

City of Missoula, Montana

**Comprehensive Annual Financial Report & Audit  
For the Fiscal Year Ended June 30, 2016**

*Traffic Signal Box Art by Molly Murphy-Adams*



City of Missoula, Montana  
Annual Comprehensive Annual Report and Audit  
For the Fiscal Year Ended June 30, 2016



Prepared by the City of Missoula Finance Department



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# INTRODUCTORY SECTION



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## FINANCE DEPARTMENT

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Budget and Analysis  
Treasury  
Finance and Debt Management  
Accounting/Utility Billing

DATE: February 23, 2017

TO: Mayor John Engen  
City Council  
Citizens of Missoula

RE: Annual Financial Statements

The City management is pleased to submit the audited Financial Statements for the City of Missoula, the financial reporting entity, for the fiscal year ended June 30, 2016. This report presents comprehensive financial and operating information about the City's activities that is useful to taxpayers, citizens, and other interested parties. The report includes all funds and account groups of the City of Missoula, the primary government. The Finance Department staff prepares the City's financial statements and is responsible for their integrity and objectivity. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. In light of the costs of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. These statements are considered to present the City's financial position and results of operations fairly and consistently. The report has been prepared in accordance with generally accepted accounting principles for governments. These statements necessarily include some amounts that are based on best estimates and professional judgments. Management encourages readers to refer to the Management's Discussion and Analysis section of the report for a more complete overview and analysis of the City's financial activities.

Because the City receives federal grants, it is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the Office of Management and Budget Uniform Guidance. Information related to the single audit, including the Schedule of Expenditures of Federal Awards and the auditors' reports on the internal controls and compliance of the applicable laws and regulations are included in the single audit section of this report.

### **CITY OF MISSOULA PROFILE**

The City was originally incorporated in 1883 and re-incorporated in 1889. It operates under the Mayor-Council form of government and provides a wide range of municipal services including police, fire, recreation, public works improvements and general administration services. Civic Stadium, Wastewater and Compost utility and the Aquatics Fund are accounted for in enterprise funds. Private firms provide garbage, water, electric and gas services. The Missoula Parking Commission, the Missoula Redevelopment Agency, the Business Improvement District and the Tourism Business Improvement District are included in this report as component units. Component units are legally separate entities for which the primary government is financially accountable. All retirement plans are handled by state agencies. The Library and the Health Department are joint City/County agencies that are administered by Missoula County so they are included

in the County's annual report, with only the City's contribution to these entities appearing in these statements. The Missoula Housing Authority and Missoula Urban Transportation District are considered related parties to the City of Missoula but they do not meet the criteria for inclusion in this report.

The City of Missoula maintains budgetary controls, the object of which is to ensure compliance with the legal provisions embodied in the annual budget adopted by the City Council each summer. Budgets are legally required and prepared for all of the City's funds. The legal level of budgetary control is established at the fund level.

### **ECONOMIC CONDITION AND OUTLOOK**

The Bureau of Business and Economic Research (BBER) is the research and public service branch of the University of Montana's School of Business Administration. The Bureau is regularly involved in a wide variety of activities, including economic analysis and forecasting. Excerpts from the Bureau's updated forecasts discussed the 41<sup>st</sup> Annual Economic Outlook Seminar relating to Missoula and Missoula County are summarized below.

- *The Missoula economic base is supported heavily by Education and State Governmental agencies, which makes up approximately 24 percent of the base and is showing recent signs of decline in the base. Second to Education and State Government is Medical and Health related entities. Health accounts for about 17 percent of Missoula's economic base and is stable with a continued outlook of remaining stable. There are three other areas that are showing medium to moderate growth and these are Nonresident Travel, Professional Services and Manufacturing. Manufacturing is not only showing growth from expansion, it is showing growth from new business as well. Also of note for the Missoula Economy is that construction, new and remodel, is starting strong.*
- *One of the bright spots in Missoula's economy is the Manufacturing industry. Since 2012, this industry has seen continued growth in both workers earnings and in employment. In a survey conducted by BBRE of local manufacturing businesses all anticipate more than 70 percent growth in overall manufacturing, employment, sales, production and profit. Another area of note is in the Housing market. In 2016 the housing market is looking much healthier. According to the BBRE housing prices are recovering across all markets, sales are up, inventories are down, new home construction activity is more mixed and multi-family construction is showing particular strength. This translates into the number of sales and median sales price are both on the rise while the number of days on market continue to decrease.*

Missoula is seeing an uptick in commercial and residential development. Large construction projects underway include continued clean-up activity at the former White Pine mill site in north Missoula where council approved plans for a small cluster neighborhood for low to moderate income housing of which broke ground in early 2016. The Old Sawmill District was opened for development in 2016, located in downtown Missoula along the Clark Fork River. Fall of 2015 saw the groundbreaking for two new condominium projects that have been completed in 2016 as well as a \$5.9 million affordable housing project. Council approved reconfiguration and expansion of the retail mall in central Missoula and creation of another east west collector street. Construction of the six-story commercial Stockman's bank building with attached two-story parking garage in downtown Missoula. In Missoula's core, approval of a \$35 million Marriott Extended Stay hotel to be constructed at the Missoula Mercantile site. The construction of a \$23 million campus to house the national headquarters of home-health management company Consumer Direct; a 500 bed private student housing development on the edge of downtown estimated to cost \$30 million; and the construction of a new \$32 million building to house the Missoula College in its new location on the eastern edge of downtown Missoula which plans on opening its doors in early 2017.

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 2017 fiscal year. The decline in revenues, which was realized from FY 2009 thorough FY 2012, is related to the decline in economic expansion (planning fees, engineering fees and business licenses). Currently, business license revenues remain stable after the major decline in FY 2009. Starting in FY 2015, the economic expansion revenues are returning to pre-recession numbers and continue to show growth.

The City sewer utility continues to grow in response to the population growth and in new sewer connections at a rate of approximately 1.5 percent per year, mainly in residential accounts. During the recession, in FY 2009, the growth realized was offset by a slowdown in the commercial and industrial sewer accounts. Commencing in FY 2010, sewer utility accounts in the commercial and industrial sector began to return to pre-recession quantities, also of note, an increase in new connections in the commercial and industrial sectors was recognized. In order to accommodate an upgrade to the wastewater plant head-works, which was at the end of its useful life, the sewer utility rates were increased modestly (5 percent per year) for four years (FY 2010 – FY 2013). Sewer utility rates are set to increase by 2.5 percent per year for the next three years (FY 2016 – FY 2018), effective January 1 of each fiscal year, to cover upcoming capital projects to improve efficiency, reduce emissions, and recapture biogas fumes to convert into electricity to assist in powering the wastewater treatment plant.

## **MAJOR INITIATIVES**

Over this past year a number of major projects were either initiated or completed. These included:

- On April 2, 2014 the City of Missoula filed a Complaint for Order of Condemnation under Montana's Law of Eminent Domain in the Montana Fourth Judicial District Court in Missoula County. In FY 2016 the City has incurred \$2,715,827, for a total of \$6,248,024, in legal and professional fees. The condemnation trial started on March 18th, 2015, at the conclusion of the trial, Judge Karen Townsend, of the Missoula District Court, determined: "its contemplated use of the water system as a municipally owned water system is more necessary than the current use as a privately owned for-profit enterprise." Therefore the City was awarded to take ownership of the water utility after a sale price was determined to be \$88.6 million. The judgement of City ownership held up through an appeal made to the Montana Supreme court. Currently this is still in litigation in attempt to determine the make-up of the sales price, if the price included construction commitments or not, and the City's request for the court to handle the financial transaction. The City is requesting the court to handle the transaction due to Mountain Water changing hands from Carlyle Group to Algonquin, a Canadian based utility company. This decision is expected in early to mid FY 2017.
- The FY 2017 budget, as adopted, was brought to Council four weeks later than in many previous years, as were the FY 2013 – FY 2016 budgets. The calculated additional property tax impact for the current fiscal year is 3.83 percent for City taxes and City-wide Road and Park District assessments, which is estimated to be approximately \$26.67 per year for a home with a market value of \$270,000.
- The FY 2017 budget includes two percent increases for Planning, Fire, Special Events, Business Licenses and Development Services. Building Inspection fees are being held at the current level for this year. The two percent increases in these areas as of service will not take effect until January 1, 2017. Seven years ago, the City chose not to increase any City fees. At that time the decision to not increase the fees had a negative effect on the fund balance, as it was reduced due to increased administrative costs associated with operating these programs, because there was not additional revenue to cover the administrative cost increases. This year (FY 2017) as well as

in the past four years (FY 2012 – FY 2016), based off the experience in FY 2011, and the continuation of increased administrative costs annually, fees have been increased by two to three percent each year in the Business Licensing, Development Services and Planning areas.

- The actual level of new tax revenue from growth in the City's tax base for the fiscal year 2017 is \$429,000. This compares to growth in past five fiscal years of \$452,529 for FY 2016; \$195,197 for FY 2015; \$299,612 for FY 2014 and \$271,813 for FY 2013. The City has budgeted for inflationary trending of property taxes allowed by state law (\$124,594).
- 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 and Park Districts. General Fund tax increases also relate to the City continuing to honor its union contracts. During the heart of the recession [FY 2008 – FY 2011] the City cut overall expenditures by 11 percent and reduced the workforce by 22 FTE's. Aside from the proposed salary increases for union and non-union staff during that time and through the last fiscal year (FY 2016), virtually no new tax funded requests were proposed or approved due to the limited growth in taxes, except for several mandatory expenses such as costs associated with elections that occur in alternating budget years and the mandated Department of Justice agreement related to handling cases that involve rape. On the expenditure side, the largest expense is wages and benefits. Roughly 78 percent of the General Fund budget is devoted to personnel costs. After the recession, the City started to experience growth and stable revenues and alternative funding sources, administration started to entertain the idea of adding FTE's into core and essential services. Between FY 2012 and FY 2016, 54.46 FTE's were added to the City. Of the 54.46 FTE's, 23 of them were transferred over from the County when the City assumed the responsibilities related to permit review, planning the transportation. Not counting the FTE's added for consolidating City and County offices, essential services added 31.46 FTE's. More than half, 19.10 were added in the function of public safety. The two main departments are the Police [15.00 FTE] and Municipal Court [4.10 FTE]. The remaining FTE's are assigned in the Central/Internal services [7.00 FTE], Public Works [2.39] and recreation [2.97 FTE].
- Property taxes were increased for support of the City's Health Plan. In the past decade the City Health Plan had suffered from significant increases in usage and medical inflation causing a volatile fund balance. In an attempt to have a positive growth in the fund balance, the City increased the contributions on both the employee and on behalf of the City. In addition to the increased contributions, the City provided additional funding as onetime transfers from the General Fund for FY 2012 – FY 2015 to assist in maintaining a positive fund balance. As stated above, in FY 2015, there was a slight reduction in fund balance due to an abnormal increase of costs to the program. This was determined to be an increased cost from the implementation of the Affordable Care Act (ACA) also known as Obamacare. Part of implementing the ACA is that it is mandatory to include prescriptions as part of the total claim deductibles and this was not recognized prior to the implementation of the ACA. The City is committed to maintaining a three month reserve in the health plan based off the budgeted expenditures. The target fund balance for FY 2017, meeting the reserve requirement, is \$1,600,000. In order to continue to build fund balance the administration recommended that the City's funding of the health plan be increased by three percent (\$23.00) per employee beginning October 2016. In addition to the increase in the City's contribution, the employees are asked to increase an equivalent of three percent (\$1.00) per employee and \$24.00 per spouse/employee, when applicable, per month. The Employee Benefit Committee has been focusing on identifying ways and methods to cut costs within the health plan by utilizing the assistance of the plans third party administrator, Allegiance.
- Assessments were increased in the special maintenance districts, Road and Park District #1, as the City attempts to increase the level of service delivery in this core area of service. Special Districts

(Missoula has Road and Park Districts) are in place throughout Montana. Starting with the Road District #1, an increase of over \$200,000 was approved in an attempt to increase the level of support in maintaining the city's infrastructure, namely the roads. An additional \$100,000 was allocated for the purchase of material to be used for asphalt overlays and \$63,000 to increase crack sealing activities. The increase in the Park District #1 assessments are used to support conservation lands, specifically the urban forest by adding two FTE's, supplies for ongoing maintenance/upkeep of Missoula's greenways (open spaces, parks and median maintenance) and the ability to increase the capacity to coordinate volunteer activity within the City.

- Standard & Poor's and Moody's, the City's ratings agencies, recently completed an updated review of many of the City's 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:
  - The City's GO Bond rating was increased from AA- to AA+
  - 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 seven percent of the General Fund expenditures per the City's adopted financial policy. Since the end of FY 2013, the City has been actively budgeting with the seven percent fund balance goal in mind, and continues to budget for modest increases in the general fund to reach the seven percent goal.

- Funding anticipated from HB124 (city entitlement from the State of Montana) is projected at \$8,072,398 for FY 2017, an expected increase of \$298,579 over FY 2016. State legislation reduced the entitlement share pool for FY 2016 to "Appropriate emergency money for new or expanded mental health crisis intervention" per HB33. The entitlement is back to normal funding in FY 2017.
- The Building Inspection Fund has improved substantially since the end of the recession in FY 2013. The Building Inspection Division had previously reduced the staffing by four positions several years ago due to the decline and has since increased the number of FTE's by 3.00 due to the increase in construction and permitting activities. The permitting software was upgraded with the creation of Development Services department and the functionality and use of the system continue to grow each year. Some of the additions are online permitting, online scheduling of inspections and the ability to look up a permit to view its' progress in the review process. Slated to go live is Electronic Document Review. Electronic Document Review, EDR, will allow contractors to submit their plans to the City electronically and EDR will also allow the city staff to perform simultaneous review of the permit, which, in turn, will decrease the review time by City officials and have the added benefit of issuing permits in an expedient manner. Due to these and other unidentified enhancements, this is a cost that has shown to be greatly beneficial to both the building community and City staff.
- Impact fees are budgeted conservatively and are anticipated to generate approximately \$1,200,000 of revenue for FY 2017, over \$1.18 million were received in FY 2016 as compared with the \$1.37 million and \$1.00 million received in FY 2015 and FY 2014 respectively. This increase in impact fees revenues over the past three fiscal years continues to show the positive growth in the building industry.

- The City is permitted to levy what is necessary to fund voter-approved General Obligation (GO) Bond debt service. In FY 2017, the City has the ability to reduce the assessments from 14.02 mills to 11.18 mills this is a realized decrease of approximately \$880,000 in taxes due to the maturity of the 2006 Fire Station GO Bond. In addition to the maturation of the GO bond, the City is benefiting from the decision to refund the outstanding GO debt for lower interest rates.
- General Fund support for the City's capital improvement program will be \$1,330,841 for FY 2017, which compares to \$1,084,565 for FY 2016. In FY 2009 The City administration, in conjunction with all City offices, developed a long-term (20-year) core equipment replacement schedule that addresses the fact that the equipment replacement needs, due to deferment, was beyond what the city could expend on an annual basis and maintain a positive fund balance as required by the reporting agencies. While scheduling out the vehicle and equipment needs of the city, it was noted that the replacement schedule could swing by over \$2 million either way. In an attempt to smooth out this wave of deferred equipment replacement the City set up financing the scheduled replacement equipment over successively shorter time frames by utilizing a capital lease funding mechanism. This allows the dated equipment to be replaced in a timely manner in order to provide better service to City residents during fiscally constrained times. In FY 2017, the CIP support includes the core equipment replacement or capital lease payments and the fixed debt payments, required by the General Fund.
- Inflation assumptions for fuel (gasoline), electricity and natural gas were permitted at a modest three to four percent increase while operating supplies and other purchased services were requested to maintain the current budget with no increases permitted. The only exception in allowing an increase was due to a pre-existing contract for service that was awarded, identified and approved for future increases during the budget review and approval process.
- Quoted below are excerpts from the Standard & Poor's April, 2008 and May, 2014 rating upgrade:

*Standard & Poor's Ratings Services raised its long-term rating and underlying rating on Missoula, Mont.'s unlimited-tax general obligation (GO) bonds to 'AA+' from 'AA-', at the same time, they raised their long-term rating on the City's previously issued general fund GO bonds to 'AA' from 'A+'. The outlook is stable.*

- *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 area economy has ties to health care, retail, and tourism-related activities.*
- *We view the City of 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.*
- *Expanding property tax and economic bases due to a low cost of living and an educated labor force compared with the rest of the region;*
- *Historically low and stable unemployment levels; and*
- *Low overall debt burden with manageable future capital needs and limited debt issuance.*

#### *Outlook*

*The stable outlook reflects the expectation of the local economy's continued diversity and steady economic growth. The City's low reserves levels preclude a higher rating at this time. The City's ability to benefit from new retail development and its current sizable base in the future due to changes in state legislation could lead to rating improvement if additional revenue flexibility allows the City to build reserves levels.*

- The City's high ratings are an objective indication of sound financial management, recognition that its overall debt profile is characterized by good debt service coverage from pledged revenues and by

sound legal provisions ensuring full and timely payment of its debt service obligations.

- The City also recently received an improved credit rating from Standard & Poor's for its financial management assessment (FMA) which resulted in an FMA of "strong", the highest rating a City can receive from Standard & Poor's, the City's credit rating agency. The City's credit rating is an integral component in financing infrastructure projects.

Standard & Poor's has this to say about the City's "strong" FMA assessment: *"A Financial Management Assessment of 'strong' indicates that practices are strong, well embedded, and likely sustainable. The government maintains most 'best practices' deemed critical to supporting credit quality and these are well embedded in the government's daily operations and practices. Formal policies support many of these activities, adding to the likelihood that these practices will be continued into the future and transcend changes in the operating environment or personnel."*

- Standard & Poor's has established an analytical methodology that evaluates established and ongoing management practices and policies in the seven areas most likely to affect credit quality. These areas are:
  - Revenue and expenditure assumptions
  - Budget amendments and updates
  - Long term financial planning
  - Long term capital planning
  - Investment management policies
  - Debt management policies
  - Reserve and liquidity policies
- The City of Missoula was evaluated as having superior policies and practices in all of the areas above.

#### **For the Future**

- **Russell Street Construction (Between Broadway and Dakota Streets)** – The reconstruction of Russell Street between Broadway and Dakota Street, including bridge replacement is slated to start in the spring of 2017. Phase II of the project was placed on hold due to Montana Department of Transportation (MDT) budget shortfalls. For a period of time Phase I was placed on hold due to the budget shortfalls, however the Governor of Montana reinstated this project due to the age and the failing structural integrity of the bridge. Currently the final construction and right of way plans, Phase I, are being developed for the West Broadway to Dakota section. The reconstruction includes widening of Russell Street from two lanes to five lanes with landscaped medians, turn pockets, raised bicycle lanes, bus stops with amenities and sidewalks. Phase II of the project includes intersection improvements and a grade-separated trail crossings for the Milwaukee and Riverfront trails. The MDOT has previously spent approximately \$8,800,000 to complete pre-construction tasks and is expected to spend approximately \$581,000 to secure additional right-of-way in FY 2017. This segment (Broadway to Dakota), beginning in the spring of 2017, is the first stage of a multi-year/phase project and this phase is estimated to have a construction cost of \$28 million for the MDT and has an expected completion date for the bridge in 2019.
- **Fort Missoula Regional Park** – The citizens of Missoula County voted to approve a bond measure to build a multifunctional park in the Fort Missoula Area. Approximately \$37 million from the bond will go towards the construction and development of the 93 acre park. The park will provide the community with facilities for outdoor sporting events, create a culture-heritage center, preserve open views and wildlife habitat. There will be over five miles of trails, four new playgrounds, including a fitness/play station, picnic shelters, new dog park, and multi-sport playing fields. Phase I of construction will focus on the 93 acre western portion of the park, which features a large picnic/events shelter, two playgrounds, an extensive trail system, turf areas for open play, multi-use sports fields, parking and road improvements with the expectation of Phase I opening in the fall of 2016.



- **Cregg Lane** – Cregg Lane between Orange Street and Hickory Street is being converted to a collector roadway. The existing Cregg Lane roadway infrastructure does not meet current collector roadway standards. The goal of reconstructing Cregg Lane is to serve as a collector roadway for McCormick Park, calm traffic and to enhance active transportation connectivity for McCormick Park and surrounding area to function as one of Missoula's most accessible parks for all demographics. The project will consist of converting Cregg Lane into a two-lane road with a center median, providing enhanced pedestrian crossing and safety. In addition to converting Cregg Lane into two-lanes, there is the plan for the installation of wide sidewalks, allowing for pedestrian multi-use, bus pull-outs, and finally, road to trail connectivity to enhance Cregg Lane for pedestrian use and as a collector roadway. The estimated cost of this project is approximately \$567,000, with impact fees estimated to contribute just over half of the funding (\$303,000) and the remainder is planned to be assessed through an SID. This project is scheduled to begin in FY 2017.
- **Old U.S. Highway 93** – Old U.S. Highway 93 from Reserve Street to Brooks Street is currently a narrow two lane road. Old U.S. Highway 93 roadway improvements include widening the road to include two travel lanes, center turn lane, bike lane, and a boulevard. Also included in the improvements is the installation of curbs, gutters, sidewalks and a multi-use trail. The multi-use trail is a connector in the M2L (Missoula to Lolo) trail. This section connects the trail from Brooks Street to the proposed above-grade crossing at Reserve Street. The estimated cost for this project is approximately \$2 million, half of the project is funded by the Community Transportation Enhancement Program (CTEP), one third of the estimated cost is covered by impact fees, and the remaining balance is anticipated to be paid for by the Special Road District fund. This project is slated to begin in FY 2019.
- **Police Facility Upgrades** – The City of Missoula police force continues to grow each year, and with the growth the staff is constrained by the limited amount of space they currently occupy. These upgrades, located at 1301 Scott Street, include a new 20,000 square foot building for evidence storage, a 3,500 square foot locker room addition to building A, outdoor lights added to the parking lot at Scott Street and remodeling of the first floor and the training room restrooms at City Hall. The total amount of these projects combined is \$2,769,000 with funding estimated to be supported by future debt service, such as bond issuance, work is scheduled to begin in FY 2017.
- **Missoula Art Park** – The creation of an Art Park in downtown Missoula on a section of Pine Street located between Higgins Avenue and Pattee Street. This project is a planned permanent Art Park on Missoula Art Museum (MAM) grounds and is to incorporate the streetscape in front of Adventure Cycling. The purpose of the park is to revitalize public space on MAM's grounds and surrounding streetscape, providing a catalyst for similar development downtown. Some of the features of the park include an outdoor art showcase for three dimensional art on a temporary, rotating basis, provide a space for people which are insufficient at present by including a public loo and seating, create a space for public events, interactions and activities engaging a broad cross section of people socially and civically. This project is funded by private donations and the balance will be assessed to the City in the form of a Special Improvement District.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Missoula for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015. This was the eighteenth consecutive year that the City of Missoula has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes the current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **CONCLUSION**

The City of Missoula is in stable financial condition, in spite of limitations placed on the growth of property tax revenues. The 1997 State Legislature passed Senate Bill 195, which restricts increases in taxable valuation due to increasing property values, only new construction or newly annexed property can significantly increase taxable valuation. This area of property taxation was addressed again in the 1999 State Legislature. The 1999 State Legislature substantially reduced property taxes for businesses, homeowners and light vehicle owners and will reduce production taxes for oil, natural gas and coal producers. This 8.2 percent reduction in taxes by the State is offset by State general fund reimbursements that will be made to various state and local accounts. In addition to the property tax reimbursement, the State attempted to mitigate the additional loss in revenue by altering the rules regarding mill levy increases made by local taxing jurisdictions which allowed local governments to collect property taxes to the prior year amount, plus any revenue from any new property (SB184), therefore allowing local governments to increase their mill levy to cover the loss in revenues from the reduction in property tax assessed by the State. With the county and state in a recession, careful budgeting and control of expenditures by departments have continued to benefit the City. The careful budgeting and control over expenditures assisted the City in weathering the recession starting in FY 2010 and showing signs of positive growth in the current year. Another avenue the City utilized to assist in increasing the tax base is the annexation of contiguous areas in recent years that are of an urban nature. These annexations of urban area have helped to expand the tax base and to some degree, mitigate the inflationary costs that are realized on an annual basis. Since the start of the recession, the City has been prudent and restrictive in the use of year-end cash balances and has attempted to increase the cash balance on an annual basis. However the restrictions levied by the State on property tax levy increases and the annual increases in administrative costs, has made it challenging to maintain or increase the year end cash balance. With that being said, the City has estimated that the year end fund balance will increase by over \$150,000 in FY 2017 through anticipated budgetary savings and a conservative approach to estimating revenues.

### **ACKNOWLEDGEMENTS**

I want to express my sincere appreciation to the Finance Office staff for their excellent work and support in preparing this report.

Respectfully submitted,



Leigh Griffing  
Finance Director  
City of Missoula



Government Finance Officers Association

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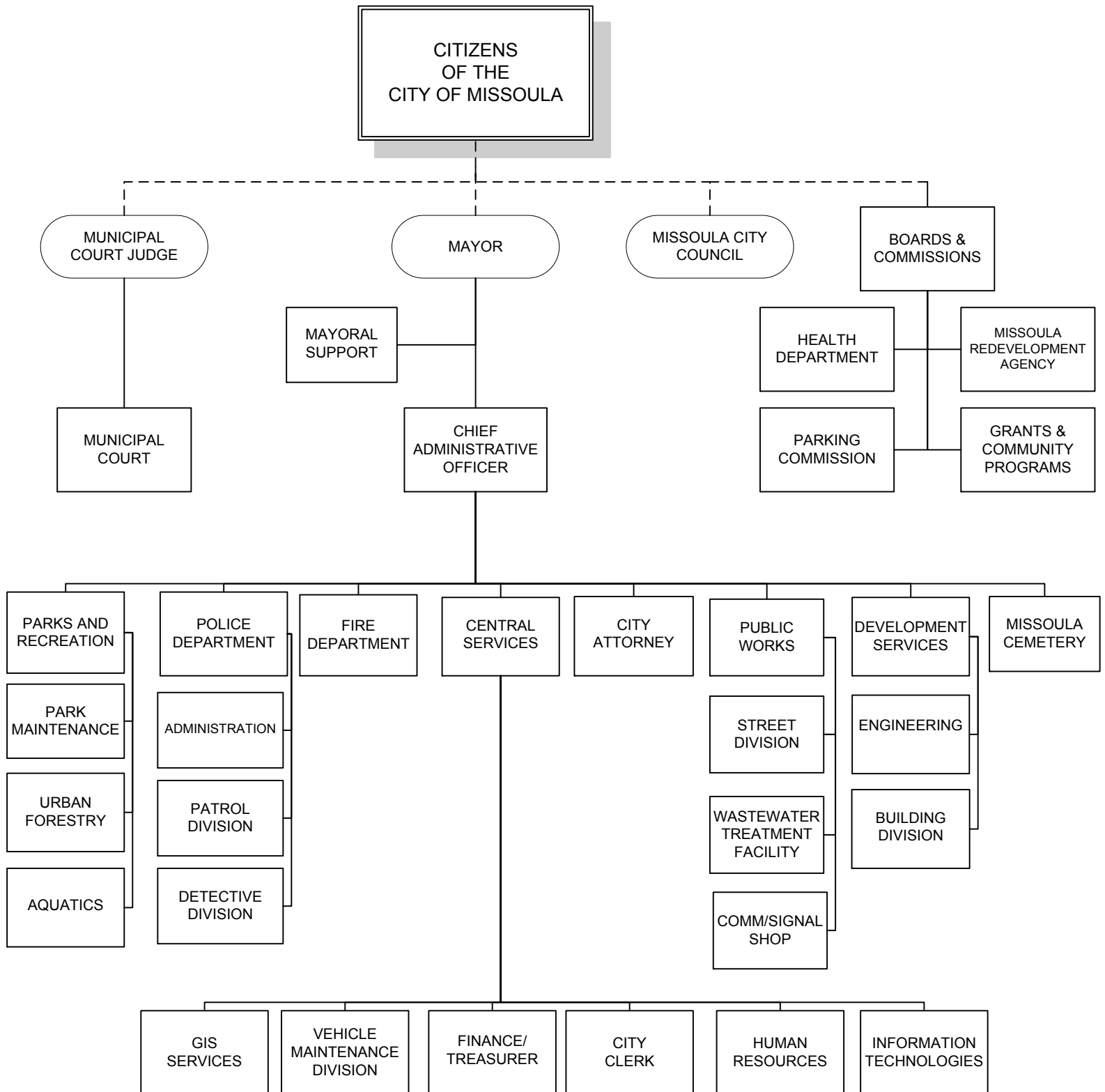
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO



## FY16 Citizens of The City of Missoula



**DENOTES  
ELECTED  
OFFICIALS**

## ELECTED OFFICIALS

**MAYOR, John Engen**  
**MUNICIPAL COURT JUDGE, Kathleen Jenks**

### ALDERPERSONS FIRST WARD

TERM EXPIRES FIRST MONDAY IN:

**Brian Von Lossberg**                      **2018**  
**Heidi West**                                      **2020**

### ALDERPERSONS THIRD WARD

TERM EXPIRES FIRST MONDAY IN:

**Emily Bentley**                                **2018**  
**Gwen Jones**                                    **2020**

### ALDERPERSONS FIFTH WARD

TERM EXPIRES FIRST MONDAY IN:

**Annelise Hedahl**                            **2018**  
**Julie Armstrong**                              **2020**

### ALDERPERSONS SECOND WARD

TERM EXPIRES FIRST MONDAY IN:

**Jordan Hess**                                      **2018**  
**Harlan Wells**                                      **2020**

### ALDERPERSONS FOURTH WARD

TERM EXPIRES FIRST MONDAY IN:

**John DiBari**                                      **2020**  
**Jon Wilkins**                                      **2018**

### ALDERPERSONS SIXTH WARD

TERM EXPIRES FIRST MONDAY IN:

**Michelle Cares**                                **2020**  
**Marilyn Marler**                                **2018**

.....

## ADMINISTRATIVE OFFICIALS

**Dale Bickell, CHIEF ADMINISTRATIVE OFFICER**  
**Steve Johnson, CENTRAL SERVICES DIRECTOR**  
**Jason Diehl, FIRE CHIEF**  
**James P. Nugent, CITY ATTORNEY**  
**Mike Brady, POLICE CHIEF**  
**Leigh Griffing, FINANCE DIRECTOR**  
**Ellen Buchanan, DIRECTOR, REDEVELOPMENT, HOUSING & ECONOMIC DEVELOPMENT**  
**Martha L. Rehbein, CITY CLERK**  
**Carl Horton, DIRECTOR, INFORMATION TECHNOLOGIES**  
**Kevin Slovarp, CITY ENGINEER**  
**Brian Hensel, SUPERINTENDENT, STREET DIVISION**  
**Don Verrue, BUILDING OFFICIAL, DEVELOPMENT SERVICES**  
**Starr Sullivan, SUPERINTENDENT, WASTE WATER TREATMENT DIVISION**  
**Jack Stucky, SUPERINTENDENT, VEHICLE MAINTENANCE DIVISION**  
**Donna Gaukler, DIRECTOR, PARKS & RECREATION**  
**Ronald Regan, DIRECTOR, MISSOULA CEMETERY**  
**Mike Haynes, DEVELOPMENT SERVICES DIRECTOR**  
**Rod Austin, DIRECTOR, MISSOULA PARKING COMMISSION**  
**Ellen Leahy, DIRECTOR, CITY/ COUNTY HEALTH DEPARTMENT**  
**Honore Bray, DIRECTOR, CITY/COUNTY LIBRARY**  
**Laurie Pfau, DIRECTOR, HUMAN RESOURCES**  
**John Wilson, DIRECTOR, PUBLIC WORKS**  
**Eran Pehan, DIRECTOR, HOUSING & COMMUNITY DEVELOPMENT**



# FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

Mayor and City Council  
City of Missoula  
Missoula, Montana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Missoula, Montana (the City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Missoula, Montana, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule – general fund, schedule of funding status for retiree health insurance, schedule of proportionate share of net pension liability, and the schedule of contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, major and nonmajor governmental funds – budget to actual, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, major and nonmajor governmental funds – budget to actual, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Anderson Zummuehlert Co., P.C.*

Missoula, Montana  
February 27, 2017

# MANAGEMENT DISCUSSION AND ANALYSIS



## Management's Discussion and Analysis

The City of Missoula (the City) offers the readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the financial statements, which begin on pages 1 and 26, respectively, of this report. Certain comparative information between the current year and the prior year is also presented.

### Financial Highlights

- The assets of the City of Missoula exceeded its liabilities at the close of the most recent fiscal year by \$207,236,511 (*net position*). Of this amount, (\$36,322,386) (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position is primarily negative due to the recognition of GASB 68 requirements which require the City recognize a net pension liability of \$26,188,921 as well as negative fund balances in the Water (\$6,248,789) and Capital Improvement Program (\$8,596,474) Funds which await financing for projects underway.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,732,162. The special revenue funds had a total fund balance of \$8,573,908, of which \$8,807,220 is either restricted, committed, or assigned to specific City programs while a deficit of (\$233,312) exists in certain funds pending either future grant or tax collections. The debt service funds have \$3,262,397 of fund balance that is restricted for debt payments, and a deficit unassigned balance of (\$351,757) pending future tax collections. The capital project funds have a negative fund balance of (\$399,921), \$962,521 of this is restricted for capital project expenditures and the negative balance of (\$1,362,442) will be reimbursed by future debt issuance.
- At the end of the current fiscal year, the total fund balance of the General Fund was \$5,492,798 which represented 10.40 percent of total General Fund expenditures and transfers out. The unassigned portion of the fund balance for the General Fund was \$1,799,445 or 3.41 percent of total General Fund expenditures and transfers but the actual spendable portion (restricted/assigned/unassigned) was \$3,693,353, or 7.00 percent of total expenditures and transfers out.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Missoula's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Required and other supplementary information in addition to the basic financial statements is included at the end of the financial section.

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Missoula's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City of Missoula's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Missoula is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Missoula that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions

that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, streets, public health, culture and recreation, social and economic services, housing and community development and public safety. The business-type activities of the City include a sewer and composting utility.

The government-wide financial statements include not only the City of Missoula itself (known as the *primary government*), but also a legally separate redevelopment authority (Missoula Redevelopment Authority), a legally separate parking commission (Missoula Parking Commission) for which the City is financially accountable as well as legally separate Business Improvement and Tourism Improvement Districts . Financial information for these *component units* is reported separately from the financial information presented for the primary government.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Missoula, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Missoula can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Missoula maintains one hundred forty five governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and the Capital Improvement Fund, both of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining schedules* elsewhere in this report.

The City of Missoula adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget. The General Fund is the only major fund required to present budget information in this report. The City of Missoula maintains budgetary control at the fund level. Budget to actual schedules are provided under the supplemental section.

**Proprietary Funds.** The City of Missoula maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its sewer and compost utility, Civic Stadium fund and aquatics facilities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Missoula's various functions. The City of Missoula uses an internal service fund to account for the health benefit plan. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer and

compost utility, aquatics programs, Civic Stadium fund and for the health benefit plan. The sewer and compost utility is considered to be a major fund of the City of Missoula.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Missoula’s own programs. The accounting for fiduciary funds is much like that used for proprietary funds.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-87 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Other Post-Employment Benefits, Net Pension Liability and a Budgetary Comparison Schedule for the General Fund. Required supplementary information can be found beginning on page 89 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately after the required supplementary information.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City of Missoula, assets exceeded liabilities by \$207,236,511 at the close of the most recent fiscal year. This is a reduction in the net position of (\$2,861,677), from FY 2015, of which (\$153,205) relates to prior period adjustments correcting depreciation and capital assets and to reflect employee contributions to the Employee Benefits fund that was not recognized in FY 2015, (\$68,800) comes from amortizing a deferred charge produced by refunding debt, and (\$965,352) was the result of accruing expenses related to GASB Statement No. 68 “Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No.27”.

By far the largest portion of the City of Missoula’s net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The City of Missoula uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Missoula’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following two tables present condensed financial information on the City’s Net position and Changes in Net position for both Governmental and Business type activities as of, and for, the fiscal years ended June 30, 2016 and June 30, 2015:

CITY OF MISSOULA'S NET POSITION						
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current & Other Assets	\$ 22,499,426	\$ 20,718,405	\$ 5,074,309	\$ 5,313,573	\$ 27,573,735	\$ 26,031,978
Capital Assets	173,254,668	174,625,041	101,351,198	101,939,502	274,605,866	276,564,543
Total Assets	195,754,094	195,343,446	106,425,507	107,253,075	302,179,601	302,596,521
Deferred Outflows	3,380,712	2,934,193	128,805	110,798	3,509,517	3,044,991
Current Liabilities	18,679,172	12,338,620	2,306,240	2,075,028	20,985,412	14,413,648
Non-Current Liabilities	54,945,988	54,675,601	20,549,217	21,370,821	75,495,205	76,046,422
Total Liabilities	73,625,160	67,014,221	22,855,457	23,445,849	96,480,617	90,460,070
Deferred Inflows	1,824,907	4,743,878	147,082	339,377	1,971,989	5,083,255
Net Position:						
Net Investment in						
Capital Assets	143,783,756	143,875,936	81,037,217	80,729,107	224,820,973	97,674,418
Restricted	16,360,067	16,945,311	2,377,857	2,345,938	18,737,924	(31,955,769)
Unrestricted	(36,459,084)	(34,301,707)	136,698	503,602	(36,322,386)	127,023,142
Total Net Position	\$ 123,684,739	\$ 126,519,540	\$ 83,551,772	\$ 83,578,647	\$ 207,236,511	\$ 192,741,791

The *restricted* portion of the City of Missoula's net position (13.25 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance is the *unrestricted net position* with a negative balance (\$36,549,084) due primarily to the recognition of GASB 68 requirements.

At the end of the current fiscal year, the City of Missoula is able to report positive balances in two of the three categories of net position for the governmental activities, and for the separate business-type activities all three types of categories report a positive balance. Readers are encouraged to refer to the information provided in the Notes to the Financial Statements for more detailed information on the assets and long-term debt activity for the year.

**Governmental activities:** Governmental activity net position decreased in total by \$2,834,802 during the current fiscal year. The reduction in fund balance during FY 2016 occurred due to several factors including expenditures related to the continuation of the City's successful eminent domain lawsuit to acquire the water utility that services Missoula. In addition to the lawsuit, capital projects, of which are endeavors that will be covered by debt issued in FY 2017 or within next three fiscal years depending on environmental factors, complexity of the project and available resources. What is noteworthy is the restricted fund balance had a net reduction of half a million dollars related to the completion of several capital improvement projects such as new and updated electronic ticketing for the police department and the completion of western Montana's first all-inclusive playground: Silver Summit playground located at McCormick Park. Included in the net reduction is expenditures related to the development of a multi-use sports facilities and a playground/park that has been proposed for the past couple of decades and has now began construction due to the passage of a county-wide Fort Missoula Regional Park bond.

**Business-type activities:** The business-type activity total net position decreased by \$26,875 and the amount invested in capital assets increased by \$308,110. Capital asset increases included the installation of an energy efficient screw press also known as the dewatering press. Additional investment includes a project that is in the design phase in order to install a Biogas electrical generator. This electrical generator is designed to catch the excess methane that is produced from the breakdown of human excrement and converts the methane into electricity, with the end result of running the operation plant on the biogas generator. Unrestricted net position decreased by \$366,904 due to an increase in the operating loss of the Aquatics fund and was offset by the healthy sustainable growth in the sewer fund.

### CITY OF MISSOULA'S CHANGE IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues						
Charges for Services	\$ 12,777,488	\$ 11,549,023	\$ 9,238,671	\$ 9,118,637	\$ 22,016,159	\$ 20,667,660
Operating Grants & Contributions	2,879,310	4,022,357	35,255	39,135	2,914,565	4,061,492
General Revenues					-	-
Property taxes for general purposes	28,615,524	26,921,632	-	-	28,615,524	26,921,632
Intergovernmental revenue, unrestricted	14,807,522	14,026,429	-	-	14,807,522	14,026,429
Miscellaneous	81,636	405,983	761,463	264,303	843,099	670,286
Investment Earnings	28,782	15,016	238,645	238,767	267,427	253,783
Total Revenues	59,190,262	56,940,440	10,274,034	9,660,842	69,464,296	66,601,282
Expenses						
General government	11,793,813	10,833,682	-	-	11,793,813	10,833,682
Public safety	29,481,389	29,695,040	-	-	29,481,389	29,695,040
Public works	14,991,013	10,518,044	9,160,165	8,527,990	24,151,178	19,046,034
Public health	1,775,343	1,732,159	-	-	1,775,343	1,732,159
Social and economic services	174,525	221,203	-	-	174,525	221,203
Culture and recreation	1,045,843	4,670,590	1,864,428	1,997,869	2,910,271	6,668,459
Housing and community development	6,037,362	1,486,729	-	-	6,037,362	1,486,729
Conservation of natural resources	-	-	-	-	-	-
Miscellaneous	818,567	788,789	-	-	818,567	788,789
Debt service interest expense	1,256,776	1,120,924	-	-	1,256,776	1,120,924
Total Expenses	67,374,631	61,067,160	11,024,593	10,525,859	78,399,224	71,593,019
Excess (Deficiency) Before:	(8,184,369)	(4,126,720)	(750,559)	(865,017)	(8,934,928)	(4,991,737)
Capital Grants & Contributions	5,683,590	5,416,343	542,866	85,001	6,226,456	5,501,344
Interfund Transactions	(203,000)	(152,787)	203,000	152,787	-	-
Net Contributions/Other Items	5,480,590	5,263,556	745,866	237,788	6,226,456	82,167,528
Change in Net Position	(2,703,779)	1,136,837	(4,693)	(627,229)	(2,708,472)	509,608
Restatements	(131,023)	(25,787,754)	(22,182)	(1,587,625)	(153,205)	(27,375,379)
Ending Net Position	\$123,684,739	\$126,519,541	\$ 83,551,772	\$ 83,578,647	\$207,236,511	\$210,098,188

### Financial Analysis of the Government's Funds

As noted earlier, the City of Missoula uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City of Missoula's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Missoula's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1,732,162, a decrease of \$1,362,208 in comparison with the prior year. The majority of this decrease occurred in the Water fund, whose negative fund balance increased by \$2,715,825 and the general fund which saw a decrease of \$120,495. The Capital Improvement Program fund had a negative year-end fund balance of \$8,596,474, even though it maintains a negative fund balance, of note is that the fund balance is less negative than FY 2015, this still reflects the fact there are several ongoing construction projects that will not be fully reimbursed until the project is completed and approved by City officials. All final financing is accomplished at the conclusion of the various projects and prior to the close of the project, financing options

are put in place in order for timely reimbursement for the projects. A majority of the financing is scheduled to occur within the next couple of fiscal years. One of the major fund deficits that will be recovered by financing is the acquisition of the Water Utility, or the Water fund. As it is, the Water fund carries all of the expenditures related to the City's eminent domain lawsuit to acquire the local water utility. The City was successful in this lawsuit at both the local (County) level and the State (Supreme Court) level. The City continues to work with the courts, lawyers and outside agencies to gain full control of the water utility and its assets. At the time of publication, the City continues to have success in the court system by continued rulings in the City's favor. The City is ultimately waiting for the court to render a ruling with regards to the full amount of the water utility and related legal contingencies. At present, the City has secured the resources to acquire the water utility through the issuance of revenue bond anticipation notes. The notes will be issued as soon as a ruling has been made by the courts. The proceeds from the notes will be used to acquire the water utility and all of its assets, issue final payments with regards to legal fees, closing fees, starting capital and reimburse the full water fund deficit.

The majority of the fund balance for the special revenue funds was either committed, \$6,279,088, restricted \$2,440,378, or assigned \$87,754 while \$3,262,391 of debt service fund balance is reserved for debt payments.

The General Fund is the chief operating fund of the City of Missoula. At the end of the current fiscal year, the total fund balance of the General fund was \$5,492,798 which represented 10.40 percent of total General Fund expenditures and transfers out. The City's 2016 budget continued to be structurally balanced, however the City decreased its General Fund year-end fund balance from \$5.61 million to \$5.49 million by the close of FY 2016. The general fund revenues related to miscellaneous collections came in lower than anticipated and this is directly related to the Park Bond and reimbursement of expenditures. In an agreement with the County, the City expends the funds related to the upgrades to the City's playgrounds and parks in accordance with the Parks and Trails bond Master Plan and submits said expenditures to the County for reimbursement. At the close of FY 2016, there is a fund deficit that is in excess of \$160,000 related to the Parks and Trails bond, however, this will be fully reimbursed in FY 2017. As a result of the delayed reimbursement of the Parks and Trails bond expenditures, the City experienced a decrease to the unassigned fund balance by \$361,278. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned portion of the fund balance for the General Fund was \$1,799,445, or 3.41 percent of total General Fund expenditures and transfers out but the actual spendable portion (restricted/assigned/unassigned) was \$4,158,824, or 7.88 percent of total expenditures and transfers out.

**Proprietary Funds.** The City of Missoula's *proprietary funds* provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Sewer Fund at the end of the year amounted to \$320,418, a decrease of \$341,939 from FY 2015. This decrease relates to capital project expenditures that are financed in future years. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Missoula's business-type activities.

The Employee Benefit Plan, Internal Service fund had suffered from significant increases in usage and medical inflation during the past decade causing a volatile fund balance. In order to accommodate for the increased usage and in an attempt to have continued positive fund balance growth, the city increased the contributions on both the employee and on behalf of the City. In order to give the fund a "jump start" the City provided additional onetime transfers from the General Fund. FY 2015 was the last year this *additional* funding was transferred. FY 2015 saw a slight reduction in fund balance due to the implementation of aspects of the Affordable Care Act (ACA) also known as Obamacare. Additional fees and the new requirement to include prescriptions as part of the total claims deductible expense caused a reduction in the Employee Benefit Plan Fund balance. FY 2016 saw an increase in the fund balance by \$134,922 from a small increase in revenues and lower claims expenses.

## General Fund Budgetary Highlights

Differences between the original budget and the final amended budget amounted to an increase in budgeted appropriations of \$1,441,654, due to the need to amend the budget for the carry-forward and re-budget of unexpended contracts and grants approved in the prior year, recognize approved budget items after the adoption of the budget, recognize debt service related to equipment purchases approved during the year, and School Resource Officer grant funding and related expenditures.

Notable variations in the budget versus actual in the general fund include revenues related to miscellaneous sources and expenditures in Housing and Community Development and for budgeted capital outlay in Public Works and Culture & Recreation activities. 20 percent of budgeted miscellaneous revenues, is, for the most part, identified as ongoing or planned projects in the General Fund Special activities. The projects in the General Fund Special activities revolve around acquiring, updating, enhancing, and/or replacing existing parks and recreation facilities within the city. These projects are identified in a number of different avenues which include but are not limited to creation of subdivisions, acquisition of open space or in the parks long range plan adopted by the council. The variance in miscellaneous revenues identified to cover upcoming projects is also the reasoning for variance in the Capital Outlay expenditures for Culture and Recreation.

Miscellaneous revenues include a new grant issued by the State of Montana called the State Home Program Income. This program helps low to moderate income families with down payment assistance. The future homeowners are responsible for paying back the down payment at a future date and any outstanding balance is used towards another family. Due to this being a fairly new grant, in its third year, this fund has an available loan balance of \$433,177. The State Home Program, in the first two years, issued \$166,823 in home owner down payment assistance. Given the rate of 27 percent reduction every two years, it will take approximately six more years to expend the full amount of the HOME grant. It is foreseeable that an identifiable deficit in revenues received versus revenues budgeted will continue until the funds are fully expended. The variance in revenues related to the State HOME grant additionally explains the variance in expenditures identified as Housing & Community Development.

The remaining substantial variance in the budget to actual for the General Fund is Capital Outlay for the Public Works funds. For FY 2016 the City expended approximately 36 percent of the amended budget. Of the remaining \$225,848, 65 percent expenditure savings was realized in the Public Works – Street Maintenance department budget. The Street Maintenance department holds annual contracts with the State of Montana to resurface or chip-seal specified state routes that run through Missoula. The budgeted expenditures represent the amount of material that would be required to complete the annual contract with the State. During the past several fiscal years the Street Superintendent has done an outstanding job in bidding out and acquiring the necessary material at extremely competitive prices. With the competitive pricing the inventory of material has a longer life. In addition in the cost savings, the Streets Department is utilizing an asphalt recycler in the daily operation. Use of the asphalt recycler allows for the Street Department to grind up the surface of the road and to reuse the removed asphalt, therefore creating additional savings in the purchase of material.

The General Fund year-end fund balance increased to \$5,492,798 from \$5,613,293 at the end of FY 2015. This increase is a result of concerted expenditure savings on the part of major general fund departments, particularly the Fire and Parks departments.

## Capital Asset and Debt Administration

**Capital Assets.** The City of Missoula's investment in capital assets for its governmental and business-type activities as of June 30, 2016, amounts to \$274,605,866 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, streets, sidewalks, utilities and storm drain systems. More detailed disclosure on the City's capital assets is available in section III-D of the Notes to the Financial Statements. Major capital asset events during the current fiscal year included the following:



- Completion of a major Urban Renewal District project that reclaimed an old industrial sawmill complex that covered 46 acres and has sat vacant and a blight located in the heart of Missoula next to the Clark Fork River. The area was remediated and is now characterized as “a lively urban neighborhood where people live, work, shop and play.” Included in the Old Sawmill District is a completed \$5.962 million Silver Park that covers 14 acres and provides access to the Clark Fork River by connecting to the Bitterroot Trail System and a boat ramp. Ogren Park at Allegiance Field, host of the Missoula Osprey minor league baseball team, is accessible from Silver Park.
- The purchase of \$1.7 million in core equipment for the continuing functions of the City.
- \$487,005 to create the first all-inclusive playground that caters to children with physical or mental disabilities named Silver Summit. Silver Summit Park is located in the area of the Old Sawmill District along the Clark Fork River and nestled between Currents, City of Missoula’s indoor swimming pool and MOBASH Skate Park.
- Additional street infrastructure projects were under construction at fiscal year-end which include a \$3 million upgrade to Hillview Way.

#### CITY OF MISSOULA CAPITAL ASSETS

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 19,805,799	\$ 19,805,799	\$ 2,540,579	\$ 2,540,579	\$ 22,346,378	\$ 22,346,378
Art	236,590	236,590	65,229	65,229	301,819	301,819
Buildings & Improvements	40,921,264	35,526,893	146,019,900	144,973,336	186,941,164	180,500,229
Machinery & Equipment	25,569,701	25,040,724	7,747,985	6,535,075	33,317,686	31,575,799
Infrastructure	266,183,249	260,456,777	-	-	266,183,249	260,456,777
Work In Process	4,941,442	12,243,194	685,906	439,838	5,627,348	12,683,032
Total Capital Assets	357,658,045	353,309,977	157,059,599	154,554,057	514,717,644	507,864,034
Less Accumulated Depreciation	(184,403,377)	(178,684,935)	(55,707,957)	(52,617,554)	(240,111,334)	(231,299,490)
Net Capital Assets	<u>\$ 173,254,668</u>	<u>\$ 174,625,042</u>	<u>\$ 101,351,642</u>	<u>\$ 101,936,503</u>	<u>\$ 274,606,310</u>	<u>\$ 276,564,544</u>

**Long-Term Debt.** At the end of the current fiscal year, the City of Missoula had a total of \$58,187,574 of long term debt outstanding of which \$42,987,502 was bonded debt. Of this amount, \$8,395,000 comprises debt backed by the full faith and credit of the government and \$10,693,500 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). More detailed disclosure on the City's long-term debt is available in section III-F of the Notes to the Financial Statements.

#### CITY OF MISSOULA'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$ 8,395,000	\$ 9,750,000	\$ -	\$ -	\$ 8,395,000	\$ 9,750,000
Limited Obligation Bonds	5,100,000	4,210,000	-	-	5,100,000	4,210,000
Revenue Bonds	-	-	18,799,002	19,631,000	18,799,002	19,631,000
Special Assessment Bonds	10,693,500	11,394,176	-	-	10,693,500	11,394,176
Loans Payable	336,192	427,514	-	-	336,192	427,514
Capital Leases	5,216,533	4,967,415	122,116	149,281	5,338,649	5,116,696
Bond Premiums	383,138	-	-	-	383,138	-
Notes Payable	-	-	1,392,863	1,430,114	1,392,863	1,430,114
Compensated Absences	5,132,603	4,832,041	243,848	229,862	5,376,451	5,061,903
Post Employment Benefits	2,233,930	1,924,244	138,849	121,213	2,372,779	2,045,457
Total Outstanding Debt	<u>\$ 37,490,896</u>	<u>\$ 37,505,390</u>	<u>\$ 20,696,678</u>	<u>\$ 21,561,470</u>	<u>\$ 58,187,574</u>	<u>\$ 59,066,860</u>

The City of Missoula's total debt decreased by (\$879,286) (1.49 percent), during the 2016 fiscal year. This decrease was a result in paying down existing debt and paying off the 2006 Fire Station General Obligation bond. In addition to the General Obligation Bond reaching maturity, two Limited Obligation bonds and a handful of special revenue and capital lease loans submitted their final payments. The final loan payments included \$2.635 million previously held in escrow for refunding. In FY 2016, \$5,874,851 in principal reduction was realized in addition to the \$2.635 million in escrow payments resulted in a decrease of annual debt by more than \$8.5 million.

Offsetting the \$8.5 million principal reduction, the City issued \$6.6 million in new debt. Making up the \$6.6 million in new debt the City issued \$1,646,954 of new capital leases for core equipment replacement; \$598,600 in special improvement district assessments for installation of sidewalks for the past two fiscal years; \$460,002 in revenue bonds for the Wastewater Treatment plant for installation of the dewatering screw press, mentioned earlier in the Government-wide Financial Analysis, Business-type activities section, and finally \$3.9 million in Limited Obligation bonds for the construction and upgrades of the City's facilities and City Maintenance shops.

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 \$182,578,455 which is significantly in excess of the City of Missoula's outstanding general obligation debt. Section III-E of the Notes to the City's financial statements provides additional disclosure of the City of Missoula's bonded indebtedness. The City has continued to utilize its general obligation debt capacity to a very low percentage, with the result that we have maintained a strong financial position and an AA+ bond rating with Standard and Poor's.

### **Economic Factors and New Year's Budgets and Rates**

- The Bureau of Business and Economic Research (BBER) is the research and public service branch of the University of Montana's School of Business Administration. The Bureau is regularly involved in a wide variety of activities, including economic analysis and forecasting. The information regarding the economic outlook is now provided annually by a seminar produced by the BBER. For Missoula's economic outlook, this is a synopsis from the 41<sup>st</sup> Annual Economic Outlook Seminar held in January 2016:

Missoula's economic outlook for 2016 is expected to continue to grow mostly in the areas of manufacturing, nonresident travel, professional services and in construction. Last year it was quoted that the Missoula earnings would grow somewhere between 2.4 and 2.7 percent. The actual growth for Missoula in 2015 was 2.9 percent. Even though there is projected growth in the job market, the projected earnings is only expected to grow by 2.3 percent and continue around that rate for the next few years as Missoula still recovers from the recession. A study was conducted of the manufacturing firms located in Missoula and were asked to provide their overall outlook for the upcoming year in Missoula. 75-80 percent stated there would be overall growth in both their firm and in total around Missoula. The most significant outlook is the manufacturers are all confident of increasing both the number of sales and the overall revenues. Another area of growth is in the housing market. The number of sales and the median price per house are projected to continue to experience growth all the while the number of days on the market continue to decline. This points to people confident in their own personal outlook. This is another sign that Missoula's economy is rebounding from the recession.
- The Missoula Economic Partnership, a public-private economic development organization, opened its doors in June 2011 and in that time has grown to serve as a central role in a broad, collaborative effort involving 80 businesses, individual and government investors as well as more than 30 strategic partners, all of whom share the vision of a vibrant, growing and diversified region economy. The Partnership, in conjunction with the multiple strategic partners and collaborative businesses is creating easy access to economic-development resources. In recognizing that 80 percent of economic growth comes from within, The Partnership offers services for business retention and expansion (BRE). The BRE program

services are as simple as a phone call or can be more involved, such as fostering a multiyear client - consultant relationship. The MEP Angel Network, Air Service Task Force and cultivating Strategic Partnerships are just some of the additional services offered by Missoula Economic Partnership. For a more detailed look into the services or to connect with the Missoula Economic Partnership please visit the Partnership's website at <http://www.missoulapartnership.com>.

- During FY 2016, Missoula witnessed an increase in commercial and residential development. The Development Services department of the City of Missoula reported an increase of the number of overall permits issued by 567 permits over FY 2015. Even though there was an increase in the number of permits issued, the City did not realize an increase of construction valuation over FY 2015. In FY 2016, the City was short of eclipsing the prior year construction value by \$5.4 million. It should be noted that this number is a little misleading. In FY 2016 the Missoula County Public Schools started constructing/rehabbing four elementary schools with the passage of an \$80 million school bond that was voted for by Missoula taxpayers. In FY 2017 there are a number of projects that are set to start construction or starting the planning phase. Two of these projects are located in downtown Missoula. The first to start is a projected \$35 million Hilton Extended Stay hotel and the other is an approximately \$150 million conference center and hotel planned for the corner of Orange St and Front St., also referred to as the Fox Site. Given these projects, it is anticipated that FY 2017 will see substantial growth and an increase in the construction valuation.
- All of these factors were considered in preparing the City of Missoula's budget for the 2017 fiscal year. The decline in revenues, which was realized from FY 2009 thorough FY 2012, is related to the decline in economic expansion (planning fees, engineering fees and business licenses). Currently, business license revenues remain stable after the major decline in FY 2009. Starting in FY 2015, the economic expansion revenues are returning to pre-recession numbers and continue to show growth.
- The City sewer utility continues to grow in response to the population growth and in new sewer connections at a rate of approximately 1.5 percent per year, mainly in residential accounts. During the recession, in FY 2009, the growth realized was offset by a slowdown in the commercial and industrial sewer accounts. Commencing in FY 2010, sewer utility accounts in the commercial and industrial sector began to return to pre-recession quantities, also of note, an increase in new connections in the commercial and industrial sectors was recognized. In order to accommodate an upgrade to the wastewater plant head-works, which was at the end of its useful life, the sewer utility rates were increased modestly (5 percent per year) for four years (FY 2010 – FY 2013). Sewer utility rates are set to increase by 2.5 percent per year for the next three years (FY 2016 – FY 2018), effective January 1 of each fiscal year, to cover upcoming capital projects to improve efficiency, reduce emissions, and recapture biogas fumes to convert into electricity in order to assist in powering the wastewater treatment plant.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of Missoula's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Missoula, attention: Office of the Finance Director, 435 Ryman, Missoula, Montana, 59802.

# BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL  
STATEMENTS

**City of Missoula**  
**Statement of Net Position**  
**June 30, 2016**

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Business Improvement District	Tourism Business Improvement District	Missoula Parking Commission	Missoula Redevelopment Agency
<b>ASSETS AND DEFERRED OUTFLOWS</b>							
<u>Current assets:</u>							
Cash and investments	\$ 4,573,660	\$ 696,711	\$ 5,270,371	\$ 206,622	\$ 633,485	\$ 559,402	\$ 9,391,229
Taxes/Assessments receivable, net	2,100,391	-	2,100,391	4,866	-	-	216,757
Accounts receivable	647,623	465,481	1,113,104	-	218,161	-	-
Other receivable	24,925	1,434,326	1,459,251	12,208	-	240,723	122,433
Prepaid expenditures/expenses	376,324	28,686	405,010	-	-	-	-
Due from other governments	2,737,572	869	2,738,441	5,970	-	-	155,693
Inventory of supplies	1,055,988	70,379	1,126,367	-	-	-	-
Total current assets	11,516,483	2,696,452	14,212,935	229,666	851,646	800,125	9,886,112
<u>Noncurrent assets:</u>							
Cash and investments	204,603	2,377,857	2,582,460	-	-	664,538	675,665
Noncurrent assessments receivable	8,001,643	-	8,001,643	-	-	-	-
Long-term loans receivable	2,776,697	-	2,776,697	-	-	2,674,000	612,222
Other assets	-	-	-	-	-	343,859	-
Capital assets - depreciable, net	148,270,837	98,059,484	246,330,321	-	-	11,663,145	-
Capital assets - land and construction in progress	24,983,831	3,291,714	28,275,545	-	-	3,587,760	-
Total noncurrent assets	184,237,611	103,729,055	287,966,666	-	-	18,933,302	1,287,887
Total assets	195,754,094	106,425,507	302,179,601	229,666	851,646	19,733,427	11,173,999
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Pension contributions and adjustments	2,727,261	128,805	2,856,066	-	-	39,035	28,928
Deferred portion of refunded bond	653,451	-	653,451	-	-	-	-
Total deferred outflows of resources	3,380,712	128,805	3,509,517	-	-	39,035	28,928
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>199,134,806</b>	<b>106,554,312</b>	<b>305,689,118</b>	<b>229,666</b>	<b>851,646</b>	<b>19,772,462</b>	<b>11,202,927</b>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>							
<u>Current liabilities:</u>							
Accounts payable	4,075,540	466,293	4,541,833	44,067	18,521	50,713	804,494
Accrued expenses	2,316,216	189,043	2,505,259	-	-	127,557	30,766
Due to other government	-	-	-	-	-	78,540	-
Contributions paid in advance	811,026	-	811,026	-	-	-	-
Compensated absences payable	3,752,331	195,982	3,948,313	-	-	31,042	50,179
Special assessment debt with government obligation	1,280,500	-	1,280,500	-	-	-	-
Long-term liabilities - due within one year	3,666,859	1,429,922	5,096,781	-	-	431,400	506,913
Unearned revenue	2,776,700	25,000	2,801,700	4,866	-	-	-
Total current liabilities	18,679,172	2,306,240	20,985,412	48,933	18,521	719,252	1,392,352
<u>Noncurrent liabilities:</u>							
Net post employment benefit obligation	2,199,791	138,046	2,337,837	-	-	59,036	29,106
Net pension liability	26,188,921	1,479,246	27,668,167	-	-	448,100	331,558
Special assessment debt with government obligation - long-term	9,413,000	-	9,413,000	-	-	-	-
Long-term liabilities - due in more than one year	15,764,004	18,884,059	34,648,063	-	-	7,863,500	21,110,540
Long-term portion of compensated absences	1,380,272	47,866	1,428,138	-	-	-	31,922
Total noncurrent liabilities	54,945,988	20,549,217	75,495,205	-	-	8,370,636	21,503,126
Total liabilities	73,625,160	22,855,457	96,480,617	48,933	18,521	9,089,888	22,895,478
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Pension adjustments	1,824,907	147,082	1,971,989	-	-	39,650	29,579
Deferred charge on refunding of debt	-	-	-	-	-	119,144	-
Total deferred inflows of resources	1,824,907	147,082	1,971,989	-	-	158,794	29,579
Total liabilities and deferred inflows of resources	75,450,067	23,002,539	98,452,606	48,933	18,521	9,248,682	22,925,057
<b>NET POSITION</b>							
Net investment in capital assets	143,783,756	81,037,217	224,820,973	-	-	6,836,861	-
Restricted for:							
Building construction inspections	1,451,087	-	1,451,087	-	-	-	-
Capital Projects	962,521	-	962,521	-	-	-	-
Debt service	12,298,508	2,377,857	14,676,365	-	-	664,538	675,665
Grant restrictions for program expenditures	509,292	-	509,292	-	-	-	-
Law Enforcement	293,319	-	293,319	-	-	-	-
Public works safety & maintenance expenditures	186,680	-	186,680	-	-	-	-
Title 1 & Revolving Loan Programs	658,660	-	658,660	-	-	-	-
Unrestricted	(36,459,084)	136,698	(36,322,386)	180,733	833,126	3,022,381	(12,397,795)
<b>TOTAL NET POSITION</b>	<b>\$ 123,684,739</b>	<b>\$ 83,551,772</b>	<b>\$ 207,236,511</b>	<b>\$ 180,733</b>	<b>\$ 833,126</b>	<b>\$ 10,523,780</b>	<b>\$ (11,722,130)</b>

The notes to financial statements are an integral part of this statement.

**City of Missoula**  
**Statement of Activities**  
**For the Year Ended June 30, 2016**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position										
	Program Revenues				Primary Government			Component Units			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Business Improvement District	Tourism Business Improvement	Missoula Parking Commission	Missoula Redevelopment Agency
<b>Primary government:</b>											
<u>Governmental activities:</u>											
General Government	\$ 11,793,813	\$ 2,054,748	\$ 280,076	\$ -	\$ (9,458,989)	\$ -	\$ (9,458,989)	\$ -	\$ -	\$ -	\$ -
Public Works	14,991,013	3,433,949	349,644	378,402	(10,829,018)	-	(10,829,018)	-	-	-	-
Public Safety	29,481,389	6,036,116	281,351	4,759,781	(18,404,141)	-	(18,404,141)	-	-	-	-
Cultural & Recreation	1,045,843	791,876	301,350	545,407	592,790	-	592,790	-	-	-	-
Housing & Community Development	6,037,362	345,629	1,651,186	-	(4,040,547)	-	(4,040,547)	-	-	-	-
Public Health	1,775,343	115,170	14,243	-	(1,645,930)	-	(1,645,930)	-	-	-	-
Social & Economic Services	174,525	-	1,460	-	(173,065)	-	(173,065)	-	-	-	-
Miscellaneous	818,567	-	-	-	(818,567)	-	(818,567)	-	-	-	-
Debt Service	1,256,776	-	-	-	(1,256,776)	-	(1,256,776)	-	-	-	-
Total governmental activities	67,374,631	12,777,488	2,879,310	5,683,590	(46,034,243)	-	(46,034,243)	-	-	-	-
<u>Business-type activities:</u>											
Sewer	9,160,165	8,290,157	28,869	542,866	-	(298,273)	(298,273)	-	-	-	-
Aquatics	1,666,722	948,514	6,386	-	-	(711,822)	(711,822)	-	-	-	-
Civic Stadium	197,706	-	-	-	-	(197,706)	(197,706)	-	-	-	-
Total business-type activities	11,024,593	9,238,671	35,255	542,866	-	(1,207,801)	(1,207,801)	-	-	-	-
<b>Total Primary Government</b>	<b>\$ 78,399,224</b>	<b>\$ 22,016,159</b>	<b>\$ 2,914,565</b>	<b>\$ 6,226,456</b>	<b>(46,034,243)</b>	<b>(1,207,801)</b>	<b>(47,242,044)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Component Units:</u>											
Business Improvement District	\$ 404,443	\$ -	\$ -	\$ -				(404,443)	-	-	-
Tourism Business Improvement District	705,816	-	-	-				-	(705,816)	-	-
Missoula Parking Commission	2,071,968	1,885,502	-	-				-	-	(186,466)	-
Missoula Redevelopment Agency	5,602,168	-	-	-				-	-	-	(5,602,168)
Total Component Units	\$ 8,784,395	\$ 1,885,502	\$ -	\$ -				(404,443)	(705,816)	(186,466)	(5,602,168)
<u>General revenues:</u>											
Property taxes for general purposes					28,615,524	-	28,615,524	310,594	-	-	3,580,333
Intergovernmental revenue, unrestricted					14,807,522	-	14,807,522	-	-	-	784,085
Miscellaneous					81,636	761,463	843,099	50,039	774,830	-	241,404
Interest income					28,782	238,645	267,427	943	3,699	120,401	-
General funds support of Sewer & Aquatic's activities					(203,000)	203,000	-	-	-	-	-
Total general revenues, special items, and transfers					43,330,464	1,203,108	44,533,572	361,576	778,529	120,401	4,605,822
Change in net position					(2,703,779)	(4,693)	(2,708,472)	(42,867)	72,713	(66,065)	(996,346)
Net position - beginning					126,519,541	83,578,647	210,098,188	223,600	760,413	10,712,811	(10,845,921)
Restatements					(131,023)	(22,182)	(153,205)	-	-	(122,966)	120,137
Net position - beginning restated					126,388,518	83,556,465	209,944,983	223,600	760,413	10,589,845	(10,725,784)
Net position - ending					\$ 123,684,739	\$ 83,551,772	\$ 207,236,511	\$ 180,733	\$ 833,126	\$ 10,523,780	\$ (11,722,130)

The notes to financial statements are an integral part of this statement.

FUND  
FINANCIAL  
STATEMENTS



## **MAJOR GOVERNMENTAL FUNDS**

### ***FUND DESCRIPTIONS***

#### **GENERAL FUND**

The General Fund accounts for revenues and expenditures for most of the major City functions which are not specifically earmarked for other purposes. These functions include City Council, Finance and Administration, Police, Fire, Public Works (excluding Sewer), Parks and Recreation, and the Cemetery.

#### **CAPITAL IMPROVEMENT PROGRAM**

This fund 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.

#### **WATER FUND**

The Water Fund accounts for expenditures related to the City's eminent domain lawsuit to acquire the local water company. Once the acquisition of the utility is finalized this fund will be converted to a proprietary enterprise fund similar to the Sewer Fund.

## **MAJOR PROPRIETARY FUNDS**

### ***FUND DESCRIPTIONS***

#### **SEWER FUND**

This fund accounts for financial resources from service charges, allocated by law, contractual agreement, or administrative regulations for, and the payment of, sewer maintenance, sewer construction, and other sewer related costs. This fund also accounts for fees related to the acceptance of green waste to convert into compost and the fees derived from the sale of the compost.

#### **AQUATICS FUND**

This fund accounts for financial resources from service charged 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.

GOVERNMENTAL FUND  
FINANCIAL  
STATEMENTS

**City of Missoula  
Balance Sheet  
Governmental Funds  
June 30, 2016**

	General Fund	Capital Improvement Program Fund	Water Fund	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Investments	\$ 93,892	\$ -	\$ -	\$ 2,444,328	\$ 2,538,220
Taxes Receivable	893,270	-	-	190,549	1,083,819
Special Assessments Receivable	-	-	-	1,016,572	1,016,572
Due from other governments	1,634,730	-	-	1,102,841	2,737,571
Accounts Receivable	367,084	-	-	280,539	647,623
Long term loans	6,278	-	-	2,770,419	2,776,697
Interfund receivable	5,098,963	-	-	9,614,030	14,712,993
Advanced receivable	-	-	-	1,346,672	1,346,672
Inventory of supplies	1,055,988	-	-	-	1,055,988
Prepaid expenditures	302,312	46,877	-	25,928	375,117
Deferred Assessments Receivable	-	-	-	8,001,643	8,001,643
Total assets	<u>\$ 9,452,517</u>	<u>\$ 46,877</u>	<u>\$ -</u>	<u>\$ 26,793,521</u>	<u>\$ 36,292,915</u>
<b>LIABILITIES &amp; DEFERRED INFLOWS</b>					
Accrued expenditures	\$ 2,199,190	\$ -	\$ 28	\$ 116,997	\$ 2,316,215
Interfund payable	-	6,933,649	6,004,252	1,775,094	14,712,995
Advances payable	-	1,327,821	-	18,852	1,346,673
Accounts payable	1,114,783	381,881	244,509	1,836,780	3,577,953
Total liabilities	<u>3,313,973</u>	<u>8,643,351</u>	<u>6,248,789</u>	<u>3,747,723</u>	<u>21,953,836</u>
<u>Deferred Inflows</u>					
Unearned revenues; taxes and loans receivable	<u>645,746</u>	<u>-</u>	<u>-</u>	<u>11,961,171</u>	<u>12,606,917</u>
<b>FUND BALANCES (DEFICITS)</b>					
<b>Nonspendable</b>					
Inventories	1,055,988	-	-	-	1,055,988
Prepaid Expenses	277,986	-	-	-	277,986
<b>Restricted</b>					
Cemetery Memorial	7,490	-	-	-	7,490
Title I Program & Revolving Loan Program	658,660	-	-	-	658,660
Building construction inspections	-	-	-	1,451,087	1,451,087
Capital Project expenditures	-	-	-	962,521	962,521
Cable contract restricted for CAT & PEG Access	-	-	-	-	-
Debt Service	-	-	-	3,262,391	3,262,391
Fed & State law, Bond Cov. & Agreements for CIP	-	-	-	-	-
Grant restrictions for program expenditures	-	-	-	509,292	509,292
Law Enforcement	-	-	-	293,319	293,319
Public works safety & maintenance expenditures	-	-	-	186,680	186,680
<b>Committed</b>					
By City Ordinance for specific budgeted programs	-	-	-	6,279,094	6,279,094
<b>Assigned</b>					
Specific Budgeted General Fund Programs	1,693,229	-	-	87,754	1,780,983
<b>Unassigned</b>	<u>1,799,445</u>	<u>\$ (8,596,474)</u>	<u>\$ (6,248,789)</u>	<u>(1,947,511)</u>	<u>(14,993,329)</u>
Total fund balances (deficits)	<u>\$ 5,492,798</u>	<u>\$ (8,596,474)</u>	<u>\$ (6,248,789)</u>	<u>\$ 11,084,627</u>	<u>\$ 1,732,162</u>
Total liabilities, deferred inflows and fund balances (deficits)	<u>\$ 9,452,517</u>	<u>\$ 46,877</u>	<u>\$ -</u>	<u>\$ 26,793,521</u>	<u>\$ 36,292,915</u>

The notes to financial statements are an integral part of this statement.

**City of Missoula, Montana**  
**Reconciliation of the Governmental Funds Balance Sheet to the**  
**Statement of Net Position**  
**June 30, 2016**

<b>Total fund balances - governmental funds</b>	\$ 1,732,162
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	173,254,668
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	9,830,216
An internal service fund is used by management to charge the costs of employee medical insurance. The governmental portion of the internal service fund is included with governmental activities.	957,565
Long-term liabilities (current and non-current portions) are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(36,803,305)
Net Pension Liability	(25,286,567)
<b>Total Net Position - governmental activities</b>	\$ <u>123,684,739</u>

See accompanying Notes to the Financial Statements

**City of Missoula**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2016**

	General Fund	Capital Improvement Program Fund	Water Fund	Total Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes and assessments	\$ 23,553,599	\$ -	\$ -	\$ 10,630,623	\$ 34,184,222
Licenses and permits	1,444,113	-	-	2,403,980	3,848,093
Intergovernmental	14,655,550	-	1	4,768,284	19,423,835
Charges for services	5,464,693	-	-	1,582,495	7,047,188
Fines and forfeitures	1,531,422	-	-	15,310	1,546,732
Miscellaneous	253,374	220,500	-	259,627	733,501
Investment earnings	-	-	-	13,251	13,251
Total revenues	<u>46,902,751</u>	<u>220,500</u>	<u>1</u>	<u>19,673,570</u>	<u>66,796,822</u>
<b>EXPENDITURES</b>					
Current:					
General Government	8,998,483	-	-	1,872,606	10,871,089
Public Works	6,196,341	-	2,715,826	1,607,658	10,519,825
Public Safety	27,177,294	10,696	-	1,839,978	29,027,968
Cultural & Recreation	4,014,830	-	-	754,412	4,769,242
Housing & Community Development	35,014	-	-	1,301,240	1,336,254
Public Health	1,706,945	-	-	-	1,706,945
Social & Economic Services	175,000	-	-	-	175,000
Miscellaneous	818,567	-	-	-	818,567
Debt service:					
Administrative charges	-	89,730	-	-	89,730
Interest	20,248	279,053	-	808,697	1,107,998
Principal retirement	559,412	630,123	-	3,259,279	4,448,814
Capital outlay:					
General Government	17,931	468,022	-	39,913	525,866
Public Works	128,357	1,205,958	-	1,950,258	3,284,573
Public Safety	-	341,208	-	468,779	809,987
Cultural & Recreation	949,551	106,861	-	689,333	1,745,745
Total expenditures	<u>50,797,973</u>	<u>3,131,651</u>	<u>2,715,826</u>	<u>14,592,153</u>	<u>71,237,603</u>
Excess (deficiency) of revenues over expenditures	<u>(3,895,222)</u>	<u>(2,911,151)</u>	<u>(2,715,825)</u>	<u>5,081,417</u>	<u>(4,440,781)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	5,510,698	1,084,565	-	738,900	7,334,163
Transfers (out)	(1,992,528)	-	-	(6,063,515)	(8,056,043)
Issuance of long term debt/capital leases	260,875	4,702,292	-	1,509,716	6,472,883
Payment to refunded bond escrow agent	-	(2,679,436)	-	-	(2,679,436)
Total other financing sources (uses)	<u>3,779,045</u>	<u>3,107,421</u>	<u>-</u>	<u>(3,814,899)</u>	<u>3,071,567</u>
Net change in fund balances	(116,177)	196,270	(2,715,825)	1,266,518	(1,369,214)
Fund balances - beginning	5,613,293	(8,788,491)	(3,532,964)	9,802,810	3,094,648
Restatements	(4,318)	(4,253)	-	15,299	6,728
Fund balances - beginning restated	<u>5,608,975</u>	<u>(8,792,744)</u>	<u>(3,532,964)</u>	<u>9,818,109</u>	<u>3,101,376</u>
Fund balances - ending	<u>\$ 5,492,798</u>	<u>\$ (8,596,474)</u>	<u>\$ (6,248,789)</u>	<u>\$ 11,084,627</u>	<u>\$ 1,732,162</u>

The notes to financial statements are an integral part of this statement.

**City of Missoula, Montana**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2016**

Amounts reported for *governmental activities* in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ (1,369,214)
Governmental funds report capital outlays as expenditures	17,919,922
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.	(10,052,066)
In the statement of activities, only the loss on the sale of the capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by cost of the assets sold.	(9,238,230)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,222,725)
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.	(6,472,883)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	7,138,022
Amortization of deferred portion of refunding bond is a component of interest expense on the statement of activities, but is not recognized in the governmental funds.	(68,800)
The change in compensated absences is shown as an addition to payroll expense on the statement of activities	(300,562)
The change in post employment obligations is shown as an addition to payroll expense on the statement of activities	(275,547)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with the governmental activities.	272,951
Contributions to the pension plan in the current fiscal year are deferred outflows in the Statement of Net Position	965,353
Change in net position - statement of activities	\$ <u>(2,703,779)</u>
See accompanying Notes to the Financial Statements	

PROPRIETARY FUND  
FINANCIAL  
STATEMENTS

**City of Missoula  
Statement of Net Position  
Proprietary Funds  
June 30, 2016**

	<b>Business-type Activities</b>				<b>Governmental Activities</b>
	<b>Sewer (Major)</b>	<b>Aquatics (Major)</b>	<b>Civic Stadium (non-major)</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>ASSETS &amp; DEFERRED OUTFLOWS</b>					
<u>Current assets:</u>					
Cash and Investments	\$ 530,081	\$ 148,424	\$ 18,206	\$ 696,711	\$ 2,240,047
Due from other governments	869	-	-	869	-
Accounts Receivable	465,481	-	-	465,481	-
Inventory of supplies	-	70,379	-	70,379	-
Prepaid expenditures	23,624	5,062	-	28,686	1,207
Other receivable	1,434,326	-	-	1,434,326	24,925
Total current assets	<u>2,454,381</u>	<u>223,865</u>	<u>18,206</u>	<u>2,696,452</u>	<u>2,266,179</u>
<u>Noncurrent assets:</u>					
Cash and Investments	2,377,857	-	-	2,377,857	-
Art	-	65,229	-	65,229	-
Land	2,540,579	-	-	2,540,579	-
Construction work in progress	685,906	-	-	685,906	-
Buildings	8,276,475	12,521,965	-	20,798,440	-
Improvements other than buildings	120,344,785	1,321,675	3,555,000	125,221,460	-
Machinery and equipment	7,517,984	230,001	-	7,747,985	-
Allowance for depreciation	(51,106,360)	(4,009,541)	(592,500)	(55,708,401)	-
Total noncurrent assets	<u>90,637,226</u>	<u>10,129,329</u>	<u>2,962,500</u>	<u>103,729,055</u>	<u>-</u>
<b>Deferred Outflow of Resources</b>					
Deferred Outflow of Resources	<u>108,230</u>	<u>20,575</u>	<u>-</u>	<u>128,805</u>	<u>-</u>
Total Assets & Deferred Outflows of Resources	<u>\$ 93,199,837</u>	<u>\$ 10,373,769</u>	<u>\$ 2,980,706</u>	<u>\$ 106,554,312</u>	<u>\$ 2,266,179</u>
<b>LIABILITIES &amp; DEFERRED INFLOWS</b>					
<u>Current liabilities:</u>					
Unearned revenues; taxes and loans receivable	25,000	-	-	25,000	-
Long-term liabilities - due within one year	1,390,806	-	39,116	1,429,922	-
Accrued expenditures	103,817	85,226	-	189,043	-
Accounts payable	419,296	46,997	-	466,293	497,588
Contributions paid in advance	-	-	-	-	811,026
Compensated absences payable	164,918	31,064	-	195,982	-
Total current liabilities	<u>2,103,837</u>	<u>163,287</u>	<u>39,116</u>	<u>2,306,240</u>	<u>1,308,614</u>
<u>Noncurrent liabilities:</u>					
Long-term liabilities - due in more than one year	17,530,312	-	1,353,747	18,884,059	-
Net post employment benefit obligation	112,971	25,075	-	138,046	-
Net pension liability	1,243,457	235,789	-	1,479,246	-
Long-term portion of compensated absences	46,538	1,328	-	47,866	-
Total noncurrent liabilities	<u>18,933,278</u>	<u>262,192</u>	<u>1,353,747</u>	<u>20,549,217</u>	<u>-</u>
Total liabilities	<u>21,037,115</u>	<u>425,479</u>	<u>1,392,863</u>	<u>22,855,457</u>	<u>1,308,614</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Inflows of Resources	126,194	20,888	-	147,082	-
Total deferred inflows of resources	<u>126,194</u>	<u>20,888</u>	<u>-</u>	<u>147,082</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>21,163,309</u>	<u>446,367</u>	<u>1,392,863</u>	<u>23,002,539</u>	<u>1,308,614</u>
<b>NET POSITION</b>					
Net investment in capital assets	69,338,251	10,129,329	1,569,637	81,037,217	-
Restricted for:					
Debt Service	2,377,857	-	-	2,377,857	-
Unrestricted	320,418	(201,927)	18,207	136,698	957,565
Total net position	<u>\$ 72,036,526</u>	<u>\$ 9,927,402</u>	<u>\$ 1,587,844</u>	<u>\$ 83,551,772</u>	<u>\$ 957,565</u>

The notes to financial statements are an integral part of this statement.



**City of Missoula**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2016**

	Business-type Activities				Governmental Activities
	Sewer (Major)	Aquatics (Major)	Civic Stadium (non-major)	Total Enterprise Funds	Internal Service Funds
<b>Operating Revenues</b>					
Internal Services	\$ -	\$ -	\$ -	\$ -	\$ 4,974,491
Intergovernmental	28,869	6,386	-	35,255	-
Licenses and permits	1,541	-	-	1,541	-
Charges for services	8,288,616	948,514	-	9,237,130	-
Miscellaneous	572,523	68,940	120,000	761,463	-
Total operating revenues	8,891,549	1,023,840	120,000	10,035,389	4,974,491
<b>Operating Expenses</b>					
Maintenance and operations	2,564,738	440,380	-	3,005,118	-
Personal services	1,784,479	726,722	-	2,511,201	-
Fixed charges	1,292,085	19,306	550	1,311,941	-
Depreciation	2,702,570	480,314	118,500	3,301,384	-
Insurance claims and expenses	-	-	-	-	5,220,417
Total operating expenses	8,343,872	1,666,722	119,050	10,129,644	5,220,417
Operating income (loss)	547,677	(642,882)	950	(94,255)	(245,926)
<b>Non-operating revenues (expenses)</b>					
IRS interest reimbursement	235,961	-	-	235,961	-
Interest revenue	2,684	-	-	2,684	-
Debt service interest expense	(816,293)	-	(78,656)	(894,949)	-
Gain on disposal of fixed assets	-	-	-	-	-
Total nonoperating revenues (expenses)	(577,648)	-	(78,656)	(656,304)	-
Income (loss) before contributions and	(29,971)	(642,882)	(77,706)	(750,559)	(245,926)
<b>Contributions &amp; Transfers</b>					
Contributions	542,866	-	-	542,866	-
Transfers in	7,743,923	203,000	-	7,946,923	518,877
Transfers (out)	(7,743,923)	-	-	(7,743,923)	-
Net Contributions and Transfers	542,866	203,000	-	745,866	518,877
Change in net position	512,895	(439,882)	(77,706)	(4,693)	272,951
Total net position - beginning	71,664,313	10,248,784	1,665,550	83,578,647	822,645
Restatements	(140,682)	118,500	-	(22,182)	(138,031)
Fund balances - beginning restated	71,523,631	10,367,284	1,665,550	83,556,465	684,614
Total net position - ending	\$ 72,036,526	\$ 9,927,402	\$ 1,587,844	\$ 83,551,772	\$ 957,565

The notes to financial statements are an integral part of this statement.

**City of Missoula**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2016**

	Business-type Activities - Enterprise Funds				Governmental Activities
	Sewer (Major)	Aquatics (Major)	Civic Stadium (non-major)	Total Enterprise Funds	Internal Service Funds
<b>Cash Flows from Operating Activities:</b>					
Payments to employees	\$ (1,763,073)	\$ (727,596)	\$ -	\$ (2,490,669)	\$ -
Cash receipts from customers	8,302,007	951,585	-	9,253,592	-
Payments to suppliers	(3,776,123)	(489,299)	(550)	(4,265,972)	-
Other receipts	586,569	75,326	120,000	781,895	-
Receipts from internal services	-	-	-	-	4,910,560
Benefit payments	-	-	-	-	(5,395,792)
Net cash provided (used) by operating activities	<u>3,349,380</u>	<u>(189,984)</u>	<u>119,450</u>	<u>3,278,846</u>	<u>(485,232)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Transfers to other funds	(7,743,923)	-	-	(7,743,923)	-
Transfers from other funds	7,743,923	203,000	-	7,946,923	518,877
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>203,000</u>	<u>-</u>	<u>203,000</u>	<u>518,877</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Principal paid on debt	(859,163)	-	(37,252)	(896,415)	-
Interest paid on debt	(816,293)	-	(78,656)	(894,949)	-
IRS Interest Reimbursement	235,961	-	-	235,961	-
Proceeds from sale of capital assets	-	-	-	-	-
Acquisition and construction of capital assets	(2,123,456)	(68,940)	-	(2,192,396)	-
Net cash provided (used) by capital and related financing activities	<u>(3,562,951)</u>	<u>(68,940)</u>	<u>(115,908)</u>	<u>(3,747,799)</u>	<u>-</u>
<b>Cash Flows from Investing Activities</b>					
Interest on investments	2,686	(3)	-	2,683	-
Net cash provided (used) by investing activities	<u>2,686</u>	<u>(3)</u>	<u>-</u>	<u>2,683</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(210,885)	(55,927)	3,542	(263,270)	33,645
Balances - beginning of year	3,118,823	204,351	14,664	3,337,838	2,206,402
Balances - end of the year	<u>\$ 2,907,938</u>	<u>\$ 148,424</u>	<u>\$ 18,206</u>	<u>\$ 3,074,568</u>	<u>\$ 2,240,047</u>
Cash and cash equivalents consists of:					
Cash and cash equivalents	\$ 530,081	\$ 148,424	\$ 18,206	\$ 696,711	\$ 2,240,047
Restricted Cash and cash equivalents	2,377,857	-	-	2,377,857	-
Totals	<u>\$ 2,907,938</u>	<u>\$ 148,424</u>	<u>\$ 18,206</u>	<u>\$ 3,074,568</u>	<u>\$ 2,240,047</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating Income (Loss)	\$ 547,677	\$ (642,879)	\$ 950	\$ (94,252)	\$ (245,926)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	2,702,570	480,314	118,500	3,301,384	-
Changes in assets and liabilities:					
Accounts Payable - Other	80,700	(18,090)	-	62,610	(217,655)
Inventory	-	(11,522)	-	(11,522)	-
Other operating receivables	(3,269)	3,068	-	(201)	45,670
Compensated absences payable	19,401	(5,415)	-	13,986	-
Net post employment benefit obligation	14,339	30,752	-	45,091	-
Prepaid expense	(7,517)	(5,062)	-	(12,579)	(1,207)
Contributions paid in advance	-	-	-	-	71,917
Accrued Expenses	36,001	14,659	-	50,660	-
Due From Other Government	296	-	-	296	-
Net Pension	(40,818)	(35,809)	-	(76,627)	-
Net cash provided (used) by operating activities	<u>\$ 3,349,380</u>	<u>\$ (189,984)</u>	<u>\$ 119,450</u>	<u>\$ 3,278,846</u>	<u>\$ (347,201)</u>
<b>Noncash investing, capital and financing activities</b>					
Developer contributions	\$ 542,866	\$ -	\$ -	\$ 542,866	\$ -

FIDUCIARY FUND  
FINANCIAL  
STATEMENTS

**City of Missoula, Montana**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2016**

	Agency Funds
	<hr/>
<b>ASSETS</b>	
Cash and short-term investments	\$ 459,017
Due from other governments	6,999
Total assets	\$ <u>466,016</u>
	<hr/>
<b>LIABILITIES</b>	
Accounts payable	\$ 38,168
Due to private parties	412,780
Due to other governments	15,068
Total liabilities	\$ <u>466,016</u>
	<hr/>

See accompanying Notes to the Financial Statements

NOTES TO  
FINANCIAL  
STATEMENTS

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

**I. Summary of Significant Accounting Policies**

The City of Missoula (the City) follows U.S. generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The City of Missoula has adopted the provisions of the following GASB pronouncements for fiscal year 2016:

Statement No. 72, Fair Value Measurement and Application. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This Statement is effective for fiscal years beginning after June 15, 2015.

Statement No. 82, Pension Issues, an amendment of GASB No. 67, 68, and 73. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for fiscal years beginning after June 15, 2016, with early application encouraged.

**A. Reporting Entity**

The City was originally incorporated in 1883 and re-incorporated in 1889. It operates under the Mayor-Council form of government and provides a wide range of municipal services including police, fire, recreation, public works improvements, and general administration services. Sanitary sewer services are accounted for in an enterprise fund. Water, gas, electricity and garbage services are provided by the private sector. All retirement plans are handled by state agencies. (See note F). Library, animal control and health services are provided jointly by the City and Missoula County. Since these joint services are administered by the County, only the City's contributions appear in these statements.

For financial reporting purposes, the City includes those separate governmental entities that are controlled by or are dependent on the City. The determination to include separate governmental entities is based on the criteria of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39 and No. 61. GASB defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. To be financially accountable, a voting majority of the component unit's governing board must be appointed by the City, and either a) the City must be able to impose its will, or b) the City may potentially benefit financially or be financially responsible for the component unit. Alternatively, if the organization is fiscally dependent on the City and the City may potentially benefit financially or be financially responsible for the component unit, the City is considered financially accountable.

Based on these criteria, the City has included the following as discretely presented component units:

1. The Missoula Redevelopment Agency (MRA) was established in 1978 by the City as a separate legal entity in accordance with state urban renewal laws (Section 7-15-4201 MCA). MRA has the authority to renovate property within blighted areas legally designated as redevelopment districts, but the authority to exercise the power of eminent domain, acquire and resell property and to issue tax increment bonds remains with the City. Any bonds issued are payable solely from tax increment receipts. Infrastructure improvements made by the urban renewal districts are City capital assets. The City has established six current urban renewal districts: District II in 1991, District III in 2000, Front Street in 2007, and Riverfront Triangle in 2008, Hellgate in 2014, and North Reserve/Scott Street in 2014. The five member governing board is appointed by the Mayor and confirmed by the City Council. MRA has no authority to levy taxes. However, under the City's Urban Renewal Plans, incremental property taxes which result from increases in the taxable value of property within a redevelopment district are designated for urban renewal purposes and provide the primary funding source for MRA. State law provides that the tax increment provisions applicable to a renewal district established after 1980 be terminated fifteen years after enactment or when all tax increment bonds have been retired. Due to the control exercised by the City, MRA is considered a component unit of the City. Complete financial statements may be obtained from the City Clerk, 435 Ryman St., Missoula, MT 59802 or from Missoula Redevelopment Agency, 140 W. Pine, Missoula, MT 59802.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
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2. The Missoula Parking Commission (MPC) is a public corporation formed by the City and, as such, is a proprietary component unit of the City. On January 25, 1971, the City Council of Missoula passed Resolution No. 2992 declaring the need for a parking commission. The creation of a commission was subsequently approved by the voters of the City in April 1971 pursuant to Part 46 of the Montana Code. Voters also authorized MPC to adopt the revenue bond method of financing parking projects provided in Title 7, Chapter 14, Part 46, Montana Code Annotated. As a component unit of the City, MPC is exempt from income tax. MPC currently operates approximately 134 parking meters on various streets and in various lots throughout the downtown business area. MPC operates approximately 1,275 leased parking spaces in various lots throughout downtown Missoula. MPC also oversees a residential parking district in the University area of approximately 820 spaces. It also issues tickets for parking violations in the downtown area and the University residential parking district. MPC operates two parking structures (Central Park and Bank Street Structure) that offer both short-term and long-term parking.

The Missoula Parking Commission is considered a component unit because the City appoints the Board members, determines the parking jurisdiction and determines parking fines and is secondarily liable for the Parking Commission bonds. The City does not provide any operating subsidies nor does it receive any surpluses, but the Parking Commission does pay the City for services such as legal advice, payroll and bill paying. Complete financial statements may be obtained from the City Clerk, 435 Ryman St., Missoula, MT 59802 or from Missoula Parking Commission, 128 W. Main St., Missoula, MT 59802.

3. 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 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. The BID is included in the City's financial statements as a component unit due to the nature and significance of its relationship with the City. The BID is financially accountable to the City; the City appoints the BID's seven member Board of Trustees and approves the BID budget. Additionally, the BID receives its funding through an assessment of the property owners (ratepayers) in the district which are collected and disseminated by the City. Complete financial statements may be obtained from the City Clerk, 435 Ryman St., Missoula, MT 59802 or from the Business Improvement District, 218 E. Main Street, Suite C., Missoula, MT 59802.

4. The Tourism Business Improvement District was created by a Resolution of the City Council on October 25th, 2010 in order to aid in tourism, promotion, and marketing within the City of Missoula. The District is created pursuant MCA 7-12-1101 and for a period of 10 years. Similar to the BID discussed above, the TBID is reported as a component unit due to the nature and significance of its relationship with the City. The TBID is financially accountable to the City of Missoula; the City appoints the 5 member board of trustees and approves the TBID budget. The director of the TBID is the executive director of the Missoula Convention and Visitor's Bureau in accordance with MCA 7-12-1121. The TBID Board of Trustees is a public body and subject to all statutory and constitutional laws pertaining to public bodies. Complete financial statements may be obtained from the City Clerk, 435 Ryman St., Missoula, MT 59802 or from the Tourism Business Improvement District, 140 N. Higgins Ave, Suite 203, Missoula, MT 59802.

**Related Organizations:**

The City is responsible for appointing members of the Missoula Urban Transportation District Board of Directors. The purpose of the Missoula Urban Transportation District Board of Directors is to set policy for Mountain Line, Missoula's public transit agency, and guide the agency in its vision to be an essential public transportation provider in the urban area and a major contributor to a multi-county, multi-modal transportation infrastructure in the western Montana region. Three members are appointed by the Mayor, three members are appointed by the County Commissioners and one member alternating City / County appointment.

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The Missoula Housing Authority is a quasi-governmental entity organized under the laws of the State of Montana as a tax-exempt, quasi-governmental entity under the United States housing Act of 1937. The Missoula Housing Authority is a public non-profit organization dedicated to providing safe, decent and affordable housing to individuals and families in Missoula, MT and within a 10-mile radius of Missoula's city limits. The seven-member Board of Commissioners governs the Missoula Housing Authority and is responsible for establishing policy and approving MHA's annual budget. Each board member is appointed by the Mayor of Missoula. Two of the seven members of the board are resident commissioners who represent MHA residents as well as members of the board. Resident commissioners serve a two year term. The remaining five commissioners commit to a five year term. No housing commissioner may be a City official.

**B. Measurement Focus, Basis of Accounting, and Basis of Presentation**

***Government-wide Statements***

***Basis of Presentation***

The Government-wide Financial Statements (the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole and its component units. They include all funds of the reporting entity except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Eliminations have been made to minimize the double-counting of internal activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's activities. Direct expenses are those that are specifically associated with a program or function. The City does not charge indirect expenses to programs or functions. The types of transactions reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues, including all property taxes, are presented as general revenues.

Certain eliminations have been made as prescribed by GASB 34 in regards to inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

***Measurement Focus and Basis of Accounting***

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The City generally applies restricted resources to expenses incurred before using unrestricted resources when both restricted and unrestricted net assets are available.

***Fund Financial Statements***

***Basis of Presentation***

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Funds are organized into three categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Each major fund is displayed in a separate column in the fund financial statements. All of the remaining funds are aggregated and reported in a single column as non-major funds. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:



**CITY OF MISSOULA, MONTANA**  
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- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

**Governmental Funds:**

**Measurement Focus and Basis of Accounting**

These statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year-end. When collections are delayed due to highly unusual circumstances the City will recognize revenues collected up to 75 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds and proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Real and personal property taxes (excluding motor vehicle taxes), special assessments, charges for current services, and interest earnings are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time. The City recorded real and personal property taxes and assessments levied for the current year as revenue. Taxes and assessments receivable remaining unpaid at year-end and not expected to be collected soon enough thereafter to be available to pay obligations of the current year were recorded as unearned revenue, with a corresponding reduction in revenues, as required by generally accepted accounting principles. In addition, prior period delinquent taxes and assessments collected in the current period were recorded as revenue in the current period as required by generally accepted accounting principles. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Under the terms of the City's grant agreements, certain programs are funded by specific cost-reimbursement grants and general revenues. Generally, the City applies cost-reimbursement funds first to finance such programs with remaining costs paid for with general revenues.

The City reports the following major governmental funds:

*General Fund* - This is the City of Missoula's primary operating fund and it accounts for all financial resources of the City except those required to be accounted for in other funds.

*Capital Improvement Program* - This fund 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. This fund is financed with grants, loan repayments and transfers from the general fund.

*Water Fund* - The Water Fund accounts for expenditures related to the City's eminent domain lawsuit to acquire the local water company. Once the acquisition of the utility is finalized this fund will be converted to a proprietary enterprise fund similar to the Sewer Fund.

**Proprietary Funds:**

**Measurement Focus and Basis of Accounting**

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource measurement focus concerns determining costs as a means of maintaining capital investment and management control. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in the proprietary funds. The receivables and revenue from assessments are reported as accounts receivable and user charges, respectively.

**CITY OF MISSOULA, MONTANA**  
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Proprietary funds include enterprise funds and internal service funds. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The city uses an internal service fund to account for providing health insurance benefits for employees. The principal operating revenues for the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following enterprise funds:

*Sewer Fund* (Major Fund) – This fund accounts for financial resources from service charges, allocated by law, contractual agreement, or administrative regulations, and the payment of, sewer maintenance, sewer construction, and other sewer related costs.

*Aquatics Fund* (Major Fund) – This fund accounts for financial resources from service charges 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.

*Civic Stadium Fund* - This fund was created for the issuance of \$1,555,000 of Revenue Bonds and purchase of the interest of certain secured lenders in the Civic Stadium to facilitate the City of Missoula's purchase of the Civic Stadium. The fund 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.

**Fiduciary Funds:**

**Measurement Focus and Basis of Accounting**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations or other governments. Agency funds are custodial in nature (assets equals liabilities) and do not involve measurement of results of operations.

The City reports the following fiduciary funds for the related purposes:

*Court Surcharge* – Accommodates the court surcharge fees charged and owed to the State of Montana.

*Court Collected Parking Fines* - Accounts for fines collected by Municipal Court on behalf of the Parking Commission.

*Sewer Rebate* – Accounts for the sewer rebates authorized by City Council for sewer connections.

*Youth Programs* – Records the transactions held for County Youth Programs.

*County Park Board* – Records the transactions held for the County Park Board.

*Elk Hills Subdivision* – Records the transactions held for the Elk Hills Subdivision.

*Residential Inspection* – Accounts for transactions related to the Voluntary Residential Inspection program.

*Municipal Court Restitution* – Accumulates restitution payments to victims from court proceedings.

*Public Defender Fees* – Accounts for public defender fees charged and owed to the State of Montana.

*Rattlesnake Cornerstone Trail SW* - accounts for funds received from the housing developer for Rattlesnake Cornerstone subdivision to be used for the construction of a trail within the subdivision.

**C. Budgets and Budgetary Accounting**

**1. Budget Process**

Operating budgets are adopted each year for the General Fund, all Special Revenue Funds, Debt Service Funds, Enterprise Funds, Internal Service Fund and Capital Project Funds. All budgets are presented on the budgetary basis appropriate for the fund type consistent with generally accepted accounting principles (i.e. all governmental funds are budgeted on a modified accrual basis and all proprietary funds are budgeted on the accrual basis).

A preliminary budget is presented in June, budget hearings are held, and the final budget is adopted by the second Monday in August. Budget appropriations may be transferred between line items or increased by budget amendment only upon adoption of a resolution by the governing body. The operating fund budgets cannot be increased except by a public hearing for the following reasons:

(a) a public emergency which could not have been reasonably foreseen at the time of adoption of the original budget;

**CITY OF MISSOULA, MONTANA**  
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(b) debt service funds for obligations related to debt approved by the governing body;

(c) trust funds for obligations authorized by trust covenants;

(d) any fund for federal, state, local, or private grants and shared revenue accepted and approved by the governing body;

(e) any fund for special assessments approved by the governing body;

(f) the proceeds from the sale of land;

(g) any fund for gifts or donations; and

(h) money borrowed during the fiscal year.

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 fund level without approval of the City Council.

**D. Assets, Liabilities, and Equity**

**1. Cash, Cash Equivalents, and Investments**

Cash and investments are under the management of the City's Treasurer and consist primarily of investments in money market funds and direct obligations of the U.S. Treasury. Interest income earned as a result of pooling of City deposits is distributed to the appropriate funds utilizing a formula based on the average balance of cash and investments of each fund. Investments in government securities are reported at fair value, based on market prices. Certificates of deposit are reported at cost.

Montana State statutes authorize the City to invest in interest-bearing savings accounts, certificates of deposits, and time deposits, which are insured up to \$250,000 or fully collateralized. Also authorized are U.S. government and U.S. agency obligations, STIP, and repurchase agreements where there is a master repurchase agreement and collateral held by a third party.

The investment program of the City is divided into two tiers, an operational portfolio and a core portfolio. The operational portfolio is invested in short-term securities, generally money market accounts and is designed to handle the day to day cash needs of the City. The core portfolio is composed of securities with longer maturities with the objective of obtaining an optimal return for the City over a longer investment horizon.

For purposes of the statement of cash flows, the enterprise and internal services funds consider all funds (including restricted assets) held in the City's cash management pool to be cash equivalents. For the proprietary component unit, MPC, the commission considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Negative cash balances are required to be reported as interfund payables.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets (these investments are valued using prices quoted in active markets); Level 2 inputs are significant other observable inputs (these investments are valued using matrix pricing); Level 3 inputs are significant unobservable inputs (these investments are valued using consensus pricing).

**2. Receivables**

Receivables arise from transactions between funds that are representative of lending/borrowing arrangements outstanding at fiscal year end. Short-term loans are reported as "due to/from other funds," long-term loans are reported as "advances to/from" if they are internal lending and "long-term loans" if the funds have been lent outside the City. See schedule B - "Other Receivables" under detailed notes on all the primary government's funds for additional detail on long-term loans.

Tax and special assessment receivables are recorded in the appropriate funds. Property tax levies are set in August at the time the City budget is approved and are billed November 1 by the County. Taxes are due 50% by November 30 and 50% by May 31 of each year. After those dates, they become delinquent (and a lien is placed upon the property). After three years the County can exercise the lien and take title to the property.

Special assessments are billed November 1 of each year as a component of the County property tax billing. The first part (50%) is due November 30th and the second part (50%) is due May 31st. After those dates, the bills are delinquent (and a lien is placed on the property). Delinquent assessments receivable at June 30, 2016 were \$83,783.

**CITY OF MISSOULA, MONTANA**  
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**June 30, 2016**

Lighting, park maintenance and street maintenance assessments are determined by the estimated cost of operating these districts for the next year. The other special improvement districts (SID's) are billed for a portion of the principal owed plus interest on the unpaid balance. Each SID also has deferred assessments to account for the unbilled portion of the principal.

Sewer fees are billed in July and January. They are due the last day of the month in which they are billed. A small number of commercial accounts are billed quarterly. Accounts that are delinquent as of June 30th are turned over to the County Treasurer to be included on the property tax bills sent out November 1.

No allowance for uncollectible is made because unpaid bills on these receivables become liens against the properties and it is assumed that the proceeds from the sale of any tax deed property will meet or exceed the lien amount.

**3. Inventories**

Inventories of materials and supplies are accounted for using the consumption method for governmental and enterprise funds. That is, inventory purchases are considered an asset until the period in which they are actually consumed. Inventories are carried at the lower of cost (first-in, first-out) or market.

**4. Prepays**

The City accounts for prepaid items in the governmental funds using the purchase method. The City's prepaid expenses consist of health insurance premiums which are paid one month in advance and expensed upon receiving the benefit in the following month.

**5. Warrants Payable**

The City pays its claims by issuing a check. The only warrants appearing in the City's accounts this fiscal year are Sidewalk and Curb interest bearing warrants included in accounts payable.

**6. Capital Assets**

Capital assets purchased are recorded as expenditures in the governmental funds. All purchased capital assets are valued at cost when historical records are available and at an estimated historical cost when no historical records exist. Donated capital assets (including infrastructure acquired through developer's contributions and annexations) are recorded at their estimated fair value at the date of donation. The City capitalizes all capital assets with a value of \$10,000 or greater. Property, plant, and equipment in the proprietary funds of the government are recorded at cost. Property, plant, and equipment donated to these proprietary fund type operations are recorded at their estimated fair value at the date of donation.

Depreciation on general government capital assets is provided over their estimated useful lives on the straight-line method. Buildings have an estimated useful life of 30 years; machinery and equipment 4 to 20 years.

Public domain ("infrastructure") capital assets (e.g. roads, bridges, curbs and gutters, and other assets that are immovable and of value only to the government) are capitalized and depreciated on the straight-line method. Useful lives of infrastructure assets are from 20 to 75 years. Pavement has an estimated useful life of 20 years; curbs and sidewalks 50 years; storm sewers 75 years; sumps 30 years; signs 60 years; bridges and pedestrian crossings 50 years; and street lights 50 years.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Capital assets purchased or acquired by proprietary fund types are recorded in the individual fund making the purchase. Any capital assets donated specifically for an enterprise fund are also recorded in that individual fund. Depreciation on proprietary fund capital assets is provided over their estimated useful lives on the straight-line method. Buildings, major land improvements and pipelines have an estimated useful life of 50 years; pumping stations and equipment 25 years; leasehold improvements and other equipment 5 to 30 years. Useful lives of the proprietary component unit assets are from 5 to 40 years.

**7. Unearned Revenues**

Unearned revenue results when asset recognition criteria have been met and when revenue recognition criteria have not been met. These pertain to the net uncollected property tax and other receivables, and are classified as Unearned Revenues on the Balance Sheet of governmental funds.

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**8. Compensated Absences**

It is the City's policy and state law to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from City service. Employees are allowed to accumulate and carry over a maximum of two times their annual accumulation of vacation. There is no restriction on the amount of sick leave that may be accumulated. Upon separation, employees are paid 100 percent of accumulated vacation and 25 percent of accumulated sick leave. The liability associated with governmental fund-type employees is reported in the governmental activities column of the statement of net position, while the liability associated with proprietary fund-type employees is recorded in the respective fund and the business-type activities column of the statement of net position.

**9. Other Post Employment Benefits**

The City recognizes and reports its post employment health care benefits in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

**10. Long-Term Obligations**

The City reports long-term debt of governmental funds at face value in the governmental activities column of the statement of net position. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the governmental activities column in the statement of net position. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds and the business-type activities column of the statement of net position.

For governmental fund types, bond premiums and discounts, as well as issuance costs are recognized during the current period. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For governmental activities, business-type activities, and proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expenses as incurred.

**11. Deferred Outflows of Resources and Deferred Inflows of Resources**

In addition to assets, the government-wide financial statements and the proprietary fund financial statements include a section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualifies for this category: the deferred amount on refunding GO bonds and the deferred amount of pension expense required to be reported according to GASB 68 and 71. The deferred amount on the GO bond refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the fund financial statements include a section for deferred inflows of resources. This represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualifies for this category, which arises only under the modified accrual basis of accounting. These are unavailable revenue and the deferred inflows of resources of the pension liability. These amounts are recognized as an inflow of resources in the period that the amounts become available.

**12. Fund Equity**

The Government Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which was effective for the City beginning in fiscal year 2011. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in government funds.

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GASB Statement No. 54 requires, among other things, that all state and local governmental entities adopt a policy regarding spending priorities of fund balance in governmental funds. The fund balance resources of the City's governmental funds have been categorized as follows:

Resource Categories

- a. Nonspendable:  
Resources not in spendable form (ex: inventory) or those legally required to be maintained intact (ex: principal portion of permanent trust funds).
- b. Restricted:  
Constraint is externally imposed by third party (grantor, contributor, etc.), State Constitution or by enabling legislation by the State Legislature.
- c. Committed:  
Constraint is internally imposed by City Council by resolution, removal of constraint is imposed by same.
- d. Assigned:  
Constraint is internally expressed intent by City Administration or City Council through budget approval process or express assignment by resolution.
- e. Unassigned:  
No constraints and negative fund balance in non-general funds.

Expenditure order for Resource Categories

General Fund and Special Revenue Funds:

- a. First: Restricted
- b. Second: Committed
- c. Third: Assigned
- d. Fourth: Unassigned

Debt Service and Capital Projects Funds:

- e. First: Assigned
- f. Second: Committed
- g. Third: Restricted
- h. Fourth: Unassigned

**13. Interfund Transactions**

Interfund transactions consisting of identified services performed for other funds or costs billed to other funds are treated as expenditures in the fund receiving the services and as revenue in the fund performing the services.

Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

**14. Pledged Revenues**

The City has pledged sewer charges for services revenue to pay for the revenue bonds outstanding in the sewer fund. The revenue bonds have been used for sewer system improvements and expansion. The revenues are pledged until the revenue bonds are paid in full. During fiscal year 2016, principal and interest payments on revenue bonds totaled \$2,100,524 and charges for services revenue was \$8,288,616.

**15. Estimates Used in Financial Statement Preparation**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**CITY OF MISSOULA, MONTANA**  
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**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Deficit Fund Balances**

Seven special revenue funds with deficit fund balances were identified as of June 30, 2016. Planning (\$12,367), the Employee Health Insurance Levy fund (\$201,174), the Cable Television Franchise fund (\$3,723), the Law Enforcement Grant fund (\$165), the Community Development Block Grant fund (\$8,897), the Neighborhood Stabilization Grant Fund (\$599), and the Federal Transportation Fund (\$6,837) all carried deficit fund balances which will be covered by future assessments, grant revenue, and license and permit revenue in fiscal year 2017.

Four general obligation bond funds were identified as having a negative fund balances as of June 30, 2016: the 2004 Aquatics bond (\$6,730), the 2013A Refunding bond (\$186,988), the 2004 Refunding Bond (\$1,498) and the 2006 Fire Station GO bond (\$154,602). These deficits will be covered by tax revenue collections in the next fiscal year.

The sinking funds for the following Sidewalk & Curb and SID funds had deficit balances which will be cleared with tax collections in FY 2017: SID 522 (\$414), SID 530 (\$1,350) and FY04 Sidewalk and Curb (\$175).

The following SID Construction funds have deficit fund balances:

SID 531	\$	(1,070)	SID 542	(178)
SID 534		(14)		
SID 539		(171)		

The following Capital Projects funds have deficit fund balances which will be mitigated through future debt issuance and grant revenues:

New Fire Station GO	\$	(1)	Slant Street Traffic Calming	(4,725)
16 Sidewalk and Curb Fund		(314,407)	ARRA Enhancement	(2,498)
17 Sidewalk and Curb Fund		(69,967)	HB 645	(23,677)
Hillview Way		(926,790)	WFL Miller Creek Road	(34)
Phillips St. Traffic Calming		(6,554)	Western Federal Lands	(5,704)
Pattee Creek Drive		(6,652)		

The Water Fund reports a negative fund balance of (\$6,248,789) relating to the City's eminent domain litigation for Mountain Water Company. Acquisition financing is estimated to close before the end of FY 2017 and the fund balance will be made whole at that time.

The Capital Improvement fund reported a negative fund balance (\$8,596,474) due to ongoing internal and external financing activities.

**DETAILED NOTES ON ALL THE PRIMARY GOVERNMENT'S FUNDS**

**A. Cash and Cash Equivalents**

	Primary Government	Component Units	Total
Petty Cash and Cash on Hand	\$ 7,450	\$ 10,611	\$ 18,061
Demand Deposits	5,491,916	7,968,516	13,460,432
Certificates of Deposit	122,817	181,304	304,121
Money Market Funds	2,689,665	3,970,510	6,660,175
	<u>\$ 8,311,848</u>	<u>\$ 12,130,941</u>	<u>\$ 20,442,789</u>

The City's cash and investments are reported as follows:

	Unrestricted	Restricted	Total
Governmental Activities	\$ 4,573,660	\$ 204,603	\$ 4,778,263
Business-Type Activities	696,711	2,377,857	3,074,568
Fiduciary Funds	459,017	-	459,017
Component Units	10,790,738	1,340,203	12,130,941
<b>Total</b>	<u>\$ 16,520,126</u>	<u>\$ 3,922,663</u>	<u>\$ 20,442,789</u>

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Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the City's deposits may not be returned or the City will not be able to recover the collateral securities in the possession of the outside party. The City minimizes custodial credit risk by restrictions set forth in City investment policy and state law. The City's investment policy and practice requires deposits to be secured by collateral valued at market value. The City Treasurer maintains a listing of financial institutions, which are approved for investment purposes. Types of securities that may be pledged as collateral are detailed in Section 17-6-103 of the Montana Code Annotated (MCA). City investment policy requires that specific safeguards against risk of loss be evidenced when the City does not physically hold the securities.

At June 30, 2016, the carrying amount of the City's deposits in local banks was \$10,930,267 and the bank balances were \$14,372,064, of which \$591,129 was covered by federal depository insurance, and the remaining balance was covered by a letter of credit in the City's name.

The City of Missoula's investment policy states that the City 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.

The following table provides information about the interest rate risks associated with the City's deposits and investments.

<u>Investment</u>	<u>Maturities</u>	<u>Credit Risk Rating</u>	<u>Fair Value</u>
Certificates of Deposit	11/2016-01/2018	NA	\$ 304,121
Money Market Funds	NA	Aaa-mf	6,660,175
Demand Deposits	NA	NA	13,460,432
Petty Cash and Cash on Hand	NA	NA	18,061
<b>Total</b>			<b>\$ 20,442,789</b>

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The above credit risk rating indicates the probability that the issuer may default in making timely principal and interest payments. The credit ratings presented are provided by Fitch & Moody's. The City utilizes federal depository insurance and the bank's pledged collateral or letter of credit, held by the bank's agent in the City's name, all in accordance with the City's investment policy and state law, to minimize credit risk. The City also has intentionally restricted all investments to AAA rated U.S. Treasuries or U.S. Agency investments to minimize credit risk. This keeps City investments aligned with the City's investment policy in which safety of principal is the foremost objective of the investment program.

**B. Other Receivables**

A summary of the City's accounts receivable and other receivables as of June 30, 2016, follows:

Proprietary Funds:

Sewer (major fund) - Sewer Fees	\$ 465,481
Sewer (major fund) - Mountain Water Notes	1,099,734
Sewer (major fund) - Sewer Connection Notes	26,752
Sewer (major fund) - Glenn Eagle Note	250,000
Sewer (major fund) - Lease Receivable	25,000
Sewer (major fund) - Disposal and Development Fees	32,840
Internal Service - Prescription Rebates	7,529
Internal Service - Prior Period Premium Receivables	1,080
Internal Service - Flex Plan Forfeits	16,316
<b>Total Proprietary Funds</b>	<b>\$ 1,924,732</b>



**CITY OF MISSOULA, MONTANA**  
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**Governmental Funds:**

General (major fund) - Various Licenses, Services and Fees	\$ 41,682
General (major fund) - Mountain Water Notes	266,924
General (major fund) - Sidewalk & Curb	50,454
General (major fund) - Insurance payments	1,418
General (major fund) - Streets reimbursements	6,606
Transportation - local match	75
Cable TV Franchise - Franchise Fees	180,959
Program Income - Mountain Water Notes	3,591
CDBG Home Program - loan interest	67
SID Revolving Fund - Mountain Water Notes	72,514
2013A GO Refunding - escrow	21,700
FY17 Sidewalk/Curb - property owner payment	1,633

**Total Government Funds**

**\$ 647,623**

**Long Term Loans Receivable**

A summary of the City's long-term loans receivable as of June 30, 2016, follows:

**Primary Government:**

CDBG - Missoula Art Museum	\$ 168,919
\$200,000 at 1% interest to be repaid \$2,000 per year through 2014, then \$11,083 per year through 2034.	
CDBG - Missoula Housing Authority	124,585
\$200,000 at 1% interest to be repaid \$11,083 per year through 2030	
CDBG - Parenting Place	117,000
\$130,000 at 1% interest to be repaid \$1,300 per year through 2016, then \$7,204 per year through 2036.	
CDBG - Partnership Health Center	275,000
\$275,000 with interest rate deferred and determined upon sale of property.	
Title One - Extended Family Services	6,276
\$18,000 at 0% interest to be repaid in installments of \$600 per year, with final payment due by 2021; \$9,000 at \$346.15 per year, with final payment due by 2021. \$9,000 was forgiven April 1996.	
HOME Fund - homeWORD	80,000
\$80,000 at 1% interest only monthly payments of \$66.67 through 2028, then interest increases to 3% and payments to \$551.09 through 2043.	
<b>GRANTS &amp; DONATION FUND - EPA Brownfield RLF</b>	
<u>Millisite Revitalization Project/Missoula Redevelopment Agency</u>	
\$1,775,000 at 1.5% to be repaid solely from tax increment revenue resulting from the increased taxable value of the property within the Old Sawmill District. The loan is reflected as a liability of the Missoula Redevelopment Agency.	1,626,795
<u>110 North Higgins Missoula, LLC</u>	
\$638,400 at 1.5% interest to be paid in 59 monthly payments of \$11,047.16 and 1 payment of \$11,047.30 on 12/15/2018.	378,122

**Total Primary Government**

**\$ 2,776,697**

**CITY OF MISSOULA, MONTANA**  
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**C. Advances From/To Other Funds, Due From/To Other Funds, Due to Other Governments, and Due to Private Parties**

**Advances From/To Other Funds**

Long-term borrowings between funds are reported as advances within the funds. Loans are recorded as Advances Receivable in the lending fund and as Advances Payable in the loanee fund. The City has advances to the Capital Improvement Program fund from several Governmental funds.

