

Photo by Jackie Corday



**City of Missoula, Montana  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2018**

City of Missoula, Montana  
Annual Comprehensive Annual Report and Audit  
For the Fiscal Year Ended June 30, 2018



Prepared by the City of Missoula Finance Department



## TABLE OF CONTENTS

### *Introductory Section*

Letter of Transmittal.....	1 - 4
GFOA Certificate of Achievement.....	5
City of Missoula Organization .....	6
Elected Officials and Administration Personnel .....	7

### *Financial Section*

<b>Independent Auditors' Report</b> .....	8 - 10
<b>Management Discussion and Analysis</b> .....	11 - 18
<b>Basic Financial Statements</b>	
<b>Government-Wide Financial Statements</b>	
Statement of Net Position .....	19
Statement of Activities .....	20
<b>Fund Financial Statements</b>	
Major Governmental Funds - Fund Descriptions.....	21
<b>Governmental Fund Financial Statements</b>	
Balance Sheet – Governmental Funds.....	22
Reconciliation of the Governmental Fund Balance Sheet to Statement of Net Position.....	23
Statement of Revenues Expenditures and Changes in Fund Balances–	
Governmental Funds .....	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances	
of Governmental Funds to the Statement of Activities– Governmental Funds.....	25
<b>Proprietary Fund Financial Statements</b>	
Statement of Net Position– Proprietary Funds.....	26
Statement of Revenues, Expenses and Changes in Fund Net Position-Proprietary Funds.....	27
Statement of Cash Flows - Proprietary Fund Types.....	28
<b>Fiduciary Fund Financial Statements</b>	
Statement of Fiduciary Net Position - Fiduciary Funds.....	29
<b>Notes to Financial Statements (are an integral parts of the basic financial statements)</b> .....	30 - 81
<b>Required Supplementary Information other than Management Discussion and Analysis</b>	
Budgetary Comparison Schedule - General Fund .....	82
Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions .....	83 - 85
Schedule of Changes in Other Post Employment Benefits Liability and Related Ratios .....	86
Notes to Required Supplementary Information .....	87 - 89

### *Supplemental Information*

<b>Combining Financial Statements</b>	
Nonmajor Governmental Fund Descriptions.....	90 – 95
<b>Nonmajor Governmental Funds</b>	
Combining Balance Sheet - <b>Totals</b> for Nonmajor Governmental Fund.....	96
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -	
<b>Totals</b> for Nonmajor Governmental Funds .....	97
Combining Balance Sheet - Nonmajor <b>Special Revenue</b> Funds .....	98 - 107
Combining Balance Sheet - Nonmajor <b>Debt Service</b> Funds .....	108 - 125
Combining Balance Sheet - Nonmajor <b>Capital Project</b> Funds .....	126 - 141
Combining Statement of Revenues, Expenditures and Changes in Fund Balance -	
Nonmajor <b>Special Revenue</b> Funds .....	142 - 151
Combining Statement of Revenues Expenditures and Changes in Fund Balance -	
Nonmajor <b>Debt Service</b> Funds .....	152 - 166
Combining Statement of Revenues Expenditures and Changes in Fund Balance -	
Nonmajor <b>Capital Projects</b> Funds .....	167 - 182



## TABLE OF CONTENTS

### *Supplemental Information (Continued)*

#### **Nonmajor Proprietary Funds**

Nonmajor Proprietary Fund Descriptions.....	183
Combining Statement of Net Position for Nonmajor Proprietary Funds.....	184
Combining Statement of Revenues, Expenses, and Changes in Net Position -	
for Nonmajor Proprietary Funds .....	185
Combining Statement of Cash Flows for Nonmajor Proprietary Funds.....	186

#### **Agency Funds**

Changes in Assets and Liabilities - All Agency Funds .....	187 - 189
--	-----------

#### **Nonmajor Governmental Funds - Budget to Actual**

Schedule of Revenues, Expenditures and Changes in Fund Balances –Budget and Actual	
Budgeted Nonmajor Special Revenue Funds .....	190 - 204
Budgeted Nonmajor Debt Service Funds.....	205 - 227
Budgeted Nonmajor Capital Projects Funds.....	228 - 251

### *Statistical Section*

Statistical Section Narrative .....	252
Net Position by Component .....	253
Change in Net Position .....	254
Fund Balances of Governmental Funds.....	255
Changes in Fund Balances of Governmental Funds.....	256
Overlapping Property Tax Levies .....	257
Estimated Market Value, Taxable Value and Mill Levy .....	258
Assessed Value and Estimated Taxable Value of Property	259
Property Value and New Construction .....	260
Principal Property Taxpayers .....	261
Property Tax Levies and Collections .....	262
General Obligation Debt Ratios Required Continuing Disclosure .....	263
Summary of Direct Debt, Indirect Debt and Debt Ratios Required Continuing Disclosure .....	264
Legal Debt Margin Information .....	265
Ratio of Outstanding Debt by Type .....	266
Ratio of Annual Debt Service Requirements for Last Ten Fiscal Years .....	267
Pledged-Revenue Coverage Wastewater Facility Revenue Bonds .....	268
Pledged-Revenue Coverage Parking Commission Revenue Bonds .....	269
Revolving Fund Year-End Balance Required Continuing Disclosure .....	270
Revolving Fund Changes in Fund Balance Required Continuing Disclosure .....	271
Demographic and Economic Statistics .....	272
Top Ten Employers in City of Missoula .....	273
Full Time Equivalent City Government Employees by Function/Program.....	274
City Services and Employment .....	275
Employment by Major Industry Type .....	276
Operating Indicators by Function/Program .....	277
Capital Asset Statistics by Function/Program .....	278
Special Assessments Billed and Collected .....	279
Special Improvement District 512, 521, 522 Required Continuing Disclosure .....	280
Special Improvement District—All Districts .....	281
Water Utility District User Rates Charges Last Ten Fiscal Years .....	282



## TABLE OF CONTENTS

### *Statistical Section (Continued)*

Water Utility Number of Users and Average Peak Demand .....	283
Water Utility Top Billed Customers Current and Ten Years Ago .....	284
Sewerage District User Rates Charges Last Ten Fiscal Years .....	285
Sewerage District Number of Users and Average Peak Demand .....	286
Sewerage District Sewer Billings and Collections Last Ten Fiscal Years .....	287
Sewerage District Top Billed Customers Current and Ten Years Ago .....	288
Sewerage District Sewer Treatment Requirements Last Ten Fiscal Years .....	289
Missoula Parking Commission Rates and Fees .....	290
Missoula Parking Operations and Facilities .....	291
Component Unit Missoula Redevelopment Agency Historical Value of Tax Increment Districts .....	292
Component Unit Missoula Redevelopment Agency Taxable Value of Districts Compared to City .....	293
Component Unit Missoula Redevelopment Agency Trends in Property Valuation in City .....	294
Missoula Redevelopment Agency Component Unit Tax Increment Revenue Bond Coverage .....	295
Missoula Redevelopment Agency Property Tax Levies in the Urban Renewal District II .....	296
Urban Renewal District II Top Ten Taxpayers .....	297
Urban Renewal District Front Street Top Ten Taxpayers .....	298
Front Street Urban Renewal District Tax Increment Collections .....	299

### *Single Audit Section*

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with Government Auditing Standards .....	300 - 301
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance .....	302 - 303
Schedule of Expenditures of Federal Awards .....	304 - 305
Notes to Schedule of Expenditures of Federal Awards .....	306
Schedule of Findings and Questioned Costs .....	307 - 309
Corrective Action Plan .....	310

# INTRODUCTORY SECTION



---

## FINANCE DEPARTMENT

---

435 Ryman Street, Missoula, Montana 59802  
(406) 552-6107 Phone (406) 327-2217 Fax

Budget and Analysis  
Treasury

Finance and Debt Management  
Accounting/Utility Billing

DATE: December 28, 2018

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, 2018. 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. Because 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, Water utility, Wastewater and Compost utility, Storm Water utility and the Aquatics Fund are accounted for in enterprise funds. Private firms provide garbage, electric and gas services. The Missoula Parking Commission, Missoula Redevelopment Agency, Business Improvement District and 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 and are reported in the County's annual report. The contribution on behalf of the City to the Health Department appears 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. Relevant excerpts from the Bureau's Economic Outlook reports relating to Missoula and Missoula County and the presentation by Patrick Barkey, Director of the Bureau, at their annual seminar are below:

- *The Missoula economy has quietly emerged from underperforming in the immediate aftermath of the Great Recession to growth in the past two years that is on par with Flathead County. It was the only urban area in the state to see growth accelerate in 2017. Much of that surge was due to strong construction activity, particularly commercial and multifamily residential structures. Professional business companies, such as technology consultants ATG, also played an important role in boosting wages faster than jobs.*
- *"Job growth in Missoula County remained strong over 2016 and 2017, adding more than 1,000 new jobs each of the two years. And the State's strong labor market continues to shine, with the unemployment rate remaining low."*

On September 7, 2018 Standard & Poor's issued a report affirming their prior credit ratings for the City. An excerpt from this report relating to the City's economy states:

*We consider Missoula's economy strong. The city, with an estimated population of 70,333, is located in Missoula County in the Missoula, MT MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 93.2% of the national level and per capita market value of \$117,081. Overall, the city's market value grew by 0.7% over the past year to \$8.2 billion in 2019. The county's unemployment rate was 3.6% in 2017.*

In 2018, The Missoula Organization of Realtors issued "2018 MISSOULA HOUSING REPORT".

- *Missoula's growing population, along with a tight rental market and tight real estate supply, spurred an increase in construction in 2017. Residential lot sales rang in with 169 lots being sold in 2017, marking the third year in a row of high lot sales. The median price of those lots increased 8.1 percent in 2017, to \$92,500.*

## **MAJOR INITIATIVES**

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

- **FY 2019 Budget.** The FY 2019 budget, as adopted, was brought to Council in mid-May, a month earlier than the previous year. Prior to the current year, the budget adoption process was on an accelerated schedule, adopted in FY 2013, to approve the next fiscal year budget prior to the end of the current fiscal year. The calculated additional property tax impact for the current fiscal year is an increase of 3.52% for City taxes and City-wide Road and Park District assessments, which is estimated to be an increase by approximately \$36.03 per year for a home with a market value of \$268,250.
- The City received certified taxable values from the State of Montana in early August. Adjustments due to appeals and the removal of Mountain Water Company from the tax rolls necessitated new measures to supplement the resulting loss in tax revenues. The City worked with the Missoula Redevelopment Agency to distribute tax receipts from the urban renewal districts for the benefit of the City, Missoula County Public Schools and Missoula County.

- The actual level of new tax revenue from growth in the City's tax base for the current fiscal year (FY 2019) is \$360,063. This compares to growth in past five fiscal years of \$278,840 for FY 2018; \$429,386 for FY 2017; \$452,529 for FY 2016; \$191,561 for FY 2015 and \$299,612 for FY 2014. The City has budgeted for inflationary trending of property taxes allowed by state law (\$200,688).

On September 7, 2018 Standard & Poor's issued a report affirming their prior credit ratings for the City. Excerpts from this report state:

*S&P Global Ratings affirmed its 'AA+' underlying rating (SPUR) on Missoula, Mont.'s outstanding unlimited tax general obligation (GO) bonds. At the same time, S&P Global Ratings affirmed its 'AA' rating on the city's limited tax GO bonds. The outlook on all ratings is stable.*

*The rating reflects our view of the City's:*

- *Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);*
- *Strong management, with "good" financial policies and practices under our Financial Management Assessment methodology;*
- *Adequate budgetary performance, with balanced operating results in the general fund but an operating deficit at the total governmental fund level in fiscal 2017;*
- *Very strong liquidity, with total government available cash at 11.4% of total governmental fund expenditures and 144.7% of governmental debt service, and access to external liquidity that we consider strong;*
- *Very strong debt and contingent liability position, with debt service carrying charges at 7.9% of expenditures and net direct debt that is 36.5% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value and rapid amortization, with 94.1% of debt scheduled to be retired in 10 years; and*
- *Strong institutional framework score.*

## **For the Future**

While the FY19 budget was constrained by adjustments to the tax base the City is still able to embark on major capital projects funded by other revenue sources.

Per the Mayor's late summer letter to City Council:

*We are keeping our Capital Improvement Program largely intact, which addresses significant public interest in maintaining and improving infrastructure. Water and wastewater projects are funded through those utilities. Parks and streets improvements are paid through special districts, equipment replacement is paid for by the general fund, utilities, and enterprise funds on a shared basis. Here's what's proposed in the CIP:*

- *Street and sidewalk projects: \$8,408,283*
- *Parks construction and upgrades: \$2,628,086*
- *Water system improvements: \$7,229,035*
- *Wastewater system improvements: \$2,652,984*
- *Equipment replacement: \$3,243,000*

## **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, 2017. This was the nineteenth 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.

**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

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Missoula  
Montana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

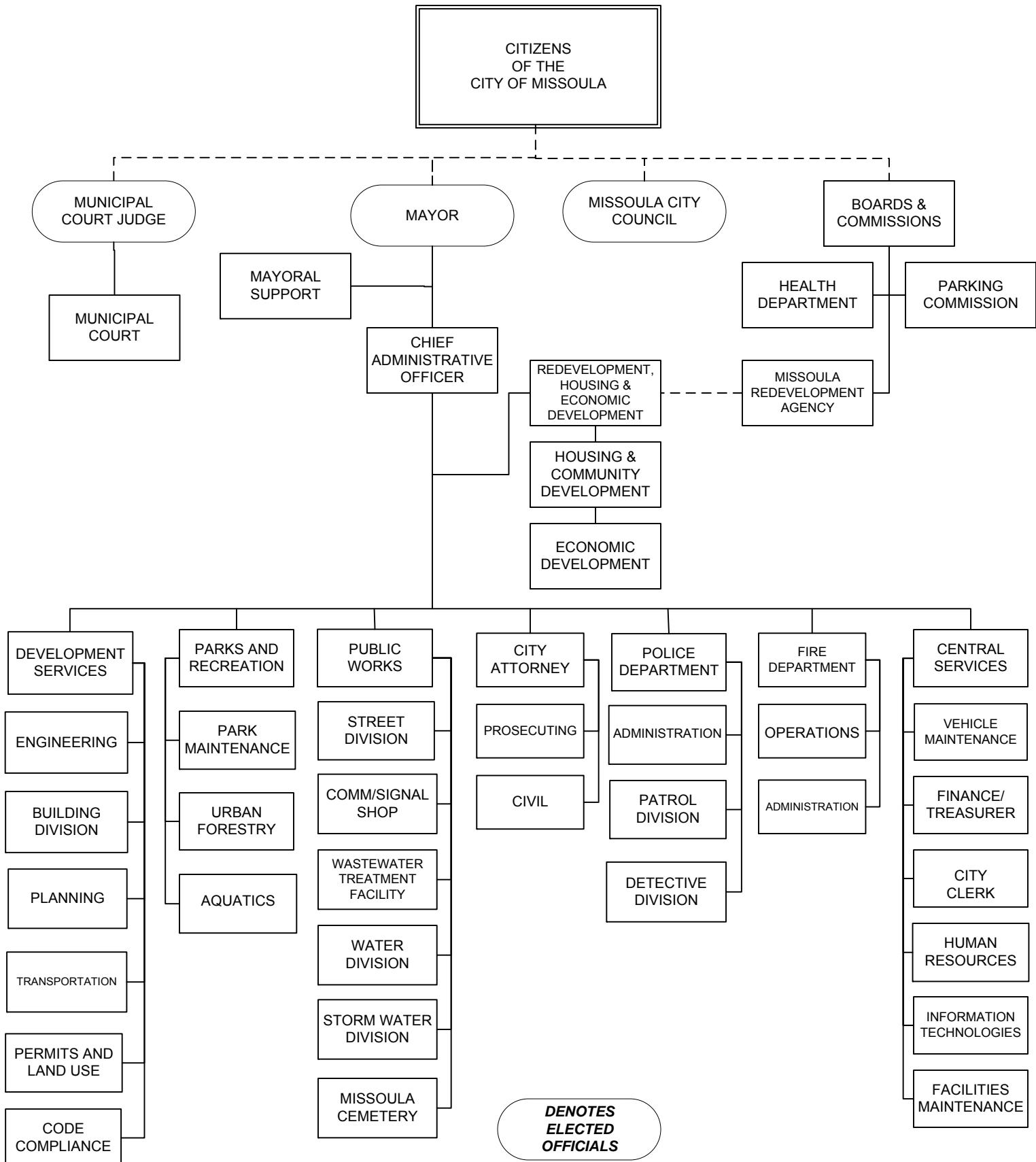
**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO



## FY18 Citizens of The City of Missoula



## ELECTED OFFICIALS

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

**ALDERPERSONS FIRST WARD**

TERM EXPIRES FIRST MONDAY IN:  
Bryan Von Lossberg 2022  
Heidi West 2020

**ALDERPERSONS SECOND WARD**

TERM EXPIRES FIRST MONDAY IN:  
Jordan Hess 2022  
Mirtha Becerra 2020

**ALDERPERSONS THIRD WARD**

TERM EXPIRES FIRST MONDAY IN:  
Heather Harp 2022  
Gwen Jones 2020

**ALDERPERSONS FOURTH WARD**

TERM EXPIRES FIRST MONDAY IN:  
John DiBari 2020  
Jesse Ramos 2022

**ALDERPERSONS FIFTH WARD**

TERM EXPIRES FIRST MONDAY IN:  
Stacie M. Anderson 2022  
Julie Armstrong 2020

**ALDERPERSONS SIXTH WARD**

TERM EXPIRES FIRST MONDAY IN:  
Michelle Cares 2020  
Julie Merritt 2022

.....

## ADMINISTRATIVE OFFICIALS

**Dale Bickell, CHIEF ADMINISTRATIVE OFFICER**

**Steve Johnson, CENTRAL SERVICES DIRECTOR**

**Jeff Brandt, 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**

**John Wilson, DIRECTOR, PUBLIC WORKS**

**Brian Hensel, DEPUTEE PUBLIC WORKS DIRECTOR - STREETS**

**Dennis Bowman, DEPUTEE PUBLIC WORKS DIRECTOR, UTILITIES**

**Scot Colwell, VEHICLE FLEET MAINTENANCE DIVISION MANAGER**

**Matt Lawson, FACILITIES MAINTENANCE DIVISION MANAGER**

**Donna Gaukler, PARKS & RECREATION DIRECTOR**

**Ronald Regan, MISSOULA CEMETERY DIRECTOR**

**Mike Haynes, DEVELOPMENT SERVICES DIRECTOR**

**Don Verrue, DEVELOPMENT SERVICES BUILDING OFFICIAL**

**Tiffany Brander, INTERIM MISSOULA PARKING COMMISSION DIRECTOR**

**Ellen Leahy, CITY/ COUNTY HEALTH DEPARTMENT DIRECTOR**

**Honore Bray, CITY/COUNTY LIBRARY DIRECTOR**

**Laurie Pfau, HUMAN RESOURCES DIRECTOR**

**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, 2018, 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, 2018, 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.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the City has adopted the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which has resulted in a restatement of the net position as of July 1, 2017. Our opinions are not modified with respect to this matter.

