



# Summary Budget

## Fiscal Year 2016



435 Ryman Street, Missoula MT 59802 | 406-552-6110  
[www.ci.missoula.mt.us](http://www.ci.missoula.mt.us)



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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, 2014**

Executive Director

## **Elected Officials**

Mayor, John Engen

Municipal Court Judge, Kathleen Jenks

## **City Council**

### **Ward One**

Term Expires First Monday In:

Bryan von Lossberg	2018
Jason Wiener	2016

### **Ward Four**

Term Expires First Monday In:

Patrick Weasel Head	2016
Jon Wilkins	2018

### **Ward Two**

Term Expires First Monday In:

Jordan Hess	2018
Adam Hertz	2016

### **Ward Five:**

Term Expires First Monday In:

Annelise Hedahl	2018
Mike O'Herron	2016

### **Ward Three**

Term Expires First Monday In:

Emily Bentley	2018
Alex Taft	2016

### **Ward Six**

Term Expires First Monday In:

Ed Childers	2016
Marilyn Marler	2018

## **Administrative Officials**

**Dale Bickell** –Chief Administrative Officer

**Steve Johnson**-Central Services Director

**Jim Nugent**-City Attorney

**Mike Brady**-Police Chief

**Jason Diehl**-Fire Chief

**Leigh Griffing**-Assistant Finance Director

**Mike Haynes** –Development Services Director

**Ellen Buchanan**- Missoula Redevelopment Director

**Carl Horton**-Information Technologies Director

**Donna Gaukler**- Parks and Recreation Director

**Anne Guest**-Missoula Parking Commission Director

**Ron Regan**-Cemetery Director

**Martha Rehbein** – City Clerk

**Don Verrue**-Certified Building Official

**Brian Hensel**, Street Division Superintendent

**Jack Stucky**-Vehicle Maintenance Division Superintendent

**Starr Sullivan**-Wastewater Treatment Division Superintendent

**Ellen Leahy**- City/County Health Department Director

**Honore Bray**-City/County Library Director

**Laurie Pfau**-Human Resources Director

**John Wilson**-Public Works Director

## City of Missoula Committees, Commissions and Boards

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

<b>County Appointments:</b>	<b>Start of Term</b>	<b>End of Term</b>
Caryn Miske	January 1, 2014	Dec. 31, 2015
W. Lynn Gontarek-Garberson	January 1, 2015	Dec. 31, 2016
<b>City Appointments:</b>		
Jesse Munro	January 1, 2015	Dec. 31, 2016
Karen Munro	January 1, 2015	Dec. 31, 2016
<b>Animal Control Board-Must be a license Vet.</b>		
Shoni Card, DVM	<i>Ongoing Appointment</i>	

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

<b>Members:</b>	<b>Start of Term:</b>	<b>End of Term:</b>
Leora Bar-el	Sept. 16, 2014	Sept.15, 2017
Celia Grohmann	Sept. 16, 2014	Sept.15, 2017
Peter Drakos	Sept. 16, 2014	Sept.15, 2017
Ryan Yearous	Oct. 1, 2015	Sept.30, 2018
Peter Walker-Keleher	Oct. 1, 2015	Sept.30, 2018
Bob Wachtel (Chair)	Oct. 1, 2015	Sept.10, 2018
Thomas Sullivan	Sept. 16, 2013	Sept.15, 2016
Caleb Kasper	Sept. 16, 2013	Sept.15, 2016
Kathryn Fielding	Sept. 16, 2013	Sept.15, 2016

### BOARD OF ADJUSTMENT (Term 3 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Sara Stout	July 1, 2015	June 30, 2018
Micah Nielsen	July 1, 2015	June 30, 2018
John Horrell	July 1, 2015	June 30, 2018
Andy Short	July 1, 2013	June 30, 2016
Carl Posewitz	July 1, 2014	June 30, 2017
Michael Nave (Vice Chair)	July 1, 2014	June 30, 2017
Michael Kopitzke (Chair)	July 1, 2014	June 30, 2017
Sandy Mitchell (Alternate#1)	July 1, 2014	June 30, 2017
Charles (Char) (Alternate #2)	July 13, 2015	June 30, 2017



## City of Missoula Committees, Commissions and Boards

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Heather McMilin (At-Large)	July 1, 2014	June 30, 2017
Jack Moffett (Electrician)	July 1, 2014	June 30, 2017
Carl Posewitz (Architect, Chair)	July 1, 2015	June 30, 2018
David V. Gray (At-Large)	July 1, 2015	June 30, 2018
Clayton Anderson (Plumber)	July 1, 2015	June 30, 2018
John Wells (At-Large)	July 1, 2013	June 30, 2016
Jonathan Gass (Engineer)	July 1, 2013	June 30, 2016

### 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, 2015	May 31, 2019
Charlie Beaton (S. of Clark Fork River)	June 1, 2015	May 31, 2019
Alan Newell (Greater than 20,000 sq. ft.)	June 1, 2012	May 31, 2016
Tim France (Less than 20,000 sq. ft.)	June 1, 2012	May 31, 2016
Dan Cedarberg-(At-Large Rep)	June 1, 2013	May 31, 2017
Craig Asaved (Zone 2)	June 1, 2014	May 31, 2017
Ellen Buchanan-(City of Missoula Rep)	June 1, 2014	May 31, 2018

### CEMETERY BOARD (Term 2 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Marjorie Jacobs	May 1, 2014	April 30, 2017
Sharee Fraser (Chair)	May 1, 2014	April 30, 2017
Carol Gordon	May 1, 2014	April 30, 2017
Patrick J. McHugh	May 1, 2015	April 30, 2018
Mary Lou Cordis	May 1, 2015	April 30, 2018

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Tim Hall- City Appointed	August 13, 2012	Dec. 31, 2015
Paul Parson- City Appointed	January 1, 2014	Dec. 31, 2016
Elizabeth "Libby" Maclay		Dec. 31, 2016
Sidney Wills		Dec. 31, 2018
Art Pencek		Dec. 31, 2018
Robert Schroeder		Dec. 31, 2018
Greg Martinsen- Non-Voting	N/A	N/A
Travis Greenwalt		Dec. 31, 2016

## City of Missoula Committees, Commissions and Boards

### CONSERVATION LANDS ADVISORY COMMITTEE

Appointed by the Missoula Parks & Recreation Board

<b>Members:</b>	<b>Start of Term</b>	<b>End of Term</b>
Aaron Olsen	Oct. 16, 2015	Oct. 15, 2018
Terry Carlson	Oct. 16, 2015	Oct. 15, 2018
Chris Ryan	Oct. 16, 2012	Oct. 15, 2015
Bert Linder	Oct. 16, 2013	Oct. 15, 2016
Beverly Dupree	Oct. 16, 2013	Oct. 15, 2016
Carol Fisher	Oct. 16, 2015	Oct. 15, 2018
Giles Thelen	Oct. 16, 2014	Oct. 15, 2017
Kathleen Kennedy	Oct. 16, 2014	Oct. 15, 2017
Kevin Verlanic	Oct. 16, 2014	Oct. 15, 2017
John Pierce	Oct. 16, 2013	Oct. 15, 2016
<b>Non-Voting Members:</b>		
Vicki Edwards		
Jennifer Hensiek		

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

<b>Members:</b>	<b>Start of Term</b>	<b>End of Term</b>
Whitney Maphis	Jan. 1, 2014	Dec 31, 2016
Kathleen Likvan	Jan. 1, 2013	Dec 31, 2016
Eric Mendelson	Sept. 21, 2015	Dec 31, 2016
Matt Loomis	Jan. 1, 2014	Dec 31, 2016
Dennis Lippert	Jan. 1, 2013	Dec 31, 2015
Sheena Comer Winterer	Jan. 1, 2013	Dec 31, 2016
Kyle Gauthier	Sept. 21, 2015	Dec 31, 2016
Jacob Wright	Jan. 1, 2013	Dec 31, 2015

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Robin Saha	Sept. 17, 2013	July 31, 2016
Ben Schmidt	NA	NA
David Potchak	Jan 12, 2015	July 31, 2017
Vacant	Aug. 1, 2014	July 31, 2017
Molly White	Aug. 1, 2012	July 31, 2015
Brian Kerns	Aug. 1, 2012	July 31, 2015
John Freer	Aug. 1, 2012	July 31, 2015
Diana Maneta (Alternate 1)	Jan. 12, 2015	July 31, 2017
Sara Rinfret (Alternate 2)	Jan. 12, 2015	July 31, 2017

## City of Missoula Committees, Commissions and Boards

### EXTRAORDINARY EVENTS COMMITTEE

#### **Members**

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

#### **Representation**

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

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

#### **County Appointments (BCC)**

Teresa Henry  
Garon Smith PhD

#### **Start of Term**

Jan 1, 2014  
Jan 1, 2015

#### **End of Term**

Dec. 31, 2016  
Dec. 31, 2017

#### **City Appointments City Council**

Ross Miller  
Debbie Johnston

Jan 1, 2016  
Jan 1, 2014

Dec. 31, 2018  
Dec. 31, 2016

#### **Other Members:**

Tom Roberts, MD  
Jean Curtiss (County)  
Ed Childers (City)  
Paul Parson

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

### HISTORIC PRESERVATION COMMISSION (Term 2 Years)

#### **Members**

James R. McDonald (Professional)  
William Grant (Southeast)  
Steve Adler (Professional)  
Mike Monsos (Northeast)  
Cheryl Cote (Southwest)  
Julia McCarthy-McLavery (At Large)  
Scott Loken-Northwest  
Kate Kolwicz (Downtown)  
Cathy Bickenheuser (Professional)  
Nikki Manning (Alternate 1)  
Delia Hagen (Alternate 2)

#### **Start of Term**

Jan 1, 2013  
Jan 1, 2013  
Jan 1, 2013  
Jan 1, 2014  
Jan 1, 2014  
Jan 1, 2014  
Jan 1, 2014  
Jan 1, 2015  
Jan 1, 2015  
Jan 1, 2015  
Jan 1, 2015

#### **End of Term**

Dec. 31, 2015  
Dec. 31, 2015  
Dec. 31, 2015  
Dec. 31, 2016  
Dec. 31, 2016  
Dec. 31, 2016  
Dec. 31, 2016  
Dec. 31, 2017  
Dec. 31, 2017  
Dec. 31, 2017  
Dec. 31, 2017

Vacant

*Serves at the pleasure of the MRA Board*

## City of Missoula Committees, Commissions and Boards

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Mayoral Appointments:</b>		
Hank Trotter	Aug. 3, 2015	Nov. 30, 2016
Nick Kaufman (Development Rep)	Nov. 30, 2012	Nov. 30, 2016
Janet Stevens Donahue (Chair)	Nov. 30, 2012	Nov. 30, 2016
John Freer	Nov. 30, 2012	Nov. 30, 2016
Jim Galipeau (C.P.A.)	Dec. 1, 2014	Nov. 30, 2018
Jerry Ford	Dec. 1, 2014	Nov. 30, 2018
Kate Sutherland	Dec. 1, 2014	Nov. 30, 2018
<b>City Council Appointments:</b>		
Derek Goldman	Dec. 1, 2012	Nov. 30, 2016
Adam Pummill	Jun. 1, 2015	Nov 30, 2018

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Commissioner Board Appointed:</b>		
Kathryn Doney	July 1, 2013	June 30, 2018
Rita Henkel	July 1, 2014	June 30, 2019
Christine Prescott	July 1, 2012	June 30, 2017
Margaret Warstet	July 1, 2013	June 30, 2018
<b>Mayoral Appointments:</b>		
Becky Mosbacher	July 1, 2014	June 30, 2019
Matt English (Alternate)	July 1, 2012	June 30, 2017



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

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Melinda Mason	Mar. 1, 2015	Feb. 28, 2018
Tara Maus	Mar. 1, 2015	Feb. 28, 2017
Dan Cederberg	Mar. 1, 2015	Feb. 28, 2018
Eran Fowler- Pehan	Mar. 1, 2013	Feb. 28, 2016
Jason Wiener	Mar. 1, 2015	Dec. 31, 2015
Loreen Hamilton	Feb. 1, 2015	Jan. 31, 2017
Keithi Worthington	Mar. 1, 2015	Feb. 28, 2018
Laurie Johnson	Mar. 1, 2013	Feb. 28, 2016
Margaret Borg	Mar. 1, 2013	Feb. 28, 2016
Michael Moore	Jan. 1, 2016	Dec. 31, 2018
Nicole Rowley	Feb. 1, 2015	Jan. 31, 2017
Elizabeth Marshall	Jan. 1, 2015	Dec. 31, 2018
Andrea Marcoccio	Oct. 1, 2015	Sep. 30, 2018
Rob Scheben	Mar. 1, 2013	Feb. 28, 2016
Sue Wilkins	Jun. 1, 2015	May 31, 2018
Susan Hay Patrick	Mar. 1, 2015	Feb. 28, 2018
Travis Meteer	Aug. 1, 2015	July 31, 2018
Jon Wilkins	May 1, 2014	Apr. 30, 2016
Bryan von Lossberg	May 1, 2014	Apr. 30, 2016
Ginny Merriam	Staff	Staff

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Mayoral Appointments:</b>		
Jean Zosel	Oct.21, 2014	Dec. 31, 2017
John Rettenmayer (Chair)	Jan. 1, 2014	Dec. 31, 2016
<b>City Council Appointments:</b>		
Bruce Tribbensee	Jun. 8, 2015	Dec. 31, 2018
John Firehammer	Jan. 1, 2014	Dec. 31, 2016
<b>City Council Representative:</b>		
Annelise Hedahl	Mar. 1, 2014	n/a
Ed Childers (Vice Chair)	Dec. 19, 2005	n/a
<b>City Staff Representative</b>		
Ginny Merriam	Mar. 1, 2006	n/a
<b>County Representative</b>		
Katie Klietz	Oct. 1, 2015	n/a
<b>County Public School Representative</b>		
Hatton Littman	Oct 7, 2013	n/a
<b>U of M Representative</b>		
Jen Sauer	Jun. 2, 2005	n/a

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

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

Resident Member terms are 2 years terms

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Diane Keefauver (Resident Member)	Nov. 25, 2015	Jun. 25, 2017
Collin Bangs	Jun. 26, 2012	Jun. 25, 2017
Monique Casbeer (Resident Member)	Mar. 1, 2014	Jun. 26, 2016
David Warren	Mar. 1, 2014	Jun. 25, 2018
Jaime Hoffmann	Jun. 26, 2014	Jun. 25, 2019
Heidi DeArment	Aug. 10, 2015	Jun. 25, 2020
J. Fred Simpson	Jun. 26, 2011	Jun. 25, 2016

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
John Roemer	May 1, 2013	Apr. 30, 2017
Matt Ellis	May 1, 2014	Apr. 30, 2018
Pat Corrick	Jul. 27, 2015	Apr. 30, 2019
Heidi Kendall	Jul. 27, 2015	Apr. 30, 2019
John Smith	May 1, 2012	Apr. 30, 2016

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Daniel Kemmis	May 1, 2013	Apr. 30, 2017
Ruth Reineking	May 1, 2014	Apr. 30, 2018
Nancy K. Moe	May 1, 2014	Apr. 30, 2018
Melanie Brock	May 1, 2015	Apr. 30, 2019
Karl J. Englund (Chair)	May 1, 2012	Apr. 30, 2016

## ***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>
Ethel MacDonald	Jan. 26, 2014	Jan. 25, 2017
Deke Tidwell	Jan. 26, 2014	Jan. 25, 2017
Robert Erickson	Jan. 26, 2014	Jan. 25, 2017
Gerhard Knudsen	Jan. 26, 2015	Jan. 25, 2018
Janet Krivacek	Jan. 26, 2015	Jan. 25, 2018
Regan Whitworth	Jan. 26, 2015	Jan. 25, 2018
Matt Barnes	Jan. 26, 2015	Jan. 25, 2018
Tim Aldrich (Chair)	Jan. 26, 2013	Jan. 25, 2016
Bert Linder	Jan. 26, 2012	Jan. 25, 2016
Daniel Spencer	Jan. 26, 2012	Jan. 25, 2016
Anna Noson	Jan. 26, 2012	Jan. 25, 2016
Kevin Verlanic	Park Board Appointment	

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Ross Mollenhauer	May 1, 2014	Apr. 30, 2017
Dayna Swanson	Jul. 27, 2015	Apr. 30, 2016
Johanna Eisenmann	May 1, 2014	Apr. 30, 2017
Dale Harris (Chair)	May 1, 2013	Apr. 30, 2016
John O'Conner	May 1, 2013	Apr. 30, 2016
Sonja Verlanic	Aug. 24, 2015	Apr. 30, 2016
Christine Ryan	May 1, 2014	Apr. 30, 2017

#### **PLANNING BOARD (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Appointments (BCC)</b>		
Dick Ainsworth	Jan. 1, 2013	Dec. 31, 2015
Nathan Locke	Jan. 1, 2013	Dec. 31, 2015
Christine Marie "Tutty" Johnson	Jan. 1, 2014	Dec. 31, 2015
Jerry O'Connell	Jan. 1, 2014	Dec. 31, 2015
<b>Mayoral Appointments</b>		
John Newman	Jan. 1, 2015	Dec. 31, 2016
Neva Hassanein	Jan. 1, 2016	Dec. 31, 2017
<b>City Council Appointments</b>		
John Dibari	Jan. 1, 2015	Dec. 31, 2017
Tim Skufca	Jan. 1, 2014	Dec. 31, 2015
<b>Planning Board Member</b>		
Ron Erickson	Jan. 1, 2015	Dec. 31, 2017
Helen Pent Jenkins City Alt.)	Jun. 22, 2015	Dec. 31, 2017
Michael Houlihan (Co. Alt.)	Aug. 20, 2015	Dec. 31, 2015

## ***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, 2014	April 30, 2017
Suzanne Peterson	May 1, 2015	April 30, 2018
Raymond Murray (Chair)	May 1, 2013	April 30, 2016

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Kia Liszak	Jun. 30, 2013	July 1, 2017
Douglas Olson	Jul. 1, 2014	Jun. 30, 2018
Peter Lambros, Chair	Jul. 1, 2014	Jun. 30, 2018
Taag Peterson	Jul. 1, 2015	Jun. 30, 2019
Kathi Olson	Jul. 1, 2015	Jun. 30, 2019
Ted Hughes	Jun. 30, 2012	July 1, 2017
<b>City Council Appointments</b>		
Courtney LeBlanc	Sep. 1, 2015	June 30, 2019
Julie Armstrong	Jul. 1, 2015	June 30, 2019
<b>City Council Representative</b>		
Marilyn Marler	-----	-----

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Dan Carlino, Chair	Dec. 1, 2014	Nov. 30, 2018
Lucy Weeder	Dec. 1, 2014	Nov. 30, 2018
Regina Rhodes	Nov. 30, 2013	Nov. 30, 2017
Matthew Doucette	Nov. 16, 2012	Nov. 30, 2016
Kate Leonberger	Nov. 16, 2011	Nov. 30, 2015



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

### **TRANSPORTATION POLICY COORDINATING COMMITTEE**

<b>Members</b>	<b>Association</b>	<b>Voting</b>
Don MacArthur	Missoula Urban Transportation District	Yes
Jason Wiener	City Council	Yes
John Engen	Mayor, City of Missoula	Yes
Stacy Rye	Board of County Commissioners	Yes
Nicole Rowley	Board of County Commissioners	Yes
Ed Toavs	Montana Dept. of Transportation	Yes
Greg Oliver	Missoula Consolidated Planning Board	Yes
Lloyd Rue	Federal Highway Administration	No
Doug Schallenger	Ravalli County Commissioner	No
Garon Smith	Missoula City/County Health Board	No

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>County Appointments (BCC)</b>		
Marty Blair	Jan. 1, 2015	Dec. 31, 2018
Melanie Brock	Jan. 1, 2014	Dec. 31, 2017
Andrea Davis	Jan. 1, 2012	Dec. 31, 2015
<b>Mayoral Appointments</b>		
Amy Cilimiburg	Jan. 1, 2014	Dec. 31, 2017
Scott Hallenbeck	Jan. 1, 2012	Dec. 31, 2015
Eric Hines	Jan. 1, 2015	Dec. 31, 2018
<b>City/County Alternating Appt.</b>		
Don MacArthur	Jan. 1, 2013	Dec 31, 2016

## Budget Message

December 23, 2015

City of Missoula Residents:

This document is the Final Operating and Capital Budget for the City of Missoula, Montana for the fiscal year ending June 30, 2016 (FY 16). A brief summary of the Final Budget follows.

### Overview of Budgeted Resources

The following table depicts the projected beginning balances, estimated revenues, final budgeted expenditures, and projected ending balances for the budget year. All city funds are included in this budget. The table reflects estimated revenues of \$133,522,127, budgeted expenditures of \$124,549,353 with expected expenditure savings of \$1,554,412, resulting in a projected increase in the ending balances of \$10,527,186. An explanation of the significant changes in fund and cash balances (those greater than 10%) are provided on the following pages.

Projected Changes in Fund Balances or Cash Balances Final Budget - July 1, 2015 through June 30, 2016 (FY 16)								
	Governmental Fund Types				Proprietary Fund Types	Fiduciary Fund Types		Total All Funds
	General	Special Revenue	Debt Service	Capital Project	Enterprise & Internal Service	Trust & Agency	Component Units	
Projected Beginning Fund Balance/Cash	\$ 5,631,238	\$ 7,027,481	\$ 3,118,239	\$ (9,131,679)	\$ 82,410,195	\$ 430,383	\$ 101,648	\$ 89,587,504
Estimated Revenues	52,233,505	17,683,204	3,300,965	7,653,497	27,151,183	-	25,499,773	\$ 133,522,127
Approved Budget	(54,517,253)	(18,717,007)	(7,009,873)	(1,460,166)	(26,468,120)	-	(16,376,935)	\$ (124,549,353)
Anticipated Savings	<u>1,554,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 1,554,412</u>
Projected Change in Fund Balance/Cash	<u>(729,336)</u>	<u>(1,033,803)</u>	<u>(3,708,908)</u>	<u>6,193,331</u>	<u>683,063</u>	<u>-</u>	<u>9,122,838</u>	<u>\$ 10,527,186</u>
Projected Ending Fund Balance/Cash	\$ 4,901,902	\$ 5,993,678	\$ (590,669)	\$ (2,938,348)	\$ 83,093,258	\$ 430,383	\$ 9,224,486	\$ 100,114,690

**FY 16 Final Operating and Capital Budget**

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

**General Fund (Major Fund)**

- The General Fund: The General Fund year-end fund balance decreased from \$5.58 million in FY 2014 to \$ 5.63 million at the end of FY 2015. The previous building of the fund balance in the prior five years was accomplished by budgeting conservatively for revenues with significant expenditure savings required of many large General Fund departments, such as Police, Fire and Parks & Recreation. The reduction in fund balance during FY 2014 and FY 2015 occurred due to several factors. These factors include the payment of legal judgment costs in two different lawsuits that exceeded \$200,000. In addition to the lawsuits, there was a shortfall in budgeted revenue during the creation of the Development Services Department. During the creation of the Development Services Department, there was a transfer of approximately 23 County planning staff to the City. When the County reconciled the fund balances to be transferred over with the staff, there was an unexpected shortfall of \$100,000 in anticipated revenues, due to negative fund balances at the County. In the anticipated expenditures savings there was a reduction in expected expenditure savings in both the City Police and Fire departments. Additionally, there was the refunding of \$226,000 of protested taxes by the County prior to final tax settlement in FY 2015. The protested taxes had been previously remitted to the City and the 2015 final settlement nets positive for tax receipts.

**Special Revenue Funds**

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

**Debt Service Funds**

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

**Capital Project Funds**

- The Capital Projects year end fund balance for FY 2015 was negative. This should be eliminated during the course of FY 2016 for the most part, as the projects are completed and the bonds are issued to reimburse the city for the infrastructure constructed.

**FY 16 Final Operating and Capital Budget****Enterprise/Internal Service Funds**

- The Enterprise Fund balances are expected to continue to hold steady. Sewer utility rates were increased modestly for the FY 2010 - FY 2013 budget years (5%/year in each year for four years) to accommodate the financing of an upgrade at the wastewater plant head-works. In FY 2009, sewer utility charges declined 2% for the first time in over a decade due to reduced industrial and commercial billings, reflecting the effect of the current national economic recession. However, the City has continued to grow in population and in new sewer connections at a rate of approximately 1.5% per year. By FY 2010, the decline in revenues started to reverse and the sewer revenues began to grow again in the industrial and commercial billings through the current year (FY 2016). The residential component of the utility billing has always seed modest growth, even during the recession. Beginning in FY 2016, there will be another utility bill increase to cover upcoming capital projects to improve efficiency, reduce emissions and recapture biogas fumes to convert into electricity to assist in powering the treatment plant. This increase is a modest 2.5% increase to all utility bills effective each January 1, for the next three years (2016 – 2018).
- The City's only Internal Service Fund, the City Health Insurance plan, had suffered from significant increases in usage and medical inflation up until seven years ago. At that point, the plan had increased its fund balance every year for seven successive years bringing the plan from a deficit of -\$4 million in FY 2003 to a surplus of \$2.2 million at the end of FY 2009. The Health Insurance levy within the city's cap was reduced in FY 2010 by reducing the monthly premium paid per employee for the health insurance from \$670 to \$570. The decrease in premiums paid resulted in decreased amount of money levied within the General Fund, thereby avoiding the necessity of cutting any further budgets for FY 2010. The fact that the plan had significantly increased its fund balance every year for the prior six years lead to the assumption that the fund balance would minimally increase or remain the same by reducing the funding for one year. However, the plan experienced its worst year ever for claims utilization in FY 2010, with result that the fund balance decreased from \$1.3 million to \$0.98 million. The continued increase of plan utilization and increased costs occurred in FY 2011 which resulted in a drop in fund balance by the end of FY 2011, even with the increased utilization and costs being offset by an increase of City contributions of more than \$300,000. For FY 2012 employee and employer contributions were increased in an effort to minimize the reduction in the fund balance. In addition to the increase in contributions, the City provided additional funding as onetime transfers from the General Fund for FY 2012 – FY2 015 to assist in maintaining a positive fund balance. The additional funding is not budgeted for in FY 2016, this is due to the fact that the plan was stabilized in FY 2012 and continues to grow. In FY 2015, there was a slight reduction in fund balance due to an abnormal increase of costs to the program. This was determined to be an increased cost from the implementation of the Affordable Care Act (ACA) also known as Obamacare. Part of implementing the ACA is that it is mandatory to include prescriptions as part of the total claim deductibles and this has not happened in the past. For FY 2016, the plan is anticipated to continue to grow, in an effort to reach the goal of reserving three months of claims (\$1,400,000) in the health reserve.

**Component Units**

- The City of Missoula has four component units, the Missoula Parking Commission (MPC), the Missoula Redevelopment Agency (MRA), the Business Improvement District (BID), and the Tourism Business Improvement District (TBID). The Parking Commission has an operating budget of \$1.6 million plus debt service requirements of \$0.46 million. It maintains a reserve of \$1.0 million, part of which is required for coverage pertaining to outstanding bond issues as a result of the construction of additional parking in the downtown business district made available to the public in the spring of the 2013.
- 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



## FY 16 Final Operating and Capital Budget

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. MRA has six active districts that are currently being managed. URD II, located in the heart of Missoula, covers the approximate area starting north at Toole Avenue, extending south to South 3<sup>rd</sup> Street, and starting east at Walnut Avenue and running west until Garfield Avenue. URD III runs along the Brooks Street corridor in southwest Missoula. The approximate area that URD III covers, starts in northeast Missoula at 14<sup>th</sup> Street and Bancroft Street and follows the Brooks Street corridor southwest extending to Reserve Street and 39<sup>th</sup> Street. Recently URD III extended the boundaries to include parcels that the Southgate Mall occupies, and an area along the western boundary between Reserve St and MRL's Bitterroot Branch Line. The boundary modification in URD III allows for consideration of TIF funds to be used in upgrading infrastructure and expanding street connectivity in the area. Two new districts were added in the past year and they include the Hellgate Urban Renewal District (Hellgate) which is located east of Madison Street between I-90 and the Clark Fork River. The other new district added is the North Reserve – Scott Street Urban Renewal District is located between Reserve and Scott Streets. MRA has initiated programs to build sidewalks in Urban Renewal District II (URD II) and URD III where they do not exist or are deficient. Approximately 10.5 miles of sidewalks have already been constructed with the goal of completing the sidewalk network in both districts within the life of those districts. Over \$10 million has been spent improving neighborhoods through the installation of sidewalks, curbs, street trees and repaved streets since MRA initiated the complete sidewalk program. After successfully completing major improvements to Brooks Street between Reserve Street and Dore Lane, MRA made a commitment to similar improvements to Brooks Street between Dore Lane and Paxson Street. The project will make the street more conducive to pedestrian and bicycle use through reduced lane widths, construction of curb extensions and crosswalks at the intersections, installing pedestrian scale street lights and street trees. In addition to the Brooks Street improvements in URD III, Construction and fabrication have started on a grade separated trail crossing at South Reserve Street to link the Bitterroot Branch and the Missoula-to-Lolo Trails, providing a trail system from downtown Missoula to Hamilton. The two new districts also have projects in their districts which include the State of Montana is constructing a new location for Missoula College in the Hellgate district and infrastructure upgrades to North Reserve – Scott Street district. The infrastructure upgrades involve the national headquarters for a regional home health corporation, a major expansion of Bretz RV and Marine and Phase I of a new residential neighborhood named Scott Street Village. MRA is also working to expand the URD III Façade Improvement Program (FIP) to other urban renewal districts. The program provides financial assistance to private property owners for appropriate façade improvements that enhance the pedestrian experience, increase building energy efficiency, and use sustainable building materials. The program also promotes improved accessibility for disabled citizens and additional landscaping above that required by code in an effort to enhance the pedestrian and aesthetic environment.

- The Downtown Business Improvement District (BID) was created through the efforts of the Missoula Downtown Association to address the challenges created by the termination of the Downtown Urban Renewal District (URD I) on June 30, 2005. Implementation of the district began in 2001 with the creation of a committee, followed by community education through local media campaigns and meetings with property and business owners in the district. Following educating the citizens was the creation of a comprehensive database of property owners in the district, and the petition process to create the district. The verification the petition was finalized at the end of 2004. The BID was presented and approved by the City Council in April 2005. The BID now serves as an advocate for property and business owners in the district and address areas such as safety, cleanliness, appearance, marketing, business retention and recruitment. The district also advocates for public and private investment in buildings and infrastructure.
- The Tourism Business Improvement District (TBID) was created through the efforts of the Missoula Area Convention and Visitor's Bureau to aid tourism, promotion, and marketing within the District. The creation of the district also allows Hotels/Motels outside the City limits in the Missoula Urban area to participate in the Tourism Business Improvement District. The goal of the TBID is to

## FY 16 Final Operating and Capital Budget

increase four season revenues statewide through effective marketing and promotions. In order for the TBID to accomplish its goal of increasing four season revenues by focusing on high-value, low-impact visitors by working in partnership with the Missoula International Airport to bring key new service to Missoula. The TBID also works with the community to keep and strengthen our present air service by promoting Missoula and Montana and by offering incentives to air services in an attempt to increase the total air service into and out of Missoula. Destination Missoula and the TBID will focus on increasing overnight visitation to Missoula with an emphasis on the months of November through April. In an effort to increase overnight stays in Missoula the TBID/Destination Missoula will leverage marketing funds focusing on Missoula being a prime destination for annual business meetings and/or conventions, sports and sporting events, tour, group, and leisure travel.

## Planning Processes

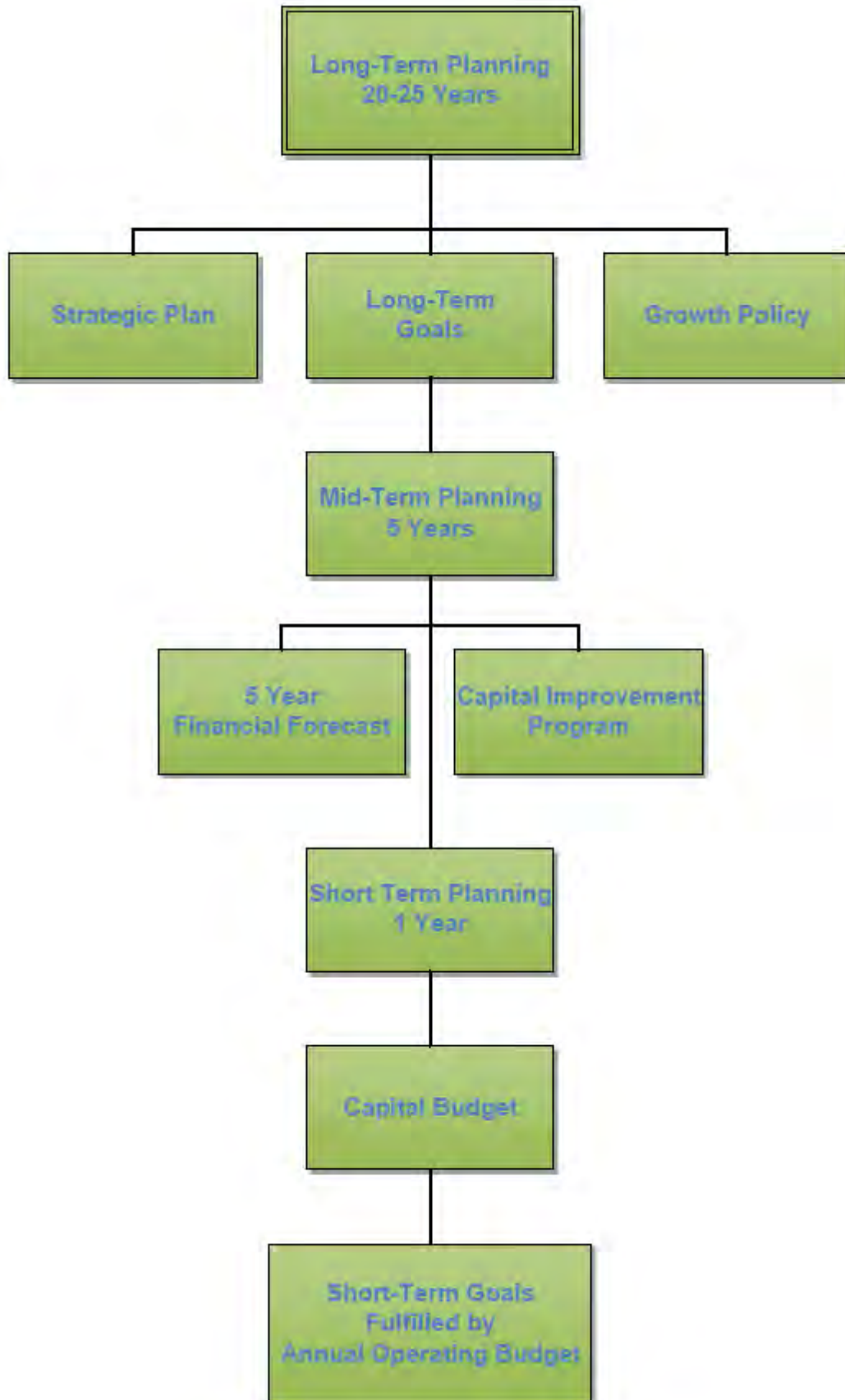


The City of Missoula conducts various planning processes (long-term, mid-term and short-term), to help guide the government and to insure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to insure each of these component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

Each element of the City’s planning process has a different purpose and timeframe. 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 timeframe. The most important requisite is that they are coordinated efforts.

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

FY 16 Final Operating and Capital Budget





## FY 16 Final Operating and Capital Budget



## Strategic Plan

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

The fiscal year 2016 budget continues our Strategic Planning initiatives started in FY 1992. This plan was significantly updated in FY 2009 and implemented in FY 2010. The City's Strategic Plan is an ongoing dynamic process that will provide residents, taxpayers and stakeholders a greater understanding of city government. The City's Strategic Plan focuses on performance. The City's Strategic Plan provides for measurable goals and objectives the City intends to achieve within the fiscal year. Department employees will be held accountable for the implementation and success of the plan. As part of the City's Strategic Planning Process, the city created a set of strategies to help guide the organization. These range from philosophical strategies down to concrete achievable goals for the coming year. The City's Strategic Planning Process, which is delineated into several charts and paragraphs, is listed below:

### City of Missoula Strategic Plan 2010-2016

#### Goal

**We believe the City of Missoula has a responsibility to remain financially stable and to provide service to its citizens.**

**We will work toward success in three areas:**

- 1. Fiscal Sustainability**
- 2. Harmonious natural and built environment**
- 3. Quality of life for all people in all places**



## FY 16 Final Operating and Capital Budget

**City of Missoula Goals**

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

Listed below are the City's Strategies that help guide the development of this budget. The goals and strategies listed below are addressed very specifically in each of the

departmental narratives in this budget document. The extent to which a department can advance these goals and strategies is actually quantified and scored when the individual offices are seeking funding for capital requests. Actual scoring for each of the capital requests is explained in the capital budget section of this report.

### City of Missoula Strategies

#### Missoula will lead the region in the following three areas:

##### 1. Funding and Service

- We will maintain or improve the level of service to citizens.
- We will work toward sustaining and diversifying fiscal resources.
- We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.

##### 2. Harmonious Natural and Built Environment

- We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clear air.
- We will work to provide citizens access to parks, open spaces and the natural environment.
- We will reflect values of sustainability in transportation and building design.

##### 3. Quality of Life for All Citizens

- We will work together to meet basic human needs with dignity for all.
- We will work to provide affordable housing for the work force of Missoula.
- We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.

Departments develop and continue to develop performance measures to identify and track quantitative and qualitative measures of their service delivery performance. Performance budgets emphasize the accomplishment of program objectives. Performance budgeting involves a shift away from inputs (what is going to be purchased), to outcomes (what is going to be accomplished).

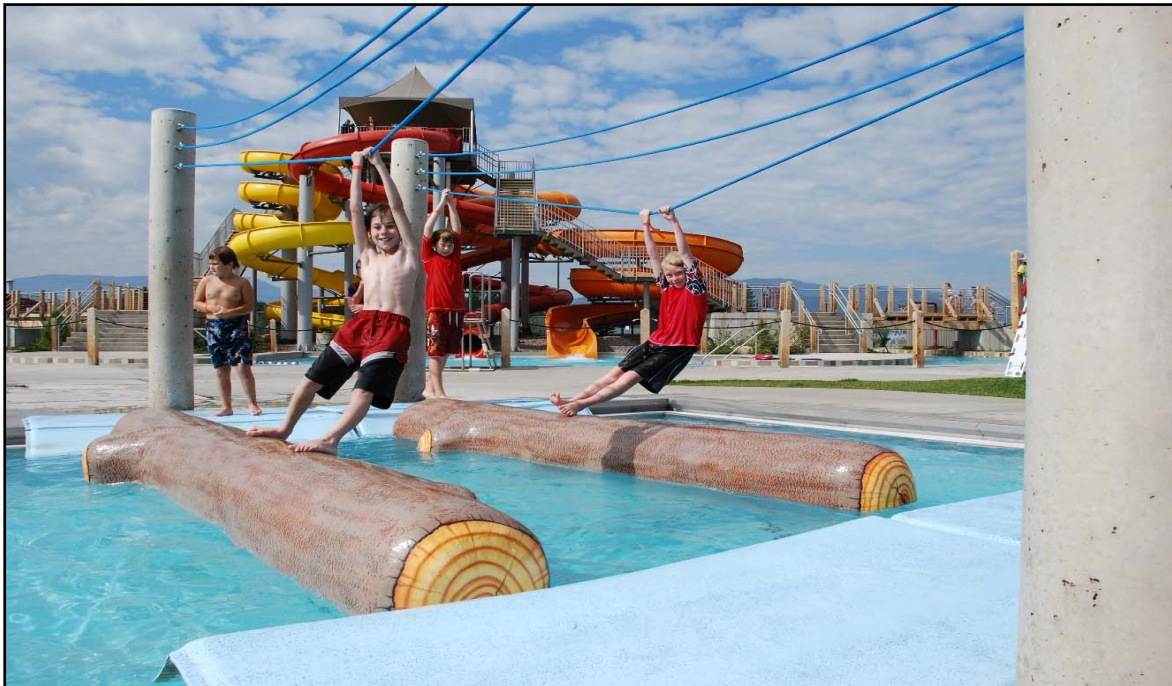
**FY 16 Final Operating and Capital Budget****Five-Year Financial Plan**

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

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

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

The long range financial plan for the City of Missoula is starting to show trends of increased building in both the commercial and residential portions of the city. This increase in the building industry is positive for the City due to the fact that at this time the majority of the City's revenues are dependent on the tax base. Since FY 2008, the start of the recession, the City was having difficulty raising revenues related to the stagnant growth in the building industry and many commercial businesses laying empty or for sale. During the recession, the goal of the City was to maintain a positive fund balance or increase the fund balance to the goal of a 7% reserve of operating expenditures. This is one of the major long term goals of the City General Fund. With the onset of increased spending in the building industry, the City is on the verge of realizing the additional tax base, which translates into increased revenues from property taxes.



**FY 16 Final Operating and Capital Budget****Capital Improvement Plan**

The city prepares a 5-year Capital Improvement Program (CIP) which is summarized within the Annual Operating Budget. The CIP is a multi-year capital improvement plan that forecasts, but does not obligate, future spending for all anticipated capital projects. The CIP is developed and updated annually. The proposed five-year CIP uses conservative financial forecasts and reflects only those projects with the highest priority and most realistic expectation for completion during the next five years. This approach avoids raising expectations for projects that are not well defined or that the operating budget will not support.

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

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

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

An additional summary of the significant capital projects included in the FY 2016 Operating Budget is included in the Capital Projects Section of this budget. Detail of scheduled debt payments are provided in the Capital Projects Section also.

## FY 16 Final Operating and Capital Budget

## STAFFING CHANGES

The final budget includes a net overall increase of 5.09 full-time equivalent employees (FTE). The chart below shows the change in FTE for the budget year for each department. Also included in the appendix is a chart that shows the city's FTE over the last five years.

Staffing Changes (FTE)	
DEPARTMENT/DIVISION	Net Increase (Decrease)
<b>General Fund Departments</b>	
Human Resources	-
City Clerk	-
Information Systems	2.00
Municipal Court	-
Finance/Treasurer	-
Central Services	-
Development Services	0.25
GIS	(3.00)
City Attorney	-
Public Works - Operations	-
Vehicle Maintenance	-
Police Department	2.00
City Cemetery	-
Parks & Recreation	0.59
<b>Total General</b>	<b>1.84</b>
<b>Special Revenue Funds</b>	
Planning	-
Building	0.90
Transportation	1.17
Road District 1	0.50
Park District 1	0.75
<b>Total Special Revenue</b>	<b>3.32</b>
<b>Proprietary Funds</b>	
Wastewater Treatment Plant	1.50
Aquatics	(1.57)
<b>Total Proprietary</b>	<b>(0.07)</b>
<b>Total for City Departments</b>	<b>5.09</b>



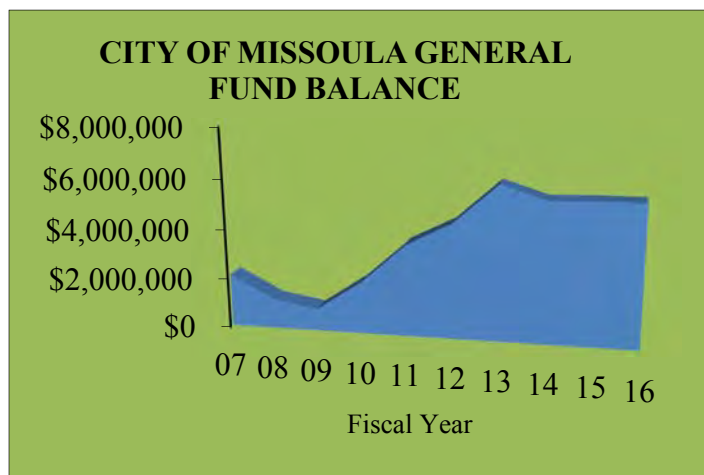
## FY 16 Final Operating and Capital Budget

### BUDGETARY TRENDS

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

Fund balance measures the net financial resources available to finance expenditures of future periods.

Rating agencies examine fund balance when considering the credit quality of the City.

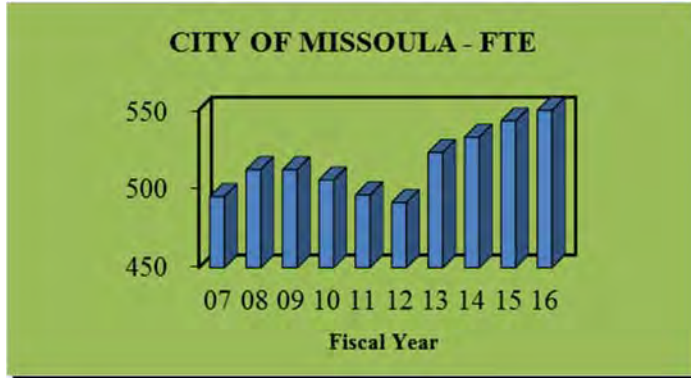


The General Fund balance is one of the better indicators of the city's overall financial health. Shown by the graph to the left is the city's actual General Fund balance over the course of the last ten years. Although not shown on the graph, the reduction in General Fund balance from fiscal year 2001 to 2003 was attributable to several factors including the financial losses associated with a Fire arbitration settlement and a business licensing lawsuit as well as the transfer of nearly \$1,000,000 to stabilize the City's Health Plan and set up the City's Building Inspection Division as a separate fund.

Subsequent to Fiscal Year 2003, the city has made a conscious effort to rebuild the General Fund balance. At the end of FY 2007, the total fund balance of the General Fund was \$2.12 million compared to \$1.0 million at year end in FY 2003. This ending fund balance in FY 2012 represented nearly 6% of total General Fund expenditures. The decrease in fund balance in FY 2008 was due to a decline in expected expenditure savings and slight increase in tax delinquencies. An item of note is the City's 15 year history of always having between 3% - 5% expenditure savings. The city addressed this issue by requiring a mandatory 3.7% holdback on expenditures for FY 2009. The FY 2008 expenditure savings were less than 1% due to the heavy operating impact of higher fuel, energy and transportation costs that became imbedded in virtually everything the city purchased. The General Fund year-end balance for FY 2009 decreased to \$0.9 million from \$1.2 million at the end of FY 2008. The decrease in fund balance in FY 2009 was primarily due to a decline in expected revenues, especially in the fee based services related to the decline in economic expansion (planning and engineering fees, business licenses), investment earnings and in police fines.

The City's budgets continued to be structurally balanced permitting the city to increase its General Fund year-end fund balance from \$2.1 million in FY 2009 to \$6.14 million by the end of FY 2013. However, the fund balance was reduced to \$5.4 million by the end of FY 2014. The continued building of the fund balance from FY 2009 through FY 2013 was accomplished by budgeting conservatively for revenues and by mandating significant expenditure savings from many large General Fund departments. Please note that seven special purpose funds under General Fund control were removed from the Special Revenue fund category at the end of FY 2010 and moved to special purpose General Fund accounts in FY 2011. This increased the overall FY 2011 ending General Fund balance to \$3.67 million from \$2.1 million. The City's goal is to rebuild the fund balance back to the FY 2013 level. The unassigned fund balance at the end of FY 2013 was \$3.0 million, which was 7% of the operating expenses, the goal identified by the City's rating agency for adequate unassigned fund balance in the General Fund. The city expects to rebuild the FY 2016 unassigned fund balance back to the FY 2013 level over the next two years.

## FY 16 Final Operating and Capital Budget



Full-time equivalent employees (FTE) are a key indicator mirroring the growth of the City of Missoula. As shown by the graph on the left, total FTE's grew from 495.03 in FY 2006 to 512.13 in FY 2009, and then were reduced back to 490.36 by FY 2012. Due to the fact that revenues had stabilized and have been increasing for several years successively, the City increased the number of FTE's by 11.30% (55.39 FTE's) in all departments since FY

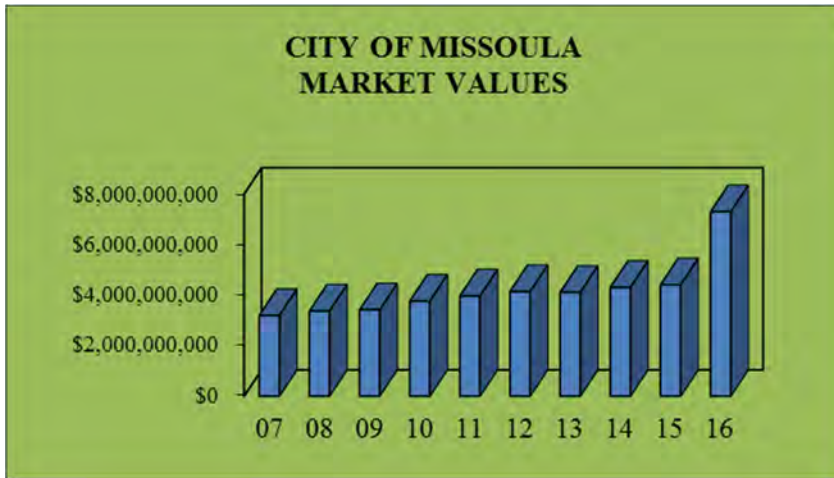
2012. An 8.20% (34.17) increase in FTE's in the General Fund and a 348% (3.48) increase in FTE's in Road and Park District 1 funds which are primarily supported by non-tax revenues. These were the first increases in a number of years, which equates to a 10.25% (50.72 FTE) increase over this 10 year period, while the City's population is estimated to have increased 7.66% during this same period of time. Please note that 23 of the new FTE's in FY 2013 were transferred to the City from the County Planning Offices (along with their own funding streams). If these FTE's were backed out of this calculation, (as they are predominantly self-supporting), the actual growth of new FTE's would be 5.60% compared to the population increase of 7.66% over the last 10 years.

One of the principal challenges continually facing the city is the on-going financial obligation of new employees necessary to meet the service demand that accompanies the growth of the city. All indications are that the growth Missoula has experienced in the past will continue for the foreseeable future.





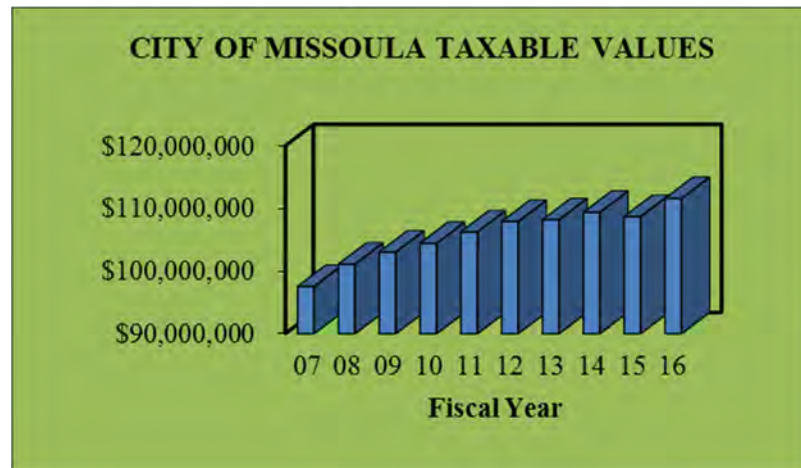
## FY 16 Final Operating and Capital Budget



As a general rule, all real and personal property in the State of Montana is subject to taxation by the State and its counties, municipalities and other political subdivisions. This rule is subject to exceptions in the case of specified classes of exempt property. Property is classified according to its use and character, and the different classes of property are taxed at

different percentages of their market valuation. Property valuations are based on comprehensive appraisals of all taxable property performed by the Department of Revenue each year. The Department of Revenue certifies market and taxable values to each city on or before the 1<sup>st</sup> Monday in August. The trend of the City of Missoula's market value is shown by the graph above. As reflected by the graph, the City's market value has increased from \$3.196 billion in fiscal year 2007 to \$7.303 billion in fiscal year 2016, for a 128.54% increase over this period. The market value of property in the City reflects the rapid growth the City is experiencing. The graph of taxable values that follows reflects the city's ability to raise general tax revenue necessary to support the growing demand for government services.

The taxable value for property is determined by applying a statutorily established percentage ratio to the market value of the property, according to its property classification. The applicable ratio for most commercial and residential real properties is currently approximately 2.6%. Shown on the left is a history of the city's actual taxable value since 2007. The increase in taxable values does not coincide with the



increase in market values because of adjustments to the percentage ratio by the Montana Legislature and by changes in tax policy implemented through property tax amendments. The adjustments by the Legislature were designed to prevent local taxes from increasing at the same rate as property values. The taxable values (as opposed to market values) more accurately reflect the ability of the city to increase tax revenues. As illustrated in the graph, the City's taxable value increased from \$97.526 million to \$111.559 million from 2007 to 2016, an increase of only 14.39%, which is well less than half the increase in the market value of the same property.

## FY 16 Final Operating and Capital Budget

### SHORT TERM INITIATIVES – MAJOR ISSUES & SOLUTIONS

1. The FY 2016 budget, as adopted, was brought to council four weeks sooner than in many previous years, as were the FY 2013 – FY 2015 budgets. The calculated additional property tax impact for next year is 4.70% for City taxes and City-wide Road and Park District assessments, which is estimated to be approximately \$35.90 per year for a home with a market value of \$225,000.
  2. The FY 2016 budget includes 3% increases for Planning, Fire, Special Events, Business Licenses, Development Services and Building Inspection fees. The 3% increases in these areas as of service will not take effect until January 1, 2016. Six years ago, the City chose not to increase any City fees. This year (FY 2016) as well as in the past three years (FY 2012 – FY 2015), because many of the City's costs had increased, fees were increased by 3 % each year in the Business Licensing, Development Services and Planning areas.
  3. The actual level of new tax revenue from growth in the City's tax base was \$452,529 for FY 2016. This compares to growth of \$195,197 for FY 2015, \$299,612 for the FY 2014 tax base and \$271,813 for FY 2013, \$389,390 for FY 2012, and \$671,312 for FY 2011. We have budgeted for inflationary trending of property taxes allowed by state law (\$153,548).
  4. City property taxes were raised to support the increased expenses of the General Fund and in the city-wide assessments supporting expanded service in the Special Road District. General Fund tax increases also relate to the City continuing to honor its union contracts. Because the City worked in partnership with both union and non-union employees five years ago with a wage freeze, the City proposed to move forward in FY 2012 – FY 2015 with the wage increases not given four years ago to both union and non-union employees. Five years ago and the prior year, the City froze top managers' salaries, including the Mayor's. In addition, Missoula was the only city in the state to freeze all employee wages for that fiscal year. In FY 2010, the decision was made to reduce spending by nearly 4%. For FY 2011, the City Administration requested another 2% reduction. For FY 2016 there is a requested 5% reduction in the operating budgets. Thus, in three of the last five years, the City had cut operation budgets by 11%. A total of 22 FTE's were removed from City budgets during these years. Aside from the proposed salary increases in FY 2012 – FY 2016, virtually no new tax funded requests were proposed in that year, except for several mandatory expenses such as costs associated with elections that occur in alternating budget years. On the expenditure side, the largest expense is wages and benefits. About 70% of the General Fund budget is devoted to personnel costs. In FY 2014 the City increased its FTE funding by 9.65, mainly in the public safety areas of Police and Attorney along with a few administrative support offices. This was the second increase in position funding in 4 years. In FY 2015, the City increased its FTE funding by 10.28, again mainly in public safety. For FY 2016, the increase of 5.09 FTE's is due mainly in the Special Revenue Funds such as the Building and Transportation Department.
- Property taxes were not increased for support of the City's Health Plan, as the plan has performed better in the last two fiscal years. Prior to FY 2010, the City's Health Plan had consistently built fund balance for six consecutive years, and had \$2.3 million in surplus at the beginning of FY 2010. However, in FY 2010 and FY 2011, extraordinary claims and medical inflation reached their highest levels in over a decade, driving the fund balance down to about \$1.0 million at the end of FY 2010 and negative \$336,000 for the end of FY 2011. The City recommended that the funding of the health plan be increased by \$65 per employee per month (\$315,000 per year) for FY 2011. The Administration increased the City's contribution by \$132 per month per employee for FY 2012. Employees were asked to increase an equivalent of \$75 per employee per month to the plan in FY 2012. In addition to increased contributions the general fund transferred additional money into the fund every year starting in FY 2012 through FY 2015. In FY 2016 the transfers from the General Fund is reduced to the FY 2011 level with the anticipation of maintaining and/or growing the fund balance. The decline in fund balance was reversed in FY 2012 and fund balance has increased every year, however this past fiscal year, there was unforeseen increase in charges to the plan. With the implementation of the Affordable Care Act (ACA) or Obamacare, prescriptions are now included in the deductible calculation, resulting in an increase in the charges to the Health Plan. Even with this unexpected increase in health fund costs, the final fund balance for FY 2015 is a positive

## FY 16 Final Operating and Capital Budget

\$800,000. The City has also been focused on identifying ways to cut costs within the Health Plan utilizing the assistance of the plan's third party administrator, Allegiance.

5. Assessments were increased in the newly created Road Special Maintenance District, as the City attempts to increase the level of service delivery in this core area of service. Special Districts (Missoula has Road and Park Districts) are in place throughout Montana. The FY 2015 budget included a significant Road Special District funding increase of \$200,000 associated with additional annual support for the startup of a sidewalk support program that was initiated in FY 2014. The FY 2016 commitment of \$408,000 of City support. The increased Special Road District assessments were also used to provide additional asphalt for the maintenance of city streets. The Park District assessments are used to support conservation lands, maintenance of the new Silver Park, median-greenway maintenance and ongoing support of the Caras Park improvements.
6. Standard & Poor's and Moody's, our ratings agencies, recently completed an updated review of many of our city credits. All of the city's credits were re-affirmed and sustained, which is a very positive factor while two credit ratings were increased by Standard and Poor's:

- a. The City's GO Bond rating was increased from AA- to AA+
- b. The City's General Fund Obligation Bonds from A+ to AA

One of the areas of concern in prior reviews was that a number of revenue streams that support General Fund functions had been allowed to accumulate balances outside of the General Fund and, to some extent, outside of the city's direct oversight. Many of these funds are now accounted for within General Fund during this budget process and will be kept under administration review and oversight going forward. The purpose and intent will not change for these revenue streams, but they will no longer be allowed to accumulate outside of the General Fund and will be managed more closely by the administration in the future. Standard & Poor's also recommended that future budgets plan to increase the General Fund year-end unassigned fund balance to 7% of the General Fund expenditures per the City's adopted financial policy. This has been accomplished since the end of FY 2013.



7. Funding anticipated from HB124 (city entitlement from the State of Montana) is projected at \$7,358,586 for FY 2016, an expected decrease of \$617,225 over FY 2015. State legislation reduced the entitlement share pool for FY2016 to "Appropriate emergency money for new or expanded mental health crisis intervention" per HB33. The entitlement is set to go back to normal funding in FY2017.
8. The Building Inspection Fund is recovering nicely as economic conditions continue to improve in the construction portion of the Missoula economy. The Building Inspection Department had previously reduced the staffing by four positions several years ago. Vehicle Maintenance has taken on the responsibility of maintaining and determining the replacement schedule and costs for the inspectors vehicles and there was an upgrade to the permitting system software, a cost that will generate many benefits to both the building community and City staff. The Building Inspection Department has been able to increase its staffing by 1 FTE for FY 2016.
9. Impact fees are budgeted conservatively and are anticipated to generate approximately \$1,200,000 of revenue for FY 2016, over \$1.37 million were received in FY 2015 illustrating the uptick in construction seen across the City.
10. The City is permitted to levy what is necessary to fund voter-approved General Obligation (GO) Bond debt service. In FY 2016, the City will increase the levy to cover the bond payments (14.02 mills in FY 2016 compared to 11.33 mills for FY 2015, due mainly for the final payment on the advance refunding of the 2006 Fire Station GO Bond.)

**FY 16 Final Operating and Capital Budget**

11. General Fund support for the City's Capital Improvement Program will be of \$1,084,565 for FY 2016, compared to \$913,831 in FY 2015. In FY 2016, CIP support includes the required General Fund fixed payments plus the scheduled General Fund vehicle replacements plus the approved deferred maintenance for the Fire Station 1 roof and assisting the County in replacing the roof for the Animal Control building. The City Administration, in conjunction with all City offices, has developed a long-term (20-year) equipment replacement schedule that addresses the fact that the equipment replacement needs are more than \$2 million greater in the first five years (FY 2009-2014) than in the following five years. Six years ago, the city proposed to smooth out this wave of deferred equipment replacement by financing the equipment scheduled for replacement over successively shorter time frames in the future. This allows equipment to provide better service to residents during fiscally constrained times such as these. There are many Non-General Fund CIP projects that were not affected by the extremely tight funding in the General Fund these past years.
12. The General Fund baseline budget appears to be adequate for the new fiscal year for both fuel and energy costs. The City adopted the Conservation & Climate Action plan which outlines a strategic path to an overall goal of carbon neutrality for municipal operations by 2025. The strategies are organized into three main focus areas of operations: Fleet and Facilities, Internal Policies and Practices and Renewable Energy and offsets. Strategies to meet the goals of the Conservation and Climate Action plan include adding GPS units to the rolling fleet to improve efficiency and reduce fuel consumptions/costs. The City is in the infant stages of the All-In-One recycling pilot, which involves, City Hall, Council Chambers, Street Department and Facility and Vehicle Maintenance. Another strategy is performing a solar study to gather information about installing solar cells to city facilities to reduce the dependence on purchasing electricity from vendors.
13. This General Fund budget includes cost of living increases of approximately 2% for non-union staff. All union contracts expired in FY 2015, at the time of this publication, negotiations are still taking place.
14. No inflation assumptions for operating supplies or purchased services were accepted into the budget, unless a pre-existing contract for service allowed for a scheduled increase in FY 2016.
15. The program enhancements allowed in the FY 2016 budget are detailed in the appendix.
16. The economic factors driving the budget development are discussed below in the next section of the budget message.

**ECONOMIC FACTORS**

- University of Montana economist, Patrick Barkey, has forecast that Montana's economic growth will be between the 2.4% and 2.7% range, which continues an improvement that began in 2014. Patrick Barkey has also projected that the Montana economy will outperform the national economy this next year.
- Missoula continues to adjust from the housing downturn and the recession and continues a slow growth. This slow growth is due to the construction industry is still lagging behind other areas and the wood and paper products that was a staple to the economy has all but dissipated. Missoula is also competing with outlying townships and cities as a trade center. Area residents are less likely to travel to Missoula to shop, as they did in the past. Despite this, Missoula is now starting to come around to a positive and favorable growth. To quote Patrick Barkey in the Spring 2015 Bureau of Business Quarterly:

"There are retail additions on Missoula's Southside, which should improve the city's role as a trade center. Continued growth as a regional center for professional services and further manufacturing jobs are likely to materialize. The most important factor is recovery in the construction industry. There are a sizable number of public and commercial projects slated. But there also needs to be recoveries in the building and remodeling markets."
- The Missoula Economic Partnership, a public-private economic development organization, opened its doors in June 2011 and is fielding calls from a variety of fronts for business relocation, granting

**FY 16 Final Operating and Capital Budget**

activity, expansion assistance and more. Since the Partnership has opened its doors, the Missoula employment market has enjoyed an increase of 750 jobs. These jobs center around basic industries, such as computer based technologies, manufacturing and health services.

- All of these factors were considered in preparing the City of Missoula's budget for the 2016 fiscal year. The decline in revenues in FY 2009 through FY 2012, especially in the fee based services related to the decline in economic expansion (planning and engineering fees, business licenses) has reversed and these revenues have been increasing each year since FY 2012.
- Sewer utility rates were increased modestly (5% per year) for four years beginning in FY 2010 to accommodate an upgrade of the wastewater plant head-works. The city has continued to grow in population and in new sewer connections at a rate of approximately 1.5% per year, even though that growth was offset by a slowdown in the commercial and industrial sewer accounts in FY 2009. In FY 2010, the decline in revenue had reversed and the sewer revenues began to grow again in the industrial and commercial billings. The residential component of our utility billing has always grown, even during the recession. With this growth, the sewer fund has been able to continue to build the fund balance to accommodate future projects, however the growth for the past couple of years is not adequate to cover the necessary and requested upgrades to the sewer treatment plant and sewer infrastructure. A modest 2.5% increase per year is scheduled to start in FY 2016 through FY 2018. This increase is to cover the needed upgrades to both the sewer treatment plant and the sewer infrastructure. This is also taking into account increasing the capacity of sanitary sewer pipelines and pump stations to accommodate the growth and residential construction that is being planned for in the South Hills and Miller Creek areas.

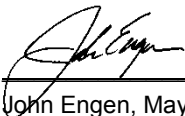


**FY 16 Final Operating and Capital Budget****Closing**

We hope the information contained in the FY 2016 Final Budget is of benefit to all interested parties. In closing we want to tell the public that we made dramatic changes in the budget process for starting in FY 2008 that continued through the current budget process. We have been actively pursuing a Performance Based Budget process since FY 2008. We strongly encourage each and every person using city services to inform us of their ideas, level of satisfaction and problems.



Respectfully,

A handwritten signature in black ink, which appears to read "John Engen". The signature is written in a cursive style.

John Engen, Mayor



### RECOMMENDED BUDGET PRACTICES

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

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

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

### BUDGET DEFINITION

The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets.

A good budget process is characterized by several essential features.

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

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

and flexibility to managers that can lead to improved program efficiency and effectiveness.

### MISSION OF THE BUDGET PROCESS

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

### PERFORMANCE BUDGETING

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

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

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

### FINANCIAL TREND ANALYSIS

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

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

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

### NEEDS ASSESSMENT PHASE

#### Late Winter – Early Spring

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

From this process, they prepare their preliminary departmental budgets.

### BUDGET DEVELOPMENT AND PRIORITIZATION PHASE

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

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

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

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

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

Whenever the City commits to a CIP plan, there is an associated long-range commitment of 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

## BUDGET PROCESS

Council. The Central Services Director or Assistant Finance Director presents a Resolution to the City Council at a duly noticed public meeting. The Council considers the Resolution. 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 information from the public, Department Heads, and the Finance Department. The City

Council considers the Resolution and may approve, table, or deny the Budget Amendment.

The annual appropriations and transfers out for various departments are controlled and monitored for budgetary compliance at the fund level. Management does not make transfers of appropriations or over-expend appropriations at the department level within a fund without approval of the City Council.

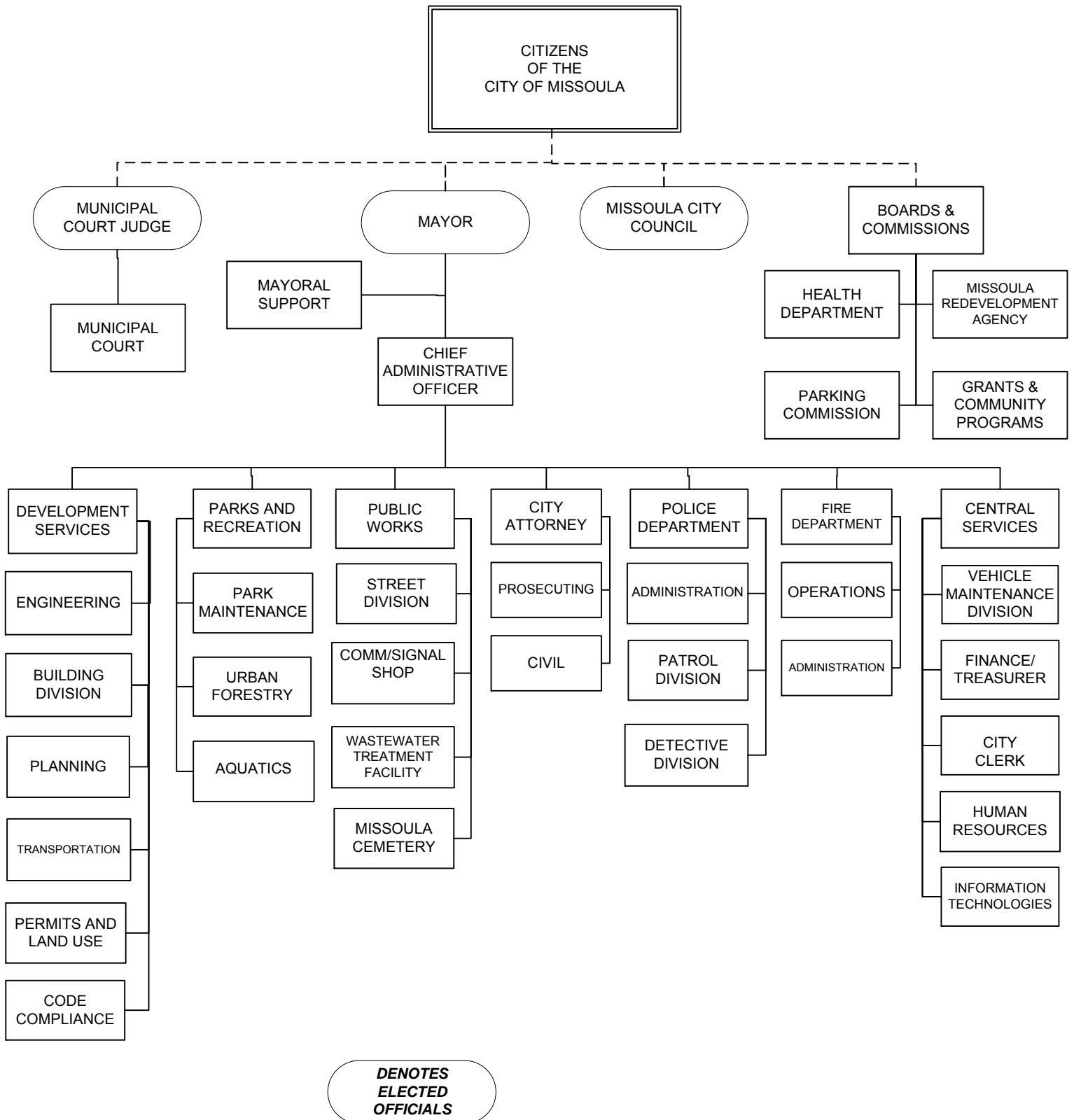
## BUDGET PROCESS

### THE BUDGET TIMELINE

January	<p>The Finance Department prepares year-end working capital (cash), estimates revenue for the coming year, and adjusts current year budget to project next year's needs.</p> <p>Information is presented to the City Administration and Budget Team.</p> <p>The Capital Improvement Program is initiated for next fiscal year with a press release notifying the public and a workshop scheduled for all City supervisory staff.</p>	June	<p>The City Council continues to take comment on the budget at the public hearings which are held open until the budget is adopted.</p> <p>The tax levies are estimated and proposed based on reasonable assumptions concerning the economy.</p> <p>The City Council adopts the budget resolution setting the appropriations.</p>
February	<p>The Finance Department analyses and assimilates proposed capital improvement project (CIP) revenues and expenditures.</p> <p>A Budget/CIP workshop is held with all supervisory staff.</p> <p>Revenue estimates are made along with salary adjustment parameters and costs for all budgets.</p>	July	Waiting to receive final tax values from the State Department of Revenue.
March	<p>The CIP Budget Team meets with all Departments that submitted a CIP request and reviews the scoring of all requests.</p> <p>The Preliminary CIP Budget is referred to the Missoula City Council A&amp;F committee to review all new requests approved for inclusion.</p> <p>The Operating Budget Team meets with all City Departments. All funding streams are reviewed and requests are discussed.</p>	August	<p>Final budget documents are published on the City website either in August or September.</p> <p>Tax levies are set based on the receipt of taxable value certification from the State Department of Revenue.</p> <p>On-going review and monitoring of current year budget.</p>
April	<p>The A&amp;F committee continues to review the new CIP requests weekly until completed.</p> <p>The Mayor and Budget Team continue meeting with Department Heads and staff to discuss the proposed preliminary budget.</p> <p>Budget appeals are heard by the Mayor, CAO and Finance Officer.</p> <p>The preliminary budget is referred to the Missoula City Council Budget Committee of the Whole for discussion. Public Hearings are scheduled.</p>	September	<p>On-going review and monitoring of current year budget.</p> <p>Preparations are made for the coming year.</p>
		October	<p>On-going review and monitoring of the current year budget.</p> <p>Preparations are made for the coming year.</p>
May	<p>The preliminary budget is presented and the Budget Committee of the Whole begins meeting weekly with City departments and outside agencies who are requesting funding.</p> <p>The public hearing is kept open until the budget is adopted in June.</p> <p>Finance Department updates preliminary budget as needed.</p>	November	<p>On-going review and monitoring of the current year budget.</p> <p>Preparations are made for the coming year.</p>
		December	<p>On-going review and monitoring of the current year budget.</p> <p>Preparations are made for the coming year.</p>



# FY16 Citizens of The City of Missoula



## CITY OF MISSOULA BUDGET INCREASES FOR FY 2016

REQUESTED AND FUNDED OPERATING BUDGET INCREASES								
Department	Ranking	Amount	High-Funded	Medium-Not Funded	Low-Not Funded	One-Time Costs	Ongoing Costs	Non-Budgeted Revenues Funded
<b>General Fund</b>								
<b>City Council:</b>								
Jail Diversion	1	60,000	-	60,000		60,000	-	40,000
Parks Volunteer Program	1	7,971	-	7,971		-	7,971	-
5th & 6th St. Reconfigure Study	1	20,000	-	20,000		20,000	-	-
Increase Min Wage to \$15.00/hr	1	70,145	-	70,145		-	70,145	-
<b>Sub-total</b>		<b>158,116</b>	<b>-</b>	<b>158,116</b>	<b>-</b>	<b>80,000</b>	<b>78,116</b>	<b>40,000</b>
<b>Mayor:</b>								
Printing and Design	1	2,500	-	2,500	-	2,500	-	-
Travel & Training	2	6,000	-	6,000	-	6,000	-	-
<b>Sub-total</b>		<b>8,500</b>	<b>-</b>	<b>8,500</b>	<b>-</b>	<b>8,500</b>	<b>-</b>	<b>-</b>
<b>City Clerk:</b>								
SIRE Maintenance	1	-	-	-	-	-	-	-
Elections	2	90,000	90,000	-	-	90,000	-	-
Communications	3	602	602	-	-	-	602	-
Codification	4	1,000	1,000	-	-	-	1,000	-
Vehicle Maintenance	5	747	-	747	-	-	747	-
Neighborhood Project Grant Program	6a	6,000	-	6,000	-	-	6,000	-
New Neighborhood Grants	6b	1,000	1,000	-	-	-	1,000	-
<b>Sub-total</b>		<b>99,349</b>	<b>92,602</b>	<b>6,747</b>	<b>-</b>	<b>90,000</b>	<b>9,349</b>	<b>-</b>
<b>Municipal Court:</b>								
Assistant Judge	1	60,753	-	60,753	-	3,518	57,235	-
<b>Sub-total</b>		<b>60,753</b>	<b>-</b>	<b>60,753</b>	<b>-</b>	<b>3,518</b>	<b>57,235</b>	<b>-</b>
<b>Finance Department:</b>								
Fee Study	2	65,000	-	65,000	-	65,000	-	-
<b>Sub-total</b>		<b>65,000</b>	<b>-</b>	<b>65,000</b>	<b>-</b>	<b>65,000</b>	<b>-</b>	<b>-</b>
<b>Attorney:</b>								
Victim Witness Coordinator	1	62,334	-	62,334	-	9,400	52,934	-
<b>Sub-total</b>		<b>62,334</b>	<b>-</b>	<b>62,334</b>	<b>-</b>	<b>9,400</b>	<b>52,934</b>	<b>-</b>
<b>Police:</b>								
Community Support Specialist	1	177,116	-	-	177,116	14,136	162,980	-
Video Storage	2	28,945	28,945	-	-	11,245	17,700	-
Volunteer Coordinator - PT - FT	3	23,812	-	23,812	-	-	23,812	-
<b>Sub-total</b>		<b>229,873</b>	<b>28,945</b>	<b>23,812</b>	<b>177,116</b>	<b>25,381</b>	<b>204,492</b>	<b>-</b>
<b>Fire:</b>								
MDC/RMS	1	12,622	12,622	-	-	-	12,622	-
SCBA	2	10,375	10,375	-	-	5,400	4,975	-
EMS	3	7,000	7,000	-	-	-	7,000	-
Hazmat	4	636	636	-	-	-	636	-
Repair and Maintenance	5	500	500	-	-	-	500	-
Reimbursed OT	6	524,934	524,934	-	-	-	524,934	524,934
<b>Sub-total</b>		<b>556,067</b>	<b>556,067</b>	<b>-</b>	<b>-</b>	<b>5,400</b>	<b>550,667</b>	<b>524,934</b>
<b>Grants and Community Program:</b>								
Crime Victim Advocate	1	49,988	-	-	49,988	-	49,988	-
COLA Adjustment GCP	2	3,408	3,408	-	-	-	3,408	-
COLA Adjustment HRP	3	909	909	-	-	-	909	-
<b>Sub-total</b>		<b>54,305</b>	<b>4,317</b>	<b>-</b>	<b>49,988</b>	<b>-</b>	<b>54,305</b>	<b>-</b>
<b>City/County Health Department</b>								
COLA Adjustment	1	41,429	41,429	-	-	-	41,429	-
Animal Control COLA Adjustment	2	8,025	8,025	-	-	-	8,025	-
Animal Control Roof	3	20,000	20,000	-	-	20,000	-	-
<b>Sub-total</b>		<b>69,454</b>	<b>69,454</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>49,454</b>	<b>-</b>

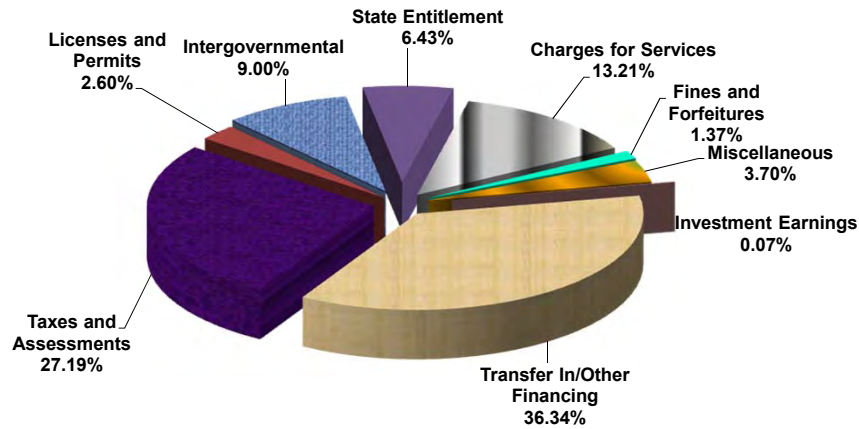


REQUESTED AND FUNDED OPERATING BUDGET INCREASES								
Department	Ranking	Amount	High-Funded	Medium-Not Funded	Low-Not Funded	One-Time Costs	Ongoing Costs	Non-Budgeted Revenues Funded
<b>Non-Departmental</b>								
BREDD		20,000	-	-	20,000	20,000	-	
Missoula Cultural Council		51,000	-	-	51,000	51,000	-	
Neighborhood Ambassador		10,000	-	-	10,000	10,000	-	
Missoula Economic Partnership Addtl Funds		50,000	-	-	50,000		50,000	
<b>Sub-total</b>		<b>131,000</b>	<b>-</b>	<b>-</b>	<b>131,000</b>	<b>81,000</b>	<b>50,000</b>	<b>-</b>
<b>General Fund Special</b>								
<b>1219 Fort Missoula Regional Park:</b>								
Fort Msla Regional Park Addtl Staff & Suppl	1	85,878	-	-	85,878	-	272,682	85,878
Fort Msla Regional Park - Recreation	2	65,952	-	-	65,952	-	154,466	65,952
<b>Sub-total</b>		<b>151,830</b>	<b>-</b>	<b>-</b>	<b>151,830</b>	<b>-</b>	<b>427,148</b>	<b>151,830</b>
<b>General Fund &amp; General Fund Special Total</b>		<b>1,646,581</b>	<b>751,385</b>	<b>385,262</b>	<b>509,934</b>	<b>388,199</b>	<b>1,533,700</b>	<b>716,764</b>
<b>NON-GENERAL FUND REQUESTS</b>								
<b>Building:</b>								
Accela Maintenance/Consulting	1	9,300	9,300	-	-	-	9,300	9,300
<b>Sub-total</b>		<b>9,300</b>	<b>9,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,300</b>	<b>9,300</b>
<b>Road District 1:</b>								
Administrative Assistant IV	1	27,424	27,424	-	-	4,154	23,270	27,424
Street Painting Activities	2	26,900	-	26,900	-	-	26,900	-
Street Crack Sealing Activites	3	63,448	63,448	-	-	-	63,448	63,448
Storm Water Program	4	97,013	97,013	-	-	97,013	-	97,013
IBEW Union Certification	5	4,176	4,176	-	-	-	4,176	4,176
PWD Travel and Training	6	1,800	-	1,800	-	-	1,800	-
PWD Office Improvements	7	1,953	-	1,953	-	1,953	-	-
Asphalt for Overlays	8	100,000	100,000	-	-	-	100,000	100,000
<b>Sub-total</b>		<b>322,714</b>	<b>292,061</b>	<b>30,653</b>	<b>-</b>	<b>103,120</b>	<b>219,594</b>	<b>292,061</b>
<b>Park District 1:</b>								
Upgrade Class Softw are	1	25,000	25,000	-	-	15,000	10,000	25,000
Increase Training - certifications	2	11,342	11,342	-	-	-	11,342	11,342
Increase Marketing	3	17,109	17,109	-	-	-	17,109	17,109
Moon - Randolph Maintenance	4	8,000	-	-	8,000	-	8,000	-
Greenway & Horticulture 1/2 time to FTE	5	21,500	21,500	-	-	-	21,500	21,500
Park Asset Mgmt. Staffing	6	11,688	11,688	-	-	-	11,688	11,688
Forestry Worker (2)	7	72,203	72,203	-	-	-	72,203	72,203
Greenway & Horticulture supplies	8	5,000	5,000	-	-	-	5,000	5,000
Research Specialist	9	25,473	-	-	25,473	-	25,473	-
Conservation Lands Trailheads & Trails Mai	10	15,000	-	-	15,000	-	15,000	-
Pleasant View Park-Playground Maintenan	11	3,110	-	-	3,110	-	3,110	-
PAM - including Playfair	CIP	250,000	-	250,000	-	250,000	-	250,000
Silver Summit Playground @ McCormic	CIP	50,000	-	50,000	-	50,000	-	50,000
1 Ton Standard Pick-up	CIP	40,000	40,000	-	-	40,000	-	40,000
Bobcat	CIP	60,000	60,000	-	-	60,000	-	60,000
Pavement Grinder	CIP	14,000	14,000	-	-	14,000	-	14,000
Pavement Striper	CIP	8,000	8,000	-	-	8,000	-	8,000
72" Mower	CIP	78,000	78,000	-	-	78,000	-	78,000
Aerial Lift Re-Boom (Replacement)	CIP	80,000	80,000	-	-	80,000	-	80,000
1 Rec Van (requesting an additional Van)	CIP	45,000	45,000	-	-	45,000	-	45,000
<b>Sub-total</b>		<b>840,425</b>	<b>488,842</b>	<b>300,000</b>	<b>51,583</b>	<b>640,000</b>	<b>200,425</b>	<b>788,842</b>
<b>Wastewater:</b>								
Administrative Assistant IV	1	23,194	23,194	-	-	-	23,194	23,194
Administrative Assistant IV	2	47,397	47,397	-	-	-	47,397	47,397
<b>Sub-total</b>		<b>70,591</b>	<b>70,591</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,591</b>	<b>70,591</b>
<b>Non-General Fund Total</b>		<b>1,243,030</b>	<b>860,794</b>	<b>330,653</b>	<b>51,583</b>	<b>743,120</b>	<b>499,910</b>	<b>1,160,794</b>
<b>Grand Total - All Funds</b>		<b>\$2,889,611</b>	<b>\$1,612,179</b>	<b>\$715,915</b>	<b>\$561,517</b>	<b>\$1,131,319</b>	<b>\$2,033,610</b>	<b>\$1,877,558</b>