	<u>Advances Receivable</u>	<u>Advances Payable</u>
Non-major governmental funds	\$ 1,346,673	\$ 18,852
^ Capital Improvement Program	-	1,327,821
	<u>\$ 1,346,673</u>	<u>\$ 1,346,673</u>

^indicates a major fund

**Due From/To Other Funds:**

Negative cash balances are required to be reported as interfund loans. Material checks that are on the bank reconciliation but are held until after the balance sheet date are reclassified as accounts payable. Loans are recorded as Interfund Receivable in the lending fund and as Interfund Payable in the loanee fund. The principal purpose of the interfund transfers is to provide funds for cash deficits.

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
	<u>Due From</u>	<u>Due To</u>
^ General Fund	\$ 5,098,963	-
^ Capital Improvement Program	-	6,933,649
^ Water Fund	-	6,004,252
Non-major governmental funds	9,614,030	1,775,094
	<u>\$ 14,712,993</u>	<u>\$ 14,712,995</u>

^indicates a major fund

**Due From Other Governments:**

**Primary Government**

**General Fund**

Due from Missoula County – Taxes Receivable	\$ 770,128
Due From State of Montana – Safe Route to School Grant	220,000
Due from State of Montana-DNRC Outside Hires, Supplies	38,631
Due from State of Montana - ISTE/CTP Bike Ped Grant	5,000
Due From Federal Government-Dept. of Justice - Encourage Arrest Grant	32,813
Due From Federal Government-Dept. of Justice - COPS Hiring Grant	6,517
Due from Missoula County – Fire Dept. Outside Hires	1,486
Due from Missoula County – Police OT & Services	5,814
Due from Missoula County – Parks & Trails Bond	249,331
Due from Missoula County Public Schools - Street Vacation	1,981
Due from Missoula Municipal Court	205,288
Due From State of Montana – Recreational Trail Program Grant	2,548
Due from State of Montana-DNRC Forest Health Grant	45,380
Due from State of Montana-DNRC Renewal Resources Grant	49,800
Due from State of Montana-MDOT Insurance & damage Recovery	13
Total General Fund	<u>1,634,730</u>

**CITY OF MISSOULA, MONTANA**  
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Non-Major Special Revenue Funds	
Due from Missoula County – Planning Entitlement & Taxes	36,507
Due from Missoula County – Taxes Receivable	199,347
Due from Federal Government – Grants	766,813
Due from Federal Government – Grants HIDTA Seizure Funds	2,700
Due from City Municipal Court – Drug Forfeiture and Crime Victim Surcharge	1,216
Total Non-Major Special Revenue Funds	<u>1,006,583</u>
Non-Major Debt Service Funds	
Due from Missoula County – Taxes Receivable	<u>96,258</u>
<b>Total Due from Other Governments, Governmental Funds</b>	<b><u>\$ 2,737,571</u></b>
<b>Proprietary Funds - Sewer (major fund)</b>	
Due from Missoula County - Delinquent Sewer Collections	<b><u>\$ 869</u></b>
<b>Agency Funds</b>	
Due from City Municipal Court - Court Surcharge and Public Defender Fees	<b><u>\$ 6,999</u></b>
<b><u>Due to Other Governments:</u></b>	
Agency Funds	
Court Surcharge	\$ 7,991
County Park Board	5,500
County Clearing	1,577
<b>Total Due to Other Governments</b>	<b><u>\$ 15,068</u></b>
<b><u>Due to Private Parties:</u></b>	
Agency Funds	
Court Collected Parking Fines	\$ 8,986
Sewer Rebates	34,699
Youth Programs	473
Municipal Court Restitution	337,473
Residential Inspection	(132)
Elk Hills Subdivision	3,868
Rattlesnake Cornerstone Trail	27,413
<b>Total Due to Private Parties</b>	<b><u>\$ 412,780</u></b>

**D. Capital Assets**

The City has identified three types of street infrastructure:

- 1) Arterial/collector streets
- 2) Commercial streets
- 3) Residential streets

**CITY OF MISSOULA, MONTANA**  
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Estimating construction costs

Arterial/Collector & Commercial & Residential Streets- the City estimated costs for these streets using a bid from the 39th street project for 2002/2003 (used for all projects prior to FY2007) and from the England Boulevard bid on 9/18/2006 for FY2007 and future projects.

Estimating overhead

- 1) Arterial/collector - 40% of estimated construction costs
- 2) Commercial - 25% of estimated construction costs
- 3) Residential - 25% of estimated construction costs

Total estimates per square yard

The total estimated construction and overhead costs per square yard of street are shown below for fiscal year 2015:

	Construction	Overhead	Total
Arterial/Collector	\$ 41 /Sq. Yard	\$ 41 /Sq. Yard	\$ 41 /Sq. Yard
Commercial	\$ 38 /Sq. Yard	\$ 38 /Sq. Yard	\$ 38 /Sq. Yard
Residential	\$ 26 /Sq. Yard	\$ 26 /Sq. Yard	\$ 26 /Sq. Yard

Depreciation

Depreciation is calculated on a straight-line basis with a full month convention for all governmental assets except infrastructure.

**CITY OF MISSOULA, MONTANA**  
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**CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2016 was as follows:

	<u>Beginning</u>	<u>Prior Period</u>			<u>Ending</u>
<b>Governmental Activities:</b>	<b><u>Balance</u></b>	<b><u>Adjustment</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b>
Capital Assets not being Depreciated:					
Art	\$ 236,590	\$ -	\$ -	\$ -	\$ 236,590
Land	19,805,799	-	-	-	19,805,799
Work-In-Progress	12,243,194	(116,169)	1,484,481	(8,670,064)	4,941,442
Total Capital Assets not being Depreciated	32,285,583	(116,169)	1,484,481	(8,670,064)	24,983,831
Capital Assets being Depreciated:					
Buildings	34,138,776	-	2,043,457	(3,265,301)	32,916,932
Infrastructure	260,456,777	-	5,726,472	-	266,183,249
Improvements	1,388,117	-	6,616,215	-	8,004,332
Machinery & Equipment	25,040,724	-	2,165,466	(1,636,489)	25,569,701
Total Capital Assets being Depreciated	321,024,394	-	16,551,610	(4,901,790)	332,674,214
Less Accumulated Depreciation for:					
Buildings	(17,024,722)	-	(962,606)	2,758,316	(15,229,012)
Infrastructure	(146,859,666)	-	(6,811,160)	-	(153,670,826)
Improvements	(25,478)	-	(161,435)	-	(186,913)
Machinery & Equipment	(14,775,069)	117,072	(2,233,937)	1,575,308	(15,316,626)
Total Accumulated Depreciation	(178,684,935)	117,072	(10,169,138)	4,333,624	(184,403,377)
Total Capital Assets being Depreciated, Net	142,339,459	117,072	6,382,472	(568,166)	148,270,837
Capital Assets, Net	<u>\$ 174,625,042</u>	<u>\$ 903</u>	<u>\$ 7,866,953</u>	<u>\$ (9,238,230)</u>	<u>\$ 173,254,668</u>

Depreciation expense was charged to functions as follows:

General Government	\$ 497,912
Public Safety	1,305,634
Public Works	7,430,798
Public Health	39,000
Culture & Recreation	750,280
Housing & Community Development	28,443
Total Governmental Activities Depreciation Expense	<u>\$ 10,052,066</u>

**CITY OF MISSOULA, MONTANA**  
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<b>Business-type Activities:</b>	<b><u>Beginning</u></b>	<b><u>Prior Period</u></b>			<b><u>Ending</u></b>
	<b><u>Balance</u></b>	<b><u>Adjustment</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b>
Capital Assets not being Depreciated:					
Art	\$ 65,229	\$ -	\$ -	\$ -	\$ 65,229
Land	2,540,579	-	-	-	2,540,579
Work In Process	439,838	-	1,111,638	(865,570)	685,906
Total Capital Assets not being Depreciated	3,045,646	-	1,111,638	(865,570)	3,291,714
Capital Assets being Depreciated:					
Buildings	20,798,440	-	-	-	20,798,440
Improvements	124,174,896	-	1,046,564	-	125,221,460
Machinery & Equipment	6,535,075	(55,331)	1,455,016	(186,775)	7,747,985
Total Capital Assets being Depreciated	151,508,411	(55,331)	2,501,580	(186,775)	153,767,885
Less Accumulated Depreciation for:					
Buildings	(8,316,549)	-	(616,288)	-	(8,932,837)
Improvements	(38,743,723)	(282)	(2,491,034)	-	(41,235,039)
Machinery & Equipment	(5,554,282)	33,432	(194,062)	174,387	(5,540,525)
Total Accumulated Depreciation	(52,614,554)	33,150	(3,301,384)	174,387	(55,708,401)
Total Capital Assets being Depreciated, Net	98,893,857	(22,181)	(799,804)	(12,388)	98,059,484
Capital Assets, Net	\$ 101,939,503	\$ (22,181)	\$ 311,834	\$ (877,958)	\$ 101,351,198

<b><u>Component Unit : MPC</u></b>	<b><u>Beginning</u></b>			<b><u>Ending</u></b>
	<b><u>Balance</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b>
Capital Assets not being Depreciated:				
Construction In Process	\$ 62,720	\$ -	\$ (62,720)	\$ -
Parking Lots	3,587,760	-	-	3,587,760
Total Capital Assets not being Depreciated	3,650,480	-	(62,720)	3,587,760
Capital Assets being Depreciated:				
Parking Structures	12,624,241	-	-	12,624,241
Furniture, Fixtures & Computers	253,731	5,326	-	259,057
Machinery, equipment and vehicles	191,405	-	-	191,405
Parking Lot improvements	1,205,653	1,038,445	-	2,244,098
	14,275,030	1,043,771	-	15,318,801
Less Accumulated Depreciation	(3,209,621)	(446,035)	-	(3,655,656)
Total Capital Assets being Depreciated, Net	11,065,409	597,736	-	11,663,145
Capital Assets, Net	\$ 14,715,889	\$ 597,736	\$ (62,720)	\$ 15,250,905

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

**E. Long-Term Obligations**

During the year ended June 30, 2016 the following changes occurred in long-term obligations reported in the governmental activities, the City's proprietary funds and component units:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 9,750,000	\$ -	\$ 1,355,000	\$ 8,395,000	\$ 1,090,000
Limited Obligation Bonds	4,210,000	3,900,000	3,010,000	5,100,000	1,335,000
Special Assessment Bonds	11,394,176	598,600	1,299,276	10,693,500	1,280,500
Loans Payable	427,514	-	91,322	336,192	93,368
Capital Leases	4,967,415	1,586,332	1,337,214	5,216,533	1,129,334
Bond Premiums	-	387,927	4,789	383,138	19,157
Compensated Absences	4,832,041	5,455,263	5,154,701	5,132,603	3,752,331
Post Employment Benefits	1,924,244	493,669	218,122	2,199,791	-
Total Governmental Activities	\$ 37,505,390	\$ 12,421,791	\$ 12,470,424	\$ 37,456,757	\$ 8,699,690
<b>Proprietary Funds/</b>					
Business-type Activities:					
Revenue Bonds	\$ 19,631,000	\$ 460,002	\$ 1,292,000	\$ 18,799,002	\$ 1,295,598
Capital Leases	149,281	60,622	87,787	122,116	95,208
Notes Payable	1,430,114	-	37,251	1,392,863	39,116
Compensated Absences	229,862	259,177	245,191	243,848	195,982
Post Employment Benefits	121,213	27,910	10,274	138,046	-
Total Proprietary Funds	\$ 21,561,470	\$ 807,711	\$ 1,672,503	\$ 20,695,875	\$ 1,625,904
<b>Component Units:</b>					
Revenue Bonds	\$ 18,147,500	\$ 5,177,726	\$ 684,179	\$ 22,641,047	\$ 602,821
Notes Payable	6,048,854	-	137,448	5,911,406	154,092
Leases Payable	-	1,400,000	40,100	1,359,900	181,400
Compensated Absences	96,674	87,444	70,975	113,143	81,221
Post Employment Benefits	78,168	17,564	7,590	88,142	-
Total Component Units	\$ 24,371,197	\$ 6,682,734	\$ 940,292	\$ 30,113,638	\$ 1,019,534

**Primary Government**

For governmental activities, compensated absences and other post employment benefits are generally liquidated by the general fund.

**General Obligation Bonds Payable**

Paid from property tax revenues deposited in Debt Service Funds:

	Date Issued	Date Matures	Rate	Amount Issued	Balance June 30, 2016
Bonds					
2005 Fire Station	2006	2026	3.95-4.5%	\$ 5,740,000	\$ -
2012 Refunding	2012	2024	1.50-2.25%	5,480,000	4,295,000
2013 Refunding	2013	2026	2.32%	5,860,000	4,100,000
Total GO Bonds				\$ 17,080,000	\$ 8,395,000

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

Annual debt service requirements to maturity for General Obligation Bonds as of June 30, 2016, were as follows:

Fiscal Year Ending				
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2017	\$ 1,090,000	\$ 173,555	\$ 1,263,555	
2018	990,000	148,628	1,138,628	
2019	875,000	126,027	1,001,027	
2020	895,000	107,391	1,002,391	
2021	905,000	91,014	996,014	
2022-2026	3,640,000	198,058	3,838,058	
Total	<u>\$ 8,395,000</u>	<u>\$ 844,673</u>	<u>\$ 9,239,673</u>	

On December 2, 2013 the City issued General Obligation Refunding Bonds Series 2013 in the amount of \$5,860,000, with an average interest rate of 2.32%. The 2013 debt refunded \$1,885,000 the Series 2007 General Obligation Bond, which had an average interest rate of 3.67%, and partially advance refunded \$3,460,000 of the Series 2006 General Obligation Bonds, which had an average interest rate of 4.34%.

Proceeds from the sale of the refunding bonds, in the amount of \$5,781,508, were deposited in an irrevocable escrow account. Of that amount, \$1,914,628.68 was used to call the Series 2007 bonds on December 6, 2013. The remaining \$3,866,879.00 will be held in escrow until the Series 2006 bonds are called in July 2016.

The City reduced its aggregate debt service payments by \$175,116 over the next 13 years by refunding the prior debt and there was an economic gain on the refunding of \$155,626.

On February 25, 2016 the City issued General Fund Obligation New Money and Refunding Bonds, Series 2016 in the amount of \$3,900,000, with an average interest rate of 3.27%. This issuance included a premium on sale of \$387,927, which will be amortized over the life of the bonds as a component of interest expense. The 2016 debt advance refunded \$660,000 of Series 2006B, \$1,090,000 of Series 2006C, partially advance refunded \$385,000 of Series 2007B, and \$500,000 of Series 2007C, which had average interest rates of 4.53%, 3.96%, 4.17%, and 4.25%, respectively. The 2016 debt also provided \$1,435,000 in new money.

Proceeds from the sale of the refunding bonds, in the amount of \$2,679,436, were deposited in an irrevocable escrow account. Of that amount, \$665,975 and \$1,099,801 was used to call the Series 2006B and 2006C bonds, respectively, on July 1, 2016. The remaining \$397,664 and \$515,996 for the Series 2007B and 2007C bonds, respectively, will be held in escrow until these bonds are called July 1, 2017.

The City reduced its aggregate debt service payments by \$349,935 over the next 11 years by refunding the prior debt and there was an economic gain on the refunding of \$311,331.

A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. In accordance with GASB Statement No. 65 (GASB 65) this amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. At June 30, 2016, the City reports deferred outflows of resources from the 2012A (\$416,672), the 2013A (\$436,508), and the 2016 (\$42,214) refunding bonds. The deferred charges have been amortized (\$34,723, \$33,578, and \$2,222 per year) as a component of interest expense in the Statement of Revenues, Expenses and Changes in Net Position.

Limited Obligation Bonds

Paid from General Fund revenues:

<u>Bonds</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2016</u>
2006 Council/MRA Remodel	2006	2026	4.25-4.55%	\$ 1,100,000	\$ -
2006 Aquatics Support	2006	2026	3.625-4.1%	1,860,000	-
2007B Fire Subsidy	2007	2026	3.70-4.20%	680,000	35,000
2007C 50 Meter Pool	2008	2027	3.50-4.40%	840,000	40,000
2010A Refunding	2010	2020	3.0-3.5%	1,000,000	480,000
2010C Energy	2010	2025	3.0-4.0%	1,010,000	645,000
2016A Maintenance Shop/Refund	2016	2035	2.0-4.0%	3,900,000	3,900,000
Total Limited Obligation Bonds				<u>\$ 10,390,000</u>	<u>\$ 5,100,000</u>



**CITY OF MISSOULA, MONTANA**  
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Annual debt service requirements to maturity for Limited Obligation Bonds as of June 30, 2016, were as follows:

<u>Fiscal Year Ending</u>	<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$	450,000	\$ 201,373	\$ 651,373
2018		465,000	152,275	617,275
2019		450,000	137,913	587,913
2020		495,000	121,188	616,188
2021		380,000	108,713	488,713
2022-2026		2,015,000	349,238	2,364,238
2027-2031		465,000	107,200	572,200
2032-2035		380,000	28,950	408,950
Total	\$	<u>5,100,000</u>	<u>\$ 1,206,850</u>	<u>\$ 6,306,850</u>

**Revenue Bonds**

Paid from sewer utility revenues:

<u>Bonds</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2016</u>
1999 Sewer Bonds	06/24/99	7/1/2019	4.00%	\$ 1,820,000	\$ 359,000
2000(B) Sewer Bonds	10/03/00	7/1/2020	4.00%	718,000	185,000
2001 Sewer Bonds - Bellevue & Reserve	04/27/01	1/1/2021	4.00%	459,162	131,000
2002 Sewer Bonds - 39th St.	05/16/02	1/1/2022	4.00%	1,395,000	440,000
2002 Missoula Treatment Plant A	11/21/02	7/1/2022	4.00%	5,000,000	1,864,000
2002 Missoula Treatment Plant B	10/15/03	7/1/2023	3.75%	3,800,000	1,616,000
2004 Missoula Treatment Plant C	03/23/04	7/1/2024	3.75%	3,688,000	1,670,000
2005 Sewer Bonds - Brdwy/Lincolnwood	11/28/05	7/1/2025	3.75%	1,731,833	887,000
Rattlesnake Series 2009B	12/23/09	2029	3.75%	572,098	350,000
2010 RZED Sewer Bonds-Headworks*	11/15/10	2035	1.75 to 6.14%	10,345,000	9,775,000
Series 2011 Taxable Sewer Bonds	05/01/11	7/23/05	2.0 to 5.50%	1,290,000	1,100,000
2015 Dewatering Project	10/14/15	7/1/35	2.50%	460,002	422,022
Total Revenue Bonds				<u>\$ 31,279,095</u>	<u>\$ 18,799,022</u>

\*Federal Credit received for portion of interest

Annual debt service requirements to maturity for Revenue Bonds as of June 30, 2016, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Federal Credit *</u>	<u>Total</u>
2017	\$ 1,295,598	\$ 782,084	\$ (251,145)	\$ 1,826,537
2018	1,330,040	751,452	(248,879)	1,832,613
2019	1,362,494	718,897	(246,139)	1,835,252
2020	1,371,960	685,971	(243,204)	1,814,727
2021	1,350,436	649,113	(237,984)	1,761,565
2022-2026	4,727,767	2,695,623	(1,072,771)	6,350,619
2027-2031	3,914,625	1,742,127	(734,329)	4,922,423
2032-2035	<u>3,446,102</u>	<u>533,923</u>	<u>(237,541)</u>	<u>3,742,484</u>
Total	<u>\$ 18,799,022</u>	<u>\$ 8,559,190</u>	<u>\$ (3,271,992)</u>	<u>\$ 24,086,220</u>

**CITY OF MISSOULA, MONTANA**  
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**June 30, 2016**

**Revenue Bond Covenants**

The Sewer Revenue Bonds require:

- 1) Segregated cash accounts with restrictions on their use.
- 2) Accounting for the sewer fund in accordance with generally accepted accounting principles and issuing audited statements annually.
- 3) Billing quarterly, no free services and legal action to collect delinquencies.
- 4) Reserves in operating account and Revenue Bond accounts (maximum due in any future calendar year).
- 5) Net revenues at least equal to 125% of the maximum annual debt service.
- 6) The bonds may be redeemed early if approval is sought from the Department of Natural Resources and all payments are current.

The City of Missoula is in substantial compliance with all of the above requirements except for quarterly billing. For residential and some commercial accounts, the City bills every six months to conserve on postage costs and personnel time.

**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. The required minimum and cash balance at June 30, 2016 is \$534,675.

The following table lists all outstanding special assessment bond issues and the outstanding balance as of June 30, 2016:

<u>Bonds</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2016</u>
512	1998	2018	4.00-5.25%	\$ 1,724,000	\$ 34,615
520	1998	2019	4.00%	2,634,000	444,000
521	1998	2018	4.50-5.25%	7,900	158
522	1998	2018	4.50-5.25%	11,200	227
524	2002	2023	4.00%	4,577,000	1,848,000
525	2001	2020	4.00%	658,000	118,000
526	2000	2021	4.00%	2,671,000	867,000
530	2006	2016	3.80-4.75%	6,706	-
532	2006	2024	3.50-5.00%	556,000	220,000
533	2006	2025	3.75%	244,000	133,000
534	2006	2026	3.75%	254,000	150,000
536	2006	2026	3.75%	438,000	260,000
540	2006	2027	3.75-4.65%	1,570,000	1,020,000
541	2009	2029	2.10-5.40%	750,000	545,000
544-Series C	2009	2029	3.75%	1,608,102	1,261,000
544-Series D	2009	2029	3.75%	31,000	22,000
544-Series B	2009	2029	1.75%	359,300	264,000
548	2011	2031	1.75%	1,250,000	905,000
FY04 S&C	2004	2016	2.00-4.75%	710,000	-
FY05 S&C	2005	2017	3.50-4.65%	765,000	35,000
FY06 S&C	2006	2018	3.75-4.25%	1,145,000	50,000
FY07 S&C	2007	2027	4.00-4.75%	920,000	245,000
FY08 S&C	2008	2028	2.50-5.00%	560,000	155,000

**CITY OF MISSOULA, MONTANA**  
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FY09 S&C	2009	2029	1.00-5.40%	645,000	270,000
FY10 S&C	2010	2030	2.25-6.0%	885,000	400,000
FY12 S&C	2012	2032	0.95-4.375%	775,000	575,000
FY13 S&C	2013	2033	3.29%	393,000	306,000
FY2015A	2015	2035	3.75%	346,400	328,500
FY2015B	2015	2035	5.15%	252,200	237,000

Total Special Assessment Bonds				<u>\$ 26,746,808</u>	<u>\$ 10,693,500</u>
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Annual debt service requirements to maturity for special assessment bonds as of June 30, 2016, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	1,280,500	440,232	1,720,732
2018	1,241,600	388,592	1,630,192
2019	1,177,600	338,006	1,515,606
2020	1,018,600	292,090	1,310,690
2021	996,500	250,925	1,247,425
2022-2026	3,265,400	752,447	4,017,847
2027-2031	1,559,900	202,899	1,762,799
2032-2035	153,400	13,802	167,202
Total	<u>\$ 10,693,500</u>	<u>\$ 2,678,993</u>	<u>\$ 13,372,493</u>

**Loan Payable**

Loans Payable consist of a Loan Payable on the Accela Automation Software installed in FY 2012. The interest rate is 2.25% and payments are due in January and July.

<u>Loan</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2016</u>
Accela	2012	2020	2.25%	<u>925,000</u>	<u>336,192</u>

Annual debt service requirements to maturity for the loans as of June 30, 2016, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	93,368	7,058	100,426
2018	95,501	4,925	100,426
2019	97,662	2,764	100,426
2020	49,661	554	50,215
Total	<u>\$ 336,192</u>	<u>\$ 15,301</u>	<u>\$ 351,493</u>

**Capital Leases**

Beginning in fiscal year 2010 the City has entered into capital lease purchase agreements to finance the purchase of equipment. In 2016 three leases were entered into with terms of 3, 5 and 7 years respectively. These leases are considered capital leases since there is a bargain purchase option at the end of each lease. The leases are recorded at present value of future minimum lease payments. These capital leases were used to finance equipment that was capitalized by the City with a cost of \$10,207,769 and accumulated depreciation of \$1,165,350 at June 30, 2016.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
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<u>Capital Leases</u>	<u>Issued</u>	<u>Matures</u>	<u>Rate</u>	<u>Issued</u>	<u>June 30, 2016</u>
10 Year Equipment Lease	2010	2020	4.76%	\$ 920,548	\$ 420,158
10 Year Equipment Lease	2011	2021	4.74%	565,000	315,062
5 Year Equipment Lease (WW)	2012	2017	3.21%	337,343	71,833
10 Year Equipment Lease	2012	2022	4.20%	188,829	122,554
5 year Equipment Lease #5	2014	2017	1.33%	226,289	76,438
5 year Equipment Lease #4	2013	2015	1.00%	326,079	-
Master Lease #1	2014	2017	1.22%	772,521	258,821
Master Lease #2	2014	2019	1.76%	348,414	210,551
Master Lease #3	2014	2021	2.26%	393,916	284,013
3 yr. Lease #6	2015	2016	1.17%	783,996	261,320
5 Yr. Lease #7	2015	2018	1.63%	379,269	227,522
10 Yr. Lease #8	2015	2023	1.63%	990,155	791,366
15Yr Lease #9	2015	2028	3.01%	1,006,225	870,278
10 Yr. Lease #10	2015	2018	1.52%	1,053,854	881,520
5 Yr. Lease #11	2015	2020	3.01%	221,238	200,034
7 Yr. Lease #12	2015	2022	3.01%	371,861	347,180
				<u>\$ 8,885,537</u>	<u>\$ 5,338,650</u>

Annual lease payment requirements as of June 30, 2016, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,604,194	\$ 127,560	\$ 1,731,754
2018	1,008,734	98,092	1,106,826
2019	825,039	74,553	899,592
2020	514,011	55,166	569,177
2021	389,197	38,319	427,516
2022-2026	765,888	96,656	862,544
2027-2029	<u>231,588</u>	<u>14,082</u>	<u>245,670</u>
Total	<u>\$ 5,338,650</u>	<u>\$ 504,428</u>	<u>\$ 5,843,079</u>

**Notes Payable**

In fiscal year 2012 the City entered into two notes payable as part of the purchase of the Civic Stadium. The payments on the notes payable are funded by a long-term lease of the Civic Stadium, which will enable the City to make the required debt service payments. The cost of the leased assets are \$3,555,000 with accumulated depreciation of \$592,500.

The following table lists all outstanding Civic Stadium Enterprise Fund Notes Payable and the outstanding balances as of June 30, 2016:

	<u>Date</u>	<u>Date</u>		<u>Amount</u>	<u>Balance</u>
	<u>Issued</u>	<u>Matures</u>	<u>Rate</u>	<u>Issued</u>	<u>June 30, 2016</u>
Paid from Civic Stadium operating revenues:					
R-1 MFCU	2012	2036	5.50%	\$ 1,290,000	\$ 1,155,494
R-2 MCDC	2012	2036	5.50%	265,000	237,368
				<u>\$ 1,555,000</u>	<u>\$ 1,392,862</u>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

Annual debt service requirements to maturity for Civic Stadium notes payable as of June 30, 2016, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 39,116	\$ 76,607	\$ 115,723
2018	41,510	74,456	115,966
2019	43,825	72,173	115,998
2020	46,268	69,763	116,031
2021	48,662	67,218	115,880
2022-2026	288,049	292,731	580,780
2027-2031	377,869	204,181	582,050
2032-2036	495,702	87,011	582,713
2037	11,862	652	12,514
	<u>\$ 1,392,862</u>	<u>\$ 944,792</u>	<u>\$ 2,337,655</u>

**Component Units**

Revenue Bonds

*Missoula Parking Commission:* Revenue bonds paid from parking revenues:

<u>Date</u>	<u>Date</u>	<u>Amount</u>	<u>Balance</u>
<u>Issued</u>	<u>Matures</u>	<u>Issued</u>	<u>June 30, 2016</u>
4/9/2014	2035	2-4.35% <u>\$ 7,160,000</u>	<u>\$ 6,935,000</u>

On December 29, 2010, the Commission issued \$635,000 of Series 2010A refunding bonds and \$7.5 million of Series 2010B recovery zone economic development bonds. On March 26, 2014, the Commission refunded the 2010A and 2010B Series and issued the Series 2014 refunding bonds. The Commission incurred issuance costs of \$215,526 and recorded a deferred charge on refunding of \$131,057. The issuance costs were expensed in accordance with GASB 65, Items Previously Reported as Assets and Liabilities. The bonds carry interest rates ranging from 2% to 4.35% and mature annually from 2014 through October 1, 2035.

Minimum annual payments on principal and interest for bonds payable are shown below.

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 250,000	\$ 265,850	\$ 515,850
2018	255,000	257,150	512,150
2019	275,000	249,200	524,200
2020	275,000	241,075	516,075
2021	280,000	232,875	512,875
2022-2026	1,530,000	1,004,900	2,534,900
2027-2031	1,840,000	670,931	2,510,931
2032-2036	2,230,000	248,425	2,478,425
Total	<u>\$ 6,935,000</u>	<u>\$ 3,170,406</u>	<u>\$ 10,105,406</u>

In 2016 the Parking Commission entered into a capital lease purchase agreement to finance equipment and improvements to its parking meter system.

<u>Capital Lease</u>	<u>Issued</u>	<u>Matures</u>	<u>Rate</u>	<u>Issued</u>	<u>June 30, 2016</u>
7 Year Equipment Lease	2016	1/15/2023	2.25%	\$ 1,400,000	\$ 1,359,900

**CITY OF MISSOULA, MONTANA**  
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Annual lease payment requirements as of June 30, 2016, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 181,400	\$ 29,583	\$ 210,983
2018	185,600	25,478	211,078
2019	189,800	21,278	211,078
2020	194,100	16,984	211,084
2021	198,500	12,592	211,092
2022-2023	410,501	11,611	422,111
Total	<u>\$ 1,359,900</u>	<u>\$ 117,526</u>	<u>\$ 1,477,426</u>

*Missoula Redevelopment Agency:* Revenue bonds paid from tax increment revenues:

<u>Bonds</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2016</u>
2006 Tax Increment	08/15/06	2031	4.89%	\$ 3,600,000	\$ 2,600,000
2007 Tax Increment	10/15/07	2031	6.95%	1,500,000	1,271,321
2013 Tax Increment	03/16/13	2031	3.15%	5,750,000	5,051,000
2013 Tax Increment	05/30/13	2031	4.25%	1,753,500	1,606,000
2016 Tax Increment-URD III	12/01/15	2040	4.35%	5,000,000	5,000,000
2016 Tax Increment-NRSS	12/17/15	2035	4.50%	177,726	177,726
Total				<u>\$ 17,781,226</u>	<u>\$ 15,706,047</u>

Minimum annual payments on principal and interest for the bonds payable are shown below:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 352,821	\$ 482,356	\$ 835,177
2018	657,500	682,141	1,339,641
2019	689,500	669,550	1,359,050
2020	712,000	638,873	1,350,873
2021	740,000	607,258	1,347,258
2022-2026	4,204,500	2,492,242	6,696,742
2027-2031	5,191,500	1,424,423	6,615,923
2032-2036	1,485,500	518,655	2,004,155
2037-2040	1,672,726	168,019	1,840,745
Total	<u>\$ 15,706,047</u>	<u>\$ 7,683,517</u>	<u>\$ 23,389,564</u>

<u>Notes Payable</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2016</u>
MAEDC Note Payable	09/01/06	2031	1.50%	\$ 1,659,808	\$ 1,626,794
Safeway Note Payable	03/01/10	2017	0.00%	166,238	57,767
FIB Subordinate TIF Note	12/29/10	2035	6.55%	1,623,380	1,452,845
MRA Front Street Parking Note-to MPC	04/09/14	2035	2.29-6%	2,864,000	2,774,000
Total				<u>\$ 6,313,426</u>	<u>\$ 5,911,406</u>

**CITY OF MISSOULA, MONTANA**  
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In 2004, the City of Missoula applied for and received a \$1 million grant from the U.S. Environmental Protection agency (EPA) to create a revolving loan fund (RLF) to be used for brownfields remediation. The City entered into a sub recipient agreement with the Missoula Area Economic Development Corporation (MAEDC) to manage the revolving loan fund. MAEDC provided \$200,000 in matching funds required under the EPA grant, creating a total loan fund of \$1.2 million. In August, 2006, MAEDC, at the direction of the Missoula Brownfields Cleanup RLF Committee, made a loan of \$1,000,000 bearing interest at 1.5% to MRP LLC, the developer of the Old Sawmill District, with MRP and MRA identified as co-borrowers. The loan will be repaid solely from MRA tax increment revenue resulting from the increased taxable value of the property within the Old Sawmill District, and is not a general obligation of the City. For these reasons, the loan is reflected as a liability of MRA. In August 2007, the loan was increased from \$1 million to \$1.125 million. The City received additional funding from EPA, and upon approval of the Brownfields Committee, during 2010, MRA, MRP, and MAEDC elected to increase the loan by \$400,000 under the same terms. During 2011, the MAEDC board decided to voluntarily dissolve the organization. On September 27, 2011, the Montana Community Development Corporation, with City approval, assumed the rights and responsibilities of MAEDC under the extant sub recipient agreement. In 2013, the loan was increased by an additional \$250,000, for a total loan of \$1,775,000.

Debt service requirements to maturity for notes payable follow:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 154,092	\$ 227,119	\$ 381,211
2018	156,833	220,532	377,365
2019	161,078	214,789	375,867
2020	168,016	208,733	376,749
2021	163,865	202,419	366,284
2022-2026	1,765,605	868,685	2,634,290
2027-2031	1,900,534	559,428	2,459,962
2032-2036	1,441,383	212,953	1,654,336
Total	<u>\$ 5,911,406</u>	<u>\$ 2,714,658</u>	<u>\$ 8,626,064</u>

MRA issued \$1,500,000 of Tax Increment Urban Renewal Revenue Bonds in October 2007. The bonds were issued to finance demolition, site preparation and infrastructure improvements and their associated design costs related with the Safeway, Inc. Project site. The bonds were issued at par, bear interest of 6.95%, and are secured by a first lien upon and pledge of tax increment revenues derived from the Project Site. Should tax increment revenues in any given year not be sufficient to pay the principal and interest payments, Safeway, Inc. (the "Guarantor") is obligated to pay the deficiency. Tax increment in excess of debt service requirements will be (1) used to make Guarantor reimbursements for prior debt service deficiencies, (2) retained in an excess tax increment fund until the amount equals the maximum annual debt service for the bonds, and (3) used to prepay the Series 2007 bonds. In 2010, the Agency received \$166,238 from the Guarantor to fund the deficiency in tax increment revenues. At June 30, 2016, the balance payable to the Guarantor was \$57,767.

**Conduit Debt Obligations**

The City has participated in several issues of industrial revenue bonds issued for the purpose of constructing privately operated facilities within the City. These bonds are not direct or contingent liabilities of the City. Revenues from lease agreements and property purchased with the bond proceeds are pledged for the total payment of principal and interest on the bonds and the bondholders can look only to these sources for repayment. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2016, there were three series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$1,249,743.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

**F. Employee Benefits**

**1. Statewide Retirement Plans**

Substantially all full-time City employees are eligible for one of three state-wide cost-sharing multiple-employer retirement plans. The City had a total payroll of \$31,640,611 for 2016, of which \$30,914,409 is covered by PERS, MPORS, or FURS. The financial information for all three retirement plans are reported in the Public Employees' Retirement Board's published "Comprehensive Annual Financial Report" for the fiscal year end. It is available from MPERA at 100 North Park Ave, P.O. Box 200131, Helena, MT 59620-0131, (406) 444-3154. Retirement expenditures are reported in the fund incurring the expense.

**Public Employees' Retirement System (PERS)**

PERS is a statewide retirement plan established in 1945 and is governed by Title 19, Chapters 2 and 3 of the Montana Code Annotated providing retirement services for substantially all public employees. PERS is a mandatory multiple-employer, cost sharing plan administered by the Montana Public Employees' Retirement Administration (MPERA). Upon hire employees are automatically enrolled in the Defined Benefit Retirement Plan and have 12 months to choose to remain in the Defined Benefit Retirement Plan or to transfer to the Defined Contribution Retirement Plan.

PERS offers retirement, disability and death benefits to plan members and their beneficiaries.

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the Legislature. Benefits are based on eligibility, years of service, and highest average compensation. Member rights are vested after five years of service.

**Summary of Benefits**

Member's highest average compensation (HAC)

Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months;

Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months;

Hired on or after July 1, 2013 – 110% annual cap on compensation considered as part of a member's highest average compensation.

**Eligibility for benefit**

Service retirement:

Hired prior to July 1, 2011:	Age 60, 5 years of membership service; Age 65, regardless of membership service; or Any age, 30 years of membership service.
Hired on or after July 1, 2011:	Age 65, 5 years of membership service; Age 70, regardless of membership service.

Early retirement, actuarially reduced:

Hired prior to July 1, 2011:	Age 50, 5 years of membership service; or Any age, 25 years of membership service.
Hired on or after July 1, 2011:	Age 55, 5 years of membership service.
Vesting	Age 55, 5 years of membership service.

**Member's highest average compensation (HAC)**

Hired prior to July 1, 2011 - highest average compensation during any consecutive 36 months;

Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months;

**Compensation Cap**

Hired on or after July 1, 2013 – 110% annual cap on compensation considered as part of a member's highest average compensation.



**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
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Monthly benefit formula

Members hired prior to July 1, 2011:

- Less than 25 years of membership service: 1.785% of HAC per year of service credit;
- 25 years of membership service or more: 2% of HAC per year of service credit.

Members hired on or after July 1, 2011:

- Less than 10 years of membership service: 1.5% of HAC per year of service credit;
- 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
- 30 years or more of membership service: 2% of HAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)\*

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired on or after July 1, 2007

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

\*At this time, as a result of permanent injunction issued in the AMRPE vs State litigation, the GABA rate in effect is being used in the calculation. Clarification of the GABA rate for members hired on or after July 1, 2013 is pending.

Total number of members (employees) covered by benefit terms as of June 30, 2016:

1. Active plan members: 28,390
2. Inactive members entitled to but not yet receiving benefits or a refund:
  - Vested: 3,062
  - Non-Vested: 10,031
3. Inactive members and beneficiaries currently receiving benefits:
  - Service Retirements: 21,333
  - Disability Retirements: 169
  - Survivor Benefits: 452

Overview of Contributions

1. Rates are specified by state law for periodic employer and employee contributions

The State legislature has the authority to establish and amend contribution rates to the plan.

2. Member contributions to the system:

a. Plan members are required to contribute 7.90% of member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

b. The 7.90% member contributions is temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years following the reduction of both the additional employer and additional member contribution rates.

3. Employer contributions to the system:

a. State and University System employers are required to contribute 8.27% of members' compensation.

b. Local government entities are required to contribution 8.17% of members' compensation.

c. School district employers contributed 7.90% of members' compensation.

d. Following the 2013 Legislative Session, PERS-employer contributions were temporarily increased. Effective July 1, 2013, employer contributions increased 1.0%. Beginning July 1, 2014, employer contributions will increase an additional 0.1% a year over 10 years, through 2024. The employer additional contributions including the 0.27% added in 2007 and 2009, terminates on January 1 following actuary valuation results that show the amortization period of the PERS-DBRP has dropped below 25 years and would remain below 25 years following the reductions of both the additional employer and member contributions rates.

e. Effective July 1, 2013, the additional employer contributions for DCRP and MUS-RP is allocated to the defined benefit plan's Plan Choice Rate unfunded liability.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
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f. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required

4. Non Employer Contributions

a. Special Funding

- i. The State contributes 0.1% of members' compensation on behalf of local government entities.
- ii. The State contributes 0.37% of members' compensation on behalf of school district entities.

b. Not Special Funding

- i. The State contributes from the Coal Tax Severance fund

Fiscal Year	Member		State & Universities Employer	Local Government		School Districts	
	Hired: <7/01/11	Hired: >7/01/11		Employer	State	Employer	State
2016	7.9%	7.9%	8.370%	8.270%	0.10%	8.00%	0.370%
2015	7.9%	7.9%	8.270%	8.170%	0.10%	7.90%	0.370%
2014	7.9%	7.9%	8.170%	8.070%	0.10%	7.80%	0.370%
2012-2013	6.9%	7.9%	7.170%	7.070%	0.10%	6.80%	0.370%
2010-2011	6.9%		7.170%	7.070%	0.10%	6.80%	0.370%
2008-2009	6.9%		7.038%	6.938%	0.10%	6.80%	0.235%
2000-2007	6.9%		6.900%	6.800%	0.10%	6.80%	0.100%

Stand-Alone Statements

The PERS financial information is reported in the Public Employees' Retirement Board's Comprehensive Annual Financial Report for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena MT 59620-0131, 406-444-3154.

CAFR information including the stand alone financial statements can be found on the web site at:

<http://mpera.mt.gov/annualReports.shtml>

The latest actuarial valuation and experience study can be found at the website at:

<http://mpera.mt.gov/actuarialValuations.shtml>

Actuarial Assumptions

The TPL used to calculate the NPL was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to June 30, 2015. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the last actuarial experience study, dated June 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

- ( Investment Return (net of admin expense) 7.75%
- \* Admin Expense as % of Payroll 0.27%
- † General Wage Growth\* 4
- † \*includes Inflation at 3.00%
- † Merit Increases 0% to 6%

· Postretirement Benefit Increases

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

- o 3% for members hired prior to July 1, 2007
- o 1.5% for members hired on or after July 1, 2007

Members hired on or after July 1, 2013

- a) 1.5% for each year PERS is funded at or above 90%;
- b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
- c) 0% whenever the amortization period for PERS is 40 years or more.

**CITY OF MISSOULA, MONTANA**  
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· Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA>.

· Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 0.1% of salaries for local governments and 0.37% for school districts. In addition, the State contributes coal severance tax and interest money from the general fund. The interest is contributed monthly and the severance tax is contributed quarterly. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2123. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. No municipal bond rate was incorporated in the discount rate.

Target Allocations

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.55%
Foreign Equity	18.00%	6.10%
Fixed Income	24.00%	1.25%
Private Equity	12.00%	8.00%
Real Estate	8.00%	4.25%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the System. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated June 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2015, is summarized in the above table.

Sensitivity Analysis

	1.0% Decrease	Current Discount	1.0% Increase
	-6.75%	Rate	-8.75%
Employer's Net Pension Liability	\$ 22,194,304	\$ 14,395,213	\$ 7,809,062

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the above table presents the Net Pension Liability calculated using the discount rate of 7.75%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.75%) or 1.00% higher (8.75%) than the current rate.

**CITY OF MISSOULA, MONTANA**  
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Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, Pension Expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, the City is required to recognize and report certain amounts associated with their participation in the Public Employees' Retirement System (PERS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

In accordance with Statement 68, PERS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to PERS on behalf of the City. Due to the existence of this special funding situation, local governments and school districts are required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer.

The State of Montana also has a funding situation that is not Special Funding whereby the State General Fund provides contributions from the Coal Severance Tax and interest. All employers are required to report the portion of Coal Tax Severance Tax and interest attributable to the employer.

The Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to the measurement date of June 30, 2015. For most employers, their June 30, 2016 reporting will use the 2016 reporting values presented in these notes.

<b>As of reporting date:</b>	Net Pension Liability as of 6/30/2016	Net Pension Liability as of 6/30/2015	Percent of Collective NPL as of 6/30/2016	Percent of Collective NPL as of 6/30/2015	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 14,394,920	\$ 12,691,984	1.029795%	1.018585%	0.011210%
State of Montana Proportionate Share associated with the Employer	\$ 176,821	\$ 154,985	0.012649%	0.012438%	0.000211%
<b>Total</b>	<b>\$ 14,571,741</b>	<b>\$ 12,846,968</b>	<b>1.042444%</b>	<b>1.031023%</b>	<b>0.011421%</b>

The Table above displays the employer proportionate share of the NPL and the employer's proportion of NPL for June 30, 2015 and 2016. The employer's proportion of the NPL was based on the employer's contributions received by PERS during the measurement period July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all PERS' participating employers.

At June 30, 2016, the employer recorded a liability of \$ 14,395,213  
and City's proportionate share was 1.029795%

Changes in actuarial assumptions and methods: There were no changes in assumptions or other inputs that affected the measurement of the Total Pension Liability.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective Net Pension Liability and the City's reporting date that are expected to have a significant effect on the City's proportionate share of the collective NPL.

**CITY OF MISSOULA, MONTANA**  
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Pension Expense

	Pension Expense as of 6/30/16	Pension Expense as of 6/30/15
City's Proportionate Share \$	991,895	\$ 969,044
State of Montana Proportionate Share associated with the Employer \$	10,987	\$ 11,666
Total: \$	1,002,882	\$ 980,711

At June 30, 2016, the City recognized its proportionate share of the PERS' Pension Expense of \$ 1,002,882. The employer also recognized grant revenue of \$ 10,987 for the support provided by the State of Montana for its proportionate share of the Pension expense that is associated with the employer, and grant revenue of \$ 343,363 from the Coal Tax Fund.

Recognition of Deferred Inflows and Outflows

At June 30, 2016, the City's reported its proportionate share of PERS' deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ 87,092
Changes in assumptions	-	-
Difference between projected and actual earnings on pension plan investments	-	1,218,709
Changes in proportion differences between the City's contributions and proportionate share of contributions	151,085	-
Contributions paid to PERS subsequent to the measurement date - FY 2015 Contributions	1,101,227	-
<b>Total</b>	<b>\$ 1,252,312</b>	<b>\$ 1,305,801</b>

Amounts reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Reporting Year ended June 30:	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2017	\$ (489,815)
2018	\$ (489,815)
2019	\$ (492,047)
2020	\$ 316,963
2021	\$ -
Thereafter	\$ -

Firefighters' Unified Retirement System (FURS)

Plan Description

The Firefighters' Unified Retirement System (FURS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan established in 1981, and governed by Title 19, chapters 2 & 13, MCA. This system provides retirement benefits to firefighters employed by first- and second-class cities, other cities and rural fire district departments that adopt the plan, and to firefighters hired by the Montana Air National Guard on or after October 1, 2001. Benefits are established by state law and can only be amended by the Legislature. The FURS provides retirement, disability, and death benefits to plan members and their beneficiaries.

**CITY OF MISSOULA, MONTANA**  
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Benefits are based on eligibility, years of service, and either final monthly compensation or final average compensation. Effective July 1, 2005, the benefits are based on highest average compensation and highest average compensation. Member rights for death and disability are vested immediately. All other member rights are vested after five years of service.

Summary of Benefits

Member's compensation

Hired prior to July 1, 1981 and not electing GABA - highest monthly compensation (HMC);

Hired on or after June 30, 1981 and those electing GABA – highest average compensation (HAC) during any consecutive 36 months.

Compensation Cap

Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's highest average compensation.

Eligibility for benefit

20 years of membership service, regardless of age.

Early Retirement

Age 50, 5 years of membership service.

Vesting

5 years of membership service

Monthly benefit formula

1) Members hired prior to July 1, 1981 and not electing GABA are entitled to the greater of: 2.5% of HMC per year of service, OR

i) if less than 20 years of service -

2% of HMC for each year of service;

ii) if more than 20 years of service -

50% of the member's HMC plus 2% of the member's HMC for each year of service over 20 years

Members hired on or after July 1, 1981 and those electing GABA:

2.5% of HAC per year of membership service

Guaranteed Annual Benefit Adjustment (GABA)

Hired on or after July 1, 1997, or those electing GABA - after the member has completed 12 full months of retirement, the member's benefit increases by a maximum of 3% each January, inclusive of all other adjustments to the member's benefit

Minimum Benefit Adjustment (non-GABA)

If hired before July 1, 1997, the monthly retirement, disability or survivor's benefit may not be less than ½ the compensation of a newly confirmed firefighter employed by the city that last employed the member (provided the member has at least 10 years of membership service). If a benefit falls below that minimum, the benefit is increased and paid to the benefit recipient.

Total number of members (employees) covered by benefit terms as of June 30, 2016:

1. Active plan members: 644
2. Inactive members entitled to but not yet receiving benefits or a refund: Vested: 27  
Vested: 27  
Non-vested: 77
3. Inactive members and beneficiaries currently receiving benefits:  
Service Retirements: 595  
Disability Retirements: 7  
Survivor Benefits: 19

**CITY OF MISSOULA, MONTANA**  
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Overview of Contributions

1. Rates are specified by state law for periodic employer and employee contributions  
The State legislature has the authority to establish and amend contribution rates to the plan.
2. Member contributions to the system:
  - a. For members hired prior to July 1, 1997 and not electing GABA, member contributions as a percentage of salary are 9.5%, and
  - b. For members hired on or after July 1, 1997 and members electing GABA, member contributions as a percentage of salary are 10.7%.
3. Employer contributions to the system:
  - a. The employers are required to contribute 14.36% of member's compensation.
  - b. The State contributes 32.61% of member's compensation from the general fund.
  - c. Effective July 1, 2013, employer and state contributions are required to be paid on working retiree compensation. Member contributions are not required for working retirees.

Stand-Alone Statements

The FURS financial information is reported in the Public Employees' Retirement Board's Comprehensive Annual Financial Report for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena MT 59620-0131, 406-444-3154.

CAFR information including the stand alone financial statements can be found on the web site at:

<http://mpera.mt.gov/actuarialValuations.shtml>

The latest actuarial valuation and experience study can be found at the website at

<http://mpera.mt.gov/actuarialValuations.shtml>

Actuarial Assumptions

The TPL used to calculate the NPL was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to June 30, 2015. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the last actuarial experience study, dated June 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

· Investment Return (net of admin expense)	7.75%
· Admin Expense as % of Payroll	0.19%
· General Wage Growth*	4.00%
· *includes Inflation at	3.00%
· Merit Increases	0% to 7.3%
· Postretirement Benefit Increases	
If electing GABA or hired on or after July 1, 1997	3.00%

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, inclusive of other adjustments to the member's benefit.

Minimum Benefit Adjustment 50% of a newly confirmed officer

· Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.

· Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non- employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under Montana Code Annotated. The State contributes 32.61% of salaries pensionable payroll paid by employers. Based

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on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2123. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability. No municipal bond rate was incorporated in the discount rate.

Target Allocations

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.55%
Foreign Equity	18.00%	6.10%
Fixed Income	24.00%	1.25%
Private Equity	12.00%	8.00%
Real Estate	8.00%	4.25%

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the System. The most recent analysis, performed for the period covering fiscal years 2003 through 2009, is outlined in a report dated May 2010, which is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption including rates of return adopted by similar public sector systems, and by using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2015, is summarized in the above table.

<u>Sensitivity Analysis</u>	1.0% Decrease -6.75%	Current Discount Rate	1.0% Increase -8.75%
Employer's Net Pension Liability	\$ 8,428,768	\$ 5,224,726	\$ 2,613,676

In accordance with GASB 68 regarding the disclosure of the sensitivity of the Net Pension Liability to changes in the discount rate, the above table presents the Net Pension Liability calculated using the discount rate of 7.75%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower (6.75%) or 1.00% higher (8.75%) than the current rate.

Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the Net Pension Liability, deferred inflows of resources and deferred outflows of resources related to pensions, Pension Expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred.

Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.



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Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Firefighters' Unified Retirement System (FURS). Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective Net Pension Liability, Pension Expense, Deferred Inflows and Deferred Outflows of resources associated with pensions.

In accordance with Statement 68, FURS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to FURS on behalf of the employers. Due to the existence of this special funding situation, employers are required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer.

The Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to the measurement date of June 30, 2015. For most employers, their June 30, 2016 reporting will use the 2016 reporting values presented in these notes.

<b>As of reporting date:</b>	Net Pension Liability as of 6/30/2016	Net Pension Liability as of 6/30/2015	Percent of Collective NPL as of 6/30/2016	Percent of Collective NPL as of 6/30/2015	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 5,224,726	\$ 4,962,706	5.108409%	5.083876%	0.024533%
State of Montana Proportionate Share associated with the Employer	\$ 11,636,854	\$ 11,195,623	11.377784%	11.468977%	-0.091193%
<b>Total</b>	<b>\$ 16,861,580</b>	<b>\$ 16,158,329</b>	<b>16.486193%</b>	<b>16.552853%</b>	<b>-0.066660%</b>

The Table above displays the employer proportionate share of the NPL and the employer's proportion of NPL for June 30, 2015 and 2016. The employer's proportion of the NPL was based on the employer's contributions received by FURS during the measurement period July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all FURS' participating employers.

As of the employer's reporting date the employer recorded a liability of \$ 5,224,726  
and the employer's proportionate share was 5.108409%

Changes in actuarial assumptions and methods: There were no changes in assumptions or other inputs that affected the measurement of the Total Pension Liability.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective Net Pension Liability and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

Pension Expense

	Pension Expense as of 6/30/16	Pension Expense as of 6/30/15
City's Proportionate Share \$	580,002	\$ 550,916
State of Montana Proportionate Share associated with the Employer	1,259,851	1,242,841
<b>Total: \$</b>	<b>1,839,853</b>	<b>\$ 1,793,757</b>

At June 30, 2016, the City recognized its proportionate share of the FURS' Pension Expense of \$ 1,839,853  
The employer also recognized grant revenue of \$ 1,259,851 for the support provided by the State of Montana  
for the proportionate share of the Pension Expense that it associated with the employer.

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Recognition of Deferred Inflows and Outflows

At June 30, 2016, the City's reported its proportionate share of FURS' deferred outflows of resources and deferred inflows of resources related to FURS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ 6,806
Changes in assumptions	-	-
Difference between projected and actual earnings on pension plan investments	-	315,814
Changes in proportion differences between the City's contributions and proportionate share of contributions	23,920	-
Contributions paid to PERS subsequent to the measurement date - FY 2015 Contributions	1,011,282	-
<b>Total</b>	<b>\$ 1,035,202</b>	<b>\$ 322,620</b>

Amounts reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Reporting Year ended June 30:	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2017	\$ (137,435)
2018	\$ (137,435)
2019	\$ (137,435)
2020	\$ 110,181
2021	\$ 3,423
Thereafter	\$ -

**Municipal Police Officers' Retirement System (MPORS)**

Plan Description

The Municipal Police Officers' Retirement System (MPORS), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing defined benefit plan that was established in 1974 and is governed by Title 19, chapters 2 & 9 of the MCA. This plan covers all municipal police officers employed by first- and second-class cities and other cities that adopt the plan. Benefits are established by state law and can only be amended by the Legislature. The MPORS provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and final average compensation. Member rights for death and disability are vested immediately. All other rights are vested after five years of service.

Summary of Benefits

Member's final average compensation (FAC)

Hired prior to July 1, 1977 - average monthly compensation of final year of service;

Hired on or after July 1, 1977 - final average compensation (FAC) for last consecutive 36 months.

Hired on or after July 1, 2013 – 110% annual cap on compensation considered as a part of a member's final average compensation.

Eligibility for benefit

20 years of membership service, regardless of age.

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Early Retirement

Age 50, 5 years of membership service.

Vesting

Death and disability rights are vested immediately

5 years of membership service

Monthly benefit formula

2.5% of FAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)

Hired on or after July 1, 1997, or those electing GABA - after the member has completed 12 full months of retirement, the member's benefit increases by a maximum of 3% each January, inclusive of all other adjustments to the member's benefit

Minimum benefit adjustment (non-GABA)

If hired before July 1, 1997 and member did not elect GABA - the monthly retirement, disability or survivor's benefit may not be less than ½ the compensation of a newly confirmed officer in the city that the member was last employed

Deferred Retirement Option Plan (DROP): Beginning July 2002, eligible members of MPORS can participate in the DROP by filing a one-time irrevocable election with the Board. The DROP is governed by Title 19, Chapter 9, Part 12, MCA. A member must have completed at least twenty years of membership service to be eligible. They may elect to participate in the DROP for a minimum of one month and a maximum of 60 months and may participate in the DROP only once. A participant remains a member of the MPORS, but will not receive membership service or service credit in the system for the duration of the member's DROP period. During participation in the DROP, all mandatory contributions continue to the retirement system. A monthly benefit is calculated based on salary and years of service to the date of the beginning of the DROP period. The monthly benefit is paid into the member's DROP account until the end of the DROP period. At the end of the DROP period, the participant may receive the balance of the DROP account in a lump-sum payment or in a direct rollover to another eligible plan, as allowed by the IRS. If the participant continues employment after the DROP period ends, they will again accrue membership service and service credit. The DROP account cannot be distributed until employment is formally terminated.

The balance held by MPERA for MPORS DROP participants as of June 30, 2016 was approximately \$7 million.

Total number of members (employees) covered by benefit terms as of June 30, 2016:

1. Active plan members: 762
2. Inactive members entitled to but not yet receiving benefits or a refund: Vested: 61  
Vested: 61  
Non-vested: 112
3. Inactive members and beneficiaries currently receiving benefits: Service Retirements: 714  
Service Retirements: 714  
Disability Retirements: 23  
Survivor Benefits: 31

Overview of Contributions

Rates are specified by state law for periodic member and employer contributions and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The State legislature has the authority to establish and amend contribution rates to the plan. Member and employer contribution rates are shown in the table on the following page.