## **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 changes in other post employment benefits liability and related ratios, schedule of proportionate share of net pension liability for the last ten fiscal years, and the schedule of contributions for the last ten fiscal years 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 December 28, 2018, 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 solely 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 the effectiveness of the City's 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 Zummelert Co., P.C.*

Missoula, Montana  
December 28, 2018

# **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, 2018. 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 19, 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 \$246,665,468 (*net position*). Of this amount, (\$71,493,303) is the unrestricted net position.
- The government's total net position increased by \$24,858,148, from FY 2017. The increase is attributable to net investment in capital assets in both the governmental and business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,018,285 and the proprietary funds reported a total net position of \$71,848,051.
- At the end of the current fiscal year, the total fund balance of the General Fund was \$4,790,593 which represented 8.33% percent of total General Fund expenditures and transfers.
- The City implemented new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of this statement resulted in a restatement of beginning net position \$4,959,258 in the governmental activities government-wide financial statements and \$964,787 in the proprietary fund and business-type government-wide financial statements.
- The City implemented statement 85, Omnibus. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, this Statement addresses the following topics:
  - Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation
  - Reporting amounts previously reported as goodwill and "negative" goodwill
  - Classifying real estate held by insurance entities
  - Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
  - Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus
  - Recognizing on-behalf payments for pensions or OPEB in employer financial statements
  - Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB
  - Classifying employer-paid member contributions for OPEB
  - Simplifying certain aspects of the alternative measurement method for OPEB
  - Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

## 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 deferred outflows and liabilities and deferred inflows, with the difference 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, water utility, storm water utility and an aquatics fund .

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 as discretely presented component units 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 eighty nine 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, the only fund to be reported as a major governmental fund. 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, water utility, storm water 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, water, storm water, aquatics programs, Civic Stadium fund and for the health benefit plan. The sewer and compost utility and water utility are considered to be major funds 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 30-81 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 82 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 \$246,665,468 at the close of the most recent fiscal year. This is an increase in the net position of \$24,858,148, from FY 2017, and relates to the increase in net investment in capital assets in both the governmental and business type funds.

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, 2018 and June 30, 2017:

CITY OF MISSOULA'S NET POSITION						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current & Other Assets	\$ 25,615,796	\$ 23,936,379	\$ 9,577,560	\$ 42,905,661	\$ 35,193,356	\$ 66,842,040
Non-Current Assets	224,166,538	193,811,450	240,976,590	208,788,497	465,143,128	402,599,947
Total Assets	249,782,334	217,747,829	250,554,150	251,694,158	500,336,484	469,441,987
Deferred Outflows	8,989,093	7,103,076	1,536,143	399,922	10,525,236	7,502,998
Current Liabilities	14,360,732	15,945,868	148,983,462	13,216,678	163,344,194	29,162,546
Non-Current Liabilities	66,411,088	58,645,745	31,190,959	166,961,854	97,602,047	225,607,599
Total Liabilities	80,771,820	74,591,613	180,174,421	180,178,532	260,946,241	254,770,145
Deferred Inflows	3,182,191	360,511	67,820	7,006	3,250,011	367,517
Net Position:						
Net Investment in Capital Assets	191,268,130	164,778,388	83,989,062	42,251,262	275,257,192	207,029,650
Restricted	14,319,137	20,675,227	28,582,442	34,222,064	42,901,579	54,897,291
Unrestricted	(30,769,851)	(35,554,837)	(40,723,452)	(4,564,784)	(71,493,303)	(40,119,621)
Total Net Position	\$ 174,817,416	\$ 149,898,778	\$ 71,848,052	\$ 71,908,542	\$ 246,665,468	\$ 221,807,320

The *restricted* portion of the City of Missoula's net position (17.39 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 (\$71,493,303). Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position is negative due to GASB 68 & GASB 75, which require the City recognize a net pension liability of \$36,463,808 & other post-employment benefits liability of \$9,376,933. These liabilities are not funded with current resources, therefore the negative balance associated with these liabilities should not reflect negatively on the City's management of their financial assets. In addition to these negative balances, there is also negative unrestricted net position as a result of \$1,945,212 in the Proprietary Sewer fund which awaits financing for projects underway and negative unrestricted net position of \$40,673,591 in the Water Proprietary fund due in part to correcting the calculation for net investment in capital assets which was understated in the prior year.

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 increased in total by \$24,918,638 during the current fiscal year. The increase in fund balance during FY 2018 is primarily attributable to investment in infrastructure.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,018,285. The special revenue funds had a total fund balance of \$7,521,282, of which \$8,564,310 is either restricted, committed, or assigned to specific City programs while a deficit of (\$1,043,028) exists in certain funds pending either future grant or tax collections. The debt service funds have \$3,136,114 of fund balance that is restricted for debt payments, and a deficit unassigned balance of (\$424,989) pending future tax collections. The capital project funds have a fund balance of (\$4,004,715), \$663,981 of this is restricted for capital project expenditures and the negative balance of (\$4,668,696) will be reimbursed by future debt issuance.

At the end of the current fiscal year, the total fund balance of the General Fund was \$4,790,593 which represented 8.33% percent of total General Fund expenditures and transfers out. The unassigned portion of the fund balance for the General Fund was \$1,361,441 or 2.37% of total General Fund expenditures and transfers but the actual spendable portion (restricted/assigned/unassigned) was \$3,458,046, or 6.02% of total expenditures and transfers out.

*Business-type activities:* The business-type activity total net position decreased by \$60,487 and the amount invested in capital assets increased by \$41,737,800 due to current year investment in the assets of all utility funds and the correction for FY17's understatement in the water utility. This correction is also seen in the change in unrestricted net position of an increase of \$36,158,669.

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

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 15,262,047	\$ 14,241,592	\$ 29,424,681	\$ 10,536,292	\$ 44,686,728	\$ 24,777,884
Operating Grants & Contributions	2,019,938	1,370,235	309,236	39,217	2,329,174	1,409,452
General Revenues					-	-
Property taxes for general purposes	31,802,470	31,774,735	-	-	31,802,470	31,774,735
Intergovernmental revenue, unrestricted	22,328,214	14,392,239	-	-	22,328,214	14,392,239
Miscellaneous	434,945	386,493	173,593	369,919	608,538	756,412
Gain or Loss on Sale of Capital Assets	116,753	14,445	-	-	116,753	14,445
Investment Earnings	25,817	19,291	364,154	233,891	389,971	253,182
<b>Total Revenues</b>	<b>71,990,184</b>	<b>62,199,030</b>	<b>30,271,664</b>	<b>11,179,319</b>	<b>102,261,848</b>	<b>73,378,349</b>
<b>Expenses</b>						
General government	6,702,490	8,022,538	-	-	6,702,490	8,022,538
Public safety	18,848,719	20,910,167	-	-	18,848,719	20,910,167
Public works	14,379,782	13,564,159	30,944,457	15,139,245	45,324,239	28,703,404
Public health	1,094,587	1,223,889	-	-	1,094,587	1,223,889
Social and economic services	125,177	138,469	-	-	125,177	138,469
Culture and recreation	4,300,816	4,376,832	2,058,114	1,994,925	6,358,930	6,371,757
Housing and community development	695,101	873,424	-	-	695,101	873,424
Conservation of natural resources	-	-	-	-	-	-
Miscellaneous	905,800	165,216	-	-	905,800	165,216
Debt service interest expense	1,023,562	1,088,561	-	-	1,023,562	1,088,561
<b>Total Expenses</b>	<b>48,076,034</b>	<b>50,363,255</b>	<b>33,002,571</b>	<b>17,134,170</b>	<b>81,078,605</b>	<b>67,497,425</b>
<b>Excess (Deficiency) Before:</b>	<b>23,914,150</b>	<b>11,835,775</b>	<b>(2,730,907)</b>	<b>(5,954,851)</b>	<b>21,183,243</b>	<b>5,880,924</b>
Capital Grants & Contributions	5,937,782	7,885,240	3,475,847	795,791	9,413,629	8,681,031
Interfund Transactions	(109,155)	(203,000)	203,000	203,000	93,845	-
Net Contributions/Other Items	5,828,627	7,682,240	3,678,847	998,791	9,507,474	90,558,338
<b>Change in Net Position</b>	<b>29,742,777</b>	<b>19,518,015</b>	<b>947,940</b>	<b>(4,956,060)</b>	<b>30,690,717</b>	<b>14,561,955</b>
<b>Restatements</b>	<b>(4,824,139)</b>	<b>6,696,024</b>	<b>(1,008,427)</b>	<b>(6,687,170)</b>	<b>(5,832,566)</b>	<b>8,854</b>
<b>Ending Net Position</b>	<b>\$174,817,416</b>	<b>\$149,898,778</b>	<b>\$ 71,848,051</b>	<b>\$ 71,908,538</b>	<b>\$246,665,471</b>	<b>\$221,807,320</b>

## 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 \$11,018,285, an increase of \$5,100,133 in comparison with the prior year. This increase is attributable to General Fund budget performance and debt financing within the capital projects funds.

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 \$4,790,593 which represented 8.33 percent of total General Fund expenditures and transfers out. The general fund revenues came in significantly higher than anticipated through receipts of wildland fire revenues and building and development related permit revenues. In an effort to build the fund balance within the General Fund the City continues to work with major departments on budgetary savings which resulted in actual budgetary savings of \$1.8 million and an increase to the General Fund balance of \$954,808.

The majority of the fund balance for the special revenue funds was either committed \$3,918,115, restricted \$4,378,130, or assigned \$254,994 while \$3,136,114 of debt service fund balance is reserved for debt payments.

**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 (\$1,945,212), a change of \$264,487 from FY 2017. This decrease relates to capital project expenditures that will be financed in future years. The Sewer fund has a positive operating income of \$368,258 as the acquisition of the compost division begins generating operating revenue.

The Water Fund has a negative total net position of (\$10,820,756), and negative unrestricted net position of (\$40,673,591) owing primarily to borrowing for contingent liabilities awaiting judgment in court. These are discussed further in the notes to the financial statements. The Water Fund saw operating income of \$2,132,234 in FY18, the first full year of operations under City management.

The City's internal service fund continues to see significant increases in usage and medical inflation which began during the past decade. The fund carries a negative fund balance at the end of FY18 of (\$299,038). The City continues to try to build fund balance through a combination of transfers in and increases to contributions. During the FY19 budget preparation the City agreed to increase employer and employee paid contributions by 12% beginning in October, 2018. An advisory Employee Benefit Committee has been focusing on identifying methods to cut costs within the health plan by utilizing the assistance of the plan's third party administrator, Allegiance Benefit Plan Management and Gallagher Benefit Services, an insurance consultant company.

## General Fund Budgetary Highlights

The General Fund year-end fund balance increased to \$4,790,593 from \$3,835,781 at the end of FY 2017. Higher than anticipated revenues were seen in wildland fire and building and development related permit revenues. Concerted budget savings efforts resulted in budgetary savings of \$1.8 million.

## 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, 2018, amounts to \$431,661,791 (net of accumulated depreciation). This investment

in capital assets includes land, buildings, building system improvements, machinery and equipment, park facilities, trails, open space, streets, sidewalks, curbs and gutters, water and wastewater utilities and sanitary sewer or, 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:

- \$809 thousand investment in improvements in Park shelters and trail facilities.
- The purchase of \$2 million in core equipment for the continuing functions of the City.
- \$3.3 million investment in water utility assets.
- \$1.8 million investment in wastewater and compost facility improvements.
- \$4 million addition to government fund construction in process and \$4.7 to sewer and water utility construction in process projects.

#### CITY OF MISSOULA CAPITAL ASSETS

	Governmental Activities		Business-type Activities		Total				
	2018		2017		2018				
	\$	2018	\$	2017	\$	2018	\$	2017	
Land	\$	23,027,836	\$	22,703,382	\$	4,203,349	\$	4,203,349	
Art		253,271		236,590		65,229		65,229	
Intangibles		-		-		733,242		733,242	
Buildings & Improvements		47,647,936		46,854,904		234,209,479		231,254,773	
Machinery & Equipment		28,928,271		27,805,670		31,794,448		30,248,463	
Infrastructure		324,104,353		288,829,819		-		324,104,353	
Work In Process		5,145,781		2,934,712		5,803,391		1,613,504	
Total Capital Assets		429,107,447		389,365,077		276,809,138		268,118,560	
Less Accumulated Depreciation		(207,334,299)		(195,553,627)		(66,920,495)		(59,330,063)	
Net Capital Assets	\$	221,773,148	\$	193,811,450	\$	209,888,643	\$	208,788,497	
						\$	431,661,791	\$	426,184,147

**Long-Term Debt.** At the end of the current fiscal year, the City of Missoula had a total of \$211,703,151 of long term debt outstanding of which \$182,927,726 was bonded debt. Of this amount, \$14,094,735 comprises debt backed by the full faith and credit of the government and \$11,148,712 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-E of the Notes to the Financial Statements.

#### CITY OF MISSOULA'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total				
	2018		2017		2018				
	\$	2018	\$	2017	\$	2018	\$	2017	
General Obligation Bonds	\$	6,315,000	\$	7,305,000	\$	-	\$	-	
Limited Obligation Bonds		7,779,735		4,650,000		-		-	
Revenue Bonds		-		-		157,684,279		158,062,445	
Special Assessment Bonds		11,148,712		12,173,827		-		-	
Loans Payable		147,321		242,822		-		-	
Capital Leases		5,626,847		4,879,043		401,474		389,700	
Bond Premiums		344,824		363,981		-		-	
Notes Payable		-		-		1,312,237		1,353,747	
FBO Contracts Payable		-		-		5,525,518		6,731,343	
Compensated Absences		5,486,890		5,267,720		553,381		464,514	
Post Employment Benefits		8,164,087		2,819,485		1,212,846		190,814	
Total Outstanding Debt	\$	45,013,416	\$	37,701,879	\$	166,689,735	\$	167,192,563	
						\$	211,703,151	\$	204,894,442

The City of Missoula's total debt increased by \$6,808,709 during the 2018 fiscal year. Debt was increased for issuing \$3.5 million of limited obligation bonds to pay for the acquisition and rehabilitation of a property for the City's second police station and a contribution to a new park adjacent the Art Museum, in downtown Missoula, as well as \$759 thousand in new debt for the replacement of core equipment and the retirement of \$13.5 million.

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 \$204,402,000 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 which was affirmed with Standard and Poor's on September 7<sup>th</sup>, 2018.

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

The City's elected and appointed officials considered many factors when adopting the 2018-2019 budget for next fiscal year's tax rates and for fees that will be charged for the business-type activities. Missoula continues to see tax base growth which has, in past years, substantially helped offset contractual wages increases and inflationary increases to operating expenses. The taxable value figures published by the Department of Revenue for Fiscal Year 2019 showed expected new growth but adjustments by the Department of Revenue consumed the growth figures resulting in no new tax revenues. The City balanced the FY19 budget in part by a one-time distribution from a number of Urban Renewal Districts within the City limits. General Property taxes and City-Wide special assessment districts increased taxes by 3.26%. Finally, in order to finalize the FY19 budget certain fee for service revenues were increased by 3.25% in order to stay in step with contractual and inflationary increases to the budget.

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 Bureau's 2018 Montana Economic Report states:

*The Missoula economy has quietly emerged from underperforming in the immediate aftermath of the Great Recession to growth in the past two years that is on par with Flathead County. It was the only urban area in the state to see growth accelerate in 2017. Much of that surge was due to strong construction activity, particularly commercial and multifamily residential structures. Professional business companies, such as technology consultants ATG, also played an important role in boosting wages faster than jobs.*

### **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 Office of the Finance Director, 435 Ryman, City of Missoula, Montana, 59802.

# **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL  
STATEMENTS**

**City of Missoula**  
**Statement of Net Position**  
**June 30, 2018**

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Business Improvement District		Missoula Parking Commission	Missoula Redevelopment Agency
				Business Improvement District	Tourism Business District		
<b>ASSETS AND DEFERRED OUTFLOWS</b>							
<b>Current assets:</b>							
Cash and investments	\$ 6,354,261	\$ 6,028,280	\$ 12,382,541	\$ 176,820	\$ 322,748	\$ 2,133,134	\$ 7,979,544
Taxes/Assessments receivable, net	11,088,798	-	11,088,798	15,748	-	-	536,057
Accounts receivable	392,562	2,627,762	3,020,324	-	274,880	-	-
Other receivable	200,876	3,848,638	4,049,514	16,451	-	322,209	118,736
Prepaid items	257,291	59,137	316,428	-	-	-	-
Due from other governments	3,184,781	16,820	3,201,601	3,851	-	-	415,091
Internal Balances	3,048,897	(3,048,897)	-	-	-	-	-
Inventory of supplies	1,088,330	45,820	1,134,150	-	-	-	-
Total current assets	<u>25,615,796</u>	<u>9,577,560</u>	<u>35,193,356</u>	<u>212,870</u>	<u>597,628</u>	<u>2,455,343</u>	<u>9,049,428</u>
<b>Noncurrent assets:</b>							
Cash and investments	-	31,087,947	31,087,947	-	-	528,325	674,645
Long-term loans receivable	2,393,391	-	2,393,391	-	-	2,462,000	626,112
Other assets	-	-	-	-	-	308,299	-
Capital assets - depreciable, net	193,346,261	199,083,432	392,429,693	-	33,437	14,992,220	-
Capital assets - land and construction in progress	28,426,886	10,805,211	39,232,097	-	-	-	-
Total noncurrent assets	<u>224,166,538</u>	<u>240,976,590</u>	<u>465,143,128</u>	<u>-</u>	<u>33,437</u>	<u>18,290,844</u>	<u>1,300,757</u>
Total assets	<u>249,782,334</u>	<u>250,554,150</u>	<u>500,336,484</u>	<u>212,870</u>	<u>631,065</u>	<u>20,746,187</u>	<u>10,350,185</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Pension contributions and adjustments	8,472,060	1,535,591	10,007,651	-	-	174,802	149,960
OPEB contributions and adjustments	3,722	552	4,274	-	-	-	-
Deferred portion of refunded bond	513,311	-	513,311	-	-	-	16,824
Total deferred outflows of resources	<u>8,989,093</u>	<u>1,536,143</u>	<u>10,525,236</u>	<u>-</u>	<u>-</u>	<u>174,802</u>	<u>166,784</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>258,771,427</b>	<b>252,090,293</b>	<b>510,861,720</b>	<b>212,870</b>	<b>631,065</b>	<b>20,920,989</b>	<b>10,516,969</b>
<b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>							
<b>Current liabilities:</b>							
Accounts payable	2,767,797	7,339,216	10,107,013	37,020	37,493	488,497	779,545
Advances payable to component units	-	581,950	581,950	-	-	-	-
Accrued expenditures/expenses	1,014,511	392,819	1,407,330	-	-	162,835	13,121
Due to other government	-	-	-	-	-	82,760	-
Contributions paid in advance	667,277	-	667,277	-	-	-	-
Compensated absences payable	5,146,594	410,920	5,557,514	-	-	31,198	81,673
Special assessment debt with government obligation	1,325,244	-	1,325,244	-	-	-	-
Long-term liabilities - due within one year	3,094,485	140,243,557	143,338,042	-	-	464,800	516,044
Unearned revenue	344,824	15,000	359,824	15,748	-	-	-
Total current liabilities	<u>14,360,732</u>	<u>148,983,462</u>	<u>163,344,194</u>	<u>52,768</u>	<u>37,493</u>	<u>1,230,090</u>	<u>1,390,383</u>
<b>Noncurrent liabilities:</b>							
Post employment benefit obligation	8,164,087	1,212,846	9,376,933	-	-	145,153	154,831
Net pension liability	31,308,106	5,155,702	36,463,808	-	-	586,442	503,250
Special assessment debt with government obligation - long-term	9,823,468	-	9,823,468	-	-	-	-
Long-term liabilities - due in more than one year	16,775,131	24,679,951	41,455,082	-	-	8,069,427	29,196,718
Long-term portion of compensated absences	340,296	142,460	482,756	-	-	-	9,234
Total noncurrent liabilities	<u>66,411,088</u>	<u>31,190,959</u>	<u>97,602,047</u>	<u>-</u>	<u>-</u>	<u>8,801,022</u>	<u>29,864,033</u>
Total liabilities	<u>80,771,820</u>	<u>180,174,421</u>	<u>260,946,241</u>	<u>52,768</u>	<u>37,493</u>	<u>10,031,112</u>	<u>31,254,416</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Pension adjustments	667,474	42,088	709,562	-	-	4,787	7,393
OPEB adjustments	173,210	25,732	198,942	-	-	3,079	-
Deferred charge on refunding of debt	2,341,507	-	2,341,507	-	-	107,229	-
Total deferred inflows of resources	<u>3,182,191</u>	<u>67,820</u>	<u>3,250,011</u>	<u>-</u>	<u>-</u>	<u>115,095</u>	<u>7,393</u>
Total liabilities and deferred inflows of resources	<u>83,954,011</u>	<u>180,242,241</u>	<u>264,196,252</u>	<u>52,768</u>	<u>37,493</u>	<u>10,146,207</u>	<u>31,261,809</u>
<b>NET POSITION</b>							
Net investment in capital assets	191,268,130	83,989,062	275,257,192	-	33,437	5,692,327	-
Restricted for:							
Building construction inspections	2,430,808	-	2,430,808	-	-	-	-
Cemetery memorial	49,210	-	49,210	-	-	-	-
Capital Projects	663,981	-	663,981	-	-	658,437	-
Debt service	8,988,864	28,582,442	37,571,306	-	-	528,325	674,645
Grant restrictions for program expenditures	1,526,669	-	1,526,669	-	-	-	-
Law Enforcement	281,688	-	281,688	-	-	-	-
Public works safety & maintenance expenditures	138,965	-	138,965	-	-	-	-
Title 1 & Revolving Loan Programs	238,952	-	238,952	-	-	-	-
Unrestricted	(30,769,851)	(40,723,452)	(71,493,303)	160,102	560,135	3,895,693	(21,419,485)
<b>TOTAL NET POSITION</b>	<b>\$ 174,817,416</b>	<b>\$ 71,848,052</b>	<b>\$ 246,665,468</b>	<b>\$ 160,102</b>	<b>\$ 593,572</b>	<b>\$ 10,774,782</b>	<b>\$ (20,744,840)</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, 2018**