FY 16 SOURCES & USES OF FUNDS & MILL LEVY CALCULATION														
FUND #	FUND NAME	PROPOSED USES OF FUNDS				PROPOSED SOURCES OF FUNDS						PROPOSED MILL LEVIES		
		BUDGETED	INTER-FUND	PROJECTED	TOTAL FUNDS	ESTIMATED	COMMITTED	OTHER	INTER-FUND		PROPERTY TAX	FY16 MILL LEVY	FY15 MILL LEVY	PERCENTAGE
		EXPENDITURES	TRANSFERS OUT	END-OF-YEAR	REQUIRED	BALANCE	EXPENDITURE	NON-TAX	TRANSFERS IN	SUBTOTAL	REQUIREMENTS	(MILL VALUE =	(MILL VALUE =	CHANGE
												111.559	108.677.50	FY15 TO FY16
GENERAL FUND														
	FUND BALANCES:													
	Non-spendable						-							
	Restricted						-							
	Committed						-							
	Assigned						-							
	Unassigned			2,834,225		2,872,690								
1000	GENERAL FUND 1000- ALL PURPOSE LEVY	49,650,703	1,911,385							5,412,166				
	GENERAL FUND 1000- SUB-TOTALS	49,650,703	1,911,385	2,834,225	54,396,313	2,872,690	1,554,412	22,328,365	5,412,166	22,228,679	22,228,679	199.26	194.02	2.70%
1211	PARK ACQUISITION AND DEVELOPMENT	213,578	-	283,365	496,943	283,365		213,578		-	-	-	-	
1212	PARK ENTERPRISE	275,150	-	284,309	559,459	339,459		220,000		-	-	-	-	
1216	PARKS & REC TRAILS FORESTRY LANDS MEMORIALS	894,920	50,000	406,449	1,351,369	395,349		946,020	10,000	-	-	-	-	
1217	PARKS CITY LIFE GYM LEASE	43,000	-	(9,935)	33,065	(10,335)		43,400		-	-	-	-	
1218	ALL ABILITIES PLAYGROUND	528,000	-	-	528,000	37,139		490,861		-	-	-	-	
1219	FORT MISSOULA REGIONAL PARK	-	-	-	-	-		-		-	-	-	-	
1241	CREMAIN WALL & CEMETERY DONATIONS	2,500	-	51,875	54,375	54,375		-		-	-	-	-	
1242	CEMETERY CARE	163,500	9,545	142,462	315,507	240,507		75,000		-	-	-	-	
1243	CEMETERY MEMORIAL	500	-	8,730	9,230	7,730		1,500		-	-	-	-	
1265	TITLE I PROJECTS	136,000	-	9,937	145,937	75,937		70,000		-	-	-	-	
1396	PROGRAM INCOME REVOLVING LOAN PROGRAM	38,472	-	28,820	67,292	60,292		7,000		-	-	-	-	
1397	STATE HOME PROGRAM INCOME	600,000	-	-	600,000	413,065		186,935		-	-	-	-	
	OTHER GENERAL FUND ACCOUNTS- SUB-TOTALS	2,895,620	59,545	1,206,012	4,161,177	1,896,883		2,254,294	10,000	-	-	-	-	
	GRAND TOTAL ALL GENERAL FUND ACCOUNTS	52,546,323	1,970,930	4,040,237	58,557,490	4,769,573	1,554,412	24,582,659	5,422,166	22,228,679	22,228,679	199.26	194.02	2.70%
SPECIAL REVENUE FUNDS														
2250	PLANNING DEPARTMENT FUND	452,634	-	65,757	518,391	100,000		334,657	83,734	-	-	-	-	
2310	PUBLIC SAFETY INFORMATION SYSTEMS	-	-	42,000	42,000	18,000		18,000	6,000	-	-	-	-	
2321	IMPACT FEE	2,400,000	-	2,070,472	4,470,472	3,270,472		1,200,000	-	-	-	-	-	
2322	GEORGE ELMAR - CATTLE DRIVE	15,000	-	-	15,000	-		15,000	-	-	-	-	-	
2365	PUBLIC ART	12,965	-	11,500	24,465	24,465		-	-	-	-	-	-	
2371	EMPLOYEE HEALTH INSURANCE LEVY	-	4,462	-	4,462	-		-	-	4,462	4,462	0.04	9.10	-99.56%
2372	EMPLOYEE HEALTH INSURANCE LEVY (OUTSIDE CAP)	-	4,405,445	-	4,405,445	-		-	-	4,405,445	4,405,445	39.43	30.43	29.77%
2389	CABLE TELEVISION FRANCHISE	484,567	251,433	94,747	830,747	94,747		736,000	-	-	-	-	-	
2390	DRUG FORFEITURE	27,800	-	1,316	29,116	12,316		16,800	-	-	-	-	-	
2394	BUILDING INSPECTION	1,295,404	-	1,023,362	2,318,766	782,561		1,536,205	-	-	-	-	-	
2395	CITY GRANTS & PROGRAM INCOME	250	-	3,176	3,426	3,426		-	-	-	-	-	-	
2399	DANGEROUS BUILDING DEMOLITION REPAIR	15,000	-	-	15,000	-		15,000	-	-	-	-	-	
2400	STREET LIGHTING ASSESSMENT	350,076	-	193,563	543,639	198,282		345,357	-	-	-	-	-	
2500	STREET MAINTENANCE ASSESSMENT	32,014	27,281	25,757	85,052	25,757		59,295	-	-	-	-	-	
2512	ROAD DISTRICT 1	1,722,617	-	81,760	1,804,377	200,226		1,604,151	-	-	-	-	-	
2513	PARKS DISTRICT 1	931,280	-	548,835	1,480,115	548,835		931,280	-	-	-	-	-	
2820	STATE GAS TAX	373,100	564,000	(98,210)	838,890	(241,529)		1,080,419	-	-	-	-	-	
2918	LAW ENFORCEMENT BLOCK GRANT	66,590	-	1,211	67,801	1,211		66,590	-	-	-	-	-	
2919	HIDTA	192,300	-	299,727	492,027	299,727		192,300	-	-	-	-	-	
2939	CDBG PROGRAM INCOME	14,383	-	629	15,012	629		14,383	-	-	-	-	-	
2940	CDBG	564,255	-	158,650	722,905	158,650		564,255	-	-	-	-	-	
2941	HOME	393,587	-	21,531	415,118	21,531		393,587	-	-	-	-	-	
2942	ADDI	12,846	-	23,207	36,053	23,207		12,846	-	-	-	-	-	
2943	CITY HOME PROGRAM INCOME	31,500	-	30,815	62,315	30,815		31,500	-	-	-	-	-	
2955	TRANSPORTATION DEPARTMENT	1,225,090	-	117,125	1,342,215	99,500		1,160,629	82,086	-	-	-	-	
2987	FEDERAL/STATE TRANSPORTATION	762,189	-	45,260	807,449	45,260		762,189	-	-	-	-	-	
2988	GRANTS & DONATIONS	7,088,939	-	221,222	7,310,161	299,127		2,011,034	-	-	-	-	-	
	SPECIAL REVENUE FUND SUBTOTALS	13,464,386	5,252,621	4,983,412	23,700,419	6,017,215	-	13,101,477	171,820	4,409,907	4,409,907	39.53	39.53	0.00%
DEBT SERVICE FUNDS														
3091	2012A AQUATICS REFUNDING	595,148	-	-	595,148	-		-	-	595,148	595,148	5.33	4.96	7.46%
3092	2013A REFUNDING	688,926	-	-	688,926	-		-	-	688,926	688,926	6.18	6.37	-2.98%
3096	FIRE STATION GO BOND	3,889,059	-	-	3,889,059	3,608,908		-	-	280,151	280,151	2.51	-	0.00%
	GENERAL OBLIGATION DEBT SUBTOTAL	5,173,133	-	-	5,173,133	3,608,908	-	-	-	1,564,225	1,564,225	14.02	11.33	23.74%
3000	SID REVOLVING	-	100,000	690,000	790,000	790,000		-	-	-	-	-	-	
3100	SIDEWALK AND CURB WARRANTS	-	-	-	-	-		-	-	-	-	-	-	
3305	SOUTH AVE ROW - JUDGMENT LEVY	-	-	-	-	-		-	-	-	-	-	-	
3430	FY04 SIDEWALK & CURB DEBT SERVICE	10,825	-	-	10,825	-		10,825	-	-	-	-	-	
3440	FY05 SIDEWALK & CURB DEBT SERVICE	38,588	-	-	38,588	-		38,588	-	-	-	-	-	
3450	FY06 SIDEWALK & CURB DEBT SERVICE	28,537	-	-	28,537	-		28,537	-	-	-	-	-	
3460	FY07 SIDEWALK & CURB DEBT SERVICE	58,810	-	-	58,810	-		58,810	-	-	-	-	-	
3461	FY08 SIDEWALK & CURB DEBT SERVICE	60,213	-	-	60,213	-		60,213	-	-	-	-	-	
3462	FY09 SIDEWALK & CURB DEBT SERVICE	65,342	-	-	65,342	-		65,342	-	-	-	-	-	
3463	FY10 SIDEWALK & CURB DEBT SERVICE	100,413	-	-	100,413	-		100,413	-	-	-	-	-	
3464	FY11 SIDEWALK & CURB DEBT SERVICE	71,785	-	-	71,785	-		71,785	-	-	-	-	-	
3465	FY13 SIDEWALK & CURB DEBT SERVICE	40,021	-	-	40,021	-		40,021	-	-	-	-	-	
3512	SID 512 DEBT SERVICE	33,355	-	-	33,355	-		33,355	-	-	-	-	-	
3520	SID 520 DEBT SERVICE	159,920	-	-	159,920	-		159,920	-	-	-	-	-	
3521	SID 521 DEBT SERVICE	150	-	-	150	-		150	-	-	-	-	-	
3522	SID 522 DEBT SERVICE	217	-	-	217	-		217	-	-	-	-	-	
3524	SID 524 DEBT SERVICE	304,660	-	-	304,660	-		304,660	-	-	-	-	-	
3525	SID 525 DEBT SERVICE	31,500	-	-	31,500	-		31,500	-	-	-	-	-	
3526	SID 526 DEBT SERVICE	193,320	-	-	193,320	-		193,320	-	-	-	-	-	
3530	SID 530 DEBT SERVICE	681	-	-	681	-		681	-	-	-	-	-	
3532	SID 532 DEBT SERVICE	42,362	-	-	42,362	-		42,362	-	-	-	-	-	
3533	SID 533 DEBT SERVICE	17,325	-	-	17,325	-		17,325	-	-	-	-	-	
3534	SID 534 DEBT SERVICE	17,963	-	-	17,963	-		17,963	-	-	-	-	-	
3536	SID 536 DEBT SERVICE	31,350	-	-	31,350	-		31,350	-	-	-	-	-	
3540	SID 540 DEBT SERVICE	119,192	-	-	119,192	-		119,192	-	-	-	-	-	
3541	SID 541 DEBT SERVICE	59,303	-	-	59,303	-		59,303	-	-	-	-	-	
3544	SID 544 DEBT SERVICE	139,383	-	-	139,383	-		139,383	-	-	-	-	-	
3548	SID 548 DEBT SERVICE	111,525	-	-	111,525	-		111,525	-	-	-	-	-	
	SPECIAL IMPROVEMENT DEBT SUBTOTAL	1,736,740	100,000	690,000	2,526,740	790,000	-	1,736,740	-	-	-	-	0.74	
	DEBT SERVICE FUNDS SUBTOTALS	6,909,873	100,000	690,000	7,699,873	4,398,908	-	1,736,740	-	1,564,225	1,564,225	14.02	12.07	16.16%
CAPITAL PROJECTS FUNDS														
4060	CAPITAL IMPROVEMENT PROGRAM (CIP)	1,084,565	-	9,010	1,093,575	-		9,010	1,084,565	-	-	-	-	
4130	1997 GO BOND OPEN SPACE PURCHASE	375,602	-	-	375,602	375,602		-	-	-	-	-	-	
	CAPITAL PROJECTS FUNDS SUBTOTALS	1,460,167	-	9,010	1,469,177	375,602	-	9,010	1,084,565	-	-	-	-	

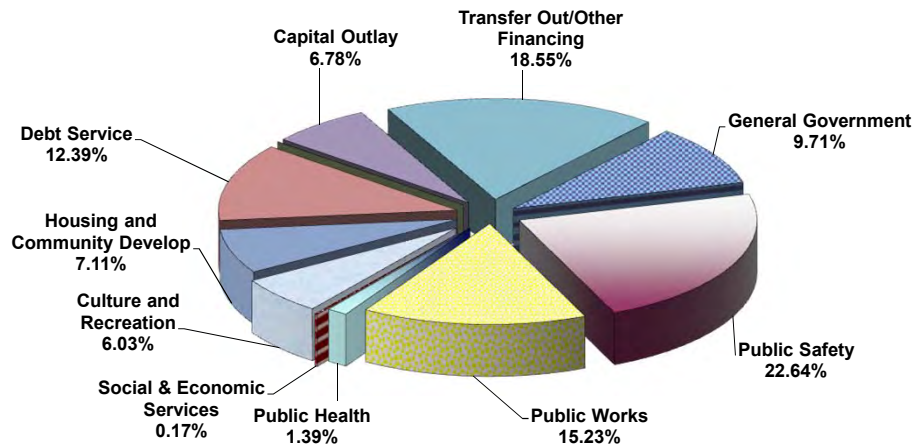
FY 16 SOURCES & USES OF FUNDS & MILL LEVY CALCULATION														
FUND # FUND NAME		PROPOSED USES OF FUNDS				PROPOSED SOURCES OF FUNDS						PROPOSED MILL LEVIES		
		BUDGETED EXPENDITURES	INTER-FUND TRANSFERS OUT	PROJECTED END-OF-YEAR FUND BALANCE	TOTAL FUNDS REQUIRED	ESTIMATED BEGINNING FUND BALANCE	COMMITTED EXPENDITURE SAVINGS	OTHER NON-TAX REVENUES	INTER-FUND TRANSFERS IN	SUBTOTAL	PROPERTY TAX REQUIREMENTS	FY16 MILL LEVY (MILL VALUE =	FY15 MILL LEVY (MILL VALUE =	PERCENTAGE CHANGE
												111.559	108.67750	FY15 TO FY16
PROPRIETARY FUNDS														
ENTERPRISE FUNDS														
5020	CIVIC STADIUM	120,000	-	-	120,000	-	-	120,000	-	-	-	-	-	-
SEWER ENTERPRISE FUNDS														
5310	SEWER OPERATING BUDGET	4,954,239	-	-	4,954,239	-	-	79,000	4,875,239	-	-	-	-	-
5311	SEWER REVENUE COLLECTION & CLEARING	-	7,391,083	-	7,391,083	-	-	7,391,083	-	-	-	-	-	-
5315	SEWER LOAN	20,000	-	-	20,000	20,000	-	-	-	-	-	-	-	-
5320	SEWER REPLACEMENT & DEPRECIATION	613,378	-	163,779	777,157	-	-	-	777,157	-	-	-	-	-
5325	SEWER DEVELOPMENT FEE	188,559	-	826,999	1,015,558	400,000	-	615,558	-	-	-	-	-	-
5340	SEWER CONSTRUCTION	3,496,300	-	-	3,496,300	-	-	3,496,300	-	-	-	-	-	-
5361	01 SEWER REVENUE BONDS DEBT SERVICE	31,040	-	-	31,040	-	-	-	31,040	-	-	-	-	-
5362	00 SEWER REVENUE BONDS - SERIES B DEBT SERVICE	48,360	-	-	48,360	-	-	-	48,360	-	-	-	-	-
5365	99 SEWER REVENUE BONDS DEBT SERVICE	123,910	-	-	123,910	-	-	-	123,910	-	-	-	-	-
5368	00 SEWER REVENUE BOND RESERVE	-	-	49,030	49,030	48,720	-	-	310	-	-	-	-	-
5369	01 SEWER REVENUE BONDS SERIES BOND RESERVE	-	30	31,320	31,350	31,350	-	-	-	-	-	-	-	-
5370	99 SEWER REVENUE BOND RESERVE	-	790	124,060	124,850	124,850	-	-	-	-	-	-	-	-
5371	02 SEWER REVENUE BONDS DEBT SERVICE	84,930	-	-	84,930	-	-	-	84,930	-	-	-	-	-
5372	02 SEWER REVENUE BONDS RESERVE	-	-	85,260	85,260	85,260	-	-	-	-	-	-	-	-
5373	02 SEWER REVENUE BONDS DEBT SERVICE-WWTP upgrade	331,640	-	-	331,640	-	-	-	331,640	-	-	-	-	-
5374	02 SEWER REVENUE BONDS RESERVE-WWTP upgrade	-	180	331,740	331,920	331,920	-	-	-	-	-	-	-	-
5375	03 SEWER REVENUE BONDS DEBT SERV.-3.8M SRF Loan	250,926	-	-	250,926	-	-	-	250,926	-	-	-	-	-
5376	03 SEWER REVENUE BONDS RESERVE-3.8M SRF Loan	-	-	251,319	251,319	251,173	-	-	146	-	-	-	-	-
5377	04 SEWER REVENUE BONDS DEBT SERV.-3.023M SRF Loan	244,006	-	-	244,006	-	-	-	244,006	-	-	-	-	-
5378	04 SEWER REVENUE BONDS RESERVE-3.023M SRF Loan	-	283	243,723	244,006	244,006	-	-	-	-	-	-	-	-
5379	05 BIRCH/BROY/LIN/GIL SRF BOND DEBT SERV.	109,443	-	-	109,443	-	-	-	109,443	-	-	-	-	-
5380	05 BIRCH/BROY/LIN/GIL SRF BOND RESERVE	-	-	110,026	110,026	109,823	-	-	203	-	-	-	-	-
5382	05 UNCLONWOOD PHASE I SRF BOND RESERVE	-	21,850	-	21,850	21,850	-	-	-	-	-	-	-	-
5383	10 LOLO ST SRF BOND DEBT SERVICE-NON ARRA	30,950	-	-	30,950	-	-	-	30,950	-	-	-	-	-
5384	10 LOLO ST SRF BOND DEBT SERVICE-NON ARRA RESERVE	-	10,310	31,440	41,750	41,750	-	-	-	-	-	-	-	-
5385	10 MSLA HEADWORKS RESERVE	-	27,928	925,360	953,288	953,288	-	-	-	-	-	-	-	-
5386	10 MSLA HEADWORKS DEBT SERVICE	698,316	-	256,273	954,589	256,273	-	253,177	445,139	-	-	-	-	-
5387	11 SEWER S1.29 M BOND DEBT SERVICE	102,080	-	-	102,080	-	-	-	102,080	-	-	-	-	-
5388	11 MSLA SEWER REVENUE BOND RESERVE	-	3,025	113,025	116,050	116,050	-	-	-	-	-	-	-	-
SEWER ENTERPRISE FUND SUBTOTALS		11,328,077	7,455,479	3,543,354	22,326,910	3,036,313	-	11,835,118	7,455,479	-	-	-	-	-
5711	AQUATICS	1,427,327	-	154,518	1,581,845	5,759	-	1,373,086	203,000	-	-	-	-	-
TOTAL ENTERPRISE FUND SUBTOTALS		12,875,404	7,455,479	3,697,872	24,028,755	3,042,072	-	13,328,204	7,658,479	-	-	-	-	-
INTERNAL SERVICE FUNDS														
6050	EMPLOYEE BENEFIT PLAN	6,137,237	-	1,058,885	7,196,122	1,031,622	-	5,722,500	442,000	-	-	-	-	-
PROPRIETARY FUNDS SUBTOTALS		19,012,641	7,455,479	4,756,757	31,224,877	4,073,694	-	19,050,704	8,100,479	-	-	-	-	-
TOTALS FOR CITY BUDGETED FUNDS		93,393,389	14,779,030	14,479,416	122,651,835	19,634,992	1,554,412	58,480,590	14,779,030	28,202,811	28,202,811	252.81	245.62	2.93%
COMPONENT UNITS - CITY OF MISSOULA														
PARKING COMMISSION FUNDS														
7370	PARKING COMMISSION OPERATING	1,569,117	311,194	1,229,269	3,109,580	1,221,580	-	1,888,000	-	-	-	-	-	-
7371	INTEREST FUND SERIES 2010B BONDS	272,925	-	-	272,925	-	-	-	272,925	-	-	-	-	-
7372	SINKING FUND SERIES 2010B BONDS	185,000	-	-	185,000	-	-	-	185,000	-	-	-	-	-
7375	PLEDGED TIF SERIES 2010 B BONDS	121,431	146,731	96,618	364,780	97,930	-	266,850	-	-	-	-	-	-
7379	SINKING FUND SERIES 2010A BONDS-CONSTRUCTION	-	-	-	-	-	-	-	-	-	-	-	-	-
PARKING SUBTOTAL		2,148,473	457,925	1,325,887	3,932,285	1,319,510	-	2,154,850	457,925	-	-	-	-	-
		2,612,775												
7380	BUSINESS IMPROVEMENT DISTRICT	439,800	-	104,522	544,322	175,000	-	369,322	-	-	-	-	-	-
7381	TOURISM BUSINESS IMPROVEMENT DISTRICT	680,350	-	-	680,350	-	-	680,350	-	-	-	-	-	-
MISSOULA REDEVELOPMENT AGENCY FUNDS														
7383	MRA - RIVERFRONT TRIANGLE URD	26,862	-	-	26,862	15,000	-	11,862	-	-	-	-	-	-
7385	MRA - FRONT ST URD	530,252	-	-	530,252	366,092	-	-	164,160	-	-	-	-	-
7386	MRA - URD II - SAFEWAY	155,875	-	78,044	233,919	78,044	-	-	155,875	-	-	-	-	-
7387	MRA URD II- REVOLVING LN FD	31,941	-	-	31,941	-	-	-	31,941	-	-	-	-	-
7392	MRA - URD II	1,559,248	250,000	-	1,809,248	992,883	-	200,000	616,365	-	-	-	-	-
7393	MRA - URD III	6,139,685	-	256,016	6,395,701	4,186,931	-	1,958,770	250,000	-	-	-	-	-
7388	MRA TAX INCREMENT BOND RESERVE	-	-	675,665	675,665	675,665	-	-	-	-	-	-	-	-
7389	MRA TAX INCREMENT DEBT SERVICE	1,171,916	-	-	1,171,916	250,000	-	-	921,916	-	-	-	-	-
7390	MRA TAX INCREMENT DEBT SERVICE CLEARING	-	1,872,885	-	1,872,885	-	-	1,872,885	-	-	-	-	-	-
7399	MRA URD II INTERMOUNTAIN BOND - SERIES 2013-new	145,769	-	1,019	146,788	-	-	-	146,788	-	-	-	-	-
7400	MRA TAX INCREMENT FRONT STREET URD BOND CLEARING	-	453,262	-	453,262	-	-	453,262	-	-	-	-	-	-
7401	MRA TAX INCREMENT FRONT ST. BOND - PARKING STRUCTURE	146,134	-	205,475	351,609	205,137	-	-	146,472	-	-	-	-	-
7402	MRA TAX INCREMENT FRONT ST. BOND - SUB. LIEN NOTE	166,557	-	86,520	253,077	110,447	-	-	142,630	-	-	-	-	-
MRA SUBTOTAL		10,074,239	2,576,147	1,302,739	13,953,125	6,880,199	-	4,496,779	2,576,147	-	-	-	-	-
COMPONENT UNIT TOTALS		13,342,862	3,034,072	2,733,148	19,110,082	8,374,709	-	7,701,301	3,034,072	-	-	-	-	-
TOTALS FOR ALL BUDGETED FUNDS		106,736,251	17,813,102	17,212,564	141,761,917	28,009,701	1,554,412	66,181,891	17,813,102	28,202,811	28,202,811	252.81	245.62	2.93%

## ALL CITY - WHERE THE MONEY COMES FROM - FY 2016



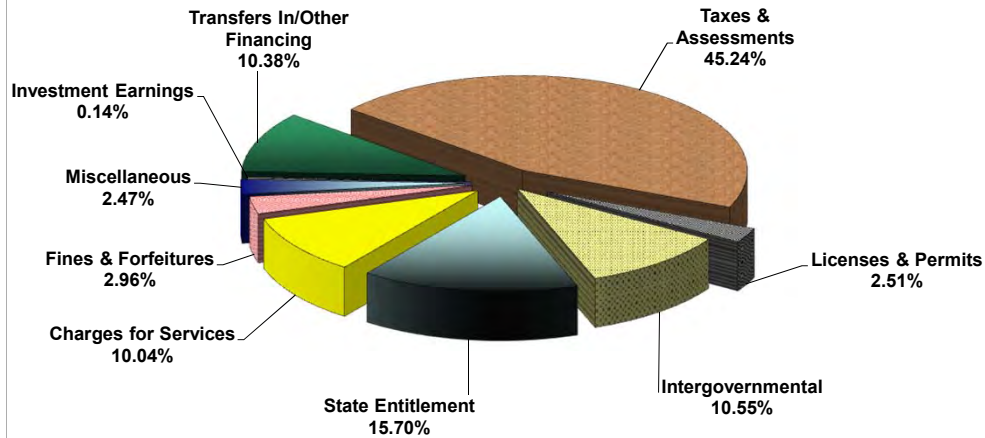
	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	Budget Increase (Decr)
Taxes and Assessments	\$ 35,249,160	\$ 36,279,013	\$ 36,310,135	\$ 31,122
Licenses and Permits	3,120,909	2,930,215	3,579,642	649,427
Intergovernmental	9,376,722	11,332,358	12,016,869	684,511
State Entitlement	8,361,032	8,759,542	8,590,744	(168,798)
Charges for Services	16,059,142	17,781,952	17,631,822	(150,130)
Fines and Forfeitures	1,647,654	1,670,846	1,830,889	160,043
Miscellaneous	841,802	1,237,065	4,943,751	3,706,686
Investment Earnings	401,227	254,971	93,500	(161,471)
Transfer In/Other Financing	20,498,200	18,730,191	48,524,775	29,794,584
<b>Total City Revenues</b>	<b>\$ 95,555,849</b>	<b>\$ 98,976,154</b>	<b>\$ 133,522,127</b>	<b>\$ 34,545,972</b>

## ALL CITY - WHERE THE MONEY GOES - FY 2016



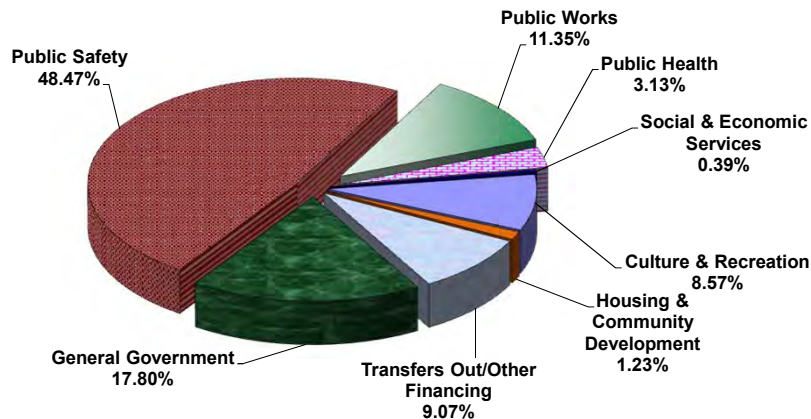
	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	Budget Increase (Decr)
General Government	\$ 9,838,640	\$ 10,204,883	\$ 12,098,961	\$ 1,894,078
Public Safety	28,123,697	28,117,822	28,201,688	83,866
Public Works	17,053,755	8,142,497	18,968,012	10,825,515
Public Health	1,550,087	12,421,916	1,726,945	(10,694,971)
Social & Economic Services	210,000	210,000	210,000	-
Culture and Recreation	5,859,797	6,352,074	7,505,670	1,153,596
Housing and Community Development	6,297,873	4,482,032	8,852,640	4,370,608
Debt Service	5,504,518	8,579,277	15,436,820	6,857,543
Internal Service	4,987,548	5,644,612	-	(5,644,612)
Capital Outlay	5,749,618	9,674,138	8,448,874	(1,225,264)
Transfer Out/Other Financing	14,975,492	11,986,290	23,099,742	11,113,452
<b>Total City Expenditures</b>	<b>\$ 100,151,026</b>	<b>\$ 105,815,542</b>	<b>\$ 124,549,353</b>	<b>\$ 3,262,084</b>

## FY 2016 GENERAL FUND REVENUES BY CATEGORY



	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	Budget Increase (Decr)
Taxes & Assessments	\$ 22,011,287	22,701,709	\$ 23,631,667	\$ 929,958
Licenses & Permits	1,300,757	1,340,961	1,308,783	(32,178)
Intergovernmental	6,094,200	5,278,677	5,511,713	233,035
State Entitlement	7,645,951	7,975,811	8,202,506	226,695
Charges for Services	4,551,218	4,859,044	5,246,449	387,405
Fines & Forfeitures	1,333,042	1,308,935	1,544,089	235,154
Miscellaneous	291,534	672,159	1,292,631	620,472
Investment Earnings	1	-	73,500	73,500
Transfers In/Other Financing	6,106,024	6,136,466	5,422,167	(714,299)
<b>Total Sources</b>	<b>\$ 49,334,014</b>	<b>\$ 50,273,762</b>	<b>\$ 52,233,505</b>	<b>\$ 1,959,743</b>

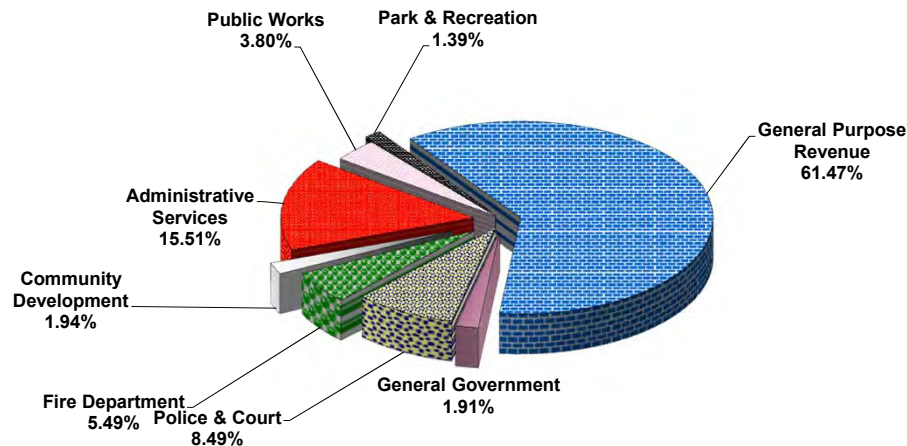
## FY 2016 GENERAL FUND EXPENDITURES BY CATEGORY



	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	Budget Increase (Decr)
General Government	\$ 9,247,841	\$ 8,402,459	\$ 9,702,719	\$ 1,300,260
Public Safety	25,269,346	26,232,341	26,422,987	190,646
Public Works	6,051,648	5,889,494	6,188,737	299,243
Public Health	1,550,087	1,644,431	1,706,945	62,514
Social & Economic Services	210,000	210,000	210,000	-
Culture & Recreation	3,682,609	3,921,649	4,672,529	750,880
Housing & Community Development	120	45,000	668,472	623,472
Transfers Out/Other Financing	3,894,928	3,877,288	4,944,863	1,067,575
<b>Total Uses</b>	<b>\$ 49,906,579</b>	<b>\$ 50,222,662</b>	<b>\$ 54,517,253</b>	<b>\$ 4,294,591</b>

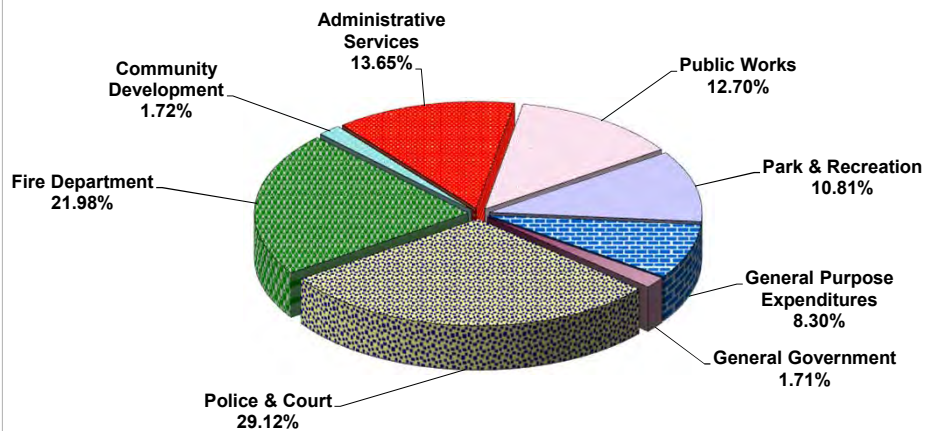


## FY 2016 GENERAL FUND REVENUES BY SUB-FUND



	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	Budget Increase (Decr)
General Purpose Revenue	\$ 30,411,165	\$ 30,820,426	\$ 32,110,180	\$ 1,289,754
General Government	961,867	940,882	997,979	57,097
Police & Court	4,234,100	4,217,924	4,432,647	214,723
Fire Department	2,767,241	2,696,820	2,865,912	169,092
Community Development	867,469	1,062,723	1,011,301	(51,422)
Administrative Services	7,392,578	8,060,934	8,101,110	40,176
Public Works	1,918,591	1,869,653	1,986,943	117,290
Park & Recreation	781,002	604,401	727,433	123,032
<b>Total</b>	<b>\$ 49,334,014</b>	<b>\$ 50,273,762</b>	<b>\$ 52,233,505</b>	<b>\$ 1,959,743</b>

## FY 2016 GENERAL FUND EXPENDITURES BY SUB-FUND



	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	Budget Increase (Decr)
General Purpose Expenditures	\$ 4,337,230	\$ 4,458,711	\$ 4,527,542	\$ 68,831
General Government	805,420	888,331	932,285	43,954
Police & Court	14,802,110	15,241,400	15,876,890	635,489
Fire Department	11,801,628	12,235,563	11,982,408	(253,154)
Community Development	165,821	149,985	939,472	789,488
Administrative Services	6,612,717	6,557,875	7,442,482	884,607
Public Works	7,327,536	6,238,135	6,922,158	684,023
Park & Recreation	4,054,118	4,452,663	5,894,017	1,441,354
<b>Total</b>	<b>\$ 49,906,579</b>	<b>\$ 50,222,662</b>	<b>\$ 54,517,253</b>	<b>\$ 4,294,591</b>

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

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

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

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

## OPERATING BUDGET POLICIES

constraints. Requests for new, ongoing programs made outside the budget process will be discouraged.

### Links to Financial Plans

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

### Scope.

- 1) **Comprehensive Budget.** A comprehensive annual budget will be prepared for all funds expended by the city. State law (7-6-4005), states that "Local government officials may not make a disbursement or an expenditure or incur an obligation in excess of the total appropriations for a fund." Inclusion of all funds in the budget enables the council, the administration, and the public to consider all financial aspects of city government when preparing, modifying, and monitoring the budget, rather than deal with the city's finances on a "piece meal" basis.
- 2) **Competing Requests.** The budget process is intended to weigh all competing requests for City resources, within expected fiscal

- 3) **Understandable.** The budget will be prepared in such a manner as to facilitate its understanding by citizens and elected officials. One of the stated purposes of the budget is to present a picture of the city government operations and intentions for the year to the citizens of the City of Missoula. Presenting a budget document that is understandable to the citizens furthers the goal of effectively communicating local government finance issues to both elected officials and the public.

- 4) **Budgetary Emphasis.** Budgetary emphasis will focus on providing those basic government services which provide the maximum level of services, to the most citizens, in the most cost effective manner, with due consideration being given to all costs--economic, fiscal, and social. Adherence to this basic philosophy provides the citizens of the City of Missoula assurance that its government and elected officials are responsive to the basic needs of the citizens and that its government is operated in an economical and efficient manner.

## Budgeting Control System.

- 1) **Budgetary Control.** The City will exercise budgetary control (maximum spending authority) through City Council approval of appropriation authority for each program. The budgetary control system enables the Council to monitor current year operations and acts as an early warning mechanism when departments deviate in any substantive way from the original budget.
- 2) **Budget to Actual Reports.** Reports comparing actual revenues and expenditures to budgeted amounts will be prepared monthly and posted to the City's web-site. Monthly reports comparing actual revenues and expenditures to budget amounts provide the mechanism for the Council and the administration to regularly monitor compliance with the adopted budget. Quarterly reports will also be prepared that summarize the monthly detailed reports.

## Balanced Budget Definition and Requirement.

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

## Performance Measurement Integration.

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

## REVENUE POLICIES

### Diversification and Stabilization.

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

one-time revenues to fund on-going expenditures results in incurring annual expenditure obligations which may be unfunded in future years. Using one-time revenues to fund capital assets or other non-recurring 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.

- 1) **General Fund.** An undesignated general fund reserve will be maintained by the city. The undesignated reserve will be used for: cash flow purposes, equipment acquisition and replacement, and to enable the city to meet unexpected expenditure demands or revenue shortfalls. The City will focus on attaining and maintaining a fund balance equal to 7% of the General Fund's budget.

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

## Utilizing Unreserved Fund Balances.

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

## CAPITAL IMPROVEMENT POLICIES

### CIP Formulation.

- 1) **CIP Purpose.** The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. The CIP is a five-year plan

organized into the same functional groupings used for the operating programs. The CIP will reflect a balance between capital replacement projects that repair, replace or enhance existing facilities, equipment or infrastructure; and capital facility projects that significantly expand or add to the City's existing fixed assets.

- 2) **CIP Criteria.** Construction projects and capital purchases of \$5,000 or more will be included in the Capital Improvement Plan (CIP) as long as the useful life of the asset exceeds five years; minor capital outlays of less than \$5,000 will be included in the regular operating budget. Vehicles intended for use on streets and highways, costing less than \$35,000, are not included in the CIP. The Capital Improvement Plan (CIP) differentiates the financing of high cost long-lived physical improvements from low cost "consumable" equipment items contained in the operating budget. CIP items may be funded through debt financing or current revenues while operating budget items are annual or routine in nature and should only be financed from current revenues.
- 3) **Deteriorating Infrastructure.** The capital improvement plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

### Project Financing.

- 1) **Minor Capital Projects.** Minor capital projects or recurring capital projects, which primarily benefit current residents, will be financed from current revenues. Minor capital projects or recurring capital projects represent relatively small costs of an on-going nature, and therefore, should be financed with current revenues rather than utilizing debt financing. This policy also reflects the view that those who benefit from a capital project should pay for the project.
- 2) **Major Capital Projects.** Major capital projects, which benefit future residents, will be financed with other financing sources (e.g. debt financing). Major capital projects represent large expenditures of a non-recurring nature which primarily benefit future residents. Debt financing provides a means of generating sufficient funds to pay for the costs of major projects. Debt financing also enables the costs of the project to be supported by those who benefit



from the project, since debt service payments will be funded through charges to future residents.

### 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 over-extending itself with regard to the incurrence of future debt.

#### Limitations on Outstanding Debt

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

#### Debt Refinancing

- 1) **General Refinancing Guidelines.** Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancings will be considered (within federal tax law constraints) under the following conditions:
  - There is a net economic benefit.
  - It is needed to modernize covenants that are adversely affecting the City's financial position or operations.

- The City wants to reduce the principal outstanding in order to achieve future working capital to do so from other sources.

- 2) **Standards for Economic Savings.** The federal government has placed significant conditions on the tax-exempt refunding of outstanding issues. Refundings have two general categories:
  - Current refundings, where the refunding bonds are settled within 90 days of an optional prepayment date; and
  - Advance refundings, where refundings are settled more than 90 days in advance of an optional prepayment date. The federal restrictions are that any issue can only be advance refunded once on a tax-exempt basis.

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

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

### ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

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

**Basis of Accounting.** The city will maintain its accounting records for general governmental operations on a modified accrual basis, with revenues recorded when available and measurable, and expenditures recorded when services or goods are received and liabilities incurred. Accounting records for

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

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

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

## INVESTMENT POLICIES

### Scope

This policy applies to the investment of 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.

**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.

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

### 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.

### FIDUCIARY FUND TYPES

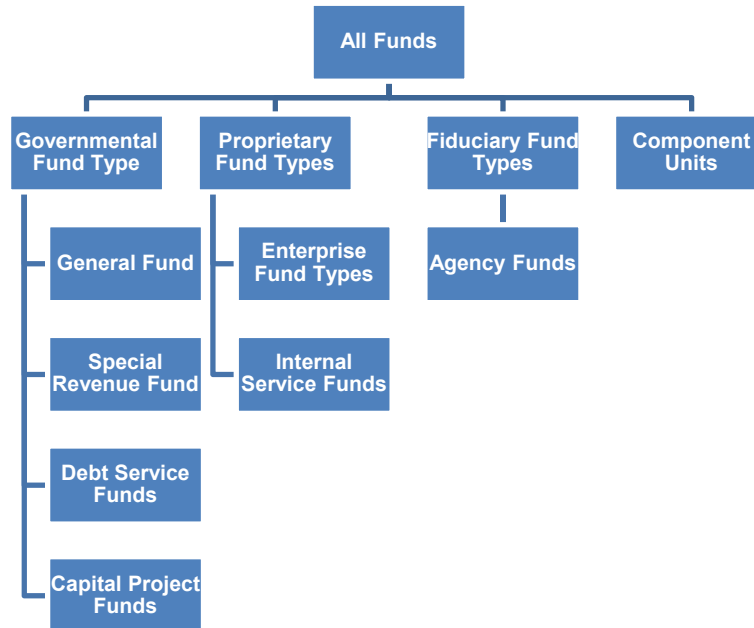
**Trust and Agency Funds:** Trust and agency funds are used to account for assets held by a Governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Examples include: Business Improvement District.

### CONSISTENCY WITH AUDITED FINANCIAL STATEMENTS

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



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



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

1. Governmental Fund Types
  - a. General Fund
    - i. City Council
    - ii. Mayor
    - iii. Human Resources
    - iv. City Clerk
    - v. Information Technologies
    - vi. Municipal Court
    - vii. Finance
    - viii. Central Services
    - ix. Development Services
    - x. Attorney
    - xi. Public Works – Operations
    - xii. Public Works- Streets
    - xiii. Facility and Vehicle Maintenance
    - xiv. Police
    - xv. Fire
    - xvi. Cemetery
    - xvii. Parks and Recreation
    - xviii. Non-Departmental
  - b. General Fund - Special Purpose Funds
    - i. Park Acquisition and Development
    - ii. Park Enterprise
    - iii. Parks and Recreation Trails and Development
    - iv. Parks and Recreation – City Life Gym
    - v. All Abilities Playground
    - vi. Cemetery Cremain Wall and Cemetery Donations
    - vii. Cemetery Care

- viii. Cemetery Memorial
    - ix. Title I Projects
    - x. Program Income Revolving Loan Program
    - xi. State Home Program Income
  - c. Special Revenue Funds
    - i. Planning Department Fund
    - ii. Public Safety Information Systems
    - iii. Impact Fee
    - iv. George Elmer-Cattle Drive
    - v. Public Art
    - vi. Employee Health Insurance Levy
    - vii. Employee Health Insurance Levy (outside cap)
    - viii. Cable Television Franchise
    - ix. Drug Forfeiture
    - x. Building Inspection
    - xi. City Grants and Program Income
    - xii. Dangerous Building Demolition Repair
    - xiii. Street Lighting Assessment
    - xiv. Street Maintenance Assessment
    - xv. Road District I
    - xvi. Parks District I
    - xvii. State Gas Tax
    - xviii. Law Enforcement Block Grant
    - xix. HIDTA
    - xx. CDBG Program Income
    - xxi. CDBG
    - xxii. HOME
    - xxiii. ADDI
    - xxiv. City Home program income
    - xxv. Transportation Department
    - xxvi. Federal/State Transportation
    - xxvii. Grants and Donation
  - d. Debt Service
    - i. General Obligation
      - 1. 2012A Aquatics Refunding
      - 2. 2013A refunding
      - 3. 2006 Fire Station GO Bond
    - ii. Special Improvement
      - 1. SID Revolving Fund
      - 2. Sidewalk and Curb Bonded Debt Service
      - 3. SID Bonded Debt Service
  - e. Capital Projects
    - i. Capital Improvement Program (CIP)
    - ii. 1997 GO Open Space Purchase
- 2. Proprietary Funds
  - a. Enterprise Funds
    - i. Civic Stadium
    - ii. Sewer
    - iii. Aquatics
  - b. Internal Service
    - i. Employee Benefit Plan
- 3. Fiduciary Funds
  - a. Agency Funds

4. Component Units
  - a. Parking Commission
  - b. Business Improvement District (BID)
  - c. Tourism Business Improvement District (TBID)
  - d. Missoula Redevelopment Agency (MRA)

**FUNCTIONS, DEPARTMENTS, PROGRAMS/ACTIVITIES**

---

**PURPOSE**  
[REDACTED]

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**  
[REDACTED]

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

- Function
- Department
- Program/Activity

**FUNCTION**  
[REDACTED]

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 five functions in the city's operating structure are:

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

**DEPARTMENTS**  
[REDACTED]

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**  
[REDACTED]

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

# OVERVIEW OF BUDGETED RESOURCES

## OVERVIEW OF BUDGETED RESOURCES

### SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES Budgeted July 1, 2015 through June 30, 2016 (FY 16)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Component Units	Total All Funds
	General + General Special	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust & Agency		
Fund Balance/Net assets-July 1, 2015	\$ 5,631,238	\$ 7,027,481	\$ 3,118,239	\$ (9,131,679)	\$ 81,587,552	\$ 822,643	\$ 430,383	\$ 101,648	\$ 89,587,504
<u>Estimated Revenues</u>									
Taxes & Assessments	23,631,667	4,424,290	3,300,965	-	-	-	-	4,953,213	36,310,135
Licenses & Permits	1,308,783	2,270,859	-	-	-	-	-	-	3,579,642
Intergovernmental	13,714,219	5,785,129	-	-	253,177	-	-	855,088	20,607,613
Charges for Services	5,246,449	1,398,646	-	-	9,383,727	-	-	1,603,000	17,631,822
Fines & Forfeitures	1,544,089	16,800	-	-	-	-	-	270,000	1,830,889
Miscellaneous	1,292,631	3,447,110	-	9,010	195,000	-	-	-	4,943,751
Investment Earnings	73,500	-	-	-	-	-	-	20,000	93,500
Long Term Debt proceeds	-	-	-	6,559,922	-	-	-	14,764,400	21,324,322
Transfers In/Other Financing	5,422,167	340,370	-	1,084,565	11,154,779	442,000	-	3,034,072	21,477,953
Internal Service	-	-	-	-	-	5,722,500	-	-	5,722,500
Total Estimated Revenues	52,233,505	17,683,204	3,300,965	7,653,497	20,986,683	6,164,500	-	25,499,773	133,522,127
<u>Budgeted Expenditures</u>									
General Government	9,702,719	2,154,705	-	241,536	-	-	-	-	12,098,961
Public Safety	26,422,987	1,778,701	-	-	-	-	-	-	28,201,688
Public Works	6,188,737	6,058,926	-	-	5,333,239	-	-	1,387,111	18,968,012
Public Health	1,706,945	-	-	20,000	-	-	-	-	1,726,945
Social and Economic Services	210,000	-	-	-	-	-	-	-	210,000
Culture and Recreation	4,672,529	910,212	-	375,602	1,547,327	-	-	-	7,505,670
Housing & Community Devel.	668,472	1,603,927	-	-	-	-	-	6,580,241	8,852,640
Debt Service	534,574	689,538	6,909,873	823,028	2,209,375	-	-	4,270,433	15,436,820
Internal Service	-	-	-	-	-	-	-	-	-
Capital Outlay	1,707,553	-	-	-	3,784,859	-	-	2,956,462	8,448,874
Transfers Out/Other Financing	2,702,736	5,520,999	100,000	-	7,456,083	6,137,237	-	1,182,687	23,099,742
Total Budgeted Expenditures	54,517,253	18,717,007	7,009,873	1,460,166	20,330,883	6,137,237	-	16,376,935	124,549,353
Projected Change in									
Fund Balance/Net assets	(2,283,748)	(1,033,803)	(3,708,908)	6,193,331	655,800	27,263	-	9,122,838	8,972,774
Anticipated Exp. Savings	1,554,412	-	-	-	-	-	-	-	1,554,412
Projected Ending									
Fund Balance/Net assets-June 30, 2016	\$ 4,901,902	\$ 5,993,678	\$ (590,669)	\$ (2,938,348)	\$ 82,243,352	\$ 849,906	\$ 430,383	\$ 9,224,486	\$100,114,690



# OVERVIEW OF BUDGETED RESOURCES

## OVERVIEW OF BUDGETED RESOURCES

### SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES Actual\* July 1, 2014 through June 30, 2015 (FY 15)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Component Units	Total All Funds
	General + General Special	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust & Agency		
Fund Balance/Net assets-July 1, 2014	\$ 5,580,138	\$ 5,741,357	\$ 3,611,938	\$ (7,000,132)	\$ 85,349,340	\$ 1,031,622	\$ 387,486	\$ 1,725,143	\$ 96,426,891
<b>Revenues</b>									
Taxes & Assessments	22,701,709	6,632,467	3,172,156	-	-	-	-	3,772,681	36,279,013
Licenses & Permits	1,340,961	1,587,868	-	-	1,386	-	-	-	2,930,215
Intergovernmental	13,254,488	5,070,576	-	770,333	2,001	-	14,510	979,992	20,091,900
Charges for Services	4,859,044	2,413,848	-	-	9,117,251	-	-	1,391,809	17,781,952
Fines & Forfeitures	1,308,935	17,574	-	-	-	-	133,971	210,366	1,670,846
Miscellaneous	672,159	68,783	-	95,808	349,303	-	-	51,012	1,237,065
Investment Earnings	-	1,931	14,400	(1,884)	238,000	826	-	1,698	254,971
Long Term Debt proceeds	587,997	1,037,050	-	1,534,597	-	-	-	-	3,159,644
Transfers In/Other Financing	5,548,469	247,297	119,016	1,312,983	203,000	692,000	-	2,704,975	10,827,740
Internal Service	-	-	-	-	-	4,742,807	-	-	4,742,807
Total Estimated Revenues	50,273,762	17,077,394	3,305,572	3,711,837	9,910,941	5,435,633	148,481	9,112,534	98,976,154
<b>Expenditures</b>									
General Government	8,402,459	1,786,787	154	13,417	2,066	-	-	-	10,204,883
Public Safety	26,232,341	1,779,897	-	-	-	-	105,584	-	28,117,822
Public Works	5,889,494	833,756	-	153,132	-	-	-	1,266,115	8,142,497
Public Health	1,644,431	-	-	-	10,777,485	-	-	-	12,421,916
Social and Economic Services	210,000	-	-	-	-	-	-	-	210,000
Culture and Recreation	3,921,649	512,391	-	-	1,918,034	-	-	-	6,352,074
Housing & Community Devel.	45,000	1,366,431	-	-	-	-	-	3,070,601	4,482,032
Debt Service	565,485	713,619	3,382,851	870,752	924,931	-	-	2,121,639	8,579,277
Internal Service	-	-	-	-	-	5,644,612	-	-	5,644,612
Capital Outlay	534,335	3,150,266	-	4,793,183	-	-	-	1,196,354	9,674,138
Transfers Out/Other Financing	2,777,468	5,648,123	416,266	12,900	50,213	-	-	3,081,320	11,986,290
Total Expenditures	50,222,662	15,791,270	3,799,271	5,843,384	13,672,729	5,644,612	105,584	10,736,030	105,815,542
Projected Change in									
Fund Balance/Net assets	51,100	1,286,124	(493,699)	(2,131,547)	(3,761,788)	(208,979)	42,897	(1,623,495)	(6,839,387)
Restatement	-	-	-	-	-	-	-	-	-
Fund Balance/Net assets-June 30, 2015	\$ 5,631,238	\$ 7,027,481	\$ 3,118,239	\$ (9,131,679)	\$ 81,587,552	\$ 822,643	\$ 430,383	\$ 101,648	\$ 89,587,504

# OVERVIEW OF BUDGETED RESOURCES

## OVERVIEW OF BUDGETED RESOURCES

### SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES Actual July 1, 2013 through June 30, 2014 (FY 14)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Component Units	Total All Funds
	General + General Special	Special Revenue	Debt Service	Capital Project	Enterprise	Internal Service	Trust & Agency		
Fund Balance/Net assets-July 1, 2013	\$ 6,142,366	\$ 5,089,722	\$ 3,673,594	\$ (4,903,610)	\$ 86,641,862	\$ 431,214	\$ 636,916	\$ 3,377,518	\$ 101,360,497
<u>Revenues</u>									
Taxes & Assessments	22,011,287	5,894,300	3,255,420	-	-	-	-	4,088,153	35,249,160
Licenses & Permits	1,300,757	1,818,952	-	-	1,200	-	-	-	3,120,909
Intergovernmental	13,740,151	3,028,693	-	231,991	8,122	-	13,426	715,371	17,737,754
Charges for Services	4,551,218	1,045,359	-	-	8,890,363	-	-	1,572,202	16,059,142
Fines & Forfeitures	1,333,042	14,907	-	-	-	-	299,705	-	1,647,654
Miscellaneous	291,534	182,318	-	70,393	172,644	-	-	124,913	841,802
Investment Earnings	1	1,404	14,829	4,980	240,257	(2,413)	-	142,169	401,227
Long Term Debt proceeds	691,039	638,670	5,860,000	185,142	-	-	-	42,473	7,417,324
Transfers In/Other Financing	5,414,985	72,159	579,028	1,181,248	243,087	686,125	-	-	8,176,632
Internal Service	-	-	-	-	-	4,904,244	-	-	4,904,244
Total Estimated Revenues	49,334,014	12,696,762	9,709,278	1,673,754	9,555,673	5,587,956	313,131	6,685,281	95,555,849
<u>Expenditures</u>									
General Government	9,247,841	510,859	75,809	4,131	-	-	-	-	9,838,640
Public Safety	25,269,346	2,733,211	-	-	-	-	121,140	-	28,123,697
Public Works	6,051,648	1,123,826	-	18,500	7,592,620	-	-	2,267,161	17,053,755
Public Health	1,550,087	-	-	-	-	-	-	-	1,550,087
Social and Economic Services	210,000	-	-	-	-	-	-	-	210,000
Culture and Recreation	3,682,609	408,686	-	-	1,768,502	-	-	-	5,859,797
Housing & Community Devel.	120	227,258	-	-	-	-	-	6,070,495	6,297,873
Debt Service	390,200	2,260	3,205,807	938,552	967,699	-	-	-	5,504,518
Internal Service	-	-	-	-	-	4,987,548	-	-	4,987,548
Capital Outlay	397,675	2,179,280	-	3,172,663	-	-	-	-	5,749,618
Transfers Out/Other Financing	3,107,053	5,303,908	6,489,318	-	75,213	-	-	-	14,975,492
Total Expenditures	49,906,579	12,489,289	9,770,934	4,133,846	10,404,034	4,987,548	121,140	8,337,656	100,151,026
Projected Change in Fund Balance/Net assets	(572,565)	207,473	(61,656)	(2,460,092)	(848,361)	600,408	191,991	(1,652,375)	(4,595,177)
Restatement	10,337	444,162	-	363,570	(444,162)	-	(441,421)	-	(67,514)
Fund Balance/Net assets-June 30, 2013	\$ 5,580,138	\$ 5,741,357	\$ 3,611,938	\$ (7,000,132)	\$ 85,349,340	\$ 1,031,622	\$ 387,486	\$ 1,725,143	\$ 96,697,806

### Assumptions, Estimates, & Trends

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#### Overview

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

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

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

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

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

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

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

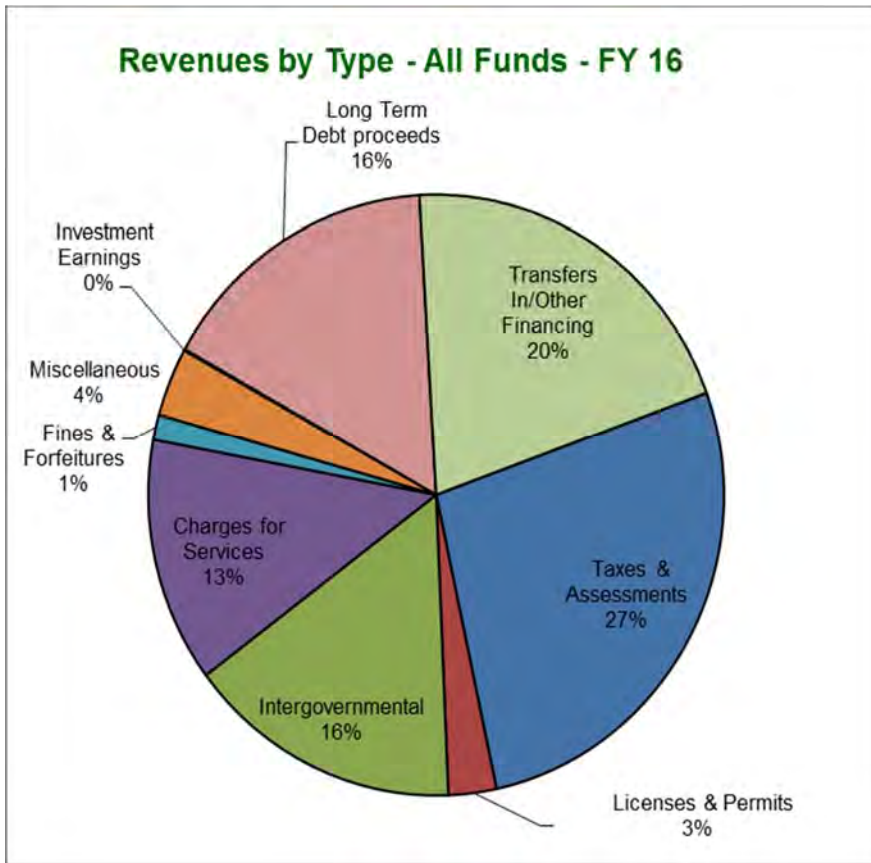
**Miscellaneous Revenue:** Revenue from sources not otherwise provided in other categories. Rent is an example of a miscellaneous revenue.

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

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

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

## Assumptions, Estimates, & Trends

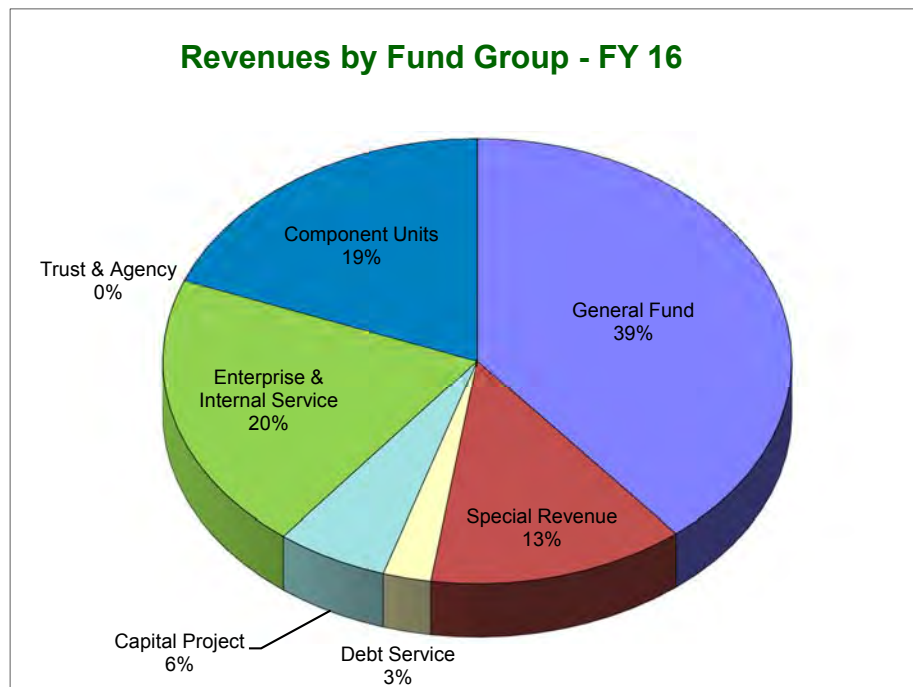


The two pie charts (on the left and below) give a graphic overview of total City revenues — one by the sources described on the previous page and the other by major fund group.

As depicted by the graph of revenues “by type”, the Taxes and Assessments category and Intergovernmental Revenues make up the two largest categories of City revenues for FY 2016 (43%). Transfers In and Other Financing Revenues make up the next largest category (20%). Finally, Long Term Debt Proceeds (16%) and Charges for Services (13%) make up the fourth and fifth largest categories.

These revenue categories make up 92% of all City revenues.

Revenues by Fund Group also help give the reader a look at the “Big Picture” of City revenues. As shown by the graph on the right, the General Fund (39%), Enterprise & Internal Service Funds (20%), Special Revenue Funds (13%), and Component Units (19%), make up 91% of the City’s revenues.



### Assumptions, Estimates, & Trends

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#### Revenue Forecast Assumptions & Methodology

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

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

#### Revenue Estimates

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

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

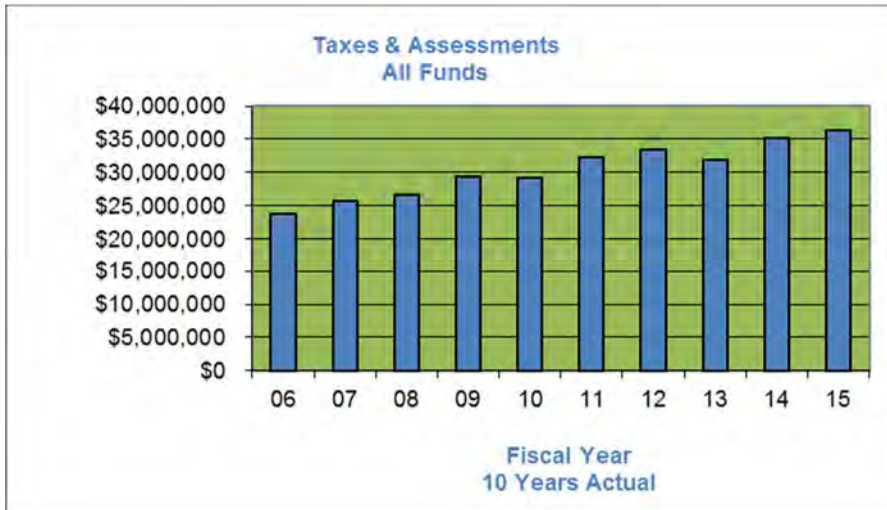
One of the key analytical tools, to assist in the development of revenue estimates, is the comprehensive five year financial forecast. This forecast considered key revenue and expenditure projection factors such as population, increases in the consumer price index (CPI) and other growth factors. The trending of these key factors and their effect on revenues and expenditures for the past ten years provided a historical basis for the five year financial forecast. The first City of Missoula forecast was prepared in 2003 and it has been updated annually since then. Overall, the City's practice is to budget revenues conservatively and to use as much information as possible to enhance the accuracy of revenue estimates. By identifying and utilizing as many revenue-related variables as possible in forecasting, we hope to minimize the risks of overstating or understating revenues that could arise from using only a few variables. The approach to forecasting, in general, is to apply a conservative philosophy that will produce the long-term goal of not overstating revenues. Most estimates involve two projections: an estimate for the amount to be collected in the current year based on year-to-date activity; and an estimate for the increase or decrease in receipts anticipated for a future budget year. As part of the mid-year budget review process, the revenue assumptions included in the forecast are comprehensively reexamined based on actual results for 2013-15 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 91% of total City revenues.



## Assumptions, Estimates, & Trends

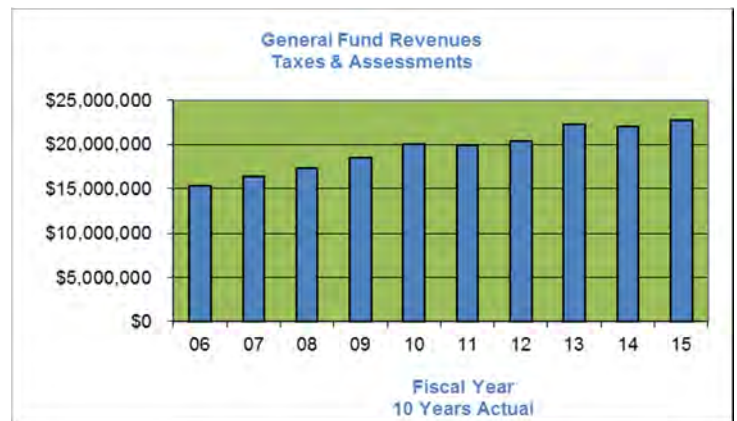
### Key Revenue Estimates & Trends



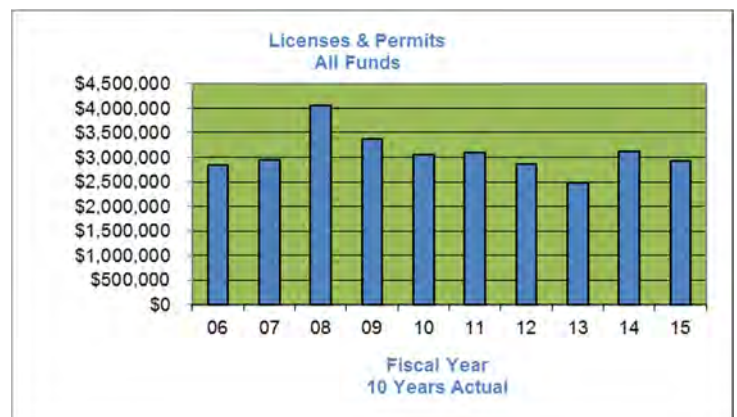
Shown by the graph to the left are Taxes and Assessments for all City funds, over a 10-year period (10 years actual from FY 2006 – FY 2015). The graph reflects the steady growth the City of Missoula is experiencing. Certain debt service levies and assessments go down in some years as the debt is paid off. Property taxes,

which comprise the majority of this revenue category, are dependent upon a combination of taxable values and mill levies. A modest increase of 2.70% was budgeted for FY 2016.

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

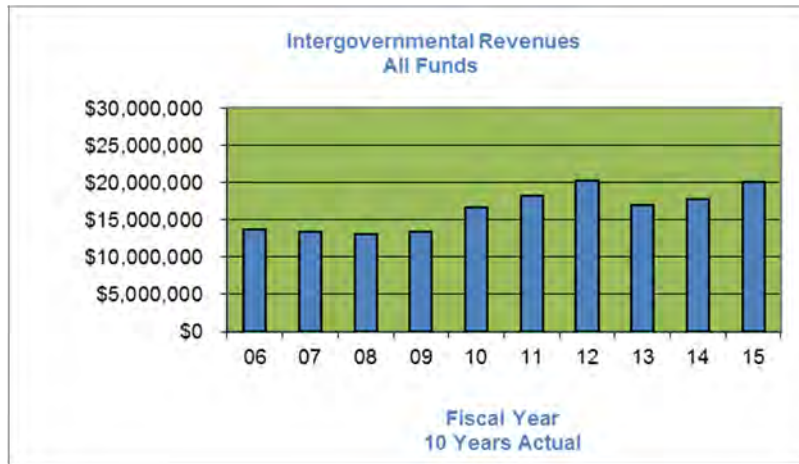


Licenses & Permits for all City funds are shown on the right. A decline occurred between FY 2001 (not shown) and FY 2002 due to the State Legislature's elimination of several revenue sources (categorized as Licenses & Permits) which the Legislature replaced with entitlement revenues (HB124 revenue). The decline from FY 2008 to FY 2013 was due to the economic slowdown experienced by the nation and the City of Missoula.



## MAJOR REVENUE SOURCES

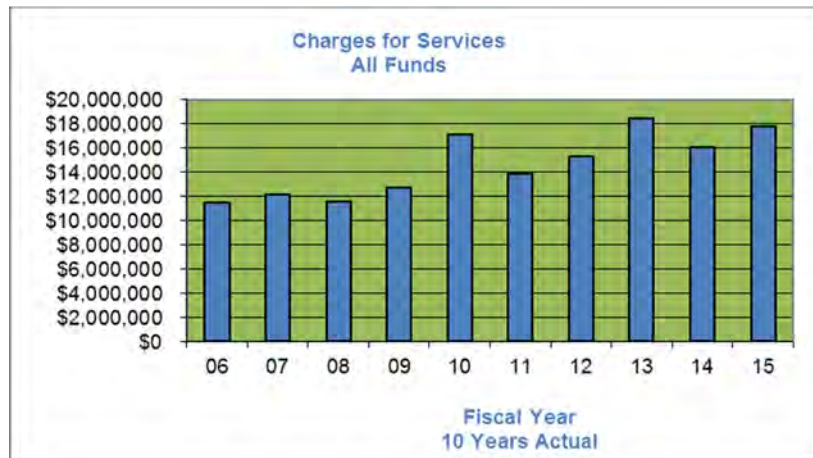
### Assumptions, Estimates, & Trends



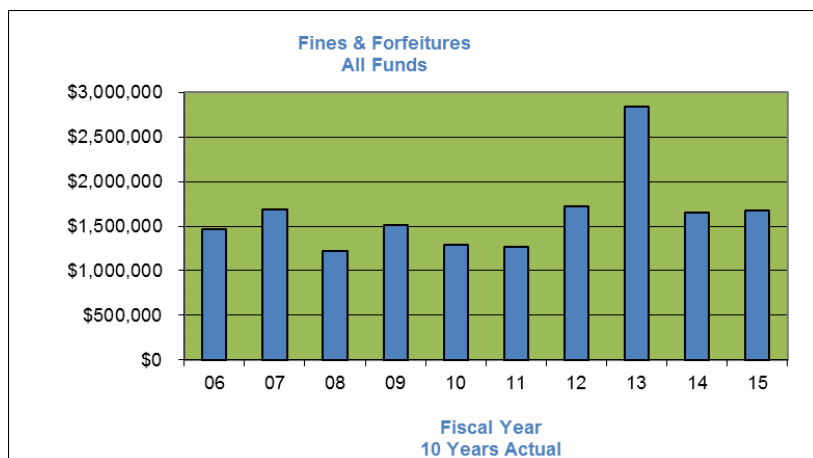
The increases in intergovernmental revenues (not shown but especially from FY 2001 through FY 2003) reflect the State Legislature's distribution of entitlement revenues to City governments. Since the increase in FY 2003, these revenues have remained relatively stable although the level of grant receipts has fluctuated significantly from year to year. In addition to the entitlement revenues, this

category also includes grants and State reimbursement for services provided by the City.

Charges for services, for all funds, represent 13% of total City revenues. This category is dominated by revenues in the City's Enterprise Funds, which include the sewer 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. This source is anticipated to be maintained at the FY 2013 level or greater for the foreseeable future.

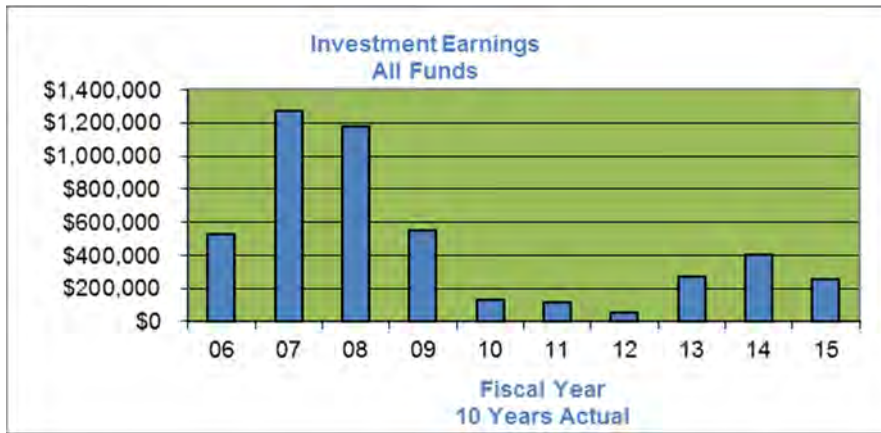


To a large extent, Fines and Forfeitures, within the General Fund, reflect the growth in the City of Missoula. As shown by the graph, fines and forfeitures have increased from \$1,467,546 in FY 2006 to \$1,670,846 in FY 2015. The decrease in FY 2008 and FY 2010 was the result of staffing shortages in 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.



## MAJOR REVENUE SOURCES

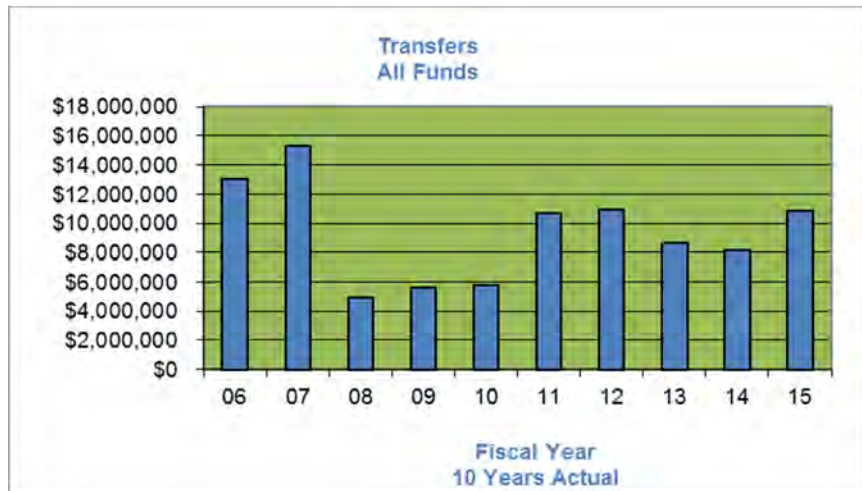
### Assumptions, Estimates, & Trends



Investment earnings reflect a combination of available cash balances together with the interest rate the City is able to obtain. As shown by the graph, investment earnings have been quite volatile, with sharp declines occurring in FY 2006 and FY 2010 through FY 2014 which

correspond to the decline in interest rates nationally in those years. Interest earnings in FY 2016 are expected to be similar to FY 2015, as interest rates are near 50-year lows nationally.

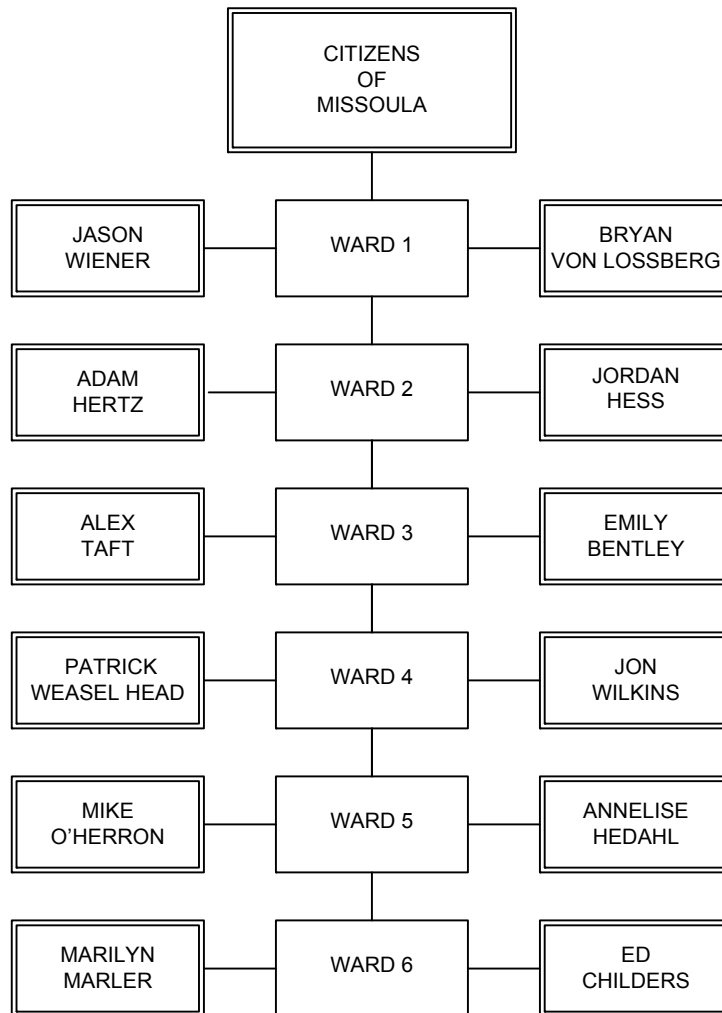
Transfers that occur between various City funds will fluctuate significantly from year to year, as can be seen from the following graph on the right.





# City Council

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## Program Description

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

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Quality of Life for All People in All Places

- Strategy: The City Council, with continued public involvement, will continue to support and enact resolutions and ordinances that reflect the goals and objectives identified in the City's Strategic Plan.
  - Strive to improve public facilities and the quality of services delivered, in order to meet the needs of the citizenry and to assure revenues necessary to support these facilities and services.
  - Cooperate with other governmental bodies in order to provide services efficiently and effectively and in a manner resulting in the most equitable distribution of tax burden attainable.
  - Continue to create, review and implement methods of developing and reviewing municipal policies and procedures.
  - Develop a broadly-based City-wide support for economic development and foster coordination of public and private resources as a means of enhancing economic prosperity and environmental quality.
  - Continue to promote two-way communication with the public on City issues.
  - Work closely with the administration, and other government officials in lobbying for state legislation which will benefit cities.

## 2016 Budget Highlights

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 285,317	\$ 311,908	\$ 280,449	\$ 344,914	\$ 33,006	11%
Supplies	903	620	363	1,850	1,230	198%
Purchased Services	35,472	38,740	28,966	54,010	15,270	39%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 321,692</b>	<b>\$ 351,268</b>	<b>\$ 309,779</b>	<b>\$ 400,774</b>	<b>\$ 49,506</b>	<b>14%</b>

\* Un-audited numbers

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**STAFFING SUMMARY**

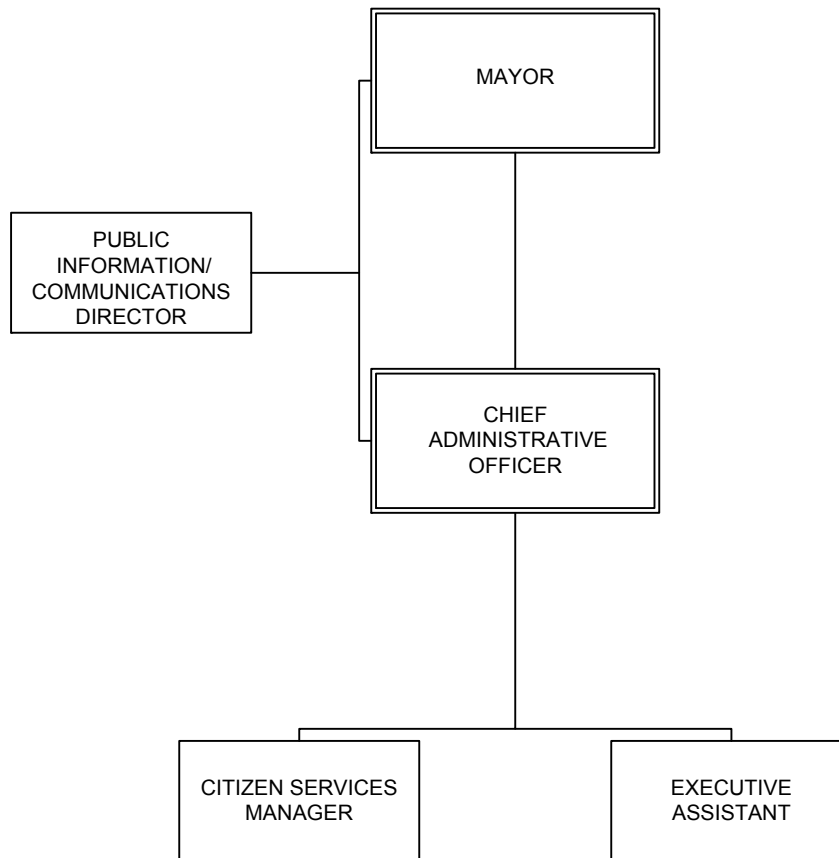
<b>Title</b>	<b>Actual FY 2013</b>	<b>Actual FY 2014</b>	<b>Actual FY 2015</b>	<b>Adopted FY 2016</b>
WARD 1 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 1 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 2 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 2 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 3 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 3 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 4 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 4 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 5 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 5 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 6 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
WARD 6 - COUNCIL MEMBER	1.00	1.00	1.00	1.00
<b>Total</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>





# Mayor's Office

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## Program Description

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

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

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## City Strategic Goals & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - During this year, the Mayor's Office will begin steps to implement the City's expected ownership of Missoula's water system, integrating it into the City of Missoula as a healthy, sustainable municipal utility.
  - The Mayor's Office will improve efficiency by updating and modernizing personnel and procurement policies and by supporting departments in implementation of an e-ticketing system and a modern evidence facility.
  - The Mayor's Office will support enhancements to citizen access through programs such as electronic plan submittal and the Building Eye permit mapping system.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - The Mayor's Office will work with departments to reduce the City's carbon footprint and decrease energy costs through projects such as the solar road map and the Wastewater Treatment Plant screw press installation and methane gas generator.
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - The Mayor's Office will work with the Missoula Economic Partnership to implement its strategic plan to create jobs and attract and retain businesses.

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

- Strategy: We will reflect values of sustainability in transportation and building design.
  - The Mayor's Office will support Development Services staff in guiding community development through an updated growth policy.

### Goal #3: Quality of Life for All People in All Places

- Strategy: We will work together to meet basic human needs with dignity for all.
  - The Mayor's Office will continue to collaborate on implementation of Reaching Home: Missoula's 10-Year Plan to End Homelessness and to ensure its success.

- The Mayor's Downtown Advisory Commission will continue its work on quality-of-life issues in downtown Missoula. This year, its members will work to identify the least expensive and most compassionate ways to serve the city's chronically addicted population, concentrated outdoors downtown.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 468,548	\$ 488,372	\$ 554,334	\$ 498,571	\$ 10,199	2%
Supplies	1,413	2,732	1,481	2,732	-	0%
Purchased Services	13,767	29,414	22,737	30,208	794	3%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 483,728</b>	<b>\$ 520,518</b>	<b>\$ 578,552</b>	<b>\$ 531,511</b>	<b>\$ 10,993</b>	<b>2%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
MAYOR***	1.00	1.00	1.00	1.00
CHIEF ADMINISTRATIVE OFFICER	1.00	1.00	1.00	1.00
ADMINISTRATIVE SERVICES/PROJECT MANAGER	1.00	1.00	-	-
CITIZEN SERVICES MANAGER	-	-	1.00	1.00
EXECUTIVE ASSISTANT	1.00	1.00	1.00	1.00
COMMUNICATIONS INFORMATION OFFICER	1.00	-	-	-
PUBLIC INFORMATION/COMMUNICATIONS DIRECTOR	-	1.00	1.00	1.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

\*\*\* Denotes: Elected Official

## 2016 Budget Highlights

**Capital Outlay**

- A safety-related remodel of the front office is proposed for FY2016.

