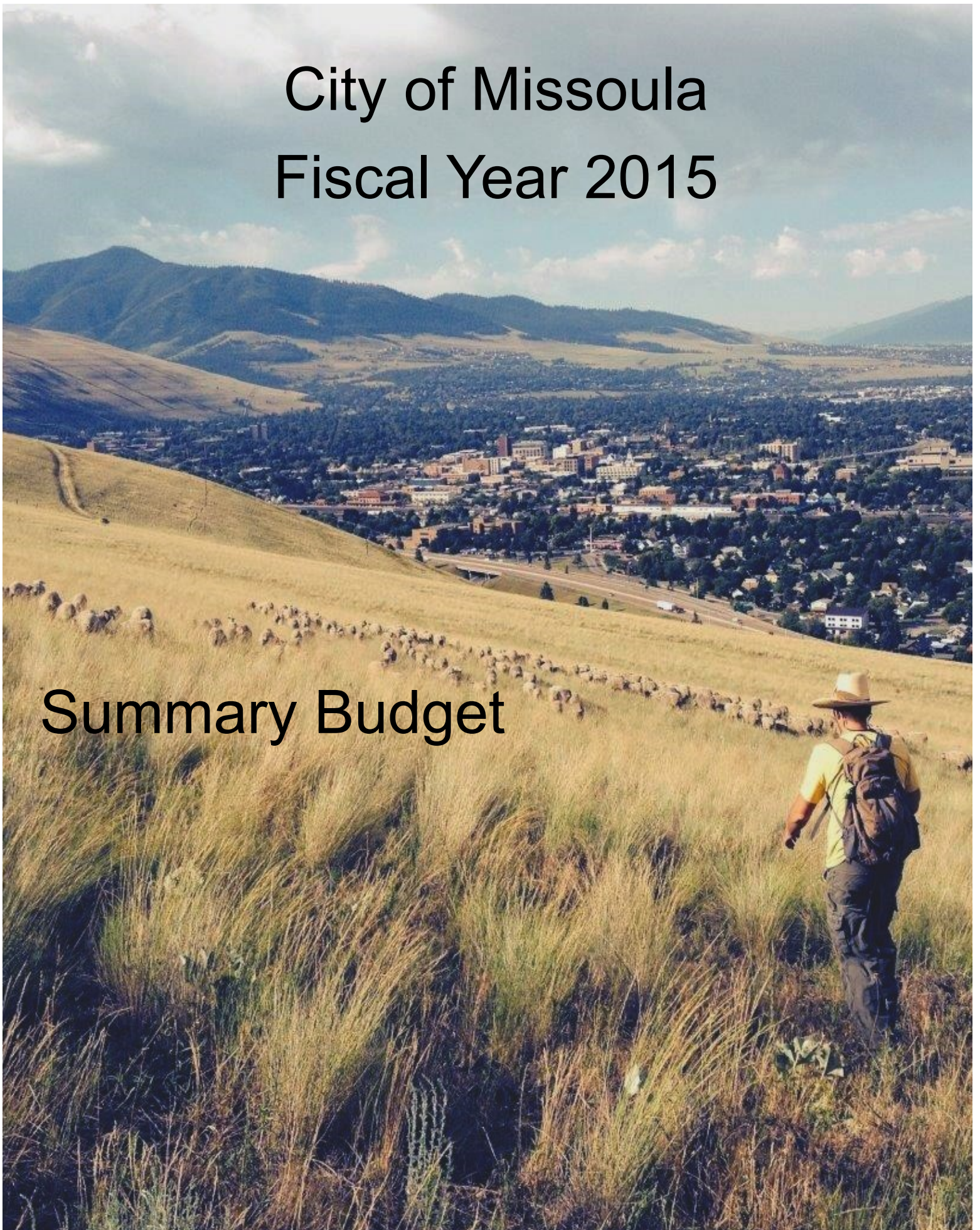


# City of Missoula Fiscal Year 2015

## Summary Budget







## Table of Contents

Budget Award .....	I
Elected Officials .....	II
Administrative Officials .....	II
Committees, Commissions and Boards.....	III-XII
<b><i>Budget Message-Executive Summary-FY15 Budget</i></b>	
Overview of Budget.....	1-4
Planning Processes: Strategic-Financial Plan-Capital.....	5-10
Staffing Changes.....	11
Budgetary Trends.....	12-14
Short Term Initiatives .....	15-17
Economic Factors .....	18
Closing.....	18
<b><i>Budget Process</i></b>	
Recommended Budget Practices.....	A1
Budget Definition .....	A1
Mission of the Budget Process.....	A1
Performance Budgeting .....	A1
Financial Trend Analysis .....	A1
Needs Assessment Phase .....	A2
Budget Development & Prioritization Phase .....	A2
Capital Improvements Program (CIP) - Relationship to Budget.....	A2
Adoption/Implementation Phase.....	A2
Amending the Budget .....	A2-A3
Budget Calendar .....	A4
City Organization Chart.....	A5
Requested and Funded Operating Budget Increases .....	A6-A8
Overview of Budgeted Resources.....	A9-A10
<b><i>FY15 Revenue and Expenditures Detail</i></b>	
City Budget All Funds Revenues .....	A11
City Budget All Funds Expenditures .....	A11
General Fund Revenues by Category .....	A12
General Fund Expenditures by Category .....	A12
General Fund Revenues by Sub-Fund .....	A13
General Fund Expenditures by Sub-Fund.....	A13
<b><i>Financial Policies</i></b>	
Operating Budget Policies .....	A14-A15
Revenue Policies.....	A15-A16
Expenditure Policies .....	A16
Reserve Policies.....	A16-A17
Capital Improvement Policies.....	A17-A18
Debt Management Policies .....	A18
Accounting, Auditing, Financial Reporting Policies.....	A18-A19
Investment Policies.....	A19-A20
<b><i>Financial Structure</i></b>	
Fund Accounting .....	A21-A25
<b><i>Organizational Units</i></b>	
Functions, Departments, Programs, and Activities .....	A26
<b><i>Financial Summary</i></b>	
Overview of Budgeted Resources.....	B1-B3
Major Revenue Sources—Assumptions, Estimates, and Trends .....	B4-B9



## Table of Contents

### ***General Fund***

City Council.....	C1-C2
Mayor .....	C3-C4
Human Resources .....	C5-C7
City Clerk .....	C8-C10
Information Technologies.....	C11-C13
Municipal Court.....	C14-C16
Finance .....	C17-C19
Central Services.....	C20-C22
Development Services .....	C23-C26
GIS Services.....	C27-C28
City Attorney.....	C29-C30
Public Works Operations.....	C31-C32
Public Works Street Maintenance Division.....	C33-C35
Vehicle Maintenance .....	C36-C38
Police Department .....	C39-C41
Fire Department.....	C42-C45
Missoula Cemetery.....	C46-C49
Parks and Recreation .....	C50-C54
Non-Departmental .....	C55-C58

### ***General Fund Special Purpose Funds***

Park Acquisition and Development Fund (1211) .....	C59
Park Enterprise Fund (1212).....	C60
Parks & Recreation, Trails and Development Fund (1216).....	C61-C62
Parks & Recreation, City Life Gym (1217) .....	C63
Parks & Recreation, All Abilities Playground.....	C64
Cemetery Cremain Wall and Cemetery Donation Funds (1241).....	C65
Cemetery Care Fund (1242).....	C66
Cemetery Memorial Fund (1243) .....	C67
Title I Projects Fund (1265).....	C68
Program Income Revolving Loan Program Fund (1396) .....	C69
State Home Program Fund (1397).....	C70

### ***Special Revenue Funds***

Public Safety Information Systems (2310) .....	D1
Impact Fee Fund (2321).....	D2
George Elmer – Cattle Drive Fund (2322).....	D3
Public Art Fund (2365).....	D4
Employee Health Insurance Levy Fund (2371) .....	D5
Permissive Medical Levy Fund (2372) .....	D6
Cable Television Franchise Fund (2389).....	D7
Drug Forfeiture Fund (2390) .....	D8
City Grants & Program Income Fund (2395).....	D9
Building Demolition & Repair Fund (2399).....	D10
Street Lighting Districts (2400).....	D11
Street Maintenance (2500).....	D12
Road District 1 (2512) .....	D13
Park District 1 (2513) .....	D14-D16
Gas Tax Fund (2820).....	D17
Law Enforcement Block Grant Fund (2918).....	D18
HIDTA Fund (2919).....	D19
Community Development Block Grant Fund (CDBG) (2939).....	D20



## Table of Contents

Community Development Block Grant Fund (CDBG) (2940) .....	D21
Home Investment Partnership Program (HOME) Fund (2941) .....	D22
AADI Fund (2942) .....	D23
City Home Program Income (2943).....	D24
Federal/State Transportation Fund (2987) .....	D25
Grants and Donations Fund (2988).....	D26-D27
Planning (2250) .....	D28-D30
<b>Building Inspection Division</b> .....	D31-D33
Transportation (2955) .....	D34-D37
<b>Debt Service Funds</b>	
General Obligation Bond Debt Service.....	E1-E3
Special Improvement District Funds.....	E3
<b>Capital Project Funds</b>	
Capital Improvement Program (CIP) Fund.....	F1-F2
96 General Obligation Bond Open Space (4130).....	F3
2006 Fire GO Bond Project Fund (4196).....	F4
<b>Proprietary Funds</b>	
Civic Stadium Fund .....	G1
Public Works Wastewater Division .....	G2-G8
Sewer Revenue Clearing Fund (5311).....	G9
Sewer Loan Fund (5315) .....	G10
Wastewater Replacement and Depreciation (R&D) Fund (5320).....	G11
Sewer Development Fund (5325) .....	G12
Sewer Construction Fund (5340).....	G13
Sewer Bonds Debt Service Funds (5361, 5362, 5365, 5371, 5373, 5375, 5377, 5379, 5381, 5383, 5386, 5387, 5388).....	G14
Aquatics Fund.....	G15-G18
Employee Benefit Plan Fund .....	G19-G20
<b>Component Units</b>	
Missoula Parking Commission .....	H1-H6
Downtown Business Improvement District of Missoula #7380.....	H7-H9
Tourism Business Improvement District #7381.....	H10
Missoula Redevelopment Agency (MRA) .....	H11-H15
<b>Debt Management</b>	
City of Missoula Debt Management .....	I1
Major Bond Issues .....	I1
Outstanding Debt.....	I1-I3
Proposed Debt in the Next Five Years .....	I3
Debt Capacity—Legal Debt Margin (Voted Debt).....	I3-I4
Debt Service .....	I5-I10
Bond Rating.....	I10-I12
Debt Management Policies .....	I13-I14
<b>Capital Improvements Program (CIP) &amp; Capital Budget</b>	
Overview .....	J1
CIP Purpose.....	J1
Linkage with Planning Process.....	J2-J3
Capital Planning.....	J4-J11
Capital Budget Impact on Future Operating Budgets .....	J11-J12
Capital Expenditures Compared to Operating Expenditures.....	J13
Future CIP Compared to Historical Capital Spending .....	J14
CIP Policies .....	J14-J15
Capital Budget Detail.....	J16-J26





## Table of Contents

### ***Appendix***

Debt Management Policy .....	K1-K11
City Investment Policy.....	K12-K33
FY15 Budget Adoption Resolution .....	K34-K35
FY15 Certified Taxable Value Information.....	K36-K37
FY15 Tax Levy Resolution .....	K38
FY15 Tax Levy Computation .....	K39
FY15 Business Improvement District Tax Levy Resolution .....	K40-K41
Tourism Business Improvement District .....	K42-K44
FY15 Road District 1 Resolution .....	K45-K50
FY15 Park District 1 Resolution .....	K51-K56
City of Missoula Map .....	K57
City of Missoula School District 1.....	K58-K60
<b><i>Glossary</i></b> .....	K61-K64

### ***Statistical Section***

Fund Balances of Governmental Funds.....	L1
Changes in Fund Balances of Governmental Funds .....	L2
Overlapping Property Tax Levies .....	L3
Estimated Market Value, Taxable Value and Mill Levy .....	L4
Assessed Value and Estimated Taxable Value of Property.....	L5
Property Value and New Construction .....	L6
Top Ten Property Taxpayers .....	L7
Property Tax Levies and Collections .....	L8
General Obligation Debt Ratios Required Continuing Disclosure .....	L9
Summary of Direct Debt, Indirect Debt and Debt Ratios .....	L10
Legal Debt Margin Information .....	L11
Ratio of Outstanding Debt by Type .....	L12
Ratio of Annual Debt Service Requirements for Last Ten Fiscal Years .....	L13
Pledged-Revenue Coverage Wastewater Facility Revenue Bonds .....	L14
Revolving Fund Year-End Balance Required Continuing Disclosure .....	L15
Revolving Fund Changes in Fund Balance Required Continuing Disclose .....	L16
Demographic and Economic Statistics .....	L17
County and City of Missoula Population per Year .....	L18
County and City of Missoula Percent Increase in Population per Year .....	L19
City of Missoula Climate .....	L20
Top Ten Employers in City of Missoula .....	L21
City Services and Employment .....	L22
Employment by Major Industry Type .....	L23
Operating Indicators by Function/Program .....	L24
Capital Asset Statistics by Function/Program .....	L25
Special Assessments Billed and Collected .....	L26
Special Improvement District 512, 521, 522 .....	L27
All City Special Improvement Districts.....	L28
Missoula Parking Commission Rates and Fees .....	L29
Missoula Parking Operations and Facilities.....	L30
Missoula Parking Bond Issue Required Continuing Disclosure .....	L31
Component Unit Missoula Redevelopment Agency Historical Value of Tax Increment Districts.....	L32
Component Unit Missoula Redevelopment Agency Taxable Value of Districts Compared to City .....	L33
Component Unit Missoula Redevelopment Agency Trends in Property Valuation in City .....	L34
Missoula Redevelopment Agency Component Unit Tax Increment Revenue Bond Coverage .....	L35
Missoula Redevelopment Agency Urban Renewal District II Property Tax Levies .....	L36
Missoula Redevelopment Agency Urban Renewal District II Top 10 Taxpayers.....	L37
FTE Trends .....	L38-L40



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Missoula  
Montana**

For the Fiscal Year Beginning

**July 1, 2013**

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:

Caitlin Copple 2016  
Jon Wilkins 2014

### 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

**Bruce Bender** –Chief Administrative Officer

**Dale Bickell**-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

**VACANT**-Human Resources Director

**VACANT**-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, 2012	Dec. 31, 2014
<b>City Appointments:</b>		
Helen Hallenbeck	January 1, 2013	Dec. 31, 2014
Quincie Albrecht	January 1, 2013	Dec. 31, 2014
<b>Animal Control Board-Must be a license Vet.</b>		
Ken Hannum, DVM (Chair)	<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>
Jerry Wolf	Sept. 16, 2011	Sept.15, 2014
Wes Delano	Sept. 16, 2011	Sept.15, 2014
Gabriel Furshong	Sept. 16, 2011	Sept.15, 2014
Tom H. Thompson	Sept. 15, 2012	Sept.15, 2015
Peter Walker-Keleher	Sept. 10, 2012	Sept.10, 2015
Bob Wachtel	Sept. 10, 2012	Sept.10, 2015
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>
F. Russell Lockner	July 23, 2012	June 30, 2015
Debra Parker	June 1, 2012	June 30, 2015
John Horrell	Aug. 20, 2012	June 30, 2015
Andy Short	July 1, 2013	June 30, 2016
Carl Posewitz	July 1, 2011	June 30, 2014
Michael Nave (Chair)	July 1, 2011	June 30, 2014
Michael Kopitzke (Vice Chair)	July 1, 2011	June 30, 2014
Sandy Mitchell (Alternate#1)	Aug. 20, 2012	June 30, 2014
Marie Wilson (Alternate #2)	Aug. 20, 2012	June 30, 2014



## 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>
Rita Sommers-Flanagan (At-Large)	July 1, 2011	June 30, 2014
Jack Moffett (Electrician)	July 1, 2011	June 30, 2014
Carl Posewitz (Architect, Chair)	July 1, 2012	June 30, 2015
David V. Gray (At-Large)	July 16, 2012	June 30, 2015
Clayton Anderson (Plumber)	July 1, 2012	June 30, 2015
John Wells (At-Large)	June 30, 2013	July 1, 2016
Jonathan Gass (Engineer)	June 30, 2013	July 1, 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, 2011	May 31, 2015
Charlie Beaton (S. of Clark Fork River)	June 1, 2011	May 31, 2015
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	August 27, 2012	April 30, 2015
Mary Lou Cordis	August 27, 2012	April 30, 2015

### 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, 2017
Libby Maclay	January 1, 2013	Dec. 31, 2016
Sidney Wills	August 1, 2013	Dec. 31, 2014
Art Pencek		Dec. 31, 2014
Robert Schroeder		Dec. 31, 2014
Greg Martinsen- Non-Voting	N/A	N/A
Travis Greenwalt		Dec. 31, 2014

## 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>
Greg Howard	Oct. 16, 2012	Oct. 15, 2015
Paul Parson	Oct. 16, 2012	Oct. 15, 2015
Chris Ryan	Oct. 16, 2012	Oct. 15, 2015
Bert Linder	Oct. 16, 2013	Oct. 15, 2016
Beverly Dupree	Oct. 16, 2013	Oct. 15, 2016
Deborah Richie	Oct. 16, 2013	Oct. 15, 2016
Giles Thelen	Oct. 16, 2014	Oct. 15, 2017
Kathleen Kennedy	Oct. 16, 2014	Oct. 15, 2017
Kevin Verlanic	Sept. 1, 2011	Oct. 15, 2014
John Pierce	Oct. 16, 2013	Oct. 15, 2016
<b>Non-Voting Members:</b>		
Vicki Edwards		
L. Allen Byrd		

### 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
Karen Slobod	Feb. 25, 2013	Dec 31, 2015
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
Jessica Hawn	Jan. 1, 2013	Dec 31, 2015
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	Aug. 1, 2011	July 31, 2014
Alexander Sievers	Aug. 1, 2011	July 31, 2014
Dan Daly	Aug. 1, 2011	July 31, 2014
Molly White	Aug. 1, 2012	July 31, 2015
Brian Kerns	Aug. 1, 2012	July 31, 2015
John Freer	Aug. 1, 2012	July 31, 2015
Amy Cilimburg (Alternate 1)	Feb. 6, 2012	July 31, 2014
Aaron Hanson (Alternate 2)	Feb. 6, 2012	July 31, 2014



# City of Missoula

## Committees, Commissions and Boards

### EXTRAORDINARY EVENTS COMMITTEE

<b>Members</b>	<b>Representation</b>
Matt Ellis (Chair)	<i>Facility Mgr. –Allegiance Field</i>
Ellen Buchanan	<i>Missoula Redevelopment Agency</i>
Ed Childers	<i>Mayor’s Designee-City Council- Ward 6</i>
Emily Bentley	<i>City Council Representative- Ward 3</i>
Mike Painter	<i>Community Forum Representative</i>
Dale McCormick	<i>Riverfront Neighborhood Council</i>
Linda McCarthy	<i>Missoula Downtown Association</i>

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

<b>County Appointments (BCC)</b>	<b>Start of Term</b>	<b>End of Term</b>
Teresa Henry	Jan 1, 2014	Dec. 31, 2016
Garon Smith	Jan 1, 2012	Dec. 31, 2014
<b>City Appointments City Council</b>		
Ross Miller	Jan 1, 2013	Dec. 31, 2015
Debbie Johnston	Jan 1, 2014	Dec. 31, 2016
<b>Other Members:</b>		
Tom Roberts	<i>City/County Health Board Appointed</i>	
Jean Curtiss (County)	<i>County Commissioner Appointed</i>	
Ed Childers (City)	<i>City Council Appointed</i>	
Vacant	<i>Conservation District Board Appointed</i>	

### HISTORIC PRESERVATION COMMISSION (Term 2 Years)

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
James R. McDonald (Professional)	Jan 1, 2013	Dec. 31, 2015
William Grant (Southeast)	Jan 1, 2013	Dec. 31, 2015
Steve Adler (Professional)	Jan 1, 2013	Dec. 31, 2015
Mike Monsos (Northeast)	Jan 1, 2014	Dec. 31, 2016
Cheryl Cote (Southwest)	Jan 1, 2014	Dec. 31, 2016
Julia McCarthy-McLavery (At Large)	Jan 1, 2014	Dec. 31, 2016
Scott Loken-Northwest	Jan 1, 2014	Dec. 31, 2016
Joshua Pollarine (Downtown)	Jan 1, 2012	Dec. 31, 2014
Marjorie Heyman (Professional)	Jan 1, 2012	Dec. 31, 2014
Cathy Bickenheuser (Alternate 1)	Jan 1, 2012	Dec. 31, 2014
Tom Winter (Alternate 2)	Jan 1, 2013	Dec. 31, 2015

<p>Vacant</p> <p>Karen Slobod</p>	<p><i>Serves at the pleasure of the MRA Board</i></p> <p><i>Serves at the pleasure of the Design Review Board</i></p>
-----------------------------------	-----------------------------------------------------------------------------------------------------------------------

## 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>		
Dick Ainsworth	Nov. 30, 2012	Nov. 30, 2016
Nick Kaufman (Development Rep)	Nov. 30, 2012	Nov. 30, 2016
Janet Stevens (Chair)	Nov. 30, 2012	Nov. 30, 2016
John Freer	Nov. 30, 2012	Nov. 30, 2016
Jim Galipeau (C.P.A.)	Dec 1, 2010	Nov. 30, 2014
Jerry Ford	Dec 1, 2010	Nov. 30, 2014
Kate Sutherland	June 13, 2011	Nov. 30, 2014
<b>City Council Appointments:</b>		
Derek Goldman	Dec. 1, 2012	Nov. 30, 2016
Vacant	Feb. 25, 2013	Nov 30, 2014

### 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, 2012	June 30, 2017
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>
Barbara Wickel	Aug. 1, 2013	July 31, 2015
Caitlin Copple	March 1, 2013	Feb. 28, 2016
Dan Cedarberg	April 3, 2012	Feb. 28, 2015
Eran Fowler- Pehan	March 1, 2013	Feb. 28, 2016
Jason Wiener	March 1, 2013	Feb. 28, 2015
Jenny Montgomery	Aug. 1, 2013	July 31, 2015
Keithi Worthington	March 1, 2010	Feb. 28, 2015
Laurie Johnson	March 1, 2013	Feb. 28, 2016
Melanie Brock	March 1, 2013	Feb. 28, 2016
Michael Moore	Jan. 1, 2014	Dec. 31, 2015
Melissa Gordon	April 3, 2012	Feb. 28, 2015
Michele Landquist	April 13, 2012	Feb. 28, 2015
Paige Livingston	Aug. 1, 2013	July 31, 2015
Rob Scheben	March 1, 2013	Feb. 28, 2016
Sue Wilkins	June 1, 2013	May 31, 2015
Susan Hay Patrick	March 1, 2010	Feb. 28, 2015
Travis Meteer	Aug 1, 2013	July 31, 2015
Jon Wilkins	May 1, 2014	April 30, 2016
Bryan von Lossberg	May 1, 2014	April 30, 2016

**MISSOULA CIVIC TELEVISION ADVISORY COMMISSION**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
<b>Mayoral Appointments:</b>		
Vacant	Jan. 1, 2012	Dec. 31, 2015
John Rettenmayer (Chair)	Jan. 1, 2014	Dec. 31, 2016
<b>City Council Appointments:</b>		
Vacant	Sept. 27, 2010	Dec. 31, 2013
John Firehammer	Jan. 1, 2014	Dec. 31, 2016
<b>City Council Representative:</b>		
Annelise Hedahl	March 1, 2014	n/a
Ed Childers	Dec 19, 2005	n/a
<b>City Staff Representative</b>		
Ginny Merriam	March 1, 2006	n/a
<b>County Representative</b>		
Jean Curtiss	Dec 19, 2005	n/a
<b>County Public School Representative</b>		
Hatton Littman	Oct 7, 2013	n/a
<b>U of M Representative</b>		
Jen Sauer	June 2, 2006	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>
Betty Zander (Resident Member)	Oct. 29, 2013	June 25, 2015
Collin Bangs	June 26, 2012	June 25, 2017
Monique Casbeer (Resident Member)	March 1, 2014	June 26, 2016
David Warren	March 1, 2014	June 25, 2018
Jaime Hoffmann	June 26, 2014	June 25, 2019
Sheila Lund	June 26, 2010	June 25, 2015
J. Fred Simpson	June 26, 2011	June 25, 2016

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
John Romer	May 1, 2013	April 30, 2017
Matt Ellis	May 1, 2010	April 30, 2014
Theresa Cox	May 1, 2011	April 30, 2015
Carol Williams	May 1, 2011	April 30, 2015
John Smith	May 1, 2012	April 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	April 30, 2017
Ruth Reineking	May 1, 2014	April 30, 2018
Nancy K. Moe	May 1, 2014	April 30, 2018
Rosalie Cates	May 1, 2011	April 30, 2015
Karl J. Englund	May 1, 2012	April 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, 2012	Jan. 25, 2015
Jenny Tollefson	Jan. 26, 2012	Jan. 25, 2015
Gabe Miller	Jan. 26, 2012	Jan. 25, 2015
Matt Barnes	Jan. 26, 2012	Jan. 25, 2015
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	April 30, 2017
Susan Ridgeway	May 1, 2013	April 30, 2016
Johanna Eisenmann	May 1, 2014	April 30, 2017
Dale Harris (Chair)	May 1, 2013	April 30, 2016
John O'Conner	May 1, 2013	April 30, 2016
Norma Nickerson	May 1, 2013	April 30, 2016
Christine Ryan	May 1, 2014	April 30, 2017

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

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
County Appointments (BCC)		
Dick Ainsworth	Jan. 1, 2013	Dec. 31, 2015
Tim Ibey	Jan. 1, 2014	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, 2012	Dec. 31, 2014
Greg Oliver	Jan. 1, 2014	Dec. 31, 2015
<b>City Council Appointments</b>		
John Dibari	Jan. 1, 2012	Dec. 31, 2014
Tim Skufca	Jan. 1, 2011	Dec. 31, 2013
<b>Planning Board Member</b>		
Don MacArthur	Jan. 1, 2012	Dec. 31, 2014
Emily Olsen ( City Alternate)	Jan. 1, 2014	Dec. 31, 2015
Nathan Lucke (Co. Alternate)	Jan. 1, 2014	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	June 1, 2011	April 30, 2014
Suzanne Peterson	Sept. 17, 2012	April 30, 2015
Raymond Murray (Chair)	May 1, 2013	April 30, 2016

**PUBLIC ART COMMITTEE (Term 3 Years)**

<b>Members</b>	<b>Start of Term</b>	<b>End of Term</b>
Kia Lyszak	June 30, 2013	July 1, 2017
Douglas Olson	Aug. 27, 2012	June 30, 2014
Peter Lambros, Chair	July 1, 2014	June 30, 2018
Taag Peterson	July 1, 2011	June 30, 2015
Kathi Olson	July 1, 2011	June 30, 2015
Ted Hughes	June 30, 2012	July 1, 2017
<b>City Council Appointments</b>		
Linda Richards	July 1, 2011	June 30, 2015
Jeff Rolston-Clemmer	Sept. 17, 2012	June 30, 2015
<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	Nov. 16, 2010	Nov. 30, 2014
Lucy Weeder	Nov. 16, 2010	Nov. 30, 2014
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>
Andrea Davis	Missoula Urban Transportation District	Yes
Jason Wiener	City Council	Yes
John Engen	Mayor, City of Missoula	Yes
Bill Carey	Board of County Commissioners	Yes
Michele Landquist	Board of County Commissioners	Yes
Ed Toavs	Montana Dept. of Transportation	Yes
Don MacArthur	Missoula Consolidated Planning Board	Yes
Lloyd Rue	Federal Highway Administration	No
Suzy Foss	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>		
Richard C. King	Jan. 1, 2011	Dec. 31, 2014
Melanie Brock	Jan. 1, 2014	Dec. 31, 2017
Andrea Davis	Jan. 1, 2012	Dec. 31, 2015
<b>Mayoral Appointments</b>		
Amy Climiburg	Jan. 1, 2014	Dec. 31, 2017
Scott Hallenbeck	Jan. 1, 2012	Dec. 31, 2015
Eric Hines	Mar. 8, 2011	Dec. 31, 2014
<b>City/County Alternating Appt.</b>		
Don MacArthur	Jan. 1, 2013	Dec 31, 2016



# Budget Message

November 24, 2014

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, 2015 (FY 15). 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 the forgoing budget. The table reflects estimated revenues of \$118,634,489 million, budgeted expenditures of \$116,270,809 million with expected expenditure savings of \$3,202,135 million, resulting in a projected increase in the ending balances of \$5,565,815 million. An explanation of the significant changes in fund and cash balances (those greater than 10%) is provided on the following page.

Projected Changes in Fund Balances or Cash Balances Final Budget - July 1, 2014 through June 30, 2015 (FY 15)								
	Governmental Fund Types			Capital Project	Proprietary Fund Types	Fiduciary Fund Types	Component Units	Total All Funds
	General	Special Revenue	Debt Service		Enterprise & Internal Service	Trust & Agency		
Projected Beginning Fund Balance/Cash	\$ 5,411,193	\$ 5,455,798	\$ 3,611,937	\$ (7,363,703)	\$ 89,300,380	\$ 828,907	\$ 3,648,432	\$ 100,892,944
Estimated Revenues	51,117,683	16,421,871	3,097,355	8,656,156	23,621,804	-	15,719,620	\$ 118,634,489
Approved Budget	(54,091,660)	(17,506,495)	(3,198,356)	(1,292,453)	(23,418,798)	-	(16,763,047)	\$(116,270,809)
Anticipated Savings	3,202,135	-	-	-	-	-	-	\$ 3,202,135
Projected Change in Fund Balance/Cash	228,158	(1,084,624)	(101,001)	7,363,703	203,006	-	(1,043,427)	\$ 5,565,815
Projected Ending Fund Balance/Cash	\$ 5,639,351	\$ 4,371,174	\$ 3,510,936	\$ -	\$ 89,503,386	\$ 828,907	\$ 2,605,005	\$ 106,458,759

**FY 15 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 city's only major fund (any fund that has over 10% of total appropriated revenues and expenses), year-end fund balance decreased from \$6.14 million in FY 2013 to \$ 5.41 million at the end of FY 2014. 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. The reduction in fund balance during FY 2014 occurred due to several factors including the payment of legal judgment costs in two different lawsuits that exceeded \$200,000, the shortfall of approximately \$100,000 in budgeted revenue during the transfer of county planning staff to the city, the reduction in expected expenditure savings in both the city police and fire departments, and the refunding of \$226,000 of protested taxes by the County prior to final settlement in FY2015. The protested taxes had been previously remitted to the City and the 2015 final settlement nets positive for tax receipts. Seven special purpose funds under General Fund control were removed from the Special Revenue fund category in FY 2010 and moved to special purpose General Fund accounts in FY 2011. This increased the overall beginning General Fund balance to \$3.45 million from \$2.1 million in FY 2010.

**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 2014 was negative. This should be eliminated during the course of FY 2015 for the most part, as the projects are completed and the bonds are issued to reimburse the city for the infrastructure constructed.

**FY 15 Final Operating and Capital Budget****Enterprise/Internal Service Funds**

- The Enterprise Fund balances are expected to continue to hold steady as certain large construction projects at the Wastewater Treatment plant were completed two years ago. Sewer utility rates were not increased for the 2009 budget year but were increased modestly for the FY 2010 - FY 13 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 percent per year, even though that growth was offset by a slowdown in the commercial and industrial sewer accounts in FY 09. By FY 10, the decline in revenue had reversed and the sewer revenues began to grow again in the industrial and commercial billings through the current year (FY 14). The residential component of our utility billing has always grown, even during the recession.
- The City's only Internal Service Fund, the City Health Insurance plan, had suffered from significant increases in usage and medical inflation up until eight 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 an 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 \$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 for FY 2010. 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 reduced funding for one year. However, the plan experienced its worst year ever for claims utilization in FY 2010, with result that the fund balance was reduced by \$1.3 million to \$.98 million. This increased level of plan utilization coupled with increased costs continued in FY 2011, 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 FY 2011. For FY 2012, 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 FY 12. Additional contributions of \$250,000 were made to the plan in FY 2014 even though the plan was stabilized in FY 2012 in order to assist the rebuilding of the plan's fund balance, which was accomplished resulting in a year end fund balance of \$1.0 million (an increase of \$.5 million over the preceding year) by the end of FY 2014.

**Trust and Agency Funds**

- The City has prepared a budget for the Tourism Business Improvement District (TBID) in the Trust & Agency fund type for several years now. The Tourism Business Improvement District (TBID) was created through the efforts of the Missoula Area Convention and Visitor's Bureau to aid tourism, promotion, and marketing within the District and allowing Hotels/Motels outside the City limits in the Missoula Urban area to donate funds to the Tourism Business Improvement District. The goal of the TBID is to increase four season revenues statewide through effective marketing and promotions, focusing on high-value, low-impact visitors by working 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 air service. Destination Missoula and the TBID will focus on increasing overnight visitation to Missoula with emphasis on the months of November through April, by concentrating marketing funds on meetings & conventions, sports & events, tour and group travel and leisure Travel.

**Component Units**

- The City of Missoula has three component units, the Missoula Parking Commission (MPC), the Missoula Redevelopment Agency (MRA) and the Business Improvement District (BID). The Parking Commission has an operating budget of \$2.5 million plus debt service requirements of \$0.31 million. It maintains a reserve of \$2.0 million, part of which is required for coverage

**FY 15 Final Operating and Capital Budget**

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 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 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 \$5 MM has been spent improving neighborhoods through the installation of sidewalks, curbs, street trees and repaved streets since MRA initiated the program. MRA has made a commitment to major improvements to Brooks Street between Paxson Street and Reserve Street 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. MRA is committed to providing funding for trail lighting on the Milwaukee Trail and to 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 currently studying the feasibility of constructing 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 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 now serves 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.

## Planning Processes



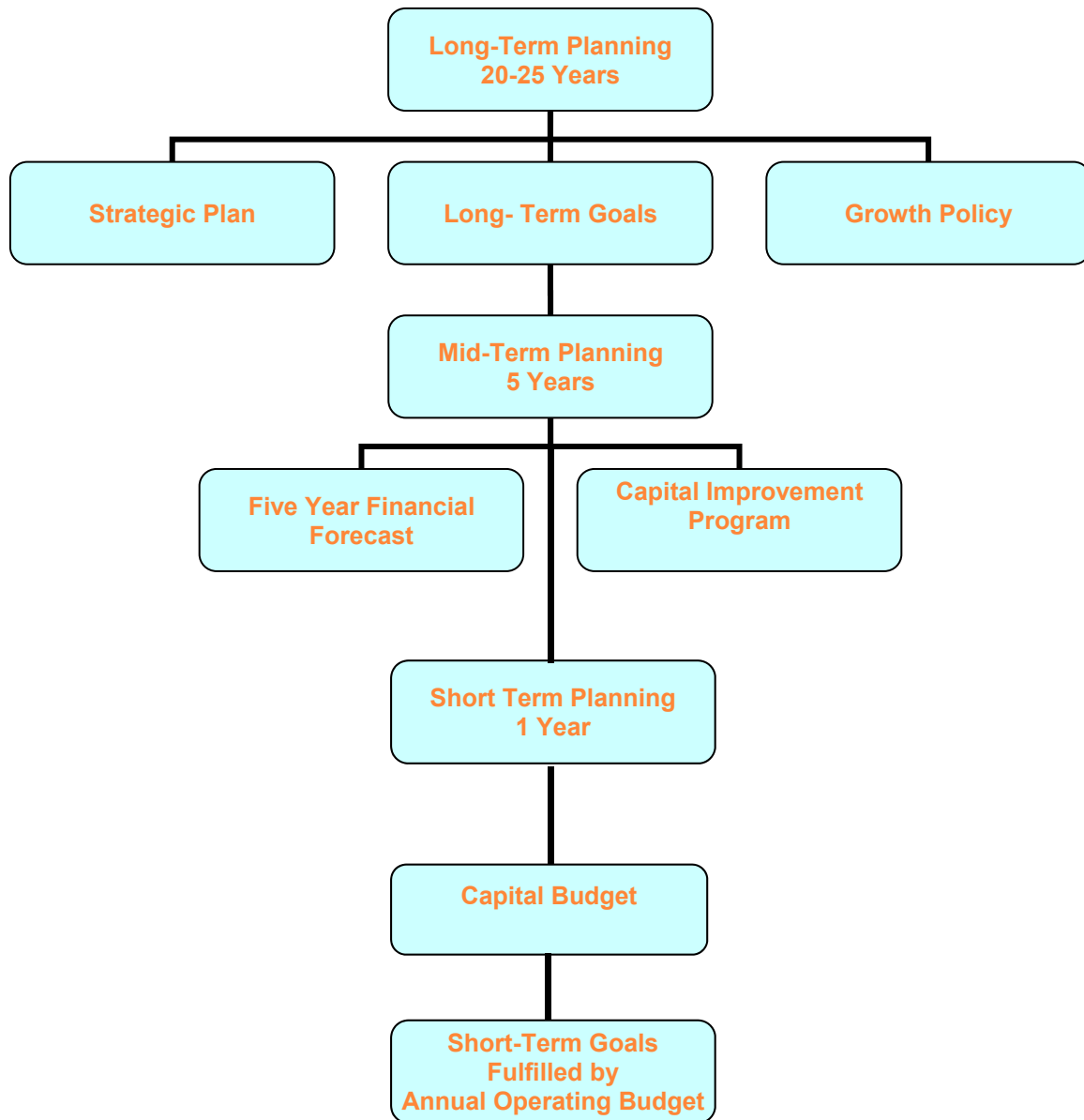
The City of Missoula conducts various planning processes (long-term, mid-term and short-term), to help guide the government and to insure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to insure each of these component 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 15 Final Operating and Capital Budget**



**FY 15 Final Operating and Capital Budget****Strategic Plan**

Strategic planning suggests ways (strategies) to identify and to move toward desired future states. It consists of the process of developing and 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, and functional plans such as the City's Comprehensive Plan for land use, the City of Missoula transportation plan, the City of Missoula wastewater facility plan master plan, and City of Missoula master fire plan.

The fiscal year 2015 budget continues our Strategic Planning initiatives started in FY 1992. This plan was significantly updated in FY 2009. The Strategic Plan is an ongoing dynamic process that will give residents, taxpayers and interested persons a greater understanding of city government. The strategic plan focuses on performance. It provides for measurable goals and objectives the City intends to achieve. Department employees will be held accountable for the implementation and success of the plan.

As part of the 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. Listed below are the results of this planning process which are delineated in several charts and paragraphs.

**City of Missoula  
Strategic Plan 2010-2015****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 15 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.

Listed below are the City's Strategies that help guide the development of this budget. These goals and strategies are addressed very specifically at the beginning of each

departmental narrative 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. The actual scoring 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 have developed and are continuing 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 15 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 performs 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.





**FY 15 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”.

A summary of the significant capital projects included in the FY 15 Operating Budget is included in the Capital Projects Section of this budget.



**FY 15 Final Operating and Capital Budget**

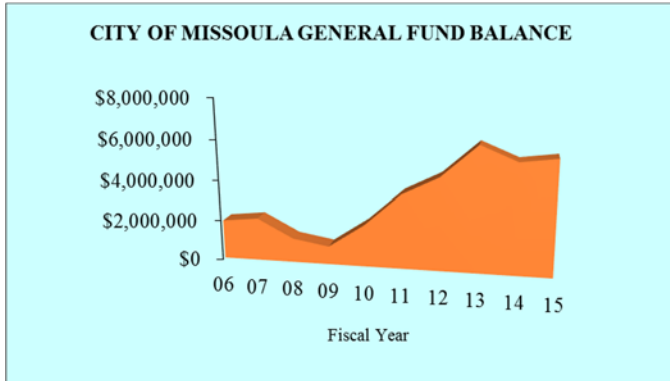
**STAFFING CHANGES**

The final budget includes a net overall increase of 7.33 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.

<b>Staffing Changes (FTE)</b>	
<b>DEPARTMENT/DIVISION</b>	<b>Net Increase (Decrease)</b>
<b>General Fund Departments</b>	
Human Resources	(1.00)
City Clerk	1.00
Finance/Treasurer	0.50
Central Services	1.50
Development Services	(12.11)
Vehicle Maintenance	(1.00)
Police Department	3.00
Parks & Recreation	(0.46)
<b>Total General</b>	(8.57)
<b>Special Revenue Funds</b>	
Planning	5.75
Transportation	10.15
<b>Total Special Revenue</b>	15.90
<b>Total for City Departments</b>	7.33

**FY 15 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.

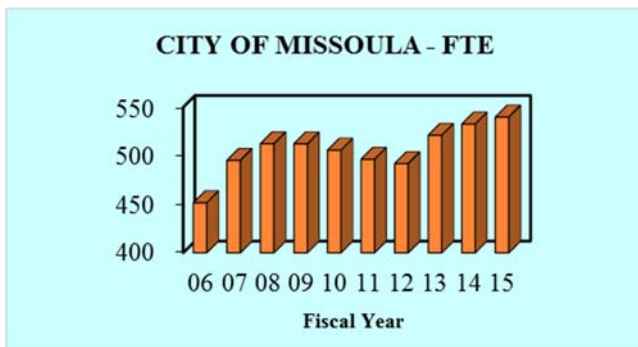
Fund balance measures the net financial resources available to finance expenditures of future periods.

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 above 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. Since fiscal year 2003, the city has made a conscious effort to rebuild the General Fund balance. At the end of FY 07, 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 six percent of total General Fund expenditures. The decrease in fund balance in FY 08 was due to a decline in expected expenditure savings and slight increase in tax delinquencies. Please note that the city had a 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 09. The FY 08 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 09 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 13. However, the fund balance was reduced to \$5.4 million by the end of FY14. The continued building of the fund balance from F2009 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 13 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 2014 unassigned fund balance back to the FY 2013 level over the next two years.



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 451.79 in fiscal year 2006 to 512.13 in 2009, and then were reduced back to 491.61 by FY 2012. Due to the fact that revenues had stabilized and increased for several years successively, as well as the fact that the city picked up nearly 20 employees

**FY 15 Final Operating and Capital Budget**

(with their own funding stream) who had been county employees in the city-county planning department, the city added 30.65 FTE's city-wide in the FY 2013 budget, 11.60 FTE's in the FY 2014 budget, and 7.33 FTE's in the FY 2015 budget. These were the first increases in a number of years, which equates to a 19.40% percent increase over this 10 year period, while the City's population is estimated to have increased 10.0% during this same period of time. Please note that 31 of the new FTE's in FY 06-08 were for staffing of the new aquatics facilities opened up to the public and these FTE's are predominantly paid from the revenues generated by these facilities. If these FTE's were backed out of this calculation, (as they are predominantly self-supporting), along with nearly 20 FTE's transferred to the city from the county planning offices (along with their own funding streams), the actual growth of new FTE's would be 8.0% compared to the population increase of 10.0% 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 rapid growth of the city. All indications are that the growth Missoula has experienced in the past will continue for the foreseeable future.



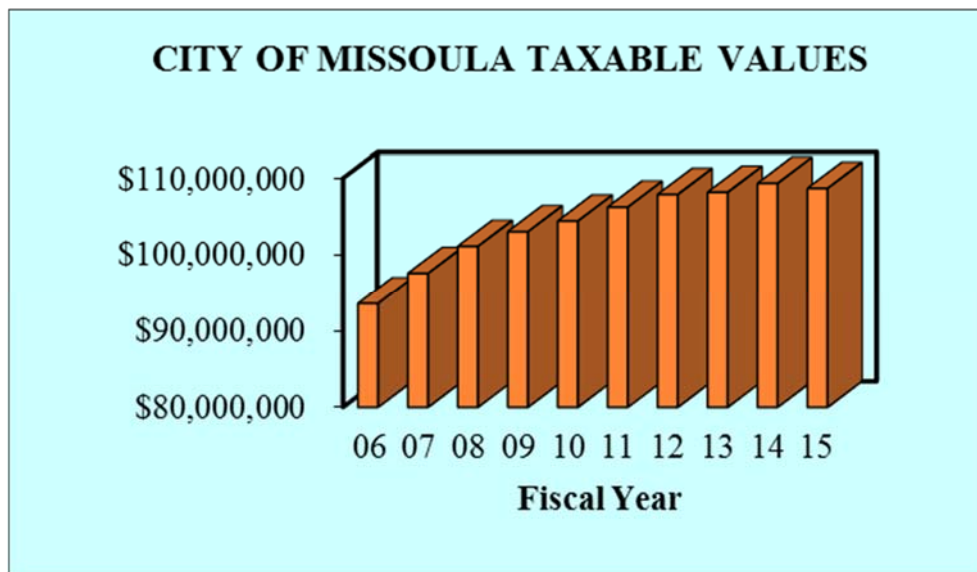
**FY 15 Final Operating and Capital Budget**



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 on the left. As reflected by the graph, the city's market value has increased from \$2.902 billion in fiscal year 2006 to \$4.406 billion in fiscal year 2015, for a 51.85% 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 2006. 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 you can see from the graph, the City's taxable value increased from \$93.533 million to \$108.677 million from 2006 to 2015, an increase of only 16.19%, which is well less than half the increase in the market value of the same property.

**FY 15 Final Operating and Capital Budget****SHORT TERM INITIATIVES – MAJOR ISSUES & SOLUTIONS**

1. The FY 2015 budget, as adopted, was brought to council six weeks sooner than in many previous years, as were the FY 2012, FY 2013 and FY 2014 budgets. The calculated additional property tax impact for next year is 2.92% for city taxes and city-wide road and park district assessments, which would be about \$24 per year for a typical \$250,000 home.
2. The proposed FY 2015 budget also anticipates 3% fee increases for Planning, Fire, Special Events, Business Licenses, Development Services and Building Inspection. The 3% fee increases in these areas as of service will not take effect until January 1st. Five years ago, the city chose not to increase any city fees. This year (FY 2015) as well as in the past three years (FY 2012, FY 2013, FY 2014), because many of the city's costs had increased, fees were increased by 3 percent 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 \$191,561 for FY 2015. This compares to growth of \$299,612 for the FY 2014 tax base and \$271,813 for FY 2013, \$389,390 for FY 2012, \$671,312 for FY 2011 and \$1,080,713 for FY 2010. We have budgeted for inflationary trending of property taxes allowed by state law (\$231,713).
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. As to the General Fund tax increase, the city is continuing to honor its union contracts. Because the city worked in partnership with both union and non-union employees four years ago with a wage freeze, the city proposed to move forward in FY 2012, FY 2013 and FY 2014 with the wage increases not given four years ago to both union and non-union employees. Four years ago and the year before, 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 percent. For FY11, the city administration requested another 2 percent reduction. Thus, in two of the last four years, the city had cut operation budgets by 6 percent. A total of 22 FTE's were removed from city budgets during these years. Aside from the proposed salary increases in FY 2012, 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 percent of the General Fund budget is devoted to personnel costs. In FY 2014 the city increased its FTE funding by 11.60, 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 7.33, again mainly in public safety.
5. Property taxes were not increased for support of the city's health plan, as the plan has performed quite well 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 FY10. However, in FY 2010 and 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. For FY2012, the city recommended an increase of \$132 per employee per month (\$681,446 per year) in the city's employer contribution to the health plan premium in an attempt to stabilize the funding of the plan with its annual costs. The city also asked employees to contribute an additional 393,012 (\$75/month more) and for retirees to contribute an additional \$118,434 (\$173/month more), together totaling \$511,446 of premium increases for employees and retirees. This would raise the base premium from \$635 per month per employee to \$767 per month per employee. The city has been committed to maintaining a three-month fund balance, but the demands of simply stabilizing the plan in FY 2012 had to over-ride the need to maintain a 3 month reserve for the FY 2012 budget. The city proposed to rebuild the fund balance in FY 2012 with a \$100,000 one-time contribution to the plan and a \$350,000 one-time contribution in FY 2013 and a \$600,000 one-time contribution in FY 2014. The decline in fund balance was reversed in FY 2012 and FY 2013, with the final fund balance for FY 2013 reaching a positive \$485,213 and a positive \$1,000,700 by the end of FY 2014. The city has also been focused on identifying ways to cut costs within the health plan utilizing the assistance of Allegiance, the plans third party administrator.

**FY 15 Final Operating and Capital Budget**

6. Assessments were increased in the newly created special road maintenance district, as the city attempts to increase the level of service delivery in this core area of service. These districts (both road and park) are in place throughout Montana. The FY 2015 budget includes 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 with first year commitment of \$376,703 of city support. The increased Road Special 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.
7. Standard & Poor's and Moody's, our ratings agencies, recently completed an updated review of many of our city credits. All of the city's credits were re-affirmed and sustained, 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 percent of the General Fund expenditures per the City's adopted financial policy. This has been accomplished since the end of FY 2013.



8. Funding anticipated from HB124 (city entitlement from the State of Montana) is projected at \$7,300,985 for FY 2015, an increase of \$325,085 over FY 2014.
9. The Building Inspection Fund is recovering nicely as economic conditions continue to improve in the construction portion of the Missoula economy, although we had previously reduced the staffing by four positions in that office several years ago. We have taken on the cost of replacing vehicles for the inspectors and we upgraded the permitting system software, a cost that will generate many benefits to both the building community and city staff. The Building Inspection Department has also been able to increase its staffing by 1 FTE a year ago.
10. Impact fees are expected to generate approximately \$900,000 of revenue for FY2015, although they generated in excess of \$1.1 million in FY 2014.
11. The City is permitted to levy what is necessary to fund voter-approved General Obligation (GO) Bond debt service. In FY 2015, the city will levy approximately the same amount dollar amount as in FY 2014 (11.33 mills in FY2015 compared to 10.60 mills for FY 2014, due mainly to the slightly decreased mill value in FY 2015, which was the result of legislative changes that lowered business personal property taxes.)
12. General Fund support for the city's capital improvement program will be of \$913,831 for FY 2015, which compares to \$1,150,023 in FY 2014. In FY 2015, the CIP support includes the required General Fund fixed payments plus the scheduled General Fund vehicle replacements plus the scheduled city hall elevator repair. 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 (FY09-13) than



**FY 15 Final Operating and Capital Budget**

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 our equipment to provide better service to our residents during fiscally constrained times such as these. There are many Non-General Fund CIP projects that were not affected by the extremely tight funding in the General Fund these past years.

13. The General Fund baseline budget appears to be adequate for the new fiscal year for both fuel and energy costs. Due to a concerted focus by the city on energy efficiency over the last five years. The city removed \$51,300 from the fuel and energy budgets in the General Fund two years ago reflecting about half of the savings already achieved.
14. This General Fund budget includes cost of living increases of approximately 3% for non-union staff but the entire General Fund payroll has decreased \$143,034 from FY14 due to separating Transportation and Planning into their own special revenue funds.
15. 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 2015.
16. The program enhancements allowed in the FY 2015 budget are detailed in the appendix.
17. The economic factors driving the budget development are discussed below in the next section of the budget message.

**ECONOMIC FACTORS**

- University of Montana economist, Patrick Barkey, has forecast that Montana's economic growth for the next four years should be in the 3.0 percent range, which continues an improvement that began in 2010. 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, with new home starts lagging from pre-recession numbers. Building-industry activity has a ripple effect in job creation and the Missoula economy. However, to quote Patrick Barkey in the Spring 2014 Bureau of Business Quarterly:  
"Missoula is poised for a better growth year in 2014. Its housing prices have rebounded, setting the stage for a ramp-up in building multi- and single-family homes. Retail and other commercial construction projects, some delayed during the recession, are coming to fruition. And its trucking, rail, and remaining wood products businesses are performing well. Its growth will fall short of the state average, but will be a marked improvement over anything seen in the past five years."
- The Missoula Economic Partnership, a public-private economic development organization, opened its doors in June 2011 and is fielding calls from a variety of fronts for business relocation, granting activity, expansion assistance and more. The Partnership is working in cooperation with a number of agencies creating easy access to economic-development resources.
- All of these factors were considered in preparing the City of Missoula's budget for the 2015 fiscal year. The decline in revenues in FY 2009, 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 2010.
- 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 percent per year, even though that growth was offset by a slowdown in the commercial and industrial sewer accounts in FY 09. In FY 10, 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.


**FY 15 Final Operating and Capital Budget**

**Closing**

We hope the information contained in the FY 2015 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 08 that continued through the current budget process. We have been actively pursuing a Performance Based Budget process since FY 08. We strongly encourage each and every person using city services to inform us of their ideas, level of satisfaction and problems.



Respectfully,



---

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 Council. The 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.

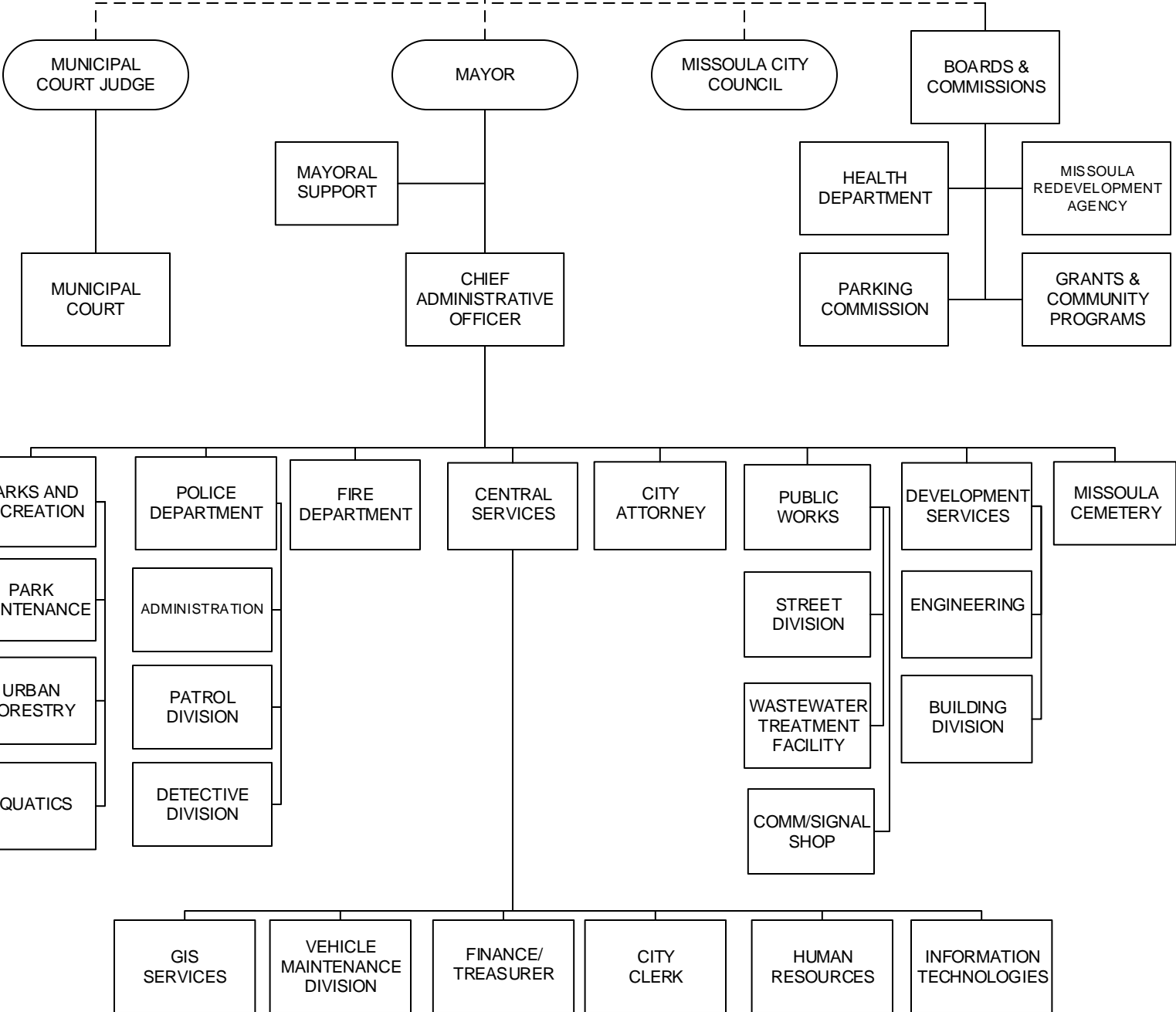
The annual appropriations and transfers out for various departments are controlled and monitored for budgetary compliance at the fund level. Management does not make transfers of appropriations or over-expend appropriations at the department level within a fund without approval of the City Council.