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<u>Fiscal Year</u>	<u>Hired &lt;7/1/75</u>	<u>Hired &gt;6/30/75</u>	<u>Hired &gt;6/30/79</u>	<u>Hired &gt;6/30/97</u>	<u>Employer</u>	<u>State</u>
2000-2016	5.80%	7.00%	8.50%	9.00%	14.41%	29.37%
1998-1999	7.80%	9.00%	10.50%	11.00%	14.41%	29.37%
1997	7.80%	9.00%	10.50%		14.36%	29.37%

Stand-Alone Statements

The MPORS financial information is reported in the Public Employees' Retirement Board's Comprehensive Annual Financial Report for the fiscal year ended. It is available from the PERB at 100 North Park, PO Box 200131, Helena MT 59620-0131, 406-444-3154.

CAFR information including the stand alone financial statements can be found on the web site at:

<http://mpera.mt.gov/annualReports.shtml>

The latest actuarial valuation and experience study can be found at the website at:

<http://mpera.mt.gov/actuarialValuations.shtml>

Actuarial Assumptions

The TPL used to calculate the NPL was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to June 30, 2015. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the last actuarial experience study, dated June 2010 for the six year period July 1, 2003 to June 30, 2009. Among those assumptions were the following:

Investment Return (net of admin expense)	7.75%
Admin Expense as % of Payroll	0.20%
General Wage Growth*	4.00%
*includes Inflation at	3.00%
Merit Increases	0% to 7.3%
Post Retirement Increases	

Hired on or after July 1, 1997, or those electing GABA - after the member has completed 12 full months of retirement, the member's benefit increases by a maximum of 3% each January, inclusive of all other adjustments to the member's benefit

i. Guaranteed Annual Benefit Adjustment (GABA)

Hired on or after July 1, 1997, or those electing GABA - after the member has completed 12 full months of retirement, the member's benefit increases by a maximum of 3% each January, inclusive of all other adjustments to the member's benefit

ii. Minimum Benefit Adjustment (non-GABA)

If hired before July 1, 1997 and member did not elect GABA - the monthly retirement, disability or survivor's benefit may not be less than ½ the compensation of a newly confirmed officer in the city that the member was last employed.

Mortality assumptions among contributing members, terminated vested members, service retired members and beneficiaries are based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA> and beneficiaries are based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2015 with scale AA.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Employee and Annuitant Mortality Tables with no projections. No future mortality improvement is assumed.

Discount Rate

The discount rate used to measure the TPL was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which establishes the contractually required rates under the Montana Code Annotated. The State contributes 29.37% of salaries paid by employers. Based on those assumptions, the System's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2123. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

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Target Allocations

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Cash Equivalents	2.00%	-0.25%
Domestic Equity	36.00%	4.55%
Foreign Equity	18.00%	6.10%
Fixed Income	24.00%	1.25%
Private Equity	12.00%	8.00%
Real Estate	8.00%	4.25%

The long-term expected return on pension plan assets is reviewed as part of the regular experience study prepared for the System. The most recent analysis, performed for the period of fiscal years 2003 through 2009, is outlined in a report dated June 2010 and is located on the MPERA website. Several factors are considered in evaluating the long-term rate of return assumption. These factors include rates of return adopted by similar public sector systems, as well as the utilization of a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed by an investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Summarized in the table above are best estimates of the arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2015.

Sensitivity Analysis

	1.0% Decrease	Current Discount	1.0% Increase
	-6.75%	Rate	-8.75%
Employer's Net Pension Liability	\$ 12,464,044	\$ 8,828,179	\$ 4,600,439

The above table presents the NPL calculated using the discount rate of 7.75% as well as what the NPL would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate.

Summary of Significant Accounting Policies

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. For the purposes of measuring the NPL; deferred inflows of resources and deferred outflows of resources related to pensions; Pension Expense; information about the fiduciary net position; and, additions to/deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adheres to all applicable Governmental Accounting Standards Board (GASB) statements.

Net Pension Liability

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers are required to recognize and report certain amounts associated with their participation in the Municipal Police Officers' Retirement System (MPORS). GASB Statement 68, which became effective June 30, 2015, includes requirements for employers to record and report their proportionate share of the collective Net Pension Liability (NPL), Pension Expense, and Deferred Inflows and Deferred Outflows of resources associated with pensions.

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MPORS has a special funding situation in which the State of Montana is legally responsible for making contributions directly to MPORS on behalf of the employers. Due to the existence of this special funding situation, the State is required to report a proportionate share of a local government's collective NPL that is associated with the non-State employer.

The Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of June 30, 2014, with update procedures to roll forward the TPL to the measurement date of June 30, 2015. For most employers, their June 30, 2016 reporting will use the 2016 reporting values presented in these notes.

<b>As of reporting date:</b>	Net Pension Liability as of 6/30/2016	Net Pension Liability as of 6/30/2015	Percent of Collective NPL as of 6/30/2016	Percent of Collective NPL as of 6/30/2015	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 8,828,179	\$ 8,105,541	5.336804%	5.158300%	0.178504%
State of Montana Proportionate Share associated with the Employer	\$ 17,886,730	\$ 16,374,162	10.812871%	10.420382%	0.392489%
<b>Total</b>	<b>\$ 26,714,909</b>	<b>\$ 24,479,703</b>	<b>16.149675%</b>	<b>15.578682%</b>	<b>0.570993%</b>

The Table above displays the employer proportionate share of the NPL and the employer's proportion of NPL for June 30, 2015 and 2016. The employer's proportion of the NPL was based on the employer's contributions received by MPORS during the measurement period July 1, 2014, through June 30, 2015, relative to the total employer contributions received from all MPORS' participating employers.

As of the employer's reporting date the employer recorded a liability of \$ 8,828,179 and the employer's proportionate share was 5.34%

Changes in actuarial assumptions and methods: There were no changes in assumptions or other inputs that affected the measurement of the TPL.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes between the measurement date of the collective Net Pension Liability and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

**Pension Expense**

	Pension Expense as of 6/30/16	Pension Expense as of 6/30/15
City's Proportionate Share	\$ 974,285	\$ 871,873
<b>Total:</b>	<b>\$ 2,793,417</b>	<b>\$ 2,633,161</b>

At June 30, 2016, the City recognized its proportionate share of the MPORS' Pension Expense of \$ 2,793,417

The employer also recognized grant revenue of \$ 1,819,132 for the support provided by the State of Montana for the proportionate share of the Pension Expense that it associated with the employer.

**Recognition of Deferred Inflows and Outflows**

At June 30, 2016, the City's reported its proportionate share of MPORS' deferred outflows of resources and deferred inflows of resources related to MPORS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ 80,625
Changes in assumptions	-	-
Difference between projected and actual earnings on pension plan investments	-	331,656
Changes in proportion differences between the City's contributions and proportionate share of contributions	236,198	-
Contributions paid to PERS subsequent to the measurement date - FY 2015 Contributions	1,122,553	-
<b>Total</b>	<b>\$ 1,358,751</b>	<b>\$ 412,281</b>

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Amounts reported as deferred outflows of resources related to pensions resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the NPL beginning in the year ended June 30, 2017.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

For the Reporting Year ended June 30:	Amount recognized in Pension Expense as an increase or (decrease) to Pension Expense
2017	\$ (95,405)
2018	\$ (95,405)
2019	\$ (95,405)
2020	\$ 110,133
2021	\$ -
Thereafter	\$ -

## 2. Insurance

The City has a self-insured medical, dental and life insurance plan which provides benefits for all permanent employees electing to be covered. City and employee monthly contribution rates depend on whether the employee is full or part time. City contributions were \$384 for a half time employee to \$767 for a full time employee. Employee contributions were \$22 for full time employees up to \$406 for half time employees. Retirees may also participate in the plan. The City subsidizes the retiree's premium cost at 15%. They paid \$632 per month, for medical coverage only. They are not covered by the dental and life insurance plans. City contributions to the plan for the year ended June 30, 2016 were \$4,145,595 ; employee contributions were \$721,172 and retiree contributions were \$430,647. Premium expenses are charged to the appropriate departments, then deposited into the Employee Benefit Fund, an internal service fund. This fund is used to pay claims, stop loss insurance and an administrator to process claims. An operating transfer in the amount of \$442,000 from the General Fund was made to the Employee Benefit Fund during fiscal year 2016. Following is a summary of the changes in the balances of claim liabilities (based on calculations provided by the plan administrator) during fiscal years 2014, 2015, and 2016.

	Claims Payable Beginning of Fiscal Year	Claims Incurred	Claims Paid	Claims Payable Ending of Fiscal Year
2014	\$ 430,329	\$ 4,930,758	\$ 4,919,317	\$ 441,770
2015	441,770	5,778,467	5,531,637	688,600
2016	688,600	4,106,295	5,290,585	495,690

## 3. Postemployment Benefits

Terminated employees may remain on the City's health insurance plan for up to 18 months if they pay the monthly premiums. This benefit is required under the federal C.O.B.R.A. law. Retirees may remain on the City's health plan as long as they wish, provided they pay the monthly premiums. State law requires the City to provide this benefit. There are no other post-employment benefits provided by the City. Out of 532 individuals covered by the plan at June 2016, there were 47 retirees, and one C.O.B.R.A. participant.

The City considered whether the provisions of GASB Statement 43, "Financial Reporting for Postemployment Benefit Plans other than Pension Plans" are applicable to its self-insured plan. Under GASB 43, the City's plan is not administered as a trust and is a single-employer plan. Accordingly, the City has determined that Statement 43 does not apply.

The City adopted the provisions of GASB Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pension Plans," in fiscal year 2009. GASB 45 requires employers to calculate the actuarial liability for future retiree benefits and the annual required contribution (ARC) for retirees. Information on the City's health benefits plan for retirees is included below. GASB 10, as modified by GASB 45, requires that amounts related to retirees be excluded from the internal service fund used for health benefits. Accordingly, amounts related to retirees have been excluded from the internal service fund.

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The City of Missoula sponsors a defined benefit plan for health insurance, which includes coverage for retirees. This plan is named the Health Benefits Plan for the Employees of City of Missoula. The City administers this single-employer plan. The plan provides medical insurance for retirees with the retiree paying a premium for this benefit. Contribution rates are established by the City Council based on the recommendations received from both the Employee Benefits Committee and the City Administration. The plan's financial information, excluding retirees, is the City's self insurance internal service fund. The plan does not issue separate audited financial statements.

The retiree and the City contribute to the plan. The plan is financed on a pay-as-you-go basis with City contributions ensuring that adequate reserves are maintained in the plan. The City's contribution is not contributed to a trust for only retiree benefits so it is not considered a contribution towards the annual required contribution under GASB 45. The contributions to the plan are as follows for fiscal year 2016.

Coverage	Retiree Contribution	City Contribution	Total Premium
Retiree	\$ 631.68	\$ 111.47	\$ 743.15
Retiree, spouse	727.73	128.42	856.15
Retiree, spouse, child	767.68	135.47	903.15
Retiree, spouse, 2 children	807.63	142.52	950.15
Retiree, spouse, 3 children	847.58	149.57	997.15
Retiree, spouse, 4 children	887.53	156.62	1,044.15
Retiree, child	671.63	118.52	790.15
Retiree, 2 children	711.58	125.57	837.15
Retiree, 3 children	751.53	132.62	884.15
Retiree, 4 children	791.48	139.67	931.15

Based on an actuarial study prepared as of June 30, 2015, the City's annual other post-employment benefit cost was \$534,954 for the fiscal year ended June 30, 2016. This cost consisted of the annual required contribution of \$570,578, interest on the net OPEB obligation of \$84,520, and an adjustment to the ARC of \$120,144. There were contributions of \$232,600 made in fiscal year 2016, which was 43% of the annual cost. The net increase in the OPEB obligation for fiscal year 2016 was \$302,354 and the Net Obligation at June 30, 2016 was \$2,425,979.

	Fiscal Year Ending		
	June 30, 2016	June 30, 2015	June 30, 2014
Beginning OPEB Obligation	\$ 2,123,625	\$ 1,784,311	\$ 1,322,106
Annual OPEB Cost	534,954	540,646	749,457
Annual OPEB Contributions	(232,600)	(201,332)	(287,252)
Ending OPEB Obligation	<u>\$ 2,425,979</u>	<u>\$ 2,123,625</u>	<u>\$ 1,784,311</u>
Percentage of cost contributed	43%	37%	38%

As of June 30, 2015, the most recent actuarial valuation date, the plan had an unfunded accrued actuarial liability of \$6,011,148. This liability is not funded under GASB 45 since there are no assets allocated to an irrevocable trust for the retiree benefit plan. Therefore, the funded status of the plan is 0%. The annual covered payroll was \$30,469,315 for fiscal year 2016; the unfunded actuarial liability was 20% of covered payroll. The annual other post-employment benefit cost, annual OPEB contributions, net other post-employment benefit obligation, and the unfunded actuarial liability is allocated to the applicable component units and funds as follows:



**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

	Governmental			Component Units		
	Activities	Sewer	Aquatics	MRA	Parking Commission	Total
Annual OPEB Cost	\$ 487,477	\$ 25,503	\$ 4,410	\$ 6,688	\$ 10,876	\$ 534,954
Annual OPEB Contributions	211,930	11,164	1,916	2,948	4,642	232,600
Net OPEB Obligation	2,199,791	112,971	25,075	29,106	59,036	2,425,979
Unfunded Actuarial Liability	5,478,201	285,065	49,576	74,365	123,941	6,011,148

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress in the required supplementary information section presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Projections of benefits for the plan are based on types of benefits provided under the substantive plan at the time of the actuarial valuation and on the pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective and, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities. For the actuarial valuation performed at June 30, 2015 the projected unit credit actuarial cost method was used. The health care cost trend rate, which includes an inflation rate, was 5.0% for 2015 and after. The assumed discount and long-term rate of return was 3.98%. The unfunded actuarial liability was amortized on a level-dollar basis over an open period of 30 years.

#### 4. Deferred Compensation Plan

The City offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit them to defer a portion of their salary until future years. The pay out of deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. As the result of a change in federal law effective January 1, 1997, all of the City's deferred compensation plans have converted to hold the assets in trust for the exclusive benefit of participants and their beneficiaries. As such, the City no longer recognizes the assets of the deferred compensation plans.

#### G. Restricted Cash/Investments/Assets

The following restricted cash/investments were held by the City as of June 30, 2016:

##### Description

##### Primary Government

Sewer Fund - Restricted for debt service	\$	2,377,857
Grants & Donations Fund - Restricted for revolving loan program		204,603

##### Component Units

Missoula Redevelopment Agency - Restricted for debt service		675,665
Missoula Parking Commission - Restricted for debt service and capital projects		664,538

Total Restricted Cash	\$	3,922,663
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The following net position was restricted by the City for the reasons stated below as of June 30, 2016:

##### Description

##### Primary Government

Governmental Funds - Restricted as shown in Note H	\$	7,331,440
Sewer - Restricted for debt service		2,377,857

##### Component Units

Missoula Redevelopment Agency - Restricted for debt service		675,665
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Missoula Parking Commission - Restricted for debt service and capital projects		664,538
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Total Restricted Net Assets	\$	11,049,500
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**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

**H. Governmental Fund Balances**

At June 30, 2016 the City had a total fund balance in governmental funds of \$1,732,162. In accordance with GASB Statement 54 this fund balance has been classified as follows:

**General Fund**

Nonspendable	\$ 1,333,974	Inventories and Prepaid Expenses
Restricted	666,150	Cemetery memorial, Title I Program and Revolving Loan Program
Assigned	1,693,229	Specific general fund programs
Unassigned	1,799,445	Remaining

**Non Major Special Revenue Funds**

Restricted	2,440,378	State and Federal Law for law enforcement, building construction inspections, public works safety and maintenance and various Grant restrictions for program expenditures.
Committed	6,279,088	City Ordinance for specific budgeted programs and by Developer Agreement for future development.
Assigned	87,754	Specific special revenue fund programs
Unassigned	(233,312)	Negative fund balance is Unassigned per GASB 54 definitions.

**Non Major Debt service Funds**

Restricted	3,262,391	Debt Service
Committed	6	City Ordinance for specific budgeted programs
Unassigned	(351,757)	Negative fund balance is Unassigned per GASB 54 definitions.

**Non Major Capital projects Funds**

Restricted	962,521	Federal & State law, Bond Covenants, and County & Developer Agreements for Capital Project expenditures.
Unassigned	(1,362,442)	Negative fund balance is Unassigned per GASB 54 definitions.

**Major Special Revenue Fund**

Unassigned	(6,248,789)	Negative fund balance is Unassigned per GASB 54 definitions.
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**Major Capital Projects Fund**

Unassigned	(8,596,474)	Negative fund balance is Unassigned per GASB 54 definitions.
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**Total Governmental**

<b>Fund Balance</b>	<b>\$ 1,732,162</b>	
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**City of Missoula - Schedule of Transfers "IN" as of June 30, 2016**

<u>Transfer To:</u>	<u>Transfer From:</u>	<u>Amount</u>	<u>Explanation</u>
General Fund	Street Maintenance	\$ 27,281	Reimburse General Fund for costs incurred within the flushing district
General Fund	Gas Tax	564,000	For street maintenance work by City street staff
General Fund	Employee Health Insurance	4,409,908	Reimburse General Fund from special health levy funds for health insurance premiums paid
General Fund	Cable TV Franchise	251,433	For right of way maintenance
General Fund	SID Revolving	162,214	Transfer Excess Revolving Funds to GF
General Fund	GF Parks, Trails	10,000	Parks support of Park & Rec Trails Scholarship
General Fund	Judgment Levy Fund	4,819	Transfer expenses paid in Levy fund to GF
General Fund	Crime Victim Surcharge	81,043	Transfer revenue to GF to match exps
		<b>5,510,698</b>	<b>Total transfers To General Fund</b>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

Capital Improvement	General Fund	1,084,565	Support for capital projects
		<b>1,084,565</b>	<b>Total transfers to Major Capital Projects</b>
CDBG Program Income	CDBG Operating	19,239	Transfer CDBG program income
Federal Transp Fund	Impact Fees	30,000	Missoula to Lolo Trail
Federal Transp Fund	GF-Parks Trail Development	1,260	Rotary Donation to Milwaukee Trail
Transportation	General Fund	9,900	Bike Ped Subsidy
Transportation	General Fund	82,086	Transportation support
Planning	General Fund	83,734	Planning Subsidy
Public Safety Info Sys	General Fund	8,700	Server purchase
Grants & Donations	General Fund	(9,594)	GF support to close grant activity
Revolving Fund	Debt Service Funds	243,224	Close retired debt service accounts
Revolving Fund	FY15 S/C Construction	29,930	Transfer rev fund portion of bond proceeds
FY03 Sidewalk/Curb	Debt Service Funds	1,471	Close retired debt service accounts
FY15 Sidewalk/Curb	FY15 S/C Construction	8,075	Move Bond Proceeds cash
FY14 S/C Construction	FY15 S/C Construction	196,634	Move Bond Proceeds cash
SID531 Debt Service	SID531 Traffic Calming	59	Debt Service payments on internal lending
Slant St. Traffic Calming	Slant St. Traffic Construction	4,362	Debt Service payments on internal lending
S. 4th Street Traffic	S. 4th St Traffic Construction	1,624	Debt Service payments on internal lending
SID 543 Debt Service	SID 543 Construction	24,455	Debt Service payments on internal lending
SID 545 Debt Service	SID 545 Construction	2,080	Debt Service payments on internal lending
SID 546 Debt Service	SID 546 Construction	1,661	Debt Service payments on internal lending
		<b>738,900</b>	<b>Total transfers To Other Nonmajor Governmental Funds</b>
Aquatics	General Fund	203,000	Support for aquatics activities
		<b>203,000</b>	<b>Total transfers To Major Proprietary Funds</b>
Employee Benefit Plan	General Fund	442,000	Transfer for Health Reserve
Employee Benefit Plan	General Fund	76,877	City Council
		<b>518,877</b>	<b>Total transfers To Internal Service Fund</b>
<b>Total Transfers "IN"</b>		<b>\$ 8,056,040</b>	

**City of Missoula - Schedule of Transfers "OUT" as of June 30, 2016**

<u>Transfer From:</u>	<u>Transfer To:</u>	<u>Amount</u>	<u>Explanation</u>
General Fund Parks & Rec	GF Parks, Trails	\$ 10,000	GF Parks support of Parks & Rec Trails Scholarship
General Fund	Capital Improvement	1,084,565	Support for capital projects
General Fund	Employee Benefit Plan	442,000	Transfer from Employ Benefit
General Fund	Employee Benefit Plan	76,877	Retiree subsidizing of heath insurance premium approved by the City council
General Fund	Aquatics	203,000	Support for aquatics activities
General Fund	Planning	18,900	Planning Subsidy Transfer
General Fund	Transportation	9,900	Transportation MIM Subsidy
General Fund	Planning	64,834	Historic Preservation Subsidy
General Fund	Transportation	82,086	Bike Ped Subsidy
General Fund	GF Parks, Trails	1,260	Grant Creek Trail from Parks Trails
General Fund	Public Safety Info Sys	8,700	NW Server Replace Fund for Fire & Police
General Fund	Grants & Donations Fund	(9,594)	GF support to close grant activity
		<b>1,992,528</b>	<b>Total transfers From General Fund</b>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

Impact Fees	Federal Transportation	30,000	Missoula to Lolo Trail
Street Maintenance	General Fund	27,281	Reimburse General Fund for costs incurred within the flushing district
Gas Tax	General Fund	564,000	For street maintenance work by City street staff
Employee Health Insurance	General Fund	4,409,908	Reimburse General Fund from special health levy funds for health insurance premiums paid
Cable TV Franchise	General Fund	251,433	For right of way maintenance
Crime Victim Surcharge	General Fund	81,043	Transfer revenue to GF to match exps
CDBG Operating	CDBG Program Income	19,239	Transfer to CDBG Program from CDBG Operating
Revolving Fund	General Fund	162,213	Transfer Excess Revolving Loan Fund to GF
Revolving Fund	Federal Transportation	162,538	Close retired debt service accounts
FY98 Public Safety GO Bond	Revolving Fund	794	Close retired debt service accounts
97 Open Space GO Bond	Revolving Fund	71	Close retired debt service accounts
FY02 Sidewalk/Curb	Revolving Fund	2	Close retired debt service accounts
FY04 Sidewalk/Curb	Revolving Fund	43,364	Close retired debt service accounts
SID 508 Debt Svc Fund	Revolving Fund	1	Close retired debt service accounts
SID 510 Debt Svc Fund	Revolving Fund	14,345	Close retired debt service accounts
SID 511 Debt Svc Fund	Revolving Fund	51	Close retired debt service accounts
SID 514 Debt Svc Fund	Revolving Fund	1	Close retired debt service accounts
SID 543 Debt Svc Fund	Rev Fund & 03 S/C Debt Svc	23,529	Close retired debt service accounts
Judgment Levy Fund	General Fund	4,819	Transfer expenses paid in Levy fund to GF
SID531 Traffic Calming	SID531 Debt Service	59	Debt Service payments on internal lending
Slant St. Traffic Constr	Slant St. Traffic Calming	4,361	Debt Service payments on internal lending
S. 4th St Traffic Constr	S. 4th Street Traffic	1,623	Debt Service payments on internal lending
SID 543 Construction	SID 543 Debt Service	24,455	Debt Service payments on internal lending
SID 545 Construction	SID 545 Debt Service	2,081	Debt Service payments on internal lending
SID 546 Construction	SID 546 Debt Service	1,662	Debt Service payments on internal lending
FY15 S/C Construction	FY15 Sidewalk/Curb	8,075	Move Bond Proceeds cash
FY15 S/C Construction	FY14 S/C Construction	196,634	Move Bond Proceeds cash
FY15 S/C Construction	Revolving Fund	29,930	Deposit to revolving fund for new debt

	<b>6,063,512</b>	<b>Total transfers From Other Nonmajor Governmental Funds</b>
<b>Total Transfers OUT"</b>	<b>\$ 8,056,040</b>	

**I. Transactions with Component Units**

The City provides administrative services to their discretely presented component units, Missoula Redevelopment Agency and Missoula Parking Commission. To compensate for these services, the City received administrative fees of \$123,809 and \$178,892 from Missoula Redevelopment Agency and Missoula Parking Commission, respectively, during fiscal year 2016.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

**J. Joint Operations with the County**

Through inter-local agreements between the City of Missoula and Missoula County services are provided jointly for Health, Library, Animal Control and Missoula Art Museum. Members of the governing boards for these operations are appointed by both the City and County with the exception of the Art Museum. In all cases, the County is responsible for handling the administration and accounting for these service areas and includes them in their financial statements. The Art Museum building is included in the City's general capital assets. Health, Animal Control and Library are located in County facilities and are recorded on the County's capital asset records. In all cases, should the inter-local agreements be dissolved, the furniture and equipment will be returned to each unit of government on an equal basis. Buildings will remain in the custody of the government currently reporting them. The City and County meet each year to determine budgetary support. All of the above services have had sufficient funding to carry out their intended purposes.

The City also had an Interlocal agreement with Missoula County to provide transportation planning and grant management services, which was ended January 1, 2013. As part of the reorganization, the City acquired 19 new employees (formerly county employees who were under contract with the city through the terminated Interlocal agreement. These employees were integrated into the new Development Services department to provide planning services to the public. This new department includes a significant number of city employees that were formerly organized in the city's engineering and building inspection departments. The revenue support formerly provided to the county employees providing planning services will be transferred to the city, such that no additional unfunded payroll or operating costs will be incurred by the city with this reorganization.

Subsequently, Missoula County provided grant management services for the City until September 2016 when the City created the department of Housing & Community Development. Beginning in fiscal year 2017 this new department will resume the management of grant awards to the City of Missoula.

**K. Risk Management**

The City faces a considerable number of risks of loss, including: a) damage to and loss of property and contents, b) citizen and employee tort claims, c) professional liability, i.e., errors and omissions, d) environmental damage, e) workers' compensation, i.e. employee injuries, and f) medical insurance costs of employees. A variety of methods are used to provide insurance for these risks. Commercial policies, transferring all risks of loss, except for relatively small deductible amounts are purchased for property and content damage and professional liabilities. The City participates in three statewide public risk pools operated by the Montana Municipal Insurance Authority (MMIA), for property insurance, workers' compensation and for tort liability coverage. Employee medical insurance is provided through a privately administered, self-insured plan. The City of Missoula has an addendum through MMIA in its property coverage termed pollution coverage for environmental damages.

Coverage limits and the deductibles on the commercial policies have stayed relatively constant for the last several years. The premiums for the policies are paid from the General Fund. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the last three years.

In 1986 the City joined together with other Montana cities to form the Montana Municipal Insurance Authority which established a workers' compensation plan and a tort liability plan. Both public entity risk pools currently operate as common risk management and insurance programs for the member governments. The liability limits for damages in tort action for claims brought pursuant to state law are \$750,000 per claim and \$1.5 million per occurrence with a \$15,000 deductible per occurrence. State tort law limits the City's liability to \$1.5 million. There are no liability limits for claims filed pursuant to federal law. The City pays an annual premium for its employee injury insurance coverage, which is allocated to the employer funds based on total salaries and wages. The agreements for formation of the pools provide that they will be self-sustaining through member premiums. Complete financial statements can be obtained by contacting MMIA at PO Box 6669, Helena, MT 59604-6669.

The City provides medical insurance coverage for its employees via a self-insured plan administered by Allegiance Benefit Plan Management, Inc. It provides medical, dental and vision benefits and is operated as an Internal Service Fund, funded by premiums charged to each department, based on the employees in that department, premiums from employees for their spouses, dependents, premiums from retirees electing to remain under the City's plan, and pro rated premiums from part-time and seasonal eligible employees. A commercial "stop-loss" policy has been purchased to cover any claims that exceed \$140,000 per individual or in aggregate for the plan in excess of 95% of the first monthly aggregate attachment point times 12.

**L. Pending Litigation**

The City of Missoula is party to certain litigation under which it may be required to pay certain monies upon the decision of the

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

courts. The office of the City Attorney reports various contingent liabilities based on the amount of damages alleged in various cases. It is the opinion of the City Attorney that the City's liability in the cases not covered by insurance will not be material to the financial statements and amounts reserved are sufficient to cover losses.

The City of Missoula was a plaintiff in litigation with defendant Mountain Water Company. The City of Missoula sought a judicial determination entitling it to acquire by eminent domain Missoula's water supply and distribution system. On June 15, 2015 District Court Judge Karen Townsend found in the City's favor and issued a Preliminary Order of Condemnation. Pursuant to Montana law the second step in this process was to determine a value to be paid upon the City's possession of the water utility. Valuation proceedings began on November 2, 2015, in front of a three-member commission that was charged with setting the value of the company. The water commission members agreed unanimously on a value of \$88.6 million on November 17, 2015.

The Preliminary Order of Condemnation was appealed to the State of Montana Supreme Court. In August, 2016 the Supreme Court affirmed Judge Townsend's order clearing the way for the City to take ownership. Certain items relating to these proceedings (attorney fees, developer extension agreements entered into by the previous owner of the utility and post-condemnation interest) have yet to conclude but as of this writing the City anticipates issuing revenue bonds and assuming the utility prior to the conclusion of FY 2017.

**M. Construction Commitments**

The City has entered into the following contracts for the design, construction or renovation of the following capital projects:

<u>Sewer Funds</u>	<u>Expended to Date</u>	<u>Remaining Commitment</u>
Reserve Street Lift Station	\$ 132,805	\$ 74,189
Russell St. Sewer (Design)	-	13,923
Old Highway 93 Sewer Interceptor (Design & Construction)	71,522	852,471
Caras Park Force Main Relocation (Design & Construction)	503,697	502,621
Bio-solids Composting Project (Design)	68,653	85,000
Broadway Interceptor Sewer (Design)	7,761	11,758
Linda Vista Pump Station	134,019	461,577
 <u>Governmental Funds</u>		
S. 3rd St. - Russell to Reserve (Design & Construction)	2,261,625	76,115
England Blvd Safety Improvements (Design)	3,592	7,304
Grant Creek/I-90 Intersection Improvements (Construction)	-	200,000
 Van Buren Ph. III (Design)	 19,081	 19,352
Caras Park Stormwater Outfall Pretreatment (Design)	-	35,084
Reserve St. Non-Motorized Trail Crossing (Design & Construction)	26,204	251,987
 Cregg Ln. - Hickory to Orange (Design)	 20,074	 45,570
Old Highway 93 Roadway Improvements (Design)	21,372	43,628
MAM Art Park (Construction)	-	668,006
S. 5th & 6th St. W. - Higgins to Orange (Design & Construction)	16,023	627,827
 Mount Ave. - Reserve to Eaton (Design & Construction)	 69,692	 106,575
Wayfinding (Design & Construction)	-	99,237
Brooks-Stephens-Mount Ph. I (Design)	-	29,615
Ph. I: Margaret St. - Mount to Strand (Design & Construction)	33,108	286,355
 Ph. II: Margaret St. - Strand to Kensington (Design)	 -	 41,022
Missoula Downtown Signal Upgrades - MDT (powder coating luminary poles)	-	20,907

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

Hillview Way (Design & Construction)	826,253	2,873,461
Grant Creek Trail	1,112,854	101,050
Kim Williams Trail	223,004	234,062
Kiwanis Park	-	94,832
Playground installation	913,937	347,087
	<hr/>	<hr/>
Total Construction Commitments	<u>\$ 6,465,275</u>	<u>\$ 8,210,616</u>

**N. Subsequent Events**

Debt issued in FY17 but prior to the publication of the CAFR:

Beginning in fiscal year 2010 the City has entered into capital lease purchase agreements to finance the purchase of equipment. In fiscal year 2017 three leases were entered into with terms of 3, 5, and 7 years respectively. These leases are considered capital leases since there is a bargain purchase option at the end of each lease. The leases are recorded at present value of future minimum lease payments. These capital leases were used to finance equipment that was capitalized by the City with a cost of \$10,207,769 and accumulated depreciation of \$1,165,350 at June 30, 2016.

Pooled Special Sidewalk, Curb, Gutter and Alley Approach Bonds, Series 2016 (the "Series 2016 Bonds"), were issued in the original aggregate principal amount of \$342,685. The Series 2016 Bonds shall be issued as three term bonds and shall mature on July 1, 2024, July 1, 2028 and July 1, 2036, respectively, subject to prior redemption, and shall bear interest from the date of original registration to their maturity or prior date upon which it has been duly for redemption at a rate of 3.35% per annum.

Hillview Way Special Improvement District No. 549 Bonds, 2016 issued in the aggregate amount of \$2,550,000 and bearing interest from 2.50% to 3.55%, maturing on July 1 in the years 2023, 2028, 2030, 2032, 2034, and 2036. Proceeds of the Bonds will be used by the City for the purpose of financing (i) a portion of the costs of reconstructing Hillview Way between 39th Street/SW Higgins Avenue and 55th Street, including curb, gutter, sidewalks, street paving, and related improvements. The Bonds are special limited obligations of the City, payable from the collection of special assessments levied against real property benefited by the improvements, and in certain circumstances the Revolving Fund.

In November, 2016 City Council approved the purchase of EKO Compost, a compost operation adjacent to the Wastewater Utility for \$1,240,000. The City and EKO Compost have previously operated pursuant to an agreement whereby EKO Compost has obtained from the City certain dewatered bio-solids produced by the City's wastewater treatment plant, and has used those bio-solids to produce a natural compost product, which it then sells to wholesale and retail customers.

City Council also approved the issue of two related Sewer System Revenue Bonds.

The Series A Bond to be issued hereunder shall be denominated "Sewer System Revenue Bond, Series 2016A" and shall be issued in the aggregate principal amount of \$1,766,000 to pay costs of the Phase I Improvements, to fund a deposit to the Reserve Account in respect of the Series A Bond and to pay costs of issuance of the Series A Bond. The Series A Bond shall mature, subject to redemption as hereinafter provided, by January 1, 2037. The Series A Bond shall bear interest from the date of original issue, or from such later date to which interest has been paid or duly provided for, until paid or discharged at the rate of 2.75% per annum.

The Series 2016B Bond shall be issued in the maximum principal amount of \$1,262,000 or such lesser amount as shall be advanced to pay costs of the Phase II Improvements, to fund a deposit to the Reserve Account in respect of the Series B Bond and, if proceeds are available, to pay costs of issuance of the Series B Bond. The Series B Bond shall mature not later than 10 years after the first principal and interest payment on the Series B Bond. The Series B Bond shall bear interest on the outstanding principal amount from the date of original issue, or from such later date to which interest has been paid or duly provided for, until paid or discharged at the rate of 2.25% per annum.

**O. Restatements/Prior Period Adjustments**

The fund balances of the City's governmental funds have been restated to reflect the following:

The General fund balance was reduced by \$4,318 to reflect prior year sidewalk and curb loans receivable.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2016**

The Special Revenue Fund Law Enforcement Block Grant fund balance was increased by \$11,046 to reflect support from the General Fund to cover a deficit fund balance in FY15.

The Capital Improvement Program fund balance was reduced by \$4,253 and the FY16 Sidewalk & Curb Construction fund balance was increased by this \$4,253 in order to reflect FY15 expenditures related to the MAM Art Park project in the correct fund.

The net position in the government-wide financial statements has been restated by the above fund balance changes. In addition, governmental activities net position was increased by \$903 to reflect corrections to capital asset balances, and \$138,031 to reflect employee contributions to the internal service fund Employee Benefits fund from FY15.

The fund balances of the City's proprietary funds have been restated to reflect the following:

The sewer fund balances were restated for \$140,682 to correct FY15 depreciation expense and assets transferred to the general fund in FY15.

The Aquatics fund balance was restated to correct depreciation from the prior year of \$118,500 which had been incorrectly attributed to the sewer fund.



REQUIRED  
SUPPLEMENTARY INFORMATION  
OTHER THAN MANAGEMENT  
DISCUSSION AND ANALYSIS

BUDGET TO ACTUAL  
COMPARISON  
GENERAL FUND

**City of Missoula**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended June 30, 2016**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
<b>Revenues</b>				
Intergovernmental	\$ 13,714,219	\$ 14,636,098	\$ 14,655,550	\$ 19,452
Taxes and assessments	23,631,667	23,631,667	23,553,599	(78,068)
Licenses and permits	1,308,783	1,308,783	1,444,113	135,330
Charges for services	5,246,449	5,419,978	5,464,693	44,715
Fines and forfeitures	1,544,089	1,617,115	1,531,422	(85,693)
Miscellaneous	1,252,631	1,272,631	253,374	(1,019,257)
Gain on disposal of fixed assets	40,000	40,000	-	(40,000)
Investment Earnings	73,500	73,500	-	(73,500)
Total revenues	<u>46,811,338</u>	<u>47,999,772</u>	<u>46,902,751</u>	<u>(1,097,021)</u>
<b>Expenditures</b>				
Current:				
General Government	9,605,059	9,591,250	8,998,483	592,767
Public Works	6,198,282	6,167,802	6,196,341	(28,539)
Public Safety	26,416,987	26,779,846	27,177,294	(397,448)
Cultural & Recreation	4,394,695	4,596,167	4,014,830	581,337
Housing & Community Development	668,472	668,472	35,014	633,458
Public Health	1,706,945	1,706,945	1,706,945	-
Social & Economic Services	210,000	210,000	175,000	35,000
Miscellaneous	1,116,626	1,098,376	818,567	279,809
Total current	<u>50,317,066</u>	<u>50,818,858</u>	<u>49,122,474</u>	<u>1,696,384</u>
Debt service:				
Interest	18,247	18,247	20,248	(2,001)
Principal retirement	516,327	516,327	559,412	(43,085)
Total debt service	<u>534,574</u>	<u>534,574</u>	<u>579,660</u>	<u>(45,086)</u>
Capital outlay:				
General Government	-	-	17,931	(17,931)
Public Works	354,205	354,205	128,357	225,848
Cultural & Recreation	1,353,348	2,293,210	949,551	1,343,659
Total capital outlay	<u>1,707,553</u>	<u>2,647,415</u>	<u>1,095,839</u>	<u>1,551,576</u>
Total expenditures	<u>52,559,193</u>	<u>54,000,847</u>	<u>50,797,973</u>	<u>3,202,874</u>
Excess (deficiency) of revenues over expenditures	<u>(5,747,855)</u>	<u>(6,001,075)</u>	<u>(3,895,222)</u>	<u>2,105,853</u>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	(1,961,385)	(1,961,385)	(1,992,528)	(31,143)
Transfers in	5,422,167	5,422,167	5,510,698	88,531
Issuance of long term debt/capital leases	-	260,875	260,875	-
Total other financing sources (uses)	<u>3,460,782</u>	<u>3,721,657</u>	<u>3,779,045</u>	<u>57,388</u>
Net change in fund balances	<u>(2,287,073)</u>	<u>(2,279,418)</u>	<u>(116,177)</u>	<u>2,163,241</u>
Fund balances - beginning	5,613,293	5,613,293	5,613,293	-
Restatements	<u>(4,318)</u>	<u>(4,318)</u>	<u>(4,318)</u>	<u>-</u>
Fund balances - beginning restated	5,608,975	5,608,975	5,608,975	-
Fund balances - ending	<u>\$ 3,321,902</u>	<u>\$ 3,329,557</u>	<u>\$ 5,492,798</u>	<u>\$ 2,163,241</u>

The notes to financial statements are an integral part of this statement.

**SCHEDULE OF FUNDING STATUS  
FOR RETIREE HEALTH INSURANCE  
BENEFIT PLAN**

**City of Missoula, Montana**  
**Schedule of Funding Status for Retiree Health Insurance Benefit Plan**  
**June 30, 2016**

	Governmental			Component Units		
	Activities	Sewer	Aquatics	MRA	Parking Commission	Total
<i>Actuarial Valuation Date: 6/30/15</i>						
Accrued Actuarial Liability	\$ 5,478,201	\$ 285,065	\$ 49,576	\$ 74,365	\$ 123,941	\$ 6,011,148
Actuarial Value of Assets	-	-	-	-	-	-
Unfunded Actuarial Liability	5,478,201	285,065	49,576	74,365	123,941	6,011,148
Funded Ratio	0%	0%	0%	0%	0%	0%
Annual Covered Payroll (***)	28,301,134	1,220,183	150,174	338,507	459,317	30,469,315
Unfunded Actuarial Liability to Covered Payroll	19%	23%	33%	22%	27%	20%
<i>Actuarial Valuation Date: 6/30/13</i>						
Accrued Actuarial Liability	7,170,390	376,488	85,566	85,566	205,357	7,923,367
Actuarial Value of Assets	-	-	-	-	-	-
Unfunded Actuarial Liability	7,170,390	376,488	85,566	85,566	205,357	7,923,367
Funded Ratio	0%	0%	0%	0%	0%	0%
Annual Covered Payroll (***)	26,699,220	1,132,168	166,526	289,782	406,184	28,693,880
Unfunded Actuarial Liability to Covered Payroll	27%	33%	51%	30%	51%	28%
<i>Actuarial Valuation Date: 6/30/11</i>						
Accrued Actuarial Liability	6,324,788	314,584	82,785	82,785	182,127	6,987,069
Actuarial Value of Assets	-	-	-	-	-	-
Unfunded Actuarial Liability	6,324,788	314,584	82,785	82,785	182,127	6,987,069
Funded Ratio	0%	0%	0%	0%	0%	0%
Annual Covered Payroll (***)	26,699,220	1,132,168	166,526	289,782	406,184	28,693,880
Unfunded Actuarial Liability to Covered Payroll	24%	28%	50%	29%	45%	24%

(\*\*\*) Calculation includes all employees that were in the health plan.

SCHEDULE OF PROPORTIONATE SHARE  
OF NET PENSION LIABILITY

**City of Missoula, Montana**  
**Schedule of Proportionate Share of Net Pension Liability**  
**and Schedule of Contributions**  
**For the Last Ten Fiscal Years\***

**Public Employees Retirement System (PERS)**

**Schedule of Proportionate Share of the Net Pension Liability:**

Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)

Employer's proportion of the net pension liability

State of MT proportionate share of the net pension liability associated with the Employer

**Total**

Employer's covered-employee payroll

Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)

Plan fiduciary net position the total pension liability (as a percentage)

2016	2015
1.02998%	1.01859%
\$ 14,395,213	\$ 12,691,684
\$ 176,821	\$ 154,984.63
<b>\$ 14,572,034</b>	<b>\$ 12,846,668</b>
\$ 12,017,913	\$ 11,530,369
119.78%	110.07%
78.40%	79.90%

**Schedule of contributions:**

Contractually required contributions

Contributions in relation to the contractually required contributions

Contribution deficiency (excess)

Employer's covered-employee payroll

Contributions of covered-employee payroll (as a percentage)

\$ 1,101,227	\$ 1,060,807
\$ 1,101,227	\$ 1,060,807
\$ -	\$ -
\$ 12,697,585	\$ 12,017,913
8.673%	8.827%

**City of Missoula, Montana**  
**Schedule of Proportionate Share of Net Pension Liability**  
**and Schedule of Contributions**  
**For the Last Ten Fiscal Years\***

**Firefighters' Unified Retirement System (FURS)**

**Schedule of Proportionate Share of the Net Pension Liability:**

Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)

Employer's proportion of the net pension liability

State of MT proportionate share of the net pension liability associated with the Employer

**Total**

Employer's covered-employee payroll

Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)

Plan fiduciary net position the total pension liability (as a percentage)

**Schedule of contributions:**

Contractually required contributions

Contributions in relation to the contractually required contributions

Contribution deficiency (excess)

Employer's covered-employee payroll

Contributions of covered-employee payroll (as a percentage)

2016	2015
5.108409%	5.083876%
\$ 5,224,726	\$ 4,962,706
\$ 11,636,854	\$ 11,195,623
<b>\$ 16,861,580</b>	<b>\$ 16,158,330</b>
\$ 6,864,943	\$ 6,603,801
76.107%	75.149%
76.9%	76.7%

\$ 1,011,282	\$ 1,004,990
\$ 1,011,282	\$ 1,004,990
\$ -	\$ -
\$ 7,073,230	\$ 6,864,943
14.297%	14.639%



**City of Missoula, Montana**  
**Schedule of Proportionate Share of Net Pension Liability**  
**and Schedule of Contributions**  
**For the Last Ten Fiscal Years\***

**Municipal Police Officers' Retirement System (MPORS)**

**Schedule of Proportionate Share of the Net Pension Liability:**

Employer's proportionate share of the net pension liability associated with the Employer (as a percentage)

Employer's proportion of the net pension liability

State of MT proportionate share of the net pension liability associated with the Employer

**Total**

Employer's covered-employee payroll

Employer's proportionate share of the net pension liability as of its covered-employee payroll (as a percentage)

Plan fiduciary net position the total pension liability (as a percentage)

**Schedule of contributions:**

Contractually required contributions

Contributions in relation to the contractually required contributions

Contribution deficiency (excess)

Employer's covered-employee payroll

Contributions of covered-employee payroll (as a percentage)

2016	2015
5.336804%	5.158300%
\$ 8,828,179	\$ 8,105,541
\$ 17,886,730	\$ 16,374,162
<b>\$ 26,714,910</b>	<b>\$ 24,479,703</b>
\$ 7,386,236	\$ 6,921,082
119.522%	117.114%
66.900%	67.000%
\$ 1,122,553	\$ 1,070,710
\$ 1,122,553	\$ 1,070,710
\$ -	\$ -
\$ 7,653,813	\$ 7,386,236
14.667%	14.496%

NOTES TO REQUIRED  
SUPPLEMENTARY INFORMATION

## **Changes of Benefit Terms**

The following changes to the plan provision were made as identified:

### **2013 Legislative Changes:**

#### **Working Retirees** – House Bill 95 – PERS, SRS, and FURS, effective July 1, 2013

- The law requires employer contributions on working retiree compensation.
- Member contributions are not required.
- Working retiree limitations are not impacted. PERS working retirees may still work up to 960 hours a year, without impacting benefits.

#### **Highest Average Compensation (HAC) Cap** – House Bill 97, effective July 1, 2013

All PERS members hired on or after July 1, 2013 are subject to a 110% annual cap on compensation considered as part of a member's highest or final average compensation.

All bonuses paid to PERS members on or after July 1, 2013, will not be treated as compensation for retirement purposes.

#### **House Bill 454** – Permanent Injunction Limits Application of the GABA Reduction passed under HB 454

#### **Guaranteed Annual Benefit Adjustment (GABA) – for PERS**

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit.

- 3% for members hired prior to July 1, 2007
- 1.5% for members hired on or after July 1, 2007 and before July 1, 2013
- Members hired on or after July 1, 2013
  - a. 1.5% each year PERS is funded at or above 90%;
  - b. 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
  - c. 0% whenever the amortization period for PERS is 40 years or more.

## 2015 Legislative Changes:

### General Revisions – House Bill 101, effective January 1, 2016

#### Second Retirement Benefit – for PERS

- 1) Applies to PERS members who return to active service on or after January 1, 2016. Members who retire before January 1, 2016, return to PERS-covered employment, and accumulate less than 2 years of service credit before retiring again:
  - refund of member's contributions from second employment plus regular interest (currently 0.25%);
  - no service credit for second employment;
  - start same benefit amount the month following termination; and
  - GABA starts again in the January immediately following second retirement.
- 2) For members who retire **before January 1, 2016, return to PERS-covered employment and accumulate two or more years of service credit before retiring again:**
  - member receives a recalculated retirement benefit based on laws in effect at second retirement; and
  - GABA starts in the January after receiving recalculated benefit for 12 months.
- 3) For members who retire **on or after January 1, 2016, return to PERS-covered employment and accumulate less than 5 years of service credit before retiring again:**
  - refund of member's contributions from second employment plus regular interest (currently 0.25%);
  - no service credit for second employment;
  - start same benefit amount the month following termination; and
  - GABA starts again in the January immediately following second retirement.
- 4) For members who retire **on or after January 1, 2016, return to PERS-covered employment and accumulate five or more years of service credit before retiring again:**
  - member receives same retirement benefit as prior to return to service;
  - member receives second retirement benefit for second period of service based on laws in effect at second retirement; and
  - GABA starts on both benefits in January after member receives original and new benefit for 12 months.

### Revise DC Funding Laws – House Bill 107, effective July 1, 2015

#### Employer Contributions and the Defined Contribution Plan – for PERS and MUS-RP

The PCR was paid off effective March 2016 and the contributions of 2.37%, .47%, and the 1.0% increase previously directed to the PCR are now directed to the Defined Contribution or MUS- RP member's account.

## Changes in Actuarial Assumptions and Methods

### Method and assumptions used in calculations of actuarially determined contributions

The following addition to the actuarial assumptions was adopted in 2014 based upon implementation of GASB Statement 68:

Admin Expense as % of Payroll	0.27%
-------------------------------	-------

The following changes were adopted in 2013 based on the 2013 Economic Experience study:

General Wage Growth*	4.00%
*Includes inflation at	3.00%
Investment rate of return	7.75 percent, net pension plan investment expense, and including inflation

The following Actuarial Assumptions are from the June 2010 Experience Study:

General Wage Growth*	4.25%
*Includes inflation at	3.00%
Merit increase	0% to 7.3%
Investment rate of return	8.00 percent, net of pension plan investment expense, and including inflation
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open

# SUPPLEMENTAL INFORMATION

# COMBINING FINANCIAL STATEMENTS

## **NONMAJOR GOVERNMENTAL FUNDS**

### ***FUND DESCRIPTIONS***

#### **SPECIAL REVENUE FUNDS**

Special revenue funds account for resources and expenditures which are designated by law or contractual agreement for specified functions or activities and are legally required to be accounted for in separate funds. Such resources are derived from specific taxes, federal grants and entitlements.

Planning Fund – 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.

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

Impact Fee Fund – The City enacted general impact fees effective October 1, 2004. The revenues received in this fund will be used to fund public costs and facilities that have additional demands placed on them by new development.

George Elmer Cattle Drive - This fund is used 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.

Public Art Fund – This fund is used 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 to serve an advisory /advocacy role with public art sponsors and media.

Employee Health Insurance Agency – This fund receives tax revenues from the All Purpose Levy for the costs of the City's self-insurance plan and transfers funds to the general fund to offset the cost of health insurance for City employees.

Cable Television Franchise Fund – Accounts for revenue from cable television franchise agreements, pursuant to the Cable TV Franchise Enabling Ordinance (#2617) and a Non-exclusive Cable TV Franchise Ordinance (#2618). The City receives 5% of gross revenues after 50% advertising revenue is deducted for the exclusive ordinance (#2617) and 5% of gross revenues for the non-exclusive ordinance (#2618) for franchise fees.

Drug Forfeiture Fund – This fund accounts for property, money from sales of seized property, and cash payments resulting from Justice of the Peace verdicts, and seized cash from drug related crimes. Money received in this fund has to be spent on drug related expenditures.

Building Inspection Fund – Accounts for revenues and expenditures relating to the administration and enforcement of building regulations in the City of Missoula and the jurisdictional area, which is approximately four and one-half miles beyond the City limits.



## **NONMAJOR GOVERNMENTAL FUNDS**

### ***FUND DESCRIPTIONS (Cont.)***

City Grants and Program Income Fund – This fund is used to aid qualified landlords for rehabilitation work, in an effort to improve the rental housing stock in Missoula, and also to assist low to moderate income individuals.

Dangerous Building Demolition and Repair - This fund has been established to account for the costs of steps taken to abate a danger or demolish a building. The City Council may levy a special assessment upon this property to recover its costs.

Street Lighting Districts – The purpose of this fund is to pay 100% of the utility bills for the City's street lighting districts.

Street Maintenance – This fund pays for the costs of services associated with the maintenance and care of Street Maintenance District #1.

Willowwood Park Maintenance – This fund pays for the services associated with the maintenance of Willowwood Park.

Road District #1 – This fund accounts for a City-wide road district designed to maintain the current level of service as provided to all city residents. Additionally, the road district provides financial assistance to property owners for ADA curb ramps as an additional financial resource to reduce sidewalk installation assessment costs.

Park District #1 – accounts for a city-wide park district 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.

Gas Tax Fund – This fund receives and distributes gasoline tax revenues from the State of Montana. Expenditures are restricted to labor and materials for street improvements and cannot be used for equipment purchases.

Crime Victim Surcharge Fund - Accounts for revenues and expenditures related to the office of Crime Victim Advocates. Revenue comes from fees collected (\$24 per criminal citation, except traffic citations) and is disbursed to the Office of Planning and Grants to be used for the staffing of Crime Victim Advocates.

Law Enforcement Block Grant Fund – Accounts for funds received and expended from a Local Law Enforcement Block Grant authorized by the Omnibus FY 96 Appropriations Act.

HIDTA (High Intensity Drug Trafficking Area) Grant Fund – Accounts for funds received and expended by the HIDTA Task Force. Reimbursement for this multi-jurisdictional task force is provided by Office of National Drug Control Policy.

Community Development Program Income – Accounts for re-payment from CDBG-Entitlement assisted projects and then uses the funds collected to assist additional CDBG-eligible activities.

Community Development Block Grant – Accounts for transactions related to Community Development Block Grants that are awarded to the City.

HOME Grant – Accounts for transactions related to HOME Grants that are awarded to the City.

## **NONMAJOR GOVERNMENTAL FUNDS**

### ***FUND DESCRIPTIONS (Cont.)***

ADDI (American Dream Down payment Initiative) - Accounts for funds received and expended to provide first-time homebuyer assistance for Missoulians with annual incomes between 50% and 80% of the area median income.

City Home Program Income – 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

Neighborhood Stabilization - The purpose of Neighborhood Stabilization Program (NSP) Fund is to acquire foreclosed, vacant or abandoned residential properties in the City of Missoula and redevelop them into affordable housing or other community enhancements. This fund receives a federal grant has been used as partial funding to acquire property at 1311 E. Broadway, demolish the structures on that land, and construct 115 units of rental housing, most of which will be designated for low- and moderate income households in the City of Missoula.

Transportation – This account provides transportation planning and alternative transportation services within three key areas and through various funding sources including the Missoula Metropolitan Planning Organization, Missoula in Motion and Bicycle and Pedestrian office.

Federal Transportation – Accounts for Federal CTEP grant funds and matching money from other City Funds that is to be expended for projects identified by the City's Capital Improvement Program (C.I.P.) and approved by the State.

Grants and Donations – This fund accounts for the receipt and expenditure of a variety of grant and donation funds.

### **DEBT SERVICE FUNDS**

The debt service funds account for the accumulation of resources for the payment of principal and interest in debt such as general obligation, tax increment, and special assessment.

SID Revolving Funds – These funds account for moneys designated as revolving funds for debt service for loans incurred for special improvement districts.

1998 Public Safety Bond – Provides debt service related to the issuance of the bonds to purchase Police, Fire, and Communications Equipment.

1996 Open Space Bond - This fund was created to provide debt service related to the issuance of general obligation bonds to purchase open space and conservation easements. The interest rate on this bond issue varies from 3.8% to 7.25%.

1997 Open Space Bond - This fund was created to provide debt service related to the issuance of general obligation bonds to purchase open space and conservation easements. The interest rate on this bond issue varies from 3.9% to 5.2%.

1994 City Hall & Fire Bonds – Provides debt service for bonds sold to finance improvements to City Hall and to purchase fire equipment.

## **NONMAJOR GOVERNMENTAL FUNDS**

### ***FUND DESCRIPTIONS (Cont.)***

1993 Fire Station Bonds – Issued to purchase land and build a new fire station on the west side of Missoula as well as replace the downtown headquarters fire station. The interest rate on the amortization bonds is 5.48%.

2004 Aquatics Bonds – Issued to construct a new aquatics facility that will be located at McCormick Park and repair the public swimming pools. The interest rate on the amortization bonds varies from 3.00% to 4.50%.

2013A Refunding – Issued in 2013 to provide 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.

2004 GO Refunding Bonds – Issued in 2004 to provide funds for refunding on July 1, 2004 the City's outstanding General Obligation Bonds, Series 1993 and Series 1994. The interest rate varies from 3.0% to 3.8%.

2006 Fire Station GO Bonds – Issued in 2005 to provide funds for expanding, upgrading and making improvements to the City's firefighting facilities and capacity, including: designing, constructing, and acquiring equipment, including a fire pumper and a wildland fire engine for a new fire station (Fire Station Five) in the Linda Vista Miller Creek area to serve the southwest part of the city; demolishing existing Fire Station Two and designing, constructing, and equipping on the site a new Fire Station Two; remodeling, expanding and equipping Fire Station Three (the "Project") and paying costs associated with the sale and issuance of the bonds.

2007 GO Refunding Bonds - Issued in 2007 to provide for refunding the City's outstanding General Obligation Bonds, Series 1996, Series 1997 and Series 1998. The interest rate varies from 3.6% to 4.0%.

Sidewalk & Curb Funds - These funds are used to account for and provide debt service for various bond issues to make sidewalk and curb improvements.

SID Funds – These funds provide debt service for debt incurred to create, construct and maintain special improvement districts within the City.

## **CAPITAL PROJECTS FUNDS**

The capital projects funds account for the financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

1997 Open Space Purchase Fund – Missoula voters approved a \$5,000,000 general obligation bond referendum in November 1997 allowing the City to purchase open space land and conservation easements.

## **NONMAJOR GOVERNMENTAL FUNDS**

### ***FUND DESCRIPTIONS (Cont.)***

2006 Fire Station GO Bond - Missoula voters approved a \$5,740,000 general obligation bond referendum in November 2005 for the purpose of expanding, upgrading, and making improvements to the City of Missoula's firefighting facilities and capacity. This includes designing, constructing, and acquiring equipment, including a fire pumper and a wildland fire engine for a new fire station (Fire Station Five) in the Linda Vista Miller Creek area to serve the southwest part of the city; demolishing existing Fire Station Two and designing, constructing, and equipping on the site a new Fire Station Two; remodeling, expanding, and equipping Fire Station Three; related improvements; and paying costs associated with the sale and issuance of the bonds.

Sidewalk and Curb – Accounts for various sidewalk and curb improvements funded through various bond issues.

SID Funds – These funds account for the creation, construction and maintenance of special improvement districts within the City.

Miller Creek Mitigation Funds – These funds account for fees collected by the County from new developments to pay for road improvements in the Miller Creek area.

5<sup>th</sup>, 6<sup>th</sup>, Arthur Streets Construction – This project was funded by special improvement district assessments charged to the benefitting landowners, which in this case was the University of Montana for the street improvements designed to improve traffic circulation near the north end of the campus. Additionally, the Montana Department of Transportation funded signals and associated work.

Maloney/Twite Miller Creek \$1.2M Contribution – This project reconstructed Miller Creek Road between Briggs and the roundabout. The project was funded through a combination of contributions and fees from the developers in the area and impact fees.

Hillview Way – This project Improvements are mostly within this section but some improvements are north of Black Pine. Improvements also consist of a box culvert at Moose Can Gully for use by pedestrians and wildlife. Present and future development adjacent to this road section has increased the need for improvements.

Rattlesnake Sewer Collection – this project was funded by a combination of grants and special improvement district assessments charged to the benefitting landowners for the extension of sewer mains to the majority of the remaining areas of the city in the Rattlesnake Valley that were not connected to the sewer system.

Phillips Street Traffic Calming – this project was funded by special improvement district assessments charged to the benefitting landowners fronting on Phillips Street between Scott Street and Russell Street for the installation of traffic calming improvements designed to slow traffic down in their neighborhood.

