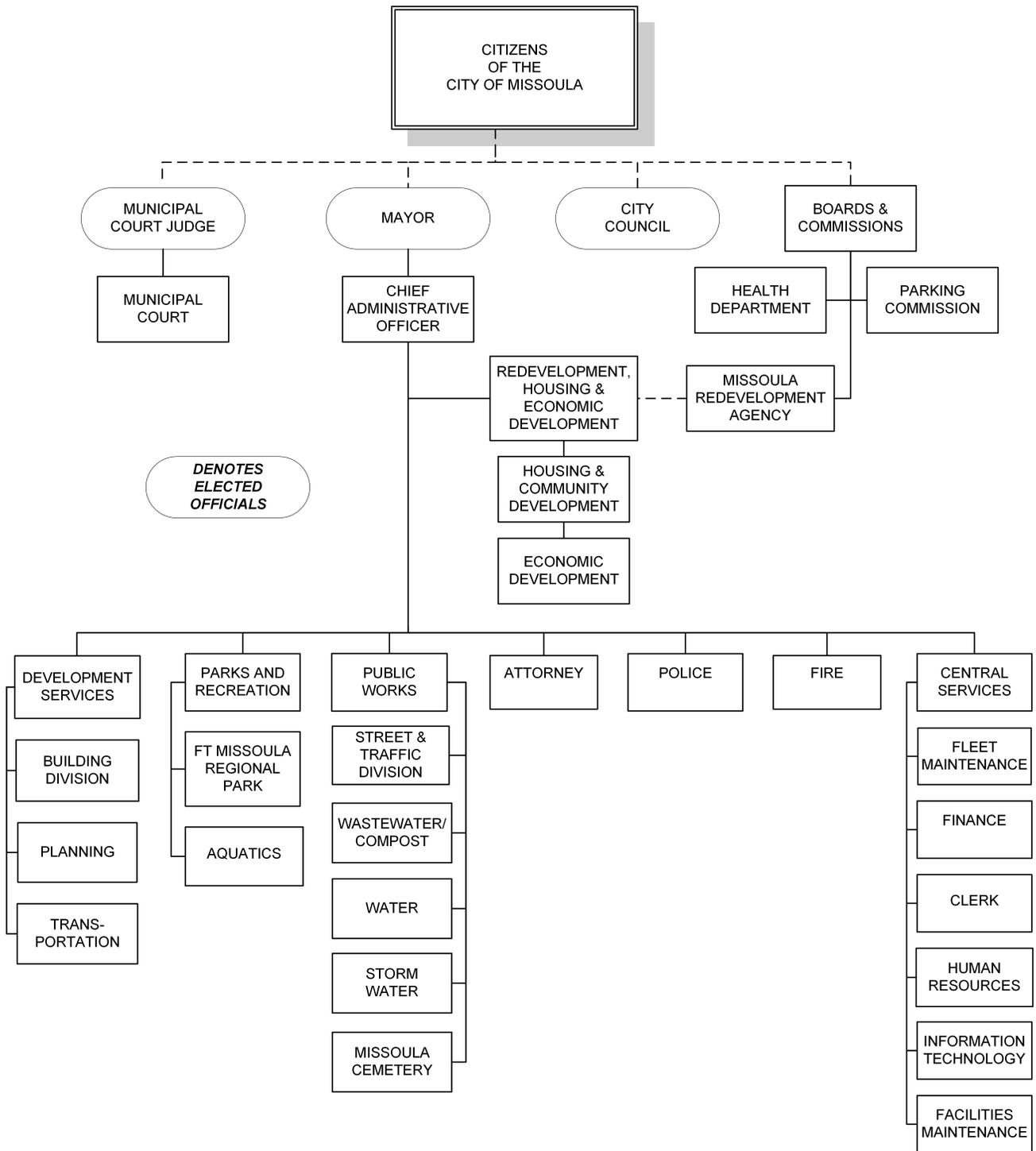
After Finance reviews and approves the amendment, a budget amendment resolution is drafted and presented along with the amendment and supporting documents to the City Council at a duly noticed public meeting. The amendment, supporting documents and drafted resolution is presented to the Council for review, 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.

# CITIZENS OF MISSOULA, MT - FISCAL YEAR 2020



**City of Missoula  
FY 2020 New Requests**

Request Description	Requested Amount	Final Tax Funded	Final Non-Tax Funded	Not Funded
<b>General Fund</b>				
<b>City Council</b>				
Council AV equipment replacement	60,000	—	60,000	—
<b>Mayor</b>				
Strategic Planning Facilitation	2,000	2,000	—	—
Communications Intern	2,000	2,000	—	—
<b>Human Resources</b>				
Risk & Safety/Security Manager	126,642	68,428	—	58,214
<b>City Clerk</b>				
Postage Request	463	463	—	—
Elections	133,000	133,000	—	—
<b>Information Technologies</b>				
Contracted License & Utility Increases	75,030	75,030	—	—
Vehicle Maint, Travel & Training baseline request	10,845	—	—	10,845
IT Help Desk Position	54,147	—	—	54,147
Public Safety GIS Analyst	64,726	64,726	—	—
Updated Vehicle GPS Units	60,880	—	60,880	—
<b>Municipal Court</b>				
Utility, Subscriptions, Training increases	23,603	23,603	—	—
Deputy Court Administrator	73,569	38,973	—	34,596
<b>Finance/Treasurer</b>				
Software & Contractual baseline increases	26,645	26,645	—	—
Cashiering System	39,000	—	—	39,000
Fixed cost allocation study	25,000	—	25,000	—
<b>Facility Maintenance</b>				
Utility & Janitorial Contracted Increases	73,953	73,953	—	—
Roofing	75,000	—	75,000	—
Facilities Master Plan	100,000	—	100,000	—
Art Museum Climate Control upgrade	38,226	—	38,226	—
<b>Development Services</b>				
<i>Engineering</i>				
Planner II/ Flood Plain Administrator	64,393	—	64,393	—
<b>Housing &amp; Community Development</b>				
Baseline postage increases	693	693	—	—
Grant Administrator I	57,127	14,282	14,282	28,563
Program Specialist (Energy Conservation)	52,434	52,434	—	—
Emergency Winter Shelter Support	50,000	50,000	—	—
Zero Waste CBO Request	35,000	35,000	—	—

**City of Missoula**  
**FY 2020 New Requests**

Request Description	Requested Amount	Final Tax Funded	Final Non-Tax Funded	Not Funded
<b>General Fund (Cont'd)</b>				
Climate Smart CBO Request	30,000	30,000	—	—
Housing Grant	291,378	—	291,378	—
Missoula Aging Services inflation increase	55,913	55,913	—	—
Missoula Cultural Council CBO Expansion	7,350	7,350	—	—
Library Safety Officer	9,000	—	—	9,000
<b>Attorney</b>				
Operating supplies and training increases	8,000	8,000	—	—
Deputy City Attorney I	104,490	60,267	—	44,223
Prosecution services	7,800	—	—	7,800
RVS Services	12,681	5,181	—	7,500
<b>Police</b>				
Contractual software and supplies increases	22,705	22,705	—	—
New Officers - Annexation	495,901	174,110	140,788	181,003
Police Support Specialists/ ICAC Investigator	183,875	108,473	—	75,402
Towing Abandoned Trailers & RV's	4,800	3,000	1,800	—
Communication Equipment upgrades	115,000	—	115,000	—
<b>Fire</b>				
Contractual Subscriptions, utilities and supplies	31,303	31,303	—	—
Equipment Replacement	36,620	—	36,620	—
Assistant Mechanic	83,841	35,237	48,604	—
Overtime	66,192	66,192	—	—
No Smoke Exhaust Systems	52,434	—	52,434	—
Paramedic Program	56,000	56,000	—	—
Training	15,385	—	—	15,385
Facility Projects	10,000	—	10,000	—
Cold Storage	30,000	—	30,000	—
Additional EDR Set-up	2,073	—	2,073	—
<b>Fleet Maintenance</b>				
New Fleet Technician	80,176	—	81,000	(824)
Fleet Maintenance Mechanic Assistant	50,436	—	—	50,436
<b>Cemetery</b>				
Utility & Postage Inflationary Increases	670	670	—	—
<b>Non-Department</b>				
Health Department: wage increases	78,820	78,820	—	—
Fund Balance Build	(725,000)	—	725,000	—
	—	—	—	—
<b>Other Funds</b>				
<b>Public Works - Road District #1</b>				

**City of Missoula**  
**FY 2020 New Requests**

Request Description	Requested Amount	Final Tax Funded	Final Non-Tax Funded	Not Funded
<b>Other Funds (Cont'd)</b>				
<i>Administration</i>				
Utility Increases	5,313	5,313	—	—
Pavement Condition Analysis	75,000	75,000	—	—
Electronic Technician--Comm Shop	73,038	73,038	—	—
Seasonal Traffic Laborer & Painting Materials	122,796	47,796	75,000	—
Street Maintenance Laborers/ Operators &	586,275	301,020	250,000	35,255
Street Light Maintenance	30,000	—	30,000	—
Traffic Signal Maintenance	20,000	20,000	—	—
Pickup Trucks for Residential Snow Plowing	150,270	13,770	136,500	—
Snow Removal Contractor	180,000	—	—	180,000
Professional Services Allocation	15,000	—	—	15,000
Public Works Business Finance Manager	107,620	26,905	80,715	—
Utility Personnel Allocation	27,966	27,966	—	—
<b>Development Services - Road District #1</b>				
<i>Engineering</i>				
Traffic Engineer	94,899	51,676	—	43,223
Updating Construction Assessment software	80,000	—	80,000	—
Sidewalk Construction Subsidy	230,000	—	—	230,000
ADA Sidewalk Ramp Assistance	80,000	—	—	80,000
<b>Parks &amp; Recreation</b>				
Contractual software & Utility Increases	53,602	53,602	—	—
Recreation Program Growth (w/ revenue offset)	73,593	—	73,593	—
Increase Park District Contribution to Aquatics	78,000	50,000	—	28,000
Trails and Facilities-Unfunded and New	96,701	72,314	—	24,387
Underfunded Parks - Jeffrey & Montana Rail Link	100,173	39,818	17,350	43,005
PAM Cyclical Maintenance	60,000	30,000	—	30,000
Annexation Related	51,508	33,938	—	17,570
MDT Projects	97,014	3,000	28,000	66,014
Recreation Equipment	132,000	—	60,000	72,000
Operations Equipment	200,400	—	—	200,400
NW Energy Pilot	120,000	—	—	120,000
Utility Personnel Allocation	10,868	10,868	—	—
<b>Fort Missoula Regional Park - Recreation</b>				
FMRP Utility Increases	784	—	784	—
<b>Fort Missoula Regional Park - Ops &amp; Admin</b>				
FMRP Utility Increases	6,663	—	6,663	—
<b>Fire All Hazards Fund</b>				
All Hazards Fund	1,067,000	—	1,500,000	(433,000)

**City of Missoula**  
**FY 2020 New Requests**

Request Description	Requested Amount	Final Tax Funded	Final Non-Tax Funded	Not Funded
<b>Other Funds (Cont'd)</b>				
<b>Cremain Wall</b>				
Niche Wall	37,000	—	37,000	—
<b>Cemetery Capital Reserve Fund</b>				
Snowblower	8,500	—	8,500	—
Street Repair & Chip Sealing	40,000	—	40,000	—
<b>Cemetery Memorial Fund</b>				
Pet Memorial Wall & Ossuary	10,000	—	10,000	—
<b>Permissive Medical Levy</b>				
Medical Levy Increase	264,309	264,309	—	—
<b>Planning</b>				
Mullan Master Plan	50,000	—	50,000	—
<b>Building Inspection</b>				
Contractual - rent, merchant fees & supplies	153,952	—	153,952	—
Thermal Imaging Camera	20,000	—	20,000	—
EDR Review - Parks	3,265	—	3,265	—
<b>Transportation</b>				
Adjust Baseline to match UPWP	10,194	—	10,194	—
Updates to Transportation Studies	298,314	—	298,314	—
<b>Water Utility</b>				
Utility Service-person (Dist)	136,288	—	136,288	—
<b>Wastewater Utility/ Compost</b>				
Contractual Maintenance & permitting increases	117,330	—	117,330	—
Collection System Personnel and Vehicles	254,112	—	254,112	—
WW Plant Mechanic	86,647	—	86,647	—
Compost Marketing	50,000	—	50,000	—
<b>Storm Water Utility</b>				
Adjust Baseline to match maintenance activities	140,639	—	140,639	—
Asset Management Software	100,000	—	100,000	—
Mullan Rd Drainage Master Plan - Phase I	61,800	—	61,800	—
Linda Vista Drainage Assessment	65,564	—	65,564	—
<b>Aquatics</b>				
Utility Increases Aquatics	8,305	—	8,305	—
<b>Parking Commission</b>				
Utility Baseline Adjustments	2,845	—	2,845	—
Administrative Assistant I	41,901	—	41,901	—

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**

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.**

**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.

**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.

**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.

**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.**

**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.

**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.**

**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 service 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 organization wide 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.

**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.

**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.

**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.

**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.

**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 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 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.

**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.

**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.

## **INVESTMENT POLICIES**

### **Scope**

This policy applies to the investment of short term 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 self balancing 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

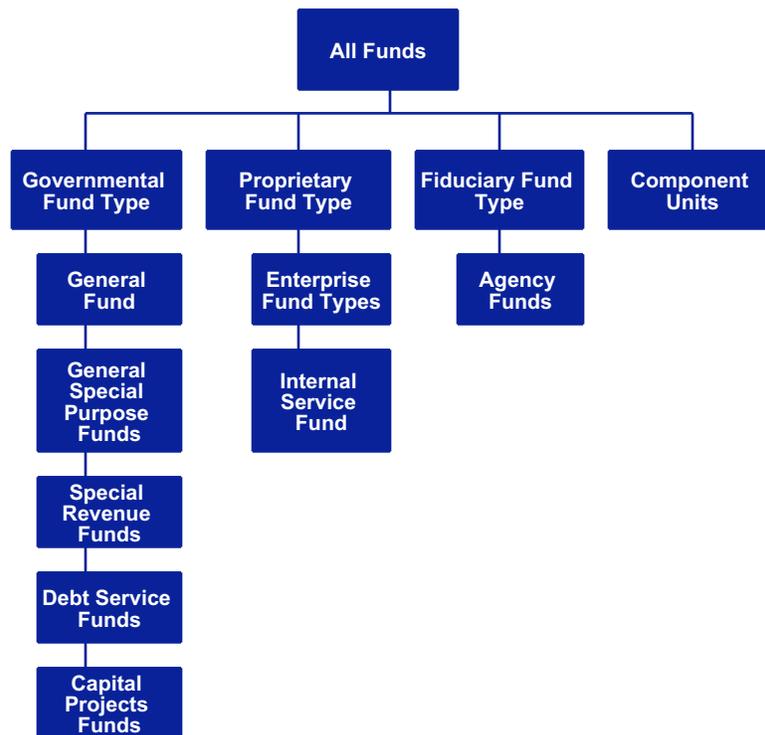
## FIDUCIARY FUND TYPES

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. Council
  - ii. Mayor
  - iii. Human Resources
  - iv. 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 Special Purpose
  - i. Park Acquisition and Development
  - ii. Park Enterprise
  - iii. Parks and Recreation, Open Space and Trails (PROST)
  - iv. Parks and Recreation – City Life Gym
  - v. Fort Missoula Regional Park - Recreation
  - vi. Fort Missoula Regional Park - Operations & Maintenance
  - vii. All Hazards
  - viii. Cemetery Niche
  - ix. Cemetery Capital Reserve
  - x. Cemetery Grants and Donations
  - xi. Johnson Street Property Lease
  - xii. Title I Projects
  - xiii. Program Income Revolving Loan Program
- c. Special Revenue Funds
  - i. Planning Department
  - ii. Public Safety Information Systems
  - iii. Impact Fee
  - iv. Public Art
  - v. Employee Health Insurance Levy (outside cap)
  - vi. Conservation Land Maintenance Levy
  - 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. High Intensity Drug Task force Administration (HIDTA)
  - xx. Community Development Block Grant (CDBG) Program Income
  - xxi. Community Development Block Grant CDBG
  - xxii. HOME
  - xxiii. HOME Program Income
  - xxiv. Transportation Department
  - xxv. Grants and Donations
  - xxvi. Police Miscellaneous Grants and Donations
  - xxvii. Brownfields Grants
- d. Debt Service Funds

- i. General Obligation
      - 1. 2012A Aquatics Refunding
      - 2. 2013A refunding
    - ii. Special Improvement
      - 1. SID Revolving
      - 2. Sidewalk and Curb Bonded Debt Service
      - 3. SID Bonded Debt Service
  - e. Capital Projects Funds
    - i. General Government Core Equipment
    - ii. Information Technologies Infrastructure
    - iii. Administrative Capital Projects
    - iv. Public Safety Core Equipment
    - v. Public Works Core Equipment
    - vi. Sidewalk/Curb Improvements/Projects
    - vii. Roadway Improvements
    - viii. Capital Improvement Debt
    - ix. Culture and Recreation Core Equipment
    - x. Parks Capital Projects
    - xi. Conservation Land Management Capital Projects
    - xii. Urban Forestry Capital Projects
    - xiii. Open Space Acquisition

## **2. Proprietary Funds**

- a. Enterprise Funds
  - i. Civic Stadium
  - ii. Water Utility
  - iii. Water Loan
  - iv. Wastewater/Compost Utility
  - v. Wastewater Loan
  - vi. Wastewater Development
  - vii. Storm Water Utility
  - viii. 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)

**Consolidated Revenues, Expenses and Fund Balance - Approved Budget Fiscal Year 2020**

	Estimated Beginning Balance	Estimated Revenue	Transfer In	Committed Expenditure Savings	Estimated Expenses	Transfer Out	Net Fund Change	Estimated Ending Balance
<b>General Fund</b>	5,635,220	56,496,022	4,919,750	1,331,906	57,757,651	5,331,492	(341,465)	5,293,755
<b>Special Revenue</b>								
General Government/ Administration								
Cable Franchise	(4,626)	682,500	—	—	556,967	124,600	933	(3,693)
Employee Permissive Health Insurance Levy	528,945	5,445,471	—	—	—	5,445,471	—	528,945
Grants & Donations	304,764	20,000	—	—	71,650	—	(51,650)	253,114
Impact Fee	3,324,683	1,700,000	—	—	500,000	—	1,200,000	4,524,683
Public Art	28,283	15,750	—	—	14,100	—	1,650	29,933
Public Safety Information Systems	285	18,000	6,000	—	—	—	24,000	24,285
Culture & Recreation								
Conservation Land Maintenance Mill Levy	—	566,026	—	—	—	416,805	149,221	149,221
Park District #1	413,201	3,021,348	3,847,842	—	5,968,816	546,894	353,480	766,681
Willowood Park Maintenance	43	—	—	—	—	—	—	43
Development & Economic Services								
Brownfield	703,139	830,000	—	—	878,056	—	(48,056)	655,083
Building Inspection	2,365,881	1,894,020	—	—	2,106,394	—	(212,374)	2,153,507
CDBG	1,787	529,166	—	—	529,166	—	—	1,787
CDBG Program Income	13,015	29,463	—	—	29,463	—	—	13,015
City Grants & Program Income	4,521	—	—	—	—	—	—	4,521
Dangerous Building	—	15,000	—	—	15,000	—	—	—
HOME Grant	8,135	355,058	—	—	353,625	—	1,433	9,568
HOME Program Income	463,320	642,047	—	—	642,047	—	—	463,320
Planning	(68,339)	356,173	205,394	—	638,990	—	(77,423)	(145,762)
Road District #1 - Development Svs.	(571,524)	611,125	—	521,949	691,125	—	441,949	(129,575)
Transportation	504,494	1,556,542	103,070	—	1,965,760	—	(306,148)	198,346
Transportation Grants	14,272	—	—	—	—	—	—	14,272
Public Safety								
Drug Forfeiture	(827)	16,627	—	—	15,800	—	827	—
HIDTA	201,715	70,000	—	—	142,814	—	(72,814)	128,901
Law Enforcement Grants	(10,337)	133,210	—	—	122,873	—	10,337	—
Misc. Police Grants & Donations	15,535	444,934	—	—	438,589	—	6,345	21,880
Public Works								
Gas Tax	376,348	1,958,578	—	—	590,000	1,368,578	—	376,348
Road District #1	317,711	5,398,468	2,040,468	—	7,358,187	—	80,749	398,460
Street Lighting	138,922	361,838	—	—	361,838	—	—	138,922
Street Maintenance	(623)	104,622	—	—	61,000	43,500	122	(501)
<b>Total Special Revenue</b>	<b>9,072,723</b>	<b>26,775,966</b>	<b>6,202,774</b>	<b>521,949</b>	<b>24,052,260</b>	<b>7,945,848</b>	<b>1,502,581</b>	<b>10,575,304</b>

**Consolidated Revenues, Expenses and Fund Balance - Approved Budget Fiscal Year 2020**

	Estimated Beginning Balance	Estimated Revenue	Transfer In	Committed Expenditure Savings	Estimated Expenses	Transfer Out	Net Fund Change	Estimated Ending Balance
<b>Debt Service</b>								
General Obligation	27,034	1,003,091	—	—	1,003,091	—	—	27,034
SID Revolving	492,501	100,000	—	—	—	100,000	—	492,501
Sidewalk/ Curb	454,580	359,102	—	—	359,102	—	—	454,580
Special Improvement District	2,127,586	1,137,191	—	—	1,219,530	—	(82,339)	2,045,247
<b>Total Debt Service</b>	<b>3,101,701</b>	<b>2,599,384</b>	<b>—</b>	<b>—</b>	<b>2,581,723</b>	<b>100,000</b>	<b>(82,339)</b>	<b>3,019,362</b>
<b>Capital Improvement Projects</b>	<b>(2,341,783)</b>	<b>13,184,760</b>	<b>6,997,731</b>	<b>—</b>	<b>15,981,761</b>	<b>—</b>	<b>4,200,730</b>	<b>1,858,947</b>
<b>Enterprise Fund (Working Capital)</b>								
Aquatics	(97,000)	1,191,472	203,000	—	1,524,476	—	(130,004)	(227,004)
Civic Stadium	38,679	120,000	—	—	120,000	—	—	38,679
Storm Water Utility	(17,289)	2,059,040	—	—	1,759,931	139,700	159,409	142,120
Wastewater Utility	3,318,730	12,572,336	—	—	16,591,790	—	(4,019,454)	(700,724)
Water Utility	(2,043,703)	17,858,628	—	—	21,219,302	—	(3,360,674)	(5,404,377)
<b>Total Enterprise</b>	<b>1,199,417</b>	<b>33,801,476</b>	<b>203,000</b>	<b>—</b>	<b>41,215,499</b>	<b>139,700</b>	<b>(7,350,723)</b>	<b>(6,151,306)</b>
<b>Internal Service</b>	<b>297,485</b>	<b>8,684,348</b>	<b>522,000</b>	<b>—</b>	<b>9,772,900</b>	<b>—</b>	<b>(566,552)</b>	<b>(269,067)</b>
<b>Component Unit</b>								
Business Improvement District	120,877	364,000	—	—	364,000	—	—	120,877
Parking Commission	1,578,740	2,839,942	310,695	—	4,261,006	310,695	(1,421,064)	157,676
Redevelopment Agency	9,869,213	13,388,794	12,093,267	—	21,202,377	12,093,267	(7,813,583)	2,055,630
Tourism Business Improvement District	195,465	1,366,140	—	—	1,558,471	—	(192,331)	3,134
<b>Total Component Unit</b>	<b>11,764,295</b>	<b>17,958,876</b>	<b>12,403,962</b>	<b>—</b>	<b>27,385,854</b>	<b>12,403,962</b>	<b>(9,426,978)</b>	<b>2,337,317</b>
<b>Total All Funds</b>	<b>28,729,058</b>	<b>159,500,832</b>	<b>31,249,217</b>	<b>1,853,855</b>	<b>178,747,648</b>	<b>25,921,002</b>	<b>(12,064,746)</b>	<b>16,664,312</b>

**Combined Revenues by Fund Group and Source - Adopted Budget FY2020**

	Total	General Fund	Special Revenue	Debt Service	Capital Funds	Enterprise Funds	Internal Service Funds	Component Units
<b>TAXES</b>								
Property	33,569,503	26,554,915	6,011,497	1,003,091	—	—	—	—
Assessments	8,504,464	—	7,008,171	1,496,293	—	—	—	—
Other	1,997,612	1,997,612	—	—	—	—	—	—
<b>Total Taxes</b>	<b>44,071,579</b>	<b>28,552,527</b>	<b>13,019,668</b>	<b>2,499,384</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>LICENSES &amp; PERMITS</b>	<b>3,871,725</b>	<b>1,296,225</b>	<b>2,575,500</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>INTERGOVERNMENTAL REVENUE</b>								
Federal grants	4,612,644	323,878	3,266,121	—	779,441	243,204	—	—
<b>STATE SHARED REVENUE</b>								
Gross receipts	19,022,363	15,036,951	3,195,368	—	—	5,351	—	784,693
State & local grants	1,602,560	983,160	376,894	—	—	—	—	242,506
<b>Total Intergovernmental Revenues</b>	<b>25,237,567</b>	<b>16,343,989</b>	<b>6,838,383</b>	<b>—</b>	<b>779,441</b>	<b>248,555</b>	<b>—</b>	<b>1,027,199</b>
<b>CHARGES FOR SERVICES</b>	<b>10,426,305</b>	<b>7,368,155</b>	<b>3,058,150</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>FINES &amp; FORFEITURES</b>	<b>1,076,228</b>	<b>1,044,601</b>	<b>31,627</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>MISCELLANEOUS</b>	<b>29,494,770</b>	<b>1,890,525</b>	<b>1,252,638</b>	<b>100,000</b>	<b>13,184,760</b>	<b>—</b>	<b>—</b>	<b>13,066,847</b>
<b>ENTERPRISE FUNDS</b>								
Civic Stadium	120,000	—	—	—	—	120,000	—	—
Water Utility	17,855,909	—	—	—	—	17,855,909	—	—
Wastewater/Compost Utility	12,327,400	—	—	—	—	12,327,400	—	—
Storm Water Utility	2,058,812	—	—	—	—	2,058,812	—	—
Aquatics	1,190,800	—	—	—	—	1,190,800	—	—
<b>Total Enterprise Funds</b>	<b>33,552,921</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>33,552,921</b>	<b>—</b>	<b>—</b>
<b>INTERNAL SERVICE</b>	<b>8,684,348</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>8,684,348</b>	<b>—</b>
<b>COMPONENT UNIT</b>								
Parking	2,631,400	—	—	—	—	—	—	2,631,400
Business Improvement District	62,000	—	—	—	—	—	—	62,000
Tourism Business Improvement District	—	—	—	—	—	—	—	—
Missoula Redevelopment Agency	1,171,430	—	—	—	—	—	—	1,171,430
<b>Total Component Unit</b>	<b>3,864,830</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,864,830</b>
<b>TOTAL CURRENT RESOURCES</b>	<b>160,280,273</b>	<b>56,496,022</b>	<b>26,775,966</b>	<b>2,599,384</b>	<b>13,964,201</b>	<b>33,801,476</b>	<b>8,684,348</b>	<b>17,958,876</b>

**Combined Expenses by Fund Group and Department - Adopted Budget Fiscal Year 2020**

	Total	General Fund	Special Revenue	Debt Service	Capital Funds	Enterprise Funds	Internal Service	Component Units
City Council	429,969	429,969	—	—	—	—	—	—
Mayor	616,843	602,743	14,100	—	—	—	—	—
Human Resources	611,673	611,673	—	—	—	—	—	—
City Clerk	454,665	454,665	—	—	—	—	—	—
Information Technologies	1,744,464	1,744,464	—	—	—	—	—	—
Municipal Court	1,691,150	1,691,150	—	—	—	—	—	—
Finance	1,582,838	1,582,838	—	—	—	—	—	—
Central Services	194,163	194,163	—	—	—	—	—	—
Facility Maintenance	1,111,420	1,111,420	—	—	—	—	—	—
Development Services	7,674,338	2,257,069	5,417,269	—	—	—	—	—
Housing & Community Development	4,440,834	2,008,477	2,432,357	—	—	—	—	—
Attorney	1,866,762	1,866,762	—	—	—	—	—	—
Public Works	9,494,540	—	3,778,362	—	5,716,178	—	—	—
Police	18,959,197	18,239,121	720,076	—	—	—	—	—
Fire	15,468,609	15,468,609	—	—	—	—	—	—
Streets & Traffic Services	4,531,663	—	4,531,663	—	—	—	—	—
Cemetery	928,339	928,339	—	—	—	—	—	—
Parks & Recreation	14,920,348	2,612,501	5,968,816	—	4,814,555	1,524,476	—	—
Improvement District	1,922,471	—	—	—	—	—	—	1,922,471
Redevelopment Agency	21,202,377	—	—	—	—	—	—	21,202,377
Miscellaneous	23,825,037	4,829,769	1,189,617	2,581,723	5,451,028	—	9,772,900	—
Parking Commission	4,381,006	—	—	—	—	120,000	—	4,261,006
<b>GRAND TOTAL</b>	<b>138,052,706</b>	<b>56,633,732</b>	<b>24,052,260</b>	<b>2,581,723</b>	<b>15,981,761</b>	<b>1,644,476</b>	<b>9,772,900</b>	<b>27,385,854</b>