# BUDGET PROCESS

## THE BUDGET TIMELINE

<p>January</p>	<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>	<p>June</p>	<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>
<p>February</p>	<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>	<p>July</p>	<p>Waiting to receive final tax values from the State Department of Revenue.</p>
<p>March</p>	<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>	<p>August</p>	<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>
<p>April</p>	<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>	<p>September</p>	<p>On-going review and monitoring of current year budget.</p> <p>Preparations are made for the coming year.</p>
<p>May</p>	<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>	<p>October</p>	<p>On-going review and monitoring of the current year budget.</p> <p>Preparations are made for the coming year.</p>
		<p>November</p>	<p>On-going review and monitoring of the current year budget.</p> <p>Preparations are made for the coming year.</p>
		<p>December</p>	<p>On-going review and monitoring of the current year budget.</p> <p>Preparations are made for the coming year</p>

CITIZENS OF THE CITY OF MISSOULA



**DENOTES ELECTED OFFICIALS**

**CITY OF MISSOULA BUDGET INCREASES FOR FY 2015**

<b>REQUESTED AND FUNDED OPERATING BUDGET INCREASES</b>								
<b>Department</b>	<b>Ranking</b>	<b>Amount</b>	<b>High-Funded</b>	<b>Medium-Not Funded</b>	<b>Low-Not Funded</b>	<b>One-Time Costs</b>	<b>Ongoing Costs</b>	<b>Non-Budgeted Revenues Funded</b>
<b>General Fund</b>								
<b>Human Resources:</b>								
Full-Time Secretary	1	39,172	-	-	39,172	2,930	36,243	-
Skill & Competency Based Pay	2	75,000	-	75,000	-	65,000	10,000	-
Employment Kiosk	3	2,796	-	2,796	-	1,079	1,717	-
<b>Sub-total</b>		<b>116,968</b>	<b>-</b>	<b>77,796</b>	<b>39,172</b>	<b>69,009</b>	<b>47,960</b>	<b>-</b>
<b>City Clerk:</b>								
Local Gov't Study Commission Election	1	12,000	-	12,000	-	12,000	-	-
Local Gov't Study Commission	2	90,000	-	90,000	-	90,000	-	-
Codification Services	3	10,000	5,000	5,000	-	-	10,000	-
Neighborhood Admin Assistant II	4	36,766	33,436	3,330	-	3,330	33,436	-
<b>Sub-total</b>		<b>148,766</b>	<b>38,436</b>	<b>110,330</b>	<b>-</b>	<b>105,330</b>	<b>43,436</b>	<b>-</b>
<b>Municipal Court:</b>								
Increase in Judge Salary	1	3,958	-	3,958	-	-	3,958	-
Increase in Assistant Judge Salary	2	2,858	2,858	-	-	-	2,858	-
FT Administrative Assistant	3	42,942	-	42,942	-	2,439	40,503	-
<b>Sub-total</b>		<b>49,758</b>	<b>2,858</b>	<b>46,900</b>	<b>-</b>	<b>2,439</b>	<b>47,319</b>	<b>-</b>
<b>Finance Department:</b>								
Senior Accountant	1	64,304	-	-	64,304	411	63,893	64,304
<b>Sub-total</b>		<b>64,304</b>	<b>-</b>	<b>-</b>	<b>64,304</b>	<b>411</b>	<b>63,893</b>	<b>64,304</b>
<b>Development Services:</b>								
Business License Compliance Staff	1	47,397	47,397	-	-	2,287	45,110	49,056
Used Vehicle	2	8,576	8,576	-	-	8,576	-	8,576
<b>Sub-total</b>		<b>55,973</b>	<b>55,973</b>	<b>-</b>	<b>-</b>	<b>10,863</b>	<b>45,110</b>	<b>57,632</b>
<b>Public Works - Operations</b>								
Administrative Assistant	1	45,819	-	-	45,819	-	45,819	45,819
<b>Sub-total</b>		<b>45,819</b>	<b>-</b>	<b>-</b>	<b>45,819</b>	<b>-</b>	<b>45,819</b>	<b>45,819</b>
<b>Vehicle Maintenance:</b>								
Energy Monitoring Software	1	8,000	8,000	-	-	-	8,000	8,000
New Equipment Storage Building Utilities	2	25,000	-	-	25,000	-	25,000	-
<b>Sub-total</b>		<b>33,000</b>	<b>8,000</b>	<b>-</b>	<b>25,000</b>	<b>-</b>	<b>33,000</b>	<b>8,000</b>
<b>Police:</b>								
Outside Hire	1	84,000	84,000	-	-	-	84,000	88,754
Training Reimbursements	2	16,000	16,000	-	-	-	16,000	20,716
ICAC Investigator	3	102,698	102,698	-	-	8,570	94,128	102,698
<b>Sub-total</b>		<b>202,698</b>	<b>202,698</b>	<b>-</b>	<b>-</b>	<b>8,570</b>	<b>194,128</b>	<b>212,168</b>
<b>Fire:</b>								
Reimbursed Overtime	1	524,890	524,890	-	-	524,890	-	524,890
<b>Sub-total</b>		<b>524,890</b>	<b>524,890</b>	<b>-</b>	<b>-</b>	<b>524,890</b>	<b>-</b>	<b>524,890</b>
<b>Parks &amp; Recreation</b>								
Youth Program Coordinator/MORE Rec Coo	1	21,294	21,294	-	-	-	21,294	21,300
<b>Sub-total</b>		<b>21,294</b>	<b>21,294</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,294</b>	<b>21,300</b>



**BUDGET PROCESS**

**BUDGET INCREASES**

<b>Grants and Community Program:</b>									
Grants Admin 2.5% increase	1	3,946	3,946	-	-	-	3,946	-	-
Healthy Relationships Program 2.5% increa	2	1,353	1,353	-	-	-	1,353	-	-
Healthy Relationships Program interns	3	2,000	-	-	2,000	-	2,000	-	-
<b>Sub-total</b>		<b>7,299</b>	<b>5,299</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	<b>7,299</b>	<b>-</b>	<b>-</b>
<b>City/County Health Department</b>									
Estimated Salary Increase - Health Departm	1	40,434	40,434	-	-	-	40,434	-	-
Estimated Salary Increase - Animal Control	2	17,870	17,870	-	-	-	17,870	-	-
Base Adjustment for FY 14 Fringe	3	15,448	15,448	-	-	-	15,448	-	-
1/2 Animal Control Vehicle	4	4,000	4,000	-	-	4,000	-	-	-
<b>Sub-total</b>		<b>77,752</b>	<b>77,752</b>	<b>-</b>	<b>-</b>	<b>4,000</b>	<b>73,752</b>	<b>-</b>	<b>-</b>
<b>Non-Departmental</b>									
Legislative Services (Mayors Office)	1	33,000	33,000	-	-	33,000	-	-	-
Big Sky Trust Fund	2	40,000	40,000	-	-	40,000	-	-	-
National Citizen Survey	3	16,000	-	-	16,000	16,000	-	-	-
Volunteer Missoula	4	15,000	15,000	-	-	-	15,000	-	-
Mountain Line Fare Subsidy	5	100,000	50,000	-	50,000	-	100,000	-	-
<b>Sub-total</b>		<b>204,000</b>	<b>138,000</b>	<b>-</b>	<b>66,000</b>	<b>89,000</b>	<b>115,000</b>	<b>-</b>	<b>-</b>
<b>General Fund Total</b>		<b>1,552,522</b>	<b>1,075,200</b>	<b>235,026</b>	<b>242,295</b>	<b>814,512</b>	<b>738,010</b>	<b>934,113</b>	<b>-</b>
<b>NON-GENERAL FUND REQUESTS</b>									
<b>Road District 1:</b>									
Increase in Asphalt	1	100,000	100,000	-	-	-	100,000	-	100,000
Deicer Budget Increase	2	50,000	-	-	50,000	-	50,000	-	-
2 - 0.5 FTE Asphalt Sealant Crew	3	66,390	-	66,390	-	-	66,390	-	-
Items Moved from Gas Tax	4	26,740	-	-	26,740	21,740	5,000	-	-
Downtown Bike Lanes - Green Paint	5	10,000	10,000	-	-	-	10,000	-	10,000
City Leaf Disposal	6	10,000	10,000	-	-	-	10,000	-	10,000
Street Light Emergency Repairs	7	2,000	-	-	2,000	-	2,000	-	-
Sidewalk Additional Grinding	8	5,659	-	-	5,659	-	5,659	-	-
Additional Sidewalk Subsidy	9	200,000	200,000	-	-	-	200,000	-	200,000
<b>Sub-total</b>		<b>470,789</b>	<b>320,000</b>	<b>66,390</b>	<b>84,399</b>	<b>21,740</b>	<b>449,049</b>	<b>320,000</b>	<b>-</b>
<b>Park District 1:</b>									
Moon Randolph	1	8,000	-	8,000	-	-	8,000	-	-
New Parks, CLM Lands & Trails Maintenan	2	10,194	-	10,194	-	-	10,194	-	-
Conservation Lands Research Specialist	3	39,567	39,567	-	-	-	39,567	-	39,567
Vehicle Maintenance Enhancement	4	4,050	-	4,050	-	-	4,050	-	-
Forestry Worker	5	71,405	-	-	71,405	-	71,405	-	-
Spray Deck Maintenance	6	10,000	10,000	-	-	-	10,000	-	10,000
Sustainable Park Asset Management	7	154,632	-	-	154,632	-	154,632	-	-
Increased Hours for Communication Specia	8	10,927	-	-	10,927	-	10,927	-	-
Increased Hours for Safety Coordinator	9	9,677	-	-	9,677	-	9,677	-	-
Greenways and Horticulture Worker	10	48,203	-	-	48,203	-	48,203	-	-
New Forestry Research Specialist	11	14,363	-	-	14,363	-	14,363	-	-
Conservation Lands Restoration Supplies	12	27,000	-	-	27,000	-	27,000	-	-
Grant Creek Trail Maintenance	13	24,759	-	-	24,759	-	24,759	-	-
Arborist Tech Assistants	14	17,435	-	-	17,435	-	17,435	-	-
New Forestry Assistants	15	24,910	-	-	24,910	-	24,910	-	-
Norway Maple Abatement	CIP	320,000	-	-	320,000	-	320,000	-	-
Renovate, Replace & Improve (Kiwamis Par	CIP	70,000	-	-	70,000	70,000	-	-	-
Little McCormick Playground	CIP	10,000	-	-	10,000	10,000	-	-	-
Park Asset Replacement & Renovation	CIP	1,926,059	-	-	1,926,059	95,439	1,830,620	-	-
Trailhead Maps for Wayfinding Missoula	CIP	12,900	-	-	12,900	12,900	-	-	-
Kiwamis Park Playground & Restroom	CIP	22,500	-	-	22,500	22,500	-	-	-
Toro 580 D Riding Lawnmower	CIP	90,000	-	-	90,000	90,000	-	-	-
Motorized Wheelbarrow	CIP	8,000	-	-	8,000	8,000	-	-	-
IML Resistograph	CIP	12,000	-	-	12,000	12,000	-	-	-
<b>Sub-total</b>		<b>2,946,581</b>	<b>49,567</b>	<b>22,244</b>	<b>2,874,770</b>	<b>320,839</b>	<b>2,625,742</b>	<b>49,567</b>	<b>-</b>

**BUDGET PROCESS**

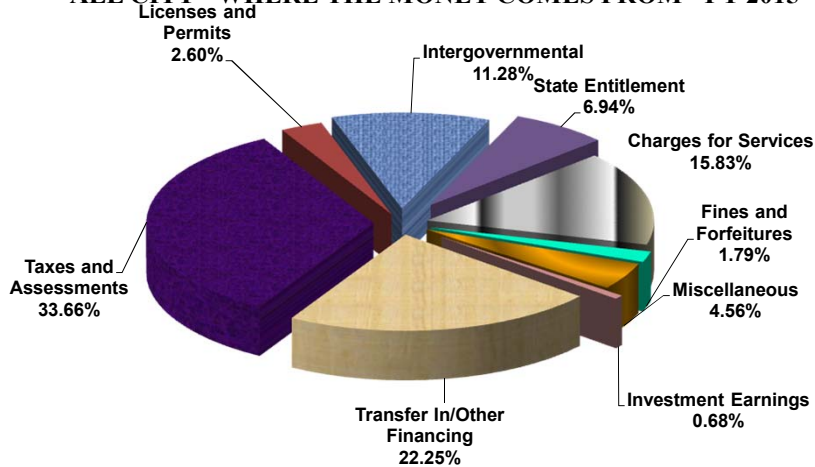
**BUDGET INCREASES**

<b>Public Safety &amp; Justice District</b>									
400 Ryman Utilities	1	480	-	-	480	-	480	-	-
400 Ryman Janitorial	2	2,880	-	-	2,880	-	2,880	-	-
Detective Investigator	3	150,133	-	-	150,133	-	150,133	-	-
400 Ryman Lease (Sexual Crimes Unit)	4	31,833	-	-	31,833	21,740	10,093	-	-
Record Management System (PD)	5	6,000	-	-	6,000	-	6,000	-	-
Record Management System (Fire)	6	13,507	-	-	13,507	-	13,507	-	-
DOJ Oversight	7	114,000	-	-	114,000	-	114,000	-	-
Mailing and Finance costs	8	31,167	-	-	31,167	-	31,167	-	-
<b>Sub-total</b>		<b>350,000</b>	<b>-</b>	<b>-</b>	<b>350,000</b>	<b>21,740</b>	<b>328,260</b>	<b>-</b>	<b>-</b>
<b>Wastewater:</b>									
Increase Admin Travel	1	1,500	1,500	-	-	-	1,500	-	1,500
Increase Operating Supplies	2	10,000	10,000	-	-	-	10,000	-	10,000
<b>Sub-total</b>		<b>11,500</b>	<b>11,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,500</b>	<b>-</b>	<b>11,500</b>
<b>Missoula Redevelopment Agency</b>									
Vehicle	1	30,000	30,000	-	-	30,000	-	-	30,000
<b>Sub-total</b>		<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>30,000</b>
<b>Grand Total - All Funds</b>		<b>\$ 5,361,392</b>	<b>\$ 1,486,267</b>	<b>\$ 323,660</b>	<b>\$ 3,551,464</b>	<b>\$ 1,208,831</b>	<b>\$ 4,152,561</b>	<b>\$ 1,345,180</b>	

FY 15 SOURCES & USES OF FUNDS & MILL LEVY CALCULATION														
#	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	FY15 MILL LEVY (MILL VALUE = 108,677)	FY14 MILL LEVY (MILL VALUE = 109,336.36)	PERCENTAGE CHANGE FY14 TO FY15
<b>GENERAL FUND</b>														
	<b>FUND BALANCES:</b>													
	Non-spendable					1,129,654								
	Restricted					-								
	Committed					-								
	Assigned					-								
	Unassigned			2,654,489		2,546,164								
<b>1000</b>	<b>GENERAL FUND 1000- ALL PURPOSE LEVY</b>	48,709,091	1,983,577				1,563,533	21,730,795	5,291,403					
	<b>GENERAL FUND 1000- SUB-TOTALS</b>	<b>48,709,091</b>	<b>1,983,577</b>	<b>2,654,489</b>	<b>53,347,157</b>	<b>3,675,818</b>	<b>1,563,533</b>	<b>21,730,795</b>	<b>5,291,403</b>	<b>21,085,608</b>	<b>21,085,608</b>	<b>194.02</b>	<b>193.63</b>	<b>0.20%</b>
1211	PARK ACQUISITION AND DEVELOPMENT	288,120	-	334,718	622,838	334,718		288,120						
1212	PARK ENTERPRISE	247,000	-	281,581	528,581	308,581		220,000						
1216	PARKS & REC TRAILS FORESTRY LANDS MEMORIALS	1,194,393	50,000	34,737	1,279,130	393,030		876,100	10,000					
1217	PARKS CITY LIFE GYM LEASE	43,000	-	871	43,871	471		43,400						
1218	ALL ABILITIES PLAYGROUND	786,092	-		786,092	114,746		671,346						
1241	CREMAIN WALL & CEMETERY DONATIONS	2,500	-	49,372	51,872	51,872								
1242	CEMETERY CARE	65,455	9,545	228,960	303,960	228,960		75,000						
1243	CEMETERY MEMORIAL	2,000	-	6,290	8,290	6,790		1,500						
1265	TITLE I PROJECTS	59,088	-	19,999	79,087	59,087		20,000						
1396	PROGRAM INCOME REVOLVING LOAN PROGRAM	51,791	-	6,976	58,767	51,767		7,000						
1397	STATE HOME PROGRAM INCOME	600,000	-		600,000	413,511		186,489						
	<b>OTHER GENERAL FUND ACCOUNTS- SUB-TOTALS</b>	<b>3,339,439</b>	<b>59,545</b>	<b>963,504</b>	<b>4,362,488</b>	<b>1,963,533</b>		<b>2,388,955</b>	<b>10,000</b>					
	<b>GRAND TOTAL ALL GENERAL FUND ACCOUNTS</b>	<b>52,048,530</b>	<b>2,043,122</b>	<b>3,617,993</b>	<b>57,709,645</b>	<b>5,639,351</b>	<b>1,563,533</b>	<b>24,119,750</b>	<b>5,301,403</b>	<b>21,085,608</b>	<b>21,085,608</b>	<b>194.02</b>	<b>193.63</b>	<b>0.20%</b>
<b>SPECIAL REVENUE FUNDS</b>														
2250	PLANNING DEPARTMENT FUND	693,720	-	117,572	811,292	396,507		334,657	80,128					
2310	PUBLIC SAFETY INFORMATION SYSTEMS	-	-	24,000	24,000	-		24,000						
2321	IMPACT FEE	2,416,567	-	1,332,181	3,748,748	2,848,748		900,000						
2322	GEORGE ELMAR - CATTLE DRIVE	15,000	-		15,000	-		15,000						
2365	PUBLIC ART	32,871	-		32,871	32,871								
2371	EMPLOYEE HEALTH INSURANCE LEVY	-	1,324,945	-	1,324,945	-		-	1,324,945	1,324,945	9.10	12.12	-24.92%	
2372	EMPLOYEE HEALTH INSURANCE LEVY (OUTSIDE CAP)	-	2,971,522	-	2,971,522	-		-	2,971,522	2,971,522	30.43	27.17	12.00%	
2389	CABLE TELEVISION FRANCHISE	491,890	244,110	173,307	909,307	173,307		736,000						
2390	DRUG FORFEITURE	27,800	-	4,748	32,548	15,748		16,800						
2394	BUILDING INSPECTION	1,195,690	-	471,738	1,667,428	602,459		1,064,969						
2395	CITY GRANTS & PROGRAM INCOME	2,103	-	1,093	3,196	3,196								
2396	ENERGY EFFICIENCY & CONSERVATION LOAN	-	-	-	-	-		-						
2399	DANGEROUS BUILDING DEMOLITION REPAIR	15,000	-	-	15,000	-		15,000						
2400	STREET LIGHTING ASSESSMENT	345,357	-	219,982	565,339	219,982		345,357						
2500	STREET MAINTENANCE ASSESSMENT	32,014	27,281	13,137	72,432	13,137		59,295						
2512	ROAD DISTRICT 1	1,272,302	-	92,597	1,364,899	92,597		1,272,302						
2513	PARKS DISTRICT 1	634,457	-	9,061	643,518	9,061		634,457						
2820	STATE GAS TAX	373,100	564,000	45,113	982,213	-		982,213						
2918	LAW ENFORCEMENT BLOCK GRANT	138,166	-	-	138,166	-		138,166						
2919	HIDTA	192,300	-	-	192,300	-		192,300						
2939	CDBG PROGRAM INCOME	14,383	-	-	14,383	-		14,383						
2940	CDBG	620,073	-	-	620,073	-		620,073						
2941	HOME	352,009	-	-	352,009	-		352,009						
2942	ADDI	12,243	-	-	12,243	-		12,243						
2943	CITY HOME PROGRAM INCOME	35,500	-	-	35,500	-		35,500						
2944	NEIGHBORHOOD STABILIZATION	-	-	-	-	-		-						
2955	TRANSPORTATION DEPARTMENT	771,390	-	499,282	1,270,672	-		1,186,054	84,618					
2987	FEDERAL/STATE TRANSPORTATION	1,632,318	-	-	1,632,318	-		1,632,318						
2988	GRANTS & DONATIONS	1,058,384	-	-	1,058,384	30,822		1,027,562						
	<b>SPECIAL REVENUE FUND SUBTOTALS</b>	<b>12,374,637</b>	<b>5,131,858</b>	<b>3,003,811</b>	<b>20,510,306</b>	<b>4,438,435</b>	<b>-</b>	<b>11,610,658</b>	<b>164,746</b>	<b>4,296,467</b>	<b>4,296,467</b>	<b>39.53</b>	<b>39.29</b>	<b>0.61%</b>
								17,486						
<b>DEBT SERVICE FUNDS</b>														
3091	2012A AQUATICS REFUNDING	539,698	-	-	539,698	1,000		-	-	538,698	538,698	4.96	1.84	169.57%
3092	2013A REFUNDING	691,800	-	-	691,800	-		-	-	691,800	691,800	6.37	1.84	246.20%
3096	FIRE STATION GO BOND	-	-	-	-	-		-	-	-	-	-	3.86	-100.00%
3097	2007 REFUNDING	-	-	-	-	-		-	-	-	-	-	4.90	-100.00%
	<b>GENERAL OBLIGATION DEBT SUBTOTAL</b>	<b>1,231,498</b>	<b>-</b>	<b>-</b>	<b>1,231,498</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,230,498</b>	<b>1,230,498</b>	<b>11.33</b>	<b>12.44</b>	<b>-8.92%</b>
3000	SID REVOLVING	-	100,000	690,000	790,000	790,000		-	-	-	-	-	-	-
3305	SOUTH AVE ROW - JUDGMENT LEVY	80,421	-	-	80,421	-		-	80,421	80,421	0.74	-	-	-
3420	FY03 SIDEWALK & CURB DEBT SERVICE	26,300	-	-	26,300	-		26,300						
3430	FY04 SIDEWALK & CURB DEBT SERVICE	11,295	-	-	11,295	-		11,295						
3440	FY05 SIDEWALK & CURB DEBT SERVICE	40,163	-	-	40,163	-		40,163						
3450	FY06 SIDEWALK & CURB DEBT SERVICE	29,569	-	-	29,569	-		29,569						
3460	FY07 SIDEWALK & CURB DEBT SERVICE	92,110	-	-	92,110	-		92,110						
3461	FY08 SIDEWALK & CURB DEBT SERVICE	62,213	-	-	62,213	-		62,213						
3462	FY09 SIDEWALK & CURB DEBT SERVICE	67,143	-	-	67,143	-		67,143						
3463	FY10 SIDEWALK & CURB DEBT SERVICE	103,038	-	-	103,038	-		103,038						
3464	FY11 SIDEWALK & CURB DEBT SERVICE	72,560	-	-	72,560	-		72,560						
3465	FY13 SIDEWALK & CURB DEBT SERVICE	40,976	-	-	40,976	-		40,976						
3512	SID 512 DEBT SERVICE	81,293	-	-	81,293	-		81,293						
3520	SID 520 DEBT SERVICE	160,280	-	-	160,280	-		160,280						
3521	SID 521 DEBT SERVICE	720	-	-	720	-		720						
3522	SID 522 DEBT SERVICE	534	-	-	534	-		534						
3524	SID 524 DEBT SERVICE	306,400	-	-	306,400	-		306,400						
3525	SID 525 DEBT SERVICE	31,500	-	-	31,500	-		31,500						
3526	SID 526 DEBT SERVICE	193,300	-	-	193,300	-		193,300						
3530	SID 530 DEBT SERVICE	680	-	-	680	-		680						
3532	SID 532 DEBT SERVICE	43,363	-	-	43,363	-		43,363						
3533	SID 533 DEBT SERVICE	17,775	-	-	17,775	-		17,775						
3534	SID 534 DEBT SERVICE	18,413	-	-	18,413	-		18,413						
3536	SID 536 DEBT SERVICE	31,100	-	-	31,100	-		31,100						
3540	SID 540 DEBT SERVICE	122,098	-	-	122,098	-		122,098						
3541	SID 541 DEBT SERVICE	60,383	-	-	60,383	-		60,383						
3544	SID 544 DEBT SERVICE	140,176	-	-	140,176	-		140,176						
3548	SID 548 DEBT SERVICE	113,475	-	-	113,475	-		113,475						
	<b>SPECIAL IMPROVEMENT DEBT SUBTOTAL</b>	<b>1,947,278</b>	<b>100,000</b>	<b>690,000</b>	<b>2,737,278</b>	<b>790,000</b>	<b>-</b>	<b>1,866,857</b>	<b>-</b>	<b>80,421</b>	<b>80,421</b>	<b>0.74</b>	<b>-</b>	<b>-2.97%</b>
	<b>DEBT SERVICE FUNDS SUBTOTALS</b>	<b>3,178,776</b>	<b>100,000</b>	<b>690,000</b>	<b>3,968,776</b>	<b>791,000</b>	<b>-</b>	<b>1,866,857</b>	<b>-</b>	<b>1,310,919</b>	<b>1,310,919</b>	<b>12.07</b>	<b>12.44</b>	<b>-2.97%</b>

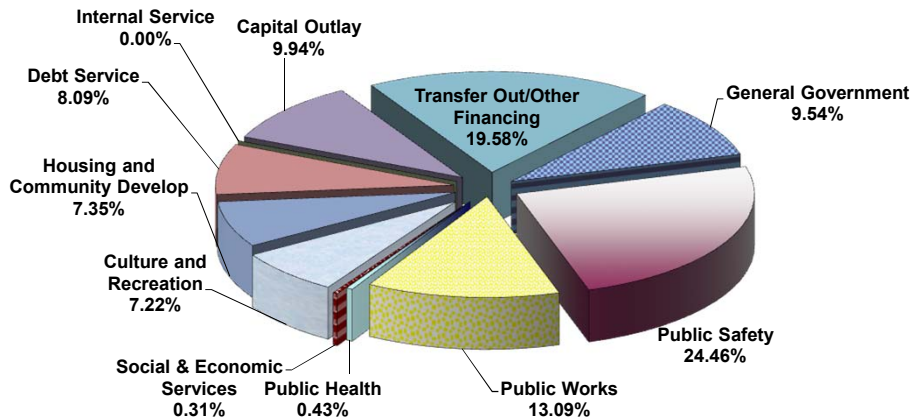
CAPITAL PROJECTS FUNDS												
4060	CAPITAL IMPROVEMENT PROGRAM (CIP)	913,831	-	9,010	922,841	-	9,010	913,831	-	-	-	-
4130	1997 GO BOND OPEN SPACE PURCHASE	375,602	-	-	375,602	375,602	-	-	-	-	-	-
4196	2006 FIRE STATION GO BOND	3,020	-	-	3,020	3,020	-	-	-	-	-	-
<b>CAPITAL PROJECTS FUNDS SUBTOTALS</b>		<b>1,292,453</b>	<b>-</b>	<b>9,010</b>	<b>1,301,463</b>	<b>378,622</b>	<b>-</b>	<b>9,010</b>	<b>913,831</b>	<b>-</b>	<b>-</b>	<b>-</b>
PROPRIETARY FUNDS												
ENTERPRISE FUNDS												
5020	CIVIC STADIUM	120,000	-	-	120,000	-	-	120,000	-	-	-	-
SEWER ENTERPRISE FUNDS												
5310	SEWER OPERATING BUDGET	4,534,965	-	-	4,534,965	-	-	76,000	4,458,965	-	-	-
5311	SEWER REVENUE COLLECTION & CLEARING	-	7,200,001	-	7,200,001	-	-	7,200,001	-	-	-	-
5315	SEWER LOAN	20,000	-	-	20,000	20,000	-	-	-	-	-	-
5320	SEWER REPLACEMENT & DEPRECIATION	549,591	-	279,882	829,473	-	-	-	829,473	-	-	-
5325	SEWER DEVELOPMENT FEE	674,906	-	400,000	1,074,906	450,000	-	624,906	-	-	-	-
5340	SEWER CONSTRUCTION	920,000	-	-	920,000	-	-	920,000	-	-	-	-
5361	01 SEWER REVENUE BONDS DEBT SERVICE	30,590	-	-	30,590	-	-	-	30,590	-	-	-
5362	00 SEWER REVENUE BONDS -SERIES B DEBT SERVICE	49,240	-	-	49,240	-	-	-	49,240	-	-	-
5365	99 SEWER REVENUE BONDS DEBT SERVICE	124,180	-	-	124,180	-	-	-	124,180	-	-	-
5368	00 SEWER REVENUE BONDS RESERVE	-	4,280	48,720	53,000	-	-	-	-	-	-	-
5369	01 SEWER REVENUE BONDS SERIES BOND RESERVE	-	2,290	31,350	33,640	-	-	-	-	-	-	-
5370	99 SEWER REVENUE BOND RESERVE	-	8,970	124,850	133,820	-	-	-	-	-	-	-
5371	02 SEWER REVENUE BONDS DEBT SERVICE	85,410	-	-	85,410	-	-	-	85,410	-	-	-
5372	02 SEWER REVENUE BONDS RESERVE	-	8,840	85,260	94,100	-	-	-	-	-	-	-
5373	02 SEWER REVENUE BONDS DEBT SERVICE-WWTP upgrade	331,350	-	-	331,350	-	-	-	331,350	-	-	-
5374	02 SEWER REVENUE BONDS RESERVE-WWTP upgrade	-	30,132	331,920	362,052	-	-	-	-	-	-	-
5375	03 SEWER REVENUE BONDS DEBT SERV.-3.8M SRF Loan	250,595	-	-	250,595	-	-	-	250,595	-	-	-
5376	03 SEWER REVENUE BONDS RESERVE-3.8M SRF Loan	-	21,190	251,173	272,363	-	-	-	-	-	-	-
5377	04 SEWER REVENUE BONDS DEBT SERV.-3.023M SRF Loan	242,473	-	-	242,473	-	-	-	242,473	-	-	-
5378	04 SEWER REVENUE BONDS RESERVE-3.023M SRF Loan	-	21,200	244,006	265,206	-	-	-	-	-	-	-
5379	05 BIRCH/BRDY/LIN/GIL SRF BOND DEBT SERV.	109,389	-	-	109,389	-	-	-	109,389	-	-	-
5380	05 BIRCH/BRDY/LIN/GIL SRF BOND RESERVE	-	10,840	109,823	120,663	-	-	-	-	-	-	-
5382	05 LINCOLNWOOD PHASE II SRF BOND RESERVE	-	21,850	-	21,850	-	-	-	21,850	-	-	-
5383	10 LOLO ST SRF BOND DEBT SERVICE-NON ARRA	31,550	-	-	31,550	-	-	-	31,550	-	-	-
5384	10 LOLO ST SRF BOND DEBT SERVICE-NON ARRA RESERVE	-	4,644	41,750	46,394	-	-	-	-	-	-	-
5385	10 MSLA HEADWORKS RESERVE	-	-	953,288	953,288	707,788	-	-	245,500	-	-	-
5386	10 MSLA HEADWORKS DEBT SERVICE	696,949	-	-	696,949	256,273	-	254,857	442,092	-	-	-
5387	11 SEWER \$1.29 M BOND DEBT SERVICE	103,430	-	-	103,430	-	-	-	103,430	-	-	-
5388	11 MSLA SEWER REVENUE BOND RESERVE	-	-	116,050	116,050	-	-	-	-	-	-	-
<b>SEWER ENTERPRISE FUND SUBTOTALS</b>		<b>8,754,618</b>	<b>7,334,237</b>	<b>3,274,345</b>	<b>19,363,200</b>	<b>2,953,199</b>	<b>-</b>	<b>9,075,764</b>	<b>7,334,237</b>	<b>-</b>	<b>-</b>	<b>-</b>
5711	AQUATICS	1,404,713	-	-	1,404,713	5,759	-	1,195,954	203,000	-	-	-
<b>TOTAL ENTERPRISE FUND SUBTOTALS</b>		<b>10,279,331</b>	<b>7,334,237</b>	<b>3,274,345</b>	<b>20,887,913</b>	<b>2,958,958</b>	<b>-</b>	<b>10,391,718</b>	<b>7,537,237</b>	<b>-</b>	<b>-</b>	<b>-</b>
INTERNAL SERVICE FUNDS												
6050	EMPLOYEE BENEFIT PLAN	5,805,230	-	618,119	6,423,349	485,000	-	5,246,349	692,000	-	-	-
<b>PROPRIETARY FUNDS SUBTOTALS</b>		<b>16,084,561</b>	<b>7,334,237</b>	<b>3,892,464</b>	<b>27,311,262</b>	<b>3,443,958</b>	<b>-</b>	<b>15,638,067</b>	<b>8,229,237</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTALS FOR CITY BUDGETED FUNDS</b>		<b>84,978,957</b>	<b>14,609,217</b>	<b>11,213,278</b>	<b>110,801,451</b>	<b>14,691,366</b>	<b>1,563,533</b>	<b>53,244,342</b>	<b>14,609,217</b>	<b>26,692,993</b>	<b>26,692,993</b>	<b>0.11%</b>
COMPONENT UNITS - CITY OF MISSOULA												
PARKING COMMISSION FUNDS												
7370	PARKING COMMISSION OPERATING	2,362,529	162,328	771,048	3,295,905	1,600,000	-	1,695,905	-	-	-	-
7371	INTEREST FUND SERIES 2010B BONDS	269,059	-	-	269,059	-	-	-	269,059	-	-	-
7372	SINKING FUND SERIES 2010B BONDS	40,000	-	-	40,000	-	-	-	40,000	-	-	-
7373	REVENUE BONDS SERIES 2010 B BONDS CONSTRUCT.	-	-	-	-	-	-	-	-	-	-	-
7374	RESERVE FUND SERIES 2010 B BONDS	-	-	-	-	-	-	-	-	-	-	-
7375	PLEGGED TIF SERIES 2010 B BONDS	121,431	146,731	97,930	366,092	97,930	-	268,162	-	-	-	-
<b>PARKING SUBTOTAL</b>		<b>2,793,019</b>	<b>309,059</b>	<b>868,978</b>	<b>3,971,056</b>	<b>1,697,930</b>	<b>-</b>	<b>1,964,067</b>	<b>309,059</b>	<b>-</b>	<b>-</b>	<b>-</b>
7380	BUSINESS IMPROVEMENT DISTRICT	421,004	-	38,318	459,322	90,000	-	369,322	-	-	-	-
7381	TOURISM BUSINESS IMPROVEMENT DISTRICT	620,494	-	-	620,494	-	-	620,494	-	-	-	-
MISSOULA REDEVELOPMENT AGENCY FUNDS												
7383	MRA - RIVERFRONT TRIANGLE URD	26,862	-	-	26,862	22,368	-	4,494	-	-	-	-
7385	MRA - FRONT ST URD	530,252	-	-	530,252	366,092	-	164,160	-	-	-	-
7386	MRA - URD II - SAFEWAY	155,875	-	77,937	233,812	77,937	-	155,875	-	-	-	-
7387	MRA URD II- REVOLVING LN FD	31,941	-	-	31,941	-	-	31,941	-	-	-	-
7391	MRA- URD I	-	-	-	-	-	-	-	-	-	-	-
7392	MRA- URD II	1,559,248	250,000	-	1,809,248	992,884	-	200,000	616,364	-	-	-
7393	MRA- URD III	6,108,770	-	300,000	6,408,770	4,200,000	-	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	-	210,524	356,658	210,186	-	-	146,472	-	-	-
7402	MRA TAX INCREMENT FRONT ST. BOND-SUB. LIEN NOTE	166,557	-	83,655	250,212	107,581	-	-	142,631	-	-	-
<b>MRA SUBTOTAL</b>		<b>10,043,324</b>	<b>2,576,147</b>	<b>1,348,800</b>	<b>13,968,271</b>	<b>6,902,713</b>	<b>-</b>	<b>4,489,411</b>	<b>2,576,147</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>COMPONENT UNIT TOTALS</b>		<b>13,877,841</b>	<b>2,885,206</b>	<b>2,256,096</b>	<b>19,019,143</b>	<b>8,690,643</b>	<b>-</b>	<b>7,443,294</b>	<b>2,885,206</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTALS FOR ALL BUDGETED FUNDS</b>		<b>98,856,798</b>	<b>17,494,423</b>	<b>13,469,374</b>	<b>129,820,594</b>	<b>23,382,009</b>	<b>1,563,533</b>	<b>60,687,636</b>	<b>17,494,423</b>	<b>26,692,993</b>	<b>26,692,993</b>	<b>0.11%</b>

**ALL CITY - WHERE THE MONEY COMES FROM - FY 2015**



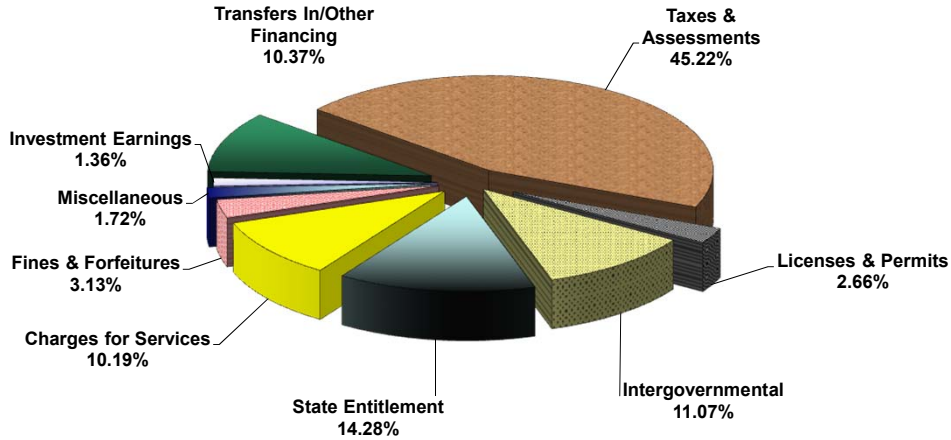
	FY 2013 Actual	FY 2014 Actual	FY 2015 Budget	Budget Increase (Decr)
Taxes and Assessments	\$ 31,871,475	\$ 34,730,233	\$ 35,417,660	\$ 687,427
Licenses and Permits	2,472,051	3,120,909	3,162,408	41,499
Intergovernmental	10,272,771	10,714,911	11,874,663	1,159,752
State Entitlement	6,740,000	6,975,900	7,300,985	325,085
Charges for Services	18,420,980	16,044,370	16,662,942	618,572
Fines and Forfeitures	2,842,481	1,647,654	1,884,746	237,092
Miscellaneous	3,225,193	845,418	4,796,370	3,950,952
Investment Earnings	268,523	150,824	714,846	564,022
Transfer In/Other Financing	20,265,458	20,665,319	23,418,263	2,752,944
<b>Total City Revenues</b>	<b>\$ 96,378,932</b>	<b>\$ 94,895,538</b>	<b>\$ 105,232,883</b>	<b>\$ 10,337,345</b>

**ALL CITY - WHERE THE MONEY GOES - FY 2015**



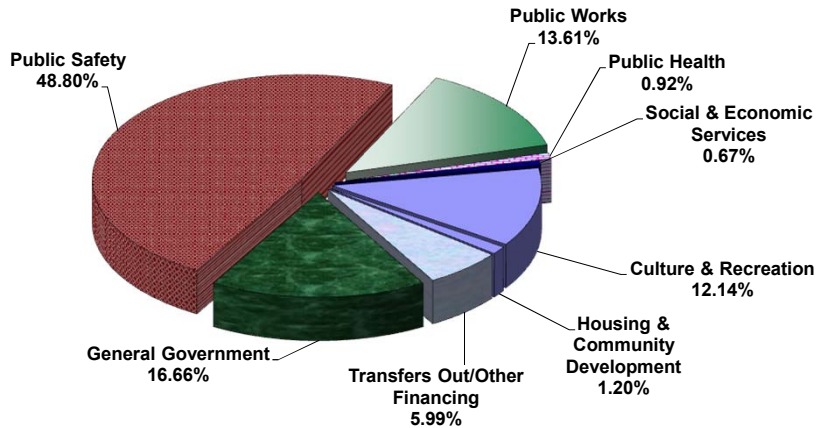
	FY 2013 Actual	FY 2014 Actual	FY 2015 Budget	Budget Increase (Decr)
General Government	\$ 8,034,601	\$ 10,006,347	\$ 11,093,359	\$ 1,087,012
Public Safety	25,874,176	28,007,587	28,437,676	430,089
Public Works	22,577,487	20,161,779	15,224,223	(4,937,556)
Public Health	1,482,096	1,550,087	499,803	(1,050,284)
Social & Economic Services	116,000	210,000	360,128	150,128
Culture and Recreation	5,512,765	5,525,444	8,391,426	2,865,982
Housing and Community Development	1,238,539	552,805	8,541,841	7,989,036
Debt Service	6,648,373	5,504,518	9,406,608	3,902,090
Internal Service	1,049,647	4,987,548	-	(4,987,548)
Capital Outlay	6,863,986	5,351,943	11,553,558	6,201,615
Transfer Out/Other Financing	17,521,827	14,975,492	22,762,187	7,786,695
<b>Total City Expenditures</b>	<b>\$ 96,919,497</b>	<b>\$ 96,833,550</b>	<b>\$ 116,270,809</b>	<b>\$ (1,454,629)</b>

**FY 2015 GENERAL FUND REVENUES BY CATEGORY**



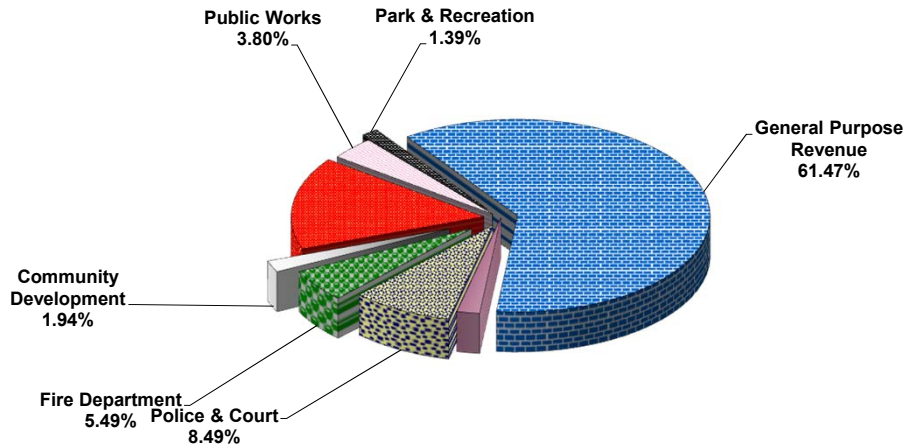
	FY 2013 Actual	FY 2014 Actual	FY 2015 Budget	Budget Increase (Decr)
Taxes & Assessments	\$ 22,237,692	22,011,287	\$ 23,116,098	\$ 1,104,811
Licenses & Permits	1,253,948	1,300,757	1,361,954	61,197
Intergovernmental	5,386,473	6,764,251	5,657,590	(1,106,661)
State Entitlement	6,740,000	6,975,900	7,300,985	325,085
Charges for Services	4,738,464	4,551,218	5,207,361	656,143
Fines & Forfeitures	1,546,082	1,333,042	1,597,946	264,904
Miscellaneous	286,227	291,534	879,500	587,966
Investment Earnings	6,801	1	694,846	694,845
Transfers In/Other Financing	5,529,518	6,106,024	5,301,403	(804,621)
<b>Total Sources</b>	<b>\$ 47,725,205</b>	<b>\$ 49,334,014</b>	<b>\$ 51,117,683</b>	<b>\$ 1,783,669</b>

**FY 2015 GENERAL FUND EXPENDITURES BY CATEGORY**



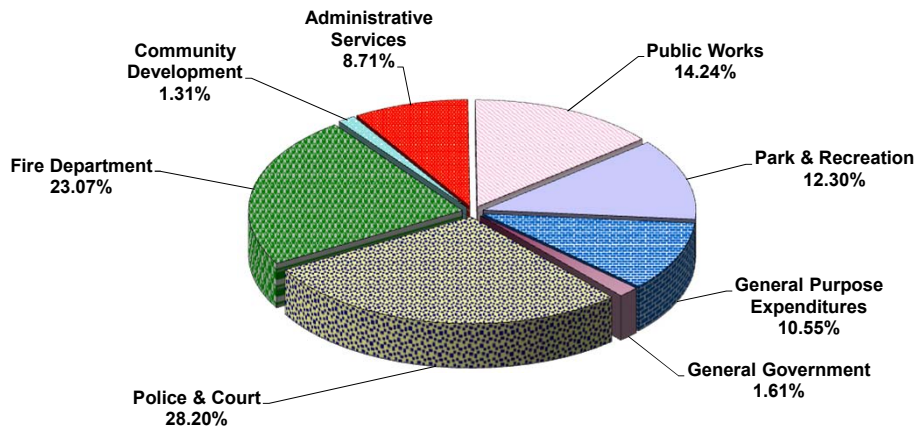
	FY 2013 Actual	FY 2014 Actual	FY 2015 Budget	Budget Increase (Decr)
General Government	\$ 7,499,341	\$ 9,415,549	\$ 9,011,857	\$ (403,692)
Public Safety	23,110,955	25,311,837	26,394,223	1,082,386
Public Works	6,536,707	6,239,310	7,363,531	1,124,221
Public Health	1,482,096	1,550,087	499,803	(1,050,284)
Social & Economic Services	116,000	210,000	360,128	150,128
Culture & Recreation	3,441,104	3,841,031	6,568,875	2,727,844
Housing & Community Development	120	120	651,791	651,671
Transfers Out/Other Financing	3,979,141	3,497,253	3,241,452	(255,801)
<b>Total Uses</b>	<b>\$ 46,165,464</b>	<b>\$ 50,065,187</b>	<b>\$ 54,091,660</b>	<b>\$ 4,026,473</b>

**FY 2015 GENERAL FUND REVENUES BY SUB-FUND**



	FY 2013 Actual	FY 2014 Actual	FY 2015 Budget	Budget Increase (Decr)
General Purpose Revenue	\$ 29,419,441	\$ 30,244,312	\$ 31,424,237	\$ 1,179,925
General Government	930,500	923,295	976,660	53,365
Police & Court	4,096,024	4,139,080	4,337,956	198,876
Fire Department	2,676,999	2,646,409	2,804,690	158,281
Community Development	839,180	1,042,858	989,697	(53,160)
Administrative Services	7,151,502	7,910,254	7,928,052	17,799
Public Works	1,856,024	1,834,704	1,944,497	109,793
Park & Recreation	755,533	593,103	711,893	118,790
<b>Total</b>	<b>\$ 47,725,205</b>	<b>\$ 49,334,014</b>	<b>\$ 51,117,683</b>	<b>\$ 1,783,669</b>

**FY 2015 GENERAL FUND EXPENDITURES BY SUB-FUND**



	FY 2013 Actual	FY 2014 Actual	FY 2015 Budget	Budget Increase (Decr)
General Purpose Expenditures	\$ 5,180,784	\$ 5,956,362	\$ 5,705,156	\$ (251,206)
General Government	743,363	805,420	871,789	66,369
Police & Court	13,285,112	14,698,611	15,251,352	552,741
Fire Department	10,766,785	11,801,628	12,479,921	678,293
Community Development	316,210	27,881	710,879	682,998
Administrative Services	3,936,248	4,174,777	4,713,603	538,826
Public Works	7,379,391	8,873,961	7,705,086	(1,168,876)
Park & Recreation	4,557,570	3,726,547	6,653,875	2,927,328
<b>Total</b>	<b>\$ 46,165,464</b>	<b>\$ 50,065,187</b>	<b>\$ 54,091,660</b>	<b>\$ 4,026,473</b>



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

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

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

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

## OPERATING BUDGET POLICIES

### Links to Financial Plans

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

### Scope.

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

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

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

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

## Budgeting Control System.

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

## Balanced Budget Definition and Requirement.

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

## Performance Measurement Integration.

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

## REVENUE POLICIES

### Diversification and Stabilization.

- 1) **Diversification.** The city will seek to maintain a diversified and stable revenue base to protect it from short-term fluctuations in any one revenue source.
- 2) **Aggressive Collection.** The city will pursue an aggressive policy of collecting revenues. An aggressive policy of collecting revenues will help to insure the city's revenue estimates are met, all taxpayers are treated fairly and consistently, and delinquencies are kept to a minimum.
- 1) **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.
- 2) **Current Revenues for Current Uses.** The city will make all current expenditures with current revenues.
- 3) **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.
- 4) **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.
- 5) **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.
- 6) **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 with 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

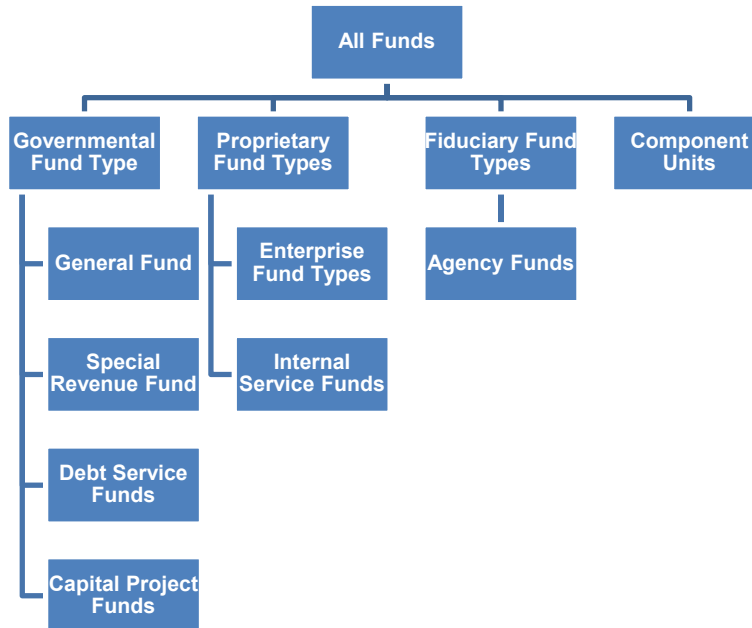
**Trust and Agency Funds:** Trust and agency funds are used to account for assets held by a Governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Examples include: Business Improvement District.

### CONSISTENCY WITH AUDITED FINANCIAL STATEMENTS

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

# FINANCIAL STRUCTURE

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. GIS
    - xii. Public Works – Operations
    - xiii. Public Works- Streets
    - xiv. Vehicle Maintenance
    - xv. Police
    - xvi. Fire
    - xvii. Cemetery
    - xviii. Parks and Recreation
    - xix. 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
      - iii. 2006 GO Fire Station
- 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)



## **ORGANIZATIONAL UNITS**

### **FUNCTIONS, DEPARTMENTS, PROGRAMS/ACTIVITIES**

---

#### **PURPOSE**

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

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

#### **ORGANIZATION**

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

- Function
- Department
- Program/Activity

#### **FUNCTION**

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

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

#### **PROGRAM/ACTIVITY**

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

# OVERVIEW OF BUDGETED RESOURCES

## OVERVIEW OF BUDGETED RESOURCES

### SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES Budgeted 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	\$ 5,411,193	\$ 5,455,798	\$ 3,611,937	\$ (7,363,703)	\$ 88,268,758	\$ 1,031,622	\$ 828,907	\$ 3,648,432	\$ 100,892,944
<b>Estimated Revenues</b>									
Taxes & Assessments	23,116,098	4,310,850	3,097,355	-	-	-	-	4,893,357	35,417,660
Licenses & Permits	1,361,954	1,800,454	-	-	-	-	-	-	3,162,408
Intergovernmental	12,958,575	5,502,462	-	-	254,857	-	-	580,870	19,296,764
Charges for Services	5,207,361	1,097,815	-	-	8,946,861	-	-	1,410,905	16,662,942
Fines & Forfeitures	1,597,946	16,800	-	-	-	-	-	270,000	1,884,746
Miscellaneous	879,500	3,516,744	-	9,010	270,000	-	-	-	4,675,254
Investment Earnings	694,846	-	-	-	-	-	-	20,000	714,846
Long Term Debt proceeds	-	-	-	7,742,325	-	-	-	-	7,742,325
Transfers In/Other Financing	5,301,403	176,746	-	904,821	8,211,737	692,000	-	8,544,488	23,831,195
Internal Service	-	-	-	-	-	5,246,349	-	-	5,246,349
<b>Total Estimated Revenues</b>	<b>51,117,683</b>	<b>16,421,871</b>	<b>3,097,355</b>	<b>8,656,156</b>	<b>17,683,455</b>	<b>5,938,349</b>	<b>-</b>	<b>15,719,620</b>	<b>118,634,489</b>
<b>Budgeted Expenditures</b>									
General Government	9,011,857	2,081,502	-	-	-	-	-	-	11,093,359
Public Safety	26,394,223	2,043,453	-	-	-	-	-	-	28,437,676
Public Works	7,363,531	1,405,778	-	-	4,930,057	-	-	1,524,857	15,224,223
Public Health	499,803	-	-	-	-	-	-	-	499,803
Social and Economic Services	360,128	-	-	-	-	-	-	-	360,128
Culture and Recreation	6,568,875	576,215	-	-	1,246,336	-	-	-	8,391,426
Housing & Community Devel.	651,791	1,499,376	-	-	-	-	-	6,390,674	8,541,841
Debt Service	374,771	308,794	3,098,356	636,159	2,593,115	-	-	2,395,413	9,406,608
Internal Service	-	-	-	-	-	-	-	-	-
Capital Outlay	205,134	5,220,615	-	656,294	1,595,559	-	-	3,875,956	11,553,558
Transfers Out/Other Financing	2,661,547	4,370,762	100,000	-	7,248,501	5,805,230	-	2,576,147	22,762,187
<b>Total Budgeted Expenditures</b>	<b>54,091,660</b>	<b>17,506,495</b>	<b>3,198,356</b>	<b>1,292,453</b>	<b>17,613,568</b>	<b>5,805,230</b>	<b>-</b>	<b>16,763,047</b>	<b>116,270,809</b>
<b>Projected Change in</b>									
Fund Balance/Net assets	(2,973,977)	(1,084,624)	(101,001)	7,363,703	69,887	133,119	-	(1,043,427)	2,363,680
Anticipated Exp. Savings	3,202,135	-	-	-	-	-	-	-	3,202,135
<b>Projected Ending</b>									
Fund Balance/Net assets-June 30, 2014	\$ 5,639,351	\$ 4,371,174	\$ 3,510,936	\$ -	\$ 88,338,645	\$ 1,164,741	\$ 828,907	\$ 2,605,005	\$ 106,458,759

# 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	\$ (4,903,611)	\$ 86,661,106	\$ 431,214	\$ 636,916	\$ 3,233,290	\$ 101,379,740
<b>Revenues</b>									
Taxes & Assessments	22,011,287	5,894,299	3,255,420	-	-	-	-	3,569,227	34,730,233
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	668,428	17,690,811
Charges for Services	4,551,218	1,045,359	-	-	8,890,363	-	-	1,557,430	16,044,370
Fines & Forfeitures	1,333,042	14,907	-	-	-	-	299,705	-	1,647,654
Miscellaneous	291,534	182,318	-	70,393	172,644	-	-	128,529	845,418
Investment Earnings	1	1,404	14,829	4,980	2,433	(2,413)	-	129,590	150,824
Long Term Debt proceeds	691,039	638,670	5,860,000	185,142	-	-	-	1,866,359	9,241,210
Transfers In/Other Financing	5,414,985	72,159	579,028	1,181,248	452,679	686,125	-	-	8,386,224
Internal Service	-	-	-	-	-	4,904,244	-	-	4,904,244
<b>Total Estimated Revenues</b>	<b>49,334,014</b>	<b>12,696,761</b>	<b>9,709,277</b>	<b>1,673,754</b>	<b>9,527,441</b>	<b>5,587,956</b>	<b>313,131</b>	<b>7,919,563</b>	<b>96,761,897</b>
<b>Expenditures</b>									
General Government	9,415,549	510,858	75,809	4,131	-	-	-	-	10,006,347
Public Safety	25,311,837	2,574,610	-	-	-	-	121,140	-	28,007,587
Public Works	6,239,310	1,123,825	-	18,500	5,601,150	-	-	7,178,994	20,161,779
Public Health	1,550,087	-	-	-	-	-	-	-	1,550,087
Social and Economic Services	210,000	-	-	-	-	-	-	-	210,000
Culture and Recreation	3,841,031	408,686	-	-	1,275,727	-	-	-	5,525,444
Housing & Community Devel.	120	227,258	-	-	-	-	-	325,427	552,805
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	-	2,179,280	-	3,172,663	-	-	-	-	5,351,943
Transfers Out/Other Financing	3,107,053	5,303,908	6,489,318	-	75,213	-	-	-	14,975,492
<b>Total Expenditures</b>	<b>50,065,187</b>	<b>12,330,685</b>	<b>9,770,934</b>	<b>4,133,846</b>	<b>7,919,789</b>	<b>4,987,548</b>	<b>121,140</b>	<b>7,504,421</b>	<b>96,833,550</b>
<b>Projected Change in</b>									
Fund Balance/Net assets	(731,173)	366,076	(61,657)	(2,460,092)	1,607,652	600,408	191,991	415,142	(71,653)
<b>Restatement</b>									
Fund Balance/Net assets-June 30, 2013	\$ 5,411,193	\$ 5,455,798	\$ 3,611,937	\$ (7,363,703)	\$ 88,268,758	\$ 1,031,622	\$ 828,907	\$ 3,648,432	\$ 101,308,087

\* Unaudited numbers

# OVERVIEW OF BUDGETED RESOURCES

## OVERVIEW OF BUDGETED RESOURCES

### SUMMARY OF MAJOR REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES Actual July 1, 2012 through June 30, 2013 (FY 13)

	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, 2012	\$ 4,562,625	\$ 4,607,810	\$ 3,641,862	\$ (3,711,562)	\$ 87,535,162	\$ (245,977)	\$ 497,718	\$ 5,099,649	\$ 101,987,287
<b>Revenues</b>									
Taxes & Assessments	22,237,692	4,298,647	1,765,909	-	-	-	-	3,569,227	31,871,475
Licenses & Permits	1,253,948	1,217,803	-	-	300	-	-	-	2,472,051
Intergovernmental	12,126,473	1,973,978	-	639,267	46,535	-	660	2,225,858	17,012,771
Charges for Services	4,738,464	4,899,776	-	22,586	8,551,383	-	208,771	-	18,420,980
Fines & Forfeitures	1,546,082	1,296,399	-	-	-	-	-	-	2,842,481
Miscellaneous	286,227	19,048	2,209,716	247,362	374,028	-	-	88,812	3,225,193
Investment Earnings	6,801	92,387	40,958	2,035	(3,079)	(169)	-	129,590	268,523
Long Term Debt proceeds	193,215	(1,834)	6,025,081	1,308,935	-	-	-	-	7,525,397
Transfers In/Other Financing	5,336,303	38,292	376,974	1,810,366	592,804	442,839	-	39,717	8,637,295
Internal Service	-	-	-	-	-	4,102,766	-	-	4,102,766
<b>Total Estimated Revenues</b>	<b>47,725,205</b>	<b>13,834,496</b>	<b>10,418,638</b>	<b>4,030,551</b>	<b>9,561,971</b>	<b>4,545,436</b>	<b>209,431</b>	<b>6,053,204</b>	<b>96,378,932</b>
<b>Expenditures</b>									
General Government	7,499,341	445,230	86,172	3,858	-	-	-	-	8,034,601
Public Safety	23,110,955	2,692,988	-	-	-	-	70,233	-	25,874,176
Public Works	6,536,707	776,163	-	80,522	7,679,674	-	-	7,504,421	22,577,487
Public Health	1,482,096	-	-	-	-	-	-	-	1,482,096
Social and Economic Services	116,000	-	-	-	-	-	-	-	116,000
Culture and Recreation	3,441,104	394,920	-	2,247	1,674,494	-	-	-	5,512,765
Housing & Community Devel.	-	1,238,419	-	-	-	-	-	-	1,238,419
Conservation	120	-	-	-	-	-	-	-	120
Debt Service	354,212	322,000	4,003,805	908,728	1,059,628	-	-	-	6,648,373
Internal Service	1,049,647	-	-	-	-	-	-	-	1,049,647
Capital Outlay	541,001	2,159,338	-	4,163,647	-	-	-	-	6,863,986
Transfers Out/Other Financing	2,034,281	5,292,468	6,296,929	63,598	24,999	3,809,552	-	-	17,521,827
<b>Total Expenditures</b>	<b>46,165,464</b>	<b>13,321,526</b>	<b>10,386,906</b>	<b>5,222,600</b>	<b>10,438,795</b>	<b>3,809,552</b>	<b>70,233</b>	<b>7,504,421</b>	<b>96,919,497</b>
<b>Projected Change in</b>									
Fund Balance/Net assets	1,559,741	512,970	31,732	(1,192,049)	(876,824)	735,885	139,198	(1,451,217)	(540,564)
Restatement	20,000	(31,058)	-	-	2,768	(58,693)	-	-	(66,983)
Fund Balance/Net assets-June 30, 2013	\$ 6,142,366	\$ 5,089,722	\$ 3,673,594	\$ (4,903,611)	\$ 86,661,106	\$ 431,214	\$ 636,916	\$ 3,648,432	\$ 101,379,740

## Assumptions, Estimates, & Trends

---

### 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.

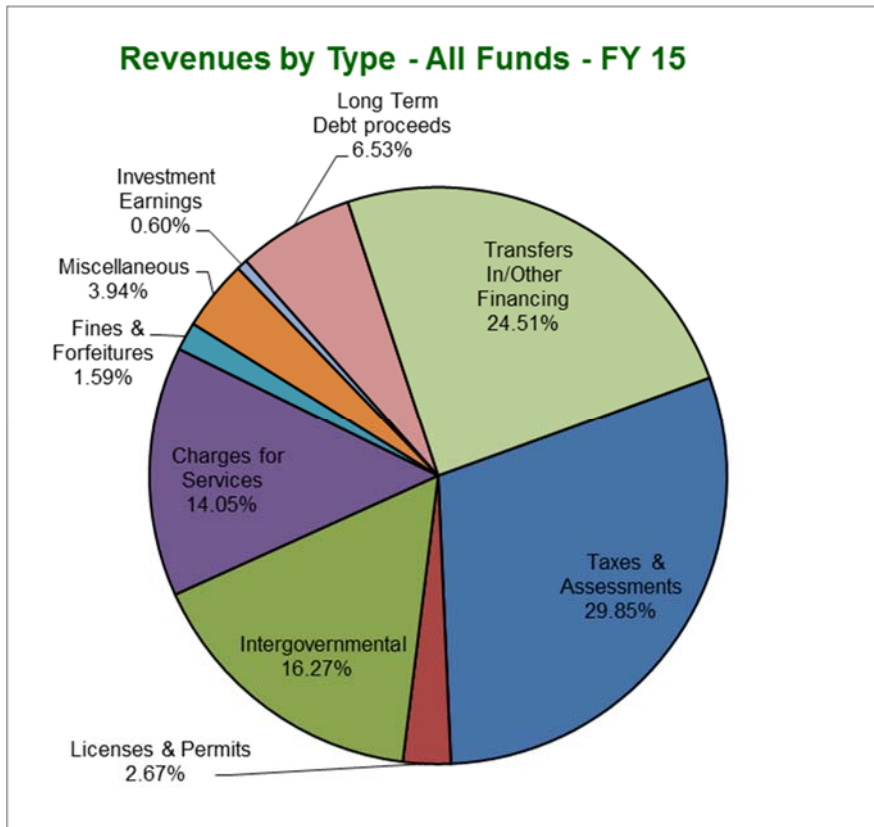
**Miscellaneous Revenue:** Revenue from sources not otherwise provided in other categories. Rent is an example of a miscellaneous revenue.

**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.

# MAJOR REVENUE SOURCES

## Assumptions, Estimates, & Trends



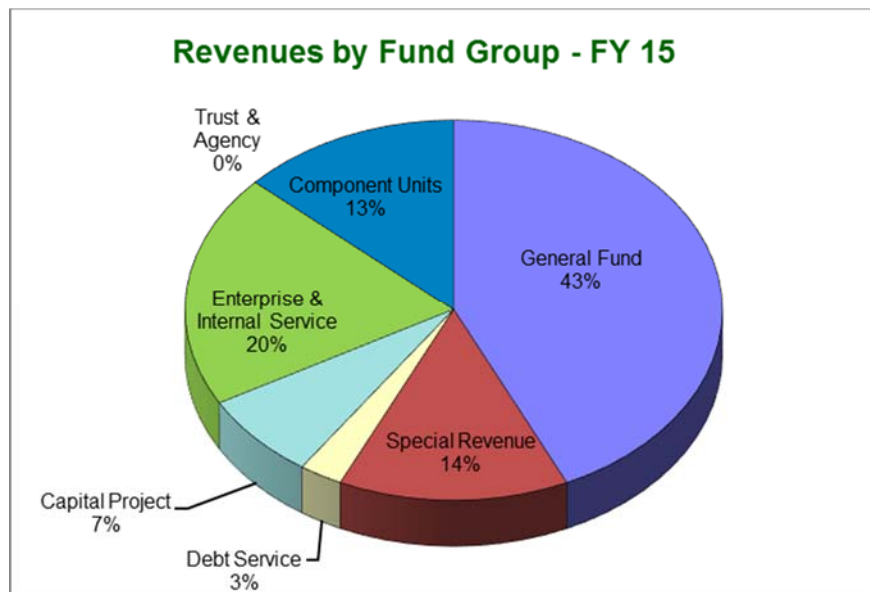
**Interfund Transfers:** Transfers between individual funds of a governmental unit are not repayable and are not considered charges for goods or services. An example is matching funds transferred from the General Fund and other special revenue funds to the Capital Improvement Fund for the funding of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

The two pie charts (on the left and below) give a graphic overview of total city revenues—one by the sources previously described 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 15 (46.12%). Transfers In and Other Financing revenues make up the next largest category (24.51%). Finally, Charges for Services (14.05%) and long term debt proceeds (6.53%) make up the fourth and fifth largest categories. These revenue categories make up 91.21% 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 (43%), Enterprise & Internal Service funds (20%), Special Revenue Funds (14%), and Component Units (13%), make up 90% of the city’s revenues.



## Assumptions, Estimates, & Trends

---

### 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. Our approach to forecasting, in general, is to apply a conservative philosophy that will produce our 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 2011-13 as well as emerging trends at the mid-point of the year.

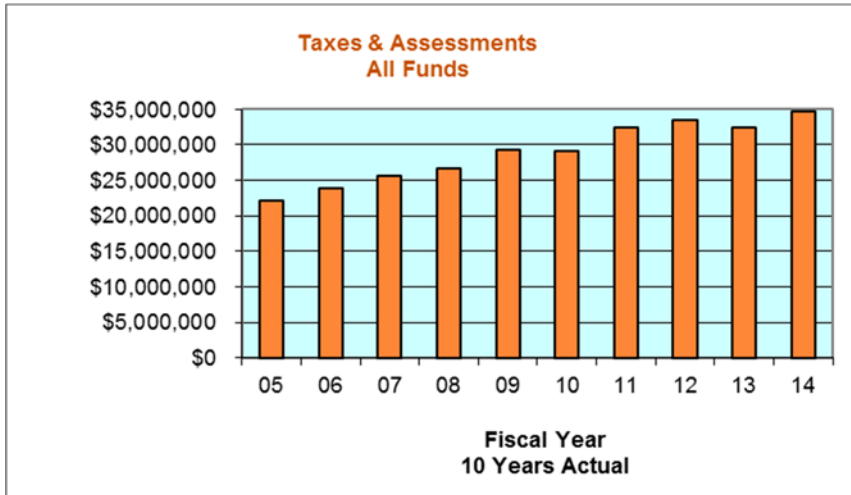
Individual revenue categories, their trends, and estimates follow. The revenue estimates described below represent 87% of total City revenues.



# MAJOR REVENUE SOURCES

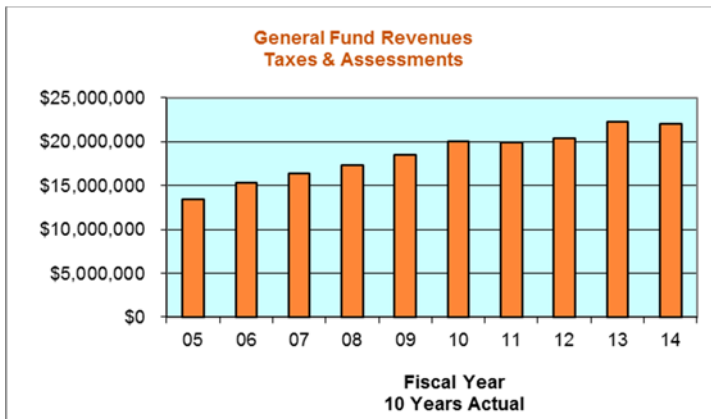
## Assumptions, Estimates, & Trends

### Key Revenue Estimates & Trends



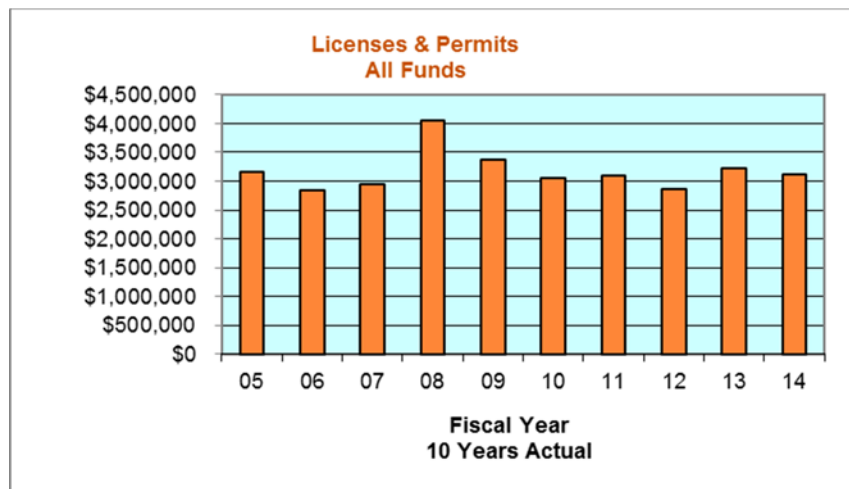
Shown by the graph to the left are Taxes and Assessments for all City funds, over a 10-year period (10 years actual from FY 2005- FY 2014). The graph reflects the steady growth the City of Missoula is experiencing. Certain debt service levies and assessments go down in some years as the debt is paid off. Property taxes, which comprise the majority of this

revenue category, are dependent upon a combination of taxable values and mill levies. A very small increase was budgeted for the budget year FY 2015.



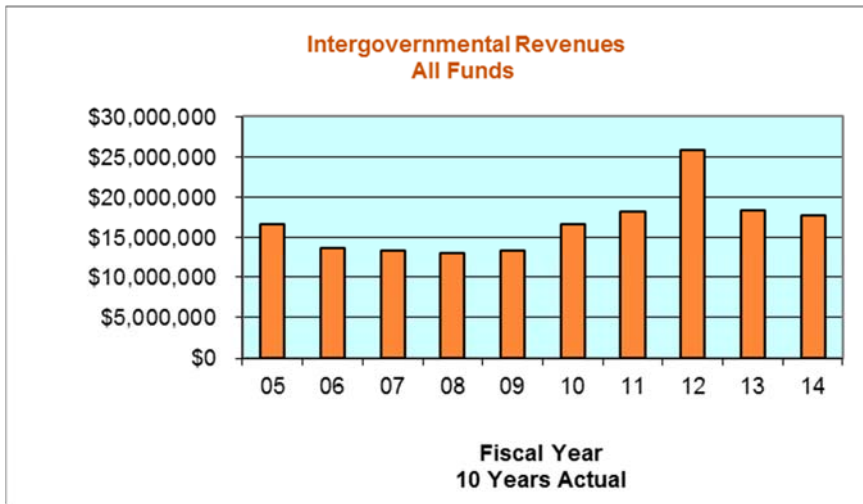
The graph on the right shows actual General Fund Taxes & Assessments for the last 10 years. Although not displayed on the graph, there was very little growth in General Fund taxes from FY 2001 – FY 2002 due to the slow economy and the lack of annexations. As the economy accelerated so did the number 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 01 (not shown) and FY 02 due to the state Legislature's elimination of several revenue sources (categorized as Licenses & Permits) which the Legislature replaced with entitlement revenues. The decline from FY 08 to 09 was due to the economic slowdown experienced by the nation and the City of Missoula.