Pattee Creek Drive – this project consists of installing four (4) speed cushion traffic calming improvements on Pattee Creek Drive with associated signage and striping.

Stormwater outfall – this project This project involves the installation of a storm water treatment device to clean stormwater runoff before it reaches the river.

## **NONMAJOR GOVERNMENTAL FUNDS**

### ***FUND DESCRIPTIONS (Cont.)***

ARRA Enhancements –Federal ARRA stimulus funds were used for the following transportation projects: North Higgins streetscape project, Mullan Road bike/pedestrian path, Greenough Drive sidewalks, sidewalk ramps, other pavement preservation, Higgins Street Roundabout and the Scott Street Bridge.

ARRA HB645 –State ARRA stimulus money was used for: the construction of curb ramps, North Higgins Street paving, Brooks Street curb/sidewalk work, Greenough Park Bridge construction and four new playgrounds in City parks.

Western Federal Lands Miller Creek – This project reconstructed Lower Miller Creek Road between the roundabout and Linda Vista Boulevard.

Western Federal Lands - This project will install a pedestrian and bicycle bridge across Rattlesnake Creek and construct a trail from Rattlesnake Creek Bridge to Van Buren Street. The project will enhance access to the University of Montana with improved pedestrian and bicycle facilities.

NONMAJOR  
GOVERNMENTAL  
FUNDS

TOTALS FOR  
COMBINING BALANCE SHEET  
AND COMBINING SCHEDULE OF  
REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
FOR NONMAJOR  
GOVERNMENTAL FUNDS

**City of Missoula**  
**Combining Governmental Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2016**

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 204,603	\$ 1,273,612	\$ 966,113	\$ 2,444,328
Taxes Receivable	147,906	42,643	-	190,549
Special Assessments Receivable	4,316	1,012,256	-	1,016,572
Due from other governments	1,006,583	96,258	-	1,102,841
Accounts Receivable	184,692	94,214	1,633	280,539
Long term loans	2,770,419	-	-	2,770,419
Interfund receivable	8,859,461	754,569	-	9,614,030
Advanced receivable	-	1,346,672	-	1,346,672
Prepaid expenditures	25,928	-	-	25,928
Deferred Assessments Receivable	-	8,001,643	-	8,001,643
<b>TOTAL ASSETS</b>	<b>\$ 13,203,908</b>	<b>\$ 12,621,867</b>	<b>\$ 967,746</b>	<b>\$ 26,793,521</b>
<b>LIABILITIES</b>				
Unearned revenues; taxes and loans receivable	\$ 2,868,400	\$ 9,092,771	\$ -	\$ 11,961,171
Accrued expenditures	116,997	-	-	116,997
Interfund payable	619,595	318,056	837,443	1,775,094
Advances payable	-	-	18,852	18,852
Accounts payable	1,025,008	300,400	511,372	1,836,780
<b>TOTAL LIABILITIES</b>	<b>4,630,000</b>	<b>9,711,227</b>	<b>1,367,667</b>	<b>15,708,894</b>
<b>FUND BALANCES</b>				
<b>Nonspendable</b>	-	-	-	-
<b>Restricted</b>				
Building construction inspections	1,451,087	-	-	1,451,087
Grant restrictions for program expenditures	509,292	-	-	509,292
Law Enforcement	293,319	-	-	293,319
Public works safety & maintenance expenditures	186,680	-	-	186,680
Debt Service	-	3,262,391	-	3,262,391
for Capital Project expenditures	-	-	962,521	962,521
<b>Committed</b>				
By City Ordinance for specific budgeted programs	6,279,088	6	-	6,279,094
<b>Assigned</b>	87,754	-	-	87,754
<b>Unassigned</b>	(233,312)	(351,757)	(1,362,442)	(1,947,511)
<b>Total fund balances (deficits)</b>	<b>\$ 8,573,908</b>	<b>\$ 2,910,640</b>	<b>\$ (399,921)</b>	<b>\$ 11,084,627</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 13,203,908</b>	<b>\$ 12,621,867</b>	<b>\$ 967,746</b>	<b>\$ 26,793,521</b>

The notes to financial statements are an integral part of this statement.



**City of Missoula**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2016**

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Intergovernmental	\$ 4,709,492	\$ -	\$ 58,792	\$ 4,768,284
Taxes	4,370,122	1,565,377	-	5,935,499
Special Assessments	2,893,744	1,801,380	-	4,695,124
Licenses and permits	2,403,980	-	-	2,403,980
Charges for services	1,582,495	-	-	1,582,495
Fines and forfeitures	15,310	-	-	15,310
Miscellaneous	27,416	-	232,211	259,627
Investment earnings	-	13,251	-	13,251
<b>TOTAL REVENUES</b>	<b>16,002,559</b>	<b>3,380,008</b>	<b>291,003</b>	<b>19,673,570</b>
<b>EXPENDITURES</b>				
Current:				
General Government	1,846,783	25,823	-	1,872,606
Public Works	1,401,299	-	206,359	1,607,658
Public Safety	1,839,978	-	-	1,839,978
Cultural & Recreation	754,412	-	-	754,412
Housing & Community Development	1,301,240	-	-	1,301,240
Debt service:				
Interest	62,396	744,247	2,054	808,697
Principal retirement	605,003	2,654,276	-	3,259,279
Capital outlay:				
General Government	39,913	-	-	39,913
Public Works	1,211,853	-	738,405	1,950,258
Public Safety	468,779	-	-	468,779
Cultural & Recreation	689,333	-	-	689,333
<b>TOTAL EXPENDITURES</b>	<b>10,220,989</b>	<b>3,424,346</b>	<b>946,818</b>	<b>14,592,153</b>
Excess (deficiency) of revenues over expenditures	5,781,570	(44,338)	(655,815)	5,081,417
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(5,382,904)	(445,971)	(234,640)	(6,063,515)
Transfers in	225,325	282,700	230,875	738,900
Issuance of long term debt/capital leases	911,116	-	598,600	1,509,716
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,246,463)</b>	<b>(163,271)</b>	<b>594,835</b>	<b>(3,814,899)</b>
Excess (Deficiency) of Revenues and Other Sources				
Over Expenditures and Other Uses	1,535,107	(207,609)	(60,980)	1,266,518
Fund balances - beginning	7,027,755	3,118,249	(343,194)	9,802,810
Restatements	11,046		4,253	15,299
Fund balances - beginning restated	7,038,801	3,118,249	(338,941)	9,818,109
Fund balances - ending	\$ 8,573,908	\$ 2,910,640	\$ (399,921)	\$ 11,084,627

The notes to financial statements are an integral part of this statement.

COMBINING BALANCE SHEET

FOR NONMAJOR  
GOVERNMENTAL  
SPECIAL REVENUE  
FUNDS

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	PLANNING FUND	PUBLIC SAFETY INFORMATION SYSTEM	IMPACT FEE FUND	GEORGE ELMER/CATTLE DR INTERSECTION
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-	-
Special Assessments Receivable	-	-	-	-
Due from other governments	36,507	-	-	-
Accounts Receivable	-	-	-	-
Long term loans	-	-	-	-
Interfund receivable	-	23,009	4,531,323	1
Prepaid expenditures	5,369	-	-	-
Total assets	<u>\$ 41,876</u>	<u>\$ 23,009</u>	<u>\$ 4,531,323</u>	<u>\$ 1</u>
<b>LIABILITIES</b>				
Unearned revenues; taxes and loans receivable	\$ -	\$ -	\$ -	\$ -
Accrued expenditures	19,947	-	-	-
Interfund payable	32,748	-	-	-
Accounts payable	1,548	5,024	352,548	-
Total liabilities	<u>54,243</u>	<u>5,024</u>	<u>352,548</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>				
<b>Nonspendable</b>				
<b>Restricted</b>				
Building construction inspections	-	-	-	-
Cable contract restricted for CAT & PEG Access	-	-	-	-
Grant restrictions for program expenditures	-	-	-	-
Law Enforcement	-	-	-	-
Public works safety & maintenance expenditures	-	-	-	-
<b>Committed</b>				
By City Ordinance for specific budgeted programs	-	-	4,178,775	1
<b>Assigned</b>		17,985	-	-
<b>Unassigned</b>	(12,367)	-	-	-
Total fund balances (deficits)	<u>\$ (12,367)</u>	<u>\$ 17,985</u>	<u>\$ 4,178,775</u>	<u>\$ 1</u>
Total liabilities and fund balances (deficits)	<u>\$ 41,876</u>	<u>\$ 23,009</u>	<u>\$ 4,531,323</u>	<u>\$ 1</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	PUBLIC ART FUND	EMPLOYEE HEALTH INSURANCE LEVY	CABLE TELEVISION FRANCHISE FUND	DRUG FORFEITURE FUND
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ -	\$ -	\$ -
Taxes Receivable	-	122,133	-	-
Special Assessments Receivable	-	-	-	-
Due from other governments	-	124,741	-	1,216
Accounts Receivable	-	-	180,959	-
Long term loans	-	-	-	-
Interfund receivable	20,225	-	-	5,445
Prepaid expenditures	-	-	-	-
Total assets	<u>\$ 20,225</u>	<u>\$ 246,874</u>	<u>\$ 180,959</u>	<u>\$ 6,661</u>

**LIABILITIES**

Unearned revenues; taxes and loans receivable	\$ -	\$ 64,526	\$ -	\$ -
Accrued expenditures	-	-	-	-
Interfund payable	-	383,522	7,285	-
Accounts payable	-	-	176,947	732
Total liabilities	<u>-</u>	<u>448,048</u>	<u>184,232</u>	<u>732</u>

**FUND EQUITY AND OTHER CREDITS**

**Nonspendable**

**Restricted**

Building construction inspections	-	-	-	-
Cable contract restricted for CAT & PEG Access	-	-	-	-
Grant restrictions for program expenditures	-	-	-	-
Law Enforcement	-	-	-	5,929
Public works safety & maintenance expenditures	-	-	-	-

**Committed**

By City Ordinance for specific budgeted programs	20,225	-	-	-
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**Assigned**

Unassigned	-	(201,174)	(3,273)	-
Total fund balances (deficits)	<u>\$ 20,225</u>	<u>\$ (201,174)</u>	<u>\$ (3,273)</u>	<u>\$ 5,929</u>

Total liabilities and fund balances (deficits)	<u>\$ 20,225</u>	<u>\$ 246,874</u>	<u>\$ 180,959</u>	<u>\$ 6,661</u>
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Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	BUILDING INSPECTION FUND	CITY GRANTS & PROGRAM INCOME FUND	STREET LIGHTING ASSESSMENTS FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	2,037
Due from other governments	-	-	3,160
Accounts Receivable	-	3,591	-
Long term loans	-	-	-
Interfund receivable	1,488,946	3,657	167,949
Prepaid expenditures	8,590	-	-
Total assets	<u>\$ 1,497,536</u>	<u>\$ 7,248</u>	<u>\$ 173,146</u>

**LIABILITIES**

Unearned revenues; taxes and loans receivable	\$ -	\$ 3,366	\$ 2,037
Accrued expenditures	37,663	-	-
Interfund payable	-	-	-
Accounts payable	8,786	-	33,534
Total liabilities	<u>46,449</u>	<u>3,366</u>	<u>35,571</u>

**FUND EQUITY AND OTHER CREDITS**

**Nonspendable**

**Restricted**

Building construction inspections	1,451,087	-	-
Cable contract restricted for CAT & PEG Access	-	-	-
Grant restrictions for program expenditures	-	3,882	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	-	137,575

**Committed**

By City Ordinance for specific budgeted programs	-	-	-
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**Assigned**

	-	-	-
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<b>Unassigned</b>	-	-	-
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Total fund balances (deficits)	<u>\$ 1,451,087</u>	<u>\$ 3,882</u>	<u>\$ 137,575</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,497,536</u>	<u>\$ 7,248</u>	<u>\$ 173,146</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	STREET MAINTENANCE ASSESSMENT FUND	WILLOWWOOD PARK MAINTENANCE ASSESSMENT FUND	ROAD DISTRICT #1 FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	16,151
Special Assessments Receivable	2,279	-	-
Due from other governments	1,261	-	44,389
Accounts Receivable	-	-	-
Long term loans	-	-	-
Interfund receivable	47,801	43	1,124,162
Prepaid expenditures	-	-	-
Total assets	<u>\$ 51,341</u>	<u>\$ 43</u>	<u>\$ 1,184,702</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 2,279	\$ -	\$ 16,151
Accrued expenditures	-	-	2,015
Interfund payable	-	-	-
Accounts payable	-	-	19,214
Total liabilities	<u>2,279</u>	<u>-</u>	<u>37,380</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Nonspendable</b>			
<b>Restricted</b>			
Building construction inspections	-	-	-
Cable contract restricted for CAT & PEG Access	-	-	-
Grant restrictions for program expenditures	-	-	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	49,062	43	-
<b>Committed</b>			
By City Ordinance for specific budgeted programs	-	-	1,147,322
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 49,062</u>	<u>\$ 43</u>	<u>\$ 1,147,322</u>
Total liabilities and fund balances (deficits)	<u>\$ 51,341</u>	<u>\$ 43</u>	<u>\$ 1,184,702</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	PARK DISTRICT #1 FUND	STATE GAS TAX FUND	CRIME VICTIM SURCHARGE FUND	LAW ENFORCEMENT BLOCK GRANT FUND
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ -	\$ -	\$ -
Taxes Receivable	9,622	-	-	-
Special Assessments Receivable	-	-	-	-
Due from other governments	25,795	-	-	165
Accounts Receivable	-	-	-	-
Long term loans	-	-	-	-
Interfund receivable	808,045	163,635	81,043	-
Prepaid expenditures	3,528	-	-	-
Total assets	<u>\$ 846,990</u>	<u>\$ 163,635</u>	<u>\$ 81,043</u>	<u>\$ 165</u>
<b>LIABILITIES</b>				
Unearned revenues; taxes and loans receivable	\$ 9,622	\$ -	\$ -	\$ -
Accrued expenditures	15,173	-	-	-
Interfund payable	-	-	81,043	165
Accounts payable	9,631	43,434	-	165
Total liabilities	<u>34,426</u>	<u>43,434</u>	<u>81,043</u>	<u>330</u>
<b>FUND EQUITY AND OTHER CREDITS</b>				
<b>Nonspendable</b>				
<b>Restricted</b>				
Building construction inspections	-	-	-	-
Cable contract restricted for CAT & PEG Access	-	-	-	-
Grant restrictions for program expenditures	-	-	-	-
Law Enforcement	-	-	-	-
Public works safety & maintenance expenditures	-	-	-	-
<b>Committed</b>				
By City Ordinance for specific budgeted programs	812,564	120,201	-	-
<b>Assigned</b>	-	-	-	-
<b>Unassigned</b>	-	-	-	(165)
Total fund balances (deficits)	<u>\$ 812,564</u>	<u>\$ 120,201</u>	<u>\$ -</u>	<u>\$ (165)</u>
Total liabilities and fund balances (deficits)	<u>\$ 846,990</u>	<u>\$ 163,635</u>	<u>\$ 81,043</u>	<u>\$ 165</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	CDBG PROGRAM INCOME			
	HIDTA FUND	ACCOUNT FUND	CDBG FUND	HOME FUND
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-	-
Special Assessments Receivable	-	-	-	-
Due from other governments	2,700	-	54,468	61,969
Accounts Receivable	-	-	-	-
Long term loans	-	685,502	-	80,000
Interfund receivable	286,770	13,014	-	-
Prepaid expenditures	-	-	-	-
Total assets	<u>\$ 289,470</u>	<u>\$ 698,516</u>	<u>\$ 54,468</u>	<u>\$ 141,969</u>
<b>LIABILITIES</b>				
Unearned revenues; taxes and loans receivable	\$ -	\$ 685,502	\$ -	\$ 80,000
Accrued expenditures	-	-	-	-
Interfund payable	-	-	9,328	691
Accounts payable	2,080	-	54,037	53,075
Total liabilities	<u>2,080</u>	<u>685,502</u>	<u>63,365</u>	<u>133,766</u>
<b>FUND EQUITY AND OTHER CREDITS</b>				
<b>Nonspendable</b>				
<b>Restricted</b>				
Building construction inspections	-	-	-	-
Cable contract restricted for CAT & PEG Access	-	-	-	-
Grant restrictions for program expenditures	-	13,014	-	8,203
Law Enforcement	287,390	-	-	-
Public works safety & maintenance expenditures	-	-	-	-
<b>Committed</b>				
By City Ordinance for specific budgeted programs	-	-	-	-
<b>Assigned</b>	-	-	-	-
<b>Unassigned</b>	-	-	(8,897)	-
Total fund balances (deficits)	<u>\$ 287,390</u>	<u>\$ 13,014</u>	<u>\$ (8,897)</u>	<u>\$ 8,203</u>
Total liabilities and fund balances (deficits)	<u>\$ 289,470</u>	<u>\$ 698,516</u>	<u>\$ 54,468</u>	<u>\$ 141,969</u>

Continued



City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	ADDI PROGRAM INCOME FUND	CITY HOME PROGRAM INCOME FUND	NEIGHBORHOOD STABILIZATION PROGRAM FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	-
Due from other governments	-	-	-
Accounts Receivable	-	67	-
Long term loans	-	-	-
Interfund receivable	23,207	26,109	-
Prepaid expenditures	-	-	-
Total assets	<u>\$ 23,207</u>	<u>\$ 26,176</u>	<u>\$ -</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ -	\$ -	\$ -
Accrued expenditures	-	-	-
Interfund payable	-	-	599
Accounts payable	23,207	-	-
Total liabilities	<u>23,207</u>	<u>-</u>	<u>599</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Nonspendable</b>			
<b>Restricted</b>			
Building construction inspections	-	-	-
Cable contract restricted for CAT & PEG Access	-	-	-
Grant restrictions for program expenditures	-	26,176	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>			
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>			
<b>Unassigned</b>			
	-	-	(599)
Total fund balances (deficits)	<u>\$ -</u>	<u>\$ 26,176</u>	<u>\$ (599)</u>
Total liabilities and fund balances (deficits)	<u>\$ 23,207</u>	<u>\$ 26,176</u>	<u>\$ -</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	TRANSPORTATION	FEDERAL TRANSPORTATION FUND	GRANTS & DONATIONS FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 204,603
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	-
Due from other governments	266,044	96,491	287,677
Accounts Receivable	75	-	-
Long term loans	-	-	2,004,917
Interfund receivable	-	-	45,077
Prepaid expenditures	8,284	-	157
Total assets	<u>\$ 274,403</u>	<u>\$ 96,491</u>	<u>\$ 2,542,431</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ -	\$ -	\$ 2,004,917
Accrued expenditures	32,549	-	9,650
Interfund payable	99,565	4,649	-
Accounts payable	72,520	98,679	69,847
Total liabilities	<u>204,634</u>	<u>103,328</u>	<u>2,084,414</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Nonspendable</b>			
<b>Restricted</b>			
Building construction inspections	-	-	-
Cable contract restricted for CAT & PEG Access	-	-	-
Grant restrictions for program expenditures	-	-	458,017
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>			
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>	69,769	-	-
<b>Unassigned</b>	-	(6,837)	-
Total fund balances (deficits)	<u>\$ 69,769</u>	<u>\$ (6,837)</u>	<u>\$ 458,017</u>
Total liabilities and fund balances (deficits)	<u>\$ 274,403</u>	<u>\$ 96,491</u>	<u>\$ 2,542,431</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2016

	Total Nonmajor Special revenue funds
<b>ASSETS</b>	
Cash and Investments	\$ 204,603
Taxes Receivable	147,906
Special Assessments Receivable	4,316
Due from other governments	1,006,583
Accounts Receivable	184,692
Long term loans	2,770,419
Interfund receivable	8,859,461
Prepaid expenditures	25,928
Total assets	<u>\$ 13,203,908</u>

**LIABILITIES**

Unearned revenues; taxes and loans receivable	\$ 2,868,400
Accrued expenditures	116,997
Interfund payable	619,595
Accounts payable	1,025,008
Total liabilities	<u>4,630,000</u>

**FUND EQUITY AND OTHER CREDITS**

**Nonspendable**

**Restricted**

Building construction inspections	1,451,087
Cable contract restricted for CAT & PEG Access	-
Grant restrictions for program expenditures	509,292
Law Enforcement	293,319
Public works safety & maintenance expenditures	186,680

**Committed**

By City Ordinance for specific budgeted programs	6,279,088
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**Assigned** 87,754

**Unassigned** (233,312)

Total fund balances (deficits)	<u>\$ 8,573,908</u>
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Total liabilities and fund balances (deficits)	<u>\$ 13,203,908</u>
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COMBINING BALANCE SHEET

FOR NONMAJOR  
GOVERNMENTAL  
DEBT SERVICE  
FUNDS

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID REVOLVING FUND	1998 PUBLIC SAFETY G O BONDS FUND	1996 OPEN SPACE GO BONDS FUND
<b>ASSETS</b>			
Cash and Investments	\$ 535,000	\$ -	\$ -
Taxes Receivable	-	42	81
Special Assessments Receivable	-	-	-
Due from other governments	-	-	-
Accounts Receivable	72,514	-	-
Interfund receivable	-	-	-
Advanced receivable	-	-	-
Deferred Assessments	-	-	-
Total assets	<u>\$ 607,514</u>	<u>\$ 42</u>	<u>\$ 81</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 56,983	\$ 42	\$ 81
Interfund payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>56,983</u>	<u>42</u>	<u>81</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	550,531	-	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 550,531</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities and fund balances (deficits)	<u>\$ 607,514</u>	<u>\$ 42</u>	<u>\$ 81</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	1997 OPEN SPACE G O BOND FUND	1994 FIRE EQUIP/CITY HALLS REMODEL	1993 FIRE STATION G O BOND FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	20	61	48
Special Assessments Receivable	-	-	-
Due from other governments	-	-	-
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	-	-	-
Deferred Assessments	-	-	-
Total assets	<u>\$ 20</u>	<u>\$ 61</u>	<u>\$ 48</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 20	\$ 61	\$ 48
Interfund payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>20</u>	<u>61</u>	<u>48</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	-	-	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities and fund balances (deficits)	<u>\$ 20</u>	<u>\$ 61</u>	<u>\$ 48</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	Series 2012A Aquatics Refunding Bond	Series 2013A GO REFUNDING BOND	2004 REFUNDING BONDS DEBT SERVICE
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	16,117	18,903	862
Special Assessments Receivable	-	-	-
Due from other governments	16,816	19,502	-
Accounts Receivable	-	21,700	-
Interfund receivable	-	-	-
Advanced receivable	-	-	-
Deferred Assessments	-	-	-
Total assets	<u>\$ 32,933</u>	<u>\$ 60,105</u>	<u>\$ 862</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 8,353	\$ 9,899	\$ 859
Interfund payable	31,135	237,194	1,501
Accounts payable	175	-	-
Total liabilities	<u>39,663</u>	<u>247,093</u>	<u>2,360</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	-	-	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	(6,730)	(186,988)	(1,498)
Total fund balances (deficits)	<u>\$ (6,730)</u>	<u>\$ (186,988)</u>	<u>\$ (1,498)</u>
Total liabilities and fund balances (deficits)	<u>\$ 32,933</u>	<u>\$ 60,105</u>	<u>\$ 862</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	NEW FIRE STATION GO BOND FUND	2007 REFUNDING BONDS FUND	SIDEWALK & CURB WARRANTS FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	5,739	-	-
Special Assessments Receivable	-	-	6,527
Due from other governments	7,913	-	-
Accounts Receivable	-	-	-
Interfund receivable	110,084	25,676	-
Advanced receivable	-	-	-
Deferred Assessments	-	-	-
Total assets	<u>\$ 123,736</u>	<u>\$ 25,676</u>	<u>\$ 6,527</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 2,088	\$ -	\$ 6,527
Interfund payable	-	-	-
Accounts payable	276,250	-	-
Total liabilities	<u>278,338</u>	<u>-</u>	<u>6,527</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	-	25,676	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	(154,602)	-	-
Total fund balances (deficits)	<u>\$ (154,602)</u>	<u>\$ 25,676</u>	<u>\$ -</u>
Total liabilities and fund balances (deficits)	<u>\$ 123,736</u>	<u>\$ 25,676</u>	<u>\$ 6,527</u>
			Continued



City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	FY99 SIDEWALK & CURB DEBT SERVICE FUND	FY00 SIDEWALK & CURB DEBT SERVICE FUND	JUDGMENT LEVIES
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	770
Special Assessments Receivable	18,974	6,549	-
Due from other governments	-	-	3
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	-	-	-
Deferred Assessments	-	-	-
Total assets	<u>\$ 18,974</u>	<u>\$ 6,549</u>	<u>\$ 773</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 18,974	\$ 6,549	\$ 767
Interfund payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>18,974</u>	<u>6,549</u>	<u>767</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	-	-	-
<b>Committed</b>	-	-	6
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>
Total liabilities and fund balances (deficits)	<u>\$ 18,974</u>	<u>\$ 6,549</u>	<u>\$ 773</u>
			Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	FY04 SIDEWALK CURB DEBT SERVICE FUND	SID 433 DEBT SERVICE FUND	FY 05 SIDEWALK AND CURB FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 255	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	1,086	-	1,124
Due from other governments	-	-	665
Accounts Receivable	-	-	-
Interfund receivable	-	-	10,508
Advanced receivable	-	-	45,585
Deferred Assessments	-	405	26,107
Total assets	<u>\$ 1,086</u>	<u>\$ 660</u>	<u>\$ 83,989</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 1,086	\$ 405	\$ 27,231
Interfund payable	-	-	-
Accounts payable	175	-	175
Total liabilities	<u>1,261</u>	<u>405</u>	<u>27,406</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	-	255	56,583
<b>Committed</b>	-	-	-
<b>Unassigned</b>	(175)	-	-
Total fund balances (deficits)	<u>\$ (175)</u>	<u>\$ 255</u>	<u>\$ 56,583</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,086</u>	<u>\$ 660</u>	<u>\$ 83,989</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	FY 06 SIDEWALK AND CURB FUND	FY07 SIDEWALK AND CURB FUND	SERIES 2008A SIDEWALK AND CURB FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	401	1,057	2,215
Due from other governments	413	1,395	675
Accounts Receivable	-	-	-
Interfund receivable	31,912	19,747	20,518
Advanced receivable	82,422	28,896	-
Deferred Assessments	47,980	225,149	157,384
Total assets	<u>\$ 163,128</u>	<u>\$ 276,244</u>	<u>\$ 180,792</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 48,381	\$ 226,206	\$ 159,598
Interfund payable	-	-	-
Accounts payable	3,275	175	175
Total liabilities	<u>51,656</u>	<u>226,381</u>	<u>159,773</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	111,472	49,863	21,019
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 111,472</u>	<u>\$ 49,863</u>	<u>\$ 21,019</u>
Total liabilities and fund balances (deficits)	<u>\$ 163,128</u>	<u>\$ 276,244</u>	<u>\$ 180,792</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SERIES 2009 SIDEWALK AND CURB FUND	SERIES 2010 SIDEWALK AND CURB FUND	FY12 S/C DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	1,184	1,734	372
Due from other governments	2,111	4,262	1,766
Accounts Receivable	-	-	-
Interfund receivable	74,566	89,625	5,129
Advanced receivable	-	-	-
Deferred Assessments	275,184	322,327	564,378
Total assets	<u>\$ 353,045</u>	<u>\$ 417,948</u>	<u>\$ 571,645</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 276,367	\$ 324,061	\$ 564,749
Interfund payable	-	-	-
Accounts payable	175	175	175
Total liabilities	<u>276,542</u>	<u>324,236</u>	<u>564,924</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	76,503	93,712	6,721
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 76,503</u>	<u>\$ 93,712</u>	<u>\$ 6,721</u>
Total liabilities and fund balances (deficits)	<u>\$ 353,045</u>	<u>\$ 417,948</u>	<u>\$ 571,645</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	FY13 SIDEWALK / CURB DEBT SERVICE FUND	FY15 SIDEWALK / CURB DEBT SERVICE FUND	SID 498 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	274	140	140
Due from other governments	144	965	-
Accounts Receivable	-	-	-
Interfund receivable	4,794	-	-
Advanced receivable	-	-	-
Deferred Assessments	301,976	547,348	478
Total assets	<u>\$ 307,188</u>	<u>\$ 548,453</u>	<u>\$ 618</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 302,249	\$ 547,488	\$ 618
Interfund payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>302,249</u>	<u>547,488</u>	<u>618</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	4,939	965	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 4,939</u>	<u>\$ 965</u>	<u>\$ -</u>
Total liabilities and fund balances (deficits)	<u>\$ 307,188</u>	<u>\$ 548,453</u>	<u>\$ 618</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 501 DEBT SERVICE FUND	SID 510 DEBT SERVICE FUND	SID 511 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	139	-	692
Due from other governments	-	-	-
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	-	117,938	-
Deferred Assessments	-	-	-
Total assets	<u>\$ 139</u>	<u>\$ 117,938</u>	<u>\$ 692</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 139	\$ -	\$ 692
Interfund payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>139</u>	<u>-</u>	<u>692</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	-	117,938	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ -</u>	<u>\$ 117,938</u>	<u>\$ -</u>
Total liabilities and fund balances (deficits)	<u>\$ 139</u>	<u>\$ 117,938</u>	<u>\$ 692</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 512 DEBT SERVICE FUND	SID 517 DEBT SERVICE FUND	SID 520 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	1,300	-	4,345
Due from other governments	2,499	-	6,741
Accounts Receivable	-	-	-
Interfund receivable	75,690	-	151,688
Advanced receivable	10,208	-	18,852
Deferred Assessments	150,693	875	378,266
Total assets	<u>\$ 240,390</u>	<u>\$ 875</u>	<u>\$ 559,892</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 151,994	\$ 875	\$ 382,611
Interfund payable	-	-	-
Accounts payable	175	-	-
Total liabilities	<u>152,169</u>	<u>875</u>	<u>382,611</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	88,221	-	177,281
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 88,221</u>	<u>\$ -</u>	<u>\$ 177,281</u>
Total liabilities and fund balances (deficits)	<u>\$ 240,390</u>	<u>\$ 875</u>	<u>\$ 559,892</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 521 DEBT SERVICE FUND	SID 522 DEBT SERVICE FUND	SID 524 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 55,036
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	4,981
Due from other governments	-	-	7,923
Accounts Receivable	-	-	-
Interfund receivable	1,157	-	133,475
Advanced receivable	-	-	465,140
Deferred Assessments	-	-	1,302,854
Total assets	<u>\$ 1,157</u>	<u>\$ -</u>	<u>\$ 1,969,409</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ -	\$ -	\$ 1,307,510
Interfund payable	-	414	-
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>414</u>	<u>1,307,510</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	1,157	-	661,899
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	(414)	-
Total fund balances (deficits)	<u>\$ 1,157</u>	<u>\$ (414)</u>	<u>\$ 661,899</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,157</u>	<u>\$ -</u>	<u>\$ 1,969,409</u>

Continued



City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 525 DEBT SERVICE FUND	SID 526 DEBT SERVICE FUND	SID 530 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ 88,436	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	238	7,104	-
Due from other governments	595	7,623	-
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	154,315	217,895	-
Deferred Assessments	98,937	485,703	-
Total assets	<u>\$ 342,521</u>	<u>\$ 718,325</u>	<u>\$ -</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 99,175	\$ 492,806	\$ -
Interfund payable	-	46,462	1,350
Accounts payable	-	-	-
Total liabilities	<u>99,175</u>	<u>539,268</u>	<u>1,350</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	243,346	179,057	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	(1,350)
Total fund balances (deficits)	<u>\$ 243,346</u>	<u>\$ 179,057</u>	<u>\$ (1,350)</u>
Total liabilities and fund balances (deficits)	<u>\$ 342,521</u>	<u>\$ 718,325</u>	<u>\$ -</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 532 DEBT SERVICE FUND	GILBERT ST SEWER SID DEBT FUND	LINCOLNWOOD SEWER PHASE I DEBT FUND
<b>ASSETS</b>			
Cash and Investments	\$ 27,663	\$ 25,411	\$ 50,150
Taxes Receivable	-	-	-
Special Assessments Receivable	108	137	3,434
Due from other governments	557	1,217	422
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	-	-	-
Deferred Assessments	198,034	80,116	106,710
Total assets	<u>\$ 226,362</u>	<u>\$ 106,881</u>	<u>\$ 160,716</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 198,142	\$ 80,253	\$ 110,144
Interfund payable	-	-	-
Accounts payable	3,275	3,100	3,100
Total liabilities	<u>201,417</u>	<u>83,353</u>	<u>113,244</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	24,945	23,528	47,472
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 24,945</u>	<u>\$ 23,528</u>	<u>\$ 47,472</u>
Total liabilities and fund balances (deficits)	<u>\$ 226,362</u>	<u>\$ 106,881</u>	<u>\$ 160,716</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SLANT STREET TRAFFIC CALMING FUND	LINCOLNWOOD SEWER PHASE II DEBT FUND	SOUTH 4TH STREET W TRAFFIC DEBT FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 71,715	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	40	1,009	37
Due from other governments	63	1,359	38
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	-	-	-
Deferred Assessments	-	189,748	-
Total assets	<u>\$ 103</u>	<u>\$ 263,831</u>	<u>\$ 75</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 40	\$ 190,757	\$ 37
Interfund payable	-	-	-
Accounts payable	-	3,100	-
Total liabilities	<u>40</u>	<u>193,857</u>	<u>37</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	63	69,974	38
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 63</u>	<u>\$ 69,974</u>	<u>\$ 38</u>
Total liabilities and fund balances (deficits)	<u>\$ 103</u>	<u>\$ 263,831</u>	<u>\$ 75</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 540 DEBT SERVICE FUND	SID 541 DEBT SERVICE FUND	SID 543 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ 252,064	\$ 30,825	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	1,205	929	93
Due from other governments	2,077	1,775	348
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	73,639	34,337	-
Deferred Assessments	694,554	483,976	16,154
Total assets	<u>\$ 1,023,539</u>	<u>\$ 551,842</u>	<u>\$ 16,595</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 695,759	\$ 484,905	\$ 16,247
Interfund payable	-	-	-
Accounts payable	3,275	175	-
Total liabilities	<u>699,034</u>	<u>485,080</u>	<u>16,247</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	324,505	66,762	348
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 324,505</u>	<u>\$ 66,762</u>	<u>\$ 348</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,023,539</u>	<u>\$ 551,842</u>	<u>\$ 16,595</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 544 RATTLESNAKE DEBT SERVICE FUND	SID 545 DEBT SERVICE FUND	SID 546 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ 119,388	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	7,098	55	35
Due from other governments	6,279	58	54
Accounts Receivable	-	-	-
Interfund receivable	-	-	-
Advanced receivable	97,445	-	-
Deferred Assessments	1,333,569	6,910	5,828
Total assets	<u>\$ 1,563,779</u>	<u>\$ 7,023</u>	<u>\$ 5,917</u>
<b>LIABILITIES</b>			
Unearned revenues; taxes and loans receivable	\$ 1,340,667	\$ 6,965	\$ 5,863
Interfund payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>1,340,667</u>	<u>6,965</u>	<u>5,863</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
<b>Restricted</b>			
Debt Service	223,112	58	54
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 223,112</u>	<u>\$ 58</u>	<u>\$ 54</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,563,779</u>	<u>\$ 7,023</u>	<u>\$ 5,917</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Debt Service Funds  
June 30, 2016

	SID 548-5TH 6TH & ARTHUR DEBT SERVICE FUND	Total Nonmajor Debt service funds
<b>ASSETS</b>		
Cash and Investments	\$ 17,669	\$ 1,273,612
Taxes Receivable	-	42,643
Special Assessments Receivable	937,500	1,012,256
Due from other governments	-	96,258
Accounts Receivable	-	94,214
Interfund receivable	-	754,569
Advanced receivable	-	1,346,672
Deferred Assessments	-	8,001,643
Total assets	<u>\$ 955,169</u>	<u>\$ 12,621,867</u>
<b>LIABILITIES</b>		
Unearned revenues; taxes and loans receivable	\$ 937,500	\$ 9,092,771
Interfund payable	-	318,056
Accounts payable	3,275	300,400
Total liabilities	<u>940,775</u>	<u>9,711,227</u>
<b>FUND EQUITY AND OTHER CREDITS</b>		
<b>Restricted</b>		
Debt Service	14,394	3,262,391
<b>Committed</b>	-	6
<b>Unassigned</b>	-	(351,757)
Total fund balances (deficits)	<u>\$ 14,394</u>	<u>\$ 2,910,640</u>
Total liabilities and fund balances (deficits)	<u>\$ 955,169</u>	<u>\$ 12,621,867</u>

COMBINING BALANCE SHEET

FOR NONMAJOR  
GOVERNMENTAL  
CAPITAL PROJECT  
FUNDS

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	1997 G O BOND OPEN SPACE PURCHASE	NEW FIRE STATION GO BOND FUND	FY07 SIDEWALK / CURB BOND FUND
<b>ASSETS</b>			
Cash and Investments	\$ 389,534	\$ -	\$ 34
Accounts Receivable	-	-	-
Total assets	<u>\$ 389,534</u>	<u>\$ -</u>	<u>\$ 34</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ 1	\$ -
Advances payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>1</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	389,534	-	34
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(1)	-
Total fund balances (deficits)	<u>\$ 389,534</u>	<u>\$ (1)</u>	<u>\$ 34</u>
Total liabilities and fund balances (deficits)	<u>\$ 389,534</u>	<u>\$ -</u>	<u>\$ 34</u>

Continued



City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	FY10 SIDEWALK / CURB BOND FUND	FY11 SIDEWALK / CURB BOND FUND	FY12 SIDEWALK / CURB BOND FUND	FY13 SIDEWALK / CURB BOND FUND
<b>ASSETS</b>				
Cash and Investments	\$ 889	\$ 538	\$ 48,779	\$ 33,363
Accounts Receivable	-	-	-	-
Total assets	<u>\$ 889</u>	<u>\$ 538</u>	<u>\$ 48,779</u>	<u>\$ 33,363</u>
<b>LIABILITIES</b>				
Interfund payable	\$ -	\$ -	\$ -	\$ -
Advances payable	-	-	-	-
Accounts payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>				
Restricted				
for Capital Project expenditures	889	538	48,779	33,363
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>\$ 889</u>	<u>\$ 538</u>	<u>\$ 48,779</u>	<u>\$ 33,363</u>
Total liabilities and fund balances (deficits)	<u>\$ 889</u>	<u>\$ 538</u>	<u>\$ 48,779</u>	<u>\$ 33,363</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	FY15 SIDEWALK / CURB BOND FUND	FY16 SIDEWALK / CURB BOND FUND	FY17 SIDEWALK / CURB CONSTRUCTION
<b>ASSETS</b>			
Cash and Investments	\$ 57,725	\$ -	\$ -
Accounts Receivable	-	-	1,633
Total assets	<u>\$ 57,725</u>	<u>\$ -</u>	<u>\$ 1,633</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ 305,157	\$ 10,765
Advances payable	-	-	-
Accounts payable	-	9,250	60,835
Total liabilities	<u>-</u>	<u>314,407</u>	<u>71,600</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	57,725	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(314,407)	(69,967)
Total fund balances (deficits)	<u>\$ 57,725</u>	<u>\$ (314,407)</u>	<u>\$ (69,967)</u>
Total liabilities and fund balances (deficits)	<u>\$ 57,725</u>	<u>\$ -</u>	<u>\$ 1,633</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	SID 531 TRAFFIC CALMING FUND	MALONEY RANCH SID FUND	RATTLESNAKE SEWER SID FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 763	\$ 11
Accounts Receivable	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 763</u>	<u>\$ 11</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ -	\$ -
Advances payable	1,070	-	-
Accounts payable	-	-	-
Total liabilities	<u>1,070</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	-	763	11
Committed	-	-	-
Assigned	-	-	-
Unassigned	(1,070)	-	-
Total fund balances (deficits)	<u>\$ (1,070)</u>	<u>\$ 763</u>	<u>\$ 11</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 763</u>	<u>\$ 11</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	SID 534 LINCOLNWOOD FUND	SLANT STREET TRAFFIC CALMING FUND	SID536 LINCOLNWOOD SEWER PHASE II FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 2,220
Accounts Receivable	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,220</u>
<b>LIABILITIES</b>			
Interfund payable	\$ 14	\$ -	\$ -
Advances payable	-	4,725	-
Accounts payable	-	-	-
Total liabilities	<u>14</u>	<u>4,725</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	-	-	2,220
Committed	-	-	-
Assigned	-	-	-
Unassigned	(14)	(4,725)	-
Total fund balances (deficits)	<u>\$ (14)</u>	<u>\$ (4,725)</u>	<u>\$ 2,220</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,220</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	SID 539 4th STREET FUND	SID 540 ENGLAND BLVD FUND	SID 541 PINEVIEW PARK FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 109,766	\$ 23,576
Accounts Receivable	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 109,766</u>	<u>\$ 23,576</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ -	\$ -
Advances payable	171	-	-
Accounts payable	-	3,592	-
Total liabilities	<u>171</u>	<u>3,592</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	-	106,174	23,576
Committed	-	-	-
Assigned	-	-	-
Unassigned	(171)	-	-
Total fund balances (deficits)	<u>\$ (171)</u>	<u>\$ 106,174</u>	<u>\$ 23,576</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 109,766</u>	<u>\$ 23,576</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	SID 542 HILLVIEW WAY FUND	MILLER CREEK MITIGATION FUND	MILLER CREEK TWITE CONSTRUCTION
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 3,526	\$ 1,394
Accounts Receivable	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 3,526</u>	<u>\$ 1,394</u>
<b>LIABILITIES</b>			
Interfund payable	\$ 178	\$ -	\$ -
Advances payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>178</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	-	3,526	1,394
Committed	-	-	-
Assigned	-	-	-
Unassigned	(178)	-	-
Total fund balances (deficits)	<u>\$ (178)</u>	<u>\$ 3,526</u>	<u>\$ 1,394</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 3,526</u>	<u>\$ 1,394</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	MILLER CREEK MALONEY CONSTRUCTION	MILLER CREEK MCCARTHY CONSTRUCTION	SID 548 5TH,6TH & ARTHUR
<b>ASSETS</b>			
Cash and Investments	\$ 10,025	\$ 18,657	\$ 138,952
Accounts Receivable	-	-	-
Total assets	<u>\$ 10,025</u>	<u>\$ 18,657</u>	<u>\$ 138,952</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ -	\$ -
Advances payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	10,025	18,657	138,952
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances (deficits)	<u>\$ 10,025</u>	<u>\$ 18,657</u>	<u>\$ 138,952</u>
Total liabilities and fund balances (deficits)	<u>\$ 10,025</u>	<u>\$ 18,657</u>	<u>\$ 138,952</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	MALONEY/T WITE MILLER CR FUND	SID 549 HILLVIEW WAY	SID 544 RATTLESNAKE SEWER
<b>ASSETS</b>			
Cash and Investments	\$ 1,292	\$ -	\$ 245
Accounts Receivable	-	-	-
Total assets	<u>\$ 1,292</u>	<u>\$ -</u>	<u>\$ 245</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ 489,095	\$ -
Advances payable	-	-	-
Accounts payable	-	437,695	-
Total liabilities	<u>-</u>	<u>926,790</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	1,292	-	245
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(926,790)	-
Total fund balances (deficits)	<u>\$ 1,292</u>	<u>\$ (926,790)</u>	<u>\$ 245</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,292</u>	<u>\$ -</u>	<u>\$ 245</u>

Continued



City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	SID 545 PHILLIPS ST TRAFFIC CALMING	SID 546 PATTEE CREEK DR. TRAFFIC CALMING	STORMWATER OUTFALL RETROFITS
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 24,997
Accounts Receivable	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,997</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ 320	\$ -
Advances payable	6,554	6,332	-
Accounts payable	-	-	-
Total liabilities	<u>6,554</u>	<u>6,652</u>	<u>-</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	-	-	24,997
Committed	-	-	-
Assigned	-	-	-
Unassigned	(6,554)	(6,652)	-
Total fund balances (deficits)	<u>\$ (6,554)</u>	<u>\$ (6,652)</u>	<u>\$ 24,997</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,997</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	WAYFINDING PROJECT	ARRA ENHANCEMENTS	ARRA HB645
<b>ASSETS</b>			
Cash and Investments	\$ 99,827	\$ -	\$ -
Accounts Receivable	-	-	-
Total assets	<u>\$ 99,827</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES</b>			
Interfund payable	\$ -	\$ 2,498	\$ 23,677
Advances payable	-	-	-
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>2,498</u>	<u>23,677</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	99,827	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(2,498)	(23,677)
Total fund balances (deficits)	<u>\$ 99,827</u>	<u>\$ (2,498)</u>	<u>\$ (23,677)</u>
Total liabilities and fund balances (deficits)	<u>\$ 99,827</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

City of Missoula  
Combining Balance Sheet - Nonmajor Capital Projects Funds  
June 30, 2016

	WFL MILLER CREEK ROAD	WESTERN FEDERAL LANDS	Total Nonmajor Capital projects funds
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 966,113
Accounts Receivable	-	-	1,633
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 967,746</u>
<b>LIABILITIES</b>			
Interfund payable	\$ 34	\$ 5,704	\$ 837,443
Advances payable	-	-	18,852
Accounts payable	-	-	511,372
Total liabilities	<u>34</u>	<u>5,704</u>	<u>1,367,667</u>
<b>FUND EQUITY AND OTHER CREDITS</b>			
Restricted			
for Capital Project expenditures	-	-	962,521
Committed	-	-	-
Assigned	-	-	-
Unassigned	(34)	(5,704)	(1,362,442)
Total fund balances (deficits)	<u>\$ (34)</u>	<u>\$ (5,704)</u>	<u>\$ (399,921)</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 967,746</u>

COMBINING STATEMENT OF  
REVENUE, EXPENDITURES  
AND  
CHANGES IN FUND BALANCE

FOR NONMAJOR  
GOVERNMENTAL  
SPECIAL REVENUE  
FUNDS

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	PLANNING FUND	PUBLIC SAFETY INFORMATION SYSTEM	IMPACT FEE FUND
<b>REVENUES</b>			
Intergovernmental	\$ 342,262	\$ 18,000	\$ -
Taxes	-	-	-
Special Assessments	-	-	-
Licenses and permits	-	-	-
Charges for services	-	-	1,176,850
Fines and forfeitures	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>342,262</u>	<u>18,000</u>	<u>1,176,850</u>
<b>EXPENDITURES</b>			
Current:			
General Government	386,119	-	-
Public Works	-	-	12,763
Public Safety	-	-	-
Cultural & Recreation	-	-	-
Housing & Community Development	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Works	-	-	296,653
Public Safety	-	26,720	-
Cultural & Recreation	-	-	415,063
Total expenditures	<u>386,119</u>	<u>26,720</u>	<u>724,479</u>
Excess (deficiency) of revenues over expenditures	<u>(43,857)</u>	<u>(8,720)</u>	<u>452,371</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	(30,000)
Transfers in	83,734	8,700	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>83,734</u>	<u>8,700</u>	<u>(30,000)</u>
Net change in fund balances	39,877	(20)	422,371
Fund balances - beginning	(52,244)	18,005	3,756,404
Restatements	-	-	-
Fund balances - beginning restated	<u>(52,244)</u>	<u>18,005</u>	<u>3,756,404</u>
Fund balances - ending	<u>\$ (12,367)</u>	<u>\$ 17,985</u>	<u>\$ 4,178,775</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	GEORGE ELMER/CATTLE DR INTERSECTION	PUBLIC ART FUND	EMPLOYEE HEALTH INSURANCE LEVY	CABLE TELEVISION FRANCHISE FUND
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 9,000	\$ -	\$ -
Taxes	-	-	4,370,122	-
Special Assessments	-	-	-	-
Licenses and permits	-	-	-	723,308
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	12,000	-	-
Total revenues	-	21,000	4,370,122	723,308
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	488,838
Public Works	-	-	-	-
Public Safety	-	-	-	-
Cultural & Recreation	-	6,695	-	-
Housing & Community Development	-	-	-	-
Debt service:				
Interest	-	-	-	-
Principal retirement	-	-	-	-
Capital outlay:				
General Government	-	-	-	37,246
Public Works	-	-	-	-
Public Safety	-	-	-	-
Cultural & Recreation	-	20,400	-	-
Total expenditures	-	27,095	-	526,084
Excess (deficiency) of revenues over expenditures	-	(6,095)	4,370,122	197,224
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	(4,409,908)	(251,433)
Transfers in	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources (uses)	-	-	(4,409,908)	(251,433)
Net change in fund balances	-	(6,095)	(39,786)	(54,209)
Fund balances - beginning	1	26,320	(161,388)	50,936
Restatements	-	-	-	-
Fund balances - beginning restated	1	26,320	(161,388)	50,936
Fund balances - ending	\$ 1	\$ 20,225	\$ (201,174)	\$ (3,273)

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	DRUG FORFEITURE FUND	BUILDING INSPECTION FUND	CITY GRANTS & PROGRAM INCOME FUND	STREET LIGHTING ASSESSMENTS FUND
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 627	\$ -	\$ -
Taxes	-	-	-	-
Special Assessments	-	-	-	316,277
Licenses and permits	-	1,680,672	-	-
Charges for services	-	270	-	-
Fines and forfeitures	15,310	-	-	-
Miscellaneous	-	-	225	1
Total revenues	<u>15,310</u>	<u>1,681,569</u>	<u>225</u>	<u>316,278</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	21,212	-	-
Public Works	-	-	-	351,626
Public Safety	20,390	1,372,347	-	-
Cultural & Recreation	-	-	-	-
Housing & Community Development	-	-	-	-
Debt service:				
Interest	-	-	-	-
Principal retirement	-	-	-	-
Capital outlay:				
General Government	-	-	-	-
Public Works	-	-	-	-
Public Safety	-	-	-	-
Cultural & Recreation	-	-	-	-
Total expenditures	<u>20,390</u>	<u>1,393,559</u>	<u>-</u>	<u>351,626</u>
Excess (deficiency) of revenues over expenditures	<u>(5,080)</u>	<u>288,010</u>	<u>225</u>	<u>(35,348)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	-	-
Transfers in	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(5,080)	288,010	225	(35,348)
Fund balances - beginning	11,009	1,163,077	3,657	172,923
Restatements	-	-	-	-
Fund balances - beginning restated	<u>11,009</u>	<u>1,163,077</u>	<u>3,657</u>	<u>172,923</u>
Fund balances - ending	<u>\$ 5,929</u>	<u>\$ 1,451,087</u>	<u>\$ 3,882</u>	<u>\$ 137,575</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	STREET MAINTENANCE ASSESSMENT FUND	WILLOWWOOD PARK MAINTENANCE ASSESSMENT FUND	ROAD DISTRICT #1 FUND
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ 10
Taxes	-	-	-
Special Assessments	57,507	-	1,593,529
Licenses and permits	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>57,507</u>	<u>-</u>	<u>1,593,539</u>
<b>EXPENDITURES</b>			
Current:			
General Government	1	-	-
Public Works	20,745	-	941,050
Public Safety	-	-	-
Cultural & Recreation	-	-	2,324
Housing & Community Development	-	-	-
Debt service:			
Interest	-	-	55,504
Principal retirement	-	-	401,290
Capital outlay:			
General Government	-	-	-
Public Works	-	-	524,369
Public Safety	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	<u>20,746</u>	<u>-</u>	<u>1,924,537</u>
Excess (deficiency) of revenues over expenditures	<u>36,761</u>	<u>-</u>	<u>(330,998)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(27,281)	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	621,382
Total other financing sources (uses)	<u>(27,281)</u>	<u>-</u>	<u>621,382</u>
Net change in fund balances	9,480	-	290,384
Fund balances - beginning	39,582	43	856,938
Restatements	-	-	-
Fund balances - beginning restated	<u>39,582</u>	<u>43</u>	<u>856,938</u>
Fund balances - ending	<u>\$ 49,062</u>	<u>\$ 43</u>	<u>\$ 1,147,322</u>



City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	PARK DISTRICT #1 FUND	STATE GAS TAX FUND	CRIME VICTIM SURCHARGE FUND	LAW ENFORCEMENT BLOCK GRANT FUND
<b>REVENUES</b>				
Intergovernmental	\$ 130	\$ 1,080,419	\$ -	\$ 70,846
Taxes	-	-	-	-
Special Assessments	926,431	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	73,026	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>926,561</u>	<u>1,080,419</u>	<u>73,026</u>	<u>70,846</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1	1	-	1
Public Works	-	-	-	-
Public Safety	-	-	-	17,015
Cultural & Recreation	745,393	-	-	-
Housing & Community Development	-	-	-	-
Debt service:				
Interest	6,892	-	-	-
Principal retirement	203,713	-	-	-
Capital outlay:				
General Government	-	-	-	-
Public Works	-	322,111	-	-
Public Safety	-	-	-	53,830
Cultural & Recreation	93,020	-	-	-
Total expenditures	<u>1,049,019</u>	<u>322,112</u>	<u>-</u>	<u>70,846</u>
Excess (deficiency) of revenues over expenditures	<u>(122,458)</u>	<u>758,307</u>	<u>73,026</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	(564,000)	(81,043)	-
Transfers in	-	-	-	-
Issuance of long term debt/capital leases	289,734	-	-	-
Total other financing sources (uses)	<u>289,734</u>	<u>(564,000)</u>	<u>(81,043)</u>	<u>-</u>
Net change in fund balances	167,276	194,307	(8,017)	-
Fund balances - beginning	645,288	(74,106)	8,017	(11,211)
Restatements	-	-	-	11,046
Fund balances - beginning restated	<u>645,288</u>	<u>(74,106)</u>	<u>8,017</u>	<u>(165)</u>
Fund balances - ending	<u>\$ 812,564</u>	<u>\$ 120,201</u>	<u>\$ -</u>	<u>\$ (165)</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	CDBG PROGRAM INCOME			
	HIDTA FUND	ACCOUNT FUND	CDBG FUND	HOME FUND
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 23,466	\$ 610,387	\$ 283,228
Taxes	-	-	-	-
Special Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	34,133	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	1	-	-	-
Total revenues	<u>34,134</u>	<u>23,466</u>	<u>610,387</u>	<u>283,228</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	1	-	-
Public Works	-	-	-	-
Public Safety	74,632	-	-	-
Cultural & Recreation	-	-	-	-
Housing & Community Development	-	-	629,626	283,228
Debt service:				
Interest	-	-	-	-
Principal retirement	-	-	-	-
Capital outlay:				
General Government	-	-	-	-
Public Works	-	-	-	-
Public Safety	8,918	-	-	-
Cultural & Recreation	-	-	-	-
Total expenditures	<u>83,550</u>	<u>1</u>	<u>629,626</u>	<u>283,228</u>
Excess (deficiency) of revenues over expenditures	<u>(49,416)</u>	<u>23,465</u>	<u>(19,239)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	(19,239)	-	-
Transfers in	-	-	19,239	-
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(19,239)</u>	<u>19,239</u>	<u>-</u>
Net change in fund balances	(49,416)	4,226	-	-
Fund balances - beginning	336,806	8,788	(8,897)	8,203
Restatements	-	-	-	-
Fund balances - beginning restated	<u>336,806</u>	<u>8,788</u>	<u>(8,897)</u>	<u>8,203</u>
Fund balances - ending	<u>\$ 287,390</u>	<u>\$ 13,014</u>	<u>\$ (8,897)</u>	<u>\$ 8,203</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	ADDI PROGRAM INCOME FUND	CITY HOME PROGRAM INCOME FUND	NEIGHBORHOOD STABILIZATION PROGRAM FUND
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Taxes	-	-	-
Special Assessments	-	-	-
Licenses and permits	-	-	-
Charges for services	-	25,243	-
Fines and forfeitures	-	-	-
Miscellaneous	-	800	-
Total revenues	-	26,043	-
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Public Works	-	-	-
Public Safety	-	-	-
Cultural & Recreation	-	-	-
Housing & Community Development	23,207	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Works	-	-	-
Public Safety	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	23,207	-	-
Excess (deficiency) of revenues over expenditures	(23,207)	26,043	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(23,207)	26,043	-
Fund balances - beginning	23,207	133	(599)
Restatements	-	-	-
Fund balances - beginning restated	23,207	133	(599)
Fund balances - ending	\$ -	\$ 26,176	\$ (599)

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
June 30, 2016

	TRANSPORTATION	FEDERAL TRANSPORTATION FUND	GRANTS & DONATIONS FUND
<b>REVENUES</b>			
Intergovernmental	\$ 987,797	\$ 284,051	\$ 999,269
Taxes	-	-	-
Special Assessments	-	-	-
Licenses and permits	-	-	-
Charges for services	-	-	272,973
Fines and forfeitures	-	-	-
Miscellaneous	14,289	-	100
Total revenues	<u>1,002,086</u>	<u>284,051</u>	<u>1,272,342</u>
<b>EXPENDITURES</b>			
Current:			
General Government	950,527	82	-
Public Works	74,466	649	-
Public Safety	-	-	355,594
Cultural & Recreation	-	-	-
Housing & Community Development	-	-	365,179
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	2,667	-	-
Public Works	150	68,570	-
Public Safety	-	-	379,311
Cultural & Recreation	-	160,850	-
Total expenditures	<u>1,027,810</u>	<u>230,151</u>	<u>1,100,084</u>
Excess (deficiency) of revenues over expenditures	<u>(25,724)</u>	<u>53,900</u>	<u>172,258</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	91,986	31,260	(9,594)
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>91,986</u>	<u>31,260</u>	<u>(9,594)</u>
Net change in fund balances	66,262	85,160	162,664
Fund balances - beginning	3,507	(91,997)	295,353
Restatements	-	-	-
Fund balances - beginning restated	<u>3,507</u>	<u>(91,997)</u>	<u>295,353</u>
Fund balances - ending	<u>\$ 69,769</u>	<u>\$ (6,837)</u>	<u>\$ 458,017</u>