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 District	Missoula Parking Commission
<b>Primary government:</b>										
<b>Governmental activities:</b>										
General Government	\$ 6,702,490	\$ 1,826,540	\$ 27,938	\$ -	\$ (4,848,012)	\$ -	\$ (4,848,012)	\$ -	\$ -	\$ -
Public Works	14,379,782	5,802,623	527,092	5,642,505	(2,407,562)	-	(2,407,562)	-	-	-
Public Safety	18,848,719	6,075,381	353,023	106,883	(12,313,432)	-	(12,313,432)	-	-	-
Cultural & Recreation	4,300,816	1,159,491	302,264	20,804	(2,818,257)	-	(2,818,257)	-	-	-
Housing & Community Development	695,101	293,388	807,521	167,590	573,398	-	573,398	-	-	-
Public Health	1,094,587	104,624	2,100	-	(987,863)	-	(987,863)	-	-	-
Social & Economic Services	125,177	-	-	-	(125,177)	-	(125,177)	-	-	-
Miscellaneous	905,800	-	-	-	(905,800)	-	(905,800)	-	-	-
Debt Service	1,023,562	-	-	-	(1,023,562)	-	(1,023,562)	-	-	-
Total governmental activities	48,076,034	15,262,047	2,019,938	5,937,782	(24,856,267)	-	(24,856,267)	-	-	-
<b>Business-type activities:</b>										
Sewer	10,663,937	10,126,929	67,396	1,267,432	-	797,820	797,820	-	-	-
Water	19,925,864	17,988,230	99,900	2,108,053	-	270,319	270,319	-	-	-
Storm Water	354,656	270,146	118,319	100,362	-	134,171	134,171	-	-	-
Aquatics	1,860,426	1,039,376	23,621	-	-	(797,429)	(797,429)	-	-	-
Civic Stadium	197,688	-	-	-	-	(197,688)	(197,688)	-	-	-
Total business-type activities	33,002,571	29,424,681	309,236	3,475,847	-	207,193	207,193	-	-	-
<b>Total Primary Government</b>	<b>\$ 81,078,605</b>	<b>\$ 44,686,728</b>	<b>\$ 2,329,174</b>	<b>\$ 9,413,629</b>	<b>(24,856,267)</b>	<b>207,193</b>	<b>(24,649,074)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Component Units:</b>										
Business Improvement District	\$ 410,029	\$ -	\$ -	\$ -	-	-	(410,029)	-	-	-
Tourism Business Improvement District	1,023,789	-	-	-	-	-	-	(1,023,789)	-	-
Missoula Parking Commission	2,412,510	2,623,619	-	-	-	-	-	-	211,109	-
Missoula Redevelopment Agency	9,068,949	-	-	-	-	-	-	-	-	(9,068,949)
<b>Total Component Units</b>	<b>\$ 12,915,277</b>	<b>\$ 2,623,619</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>(410,029)</b>	<b>(1,023,789)</b>	<b>211,109</b>	<b>(9,068,949)</b>
<b>General revenues:</b>										
Property taxes for general purposes	31,802,470	-	31,802,470	297,790	-	-	-	-	-	6,931,017
Intergovernmental revenue, unrestricted	22,328,214	-	22,328,214	-	-	-	-	-	-	793,333
Miscellaneous	434,945	173,593	608,538	98,173	890,188	-	-	-	-	150,395
Interest income	25,817	364,154	389,971	637	2,834	130,666	-	-	-	-
Gain on sale of capital assets	116,753	-	116,753	-	-	-	-	-	-	-
General funds support of Sewer & Aquatic's activities	(109,155)	203,000	93,845	-	-	-	-	-	-	-
Total general revenues, special items, and transfers	54,599,044	740,747	55,339,791	396,600	893,022	130,666	-	-	-	7,874,745
Change in net position	29,742,777	947,940	30,690,717	(13,429)	(130,767)	341,775	(1,194,204)	-	-	-
Net position - beginning	149,898,778	71,908,538	221,807,316	173,532	724,338	10,496,036	(19,440,337)	-	-	-
Fund Reclassifications	-	-	-	-	-	-	-	-	-	-
Restatements	(4,824,139)	(1,008,427)	(5,832,566)	-	-	(63,029)	(110,299)	-	-	-
Net position - beginning restated	145,074,639	70,900,111	215,974,750	173,532	724,338	10,433,007	(19,550,636)	-	-	-
Net position - ending	\$ 174,817,416	\$ 71,848,051	\$ 246,665,467	\$ 160,103	\$ 593,571	\$ 10,774,782	\$ (20,744,840)	-	-	-

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.

**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.

**WATER FUND**

The Water Fund accounts financial resources from service charges, allocated by law, contractual agreement, or administrative regulations for, and the payment of, water maintenance, water construction, and other water related costs.

**GOVERMENTAL FUND  
FINANCIAL  
STATEMENTS**

**City of Missoula**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2018**

	General Fund	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments	\$ 18,739	\$ 5,236,939	\$ 5,255,678
Taxes/assessments receivable,net	1,640,622	447,432	2,088,054
Special Assessments Receivable	650	903,683	904,333
Noncurrent assessments receivable	-	8,096,412	8,096,412
Accounts Receivable	115,193	274,296	389,489
Long term loans	54,386	2,339,005	2,393,391
Interfund receivable	190,764	6,556,887	6,747,651
Due from other governments	1,905,574	1,279,207	3,184,781
Advances receivable	3,020,062	1,178,051	4,198,113
Prepaid Items	244,220	13,071	257,291
Inventory of supplies	1,088,327	-	1,088,327
Total assets	<u>\$ 8,278,537</u>	<u>\$ 26,324,983</u>	<u>\$ 34,603,520</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 797,844	\$ 1,236,536	\$ 2,034,380
Accrued expenditures	965,491	49,020	1,014,511
Interfund payable	576,829	5,969,944	6,546,773
Advances payable	-	1,149,216	1,149,216
Total liabilities	<u>2,340,164</u>	<u>8,404,716</u>	<u>10,744,880</u>
<b>Deferred Inflows</b>			
Deferred revenues; taxes and loans receivable	1,147,780	11,692,575	12,840,355
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>			
Inventories	1,088,327	-	1,088,327
Prepaid Items	244,220	13,071	257,291
<b>Restricted</b>			
Building construction inspections	-	2,430,808	2,430,808
Cemetery memorial	49,210	-	49,210
Debt Service	-	3,136,114	3,136,114
Capital Project expenditures	-	663,981	663,981
Grant restrictions for program expenditures	-	1,526,669	1,526,669
Law Enforcement	-	281,688	281,688
Public works safety & maintenance expenditures	-	138,965	138,965
Title I & Revolving Loan programs	238,952	-	238,952
<b>Committed</b>			
By City Ordinance for specific budgeted programs	-	3,918,115	3,918,115
<b>Assigned</b>			
Specific Budgeted General Fund Programs	1,808,443	254,994	2,063,437
<b>Unassigned</b>			
Total fund balances (deficits)	<u>1,361,441</u>	<u>(6,136,713)</u>	<u>(4,775,272)</u>
Total liabilities and fund balances (deficits)	<u>\$ 8,278,537</u>	<u>\$ 26,324,983</u>	<u>\$ 34,603,520</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, 2018**

<b>Total fund balances - governmental funds</b>	\$ 11,018,285
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	221,773,147
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.	10,498,848
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.	(299,038)
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.	(36,336,731)
The net pension asset is not an available resource and, therefore, is not reported in the governmental funds.	(23,503,520)
Post-employment health benefit assets are not available resources and, therefore, is not reported in the governmental funds.	(8,333,575)
<b>Total Net Position - governmental activities</b>	<b>\$ 174,817,416</b>

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, 2018**

	General Fund	Total Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>			
Taxes and assessments	\$ 25,917,444	\$ 6,151,531	\$ 32,068,975
Licenses and permits	1,266,440	2,888,630	4,155,070
Intergovernmental	15,035,653	4,743,104	19,778,757
Charges for services	7,311,921	1,692,219	9,004,140
Fines and forfeitures	1,351,870	11,958	1,363,828
Miscellaneous	532,403	352,052	884,455
Special Assessments	-	5,856,799	5,856,799
Investment earnings	18,289	7,535	25,824
Gain on disposal of fixed assets	116,753	-	116,753
Total revenues	<u>\$ 51,550,773</u>	<u>\$ 21,703,828</u>	<u>\$ 73,254,601</u>
<b>EXPENDITURES</b>			
Current:			
General Government	9,731,439	1,644,607	11,376,046
Public Safety	29,774,934	2,223,427	31,998,361
Public Works	6,916,240	1,293,564	8,209,804
Public Health	1,933,801	-	1,933,801
Social & Economic Services	226,459	-	226,459
Cultural & Recreation	4,711,840	871,085	5,582,925
Housing & Community Development	409,490	791,432	1,200,922
Conservation of Natural Resources	-	-	-
Miscellaneous	789,338	116,462	905,800
Debt service:			
Interest	7,326	967,092	974,418
Principal retirement	220,478	4,313,900	4,534,378
Capital outlay:			
General Government	4,332	368,250	372,582
Public Safety	32,069	2,950,379	2,982,448
Public Works	28,021	2,391,993	2,420,014
Cultural & Recreation	245,695	998,630	1,244,325
Housing & Community Development	172	-	172
Total expenditures	<u>55,031,634</u>	<u>18,930,821</u>	<u>73,962,455</u>
Excess (deficiency) of revenues over expenditures	<u>(3,480,861)</u>	<u>2,773,007</u>	<u>(707,854)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(2,454,098)	(8,444,888)	(10,898,986)
Transfers in	6,889,771	3,380,079	10,269,850
Issuance of long term debt/capital leases	-	6,302,010	6,302,010
Total other financing sources (uses)	<u>4,435,673</u>	<u>1,237,201</u>	<u>5,672,874</u>
<b>Net change in fund balances</b>	<b>954,812</b>	<b>4,010,208</b>	<b>4,965,020</b>
Fund balances - beginning	3,835,781	2,082,364	5,918,145
Restatements	-	135,119	135,119
Fund balances - beginning restated	3,835,781	2,217,483	6,053,264
Fund balances - ending	<u>\$ 4,790,593</u>	<u>\$ 6,227,691</u>	<u>\$ 11,018,284</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, 2018**

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

Net change in fund balances - total governmental funds	\$ 4,965,020
Governmental funds report capital outlays as expenditures	42,453,721
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.	(12,671,937)
In the statement of activities, only the gain 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.	(1,820,102)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(295,619)
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.	(6,302,010)
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.	4,553,535
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.	(68,301)
The change in compensated absences is shown as an addition to payroll expense on the statement of activities	(219,170)
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.	(1,077,968)
Contributions to the pension plan in the current fiscal year are deferred outflows in the Statement of Net Position	780,440
Governmental funds do not report a liability for other post-employment health benefits	(554,832)
Change in net position - statement of activities	<u>\$ 29,742,777</u>

See accompanying Notes to the Financial Statements

**PROPRIETARY FUND  
FINANCIAL  
STATEMENTS**

**City of Missoula**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2018**

	Business-type Activities				Governmental Activities Internal Service Funds	
	Sewer	Water	Total Nonmajor Enterprise funds	Total Enterprise Funds		
<b>ASSETS</b>						
<u>Current assets:</u>						
Cash and Investments	\$ 2,494,848	\$ 3,524,724	\$ 8,707	\$ 6,028,279	\$ 1,048,616	
Due from other governments	1,820	-	15,000	16,820	-	
Accounts Receivable	609,438	1,908,749	109,575	2,627,762	3,073	
Interfund receivable	-	3,564,809	-	3,564,809	-	
Advances receivable	970,491	-	25,295	995,786	-	
Inventory of supplies	-	-	45,820	45,820	-	
Prepaid Items	24,070	29,050	6,017	59,137	-	
Other receivable	265,000	18,829	-	283,829	-	
Total current assets	4,365,667	9,046,161	210,414	13,622,242	1,051,689	
<u>Noncurrent assets:</u>						
Cash and Investments	2,035,757	29,046,685	5,505	31,087,947	49,967	
Art	-	-	65,229	65,229	-	
Land	2,989,527	1,213,822	-	4,203,349	-	
Intangibles	688,000	45,242	-	733,242	-	
Construction work in progress	2,758,713	2,857,546	187,132	5,803,391	-	
Buildings	8,373,118	2,552,559	12,521,965	23,447,642	-	
Improvements other than buildings	124,365,397	81,256,861	5,139,579	210,761,837	-	
Machinery and equipment	9,915,108	21,584,985	294,355	31,794,448	-	
Allowance for depreciation	(57,119,547)	(3,978,274)	(5,822,674)	(66,920,495)	-	
Total noncurrent assets	94,006,073	134,579,426	12,391,091	240,976,590	49,967	
<u>Deferred Outflow of Resources</u>						
Deferred Outflow of Resources	576,188	826,259	133,696	1,536,143	-	
Total Assets & Deferred Outflows of Resources	98,947,928	144,451,846	12,735,201	256,134,975	1,101,656	
<b>LIABILITIES</b>						
<u>Current liabilities:</u>						
Accounts payable	750,351	2,724,093	99,097	3,573,541	733,417	
Accrued expenses	50,065	311,324	31,430	392,819	-	
Interfund payable	3,364,610	200,867	200,198	3,765,675	-	
Advances payable	-	4,044,683	-	4,044,683	-	
Advances payable to Component Units	-	581,950	-	581,950	-	
Unearned revenues; taxes and loans receivable	15,000	-	-	15,000	667,277	
Long-term liabilities - due within one year	1,701,122	138,487,628	54,808	140,243,557	-	
Contributions paid in advance	-	-	-	-	-	
Compensated absences payable	222,786	145,693	42,441	410,920	-	
Total current liabilities	6,103,934	146,496,238	427,974	153,028,145	1,400,694	
<u>Noncurrent liabilities:</u>						
Long-term liabilities - due in more than one year	18,135,082	5,262,890	1,281,978	24,679,951	-	
Net post employment benefit obligation	506,861	615,474	90,511	1,212,846	-	
Net pension liability	1,933,758	2,743,894	478,050	5,155,702	-	
Long-term portion of compensated absences	17,096	118,259	7,105	142,460	-	
Total noncurrent liabilities	20,592,797	8,740,517	1,857,644	31,190,959	-	
Total liabilities	26,696,731	155,236,755	2,285,618	184,219,104	1,400,694	
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Inflows of Resources	26,540	35,847	5,433	67,820	-	
Total deferred inflows of resources	26,540	35,847	5,433	67,820	-	
Total liabilities and deferred inflows of resources	26,723,271	155,272,602	2,291,051	184,286,924	1,400,694	
<b>NET POSITION</b>						
Net investment in capital assets	72,134,112	806,150	11,048,800	83,989,062	-	
Restricted for:						
Debt Service	2,035,757	26,546,685	-	28,582,442	-	
Capital Projects	-	2,500,000	-	2,500,000	-	
Unrestricted	(1,945,212)	(40,673,591)	(604,650)	(43,223,453)	(299,038)	
Total net position	<u>\$ 72,224,657</u>	<u>\$ (10,820,756)</u>	<u>\$ 10,444,150</u>	<u>\$ 71,848,051</u>	<u>\$ (299,038)</u>	