# MAJOR REVENUE SOURCES

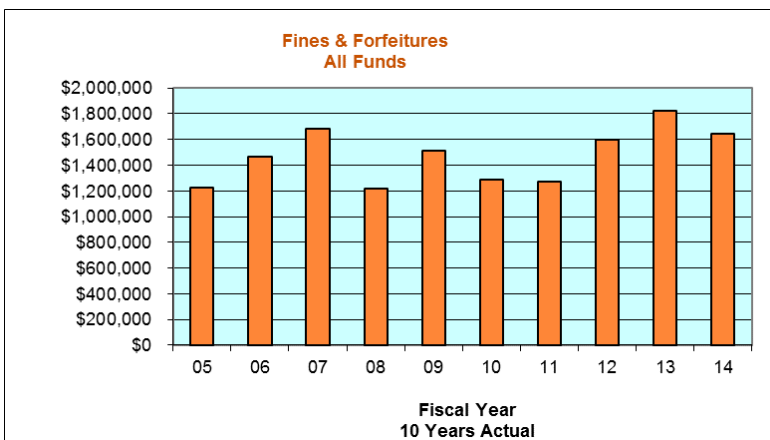
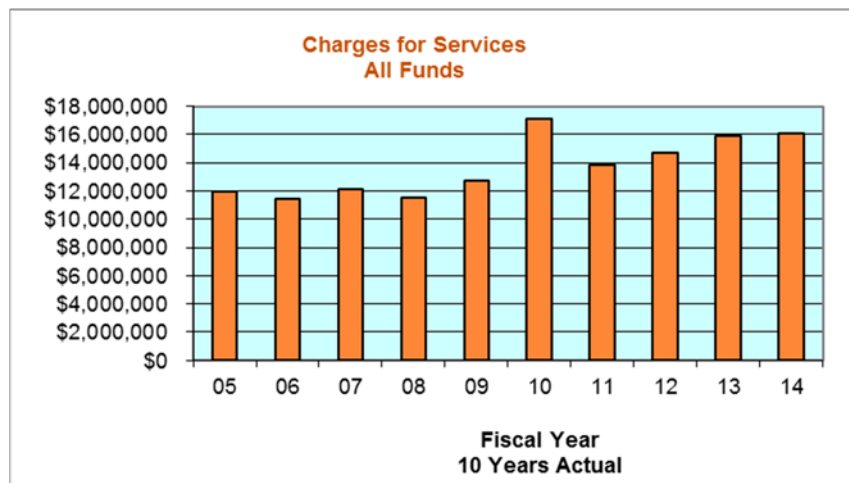
## Assumptions, Estimates, & Trends



The increases in intergovernmental revenues (not shown but especially from 01 through 03) reflect the State Legislature's distribution of entitlement revenues to city governments. Since the increase in FY 03, 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 14% 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 13 level or greater for the foreseeable future.



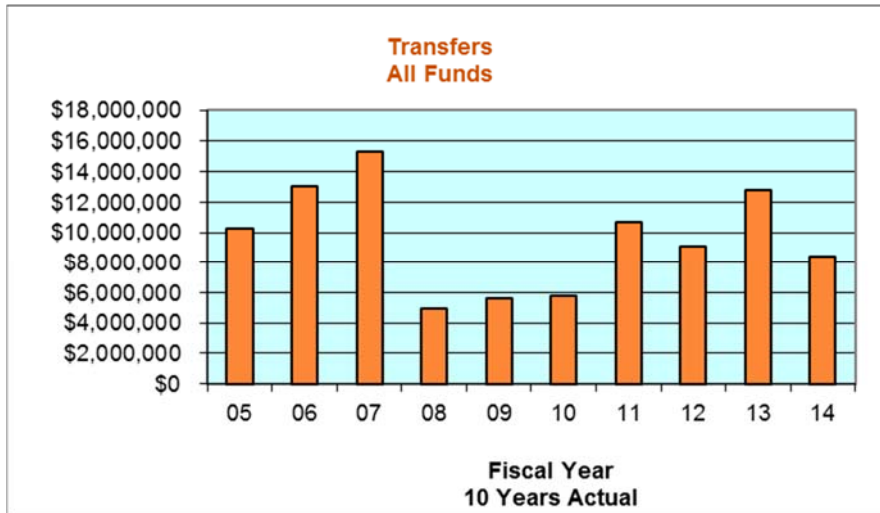
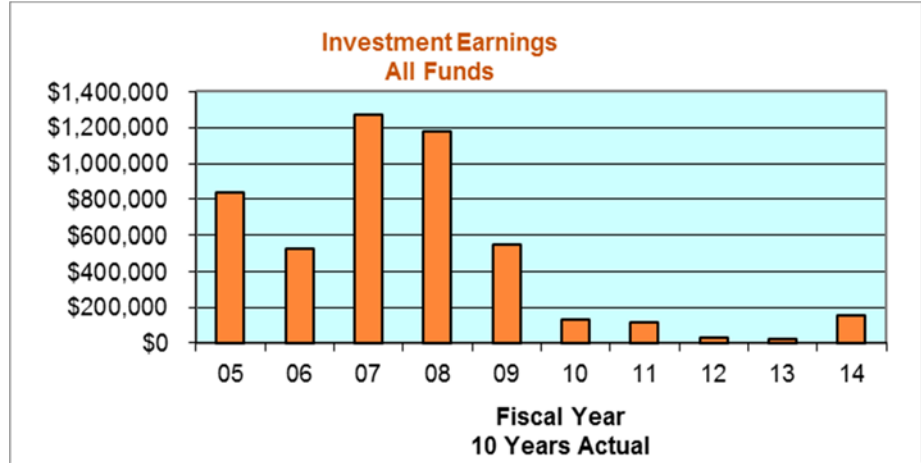
Fines and forfeitures, within the General Fund, to a large extent, reflect the growth in the City of Missoula. As shown by the graph, fines and forfeitures have increased from \$751,046 in FY 1997 to \$1,647,654 in FY 2014 over this time period. The decrease in FY 08 and FY 10 was the result of staffing 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

# MAJOR REVENUE SOURCES

## Assumptions, Estimates, & Trends

temporarily reduced staffing. This revenue stream is dependent on being fully staffed in the Police department.

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 06 and FY 10 through FY14 which correspond to the decline in interest rates nationally in those years. Interest earnings in FY 15 are expected to be similar to FY 2014, as interest rates are near 50-year lows nationally.

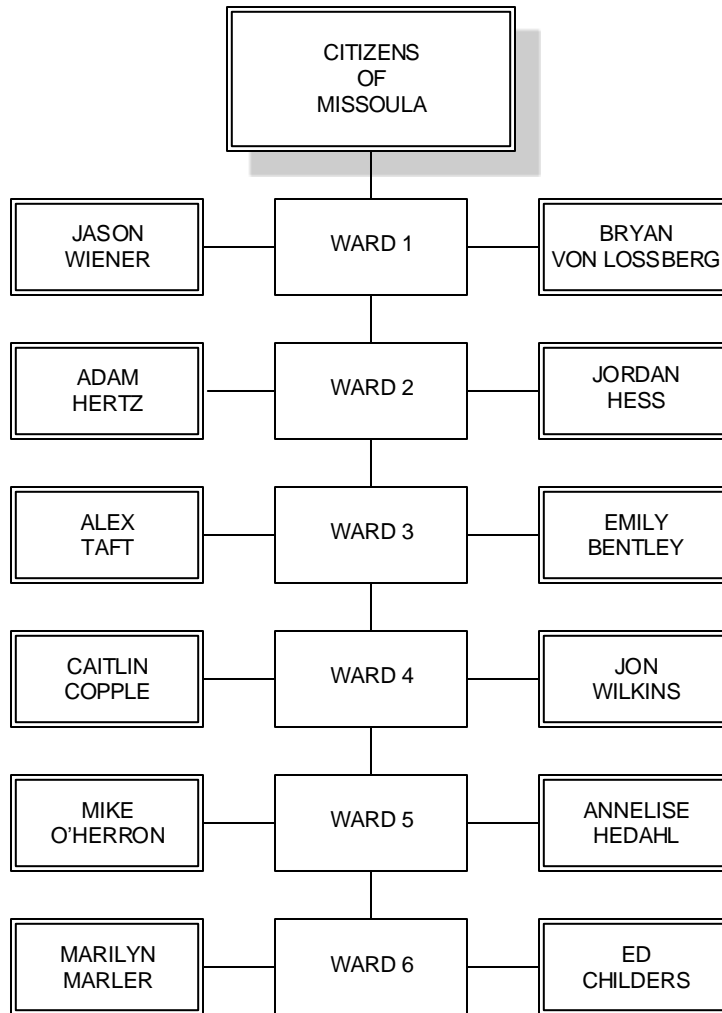


Transfers that occur between various City funds will fluctuate significantly from year to year, as can be seen from the following graph.



# City Council

---



## Program Description

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

---

### 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.
- 

### 2015 Budget Highlights

The City Council is continuing the Alliance for Government Innovation to provide all employees access to innovative ideas for the Missoula community and city operations-- \$3,000

The City Council will continue to fund a budget prioritization workshop --\$2,500

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ 277,156	\$ 303,673	\$ 185,317	\$ 311,908	\$ 8,235	3%
Supplies	456	1,720	903	620	(1,100)	-64%
Purchased Services	27,792	41,225	35,472	38,740	(2,485)	-6%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 305,404</b>	<b>\$ 346,618</b>	<b>\$ 221,692</b>	<b>\$ 351,268</b>	<b>\$ 4,650</b>	<b>1%</b>

^ Un-audited numbers

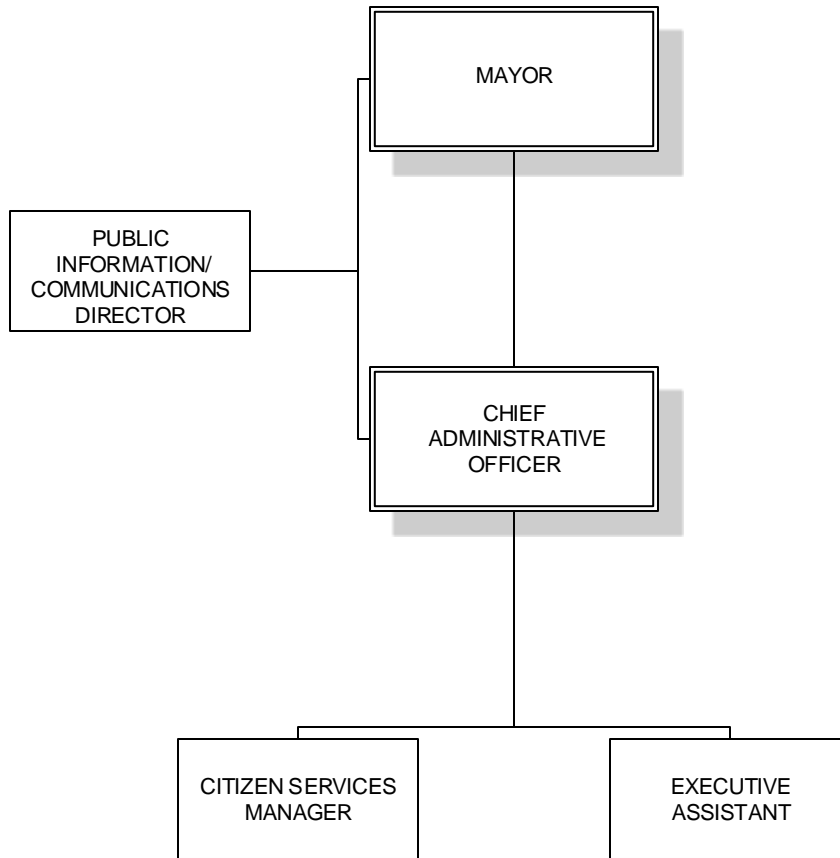
**STAFFING SUMMARY**

<b>Title</b>	<b>Actual FY 2012</b>	<b>Actual FY 2013</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</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

---





## 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).

---

## City Strategic Goals & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - The Mayor's Office will work with staff, the Missoula City Council and the community to ensure the city's water system is secure and sustainable in perpetuity.
- 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 continue to work with Development Services staff to help establish new levels of service to enhance community development.

### 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.
  - 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.
- Strategy: We will work together to meet basic human needs with dignity for all.
  - The mayor and the staff of the Mayor's Office continue to assist the Police Department to improve our response to crimes of sexual assault in keeping with the City's agreement with the U.S. Department of Justice, including work on the It's Your Call – 911 campaign.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 448,124	\$ 450,389	\$ 468,548	\$ 488,373	\$ 37,984	8%
Supplies	3,423	2,924	1,413	2,732	(192)	-7%
Purchased Services	24,179	29,747	13,767	29,414	(333)	-1%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 475,726</b>	<b>\$ 483,060</b>	<b>\$ 483,728</b>	<b>\$ 520,519</b>	<b>\$ 37,459</b>	<b>8%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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	1.00	1.00
ADMINISTRATIVE SECRETARY	1.00	-	-	-
EXECUTIVE ASSISTANT	-	1.00	1.00	1.00
COMMUNICATIONS INFORMATION OFFICER	1.00	1.00	-	-
PUBLIC INFORMATION/COMMUNICATIONS DIRECTOR	-	-	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

## 2015 Budget Highlights

**Purchased Services**

- Purchased services will be limited to essential operational needs.

**Capital Outlay**

- There are no capital outlay projects in the Mayor's FY 2015 budget.

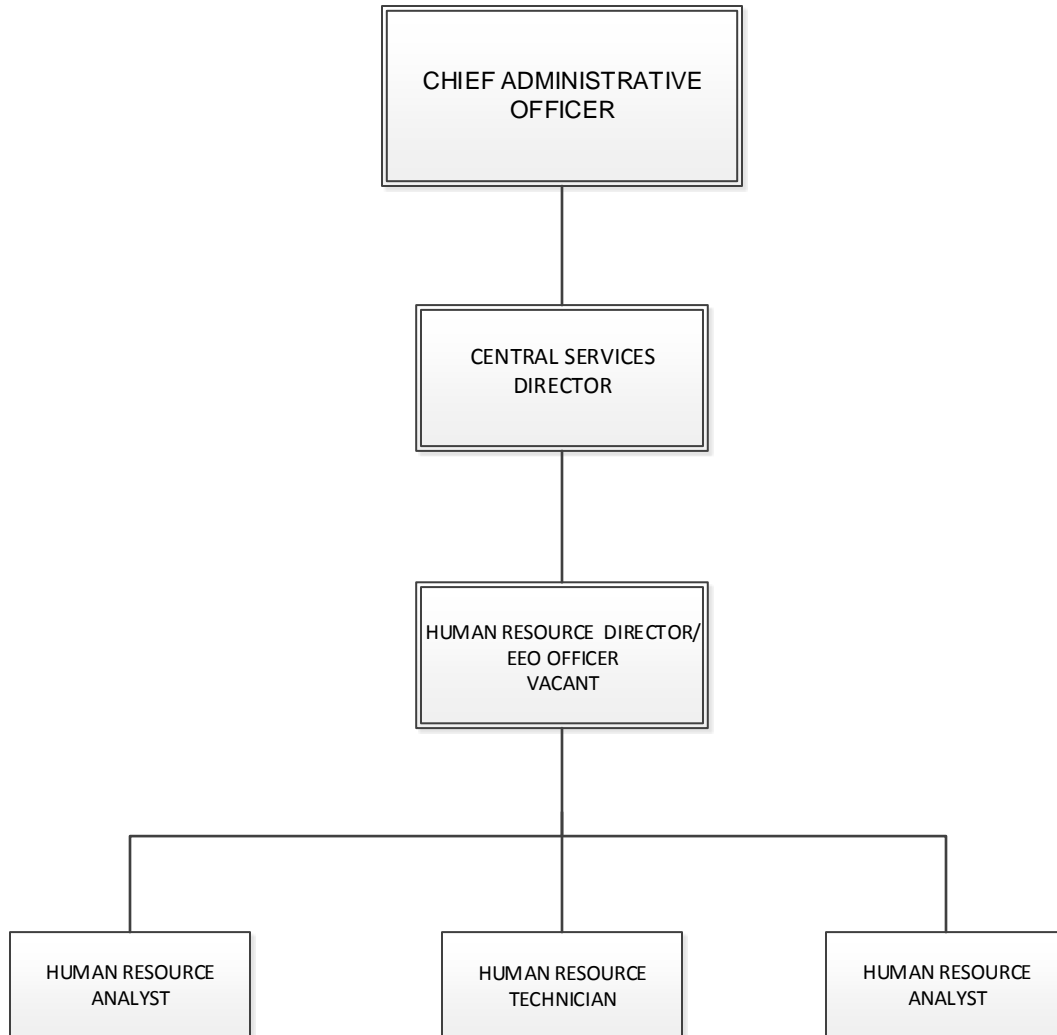
**Budget**

- Manage a balanced budget and maintain services.



# Human Resources

---



## 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.

---

## City Strategic Plan & Department's Implementation Strategy

Listed below are the goals and objectives of the Human Resources department

### 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.
  - Support safety and risk management consultant to lower workers' compensation mod factor to 1.00
- Strategy: We will work toward sustaining and diversifying fiscal resources
  - Complete Phase I of Skill and Competency Based Pay.
  - Implement Phase II of the Skill and Competency Based Pay Program; transition City to become an active partner in providing learning opportunities and training for city staff and the rest of the community.
  - Begin "go green" initiative by converting paper personnel files to computer records

### Goal #2: Quality of Life for All People and All Places

- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
  - Partner with other organizations and city departments to take advantage of economies of scale in providing health and wellness benefits, work with sustainability, active transportation, consultants and other partners to develop model for community health and wellness.

---

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 272,328	\$ 306,545	\$ 278,449	\$ 290,637	\$ (15,908)	-5%
Supplies	1,916	3,603	1,865	3,115	(488)	-14%
Purchased Services	29,662	38,364	60,260	42,983	4,619	12%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	753	-	-	(753)	-100%
<b>Total</b>	<b>\$ 303,907</b>	<b>\$ 349,265</b>	<b>\$ 340,574</b>	<b>\$ 336,735</b>	<b>\$ (12,530)</b>	<b>-4%</b>

\* Un-audited numbers

**STAFFING SUMMARY**

<b>Title</b>	<b>Actual FY 2012</b>	<b>Actual FY 2013</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>
HUMAN RESOURCES MANAGER	1.00	1.00	1.00	1.00
HUMAN RESOURCES ANALYST	1.00	1.00	1.00	1.00
HUMAN RESOURCES ANALYST	1.00	1.00	1.00	1.00
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>

**2015 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 & Workload Indicators**

**Performance Measures**

<b>Measure</b>	<b>Actual FY 2012</b>	<b>Actual FY 2013</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>
1 . Recruitment - Vacant positions generating <50 applications turned over to the department within 10 working days.	55%	95%	83%	95%
2 . Recruitment - Vacant positions generating >50 applications turned over to the department within 15 days.	35%	75%	81%	75%
3 . Increase safety awareness and practices reduce number of medical claims filed through MMIA	62	35	53	40
4 . Through safety awareness reduce number of days lost due to work related injuries.	342	300	129	300
5 . Reduce number of employee complaints that are not settled at the organizational level.	5	-	3	-
6 . Provide successful defense of employee complaints that go beyond organizational level.	2	-	3	-

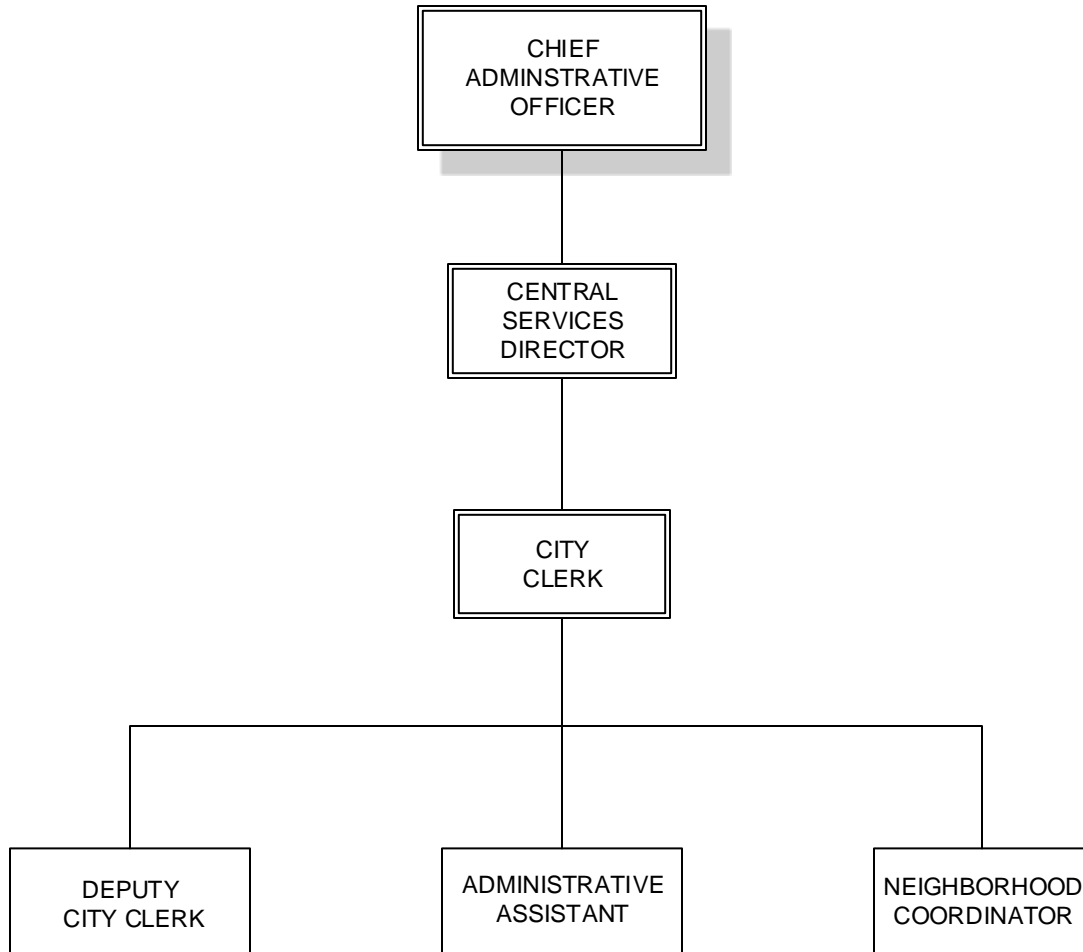
## Workload Indicators

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Number of applications for recruitments.	1,505	1,500	2,205	1,750
2 . Workers' compensation claims	92	35	67	35
3 . New Hires	262	250	223	275
4 . Terminations	207	230	229	230
4 . Grievances	4	-	-	1
5 . Employment related complaints	1	-	1	-
6 . Health Plan changes and amendments	7	7	3	5
7 . Reclassification requests	13	10	12	10
8 . Collective Bargaining Agreements to negotiate	-	2	2	8
9 . Health insurance appeals	7	2	5	2
10 . Employee disciplinary issues and terminations	9	5	-	2
11 . Employee pay, benefit and status changes	1,069	1,000	1,256	1,000



# City Clerk

---





## 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.
  - Develop additional revenue sources to fund initiatives that benefit Missoula's neighborhoods.
  - Deploy audio/video streaming and agenda management software to additional city boards and commissions to provide citizens more efficient access to live and on-demand meeting video, agendas, minutes and attachments via the internet

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

- Strategy: We will work to provide citizens access to parks, open spaces and the natural environment.
  - Implement Community Forum's communication and marketing plan to increase awareness and participation in neighborhood councils.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 240,593	\$ 242,896	\$ 267,410	\$ 263,886	\$ 20,990	9%
Supplies	2,830	2,925	2,677	2,925	-	0%
Purchased Services	26,396	114,691	90,810	50,732	(63,959)	-56%
Miscellaneous	28,526	37,700	28,715	37,700	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 298,345</b>	<b>\$ 398,212</b>	<b>\$ 389,613</b>	<b>\$ 355,243</b>	<b>\$ (42,969)</b>	<b>-11%</b>

\* Un-audited numbers

---

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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
<b>Total</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>5.00</b>

## 2014 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%

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Customer Requests Served in Less than 10 Minutes	90%	90%	90%	90%
2 . Council Meeting Minutes Ready By Next Meeting	87%	87%	82%	80%
3 . Council Minutes Approved With No Corrections	92%	95%	100%	90%

Historical data has been estimated.

## Workload Indicators

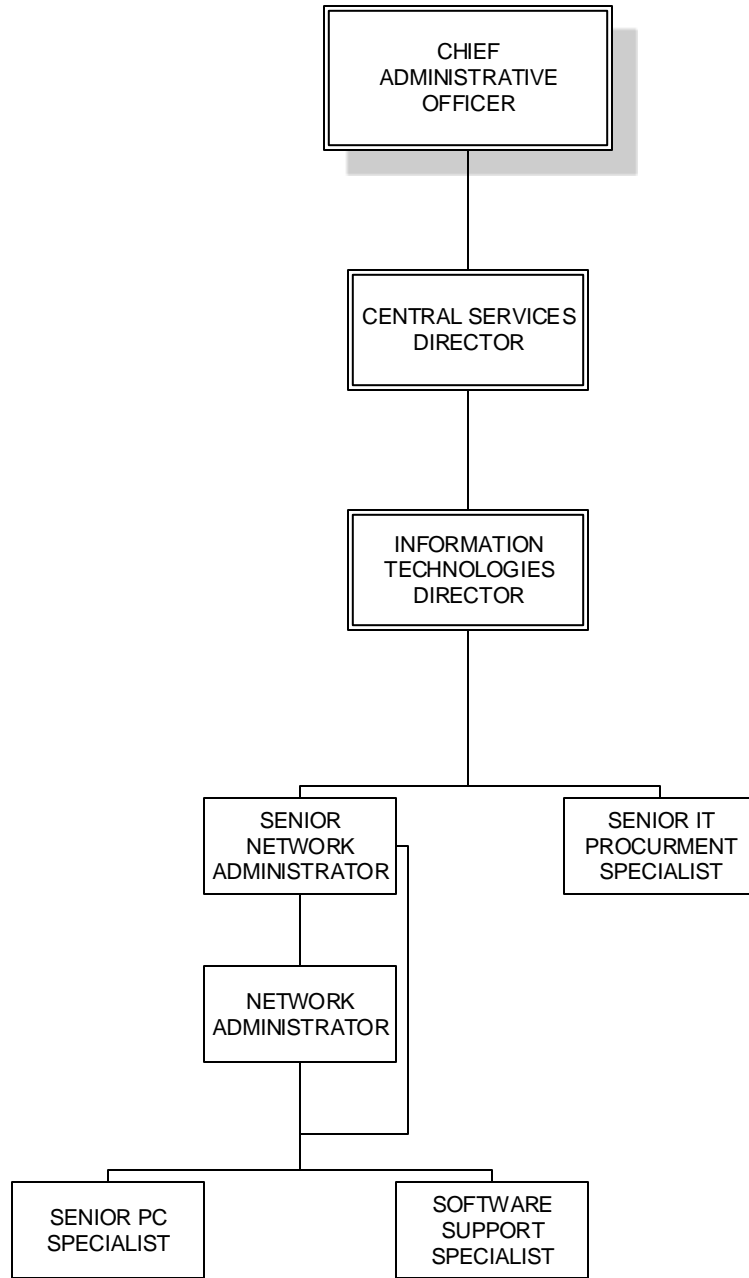
Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Agreements Processed	246	189	161	215
2 . Deeds Processed	8	7	3	4
3 . Easements Processed	40	23	29	39
4 . Miscellaneous Documents Processed	47	27	18	24
5 . Sew er Agreements Processed	65	48	55	73
6 . Ordinances Processed	14	26	17	23
7 . Petitions Processed	49	50	43	57
8 . Resolutions	82	87	63	84
9 . Average Length of Council Meetings (in hours)	1:24	1:37	1:38	2:00

Historical data has been estimated.



# Information Technologies

---



## Program Description

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

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

---

## 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
  - 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.
  - Replace or upgrade 20 Thin Clients. First year models need a simple upgrade.
  - Install and support HR as they build out the new Applicant Tracking Module through our city website. This will greatly enhance and save time in HR as they process online job applications.
  - Continue to build our cloud system through our Server Virtualization Consolidation and Maintenance Program
  - Double metro connection to parks operations and currents.
  - Continue 100% software license compliance.
  - Long range planning for disaster recovery and business continuity
- Responsibilities:
  - The Technology team provides general administrative support to the IT staff. We provide financial management, help-desk services, and administration of the telecommunications fund, IT operating account, which includes centralize purchasing of all computer related equipment and software.
  - We provide a reliable and robust network supporting nearly 500 employees, 450 telephones, 450 workstations, 100 mobile devices and 103 physical and virtual servers.
  - We also take a leadership role in the research, selection and implementation of new technologies that will help improve city services.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 413,782	\$ 430,606	\$ 440,301	\$ 457,357	\$ 26,751	6%
Supplies	13,500	20,410	9,848	20,410	-	0%
Purchased Services	293,781	373,674	338,095	392,209	18,535	5%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	46,309	-	-	-	-	
<b>Total</b>	<b>\$ 767,372</b>	<b>\$ 824,690</b>	<b>\$ 788,245</b>	<b>\$ 869,976</b>	<b>\$ 45,286</b>	<b>5%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
INFORMATION TECHNOLOGIES DIRECTOR	1.00	1.00	1.00	1.00
SENIOR NETWORK SYSTEM ADMINISTRATOR	-	-	1.00	1.00
NETWORK SYSTEMS ADMINISTRATOR	1.00	1.00	1.00	1.00
DATABASE ARCHITECT	1.00	1.00	-	-
SENIOR PC SPECIALIST	1.00	2.00	1.00	-
HELPDESK TECHNICIAN	-	-	-	1.00
SOFTWARE SUPPORT SPECIALIST	-	-	1.00	1.00
PROCUREMENT SPECIALIST	1.00	1.00	1.00	1.00
<b>Total</b>	<b>5.00</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>

## 2015 Budget Highlights

**New Operating Requests Funded:**

- Thin Client Rollout \$8,385
- Thin Client Upgrades \$2,000
- Server Virtualization Consolidation and Maintenance Program \$54,615
- Reserve Emergency hardware fund \$2,000

Total \$67,000

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Percent of requests that met service level agreements	98.50%	100.00%	100.00%	100.00%
2 . Average ratio of open to complete incidents per month	153/153	163/164	136/136	130/130
3 . Percent of network service availability	99.00%	99.73%	99.80%	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.	88.00%	81.45%	90.57%	95.00%

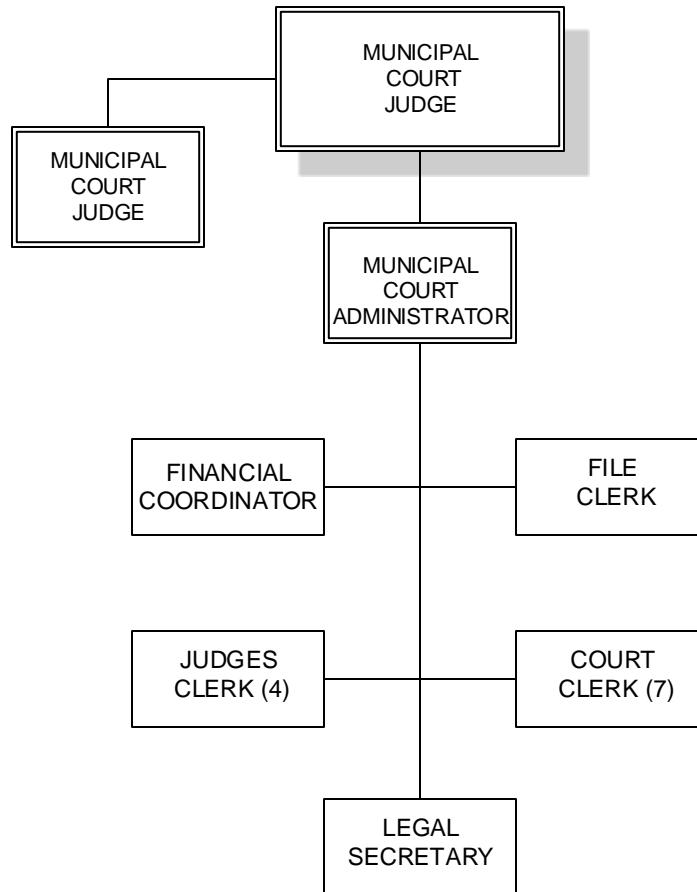
## Workload Indicators

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Users supported	490	472	495	495
2 . Average number of Helpdesk requests per month	153	163	136	130
3 . Computers and laptops supported	169	170	195	186
4 . Thin Clients supported	220	250	252	261
5 . Servers supported	72	86	103	103
6 . Tier 1 software applications supported	41	43	49	49
7 . Tier 2 software applications supported	21	22	26	26
8 . Tier 3 software applications supported	45	46	48	48
9 . Phones supported	387	415	440	445
10 . Purchase Orders per year	156	182	97	154



# Municipal Court

---





## 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.

## 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 incumbent worker training.
  - 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.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 870,296	\$ 958,027	941,425	1,054,381	\$ 96,354	10%
Supplies	53,120	41,868	25,360	13,268	(28,600)	-68%
Purchased Services	264,211	268,013	249,908	269,401	1,388	1%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,187,627</b>	<b>\$ 1,267,908</b>	<b>\$ 1,216,693</b>	<b>\$ 1,337,050</b>	<b>\$ 69,142</b>	<b>5%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
MUNICIPAL JUDGE	1.00	1.00	1.00	1.00
JUDGE	0.75	0.75	0.85	0.85
MUNICIPAL COURT MANAGER	1.00	-	-	-
MUNICIPAL COURT ADMINISTRATOR	-	1.00	1.00	1.00
COURT REPORTER	2.00	-	-	-
JUDGES CLERK	-	3.00	3.00	4.00
COURT CLERK	7.00	8.00	8.00	7.00
FILE CLERK	1.00	1.00	1.00	1.00
LEGAL SECRETARY	-	1.00	1.00	1.00
COLLECTIONS CLERK	1.00	-	-	-
LEAD FINANCIAL CLERK	-	1.00	1.00	1.00
<b>Total</b>	<b>13.75</b>	<b>16.75</b>	<b>16.85</b>	<b>16.85</b>

## 2015 Budget Highlights

**New Requests –**

- Align appointed part-time Judge's salary, calculating it based on a percentage of Montana's District Court Judge's salaries, \$2858.00.
- Re-categorization of expenditures to more closely match financial accounts.

## Performance Measures

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Monies collected that stay with the City which include fines, city surcharge, atty fees, NSF fees, and time payment fees.	\$ 1,196,620	\$ 1,288,482	\$ 1,636,564	\$ 1,350,000
2 . Monies collected that go to other agencies which include state tech surcharges, crime victim surcharges, and police academy surcharges.	\$ 223,617	\$ 151,304	\$ 170,941	\$ 150,000
3 . Monies collected as restitution for victims.	\$ 63,168	\$ 71,099	\$ 111,037	\$ 72,300

## Workload Indicators

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Citations processed	27,256	18,908	19,350	18,000
2 . Judge Trials Set	521	499	703	500
3 . Jury Trials Set	424	1,353	1016	400
3 . Warrants issued	6,019	2,677	3118	2000
4 . Programs monitored	2,796	2,596	2239	3000
5 . Bonds entered	1,857	1,343	2857	1533
6 . Jail time served in days ‡	3,538	^	^	^
7 . Orders of Protection filed	374	271	380	350
8 . Accounts turned to collectors ?	4,116	^	330	500
9 . Alcohol Monitoring *	79	178	182	600
10 . GPS Tracking	-	^	2	10
11 . Work Release ***	476	^	^	^
12 . Misdemeanor Probation		134	136	160
13 . Pre-Trial Supervision Program #				300

\* Alcohol Monitoring started February 1, 2010

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

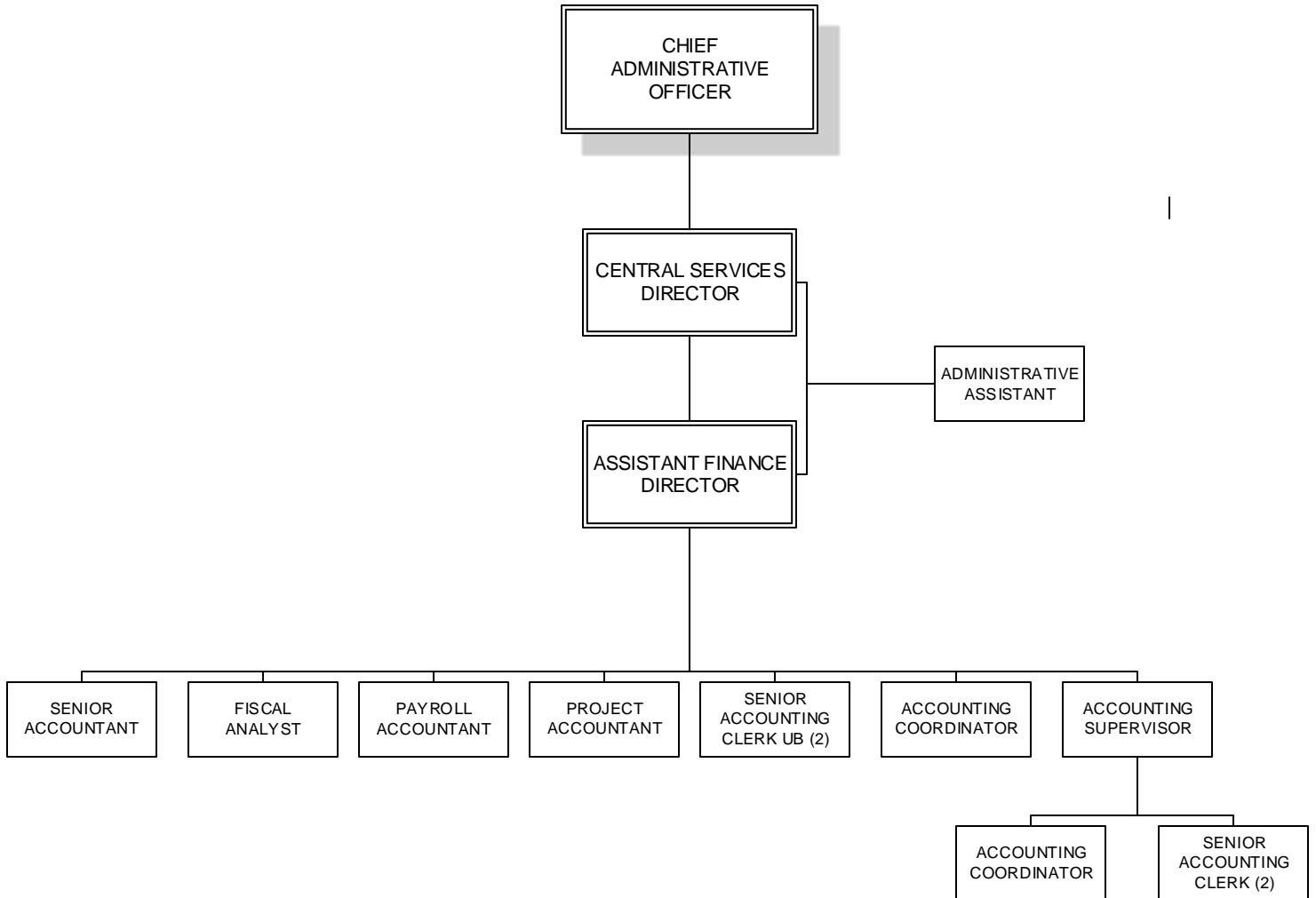
? Court did not turn accounts to collections in FY13.

^ No longer Tracking

# Proposed new program, FY15



# 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 FY2015. 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 919,502	\$ 849,162	\$ 796,840	\$ 884,192	\$ 35,030	4%
Supplies	12,349	8,490	5,037	8,490	-	0%
Purchased Services	221,132	233,794	221,700	231,993	(1,801)	-1%
Miscellaneous	96	500	-	500	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,153,080</b>	<b>\$ 1,091,946</b>	<b>\$ 1,023,577</b>	<b>\$ 1,125,175</b>	<b>\$ 33,229</b>	<b>3%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
FINANCE DIRECTOR/TREASURER	1.00	1.00	-	-
ASSISTANT FINANCE DIRECTOR	-	-	1.00	1.00
LEAD ACCOUNTANT	1.00	-	-	1.00
CHIEF ACCOUNTANT	-	1.00	1.00	1.00
SENIOR ACCOUNTANT	-	-	1.00	1.00
ACCOUNTING SUPERVISOR	2.00	2.00	2.00	1.00
PROJECT ACCOUNTANT	1.00	1.00	1.00	1.00
ACCOUNTING COORDINATOR	3.00	2.00	2.00	2.00
ACCOUNTING TECHNICIAN	1.00	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	3.00	4.00
ADMINISTRATIVE SECRETARY	1.00	1.00	1.00	1.00
BUSINESS LICENSE SPECIALIST	2.00	2.00	2.00	1.00
<b>Total</b>	<b>16.00</b>	<b>15.00</b>	<b>16.00</b>	<b>16.00</b>

## 2014 Budget Highlights

The City received its fourth Distinguished Budget Award from the Government Finance Office Association (GFOA) for its FY2013 published budget document. The City also received its fourteenth Certificate of Achievement from the GFOA for its FY2012 Comprehensive Annual Financial Report (CAFR).

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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%

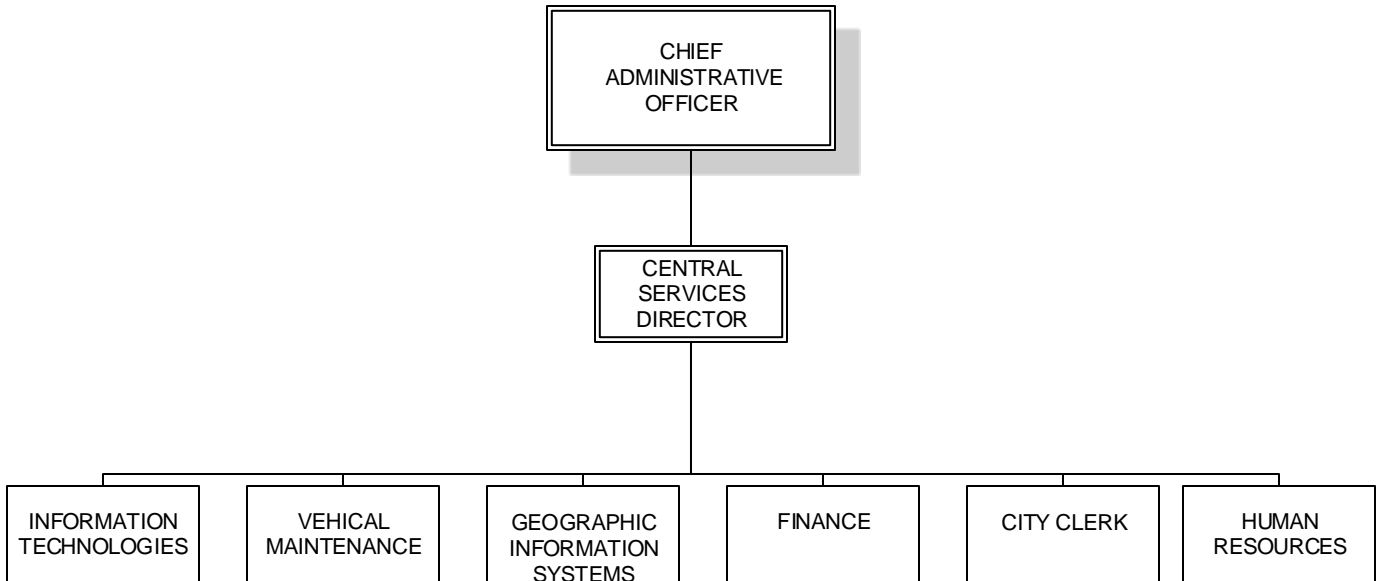
## Workload Indicators

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Accounts Payable (Total claims paid)	\$43,596,302	\$43,782,434	\$ 39,542,010	\$ 44,500,000
2 . Sew er/Utility Billing (Total billed)	6,295,142	6,447,367	7,186,235	7,545,547
3 . Special Improvement District (Total billed)	2,979,149	3,680,000	3,740,000	2,354,508
4 . Payroll (Total salary w ages paid)	36,399,138	38,975,925	42,179,269	44,707,560



# Central Services

---





## Program Description

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

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

#### Goal #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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 113,567	\$ 58,631	\$ 326,742	\$ 213,175	188%
Supplies	-	400	311	1,778	1,378	345%
Purchased Services	-	2,000	3,612	13,278	11,278	564%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 115,967</b>	<b>\$ 62,554</b>	<b>\$ 341,798</b>	<b>\$ 225,831</b>	<b>195%</b>

\* Un-audited numbers

^ Department was created in FY14

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
CENTRAL SERVICES DIRECTOR	-	-	1.00	1.00
ADMINISTRATIVE ASSISTANT	-	-	0.50	-
RISK MANAGER	-	-	-	1.00
ENERGY COORDINATOR	-	-	-	1.00
<b>Total</b>	-	-	1.50	3.00

## FY 2014 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 2014	Adopted FY 2015
1 . Increase safety awareness and practices reduce number of medical claims filed through MMIA	62	35	62	40
2 . Through safety awareness reduce number of days lost due to work related injuries.	699	300	342	300
3 . Work with department personnel to lower Worker's Compensation mod factor to 1	1.34	1.27	1.10	1.17
4 . Develop and consult on Energy Conservation and Greenhouse Gas Reduction Activities with department heads (number of projects & policies).	†	†	†	10
5 . Comprehensively track energy consumption, costs and operational emissions (number of tracking systems)	†	†	†	2

† Energy conservation position was created in FY2014

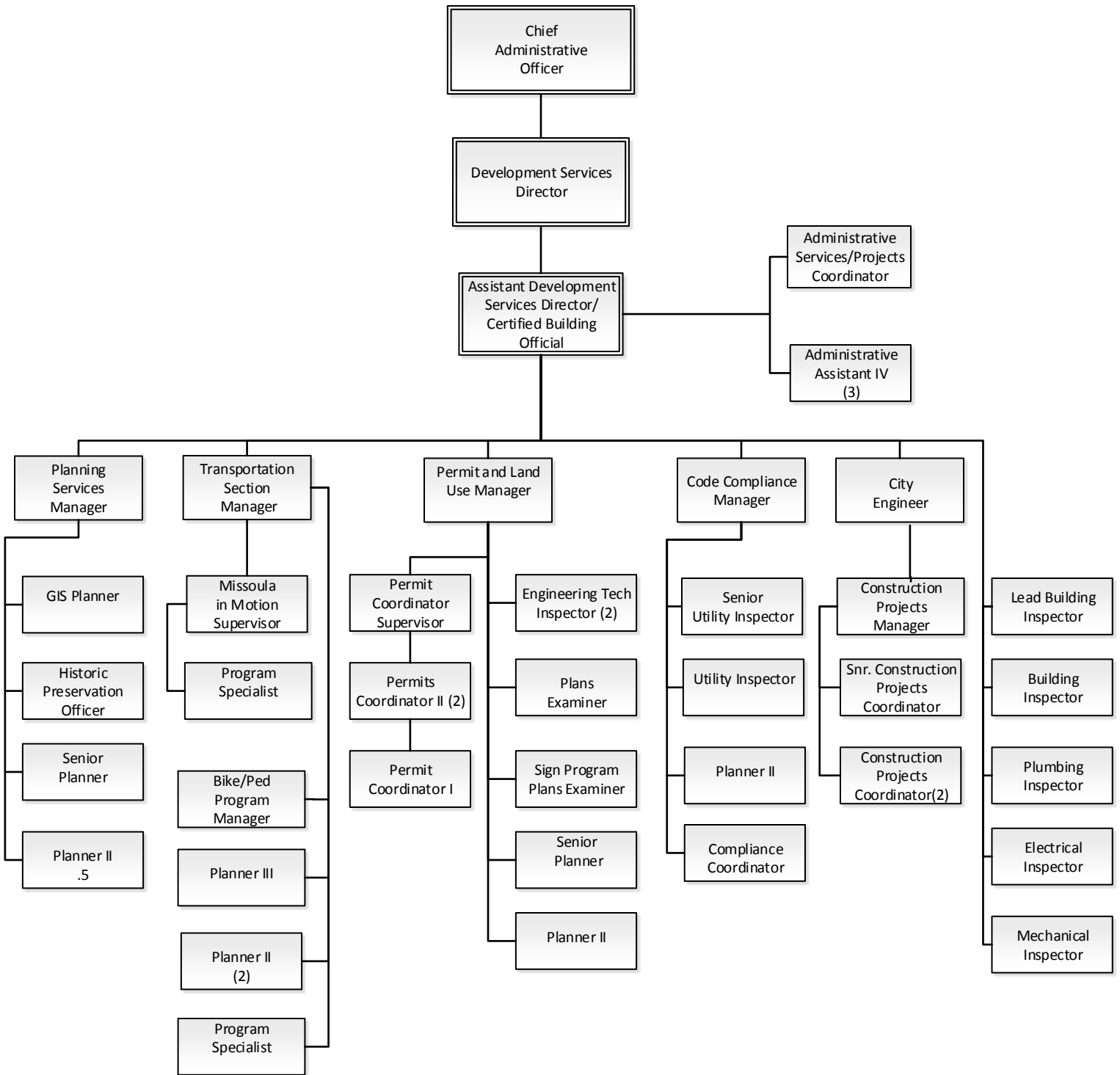
**Workload Indicators**

Indicator	Actual FY2013	Actual FY 2014	Actual FY 2014	Adopted FY 2015
1 . Workers' compensation claims	48	35	57	35
2 . Number of energy conservation projects initiated	†	†	†	5
3 . Reduce operational greenhouse gas emissions by 5% below 2008 baseline.	†	†	†	100%

† Energy conservation position was created in FY2014



# Development Services



## Program Description

Development Services performs planning and development review within the city, initiates and inspects construction of public infrastructure projects, engages in long-term planning, handles historic preservation, and manages transportation planning and alternative transportation programs. The department includes Planning, Code Compliance, Development and Building Review, Engineering, Planning, and Transportation divisions. Sections within the divisions include Building Inspection, Permits, Land Use, Missoula in Motion, and the Bicycle/Pedestrian Program.

## 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 implementation of web-based Accela Automation permitting system to increase convenience and accessibility to customers.
  - Enhance the methods of communication 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.
  - 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 that support sustainable transportation options and improve air quality with cooperation with Transportation and Engineering Divisions.

### 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.
- 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.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual ^ FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 1,039,229	\$ 2,445,552	\$ 2,559,197	\$ 1,653,948	\$ (791,604)	-32%
Supplies	13,638	50,707	52,860	37,537	(13,170)	-26%
Purchased Services	186,774	648,655	235,038	161,515	(487,140)	-75%
Miscellaneous	41,210	310,957	127,071	-	(310,957)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	8,576	8,576	
<b>Total</b>	<b>\$ 1,280,850</b>	<b>\$ 3,455,871</b>	<b>\$ 2,974,166</b>	<b>\$ 1,861,576</b>	<b>\$ (1,594,295)</b>	<b>-46%</b>

\* Un-audited numbers

^ Budget was created January 1, 2013

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Adopted FY2015
DEVELOPMENT SERVICES DIRECTOR*	0.82	0.82	0.80
ASST. DIRECTOR DEV. SVCS./BUILDING OFFICIAL*	0.09	0.09	0.10
PERMIT COORDINATOR SUPERVISOR*	0.29	0.29	0.30
PERMIT COORDINATOR I*	0.34	0.34	0.30
PERMIT COORDINATOR II*	0.68	0.68	0.60
ADMIN. SVCS MANAGER/PROJECTS COOR.*	0.78	0.78	0.80
SECRETARY*	1.70	1.70	-
PERMIT/LICENSE COORDINATOR	-	0.50	1.00
ADMINISTRATIVE SECRETARY*	1.61	1.61	3.20
BICYCLE/PEDESTRIAN PROGRAM MANAGER***	1.00	1.00	-
CITY ENGINEER	1.00	1.00	1.00
CONSTRUCTION PROJECT MANAGER	1.00	1.00	1.00
ENGINEERING TECHNICIAN/INSPECTOR	1.00	2.00	1.00
SENIOR ENGINEERING TECHNICIAN/INSPECTOR	1.00	1.00	1.00
CONSTRUCTION PROJECT COORDINATOR	1.00	1.00	2.00
SENIOR CONSTRUCTION PROJECT COORDINATOR	1.00	1.00	1.00
CONSTRUCTION PLANS EXAMINER	0.50	0.50	-
CODE COMPLIANCE MANAGER	1.00	1.00	1.00
UTILITY INSPECTOR	2.00	2.00	2.00
PLANNING MANAGER**	1.00	1.00	-
PERMIT & LAND USE MANAGER	1.00	1.00	1.00
PLANNER I	1.00	1.00	2.00
PLANNER II**	4.50	4.50	1.00
PLANNER III	3.00	2.00	1.00
GIS/PLANNER II**	1.00	1.00	-
SENIOR PLANNER	1.00	2.00	1.00
PROGRAM SUPERVISOR***	1.00	1.00	-
PROGRAM ASSISTANT***	1.00	1.00	-
TRANSPORTATION MANAGER***	1.00	1.00	-
PROGRAM SPECIALIST***	1.00	1.00	-
BIKE AMBASSADOR***	0.40	0.40	-
<b>Total</b>	<b>33.71</b>	<b>35.21</b>	<b>23.10</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

## 2015 Budget Highlights

For FY15, Planning and Transportation have been moved to the general fund – special section of the budget, because the majority of their funding comes from dedicated sources. During FY14, Development Services also took over business licensing, which is included under the permit and land review activity.

**Budget Reductions/Changes**

Existing funds were re-allocated among budget objects to more accurately reflect actual expenses, based on observations during the 2014 fiscal year.

**New Requests**

- Development Services is requesting one additional FTE within the Code Compliance division. This License Compliance Specialist will increase education and compliance with business licensing regulations. Historical data shows that an increase in outreach results in a corresponding increase in business license revenue. The total cost is \$2,287 for startup and \$45,110 annually.

---

Performance Measures & Workload Indicators

**Performance Measures**

Measure	Actual FY2012	Actual FY2013	Actual FY2014	Adopted FY2015
1 . Development Services' multi-dw elling and commercial building permit review should be completed in three w eeks or less.			99%	99%
2 . Development Services' residential building permit review should be completed in tw o w eeks or less.			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%
4 . City Planning Division maintenance of Zoning code and Subdivision regulations			100%	100%
5 . City Planning Division annual Urban Fringe Development Area Yearbook provides comprehensive tracking of community services and natural resource impacts along w ith new development patterns.			100%	100%

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

## Workload Indicators

Indicator	Actual FY2012	Actual FY2013	Actual FY2014	Adopted FY2015
1 . Miles of sidewalk installed annually	11	9	10	10
2 . Pedestrian snow violations mitigated	106	211	182	200
3 . Board of Adjustment Applications*			5	5
5 . Design Review Board*			9	10
6 . Conditional Use Applications*			15	15
7 . Sign Permits*		78	128	120
8 . Acres of newly annexed property	-	10	2	5
9 . Building permits reviewed	636	1,395	1,290	1,300
10 . Subdivision preliminary plats reviewed	-			1
11 . Right-of-way permits issued	186		309	300
12 . Excavation permits issued	1,054		878	100
13 . Lineal feet of sanitary sewer main installed	4,322		50	50
14 . New sanitary sewer services installed	273		620	350
16 . Community Presentations Given*			10	10
19 . Hazardous vegetation/visibility obstruction sites investigated	96	55	72	75
20 . Sewer utility locates completed	769	709	746	700
21 . Historic Preservation permits reviewed*			5	5
22 . Subdivision exemption reviews		27	17	15

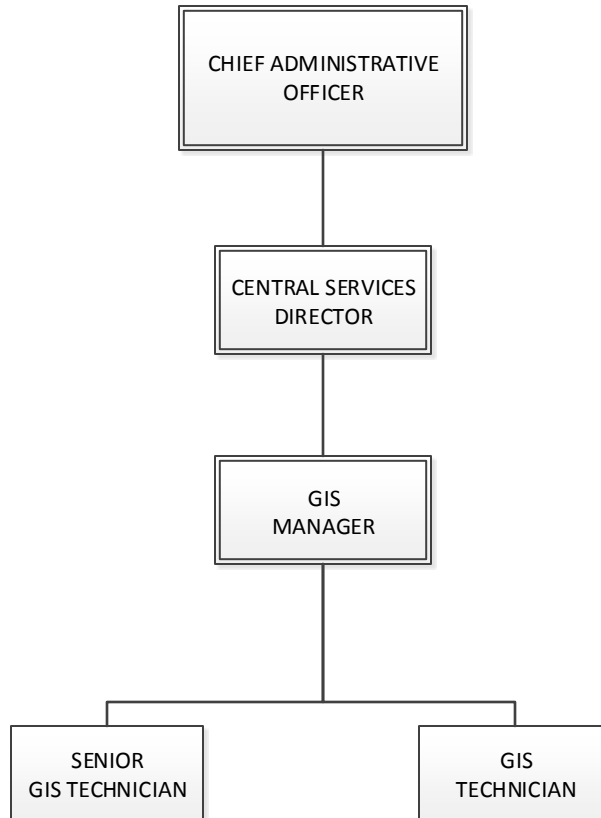
\*Indicates responsibilities acquired by the City in January 2013. FY2013 data in these categories is for six months only.





# Geographical Information Systems Department

---



## Program Description

The GIS Services Division supports various departments with GIS Mapping, Land Based Permitting and Asset Management.

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

Goal: Service

- Strategy: We will assist other departments in maintaining or improving the level of service to citizens.
  - Accela Automation Land for Development Services:
    - Implement Electronic Document Review (EDR) for more efficient review of plans and reducing paper consumption.
    - Add more permits on-line reducing trips to City Hall for permits.
    - Reconfigure system to reflect the new Development Services Department.
  - Accela Automation Asset Management System:
    - Implement additional features for Street Maintenance, Parks Operation and Wastewater such as field mobile devices.
    - Add additional departments to the system (Traffic Services, etc.)
    - Enhance/Update/Create Asset layers such as streets, alleys sidewalks, curbs, parks, signs, etc.)
  - GIS Mapping:
    - Update property information weekly such as legal, addressing, ownership, etc. using Department of Revenue data to update Automation, etc.
    - Create/Update various GIS layers such as parcels, streets, easements, etc.
    - Update the web Parcel-Address-Sewer application with an on-line mapping for looking up property information, sewer connections and sewer/storm sewer as-builts.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual ^ FY 2013	Amended ^ FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 196,660	\$ 203,032	\$ 217,263	\$ 20,603	10%
Supplies	-	7,824	2,065	7,824	-	0%
Purchased Services	-	176,783	160,073	183,325	6,542	4%
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 381,267</b>	<b>\$ 365,170</b>	<b>\$ 408,412</b>	<b>\$ 27,145</b>	<b>7%</b>

^ Budget created in FY 2014

STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
GIS MANAGER	1.00	1.00	1.00	1.00
GIS ANALYST	1.00	0.10	-	-
GIS TECHNICIAN	1.00	1.00	1.00	1.00
MMS TECHNICIAN	1.00	1.00	-	-
SENIOR GIS TECHNICIAN	-	-	1.00	1.00
<b>Total</b>	<b>4.00</b>	<b>3.10</b>	<b>3.00</b>	<b>3.00</b>

GIS Services is a new division for FY14 and was previously a Section in Public Works, Engineering Division

Workload Indicators

Workload Indicators

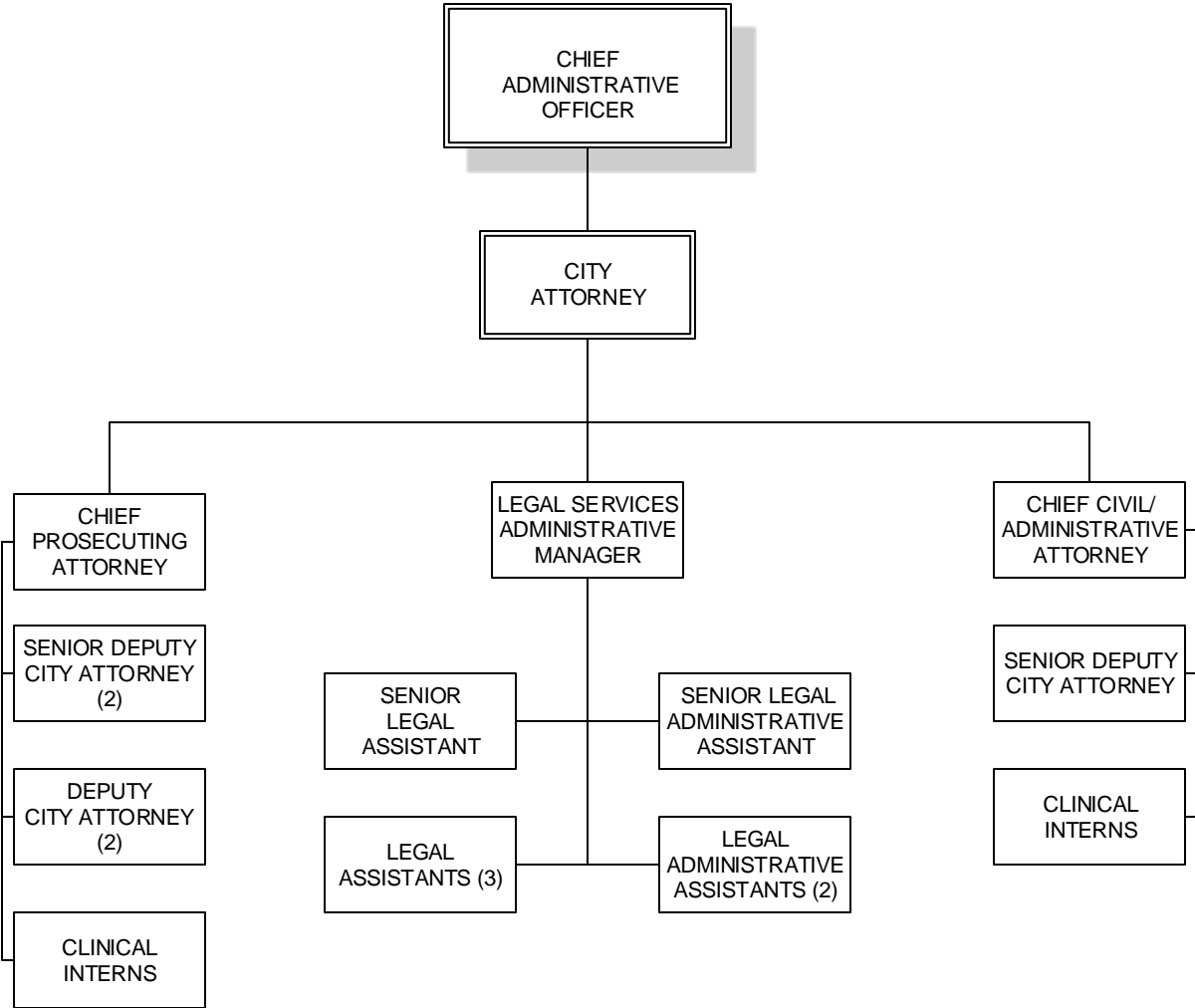
Indicator	Actual FY2012	Actual FY2013	Actual FY2014	Adopted FY2015
1 . Number of Easement Documents reviewed, vacated and created	†	†	402	425
2 . Number of as-built drawings processed (sanitary sewer, storm sewer, sidewalk, sign, etc.)	†	†	15	10
3 . Number of Sewer Connection Cards Draw n	968	731	728	745

Budget was created in FY 2014

† Data was not obtainable. Department Created in FY 2014



# City Attorney's Office



## Program Description

The City Attorney's Office is responsible for protecting the legal interests of the City of Missoula. The City Attorney and staff provide legal counsel for the City Council, Mayor, city departments and city board/commissions. The City Attorney and staff represent the city before all courts, administrative agencies, and all legal proceedings involving the city; prosecute misdemeanors and traffic offenses committed within city limits; provide legal advice to the City Council, Mayor, and all departmental staff; and review contracts, deeds, resolutions, ordinances, and other municipal documents. The City Attorney and staff process and submit liability and property claims to MMIA and works with MMIA on lawsuits where there is liability coverage.