Continued

COMBINING STATEMENT OF  
REVENUES, EXPENDITURES  
AND  
CHANGES IN FUND BALANCE

FOR NONMAJOR  
GOVERNMENTAL  
DEBT SERVICE FUNDS

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID REVOLVING FUND	1997 OPEN SPACE G O BOND FUND	Series 2012A AQUATICS REFUNDING BOND
<b>REVENUES</b>			
Taxes	\$ 15,531	\$ -	\$ 589,203
Special Assessments	-	-	-
Investment earnings	-	-	-
Total revenues	<u>15,531</u>	<u>-</u>	<u>589,203</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	-	-	90,323
Principal retirement	-	-	505,000
Capital outlay:			
Total expenditures	<u>-</u>	<u>-</u>	<u>595,323</u>
Excess (deficiency) of revenues over expenditures	<u>15,531</u>	<u>-</u>	<u>(6,120)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(324,750)	(794)	-
Transfers in	273,154	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>(51,596)</u>	<u>(794)</u>	<u>-</u>
Net change in fund balances	(36,065)	(794)	(6,120)
Fund balances - beginning	<u>586,596</u>	<u>794</u>	<u>(610)</u>
Fund balances - ending	<u>\$ 550,531</u>	<u>\$ -</u>	<u>\$ (6,730)</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	Series 2013A GO REFUNDING BOND	2004 REFUNDING BONDS DEBT SERVICE	NEW FIRE STATION GO BOND FUND
<b>REVENUES</b>			
Taxes	\$ 683,233	\$ 186	\$ 277,044
Special Assessments	-	-	-
Investment earnings	-	-	-
Total revenues	<u>683,233</u>	<u>186</u>	<u>277,044</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	108,926	3,100	12,675
Principal retirement	580,000	-	270,000
Capital outlay:			
Total expenditures	<u>688,926</u>	<u>3,100</u>	<u>282,675</u>
Excess (deficiency) of revenues over expenditures	<u>(5,693)</u>	<u>(2,914)</u>	<u>(5,631)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(5,693)	(2,914)	(5,631)
Fund balances - beginning	<u>(181,295)</u>	<u>1,416</u>	<u>(148,971)</u>
Fund balances - ending	<u>\$ (186,988)</u>	<u>\$ (1,498)</u>	<u>\$ (154,602)</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	2007 REFUNDING BONDS FUND	JUDGMENT LEVIES	FY01 SIDEWALK & CURB DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ 180	\$ -
Special Assessments	-	-	
Investment earnings	-	1	-
Total revenues	<u>-</u>	<u>181</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>181</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	(4,820)	(71)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(4,820)</u>	<u>(71)</u>
Net change in fund balances	-	(4,639)	(71)
Fund balances - beginning	25,676	4,645	71
Fund balances - ending	<u>\$ 25,676</u>	<u>\$ 6</u>	<u>\$ -</u>

Continued



City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	FY02 SIDEWALK & CURB DEBT SERVICE FUND	FY03 SIDEWALK & CURB DEBT SERVICE FUND	FY04 SIDEWALK CURB DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments			13,017
Investment earnings	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>13,017</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	350	3,450	1,000
Principal retirement	-	-	10,000
Capital outlay:			
Total expenditures	<u>350</u>	<u>3,450</u>	<u>11,000</u>
Excess (deficiency) of revenues over expenditures	<u>(350)</u>	<u>(3,450)</u>	<u>2,017</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(2)	-	(43,364)
Transfers in	-	1,471	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>(2)</u>	<u>1,471</u>	<u>(43,364)</u>
Net change in fund balances	(352)	(1,979)	(41,347)
Fund balances - beginning	<u>352</u>	<u>1,979</u>	<u>41,172</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (175)</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 433 DEBT SERVICE FUND	FY 05 SIDEWALK AND CURB FUND	FY 06 SIDEWALK AND CURB FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	-	28,880	27,258
Investment earnings	-	384	695
Total revenues	<u>-</u>	<u>29,264</u>	<u>27,953</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	-	3,763	6,813
Principal retirement	-	35,000	25,000
Capital outlay:			
Total expenditures	<u>-</u>	<u>38,763</u>	<u>31,813</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(9,499)</u>	<u>(3,860)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(9,499)	(3,860)
Fund balances - beginning	255	66,082	115,332
Fund balances - ending	<u>\$ 255</u>	<u>\$ 56,583</u>	<u>\$ 111,472</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	FY07 SIDEWALK AND CURB FUND	SERIES 2008A SIDEWALK AND CURB FUND	SERIES 2009 SIDEWALK AND CURB FUND
<b>REVENUES</b>			
Taxes	\$ -		
Special Assessments	51,747	45,972	60,152
Investment earnings	244	1	1
Total revenues	<u>51,991</u>	<u>45,973</u>	<u>60,153</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	17,085	10,388	15,468
Principal retirement	45,000	50,000	50,000
Capital outlay:			
Total expenditures	<u>62,085</u>	<u>60,388</u>	<u>65,468</u>
Excess (deficiency) of revenues over expenditures	<u>(10,094)</u>	<u>(14,415)</u>	<u>(5,315)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(10,094)	(14,415)	(5,315)
Fund balances - beginning	59,957	35,434	81,818
Fund balances - ending	<u>\$ 49,863</u>	<u>\$ 21,019</u>	<u>\$ 76,503</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SERIES 2010 SIDEWALK AND CURB FUND	FY12 S/C DEBT SERVICE FUND	FY13 SIDEWALK / CURB DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	88,184	68,057	40,939
Investment earnings	-	-	2
Total revenues	<u>88,184</u>	<u>68,057</u>	<u>40,941</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	25,588	21,960	11,065
Principal retirement	75,000	50,000	29,000
Capital outlay:			
Total expenditures	<u>100,588</u>	<u>71,960</u>	<u>40,065</u>
Excess (deficiency) of revenues over expenditures	<u>(12,404)</u>	<u>(3,903)</u>	<u>876</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(12,404)	(3,903)	876
Fund balances - beginning	106,116	10,624	4,063
Fund balances - ending	<u>\$ 93,712</u>	<u>\$ 6,721</u>	<u>\$ 4,939</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	FY15 SIDEWALK / CURB DEBT SERVICE FUND	SID 503 DEBT SERVICE FUND	SID 508 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	73,439	-	-
Investment earnings	-	-	-
Total revenues	<u>73,439</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
General Government	25,812	-	-
Debt service:			
Interest	21,637	-	-
Principal retirement	33,100	-	-
Capital outlay:			
Total expenditures	<u>80,549</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(7,110)</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	(1)	(1)
Transfers in	8,075	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>8,075</u>	<u>(1)</u>	<u>(1)</u>
Net change in fund balances	965	(1)	(1)
Fund balances - beginning	-	1	1
Fund balances - ending	<u>\$ 965</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 510 DEBT SERVICE FUND	SID 511 DEBT SERVICE FUND	SID 512 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	-	-	82,394
Investment earnings	993	-	86
Total revenues	<u>993</u>	<u>-</u>	<u>82,480</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	1
Debt service:			
Interest	-	-	3,860
Principal retirement	-	-	29,670
Capital outlay:			
Total expenditures	<u>-</u>	<u>-</u>	<u>33,531</u>
Excess (deficiency) of revenues over expenditures	<u>993</u>	<u>-</u>	<u>48,949</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(14,345)	(51)	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>(14,345)</u>	<u>(51)</u>	<u>-</u>
Net change in fund balances	(13,352)	(51)	48,949
Fund balances - beginning	<u>131,290</u>	<u>51</u>	<u>39,272</u>
Fund balances - ending	<u>\$ 117,938</u>	<u>\$ -</u>	<u>\$ 88,221</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 514 DEBT SERVICE FUND	SID 520 DEBT SERVICE FUND	SID 521 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	-	145,799	-
Investment earnings	-	2,054	-
Total revenues	-	147,853	-
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	-	21,920	15
Principal retirement	-	138,000	135
Capital outlay:			
Total expenditures	-	159,920	150
Excess (deficiency) of revenues over expenditures	-	(12,067)	(150)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(1)	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	(1)	-	-
Net change in fund balances	(1)	(12,067)	(150)
Fund balances - beginning	1	189,348	1,307
Fund balances - ending	\$ -	\$ 177,281	\$ 1,157

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City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 522 DEBT SERVICE FUND	SID 524 DEBT SERVICE FUND	SID 525 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	-	268,420	32,144
Investment earnings	-	3,917	1,299
Total revenues	-	272,337	33,443
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	22	80,660	5,500
Principal retirement	195	224,000	26,000
Capital outlay:			
Total expenditures	217	304,660	31,500
Excess (deficiency) of revenues over expenditures	(217)	(32,323)	1,943
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(217)	(32,323)	1,943
Fund balances - beginning	(197)	694,222	241,403
Fund balances - ending	\$ (414)	\$ 661,899	\$ 243,346

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City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 526 DEBT SERVICE FUND	SID 530 DEBT SERVICE FUND	SID 531 HICKORY ST CALMING FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	127,730	-	-
Investment earnings	1,837	-	-
Total revenues	<u>129,567</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	39,320	4	-
Principal retirement	154,000	676	-
Capital outlay:			
Total expenditures	<u>193,320</u>	<u>680</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(63,753)</u>	<u>(680)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	(59)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(59)</u>
Net change in fund balances	(63,753)	(680)	(59)
Fund balances - beginning	<u>242,810</u>	<u>(670)</u>	<u>59</u>
Fund balances - ending	<u>\$ 179,057</u>	<u>\$ (1,350)</u>	<u>\$ -</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 532 DEBT SERVICE FUND	GILBERT ST SEWER SID DEBT FUND	LINCOLNWOOD SEWER PHASE I DEBT FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	38,273	13,712	15,695
Investment earnings	1	-	1
Total revenues	<u>38,274</u>	<u>13,712</u>	<u>15,696</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	15,638	8,425	9,063
Principal retirement	30,000	12,000	12,000
Capital outlay:			
Total expenditures	<u>45,638</u>	<u>20,425</u>	<u>21,063</u>
Excess (deficiency) of revenues over expenditures	<u>(7,364)</u>	<u>(6,713)</u>	<u>(5,367)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(7,364)	(6,713)	(5,367)
Fund balances - beginning	<u>32,309</u>	<u>30,241</u>	<u>52,839</u>
Fund balances - ending	<u>\$ 24,945</u>	<u>\$ 23,528</u>	<u>\$ 47,472</u>

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City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SLANT STREET TRAFFIC CALMING FUND	LINCOLNWOOD SEWER PHASE II DEBT FUND	SOUTH 4TH STREET W TRAFFIC DEBT FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	4,198	27,912	1,540
Investment earnings	1	-	-
Total revenues	<u>4,199</u>	<u>27,912</u>	<u>1,540</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Debt service:			
Interest	-	13,450	-
Principal retirement	-	21,000	-
Capital outlay:			
Total expenditures	<u>-</u>	<u>34,450</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>4,199</u>	<u>(6,538)</u>	<u>1,540</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(4,361)	-	(1,623)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>(4,361)</u>	<u>-</u>	<u>(1,623)</u>
Net change in fund balances	(162)	(6,538)	(83)
Fund balances - beginning	225	76,512	121
Fund balances - ending	<u>\$ 63</u>	<u>\$ 69,974</u>	<u>\$ 38</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 540 DEBT SERVICE FUND	SID 541 DEBT SERVICE FUND	SID 543 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	197,555	60,639	47,819
Investment earnings	622	290	1
Total revenues	<u>198,177</u>	<u>60,929</u>	<u>47,820</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	7	-
Debt service:			
Interest	55,568	32,528	-
Principal retirement	70,000	30,000	-
Capital outlay:			
Total expenditures	<u>125,568</u>	<u>62,535</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>72,609</u>	<u>(1,606)</u>	<u>47,820</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	(47,985)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(47,985)</u>
Net change in fund balances	72,609	(1,606)	(165)
Fund balances - beginning	<u>251,896</u>	<u>68,368</u>	<u>513</u>
Fund balances - ending	<u>\$ 324,505</u>	<u>\$ 66,762</u>	<u>\$ 348</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 544 RATTLESNAKE DEBT SERVICE FUND	SID 545 DEBT SERVICE FUND	SID 546 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Special Assessments	119,823	1,996	1,586
Investment earnings	821	-	-
Total revenues	<u>120,644</u>	<u>1,996</u>	<u>1,586</u>
<b>EXPENDITURES</b>			
Current:			
General Government	1	1	1
Debt service:			
Interest	54,883	-	-
Principal retirement	84,500	-	-
Capital outlay:			
Total expenditures	<u>139,384</u>	<u>1</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	<u>(18,740)</u>	<u>1,995</u>	<u>1,585</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	(2,081)	(1,662)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(2,081)</u>	<u>(1,662)</u>
Net change in fund balances	(18,740)	(86)	(77)
Fund balances - beginning	241,852	144	131
Fund balances - ending	<u>\$ 223,112</u>	<u>\$ 58</u>	<u>\$ 54</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Debt Service Funds  
June 30, 2016

	SID 548-5TH 6TH & ARTHUR DEBT SERVICE FUND	Total Nonmajor Debt service funds
<b>REVENUES</b>		
Taxes	\$ -	\$ 1,565,377
Special Assessments	116,500	1,801,380
Investment earnings	-	13,251
Total revenues	<u>116,500</u>	<u>3,380,008</u>
<b>EXPENDITURES</b>		
Current:		
General Government	-	25,823
Debt service:		
Interest	49,800	744,247
Principal retirement	65,000	2,654,276
Capital outlay:		
Total expenditures	<u>114,800</u>	<u>3,424,346</u>
Excess (deficiency) of revenues over expenditures	<u>1,700</u>	<u>(44,338)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers (out)	-	(445,971)
Transfers in	-	282,700
Issuance of long term debt/capital leases	-	-
Total other financing sources (uses)	<u>-</u>	<u>(163,271)</u>
Net change in fund balances	1,700	(207,609)
Fund balances - beginning	<u>12,694</u>	<u>3,118,249</u>
Fund balances - ending	<u>\$ 14,394</u>	<u>\$ 2,910,640</u>

COMBINING STATEMENT OF  
REVENUES, EXPENDITURES  
AND  
CHANGES IN FUND BALANCE

FOR NONMAJOR  
GOVERNMENTAL  
CAPITAL PROJECT FUNDS

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	1997 G O BOND OPEN SPACE PURCHASE	NEW FIRE STATION GO BOND FUND	FY07 SIDEWALK/ CURB BOND FUND	FY10 SIDEWALK / CURB BOND FUND
<b>REVENUES</b>				
Intergovernmental	\$ 7,617	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	<u>7,617</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	-	-
Debt service:				
Interest	-	-	-	-
Capital outlay:				
Public Works	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>7,617</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	-	-
Transfers in	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,617	-	-	-
Fund balances - beginning	381,917	(1)	34	889
Restatements	-	-	-	-
Fund balances - beginning restated	381,917	(1)	34	889
Fund balances - ending	<u>\$ 389,534</u>	<u>\$ (1)</u>	<u>\$ 34</u>	<u>\$ 889</u>

Continued



City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	FY11 SIDEWALK / CURB BOND FUND	FY12 SIDEWALK/ CURB BOND FUND	FY13 SIDEWALK/ CURB BOND FUND	FY14 SIDEWALK/ CURB BOND FUND
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	-	-
Debt service:				
Interest	-	-	-	-
Capital outlay:				
Public Works	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	-	-
Transfers in	-	-	-	196,634
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources	-	-	-	196,634
Net change in fund balances	-	-	-	196,634
Fund balances - beginning	538	48,779	33,363	(196,634)
Restatements	-	-	-	-
Fund balances - beginning restated	538	48,779	33,363	(196,634)
Fund balances - ending	\$ 538	\$ 48,779	\$ 33,363	\$ -

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	FY15 SIDEWALK/ CURB BOND FUND	FY16 SIDEWALK/ CURB BOND FUND	FY17 SIDEWALK/ CURB CONSTR	SID 531 TRAFFIC CALMING FUND
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous	3,207	121,088	1,633	-
Total revenues	<u>3,207</u>	<u>121,088</u>	<u>1,633</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	1	-
Debt service:				
Interest	-	-	-	43
Capital outlay:				
Public Works	-	83,817	71,599	-
Total expenditures	<u>-</u>	<u>83,817</u>	<u>71,600</u>	<u>43</u>
Excess (deficiency) of revenues over expenditures	<u>3,207</u>	<u>37,271</u>	<u>(69,967)</u>	<u>(43)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(234,640)	-	-	-
Transfers in	-	-	-	59
Issuance of long term debt/capital leases	598,600	-	-	-
Total other financing sources	<u>363,960</u>	<u>-</u>	<u>-</u>	<u>59</u>
Net change in fund balances	367,167	37,271	(69,967)	16
Fund balances - beginning	(309,442)	(355,931)	-	(1,086)
Restatements	-	4,253	-	-
Fund balances - beginning restated	<u>(309,442)</u>	<u>(351,678)</u>	<u>-</u>	<u>(1,086)</u>
Fund balances - ending	<u>\$ 57,725</u>	<u>\$ (314,407)</u>	<u>\$ (69,967)</u>	<u>\$ (1,070)</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	MALONEY RANCH SID FUND	RATTLESNAKE SEWER SID FUND	SID 534 LINCOLNWOOD FUND
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Debt service:			
Interest	-	-	-
Capital outlay:			
Public Works	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	-	-	-
Fund balances - beginning	763	11	(14)
Restatements	-	-	-
Fund balances - beginning restated	763	11	(14)
Fund balances - ending	\$ 763	\$ 11	\$ (14)

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	SLANT STREET TRAFFIC CALMING FUND	SID536 LINCOLNWOOD SEWER PHASE II FUND	SID 539 4th STREET FUND	SID 540 ENGLAND BLVD FUND
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Public Works	1	-	-	-
Debt service:				
Interest	349	-	69	-
Capital outlay:				
Public Works	-	-	-	3,592
Total expenditures	350	-	69	3,592
Excess (deficiency) of revenues over expenditures	(350)	-	(69)	(3,592)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	-	-
Transfers in	4,361	-	1,623	-
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources	4,361	-	1,623	-
Net change in fund balances	4,011	-	1,554	(3,592)
Fund balances - beginning	(8,736)	2,220	(1,725)	109,766
Restatements	-	-	-	-
Fund balances - beginning restated	(8,736)	2,220	(1,725)	109,766
Fund balances - ending	\$ (4,725)	\$ 2,220	\$ (171)	\$ 106,174

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	SID 541 PINEVIEW PARK FUND	SID 542 HILLVIEW WAY FUND	SID 543 TRAFFIC CALMING FUND	MILLER CREEK MITIGATION FUND
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	1	-
Total revenues	-	-	1	-
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	-	-
Debt service:				
Interest	-	-	941	-
Capital outlay:				
Public Works	-	-	-	-
Total expenditures	-	-	941	-
Excess (deficiency) of revenues over expenditures	-	-	(940)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	-	-
Transfers in	-	-	24,455	-
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources	-	-	24,455	-
Net change in fund balances	-	-	23,515	-
Fund balances - beginning	23,576	(178)	(23,515)	3,526
Restatements	-	-	-	-
Fund balances - beginning restated	23,576	(178)	(23,515)	3,526
Fund balances - ending	\$ 23,576	\$ (178)	\$ -	\$ 3,526

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	MILLER CREEK TWITE CONSTRUCTION	MILLER CREEK MALONEY CONSTRUCTION	MILLER CREEK MCCARTHY CONSTRUCTION
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Debt service:			
Interest	-	-	-
Capital outlay:			
Public Works	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	-	-	-
Fund balances - beginning	1,394	10,025	18,657
Restatements	-	-	-
Fund balances - beginning restated	1,394	10,025	18,657
Fund balances - ending	\$ 1,394	\$ 10,025	\$ 18,657

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	SID 548 5TH,6TH & ARTHUR	MALONEY/ TWITE MILLER CR FUND	SID 549 HILLVIEW WAY
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Miscellaneous	-	-	1,747
Total revenues	<u>-</u>	<u>-</u>	<u>1,747</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	201,649
Debt service:			
Interest	-	-	-
Capital outlay:			
Public Works	-	-	554,402
Total expenditures	<u>-</u>	<u>-</u>	<u>756,051</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(754,304)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	(754,304)
Fund balances - beginning	138,952	1,292	(172,486)
Restatements	-	-	-
Fund balances - beginning restated	<u>138,952</u>	<u>1,292</u>	<u>(172,486)</u>
Fund balances - ending	<u>\$ 138,952</u>	<u>\$ 1,292</u>	<u>\$ (926,790)</u>

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	SID 544 RATTLESNAKE SEWER	SID 545 PHILLIPS ST TRAFFIC CALMING	SID 546 PATTEE CREEK DR. TRAFFIC CALMING
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Debt service:			
Interest	-	332	320
Capital outlay:			
Public Works	-	-	-
Total expenditures	-	332	320
Excess (deficiency) of revenues over expenditures	-	(332)	(320)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	2,081	1,662
Issuance of long term debt/capital leases	-	-	-
Total other financing sources	-	2,081	1,662
Net change in fund balances	-	1,749	1,342
Fund balances - beginning	245	(8,303)	(7,994)
Restatements	-	-	-
Fund balances - beginning restated	245	(8,303)	(7,994)
Fund balances - ending	\$ 245	\$ (6,554)	\$ (6,652)

Continued



City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	STORMWATER OUTFALL RETROFITS	WAYFINDING PROJECT	ARRA ENHANCEMENTS
<b>REVENUES</b>			
Intergovernmental	\$ 25,000	\$ -	\$ -
Miscellaneous	-	104,535	-
Total revenues	<u>25,000</u>	<u>104,535</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	-	4,708	-
Debt service:			
Interest	-	-	-
Capital outlay:			
Public Works	-	-	-
Total expenditures	<u>-</u>	<u>4,708</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>25,000</u>	<u>99,827</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	25,000	99,827	-
Fund balances - beginning	(3)	-	(2,498)
Restatements	-	-	-
Fund balances - beginning restated	(3)	-	(2,498)
Fund balances - ending	<u>\$ 24,997</u>	<u>\$ 99,827</u>	<u>\$ (2,498)</u>

Continued

City of Missoula  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
June 30, 2016

	ARRA HB645	WFL MILLER CREEK ROAD	WESTERN FEDERAL LANDS
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ 26,175
Miscellaneous	-	-	-
Total revenues	-	-	26,175
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Debt service:			
Interest	-	-	-
Capital outlay:			
Public Works	-	-	24,995
Total expenditures	-	-	24,995
Excess (deficiency) of revenues over expenditures	-	-	1,180
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	-	-	1,180
Fund balances - beginning	(23,677)	(34)	(6,884)
Restatements	-	-	-
Fund balances - beginning restated	(23,677)	(34)	(6,884)
Fund balances - ending	\$ (23,677)	\$ (34)	\$ (5,704)

Continued

# AGENCY FUNDS

City of Missoula, Montana  
Combining Statement of Changes in Assets and Liabilities - All Agency Funds  
For the Period Ending June 30,2016

	Balance 7/1/2015	Additions	Deletions	Balance 6/30/2016
<b>COURT COLLECTED PARKING FINES</b>				
ASSETS				
Cash	\$ 8,986	\$ -	\$ -	\$ 8,986
<b>TOTAL ASSETS</b>	<b>\$ 8,986</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,986</b>
LIABILITIES				
Due to Private Parties	8,986	-	-	8,986
<b>TOTAL LIABILITIES</b>	<b>\$ 8,986</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,986</b>
<b>COURT SURCHARGE</b>				
ASSETS				
Cash	\$ 39,415	\$ 71,605	\$ 72,019	\$ 39,001
Due From Other Governments	7,501	6,444	7,501	6,444
<b>TOTAL ASSETS</b>	<b>\$ 46,916</b>	<b>\$ 78,049</b>	<b>\$ 79,520</b>	<b>\$ 45,445</b>
LIABILITIES				
Accounts Payable	\$ 38,925	\$ 72,019	\$ 73,490	\$ 37,454
Due to Other Governments	7,991	-	-	7,991
<b>TOTAL LIABILITIES</b>	<b>\$ 46,916</b>	<b>\$ 72,019</b>	<b>\$ 73,490</b>	<b>\$ 45,445</b>
<b>PUBLIC DEFENDER FEES</b>				
ASSETS				
Cash	\$ 1,268	\$ 4,979	\$ 5,293	\$ 954
Due From Other Governments	296	555	296	555
<b>TOTAL ASSETS</b>	<b>\$ 1,564</b>	<b>\$ 5,534</b>	<b>\$ 5,589</b>	<b>\$ 1,509</b>
LIABILITIES				
Accounts Payable	\$ 1,564	\$ -	\$ 55	\$ 1,509
<b>TOTAL LIABILITIES</b>	<b>\$ 1,564</b>	<b>\$ -</b>	<b>\$ 55</b>	<b>\$ 1,509</b>
<b>COUNTY CLEARING</b>				
ASSETS				
Cash	\$ 786	\$ 9,255	\$ 9,259	\$ 782
<b>TOTAL ASSETS</b>	<b>\$ 786</b>	<b>\$ 9,255</b>	<b>\$ 9,259</b>	<b>\$ 782</b>
LIABILITIES				
Accounts Payable	\$ (791)	\$ -	\$ 4	\$ (795)
Due to Other Governments	1,577	-	-	1,577
<b>TOTAL LIABILITIES</b>	<b>\$ 786</b>	<b>\$ -</b>	<b>\$ 4</b>	<b>\$ 782</b>
<b>SEWER REBATE</b>				
ASSETS				
Cash	\$ 34,699	\$ -	\$ -	\$ 34,699
<b>TOTAL ASSETS</b>	<b>\$ 34,699</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,699</b>
LIABILITIES				
Due to Private Parties	\$ 34,699	\$ -	\$ -	\$ 34,699
<b>COUNTY PARK BOARD</b>				
ASSETS				
Cash	\$ 5,500	\$ -	\$ -	\$ 5,500
<b>TOTAL ASSETS</b>	<b>\$ 5,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,500</b>
LIABILITIES				
Due to Other Governments	\$ 5,500	\$ -	\$ -	\$ 5,500

City of Missoula, Montana  
Combining Statement of Changes in Assets and Liabilities - All Agency Funds  
For the Period Ending June 30,2016

Continued

	Balance 7/1/2015	Additions	Deletions	Balance 6/30/2016
<b>ELK HILLS SUBDIVISION</b>				
ASSETS				
Cash	\$ 3,868	\$ -	\$ -	\$ 3,868
<b>TOTAL ASSETS</b>	<b>\$ 3,868</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,868</b>
LIABILITIES				
Due to Private Parties	\$ 3,868	\$ -	\$ -	\$ 3,868
<b>MUNICIPAL COURT RESTITUTION</b>				
ASSETS				
Cash	\$ 300,325	\$ 37,148	\$ -	\$ 337,473
<b>TOTAL ASSETS</b>	<b>\$ 300,325</b>	<b>\$ 37,148</b>	<b>\$ -</b>	<b>\$ 337,473</b>
LIABILITIES				
Due to Private Parties	\$ 300,325	\$ 37,148	\$ -	\$ 337,473
<b>RATTLESNAKE CORNERSTONE TRAIL SW</b>				
ASSETS				
Cash	\$ 27,413	\$ -	\$ -	\$ 27,413
<b>TOTAL ASSETS</b>	<b>\$ 27,413</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,413</b>
LIABILITIES				
Due to Private Parties	\$ 27,413	\$ -	\$ -	\$ 27,413
<b>TOTAL LIABILITIES</b>	<b>\$ 27,413</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,413</b>
<b>YOUTH PROGRAMS</b>				
ASSETS				
Cash	\$ 473	\$ -	\$ -	\$ 473
<b>TOTAL ASSETS</b>	<b>\$ 473</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 473</b>
LIABILITIES				
Due to Private Parties	\$ 473	\$ -	\$ -	\$ 473
<b>RESIDENTIAL INSPECTION FUND</b>				
ASSETS				
Cash	\$ (147)	\$ 15	\$ -	\$ (132)
<b>TOTAL ASSETS</b>	<b>\$ (147)</b>	<b>\$ 15</b>	<b>\$ -</b>	<b>\$ (132)</b>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Private Parties	(147)	15	-	(132)
<b>TOTAL LIABILITIES</b>	<b>\$ (147)</b>	<b>\$ 15</b>	<b>\$ -</b>	<b>\$ (132)</b>
<b>TOTALS - ALL AGENCY FUNDS</b>				
ASSETS				
Cash	\$ 422,586	\$ 123,002	\$ 86,571	\$ 459,017
Due From Other Governments	7,797	6,999	7,797	6,999
<b>TOTAL ASSETS</b>	<b>\$ 430,383</b>	<b>\$ 130,001</b>	<b>\$ 94,368</b>	<b>\$ 466,016</b>
LIABILITIES				
Accounts Payable	\$ 39,698	\$ 72,019	\$ 73,549	\$ 38,168
Due to Other Governments	15,068	-	-	15,068
Due to Private Parties	375,617	37,163	-	412,780
<b>TOTAL LIABILITIES</b>	<b>\$ 430,383</b>	<b>\$ 109,182</b>	<b>\$ 73,549</b>	<b>\$ 466,016</b>

MAJOR GOVERNMENTAL  
FUNDS

BUDGET TO ACTUAL

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	CAPITAL IMPROVEMENT PROGRAM FUND				WATER FUND			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final			Original	Final		
<b>REVENUES</b>								
Miscellaneous	\$ 9,010	\$ 9,010	\$ 220,500	\$ 211,490	\$ -	\$ -	\$ 1	\$ 1
Intergovernmental								
Total revenues	9,010	9,010	220,500	211,490	-	-	1	1
<b>EXPENDITURES</b>								
Current:								
Public Safety	-	10,696	10,697	(1)	-	-	-	-
Public Works	-	-	-	-	-	-	2,715,826	(2,715,826)
Total current	-	10,696	10,697	(1)	-	-	2,715,826	(2,715,826)
Debt service:								
Administrative charges	-	88,880	89,730	(850)	-	-	-	-
Interest	235,881	266,932	279,053	(12,121)	-	-	-	-
Principal retirement	828,684	3,508,120	3,309,559	198,561	-	-	-	-
Total debt service	1,064,565	3,863,932	3,678,342	185,590	-	-	-	-
Capital outlay:								
General Government	25,000	497,846	468,022	29,824	-	-	-	-
Public Works	-	639,133	1,205,958	(566,825)	-	-	-	-
Public Safety	-	341,144	341,208	(64)	-	-	-	-
Cultural & Recreation	-	106,861	106,861	-	-	-	-	-
Public Health	20,000	20,000	-	20,000	-	-	-	-
Total capital outlay	45,000	1,604,984	2,122,049	(517,065)	-	-	-	-
Total expenditures	1,109,565	5,479,612	5,811,088	(331,476)	-	-	2,715,826	(2,715,826)
Excess (deficiency) of revenues over	(1,100,555)	(5,470,602)	(5,590,588)	(119,986)	-	-	(2,715,825)	(2,715,825)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	1,084,565	1,084,565	1,084,565	-	-	-	-	-
Issuance of long term debt/capital leases	-	4,702,293	4,702,292	(1)	-	-	-	-
Total other financing sources (uses)	1,084,565	5,786,858	5,786,857	(1)	-	-	-	-
Net change in fund balances	(15,990)	316,256	196,269	(119,987)	-	-	(2,715,825)	(2,715,825)
Fund balances - beginning	(8,792,744)	(8,792,744)	(8,792,744)	-	(3,532,964)	(3,532,964)	(3,532,964)	-
Fund balances - ending	\$ (8,808,734)	\$ (8,476,488)	\$ (8,596,475)	\$ (119,987)	\$ (3,532,964)	\$ (3,532,964)	\$ (6,248,789)	\$ (2,715,825)

The notes to financial statements are an integral part of this statement.

NONMAJOR GOVERNMENTAL  
FUNDS

BUDGET TO ACTUAL



NONMAJOR GOVERNMENTAL  
FUNDS

BUDGET TO ACTUAL

SPECIAL REVENUE FUNDS

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Planning			Public Safety Information Systems		
			Variance with Final			Variance with Final
	Budget	Actual	Budget	Budget	Actual	Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	334,657	342,262	7,605	18,000	18,000	-
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	334,657	342,262	7,605	18,000	18,000	-
EXPENDITURES						
General Government	452,634	386,119	66,515	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	26,720	26,720	-
Total Expenditures	452,634	386,119	66,515	26,720	26,720	-
Excess (Deficiency) of Revenue Over Expenditures	(117,977)	(43,857)	74,120	(8,720)	(8,720)	-
Other Financing Sources (Uses)						
Transfers In-R	83,734	83,734	-	6,000	8,700	2,700
Transfers Out-38-E	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	83,734	83,734	-	6,000	8,700	2,700
Excess (Deficiency) of Revenue Over Expenditures	(34,243)	39,877	74,120	(2,720)	(20)	2,700
Fund Balance, July 1, 2015	(52,244)	(52,244)	-	18,005	18,005	-
Restatement						
Fund Balance, July 1, 2015	(52,244)	(52,244)	-	18,005	18,005	-
Fund Balance, June 30, 2016	\$ (86,487)	\$ (12,367)	\$ 74,120	\$ 15,285	\$ 17,985	\$ 2,700

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Impact Fee			George Elmer Cattle Drive		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	-	-	-	-	-
Charges for Services-34	1,200,000	1,176,850	(23,150)	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	15,000	-	(15,000)
Interest-37	-	-	-	-	-	-
Total Revenues	1,200,000	1,176,850	(23,150)	15,000	-	(15,000)
EXPENDITURES						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	12,763	(12,763)	15,000	-	15,000
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	2,471,122	711,716	1,759,406	-	-	-
Total Expenditures	2,471,122	724,479	1,746,643	15,000	-	15,000
Excess (Deficiency) of Revenue Over Expenditures	(1,271,122)	452,371	1,723,493	-	-	-
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	(30,000)	(30,000)	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(30,000)	(30,000)	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(1,301,122)	422,371	1,723,493	-	-	-
Fund Balance, July 1, 2015	3,756,404	3,756,404	-	-	1	-
Restatement						
Fund Balance, July 1, 2015	3,756,404	3,756,404	-	-	1	-
Fund Balance, June 30, 2016	\$ 2,455,282	\$ 4,178,775	\$ 1,723,493	\$ -	\$ 1	\$ -

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Public Art			Employee Health Insurance		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ 4,409,907	\$ 4,370,122	\$ (39,785)
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	9,000	9,000	-	-	-
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	12,000	12,000	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	-	21,000	21,000	4,409,907	4,370,122	(39,785)
EXPENDITURES						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	7,350	6,695	655	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	20,400	20,400	-	-	-	-
Total Expenditures	27,750	27,095	655	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(27,750)	(6,095)	21,655	4,409,907	4,370,122	(39,785)
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	-	-	(4,409,907)	(4,409,908)	(1)
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(4,409,907)	(4,409,908)	(1)
Excess (Deficiency) of Revenue Over Expenditures	(27,750)	(6,095)	21,655	-	(39,786)	(39,786)
Fund Balance, July 1, 2015	26,320	26,320	-	(161,388)	(161,388)	-
Restatement						
Fund Balance, July 1, 2015	26,320	26,320	-	(161,388)	(161,388)	-
Fund Balance, June 30, 2016	\$ (1,430)	\$ 20,225	\$ 21,655	\$ (161,388)	\$ (201,174)	\$ (39,786)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Cable TV Franchise			Drug Forfeiture		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	736,000	723,308	(12,692)	-	-	-
Intergovernmental-33	-	-	-	-	-	-
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	16,800	15,310	(1,490)
Miscellaneous-36	-	-	-	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	736,000	723,308	(12,692)	16,800	15,310	(1,490)
EXPENDITURES						
General Government	447,000	488,838	(41,838)	-	-	-
Public Safety	-	-	-	15,800	20,390	(4,590)
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	37,567	37,246	321	12,000	-	12,000
Total Expenditures	484,567	526,084	(41,517)	27,800	20,390	7,410
Excess (Deficiency) of Revenue Over Expenditures	251,433	197,224	(54,209)	(11,000)	(5,080)	5,920
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	(251,433)	(251,433)	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(251,433)	(251,433)	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(54,209)	(54,209)	(11,000)	(5,080)	5,920
Fund Balance, July 1, 2015	50,936	50,936	-	11,009	11,009	-
Restatement						
Fund Balance, July 1, 2015	50,936	50,936	-	11,009	11,009	-
Fund Balance, June 30, 2016	\$ 50,936	\$ (3,273)	\$ (54,209)	\$ 9	\$ 5,929	\$ 5,920

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Building Division			Program Income		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	1,534,859	1,680,672	145,813	-	-	-
Intergovernmental-33	-	627	627	-	-	-
Charges for Services-34	1,346	270	(1,076)	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	225	225
Interest-37	-	-	-	-	-	-
Total Revenues	1,536,205	1,681,569	145,364	-	225	225
EXPENDITURES						
General Government	15,400	21,212	(5,812)	-	-	-
Public Safety	1,280,004	1,372,347	(92,343)	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	250	-	250
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	1,295,404	1,393,559	(98,155)	250	-	250
Excess (Deficiency) of Revenue Over Expenditures	240,801	288,010	47,209	(250)	225	475
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	240,801	288,010	47,209	(250)	225	475
Fund Balance, July 1, 2015	1,163,077	1,163,077	-	3,657	3,657	-
Restatement						
Fund Balance, July 1, 2015	1,163,077	1,163,077	-	3,657	3,657	-
Fund Balance, June 30, 2016	\$ 1,403,878	\$ 1,451,087	\$ 47,209	\$ 3,407	\$ 3,882	\$ 475

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Dangerous Building Demolition & Repair		
	Budget	Actual	Variance with Final Budget
REVENUES			
Taxes-31	\$ 15,000	\$ -	\$ (15,000)
Special Assessments-31	-	-	-
Licenses-32	-	-	-
Intergovernmental-33	-	-	-
Charges for Services-34	-	-	-
Fines and Forfeitures-35	-	-	-
Miscellaneous-36	-	-	-
Interest-37	-	-	-
Total Revenues	15,000	-	(15,000)
EXPENDITURES			
General Government	-	-	-
Public Safety	15,000	-	15,000
Public Works	-	-	-
Culture and Recreation	-	-	-
Community Development	-	-	-
Conservation of Natural Resources	-	-	-
Miscellaneous	-	-	-
Debt Service	-	-	-
Capital Outlay	-	-	-
Total Expenditures	15,000	-	15,000
Excess (Deficiency) of Revenue Over Expenditures	-	-	-
Other Financing Sources (Uses)			
Transfers In-R	-	-	-
Transfers Out-38-E	-	-	-
Proceeds From Capital Lease	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-
Fund Balance, July 1, 2015	-	-	-
Restatement	-	-	-
Fund Balance, July 1, 2015	-	-	-
Fund Balance, June 30, 2016	\$ -	\$ -	\$ -

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Street Lighting			Street Maintenance		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	345,357	316,277	(29,080)	59,295	57,507	(1,788)
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	-	-	-	-	-
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	-	-
Interest-37	-	1	1	-	-	-
Total Revenues	345,357	316,278	(29,079)	59,295	57,507	(1,788)
EXPENDITURES						
General Government	-	-	-	-	1	(1)
Public Safety	-	-	-	-	-	-
Public Works	355,916	351,626	4,290	32,014	20,745	11,269
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	355,916	351,626	4,290	32,014	20,746	11,268
Excess (Deficiency) of Revenue Over Expenditures	(10,559)	(35,348)	(24,789)	27,281	36,761	9,480
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	-	-	(27,281)	(27,281)	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(27,281)	(27,281)	-
Excess (Deficiency) of Revenue Over Expenditures	(10,559)	(35,348)	(24,789)	-	9,480	9,480
Fund Balance, July 1, 2015	172,923	172,923	-	39,582	39,582	-
Restatement						
Fund Balance, July 1, 2015	172,923	172,923	-	39,582	39,582	-
Fund Balance, June 30, 2016	\$ 162,364	\$ 137,575	\$ (24,789)	\$ 39,582	\$ 49,062	\$ 9,480

Continued



CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Willowwood			Road District #1		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	1,604,151	1,593,529	(10,622)
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	-	-	-	10	10
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	-	-	-	1,604,151	1,593,539	(10,612)
EXPENDITURES						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	775,113	941,050	(165,937)
Culture and Recreation	-	-	-	2,500	2,324	176
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	467,005	456,794	10,211
Capital Outlay	-	-	-	478,000	524,369	(46,369)
Total Expenditures	-	-	-	1,722,618	1,924,537	(201,919)
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	(118,467)	(330,998)	(212,531)
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	621,382	621,382	-
Total Other Financing Sources (Uses)	-	-	-	621,382	621,382	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	502,915	290,384	(212,531)
Fund Balance, July 1, 2015	43	43	-	856,938	856,938	-
Restatement						
Fund Balance, July 1, 2015	43	43	-	856,938	856,938	-
Fund Balance, June 30, 2016	\$ 43	\$ 43	\$ -	\$ 1,359,853	\$ 1,147,322	\$ (212,531)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Park District #1			State Gas Tax		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	931,280	926,431	(4,849)	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	130	130	1,080,419	1,080,419	-
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	931,280	926,561	(4,719)	1,080,419	1,080,419	-
EXPENDITURES						
General Government	-	1	(1)	-	1	(1)
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	755,068	745,393	9,675	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	222,532	210,605	11,927	-	-	-
Capital Outlay	137,720	93,020	44,700	373,100	322,111	50,989
Total Expenditures	1,115,320	1,049,019	66,301	373,100	322,112	50,988
Excess (Deficiency) of Revenue Over Expenditures	(184,040)	(122,458)	61,582	707,319	758,307	50,988
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	-	-	(564,000)	(564,000)	-
Proceeds From Capital Lease	289,734	289,734	-	-	-	-
Total Other Financing Sources (Uses)	289,734	289,734	-	(564,000)	(564,000)	-
Excess (Deficiency) of Revenue Over Expenditures	105,694	167,276	61,582	143,319	194,307	50,988
Fund Balance, July 1, 2015	645,288	645,288	-	(74,106)	(74,106)	-
Restatement						
Fund Balance, July 1, 2015	645,288	645,288	-	(74,106)	(74,106)	-
Fund Balance, June 30, 2016	\$ 750,982	\$ 812,564	\$ 61,582	\$ 69,213	\$ 120,201	\$ 50,988

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Crime Victim Surcharge			Law Enforcement Grant		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	-	-	66,590	70,846	4,256
Charges for Services-34	73,026	73,026	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	73,026	73,026	-	66,590	70,846	4,256
EXPENDITURES						
General Government	-	-	-	-	1	(1)
Public Safety	-	-	-	83,440	17,015	66,425
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	56,861	53,830	3,031
Total Expenditures	-	-	-	140,301	70,846	69,455
Excess (Deficiency) of Revenue Over Expenditures	73,026	73,026	-	(73,711)	-	73,711
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	(81,043)	(81,043)	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(81,043)	(81,043)	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	73,026	(8,017)	(81,043)	(73,711)	-	73,711
Fund Balance, July 1, 2015	8,017	8,017	-	(165)	(165)	-
Restatement						
Fund Balance, July 1, 2015	8,017	8,017	-	(165)	(165)	-
Fund Balance, June 30, 2016	\$ 81,043	\$ -	\$ (81,043)	\$ (73,876)	\$ (165)	\$ 73,711

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	HIDTA Grant			Community Development Program Income		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	-	-	14,383	23,466	9,083
Charges for Services-34	192,300	34,133	(158,167)	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	1	1	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	192,300	34,134	(158,166)	14,383	23,466	9,083
EXPENDITURES						
General Government	-	-	-	-	1	(1)
Public Safety	142,300	74,632	67,668	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	14,383	-	14,383
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	50,000	8,918	41,082	-	-	-
Total Expenditures	192,300	83,550	108,750	14,383	1	14,382
Excess (Deficiency) of Revenue Over Expenditures	-	(49,416)	(49,416)	-	23,465	23,465
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	-	-	-	(19,239)	(19,239)
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	(19,239)	(19,239)
Excess (Deficiency) of Revenue Over Expenditures	-	(49,416)	(49,416)	-	4,226	4,226
Fund Balance, July 1, 2015	336,806	336,806	-	8,788	8,788	-
Restatement						
Fund Balance, July 1, 2015	336,806	336,806	-	8,788	8,788	-
Fund Balance, June 30, 2016	\$ 336,806	\$ 287,390	\$ (49,416)	\$ 8,788	\$ 13,014	\$ 4,226

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Community Development			Home Grant		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	405,605	610,387	204,782	393,587	283,228	(110,359)
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	-	-
Interest-37	-	-	-	-	-	-
Total Revenues	405,605	610,387	204,782	393,587	283,228	(110,359)
EXPENDITURES						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	564,255	629,626	(65,371)	393,587	283,228	110,359
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	564,255	629,626	(65,371)	393,587	283,228	110,359
Excess (Deficiency) of Revenue Over Expenditures	(158,650)	(19,239)	139,411	-	-	-
Other Financing Sources (Uses)						
Transfers In-R	158,650	19,239	(139,411)	-	-	-
Transfers Out-38-E	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	158,650	19,239	(139,411)	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Fund Balance, July 1, 2015	(8,897)	(8,897)	-	8,203	8,203	-
Restatement						
Fund Balance, July 1, 2015	(8,897)	(8,897)	-	8,203	8,203	-
Fund Balance, June 30, 2016	\$ (8,897)	\$ (8,897)	\$ -	\$ 8,203	\$ 8,203	\$ -

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	ADDI			City Home Program Income		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	12,846	-	(12,846)	31,500	-	(31,500)
Charges for Services-34	-	-	-	-	25,243	25,243
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	-	800	800
Interest-37	-	-	-	-	-	-
Total Revenues	12,846	-	(12,846)	31,500	26,043	(5,457)
EXPENDITURES						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	12,846	23,207	(10,361)	31,500	-	31,500
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	12,846	23,207	(10,361)	31,500	-	31,500
Excess (Deficiency) of Revenue Over Expenditures	-	(23,207)	(23,207)	-	26,043	26,043
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	-	-	-
Transfers Out-38-E	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(23,207)	(23,207)	-	26,043	26,043
Fund Balance, July 1, 2015	23,207	23,207	-	133	133	-
Restatement						
Fund Balance, July 1, 2015	23,207	23,207	-	133	133	-
Fund Balance, June 30, 2016	\$ 23,207	\$ -	\$ (23,207)	\$ 133	\$ 26,176	\$ 26,043

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Neighborhood Stabilization			Transportation		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	-	-	-	1,262,244	987,797	(274,447)
Charges for Services-34	-	-	-	-	-	-
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	-	-	-	49,559	14,289	(35,270)
Interest-37	-	-	-	-	-	-
Total Revenues	-	-	-	1,311,803	1,002,086	(309,717)
EXPENDITURES						
General Government	-	-	-	1,143,003	950,527	192,476
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	82,087	74,466	7,621
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	2,817	(2,817)
Total Expenditures	-	-	-	1,225,090	1,027,810	197,280
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	86,713	(25,724)	(112,437)
Other Financing Sources (Uses)						
Transfers In-R	-	-	-	91,986	91,986	-
Transfers Out-38-E	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	91,986	91,986	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	178,699	66,262	(112,437)
Fund Balance, July 1, 2015	(599)	(599)	-	3,507	3,507	-
Restatement						
Fund Balance, July 1, 2015	(599)	(599)	-	3,507	3,507	-
Fund Balance, June 30, 2016	\$ (599)	\$ (599)	\$ -	\$ 182,206	\$ 69,769	\$ (112,437)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Federal Transportation			Grants & Donations		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes-31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments-31	-	-	-	-	-	-
Licenses-32	-	-	-	-	-	-
Intergovernmental-33	375,500	284,051	(91,449)	2,631,227	999,269	(1,631,958)
Charges for Services-34	-	-	-	5,000	272,973	267,973
Fines and Forfeitures-35	-	-	-	-	-	-
Miscellaneous-36	437,081	-	(437,081)	50,338	100	(50,238)
Interest-37	-	-	-	-	-	-
Total Revenues	812,581	284,051	(528,530)	2,686,565	1,272,342	(1,414,223)
EXPENDITURES						
General Government	-	82	(82)	-	-	-
Public Safety	-	-	-	473,081	355,594	117,487
Public Works	-	649	(649)	-	-	-
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	1,262,637	365,179	897,458
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	762,189	229,420	532,769	735,160	379,311	355,849
Total Expenditures	762,189	230,151	532,038	2,470,878	1,100,084	1,370,794
Excess (Deficiency) of Revenue Over Expenditures	50,392	53,900	3,508	215,687	172,258	(43,429)
Other Financing Sources (Uses)						
Transfers In-R	30,000	31,260	1,260	-	(9,594)	(9,594)
Transfers Out-38-E	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	30,000	31,260	1,260	-	(9,594)	(9,594)
Excess (Deficiency) of Revenue Over Expenditures	80,392	85,160	4,768	215,687	162,664	(53,023)
Fund Balance, July 1, 2015	(91,997)	(91,997)	-	295,353	295,353	-
Restatement						
Fund Balance, July 1, 2015	(91,997)	(91,997)	-	295,353	295,353	-
Fund Balance, June 30, 2016	\$ (11,605)	\$ (6,837)	\$ 4,768	\$ 511,040	\$ 458,017	\$ (53,023)



NONMAJOR GOVERNMENTAL  
FUNDS

BUDGET TO ACTUAL

DEBT SERVICE

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID Revolving			1997 Open Space		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ 15,531	\$ 15,531	\$ -		\$ -
Special Assessments	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	15,531	15,531	-	-	-
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	15,531	15,531	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	273,154	273,154	-	-	-
Transfers Out	(100,000)	(324,750)	(224,750)	-	(794)	(794)
Total Other Financing Sources (Uses)	(100,000)	(51,596)	48,404	-	(794)	(794)
Excess (Deficiency) of Revenue Over Expenditures	(100,000)	(36,065)	63,935	-	(794)	(794)
Fund Balance, July 1, 2015	586,596	586,596		794	794	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	586,596	586,596	-	794	794	-
Fund Balance, June 30, 2016	\$ 486,596	\$ 550,531	\$ 63,935	\$ 794	\$ -	\$ (794)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	2004 Aquatics/ 2012A Aquatics Refunding			2013A GO Refunding		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ 595,148	\$ 589,203	\$ (5,945)	\$ 688,926	\$ 683,233	\$ (5,693)
Special Assessments	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	595,148	589,203	(5,945)	688,926	683,233	(5,693)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	595,323	595,323	-	688,926	688,926	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	595,323	595,323	-	688,926	688,926	-
Excess (Deficiency) of Revenue Over Expenditures	(175)	(6,120)	(5,945)	-	(5,693)	(5,693)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(175)	(6,120)	(5,945)	-	(5,693)	(5,693)
Fund Balance, July 1, 2015	(610)	(610)	-	(181,295)	(181,295)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(610)	(610)	-	(181,295)	(181,295)	-
Fund Balance, June 30, 2016	\$ (785)	\$ (6,730)	\$ (5,945)	\$ (181,295)	\$ (186,988)	\$ (5,693)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	2004 Refunding Bonds			New Fire Station GO		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ 186	\$ 186	\$ 280,151	\$ 277,044	\$ (3,107)
Special Assessments	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	186	186	280,151	277,044	(3,107)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	3,100	3,100	-	3,889,059	282,675	3,606,384
Miscellaneous	-	-	-	-	-	-
Total Expenditures	3,100	3,100	-	3,889,059	282,675	3,606,384
Excess (Deficiency) of Revenue Over Expenditures	(3,100)	(2,914)	186	(3,608,908)	(5,631)	3,603,277
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(3,100)	(2,914)	186	(3,608,908)	(5,631)	3,603,277
Fund Balance, July 1, 2015	1,416	1,416	-	(148,971)	(148,971)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	1,416	1,416	-	(148,971)	(148,971)	-
Fund Balance, June 30, 2016	\$ (1,684)	\$ (1,498)	\$ 186	\$ (3,757,879)	\$ (154,602)	\$ 3,603,277

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	2007 Refunding Bonds			Judgment Levy		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 180	\$ 180
Special Assessments	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	1	1
Total Revenues	-	-	-	-	181	181
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	181	181
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(4,820)	(4,820)
Total Other Financing Sources (Uses)	-	-	-	-	(4,820)	(4,820)
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	(4,639)	(4,639)
Fund Balance, July 1, 2015	25,676	25,676	-	4,645	4,645	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	25,676	25,676	-	4,645	4,645	-
Fund Balance, June 30, 2016	\$ 25,676	\$ 25,676	\$ -	\$ 4,645	\$ 6	\$ (4,639)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY01 Sidewalk & Curb			FY02 Sidewalk & Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	-	-	-	-	350	(350)
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	-	-	-	350	(350)
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	(350)	(350)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(71)	(71)	-	(2)	(2)
Total Other Financing Sources (Uses)	-	(71)	(71)	-	(2)	(2)
Excess (Deficiency) of Revenue Over Expenditures	-	(71)	(71)	-	(352)	(352)
Fund Balance, July 1, 2015	-	71	-	352	352	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	-	71	-	352	352	-
Fund Balance, June 30, 2016	\$ -	\$ -	\$ (71)	\$ 352	\$ -	\$ (352)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY03 Sidewalk & Curb			FY04 Sidewalk & Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	10,825	13,017	2,192
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	10,825	13,017	2,192
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	3,450	3,450	-	11,000	11,000	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	3,450	3,450	-	11,000	11,000	-
Excess (Deficiency) of Revenue Over Expenditures	(3,450)	(3,450)	-	(175)	2,017	2,192
Other Financing Sources (Uses)						
Transfers In	-	1,471	1,471	-	-	-
Transfers Out	-	-	-	-	(43,364)	(43,364)
Total Other Financing Sources (Uses)	-	1,471	1,471	-	(43,364)	(43,364)
Excess (Deficiency) of Revenue Over Expenditures	(3,450)	(1,979)	1,471	(175)	(41,347)	(41,172)
Fund Balance, July 1, 2015	1,979	1,979	-	41,172	41,172	38,972
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	1,979	1,979	-	41,172	41,172	-
Fund Balance, June 30, 2016	\$ (1,471)	\$ -	\$ 1,471	\$ 40,997	\$ (175)	\$ (41,172)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 433			FY05 Sidewalk & Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	38,588	28,880	(9,708)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	384	384
Total Revenues	-	-	-	38,588	29,264	(9,324)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	-	-	-	38,763	38,763	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	-	-	38,763	38,763	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	(175)	(9,499)	(9,324)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	(175)	(9,499)	(9,324)
Fund Balance, July 1, 2015	255	255	-	66,082	66,082	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	255	255	-	66,082	66,082	-
Fund Balance, June 30, 2016	\$ 255	\$ 255	\$ -	\$ 65,907	\$ 56,583	\$ (9,324)

Continued



CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY06 Sidewalk & Curb			FY07 Sidewalk & Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	28,537	27,258	(1,279)	58,810	51,747	(7,063)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	695	695	-	244	244
Total Revenues	28,537	27,953	(584)	58,810	51,991	(6,819)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	31,813	31,813	-	62,085	62,085	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	31,813	31,813	-	62,085	62,085	-
Excess (Deficiency) of Revenue Over Expenditures	(3,276)	(3,860)	(584)	(3,275)	(10,094)	(6,819)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(3,276)	(3,860)	(584)	(3,275)	(10,094)	(6,819)
Fund Balance, July 1, 2015	115,332	115,332	-	59,957	59,957	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	115,332	115,332	-	59,957	59,957	-
Fund Balance, June 30, 2016	\$ 112,056	\$ 111,472	\$ (584)	\$ 56,682	\$ 49,863	\$ (6,819)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY08 Sidewalk & Curb			FY09 Sidewalk & Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	60,213	45,972	(14,241)	65,342	60,152	(5,190)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	1	1	-	-	-
Total Revenues	60,213	45,973	(14,240)	65,342	60,152	(5,190)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	60,213	60,388	(175)	65,468	65,468	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	60,213	60,388	(175)	65,468	65,468	-
Excess (Deficiency) of Revenue Over Expenditures	-	(14,415)	(14,415)	(126)	(5,316)	(5,190)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(14,415)	(14,415)	(126)	(5,316)	(5,190)
Fund Balance, July 1, 2015	35,434	35,434	-	81,818	81,818	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	35,434	35,434	-	81,818	81,818	-
Fund Balance, June 30, 2016	\$ 35,434	\$ 21,019	\$ (14,415)	\$ 81,692	\$ 76,502	\$ (5,190)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY10 Sidewalk & Curb			FY12 Sidewalk and Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	100,413	88,184	(12,229)	71,785	68,057	(3,728)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	100,413	88,184	(12,229)	71,785	68,057	(3,728)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	100,588	100,588	-	71,960	71,960	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	100,588	100,588	-	71,960	71,960	-
Excess (Deficiency) of Revenue Over Expenditures	(175)	(12,404)	(12,229)	(175)	(3,903)	(3,728)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(175)	(12,404)	(12,229)	(175)	(3,903)	(3,728)
Fund Balance, July 1, 2015	106,116	106,116	-	10,624	10,624	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	106,116	106,116	-	10,624	10,624	-
Fund Balance, June 30, 2016	\$ 105,941	\$ 93,712	\$ (12,229)	\$ 10,449	\$ 6,721	\$ (3,728)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY13 Sidewalk and Curb			FY15 Sidewalk and Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	40,021	40,939	918	-	73,439	73,439
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	2	2	-	-	-
Total Revenues	40,021	40,941	920	-	73,439	73,439
EXPENDITURES						
General Government	-	-	-	25,813	25,812	(1)
Debt Service	40,065	40,065	-	54,737	54,737	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	40,065	40,065	-	80,550	80,549	(1)
Excess (Deficiency) of Revenue Over Expenditures	(44)	876	920	(80,550)	(7,110)	73,440
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	8,075	8,075
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	8,075	8,075
Excess (Deficiency) of Revenue Over Expenditures	(44)	876	920	(80,550)	965	81,515
Fund Balance, July 1, 2015	4,063	4,063	-	-	-	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	4,063	4,063	-	-	-	-
Fund Balance, June 30, 2016	\$ 4,019	\$ 4,939	\$ 920	\$ (80,550)	\$ 965	\$ 81,515

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CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 503			SID 508		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(1)	(1)	-	(1)	(1)
Total Other Financing Sources (Uses)	-	(1)	(1)	-	(1)	(1)
Excess (Deficiency) of Revenue Over Expenditures	-	(1)	(1)	-	(1)	(1)
Fund Balance, July 1, 2015	-	1	-	-	1	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	-	1	-	-	1	-
Fund Balance, June 30, 2016	\$ -	\$ -	\$ (1)	\$ -	\$ -	\$ (1)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 510			SID 511		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	993	993	-	-	-
Total Revenues	-	993	993	-	-	-
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	993	993	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(14,345)	(14,345)	-	(51)	(51)
Total Other Financing Sources (Uses)	-	(14,345)	(14,345)	-	(51)	(51)
Excess (Deficiency) of Revenue Over Expenditures	-	(13,352)	(13,352)	-	(51)	(51)
Fund Balance, July 1, 2015	131,290	131,290	-	51	51	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	131,290	131,290	-	51	51	-
Fund Balance, June 30, 2016	\$ 131,290	\$ 117,938	\$ (13,352)	\$ 51	\$ -	\$ (51)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 512			SID 514		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	33,355	82,394	49,039	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	86	86	-	-	-
Total Revenues	33,355	82,480	49,125	-	-	-
EXPENDITURES						
General Government	-	1	(1)	-	-	-
Debt Service	33,531	33,530	(1)	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	33,531	33,531	(2)	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(176)	48,949	49,127	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(1)	(1)
Total Other Financing Sources (Uses)	-	-	-	-	(1)	(1)
Excess (Deficiency) of Revenue Over Expenditures	(176)	48,949	49,127	-	(1)	(1)
Fund Balance, July 1, 2015	39,272	39,272	-	-	1	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	39,272	39,272	-	-	1	-
Fund Balance, June 30, 2016	\$ 39,096	\$ 88,221	\$ 49,127	\$ -	\$ -	\$ (1)