**Consolidated Revenues, Expenses and Fund Balance - Estimated Actual Fiscal Year 2019**

	Beginning Balance	Actual Revenue	Transfer In	Actual Expenses	Transfer Out	Net Fund Change	Adjustments	Estimated Ending Balance
<b>General Fund</b>	4,790,596	50,018,488	4,708,444	48,951,417	6,168,544	(393,029)	304,410	4,701,977
<b>Special Revenue</b>								
General Government/ Administration								
Cable Franchise	(75,588)	738,299	—	574,285	121,433	42,582	—	(33,007)
Employee Permissive Health Insurance Levy	304,764	37,790	—	63,501	—	(25,711)	—	279,053
Grants & Donations	3,488,683	1,209,006	—	241,715	997,753	(30,462)	—	3,458,221
Impact Fee	(366,000)	5,708,721	—	—	4,603,577	1,105,144	—	739,144
Public Art	18,913	42,989	—	27,328	—	15,661	—	34,574
Public Safety Information Systems	63,285	19,233	8,931	86,620	—	(58,455)	—	4,830
Culture & Recreation	—							
Conservation Land Maintenance Mill Levy	—	—	—	—	—	—	—	—
Park District #1	35,955	2,794,468	3,418,851	5,368,738	347,372	497,209	—	533,164
Willowood Park Maintenance	43	—	—	—	—	—	—	43
Development & Economic Services	—							
Brownfield	733,139	90,160	—	100,067	—	(9,907)	—	723,232
Building Inspection	2,437,446	1,856,760	—	1,985,723	—	(128,963)	—	2,308,483
CDBG	(8,213)	436,648	—	177,862	261,000	(2,213)	—	(10,426)
CDBG Program Income	13,015	40,453	—	793	—	39,660	—	52,675
City Grants & Program Income	4,296	224	—	—	—	224	—	4,521
Dangerous Building	—	—	—	—	—	—	—	—
HOME Grant	8,135	263,436	—	263,435	—	—	—	8,135
HOME Program Income	463,320	325,919	—	59,597	—	266,323	—	729,643
Planning	(60,585)	355,941	191,028	534,796	—	12,173	—	(48,412)
Road District #1 - Development Svs.	—	—	—	190,605	576,897	(767,501)	—	(767,501)
Transportation	196,688	913,464	101,105	1,101,608	—	(87,039)	—	109,649
Transportation Grants	14,272	—	—	—	—	—	—	14,272
Public Safety	—							
Drug Forfeiture	4,973	9,515	—	11,810	—	(2,295)	—	2,678
HIDTA	274,815	75,089	—	113,287	—	(38,198)	—	236,617
Law Enforcement Grants	(10,337)	68,704	—	79,368	—	(10,664)	—	(21,001)
Misc. Police Grants & Donations	(33,131)	377,423	—	407,146	—	(29,723)	—	(62,854)
Public Works	—							
Gas Tax	410,518	1,895,830	—	12,316	1,689,107	194,407	—	604,925
Road District #1	(533,975)	5,397,647	1,909,540	6,673,651	—	633,536	—	99,561
Street Lighting	138,922	361,245	—	353,610	—	7,635	—	146,557
Street Maintenance	(1,479)	104,724	—	61,000	43,500	224	—	(1,255)
<b>Total Special Revenue</b>	7,521,874	23,123,688	5,629,455	18,488,861	8,640,639	1,623,647	—	9,145,521

**Consolidated Revenues, Expenses and Fund Balance - Estimated Actual Fiscal Year 2019**

	Beginning Balance	Actual Revenue	Transfer In	Actual Expenses	Transfer Out	Net Fund Change	Adjustments	Estimated Ending Balance
<b>Debt Service</b>								
General Obligation	(366,248)	1,007,094	—	1,005,177	—	1,917	—	(364,330)
SID Revolving	557,436	35,063	—	—	82,376	(47,313)	—	510,123
Sidewalk/ Curb	415,989	399,746	—	412,915	—	(13,169)	—	402,820
Special Improvement District	2,103,955	1,117,612	—	1,375,166	3,320	(260,874)	—	1,843,080
<b>Total Debt Service</b>	<b>2,711,132</b>	<b>2,559,515</b>	<b>—</b>	<b>2,793,258</b>	<b>85,696</b>	<b>(319,439)</b>	<b>—</b>	<b>2,391,693</b>
<b>Capital Improvement Projects</b>	<b>(4,004,709)</b>	<b>478,208</b>	<b>3,690,621</b>	<b>6,419,706</b>	<b>23,172</b>	<b>(2,274,048)</b>	<b>—</b>	<b>(6,278,759)</b>
<b>Enterprise Fund (Working Capital)</b>								
Aquatics	8,858,832	1,089,704	203,000	1,835,330	—	(542,626)	—	8,316,207
Civic Stadium	1,495,765	160,090	—	191,373	—	(31,283)	—	1,464,482
Storm Water Utility	89,552	683,513	—	169,990	43	513,480	—	603,031
Wastewater Utility	72,224,658	10,938,489	—	10,763,748	55	174,686	(177,035)	72,222,315
Water Utility	(10,820,756)	19,130,574	171,469	20,275,773	20,474	(994,204)	(52,437)	(11,867,397)
<b>Total Enterprise</b>	<b>71,848,051</b>	<b>32,002,370</b>	<b>374,469</b>	<b>33,236,214</b>	<b>20,572</b>	<b>(879,947)</b>	<b>(229,472)</b>	<b>70,738,638</b>
<b>Internal Service</b>	<b>(299,038)</b>	<b>6,054,640</b>	<b>535,626</b>	<b>6,193,249</b>	<b>—</b>	<b>397,018</b>	<b>—</b>	<b>97,983</b>
<b>Component Unit</b>								
Business Improvement District	160,105	813,348	—	803,610	—	9,738	—	169,841
Parking Commission	10,774,782	2,921,078	3,513,283	2,687,924	313,283	3,433,154	—	14,207,937
Redevelopment Agency	(19,440,337)	21,202,988	8,696,366	20,405,479	8,696,366	797,509	—	(18,642,828)
Tourism Business Improvement District	593,571	876,651	—	1,139,805	—	(263,154)	(468)	329,949
<b>Total Component Unit</b>	<b>(7,911,879)</b>	<b>25,814,065</b>	<b>12,209,649</b>	<b>25,036,818</b>	<b>9,009,649</b>	<b>3,977,247</b>	<b>(468)</b>	<b>(3,935,101)</b>
<b>Total All Funds</b>	<b>74,656,027</b>	<b>140,050,974</b>	<b>27,148,264</b>	<b>141,119,523</b>	<b>23,948,272</b>	<b>2,131,449</b>	<b>74,470</b>	<b>76,861,952</b>

**Combined Revenues by Fund Group and Source - Estimated Actual Revenues Fiscal Year 2019**

	Total	General Fund	Special Revenue	Debt Service	Capital Funds	Enterprise Funds	Internal Service Funds	Component Units
<b>TAXES</b>								
Property	29,565,766	22,860,469	5,699,817	1,005,480	—	—	—	—
Assessments	7,635,271	—	6,200,892	1,434,379	—	—	—	—
Other	9,557,607	1,859,011	8,904	1,612	—	—	—	7,688,080
<b>Total Taxes</b>	<b>46,758,644</b>	<b>24,719,480</b>	<b>11,909,613</b>	<b>2,441,471</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,688,080</b>
<b>LICENSES &amp; PERMITS</b>	<b>3,725,693</b>	<b>1,130,258</b>	<b>2,594,083</b>	<b>—</b>	<b>—</b>	<b>1,352</b>	<b>—</b>	<b>—</b>
<b>INTERGOVERNMENTAL REVENUE</b>								
Federal grants	2,353,332	182,167	1,940,105	—	—	231,060	—	—
<b>STATE SHARED REVENUE</b>								
Gross receipts	17,688,308	14,265,234	2,498,477	—	—	128,870	—	795,727
State & local grants	1,520,787	1,080,147	390,674	—	—	—	—	49,966
<b>Total Intergovernmental Revenues</b>	<b>21,562,427</b>	<b>15,527,548</b>	<b>4,829,256</b>	<b>—</b>	<b>—</b>	<b>359,930</b>	<b>—</b>	<b>845,693</b>
<b>CHARGES FOR SERVICES</b>	<b>10,102,660</b>	<b>6,891,636</b>	<b>3,211,024</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>FINES &amp; FORFEITURES</b>	<b>1,201,427</b>	<b>1,172,589</b>	<b>28,838</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>MISCELLANEOUS</b>	<b>1,723,978</b>	<b>576,851</b>	<b>550,875</b>	<b>118,045</b>	<b>478,207</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>ENTERPRISE FUNDS</b>								
Civic Stadium	160,090	—	—	—	—	160,090	—	—
Water Utility	19,067,782	—	—	—	—	19,067,782	—	—
Wastewater/Compost Utility	10,665,347	—	—	—	—	10,665,347	—	—
Storm Water Utility	666,571	—	—	—	—	666,571	—	—
Aquatics	1,081,297	—	—	—	—	1,081,297	—	—
<b>Total Enterprise Funds</b>	<b>31,641,087</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>31,641,087</b>	<b>—</b>	<b>—</b>
<b>INTERNAL SERVICE</b>	<b>6,054,640</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,054,640</b>	<b>—</b>
<b>COMPONENT UNIT</b>								
Parking	2,909,532	—	—	—	—	—	—	2,909,532
Business Improvement District	61,000	—	—	—	—	—	—	61,000
Tourism Business Improvement District	—	—	—	—	—	—	—	—
Missoula Redevelopment Agency	13,004,118	—	—	—	—	—	—	13,004,118
<b>Total Component Unit</b>	<b>15,974,650</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>15,974,650</b>
<b>TOTAL CURRENT RESOURCES</b>	<b>138,745,206</b>	<b>50,018,362</b>	<b>23,123,689</b>	<b>2,559,516</b>	<b>478,207</b>	<b>32,002,369</b>	<b>6,054,640</b>	<b>24,508,423</b>

**Combined Expenses by Fund and Department - Estimated Actual Fiscal Year 2019**

	Total	General Fund	Special Revenue	Debt Service	Capital Funds	Enterprise Funds	Internal Service	Component Units
City Council	349,851	349,851	—	—	—	—	—	—
Mayor	608,211	580,883	27,328	—	—	—	—	—
Human Resources	401,587	401,587	—	—	—	—	—	—
City Clerk	508,041	507,352	689	—	—	—	—	—
Information Technologies	1,639,005	1,552,385	86,620	—	—	—	—	—
Municipal Court	1,573,769	1,573,769	—	—	—	—	—	—
Finance	1,318,077	1,318,077	—	—	—	—	—	—
Central Services	265,134	265,134	—	—	—	—	—	—
Facility Maintenance	752,112	752,112	—	—	—	—	—	—
Development Services	6,172,090	2,149,587	3,812,043	—	210,460	—	—	—
Housing & Community Development	1,449,247	847,493	601,754	—	—	—	—	—
Attorney	1,615,983	1,615,983	—	—	—	—	—	—
Public Works	4,168,480	—	2,333,589	—	1,834,891	—	—	—
Police	16,796,498	16,184,887	611,611	—	—	—	—	—
Fire	14,426,171	14,422,406	3,765	—	—	—	—	—
Streets & Traffic Services	4,705,988	—	4,705,988	—	—	—	—	—
Fleet Maintenance	990,513	990,513	—	—	—	—	—	—
Wastewater	10,758,813	—	—	—	—	10,758,813	—	—
Storm Water	169,990	—	—	—	—	169,990	—	—
Water	20,275,774	—	—	—	—	20,275,774	—	—
Cemetery	766,488	766,488	—	—	—	—	—	—
Parks & Recreation	7,931,403	1,205,217	5,368,738	—	11,668	1,345,780	—	—
Redevelopment Agency	19,542,867	—	—	—	—	—	—	19,542,867
Miscellaneous	19,698,296	3,465,783	936,736	2,772,208	4,362,658	494,485	6,193,249	1,473,177
Parking Commission	2,268,732	—	—	—	—	191,373	—	2,077,359
<b>GRAND TOTAL</b>	<b>139,568,120</b>	<b>48,949,507</b>	<b>18,488,861</b>	<b>2,772,208</b>	<b>6,419,677</b>	<b>33,236,215</b>	<b>6,193,249</b>	<b>23,508,403</b>

**Consolidated Revenues, Expenses and Fund Balance - Estimated Actual Fiscal Year 2018**

	Beginning Balance	Actual Revenue	Transfer In	Actual Expenses	Transfer Out	Net Fund Change	Adjustments	Estimated Ending Balance
<b>General Fund</b>	3,835,786	51,550,773	6,889,771	55,031,635	2,454,099	954,810	—	4,790,596
<b>Special Revenue</b>								
General Government/ Administration								
Cable Franchise	(54,901)	700,073	—	419,327	301,433	(20,687)	—	(75,588)
Employee Permissive Health Insurance Levy	893,984	158,070	—	99,014	648,277	(589,220)	—	304,764
Grants & Donations	3,383,927	1,640,411	—	525,472	1,010,184	104,756	—	3,488,683
Impact Fee	(292,054)	5,027,537	—	478	5,101,004	(73,946)	—	(366,000)
Public Art	15,943	7,500	—	4,530	—	2,970	—	18,913
Public Safety Information Systems	39,285	18,000	6,000	—	—	24,000	—	63,285
Culture & Recreation								
Conservation Land Maintenance Mill Levy	—	—	—	—	—	—	—	—
Park District #1	(103,286)	1,702,569	7,810	1,087,248	483,890	139,241	—	35,955
Willowood Park Maintenance	43	—	—	—	—	—	—	43
Development & Economic Services								
Brownfield	—	167,592	648,277	82,729	—	733,139	—	733,139
Building Inspection	1,998,850	2,207,758	—	1,760,534	8,627	438,597	—	2,437,446
CDBG	(8,213)	328,305	—	328,305	—	—	—	(8,213)
CDBG Program Income	13,015	29,370	—	22,577	6,793	—	—	13,015
City Grants & Program Income	4,072	224	—	—	—	224	—	4,296
Dangerous Building	—	—	—	—	—	—	—	—
HOME Grant	8,135	340,498	—	340,498	—	—	—	8,135
HOME Program Income	40,936	439,708	—	17,323	—	422,385	—	463,320
Planning	(17,792)	354,487	121,989	519,269	—	(42,793)	—	(60,585)
Road District #1 - Development Svs.	—	—	—	—	—	—	—	—
Transportation	132,183	815,970	91,986	843,450	—	64,505	—	196,688
Transportation Grants	(34,825)	211,905	64,551	227,359	—	49,097	—	14,272
Public Safety								
Drug Forfeiture								
HIDTA	4,237	11,958	—	11,223	—	735	—	4,973
Law Enforcement Grants	282,398	51,687	—	45,587	13,682	(7,583)	—	274,815
Misc. Police Grants & Donations	(169)	—	—	10,168	—	(10,168)	—	(10,337)
Public Works	(19,863)	403,381	—	416,649	—	(13,268)	—	(33,131)
Gas Tax								
Road District #1	323,001	1,492,385	—	840,868	564,000	87,517	—	410,518
Street Lighting	(662,550)	2,105,447	—	1,872,816	104,057	128,574	—	(533,975)
Street Maintenance	125,234	365,931	—	352,243	—	13,687	—	138,922
<b>Total Special Revenue</b>	<b>6,070,372</b>	<b>18,682,394</b>	<b>940,613</b>	<b>9,886,056</b>	<b>8,285,447</b>	<b>1,451,501</b>	<b>—</b>	<b>7,521,874</b>

**Consolidated Revenues, Expenses and Fund Balance - Estimated Actual Fiscal Year 2018**

	Beginning Balance	Actual Revenue	Transfer In	Actual Expenses	Transfer Out	Net Fund Change	Adjustments	Estimated Ending Balance
<b>Debt Service</b>								
General Obligation	(347,214)	1,123,964	—	1,142,999	—	(19,035)	—	(366,248)
SID Revolving	624,223	15,531	—	—	82,318	(66,787)	—	557,436
Sidewalk/ Curb	424,125	479,053	—	487,189	—	(8,136)	—	415,989
Special Improvement District	2,285,903	1,238,179	—	1,416,766	3,361	(181,948)	—	2,103,955
<b>Total Debt Service</b>	<b>2,987,037</b>	<b>2,856,727</b>	<b>—</b>	<b>3,046,954</b>	<b>85,679</b>	<b>(275,906)</b>	<b>—</b>	<b>2,711,132</b>
<b>Capital Improvement Projects</b>	<b>(6,974,439)</b>	<b>6,466,721</b>	<b>2,439,469</b>	<b>5,997,814</b>	<b>73,765</b>	<b>2,834,611</b>	<b>135,119</b>	<b>(4,004,709)</b>
<b>Enterprise Fund (Working Capital)</b>								
Aquatics	9,461,700	1,074,461	203,000	1,860,426	—	(582,965)	(19,903)	8,858,832
Civic Stadium	1,539,218	154,236	—	197,689	—	(43,453)	—	1,495,765
Storm Water Utility	14,309	491,013	—	354,656	—	136,358	(61,114)	89,552
Wastewater Utility	71,473,766	11,703,537	—	10,608,945	—	1,094,592	(343,693)	72,224,668
Water Utility	(10,635,439)	20,324,266	—	19,831,903	93,961	398,401	(583,718)	(10,820,756)
<b>Total Enterprise</b>	<b>71,853,554</b>	<b>33,747,513</b>	<b>203,000</b>	<b>32,853,619</b>	<b>93,961</b>	<b>1,002,933</b>	<b>(1,008,428)</b>	<b>71,848,061</b>
<b>Internal Service</b>	<b>778,930</b>	<b>6,057,814</b>	<b>519,981</b>	<b>7,655,764</b>	<b>—</b>	<b>(1,077,968)</b>	<b>—</b>	<b>(299,038)</b>
<b>Component Unit</b>								
Business Improvement District	173,532	396,600	—	410,029	—	(13,429)	—	160,104
Parking Commission	10,496,036	2,754,285	315,143	2,412,510	315,143	341,774	(63,029)	10,774,782
Redevelopment Agency	(19,440,337)	7,874,745	7,422,491	9,068,949	7,422,491	(1,194,205)	(110,299)	(20,744,842)
Tourism Business Improvement District	724,338	893,022	—	1,023,789	—	(130,767)	—	593,571
<b>Total Component Unit</b>	<b>(8,046,431)</b>	<b>11,918,652</b>	<b>7,737,634</b>	<b>12,915,277</b>	<b>7,737,634</b>	<b>(996,627)</b>	<b>(173,328)</b>	<b>(9,216,385)</b>
<b>Total All Funds</b>	<b>70,504,809</b>	<b>131,280,594</b>	<b>18,730,468</b>	<b>127,387,119</b>	<b>18,730,585</b>	<b>3,893,354</b>	<b>(1,046,637)</b>	<b>73,351,531</b>

**Combined Revenues by Fund Group and Source - Estimated Actual Revenues Fiscal Year 2018**

	Total	General Fund	Special Revenue	Debt Service	Capital Funds	Enterprise Funds	Internal Service Funds	Component Units
<b>TAXES</b>								
Property	30,145,798	24,010,927	5,014,105	1,120,766	—	—	—	—
Assessments	5,275,603	—	3,668,878	1,606,725	—	—	—	—
Other	9,064,675	1,906,516	13,432	3,228	—	—	—	7,141,499
<b>Total Taxes</b>	<b>44,486,076</b>	<b>25,917,443</b>	<b>8,696,415</b>	<b>2,730,719</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,141,499</b>
<b>LICENSES &amp; PERMITS</b>	<b>4,156,703</b>	<b>1,266,440</b>	<b>2,888,630</b>	<b>—</b>	<b>—</b>	<b>1,633</b>	<b>—</b>	<b>—</b>
<b>INTERGOVERNMENTAL REVENUE</b>								
Federal grants	2,323,324	227,257	1,864,723	—	—	231,344	—	—
<b>STATE SHARED REVENUE</b>								
Gross receipts	18,036,741	14,424,018	2,486,561	—	5,115	309,235	—	811,812
State & local grants	804,186	384,378	361,706	—	25,000	—	—	33,102
<b>Total Intergovernmental Revenues</b>	<b>21,164,251</b>	<b>15,035,653</b>	<b>4,712,990</b>	<b>—</b>	<b>30,115</b>	<b>540,579</b>	<b>—</b>	<b>844,914</b>
<b>CHARGES FOR SERVICES</b>	<b>9,004,141</b>	<b>7,311,922</b>	<b>1,692,219</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>FINES &amp; FORFEITURES</b>	<b>1,363,828</b>	<b>1,351,870</b>	<b>11,958</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>MISCELLANEOUS</b>	<b>7,910,242</b>	<b>667,445</b>	<b>680,182</b>	<b>126,009</b>	<b>6,436,606</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>ENTERPRISE FUNDS</b>								
Civic Stadium	154,236	—	—	—	—	154,236	—	—
Water Utility	20,224,366	—	—	—	—	20,224,366	—	—
Wastewater/Compost Utility	11,403,165	—	—	—	—	11,403,165	—	—
Storm Water Utility	372,694	—	—	—	—	372,694	—	—
Aquatics	1,050,840	—	—	—	—	1,050,840	—	—
<b>Total Enterprise Funds</b>	<b>33,205,301</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>33,205,301</b>	<b>—</b>	<b>—</b>
<b>INTERNAL SERVICE</b>	<b>6,057,814</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,057,814</b>	<b>—</b>
<b>COMPONENT UNIT</b>								
Parking	2,735,805	—	—	—	—	—	—	2,735,805
Business Improvement District	58,378	—	—	—	—	—	—	58,378
Tourism Business Improvement District	—	—	—	—	—	—	—	—
Missoula Redevelopment Agency	2,360,417	—	—	—	—	—	—	2,360,417
<b>Total Component Unit</b>	<b>5,154,600</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,154,600</b>
<b>TOTAL CURRENT RESOURCES</b>	<b>132,502,956</b>	<b>51,550,773</b>	<b>18,682,394</b>	<b>2,856,728</b>	<b>6,466,721</b>	<b>33,747,513</b>	<b>6,057,814</b>	<b>13,141,013</b>

**Combined Expenses by Fund and Department - Estimated Actual Fiscal Year 2018**

	Total	General Fund	Special Revenue	Debt Service	Capital Funds	Enterprise Funds	Internal Service	Component Units
City Council	342,860	342,860	—	—	—	—	—	—
Mayor	557,775	553,245	4,530	—	—	—	—	—
Human Resources	333,827	333,827	—	—	—	—	—	—
City Clerk	506,582	506,582	—	—	—	—	—	—
Information Technologies	1,214,379	1,214,379	—	—	—	—	—	—
Municipal Court	1,572,518	1,572,518	—	—	—	—	—	—
Finance	1,251,930	1,251,930	—	—	—	—	—	—
Central Services	253,262	253,262	—	—	—	—	—	—
Facility Maintenance	577,762	577,762	—	—	—	—	—	—
Development Services	5,378,110	2,245,700	3,123,253	—	9,157	—	—	—
Housing & Community Development	1,512,359	720,926	791,433	—	—	—	—	—
Attorney	1,591,667	1,591,667	—	—	—	—	—	—
Public Works	2,889,215	1,031,971	1,193,111	—	664,133	—	—	—
Police	16,354,807	15,871,180	483,627	—	—	—	—	—
Fire	14,022,901	13,935,823	87,078	—	—	—	—	—
Streets & Traffic Services	5,019,423	3,146,607	1,872,816	—	—	—	—	—
Fleet Maintenance	920,254	920,254	—	—	—	—	—	—
Wastewater	10,663,937	—	—	—	—	10,663,937	—	—
Storm Water	354,656	—	—	—	—	354,656	—	—
Water	19,831,903	—	—	—	—	19,831,903	—	—
Cemetery	614,895	614,895	—	—	—	—	—	—
Parks & Recreation	7,210,860	4,753,793	1,087,248	—	—	1,369,819	—	—
Improvement District	315,000	—	—	—	—	—	—	315,000
Redevelopment Agency	9,277,151	—	—	—	—	—	—	9,277,151
Miscellaneous	22,712,590	3,592,456	1,242,962	3,046,953	5,324,524	490,607	7,655,764	1,359,324
Parking Commission	2,119,487	—	—	—	—	197,689	—	1,921,798
<b>GRAND TOTAL</b>	<b>127,400,110</b>	<b>55,031,637</b>	<b>9,886,058</b>	<b>3,046,953</b>	<b>5,997,814</b>	<b>32,908,611</b>	<b>7,655,764</b>	<b>12,873,273</b>

## 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.

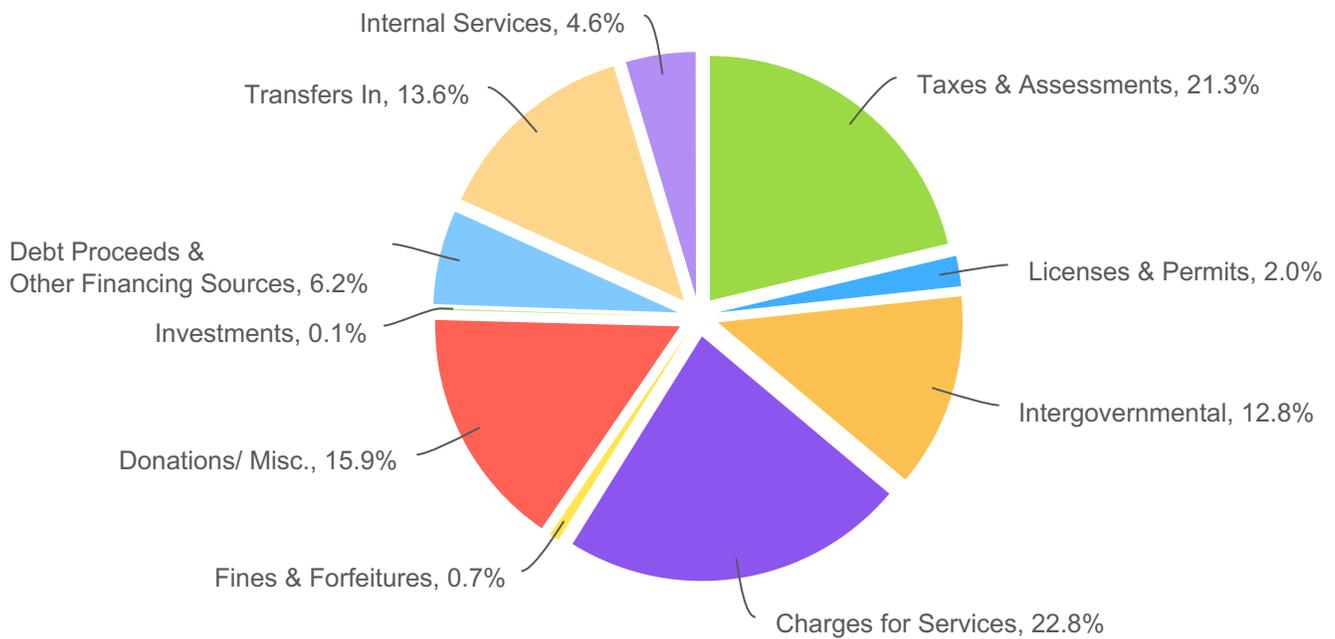
**Bond Proceeds and Other Financing Sources:** These revenues consist of the debt proceeds received by the City to finance various types of capital improvements.

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.

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 2020 (44.1%). Donations/ Misc. revenues make up the next largest category (15.9%). Finally, Transfers In/Other Financing Sources (13.6%) and Intergovernmental Revenues (12.8%) make up the fourth and fifth largest categories. These revenue categories make up 86.4% of all City revenues.

**Revenues by Type - All Funds - FY 2020**

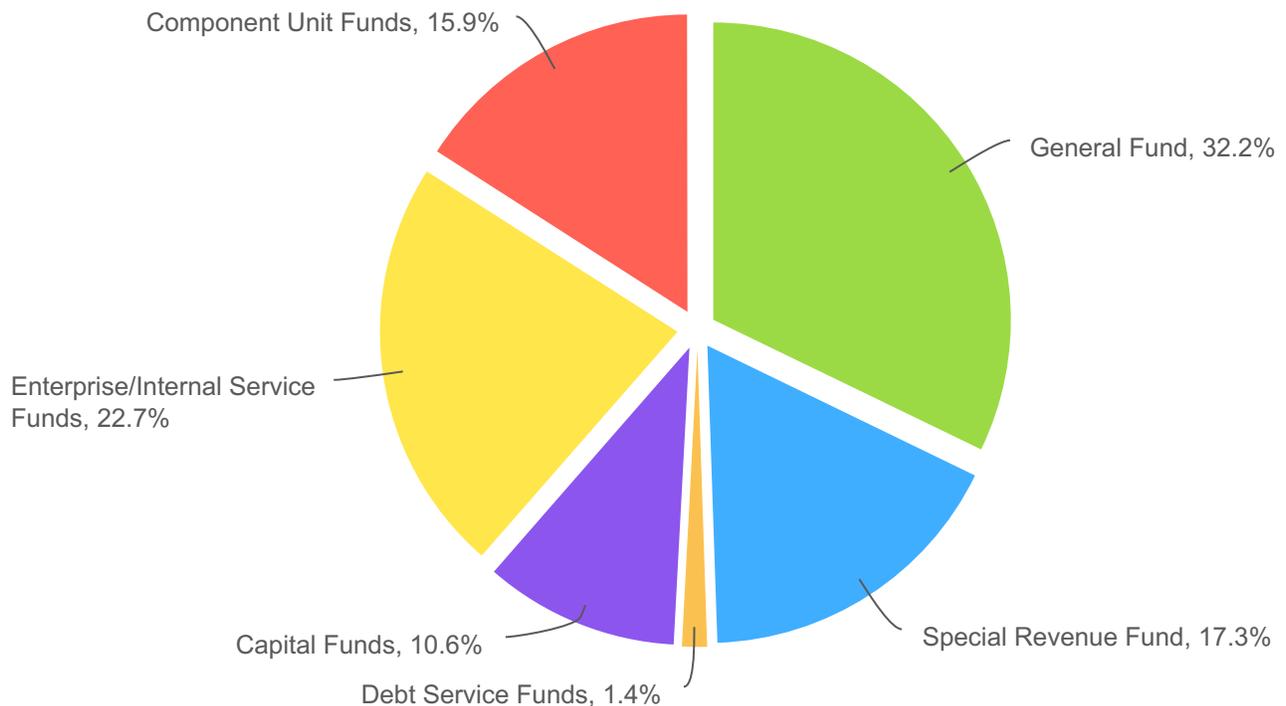


Revenues by Fund Group also help give the reader a look at the “Big Picture” of City revenues.