## 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.
  - Manage the Domestic Violence Accountability Project by monitoring domestic violence offenders through the criminal justice system, including compliance with sentencing imposed.
- 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 1,033,088	\$ 1,132,233	\$ 1,134,096	\$ 1,206,104	\$ 73,871	7%
Supplies	7,361	10,131	9,971	7,631	(2,500)	-25%
Purchased Services	45,729	63,349	49,325	62,526	(823)	-1%
Miscellaneous	2,551	2,473	2,551	-	(2,473)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	2,285	1,268	9,100	-	(1,268)	-100%
<b>Total</b>	<b>\$ 1,091,014</b>	<b>\$ 1,209,454</b>	<b>\$ 1,205,044</b>	<b>\$ 1,276,261</b>	<b>\$ 66,807</b>	<b>6%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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	1.00	3.00	3.00	3.00
Deputy City Attorney	3.00	1.00	1.52	1.70
Legal Services Administrative Manager	1.00	1.00	1.00	1.00
Senior Legal Assistant	1.00	1.00	1.00	1.00
Legal Assistant	1.00	2.00	3.00	3.00
Senior Legal Administrative Assistant	1.00	1.00	1.00	1.00
Legal Administrative Assistant	1.00	1.00	2.00	2.00
Clerk	0.75	0.85	-	-
Deputy City Attorney (Grant)	-	-	0.48	0.30
DV Compliance Legal Assistant	-	0.40	-	-
DV Compliance Legal Assistant (Grant)	1.00	0.60	-	-
Clerk (Grant)	0.25	0.15	-	-
<b>Total</b>	<b>14.00</b>	<b>15.00</b>	<b>16.00</b>	<b>16.00</b>

## 2015 Budget Highlights

Implementation of JusticeWeb an online portal giving criminal justice agencies the ability to share vital information. JusticeWeb facilitates sharing information, receiving electronic files and continually interacting with others through the Web. JusticeWeb includes:

E-Filing: Exchange legal forms through the JusticeWeb e-filing portal;

E-Discovery: Simplifies the discovery phase through a registration process allowing for the sharing of discovery materials (police reports, videos, photographs, audio, etc.) through an electronic portal saving staff time and reducing waste;

E-View: Share case information with victims, officers and other staff; and

Public Portal: General public can securely access defined data.

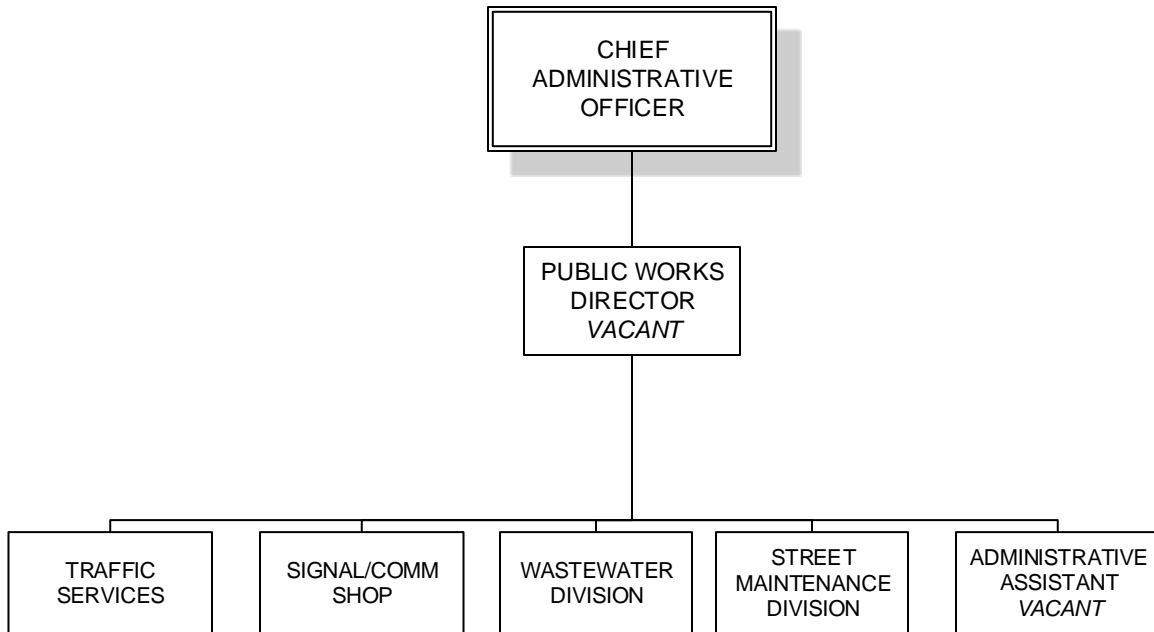
## Workload Indicators

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Contracts/agreements review ed	349	322	358	358
2 . Subdivision plats review ed	19	25	34	34
3 . Subdivision exemption affidavits review ed	13	17	32	-
4 . Legal opinions issued	22	32	29	29
5 . Total criminal cases opened	3,985	4,255	3,955	3,955
6 . Total charges added	8,660	8,929	8,014	8,014
7 . DUI cases (§ 61-8-401 / § 61-8-465 MCA) opened	523	512	346	346
8 . Unlaw ful Refusal of Breath or Blood Alcohol/Drug Test	328	325	233	233
8 . PFMA/OP violation cases opened	223	193	155	155



# Public Works Administration

---



## 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 1,219,322	\$ 619,887	\$ 547,560	\$ 651,582	\$ 31,695	5%
Supplies	130,836	103,115	116,200	103,115	-	0%
Purchased Services	435,717	160,359	138,094	160,359	-	0%
Miscellaneous	422	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,786,297</b>	<b>\$ 883,361</b>	<b>\$ 801,854</b>	<b>\$ 915,056</b>	<b>\$ 31,695</b>	<b>4%</b>

\* Un-audited numbers



## STAFFING SUMMARY

Title	Actual	Actual	Actual	Adopted
	FY 2012	FY 2013	FY 2014	FY 2015
PUBLIC WORKS DIRECTOR	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT V	-	-	-	-
SECRETARY	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>9.42</b>	<b>8.42</b>	<b>8.42</b>	<b>8.42</b>

## 2015 Budget Highlights

**Increase Personal Services** – Funds requested: \$45,819 to provide an Administrative Assistant V position to assist the Public Works Director with project and program coordination as well as departmental support services.

## Workload Indicators

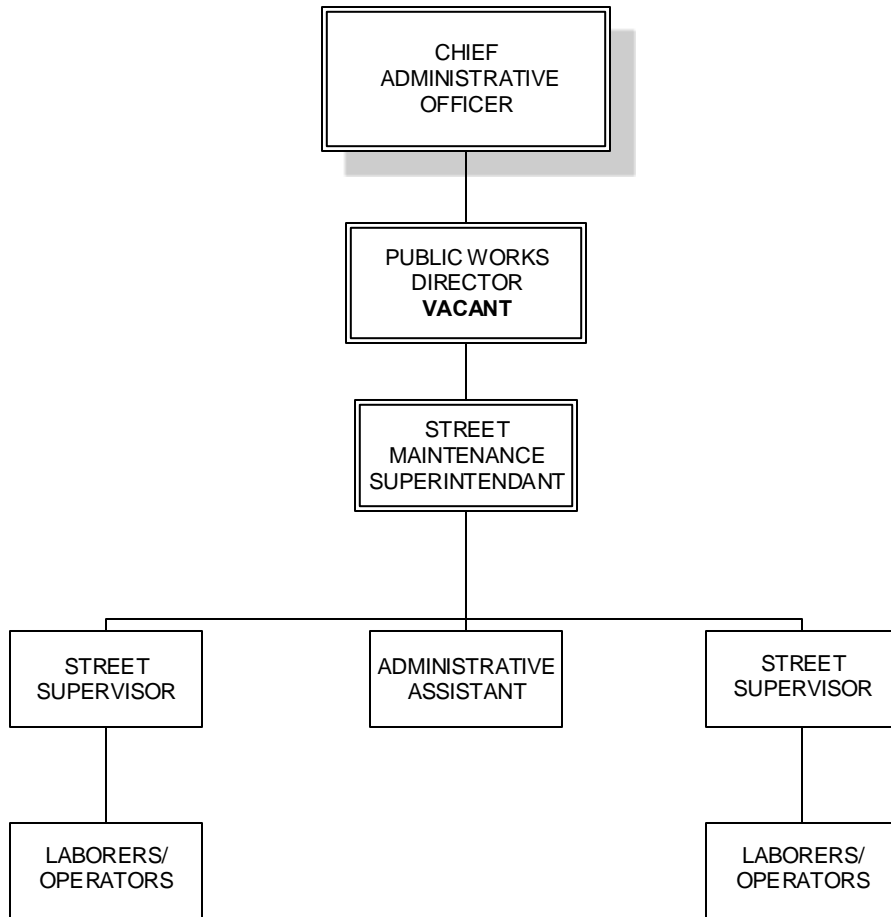
## Workload Indicators

Indicator	Actual	Actual	Actual	Adopted
	FY2012	FY2013	FY2014	FY2015
1 . Miles of streets/alleys in the City limits	385	387	380	380
2 . Hours of traffic signal maintenance annually	2,920	2,440	2,440	2,440
3 . Hours of street/traffic sign maintenance annually	728	2,000	2,000	2,000
4 . Hours of street painting and striping annually	208	1,500	1,500	1,500
5 . Hours to install fleet radios/electronics annually	730	1,020	1,020	1,020
6 . Hours to repair/maintain fleet radios/electronics annually	965	1,680	1,680	1,680



# Street Maintenance Division

---



## 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 1,881,310	\$ 1,967,834	\$ 2,051,129	\$ 2,019,622	\$ 51,788	3%
Supplies	578,729	424,736	598,046	474,736	50,000	12%
Purchased Services	66,457	56,051	58,174	56,051	-	0%
Miscellaneous	148,430	92,763	186,572	92,763	-	0%
Debt Service	23,320	23,320	23,320	-	(23,320)	-100%
Capital Outlay	214,132	269,156	140,580	196,558	(72,598)	-27%
<b>Total</b>	<b>\$ 2,912,377</b>	<b>\$ 2,833,860</b>	<b>\$ 3,057,821</b>	<b>\$ 2,839,730</b>	<b>\$ 5,870</b>	<b>0%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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>

## 2015 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 15.

- **MDT, Russell Street: Brooks to 1/2 block south of Kensington mill & overlay** \$ 141,614
  - **MDT, Russell Street: 3<sup>rd</sup> Street to Mount: chip seal** \$ 66,101
  - **MDT, Russell Street: Brooks to Mount: chip seal** \$ 58,889
  - **MDT, S. Higgins: South Ave to Pattee Creek: chip seal** \$ 47,192
  - **MRA URD II: Cedar St: Hawthorne to W. Broadway** \$ 22,500
- TOTAL** **\$ 336,296**

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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 overlaid with asphalt.	100%	100%	100%
5 . Operate Roscoe patch truck 400 hours per year, depending on oil availability	90%	22%	100%
6 . Crack seal pavement of City streets 2000 hours	3%	0%	100%
7 . Clean 25% of drainage sumps.	31%	13%	100%
8 . Install 15 new sumps.	100%	6%	100%
9 . Re-dig 15 existing sumps	100%	49%	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%	0%	90%

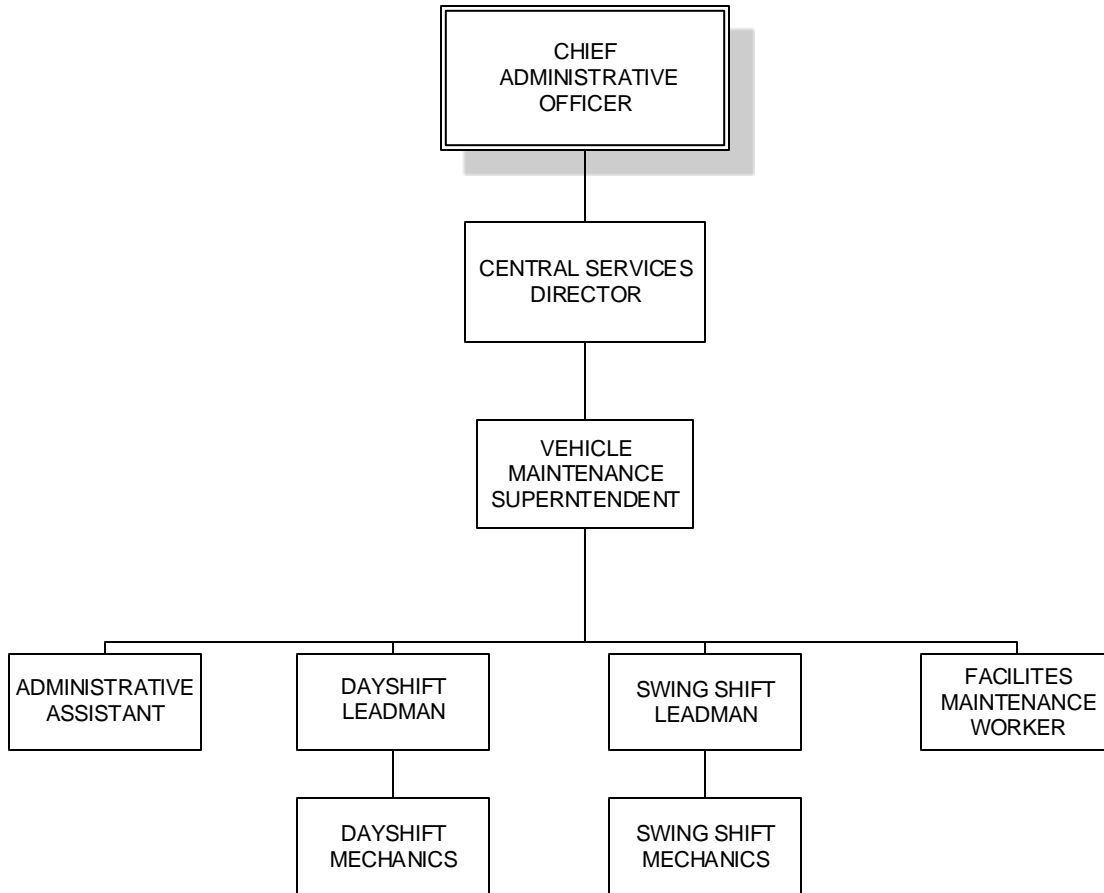
## Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Hours spent Pothole Patching	2,321	423	2,300
2 . Hours spent on Alley Maintenance	194	-	250
3 . Miles of Alleys Graded			200
4 . Hours spent Cleaning Streets	4,661	738	5,000
5 . Loads of Sweepings Hauled to Allied Waste	20	36	35
6 . Miles Swept Per Day			17
7 . PM <sub>10</sub> Levels		-	n/a
8 . Loads of Sand Used	499	-	700
9 . Tons of Sand Collected	3,118	-	3,000
10 . Gallons of Deicer Used	325,048	-	255,639
11 . Hours spent on Leaf Removal	2,722	-	2,500
12 . Material Loads Hauled to EKO Compost	990	-	1,200



# Public Works Vehicle Maintenance

---



## Program Description

The Vehicle Maintenance Division of the Public Works 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 Public Works 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.
  - Finalize planning and prepare for FY14 and FY15 implementation of Central Maintenance Building and Tools upgrades for City Shops. The upgrades will improve service by increasing response times of the vehicles and equipment stored at the Central maintenance Facility.
  - Complete the heated equipment storage building.

### 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 826,446	\$ 884,372	\$ 889,162	\$ 838,649	\$ (45,723)	-5%
Supplies	59,363	80,538	73,852	79,760	(778)	-1%
Purchased Services	369,023	413,968	413,813	417,194	3,226	1%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	6,808	-	10,991	-	-	
<b>Total</b>	<b>\$ 1,261,640</b>	<b>\$ 1,378,878</b>	<b>\$ 1,387,817</b>	<b>\$ 1,335,603</b>	<b>\$ (43,275)</b>	<b>-3%</b>

\* Un-audited numbers

**STAFFING SUMMARY**

Title	Actual FY 2011	Actual FY 2012	Actual FY 2014	Adpoted FY 2015
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>10.50</b>	<b>11.50</b>	<b>10.50</b>

**2015 Budget Highlights**

**No budget Highlights for 2015**

**Performance Measures & Workload Indicators**

**Performance Measures**

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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.	98.16%	97.11%	98.12%	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>	71.53%	57.83%	64.15%	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	9.16	9.03	7.00
4 The total percent of "breakdown" repairs. The goal is less than 5% of the total number of repair jobs.	2.20%	2.10%	1.19%	5.00%

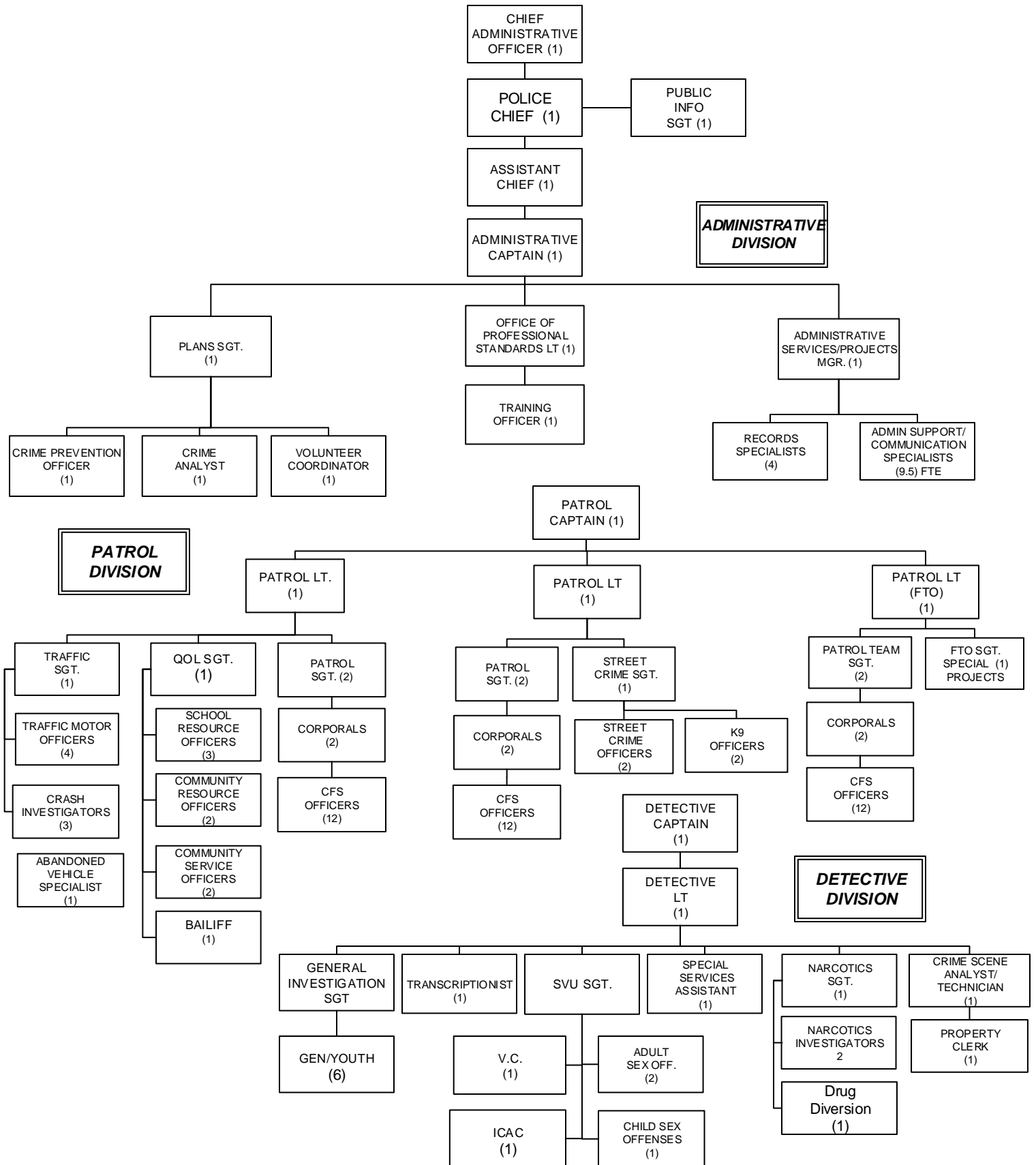


## Workload Indicators

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Total number of equipment repair jobs completed.	6,634	6,258	5,875	6,100
2 . Total number of facility repair jobs completed.	3,730	1,608	1,393	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 available.	1,825	1,831	1,566	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	16,388	16,556	1,652	16,640
7 . Total vehicle and equipment count excluding small equipment and emergency fire equipment.	350	347	348	350
8 . Total number of repair jobs resulting from accidents.	52	38	30	>45
9 . Total parts and labor dollars spent on accident repairs.	\$27,677	\$42,280	\$39,956	>\$25,000
10 . Total gallons of diesel fuel used. (CFA Records)	70,375	73,100	82,145	72,000
11 . Total gallons of unleaded fuel used. (CFA Records)	106,169	107,630	108,501	104,000
12 . Total gallons of fuel used. (CFA Records)	176,544	180,730	190,646	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**

---

## 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 Officers.
  - 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 11,442,527	\$ 12,591,042	\$ 12,718,886	\$ 13,303,083	\$ 712,041	6%
Supplies	306,596	330,550	345,079	318,775	(11,775)	-4%
Purchased Services	311,639	397,628	375,811	266,294	(131,334)	-33%
Miscellaneous	28,687	55,155	42,143	26,150	(29,005)	-53%
Debt Service	-	-	-	-	-	
Capital Outlay	-	31,200	-	-	(31,200)	-100%
<b>Total</b>	<b>\$ 12,089,448</b>	<b>\$ 13,405,575</b>	<b>\$ 13,481,918</b>	<b>\$ 13,914,302</b>	<b>\$ 508,727</b>	<b>4%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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	14.00	15.00	15.00	15.00
CORPORAL	6.00	6.00	6.00	6.00
POLICE OFFICERS	63.00	67.00	69.00	72.00
CRIME ANALYST	1.00	1.00	1.00	1.00
ADMIN SERVICES/PROJECTS MGR	1.00	1.00	1.00	1.00
ADMINISTRATIVE SECRETARY	2.00	2.00	2.00	2.00
SECRETARY	1.00	1.00	1.00	1.00
RECORDS SPECIALIST	4.00	4.00	4.00	4.00
SUPPORT SPECIALIST	5.00	5.00	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 OFFICER	-	-	2.00	2.00
<b>Total</b>	<b>117.00</b>	<b>122.00</b>	<b>126.00</b>	<b>129.00</b>

New Requests - Police Officers (2) - one funded by Montana ICAC

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual CY 2011	Actual CY 2012	Actual CY 2013	Forecast CY 2014
<b>1 . Controlling Fear and Crime</b>				
* Reducing Part I and Part II crimes (Reported)	10,200	10,283	9,499	9,400
* Reduce fear and blight, enhance personal safety:				
* Increasing safety in public places, by reducing downtown disturbances				
> Disorderly Conduct Incidents	962	925	1,145	1,050
> Assaults, except Domestic	118	124	132	128
<b>2 . Respect for Law and Authority</b>				
* Ratio of citizen complaints sustained: not sustained *	8/42	6/45	10/33	8/29
* Reduce Use of Force incidents	140	160	223	220
* Assaults on Officers	15	3	5	5
* Increase Professionalism, through:				
> Advanced Training hours per officer (avg.)	95	92	99	85
<b>3 . Reduce sexual violence and abuse of victims</b>				
* Reduce victim discontinuation in adult felony sexual assaults			22	20
* Increase offender accountability in adult felony sexual assaults			7	8

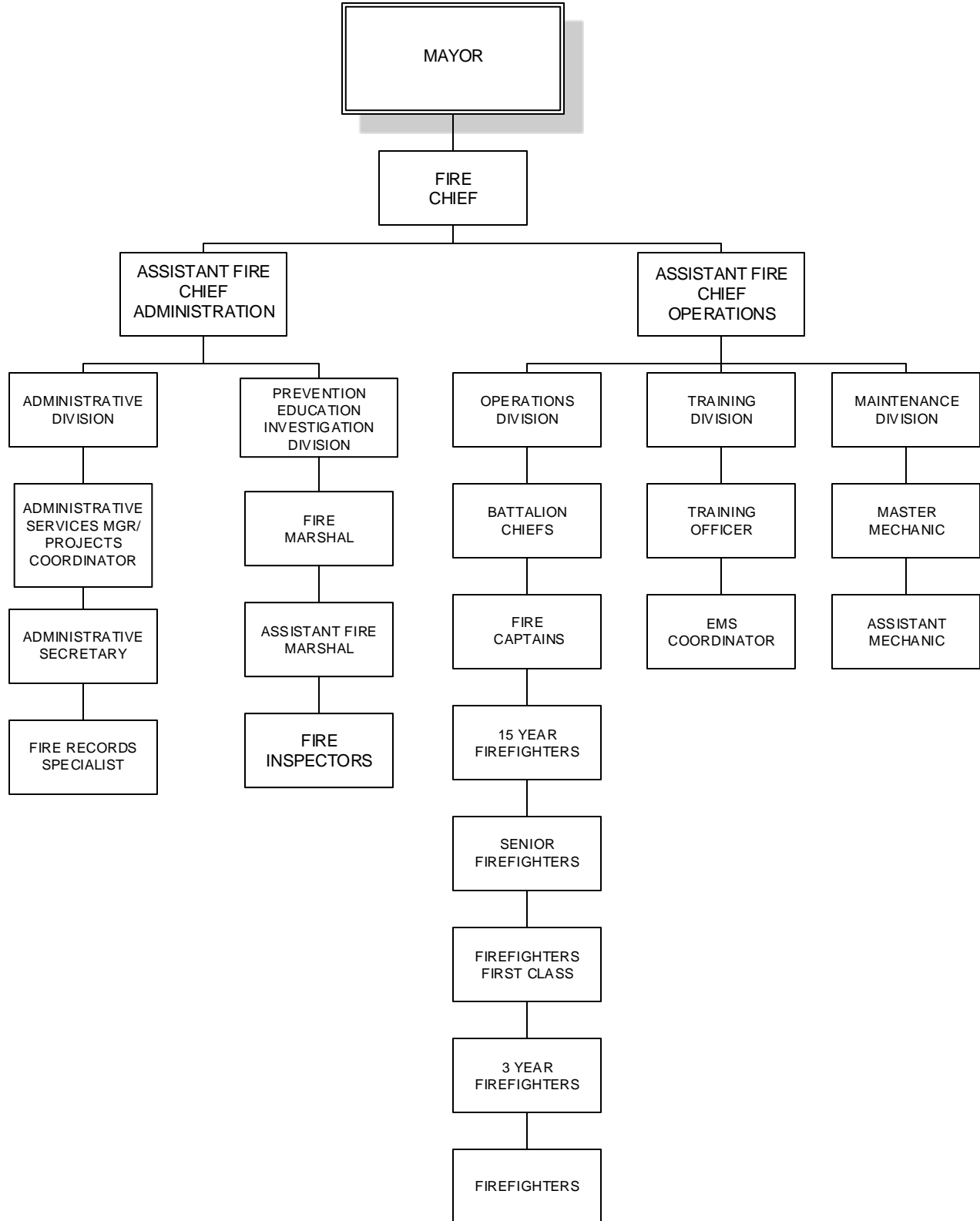
\* - indicates complaints against all department employees

## Workload Indicators

Indicator	Actual CY 2011	Actual CY 2012	Actual CY 2013	Forecast CY 2014
1 . Calls for Service	41,334	42,302	41,728	42,000
2 . Traffic Citations Issued	20,554	18,139	15,420	17,500
3 . Criminal Citations and Arrests	8,835	7,757	7,477	7,900
4 . Felony Investigations	819	902	1,008	875
5 . DUI Arrests	971	1,026	661	950
6 . Injury Crashes	307	188	293	180
7 . Injury Crashes related to DUI	28	27	15	25
8 . Quality of Life Complaints	1,882	2,311	2,441	1,800
9 . Juvenile Involved Calls for Service	2,110	1,840	1,301	1,350
10 . Partner/Family Member Assaults	349	411	318	400
11 . Vandalism	1,443	1,191	1,137	1,100
12 . Square Miles of Patrol Area in City Limits	29.2	29.2	29.2	29.2



# 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, MCFPA, 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 10,475,845	\$ 11,333,060	\$ 11,253,464	\$ 11,840,980	\$ 507,920	4%
Supplies	305,160	296,423	290,548	349,923	53,500	18%
Purchased Services	222,810	242,292	214,900	238,792	(3,500)	-1%
Miscellaneous	220	226	228	226	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	42,487	-	-	
<b>Total</b>	<b>\$ 11,004,035</b>	<b>\$ 11,872,001</b>	<b>\$ 11,801,628</b>	<b>\$ 12,429,921</b>	<b>\$ 557,920</b>	<b>5%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY2012	Actual FY2013	Actual FY2014	Adopted FY2015
FIRE CHIEF	1.00	1.00	1.00	1.00
ASSISTANT CHIEF	2.00	2.00	2.00	2.00
TRAINING OFFICER	1.00	1.00	1.00	1.00
FIRE MARSHAL	1.00	1.00	1.00	1.00
ASSISTANT FIRE MARSHAL	1.00	1.00	1.00	1.00
INSPECTORS	3.00	3.00	3.00	3.00
FIRE BATTALION CHIEFS	4.00	4.00	4.00	4.00
CAPTAINS	20.00	20.00	20.00	20.00
EMS COORDINATOR	1.00	1.00	1.00	1.00
15 YEAR FIREFIGHTERS	2.00	-	3.00	6.00
SENIOR FIREFIGHTERS	16.00	15.00	11.00	11.00
FIREFIGHTERS FIRST CLASS	15.00	21.00	26.00	22.00
3 YEAR FIREFIGHTERS	15.00	6.00	3.00	10.00
FIREFIGHTERS	8.00	14.00	11.00	6.00
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>



## 2014 Budget Highlights

- During FY2014 we saw only one retirement. Master Mechanic Sean Garner retired in March after 20 years of service with MFD. Assistant Mechanic Brad Davis was subsequently promoted to Master Mechanic and Firefighter Eric Petroff was selected to fill the Assistant Mechanic position. Vacancy savings from a vacant firefighter position were used to cover the personal leave payout for Master Mechanic Garner. We hired three firefighters in April of 2013 to fill vacancies created through attrition in FY13. We currently have one vacancy, but anticipate two retirements in December and possibly two more in spring 2015. We intend to hire up to five firefighters in the spring or summer of 2015.
  - Our CY2013 response records indicate that emergency responses for that year were up approximately 200 calls from the previous year. MFD responded to 6745 calls for service in CY2013, including 114 fires and 4313 Emergency Medical Service (EMS) calls.
  - During FY2014 we began work to construct 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 other CAF unit is currently being installed on a new chassis which was purchased in FY2014. 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 FY2014 we took delivery of a new Type I engine. This engine was placed in service at Fire Station #2 this summer. Also in FY14, we purchased two Ford F-250 pickups to be used as command and utility vehicles by our Assistant Chiefs.
  - Work to develop a Missoula County All Hazard Type III Incident Management Team (IMT) progressed substantially in FY2014. 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. This team took over management of the Mill Creek Fire in Frenchtown last summer and their performance was outstanding.
  - We anticipate increased general fund revenues through an additional wildland fire contract engine and the implementation of the increases to fire department fees for plans review and inspection. In FY2014 we brought in \$67,000 in revenue from wildland fire contracting. We have already surpassed last year's wildland contracting revenue mark in FY2015.
-

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual CY 2011	Actual CY 2012	Actual CY 2013	Adopted CY 2014
1 . Total Inspections Completed	893	926	1041	1000
- Liquor License Inspections (Goal = 100%)	88%	97%	99%	100%
- Schools Inspected (Goal = 100%)	100%	93%	96%	100%
- New Business License Inspections (Goal = 100%)	99%	100%	100%	100%
- Occupancies Past Due for 5 year Inspection (Goal < 100)	1749	1,189	484	<500
2 . System Response Time 90th Percentile (1 min added for 911 to process call) (Goal= 6 min or less)	8 min	8 min	7 min	6 min
3 . System Response Percentage at 6 Minutes or Less (Goal = 90%) (=MFD response of 5 min or less)	78.0%	78%	79%	90%
4 . MFD Average Response Time - Code 3 First Due	4.38 min	4.36 min	4.18 min	<5 min
5 . Fires Extinguished at Room of Origin (Goal = 75%)	60%	87%	77%	75%
6 . Level One Training - Operations Attendance (Goal = 100%)	80%	80%	82%	90%
7 . Apparatus Down-Time Percentage (Goal < 2%)	<1%	<1%	<1%	<2%

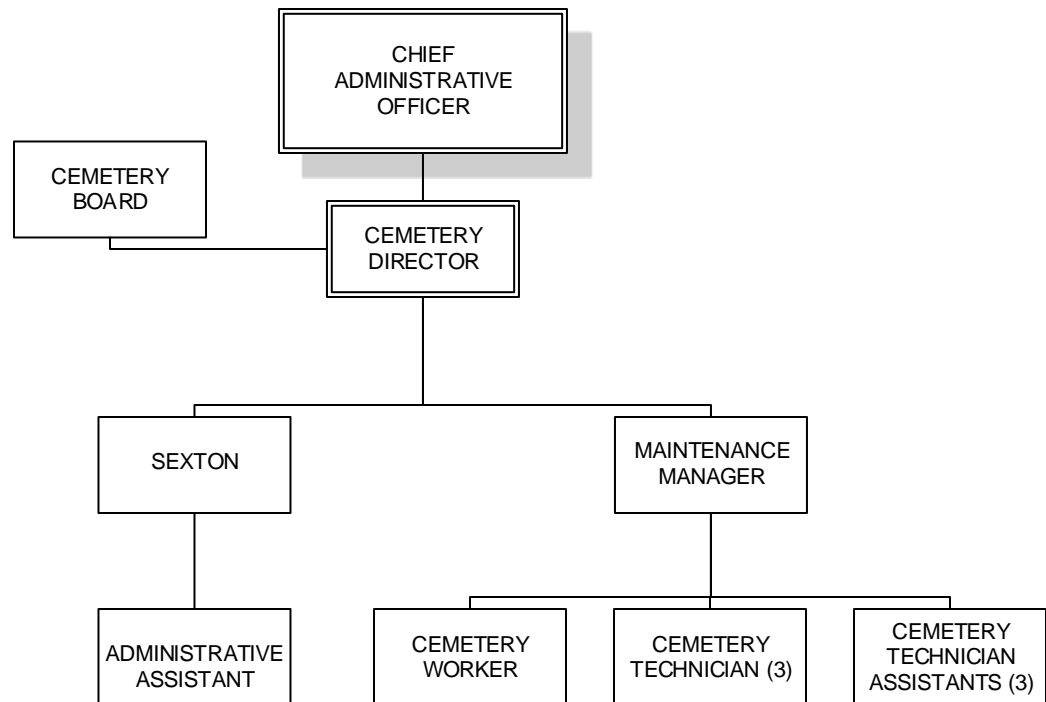
## Workload Indicators

Indicator	Actual CY 2011	Actual CY 2012	Actual CY 2013	Adopted CY 2014
1 . Total Call Volume	5,752	6,131	6,745	7,000
- Structure Fires	64	68	62	80
- Vehicle Fires	27	19	29	25
- Grass, Wildland Fires	37	28	23	35
- Medical Aid	3,608	3,956	4,313	4,750
- Technical Rescue	16	16	12	25
- Other	2,000	2,044	2,306	2,100
2 . Fire Investigations	35	52	63	55
3 . Plan Review s	239	268	249	300
4 . Public Education Events/Drills	119	125	179	200
5 . Station Tours	128	118	104	125
6 . Total Training Hours Delivered	3,431	4,766	4,556	4,800
7 . Total Training Hours Received	16,375	18,430	18,415	18,500



# Cemetery

---



## Program Description

The mission of the Missoula Cemetery is to provide an esteemed public burial ground, affordable to all citizens. The cemetery accomplishes this goal through the collaborative effort of staff operating in four key capacities:

- **Administration**
- **Facilities**
- **Grounds Maintenance**
- **Burial Services**

The Missoula Cemetery promotes the dignified interment of individuals, presents opportunities for future needs designation, and offers a tranquil park for reflection while encouraging the unveiling of its historical significance to the community. The Cemetery Board of Trustees oversees cemetery guidelines are met as detailed in the Municipal Code 12.44.

*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.

---

## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Fiscal Sustainability

- **Strategy:** We will work toward sustaining and diversifying fiscal resources.
  - Review and revise the Cemetery budget for the Cemetery Board of Trustees, City Administration, and City Council through zero based budgeting done on an annual basis, resulting in budget efficiency.
  - Continue detailed review of budget line items and revenues to accurately reflect cemetery operations.
  - FY13, Cemetery Board of trustees and City Administration, have mutually agreed to change the Cemetery ordinance 3292, section 12.44.060 cemetery funding, to allow 90 % Cemetery sales revenue to be deposited into General Revenue and 10% into Cemetery Care Fund.
  - FY114, Cemetery Board of trustees and City Administration, have mutually agreed to change the Cemetery ordinance 3292, section 12.44.060 cemetery funding, to allow 50 % Cemetery sales revenue to be deposited into General Revenue and 50% into Cemetery Care Fund.
  - The Cemetery 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 Cemetery Care Fund Reserve funds shall be designated to be used for the long-term care of the Cemetery until further review between Missoula City Council and Missoula Cemetery Board of Trustees.
  - The Memorial Fund reserve: All donations, bequests and grants designated as memorials shall be deposited into the Cemetery Niche Fund reserve. The Cemetery Board of Trustees shall approve all non-designated expenditures from this fund.
  - The Niche Fund Reserve. All revenue from generated from niche sales and services shall be deposited into the Cemetery Niche Fund Reserve. The Cemetery Niche fund is intended to be used for the funding of inscriptions and nameplates, the purchase of future niche walls, and the development of future wall sites.

Goal #2: Harmonious Natural and Built Environment

- Strategy: We will reflect values of sustainability in transportation and building designs.
  - Continue to implement and adjust the cemetery master plan to properly reflect current and future burial trends and individual needs.
  - Continue the Vegetative Management plan to reduce grounds maintenance requirements.

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

- Strategy: We will work together to meet basic human needs for all.
  - Promote the cemetery through advertising opportunities, historical tours and presentations which capitalize on the resources and value of the cemetery for the public.
  - 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 513,989	\$ 485,492	\$ 505,308	\$ 556,365	\$ 70,873	15%
Supplies	59,262	69,990	59,735	73,090	3,100	4%
Purchased Services	29,696	38,586	41,817	35,486	(3,100)	-8%
Miscellaneous	9,573	8,685	8,948	8,685	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	36,327	-	-	-	-	
<b>Total</b>	<b>\$ 648,847</b>	<b>\$ 602,753</b>	<b>\$ 615,809</b>	<b>\$ 673,626</b>	<b>\$ 70,873</b>	<b>12%</b>

\* Un-audited numbers

**STAFFING SUMMARY**

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
CEMETERY DIRECTOR	1.00	1.00	1.00	1.00
MAINTENANCE MANAGER	1.00	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	0.42	0.26
ADMINISTRATIVE ASSISTANT IV	1.00	1.00	1.00	1.00
SEASONAL MAINT TECH. ASSIST.	2.50	2.50	2.50	1.66
CEMETERY MAINTENANCE TECHNICIAN	1.00	1.00	1.00	2.00
<b>Total</b>	<b>8.92</b>	<b>8.92</b>	<b>8.92</b>	<b>8.92</b>

## 2014 Budget Highlights

**Capital Outlay request for FY 14 are the following:**

- Air Compressor and a utility cart

**Cemetery Continuing Projects**

- **Grounds Maintenance:** Maintenance staff continues to improve maintenance efficiency and the overall appearance of the cemetery creating a beautiful, peaceful park setting. 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.
  - **Records Management:** Office staff continues a huge project of restructuring and preserving over 21,000 burial records. This project entails the compilation of burial documentation required by the ordinance and having a back up to these records allowing them to be available to the public.
  - **Stories and Stones:** This annual event occurs the last Sunday afternoon each October. Over 40 volunteers, historians, re-enactors, or individuals present life histories of people interred in the cemetery or re-tell local historical events. New stories are incorporated each year along with vendors, live music, and fireside seating. There is no admission to this event. Public support is actively demonstrated through ongoing donations to the event.
  - **History Walks:** During Bus / Bike / Walk week a one hour group tour is offered featuring historical cemetery information and presentations from a limited number of storytellers. Students from area schools, summer camps, and the University of Montana regularly incorporate the cemetery's history into their curriculum. The cemetery provides a wide variety of self-guided tour booklets free to the public along with group tours throughout the year upon request.
  - **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.
  - **Energy Conservation:** The cemetery continues to plan and implement fuel reduction measures through efficiency in maintenance operations, elimination of staff driving vehicles home at night, and reduction in vehicle errands and travel.
-

## Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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/or 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 paid advertisements in pamphlets, City maps, and golf club score cards. Highlights historical significance of the Cemetery through public tours.	100%	100%	100%	100%

## Workload Indicators

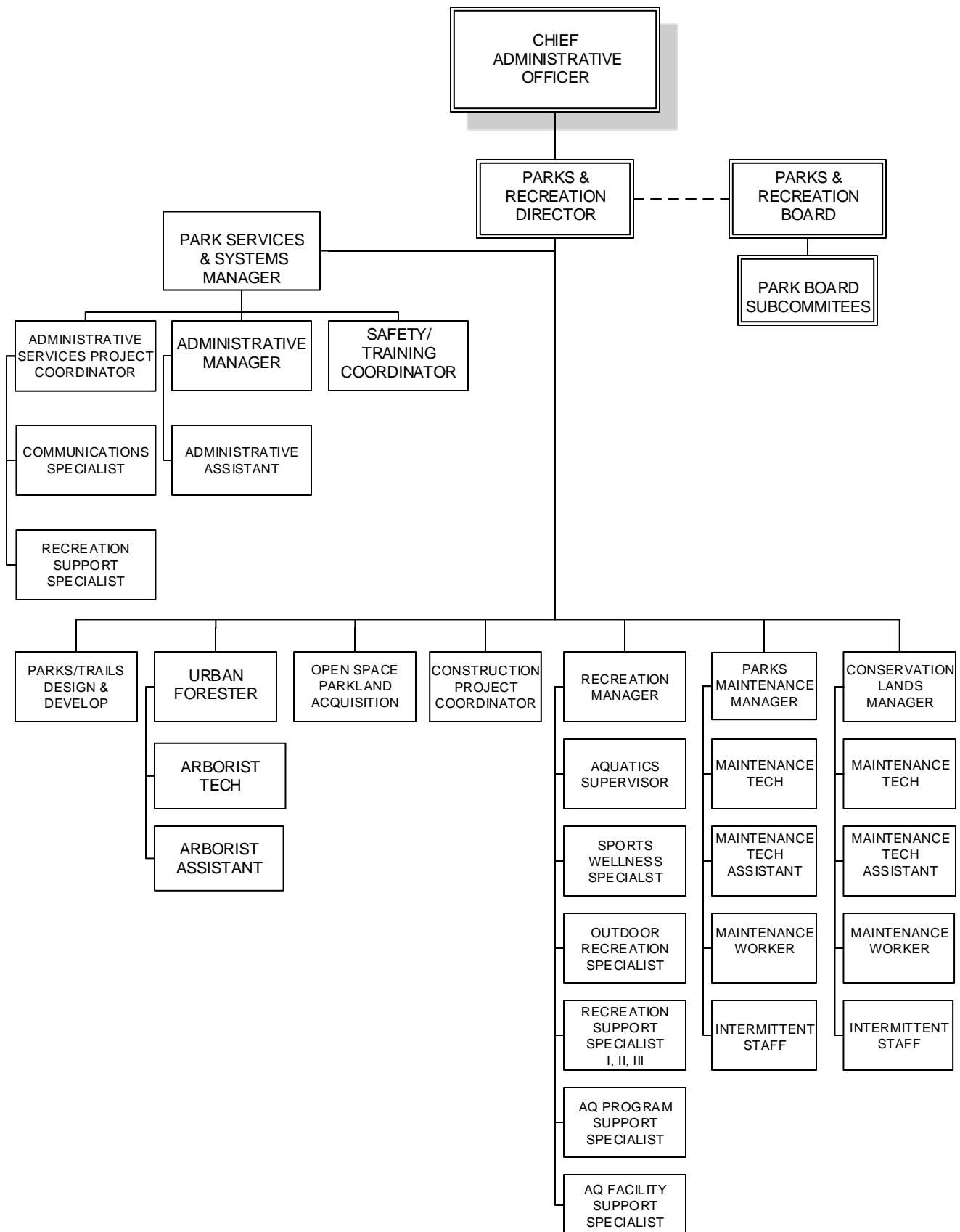
Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Grave sales	23	25	24	30
2 . Niche sales	21	17	22	20
3 . Open and closings	54	70	68	75
4 . Disinterment	-	1	1	1
5 . Foundations	16	50	45	55
6 . Mowing/leaf removal	1,900	2,100	2,130	2,125
7 . Trimming/weeding	1,275	1,475	1,445	1,450
8 . Irrigation	1,550	1,600	1,615	1,600
9 . Equipment/vehicle repair	500	400	425	450
10 . Vegetation control	475	575	550	550
11 . Facility maintenance	1,750	1,800	1,850	1,875
12 . Flower boxes/beds	428	275	379	250

Note: 1-5 equal actual numbers

Note: 6-11 equal actual hours



# Parks & Recreation





## Program Description

Missoula Parks and Recreations' 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.

---

### 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 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 - continue efforts to fund development
- Strategy: work with public and private sector partners in greater numbers to find new ways to enhance and diversify Missoula's economy
  - Tiger Grant – substantial start up of M2L Trail by June 2015
  - Grant Creek Trail – completed fall 2014, landscaping & furnishing Spring 2015
  - Kim Williams to Canyon River – design/bid award June 30, 2015

#### 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
  - ROW Design standards – medians, boulevards, trees
- 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 plans for:
    - Mount Jumbo Elk Habitat – closure and forest management
    - Urban Interface Wildfire
    - Research – adaptive management
    - 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
  - Park Asset Management Plan
- Strategy: enhance the quality of our green infrastructure
  - Turf Management Plan

**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
  
- Strategy: work with multiple partners to provide all citizens access to healthy environments and active play
  - Playgrounds: Silvers' Summit – Phase 1 @ 100%, Little McCormick Playground @ 100% and Kiwanis Playground @ 50% complete
  - Let's Move! Missoula
  - Garden City Harvest and Missoula County Public Schools to secure PEAS Farm
  - Neighborhood park site plans
  - Reach MORE!

---

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 2,497,225	\$ 2,695,422	\$ 2,607,356	\$ 2,827,939	\$ 132,517	5%
Supplies	252,446	246,496	236,999	248,296	1,800	1%
Purchased Services	390,048	481,213	442,897	479,363	(1,850)	0%
Miscellaneous	10,000	10,000	10,000	10,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	8,065	-	-	
<b>Total</b>	<b>\$ 3,149,719</b>	<b>\$ 3,433,131</b>	<b>\$ 3,305,318</b>	<b>\$ 3,565,598</b>	<b>\$ 132,467</b>	<b>4%</b>

\* Un-audited numbers

---

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
DIRECTOR	0.91	1.00	1.00	1.00
PARK SERVICES AND SYSTEMS MANAGER	-	1.00	1.00	1.00
PARK SUPERINTENDENT	0.91	-	-	-
PARK MAINTENANCE MANAGER	0.91	1.00	1.00	1.00
OPEN SPACE PROGRAM MANAGER	0.91	1.00	1.00	1.00
N.M.T.P./PARK DESIGN MANAGER	0.91	1.00	1.00	1.00
RECREATION MANAGER	0.91	1.00	1.00	1.00
RECREATION SUPPORT SPECIALIST	0.91	1.00	1.00	1.00
RECREATION SPECIALIST-M.O.R.E.	0.91	1.00	1.00	1.00
RECREATION SPECIALIST-SPORTS & WELLNESS	0.91	1.00	1.00	1.00
ADMIN SERVICE MGR/PROJECT COORDINATOR	0.91	1.00	1.00	1.00
PROJECT COORDINATOR	0.91	1.00	1.00	1.00
URBAN FORESTER	0.91	1.00	1.00	1.00
CONSERVATION LAND MANAGER	0.91	1.00	1.00	1.00
OFFICE MANAGER	0.91	1.00	1.00	1.00
SECRETARY	0.68	0.75	1.00	1.00
RECEPTIONIST/CASHIER	1.00	1.00	-	-
Recreation Support Specialist - New title	-	-	1.00	1.00
DESKTOP PUBLISHING SPECIALIST	0.68	0.75	-	-
COMMUNICATION SPECIALIST	0.91	1.00	0.75	0.75
SAFETY/TRAINING COORDINATOR	0.83	0.83	0.83	0.83
ARBORIST	1.82	2.00	1.00	1.00
ARBORIST ASSISTANTS	0.76	0.83	1.66	1.66
MAINTENANCE TECHNICIAN ASST	4.89	5.36	4.17	4.17
MAINTENANCE WORKERS	5.61	6.15	7.25	7.25
MAINTENANCE TECHNICIAN	6.39	7.00	8.00	8.00
SPORTS MAINTENANCE CREW COORDINATOR	0.83	0.83	-	-
<b>INTERMITTENT POSITIONS (RECEIVE NO BENEFITS)</b>				
OFFICIALS	0.81	0.81	0.81	0.81
LEVEL 1 INTERMITTENT RECREATION	0.35	0.35	0.38	0.38
LEVEL 2 INTERMITTENT RECREATION	3.14	3.14	3.17	2.84
LEVEL 3 INTERMITTENT RECREATION	1.41	1.41	1.44	1.32
LEVEL 4 INTERMITTENT RECREATION	2.23	2.23	2.23	2.39
LEVEL 4 INTERMITTENT PARK MNTC	6.01	6.01	4.51	4.74
LEVEL 4 INTERMITTENT CLM	-	-	1.02	0.84
LEVEL 4 INTERMITTENT URBAN FORESTRY	1.02	1.02	1.00	0.84
LEVEL 5 INTERMITTENT RECREATION	1.16	1.16	1.16	1.10
LEVEL 5 SPECIALTY INSTRUCTOR - KIA	0.01	0.01	0.01	0.01
PART TIME CASHIER	0.44	0.44	-	-
PHONE RECEPTIONIST	0.41	0.41	0.41	0.41
PART TIME CUSTODIAN	0.25	0.25	-	-
<b>Total</b>	<b>54.42</b>	<b>57.74</b>	<b>55.80</b>	<b>55.34</b>

**2015 Budget Highlights**

The Department is thankful the Fiscal Year 2015 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 GPS; 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 FY15 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 FY15 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 FY15 include:

- Adoption of Urban Forestry Management Plan
- Replacement of playgrounds at Little McCormick, Kiwanis and McCormick Parks
- Continued research on Conservation lands
- Development of Elk Habitat plan
- Implementation of Park Asset Management and Turf Management Plans
- Additional programs for recreation – Reach MORE and Let’s Move Initiative
- Trail construction projects completed
- Garden City Harvest – PEAS farm

**Performance Measures & Workload Indicators**

**Performance Measures**

Measure	Actual FY 2012	Actual FY2013	Actual FY2014	Adopted FY2015
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 Kiwanis Park Playgrounds				
Not General Fund or Park District				

## Workload Indicators

Indicator	Actual FY 2012	Actual FY2013	Actual FY2014	Adopted FY2015
<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.

### **ALTERNATIVE DISPUTE RESOLUTION** - Activity budget equals \$ 7,200

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

### **ANIMAL CONTROL TRANSFER** - Activity budget equals \$ 284,695

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.

### **ART MUSEUM** - Activity budget equals \$ 44,526

This program covers the cost of maintaining the City building, in which the Missoula Museum of Art is located, pursuant to an intergovernmental agreement with Missoula County.

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

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

### **COMMUNITY SERVICES (MCS)** - Activity budget equals \$ 68,401

This program provides a sentencing and sanction alternative to the Missoula Municipal Court. The payment is made to Missoula Correctional Services who coordinates and supervises persons who are sentenced to perform community services. These community services are performed for the City of Missoula and other community service sites.

### **CULTURAL COUNCIL CONTRIBUTION** - Activity budget equals \$ 62,500

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.

### **GRANTS AND COMMUNITY PROGRAMS (GCP) CONTRIBUTION** - Activity budget equals \$ 161,796

This is the amount of money transferred to the Department of Grants and Community Programs (GCP), a department that serves both the City and County of Missoula. Approximately half of the funds transferred to GCP originate from federal grants and leverage additional resources for the City. Funds are used to: administer local and federal CDBG and HOME Programs, which focus on housing, job retention, infrastructure improvements and human services programs; Brownfields Program, which assesses and cleans properties for reuse that is complicated by the presence or potential presence of contamination; and,

outreach and education regarding healthy relationships in our community and the MAKE YOUR MOVE campaign. .

**HEALTHY RELATIONSHIP PROGRAM** – Activity budget equals **\$55,766**

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

**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.

**MISSOULA / RAVALLI TRANSPORTATION** - Activity budget equals **\$ 10,780**

This contribution is being provided to the Missoula Ravalli Transportation Management Association on the condition it raises three dollars in matching funds for every dollar the City of Missoula contributes up to a maximum of \$10,000. The use of the moneys will be dedicated to operating a commuter vanpool service, educating and promoting transportation demand management strategies to reduce energy consumption, improve air quality while mitigating traffic and parking congestion resulting from single occupancy vehicles. Matching funds will most likely come from the Montana Department of Transportation.

**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.

**PEST MANAGEMENT EDUCATION** - Activity budget equals **\$ 2,940**

This item is for a contract with the County Extension Office to provide pest management education for the purpose of creating a greater understanding of the issues related to pesticide use and pest management. This program will also improve both pest identification and management timing. Education will be provided to help focus attention on plant care techniques and prevent or suppress pests.

**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 **\$ 50,213**

**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 **\$ 108,000**

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 **\$374,771**

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 **\$ 692,000**

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 3% NON-UNION INCREASE** – Activity budget equals **\$ 22,420**

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 **\$ 913,831**

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

**TRANSFER TO PLANNING FUND** - Activity budget equals **\$ 80,128**

This is a transfer to the Planning Fund (2250) for general fund support of planning activities.

**TRANSFER TO TRANSPORTATION FUND** - Activity budget equals **\$ 84,618**

This is a transfer to the Transportation Fund (2955) for general fund support of Transportation activities which include the Bike/Pedestrian program.

**LEGISLATIVE PROGRAM** – Activity budget equals **\$ 33,000**

Funds will support City of Missoula lobbying efforts during the 2015 Session of the Montana State Legislature.

**BIG SKY TRUST FUND SUPPORT** – Activity budget equals **\$ 40,000**

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 **\$ 15,000**

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 **\$ 50,000**

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 **\$ 1,314,264**

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.



**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 20125, 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 5,395	\$ 622,026	5,661	47,420	\$ (574,606)	-92%
Supplies	(25,502)	50,000	100,147	50,000	-	0%
Purchased Services	760,394	280,664	304,047	318,963	38,299	14%
Miscellaneous	1,050,312	5,137,570	4,879,624	5,393,457	255,887	5%
Debt Service	4,193,546	438,221	366,883	424,984	(13,237)	-3%
Capital Outlay	63,242	-	-	-	-	
<b>Total</b>	<b>\$ 6,047,386</b>	<b>\$ 6,528,481</b>	<b>\$ 5,656,362</b>	<b>\$ 6,234,824</b>	<b>\$ (293,657)</b>	<b>-4%</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 FY 15 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	10,000	-	10,000	-	0%
Purchased Services	-	35,000	-	35,000	-	0%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	23,926	243,120	58,869	243,120	-	0%
<b>Total</b>	<b>\$ 23,926</b>	<b>\$ 288,120</b>	<b>\$ 58,869</b>	<b>\$ 288,120</b>	<b>\$ -</b>	<b>0%</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 15 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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	15,083	35,000	15,581	35,000	-	0%
Purchased Services	7,024	30,000	699	30,000	-	0%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	155,000	-	182,000	27,000	17%
<b>Total</b>	<b>\$ 22,107</b>	<b>\$ 220,000</b>	<b>\$ 16,280</b>	<b>\$ 247,000</b>	<b>\$ 27,000</b>	<b>12%</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 - \$211,100**

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.

#### **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.

#### **DNRC/Forest Health Grant - \$59,000**

Money received for tree thinning project on Mount Jumbo. This is the third year in a row for the DNRC grant for this project.

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

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

#### **Kiwanis Park - \$160,000**

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.

#### **Little McCormick Playground - \$75,000**

Money received for the construction of new playground at Little McCormick park. This is funding from CDBG and includes funding for a playground.

#### **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 - \$65,000**

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.

**Wood Reclamation Project - \$ - \$223,123**

The Department received \$300,000 from the Montana Department of Natural Resource & Conservation to assist in the processing of the wood to produce compost or growth medium. This represents the balance of the grant from 2010.

**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.

---

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 4,940	\$ 9,980	\$ 17,351	\$ 13,200	\$ 3,220	32%
Supplies	41,372	131,850	31,049	103,100	(28,750)	-22%
Purchased Services	84,038	275,000	52,048	207,000	(68,000)	-25%
Miscellaneous	6,500	75,000	-	75,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	80,943	668,875	91,489	796,093	127,218	19%
<b>Total</b>	<b>\$ 217,792</b>	<b>\$ 1,160,705</b>	<b>\$ 191,937</b>	<b>\$ 1,194,393</b>	<b>\$ 33,688</b>	<b>3%</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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 6,230	\$ -	\$ 17,939	\$ 12,000	\$ 12,000	
Supplies	2,570	-	946	5,000	5,000	
Purchased Services	1,313	-	-	2,000	2,000	
Miscellaneous	36,000	-	24,000	24,000	24,000	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 46,113</b>	<b>\$ -</b>	<b>\$ 42,885</b>	<b>\$ 43,000</b>	<b>\$ 43,000</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 will be 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 will be 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 is under construction and is tentatively scheduled to open in July 2014.

## 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	254	-	111,257	50,000	50,000	
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	736,092	736,092	
<b>Total</b>	<b>\$ 254</b>	<b>\$ -</b>	<b>\$ 111,257</b>	<b>\$ 786,092</b>	<b>\$ 786,092</b>	

\* Un-audited numbers

Fund Description

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

Activities & Objectives

The only on-going expense from this fund shall be the cost of inscription for all walls. This fund is to remain intact and grow for the future development of niche, bronze and columbarium and cremate walls along with repair and replacement of existing structures.

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	72	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	1,742	2,500	1,539	2,500	-	0%
<b>Total</b>	<b>\$ 1,742</b>	<b>\$ 2,500</b>	<b>\$ 1,611</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 Cemetery, with the exception of niche or memorial walls sales and services and memorial monetary donations, shall be deposited into the Permanent Care Fund. Beginning in FY14, 50% of all revenue generated from sales and services at the Missoula Cemetery shall be deposited into the Care Fund Reserve.

## Activities & Objectives

The Cemetery 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 Cemetery Care Fund Reserve funds shall be designated to be 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	10,000	318	10,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	64,396	65,000	34,153	65,000	-	0%
<b>Total</b>	<b>\$ 64,396</b>	<b>\$ 75,000</b>	<b>\$ 34,471</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

Fund Description

**Memorial Fund Reserve:** All donations received by the Missoula Cemetery shall be deposited to the Memorial Fund. 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 and/or use in the operation and function of the Cemetery.

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	10	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	891	2,000	400	2,000	-	0%
<b>Total</b>	<b>\$ 891</b>	<b>\$ 2,000</b>	<b>\$ 411</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>0%</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 2015 Contributions administered by GCP (\$59,088)

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	25,170	36,635	27,242	59,088	22,453	61%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 25,170</b>	<b>\$ 36,635</b>	<b>\$ 27,242</b>	<b>\$ 59,088</b>	<b>\$ 22,453</b>	<b>61%</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	50,000	81	51,791	1,791	4%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 81</b>	<b>\$ 51,791</b>	<b>\$ 1,791</b>	<b>4%</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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	-	-	-	-	-	-
Purchased Services	-	-	-	600,000	600,000	
Miscellaneous	-	-	557	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 557</b>	<b>\$ 600,000</b>	<b>\$ 600,000</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, and City and County Fire agencies 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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	71,285	-	28,910	-	-	
Miscellaneous	-	-	5,628	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	246,561	2,400,000	547,590	2,416,567	16,567	1%
<b>Total</b>	<b>\$ 317,845</b>	<b>\$ 2,400,000</b>	<b>\$ 582,127</b>	<b>\$ 2,416,567</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	5,273	-	1,541	3,000	3,000	
Miscellaneous	-	32,600	-	24,256	(8,344)	-26%
Debt Service	56,500	-	-	-	-	
Capital Outlay	-	-	7,000	5,615	5,615	
<b>Total</b>	<b>\$ 61,773</b>	<b>\$ 32,600</b>	<b>\$ 8,541</b>	<b>\$ 32,871</b>	<b>\$ 271</b>	<b>1%</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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	1,358,338	1,358,338	1,357,487	1,324,945	(33,393)	-2%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,358,338</b>	<b>\$ 1,358,338</b>	<b>\$ 1,357,487</b>	<b>\$ 1,324,945</b>	<b>\$ (33,393)</b>	<b>-2%</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 FY15 is 30.43 mills compared with the FY14 levy of 27.17 mills.

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	2,974,027	3,044,027	3,044,812	2,971,522	(72,505)	-2%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 2,974,027</b>	<b>\$ 3,044,027</b>	<b>\$ 3,044,812</b>	<b>\$ 2,971,522</b>	<b>\$ (72,505)</b>	<b>-2%</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 in the spring of 2013. The City will receive 5% of the gross revenues of Charter Communications plus twenty nine cents per month per customer for capital equipment replacement.

**Activities & Objectives**

\$736,000 of franchise fees from Comcast are projected and budgeted. The decrease in Comcast’s remittances in the past was related primarily to market decreases. The FY15 budget assumes little to no growth.

Pursuant to a contract pending with the City, Missoula Community Access Television (MCAT) is budgeted to receive \$337,342 in FY 15.

		<u>FY 2015</u>	<u>FY 2014</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	244,110	237,000
840 Account	Contingency – decided by Council	0	0
940 Account	Capital-Replacement & Second Channel	<u>44,890</u>	<u>62,000</u>
	Total	\$ 736,000	\$ 746,000

**OBJECTIVES:**

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

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	5,440	7,000	193	7,000	-	0%
Miscellaneous	706,838	677,000	712,018	684,110	7,110	1%
Debt Service	-	-	-	-	-	
Capital Outlay	55,051	62,000	101,033	44,890	(17,110)	-28%
<b>Total</b>	<b>\$ 767,329</b>	<b>\$ 746,000</b>	<b>\$ 813,244</b>	<b>\$ 736,000</b>	<b>\$ (10,000)</b>	<b>-1%</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 & 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
<b>Total</b>	<b>\$ 27,800</b>

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	6,363	6,500	14,616	6,500	-	0%
Purchased Services	7,511	8,300	3,725	8,300	-	0%
Miscellaneous	-	1,000	-	1,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	12,000	-	12,000	-	0%
<b>Total</b>	<b>\$ 13,874</b>	<b>\$ 27,800</b>	<b>\$ 18,341</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	2,103	-	2,103	-	0%
Miscellaneous	-	-	(6)	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 2,103</b>	<b>\$ (6)</b>	<b>\$ 2,103</b>	<b>\$ -</b>	<b>0%</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	324,354	347,569	330,690	345,357	(2,212)	-1%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 324,354</b>	<b>\$ 347,569</b>	<b>\$ 330,690</b>	<b>\$ 345,357</b>	<b>\$ (2,212)</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	18,985	347,569	-	39,349	(308,220)	-89%
Miscellaneous	27,281	27,281	330,690	19,946	(7,335)	-27%
Debt Service	-	3	-	-	(3)	-100%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 46,266</b>	<b>\$ 374,853</b>	<b>\$ 330,690</b>	<b>\$ 59,295</b>	<b>\$ (315,558)</b>	<b>-84%</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 owners for a portion of the costs on installing American with Disabilities Act (ADA) compliant curb ramps. In addition this assessment also funds a portion (\$ 327,303) 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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual * FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ 13,826	\$ 20,717	\$ 20,717	\$ 31,875	\$ 11,158	54%
Supplies	181,724	177,126	176,916	187,127	10,001	6%
Purchased Services	-	20,000	20,000	20,000	-	0%
Miscellaneous	75,201	-	-	185,201	185,201	
Debt Service	-	41,250	1,289	250,796	209,546	508%
Capital Outlay	68,692	542,144	85,277	597,303	55,159	10%
<b>Total</b>	<b>\$ 339,444</b>	<b>\$ 801,237</b>	<b>\$ 304,200</b>	<b>\$ 1,272,302</b>	<b>\$ 471,065</b>	<b>59%</b>

\* Un-audited numbers

**2015 Budget Highlights**

**New requests:**

- **Implementation of subsidy program – Funds requested: \$ 327,303**

## 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.

---

## City Strategic Plan & Department's Implementation Strategy

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

Strategy – We will 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.