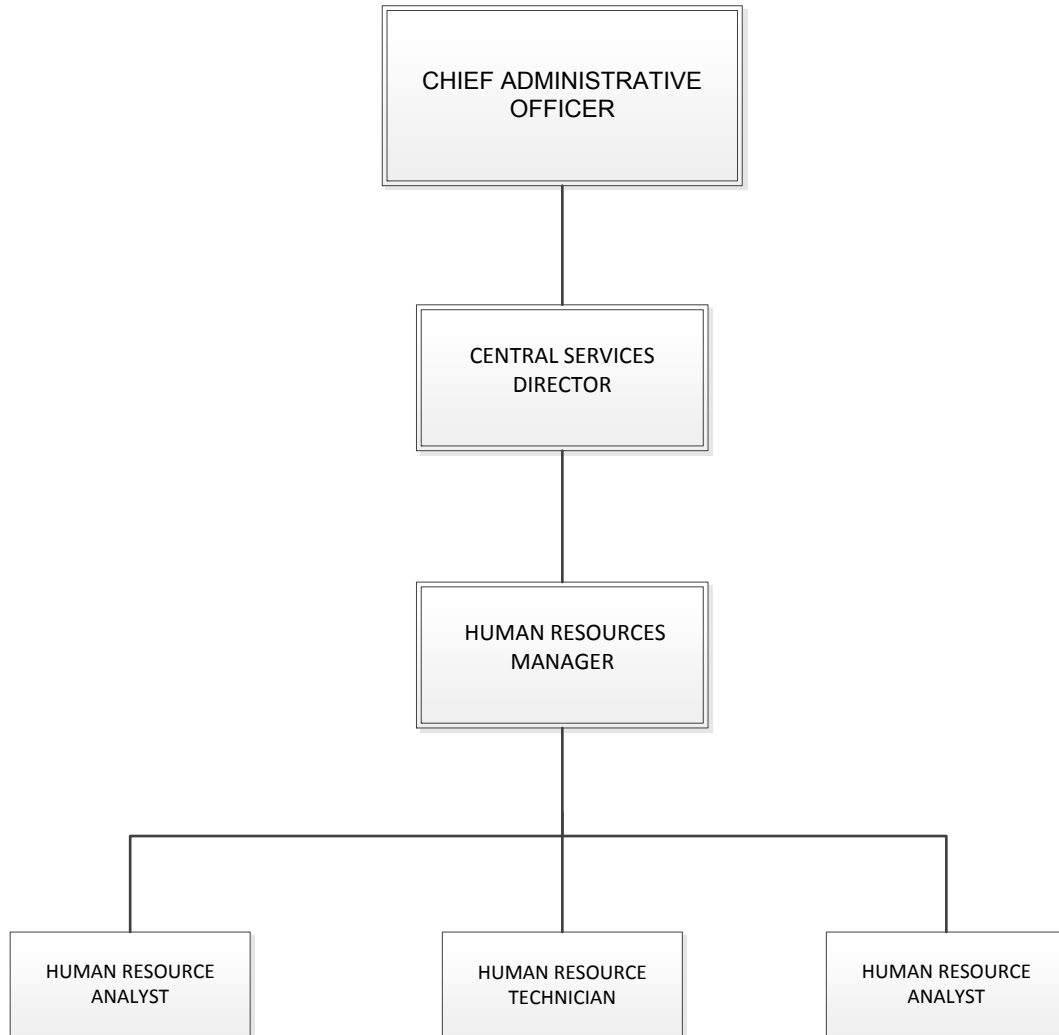
**Budget**

- Manage a balanced budget and maintain services.



# Human Resources

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## Program Description

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

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## City Strategic Plan & Department's Implementation Strategy

### Fiscal Sustainability

- Strategy: Provide Human Resource services to department leaders supporting their efforts to provide services to the citizens of Missoula.
  - Strategy: Develop creative approaches to enable the City of Missoula to recruit and retain qualified employees at a time when Baby Boomers are exiting the workforce and competition for talented employees is increasing.
    - Succession planning.
    - Skill and competency based pay
    - Retention of experienced workers through flexible scheduling, benefits, work/life balance and mentoring programs.
    - Training and development.
  - Strategy: Work with department leaders to manage employment risk.
    - Revise, update and implement personnel policies and procedures.
- 

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 278,449	\$ 290,637	\$ 270,082	\$ 265,822	\$ (24,815)	-9%
Supplies	1,865	3,115	3,268	3,115	-	0%
Purchased Services	60,260	42,983	39,027	42,983	-	0%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 340,574</b>	<b>\$ 336,735</b>	<b>\$ 312,377</b>	<b>\$ 311,920</b>	<b>\$ (24,815)</b>	<b>-7%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
HUMAN RESOURCES MANAGER	1.00	1.00	1.00	1.00
HUMAN RESOURCES ANALYST	2.00	2.00	2.00	2.00
HUMAN RESOURCES INFO SPEC	1.00	1.00	1.00	1.00
<b>Total</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>

## 2016 Budget Highlights

**Professional Services**

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



## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Number of recruitments.		67	55	65
2 . Average number of applications per recruitment.		35	47	35
3 . Increase safety awareness and practices to reduce number of medical claims filed through MMIA.	35	56	8	35
4 . New cases with work days lost due to work related injuries.		21	4	15
5 . Number of employee complaints filed with the Human Rights Commission.	-	3	-	-
6 . Number of employee complaints filed in District Court.	-	-	-	-
7 . Number of arbitration hearings settled and/or resolved	-	-	-	-

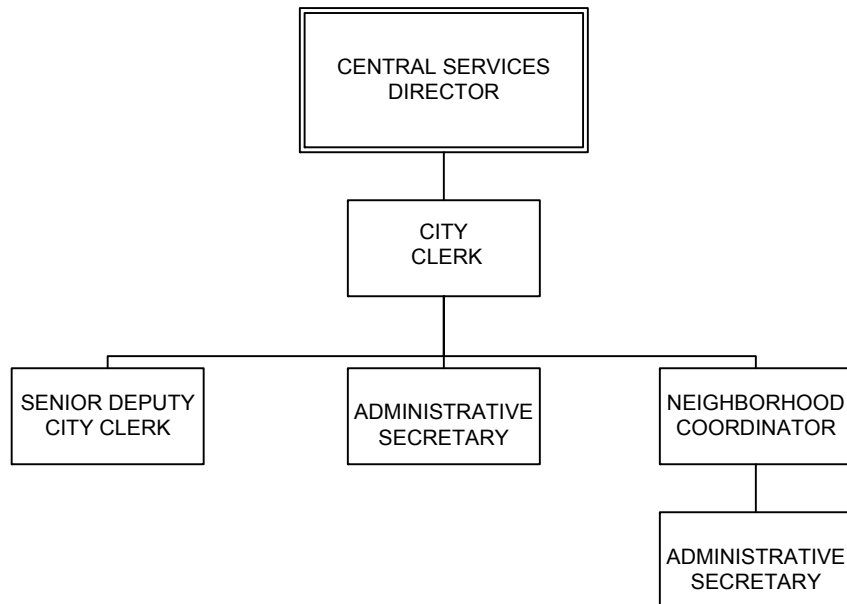
## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Number of applications for recruitments.	1,500	2,361	2,601	2,000
2 . Workers' compensation claims	35	67	47	40
3 . New Hires	250	223	172	200
4 . Terminations	230	229	149	230
4 . Union grievances settled and/or resolved	-	-	-	-
5 . Non-union grievances settled and/or resolved	-	-	-	-
5 . Employment related complaints	1	-	-	-
6 . Health Plan changes and amendments	7	3	2	3
7 . Reclassification requests	10	12	6	10
8 . Collective Bargaining Agreements to negotiate	2	2	10	-
9 . Health insurance appeals	2	5	7	4
10 . Formal employee disciplinary issues and terminations	5	-	8	(51)
11 . Employee pay, benefit and status changes	1,000	1,256	1,250	1,500
12 . Accommodations under the ADA	-	-	2	-
13 . Requests for Family Medical Leave	36	39	51	45



# City Clerk's Office

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## Program Description

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

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - Research business processes that can be automated in order to improve efficiency and access to information.
  - Update the Missoula Municipal Code and establish an online presence for the code with a professional codification company.

### Goal #2: Quality of Life for All citizens

- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
  - Develop new neighborhood councils to serve Missoula citizens in the West Reserve and East Missoula areas.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 267,410	\$ 294,227	\$ 271,562	\$ 300,305	\$ 6,078	2%
Supplies	2,677	4,324	5,068	3,425	(899)	-21%
Purchased Services	90,810	51,388	30,723	98,834	47,446	92%
Miscellaneous	28,715	74,413	27,059	38,700	(35,713)	-48%
Debt Service	-	-	-	-	-	
Capital Outlay	-	1,040	1,040	-	(1,040)	-100%
<b>Total</b>	<b>\$ 389,613</b>	<b>\$ 425,392</b>	<b>\$ 335,451</b>	<b>\$ 441,264</b>	<b>\$ 15,872</b>	<b>4%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
CITY CLERK/RECORDS MANAGER	1.00	1.00	1.00	1.00
SENIOR DEPUTY CITY CLERK	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT IV	1.00	1.00	1.00	1.00
NEIGHBORHOOD COORDINATOR	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT II	-	-	1.00	1.00
<b>Total</b>	<b>4.00</b>	<b>4.00</b>	<b>5.00</b>	<b>5.00</b>

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2016 Budget Highlights
*City Council meetings/minutes*

Calendar Year	# of Meetings	# of hours of Council mtgs.	Ave. mtg Length in hr. & min.	Total # of Pages Transcribed	Cost to transcribe	% Ready by next mtg	% Approved w/ no corrections
2007	40	83.35	3:08	719.00	\$8,894.00	83%	95%
2008	41	89.89	2:19	1,075.00	\$11,723.75	61%	95%
2009	43	72.53	1:39	812.50	\$5,973.25	98%	95%
2010	42	76.92	1:42	866.00	\$6,597.24	90%	83%
2011	42	68.00	1:36	653.25	\$5,879.28	95%	81%
2012	38	35.00	1:47	455.00	\$4,092.00	87%	92%
2013	39	54.00	1:39	636.00	\$5,724.75	87%	95%
2014	39	52.61	1:21	599.50	\$5,395.50	82%	100%
2015	30 of 41 to date	27.98	0:54	307.07	\$2,860.75	84%	97%

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Customer Requests Served in Less than 10 Minutes	90%	90%	90%	90%
2 . Council Meeting Minutes Ready By Next Meeting	87%	82%	81%	85%
3 . Council Minutes Approved With No Corrections	95%	100%	98%	96%

Historical data has been estimated.

## Workload Indicators

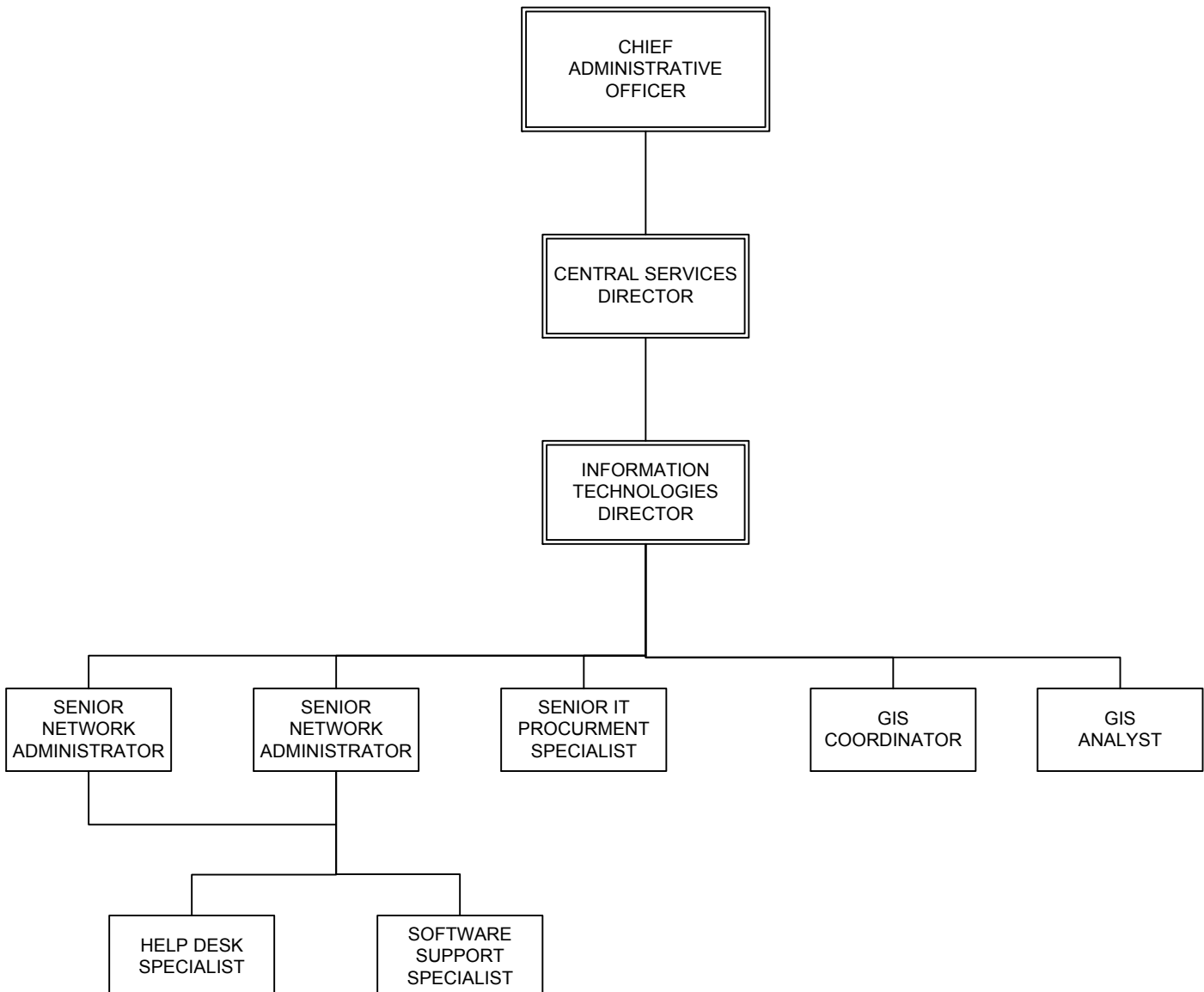
Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Agreements Processed	189	161	247	207
2 . Deeds Processed	7	3	18	9
3 . Easements Processed	23	29	31	26
4 . Miscellaneous Documents Processed	27	18	34	21
5 . Sew er Agreements Processed	48	55	44	50
6 . Ordinances Processed	26	17	18	20
7 . Petitions Processed	50	43	33	46
8 . Resolutions	87	63	80	77
9 . Average Length of Council Meetings (in hours)	1:37	1:38	1:01	1:00

Historical data has been estimated.



# Information Technologies

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## Program Description

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

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

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## City Strategic Plan & Department's Implementation Strategy

### Fiscal Sustainability

- Strategy: We will sustain and enhance our ability to be an efficient, effective, accountable, responsive and respected City Organization
  - Replace or upgrade 15 Thin Clients.
  - Consolidate GIS platform into a single application
  - Expand on Automation Asset Management
  - Phone system replacement project
  - Implement expandable storage
  - Core hardware upgrade project
  - Unified commuting platform project
  - Continue to enhance the Automation Platform
  - Continue 100% software license compliance.
  - Long range planning for disaster recovery and business continuity.
- Responsibilities:
  - In FY 2016, the Information Technology Department absorbed the GIS Division.
  - We provide financial management, help-desk services, and administration of the telecommunications fund, IT operating account, which includes centralized purchasing of all computer related equipment and software.
  - Continue to keep user desktops up to date with the latest software
  - Continue to provide network security, reliability and performance
  - We support nearly 500 employees, 450 telephones, 450 workstations, 100 mobile devices and over 100 physical and virtual servers.
  - Take a leadership role in the research, selection and implementation of new technologies that will help improve city services.
  - April 1, 2014 the IT department assumed the responsibility of the City and County Wide Public Safety Network administration. This includes hosting and maintaining all hardware and software for 911, Missoula Jail, Missoula County Sherriff, Missoula County Fire agencies, Missoula City Fire and the Missoula City Police Department. This Public Safety Network interfaces with City and County Attorney offices, as well as City Municipal Court. This strategic centralized administration of the County Wide Public Safety Network will consolidate many applications and provide a single platform for co-operative interactions with all City and County Public Safety agencies. There are over 400 city and county employees on this new platform.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 440,301	\$ 457,357	\$ 441,193	\$ 592,608	\$ 135,251	30%
Supplies	9,848	20,410	18,490	22,699	2,289	11%
Purchased Services	338,095	392,209	349,732	582,665	190,456	49%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 788,245</b>	<b>\$ 869,976</b>	<b>\$ 809,415</b>	<b>\$ 1,197,972</b>	<b>\$ 327,996</b>	<b>38%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
INFORMATION TECHNOLOGIES DIRECTOR	1.00	1.00	1.00	1.00
SENIOR NETWORK SYSTEM ADMINISTRATOR	-	1.00	1.00	1.00
NETWORK SYSTEMS ADMINISTRATOR	1.00	1.00	1.00	1.00
DATABASE ARCHITECT	1.00	-	-	-
SENIOR PC SPECIALIST	2.00	1.00	-	-
HELPDESK TECHNICIAN	-	-	1.00	1.00
SOFTWARE SUPPORT SPECIALIST	-	1.00	1.00	1.00
PROCUREMENT SPECIALIST	1.00	1.00	1.00	1.00
SENIOR GIS TECHNICIAN *	-	-	-	1.00
GIS TECHNICIAN *	-	-	-	1.00
<b>Total</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>	<b>8.00</b>

\* GIS integrated into IT in FY 16

## 2016 Budget Highlights

**New Operating Requests Funded:**

- Thin Client Upgrades \$4,000
  - GIS consolidation Fund \$30,000
  - Server Virtualization Consolidation and Maintenance Program \$33,000
- Total \$67,000

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Percent of requests that met service level agreements	100.00%	100.00%	100.00%	100.00%
2 . Average ratio of open to complete incidents per month	163/164	136/136	180/180	150/150
3 . Percent of network service availability	99.73%	99.80%	99.90%	99.80%
4 . Customer satisfaction rating based on Customer Survey. Percent rating of good to excellent.	100.00%	100.00%	100.00%	100.00%
5 . Average percent of computers with current updates.	81.45%	90.57%	90.00%	95.00%

## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Users supported	472	495	497	497
2 . Average number of Helpdesk requests per month	163	136	180	150
3 . Computers and laptops supported	170	195	202	192
4 . Thin Clients supported	250	252	261	270
5 . Servers supported	86	103	125	127
6 . Tier 1 software applications supported	43	49	49	51
7 . Tier 2 software applications supported	22	26	27	27
8 . Tier 3 software applications supported	46	48	48	48
9 . Phones supported	415	440	445	445
10 . Easement/Conveyance reviewed or created	†	402	60	40
11 . Released for construction and as-built drawings	†	15	38	45
12 . Number of Sewer Connection Cards Drawn	731	728	400	250
13 . Number of GIS users	†	†	46	46
14 . Business license renewal via Automation	†	†	109	450
15 . Permits issued through Accela Citizen Access	†	†	243	800
16 . Purchase Orders per year	182	97	200	200

## GIS Workload Indicators

## Workload Indicators

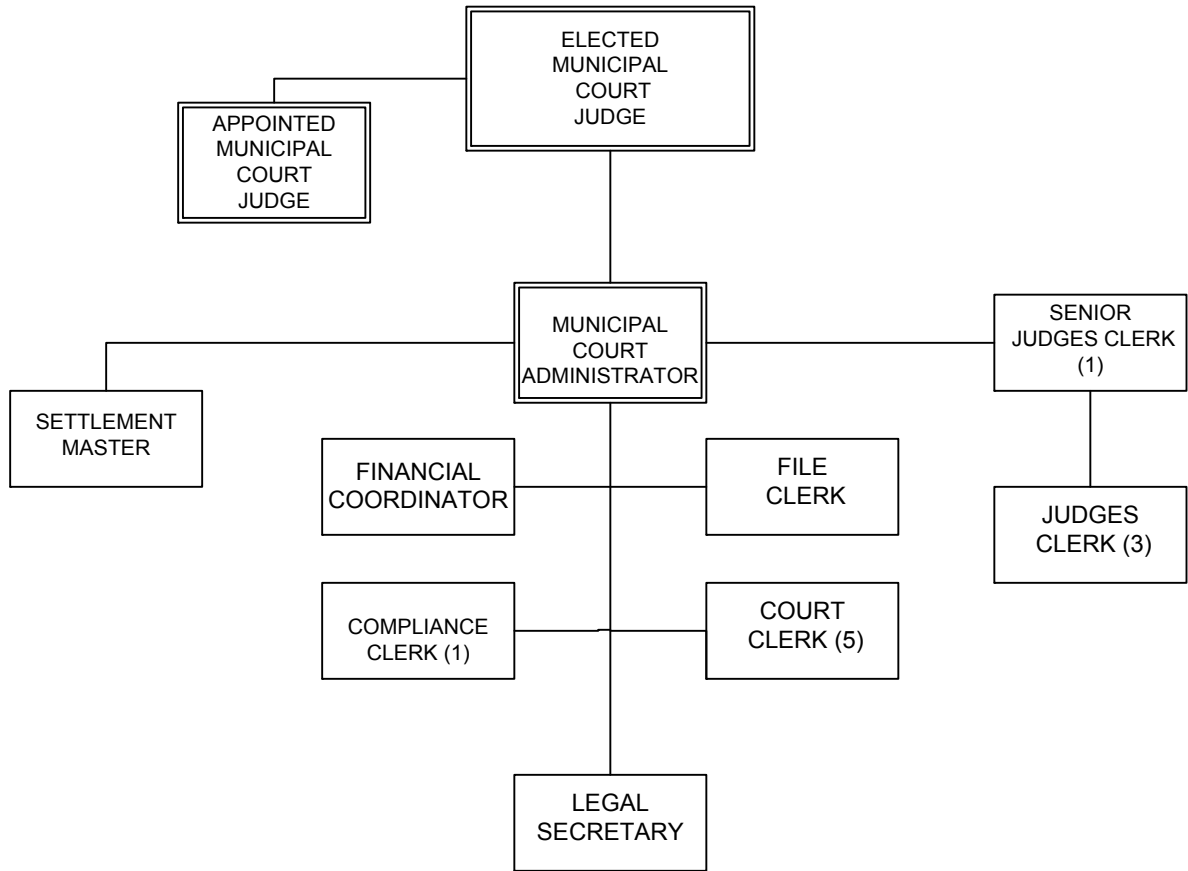
Indicator		Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
1	Number of released for construction and as-built drawings processed by GIS	†	15	10	10
2	Number of users supported on the automation platform by GIS	†	†	†	90

† Data was not obtainable. Department Created in FY 2014



# Municipal Court

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## Program Description

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 Health Department. The Court also handles the issuance of Temporary Restraining Orders and Protective Orders in domestic violence and stalking situations, and processes search warrant requests and returns.

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

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

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## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Increase accuracy in data collection and reporting in the Court database through ongoing incumbent worker training as it relates to new technology.
  - Utilize case management system to provide for more efficient flow of cases through Municipal Court.

### Goal #2: Fiscal Sustainability

- Strategy: Work towards meeting industry standards for automation of court processes.
  - Increase accuracy in data collection and reporting in the Court database through increased use of scanning technology.
  - Increased efficiency in court processes through electronic filing of documents and automated processes.

### Goal #3: Quality of Life for All People in All Places

- Strategy: We will work together to meet the needs with dignity for all.
  - Utilize statutory authority over defendants to ensure accountability for all sentencing orders.
  - Establish Traffic Bureau Settlement Master in the Court, providing a more convenient opportunity for resolution of offenses in a less formal setting Monday through Friday, 8 a.m. to 5 p.m.



## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 941,425	\$ 1,054,381	959,067	1,099,286	\$ 44,905	4%
Supplies	25,360	13,268	29,244	13,269	1	0%
Purchased Services	249,908	269,401	256,310	334,756	65,355	24%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,216,693</b>	<b>\$ 1,337,050</b>	<b>\$ 1,244,621</b>	<b>\$ 1,447,311</b>	<b>\$ 110,261</b>	<b>8%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
MUNICIPAL JUDGE	1.00	1.00	1.00	1.00
JUDGE	0.75	0.85	0.85	0.85
MUNICIPAL COURT MANAGER	-	-	-	-
MUNICIPAL COURT ADMINISTRATOR	1.00	1.00	1.00	1.00
COURT REPORTER	-	-	-	-
JUDGES CLERK	3.00	3.00	4.00	4.00
COURT CLERK	8.00	8.00	8.00	8.00
FILE CLERK	1.00	1.00	1.00	1.00
LEGAL SECRETARY	1.00	1.00	1.00	1.00
COLLECTIONS CLERK	-	-	-	-
LEAD FINANCIAL CLERK	1.00	1.00	1.00	1.00
<b>Total</b>	<b>16.75</b>	<b>16.85</b>	<b>17.85</b>	<b>17.85</b>

## 2016 Budget Highlights

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Monies collected that stay with the City which include fines, city surcharge, atty fees, NSF fees, and time payment fees.	\$ 1,288,482	\$ 1,636,564	\$ 1,253,903	1,350,000
2 . Monies collected that go to other agencies which include state tech surcharges, crime victim surcharges, and police academy surcharges.	\$ 151,304	\$ 170,941	\$ 172,145	150,000
3 . Monies collected as restitution for victims.	\$ 71,099	\$ 111,037	\$ 93,521	70,000

## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Citations processed	18,908	19,350	14,042	18,000
2 . Judge Trials Set	499	703	315	540
3 . Jury Trials Set	1,353	1016	1351	1200
3 . Warrants issued	2,677	3118	2218	2880
4 . Programs monitored	2,596	2239	2293	2880
5 . Bonds entered	1,343	2857	2233	2700
6 . Jail time served in days ‡	^	^	^	
7 . Orders of Protection filed	271	380	267	300
8 . Accounts turned to collectors ?	^	330	0	300
9 . Alcohol Monitoring *	178	182	374	540
10 . GPS Tracking	^	2	15	10
11 . Work Release ***	^	^	^	
12 . Misdemeanor Probation	134	136	194	165
13 . Pre-Trial Supervision Program #, #1			-	

\* Alcohol Monitoring started February 1, 2010

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

? Court did not turn accounts to collections in FY13.

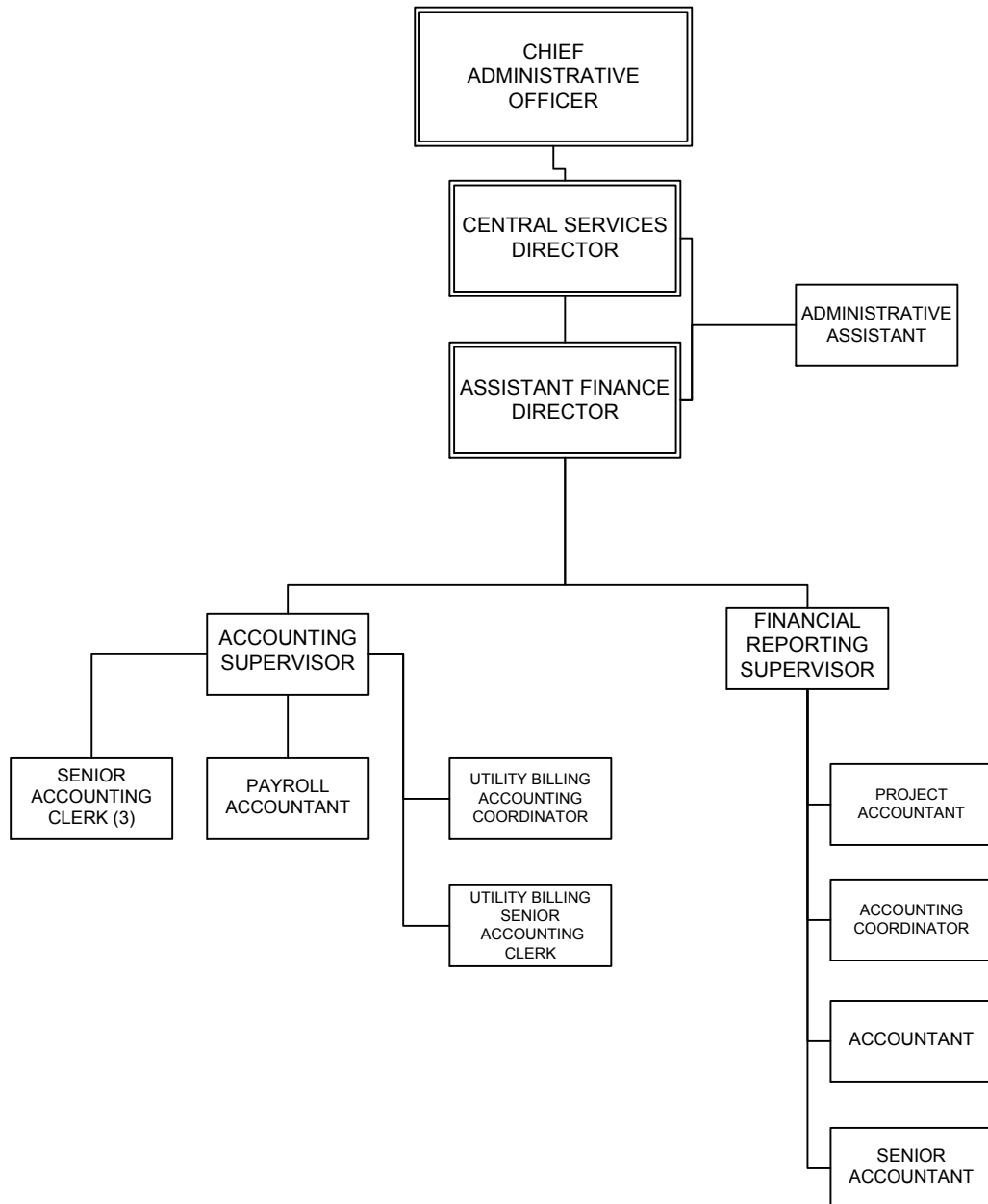
^ No longer Tracking

# Proposed new program, FY15

#1 Program not approved at budget process



# Finance



## Program Description

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

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

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Completion of summarization of revenues, expenses, assets and liabilities in monthly, quarterly and annual reports – this is then reported to Mayor's office, departments, council, citizens and creditors.
  - Completion and implementation of metered, flow based sewer rates for current and future sewer utility customers by the end of FY2016. This will be accomplished by using the results of the flow based utility study.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Balance budget within state law with minimal employee cuts while maintaining current services during time of economic stress.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 796,840	\$ 884,193	\$ 833,298	\$ 913,868	\$ 29,675	3%
Supplies	5,037	8,490	5,744	6,760	(1,730)	-20%
Purchased Services	221,700	231,993	210,219	226,353	(5,640)	-2%
Miscellaneous	-	500	-	500	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,023,577</b>	<b>\$ 1,125,176</b>	<b>\$ 1,049,261</b>	<b>\$ 1,147,481</b>	<b>\$ 22,305</b>	<b>2%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
FINANCE DIRECTOR/TREASURER	1.00	-	-	-
ASSISTANT FINANCE DIRECTOR	-	1.00	1.00	1.00
LEAD ACCOUNTANT	-	-	1.00	1.00
CHIEF ACCOUNTANT	1.00	1.00	1.00	-
SENIOR ACCOUNTANT	-	1.00	1.00	1.00
ACCOUNTING SUPERVISOR	2.00	2.00	1.00	-
FINANCIAL REPORTING SUPERVISOR	-	-	-	1.00
FINANCIAL SERVICES SUPERVISOR	-	-	-	1.00
PROJECT ACCOUNTANT	1.00	1.00	1.00	1.00
ACCOUNTING COORDINATOR	2.00	2.00	2.00	2.00
ACCOUNTING TECHNICIAN	1.00	-	-	-
ACCOUNTANT	-	-	-	1.00
FISCAL ANALYST	-	1.00	1.00	-
PAYROLL ACCOUNTANT	1.00	1.00	1.00	1.00
SENIOR ACCOUNTING CLERK	3.00	3.00	4.00	4.00
ADMINISTRATIVE SECRETARY	1.00	1.00	1.00	1.00
BUSINESS LICENSE SPECIALIST	2.00	2.00	1.00	-
<b>Total</b>	<b>15.00</b>	<b>16.00</b>	<b>16.00</b>	<b>15.00</b>

## 2015 Budget Highlights

The City received its sixth Distinguished Budget Award from the Government Finance Office Association (GFOA) for its FY2015 published budget document. The City also received its fifteenth Certificate of Achievement from the GFOA for its FY2014 Comprehensive Annual Financial Report (CAFR).

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . The Finance Department will produce a clean "unqualified" audit opinion.	100%	100%	100%	100%
2 . The Finance Department will produce client prepared work papers which are delivered to the auditors by the agreed delivery date.	100%	100%	100%	100%
3 . The Finance Department will receive the Government Finance Officer's Association's Certificate of Excellence in Financial Reporting award for the Comprehensive Annual Financial Report.	100%	100%	100%	100%
4 . The Finance Department will deliver the preliminary and final budget to the council by agreed delivery dates.	100%	100%	100%	100%

## Workload Indicators

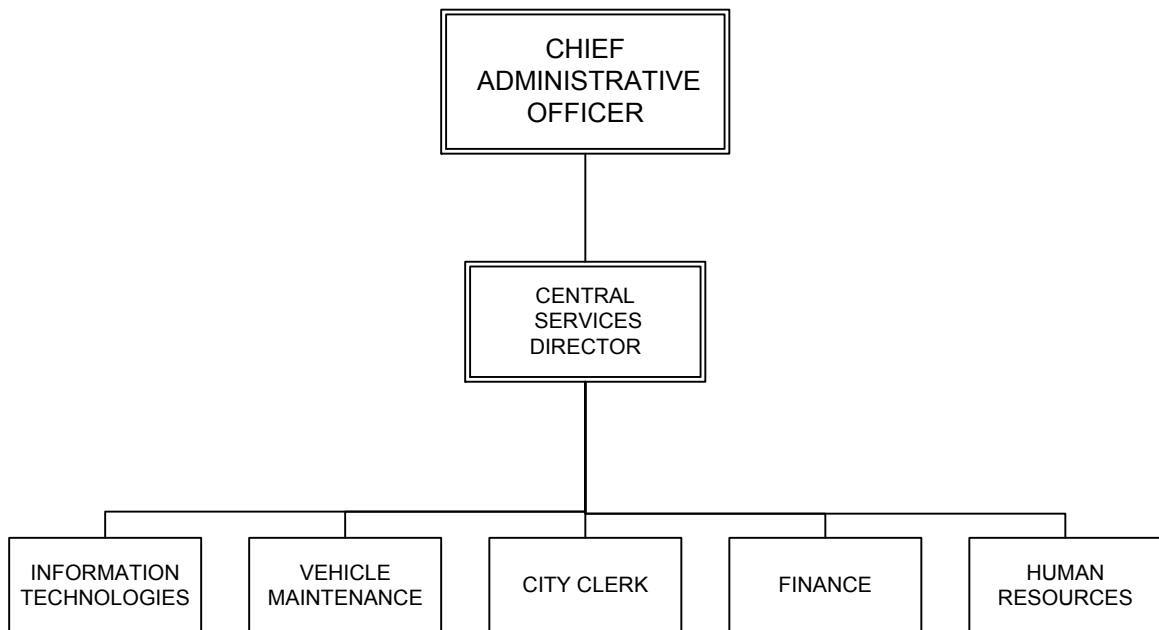
Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Accounts Payable (Total claims paid)	\$ 43,782,434	\$ 39,542,010	\$ 41,639,953	\$ 49,650,703
2 . Sew er/Utility Billing (Total billed)	\$ 6,447,367	\$ 7,186,235	\$ 7,247,814	\$ 7,466,985
3 . Special Improvement District (Total billed)	\$ 2,565,463	\$ 2,468,350	\$ 2,221,813	\$ 3,898,519
4 . Payroll (Total salary w ages paid)	\$ 38,975,925	\$ 42,179,269	\$ 44,352,974	\$ 46,188,775





# Central Services

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## Program Description

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

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

#### Goal #1: Funding and Service

- Strategy: We will maintain and improve the level of service to citizens
  - Develop the new team of Central Service Division Heads and provide improved services to the Departments of the City.
  - Implement and manage the new Public Safety & Justice District

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

- Strategy: Integrate energy conservation, climate action and sustainability in the City's natural and built environment to reflect Missoula's values of clear air, clean water and resiliency.
  - Implement City energy efficiency, conservation and renewable energy projects
    - Install Screw Press at the Waste Water Treatment Plant
    - Initiate Biogas Use Pilot Project at the Waste Water Treatment Plant
    - Assist Parks and Recreation in HVAC and building envelope project
  - Plan for future City energy efficiency, conservation and renewable energy deployment
    - Solar Potential for Municipal Operations Study
    - City Hall and Fire Station Four HVAC energy conservation Study
  - Understand, track and analyze City's energy consumption, cost and emissions
    - Manage Utility TracPlus Energy Consumption and Cost tool
    - Complete Emissions Inventory Update

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 58,631	\$ 326,742	\$ 325,236	\$ 336,151	\$ 9,409	3%
Supplies	311	1,778	2,134	2,722	944	53%
Purchased Services	3,612	13,278	9,089	7,345	(5,933)	-45%
Miscellaneous	-	-	50	5,000	5,000	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 62,554</b>	<b>\$ 341,798</b>	<b>\$ 336,510</b>	<b>\$ 351,218</b>	<b>\$ 9,420</b>	<b>3%</b>

\* Un-audited numbers

^ Department was created in FY14

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
CENTRAL SERVICES DIRECTOR	-	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	-	0.50	-	-
RISK MANAGER	-	-	1.00	1.00
ENERGY COORDINATOR	-	-	1.00	1.00
<b>Total</b>	<b>-</b>	<b>1.50</b>	<b>3.00</b>	<b>3.00</b>

## FY 2016 Budget Highlights

In FY2014 a new Central Services Director was hired, along with moving the Risk Manager from the Human Resources Department and the Energy Coordinator from the Facility Maintenance Department.

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Increase safety awareness and practices reduce number of medical claims filed through MMIA	35	62	48	45
2 . Through safety awareness reduce number of days lost due to work related injuries.	300	342	472	400
3 . Work with department personnel to lower Worker's Compensation mod factor to 1	1.27	1.10	1.12	1.07
4 . Develop and consult on Energy Conservation and Greenhouse Gas Reduction Activities with department heads (number of projects & policies).	†	†	24	10
5 . Comprehensively track energy consumption, costs and operational emissions (number of tracking systems)	†	†	1	2

† Energy conservation position was created in FY2014

## Workload Indicators

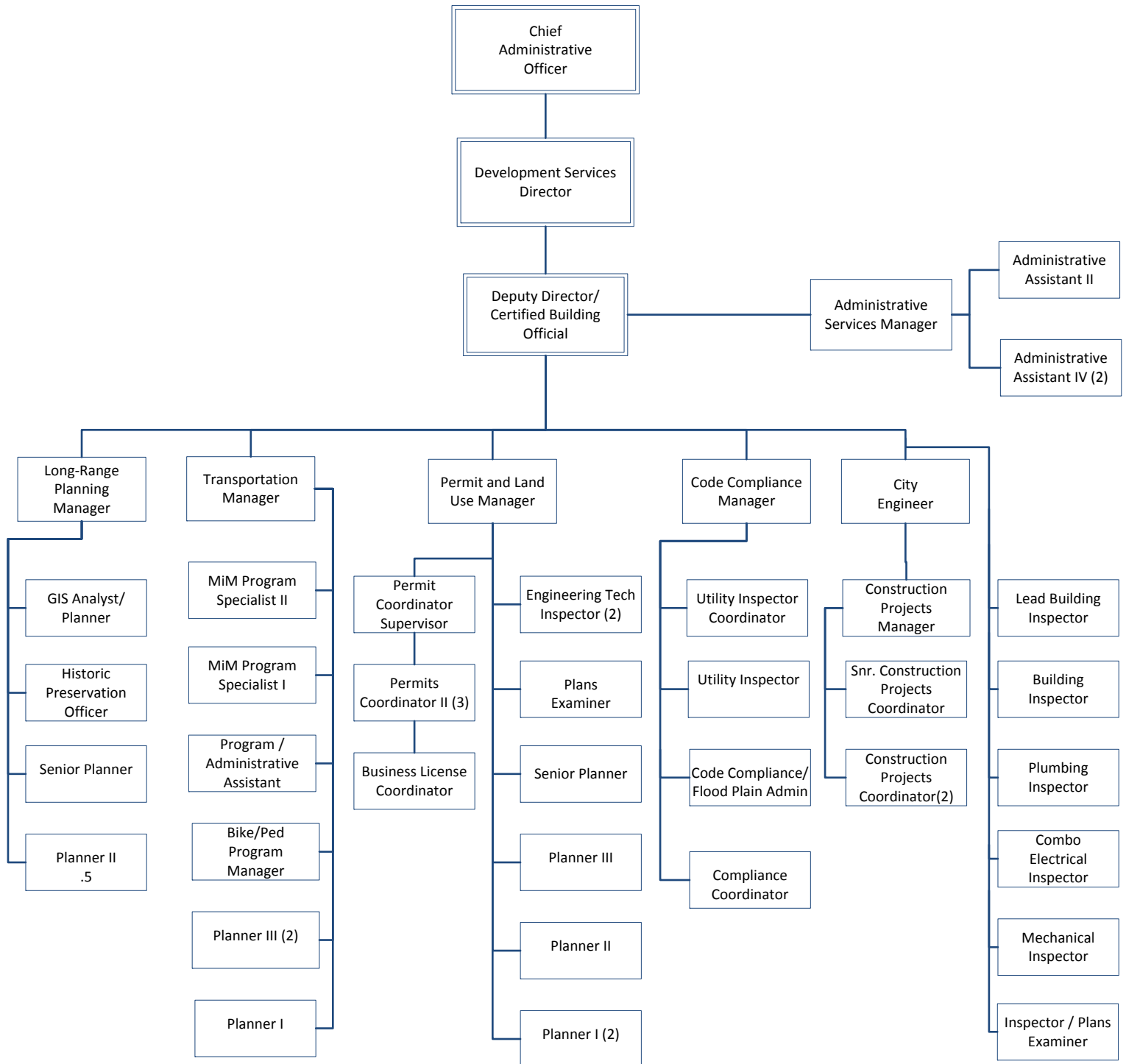
Indicator	Actual FY2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Workers' compensation claims	35	57	69	60
2 . Number of energy conservation projects initiated	†	†	14	5
3 . Reduce operational greenhouse gas emissions by 5% below 2008 baseline.	†	†	*100%	100%

† Energy conservation position was created in FY2014

\* FY15 update in progress at time of budget publication



# Development Services



## Program Description

Development Services combines land use planning, transportation planning, building and engineering services to create a “one-stop shopping” environment for the development community and the citizens of Missoula.

The Permits and Land Use Division is responsible for planning and zoning efforts (including staff support to the City-County Consolidated Planning Board, Board of Adjustment and Design Review Board) and for business licensing.

Permits and Land Use also conducts plan review, issues permits, conducts site inspections and issues final approvals or Certificates of Occupancy for completed projects.

The Engineering Division manages infrastructure improvement projects including roads, sidewalks, trails and sewer projects.

The Compliance Division is responsible for conducting utility locates and inspections as well as ensuring compliance with City Codes and business licensing requirements.

The Transportation Division receives federal transportation funds in support of regional transportation planning efforts (Fund 2955). The General Fund supports the Bike/Ped program and is match for CMAQ grants to the Bike/Ped and MIM programs.

The Planning Division is primarily funded by the Planning Mill funds for long-range planning projects, maintenance of the City’s Zoning Code and neighborhood outreach (Fund 2250). Historic preservation is funded by the General Fund and State Historic Preservation Office (SHPO) funds.

The Building Division is responsible for building plan review and inspecting and approving all new buildings, building additions and interior improvements, funded entirely by the Building Fund (Fund 2394).

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## City Strategic Goals & Department’s Implementation Strategy

### Goal #1: Funding and Service

- Strategy: We will maintain or improve the level of service to citizens.
  - Enhance the ACCELA Automation permitting system by expanding online services and mapping tools to increase convenience and accessibility to customers.
  - Continue to improve plan review and permitting processes through new technology and operational efficiencies.
  - Continue to expand resources available on the website as well as enhancing direct personal communications to improve the citizen’s understanding of development and planning issues and access to information, procedures and processes.

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

- Strategy: We will reflect values of sustainability in transportation and building design.
  - Complete the 2015 Growth Policy process and update maps and documents accordingly to ensure that they adequately reflect the need for a sustainable balance between the natural and built environment and reflect community values.
  - Continue to streamline and implement Transportation Demand Management (TDM) programs that support sustainable transportation options and improve air quality through internal coordination between the Transportation, Engineering and Land Use Divisions and leading the TDM consortium comprised of all TDM partners.

### Goal #3: Quality of Life for all Citizens

- Strategy: We will encourage sustainable development and redevelopment.
  - Focus Inward policies dictate that development should be directed towards areas that have the infrastructure and services needed to support it
- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula’s citizens.
  - Enhanced coordination between transportation and planning will be reflected in future community planning processes in order to promote a healthy lifestyle for Missoula’s citizens.
- Strategy: We will work to provide affordable housing for the work force of Missoula.
  - Review planning policies, analyze needs and propose land use and zoning tools that enhance opportunities for affordable housing.



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 FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 2,400,589	\$ 1,653,950	\$ 1,653,196	\$ 1,681,419	\$ 27,469	2%
Supplies	52,860	37,537	29,615	30,182	(7,355)	-20%
Purchased Services	235,038	161,513	115,547	321,823	160,310	99%
Miscellaneous	127,071	-	11,875	186,500	186,500	
Debt Service	-	-	-	-	-	
Capital Outlay	-	8,576	-	-	(8,576)	-100%
<b>Total</b>	<b>\$ 2,815,558</b>	<b>\$ 1,861,576</b>	<b>\$ 1,810,233</b>	<b>\$ 2,219,924</b>	<b>\$ 358,348</b>	<b>19%</b>

\* Un-audited numbers

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## 2016 Budget Highlights

In FY16 no significant changes are proposed from the FY15 budget. In FY15, Planning and Transportation were moved to the special revenue section of the budget, because the majority of their funding comes from dedicated sources. Some minor organizational changes occurred in FY15 that affected the Permits and Land Use, Building and Transportation Divisions. The only impact on the General Fund was an additional 0.25 FTE for the Permits and Land Use Division for a planner dedicated to the sign program and assistance on the zoning desk.

**New Requests**

- Development Services has no new funding requests.
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## STAFFING SUMMARY

Title	Actual	Actual	Adopted
	FY 2014	FY 2015	FY2016
DEVELOPMENT SERVICES DIRECTOR*	0.82	0.80	0.80
ASST. DIRECTOR DEV. SVCS./BUILDING OFFICIAL*	0.09	0.10	0.10
PERMIT COORDINATOR SUPERVISOR*	0.29	0.30	0.30
PERMIT COORDINATOR I*	0.34	0.30	0.30
PERMIT COORDINATOR II*	0.68	0.60	0.60
ADMIN. SVCS MANAGER/PROJECTS COOR.*	0.78	0.80	0.80
SECRETARY*	1.70	-	-
PERMIT/LICENSE COORDINATOR	0.50	1.00	1.00
ADMINISTRATIVE SECRETARY*	1.61	2.10	2.10
BICYCLE/PEDESTRIAN PROGRAM MANAGER***	1.00	-	-
CITY ENGINEER	1.00	1.00	1.00
CONSTRUCTION PROJECT MANAGER	1.00	1.00	1.00
ENGINEERING TECHNICIAN/INSPECTOR	2.00	1.00	1.00
SENIOR ENGINEERING TECHNICIAN/INSPECTOR	1.00	1.00	1.00
CONSTRUCTION PROJECT COORDINATOR	1.00	2.00	2.00
SENIOR CONSTRUCTION PROJECT COORDINATOR	1.00	1.00	1.00
CONSTRUCTION PLANS EXAMINER	0.50	-	-
CODE COMPLIANCE MANAGER	1.00	1.00	1.00
UTILITY INSPECTOR	2.00	1.00	1.00
SENIOR UTILITY INSPECTOR	-	1.00	1.00
COMPLIANCE OFFICER	-	0.50	1.00
CODE COMPLIANCE/FLOODPLAIN ADMIN	-	1.00	1.00
PLANNING MANAGER**	1.00	-	-
PERMIT & LAND USE MANAGER	1.00	1.00	1.00
PLANNER I	1.00	2.00	2.00
PLANNER II**	4.50	1.00	0.75
PLANNER III	2.00	1.00	1.00
GIS/PLANNER II**	1.00	-	-
SENIOR PLANNER	2.00	1.00	1.00
PROGRAM SUPERVISOR***	1.00	-	-
PROGRAM ASSISTANT***	1.00	-	-
TRANSPORTATION MANAGER***	1.00	-	-
PROGRAM SPECIALIST***	1.00	-	-
BIKE AMBASSADOR***	0.40	-	-
<b>Total</b>	<b>35.21</b>	<b>23.50</b>	<b>23.75</b>

\*Some positions are partially funded in 2934, Building Inspection

\*\*Position was moved to new funding code for FY2015 - 2250 Planning

\*\*\*Position was moved to new funding code for FY2015 - 2295 Transportation

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
1 . Development Services' multi-dwelling and commercial building permit review should be completed in three weeks or less.		99%	99%	99%
2 . Development Services' residential building permit review should be completed in two weeks or less.		99%	99%	99%
3 . Fulfilled the programmatic requirements of the Unified Planning and Work Program (UPWP) and completed specific planning projects and processes on time.		100%	100%	100%
4 . City Planning Division maintenance of Zoning code and Subdivision regulations		100%	100%	100%
5 . City Planning Division annual Urban Fringe Development Area Yearbook provides comprehensive tracking of community services and natural resource impacts along with new development patterns.		100%	100%	100%

These performance measures are new for FY2014. Data for previous fiscal years is not available.

## Workload Indicators

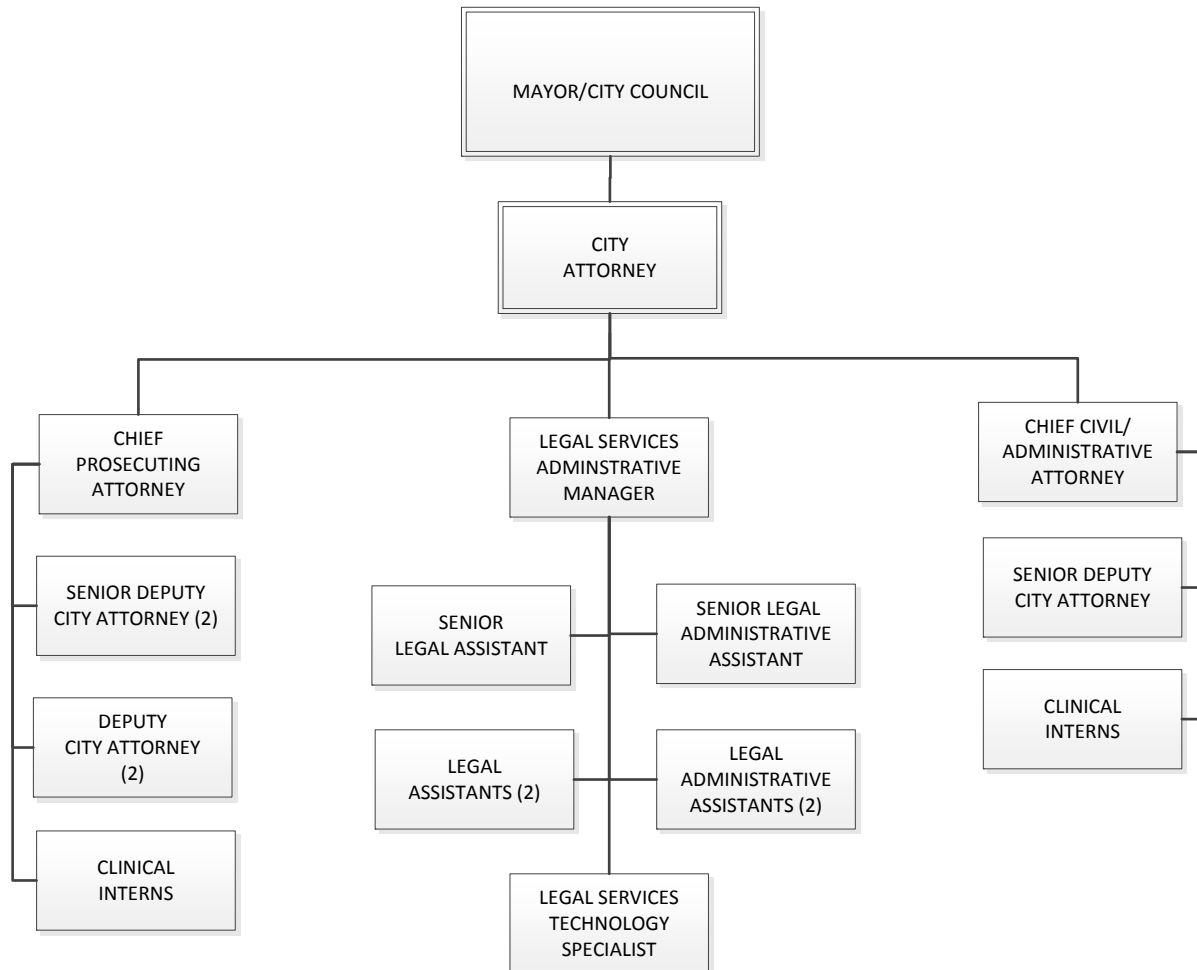
Indicator	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
1 . Miles of sidewalk installed annually	9	10	0.95	6
2 . Pedestrian snow violations mitigated	211	428	202	200
3 . Board of Adjustment Applications*	-	2	4	5
5 . Design Review Board*	-	10	12	9
6 . Conditional Use Applications*	-	8	10	15
7 . Sign Permits*	78	128	96	120
8 . Acres of newly annexed property	10	19	10	5
9 . Building permits reviewed	1,395	1,290	872	1,100
10 . Subdivision preliminary plats reviewed	-	-	-	1
11 . Right-of-way permits issued	-	309	193	300
12 . Excavation permits issued	-	878	369	100
13 . Lineal feet of sanitary sewer main installed	-	3,896	4,198	4,047
14 . New/Repairs of Sewer Services	-	620	394	600
15 . Community Presentations Given*	-	10	10	10
16 . Hazardous vegetation/visibility obstruction sites investigated	55	72	31	75
17 . Sewer utility locates completed	709	746	661	700
18 . Historic Preservation permits reviewed*	-	5	5	4
19 . Subdivision exemption reviews	27	41	22	15

\*Indicates responsibilities acquired by the City in January 2013. FY2013 data in these categories is for six months only.



# City Attorney's Office

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## Program Description

The City Attorney is the chief legal advisor for the Mayor, City Council, and all City departments. The City Attorney's Office prosecutes misdemeanor violations of state and local law that are filed in Missoula Municipal Court.

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

#### Goal #1: Funding and Service

- Deliver high quality, cost effective legal services to the City Administration and City officials that are responsive to the City's adopted policies, goals and objectives to position the City to deliver services and improve the community in a changing economy.
  - Strive to timely keep abreast of legislative and judicial changes in the law as well as to effectively and competently represent the City in all legal proceedings and forums involving the City.
- Provide risk management guidance to assist the City in minimizing its financial exposure to claims and lawsuits.
  - Assist the City Administration in attempting to attain liability and workers' compensation reduced experience modification factors from the preceding year and most importantly strives to attain experience modification factors significantly less than 1.0.

#### Goal #2: Quality of Life for All Citizens

- Increase the safety of victims of domestic violence and the community by working to increase compliance with sentencing mandates including anger management counseling by offenders.
- Enhance the public's sense of safety in their communities.
  - Aggressively prosecute high misdemeanor crimes that occur in the City of Missoula.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 1,134,096	\$ 1,206,105	\$ 1,204,512	\$ 1,272,599	\$ 66,494	6%
Supplies	9,971	7,631	4,685	7,131	(500)	-7%
Purchased Services	49,325	62,525	52,368	63,026	501	1%
Miscellaneous	2,551	-	-	63,875	63,875	
Debt Service	-	-	-	-	-	
Capital Outlay	9,100	-	616	-	-	
<b>Total</b>	<b>\$ 1,205,044</b>	<b>\$ 1,276,261</b>	<b>\$ 1,262,181</b>	<b>\$ 1,406,631</b>	<b>\$ 130,370</b>	<b>10%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
City Attorney	1.00	1.00	1.00	1.00
Chief Civil/Admin Attorney	1.00	1.00	1.00	1.00
Chief Prosecuting Attorney	1.00	1.00	1.00	1.00
Senior Deputy City Attorney	3.00	3.00	3.00	3.00
Deputy City Attorney	1.00	1.52	1.70	2.00
Deputy City Attorney (Grant)	-	0.48	0.30	-
Legal Services Administrative Manager	1.00	1.00	1.00	1.00
Legal Services Technology Specialist	-	-	-	1.00
Senior Legal Assistant	1.00	1.00	1.00	1.00
Legal Assistant	2.00	3.00	3.00	2.00
Victim Witness Coordinator	-	-	-	-
Victim Witness Coordinator (Grant)	-	-	-	-
Senior Legal Administrative Assistant	1.00	1.00	1.00	1.00
Legal Administrative Assistant	1.00	2.00	2.00	2.00
DV Compliance Legal Assistant	0.40	-	-	-
DV Compliance Legal Assistant (Grant)	0.60	-	-	-
Clerk	0.85	-	-	-
Clerk (Grant)	0.15	-	-	-
<b>Total</b>	<b>15.00</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>

## 2016 Budget Highlights

Propose a Victim Witness Coordinator position for the City Attorney's Office to further address victim safety and offender accountability in line with the DOJ's prosecution best practices, experiences of other jurisdictions, and documented local need

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## Workload Indicators

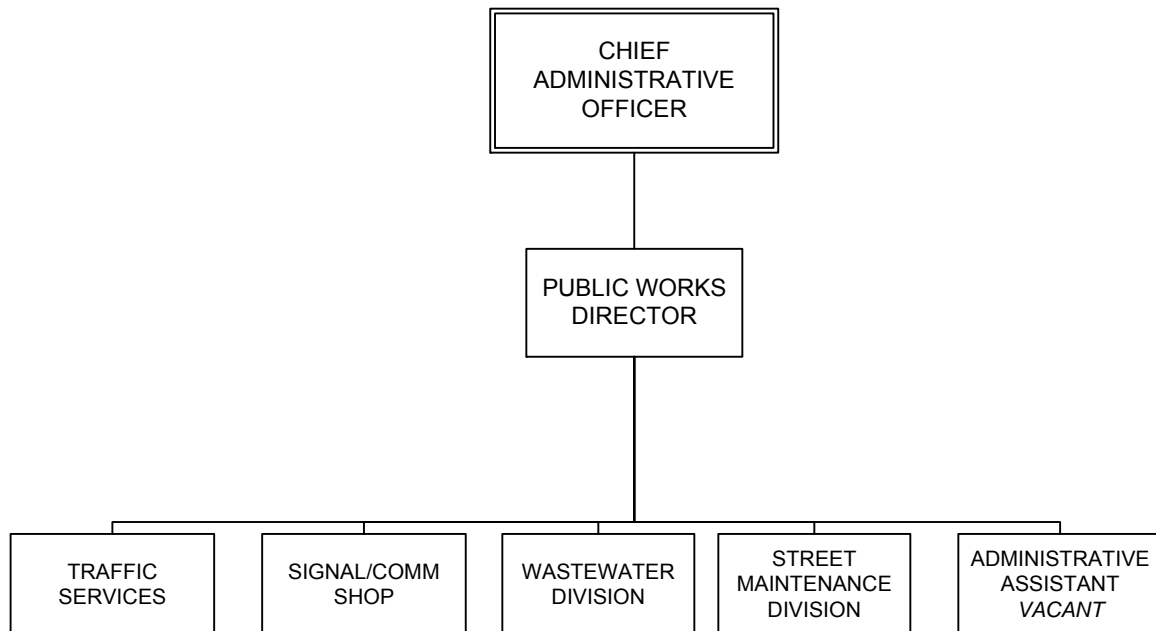
Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
<b>CIVIL DIVISION</b>				
1 . Contracts/agreements review ed	322	358	121	121
2 . Subdivision plats review ed	25	34	35	35
3 . Confidential Criminal Justice Information requests review ed	-	31	32	32
3 . Legal opinions issued	32	29	35	35
<b>CRIMINAL DIVISION</b>				
1 . New Cases	4,226	3,945	3,018	3,018
1a . Misdemeanor	3,757	3,496	2,712	2,712
1b . PTR	353	322	200	200
1c . Charging Review s	10	27	46	46
1d . Driver's License Reinstatement District Court	94	71	45	45
1e . Investigative Subpoena	12	26	12	12
1f . Code Violation	-	3	3	3
2 . Partner Family Member Assault new cases	146	152	175	175
3 . Order of Protection and No Contact Violation new cases	43	67	66	66
4 . Sexual Assault new cases	8	12	14	14
5 . DUI (§ 61-8-401 / § 61-8-465 MCA) new cases	512	412	335	335
6 . Unlaw ful Refusal of Breath or Blood Alcohol/Drug Test new cases	324	233	203	203
7 . Charges added (may have multiple charges in one case)	8,929	7,996	7,735	7,735
8 . PTRs prepared (multiple petitions often needed for compliance)	463	489	452	452





# Public Works Administration

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## Program Description

The Public Works Department promotes and manages maintenance of the City's public infrastructure; the facilities that together, constitute the physical plant upon which the local economy and citizen quality of life depends. Public Works Administration manages a variety of divisions including Traffic Services, Street Maintenance, and Wastewater.

## City Strategic Goals & Department's Implementation Strategy

### Goal 1 – Fiscal sustainability

#### Strategies:

- ◆ Maintain levels of Public Works service:
  - Engage and encourage staff to develop creative solutions to service delivery and productivity goals and implement selected solutions
  - Establish alternative funding sources for essential Public Works services and research potential new sources annually
- ◆ Structure a method of more effective communications with Council, and subsequently citizens, to improve Council's and citizens' understanding of public works.

### Goal 2 – Harmonious natural and built environment

#### Strategies:

- ◆ Continue to research and apply for all grant programs supporting clean air and water and energy conservation supporting the natural environment.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 547,560	\$ 651,579	\$ 626,171	\$ 725,682	\$ 74,103	11%
Supplies	116,200	103,115	96,954	103,115	-	0%
Purchased Services	138,094	160,359	153,083	160,359	-	0%
Miscellaneous	-	-	1,989	(5,411)	(5,411)	
Debt Service	-	-	1,800	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 801,854</b>	<b>\$ 915,053</b>	<b>\$ 879,997</b>	<b>\$ 983,745</b>	<b>\$ 68,692</b>	<b>8%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
PUBLIC WORKS DIRECTOR	1.00	1.00	1.00	1.00
TRAFFIC SERVICES COORDINATOR	1.00	1.00	1.00	1.00
TRAFFIC MAINTENANCE WORKER II	2.00	2.00	2.00	2.00
SEASONAL LABOR	1.42	1.42	1.42	1.42
COMMUNICATION SHOP SUPERVISOR	1.00	1.00	1.00	1.00
ELECTRONIC TECHNICIAN	2.00	2.00	2.00	2.00
<b>Total</b>	<b>8.42</b>	<b>8.42</b>	<b>8.42</b>	<b>8.42</b>

## Workload Indicators

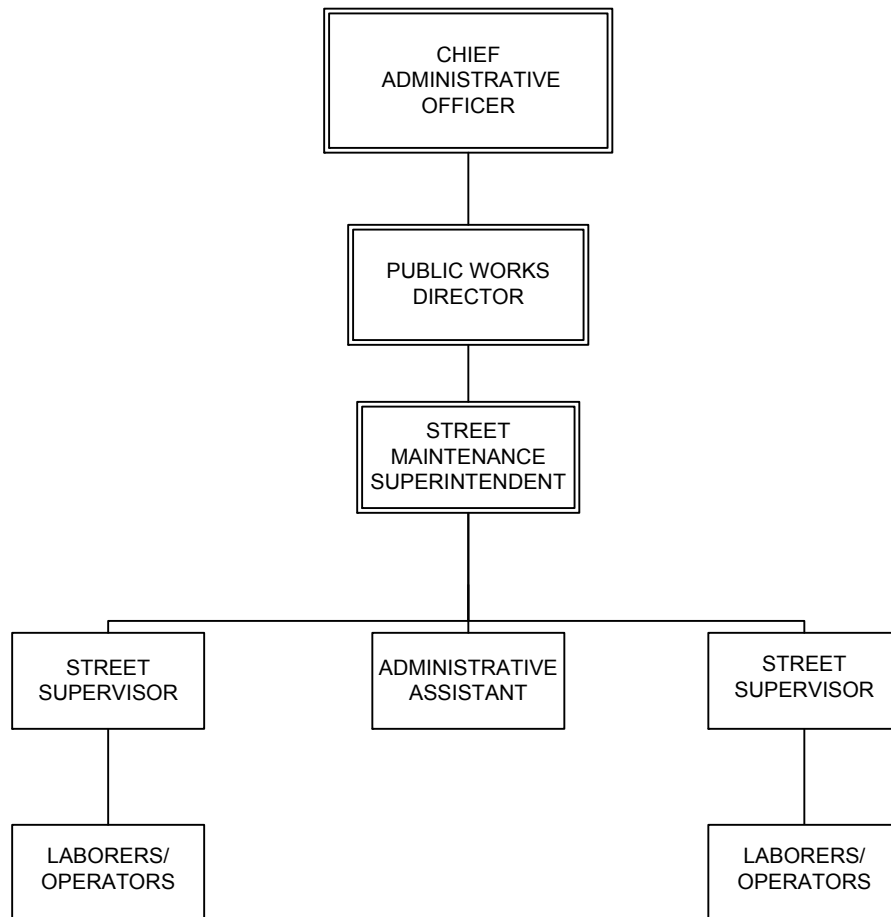
## Workload Indicators

Indicator	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
1 . Miles of streets/alleys in the City limits	387	380	380	380
2 . Hours of traffic signal maintenance annually	2,440	2,440	2,440	2440
3 . Hours of street/traffic sign maintenance annually	2,000	2,000	2,000	2000
4 . Hours of street painting and striping annually	1,500	1,500	1,500	1500
5 . Hours to install fleet radios/electronics annually	1,020	1,020	1,020	1020
6 . Hours to repair/maintain fleet radios/electronics annually	1,680	1,680	1,680	1680



# Street Maintenance Division

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## Program Description

The Street Maintenance Division has the responsibility for maintaining the convenience and insuring the safety of the public streets, alleys, and public rights-of-way for the use by the public. The Division provides for this responsibility by implementing programs for street cleaning; leaf pickup and removal; street patching and major maintenance; snow and ice control; storm water drainage facility maintenance; alley grading; reconstruction of streets; maintenance of state routes within the City; major street construction projects; and other projects for other departments and the community in general.

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Funding and Service

- Strategy: We will maintain or improve the level of service to citizens.
  - Upgrade Asset Management System as part of implementation of Accela Automation, resulting in improved mapping functionality for Street Division.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Negotiate continuance of contract with MDT for providing services on MDT routes.

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

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
  - Implement utilization of asphalt recycler to reduce waste in the landfill and improve service to community by having hot asphalt available for patching in winter.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 2,051,129	\$ 2,019,622	\$ 2,096,840	\$ 2,098,554	\$ 78,932	4%
Supplies	598,046	474,734	489,634	474,737	3	0%
Purchased Services	58,174	56,051	39,351	56,052	1	0%
Miscellaneous	186,572	92,763	61,473	76,785	(15,978)	-17%
Debt Service	23,320	-	-	-	-	
Capital Outlay	140,580	196,558	150,255	197,705	1,147	1%
<b>Total</b>	<b>\$ 3,057,821</b>	<b>\$ 2,839,728</b>	<b>\$ 2,837,552</b>	<b>\$ 2,903,833</b>	<b>\$ 64,105</b>	<b>2%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
STREET SUPERINTENDENT	1.00	1.00	1.00	1.00
ADMINISTRATIVE SECRETARY	1.00	1.00	1.00	1.00
STREET SUPERVISOR	1.00	1.00	1.00	1.00
STREET SUPERVISOR	1.00	1.00	1.00	1.00
FINISH BLADE OPERATOR	1.00	1.00	1.00	1.00
SECOND BLADE OPERATOR	1.00	1.00	1.00	1.00
LABORER/OPERATOR	6.00	6.00	6.00	6.00
SEASONAL OPERATOR	0.50	0.50	0.50	0.50
SEASONAL OPERATOR	0.50	0.50	0.50	0.50
SEASONAL OPERATOR	0.50	0.50	0.50	0.50
SEASONAL OPERATOR	0.50	0.50	0.50	0.50
SEASONAL OPERATOR	0.25	0.25	0.25	0.25
SEASONAL OPERATOR	0.25	0.25	0.25	0.25
SEASONAL OPERATOR	0.25	0.25	0.25	0.25
OPERATOR	9.00	9.00	9.00	9.00
TANDEM TRUCK OPERATOR	1.00	1.00	1.00	1.00
TANDEM TRUCK OPERATOR	1.00	1.00	1.00	1.00
TANDEM TRUCK OPERATOR	1.00	1.00	1.00	1.00
TANDEM TRUCK OPERATOR	1.00	1.00	1.00	1.00
LABORER/OPERATOR	1.00	1.00	1.00	1.00
ANNEXATION REQUEST	0.04	0.04	0.04	0.04
<b>Total</b>	<b>28.79</b>	<b>28.79</b>	<b>28.79</b>	<b>28.79</b>

## 2016 Budget Highlights

**Special State/MRA Projects**

The Street Maintenance Division completes special paving and maintenance projects on State routes pursuant to negotiated additions to the State Maintenance Program. The Division anticipates completing the following projects during FY 16. There is no scheduled MRA projects identified for FY16.

- **MDT, Russell Street: Mount to Brooks:** chip seal \$ 28,347
- **MDT, Stephens Ave: South 6<sup>th</sup> Street to Mount:** chip seal \$ 48,110
- **MDT, Reserve Street; West Broadway On/Off Ramps:** mill overlay \$ 121,248
- TOTAL** **\$ 197,705**

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Percentage of planned City blocks reconstructed.	100%	100%	100%
2 . Percentage of planned City blocks chip and sealed.	100%	88%	100%
3 . Percentage of planned City blocks reclaimed.	0%	0%	0%
4 . Percentage of City blocks overlayed with asphalt.	100%	100%	100%
5 . Operate Roscoe patch truck 400 hours per year, depending on oil availability	90%	86%	100%
6 . Crack seal pavement of City streets 2000 hours	3%	11%	100%
7 . Clean 25% of drainage sumps.	31%	51%	100%
8 . Install 15 new sumps.	100%	33%	100%
9 . Re-dig 15 existing sumps	100%	86%	100%
10 . Sweep all commercial areas and state routes once per month	100%	100%	100%
11 . Sweep the downtown business district once per week.	100%	100%	100%
12 . Sweep sand during winter priority sweeping schedule.	100%	100%	100%
13 . Sweep Allied Waste landfill once per week in exchange for sweeping disposal.	100%	100%	100%
14 . Pick up all leaves that fall on boulevard/street and recycle through EKO Compost.	90%	90%	90%

## Workload Indicators

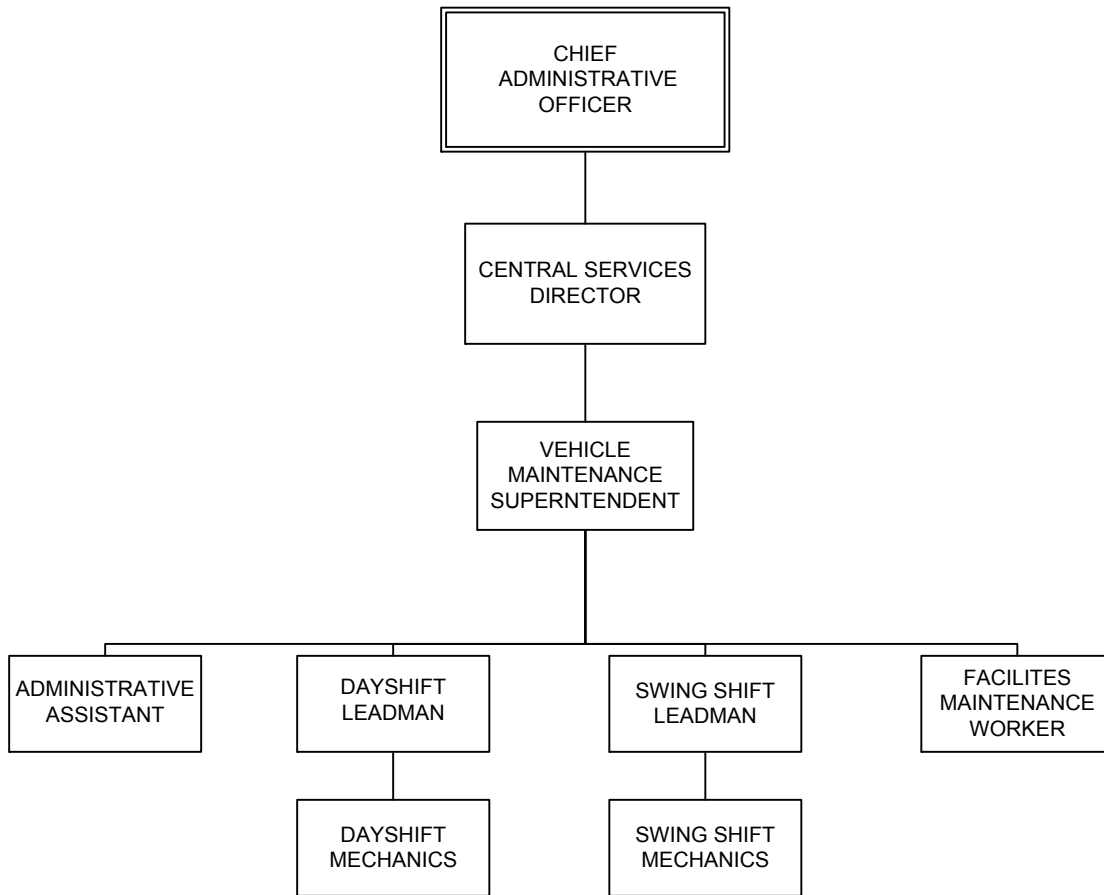
Indicator	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Hours spent Pothole Patching	423	2,873	2,300
2 . Hours spent on Alley Maintenance	194	466	250
3 . Miles of Alleys Graded	95	137	200
4 . Hours spent Cleaning Streets	738	5,086	5,000
5 . Loads of Sweepings Hauled to Allied Waste	36	45	35
6 . Miles Swept Per Day	15	20	17
7 . PM <sub>10</sub> Levels	n/a	n/a	n/a
8 . Loads of Sand Used	499	389	700
9 . Tons of Sand Collected	3,118	2,655	3,000
10 . Gallons of Deicer Used	325,048	213,580	255,639
11 . Hours spent on Leaf Removal	2,722	2,231	2,500
12 . Material Loads Hauled to EKO Compost	990	839	1,200





# Central Services Facility & Vehicle Maintenance

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## Program Description

The Facility & Vehicle Maintenance Division of the Central Services Department is responsible for providing fleet and facility management services to vehicles, equipment, and facilities owned by the City of Missoula. The facilities managed by this division include City Hall, the Central Maintenance Facility, the Street Division Building, the Council Chambers Building, and the Missoula Art Museum. 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.

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Funding and Service

- Strategy: We will maintain the level of service to citizens.
  - Continue to upgrade facilities and equipment to enhance City staffs response and efficiency.
  - Begin the City Hall HVAC upgrade.

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

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 889,162	\$ 838,649	\$ 820,974	\$ 864,230	\$ 25,581	3%
Supplies	73,852	79,760	66,652	82,529	2,769	3%
Purchased Services	413,813	417,194	409,261	522,612	105,418	25%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	10,991	-	21,560	-	-	
<b>Total</b>	<b>\$ 1,387,817</b>	<b>\$ 1,335,603</b>	<b>\$ 1,318,447</b>	<b>\$ 1,469,371</b>	<b>\$ 133,768</b>	<b>10%</b>

\* Un-audited numbers

## 2016 Budget Highlights

**No budget Highlights for 2016**

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2014	Actual FY 2015	Adopted FY 2016
VEHICLE MAINTENANCE SUPERVISOR	1.00	1.00	1.00	1.00
WELDER/MECHANIC	1.00	1.00	1.00	1.00
LEAD MECHANIC	1.00	1.00	1.00	1.00
LEAD MECHANIC	1.00	1.00	1.00	1.00
SERVICE MECHANIC	1.00	1.00	1.00	1.00
MECHANIC	1.00	1.00	1.00	1.00
MECHANIC	1.00	1.00	1.00	1.00
MECHANIC	1.00	1.00	1.00	1.00
MECHANIC	1.00	1.00	1.00	1.00
ADMINISTRATIVE SECRETARY	0.50	0.50	0.50	0.50
FACILITIES MAINTENANCE WORKER	1.00	1.00	1.00	1.00
ENERGY COORDINATOR	-	1.00	-	-
<b>Total</b>	<b>10.50</b>	<b>11.50</b>	<b>10.50</b>	<b>10.50</b>

## Performance Measures &amp; Workload Indicators

## Performance Measures

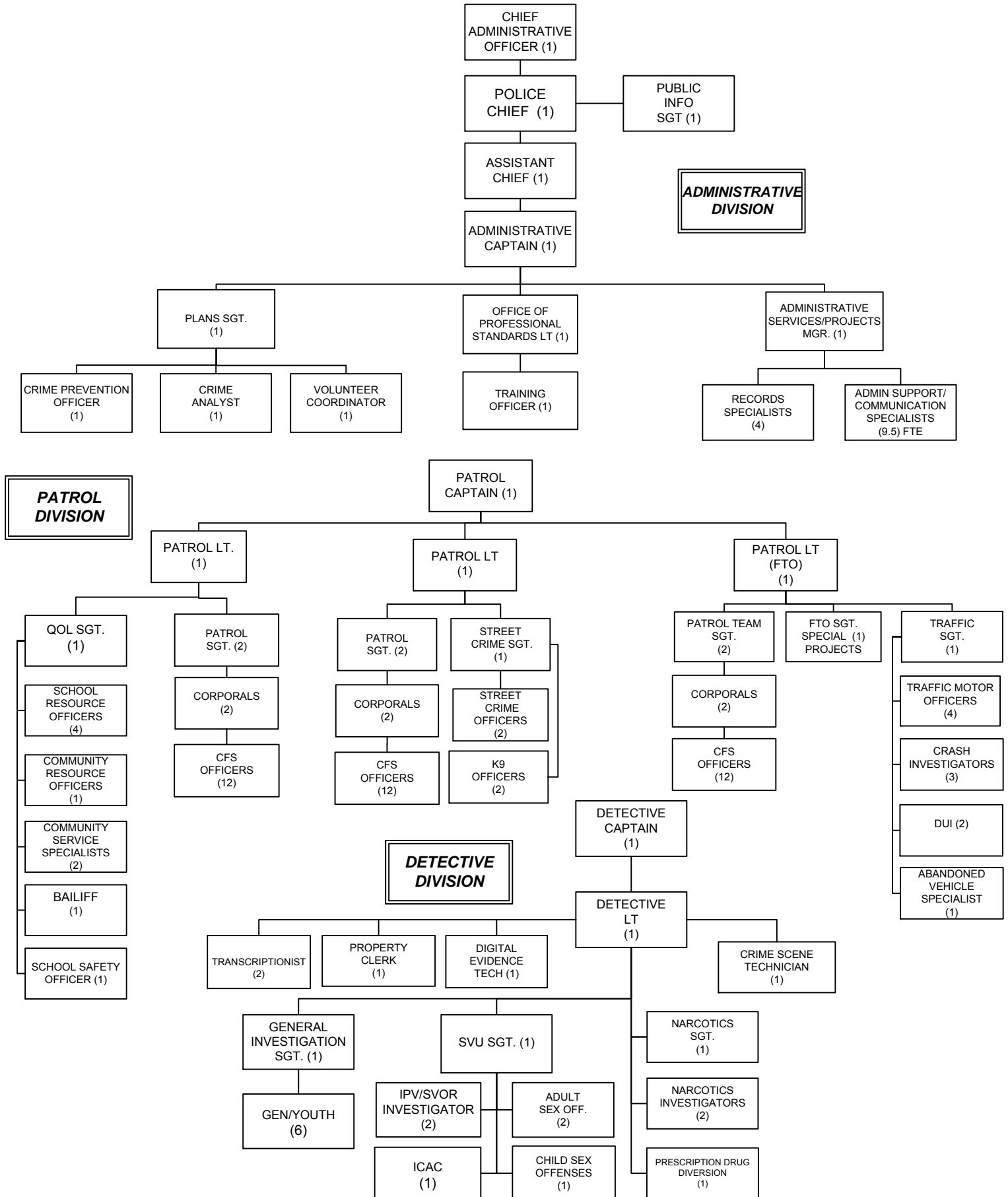
Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Proposed FY 2016
1 . Scheduled repair work is an indication of proactive maintenance. Scheduled work cost less and results in far less downtime than unscheduled work. Unscheduled work costs 50% more and results in higher downtime rates. The goal is 70% scheduled repair work.	97.11%	98.12%	98.76%	70%
2 . Preventive Maintenance (PM) promotes a safer, more efficient, fleet of vehicles. Additionally PM will extend the useful life of City Equipment. The goal is set at 60% direct PM work. <u>Note, indirect time was factored out in FY 2012.</u>	57.83%	64.15%	67.00%	60%
3 . The average age of the fleet reveals how effectively the equipment replacement program is being funded. An average age of 5-7 years is considered ideal in many APWA fleets. The goal set is a fleet with an average age of <u>7 years</u> .	Value is expressed in Years 9.16      9.03      9.97			7.00
4 The total percent of "breakdown" repairs. The goal is less than 5% of the total number of repair jobs.	2.10%	1.19%	1.24%	5.00%

## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Proposed FY 2016
1 . Total number of equipment repair jobs completed.	6,258	5,875	6,111	6,100
2 . Total number of facility repair jobs completed.	1,608	1,393	1,214	2,730
3 . Total available facility labor hours budgeted.	2,080	2,080	2,080	2,080
4 . Total number of direct facility labor hours on work order	1,831	1,566	1,587	1,825
5 . Total number of mechanic labor hours budgeted.	16,640	16,640	16,640	16,640
6 . Total number of mechanic labor hours on work orders	16,556	15,652	15,013	16,640
7 . Total vehicle, trailers, and equipment count <u>excluding</u> small equipment and emergency fire equipment. *Added Gen Sets in fiscal year 2016.	347	348	*382	>400
8 . Total number of repair jobs resulting from accidents.	38	30	37	<45
9 . Total parts and labor dollars spent on accident repairs.	\$42,280	\$39,956	\$34,257	<\$25,000
10 . Total gallons of diesel fuel used. (CFA Records)	73,100	82,145	80,761	72,000
11 . Total gallons of unleaded fuel used. (CFA Records)	107,630	108,501	111,102	104,000
12 . Total gallons of fuel used. (CFA Records)	180,730	190,646	191,863	176,000



# Police Department



## Program Description

The Mission of the Police Department is to serve the community of Missoula in a collaborative effort to enhance the quality of life through crime prevention, enforcement of laws, promotion of safety, and reduction of fear.

We promote respect and protection of human rights and embrace diversity and the dignity of every person by providing responsive, professional police services with compassion and concern.

The Department manages its objectives through collaborative partnerships and the efforts of three major Divisions:

- **Administrative Division**
- **Detective Division**
- **Uniform Patrol Division**

## Policing Priorities

As a policing organization, our priority is maintaining a healthy and safe community, through measured response to the following issues:

- **Reduce sexual violence and abuse of victims**
- **Prescription Drug Abuse**
- **Underage Drinking**
- **Driving Under the Influence**
- **Drug Trafficking**
- **Traffic Enforcement**
- **Quality of Life**

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## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Continue implementation of a comprehensive plan for future delivery of services in the city's parks, trails and open spaces with the use of Community Service Specialists.
  - Identify state and federal partners to obtain funding to enhance department's delivery of service.

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

- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens
  - Participate in educating and communicating with the community and the University of Montana in an effort to identify and reduce sexual violence incidents in the community.