As shown by the graph below 88.1% of the City's total revenues are made up of the following:

- General Fund (32.2%)
- Enterprise & Internal Service Funds (22.7%)
- Special Revenue Funds (17.3%)
- Component Unit Funds (15.9%)

**Revenues by Fund Group - FY 2020**



### **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.

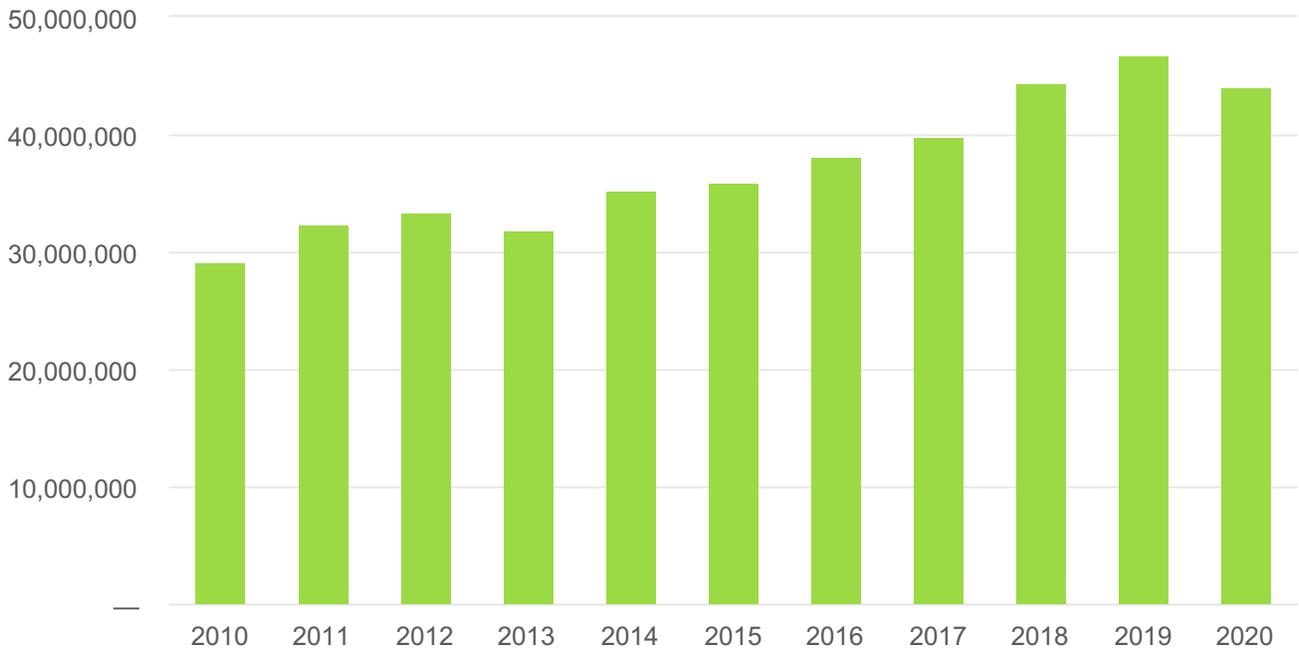
One of the key analytical tools, to assist in the development of revenue estimates, is the comprehensive five year financial forecast. This forecast considered key revenue and expenditure projection factors such as population, increases in the consumer price index (CPI) and other growth factors. The 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 2014 - 2018 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 85.01% of total City revenues.

### Key Revenue Estimates & Trends

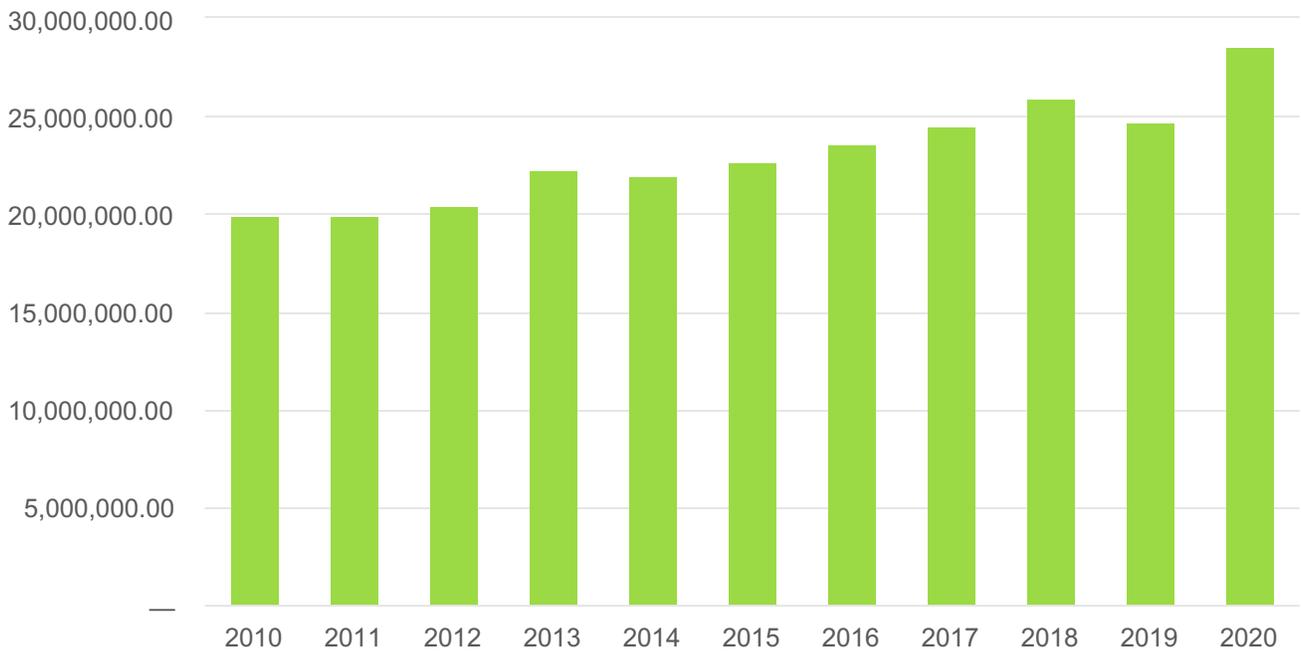
Shown by the graph below are **Taxes and Assessments** for all City funds, over a 10-year period (10 years actual from FY 2010 - FY 2019) as well as the FY2020 budgeted amounts. The graph reflects the steady growth the City of Missoula is experiencing. Certain debt service levies and assessments go down 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. Due to a rise in taxable value and the annexation of the Expressway neighborhood, a decrease of 3.94% was budgeted for FY 2020.

#### Taxes & Assessments - All Funds



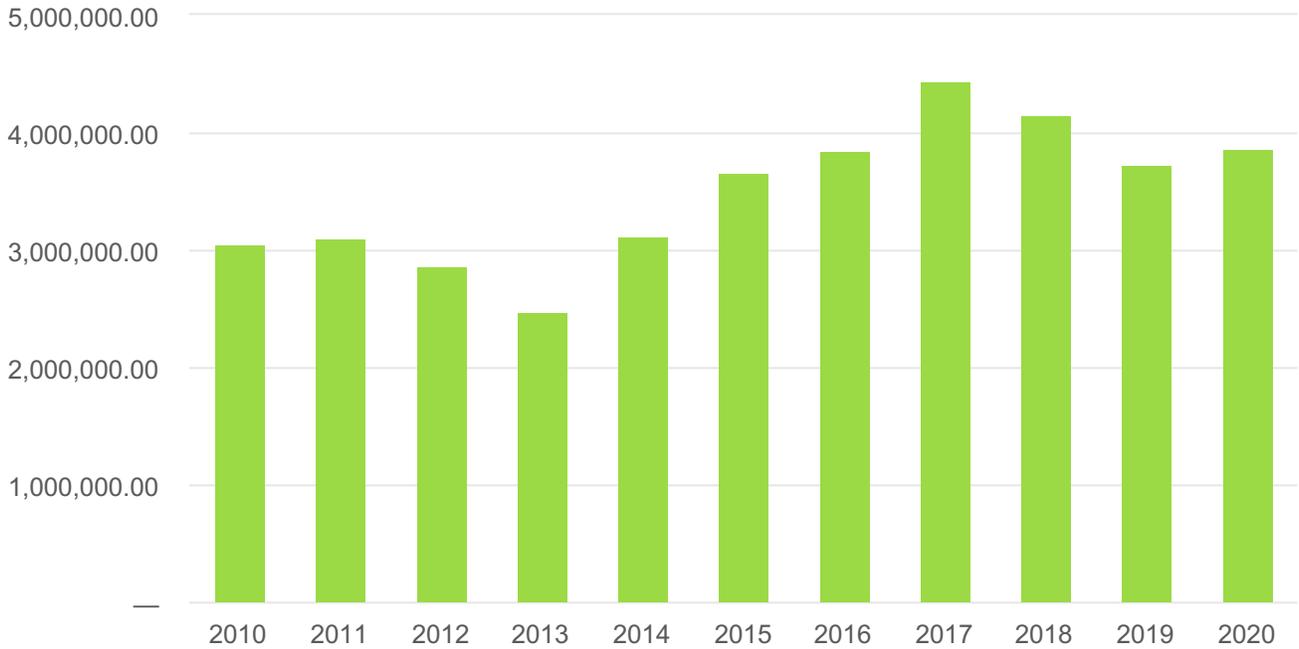
The following graph shows actual **General Fund Taxes & Assessments** for the last 10 years and the adopted budget for FY2020. Although not displayed on the graph, there was very little growth in General Fund taxes from FY 2001 - FY 2002 due to the slow economy and the lack of annexations. As the economy 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.

**General Fund Revenues - Taxes & Assessments**



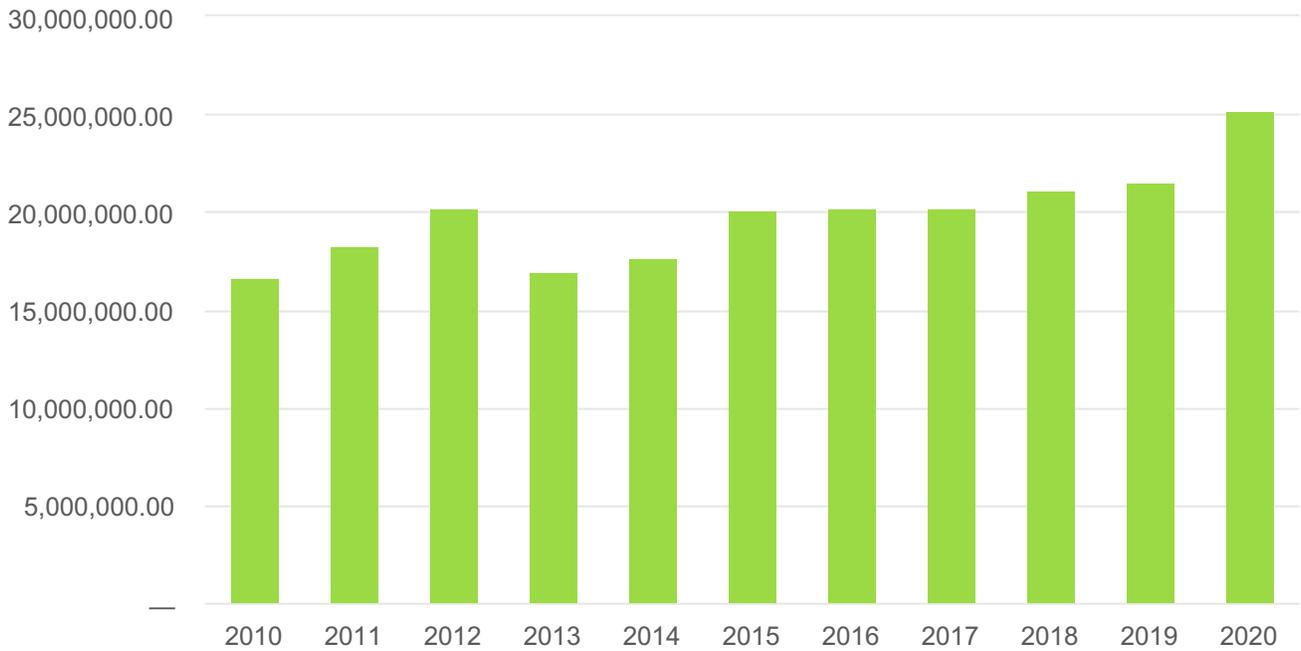
**Licenses & Permits** for all City funds are shown below. The decline from FY 2010 to FY 2013 was due to the economic slowdown experienced by the nation and the City of Missoula. The increase from FY 2014 - FY 2017 is due to the growth in new construction and remodels within the City.

### Licenses & Permits - All Funds



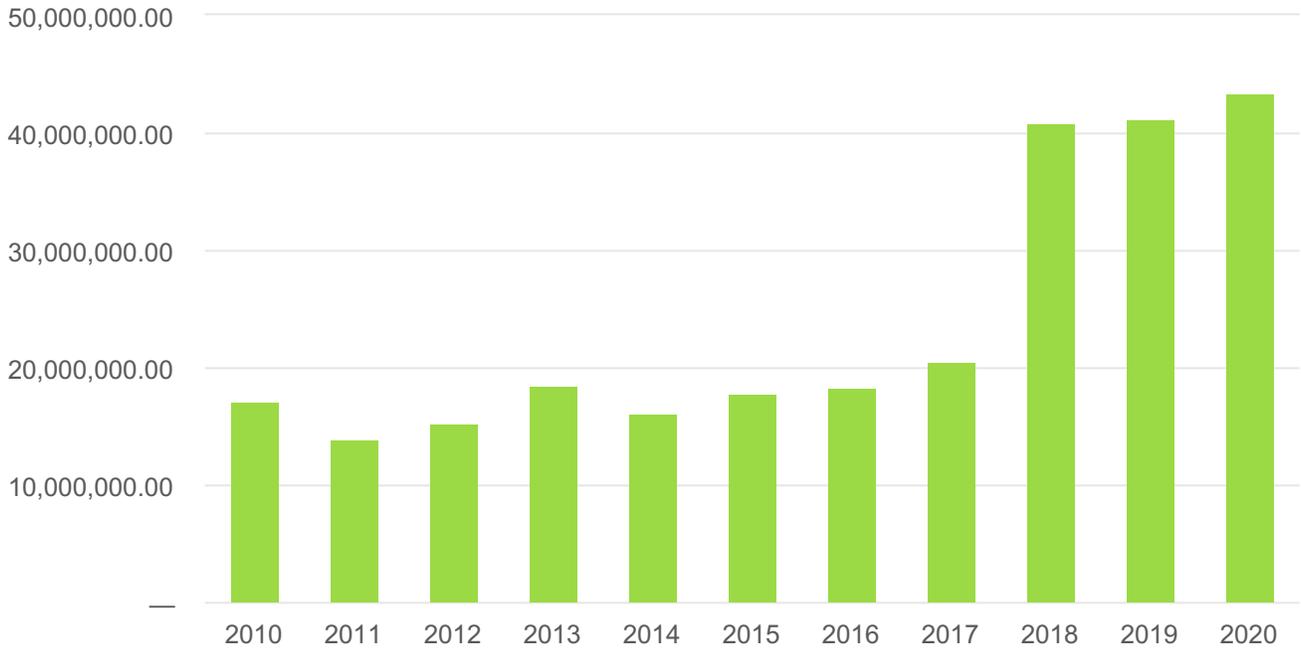
The **Intergovernmental Revenues** - these revenues have remained relatively stable although the level of grant receipts has fluctuated significantly from year to year. In addition to the entitlement revenues, this category also includes grants and State reimbursement for services provided by the City.

**Intergovernmental Revenues - All Funds**



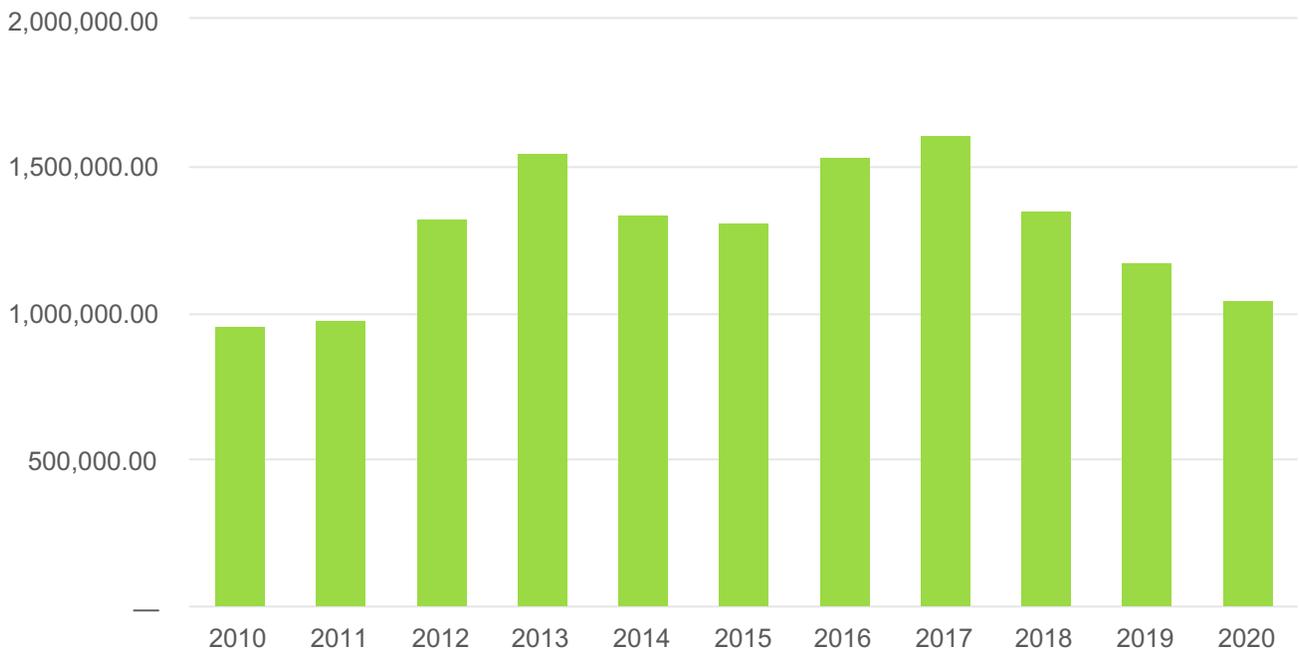
**Charges for services**, for all funds, represents 23.84% of total City revenues. This category is dominated by revenues in the City’s Enterprise Funds, which include water, wastewater, storm water charges and City health plan premiums. Many of these revenues are growth related such as engineering fees, 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.

**Charges for Services - All Funds**



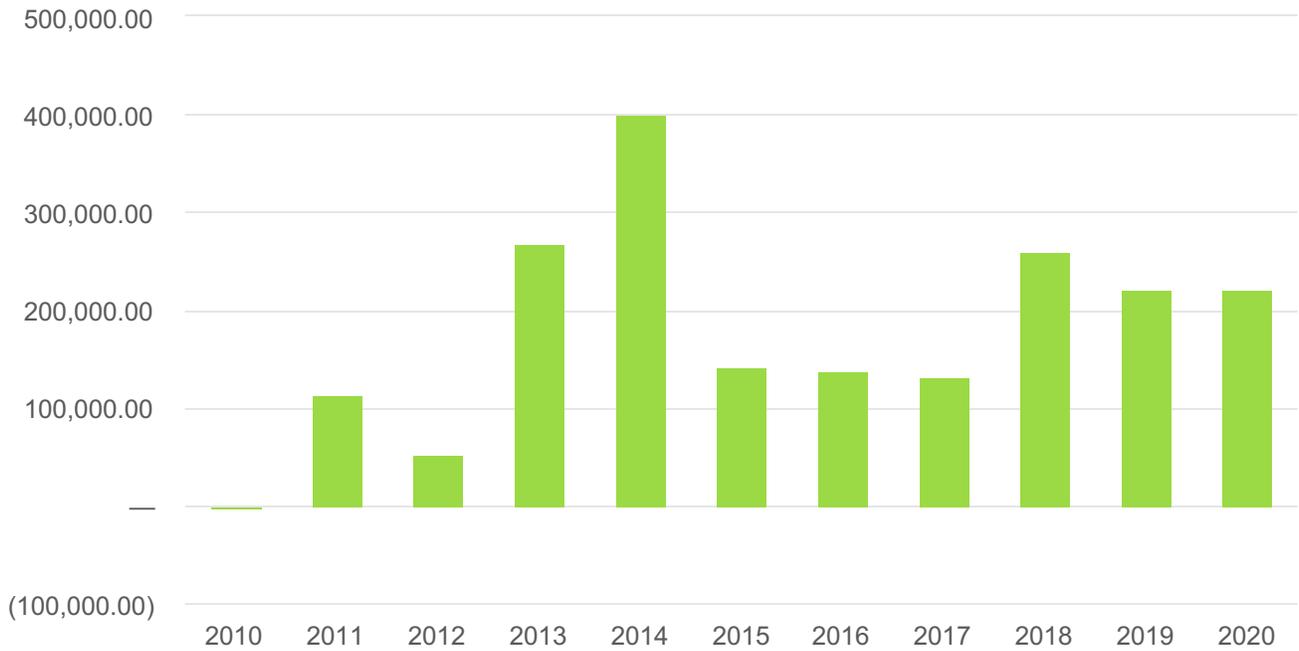
To a large extent, **Fines and Forfeitures**, within the General Fund, reflect the growth in the City of Missoula. As shown by the graph, fines and forfeitures have increased from \$958,390.00 in FY 2010 to \$1,172,589 in FY 2019 with a high of \$1,609,079 in FY 2017. The decreased amounts in FY 2010 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. The decrease in the FY2020 adopted budget in this revenue source is due to a change in legislation during the 2019 legislative session, hampering the Court's ability to collect on some fines.

**Fines & Forfeitures - General Fund**

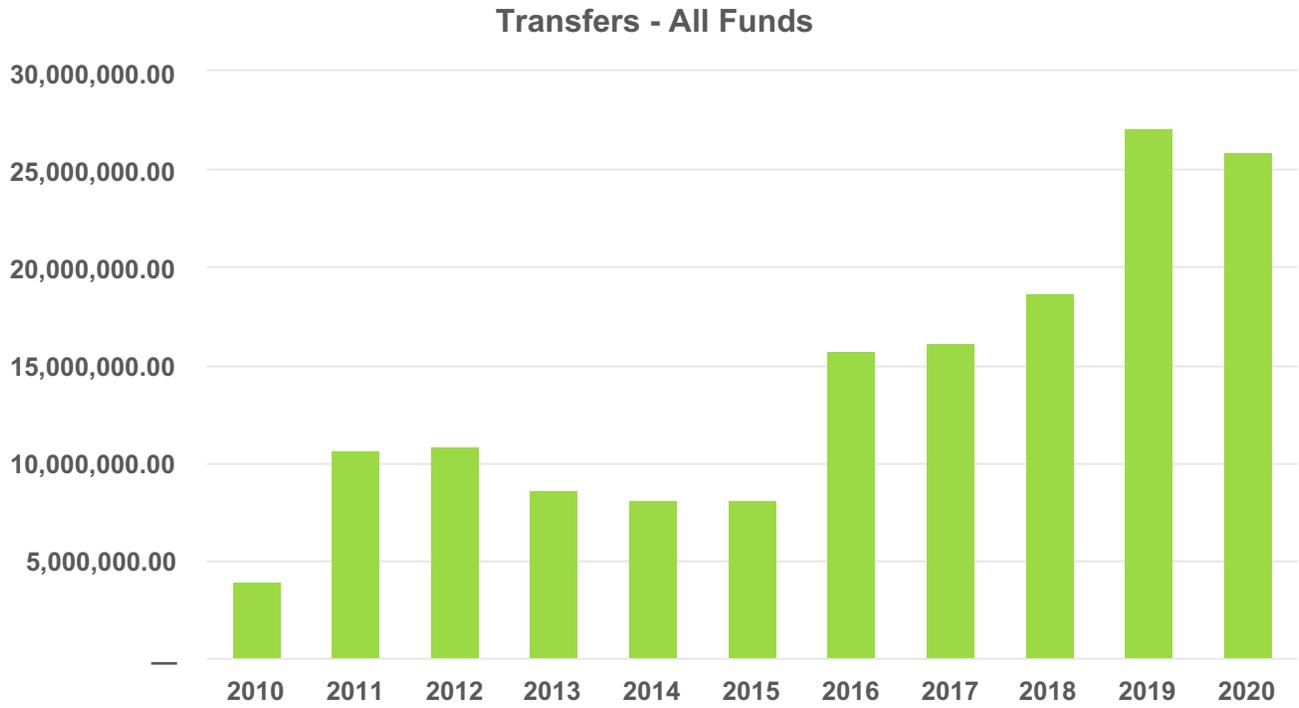


**Investment earnings** reflect a combination of available cash balances together with the interest rate the City is able to obtain. As shown by the graph, investment earnings have been quite volatile, with sharp declines occurring in FY 2010 and extending through the current year, which correspond to the decline in interest rates nationally in those years. Interest earnings in FY 2020 are expected to be similar to FY 2019.

**Investment Earnings - All Funds**



**Transfers** that occur between various City funds will fluctuate significantly from year to year, as can be seen from the following graph. The significant increase between FY 2018 and FY 2019 is due to moving major departments (Public Works and Parks & Recreation) out of the General Fund and into Road District #1 and Park District #1.



## **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.

**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 = \$ 579,985**

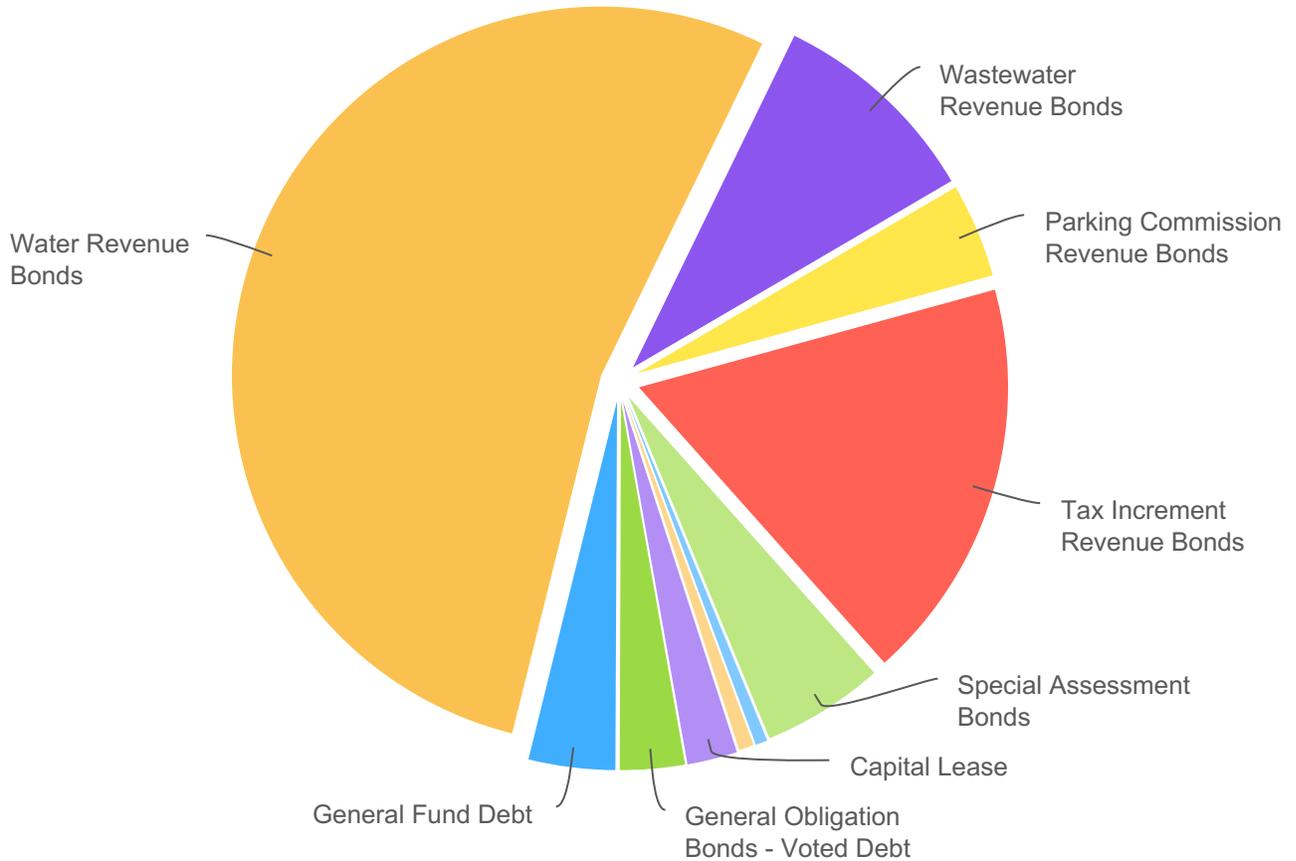
**2013 GO Refunding Bond** - These bonds were issued on July 1, 2013 to provided funds for refunding the City's outstanding General Obligation Bonds, Series 2006 (partial advanced refunding) and Series 2007 (full refunding). These bonds were financed over 20 years. The bonds will be repaid with property 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 = \$ 423,106**

#### **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.

### City of Missoula Total Debt as of July 1, 2019



At the end of fiscal year 2019, the City of Missoula had a total of \$190,660,918 of long-term debt outstanding, of which \$184,120,223 was bonded debt. Of this amount, \$5,440,000 comprises debt backed by the full faith and credit of the government and \$10,202,468 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).

