

## Program Description

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

## Goals & Objectives

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

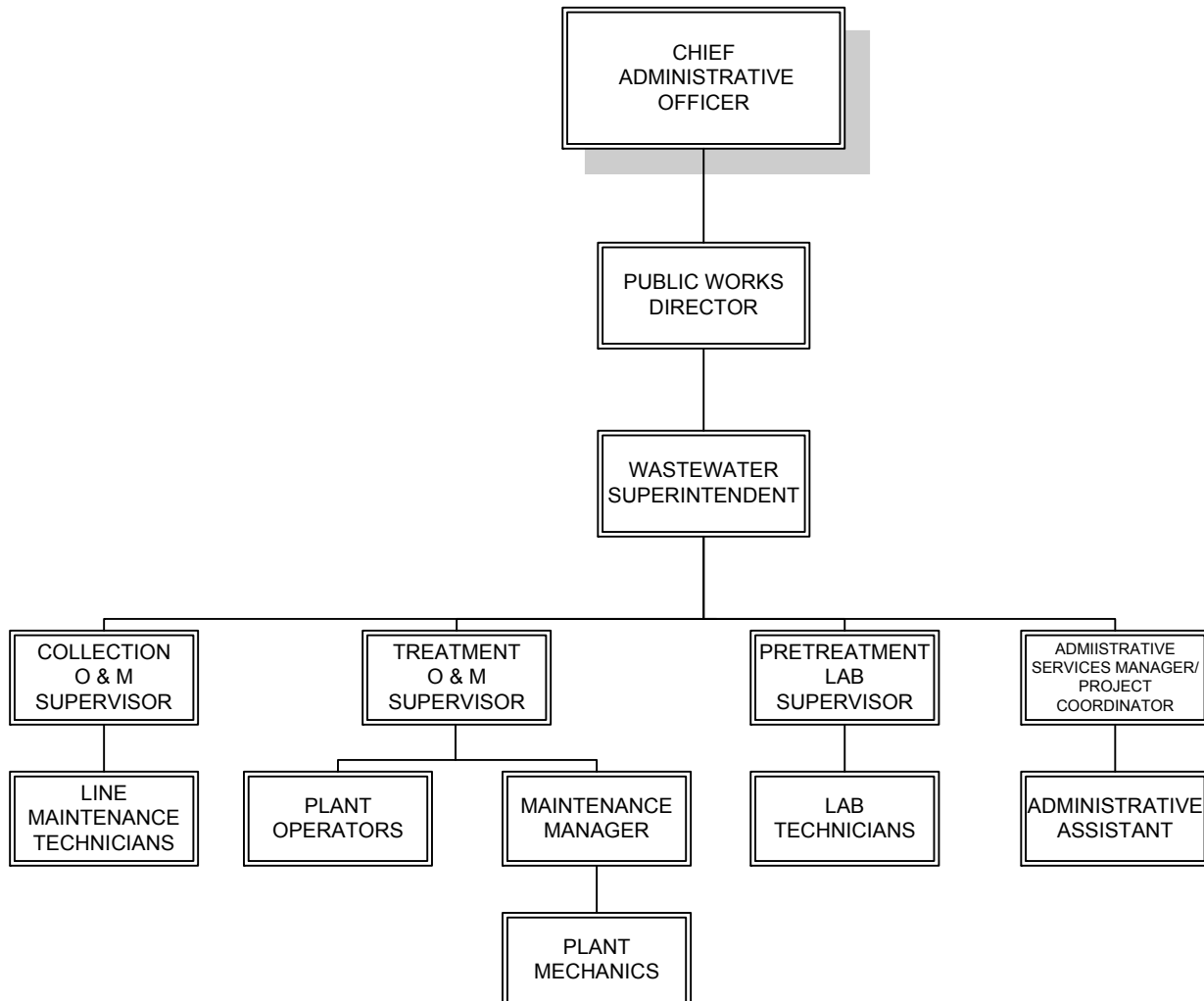
## FINANCIAL SUMMARY

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

\* Un-audited numbers



# Public Works Waste Water Division



## Program Description

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

The Wastewater Division is separated into four distinct sections:

- Wastewater Collection
  - Wastewater Treatment
  - Wastewater Administration
  - Wastewater Pretreatment / Laboratory
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## City Strategic Plan & Department's Implementation Strategy