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

**City of Missoula**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**June 30, 2018**

	Business-type Activities				Governmental Activities Internal Service Funds
	Sewer	Water	Total Nonmajor Enterprise funds	Total Enterprise Funds	
<b>Operating Revenues</b>					
Internal Services	\$ -	\$ -	\$ -	\$ -	\$ 6,057,812
Intergovernmental	67,396	99,900	141,940	309,236	-
Licenses and permits	1,633	-	-	1,633	-
Charges for services	10,125,296	17,988,230	1,309,522	29,423,048	-
Miscellaneous	8,430	(2,644)	167,807	173,593	-
Total operating revenues	10,202,755	18,085,486	1,619,269	29,907,510	6,057,812
<b>Operating Expenses</b>					
Maintenance and operations	2,834,948	5,032,368	607,992	8,475,308	-
Personal services	2,488,494	6,023,351	1,071,794	9,583,639	-
Fixed charges	1,436,277	996,743	42,838	2,475,858	-
Depreciation	3,074,778	3,900,790	614,870	7,590,438	-
Insurance claims and expenses			-	-	7,655,761
Total operating expenses	9,834,497	15,953,252	2,337,494	28,125,243	7,655,761
Operating income (loss)	368,258	2,132,234	(718,225)	1,782,267	(1,597,949)
<b>Non-operating revenues (expenses)</b>					
IRS interest reimbursement	231,344	-	-	231,344	-
Interest revenue	2,006	130,726	78	132,810	-
Debt service interest expense	(829,440)	(3,878,651)	(75,276)	(4,783,367)	-
Total nonoperating revenues (expenses)	(596,090)	(3,747,925)	(75,198)	(4,419,213)	-
Income (loss) before contributions and transfers	(227,832)	(1,615,691)	(793,423)	(2,636,946)	(1,597,949)
<b>Contributions &amp; Transfers</b>					
Contributions	1,267,432	2,108,053	100,362	3,475,847	-
Transfers in	-	-	203,000	203,000	519,981
Transfers (out)	-	(93,961)	-	(93,961)	-
Net Contributions and Transfers	1,267,432	2,014,092	303,362	3,584,886	519,981
Change in net position	1,039,600	398,401	(490,061)	947,940	(1,077,968)
Total net position - beginning	71,528,749	(10,635,439)	11,015,228	71,908,538	778,930
Restatements	(343,692)	(583,718)	(81,017)	(1,008,427)	
Fund balances - beginning restated	71,185,057	(11,219,157)	10,934,211	70,900,111	778,930
Total net position - ending	<u>\$ 72,224,657</u>	<u>\$(10,820,756)</u>	<u>\$ 10,444,150</u>	<u>\$ 71,848,051</u>	<u>\$ (299,038)</u>

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, 2018**

	Business-type Activities				Governmental Activities
	Sewer	Water	Total Nonmajor Enterprise funds	Total Enterprise Funds	Internal Service Funds
<b>Cash Flows from Operating Activities:</b>					
Payments to employees	\$ (2,118,714)	\$ (4,005,163)	\$ (963,674)	\$ (7,087,551)	\$ -
Cash receipts from customers	10,192,741	18,148,894	1,396,391	29,738,026	-
Payments to suppliers	(1,985,492)	(6,387,577)	(598,540)	(8,971,609)	-
Other receipts	113,836	78,427	140,591	332,854	-
Receipts from internal services					5,951,571
Benefit payments					(7,166,476)
Net cash provided (used) by operating activities	<b>6,202,371</b>	<b>7,834,581</b>	<b>(25,232)</b>	<b>14,011,720</b>	<b>(1,214,905)</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Transfers to other funds	-	(93,961)	-	(93,961)	-
Transfers from other funds	-	-	203,000	203,000	519,981
Short term loans to other funds	-	(3,564,809)	-	(3,564,809)	-
Payments on short term loans to other funds	-	1,125,767	-	1,125,767	-
Net cash provided (used) by non-capital financing activities	<b>-</b>	<b>(2,533,003)</b>	<b>203,000</b>	<b>(2,330,003)</b>	<b>519,981</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Principal paid on debt	(390,936)	(316,534)	(41,510)	(748,980)	-
Interest paid on debt	(829,440)	(3,878,651)	(75,276)	(4,783,367)	-
IRS Interest Reimbursement	231,344	-	-	231,344	-
Payment on General Fund Days Cash Loan	-	(750,000)	-	(750,000)	-
Misc. Interfund payables	-	124,896	-	124,896	-
Acquisition and construction of capital assets	(2,692,745)	(3,565,667)	(144,493)	(6,402,905)	-
Net cash used by capital and related financing activities	<b>(3,681,777)</b>	<b>(8,385,956)</b>	<b>(261,279)</b>	<b>(12,329,012)</b>	<b>-</b>
<b>Cash Flows from Investing Activities:</b>					
Interest on investments	2,006	130,726	78	132,810	-
Net cash provided by investing activities	<b>2,006</b>	<b>130,726</b>	<b>78</b>	<b>132,810</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents	2,522,600	(2,953,652)	(83,433)	(514,485)	(694,924)
Balances - beginning of year	2,008,005	35,525,061	97,645	37,630,711	1,793,507
Balances - end of the year	<b>\$ 4,530,605</b>	<b>\$ 32,571,409</b>	<b>\$ 14,212</b>	<b>\$ 37,116,226</b>	<b>\$ 1,098,583</b>
Cash and cash equivalents consists of:					
Cash and cash equivalents	2,494,848	3,524,724	8,707	6,028,279	1,098,583
Restricted Cash and cash equivalents	2,035,757	29,046,685	5,505	31,087,947	-
Totals	<b>\$ 4,530,605</b>	<b>\$ 32,571,409</b>	<b>\$ 14,212</b>	<b>\$ 37,116,226</b>	<b>\$ 1,098,583</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating Income (Loss)	368,258	2,132,234	(718,223)	1,782,269	(1,597,949)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	3,074,778	3,900,790	614,870	7,590,438	-
Changes in assets and liabilities:					
Accounts Payable - Other	2,285,733	(358,466)	71,756	1,999,023	474,106
Inventory	-	-	(19,466)	(19,466)	-
Other operating receivables	(11,420)	141,835	(67,289)	63,126	15,179
Compensated absences payable	(17,158)	108,276	33,333	124,451	-
Net post employment benefit obligation	353,299	29,050	50,582	432,931	-
Prepaid Items	(370)	(23,016)	(487)	(23,873)	-
Contributions paid in advance	-	-	-	-	(106,241)
Accrued Expenses	10,984	26,091	(38,709)	(1,634)	-
Due From Other Government	115,242	-	(15,000)	100,242	-
Net Pension	23,025	1,877,787	63,401	1,964,213	-
Net cash provided (used) by operating activities	<b>\$ 6,202,371</b>	<b>\$ 7,834,581</b>	<b>\$ (25,232)</b>	<b>\$ 14,011,720</b>	<b>\$ (1,214,905)</b>
<b>Noncash investing, capital and financing activities</b>					
Developer contributions	<b>\$ 1,267,432</b>	<b>\$ 2,108,053</b>	<b>\$ 100,362</b>	<b>\$ 3,475,847</b>	<b>\$ -</b>

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

**FIDUCIARY FUND  
FINANCIAL  
STATEMENTS**

**City of Missoula, Montana**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2018**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and short-term investments	\$ 463,546
Accounts receivable	-
Interest receivable	-
Due from other governments	<u>7,367</u>
Total assets	<u>\$ 470,913</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 31,382
Due to private parties	424,465
Short-term payables	-
Deposits payable	-
Due to other governments	<u>15,066</u>
Total liabilities	<u>\$ 470,913</u>

See accompanying Notes to the Financial Statements

NOTES TO  
FINANCIAL  
STATEMENTS

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**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 2018:

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement addresses accounting and financial reporting for postemployment benefits other than pensions that are provided to the employees of state and local governments, establishing standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses/expenditures. For defined benefit postemployment benefit plans, this statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The implementation of this statement resulted in a restatement of beginning net position of \$4,959,258 in the governmental activities government-wide financial statements and \$964,787 in the proprietary fund and business-type government-wide financial statements.

Statement 85, Omnibus, The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Specifically, this Statement addresses the following topics:

- o Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation
- o Reporting amounts previously reported as goodwill and "negative" goodwill
- o Classifying real estate held by insurance entities
- o Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
- o Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus
- o Recognizing on-behalf payments for pensions or OPEB in employer financial statements
- o Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB
- o Classifying employer-paid member contributions for OPEB
- o Simplifying certain aspects of the alternative measurement method for OPEB
- o Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

**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, water and storm water services are accounted for in enterprise funds. 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:

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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.

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 three parking structures (Central Park, Park Place 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

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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.

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 are 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.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

***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:

- 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 GAAP. In addition, prior period delinquent taxes and assessments collected in the current period were recorded as revenue in the current period as required by GAAP. 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 fund:

*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.

***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**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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.

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

*Aquatics 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.

*Storm Water Fund* – This fund accounts for financial resources from service charges to maintain infrastructure for both surface and underground movement of water from rain, snow melt, and other weather events and ensures compliance with state, federal, and local laws for storm water management.

**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 the measurement of results of operations.

The City reports the following fiduciary funds for the following 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 GAAP (i.e. all governmental funds are budgeted on a modified accrual basis and all proprietary funds are budgeted on the accrual basis).

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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;
- (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. 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, the Missoula Parking 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 GAAP. 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.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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, 2018 were \$108,908.

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 amounts 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.

Water fees are billed monthly after service has been established. When flat rates are used for estimating the amount of water used by consumers, the water bill shall be due and payable in advance each month. When meters are in use for determining the amount of water used by consumers, the water bill shall be due and payable for water delivered during the previous month. Accounts that are delinquent for 30 days are notified that unless the bill is paid in full within 10 days, water service will be disconnected.

**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 acquisition 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.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**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.

**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. 75, *Accounting and Financial Reporting by 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 increase to 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.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**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.

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 2018, principal and interest payments on revenue bonds totaled \$2,425,118 and charges for services revenue was \$10,125,296.

**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**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Deficit Fund Balances**

Nine special revenue funds with deficit fund balances were identified as of June 30, 2018: Planning (\$60,585), the Employee Health Insurance Levy fund (\$365,999), the Cable Television Franchise fund (\$75,587), the Street Maintenance Assessment Fund (\$1,479), the Road District Fund (\$533,974), the Law Enforcement Grant fund (\$10,337), the Community Development Block Grant fund (\$8,213), the Neighborhood Stabilization Grant Fund (\$599), and the Police Grants and Donations Fund (\$33,132). All funds carried deficit fund balances which will be covered by future assessments, grant revenue, and license and permit revenue in fiscal year 2019.

Four general obligation bond funds were identified as having a negative fund balances as of June 30, 2018: the 2012A Aquatics bond (\$29,305), the 2013A Refunding bond (\$207,272), the 2004 Refunding Bond (\$1,432) and the 2006 Fire Station GO bond (\$154,030). 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 2019: SID 522 (\$663), SID 530 (\$1,352) FY03 Sidewalk and Curb (\$351), FY04 Sidewalk and Curb (\$3,627), FY13 Sidewalk and Curb (\$21,551), and FY16 Sidewalk and Curb (\$5,406).

The following SID Construction funds have deficit fund balances:

SID 531	\$ (1,070)	SID 545	(3,263)
SID 534	(13)	SID 546	(3,887)
SID 539	(140)		

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

18 Sidewalk and Curb Fund	(339,710)	ARRA Enhancement	(2,498)
19 Sidewalk and Curb Fund	(9,156)	HB 645	(23,676)
Slant Street Traffic Calming	(4,724)	WFL Miller Creek Road	(33)
Wayfinding Project	(17,250)	Western Federal Lands	(5,710)

The Capital Improvement fund reported a negative fund balance (\$4,257,566) due to ongoing internal and external financing activities.

**III. 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	\$ 13,569	\$ 9,534	\$ 23,103
Demand Deposits	17,194,085	11,679,418	28,873,503
Certificates of Deposit	179,693	126,264	305,957
Money Market Funds	26,546,686	-	26,546,686
	<b>\$ 43,934,033</b>	<b>\$ 11,815,216</b>	<b>\$ 55,749,249</b>

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

	Unrestricted	Restricted	Total
Governmental Activities	\$ 6,354,261	\$ -	\$ 6,354,261
Business-Type Activities	6,028,280	31,087,947	37,116,227
Fiduciary Funds	463,546	-	463,546
Component Units	10,612,246	1,202,970	11,815,216
<b>Total</b>	<b>\$ 23,458,333</b>	<b>\$ 32,290,917</b>	<b>\$ 55,749,250</b>

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.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

At June 30, 2018, the carrying amount of the City's deposits in local banks was \$27,140,290 and the bank balances were \$29,496,164, of which \$2,948,607 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	11/2017-01/2019	NA	\$ 305,957
Money Market Funds	NA	Aaa-mf	26,546,686
Demand Deposits	NA	NA	28,873,503
Petty Cash and Cash on Hand	NA	NA	23,103
<b>Total</b>			<b>\$ 55,749,249</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, 2018, follows:

Proprietary Funds:

Sewer (major fund) - Sewer Fees	\$ 609,438
Sewer (major fund) - Glenn Eagle Note	250,000
Sewer (major fund) - Lease Receivable	15,000
Storm Water - Storm Water Fees	19,045
Storm Water - Storm Water Liens Receivable	395
Water (major fund) - Water Fees	922,043
Water (major fund) - Unbilled Water Fees	986,706
Water (major fund) - Water Project Refund	18,829
Civic Stadium - Lease Payment	90,000
Aquatics - Payment Refund	135
Internal Service - Prior Period Premium Receivables	1,663
Internal Service - Flex Plan Forfeits	1,410
<b>Total Proprietary Funds</b>	<b>\$ 2,914,664</b>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Governmental Funds:**

General (major fund) - Various Licenses, Services and Fees	\$ 55,706
General (major fund) - Sidewalk & Curb	51,894
General (major fund) - Insurance payments	19,322
General (major fund) - Streets reimbursements	4,576
General (major fund) - Hazardous Vegetation Violation	1,580
General (major fund) - Property Tax Reimbursements	13,098
Park Enterprise Fund - Park Rental Fees	3,473
Ft Missoula Regional Park - Park Rental Fees	16,492
Title 1 Projects fund - Loan Payment	946
Cable TV Franchise - Franchise Fees	175,687
Building Inspection Fund - Tenant Deposit	2,400
State Gas Tax Fund - Street Repair Reimb.	9,467
CDBG Home Program - Loan Interest	267
FY03 Sidewalk & Curb Debt Service Fund - Paying Agent Fee Refund	350
SID 548 - University Assessment Payment	86,125
<b>Total Government Funds</b>	<b>\$ 441,383</b>

**Long Term Loans Receivable**

A summary of the City's long-term loans receivable as of June 30, 2017, follows:

**Primary Government:**

CDBG - Missoula Art Museum	\$ 172,477
\$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	134,479
\$200,000 at 1% interest to be repaid \$11,083 per year through 2030	
CDBG - Parenting Place	118,133
\$130,000 at 1% interest to be repaid \$1,300 per year through 2016, then \$7,204 per year though 2036.	
CDBG - Partnership Health Center	275,000
\$275,000 with interest rate deferred and determined upon sale of property.	
Title One - Extended Family Services	2,492
\$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.	
GRANTS & DONATION FUND - EPA Brownfield RLF	
<u>Millsite 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.	1,558,916
<b>Total Primary Government</b>	<b>\$ 2,341,497</b>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**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>
^ General Fund	\$ 3,020,062	\$ -
Non-major governmental funds	1,178,051	1,149,216
^ Water Operating	-	4,626,633
^ Sewer Operating	970,491	-
Non-major proprietary funds	25,295	-
MRA (component unit)	581,950	-
	<u>\$ 5,775,849</u>	<u>\$ 5,775,849</u>

<sup>^</sup>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.

	Interfund Receivable	Interfund Payable
	Due From	Due To
^ General Fund	\$ 190,765	\$ 576,829
Non-major governmental funds	6,556,887	5,969,956
^ Water Fund	3,564,809	200,867
^ Sewer Fund	-	3,364,610
Non-major proprietary funds	-	200,199
	<u>\$ 10,312,461</u>	<u>\$ 10,312,461</u>

<sup>^</sup>indicates a major fund

**Due From Other Governments:**

Primary Government

General Fund

Due from Missoula County – Taxes Receivable	\$ 1,182,904
Due From State of Montana – DV Accountability Grant	8,718
Due From State of Montana – State Maintenance Contracts - Streets	128,374
Due from State of Montana - DNRC Outside Hires, Supplies	32,377
Due From Federal Government-Brownfields Grants	8,914
Due From Federal Government-HOME Admin	6,808
Due From Federal Government-CDBG	12,565
Due From Federal Government-Dept. of Justice - Police OT & Services	43,165
Due from Missoula County – Fire OT & Services	26,422
Due from Missoula County – Flood Reimbursements	52,589
Due from Missoula County - County Park Bond Draws	119,427
Due from Missoula Municipal Court	258,017
Due from Missoula Business Improvement District	25,294
Total General Fund	<u>1,905,574</u>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Non-Major Special Revenue Funds**

Due from Missoula County – Planning Entitlement & Taxes	44,103
Due from Missoula County – Taxes Receivable	352,473
Due from Federal Government – Grants	34,577
Due from Federal Government – Grants HIDTA Seizure Funds	9,042
Due from Federal Government – HOME Grant	140,673
Due from Federal Government – CDBG	129,255
Due from Federal Government - FTA Section 5303 Grant	36,979
Due from Federal Government -CMAQ	46,083
Due from Federal Government -Brownfields	28,056
Due from Federal Government -Police Vest Revenue	18,933
Due from Federal Government -ICAC Grant	30,872
Due from City Municipal Court – Drug Forfeiture and Crime Victim Surcharge	1,362
Due from State of Montana - Dept of Transp. Bike/Ped Reimbursement	7,432
Due from State of Montana - Dept of Transp. FTA Grant	231,499
Due from State of Montana - Dept of Transp. Urban Planning	52,077
Due from State of Montana - Dept of Transp. CTEP Grant	5,000
Due from State of Montana - Dept of Transp. Seatbelt Grant	12,547
<b>Total Non-Major Special Revenue Funds</b>	<b><u>1,180,963</u></b>

**Non-Major Debt Service Funds**

Due from Missoula County – Taxes Receivable	<u>98,244</u>
---	---------------

**Total Due from Other Governments, Governmental Funds**

**\$ 3,184,781**

**Proprietary Funds**

Due from Missoula Valley Water District - Project Reimbursement	15,000
Due from Missoula County – Delinquent Sewer Receivable	1,822
<b>Total Proprietary Funds</b>	<b><u>\$ 16,822</u></b>

**Agency Funds**

Due from City Municipal Court - Court Surcharge and Public Defender Fees	<u>7,367</u>
--	--------------

**Due to Other Governments:**

Agency Funds	
Court Surcharge	\$ 7,991
County Park Board	5,500
County Clearing	1,577
<b>Total Due to Other Governments</b>	<b><u>\$ 15,067</u></b>

**Due to Private Parties:**

Agency Funds	
Court Collected Parking Fines	\$ 9,456
Sewer Rebates	53,604
Youth Programs	473
Municipal Court Restitution	329,595
Residential Inspection	-
Elk Hills Subdivision	3,868
Rattlesnake Cornerstone Trail	27,413
<b>Total Due to Private Parties</b>	<b><u>\$ 424,410</u></b>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**D. Capital Assets**

The City has identified three types of street infrastructure:

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

Estimating construction costs

Arterial/Collector, Commercial and Residential Streets – the City estimated costs for these streets using a bid from the England Boulevard bid for projects dating from FY2007 to FY2017 and from the 5th, 6th, Arthur bid on 4/11/2011 for FY2017 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 2018:

	Construction	Overhead	Total
Arterial/Collector	\$ 45 /Sq. Yard	\$ 18 /Sq. Yard	\$ 63 /Sq. Yard
Commercial	\$ 39 /Sq. Yard	\$ 10 /Sq. Yard	\$ 49 /Sq. Yard
Residential	\$ 29 /Sq. Yard	\$ 7 /Sq. Yard	\$ 36 /Sq. Yard

Depreciation

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

Capital asset activity for the year ended June 30, 2018 was as follows:

<b>Governmental Activities:</b>	<u>Beginning Balance</u>	<u>Prior Period Adjustment</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets not being Depreciated:					
Art					
Art	\$ 236,590	\$	- \$ 16,681	\$	- \$ 253,271
Land	22,703,382	-	324,454	-	23,027,836
Work-In-Progress	2,934,712	-	4,013,932	(1,802,864)	5,145,780
Total Capital Assets not being Depreciated	25,874,684	-	4,355,067	(1,802,864)	28,426,887
Capital Assets being Depreciated:					
Buildings	33,045,174	-	39,185	-	33,084,359
Infrastructure	288,829,818	-	35,274,535	-	324,104,353
Improvements	13,809,731	-	753,846	-	14,563,577
Machinery & Equipment	27,805,670	-	2,031,104	(908,503)	28,928,271
Total Capital Assets being Depreciated	363,490,393	-	38,098,670	(908,503)	400,680,560

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Less Accumulated Depreciation for:

Buildings	(16,229,155)	-	(999,253)	-	(17,228,408)
Infrastructure	(161,346,957)	-	(9,185,332)	-	(170,532,289)
Improvements	(573,684)	-	(520,475)	-	(1,094,159)
Machinery & Equipment	(17,403,831)	-	(1,966,877)	891,265	(18,479,443)
Total Accumulated Depreciation	(195,553,627)	-	(12,671,937)	891,265	(207,334,299)
Total Capital Assets being Depreciated, Net	167,936,766	-	25,426,733	(17,238)	193,346,261
Capital Assets, Net	<u>\$ 193,811,450</u>	<u>\$</u>	<u>- \$ 29,781,800</u>	<u>\$ (1,820,102)</u>	<u>\$ 221,773,148</u>

Depreciation expense was charged to functions as follows:

General Government	\$ 414,292
Public Safety	1,156,377
Public Works	9,838,249
Public Health	25,664
Culture & Recreation	1,206,073
Housing & Community Development	31,282
Total Governmental Activities Depreciation Expense	<u>\$ 12,671,937</u>

<b>Business-type Activities:</b>	<b>Beginning</b>	<b>Prior Period</b>				<b>Ending</b>
	<b>Balance</b>	<b>Adjustment</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance</b>	
<b>Capital Assets not being Depreciated:</b>						
Art	\$ 65,229	\$ -	- \$	- \$	- \$	65,229
Land	4,203,349	-	-	-	-	4,203,349
Intangibles	733,242	-	-	-	-	733,242
Work In Process	1,613,504	92,633	4,744,451	(647,197)	5,803,391	
Total Capital Assets not being Depreciated	6,615,324	92,633	4,744,451	(647,197)	10,805,211	
<b>Capital Assets being Depreciated:</b>						
Buildings	23,447,642	-	-	-	-	23,447,642
Improvements	207,807,129	-	2,954,708	-	-	210,761,837
Machinery & Equipment	30,248,463	-	1,545,985	-	-	31,794,448
Total Capital Assets being Depreciated	261,503,234	-	4,500,693	-	-	266,003,927
<b>Less Accumulated Depreciation for:</b>						
Buildings	(9,552,531)	-	(748,748)	-	-	(10,301,279)
Improvements	(43,790,487)	-	(4,193,085)	-	-	(47,983,572)
Machinery & Equipment	(5,987,045)	-	(2,648,599)	-	-	(8,635,644)
Total Accumulated Depreciation	(59,330,063)	-	(7,590,432)	-	-	(66,920,495)
Total Capital Assets being Depreciated, Net	202,173,171	-	(3,089,739)	-	-	199,083,432
Capital Assets, Net	<u>\$ 208,788,495</u>	<u>\$ 92,633</u>	<u>\$ 1,654,712</u>	<u>\$ (647,197)</u>	<u>\$ 209,888,643</u>	

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

<b>Component Unit : MPC</b>	<b>Beginning Balance</b>	<b>Prior Period Adjustment</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Capital Assets not being Depreciated:					
Parking Lots and land	3,587,760	-	-	-	3,587,760
Construction in Progress	-	-	658,437	-	658,437
Total Capital Assets not being Depreciated	3,587,760	-	658,437	-	4,246,197
Capital Assets being Depreciated:					
Parking Structures	12,624,241	-	-	-	12,624,241
Furniture, Fixtures & Computers	259,057	-	-	-	259,057
Machinery, equipment and vehicles	191,405	-	47,850	-	239,255
Parking Lot improvements	2,265,472	-	-	-	2,265,472
	15,340,175	-	47,850	-	15,388,025
Depreciation	(4,151,272)		(490,730)	-	(4,642,002)
Total Capital Assets being Depreciated, Net	11,188,903	-	(442,880)	-	10,746,023
Capital Assets, Net	\$ 14,776,663	\$ -	\$ 215,557	\$ -	\$ 14,992,220

**E. Long-Term Obligations**

During the year ended June 30, 2018 the following changes occurred in long-term obligations reported in the governmental activities, the City's proprietary funds and component units:

	<b>Balance July 1, 2017</b>	<b>Prior Period Adjustments</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance June 30, 2018</b>	<b>Due Within One Year</b>
<b>Governmental Activities:</b>						
General Obligation Bonds	\$ 7,305,000	-	\$ -	\$ 990,000	\$ 6,315,000	\$ 875,000
Limited Obligation Bonds	4,650,000	-	3,594,735	465,000	7,779,735	450,000
Special Assessment Bonds	12,173,827	-	364,013	1,389,128	11,148,712	1,325,244
Loans Payable	242,822	-	-	95,501	147,321	97,662
Capital Leases	4,879,044	(334)	2,343,262	1,595,125	5,626,847	1,671,823
Bond Premiums	363,981	-	-	19,157	344,824	19,157
Compensated Absences	5,267,720	-	5,460,201	5,241,031	5,486,890	5,146,594
Post Employment Benefits	2,819,485	4,959,259	752,364	367,021	8,164,087	-
Total Governmental Activities	\$ 37,701,880	\$ 4,958,925	\$ 12,514,575	\$ 10,161,963	\$ 45,013,415	\$ 9,585,480

**Proprietary Funds/**

**Business-type Activities:**

Revenue Bonds	\$ 158,062,445	1,155	\$ 1,110,378	\$ 1,489,699	\$ 157,684,279	\$ 139,806,135
Capital Leases	389,699	-	135,119	123,344	401,474	130,969
Notes Payable	1,353,747	-	-	41,510	1,312,237	43,825
FBO Contracts Payable	6,731,348	-	-	1,205,830	5,525,518	296,594
Compensated Absences	464,514	-	550,689	461,822	553,381	412,660
Post Employment Benefits	190,814	964,787	111,770	54,525	1,212,846	-
Total Proprietary Funds	\$ 167,192,567	965,942	\$ 1,907,956	\$ 3,376,730	\$ 166,689,735	\$ 140,690,183

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Component Units:**

Revenue Bonds	\$ 30,883,880	\$ -	\$ 2,243,126	\$ 1,212,779	\$ 31,914,227	\$ 1,350,240
Notes Payable	4,324,835	-	39,852	136,151	4,228,536	110,000
Leases Payable	1,178,500	-	1,190,900	265,173	2,104,227	347,728
Compensated Absences	127,492	-	121,511	126,898	122,105	112,872
Post Employment Benefits	112,497	173,328	27,645	13,486	299,984	-
Total Component Units	\$ 36,627,204	\$ 173,328	\$ 3,623,034	\$ 1,754,487	\$ 38,669,079	\$ 1,920,840

**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:

<u>Bonds</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2018</u>
2012 Refunding	2012	2024	1.50-2.25%	\$ 5,480,000	\$ 3,255,000
2013 Refunding	2013	2026	2.32%	5,860,000	3,060,000
Total GO Bonds				\$ 11,340,000	\$ 6,315,000

Annual debt service requirements to maturity for General Obligation Bonds as of June 30, 2018, were as follows:

<u>Fiscal Year Ending</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30</u>				
2019	\$ 875,000	\$ 126,027	\$ 1,001,027	
2020	895,000	107,391	1,002,391	
2021	905,000	91,014	996,014	
2022	920,000	74,176	994,176	
2023	935,000	56,756	991,756	
2024-2026	1,785,000	67,126	1,852,126	
Total	\$ 6,315,000	\$ 522,490	\$ 6,837,490	

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, were held in escrow until these bonds were called on 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, 2018, 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.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**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, 2018</u>
2010A Refunding	2010	2020	3.0-3.5%	\$ 1,000,000	\$ 250,000
2010C Energy	2010	2025	3.0-4.0%	1,010,000	515,000
2016A Maintenance Shop/ Refunding	2016	2035	2.0-4.0%	3,900,000	3,420,000
2018A Police Evidence Bldg & Art Park	2018	2038	3.95%	3,600,000	3,600,000
Total Limited Obligation Bonds				\$ 9,510,000	\$ 7,785,000

Annual debt service requirements to maturity for Limited Obligation Bonds as of June 30, 2018, were as follows:

Fiscal Year Ending	<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
	2019	\$ 546,378	\$ 291,535	\$ 837,913
	2020	607,709	258,478	866,187
	2021	497,205	241,508	738,713
	2022	521,880	222,157	744,037
	2023	544,524	208,184	752,708
	2024-2028	2,238,836	746,505	2,985,341
	2029-2033	1,429,632	423,508	1,853,140
	2034-2035	1,398,836	143,054	1,541,890
Total		\$ 7,785,000	\$ 2,534,929	\$ 10,319,929

**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, 2018</u>
Water 2017A BAN	06/22/17	06/21/20	2.77 to 2.94%	\$ 112,925,000	\$ 112,925,000
Water 2017B BAN	06/22/17	06/21/20	1.47 to 1.94%	25,300,000	25,300,000
1999A Sewer Bonds	06/24/99	7/1/2019	2.00%	1,820,000	123,000
2000(B) Sewer Bonds	10/10/00	7/1/2020	2.00%	718,000	94,000
2001 Sewer Bonds - Bellevue & Reserve	04/27/01	1/1/2021	2.00%	459,162	75,000
2002 Sewer Bonds - 39th St.	11/21/02	1/1/2022	2.00%	1,395,000	286,000
2002 Missoula Treatment Plant A	11/21/02	7/1/2022	2.00%	5,000,000	1,268,000
2002 Missoula Treatment Plant B	10/15/03	7/1/2023	2.25%	3,800,000	1,180,000
2004 Missoula Treatment Plant C	03/23/04	7/1/2024	2.25%	3,688,000	1,252,000
2005 Sewer Bonds - Brdwy/Lincolnwood	11/28/05	7/1/2025	2.25%	1,731,833	705,000
Rattlesnake Series 2009B	12/23/09	7/1/2030	3.00%	572,098	309,000
2010 RZED Sewer Bonds-Headworks*	11/15/10	7/1/2035	1.75 to 6.14%	10,345,000	9,490,000
Series 2011 Taxable Sewer Bonds	05/01/11	7/1/2031	2.0 to 5.50%	1,290,000	1,005,000
2015 Dewatering Proj	10/14/15	7/1/2035	2.50%	926,775	810,000
EKO Compost Purchase	11/18/16	1/1/2037	2.75%	1,766,000	1,669,774
EKO Compost Equipment	12/30/16	7/1/2030	2.25%	1,262,000	1,192,505
Total Revenue Bonds				\$ 172,998,868	\$ 157,684,279

\*Federal Credit received for portion of interest

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Annual debt service requirements to maturity for Revenue Bonds as of June 30, 2018, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Federal Credit *</u>	<u>Total</u>
2019	\$ 139,806,135	\$ 4,635,599	\$ (246,139)	\$ 144,195,595
2020	1,594,997	766,454	(243,204)	2,118,247
2021	1,579,979	723,951	(237,984)	2,065,946
2022	1,667,083	680,731	(232,335)	2,115,479
2023	1,294,314	633,898	(232,335)	1,695,877
2024-2028	3,903,727	2,135,472	(795,883)	5,243,316
2029-2033	4,604,195	1,647,468	(646,922)	5,604,741
2034-2037	3,233,849	365,744	(145,286)	3,454,307
Total	<u>\$ 157,684,279</u>	<u>\$ 11,589,317</u>	<u>\$ (2,780,088)</u>	<u>\$ 166,493,508</u>

On June 22, 2017 the City issued Water System Revenue Bond Anticipation Notes 2017A and 2017B in the aggregate amount of \$138,225,000 bearing interest at the rate of SIFMA, the Securities Industry and Financial Markets Association Municipal Swap Index, plus 2.00% for the 2017A notes and 0.70% for the 2017B notes to pay for the acquisition of the water system and related pending contingent liabilities from the eminent domain lawsuit. Both notes have a maturity date of June 21, 2020.

On November 18, 2016 the City passed a Resolution to issue sewer system revenue bonds Series A in the amount of \$1,766,000 to finance the purchase of the local composting facility, and Series B in the amount of \$1,262,000 to acquire capital equipment for the operation of the composting facility which was incorporated into the operations of the wastewater utility. The Series A bond bears interest at a rate of 2.75% per annum with a maturity of January 1, 2037. At the conclusion of Fiscal Year 2017 the Series B Bond had been drawn down in the amount of \$150,468 with the balance to be drawn in full during Fiscal Year 2018. The Series B Bond bears interest at a rate of 2.25% per annum with a maturity not later than 10 years after it has been drawn in full.

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, 2018 is \$557,436.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

The following table lists all outstanding special assessment bond issues and the outstanding balance as of June 30, 2018:

<u>Bonds</u>	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2018</u>
512	1998	2018	4.00-5.25%	\$ 1,724,000	\$ -
520	1998	2019	4.00%	2,634,000	152,000
521	1998	2018	4.50-5.25%	7,900	-
522	1998	2018	4.50-5.25%	11,200	-
524	2002	2023	4.00%	4,577,000	1,371,000
525	2001	2020	4.00%	658,000	60,000
526	2000	2021	4.00%	2,671,000	541,000
532	2006	2024	3.50-5.00%	556,000	160,000
533	2006	2025	3.75%	244,000	108,000
534	2006	2026	3.75%	254,000	124,000
536	2006	2026	3.75%	438,000	216,000
540	2006	2027	3.75-4.65%	1,570,000	870,000
541	2009	2029	2.10-5.40%	750,000	480,000
544-Series C	2009	2029	3.75%	1,608,102	230,000
544-Series D	2009	2029	3.75%	31,000	1,118,000
544-Series B	2009	2029	1.75%	359,300	19,000
548	2011	2031	1.75%	1,250,000	775,000
549	2017	2036	0.95-3.55%	2,550,000	2,335,000
FY05 S&C	2005	2017	3.50-4.65%	765,000	-
FY06 S&C	2006	2018	3.75-4.25%	1,145,000	-
FY07 S&C	2007	2027	4.00-4.75%	920,000	160,000
FY08 S&C	2008	2028	2.50-5.00%	560,000	115,000
FY09 S&C	2009	2029	1.00-5.40%	645,000	195,000
FY10 S&C	2010	2030	2.25-6.0%	885,000	250,000
FY12 S&C	2012	2032	0.95-4.375%	775,000	480,000
FY13 S&C	2013	2033	3.29%	393,000	248,000
FY2015A	2015	2035	3.75%	346,400	292,700
FY2015B	2015	2035	5.15%	252,200	206,700
FY2016A	2017	2024	3.35%	32,259	24,055
FY2016B	2017	2028	3.35%	44,937	37,237
FY2016C	2017	2036	3.50%	265,489	237,663
FY2017	2018	2037	3.95%	364,013	343,357
Total Special Assessment Bonds				<u>\$ 29,286,800</u>	<u>\$ 11,148,712</u>

Annual debt service requirements to maturity for special assessment bonds as of June 30, 2018, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,325,244	\$ 425,719	\$ 1,750,963
2020	1,166,058	377,518	1,543,576
2021	1,148,768	333,603	1,482,371
2022	968,472	291,286	1,259,758
2023	998,366	253,479	1,251,845
2024-2028	3,214,075	810,809	4,024,884
2029-2033	1,691,598	275,680	1,967,278
2034-2037	636,131	46,605	682,736
Total	<u>\$ 11,148,712</u>	<u>\$ 2,814,700</u>	<u>\$ 13,963,412</u>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Loans 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, 2018</u>
	2012	2020	2.25%	\$ 925,000	\$ 147,321

Annual debt service requirements to maturity for the loans as of June 30, 2018, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	97,662	2,764	100,426
2020	49,659	554	50,213
Total	\$ 147,321	\$ 3,318	\$ 150,639

**Capital Leases**

Beginning in fiscal year 2010 the City has entered into capital lease purchase agreements to finance the purchase of equipment. In 2018 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 \$10,231,289 and accumulated depreciation of \$4,384,968 at June 30, 2018.

<u>Capital Leases</u>	<u>Issued</u>	<u>Matures</u>	<u>Rate</u>	<u>Issued</u>	<u>June 30, 2018</u>
10 Year Equipment Lease	2010	2020	4.76%	\$ 920,548	\$ 219,841
10 Year Equipment Lease	2011	2021	4.74%	565,000	197,715
5 Yr Equipment Lease #400	2012	2017	3.21%	337,343	-
10 Yr Equipment Lease #402	2012	2022	4.20%	188,829	85,047
5 Yr Equipment Lease #5	2014	2018	1.33%	226,289	-
3 Yr Lease #1	2014	2017	1.22%	772,521	-
5 Yr Lease #2	2014	2019	1.76%	348,414	70,689
7 Yr Lease #3	2014	2021	2.26%	393,916	172,014
3 yr. Lease #6	2015	2017	1.17%	783,996	-
5 Yr Lease #7	2015	2019	1.63%	379,269	77,071
10 Yr Lease #8	2015	2024	1.63%	990,155	608,264
15 Yr Lease #9	2015	2029	3.01%	1,006,225	757,229
10 Yr Lease #10	2016	2019	1.52%	1,053,855	178,983
5 Yr Lease #11	2016	2021	1.88%	221,238	113,204
7 Yr Lease #12	2016	2023	2.24%	371,861	245,658
3 Yr Lease #13	2017	2020	1.59%	1,091,852	552,410
5 Yr Lease #14	2017	2022	1.74%	59,331	42,068
7 Yr Lease #15	2017	2024	1.91%	607,244	483,834
3 Yr Lease #16	2018	2021	1.84%	831,372	695,963
5 Yr Lease #17	2018	2023	2.01%	314,772	284,692
7 Yr Lease #18	2018	2025	2.18%	1,332,237	1,243,639
				\$ 12,796,267	\$ 6,028,321

Annual lease payment requirements as of June 30, 2018, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,803,604	\$ 135,330	\$ 1,938,934
2020	1,323,439	98,635	1,422,074
2021	882,292	68,641	950,933
2022	598,296	48,225	646,521
2023	520,505	33,465	553,970
2024-2028	820,694	55,318	876,012
2029	79,491	2,393	81,884
Total	\$ 6,028,321	\$ 442,008	\$ 6,470,329

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**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 \$711,000.