### Goal #3 – Quality of Life for all citizens

- Strategy: Work together to meet basic human needs with dignity for all.
    - Continue with department's outreach to community organizations to provide them with information and resources available through the Missoula Police Department
    - Maintain our liaison program with the GLBTI community.
    - Maintain our Quality of Life program.
    - Participate in public engagement opportunities to share information about significant health and safety issues of the community
-

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 12,718,886	\$ 13,131,388	\$ 13,184,820	\$ 13,790,668	\$ 659,280	5%
Supplies	345,079	343,775	333,145	318,775	(25,000)	-7%
Purchased Services	375,811	309,795	343,533	266,294	(43,501)	-14%
Miscellaneous	42,143	129,344	94,718	16,217	(113,127)	-87%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 13,481,918</b>	<b>\$ 13,914,302</b>	<b>\$ 13,956,216</b>	<b>\$ 14,391,954</b>	<b>\$ 477,652</b>	<b>3%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
CHIEF OF POLICE	1.00	1.00	1.00	1.00
ASSISTANT CHIEF	1.00	1.00	1.00	1.00
CAPTAINS	3.00	3.00	3.00	3.00
LIEUTENANTS	5.00	5.00	5.00	5.00
SERGEANTS	15.00	15.00	15.00	15.00
CORPORAL	6.00	6.00	6.00	6.00
POLICE OFFICERS	67.00	70.00	73.00	73.00
CRIME SCENE TECHNICIAN	1.00	1.00	1.00	1.00
ADMINISTRATIVE SERVICES MANAGE	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	2.00	2.00	2.00	2.00
SUPPORT SPECIALIST	1.00	1.00	10.00	10.00
RECORDS SPECIALIST	4.00	4.00	-	-
SUPPORT SPECIALIST	5.00	5.00	-	-
CALL-IN SUPPORT SPECIALIST	1.50	1.50	1.50	1.50
EVIDENCE TECHNICIAN	1.00	1.00	1.00	1.00
PROPERTY CLERK	1.00	1.00	1.00	1.00
SPECIAL SERVICES ASSISTANT	1.00	1.00	1.00	1.00
TRANSCRIPTIONIST	1.00	1.00	1.00	1.00
VOLUNTEER COORDINATOR	0.50	0.50	0.50	0.50
ACCIDENT INVESTIGATORS	3.00	3.00	3.00	3.00
ABANDONED VEHICLE SPECIALIST	1.00	1.00	1.00	1.00
COMMUNITY SERVICE SPECIALIST	-	2.00	2.00	4.00
<b>Total</b>	<b>122.00</b>	<b>127.00</b>	<b>130.00</b>	<b>132.00</b>

FY'2016 - Requesting two CSS

FY'14 - 2 officers grant funded (total 102)

FY'15 - 2 additional officers (one with subsidized revenue from MT ICAC) &amp; one 25% from COP!

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual CY 2012	Actual CY 2013	Actual CY 2014	Forecast CY 2015
<b>1 . Controlling Fear and Crime</b>				
* Reducing Part I and Part II crimes (Reported)	10,283	9,499	8,543	9,400
* Reduce fear and blight, enhance personal safety:				
* Increasing safety in public places, by reducing downtown disturbances				
> Disorderly Conduct Incidents	925	1,145	1,102	1,050
> Assaults, except Domestic	124	132	135	128
<b>2 . Respect for Law and Authority</b>				
* Ratio of citizen complaints sustained: not sustained *	6/45	10/33	15/40	8/29
* Reduce Use of Force incidents	160	223	191	220
* Assaults on Officers	3	5	19	5
* Increase Professionalism, through:				
> Advanced Training hours per officer (avg.)	92	99	61	85
<b>3 . Reduce sexual violence and abuse of victims</b>				
* Reduce victim discontinuation in adult felony sexual assaults		22	19	20

\* - indicates complaints against all department employees

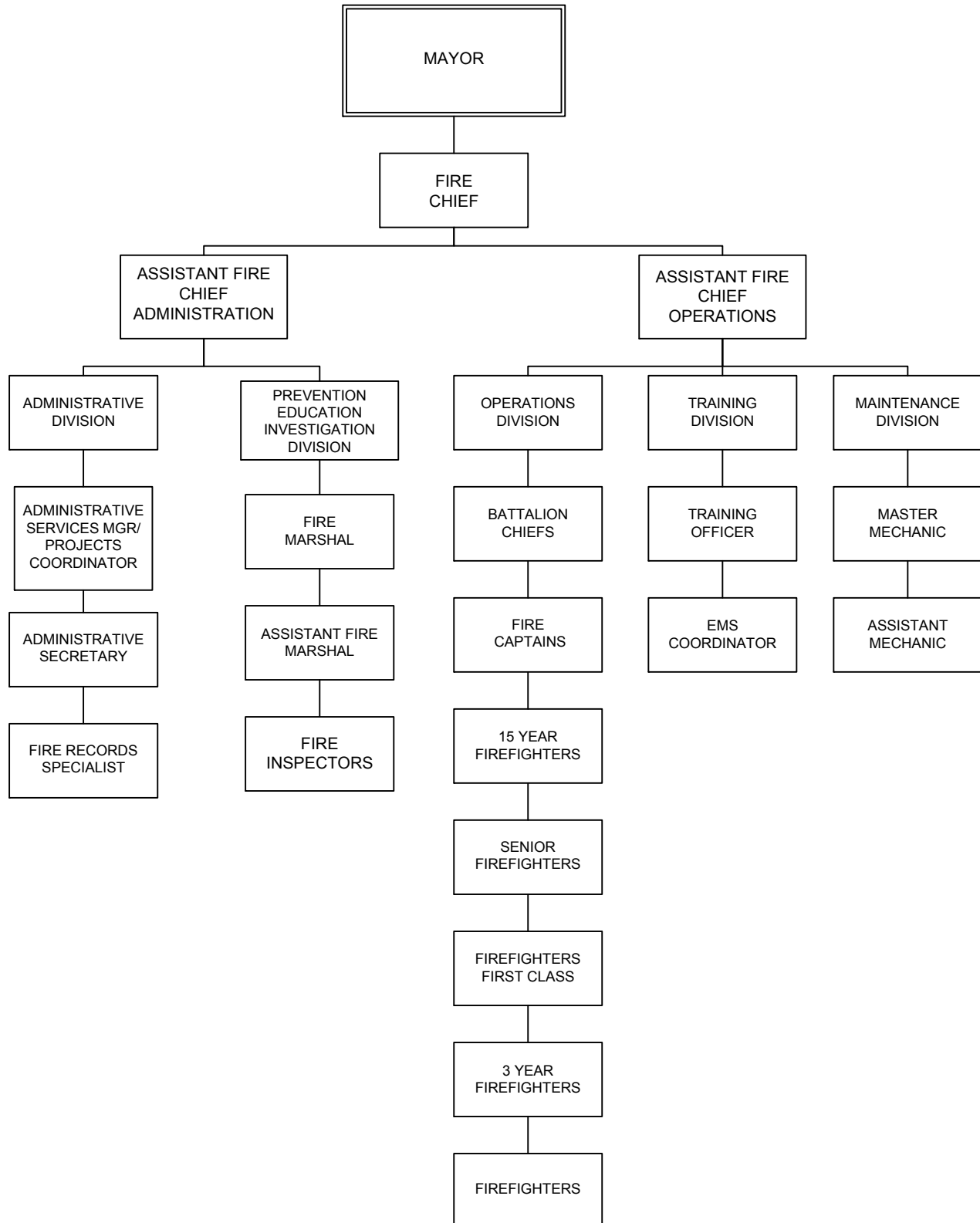
## Workload Indicators

Indicator	Actual CY 2012	Actual CY 2013	Actual CY 2014	Forecast CY 2015
1 . Calls for Service	42,302	41,728	45,605	42,000
2 . Traffic Citations Issued	18,139	15,420	13,475	17,500
3 . Criminal Citations and Arrests	7,757	7,477	6,220	7,900
4 . Felony Investigations	902	1,008	955	875
5 . DUI Arrests	1,026	661	590	950
6 . Injury Crashes	188	293	261	180
7 . Injury Crashes related to DUI	27	15	10	25
8 . Injury Crashes - Bike/Ped	17	26	36	1,800
9 . Quality of Life Complaints	2,311	2,441	2,381	2,300
10 . Partner/Family Member Assaults	411	318	368	400
11 . Vandalism	1,191	1,137	828	1,100
12 . Square Miles of Patrol Area in City Limits	29.2	29.2	29.2	29.5





# Fire Department



## Program Description

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

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

#### Goal #1: Fiscal Sustainability

- Strategy: We will continue to strive to improve the level of services we provide to citizens.
  - Monitor & improve response times for emergency incidents, with a goal of meeting NFPA standards.
  - Monitor & reduce apparatus down time & repair costs; continue to evaluate & refine our apparatus & facility maintenance & replacement schedule.
  - Monitor & increase total training hours; continue to increase number of ALS certified firefighters.
  - Continue update of bureau occupancy records and increase fire & life safety inspections; continue expansion of public education library & maintain involvement in MCFPA fire prevention programs in Missoula County schools.
- Strategy: We will work to identify, investigate and develop additional revenue sources.
  - Annual review of service fees.
  - Continue to apply for available grant funding.
- Strategy: We will continue to strengthen and expand partnerships with our cooperator agencies and seek new opportunities for developing additional relationships.
  - Review & update as necessary automatic & mutual aid agreements and contracts with cooperator agencies (MRFD, EMSLA, DNRC, USFS, MESI, Montana State EMS).
  - Continue involvement in local & state-wide associations (MCFPA, LEPC/DPC, MFFTC, MSFCA).

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

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

#### Goal #3: Quality of Life for All Citizens

- Strategy: We will work with MESI and Missoula's medical community to provide basic emergency medical services and advanced life support services to citizens.
  - Renew EMS certifications (Basic, Intermediate, Paramedic) for all EMTs; document & report on EMS services provided.
- Strategy: We will strive to ensure a safe community by enforcing fire codes and providing public education programs to citizens.
  - Document & report on code inspections & public education programs provided.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 11,253,464	\$ 11,840,979	\$ 11,691,094	\$ 11,548,343	\$ (292,636)	-2%
Supplies	290,548	349,923	322,147	254,923	(95,000)	-27%
Purchased Services	214,900	238,793	216,108	242,104	3,311	1%
Miscellaneous	228	226	6,213	(62,962)	(63,188)	-27959%
Debt Service	-	-	-	-	-	
Capital Outlay	42,487	-	-	-	-	
<b>Total</b>	<b>\$ 11,801,628</b>	<b>\$ 12,429,921</b>	<b>\$ 12,235,563</b>	<b>\$ 11,982,408</b>	<b>\$ (447,513)</b>	<b>-4%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
FIRE CHIEF	1.00	1.00	1.00	1.00
ASSISTANT CHIEF	2.00	2.00	2.00	2.00
TRAINING OFFICER	1.00	1.00	1.00	1.00
FIRE MARSHAL	1.00	1.00	1.00	1.00
ASSISTANT FIRE MARSHAL	1.00	1.00	1.00	1.00
INSPECTORS	3.00	3.00	3.00	3.00
FIRE BATTALION CHIEFS	4.00	4.00	4.00	4.00
CAPTAINS	20.00	20.00	20.00	20.00
EVS COORDINATOR	1.00	1.00	1.00	1.00
15 YEAR FIREFIGHTERS	-	3.00	6.00	7.00
SENIOR FIREFIGHTERS	15.00	11.00	11.00	10.00
FIREFIGHTERS FIRST CLASS	21.00	26.00	22.00	23.00
3 YEAR FIREFIGHTERS	6.00	3.00	10.00	14.00
FIREFIGHTERS	14.00	11.00	6.00	2.00
TRAINEE FIREFIGHTERS	-	2.00	1.00	-
PROBATIONARY FIREFIGHTERS	-	-	-	-
MASTER MECHANIC	1.00	1.00	1.00	1.00
ASSISTANT MECHANIC	1.00	1.00	1.00	1.00
ADMINISTRATIVE PROJECTS MANAGER	1.00	1.00	1.00	1.00
ADMINISTRATIVE SECRETARY	1.00	1.00	1.00	1.00
SECRETARY	1.00	1.00	1.00	1.00
<b>Total</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>

## 2015 Budget Highlights

- During FY2015 we have seen two retirements. Battalion Chief Steve Paske retired in December after more than 25 years of service with MFD and Captain Bill Moore retired in April with almost 25 years of service. Captain Derek Mullins was subsequently promoted to Battalion Chief and veteran Firefighters Kory Garman and Josh Stewart were selected to fill the vacant Captains positions. Vacancy savings from a vacant firefighter position were used to cover the personal leave payouts for Battalion Chief Paske and Captain Moore. We hired five firefighters in March of 2015 to fill vacancies created through attrition in FY14 and 15, to cover for a firefighter on long term military deployment, and in anticipation of upcoming retirements during FY15 and FY16.
  - Our CY2014 response records indicate that emergency responses for that year were up approximately 400 calls from the previous year. MFD responded to 7140 calls for service in CY2014, including 106 fires, 4697 Emergency Medical Service (EMS) calls, and 16 technical rescues.
  - During FY2015 we will complete the construction of the second of two Type III wildland fire engines with Compressed Air Foam (CAF) pumping units. One CAF unit was installed on a new chassis purchased in FY2013 and has been placed into service. The addition of the new Type III units will enable us to have a wildlands apparatus at each station and will allow for an additional contract engine to be sent out as local fire conditions allow.
  - In FY2015 we took delivery of a new Pierce ladder truck. This truck was placed in service at Fire Station #4 early this fall. The new ladder truck was an emergency purchase following the failure of our 1990 Baker ladder truck to pass UL inspection.
  - Work to develop a Missoula County All Hazard Type III Incident Management Team (IMT) progressed substantially again in FY2015. This team predominantly consists of MFD personnel who took the initiative to undergo extensive training and gain valuable work experience in their particular IMT roles.
  - We anticipate increased general fund revenues through wildland fire contracting and the implementation of the increases to fire department fees for plans review and inspection.
-

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual CY 2012	Actual CY 2013	Actual CY 2014	Adopted CY 2015
1 . Total Inspections Completed	926	1041	1418	1500
- Liquor License Inspections (Goal = 100%)	97%	99%	100%	100%
- Schools Inspected (Goal = 100%)	93%	96%	100%	100%
- New Business License Inspections (Goal = 100%)	100%	100%	98%	100%
- Occupancies Past Due for 5 year Inspection (Goal < 100)	1,189	484	332	100
2 . System Response Time 90th Percentile (1 min added for 911 to process call) (Goal= 6 min or less)	8 min	7 min	NA*	6 min
3 . System Response Percentage at 6 Minutes or Less (Goal = 90%) (=MFD response of 5 min or less)	78%	79%	NA*	90%
4 . MFD Average Response Time - Code 3 First Due	4.36 min	4.18 min	NA*	<5 min
5 . Fires Extinguished at Room of Origin (Goal = 75%)	87%	77%	78%	75%
6 . Level One Training - Operations Attendance (Goal = 100%)	80%	82%	59%	100%
7 . Apparatus Down n-Time Percentage (Goal < 2%)	<1%	<1%	<1%	<2%

\* Accurate CY14 response time data not available due to transition to new RMS system

## Workload Indicators

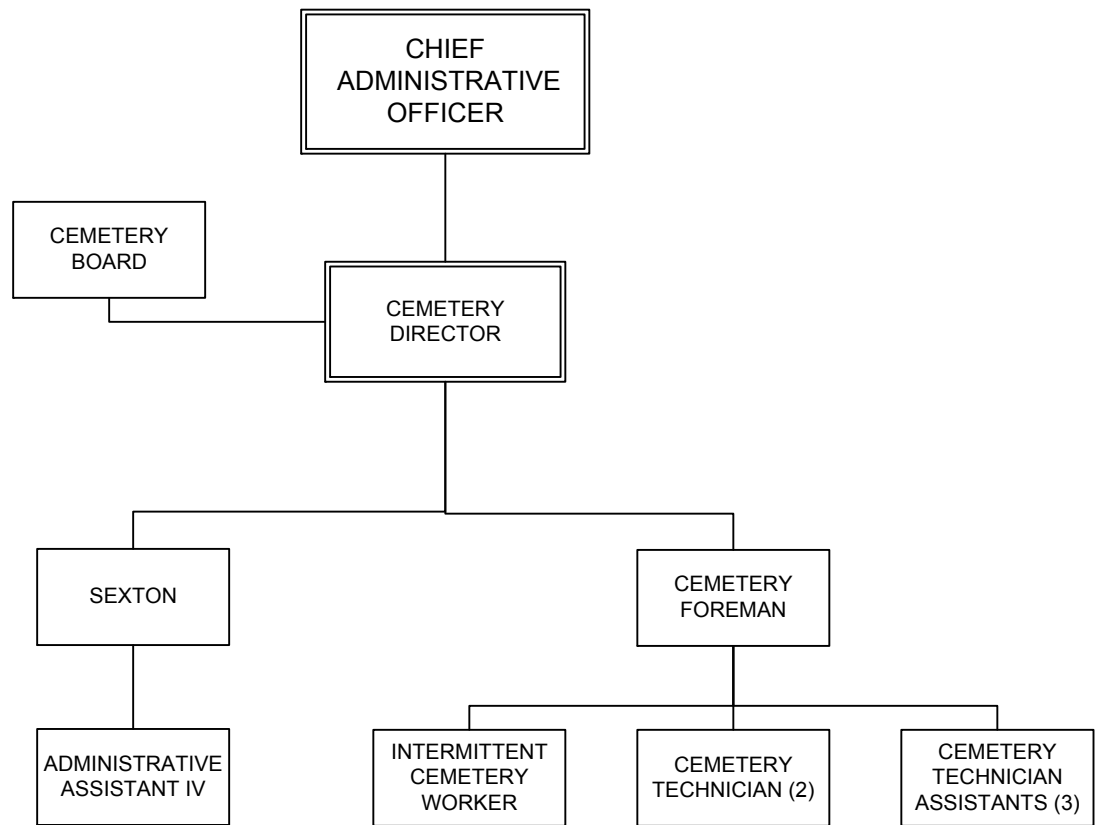
Indicator	Actual CY 2012	Actual CY 2013	Actual CY 2014	Adopted CY 2015
1 . Total Call Volume	6,131	6,745	7,140	7,640
- Structure Fires	68	62	57	65
- Vehicle Fires	19	29	20	25
- Grass, Wildland Fires	28	23	29	30
- Medical Aid	3,956	4,313	4,697	5,000
- Technical Rescue	16	12	16	20
- Other	2,044	2,306	2,321	2,500
2 . Fire Investigations	52	63	66	70
3 . Plan Review s	268	249	302	350
4 . Public Education Events/Drills	125	179	151	160
5 . Station Tours	118	104	98	105
6 . Total Training Hours Delivered	4,766	4,556	3409*	5,000
7 . Total Training Hours Received	18,430	18,415	15654*	19,000

\*Some training hours not recorded due to transition to new RMS system.



# Cemetery

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## Program Description

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

- Maintain a manicured, tranquil setting for the burial of human remains
- Keep burial costs affordable for all citizens
- Conduct burials with dignity and respect
- Remain attentive to future evolving burial needs
- Promote the historical significance of the cemetery

*Historical Note:* The cemetery was founded by a group of prominent, local citizens in December 1884. It consisted of 16 acres and was originally named the 'Garden City Cemetery.' In May 1901, the City of Missoula purchased the cemetery for \$1.00 and re-named it the 'Missoula Cemetery.' The cemetery now boasts manicured parkland consisting of 40 developed acres and 40 acres undeveloped ground for future burial sites.

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## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Create an easily accessible and appealing website to provide citizens with burial information, answer questions, and promote the cemetery.
  - Development of computerized maps showing burial locations and placing this information onto the cemetery website.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Continue designated reserve funds agreed upon in FY2013 by City Council, City Administration, and Cemetery Board of Trustees, which provide funding for cemetery maintenance, equipment, and future enhancements.
    - Niche Fund Reserve – All revenue from the sales of niches is deposited into the Niche Fund Reserve and is designated for the future development of new columbarium and cremation walls and repair and maintenance to existing structures.
    - Memorial Fund Reserve – All monetary donations to the cemetery are deposited into the Memorial Fund Reserve and are designated for the future enhancement of the cemetery.
    - Care Fund Reserve – Fifty percent of all other cemetery sales are deposited into the Care Fund Reserve and are designated for the long-term care of the cemetery including equipment replacement, facility enhancement, and grounds development.

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

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
  - Replace a 40-year old well pump running at 65% capacity with a new turbine pump. The new pump along with the recently replaced electrical motor purchased through the Energy Conservation Plan will increase efficiency and lower costs.
  - Continue to implement and adjust the cemetery master plan to properly reflect current and future burial trends and individual needs.
  - Continue vegetative management plan which includes weed control, composting recycled materials, and maintaining a sod farm on-site.

Goal #3: Quality of Life for All Citizens in All Places

- Strategy: We will work together to meet basic human needs for all.
  - Continue to provide affordable burial options for all citizens.
  - Continue to review and update cemetery guidelines for future developments to meet the evolving needs of the public.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 505,308	\$ 556,364	\$ 526,952	\$ 519,829	\$ (36,535)	-7%
Supplies	59,735	73,090	68,543	73,090	-	0%
Purchased Services	41,817	35,487	28,547	35,486	(1)	0%
Miscellaneous	8,948	8,685	10,010	5,206	(3,479)	-40%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 615,809</b>	<b>\$ 673,626</b>	<b>\$ 634,052</b>	<b>\$ 633,611</b>	<b>\$ (40,015)</b>	<b>-6%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
CEMETERY DIRECTOR	1.00	1.00	1.00	1.00
MAINTENANCE MANAGER	1.00	1.00	1.00	-
LEAD CEMETERY MAINT. TECHNICIAN	1.00	1.00	1.00	1.00
CEMETERY SEXTON	1.00	1.00	1.00	1.00
INTERMITTENT LABORERS	0.42	0.42	0.26	0.42
ADMINISTRATIVE ASSISTANT IV	1.00	1.00	1.00	1.00
SEASONAL MAINT TECH. ASSIST.	2.50	2.50	1.66	2.49
CEMETERY MAINTENANCE TECHNICIAN	1.00	1.00	2.00	2.00
<b>Total</b>	<b>8.92</b>	<b>8.92</b>	<b>8.92</b>	<b>8.91</b>



## 2016 Budget Highlights

**Capital Outlay purchases:**

- None in FY2015

**Projects completed:**

- **Ordinance:** The cemetery ordinance last approved in 2010 was reviewed and updated. Missoula City Council approved the revisions on July 21, 2014.
- **Records Management:** Data from burial records was entered into an access database and is now backed up on the city's main computer servers.
- **Building enhancement:** Rain gutters were installed on the maintenance shop. Siding was installed on the office building and a broken cement patio out the back office door was replaced.
- **Stories and Stones:** This event was held the last Sunday in October 2014. Notice was given to the public and storytellers at that time that the tour would not be held in 2015 to allow the cemetery board and staff an opportunity to revisit the structure, timing, labor and resources needed.

**Projects ongoing:**

- **Energy Conservation:** The Energy Conservation Plan purchased an electrical motor in 2011 for one of the cemetery wells. In FY2016 the cemetery will replace the 40-year old pump from that well with a new energy efficient 60HP turbine well pump.
  - **Records Management:** Permanent retention, disaster recovery, and database entry of burial and cemetery records dating back to 1883 remains an on-going project. Eventually, much of this information will be placed onto the cemetery website for public access.
  - **Grounds Maintenance:** Maintenance staff continue to improve maintenance efficiency and the overall appearance of the cemetery. A vegetative management plan consisting of vegetation control, fertilization, aeration, and irrigation has proven to be highly successful. The Missoula City Council reviewed and approved this plan with continued irrigation improvements as budget allows.
  - **Composting:** The cemetery mowers allow for recycling of grass clippings and leaves with no additional staff time requirements. The current composting piles have been valued at several thousand dollars and are used for flower beds and landscaping. Parks and Recreation have also used this compost in some of the flower beds throughout the City of Missoula.
  - **Cemetery Land:** Develop new sections to meet the future demand for burial sites. Continue the re-organization of cemetery land currently being utilized as storage for various City of Missoula departments. The goal is to maintain a positive public appearance while meeting storage needs.
  - **Revenue:** The Cemetery Board of Trustees and staff continue developing promotional concepts in a coordinated effort to increase revenue productivity.
  - **Police Department:** The cemetery continues to work closely with the Missoula Police Department by allowing access to cemetery grounds for training and certification needs. Examples of training held on cemetery grounds are: motorcycle certification, SWAT training track, and canine training exercises.
  - **Cemetery Overview:** The Cemetery Board of Trustees reviews and updates cemetery rules and regulations, ordinances, revenues, expenditures, equipment replacement, promotional ideas, and monitors and makes improvements to the cemetery master plan.
-

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Operates a City office that is efficient, courteous and responsive to the public while upholding Chapter 12.44 of the Missoula Municipal Code.	100%	100%	100%	100%
2 . Coordinates scheduling of burials with funeral homes and families. Coordinates pre-need planning with families.	100%	100%	100%	100%
3 . Coordinates the sale of graves and niches to the public.	100%	100%	100%	100%
4 . Promotes the cemetery through an information website, public tours, and during the Memorial holiday weeks where extra staff are on hand to assist the public.	100%	100%	100%	100%

## Workload Indicators

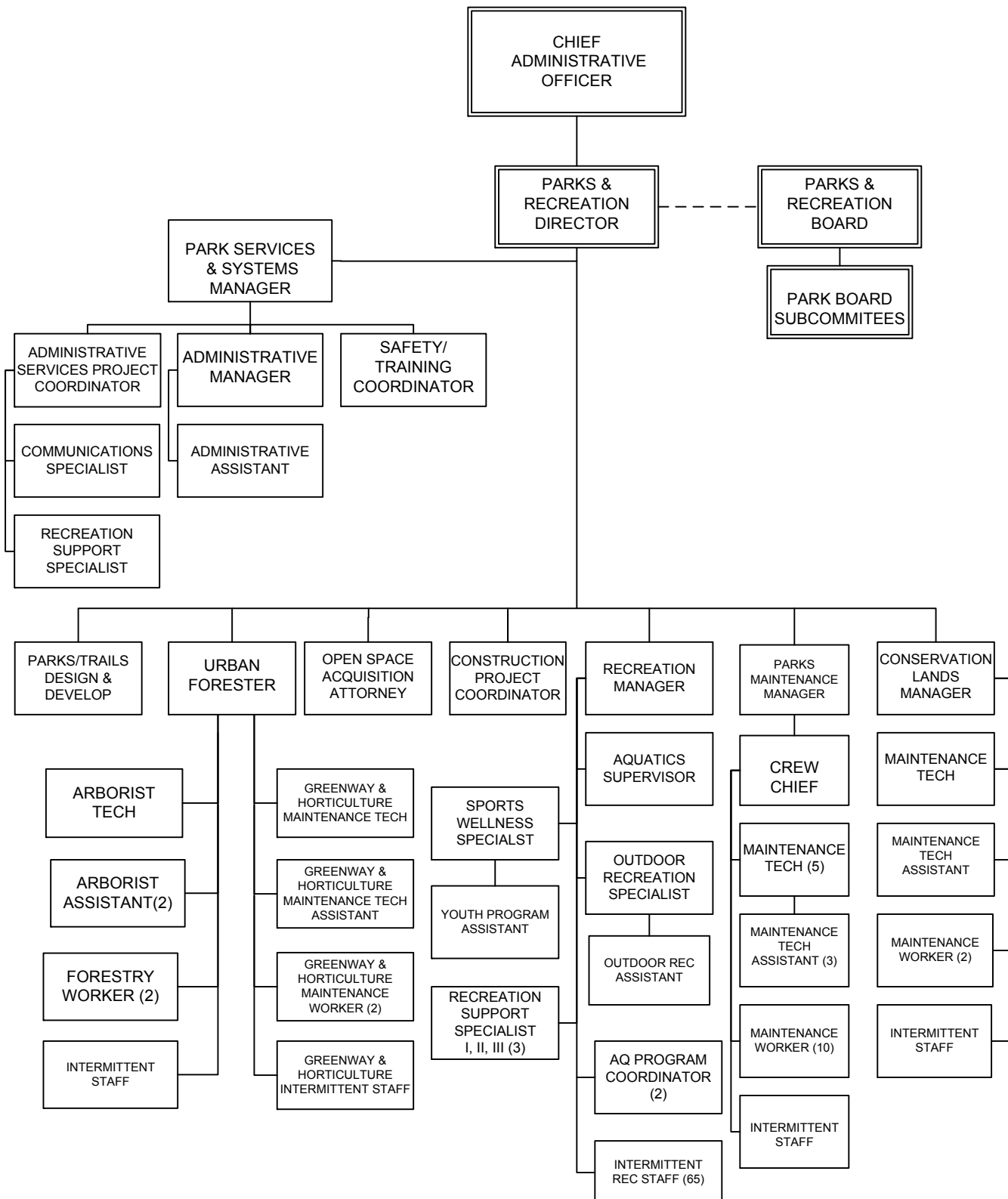
Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Grave sales	25	24	19	30
2 . Niche sales	17	22	20	20
3 . Open and closings	70	68	37	75
4 . Disinterment	1	1	-	1
5 . Foundations	50	45	39	55
6 . Mowing/leaf removal	2,100	2,130	2,125	2,125
7 . Trimming/weeding	1,475	1,445	1,450	1,450
8 . Irrigation	1,600	1,615	1,600	1,600
9 . Equipment/vehicle repair	400	425	680	450
10 . Vegetation control	575	550	550	550
11 . Facility maintenance	1,800	1,850	1,875	1,875
12 . Flower boxes/beds	275	379	415	250

Note: 1-5 equal actual numbers

Note: 6-11 equal actual hours



# Parks & Recreation



## Program Description

Missoula Parks and Recreation's guiding Mission is to enhance the quality of life in our community by: Promoting Health and Wellness, Protecting the Environment; Educating and Enhancing the lives of Citizens through-out our Community by providing and maintaining diverse, accessible, and scenic parks, open spaces, and trails and numerous recreational opportunities.

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

#### Goal #1: Fiscal Sustainability

We will work toward sustainable management of resources by becoming a greener department through recycling as practical, energy savings through conversions, and reduced water use. We will work toward sustainable funding through partnerships, volunteerism, grants, foundations, and park maintenance districts.

We will diversify Missoula's economy by providing state-of-the-art aquatics facilities, parks and athletic facilities, commuter and recreation trails, river access, and venues that support our businesses. Specific project examples include development of Fort Missoula Regional Park, Missoula to Lolo Trail, and expansion of Splash Montana, Currents, and the Active Transportation System.

- Strategy: diversity Missoula's economy by providing state of the art aquatics, parks, and athletic facilities, commuter and recreation trails, river access and venues that support business.
  - Fort Missoula Regional Park - General Obligation Bond – November 2014, development of athletic facilities planned to open Phase 1 sports fields, Fall 2017.
- Strategy: work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy
  - Kim Williams to Canyon River – design and bid in 2015, construction of trail complete Fall 2016
  - Grant Creek Trail from Prospect drive to City/County line will be complete on or before June 1, 2015. This project is a partnership with Grant Creek Trails Association who has raised more than \$150K for the project.

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

Through implementation of approved community plans such as the Master Park Plan, Transportation and NMT Plans, and Open Space Plans, plus best practice in design, Parks and Recreation will meet the needs and demands of citizens for alternative transportation, clean air, clean water, and environmental stewardship.

- Strategy: implementation of approved community plans:
  - Urban Forestry Management Plan adopted April 2015
  - ROW Design standards – medians, boulevards, trees – adopt FY 2016
- Strategy: reflect values of sustaining and improving our conservation lands within and on the edge of the urban area for the benefit of citizens and wildlife.
  - Develop management plan for:
    - Clark Fork River management plan for recreation – Hellgate Canyon to Russell Street
- Strategy: reflect values of sustainability in transportation and building design
  - Emphasize bike and pedestrian connectivity to increase mode shift
  - Incorporating LEED® principals in design of Fort Missoula Regional Park project
- Strategy: enhance the quality of our green infrastructure

**Goal #3: Quality of Life for All Citizens**

We will work to provide, with dignity for all citizens, full access to healthy recreation opportunities, which include direct services, self-directed play, connection with nature, opportunities for volunteerism, and support for healthful work force housing.

- Strategy: work together to provide a connection with nature and opportunity for volunteerism.
  - Program and coordinate volunteers for special events and projects
  - Partner with Missoula Children and Nature network
  - Expand access to services for all demographics
    - Silver Summit Playground, Phase II
- Strategy: work with multiple partners to provide all citizens access to healthy environments and active play
  - Let's Move! Missoula
  - Neighborhood park site plans
  - Reach MORE!
    - Program "Loose Parts" Activities in playgrounds and camps

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**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 2,607,356	\$ 2,883,304	\$ 2,747,095	\$ 2,949,999	\$ 66,695	2%
Supplies	236,999	255,351	229,182	241,056	(14,295)	-6%
Purchased Services	442,897	498,237	449,934	466,134	(32,103)	-6%
Miscellaneous	10,000	10,000	10,000	10,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	8,065	15,280	15,280	-	(15,280)	-100%
<b>Total</b>	<b>\$ 3,305,318</b>	<b>\$ 3,662,172</b>	<b>\$ 3,451,490</b>	<b>\$ 3,667,189</b>	<b>\$ 5,017</b>	<b>0%</b>

\* Un-audited numbers

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## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
DIRECTOR	1.00	1.00	1.00	1.00
PARK SERVICES AND SYSTEMS MANAGER	1.00	1.00	1.00	1.00
PARK MAINTENANCE MANAGER	1.00	1.00	1.00	1.00
OPEN SPACE PROGRAM MANAGER	1.00	1.00	1.00	1.00
N.M.T.P./PARK DESIGN MANAGER	1.00	1.00	1.00	1.00
RECREATION MANAGER	1.00	1.00	1.00	1.00
RECREATION SUPPORT SPECIALIST	1.00	1.00	1.00	1.00
RECREATION SPECIALIST-M.O.R.E.	1.00	1.00	1.00	1.00
RECREATION SPECIALIST-SPORTS & WELLNESS	1.00	1.00	1.00	1.00
ADMIN SERVICE MGR/PROJECT COORDINATOR	1.00	1.00	1.00	1.00
PROJECT COORDINATOR	1.00	1.00	1.00	1.00
URBAN FORESTER	1.00	1.00	1.00	1.00
CONSERVATION LAND MANAGER	1.00	1.00	1.00	1.00
ADMIN MANAGER	1.00	1.00	1.00	1.00
ADMIN III - 100 HICKORY	1.00	1.00	1.00	1.00
RECREATION SUPPORT SPECIALIST	1.00	1.00	1.00	1.00
COMMUNICATION SPECIALIST	0.75	0.75	0.75	1.00
SAFETY/TRAINING COORDINATOR	0.83	0.83	0.83	0.83
MORE COORDINATOR	-	0.83	0.83	1.00
YOUTH COORDINATOR	-	0.83	0.83	1.00
ARBORIST	1.00	1.00	1.00	1.00
ARBORIST ASSISTANTS	1.66	1.66	1.66	1.66
MAINTENANCE TECHNICIAN ASST	4.17	4.17	4.17	4.17
MAINTENANCE WORKERS	7.25	7.25	7.25	7.25
MAINTENANCE TECHNICIAN	8.00	8.00	8.00	8.00
SPORTS MAINTENANCE CREW COORDINATOR	-	-	-	-
INTERMITTENT POSITIONS (RECEIVE NO BENEFITS)				
OFFICIALS	0.81	0.81	0.81	0.81
LEVEL 1 INTERMITTENT RECREATION	0.38	0.38	0.38	0.38
LEVEL 2 INTERMITTENT RECREATION	3.17	2.84	2.84	2.84
LEVEL 3 INTERMITTENT RECREATION	1.44	1.32	1.32	1.32
LEVEL 4 INTERMITTENT RECREATION	2.23	2.39	2.39	2.39
LEVEL 4 INTERMITTENT PARK MNTC	4.51	4.74	4.74	4.74
LEVEL 4 INTERMITTENT CLM	1.02	0.84	0.84	0.84
LEVEL 4 INTERMITTENT URBAN FORESTRY	1.00	0.84	0.84	0.84
LEVEL 5 INTERMITTENT RECREATION	1.16	1.10	1.10	1.10
LEVEL 5 SPECIALTY INSTRUCTOR - KIA	0.01	0.01	0.01	0.01
PART TIME CASHIER	-	-	-	-
PHONE RECEPTIONIST	0.41	0.41	0.41	0.41
PART TIME CUSTODIAN	-	-	-	-
<b>Total</b>	<b>55.80</b>	<b>57.00</b>	<b>57.00</b>	<b>57.59</b>

## 2016 Budget Highlights

The Department is thankful the Fiscal Year 2016 budget process provides opportunities to submit funding requests for Capital Improvements and Service Enhancements to better serve the residents of our community.

The Department continues to examine itself and initiate changes to improve the way in which we do business and deliver services to the community. Changing maintenance practices; providing new tools like the Urban Forestry Management Plan, developing and sustaining partnerships; leveraging funds; promoting volunteer opportunities; seeking sponsors for events; soliciting donations and grants are just some of the ways the Department is working to meet City goals specific to Quality of life for all people in all places, Fiscal sustainability, and Harmonious natural and built environment.

In addition to City Strategic Goals, the Parks & Recreation Department's FY16 requests were developed around, and prioritized, using foundational guidelines: Ensure Public Safety; Meet Legal Mandates; Address Preventative Maintenance, Maintain Existing Infrastructure, Leverage Funds; and, Add Capacity or Services. Projects and enhancements that meet all or most of these guidelines were prioritized above those that did not.

The Department's highest priorities in the proposed FY16 budget requests place emphasis on improving the City's ability to help income disadvantaged families and youth; seeking adequate funds to sustainably maintain facilities to meet user demands; and, secure resources to maximize the life of existing park resources and infrastructure.

The Department's top goals for FY16 include:

- Implementation of Urban Forestry Management Plan
- Replacement of playgrounds at 10 playgrounds
- Continued research on Conservation lands – for adaptive management
- Implementation of Park Asset Management and Turf Management Plans
- Additional programs for recreation – Reach MORE and Let's Move Initiative
- Trail construction projects completed – M2L, Grant Creek and Kim Williams East
- Fort Missoula Regional Park – Phase 1, West 80 acre park is tentatively planned to be constructed and substantially ready and open for competitive play in the Fall of 2016

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
1 . Expansion of Recreation services through volunteerism and scholarship and partnership with MNC, REI and the Health Department				
Increase # of participants in Rec programs	10,734	11,270	13,187	13,846
Increase amount of funding for Scholarships	\$ 16,912	\$ 17,525	\$ 18,401	\$ 20,000
Increase # of Volunteer Hours	6,700	6,411	1,309	8,500
2 . Increase Number of Shelter reservations				
Number of Shelter/permits	453	449	437	475
Number of People Served	21,657	22,740	19,503	22,000
3 . Develop Park and Trail Standards	25%	50%	55%	75%
4 . Leveraged funding:	52,634	209,814	149,570	1,908,000
NOTE: Donations/Grants/Other				
Grant Creek Trail, Little McCormick, McCormick Park and				
Kiw anis Park Playgrounds				
Not General Fund or Park District				



## Workload Indicators

Indicator	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
<b>RECREATION</b>				
1 . Special Use Permits	122	125	98	131
2 . Concession Permits	40	53	48	58
3 . Scholarships for families	176	188	227	240
<b>MAINTENANCE</b>				
1 . Miles of paved commutr trails maintained	21	21	22	23
2 . Number of lights maintained	362	362	427	427
3 . Number of restrooms maintained	32	32	32	32
4 . Number of athletic fields maintained	37	37	37	37
5 . Number of playgrounds maintained	33	33	33	34
6 . Number of irrigation systems maintained	100	114	114	114
7 . Number of dog parks maintained	3	3	3	3
8 . Number of benches maintained	229	234	234	235
9 . Number of signs maintained	66	72	72	72
10 . Acres of turf irrigated	387	387	387	399
<b>URBAN FORESTRY</b>				
1 . Number of trees planted	170	105	150	150
2 . Number of trees pruned	595	100	250	250
3 . Number of hazard trees removed	155	98	79	30
4 . Number of annual flow ers planted	260	260	260	260
<b>CONSERVATION LANDS</b>				
1 . Number of acres thinned on CL for fuel reduction	212	45	104	120
2 . Number of acres surveyed on w hich w eed w ere sprayed	571	785	500	500
3 . Number of acres grazed for w eed control on CL	1,085	886	900	1,180
4 . Number of trailheads maintained	49	49	49	49
5 . Miles of conservation trail maintained	47	48	48	48
6 . Number of acres reseeded on CL	161	134	130	128
7 . Number of trailheads maintained CL	34	35	35	35
8 . Number of access points maintained CL	30	31	31	31
9 . Number of kiosks	4	6	6	5
10 . Number of signs maintained	183	216	199	199
11 . Number of native plants planted on CL	1,065	992	992	992
12 . Number of acres of w eeds hand pulled CL	11	20	9	20
13 . Number of benches maintained	13	14	14	14
14 . Number of bridges	5	5	5	5

## Program Description

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

## Goals & Objectives

### **AGING SERVICES - Activity Budget equals \$ 175,000**

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

### **ANIMAL CONTROL TRANSFER - Activity budget equals \$ 308,720**

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.

### **CITY BAND - Activity budget equals \$ 5,880**

This program provides financial support for the City Band which performs seven outdoor concerts in Bonner Park.

### **CULTURAL COUNCIL CONTRIBUTION - Activity budget equals \$ 72,500**

Missoula Cultural Council is the designated arts and cultural agency for the city of Missoula. As such we provide services that in other cities are maintained by a cultural commission in city hall. Those services include: Maintaining the sister-city program for the city of Missoula with Neckargemünd, Germany and Palmerston, New Zealand; Promoting art and culture as economic development with periodic economic impact studies and providing citizen education on the economic importance of art and culture; Developing a central community event planning calendar which is linked to the city website; Developing a website that is a resource for the community's galleries, museums, artists, organizations and venues; Providing information of arts and cultural events and activities through weekly e-mails and monthly First Friday Gallery Night information.

### **MISSOULA ECONOMIC PARTNERSHIP - Activity budget equals \$ 100,000**

The Missoula Economic Partnership was launched in 2011 to assist local businesses and startups as they grow, to attract best-fit companies to our area and to help businesses with relocation to the Missoula area. Our expertise includes securing capital through public funding sources, business planning, and real estate/relocation, facility siting, local and county processes, connecting with The University of Montana and tapping the local workforce. The City of Missoula has invested \$100,000 for FY12 for the startup of the MEP, and this investment is to continue at that level annually through the life of the first round of funding, which is five years.

### **INTERNATIONAL CHORAL FESTIVAL - Activity budget equals \$ 12,000**

This contribution will assist this non-profit in the difficult task of raising enough funds to produce this event once every three years.

### **PARTNERSHIP HEALTH CENTER CONTRIBUTION - Activity budget equals \$ 42,532**

This program represents the City's share of a community health center, known as the Partnership Health Center, founded and funded by the City of Missoula, Missoula County, City/County Health Department, local physicians, St. Patrick's Hospital and Community Medical Center. The program objectives are provided in the Health Department's section of this budget.

### **10 YEAR PLAN TO END HOMELESSNESS – Activity budget equals \$ 35,000**

This plan was approved by the City Council on April 15, it focuses on a coordinated approach that works to prevent homelessness and to put housing first for all Missoula residents. Reaching Home's coordinator will work with City and County leadership and a steering committee to implement the plan.

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

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

### **COMPREHENSIVE INSURANCE - Activity budget equals \$ 907,563**

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 \$ 79,363**

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 at \$100,000 since FY 93.

**DEBT SERVICE OPERATING EQUIPMENT – Activity budget equals \$434,148**

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

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

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

**HEALTH INSURANCE RESERVE & TRANS TO EMPLOYEE BENEFIT FUND - Activity budget equals \$ 442,000**

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 \$29,700**

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, Parks registration fee, etc.. This amount is the annual fee that is payable to the different credit card merchants the City utilizes for taking such payments.

**MUSIC RIGHTS – CITY BAND/MUSICAL VENUES – Activity budget equals \$1,300**

This activity is created for the costs incurred by the City for reproduction of copyrighted songs for venues such as Currents & Splash as well as other activities in which copyrighted songs are played.

**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 \$ 50,000**

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 2% NON-UNION INCREASE – Activity budget equals \$ 244,957**

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

**SID ASSESSMENTS - Activity budget equals \$ 116,000**

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**

**TRANSFER TO C.I.P. FUND - Activity budget equals \$ 1,084,565**

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

**BIG SKY TRUST FUND SUPPORT – Activity budget equals \$ 30,000**

Funds will help support the Bitterroot Economic Development District (BREDD), which administers Big Sky Trust Fund grant programs for the City of Missoula. Through its partnerships with the Missoula Economic Partnership, Missoula County and the Montana Department of Commerce, BREDD helps businesses access grant funds for job training and development, as well as planning and capacity building. The City's contribution helps pay for the staff to apply for and administer successful grants.

**VOLUNTEER MISSOULA PROGRAM** – Activity budget equals \$ 10,000

This program strives to see volunteers, nonprofits and businesses work together to implement solutions to critical needs in the community created by service gaps that result from a lack of communication and collaboration between the different entities.

**MOUNTAIN LINE FARE SUBSIDY** – Activity budget equals \$ 100,000

The City of Missoula joins other major community agencies and organizations to fund a three-year zero-fare demonstration project for the Mountain Line bus system beginning Jan. 5, 2015, with the goal of significantly increasing ridership.

**HEALTH DEPARTMENT CONTRIBUTION** - Activity budget equals \$ 1,355,693

This program represents the City's contribution to the City/County Health Department pursuant to inter-local agreement. The scope of the Health Departments' activities include health services to improve the health of the entire community through health promotion, health maintenance and disease prevention, and monitoring and regulation of air quality, waste disposal, underground storage tanks, food handling, water quality and junk vehicles. The program objectives are provided in the Health Department's section of this budget.

**NEIGHBORHOOD AMBASSADOR** – Activity budget equals \$10,000**CELL PHONE EDUCATION CAMPAIGN** – Activity budget equals \$37,625**TRANSFER TO PUBLIC SAFETY INFORMATION SYSTEMS** – Activity budget equals \$6,000**Goal Area One: Funding and Service\***

- Improve client confidentiality, safety and comfort in the Immunization and WIC waiting and reception areas by completing a remodel no later than June 30, 2014.
- Achieve Public Health Accreditation Board accreditation by January 30, 2014.
- By June 2015, the Department will secure all revenue and manage expenses and capital as needed to maintain existing mandated services and meet increased service demand; the annual operating budget will be at least 110% of the FY 2013 approved budget.
- By June 2015, department- wide quality improvement will be regularly implemented and documented annually, with 100% completion rate reported out annually to the Steering Committee.

**Goal Area Two: Harmonious Natural and Built Environment**

- By June, 2015, 15% of Missoula County homes will have been tested for radon.
- Reduce number of public and private drinking water wells exceeding the nitrate drinking water standard (10 mg/l), the arsenic drinking water standard (10 mg/l), and those found to contain fecal coliform bacteria contamination.
- By June 30, 2015, lower the number of days Seeley Lake exceeds the 24-hour PM<sub>2.5</sub> National Ambient Air Quality Standard from 2012 levels by at least 15%.
- By June 2015, reduce the number of animal-related bites by 10% for the city/county.

**Goal Area Three: Quality of Life for All Citizens**

- By June 2015, reduce childhood obesity in Missoula County by 5% which is a reduction in prevalence from 12% obese to 10.8%.
  - Provide comprehensive, intensive public health nurse case management to all foster children in Missoula County who are ages newborn to five years, newly placed or in placement transition, and youth approaching their 18<sup>th</sup> birthday when they "age-out" of foster care.
  - By June 30, 2015, 80% of Missoula City-County Health Department's 19-36 month-old patients will be up to date on immunization coverage.
  - By July 2015, increase to 20% the rate of mothers enrolled in WIC prenatally who exclusively breastfeed for six months.
  - By June 2015, provide sustainable evidence-based maternal child health home visiting services to at least 40 at-risk women and their children through Nurse-Family Partnership (NFP.)
-

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 5,661	\$ 47,420	386	269,958	\$ 222,538	469%
Supplies	100,147	87,622	(231,403)	87,625	3	0%
Purchased Services	304,047	418,963	407,588	-	(418,963)	-100%
Miscellaneous	5,179,624	5,403,407	5,056,508	5,181,816	(221,591)	-4%
Debt Service	366,883	424,984	565,484	534,574	109,590	26%
Capital Outlay	-	-	8,000	-	-	
<b>Total</b>	<b>\$ 5,956,362</b>	<b>\$ 6,382,396</b>	<b>\$ 5,806,563</b>	<b>\$ 6,073,973</b>	<b>\$ (308,423)</b>	<b>-5%</b>

\* Un-audited numbers

## Fund Description

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

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

## Activities & Objectives

Potential projects for the use of these funds in FY16 are listed below. It should be noted that the City's Parks and Recreation Department provides much of the labor for many of these projects.

1. Development shall be determined per the Master Parks & Recreation Plan for the Greater Missoula Area as adopted May 2004 as an amendment to Growth Policy.
2. Per the Master Park Plan, funds received will be spent within a 1.5 mile radius of where the new development is located that contributed the cash-in-lieu.
3. CIP Park Development projects. See Park CIP program for details on proposed projects.
4. Using cash-in-lieu funds for maintenance of parks is not to exceed the percentage as outlined in 76-3-606 MCA. (50%)
5. Other funding sources for park acquisition and development include:
  - A. Per Ordinance #3270 sale of parkland revenue
  - B. Fees assessed for park encroachments and easements
  - C. Fees assessed as agreed upon through development

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	10,000	-	10,000	-	0%
Purchased Services	-	35,000	-	35,000	-	0%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	58,869	243,120	-	168,578	(74,542)	-31%
<b>Total</b>	<b>\$ 58,869</b>	<b>\$ 288,120</b>	<b>\$ -</b>	<b>\$ 213,578</b>	<b>\$ (74,542)</b>	<b>-26%</b>

\* Un-audited numbers

## Fund Description

The Park Enterprise Fund was established to earmark fees from many recreation programs and facility rentals for purchases and improvements to benefit those programs directly. The revenue sources are "Field Use Fees" from organized recreation leagues and fees received from the School Districts for their use of park facilities.

## Activities & Objectives

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

The capital outlay projects are geared towards the needs of the individual programs, but potential projects for FY 16 are listed below. Supplies, equipment, and labor for installation or construction of these projects is often provided by the Parks and Recreation Department to leverage these funds.

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	15,581	35,000	21,970	35,000	-	0%
Purchased Services	699	30,000	103	30,000	-	0%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	182,000	-	210,150	28,150	15%
<b>Total</b>	<b>\$ 16,280</b>	<b>\$ 247,000</b>	<b>\$ 22,073</b>	<b>\$ 275,150</b>	<b>\$ 28,150</b>	<b>11%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

### **Missoula Trails Planning, Development & Improvement - \$108,100**

This fund was started in FY 92 with the acquisition of the RS Greenway and development of a community trail plan. The fund shall be used for general or specific earmarked trail projects to include all facets of trail planning, acquisition, design, construction, improvements, amenities and maintenance.

### **Kim Williams Trail - \$36,170**

The Kim Williams Trail is part of the Bicycle Commuter Network. ARCO direct \$50,000 in funds specifically for the Kim Williams Trail component of the Bicycle Commuter Network. Funds can be spent for right of way acquisition, preliminary engineering, design, development and construction of the Kim Williams Trail. The money was donated in return for an easement/maintenance agreement to be created between Montana Power Company (the landowner) and Missoula County. The County requires funds to be spent first on portions of the trail beyond Missoula City limits, before any funds would be directed towards improvements of the existing Kim Williams Trail within the City limits. This is the balance of the fund and will be expended in FY16.

### **Park Memorial and Partners in Parks - \$150,000**

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

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

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

### **Urban Forestry - \$55,000**

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

### **DNRC/Forest Health Grant - \$40,000**

Money received for tree thinning project on Mount Jumbo. This is the balance left from the original grant.

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

This activity is for any special event held by Parks & Recreation to raise funds for a specific purpose or cause. The balance of the fundraising effort will be assigned to the cause for which the event was held.

### **Kiwanis Park - \$158,650**

Money received for the construction of new playground at Kiwanis Park. This is funding from CDBG and includes funding for a playground and replacement of the restroom.

### **Open Space Acquisition Donations - \$10,000**

Donations, gifts, fundraisers and memorials dedicated to general or specific parks, projects, or lands which may include acquisitions, design, construction, improvements amenities and maintenance of open space lands.

### **Conservation Lands Management Donations and Grants - \$60,000**

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



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

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

**Recreation Adult Sports and Wellness - \$25,000**

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

**Recreation Scholarship - \$35,000**

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

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

Money received for Vegetation management on Conservation Lands.

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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 17,351	\$ 13,200	\$ 6,183	\$ 13,200	\$ -	0%
Supplies	31,050	116,300	39,659	103,100	(13,200)	-11%
Purchased Services	52,048	257,000	32,671	257,000	-	0%
Miscellaneous	-	75,000	5,089	75,000	-	0%
Debt Service	-	-	-	-	-	-
Capital Outlay	91,489	806,093	245,757	496,620	(309,473)	-38%
<b>Total</b>	<b>\$ 191,938</b>	<b>\$ 1,267,593</b>	<b>\$ 329,359</b>	<b>\$ 944,920</b>	<b>\$ (322,673)</b>	<b>-25%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

- Implement improvements to various recreation programs based on customer evaluations, trends and staff expertise.
- Provide comprehensive recreation program opportunities for all ages and interests, including special events, tournaments, non-traditional recreation and partnership programming.
- Continue building on collaborative efforts with agencies, organizations and businesses to further the mission of Active Kids by providing programs and promoting the Daily Dose concept to enhance physical health and combat childhood obesity among Missoula citizens.
- Continue to work toward providing adequate recreational programming in the winter and shoulder seasons due to a lack of community gym space.
- Promote the Lets Move, Missoula initiative by providing year round access to safe places and programs for residents to increase their activity levels.
- Local gyms in our community have very limited access for sports and wellness programs, therefore we will continue to partner with other organizations to provide rental time for partner programs.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 17,939	\$ 12,000	\$ -	\$ 12,000	\$ -	0%
Supplies	946	5,000	1,112	5,000	-	0%
Purchased Services	-	2,000	-	2,000	-	0%
Miscellaneous	24,000	24,000	24,000	24,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 42,885</b>	<b>\$ 43,000</b>	<b>\$ 25,112</b>	<b>\$ 43,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Fund Description

Enhance the quality of life in our community by providing a unique recreational space serving the large, unmet need for a universally accessible play space for children. The All Abilities Playground is the first large-scale project of its kind in Montana and a demonstration site for other communities seeking to implement best practices in inclusive recreation. The playground is sited in McCormick Park, due to its central location and multiple accessible recreation features (Currents Aquatic Center, Silver Lagoon, river front trail systems and accessible family restrooms), making McCormick Park a standout destination for accessible recreation in the region. The first phase of the playground project was constructed and opened in July 2014. Fund raising for Phase II has started and once enough funds have been secured – the next phase will be constructed. The total projected budget for both phases was estimated at \$750,000 with the majority of the funds coming from the All Abilities Playground Project. Phase II will consist of an accessible stage, garden and additional play features.

## Activities & Objectives

- Provide playground to encourage physical exercise in social environment that normalizes disability
- Access to swings, spinners, slides on adaptive equipment
- Address critical education need as many typical children do not receive information about those with disabilities
- Provide a social space where children can learn from their peers that disability is a natural part of life

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	111,257	50,000	214,055	50,000	-	0%
Miscellaneous	-	-	33	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	736,092	10,000	478,000	(258,092)	-35%
<b>Total</b>	<b>\$ 111,257</b>	<b>\$ 786,092</b>	<b>\$ 224,088</b>	<b>\$ 528,000</b>	<b>\$ (258,092)</b>	<b>-33%</b>

\* Un-audited numbers

## Fund Description

**Niche Fund Reserve.** Beginning in FY13, all revenue generated from niche or memorial wall sales and services at the Missoula City Cemetery shall be deposited into the Niche Fund Reserve.

## Activities & Objectives

The only on-going expense from this fund shall be the cost of inscriptions for all walls. This fund is to remain intact and grow for the future development of new columbarium or cremation walls and repair and maintenance to existing structures.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	72	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	1,539	2,500	1,394	2,500	-	0%
<b>Total</b>	<b>\$ 1,611</b>	<b>\$ 2,500</b>	<b>\$ 1,394</b>	<b>\$ 2,500</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Fund Description

**Care Fund Reserve** Beginning in FY13, 10% of all revenue generated from sales and services at the Missoula City Cemetery, shall be deposited into the Care Fund Reserve. Beginning in FY14, 50% of all revenue generated from sales and services at the Missoula City Cemetery shall be deposited into the Care Fund Reserve. The only cemetery revenue exceptions are for niche / memorial wall sales and services which are deposited into the Niche Reserve Fund and memorial monetary donations which are deposited into the Memorial Reserve Fund.

## Activities & Objectives

The Care Fund Reserve is intended to be used for the funding of cemetery equipment following the City of Missoula Growth Replacement Schedule and for cemetery facilities and maintenance improvements. All revenues placed into the Care Fund Reserve shall be designated and used for the long-term care of the cemetery until further review between Missoula City Council and Missoula Cemetery Board of Trustees.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	318	10,000	-	19,545	9,545	95%
Debt Service	-	-	-	-	-	
Capital Outlay	34,153	65,000	-	153,500	88,500	136%
<b>Total</b>	<b>\$ 34,471</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ 173,045</b>	<b>\$ 98,045</b>	<b>131%</b>

\* Un-audited numbers

## Fund Description

**Memorial Fund Reserve:** All donations received by the Missoula City Cemetery shall be deposited to the Memorial Fund Reserve. A record of designated and undesignated funds is to be maintained by the cemetery office.

## Activities & Objectives

The Cemetery Board of Trustees and City Administration allow these funds to fulfill donor's wishes provided the requests fit within the scope of the master plan development for the cemetery.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	10	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	400	2,000	189	500	(1,500)	-75%
<b>Total</b>	<b>\$ 411</b>	<b>\$ 2,000</b>	<b>\$ 189</b>	<b>\$ 500</b>	<b>\$ (1,500)</b>	<b>-75%</b>

\* Un-audited numbers

## Fund Description

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

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

## Activities & Objectives

The City has been receiving lease payments and loan repayments from the Central Square Office Building since FY86. During FY88, the City reached agreement on a payoff of the Sheraton Hotel promissory note with the existing owners and the new partnership that bought out the old partnership. As part of that agreement, the City received \$600,000 at the closing of the deal as payoff of the promissory note.

In May of 1996, the City passed Resolution #5867 which establishes the funding level and priorities for community based organization grants for the Title I Program Income Fund. The City has established a minimum fund balance of \$500,000 through FY98 or until entitlement status is obtained. At that time, the City agreed to the following: Up to one-half of the Title I funds in excess of a \$500,000 fund balance will be available for internal City projects and up to half of the Title I funds in excess of a \$500,000 fund balance will be available to Community Based Organizations (CBO). Resolution #6538, approved in August, 2002, authorized internal City projects and CBO grants from the Title I Program Income fund in a total amount of approximately \$100,000 per year (beginning in FY04), with the realization that this level of funding may eventually result in the exhaustion of the fund.

Projects identified to date:

1. FY 2016 Contributions administered by GCP – To be determined, based on applications received. Estimated amount available is \$136,000.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	27,242	59,088	4,985	136,000	76,912	130%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 27,242</b>	<b>\$ 59,088</b>	<b>\$ 4,985</b>	<b>\$ 136,000</b>	<b>\$ 76,912</b>	<b>130%</b>

\* Un-audited numbers

### Fund Description

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

### Activities & Objectives

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

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	81	51,791	-	38,472	(13,319)	-26%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 81</b>	<b>\$ 51,791</b>	<b>\$ -</b>	<b>\$ 38,472</b>	<b>\$ (13,319)</b>	<b>-26%</b>

\* Un-audited numbers



## Fund Description

This program derives its funding from the repayment of loans provided to low- and moderate-income homebuyers for down payment, homebuyer education and closing cost assistance through a grant awarded to the City by the State HOME program.

## Activities & Objectives

This fund is used to provide loans provided to low- and moderate-income homebuyers for down payment, homebuyer education and closing cost assistance. The loans are repayable when the assisted household sells the home or no longer uses the home as his/her primary residence.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	600,000	-	600,000	-	0%
Miscellaneous	557	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 557</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

^ Budget was created in FY2014

### Fund Description

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

### Activities & Objectives

This fund will be used to replace hardware as needed but the majority of the money will be used in 2019 to replace all the server hardware for the Public Safety project.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	-	-	-	-	-	-
Purchased Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

\* Un-audited numbers

^ Budget was created in FY15

## Fund Description

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

## Activities & Objectives

The purpose and intent of the new ordinance was as follows:

- 1) To establish uniform procedures for the imposition, calculation, collection, expenditure, and administration of development impact fees imposed on new development;
- 2) To assure that new development contributes its fair and proportionate share towards the costs of public facilities reasonably necessitated by such new development;
- 3) To ensure that new development benefits from the provision of the public facilities provided with the proceeds of development impact fees;
- 4) To ensure that impact fees collected pursuant to this Chapter are expended only on public facilities the demand for which is generated by the new development against which the fees are assessed;
- 5) To ensure that impact fees assessed pursuant to this Chapter are proportionate in amount to the degree of impact new development has on public facilities; and
- 6) To ensure that all applicable legal standards and criteria are properly incorporated in these procedures.

The City of Missoula chose not to implement development impact fees at the maximum level identified in the impact fee study conducted by Tischler and Associates.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	28,910	-	9,383	-	-	
Miscellaneous	5,628	-	-	-	-	
Debt Service	-	-	50,179	-	-	
Capital Outlay	547,590	2,416,567	826,233	2,400,000	(16,567)	-1%
<b>Total</b>	<b>\$ 582,127</b>	<b>\$ 2,416,567</b>	<b>\$ 885,795</b>	<b>\$ 2,400,000</b>	<b>\$ (16,567)</b>	<b>-1%</b>

\* Un-audited numbers

### Fund Description

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

### Activities & Objectives

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

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	15,000	-	15,000	-	0%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

On July 1, 2003 the Public Art Ordinance #3221 went into effect. This Ordinance established a mechanism to fund and maintain public art within the City of Missoula. The Mayor is responsible for directing this program and has established a Public Art Committee that provides advice and recommendations on public art to the City Council. The Percent for Art Program focuses on both outside and inside, new and remodeled City owned public spaces. The art may serve a function, express a theme or commemorate an important person.

The Public Art Fund receives one percent (1%) of eligible construction costs of the City of Missoula's Capital Improvement projects (CIP) costing \$100,000 or more. The following are considered exemptions from the Percent for Art Program:

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

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	1,541	3,000	2,342	7,350	4,350	145%
Miscellaneous	-	24,256	-	-	(24,256)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	7,000	5,615	40,703	5,615	-	0%
<b>Total</b>	<b>\$ 8,541</b>	<b>\$ 32,871</b>	<b>\$ 43,045</b>	<b>\$ 12,965</b>	<b>\$ (19,906)</b>	<b>-61%</b>

\* Un-audited numbers

### Restricted Funds for future projects:

- Art Project for Pineview Park – Activity budget equals: **\$ 5,615**
- Art Placard to be placed on un-named art projects – Activity budget equals: **\$ 3,000**

## Fund Description

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

## Activities & Objectives

Currently, the City of Missoula levies the dollar amount set by the caps, which is set at 9.10 mills. Additional dollars and mills are levied permissively under the 2372 Permissive Medical Levy Fund.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	1,358,338	1,324,945	1,325,148	4,462	(1,320,483)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,358,338</b>	<b>\$ 1,324,945</b>	<b>\$ 1,325,148</b>	<b>\$ 4,462</b>	<b>\$ (1,320,483)</b>	<b>-100%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

The levy in FY16 is 39.49 mills compared with the FY15 levy of 30.43 mills.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	3,044,812	2,971,522	2,971,528	4,405,445	1,433,923	48%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 3,044,812</b>	<b>\$ 2,971,522</b>	<b>\$ 2,971,528</b>	<b>\$ 4,405,445</b>	<b>\$ 1,433,923</b>	<b>48%</b>

\* Un-audited numbers

## Fund Description

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

## Activities &amp; Objectives

\$680,000 of franchise fees from Charter Communications are projected and budgeted. The decrease in Charter's remittances in the past was related primarily to market decreases. The FY16 budget assumes little to no growth.

Pursuant to a contract pending with the City, Missoula Community Access Television (MCAT) is budgeted to receive \$442,000 in FY 16.

		<u>FY 2016</u>	<u>FY 2015</u>
350 Account	Cable TV Negotiator/Consultant	\$5,000	\$5,000
370 Account	Travel to training workshops	1,000	1,000
380 Account	Training on new regulations	1,000	1,000
390 Account			
500 Account			
700 Account	MCAT Operations Contribution	440,000	440,000
820 Account	Transfer to General Fund	251,433	244,110
840 Account	Contingency – decided by Council	0	0
940 Account	Capital-Replacement & Second Channel	<u>37,567</u>	<u>44,890</u>
	Total	\$ 736,000	\$ 736,000

**OBJECTIVES:**

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	193	7,000	2,472	7,000	-	0%
Miscellaneous	712,018	684,110	712,454	691,433	7,323	1%
Debt Service	-	-	-	-	-	
Capital Outlay	101,033	44,890	45,162	37,567	(7,323)	-16%
<b>Total</b>	<b>\$ 813,244</b>	<b>\$ 736,000</b>	<b>\$ 760,088</b>	<b>\$ 736,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers



## Fund Description

Pursuant to Section 44-12-206 Montana Codes Annotated the City is entitled to receive property, money from sales of seized property, cash payments resulting from Justice of the Peace verdicts, and seized cash from drug related crimes provided that it has a Drug Forfeiture Fund. Money received in this fund has to be spent on drug related expenditures.

## Activities &amp; Objectives

1. To support enforcement of drug laws within the Missoula community as well as providing drug-related training to department personnel.
2. Possible Equipment and Capital purchase could include:

Supplies	\$ 6,500
Purchased Services	\$ 8,300
Miscellaneous	\$1,000
Capital Outlay	\$ 12,000
Total	<u>\$ 27,800</u>

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	14,616	6,500	19,159	6,500	-	0%
Purchased Services	3,725	8,300	(278)	8,300	-	0%
Miscellaneous	-	1,000	-	1,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	12,000	-	12,000	-	0%
<b>Total</b>	<b>\$ 18,341</b>	<b>\$ 27,800</b>	<b>\$ 18,881</b>	<b>\$ 27,800</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	2,103	-	250	(1,853)	-88%
Miscellaneous	(6)	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ (6)</b>	<b>\$ 2,103</b>	<b>\$ -</b>	<b>\$ 250</b>	<b>\$ (1,853)</b>	<b>-88%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	15,000	-	15,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

### Fund Description

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

### Activities & Objectives

Property owners in the City's street lighting districts are assessed each year for the cost of the utility bills for operating the lights in the districts.

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	330,690	345,357	339,674	350,076	4,719	1%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 330,690</b>	<b>\$ 345,357</b>	<b>\$ 339,674</b>	<b>\$ 350,076</b>	<b>\$ 4,719</b>	<b>1%</b>

\* Un-audited numbers

## Fund Description

The purpose of this fund is to pay for the services associated with the maintenance and care of Street Maintenance District #1. These services include weekly flushing of the streets and pickup of street rubbish from containers within the right-of-way

## Activities & Objectives

The costs associated with this district are actually expended out of the General Fund. Annually the assessments collected by this fund are transferred into the General Fund to offset those costs.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	19,554	32,014	20,141	32,014	-	0%
Miscellaneous	27,281	27,281	27,281	27,281	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 46,835</b>	<b>\$ 59,295</b>	<b>\$ 47,422</b>	<b>\$ 59,295</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Program Description – Work-plan

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

The assessment funds a portion (\$621,703) of the materials necessary to implement the City’s year-round street maintenance operations and transportation related Capital Improvements Program, specifically CIP S-15 Street Improvements Major Maintenance. The street improvements CIP encompass a combination of: 1) Reconstruction of completely deteriorated streets; 2) Overlays on the streets showing the most duress; and 3) Chip sealing to prolong the life of the streets that have only moderate deterioration.

The assessment also funds a portion (\$60,000) of the cost of sidewalk improvements on city streets, specifically assistance for residential owner occupied property for a portion of the costs of installing American with Disabilities Act (ADA) compliant curb ramps. In addition this assessment also funds a portion (\$ 607,303) of CIP S-16 Annual Sidewalk Installation Replacement Program. This program systematically replaces hazardous and deteriorated sidewalks and installs curb ramps throughout the existing sidewalk system of Missoula, and installs new curbs and sidewalks where there are none.

## City Strategic Plan & Department’s Implementation Strategy

### Goal # 1 Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - The City-wide road district funds a portion of the materials budget to maintain the current level of service as provided to all city residents.
- Strategy: We will work toward sustaining and diversifying fiscal resources.

The road district provides financial assistance to property owners for ADA curb ramps as an additional financial resource to reduce sidewalk installation assessment costs. Staff will develop and implement guidelines for using this additional money to assist property owners.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 20,717	\$ 31,875	\$ (767)	\$ 159,787	\$ 127,912	401%
Supplies	176,916	187,337	167,828	196,030	8,693	5%
Purchased Services	20,000	20,000	1,260	99,300	79,300	397%
Miscellaneous	75,824	185,201	596,627	322,496	137,295	74%
Debt Service	1,289	250,796	517,461	467,005	216,209	86%
Capital Outlay	85,277	677,467	675,988	478,000	(199,467)	-29%
<b>Total</b>	<b>\$ 380,025</b>	<b>\$ 1,352,676</b>	<b>\$ 1,958,396</b>	<b>\$ 1,722,618</b>	<b>\$ 369,942</b>	<b>27%</b>

\* Un-audited numbers

## 2016 Budget Highlights

### New requests:

- **Subsidy for IBEW Union certifications** – Funds approved \$ 4,176
- **Subsidy to provide administrative and storm water program services** – Funds approved: \$ \$97,013
- **Additional funding for crack sealing street surfaces** – Funds approved \$ 63,448
- **Subsidy for street overlay asphalt** – Funds approved \$ 100,000

## Program Description – Work plan

This program encompasses a city-wide park district entitled “CITY OF MISSOULA PARK DISTRICT NUMBER 1” designed to maintain the base level of service (FY09) provided to all city residents. An annual assessment will be established for the purpose of funding and/or financing costs associated with providing services including but not limited to: (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 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 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.

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

Missoula Parks and Recreation's guiding Mission is to enhance the quality of life in our community by: Promoting Health and Wellness, Protecting the Environment; Educating and Enhancing the lives of Citizens through-out our Community by providing and maintaining diverse, accessible, and scenic parks, open spaces, and trails and numerous recreational opportunities.

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

Through implementation of approved community plans such as the Master Park Plan, Transportation and NMT Plans, and Open Space Plans, plus best practice in design, Parks and Recreation will meet the needs and demands of citizens for alternative transportation, clean air, clean water, and environmental stewardship.

1. Strategy: implementation of approved community plans:
  - Urban Forestry Management Plan adopted April 2015
  - ROW Design standards – medians, boulevards, trees – adopt FY 2016
2. Strategy: reflect values of sustaining and improving our conservation lands within and on the edge of the urban area for the benefit of citizens and wildlife.
  - Develop management plan for:
    - Clark Fork River management plan for recreation – Hellgate Canyon to Russell Street
3. Strategy: reflect values of sustainability in transportation and building design
  - Emphasize bike and pedestrian connectivity to increase mode shift
  - Incorporating LEED® principals in design of Fort Missoula Regional Park project
4. Strategy: enhance the quality of our green infrastructure

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 51,549	\$ 112,951	\$ 77,077	\$ 224,685	\$ 111,734	99%
Supplies	160,675	169,626	167,963	174,527	4,901	3%
Purchased Services	192,396	288,644	265,007	279,536	(9,108)	-3%
Miscellaneous	242	-	-	-	-	
Debt Service	972	57,998	196,158	222,532	164,534	284%
Capital Outlay	34,387	30,000	57,834	30,000	-	0%
<b>Total</b>	<b>\$ 440,221</b>	<b>\$ 659,219</b>	<b>\$ 764,039</b>	<b>\$ 931,280</b>	<b>\$ 272,061</b>	<b>41%</b>

\* Un-audited numbers

## FY 2016 Budget Highlights

The approved increase in Park District 1 funding for FY16 will provide for improvement in core parks and greenways maintenance services particularly where those services were reduced in past years. Priorities include but are not limited to:

**CLM \$135,302****Research Specialist/Assistant will assist and/or manage existing and new research projects, such as:**

- A comprehensive recreational use study. Study will help us learn about recreational use patterns, compliance / posted regulations and get input from trail users concerning management of our open space.
- Basic monitoring of vegetation management efforts. For example, monitor % of successful establishment of saplings used in restoration. Monitor efficacy and non-target impacts of herbicide spraying (especially new herbicides or old herbicides on new plants). Monitor success of restoration of disturbed areas (for example; trails construction/rehab, Norway maple removals in Greenough). This basic monitoring will be very useful for adjusting timing/species/protocols for vegetation management, making the Parks Department more efficient and effective.
- Long-term cushion plant monitoring. Monitor plant changes in cushion plant communities on the N. Hills and Mt. Jumbo. • Maintenance of multiple photo points across multiple properties. • Using native annuals as a cover crop to restore areas invaded by cheat grass. Learning objective: novel approaches and new techniques to restore cheat grass infested rangeland
- Mitchell's long-term plant community monitoring on the N. Hills and Mt. Sentinel. Last year we reestablished several transects which were installed by a graduate student in 1955. Learning Objective: compare local changes in plant community composition (since 1955) and track changes into the future. This is essential information for us to describe and predict what plants we need to reestablish on site and/or to redefine our goals based on what can grow on site.
- In 2015, the community drafted and the City adopted a 10-year strategic plan for the Moon Randolph Homestead (MRH). Basic maintenance and several large-scale historic restoration projects were identified as priorities in this plan. Currently, a significant amount of staff resources at the NMCD are spent fundraising for basic maintenance of the MRH. This request would fund minimal basic maintenance of a valuable cultural asset allowing NMCD staff time to pursue funding for larger historic preservation projects. The Conservation Lands Program of the Missoula Parks and Recreation Department will provide oversight of all program budget expenditures.

**Park Maintenance \$249,969**

- Focus on deferred turf care, proper irrigation, fertilization, aeration, weed control and top dressing of the Parks system turf areas. Areas which were cut to reallocate available funds to fuel & utilities or to adjust for reduced budget.



- Routine maintenance of playgrounds, asphalt, park infrastructure to ensure safety and proper upkeep of the systems assets. • Provide alternate restroom facilities in areas lacking and or to extend the facility's seasons.
- Help to address additional and new developed parks that came on line during the recession and the City has been unable to fund operations: 44 Ranch, Maloney Ranch, White Pine Park, and Silver Park.
- Fertilization, aeration and weed treatment of sports and general turf areas throughout the system with emphasis on Caras Park, Playfair Park, and McCormick Park and other sports fields.
- Install mulching kits on remaining mowing equipment for more sustainable turf health and quality, weed control, and water conservation.
- Playground maintenance, especially fall zone upkeep, at Pineview, Bonner, Maloney, Franklin, Lafray, Rose Memorial, Westside, McLeod and McCormick parks.
- Various irrigation system maintenance repairs including identified challenges at Nicole, Garland, and Sacajawea parks.
- Pothole and minor pavement repairs and maintenance of McCormick Park parking lot.
- Fence repairs at sports ball field complexes.
- Repainting of basketball and tennis court lines at various sites, funds permitting.

#### **Urban Forestry, Greenways & Horticulture \$215,751**

These funds will be utilized to perform maintenance on right of ways, medians and trails which have not been funded in previous years.

- Turf cares, plant bed vegetation, weed control and general upkeep of areas has been from funds tapped from other programs. Funds are needed to ensure maintenance resources are adequate to revitalize and sustain these existing community assets.
- Increased frequency of maintenance for landscaped rights-of-way to better keep up with weed growth, with an emphasis on Reserve Street Medians, Higgins Street Roundabout, and 39th Street medians. Pothole and minor pavement repairs and maintenance for asphalt commuter trails. This year will add two (2) Forestry Workers (FWs) at 0.8333 FTE to create two tree maintenance crews. Based upon the recent tree census, there are over 24,400 street and park trees to maintain. An estimated 5,000 additional trees will be added to the inventory of city owned trees as additional inventory work is done. This additional staffing will be used to implement Phase 1 of the urban forest management plan. Two tree maintenance crews will allow removals to continue, while implementing programs such as street chip seal, and sign and signal clearance pruning programs to be completed by urban forestry staff. The Forestry Worker schedules will be set to match those of existing ATAs. This schedule will provide at least three (3) forestry staff on a year-round basis.

#### **Parks Asset Management Program \$70,000**

- Completion of the R McDonald Riverfront Trail paving at the Clark Fork Natural Park enhances the commuter potential and ADA access at Missoula's busiest section of trail. Asphalt surfaces allow for much improved snow and ice removal and significantly reduce mud. (\$6250)
- Repair of damaged trails, damaged or vandalized playground, and/or the repair of shelters allows the Department to mitigate potential safety and liability concerns. (\$23,750)
- Implementation Plan for Cyclical Maintenance of Infrastructure -Funds will be utilized in the development of a long-range plan to address developed park infrastructure and amenities that require major work or replacement due to:
- Public safety concerns, age, condition, code compliance, and to sustainably manage park maintenance costs. Funds will primarily be used to hire consultants that can provide accurate costing information and support a public involvement process. (~\$40K)

In summary, the funds in Greenways and Horticulture and Park Maintenance, brings the Department close to FY09 funding levels in routine park maintenance. A number of parks, trails, conservation lands, and ROW improvements have been added during this time making the added park district funding critically important to maintaining a system that contributes significantly to Missoula resident's quality of life, as well as our community's economic and environmental sustainability.

The new and additional funds dedicated to our aged Urban Forest have been extremely beneficial as we begin to address the most deficient areas and trees. The new conservation lands researcher has been a good investment in our ability to practice adaptive and best practices management of these lands.

## Program Description – (2820)

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

## Activities and Objectives

**Direct Expenditures for FY 2016:**

Asphalt for street paving	105,000	Account 930
Chip seal emulsified asphalt and distribution	122,100	Account 930
Sand (winter street sanding)	\$23,000	Account 930
Chip seal aggregate	123,000	Account 930
<b>Total Direct Expenditures:</b>	<b>373,100</b>	

**Interfund transfers for FY 2016:**

Transfer to 1000.320 fund for labor costs	\$564,000	Account 820
<b>Total Interfund Transfers:</b>	<b>\$ 564,000</b>	

**TOTAL FUND EXPENDITURES: 937,100**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	36,974	-	-	-	-	
Miscellaneous	564,000	564,000	564,020	564,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	627,372	373,100	348,117	373,100	-	0%
<b>Total</b>	<b>\$ 1,228,346</b>	<b>\$ 937,100</b>	<b>\$ 912,136</b>	<b>\$ 937,100</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

### Department of Justice Edward Byrne Memorial JAG Grant XI – Anticipated budget equals \$24,590

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

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

### COPS Hiring 2014 – Activity Budget equals \$42,000

The "COPS Hiring Recovery Program" (CHRP) provides funding directly to law enforcement agencies to hire and/or rehire career law enforcement officers in an effort to create and preserve jobs, and to increase their community policing capacity and crime prevention efforts.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 92,717	\$ 98,000	\$ 69,133	\$ 42,000	\$ (56,000)	-57%
Supplies	46,525	16,920	19,670	-	(16,920)	-100%
Purchased Services	17,803	43,053	26,055	-	(43,053)	-100%
Miscellaneous	20,061	-	8	24,590	24,590	
Debt Service	-	-	-	-	-	
Capital Outlay	-	27,899	13,795	-	(27,899)	-100%
<b>Total</b>	<b>\$ 177,106</b>	<b>\$ 185,872</b>	<b>\$ 128,662</b>	<b>\$ 66,590</b>	<b>\$ (119,282)</b>	<b>-64%</b>

\* Un-audited numbers

## Fund Description

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

Expenditure of these forfeiture funds is controlled by state and federal statutes restricting expenditures to drug-related investigations and training. Expenditures include equipment, training and supplies, grants to local substance abuse prevention programs as well as District Court Youth Drug Court.

## Activities & Objectives

**HIDTA Forfeiture Fund** – Activity budget equals **\$192,300**

**TOTAL FUND EXPENDITURES EQUALS \$ 192,300**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 16,350	\$ -	\$ 16,350	\$ -	0%
Supplies	16,362	1,000	14,361	1,000	-	0%
Purchased Services	3,904	13,250	3,563	13,250	-	0%
Miscellaneous	568,785	111,700	80,825	111,700	-	0%
Debt Service	-	-	-	-	-	-
Capital Outlay	-	50,000	-	50,000	-	0%
<b>Total</b>	<b>\$ 589,052</b>	<b>\$ 192,300</b>	<b>\$ 98,749</b>	<b>\$ 192,300</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	14,383	-	14,383	-	0%
Miscellaneous	42,105	-	14,383	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 42,105</b>	<b>\$ 14,383</b>	<b>\$ 14,383</b>	<b>\$ 14,383</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Fund Description

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

## Activities &amp; Objectives

**2016 Grants and Community Programs Admin Fees** – Activity budget equals **\$106,591**

Grant support of administration fees.

**Projects** – Projects to be determined budget equals **\$457,664**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	111,530	130,366	122,490	106,591	(23,775)	-18%
Miscellaneous	443,415	489,707	397,275	457,664	(32,043)	-7%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 554,945</b>	<b>\$ 620,073</b>	<b>\$ 519,765</b>	<b>\$ 564,255</b>	<b>\$ (55,818)</b>	<b>-9%</b>

\* Un-audited numbers

## Fund Description

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

## Activities& Objectives

**GCP Admin Fees** – Activity budget equals **\$57,921**

Grant support of administration fees.

**Projects** – Projects to be determined budget equals **\$335,666**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	52,218	352,009	59,305	57,921	(294,088)	-84%
Miscellaneous	120,000	-	734,450	335,666	335,666	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 172,218</b>	<b>\$ 352,009</b>	<b>\$ 793,754</b>	<b>\$ 393,587</b>	<b>\$ 41,578</b>	<b>12%</b>

\* Un-audited numbers

## Fund Description

The purpose of the American Dream Down-payment Initiative, ADDI Program Fund, is to assist low-income households to achieve first-time home ownership in the City of Missoula.

## Activities & Objectives

The ADDI funds are to be used specifically for down payment and closing cost assistance for first-time homebuyers, though a portion of the funds may also be used to rehabilitate homes that are being purchased. Only the minimum amount of assistance needed to enable the participant to purchase a home will be provided.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	12,846	12,846	
Miscellaneous	-	12,243	-	-	(12,243)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 12,243</b>	<b>\$ -</b>	<b>\$ 12,846</b>	<b>\$ 603</b>	<b>5%</b>

\* Un-audited numbers



## Fund Description

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

## Activities & Objectives

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	35,500	31,549	31,500	(4,000)	-11%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 35,500</b>	<b>\$ 31,549</b>	<b>\$ 31,500</b>	<b>\$ (4,000)</b>	<b>-11%</b>

\* Un-audited numbers

## Fund Description

Every six years, the United States Congress considers a transportation funding bill. This fund was created to accept Federal CMAQ, STPU, and CTEP grant funds set aside for the City of Missoula along with any matching money from other City Funds. These funds are expended for projects identified by the City's Capital Improvement Program (CIP) and approved by the State.

## Activities & Objectives

### Missoula Active Transportation Plan – Activity budget equals **\$386,689**

Create, expand and enhance trails along Milwaukee Railroad, Bitterroot Branch Trail (BBT) and the Clark Fork River corridors. Corridor acquisition is the #1 priority of the adopted 2001 Non-motorized Plan. This project enables a coordinated effort to acquire access to land, through purchases or easements. Development of selected areas would follow acquisition.

### Kim Williams – Bicycle Commuter Network – Activity budget equals **\$375,500**

The existing Kim Williams Trail is a Missoula icon that connects the University district to the natural resources and trails in Hellgate Canyon. It is currently the eastern most leg of the City's main east-west Primary Commuter Trail and will become a vital link for non-motorized transportation for residents of current or future subdivisions planned in the Deer Creek Road area. Acquisition of trail right-of-way on MRL property has been secured. This acquisition will allow for the expansion of the trail between its current eastern terminus and the existing public trail at Canyon River Golf Course – a significant connection. An encroachment permit on MDT right-of-way has been acquired. This project will complete the acquisition and design processes and construct the trail.

CTEP is the major funding source for this project. Funds have been dedicated to this project in prior years.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 1,278	\$ -	\$ 4,608	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	227	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	142,026	1,632,318	1,117,315	762,189	(870,129)	-53%
<b>Total</b>	<b>\$ 143,303</b>	<b>\$ 1,632,318</b>	<b>\$ 1,122,150</b>	<b>\$ 762,189</b>	<b>\$ (870,129)</b>	<b>-53%</b>

\* Un-audited numbers

## Fund Description

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

## Activities & Objectives

### **Miscellaneous Grants and Donations** - Activity budget equals **\$ 40,000**

The \$ 40,000 is for an appropriation and spending authority for any donations that the City receives.