#### **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 2020 Certified Market Value	9,768,373,003
Factor Allowed for Indebtedness	2.50 %
<b>Total Indebtedness Allowed</b>	<b>244,209,325</b>
<u>Less Current Indebtedness:</u>	
2012A Aquatics Refunding	2,200,000.00
2013A Refunding Bonds	2,345,000.00
<b>Total Current Indebtedness</b>	<b>4,545,000</b>
<b>Maximum Indebtedness Available (July 1, 2019)</b>	<b>239,664,325</b>
Proposed Debt FY 2020	
Total Proposed Debt	—
<b>Net Amount of Debt Available</b>	<b>239,664,325</b>

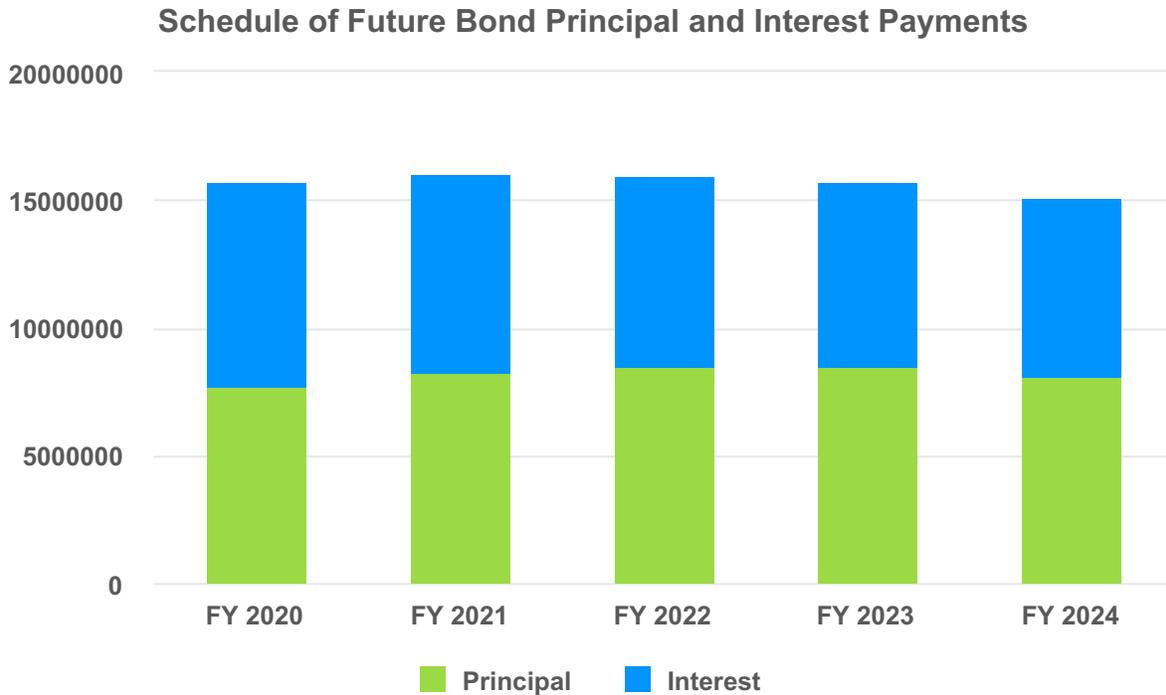
**Proposed Debt in the Next Five Years**

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.

- **\$880,000** 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.
- **\$4,200,000** for Collector and Arterial roadway improvements.
  - Future projects may include Mary Jane North and South and Rogers Street reconstruction.
- **\$1,200,000** 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.
- **\$300,000** per year of special sidewalk and alley approach bonds to address aging infrastructure in the city that directly benefits the adjacent, abutting landowners.
- **\$1,500,000 - \$3,000,000** per year of short term capital leases to replace aging core vehicles and equipment.
- **\$26,000,000** of planned Redevelopment Agency projects that include sidewalk curb construction in the URD II and URD III districts and the purchase of the Hotel Fox Conference Center and parking structure.
- **\$16,000,000** for Parks & Recreation projects including Open Space and Conservation Lands, Developed Parks, Urban Forestry and Commuter and Recreational Trails.

- **\$1,870,000** to move some administrative offices to the federal building on East Broadway.

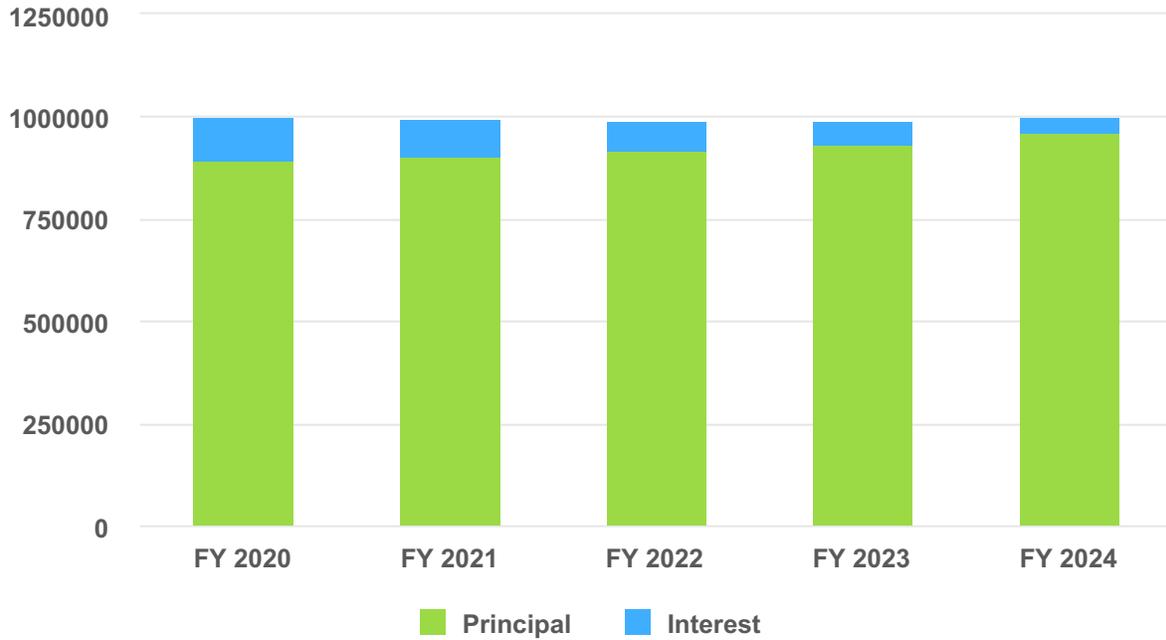
The graph below shows the City’s principal and interest payments in the current budget year and four years beyond. As shown by the graph, principal payments and interest payments decline in three of the next five years. This reflects the declining debt level as the result of the scheduled payments the City will be making.



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.

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.

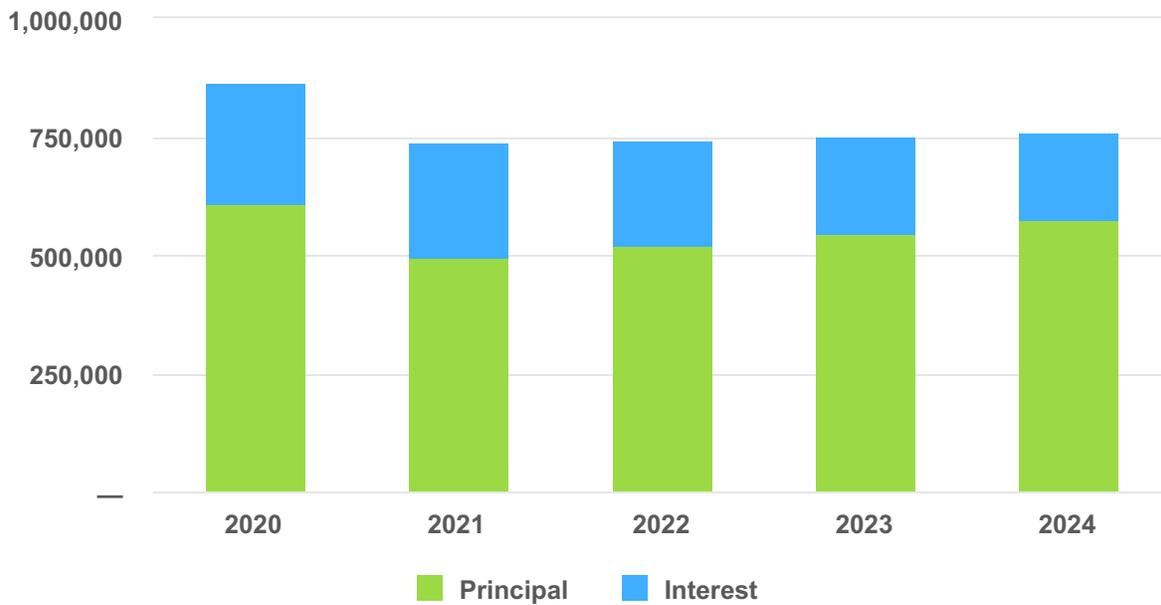
**Schedule of Future GO Bond Principal and Interest Payments**



**General Obligation Debt**

Year	2020	2021	2022	2023	2024
<b>Principal</b>	895,000	905,000	920,000	935,000	965,000
<b>Interest</b>	107,391	91,014	74,176	56,756	38,474
<b>Total</b>	<u>1,002,391</u>	<u>996,014</u>	<u>994,176</u>	<u>991,756</u>	<u>1,003,474</u>

### Schedule of Future Limited Obligation Bond Principal and Interest Payments

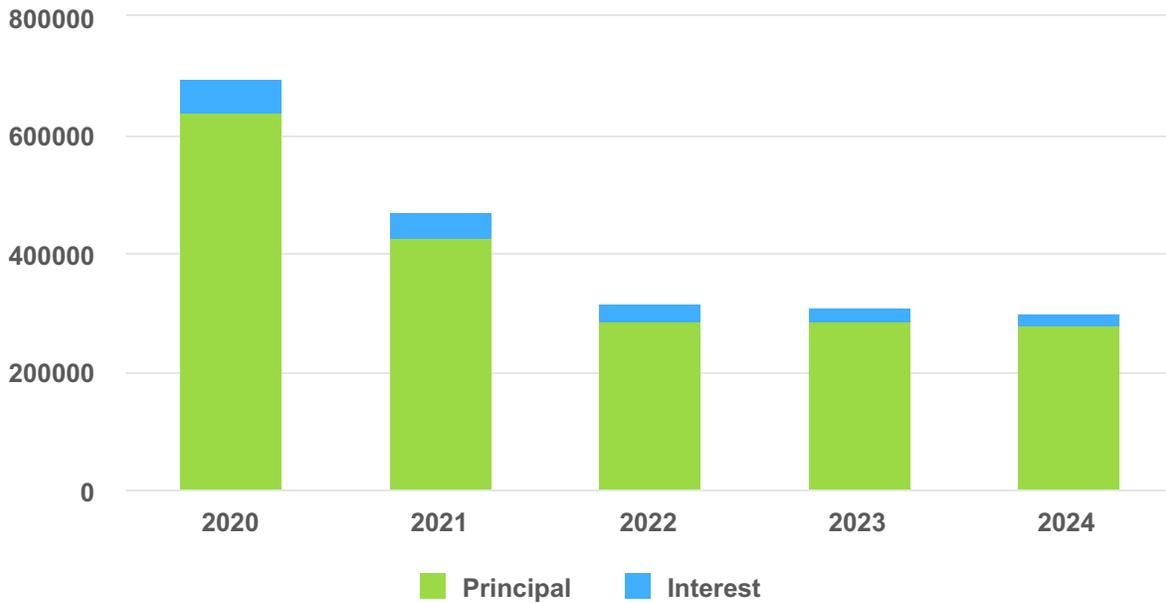


#### Limited Obligation Debt

Year	2020	2021	2022	2023	2024
<b>Principal</b>	607,709	497,205	521,880	544,524	575,289
<b>Interest</b>	258,478	241,508	222,157	208,184	186,419
<b>Total</b>	<u>866,187</u>	<u>738,713</u>	<u>744,037</u>	<u>752,708</u>	<u>761,708</u>

As can be seen in the table above, the General Fund's limited obligation debt service requirements will decrease by approximately \$127,000 in FY 2021 due to the payoff of Series 2010A Refunding bonds in FY 2020 and then remain fairly constant over the next four years.

**Schedule of Future Capital Lease Principal and Interest Payments -  
General Fund**

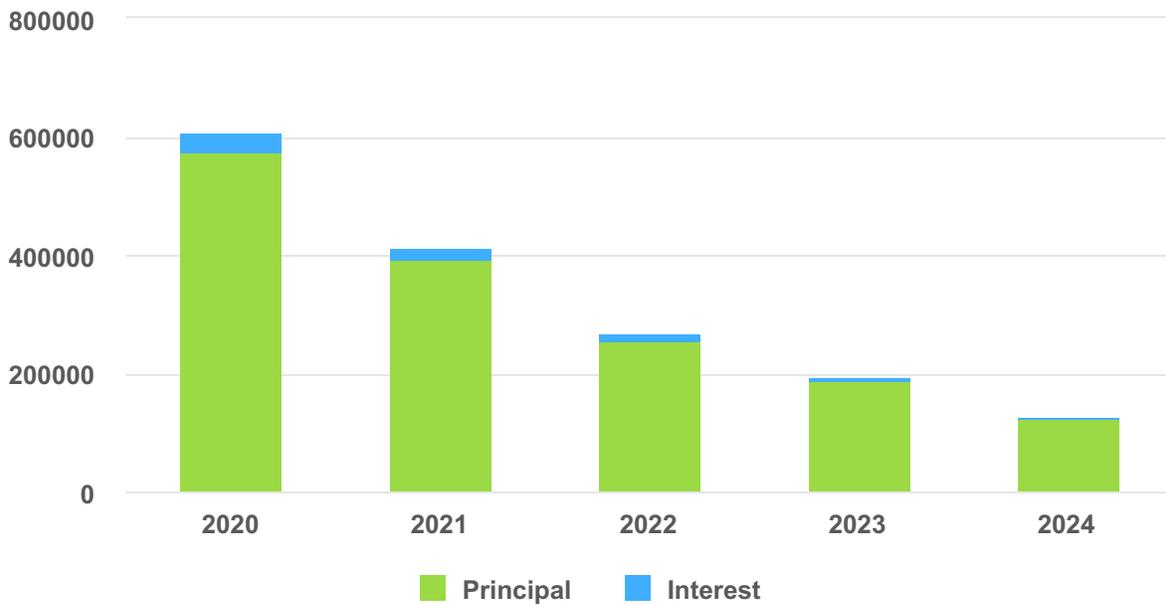


**Capital Lease - General Fund**

<b>Year</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Principal</b>	639,300	427,207	284,527	285,112	280,395
<b>Interest</b>	57,738	42,556	32,592	25,786	18,867
<b>Total</b>	<u>697,038</u>	<u>469,763</u>	<u>317,119</u>	<u>310,898</u>	<u>299,262</u>

The graph and table above illustrate the declining impact of future capital lease payment on the General Fund after FY 2020. The City generally enters into new leases annually, even though the capital lease payments show a drop in payments, due to the annual issuance, the payments are normally relatively flat. There was no debt issued in FY 2019 for Capital Lease purchases.

### Schedule of Future Capital Lease Principal and Interest Payments - Special Districts

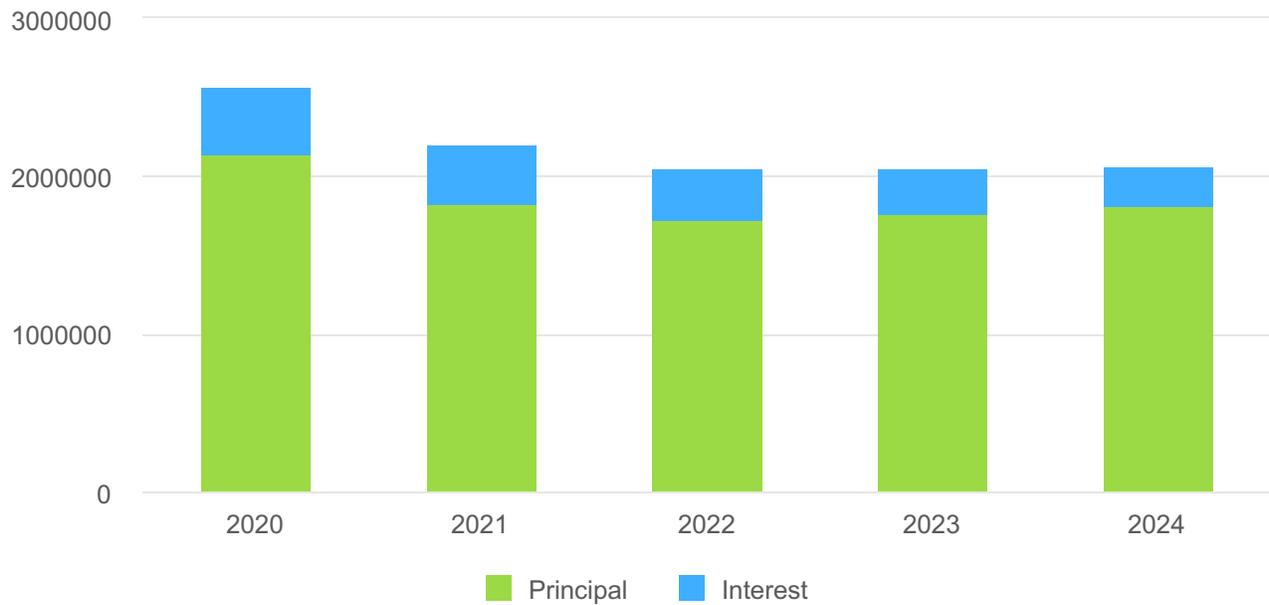


#### Capital Lease - Special Districts

Year	2020	2021	2022	2023	2024
<b>Principal</b>	573,680	393,046	256,297	187,968	124,431
<b>Interest</b>	35,147	21,937	12,602	6,694	3,024
<b>Total</b>	<u>608,827</u>	<u>414,983</u>	<u>268,899</u>	<u>194,662</u>	<u>127,455</u>

The graph and table above illustrate the declining impact of future capital lease payment on the Special Districts after FY 2020. The largest component of the lease is the three year lease, which will reflect a large drop every three years as the lease expires. There was no debt issued for Capital Lease purchases in FY 2019.

### Schedule of Future General Fund Debt - All Types - Principal and Interest Payments



#### Total General Fund Debt - All Types

Year	2020	2021	2022	2023	2024
<b>Principal</b>	2,142,009	1,829,412	1,726,407	1,764,636	1,820,684
<b>Interest</b>	423,607	375,078	328,925	290,726	243,760
<b>Total</b>	<u>2,565,616</u>	<u>2,204,490</u>	<u>2,055,332</u>	<u>2,055,362</u>	<u>2,064,444</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 2020, each future year until FY 2023 has a smaller debt service requirement than the preceding year. 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 "high-grade" 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.

### **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 close to- 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 are included in the Executive Summary. Listed below are excerpts from those policies, which relate specifically to debt management.

### **Restrictions on Debt Issuance**

**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**

**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.

**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**

**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.
- 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.

**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 October 16, 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. 33, 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

/s/ John Engen  
John Engen, Mayor

(Seal)

## **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 can not, 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 can not exceed 2% of the General Fund's revenues for each of the two preceding years; and c) the maximum term of any issue can not 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 advisor 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
-------------------------------	-------------------------

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;

- a. Funding of the 5% SID revolving Fund is mandatory,
- b. Financing improvements to properties where at least 50% have structures on the parcels, and
- c. Assessments to Market Value being less than 33%.

If these conditions can not 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

- d. Debt Service Reserve equal to an additional 5% may be established for a specific debt issue,
  - e. Require the project to be constructed and financed in multiple phases, or
  - f. 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 enters 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.

## Overview

The City has significant financial interests in streets, public facilities, parks, open space, and other capital assets. In an effort to maintain the current assets and plan for future capital improvements the Montana Legislature 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. In order to establish Capital Improvement Funds the City is required to formally adopt a Capital Improvement Program (CIP). Major expenditures in the five-year Capital Improvement Program shall be appropriated by the City Council by adopting the annual budget and the Capital Improvement Program.

The following schedules are projections and will be updated annually during budget review. Funding is subject to annual available appropriations.

### Capital Projects Fund

The Capital Projects Funds are the funds which accounts for the majority of capital projects. The largest revenue source in these funds are bond proceeds.

The City has expenditures that are considered "*core*" expenditures. These projects are defined as ongoing annual projects and generally include assets that are on a set replacement schedule. It is in the intent of the City to fund "*core*" projects before other projects. The core projects have little to no impact on operation costs as they are general maintenance of infrastructure or replacement of assets at the end of their useful life.

#### Core Projects FY 2020:

- \$1,667,016 - Annual lease payments.
- \$404,575 - Information Technologies.
  - Includes replacement of computers, servers, storage area network and network infrastructure.
- \$105,286 - Software Updates/ Improvements -
- \$397,500 - General Government.
  - Replacement of fleet vehicles and equipment.
- \$1,675,450 - Public Safety.
  - Replacement of fleet vehicles and equipment.
- \$780,200 - Public Works.
  - Replacement of fleet vehicles and equipment.
- \$95,000 - Culture and Recreation.
  - Replacement of fleet vehicles and equipment.

Projects that were funded in addition to the core projects are as follows:

- \$326,000 - Public Safety Facility Improvements.
  - Purchase land adjacent to Fire Station #4.
- \$410,000 - Sidewalk and Curb Projects.
  - Replace the existing sidewalks around City Hall to conform to current Americans with Disabilities Act (ADA) recommendations.
- \$5,306,178 - Right-of-way Road Construction Projects.

- Improvements and upgrades on major collector and arterial streets.
- \$1,641,060 - Parks Capital Projects.
  - Major maintenance and playground installations/replacements to City parks and creation of new parks within the City.
- \$2,996,355 - Conservation Land Management Projects.
  - Maintenance and rehabilitation to Missoula's open space lands and green infrastructure (trails).
- \$177,140 - Urban Forestry & Green way and Horticulture Projects.
  - Major maintenance and replacement of the urban forest, enhancements to green-way streetscapes and replacement and expansion of native species gardens located throughout the City.

## Other Funds

Other funding sources reported in separate funds for capital projects include:

- *Grants Funds* - Various grant funding sources including federal and local grants.
- *Open Space Acquisition Fund* - Monies received from the voted Open Space Bond and grants and or donations received for open space land purchase.
- *Impact Fee Fund* - Impact fees are legally restricted to provide for capital improvements related to growth.
- *Water, Wastewater, and Storm Water Utility Enterprise* - Monies received from fees paid by utility customers and are restricted to capital projects for water, wastewater and storm water.
- *Aquatics Enterprise* - Monies received from customers participating in aquatics activities and are restricted to capital projects for aquatics.
- *Parking Commission* - Monies received from customers parking in the downtown area this is restricted to capital projects for parking facilities.
- *Redevelopment Agency* - Monies received from taxes received from property owners in the districts and the funds are restricted to assisting development by installing infrastructure in identified blighted areas of the City.

## Capital Budget and Its Impact on Future Operating Budgets

The City's Operating Budget is directly affected by the CIP. A majority of capital improvements require ongoing expenses for routine operation, repair and maintenance upon completion or acquisition. Existing City facilities and equipment will eventually require rehabilitation, renovation or upgrades to accommodate new uses or address needed improvements. Older facilities usually involve higher maintenance and repair costs as well.

Where some capital projects may result in increased costs, other capital improvements make a positive contribution to the fiscal well-being of the City. Capital projects such as infrastructure expansion necessary to support new development helps promote economic development and growth that generates additional operating revenue. The new revenue sources provide funding needed to maintain, improve and expand the City's infrastructure.

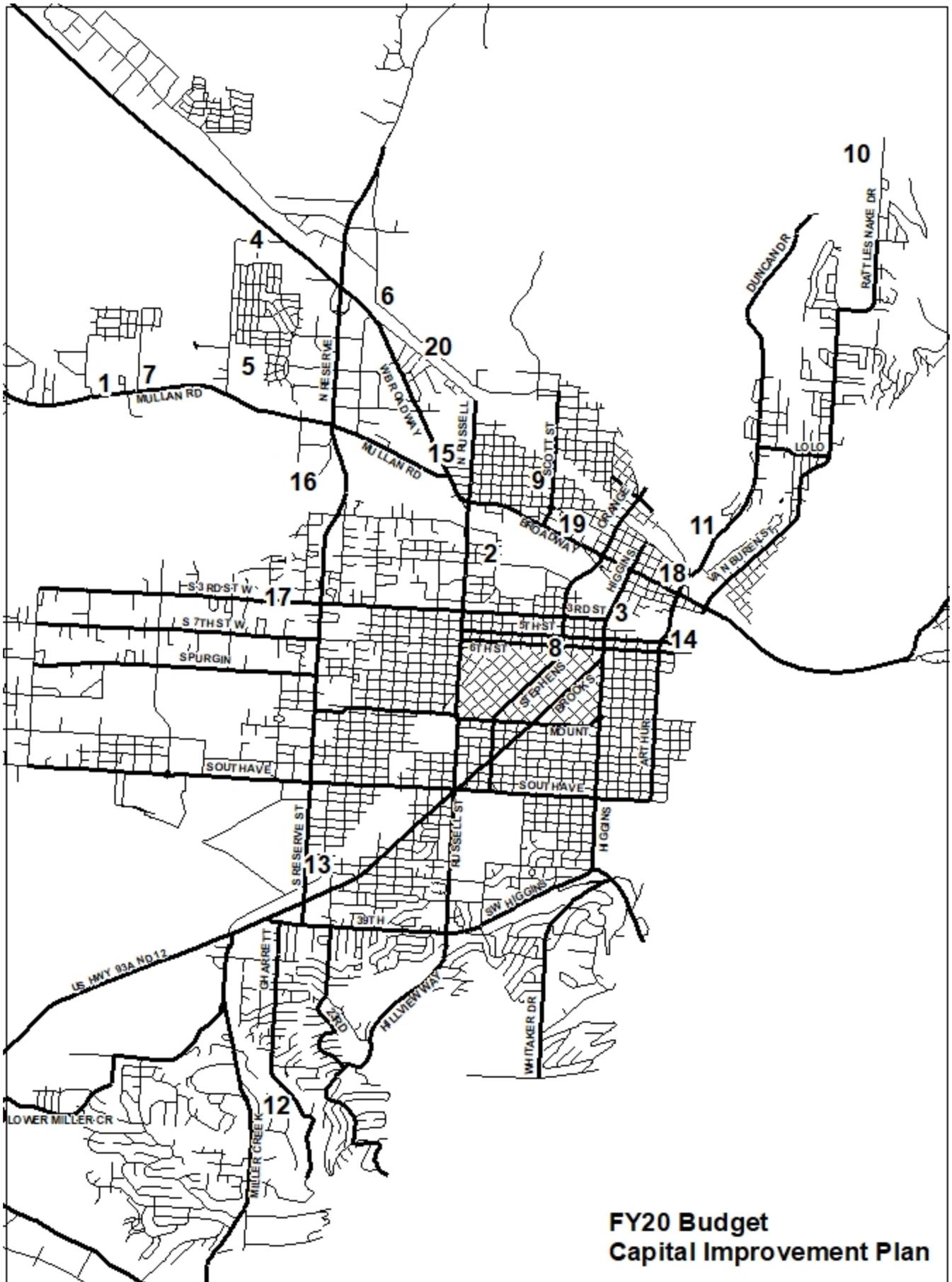
Operating impacts are considered in deciding which projects to move forward with in the CIP because it is not possible for the City to fund several large-scale projects concurrently which have significant negative operating budget impacts. Therefore large projects are staggered over time.

On the following page is a map of the significant projects included in the FY 2020 Budget (this map is not all inclusive of all capital projects and does not include minor projects \$50,000 or less nor does it include recurring maintenance-type projects). These projects are budgeted from various funds including Capital Projects, Water Utility, Wastewater Utility and Storm Water Utility.