### Goal #1: Funding and Service

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

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

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

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

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

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

\* Un-audited numbers

**STAFFING SUMMARY**

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

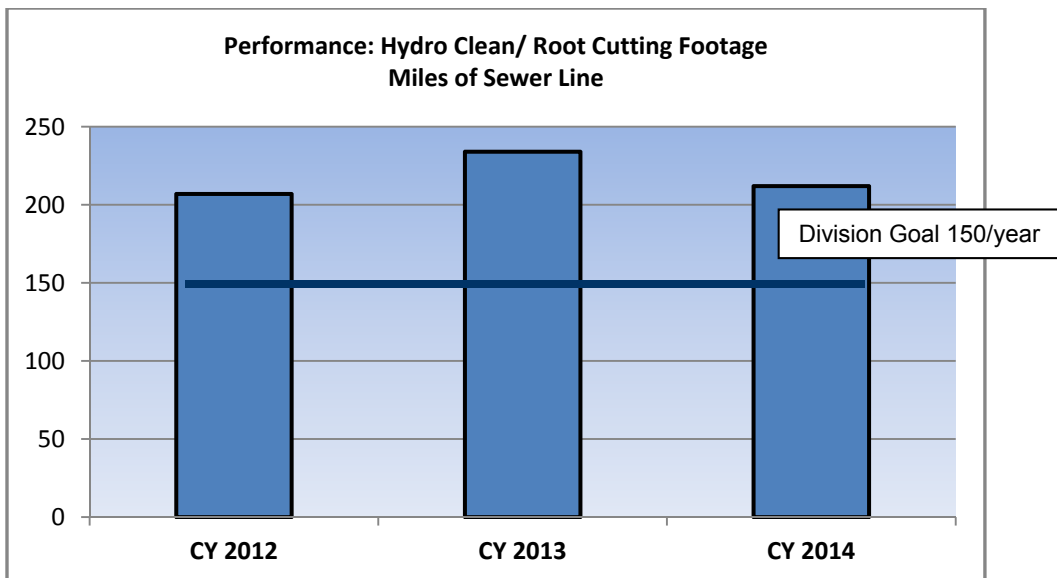
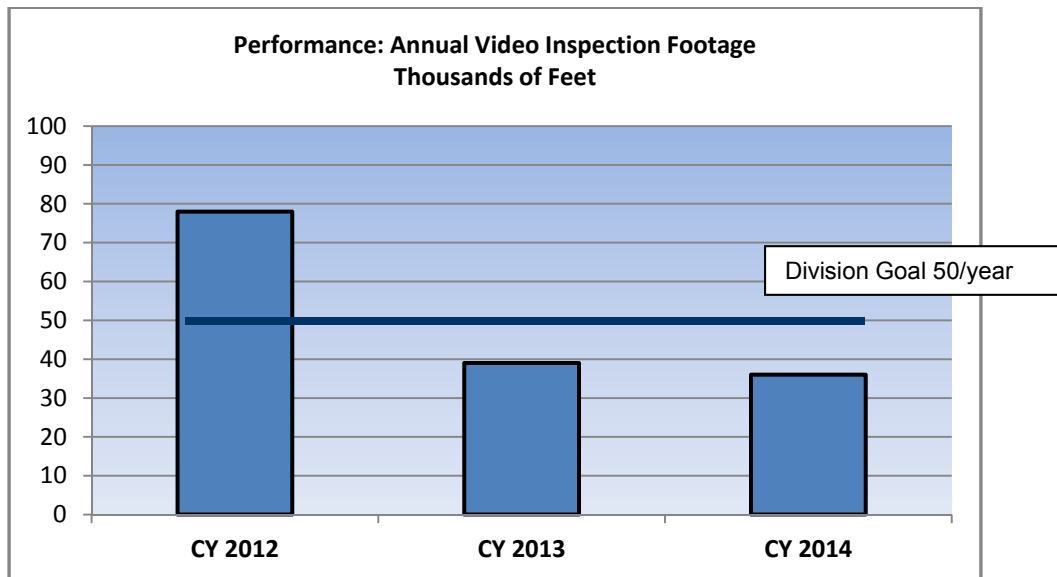
2016 Budget Highlights