### **Miscellaneous Fire Donations** – Activity budget equals **\$ 6,000**

### **COPS Technology and COPS Technology X2** – Activity budget equals **\$ 993,592**

Fund provided by the Department of Justice, COPS Office enable the Missoula Police Department to increase its effectiveness and efficiency. It also enhances the technological capacity of our department to assist in problem solving and other community policing activities.

### **Anti-Graffiti** – Activity budget equals **\$5,000**

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

### **BIAS Crime Campaign** – Activity budget equals **\$10,903**

The Missoula Police Department and Communications Office formed partnerships with community organizations and businesses on a public campaign to encourage people who believe they are victims of crimes based in bias and discrimination to report those crimes. The first phase focused on sexual orientation. Subsequent phases of the campaign will focus on other minorities.

### **ICAC Grant-** Activity budget equals **\$ 30,438**

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

### **Bulletproof Vest Grant** - Activity budget equals **\$ 10,500**

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

### **County DUI Task Force Grant** – Activity budget equals **\$5,000**

Funds provided by the Missoula County DUI Task Force enable officers to work overtime shifts in the enforcement of impaired driving laws. Funds also provide equipment and training to enhance the department's ability to enforce impaired driving laws.

### **Traffic Safety Grants (Seat Belts and Capital Outlay)** - Activity budget equals **\$60,000**

The City has applied to receive a grant from the State of Montana to purchase equipment.

The City has applied for a traffic safety grant to enforce seatbelt safety. This will also be used to cover overtime costs for seatbelt enforcement as well as fuel for vehicles.

### **Drug Task Force Grant (HIDTA)** - Activity budget equals **\$299,498**

The City of Missoula is the fiscal agent for a Federal, State, County and Municipal task force called the High Intensity Drug Trafficking Area Task Force. This task force has been in existence since FY'03.

### **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.

### **Combat Challenge** - Activity budget equals **\$4,092**

The Scott Firefighter Combat Challenge attracts hundreds of U.S. and Canadian municipal fire departments each year at more than 25 regional competitions worldwide. The Challenge seeks to encourage firefighter fitness and demonstrate the profession's rigors to the public - wearing full bunker gear breathing apparatus, pairs of competitors simulate the physical demands of real-life firefighting by performing a linked series of five tasks including: climbing the 5-story tower, hoisting, chopping, dragging hoses and rescuing a life-sized, 175 lb. "victim" as they race against themselves, their opponent and the clock. MFD has been competing in the Firefighter Combat Challenge since 1994 - a combined Missoula Fire Department & Missoula Rural Fire District team won the world championship in 1997 and

MFD won the title again in 2001. MFD's 2001 team time (4:19.33) still stands as the current World Record. These donated funds provide the Missoula Fire Department Combat Challenge team the opportunity to train and travel to compete in a regional competition and, if the team qualifies, at the World Championship.

**Fort Missoula Roads** - Activity budget equals **\$24,822**

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

**Brownfield's Cleanup RLF** - Activity budget equals **\$587,106**

This Environmental Protection Agency grant is matched with \$200,000 from the Missoula Community Development Corporation, and will enable the City to make cleanup loans and a limited number of cleanup grants to eligible owners of Brownfield's sites within Missoula County.

**State – Equipment Grant** – Activity budget equals **\$10,338**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 145,808	\$ 203,660	\$ 231,132	\$ 144,708	\$ (58,952)	-29%
Supplies	32,728	101,933	30,434	77,824	(24,109)	-24%
Purchased Services	82,134	119,885	57,129	121,619	1,734	1%
Miscellaneous	169,344	609,915	174,539	716,036	106,121	17%
Debt Service	-	-	-	-	-	
Capital Outlay	591,005	58,822	-	1,028,752	969,930	1649%
<b>Total</b>	<b>\$ 1,021,020</b>	<b>\$ 1,094,215</b>	<b>\$ 493,235</b>	<b>\$ 2,088,939</b>	<b>\$ 994,724</b>	<b>91%</b>

\* Un-audited numbers

## Fund Description

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

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## Activities & Objectives

### Goal #1: Funding and Service

- Strategy: We will maintain or improve the level of service to citizens.
  - Enhance the methods of communication to improve the citizen's understanding of development and planning issues and access to information, procedures and processes through the "Our Missoula City Growth Policy Planning Process" as well as additional opportunities for presentations of planning basics.
  - Continue to maintain the City zoning code and subdivision regulations.
  - Provide assistance to area neighborhoods as needed;
  - Provide oversight regarding the historic preservation ordinance, assistance with historic resources and coordinate with the Historic Preservation Commission
- Strategy: We will work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy.
  - Explore partnerships with other organizations to gather information and provide recommendations about key community elements such as industrial lands, housing and community design.

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

- Strategy: We will reflect values of sustainability in transportation and building design.
- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
  - Review and update planning policies to ensure that they adequately reflect the need for a sustainable balance between the natural and built environment and reflect community values through the development of an updated City Growth Policy (anticipated to be completed at the end of the calendar year 2015) and assistance with additional sub-area planning efforts.

### Goal #3: Quality of Life for all Citizens

- Strategy: We will work to provide affordable housing for the work force of Missoula.
    - Review planning policies, analyze needs and propose land use and zoning tools that enhance opportunities for affordable housing.
  - Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
    - Enhanced coordination between transportation and planning will be reflected in future community planning processes including the upcoming Long Range Transportation Plan Update, in order to promote a healthy lifestyle for Missoula's citizens.
-

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 387,365	\$ 371,259	\$ 346,484	\$ (40,881)	-11%
Supplies	-	3,850	3,784	3,850	-	0%
Purchased Services	-	128,901	77,753	78,300	(50,601)	-39%
Miscellaneous	-	173,604	24,174	24,000	(149,604)	-86%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 693,720</b>	<b>\$ 476,970</b>	<b>\$ 452,634</b>	<b>\$ (241,086)</b>	<b>-35%</b>

\* Un-audited numbers

^ Budget was created in FY15

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY2016
PLANNING MANAGER	-	-	1.00	1.00
HISTORIC PRESERVATION OFFICER	-	-	1.00	1.00
PLANNER II	-	-	0.50	0.50
GIS/PLANNER II	-	-	1.00	1.00
SENIOR PLANNER	-	-	1.00	1.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4.50</b>	<b>4.50</b>

In prior fiscal years, these positions were funded in 1000.250 Development Services

## 2016 Budget Highlights

**Grant Program:**

The Historic Preservation Program is incorporated into the Planning section budget and the program expects continued "certified local government" funding through the State Historic Preservation Office to support implementation of the National Historic Preservation Act including outreach efforts, staffing of the Historic Preservation Commission and development of a comprehensive preservation plan. The funding cycle is from April 1 through March 31.

**Budget Changes:**

In FY14, the funding code for planning was 1000.250.411030, and in FY15/FY16 the code is 2250.250.411030. This budget also established fixed charges for use of other City Services.

## Performance Measures

## Performance Measures

Measure	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
1 . City Planning Division maintenance of Zoning code and Subdivision regulations		100%	100%	100%
2 . City Planning Division provides annual comprehensive tracking of community services and natural resource impacts along with new development patterns.		100%	100%	100%

These performance measures were new for FY2014. Data for previous fiscal years is not available.

## Program Description

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

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Funding and Service

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 738,048	\$ 868,820	\$ 811,045	863,267	\$ (5,553)	-1%
Supplies	21,680	27,675	32,707	22,675	\$ (5,000)	-18%
Purchased Services	53,052	82,101	75,023	83,752	\$ 1,651	2%
Miscellaneous	238,252	259,008	270,443	325,710	\$ 66,702	26%
Debt Service	-	-	-	-	\$ -	
Capital Outlay	43,601	-	20,219	-	\$ -	
<b>Total</b>	<b>\$ 1,094,633</b>	<b>\$ 1,237,604</b>	<b>\$ 1,209,437</b>	<b>\$ 1,295,404</b>	<b>\$ 57,800</b>	<b>5%</b>

\* Un-audited numbers



## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY2016
DIRECTOR OF DEVELOPMENT SERVICES	0.18	0.18	0.20	0.20
BUILDING OFFICIAL	-	-	-	-
ASSIST. DIRECTOR/BUILDING OFFICIAL	0.91	0.91	0.90	0.90
SENIOR CONSTRUCTION PLANS EXAMINER	1.00	1.00	1.00	1.00
CONSTRUCTION PLANS EXAMINER	0.50	0.50	0.50	1.00
COMBO/ELECTRICAL INSPECTOR	1.00	1.00	1.00	1.00
COMBO/PLUMBING INSPECTOR	1.00	1.00	1.00	1.00
COMBO/BUILDING INSPECTOR	1.00	1.00	1.00	1.00
SENIOR COMBO/MECHANICAL INSPECTOR	1.00	1.00	1.00	1.00
SENIOR COMBO/BUILDING INSPECTOR	1.00	1.00	1.00	1.00
OFFICE MANAGER	-	-	-	-
SENIOR BUILDING PERMIT SPECIALIST	-	-	-	-
PERMIT COORDINATOR SUPERVISOR	0.71	0.71	0.70	0.70
PERMIT COORDINATOR I	0.66	0.66	0.60	0.70
PERMIT COORDINATOR II	1.32	1.32	1.20	1.40
ADMIN SRVS MGR/PROJECT CORDINATOR	0.22	0.22	0.20	0.20
ADMIN SECRETARY	0.39	0.39	0.80	0.90
SECRETARY	0.10	0.10	-	-
<b>Total</b>	<b>10.99</b>	<b>10.99</b>	<b>11.10</b>	<b>12.00</b>

## 2016 Budget Highlights

**New Operating Requests Funded:**

- New request to increase professional services budget to allow staff to continue working with IK Consulting to tailor the Accela Automation software for our use. We used them last year and it's been a very quick and cost-effective way of making minor system changes. We expect this will be a continuing expense until we have Accela fine-tuned.

- Total request of \$9,300

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## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Proposed FY 2016
1 . Respond to all construction inspection requests (building, electrical, mechanical and plumbing) within one working day.	100%	100%	100%	100%
2 . Make inspections to ensure code compliance with approved plans and the requirements of the appropriate code.	100%	100%	100%	100%

## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Proposed FY 2016
1 . Number of building permits issued	1,395	1,290	1,427	1,100
2 . Review residential plans within two weeks	95.0%	95.0%	99.0%	99.0%
3 . Review multi-family, commercial & industrial within three weeks	96.0%	96.0%	99.0%	99.0%
4 . Number of plans withdrawn	15	19	2	16

## Program Description

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

- Missoula Metropolitan Planning Organization (MPO) – The MPO is funded through Federal transportation planning funds (PL funds) and Federal Transit Authority funds (5303 funds) and performs transportation planning for the Missoula region, including the urbanized areas of the City and County of Missoula. Each year, the MPO staff manages and administers grant funds; completes the annual Unified Planning Work Program and Transportation Improvement Program; supports the ongoing functions of the Transportation Policy Coordinating Committee and the Transportation Technical Advisory Committee; and coordinates with other agencies and organizations to support transportation planning efforts in the urbanized area. The MPO anticipates focusing on the development of the 2016 Long-Range Transportation Planning this fiscal year.
- Missoula in Motion (MIM) – MIM is funded primarily through federal Congestion Mitigation and Air Quality (CMAQ) funds, with matching funds provided by local partners including the City General Fund and Missoula County. Each year, the staff manages and administers CMAQ grant funds; implements and supports a variety of projects and programs, including Sunday Streets Missoula, Bike Walk Bus Week, Momentum, and Way to Go Club; develops and deploys education and encouragement materials regarding sustainable transportation options; and collaborates with other Transportation Demand Management providers to advance initiatives and programs. MIM anticipates growing the Momentum Employer program and developing mobile accessible internet tools this fiscal year.
- Bicycle and Pedestrian Office – the Bicycle and Pedestrian Office is funded primarily through CMAQ, as well as the City General Fund. The Bicycle and Pedestrian office manages and administers grant and General Funds to perform a variety of annual activities, including managing the Bicycle Ambassadors, Bicycle Parking, Bicycle Registration, Abandoned Bicycles and Bicycle Auction Programs. Additional ongoing activities include supporting ongoing functions of the Bicycle and Pedestrian Advisory Board, participating in and supporting events that encourage utilizing active transportation, engaging with other agencies and organizations regarding safety education and policy matters affecting bicycling and walking, and working with other city departments to implement bicycle and pedestrian infrastructure projects. The Bicycle and Pedestrian manager anticipates focusing on planning, policy, and infrastructure implementation work this fiscal year.

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## City Strategic Goals & Department's Implementation Strategy

### Goal #1: Funding and Service

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

## Goal #2: Harmonious Natural and Built Environment

- Strategy: We will reflect values of sustainability in transportation planning and building design.
  - Review and update planning policies to ensure that they adequately reflect the need for a sustainable balance between the natural and built environment and reflect community values.
  - Continue implementation of transportation demand management programs and multimodal transportation infrastructure that supports sustainable transportation options and improves air quality and traffic flow with cooperation with other City Departments and outside agencies.

## Goal #3: Quality of Life for all Citizens

- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
  - Enhanced coordination between transportation and planning will be reflected in future community planning processes in order to promote a healthy lifestyle for Missoula's citizens.
  - Continue to provide education and outreach programs that encourage the use of sustainable transportation options that supports public health, as well as transportation system efficiency.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 585,905	\$ 511,890	\$ 604,830	\$ 18,925	3%
Supplies	-	25,535	36,326	42,587	17,052	67%
Purchased Services	-	237,633	77,858	268,984	31,351	13%
Miscellaneous	-	225,721	245,485	308,689	82,968	37%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	4,900	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 1,074,794</b>	<b>\$ 876,459</b>	<b>\$ 1,225,090</b>	<b>\$ 150,296</b>	<b>14%</b>

\* Un-audited numbers

^ Budget was created in FY15

## STAFFING SUMMARY

Title	Actual FY 2014	Actual FY2015	Adopted FY 2016
BICYCLE/PEDESTRIAN PROGRAM MANAGER	1.00	1.00	1.00
PLANNER I	1.00	1.00	1.00
PLANNER II	2.00	-	0.00
PLANNER III	-	2.00	2.00
PROGRAM SUPERVISOR	1.00	1.00	0.00
PROGRAM ASSISTANT	0.75	1.00	1.00
TRANSPORTATION MANAGER	1.00	1.00	1.00
PROGRAM SPECIALIST I	-	1.00	1.00
PROGRAM SPECIALIST II	-	-	1.00
BIKE AMBASSADOR	0.40	0.40	0.29
BIKE AMBASSADOR	-	-	0.28
PROGRAM VACANCY MIM	1.00	-	1.00
<b>Total</b>	<b>8.15</b>	<b>8.40</b>	<b>9.57</b>

Prior to FY2015, these positions were funded in 1000.250 Development Services

## 2016 Budget Highlights

**New Requests**

- None

**Budget changes**

- The CMAQ grant budget for FY15 included an additional \$50,000 of revenue, which was allocated in the Transportation Improvement Program toward implementing/developing a city-wide Bike Share program. This additional CMAQ revenue was one time funding and will not be part of the FY16 grant budget.
- The Bicycle and Pedestrian Office did not receive a Safe Routes to School Grant for FY15 or FY16. Because the future funding of this program is unknown, it has been removed from the budget. This has no budgetary impact as those funds were previously passed through to local schools.

## Performance Measures &amp; Workload Indicators

**Performance Measures**

Measure	Actual FY 2014	Adopted FY 2015	Actual FY 2015	Adopted FY 2016
1 . Complete required annual Unified Planning Work Program Transportation Improvement Program and other transportation planning document updates on time.	0%	100%	100%	100%
2 . Fulfill the programmatic requirements of the Unified Annual Planning Work Program	0%	100%	100%	100%
3 . Maintain required MPO documents via amendments as required	0%	100%	100%	100%
4 . Fulfill programmatic requirements of Federal Grants including Congestion Mitigation Air Quality, PL, FTA5303	0%	100%	100%	100%

## Workload Indicators

Indicator	Actual FY 2014	Adopted FY 2015	Actual FY 2015	Adopted FY 2016
1 . Bicycle parking spaces added	150	150	96	100
2 . Bicycle licenses (registrations) issued	196	200	300	300
3 . MIM participating Momentum employers*	-	-	32	45
4 . MIM participating Way to Go! Club members*	-	-	2,837	3,000
5 . MIM participating Commuter Challenge businesses	65	70	35	75
6 . MIM outreach events and presentations	60	35	37	40
7 . MIM website visits	28,000	31,500	23,740	27,000
8 . Roadway projects evaluated for bicycle facilities*	-	-	9	10
9 . Traffic model runs completed to support transportation planning	5	5		5
10 . Active subcommittees staffed including TDM Consortium	4	4	4	6
11 . TTAC, TPCC and BPAB meetings held	30	20	30	30

\*New Workload Indicator as of FY16

## Fund Description

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

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### General Obligation Voted Debt

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

**TOTAL FUND EXPENDITURES = \$ 595,148**

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

**TOTAL FUND EXPENDITURES = \$ 688,926**

**2006 Fire Station GO Bond**      Issued in 2006 to provide funds for construction and equipping of new Fire station #5 and remodel fire stations #2 and #3. The bonds were issued on September 13, 2006 with a true interest cost of 4.4169%. 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 majority of these bonds were refinanced in 2013. These bonds will mature in 2016.

**TOTAL FUND EXPENDITURES = \$ 3,889,059**

### Special improvement District (SID) Debt

#### Special Assessment Debt with Government Commitment

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

**TOTAL FUND EXPENDITURES = \$1,736,740**

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## FINANCIAL SUMMARY

2012A Aquatics Refunding Bond

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	(17)	-	-	-	-	
Debt Service	202,498	539,698	540,048	595,148	55,450	10%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 202,480</b>	<b>\$ 539,698</b>	<b>\$ 540,048</b>	<b>\$ 595,148</b>	<b>\$ 55,450</b>	<b>10%</b>

\* Un-audited numbers

## FINANCIAL SUMMARY

2013A Refunding Bond

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	73,068	-	-	-	-	
Miscellaneous	5,781,232	-	77	-	-	
Debt Service	689,628	691,800	692,150	688,926	(2,874)	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 6,543,928</b>	<b>\$ 691,800</b>	<b>\$ 692,227</b>	<b>\$ 688,926</b>	<b>\$ (2,874)</b>	<b>0%</b>

\* Un-audited numbers

^ First year of Fund is FY14

## FINANCIAL SUMMARY

2006 Fire Station GO Bond

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	195	-	-	-	-	
Debt Service	283,500	-	283,550	3,889,059	3,889,059	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 283,695</b>	<b>\$ -</b>	<b>\$ 283,550</b>	<b>\$ 3,889,059</b>	<b>\$ 3,889,059</b>	

\* Un-audited numbers



## FINANCIAL SUMMARY

Special Improvement District Debt 3100-3550

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	58,230	218,718	216,985	-	(218,718)	-100%
Debt Service	2,030,182	1,948,030	1,867,099	1,736,740	(211,290)	-11%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 2,088,411</b>	<b>\$ 2,166,748</b>	<b>\$ 2,084,084</b>	<b>\$ 1,736,740</b>	<b>\$ (430,008)</b>	<b>-20%</b>

\* Un-audited numbers

## Fund Description

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

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

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## Activities & Objectives

The following descriptions are just summaries of the projects. For additional information, please see the FY 16-21 CIP document.

**Animal Control Re-Roof** – Activity Budget equals **\$20,000**

**City Hall Expansion Debt Service** - Activity Budget equals **\$ 81,860**

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

**Aquatics General Fund Debt Service** - Activity Budget equals **\$ 130,641**

This request is to handle the debt service for the General Fund Support of \$1,860,000 for the new Aquatics swimming pools and splash decks.

**Fire Station #4 General Fund Debt Service** – Activity Budget equals **\$ 53,705**

This request is to handle the debt service for improvements and expansion of Fire Station #4.

**50 Meter Pool Debt Service** - Activity Budget equals **\$ 58,825**

This request is to handle the debt service for the General Fund Support of \$800,000 for the replacement of the city's 50 meter pool.

**2010A Refunding Bond** – Activity Budget equals **\$129,813**

**2010C Energy Performance** – Activity Budget equals **\$82,925**

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

**Internally Financed Equipment – Prior Years** - Activity Budget equals **\$ 159,676**

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

**Core Light Vehicle Equipment Replacement** – Activity Budget equals **\$ 367,119**

This request will replace core light vehicle equipment slated for replacement in FY 2011 per the replacement schedule.

**Total Fund Expenditures \$ 1,084,564**

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## Capital Improvement Program – CIP – Fund 4060

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 1,385	\$ 1,384	\$ -	\$ (1,385)	-100%
Supplies	-	-	-	-	-	
Purchased Services	13,180	-	-	-	-	
Miscellaneous	(5,814)	-	9,183	-	-	
Debt Service	925,372	1,036,898	867,913	1,064,565	27,667	3%
Capital Outlay	2,561,923	4,055,173	3,998,630	20,000	(4,035,173)	-100%
<b>Total</b>	<b>\$ 3,494,662</b>	<b>\$ 5,093,456</b>	<b>\$ 4,877,111</b>	<b>\$ 1,084,565</b>	<b>\$ (4,008,891)</b>	<b>-79%</b>

\* Un-audited numbers

## Fund Description

Missoula voters approved a \$5,000,000 general obligation bond referendum in November 1996 allowing the City to purchase open space land and conservation easements.

## Activities & Objectives

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

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	1,000	375,602	-	375,602	-	0%
<b>Total</b>	<b>\$ 1,000</b>	<b>\$ 375,602</b>	<b>\$ -</b>	<b>\$ 375,602</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Program Description

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

## Goals & Objectives

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

## FINANCIAL SUMMARY

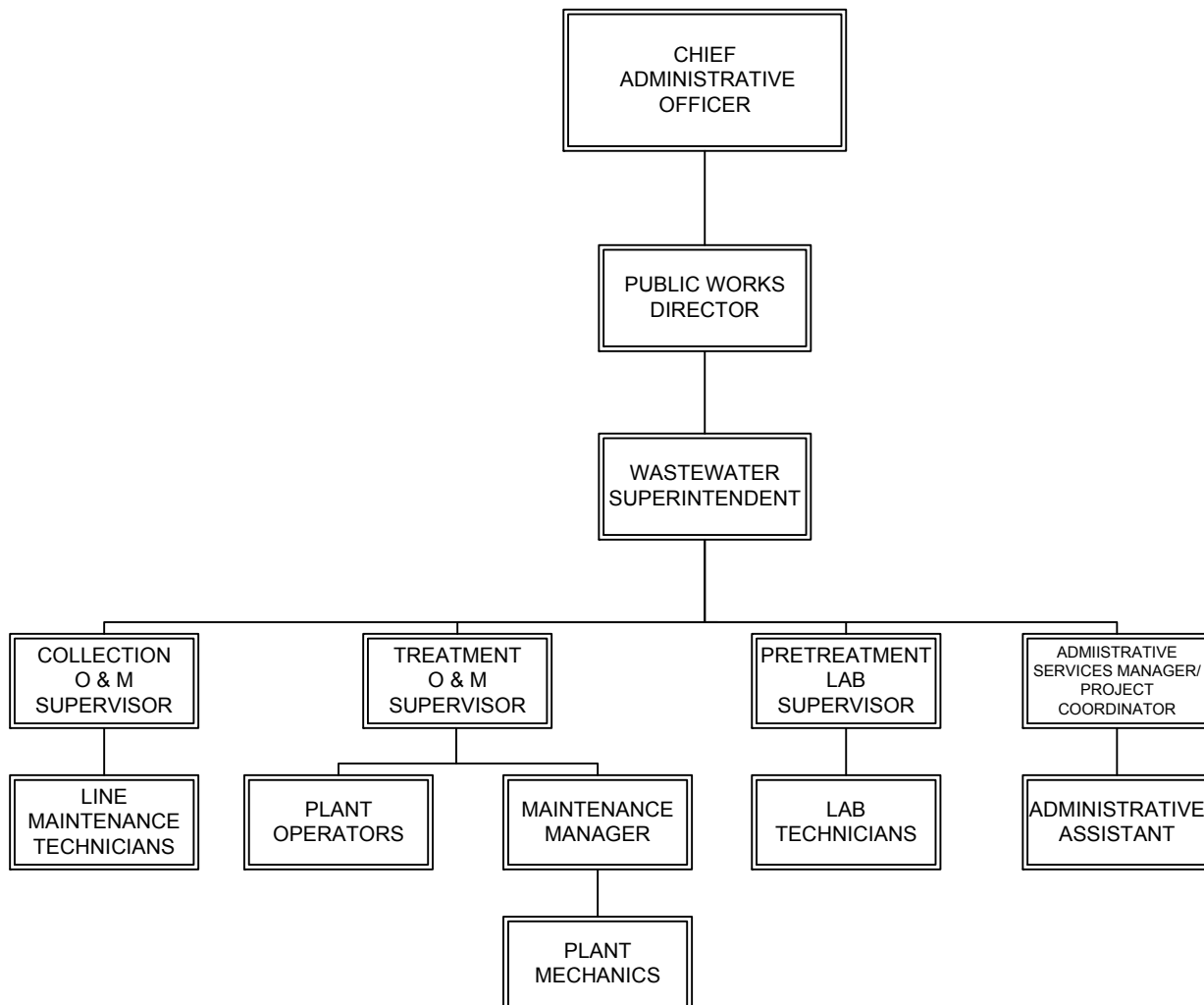
Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	119,006	3,000	118,500	3,000	-	0%
Debt Service	82,435	117,000	81,197	117,000	-	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 201,441</b>	<b>\$ 120,000</b>	<b>\$ 199,697</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers



# Public Works Waste Water Division

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## Program Description

The Wastewater Division is responsible for the collection and treatment of domestic and industrial wastewater generated in the Missoula sewerage areas. Administration, maintenance, operation, monitoring, testing and the pretreatment program are the primary functions of the Division. 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 Division considers itself a water resource recovery facility with a goal of recovering 100% of the by-products of wastewater treatment including biosolids for compost, bio-fuel for electricity and heat, and treated effluent for irrigation.

The Wastewater Division is separated into four distinct sections:

- Wastewater Collection
  - Wastewater Treatment
  - Wastewater Administration
  - Wastewater Pretreatment / Laboratory
- 

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Funding and Service

- Strategy: We will maintain and improve the level of service to citizens.
  - Continue to maintain and repair the collections system to eliminate sewer back-ups and reduce ground water inflow.
  - Continue to utilize the Accela Asset Management System.
  - Continue to utilize the equipment GPS system for operational efficiency in the collection system.
- Strategy: We will work toward sustaining and diversifying fiscal resources.
  - Continue to research and implement energy reduction projects and policies and pursue grant programs to fund those projects including beneficial reuse to reduce costs.

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

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
  - Continue to work with the Montana Department of Environmental Quality and Hybrid Energy Group to expand the hybrid poplar tree treated effluent land application project.
  - Understand and plan for future changes in the MPDES permit limits.
  - Aggressively research and implement programs to reduce the facilities greenhouse gas emissions.

### Goal #3: Quality of Life for All Citizens

- Improve treatment performance to protect the water environment and public health.
-

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 1,626,273	\$ 1,611,814	1,757,425	1,781,049	\$ 169,235	10%
Supplies	401,518	433,620	395,082	451,620	\$ 18,000	4%
Purchased Services	1,350,871	1,409,304	1,501,583	1,387,868	\$ (21,436)	-2%
Miscellaneous	3,922,741	1,269,327	3,822,929	1,333,702	\$ 64,375	5%
Debt Service	891	-	196	-	\$ -	
Capital Outlay	-	-	-	-	\$ -	
<b>Total</b>	<b>\$ 7,302,294</b>	<b>\$ 4,724,065</b>	<b>\$ 7,477,215</b>	<b>\$ 4,954,239</b>	<b>\$ 230,174</b>	<b>5%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
WASTEWATER SUPERINTENDENT	1.00	1.00	1.00	1.00
COLLECTION & MAINTENANCE SUPERVISOR	1.00	1.00	1.00	1.00
WASTEWATER PLANT SUPERVISOR	1.00	1.00	1.00	1.00
PRE-TREATMENT LAB SUPERVISOR	1.00	1.00	1.00	1.00
LAB TECHNICIAN	1.00	1.00	1.00	1.00
LAB TECHNICIAN	1.00	1.00	1.00	1.00
PLANT MAINTENANCE MANAGER	-	1.00	1.00	1.00
MECHANIC/OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
OFFICE MANAGER	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	-	-	-	1.00
INTERMITTENT LABORERS/INTERN	0.50	0.50	0.50	0.50
<b>Total</b>	<b>21.50</b>	<b>22.50</b>	<b>22.50</b>	<b>23.50</b>



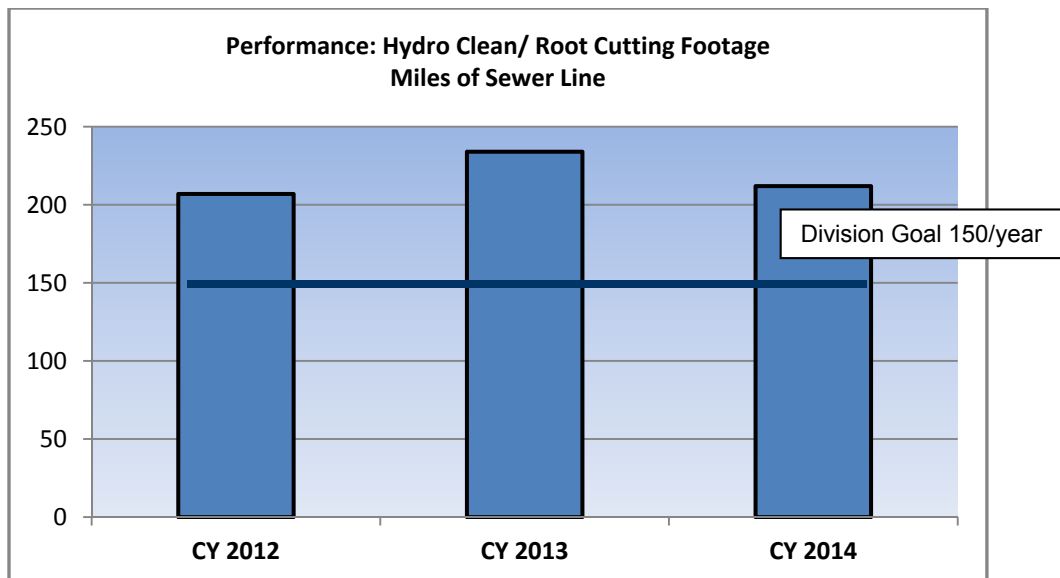
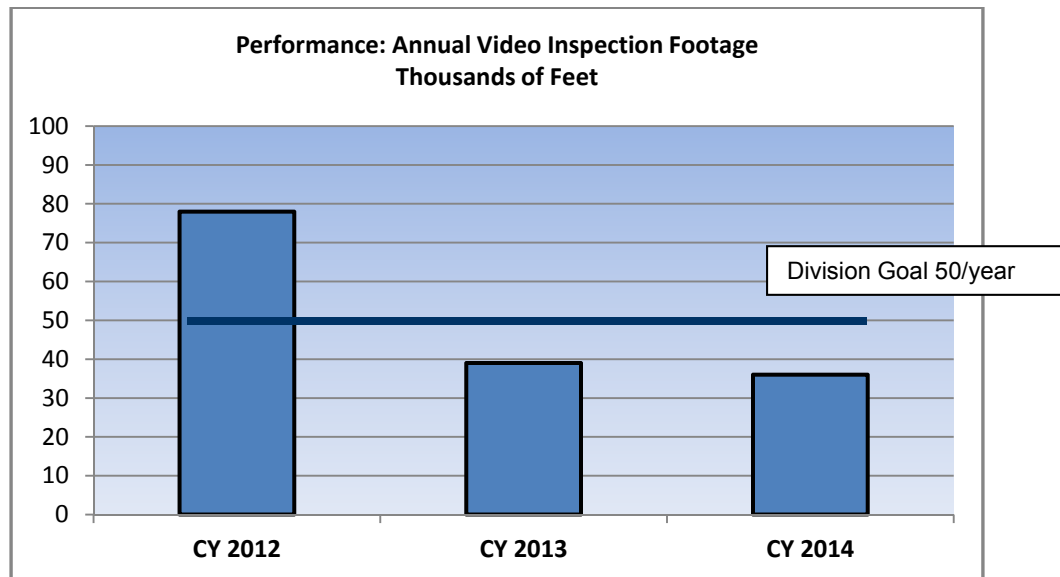
## 2016 Budget Highlights

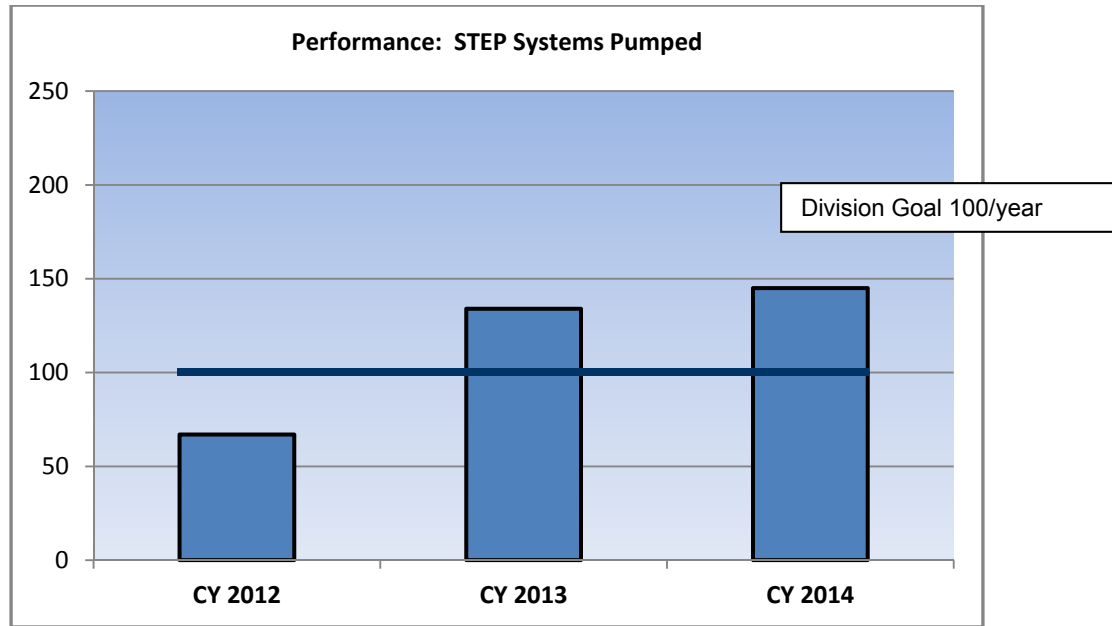
**Purchased Services:**

- Increase Publicity, Subscriptions, & Dues by \$1,164 to keep up with rising costs.
- Increase Plant Repair & Maintenance for professional services by \$68,000 to keep up with rising costs and aging infrastructure.
- Increase Plant Repair & Maintenance for Hybrid Poplar Project by \$100,000 to honor our contractual agreement for the O&M of the project.

**New Operating Requests Funded:**

- Add a .75 FTE as an administrative assistant.
- Increase Plant Repair & Maintenance for parts & supplies by \$27,000 to keep up with rising costs and aging infrastructure. .
- Increase Lab Repair & Maintenance by \$1,000 to keep up with rising costs.





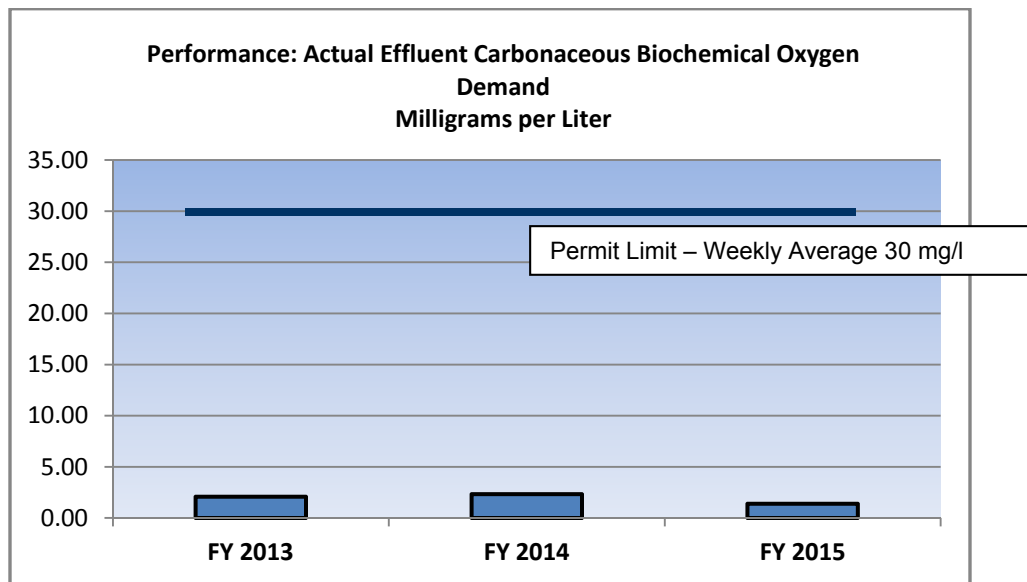
## Performance Measures &amp; Workload Indicators

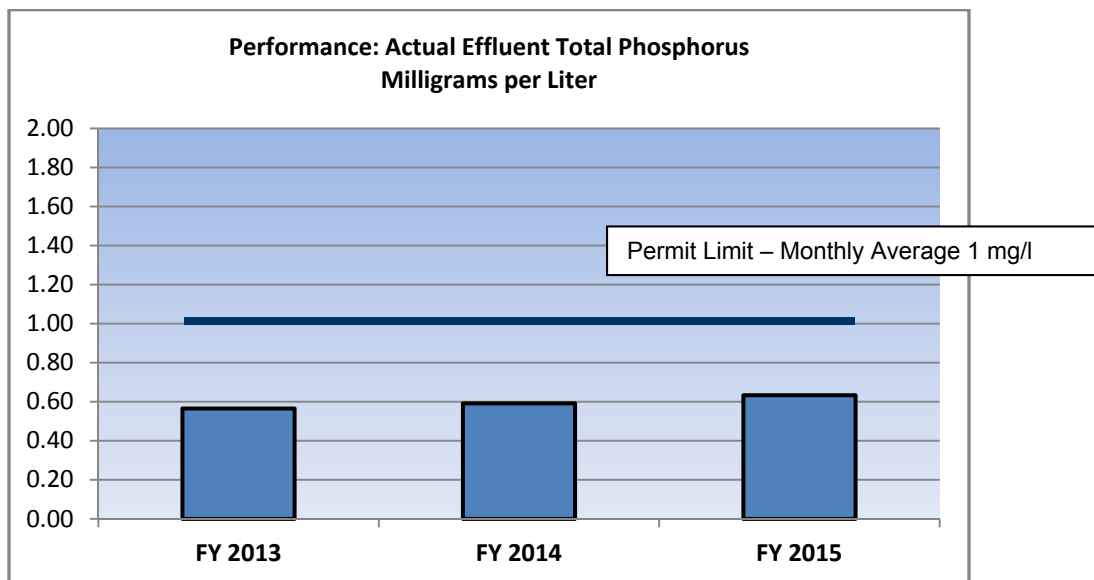
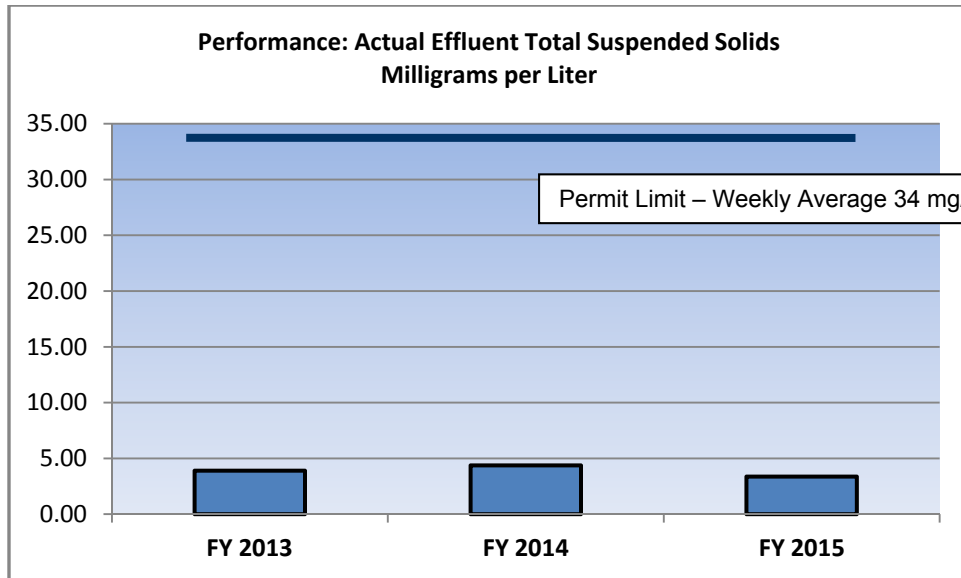
## Performance Measures

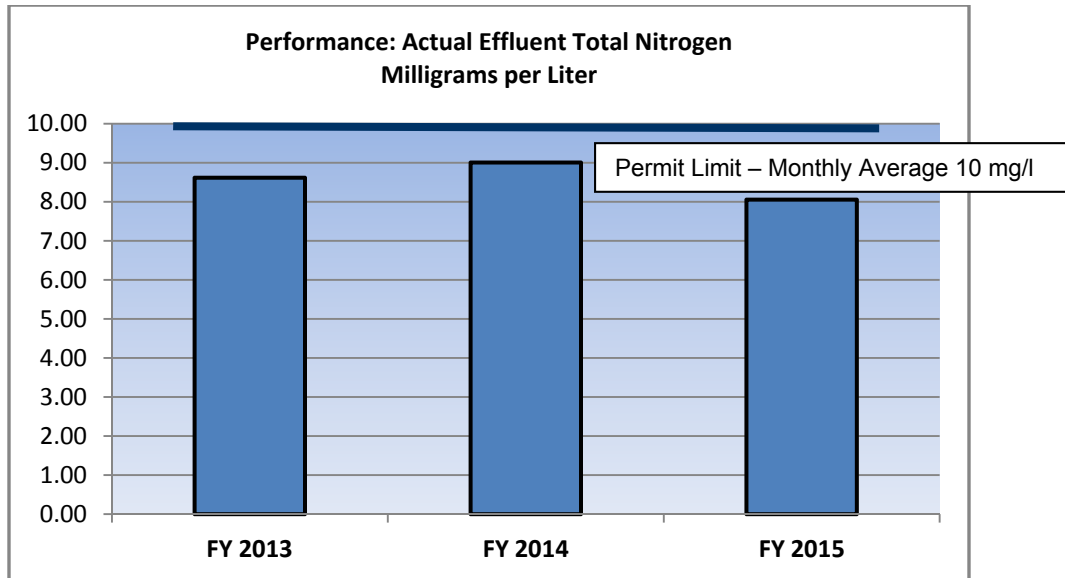
Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Continue scheduled maintenance on the collection system to prevent sanitary sewer over-flows, sewer back-ups and identify and repair sewer lines prone to ground water infiltration.	100%	100%	100%	100%
2 . Continue to exceed MPDES permit requirements for discharge into the Clark Fork River and use the Wastewater Facility Plan and other source material to plan for future growth and regulatory changes.	100%	100%	100%	100%
3 . Continue to operate a certified laboratory. Continue 100% compliance with Significant Industrial User (SIU) inspections.	100%	100%	100%	100%

## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Annual sewer main hydro-cleaning/root cutting (feet)	1,094,430	1,235,023	1,117,037	800,000
2 . Annual sewer main video inspection (feet)	78,344	38,827	35,574	50,000
3 . Annual STEP tanks pumped	67	134	145	101
4 . Treated plant effluent cBOD and TSS	<5 mg/l	<5 mg/l	<5 mg/l	<5 mg/l
5 . Treated plant effluent phosphorus	0.5 mg/l	0.59 mg/l	0.58 mg/l	<1 mg/l
6 . Treated plant effluent nitrogen	9.27 mg/l	9.01 mg/l	7.77 mg/l	<10 mg/l
7 . Laboratory QA/QC certification	Pass	Pass	Pass	Pass
8 . 11 Annual Significant Industrial User (SIU) inspections	100%	100%	100%	100%

Wastewater Treatment Performance Measures





**Pretreatment/ Laboratory Performance Measures**

Year	Laboratory QA/QC	11 Annual SIU Inspections
FY13	Passed all	100%
FY14	Passed all	100%
FY15	Passed all	100%

### Program Description – (5311)

This fund receives the revenues of the different Sewer Enterprise funds and distributes them according to need. The primary revenue source is the user fees charged to users of the Sewage system.

### Activities and Objectives

To receive and transfer approximately \$7,391,083 in sewer use fees, delinquencies and interest on investments during Fiscal Year 2016.

#### INTER-FUND TRANSFER OUT

Transfer to Sewer Operating Budget	4,875,239
Transfer to Sewer R&D Fund	714,470
Transfer to Sewer Revenue Bond Series 2001 Bond Debt Service	31,040
Transfer to Sewer Revenue Bond Series 2001 Bond Debt Service	48,360
Transfer to Sewer Revenue Bond Series 1999 Bond Debt Service	123,910
Transfer to Sewer Revenue Bond Series 2002 Bond Debt Service	84,930
Transfer to Sewer Revenue Bond Series 2002 Bond Debt Service	331,640
Transfer to Sewer Revenue Bond Series 2003 Bond Debt Service	250,926
Transfer to Sewer Revenue Bond Series 2003 Bond Debt Service	244,006
Transfer to Sewer Revenue Bond Series 2005 Bond Debt Service	109,443
Transfer to Sewer Revenue Bond Series 2010A Bond Debt Service	30,950
Transfer to Sewer Revenue Bond Series 2010 Bond Debt Service	444,439
Transfer to Sewer Revenue Bond Series 2011 Bond Debt Service	101,730
<b>Total</b>	<b>\$7,391,083</b>

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	7,275,743	7,200,001	7,401,470	7,391,083	191,082	3%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 7,275,743</b>	<b>\$ 7,200,001</b>	<b>\$ 7,401,470</b>	<b>\$ 7,391,083</b>	<b>\$ 191,082</b>	<b>3%</b>

\* Un-audited numbers

## Program Description – (5315)

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

### Activities and Objectives

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

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

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

TOTAL FUND EXPENDITURES - \$20,000

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	22,519	-	-	
Miscellaneous	10,017	20,000	-	20,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 10,017</b>	<b>\$ 20,000</b>	<b>\$ 22,519</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## Program Description – (5320)

The Wastewater Treatment Replacement and Depreciation fund was established to account for the Wastewater Treatment Plant's fixed assets, fund balance, and depreciation reserves. The balance of Sewer Use Fees that are not needed for operations or debt service is accumulated in the R & D fund for future capital replacement and improvements.

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### Activities and Objectives

The projects scheduled for the Wastewater Treatment R & D fund are listed below.

1. **Miscellaneous Sewer Main Repairs:** Minor repair projects to the existing collection system. (Account 360: \$100,000)
2. **Miscellaneous WWTP Repair Projects:** This appropriation is for repair projects to the existing Wastewater Treatment Plant infrastructure that cannot be anticipated. (Account 360: \$200,000)
3. **Sewer Line Rehabilitation Projects:** Rehabilitate/upgrade old sewer line assets through both excavation and replacement of lines or some type of "slip lining" technique or manhole installations. (Account 360: \$100,000)
4. **Lateral Sewer Main Extensions:** Provide lateral mains under new street construction projects to prevent the need to dig up street for future sewer line development. Costs may be recovered when future connections occur. (Account 360: \$10,000)
5. **Capital Lease:** Payment for the Capital Lease for equipment purchases (Account 610: \$83,015) Account 620: \$6,363)
6. **Treatment Plant Operating Software Upgrade:** More cost effective software was purchased to replace Wonderware. The software now needs to be migrated to the entire SCADA system for the Plant. (Account 940: \$50,000)
7. **Mass Spectrophotometer:** This equipment is needed to meet the new requirements of monthly testing of metals at the Plant. (Account 940: \$50,000)
8. **Russell Street Interceptor:** The roadway reconstruction of Russell Street will necessitate repairs to the existing Russell Interceptor sewer main. (Account 360: \$14,000)

**Total Purchased Services: \$424,000**

**Total Principal and Interest: \$89,378**

**Total Capital Outlay: \$100,000**

**Total Expenditures: \$613,378**



## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	300,724	200,000	163,963	424,000	224,000	112%
Miscellaneous	50,213	-	50,213	-	-	
Debt Service	9,144	139,591	6,166	89,378	(50,213)	-36%
Capital Outlay	-	210,000	(19,539)	100,000	(110,000)	-52%
<b>Total</b>	<b>\$ 360,081</b>	<b>\$ 549,591</b>	<b>\$ 200,804</b>	<b>\$ 613,378</b>	<b>\$ 63,787</b>	<b>12%</b>

\* Un-audited numbers

## Program Description – (5325)

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

## Activities and Objectives

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

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

### The expenditures for FY 2016 are as follows:

- Linda Vista Pump Station and Force Main Upsizing- \$58,559
- Oversizing Assistance - \$50,000
- Old Highway 93 Sewer Interceptor- \$60,000
- Broadway Interceptor- \$20,000

**TOTAL FUND EXPENDITURES - \$188,559**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	65,000	62,456	-	(65,000)	-100%
Miscellaneous	227,879	-	-	-	-	
Debt Service	19,941	259,347	8,116	-	(259,347)	-100%
Capital Outlay	-	350,559		188,559	(162,000)	-46%
<b>Total</b>	<b>\$ 247,820</b>	<b>\$ 674,906</b>	<b>\$ 70,572</b>	<b>\$ 188,559</b>	<b>\$ (486,347)</b>	<b>-72%</b>

\* Un-audited numbers

## Program Description – (5340)

The fund accounts for the receipts and expenditures for major Sewage Plant construction projects. The primary funding sources for such projects are revenue bonds, grants, and the State Revolving Fund (SRF) Program which was established with the final EPA appropriations for state and local wastewater treatment projects.

## Activities and Objectives

The expenditures for FY 2016 are as follows:

- **Solids Dewatering Screw Press:** Install dewatering screw press. Will reduce electrical costs by over \$40,000 per year and provide a back-up dewatering system. (\$900,000)
- **Sewage Lift Station Upgrade:** Reserve Street Lift Station is approaching the end of its service life and will be upgraded and rehabilitated. (\$1,417,200)
- **Biogas Electrical Generation:** Install a large scale reciprocating engine package for electrical generation, saving an estimated \$85,200 annually in electrical costs. (\$1,179,100)

**TOTAL FUND EXPENDITURES - \$ 3,496,300**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	20,000	-	-	(20,000)	-100%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	900,000	-	3,496,300	2,596,300	288%
<b>Total</b>	<b>\$ -</b>	<b>\$ 920,000</b>	<b>\$ -</b>	<b>\$ 3,496,300</b>	<b>\$ 2,576,300</b>	<b>280%</b>

\* Un-audited numbers

Program Description – (5361, 5362, 5365, 5371, 5373, 5375, 5377, 5379, 5383, 5386, 5387)

These funds account for the three existing Sewer Revenue Bonds, two 1992 bond issues to the State of Montana SRF revolving loan program, a 1999 bond issue to the State of Montana SRF revolving loan program and a 2000 bond issue to the State of Montana SRF revolving loan program. Expenditures from the funds are for the yearly debt service payments.

### Activities and Objectives

**2001 Sewer Revenue Bond (5361)** - To make yearly debt service on the bonds that were issued to finance the installation of the Bellvue Interceptor. **\$31,040**

**2000 Series B Sewer Revenue Bond (5362)** - To make yearly debt service on the Series 2000B bonds that were issued to finance the installation of the Reserve Street collector and Pineview interceptor. **\$48,360**

**1999 Sewer Revenue Bond (5365)** - To make yearly debt service on the Series 1998 bonds that were issued to finance the installation of the East Reserve Street collector, Mullan Road interceptor, administration building refurbish and engineering for the new treatment plant. **\$123,910**

**2002 Sewer Revenue Bond (5371)** - To make yearly debt service on the bonds that were issued to finance the installation of the 39<sup>th</sup> Street/SW Higgins-Bellvue Interceptor and the treatment plant upgrade. **\$84,930**

**2002 Series A Sewer Revenue Bond (5373)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the treatment plant. **\$331,640**

**2003 Series B Sewer Revenue Bond (5375)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the treatment plant. **\$250,926**

**2004 Sewer Revenue Bond (5377)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the treatment plant. **\$244,006**

**2005 Sewer Revenue Bond (5379)** - To make yearly debt service on the bonds that were issued to finance the upgrade/extension of sewer lines on Birch/Broadway/Lincolnwood Phase I/Gilbert. **\$109,443**

**2010 Sewer Revenue Bond Series (5383)** - To make yearly debt service on the bonds that were issued to finance the upgrade/extension of sewer lines on Lolo Street. **\$30,950**

**2010 Sewer Revenue Bond Series A (5386)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the Head-works at the Treatment Plant. **\$698,316**

**2011 Sewer Revenue Bond Series A (5387)** - To make yearly debt service on the bonds that were issued to finance various sewer system improvements. **\$102,080**

**Total Expenditures: \$2,119,997**

### FINANCIAL SUMMARY

Sewer Debt Service: Funds 5361 - 5387

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	134,236	547	-	(134,236)	-100%
Debt Service	855,288	2,055,156	829,255	2,119,997	64,841	3%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 855,288</b>	<b>\$ 2,189,392</b>	<b>\$ 829,802</b>	<b>\$ 2,119,997</b>	<b>\$ (69,395)</b>	<b>-3%</b>

\* Un-audited numbers

## Program Description

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

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

#### Goal #1: Financial Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Operational goal for new mobile kitchen is to provide a \$30,000 net increase in concessions revenue sales annually, after a 3 year payback for the purchase of the equipment/trailer.
  - We will operate the 50m pool later into September (the 12<sup>th</sup>) so that lap swimmers have water through the extended maintenance period at Currents.
  - We will continue cooperate with Missoula Aquatic Club to provide access to private rental of the 50m pool for Swim Team practice earlier in May

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

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
  - Continue to research and implement energy reduction programs, such as solar panels at Splash, Variable Frequency Drives on Splash pump motors, and thermostat on/off controls for the free to use spray decks at Bonner, Franklin, Marilyn, and Westside parks.

#### Goal #3: Quality of Life for All People in All Places

- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
    - Promote healthy Aquatics Programs
    - Work with the UM culinary program to create internship programs for senior chefs to gain experience through working to design menus and product items that will entice customers to purchase food at Splash.
    - We will utilize the new Grill Trailer kitchen to increase the amount of menu items that are created from scratch using fresh foods as much as possible, rather than purchasing pre-processed foods in cans as much as we have in the past.
    - We will work with the Missoula Aquatic Club to administer the National Swimming Pool Foundation In the Swim grant money to provide free swim lessons and swim gear to low income, disadvantaged youth.
-

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 653,640	\$ 662,346	\$ 719,654	\$ 680,828	\$ 18,482	3%
Supplies	203,866	238,500	183,366	238,500	-	0%
Purchased Services	281,510	342,109	283,745	342,110	1	0%
Miscellaneous	485,997	14,381	609,796	18,512	4,131	29%
Debt Service	-	12,377	-	12,377	-	0%
Capital Outlay	24,482	135,000	2,974	135,000	-	0%
<b>Total</b>	<b>\$ 1,649,496</b>	<b>\$ 1,404,713</b>	<b>\$ 1,799,534</b>	<b>\$ 1,427,327</b>	<b>\$ 22,614</b>	<b>2%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
AQUATICS STAFF				
AQUATICS SUPERVISOR	1.00	1.00	1.00	1.00
AQUATICS PROGRAM COORDINATOR	1.00	2.00	2.00	2.00
REC SUPPORT SPECIALIST II	1.00	1.00	1.00	1.00
REC SUPPORT SPECIALIST I	-	-	0.75	0.75
LEVEL 1 INTERMITTENT RECREATION	3.30	2.30	1.20	1.96
LEVEL 2 INTERMITTENT RECREATION	14.90	12.90	2.50	7.02
LEVEL 3 INTERMITTENT RECREATION	3.56	3.06	6.50	4.03
LEVEL 4 INTERMITTENT RECREATION	2.25	1.75	2.00	4.23
LEVEL 5 INTERMITTENT RECREATION	0.95	0.95	5.50	0.22
LEVEL 5 INTERMITTENT SPECIALTY INSTRUCTOR	0.49	0.49	0.50	0.39
PART TIME CASHIER	1.61	1.61	1.75	1.03
PART TIME CUSTODIAN	0.75	0.75	0.75	0.25
<b>Total</b>	<b>30.81</b>	<b>27.81</b>	<b>25.45</b>	<b>23.88</b>

## Highlights

Splash Montana and Currents Aquatics Center continue to be extremely popular recreational facilities with all age groups. "The Lake" 50-meter pool is heavily utilized by fitness swimmers and the local competitive swim teams. Splash Montana continues to host several special swim events each year at The Lake, including the Firecracker Swim Meet, the 2<sup>nd</sup> Annual Zoo Town Triathlon, and the Tube Bowl (inner tube water polo's annual competitive event).

### Accomplishments include:

- ❖ Hired UM Culinary program intern to create signature food items at the Fireline Grill and the Crazy Creek Café.
- ❖ Complete the installation of tile at the Splash Montana Men's and Family Locker rooms
- ❖ Established a locker rental program at Splash Montana, to decrease the amount of theft reports completed over the summer seasons and to create an additional revenue stream.
- ❖ Reached the 1,000 Friends milestone at our Splash Montana Facebook page.

## Goals for 2016

- ❖ Increase Swim Lesson revenue through booking a greater number of private lessons for individuals who prefer one on one instruction.
- ❖ Work with the Missoula Aquatic Club to utilize grant money from the National Swimming Pool Foundation to provide free swim lessons and swimming gear to low income, disadvantaged youth.
- ❖ Increase Swim Lesson and General Admission revenue through booking a greater number of daycare and youth organizations for swim lessons and recreational swim trips.
- ❖ Replace the failing tile around the edge of the Lazy River at Splash Montana.

## Aquatics Performance Measures & Workload Indicators

### Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Increase sale of punch card and drop in visits	\$ 527,139	\$ 531,705	\$ 540,845	\$ 550,845
2 . Implement cyclic maintenance program at Splash and Currents to be funded through subsidy and reserve balance.	\$ 20,000	\$ 20,000	\$ 35,000	\$ 35,000

### Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Number of daily admissions at Currents	45,911	43,982	43,603	45,000
2 . Number of daily admissions at Splash	63,800	50,904	60,555	50,000
3 . Number attending swim lessons at Currents	9,629	9,400	9,956	10,500
4 . Number attending swim lessons at Splash	3,241	2,847	3,280	3,500
5 . Total Attendance	192,526	173,674	187,908	180,000
6 . Splash concessions revenue.	\$ 180,308	\$ 187,000	\$ 201,265	\$ 175,000

## Program Description

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

## Goals & Objectives

- Each City department is charged per payroll for contributions to the employee health insurance program. The revenue from General Fund tax supported departments originates in special health insurance tax levy funds (2371 and 2372) where state law allows a special tax levy above and beyond the special all-purpose General Fund levy. These revenues are transferred regularly to the General Fund to reimburse the General Fund for the expenditures of the contributions to the health insurance fund. The FY2011 monthly premium for the health insurance paid on behalf of the City of \$635 per employee is proposed to be increased by \$80 per employee per month in FY2012 for a total of \$715 per employee. Substantial changes were implemented in FY2001 – FY2004 and in FY2012 – FY2015 to address both the funding for the City's health benefit plan as well as the cost experience of the plan in the future. The rate of medical inflation nation-wide in many prior fiscal years averaged about 15% while the City averaged over 20% for those fiscal years. The reason for the proposed changes in the past was that the plan could not support the level of costs it was experiencing. This increased level of plan utilization coupled with increased costs continued through FY2015, with the result that the plan's fund balance lost \$1.3 million again in FY 2011 even though City contributions were increased by \$315,000 in FY2011. For FY2012 – FY2015, both the employer and employee contributions were increased such that in excess of \$1,000,000 of additional funding was provided to the plan. This did stabilize the declining fund balance for the plan in FY2012 and continues today. Additional contributions of \$250,000 were made to the plan in FY2013 – FY2015 even though the plan was stabilized in FY2012 in order to start rebuilding the plan's fund balance. The additional funding will not continue in FY2016 as the fund balance continues to grow.

### Administration Recommendation

- Up until seven years ago the City health insurance plan had suffered from significant increases in usage and medical inflation. Since then, the plan had increased its fund balance for six of the last eight years bringing the plan from a deficit of (-\$400,000) in FY2003 to a surplus of \$2,278,000 at the end of FY2009. This trend did not continue in FY2011. The Administration had recommended that the Health Insurance levy within the City's cap be reduced in FY 2010 by \$484,305 by reducing the monthly premium for the health insurance from \$670 per employee to \$570 per employee in order to levy that amount of money within the General Fund general levy, thereby avoiding the necessity of cutting any further than was done for FY2010. Because the plan had significantly increased its fund balance every year for the prior six years, the fund balance was not projected to be materially reduced by this reduction in funding for one year. However, plan utilization along with rising medical inflation went to its highest level in over a decade, driving the fund balance down during FY 2010, contrary to predictions. The administration recommended that City's funding of the health plan be increased by \$65 per employee per month (\$315,000 per year) for FY2011. The Administration increased the City's contribution by \$132 per month per employee for FY2012. Employees were asked to increase an equivalent of \$75 per employee per month to the plan in FY2012. The City is committed to maintaining a 3 month reserve in the health plan and this balance is \$1,400,000. The decline in fund balance was reversed starting in FY2012, however this past fiscal year, there was unforeseen increase in charges to the plan. An explanation as to why there was an increase to the charges, is that with the new federal law in effect, the Affordable Care Act (ACA) or Obamacare, that prescriptions are now included in the deductible calculation, therefore increasing the charges to the health plan. Even with this unexpected increase in health fund costs, the final fund balance for FY2015 is ending as a positive \$800,000. The city has also been focused on identifying ways to cut costs within the health plan utilizing the assistance of the plans third party administrator, Allegiance.



## FINANCIAL SUMMARY

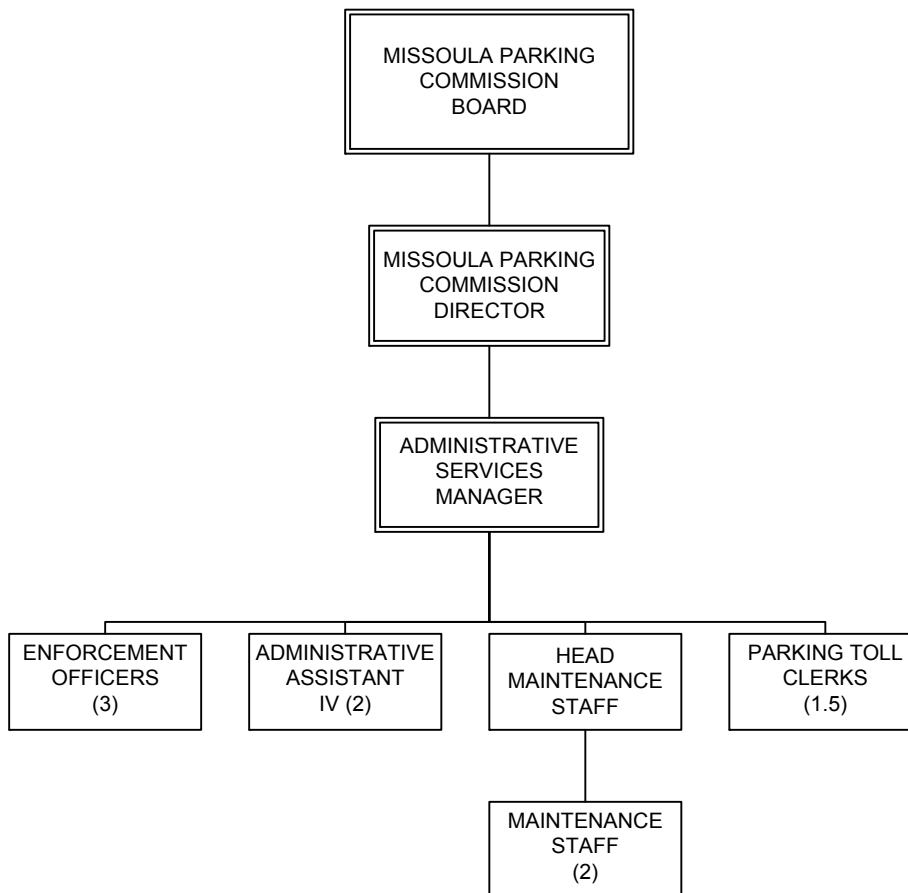
Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	4,987,548	5,805,230	5,637,995	6,137,237	332,007	6%
Miscellaneous	2,432	5,000	6,616	-	(5,000)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 4,989,980</b>	<b>\$ 5,810,230</b>	<b>\$ 5,644,611</b>	<b>\$ 6,137,237</b>	<b>\$ 327,007</b>	<b>6%</b>

\* Un-audited numbers



# Missoula Parking Commission

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## Program Description

The Missoula Parking Commission (MPC) works with government, business 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.

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

Goal #1: New on-street meter system.

- Strategy: Implement new on-street meter technology that will incorporate a progressive rate structure.

Goal #2: Evaluate physical status of all of our structures and off-street lots.

- Strategy: Determine repairs that are needed, the costs and develop a phased plan to bring the structures and lots to an acceptable state of repair.

Goal #3: Wayfinding system for the Missoula Parking Commission including comprehensive signage for all our facilities.

- Strategy: Coordinate the Parking Commission's Wayfinding system with the City wide Wayfinding campaign.

Parking Commission:

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 617,501	\$ 623,619	\$ 674,285	\$ 641,955	\$ 18,336	3%
Supplies	25,489	46,400	24,196	46,400	-	0%
Purchased Services	355,286	379,424	404,958	407,170	27,746	7%
Miscellaneous	2,246,228	475,414	472,316	624,280	148,866	31%
Debt Service	-	-	-	-	-	-
Capital Outlay	108,111	1,000,000	5,326	160,506	(839,494)	-84%
<b>Total</b>	<b>\$ 3,352,616</b>	<b>\$ 2,524,857</b>	<b>\$ 1,581,080</b>	<b>\$ 1,880,311</b>	<b>\$ (644,546)</b>	<b>-26%</b>

\* Un-audited numbers

## Parking Interest Fund (7371):

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	247,611	-	-	-	-	
Debt Service	226,300	269,059	275,296	272,925	3,866	1%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 473,911</b>	<b>\$ 269,059</b>	<b>\$ 275,296</b>	<b>\$ 272,925</b>	<b>\$ 3,866</b>	<b>1%</b>

\* Un-audited numbers

## Parking Sinking Fund (7372):

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	66,670	-	-	
Debt Service	264,710	40,000	350	185,000	145,000	363%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 264,710</b>	<b>\$ 40,000</b>	<b>\$ 67,020</b>	<b>\$ 185,000</b>	<b>\$ 145,000</b>	<b>363%</b>

\* Un-audited numbers

Parking Pledged Tax Increment (7375):

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	121,431	64,827	121,431	-	0%
Miscellaneous	454	146,731	-	146,731	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 454</b>	<b>\$ 268,162</b>	<b>\$ 64,827</b>	<b>\$ 268,162</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

### STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
DIRECTOR	1.00	1.00	1.00	1.00
ADMINISTRATIVE SERVICES MANAGER	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASST IV	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASST IV	1.00	1.00	1.00	1.00
ENFORCEMENT OFFICER	1.00	1.00	1.00	1.00
ENFORCEMENT OFFICER	1.00	1.00	1.00	1.00
ENFORCEMENT OFFICER	1.00	1.00	1.00	1.00
PARKING MAINTENANCE SUPERVISOR	1.00	1.00	1.00	1.00
MAINT. WORKER / FEE COLLECTOR	1.00	1.00	1.00	1.00
MAINT. WORKER / FEE COLLECTOR	1.00	1.00	1.00	1.00
TOLL COLLECTOR	1.00	1.00	1.00	1.00
TOLL COLLECTOR	0.50	0.50	0.50	0.50
<b>Total</b>	<b>11.50</b>	<b>11.50</b>	<b>11.50</b>	<b>11.50</b>

### 2016 Budget Highlights

The Missoula Parking Commission's mission is to "provide and manage parking and parking alternatives". To this charge, the Parking Commission is committed to these three goals and will apply the following strategies and objectives in order to achieve them in FY16.

**1. To provide parking:**

In March, 2013, the new parking structure, Park Place, was completed and opened for public use. This brought 332 new parking spaces for public use to downtown Missoula. At this point, the demand for monthly and short term parking is being well managed. Our goal is to increase leasing the available remaining monthly spaces, and to promote public use of the structure during the weekday and for special events during the weekends.

The Parking Commission is evaluating opportunities to increase our on-street lease program in the outlying areas that will accommodate downtown employees and residents who have vehicles. This will provide guaranteed parking for the lessees and reduce the need for meters in these areas.

**2. To manage parking:**

As a result of the Greater Missoula Downtown Master Plan (2009) and the sub documents relating to a Strategic Parking Plan, the only remaining task to complete is to implement new on-street meter technology. The Parking Commission plans on replacing the old, mechanical meters with new on-street technology that will offer more payment options and be more user friendly in many aspects. The goal is to have the new system implemented by the end of the calendar year, 2015. Once this is accomplished, it will complete the current parking program and bring it up to the standards of the industry.

With most of the Parking Commission's financial resources committed to the building of Park Place, now is the time for the Board of Directors to focus on enhancing revenue opportunities and future projects that will support economic development in downtown Missoula. There are several big projects pending that may need the Parking Commission's involvement, but they are not well enough defined at this point to know what level to expect.

The Parking Commission will continue to work on its own strategic direction and, at the same time, honor the goals and vision of the Downtown Master Plan that will shape the future of Downtown Missoula.

**3. To provide parking alternatives:**

The Parking Commission will continue to partner with other agencies to develop and support Transportation Demand Management (TDM) strategies that will facilitate affordable transportation, reduce the number of single-occupant vehicle trips and increase transportation options with the overall goals to provide greater access to the citizens of Missoula. Such as:

- Bicycle/Pedestrian Program
  - First Night Missoula shuttle.
  - Market Service Partnership – MUTS (Trolley)
  - Missoula Downtown Association Out to Lunch shuttle.
  - Missoula In Motion.
  - Missoula Ravalli Transportation Management Association
  - Mountain Line – The Zero Fare Program
-

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . To perform a condition evaluation of all the parking facilities and make repairs where necessary.	0%	0%	25%	50%
2 . To reach 100% occupancy in all of our monthly lease facilities.	80%	80%	89%	93%
3 . To increase the collection rate of outstanding fines revenue.	77%	74%	62%	74%
4 . To implement new on-street technology for entire downtown area.	0%	0%	0%	100%

## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Number of tickets issued	30,308	36,773	35,459	38,000
2 . Revenue from tickets	\$ 228,240	\$ 212,846	\$ 212,611	\$ 250,000
3 . Number of special permits issued	297	307	378	305
4 . Revenue from special permits	\$ 16,606	\$ 18,718	\$ 17,698	\$ 18,000
5 . Number of RPPP permits	899	774	845	840
6 . Revenue from RPPP permits	\$ 13,245	\$ 13,011	\$ 13,218	\$ 12,500
7 . Number of RPPP tickets	2,097	1,921	1,308	1,800
8 . Revenue from RPPP tickets	\$ 27,060	\$ 24,100	\$ 26,160	\$ 34,000
9 . Meter revenue	\$ 462,909	\$ 500,728	\$ 485,718	\$ 500,000
10 . Lease parking revenue	\$ 642,929	\$ 696,207	\$ 639,729	\$ 650,000

## Program Description

The Downtown Business Improvement District (BID) was created through the efforts of the Missoula Downtown Association to address the challenges created by the termination of the Downtown Urban Renewal District (URD I) on June 30, 2005. Implementation began in 2001 with committee development, community education, local media campaigns, meetings with property and business owners, creation of a comprehensive database of property owners, and the required petition process. The process of verifying the petition was finalized at the end of 2004 and the BID was approved by the City Council in April 2005. The BID will serve as an advocate for property owners in the district and address areas such as safety, cleanliness, appearance, marketing, business retention and recruitment, public and private investment in buildings and infrastructure. The BID was renewed for a ten (10) year term in March 2010.

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## Goals & Objectives

### ADMINISTRATION & PROGRAMS

The Executive Director manages all existing programs, such as the Clean Team and Ambassadors, communicates with ratepayers, implements the Downtown Master Plan and develops a business retention and recruitment effort. The BID maintains contracted services with the Missoula Downtown Association (MDA) for support services that include rent and utilities. Included in the BID's responsibilities is a maintenance program that picks up garbage downtown, cleans graffiti, clean sidewalks, snow removal/deicing on crosswalks & alleys and other duties as needed. The BID is one of three organizations which have formed the Downtown Missoula Partnership. The BID will maintain organizational identity; continue its mission and program autonomy and continue to serve as an advocate for property owners while improving effectiveness and efficiency for all ratepayers under the Partnership.

#### Objectives:

The BID continues to work on the following programs recognizing its needs may change as additional input and knowledge is available, these objectives are subject to change as the Board and rate payers further define the priorities for the District.

1. Maintain an accurate data base of rate payers within the BID.
2. Establish a formal system for communicating with rate payers within the BID.
3. Oversee the activities of the Clean Team and Ambassador programs and refine them as appropriate.
4. Identify new programs and priorities for the BID based on input from the rate payers.
5. Work on recruitment and retention of business downtown.

### MARKETING

Maintaining a comprehensive marketing effort with the Parking Commission and Missoula Downtown Association will remain a priority. It is important to continue to establish the BID's identity and mission throughout the community as well as downtown. In partnership with the MDA and others the BID will continue to perform appropriate survey of downtown constituents.

#### Objectives:

1. Continue to refine the purpose of the BID and identify the programs that will achieve that purpose.
2. Continue to refine the BID web page to best serve the needs of the rate payers and serve as a forum for dialogue and dissemination of ideas.
3. The distribution of educational materials to rate payers, elected officials, and the general public.
4. Continued work with business and property owners to identify marketing needs and develop programs and activities to address those needs.
5. Identify ways in which the BID can enhance the uniqueness of the downtown district through graphics, signage, or other means.
6. Work with the MDA to identify areas where the two organizations can enhance each other's activities and efforts.
7. Development of a plan for the recruitment and retention of new and existing businesses.



**STREETSCAPE/MAINTENANCE**

One of the areas identified as a high priority by property and business owners during the creation of the BID was cleanliness and appearance of the downtown streets and sidewalks. The BID created a Clean Team that began operation during FY2006. In FY2007, the Board purchased ash receptacles in bulk and passed on the savings to businesses in an effort to minimize the amount of cigarette waste on the streets and sidewalks resulting from the state ban on smoking in bars and restaurants. Since 2005, The BID has purchased 40 new trash receptacles, 3 benches, over 15 tree grates/guards and refurbished many of the older receptacles owned by the City in an effort to provide better coverage and improve the appearance of the District. A total of 64 trash receptacles reside in the Downtown BID. Fifteen recycle bins (aluminum & plastic) were installed over the winter and spring of 2010 and we are picking up recycling from the County Courthouse. Allied Waste has been donating the use of a recycle dumpster at West Front lot.

The BID and City of Missoula have a multi-year contract to take ownership of the city's 24 garbage cans and to pick-up and dispose of that garbage. A street maintenance person was hired in the fall of 2009 for this purpose as well as graffiti removal, sidewalk cleaning, snow & ice removal and other duties. A second street maintenance person was hired in June of 2013 to assist with those operations so that a maintenance person is working downtown 7 days a week.

**Objectives:**

1. Work with business and property owners, the MDA, and the MRA to further identify areas in which the BID can assist in achieving the goal of improving the cleanliness and appearance of downtown.
2. Refine the operation of the Clean Team to best serve the needs of the downtown property owners and businesses.
3. Coordinate with the MDA, City, property and business owners to improve the streetscape through the use of planters, flower baskets, street trees, banners, flags, holiday decorations, benches, trash receptacles, and public art.
4. Continue the program of phasing in streetscape improvements, as is being done with new trash receptacles on an annual basis.
5. Continue to evaluate the feasibility of accommodating recycling as part of the provision of new trash receptacles.
6. Continue to work with individual property owners to enhance the level of building façade maintenance.
7. Consider the initiation of a program that would provide the purchase of services to clean the outside of buildings including graffiti and snow removal.

**SAFETY**

In addition to cleanliness and appearance, another high priority identified by property and business owners was increased safety and security in the downtown area. The BID created an Ambassador program in FY06 to improve the safety of the area through foot patrols, employee escorts, and hospitality services for visitors. The role of that program has been expanded to make the Ambassadors available to speak to civic groups and clubs to promote safety in the District and explain the role and mission of the BID. The BID will institute a Senior/Junior Ambassador program in which additional hospitality services will be available at public functions, including farmers markets. The addition of junior ambassadors will allow the senior ambassador more time to devote to safety and security of downtown thereby reducing crime and mischief. The BID contracted with the City of Missoula to have a Downtown Beat Patrol Officer in 2010 for the summer. That program was expanded in 2011 to run from April 1 to December 31 and will continue the expansion in 2015. The Downtown Beat Patrol Officer now contracts from January 1 to December 31.

**Objectives:**

1. Monitor and refine the Downtown Ambassador Program to best address the needs of the downtown property owners and businesses.
2. Continue to work with the City Police Department to enhance their efforts to increase safety in the area.
3. Work with the City, Northwestern Energy, and property owners to modify the street lighting to provide for improved lighting in the entire District thus enhancing the safety and reducing the opportunity for vandalism after dark.

**PLANNING AND DOWNTOWN MASTER PLAN IMPLEMENTATION**

A number of agencies and groups invested in the downtown have recognized the need for a master plan to encourage and guide the growth of this critical part of the City. The Greater Downtown Master Plan was adopted early in FY2010 and implementation has been initiated. At the Mayor's request, the BID Board will continue to lead this effort in cooperation with the many stakeholders, including the MDA, MRA and MPC, in downtown's future.

**CONTINGENCY**

As with any agency or organization, it is impossible to anticipate all of the needs and budget appropriately. The BID Board has placed its anticipated revenues and carryover from FY2015 in a special projects/streetscapes account and anticipates identifying how those funds will be used after interacting with the rate payers, the City, the MDA, and the MRA as goals and programs are refined and developed. The BID Board also feels it is prudent to budget each year based on the prior year's revenue collection.

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	345,000	416,004	300,000	439,800	23,796	6%
Miscellaneous	155	5,000	-	-	(5,000)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 345,155</b>	<b>\$ 421,004</b>	<b>\$ 300,000</b>	<b>\$ 439,800</b>	<b>\$ 18,796</b>	<b>4%</b>

\* Un-audited numbers

## Program Description – Work-plan

The Tourism Business Improvement District (TBID) was created through the efforts of the Missoula Area Convention and Visitor's Bureau to aid tourism, promotion, and marketing within the District and allowing Hotels/Motels outside the City limits in the Missoula Urban area donate funds to the Tourism Business Improvement District.

## TBID Strategic Plan

**Goal:** Increase four season revenues statewide through effective marketing and promotions, focusing on high-value, low-impact visitors

**Strategy:** 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:

- i. 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.
- ii. Work in partnership with the Missoula International Airport to pitch new air service to key target markets.
- iii. Work in partnership with the Missoula International Airport, Missoula Economic Partnership, Missoula TBID, 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.

**Strategy:** Destination Missoula and the TBID will partner to provide Public Relations services.

**Strategy:** 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 following areas:

- i. Meetings & Conventions
- ii. Sports & Events
- iii. Tour and Group Travel
- iv. Leisure Travel

## FINANCIAL SUMMARY

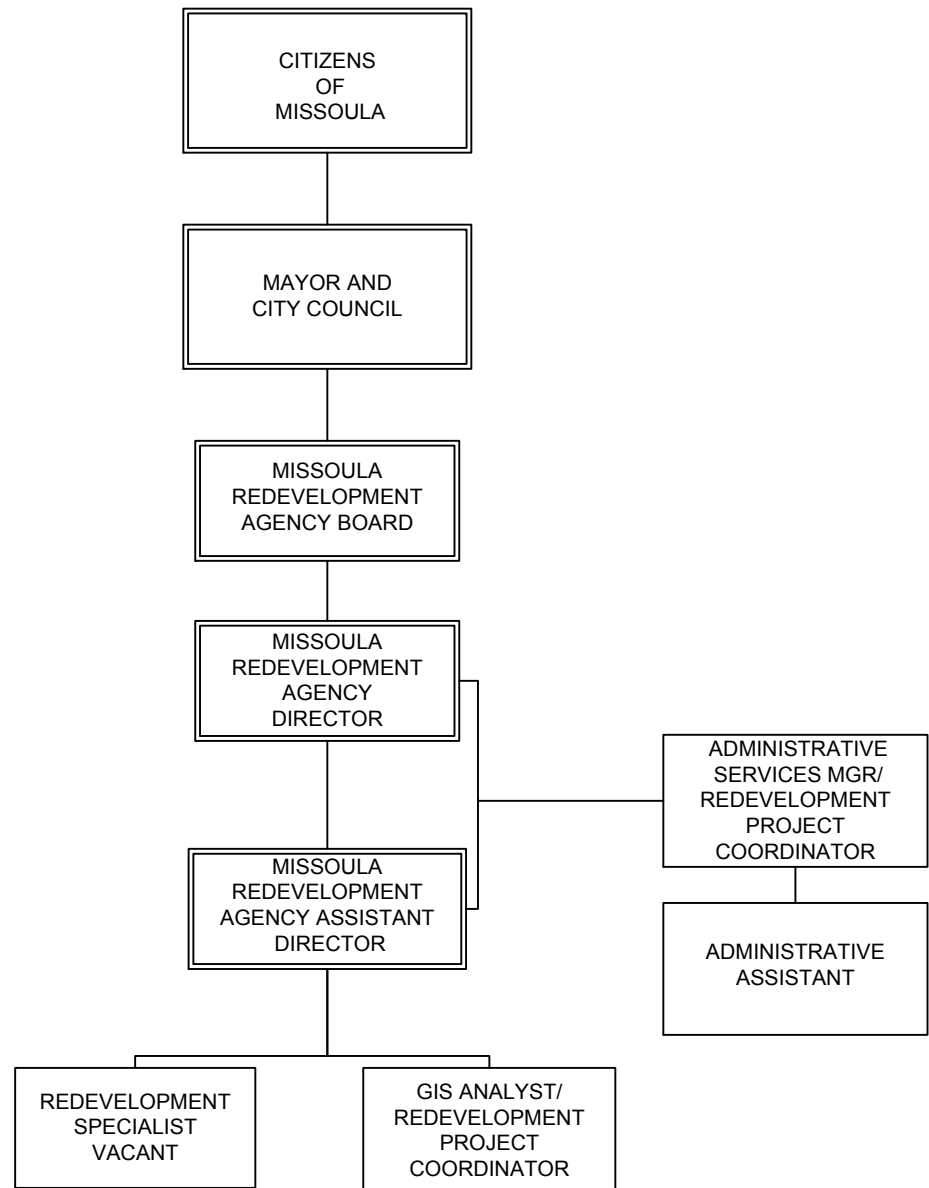
Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	469,937	620,494	-	680,350	59,856	10%
Miscellaneous	23	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 469,960</b>	<b>\$ 620,494</b>	<b>\$ -</b>	<b>\$ 680,350</b>	<b>\$ 59,856</b>	<b>10%</b>

\* Un-audited numbers



# Missoula Redevelopment Agency

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

## Program Description

The Missoula Redevelopment Agency (MRA) was created by the City Council to encourage new development and redevelopment pursuant to the adopted Urban Renewal Plans. Preserving existing public investment, enhancing the tax base, generating employment, and stimulating private investment are the means MRA uses to reclaim urban renewal areas. The MRA encourages infill development, provides for the adaptive reuse of the built environment, and reclaims blighted properties. MRA is empowered by State law and local ordinance to respond aggressively and with flexibility to redevelopment problems and opportunities. Through these activities, MRA also provides alternatives to urban sprawl outside existing municipal service boundaries.