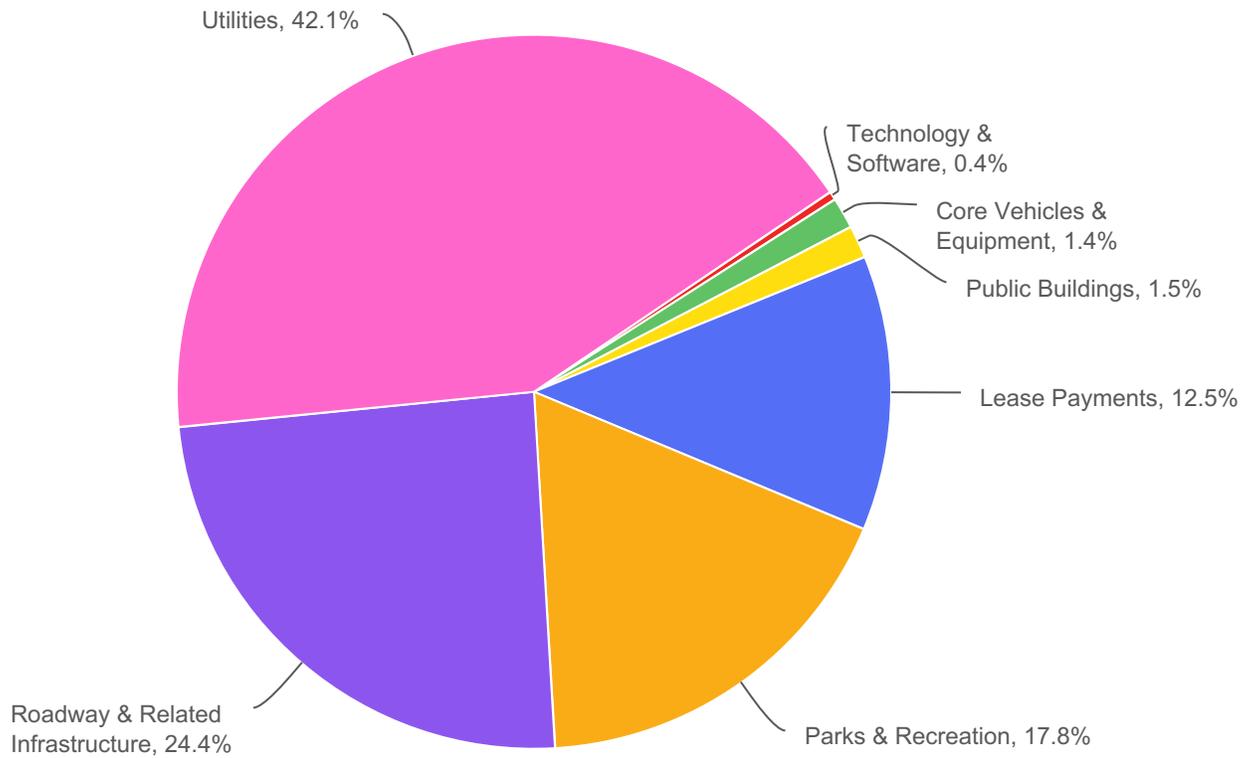
### Capital Improvement Plan

<b>Map Ref</b>	<b>Project</b>	<b>2020 Budget</b>
1	Mullan Road Reconstruction (widening)	705,000
2	Wyoming Street: Prince to California Improvements	687,428
3	Higgins Street Bridge Improvements	1,930,000
4	Mary Jane Blvd - North	120,000
5	Mary Jane Blvd - South	200,000
6	Rogers Street Reconstruction	112,500
7	Mullan & George Elmer Drive Intersection Signal	145,000
8	Bicycle Safety Project - Orange/Stephens	43,750
9	Westside Playground Replacement	948,750
10	Rattlesnake Dam Removal	800,000
11	Water Works Hill	600,000
12	Upper Gharrett Drainage Improvements	549,352
13	Reserve Street Lift Station	1,037,500
14	University Force Main Replacement	283,360
15	Broadway/ Maple Street Wastewater Extension	336,000
16	Wastewater Lab Expansion	492,000
17	South 3rd Street West Water Main Replacement	625,236
18	East Pine Street & Jefferson Street Water Main Replacement	558,388
19	West Pine Street Water Main Replacement	355,338
20	Cemetery Road Water Main Extension	370,794
<b>Projects Total</b>		<b><u>10,900,396</u></b>

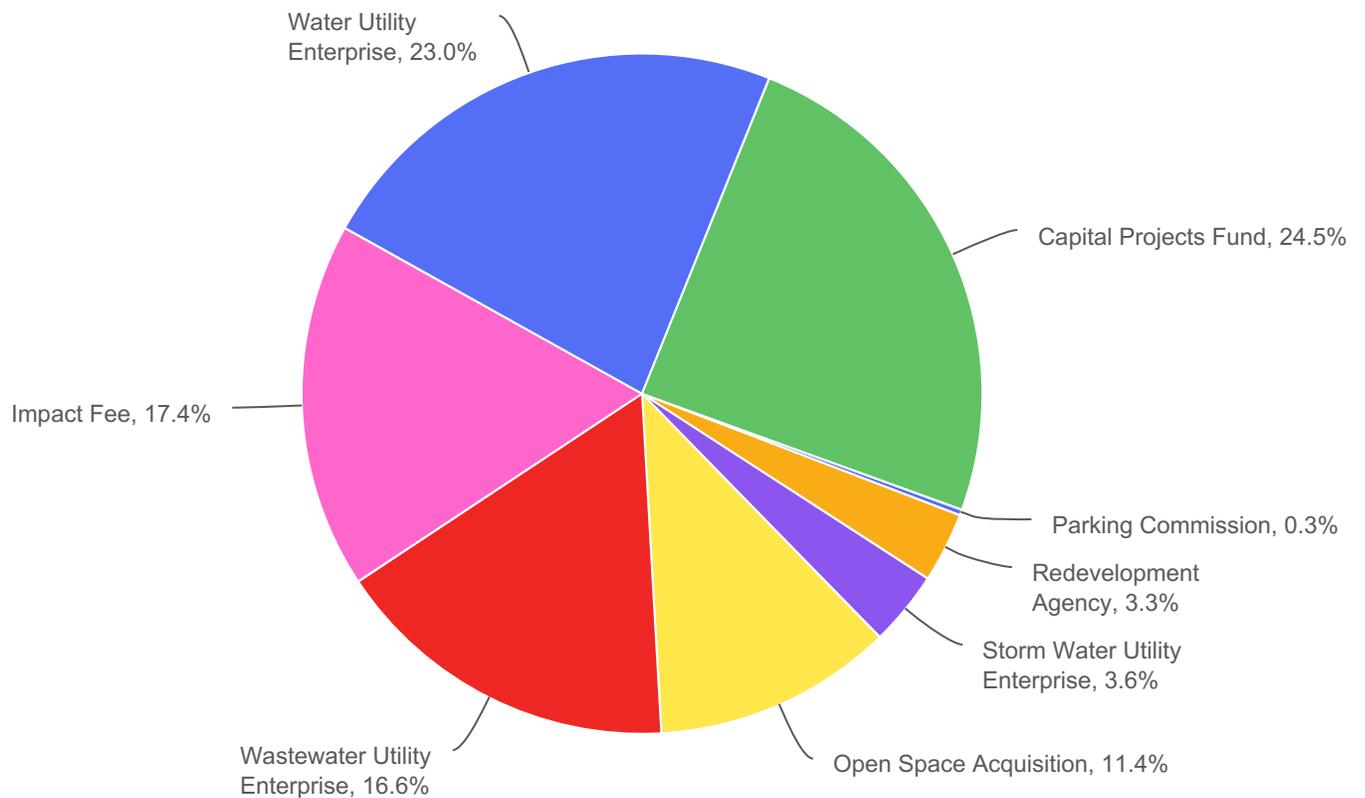


**FY20 Budget  
Capital Improvement Plan**

## 2020 Capital Improvement Plan by Project Type



## 2020 Capital Improvement Plan by Fund



## FIVE YEAR PROJECTION - CAPITAL PROJECTS FUND

Project Name	FY2019 Projected	2020	2021	2022	2023	2024	2019 - 2024 Total
<b>Capital Debt</b>							
White Pine	134,100	129,375	—	—	—	—	263,475
Energy Performance	83,898	86,213	84,113	86,838	84,400	86,400	511,860
Facilities	621,350	650,600	654,600	657,200	668,308	675,308	3,927,366
Vehicles & Equipment	867,591	538,868	503,526	721,943	1,053,775	1,221,642	4,907,343
<b>SUBTOTAL</b>	<b>\$ 1,706,938</b>	<b>\$ 1,405,055</b>	<b>\$ 1,242,238</b>	<b>\$ 1,465,980</b>	<b>\$ 1,806,483</b>	<b>\$ 1,983,350</b>	<b>\$ 9,610,044</b>
<b>Technology</b>							
IT Infrastructure	208,002	431,835	264,000	201,000	130,000	181,000	1,415,837
Copiers	163,784	32,700	44,200	25,000	29,000	49,000	343,684
Software	—	105,286	771,963	—	—	—	877,249
<b>SUBTOTAL</b>	<b>\$ 371,786</b>	<b>\$ 569,821</b>	<b>\$ 1,080,163</b>	<b>\$ 226,000</b>	<b>\$ 159,000</b>	<b>\$ 230,000</b>	<b>\$ 2,636,770</b>
<b>Vehicles &amp; Equipment</b>							
General Government	23,587	310,000	65,000	35,000	45,000	—	478,587
Culture & Recreation	332,599	200,350	182,000	35,000	166,000	431,500	1,347,449
Public Safety	984,435	2,082,135	1,316,450	1,998,450	1,946,450	1,557,900	9,885,820
Public Works	520,353	780,200	263,550	388,100	328,550	1,266,000	3,546,753
<b>SUBTOTAL</b>	<b>\$ 1,860,973</b>	<b>\$ 3,372,685</b>	<b>\$ 1,827,000</b>	<b>\$ 2,456,550</b>	<b>\$ 2,486,000</b>	<b>\$ 3,255,400</b>	<b>\$ 15,258,608</b>
<b>Public Facilities/Buildings</b>	<b>\$ 162,165</b>	<b>\$ 113,226</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 275,391</b>
<b>Streets &amp; Infrastructure</b>							
Sidewalk/Curb/Boulevard	4,916,585	1,312,750	2,023,000	25,730,000	1,400,000	1,400,000	36,782,335
Collector/Arterial	996,268	4,954,928	3,729,200	12,465,510	190,000	—	22,335,906
Complete Streets	—	—	200,000	200,000	200,000	200,000	800,000
Residential	—	351,250	1,322,130	—	—	—	1,673,380
Way-finding	310	—	79,000	—	—	—	79,310
<b>SUBTOTAL</b>	<b>\$ 5,913,163</b>	<b>\$ 6,618,928</b>	<b>\$ 7,353,330</b>	<b>\$38,395,510</b>	<b>\$ 1,790,000</b>	<b>\$ 1,600,000</b>	<b>\$ 61,670,931</b>
<b>Culture &amp; Recreation</b>							
Park Facilities	3,168	—	—	93,750	162,500	—	259,418
Park Areas	—	273,565	4,305,310	589,750	7,398,575	5,919,325	18,486,525
Miscellaneous Parks	—	312,500	1,004,239	70,479	—	2,500,000	3,887,218
Playgrounds	8,500	948,750	822,250	—	—	—	1,779,500
Courts	—	—	—	2,644,900	—	—	2,644,900
Miscellaneous Recreation	—	—	704,101	—	—	—	704,101
<b>SUBTOTAL</b>	<b>\$ 11,668</b>	<b>\$ 1,534,815</b>	<b>\$ 6,835,900</b>	<b>\$ 3,398,879</b>	<b>\$ 7,561,075</b>	<b>\$ 8,419,325</b>	<b>\$ 27,761,662</b>
<b>Total Capital Projects Funds</b>	<b>\$10,026,693</b>	<b>\$13,614,530</b>	<b>\$18,338,631</b>	<b>\$45,942,919</b>	<b>\$13,802,558</b>	<b>\$15,488,075</b>	<b>\$117,213,406</b>

## FIVE YEAR PROJECTION - OTHER FUNDS

Project Name	FY2019 Projected	2020	2021	2022	2023	2024	2019 - 2024 Total
<b>Cemetery Capital Reserve</b>							
Equipment	110,416	38,500	81,000	29,000	—	40,000	298,916
<b>Conservation Land Management</b>							
Open Space Areas	—	171,100	15,000	—	—	—	186,100
Trails	—	419,945	2,054,130	6,125,000	1,850,000	850,000	11,299,075
Trail Lighting	—	—	747,500	747,500	—	—	1,495,000
Open Space Restoration	—	1,100,000	1,959,825	2,000,000	—	—	5,059,825
Dam Restoration/Replacement	—	800,000	1,200,000	—	—	—	2,000,000
SUBTOTAL	—	2,491,045	5,976,455	8,872,500	1,850,000	850,000	20,040,000
<b>Urban Forestry</b>							
Parkways & Boulevards	—	58,440	—	—	—	—	58,440
Urban Forest	—	118,700	100,000	31,300	—	—	250,000
SUBTOTAL	—	177,140	100,000	31,300	—	—	308,440
<b>Water Utility</b>							
System Improvements	6,261,235	5,969,624	3,875,000	5,419,000	6,411,000	5,403,000	33,338,859
Fleet/Equipment	128,757	275,000	266,000	212,000	178,000	309,000	1,368,757
SUBTOTAL	6,389,993	6,244,624	4,141,000	5,631,000	6,589,000	5,712,000	34,707,617
<b>Wastewater Utility</b>							
Facilities	33,431						33,431
Collection System	285,438	3,416,640	2,941,283	2,624,231	2,957,990	2,814,942	15,040,524
Treatment Plant	203,547	1,011,502	507,000	693,000	391,000	2,030,000	4,836,049
Garden City Compost Facility	—	80,000	10,000	—	420,000	3,780,000	4,290,000
Fleet/Equipment	3,049	—	245,000	70,000	158,000	58,000	534,049
SUBTOTAL	525,465	4,508,142	3,703,283	3,387,231	3,926,990	8,682,942	24,734,053
<b>Storm Water Utility</b>							
Levee Maintenance		150,000	89,876	321,171	605,792	346,423	1,513,262
System Improvements	70,650	814,800	1,206,505	941,014	736,452	186,527	3,955,948
Fleet/Equipment	—	—	—	—	—	—	—
SUBTOTAL	70,650	964,800	1,296,381	1,262,185	1,342,244	532,950	5,469,210
<b>Aquatics</b>							
Facilities	—						—
Features	—	12,000	590,000	1,307,000	80,000	60,000	2,049,000
SUBTOTAL	—	12,000	590,000	1,307,000	80,000	60,000	2,049,000
<b>Parking Commission</b>							
Facilities	800	25,000	30,000	—	—	—	55,800
Fleet/Equipment	90,105	50,000	45,000	90,000	—	—	275,105
SUBTOTAL	90,905	75,000	75,000	90,000	—	—	330,905
<b>Total Other Funds</b>	<b>7,187,428</b>	<b>14,511,251</b>	<b>15,963,119</b>	<b>20,610,216</b>	<b>13,788,234</b>	<b>15,877,892</b>	<b>87,938,140</b>

## Mullan Road Reconstruction FY 2020 Project Details

### About the project:

Mullan Road Reconstruction between George Elmer Drive and Josephine Avenue. Reconstruction consists of widening the road to add a new two-way center turn lane. This project is being required by the Montana Department of Transportation due to the continued development of the 44 Ranch Subdivision.

#### Responsible Department(s)

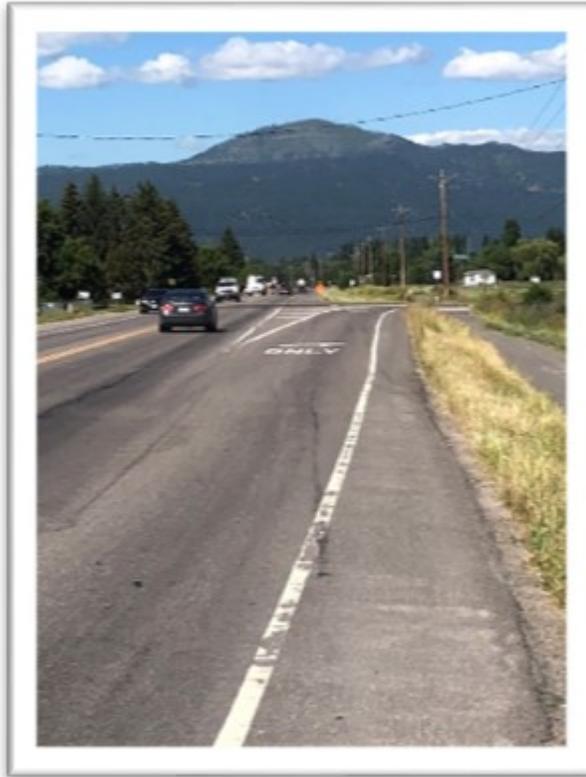
Development Services

#### Project Milestones

- Design & Engineering completed winter 2019/2020
- Construction to begin spring FY 2020
- Construction to be Completed summer FY 2020

#### Total Project Costs

\$705,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Transportation Impact Fees	—	300,000	—	—	—	—	300,000
Gas Tax - BaRSAA	—	165,000	—	—	—	—	165,000
New Development	—	240,000	—	—	—	—	240,000
<b>Total</b>	—	<b>705,000</b>	—	—	—	—	<b>705,000</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	127,000	—	—	—	—	127,000
Construction	—	482,000	—	—	—	—	482,000
Contingency	—	96,000	—	—	—	—	96,000
<b>Total</b>	—	<b>705,000</b>	—	—	—	—	<b>705,000</b>

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## Wyoming Street: Prince to California Improvements FY 2020 Project Details

### About the project:

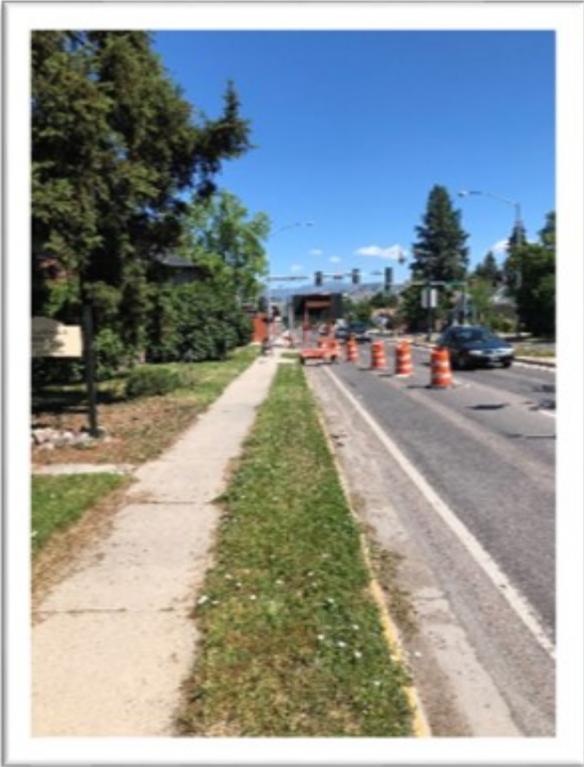
Full roadway improvements for a two block section of Wyoming Street (from Prince Street to California Street). Additionally a water main extension must be installed below the new roadway surface. MRA has agreed to pay for the road construction including the design, right-of-way acquisition, and public relations process. The water main extension will be designed and constructed with water enterprise funds.

**Responsible Department(s)**  
Redevelopment Agency  
Water utility

**Project Milestones**

- Project to be completed in fiscal year 2020

**Total Project Costs**  
\$687,428



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Redevelopment Agency	114,988	494,516	—	—	—	—	609,504
Water Utility	9,360	192,912	—	—	—	—	202,272
<b>Total</b>	<b>124,349</b>	<b>687,428</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>811,777</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	119,272	139,682	—	—	—	—	258,954
Construction	5,076	497,746	—	—	—	—	502,822
Contingency	—	50,000	—	—	—	—	50,000
<b>Total</b>	<b>124,349</b>	<b>687,428</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>811,777</b>

Estimated Initial Operations Impact
No significant impact to operational costs is anticipated

## Higgins Street Bridge Improvements FY 2020 Project Details

### About the project:

Upgrade city owned components of Higgins Ave. Bridge when Montana Department of Transportation rehabilitates the bridge. Upgraded components include replacement of stair case on the west side of bridge that leads to Caras Park, street lights and shared use path for bicycles and pedestrians. The agreement between the City and Montana Department of Transportation states the City will distribute the funds to the Montana Department of Transportation prior to the BID letting of the overall project.

#### Responsible Department(s)

Development Services

#### Project Milestones

- Disbursement of funds in fiscal year 2020
- Project is estimated to be completed by fiscal year 2021 according to the Montana Department of Transportation

#### Total Project Costs

\$1,930,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Transportation Impact Fees	33,558	1,930,000	—	—	—	—	1,963,558
<b>Total</b>	<b>33,558</b>	<b>1,930,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,963,558</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Construction	33,558	1,930,000	—	—	—	—	1,963,558
<b>Total</b>	<b>33,558</b>	<b>1,930,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,963,558</b>

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## Mary Jane Boulevard - North FY 2020 Project Details

### About the project:

Construction of Mary Jane Boulevard between West Broadway and Camden St. to connect the existing collector roadway to West Broadway. Project is necessary for transportation connectivity and includes intersection control at W. Broadway. This project is being planned in conjunction with Mary Jane Boulevard - South to create a much needed north - south collector to accommodate and encourage growth in the Pleasant View area.

#### Responsible Department(s)

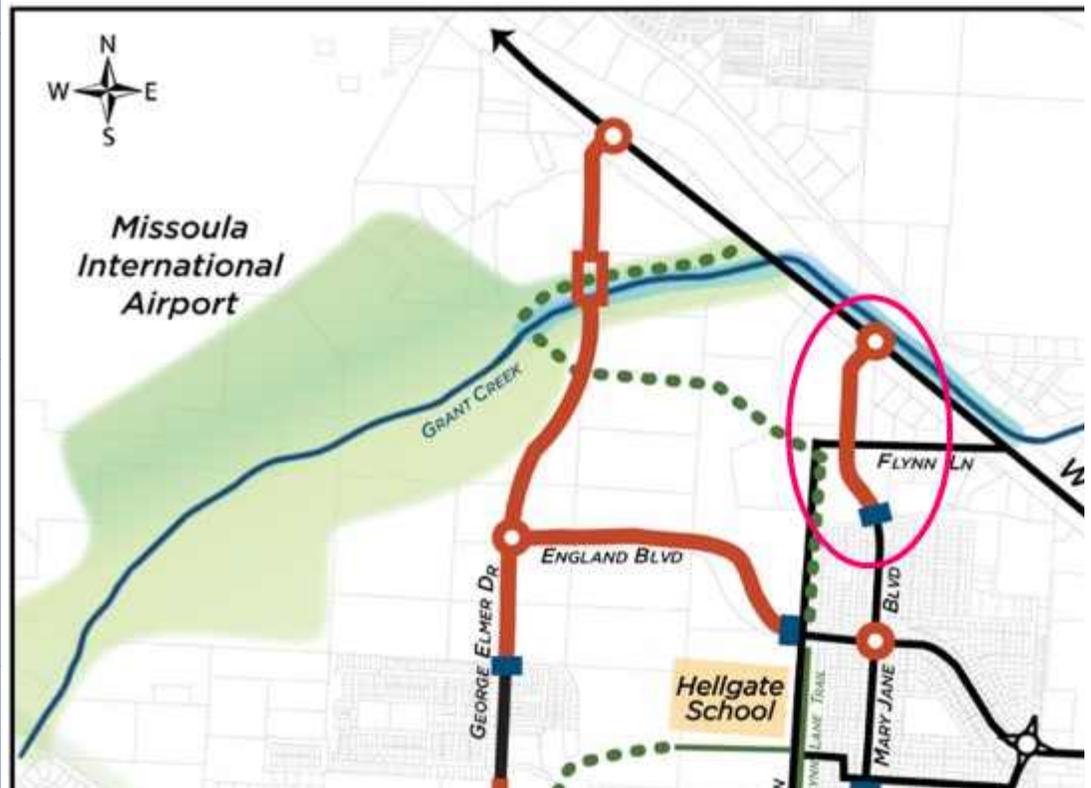
Development Services

#### Project Milestones

- Final design completed in fiscal year 2020
- Construction to begin in fiscal year 2021
- Construction completed in fiscal year 2022

#### Total Project Costs

\$2,600,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Transportation Impact Fee	—	120,000	80,000	1,500,000	—	—	1,700,000
New Development	—	—	800,000	—	—	—	800,000
<b>Total</b>	—	120,000	880,000	1,500,000	—	—	2,500,000

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	120,000	—	180,000	—	—	300,000
Construction	—	—	800,000	1,200,000	—	—	2,000,000
Contingency	—	—	80,000	120,000	—	—	200,000
<b>Total</b>	—	120,000	880,000	1,500,000	—	—	2,500,000

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## Mary Jane Boulevard - South FY 2020 Project Details

### About the project:

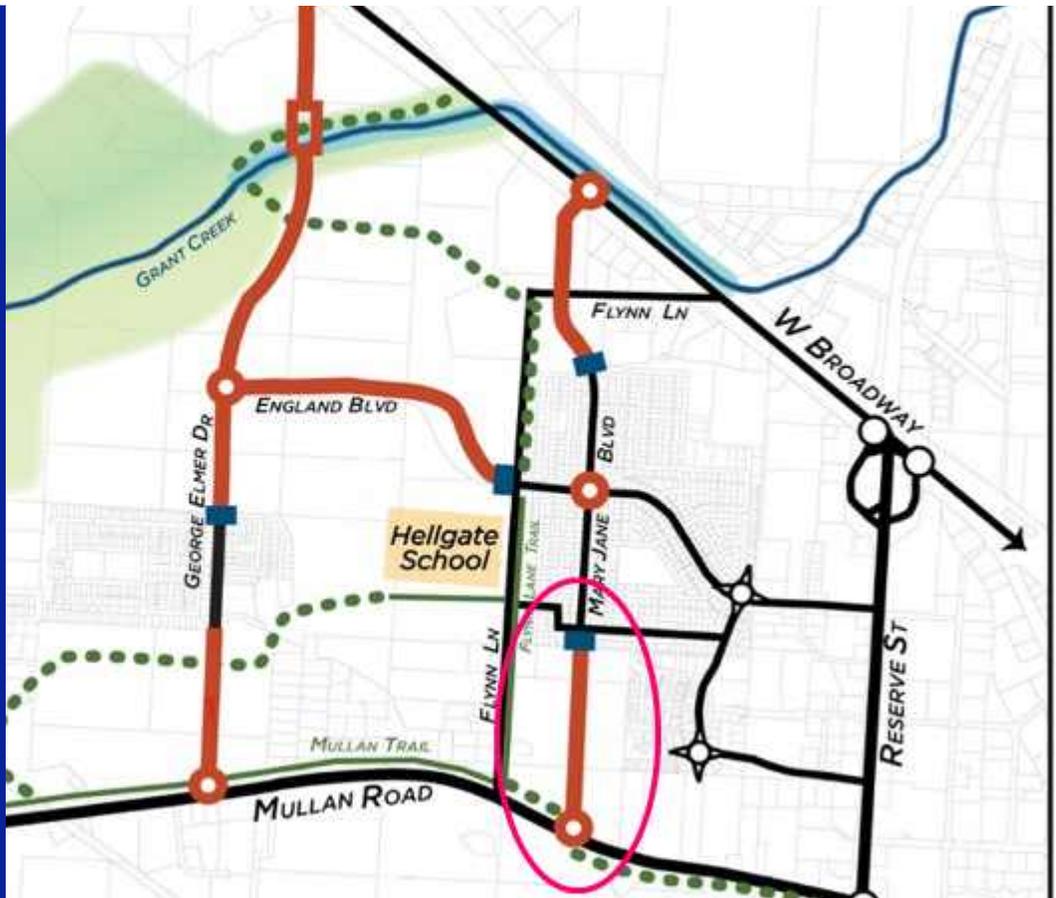
Construction of Mary Jane Boulevard between Melrose Pl. and Mullan Road to connect the existing collector roadway to Mullan Road. Project is necessary for transportation connectivity and includes intersection control at Mullan. This project is being planned in conjunction with Mary Jane Boulevard - North to create a much needed north - south collector to accommodate and encourage growth in the Pleasant View area.

**Responsible Department(s)**  
Development Services

**Project Milestones**

- Final design completed in fiscal year 2020
- Construction to begin in fiscal year 2021
- Construction completed in fiscal year 2022

**Total Project Costs**  
\$2,500,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Transportation Impact Fees	—	200,000	1,600,000	—	—	—	1,800,000
<b>Total</b>	—	200,000	1,600,000	—	—	—	1,800,000

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	120,000	192,000	—	—	—	312,000
Construction	—	—	1,280,000	—	—	—	1,280,000
Contingency	—	80,000	128,000	—	—	—	208,000
<b>Total</b>	—	200,000	1,600,000	—	—	—	1,800,000

**Estimated Initial Operations Impact**

No significant impact to operational costs is anticipated

## Rodgers Street Reconstruction FY 2020 Project Details

### About the project:

The existing corridor serves as the only public east-west connection within the North Reserve/ Scott Street Urban Renewal District and increased volumes of bicycles and pedestrians that must currently mix with cars and large trucks. Interim improvements would include widened shoulders. Final improvements would include curb, sidewalk, and drainage facilities. This project would be in conjunction with the water main installation project by the water utility and through a partnership with Missoula County.

#### Responsible Department(s)

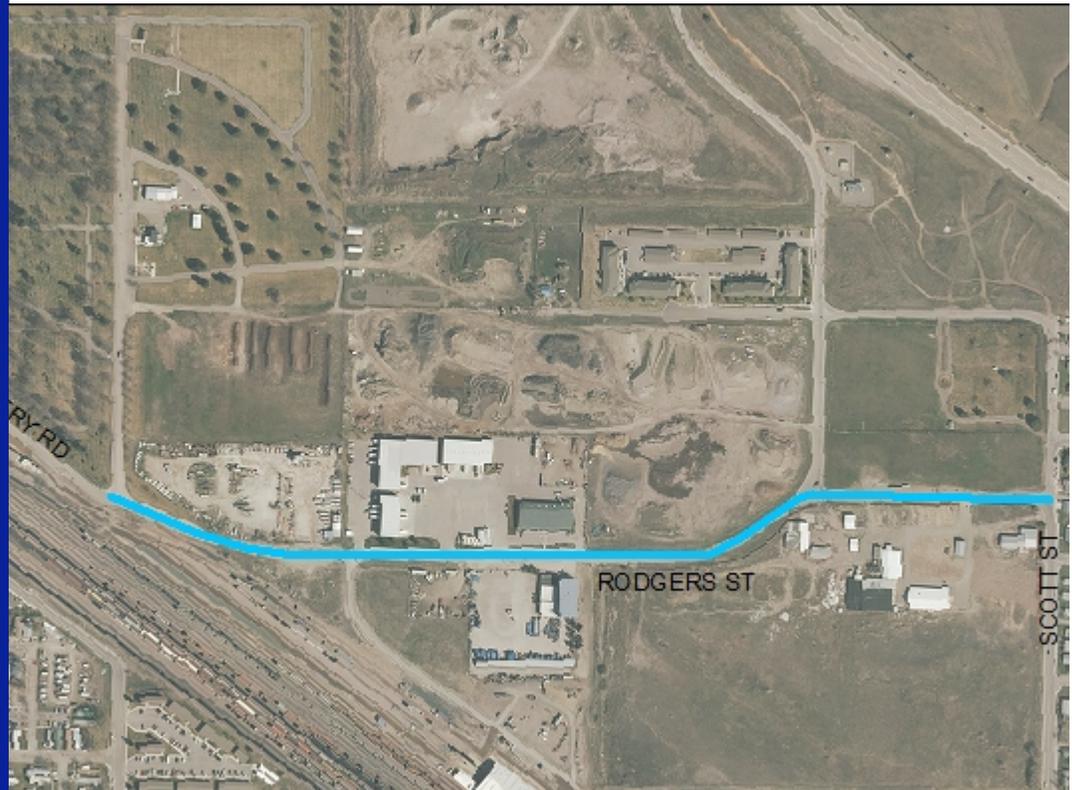
Development Services

#### Project Milestones

- Preliminary design to be completed in fiscal year 2020
- Construction to begin fiscal year 2022

#### Total Project Costs

\$6,812,500



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Transportation Impact Fees	—	112,500	—	1,675,000	—	—	1,787,500
Special Improvement District	—	—	—	3,350,000	—	—	3,350,000
Redevelopment Agency	—	—	—	1,675,000	—	—	1,675,000
<b>Total</b>	—	112,500	—	6,700,000	—	—	6,812,500

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	112,500	—	804,000	—	—	916,500
Construction	—	—	—	5,360,000	—	—	5,360,000
Contingency	—	—	—	536,000	—	—	536,000
<b>Total</b>	—	112,500	—	6,700,000	—	—	6,812,500

Estimated Initial Operations Impact							
No significant impact to operational costs is anticipated							

## Mullan and George Elmer Drive Intersection Signal FY 2020 Project Details

### About the project:

Install a traffic signal at Mullan Rd. - George Elmer Dr. intersection when in-fill warrants signalization. Coordination with MDT in accordance with the agreement.