- Manage our native forests to reflect natural densities to reduce impacts from wildlife and insect invasions.
- Development of Fire Management Plan for Conservation Lands.
- Manage riparian areas to retain natural run-off and reduce erosion.
- Balance the demands of recreation needs with habitat and wildlife protection.

---

Fund will be used for purchasing materials as allocated below:

#### Park Maintenance Routine:

- Operating Supplies @ \$41,491
- Supplies - Repair and Maintenance @ \$77,580
- Professional Services @ \$5,557
- Purchased Services – Repair and Maintenance @ \$55,751

#### Conservation Lands Management

- Professional Services @ \$37,127

#### Urban Forestry

- Operating Supplies @ \$24,352
- Supplies - Repair and Maintenance @ \$3,952
- Professional services @ \$2,660

Per Council Resolution \$60,000 is dedicated specifically to Urban Forest maintenance

- \$20,000 for purchase and installation of new trees for parks and ROW
- \$40,000 for responding to hazards and risk management as identified by staff or citizens, with any remaining balance to be used for cyclical block pruning.

Missoula Parks and Recreations' 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.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual * FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 31,340	\$ 51,549	\$ 51,549	\$ 112,951	\$ 61,402	119%
Supplies	166,555	160,147	160,675	169,626	9,479	6%
Purchased Services	191,750	261,952	192,396	263,881	1,929	1%
Miscellaneous	-	-	242	-	-	
Debt Service	-	41,149	972	57,998	16,849	41%
Capital Outlay	103,660	139,941	34,387	30,000	(109,941)	-79%
<b>Total</b>	<b>\$ 493,305</b>	<b>\$ 654,738</b>	<b>\$ 440,221</b>	<b>\$ 634,457</b>	<b>\$ (20,281)</b>	<b>-3%</b>

\* Un-audited numbers

### FY 2015 Budget Highlights

The approved increase in park district funding for FY15 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 \$127,314 (\$9,205 Grant, \$118,109 Park District)**

##### **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.

#### **Park Maintenance \$237,630**

- 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.

#### **Greenways & Horticulture \$26,050**

- 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.

#### **Pruning and Hazard Tree care \$10,000**

- Increase contract removal of dead ROW trees, stump grinding and replanting.
- Purchase and use tree watering bags to improve new tree survival and reduce costs to provide supplemental water.

#### **Repair, Renovation, Improvements CIP \$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, totaling ~\$107K, 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 four year period, 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 is 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 2015:**

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 2014:**

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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	4,608	20,000	36,974	-	(20,000)	-100%
Miscellaneous	564,000	569,963	564,000	564,000	(5,963)	-1%
Debt Service	-	-	-	-	-	
Capital Outlay	832,399	722,250	627,372	373,100	(349,150)	-48%
<b>Total</b>	<b>\$ 1,401,007</b>	<b>\$ 1,312,213</b>	<b>\$ 1,228,346</b>	<b>\$ 937,100</b>	<b>\$ (375,113)</b>	<b>-29%</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 X** - Activity budget equals **\$25,166**

**Department of Justice Edward Byrne Memorial JAG Grant XI** – Anticipated budget equals **\$58,000**

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 2011** – Activity Budget equals **\$55,000**

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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 89,135	\$ 81,877	\$ 92,717	\$ 55,000	\$ (26,877)	-33%
Supplies	26,424	36,480	46,525	-	(36,480)	-100%
Purchased Services	19,640	21,611	17,803	25,166	3,555	16%
Miscellaneous	-	20,090	20,061	58,000	37,910	189%
Debt Service	-	-	-	-	-	
Capital Outlay	94,055	7,500	-	-	(7,500)	-100%
<b>Total</b>	<b>\$ 229,254</b>	<b>\$ 167,558</b>	<b>\$ 177,106</b>	<b>\$ 138,166</b>	<b>\$ (29,392)</b>	<b>-18%</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 2019 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.

**Activities & Objectives**

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

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

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ 16,350	\$ -	\$ 16,350	\$ -	0%
Supplies	1,334	1,000	16,362	1,000	-	0%
Purchased Services	16,141	13,250	3,904	13,250	-	0%
Miscellaneous	170,802	691,700	568,785	111,700	(580,000)	-84%
Debt Service	-	-	-	-	-	-
Capital Outlay	-	50,000	-	50,000	-	0%
<b>Total</b>	<b>\$ 188,277</b>	<b>\$ 772,300</b>	<b>\$ 589,052</b>	<b>\$ 192,300</b>	<b>\$ (580,000)</b>	<b>-75%</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	19,023	-	14,383	(4,640)	-24%
Miscellaneous	4,773	-	42,105	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 4,773</b>	<b>\$ 19,023</b>	<b>\$ 42,105</b>	<b>\$ 14,383</b>	<b>\$ (4,640)</b>	<b>-24%</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 & Objectives

**2015 Grants and Community Programs Admin Fees – Activity budget equals \$130,366**

Grant support of administration fees.

**2015 YWCA of Missoula – Activity budget equals \$17,000**

This grant will support emergency shelter for homeless families through the Ada’s Place Emergency Housing Program, which provides short-term motel vouchers to provide housing for homeless families.

**2015 Missoula Aging Services- Activity budget equals \$17,000**

This grant will provide low-to moderate-income seniors with home-delivered meals through the Meals on Wheels program.

**2015 WORD – Activity budget equals \$17,000**

This grant is to provide housing counseling services to families-in-transition, including those receiving Basic Needs Assistance from Missoula County for rent or security deposit to secure or stabilize housing.

**2015 Poverello Center, Inc. – Activity Budget equals \$12,000**

This grant is to provide staff for the Poverello’s rapid intake and referral program.

**2015 Garden City Harvest – Activity Budget equals \$10,000**

This grant is to support gardening and food production for community food-distribution programs and low-income residents of the Orchard Gardens housing complex.

**2015 Homeward – Activity budget equals \$6,707**

This grant is to support Financial Education and Foreclosure Intervention Counseling programs.

**2015 Regional Access Mobility Program of Montana (RAMP) – Activity Budget equals \$75,000**

This grant is to purchase and install modular aluminum wheelchair ramps and other exterior access improvements for low- to moderate-income seniors or people with disabilities who are in need of improved accessibility to their homes.

**2015 Western Montana Mental Health Center John Lind Apartments – Activity Budget equals \$175,000**

This grant is for the acquisition of land for the construction of permanent housing for single, homeless persons, with a priority for those with mental illness and co-occurring disorders or HIV/AIDS.

**2015 City of Missoula Parks and Recreation Department – Activity Budget equals \$160,000**

This grant is for the construction of a playground, restroom, and shelter at Kiwanis Park.

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ 118,742	\$ 118,742	
Supplies	-	-	-	2,849	2,849	
Purchased Services	76,663	112,297	111,530	7,500	(104,797)	-93%
Miscellaneous	601,605	519,106	443,415	490,982	(28,124)	-5%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 678,268</b>	<b>\$ 631,403</b>	<b>\$ 554,945</b>	<b>\$ 620,073</b>	<b>\$ (11,330)</b>	<b>-2%</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 &amp; Objectives

**GCP Admin Fees** – Activity budget equals **\$52,009**

Grant support of administration fees.

**Projects** – Projects to be determined budget equals **\$300,000**

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ 32,500	\$ 52,218	\$ 49,326	\$ 16,826	52%
Supplies	-	-	-	250	250	
Purchased Services	28,746	342,500	89,918	301,583	(40,917)	-12%
Miscellaneous	280,000	109,686	30,082	850	(108,836)	-99%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 308,746</b>	<b>\$ 484,686</b>	<b>\$ 172,218</b>	<b>\$ 352,009</b>	<b>\$ (132,677)</b>	<b>-27%</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	20,965	-	12,243	(8,722)	-42%
Miscellaneous	-	20,965	-	-	(20,965)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 41,930</b>	<b>\$ -</b>	<b>\$ 12,243</b>	<b>\$ (29,687)</b>	<b>-71%</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	-	-	-	-	-	-
Purchased Services	-	-	-	35,500	35,500	
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35,500</b>	<b>\$ 35,500</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 \$762,189**

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.

**Grant Creek Trail – Bicycle Commuter Network – Activity budget equals \$870,129**

The Grant Creek Trail is a biking and pedestrian trail starting from the north end of the current RMEF trail and ending at Snow Bowl Rd. (3/4 mi. from Ravine trailhead. This trail is urgently required to alleviate unsafe conditions and provide non-motorized means of travel. Grant Creek Rd. is a busy, shoulder-less, winding road with 45 mph speeds used by bicyclists and pedestrians. This trail would connect to Rattlesnake Creek via Ravine Trail.

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ 982	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	360,319	1,255,339	142,026	1,632,318	376,979	30%
<b>Total</b>	<b>\$ 360,319</b>	<b>\$ 1,255,339</b>	<b>\$ 143,008</b>	<b>\$ 1,632,318</b>	<b>\$ 376,979</b>	<b>30%</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**

Fund provided for...

**COPS Technology and COPS Technology X2** – Activity budget equals **\$ 34,000**

Fund provided by the Department of Justice, COPS Office enable the Missoula Police Department to increase its effectiveness and efficient. 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 **\$10,000**

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 **\$ 102,698**

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 **\$35,000**

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 **\$322,299**

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.

**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 **\$433,065**

This Environmental Protection Agency grant is matched with \$200,000 from the Missoula Area Economic 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.

**BSTF Grant** – Activity budget equals **\$30,000**

This grant will enable local businesses provide a competitive wage to different businesses around the City of Missoula.

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 421,960	\$ 189,832	\$ 145,808	\$ 203,894	\$ 14,062	7%
Supplies	63,717	77,824	32,728	101,933	24,109	31%
Purchased Services	312,646	618,139	82,134	522,885	(95,254)	-15%
Miscellaneous	719,438	162,776	169,344	170,850	8,074	5%
Debt Service	-	-	-	-	-	
Capital Outlay	337,097	1,018,414	591,005	58,822	(959,592)	-94%
<b>Total</b>	<b>\$ 1,854,858</b>	<b>\$ 2,066,985</b>	<b>\$ 1,021,020</b>	<b>\$ 1,058,384</b>	<b>\$ (1,008,601)</b>	<b>-49%</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.

---

## 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 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 in order to promote a healthy lifestyle for Missoula's citizens.

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ 387,366	\$ 387,366	
Supplies	-	-	-	3,850	3,850	
Purchased Services	-	-	-	128,900	128,900	
Miscellaneous	-	-	-	173,604	173,604	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 693,720</b>	<b>\$ 693,720</b>	

\* Un-audited numbers

^ Budget was created in FY15

**STAFFING SUMMARY**

<b>Title</b>	<b>Actual FY 2012</b>	<b>Actual FY 2013</b>	<b>Actual FY 2014</b>	<b>Adopted FY2015</b>
PLANNING MANAGER	-	-	-	1.00
HISTORIC PRESERVATION OFFICER	-	-	-	1.00
PLANNER II	-	-	-	2.00
GIS/PLANNER II	-	-	-	1.00
SENIOR PLANNER	-	-	-	1.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.00</b>

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

**2015 Budget Highlights**

This is not a newly created and funded program but instead, indicates the movement of funds and program description to a "special" category to reflect the nature of the primary source of funding coming from the Planning Mill (outside the General Fund source).

**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 the code is 1250.250.411030. For FY15, funds were reallocated from contingency (845) into professional services (350), printing (320), and personnel (110). This funding shift is for FY15 only, and allows the planning division to complete the state-mandated update of the growth policy.

This budget also established fixed charges for use of other City Services.

Performance Measures

Performance Measures

Measure	Actual FY2012	Actual FY2013	Actual FY2014	Adopted FY2015
1 . City Planning Division maintenance of Zoning code and Subdivision regulations			100%	100%
2 . City Planning Division provides annual comprehensive tracking of community services and natural resource impacts along with new development patterns.			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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 679,518	\$ 806,267	\$ 579,440	839,556	\$ 33,289	4%
Supplies	21,486	22,675	21,680	22,675	\$ -	0%
Purchased Services	37,318	72,151	53,052	74,451	\$ 2,300	3%
Miscellaneous	233,281	238,544	238,252	259,008	\$ 20,464	9%
Debt Service	495,642	-	-	-	\$ -	
Capital Outlay	5,005	60,000	43,601	-	\$ (60,000)	-100%
<b>Total</b>	<b>\$ 1,472,250</b>	<b>\$ 1,199,637</b>	<b>\$ 936,024</b>	<b>\$ 1,195,690</b>	<b>\$ (3,947)</b>	<b>0%</b>

\* Un-audited numbers

---

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY2015
DIRECTOR OF DEVELOPMENT SERVICES	-	0.18	0.18	0.20
BUILDING OFFICIAL	1.00	-	-	-
ASSIST. DIRECTOR/BUILDING OFFICIAL	-	0.91	0.91	0.90
SENIOR CONSTRUCTION PLANS EXAMINER	1.00	1.00	1.00	1.00
CONSTRUCTION PLANS EXAMINER	-	0.50	0.50	0.50
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	1.00	-	-	-
SENIOR BUILDING PERMIT SPECIALIST	1.00	-	-	-
PERMIT COORDINATOR SUPERVISOR	-	0.71	0.71	0.70
PERMIT COORDINATOR I	-	0.66	0.66	0.60
PERMIT COORDINATOR II	-	1.32	1.32	1.20
ADMIN SRVS MGR/PROJECT CORDINATOR	-	0.22	0.22	0.20
ADMIN SECRETARY	-	0.39	0.39	0.80
SECRETARY	-	0.10	0.10	-
<b>Total</b>	<b>9.00</b>	<b>10.99</b>	<b>10.99</b>	<b>11.10</b>

## 2015 Budget Highlights

**New Operating Requests Funded:**

- New request to increase the travel and training budgets to allow staff to stay current and fully utilize the new Accela Automation software.
    - o Total request of \$2,000
-

Performance Measures & Workload Indicators

**Performance Measures**

Measure	Actual FY 2012	Actual FY 2013 To date	Actual FY 2014	Adopted FY 2015
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 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Number of building permits issued	890	1,395	1,290	1,100
2 . Review residential plans within two weeks	95.0%	95.0%	95.0%	95.0%
3 . Review multi-family, commercial & industrial within three weeks	96.0%	96.0%	96.0%	96.0%
4 . Number of plans withdrawn	17	15	12	15

## 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.
- Missoula in Motion (MIM) – MIM is funded primarily through federal Congestion Mitigation and Air Quality (CMAQ) funds, with matching funds provided by the City General Fund and Missoula County. Each year, MIM administers CMAQ grant funds to implement and support a variety of projects and programs, including Sunday Streets Missoula, Bike Walk Bus Week, Momentum, and Way to Go Club. MIM develops and deploys education and encouragement materials regarding alternative transportation and Transportation Demand Management and works with local partners to advance these initiatives and programs. MIM anticipates implementing a comprehensive Employer Individualized Marketing program for Transportation Demand Management in FY 15.
- 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 administers grant and General Funds to perform a variety of annual activities, including managing the Epoxy Paint, Bicycle Ambassador, Bicycle Registration, and Bicycle Auction Programs. Additional ongoing activities include participating in and supporting events that encourage utilizing alternative 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, including developing a Bicycle Master Plan and Bike Share program.

---

## 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 support sustainable transportation options and improve air quality 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 what encourage use of alternative transportation options that support public health, as well as transportation system efficiency.

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ 573,722	\$ 573,722	
Supplies	-	-	-	5,900	5,900	
Purchased Services	-	-	-	102,143	102,143	
Miscellaneous	-	-	-	89,625	89,625	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 771,390</b>	<b>\$ 771,390</b>	

\* Un-audited numbers

^ Budget was created in FY15

**STAFFING SUMMARY**

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY2015
BICYCLE/PEDESTRIAN PROGRAM MANAGER	-	-	-	1.00
PLANNER I	-	-	-	2.00
PLANNER II	-	-	-	-
PLANNER III	-	-	-	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>-</b>	<b>-</b>	<b>-</b>	<b>8.40</b>

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



2015 Budget Highlights

**New Requests**

- The CMAQ grants historically provided under two separate contracts to MIM and the Bicycle and Pedestrian Office will be combined into a single CMAQ grant in Fiscal Year 15. This will streamline administration and provide added flexibility between programs. Because CMAQ funds are not allocated annually and are not automatically guaranteed, a new request form is provided.
- The CMAQ grant budget for FY 15 includes an additional \$50,000 of revenue, which is allocated in the Transportation Improvement Program toward implementing/developing a city-wide Bike Share program. This program will be overseen by the Bicycle and Pedestrian Office. The additional CMAQ revenue requires an increase in the amount of matching funds from the City's General Fund for the Bicycle and Pedestrian Office in the amount of \$6712.00.

**Budget changes**

- The Bicycle and Pedestrian Office did not receive a Safe Routes to School Grant for FY 15, and therefore funding from this program has been removed from the budget. This has no budgetary impact as those funds were previously passed through to local schools.

Performance Measures & Workload Indicators

**Performance Measures**

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Complete required annual Unified Planning Work Program Transportation Improvement Program and other transportation planning document updates on time.	0%	0%	0%	100%
2 . Fulfill the programmatic requirements of the Unified Annual Planning Work Program	0%	0%	0%	100%
3 . Maintain required MPO documents via amendments as required	0%	0%	0%	100%
4 . Fulfill programmatic requirements of Congestion Mitigation Air Quality Grants	0%	0%	0%	100%

**Workload Indicators**

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Bicycle parking spaces added	-	-	-	150
2 . Bicycle licenses (registrations) issued	-	-	-	200
3 . Number of schools in Safe Routes to School program	-	-	-	-
4 . MIM participating employees	-	-	-	700
5 . MIM outreach events and presentations	-	-	-	35
6 . MIM website visits	-	-	-	31,500
7 . Traffic model runs completed to support transportation planning	-	-	-	5
8 . Active subcommittees staffed	-	-	-	4
9 . TTAC and TPCC meetings held	-	-	-	20

## 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.

---

### General Obligation Voted Debt

**2013A 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 = \$ 539,698**

**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 = \$ 691,800**

**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 = \$ 283,200**

### Judgment Levy Debt

Assessment established in FY2015 and the funds are to be used for payment to property owners on South Ave. The City widened South Ave in 2008 to provide better traffic flow and off street parking. Property owners along South Ave sued the City in a case of South Avenue takings/eminent domain/inverse condemnation. The judge found in favor of the property owners

**TOTAL FUND EXPENDITURES = \$ 80,421**

### 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 = \$1,866,857**

**TOTAL FUND TRANSFERS = \$100,000**

---

**FINANCIAL SUMMARY**

2012A Aquatics Refunding Bond

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	(17)	-	-	
Debt Service	5,846,851	202,080	202,498	539,698	337,619	167%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 5,846,851</b>	<b>\$ 202,080</b>	<b>\$ 202,480</b>	<b>\$ 539,698</b>	<b>\$ 337,619</b>	<b>167%</b>

\* Un-audited numbers

**FINANCIAL SUMMARY**

2013A Refunding Bond

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	73,068	-	-	
Miscellaneous	-	-	5,781,232	-	-	
Debt Service	-	-	689,628	691,800	691,800	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,543,928</b>	<b>\$ 691,800</b>	<b>\$ 691,800</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 2013	Amended FY 2014	Actual * FY 2014 73% of year	Proposed FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	195	-	-	
Debt Service	469,191	432,490	283,500	283,200	(149,290)	-35%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 469,191</b>	<b>\$ 432,490</b>	<b>\$ 283,695</b>	<b>\$ 283,200</b>	<b>\$ (149,290)</b>	<b>-35%</b>

\* Un-audited numbers

**FINANCIAL SUMMARY**

Judgment Levy

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	80,421	80,421	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,421</b>	<b>\$ 80,421</b>	

\* Un-audited numbers

^ First year of Fund is FY15

**FINANCIAL SUMMARY**

Special Improvement District Debt 3100-3550

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	543,251	-	58,230	-	-	
Debt Service	2,151,806	1,991,173	2,030,182	1,866,857	(124,316)	-6%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 2,695,057</b>	<b>\$ 1,991,173</b>	<b>\$ 2,088,411</b>	<b>\$ 1,866,857</b>	<b>\$ (124,316)</b>	<b>-6%</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.

---

## Activities & Objectives

The following descriptions are just summaries of the projects. For additional information, please see the FY 13-17 CIP document.

**Art Museum Debt Financing – Activity Budget equals \$ 9,010**

This request is to provide debt service to an Inter-cap loan that the City incurred to fund part of the Art Museum renovation.

**City Hall Expansion Debt Service - Activity Budget equals \$ 83,985**

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 \$ 133,723**

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 \$ 49,875**

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

**50 Meter Pool Debt Service - Activity Budget equals \$ 60,138**

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 \$127,438**

**2010C Energy Performance – Activity Budget equals \$84,125**

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

**Internally Financed Equipment – Prior Years - Activity Budget equals \$ 159,677**

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

**Core Light Vehicle Equipment Replacement – Activity Budget equals \$ 180,862**

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

**Total Fund Expenditures \$ 913,831**

---

**Capital Improvement Program – CIP – Fund 4060**

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ 2,247	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	7,887	40,000	13,180	-	(40,000)	-100%
Miscellaneous	63,598	-	(5,814)	-	-	
Debt Service	877,060	1,150,022	925,372	888,831	(261,191)	-23%
Capital Outlay	2,702,227	-	2,561,924	25,000	25,000	
<b>Total</b>	<b>\$ 3,653,018</b>	<b>\$ 1,190,022</b>	<b>\$ 3,494,662</b>	<b>\$ 913,831</b>	<b>\$ (276,191)</b>	<b>-23%</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.

---

## Activities & Objectives

The following descriptions are just summaries of the projects. For additional information, please see the FY 13-17 CIP document.

**Art Museum Debt Financing – Activity Budget equals \$ 9,010**

This request is to provide debt service to an Inter-cap loan that the City incurred to fund part of the Art Museum renovation.

**City Hall Expansion Debt Service - Activity Budget equals \$ 83,985**

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 \$ 133,723**

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 \$ 49,875**

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

**50 Meter Pool Debt Service - Activity Budget equals \$ 60,138**

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 \$127,438**

**2010C Energy Performance – Activity Budget equals \$84,125**

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

**Internally Financed Equipment – Prior Years - Activity Budget equals \$ 159,677**

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

**Core Light Vehicle Equipment Replacement – Activity Budget equals \$ 180,862**

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

**Total Fund Expenditures \$ 913,831**

---



**Capital Improvement Program – CIP – Fund 4060**

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ 2,247	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	7,887	40,000	13,180	-	(40,000)	-100%
Miscellaneous	63,598	-	(5,814)	-	-	
Debt Service	877,060	1,150,022	925,372	888,831	(261,191)	-23%
Capital Outlay	2,702,227	-	2,561,924	25,000	25,000	
<b>Total</b>	<b>\$ 3,653,018</b>	<b>\$ 1,190,022</b>	<b>\$ 3,494,662</b>	<b>\$ 913,831</b>	<b>\$ (276,191)</b>	<b>-23%</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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	375,602	1,000	375,602	-	0%
<b>Total</b>	<b>\$ -</b>	<b>\$ 375,602</b>	<b>\$ 1,000</b>	<b>\$ 375,602</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

**Fund Description**

Missoula voters approved a \$5,740,000 general obligation bond referendum in November 2005.

---

**Activities & Objectives**

This debt was issued in 2006 to provide funds for construction and equipping of new fire station #5 to be located in the Lower Miller Creek area and remodel fire stations #2 and #3.

---

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	87,062	3,020	516	3,020	-	0%
<b>Total</b>	<b>\$ 87,062</b>	<b>\$ 3,020</b>	<b>\$ 516</b>	<b>\$ 3,020</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**

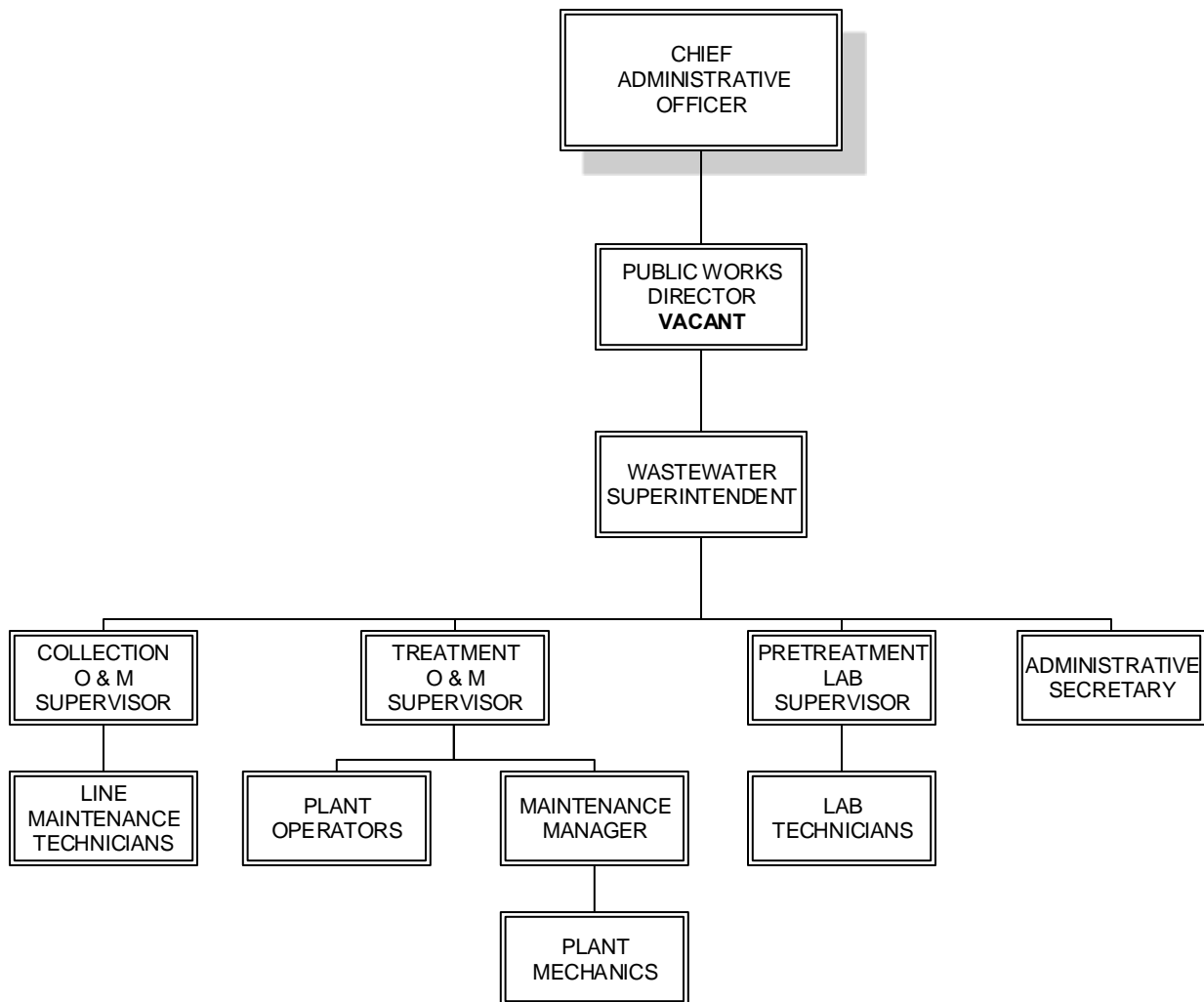
<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	500	3,000	506	3,000	-	0%
Debt Service	59,985	117,000	82,435	117,000	-	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 60,485</b>	<b>\$ 120,000</b>	<b>\$ 82,941</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers



# Public Works Waste Water Division

---



## Program Description

The Wastewater Division is responsible for the collection and treatment of domestic and industrial wastewater generated in the Missoula sewer areas. Administration, maintenance, operation, monitoring, testing and the pretreatment program are the primary functions of the 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). Additionally, the Division strives for beneficial reuse of residual by-products of wastewater treatment.

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 or improve the level of service to citizens.
  - Continue to maintain and repair the collections system to eliminate sewer back-ups.
  - Continue to implement and utilize the Accela Asset Management System.
  - Continue to utilize and expand the equipment GPS system for operational efficiency.
- 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.

### 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 effluent land application project to an additional 50 acres of the Clouse Family land.
  - Understand and plan for future changes in the MPDES permit limits.

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

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

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ 1,475,178	\$ 1,610,136	1,592,379	1,611,814	\$ 1,678	0%
Supplies	520,437	423,620	401,518	433,620	\$ 10,000	2%
Purchased Services	1,268,405	1,218,604	1,350,871	1,220,204	\$ 1,600	0%
Miscellaneous	1,248,458	1,219,583	1,201,512	1,269,327	\$ 49,744	4%
Debt Service	568	1,500	891	-	\$ (1,500)	-100%
Capital Outlay	-	-	-	-	\$ -	
<b>Total</b>	<b>\$ 4,513,045</b>	<b>\$ 4,473,443</b>	<b>\$ 4,547,171</b>	<b>\$ 4,534,965</b>	<b>\$ 61,522</b>	<b>1%</b>

\* Un-audited numbers

**STAFFING SUMMARY**

<b>Title</b>	<b>Actual FY 2012</b>	<b>Actual FY 2013</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>
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
MECHANIC/OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
COLLECTION SYSTEM MAINTENANCE TECHNICIAN	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
INTERMITTENT LABORERS/INTERN	0.50	0.50	0.50	0.50
<b>Total</b>	<b>21.50</b>	<b>21.50</b>	<b>22.50</b>	<b>22.50</b>

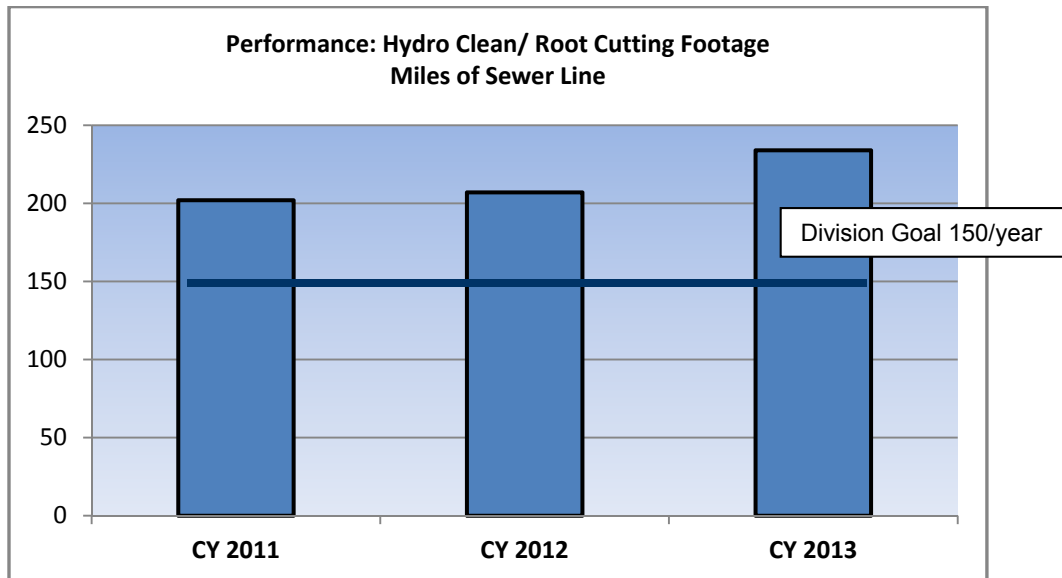
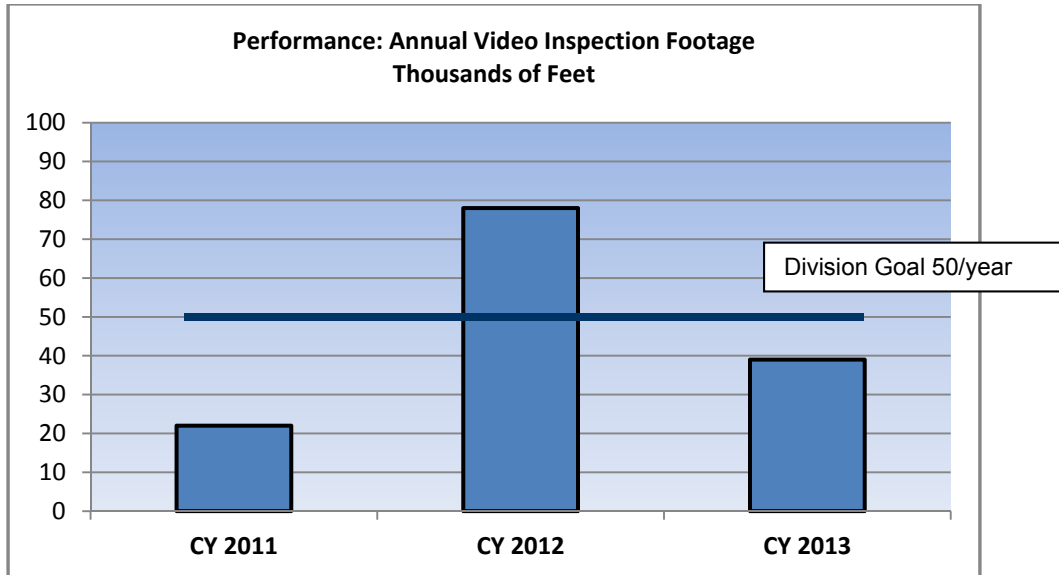
2015 Budget Highlights

**Purchased Services:**

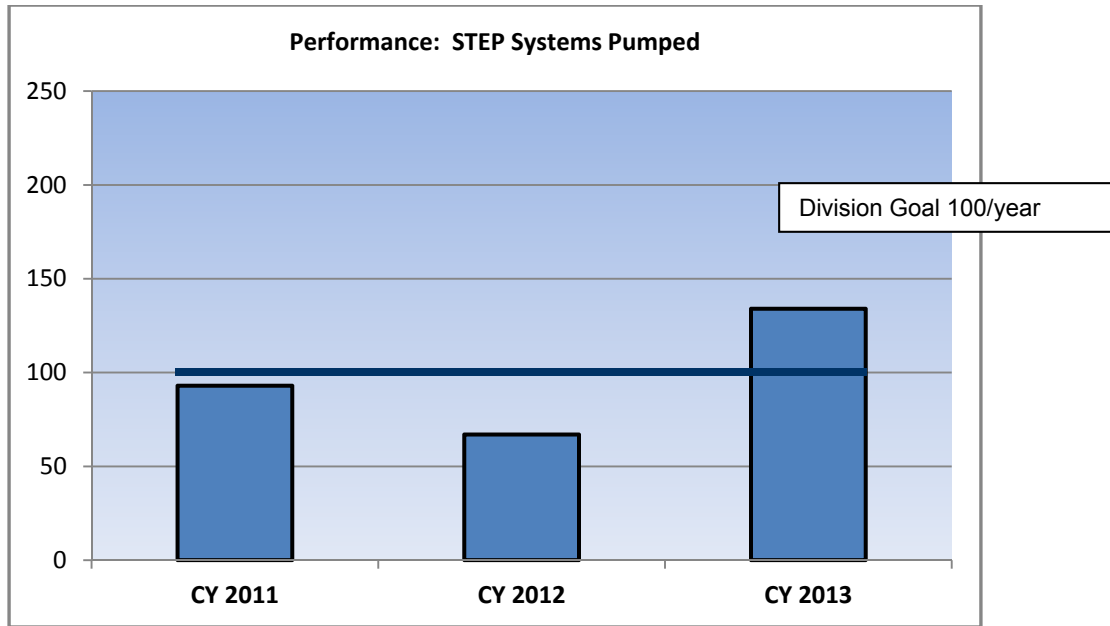
- No changes.

**New Operating Requests Funded:**

- Increase Administration Travel account to keep up with rising costs to attend training events.
- Increase Collections Operating Supplies to keep up with rising costs of materials.







Performance Measures & Workload Indicators

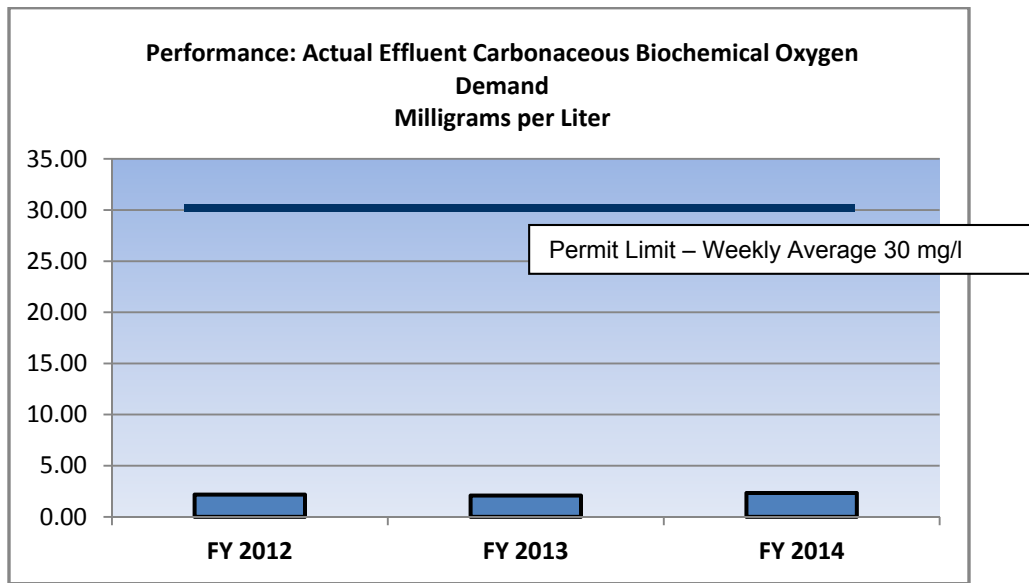
**Performance Measures**

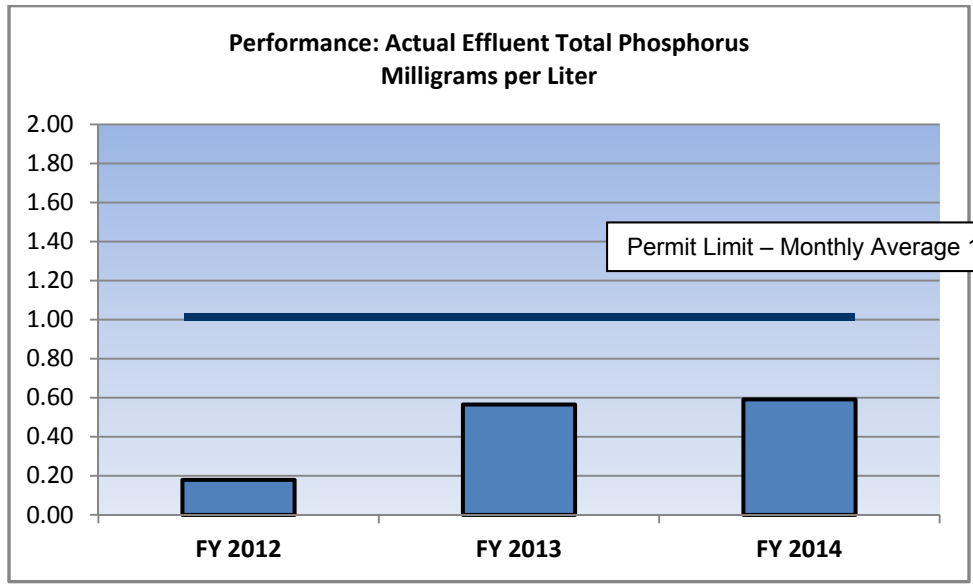
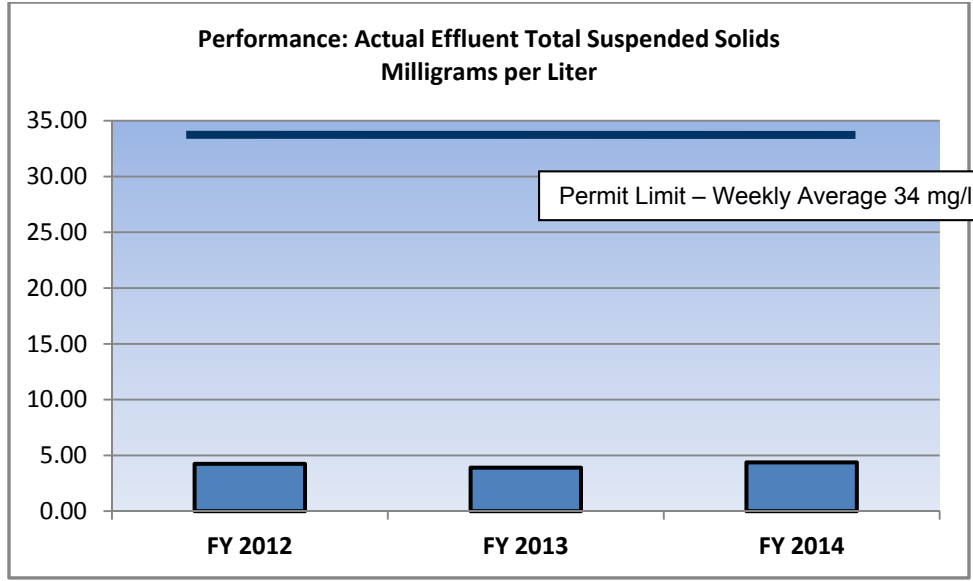
Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Continue scheduled maintenance on the collection system to prevent sanitary sewer over flows, sewer back ups and identify and repair sewer lines prone to ground water infiltration.	100%	100%	100%	100%
2 . Continue to exceed MPDES 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%

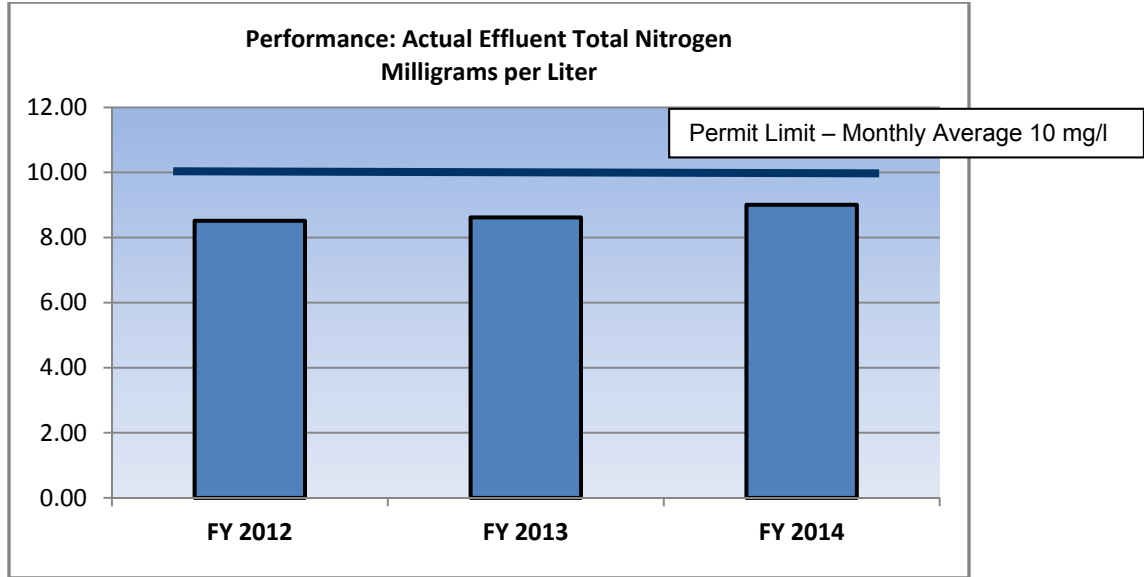
**Workload Indicators**

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Annual sewer main hydro-cleaning/root cutting (feet)	792,000	1,094,430	1,235,023	800,000
2 . Annual sewer main video inspection (feet)	22,010	78,344	38,827	50,000
3 . Annual STEP tanks pumped	93	67	134	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	.18 mg/l	0.5 mg/l	0.59 mg/l	<1 mg/l
6 . Treated plant effluent nitrogen	8.51 mg/l	9.27 mg/l	9.01 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%
9 . Annual Minor Industrial User (MIU) inspections	5%	50%	5%	5%

**Wastewater Treatment Performance Measures**







**Pretreatment/ Laboratory Performance Measures**

Year	Laboratory QA/QC	11 Annual SIU Inspections	Annual MIU Inspections
FY12	Passed all	100%	05%
FY13	Passed all	100%	50%
FY14	Passed all	100%	05%

**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 \$7,200,001 in sewer use fees, delinquencies and interest on investments during Fiscal Year 2015.

**INTER-FUND TRANSFER OUT**

Transfer to Sewer Operating Budget	4,458,965
Transfer to Sewer R&D Fund	940,737
Transfer to Sewer Revenue Bond Series 2001 Bond Debt Service	30,590
Transfer to Sewer Revenue Bond Series 2001 Bond Debt Service	49,240
Transfer to Sewer Revenue Bond Series 1999 Bond Debt Service	124,180
Transfer to Sewer Revenue Bond Series 2002 Bond Debt Service	85,410
Transfer to Sewer Revenue Bond Series 2002 Bond Debt Service	331,350
Transfer to Sewer Revenue Bond Series 2003 Bond Debt Service	250,595
Transfer to Sewer Revenue Bond Series 2003 Bond Debt Service	242,473
Transfer to Sewer Revenue Bond Series 2005 Bond Debt Service	109,389
Transfer to Sewer Revenue Bond Series 2010A Bond Debt Service	31,550
Transfer to Sewer Revenue Bond Series 2010 Bond Debt Service	442,092
Transfer to Sewer Revenue Bond Series 2011 Bond Debt Service	103,430
<b>Total</b>	<b><u><u>\$7,200,001</u></u></b>

**FINANCIAL SUMMARY**

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	7,105,125	7,149,888	7,275,743	7,200,001	50,113	1%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b><u>\$ 7,105,125</u></b>	<b><u>\$ 7,149,888</u></b>	<b><u>\$ 7,275,743</u></b>	<b><u>\$ 7,200,001</u></b>	<b><u>\$ 50,113</u></b>	<b><u>1%</u></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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	20,000	10,017	20,000	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 10,017</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.

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: \$150,000)
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. **Bioreactor Dissolved Oxygen Probes:** Upgrade to the aging existing probes will require less maintenance, more reliable operation and more precise monitoring. This will result in reduced energy use and improved quality. (Account 930: \$50,000)
6. **Capital Lease:** Payment for the Capital Lease for equipment purchases (Account 610: \$83,015) Account 620: \$6,363).
7. **Accela Debt Payment:** Payment for Accela software (Account 610: \$50,213)

**Total Purchased Services: \$360,000**

**Total Principal and Interest: \$139,591**

**Total Capital Outlay: \$50,000**

**Total Expenditures: \$549,591**

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	507,346	701,000	300,724	360,000	(341,000)	-49%
Miscellaneous	151,795	-	50,213	-	-	
Debt Service	12,026	114,831	9,144	139,591	24,760	22%
Capital Outlay	-	10,000	324,665	50,000	40,000	400%
<b>Total</b>	<b>\$ 671,168</b>	<b>\$ 825,831</b>	<b>\$ 684,746</b>	<b>\$ 549,591</b>	<b>\$ (276,240)</b>	<b>-33%</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 2015 are as follows:**

- Hybrid Poplar Tree Effluent Application- \$60,000
- Eko Compost Land Purchase- \$264,347
- Twite Pump Station and Force Main Upsizing- \$58,559
- Hybrid Poplar Tree Expansion, Phase II- \$242,000
- Oversizing Assistance - \$50,000

**TOTAL FUND EXPENDITURES - \$674,906**

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	10,955	5,000	-	65,000	60,000	1200%
Miscellaneous	-	-	227,879	-	-	
Debt Service	27,005	259,347	19,941	259,347	-	0%
Capital Outlay	-	255,000	438,990	350,559	95,559	37%
<b>Total</b>	<b>\$ 37,960</b>	<b>\$ 519,347</b>	<b>\$ 686,810</b>	<b>\$ 674,906</b>	<b>\$ 155,559</b>	<b>30%</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 2015 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)
- **Broadway Interceptor:** The existing sewer line north of Russell St Bridge is planned to be reconstructed. (\$20,000)

**TOTAL FUND EXPENDITURES - \$ 920,000**

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	20,000	20,000	
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	900,000	900,000	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 920,000</b>	<b>\$ 920,000</b>	

\* Un-audited numbers

**Program Description – (5361, 5362, 5365, 5371, 5373, 5375, 5377, 5379, 5381, 5383, 5386, 5387, 5388)**

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. **\$30,590**

**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. **\$49,240**

**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. **\$124,180**

**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. **\$85,410**

**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. **\$331,350**

**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. **\$250,595**

**2004 Sewer Revenue Bond (5377)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the treatment plant. **\$242,473**

**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. **\$109,389**

**2010 Sewer Revenue Bond Series (5383.330)** - To make yearly debt service on the bonds that were issued to finance the upgrade/extension of sewer lines on Lolo Street. **\$31,550**

**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. **\$696,949**

**2011 Sewer Revenue Bond Series A (5387)** - To make yearly debt service on the bonds that were issued to finance various sewer system improvements. **\$103,430**

**Total Expenditures: \$2,055,156**

**FINANCIAL SUMMARY**

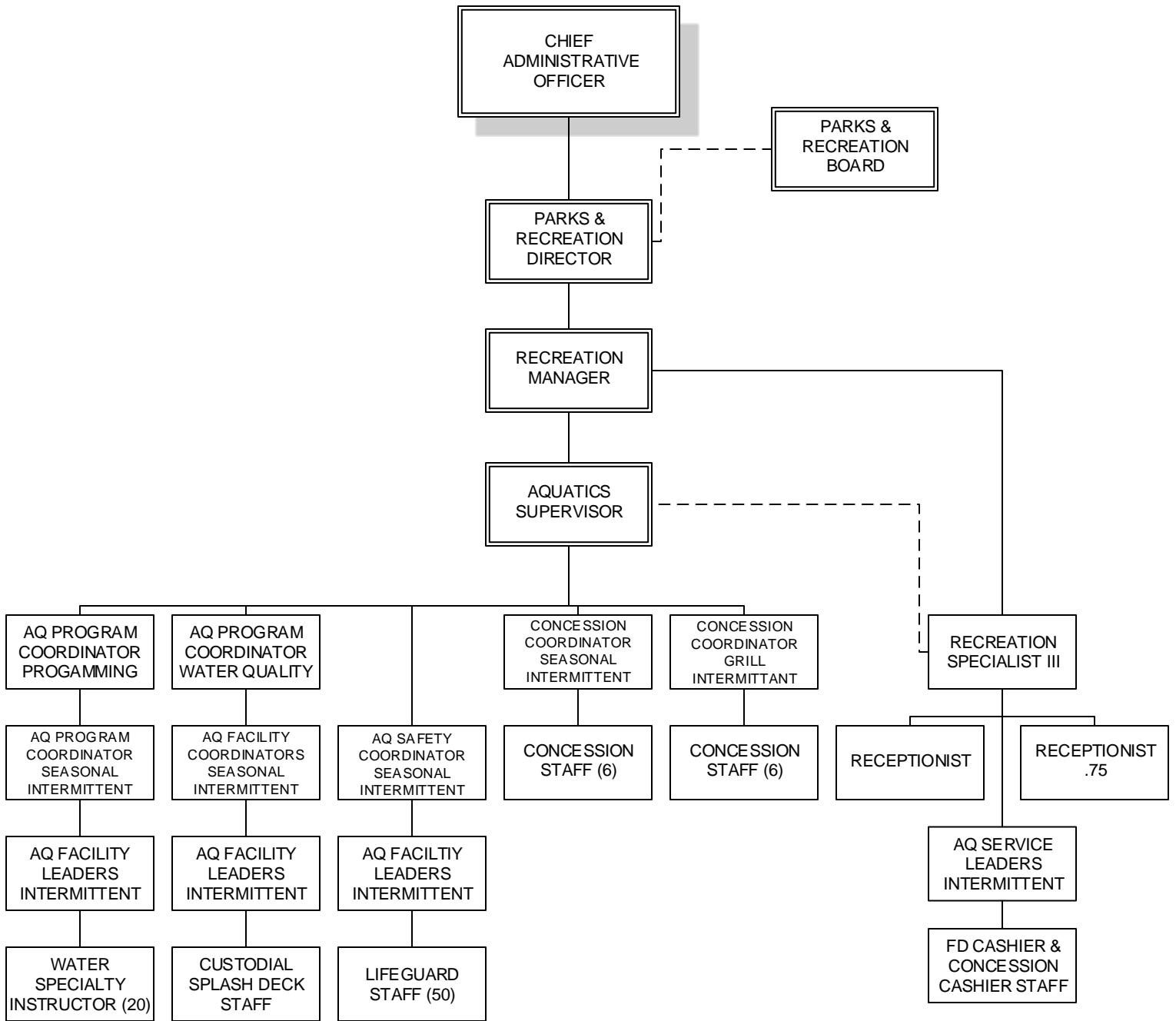
Sewer Debt Service: Funds 5361 - 5388

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	155,391	-	-	-	-	
Debt Service	960,042	2,039,102	855,288	2,055,156	16,054	1%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,115,433</b>	<b>\$ 2,039,102</b>	<b>\$ 855,288</b>	<b>\$ 2,055,156</b>	<b>\$ 16,054</b>	<b>1%</b>

\* Un-audited numbers



# Aquatics Program



## Program Description

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

---

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

#### Goal #1: 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 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 reflect values of sustainability in transportation and building design.
  - We will install tile at the Splash Montana Family and Men's Locker rooms
- 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 the use of CO2 instead of acid at the two water 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.
-

## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 641,590	\$ 673,414	\$ 647,607	\$ 662,345	\$ (11,069)	-2%
Supplies	188,641	238,500	203,866	238,500	-	0%
Purchased Services	245,375	342,112	281,510	342,110	(2)	0%
Miscellaneous	479,890	14,381	15,050	14,381	-	0%
Debt Service	-	12,377	-	12,377	-	0%
Capital Outlay	-	197,500	127,187	135,000	(62,500)	-32%
<b>Total</b>	<b>\$ 1,555,495</b>	<b>\$ 1,478,284</b>	<b>\$ 1,275,221</b>	<b>\$ 1,404,713</b>	<b>\$ (73,571)</b>	<b>-5%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
AQUATICS STAFF				
AQUATICS SUPERVISOR	1.00	1.00	1.00	1.00
AQUATICS SUPPORT SPECIALIST	1.00	1.00	1.00	1.00
ASSISTANT AQUATICS SPECIALIST	1.00	1.00	1.00	1.00
LEVEL 1 INTERMITTENT RECREATION	3.30	2.30	2.30	2.30
LEVEL 2 INTERMITTENT RECREATION	14.90	12.90	12.90	12.90
LEVEL 3 INTERMITTENT RECREATION	3.56	3.06	3.06	3.06
LEVEL 4 INTERMITTENT RECREATION	2.25	1.75	1.75	1.75
LEVEL 5 INTERMITTENT RECREATION	0.95	0.95	0.95	0.95
LEVEL 5 INTERMITTENT SPECIALTY INSTRUCTOR	0.49	0.49	0.49	0.49
PART TIME CASHIER	1.61	1.61	1.61	1.61
PART TIME CUSTODIAN	0.75	0.75	0.75	0.75
<b>Total</b>	<b>30.81</b>	<b>26.81</b>	<b>26.81</b>	<b>26.81</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). In 2013 we will add an additional competitive swim meet at the Lake.

### **Accomplishments include:**

- ❖ Purchased and installed additional cameras and upgraded the DVR security system at Splash Montana
- ❖ Established a Swim School program at Splash Montana and Currents Water Park that provides specific instructional training and is more responsive to patrons' differing schedules.
- ❖ Completed the tile repair and replacement process at Splash Montana Lazy River. We went from replacing an average of 400 tiles annually to only 20 or 30 tiles this fall.
- ❖ We restructured the Aquatics Management Team to create a clearer definition of job duty and responsibility and created three summer only positions that enable key staff to maintain 40 hour work weeks for most of the season and limited comp hours earned/vacation hours unused.
- ❖ We restructured the lifeguard rotation at Splash Montana; decreasing staffing costs and increasing Lifeguard supervisory roles.
- ❖ Opened the 50m pool two weeks early to accommodate the Missoula Aquatic Club's request and did so without using additional funding from the Aquatics budget
- ❖ Installed and fine-tuned a CO2 pH control system at Currents to enhance pool water quality and decrease the risks posed by utilizing Hydrochloric Acid for pH control.
- ❖ Installed a pool-side climbing wall at Currents.

---

## Goals for 2015

- ❖ Work with UM Culinary program to create internship programs for senior Chefs to run Crazy Creek and the Lakeside Grill. Interns to help create a menu for the Café and Mobile kitchen that has "signature" food items.
- ❖ Complete the tile installation at Splash Montana men's and family locker rooms.
- ❖ Purchase and install coin operated lockers to work alongside the existing lockers to increase revenue and the ability of patrons to secure their valuables, decreasing theft.
- ❖ Create a new annual fitness event at Splash Montana: the Aquathlon.
- ❖ Increase the use of Social Media to advertise our programming and facilities.

## Aquatics Performance Measures &amp; Workload Indicators

## Performance Measures

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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
3 . Reduction in energy consumption using JCI measures.	\$ 91,966	\$ 82,866	\$ 80,000	\$ 80,000
4 . NW Energy projections gas/electric savings per incentive program at Currents implemented FY2012. <b>NOTES:</b> NW energy projects up to 30% savings for FY2012. Conservative projection at 10% <b>NOTE:</b> Prior year savings due to various energy initiatives. NW Energy incentive implemented by Nov 2011	\$ 97,000	\$ 89,263	\$ 94,029	\$ 94,000

## Workload Indicators

Indicator	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . Number of daily admissions at Currents	45,806	45,911	43,982	45,000
2 . Number of daily admissions at Splash	69,731	63,800	50,904	59,000
3 . Number attending swim lessons at Currents	11,105	9,629	9,400	9,400
4 . Number attending swim lessons at Splash	4,364	3,241	2,847	3,500
5 . Total Attendance	203,127	192,526	173,674	185,000
6 . Splash concessions revenue.	\$ 192,346	\$ 180,308	\$ 187,000	\$ 200,000

## 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. The monthly employee and dependent charge is proposed to be increased by an equivalent of \$30 per employee per month for FY2012. Substantial changes were implemented in FY2001, 2002, 2003 and 2004 and proposed in FY2012 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 and for FY2012 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 in FY2011, 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, 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. Additional contributions of \$250,000 were made to the plan in FY2013 and FY2014 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 FY2015 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. In addition, the Administration contributed \$100,000 toward rebuilding the health plan's fund balance, as the City is committed to maintaining a 3 month reserve in the health plan and this \$100,000 is the second of three one-time cash injections proposed to increase the fund balance to a 3 month. The decline in fund balance was reversed in FY2012 and FY2013, with the final fund balance for FY2014 ending as a positive \$1,300,000. The city has also been focused on identifying ways to cut costs within the health plan utilizing the assistance of Allegiance, the plans third party administrator.



## FINANCIAL SUMMARY

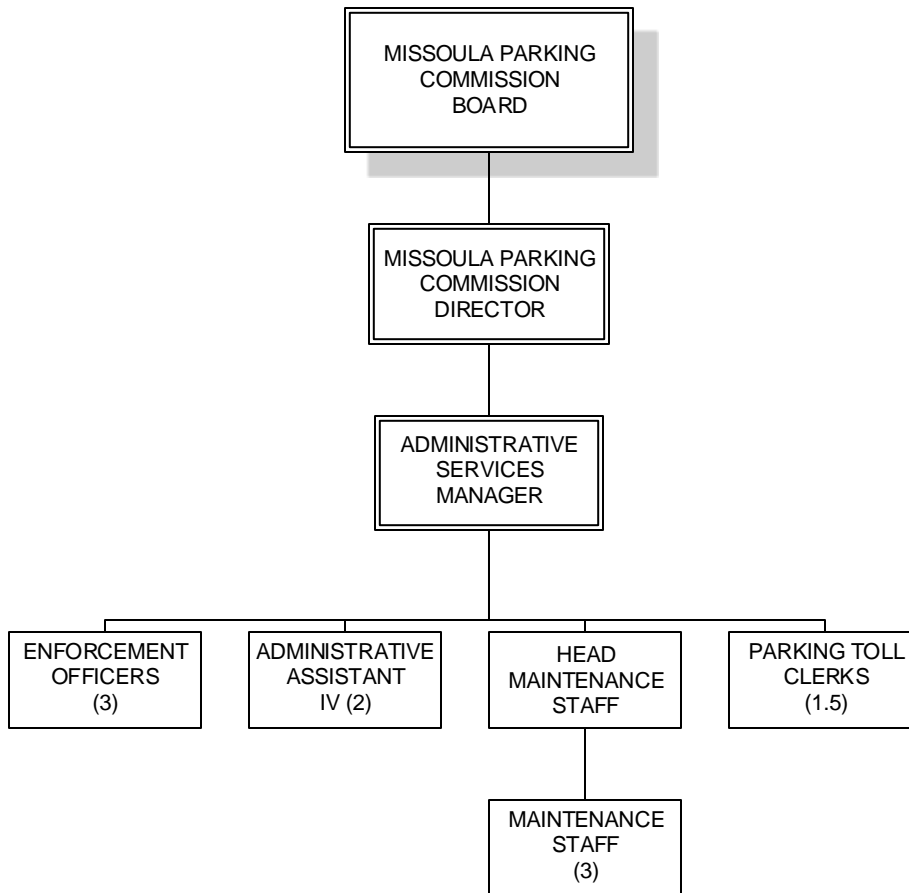
Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	3,809,552	5,821,840	4,987,548	5,805,230	(16,610)	0%
Miscellaneous	-	-	2,432	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 3,809,552</b>	<b>\$ 5,821,840</b>	<b>\$ 4,989,980</b>	<b>\$ 5,805,230</b>	<b>\$ (16,610)</b>	<b>0%</b>

\* Un-audited numbers



# Missoula Parking Commission

---



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 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 592,248	\$ 624,677	\$ 611,210	\$ 623,619	\$ (1,058)	0%
Supplies	31,935	46,400	25,489	46,400	-	0%
Purchased Services	386,378	374,365	355,286	379,424	5,059	1%
Miscellaneous	471,590	1,085,550	454,035	475,414	(610,136)	-56%
Debt Service	-	-	110,680	-	-	
Capital Outlay	9,875	270,128	139,821	1,000,000	729,872	270%
<b>Total</b>	<b>\$ 1,492,026</b>	<b>\$ 2,401,120</b>	<b>\$ 1,696,521</b>	<b>\$ 2,524,857</b>	<b>\$ 123,737</b>	<b>5%</b>

\* Un-audited numbers

Parking Interest Fund (7371):

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual^ FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	35,051	531,188	231,888	269,059	(262,129)	-49%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 35,051</b>	<b>\$ 531,188</b>	<b>\$ 231,888</b>	<b>\$ 269,059</b>	<b>\$ (262,129)</b>	<b>-49%</b>

\* Un-audited numbers

Parking Sinking Fund (7372):

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual^ FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	70,000	75,000	89,650	40,000	(35,000)	-47%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 70,000</b>	<b>\$ 75,000</b>	<b>\$ 89,650</b>	<b>\$ 40,000</b>	<b>\$ (35,000)</b>	<b>-47%</b>

\* Un-audited numbers

Parking Revenue Bonds (7373):

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual^ FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	49,948	-	-	-	-	
Debt Service	(58,718)	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ (8,770)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

\* Un-audited numbers

Parking Pledged Tax Increment (7375):

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual^ FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	121,431	121,731	121,431	-	0%
Miscellaneous	-	146,731	300	146,731	-	0%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ -</b>	<b>\$ 268,162</b>	<b>\$ 122,032</b>	<b>\$ 268,162</b>	<b>\$ -</b>	<b>0%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
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>

## 2015 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 FY14

**1. To provide parking:**

- A. 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 in general during the weekday and for special events during the weekends.
- 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.