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CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 520			SID 521		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	159,920	145,799	(14,121)	150	-	(150)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings		2,054	2,054	-	-	-
Total Revenues	159,920	147,853	(12,067)	150	-	(150)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	159,920	159,920	-	150	150	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	159,920	159,920	-	150	150	-
Excess (Deficiency) of Revenue Over Expenditures	-	(12,067)	(12,067)	-	(150)	(150)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(12,067)	(12,067)	-	(150)	(150)
Fund Balance, July 1, 2015	189,348	189,348	-	1,307	1,307	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	189,348	189,348	-	1,307	1,307	-
Fund Balance, June 30, 2016	\$ 189,348	\$ 177,281	\$ (12,067)	\$ 1,307	\$ 1,157	\$ (150)

Continued



CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 522			SID 524		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	217	-	(217)	304,660	268,420	(36,240)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	3,917	3,917
Total Revenues	217	-	(217)	304,660	272,337	(32,323)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	217	217	-	304,660	304,660	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	217	217	-	304,660	304,660	-
Excess (Deficiency) of Revenue Over Expenditures	-	(217)	(217)	-	(32,323)	(32,323)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(217)	(217)	-	(32,323)	(32,323)
Fund Balance, July 1, 2015	(197)	(197)	-	694,222	694,222	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(197)	(197)	-	694,222	694,222	-
Fund Balance, June 30, 2016	\$ (197)	\$ (414)	\$ (217)	\$ 694,222	\$ 661,899	\$ (32,323)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 525			SID 526		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	31,500	32,144	644	193,320	127,730	(65,590)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	1,300	1,300	-	1,835	1,835
Total Revenues	31,500	33,444	1,944	193,320	129,565	(63,755)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	31,500	31,500	-	193,320	193,320	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	31,500	31,500	-	193,320	193,320	-
Excess (Deficiency) of Revenue Over Expenditures	-	1,944	1,944	-	(63,755)	(63,755)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	1,944	1,944	-	(63,755)	(63,755)
Fund Balance, July 1, 2015	241,403	241,403	-	242,810	242,810	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	241,403	241,403	-	242,810	242,810	-
Fund Balance, June 30, 2016	\$ 241,403	\$ 243,347	\$ 1,944	\$ 242,810	\$ 179,055	\$ (63,755)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 530			SID 531		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	681	-	(681)	-	-	-
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	681	-	(681)	-	-	-
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	681	680	1	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	681	680	1	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(680)	(680)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(59)	(59)
Total Other Financing Sources (Uses)	-	-	-	-	(59)	(59)
Excess (Deficiency) of Revenue Over Expenditures	-	(680)	(680)	-	(59)	(59)
Fund Balance, July 1, 2015	(670)	(670)	-	59	59	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(670)	(670)	-	59	59	-
Fund Balance, June 30, 2016	\$ (670)	\$ (1,350)	\$ (680)	\$ 59	\$ -	\$ (59)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 532			SID 533		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	42,362	38,273	(4,089)	17,325	13,712	(3,613)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	1	1	-	-	-
Total Revenues	42,362	38,274	(4,088)	17,325	13,712	(3,613)
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	45,638	45,638	-	17,325	20,425	(3,100)
Miscellaneous	-	-	-	-	-	-
Total Expenditures	45,638	45,638	-	17,325	20,425	(3,100)
Excess (Deficiency) of Revenue Over Expenditures	(3,276)	(7,364)	(4,088)	-	(6,713)	(6,713)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(3,276)	(7,364)	(4,088)	-	(6,713)	(6,713)
Fund Balance, July 1, 2015	32,309	32,309	-	30,241	30,241	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	32,309	32,309	-	30,241	30,241	-
Fund Balance, June 30, 2016	\$ 29,033	\$ 24,945	\$ (4,088)	\$ 30,241	\$ 23,528	\$ (6,713)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 534			SID 535		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	17,963	15,695	(2,268)	-	4,198	4,198
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	1	1	-	1	1
Total Revenues	17,963	15,696	(2,267)	-	4,199	4,199
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	21,063	21,063	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	21,063	21,063	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(3,100)	(5,367)	(2,267)	-	4,199	4,199
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(4,361)	(4,361)
Total Other Financing Sources (Uses)	-	-	-	-	(4,361)	(4,361)
Excess (Deficiency) of Revenue Over Expenditures	(3,100)	(5,367)	(2,267)	-	(162)	(162)
Fund Balance, July 1, 2015	52,839	52,839	-	225	225	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	52,839	52,839	-	225	225	-
Fund Balance, June 30, 2016	\$ 49,739	\$ 47,472	\$ (2,267)	\$ 225	\$ 63	\$ (162)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 536			SID 539		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	31,350	27,912	(3,438)	-	1,540	1,540
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	31,350	27,912	(3,438)	-	1,540	1,540
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service	34,450	34,450	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	34,450	34,450	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(3,100)	(6,538)	(3,438)	-	1,540	1,540
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(1,623)	(1,623)
Total Other Financing Sources (Uses)	-	-	-	-	(1,623)	(1,623)
Excess (Deficiency) of Revenue Over Expenditures	(3,100)	(6,538)	(3,438)	-	(83)	(83)
Fund Balance, July 1, 2015	76,512	76,512	-	121	121	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	76,512	76,512	-	121	121	-
Fund Balance, June 30, 2016	\$ 73,412	\$ 69,974	\$ (3,438)	\$ 121	\$ 38	\$ (83)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 540			SID 541		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	119,192	197,555	78,363	59,303	60,639	1,336
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	622	622	-	290	290
Total Revenues	119,192	198,177	78,985	59,303	60,929	1,626
EXPENDITURES						
General Government	-	-	-	-	7	(7)
Debt Service	122,732	125,568	(2,836)	62,844	62,528	316
Miscellaneous	-	-	-	-	-	-
Total Expenditures	122,732	125,568	(2,836)	62,844	62,535	309
Excess (Deficiency) of Revenue Over Expenditures	(3,540)	72,609	76,149	(3,541)	(1,606)	1,935
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(3,540)	72,609	76,149	(3,541)	(1,606)	1,935
Fund Balance, July 1, 2015	251,896	251,896	-	68,368	68,368	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	251,896	251,896	-	68,368	68,368	-
Fund Balance, June 30, 2016	\$ 248,356	\$ 324,505	\$ 76,149	\$ 64,827	\$ 66,762	\$ 1,935

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 543			SID 544		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	47,819	47,819	139,383	119,823	(19,560)
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	1	1	-	821	821
Total Revenues	-	47,820	47,820	139,383	120,644	(18,739)
EXPENDITURES						
General Government	-	-	-	-	1	(1)
Debt Service	-	-	-	139,383	139,383	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	-	-	139,383	139,384	(1)
Excess (Deficiency) of Revenue Over Expenditures	-	47,820	47,820	-	(18,740)	(18,738)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(47,985)	(47,985)	-	-	-
Total Other Financing Sources (Uses)	-	(47,985)	(47,985)	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(165)	(165)	-	(18,740)	(18,738)
Fund Balance, July 1, 2015	513	513	-	241,852	241,852	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	513	513	-	241,852	241,852	-
Fund Balance, June 30, 2016	\$ 513	\$ 348	\$ (165)	\$ 241,852	\$ 223,112	\$ (18,738)

Continued



CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 545			SID 546		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	1,996	1,996	-	1,586	1,586
Licenses	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	1,996	1,996	-	1,586	1,586
EXPENDITURES						
General Government	-	1	(1)	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Expenditures	-	1	(1)	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	1,995	1,997	-	1,586	1,586
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(2,081)	(2,081)	-	(1,662)	(1,662)
Total Other Financing Sources (Uses)	-	(2,081)	(2,081)	-	(1,662)	(1,662)
Excess (Deficiency) of Revenue Over Expenditures	-	(86)	(84)	-	(76)	(76)
Fund Balance, July 1, 2015	144	144	-	131	131	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	144	144	-	131	131	-
Fund Balance, June 30, 2016	\$ 144	\$ 58	\$ (84)	\$ 131	\$ 55	\$ (76)

Continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 548		
	Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ -	\$ -	\$ -
Special Assessments	111,525	116,500	4,975
Licenses	-	-	-
Intergovernmental	-	-	-
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Miscellaneous	-	-	-
Investment Earnings	-	-	-
Total Revenues	111,525	116,500	4,975
EXPENDITURES			
General Government	-	-	-
Debt Service	111,700	114,800	(3,100)
Miscellaneous	-	-	-
Total Expenditures	111,700	114,800	(3,100)
Excess (Deficiency) of Revenue Over Expenditures	(175)	1,700	1,875
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(175)	1,700	1,875
Fund Balance, July 1, 2015	12,694	12,694	-
Restatement	-	-	-
Fund Balance as of June 30, 2015, Restated	12,694	12,694	-
Fund Balance, June 30, 2016	\$ 12,519	\$ 14,394	\$ 1,875

NONMAJOR GOVERNMENTAL  
FUNDS

BUDGET TO ACTUAL

CAPITAL PROJECT FUNDS

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	1997 Open Space			New Fire Station GO Bond		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ 7,617	\$ 7,617	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	7,617	7,617	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	375,602	-	375,602	-	-	-
Total Expenditures	375,602	-	375,602	-	-	-
Excess (Deficiency) of Revenue over Expenditures	(375,602)	7,617	383,219	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	(375,602)	7,617	383,219	-	-	-
Fund Balance, July 1, 2015	381,917	381,917	-	(1)	(1)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	381,917	381,917	-	(1)	(1)	-
Fund Balances - ending	\$ 6,315	\$ 389,534	\$ 383,219	\$ (1)	\$ (1)	\$ -

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	07 Sidewalk & Curb			10 Sidewalk & Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2015	34	34	-	889	889	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	34	34	-	889	889	-
Fund Balances - ending	\$ 34	\$ 34	\$ -	\$ 889	\$ 889	\$ -

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	11 Sidewalk & Curb			12 Sidewalk & Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2015	538	538	-	48,779	48,779	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	538	538	-	48,779	48,779	-
Fund Balances - ending	\$ 538	\$ 538	\$ -	\$ 48,779	\$ 48,779	\$ -

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY13 Sidewalk/Curb			FY14 Sidewalk/Curb		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	196,634	196,634
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	196,634	196,634
Net change in fund balance	-	-	-	-	196,634	196,634
Fund Balance, July 1, 2015	33,363	33,363	-	(196,634)	(196,634)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	33,363	33,363	-	(196,634)	(196,634)	-
Fund Balances - ending	\$ 33,363	\$ 33,363	\$ -	\$ (196,634)	\$ -	\$ 196,634

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY15 SIDEWALK/CURB			FY16 SIDEWALK/CURB		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	3,207	3,207	-	121,088	121,088
Interest	-	-	-	-	-	-
Total Revenues	-	3,207	3,207	-	121,088	121,088
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	83,817	(83,817)
Total Expenditures	-	-	-	-	83,817	(83,817)
Excess (Deficiency) of Revenue over Expenditures	-	3,207	3,207	-	37,271	37,271
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out		(234,640)	(234,640)	-	-	-
Issuance of long term debt/capital leases	598,600	598,600	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	598,600	363,960	(234,640)	-	-	-
Net change in fund balance	598,600	367,167	(231,433)	-	37,271	37,271
Fund Balance, July 1, 2015	(309,442)	(309,442)		(355,931)	(355,931)	-
Restatement	-	-	-	4,253	4,253	-
Fund Balance as of June 30, 2015, Restated	(309,442)	(309,442)	-	(351,678)	(351,678)	-
Fund Balances - ending	\$ 289,158	\$ 57,725	\$ (231,433)	\$ (351,678)	\$ (314,407)	\$ 37,271

continued



CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY17 SIDEWALK/CURB			SID 531		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	1,633	1,633	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	1,633	1,633	-	-	-
EXPENDITURES						
Public Works	-	-	1	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	43	(43)
Capital Outlay	-	71,599	(71,599)	-	-	-
Total Expenditures	-	71,599	(71,598)	-	43	(43)
Excess (Deficiency) of Revenue over Expenditures	-	(69,966)	(69,965)	-	(43)	(43)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	59	59
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	59	59
Net change in fund balance	-	(69,966)	(69,965)	-	16	16
Fund Balance, July 1, 2015	-	-	-	(1,086)	(1,086)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	-	-	-	(1,086)	(1,086)	-
Fund Balances - ending	\$ -	\$ (69,966)	\$ (69,965)	\$ (1,086)	\$ (1,070)	\$ 16

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 532			SID 533		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2015	763	763		11	11	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	763	763	-	11	11	-
Fund Balances - ending	\$ 763	\$ 763	\$ -	\$ 11	\$ 11	\$ -

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 534			SID 535		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	1	(1)
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	349	(349)
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	350	(350)
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	(350)	(350)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	4,361	4,361
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	4,361	4,361
Net change in fund balance	-	-	-	-	4,011	4,011
Fund Balance, July 1, 2015	(14)	(14)	-	(8,736)	(8,736)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(14)	(14)	-	(8,736)	(8,736)	-
Fund Balances - ending	\$ (14)	\$ (14)	\$ -	\$ (8,736)	\$ (4,725)	\$ 4,011

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 536			SID 539		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	69	(69)
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	69	(69)
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	(69)	(69)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	1,623	1,623
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	1,623	1,623
Net change in fund balance	-	-	-	-	1,554	1,554
Fund Balance, July 1, 2015	2,220	2,220	-	(1,725)	(1,725)	(4,837)
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	2,220	2,220	-	(1,725)	(1,725)	-
Fund Balances - ending	\$ 2,220	\$ 2,220	\$ -	\$ (1,725)	\$ (171)	\$ 1,554

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 540			SID 541		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	3,592	(3,592)	-	-	-
Total Expenditures	-	3,592	(3,592)	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	(3,592)	(3,592)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	(3,592)	(3,592)	-	-	-
Fund Balance, July 1, 2015	109,766	109,766	-	23,576	23,576	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	109,766	109,766	-	23,576	23,576	-
Fund Balances - ending	<u>\$ 109,766</u>	<u>\$ 106,174</u>	<u>\$ (3,592)</u>	<u>\$ 23,576</u>	<u>\$ 23,576</u>	<u>\$ -</u>

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	SID 542			SID 543		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	1	1
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	1	1
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	941	(941)
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	941	(941)
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	(940)	(940)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	24,455	24,455
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	24,455	24,455
Net change in fund balance	-	-	-	-	23,515	23,515
Fund Balance, July 1, 2015	(178)	(178)	-	(23,515)	(23,515)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(178)	(178)	-	(23,515)	(23,515)	-
Fund Balances - ending	\$ (178)	\$ (178)	\$ -	\$ (23,515)	\$ -	\$ 23,515

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Miller Creek Mitigation			Miller Creek (T) Construction		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2015	3,526	3,526	-	1,394	1,394	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	3,526	3,526	-	1,394	1,394	-
Fund Balances - ending	\$ 3,526	\$ 3,526	\$ -	\$ 1,394	\$ 1,394	\$ -

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Miller Creek (M) Construction			Miller Creek (Mc) Construction		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2015	10,025	10,025	-	18,657	18,657	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	10,025	10,025	-	18,657	18,657	-
Fund Balances - ending	\$ 10,025	\$ 10,025	\$ -	\$ 18,657	\$ 18,657	\$ -

continued



CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	5th, 6th, & Arthur Improvements			Maloney Twite		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2015	138,952	138,952	-	1,292	1,292	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	138,952	138,952	-	1,292	1,292	-
Fund Balances - ending	\$ 138,952	\$ 138,952	\$ -	\$ 1,292	\$ 1,292	\$ -

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	FY13 Hillview Way			Rattlesnake Sewer Collection		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	1,747	1,747	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	1,747	1,747	-	-	-
EXPENDITURES						
Public Works	-	201,649	(201,649)	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	554,402	(554,402)	-	-	-
Total Expenditures	-	756,051	(756,051)	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	(754,304)	(754,304)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	(754,304)	(754,304)	-	-	-
Fund Balance, July 1, 2015	(172,486)	(172,486)	-	245	245	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(172,486)	(172,486)	-	245	245	-
Fund Balances - ending	<u>\$ (172,486)</u>	<u>\$ (926,790)</u>	<u>\$ (754,304)</u>	<u>\$ 245</u>	<u>\$ 245</u>	<u>\$ -</u>

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Phillips St Traffic Calming			Pattee Creek Drive		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	332	(332)	-	320	(320)
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	332	(332)	-	320	(320)
Excess (Deficiency) of Revenue over Expenditures	-	(332)	(332)	-	(320)	(320)
Other Financing Sources (Uses)						
Transfers In		2,081	2,081		1,662	1,662
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	2,081	2,081	-	1,662	1,662
Net change in fund balance	-	1,749	1,749	-	1,342	1,342
Fund Balance, July 1, 2015	(8,303)	(8,303)	-	(7,994)	(7,994)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(8,303)	(8,303)	-	(7,994)	(7,994)	-
Fund Balances - ending	\$ (8,303)	\$ (6,554)	\$ 1,749	\$ (7,994)	\$ (6,652)	\$ 1,342

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	STORMWATER OUTFALL RETROFITS			SID 949 WAYFINDING PROJECT		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	104,535	104,535
Interest	-	-	-	-	-	-
Total Revenues	-	25,000	25,000	-	104,535	104,535
EXPENDITURES						
Public Works	-	-	-	-	4,708	(4,708)
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	4,708	(4,708)
Excess (Deficiency) of Revenue over Expenditures	-	25,000	25,000	-	99,827	99,827
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	25,000	25,000	-	99,827	99,827
Fund Balance, July 1, 2015	(3)	(3)	-	-	-	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(3)	(3)	-	-	-	-
Fund Balances - ending	\$ (3)	\$ 24,997	\$ 25,000	\$ -	\$ 99,827	\$ 99,827

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	ARRA Enhancement			HB 645		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2015	(2,498)	(2,498)	-	(23,677)	(23,677)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(2,498)	(2,498)	-	(23,677)	(23,677)	-
Fund Balances - ending	\$ (2,498)	\$ (2,498)	\$ -	\$ (23,677)	\$ (23,677)	\$ -

continued

CITY OF MISSOULA, MONTANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	WFL Miller Creek Road			WFL		
	Budget	Actual	Variance with Final Budget	Budget	Actual	Variance with Final Budget
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 26,175	\$ 26,175
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Revenues	-	-	-	-	26,175	26,175
EXPENDITURES						
Public Works	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	24,995	(24,995)
Total Expenditures	-	-	-	-	24,995	(24,995)
Excess (Deficiency) of Revenue over Expenditures	-	-	-	-	1,180	1,180
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	1,180	1,180
Fund Balance, July 1, 2015	(34)	(34)	-	(6,884)	(6,884)	-
Restatement	-	-	-	-	-	-
Fund Balance as of June 30, 2015, Restated	(34)	(34)	-	(6,884)	(6,884)	-
Fund Balances - ending	\$ (34)	\$ (34)	\$ -	\$ (6,884)	\$ (5,704)	\$ 1,180

## STATISTICAL SECTION

## STATISTICAL SECTION

This part of the city of Missoula's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements note disclosures and required supplementary information says about the government's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	238 to 243
Revenue Capacity <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	244 to 248
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	249 to 257
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand how the information in the government's financial Activities take place.</i>	258 to 267
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report related to the services the government provides and the activities it performs.</i>	268 to 281



**CITY OF MISSOULA, MONTANA**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2007	2008	2009	2010	2011*	2012	2013	2014	2015	2016
<b>Government activities</b>										
Net Investment in capital assets	\$ 103,905,986	\$ 95,716,983	\$ 100,490,698	\$ 108,461,735	\$ 117,493,776	\$ 123,514,699	\$ 132,570,240	\$ 135,567,262	\$ 143,875,936	\$ 143,783,756
Restricted for:	3,007,558	3,175,573	3,654,339	3,869,555	-	-	-	-	-	-
Cemetery Memorial	-	-	-	-	5,633	6,805	6,805	-	-	-
Title I Program & Revolving Loan Program	-	-	-	-	159,649	98,999	151,017	179,972	179,972	658,660
Cable contract restricted for CAT & PEG Access	-	-	-	-	328,906	215,381	173,307	307,741	387,742	-
Law Enforcement	-	-	-	-	803,979	912,172	870,464	796,089	1,355,025	293,319
Building construction inspections	-	-	-	-	681,948	805,771	606,499	227,852	39,581	1,451,087
Public Works safety & maintenance expenditures	-	-	-	-	578,152	544,259	389,005	76,747	8,830	186,680
Grant restrictions for program expenditures	-	-	-	-	695,377	272,874	336,035	365,869	330,556	509,292
Debt Service	-	-	-	-	18,800,480	18,238,355	16,867,243	15,042,635	13,867,659	12,298,508
Capital Projects	-	-	-	-	725,055	891,285	777,419	761,581	775,946	962,521
Unrestricted	17,010,325	18,285,910	14,462,852	14,613,562	(2,394,004)	(1,627,635)	(540,140)	(2,155,290)	(34,301,707)	(36,459,084)
Total government activities net position	<u>\$ 123,923,869</u>	<u>\$ 117,178,466</u>	<u>\$ 118,607,889</u>	<u>\$ 126,944,852</u>	<u>\$ 137,878,951</u>	<u>\$ 143,872,965</u>	<u>\$ 152,207,894</u>	<u>\$ 151,170,458</u>	<u>\$ 126,519,540</u>	<u>\$ 123,684,739</u>
<b>Business-type activities</b>										
Net Investment in capital assets	\$ 55,807,247	\$ 73,746,920	\$ 74,821,900	\$ 83,162,349	\$ 77,159,109	\$ 83,405,086	\$ 82,459,531	\$ 81,596,311	\$ 80,729,107	\$ 81,037,217
Restricted for:	1,320,306	1,303,028	1,337,645	1,662,261	-	-	-	-	-	-
Debt Service	-	-	-	-	2,231,478	2,226,925	2,226,925	2,345,008	2,345,938	2,377,857
Unrestricted	-	-	1,441,584	278,305	6,193,089	1,903,151	1,974,650	1,852,182	503,602	136,698
Total business-type activities net position	<u>\$ 57,127,553</u>	<u>\$ 75,049,948</u>	<u>\$ 77,601,129</u>	<u>\$ 85,102,915</u>	<u>\$ 85,583,676</u>	<u>\$ 87,535,162</u>	<u>\$ 86,661,106</u>	<u>\$ 85,793,501</u>	<u>\$ 83,578,647</u>	<u>\$ 83,551,772</u>
<b>Primary Government</b>										
Net Investment in capital assets	\$ 159,713,233	\$ 169,463,903	\$ 175,312,598	\$ 191,624,084	\$ 194,652,885	\$ 206,919,785	\$ 215,029,771	\$ 217,163,573	\$ 224,605,043	\$ 224,820,973
Restricted for:	4,327,864	4,478,601	4,991,984	5,531,816	-	-	-	-	-	-
Cemetery Memorial	-	-	-	-	5,633	6,805	6,805	-	-	-
Title I Program & Revolving Loan Program	-	-	-	-	159,649	98,999	151,017	179,972	179,972	658,660
Cable contract restricted for CAT & PEG Access	-	-	-	-	328,906	215,381	173,307	307,741	387,742	-
Law Enforcement	-	-	-	-	803,979	912,172	870,464	796,089	1,355,025	293,319
Building construction inspections	-	-	-	-	681,948	805,771	606,499	227,852	39,581	1,451,087
Public Works safety & maintenance expenditures	-	-	-	-	578,152	544,259	389,005	76,747	8,830	186,680
Grant restrictions for program expenditures	-	-	-	-	695,377	272,874	336,035	365,869	330,556	509,292
Debt Service	-	-	-	-	21,031,958	20,465,280	19,094,168	17,387,643	16,213,597	14,676,365
Capital Projects	-	-	-	-	725,055	891,285	777,419	761,581	775,946	962,521
Unrestricted	17,010,325	18,285,910	15,904,436	14,891,867	3,799,085	275,516	1,434,510	(303,108)	(33,798,105)	(36,322,386)
Total primary government net position	<u>\$ 181,051,422</u>	<u>\$ 192,228,414</u>	<u>\$ 196,209,018</u>	<u>\$ 212,047,767</u>	<u>\$ 223,462,627</u>	<u>\$ 231,408,127</u>	<u>\$ 238,869,000</u>	<u>\$ 236,963,959</u>	<u>\$ 210,098,187</u>	<u>\$ 207,236,511</u>

Source: City of Missoula

\* Restatement for Management Discussion and Analysis

**CITY OF MISSOULA, MONTANA**  
**CHANGE IN NET POSITION**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses</b>										
Governmental activities:										
General government	\$ 7,947,585	\$ 7,164,932	\$ 8,492,155	\$ 7,596,451	\$ 6,466,035	\$ 7,063,259	\$ 8,062,728	\$ 10,263,034	\$ 10,833,682	\$ 11,793,813
Public safety	20,685,934	22,864,926	20,993,673	23,252,086	23,220,034	24,449,247	25,963,445	28,500,847	29,695,040	29,481,389
Public works	3,102,523	11,992,483	10,148,557	7,524,949	7,355,598	8,472,243	7,466,331	10,292,376	10,518,044	14,991,013
Public health	1,275,114	1,382,490	1,422,347	1,387,041	1,398,035	1,444,647	1,480,573	1,569,465	1,732,159	1,775,343
Social and economic	165,849	115,000	118,450	118,450	134,457	116,000	116,000	210,000	221,203	174,525
Culture and recreation	4,687,707	3,580,622	3,661,078	3,466,304	3,195,731	3,626,741	3,845,406	4,332,120	4,670,590	1,045,843
Housing & development	1,416,594	2,189,207	1,336,972	4,051,227	2,235,780	10,372,128	1,240,211	294,750	1,486,729	6,037,362
Conservation of natural resources	296,617	-	-	7,759	450	100	120	-	-	-
Miscellaneous	-	-	-	1,041,180	1,189,351	1,003,472	1,049,647	1,057,905	788,789	818,567
Debt service interest expense	1,675,186	-	1,595,937	1,612,770	1,666,641	1,486,745	1,241,937	1,180,558	1,120,924	1,256,776
Total governmental activities expenses	41,253,109	49,289,660	47,775,169	50,058,217	46,862,112	58,034,582	50,466,398	57,701,175	61,067,159	67,374,631
Business-type activities										
Sewer	6,239,307	6,716,237	6,738,463	7,081,714	7,288,496	8,638,266	8,679,317	8,477,884	8,527,990	\$ 9,160,165
Aquatics	-	1,412,133	1,456,758	1,459,788	1,615,583	1,648,846	1,555,494	1,649,496	1,798,172	1,666,722
Civic Stadium	-	-	-	-	-	119,500	178,985	201,441	199,697	197,706
Total business-type activities expenses	6,239,307	8,128,370	8,195,221	8,541,502	8,904,079	10,406,612	10,413,796	10,328,821	10,525,859	11,024,593
Total primary government expenses	\$ 47,492,416	\$ 57,418,030	\$ 55,970,390	\$ 58,599,719	\$ 55,766,191	\$ 68,441,194	\$ 60,880,194	\$ 68,029,996	\$ 71,593,018	\$ 78,399,224
<b>Program Revenues</b>										
Government activities:										
Charges for services:										
General Government	\$ 4,099,121	\$ 3,960,870	\$ 4,369,769	\$ 4,137,315	\$ 3,061,618	\$ 3,081,997	\$ 3,414,561	\$ 2,954,537	\$ 1,927,492	\$ 2,054,748
Public safety	1,445,129	1,864,023	1,581,222	1,439,971	2,749,672	3,033,806	4,070,238	3,923,290	4,964,365	6,036,116
Public works	1,370,015	2,180,372	1,825,008	2,833,485	3,150,203	2,872,800	3,105,016	2,746,447	3,440,158	3,433,949
Public health	-	-	-	19,323	96,376	85,349	121,885	97,380	112,240	115,170
Social and economic service	84,758	21,140	20,338	-	-	18,732	18,767	-	-	-
Culture and recreation	1,780,345	1,519,854	537,764	515,405	499,116	531,912	619,086	610,398	778,944	791,876
Housing and community development	382,683	367,359	379,530	331,478	211,361	190,698	157,699	129,884	325,824	345,629
Conservation of natural resources	3,693	1,388	1,277	1,580	-	-	-	-	-	-
Operating grants & contributions	1,789,207	1,264,937	1,978,844	3,413,272	2,111,526	3,022,078	3,479,928	3,005,627	4,022,357	2,879,310
Capital grants & contributions	7,785,160	7,572,822	2,848,638	9,869,381	7,753,606	13,355,935	5,286,844	3,832,286	5,416,343	5,683,590
Total governmental activities program revenues	18,740,111	18,752,765	13,542,390	22,561,210	19,633,478	26,193,307	20,274,024	17,299,649	20,987,723	21,340,388
Business-type activities										
Charges for services:										
Sewer	6,510,110	6,707,510	6,735,343	6,514,558	6,659,348	7,308,745	7,561,236	7,962,674	8,073,742	8,290,157
Aquatics	-	927,665	946,248	911,803	911,537	1,028,526	990,447	928,889	1,044,895	948,514
Operating grants & contributions	-	-	1,435	1,428	176,855	1,543	46,535	8,122	39,135	35,255
Capital grants & contributions	1,208,512	1,414,448	885,658	8,451,165	1,437,382	1,562,035	115,250	28,230	85,001	542,866
Total business-type activities program revenues	7,718,622	9,049,623	8,568,684	15,878,954	9,185,122	9,900,849	8,713,468	8,927,915	9,242,773	9,816,792
Total primary governmental program revenues	\$ 26,458,733	\$ 27,802,388	\$ 22,111,074	\$ 38,440,164	\$ 28,818,600	\$ 36,094,156	\$ 28,987,492	\$ 26,227,764	\$ 30,230,496	\$ 31,157,180
Net (expense) revenue										
Governmental activities:	\$(22,512,998)	\$(30,536,895)	\$(34,232,779)	\$(27,497,007)	\$(27,228,634)	\$(31,841,275)	\$(30,192,374)	\$(40,401,326)	\$(40,079,436)	\$(46,034,243)
Business-type activities	1,479,315	921,254	373,463	7,337,452	281,043	(505,763)	(1,700,328)	(1,400,906)	(1,283,086)	(1,207,801)
Total primary government expenses	\$(21,033,683)	\$(29,615,641)	\$(33,859,316)	\$(20,159,555)	\$(26,947,591)	\$(32,347,038)	\$(31,892,702)	\$(41,802,232)	\$(41,362,522)	\$(47,242,044)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes for general purposes	\$ 21,003,491	\$ 23,662,238	\$ 23,994,499	\$ 24,299,845	\$ 25,754,782	\$ 26,187,667	\$ 26,187,456	\$ 26,425,982	\$ 26,921,632	\$ 28,615,524
Annexation & developer contributions	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	10,078,402	11,370,796	10,600,677	11,168,006	11,458,751	11,758,565	12,289,693	13,175,572	14,026,429	14,807,522
Investment earnings	695,655	652,572	210,232	75,502	31,158	19,905	47,847	19,239	15,016	28,782
Gain on sale of capital assets	(54,070)	1,980,388	15,979	-	-	-	-	-	78,284	-
Miscellaneous	959,284	1,383,397	468,609	268,617	353,086	163,566	154,452	175,866	327,699	81,636
Interfund transactions	233,065	(64,798)	122,637	22,000	257,051	(132,724)	(163,001)	(127,787)	(152,787)	(203,000)
Special Items	-	(13,409,208)	-	-	-	-	-	-	-	-
Total governmental activities	32,915,827	25,575,385	35,412,633	35,833,970	37,854,828	37,996,980	38,516,447	39,668,872	41,216,273	43,330,464
Business-type activities										
Annexation & developer contributions	-	-	-	-	-	-	-	-	-	-
Investment earnings	330,645	168,312	47,494	(4,020)	21,457	257,348	243,154	240,257	238,767	238,645
Miscellaneous	2,337	3,378	2,405	190,354	5,107	67,177	374,028	172,644	256,024	761,463
Gain or loss on sale of capital assets	9,860	5,778	-	-	-	-	43,321	11,857	8,279	-
Interfund transactions	(233,065)	64,798	(122,637)	(22,000)	(257,051)	132,724	163,001	127,787	152,787	203,000
Special Items	-	13,409,208	-	-	-	2,000,000	-	-	-	-
Total business-type activities	109,677	13,651,474	(72,738)	164,334	(230,487)	2,457,249	823,504	552,545	655,857	1,203,108
Total primary government	\$ 33,025,504	\$ 39,226,859	\$ 35,339,895	\$ 35,998,304	\$ 37,624,341	\$ 40,454,229	\$ 39,339,951	\$ 40,221,417	\$ 41,872,130	\$ 44,533,572
<b>Change in Net Position</b>										
Governmental activities:										
Net (expense) revenue	\$(22,512,998)	\$(30,536,895)	\$(34,232,779)	\$(27,497,007)	\$(27,228,634)	\$(31,841,275)	\$(30,192,374)	\$(40,401,326)	\$(40,079,436)	\$(46,034,243)
General revenues and other changes in net position	10,402,829	\$ (4,961,510)	\$ 1,179,854	\$ 8,336,963	\$ 10,626,195	\$ 6,155,705	\$ 8,324,073	\$ (732,454)	\$ 1,136,837	\$ (2,703,779)
Business-type activities	1,588,992	14,572,728	300,725	7,501,786	50,556	1,951,486	(876,824)	(848,361)	(627,229)	(4,693)
Total primary government	\$ 11,991,820	\$ 9,611,218	\$ 1,480,579	\$ 15,838,749	\$ 10,676,751	\$ 8,107,191	\$ 7,447,249	\$ (1,580,815)	\$ 509,608	\$ (2,708,472)

Source: City of Missoula

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Fund</b>										
Reserved	\$ 759,606	\$ 558,624	\$ 699,325	\$ 740,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,365,053	643,449	201,062	1,348,317	-	-	-	-	-	-
Nonspendable*	-	-	-	-	1,148,767	1,232,302	1,259,186	1,129,654	1,404,250	1,333,974
Restricted*	-	-	-	-	165,282	105,804	157,822	179,972	179,972	666,150
Assigned*	-	-	-	-	1,203,481	1,284,045	1,757,237	1,716,911	1,868,348	1,693,229
Unassigned*	-	-	-	-	1,152,657	1,940,474	2,968,121	2,543,264	2,160,723	1,799,445
Total General Fund	<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>\$ 5,569,801</u>	<u>\$ 5,613,293</u>	<u>\$ 5,492,798</u>
<b>All other governmental funds</b>										
Reserved	\$ 3,007,558	\$ 3,175,573	\$ 3,654,339	\$ 3,869,555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	1,462,685	3,208,509	3,814,089	4,124,600	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	521,612	(1,471,297)	(4,728,035)	(4,089,044)	-	-	-	-	-	-
Nonspendable*	-	-	-	-	11,505	12,042	-	-	-	-
Restricted*	-	-	-	-	7,911,860	7,409,318	6,789,639	6,302,882	6,342,952	6,665,290
Committed*	-	-	-	-	1,374,228	2,048,128	2,892,425	4,543,997	5,289,662	6,279,094
Assigned*	-	-	-	-	-	-	-	-	21,240	87,754
Unassigned*, reported in:										
Special revenue funds	-	-	-	-	(332,574)	(149,817)	(105,325)	(986,470)	(400,440)	(233,312)
Debt service funds	-	-	-	-	(36,421)	(174,575)	(23,761)	(189,696)	(331,743)	(351,757)
Capital projects funds	-	-	-	-	(3,962,631)	(4,602,847)	(5,681,029)	(8,125,283)	(9,907,630)	(9,958,916)
Water funds	-	-	-	-	-	-	-	-	(3,532,964)	(6,248,789)
Neighborhood stabilization funds	-	-	-	-	-	(4,139)	-	-	-	-
Total other governmental funds	<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>\$ 1,545,430</u>	<u>\$ (2,518,923)</u>	<u>\$ (3,760,636)</u>

Source: City of Missoula

\* Restated to conform to GASB Statement No. 54

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Taxes and assessments	\$ 24,128,385	\$ 25,071,209	\$ 26,649,687	\$ 27,445,555	\$ 28,256,587	\$ 29,396,016	\$ 31,729,767	\$ 31,161,007	\$ 32,506,332	\$ 34,184,222
Licenses and permits	2,927,474	4,054,474	2,753,704	3,050,653	3,092,436	2,866,229	3,227,926	3,119,709	3,663,422	3,848,093
Intergovernmental	13,035,698	12,747,140	13,147,938	20,456,138	17,531,499	25,130,561	17,665,516	17,000,835	19,095,397	19,423,835
Charges for services	4,540,977	3,911,813	4,439,499	4,475,126	5,160,326	5,106,399	6,057,449	5,596,577	6,368,100	7,047,188
Fines and forfeitures	1,421,588	1,215,955	1,130,177	1,203,587	1,008,945	1,344,578	1,565,130	1,347,949	1,326,509	1,546,732
Miscellaneous	975,534	1,699,515	1,168,486	1,464,092	1,205,961	613,255	625,976	544,245	836,745	733,501
Interest earnings	538,418	584,698	156,522	63,362	32,409	41,691	47,960	21,214	13,687	13,251
Total revenues	<u>47,568,074</u>	<u>49,284,804</u>	<u>49,446,013</u>	<u>58,158,513</u>	<u>56,288,163</u>	<u>64,498,728</u>	<u>60,919,724</u>	<u>58,791,536</u>	<u>63,810,192</u>	<u>66,796,822</u>
<b>Expenditures</b>										
General government	5,745,356	6,515,738	7,752,035	7,252,975	6,493,866	6,949,250	8,034,601	9,838,640	10,204,889	10,871,089
Public safety	19,880,732	21,637,023	21,669,039	22,227,258	22,431,087	23,834,156	25,803,943	28,002,557	28,012,238	29,027,968
Public works	6,161,928	6,670,377	6,624,812	6,577,834	7,962,836	7,437,537	7,393,392	7,193,974	9,962,351	10,519,825
Public health	1,249,223	1,364,663	1,404,043	1,368,398	1,372,380	1,431,431	1,482,096	1,550,087	1,644,431	1,706,945
Social and economic	132,897	115,000	118,450	118,450	116,000	116,000	116,000	210,000	210,000	175,000
Culture and recreation	3,676,479	3,118,438	3,278,075	3,293,005	3,289,120	3,528,049	3,838,271	4,091,295	4,434,040	4,769,242
Community development	2,202,392	2,041,498	1,193,372	4,017,676	2,264,947	10,348,859	1,238,419	227,258	1,411,431	1,336,254
Conservation of natural resources	-	-	-	7,757	450	100	120	120	-	-
Miscellaneous	947,093	-	-	1,041,180	1,189,351	1,003,472	1,049,647	1,057,905	788,789	818,567
Debt service - principal	6,127,301	2,973,898	3,026,661	3,121,407	3,484,312	3,689,100	3,057,702	3,695,116	4,696,540	7,128,255
Debt service - interest	1,671,508	1,665,936	1,595,937	1,584,136	1,595,391	1,556,195	2,531,043	841,703	836,167	1,197,723
Capital outlay	9,116,240	7,575,647	5,401,985	8,518,735	7,777,324	6,202,777	6,863,986	5,749,618	8,477,784	6,366,171
Total expenditures	<u>56,911,149</u>	<u>53,678,218</u>	<u>52,064,409</u>	<u>59,128,811</u>	<u>57,977,065</u>	<u>66,096,927</u>	<u>61,409,220</u>	<u>62,458,274</u>	<u>70,678,660</u>	<u>73,917,039</u>
Excess of revenues over (under) expenditures	<u>(9,343,075)</u>	<u>(4,393,414)</u>	<u>(2,618,396)</u>	<u>(970,298)</u>	<u>(1,688,902)</u>	<u>(1,598,199)</u>	<u>(489,496)</u>	<u>(3,666,738)</u>	<u>(6,868,468)</u>	<u>(7,120,217)</u>
<b>Other financing sources (uses)</b>										
Transfers in	7,003,875	4,551,456	5,343,911	5,531,051	4,989,066	7,143,975	7,539,764	7,246,955	7,227,765	7,334,163
Transfers out	(6,821,059)	(4,665,834)	(5,282,309)	(5,557,582)	(4,797,139)	(7,478,899)	(8,145,604)	(8,060,866)	(8,065,955)	(8,056,043)
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	11,574,351	2,378,354	-	3,276,941	4,168,336	2,559,396	1,895,150	1,514,851	3,159,644	6,472,883
Proceeds from sale of capital assets	-	840,620	82,716	56,794	-	-	22,171	465	-	-
Total other financing sources (uses)	<u>14,074,398</u>	<u>3,104,596</u>	<u>144,318</u>	<u>3,323,613</u>	<u>4,360,263</u>	<u>2,224,471</u>	<u>1,401,890</u>	<u>779,897</u>	<u>2,321,454</u>	<u>5,751,003</u>
Net change in fund balances	<u>\$ 4,731,323</u>	<u>\$ (1,288,818)</u>	<u>\$ (2,474,078)</u>	<u>\$ 2,353,315</u>	<u>\$ 2,671,361</u>	<u>\$ 626,272</u>	<u>\$ 912,394</u>	<u>\$ (2,886,840)</u>	<u>\$ (4,547,014)</u>	<u>\$ (1,369,214)</u>
Debt service as a percentage of non-capital expenditures	<u>20.82%</u>	<u>10.88%</u>	<u>10.55%</u>	<u>10.76%</u>	<u>12.61%</u>	<u>9.96%</u>	<u>12.37%</u>	<u>9.00%</u>	<u>10.72%</u>	<u>14.87%</u>

Source: City of Missoula

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

	Fiscal Year									
<b>Taxing Authority</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
City of Missoula	204.73	212.23	222.45	222.45	225.56	233.24	240.90	243.52	245.62	252.81
<b>County of Missoula</b>										
County Wide	133.64	136.19	140.35	138.94	139.80	142.47	145.04	150.32	160.09	167.96
County Wide Schools	104.26	104.04	105.61	104.62	103.45	100.94	100.17	104.60	105.64	104.35
Total	237.90	240.23	245.96	243.56	243.25	243.41	245.21	254.92	265.73	272.31
<b>District Schools</b>										
School District One	150.26	145.45	140.24	142.75	141.50	145.18	141.88	148.94	150.34	149.71
High Schools	82.21	77.05	79.13	76.46	74.63	76.44	71.92	72.19	72.77	75.11
Total	232.47	222.50	219.37	219.21	216.13	221.62	213.80	221.13	223.11	224.82
<b>State Levies</b>										
University	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Education Foundation	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Total	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00
Urban Transportation District	13.91	14.62	14.86	16.30	16.45	17.69	19.51	21.05	34.26	40.47
Total Levy on City Residents	<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>	<u>836.41</u>
Overall Property Tax Increase(Decrease)	<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>2.66%</b>
<b>Other Levies of Interest</b>										
County Only	34.50	35.68	35.80	35.80	36.18	36.18	36.38	36.37	36.37	37.70
Missoula Rural Fire	80.89	91.13	94.13	94.13	97.97	97.97	100.33	102.39	112.59	112.61

Source: County of Missoula Accounting Office

Note: MRA doesn't get University mills.

**CITY OF MISSOULA, MONTANA**  
**ESTIMATED MARKET VALUE, TAXABLE VALUE AND MILL LEVY**  
**Last Ten Fiscal Years**

Fiscal Year	Estimated Market Value	Taxable Value City Without Tax Increment	Ratio of Total Assessed Value to Total Estimated Market Value	Taxable Value Tax Increment Districts	Mill Levy
2007	2,901,638,641	93,533,579	3.22%	1,446,959	204.73
2008	3,195,587,513	99,332,558	3.11%	1,806,159	212.23
2009	3,369,424,088	103,000,436	3.06%	1,909,938	222.45
2010	3,757,969,949	104,408,018	2.78%	4,507,159	222.45
2011	3,965,146,053	106,229,033	2.68%	5,245,004	225.56
2012	4,140,685,284	107,878,992	2.61%	5,114,782	233.24
2013	4,110,699,383	108,167,019	2.63%	4,530,936	240.90
2014	4,305,020,382	109,336,360	2.54%	4,732,437	243.52
2015	4,406,017,003	108,677,495	2.47%	3,946,539	245.62
2016	7,303,174,348	111,843,874	1.53%	4,012,384	252.81

Source: Missoula County Assessors Office

**CITY OF MISSOULA, MONTANA**  
**ASSESSED VALUE AND ESTIMATED TAXABLE VALUE OF PROPERTY**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Equipment &amp; Fixtures</b>	<b>Electric, Airline &amp; Telecommunications</b>	<b>Railroad</b>	<b>Electric, Phone Co-ops &amp; Pollution Control</b>	<b>Other</b>	<b>Tax Increment District</b>	<b>Total Taxable Assessed Value</b>
2007	\$ 84,231	\$ 4,697	\$ 5,291	\$ 346	\$ 379	\$ 61	\$ (1,471)	\$ 93,534
2008	91,045	4,474	4,925	313	382	-	(1,806)	99,333
2009 ^	-	-	-	-	-	-	-	-
2010	96,352	5,133	3,585	348	380	3,117	(4,507)	104,408
2011	96,914	4,785	5,304	397	393	3,681	(5,245)	106,229
2012	98,235	4,851	5,376	402	398	3,732	(5,115)	107,879
2013	98,669	3,852	5,175	440	407	4,155	(4,531)	108,167
2014	99,741	4,086	4,928	587	346	4,381	(4,732)	109,336
2015	101,034	2,242	3,848	501	396	4,604	(3,947)	108,677
2016	103,502	2,058	3,048	604	361	6,283	(4,012)	111,844

\*Property in the City does have a Market Value and is assessed at the 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	
2007	\$ 2,901,638,641	303	\$ 31,466,438	153	\$ 7,595,391	1,613	\$ 89,139,379	-10.73%
2008	3,195,587,513	229	21,554,764	154	9,711,099	1,530	133,165,009	49.39%
2009	3,369,424,088	142	11,627,586	73	3,019,865	1,291	63,987,567	-51.95%
2010	3,757,969,949	139	12,643,362	63	2,552,415	1,306	54,867,213	-14.25%
2011	3,965,146,053	95	8,892,276	262	17,010,385	1,283	87,790,572	60.01%
2012	4,140,685,284	96	9,675,751	329	15,186,996	1,395	58,443,007	-33.43%
2013	4,110,699,383	127	11,284,179	371	14,682,857	1,485	68,558,394	17.31%
2014	4,305,020,382	160	18,828,163	210	9,575,271	1,319	74,177,588	8.20%
2015	4,406,017,003	176	18,033,312	302	12,840,095	1,427	122,960,429	65.76%
2016	7,303,174,348	195	20,368,865	150	9,679,420	1,515	117,605,567	-4.35%

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



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

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of City Taxable Assessed Value
NORTHWESTERN ENERGY	5,379,753	1	4.81%	3,450,847	1	3.23%
MOUNTAIN WATER COMPANY	\$ 1,687,457	2	1.51%	\$ 936,523	3	0.94%
CENTURYLINK	1,247,268	3	1.12%	2,708,646	2	1.91%
CHARTER COMMUNICATIONS	1,149,537	4	1.03%			
RCHP BILLINGS MISSOULA LLC *	1,028,709	5	0.92%			
SOUTHGATE MALL	969,663	6	0.87%	866,316	4	0.86%
VERIZON WIRELESS	877,850	7	0.78%			
MONTANA RAIL LINK	765,595	8	0.68%	615,992		0.36%
GATEWAY LIMITED PARTNERSHIP	692,509	9	0.62%	735,500	6	0.77%
ST PATRICK HOSPITAL CORP	412,003	10	0.37%	741,311	5	0.75%
WW HOLDING CO INC/ALLTELL CORP				456,539	7	0.46%
MOUNTAIN STATES LEASING				433,899	8	0.44%
WESTERN HOSPITALITY GROUP				384,007	9	0.39%
WAL MART				321,916	10	0.32%
Total	<u>\$ 14,210,344</u>		<u>12.71%</u>	<u>\$ 11,651,496</u>		<u>10.43%</u>

\* Formerly Community Hospital Corp

Source: Department of Revenue - Missoula County Finance Office

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

<b>Fiscal Year Ended June 30th</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>in Subsequent Years</b>	<b>Total Collections to Date*</b>		<b>Percentage of Delinquencies</b>
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>	
2007	\$ 19,863,202	\$19,806,028	99.71%	\$ 220,890	\$20,026,918	100.82%	0.29%
2008	21,454,436	20,926,264	97.54%	56,389	20,982,653	97.80%	2.46%
2009	22,914,220	22,301,910	97.33%	317,891	22,619,800	98.72%	2.67%
2010	23,225,564	22,737,517	97.90%	636,697	23,374,213	100.64%	2.10%
2011	23,961,021	22,743,766	94.92%	862,661	23,606,427	98.52%	5.08%
2012	25,161,696	24,607,176	97.80%	211,507	24,818,683	98.64%	2.20%
2013	26,057,435	26,150,721	100.36%	850,849	27,001,570	103.62%	-0.36%
2014	26,625,590	25,882,072	97.21%	140,631	26,022,703	97.74%	2.79%
2015	26,693,366	26,658,963	99.87%	209,372	26,868,335	100.66%	0.13%
2016	28,203,105	27,863,139	98.79%	54,039	27,917,178	98.99%	1.21%

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, 2016**

Market Valuation	\$	7,303,174,348
Market Valuation (Less Tax Increment)	\$	7,299,161,964
Taxable Valuation	\$	115,856,258
Taxable Valuation (Less Tax Increment)	\$	111,843,874
Population		72,070
Direct Debt Per Capita	\$	265
Direct and Overlapping Debt Per Capita	\$	1,365
Direct Debt to Market Valuation		0.26%
Direct and Overlapping Debt to Market Valuation		1.35%
Direct Debt to Taxable Valuation		16.48%
Direct and Overlapping Debt to Taxable Valuation		84.91%
Market Valuation per Capita	\$	101,334
Taxable Valuation per Capita	\$	1,552

Source: City of Missoula

**SUMMARY OF DIRECT DEBT, INDIRECT DEBT AND DEBT RATIOS  
REQUIRED CONTINUING DISCLOSURE  
AS OF JUNE 30, 2016**

	<b>Summary of Direct Debt</b>		
	<b>Gross Debt</b>	<b>Less: Debt Service Funds</b>	<b>Net Direct Debt</b>
General Obligation Debt Supported by Taxes	\$ 19,088,500	\$ -	\$ 19,088,500
Debt Supported by General Fund	10,425,660	-	10,425,660
Revenue Debt (Sewer)	20,313,980	( a )	20,313,980
Revenue Debt (TIF and Parking)	31,124,533	( b )	31,124,533
Subtotal of Direct Debt	<u>\$ 80,952,674</u>		<u>\$ 80,952,674</u>

(a) Monies are transferred from the Sewer Enterprise Fund to make the principal and interest payments on these bonds.

(b) Monies from the Missoula Parking Commission and tax increment revenues are used to make principal and interest payments on these bonds.

	<b>Summary of Indirect Debt</b>		
	<b>G.O. Debt as of June 30, 2016</b>	<b>Debt Applicable to Tax Capacity of City</b>	
		<b>Percentage^</b>	<b>Amount</b>
Taxing Unit:			
Missoula County High School District	\$ 28,870,000	89.68%	\$ 25,890,616
Missoula County Elementary School District	\$ 51,640,000	53.11%	\$ 27,426,004
Hellgate Elementary School District	9,260,000	15.53%	1,438,078
School District No. 20 (Desmet)	110,000	2.61%	2,871
Missoula County	44,106,000	55.60%	24,522,936
Subtotal of Indirect Debt	<u>\$ 133,986,000</u>		<u>\$ 79,280,505</u>

**Total of Direct and Indirect Debt** \$ 160,233,179

	<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%	1.35%
Per Capita	\$ 265	\$ 1,365

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

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

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Local Schools

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

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Fiscal Year</b>		<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
					<b>2011</b>	<b>2012</b>				
Debt Limit	\$ 72,541	\$ 79,890	\$ 84,236	\$ 93,949	\$ 99,129	\$ 103,517	\$ 102,767	\$ 107,626	\$ 110,150	\$ 182,579
Total net debt applicable to limit	18,972	17,722	16,426	15,224	13,966	12,661	12,124	11,555	10,178	8,731
Legal debt Margin	<u>\$ 53,569</u>	<u>\$ 62,167</u>	<u>\$ 67,809</u>	<u>\$ 78,725</u>	<u>\$ 85,163</u>	<u>\$ 90,856</u>	<u>\$ 90,643</u>	<u>\$ 96,071</u>	<u>\$ 99,973</u>	<u>\$ 173,848</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>26.15%</u>	<u>22.18%</u>	<u>19.50%</u>	<u>16.20%</u>	<u>14.09%</u>	<u>12.23%</u>	<u>11.80%</u>	<u>10.74%</u>	<u>9.24%</u>	<u>4.78%</u>

**Legal Debt Margin Calculation for Fiscal Year 2016**

Assessed Value of Taxable Property as Ascertained by the last Assessment for Taxes	7,303,174.35
Debt Limit 2.5% of Assessed Value (1)	<u>2.50%</u>
General Obligation Debt Limit	182,579
Less: Outstanding General Obligation Debt, June 30, 2016	<u>8,731</u>
Total net debt applicable to limit	<u>173,848</u>
Legal Debt Margin	<u>173,848</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

**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						
2007	\$ 18,720,000	\$ 4,760,000	\$ 15,455,681	\$ 252,453	\$ -	\$ 120,923	\$ 16,797,231	-	-	\$ 56,106,288	\$ 33,588	65,826	2.54%	\$ 852	1.76%
2008	17,500,000	5,360,000	15,510,165	222,425	-	120,923	15,818,231	-	-	54,531,744	35,318	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	35,531	66,295	2.14%	762	1.34%
2010	15,065,000	4,935,000	14,350,241	159,063	1,378,125	-	13,883,485	-	-	49,770,914	33,642	66,788	2.22%	745	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	35,936	67,565	2.52%	906	1.63%
2012	12,570,000	5,285,000	15,322,685	91,014	2,174,849	-	23,600,000	385,660	2,525,270	61,954,479	38,046	68,484	2.38%	905	1.50%
2013	11,465,000	4,935,000	14,189,516	659,267	2,215,466	-	22,051,000	337,080	2,236,246	58,088,575	37,486	69,039	2.24%	841	1.41%
2014	11,020,000	4,575,000	12,738,346	534,747	3,201,445	-	20,857,000	232,296	1,962,919	55,121,753	39,211	69,821	2.01%	789	1.28%
2015	9,750,000	4,210,000	11,394,176	427,513	4,967,415	-	19,631,000	149,281	1,430,114	51,959,499	40,803	71,022	1.79%	732	1.18%
2016	8,395,000	5,100,000	10,693,500	336,190	4,989,470	-	18,799,002	122,115	1,392,863	49,828,141	42,297	72,070	1.63%	691	0.68%

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>
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%	66,788	225.56
2011	13,840	106,229	13%	67,565	204.84
2012	12,570	107,879	12%	68,484	183.55
2013	11,465	108,167	11%	69,039	166.07
2014	11,020	109,336	10%	69,821	157.83
2015	9,750	108,677	9%	71,022	137.28
2016	8,395	111,844	8%	72,070	116.48

\* Presented as net bonded debt (net bonded debt is balance of outstanding debt less restricted funds collected for debt payment).  
First year presented is FY2012. All other fiscal years is presented as total bonded debt.

Source Restricted Debt: Combining Balance Sheet - Nonmajor Debt Service Funds

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Bureau of Economic Analysis

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

Fiscal Year	Operating Revenues	Operating Expenses (1)	Revenue Available for Debt	Principal Paid	Debt Service Requirements		
					Interest Paid	Total Debt Service	Coverage (2)
2007	\$ 6,778,103	\$ 3,492,891	\$ 3,285,211	\$ 941,000	\$ 682,728	\$ 1,623,728	202%
2008	6,848,299	3,900,755	2,947,544	979,000	641,677	1,620,677	182%
2009	6,543,754	3,860,411	2,683,343	1,017,000	605,558	1,622,558	165%
2010	6,705,911	3,769,644	2,936,267	1,050,023	568,464	1,618,487	181%
2011	6,678,968	3,876,659	2,802,309	1,511,485	721,218	2,232,703	126%
2012	7,375,912	4,701,243	2,674,669	979,098	876,018	1,855,116	144%
2013	7,861,126	4,925,194	2,935,932	1,186,000	711,146	1,897,146	155%
2014	8,023,882	4,871,391	3,152,491	1,194,000	616,515	1,810,515	174%
2015	8,208,336	5,104,692	3,103,644	1,226,000	564,953	1,790,953	173%
2016^	8,655,588	5,641,302	3,014,286	1,292,000	572,563	1,864,563	162%

^ Debt Service Coverage Calculation - 2016	
	FY 2016
<b>Revenues</b>	
Operating Revenue	\$ 8,891,549
Less: Federal Credit	(235,961)
Total Operating Revenue	8,655,588
<b>Expenses</b>	
Operating Expenses	(8,343,872)
Add back Depreciation	2,702,570
Total Operating Expenses	(5,641,302)
<b>Revenues available for Debt Service:</b>	<b>\$ 3,014,286</b>
<b>Debt Service</b>	
Principal	\$ 1,292,000
Interest	808,524
Less: Federal Credit	(235,961)
Net Debt Service	<b>\$ 1,864,563</b>
Coverage	162%

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  
PLEDGED - REVENUE COVERAGE  
PARKING COMMISSION REVENUE BONDS  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Operating Revenues</b>	<b>Operating Expenses (A)</b>	<b>Net Available For Debt Service</b>	<b>Principal Paid</b>	<b>Interest Paid</b>	<b>Total Debt Service</b>	<b>Coverage (B)</b>
2007	1,391,368	903,019	488,349	100,000	63,237	163,237	299%
2008	1,429,972	1,008,437	421,535	105,000	58,345	163,345	258%
2009	1,448,179	1,013,313	434,866	110,000	53,162	163,162	267%
2010	1,415,863	1,026,254	389,609	115,000	46,778	161,778	241%
2011	1,443,085	947,789	495,296	120,000	(86,268)	33,732	1468%
2012	1,739,234	876,485	862,749	220,000	384,813	604,813	143%
2013	1,838,073	958,094	879,979	210,000	302,292	512,292	172%
2014	1,840,624	1,066,325	774,299	220,000	317,253	537,253	144%
2015	1,896,306	1,095,809	800,497	40,000	268,709	308,709	259%
2016 *	2,188,384	1,375,799	812,585	185,000	272,575	457,575	178%

<b>* Debt Service Coverage Calculation - 2016</b>	
	FY 2016
<b>Revenues</b>	
Total Operating Revenue	1,921,533
MRA Pledge	266,851
Total Revenues Pledged	2,188,384
<b>Expenses</b>	
Operating Expenses	(2,027,318)
Add back Depreciation ^	462,708
Add back administrative charges	188,811
Total Operating Expenses	(1,375,799)
<b>Revenues Available for Debt Service</b>	812,585
<b>Debt Service</b>	
Principal	185,000
Interest	272,575
Net Debt Service	457,575
<b>Coverage</b>	178%

(A) Does not include depreciation or bond interest.