#### Responsible Department(s)

Development Services

#### Project Milestones

- Design completed in fiscal year 2020
- Construction to be completed in fiscal year 2021

#### Total Project Costs

\$820,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Transportation Impact Fees	—	145,000	675,000	—	—	—	820,000
<b>Total</b>	—	145,000	675,000	—	—	—	820,000

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	145,000	—	—	—	—	145,000
Construction	—	—	540,000	—	—	—	540,000
Contingency	—	—	135,000	—	—	—	135,000
<b>Total</b>	—	145,000	675,000	—	—	—	820,000

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

**Bicycle Safety Project - Orange & Stephens**  
 FY 2020 Project Details

About the project:

Construct a multi-user sidewalk facility & allow bicycles to leave the road & traverse the pinch point at this intersection.

**Responsible Department(s)**

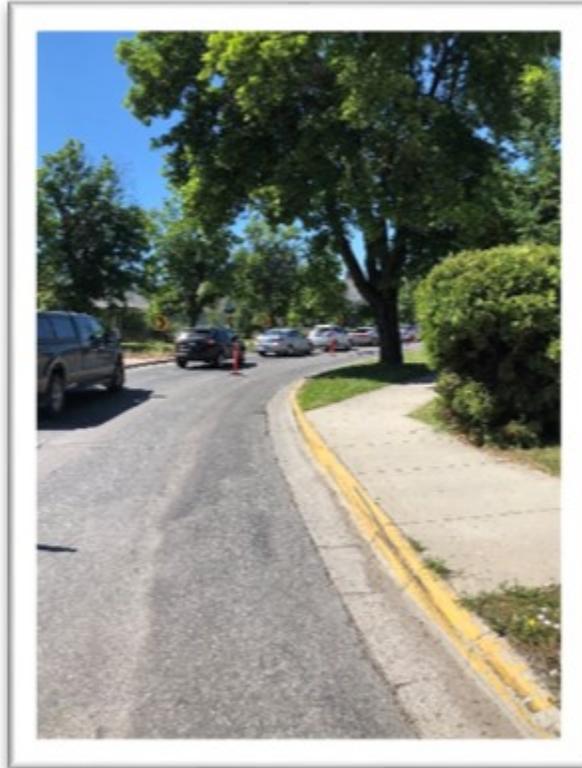
Development Services

**Project Milestones**

- Project to be completed in fiscal year 2020

**Total Project Costs**

\$43,750



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Transportation Impact Fees	—	18,750	—	—	—	—	18,750
Gas Tax - BaRSAA	—	25,000	—	—	—	—	25,000
<b>Total</b>	—	<b>43,750</b>	—	—	—	—	<b>43,750</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Land	—	5,000	—	—	—	—	5,000
Design & Engineering	—	4,650	—	—	—	—	4,650
Construction	—	31,000	—	—	—	—	31,000
Contingency	—	3,100	—	—	—	—	3,100
<b>Total</b>	—	<b>43,750</b>	—	—	—	—	<b>43,750</b>

Estimated Initial Operations Impact
No significant impact to operational costs is anticipated

# Westside Playground Replacement

## FY 2020 Project Details

### About the project:

Westside Park existing playground was constructed in 1989 through a community-wide fundraising and build project. Playground safety inspectors contacted the City and have determined the structure has reached the end of its natural life expectancy. The typical life span of would playgrounds in harsh winter climates is 15 to 20 years. It was recommended that the structure be replaced as soon as possible.

#### Responsible Department(s)

Parks & Recreation

#### Project Milestones

- Master Park conceptual design complete
- Capital campaign kickoff, January 2020
- Construction begins FY 2020
- Projected completion FY 2021

#### Total Project Costs

\$1,771,000



	Funding Source						
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Parks Impact Fees	—	100,000	—	—	—	—	100,000
Private Investment	—	498,750	822,250	—	—	—	1,321,000
Donations	—	100,000	—	—	—	—	100,000
Debt Service	—	250,000	—	—	—	—	250,000
<b>Total</b>	—	<b>948,750</b>	<b>822,250</b>	—	—	—	<b>1,771,000</b>

	Project Cost Estimates by Year						
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Construction	—	750,000	650,000	—	—	—	1,400,000
Equipment	—	112,500	97,500	—	—	—	210,000
Contingency	—	86,250	74,750	—	—	—	161,000
<b>Total</b>	—	<b>948,750</b>	<b>822,250</b>	—	—	—	<b>1,771,000</b>

**Estimated Initial Operations Impact**

No significant impact to operational costs is anticipated

## Rattlesnake Dam Removal FY 2020 Project Details

### About the project:

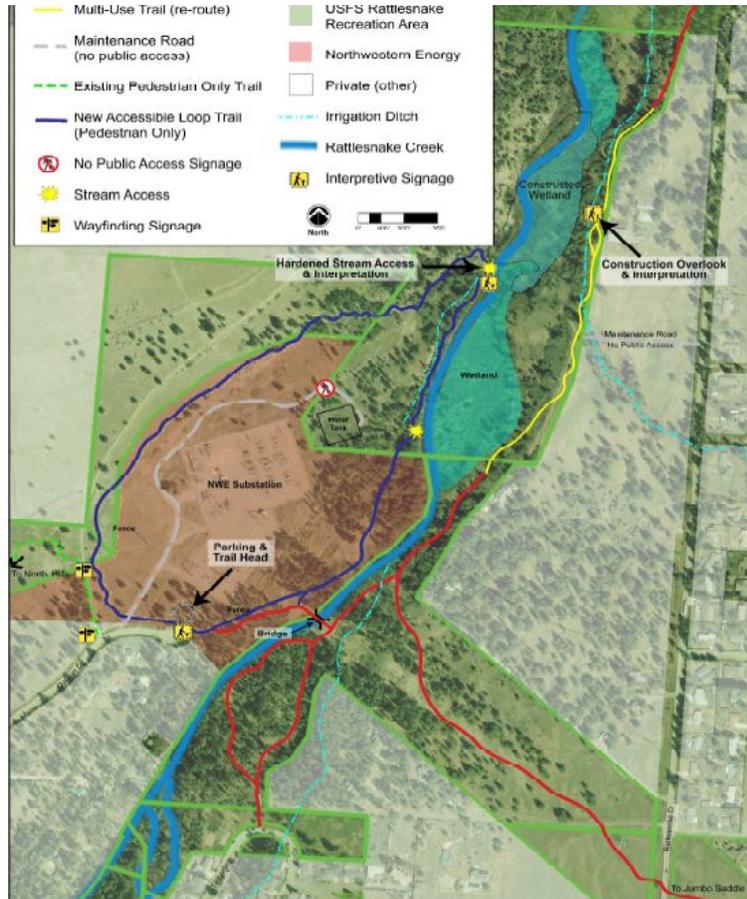
The Rattlesnake Creek Dam has been determined by the city to inoperable and non-essential. Mitigating and restoring the dam site has potential to restore habitat for native fish and terrestrial wildlife, improve water quality, increase safety, reduce maintenance cost and provide open space and recreational opportunities for the Missoula Community.

**Responsible Department(s)**  
Parks & Recreation

**Project Milestones**

- Design to be completed in fiscal year 2020
- Construction to start in FY2020
- Completion in FY2022

**Total Project Costs**  
\$2,035,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
DNRC Grant	—	600,000	—	—	—	—	600,000
Water Utility	25,000	25,000	25,000	—	—	—	75,000
Private Investment	9,973	175,000	1,175,000	—	—	—	1,359,973
<b>Total</b>	<b>34,973</b>	<b>800,000</b>	<b>1,200,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,034,973</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	34,973	—	—	—	—	—	34,973
Construction	—	800,000	1,200,000	—	—	—	2,000,000
<b>Total</b>	<b>34,973</b>	<b>800,000</b>	<b>1,200,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,034,973</b>

**Estimated Initial Operations Impact**

No significant impact to operational costs is anticipated

## Water Works Hill FY 2020 Project Details

### About the project:

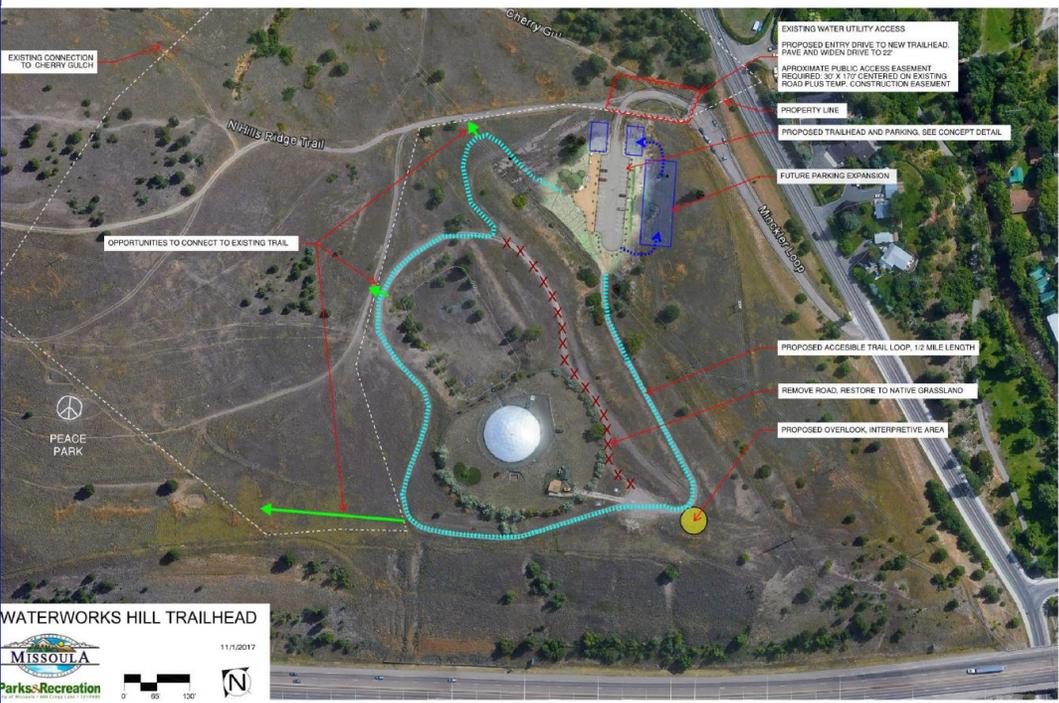
The trailhead improvements will address the needs of upgrades and expand recreational opportunities. The interpretive loop trail will provide ADA access and will offer an overlook of Missoula Valley. The expanded trail head facilities will provide a safer parking area with amenities to promote cleanliness, social equity, environmental stewardship and restoration of the City's conservation land values.

**Responsible Department(s)**  
Parks & Recreation

**Project Milestones**

- Design to be completed in fiscal year 2020
- Construction to start in fiscal year 2020
- Construction to be complete in fiscal year 2021

**Total Project Costs**  
\$650,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Private Investment	—	100,000	—	—	—	—	100,000
STEP Grant	—	50,000	—	—	—	—	50,000
Gas Tax - BaRSAA	—	215,000	—	—	—	—	215,000
Donations	—	65,000	50,000	—	—	—	115,000
Debt Service	—	170,000	—	—	—	—	170,000
<b>Total</b>	—	<b>600,000</b>	<b>50,000</b>	—	—	—	<b>650,000</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	90,000	—	—	—	—	90,000
Construction	—	415,000	50,000	—	—	—	465,000
Contingency	—	95,000	—	—	—	—	95,000
<b>Total</b>	—	<b>600,000</b>	<b>50,000</b>	—	—	—	<b>650,000</b>

**Estimated Initial Operations Impact**

No significant impact to operational costs is anticipated

## Upper Gharrett Drainage Improvements FY 2020 Project Details

### About the project:

Connect an existing pipe between Gharrett Ave. and Meadowwood Ln. to help mitigate extensive erosion in the Meadowwood neighborhood. The resultant improvements will reduce sediment downstream, improve public safety, and mitigate private property flooding.

#### Responsible Department(s)

Storm Water Utility

#### Project Milestones

- Final design to be completed in fiscal year 2020
- Construction to be completed in fiscal year 2020

#### Total Project Costs

\$549,352



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Storm Water Fund	10,467	549,352	—	—	—	—	559,819
<b>Total</b>	<b>10,467</b>	<b>549,352</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>559,819</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	10,467	84,147	—	—	—	—	94,614
Construction	—	465,205	—	—	—	—	465,205
<b>Total</b>	<b>10,467</b>	<b>549,352</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>559,819</b>

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## Reserve Street Lift Station FY 2020 Project Details

### About the project:

The Reserve St Lift Station Project will replace the existing 40 year old dry pit/wet well style lift station with a modern submersible pump, above grade lift station. The new lift station will be have increased pumping capacity and a larger wet well.

#### Responsible Department(s)

Wastewater Utility

#### Project Milestones

- Construction to be completed in fiscal year 2020

#### Total Project Costs

\$1,037,500



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Wastewater Utility Fund	10,965	518,750	—	—	—	—	529,715
Wastewater Development	10,966	518,750	—	—	—	—	529,716
<b>Total</b>	<b>21,931</b>	<b>1,037,500</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,059,431</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	21,931	170,000	—	—	—	—	191,931
Construction	—	787,500	—	—	—	—	787,500
Contingency	—	80,000	—	—	—	—	80,000
<b>Total</b>	<b>21,931</b>	<b>1,037,500</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,059,431</b>

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## University Force Main Replacement FY 2020 Project Details

### About the project:

Replace approximately 800 feet of existing 6-inch sewer force main with 8-inch force main located under Maurice Ave. from existing lift station to South 6th St. W. The increase in force main size will increase pumping capacity from the University Lift Station.

#### Responsible Department(s)

Wastewater Utility

#### Project Milestones

- Construction to be completed in fiscal year 2020

#### Total Project Costs

\$283,360



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Wastewater Development	—	283,360	—	—	—	—	283,360
<b>Total</b>	—	283,360	—	—	—	—	283,360

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	40,000	—	—	—	—	40,000
Construction	—	202,800	—	—	—	—	202,800
Contingency	—	40,560	—	—	—	—	40,560
<b>Total</b>	—	283,360	—	—	—	—	283,360

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## Broadway/ Maple Street Wastewater Main Extension FY 2020 Project Details

### About the project:

Install approximately 585 feet of new 12 inch gravity main on Maple St and approximately 370 feet of new 12 inch gravity main on West Broadway connecting to existing gravity main at the intersection of West Broadway and Birch St. to accommodate for new development adjacent to Maple St.

#### Responsible Department(s)

Wastewater Utility

#### Project Milestones

- Construction to be completed in fiscal year 2020

#### Total Project Costs

\$336,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Wastewater Development	—	336,000	—	—	—	—	336,000
<b>Total</b>	—	<b>336,000</b>	—	—	—	—	<b>336,000</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	60,000	—	—	—	—	60,000
Construction	—	240,000	—	—	—	—	240,000
Contingency	—	36,000	—	—	—	—	36,000
<b>Total</b>	—	<b>336,000</b>	—	—	—	—	<b>336,000</b>

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## Wastewater Lab Expansion FY 2020 Project Details

### About the project:

This project will provide additional operational space for the Wastewater Lab, improve existing HVAC problems in the Administration Building, and replace leaking roofs.

#### Responsible Department(s)

Wastewater Utility

#### Project Milestones

- Construction to be completed in fiscal year 2020

#### Total Project Costs

\$645,000



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Wastewater Utility Fund	3,750	149,250	—	—	—	—	153,000
Wastewater Development	—	492,000	—	—	—	—	492,000
<b>Total</b>	<b>3,750</b>	<b>641,250</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>645,000</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	3,750	—	—	—	—	—	3,750
Construction	—	545,000	—	—	—	—	545,000
Contingency	—	96,250	—	—	—	—	96,250
<b>Total</b>	<b>3,750</b>	<b>641,250</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>645,000</b>

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## South Third Street Water Main Replacement FY 2020 Project Details

### About the project:

Replace approximately 1,425 feet of 100 year old 6 inch Kalamein water main on South 3rd St. from Orange St. to Ash St.

#### Responsible Department(s)

Water Utility

#### Project Milestones

- Construction to be completed in fiscal year 2020

#### Total Project Costs

\$640,205



	Funding Source						Total
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	
Water Utility Fund	14,969	625,236	—	—	—	—	640,205
<b>Total</b>	<b>14,969</b>	<b>625,236</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>640,205</b>

	Project Cost Estimates by Year						Total
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	
Design & Engineering	14,969	48,856	—	—	—	—	63,825
Construction	—	501,200	—	—	—	—	501,200
Contingency	—	75,180	—	—	—	—	75,180
<b>Total</b>	<b>14,969</b>	<b>625,236</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>640,205</b>

Estimated Initial Operations Impact
No significant impact to operational costs is anticipated

## East Pine Street & Jefferson Street Water Main Replacement FY 2020 Project Details

### About the project:

Replace approximately 745 feet of 100 year old 12 inch Kalamein water main on East Pine St. from Adams St. to Madison St. and replace approximately 325 feet of 100 year old 12 inch Kalamein water main on Jefferson St. from East Pine St to East Spruce St.

#### Responsible Department(s)

Water Utility

#### Project Milestones

- Construction to be completed in fiscal year 2020

#### Total Project Costs

\$558,388



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Water Utility Fund	—	558,388	—	—	—	—	558,388
<b>Total</b>	—	558,388	—	—	—	—	558,388

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	68,200	—	—	—	—	68,200
Construction	—	426,250	—	—	—	—	426,250
Contingency	—	63,938	—	—	—	—	63,938
<b>Total</b>	—	558,388	—	—	—	—	558,388

Estimated Initial Operations Impact	
No significant impact to operational costs is anticipated	

## West Pine Street Water Main Replacement FY 2020 Project Details

### About the project:

Replace approximately 800 feet of 100 year old 6 inch Kalamein water main on West Pine Street from McCormick St. to East of the Railroad Tracks.

**Responsible Department(s)**  
Water Utility

**Project Milestones**

- Construction to be completed in fiscal year 2020

**Total Project Costs**  
\$355,338



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Water Utility Fund	—	355,338	—	—	—	—	355,338
<b>Total</b>	—	<b>355,338</b>	—	—	—	—	<b>355,338</b>

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	43,400	—	—	—	—	43,400
Construction	—	271,250	—	—	—	—	271,250
Contingency	—	40,688	—	—	—	—	40,688
<b>Total</b>	—	<b>355,338</b>	—	—	—	—	<b>355,338</b>

**Estimated Initial Operations Impact**

No significant impact to operational costs is anticipated

## Cemetery Road Water Main Extension 2020 Project Details

### About the project:

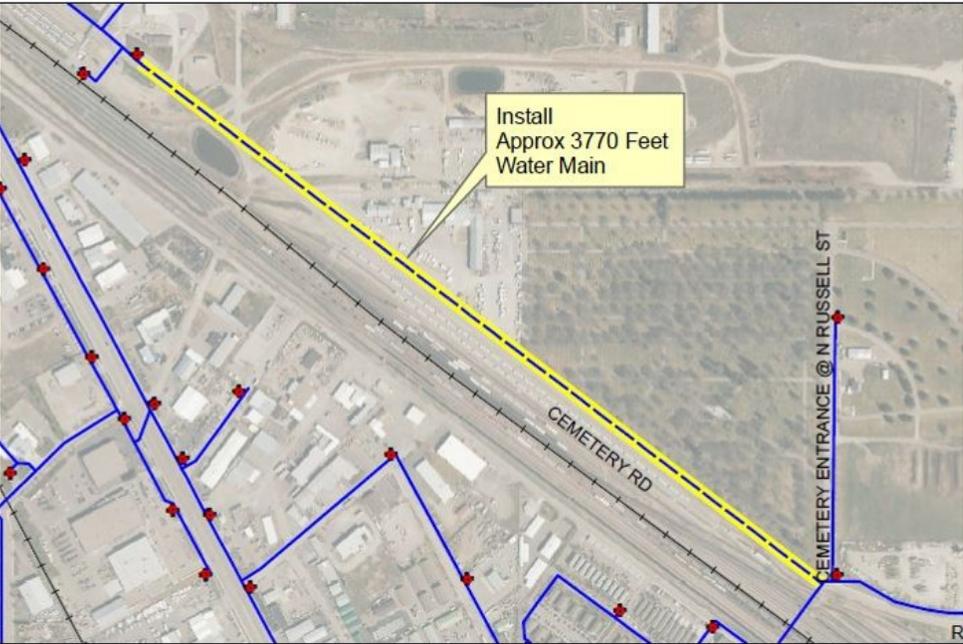
Install approximately 3,770 feet of new 12 inch water main on Rodgers St. by connecting to the existing main located at Cemetery Road and extending west to connect the main located at the Yellowstone Pipeline facility.

**Responsible Department(s)**  
Water Utility

**Project Milestones**

- Final design to be completed in fiscal year 2020
- Construction to be completed in fiscal year 2022

**Total Project Costs**  
\$2,225,363



Funding Source							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Water Utility Fund	—	370,794	1,818,700	35,869	—	—	2,225,363
<b>Total</b>	—	370,794	1,818,700	35,869	—	—	2,225,363

Project Cost Estimates by Year							
	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Design & Engineering	—	271,800	—	—	—	—	271,800
Construction	—	98,994	1,818,700	35,869	—	—	1,953,563
<b>Total</b>	—	370,794	1,818,700	35,869	—	—	2,225,363

**Estimated Initial Operations Impact**

No significant impact to operational costs is anticipated

## 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.

### Capital Improvement Plan Formulation:

**Capital Improvement Plan 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.

**Capital Improvement Plan 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.

**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:

**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.

**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.

# **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:

- 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.

### **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;
  - c. or obligations of the following agencies of the United States, subject to the limitations in subsection (2) federal home loan bank; federal

national mortgage association; federal home mortgage corporation; and federal farm credit bank. 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; 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; the fund consists only of eligible securities as described in this section; 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; 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 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. 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:

- **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- **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.
- **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.
- **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.

- **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.
- **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.
- **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:

- Report standardized performance calculations.
- Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
- 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.

- Maintain the daily liquidity of the fund's shares.
- Value their portfolios on a daily basis.
- Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
- 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**

### **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.

### **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 Number 8372**

**A resolution levying taxes for municipal and administrative purposes for the Fiscal Year 2020.**

**WHEREAS**, The City Council of Missoula has deliberated on the Fiscal Year 2020 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 \$639,610 (4.52 mills); and,

**WHEAREAS**, the value of a city mill is \$141,507,000.

**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 2020, to-wit:

All Purpose General Fund Levy be established at 187.66 mills;

Employee Health Insurance Levy (outside levy cap) be established at 38.49 mills;

2012 Aquatics Refunding G.O. Bond Levy at 4.10 mills;

2013 G.O. Refunding Bond Levy be established at 2.99 mills;

Conservation Lands Maintenance Levy be established at 4.00 mills;

Total Levy for the City of Missoula, Montana - 237.24 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 19<sup>th</sup> day of August, 2019

ATTEST:

/s/ Martha L. Rehbein

\_\_\_\_\_  
Martha L. Rehbein, CMC  
City Clerk

(SEAL)

APPROVED:

/s/ John Engen

\_\_\_\_\_  
John Engen  
Mayor



**2019 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. 2019 Total Market Value <sup>1</sup> .....	\$	9,768,373,003
2. 2019 Total Taxable Value <sup>2</sup> .....	\$	153,978,869
3. 2019 Taxable Value of Newly Taxable Property.....	\$	8,360,522
4. 2019 Taxable Value less Incremental Taxable Value <sup>3</sup> .....	\$	141,506,539
5. 2019 Taxable Value of Net and Gross Proceeds <sup>4</sup> (Class 1 and Class 2).....	\$	-

6. TIF Districts

Tax Increment District Name	Current Taxable Value <sup>2</sup>	Base Taxable Value	Incremental Value
URBAN RENEWAL II #1	5,640,253	1,859,823	3,780,430
URBAN RENEWAL III	12,474,549	8,172,844	4,301,705
U R FRONT STREET	3,031,432	1,413,035	1,618,397
HELLGATE URD 1-1H:201	1,438,165	1,025,448	412,717
N RESERVE SCOTT ST UR	3,149,004	1,491,205	1,657,799
UR RIVERFRONT TRIANG	859,140	157,858	701,282

Total Incremental Value \$ 12,472,330

Preparer LISA THOMAS

Date 8/5/2019

<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**

2019 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	\$	-

**RESOLUTION 8371**

A resolution fixing the annual appropriations and the Capital Improvement Program for the City of Missoula as set forth in the Fiscal Year 2020 Budget and Capital Improvement Program including: • The Tourism Business Improvement District work plan and budget for Fiscal Year 2020 • The Business Improvement District work plan and budget for Fiscal Year 2020. • The Park District Number 1 work plan and budget for Fiscal Year 2020. • The Road District Number 1 work plan and budget for Fiscal Year 2020

**WHEREAS**, the City Council of Missoula has deliberated on the Fiscal Year 2020 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 2020 is hereby estimated at \$221,333,463 The breakdown of the funds and estimated local property taxes required are as follows: Budgeted Expenditures \$178,747,646 Inter-fund Transfers Out \$25,921,002 Projected End-of-year Fund Balance \$16,664,815 Total Funds Required \$221,333,463 Beginning-of-year Fund Balance \$28,729,059 Non-tax Revenues \$124,251,872 Inter- fund Transfers In \$25,921,002 Committed Expenditure Savings \$1,853,855 Sub-total Non-Tax Funds Available \$180,755,788 Estimated Property Tax Requirements \$40,577,675

**SECTION II**

That annual appropriations and transfers out for various departments of the City of Missoula, Montana for the Fiscal Year 2020 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 Fiscal Year 2020 Budget and Capital Improvement Program.

**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 19<sup>th</sup> day of August, 2019

ATTEST:

APPROVED:

\_\_\_\_\_  
Martha L. Rehbein, CMC City Clerk

\_\_\_\_\_  
John Engen, Mayor

(SEAL)

Determination of Tax Revenue and Mill Levy Limitations  
Section 15-10-420, MCA  
Aggregate of all Funds/for \_\_\_\_\_ Fund  
FYE June 30, 2020  
City of Missoula, Montana

	Enter amounts in yellow cells	Auto-Calculation (If completing manually enter amounts as instructed)
Enter Ad valorem tax revenue ACTUALLY assessed in the prior year (from Prior Year's form Line 17)	22,705,021	22,705,021
Add: Current year inflation adjustment @ 1.02%		231,591
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		22,936,612
<b><u>ENTERING TAXABLE VALUES</u></b>		
Enter 'Total Taxable Value' - from Department of Revenue Certified Taxable Valuation Information form, line # 2	153,978,869	153,979
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)	(12,472,330)	(12,472)
Taxable value per mill (after adjustment for removal of TIF per mill incremental district value)		141,507
Subtract: 'Total Value of Newly Taxable Property' - from Department of Revenue Certified Taxable Valuation Information form, line # 3 (enter as negative)	(8,360,522)	(8,361)
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		133,146
CURRENT YEAR calculated mill levy		172.27
CURRENT YEAR calculated ad valorem tax revenue		24,377,331
<b>CURRENT YEAR AUTHORIZED LEVY/ASSESSMENT</b>		
Enter total number of carry forward mills from prior year (from Prior Year's form Line 22)	19.91	19.91
Total current year authorized mill levy, including Prior Years' carry forward mills		192.18
Total current year authorized ad valorem tax revenue assessment		27,194,727
<b><u>CURRENT YEAR ACTUALLY LEVIED/ASSESSED</u></b>		
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.)	187.66	187.66
Total ad valorem tax revenue actually assessed in current year		26,555,117
<b><u>RECAPITULATION OF ACTUAL:</u></b>		
Ad valorem tax revenue actually assessed		24,986,181
Ad valorem tax revenue actually assessed for newly taxable property		1,568,936
Ad valorem tax revenue actually assessed for Class 1 & 2 properties (net-gross proceeds)		-
Total ad valorem tax revenue actually assessed in current year		26,555,117
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.)		4.52

**RESOLUTION NUMBER 8375**

**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 \$381,736.21 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 2020; 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 2020, and has approved it as part of the city FY 2020 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 2020 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 \$381,736.21 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, 2019, and May 31, 2020, at 5:00 p.m.