**2. To manage parking:**

- A. 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, 2014. Once this is completed, it will complete the current parking program and bring it up to the standards of the industry.
- 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:**

- A. 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:
- Missoula In Motion.

- Missoula Ravalli Transportation Management Association
- Mountain Line
- EZPass Program
- The Bicycle/Pedestrian Program
- The Missoula Downtown Association Out to Lunch shuttle.
- The First Night Missoula shuttle.

Performance Measures & Workload Indicators

**Performance Measures**

Measure	Actual FY 2012	Actual FY 2013	Actual FY 2014	Adopted FY 2015
1 . To perform a condition evaluation of all the parking facilities and make repairs w here necessary.	0%	0%	25%	50%
2 . To reach 100% occupancy in all of our monthly lease facilities.	80%	80%	89%	90%
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**

<b>Indicator</b>	<b>Actual FY 2012</b>	<b>Actual FY 2013</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>
1 . Number of tickets issued	30,316	36,773	9,272	36,000
2 . Revenue from tickets	\$ 228,240	\$ 209,826	\$ 53,887	\$ 215,000
3 . Number of special permits issued	297	332	378	300
4 . Revenue from special permits	\$ 16,606	\$ 18,718	\$ 13,920	\$ 18,000
5 . Number of RPPP permits	899	699	710	700
6 . Revenue from RPPP permits	\$ 13,245	\$ 10,695	\$ 11,135	\$ 10,500
7 . Number of RPPP tickets	2,097	1,921	794	1,900
8 . Revenue from RPPP tickets	\$ 27,060	\$ 33,600	\$ 15,880	\$ 30,000
9 . Meter revenue	\$ 462,909	\$ 472,124	\$ 121,215	\$ 484,860
10 . Lease parking revenue	\$ 642,929	\$ 690,911	\$ 176,763	\$ 705,000



## 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.

---

## 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 2014. 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 FY2014 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**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2013</b>	<b>Amended FY 2014</b>	<b>Actual FY 2014</b>	<b>Adopted FY 2015</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	315,000	370,211	345,000	416,004	45,793	12%
Miscellaneous	-	17,000	155	5,000	(12,000)	-71%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 315,000</b>	<b>\$ 387,211</b>	<b>\$ 345,155</b>	<b>\$ 421,004</b>	<b>\$ 33,793</b>	<b>9%</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 targeted 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

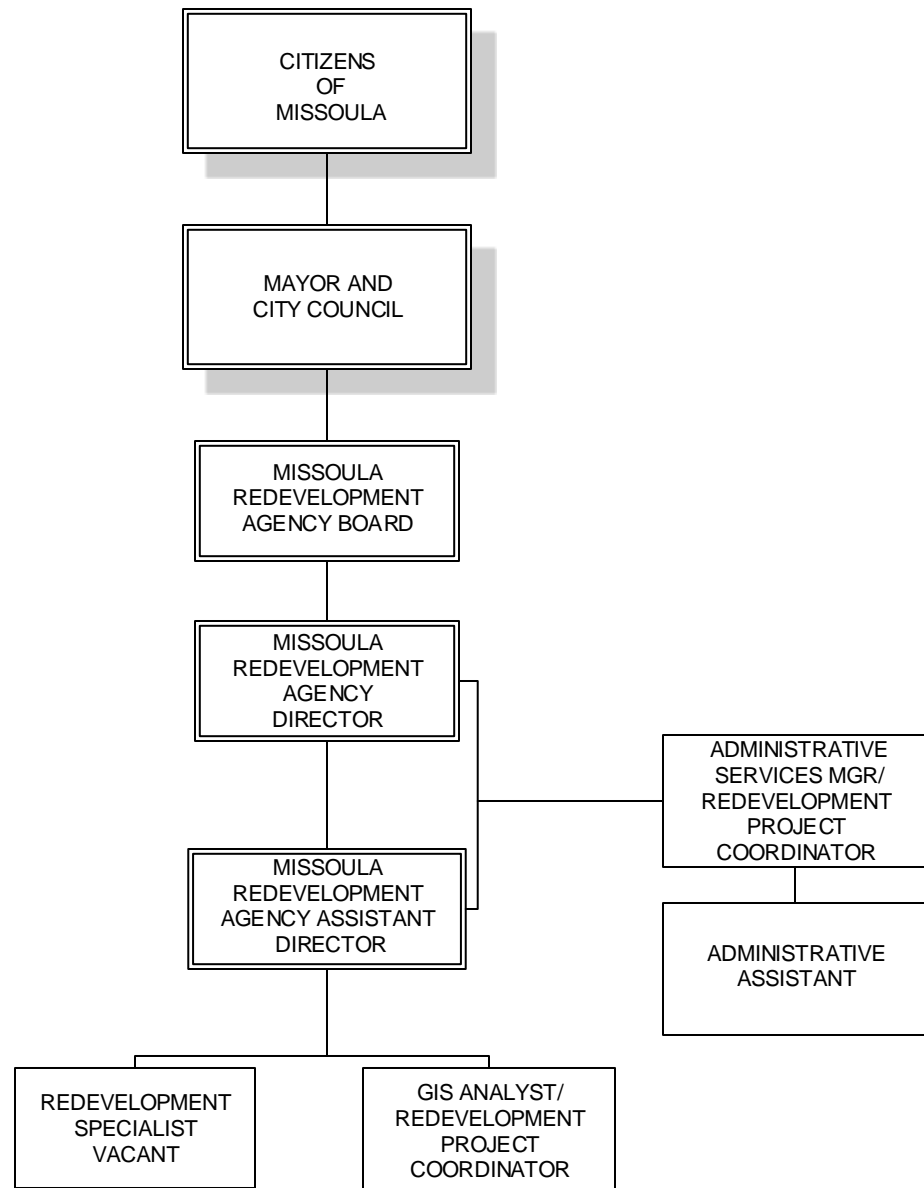
FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	326,740	647,278	469,937	620,494	(26,784)	-4%
Miscellaneous	-	-	23	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 326,740</b>	<b>\$ 647,278</b>	<b>\$ 469,960</b>	<b>\$ 620,494</b>	<b>\$ (26,784)</b>	<b>-4%</b>

\* Un-audited numbers



# Missoula Redevelopment Agency



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

## Program Description

The Missoula Redevelopment Agency (MRA) was created by the City Council to encourage new development and redevelopment pursuant to the adopted Urban Renewal Plans. Preserving existing public investment, enhancing the tax base, generating employment, and stimulating private investment are the means MRA uses to reclaim urban renewal areas. The MRA encourages infill development, provides for the adaptive reuse of the built environment, and reclaims blighted properties. MRA is empowered by State law and local ordinance to respond aggressively and with flexibility to redevelopment problems and opportunities. Through these activities, MRA also provides alternatives to urban sprawl outside existing municipal service boundaries.

---

### 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. 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 \$5 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.
    - Provide funding for trail lighting on the Milwaukee Trail in FY14 or 15, 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 currently studying the feasibility of constructing 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.
-

MRA District II (7392)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	1,049,571	470,515	317,195	169,272	(301,243)	-64%
Miscellaneous	1,705,057	2,621,335	1,356,589	959,976	(1,661,359)	-63%
Debt Service	-	-	-	-	-	
Capital Outlay	2,587,225	4,826,157	1,939,172	680,000	(4,146,157)	-86%
<b>Total</b>	<b>\$ 5,341,853</b>	<b>\$ 7,918,007</b>	<b>\$ 3,612,956</b>	<b>\$ 1,809,248</b>	<b>\$ (6,108,759)</b>	<b>-77%</b>

\* Un-audited numbers

MRA District III (7393)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ 384,226	\$ 454,627	\$ 388,031	\$ 447,970	\$ (6,657)	-1%
Supplies	4,822	7,518	3,320	9,126	1,608	21%
Purchased Services	129,835	328,504	232,915	522,962	194,458	59%
Miscellaneous	121,473	3,027,114	756,352	2,982,756	(44,358)	-1%
Debt Service	-	-	-	-	-	
Capital Outlay	53,203	1,028,013	2,483	2,145,956	1,117,943	109%
<b>Total</b>	<b>\$ 693,559</b>	<b>\$ 4,845,776</b>	<b>\$ 1,383,100</b>	<b>\$ 6,108,770</b>	<b>\$ 1,262,994</b>	<b>26%</b>

\* Un-audited numbers

MRA Clearing (7390)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	1,760,437	1,671,616	1,375,132	1,872,885	201,269	12%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,760,437</b>	<b>\$ 1,671,616</b>	<b>\$ 1,375,132</b>	<b>\$ 1,872,885</b>	<b>\$ 201,269</b>	<b>12%</b>

\* Un-audited numbers

MRA Debt (7389)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	1,145.01	-	-	
Debt Service	250,406	1,176,576	1,176,176	1,171,916	(4,660)	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 250,406</b>	<b>\$ 1,176,576</b>	<b>\$ 1,177,321</b>	<b>\$ 1,171,916</b>	<b>\$ (4,660)</b>	<b>0%</b>

\* Un-audited numbers

MRA Riverfront Triangle URD (7383)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	245	-	1,538	-	-	
Miscellaneous	-	21,932	6,697	26,862	4,930	22%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 245</b>	<b>\$ 21,932</b>	<b>\$ 8,234</b>	<b>\$ 26,862</b>	<b>\$ 4,930</b>	<b>22%</b>

\* Un-audited numbers

MRA Front St Clearing (7400)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	545,783	458,974	370,723	453,262	(5,712)	-1%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 545,783</b>	<b>\$ 458,974</b>	<b>\$ 370,723</b>	<b>\$ 453,262</b>	<b>\$ (5,712)</b>	<b>-1%</b>

\* Un-audited numbers



MRA Front St Parking Structure (7401)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	62	-	-	
Debt Service	145,202	146,732	146,732	146,134	(598)	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 145,202</b>	<b>\$ 146,732</b>	<b>\$ 146,794</b>	<b>\$ 146,134</b>	<b>\$ (598)</b>	<b>0%</b>

\* Un-audited numbers

MRA Front St Lien (7402)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	51,943	-	159	-	-	
Debt Service	181,433	181,371	181,372	166,557	(14,814)	-8%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 233,376</b>	<b>\$ 181,371</b>	<b>\$ 181,531</b>	<b>\$ 166,557</b>	<b>\$ (14,814)</b>	<b>-8%</b>

\* Un-audited numbers

MRA Front Street URD (7385)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	2,684	49,057	2,168	(516)	-19%
Miscellaneous	25,506	400,563	98,202	528,084	127,521	32%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 25,506</b>	<b>\$ 403,247</b>	<b>\$ 147,258</b>	<b>\$ 530,252</b>	<b>\$ 127,005</b>	<b>31%</b>

\* Un-audited numbers

MRA Revolving Loan Fund – Millsite – Brownsfield (7387)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	42,342	42,214	31,949	31,941	(10,273)	-24%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 42,342</b>	<b>\$ 42,214</b>	<b>\$ 31,949</b>	<b>\$ 31,941</b>	<b>\$ (10,273)</b>	<b>-24%</b>

\* Un-audited numbers

MRA Safeway - St. Pats (7386)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	
Debt Service	160,929	155,719	155,179	155,875	156	0%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 160,929</b>	<b>\$ 155,719</b>	<b>\$ 155,179</b>	<b>\$ 155,875</b>	<b>\$ 156</b>	<b>0%</b>

\* Un-audited numbers

MRA Intermountain Debt Service (7399)

FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2013	Amended FY 2014	Actual FY 2014	Adopted FY 2015	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	-	44	-	-	
Debt Service	1,200	-	80,941	145,769	145,769	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 1,200</b>	<b>\$ -</b>	<b>\$ 80,985</b>	<b>\$ 145,769</b>	<b>\$ 145,769</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 = \$ 539,698**

- B. 2013 GO Refunding Bond** – These bonds were refinanced in 2013 to provide funds for refunding on July 1, 2013 the City's outstanding General Obligation Bonds, Series 2006 and Series 2007. 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%.

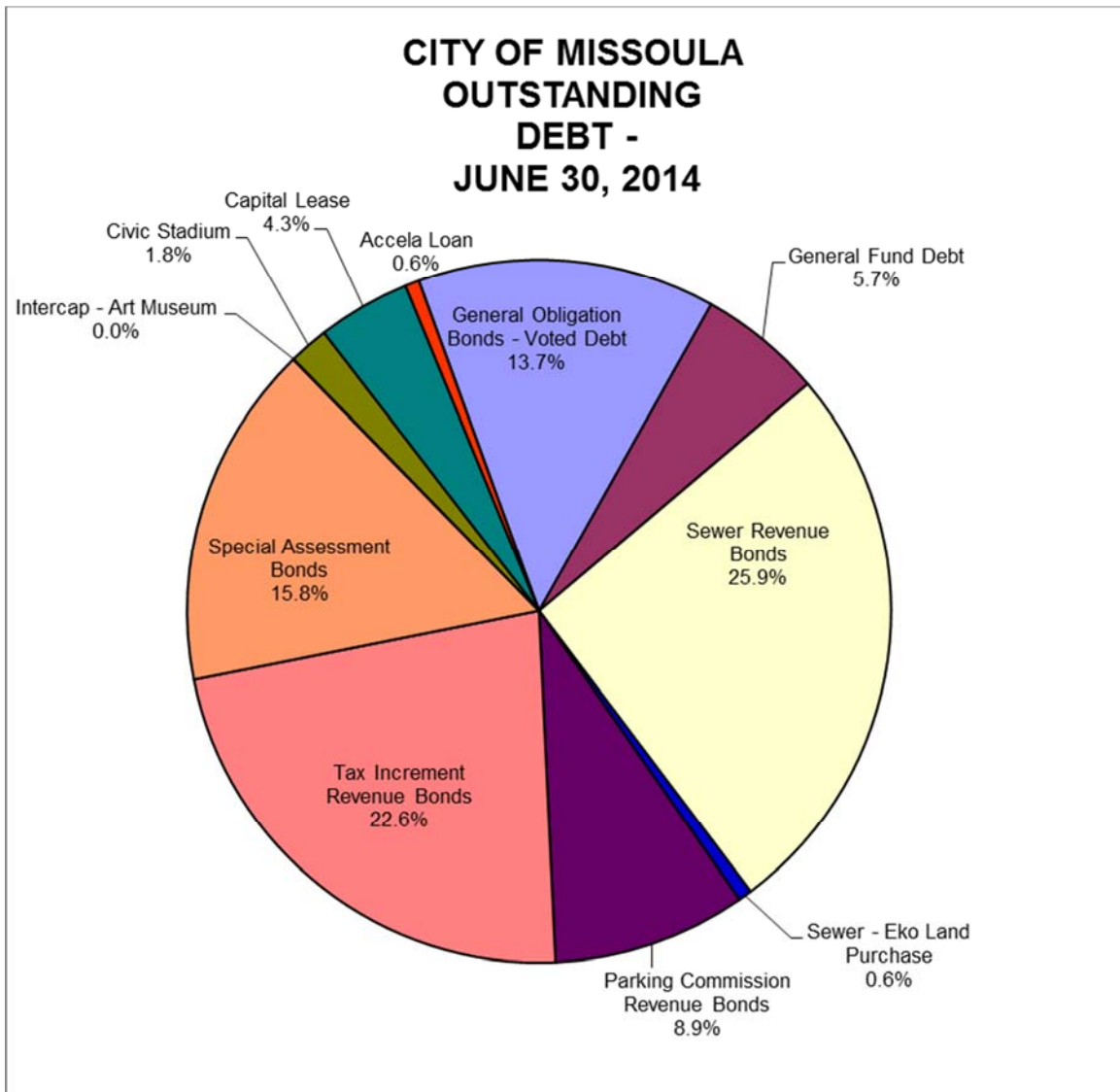
**TOTAL FUND DEBT SERVICE EXPENDITURES = \$ 691,800**

- 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 refinanced in 2013. These bonds will mature in 2016.

**TOTAL FUND DEBT SERVICE EXPENDITURES = \$ 283,200**

### 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, 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 \$88,011,882 of long term debt outstanding of which \$77,914,798 was bonded debt. Of this amount, \$11,020,000 comprises debt backed by the full faith and credit of the government and \$12,738,346 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	
	2013	2014	2013	2014	2013	2014
General Obligation Bonds	\$ 11,465,000	\$ 11,020,000	\$ -	\$ -	\$ 11,465,000	\$ 11,020,000
Limited Obligation Bonds	4,935,000	4,575,000	-	-	4,935,000	4,575,000
Revenue Bonds	-	-	51,088,958	49,581,452	51,088,958	49,581,452
Sewer - Eko Compost Land	-	-	737,427	497,521	737,427	497,521
Spec. Assessment Bonds	14,189,516	12,738,346	-	-	14,189,516	12,738,346
State BOI & Accela Loans	659,267	534,747	-	-	659,267	534,747
Compensated Absences	4,169,226	3,724,543	313,432	289,460	4,482,658	4,014,003
Post Employment Benefits	1,196,277	1,614,558	125,829	169,753	1,322,106	1,784,311
Capital Lease	2,215,466	3,034,206	337,080	232,295	2,552,546	3,266,501
Total Outstanding Debt	\$ 38,829,752	\$ 37,241,400	\$ 52,602,726	\$ 50,770,481	\$ 91,432,478	\$ 88,011,882

The City of Missoula's total debt was decreased by \$3,420,596 (3.7 percent) during the 2014 fiscal year, because more debt was paid off than new debt issued. The new debt issued included \$2,067,220 of new capital equipment leases along with a \$69,820 Brownfield loan. A total of \$13,020,000 in old debt was refunded to take advantage of lower interest rates in the future. The refunded debt included \$5,860,000 of voted general obligation debt and \$7,160,000 of parking revenue debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 2.5 percent of its total assessed valuation. The current debt limitation for the City of Missoula is \$110,150,425, 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 10.0% of its legal, voted general obligation bond limit. In addition, the City was utilizing 55% of its legal debt limit for non-voted General Fund (limited obligation) debt.

**Proposed Debt in the Next Five Years**

Listed below is a brief description of the city's proposed debt issuances over the course of the next five year period. Following the narrative's description, is a graphic depiction of the relative effects of these proposed debt issuances in relation to the city's current debt and its remaining debt capacity.

- A. \$1,000,000 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.
- B. \$500,000 - \$1,000,000 per year of short term capital leases to replace aging equipment and dated software.
- C. \$900,000 of General Fund Debt to provide covered parking for the city's street maintenance fleet and heavy equipment.
- D. \$6,000,000 of planned redevelopment agency projects providing infrastructure in blighted areas of the city.

**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 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.

# DEBT MANAGEMENT

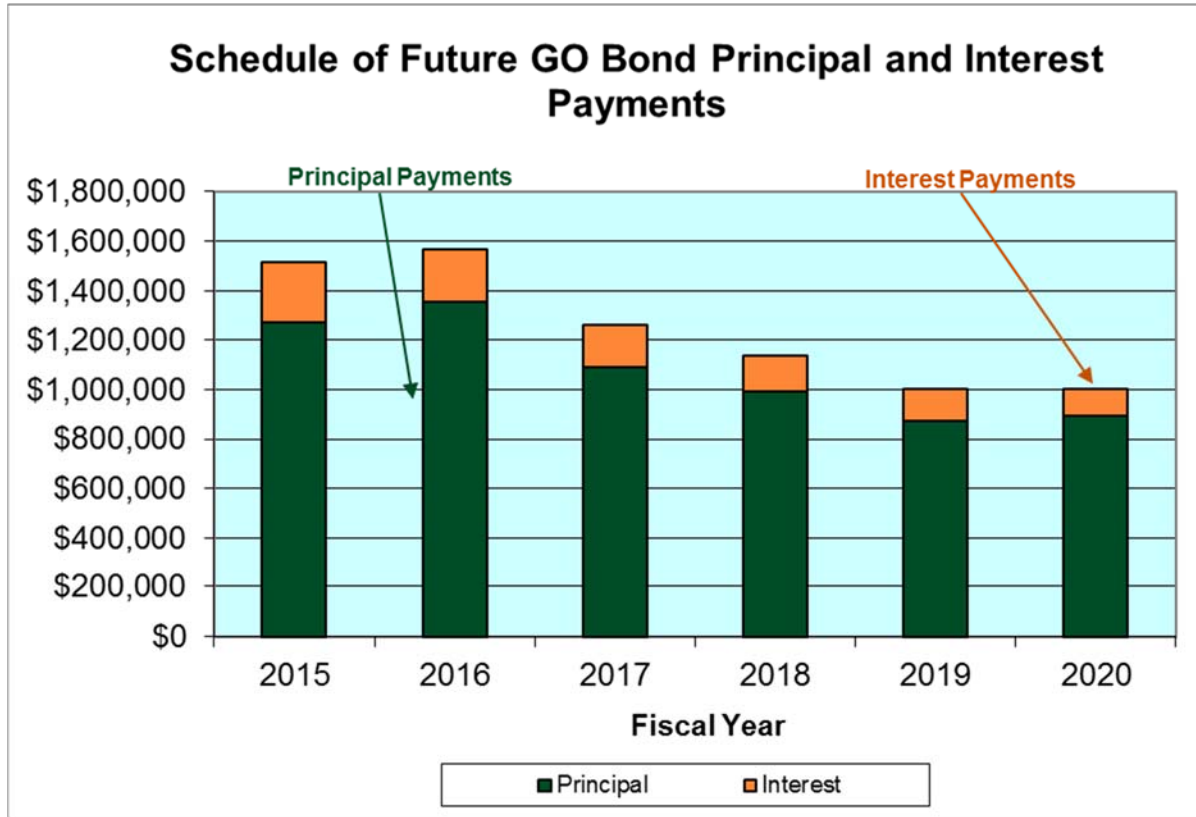
## VOTED GENERAL OBLIGATION BOND

Maximum Allowable Debt - City of Missoula, Montana

Assessed Valuation: FY 15 Certified Market Value	4,406,017,003	
Factor Allowed for Indebtedness	2.50%	
<b>Total Indebtedness Allowed</b>		<b>\$ 110,150,425</b>
<u>Less Current Indebtedness:</u>		
2006 Fire Station Bonds	530,000	
2012A Aquatics Refunding	5,240,000	
2013A Refunding Bonds	5,250,000	
Intercap Equipment Loans	17,932	
	-	
	-	
<b>Total Current Indebtedness</b>		<b>\$ 11,037,932</b>
<b>Maximum Indebtedness Available (7-1-2013)</b>		<b>\$ 99,112,493</b>
<u>Proposed Debt FY 15:</u>		
	-	
	-	
	-	
	-	
	-	
	-	
<b>Total Proposed Debt</b>		<b>\$ -</b>
<b>Net Amount of Debt Available</b>		<b>\$ 99,112,493</b>

**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.

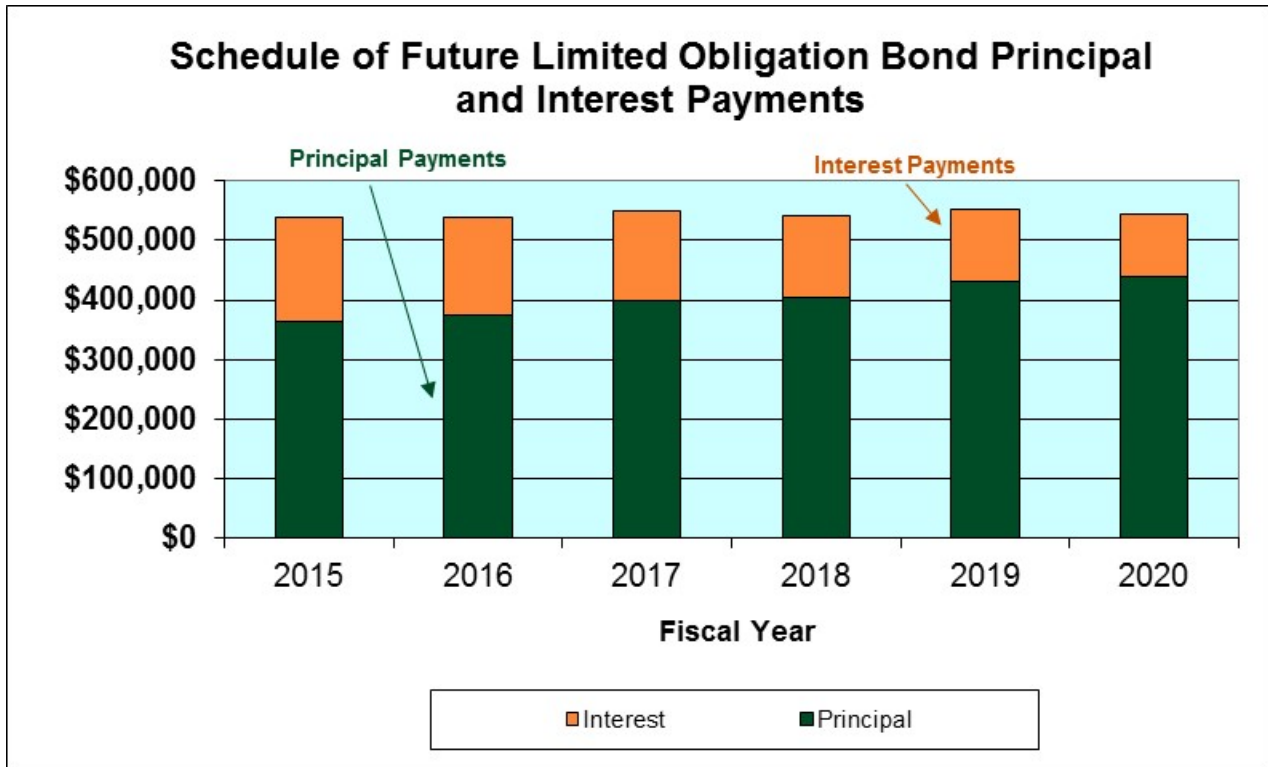


**General Obligation Debt**

Year	2015	2016	2017	2018	2019	2020
Principal	\$ 1,270,000	\$ 1,355,000	\$ 1,090,000	\$ 990,000	\$ 875,000	\$ 895,000
Interest	244,698	210,524	173,555	148,628	126,027	107,391
<b>Total</b>	<b>\$ 1,514,698</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 \$210,000 per year (1.9 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 1% reduction in property tax requirements starting in FY 2017 due to a reduced GO bond debt service levy in that year.

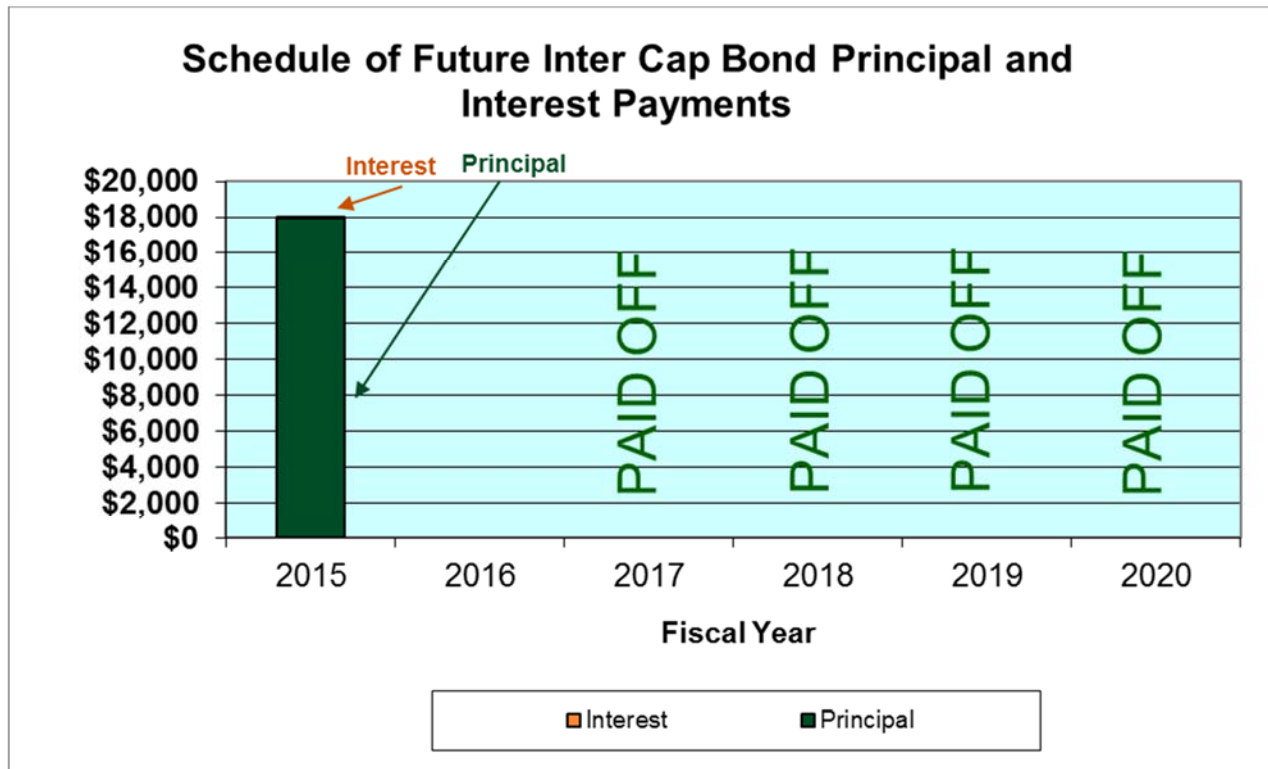


#### Limited Obligation Debt

Year	2015	2016	2017	2018	2019	2020
<b>Principal</b>	\$ 365,000	\$ 375,000	\$ 400,000	\$ 405,000	\$ 430,000	\$ 440,000
<b>Interest</b>	174,283	162,769	150,218	136,173	121,355	105,320
<b>Total</b>	\$ 539,283	\$ 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.

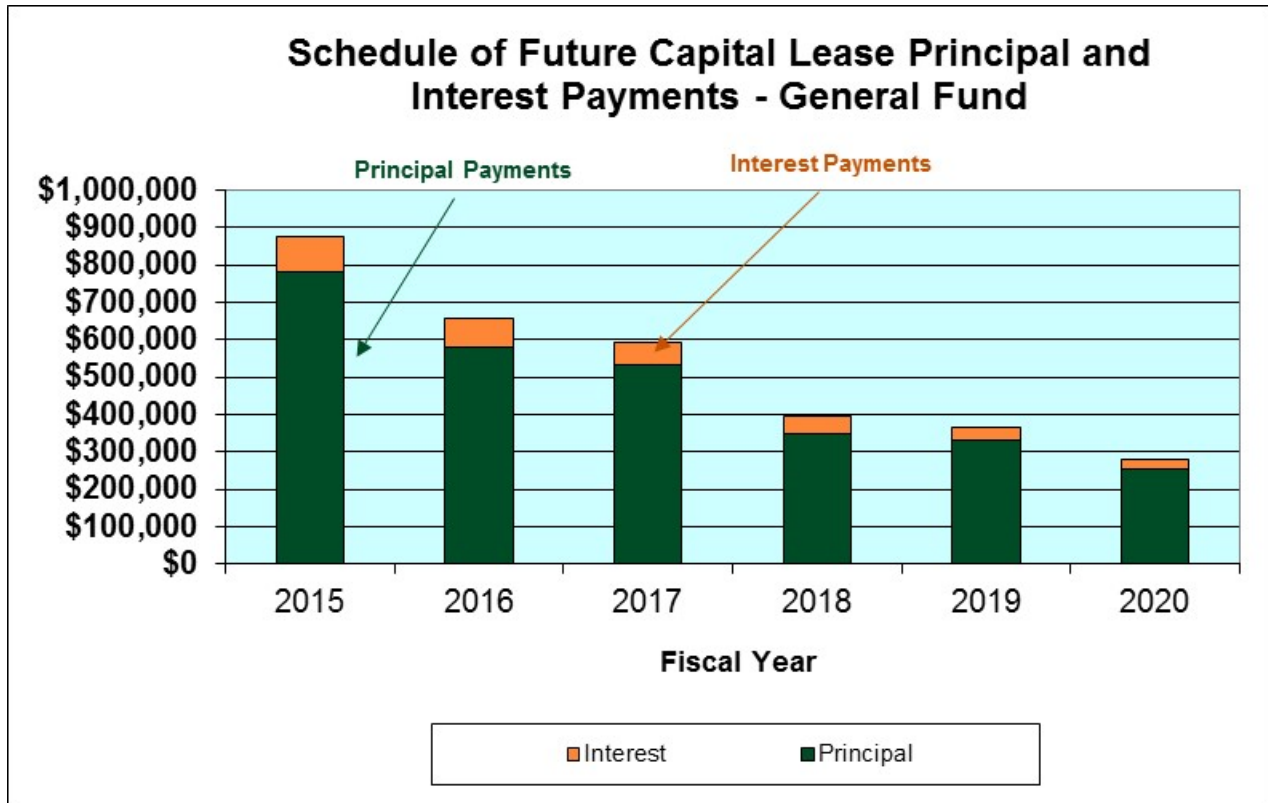




### Inter Cap Debt

Year	2015	2016	2017	2018	2019	2020
<b>Principal</b>	\$ 17,932	Paid Off	Paid Off	Paid Off	Paid Off	Paid Off
<b>Interest</b>	89	Paid Off	Paid Off	Paid Off	Paid Off	Paid Off
<b>Total</b>	\$ 18,021	Paid Off	Paid Off	Paid Off	Paid Off	Paid Off

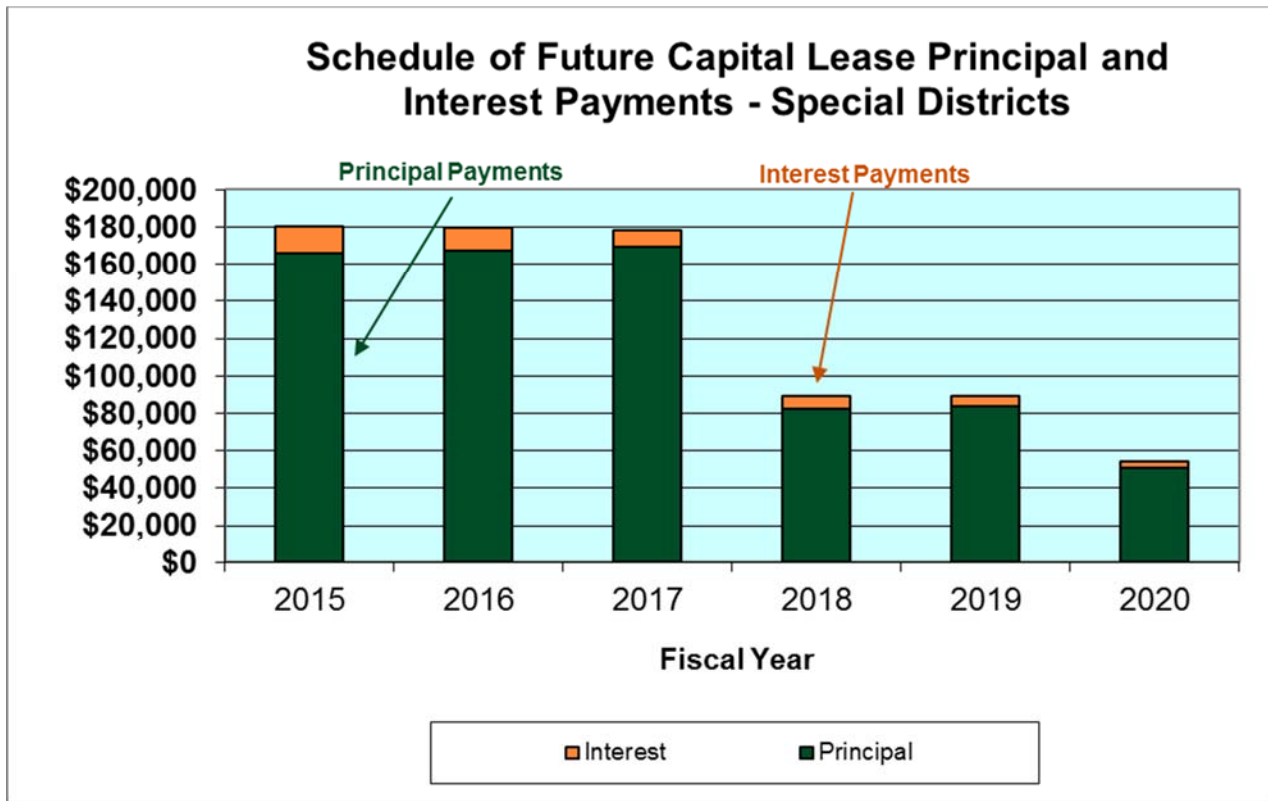
The General Fund has one year left of modest debt service payments for assistance provided in the building of the renovation of the City Art Museum financed through the State of Montana's Inter-cap lending program.



#### Capital Lease - General Fund

Year	2015	2016	2017	2018	2019	2020
<b>Principal</b>	\$ 781,770	\$ 579,109	\$ 532,553	\$ 346,608	\$ 331,358	\$ 254,941
<b>Interest</b>	77,365	60,121	47,320	35,235	24,146	13,071
<b>Total</b>	\$ 859,135	\$ 639,230	\$ 579,873	\$ 381,843	\$ 355,504	\$ 268,012

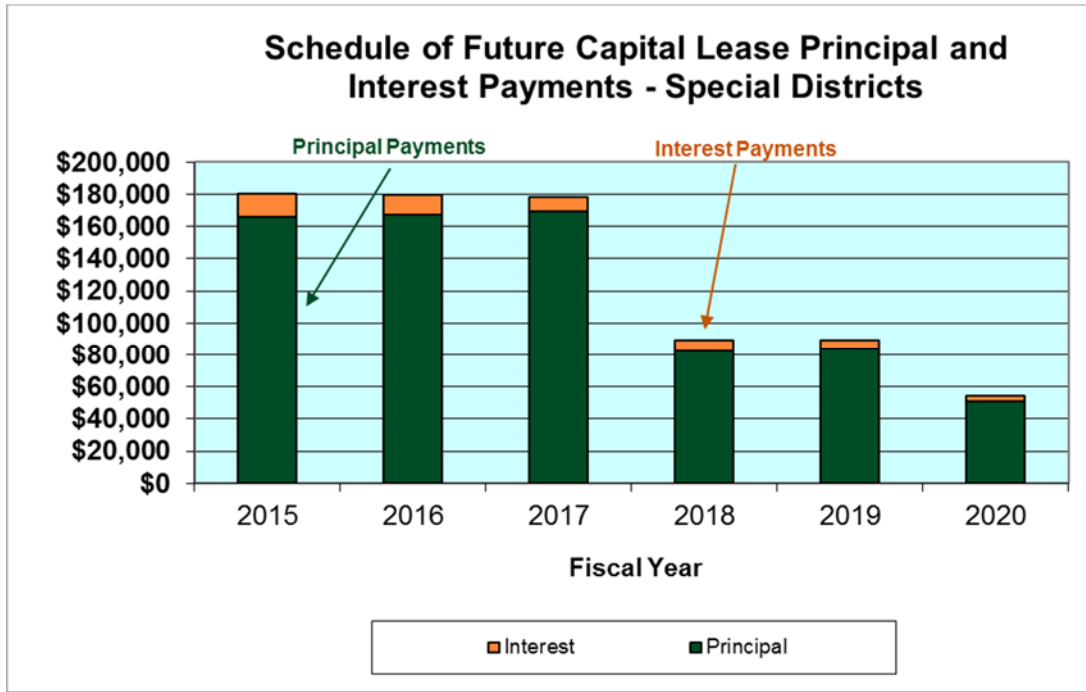
The graph and table above illustrate the declining impact of future capital lease payment on the General Fund after FY 2015.



#### Capital Lease - Special Districts

Year	2015	2016	2017	2018	2019	2020
<b>Principal</b>	\$ 165,960	\$ 167,635	\$ 169,348	\$ 82,650	\$ 83,988	\$ 51,190
<b>Interest</b>	14,525	11,884	9,214	6,923	5,054	3,388
<b>Total</b>	\$ 180,485	\$ 179,520	\$ 178,561	\$ 89,573	\$ 89,042	\$ 54,578

The graph and table above illustrate the declining impact of future capital lease payment on the Special Districts after FY 2017.



**Total General Fund Debt - All Types**

Year	2015	2016	2017	2018	2019	2020
<b>Principal</b>	\$ 1,330,661	\$ 1,121,744	\$ 1,101,901	\$ 834,258	\$ 845,346	\$ 746,131
<b>Interest</b>	266,261	234,774	206,751	178,331	150,555	121,779
<b>Total</b>	<b>\$ 1,596,922</b>	<b>\$ 1,356,518</b>	<b>\$ 1,308,652</b>	<b>\$ 1,012,589</b>	<b>\$ 995,901</b>	<b>\$ 867,910</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 2015, 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		
<i>Long Term Rating</i>	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. 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.



## 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**

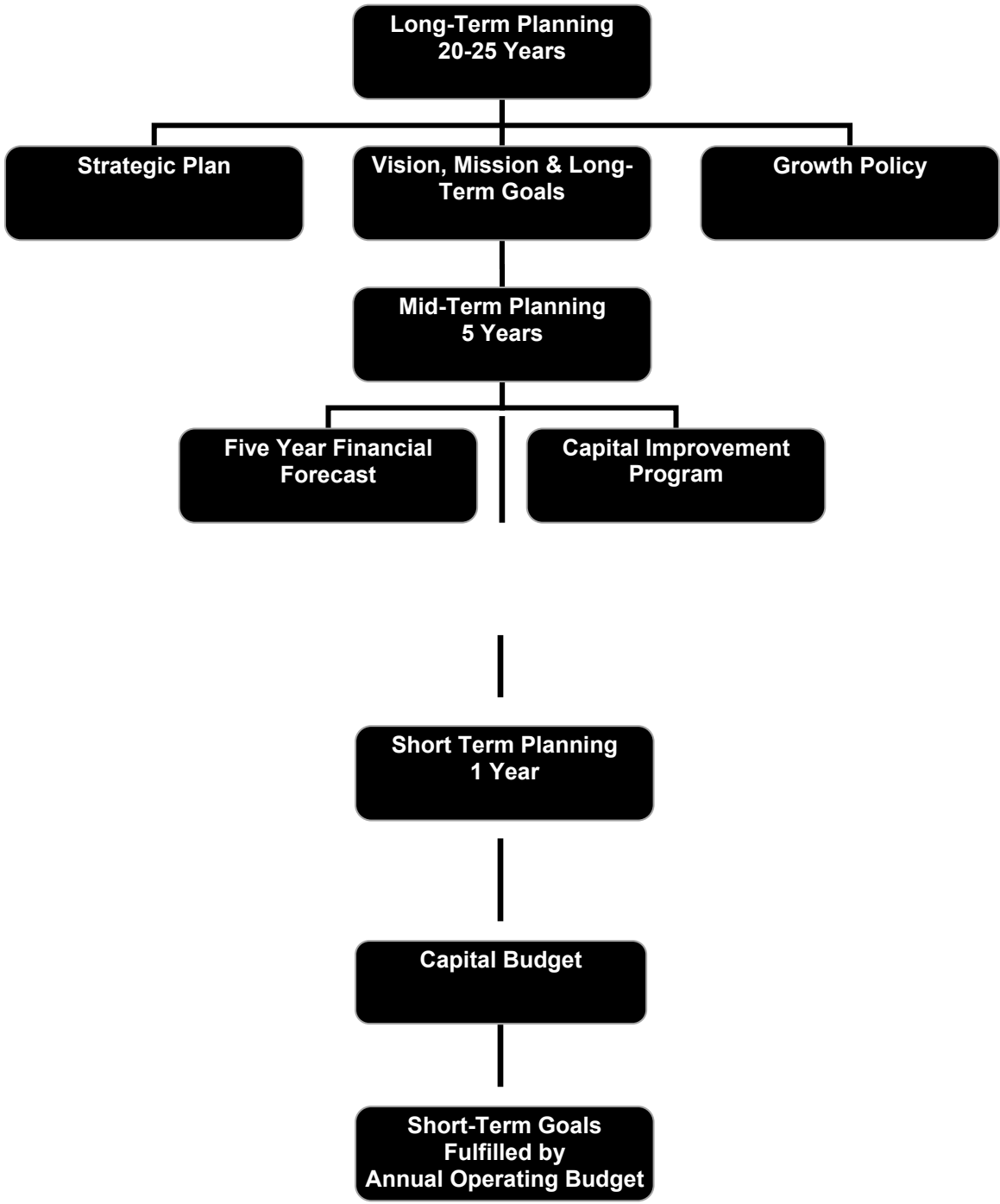
The City of Missoula conducts various planning processes (long-term, mid-term and short-term), to help guide the government and to insure that decisions are made in the context of the organization as a whole and with a long-term perspective. Diligent efforts are made to insure each of these component 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, especially in the debt supported by the General Fund and General Obligation debt which is 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 2015, 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 2016, in excess of \$850,000 per year of tax supported projects will be freed up for future debt service requirements. In addition, a new revenue stream has been approved and developed by the city council during the past three years, namely the road and park special district levies. 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 IMPROVEMENT PROGRAM & CAPITAL BUDGET**



## 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.

### 2015-2019 Capital Improvement Program

1. Recommendation for 2015-2019 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 2015-2019, 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. Office of Planning and Grants

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.

**2015-2019 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 2009.

**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 2015-2019 Capital Improvement Program has seventeen different sources of funding. Each funding source is described below.

## CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

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



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 15 years (15 years for the fire department ladder truck). 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 appendix 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 2014):

\$1,514,852 Master Governmental Lease Purchase Agreement – heavy equipment/rolling stock- sold and closed on February 22, 2014.

The following capital financing occurred subsequent to July 1, 2014 (beginning of FY 2015):

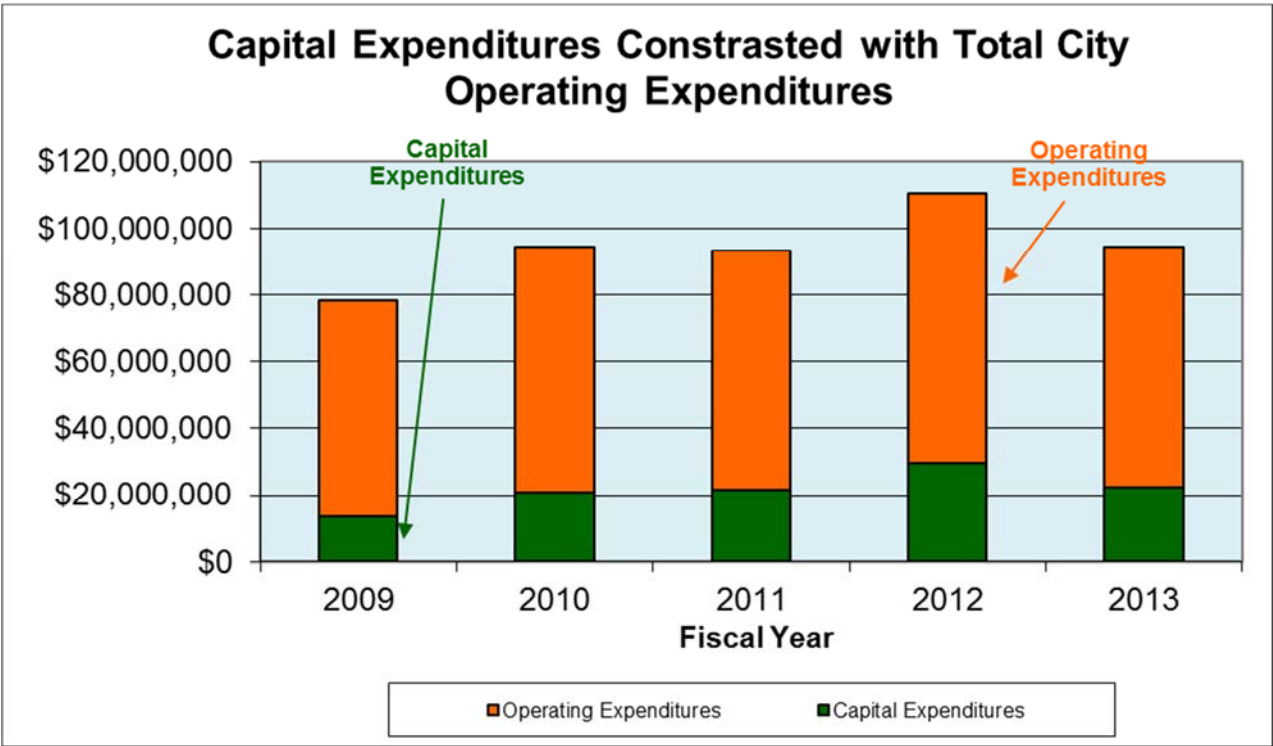
None as of this time.

**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.

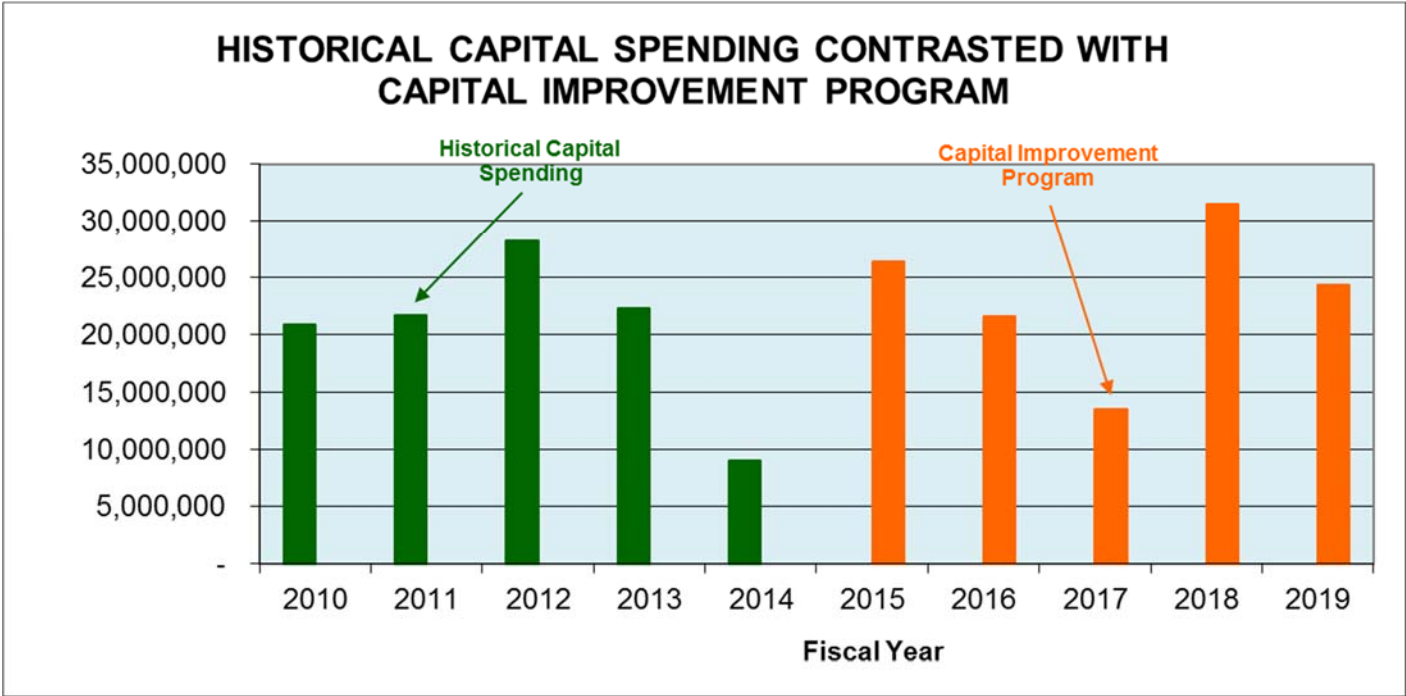
The graph below illustrates Missoula’s historical investment in capital. The graph depicts actual capital expenditures over the course the last five years (for which audited values are available at the time of publication of the budget) as compared to the City’s operating budget. Obligorating resources 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 for the adequate maintenance of capital, plant, and equipment and for their orderly replacement is the level 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 will be included in the Capital Budget. This information also helps the City Council make decisions with a long-term perspective.

Shown below is a graph which contrasts historical capital spending (last four years of audited values) with the capital spending identified in the Capital Improvement Program (the next six 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 2015 Capital Budget & Operating Budget Impacts					
Projects by Department/Project Name					
FY 2015 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	\$ 67,000				\$ 67,000
<b>CIP - General Fund</b>					
White Pine Debt Service Series 2001A	-			127,438	127,438
FY2005 Art Museum Debt Service	-			18,021	18,021
City Hall Expansion Debt Service	-			83,985	83,985
Aquatics - General Fund Debt Service2006C (\$1.86 M)	-			133,723	133,723
Fire Station #4 - General Fund Debt Serv. 2007A (\$680K)	-			49,875	49,875
50 Meter Pool - Gen. Fund Debt Serv. (\$840 K)	-			60,138	60,138
Internally Financed Equipment - owed to CIP	-			159,677	159,677
Energy Savings Performance Debt 2010C	-			84,125	84,125
CIP CORE Replacement Equipment	-			180,862	180,862
<b>Wastewater Treatment Plant</b>					
Sewer Pipe Rehabilitation Program	200,000				200,000
Bioreactor DO Probes	50,000				50,000
Hybrid Poplar Tree Effluent Land Application Project	302,000				302,000
Plant Repairs	150,000				150,000
Twite Pump Station and Force Main Upsizing	389,559				389,559
Screw Press	900,000				900,000
<b>Missoula Redevelopment Agency</b>					
Cedar Broadway Streets and Sidewalks	510,000				510,000
BBT - Safe Crossings	89,000				89,000
South Reserve Trail Crossing	3,125,000				3,125,000
Brooks Street Intersection Improvements	1,250,000				1,250,000
<b>Other Funds - CIP - FY 2014</b>					
Copier Replacement Schedule	63,500				63,500
Vehicle Replacement Schedule	3,149,000				3,149,000
Court Technology	32,510				32,510
Electronic Discovery	14,000				14,000
Central Maintenance Tools & Fence	687,500				687,500
City Hall Elevator Repair	25,000				25,000
On Street Technology	1,000,000				1,000,000
Aquatics CIP Plan for Splash and Currents	112,000				112,000
Fort Missoula Regional Park	150,000				150,000
Parks Asset Management (Replace, Rennovate, Improve)	1,925,059				1,925,059
Park Development and Expansion	177,465				177,465
Kiwanis Park Playground and Restroom	182,500				182,500
TIGER Missoula to Lolo Trail Extention - City Portion	182,300				182,300
Toro 580 D Mower	90,000				90,000
Resistograph	12,000				12,000
Trail Maps for Wayfind Missoula	112,900				112,900
All Abilities Playground at McCormick	478,000				478,000
CLM Motor Wheelbarrow	8,000				8,000
Grant Creek/I-90 Intersection Improvements	30,000				30,000
South 3 Street Reconstruction (Russell to Reserve)	1,800,000				1,800,000
Old US Highway 93 Road Improvements	77,500				77,500
TIGER GRANT - Russell - Broadway to Dakota	581,000				581,000
Hillview Way Street Improvements	3,679,428				3,679,428
VanBuren Street Reconstruction	346,000				346,000
Street Improvement and Major Maintenance Program	1,100,000				1,100,000
Annual Sidewalk Installation/Replacement Program	2,420,000				2,420,000
Cregg Ln Rdwy Improvements Orange St to Hickory St	372,500				372,500
					-
					-
<b>GRAND TOTAL</b>	<b>\$ 25,840,721</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 897,844</b>	<b>\$ 26,738,565</b>



**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

DEPARTMENT	EQUIPMENT REPLACEMENT TOTALS				
	FY2015	FY2016	FY2017	FY2018	FY2019
<b>FLEET SERVICES</b>					
Total Operating Portion	\$ 30,000	\$ -	\$ 35,000	\$ -	\$ -
Total CIP Portion	-	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ 35,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>P.W. ENGINEERING</b>					
Total Operating Portion	\$ 60,000	\$ 30,000	\$ 90,000	\$ 5,000	\$ 60,000
Total CIP Portion	-	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 60,000</b>	<b>\$ 30,000</b>	<b>\$ 90,000</b>	<b>\$ 5,000</b>	<b>\$ 60,000</b>
<b>POLICE DEPARTMENT</b>					
Total Operating Portion	\$ 289,000	\$ 143,000	\$ 329,000	\$ 366,000	\$ 289,000
Total CIP Portion	-	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 289,000</b>	<b>\$ 143,000</b>	<b>\$ 329,000</b>	<b>\$ 366,000</b>	<b>\$ 289,000</b>
<b>FIRE EMERGENCY VEHICLES</b>					
Total Operating Portion	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Total CIP Portion	1,547,000	60,000	430,000	430,000	21,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 1,582,000</b>	<b>\$ 95,000</b>	<b>\$ 465,000</b>	<b>\$ 465,000</b>	<b>\$ 56,000</b>
<b>FIRE ADMINISTRATION</b>					
Total Operating Portion	\$ 30,000	\$ 95,000	\$ 30,000	\$ -	\$ -
Total CIP Portion	-	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 30,000</b>	<b>\$ 95,000</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>P.W. STREET DIVISION</b>					
Total Operating Portion	\$ 30,000	\$ 60,000	\$ 85,000	\$ -	\$ -
Total CIP Portion	1,083,000	784,000	991,000	580,000	367,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 1,113,000</b>	<b>\$ 844,000</b>	<b>\$ 1,076,000</b>	<b>\$ 580,000</b>	<b>\$ 367,000</b>
<b>P.W. VEHICLE MAINTENANCE</b>					
Total Operating Portion	\$ -	\$ -	\$ -	\$ -	\$ -
Total CIP Portion	-	25,000	70,000	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 70,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>P.W. TRAFFIC SERVICES</b>					
Total Operating Portion	\$ 41,000	\$ -	\$ -	\$ -	\$ -
Total CIP Portion	55,000	150,000	16,000	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 96,000</b>	<b>\$ 150,000</b>	<b>\$ 16,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PARKS DEPARTMENT</b>					
Total Operating Portion	\$ -	\$ 120,000	\$ -	\$ 30,000	\$ -
Total CIP Portion	352,000	45,000	446,000	260,000	118,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 352,000</b>	<b>\$ 165,000</b>	<b>\$ 446,000</b>	<b>\$ 290,000</b>	<b>\$ 118,000</b>
<b>Grand Total Operating Portion</b>	<b>\$ 515,000</b>	<b>\$ 483,000</b>	<b>\$ 604,000</b>	<b>\$ 436,000</b>	<b>\$ 384,000</b>
<b>Grand Total CIP Portion</b>	<b>3,037,000</b>	<b>1,064,000</b>	<b>1,953,000</b>	<b>1,270,000</b>	<b>506,000</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 3,552,000</b>	<b>\$ 1,547,000</b>	<b>\$ 2,557,000</b>	<b>\$ 1,706,000</b>	<b>\$ 890,000</b>

## CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

<b>CEMETERY</b>					
Total Operating Portion	\$ -	\$ -	\$ -	\$ -	\$ -
Total CIP Portion	56,000	56,000	40,000	30,000	56,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 56,000</b>	<b>\$ 56,000</b>	<b>\$ 40,000</b>	<b>\$ 30,000</b>	<b>\$ 56,000</b>
<b>P.W. BUILDING INSPECTION</b>					
Total Operating Portion	\$ 30,000	\$ -	\$ 90,000	\$ 30,000	\$ 60,000
Total CIP Portion	-	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>	<b>\$ 30,000</b>	<b>\$ 60,000</b>
<b>P.W. WASTE WATER TREATMENT</b>					
Total Operating Portion	\$ 111,500	\$ 180,000	\$ 45,000	\$ 70,000	\$ 35,000
Total CIP Portion	38,000	265,000	48,000	488,000	235,000
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 149,500</b>	<b>\$ 445,000</b>	<b>\$ 93,000</b>	<b>\$ 558,000</b>	<b>\$ 270,000</b>
<b>PARKING COMMISSION</b>					
Total Operating Portion	\$ 56,000	\$ 30,000	\$ 73,000	\$ -	\$ 28,000
Total CIP Portion	18,000	-	-	-	-
<b>TOTAL BUDGET AND CIP</b>	<b>\$ 74,000</b>	<b>\$ 30,000</b>	<b>\$ 73,000</b>	<b>\$ -</b>	<b>\$ 28,000</b>
Total Operating Portion	\$ 197,500	\$ 210,000	\$ 208,000	\$ 100,000	\$ 123,000
Total CIP Portion	112,000	321,000	88,000	518,000	291,000
<b>TOTAL NON-GENERAL FUND</b>	<b>309,500</b>	<b>531,000</b>	<b>296,000</b>	<b>618,000</b>	<b>414,000</b>
Grand Total	\$ 3,861,500	\$ 2,078,000	\$ 2,853,000	\$ 2,324,000	\$ 1,304,000
Federal Transportation Portion	(574,200)	(191,400)	(339,300)	(147,900)	-
<b>TOTALS</b>	<b>\$ 3,287,300</b>	<b>\$ 1,886,600</b>	<b>\$ 2,513,700</b>	<b>\$ 2,176,100</b>	<b>\$ 1,304,000</b>
Operating Equipment - predominantly rolling stock - pickup trucks & cars costing less than \$35,000					
CIP Equipment - Predominantly heavy equipment such as tandem axle dump trucks, fire engines, graders etc.					