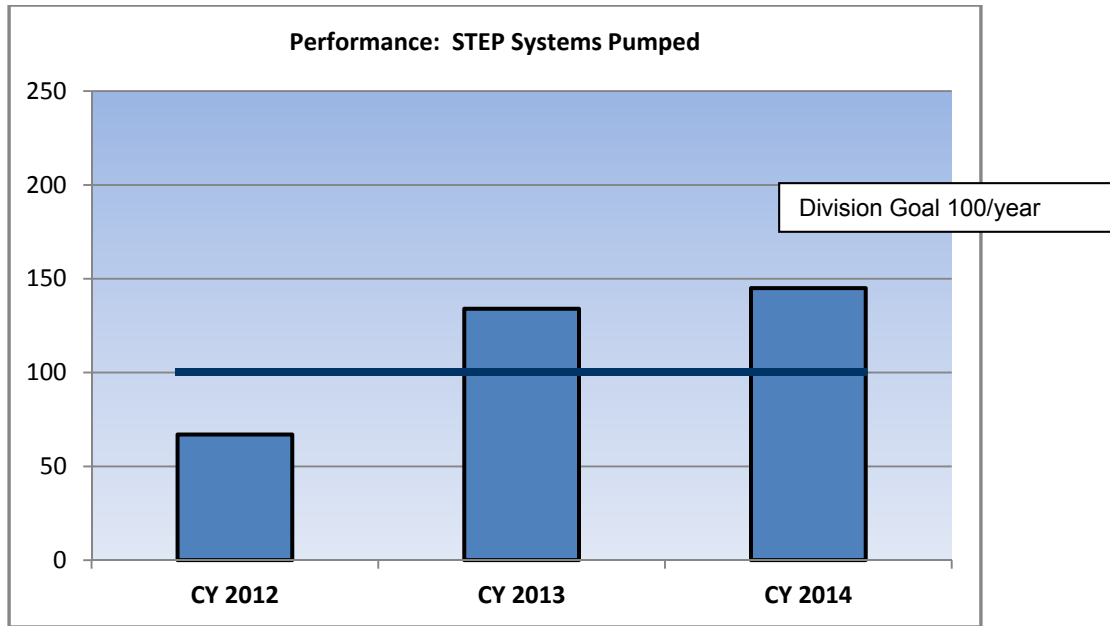
**Purchased Services:**

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

**New Operating Requests Funded:**

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





Performance Measures & Workload Indicators

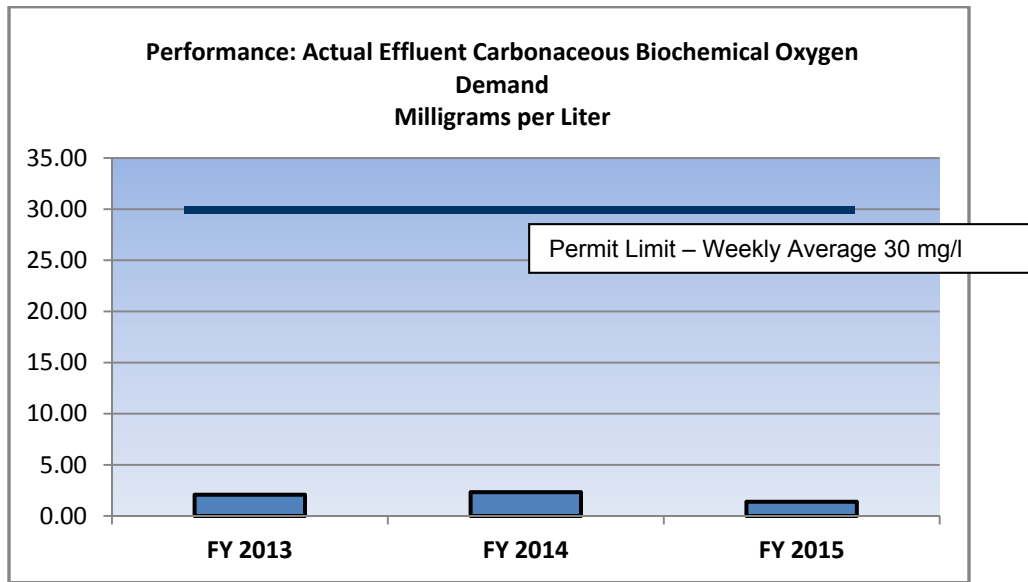
Performance Measures

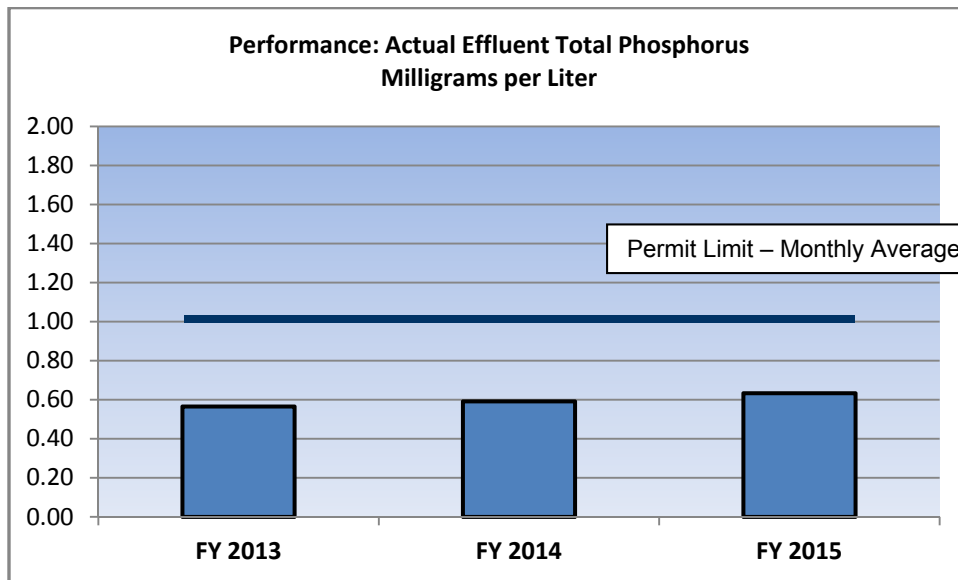
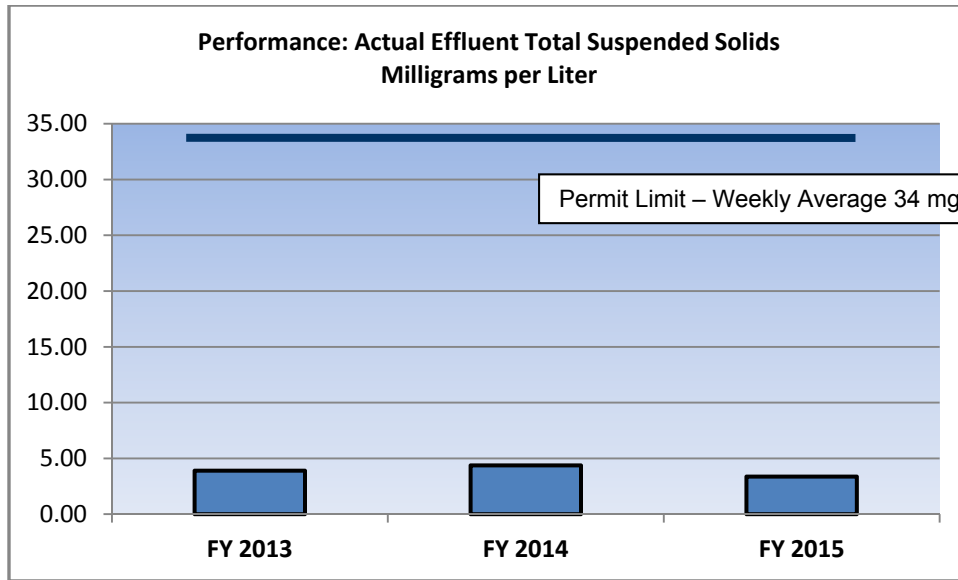
Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Continue scheduled maintenance on the collection system to prevent sanitary sewer over-flows, sewer back-ups and identify and repair sewer lines prone to ground water infiltration.	