(B) Net available divided by debt service.

Source: City of Missoula Annual Reports

**CITY OF MISSOULA, MONTANA**  
**REVOLVING FUND YEAR-END BALANCES**  
**REQUIRED CONTINUING DISCLOSURE**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Revolving Fund Cash Balance</b>	<b>Principal Amount of Bonds</b>	<b>Percentage</b>
2007	\$ 954,148	\$ 15,455,681	6.2%
2008	779,966	15,510,165	5.0%
2009	719,399	14,030,295	5.1%
2010	746,320	14,250,241	5.2%
2011	794,547	15,021,055	5.3%
2012	774,812	15,322,685	5.1%
2013	719,735	14,189,516	5.1%
2014	636,917	12,738,346	5.0%
2015	569,709	11,394,176	5.0%
2016	535,000	10,693,500	5.0%

Source: City of Missoula

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Beginning Balance	\$ 889,718	\$954,148	\$779,966	\$719,399	\$ 764,101	\$ 794,547	\$ 791,209	\$ 735,266	\$ 652,449	\$ 586,596
Disbursements/Transfers	64,430	(174,182)	(60,567)	44,702	30,446	(3,338)	(55,943)	(82,817)	(65,853)	(36,065)
Ending Balance	<u>\$ 954,148</u>	<u>\$779,966</u>	<u>\$719,399</u>	<u>\$764,101</u>	<u>\$ 794,547</u>	<u>\$ 791,209</u>	<u>\$ 735,266</u>	<u>\$ 652,449</u>	<u>\$ 586,596</u>	<u>\$ 550,532</u>
Assets:										
Cash	\$ 928,632	\$776,343	\$702,257	\$746,320	\$ 793,639	\$ 774,812	\$ 719,735	\$ 636,917	\$ 569,709	\$ 535,000
Due from SID Funds	-	-	-	-	-	865	-	-	569,709	-
Other Receivables	222,281	184,856	182,844	167,952	135,548	134,640	119,108	103,577	88,046	72,514
Total Assets	<u>1,150,913</u>	<u>961,200</u>	<u>885,101</u>	<u>914,272</u>	<u>929,187</u>	<u>910,317</u>	<u>838,843</u>	<u>740,494</u>	<u>1,227,463</u>	<u>607,514</u>
Liabilities:										
Interfund Payable	-	-	-	-	-	-	-	-	568,353	-
Deferred Revenue	196,765	181,233	165,702	150,171	134,639	119,108	103,577	88,046	72,514	56,983
Total Liabilities	<u>196,765</u>	<u>181,233</u>	<u>165,702</u>	<u>150,171</u>	<u>134,639</u>	<u>119,108</u>	<u>103,577</u>	<u>88,046</u>	<u>640,867</u>	<u>56,983</u>
Total Fund Balance	<u>\$ 954,148</u>	<u>\$779,966</u>	<u>\$ 719,399</u>	<u>\$ 764,101</u>	<u>\$ 794,547</u>	<u>\$ 791,209</u>	<u>\$ 735,266</u>	<u>\$ 652,449</u>	<u>\$ 586,596</u>	<u>\$ 550,531</u>

Source: City of Missoula

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

<b>Fiscal Year</b>	<b>Population</b>		<b>Income Statistics</b>		<b>State Unemployment Rate</b>	<b>Missoula County Unemployment Rate</b>
	<b>Estimated City Population</b>	<b>County Population (1)</b>	<b>Total Personal Income (2)</b>	<b>Per Capita Income</b>		
2007	65,826	105,911	\$ 3,646,623	\$ 33,588	3.2%	3.4%
2008	66,000	107,565	3,795,962	35,318	4.7%	5.0%
2009	66,295	108,000	3,818,772	35,531	5.7%	6.3%
2010	66,788	109,299	3,866,079	33,642	6.5%	7.3%
2011	67,565	110,160	3,958,700	35,936	6.3%	6.7%
2012	68,484	111,077	4,226,000	38,046	5.4%	5.9%
2013	69,039	111,731	4,188,400	37,486	4.8%	5.2%
2014	69,821	112,681	4,418,300	39,211	4.1%	4.4%
2015	71,022	114,181	4,658,900	40,803	3.5%	3.9%
2016	72,070	115,260	4,854,600 *	42,297 *	3.5%	3.7%

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

(2) Only Missoula County information available.

\* Estimate based on average increase of prior years.

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

**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>2016</b>	<b>Percentage of Total City Employment</b>	<b>2007 **</b>	<b>Percentage of Total City Employment</b>
University of Montana	Higher Education	2,897	4.02%	3,208	4.87%
St. Patrick Hospital	Healthcare	1,542	2.14%	1,400	2.13%
Montana Rail Link	Rail Transportation	1,167	1.62%	1,000	1.52%
Missoula County Public Schools	Public Education	1,113	1.54%	1,180	1.79%
Community Medical Center	Healthcare	905	1.26%	1,250	1.90%
Missoula County	Government	852	1.18%	651	0.99%
Us Forest Service	Federal Government	693	0.96%	500-750	0.76-1.14%
AT&T/DirecTV	Service	675	0.94%	*	NA
Wal-Mart	Retail	585	0.81%	500	0.76%
City of Missoula	Government	546	0.76%	*	NA
Washington Corporation				500-750	0.76-1.14%
Southgate Mall				750-1000	1.14-1.52%

^ Some information was in range format for FY2007

\* Employers were added after 2007

Source - Bureau of Economic Analysis and Department of Labor & Industry, Research & Analysis Bureau

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

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Administrative</b>										
City Council	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Mayor's Office	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Human Resources	4.15	4.15	4.15	4.00	4.00	4.00	4.00	4.00	4.00	4.00
City Clerk	4.50	4.50	4.50	4.50	3.50	4.00	4.00	4.00	5.00	5.00
Information Systems	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	8.00
Finance/Treasurer	16.00	16.00	16.00	16.00	16.00	16.00	16.00	15.50	15.00	15.00
Central Services	-	-	-	-	-	-	-	1.50	3.00	3.00
Housing & Community Development	-	-	-	-	-	-	-	-	-	-
City Attorney	14.40	14.40	14.90	13.25	12.75	14.00	15.00	16.00	16.00	16.00
Facility & Vehicle Maintenance	11.00	11.00	11.00	11.00	10.50	10.50	10.50	11.50	10.50	10.50
<b>Public Safety</b>										
Municipal Court	13.00	14.25	13.00	14.25	13.75	13.75	16.75	16.85	17.85	17.85
Police Department	125.50	125.50	124.50	124.50	117.00	117.00	122.00	126.00	130.00	132.00
Fire Department	83.00	95.00	95.00	94.00	95.00	95.00	95.00	95.00	95.00	95.00
<b>Public Works</b>										
Development Services	-	-	-	-	-	-	33.71	35.21	23.50	23.75
GIS	-	-	-	-	-	-	-	3.00	3.00	-
Public Works - Operations	28.82	29.82	29.87	29.87	29.82	27.52	11.42	8.42	8.42	8.42
Street Division	28.54	28.54	28.54	28.54	25.38	28.54	28.79	28.79	28.79	28.79
City Cemetery	8.50	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92
Planning	-	-	-	-	-	-	-	-	4.50	4.50
Building Inspection	14.36	13.34	13.00	9.00	9.00	9.00	9.00	10.99	11.10	12.00
Road District 1	-	-	-	-	3.16	-	0.25	0.25	0.25	0.75
Transportation	-	-	-	-	-	-	-	-	8.40	9.57
Wastewater	22.20	22.20	22.20	22.20	21.50	21.50	21.50	22.50	22.50	24.00
<b>Culture and Recreation</b>										
Parks and Recreation	54.70	53.74	55.74	55.74	52.51	54.42	57.74	55.80	57.00	57.59
Fort Missoula Regional Park	-	-	-	-	-	-	-	-	-	-
Parks District 1	-	-	-	-	3.23	-	1.20	1.20	1.98	2.73
Aquatics	26.36	30.81	30.81	30.81	30.81	26.81	26.81	26.81	25.45	23.88
<b>Agencies</b>										
Parking Commission	11.00	11.00	11.00	11.00	11.33	11.33	11.50	11.50	11.50	11.50
MRA	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
<b>Total</b>	<b>495.03</b>	<b>512.17</b>	<b>512.13</b>	<b>506.58</b>	<b>497.16</b>	<b>491.29</b>	<b>523.09</b>	<b>532.74</b>	<b>540.66</b>	<b>545.75</b>

Source: City of Missoula

**CITY OF MISSOULA, MONTANA  
CITY SERVICES AND EMPLOYMENT**

<b>Bargaining Unit</b>	<b>Number of Members</b>	<b>Date of Expired Contract</b>
International Association of Firefighters, Local No. 271	89	June 30, 2019
Missoula Police Protective Association	100	June 30, 2019
Montana Public Employees Association		
Maintenance Technicians in Parks and Recreation Dept.	9	June 30, 2019
MPEA Chemists	2	June 30, 2019
Parking Commission	7	June 30, 2019
Wastewater Plant Operators	6	
Teamsters Union, Local No. 2	22	June 30, 2019
Operators' Union, Local No. 4000	12	June 30, 2019
Machinists Union, Local No. 88, District No. 86	8	June 30, 2019
Teamsters, Parks and Recreation Seasonal	19	June 30, 2019
Wastewater Operator's Union, Local 400	8	June 30, 2019
International Brotherhood of Electrical Workers	2	June 30, 2019
MEA-MFT	6	June 30, 2018

Note: Basic services provided through City government include Police and Fire protection, Municipal Sewer and Sanitation, Street Maintenance and Construction, Building Inspection, Zoning Enforcement, Public Works, and Parks and Recreation. As of June 30, 2015, the City employed approximately 626 workers, including Seasonal and Intermittent. Of the total City workforce, approximately 46% were members of organized bargaining units. State law requires Montana Cities to bargain collectively with formally recognized bargaining units. The City considers relations with its bargaining groups to be satisfactory.

^ Newly created Union on July 1, 2015. Members were from WW Operators Union Local 400

Source: City of Missoula

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

	<b>Fiscal Year</b>									
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 (A)</b>
Goods Producing	6,200	6,100	5,500	4,600	4,700	4,400	4,500	4,600	4,900	4,900
Trade, Transportation and Utilities	12,900	12,900	12,100	11,300	11,400	11,600	11,100	11,900	12,300	12,100
Professional and Business Service	5,900	6,200	6,100	6,900	6,900	6,800	7,000	7,000	6,500	6,500
Educational and Health Services	8,300	8,700	8,900	9,200	9,500	9,800	10,000	10,000	10,300	10,500
Healthcare and Social Assistance	7,900	8,200	8,400	8,700	9,000	9,200	9,300	9,400	9,700	9,900
Leisure and Hospitality	7,600	7,900	7,600	7,000	6,900	7,400	7,300	7,700	8,100	8,100
Government	10,400	9,300	8,300	10,300	8,400	10,300	10,500	10,600	10,800	10,800
	<b>59,200</b>	<b>59,300</b>	<b>56,900</b>	<b>58,000</b>	<b>56,800</b>	<b>59,500</b>	<b>59,700</b>	<b>61,200</b>	<b>62,600</b>	<b>62,800</b>

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

(A) Most recent data available through October 2016.  
All other years are annual data



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

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Government</b>										
Business Licenses Issued	5,290	6,386	5,141	5,947	5,103	5,872	5,585	5,418	4,566	5,821
Amount of SID's Billed	\$ 2,793,604	\$ 2,802,979	\$ 2,759,874	\$ 2,788,949	\$ 2,979,149	\$ 2,806,770	\$ 2,565,463	\$ 2,468,350	\$ 2,277,577	\$ 2,221,810
# Sewer Bills	41,002	41,818	42,323	42,860	43,493	44,495	45,042	45,042	45,448	45,971
<b>Public Safety Activities</b>										
Citations issued	38,468	32,219	31,700	25,136	20,232	20,554	18,139	15,420	14,042	13,442
Orders of Protection issued	417	400	398	277	209	236	203	318	267	351
Attorney's Office - Lawsuits & Claims	47	49	41	26	24	22	32	29	28	35
Attorney - Opened criminal files	3,181	2,708	2,372	2,313	3,029	4,007	4,255	3,955	3,023	3,777
Officers/1,000 population	2	2	2	1	1	2	2	2	2	2
Total sworn officers	102	101	101	100	100	104	106	109	109	109
Police calls for Service	40,515	40,981	41,424	41,373	40,272	41,334	42,302	41,728	45,605	42,791
Total Fire Department Incident Responses*	5,497	5,805	5,850	6,217	5,752	6,131	6,548	6,745	7,140	7,865
<b>Public Works</b>										
Miles of sidewalk installed	9.19	7.00	4.00	6.78	5.42	4.72	5.58	9.19	4.35	3.48
Building Permits Issued	1,613	1,530	1,291	1,306	1,283	1,395	1,485	1,319	1,427	1,515
Construction Value of Bldg permits issued	\$ 89,139,379	\$ 133,165,009	\$ 63,987,567	\$ 54,867,213	\$ 87,790,572	\$ 58,443,007	\$ 68,558,394	\$ 74,177,588	\$ 122,960,429	\$ 117,605,567
Miles of Street	338	312	383	391	413	416	419	422	428	443
Population	65,826	66,000	66,295	66,788	67,565	68,484	69,039	69,821	71,022	72,070

Source: City of Missoula

\* Fire Department Incident Responses are based on Calendar Years. Current Year number through 12/31/14.

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

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>GENERAL GOVERNMENT</b>										
Vehicles	5	7	4	4	4	2	2	2	2	2
Buildings	2	3	3	3	3	4	4	5	5	8
<b>PUBLIC SAFETY ACTIVITIES</b>										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Engines/Trucks/Vehicles/Vans	27	26	26	25	25	31	32	32	33	34
Police Motorcycles	6	6	6	6	6	4	5	5	5	5
Police Patrol Cars/Passenger Vehicles/Other Vehicle	47	58	62	63	63	66	59	63	63	67
<b>PUBLIC WORKS</b>										
Streets (sq. yards)	6,761,248	6,826,850	6,837,927	7,056,869	7,265,469	7,399,746	7,539,539	7,636,873	7,774,642	8,050,257
Curbs (lineal feet)	1,957,574	1,997,728	1,957,574	2,100,819	2,135,361	2,159,796	2,182,153	2,241,246	2,259,480	2,273,980
Sidewalks (sq. feet)	9,830,923	10,015,638	10,232,017	10,599,017	12,699,836	12,824,406	13,345,978	13,588,598	13,703,420	13,795,344
Storm Sewer (lineal feet)	153,275	153,275	157,826	162,158	168,148	172,360	179,388	179,888	180,368	183,538
Sumps	5,160	5,307	5,307	5,385	5,496	5,524	4,183	4,209	5,585	5,617
Signs	54,901	53,768	56,635	57,502	58,369	59,236	60,103	60,970	61,837	62,704
Vehicles	98	107	161	163	165	163	123	123	123	225
Buildings	7	4	4	4	4	4	5	5	5	8
<b>CULTURE AND RECREATION</b>										
Parks	46	51	67	68	69	70	70	70	70	72
Trails	18	20	22							
Commuter	N/A	N/A	N/A	22	22	23	23	23	23	44
Recreational	N/A	N/A	N/A	55	55	56	56	56	56	58
Park Shelter/Band Shells/Pavilions	10	10	10	12	15	17	18	18	18	24
Buildings	20	23	23	23	23	23	23	23	23	23
Vehicles (Including trailers)	57	55	58	59	59	59	108	112	112	115
<b>HOUSING &amp; COMMUNITY DEVELOPMENT</b>										
Vehicles	10	10	1	1	1	1	1	1	1	1
Buildings	2	2	-	-	-	-	-	-	-	-

Capital Asset Statistics by Function information prior to 2007 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>
2007	\$ 2,793,604	\$ 3,695,269	132.28%	\$ 106,930	\$ 3,802,199	\$ 11,629
2008	2,802,979	2,690,299	95.98%	107,817	2,798,116	11,653
2009	2,759,874	2,666,875	96.63%	109,340	2,776,215	11,539
2010	2,788,949	2,796,909	100.29%	136,607	2,933,516	14,999
2011	2,979,149	2,818,935	94.62%	159,941	2,978,876	18,139
2012	2,806,770	2,760,131	98.34%	160,377	2,920,508	16,070
2013	2,565,463	2,549,864	99.39%	51,388	2,601,252	8,058
2014	2,468,350	2,464,285	99.84%	19,211	2,483,496	11,121
2015	2,277,577	2,308,308	101.35%	8,655	2,316,963	8,359
2016	2,221,810	2,185,888	98.38%	5,286	2,191,174	4,989

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>
2007	\$ 191,613,295	1,219.98	13,841.43	6.35	221.37
2008	211,405,977	317.09	4,977.27	5.04	141.94
2009	234,349,048	954.97	6,111.87	20.47	160.49
2010	236,039,170	1,071.95	30,710.27	22.07	247.40
2011	215,320,296	1,296.29	51,474.37	40.46	823.26
2012	296,665,021	1,601.54	60,391.92	47.21	957.42
2013	343,465,684	43.42	43.42	43.42	43.42
2014	212,236,360	6,153.16	233,364.95	81.73	3,711.41
2015	275,246,631	7,937.62	244,392.70	10.65	5,041.41
2016	281,792,739	9,733.94	483,578.62	11.17	5,382.13

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

**CITY OF MISSOULA, MONTANA**  
**SPECIAL IMPROVEMENT DISTRICTS**  
Current as of June 30, 2016

<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
FY14 Total	1,497,286,124	1,737.80	233,364.95	0.22	442.92
FY15 Total	2,373,479,490	2,861.51	244,392.70	0.17	795.46
512/521/522	\$ 281,792,739	9,733.94	483,578.62	11.17	5,382.13
0520	90,970,028	932.49	6,038.46	157.19	775.23
0524	698,684,185	3,961.73	155,323.84	177.04	2,598.86
0525	26,856,733	1,108.77	2,906.28	304.56	870.81
0526	98,341,926	1,124.51	6,156.45	34.98	844.97
0532	62,681,007	1,943.99	6,015.68	416.46	1,902.68
0533	9,932,588	1,055.46	5,065.66	539.91	753.75
0534	12,638,758	842.50	1,546.85	185.09	819.17
0536	22,217,068	816.69	1,828.64	20.30	798.44
0540	105,955,848	1,235.65	2,012.29	625.27	1,217.81
0541	493,620,412	9,310.55	60,420.96	0.17	8,624.24
0543	80,876,213	9,068.01	18,500.94	4,289.62	8,667.20
0544	88,916,702	621.78	2,008.17	9.89	620.82
0545	13,545,344	7,333.75	16,497.12	1,699.15	7,067.95
0546	49,499,218	33,058.54	1,131,599.24	5,756.69	7,331.77
0548	9,337,312	38.35	77.45	0.17	42.03
CS08	8,526,254	625.45	1,859.23	134.32	745.73
CS09	10,052,237	458.12	1,446.60	57.60	370.05
CS10	30,073,787	724.60	9,187.08	51.64	439.85
CS12	63,276,063	3,560.03	40,082.84	145.94	1,543.54
CS13	75,159,461	10,952.22	111,498.47	18.13	4,389.93
CS15	72,138,626	3,462.96	133,435.72	81.85	808.27
CS345	20,782,655	785.63	1,941.81	88.16	682.51
CS346	20,777,467	422.41	1,789.83	53.85	301.48
FY16 Total	<u>\$ 2,446,652,631</u>	<u>\$ 4,299.09</u>	<u>\$ 1,131,599.24</u>	<u>\$ 0.17</u>	<u>\$ 832.07</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  
CITY OF MISSOULA SEWERAGE DISTRICT  
USER RATES CHARGES  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Single Family ^</b>	<b>Multiple Families ^</b>	<b>General Commercial *</b>	<b>Food Service &amp; Mortuaries *</b>	<b>Hospitals *</b>	<b>Schools *</b>	<b>Large Volume &amp; Industrial *</b>	<b>Biochemical Oxygen Demand (BOD) †</b>	<b>Total Suspended Solids (TSS) †</b>	<b>Admin Charge</b>
2007	\$ 63.72	\$ 52.50	\$ 1.28	\$ 2.62	\$ 1.24	\$ 1.12	\$ 0.94	\$ 0.16	\$ 0.14	\$ 5.27
2008	63.72	52.50	1.28	2.62	1.24	1.12	0.94	0.16	0.14	5.27
2009	63.72	52.50	1.28	2.62	1.24	1.12	0.94	0.16	0.14	5.27
2010	66.90	55.14	1.34	2.75	1.30	1.18	0.99	0.17	0.15	5.53
2011	70.26	57.90	1.41	2.89	1.37	1.23	1.04	0.18	0.15	5.81
2012	73.74	60.78	1.48	3.03	1.44	1.30	1.09	0.19	0.16	6.10
2013	77.46	63.84	1.56	3.18	1.51	1.36	1.14	0.20	0.17	6.41
2014	77.46	63.84	1.56	3.18	1.51	1.36	1.14	0.20	0.17	6.41
2015	77.46	63.84	1.56	3.18	1.51	1.36	1.14	0.20	0.17	6.41
2016	79.38	65.46	1.60	3.26	1.55	1.39	1.17	0.21	0.17	6.41

Source: City of Missoula

^ Rate is based on per unit

\* Rate is based on per 100 cubic feet (ccf) of water consumption

† Rate is based on per pound

**CITY OF MISSOULA, MONTANA  
CITY OF MISSOULA SEWERAGE DISTRICT  
NUMBER OF USERS and AVERAGE PEAK DEMAND  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Single Family</b>	<b>Multiple Families</b>	<b>General Commercial</b>	<b>Food Service &amp; Mortuaries</b>	<b>Hospitals</b>	<b>Schools</b>	<b>Large Volume &amp; Industrial</b>	<b>Total Number of Customers</b>	<b>Average Peak Demand ^</b>
2007	16,851	2,023	1,655	232	14	26	6	20,807	16.56
2008	17,228	2,024	1,692	233	14	27	6	21,224	18.99
2009	17,363	2,025	1,718	239	14	28	6	21,393	20.69
2010	17,680	1,917	1,709	213	14	27	7	21,567	18.58
2011	18,168	1,908	1,741	214	14	27	7	22,079	15.84
2012	18,449	1,976	1,777	216	14	27	8	22,467	15.22
2013	18,672	2,063	1,801	224	14	27	9	22,810	15.13
2014	18,824	2,085	1,813	229	15	27	10	23,003	15.84
2015	19,026	2,128	1,886	255	15	28	13	23,351	15.43
2016	19,156	2,159	1,907	257	15	28	6	23,528	15.10

Source: City of Missoula

^ Expressed in Cubic Feet Per Second (cfs)

**CITY OF MISSOULA, MONTANA  
CITY OF MISSOULA SEWERAGE DISTRICT  
SEWER BILLINGS AND COLLECTIONS  
Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30th</b>	<b>Total Billed for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Billings</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>		<b>Percentage of Delinquencies</b>
		<b>Amount</b>	<b>Percentage of Billing</b>		<b>Amount</b>	<b>Percentage of Billing</b>	
2007	\$ 6,286,756	\$ 5,637,505	89.67%	\$ 8,063	\$ 5,645,568	89.80%	10.33%
2008	6,277,599	5,865,545	93.44%	6,156	5,871,701	93.53%	6.56%
2009	6,369,678	5,752,522	90.31%	9,622	5,762,145	90.46%	9.69%
2010	6,497,460	5,841,216	89.90%	15,333	5,856,548	90.14%	10.10%
2011	6,795,400	6,102,496	89.80%	12,557	6,115,053	89.99%	10.20%
2012	7,274,608	6,517,539	89.59%	9,098	6,526,637	89.72%	10.41%
2013	7,575,169	6,982,519	92.18%	9,138	6,991,657	92.30%	7.82%
2014	7,940,937	7,215,935	90.87%	6,619	7,222,554	90.95%	9.13%
2015	7,982,782	7,341,700	91.97%	3,697	7,345,397	92.02%	8.03%
2016	7,718,508	7,722,809	100.06%	4,268	7,727,077	100.11%	-0.06%

Source: City of Missoula



**CITY OF MISSOULA, MONTANA  
CITY OF MISSOULA SEWERAGE DISTRICT  
TOP BILLED CUSTOMERS  
SERVICED BY WASTEWATER FACILITY  
Current and Ten Years Ago**

<b>Customer</b>	<b>Type of Product or Service</b>	<b>2016</b>	<b>Percentage of Total Billed</b>	<b>2007</b>	<b>Percentage of Total Billed</b>
University of Montana	Higher Education	\$ 252,222	3.27%	\$ 215,807	3.43%
John R Daily Inc.	Food Manufacturing	161,461	2.09%	67,724	1.08%
Community Medical Center	Healthcare	62,314	0.81%	59,495	0.95%
Big Sky Brewing Co	Brewery	52,450	0.68%	37,080	0.59%
St. Patrick Hospital	Healthcare	44,455	0.58%	69,943	1.11%
Travois-Harvey's	Trailer Park	44,384	0.58%	36,064	0.57%
American Eagle Instruments	Medical Supplies	41,841	0.54%	-	*
Doubletree Missoula	Hotel	41,673	0.54%	37,097	0.59%
Hacker, R Scott	Rental Property	38,739	0.50%	31,774	0.51%
Southgate Mall Associates	Retail	36,128	0.47%	27,980	0.45%
Holiday Inn Parkside	Hotel	-	0.00%	37,144	0.59%

\* Customers were added after 2006

Source - City of Missoula

**CITY OF MISSOULA, MONTANA  
CITY OF MISSOULA SEWERAGE DISTRICT  
SEWER TREATMENT REQUIREMENTS  
Last Ten Fiscal Years**

Fiscal Year Ended June 30th	^ Average Daily Flow		Annual Flow	
	Gallons (in millions)	Percent Increase/ (Decrease)	Gallons (in millions)	Percent Increase/ (Decrease)
2007	8.32	-2.12%	3,027	-2.42%
2008	9.68	16.35%	3,542	17.01%
2009	10.41	7.54%	3,779	6.69%
2010	8.86	-14.89%	3,233	-14.45%
2011	7.16	-19.19%	2,615	-19.12%
2012	6.80	-5.03%	2,481	-5.12%
2013	6.74	-0.88%	2,460	-0.85%
2014	7.31	8.46%	2,588	5.20%
2015	7.07	-3.28%	2,582	-0.23%
2016	7.15	1.13%	2,616	1.32%

Source: City of Missoula

^ Starting in FY2012 figures were updated to using influent flow by WWTP

**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>
2007	\$ 0.50	\$ 0.25	\$55.00 TO \$65.00	\$30.00 TO \$50.00	\$ 45.00
2008	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2009	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2010	0.50	0.25	55.00 TO 65.00	30.00 TO 50.00	45.00
2011	0.50	1.00	65.00 TO 75.00	35.00 TO 55.00	49.00
2012	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	51.00
2013	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	51.00
2014	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	53.00
2015	0.50	1.00	65.00 TO 75.00	30.00 TO 55.00	53.00
2016*	0.50 - 4.00	1.00	65.00 TO 75.00	30.00 TO 55.00	56.25

Source: Missoula Parking Commission

\* First year of new LUKE on street parking meter machines

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

<b>Fiscal Year</b>	<b>Parking Meters</b>	<b>Leased Parking Spaces</b>	<b>Parking Lots Throughout Downtown Missoula</b>	<b>Leased Parking Garage Spaces</b>	<b>University District Parking Permits</b>	<b>Percentage of Parking Ticket Revenue</b>	<b>Percentage of Parking Meter Revenue</b>	<b>Percentage of Garage Parking Revenue</b>	<b>Percentage of Leased Parking Revenue other than Parking Garage</b>	<b>Percentage of Other Revenue</b>
2007	1,075	801	13	257	1,124	20%	34%	14%	27%	4%
2008	1,075	801	13	257	1,592	18%	31%	16%	21%	14%
2009	1,129	800	12	257	1,011	19%	35%	16%	21%	10%
2010	1,061	800	12	257	1,166	18%	37%	18%	23%	4%
2011	1,061	800	12	257	1,198	18%	37%	18%	23%	4%
2012	1,015	855	12	257	1,012	17%	38%	14%	29%	3%
2013	1,015	890	12	460	1,025	16%	34%	16%	32%	1%
2014	1,015	1,133	12	522	870	14%	33%	19%	31%	1%
2015	1,061	1,275	15	523	918	12%	38%	21%	27%	3%
2016*	134	1,226	15	529	821	8%	39%	25%	24%	4%

Source: Missoula Parking Commission

\* FY2016 first year of LUKE on street parking meter machines

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

**Urban Renewal District II (1-1C, 4-1C)**

<b>Fiscal Year</b>	<b>Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>
2007	\$ 2,660,473	\$ 311,261	\$ 2,971,734
2008	2,718,817	342,487	\$ 3,061,304
2009	3,162,083	358,422	\$ 3,520,505
2010	3,302,146	318,269	\$ 3,620,415
2011	3,415,110	336,897	\$ 3,752,007
2012	3,371,473	309,233	\$ 3,680,706
2013	3,379,411	262,535	\$ 3,641,946
2014	3,436,681	249,282	\$ 3,685,963
2015	3,586,154	216,449	\$ 3,802,603
2016	3,696,539	195,043	\$ 3,891,582

**Urban Renewal District III (1-1D)**

<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>
2007	\$ 7,111,962	\$ 586,632	\$ 7,698,594
2008	7,306,424	406,379	\$ 7,712,803
2009	8,468,861	468,589	\$ 8,937,450
2010	9,027,375	514,481	\$ 9,541,856
2011	8,939,540	568,590	\$ 9,508,130
2012	9,118,547	552,532	\$ 9,671,079
2013	8,797,853	381,195	\$ 9,179,048
2014	8,964,779	393,662	\$ 9,358,441
2015	8,293,647	177,106	\$ 8,470,753
2016	8,540,441	230,608	\$ 8,771,049

**Front Street URD (1-1F)**

<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
2014	1,885,618	78,619	\$ 1,964,237
2015	1,911,595	38,792	\$ 1,950,387
2016	1,804,310	34,789	\$ 1,839,099

**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 ^	\$ 133,871	\$ -	\$ 133,871
2011	153,701	36,236	\$ 189,937
2012	132,286	36,579	\$ 168,865
2013	112,584	279	\$ 112,863
2014	113,735	3,259	\$ 116,994
2015	119,533	1,337	\$ 120,870
2016	130,687	2,196	\$ 132,883

**Hellgate URD (1-1H) #**

<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>
2016 #	\$ 960,528	\$ -	\$ 960,528

**North Reserve / Scott Street URD (1-1N, 4-1N) #**

<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>
2016 #	\$ 1,563,956	\$ -	\$ 1,563,956

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

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

# First year data available as district was created in FY 2016

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

Urban Renewal District II				
Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2007	\$ 99,332,558	\$ 2,971,734	\$ 1,111,911	1.1%
2008	103,000,436	3,061,304	1,201,481	1.2%
2009	106,334,891	3,520,504	1,392,741	1.3%
2010	107,159,214	3,620,415	1,760,592	1.6%
2011	111,474,037	3,752,007	1,892,184	1.7%
2012	112,993,774	3,680,706	1,820,883	1.6%
2013	112,697,955	3,641,946	1,782,123	1.6%
2014	109,336,360	3,685,963	1,826,140	1.7%
2015	112,624,034	3,802,603	1,942,780	1.7%
2016	115,856,258	3,891,582	2,031,759	1.8%

Urban Renewal District III				
Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2007	\$ 99,332,558	\$ 7,698,594	\$ 694,248	0.7%
2008	103,000,436	7,712,803	708,457	0.7%
2009	106,334,891	8,937,450	1,933,104	1.8%
2010	107,159,214	9,541,856	2,537,510	2.4%
2011	111,474,037	9,508,130	2,503,784	2.2%
2012	112,993,774	9,671,079	2,666,733	2.4%
2013	112,697,955	9,179,048	2,174,702	1.9%
2014	109,336,360	9,358,441	2,355,095	2.2%
2015	112,624,034	8,470,753	1,466,407	1.3%
2016	115,856,258	8,771,049	1,766,703	1.5%

Front Street URD				
Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2009 *	\$106,334,891	\$ 1,413,675	\$ 640	0.0%
2010	107,159,214	1,622,092	209,057	0.2%
2011	111,474,037	2,229,992	816,957	0.7%
2012	112,993,774	2,029,197	616,159	0.5%
2013	112,697,955	1,987,146	574,111	0.5%
2014	109,336,360	1,964,237	551,202	0.5%
2015	112,624,034	1,950,387	537,352	0.5%
2016	115,856,258	1,839,099	426,064	0.4%

Riverfront Triangle				
Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2010 ^	\$104,408,018	\$ 133,871	\$ -	0.0%
2011	111,474,037	189,937	32,079	0.0%
2012	112,993,774	168,865	11,007	0.0%
2013	112,697,955	112,863	-	0.0%
2014	109,336,360	116,994	-	0.0%
2015	112,624,034	120,870	-	0.0%
2016	115,856,258	132,883	-	0.0%

Hellgate Urban Renewal District #				
Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2016 #	\$115,856,258	\$ 960,528	\$ -	0.0%

North Reserve / Scott Street Urban Renewal District #				
Fiscal Year	Total City Taxable Value	Total Taxable Value Within Tax Increment District	Incremental Taxable Value Within Tax Increment District	Tax Increment as Percentage of City's Taxable Value
2016 #	\$115,855,770	\$ 1,563,946	\$ 72,741	0.1%

\* First year data available as district was created in FY 2009  
^ First year data available as district was created in FY 2010  
# First year data available as district was created in FY 2016  
Source: City of Missoula and Missoula County Assessor's Office

**CITY OF MISSOULA, MONTANA**  
**COMPONENT UNIT MISSOULA REDEVELOPMENT AGENCY**  
**TRENDS IN PROPERTY VALUATION IN CITY**  
**For the Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City Appraised Value</b>	<b>City Taxable Value (includes district)</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>Hellgate Urban Renewal District</b>	<b>North Reserve / Scott Street Urban Renewal District</b>	<b>City Taxable Value (without district)</b>
2007	\$ 3,195,587,513	\$ 101,138,717	\$ 1,111,911	\$ 694,248	\$ -	\$ -	\$ -	\$ -	\$ 99,332,558
2008	3,369,424,008	103,000,436	1,201,481	708,457	-	-	-	-	101,090,498
2009	3,412,313,560	106,334,891	1,392,741	1,933,104	640	-	-	-	103,008,406
2010	3,684,720,974	107,159,214	1,760,592	2,537,510	209,057	-	-	-	102,652,055
2011	3,965,146,053	111,474,037	1,892,184	2,503,784	816,957	32,079	-	-	106,229,033
2012	4,140,685,284	112,993,774	1,820,883	2,666,733	616,159	11,007	-	-	107,878,992
2013	4,110,699,383	112,697,955	1,782,123	2,174,702	574,111	-	-	-	108,167,019
2014	4,305,020,382	114,068,797	1,826,140	2,355,095	551,202	-	-	-	109,336,360
2015	4,406,017,003	112,624,034	1,942,780	1,466,407	537,352	-	-	-	108,677,495
2016	7,303,174,348	115,856,258	2,031,759	1,766,703	426,064	-	-	72,741	111,558,991

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

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

<b>FISCAL YEAR</b>	<b>PROJECTED PLEDGED TAX INCREMENT</b>	<b>MAXIMUM PROJECTED DEBT</b>	<b>COVERAGE</b>
2008			
With State Entitlement	1,129,477	250,500	451%
Without State Entitlement	845,855	250,500	338%
2009			
With State Entitlement	1,302,970	250,400	520%
Without State Entitlement	1,019,348	250,400	407%
2010			
With State Entitlement	1,369,859	250,400	547%
Without State Entitlement	1,113,237	250,400	445%
2011			
With State Entitlement	1,493,995	250,400	597%
Without State Entitlement	1,210,373	250,400	483%
2012			
With State Entitlement	1,429,000 A	250,400 B	571%
Without State Entitlement	1,173,740	250,400	469%
2013			
With State Entitlement	1,474,944 C	250,400	589%
Without State Entitlement	1,157,656	250,400	462%
2014			
With State Entitlement	1,522,881	676,428 D	225%
Without State Entitlement	1,208,093	676,428	179%
2015			
With State Entitlement	1,668,283 E	676,428	247%
Without State Entitlement	1,225,692	676,428	181%
2016			
With State Entitlement	1,713,113	676,428	253%
Without State Entitlement	1,270,522	676,428	188%

A State Entitlement amount reduced by 10% to \$255,260 by 2011 Legislative action

B Civic Stadium Note issued February 2012 is subordinate to the Series 2006 bonds so not included in Max. Projected DS. Civic Stadium DS is \$500K Max Annual through FY15.

C Personal Property Tax Reduction Reimbursement approved by 2011 Legislature under SB372. Annual Reimbursement is \$62,028.

D Series 2013 \$5.75M Bond issued March 2013 on parity with Series 2006 Bond. Max. Annual DS \$426,028

E Personal Property Tax Reduction Reimbursement approved by 2013 Legislature under SB96. Annual Reimbursement is \$125,303.

Source: City of Missoula Annual Reports



**CITY OF MISSOULA, MONTANA**  
**PROPERTY TAX LEVIES IN THE URBAN RENEWAL DISTRICT II**  
**Last Ten Fiscal Years**

	Fiscal Year									
Taxing Authority	FY '07 2006/07	FY '08 2007/08	FY '09 2008/09	FY '10 2009/10	FY '11 2010/11	FY '12 2011/12	FY '13 2012/13	FY '14 2013/14	FY '15 2014/15	FY '16 2015/16
State University Mill Levy	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
State Statewide School Equalization	25.91	25.39	25.44	26.92	26.60	26.28	26.55	26.15	19.23	18.78
General Countywide School Levy	67.53	66.04	67.17	54.71	53.28	51.18	51.46	52.68	50.80	49.00
Missoula County	86.56	86.44	89.27	72.66	72.00	72.24	74.51	75.71	76.98	78.86
Missoula High school District	53.25	48.91	50.33	39.98	38.44	38.76	36.94	36.36	34.99	35.27
City of Missoula	132.60	134.71	141.49	116.33	116.17	118.27	123.75	122.64	118.10	118.70
Urban Transportation District	9.01	9.28	9.45	8.52	8.47	8.97	10.02	10.60	16.47	19.00
Increment 1-1C *	256.84	266.50	270.27	353.75	359.55	372.64	369.31	387.47	419.86	440.51
Subtotal	<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>	<u>766.12</u>

School District 1-1C	97.32	92.32	89.20	74.65	72.88	73.61	72.88	75.01	72.29	70.29
Total levies for property in the District lying within School District 1-1C	<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>	<u>836.41</u>

	FY '07 2006/07	FY '08 2007/08	FY '09 2008/09	FY '10 2009/10	FY '11 2010/11	FY '12 2011/12	FY '13 2012/13	FY '14 2013/14	FY '15 2014/15	FY '16 2015/16
Taxing Authority										
State University Mill Levy	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
State Statewide School Equalization	21.46	20.06	18.77	24.90	22.73	25.87	25.85	26.37	21.37	20.96
General Countywide School Levy	55.95	52.19	49.56	49.44	43.27	50.14	49.71	53.27	56.44	54.68
Missoula County	71.71	68.31	65.86	65.66	58.47	70.77	71.98	76.55	85.54	88.01
Missoula High school District	44.11	38.65	37.13	36.13	31.21	37.97	35.69	36.76	38.88	39.36
City of Missoula	109.86	106.45	104.38	105.12	94.34	115.86	119.55	124.01	131.23	132.48
Urban Transportation District	7.46	7.33	6.97	7.70	6.88	8.79	9.68	10.72	18.31	21.21
Increment 4-1C *	335.27	355.00	402.98	398.69	441.03	384.35	384.05	382.13	378.47	387.52
Subtotal	<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>	<u>750.22</u>

School District 4-1C	77.67	64.27	73.61	74.27	66.18	75.98	71.89	74.84	82.45	69.94
Total levies for property in the District lying within School District	<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>	<u>820.16</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 as a portion of the total mills levied in the district.

**CITY OF MISSOULA, MONTANA**  
**Urban Renewal District II - Top 10 Taxpayers**  
**Tax Year 2016 (FY17)**

	<b>Taxpayer</b>	<b>Type of Business</b>	<b>2016 Total Tax</b>	<b>2016 Market Value</b>	<b>2016 Taxable Value</b>
1	Montana Apartment LP	Residential	\$ 217,472	\$ 17,132,028	\$ 232,863
2	Mountain Water Co	Water Utility	140,651	10,129,682	157,132
3	Millsite Revitalization Project LLC	Developer	122,151	6,891,865	130,260
4	Spirit Master Funding IX LLC	Grocery Store	120,023	6,600,005	124,741
5	Nutritional Laboratories	Food Supplement Manufacturer	109,210	7,419,513	122,831
6	Blackfoot Telephone Co-op	Co-op Communications	107,710	4,046,583	121,397
7	Good Food Store	Grocery Store	113,255	6,558,583	120,554
8	Missoula Electric Coop	Co-op Electric Utility	80,672	3,054,432	91,633
9	Greg Mario LLC	Unknown	68,036	5,397,800	72,870
10	Like-Nu Auto Services	Automotive Repair	64,865	3,820,364	72,205
		Total	<u>\$ 1,144,045</u>	<u>\$ 71,050,855</u>	<u>\$ 1,246,486</u>

**CITY OF MISSOULA, MONTANA**  
**Front Street Urban Renewal District - Top 10 Taxpayers**  
**Tax Year 2016 (FY17)**

	<b>Taxpayer</b>	<b>Type of Business</b>	<b>2016 Total Tax</b>	<b>2016 Market Value</b>	<b>2016 Taxable Value</b>
1	First Interstate Bank	Financial Institution	\$ 326,998	\$ 17,820,360	\$ 336,807 *
2	El Dorado Hospitality LLC	Hotel	167,223	9,254,578	172,780
3	Northwestern Energy	Utility	104,714	953,642	114,437
4	N47 LLC	Owner	58,657	3,223,024	60,915
5	Payne Terry	Owner	56,157	3,201,081	57,700
6	Main Street Enterprises LLC	Owner	54,699	2,987,958	56,472
7	Centurylink	Telecommunications	45,304	785,750	47,145
8	Hellgate Lodge 383-Benevolent	Charitable	41,879	2,284,614	43,180
9	Wilma Theater Real Estate LLC	Real Estate	40,817	2,275,980	43,016
10	Williams Patrick D	Owner	34,784	2,220,967	41,977
		Total	<u>\$ 931,231</u>	<u>\$ 45,007,954</u>	<u>\$ 974,429</u>

\* Combines two tax IDs listed separately (Real and Personal Property) for First Interstate Bank on County report.

**CITY OF MISSOULA, MONTANA  
TAX INCREMENT COLLECTIONS  
FRONT STREET URBAN RENEWAL DISTRICT  
Last Eight Fiscal Years**

<b>Fiscal Year Ended June 30th</b>	<b>Taxable Value</b>	<b>Incremental Taxable Value</b>	<b>Mill Levy ^</b>	<b>Total Tax Levy for Fiscal Year *</b>	<b>Collected within the Fiscal Year of the Levy</b>	
					<b>Amount</b>	<b>Percentage of Levy</b>
2009	\$ 1,413,675	\$ 640	0.74264	\$ 475	\$ 446	93.76%
2010	1,622,092	209,057	0.74152	155,020	150,380	97.01%
2011	2,229,992	816,957	0.74139	605,684	545,928	90.13%
2012	2,029,194	616,159	0.75596	465,792	464,068	99.63%
2013	1,987,146	574,111	0.75942	435,991	437,369	100.32%
2014	1,964,237	551,202	0.78062	430,279	436,257	101.39%
2015	1,950,387	537,352	0.80872	434,567	436,305	100.40%
2016	1,839,099	426,064	0.83041	353,808	348,302	98.44%

Source: City of Missoula, Missoula County

^ Does not include University Mill Levy (6 Mills)

\* Reflects Incremental Taxable Value multiplied by Mill Levy

SINGLE AUDIT  
SECTION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

Mayor and City Council  
City of Missoula  
Missoula, Montana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Missoula, Montana (the City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 27, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described as finding 2016-1 in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The City's response to the internal control over financial reporting finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

We noted certain other matters that we reported to management of the City in a separate letter dated February 27, 2017.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Anderson Zimmmerman & Co., P.C.*

Missoula, Montana  
February 27, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Council  
City of Missoula  
Missoula, Montana

**Report on Compliance for Each Major Federal Program**

We have audited the City of Missoula, Montana's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2016. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of The City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.



***Basis for Qualified Opinion on the Community Development Block Entitlement Grants (CDBG Entitlement Grant)***

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding the CDBG Entitlement Grant, CFDA 14.218, as described in findings 2016-2 and 2016-3. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

***Qualified Opinion on the CDBG Entitlement Grant***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the CDBG Entitlement Grant for the year ended June 30, 2016.

***Unmodified Opinion on the Other Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its other major federal program identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2016.

***Other Matters***

The City's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

**Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control

over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2016-2 and 2016-3 that we consider to be significant deficiencies.

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Anderson Zummachler & Co., P.C.*

Missoula, Montana  
February 27, 2017

**City of Missoula, Missoula County, Montana**  
**Schedule of Expenditures of Federal Awards**  
**For Fiscal Year Ended June 30, 2016**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Total Federal Expenditures</b>	<b>Total Passed Through to Subrecipients</b>
<b><u>Office of National Drug Control Policy</u></b>				
<i>Direct:</i>				
High Intensity Drug Trafficking Area 2016	95.001	G16RM0037A	\$ 66,780	\$ 19,826
High Intensity Drug Trafficking Area 2015	95.001	G15RM0037A	105,495	37,952
High Intensity Drug Trafficking Area 2014	95.001	G14RM0037A	9,315	-
<b>Total Office of National Drug Control Policy</b>			<b>181,590</b>	<b>57,778</b>
<b><u>U.S. Department of Agriculture-Forest Service</u></b>				
<i>Passed through the Montana</i>				
<i>Department of Natural Resources and Conservation</i>				
Forest Health Protection	10.680	FHE-12-003	39,879	-
<b>Total U.S. Department of Agriculture-Forest Service</b>			<b>39,879</b>	<b>-</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>				
<i>Direct:</i>				
Community Development Block Grant Entitlement Grants	14.218	B-14/15-MC-30-0003	610,387	501,090
Home Investment Partnership Program	14.239	M-13/14/15-MC-30-0219	283,228	204,593
<b>Total U.S. Department of Housing and Urban Development</b>			<b>893,615</b>	<b>705,683</b>
<b><u>U.S. Department of the Interior</u></b>				
<i>Passed through the Montana Historical Society:</i>				
Historic Preservation Fund Grant	15.904	MT-15-024	5,500	-
<b><u>U.S. Department of Justice</u></b>				
<i>Direct:</i>				
Grants to Encourage Arrest Policies and				-
Enforcement of Protection Orders Program	16.590	2014-WE-AX-0010	98,823	-
Bulletproof Vest Partnership Grant	16.607	2013BUBX13069550	6,317	-
Edward Byrne Memorial JAG program-JAG Grant XI	16.738	2014-DJ-BX-0685	13,985	-
Edward Byrne Memorial JAG program-JAG Grant XII	16.738	2015-DJ-BX-0387	56,861	16,850
Total Edward Byrne Memorial JAG program			70,846	16,850
Public Safety Partnership and Community Policing Grants	16.710	2014UMWX0147	42,000	-
<i>Passed through City of Billings:</i>				
Missing Children's Assistance	16.543	2013-MC-FX-K025	6,000	-
<b>Total U.S. Department of Justice</b>			<b>223,986</b>	<b>16,850</b>

**City of Missoula, Missoula County, Montana**  
**Schedule of Expenditures of Federal Awards**  
**For Fiscal Year Ended June 30, 2016**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Total Federal Expenditures</b>	<b>Total Passed Through to Subrecipients</b>
<b><u>U.S. Department of Transportation</u></b>				
<i>Passed through the Montana Department of Transportation:</i>				
Congestion Mitigation and Air Quality	20.205	CM 8199 (121)	86,248	-
Congestion Mitigation and Air Quality	20.205	CM 8199 (136)	147,044	-
P.L. Transport FFY15	20.205	FFY 2015 UPWP	150,873	-
P.L. Transport FFY16	20.205	FFY 2016 UPWP	448,140	-
Community Transportation Enhancement Program	20.205	STPE 8199(105)	23,438	-
Community Transportation Enhancement Program	20.205	UPN 8563	135,382	-
Total Highway Planning and Construction			991,125	-
<i>Recreational Trails Program</i>	20.219	2014-27	2,548	-
Total Highway Planning and Construction Cluster			993,673	-
<i>Passed through the Montana Department of Transportation:</i>				
Metropolitan Transportation Planning - FTA (Section 5303)	20.505	108692	95,635	83,388
Metropolitan Transportation Planning - FTA (Section 5303)	20.505	108042	23,727	20,787
Total Metropolitan Transportation Planning - FTA (Section 5303)			119,362	104,175
<i>Highway Safety Cluster</i>				
State and Community Highway Safety	20.600	108582/108507/107912/107920	33,774	-
Incentive Grant Program to Prohibit Racial Profiling	20.611	108273	10,338	-
National Priority Safety Programs	20.616	108582/108507/107912/107920	13,400	-
Total Highway Safety Cluster			57,512	-
<i>Minimum Penalties for Repeat Offenders for</i>				
<i>Driving While Intoxicated</i>	20.608	108507	4,182	-
<i>Passed through Montana Department of Military Affairs -</i>				
<i>Disaster and Emergency Services Division:</i>				
Hazardous Materials Emergency Preparedness				
Training and Planning Grants (HMEP)	20.703	HM-HMP-0441-14-01-00	12,000	10,116
<b>Total U.S. Department of Transportation</b>			<b>1,186,729</b>	<b>114,291</b>
<b><u>Environmental Protection Agency</u></b>				
<i>Direct:</i>				
Brownfields Assessment and Cleanup-Assessment	66.818	BF-96836001-0	204,945	-
Brownfields Assessment and Cleanup-RLF	66.818	BF-97810201-5	91,964	-
<b>Total Environmental Protection Agency</b>			<b>296,909</b>	<b>-</b>
<b><u>U.S. Department of Homeland Security</u></b>				
<i>Direct:</i>				
Homeland Security Grant Program	97.044	EMW-2014-FO-05466	86,262	-
<i>Passed through Montana Department of Military Affairs -</i>				
<i>Disaster and Emergency Services Division:</i>				
Homeland Security Grant Program	97.067	EMW-2015-SS-00005-S01	273,125	-
<i>Passed through Montana State Fire Chiefs Association:</i>				
Homeland Security Grant Program	97.067	N/A	11,974	-
Total Homeland Security Grant Program			285,099	-
<b>Total U.S. Department of Homeland Security</b>			<b>371,361</b>	<b>-</b>
<b>Total Federal Financial Assistance</b>			<b>\$ 3,199,569</b>	<b>\$ 894,602</b>

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Fiscal Year Ended June 30, 2016

**NOTE 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Missoula, Montana under programs of the federal government for the year ended June 30, 2016. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 2. INDIRECT COST RATE**

The City has elected not to use the 10% de minimis indirect cost rate described in the Uniform Guidance.

**NOTE 3. LOAN PROGRAM**

The Brownfields loan program is administered directly by the City, and balances and transactions relating to this program are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2016 for this program was \$2,004,917.

CITY OF MISSOULA, MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Fiscal Year Ended **June 30, 2016**

**Section I – Summary of Auditors' Results**

**Financial Statements**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified	
not considered to be material weaknesses	Yes
Noncompliance material to financial statements	
noted?	No

**Federal Awards**

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified	
not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance	
for major programs:	Qualified for CFDA
	14.218; unmodified for
	CFDA 97.607
Any audit findings disclosed that are required	
to be reported in accordance with	
2 CFR 200.51(a)?	Yes

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Entitlement Grants
97.607	Homeland Security Grant Program

Dollar threshold used to distinguish	
between Type A and Type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

**CITY OF MISSOULA, MONTANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Fiscal Year Ended June 30, 2016**

**Section II – Financial Statement Findings**

*Finding 2016-1*

*Information Supporting the Financial Statements and Financial Close Process*

<i>Condition –</i>	During the course of the audit, we noted the following issues related to the financial reporting process: 1) several schedules did not tie to the financial statements; 2) several correcting journal entries were made well after fiscal year end, some of which were a result of our audit procedures; and 3) an error in the aquatics budget whereby an amount was included twice in different categories.
<i>Criteria –</i>	Issues such as those described above indicate a significant deficiency in internal control over financial reporting. We understand management has designed controls in the form of checklists and written procedures for the financial reporting and closing process, but the controls did not appear to be operating effectively as intended for fiscal year 2016.
<i>Effect –</i>	There were several differences between supporting schedules and the financial statements, and several correcting and closing adjustments were made well after year end.
<i>Cause –</i>	The source documents that we use to perform our audit procedures are the supporting schedules that should reconcile to the financial statements. At the time fieldwork began, we understood that the supporting schedules were complete for all of the audit areas. However, as fieldwork progressed, we noted discrepancies in several of the areas being audited between the supporting documentation, budget information, and the financial statements. In addition, there were several adjustments made to the financial statements during the course of fieldwork.
<i>Recommendation –</i>	We recommend that management implement procedures to ensure that supporting schedules reconcile to the financial statements prior to the commencement of the audit and budget amounts are entered correctly. We believe that City personnel likely would have found the discrepancies had detailed reconciliations and reviews been performed.
<i>Client response and corrective actions –</i>	Please know that the City of Missoula recognizes and appreciates the challenges faced by the auditors this year. We understand that this posed additional burden for them to complete the audit and we filed for audit deadline extensions to address this. We also understand that this required greater time than the auditors had originally allotted for and we accept additional charges requested by the auditors to address the additional staff time needed to complete the audit.

CITY OF MISSOULA, MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended **June 30, 2016**

**Section II – Financial Statement Findings (continued)**

*Finding 2016-1*  
*(continued)*

*Information Supporting the Financial Statements and Financial Close*  
*Process (continued)*

*Client response and  
corrective actions  
(continued)*

Challenges that we faced this year were unusual and not systemic. We had greatly diminished capacity due to the retirement of a 30-year department veteran, staff absences, and the final push in two major City endeavors: the creation of the Stormwater utility and related billing, and the final push on the City's acquisition of the water system. The Finance Department will be fully staffed up prior to the end of fiscal year 2017 and we are implementing additional training for staff to further their capacity in the audit process.

**Section III – Federal Award Findings and Questioned Costs**

*Finding 2016-2*

*Subaward information*

*Affected Program -*

Community Development Block Grant Entitlement Grant CFDA 14.218 (CDBG Entitlement Grant)

*Condition –*

During our testing of the CDBG Entitlement Grant, we noted the following information is not included in the subaward documents issued by the City: 1) Federal award date; 2) subaward period of performance end date; 3) indirect cost rate for the Federal award; 4) an approved federally recognized indirect cost rate negotiated between the subrecipient and the federal government, or if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient, or a de minimis indirect cost rate.

*Criteria –*

200.331, paragraph (a) of the Uniform Guidance specifies information required to be included in each subaward.

*Effect –*

Subaward documents do not contain the information required by the Uniform Guidance.

*Cause –*

Templates for subawards were not updated to conform with the requirements contained in the Uniform Guidance.

*Recommendation –*

We recommend that management update subaward agreements to include the elements required in 200.331, paragraph (a) of the Uniform Guidance.



CITY OF MISSOULA, MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Fiscal Year Ended **June 30, 2016**

**Section III – Federal Award Findings and Questioned Costs (continued)**

Finding 2016-2

Subaward information (continued)

*Client response and  
corrective actions –*

Federal Award Date – Oftentimes, the City enters into contracts with subrecipients after we receive initial notification from HUD of our CDBG award, but prior to the formal Funding Approval Agreement. For instance, in program year 2016, the City did not receive notification of our Action Plan approval until 8/22/16. Since our Program Year for subrecipients begins July 1, we must develop written agreements prior to the formal notification from HUD. To address this going forward, the City of Missoula will add an attachment to award agreements with the Federal Award Date.

*Client response and  
corrective actions  
(continued) -*

Subaward Period of Performance End Date: The City of Missoula will add this to future written agreements under what is currently Section 5 “Effective Date and Time of Performance.”

Indirect Cost Rate for the Federal Award – The City of Missoula does not typically fund indirect costs, rather we only fund direct project-related costs. As such, we can add a section to the award agreement explaining this if the auditors deem that necessary.

Finding 2016-3

Subrecipient monitoring

*Affected Program -*

Community Development Block Grant Entitlement Grant CFDA 14.218 (CDBG Entitlement Grant)

*Condition –*

During our testing, we noted the City has no formal documentation of the analysis of each subrecipient’s risk of noncompliance.

*Criteria –*

Part 200.331, paragraph (b) of the Uniform Guidance requires the evaluation of each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate level of subrecipient monitoring to be conducted. The factors to be evaluated include: 1) the subrecipient's prior experience with the same or similar subawards; 2) the results of previous audits;

CITY OF MISSOULA, MONTANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Fiscal Year Ended **June 30, 2016**

**Section III – Federal Award Findings and Questioned Costs (continued)**

Finding 2016-3  
(continued)

Subrecipient monitoring (continued)

3) whether the subrecipient has new personnel or new or substantially changed systems; and 4) the extent and results of Federal awarding agency monitoring.

*Effect –*

There is no formal written documentation that supports the level of funding to subrecipients based on each subrecipient's risk of noncompliance.

*Cause –*

The City does not maintain formal documentation of the analysis of each subrecipient's risk of noncompliance.

*Recommendation –*

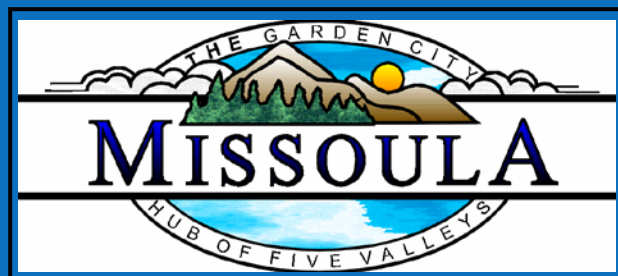
We recommend the City formally document the risk of noncompliance for each subrecipient as a part of their evaluation for the level of funding to each organization.

*Client response and  
corrective actions –*

As detailed previously, the City of Missoula Housing and Community Development Department recently took over administration of the CDBG Entitlement Grant, which had previously been done by Missoula County Department of Grants and Community Programs. As part of this process, we have been auditing systems and have already recognized the need to develop an annual monitoring plan that includes risk analyses of subrecipients. This will be addressed through written policies outlined in the monitoring plan and will be complete by the start of the program year beginning July 1, 2017.

**Summary Schedule of Prior Audit Findings**

The audit report for the year ended June 30, 2015, contained no audit findings.



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