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

#### Goal #1: Fiscal Sustainability

- Strategy: Improve the level of service to citizens in the two major Urban Renewal Districts (URDs) through funding of public improvements.
  - MRA has initiated programs to build sidewalks in URD II and URD III where they do not exist or are deficient. Over 13 miles of sidewalks have already been constructed with the goal of completing the sidewalk network in both districts within the life of those districts. Approximately \$6.4 MM has been spent improving neighborhoods through the installation of sidewalks, curbs, street trees and repaved streets since MRA initiated the program.

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

- Strategy: Improve the pedestrian experience through aesthetic improvements to the natural and built environment.
  - MRA has made a commitment to major improvements to Brooks Street between Paxson and Reserve that will make the street more conducive to pedestrian and bicycle use. Lane widths will be narrowed, curb extensions and crosswalks will be built at the intersections, pedestrian scale street lights will be installed and street trees will be added to the sidewalks. Additionally, MRA initiated a program to provide financial assistance to private property owners in URD III for façade improvements that enhance the pedestrian experience, increase building energy efficiency, and use sustainable building materials. The program also promotes improved accessibility for disabled citizens and additional landscaping above that required by code in an effort to enhance the pedestrian and aesthetic environment.

#### Goal #3 Quality of Life for All People in All Places

- Strategy: Continue efforts to encourage alternative methods of transportation through improvement of the pedestrian and bicycle networks throughout the urban core.
    - Continue efforts to complete the Bitterroot Branch Trail south to Reserve Street and work to create a green transportation network in URD III through the construction of missing sidewalks and modifications to streets to provide safe bike routes. MRA is committed to constructing a grade separated trail crossing over South Reserve Street to link the Bitterroot Branch and the Missoula to Lolo trails, providing a trail system from downtown Missoula to Hamilton as well as a connection between neighborhoods east of Reserve Street to Fort Missoula Regional Park.
-

## MRA District II (7392)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	317,195	169,272	112,862	169,272	-	0%
Miscellaneous	1,487,751	959,976	449,562	959,976	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	1,939,172	680,000	741,128	680,000	-	0%
<b>Total</b>	<b>\$ 3,744,118</b>	<b>\$ 1,809,248</b>	<b>\$ 1,303,552</b>	<b>\$ 1,809,248</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA District III (7393)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 388,031	\$ 447,970	\$ 446,349	\$ 500,829	\$ 52,859	12%
Supplies	3,320	9,126	3,507	9,126	-	0%
Purchased Services	232,915	522,962	546,782	531,018	8,056	2%
Miscellaneous	756,352	2,982,756	1,387,859	2,982,756	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	2,483	2,145,956	449,900	2,115,956	(30,000)	-1%
<b>Total</b>	<b>\$ 1,383,100</b>	<b>\$ 6,108,770</b>	<b>\$ 2,834,396</b>	<b>\$ 6,139,685</b>	<b>\$ 30,915</b>	<b>1%</b>

\* Un-audited numbers

## MRA Clearing (7390)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	1,795,263	1,872,885	1,992,651	1,872,885	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,795,263</b>	<b>\$ 1,872,885</b>	<b>\$ 1,992,651</b>	<b>\$ 1,872,885</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Debt (7389)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	1,145	-	-	-	-	
Debt Service	1,176,176	1,171,916	1,171,657	1,171,916	-	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,177,321</b>	<b>\$ 1,171,916</b>	<b>\$ 1,171,657</b>	<b>\$ 1,171,916</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Riverfront Triangle URD (7383)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	1,538	-	-	-	-	
Miscellaneous	6,697	26,862	8,333	26,862	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 8,234</b>	<b>\$ 26,862</b>	<b>\$ 8,333</b>	<b>\$ 26,862</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Front St Clearing (7400)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	485,737	453,262	462,268	453,262	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 485,737</b>	<b>\$ 453,262</b>	<b>\$ 462,268</b>	<b>\$ 453,262</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Front St Parking Structure (7401)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	62	-	-	116,134	116,134	
Debt Service	150,945	146,134	123,484	30,000	(116,134)	-79%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 151,007</b>	<b>\$ 146,134</b>	<b>\$ 123,484</b>	<b>\$ 146,134</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Front St Lien (7402)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	159	-	-	-	-	
Debt Service	181,372	166,557	166,393	166,557	-	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 181,531</b>	<b>\$ 166,557</b>	<b>\$ 166,393</b>	<b>\$ 166,557</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Front Street URD (7385)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	43,790	2,168	65,348	2,168	-	0%
Miscellaneous	98,202	528,084	-	528,084	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 141,992</b>	<b>\$ 530,252</b>	<b>\$ 65,348</b>	<b>\$ 530,252</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers



## MRA Revolving Loan Fund – Millsite – Brownsfield (7387)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	20	-	-	-	-	
Debt Service	31,949	31,941	24,781	31,941	-	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 31,968</b>	<b>\$ 31,941</b>	<b>\$ 24,781</b>	<b>\$ 31,941</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Safeway - St. Pats (7386)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	155,179	155,875	152,788	155,875	-	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 155,179</b>	<b>\$ 155,875</b>	<b>\$ 152,788</b>	<b>\$ 155,875</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## MRA Intermountain Debt Service (7399)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	44	-	-	-	-	
Debt Service	80,941	145,769	146,369	145,769	-	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 80,985</b>	<b>\$ 145,769</b>	<b>\$ 146,369</b>	<b>\$ 145,769</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## City of Missoula Debt Management

Debt in a governmental entity is an effective financial management tool. Active debt management provides fiscal advantages to the City of Missoula and its citizens. Debt can serve several different purposes. It is useful in matching costs to benefits of public assets. It is useful as an economic development tool. It allows governments to build and acquire assets that would not otherwise be able to be built or acquired. Debt eliminates the need for governments to build up large reserve balances to build or acquire assets. In other words, debt is not something that should be avoided or eliminated. Rather, debt is something that should be used and managed effectively. Debt can be mismanaged, however. Over use of debt places a burden on the financial resources of the City and its taxpayers. Thus, it is important to create policies and follow practices to insure debt is used wisely.

Debt management is a critical component of the City of Missoula's financial operations. The City takes an active role in managing its debt. This is done through a variety of means including: debt management policies, bond ratings, comprehensive planning for future bond issues, and management of existing and proposed debt levels, and legal debt margins, and debt service payments. This section of the budget provides an analysis of each of these factors in addition to providing a detailed schedule of future debt service obligations of the City.

### Major Bond Issues

Listed below is a brief description of the City's major outstanding bond issues, followed by a graphic overview of all outstanding debt of the City, by purpose.

- A. 2012A 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 4 splash decks around the city. The 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. Interest rate varies from 1.5% to 2.25%.

**TOTAL FUND DEBT SERVICE EXPENDITURES = \$ 595,148**

- B. 2013 GO Refunding Bond** – These bonds were issued on July 1, 2013 to provide funds for refunding the City's outstanding General Obligation Bonds, Series 2006 (partial advance refunding) and Series 2007 (full refunding). The 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%.

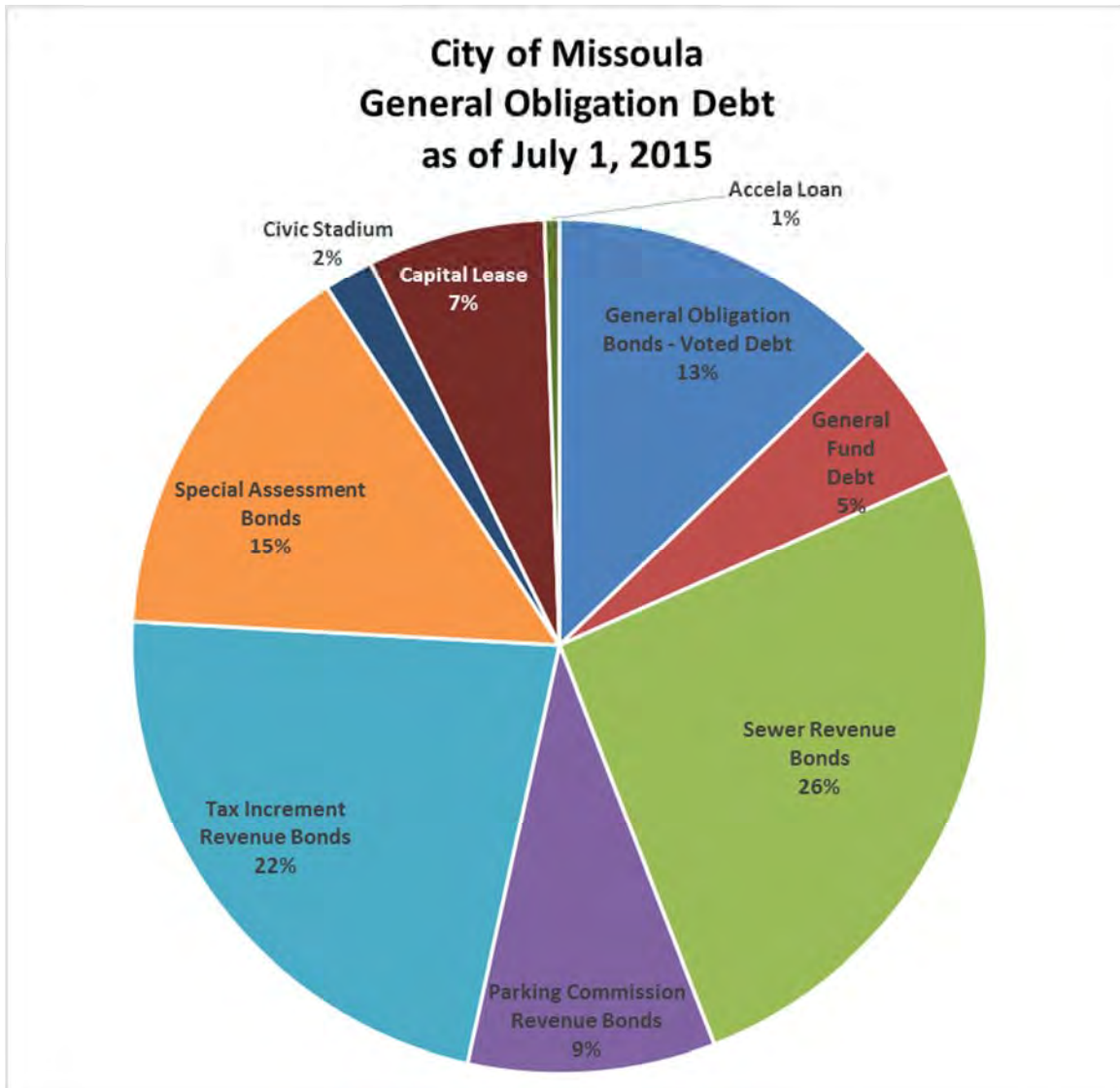
**TOTAL FUND DEBT SERVICE EXPENDITURES = \$ 688,926**

- C. 2006 Fire Station GO Bond – Voted.** Issued in 2006 to provide funds for construction and equipping of new fire station #5 and remodel fire stations #2 and #3. The bonds were issued on September 13, 2006 with a true interest cost of 4.4169%. 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 majority of these bonds were partially advance refunded in 2013. The remaining outstanding balance of the bonds will mature in 2016.

**TOTAL FUND DEBT SERVICE EXPENDITURES = \$ 280,151**

## Outstanding Debt

Shown on the following page is a pie chart which presents the City's current outstanding indebtedness by purpose. As shown by the graph, voted General Obligation indebtedness (for open space acquisition, public safety and recreation facilities) represents a substantial component of the City's debt and this reflects the priorities of the public and the City Council. Despite the several categories of outstanding debt reflected below, the City of Missoula actually has a relatively low level of outstanding debt, which is more fully described below.



At the end of the current fiscal year, the City of Missoula had a total of \$76,155,853 of long term debt outstanding of which \$73,237,964 was bonded debt. Of this amount, \$9,750,000 comprises debt backed by the full faith and credit of the government and \$11,394,176 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment, although this debt is collateralized with liens on the properties against which the debt is assessed. The majority of the remainder of the City of Missoula's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

## CITY OF MISSOULA'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
General Obligation Bonds	\$ 11,020,000	\$ 9,750,000	\$ -	\$ -	\$ 11,020,000	\$ 9,750,000
Limited Obligation Bonds	4,575,000	4,210,000	-	-	4,575,000	4,210,000
Revenue Bonds	-	-	46,212,706	43,827,354	46,212,706	43,827,354
Sewer - Eko Compost Land	-	-	497,521	-	497,521	-
Spec. Assessment Bonds	12,738,346	11,394,176	-	-	12,738,346	11,394,176
Accela Loans & Notes Payable	534,747	427,513	1,465,398	1,430,114	2,000,145	1,857,627
Compensated Absences	4,490,263	4,832,041	345,585	326,536	4,835,848	5,158,577
Post Employment Benefits	1,614,558	1,924,244	169,753	199,381	1,784,311	2,123,625
Capital Lease	3,201,446	4,967,415	232,295	149,281	3,433,741	5,116,695
Total Outstanding Debt	\$ 38,174,360	\$ 37,505,388	\$ 48,923,258	\$ 45,932,666	\$ 87,097,618	\$ 83,438,054

The City of Missoula's total debt was decreased by \$3,420,596 (3.7%) during the 2014 fiscal year, because more debt was paid off than new debt issued. The new debt issued included \$2,153,420 of new capital equipment leases.

State statutes limit the amount of general obligation debt a governmental entity may issue to 2.5% of its total assessed valuation. The current debt limitation for the City of Missoula is \$182,578,455, which is significantly in excess of the City of Missoula's outstanding general obligation debt. As of fiscal year end, the City of Missoula was only utilizing 5.3% of its legal, voted general obligation bond limit. In addition, the City was utilizing 15.2% of its legal debt limit for non-voted General Fund (limited obligation) debt.

### Debt Capacity – Legal Debt Margin

The schedule below provides a visual presentation of the city's projected debt capacity (legal debt margin) with any proposed new debt within the current fiscal year included. This reflects the philosophy of the City Council in holding down the level of debt on the taxpayers, despite the city's rapid development and growing population.

## VOTED GENERAL OBLIGATION BOND

Maximum Allowable Debt - City of Missoula, Montana

Assessed Valuation: FY 16 Certified Market Value 7,303,138,213

Factor Allowed for Indebtedness 2.50%

Total Indebtedness Allowed \$ 182,578,455

#### Less Current Indebtedness:

2006 Fire Station Bonds	270,000
2012A Aquatics Refunding	4,800,000
2013A Refunding Bonds	4,680,000
Intercap Equipment Loans	-
Total Current Indebtedness	\$ 9,750,000

Maximum Indebtedness Available (7-1-2015) \$ 172,828,455

#### Proposed Debt FY 16:

Total Proposed Debt \$ -

Net Amount of Debt Available \$ 172,828,455

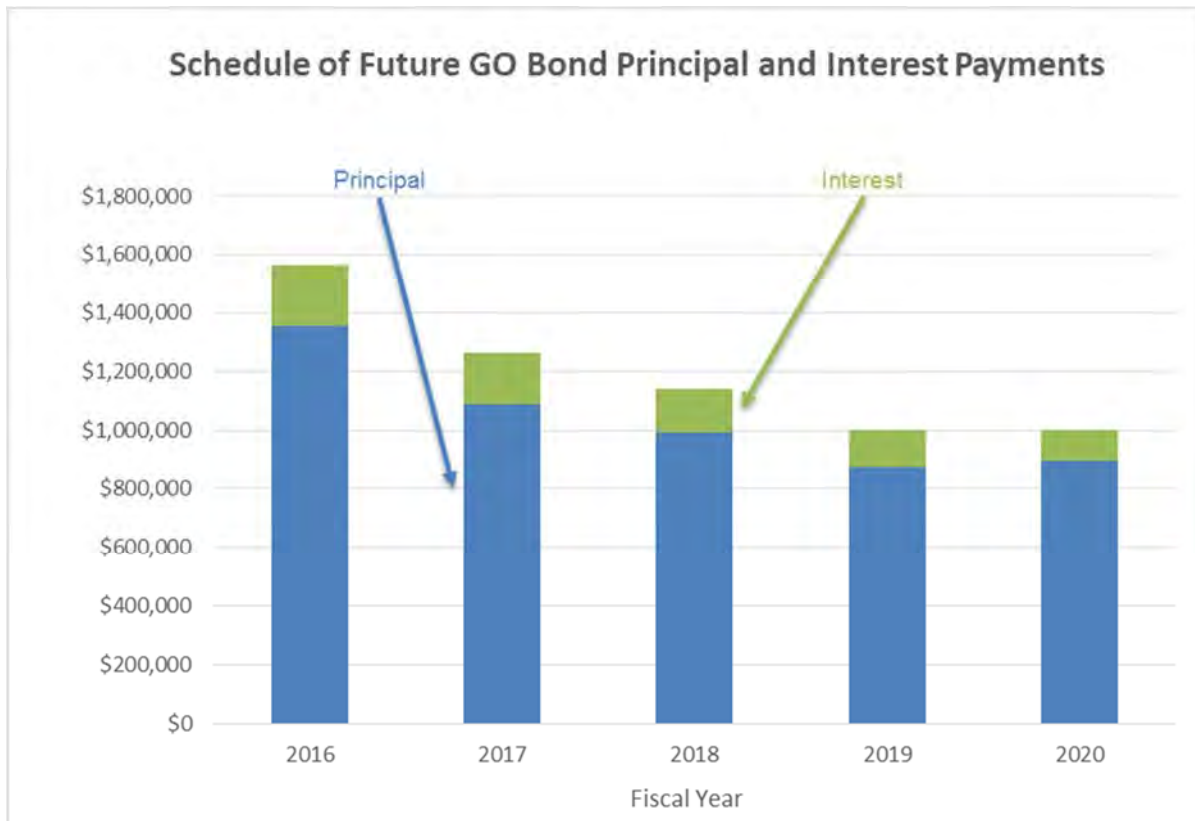
## Proposed Debt in the Next Five Years

Listed below is a brief description of the city's proposed debt issuances, with the proposed debt amount, over the course of the next five year period. Following the narrative's description, is a graphic depiction of the City's current debt capacity and the proposed future debt will affect the remaining debt capacity for the City of Missoula. The graphic representation is a useful tool for the City Administration and City Council to utilize in reviewing and scheduling the timing of future projects that will result in a minimal tax increase to the citizens while providing needed infrastructure improvements.

- A. \$ 210,000 in Special Improvement District bonds for the Missoula Art Museum project. This assessment covers upgrading the curbs, sidewalks, drainage improvements, utilities and landscaping in part to meet current ADA standards and to create a public walk friendly block to be utilized for outdoor gatherings.
- B. \$1,400,000 combined in special improvement bonds for road and infrastructure improvements on increased use and aging right of way around Missoula. These future projects include reconstruction of: Old US Highway 93; Duncan/Greenough Drive; Lower Miller Creek Road; VanBuren Street; and Cregg Lane.
- C. \$1,600,000 in special improvement bonds for the Hillview Way project. The scope of this project is to widen the road with curbs, sidewalk and drainage improvements from Black Pine to 55th Street due to increased use and new development on either side of the road.
- D. \$1,800,000 per year of special curb, gutter, sidewalk, and alley approach bonds to address aging infrastructure in the city that directly benefits the adjacent, abutting landowners.
- E. \$1,000,000 - \$2,500,000 per year of short term capital leases to replace aging vehicles, equipment and dated software.
- F. \$1,600,000 of General Fund debt to increase storage space, update locker room and restroom to meet the needs of an expanding Police Department.
- G. \$2,200,000 of General Fund debt to provide energy efficient heating and cooling for all City buildings.
- H. \$6,000,000 of planned redevelopment agency projects providing infrastructure in blighted areas of the city.

## Debt Service

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



### General Obligation Debt

Year	2016	2017	2018	2019	2020
Principal	\$ 1,355,000	\$ 1,090,000	\$ 990,000	\$ 875,000	\$ 895,000
Interest	210,524	173,555	148,628	126,027	107,391
<b>Total</b>	<b>\$ 1,565,524</b>	<b>\$ 1,263,555</b>	<b>\$ 1,138,628</b>	<b>\$ 1,001,027</b>	<b>\$ 1,002,391</b>

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 can be seen from the graph above, the voted GO debt service requirements will decline by approximately \$301,000 (2.71 mills) after FY 2016 due to the final maturity of a portion of the advance refunded 2006 GO Bonds, which will be paid off at that point. This will result in a 2% reduction in property tax requirements starting in FY 2017 due to a reduced GO bond debt service levy in that year.

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

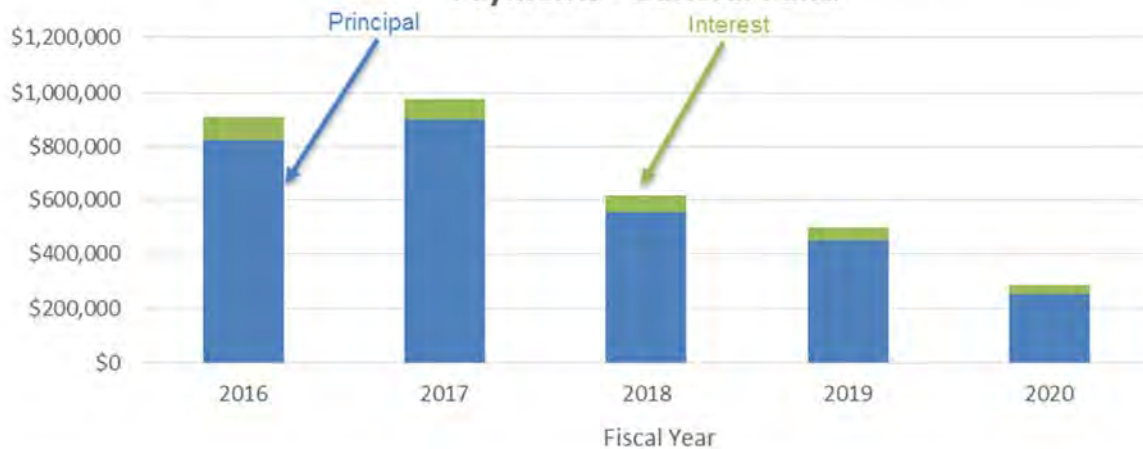


### Limited Obligation Debt

Year	2016	2017	2018	2019	2020
<b>Principal</b>	\$ 375,000	\$ 400,000	\$ 405,000	\$ 430,000	\$ 440,000
<b>Interest</b>	162,769	150,218	136,173	121,355	105,320
<b>Total</b>	\$ 537,769	\$ 550,218	\$ 541,173	\$ 551,355	\$ 545,320

As can be seen in the table above, the General Fund's limited obligation debt service requirements will remain fairly constant over the next five years.

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



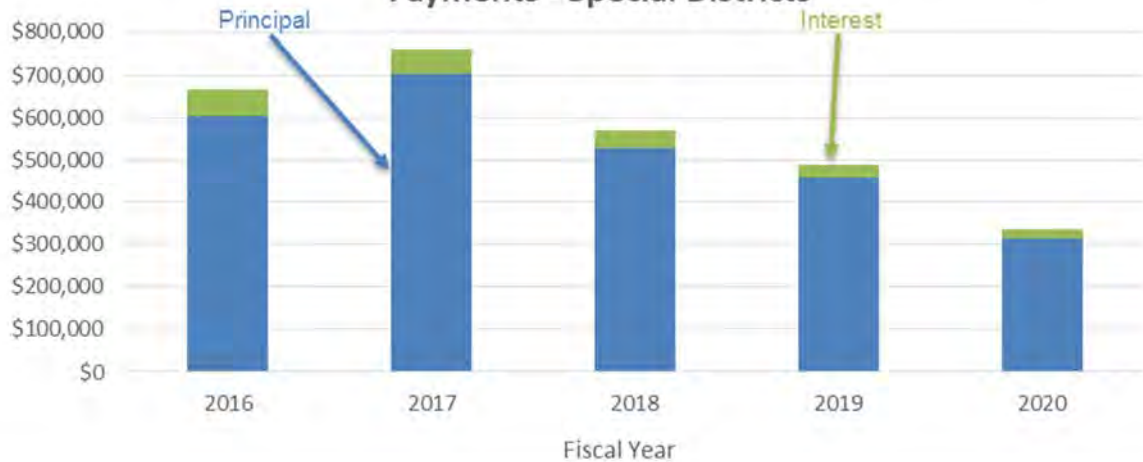
### Capital Lease - General Fund

Year	2016	2017	2018	2019	2020
<b>Principal</b>	\$ 823,535	\$ 902,467	\$ 556,033	\$ 453,572	\$ 250,651
<b>Interest</b>	85,299	74,538	58,534	45,310	34,609
<b>Total</b>	\$ 908,833	\$ 977,005	\$ 614,567	\$ 498,882	\$ 285,260

The graph and table above illustrate the declining impact of future capital lease payment on the General Fund after FY 2017.



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

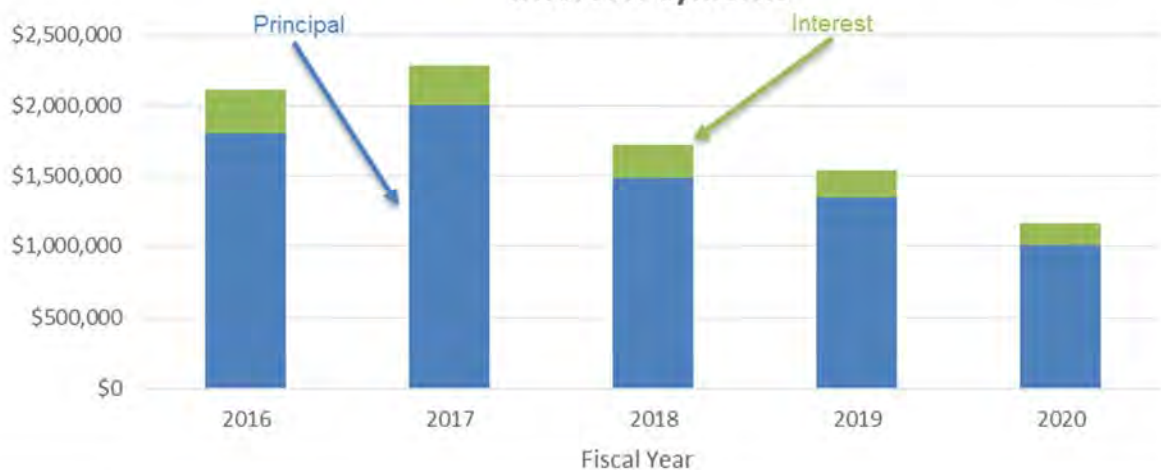


**Capital Lease - Special Districts**

Year	2016	2017	2018	2019	2020
Principal	\$ 605,002	\$ 702,346	\$ 526,967	\$ 458,390	\$ 313,019
Interest	61,813	57,622	44,077	31,926	21,111
<b>Total</b>	<b>\$ 666,815</b>	<b>\$ 759,968</b>	<b>\$ 571,044</b>	<b>\$ 490,316</b>	<b>\$ 334,131</b>

The graph and table above illustrate the declining impact of future capital lease payment on the Special Districts after FY 2017.

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



**Total General Fund Debt - All Types**

Year	2016	2017	2018	2019	2020
Principal	\$ 1,803,537	\$ 2,004,813	\$ 1,488,000	\$ 1,341,963	\$ 1,003,670
Interest	309,880	282,377	238,784	198,590	161,040
<b>Total</b>	<b>\$ 2,113,418</b>	<b>\$ 2,287,190</b>	<b>\$ 1,726,783</b>	<b>\$ 1,540,553</b>	<b>\$ 1,164,710</b>

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 2017, each future year has a smaller debt service requirement than the preceding year. This fact, combined with reduced GO bond debt requirements after FY 2016, will eventually free up in excess of \$850,000 per year of tax supported projects. This information will be utilized as future budgets



and capital financing needs must be addressed. All of these various financing mechanisms are used to pay for the cost of city infrastructure over time, as the benefit provided by maintaining our infrastructure is realized over time. This approach matches future costs with future benefits to be received.

## 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.

### Credit Profile

Missoula Gen Fund Oblig Bnds

Long Term Rating

AA/Stable

Upgraded

**Ratings Detail (As Of May 22, 2014)**

Missoula Gen Fund Oblig Rfdg Bnds ser 2010A		
<i>Long Term Rating</i>	AA/Stable	Upgraded
Missoula GO rfdg bnds		
<i>Long Term Rating</i>	AA+/Stable	Upgraded
Missoula Ltd Tax GO Bnds		
<i>Long Term Rating</i>	AA/Stable	Upgraded
<b>Missoula GO</b>		
<i>Unenhanced Rating</i>	AA+(SPUR)/Stable	Upgraded
<b>Missoula GO (CIFG)</b>		
<i>Unenhanced Rating</i>	AA+(SPUR)/Stable	Upgraded

**Rationale**

Standard & Poor's Ratings Services raised its long-term rating and underlying rating (SPUR) on Missoula, Mont.'s unlimited-tax general obligation (GO) bonds to 'AA+' from 'AA-', based on its local GO criteria released Sept. 12, 2013. At the same time, we raised our long-term rating on the City's previously issued general fund GO bonds to 'AA' from 'A+'. The outlook is stable.

An unlimited ad valorem property tax pledge secures the GO bonds. Lease payments from Missoula secure the city's limited-tax general fund bonds.

The ratings reflect the following factors for the City, specifically its:

**Strong economy**

Missoula is in Missoula County and is the state's second-largest city, with a population estimate of 68,000. It serves as a regional trade and service center for an 11-county area with a population estimate of more than 350,000 in western Montana. The area economy has ties to health care, retail, and tourism-related activities. The city's local economy is, in our opinion, strong, supported by a broad and diverse economy and is home to the University of Montana. The economy has what we consider adequate income indicators: Per capita phased-in market value and projected per capita effective buying income are roughly \$101,600 and 88% of the national average, respectively. The county unemployment rate (2013) was 5.3%, according to the Bureau of Labor Statistics.

**Very strong management**

We believe Missoula's management conditions are very strong with "strong" financial practices under our Financial Management Assessment methodology, indicating practices are strong, well embedded, and likely sustainable. Key items include the monthly reporting of the city's financial position and investment performance to the governing body with procedures for budget adjustments in place if needed; management typically performs adjustments just once a year. Missoula has a comprehensive five-year capital improvement plan with identified funding sources, which it updates annually; the plan is linked to the operating budget via a five-year financial plan that management uses for internal planning purposes. Management updates the financial master plan during its annual budget process with identified possible out-year expenditure pressure. Officials have recently adopted formal ongoing debt management policies that include specific target debt level guidelines for various types of city-issued debt, as well as refunding targets and the use of derivatives, which the state is not allowed to use. The city also recently adopted a formal unreserved fund balance policy equal to 7% of general fund budgeted expenditures.

**Strong budgetary flexibility**

We believe Missoula's budgetary flexibility is strong, with available reserves at 10.7% of operating expenditures in fiscal 2013, equivalent to about \$4.7 million. Budgeted numbers indicate balance and therefore we don't anticipate a major draw on the city's reserves.

### Very strong liquidity

We believe very strong liquidity supports city's finances, with total government available cash to government fund expenditures and cash to debt service above 15% and 120%, respectively. Based on past issuance of debt, we believe that the issuer has strong access to capital markets to provide for liquidity needs if necessary. Initial numbers for 2014 indicate a balanced budget and therefore we don't anticipate a major change in the city's overall cash position. However, should cash fall slightly, we still view the city's access to external markets as strong, which would keep the city's overall liquidity assessment as very strong.

### Strong budgetary performance

In our opinion, Missoula's budgetary performance is strong overall, with a surplus of 3.1% for the general fund and basically balanced results for the total governmental funds in fiscal 2013. Budget numbers indicate a 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 on included in the Executive Summary. Listed below are excerpts from those policies, which relate specifically to debt management.

### Restrictions on Debt Issuance

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

### Limitations on Outstanding Debt

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

### Debt Refinancing

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

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

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

## **OVERVIEW**

The Montana Legislature has passed legislation which allows a municipality to set aside a portion of its general all-purpose levy for replacement and acquisition of property, plant or equipment costing in excess of five thousand dollars (\$5,000.00) with a life expectancy of five (5) years or more.

To set up a capital improvement fund the City is required to formally adopt a Capital Improvement Program (CIP). The main advantage of this method of financing is that funds can be earmarked and carried from one year to the next. If it is recognized that renovation of a public building will be needed in five years, an amount can be set aside annually so the project can be funded at the end of five years. The CIP fund also allows a project to be done in phases, with funds allocated for architectural planning the first year and construction in later years.

The Capital Improvement Program is a 5-year planning document designed to guide decisions concerning capital expenditures and not cast in stone. This is a planning document and, as for all planning documents, it is subject to revision in order to reflect changes in community needs and service requirements, environmental factors and Council priorities. The first year of the Plan is intended to accurately reflect that year's anticipated appropriation for major capital projects and is called the Capital Budget. The subsequent four years represent an anticipated capital need during the period as submitted by Department Heads. The CIP must be reviewed and revised each year in order to add new projects and revise priorities.

The process of determining major capital needs and establishing a financial program extending beyond the annual budget encourages department managers to examine long-range needs and allows the City to develop more coherent city-wide fiscal policies. The CIP provides a basis to compare and rank projects and provides opportunities to explore alternate funding sources, since most capital improvement requests exceed the available revenues. The Council will be requested from time to time to make revisions to the plan. Staff, as well as Council members, may develop these requests themselves.

The capital budget is separate and distinct from the City's operating budget for several reasons. First, capital outlays reflect non-recurring capital improvements rather than ongoing expenses. Where possible, capital projects are funded from nonrecurring funding sources such as debt proceeds and grants; these one-time revenue sources are not appropriate funding sources for recurring operating expenses. Second, capital projects tend to be of high cost in nature, requiring more stringent control and accountability. To provide direction for the capital program, the City Council has adopted policies relating to the Capital Improvement Program and the Capital Budget, which are discussed later in this section.

## **CIP PURPOSE**

The purposes of setting up a five- (5) year Capital Improvement Program are:

- To ease the review of the annual capital budget through a uniform process.
- To broaden public participation in the budget process by providing documentation and scheduling hearings early in the process.
- To link capital budgets with the strategic plans, adopted policies, and other plans.
- To link capital expenditures with operating budgets.
- To increase coordination between departments, agencies, and other political jurisdictions.

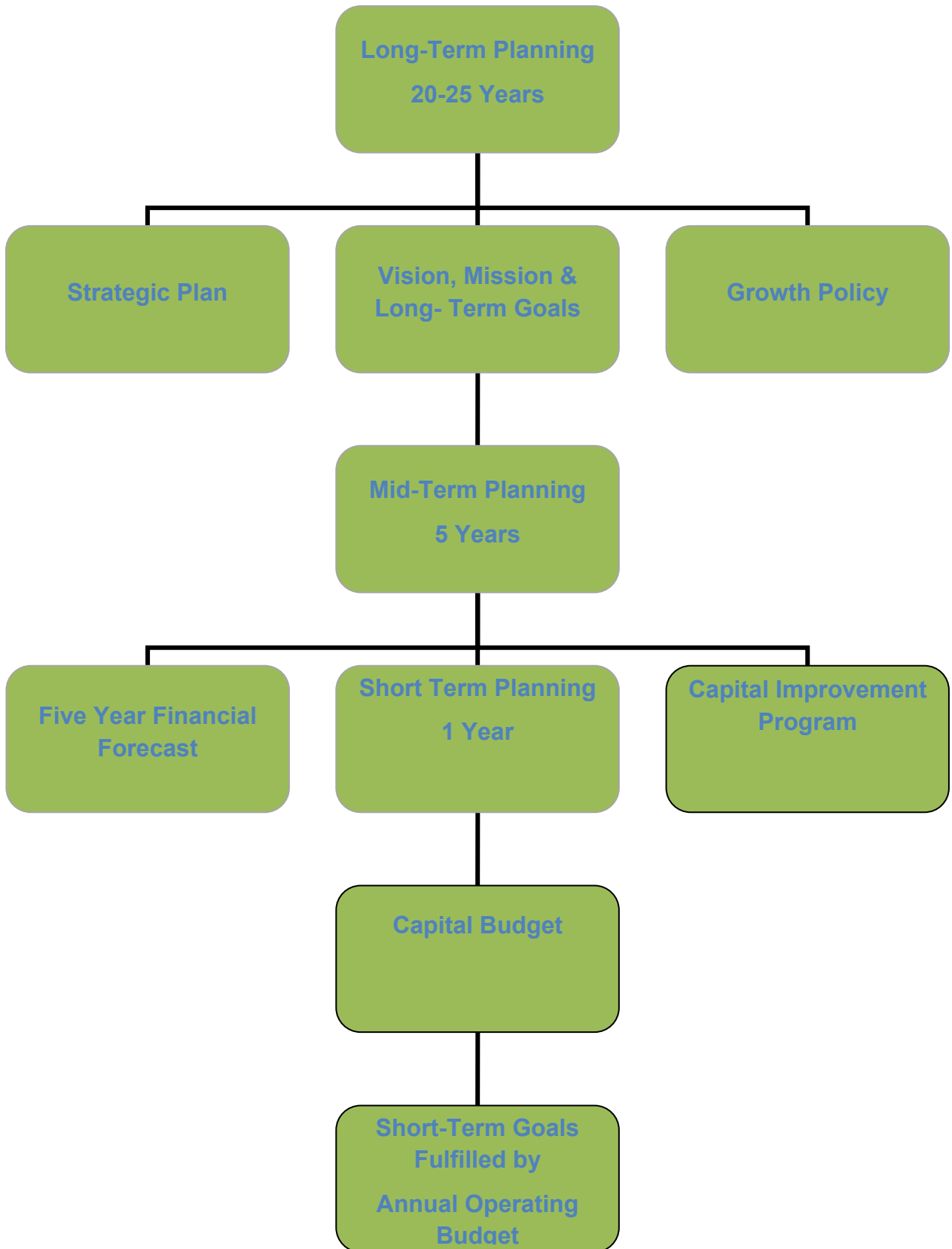
## **LINKAGE**

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

One area of linkage between the City’s future capital requirements has to do with the level of future debt service, including the debt supported by the General Fund and General Obligation debt supported by taxes. The Debt Management section of this budget reviews the future debt service requirements in these two areas. As discussed in that section of this budget document, after FY 2017, each future year has a smaller debt service requirement than the preceding year for the General Fund and the voted GO debt service. Eventually, after FY 2017, in excess of \$850,000 per year of tax supported projects may be freed up for future debt service requirements. Additionally, new revenue streams, the road and park special district assessments have been approved and developed by the City Council during the past four years. These special district assessments will be used to further enhance and support the City’s infrastructure needs in their designated areas. Both the declining future debt service requirements and the availability of a new funding stream will provide more flexibility for the City in future budgets in the Capital Improvement Program that is tax supported.

Each element of the City’s planning process has a different purpose and timeframe. 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 timeframe. The most important requisite is that they are coordinated and are in concert with one another.

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





## CAPITAL PLANNING

Capital Planning refers to the process of identifying and prioritizing City capital needs for determining which capital projects should be funded in the capital budget as resources become available. Citywide planning is guided by the City's Strategic Plan and the Growth Policy. These plans provide long term direction for the growth and development of the City.

Proposed capital projects are reviewed for compliance to the adopted Strategic Plan and Growth Policy as part of the budget adoption process.

## PROCESS

### General Discussion:

*The capital improvements process provides for the identification, reviewing, planning, and budgeting of capital expenditures.*

All requests for capital improvements are evaluated to aid the Mayor and City Council in selecting the projects to be funded. Department heads submit CIP requests. Departmental staff initiates some of these projects while other organizations; citizen groups and individual citizens initiate others. Evaluation is based on a point system, which requires the department head to judge how well the project in question satisfies each of several criteria. The process is designed to provide a comprehensive look at long term capital needs, which is essential for effective decision-making. However, the system is not intended to provide an absolute ranking of projects based solely on the total numerical scores. A few points difference between total scores of projects is not the only significant factor in determining priority. In addition, there are several criteria, which are considered separately from the point system. For example, if a project was urgently required in order to replace an existing dilapidated facility, it would probably be scheduled for early funding regardless of its score on other criteria. Also, there is a question, which asks the evaluator's overall personal judgment of a project's priority, and helps to identify which proposals are considered most important.

This ranking process allows projects to compete for funds either within its own fund source or citywide. If the department's request only includes capital expenditures which are proposed to be funded out of its own non-tax revenue generated by that department, the projects compete within that department for inclusion within the plan, (for example, wastewater treatment plant projects are funded by Sewer Fees, etc.). However, if the request is outside of the department's ability to generate revenue, i.e., a request for assistance from the General Fund, then the project would compete on a citywide basis for funding.

The adoption of a CIP by the City is strictly a statement of intent, not an appropriation of funding for projects contained within. A list of CIP projects will be updated on an annual basis as new needs become known and priorities change. The possibility of a project with a low priority can remain in the CIP longer than four years due to a more important project bumping ahead for quicker implementation. Some projects may also be bumped up in priority and implemented quicker than originally planned.

### Definitions:

For the purposes of this process, capital is defined as items that have a single acquisition cost of \$5,000 and a useable life of 5 years. Basically, this definition implies that those items, which can be clearly classified as major improvements, rather than routine maintenance or equipment replacement, are defined as capital for the purposes of this program. It includes any major expenditure for physical facilities. Vehicles intended for use on streets and highways, costing less than \$35,000 are not included in the CIP.

### 2016-2020 Capital Improvement Program

1. Recommendation for 2016-2020 Capital Improvement Program:

When possible department heads must, where appropriate, look at the City's Strategic Plan, the most recent Comprehensive Plan Update and amendments, Themes Document, Transportation Plan, Strategic Plan and other plans and documents or studies to determine if their projects are meeting the community's goals, and make a statement of their findings.



**2. The Project Rating System:**

When considering a department's proposal(s) the CIP Budget Team will meet with each Department and Division Head. The purpose for this meeting will be: 1) to assure that both the Department and Division Head and the CIP Budget Team are fully briefed on the department's proposal(s); and 2) discussion between the CIP Budget Team and the Department and Division Head regarding how proposal(s) are rated.

**3. Coordination:**

Department and Division Heads are encouraged to coordinate project proposals with internal departments as well as external agencies such as: the County, the Neighborhood Network and Councils, the Chamber of Commerce, the University of Montana, the School Districts and other community based organizations.

**4. External Projects:**

Projects initiated by external organizations, citizens groups and individual citizens will be given to appropriate Department Heads after submittal to the Finance Department.

**Annual Review**

The CIP is reviewed on an annual basis. During this annual review process projects budgeted for the prior fiscal year are reviewed to determine status and whether to continue funding or require re-submittal to compete as a new project. New projects are added to projects carried over from the prior two years according to ranking or priority.

**Responsibilities for Program Development**

Before a project reaches the Mayor and City Council for FY 2016-2020, each project should be reviewed for financial feasibility, conformance to established plans and response to public need. Responsibility to coordinate with the appropriate department project proposal(s) requiring review for engineering feasibility, environmental impact, land use regulations, grant eligibility and redevelopment plans falls to the Department and Division Head submitting those project proposal(s).

**1. Department Heads**

- a. Prepare project request forms.
- b. Provide all necessary supporting data (project sheets, maps, environmental data forms, fiscal notes, schedules, etc.) for the CIP Committee.
- c. Review projects with other department heads when there is a need to coordinate projects.
- d. Meet with CIP Team on projects.

**2. Public Works**

Review feasibility and cost estimates of all proposed public works type projects including preparatory studies.

**3. Health Department**

As appropriate, review all projects for environmental impact.

**4. Development Services**

Review all projects for conformance with the Transportation and Land use Plan, and whether projects being submitted for grants meet grant eligibility criteria and determination of which projects will compete best for competition grants.

**5. Missoula Redevelopment Agency**

Examine all projects that relate to the Missoula downtown redevelopment area to see that they correspond to Missoula redevelopment plans.

**6. CIP Team**

- a. Review revenue estimates.
- b. Review fund summaries.
- c. Provide overall coordination for development of the CIP.
- d. Review departmental requests and staff comments.
- e. Review priorities, staff advice, and recommended additions, adjustments, or deletions.
- f. Review financial data and recommend proposed plans for financing CIP.

**7. Council Members**

Requests that department heads prepare project forms for projects they feel should be considered.

Update, review and approve CIP annually.

**Method for Ranking Projects**

1. **STEP 1** - The CIP Committee establishes the importance of one criterion over another by assigning the highest numerical score to the highest ranked criteria. This is called the weight factor.

**STEP 2** - The department's criteria score is multiplied by the weight factor to establish a total score. The weight factor broadens the range of total scores and assigns priorities to the criteria. The total score will help determine the relative importance of one project over another in a systematic way.

**STEP 3** - The department heads rate the capital projects according to the established criteria. All departments use the same criteria.

**STEP 4** - Determine that projects are urgently needed for public safety or are mandated legally or by a contractual agreement. (See criteria PI-4 on sample CIP form)

**STEP 5** - Determine scheduling of projects relative to allocation of available funds.

2. **Rationale for Weight Factor Determination**

The weighted score is assigned to each criterion by a method, which measures each criterion against every other criterion. When one criterion is more important than another it is assigned a point. The criterion with the most points (most important) is given the highest weight. For example Criterion 05 (Does the project result in maximum benefit to the community from the investment dollar?) has the highest weight score. The following discussion explains the method by which the criteria were given a weight score. For Street Reconstruction projects, blocks considered to need reconstruction in the next five years are first rated according to the Asphalt Institute Pavement Rating System. Streets planned for reconstruction in the CIP budget year are then assigned a priority ranking utilizing the Asphalt Institute Pavement Rating System.

**Definition of Criteria:**

1. Is the project necessary to meet Federal, State, or local legal requirements? This criterion includes projects mandated by Court Order to meet requirements of law or other requirements. Of special concern are those projects being accessible to the handicapped.
2. Is the project necessary to fulfill a contractual requirement? This criterion includes Federal or State grants that requires local participation. Indicate the Federal grant name and number in the comment column.
3. Is this project urgently required? Will delay result in curtailment of an essential service? This statement should be checked "Yes" only if an emergency is clearly indicated; otherwise, answer "No." If "Yes," be sure to give full justification.

4. Does the project provide for or improve public health or safety? This criterion should be answered "No" unless public health or public safety can be shown to be an urgent or critical factor. If yes, please describe the public health or safety urgency.
5. Does the project result in maximum benefits to the community from the investment dollar? (Equipment and small projects should be related to larger program goals.)

Use a cost/benefit analysis, and/or another systematic method of determining the relative merits of the investment where it is appropriate. You may develop your own method of analysis; however, you may wish to review this method with the Finance Director or CIP Team prior to submitting the project in order to resolve any questionable elements. Leveraging of city money by attracting outside dollars from other public or private sources should be considered and explained.

Examples include when a project may be eligible for a federal or state grant where every dollar of City money will be matched by three dollars of federal monies. Another example would be when a piece of equipment is purchased; it may increase productivity by fifty percent (50%) and thereby reduce personnel and operating costs. This enables the City to avoid additional personnel or operation costs that would have been incurred otherwise in order to keep up with growing public service demand. Another example would include the acquisition of equipment so that a particular operation could be performed in-house as opposed to contracting outside when the in-house costs would be less than outside contracting costs.

Types of analyses include established cost/benefit calculations, return on investment, and payback period through operating savings or other capital savings, and accepted industry rating schemes such as The American Asphalt Institute test. Also, estimate the number of people served over the life expectancy of the project and divide by the cost of the project. Relate this to other similar projects. Put this figure in the comment section and attach the information used to arrive at the figure. Where possible use standard measurements, for example, average daily trips (ADT).

This criterion also applies to the replacement or renovation of obsolete and inefficient facilities, which will result in substantial improvement in services to the public at the least possible cost.

0 – No analysis is submitted where analysis is possible.

1 – Analysis submitted is open to questioning. There are slight benefits to the project and no leveraging.

2 – A credible analysis is submitted showing moderate benefits.

3 – A credible analysis is submitted showing high benefits, which may include substantial leveraging.

6. Does the project require speedy implementation in order to assure its success of maximum effectiveness? (Equipment and small projects should be related to larger program goals.)

0 – Time is not a critical factor (i.e., the project will be as worthwhile doing five years from now as it is now).

1 – Time is of moderate importance.

2 – Time is of substantial importance.

3 – Time is critical factor.

For example, there may be a time limitation on providing a local funding share in order to receive a State or Federal grant. Another example would be if an improvement or replacement project is not performed now, such as replacing a roof, the benefits will be reduced, such as an unrepaired/replaced roof that continues to leak until the building's structure is rotted until there is no structure that can be saved. A third example would be when a hazard, such as environmental pollution, exists and there is an increasing and significant risk that, if the hazard is not abated, then it is likely that significant or irreparable damage occurs or the City might be financially liable for the

consequential damage. There may be other reasons why time is of the essence in the success or failure of a project. If the time factor is critical, explain why.

7. Does the project conserve energy, cultural or natural resources, or reduce pollution?
  - 0 – Does not have any conservation aspects or pollution reduction.
  - 1 – Project has minimal amount of conservation aspects or pollution reduction, or there is no substantiation of the claims of these benefits.
  - 2 – Project has significant level of either conservation aspects or pollution reduction, or an accompanying analysis or reference to another study, or plan substantiates this benefit.
  - 3 – Project has both conservation aspects and an accompanying analysis or reference to another study, or plan substantiates pollution reduction or a substantial amount of energy or pollution savings and this claim.
8. Does the project improve, maintain or expand upon essential City services where such services are recognized and accepted as necessary and effective? Identify in comment section what services are expanded. (Provision of a new service can be ranked anywhere on 0-2 scale).
  - 0 – Low to moderate improvement in low to moderately important service.
  - 1 – Maintain current level of service, substantial improvement of low priority service or moderate improvement of an essential service.
  - 2 – Substantial improvement of an essential service.
9. Does the project relate specifically to the City's strategic planning priorities or other plans?
  - 0 – Project enhances another plan, project or program aside from the strategic plan or does not conflict with any other plans, projects or programs (Note plan, project or program related to in comment section.)
  - 1 – Project enhances any of the strategic directions as determined during the City's strategic planning process. Falls within the appropriate year of the strategic plan.
  - 2 – This project substantially benefits any of the strategic directions to any of priorities as determined during the City's strategic planning process. Falls within the appropriate year of the strategic plan.
  - 3 – This project is critical to any of the strategic directions determined during the City's strategic planning process. Falls within the appropriate year of the strategic plan.

## **2016-2020 Guides for Department Heads in Preparing Information on Projects**

### **Process**

1. Requests for all City Hall building construction needs should be sent to the Public Works Director. Please include the following information: the square footage, the number of people affected and the function of the people affected. Also note the problem with the existing space.
2. Submit project forms to the Finance. If there are any organizations in Missoula that you wish to be sure get a copy of the preliminary list, please submit their names and addresses with your projects.
3. All on-road vehicles worth less than \$35,000 are not included in the Capital Improvement Program.
4. Present a list of projects that might be included in the Capital Improvement Program after 2016.

### **Filling Out Forms**

1. Only projects requesting funding during the first three years of the CIP will be evaluated with the criteria and ranked. The other projects are included for planning purposes without expressing intent to fund or not fund.

2. Be sure that all information asked for on the form is presented. If further explanation is needed, please attach it to the form.
3. If there is a need to coordinate one project with another project either internal or external, note and explain the need for the coordination in Part 5 of the form (Justification). Attach additional information when necessary.
4. In the justification section (Part 5) of the form explain your choice of a particular funding method(s). Also include a justification for your project and its relation to the criteria.
5. Section 7 of the form should reflect funding sources (include operating budget/in-king contributions) your totals should equal the total cost of the project, not just the cost to the City.

## **DESCRIPTION OF PROGRAM CATEGORIES**

The capital budget is broken down into the following categories:

- **CS** – Community Services (includes public buildings, etc.) e.g., renovation and energy improvements as well as new construction
- **PR** –Parks, Recreation and Open Space
- **S** –Street Improvements
- **PS** –Public Safety
- **WW**– Wastewater Facilities
- **SE** –Street Equipment

## **CIP AMENDMENT PROCEDURE**

In the case of a situation that arises which involves receipt of unanticipated revenue or unanticipated Missoula Redevelopment Agency projects the following amendment procedure is prescribed:

1. Department head requests an amendment to the CIP through the Finance Director.
2. CIP Team reviews the request.
3. CIP Team takes the request to all department heads for comments.
4. CIP Team makes recommendation to Council.
5. Amendment goes to Council for approval.

The purpose of this procedure is to handle large capital requests, which occur at mid-fiscal year and to adjust the CIP so that it remains up-to-date and therefore a useful working document.

## **TAX INCREMENT FUNDS**

The unique nature of tax increment funds is recognized. The Missoula Redevelopment Agency undertakes capital expenditures, which are intended to encourage additional private investment within the Central Business District. Not all of these expenditures are committed a year or more in advance and they require the ability on the part of the Missoula Redevelopment Agency (MRA) to respond promptly to developer requests.

Pursuant to the purpose of the CIP all anticipated projects to be funded in part or totally with tax increment funds for acquisition of property and public works facilities will be placed in the CIP. Tax increment funds not committed or anticipated for specific projects within these budget categories will be appropriated as contingency funds, and be made available for authorized expenditures under State law. For project requests made during the fiscal year, which require tax increment financing, the CIP amendment procedure described in Section V shall be used.

The following project categories may be financed with tax increments funds and will not be subject to the CIP process: demolition and removal of structures, relocation of occupants and cost incurred under

redevelopment activities described under MCA 7-15-4233. Section MCA 7-15-4233 outlines the exercise of powers and costs incurred for planning and management, administration and specific urban renewal projects, i.e., rehabilitation programs.

## CAPITAL IMPROVEMENT PROGRAM FUNDING MECHANISMS

The FY 2016-2020 Capital Improvement Program has seventeen different sources of funding. Each funding source is described below.

The various projects submitted by the departments are scored and ranked as shown in the statistical charts in Section IV. Projects within each fund source compete against other projects in that fund source for funding.

As noted before, capital projects, unlike operating expenses which recur annually, only require one-time allocations for a given project. This funding flexibility allows the City to use financing and one-time revenue sources to accelerate completion of critical projects.

All potential capital funding resources are evaluated to ensure equity of funding for the CIP. Equity is achieved if the beneficiaries of a project or service pay for it. For example, general tax revenues and/or General Obligation Bonds appropriately pay for projects that benefit the general public as a whole. User fees, development fees, and/or contributions pay for projects that benefit specific users.

**General Fund Tax Levy:** The City of Missoula sets aside a portion (amount varies from year to year) of its General Fund Tax Levy for projects in a Capital Improvement Program (C.I.P.).

**Cash Balance:** This fund source is a contribution of the City's general fund cash balance, in addition to the portion of the CIP that comes from the general fund tax levy. This category also includes projects which use excess cash reserves in the CIP fund itself.

**State Revenues:** The City receives various payments from the State of Montana for different purposes. A portion of Gas Tax revenues is earmarked for labor and material costs of street projects. The City also maintains State routes within City limits and does special street projects for the State. Revenues from these activities are used for labor, material, and capital outlay expenditures.

**Tax Increment Funds:** This funding source consists of taxes levied on increases in the value of parts of the Central Business District tax base, which began in 1978 and continue today in a few new districts adjacent to the original Central Business District. These funds are earmarked for redevelopment projects within the district boundaries. Several new Urban Renewal Districts have been created to supersede the original downtown district that will address redevelopment issues in two older parts of the City.

**Sewer R & D Fund:** The Sewer Replacement and Depreciation Fund consists of funds set aside annually for future investment in sewage treatment plant facilities.

**Parking Commission:** The Missoula Parking Commission maintains substantial cash reserves that are available to them for projects related to parking needs.

**Grants/Donations:** This fund source consists of Federal grants, State grants, and donations by citizens and businesses where the money is passed through the City.

**CTEP:** These are Federal grants primarily directed towards improving or expanding non-motorized transportation.

**G.O. Bonds:** These are bonds for which the full faith and credit of the City is pledged. G.O. Bonds require voter approval.

**Special Assessments****& Other Debt:**

Special Assessments are charges against certain properties to defray the cost of infrastructure improvements deemed primarily to benefit those properties. Also included are Revenue bonds where the debt service payments are paid for exclusively from the project earnings and Sidewalk/Curb Assessments. Other debt can include revenue bonds for Sewer project loans and tax increment bonds, which were sold to finance the downtown parking structure. Tax increment bonds are repaid by tax increment revenues, which were previously discussed.

**Special District****Assessments for****Roads & Parks:**

These city-wide assessments (levied on the property tax bills) provide some funding for capital construction projects in the city for roads and parks.

**Title One:**

These are funds generated by repayment of HUD? UDAG projects.

**Trails Fund:**

Donations and land lease payments have been set aside in a special revenue fund for the purpose of expanding the trails system.

**Cable TV:**

These are funds generated from collection of franchise fees paid by subscribers of the local cable television operators.

**User Fees:**

User fees are charges for city services where the benefits received from such services can be directly and efficiently applied to those who receive the benefits.

**Park Acquisition &****Development Fund:**

This fund is set up to account for funding that developer's pay to the City instead of donating park land when they are subdividing bare land.

**CMAQ:**

These are federal grants aimed at mitigating air quality problems.

**Other & Private:**

This fund source represents other miscellaneous categories. One type of funding source would be the operating budget, which are the "in-kind" costs of City employee labor that are funded by the operating budget. Private investment is not included in the total City costs of the project, but is shown to demonstrate the "leveraging" of private investment that some projects, especially projects of the Missoula Redevelopment Agency, have. Also included are projects where the State of Montana may fund the project and be responsible for its implementation, so the project does not affect city funds or go through our treasury. These projects are shown because they affect the urban area.

**CAPITAL BUDGET AND ITS IMPACT ON FUTURE OPERATING BUDGETS**

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

The operating impact of capital projects is analyzed and taken into consideration during the extensive CIP prioritization process. Estimated new revenues and/or operational efficiency savings associated with projects are



also taken into consideration (net operating costs). Departmental staff plan and budget for significant start-up costs, as well as the operation and maintenance of new facilities. The cost of operating new or expanded facilities or infrastructure is included in the operating budget in the fiscal year the asset becomes operational. Debt service payments on any debt issued for capital projects is also included in the operating budget.

Listed below are two tables. The first table contains the capital items included in this year's Annual Budget, together with projected impacts on future operating budgets (exclusive of equipment replacement costs). The second table shows the equipment replacement costs by department for the next five fiscal years. A detail of the summarized capital replacement schedule is printed in the appendix to this report.

Please note that the level of operating budget impact is disclosed in the tables below. The General Fund debt service impacts have been in the CIP budget for many years and are discussed in further detail in the debt management section of this document.

The General Fund equipment in the attached replacement schedules will be financed with capital leases ranging from 3 to 7 years. Most leases have a term of 3 to 5 years, depending on the useful life of the equipment. The enterprise fund equipment in the replacement schedule will be paid for in cash.

The future operating debt service impact for both of the new parking structures (East Main Street and the Riverfront Triangle) and the new head-works at the wastewater plant will be completely mitigated by current and future rate increases already in place. Enterprise fund projects supported by revenue bonds will be funded with debt that is rated by national rating agencies (Standard & Poor and Moody's). Rate covenants are in place for the all current revenue bonds requiring that debt service coverage ratios be maintained in order to maintain the debt ratings. No future revenue bonded debt can be issued without a demonstrated history of maintaining adequate debt service coverage ratios (please see the statistical section for coverage calculations for both parking and wastewater).

Other than the debt financed projects discussed above, most non-General Fund supported projects are paid for in cash from various types of revenue streams such as grants and tax increment dollars.

The following capital financings occurred during the previous fiscal year (FY 2015):

- \$3,553,561 Master Governmental Lease Purchase Agreement – heavy equipment/rolling stock for the General Fund and Road and Park District 1 – sold and closed on December 22, 2014.

The following capital financing occurred subsequent to July 1, 2015 (beginning of FY 2016):

- \$1,646,954 Master Governmental Lease Purchase Agreement – heavy equipment/rolling stock for the General Fund and the Road and Park District 1 – sold and closed on November 20, 2015.
- \$1,400,000 Master Governmental Lease Purchase Agreement – parking meter system purchase and installation for the Missoula Parking Commission – sold and closed on August 26, 2015.

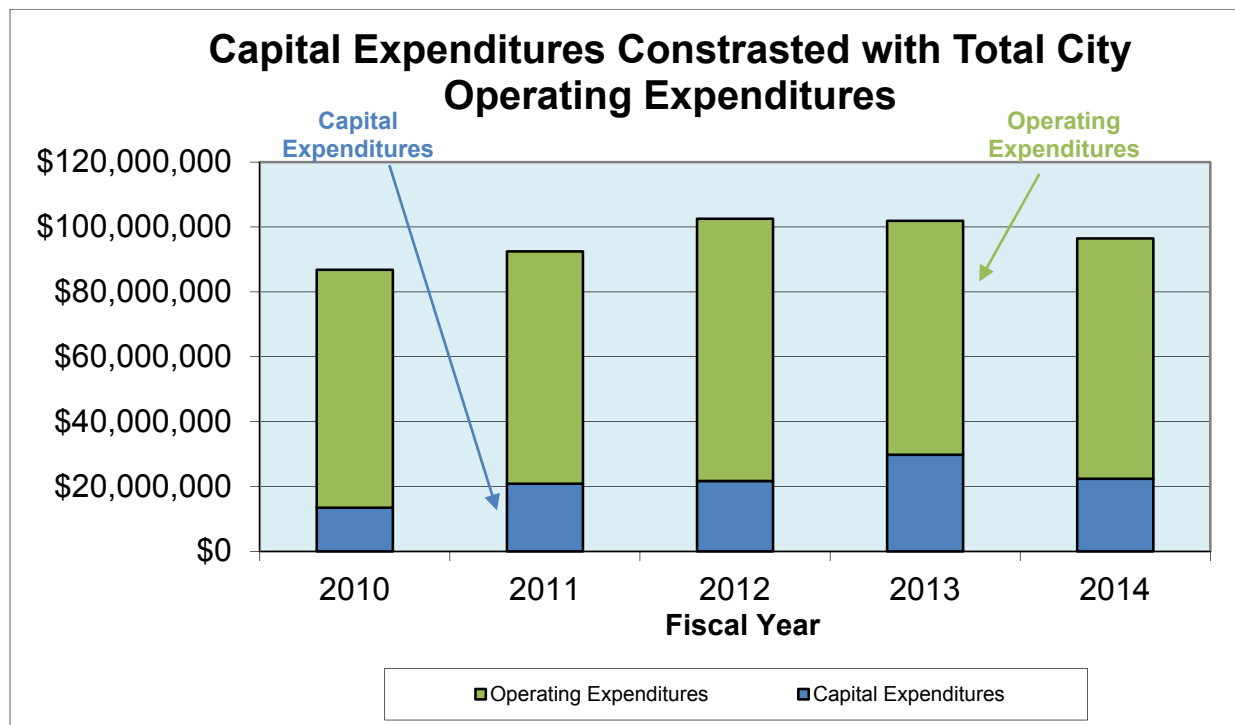


## CAPITAL EXPENDITURES CONTRASTED WITH TOTAL CITY OPERATING EXPENDITURES

The investment by the City in its capital and infrastructure is of primary importance to insure the long-term viability of service levels. The amount of capital expenditures in relation to the total City budget is a reflection of the City's commitment to this goal.

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

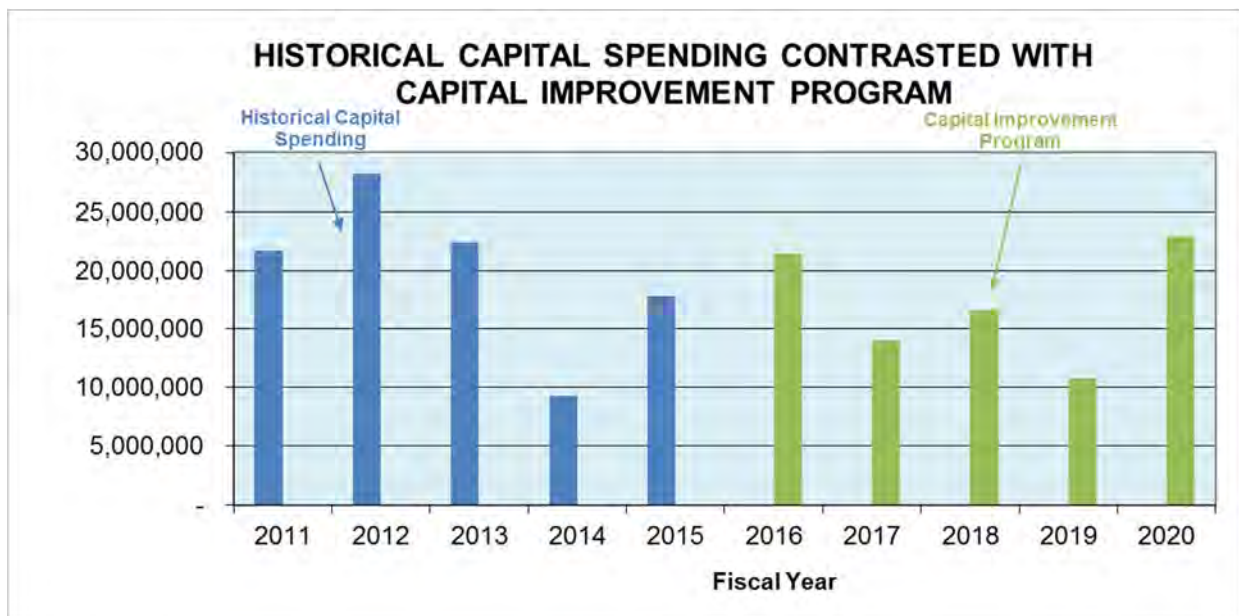
The graph below illustrates Missoula's historical investment in capital. The graph depicts actual capital expenditures over the course the last five years (for which audited values are not available at the time of publication of the budget) as compared to the City's operating budget. Obligor resources to capital investment is appropriate for a growing community, as Missoula strives to meet level of service standards identified in the Strategic Plan and community outcomes identified in the Growth Management Plan.



## CAPITAL IMPROVEMENT PROGRAM (NEXT FIVE YEARS) CONTRASTED WITH HISTORICAL CAPITAL SPENDING (PREVIOUS FIVE YEARS)

Another indicator of Missoula's commitment to providing adequate maintenance of capital, plant, and equipment and orderly and timely replacement of capital, plant and equipment is the amount of projected capital spending over the course of the next five to six years as compared to the previous five-year period. This information is useful to the City Council in their deliberations when determining which items and when these items will or can be included in the Capital Budget. This information also helps the City Council make decisions with a long-term perspective in regards to the capital and operating budget.

Shown below is a graph which contrasts historical capital spending (last five years of audited values) with the capital spending identified in the Capital Improvement Program (the next five years).



## CAPITAL IMPROVEMENT POLICIES

The City of Missoula has developed a set of financial management policies that cover all aspects of its financial operations. These and other policies are reviewed periodically by the Chief Administrative Office, the Finance Director and the City Council and are detailed in the Executive Summary section of this document. Policies on capital improvements are one component of those financial policies. Listed below are excerpts from those policies, which relate specifically to capital improvements.

### CIP Formulation:

- 1) **CIP Purpose.** The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. The CIP is a five-year plan organized into the same functional groupings used for the operating programs. The CIP will reflect a balance between capital replacement projects that repair, replace or enhance existing facilities, equipment or infrastructure; and capital facility projects that significantly expand or add to the City's existing fixed assets.
- 2) **CIP Criteria.** Construction projects and capital purchases of \$5,000 or more will be included in the Capital Improvement Plan (CIP); minor capital outlays of less than \$5,000 will be included in the regular operating budget. The Capital Improvement Plan (CIP) differentiates the financing of high cost long-lived physical improvements from low cost "consumable" equipment items contained in the operating budget. CIP items may be funded through debt financing or current revenues while operating budget items are annual or routine in nature and should only be financed from current revenues.
- 3) **Deteriorating Infrastructure.** The Capital Improvement Plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

### Project Financing:

- 1) **Minor Capital Projects.** Minor capital projects or recurring capital projects, which primarily benefit current residents, will be financed from current revenues. Minor capital projects or recurring capital projects represent relatively small costs of an on-going nature, and therefore, should be financed with current revenues rather than utilizing debt financing. This policy also reflects the view that those who benefit from a capital project should pay for the project.
- 2) **Major Capital Projects.** Major capital projects, which benefit future residents, will be financed with other financing sources (e.g. debt financing). Major capital projects represent large expenditures of a non-recurring nature which primarily benefit future residents. Debt financing provides a means of generating sufficient funds to pay for the costs of major projects. Debt financing also enables the costs of the project to be supported by those who benefit from the project, since debt service payments will be funded through charges to future residents.

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

FY 2016 Capital Budget & Operating Budget Impacts Projects by Department/Project Name					
FY 2016 Capital Budget		Annual Operating Budget Impacts			
Department/Project Title	Appropriation	Personal Services Costs	Other Operating Costs	Debt Service Costs	Total
<b>General Fund Capital Purchases</b>					
PC - Computer Replacement - City Wide	\$ 75,000				\$ 75,000
<b>CIP - General Fund</b>					
White Pine Debt Service Series 2001A	-			129,813	129,813
City Hall Expansion Debt Service	-			81,860	81,860
Aquatics - General Fund Debt Service2006C (\$1.86 M)	-			130,641	130,641
Fire Station #4 - General Fund Debt Serv. 2007A (\$680K)	-			53,705	53,705
50 Meter Pool - Gen. Fund Debt Serv. (\$840 K)	-			58,825	58,825
Internally Financed Equipment - owed to CIP	-			159,677	159,677
Energy Savings Performance Debt 2010C	-			82,925	82,925
CIP CORE Replacement Equipment	-			333,023	333,023
<b>Wastewater Treatment Plant</b>					
Old Highway 93 Sewer Interceptor	60,000				60,000
Sewer Pipe Rehabilitation Program	200,000				200,000
Russell Street Interceptor (6th-Idaho)	14,000				14,000
Reserve St Lift Station Upgrade & Rehabilitation	1,417,200				1,417,200
Broadway Interceptor(North of Russel St Bridge)	20,000				20,000
Biogas Electrical Generation	1,179,100				1,179,100
Treatment Plant Operating Software	50,000				50,000
Plant Repairs	200,000				200,000
Linda Vista Estates Pump Station and Force Main Upsizing	58,559				58,559
Mass Spectrophotomer	50,000				50,000
<b>Missoula Redevelopment Agency</b>					
Brooks St Corridor Improvements	1,625,000				1,625,000
Burlington/Sidewalks	687,500				687,500
<b>Other Funds - CIP - FY 2016</b>					
Copier Replacement Schedule	5,000				5,000
Vehicle Replacement Schedule	1,886,600				1,886,600
Energy Conservation and Climate Action Activities	1,915,000				1,915,000
Caras Park Outfall-Stormwater Retrofit	196,000				196,000
CAFR Builder	18,575				18,575
Sign Plotter Replacement	19,720				19,720
Self Host Automation	153,448				153,448
Animal Control Re-Roof	20,000				20,000
Aquatics CIP Plan for Splash & Currents	126,000				126,000
Park Asset Management(Replace, Renovate, Improve)	70,000				70,000
Park Development & Expansion	230,540				230,540
Grant Creek Trail-Cable Rail	45,000				45,000
Msla to Lolo/Bitterroot Transporation Corridor	156,000				156,000
All Abilities Playground at McCormick	300,000				300,000
Trail maps for Wayfind Missoula	32,000				32,000
Park & Trails Bond Playgrounds	135,000				135,000
FMRP Equipment Needs	115,000				115,000
Recreation Passenger Van	45,000				45,000
1 Ton Pickup Truck	45,000				45,000
Traffic Control Equipment	18,000				18,000
Station 1 Roof Repairs	35,000				35,000
Fleet Management Software	19,085				19,085
Boat Ramp Design & Permit	10,900				10,900
Grant Creek/I-90 Intersection Improvements	400,000				400,000
South 3rd Street Reconstruction (Russell to Reserve)	1,122,000				1,122,000
Hillview Way Street Improvements	3,679,428				3,679,428
Street Improvement and Major Maintenance Program	1,253,100				1,253,100
Annual Sidewalk Installation/Replacement Program	2,010,000				2,010,000
<b>GRAND TOTAL</b>	<b>\$ 19,697,755</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,030,469</b>	<b>\$ 20,728,224</b>

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

DEPARTMENT	EQUIPMENT REPLACEMENT TOTALS									
	FY2016		FY2017		FY2018		FY2019		FY2020	
FLEET SERVICES										
Total Operating Portion	\$	-	\$	35,000	\$	-	\$	-	\$	-
Total CIP Portion		-		-		-		-		-
TOTAL BUDGET AND CIP	\$	-	\$	35,000	\$	-	\$	-	\$	-
P.W. ENGINEERING										
Total Operating Portion	\$	30,000	\$	90,000	\$	5,000	\$	60,000	\$	-
Total CIP Portion		-		-		-		-		-
TOTAL BUDGET AND CIP	\$	30,000	\$	90,000	\$	5,000	\$	60,000	\$	-
POLICE DEPARTMENT										
Total Operating Portion	\$	143,000	\$	329,000	\$	366,000	\$	289,000	\$	406,000
Total CIP Portion		-		-		-		-		-
TOTAL BUDGET AND CIP	\$	143,000	\$	329,000	\$	366,000	\$	289,000	\$	406,000
FIRE EMERGENCY VEHICLES										
Total Operating Portion	\$	35,000	\$	35,000	\$	35,000	\$	35,000	\$	35,000
Total CIP Portion		60,000		430,000		430,000		21,000		1,414,000
TOTAL BUDGET AND CIP	\$	95,000	\$	465,000	\$	465,000	\$	56,000	\$	1,449,000
FIRE ADMINISTRATION										
Total Operating Portion	\$	95,000	\$	30,000	\$	-	\$	-	\$	-
Total CIP Portion		-		-		-		-		-
TOTAL BUDGET AND CIP	\$	95,000	\$	30,000	\$	-	\$	-	\$	-
P.W. STREET DIVISION										
Total Operating Portion	\$	60,000	\$	85,000	\$	-	\$	-	\$	-
Total CIP Portion		784,000		991,000		580,000		367,000		1,135,000
TOTAL BUDGET AND CIP	\$	844,000	\$	1,076,000	\$	580,000	\$	367,000	\$	1,135,000
P.W. VEHICLE MAINTENANCE										
Total Operating Portion	\$	-	\$	-	\$	-	\$	-	\$	-
Total CIP Portion		25,000		70,000		-		-		-
TOTAL BUDGET AND CIP	\$	25,000	\$	70,000	\$	-	\$	-	\$	-
P.W. TRAFFIC SERVICES										
Total Operating Portion	\$	-	\$	-	\$	-	\$	-	\$	-
Total CIP Portion		150,000		16,000		-		-		-
TOTAL BUDGET AND CIP	\$	150,000	\$	16,000	\$	-	\$	-	\$	-
PARKS DEPARTMENT										
Total Operating Portion	\$	120,000	\$	-	\$	30,000	\$	-	\$	-
Total CIP Portion		45,000		446,000		260,000		118,000		82,000
TOTAL BUDGET AND CIP	\$	165,000	\$	446,000	\$	290,000	\$	118,000	\$	82,000
Grand Total Operating Portion	\$	483,000	\$	604,000	\$	436,000	\$	384,000	\$	441,000
Grand Total CIP Portion		1,064,000		1,953,000		1,270,000		506,000		2,631,000
TOTAL GENERAL FUND	\$	1,547,000	\$	2,557,000	\$	1,706,000	\$	890,000	\$	3,072,000

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

DEPARTMENT		EQUIPMENT REPLACEMENT TOTALS				
		<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>
<b>CEMETERY</b>						
Total Operating Portion	\$	-	\$ -	\$ -	\$ -	-
Total CIP Portion		56,000	40,000	30,000	56,000	30,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$</b>	<b>56,000</b>	<b>\$ 40,000</b>	<b>\$ 30,000</b>	<b>\$ 56,000</b>	<b>\$ 30,000</b>
<b>P.W. BUILDING INSPECTION</b>						
Total Operating Portion	\$	-	\$ 90,000	\$ 30,000	\$ 60,000	\$ 30,000
Total CIP Portion		-	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$</b>	<b>-</b>	<b>\$ 90,000</b>	<b>\$ 30,000</b>	<b>\$ 60,000</b>	<b>\$ 30,000</b>
<b>P.W. WASTE WATER TREATMENT</b>						
Total Operating Portion	\$	180,000	\$ 45,000	\$ 70,000	\$ 35,000	\$ 180,000
Total CIP Portion		265,000	48,000	488,000	235,000	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$</b>	<b>445,000</b>	<b>\$ 93,000</b>	<b>\$ 558,000</b>	<b>\$ 270,000</b>	<b>\$ 180,000</b>
<b>PARKING COMMISSION</b>						
Total Operating Portion	\$	30,000	\$ 73,000	\$ -	\$ 28,000	\$ 82,000
Total CIP Portion		-	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$</b>	<b>30,000</b>	<b>\$ 73,000</b>	<b>\$ -</b>	<b>\$ 28,000</b>	<b>\$ 82,000</b>
Total Operating Portion	\$	210,000	\$ 208,000	\$ 100,000	\$ 123,000	\$ 292,000
Total CIP Portion		321,000	88,000	518,000	291,000	30,000
<b>TOTAL NON-GENERAL FUND</b>		<b>531,000</b>	<b>296,000</b>	<b>618,000</b>	<b>414,000</b>	<b>322,000</b>
Grand Total	\$	2,078,000	\$ 2,853,000	\$ 2,324,000	\$ 1,304,000	\$ 3,394,000
Federal Transportation Portion		(191,400)	(339,300)	(147,900)	-	-
<b>TOTALS</b>	<b>\$</b>	<b>1,886,600</b>	<b>\$ 2,513,700</b>	<b>\$ 2,176,100</b>	<b>\$ 1,304,000</b>	<b>\$ 3,394,000</b>

## EQUIPMENT REPLACEMENT DETAIL

FLEET SERVICES							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
800	TOYOTA PRIUS	ADMIN			\$35,000		
887	DODGE GRAND CARAVAN	MRA					
<b>Total</b>	<b>2</b>		<b>\$0</b>	<b>\$0</b>	<b>\$35,000</b>	<b>\$0</b>	<b>\$0</b>
ENGINEERING DIVISION							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
502	FORD ESCAPE	ENGR					
503	JEEP GRAND CHEROKEE	ADMIN		\$30,000			
505	JEEP LIBERTY	ENGR.				\$30,000	
506	FORD RANGER EXT CAB	INSPECTION					
507	GMC SONOMA	INSPECTION					
509	CHEVROLET IMPALA	ADMIN				\$30,000	
510	GMC COLORADO	ENGR		\$30,000			
511	GMC SIERRA 2500	ENGR		\$30,000			
512	CHEVROLET COLORADO	INSPECTION	\$30,000				
514	FORD F250	INSPECTION					
	SEWER TAP COMPRESSORS	ENGR.			\$5,000		
<b>Total</b>	<b>10</b>		<b>\$30,000</b>	<b>\$90,000</b>	<b>\$5,000</b>	<b>\$60,000</b>	<b>\$0</b>

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

## EQUIPMENT REPLACEMENT DETAIL

POLICE DEPARTMENT							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
1	FORD ESCAPE	ADMIN			\$25,000		
5	CHEVROLET IMPALA	DETECTIVE					\$25,000
6	FORD ESCAPE	ADMIN					
7	CHEVROLET G30 VAN	CRIME VAN					
8	DODGE JOURNEY	ADMIN					
9	DODGE 1500	K9				\$45,000	
11	CHEVROLET IMPALA	DETECTIVE	\$25,000				
12	CHEVROLET IMPALA	DETECTIVE					
19	FORD TAURUS	DETECTIVE					
20	DODGE DAKOTA	AI	\$40,000				\$40,000
23	DODGE DAKOTA	AI					
24	DODGE JOURNEY	ADMIN					
26	DODGE JOURNEY	ADMIN					
27	DODGE JOURNEY	ADMIN					
42	FORD EXPEDITION	K9	\$40,000				
48	CHEVROLET TAHOE	PATROL		\$38,000			
50	DODGE CHARGER	PATROL					
55	DODGE CHARGER	PATROL	\$42,000			\$38,000	
60	DODGE CHARGER	PATROL		\$38,000			\$38,000
61	DODGE CHARGER	PATROL		\$38,000			\$38,000
62	DODGE CHARGER	PATROL		\$38,000			\$38,000
63	DODGE CHARGER	PATROL		\$38,000			\$38,000
64	DODGE CHARGER	PATROL		\$38,000			\$38,000
65	DODGE CHARGER	PATROL		\$38,000			\$38,000
66	DODGE CHARGER	PATROL		\$38,000			\$38,000
67	DODGE CHARGER	PATROL			\$38,000		
70	DODGE CHARGER	PATROL			\$38,000		
71	DODGE CHARGER	PATROL			\$38,000		
72	DODGE CHARGER	PATROL			\$38,000		
73	DODGE CHARGER	PATROL			\$38,000		
74	DODGE CHARGER	PATROL			\$38,000		
75	DODGE CHARGER	PATROL			\$38,000		
80	DODGE CHARGER ALL WHL DRIVE	PATROL				\$45,000	
81	DODGE CHARGER ALL WHL DRIVE	PATROL				\$45,000	
82	DODGE CHARGER ALL WHL DRIVE	PATROL				\$45,000	
83	DODGE CHARGER ALL WHL DRIVE	PATROL				\$45,000	
84	DODGE CHARGER ALL WHL DRIVE	PATROL				\$45,000	
85	DODGE CHARGER ALL WHL DRIVE	PATROL				\$45,000	
1207	HONDA ST1300PA	PATROL				\$25,000	
1271	HONDA ST1300PA	PATROL				\$25,000	
1276	HONDA ST1300PA	PATROL				\$25,000	
1338	HONDA ST1300PA	PATROL				\$25,000	
8033	CHEVROLET IMPALA	DETECTIVE		\$25,000			
8040	FORD F150 CREW CAB	DETECTIVE				\$40,000	
8059	CHEVROLET IMPALA	DETECTIVE			\$25,000		
8060	CHEVROLET IMPALA	DETECTIVE			\$25,000		
8088	MALIBU HYBRID	DETECTIVE					\$25,000
8089	MALIBU HYBRID	DETECTIVE					\$25,000
8090	MALIBU HYBRID	DETECTIVE					\$25,000
	NEW CRO VEHICLE	PATROL	\$32,000				
<b>Total</b>			<b>\$179,000</b>	<b>\$329,000</b>	<b>\$341,000</b>	<b>\$493,000</b>	<b>\$406,000</b>

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

## EQUIPMENT REPLACEMENT DETAIL

FIRE DEPARTMENT							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
	CATARAFT TUBES AND TRAILER	RESCUE					
4461	FIRE ENGINE (TYPE 1)	RESPONSE					
2	RESCUE WATER CRAFT	RESCUE					
1073	FIRE ENGINE (TYPE 1)	RESPONSE					
3227	FIRE ENGINE (TYPE 1)	RESPONSE			\$470,000		
2341	FIRE ENGINE (TYPE 1)	RESPONSE		\$456,000			
1373	FIRE ENGINE (TYPE 1)	RESPONSE					
6664	FIRE ENGINE (TYPE 1)	RESPONSE					
9974	FIRE ENGINE (TYPE 1)	RESPONSE					
4747	LADDER TRUCK	RESPONSE					
9021	LADDER TRUCK	RESPONSE					\$1,400,000
4197	WATER TENDER (20 YR)	RESPONSE					
3885	WILDLAND ENGINE (TYPE 3)	RESPONSE					
8685	WILD LAND ENGINE (TYPE 2)	RESPONSE		\$117,000			
4002	WILDLAND ENGINE (TYPE 3)	RESPONSE					
7237	WILD LAND ENGINE (TYPE 6)	RESPONSE					
3131	COMMAND VEHICLE	RESPONSE					
3132	COMMAND VEHICLE	RESPONSE					
5803	COMMAND VEHICLE	RESPONSE	\$60,000				
	GENERATORS (All 5 Stations)	RESPONSE					
	COMPRESSORS AND FILL STATION	RESPONSE				\$50,000	
	SCBA (15 YRS)	PPE					
	INFORMATION SYSTEMS (MIDC'S)	6 UNITS					
	THERMAL IMAGERS (6 YRS)	7 UNITS				\$21,000	\$14,000
	HAND HELD MOBILE RADIOS	60 UNITS	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
	DEFIBRILLATORS (10 YRS)	5 UNITS					
	LAND FOR STATION 6						
<b>Total</b>	<b>18</b>		<b>\$95,000</b>	<b>\$608,000</b>	<b>\$505,000</b>	<b>\$106,000</b>	<b>\$1,449,000</b>