100%	100%	100%	100%
2 . Continue to exceed MPDES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

Workload Indicators

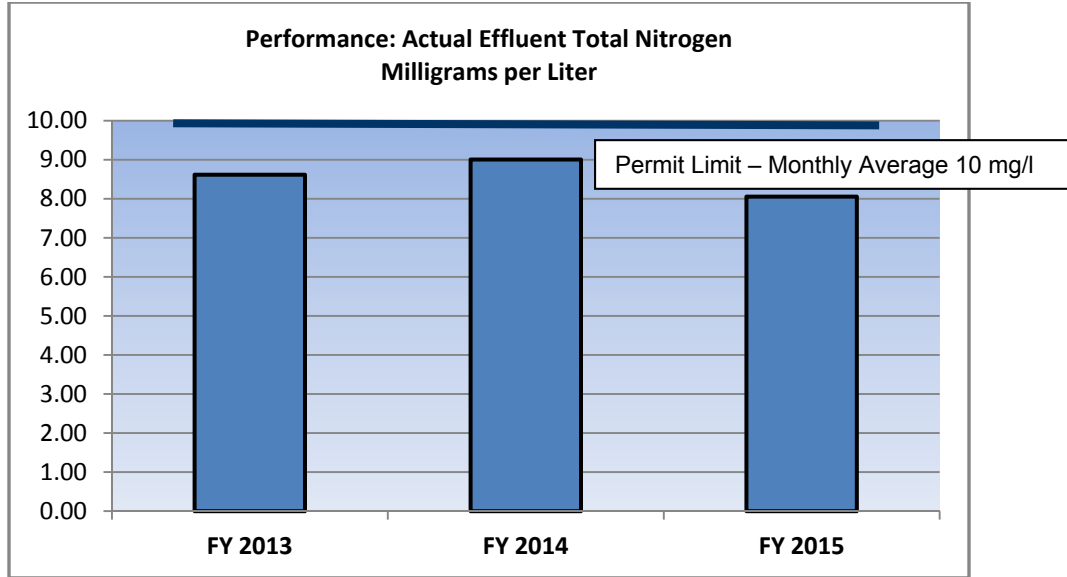
Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Annual sewer main hydro-cleaning/root cutting (feet)	1,094,430	1,235,023	1,117,037	800,000
2 . Annual sewer main video inspection (feet)	78,344	38,827	35,574	50,000
3 . Annual STEP tanks pumped	67	134	145	101
4 . Treated plant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