### DEPARTMENT

### EQUIPMENT REPLACEMENT DETAIL

FLEET SERVICES				FY2015	FY2016	FY2017	FY2018	FY2019
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION					
800	6605	TOYOTA PRIUS	ADMIN			\$ 35,000		
885	6683	DODGE DURANGO	MRA	\$ 30,000				
<b>Total Core Units</b>				<b>2</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ 35,000</b>	<b>\$ -</b>

ENGINEERING DIVISION				FY2015	FY2016	FY2017	FY2018	FY2019
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION					
502	9626	FORD ESCAPE	ENGR					
503	6688	JEEP GRAND CHEROKEE	ADMIN			\$ 30,000		
505	8499	JEEP LIBERTY	ENGR.					\$ 30,000
506	6604	FORD RANGER EXT CAB	INSPECTION	\$ 30,000				
507	5620	GMC SONOMA	INSPECTION	\$ 30,000				
508	4896	GMC 2500 4W LDR	INSPECTION					
509	8032	CHEVROLET IMPALA	ADMIN					\$ 30,000
510	6636	GMC COLORADO	ENGR			\$ 30,000		
511	8185	GMC SIERRA 2500	ENGR			\$ 30,000		
512	6637	CHEVROLET COLORADO	INSPECTION		\$ 30,000			
		SEWER TAP COMPRESSOR	ENGR.				\$ 5,000	
<b>Total Core Units</b>				<b>9</b>	<b>\$ 60,000</b>	<b>\$ 30,000</b>	<b>\$ 90,000</b>	<b>\$ 5,000</b>

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

POLICE DEPARTMENT									
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019	
1	8121	FORD ESCAPE	ADMIN				\$ 25,000		
5	9594	CHEVROLET IMPALA	DETECTIVE						
6	8122	FORD ESCAPE	ADMIN				\$ 25,000		
7	6603	CHEVROLET G30 VAN	CRIME VAN						
11	6619	CHEVROLET IMPALA	DETECTIVE		\$ 25,000				
12	6618	CHEVROLET IMPALA	DETECTIVE	\$ 25,000					
19	8114	FORD TAURUS	DETECTIVE						
20	8023	DODGE DAKOTA	AI		\$ 40,000				
23	9596	DODGE DAKOTA	AI					\$ 35,000	
42	6684	FORD EXPEDITION	K9		\$ 40,000				
48	8100	CHEVROLET TAHOE	PATROL			\$ 38,000			
49	8096	DODGE CHARGER	PATROL	\$ 38,000					
50	8099	DODGE CHARGER	PATROL	\$ 38,000					
51	8098	DODGE CHARGER	PATROL	\$ 38,000					
52	8097	DODGE CHARGER	PATROL	\$ 42,000					
53	8095	DODGE CHARGER	PATROL	\$ 38,000				\$ 38,000	
54	8101	DODGE CHARGER	PATROL	\$ 38,000				\$ 38,000	
55	8104	DODGE CHARGER	PATROL		\$ 38,000			\$ 38,000	
60	8123	DODGE CHARGER	PATROL			\$ 38,000			
61	8124	DODGE CHARGER	PATROL			\$ 38,000			
62	8125	DODGE CHARGER	PATROL			\$ 38,000			
63	8126	DODGE CHARGER	PATROL			\$ 38,000			
64	8127	DODGE CHARGER	PATROL			\$ 38,000			
65	8128	DODGE CHARGER	PATROL			\$ 38,000			
66	8129	DODGE CHARGER	PATROL			\$ 38,000			
67	8130	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		
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	8033	CHEVROLET IMPALA	DETECTIVE			\$ 25,000			
8040	8040	FORD F150 CREW CAB	DETECTIVE					\$ 40,000	
8059	8059	CHEVROLET IMPALA	DETECTIVE				\$ 25,000		
8060	8060	CHEVROLET IMPALA	DETECTIVE				\$ 25,000		
8088	8088	MALIBU HYBRID	DETECTIVE						
8089	8089	MALIBU HYBRID	DETECTIVE						
8090	8090	MALIBU HYBRID	DETECTIVE						
		ADDITIONAL PATROL UN	PATROL	\$ 32,000					
<b>Total Core Units</b>				<b>43</b>	<b>\$ 289,000</b>	<b>\$ 143,000</b>	<b>\$ 329,000</b>	<b>\$ 366,000</b>	<b>\$ 289,000</b>

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

FIRE DEPARTMENT				FY2015	FY2016	FY2017	FY2018	FY2019
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION					
		CATARAFT TUBES	RESCUE					
2		RESCUE WATER CRAFT	RESCUE					
1073		FIRE ENGINE (TYPE 1)	RESPONSE					
3227		FIRE ENGINE (TYPE 1)	RESPONSE				\$ 430,000	
2341		FIRE ENGINE (TYPE 1)	RESPONSE			\$ 430,000		
1373		FIRE ENGINE (TYPE 1)	RESPONSE					
1380		FIRE ENGINE (TYPE 1)	RESPONSE	\$ 430,000				
6664		FIRE ENGINE (TYPE 1)	RESPONSE					
9974		FIRE ENGINE (TYPE 1)	RESPONSE					
9021		LADDER TRUCK	RESPONSE	\$ 1,007,000				
1419		LADDER TRUCK	RESPONSE					
4197		WATER TENDER (20 YR)	RESPONSE					
6685		WILD LAND ENGINE (TYP)	RESPONSE	\$ 110,000				
4002		WILDLAND ENGINE (TYP)	RESPONSE					
3361		WILD LAND ENGINE (TYP)	RESPONSE					
7237		WILD LAND ENGINE (TYP)	RESPONSE					
9098		WILD LAND ENGINE (TYP)	RESPONSE					
5803		COMMAND VEHICLE	RESPONSE		\$ 60,000			
GER		GENERATORS (All 5 Stat)	RESPONSE					
COMP		COMPRESSORS AND FILL	RESPONSE					
		SCBA (15 YRS)	PPE					
		INFORMATION SYSTEMS	6 UNITS					
		THERMAL IMAGERS (5 YR)	7 UNITS					\$ 21,000
		HAND HELD RADIOS	60 UNITS	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
		MOBILE RADIOS	30 UNITS	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
		DEFIBRILLATORS (10 YRS)	5 UNITS					
		LAND FOR STATION 6						
<b>Total Core Units</b>		<b>17</b>		<b>\$ 1,582,000</b>	<b>\$ 95,000</b>	<b>\$ 465,000</b>	<b>\$ 465,000</b>	<b>\$ 56,000</b>

FIRE DEPT. ADMINISTRATION				FY2015	FY2016	FY2017	FY2018	FY2019
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION					
902	8034	CHEVROLET IMPALA	ASST. CHIEF			\$ 30,000		
903	8497	CHEVROLET UPLANDER	ASST. CHIEF		\$ 30,000			
906	6651	CHEVROLET COLORADO	INSPECTION	\$ 30,000				
908	8001	FORD RANGER	INSPECTION		\$ 30,000			
909	8070	TOYOTA PRIUS	CHIEF					
912	8493	FORD F 250	INSPECTION		\$ 35,000			
<b>Total Core Units</b>		<b>6</b>		<b>\$ 30,000</b>	<b>\$ 95,000</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ -</b>

BUILDING DIVISION				FY2015	FY2016	FY2017	FY2018	FY2019
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION					
401	8106	FORD ESCAPE	INSPECTION			\$ 30,000		
402	8093	FORD RANGER EXT CAB	INSPECTION	\$ 30,000				
403	6660	CHEVROLET COLORADO	INSPECTION				\$ 30,000	
406	6924	JEEP PATRIOT	INSPECTION					\$ 30,000
407	6924	JEEP PATRIOT	INSPECTION					\$ 30,000
408	8107	FORD ESCAPE	INSPECTION			\$ 30,000		
410	8108	FORD ESCAPE	INSPECTION			\$ 30,000		
<b>Total Core Units</b>		<b>7</b>		<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>	<b>\$ 30,000</b>	<b>\$ 60,000</b>



# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

UNIT #	STREET DIVISION		OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019
	FAM #	VEHICLE DESCRIPTION						
101	6166	GMC EXT CAB 1/2 TON	ADMIN	\$ 30,000				
102	6685	GMC EXT CAB 1/2 TON	ADMIN		\$ 30,000			
103	8495	GMC EXT CAB 1/2 TON	ADMIN		\$ 30,000			
104	6037	DODGE 3/4 TON	PAVING CREW			\$ 45,000		
110	9650	F350 FLAT BED / LIFT GA	OPERATIONS					
111	8194	FORD F350 CREW CAB	OPERATIONS			\$ 40,000		
112	8045	JOHNSTON 650	SWEEPER	\$ 220,000				
113	8049	JOHNSTON 650	SWEEPER	\$ 220,000				
114	8013	JOHNSTON 650	SWEEPER					
115	8113	JOHNSTON 650	SWEEPER					
116	8014	JOHNSTON 650	SWEEPER					
117	8094	ISUZU JOHNSTON 650	SWEEPER		\$ 220,000			
118	9620	PETERBILT JOHNSTON 65	SWEEPER					
120	6689	ELGIN BROOM BEAR	SWEEPER	\$ 220,000		\$ 220,000		
121	6022	IH TANDEM VAC-CON	VACUUM					
122	8492	CAT	GRADER					
123	1285	CAT	GRADER			\$ 225,000		
124	9598	F350 FORD DUMP BOX	1 TON DUMP					
131	8158	I.H. TANDEM AXLE	TANDEM DUMP					
132	6153	I.H. TANDEM AXLE	TANDEM DUMP					\$ 130,000
135	8172	FREIGHTLINER	TANDEM DUMP					
136	8142	FREIGHTLINER	FLUSHER				\$ 170,000	
137	8178	FREIGHTLINER	TANDEM DUMP					
138	8186	I.H. 7400	FLUSHER			\$ 170,000		
139	8157	I.H. TANDEM AXLE	TANDEM DUMP					
140	5613	STERLING TANDEM AXLE	TANDEM DUMP	\$ 130,000				
143	8192	ROSCO SPR-H	CHIP SPREADER			\$ 200,000		
145	6170	BARBER GREENE	PAVER					
146	7795	CAT	LOADER		\$ 145,000			
147	7798	CAT	LOADER		\$ 145,000			
149	8498	CAT	BACKHOE					
150	6621	BOMAG	ASP HALT ROLL					\$ 75,000
154	6627	CAT	LOADER					\$ 102,000
155	8146	KOMTSU	LOADER					
169	7796	FORD SINGLE AXLE	ANTI-ICE\FLOW	\$ 120,000				
171	7832	BOBCAT	SKID STEER		\$ 52,000			
175	7327	FORD\ROSCO	POTHOLE TRUCK		\$ 155,000			
176	5611	STERLING	SANDER\FLOW			\$ 120,000		
177	6164	STERLING	SANDER\FLOW				\$ 120,000	
178	8008	IH 7400 SINGLE AXLE	SANDER\FLOW				\$ 120,000	
179	8079	FREIGHTLINER	DEDICATED SANDERS					
180	8080	FREIGHTLINER	DEDICATED SANDERS					
181	8081	FREIGHTLINER	DEDICATED SANDERS					
182	8080	FREIGHTLINER	DEDICATED SANDERS					
183	8080	FREIGHTLINER	DEDICATED SANDERS					

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

195	8112	HUDSON HD	ASPHALT RECYCLER					
196	8007	CATERPILLAR PS 150B	RUBBER TIRE ROLLER			\$ 80,000		
197	6643	DYNAPACK CP1329	RUBBER TIRE ROLLER			\$ 80,000		
198	6643	CIMLINE CRACK SEALER	CRACK SEALER					\$ 45,000
T-100		TRAIL KING	TRAILER		\$ 41,000			
T102		WALTON	TRAILER			\$ 41,000		
T-105		TOW MASTER	TRAILER					
T-145		ECONOLINE	PAVER TRAILER					
P105		BOSS RTE PLO	SNOW PLOW					
P130		SCHMIDT	SNOW PLOW	\$ 19,000				
P167	8028	SCHMIDT	SNOW PLOW	\$ 19,000				
P168 (S	4236	SCHMIDT	SNOW PLOW	\$ 19,000	\$ 16,000			
P169	8154	SCHMIDT HSP4210POLI	SNOW PLOW					
P176	8004	SCHMIDT	SNOW PLOW	\$ 19,000				
P177	8004	SCHMIDT	SNOW PLOW					
P178	8012	SCHMIDT	SNOW PLOW					
P179	8073	HENKE	SNOW PLOW					
P180	8111	HENKE	SNOW PLOW					
P181	8075	HENKE	SNOW PLOW	\$ 19,000				
P182	9612	BONNELL	SNOW PLOW					
P183	9613	BONNELL	SNOW PLOW					
CS150	6698	NORTON CLIPPER	CEMENT SAW					
		SANDERS	1 PER 2 YEARS	\$ 12,000		\$ 10,000		\$ 10,000
		ASPHALT WACKIER	1 PER 2 YEARS	\$ 5,000		\$ 5,000		\$ 5,000
		DEICER UNITS	1 PER 2 YEARS		\$ 10,000		\$ 10,000	
		SKID STEER WITH ASPHALT		\$ 61,000				
<b>Total Core Units</b>		<b>67</b>		<b>\$ 1,113,000</b>	<b>\$ 844,000</b>	<b>\$1,076,000</b>	<b>\$ 580,000</b>	<b>\$ 367,000</b>

### VEHICLE MAINT. DIVISION

UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019
702	8031	HYSTER	OPERATION		\$ 25,000			
777		CAT - OLYMPIAN	GENERATOR			\$ 70,000		
		SMALL PLATFORM LIFT	OPERATIONS					
		CARGO TRAILER	OPERATIONS					
<b>Total Core Units</b>		<b>2</b>		<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 70,000</b>	<b>\$ -</b>	<b>\$ -</b>

### TRAFFIC DIVISION

UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019
561		ISUZU PAINT MRL STRIP	PAINT STRIPER					
564	8135	HONDA RANCHER ATV	OPERATIONS					
573	6687	DODGE GRAND CARAVAN	VAN	\$ 25,000				
582	4304	GMC CABOVER	SIGN MAINT					
584		SMART TRAILER	RADAR			\$ 16,000		
585	4857	FREIGHTLINER AERIAL LIFT	MAN LIFT		\$ 150,000			
588	8086	GMC SIERRA	COM SHOP					
589		GMC	W500	\$ 48,000				
591	6690	LONG CHIH	RADAR	\$ 16,000				
		LIFT GATES FOR 587 565	SIGN MAINT	\$ 7,000				
<b>Total Core Units</b>		<b>9</b>		<b>\$ 96,000</b>	<b>\$ 150,000</b>	<b>\$ 16,000</b>	<b>\$ -</b>	<b>\$ -</b>

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

WWT DIVISION								
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019
302	8143	FORD FUSION HYBRID	PLANT MAINT		\$ 30,000			
310	6686	CAT 416 D LOADER BACK	PLANT MAINT				\$ 70,000	
313	8171	FORD TRANSIT CONNECT	OPERATIONS					
314	6145	GMC SIERRA 3500	PLANT MAINT			\$ 45,000		
316	8056	DOOSAN FORKLUFT	PLANT MAINT					
317		PIPEHUNTER SIDEKICK E	OPERATIONS					
321	8056	IH AQUATEC	OPERATIONS					
322	8144	CHEVROLET	COLORADO	\$ 35,000			\$ 35,000	
324	6622	CHEVY 1 TON	OPERATIONS					
325	8197	FORD RANGER	OPERATION	\$ 35,000				\$ 35,000
326	8145	CHEVROLET	COLORADO	\$ 35,000			\$ 35,000	
328	6152	IH AQUATEC	VACUUM				\$ 270,000	
329		FORD LNT 8000	JETTER					
330	7051	INGERSOLL RAND	COMPRESSOR			\$ 18,000		
332		FREIGHTLINER	JETTER		\$ 235,000			
334	8177	GMC SIERRA 1500	OPERATIONS			\$ 30,000		
335	6624	SECAJETTER UNIT	COLLECTIONS					\$ 235,000
336	8057	FORD F350	COLLECTIONS	\$ 45,000				
337	8067	FORD F350	COLLECTIONS	\$ 45,000				
338	8183	FORD F350	COLLECTIONS	\$ 45,000				
339	8184	FORD F350	COLLECTIONS	\$ 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 COMPRES	COLLECTIONS	\$ 38,000				
NV6		NASHUA TRAILER	COLLECTIONS					
T301		RETTIG UTILITY TRAILER	COLLECTIONS	\$ 6,500				
T329		SECAJETTER UNIT	COLLECTIONS				\$ 25,000	
<b>Total Core Units</b>		<b>31</b>		<b>\$ 149,500</b>	<b>\$ 445,000</b>	<b>\$ 93,000</b>	<b>\$ 558,000</b>	<b>\$ 270,000</b>

CEMETERY								
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019
601	1643	CASE 580 CKB	Loader w/3 pt. Hitch					\$ 56,000
602	4058	SULLAIR COMPRESSOR DR	Air Compressor					
604		TORO WALK BEHIND	Mower					
605	8116	KUBOTA	Mower					
608		HUSTLER \ ATTACHMENT	Mower	\$ 40,000				
609		HUSTLER \ ATTACHMENT	Mower					
610		POLARIS RANGER	Utility Cart		\$ 16,000			
611	8140	TORO WORKMAN	Utility Cart					
613	8039	JOHN DEERE	Tractor					
614		KUBOTA	Utility Cart	\$ 16,000				
615		HUSTLER \ ATTACHMENT	Mower		\$ 40,000			
616		PROCORE 880	SOIL AERATOR				\$ 30,000	
618		HUSTLER \ ATTACHMENT	Mower			\$ 40,000		

# CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

625	8077	BACKHOE LOADER	OPERATION					
698	9611	KUBOTA	UTV					
		UTILITY CART/SPRAYER/	OPERATION					
<b>Total Core Units</b>		<b>15</b>		<b>\$ 56,000</b>	<b>\$ 56,000</b>	<b>\$ 40,000</b>	<b>\$ 30,000</b>	<b>\$ 56,000</b>

PARKS DEPARTMENT								
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019
201	6680	DODGE DURANGO	PARK ADMIN					
205		DODGE DAKOTA	OPERATIONS					
208	9652	FORD F350 FLAT BED LI	OPERATIONS					
209		BABB TRAILER W/ PRESS	OPERATIONS			\$ 21,000		
210	8015	CHEVY SILVERADO HYBR	OPERATIONS				\$ 35,000	
211	8156	POLARIS 6x6 UTV	CONSERVATION					\$ 20,000
212	8025	MORBARK CHIPPER	CONSERVATION					
214	5354	CASE 580L	OPERATIONS				\$ 85,000	
224		JOHN DEERE TRACTOR 65	CONSERVATION			\$ 65,000		
225	8132	BOBCAT TOOLCAT	OPERATIONS					\$ 70,000
233	8173	HONDA RUBICON	OPERATIONS				\$ 10,000	
239	9595	KUBOTA 3680	OPERATIONS					
243		CHEVY PICKUP	OPERATIONS	\$ 45,000				
245	9651	TORO 5900 16' MOWER	OPERATIONS					
246		FORD F700 AERIAL U FT	FORESTRY			\$ 150,000		
248	9597	BANDIT 3200 STUMP GR	FORESTRY					
252	8083	MINNITI TRUCK	OPERATIONS	\$ 15,000				
253	8084	HONDA (MINI TRUCK)	OPERATIONS	\$ 15,000				
255	8085	MINNITI TRUCK	OPERATIONS	\$ 15,000				
256		LAND PRIDE SEEDER	OPERATIONS					\$ 13,000
258	9623	KUBOTA MOWER	OPERATIONS					
262	6682	TORO	OPERATIONS			\$ 90,000		
264	9654	FORD F350 DUMP BOX	OPERATIONS					
265	5325	CHEVROLET 3/4 TON PICK	OPERATIONS	\$ 30,000				
267	4787	BANDIT M250 CHIPPER	FORESTRY					
272	6626	GMC SIERRA PICKUP	OPERATIONS				\$ 30,000	
275	8002	JOHN DEERE 1445	MOWER			\$ 40,000		
276		JOHN DEERE 1445	MOWER			\$ 40,000		
278		425 JOHN DEERE TRACT	MOWER\SNOW					
286	8003	TORO 580D MOWER	MOWER	\$ 90,000				
287	8005	KUBOTA UTV	OPERATIONS				\$ 40,000	
289	8011	KUBOTA UTV	OPERATIONS				\$ 40,000	
298	8002	JOHN DEERE 1445	MOWER				\$ 40,000	
T202		B-WELDING TRAILER	OPERATIONS	\$ 10,000				
T203		B-WELDING TRAILER	OPERATIONS	\$ 10,000				
T204		SPORT LAND TRAILER	OPERATIONS					
T205		SPORT LAND TRAILER	OPERATIONS					
T206		SPORT LAND TRAILER	OPERATIONS					
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	\$ 15,000				
T262	6681	PJ TRAILER	OPERATIONS					\$ 15,000



## CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET

273A	PULL BEHIND AERATOR	OPERATIONS					
	MINNI EXCAVATOR	OPEN SPACE	\$ 36,000				
	16 FOOT TURF MOWER	ATHLETIC FIELDS	\$ 90,000				
	MOTORIZED WHEEL BAR	OPEN SPACE	\$ 8,000				
	FERTILIZER SPREADER	PARK ADMIN	\$ 3,000				
	RECREATION VANS	OPERATIONS	\$ 90,000	\$ 45,000			
<b>Total Core Units</b>		<b>45</b>	<b>\$ 352,000</b>	<b>\$ 165,000</b>	<b>\$ 446,000</b>	<b>\$ 290,000</b>	<b>\$ 118,000</b>

PARKING COMM.								
UNIT #	FAM #	VEHICLE DESCRIPTION	OPERATION FUNCTION	FY2015	FY2016	FY2017	FY2018	FY2019
858	6168	CHEVROLET 3500	METER READ					
865	8180	GO-4	METER READ			\$ 28,000		
866	?	GO-4	METER READ					\$ 28,000
867	8030	GO-4	METER READ	\$ 28,000				
868	8029	GO-4	METER READ	\$ 28,000				
869	8160	GO-4	METER READ					
870	6615	GMC	SNOW PLOW		\$ 30,000			
871	6676	JOHN DEERE GATOR	SNOW PLOW	\$ 18,000				
872	8190	GMC SIERRA	SNOW PLOW			\$ 45,000		
872		SKID STEER	SNOW PLOW					
<b>Total Core Units</b>		<b>10</b>		<b>\$ 74,000</b>	<b>\$ 30,000</b>	<b>\$ 73,000</b>	<b>\$ -</b>	<b>\$ 28,000</b>

### COPIER EQUIPMENT REPLACEMENT SCHEDULE--ALL

COPIER DESCRIPTION	FY2015	FY2016	FY2017	FY2018	FY2019
<b>GENERAL FUND DEPARTMENTS</b>					
Attorney - Konica Minolta BizHub 353	\$ 12,500	\$ -	\$ -	\$ -	\$ -
Clerk - Konica Minolta BizHub C550	13,000	-	-	-	-
Council - HP LaserJet 4345xsMFP	8,000	-	-	-	-
Human Resources - Minolta Di3510	-	-	-	-	-
Mayor - Sharp MX3501N	11,000	-	-	-	-
Muni Court - Konica Minolta BizHub 350	-	-	-	-	-
HP DesignJet 5500PF 42 (plotter)	-	-	-	-	-
PW - Minolta Di3500E	-	-	-	-	-
Police - HP DesignJet 5500PS	-	-	-	-	-
Police - Konica Minolta BizHub C552	-	-	14,000	-	-
Konica Minolta Di3510F	-	-	-	-	-
Fire - HP DesignJet 5500 PS (Plotter)	12,000	-	-	-	-
Streets - Minolta Dialta	-	-	-	-	-
Parks - Minolta Di3510	-	-	-	-	-
Parks - HP DesignJet 5500 (plotter)	-	-	-	-	-
Parks - Konica Minolta BizHub 350	-	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>\$ 56,500</b>	<b>\$ -</b>	<b>\$ 14,000</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>

**CAPITAL IMPROVEMENT PROGRAM & CAPITAL BUDGET**

<b>WWT DIVISION</b>					
HP 5500N Color LaserJet	\$ 7,000	\$ -	\$ -	\$ -	\$ -
Konica 7020	-	-	-	-	-
<b>TOTAL WWT P</b>	<b>\$ 7,000</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</b>	<b>\$ 63,500</b>	<b>\$ 11,000</b>	<b>\$ 14,000</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 an underwriter from marketing municipal securities unless the issuer enters into an undertaking to provide continuing disclosure to the market.

Adequate disclosure on both a primary and continuing basis can enhance the marketability of the City's bonds by providing potential investors with current and professional information regarding the City. Timely and accurate completion of these tasks both influences investors' decisions on purchasing the City's bonds and contributes to the competitive audience for the City's bonds.

The City will fully comply with disclosure regulations.

B. Primary

In the preparation of official statements the City will follow professional and market standards in the presentation of disclosure about its bond issues. The City will facilitate the distribution of the official statements in a timely manner to allow investors adequate time to make their investment decisions in an informed manner. The City will disclose all material information about its bond issue and the security for the bond issue

The City will execute continuing disclosure undertakings in a manner to fully comply with regulatory provisions and ensure a full disclosure of appropriate information to the market.

C. Secondary

The City will meet all substantive and time requirements in its annual continuing disclosure filings, which include making the City's CAFR available to the public 180-270 days after the fiscal year end. The City will keep current with any changes in both the administrative aspects of its filing requirements and the national repositories responsible for ensuring issuer compliance with the continuing disclosure regulations. In the event a 'material event' occurs requiring immediate disclosure, the City will ensure information flows to the appropriate disclosure notification parties in a timely manner.

Any filing may be made solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org>, unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

# CITY OF MISSOULA INVESTMENT POLICY

Revised February 2000

Modeled After Government Finance Officers Association  
Sample Investment Policy  
Committee on Cash Management

## Contents

<b>I.</b>	<b>Scope .....</b>	<b>1</b>
	1. Pooling of funds	
<b>II.</b>	<b>General Objectives .....</b>	<b>1</b>
	1. Safety	
	2. Liquidity	
	3. Yield	
<b>III.</b>	<b>Standards of Care .....</b>	<b>2</b>
	1. Prudence	
	2. Ethics and Conflicts of Interest	
	3. Delegation of Authority	
<b>IV.</b>	<b>Safekeeping and Custody .....</b>	<b>3</b>
	1. Authorized Financial Dealers and Institutions	
	2. Internal Controls	
	3. Delivery vs. Payment	
<b>V.</b>	<b>Suitable and Authorized Investments .....</b>	<b>4</b>
	1. Investment Types	
	2. Collateralization	
	3. Repurchase Agreements	
<b>VI.</b>	<b>Investment Parameters .....</b>	<b>7</b>
	1. Diversification	
	2. Maximum Maturities	
<b>VII.</b>	<b>Reporting .....</b>	<b>8</b>
	1. Methods	
	2. Performance Standards	
	3. Marking to Market	
<b>VIII.</b>	<b>Policy Considerations .....</b>	<b>9</b>
	1. Exemption	
	2. Amendments	
<b>IX.</b>	<b>List of Attachments .....</b>	<b>10</b>

**i.**

<b>Appendix 1: Glossary .....</b>	<b>10</b>
<b>Appendix 2: Investment Pools .....</b>	<b>17</b>
1. Definition	
2. Pool Questionnaire	
<b>Appendix 3: GFOA Recommended Practices and Policy Statements .....</b>	<b>20</b>
Collateralization of Public Deposits (1984, 1987 and 1993)	
Diversification of Investments in a Portfolio (1997)	
Governmental Relationships with Securities Dealers (1986 and 1988)	
Market Risk (Volatility) Ratings (1995)	
Mark-to-Market Practices for State and Local Government Investment Portfolios & Investment Pools (1995)	
Master Trust and Custodial Bank Security Lending Programs (1995)	
Maturities of Investments in a Portfolio (1997)	
Repurchase Agreements, Reverse Repurchase Agreements Leveraging, and Prudent Investment Practices for Cash Management (1986 and 1995)	
Selection of Investment Advisers (1992)	
State and Local Laws Concerning Investment Practices (1997)	
Use and Application of Voluntary Agreements and Guidelines and Support for Written Investment Policies for State and Local Governments (1995)	
Use of Derivatives by State and Local Governments (1994)	
Use of Various Types of Mutual Funds by Public Cash Managers (1987)	
Same-Day Funds Settlement Procedures (1994)	
Electronic Transactions for State and Local Governments (1997)	
Procurement of Banking Services (1997)	
Check Fraud Protection (1999)	
Frequency of Purchased Securities Valuation in Repurchase Agreements (1999)	
Purchasing Card Programs (1998)	



## 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.

---

\*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 7884**

**A resolution fixing the annual appropriations and the Capital Improvement Program for the City of Missoula as set forth in the Fiscal Year 2015 Budget and Capital Improvement Program including: • The Tourism Business Improvement District work plan and budget for Fiscal Year 2015 • The Business Improvement District work plan and budget for Fiscal Year 2015. • The Park District Number 1 work plan and budget for Fiscal Year 2015. • The Road District Number 1 work plan and budget for Fiscal Year 2015**

**WHEREAS**, the City Council of Missoula has deliberated on the Fiscal Year 2015 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 2015 is hereby estimated at \$130,365,257. The breakdown of the funds and estimated local property taxes required are as follows:

Budgeted Expenditures	98,758,890
Inter-fund Transfers Out	17,494,423
Projected End-of-year Fund Balance	14,111,943
Total Funds Required	<u>\$130,365,257</u>
Beginning-of-year Fund Balance	25,345,542
Non-tax Revenues	60,301,798
Inter-fund Transfers In	17,494,423
Sub-total Non-Tax Funds Available	<u>\$103,141,763</u>
Estimated Property Tax Requirements	<u><u>\$27,223,494</u></u>

**SECTION II**

That annual appropriations and transfers out for various departments of the City of Missoula, Montana for the Fiscal Year 2015 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 2015-2019.

**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 16<sup>th</sup> day of June, 2014.

**ATTEST:**

**APPROVED:**

/s/ Martha L. Rehbein  
Martha L. Rehbein, CMC  
City Clerk  
(SEAL)

/s/ John Engen  
John Engen  
Mayor



**2014 Certified Taxable Valuation Information**

(15-10-202, MCA)

**Missoula County**  
**CITY OF MISSOULA**

1. 2014 Total Market Value*	\$	4,406,017,003
2. 2014 Total Taxable Value	\$	112,624,034
3. 2014 Taxable Value of Newly Taxable Property	\$	925,641
4. 2014 Taxable Value less Incremental Taxable Value**	\$	108,677,495
5. 2014 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	3,802,603	1,859,823	1,942,780
URBAN RENEWAL III 1-1D	8,470,753	7,004,346	1,466,407
U R FRONT ST	1,950,387	1,413,035	537,352
U R RIVERFRONT TRI	120,870	157,858	-

Total Incremental Value \$ 3,946,539

Preparer TANIA CARDWELL Date 7/23/2014

\*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**

2014 taxable value of centrally assessed property having a market value of \$1 million or more, which has transferred to a different ownership in compliance with 15-10-202(2), MCA.

I. Value Included in "newly taxable" property	\$	-
II. Total value exclusive of "newly taxable" property	\$	-

## MONTANA DEPARTMENT OF REVENUE

Property Assessment Division  
Justice Building

2681 Palmer St. Suite 101  
Missoula, Montana 59808-1707

July 30, 2014

Board of County Commissioners  
Missoula County Courthouse  
200 W Broadway  
Missoula, MT 59802

Finance Officer  
City of Missoula  
435 Ryman  
Missoula, MT 59802

RE: 2014 TAX BASE VALUES FOR THE COUNTY AND CITY OF MISSOULA

	<u>Phase-in Value</u>	<u>Taxable Value</u>	<u>Tax Increment</u>	<u>Tax Base</u>
County	\$7,939,216,919	\$204,362,352	- \$ 6,551,023.00 =	\$197,811,329
City	\$4,406,017,003	\$112,624,034	- \$ 3,946,539.00 =	\$108,677,495

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 7902

A resolution levying taxes for municipal and administrative purposes for the Fiscal Year 2015.

Whereas, the City Council of Missoula has deliberated on the Fiscal Year 2015 budget and necessary mill levy of property taxes; and,

Whereas, the City of Missoula is using \$5,639,351 of fund balance from the general fund from Fiscal Year 2014 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 no carry-forward of unlevied tax millage; and

Whereas, the value of a city mill is \$108,677.495.

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 2015, to-wit:

All Purpose General Fund levy be established at 194.02 mills;

Employee Health Insurance levy (within levy cap) be established at 9.10 mills;

Employee Health Insurance levy (Permissive Medical Levy) (outside levy cap) be established at 30.43 mills;

Judgment levy be established at 0.74 mills;

2012-A Aquatics Refunding G.O. Bond levy at 4.96 mills;

2013 G.O. Refunding bond levy at 6.37 mills;

Total levy for the City of Missoula, Montana –245.62 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 25<sup>th</sup> day of August, 2014

**ATTEST:**

**APPROVED:**

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

\_\_\_\_\_  
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, 2015  
 COUNTY/CITY/TOWN OF MISSOULA, MT

Numbers appearing in GREEN are ADDITIONS

Numbers appearing in RED are SUBTRACTIONS

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

**MAXIMUM PROPERTY TAXES AUTHORIZED:** (Note that appropriate statutes are referenced)

Ad valorem tax revenue authorized to be assessed prior year (from prior year's determination form - (8a))	22,496,404.551	<u>22,496,404.551</u>
Add: FISCAL YEAR 2015 INFLATION ADJUSTMENT @ 1.03% (Section 15-10-420(1a)(1c), MCA)	231,712.967	<u>231,712.967</u>
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))		<u>0.000</u>
Less: FY15 SB96 Reimbursement through Entitlement Share (enter as a negative number)	(428,868.050)	<u>(428,868.050)</u>
<a href="#">*adjustment line for FY2015 (SB96 reduced class 8 property and provided reimbursement through state entitlement)</a>		
Adjusted ad valorem tax revenue		<u>22,299,249.468</u>
<b>CURRENT YEAR LEVY COMPUTATION:</b>		
Taxable value per mill		<u>112,624.034</u>
Less per mill incremental value of tax increment financing district (TIF) (enter as negative)	(3,946.539)	
Adjusted taxable value (adjusted for removal of TIF per mill incremental district value)		<u>108,677.495</u>
Less: Newly taxable property per mill value, (enter as negative)	(925.641)	
Taxable value per mill of net and gross proceeds (county only) (enter as negative)		<u>(925.641)</u>
Adjusted Taxable value per mill		<u>107,751.854</u>
Authorized mill levy under Section 15-10-420, MCA (includes floating mills)		<u>206.950</u>
Adjusted taxable value per mill		<u>107,751.854</u>
Add: Newly taxable property per mill value	925.641	
Taxable value per mill of net and gross proceeds (county only)	0.000	<u>925.641</u>
Taxable value per mill (including newly taxable property but excluding TIF per mill incremental value)		<u>108,677.495</u>
Authorized mill levy under Section 15-10-420, MCA (includes floating mills)		<u>206.950</u>
Current property tax revenue authorized limitation		<u>22,490,810.901</u>
<b>RECAPITULATION:</b>		
Adjusted ad valorem tax revenue		<u>22,299,249.468</u>
Amount attributable to newly taxable property and net/gross proceeds		<u>191,561.433</u>
Current property tax revenue authorized limitation		<u>22,490,810.901</u>

**RESOLUTION NUMBER 7895**

**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 15 in the amount of \$320,080.46 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**, 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 2015; 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 2015, and has approved it as part of the city FY 2015 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 2015 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 \$320,080.46 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, 2014, and May 31, 2015, at 5:00 p.m.

**PASSED AND ADOPTED** this 8<sup>th</sup> day of September, 2014.

ATTEST:

APPROVED:

/s/ Martha L. Rehbein  
Martha L. Rehbein  
City Clerk

/s/ John Engen  
John Engen  
Mayor

(Seal)

## RESOLUTION NUMBER 7908

**A resolution levying annual assessments on the hotels located in the tourism business improvement district of the City of Missoula for fiscal year 2015 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 2014; 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 2015, and has approved it on June 16, 2014, 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 2015.

**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 2014. 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 25<sup>th</sup> day of August, 2014.

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/Vbriel	Property Address	Property City State ZIP	Legal Description	
2200-05-3-03-02-0000	3195702	GRANT CREEK INN LLC SUBRAYAN INVESTMENTS LLC	BEST WESTERN PLUS GRANT CREEK INN QUALITY INN & SUITES	5280 GRANT CREEK RD 4545 N RESERVE ST	MISSOULA, MT 59808-1492 MISSOULA, MT 59808	TOWNE CENTER, S05, T13 N, R19 W SUMMIT HOTEL ADDITION, S05, T13 N, R19 W, Lot 2, ACRES 0.99	
2200-05-3-01-17-0000	1787803					SUMMIT HOTEL ADDITION, S06, T13 N, R19 W, Lot 1, ACRES 2.22	
2200-05-1-01-16-0000	2012090400	MCCYMILLC DOUBLE TREE HOTEL/MISSOULA EDGEWATER	COURTYARD INN BY MARRIOTT DOUBLETREE HOTEL	4559 N RESERVE ST 100 MADISON ST	MISSOULA, MT 59808 MISSOULA, MT 59802		
2200-22-4-07-01-0000	2334073	WESTERN HOSPITALITY GROUP LP	HILTON GARDEN INN	3720 N RESERVE ST	MISSOULA, MT 59808	MCM-HIRK-ADDITION, S22, T13 N, R19 W, BLOCK HARTMAN, Z & Z-1 NE45E4, NE4 SF4	
2200-08-2-03-14-0000	5830532	CLARK FORK HOTEL INVESTORS LLC	COMFORT INN UNIVERSITY	1021 E BROADWAY	MISSOULA, MT 59802	MISSOULA HILTON, S08, T13 N, R19 W, Lot 1, 284808 SQUARE FEET	
2200-22-4-06-24-0000	3282305					S22, T13 N, R19 W, C.O.S. 4403, PARCEL 1 & 2	
2200-22-2-07-01-0000	25606	MISSOULA HOTEL 2006	HOLIDAY INN DOWNTOWN AT THE PARK	200 PATTIE ST	MISSOULA, MT 59802	MISSOULA ORIGINAL TOWNSITE, S22, T13 N, R19 W, BLOCK 6, Lot 17 - 22, 146508 SQUARE FEET, & BLOCK 9 Lots 1-22	
2200-21-1-28-01-0000	1864500	RASMPROPERTIES LLC ENCE PROPERTIES dba STAYBRIDGE SUITES	RED LION INN STAYBRIDGE SUITES	700 W BROADWAY 120 EXPRESSWAY	MISSOULA, MT 59802 MISSOULA, MT 59802	VI MCCORVICKS ADDITION, S21, T13 N, R19 W, BLOCK 49, Lot 1 - 20, VAC ALLEY	
2200-07-1-01-02-0000	5844913					STAYBRIDGE, S07, T13 N, R19 W, Lot 3, 96039 SQUARE FEET	
Hotel/Vbriels that are participating but are not in the district:							
Geocode	Assessment Code	Owner	Hotel/Vbriel	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, T13 N, R19 W, 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, T13 N, R20 W, BLOCK 11, Lot 1	Not in City
2200-31-4-30-20-0000	5854056	RVH8 LLC AN IDAHO LIMITED LIABILITY COMPANY	GUESTHOUSE INN, SUITES & CONFERENCE CENTER	3803 BROOKS ST	MISSOULA, MT 59804	RUSSELL BRYAN #2, S31, T13 N, R19 W, Lot 2	In City
2200-21-1-31-01-0000	2458003	WIRTH WYETTE M TRUSTEE	AMERICA'S BEST VALUE INN	420 W BROADWAY	MISSOULA, MT 59802	VI MCCORVICKS ADDITION, S21, T13 N, R19 W, Lot 17, Block 17, 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, T13 N, R19 W, Lot 2A, RUBY ERCK NORTHGATE BUSINESS CENTER-LOT 3	In City

Return to: City Clerk  
 435 Ryman  
 Missoula, MT 59802

**Resolution Number 7897**

**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 \$1,272,302 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.**

**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**, on December 10, 2012, and December 17, 2012, the Council adopted emergency ordinances 3487 and 3488 respectively which created a Development Services Office and established the composition and duties of the office which includes transferring responsibilities for Engineering Services from the Public Works Department to Development Services beginning January 1, 2013;

**Whereas**, emergency ordinances go into effect immediately and are effective for ninety days;

**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. 7884 on June 16, 2014, fixing the annual appropriations and the capital improvement program for the City as set forth in the fiscal year 2015 budget which included a work plan and budget for the District in the amount of \$1,272,302 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2015.

**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 10, 2014 and August 17, 2014;

**Whereas**, a public hearing was held on August 25, 2014, 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 2015, the Council estimates the cost of the Services and Improvements to be performed in the District to total \$1,272,302. The work plan and budget for the Services and Improvements to be provided in fiscal year 2015 were approved by the City Council on June 16, 2014, and are on file and available for public inspection in the City Clerk's office.

Total levy for Road District #1            \$1,272,302

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 25<sup>th</sup> day of August, 2014.

ATTEST:

CITY OF MISSOULA  
Missoula County, Montana

/s/ Martha L. Rehbein  
Martha L. Rehbein CMC, City Clerk

/s/ John Engen  
John Engen, Mayor

## CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Missoula, Montana (the "City"), hereby certify that the attached resolution is a true copy of a resolution entitled: **"A resolution of the City Council of the City of Missoula, Montana, levying and assessing the lots and parcels within the City of Missoula Road District Number 1 in the amount of \$1,272,302 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 25, 2014, 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: Ed Childers, Caitlin Copple, Annelise Hedahl, Jordan Hess, Marilyn Marler, Mike O'Herron, Alex Taft, Bryan von Lossberg;

NAYS: Adam Hertz, Jon Wilkins;

ABSENT: None;

ABSTAIN: Emily Bentley, Jason Wiener

WITNESS my hand officially this 25th day of August, 2014.

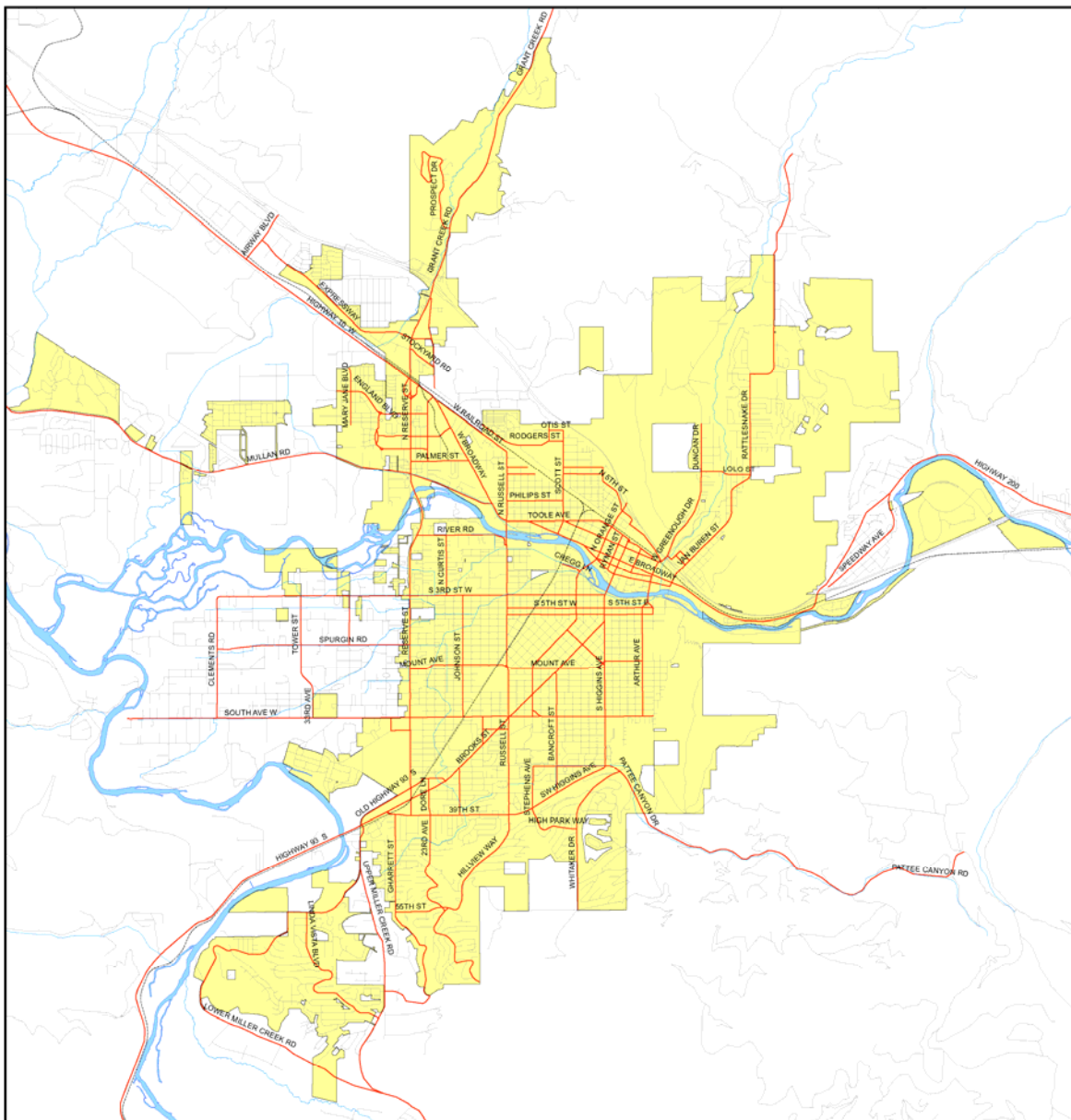
CITY OF MISSOULA  
Missoula County, Montana

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

( S E A L )

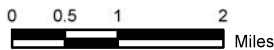
EXHIBIT "A"

MAP OF THE DISTRICT



**CITY OF MISSOULA, MONTANA - CITY LIMITS MAP**

City Limits as of:  
June 16, 2014



**29.2 Square Miles**  
**18,711 Acres**  
**815,031,580 Square Feet**



Printing Date: Tuesday, June 17, 2014  
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 7898

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 \$634,457 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 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. 7884 on June 16, 2014, fixing the annual appropriations and the capital improvement program for the City as set forth in the fiscal year 2015 budget which included a work plan and budget for the District in the amount of \$634,457 in order to provide services and purchase supplies to carry out the work plan established for the District in fiscal year 2015;

**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 10, 2014 and August 17, 2014; and

**Whereas**, a public hearing was held on August 25, 2014, 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. 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 2015, the Council estimates the cost of the Services and Improvements to be performed in the District to total \$634,457. The work plan and budget for the Services and Improvements to be provided in fiscal year 2015 were approved by the City Council on June 16, 2014, and are on file and available for public inspection in the City Clerk's office.

Total levy for Park District #1	\$634,457.00
---------------------------------	--------------

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 25<sup>h</sup> day of August, 2014.

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 \$634,457 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 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 25, 2014, 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: Ed Childers, Caitlin Copple, Annelise Hedahl, Jordan Hess, Marilyn Marler, Mike O'Herron, Alex Taft, Bryan von Lossberg;

NAYS: Adam Hertz, Jon Wilkins;

ABSENT: None;

ABSTAIN: Emily Bentley, Jason Wiener

WITNESS my hand officially this 25th day of August, 2014.

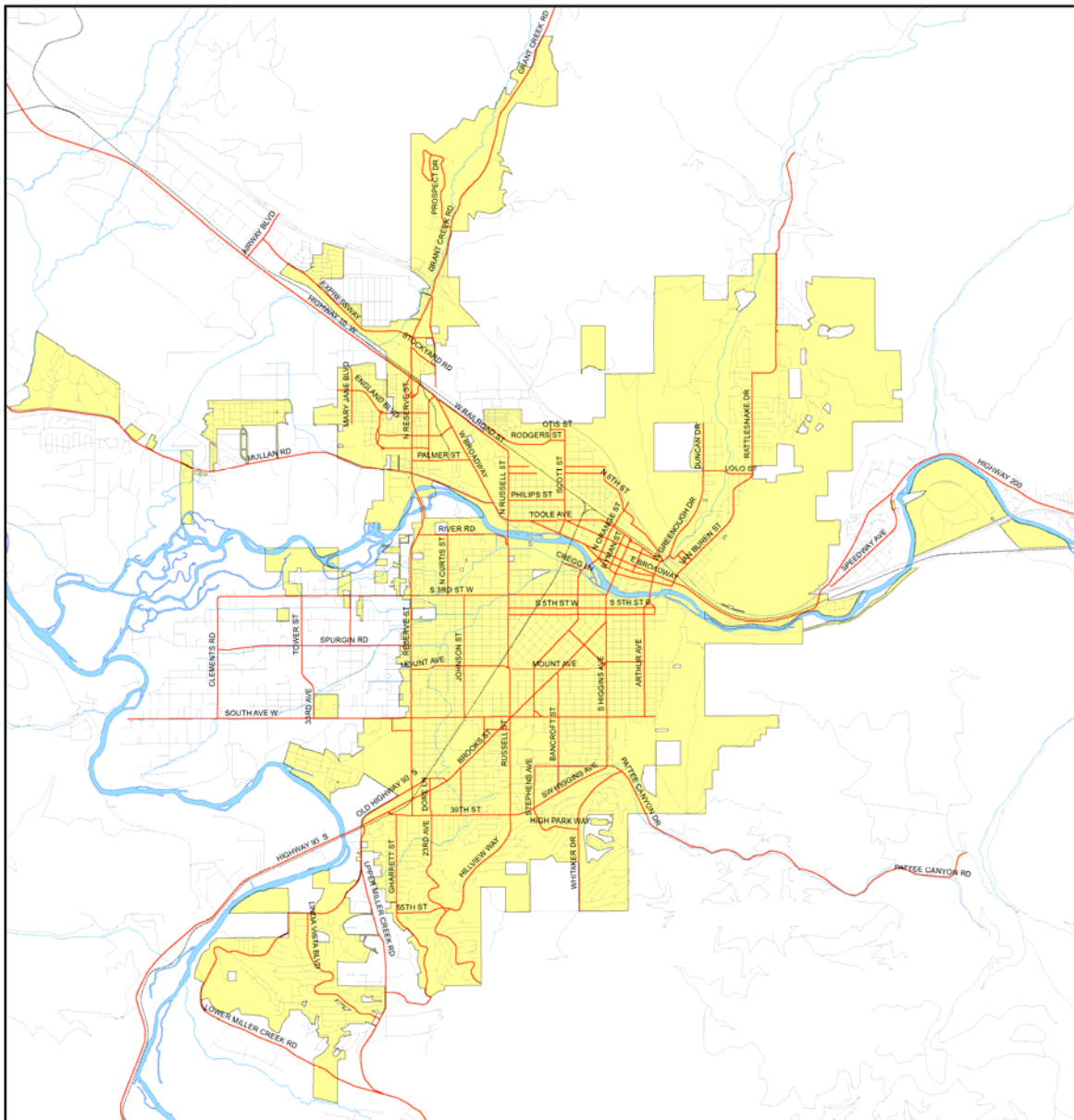
CITY OF MISSOULA  
Missoula County, Montana

/s/ Martha L. Rehbein  
Martha L. Rehbein, CMC  
City Clerk

( S E A L )

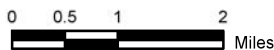


EXHIBIT "A"  
Map of the District



**CITY OF MISSOULA, MONTANA - CITY LIMITS MAP**

City Limits as of:  
June 16, 2014



**29.2 Square Miles**  
**18,711 Acres**  
**815,031,580 Square Feet**

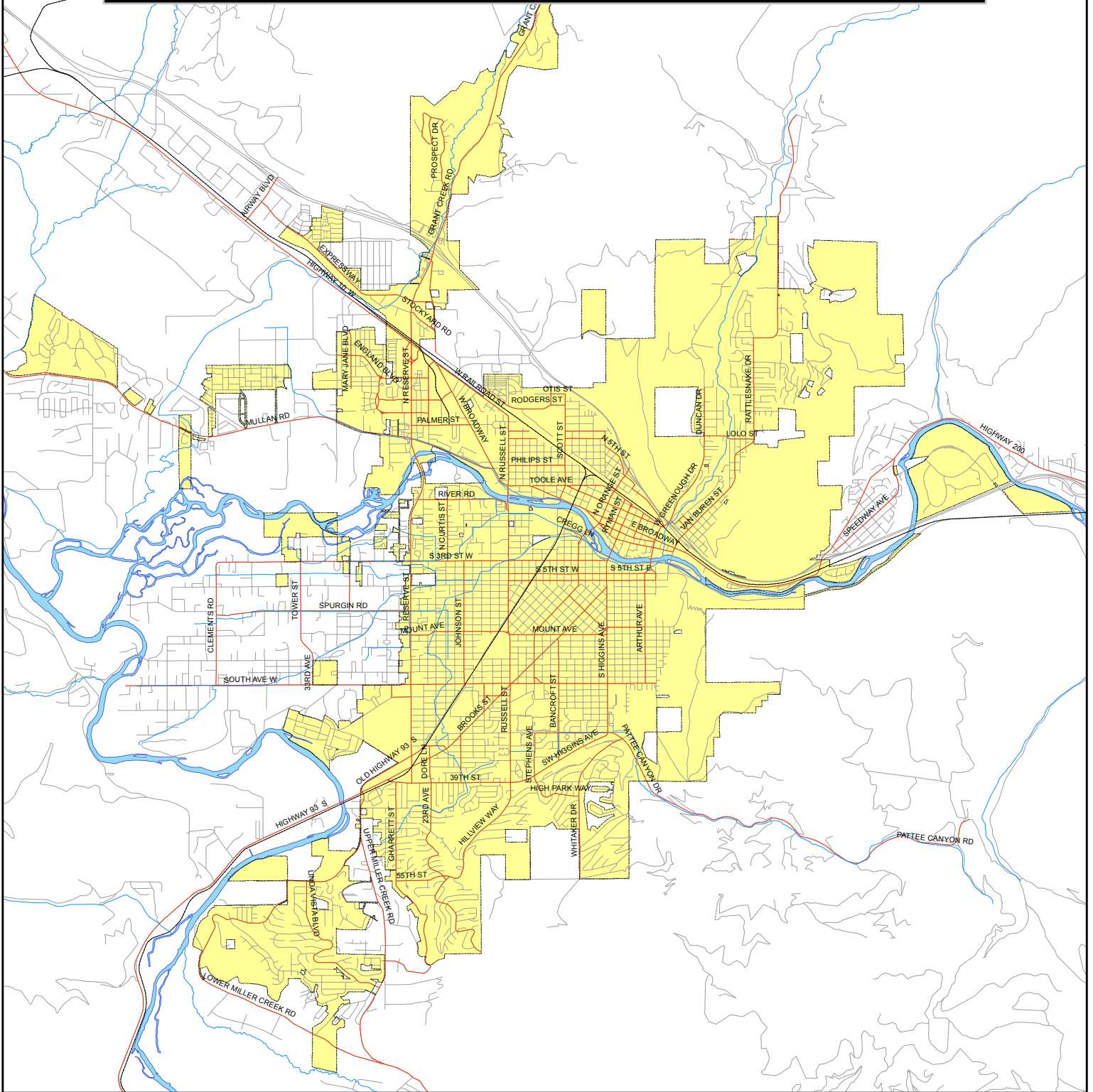


Printing Date: Tuesday, June 17, 2014  
File: CityMap\_8.5x11\_PDF.mxd  
Prepared By: GIS Services

**EXHIBIT "B"**

## DISTRICT BOUNDARIES

The District boundary is described as the incorporated boundary of the City of Missoula in accordance with City Council municipal annexation resolutions and municipal annexation ordinances filed in the Missoula City Clerk's public records as well as all properties later annexed thereto. Parcels within the boundary are the current parcels subject to City of Missoula property taxes as shown in the tax rolls of the Montana Department of Revenue and inclusive of those parcels that are exempt from property taxes except park land, common areas and greenways, open space lands, and parcels used as a public street and alley right-of-ways as well as all parcels later annexed thereto.

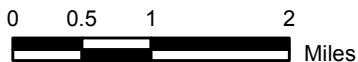


# CITY OF MISSOULA, MONTANA - CITY LIMITS MAP

City Limits as of:  
July 28, 2014

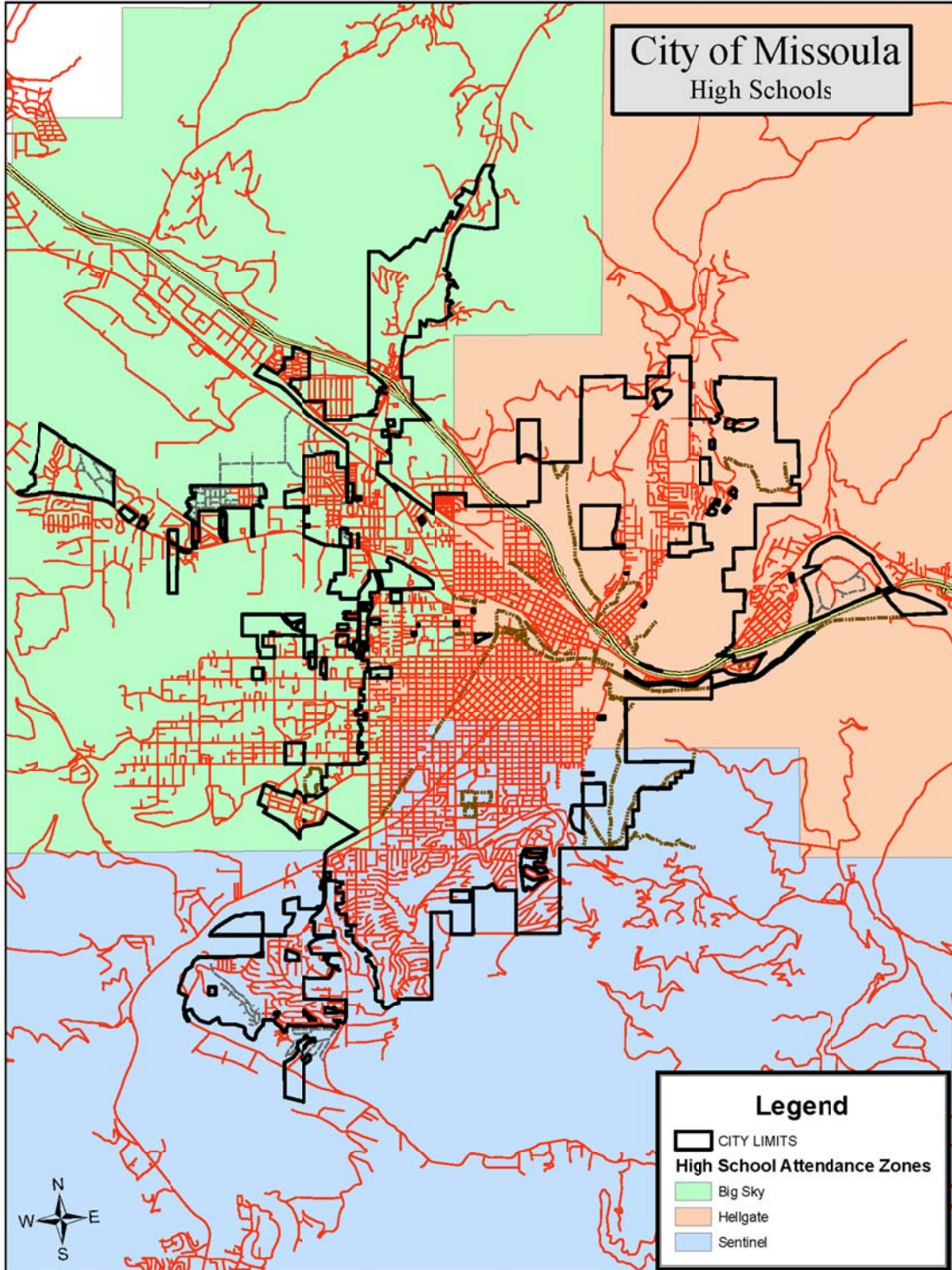


**29.2 Square Miles**  
**18,715 Acres**  
**815,238,792 Square Feet**



Printing Date: Tuesday, July 29, 2014  
 File: CityMap\_8.5x11\_PDF.mxd

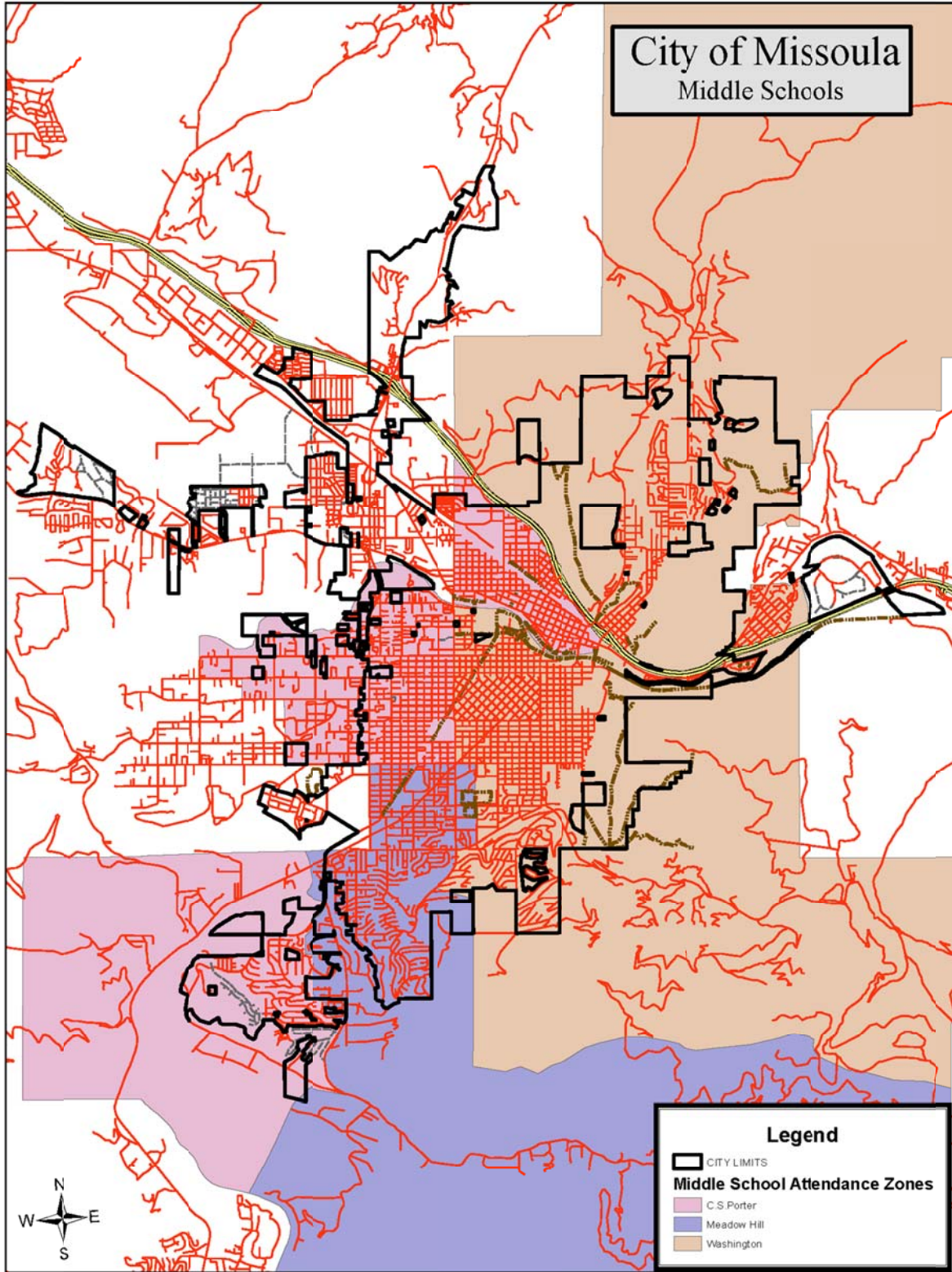
City of Missoula is home to Missoula County School District 1. Included in Missoula County, School District 1 are the following schools that serve the City of Missoula:



High Schools (serves grade 9 through grade 12)

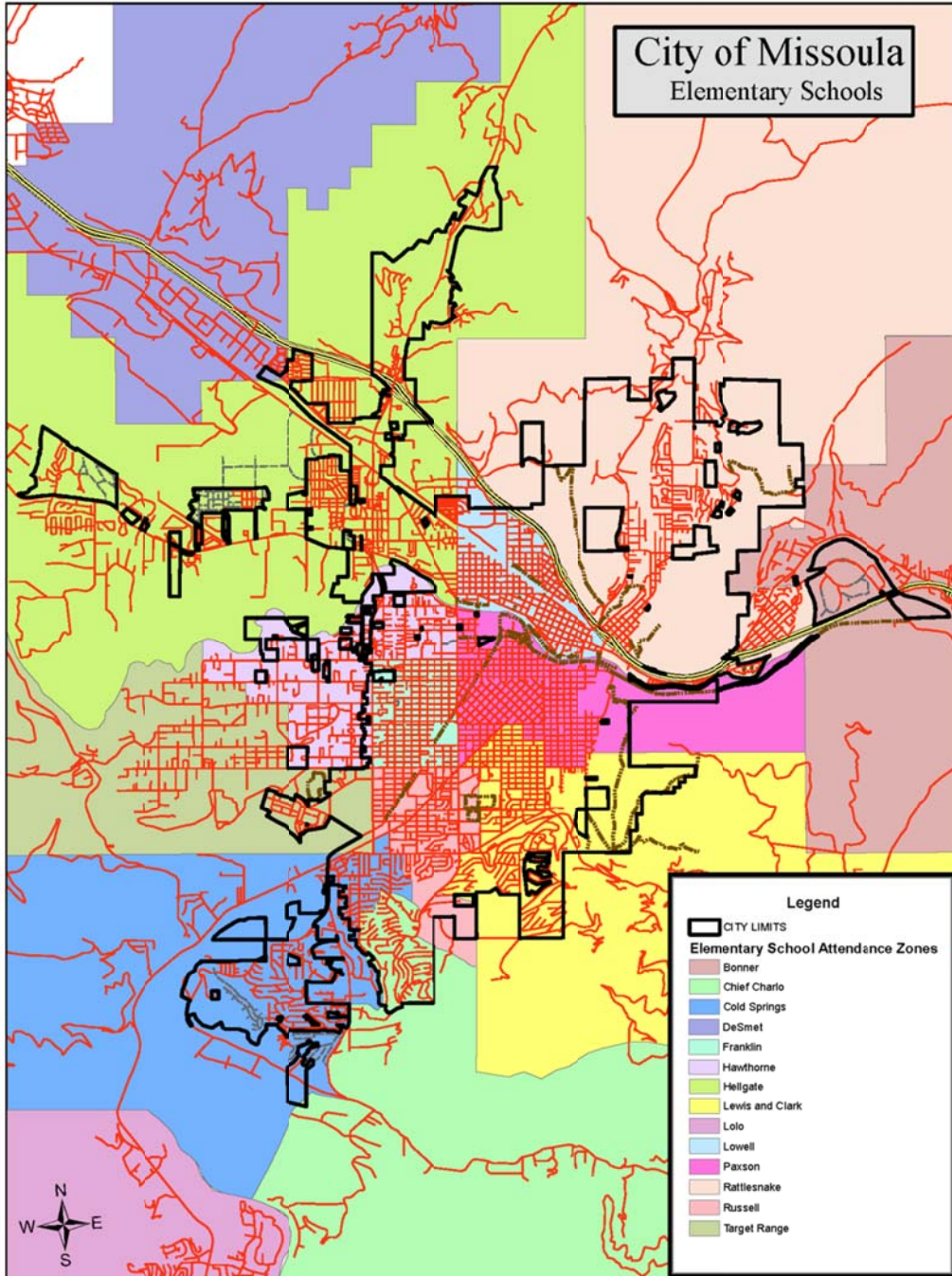
Big Sky High School	3100 South Ave W	Missoula, MT	59804	(406) 728-2401
Hellgate High School	900 S Higgins Ave	Missoula, MT	59801	(406) 728-2402
Willard Alternative High School	901 S 6 <sup>th</sup> St W	Missoula, MT	59801	(406) 542-4073
Sentinel High School	901 South Ave W	Missoula, MT	59801	(406) 728-2403





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
Paxson Elementary	101 Evans St	Missoula, MT	59801	(406) 542-4055

**Accrual Basis** - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**Appropriation** – An authorization made by the City Council which permits the City to incur obligations to make expenditures for specific purposes.