FIRE DEPT. ADMINISTRATION							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
902	CHEVROLET IMPALA	FIRE CHIEF		\$30,000			
903	CHEVROLET UPLANDER	MOTOR POOL	\$30,000				
NEW	CHEVROLET COLORADO	INSPECTION					
908	FORD RANGER	INSPECTION	\$30,000				
909	TOYOTA PRIUS	EMS					
912	FORD F 250	TRAINING	\$35,000				
<b>Total</b>	<b>6</b>		<b>\$95,000</b>	<b>\$30,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

BUILDING DIVISION							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
401	FORD ESCAPE	INSPECTION		\$30,000			
403	CHEVROLET COLORADO	INSPECTION			\$30,000		
404	JEEP PATRIOT	INSPECTION					\$30,000
406	JEEP PATRIOT	INSPECTION				\$30,000	
407	JEEP PATRIOT	INSPECTION				\$30,000	
408	FORD ESCAPE	INSPECTION		\$30,000			
410	FORD ESCAPE	INSPECTION		\$30,000			
	NEW VEHICLE REQUEST	INSPECTION	\$30,000				
<b>Total</b>	<b>7</b>		<b>\$30,000</b>	<b>\$90,000</b>	<b>\$30,000</b>	<b>\$60,000</b>	<b>\$30,000</b>



# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

## EQUIPMENT REPLACEMENT DETAIL

STREET DIVISION							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
101	GMC EXT CAB 1/2 TON	ADMIN					
102	GMC EXT CAB 1/2 TON	ADMIN	\$30,000				
103	GMC EXT CAB 1/2 TON	ADMIN	\$30,000				
104	DODGE 3/4 TON	PAVING CREW		\$45,000			
110	F350 FLAT BED / LIFT GATE	OPERATIONS					
111	FORD F350 CREW CAB	OPERATIONS		\$40,000			
112	JOHNSTON 650	SWEEPER					
113	JOHNSTON 650	SWEEPER					
114	JOHNSTON 650	SWEEPER				\$250,000	
115	JOHNSTON 650	SWEEPER					\$250,000
116	JOHNSTON 650	SWEEPER					
117	ISUZU JOHNSTON 650	SWEEPER		\$220,000			
118	PETERBILT JOHNSTON 650	SWEEPER					\$250,000
120	ELGIN BROOM BEAR	SWEEPER					
121	IH TANDEM VAC-CON	VACUUM					\$270,000
122	CAT	GRADER					\$225,000
123	CAT	GRADER		\$225,000			
124	F350 FORD DUMP BOX	1 TON DUMP					
125	ELGIN BROOM BEAR	SWEEPER					
131	I.H. TANDEM AXLE	TANDEM DUMP					\$130,000
132	I.H. TANDEM AXLE	TANDEM DUMP				\$130,000	
135	FREIGHTLINER	TANDEM DUMP					
136	FREIGHTLINER	FLUSHER	\$190,000				
137	FREIGHTLINER	TANDEM DUMP					
138	I.H. 7400	FLUSHER	\$190,000				
139	I.H. TANDEM AXLE	TANDEM DUMP					
140	STERLING TANDEM AXLE	TANDEM DUMP					
143	ROSCO SPR-H	CHIP SPREADER			\$200,000		
145	CAT AP500E	PAVER					
146	CAT	LOADER	\$165,000				
147	CAT	LOADER	\$165,000				
149	CAT	BACKHOE					
150	BOMAG	ASPHALT ROLL				\$75,000	
154	CAT	LOADER				\$102,000	
155	KOMTSU	LOADER					
169	FORD SINGLE AXLE	ANTI-ICE/PLOW					
171	BOBCAT	SKID STEER				\$55,000	
172	CAT	SKID STEER					
173	FORD F750	POTHOLE TRUCK					
175	FORD/ROSCO	POTHOLE TRUCK	\$155,000				
176	STERLING	SANDER/PLOW		\$120,000			
177	STERLING	SANDER/PLOW			\$120,000		
178	IH 7400 SINGLE AXLE	SANDER/PLOW			\$120,000		
179	FREIGHTLINER	DEDICATED SANDERS					
180	FREIGHTLINER	DEDICATED SANDERS					
181	FREIGHTLINER	DEDICATED SANDERS					
182	FREIGHTLINER	DEDICATED SANDERS					
183	FREIGHTLINER	DEDICATED SANDERS					
184	FREIGHTLINER 108SD	SANDER/PLOW					
185	AUTOCAR	VACUUM SWEEPER					
186	AUTOCAR	VACUUM SWEEPER					
187	AUTOCAR	VACUUM SWEEPER					
194	CIMLINE CRACK SEALER	CRACK SEALER					
195	HUDSON HD	ASPHALT RECYCLER					
196	CATERPILLAR PS 150B	RUBBER TIRED ROLLER			\$80,000		
197	DYNAPACK CP132 9	RUBBER TIRED ROLLER			\$80,000		
T-100	TRAIL KING	TRAILER	\$41,000				
T102	WALTON	TRAILER		\$41,000			
T-105	TOW MASTER	TRAILER					
T-145	ECONOLINE	PAVER TRAILER					
T-146	TOWMASTER T40	PAVER TRAILER					

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

## EQUIPMENT REPLACEMENT DETAIL

STREET DIVISION (Cont'd)							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
P105	BOSS RTE PLO	SNOW PLOW					
P130	SCHMIDT	SNOW PLOW					
P167	SCHMIDT	SNOW PLOW					
168 (SPARE)	SCHMIDT	SNOW PLOW					
P169	SCHMIDT HSP4210POLLY	SNOW PLOW	\$19,000				
P176	SCHMIDT	SNOW PLOW					
P177	SCHMIDT	SNOW PLOW					
P178	SCHMIDT	SNOW PLOW					
P179	HENKE	SNOW PLOW					
P180	HENKE	SNOW PLOW					
P181	HENKE	SNOW PLOW					
P182	BONNELL	SNOW PLOW					
P183	BONNELL	SNOW PLOW					
CS150	NORTON CLIPPER	CEMENT SAW					
	SANDERS	1 PER 2 YEARS		\$16,000		\$16,000	
	ASPHALT WACKIER	1 PER 2 YEARS		\$5,000		\$5,000	
	DEICER UNITS	1 PER 2 YEARS	\$10,000		\$10,000		\$10,000
	NEW FOR FY 16 HEAVIER ROLLER	NEW REQUEST	\$180,000				
<b>Total</b>	<b>78</b>		<b>\$1,175,000</b>	<b>\$712,000</b>	<b>\$610,000</b>	<b>\$633,000</b>	<b>\$1,135,000</b>

VEHICLE MAINTENANCE							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
702	HYSTER	OPERATION			\$25,000		
777	CAT - OLYMPIAN	GENERATOR				\$50,000	
<b>Total</b>	<b>2</b>		<b>\$0</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$50,000</b>	<b>\$0</b>

TRAFFIC DIVISION							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
561	ISUZU NPR	OPERATIONS					
564	HONDA RANCHER ATV	OPERATIONS					
567	ISUZU NPR	OPERATIONS					
573	DODGE GRAND CARAVAN	VAN			\$30,000		
584	SMART TRAILER	RADAR		\$16,000			
585	FREIGHTLINER AERIAL LIFT	MAN LIFT	\$180,000				
588	GMC SIERRA	COM SHOP					
591	LONG CHIH	RADAR		\$16,000			
592	ISUZU NPR	OPERATIONS					
<b>Total</b>	<b>9</b>		<b>\$180,000</b>	<b>\$32,000</b>	<b>\$30,000</b>	<b>\$0</b>	<b>\$0</b>

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

## EQUIPMENT REPLACEMENT DETAIL

WWT DIVISION							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
302	FORD FUSION HYBRID	PLANT MAINT	\$30,000				
310	CAT 416 D LOADER BACKHOE	PLANT MAINT			\$70,000		
313	FORD TRANSIT CONNECT	OPERATIONS					
314	GMC SIERRA 3500	PLANT MAINT		\$45,000			
316	DOOSAN FORKLIFT	PLANT MAINT					
317	PIPEHUNTER SIDEKICK EASMENT	OPERATIONS					
321	IH AQUATEC	OPERATIONS					
323	DODGE GRAND CARAVAN	OPERATIONS					
324	CHEVY 1 TON	OPERATIONS					
325	FORD RANGER	OPERATION				\$35,000	
326	CHEVROLET	COLORADO			\$35,000		
328	IH AQUATEC	VACUUM			\$270,000		
329	FORD LNT 8000	JETTER					
330	INGERSOLL RAND	COMPRESSOR		\$18,000			
332	FREIGHTLINER	JETTER	\$235,000				
334	GMC SIERRA 1500	OPERATIONS		\$30,000			
335	SECA JETTER UNIT	COLLECTIONS				\$235,000	
336	FORD F350	COLLECTIONS	\$45,000				\$45,000
337	FORD F350	COLLECTIONS	\$45,000				\$45,000
338	FORD F350	COLLECTIONS	\$45,000				\$45,000
339	FORD F350	COLLECTIONS	\$45,000				\$45,000
375	FORD 4" PUMP	PLANT					
381	COMC 3" PUMP	PLANT					
385	LANDA PRESSURE WASH	PLANT					
387	OLYMPIAN GENERATOR	COLLECTIONS			\$41,000		
388	OLYMPIAN GENERATOR	COLLECTIONS			\$41,000		
390	OLYMPIAN GENERATOR	COLLECTIONS			\$41,000		
392	SULLAIR 210H COMPRESSOR	COLLECTIONS					
NV6	NASHUA TRAILER	COLLECTIONS					
T301	RETTIG UTILITY TRAILER	COLLECTIONS			\$7,000		
T329	SECA JETTER UNIT	COLLECTIONS			\$25,000		
Total Core Un		31	\$445,000	\$93,000	\$530,000	\$270,000	\$180,000

CEMETERY							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
601	CASE 580 CKB	Loader w/3pt. Hitch					
602	SULAIR COMPRESSOR DF210HJD	Air Compressor					
604	TORO WALK BEHIND	Mower					
605	KUBOTA	Mower					
608	HUSTLER \ ATTACHMENTS	Mower		\$40,000			
609	HUSTLER \ ATTACHMENTS	Mower					
610	POLARIS RANGER	Utility Cart			\$16,000		
611	TORO WORKMAN	Utility Cart					
613	JOHN DEERE	Tractor					
614	KUBOTA	Utility Cart		\$16,000			
615	HUSTLER \ ATTACHMENTS	Mower			\$40,000		
616	PROCORE 880	SOIL AERATOR					\$30,000
618	HUSTLER \ ATTACHMENTS	Mower				\$40,000	
625	BACKHOE LOADER	OPERATION					
698	KUBOTA	UTV					
Total Core Un		15	\$0	\$56,000	\$56,000	\$40,000	\$30,000

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

## EQUIPMENT REPLACEMENT DETAIL

PARKS DEPARTMENT							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
201	DODGE RAM 1500	OPERATIONS					
202	DODGE GRAND CARAVAN	OPERATIONS					
205	FORD TRANSIT 15 PASSENGER	OPERATIONS					
208	FORD F350 FLAT BED LIFT GATE	OPERATIONS					
209	BABB TRAILER W/ PRESSURE WASHER	OPERATIONS		\$21,000			
210	CHEVY SILVERADO HYBRID	OPERATIONS			\$35,000		
211	POLARIS 6x6 UTV	CONSERVATION				\$20,000	
212	MORBARK CHIPPER	CONSERVATION					\$40,000
214	CASE 580L	OPERATIONS			\$85,000		
221	FORD TRANSIT 15 PASSENGER	RECREATION					
224	JOHN DEERE TRACTOR 6310	CONSERVATION		\$65,000			
225	BOBCAT TOOLCAT	OPERATIONS				\$70,000	
229	KUBOTA F3990	OPERATIONS					
233	HONDA RUBICON	OPERATIONS			\$10,000		
239	KUBOTA 3680	OPERATIONS					
241	TORO 5900 16' MOWER	MOWER					
243	CHEVY PICKUP	OPERATIONS	\$45,000				
245	TORO 5900 16' MOWER	OPERATIONS					
246	FORD F700 AERIAL LIFT TRUCK	FORESTRY		\$110,000			
248	BANDIT 3200 STUMP GRINDER	FORESTRY					
252	MITSUBISHI (MINNI TRUCK)	OPERATIONS			\$30,000		
253	HONDA (MINI TRUCK)	OPERATIONS			\$30,000		
255	MITSUBISHI (MINNI TRUCK)	OPERATIONS			\$30,000		
256	LAND PRIDE SEEDER	OPERATIONS				\$13,000	
258	KUBOTA MOWER	OPERATIONS					
262	TORO	OPERATIONS		\$90,000			
264	FORD F350 DUMP BOX	OPERATIONS					
265	CHEVROLET ¾ TON PICKUP	OPERATIONS	\$30,000				
272	GMC SIERRA PICKUP	OPERATIONS			\$30,000		
275	JOHN DEERE 1445	MOWER		\$40,000			
276	JOHN DEERE 1445	MOWER		\$40,000			
277	BANDIT 255XP	CHIPPER					
286	TORO 580D MOWER	MOWER					
287	KUBOTA UTV	OPERATIONS			\$40,000		
289	KUBOTA UTV	OPERATIONS			\$40,000		
294	FORD F 250	OPERATIONS					
295	TORO 5900 16' MOWER	MOWER					
298	JOHN DEERE 1445	MOWER			\$40,000		
T202	B-WELDING TRAILER	OPERATIONS					
T203	B-WELDING TRAILER	OPERATIONS					
T204	SPORT LAND TRAILER	OPERATIONS					\$10,000
T205	SPORT LAND TRAILER	OPERATIONS					\$10,000
T206	SPORT LAND TRAILER	OPERATIONS					\$10,000
T207	UTILITY TRAILER	OPERATIONS		\$10,000			
T208	UTILITY TRAILER	OPERATIONS			\$10,000		
T211	TITAN 16' TRAILER	OPERATIONS		\$15,000			
T214	REDMAX 12 TON TRAILER	OPERATIONS		\$15,000			
T215	TRAILER	OPERATIONS					
T262	PJ TRAILER	OPERATIONS				\$15,000	
273A	PULL BEHIND AERATOR	OPERATIONS					\$12,000
	RECREATION VANS	OPERATIONS					
	SKID STEER	OPERATIONS	\$90,000				
	ONE TON TRUCK	OPERATIONS	\$45,000				
	PAVEMENT STRIPPER	GREEN WAYS	\$8,000				
	PAVEMENT GRINDER	GREEN WAYS	\$14,000				
	11 FOOT MOWER	GREEN WAYS		\$78,000			
	ARROW BOARD TRAILER	GREEN WAYS		\$18,000			
	CHIPPER	GREEN WAYS		\$45,000			
	RECREATION VANS	OPERATIONS	\$90,000				

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

## EQUIPMENT REPLACEMENT DETAIL

PARKS DEPARTMENT (Cont'd)							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
*	<b>NEW ITEMS FOR FORT MISSOULA</b>						
*	72" MOWER NEW ITEM FORT MSLA	OPERATIONS	\$31,000				
*	FIELD PAINTER NEW ITEM FORT MSLA	OPERATIONS	\$8,000				
*	AERATOR NEW ITEM FORT MSLA	OPERATIONS	\$10,000				
*	SPREADER NEW ITEM FORT MSLA	OPERATIONS	\$5,000				
*	1/2 TON TRUCK NEW ITEM FORT MSLA	OPERATIONS	\$30,000				
*	UTILITY VEHICLE NEW ITEM FORT MSLA	OPERATIONS	\$18,000				
*	3 YARD DUMP TRAILER NEW ITEM FORT	OPERATIONS	\$8,000				
*	LINE TRIMMER, BLOWER SNOW BLADES	OPERATIONS	\$5,000				
*	16' MOWER NEW ITEM FORT MSLA	OPERATIONS		\$90,000			
*	72" MOWER NEW ITEM FORT MSLA	OPERATIONS		\$31,000			
*	1/2 TON TRUCK NEW ITEM FORT MSLA	OPERATIONS		\$30,000			
<b>Total</b>	<b>50</b>		<b>\$437,000</b>	<b>\$698,000</b>	<b>\$380,000</b>	<b>\$118,000</b>	<b>\$82,000</b>
PARKING COMM.							
UNIT #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2016	FY2017	FY2018	FY2019	FY2020
858	CHEVROLET 3500	METER READ			\$50,000		
865	GO-4	METER READ				\$32,000	
866	GO-4	METER READ					
867	GO-4	METER READ		\$32,000			
868	GO-4	METER READ			\$32,000		
869	GO-4	METER READ					\$32,000
870	GMC	SNOW PLOW					\$50,000
871	JOHN DEERE GATOR	SNOW PLOW					
872	GMC SIERRA	SNOW PLOW				\$50,000	
874	JOHNSTON 605	SWEEPER					
<b>Total</b>	<b>10</b>		<b>\$0</b>	<b>\$32,000</b>	<b>\$82,000</b>	<b>\$82,000</b>	<b>\$82,000</b>
<b>Grand Total</b>	<b>287</b>		<b>\$2,666,000</b>	<b>\$2,770,000</b>	<b>\$2,629,000</b>	<b>\$1,912,000</b>	<b>\$3,394,000</b>

## COPIER EQUIPMENT REPLACEMENT SCHEDULE - ALL

COPIER DESCRIPTION	FY2016	FY2017	FY2018	FY2019	FY2020
<b>GENERAL FUND DEPARTMENTS</b>					
Attorney - Konica Minolta BizHub 353	\$ -	\$ -	\$ -	\$ -	\$ -
Clerk - Konica Minolta BizHub C550	-	-	-	-	-
Council - HP LaserJet 4345xs MFP	-	-	-	-	-
Finance - HP LaserJet 8150DN	5,000	-	-	-	-
Human Resources - Minolta Di3510	-	-	-	-	-
Mayor - Sharp MX3501N	-	-	-	-	-
Muni Court - Konica Minolta BizHub 350	-	-	-	-	-
HP DesignJet 5500PF 42 (plotter)	-	-	-	-	-
PW - Minolta Di6500E	-	-	-	-	-
Police - HP DesignJet 5500PS	-	-	-	-	-
Police - Konica Minolta BizHub C552	-	14,000	-	-	-
Konica Minolta Di3510F	-	-	-	-	-
Fire - HP DesignJet 5500 PS (Plotter)	-	-	-	-	-
Streets - Minolta Dialta	-	-	-	-	-
Parks - Minolta Di3510	-	-	-	-	-
Parks - HP DesignJet 5500 (plotter)	-	-	-	-	-
Parks - Konica Minolta BizHub 350	-	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>\$ 5,000</b>	<b>\$ 14,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CEMETERY</b>					
Cemetery - Sharp MX 3501N	\$ -	\$ -	\$ -	\$ -	\$ -
Cemetery - Cannon ImageRunner 2200	-	-	-	-	-
<b>TOTAL CEMETERY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>MRA</b>					
Sharp MX4101N	\$ -	\$ 11,000	\$ -	\$ -	\$ -
<b>TOTAL MRA</b>	<b>\$ -</b>	<b>\$ 11,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>WWT DIVISION</b>					
HP 5500N Color LaserJet	\$ -	\$ -	\$ -	\$ -	\$ -
Konica 7020	-	-	-	-	-
<b>TOTAL WWTP</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>BUILDING DIVISION</b>					
Building - Konica Minolta BizHub 350	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL BUILDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>GRAND TOTALS - COPIERS</b>	<b>\$ 5,000</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## RESOLUTION NUMBER 7167

A RESOLUTION OF THE MISSOULA CITY COUNCIL CREATING A DEBT MANAGEMENT POLICY OF THE CITY OF MISSOULA.

**WHEREAS** a debt management policy is helpful for issuing, administering and managing municipal debt; and

**WHEREAS**, Title 7, Chapter 7 of the Montana Code Annotated is entitled “Debt Management” for local government; and

**WHEREAS**, prudent financial management encourages the Missoula City Council to establish a Debt Management Policy to serve as a guideline when the City of Missoula is issuing debt instruments; and

**WHEREAS** the Missoula City Council considered and adopted the attached municipal debt policy for the City of Missoula at its \_\_\_\_\_, 2006 meeting; and

**NOW, THEREFORE, BE IT RESOLVED**, that the attached Policy of the City of Missoula be established as the official debt management policy.

**FURTHER BE IT RESOLVED THAT** this document shall also be included in the Missoula Administrative Rules and Procedures as Policy No. \_\_\_\_, on file in the Missoula City Clerks’ Office.

PASSED AND ADOPTED this 16th day of October, 2006.

ATTEST: APPROVED:

/s/ Martha L. Rehbein

Martha L. Rehbein, City Clerk

/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 cannot be met and the City still wishes to issue the bonds, then the City may seek one or more of the following additional risk mitigation approaches

- 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 and underwriter from marketing municipal securities unless the issuer enter into an undertaking to provide continuing disclosure to the market.

Adequate disclosure on both a primary and continuing basis can enhance the marketability of the City's bonds by providing potential investors with current and professional information regarding the City. Timely and accurate completion of these tasks both influences investors' decisions on purchasing the City's bonds and contributes to the competitive audience for the City's bonds.

The City will fully comply with disclosure regulations.



B. Primary

In the preparation of official statements the City will follow professional and market standards in the presentation of disclosure about its bond issues. The City will facilitate the distribution of the official statements in a timely manner to allow investors adequate time to make their investment decisions in an informed manner. The City will disclose all material information about its bond issue and the security for the bond issue

The City will execute continuing disclosure undertakings in a manner to fully comply with regulatory provisions and ensure a full disclosure of appropriate information to the market.

C. Secondary

The City will meet all substantive and time requirements in its annual continuing disclosure filings, which include making the City's CAFR available to the public 180-270 days after the fiscal year end. The City will keep current with any changes in both the administrative aspects of its filing requirements and the national repositories responsible for ensuring issuer compliance with the continuing disclosure regulations. In the event a 'material event' occurs requiring immediate disclosure, the City will ensure information flows to the appropriate disclosure notification parties in a timely manner.

Any filing may be made solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org>, unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

# CITY OF MISSOULA INVESTMENT POLICY

Revised February 2000

Modeled After Government Finance Officers Association  
Sample Investment Policy  
Committee on Cash Management

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## I. Scope

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

### 1. *Pooling of Funds*

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

## II. General Objectives

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

### 1. *Safety*

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

#### a. Credit Risk

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

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

#### b. Interest Rate Risk

The City of Missoula will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
  - Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

### 2. *Liquidity*

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity).

Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic

liquidity). A portion of the portfolio also may be placed in money market mutual funds or local government investment pools, which offer same-day liquidity for short-term funds.

3. *Yield*

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

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

### III. Standards of Care

1. *Prudence*

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. *Ethics and Conflicts of Interest*

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City of Missoula.

3. *Delegation of Authority*

Authority to manage the investment program is granted to the City's Finance Director/Treasurer, hereinafter referred to as investment officer and derived from the

following: 7-6-201 M.C.A. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

#### **IV. Safekeeping and Custody**

##### *1. Authorized Financial Dealers and Institutions*

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements
- Proof of National Association of Securities Dealers (NASD) certification
- Proof of state registration
- Completed broker/dealer questionnaire
- Certification of having read and understood and agreeing to comply with the City of Missoula's investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the investment officer. (See the GFOA Recommended Practice on "Governmental Relationships with Securities Dealers," in Appendix 3.)

From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to the criteria under Paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.

##### *2. Internal Controls*

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City of Missoula are protected from loss, theft or misuse. The internal control structure shall be designed

to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record-keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

3. *Delivery vs. Payment*

All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

## V. **Suitable and Authorized Investments**

1. *Investment Types*

Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following investments will be permitted by this policy and are those defined by state and local law (7-6-2 01 M.C.A., 7-6-202 M.C.A., 7-6-206 M.C.A. 17-6-204 M.C.A.) where applicable:

**7-6-201. Deposit of public funds in financial institutions.** (1) Except as provided in 7-6-202, 7-6-206 or 7-6-2701, it shall be the duty of all county and city treasurers and town clerks to deposit all public money in their possession and under their control in any solvent banks, building and loan associations, savings and loan associations, or credit unions located in the county, city, or town of which such treasurer is an officer, subject to national supervision or state examination as the local governing body may designate, and no other.

(2) Said local governing body is hereby authorized to deposit such public money not necessary for immediate use by such county, city, or town in a savings or time deposit with any bank, building and loan association, savings and loan association, or credit union authorized above or in a repurchase agreement as authorized in 7-6-213.

(3) The treasurer or town clerk shall take from such bank, building and loan association, savings and loan association, or credit union such security as the local governing body may prescribe, approve, and deem fully sufficient and necessary to insure the safety and prompt payment of all such deposits, together with the interest on any time or savings deposits.



(4) All such deposits shall be subject to withdrawal by the treasurer or town clerk in such amounts as may be necessary from time to time. No deposit of funds shall be made or permitted to remain in any bank, building and loan association, savings and loan association, or credit union until the security for such deposits shall have been first approved by the local governing body and delivered to the treasurer or town clerk.

**7-6-202. Investment of public money in direct obligations of United States.**

(1) A local governing body may invest public money not necessary for immediate use by the county, city, or town in the following eligible securities:

(a) United States government treasury bills, notes, and bonds and in United States treasury obligations, such as state and local government series (SLGS), separate trading of registered interest and principal of securities (STRIPS), or similar United States treasury obligations;

(b) United States treasury receipts in a form evidencing the holder's ownership of future interest or principal payments on specific United States treasury obligations that, in the absence of payment default by the United States, are held in a special custody account by an independent trust company in a certificate or book-entry form with the federal reserve bank of New York; or

(c) obligations of the following agencies of the United States, subject to the limitations in subsection (2):

- (i) federal home loan bank;
- (ii) federal national mortgage association;
- (iii) federal home mortgage corporation; and
- (iv) federal farm credit bank.

(2) An investment in an agency of the United States is authorized under this section if the investment is a general obligation of the agency and has a fixed or zero-coupon rate and does not have prepayments that are based on underlying assets or collateral, including but not limited to residential or commercial mortgages, farm loans, multifamily housing loans, or student loans.

(3) The local governing body may invest in a United States government security money market fund if;

(a) the fund is sold and managed by a management-type investment company or investment trust registered under the Investment Company Act of 1940 (15 U.S.C. 80a-64), as may be amended;

(b) the fund consists only of eligible securities as described in this section;

(c) the use of repurchase agreements is limited to agreements that are fully collateralized by the eligible securities, as described in this section, and the investment company or investment trust takes delivery of the collateral for any repurchase agreement, either directly or through an authorized custodian;

(d) the fund is listed in a national financial publication under the category of "money market mutual funds", showing the fund's average maturity, yield, and asset size; and

(e) the fund's average maturity does not exceed 397 days.

(4) Except as provided in subsection (5), an investment authorized in this part may not have a maturity date exceeding 5 years, except when the investment is used in an escrow account to refund an outstanding bond issue in advance.

(5) An investment of the assets of a local government group self-insurance program established pursuant to 2-9-211 or 39-71-2103 in an investment authorized

in this part may not have a maturity date exceeding 10 years, and the average maturity of all those authorized investments of a local government group self-insurance program may not exceed 6 years.

(6) This section may not be construed to prevent the investment of public funds under the state unified investment program established in Title 17, chapter 6, part 2.

**7-6-206. Time deposits—repurchase agreement.** (1) Public money not necessary for immediate use by a county, city, or town that is not invested as authorized in 7-6-202 may be placed in time or savings deposits with a bank, savings and loan association, or credit union in the state or placed in repurchase agreements as authorized in 7-6-213. Money placed in repurchase agreements is subject to subsection (2).

(2) The local governing body may solicit bids for time or savings deposits from a bank, savings and loan association, or credit union in the state. The local governing body may deposit public money in the institutions unless a local financial institution agrees to pay the same rate of interest bid by a financial institution not located in the county, city, or town. The governing body may solicit bids by notice sent by mail to the investment institutions that have requested that their names be listed for bid notice with the department of administration.

**17-6-204. Investment of local government funds.** (1) The governing body of any city, county, school district, or other local government unit or political subdivision having funds which are available for investment and are not required by law or by any covenant or agreement with bondholders or others to be segregated and invested in a different manner may direct its treasurer to remit such funds to the state treasurer for investment under the direction of the board of investments as part of the pooled investment fund.

(2) A separate account, designated by name and number for each such participant in the fund, shall be kept to record individual transactions and totals of all investments belonging to each participant. A monthly report shall be furnished to each participant having a beneficial interest in the pooled investment fund, showing the changes in investments made during the preceding month. Details of any investment transaction shall be furnished to any participant upon request.

(3) The principal and accrued income, and any part thereof, of each and every account maintained for a participant in the pooled investment fund shall be subject to payment at any time from the fund upon request. Accumulated income shall be remitted to each participant at least annually.

(4) No order or warrant shall be issued upon any account for a larger amount than the principal and accrued income of the account to which it applies, and if any such order or warrant is issued, the participant receiving it shall reimburse the excess amount to the fund from any funds not otherwise appropriated, and the state treasurer shall be liable under his official bond for any amount not so reimbursed.

Investment in derivatives of the above instruments is not authorized by the City of Missoula's investment policy. (See the GFOA Recommended Practice on "Use of Derivatives by State and Local Governments," 1994.)

## 2. *Collateralization*

Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, collateralization will be required on non-negotiable certificates of deposit to the extent allowable by state law. (See GFOA Recommended Practices, Appendix 3.) Montana state law (7-6-207 M.C.A. and 7-6-208 M.C.A) establishes the deposit security requirements for City investments:

**7-6-207. Deposit security.** (1) The local governing body may require security only for that portion of the deposits which is not guaranteed or insured according to law and, as to such unguaranteed or uninsured portion, to the extent of:

(a) 50% of such deposits if the institution in which the deposit is made has a net worth to total assets ratio of 6% or more; or

(b) 100% if the institution in which the deposit is made has a net worth to total assets ratio of 6%. The security shall consist of those enumerated in 17-6-103 or cashier's checks issued to the depository institution by any federal reserve bank.

(2) When negotiable securities are furnished, such securities may be placed in trust. The trustee's receipt may be accepted in lieu of the actual securities when such receipt is in favor of the treasurer or town clerk and his successors. All warrants or other negotiable securities must be properly assigned or endorsed in blank. It is the duty of the appropriate governing body, upon the acceptance and approval of any of the above-mentioned bonds or securities, to make a complete minute entry of the acceptance and approval upon the record of their proceedings, and the bonds and securities shall be reapproved at least quarter-annually thereafter.

**7-6-208. Substitution of deposit security.** (1) Any bank, building and loan association, savings and loan association, or credit union pledging securities as provided in 7-6-207, at any time it deems advisable or desirable, may substitute like securities for all or any part of the securities pledged. The collateral so substituted shall be approved by the governing body of the county, city, or town at its next official meeting.

(2) Such securities so substituted shall at the time of substitution be at least equal in principal amount to the securities for which substitution is made. In the event that the securities so substituted are held in trust, the trustee shall, on the same day the substitution is made, forward a receipt by registered or certified mail to the county, city, or town and to the depository bank, building and loan association, savings and loan association, or credit union. The receipt shall specifically describe and identify both the securities so substituted and those released and returned to the depository bank, building and loan association, savings and loan association, or credit union.

Securities eligible for pledging to secure deposits of public funds are enumerated in 17-6-103 M.C.A.

3. *Repurchase Agreements*

Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements, (See GFOA Recommended Practices, Appendix 3.)

## **VI. Investment Parameters**

1. *Diversification*

The investments shall be diversified by:

- limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- limiting investment in securities that have higher credit risks, investing in securities with varying maturities, and
- continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. (See the GFOA Recommended Practice on "Diversification of Investments in a Portfolio" in Appendix 3.)

2. *Maximum Maturities*

To the extent possible, the City of Missoula shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City of Missoula will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. The City of Missoula shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives. (See the GFOA Recommended Practice on "Maturities of Investments in a Portfolio" in Appendix 3.)

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIPs, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

## **VII. Reporting**

1. *Methods*

The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner, which will allow the City of Missoula to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment officer, the legislative body, and any pool participants. The report will include the following:

- a. Listing of individual securities held at the end of the reporting period.
- b. Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year

duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).

- c. Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- d. Listing of investment by maturity date.
- e. Percentage of the total portfolio, which each type of investment represents.

2. *Performance Standards*

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.

3. *Marking to Market*

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools." (See GFOA Recommended Practices, Appendix 3.) In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

## **VIII. Policy Considerations**

1. *Exemption*

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

2. *Amendments*

This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

## Appendix 1: Glossary

The following is a glossary of key investing terms, many of which appear in GFOA's Sample Investment Policy.

**Accrued Interest** — The accumulated interest due on a bond as of the last interest payment made by the issuer.

**Agency** — A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

**Amortization** — The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

**Average Life** — The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

**Basis Point** — A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

**Bid** — The indicated price at which a buyer is willing to purchase a security or commodity.

**Book Value** — The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

**Callable Bond** — A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

**Call Price** — The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

**Call Risk** — The risk to a bondholder that a bond may be redeemed prior to maturity.

**Cash Sale/Purchase** — A transaction that calls for delivery and payment of securities on the same day that the transaction is initiated.

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\*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.

**Collateralization** — Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

**Commercial Paper** - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

**Convexity** — A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

**Coupon Rate** — The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

**Credit Quality** — The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

**Credit Risk** — The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

**Current Yield (Current Return)** — A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

**Delivery Versus Payment (DVP)** — A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

**Derivative Security** — Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

**Discount** — The amount by which the par value of a security exceeds the price paid for the security.

**Diversification** — A process of investing assets among a range of security types by sector, maturity, and quality rating.

**Duration** — A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

**Fair Value** — The amount, at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Federal Funds (Fed Funds)** — Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each



other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

**Federal Funds Rate** — Interest rate charged by one institution lending federal funds to the other.

**Government Securities** — An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

**Interest Rate** — See "Coupon Rate."

**Interest Rate Risk** — The risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value.

**Internal Controls** — An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits require estimates and judgments by management. Internal controls should address the following points:

1. Control of collusion — Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of transaction authority from accounting and record keeping — By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping — Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities — Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation of transactions for investments and wire transfers - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third-party custodian - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.



**Inverted Yield Curve** — A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

**Investment Company Act of 1940** — Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

**Investment Policy** — A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

**Investment-grade Obligations** - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

**Liquidity** — An asset that can be converted easily and quickly into cash.

**Local Government Investment Pool (LGIP)** — An investment by local governments in which their money is pooled as a method for managing local funds.

**Mark-to-market** — The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

**Market Risk** — The risk that the value of a security will rise or decline as a result of changes in market conditions.

**Market Value** — Current market price of a security.

**Maturity** — The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

**Money Market Mutual Fund** — Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

**Mutual Fund** — An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the

Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.

6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus that is updated and filed by the SEC annually.

**Mutual Fund Statistical Services** — Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services, and Morningstar.

**National Association of Securities Dealers (NASD)** — A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

**Net Asset Value** — The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$[(\text{Total assets}) - (\text{Liabilities})]/(\text{Number of shares outstanding})$$

**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.

## Appendix 2: Investment Pools

### 1. Definition

In most states, there are provisions for the creation and operation of a government investment pool. The purpose of a pool is to allow political subdivisions to pool investable funds in order to achieve a potentially higher yield.

There are basically three (3) types of pools: 1) state-run pools; 2) pools that are operated by a political subdivision where allowed by law and the political subdivision is the trustee; and 3) pools that are operated for profit by third parties. Prior to any political subdivision being involved with any type of pool, a thorough investigation of the pool and its policies and procedures must be reviewed.

### 2. Pool Questionnaire

Prior to entering a pool, the following questions and issues should be considered:

#### ***Securities:***

Government pools may invest in a broader range of securities than an entity may invest in. It is important to be aware of, and comfortable with, the securities a pool buys. The following is a list of questions an investment officer may wish to ask a prospective pool:

1. Does the pool provide a written statement of investment policy and objectives?
2. Does the statement contain:
  - a. a description of eligible investment instruments?
  - b. the credit standards for investments?
  - c. the allowable maturity range of investments?
  - d. the maximum allowable dollar weighted average portfolio maturity?
  - e. the limits of portfolio concentration permitted for each type of security?
  - f. the policy on reverse repurchase agreements, options, short sales and futures?
3. Are changes in the policies communicated to the pool participants?
4. Does the pool contain only the types of securities that are permitted by your investment policy?

#### ***Interest:***

Interest is not reported in a standard format, so it is important to know how interest is quoted, calculated, and distributed in order to make comparisons with other investment alternatives.

#### ***Interest Calculations:***

1. Does the pool disclose the following about yield calculations:
  - a. the methodology used to calculate interest? (simple maturity, yield to maturity, etc.)
  - b. the frequency of interest payments?
  - c. how interest is paid? (credited to principal at the end of the month, each quarter; mailed?)
  - d. how are gains/losses reported? factored monthly or only when realized?

#### ***Reporting:***

1. Is the yield reported to participants of the pool monthly? (If not, how often?)
2. Are expenses of the pool deducted before quoting the yield?
3. Is the yield generally in line with the market yields for other investment alternatives?

4. How often does the pool report? What information does that report include? Does it include the market value of securities?

***Security:***

The following questions are designed to help safeguard funds from loss of principal and loss of market value.

1. Does the pool disclose safekeeping practices?
2. Is the pool subject to audit by an independent auditor at least annually?
3. Is a copy of the audit report available to participants?
4. Who makes the portfolio decisions?
5. How does the manager monitor the credit risk of the securities in the pool?
6. Is the pool monitored by someone on the board of a separate neutral party external to the investment function to ensure compliance with written policies?
7. Does the pool have specific policies with regard to the various investment vehicles?
  - a. What are the different investment alternatives?
  - b. What are the policies for each type of investment?
8. Does the pool mark the portfolio to its market value?
9. Does the pool disclose the following about how portfolio securities are valued:
  - a. the frequency with which the portfolio securities are valued?
  - b. the method used to value the portfolio (cost, current value, or some other method)?

***Operations:***

The answers to these questions will help determine whether this pool meets the entity's operational requirements:

1. Does the pool limit eligible participants?
2. What entities are permitted to invest in the pool?
3. Does the pool allow multiple accounts and sub-accounts?
4. Is there a minimum or maximum account size?
5. Does the pool limit the number of transactions each month? What is the number?
6. Is there a limit on transaction amounts for withdrawals and deposits?
  - a. What is the minimum and maximum withdrawal amount permitted?
  - b. What is the minimum and maximum deposit amount permitted?
7. How much notice is required for withdrawals/deposits?
8. What is the cutoff time for deposits and withdrawals?
9. Can withdrawals be denied?
10. Are the funds 100 percent withdrawable at anytime?
11. What are the procedures for making deposits and withdrawals?
  - a. What is the paperwork required, if any?
  - b. What is the wiring process?
12. Can an account remain open with a zero balance?
13. Are confirmations sent following each transaction?

***Statements:***

It is important for (*the designated official*) and the agency's trustee (when applicable), to receive statements monthly so the pool's records of activity and holdings are reconciled by (*the designated official*) and its trustee.

1. Are statements for each account sent to participants?
  - a. What are the fees?

- b. How often are they passed?
  - c. How are they paid?
  - d. Are there additional fees for wiring funds? (What is the fee?)
2. Are expenses deducted before quoting the yield?

***Questions to Consider for Bond Proceeds:***

It is important to know (1) whether the pool accepts bond proceeds and (2) whether the pool qualifies with the U.S. Department of the Treasury as an acceptable commingled fund for arbitrage purposes.

1. Does the pool accept bond proceeds subject to arbitrage rebate?
2. Does the pool provide accounting and investment records suitable for proceeds of bond issuance subject to arbitrage rebate?
3. Will the yield calculation reported by the pool be acceptable to the IRS or will it have to be recalculated?
4. Will the pool accept transaction instructions from a trustee?
5. Are separate accounts allowed for each bond issue so that the interest earnings of funds subject to rebate are not commingled with funds not subject to regulations?

**Appendix 3: GFOA Recommended Practices and Policy Statements**

A complete list of the City's adopted investment practices can be found in Resolution #6301.

**RESOLUTION NUMBER 7978**

**A resolution fixing the annual appropriations and the Capital Improvement Program for the City of Missoula as set forth in the Fiscal Year 2016 Budget and Capital Improvement Program including: • The Tourism Business Improvement District work plan and budget for Fiscal Year 2016 • The Business Improvement District work plan and budget for Fiscal Year 2016. • The Park District Number 1 work plan and budget for Fiscal Year 2016. • The Road District Number 1 work plan and budget for Fiscal Year 2016**

**WHEREAS**, the City Council of Missoula has deliberated on the Fiscal Year 2016 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 2016 is hereby estimated at \$141,429,651. The breakdown of the funds and estimated local property taxes required are as follows:

Budgeted Expenditures	107,463,913
Inter-fund Transfers Out	17,769,656
Projected End-of-year Fund Balance	16,196,083
Total Funds Required	<u>\$141,429,651</u>

Beginning-of-year Fund Balance	29,393,523
Non-tax Revenues	66,167,254
Inter-fund Transfers In	17,769,656
Sub-total Non-Tax Funds Available	<u>\$113,330,443</u>

Estimated Property Tax Requirements	<u><u>\$28,099,218</u></u>
-------------------------------------	----------------------------

**SECTION II**

That annual appropriations and transfers out for various departments of the City of Missoula, Montana for the Fiscal Year 2016 will be controlled and monitored for budgetary compliance at the fund level.

**SECTION III**

Generally accepted accounting principles (GAAP) require expenditures to be recognized in the fiscal year in which the goods or services are received. Previous fiscal year appropriations for incomplete improvements in progress of construction, or segments thereof entered into under contract or purchase order by the City, are hereby declared authorized appropriations provided they meet the following criteria:

- a. related financing was provided in the prior fiscal year;
- b. the appropriations were not obligated by year end;
- c. the purpose was not included, or rejected, in current budget financing or appropriations; and,

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Missoula, Montana shall adopt the Capital Improvement Program for Fiscal Years 2016-2020.



**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 13<sup>th</sup> day of July, 2015.

ATTEST:

APPROVED:

/s/ Martha L. Rehbein  
Martha L. Rehbein, CMC  
City Clerk

/s/ John Engen  
John Engen  
Mayor

(SEAL)



MONTANA  
Form AB-72T  
Rev. 3-12

**2015 Certified Taxable Valuation Information**  
(15-10-202, MCA)

Missoula County  
CITY OF MISSOULA

1. 2015 Total Market Value*	\$ 7,303,174,348
2. 2015 Total Taxable Value	\$ 115,856,258
3. 2015 Taxable Value of Newly Taxable Property	\$ 2,146,066
4. 2015 Taxable Value less Incremental Taxable Value**	\$ 111,843,874
5. 2015 Taxable Value of Net and Gross Proceeds*** (Class 1 and Class 2)	\$ -

6. TIF Districts

Tax Increment District Name	Current Taxable Value	Base Taxable Value	Incremental Value
URBAN RENEWAL II #1	3,293,062	1,546,186	1,746,876
URBAN RENEWAL II #4	598,520	2,913,637	-
URBAN RENEWAL III	8,771,049	7,004,346	1,766,703
U R FRONT ST	1,839,099	1,413,035	426,064
U R RIVERFRONT TRI	132,883	157,858	-
HELLGATE URD 1-1H; 2014	960,528	1,025,448	-
N RESERVE SCOTT ST URD 1-	309,996	295,864	14,132
N RESERVE SCOTT ST URD 4-	1,253,950	1,195,341	58,609

Total Incremental Value \$ 4,012,384

Preparer Tania Cardwell

Date 7/27/2015

\*Market value does not include class 1 and class 2 value

\*\*This value is the taxing jurisdiction's taxable value less total incremental value of all tax increment financing districts.

\*\*\*The taxable value of class 1 and class 2 is included in the taxable value totals.

**For Information Purposes Only**

2015 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	\$ 270,749
II. Total value exclusive of "newly taxable" property	\$ 4,093,573

## MONTANA DEPARTMENT OF REVENUE

Property Assessment Division  
Justice Building2681 Palmer St. Suite 100  
Missoula, Montana 59808-1707

August 3, 2015

Board of County Commissioners  
Missoula County Courthouse  
200 W Broadway  
Missoula, MT 59802Finance Officer  
City of Missoula  
435 Ryman  
Missoula, MT 59802

RE:

## 2015 TAX BASE VALUES FOR THE COUNTY AND CITY OF MISSOULA

	<u>Market Value</u>	<u>Taxable Value</u>	<u>Tax Increment</u>	<u>Tax Base</u>
County	\$12,933,757,371	\$208,374,461	- \$ 6,710,622.00 =	\$201,663,939
City	\$7,303,174,348	\$115,856,258	- \$ 4,012,384.00 =	\$111,843,874

Attest:

*Tania Cardwell*

Tania Cardwell, Taxable Valuation Preparer

Telephone (406) 329-1400 Fax (406) 329-1449

Wes Redden, Area Manager

Internet Address <http://www.state.mt.us/revenue/rev.htm>

## Resolution 7996

A resolution levying taxes for municipal and administrative purposes for the Fiscal Year 2016.

Whereas, the City Council of Missoula has deliberated on the Fiscal Year 2016 budget and necessary mill levy of property taxes; and,

Whereas, the City of Missoula is using \$5,858,565 of fund balance from the general fund from Fiscal Year 2015 to support expenditures in the General Fund; and

Whereas, pursuant to House Bill 124 and Senate Bill 265 enacted by the 2001 Montana State Legislature, the City has a carry-forward of unlevied tax millage equal to \$1,290,650 (11.569 mills); and

Whereas, the value of a city mill is \$111,558.503.

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 2016, to-wit:

All Purpose General Fund levy be established at 199.26 mills;

Employee Health Insurance levy (within levy cap) be established at 0.04 mills;

Employee Health Insurance levy (outside levy cap) be established at 39.49 mills;

2012-A Aquatics Refunding G.O. Bond levy at 5.33 mills;

2013 G.O. Refunding bond levy at 6.18 mills;

2006 Fire Station G.O. Bond Levy at 2.51 mills;

Total levy for the City of Missoula, Montana –252.81 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 24th day of August, 2015

Attest:

/s/ Martha L. Rehbein  
Martha L. Rehbein, CMC  
City Clerk

Approved:

/s/ John Engen  
John Engen  
Mayor

(SEAL)

**DETERMINATION OF TAX REVENUE AND MILL LEVY LIMITATIONS  
UNDER SECTION 15-10-420, MCA**

AGGREGATE OF ALL FUNDS /OR \_\_\_\_\_ FUND

**FYE JUNE 30, 2016**

**COUNTY/CITY/TOWN OF Missoula, Montana**

Numbers appearing in GREEN are ADDITIONS

Numbers appearing in RED are SUBTRACTIONS

Do not enter information in salmon cells. This form contains formulas in	SALMON SHADED CELLS
Enter amounts in	YELLOW SHADED CELLS

The tax revenue and mill levy limitations will be computed automatically

NOTE: When entering a number to be subtracted enter as a negative number  
Where formulas exist (Salmon-shaded Cells), No Entry is Necessary

EXPLANATION  
REFERENCE

**MAXIMUM PROPERTY TAXES AUTHORIZED: (Note: appropriate statutes are referenced)**

Ad valorem tax revenue authorized to be assessed prior year (from prior year's determination form - (8a)) **22,917,663** (1)

Add: FISCAL YEAR 2016 INFLATION ADJUSTMENT @ 0.67% (Section 15-10-420(1a)(1c), MCA) **153,548** **153,548** (2)

Less: Property taxes authorized to be assessed in the prior year for Class 1 and 2 property  
(net and gross proceeds, county only) (Section 15-10-420(6), MCA (enter as negative number)) **0** (3)

Adjusted ad valorem tax revenue **23,071,212** (4)

**CURRENT YEAR LEVY COMPUTATION:**

Taxable value per mill (To figure per mill value divide by 1,000 or move decimal 3 places to left) **115,856** (5)

Less: per mill incremental value of tax increment financing district (TIF) (enter as negative) **(4,297)** (5a)

Adjusted taxable value (adjusted for removal of TIF per mill incremental district value) **111,559** (5b)

Less: Newly taxable property per mill value, (enter as negative) **(2,146)** (5c)

Taxable value per mill of net and gross proceeds (county only) (enter as negative) **(2,146)** (5d)

Adjusted Taxable value per mill **109,412** (6)

Authorized mill levy under Section 15-10-420, MCA (includes floating mills) **210.86** (7)

Adjusted taxable value per mill **109,412** (8)

Add: Newly taxable property per mill value **2146**  
Taxable value per mill of net and gross proceeds (county only) **0** **2,146** (5e)

Taxable value per mill (including newly taxable property but excluding TIF per mill incremental value) **111,559** (5b)

Authorized mill levy under Section 15-10-420, MCA (includes floating mills) **210.86** (7)

Current property tax revenue authorized limitation **23,523,741** (8a)

**RECAPITULATION:**

Adjusted ad valorem tax revenue **23,071,212** (4)

Amount attributable to newly taxable property and net/gross proceeds **452,529** (9)

Current property tax revenue authorized limitation **23,523,741** (10)

## RESOLUTION NUMBER 7995

**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 16 in the amount of \$308,632.51 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 2016; 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 2016, and has approved it as part of the city FY 2016 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 2016 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 \$308,632.51 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, 2015, and May 31, 2016, at 5:00 p.m.

**PASSED AND ADOPTED** this 17<sup>th</sup> day of August, 2015.

ATTEST:

APPROVED:

/s/ Martha L. Rehbein

Martha L. Rehbein  
City Clerk

/s/ John Engen

John Engen  
Mayor



## RESOLUTION NUMBER 7994

**A RESOLUTION LEVYING ANNUAL ASSESSMENTS ON THE HOTELS LOCATED IN THE TOURISM BUSINESS IMPROVEMENT DISTRICT OF THE CITY OF MISSOULA FOR FISCAL YEAR 2016 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**, 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 2016; 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 2016, and has approved it on July 13, 2015, and

**WHEREAS**, resolution [7766](#) sets forth the annual assessment formula for the district as \$2 per occupied room night on hotels located in the TBID as shown on Exhibits A and B for fiscal year 2016.

**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 in the TBID as shown on Exhibit A for fiscal year 2016. A "hotel" is defined as any building containing individual sleeping rooms or suites providing overnight lodging facilities for periods of less than 30 days to the general public for compensation. The term "hotel" includes a facility represented to the public as a hotel, motel, resort, condominium inn, dude ranch, guest ranch, hostel, public lodging house, bed and breakfast facility, or other similar structure or portion thereof which meet this criteria and are located within the boundaries of the district.

**BE IT FURTHER RESOLVED**, that it is intended that hotel properties located outside of the corporate limits of the City of Missoula and those hotel properties located inside the corporate limits of the City of Missoula but not included within the boundaries of the Missoula TBID 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 17<sup>th</sup> day of August, 2015.

ATTEST:

APPROVED:

/s/ Martha L. Rehbein  
Martha L. Rehbein, CMC  
City Clerk

/s/ John Engen  
John Engen  
Mayor

## Tourism Business Improvement District Properties--Exhibit A

Geocode	Assessment Code	Owner	Hotel/Motel	Property Address	Property City State ZIP	Legal Description	
2200-05-3-09-02-0000	3196702	GRANT CREEK INN LLC	BEST WESTERN PLUS GRANT CREEK INN	5280 GRANT CREEK RD	MISSOULA, MT 59808-7492	TOWNE CENTER, S05, T13N, R19W	
2200-05-3-01-17-0000	1787803	SUBRAYAN INVESTMENTS LLC	QUALITY INN & SUITES	4545 N RESERVE ST	MISSOULA, MT 59808	SUMMIT HOTEL ADDITION, S05, T13N, R19W, Lot 2, ACRES 0.99	
2200-06-1-01-16-0000	201200400	MCCORMILLIC	COURTYARD INN BY MARRIOTT	4559 N RESERVE ST	MISSOULA, MT 59808	SUMMIT HOTEL ADDITION, S06, T13N, R19W, Lot 1, ACRES 2.22	
2200-22-4-07-01-0000	2334073	DOUBLE TREE HOTEL/MISSOULA EDGEWATER	DOUBLETREE HOTEL	100 MADISON ST	MISSOULA, MT 59802	MCWHIRK ADDITION, S22, T13N, R19W, BLOCK HARTMAN, Z & Z-1 NE4 SE4, NE4 SE4	
2200-08-2-09-14-0000	5880532	WESTERN HOSPITALITY GROUP LP	HILTON GARDEN INN	3720 N RESERVE ST	MISSOULA, MT 59808	MISSOULA HILTON, S08, T13N, R19W, Lot 1, 284808 SQUARE FEET	
2200-22-4-06-24-0000	3282306	CLARK FORK HOTEL INVESTORS LLC	COMFORT INN UNIVERSITY	1021 E BROADWAY	MISSOULA, MT 59802	S22, T13N, R19W, C.O.S. 4403, PARCEL 1 & 2	
2200-22-2-07-01-0000	25606	MISSOULA HOTEL 2006	HOLIDAY INN DOWNTOWN AT THE PARK	200 PATTEE ST	MISSOULA, MT 59802	MISSOULA ORIGINAL TOWN SITE, S22, T13N, R19W, BLOCK 6, Lot 17 - 22, 146508 SQUARE FEET, & BLOCK 9 Lots 1-22	
2200-21-1-28-01-0000	1864500	RASMUS PROPERTIES LLC	RED LION INN	700 W BROADWAY	MISSOULA, MT 59802	W MCCORMICKS ADDITION, S21, T13N, R19W, BLOCK 48, Lot 1 - 20, VAC ALLEY	
2200-07-1-01-02-0000	5844913	ENCE PROPERTIES dba STAYBRIDGE SUITES	STAYBRIDGE SUITES	120 EXPRESSWAY	MISSOULA, MT 59802	STAYBRIDGE, S07, T13N, R19W, Lot 3, 96039 SQUARE FEET	
Hotel/Motels that are participating but are not in the district:							
Geocode	Assessment Code	Owner	Hotel/Motel	Property Address	Property City State ZIP	Legal Description	Notes
2200-07-1-01-11-0000	4584494	GRANT CREEK LLC	HOLIDAY INN EXPRESS & SUITES	150 EXPRESSWAY BLVD	MISSOULA, MT 59808	STAYBRIDGE, S07, T13N, R19W, Lot 1, 35864 SQUARE FEET	In City
2199-01-1-02-14-0000	3475905	MISSOULA VENTURES LLC	WINGATE INN	5252 AIRWAY BLVD	MISSOULA, MT 59802	MISSOULA DEVELOPMENT PARK - PHASE 2, S01, T13N, R20W, BLOCK 11, Lot 1	Not in City
2200-31-4-30-20-0000	5854056	RIVIERA LLC AN IDAHO LIMITED LIABILITY COMPANY	GUESTHOUSE INN, SUITES & CONFERENCE CENTER	3803 BROOKS ST	MISSOULA, MT 59804	RUSSELL BRYAN # 2, S31, T13N, R19W, Lot 2	In City
2200-21-1-31-01-0000	2458003	WIRTH YVETTE MTRUSTEE	AMERICA'S BEST VALUE INN	420 W BROADWAY	MISSOULA, MT 59802	W MCCORMICKS ADDITION, S21, T13N, R19W, Lot 13 - 17	In City
2200-05-3-01-09-0000	5844173	ERCK INCORPORATED	RUBY'S INN & CONVENTION CENTER	4825 N RESERVE ST	MISSOULA, MT 59808	RUBY ERCK ADDITION, S05, T13N, R19W, Lot 2A, RUBY ERCK NORTHGATE BUSINESS CENTER LOT 3	In City

**Resolution Number 7986**

**A resolution of the City Council of the City of Missoula, Montana, levying and assessing the lots and parcels within the City of Missoula Road District Number 1 in the amount of \$1,604,151 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2016 for city-owned facilities, land and equipment under the responsibility and care of the City of Missoula Public Works Department's Street Division, Central Service's Vehicle Maintenance Division and Development Service's Engineering Division providing for a method of assessments; and providing for other matters properly relating thereto.**

**CITY OF MISSOULA  
Missoula County, Montana**

**City of Missoula Road District Number 1**

**Be it resolved by the City Council of the City of Missoula, Montana:**

**Whereas**, the City of Missoula, Montana (the "City") is a municipality duly organized and existing under and by virtue of the Constitution and laws of the State of Montana;

**Whereas**, the City Council of the City (the "Council") is authorized by Montana Code Annotated ("MCA"), Title 7, Chapter 11, Part 10, as amended, to create special districts to provide maintenance, purchasing and improvement services for City-owned facilities, land and equipment under the responsibility and care of the City of Missoula Public Works Department's Street, Engineering, and Vehicle Maintenance Divisions to the inhabitants of the special district;

**Whereas**, the Council is authorized by MCA, Title 7, Chapter 11, Part 10, as amended, to finance the maintenance, purchasing and improvement services within the special district by levying an assessment on the lots and parcels within the boundaries of the special district;

**Whereas**, after providing notice and conducting the public hearing required by MCA 7-11-1007, the City adopted Resolution No. 7563 on September 13, 2010, (the "Creation Resolution") creating a special district to known as the "City of Missoula Road District Number 1" (the "District") for the purpose of providing services including but not limited to: (1) maintenance, repair, replacement, upkeep, installation, improvement, operational enhancement, construction, reconstruction, acquisition of right-of-way; and/or (2) implementation of measures required to maintain public health and safety or meet legal or regulatory requirements; and/or (3) purchasing, replacing, and/or maintaining equipment, tools or vehicles used to carry out the functions described herein; and/or (4) any other functions and/or labor, supplies and materials necessary for management and maintenance of City-owned facilities, lands and equipment under the responsibility and care of the City's Public Works Department's Street, Engineering, and Vehicle Maintenance Divisions including but not limited to: streets, alleys, driveways, alley approaches, sidewalks, curbs and gutters, medians, boulevards, lighting, parking lots, support facilities, public amenities, storm water facilities, and traffic control inclusive of traffic signals, signs, and pavement markings, and other public facilities located in the public right-of-way and/or within public easements (collectively, the "Services and Improvements");

**Whereas**, after providing public notice and conducting a public hearing, the Council adopted ordinances 3491 and 3492 on January 28, 2013, and February 11, 2013, respectively finalizing the creation of the Development Services Office and transferring responsibilities for Engineering Services from the Public Works Department to Development Services and said ordinances are now in effect;

**Whereas**, after providing public notice and conducting a public hearing, the Council adopted Resolution 7736 on September 24, 2012, establishing a funding assistance program for curb and sidewalk assessments for public right-of-way construction projects, identified the City of Missoula Road District Number 1 as a funding source for ongoing fiscal support of public right-of-way improvement

projects and announced the Council's intention to include fiscal support for public right-of-way improvement projects from City of Missoula Road District Number 1 in fiscal year 2014;

**Whereas**, the Mayor and City Council created a Central Services Department in the fiscal year 2015 budget which transferred responsibilities for Vehicle Maintenance and GIS Services from the Public Works Department to Central Services.

**Whereas**, after due notice and conducting a public hearing, the Council adopted Resolution No. 7978 on July 13, 2015, fixing the annual appropriations and the capital improvement program for the City as set forth in the fiscal year 2016 budget which included a work plan and budget for the District in the amount of \$1,604,151 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2016.

**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 2, 2015 and August 9, 2015;

**Whereas**, a public hearing was held on August 17, 2015, 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 2015 in accordance with this Section 1 and the terms of Resolution No. 7563. 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 2016, the Council estimates the cost of the Services and Improvements to be performed in the District to total \$1,604,151. The work plan and budget for the Services and Improvements to be provided in fiscal year 2016 were approved by the City Council on July 13, 2015, and are on file and available for public inspection in the City Clerk's office.

Total levy for Road District #1	\$1,604,151
---------------------------------	-------------

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 2017 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 17<sup>th</sup> day of August, 2015.

CITY OF MISSOULA  
Missoula County, Montana

ATTEST:

/s/ John Engen  
John Engen,  
Mayor

/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 in the amount of \$1,604,151 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2015 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 17, 2015, 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: Emily Bentley, Ed Childers, Annelise Hedahl, Jordan Hess, Marilyn Marler, Mike O'Herron, Alex Taft, Bryan von Lossberg, Patrick Weasel Head, Jason Wiener, Jon Wilkins;

NAYS: Adam Hertz;

ABSENT: None;

ABSTAIN: None;

WITNESS my hand officially this 17th day of August, 2015.

CITY OF MISSOULA  
Missoula County, Montana

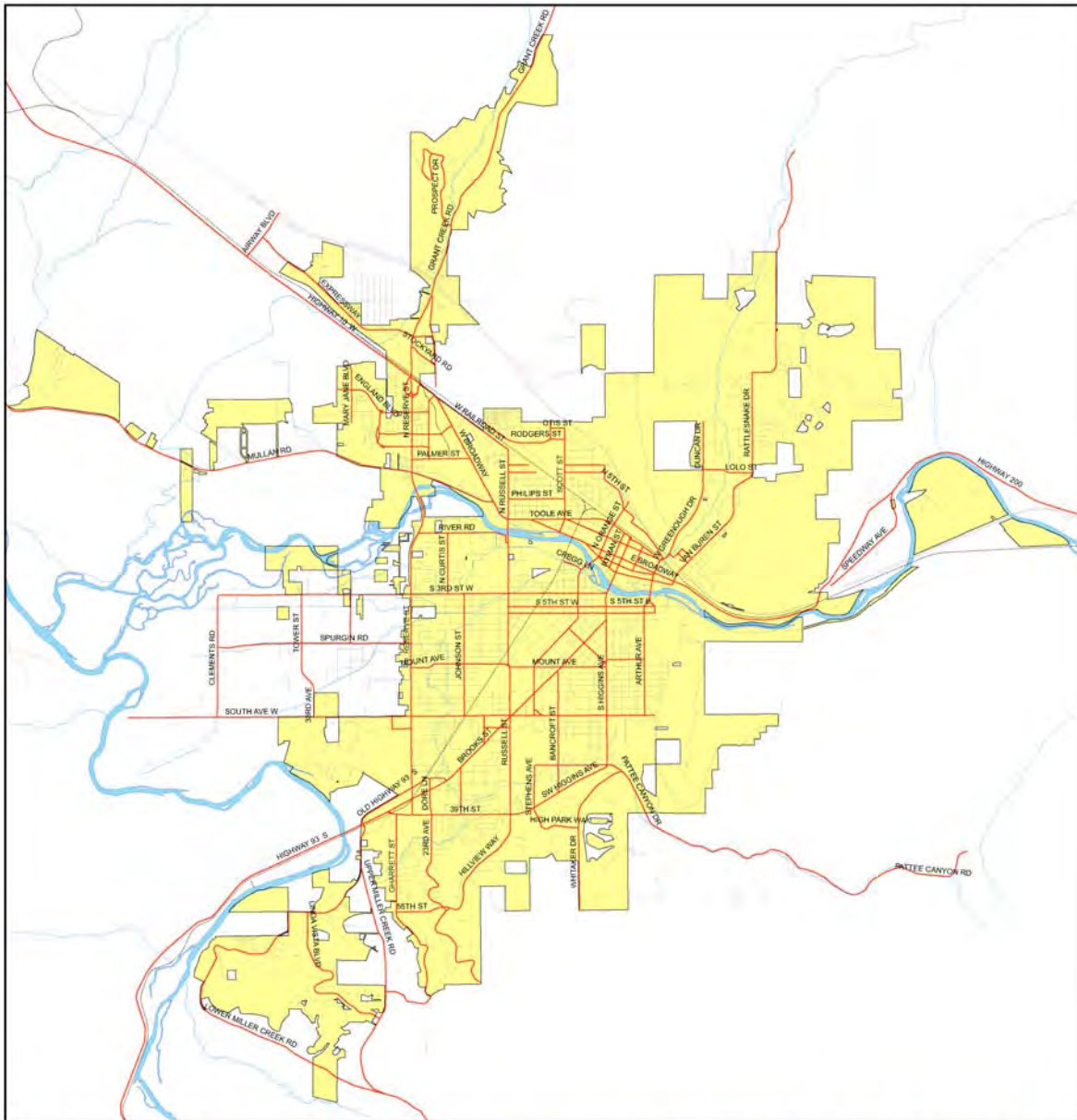
/s/ Martha L. Rehbein  
Martha L. Rehbein, CMC  
City Clerk

( S E A L )



## EXHIBIT "A"

## MAP OF THE DISTRICT



## CITY OF MISSOULA, MONTANA - CITY LIMITS MAP

City Limits as of:  
July 15, 2015



0 0.5 1 2  
Miles

29.5 Square Miles  
18,892 Acres  
822,925,487 Square Feet

Printing Date: Thursday, July 16, 2015  
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 7985

A resolution of the City Council of the city of Missoula, Montana, levying and assessing the lots and parcels within the city of Missoula Park District Number 1 in the amount of \$931.280 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2016 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. 7978 on July 13, 2015, fixing the annual appropriations and the capital improvement program for the City as set forth in the fiscal year 2016 budget which included a work plan and budget for the District in the amount of \$931.280 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2016;

**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 2, 2015, and August 9, 2015; and

**Whereas**, a public hearing was held on August 17, 2015, 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 2016 in accordance with this Section 1 and the terms of Resolution No. 7564. 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 2016, the Council estimates the cost of the Services and Improvements to be performed in the District to total \$931.280. The work plan and budget for the Services and Improvements to be provided in fiscal year 2016 were approved by the City Council on July 13, 2015, and are on file and available for public inspection in the City Clerk's office.

Total levy for Park District #1	\$931.280.00
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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 2016 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 17<sup>th</sup> day of August, 2015.

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 totaling \$931.280 for the costs associated with providing certain maintenance, purchasing and improvement services in fiscal year 2016 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 17, 2015, 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: Emily Bentley, Ed Childers, Annelise Hedahl, Jordan Hess, Marilyn Marler, Mike O'Herron, Alex Taft, Bryan von Lossberg, Patrick Weasel Head, Jason Wiener

NAYS: Adam Hertz, Jon Wilkins

ABSENT: None

ABSTAIN: None

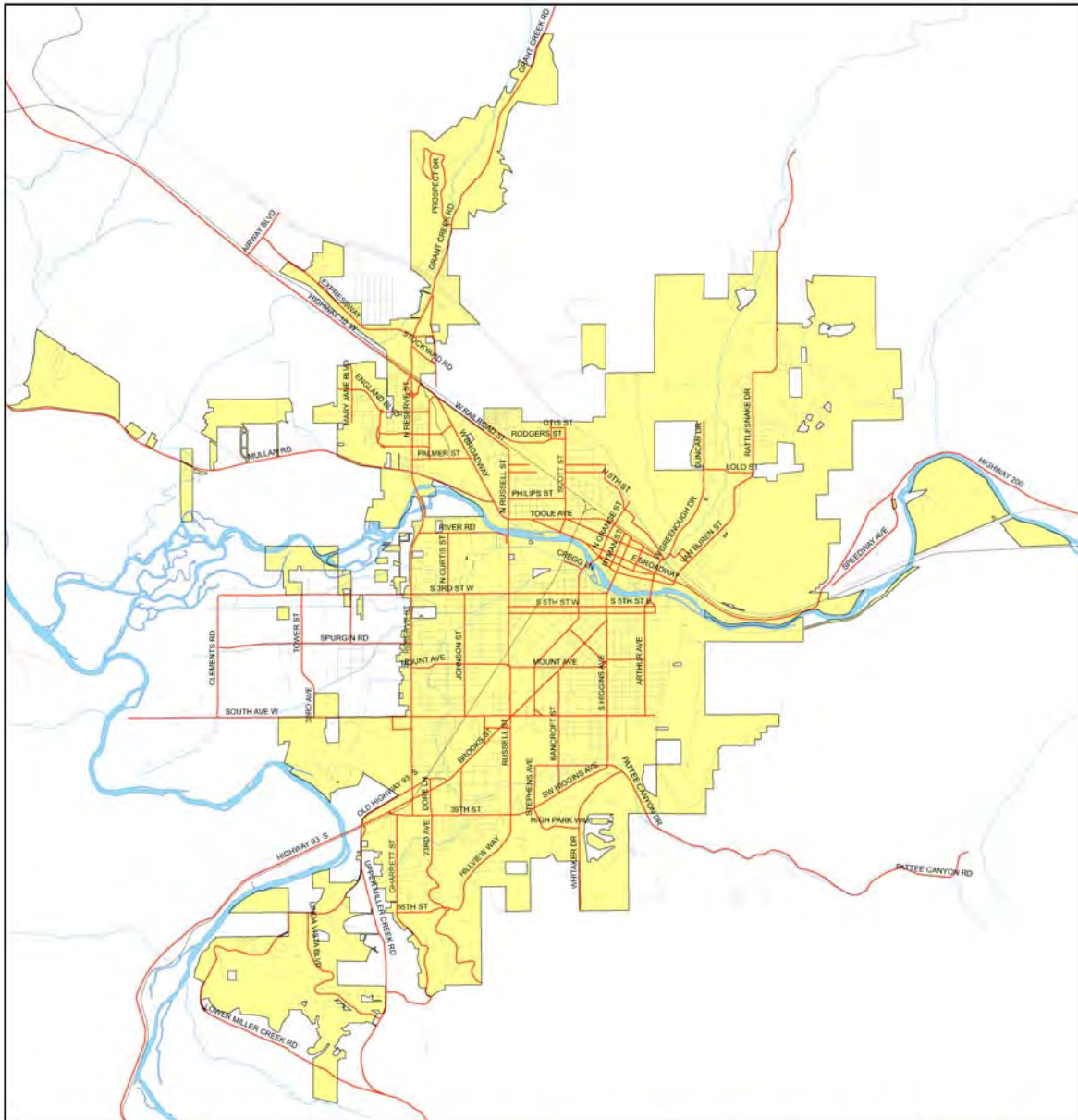
WITNESS my hand officially this 17th day of August, 2015.

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, 2015



0 0.5 1 2  
Miles

**29.5 Square Miles**  
**18,892 Acres**  
**822,925,487 Square Feet**

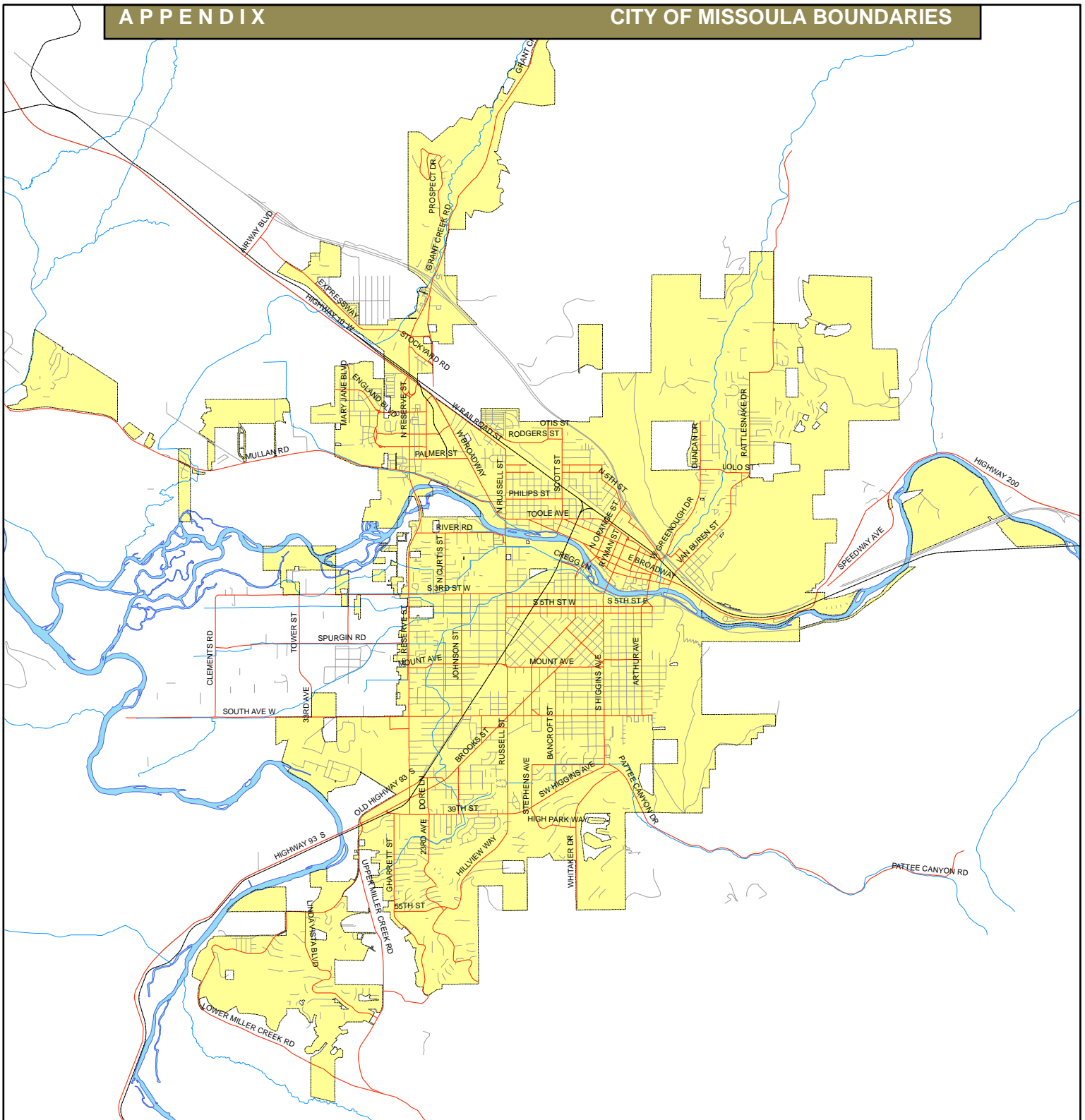
Printing Date: Thursday, July 16, 2015  
File: CityMap\_8.5x11\_PDF.mxd  
Prepared By: GIS Services



**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 Limits as of:  
October 19, 2015**

**29.5 Square Miles**  
**18,909 Acres**  
**3,688,267 Square Feet**



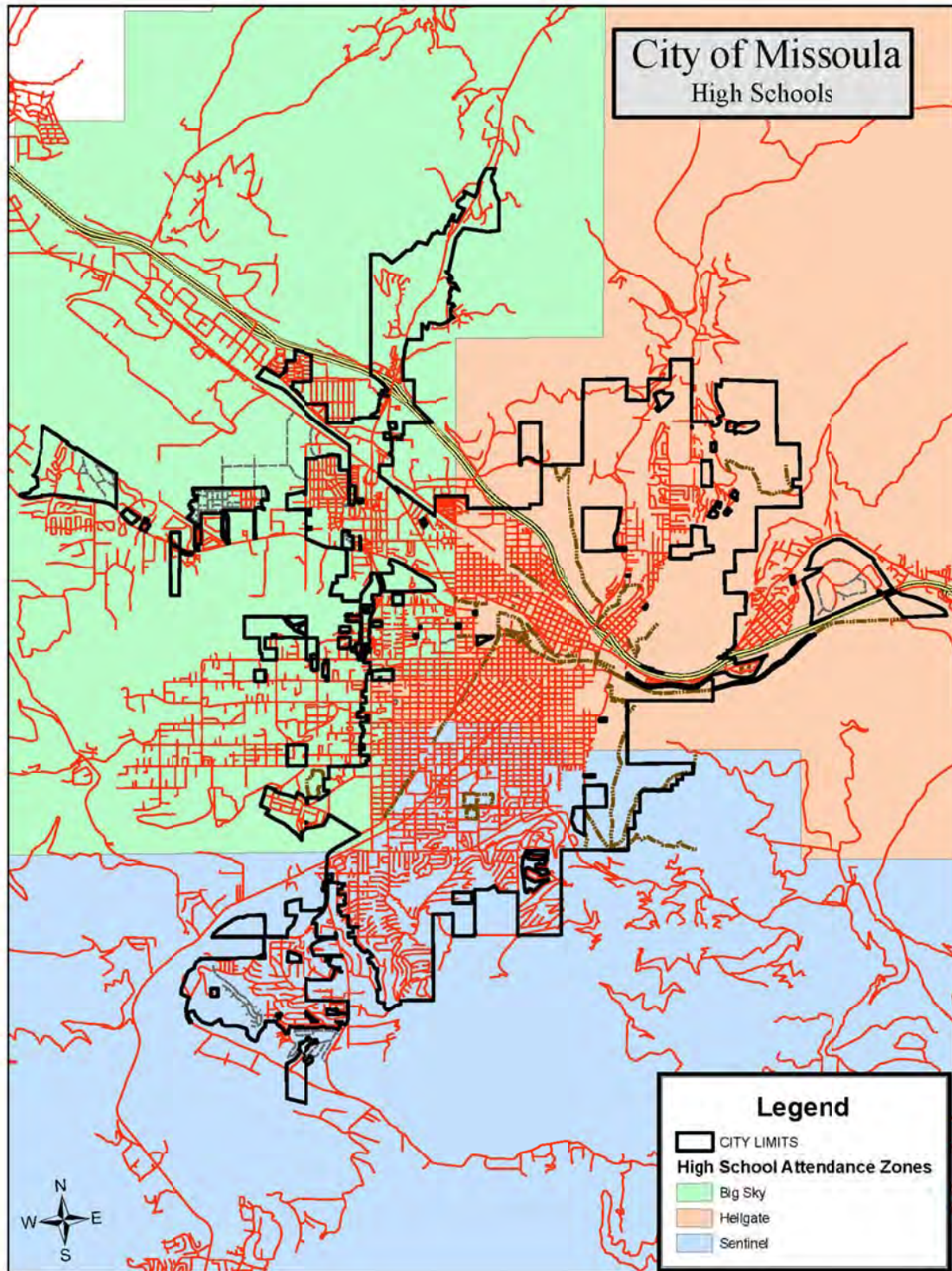
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City of Missoula

## FY2016 Annual Budget

Page K - 57

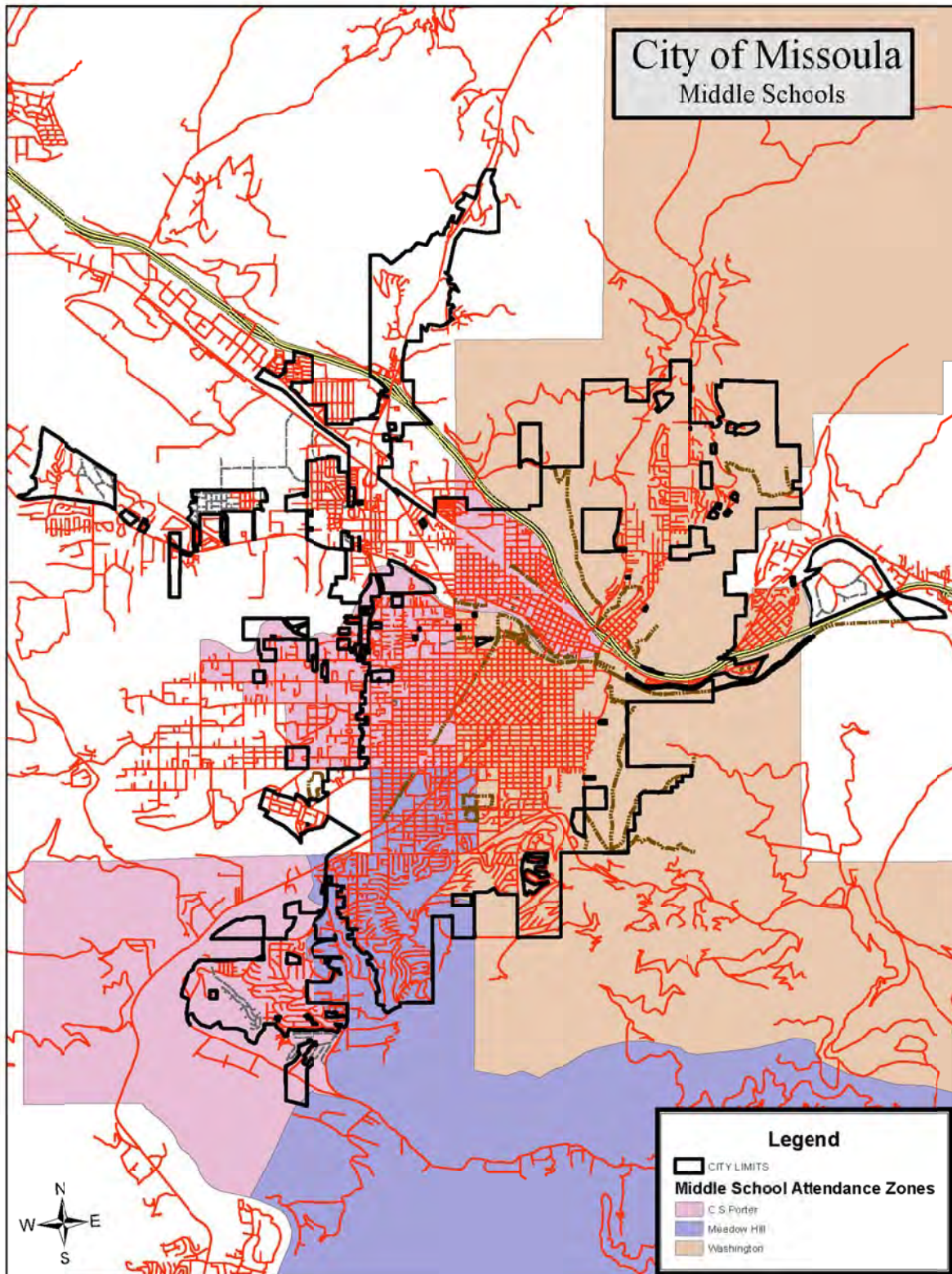
City of Missoula is home to Missoula County School District 1. Included in Missoula County, School District 1 are the following schools that serve the City of Missoula:



High Schools (serves grade 9 through grade 12)

Big Sky High School	3100 South Ave W	Missoula, MT	59804	(406) 728-2401
Hellgate High School	900 S Higgins Ave	Missoula, MT	59801	(406) 728-2402
Willard Alternative High School	901 S 6 <sup>th</sup> St W	Missoula, MT	59801	(406) 542-4073
Sentinel High School	901 South Ave W	Missoula, MT	59801	(406) 728-2403