Wastewater Treatment Performance Measures









**Pretreatment/ Laboratory Performance Measures**

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

## Program Description - (5311)

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

### Activities and Objectives

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

#### INTER-FUND TRANSFER OUT

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

### FINANCIAL SUMMARY

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

\* Un-audited numbers

Program Description – (5315)

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

Activities and Objectives

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

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

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

TOTAL FUND EXPENDITURES - \$20,000

FINANCIAL SUMMARY

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

\* Un-audited numbers

## Program Description – (5320)

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

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### Activities and Objectives

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

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

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

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

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

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

**FINANCIAL SUMMARY**

<b>Budget by Object of Expenditure Category</b>	<b>Actual FY 2014</b>	<b>Amended FY 2015</b>	<b>Actual FY 2015 *</b>	<b>Adopted FY 2016</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	300,724	200,000	163,963	424,000	224,000	112%
Miscellaneous	50,213	-	50,213	-	-	
Debt Service	9,144	139,591	6,166	89,378	(50,213)	-36%
Capital Outlay	-	210,000	(19,539)	100,000	(110,000)	-52%
<b>Total</b>	<b>\$ 360,081</b>	<b>\$ 549,591</b>	<b>\$ 200,804</b>	<b>\$ 613,378</b>	<b>\$ 63,787</b>	<b>12%</b>

\* Un-audited numbers

## Program Description – (5325)

This fund is established to segregate expenditures and revenues of the Sewer Development Fee. The fee is charged on new sewer connections to reflect a contribution by new customers toward the cost of the existing physical plant and sewer lines. This contribution compensates existing users for the Sewer plant and additions which were built to allow sufficient capacity for future community growth.

### Activities and Objectives

Sewer Development Fees are earmarked for necessary sewer projects related to new connections and sewer system capacity expansion. The City Council has to give prior approval to any expenditure from the Sewer Development Fee Fund.

\$50,000 is appropriated for various projects that may come up as the year progresses where it is appropriate to increase capacity of a private line being installed for future users.

**The expenditures for FY 2016 are as follows:**

- Linda Vista Pump Station and Force Main Upsizing- \$58,559
- Oversizing Assistance - \$50,000
- Old Highway 93 Sewer Interceptor- \$60,000
- Broadway Interceptor- \$20,000

**TOTAL FUND EXPENDITURES - \$188,559**

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	65,000	62,456	-	(65,000)	-100%
Miscellaneous	227,879	-	-	-	-	
Debt Service	19,941	259,347	8,116	-	(259,347)	-100%
Capital Outlay	-	350,559	-	188,559	(162,000)	-46%
<b>Total</b>	<b>\$ 247,820</b>	<b>\$ 674,906</b>	<b>\$ 70,572</b>	<b>\$ 188,559</b>	<b>\$ (486,347)</b>	<b>-72%</b>

\* Un-audited numbers

## Program Description – (5340)

The fund accounts for the receipts and expenditures for major Sewage Plant construction projects. The primary funding sources for such projects are revenue bonds, grants, and the State Revolving Fund (SRF) Program which was established with the final EPA appropriations for state and local wastewater treatment projects.