The following table lists all outstanding Civic Stadium Enterprise Fund Notes Payable and the outstanding balances as of June 30, 2018:

	<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Balance June 30, 2018</u>
Paid from Civic Stadium operating revenues:					
R-1 MFCU	2012	2036	5.50%	\$ 1,290,000	\$ 1,088,608
R-2 MoFi	2012	2036	5.50%	<u>265,000</u>	<u>223,629</u>
				<u><u>\$ 1,555,000</u></u>	<u><u>\$ 1,312,237</u></u>

Annual debt service requirements to maturity for Civic Stadium notes payable as of June 30, 2018, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 43,825	\$ 72,173	\$ 115,998
2020	46,268	69,763	116,031
2021	48,662	67,218	115,880
2022	51,562	64,542	116,104
2023	54,437	61,706	116,143
2024-2028	321,070	260,162	581,232
2029-2033	421,123	161,456	582,580
2034-2037	<u>325,290</u>	<u>37,710</u>	<u>363,000</u>
	<u><u>\$ 1,312,237</u></u>	<u><u>\$ 794,730</u></u>	<u><u>\$ 2,106,967</u></u>

**FBO Contracts Payable**

As part of the Settlement Agreement with Liberty Utilities to acquire the water system the City entered into an Assignment and Assumption Agreement with Mountain Water Company on June 5th, 2017. Under this agreement the City assumed \$8,025,822 of FBO (Funded by Others) Contracts Payable. The original contracts were entered into when developers paid for or constructed facilities used by the water utility to provide water service to customers and the water utility agreed to refund such amounts to each contract holder over a 40 year period. The FBO payables incur no interest, but under generally accepted accounting principles, the balance is discounted to a present value for reporting purposes. The City reflects a present value payable of \$5,525,518.23 on the face value of \$7,453,986, after FY18 payments of \$316,534, utilizing an annually adjusted Federal Reserve rate of 2.32%.

<u>Date Issued</u>	<u>Date Matures</u>	<u>Rate</u>	<u>Amount Issued</u>	<u>Face Value Balance</u>	<u>Present Value Payable</u>
				<u>June 30, 2018</u>	<u>June 30, 2018</u>
6/5/2017	2018-2056	N/A	<u>\$ 8,025,822</u>	<u>\$ 7,404,305</u>	<u>\$ 5,525,518</u>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Annual debt service requirements to maturity for FBO Contracts payable as of June 30, 2018, were as follows:

Fiscal Year Ending <u>June 30</u>	Present Value			Face Value <u>Total</u>
	<u>Payable</u>	<u>Imputed Interest</u>	<u>Total</u>	
2019	\$ 225,041	\$ 71,552	\$ 296,594	
2020	225,040	71,553	296,594	
2021	225,039	71,554	296,594	
2022	225,038	71,555	296,594	
2023	225,037	71,556	296,594	
2024-2028	1,125,171	357,796	1,482,968	
2029-2033	1,106,158	356,175	1,462,332	
2034-2038	966,716	329,327	1,296,044	
2039-2043	704,779	265,542	970,321	
2044-2048	387,208	157,799	545,008	
2049-2053	104,095	46,711	150,806	
2054-2056	6,193	7,666	13,859	
	<u>\$ 5,525,518</u>	<u>\$ 1,878,787</u>	<u>\$ 7,404,305</u>	

**Component Units**

Revenue Bonds

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

Date <u>Issued</u>	Date <u>Matures</u>	Amount <u>Issued</u>	Balance <u>June 30, 2018</u>
4/9/2014	2035	2-4.35% \$ 7,160,000	\$ 6,430,000
		<u>\$ 7,160,000</u>	<u>\$ 6,430,000</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 gain on the refunding of debt of \$131,057 which is being amortized as a component of interest expense 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>
2019	\$ 275,000	\$ 249,200	\$ 524,200
2020	275,000	241,075	516,075
2021	280,000	232,875	512,875
2022	285,000	222,975	507,975
2023	295,000	202,325	497,325
2024-2028	1,645,000	882,203	2,527,203
2029-2033	1,985,000	514,008	2,499,008
2034-2036	1,390,000	92,220	1,482,220
Total	<u>\$ 6,430,000</u>	<u>\$ 2,636,881</u>	<u>\$ 9,066,881</u>

In 2015, the Commission entered into a capital lease purchase agreement with First Security Bank to finance the purchase of parking meters. The lease has a one-year term with seven annual, one year renewal options exercisable by the Commission with an interest component of 2.25%. First Security Bank's interest in the meters will terminate upon the Commission's payment of \$1,400,000 in principal on the lease obligation. As of June 30, 2018, the Commission has capitalized \$1,038,445 in meter costs with an associated accumulated depreciation balance of \$259,611.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

In 2018, The Commission entered into a 2nd capital lease purchase agreement with First Security Bank to finance the purchase of gating equipment, license plate recognition technology and an electric scooter. The lease has a one-year term with seven annual, one year renewal options exercisable by the Commission with an interest component of 3%. First Security Bank's interest in the parking equipment will terminate upon the Commission's payment of \$1,195,400 in principal on the lease obligation. As of June 30, 2018, the Commission has capitalized \$706,287 in parking equipment with an associated accumulated depreciation balance of \$0, as the assets were not yet in service. This project will be completed in FY 2019.

<u>Capital Lease</u>	<u>Issued</u>	<u>Matures</u>	<u>Rate</u>	<u>Issued</u>	<u>June 30, 2018</u>
Parking Equipment Lease #1	2016	1/15/2023	2.25%	\$ 1,400,000	\$ 992,900
Parking Equipment Lease #2	2018	1/1/2025	3.00%	1,195,400	1,111,327
				<u>\$ 2,595,400</u>	<u>\$ 2,104,227</u>

Annual lease payment requirements as of June 30, 2018, were as follows:

Fiscal Year Ending

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 268,176	\$ 38,015	\$ 306,191
2020	354,397	46,914	401,311
2021	363,642	37,677	401,319
2022	373,033	28,195	401,228
2023	382,875	18,462	401,337
2024 - 2025	362,104	13,850	375,954
Total	<u>\$ 2,104,227</u>	<u>\$ 183,113</u>	<u>\$ 2,287,340</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, 2018</u>
2006 Tax Increment	08/15/06	2031	4.5 to 5.125%	\$ 3,600,000	\$ 2,345,000
2007 Tax Increment	10/15/07	2031	6.95%	1,500,000	1,165,000
2013 Tax Increment	03/16/13	2031	3.15%	5,750,000	4,507,000
2013 Tax Increment	05/30/13	2031	4.25%	1,753,500	1,446,000
2016 Tax Increment-URD III	12/01/15	2040	4.35%	5,000,000	4,745,000
2016 Tax Increment-NRSS	12/17/15	2035	4.50%	1,364,400	1,334,121
2017A Tax Incre. - Front St.	01/12/17	2041	5.75%	1,162,500	1,139,000
2017B Tax Incre. - Front St.	01/12/17	2041	4.50%	277,500	271,000
2017C Tax Incre. - Front St.	01/12/17	2041	4.50%	3,260,500	60,488
2017A Mary Ave West	06/22/17	2040	4.65%	1,600,000	1,560,000
2017B Mary Ave East	06/22/17	2040	4.35%	7,065,000	6,875,000
2017 Tax Inc.-NRSS Ph 2&3	12/21/17	2042	4.75%	<u>723,514</u>	<u>36,618</u>
Total				<u>\$ 33,056,914</u>	<u>\$ 25,484,227</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>
2019	\$ 640,186	\$ 864,237	\$ 1,504,423
2020	1,044,629	1,196,750	2,241,379
2021	1,085,183	1,210,062	2,295,245
2022	1,136,854	1,160,003	2,296,857
2023	1,185,146	1,105,325	2,290,471
2024-2028	6,743,763	4,616,271	11,360,034
2029-2033	6,699,786	2,873,360	9,573,146
2034-2038	4,350,073	1,509,157	5,859,230
2039-2043	2,598,607	324,718	2,923,325
Total	<u>\$ 25,484,227</u>	<u>\$ 14,859,883</u>	<u>\$ 40,344,110</u>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

<u>Notes Payable</u>	Date <u>Issued</u>	Date <u>Matures</u>	Amount <u>Issued</u>	Balance <u>June 30, 2018</u>
MAEDC Note Payable	09/01/06	2033	1.50% \$ 1,775,000	\$ 1,558,917
Safeway Note Payable	03/01/10	2023	0.00% 166,238	97,619
MRA Front Street Parking Note-to MPC	04/09/14	2035	2.0-4.35% 2,864,000	2,572,000
Total			\$ 4,805,238	\$ 4,228,536

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 subrecipient 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 Millsite Revitalization Project (MRP) LLC, the developer of the Old Sawmill District, with MRA and the City identified as co-borrowers. The loan will be repaid solely from tax increment revenue resulting from the increased taxable value of the property within the Old Sawmill District and post remediation, and is not a general obligation of the City. For these reasons, the loan is reflected as a liability of MRA. The City received additional funding from EPA and in December 2009, MRA, MRP, and MAEDC elected to increase the loan by \$400,000 under the same terms. Subsequent to issuance, the servicing on the loan transferred to MoFi. In July 2012, the loan was increased to \$1.775 million.

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>
2019	\$ 110,000	\$ 113,111	\$ 223,111
2020	110,000	121,414	231,414
2021	112,000	118,342	230,342
2022	202,781	114,790	317,571
2023	393,181	108,283	501,464
2024-2028	1,545,812	433,047	1,978,859
2029-2033	1,198,761	230,439	1,429,200
2034-2036	556,000	48,981	604,981
Total	\$ 4,228,535	\$ 1,288,407	\$ 5,516,942

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, 2018, the balance payable to the Guarantor was \$97,619.

**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, 2018, there was two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$10,744,472.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**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 \$35,686,376 for 2018, of which \$35,528,332 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)**

In accordance with GASB Statement 68, *Accounting and Financial Reporting for Pensions*, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the Public Employees' Retirement System Defined Benefit Retirement Plan (the Plan). Employers are required to record and report their proportionate share of the collective Net Pension Liability; Pension Expense; and Deferred Outflows and Deferred Inflows of Resources associated with pensions. The below information uses a June 30, 2017 measurement date for the 2018 reporting.

**Pension Amount Totals**

Employers are provided guidance in GASB Statement 68, paragraph 74, that pension amounts must be combined as a total or aggregate for reporting. This is true when employees are provided benefits through more than one pension, whether cost-sharing, single-employer, or agent plans

**Net Pension Liability**

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). As GASB Statement 68 allows, a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2017, was determined by taking the results of the June 30, 2016, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

**Special Funding**

The State of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as *special funding*. Those employers who received *special funding* are counties; cities & towns; school districts & high schools; and other governmental agencies.

**Not Special Funding**

Per Montana law, state agencies and universities paid their own additional contributions. These employer paid contributions are *not* accounted for as special funding for state agencies and universities but are reported as employer contributions. The state of Montana, as the non-employer contributing entity, also paid to the Plan coal tax contributions that are *not* accounted for as special funding for all participating employers.

The proportionate shares of the employer's and the state of Montana's NPL for June 30, 2017, and 2016, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for a particular employer to the total state contributions paid. The employer recorded a liability of \$22,613,111 and the employer's proportionate share was 1.1611 percent.

As of reporting date:	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2017	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 22,613,112	\$ 18,056,380	1.1611%	1.0601%	0.1010%
State of Montana Proportionate Share associated with the Employer	\$ 306,388	\$ 220,628	1.5615%	1.3546%	0.2068%
Total	\$ 22,919,500	\$ 18,277,008	2.7225%	2.4147%	0.3078%

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Changes in actuarial assumptions and methods:

*Effective July 1, 2017, the following assumption changes were used:*

- Lowered the interest rate from 7.75% to 7.65%.
- Lowered the inflation rate from 3.00% to 2.75%.
- Updated non-disabled mortality to the RP-2000 Combined Employee and Annuitant Mortality Table projected to 2020 using scale BB, males set back 1 year.
- Increased rates of withdrawal.
- Lowered the merit component of the total salary increase.
- Lowered the wage base component of the total salary increase from 4.00% to 3.50%.
- Decreased the administrative expense load from 0.27% to 0.26%.

*Effective July 1, 2017, the following method changes were used:*

- Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount will vary from year to year based on the prior year's actual administrative expenses.
- To be consistent with the wage base growth change, the payroll growth assumption for amortization as a level percent of pay was reduced from 4.00% to 3.50%.

Changes in benefit terms:

*Effective July 1, 2017, the following benefit changes were:*

- The interest rate credited to member accounts increased from 0.25% to 0.77%.
- Lump sum payouts in all systems are limited to the member's accumulated contributions rather than the present value of the member's benefit.

Changes in proportionate share: Between the measurement date of the collective NPL and the employer's reporting date there were no changes in proportion that would have an effect on the employer's proportionate share of the collective NPL.

<b><u>Pension Expense</u></b>	<b>Pension Expense as of 6/30/18</b>	<b>Pension Expense as of 6/30/17</b>
City's Proportionate Share	\$ 3,037,411	\$ 1,420,778
State of Montana Proportionate Share associated with the Employer	\$ 16,334	\$ 18,489
State of Montana Coal Tax associated with the Employer	\$ 323,485	\$ 316,352
Total:	\$ 3,377,230	\$ 1,755,619

At June 30, 2018, the employer recognized \$3,037,411 for its proportionate share of the Plan's pension expense and recognized grant revenue of \$16,334 for the state of Montana proportionate share of the pension expense associated with the employer. Additionally, the employer recognized grant revenue of \$323,485 from the Coal Severance Tax fund.

**Recognition of Deferred Inflows and Outflows**

At June 30, 2018, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 556,890	\$ 32,731
Changes in assumptions	-	151,871
Difference between projected and actual earnings on pension plan investments	3,090,976	-
Changes in proportion differences between the City's contributions and proportionate share of contributions	1,449,537	-
Contributions paid to PERS subsequent to the measurement date - FY 2018 Contributions*	1,637,768	-
<b>Total</b>	<b>\$ 6,735,171</b>	<b>\$ 184,602</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, 2018.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

June 30, 2018.

Other amounts reported as deferred outflows and inflows of resources related to pensions are recognized in the employer's pension expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2019	\$ 1,355,834
2020	\$ 2,274,196
2021	\$ 1,764,080
2022	\$ (481,309)
2023	\$ -
Thereafter	\$ -

**Plan Description**

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, Chapters 2 and 3 of the Montana Code Annotated. This plan provides retirement benefits to covered employees of the State, and local governments, and certain employees of the Montana University System, and school districts.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the *defined benefit* and *defined contribution* retirement plans.

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.

**Summary of Benefits**

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.

Second Retirement (requires returning to PERS-covered employer or PERS service):

1) Retire before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:

- a. A refund of member's contributions plus return interest (Currently .77% effective July 1, 2017).
- b. No service credit for second employment;
- c. Start the same benefit amount the month following termination; and
- d. Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.

2) Retire before January 1, 2016 and accumulate at least 2 years of additional service credit:

- a. A recalculated retirement benefit based on provisions in effect after the initial retirement; and
- b. GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

3) Retire on or after January 1, 2016 and accumulate 5 or more years of service credit:

- a. The same retirement as prior to the return to service;
- b. A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
- c. GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months

Vesting: 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.

**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)**

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.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
  - 1.5% for each year PERS is funded at or above 90%;
  - 1.5% reduced by 0.1% for each 2.0% PERS is funded below 90%; and
  - 0% whenever the amortization period for PERS is 40 years or more.

**Overview of Contributions**

Member and employer contribution rates are specified by state law 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. Member and employer contribution rates are shown in the table below.

Fiscal Year	Member		State & Universities		Local Government		School Districts	
	Hired: <7/01/11	Hired: 7/01/11	Employer	Employer	State	Employer	State	
2018	7.9%	7.9%	8.570%	8.470%	0.10%	8.20%	0.370%	
2017	7.9%	7.9%	8.470%	8.370%	0.10%	8.10%	0.370%	
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%	N/A	7.170%	7.070%	0.10%	6.80%	0.370%	
2008-2009	6.9%	N/A	7.038%	6.938%	0.10%	6.80%	0.235%	
2000-2007	6.9%	N/A	6.900%	6.800%	0.10%	6.80%	0.100%	

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

1. Member contributions to the system of 7.9% are 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 and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.

2. Employer contributions to the system:

a. Effective July 1, 2014, following the 2013 Legislative session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following actuary valuation results that show the amortization period had dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contribution rates.

b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.

3. 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 contribute a portion of Coal Severance Tax income and earnings from the Coal Severance Tax fund.

**Stand-Alone Statements**

The financial statements of the Montana Public Employees Retirement Board (PERB) *Comprehensive Annual Financial Report* (CAFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or the MPERA website at <http://mpera.mt.gov/index.shtml>

**Actuarial Assumptions**

The TPL used to calculate the NPL was determined by taking the results of the June 30, 201, actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2017. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2017, valuation were based on the results of the last actuarial experience study, dated May 2017, for the six year period July 1, 2010 to June 30, 2016. Among those assumptions were the following:

- Investment Return (net of admin expense) 7.65%
- Admin Expense as % of Payroll 0.26%
- General Wage Growth\* 3.50%
- \*includes inflation at 2.75%
- Merit Increases 0% to 4.8%
- Postretirement Benefit Increases

**Guaranteed Annual Benefit Adjustment (GABA)**

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

- o 3.0% for members hired prior to July 1, 2007
- o 1.5% for members hired between July 1, 2007 and June 30, 2013
- o 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 2.0% PERS is funded below 90%; and
  - c) 0% whenever the amortization period for PERS is 40 years or more.
- Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, males set back 1 year.
- Mortality assumptions among disabled members are based on RP 2000 Combined Mortality Tables with no projections.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Discount Rate**

The discount rate used to measure the Total Pension Liability was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under Montana Code Annotated. The state contributes 0.10% of salaries paid by local governments and 0.37% paid by school districts. In addition, the state contributed 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 Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2121. 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. A municipal bond rate was incorporated in the discount rate.

**Target Allocations**

The long-term expected return on pension plan assets is reviewed as part of the regular experience study prepared for the Plan. The most recent analysis, performed for the period of July 1, 2010 to June 30, 2016, was outlined in a report dated May 2017 and can be located on the MPERA website. The long-term expected rate of return on pension plan investments was determined by considering information from various sources, including historical rates of return, rate of return assumptions 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 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 by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017, are summarized below.

Asset Class	Target Asset Allocation	Real Rate of Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Cash Equivalents	2.60%	4.00%	0.10%
Domestic Equity	36.00%	4.55%	1.64%
Foreign Equity	18.00%	6.35%	1.14%
Fixed Income	23.40%	1.00%	0.23%
Private Equity	12.00%	7.75%	0.93%
Real Estate	8.00%	4.00%	0.32%
<b>Total</b>	<b>100.00%</b>		<b>4.37%</b>
Inflation			2.75%
<b>Portfolio Return Expectation</b>			<b>7.12%</b>

The long-term expected nominal rate of return above of 7.12% is an expected portfolio rate of return provided by Board of Investments (BOI), which differs from the total long-term assumed rate of return of 7.65% in the experience study. The assumed investment rate is comprised of a 2.75% inflation rate and a real rate of return of 4.90%.