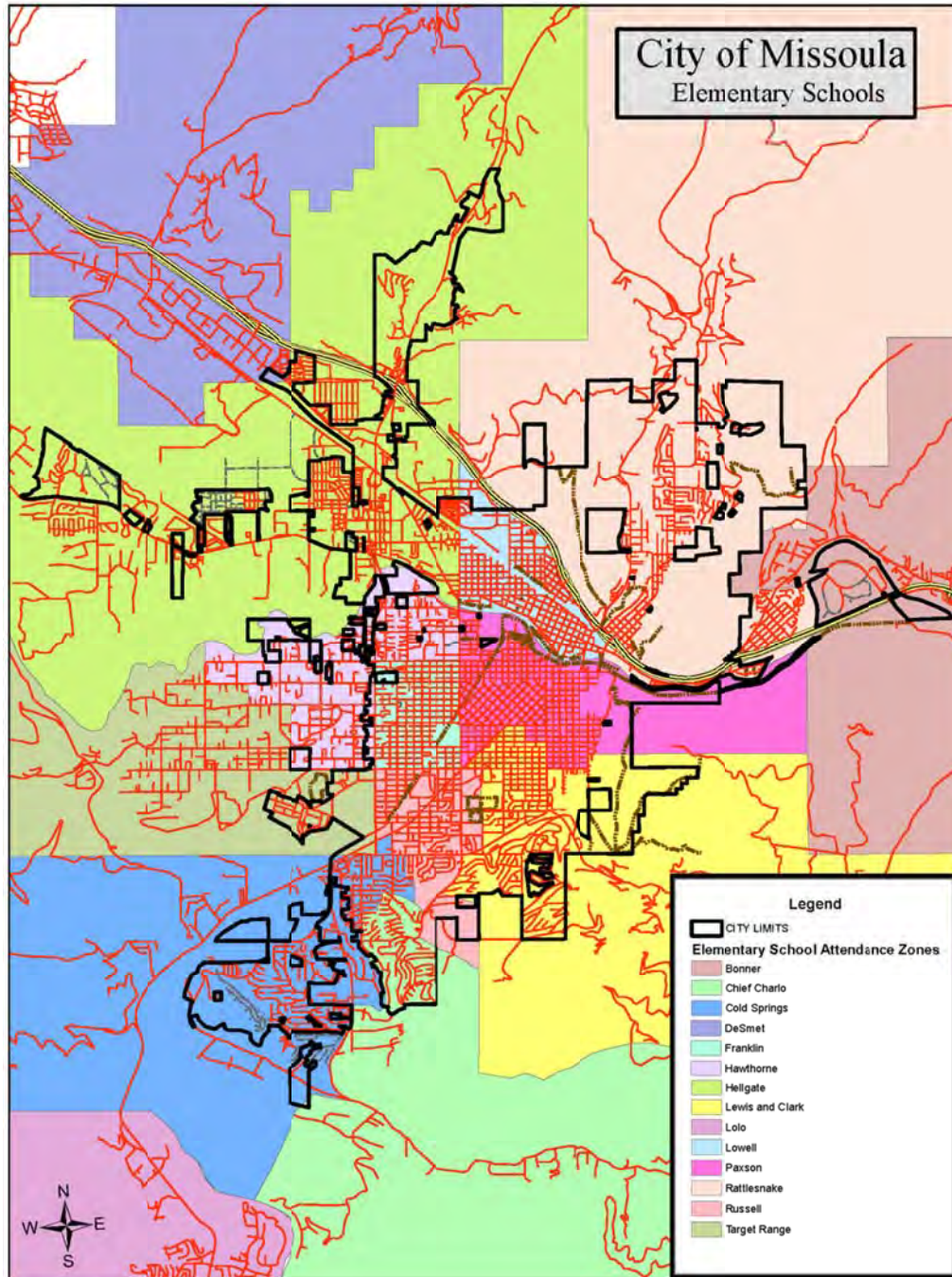




Middle Schools (serves grade 6 through grade 8)

C.S Porter School	2510 Central Ave	Missoula, MT	59804	(406) 542-4060
Washington Middle School	645 W Central Ave	Missoula, MT	59801	(406) 542-4085
Meadow Hill Middle School	4210 Reserve St	Missoula, MT	59803	(406) 542-4045





Elementary Schools (serves kindergarten through 5<sup>th</sup> grade)

Russell School	3216 Russell St	Missoula, MT	59801	(406) 542-4080
Franklin School	1901 S 10 <sup>th</sup> St W	Missoula, MT	59801	(406) 542-4020
Chief Charlo Elementary	5600 Longview St	Missoula, MT	59803	(406) 542-4005
Lewis and Clark School	2901 Park St	Missoula, MT	59801	(406) 542-4035
Cold Springs School	2625 Briggs St	Missoula, MT	59803	(406) 542-4010
Hawthorne School	2835 S 3 <sup>rd</sup> St W	Missoula, MT	59804	(406) 542-4025
Lowell School	1200 Sherwood Ave	Missoula, MT	59802	(406) 542-4040
Rattlesnake School	1220 Pineview Dr	Missoula, MT	59802	(406) 542-4050
Paxon Elementary	101 Evans St	Missoula, MT	59801	(406) 542-4055

CITY OF MISSOULA, MONTANA  
FUND BALANCES OF GOVERNMENTAL FUNDS  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Fund</b>										
Reserved	\$ 588,145	\$ 759,606	\$ 558,624	\$ 699,325	\$ 740,667	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,341,370	1,365,053	643,449	201,062	1,348,317	-	-	-	-	-
Nonspendable*	-	-	-	-	-	1,148,767	1,232,302	1,259,186	1,129,654	1,404,250
Restricted*	-	-	-	-	-	165,282	105,804	157,822	179,972	179,972
Assigned*	-	-	-	-	-	1,203,481	1,284,045	1,757,237	1,716,911	1,868,348
Unassigned*	-	-	-	-	-	1,152,657	1,940,474	2,968,121	2,543,264	2,160,723
Total General Fund	\$ 1,929,515	\$ 2,124,659	\$ 1,202,073	\$ 900,387	\$ 2,088,984	\$ 3,670,187	\$ 4,562,625	\$ 6,142,366	\$ 5,569,801	\$ 5,613,293
<b>All other governmental funds</b>										
Reserved	\$ 3,602,376	\$ 3,007,558	\$ 3,175,573	\$ 3,654,339	\$ 3,869,555	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	1,939,572	1,462,685	3,208,509	3,814,089	4,124,600	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	(5,290,370)	521,612	(1,471,297)	(4,728,035)	(4,089,044)	-	-	-	-	-
Nonspendable*	-	-	-	-	-	11,505	12,042	-	-	-
Restricted*	-	-	-	-	-	7,911,860	7,409,318	6,789,639	6,302,882	6,342,950
Committed*	-	-	-	-	-	1,374,228	2,048,128	2,892,425	4,543,997	5,289,662
Assigned*	-	-	-	-	-	-	-	-	-	21,240
Unassigned*, reported in:										
Special revenue funds	-	-	-	-	-	(332,574)	(149,817)	(105,325)	(986,470)	(400,440)
Debt service funds	-	-	-	-	-	(36,421)	(174,575)	(23,761)	(189,696)	(331,742)
Capital projects funds	-	-	-	-	-	(3,962,631)	(4,602,847)	(5,681,029)	(8,125,283)	(9,907,622)
Neighborhood stabilization funds	-	-	-	-	-	-	(4,139)	-	-	-
Total other governmental funds	\$ 251,578	\$ 4,991,855	\$ 4,912,785	\$ 2,740,393	\$ 3,905,111	\$ 4,965,967	\$ 4,538,110	\$ 3,871,949	\$ 1,545,430	\$ 1,014,048

Source: City of Missoula

\* Restated to conform to GASB Statement No. 54

# STATISTICAL SECTION

## CITY OF MISSOULA, MONTANA CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Taxes and assessments	\$ 22,340,804	\$24,128,385	\$25,071,209	\$26,649,687	\$27,445,555	\$28,256,587	\$29,396,016	\$31,729,767	\$31,161,007	\$32,506,332
Licenses and permits	2,839,058	2,927,474	4,054,474	2,753,704	3,050,653	3,092,436	2,866,229	3,227,926	3,119,709	3,663,422
Intergovernmental	13,208,755	13,035,698	12,747,140	13,147,938	20,456,138	17,531,499	25,130,561	17,665,516	17,000,835	19,095,397
Charges for services	3,625,225	4,540,977	3,911,813	4,439,499	4,475,126	5,160,326	5,106,399	6,057,449	5,596,577	6,368,100
Fines and forfeitures	1,178,920	1,421,588	1,215,955	1,130,177	1,203,587	1,008,945	1,344,578	1,565,130	1,347,949	1,326,509
Miscellaneous	949,537	975,534	1,699,515	1,168,486	1,464,092	1,205,961	613,255	625,976	544,245	836,745
Interest earnings	192,758	538,418	584,698	156,522	63,362	32,409	41,691	47,960	21,214	13,687
Total revenues	44,335,057	47,568,074	49,284,804	49,446,013	58,158,513	56,288,163	64,498,728	60,919,724	58,791,536	63,810,192
<b>Expenditures</b>										
General government	6,334,244	5,745,356	6,515,738	7,752,035	7,252,975	6,493,866	6,949,250	8,034,601	9,838,640	10,204,889
Public safety	18,138,794	19,880,732	21,637,023	21,669,039	22,227,258	22,431,087	23,834,156	25,803,943	28,002,557	28,012,238
Public works	5,803,509	6,161,928	6,670,377	6,624,812	6,577,834	7,962,836	7,437,537	7,393,392	7,193,974	9,962,351
Public health	1,152,195	1,249,223	1,364,663	1,404,043	1,368,398	1,372,380	1,431,431	1,482,096	1,550,087	1,644,431
Social and economic	108,395	132,897	115,000	118,450	118,450	116,000	116,000	116,000	210,000	210,000
Culture and recreation	3,011,054	3,676,479	3,118,438	3,278,075	3,293,005	3,289,120	3,528,049	3,838,271	4,091,295	4,434,040
Community development	2,379,741	2,202,392	2,041,498	1,193,372	4,017,676	2,264,947	10,348,859	1,238,419	227,258	1,411,431
Conservation of natural resources	-	-	-	-	7,757	450	100	120	120	-
Miscellaneous	-	947,093	-	-	1,041,180	1,189,351	1,003,472	1,049,647	1,057,905	788,789
Debt service - principal	2,783,319	6,127,301	2,973,898	3,026,661	3,121,407	3,484,312	3,689,100	3,057,702	3,695,116	4,696,540
Debt service - interest	1,357,860	1,671,508	1,665,936	1,595,937	1,584,136	1,595,391	1,556,195	2,531,043	841,703	836,167
Capital outlay	18,496,532	9,116,240	7,575,647	5,401,985	8,518,735	7,777,324	6,202,777	6,863,986	5,749,618	8,477,784
Total expenditures	59,565,643	56,911,149	53,678,218	52,064,409	59,128,811	57,977,065	66,096,927	61,409,220	62,458,274	70,678,660
Excess of revenues over (under) expenditures	(15,230,586)	(9,343,075)	(4,393,414)	(2,618,396)	(970,298)	(1,688,902)	(1,598,199)	(489,496)	(3,666,738)	(6,868,468)
<b>Other financing sources (uses)</b>										
Transfers in	5,338,325	7,003,875	4,551,456	5,343,911	5,531,051	4,989,066	7,143,975	7,539,764	7,246,955	7,227,765
Transfers out	(5,170,043)	(6,821,059)	(4,665,834)	(5,282,309)	(5,557,582)	(4,797,139)	(7,478,899)	(8,145,604)	(8,060,866)	(8,065,955)
Payments to Refunded Bond Escrow Agent	-	(2,037,769)	-	-	(983,591)	-	-	(5,541,672)	(5,781,508)	-
Issuance of Refunding Bonds	-	4,355,000	-	-	1,000,000	-	-	5,480,000	5,860,000	-
Premium on Refunded Bonds	-	-	-	-	-	-	-	152,081	-	-
Issuance of long term debt/capital leases	2,850,881	11,574,351	2,378,354	-	3,276,941	4,168,336	2,559,396	1,895,150	1,514,851	3,159,644
Proceeds from sale of capital assets	100	-	840,620	82,716	56,794	-	-	22,171	465	-
Total other financing sources (uses)	3,019,263	14,074,398	3,104,596	144,318	3,323,613	4,360,263	2,224,471	1,401,890	779,897	2,321,454
Net change in fund balances	\$ (12,211,323)	\$ 4,731,323	\$ (1,288,818)	\$ (2,474,078)	\$ 2,353,315	\$ 2,671,361	\$ 626,272	\$ 912,394	\$ (2,886,840)	\$ (4,547,014)
Debt service as a percentage of non-capital expenditures	12%	23%	12%	12%	11%	12%	10%	12%	9%	10%

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
OVERLAPPING PROPERTY TAX LEVIES  
Last Ten Fiscal Years**

<b>Taxing Authority</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
City of Missoula	204.73	212.23	222.45	222.45	225.56	233.24	240.90	243.52	245.62	252.81
<b>County of Missoula</b>										
County Wide	133.64	136.19	140.35	138.94	139.80	142.47	145.04	150.32	160.09	167.96
County Wide Schools	104.26	104.04	105.61	104.62	103.45	100.94	100.17	104.60	105.64	104.35
Total	237.90	240.23	245.96	243.56	243.25	243.41	245.21	254.92	265.73	272.31
<b>District Schools</b>										
School District One	150.26	145.45	140.24	142.75	141.50	145.18	141.88	148.94	150.34	149.71
High Schools	82.21	77.05	79.13	76.46	74.63	76.44	71.92	72.19	72.77	75.11
Total	232.47	222.50	219.37	219.21	216.13	221.62	213.80	221.13	223.11	224.82
<b>State Levies</b>										
University	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Education Foundation	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Total	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00
Urban Transportation District	13.91	14.62	14.86	16.30	16.45	17.69	19.51	21.05	34.26	40.47
Total Levy on City Residents	735.01	735.58	748.64	747.52	747.39	761.96	765.42	786.62	814.72	836.41
Overall Property Tax Increase(Decrease	2.06%	0.08%	1.78%	-0.15%	-0.02%	1.95%	0.45%	2.77%	3.57%	2.66%
<b>Other Levies of Interest</b>										
County Only	34.50	35.68	35.80	35.80	36.18	36.18	36.38	36.37	36.37	37.70
Missoula Rural Fire	80.89	91.13	94.13	94.13	97.97	97.97	100.33	102.39	112.59	112.61

Source: County of Missoula Accounting Office  
Note: MRA doesn't get University mills.

**CITY OF MISSOULA, MONTANA  
ESTIMATED MARKET VALUE, TAXABLE VALUE AND MILL LEVY  
Last Ten Fiscal Years**

Fiscal Year	Estimated Market Value	Taxable Value City Without Tax Increment	Ratio of Total Assessed Value to Total Estimated Market Value	Taxable Value Tax Increment Districts	Mill Levy
2007	\$ 2,901,638,641	\$ 93,533,579	3.22%	\$ 1,446,959	204.73
2008	3,195,587,513	99,332,558	3.11%	1,806,159	212.23
2009	3,369,424,088	103,000,436	3.06%	1,909,938	222.45
2010	3,757,969,949	104,408,018	2.78%	4,507,159	222.45
2011	3,965,146,053	106,229,033	2.68%	5,245,004	225.56
2012	4,140,685,284	107,878,992	2.61%	5,114,782	233.24
2013	4,110,699,383	108,167,019	2.63%	4,530,936	240.90
2014	4,305,020,382	109,336,360	2.54%	4,732,437	243.52
2015	4,406,017,003	108,677,495	2.47%	3,946,539	245.62
2016	7,303,138,213	111,558,503	1.53%	4,297,267	252.81

Source: Missoula County Assessors Office

**CITY OF MISSOULA, MONTANA**  
**ASSESSED VALUE AND ESTIMATED TAXABLE VALUE OF PROPERTY**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Equipment &amp; Fixtures</b>	<b>Electric, Airline &amp; Telecommunications</b>	<b>Railroad</b>	<b>Electric, Phone Co-ops &amp; Pollution Control</b>	<b>Other</b>	<b>Tax Increment District</b>	<b>Total Taxable Assessed Value</b>
2007	\$ 84,231	\$ 4,697	\$ 5,291	\$ 346	\$ 379	\$ 61	\$ (1,471)	\$ 93,534
2008	91,045	4,474	4,925	313	382	-	(1,806)	99,333
2009 ^	-	-	-	-	-	-	-	-
2010	96,352	5,133	3,585	348	380	3,117	(4,507)	104,408
2011	96,914	4,785	5,304	397	393	3,681	(5,245)	106,229
2012	98,235	4,851	5,376	402	398	3,732	(5,115)	107,879
2013	98,669	3,852	5,175	440	407	4,155	(4,531)	108,167
2014	99,741	4,086	4,928	587	346	4,381	(4,732)	109,336
2015	101,034	2,242	3,848	501	396	4,604	(3,947)	108,677
2016	104,254	2,071	3,888	509	405	4,727	(4,297)	111,559

\*Property in the City does have a Market Value is assessed at actual value at a rate of 2.5%; therefore, the assessed values are equal to actual value.

\*This table presents taxable property assessments at values calculated after certified values were received from the Department of Revenue. These values will not articulate to certified values due to the date that this report is run by the Department of Revenue.

^ 2009 Values are no longer available due to Department of Revenue (DOR) software constraints and timing issues in FY2009.

Source: Missoula County Assessor's Office and Department of Revenue.

**CITY OF MISSOULA, MONTANA  
PROPERTY VALUE AND NEW CONSTRUCTION  
Last Ten Fiscal Years**

Fiscal Year	Assessed Value City Property	New Construction						% Change Over Last Year
		Single Family		Multi-Family		All Construction		
		Number	Value Estimate	Number	Value Estimate	Number	Value Estimate	
2006	\$ 2,805,424,077	374	\$ 35,521,132	79	\$ 4,393,527	1,494	\$ 99,855,627	-11.80%
2007	2,901,638,641	303	31,466,438	153	7,595,391	1,613	89,139,379	-10.73%
2008	3,195,587,513	229	21,554,764	154	9,711,099	1,530	133,165,009	49.39%
2009	3,369,424,088	142	11,627,586	73	3,019,865	1,291	63,987,567	-51.95%
2010	3,757,969,949	139	12,643,362	63	2,552,415	1,306	54,867,213	-14.25%
2011	3,965,146,053	95	8,892,276	262	17,010,385	1,283	87,790,572	60.01%
2012	4,140,685,284	96	9,675,751	329	15,186,996	1,395	58,443,007	-33.43%
2013	4,110,699,383	127	11,284,179	371	14,682,857	1,485	68,558,394	17.31%
2014	4,305,020,382	160	18,828,163	210	9,575,271	1,319	74,177,588	8.20%
2015	4,406,017,003	176	18,033,312	302	12,840,095	1,427	122,960,429	65.76%

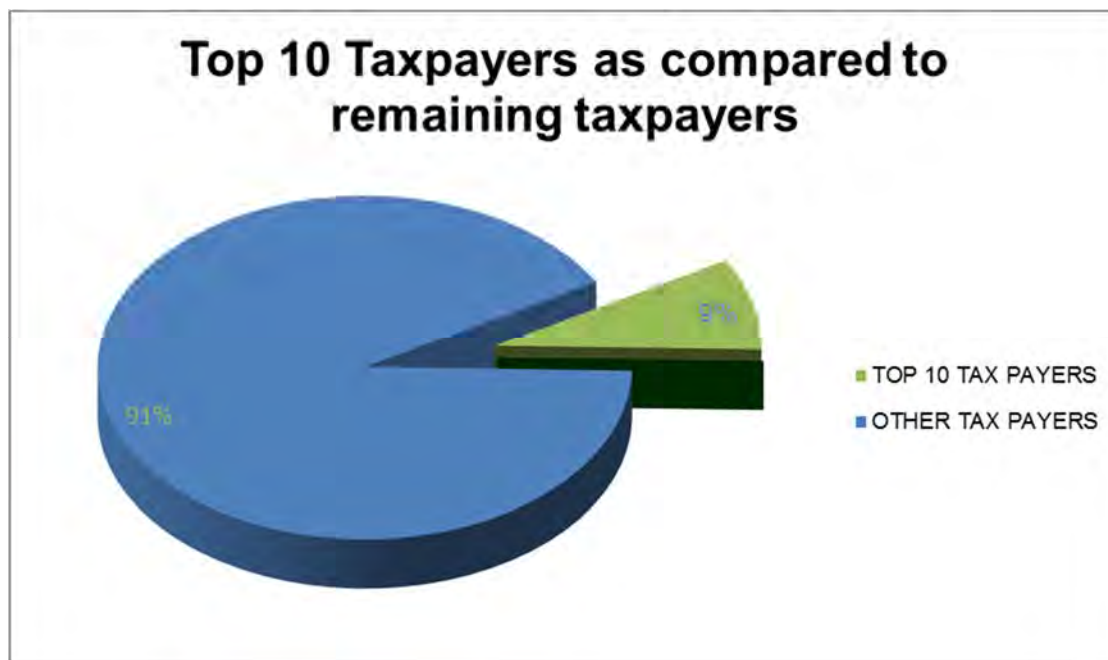
Source: City of Missoula Building Inspection Office and Missoula County Assessor



**CITY OF MISSOULA  
FOR FY 2015 - FY 2016**

Rank	Taxpayer	Taxable Value
1	MOUNTAIN WATER COMPANY	\$ 1,610,569
2	CENTRYLINK	1,459,704
3	BRESNAN COMMUNICATION	1,142,583
4	RCHP BILLINGS MISSOULA LLC *	1,124,923
5	SOUTHGATE MALL	1,003,468
6	VERIZON WIRELESS	814,678
7	MONTANA RAIL LINK	733,168
8	GATEWAY LIMITED PARTNERSHIP	684,235
9	NORTHWESTERN ENERGY	669,534
10	ST PATRICK HOSPITAL CORP	438,358
		<u>\$ 9,681,220</u>

\* Formerly Community Hospital



**CITY OF MISSOULA, MONTANA  
PROPERTY TAX LEVIES AND COLLECTIONS  
GOVERNMENTAL FUND TYPES  
Last Ten Fiscal Years**

Fiscal Year Ended June 30th	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		in Subsequent Years	Total Collections to Date*		Percentage of Delinquencies
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2006	\$ 18,369,060	\$17,935,902	97.64%	\$ 366,878	\$18,302,780	99.64%	2.36%
2007	19,863,202	19,806,028	99.71%	220,890	20,026,918	100.82%	0.29%
2008	21,454,436	20,926,264	97.54%	56,389	20,982,653	97.80%	2.46%
2009	22,914,220	22,301,910	97.33%	317,891	22,619,800	98.72%	2.67%
2010	23,225,564	22,737,517	97.90%	636,697	23,374,213	100.64%	2.10%
2011	23,961,021	22,743,766	94.92%	862,661	23,606,427	98.52%	5.08%
2012	25,161,696	24,607,176	97.80%	211,507	24,818,683	98.64%	2.20%
2013	26,057,435	26,150,721	100.36%	850,849	27,001,570	103.62%	-0.36%
2014	26,625,590	25,882,072	97.21%	140,631	26,022,703	97.74%	2.79%
2015	26,693,366	26,658,963	99.87%	209,372	26,868,335	100.66%	0.13%

Source: City of Missoula

\* Delinquent tax collections include amounts collected from penalties, interest, and other delinquent collections. The City does not identify delinquent collections by the year for which the tax was levied.

In 2014 this table was updated to reflect all taxes levied by the City of Missoula, not just the General Fund.

While 2014 delinquencies are within a normal range we feel it germane to the reader to mention the passage of SB96 which reduced 2014 tax receipts for strict personal property. The legislature attempted to make taxing jurisdictions whole by one-time payments. The City of Missoula received a one-time payment of \$327,628 which is reflected in Intergovernmental revenues rather than tax receipts.

**CITY OF MISSOULA, MONTANA  
GENERAL OBLIGATION DEBT RATIOS  
REQUIRED CONTINUING DISCLOSURE**

**The following general obligation debt ratios are provided as of June 30, 2015**

Market Valuation	\$	4,406,017,003
Market Valuation (Less Tax Increment)	\$	4,402,070,464
Taxable Valuation	\$	112,624,034
Taxable Valuation (Less Tax Increment)	\$	108,677,495
Population		70,296
Direct Debt Per Capita	\$	301
Direct and Overlapping Debt Per Capita	\$	450
Direct Debt to Market Valuation		0.48%
Direct and Overlapping Debt to Market Valuation		0.72%
Direct Debt to Taxable Valuation		18.77%
Direct and Overlapping Debt to Taxable Valuation		28.09%
Market Valuation per Capita	\$	62,678
Taxable Valuation per Capita	\$	1,546

Source: City of Missoula

**SUMMARY OF DIRECT DEBT, INDIRECT DEBT AND DEBT RATIOS  
REQUIRED CONTINUING DISCLOSURE  
AS OF JUNE 30, 2015**

	<b>Summary of Direct Debt</b>		
	<b>Gross Debt</b>	<b>Less: Debt Service Funds</b>	<b>Net Direct Debt</b>
General Obligation Debt Supported by Taxes	\$ 21,144,176	\$ -	\$ 21,144,176
Debt Supported by General Fund	9,604,928	-	9,604,928
Revenue Debt (Sewer)	21,210,395	( a )	21,210,395
Revenue Debt (TIF and Parking)	24,196,354	( b )	24,196,354
Subtotal of Direct Debt	<u>\$ 76,155,853</u>		<u>\$ 76,155,853</u>

(a) Monies are transferred from the Sewer Enterprise Fund to make the principal and interest payments on these bonds.

(b) Monies from the Missoula Parking Commission and tax increment revenues are used to make principal and interest payments on these bonds.

	<b>Summary of Indirect Debt</b>		
	<b>G.O. Debt as of June 30, 2015</b>	<b>Debt Applicable to Tax Capacity of City</b>	
		<b>Percentage^</b>	<b>Amount</b>
Taxing Unit:			
Missoula County High School District	\$ 7,325,000	52.23%	\$ 3,825,848
Hellgate Elementary School District	9,835,000	14.90%	1,465,415
School District No. 20 (Desmet)	140,000	2.63%	3,682
Missoula County	9,433,000	55.12%	5,199,470
Subtotal of Indirect Debt	<u>\$ 26,733,000</u>		<u>\$ 10,494,414</u>

**Total of Direct and Indirect Debt** \$ 86,650,267

	<b>Debt Ratios*</b>	
	<b>G.O. Net Direct Debt</b>	<b>G.O. Indirect &amp; Net Direct Debt</b>
Current Year Estimated Value	0.48%	0.72%
Per Capita	\$ 301	\$ 450

\*Includes general obligation debt and debt supported by general fund revenues, excludes revenue supported debt.

^The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Local Schools

**CITY OF MISSOULA, MONTANA**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**  
(amounts expressed in thousands)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	\$ 42,362	\$ 72,541	\$ 79,890	\$ 84,236	\$ 93,949	\$ 99,129	\$ 103,517	\$ 102,767	\$ 107,626	\$ 110,150
Total net debt applicable to limit	14,511	18,972	17,722	16,426	15,224	13,966	12,661	12,124	11,555	10,178
Legal debt Margin	\$ 27,851	\$ 53,569	\$ 62,167	\$ 67,809	\$ 78,725	\$ 85,163	\$ 90,856	\$ 90,643	\$ 96,071	\$ 99,973
Total net debt applicable to the limit as a percentage of debt limit	34.25%	26.15%	22.18%	19.50%	16.20%	14.09%	12.23%	11.80%	10.74%	9.24%

**Legal Debt Margin Calculation for Fiscal Year 2015**

Assessed Value of Taxable Property as Ascertained by the last Assessment for Taxes	\$ 4,406,017
Debt Limit 2.5% of Assessed Value (1)	<u>2.50%</u>
General Obligation Debt Limit	110,150
Less: Outstanding General Obligation Debt, June 30, 2015	<u>10,178</u>
Total net debt applicable to limit	<u>99,973</u>
Legal Debt Margin	<u>\$ 99,973</u>

(1) Montana Statute (7-7-4201) prescribes a legal debt limit of 2.5% of the total assessed value of taxable property, which was increased in the FY 2007 legislature from 1.51%.

Source: City of Missoula  
Source: Missoula County Assessors Office

# STATISTICAL SECTION

## CITY OF MISSOULA, MONTANA RATIO OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Business-Type Activities			Total Primary Government	Total Personal Per capita Income*	Total Population	Debt as a Percentage of Personal Income	Debt Per Capita	Debt as a Percentage of Market Value
	General Obligation Bonds	Limited Obligation Bonds	Special Assessment Bonds	Loans Payable	Capital Leases	Sidewalk & Curb Warrants	Revenue Bonds	Capital Leases	Notes Payable						
2006	\$ 14,070,000	\$ 1,315,000	\$ 15,594,203	\$ 440,972	\$ -	\$ 120,923	\$ 17,079,212	-	-	\$ 48,620,310	\$ 33,247	64,081	2.28%	\$ 759	1.68%
2007	18,720,000	4,760,000	15,455,681	252,453	-	120,923	16,797,231	-	-	56,106,288	34,451	65,826	2.47%	852	1.76%
2008	17,500,000	5,360,000	15,510,165	222,425	-	120,923	15,818,231	-	-	54,531,744	35,294	66,000	2.34%	826	1.62%
2009	16,235,000	5,130,000	14,030,295	191,309	-	100,248	14,801,231	-	-	50,488,083	35,156	66,295	2.17%	762	1.34%
2010	15,065,000	4,935,000	14,350,241	159,063	1,378,125	-	13,883,485	-	-	49,770,914	35,592	66,500	2.10%	748	1.32%
2011	13,840,000	5,625,000	15,021,055	125,646	1,959,752	-	24,579,098	71,250	-	61,221,801	36,032	67,565	2.51%	906	1.63%
2012	12,570,000	5,285,000	15,322,685	91,014	2,174,849	-	23,600,000	385,660	2,525,270	61,954,479	36,479	68,484	2.48%	905	1.50%
2013	11,465,000	4,935,000	14,189,516	659,267	2,215,466	-	22,051,000	337,080	2,236,246	58,088,575	37,397	69,039	2.25%	841	1.41%
2014	11,020,000	4,575,000	12,738,346	534,747	3,201,445	-	20,857,000	232,296	1,962,919	55,121,753	38,444	69,821	2.05%	789	1.28%
2015	9,750,000	4,210,000	11,394,176	427,513	4,967,415	-	19,631,000	149,281	1,430,114	51,959,499	39,521	70,296	1.87%	739	1.18%

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Montana Department of Labor - Research and Analysis Bureau

\*2010 is the most recent data available. Preceding years to 2004-2009 are City estimates.

**CITY OF MISSOULA, MONTANA**  
**RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS FOR**  
**Last Ten Fiscal Years**  
Amounts expressed in thousands, except population and per capita

<b>Fiscal Year</b>	<b>General Obligation Bonds*</b>	<b>Total Taxable Assessed Valuation</b>	<b>Percentage of Taxable Value of Property</b>	<b>Estimated Population</b>	<b>Per Capita</b>
2006	\$ 14,070	\$ 91,358	15%	64,081	\$ 219.57
2007	18,720	93,534	20%	65,826	284.39
2008	17,500	99,333	18%	66,000	265.15
2009	16,235	103,000	16%	66,295	244.89
2010	15,065	104,408	14%	66,500	226.54
2011	13,840	106,229	13%	67,565	204.84
2012	12,570	107,879	12%	68,484	183.55
2013	11,465	108,167	11%	69,039	166.07
2014	11,020	109,336	10%	69,821	157.83
2015	9,750	108,677	9%	70,296	138.70

\* Presented as net bonded debt (net bonded debt is balance of outstanding debt less restricted funds collected for debt payment). First year presented is FY2012. All other fiscal years is presented as total bonded debt.

Source Restricted Debt: Combining Balance Sheet - Nonmajor Debt Service Funds

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Bureau of Economic Analysis

**CITY OF MISSOULA, MONTANA  
PLEDGED-REVENUE COVERAGE  
WASTEWATER FACILITY REVENUE BONDS  
Last Ten Fiscal Years**

Fiscal Year	Operating Revenues	Operating Expenses (1)	Revenue Available for Debt	Debt Service Requirements			
				Principal Paid	Interest Paid	Total Debt Service	Coverage (2)
2006	\$ 6,620,032	\$ 3,263,652	\$ 3,356,380	\$ 894,751	\$ 660,341	\$ 1,555,092	216%
2007	6,778,103	3,492,891	3,285,211	941,000	682,728	1,623,728	202%
2008	6,848,299	3,900,755	2,947,544	979,000	641,677	1,620,677	182%
2009	6,543,754	3,860,411	2,683,343	1,017,000	605,558	1,622,558	165%
2010	6,705,911	3,769,644	2,936,267	1,050,023	568,464	1,618,487	181%
2011	6,678,968	3,876,659	2,802,309	1,511,485	721,218	2,232,703	126%
2012	7,375,912	4,701,243	2,674,669	979,098	876,018	1,855,116	144%
2013	7,861,126	4,925,194	2,935,932	1,186,000	711,146	1,897,146	155%
2014	8,023,882	4,871,391	3,152,491	1,194,000	616,515	1,810,515	174%
2015 ^	8,208,336	5,111,953	3,096,383	1,226,000	564,953	1,790,953	173%

^ Debt Service Coverage Calculation - 2015	
	FY 2015
<b>Revenues</b>	
Operating Revenue	\$ 8,444,588
Less: Federal Credit	(236,252)
Total Operating Revenue	8,208,336
<b>Expenses</b>	
Operating Expenses	(7,691,517)
Add back Depreciation	2,579,564
Total Operating Expenses	(5,111,953)
<b>Revenues Available for Debt Service:</b>	<b>\$ 3,096,383</b>
<b>Debt Service</b>	
Principal	\$ 1,226,000
Interest	828,205
Less: Federal Credit	(263,252)
Net Debt Service	<b>\$ 1,790,953</b>
<b>Coverage</b>	<b>173%</b>

Source: City of Missoula Annual Financial Reports

(1) Does not include depreciation or bond interest.

(2) Net revenues divided by the maximum debt payment due in any future calendar year.



CITY OF MISSOULA, MONTANA  
COMPONENT UNIT REVENUE BOND COVERAGE  
PARKING COMMISSION REVENUE BONDS

Fiscal Year	Operating Revenues	Operating Expenses (A)	Net Available For Debt Service	Principal Paid	Interest Paid	Total Debt Service	Coverage (B)
2006	\$ 1,474,651	\$ 855,051	\$ 619,600	\$ 95,000	\$ 66,230	\$ 161,230	384%
2007	1,391,368	903,019	488,349	100,000	63,237	163,237	299%
2008	1,429,972	1,008,437	421,535	105,000	58,345	163,345	258%
2009	1,448,179	1,013,313	434,866	110,000	53,162	163,162	267%
2010	1,415,863	1,026,254	389,609	115,000	46,778	161,778	241%
2011	1,443,085	947,789	495,296	120,000	(86,268)	33,732	1468%
2012	1,739,234	876,485	862,749	220,000	384,813	604,813	143%
2013	1,838,073	958,094	879,979	210,000	302,292	512,292	172%
2014	1,840,624	1,060,034	780,590	220,000	317,253	537,253	145%
2015 *	1,814,680	1,336,268	478,412	40,000	268,709	308,709	155%

* Debt Service Coverage Calculation - 2015	
	FY 2015
<b>Revenues</b>	
Total Operating Revenue	\$ 1,629,455
MRA Pledge	185,225
Total Revenues Pledged	1,814,680
<b>Expenses</b>	
Operating Expenses	(1,740,325)
Add back Depreciation ^	404,057
Total Operating Expenses	(1,336,268)
<b>Revenues Available for Debt Service</b>	<u>\$ 478,412</u>
<b>Debt Service</b>	
Principal	\$ 40,000
Interest	268,709
Less: Federal Credit	-
Net Debt Service	<u>\$ 308,709</u>
Coverage	155%

(A) Does not include depreciation or bond interest.

(B) Net available divided by debt service.

Source: City of Missoula Annual Reports

**CITY OF MISSOULA, MONTANA  
REVOLVING FUND YEAR-END BALANCES  
REQUIRED CONTINUING DISCLOSURE  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Revolving Fund Cash Balance</b>	<b>Principal Amount of Bonds</b>	<b>Percentage</b>
2006	\$ 889,718	\$ 15,594,203	5.7%
2007	954,148	15,455,681	6.2%
2008	779,966	15,510,165	5.0%
2009	719,399	14,030,295	5.1%
2010	746,320	14,250,241	5.2%
2011	794,547	15,021,055	5.3%
2012	774,812	15,322,685	5.1%
2013	719,735	14,189,516	5.1%
2014	636,917	12,738,346	5.0%
2015	569,709	11,394,176	5.0%

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
REVOLVING FUND CHANGES IN FUND BALANCE  
REQUIRED CONTINUING DISCLOSURE  
Last Ten Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Beginning Balance	\$ 808,460	\$ 889,718	\$954,148	\$779,966	\$719,399	\$ 764,101	\$ 794,547	\$ 791,209	\$ 735,266	\$ 652,449
Disbursements/Transfers	81,258	64,430	(174,182)	(60,567)	44,702	30,446	(3,338)	(55,943)	(82,817)	(65,853)
Ending Balance	<u>\$ 889,718</u>	<u>\$ 954,148</u>	<u>\$779,966</u>	<u>\$719,399</u>	<u>\$764,101</u>	<u>\$ 794,547</u>	<u>\$ 791,209</u>	<u>\$ 735,266</u>	<u>\$ 652,449</u>	<u>\$ 586,596</u>
Assets:										
Cash	\$ 885,738	\$ 928,632	\$776,343	\$702,257	\$746,320	\$793,639	\$774,812	\$719,735	\$636,917	\$ 569,709
Due from SID Funds	-	-	-	-	-	-	865	-	-	569,709
Other Receivables	218,910	222,281	184,856	182,844	167,952	135,548	134,640	119,108	103,577	88,046
Total Assets	<u>1,104,648</u>	<u>1,150,913</u>	<u>961,200</u>	<u>885,101</u>	<u>914,272</u>	<u>929,187</u>	<u>910,317</u>	<u>838,843</u>	<u>740,494</u>	<u>1,227,463</u>
Liabilities:										
Interfund Payable	-	-	-	-	-	-	-	-	-	568,353
Deferred Revenue	214,930	196,765	181,233	165,702	150,171	134,639	119,108	103,577	88,046	72,514
Total Liabilities	<u>214,930</u>	<u>196,765</u>	<u>181,233</u>	<u>165,702</u>	<u>150,171</u>	<u>134,639</u>	<u>119,108</u>	<u>103,577</u>	<u>88,046</u>	<u>640,867</u>
Total Fund Balance	<u>\$ 889,718</u>	<u>\$ 954,148</u>	<u>\$779,966</u>	<u>\$719,399</u>	<u>\$764,101</u>	<u>\$ 794,547</u>	<u>\$ 791,209</u>	<u>\$ 735,266</u>	<u>\$ 652,449</u>	<u>\$ 586,596</u>

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
Last Ten Fiscal Years**

Fiscal Year	Population		Income Statistics		State Unemployment Rate	Missoula County Unemployment Rate
	City Population (1)	County Population	Total Personal Income (2)	Capita Income (2)		
2006	64,081	104,145	\$ 3,460,865	\$ 33,247	3.5%	3.3%
2007	65,826	105,911	3,646,623	34,451	2.5%	2.3%
2008	66,000	107,565	3,795,962	35,294	4.1%	4.1%
2009	66,295	108,000	3,818,772	35,156	5.3%	5.1%
2010	66,500	108,500	3,866,079	35,592	6.6%	6.3%
2011	67,565	110,121	3,913,971 *	36,032 *	6.9%	6.8%
2012	68,484	111,054	3,962,457 *	36,479 *	6.5%	6.4%
2013	69,039	111,769	4,181,210	37,397	5.5%	5.7%
2014	69,821	112,684	4,306,646 *	38,444 *	4.6%	4.9%
2015	70,296	113,450	4,435,846 *	39,521 *	4.0%	3.7%

(1) 2005 and 2010 population is from the US Census Bureau. All other years are estimated.

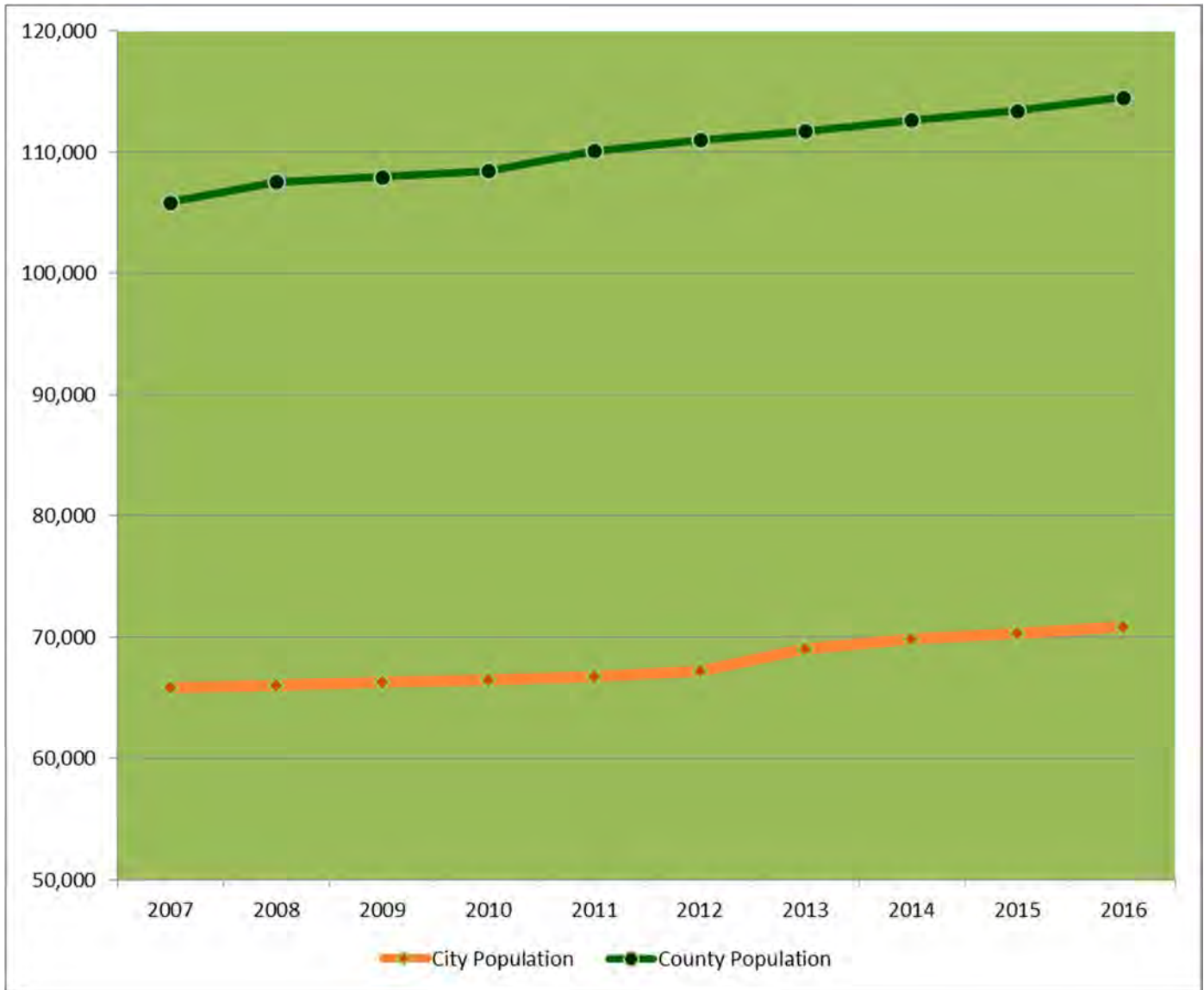
(2) Only Missoula County information available.

\* Estimate based on average increase of prior years.

Source - Bureau of Economic Analysis and Department of Labor & Industry, Research & Analysis Bureau

N/A - Not available

### County and City of Missoula Population per year



County and City of Missoula Percent increase in population per year



City of Missoula  
Climate Demographics  
Last 30 years

Temperature	Missoula (1893-2003)	Kalispell (1899-2003)	Butte (1894-2003)	State of Montana	State of Idaho
Latest 30 Year Normal Temperature (1971-2000)	44.8	42.6	39.5	-	-
Average Temperature (Jan-Dec)	44.3	43.1	39.9	-	-
	-33	-38	-52	-70	-60
Lowest Temperature	(1/26/57)	(1/30/50 - 1/31/50)	(2/9/33)	Rogers Pass (1/20/54)	Island Park Dam (1/18/43)
	107	105	100	117	118
Highest Temperature	(7/6/2007)	(8/4/61)	(7/22/31)	Medicine Lake (7/5/37)	Orofino (7/28/34)

Precipitation	Missoula (1893-2003)	Kalispell (1899-2003)	Butte (1894-2003)	State of Montana	State of Idaho
Latest 30 Year Normal Precipitation (1971-2000)	13.84	17.21	12.78	-	-
Average Precipitation (Jan-Dec)	13.65	16.22	12.97	-	-
Driest Month	Trace	Trace	Trace	-	-
	August 1967	August 1955	October 1987	-	-
Driest Year	8.16	10.42	6.89	-	-
	1931	1944	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	6.02 inches	8.86 inches	-	-
	May 1980	July 1983	June 1913	-	-
Wettest Year	21.92 inches	25.23 inches	20.55 inches	-	-
	1998	1996	1909	-	-
Annual Average Snowfall	44 inches	58.3 inches	61.3 inches	-	-
Greatest 24-hour Snow	27.5 inches	20.1 inches	30.0 inches	-	-
	(11/30/1893)	(12/27/1911)	(10/10/1911)	-	-
Greatest Monthly Snow	54.1 inches	55.9 inches	32.5 inches	-	-
	December 1996	December 1936	October 1911	-	-
Greatest Annual Snowfall	106.1 inches	148.8 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>2015</b>	<b>Percentage of Total City Employment</b>	<b>2006 **</b>	<b>Percentage of Total City Employment</b>
University of Montana	Higher Education	3,065	4.36%	2698	4.21%
St. Patrick Hospital	Healthcare	1,450	2.06%	1425	2.22%
Montana Rail Link	Rail Transportation	1,167	1.66%	1000	1.56%
Missoula County Public Schools	Public Education	1,124	1.60%	1182	1.84%
DirecTV (now part of AT&T family)	Service	935	1.33%	*	NA
Community Medical Center	Healthcare	916	1.30%	1245	1.94%
Missoula County	Government	878	1.25%	659	1.03%
Wal-Mart	Retail	585	0.83%	500	0.78%
Us Forest Service	Federal Government	584	0.83%	500-750	0.78%-1.12%
Opportunity Resources	Service	579	0.82%	*	NA
Plum Creek Timber				1000+	^
Southgate Mall				750-1000	0.78-1.12%
Smurfit-Stone Container Corp				507	0.79%

^ Some information was in range format for FY2006

\* Employers were added after 2006

\*\* Numbers are average between 2005 & 2007

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	88	June 30, 2015 *
Missoula Police Protective Association	98	June 30, 2019
Montana Public Employees Association		
Maintenance Technicians in Parks and Recreation Dept	9	June 30, 2015 *
Wastewater Lab Techs	2	June 30, 2015 *
Parking Commission	7	June 30, 2015 *
Wastewater Plant Operators	6	^
Teamsters Union, Local No. 2	20	June 30, 2015 *
Operators' Union, Local No. 4000	12	June 30, 2015 *
Machinists Union, Local No. 88, District No. 86	8	June 30, 2015 *
Teamsters, Parks and Recreation Seasonal	23	June 30, 2015 *
Wastewater Operator's Union, Local 400	8	June 30, 2015 *
International Brotherhood of Electrical Workers	2	June 30, 2015 *
MEA-MFT	5	June 30, 2015 *

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, 2008, the City employed approximately 639 workers, including Seasonal and Intermittent. Of the total City workforce, approximately 40% 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.

\* At time of budget publication, negotiations were ongoing

^ Newly created Union on July 1, 2015. Members were from WW Operators Union Local 400

Source: City of Missoula

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

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 (A)</b>
Goods Producing	6,200	6,200	6,100	5,500	4,600	4,700	4,400	4,500	4,575	4,620
Trade, Transportation and Utilities	12,800	12,900	12,900	12,100	11,300	11,400	11,600	11,100	11,917	12,550
Professional and Business Service	5,200	5,900	6,200	6,100	6,900	6,900	6,800	7,000	7,025	7,060
Educational and Health Services	8,300	8,300	8,700	8,900	9,200	9,500	9,800	10,000	9,967	10,050
Healthcare and Social Assistance	7,900	7,900	8,200	8,400	8,700	9,000	9,200	9,300	9,408	9,500
Leisure and Hospitality	7,100	7,600	7,900	7,600	7,000	6,900	7,400	7,300	7,742	7,980
Government	10,600	10,400	9,300	8,300	10,300	8,400	10,300	10,500	10,567	11,400
	<b>58,100</b>	<b>59,200</b>	<b>59,300</b>	<b>56,900</b>	<b>58,000</b>	<b>56,800</b>	<b>59,500</b>	<b>59,700</b>	<b>61,201</b>	<b>63,160</b>

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

(A) Most recent data available through October 2015.  
All other years are annual data

# STATISTICAL SECTION

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

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government</b>										
Business Licenses Issued	5,173	5,290	6,386	5,141	5,947	5,103	5,872	5,585	5,418	4,566
Amount of SID's Billed	\$ 2,748,200	\$ 2,793,604	\$ 2,802,979	\$ 2,759,874	\$ 2,788,949	\$ 2,979,149	\$ 2,806,770	\$ 2,565,463	\$ 2,468,350	\$ 2,277,577
# Sewer Bills	38,728	41,002	41,818	42,323	42,860	43,493	44,495	45,042	45,042	45,448
<b>Public Safety Activities</b>										
Citations issued	33,262	38,468	32,219	31,700	25,136	20,232	20,554	18,139	15,420	14,042
Orders of Protection issued	604	417	400	398	277	209	236	203	318	267
Attorney's Office - Lawsuits & Claims	51	47	49	41	26	24	22	32	29	28
Attorney - Opened criminal files	4,235	3,181	2,708	2,372	2,313	3,029	4,007	4,255	3,955	3,023
Officers/1,000 population	2	2	2	2	2	1	2	2	2	2
Total sworn officers	100	102	101	101	100	100	104	106	109	109
Police calls for Service	43,778	40,515	40,981	41,424	41,373	40,272	41,334	42,302	41,728	45,605
Total Fire Department Incident Responses*	5,259	5,497	5,805	5,850	6,217	5,752	6,131	6,548	6,745	7,140
<b>Public Works</b>										
Miles of sidewalk installed	9.34	9.19	7.00	4.00	6.78	5.42	4.72	5.58	9.19	4.35
Building Permits Issued	1,613	1,613	1,530	1,291	1,306	1,283	1,395	1,485	1,319	1,427
Construction Value of Bldg permits issued	\$ 89,139,379	\$ 89,139,379	\$ 133,165,009	\$ 63,987,567	\$ 54,867,213	\$ 87,790,572	\$ 58,443,007	\$ 68,558,394	\$ 74,177,588	\$ 122,960,429
Miles of Street	359	338	312	383	391	413	416	419	422	428
Population	64,081	65,826	66,000	66,295	66,500	67,565	68,484	69,039	69,821	70,296

Source: City of Missoula

\* Fire Department Incident Responses are based on Calendar Years. Current Year number through 12/31/14.

# STATISTICAL SECTION

## CITY OF MISSOULA, MONTANA CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM Last Nine Fiscal Years

Function	Fiscal Year								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>GENERAL GOVERNMENT</b>									
Vehicles	5	7	4	4	4	2	2	2	2
Buildings	2	3	3	3	3	4	4	5	5
<b>PUBLIC SAFETY ACTIVITIES</b>									
Fire Stations	5	5	5	5	5	5	5	5	5
Fire Engines/Trucks/Vehicles/Vans	27	26	26	25	25	31	32	32	33
Police Motorcycles	6	6	6	6	6	4	5	5	5
Police Patrol Cars/Passenger Vehicles/Other Vehic	47	58	62	63	63	66	59	63	63
<b>PUBLIC WORKS</b>									
Streets (sq. yards)	6,761,248	6,826,850	6,837,927	7,056,869	7,265,469	7,399,746	7,539,539	7,636,873	7,774,642
Curbs (lineal feet)	1,957,574	1,997,728	1,957,574	2,100,819	2,135,361	2,159,796	2,182,153	2,241,246	2,202,441
Sidewalks (sq. feet)	9,830,923	10,015,638	10,232,017	10,599,017	12,699,836	12,824,406	13,345,978	13,588,598	13,506,374
Storm Sewer (lineal feet)	153,275	153,275	157,826	162,158	168,148	172,360	179,388	179,888	170,051
Sumps	5,160	5,307	5,307	5,385	5,496	5,524	4,183	4,209	5,585
Signs	54,901	53,768	56,635	57,502	58,369	59,236	60,103	60,970	61,837
Vehicles	98	107	161	163	165	163	123	123	123
Buildings	7	4	4	4	4	4	5	5	5
<b>PUBLIC HEALTH ACTIVITIES</b>									
Cemetery & Buildings	7	7	7	7	7	7	7	7	7
Vehicles/Tractors/Trucks/Mowers	17	16	14	14	15	17	18	18	18
<b>CULTURE AND RECREATION</b>									
Parks	46	51	67	68	69	70	70	70	70
Trails	18	20	22						
Commuter	N/A	N/A	N/A	22	22	23	23	23	23
Recreational	N/A	N/A	N/A	55	55	56	56	56	56
Park Shelter/Band Shells/Pavilions	10	10	10	12	15	17	18	18	18
Buildings	20	23	23	23	23	23	23	23	23
Vehicles (Including trailers)	57	55	58	59	59	59	108	112	112
<b>HOUSING &amp; COMMUNITY DEVELOPMENT</b>									
Vehicles	10	10	1	1	1	1	1	1	1
Buildings	2	2	-	-	-	-	-	-	-

Capital Asset Statistics by Function information prior to 2006 is not readily available in this format.

Source: City of Missoula Fixed Asset Accounting Module

Source: Various City of Missoula Departments

**CITY OF MISSOULA, MONTANA  
SPECIAL ASSESSMENTS BILLED AND COLLECTED  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Assessments Billed</b>	<b>Current Assessments Paid</b>	<b>Percent Collected</b>	<b>Delinquent Assessments Paid</b>	<b>Total Assessments Paid</b>	<b>Penalty and Interest Paid</b>
2006	\$ 2,748,200	\$ 2,638,272	96.00%	\$ 246,280	\$ 2,884,552	\$ 10,996
2007	2,793,604	3,695,269	132.28%	106,930	3,802,199	11,629
2008	2,802,979	2,690,299	95.98%	107,817	2,798,116	11,653
2009	2,759,874	2,666,875	96.63%	109,340	2,776,215	11,539
2010	2,788,949	2,796,909	100.29%	136,607	2,933,516	14,999
2011	2,979,149	2,818,935	94.62%	159,941	2,978,876	18,139
2012	2,806,770	2,760,131	98.34%	160,377	2,920,508	16,070
2013	2,565,463	2,549,864	99.39%	51,388	2,601,252	8,058
2014	2,468,350	2,464,285	99.84%	19,211	2,483,496	11,121
2015	2,277,577	2,308,308	101.35%	8,655	2,316,963	8,359

Note: Property tax levies are set in August at the time the City budget is approved and billed November 1 by the County. Half of the taxes are due by November 30 and the other half by May 31. After those dates, the bills are delinquent (and a lien is placed on the property). The interest charged on delinquent taxes is one percent per month, with a two percent penalty.

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
SPECIAL IMPROVEMENT DISTRICT 512, 521 AND 522  
REQUIRED CONTINUING DISCLOSURE**

<b>Fiscal Year</b>	<b>Combined Market Value of All Districts</b>	<b>Average Ratio of Market Value to Assessments of Individual Parcels</b>	<b>Highest Ratio of Market Value to Assessments of Individual Parcels</b>	<b>Lowest Ratio of Market Value to Assessments of Individual Parcels</b>	<b>Median Ratio of Market Value to Assessments of Individual Parcels</b>
2005	\$ 166,871,500	\$ 95.60	\$ 2,692.30	\$ 2.07	\$ 117.52
2006	158,701,080	757.82	10,797.00	5.82	221.17
2007	191,613,295	1,219.98	13,841.43	6.35	221.37
2008	211,405,977	317.09	4,977.27	5.04	141.94
2009	234,349,048	954.97	6,111.87	20.47	160.49
2010	236,039,170	1,071.95	30,710.27	22.07	247.40
2011	215,320,296	1,296.29	51,474.37	40.46	823.26
2012	296,665,021	1,601.54	60,391.92	47.21	957.42
2013	343,465,684	43.42	43.42	43.42	43.42
2014	212,236,360	6,153.16	233,364.95	81.73	3,711.41
2015	275,246,631	7,937.62	244,392.70	10.65	5,041.41

Source: City of Missoula and Missoula County Assessor's Office

CITY OF MISSOULA, MONTANA  
SPECIAL IMPROVEMENT DISTRICTS  
Current as of June 30, 2015

SID Number	Combined Market Value of All Districts	Average Ratio of Market Value to Assessments of Individual Parcels	Highest Ratio of Market Value to Assessments of Individual Parcels	Lowest Ratio of Market Value to Assessments of Individual Parcels	Median Ratio of Market Value to Assessments of Individual Parcels
FY11 Total ^	\$ 2,698,949,941	\$ 1,042.61	\$ 42,350.68	\$ 0.03	\$ 341.14
FY12 Total ^	3,105,150,944	893.51	26,719.49	1.76	429.81
FY13 Total ^	3,365,098,815	352.35	40,261.28	4.87	110.58
FY14 Total ^	1,497,286,124	1,737.80	233,364.95	0.22	442.92
512/521/522	275,246,631	7,937.62	244,392.70	10.65	5,041.41
0520	91,725,504	925.23	6,037.69	75.91	765.82
0524	710,017,533	3,815.48	150,510.99	17.21	2,512.23
0525	26,948,933	1,038.64	2,799.69	293.37	838.77
0526	97,472,838	1,048.30	5,938.33	33.74	810.80
0532	63,625,440	1,866.29	5,811.37	402.31	1,836.67
0533	10,231,178	1,045.62	4,801.05	523.82	731.30
0534	12,631,758	817.64	1,502.08	179.73	795.46
0536	22,216,268	793.01	1,775.66	19.71	775.32
0540	107,888,348	1,192.63	1,949.72	26.52	1,178.70
0541	496,202,901	9,239.55	60,404.17	0.17	8,596.83
0543	81,145,298	8,989.58	18,495.98	4,077.35	8,635.39
0544	87,670,693	605.07	1,804.33	9.66	608.84
0545	13,423,539	7,066.20	16,156.02	1,662.92	6,910.01
0546	11,193,896	7,312.64	9,499.86	5,630.93	7,154.35
0548	9,324,692	35.97	69.22	0.17	39.48
CS08	8,912,011	545.24	1,476.03	130.32	632.83
CS09	21,267,872	511.06	2,322.28	55.39	379.77
CS10	30,509,645	671.89	8,752.11	49.19	376.20
CS12	54,021,059	3,437.35	38,893.83	142.38	1,503.85
CS13	68,241,260	9,614.93	109,161.68	53.57	4,284.05
CS15	18,697,138	1,225.52	16,194.87	79.83	616.96
CS344	11,675,270	601.31	2,684.23	125.52	472.98
CS345	20,756,055	751.67	1,864.82	84.66	655.44
CS346	22,433,730	449.29	2,176.12	51.59	313.16
FY15 Total ^	\$ 2,373,479,490	\$ 2,861.51	\$ 244,392.70	\$ 0.17	\$ 795.46

Source: City of Missoula and Missoula County Assessor's Office

^ First year to disclose information for all City SID's is FY 2011

**CITY OF MISSOULA, MONTANA**  
**MISSOULA PARKING COMMISSION RATES AND FEES**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>On-Street Hourly Parking</b>	<b>Garage Hourly Parking</b>	<b>Parking Garage Lease Space Range</b>	<b>Off-Street Lease Space Range</b>	<b>Average Off-Street and Garage Lease Rate</b>
2006	\$ 0.50	\$ 0.25	\$55.00 TO \$65.00	\$30.00 TO \$50.00	\$ 44.00
2007	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2008	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2009	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2010	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2011	0.50	1.00	65.00 TO 75.00	35.00 TO 55.00	49.00
2012	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	51.00
2013	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	51.00
2014	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	53.00
2015	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	53.00

Source: Missoula Parking Commission



**CITY OF MISSOULA, MONTANA  
MISSOULA PARKING COMMISSION OPERATIONS AND FACILITIES  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Parking Meters</b>	<b>Leased Parking Spaces</b>	<b>Parking Lots Throughout Downtown Missoula</b>	<b>Leased Parking Garage Spaces</b>	<b>University District Parking Permits</b>	<b>Percentage of Parking Ticket Revenue</b>	<b>Percentage of Parking Meter Revenue</b>	<b>Percentage of Garage Parking Revenue</b>	<b>Percentage of Leased Parking Revenue other than Parking Garage</b>	<b>Percentage of Other Revenue</b>
2006	1,075	801	13	257	1,124	20%	34%	14%	28%	5%
2007	1,075	801	13	257	1,124	20%	34%	14%	27%	4%
2008	1,075	801	13	257	1,592	18%	31%	16%	21%	14%
2009	1,129	800	12	257	1,011	19%	35%	16%	21%	10%
2010	1,061	800	12	257	1,166	18%	37%	18%	23%	4%
2011	1,061	800	12	257	1,198	18%	37%	18%	23%	4%
2012	1,015	855	12	257	1,012	17%	38%	14%	29%	3%
2013	1,015	890	12	460	1,025	16%	34%	16%	32%	1%
2014	1,015	1,133	12	522	870	14%	33%	19%	31%	1%
2015	1,061	1,275	15	523	918	13%	34%	18%	25%	10%

Source: Missoula Parking Commission

**CITY OF MISSOULA, MONTANA**  
**COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY**  
**HISTORICAL VALUE OF TAX INCREMENT DISTRICTS**  
**For the Last Ten Fiscal Years**

**Urban Renewal District II (1-1C, 4-1C)**

<b>Fiscal Year</b>	<b>Personal Property</b>		<b>Total Taxable Value</b>
	<b>Personal Attached Taxable Value</b>	<b>(Unattached) Taxable Value</b>	
2006	\$ 2,444,439	\$ 197,268	\$ 2,641,707
2007	2,660,473	311,261	2,971,734
2008	2,718,817	342,487	3,061,304
2009	3,162,083	358,422	3,520,505
2010	3,302,146	318,269	3,620,415
2011	3,415,110	336,897	3,752,007
2012	3,371,473	309,233	3,680,706
2013	3,379,411	262,535	3,641,946
2014	3,586,154	216,449	3,802,603

**Urban Renewal District III (1-1D)**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Property</b>		<b>Total Taxable Value</b>
	<b>Personal Attached Taxable Value</b>	<b>(Unattached) Taxable Value</b>	
2006	\$ 6,991,926	\$ 677,495	\$ 7,669,421
2007	7,111,962	586,632	7,698,594
2008	7,306,424	406,379	7,712,803
2009	8,468,861	468,589	8,937,450
2010	9,027,375	514,481	9,541,856
2011	8,939,540	568,590	9,508,130
2012	9,118,547	552,532	9,671,079
2013	8,797,853	381,195	9,179,048
2014	8,293,647	177,106	8,470,753

**Front Street URD (1-1F)**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Property</b>		<b>Total Taxable Value</b>
	<b>Personal Attached Taxable Value</b>	<b>(Unattached) Taxable Value</b>	
2009 *	\$ 1,362,450	\$ 51,225	\$ 1,413,675
2010	1,571,488	50,604	1,622,092
2011	2,105,933	124,059	2,229,992
2012	1,908,040	121,154	2,029,194
2013	1,903,163	83,983	1,987,146
2014	1,911,595	38,792	1,950,387

**Riverfront Triangle URD**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Property</b>		<b>Total Taxable Value</b>
	<b>Personal Attached Taxable Value</b>	<b>(Unattached) Taxable Value</b>	
2010 ^	\$ 1,571,488	\$ -	\$ 1,571,488
2011	153,701	36,236	189,937
2012	132,286	36,579	168,865
2013	112,584	279	112,863
2014	119,533	1,337	120,870

\* First year data available as district was created in FY 2009

^ First year data available as district was created in FY 2010

CITY OF MISSOULA, MONTANA  
COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
TAXABLE VALUE OF DISTRICTS COMPARED TO CITY  
For the Last Ten Fiscal Years

Urban Renewal District II

Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2007	\$ 99,332,558	\$ 2,971,734	\$ 1,111,911	1.1%
2008	103,000,436	3,061,304	1,201,481	1.2%
2009	106,334,891	3,520,504	1,392,741	1.3%
2010	107,159,214	3,620,415	1,760,592	1.6%
2011	111,474,037	3,752,007	1,892,184	1.7%
2012	112,993,774	3,680,706	1,820,883	1.6%
2013	112,697,955	3,641,946	1,782,123	1.6%
2014	109,336,360	3,685,963	1,826,140	1.7%
2015	112,624,034	3,802,603	1,942,780	1.7%
2016	115,855,770	4,297,267	2,031,759	1.8%

Urban Renewal District III

Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2007	\$ 99,332,558	\$ 7,698,594	\$ 694,248	0.7%
2008	103,000,436	7,712,803	708,457	0.7%
2009	106,334,891	8,937,450	1,933,104	1.8%
2010	107,159,214	9,541,856	2,537,510	2.4%
2011	111,474,037	9,508,130	2,503,784	2.2%
2012	112,993,774	9,671,079	2,666,733	2.4%
2013	112,697,955	9,179,048	2,174,702	1.9%
2014	109,336,360	9,358,441	2,355,095	2.2%
2015	112,624,034	8,470,753	1,466,407	1.3%
2016	115,855,770	4,297,267	1,766,703	1.5%

Front Street URD

Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2009 *	\$106,334,891	\$ 1,413,675	\$ 640	0.0%
2010	107,159,214	1,622,092	209,057	0.2%
2011	111,474,037	2,229,992	816,957	0.7%
2012	112,993,774	2,029,197	616,159	0.5%
2013	112,697,955	1,987,146	574,111	0.5%
2014	109,336,360	1,964,237	551,202	0.5%
2015	112,624,034	1,950,387	537,352	0.5%
2016	115,855,770	4,297,267	426,064	0.4%

Riverfront Triangle

Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2010 ^	\$104,408,018	\$ 133,871	\$ -	0.0%
2011	111,474,037	189,937	32,079	0.0%
2012	112,993,774	168,865	11,007	0.0%
2013	112,697,955	112,863	-	0.0%
2014	109,336,360	116,994	-	0.0%
2015	112,624,034	120,870	-	0.0%
2016	115,855,770	4,297,267	-	0.0%

Hellgate Urban Renewal District #

Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2016 #	\$115,855,770	\$ 960,528	\$ -	0.0%

North Reserve / Scott Street Urban Renewal District #

Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2016 #	115,855,770	1,563,946	72,741	0.1%

\* First year data available as district was created in FY 2009

^ First year data available as district was created in FY 2010

# First year data available as district was created in FY 2016

Source: City of Missoula and Missoula County Assessor's Office

CITY OF MISSOULA, MONTANA  
COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
TRENDS IN PROPERTY VALUATION IN CITY  
For the Last Ten Fiscal Years

Fiscal Year	City Appraised Value	City Taxable Value (includes district)	Incremental Taxable Value District II	Incremental Taxable Value District III	Incremental Taxable Value Front Street URD	Incremental Taxable Value Riverfront Triangle URD	Hellgate Urban Renewal District	North Reserve / Scott Street Urban Renewal District	City Taxable Value (without district)
2007	\$ 3,195,587,513	\$ 101,138,717	\$ 1,111,911	\$ 694,248	\$ -	\$ -	\$ -	\$ -	\$ 99,332,558
2008	3,369,424,008	103,000,436	1,201,481	708,457	-	-	-	-	101,090,498
2009	3,412,313,560	106,334,891	1,392,741	1,933,104	640	-	-	-	103,008,406
2010	3,684,720,974	107,159,214	1,760,592	2,537,510	209,057	-	-	-	102,652,055
2011	3,965,146,053	111,474,037	1,892,184	2,503,784	816,957	32,079	-	-	106,229,033
2012	4,140,685,284	112,993,774	1,820,883	2,666,733	616,159	11,007	-	-	107,878,992
2013	4,110,699,383	112,697,955	1,782,123	2,174,702	574,111	-	-	-	108,167,019
2014	4,305,020,382	114,068,797	1,826,140	2,355,095	551,202	-	-	-	109,336,360
2015	4,406,017,003	112,624,034	1,942,780	1,466,407	537,352	-	-	-	108,677,495
2016	7,303,138,213	115,855,770	2,031,759	1,766,703	426,064	-	-	72,741	111,558,503

Source: City of Missoula and Missoula County Assessor's Office

**CITY OF MISSOULA, MONTANA  
MISSOULA REDEVELOPMENT AGENCY  
COMPONENT UNIT TAX INCREMENT REVENUE BOND COVERAGE  
URD II: MILLSITE \$3.6M BONDS**

<b>FISCAL YEAR</b>	<b>PROJECTED PLEDGED TAX INCREMENT</b>	<b>MAXIMUM PROJECTED DEBT</b>	<b>COVERAGE</b>
2007			
With State Entitlement	\$ 1,033,421	\$ 250,500	413%
Without State Entitlement	749,799	250,500	299%
2008			
With State Entitlement	1,129,477	250,500	451%
Without State Entitlement	845,855	250,500	338%
2009			
With State Entitlement	1,302,970	250,400	520%
Without State Entitlement	1,019,348	250,400	407%
2010			
With State Entitlement	1,369,859	250,400	547%
Without State Entitlement	1,113,237	250,400	445%
2011			
With State Entitlement	1,493,995	250,400	597%
Without State Entitlement	1,210,373	250,400	483%
2012			
With State Entitlement	1,429,000 A	250,400 B	571%
Without State Entitlement	1,173,740	250,400	469%
2013			
With State Entitlement	1,474,944 C	250,400	589%
Without State Entitlement	1,157,656	250,400	462%
2014			
With State Entitlement	1,522,881	676,428 D	225%
Without State Entitlement	1,208,093	676,428	179%
2015			
With State Entitlement	1,668,283 E	676,428	247%
Without State Entitlement	1,225,692	676,428	181%
2016			
With State Entitlement	1,713,113	676,428	253%
Without State Entitlement	1,270,522	676,428	188%

A State Entitlement amount reduced by 10% to \$255,260 by 2011 Legislative action

B Civic Stadium Note issued February 2012 is subordinate to the Series 2006 bonds so not included in Max. Projected DS. Civic Stadium DS is \$500K Max Annual through FY15.

C Personal Property Tax Reduction Reimbursement approved by 2011 Legislature under SB372. Annual Reimbursement is \$62,028.

D Series 2013 \$5.75M Bond issued March 2013 on parity with Series 2006 Bond. Max. Annual DS \$426,028

E Personal Property Tax Reduction Reimbursement approved by 2013 Legislature under SB96. Annual Reimbursement is \$125,303.

Source: City of Missoula Annual Reports

**CITY OF MISSOULA, MONTANA  
PROPERTY TAX LEVIES IN THE URBAN RENEWAL DISTRICT II  
Last Ten Fiscal Years**

	FY '07	FY '08	FY '09	FY '10	FY '11	FY '12	FY '13	FY '14	FY '15	FY '16
<b>Taxing Authority</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
State University Mill Levy	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
State Statewide School Equalization	25.91	25.39	25.44	26.92	26.60	26.28	26.55	26.15	19.23	18.78
General Countywide School Levy	67.53	66.04	67.17	54.71	53.28	51.18	51.46	52.68	50.80	49.00
Missoula County	86.56	86.44	89.27	72.66	72.00	72.24	74.51	75.71	76.98	78.86
Missoula Highschool District	53.25	48.91	50.33	39.98	38.44	38.76	36.94	36.36	34.99	35.27
City of Missoula	132.60	134.71	141.49	116.33	116.17	118.27	123.75	122.64	118.10	118.70
Urban Transportation District	9.01	9.28	9.45	8.52	8.47	8.97	10.02	10.60	16.47	19.00
Increment 1-1C *	256.84	266.50	270.27	353.75	359.55	372.64	369.31	387.47	419.86	440.51
Subtotal	637.70	643.27	659.42	678.87	680.51	694.34	698.54	717.61	742.43	766.12

School District 1-1C	97.32	92.32	89.20	74.65	72.88	73.61	72.88	75.01	72.29	70.29
Total levies for property in the District lying within School District 1-1C	735.02	735.59	748.62	753.52	753.39	767.95	771.42	792.62	814.72	836.41

	FY '07	FY '08	FY '09	FY '10	FY '11	FY '12	FY '13	FY '14	FY '15	FY '16
<b>Taxing Authority</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
State University Mill Levy	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
State Statewide School Equalization	21.46	20.06	18.77	24.90	22.73	25.87	25.85	26.37	21.37	20.96
General Countywide School Levy	55.95	52.19	49.56	49.44	43.27	50.14	49.71	53.27	56.44	54.68
Missoula County	71.71	68.31	65.86	65.66	58.47	70.77	71.98	76.55	85.54	88.01
Missoula Highschool District	44.11	38.65	37.13	36.13	31.21	37.97	35.69	36.76	38.88	39.36
City of Missoula	109.86	106.45	104.38	105.12	94.34	115.86	119.55	124.01	131.23	132.48
Urban Transportation District	7.46	7.33	6.97	7.70	6.88	8.79	9.68	10.72	18.31	21.21
Increment 4-1C *	335.27	355.00	402.98	398.69	441.03	384.35	384.05	382.13	378.47	387.52
Subtotal	651.82	653.99	691.65	693.64	703.93	699.75	702.51	715.81	736.24	750.22

School District 4-1C	77.67	64.27	73.61	74.27	66.18	75.98	71.89	74.84	82.45	69.94
Total levies for property in the District lying within School District	729.49	718.26	765.26	767.91	770.11	775.73	774.40	790.65	818.69	820.16

\* Note: Tax Increment districts are not taxing authorities and do not levy taxes, i.e. levy mills. Total incremental taxable value can be viewed as a percentage of total taxable value in a district, from information provided by the Montana Department of Revenue. For purposes of disclosure, this report shows that same percentage broken down as a portion of the total mills levied in the district.

**MISSOULA COUNTY**  
**Urban Renewal District II - Top 10 Taxpayers**  
**Tax Year 2015 (FY16)**

	<b>Taxpayer</b>	<b>Type of Business</b>	<b>2015 Total Tax</b>	<b>2015 Market Value</b>	<b>2015 Taxable Value</b>
1	Montana Apartment Company	Residential	\$ 196,335	\$ 16,839,200	\$ 227,329
2	Mountain Water Co	Water Utility	141,982	10,516,542	165,052
3	Spirit Master Funding IX LLC	Grocery Store	111,286	6,600,005	124,741 *
4	Nutritional Laboratories	Food Supplement Manufacturer	107,577	7,636,827	128,122
5	Blackfoot Telephone	Co-op Communications	107,412	4,235,440	127,064
6	Good Food Store	Commercial Grocery	106,564	6,716,080	121,398
7	Millsite Revitalization Project LLC	Developer	87,624	5,340,873	100,944
8	Missoula Electric Coop	Co-op Electric Utility	80,168	3,160,825	94,825
9	Ashlyn Place	Residential	62,926	5,397,800	72,870
10	Like-Nu Auto Services	Automotive Repair	61,179	3,820,364	72,205
		<b>Total</b>	<b>\$ 1,063,053</b>	<b>\$ 70,263,956</b>	<b>\$ 1,234,550</b>

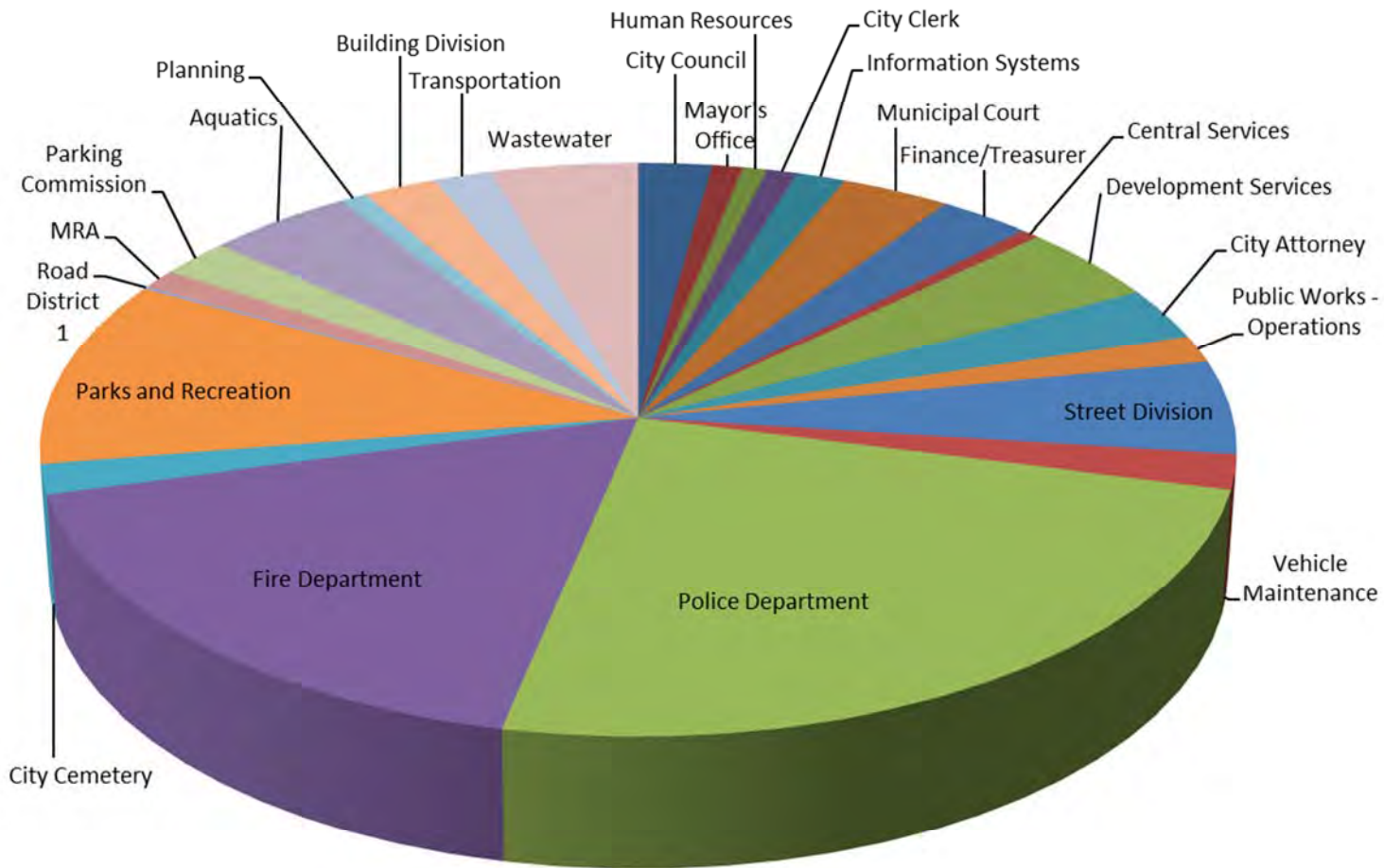
\* Excludes personal property under different Tax ID and still under Safeway Inc. #2619

**CITY OF MISSOULA  
SCHEDULE OF FTE TRENDS  
FY 2012 – 2016**

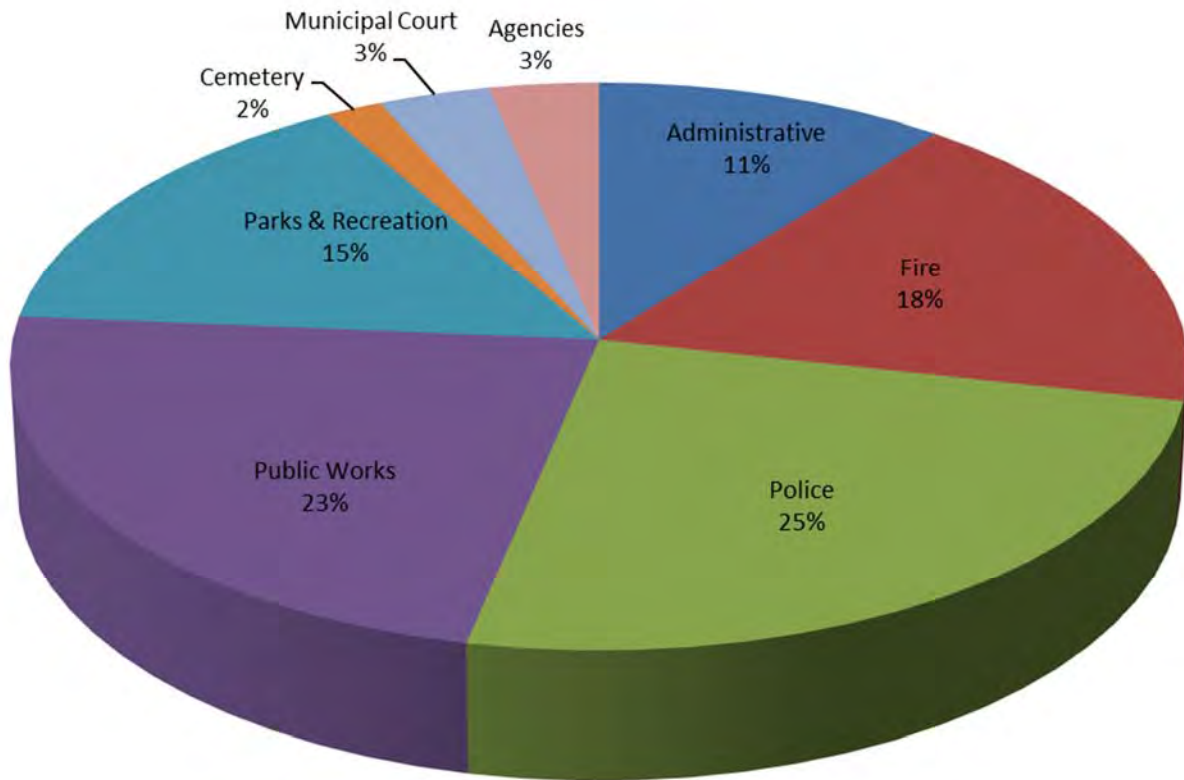
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
	<b># FTE</b>	<b># FTE</b>	<b># FTE</b>	<b>#FTE</b>	<b>Adopted</b>
<b>City Departments</b>					
City Council	12.00	12.00	12.00	12.00	12.00
Mayor's Office	5.00	5.00	5.00	5.00	5.00
Human Resources	4.00	4.00	4.00	4.00	4.00
City Clerk	4.00	4.00	4.00	5.00	5.00
Information Systems	6.00	6.00	6.00	6.00	8.00
Municipal Court	13.75	16.75	16.85	17.85	17.85
Finance/Treasurer	16.00	16.00	15.50	15.00	15.00
Central Services	-	-	1.50	3.00	3.00
Development Services	-	33.71	35.21	23.50	23.75
GIS	-	-	3.00	3.00	-
City Attorney	14.00	15.00	16.00	16.00	16.00
Public Works - Operations	27.52	11.42	8.42	8.42	8.42
Street Division	28.54	28.79	28.79	28.79	28.79
Vehicle Maintenance	10.50	10.50	11.50	10.50	10.50
Police Department	117.00	122.00	126.00	130.00	132.00
Fire Department	95.00	95.00	95.00	95.00	95.00
City Cemetery	8.92	8.92	8.92	8.92	8.92
Parks and Recreation	54.42	57.74	55.80	57.00	57.59
<b>Total General</b>	<b>416.65</b>	<b>446.83</b>	<b>453.49</b>	<b>448.98</b>	<b>450.82</b>
<b>General Fund % Increase</b>	<b>1.34%</b>	<b>7.24%</b>	<b>1.49%</b>	<b>-0.99%</b>	<b>0.41%</b>
<b>Special Revenue Funds</b>					
Planning	-	-	-	4.50	4.50
Building Division	9.00	9.00	10.99	11.10	12.00
Road District 1	-	0.25	0.25	0.25	0.75
Parks District 1	-	1.20	1.20	1.98	2.73
Transportation	-	-	-	8.40	9.57
<b>Total Special District</b>	<b>9.00</b>	<b>10.45</b>	<b>12.44</b>	<b>26.23</b>	<b>29.55</b>
<b>Enterprise Funds</b>					
Aquatics	26.81	26.81	26.81	25.45	23.88
MRA	6.00	6.00	6.00	6.00	6.00
Wastewater	21.50	21.50	22.50	22.50	24.00
Parking Commission	11.33	11.50	11.50	11.50	11.50
<b>Total Enterprise</b>	<b>65.64</b>	<b>65.81</b>	<b>66.81</b>	<b>65.45</b>	<b>65.38</b>
<b>Non-General Fund % Increase</b>	<b>-12.22%</b>	<b>2.17%</b>	<b>3.92%</b>	<b>15.68%</b>	<b>3.54%</b>
<b>Total for City Departments</b>	<b>491.29</b>	<b>523.09</b>	<b>532.74</b>	<b>540.66</b>	<b>545.75</b>



## City FTE Count by Department - FY 2016



## City FTE Count by Function - FY2016



**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.

**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.

**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

**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.

**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.

**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.

**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 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).

**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.

**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.

**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.

**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.

**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.

**Workload Indicator** - A unit of work to be done (e.g., number of permit applications received or the number of burglaries to be investigated).



*West on Front Street, Missoula, Mont.*