### Activities and Objectives

The expenditures for FY 2016 are as follows:

- **Solids Dewatering Screw Press:** Install dewatering screw press. Will reduce electrical costs by over \$40,000 per year and provide a back-up dewatering system. (\$900,000)
- **Sewage Lift Station Upgrade:** Reserve Street Lift Station is approaching the end of its service life and will be upgraded and rehabilitated. (\$1,417,200)
- **Biogas Electrical Generation:** Install a large scale reciprocating engine package for electrical generation, saving an estimated \$85,200 annually in electrical costs. (\$1,179,100)

**TOTAL FUND EXPENDITURES - \$ 3,496,300**

### FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	20,000	-	-	(20,000)	-100%
Miscellaneous	-	-	-	-	-	
Debt Service	-	-	-	-	-	
Capital Outlay	-	900,000	-	3,496,300	2,596,300	288%
<b>Total</b>	<b>\$ -</b>	<b>\$ 920,000</b>	<b>\$ -</b>	<b>\$ 3,496,300</b>	<b>\$ 2,576,300</b>	<b>280%</b>

\* Un-audited numbers

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

These funds account for the three existing Sewer Revenue Bonds, two 1992 bond issues to the State of Montana SRF revolving loan program, a 1999 bond issue to the State of Montana SRF revolving loan program and a 2000 bond issue to the State of Montana SRF revolving loan program. Expenditures from the funds are for the yearly debt service payments.

**Activities and Objectives**

**2001 Sewer Revenue Bond (5361)** - To make yearly debt service on the bonds that were issued to finance the installation of the Bellvue Interceptor. **\$31,040**

**2000 Series B Sewer Revenue Bond (5362)** - To make yearly debt service on the Series 2000B bonds that were issued to finance the installation of the Reserve Street collector and Pineview interceptor. **\$48,360**

**1999 Sewer Revenue Bond (5365)** - To make yearly debt service on the Series 1998 bonds that were issued to finance the installation of the East Reserve Street collector, Mullan Road interceptor, administration building refurbish and engineering for the new treatment plant. **\$123,910**

**2002 Sewer Revenue Bond (5371)** - To make yearly debt service on the bonds that were issued to finance the installation of the 39<sup>th</sup> Street/SW Higgins-Bellvue Interceptor and the treatment plant upgrade. **\$84,930**

**2002 Series A Sewer Revenue Bond (5373)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the treatment plant. **\$331,640**

**2003 Series B Sewer Revenue Bond (5375)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the treatment plant. **\$250,926**

**2004 Sewer Revenue Bond (5377)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the treatment plant. **\$244,006**

**2005 Sewer Revenue Bond (5379)** - To make yearly debt service on the bonds that were issued to finance the upgrade/extension of sewer lines on Birch/Broadway/Lincolnwood Phase I/Gilbert. **\$109,443**

**2010 Sewer Revenue Bond Series (5383)** - To make yearly debt service on the bonds that were issued to finance the upgrade/extension of sewer lines on Lolo Street. **\$30,950**

**2010 Sewer Revenue Bond Series A (5386)** - To make yearly debt service on the bonds that were issued to finance the upgrade of the Head-works at the Treatment Plant. **\$698,316**

**2011 Sewer Revenue Bond Series A (5387)** - To make yearly debt service on the bonds that were issued to finance various sewer system improvements. **\$102,080**

**Total Expenditures: \$2,119,997**

**FINANCIAL SUMMARY**

Sewer Debt Service: Funds 5361 - 5387

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	-	-	-	-	-	
Miscellaneous	-	134,236	547	-	(134,236)	-100%
Debt Service	855,288	2,055,156	829,255	2,119,997	64,841	3%
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 855,288</b>	<b>\$ 2,189,392</b>	<b>\$ 829,802</b>	<b>\$ 2,119,997</b>	<b>\$ (69,395)</b>	<b>-3%</b>

\* Un-audited numbers



## Program Description

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

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

#### Goal #1: Financial Sustainability

- Strategy: We will maintain or improve the level of service to citizens.
  - Operational goal for new mobile kitchen is to provide a \$30,000 net increase in concessions revenue sales annually, after a 3 year payback for the purchase of the equipment/trailer.
  - We will operate the 50m pool later into September (the 12<sup>th</sup>) so that lap swimmers have water through the extended maintenance period at Currents.
  - We will continue cooperate with Missoula Aquatic Club to provide access to private rental of the 50m pool for Swim Team practice earlier in May

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

- Strategy: We will make sure that our natural and built environments continue to represent Missoula's values of clean water and clean air.
  - Continue to research and implement energy reduction programs, such as solar panels at Splash, Variable Frequency Drives on Splash pump motors, and thermostat on/off controls for the free to use spray decks at Bonner, Franklin, Marilyn, and Westside parks.