**Sensitivity Analysis**

The sensitivity of the Net Pension Liability to the discount rate is shown in the table below. A small change in the discount rate can create a significant change in the liability. The Net Pension Liability was calculated using the discount rate of 7.65%, as well as what the Net Pension Liability would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease -6.65%	Current Discount Rate	1.0% Increase -8.65%
Employer's Net Pension Liability	\$ 32,934,064	\$ 22,613,111	\$ 13,949,453

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Summary of Significant Accounting Policies**

The Montana Public Employee Retirement Administration (MPERA) prepares its financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purpose of determining the NPL; Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the fiduciary Net Position; and , Additions to or Deductions from Fiduciary Net Position. 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 adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

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

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the Public Employees' Retirement System Defined Benefit Retirement Plan (the Plan). Employers are required to record and report their proportionate share of the collective Net Pension Liability; Pension Expense; and Deferred Outflows and Deferred Inflows of Resources associated with pensions. The below information uses a June 30, 2017 measurement date for the 2018 reporting.

**Pension Amount Totals**

Employers are provided guidance in GASB Statement 68, paragraph 74, that pension amounts must be combined as a total or aggregate for reporting. This is true when employees are provided benefits through more than one pension, whether cost-sharing, single-employer, or agent plans.

**Net Pension Liability**

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). As GASB Statement 68 allows, a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2017, was determined by taking the results of the June 30, 2016, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

**Special Funding**

The State of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as *special funding*. Those employers who received *special funding* are counties; cities & towns; school districts & high schools; and other governmental agencies.

**Not Special Funding**

Per Montana law, state agencies and universities paid their own additional contributions. These employer paid contributions are *not* accounted for as special funding for state agencies and universities but are reported as employer contributions. The state of Montana, as the non-employer contributing entity, also paid to the Plan coal tax contributions that are *not* accounted for as special funding for all participating employers.

The proportionate shares of the employer's and the state of Montana's NPL for June 30, 2017, and 2016, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for a particular employer to the total state contributions paid. The employer recorded a liability of \$5,611,024 and the employer's proportionate share was 4.9640 percent.

As of reporting date:	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2017	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 5,611,024	\$ 5,736,896	4.9640%	5.0230%	-0.0590%
State of Montana Proportionate Share associated with the Employer	\$ 12,742,024	\$ 12,997,998	11.2727%	11.3805%	-0.1078%
Total	\$ 18,353,048	\$ 18,734,894	16.2367%	16.4035%	-0.1668%

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Changes in actuarial assumptions and methods:

*Effective July 1, 2017, the following assumption changes were used:*

- Lowered the interest rate from 7.75% to 7.65%.
- Lowered the inflation rate from 3.00% to 2.75%.
- Updated non-disabled mortality to the RP-2000 Combined Employee and Annuitant Mortality Table projected to 2020 using scale BB, males set back 1 year.
- Increased rates of withdrawal.
- Lowered the merit component of the total salary increase.
- Lowered the wage base component of the total salary increase from 4.00% to 3.50%.
- Decreased the administrative expense load from 0.19% to 0.23%.

*Effective July 1, 2017, the following method changes were used:*

- Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.
- To be consistent with the wage base growth change, the payroll growth assumption for amortization as a level percent of pay was reduced from 4.00% to 3.50%.

Changes in benefit terms:

*Effective July 1, 2017, the following benefit changes were:*

- The interest rate credited to member accounts increased from 0.25% to 0.77%.
- Working Retiree Limitations applies to retirement system members who return on or after July 1, 2017 to covered employment in the system from which they retired.
- Second Retirement Benefit applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired.
- Lump sum payouts in all systems are limited to the member's accumulated contributions rather than the present value of the member's benefit.

Changes in proportionate share: Between the measurement date of the collective NPL and the employer's reporting date there were no changes in proportion that would have an effect on the employer's proportionate share of the collective NPL.

**Pension Expense**

As of measurement date	Pension Expense as of 6/30/18	Pension Expense as of 6/30/17
City of Missoula's Proportionate Share	\$ 825,131	\$ 736,352
Employer Grant Revenue - State of Montana Proportionate Share for Employer	2,419,935	1,685,075
<b>Total:</b>	<b>\$ 3,245,065</b>	<b>\$ 2,421,427</b>

At June 30, 2018, the employer recognized its proportionate share of the Plan's pension expense of \$825,131. The employer also recognized grant revenue of \$2,419,935 for the support provided by the state of Montana for the proportionate share of the pension expense that is associated with the employer.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Recognition of Deferred Inflows and Outflows**

At June 30, 2018, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

<b>As of measurement date</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Expected vs. Actual Experience	\$ 36,966	\$ 42,434
Projected Investment Earnings vs. Actual Investment Earnings	4,627	-
Changes in assumptions	699,739	-
Changes in proportion differences between Employer contributions and proportionate share of contributions	-	95,868
Employer Contributions Subsequent to the Measurement Date*	1,066,563	-
<b>Total</b>	<b>\$ 1,807,895</b>	<b>\$ 138,302</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, 2018.

Other amounts reported as deferred outflows and inflows of resources related to pensions are recognized in the employer's pension expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense	
2019	\$ 36,336	
2020	\$ 276,952	
2021	\$ 173,212	
2022	\$ (21,138)	
Thereafter	\$ 137,668	

**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, Montana Code Annotated. This plan 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.

**Summary of Benefits**

Eligibility for benefit and benefit formulas

*Service retirement:*

- Hired prior to July 1, 1981, or has elected to be covered by GABA:
  - 20 years of membership service, regardless of age.
  - 2.5% of HMC x years of service credit
- Hired prior to June 30, 1981, and who had not elected to be covered by GABA, the greater of above, or:
  - If membership service is less than 20 years:
    - 2% of highest monthly compensation (HMC) x years of service credit and
    - if membership services is greater or equal to 20 years:
      - 50% of HMC plus 2% of HMC x years of service credit in excess of 20

*Early retirement:*

- Age 50 with 5 years of membership service

*Vesting*

- 5 years of membership service.

Member's compensation period used in benefit calculation

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

- Hired prior to July 1, 1981 and not electing GABA: highest monthly compensation (HMC);
- Hired after June 30, 1981 and those electing GABA: highest average compensation (HAC) during any consecutive 36 months (or shorter period of total service).
- Part-time firefighter: 15% of regular compensation of a newly confirmed full-time firefighter.

**Compensation Cap**

- Hired on or after July 1, 2013: 110% annual cap on compensation considered as a part of a member's HAC.

**Guaranteed Annual Benefit Adjustment (GABA)**

Hired on or after July 1, 1997, or those electing GABA and has been retired for at least 12 months - the member's benefit increases by 3.0% each January.

**Minimum Benefit Adjustment (non-GABA)**

If hired before July 1, 1997, and member did not elect GABA - the minimum benefit adjustment is provided equal to 50% of the current base compensation of a newly confirmed active firefighter of the employer that employed the member as a firefighter.

**Overview of Contributions**

Member and employer contribution rates are specified by state law 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 below.

Fiscal Year	Member			
	Non-GABA	GABA	Employer	State
1998-2018	9.500%	10.700%	14.360%	32.610%
1997	7.800%		14.360%	32.610%

**Stand-Alone Statements**

The financial statements of the Montana Public Employees Retirement Board (PERB) Comprehensive Annual Financial Report (CAFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or the MPERA website at <http://mpera.mt.gov>.

**Actuarial Assumptions**

The TPL used to calculate the NPL was determined by taking the results of the June 30, 2016, actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2017. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2017, valuation were based on the results of the last actuarial experience study, dated May 2017, for the six year period July 1, 2010 to June 30, 2016. Among those assumptions were the following:

- Investment Return (net of admin expense) 7.65%
- Admin Expense as % of Payroll 0.23%
- General Wage Growth\* 3.50%
- \*includes Inflation at 2.75%
- Merit Increases 0% to 4.8%
- Postretirement Benefit Increases

**Guaranteed Annual Benefit Adjustment (GABA)**

Hired on or after July 1, 1997, or those electing GABA, and has been retired for at least 12 months, the member's benefit increases by 3% each January.

**Minimum Benefit Adjustment (non-GABA)**

If hired before July 1, 1997 and member did not elect GABA - the minimum benefit adjustment is provided equal to 50% of the current base compensation of a newly confirmed active firefighter of the employer that last employed the member as a firefighter.

- Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 using scale BB, males set back 1 year.
- Mortality assumptions among Disabled Members were based on RP 2000 Combined Mortality Tables.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Discount Rate**

The discount rate used to measure the Total Pension Liability (TPL) was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under Montana Code Annotated. The state contributed 32.61% of the salaries by employers. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2124. 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. A municipal bond rate was not incorporated in the discount rate.

**Target Allocations**

The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the Plan. The most recent analysis, performed for the period July 1, 2010 to June 30, 2016, is outlined in a report dated May 2017, and can be located on the MPERA website. The long-term expected rate of return on pension plan investments was determined by considering information from various sources, including historical rates of return, rate of return assumptions 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 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 by adding expected inflation. Best estimates are presented as the arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017, are summarized below.

Asset Class	Target Asset Allocation	Real Rate of Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Cash Equivalents	2.60%	4.00%	0.10%
Domestic Equity	36.00%	4.55%	1.64%
Foreign Equity	18.00%	6.35%	1.14%
Fixed Income	23.40%	1.00%	0.23%
Private Equity	12.00%	7.75%	0.93%
Real Estate	8.00%	4.00%	0.32%
<b>Total</b>	<b>100.00%</b>		<b>4.37%</b>
Inflation			2.75%
Portfolio Return Expectation			7.12%

The long-term expected nominal rate of return above of 7.12% is an expected portfolio rate of return provided by Board of Investments (BOI), which differs from the total long-term assumed rate of return of 7.65% in the experience study. The assumed investment rate is comprised of a 2.75% inflation rate and a real rate of return of 4.90%.

**Sensitivity Analysis**

The sensitivity of the Net Pension Liability to the discount rate is shown in the table below. A small change in the discount rate can create a significant change to the liability. The Net Pension Liability was calculated using the discount rate of 7.65%, as well as what the Net Pension Liability would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease -6.65%	Current Discount Rate	1.0% Increase -8.65%
Employer's Net Pension Liability	\$ 9,324,111	\$ 5,611,024	\$ 2,611,046

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Summary of Significant Accounting Policies**

MPERA prepares its financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of measuring the Net Pension Liability; deferred inflows of resources and deferred outflows of resources related to pensions; Pension Expense; the fiduciary net position; and, additions to or deductions from fiduciary net position. 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 accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

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

In accordance with GASB Statement 68, Accounting and Financial Reporting for Pensions, employers and the non-employer contributing entity are required to recognize and report certain amounts associated with participation in the Public Employees' Retirement System Defined Benefit Retirement Plan (the Plan). Employers are required to record and report their proportionate share of the collective Net Pension Liability; Pension Expense; and Deferred Outflows and Deferred Inflows of Resources associated with pensions. The below information uses a June 30, 2017 measurement date for the 2018 reporting.

**Pension Amount Totals**

Employers are provided guidance in GASB Statement 68, paragraph 74, that pension amounts must be combined as a total or aggregate for reporting. This is true when employees are provided benefits through more than one pension, whether cost-sharing, single-employer, or agent plans.

**Net Pension Liability**

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). As GASB Statement 68 allows, a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's TPL. The basis for the TPL as of June 30, 2017, was determined by taking the results of the June 30, 2016, actuarial valuation and applying standard roll forward procedures. The roll forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

**Special Funding**

The Plan has a special funding situation in which the State of Montana is legally responsible for making contributions directly to the Plan 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 proportionate shares of the employer's and the state of Montana's NPL for June 30, 2017, and 2016, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for a particular employer to the total state contributions paid. The employer recorded a liability of \$9,329,364 and the employer's proportionate share was 5.2438 percent.

As of measurement date:	Net Pension Liability as of 6/30/2018	Net Pension Liability as of 6/30/2017	Percent of Collective NPL as of 6/30/2018	Percent of Collective NPL as of 6/30/2017	Change in Percent of Collective NPL
Employer Proportionate Share	\$ 9,329,364	\$ 9,759,997	5.2438%	5.4218%	-0.1780%
State of Montana Proportionate Share associated with the Employer	\$ 19,014,791	\$ 19,374,019	10.6877%	10.7625%	-0.0748%
<b>Total</b>	<b>\$ 28,344,155</b>	<b>\$ 29,134,016</b>	<b>15.9315%</b>	<b>16.1843%</b>	<b>-0.2528%</b>

Changes in actuarial assumptions and methods:

*Effective July 1, 2017, the following assumption changes were used:*

- Lowered the interest rate from 7.75% to 7.65%.
- Lowered the inflation rate from 3.00% to 2.75%.
- Updated non-disabled mortality to the RP-2000 Combined Employee and Annuitant Mortality Table projected to

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

2020 using scale BB, males set back 1 year.

- Increased rates of withdrawal.
- Lowered the merit component of the total salary increase.
- Lowered the wage base component of the total salary increase from 4.00% to 3.50%.
- Decreased the administrative expense load from 0.20% to 0.24%.

*Effective July 1, 2017, the following method changes were used:*

- Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.
- To be consistent with the wage base growth change, the payroll growth assumption for amortization as a level percent of pay was reduced from 4.00% to 3.50%.

Changes in benefit terms:

*Effective July 1, 2017, the following benefit changes were:*

- The interest rate credited to member accounts increased from 0.25% to 0.77%.
- Working Retiree Limitations applies to retirement system members who return on or after July 1, 2017 to covered employment in the system from which they retired.
- Second Retirement Benefit applies to retirement system members who return on or after July 1, 2017 to active service covered by the system from which they retired.
- Lump sum payouts in all systems are limited to the member's accumulated contributions rather than the present value of the member's benefit.

Changes in proportionate share: Between the measurement date of the collective NPL and the employer's reporting date there were no changes in proportion that would have an effect on the employer's proportionate share of the collective NPL.

**Pension Expense**

As of measurement date	Pension Expense as of 6/30/18	Pension Expense as of 6/30/17
City of Missoula's Proportionate Share	\$ 1,158,962	\$ 1,175,043
Employer Grant Revenue - State of Montana Proportionate Share for Employer	2,303,097	2,076,011
<b>Total:</b>	<b>\$ 3,462,059</b>	<b>\$ 3,251,055</b>

At June 30, 2018, the employer recognized its proportionate share of the Plan's pension expense of \$1,158,962. The employer also recognized grant revenue of \$2,303,097 for the support provided by the state of Montana for the proportionate share of the pension expense that is associated with the employer.

**Recognition of Deferred Inflows and Outflows**

At June 30, 2018, the City's reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

As of Measurement date	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	\$ -	\$ 318,322
Projected Investment Earnings vs. Actual Investment Earnings	\$ 8,108	\$ -
Changes in assumptions	629,711	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	77,232
Contributions paid to MPORS subsequent to the measurement date - FY 2018 Contributions*	1,151,326	-
<b>Total</b>	<b>\$ 1,789,145</b>	<b>\$ 395,554</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, 2018.

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

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expense
2019	\$ 25,733
2020	\$ 226,315
2021	\$ 127,805
2022	\$ (137,588)
2023	\$ -
Thereafter	\$ -

**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 governed by Title 19, chapters 2 & 9 of the MCA. This plan provides retirement benefits to 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.

***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 only participate in the DROP 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 DROP, all mandatory contributions continue to the retirement system. A monthly benefit is calculated based on salary and years of service to date as 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.

**Summary of Benefits**

**Eligibility for benefit and benefit formulas**

Service retirement:

- 20 years of membership service, regardless of age.
- Age 50 with 5 years of membership service.
- 2.5% of FAC x years of service credit

Second retirement: (applies to members re-employed in a MPORS position after July 1, 2017)

- 1) If the member works more than 480 hours in a calendar year and accumulates less than 5 years of service credit before terminating again, the member:
  - a. Is not awarded service credit for the period of reemployment;
  - b. Is refunded the accumulated contributions associated with the period of reemployment;
  - c. Starting the first month following termination of service, receives the same retirement benefit previously paid to the member; and
  - d. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a Guaranteed Annual Benefit Adjustment (GABA) in January immediately following second retirement.
- 2) If the member works more than 480 hours in a calendar year and accumulates at least 5 years of service credit before terminating again, the member:
  - a. Is awarded service credit for the period of reemployment;
  - b. Starting the first month following termination of service, receives:
    - i. The same retirement benefit previously paid to the member, and
    - ii. A second retirement benefit for the period of reemployment calculated based on the laws in effect as of the member's rehire date; and
  - c. Does not accrue post-retirement benefit adjustments during the term of reemployment but receives a GABA:
    - i. On the initial retirement benefit in January immediately following second retirement, and

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

- ii. On the second retirement benefit starting in January after receiving that benefit for at least 12 months.
- 3) A member who returns to covered service is not eligible for a disability benefit.

**Vesting**

5 years of membership service

**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.

**Compensation Cap**

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

**Guaranteed Annual Benefit Adjustment (GABA)**

Hired on or after July 1, 1997, or those electing GABA and has been retired for at least 12 months, a GABA will be made each year in January equal to 3%.

**Minimum benefit adjustment (non-GABA)**

If hired before July 1, 1997 and member did not elect GABA - the minimum benefit adjustment provided is equal to 50% of the current base compensation of a newly confirmed police officer of the employer that last employed the member as a police officer.

**Overview of Contributions**

Member and employer contribution rates are specified by state law 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 below.

<b>Fiscal Year</b>	<b>Member</b>					<b>Employer</b>	<b>State</b>
	<b>Hired &lt;7/1/75</b>	<b>Hired &gt;6/30/75</b>	<b>Hired &gt;6/30/79</b>	<b>Hired &gt;6/30/97</b>			
2000-2018	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 financial statements of the Montana Public Employees Retirement Board (PERB) Comprehensive Annual Financial Report (CAFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or the MPERA website at <http://mpera.mt.gov>.

**Actuarial Assumptions**

The TPL used to calculate the NPL was determined by taking the results of the June 30, 2016, actuarial valuation and applying standard roll forward procedures to update the TPL to June 30, 2017. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the June 30, 2017, valuation were based on the results of the last actuarial experience study, dated May 2017 for the six year period July 1, 2010 to June 30, 2016. Among those assumptions were the following:

- Investment Return (net of admin expense) 7.65%
- Admin Expense as % of Payroll 0.24%
- General Wage Growth\* 3.50%
- \*includes Inflation at 2.75%
- Merit Increases 0% to 6.6%
- Postretirement Benefit Increases

**Guaranteed Annual Benefit Adjustment (GABA)**

Hired on or after July 1, 1997, or those electing GABA and has been retired for at least 12 months, a GABA will be made each year in January equal to 3%.

**Minimum Benefit Adjustment (non-GABA)**

If hired before July 1, 1997 and member did not elect GABA, the minimum benefit adjustment provided is equal to 50% of the current base compensation of a newly confirmed police officer of the employer that last employed the member as a police officer.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP 2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, set back one year for males.

Mortality assumptions among Disabled Retirees are based on RP 2000 Combined Mortality Tables.