**PASSED AND ADOPTED** this 26<sup>th</sup> day of August, 2019.

ATTEST:

APPROVED:

/s/ Martha L. Rehbein

/s/ John Engen

\_\_\_\_\_  
Martha L. Rehbein  
City Clerk

\_\_\_\_\_  
John Engen  
Mayor

**RESOLUTION NUMBER 8377**

**A resolution levying annual assessments on the hotels located in the Tourism Business Improvement District of the City of Missoula for fiscal year 2020 in the amount of \$2 per occupied room night in accordance with 7-12-1132 MCA.**

**WHEREAS**, pursuant to 7-12-1101, et seq., MCA, the City of Missoula is authorized to create tourism business improvement districts (BID); and

**WHEREAS**, on October 25, 2010, the Missoula City Council adopted resolution [7576](#) creating a tourism business improvement for a period of ten years; and

**WHEREAS**, on March 25, 2013, the Missoula City Council adopted resolution [7766](#) changing the assessment from \$1 to \$2 per occupied room night for properties in the district; and

**WHEREAS**, on May 13, 2019, the Missoula City council adopted resolution [8338](#) expanding the tourism business improvement district and renewing it for ten years; 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**, in accordance with 7-12-1132, MCA, the TBID Board has submitted a work plan and budget for fiscal year 2020; and

**WHEREAS**, pursuant to section 7-12-1143 MCA, the annual work plan and budget includes funding for adequate liability coverage insuring the district, the Board, and the City of Missoula against legal liability for personal injury and property damage in an amount sufficient to cover the City of Missoula's statutory liability limits as stated in Sect. 2-9-108(1), MCA.

**WHEREAS**, in accordance with 7-12-1132, the City Council has held a public hearing on the TBID work plan and budget for fiscal year 2020, and has approved it on August 19, 2019.

**NOW THEREFORE BE IT RESOLVED**, the City Council determines that benefits derived by each lot or parcel in the tourism business improvement district are proportional and in accordance with 7-12-1132 (4) and 7-12-1133 (c) assessments will be based on individual occupancy or daily use in the amount of \$2 per occupied room night; and

**NOW THEREFORE BE IT RESOLVED**, the City Council of the City of Missoula hereby levies and assesses a \$2 per occupied room night on the hotels located and/or constructed within the TBID boundary (the City's incorporate limits) during fiscal year 2020. A "hotel" has over (7) units and is defined in 50-51-102 (6) MCA is any property which meet the following criteria and are located within the boundaries of the district:

- (a) a building or structure kept, used, maintained as, advertised as, or held out to the public to be a hotel, motel, inn, motor court, tourist court, or public lodging house; and
- (b) a place where sleeping accommodations are furnished for a fee to transient guests, with or without meals.

As of the date of this resolution the current City of Missoula corporate limits are shown in Exhibit A and the current list of hotel/motel properties is shown in Exhibit B. Properties meeting the definition of a "hotel" that are constructed and/or incorporated into the boundaries of the city limits after the effective date of this resolution (but not listed in Exhibits A or B) are subject to TBID assessments.

**BE IT FURTHER RESOLVED**, that it is intended that hotel properties located outside of the corporate limits of the City of Missoula are not subject to assessments. However, the owner(s) of these properties

may voluntarily contribute donations to the District to assist the District with its mission and goals. These donations shall be reported, invoiced, billed, collected and deposited in a manner similar to regular assessments.

**BE IT FURTHER RESOLVED**, that in accordance with §7-1-4124 (7) MCA, the Missoula TBID is authorized to solicit and accept contributions, bequests, donations, or grants of money, property, services, or other advantages as long as they are not contrary to the public interest.

**BE IT FURTHER RESOLVED**, that TBID and/or its authorized agent shall invoice and collect TBID assessments on behalf of the TBID on a quarterly basis. Assessments and collections shall be subject to the collection policy approved by Tourism Business District Board of Directors. Revenues collected shall be deposited into a fund designated for the TBID.

**PASSED AND ADOPTED** this 26<sup>th</sup> day of August, 2019.

ATTEST:

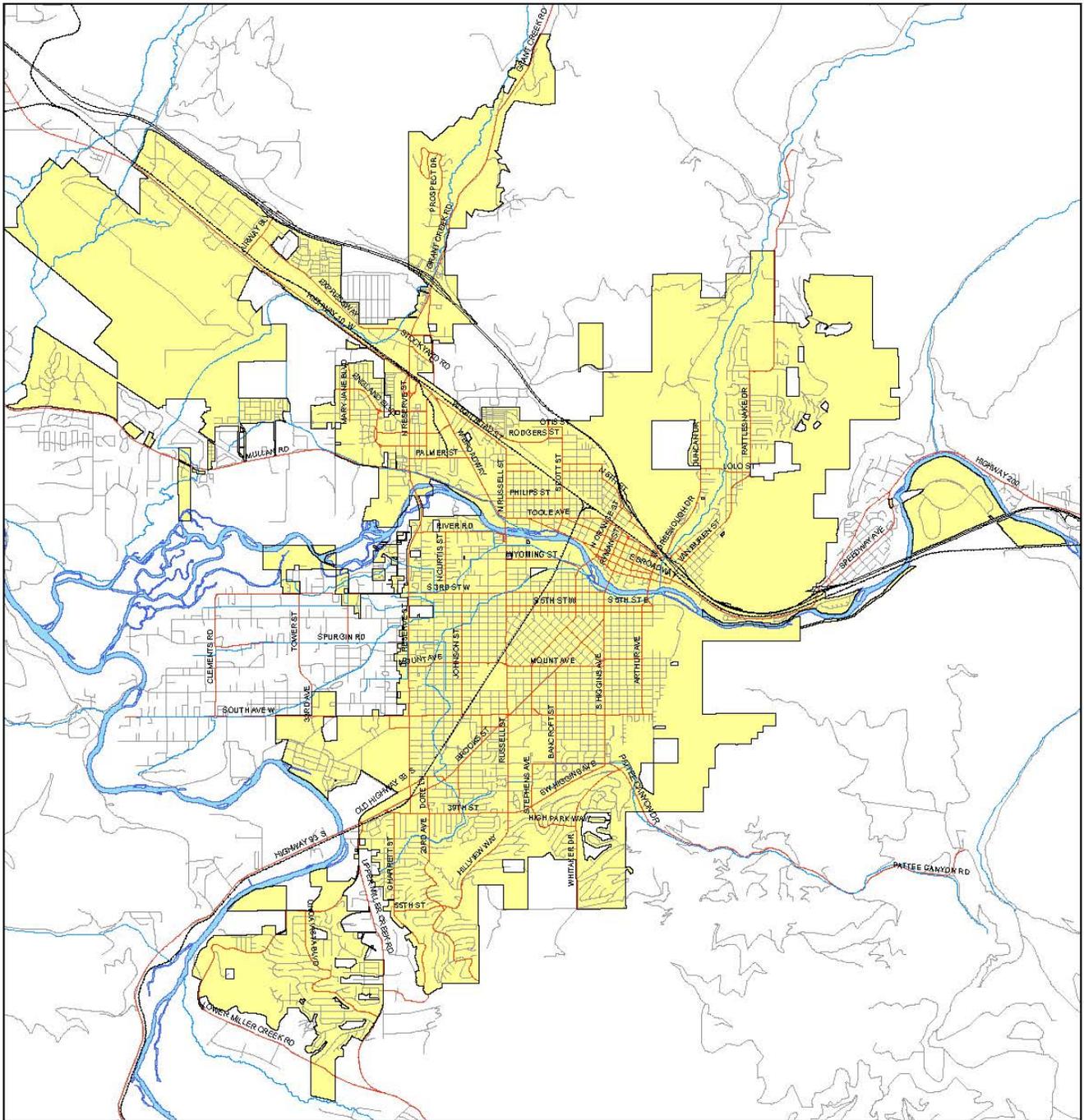
APPROVED:

/s/ Martha L. Rehbein

/s/ John Engen

\_\_\_\_\_  
Martha L. Rehbein, CMC  
City Clerk

\_\_\_\_\_  
John Engen  
Mayor



# CITY OF MISSOULA, MONTANA - CITY LIMITS MAP

City Limits as of:  
December 26, 2018

**34.8 Square Miles**

**22,273 Acres**

**970,210,769 Square Feet**

Printing Date: Wednesday, December 26, 2018

File: CityMap\_8.5x11\_PDF.mxd

Prepared By: GIS Services



**Resolution Number 8380**

**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 at \$4,558,571 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2020 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**, 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. 8371 on August 19, 2019, fixing the annual appropriations and the capital improvement program for the

City as set forth in the fiscal year 2020 budget which included a work plan and budget for the District at \$4,558,571 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2020.

**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 11, 2019 and August 18, 2019;

**Whereas**, a public hearing was held on August 26, 2019, during a regular meeting of the Council;  
and

**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 2020 in accordance with this Section 1 and the terms of Resolution No. 8371. 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 20120 the Council estimates the cost of the Services and Improvements to be performed in the District at \$4,558,571. The work plan and budget for the Services and Improvements to be provided in fiscal year 2020 were approved by the City Council on August 19, 2019, and are on file and available for public inspection in the City Clerk's office.

Total levy for Road District #1	\$4,558,571
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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 2020 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 26<sup>th</sup> day of August, 2019.

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 )

**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 at \$4,558,571 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 26, 2019, 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: Alderperson Anderson, Alderperson Becerra, Alderperson Cares, Alderperson DiBari, Alderperson Hess, Alderperson Jones, Bryan von Lossberg, and Alderperson West

NAYS: Alderperson Ramos

ABSENT: Alderperson Armstrong, Alderperson Harp, and Alderperson Merritt

ABSTAIN: None

WITNESS my hand officially this 26<sup>th</sup> day of August, 2019.

CITY OF MISSOULA  
Missoula County, Montana

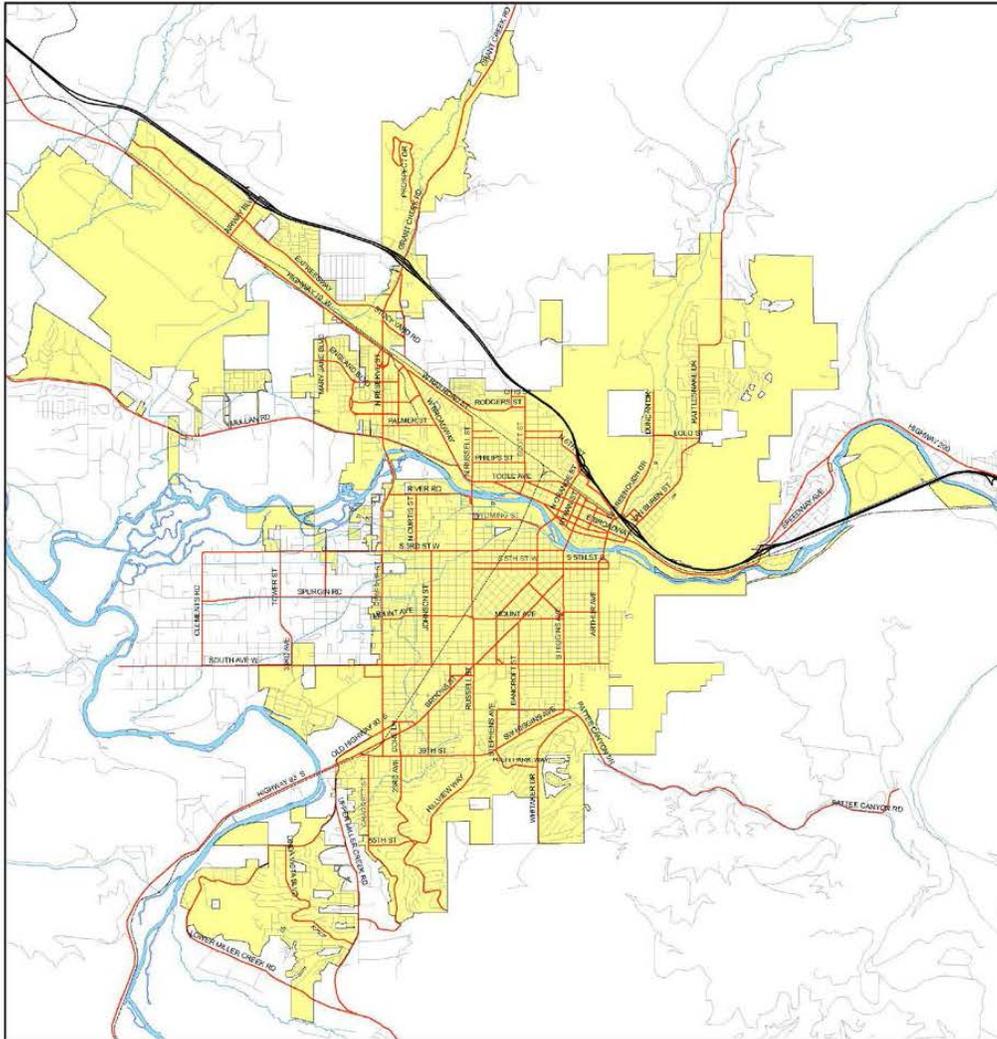
/s/ Martha L. Rehbein

\_\_\_\_\_  
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:  
July 15, 2019



**34.8 Square Miles**  
**22,270 Acres**  
**970,086,772 Square Feet**

Printing Date: Tuesday, July 16, 2019  
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 NUMBER 8360**

**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 at \$2,479,600 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2020 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. 8081 on August 15, 2016, fixing the annual appropriations and the capital improvement program for the City as set forth in the fiscal year 2020 budget which included a work plan and budget for the District at \$2,479,600 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2020;

**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 11, 2019, and August 18, 2019; and

**Whereas**, a public hearing was held on August 26, 2019, during a regular meeting of the Council;  
and

**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 2020 in accordance with this Section 1 and the terms of Resolution No. 8371. 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 2020, the Council estimates the cost of the Services and Improvements to be performed in the District estimated at \$2,479,600. The work plan and budget for the Services and Improvements to be provided in fiscal year 2020 were approved by the City Council on August 19, 2019, and are on file and available for public inspection in the City Clerk's office.

Total levy for Park District #1 is       \$2,479,600.

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 2020 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 26<sup>th</sup> day of August, 2019.

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 )

**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 Park District Number 1 at \$2,479,600 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2020 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."** (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 26, 2019, 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:

8 AYES, Alderperson Anderson, Alderperson Becerra, Alderperson Cares, Alderperson DiBari, Alderperson Hess, Alderperson Jones, Bryan von Lossberg, and Alderperson West; 1 NAY, Alderperson Ramos; 0 ABSTENTIONS; 3 ABSENT, Alderperson Armstrong, Alderperson Harp, and Alderperson Merritt

WITNESS my hand officially this 26<sup>th</sup> day of August, 2019.

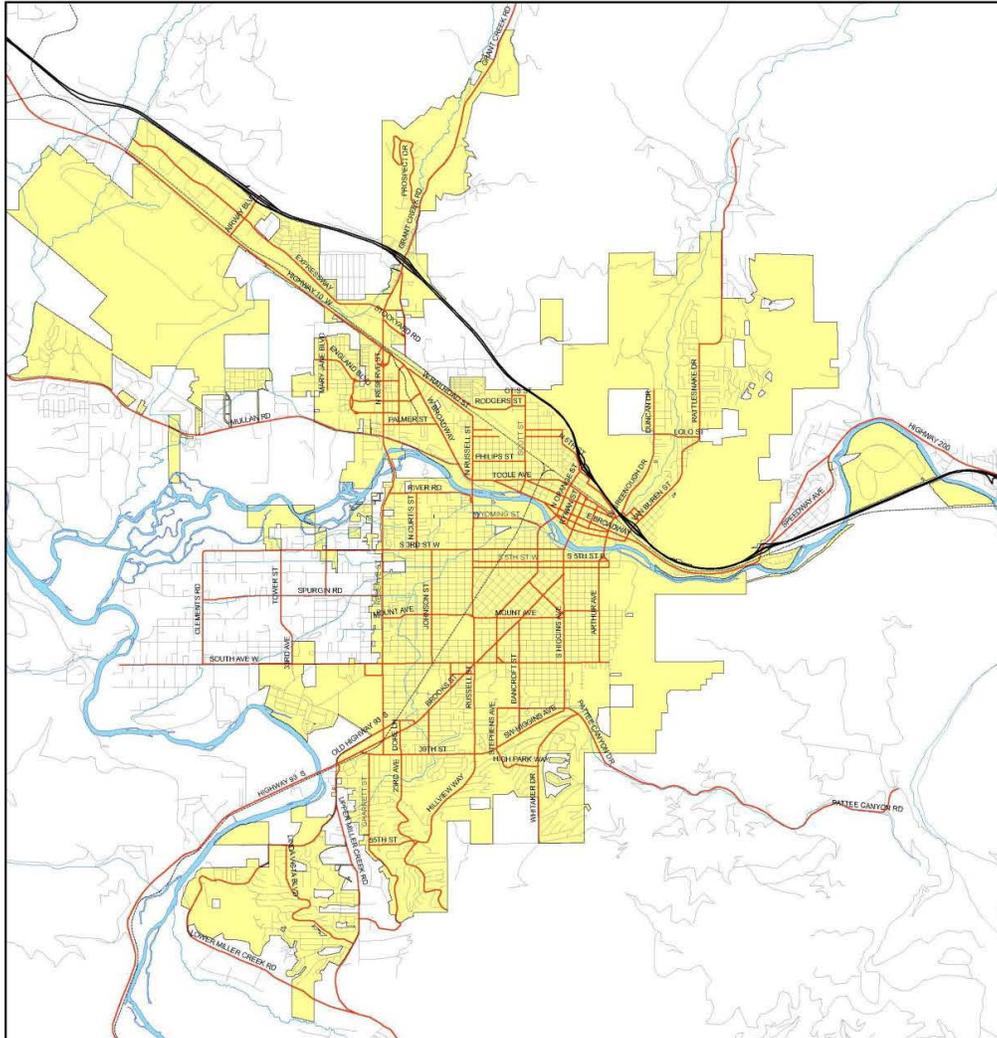
CITY OF MISSOULA  
Missoula County, Montana

/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:  
July 15, 2019



**34.8 Square Miles**  
**22,270 Acres**  
**970,086,772 Square Feet**

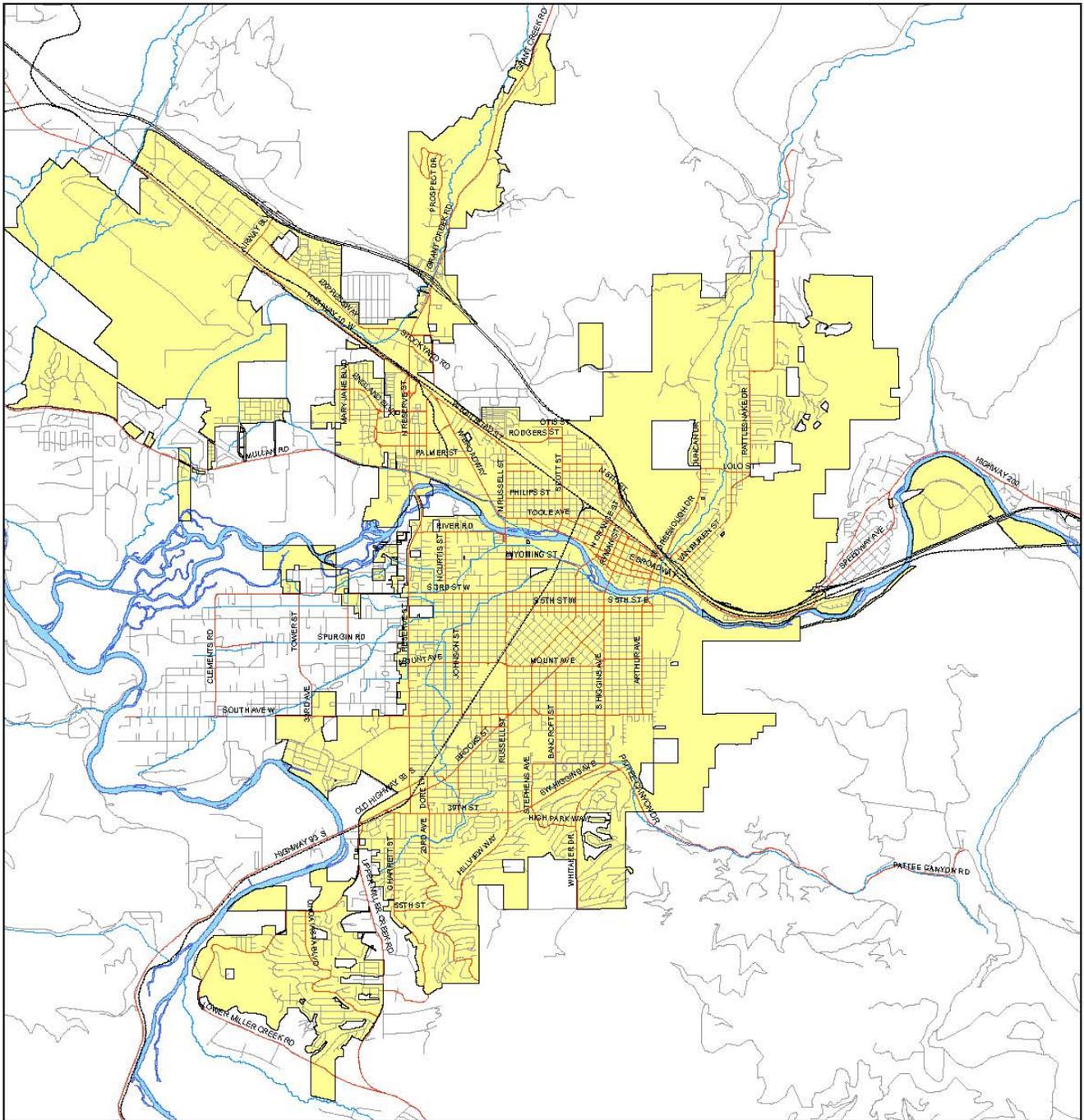
Printing Date: Tuesday, July 16, 2019  
File: CityMap\_8.5x11\_PDF.mxd  
Prepared By: GIS Services



**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.



# CITY OF MISSOULA, MONTANA - CITY LIMITS MAP

City Limits as of:  
December 26, 2018

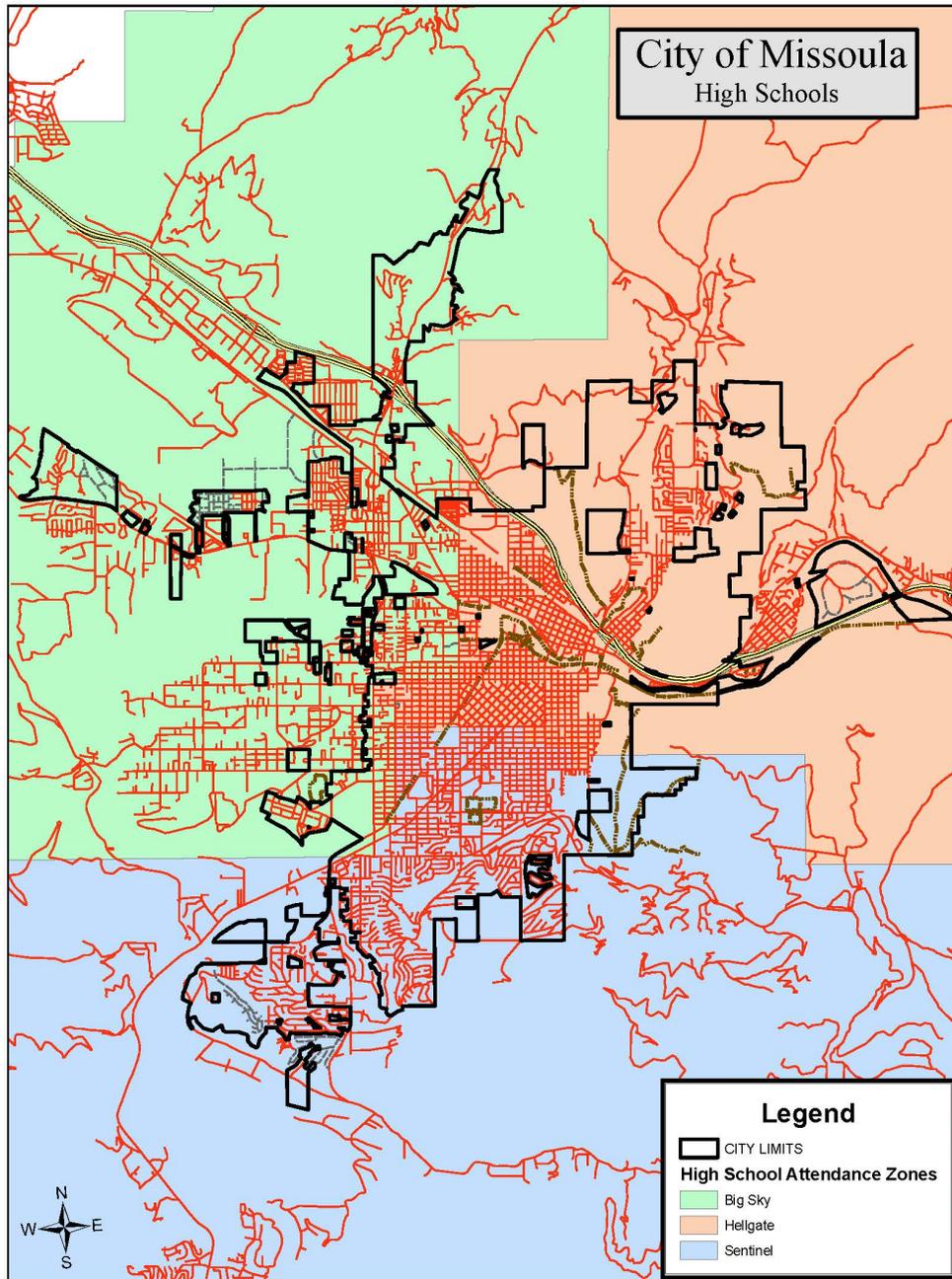


**34.8 Square Miles**  
**22,273 Acres**  
**970,210,769 Square Feet**



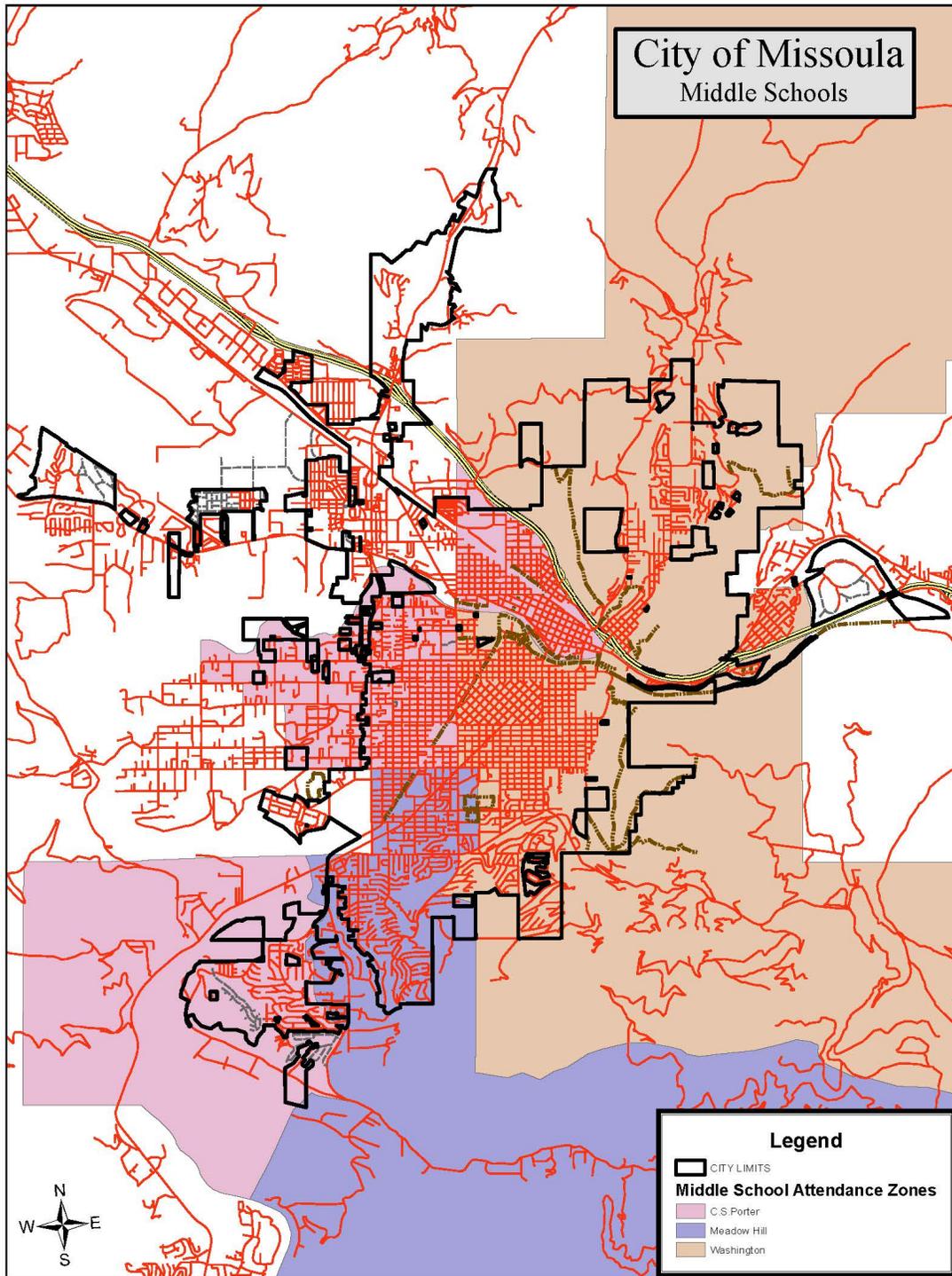
Printing Date: Wednesday, December 26, 2018  
File: CityMap\_8.5x11\_PDF.mxd  
Prepared By: GIS Services

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:



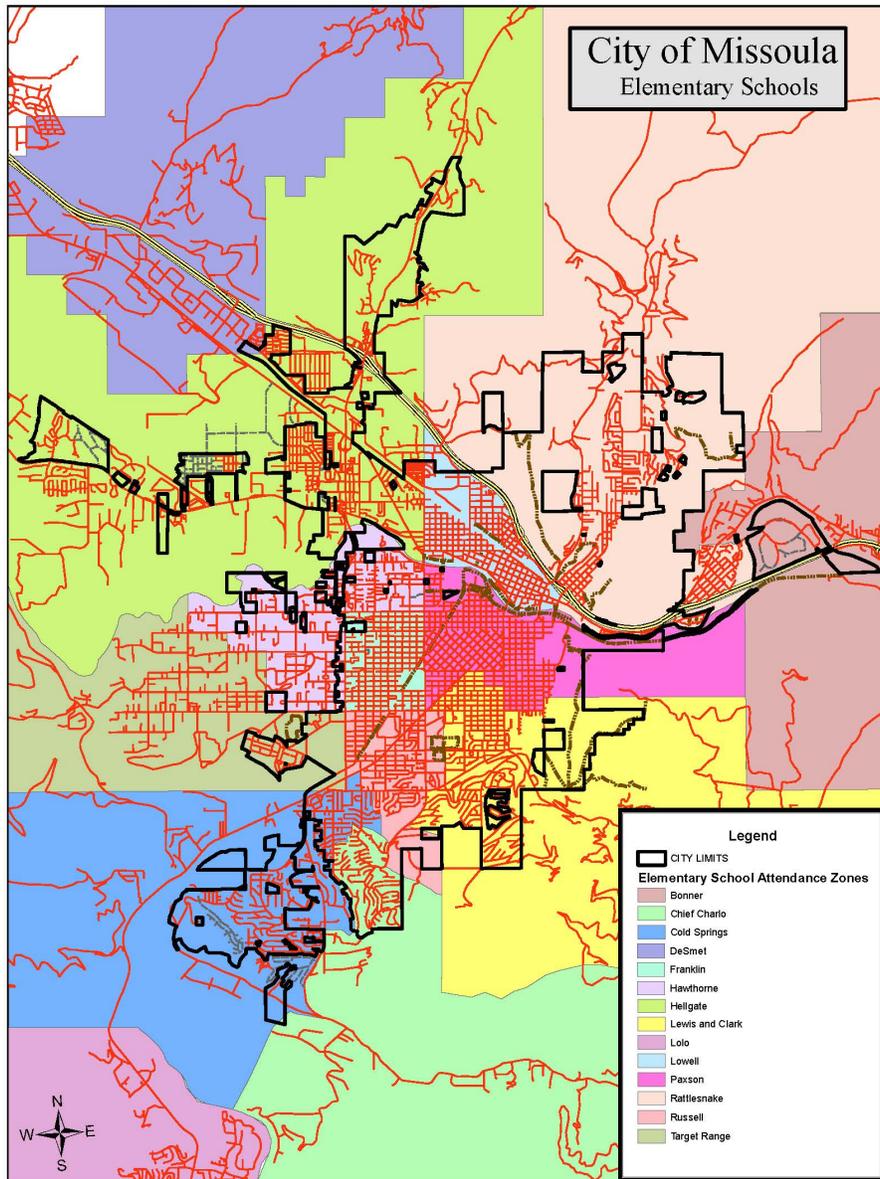
High Schools (serves grade 9 through grade 12)

Big Sky High School	3110 South Ave W	Missoula, MT	59804	(406) 728-2401
Hellgate High School	925 Gerald Ave	Missoula, MT	59801	(406) 728-2402
Sentinel High School	901 South Ave W	Missoula, MT	59801	(406) 728-2403
Willard Alternative High School	901 S Sixth St W	Missoula, MT	59801	(406) 542-4073



Middle Schools (serves grade 6 through grade 8)

C.S. Porter Middle 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 through grade 5)

Russell Elementary School	3216 Russell St	Missoula, MT	59801	(406) 542-4080
Franklin Elementary School	1901 S Eleventh St W	Missoula, MT	59801	(406) 542-4020
Chief Charlo Elementary School	5600 Longview St	Missoula, MT	59803	(406) 542-4005
Lewis and Clark Elementary School	2901 Park St	Missoula, MT	59801	(406) 542-4035
Jeannette Rankin Elementary School	5150 Bigfork Rd	Missoula, MT	59803	(406) 542-4010
Hawthorne Elementary School	550 Hiberta St	Missoula, MT	59804	(406) 542-4025
Lowell Elementary School	1212 Phillips St	Missoula, MT	59802	(406) 542-4040
Rattlesnake Elementary School	1220 Pineview Dr	Missoula, MT	59802	(406) 542-4050
Paxon Elementary School	101 Evans St	Missoula, MT	59801	(406) 542-4055

**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 form 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).

**CITY OF MISSOULA, MONTANA  
PRINCIPAL PROPERTY TAXPAYERS  
Current and Ten Years Ago**

Taxpayer	Tax year 2019 (FY 2020)			Tax year 2010 (FY 2011)		
	Taxable Assessed Value	Rank	Percentage of City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of City Taxable Assessed Value
NORTHWESTERN ENERGY	\$ 6,497,728	1	5.34%	\$ 3,280,617	1	3.14%
RCHP BILLINGS MISSOULA LLC *	1,216,512	2	1.00%	907,130	4	0.87%
SOUTHGATE MALL MONTANA LLC ***	1,169,835	3	0.96%			
VERIZON INC	1,060,987	4	0.87%	663,632	7	0.64%
MONTANA RAIL LINK	942,033	5	0.77%			
GATEWAY LIMITED PARTNERSHIP	841,079	6	0.69%	2,024,178	2	1.94%
CENTURYLINK INC **	723,506	7	0.59%	744,479	5	0.71%
CHARTER COMMUNICATIONS INC	622,490	8	0.51%	703,713	6	0.67%
ST PATRICK HOSPITAL CORP	576,622	9	0.47%			
STOCKMAN BANK OF MONTANA	547,781	10	0.45%	618,450	9	0.59%
MOUNTAIN WATER COMPANY				1,128,832	3	1.08%
FIRST INTERSTATE BANK				613,623	8	0.59%
WW HOLDING CO INC/ALLTELL CORP				474,276	10	0.45%
<b>Total</b>	<b>\$14,198,573</b>		<b>11.65%</b>	<b>\$11,158,930</b>		<b>10.68%</b>

\* Formerly Community Hospital Corp

\*\* Formerly Qwest Communications

\*\*\* Formerly Southgate Mall Associates

Source: Department of Revenue - Missoula County Finance Office

**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 (1)	County Population (1)	Total Personal Income (2)	Per Capita Income (2)		
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	45,370	4.0%	3.6%
2018	74,977	120,447	5,466,596	47,215	4.0%	3.6%
2019	75,727	120,949	5,521,262 *	47,687 *	3.6%	3.3%

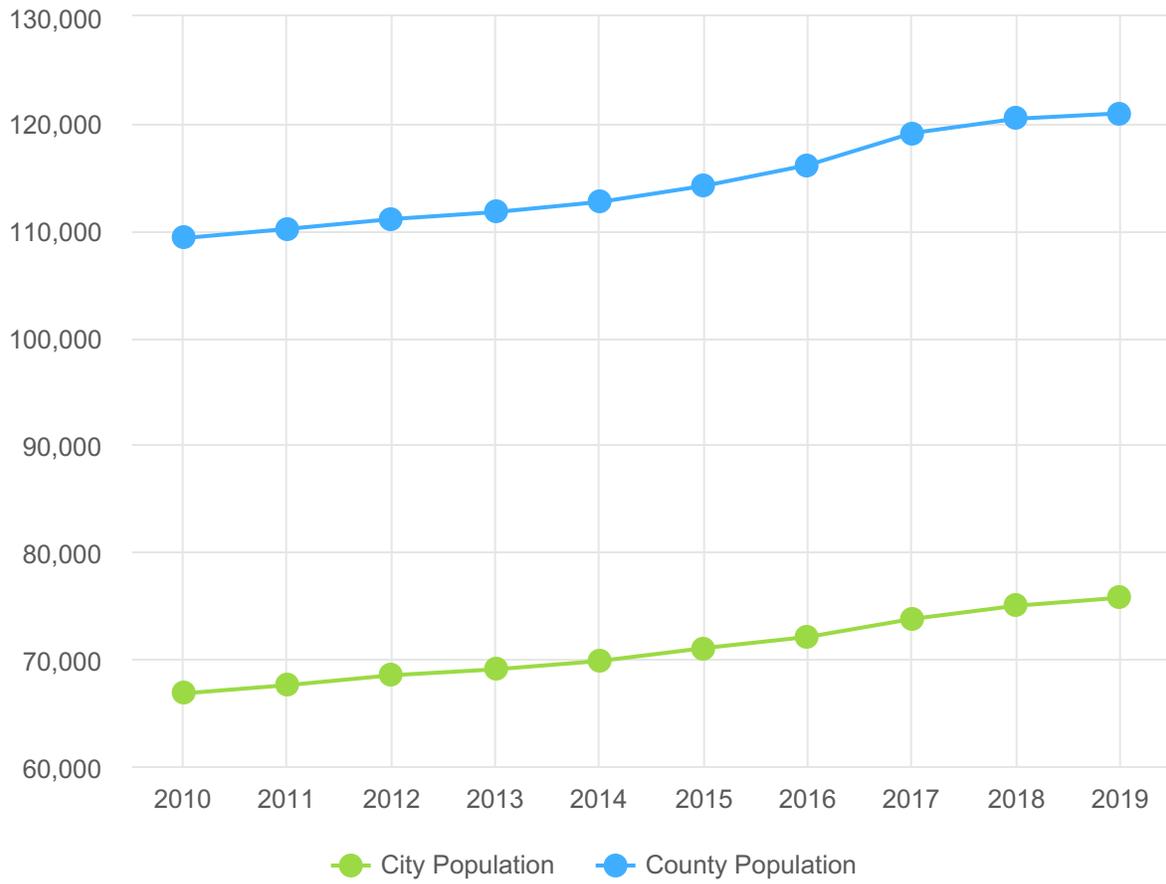
(1) 2010 population is from the US Census Bureau. All other years are estimates based of City building permit data.

(2) Only Missoula County information available.

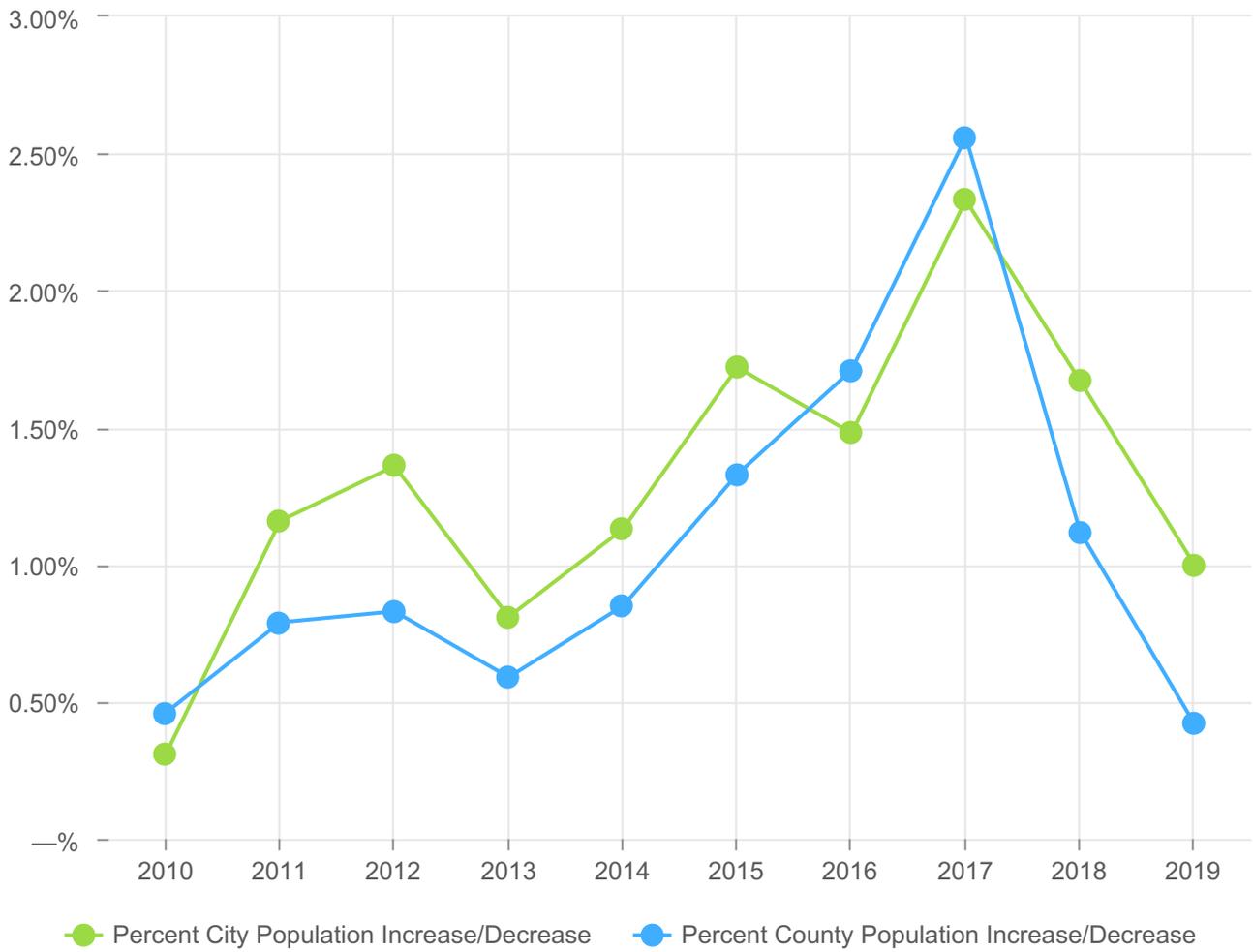
\* Estimate based on average increase of prior years.

Source - Bureau of Economic Analysis, Department of Labor & Industry, Research & Analysis Bureau and City of Missoula, Development Services Department

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**

<b>Temperature</b>	<b>Missoula (1893-2003)</b>	<b>Kalispell (1899-2003)</b>	<b>Butte (1894-2003)</b>	<b>State of Montana</b>	<b>State of Idaho</b>
Latest 30 Year Normal Temperature (1981-2010)	45.9	42.6	39.5	0	0
Average Temperature (Jan-Dec)	44.3	43.1	39.5	0	0
Lowest Temperature	-33	-38	-52	-70	-60
	(1/26/57)	(1/30/50 - 1/31/50)	(12/23/83 - 2/9/33)	Rogers Pass (1/20/54)	Island Park Dam (1/18/43)
Highest Temperature	107	105	100	117	118
	(7/6/2007)	(8/4/61)	(7/22/31)	Medicine Lake (7/5/37)	Orofino (7/28/34)
<b>Precipitation</b>	<b>Missoula (1893-2003)</b>	<b>Kalispell (1899-2003)</b>	<b>Butte (1894-2003)</b>	<b>State of Montana</b>	<b>State of Idaho</b>
Latest 30 Year Normal Precipitation (1981-2010)	14.13	17.21	12.78	—	—
Average Precipitation (Jan-Dec)	13.65	16.22	12.97	—	—
Driest Month	Trace	Trace	Trace	—	—
	July 2017	August 1955	October 1987	—	—
Driest Year	8.62	10.39	6.89	—	—
	1952	1929	1935	—	—
Greatest 24-hour Precipitation	2.32 inches	2.71 inches	3.00 inches	—	—
	(11/5/1927)	(6/29/1982)	(06/09/1913)	—	—
Wettest Month	7.38 inches	6.20 inches	8.86 inches	—	—
	May 1980	June 2012	June 1913	—	—
Wettest Year	21.81 inches	25.23 inches	20.55 inches	—	—
	1998	1996	1909	—	—
Annual Average Snowfall	37.9 inches	55.7 inches	NA	—	—
Greatest 24-hour Snow	24.5 inches	24.4 inches	30.0 inches	—	—
	(02/11-12/1936)	(01/1-2/2009)	(10/10-11/1911)	—	—
Greatest Monthly Snow	54.1 inches	52.1	32.5 inches	—	—
	Dec. 1996	Dec. 1990	Oct. 1911	—	—
Greatest Annual Snowfall	106.1 inches	143.8 inches	125.5 inches	—	—
	1996	1996	1996	—	—
Greatest Snow Depth	27.0 inches	61.0 inches	27.0 inches	—	—
	12/29/1996	12/30/1996	12/29/1996	—	—

Source: National Weather Service Forecast Office, Missoula, MT

**CITY OF MISSOULA, MONTANA**  
**TOP EMPLOYERS IN CITY OF MISSOULA**  
**Current and Ten Years Ago**

<b>Employer</b>	<b>Type of Product or Service</b>	<b>2019</b>	<b>Percentage of Total City Employment</b>	<b>2010^</b>	<b>Percentage of Total City Employment</b>
University of Montana	Higher Education	2,917	3.85%	3,651	5.47%
St. Patrick Hospital	Healthcare	1,604	2.12%	1,773	2.65%
Montana Rail Link	Rail Transportation	1,214	1.60%	259	0.39%
Missoula County Public Schools	Public Education	1,144	1.51%	1,219	1.83%
Missoula County	Government	870	1.15%	780	1.17%
Community Medical Center	Healthcare	825	1.09%	1185	1.77%
Us Forest Service	Federal Government	697	0.92%	750	1.12%
AT&T/DirecTV	Service	675	0.89%	1000	1.50%
City of Missoula	Government	638	0.84%	503	0.75%
Wal-Mart	Retail	585	0.77%	585	0.88%

\* Employers were added after 2010

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 of Expired Contract</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 in Parks and Recreation Dept.	9	June 30, 2019
WW 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 - Street Dept.	22	June 30, 2019
Operators' Union, Local No. 4000 - Street Dept.	12	June 30, 2019
Machinists Union, Local No. 88, District No. 86	8	June 30, 2019
Teamsters, Parks and Recreation Seasonal	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.

\*\*Collective Bargaining Agreements not finalized at time of publication

\* Formerly MPEA and MEA-MFT

Source: City of Missoula

**MISSOULA, MONTANA METROPOLITAN AREA  
EMPLOYMENT BY MAJOR INDUSTRY TYPE  
ANNUAL AVERAGE  
Last Ten Fiscal Years**

	<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>
Goods Producing	4,600	4,700	4,400	4,500	4,600	4,900	4,900	5,100	5,500	6,100
Trade, Transportation and Utilities	11,300	11,400	11,600	11,100	11,900	12,300	12,200	12,200	12,600	13,100
Professional and Business Service	6,900	6,900	6,800	7,000	7,000	6,500	6,400	6,500	6,600	6,900
Educational and Health Services	9,200	9,500	9,800	10,000	10,000	10,300	10,400	10,800	10,900	10,600
Healthcare and Social Assistance	8,700	9,000	9,200	9,300	9,400	9,700	9,800	10,100	10,300	10,100
Leisure and Hospitality	7,000	6,900	7,400	7,300	7,700	8,100	8,100	8,500	8,500	8,600
Government	10,300	8,400	10,300	10,500	10,600	10,800	10,800	11,000	10,900	10,800
	<b>58,000</b>	<b>56,800</b>	<b>59,500</b>	<b>59,700</b>	<b>61,200</b>	<b>62,600</b>	<b>62,600</b>	<b>64,200</b>	<b>65,300</b>	<b>66,200</b>

Source: Department of Labor & Industry, Research & Analysis Bureau

**CITY OF MISSOULA, MONTANA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Government</b>										
Business Licenses Issued	5,947	5,103	5,872	5,585	5,418	4,566	5,821	5,658	5,466	5,007
Amount of SID's Billed	\$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	\$2,103,905
# Sewer Bills	42,860	43,493	44,495	45,042	45,042	45,213	45,664	46,326	47,232	47,994
<b>Public Safety Activities</b>										
Citations issued	25,136	20,232	20,554	18,139	15,420	14,042	13,442	13,903	11,335	16,525
Orders of Protection issued	277	209	236	203	318	267	351	245	193	261
Attorney - Lawsuits & Claims	26	24	22	32	29	35	35	25	33	41
Attorney - Opened criminal files	2,313	3,029	4,007	4,255	3,955	3,023	3,777	4,238	3,248	3,898
Officers/1,000 population	1	1	2	2	2	2	2	1	1	1
Total sworn officers	100	100	104	106	109	109	109	106	109	107
Police calls for Service	41,373	40,272	41,334	42,302	41,728	45,605	42,791	53,206	54,126	51,396
Total Fire Department Incident Responses*	6,217	5,752	6,131	6,548	6,745	7,140	7,865	8,169	9,043	9,366
<b>Public Works</b>										
Miles of sidewalk installed	6.78	5.42	4.72	5.58	9.19	4.35	3.48	4.15	8.13	17.11
Building Permits Issued	1,306	1,283	1,395	1,485	1,319	1,427	1,515	1,576	1,434	1,269
Construction Value of Bldg permits issued	\$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	\$164,408,755
Miles of Street	385	385	388	380	352	382	385	386	390	399
Population	66,788	67,565	68,484	69,039	69,821	71,022	72,070	73,747	74,977	75,727

Source: City of Missoula

\* Fire Department Incident Responses are based on Calendar Years.

**CITY OF MISSOULA, MONTANA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**Last Ten Fiscal Years**

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>GENERAL GOVERNMENT</b>										
Vehicles	4	4	2	2	2	2	2	2	2	4
Buildings	3	3	4	4	5	5	5	5	6	7
<b>PUBLIC SAFETY ACTIVITIES</b>										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Engines/Trucks/Vehicles/Vans	25	25	31	32	32	33	34	31	32	36
Police Motorcycles	6	6	4	5	5	5	5	5	5	5
Police Patrol Cars/Passenger Vehicles/Other Vehicles	63	63	66	59	63	63	67	72	77	82
<b>PUBLIC WORKS</b>										
Streets (sq. yards)	7,056,869	7,265,469	7,399,746	7,539,539	7,636,873	7,774,642	8,050,257	8,287,391	8,530,773	8,982,795
Curbs (lineal feet)	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	2,434,617
Sidewalks (sq. feet)	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	14,854,165
Storm Sewer (lineal feet)	162,158	168,148	172,360	179,388	179,888	180,368	183,538	184,199	189,001	189,061
Sumps	5,385	5,496	5,524	4,183	4,209	5,585	5,617	5,624	5,742	5,843
Signs	57,502	58,369	59,236	60,103	60,970	61,837	62,704	63,571	64,438	65,305
Vehicles	163	165	163	123	123	123	225	248	285	243
Buildings	4	4	4	5	5	5	5	6	5	5
<b>PUBLIC HEALTH ACTIVITIES</b>										
Cemetery & Buildings	7	7	7	7	7	7	7	7	7	7
Vehicles/Tractors/Trucks/Mowers	14	15	17	18	18	18	20	18	18	23
<b>CULTURE AND RECREATION</b>										
Parks	68	69	70	70	70	70	72	71	72	73
Trails										
Commuter	22	22	23	23	23	23	23	23	23	24
Recreational	55	55	56	56	56	56	58	56	59	56
Park Shelter/Band Shells/Pavilions	12	15	17	18	18	18	24	20	21	25

Buildings	23	23	23	23	23	23	23	23	23	30
Vehicles (Including trailers)	59	59	59	108	112	112	115	112	112	127

**HOUSING & COMMUNITY DEVELOPMENT**

Vehicles	1	1	1	1	1	1	1	1	1	2
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Source: City of Missoula Fixed Asset Accounting Module

Source: Various City of Missoula Departments

CITY OF MISSOULA, MONTANA  
 FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
 Last Five Fiscal Years

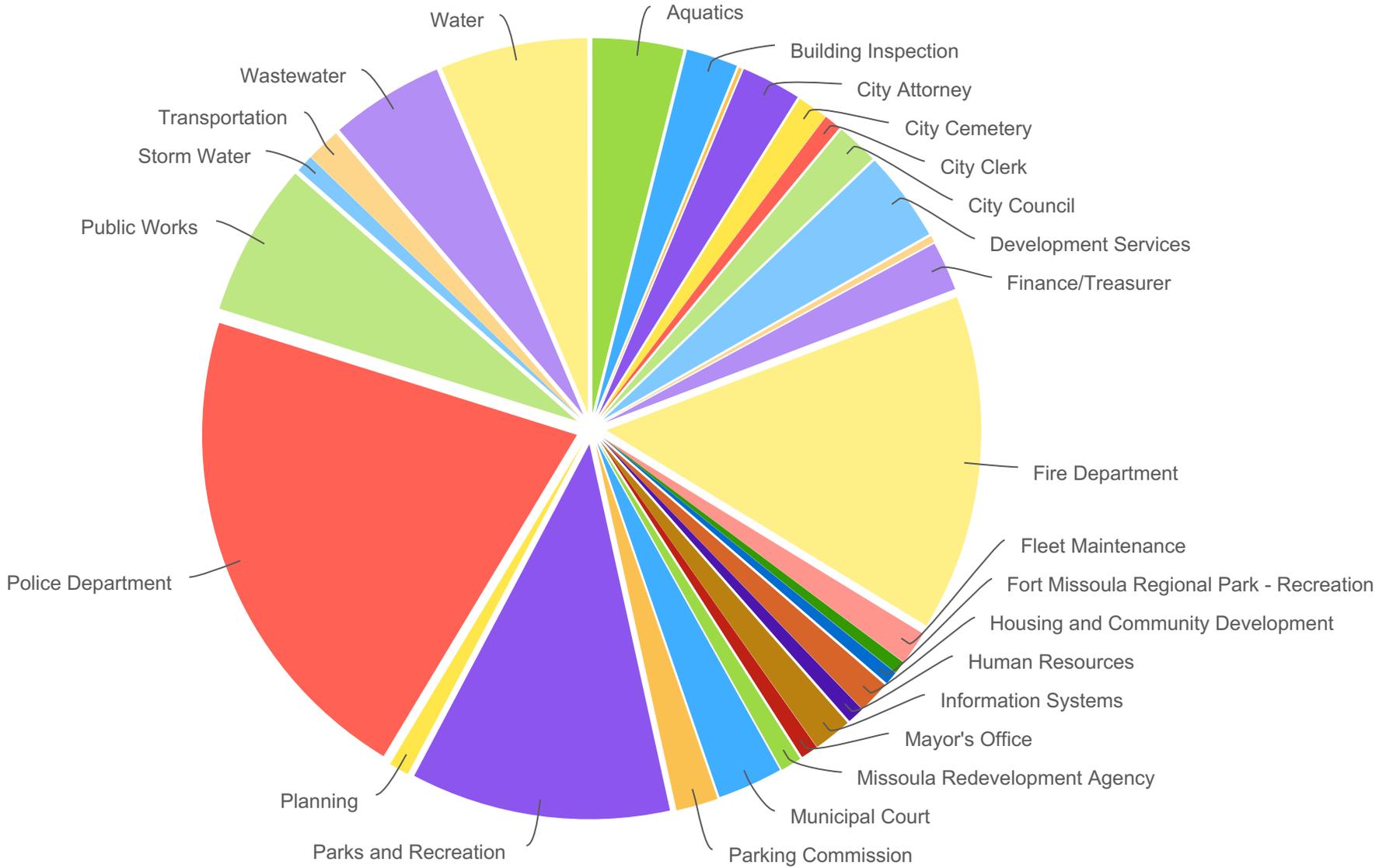
Function/Program	2016	2017	2018	2019	2020
<b>General Government / Administrative</b>	<b>FTE's</b>	<b>FTE's</b>	<b>FTE's</b>	<b>FTE's</b>	<b>Adopted</b>
City Council	12.00	12.00	12.00	12.00	12.00
Mayor's Office	5.00	5.00	5.00	5.00	5.00
Human Resources	4.00	4.00	5.00	5.00	4.90
City Clerk	5.00	5.00	5.00	5.00	5.00
Information Systems	8.00	8.00	8.00	11.00	11.00
Municipal Court	17.85	17.85	17.35	17.35	18.60
Finance/Treasurer	15.00	16.00	15.00	14.00	14.00
Central Services	3.00	3.00	2.00	2.00	1.00
Facility Maintenance	—	—	2.00	2.00	2.00
City Attorney	16.00	16.00	17.00	17.00	17.00
Fleet Maintenance	10.50	10.50	9.75	9.75	9.75
<b>Public Safety</b>					
Police Department	132.00	134.50	134.50	134.80	139.00
Fire Department	95.00	95.00	95.00	95.00	95.00
<b>Public Health</b>					
City Cemetery	8.92	8.91	8.91	8.91	8.91
<b>Public Works</b>					
Development Services	23.75	23.87	25.60	25.60	25.63
Planning	4.50	4.50	5.50	5.76	5.76
Building Inspection	12.00	11.88	13.40	13.90	14.70
Public Works	37.96	39.98	40.91	40.22	43.46
Transportation	9.57	9.57	9.57	9.57	9.64
Water	—	—	32.00	38.42	41.75
Wastewater	24.00	24.00	30.16	32.66	32.16
Storm Water	—	2.00	4.00	4.00	5.00
Parking Commission	11.50	11.50	12.50	12.00	12.00
<b>Culture and Recreation</b>					
Fort Missoula Regional Park - Recreation	—	1.75	7.46	6.05	3.90
Fort Missoula Regional Park - Ops & Maint	—	—	—	3.62	3.62
Parks and Recreation	60.33	66.82	68.09	69.07	73.35
Aquatics	23.88	23.77	24.13	26.99	25.74

**Redevelopment and Housing**

Housing and Community Development	—	3.00	4.75	5.75	9.25
Missoula Redevelopment Agency	6.00	6.00	6.00	6.00	6.00

<b>Total</b>	<b>545.76</b>	<b>564.40</b>	<b>620.58</b>	<b>638.42</b>	<b>655.12</b>
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# FY20 FTE's by Department



# FY 2020 FTE's by Function