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

- Strategy: We will support plans and programs that promote a healthy lifestyle for Missoula's citizens.
    - Promote healthy Aquatics Programs
    - Work with the UM culinary program to create internship programs for senior chefs to gain experience through working to design menus and product items that will entice customers to purchase food at Splash.
    - We will utilize the new Grill Trailer kitchen to increase the amount of menu items that are created from scratch using fresh foods as much as possible, rather than purchasing pre-processed foods in cans as much as we have in the past.
    - We will work with the Missoula Aquatic Club to administer the National Swimming Pool Foundation In the Swim grant money to provide free swim lessons and swim gear to low income, disadvantaged youth.
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## FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ 653,640	\$ 662,346	\$ 719,654	\$ 680,828	\$ 18,482	3%
Supplies	203,866	238,500	183,366	238,500	-	0%
Purchased Services	281,510	342,109	283,745	342,110	1	0%
Miscellaneous	485,997	14,381	609,796	18,512	4,131	29%
Debt Service	-	12,377	-	12,377	-	0%
Capital Outlay	24,482	135,000	2,974	135,000	-	0%
<b>Total</b>	<b>\$ 1,649,496</b>	<b>\$ 1,404,713</b>	<b>\$ 1,799,534</b>	<b>\$ 1,427,327</b>	<b>\$ 22,614</b>	<b>2%</b>

\* Un-audited numbers

## STAFFING SUMMARY

Title	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
AQUATICS STAFF				
AQUATICS SUPERVISOR	1.00	1.00	1.00	1.00
AQUATICS PROGRAM COORDINATOR	1.00	2.00	2.00	2.00
REC SUPPORT SPECIALIST II	1.00	1.00	1.00	1.00
REC SUPPORT SPECIALIST I	-	-	0.75	0.75
LEVEL 1 INTERMITTENT RECREATION	3.30	2.30	1.20	1.96
LEVEL 2 INTERMITTENT RECREATION	14.90	12.90	2.50	7.02
LEVEL 3 INTERMITTENT RECREATION	3.56	3.06	6.50	4.03
LEVEL 4 INTERMITTENT RECREATION	2.25	1.75	2.00	4.23
LEVEL 5 INTERMITTENT RECREATION	0.95	0.95	5.50	0.22
LEVEL 5 INTERMITTENT SPECIALTY INSTRUCTOR	0.49	0.49	0.50	0.39
PART TIME CASHIER	1.61	1.61	1.75	1.03
PART TIME CUSTODIAN	0.75	0.75	0.75	0.25
<b>Total</b>	<b>30.81</b>	<b>27.81</b>	<b>25.45</b>	<b>23.88</b>

## Highlights

Splash Montana and Currents Aquatics Center continue to be extremely popular recreational facilities with all age groups. "The Lake" 50-meter pool is heavily utilized by fitness swimmers and the local competitive swim teams. Splash Montana continues to host several special swim events each year at The Lake, including the Firecracker Swim Meet, the 2<sup>nd</sup> Annual Zoo Town Triathlon, and the Tube Bowl (inner tube water polo's annual competitive event).

### Accomplishments include:

- ❖ Hired UM Culinary program intern to create signature food items at the Fireline Grill and the Crazy Creek Café.
- ❖ Complete the installation of tile at the Splash Montana Men's and Family Locker rooms
- ❖ Established a locker rental program at Splash Montana, to decrease the amount of theft reports completed over the summer seasons and to create an additional revenue stream.
- ❖ Reached the 1,000 Friends milestone at our Splash Montana Facebook page.

## Goals for 2016

- ❖ Increase Swim Lesson revenue through booking a greater number of private lessons for individuals who prefer one on one instruction.
- ❖ Work with the Missoula Aquatic Club to utilize grant money from the National Swimming Pool Foundation to provide free swim lessons and swimming gear to low income, disadvantaged youth.
- ❖ Increase Swim Lesson and General Admission revenue through booking a greater number of daycare and youth organizations for swim lessons and recreational swim trips.
- ❖ Replace the failing tile around the edge of the Lazy River at Splash Montana.

## Aquatics Performance Measures & Workload Indicators

### Performance Measures

Measure	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Increase sale of punch card and drop in visits	\$ 527,139	\$ 531,705	\$ 540,845	\$ 550,845
2 . Implement cyclic maintenance program at Splash and Currents to be funded through subsidy and reserve balance.	\$ 20,000	\$ 20,000	\$ 35,000	\$ 35,000

### Workload Indicators

Indicator	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
1 . Number of daily admissions at Currents	45,911	43,982	43,603	45,000
2 . Number of daily admissions at Splash	63,800	50,904	60,555	50,000
3 . Number attending swim lessons at Currents	9,629	9,400	9,956	10,500
4 . Number attending swim lessons at Splash	3,241	2,847	3,280	3,500
5 . Total Attendance	192,526	173,674	187,908	180,000
6 . Splash concessions revenue.	\$ 180,308	\$ 187,000	\$ 201,265	\$ 175,000

## Program Description

This fund is set up as an internal service fund for the City's self-insured employee health insurance program. The fund receives revenues in the form of monthly employer contributions from all City departments, employee contributions, and payments from retired employees who are given the option of paying monthly insurance premiums to remain on the health insurance plan. Retired employee contributions receive a 15% subsidy from the City.