**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).

**STATISTICAL SECTION**

**CITY OF MISSOULA, MONTANA  
FUND BALANCES OF GOVERNMENTAL FUNDS  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>General Fund</b>										
Reserved	\$ 639,060	\$ 588,145	\$ 759,606	\$ 558,624	\$ 699,325	\$ 740,667	\$ -	\$ -	\$ -	\$ -
Unreserved	1,167,446	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
Restricted*	-	-	-	-	-	-	165,282	105,804	157,822	179,972
Assigned*	-	-	-	-	-	-	1,203,481	1,284,045	1,757,237	1,716,911
Unassigned*	-	-	-	-	-	-	1,152,657	1,940,474	2,968,121	2,384,656
Total General Fund	<u>\$ 1,806,506</u>	<u>\$ 1,929,515</u>	<u>\$ 2,124,659</u>	<u>\$ 1,202,073</u>	<u>\$ 900,387</u>	<u>\$ 2,088,984</u>	<u>\$ 3,670,187</u>	<u>\$ 4,562,625</u>	<u>\$ 6,142,366</u>	<u>#####</u>
<b>All other governmental funds</b>										
Reserved	\$ 3,280,061	\$ 3,602,376	\$ 3,007,558	\$ 3,175,573	\$ 3,654,339	\$ 3,869,555	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	2,124,775	1,939,572	1,462,685	3,208,509	3,814,089	4,124,600	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	7,181,073	(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	6,461,485
Committed*	-	-	-	-	-	-	1,374,228	2,048,128	2,892,425	4,543,997
Unassigned*, reported in:										
Special revenue funds	-	-	-	-	-	-	(332,574)	(149,817)	(105,325)	(986,470)
Debt service funds	-	-	-	-	-	-	(36,421)	(174,575)	(23,761)	(189,696)
Capital projects funds	-	-	-	-	-	-	(3,962,631)	(4,602,847)	(5,681,029)	#####
Neighborhood stabilization funds	-	-	-	-	-	-	-	(4,139)	-	-
Total other governmental funds	<u>\$ 12,585,909</u>	<u>\$ 251,578</u>	<u>\$ 4,991,855</u>	<u>\$ 4,912,785</u>	<u>\$ 2,740,393</u>	<u>\$ 3,905,111</u>	<u>\$ 4,965,967</u>	<u>\$ 4,538,110</u>	<u>\$ 3,871,949</u>	<u>#####</u>

Source: City of Missoula

\* Restated to conform to GASB Statement No. 54

**STATISTICAL SECTION**

**CITY OF MISSOULA, MONTANA  
FUND BALANCES OF GOVERNMENTAL FUNDS  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>General Fund</b>										
Reserved	\$ 639,060	\$ 588,145	\$ 759,606	\$ 558,624	\$ 699,325	\$ 740,667	\$ -	\$ -	\$ -	\$ -
Unreserved	1,167,446	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
Restricted*	-	-	-	-	-	-	165,282	105,804	157,822	179,972
Assigned*	-	-	-	-	-	-	1,203,481	1,284,045	1,757,237	1,716,911
Unassigned*	-	-	-	-	-	-	1,152,657	1,940,474	2,968,121	2,384,656
<b>Total General Fund</b>	<b>\$ 1,806,506</b>	<b>\$ 1,929,515</b>	<b>\$ 2,124,659</b>	<b>\$ 1,202,073</b>	<b>\$ 900,387</b>	<b>\$ 2,088,984</b>	<b>\$ 3,670,187</b>	<b>\$ 4,562,625</b>	<b>\$ 6,142,366</b>	<b>\$ 5,411,193</b>
<b>All other governmental funds</b>										
Reserved	\$ 3,280,061	\$ 3,602,376	\$ 3,007,558	\$ 3,175,573	\$ 3,654,339	\$ 3,869,555	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	2,124,775	1,939,572	1,462,685	3,208,509	3,814,089	4,124,600	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	7,181,073	(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	6,461,485
Committed*	-	-	-	-	-	-	1,374,228	2,048,128	2,892,425	4,543,997
Unassigned*, reported in:										
Special revenue funds	-	-	-	-	-	-	(332,574)	(149,817)	(105,325)	(986,470)
Debt service funds	-	-	-	-	-	-	(36,421)	(174,575)	(23,761)	(189,696)
Capital projects funds	-	-	-	-	-	-	(3,962,631)	(4,602,847)	(5,681,029)	(8,125,283)
Neighborhood stabilization funds	-	-	-	-	-	-	-	(4,139)	-	-
<b>Total other governmental funds</b>	<b>\$ 12,585,909</b>	<b>\$ 251,578</b>	<b>\$ 4,991,855</b>	<b>\$ 4,912,785</b>	<b>\$ 2,740,393</b>	<b>\$ 3,905,111</b>	<b>\$ 4,965,967</b>	<b>\$ 4,538,110</b>	<b>\$ 3,871,949</b>	<b>\$ 1,704,033</b>

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Revenues</b>										
Taxes and assessments	\$ 19,470,666	\$ 22,340,804	\$ 24,128,385	\$ 25,071,209	\$ 26,649,687	\$ 27,445,555	\$ 28,256,587	\$ 29,396,016	\$ 31,729,767	\$ 31,161,006
Licenses and permits	3,165,413	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
Intergovernmental	14,238,028	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
Charges for services	3,298,503	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
Fines and forfeitures	1,223,864	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
Miscellaneous	309,781	949,537	975,534	1,699,515	1,168,486	1,464,092	1,205,961	613,255	625,976	544,245
Interest earnings	226,538	192,758	538,418	584,698	156,522	63,362	32,409	41,691	47,960	21,214
Total revenues	41,932,793	44,335,057	47,568,074	49,284,804	49,446,013	58,158,513	56,288,163	64,498,728	60,919,724	58,791,535
<b>Expenditures</b>										
General government	4,501,423	6,334,244	5,745,356	6,515,738	7,752,035	7,252,975	6,493,866	6,949,250	8,034,601	10,006,347
Public safety	16,957,739	18,138,794	19,880,732	21,637,023	21,669,039	22,227,258	22,431,087	23,834,156	25,803,943	27,886,447
Public works	5,765,617	5,803,509	6,161,928	6,670,377	6,624,812	6,577,834	7,962,836	7,437,537	7,393,392	7,381,635
Public health	1,096,344	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
Social and economic	105,238	108,395	132,897	115,000	118,450	118,450	116,000	116,000	116,000	210,000
Culture and recreation	2,719,381	3,011,054	3,676,479	3,118,438	3,278,075	3,293,005	3,289,120	3,528,049	3,838,271	4,249,717
Community development	2,129,109	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
Conservation of natural resources	-	-	-	-	-	7,757	450	100	120	120
Miscellaneous	910,387	-	947,093	-	-	1,041,180	1,189,351	1,003,472	1,049,647	1,057,905
Debt service - principal	2,432,981	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
Debt service - interest	1,428,517	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
Capital outlay	4,980,661	18,496,532	9,116,240	7,575,647	5,401,985	8,518,735	7,777,324	6,202,777	6,863,986	5,351,943
Total expenditures	43,027,397	59,565,643	56,911,149	53,678,218	52,064,409	59,128,811	57,977,065	66,096,927	61,409,220	62,458,278
Excess of revenues over (under) expenditures	(1,094,604)	(15,230,586)	(9,343,075)	(4,393,414)	(2,618,396)	(970,298)	(1,688,902)	(1,598,199)	(489,496)	(3,666,743)
<b>Other financing sources (uses)</b>										
Transfers in	4,833,042	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
Transfers out	(4,675,148)	(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)
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	994,921	2,850,881	11,574,351	2,378,354	-	3,276,941	4,168,336	2,559,396	1,895,150	1,514,851
Proceeds from sale of capital assets	46,347	100	-	840,620	82,716	56,794	-	-	22,171	465
Total other financing sources (uses)	1,199,162	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
Net change in fund balances	\$ 104,558	\$ (12,211,323)	\$ 4,731,323	\$ (1,288,818)	\$ (2,474,078)	\$ 2,353,315	\$ 2,671,361	\$ 626,272	\$ 912,394	\$ (2,886,846)
Debt service as a percentage of non-capital expenditures:	15%	12%	23%	12%	12%	11%	12%	10%	12%	9%

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
OVERLAPPING PROPERTY TAX LEVIES  
Last Ten Fiscal Years**

<b>Taxing Authority</b>	<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</b>
City of Missoula	196.39	204.73	212.23	222.45	222.45	225.56	233.24	240.90	243.52	245.62
<b>County of Missoula</b>										
County Wide	129.11	133.64	136.19	140.35	138.94	139.80	142.47	145.04	150.32	160.09
County Wide Schools	102.26	104.26	104.04	105.61	104.62	103.45	100.94	100.17	104.60	105.64
Total	231.37	237.90	240.23	245.96	243.56	243.25	243.41	245.21	254.92	265.73
<b>District Schools</b>										
School District One	150.66	150.26	145.45	140.24	142.75	141.50	145.18	141.88	148.94	150.34
High Schools	83.40	82.21	77.05	79.13	76.46	74.63	76.44	71.92	72.19	72.77
Total	234.06	232.47	222.50	219.37	219.21	216.13	221.62	213.80	221.13	223.11
<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	12.38	13.91	14.62	14.86	16.30	16.45	17.69	19.51	21.05	34.26
Total Levy on City Residents	<u>720.20</u>	<u>735.01</u>	<u>735.58</u>	<u>748.64</u>	<u>747.52</u>	<u>747.39</u>	<u>761.96</u>	<u>765.42</u>	<u>786.62</u>	<u>814.72</u>
Overall Property Tax Increase(Decrease)	<b>1.30%</b>	<b>2.06%</b>	<b>0.08%</b>	<b>1.78%</b>	<b>-0.15%</b>	<b>-0.02%</b>	<b>1.95%</b>	<b>0.45%</b>	<b>2.77%</b>	<b>3.57%</b>
<b>Other Levies of Interest</b>										
County Only	31.83	34.50	35.68	35.80	35.80	36.18	36.18	36.38	36.37	36.37
Missoula Rural Fire	79.64	80.89	91.13	94.13	94.13	97.97	97.97	100.33	102.39	112.59

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**

<u>Fiscal Year</u>	<u>Estimated Market Value</u>	<u>Taxable Value City Without Tax Increment</u>	<u>Ratio of Total Assessed Value to Total Estimated Market Value</u>	<u>Taxable Value Tax Increment Districts</u>	<u>Mill Levy</u>
2006	\$ 2,805,424,077	\$ 91,358,406	3.26%	\$ 3,844,866	196.39
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

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>
2006	\$ 81,061	\$ 4,529	\$ 4,999	\$ 363	\$ 380	\$ 27	\$ (3,845)	\$ 87,514
2007	84,231	4,697	5,291	346	379	61	(1,471)	93,534
2008	91,045	4,474	7,475	313	382	-	(1,806)	101,883
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	4,154	(4,531)	108,167
2014	99,741	4,086	4,928	587	346	4,350	(4,732)	109,305
2015	101,034	2,242	3,848	501	396	4,604	(3,947)	108,677

\*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.



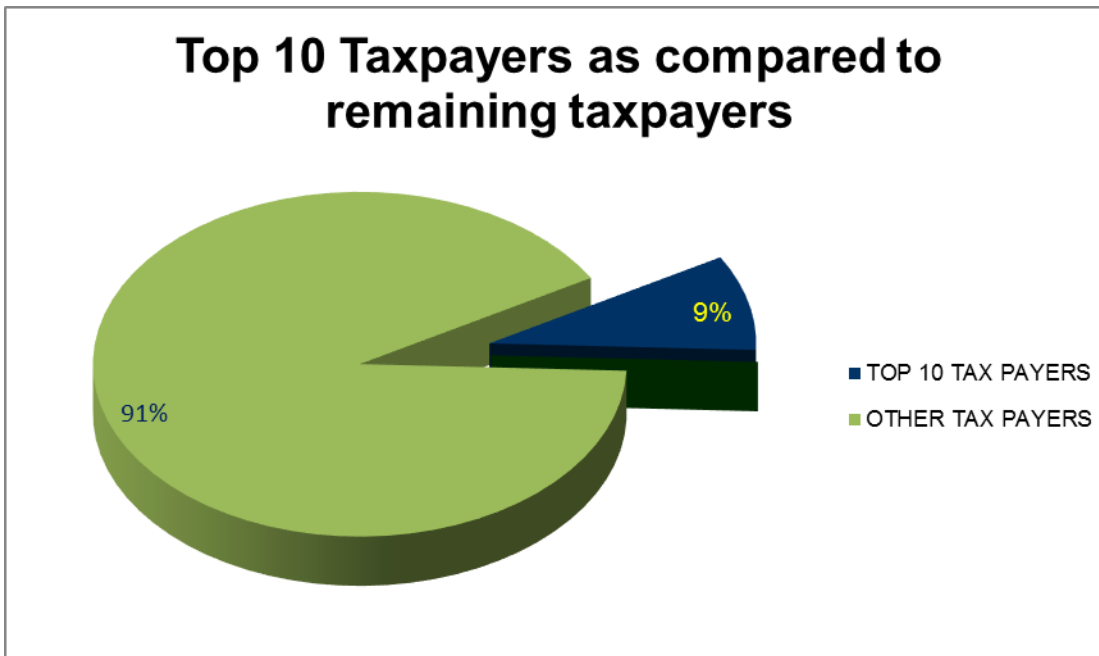
**CITY OF MISSOULA, MONTANA  
PROPERTY VALUE AND NEW CONSTRUCTION  
Last Ten Fiscal Years**

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	
2005	\$ 2,636,857,585	457	\$ 38,970,878	194	\$ 8,157,757	1,677	\$ 113,217,490	2.96%
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%

Source: City of Missoula Building Inspection Office and Missoula County Assessor

**CITY OF MISSOULA  
FOR FY 2014 - FY 2015**

Rank	Taxpayer	Taxable Value
1	NORTHWESTERN CORPORATION	\$ 3,622,326
2	CENTRYLINK	1,164,891
3	MOUNTAIN WATER COMPANY	999,428
4	BRESNAN COMMUNICATION	753,201
5	SOUTHGATE MALL	723,081
6	MONTANA RAIL LINK	633,236
7	GATEWAY LIMITED PARTNERSHIP	583,026
8	VERIZON WIRELESS	520,727
9	ST PATRICK HOSPITAL	464,238
10	MOUNTAIN STATES LEASING	313,476
		<u>\$ 9,777,630</u>



**CITY OF MISSOULA, MONTANA  
PROPERTY TAX LEVIES AND COLLECTIONS  
GOVERNMENTAL FUND TYPES  
Last Ten Fiscal Years**

Fiscal Year Ended June 30th	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date*		Percentage of Delinquencies
		Amount	Percentage of Levy		Amount	Percentage of Levy	
2005	\$ 15,977,347	\$ 15,900,407	99.52%	\$ 208,969	\$ 16,109,376	100.83%	0.48%
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%

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, 2014**

Market Valuation	\$	4,305,020,382
Market Valuation (Less Tax Increment)	\$	4,300,287,945
Taxable Valuation	\$	112,899,456
Taxable Valuation (Less Tax Increment)	\$	109,336,360
Population		68,159
Direct Debt Per Capita	\$	162
Direct and Overlapping Debt Per Capita	\$	357
Direct Debt to Market Valuation		0.26%
Direct and Overlapping Debt to Market Valuation		0.57%
Direct Debt to Taxable Valuation		9.76%
Direct and Overlapping Debt to Taxable Valuation		21.55%
Market Valuation per Capita	\$	63,161
Taxable Valuation per Capita	\$	1,604

Source: City of Missoula

**SUMMARY OF DIRECT DEBT, INDIRECT DEBT AND DEBT RATIOS  
REQUIRED CONTINUING DISCLOSURE  
AS OF JUNE 30, 2014**

	<b>Summary of Direct Debt</b>		
	<b>Gross Debt</b>	<b>Less: Debt Service Funds (a)</b>	<b>Net Direct Debt</b>
General Obligation Debt Supported by Taxes	\$ 11,020,000	\$ -	\$ 11,020,000
Debt Supported by General Fund	8,311,192	-	8,311,192
Revenue Debt (Sewer)	23,052,215	( b )	23,052,215
Revenue Debt (TIF and Parking)	25,355,722	( c )	25,355,722
Subtotal of Direct Debt	<u>\$ 67,739,129</u>		<u>\$ 67,739,129</u>

- (a) Debt Service funds are as of June 30th. Includes money to pay both principal and interest.
- (b) Monies are transferred from the Sewer Enterprise Fund to make the principal and interest payments on these bonds.
- (c) 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, 2014</b>	<b>Debt Applicable to Tax Capacity of City</b>	
		<b>Percentage<sup>^</sup></b>	<b>Amount</b>
Taxing Unit: Missoula County High School District Hellgate Elementary School District School District No. 20 (Desmet) Missoula County	\$ 8,520,000 10,385,000 170,000 12,705,802	57.60% 15.68% 0.50% 53.30%	\$ 4,907,520 1,627,923 850 6,772,192
Subtotal of Indirect Debt	<u>\$ 31,780,802</u>		<u>\$ 13,308,486</u>

**Total of Direct and Indirect Debt** \$ 81,047,615

	<b>Debt Ratios*</b>	
	<b>G.O. Net Direct Debt</b>	<b>G.O. Indirect &amp; Net Direct Debt</b>
Current Year Estimated Value	0.26%	0.57%
Per Capita	\$ 162	\$ 357

\*Includes general obligation debt and debt supported by general fund revenues, excludes revenue supported debt.

<sup>^</sup>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

Source: City of Missoula  
 Source: Missoula County Assessors Office  
 Source: Local Schools

**CITY OF MISSOULA, MONTANA  
LEGAL DEBT MARGIN INFORMATION  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt Limit	\$ 43,815	\$ 48,253	\$ 84,236	\$ 85,308	\$ 93,949	\$ 93,949	\$ 99,129	\$ 103,517	\$ 102,767	\$ 107,626
Total net debt applicable to limit	14,511	18,972	17,944	16,426	16,426	15,224	13,966	12,661	11,520	11,038
Legal debt Margin	\$ 29,304	\$ 29,281	\$ 66,292	\$ 68,882	\$ 77,523	\$ 78,725	\$ 85,163	\$ 90,856	\$ 91,247	\$ 96,588
Total net debt applicable to the limit as a percentage of debt limit	33.12%	39.32%	21.30%	19.26%	17.48%	16.20%	14.09%	12.23%	11.21%	10.26%

**Legal Debt Margin Calculation for Fiscal Year 2014**

Assessed Value of Taxable Property as Ascertained by the last Assessment for Taxes	4,305,020
Debt Limit 2.5% of Assessed Value (1)	<u>2.50%</u>
General Obligation Debt Limit	107,626
Less: Outstanding General Obligation Debt, June 30, 2013	<u>11,038</u>
Total net debt applicable to limit	<u>96,588</u>
Legal Debt Margin	<u>96,588</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						
2005	\$ 15,020,000	\$ 1,380,000	\$ 14,226,402	\$ 546,373	\$ -	\$ 228,628	\$16,586,138	\$ -	\$ -	\$47,987,541	\$ 31,397	63,396	2.41%	\$ 757	1.71%
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	66,788	2.54%	917	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	67,242	2.53%	921	1.50%
2013	11,465,000	4,935,000	14,189,516	55,126	2,819,606	-	22,051,000	337,080	2,236,246	58,088,574	36,931	67,699	2.32%	858	1.41%
2014	11,020,000	4,575,000	12,738,346	17,932	3,718,260	-	20,857,000	232,296	1,962,919	55,121,753	37,388	68,159	2.16%	809	1.28%

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>
2005	\$ 15,020	\$ 84,586	18%	63,396	\$ 236.92
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%	66,788	207.22
2012	12,570	107,879	12%	67,242	186.94
2013	11,465	108,167	11%	67,699	169.35
2014	11,020	109,336	10%	68,159	161.68

\* 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



**STATISTICAL SECTION**

**CITY OF MISSOULA, MONTANA  
PLEDGED-REVENUE COVERAGE  
WASTEWATER FACILITY REVENUE BONDS  
Last Ten Fiscal Years**

Fiscal Year	Operating Revenues	Operating Expenses (1)	Net Revenue Available for Debt	Debt Service Requirements			
				Principal Paid	Interest Paid	Total Debt Service	Coverage (2)
2005	\$ 7,265,854	\$ 3,151,625	\$ 4,114,229	\$ 797,233	\$ 655,716	\$ 1,452,949	283%
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	4,837,498	3,186,384	1,194,000	616,515	1,810,515	176%

^ Debt Service Coverage Calculation - 2014	
FY 2014	
<b>Revenues</b>	
Operating Revenue	\$ 8,261,704
Less: Federal Credit	(237,822)
Total Operating Revenue	<u>8,023,882</u>
<b>Expenses</b>	
Operating Expenses	(7,558,727)
Add back Depreciation	2,721,229
Total Operating Expenses	<u>(4,837,498)</u>
<b>Revenues Available for Debt Service:</b>	<u>\$ 3,186,384</u>
<b>Debt Service</b>	
Principal	\$ 1,194,000
Interest	854,337
Less: Federal Credit	(237,822)
Net Debt Service	<u>\$ 1,810,515</u>
Coverage	176%

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  
 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>
2005	\$ 808,460	\$ 14,226,402	5.7%
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%

Source: City of Missoula

**STATISTICAL SECTION**

**CITY OF MISSOULA, MONTANA  
REVOLVING FUND CHANGES IN FUND BALANCE  
REQUIRED CONTINUING DISCLOSURE  
Last Ten Years**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Beginning Balance	\$ 955,785	\$ 808,460	\$ 889,718	\$954,148	\$779,966	\$719,399	\$764,101	\$794,547	\$ 791,209	\$ 735,266
Disbursements/Transfers	(147,325)	81,258	64,430	(174,182)	(60,567)	44,702	30,446	(3,338)	(55,943)	(82,817)
Ending Balance	<u>\$ 808,460</u>	<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>
Assets:										
Cash	\$ 808,460	\$ 885,738	\$ 928,632	\$776,343	\$702,257	\$746,320	\$793,639	\$774,812	\$ 719,735	\$ 636,917
Due from SID Funds	-	-	-	-	-	-	-	865	-	-
Other Receivables	227,828	218,910	222,281	184,856	182,844	167,952	135,548	134,640	119,108	103,577
Total Assets	<u>1,036,288</u>	<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>
Liabilities:										
Deferred Revenue	227,828	214,930	196,765	181,233	165,702	150,171	134,639	119,108	103,577	88,046
Total Liabilities	<u>227,828</u>	<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>
Total Fund Balance	<u>\$ 808,460</u>	<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>

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
Last Ten Fiscal Years**

Fiscal Year	Population		Income Statistics		State	Missoula County
	Estimated City Population (1)	County Population	Total Personal Income (2)	Per Capita Income (2)	Unemployment Rate	Unemployment Rate
2005	63,396	102,118	\$ 3,204,473	\$ 31,397	4.0%	3.7%
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	66,788	109,299 *	3,913,971 *	36,032 *	6.9%	6.8%
2012	67,242	110,042 *	3,962,457 *	36,479 *	6.5%	6.4%
2013	67,699	110,791 *	4,011,544 *	36,931 *	5.5%	5.7%
2014	68,159	111,544 *	4,061,238 *	37,388 *	4.6%	4.9%

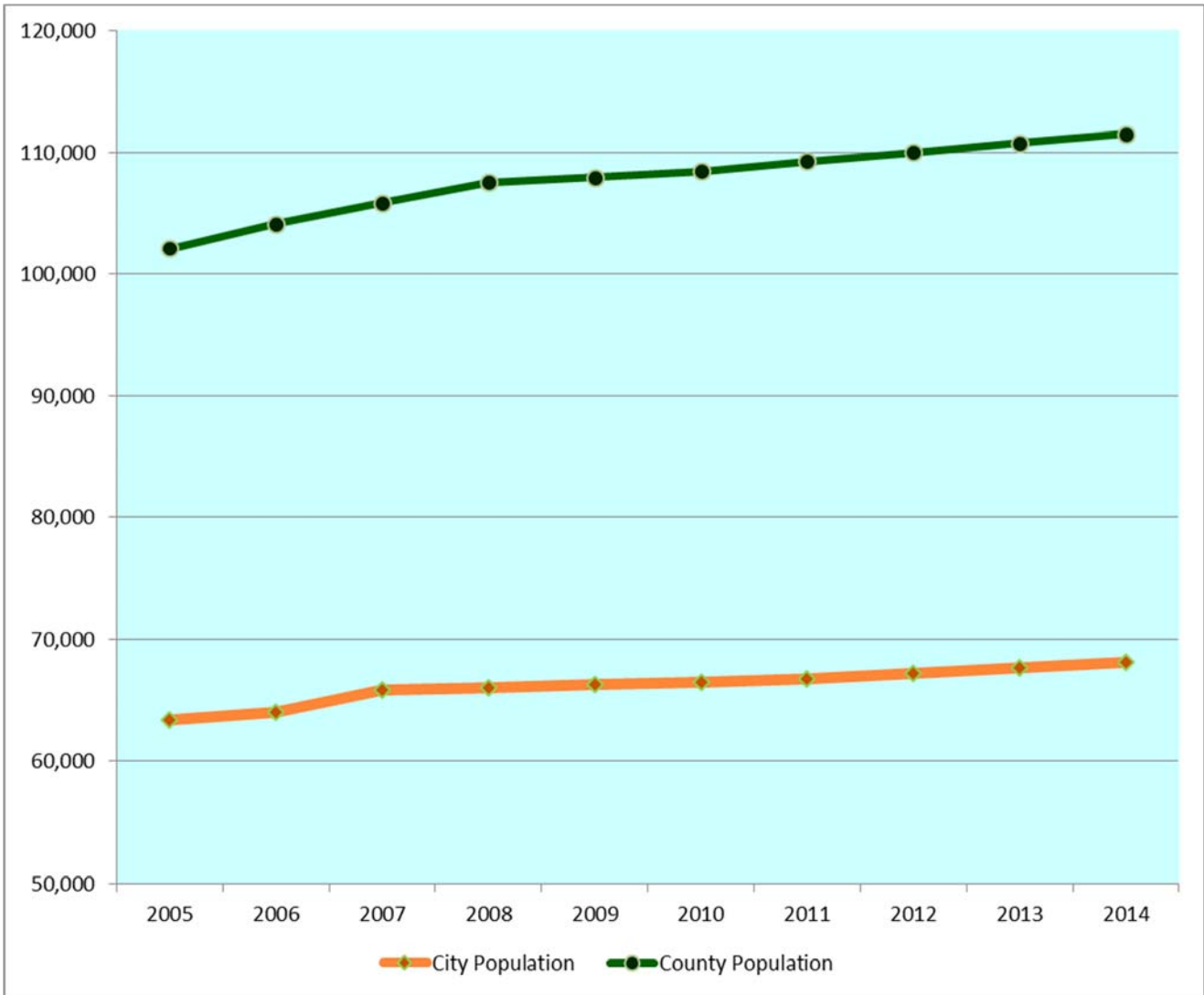
(1) 2000 and 2010 population is from the US Census Bureau. All other years are estimated.

(2) Only Missoula County information available.

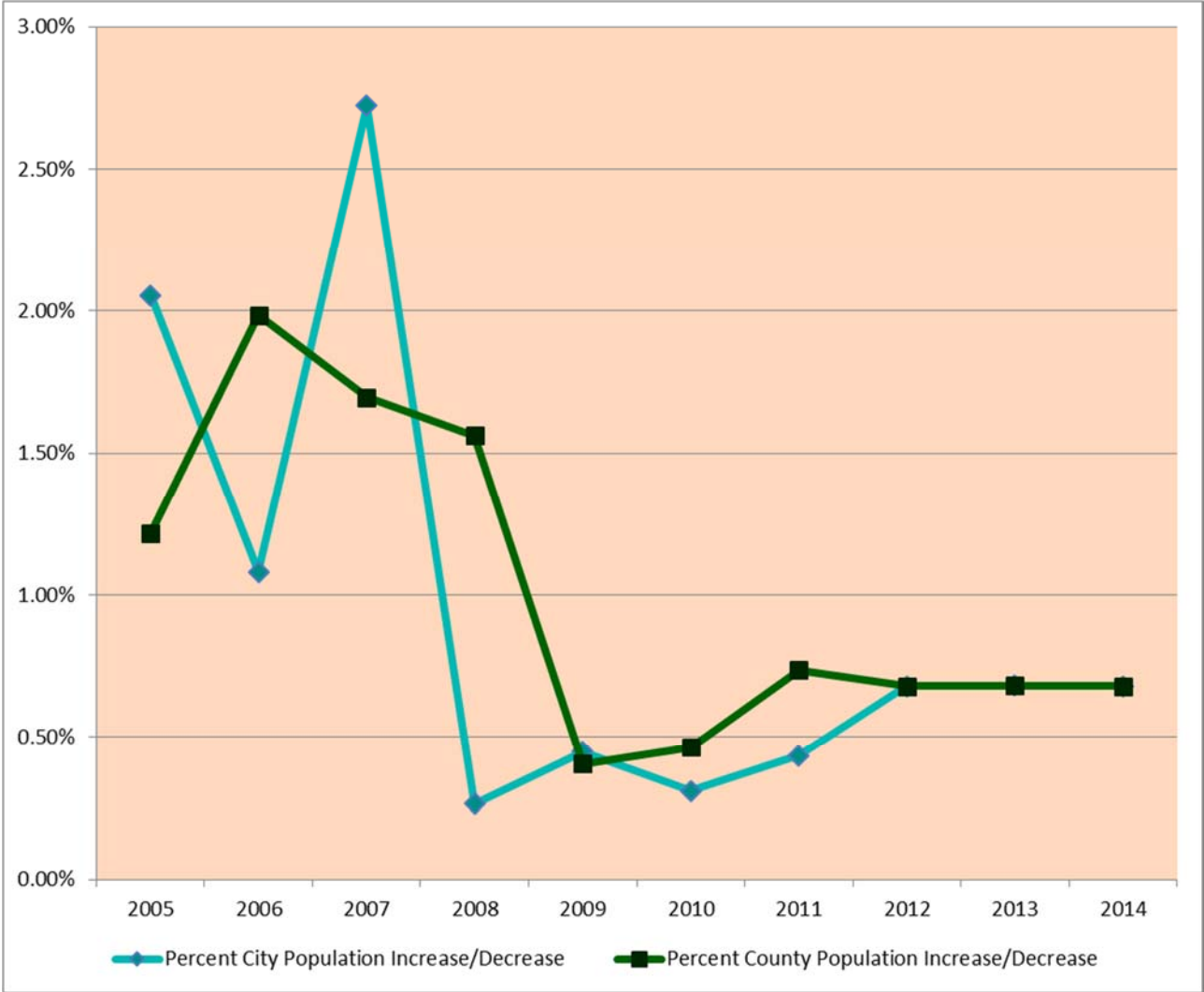
\* Estimate based on average increase of prior years.

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



**STATISTICAL SECTION**

**City of Missoula  
Climate Demographics  
Last 30 years**

<b>Temperature</b>	<b>Missoula (1893-2003)</b>	<b>Kalispell (1899-2003)</b>	<b>Butte (1894-2003)</b>	<b>State of Montana</b>	<b>State of Idaho</b>
Latest 30 Year Normal Temperature (1971-2000)	44.8	42.6	39.5	-	-
Average Temperature (Jan-Dec)	44.3	43.1	39.9	-	-
Lowest Temperature	-33 (1/26/57)	-38 (1/30/50 - 1/31/50)	-52 (2/9/33)	-70 Rogers Pass (1/20/54)	-60 Island Park Dam (1/18/43)
Highest Temperature	107 (7/6/2007)	105 (8/4/61)	100 (7/22/31)	117 Medicine Lake (7/5/37)	118 Orofino (7/28/34)

<b>Precipitation</b>	<b>Missoula (1893-2003)</b>	<b>Kalispell (1899-2003)</b>	<b>Butte (1894-2003)</b>	<b>State of Montana</b>	<b>State of Idaho</b>
Latest 30 Year Normal Precipitation (1971-2000)	13.84	17.21	12.78	-	-
Average Precipitation (Jan-Dec)	13.65	16.22	12.97	-	-
Driest Month	Trace August 1967	Trace August 1955	Trace October 1987	-	-
Driest Year	8.16 1931	10.42 1944	6.89 1935	-	-
Greatest 24-hour Precipitation	2.32 inches (11/5/1927)	2.71 inches (6/29/1982)	3.00 inches (06/09/1913)	-	-
Wettest Month	7.38 inches May 1980	6.02 inches July 1983	8.86 inches June 1913	-	-
Wettest Year	21.92 inches 1998	25.23 inches 1996	20.55 inches 1909	-	-
Annual Average Snowfall	44 inches	58.3 inches	61.3 inches	-	-
Greatest 24-hour Snow	27.5 inches (11/30/1893)	20.1 inches (12/27/1911)	30.0 inches (10/10/1911)	-	-
Greatest Monthly Snow	54.1 inches December 1996	55.9 inches December 1936	32.5 inches October 1911	-	-
Greatest Annual Snowfall	106.1 inches 1996	148.8 inches 1996	125.5 inches 1996	-	-
Greatest Snow Depth	27.0 inches (12/29/1996)	61.0 inches (12/30/1996)	27.0 inches (12/29/1996)	-	-

Source: National Weather Service Forecast Office, Missoula, MT

**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>2014</b>	<b>Percentage of Total City Employment</b>	<b>2005</b>	<b>Percentage of Total City Employment</b>
University of Montana	Higher Education	3,071	4.51%	2188	3.45%
St. Patrick Hospital	Healthcare	1,722	2.53%	1450	2.29%
Missoula County Public Schools	Public Education	1,155	1.69%	1239	1.95%
Community Medical Center	Healthcare	958	1.41%	1183	1.87%
DirecTV Customer Service	Service	820	1.20%	*	*
Missoula County	County Government	723	1.06%	667	1.05%
Us Forrest Service	Federal Government	590	0.87%	*	*
Wal-Mart	Retail	585	0.86%	*	*
Opportunity Resources	Service	547	0.80%	*	*
City of Missoula	City Government	540	0.79%	534	0.84%
Western Montana Clinic	Healthcare			319	0.50%
Smurfit-Stone Container Company	Wood Products			507	0.80%
Stimpson Lumber Company	Wood Products			300	0.47%
Montana Rail Link	Rail Transportation			1000	1.58%

\* Employers were added after 2005

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	86	June 30, 2015
Missoula Police Protective Association	94	June 30, 2015
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
Teamsters Union, Local No. 2	20	June 30, 2015
Operators' Union, Local No. 4000	10	June 30, 2015
Machinists Union, Local No. 88, District No. 86	8	June 30, 2015
Teamsters, Parks and Recreation Seasonal	18	June 30, 2015
Wastewater Operator's Union, Local 400	14	June 30, 2015
International Brotherhood of Electrical Workers	2	June 30, 2015
International Brotherhood of Electrical Workers (Building)	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.

Source: City of Missoula

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 (A)</u>
Goods Producing	6,200	6,200	6,200	6,100	5,500	4,600	4,700	4,400	4,500	4,200
Trade, Transportation and Utilities	12,600	12,800	12,900	12,900	12,100	11,300	11,400	11,600	11,100	12,100
Professional and Business Service	5,000	5,200	5,900	6,200	6,100	6,900	6,900	6,800	7,000	7,100
Educational and Health Services	8,200	8,300	8,300	8,700	8,900	9,200	9,500	9,800	10,000	10,200
Healthcare and Social Assistance	7,800	7,900	7,900	8,200	8,400	8,700	9,000	9,200	9,300	9,500
Leisure and Hospitality	6,900	7,100	7,600	7,900	7,600	7,000	6,900	7,400	7,300	8,600
Government	10,200	10,600	10,400	9,300	8,300	10,300	8,400	10,300	10,500	10,200
	<u>56,900</u>	<u>58,100</u>	<u>59,200</u>	<u>59,300</u>	<u>56,900</u>	<u>58,000</u>	<u>56,800</u>	<u>59,500</u>	<u>59,700</u>	<u>61,900</u>

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

(A) Most recent data available through September 2014.  
All other years are annual data

# STATISTICAL SECTION

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

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>General Government</b>										
Business Licenses Issued	4,484	5,173	5,290	6,386	5,141	5,947	5,103	5,872	5,585	5,418
Amount of SID's Billed	\$ 2,241,307	\$ 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
# Sewer Bills	36,641	38,728	41,002	41,818	42,323	42,860	43,493	44,495	45,042	45,042
<b>Public Safety Activities</b>										
Citations issued	31,008	33,262	38,468	32,219	31,700	25,136	20,232	20,554	18,139	15,420
Orders of Protection issued	586	604	417	400	398	277	209	236	203	318
Attorney's Office - Lawsuits & Claims	53	51	47	49	41	26	24	22	32	29
Attorney - Opened criminal files	2,179	4,235	3,181	2,708	2,372	2,313	3,029	4,007	4,255	3,955
Officers/1,000 population	2	2	2	2	2	2	1	2	2	2
Total sworn officers	96	100	102	101	101	100	100	104	106	109
Police calls for Service	37,494	43,778	40,515	40,981	41,424	41,373	40,272	41,334	42,302	41,728
Total Fire Department Incident Responses*	4,701	5,259	5,497	5,805	5,850	6,217	5,752	6,131	6,548	6,745
<b>Public Works</b>										
Miles of sidewalk installed	24.74	9.34	9.19	7.00	4.00	6.78	5.42	4.72	5.58	9.19
Building Permits Issued	1,494	1,613	1,613	1,530	1,291	1,306	1,283	1,395	1,485	1,319
Construction Value of Bldg permits issued	\$ 99,855,627	\$ 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
Miles of Street - per State Gas Tax Report	359	359	338	312	383	391	413	416	419	422
Population	63,396	64,081	65,826	66,000	66,295	66,500	66,788	67,242	67,699	68,159

Source: City of Missoula

\* Fire Department Incident Responses are based on Calendar Years. Current Year number through 12/31/13.

# STATISTICAL SECTION

## CITY OF MISSOULA, MONTANA CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM Last Eight Fiscal Years

Function	Fiscal Year							
	2007	2008	2009	2010	2011	2012	2013	2014
<b>GENERAL GOVERNMENT</b>								
Vehicles	5	7	4	4	4	2	2	2
Buildings	2	3	3	3	3	4	4	5
<b>PUBLIC SAFETY ACTIVITIES</b>								
Fire Stations	5	5	5	5	5	5	5	5
Fire Engines/Trucks/Vehicles/Vans	27	26	26	25	25	31	32	32
Police Motorcycles	6	6	6	6	6	4	5	5
Police Patrol Cars/Passenger Vehicles/Other Vehicles	47	58	62	63	63	66	59	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
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
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
Storm Sewer (lineal feet)	153,275	153,275	157,826	162,158	168,148	172,360	179,388	179,888
Sumps	5,160	5,307	5,307	5,385	5,496	5,524	4,183	4,209
Signs	54,901	53,768	56,635	57,502	58,369	59,236	60,103	60,970
Vehicles	98	107	161	163	165	163	123	123
Buildings	7	4	4	4	4	4	5	5
<b>PUBLIC HEALTH ACTIVITIES</b>								
Cemetery & Buildings	7	7	7	7	7	7	7	7
Vehicles/Tractors/Trucks/Mowers	17	16	14	14	15	17	18	18
<b>CULTURE AND RECREATION</b>								
Parks	46	51	67	68	69	70	70	70
Trails	18	20	22					
Commuter	N/A	N/A	N/A	22	22	23	23	23
Recreational	N/A	N/A	N/A	55	55	56	56	56
Park Shelter/Band Shells/Pavilions	10	10	10	12	15	17	18	18
Buildings	20	23	23	23	23	23	23	23
Vehicles (Including trailers)	57	55	58	59	59	59	108	112
<b>HOUSING &amp; COMMUNITY DEVELOPMENT</b>								
Vehicles	10	10	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>
2005	\$ 2,241,307	\$ 2,132,336	95.14%	\$ 425,988	\$ 2,558,324	\$ 16,314
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

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

Source: City of Missoula and Missoula County Assessor's Office

**STATISTICAL SECTION**

**CITY OF MISSOULA, MONTANA  
SPECIAL IMPROVEMENT DISTRICTS  
Current as of June 30, 2014**

<b>SID Number</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>
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
0508	3,429,200	43.42	43.42	43.42	43.42
0510	27,864,250	82.74	683.90	9.83	52.43
0511	14,896,547	94.26	632.06	21.03	43.37
512/521/522	212,236,360	6,153.16	233,364.95	81.73	3,711.41
0520	60,652,623	573.83	5,785.64	61.15	442.92
0524	408,080,150	2,061.21	78,667.03	7.30	1,330.71
0525	14,862,721	551.23	1,588.26	188.30	436.42
0526	58,740,901	552.31	2,722.95	18.65	423.08
0532	33,832,020	959.53	2,993.99	222.83	946.95
0533	5,998,241	595.29	2,815.58	275.52	385.18
0534	6,819,236	427.76	694.68	151.71	426.16
0535	30,304,619	6,806.27	48,218.87	2,989.56	6,322.59
0536	12,187,630	420.55	945.23	14.64	410.14
0539	3,945,442	2,443.15	5,575.68	1,362.51	2,210.96
0540	55,911,670	589.02	956.83	13.91	581.68
0541	273,844,716	5,043.30	32,911.90	0.22	4,569.37
0543	43,864,747	4,761.13	8,703.73	1,942.98	4,534.13
0544	47,422,631	318.30	1,001.94	14.28	318.33
0545	7,187,036	3,674.35	8,366.88	1,242.04	3,500.87
0546	6,236,720	3,953.68	5,271.65	2,883.32	39,007.54
CS08	14,539,151	676.78	4,369.82	47.41	520.46
CS09	14,453,869	287.99	1,138.99	38.27	229.95
CS10	17,683,338	330.52	5,029.61	24.62	178.40
CS12	32,099,642	1,732.38	20,053.80	82.53	763.11
CS13	44,728,786	5,243.99	59,880.70	13.69	2,109.95
CS343	7,945,343	967.29	5,357.45	98.95	1,169.87
CS344	7,225,871	342.60	1,483.66	52.72	253.41
CS345	13,940,976	437.70	1,332.63	28.13	393.40
CS346	16,351,688	272.56	1,004.17	41.75	173.33
FY14 Total ^	<u>\$ 1,497,286,124</u>	<u>\$ 1,737.80</u>	<u>\$ 233,364.95</u>	<u>\$ 0.22</u>	<u>\$ 442.92</u>

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>
2005	\$ 0.50	\$ 0.25	\$ 55.00 TO \$ 65.00	\$ 30.00 TO \$ 50.00	\$ 44.00
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

Source: Missoula Parking Commission



# STATISTICAL SECTION

## CITY OF MISSOULA, MONTANA MISSOULA PARKING COMMISSION OPERATIONS AND FACILITIES Last Ten Fiscal Years

Fiscal Year	Parking Meters	Leased Parking Spaces	Parking Lots Throughout Downtown Missoula	Leased Parking Garage Spaces	University District Parking Permits	Percentage of Parking Ticket Revenue	Percentage of Parking Meter Revenue	Percentage of Garage Parking Revenue	Percentage of Leased Parking Revenue other than Parking Garage	Percentage of Other Revenue
2005	1,161	816	13	257	1,145	17%	36%	20%	23%	3%
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%	3%

Source: Missoula Parking Commission

**CITY OF MISSOULA, MONTANA  
COMPONENT UNIT REVENUE BOND COVERAGE  
PARKING COMMISSION REVENUE BONDS**

FISCAL YEAR	OPERATING REVENUES	SID 470 REVENUES	OPERATING EXPENSES (A)	NET AVAILABLE FOR DEBT SERVICE	PRINCIPAL PAID	INTEREST PAID	TOTAL DEBT SERVICE	COVERAGE (B)
2004	\$1,407,378	\$ 2,838	\$ 964,510	\$ 445,706	\$ 85,000	\$ 74,950	\$ 159,950	279%
2005	\$1,369,511	\$ 1,450	\$ 864,335	\$ 506,626	\$ 90,000	\$ 70,990	\$ 160,990	315%
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 *	1,743,334	-	962,224	781,110	220,000	298,267	518,267	151%

<b>* Debt Service Coverage Calculation - 2014</b>	
	FY 2014
<b>Revenues</b>	
Total Operating Revenue	\$ 1,597,147
MRA Pledge	<u>146,187</u>
Total Revenues Pledged	1,743,334
<b>Expenses</b>	
Operating Expenses	(1,371,138)
Add back Depreciation ^	408,914
Add back PILOT-Admin Chg	
Total Operating Expenses	(962,224)
<b>Revenues Available for Debt Service</b>	<u>\$ 781,110</u>
<b>Debt Service</b>	
Principal	\$ 220,000
Interest	537,036
Less: Federal Credit	<u>(238,769)</u>
Net Debt Service	<u>\$ 518,267</u>
Coverage	151%

(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  
 COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
 HISTORICAL VALUE OF TAX INCREMENT DISTRICTS  
 For the Last Ten Fiscal Years**

**Urban Renewal District II**

<b>Fiscal Year</b>	<b>Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
2005	\$ 2,377,104	\$ 190,777	\$ 2,567,881
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

**Urban Renewal District III**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
2005	\$ 6,809,431	\$ 621,899	\$ 7,431,330
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

**Front Street URD**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
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

**Riverfront Triangle URD**

<b>Fiscal Year</b>	<b>Real Property &amp; Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
2010 ^	\$ 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

\* First year data available as district was created in FY 2009

^ First year data available as district was created in FY 2010

Source: City of Missoula and Missoula County Assessor's Office

**CITY OF MISSOULA, MONTANA  
COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY  
TAXABLE VALUE OF DISTRICTS COMPARED TO CITY  
For the Last Ten Fiscal Years**

**Urban Renewal District II**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2006	\$ 93,533,579	\$ 2,641,707	\$ 781,884	0.8%
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	3,686,503	1,859,823	1.7%
2015	112,624,034	3,802,603	1,942,780	1.7%

**Urban Renewal District III**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2006	\$ 93,533,579	\$ 7,669,421	\$ 665,075	0.7%
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%

**Front Street URD**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
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%

**Riverfront Triangle**

<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>	<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
2010 ^	\$ 104,408,018	\$ 133,871	\$ -	0.0%
2011	111,474,037	189,937	32,079	0.0%
2012	112,993,774	168,865	11,007	0.0%
2013	112,697,955	112,863	-	0.0%
2014	109,336,360	116,994	-	0.0%
2015	112,624,034	120,870	-	0.0%

\* First year data available as district was created in FY 2009  
 ^ First year data available as district was created in FY 2010  
 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**

<b>Fiscal Year</b>	<b>City Appraised Value</b>	<b>City Taxable Value (includes district)</b>	<b>Incremental Taxable Value District I</b>	<b>Incremental Taxable Value District II</b>	<b>Incremental Taxable Value District III</b>	<b>Incremental Taxable Value Front Street URD</b>	<b>Incremental Taxable Value Riverfront Triangle URD</b>	<b>Net Taxable Value (excluding districts)</b>
2006	\$ 2,901,638,641	\$ 94,980,538	not applicable	\$ 781,884	\$ 665,075	\$ -	\$ -	\$ 93,533,579
2007	3,195,587,513	101,138,717	not applicable	1,111,911	694,248	-	-	99,332,558
2008	3,369,424,008	103,000,436	not applicable	1,201,481	708,457	-	-	101,090,498
2009	3,412,313,560	106,334,891	not applicable	1,392,741	1,933,104	640	-	103,008,406
2010	3,684,720,974	107,159,214	not applicable	1,760,592	2,537,510	209,057	-	102,652,055
2011	3,965,146,053	111,474,037	not applicable	1,892,184	2,503,784	816,957	32,079	106,229,033
2012	4,140,685,284	112,993,774	not applicable	1,820,883	2,666,733	616,159	11,007	107,878,992
2013	4,110,699,383	112,697,955	not applicable	1,782,123	2,174,702	574,111	-	108,167,019
2014	4,305,020,382	114,068,797	not applicable	1,826,140	2,355,095	551,202	-	109,336,360
2015	4,406,017,003	112,624,034	not applicable	1,942,780	1,466,407	537,352	-	108,677,495

Source: City of Missoula and Missoula County Assessor's Office

**CITY OF MISSOULA, MONTANA  
MISSOULA REDEVELOPMENT AGENCY  
COMPONENT UNIT TAX INCREMENT REVENUE BOND COVERAGE  
URD II: MILLSITE \$3.6M BONDS**

FISCAL YEAR	PROJECTED PLEDGED TAX INCREMENT	MAXIMUM PROJECTED DEBT SERVICE	COVERAGE
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%

- 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 '06	FY '07	FY '08	FY '09	FY '10	FY '11	FY '12	FY '13	FY '14	FY '15
<b>Taxing Authority</b>	<b>2005/06</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>
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	30.20	25.91	25.39	25.44	26.92	26.60	26.28	26.55	26.15	19.23
General Countywide School Levy	77.20	67.53	66.04	67.17	54.71	53.28	51.18	51.46	52.68	50.80
Missoula County	97.47	86.56	86.44	89.27	72.66	72.00	72.24	74.51	75.71	76.98
Missoula Highschool District	62.96	53.25	48.91	50.33	39.98	38.44	38.76	36.94	36.36	34.99
City of Missoula	148.27	132.60	134.71	141.49	116.33	116.17	118.27	123.75	122.64	118.10
Urban Transportation District	9.35	9.01	9.28	9.45	8.52	8.47	8.97	10.02	10.60	16.47
Increment 1-1C *	175.00	256.84	266.50	270.27	353.75	359.55	372.64	369.31	387.47	419.86
Subtotal	<u>606.45</u>	<u>637.70</u>	<u>643.27</u>	<u>659.42</u>	<u>678.87</u>	<u>680.51</u>	<u>694.34</u>	<u>698.54</u>	<u>717.61</u>	<u>742.43</u>

School District 1-1C	113.74	97.32	92.32	89.20	74.65	72.88	73.61	72.88	75.01	72.29
Total leviesfor property in the District lying within School District 1-1C	<u>720.19</u>	<u>735.02</u>	<u>735.59</u>	<u>748.62</u>	<u>753.52</u>	<u>753.39</u>	<u>767.95</u>	<u>771.42</u>	<u>792.62</u>	<u>814.72</u>

	FY '06	FY '07	FY '08	FY '09	FY '10	FY '11	FY '12	FY '13	FY '14	FY '15
<b>Taxing Authority</b>	<b>2005/06</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>
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	21.13	21.46	20.06	18.77	24.90	22.73	25.87	25.85	26.37	21.37
General Countywide School Levy	24.02	55.95	52.19	49.56	49.44	43.27	50.14	49.71	53.27	56.44
Missoula County	68.21	71.71	68.31	65.86	65.66	58.47	70.77	71.98	76.55	85.54
Missoula Highschool District	44.06	44.11	38.65	37.13	36.13	31.21	37.97	35.69	36.76	38.88
City of Missoula	103.75	109.86	106.45	104.38	105.12	94.34	115.86	119.55	124.01	131.23
Urban Transportation District	6.54	7.46	7.33	6.97	7.70	6.88	8.79	9.68	10.72	18.31
Increment 4-1C *	328.52	335.27	355.00	402.98	398.69	441.03	384.35	384.05	382.13	378.47
Subtotal	<u>602.23</u>	<u>651.82</u>	<u>653.99</u>	<u>691.65</u>	<u>693.64</u>	<u>703.93</u>	<u>699.75</u>	<u>702.51</u>	<u>715.81</u>	<u>736.24</u>

School District 4-1C	70.20	77.67	64.27	73.61	74.27	66.18	75.98	71.89	74.84	82.45
Total leviesfor property in the District lying within School District	<u>672.43</u>	<u>729.49</u>	<u>718.26</u>	<u>765.26</u>	<u>767.91</u>	<u>770.11</u>	<u>775.73</u>	<u>774.40</u>	<u>790.65</u>	<u>818.69</u>

\* 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

**MISSOULA COUNTY  
Urban Renewal District II - Top 10 Taxpayers  
Tax Year 2014 (FY15)**

	<b>Taxpayer</b>	<b>Type of Business</b>	<b>2014 Total Tax</b>	<b>2014 Market Value</b>	<b>2014 Taxable Value</b>
1	Safeway Inc.	Grocery Store	\$ 179,705	\$ 8,632,305	\$ 212,770 *
2	Montana Apartment Company	Residential	133,975	6,471,881	159,855
3	Mountain Water Co	Water Company	133,201	9,503,064	159,297
4	Good Food Store	Commercial Grocery	112,207	5,776,743	131,664
5	Nutritional Laboratories	Food Supplement Manufacturer	108,929	6,049,889	118,782
6	Blackfoot Telephone	Coop Communications	97,231	3,880,658	116,420
7	Missoula Electric Coop	Coop Electric Utility	86,276	3,479,108	104,374
8	Like-Nu Auto Services	Automotive Repair	60,087	2,890,248	71,389
9	Ashlyn Place	Residential	55,647	2,689,220	66,424
10	Norman B. Carey	Bowling Alley, Undeveloped Land	55,304	2,626,225	64,868
		Total	<u>\$ 1,022,561</u>	<u>\$ 51,999,341</u>	<u>\$ 1,205,843</u>

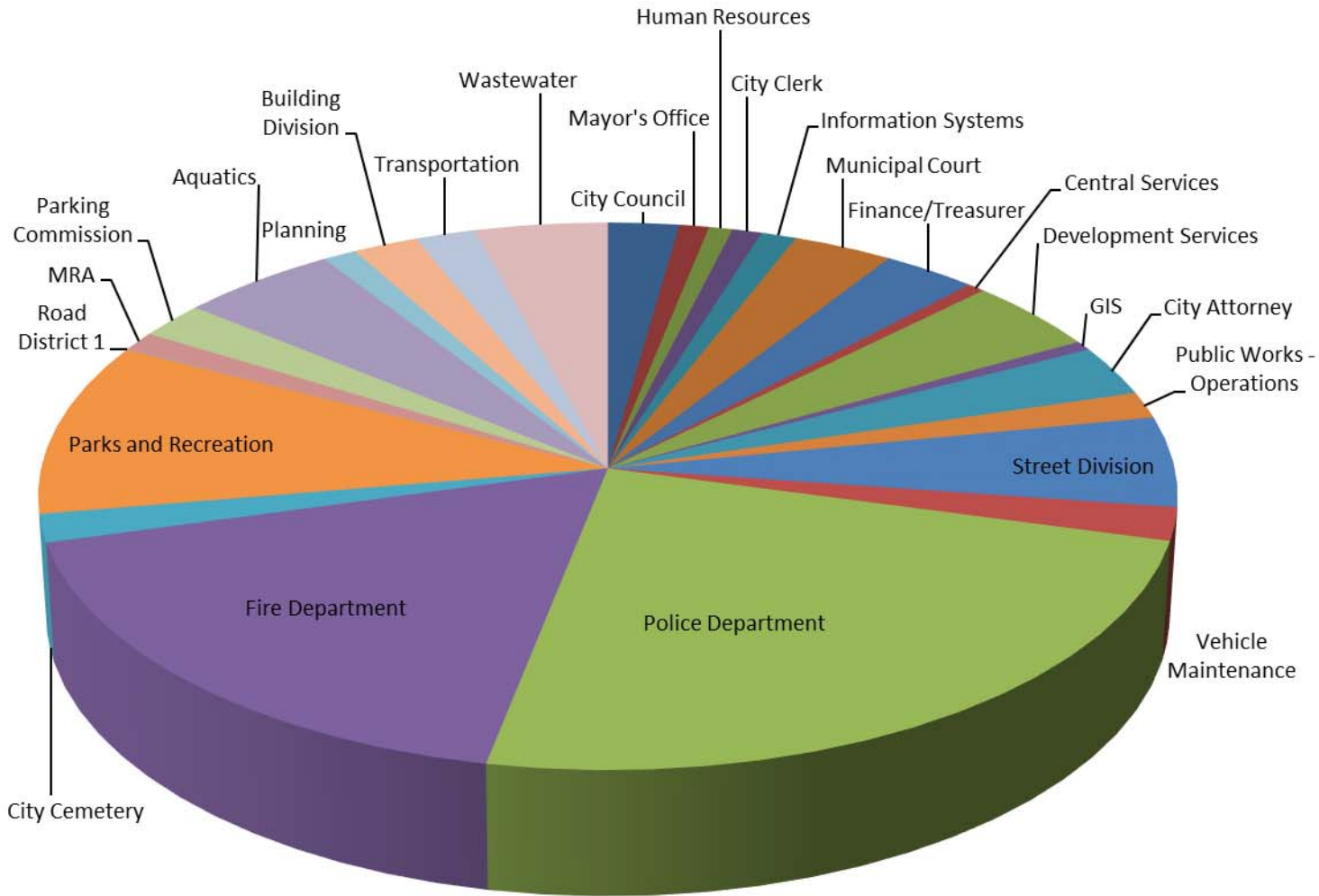
\* Combines two tax IDs listed separately for Safeway and Nutritional Labs on County report.



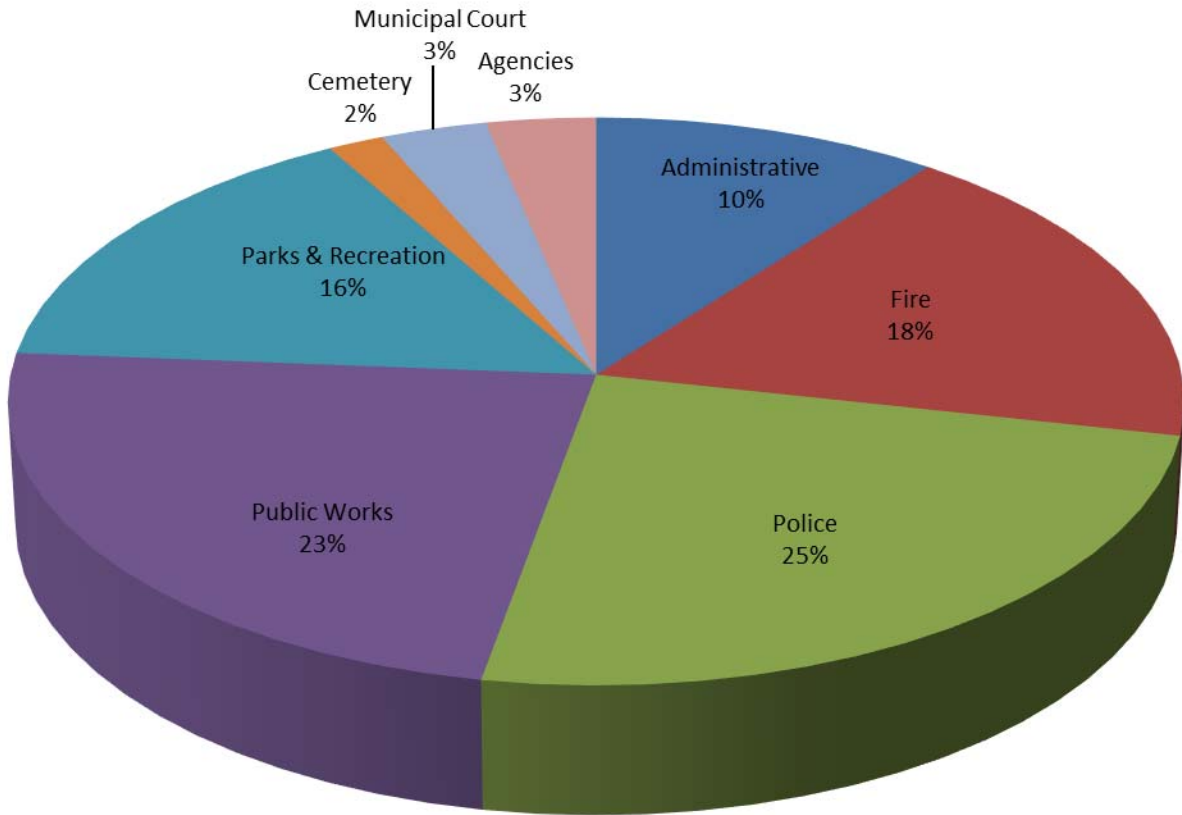
**CITY OF MISSOULA  
SCHEDULE OF FTE TRENDS  
FY 2011 – 2015**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
	<u># FTE</u>	<u># FTE</u>	<u># FTE</u>	<u># FTE</u>	<u>Adopted</u>
<b><i>City Departments</i></b>					
City Council	12.00	12.00	12.00	12.00	12.00
Mayor's Office	5.00	5.00	5.00	5.00	5.00
Human Resources	4.00	4.00	4.00	5.00	4.00
City Clerk	3.50	4.00	4.00	4.00	5.00
Information Systems	6.00	6.00	6.00	6.00	6.00
Municipal Court	13.75	13.75	16.75	16.85	16.85
Finance/Treasurer	15.00	15.00	15.00	15.50	16.00
Central Services	0.00	0.00	0.00	1.50	3.00
Development Services	0.00	0.00	33.71	35.21	23.10
GIS	0.00	0.00	0.00	3.00	3.00
City Attorney	12.75	14.00	15.00	16.00	16.00
Public Works - Operations	29.82	27.52	11.42	8.42	8.42
Street Division	25.38	28.54	28.79	28.79	28.79
Vehicle Maintenance	10.50	10.50	10.50	11.50	10.50
Police Department	117.00	117.00	122.00	126.00	129.00
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	52.51	54.42	57.74	55.80	55.34
<b>Total General</b>	<b>411.13</b>	<b>415.65</b>	<b>445.83</b>	<b>454.49</b>	<b>445.92</b>
<b>General Fund % Increase</b>	<b>-3.62%</b>	<b>1.10%</b>	<b>7.26%</b>	<b>1.94%</b>	<b>-1.89%</b>
<b><i>Special Revenue Funds</i></b>					
Planning	-	-	-	-	5.75
Building Division	9.00	9.00	9.00	10.99	10.99
Road District 1	3.16	-	0.25	0.25	0.25
Parks District 1	3.23	-	-	-	-
Transportation	-	-	-	-	10.15
<b>Total Special District</b>	<b>15.39</b>	<b>9.00</b>	<b>9.25</b>	<b>11.24</b>	<b>27.14</b>
<b><i>Enterprise Funds</i></b>					
Aquatics	30.81	26.81	26.81	26.81	26.81
MRA	6.00	6.00	6.00	6.00	6.00
Wastewater	21.50	21.50	21.50	22.50	22.50
Parking Commission	11.33	11.33	11.50	11.50	11.50
<b>Total Enterprise</b>	<b>69.64</b>	<b>65.64</b>	<b>65.81</b>	<b>66.81</b>	<b>66.81</b>
<b>Non-General Fund % Increase</b>	<b>21.45%</b>	<b>-12.22%</b>	<b>0.56%</b>	<b>3.98%</b>	<b>20.37%</b>
<b>Total for City Departments</b>	<b>496.16</b>	<b>490.29</b>	<b>520.89</b>	<b>532.54</b>	<b>539.87</b>

### City FTE Count by Department - FY 2015



### City FTE Count by Function - FY2015





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

**[www.missoula.mt.us](http://www.missoula.mt.us)**