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## Goals & Objectives

- Each City department is charged per payroll for contributions to the employee health insurance program. The revenue from General Fund tax supported departments originates in special health insurance tax levy funds (2371 and 2372) where state law allows a special tax levy above and beyond the special all-purpose General Fund levy. These revenues are transferred regularly to the General Fund to reimburse the General Fund for the expenditures of the contributions to the health insurance fund. The FY2011 monthly premium for the health insurance paid on behalf of the City of \$635 per employee is proposed to be increased by \$80 per employee per month in FY2012 for a total of \$715 per employee. Substantial changes were implemented in FY2001 – FY2004 and in FY2012 – FY2015 to address both the funding for the City's health benefit plan as well as the cost experience of the plan in the future. The rate of medical inflation nation-wide in many prior fiscal years averaged about 15% while the City averaged over 20% for those fiscal years. The reason for the proposed changes in the past was that the plan could not support the level of costs it was experiencing. This increased level of plan utilization coupled with increased costs continued through FY2015, with the result that the plan's fund balance lost \$1.3 million again in FY 2011 even though City contributions were increased by \$315,000 in FY2011. For FY2012 – FY2015, both the employer and employee contributions were increased such that in excess of \$1,000,000 of additional funding was provided to the plan. This did stabilize the declining fund balance for the plan in FY2012 and continues today. Additional contributions of \$250,000 were made to the plan in FY2013 – FY2015 even though the plan was stabilized in FY2012 in order to start rebuilding the plan's fund balance. The additional funding will not continue in FY2016 as the fund balance continues to grow.

### Administration Recommendation

- Up until seven years ago the City health insurance plan had suffered from significant increases in usage and medical inflation. Since then, the plan had increased its fund balance for six of the last eight years bringing the plan from a deficit of (-\$400,000) in FY2003 to a surplus of \$2,278,000 at the end of FY2009. This trend did not continue in FY2011. The Administration had recommended that the Health Insurance levy within the City's cap be reduced in FY 2010 by \$484,305 by reducing the monthly premium for the health insurance from \$670 per employee to \$570 per employee in order to levy that amount of money within the General Fund general levy, thereby avoiding the necessity of cutting any further than was done for FY2010. Because the plan had significantly increased its fund balance every year for the prior six years, the fund balance was not projected to be materially reduced by this reduction in funding for one year. However, plan utilization along with rising medical inflation went to its highest level in over a decade, driving the fund balance down during FY 2010, contrary to predictions. The administration recommended that City's funding of the health plan be increased by \$65 per employee per month (\$315,000 per year) for FY2011. The Administration increased the City's contribution by \$132 per month per employee for FY2012. Employees were asked to increase an equivalent of \$75 per employee per month to the plan in FY2012. The City is committed to maintaining a 3 month reserve in the health plan and this balance is \$1,400,000. The decline in fund balance was reversed starting in FY2012, however this past fiscal year, there was unforeseen increase in charges to the plan. An explanation as to why there was an increase to the charges, is that with the new federal law in effect, the Affordable Care Act (ACA) or Obamacare, that prescriptions are now included in the deductible calculation, therefore increasing the charges to the health plan. Even with this unexpected increase in health fund costs, the final fund balance for FY2015 is ending as a positive \$800,000. The city has also been focused on identifying ways to cut costs within the health plan utilizing the assistance of the plans third party administrator, Allegiance.

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 FINANCIAL SUMMARY

Budget by Object of Expenditure Category	Actual FY 2014	Amended FY 2015	Actual FY 2015 *	Adopted FY 2016	Increase (Decrease)	Percent Change
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	-	-	-	-	-	
Purchased Services	4,987,548	5,805,230	5,637,995	6,137,237	332,007	6%
Miscellaneous	2,432	5,000	6,616	-	(5,000)	-100%
Debt Service	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
<b>Total</b>	<b>\$ 4,989,980</b>	<b>\$ 5,810,230</b>	<b>\$ 5,644,611</b>	<b>\$ 6,137,237</b>	<b>\$ 327,007</b>	<b>6%</b>

\* Un-audited numbers