**Discount Rate**

The discount rate used to measure the TPL was 7.65%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The State contributes 29.37% of salaries paid by employers. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2124. 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.

**Target Allocations**

The long-term expected return on pension plan assets is reviewed as part of the regular experience study prepared for the Plan. The most recent analysis, performed for the period of July 1, 2010 to June 30, 2016, is outlined in a report dated May 2017 and can be located on the MPERA website. The long-term expected rate of return on pension plan investments was determined by considering information from various sources, including historical rates of return, rate of return assumptions 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 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 by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2017, are summarized below.

Asset Class	Target Asset Allocation	Real Rate of Return Arithmetic Basis	Long-Term Expected Real Rate of Return
<b>Cash Equivalents</b>	2.60%	4.00%	0.10%
<b>Domestic Equity</b>	36.00%	4.55%	1.64%
<b>Foreign Equity</b>	18.00%	6.35%	1.14%
<b>Fixed Income</b>	23.40%	1.00%	0.23%
<b>Private Equity</b>	12.00%	7.75%	0.93%
<b>Real Estate</b>	8.00%	4.00%	0.32%
<b>Total</b>	100.00%		4.37%
<b>Inflation</b>			2.75%
<b>Portfolio Return Expectation</b>			7.12%

The long-term expected nominal rate of return above of 7.12% is an expected portfolio rate of return provided by Board of Investments (BOI), which differs from the total long-term assumed rate of return of 7.65% in the experience study. The assumed investment rate is comprised of a 2.75% inflation rate and a real rate of return of 4.90%.

**Sensitivity Analysis**

The sensitivity of the Net Pension Liability to the discount rate is shown in the table below. A small change in the discount rate can create a significant change in the liability. The Net Pension Liability was calculated using the discount rate of 7.65%, as well as what the Net Pension Liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease -6.65%	Current Discount Rate	1.0% Increase -8.65%
City of Missoula's Net Pension Liability	\$ 13,583,914	\$ 9,329,364	\$ 5,918,112

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Summary of Significant Accounting Policies**

MPERA prepares its financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of measuring the Net Pension Liability; deferred inflows of resources and deferred outflows of resources related to pensions; Pension Expense; the fiduciary net position; and, additions to or deductions from fiduciary net position. 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 accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

**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 \$415 for a half time employee to \$830 for a full time employee. Employee contributions were \$24 for full time employees up to \$439 for half time employees. Retirees may also participate in the plan. The City subsidizes the retiree's premium cost at 15%. They paid \$687.14 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, 2018 were \$3,535,536; employee contributions were \$986,828 and retiree contributions were \$441,855. 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 2018. Following is a summary of the changes in the balances of claim liabilities (based on calculations provided by the plan administrator) during fiscal years 2016, 2017, and 2018.

Claims Payable			Claims Payable		
Beginning of Fiscal Year	Claims Incurred	Claims Paid	Ending of Fiscal Year	Claims Paid	Claims Paid
2016 \$ 688,600	\$ 5,097,675	\$ 5,290,585	\$ 495,690	\$ 495,690	\$ 495,690
2017 495,690	6,015,451	6,254,337	\$ 256,805	\$ 256,805	\$ 256,805
2018 256,805	7,877,573	7,409,659	\$ 724,719	\$ 724,719	\$ 724,719

**3. Postemployment Benefits**

The City adopted the provisions of GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits other than Pensions," in fiscal year 2018. GASB 75 addresses accounting and financial reporting for postemployment benefits other than pensions (OPEB) that are provided to the employees of state and local governments, establishing standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses. For defined benefit OPEB plans, this statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Information on the City's health benefits plan for retirees is included below. GASB 10, as modified by GASB 75, 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.

The City of Missoula sponsors and administers a single-employer 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 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.

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 monthly premiums. State law requires the City to provide this benefit. There are no other post-employment benefits provided by the City. Out of 587 active and inactive employees covered by the plan at June 2018, there were 536 active employees and 51 inactive employees (retirees) participating.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

The City's medical plan is a self-funded PPO plan. The table below presents a high-level summary of the medical benefits offered in the plan year beginning July 1, 2018, which was used for the June 30, 2018 valuation. Dental benefits are not provided for retirees.

Medical Deductible (Individual/Family)	\$470/\$1,300
Out-of-Pocket Maximum (Individual/Family)	\$3,170/\$6,350
Coinsurance (In Network/Out of Network)	30%/50%
Prescription Deductible	\$50
Prescription Copays (Tier 1/Tier 2/Tier 3)	10% (min \$5)/20% (min \$20)/50% (min \$35)
Prescription Out-of-Pocket Maximum	\$3,400/\$6,800

The retiree contributes 85% of the total active premium, excluding dental coverage, and the City contributes the remaining 15% 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. Reserves maintained by the City are not considered assets of the post-employment benefits plan since they are not contributed to a trust that meets the criteria in GASB 75, paragraph 4. The retiree and city contribution rates for the plan for fiscal year 2019 were used for the June 30, 2018 valuation and are as follows.

Coverage	Retiree		City		Total	
	Contribution		Contribution		Premium	
Retiree	\$ 774.35		\$ 136.65		\$ 911.00	
Retiree, spouse	890.80		157.20		1,048.00	
Retiree, spouse, child	939.25		165.75		1,105.00	
Retiree, child	822.80		145.20		968.00	
Each additional child	48.45		8.55		57.00	

The following table reports the changes to the OPEB liability for fiscal year 2018, as well as deferred inflows and outflows of resources and OPEB expense recognized. This information is allocated to various enterprise activities and discretely presented component units as detailed below.

Changes in OPEB Liability	Gov'tl Activities	Water	Waste- water	Storm Water	Aquatics	Component Units		Total
						MRA	Parking	
OPEB Liability, Beginning Balance	2,819,485	2,706	153,562	2,706	31,840	37,224	75,273	3,122,796
Restatement-Change in Accounting Principle	4,959,258	583,718	329,376	31,790	19,903	110,299	63,029	6,097,373
Restated Beginning Balance	7,778,743	586,414	482,938	34,496	51,743	147,523	138,302	9,220,159
Service Cost	479,666	36,161	29,780	2,127	3,191	9,097	8,528	568,550
Interest	268,367	20,232	16,661	1,190	1,785	5,090	4,771	318,096
Difference between expected and actual experience	(201,558)	(15,195)	(12,514)	(894)	(1,341)	(3,823)	(3,583)	(238,908)
Changes in assumptions	4,331	326	269	19	29	82	77	5,133
Employer Contributions	(165,462)	(12,474)	(10,273)	(734)	(1,100)	(3,138)	(2,942)	(196,123)
Net Change	385,344	29,050	23,923	1,708	2,564	7,308	6,851	456,748
OPEB Liability, Ending Balance	8,164,087	615,474	506,861	36,204	54,307	154,831	145,153	9,676,917

**Deferred Inflows of Resources**

Difference between expected and actual experience	(201,558)	(15,195)	(12,514)	(894)	(1,341)	(3,823)	(3,583)	(238,908)
Current year amortization of experience diff	28,348	2,137	1,760	126	189	538	504	33,602
Ending Balance	(173,210)	(13,058)	(10,754)	(768)	(1,152)	(3,285)	(3,079)	(205,306)

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**Deferred Outflow**

Changes in assumptions	4,331	326	269	19	29	82	77	5,133
Current year amortization of assumption changes	(609)	(46)	(38)	(3)	(4)	(12)	(10)	(722)
Ending Balance	3,722	280	231	16	25	70	67	4,411

<b>OPEB Expense</b>	720,294	54,302	44,719	3,194	4,791	13,661	12,805	853,766
---------------------	---------	--------	--------	-------	-------	--------	--------	---------

The City's total OPEB liability was \$9,676,917 as of June 30, 2018, as determined by an actuarial valuation as of that date. The City's beginning OPEB liability was restated by a total of \$6,097,373 due to the implementation of GASB 75. The following assumptions and other inputs were used to calculate the total OPEB liability using the entry age normal cost method in the actuarial valuation.

Discount Rate	3.45% - S&P Municipal Bond 20 Year High Grade Rate Index as of July 2, 2018
Payroll Growth	2.75% to 3%, used midpoint 2.875%
General Inflation	3.0% per year
Participation Rate	35% of eligible employees are assumed to elect healthcare coverage in retirement
Admin Trend Rate	3%
Mortality Rate	Male and Female RP-2000 Combined Employee and Annuitant Mortality Tables, projected to 2020 using scale BB, males set back 1 year

Medical Trend Rate	Effective July 1	Trend Rate
	2018	6.20%
	2019	6.00%
	2020	5.80%
	2021	5.60%
	2022	5.40%
	2023	5.20%
	2024+	5.00%

**Cost Sharing**

Projections related to the sharing of benefit-related costs are based on an established pattern of practice with the City contributing 15% of retiree premiums

The table below shows the assumption changes from the beginning balance at June 30, 2017 and their impact on the OPEB liability at June 30, 2018.

Assumption	Description of Change	Impact on Liability
Discount Rate	Increased from 3.13% to 3.45%	\$ (354,118)
Mortality Rate	Updated for recent pension valuation	596,077
Termination Rate	Updated for recent pension valuation	580,903
Disability Rate	Updated for recent pension valuation	777,275
Retirement Rate	Updated for recent pension valuation	(2,294,815)
Medical Trend	Updated to current industry source	(302,534)
Excise Tax	Not previously included	648,227
Other	Various updates	354,118
		<u>5,133</u>

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

The following tables disclose the sensitivity of the total OPEB liability to changes in the discount rate and the medical trend rate, showing how the total OPEB liability would change if the rates used were increased or decreased by 1%.

	1% Decrease 2.45%	Discount Rate 3.45%	1% Increase 4.45%
Total OPEB Liability	\$ 11,714,471	\$ 9,676,917	\$ 8,100,984
	1% Decrease 5.20%	Medical Trend Rate 6.20%	1% Increase 7.20%
Total OPEB Liability	\$ 7,923,675	\$ 9,676,917	\$ 12,009,832

Changes in the total OPEB liability due to changes in actuarial assumptions and differences between expected actuarial experience and actual experience are deferred and recognized in the OPEB expense over a closed period equal to the average expected remaining service lives of employees and retirees, starting with the current reporting period. The average remaining service lives as of June 30, 2018 was 7.11 years. Amounts reported as deferred inflows and outflows of resources will be recognized in OPEB expense as follows.

Year	Actual to Expected Experience (Deferred Inflow)	Changes in Assumptions (Deferred Outflow)	Combined Amortization
	\$ (33,602)	\$ 722	\$ (32,880.00)
2018	\$ (33,602)	\$ 722	\$ (32,880.00)
2019	(33,602)	722	(32,880.00)
2020	(33,602)	722	(32,880.00)
2021	(33,602)	722	(32,880.00)
2022	(33,602)	722	(32,880.00)
2023	(33,602)	722	(32,880.00)
2024	(33,602)	722	(32,880.00)
2025	(3,694)	79	(3,615.00)
	<hr/> \$ (238,908)	<hr/> \$ 5,133	<hr/> \$ (233,775.00)

#### 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, 2018:

##### Description

##### Primary Government

Sewer Fund - Restricted for debt service	\$ 2,035,757
Water Fund - Restricted for debt service	26,546,685
Water Fund - Restricted for capital projects	2,500,000

##### Component Units

Missoula Redevelopment Agency - Restricted for debt service	674,645
Missoula Parking Commission - Restricted for debt service and capital projects	1,186,762

Total Restricted Cash	<hr/> \$ 32,943,849
-----------------------	---------------------

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

The following net position was restricted by the City for the reasons stated below as of June 30, 2018:

Description

Primary Government

Governmental Funds - Restricted as shown in Note H	\$	8,466,387
Sewer - Restricted for debt service		2,035,757
Water Fund - Restricted for debt service and capital projects		26,546,685
Component Units		
Missoula Redevelopment Agency - Restricted for debt service		674,645
Missoula Parking Commission - Restricted for debt service and capital projects		1,186,762
Total Restricted Net Assets	<u>\$</u>	<u>38,910,236</u>

**H. Governmental Fund Balances**

At June 30, 2018 the City had a total fund balance in governmental funds of \$11,018,285. In accordance with GASB Statement 54 this fund balance has been classified as follows:

**General Fund**

Nonspendable	\$ 1,332,547	Inventories and Prepaid Items
Restricted	288,162	Cemetery memorial, Title I Program and Revolving Loan Program
Assigned	1,808,443	Specific general fund programs
Unassigned	1,361,441	Remaining

**Non Major Special Revenue Funds**

Nonspendable	\$ 13,071	Inventories and Prepaid Items
Restricted	4,378,130	State and Federal Law for law enforcement, building construction inspections, public works safety and maintenance and various Grant restrictions for program expenditures.
Committed	3,918,115	City Ordinance for specific budgeted programs and by Developer Agreement for future development.
Assigned	254,994	Specific special revenue fund programs
Unassigned	(1,043,028)	Negative fund balance is Unassigned per GASB 54 definitions.

**Non Major Debt service Funds**

Restricted	- Debt Service	
Committed	3,136,114	City Ordinance for specific budgeted programs
Unassigned	(424,989)	Negative fund balance is Unassigned per GASB 54 definitions.

**Non Major Capital projects Funds**

Restricted	663,981	Federal & State law, Bond Covenants, and County & Developer Agreements for Capital Project expenditures.
Unassigned	(4,668,696)	Negative fund balance is Unassigned per GASB 54 definitions.

**Total Governmental Balance** \$ 11,018,285

**City of Missoula - Schedule of Transfers "IN" as of June 30, 2018**

<b>Transfer To:</b>	<b>Transfer From:</b>	<b>Amount</b>	<b>Explanation</b>
General Fund	Street Maintenance	\$ 43,500	Reimburse General Fund for costs incurred within flushing district
General Fund	Gas Tax	564,000	For street maintenance work by City street staff
General Fund	Employee Health Insurance	5,101,004	Reimburse General Fund from special health levy funds for health insurance premiums paid
General Fund	Cable TV Franchise	301,433	For right of way maintenance
General Fund	Hillview Way Construc	73,765	Hillview Way Construction
General Fund	SID Revolving	82,318	Transfer Excess Revolving Funds to GF
General Fund	Park District	149,996	Support of Park District operations within General Fund
General Fund	Road District	104,057	Support of Road District operations within General Fund

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

General Fund	Residential Inspection	271	Close out Residential Inspection Fund
General Fund	Water	93,961	Water Transition Costs
General Fund	CDBG Program Income Fund	6,793	Admin Costs Transfer
General Fund (1212)	General Fund (1211)	19,560	Kiwanis Lambrows Farron Donation Transfer
General Fund (1216)	General Fund	10,000	Parks support of Park & Rec Trails Scholarship
General Fund (1219)	General Fund (1211)	5,219	Contribution to Park Playground Project
General Fund (1219)	Park District	333,894	Fort Missoula Regional Park Subsidy
		<b>6,889,771</b>	<b>Total transfers To General Fund</b>

Capital Improvement	General Fund	1,404,003	Support for capital projects
Capital Improvement	Building Fund	8,239	Support for capital projects
Capital Improvement	Impact Fees Fund	1,010,183	Support for capital projects
Capital Improvement	HIDTA Fund	13,682	Support for capital projects
Planning	General Fund	57,155	Planning Subsidy
Planning	General Fund	64,834	Historic Preservation Subsidy
Public Safety Info Systems	General Fund	6,000	Police Yearly Contribution to Public Safety Info Systems
Park District	General Fund	7,810	Contribution to Park Capital Projects
Federal Transportation Fund	General Fund	13,415	BBT Project Contribution
Federal Transportation Fund	Parks & Rec Trails Development	51,137	Kim Williams Project Support
Transportation	General Fund	9,900	Bike Ped Subsidy
Transportation	General Fund	82,086	Transportation support
Brownfields	Grants & Donations Fund	648,277	Move Brownfields RLF to Separate Fund
Phillips St Traffic Calming	SID 545 Construction	1,861	Debt service payments on internal lending
Pattee Creek Dr. Traffic Calming	SID 546 Construction	1,498	Debt service payments on internal lending
		<b>3,380,080</b>	<b>Total transfers To Other Nonmajor Gov'tl 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	77,981	by City Council
		<b>519,981</b>	<b>Total transfers To Internal Service Fund</b>

Residential Inspection	Building Fund	388	Reimburse Residential Inspection Fund Building Expenditures
		<b>388</b>	<b>Total transfers To Internal Service Fund</b>

**Total Transfers "IN" \$ 10,993,220**

**City of Missoula - Schedule of Transfers "OUT" as of June 30, 2018**

<u>Transfer From:</u>	<u>Transfer To:</u>	<u>Amount</u>	<u>Explanation</u>
General Fund	General Fund (1216)	\$ 10,000	Parks support of Park & Rec Trails Scholarship
General Fund	Capital Improv. Fund	1,404,003	Support for capital projects
General Fund	Planning	57,155	Planning Subsidy
General Fund	Planning	64,834	Historic Preservation Subsidy
General Fund	Public Safety Info Syst	6,000	Police Yearly Contribution to Public Safety Info Systems
General Fund	Federal Transportation	13,415	BBT Project Contribution

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

General Fund	Park District	7,810	Contribution to Park Capital Projects
General Fund	Transportation	9,900	Bike Ped Subsidy
General Fund	Transportation	82,086	Transportation support
General Fund	Aquatics	203,000	Police Yearly Contribution to Public Safety Info Systems
General Fund	Employee Benefit Plan	442,000	Transfer for Health Reserve
General Fund	Employee Benefit Plan	77,981	Retiree subsidizing health insurance premium approved by City Council
General Fund (1211)	General Fund (1212)	19,560	Kiwanis Lambrows Farron Donation Transfer
General Fund (1211)	General Fund (1219)	5,219	Contribution to Park Playground Project
Parks & Rec Trails Development	Federal Transportation Fund	51,137	Kim Williams Project Support

**2,454,098 Total transfers From General Fund**

Impact Fee Fund	Capital Improv. Fund	1,010,183	Support for capital projects
Employee Health Insurance	General Fund	5,101,004	Reimburse General Fund from special health levy funds for health insurance premiums paid
Cable TV Franchise	General Fund	301,433	For right of way maintenance
Building Fund	Residential Inspection	388	Reimburse Residential Inspection Fund Building Expenditures
Street Maintenance	General Fund	43,500	Reimburse General Fund for costs incurred within the flushing district
Park District	General Fund	149,996	Support of Park District operations within General Fund
Road District	General Fund	104,057	Support of Road District operations within General Fund
Park District	General Fund (1219)	333,894	Fort Missoula Regional Park Subsidy
Gas Tax	General Fund	564,000	For street maintenance work by City street staff
Building Fund	Capital Improv. Fund	8,239	Support for Capital Projects
HIDTA Fund	Capital Improv. Fund	13,682	Support for Capital Projects
CDBG Program Income Fund	General Fund	6,793	Admin Costs Transfer
Grants & Donations Fund	Brownfields	648,277	Move Brownfields RLF to separate fund.
Revolving Fund	General Fund	82,318	Transfer Excess Revolving Funds to GF
SID 545 Construction	Phillips St Traffic Calming	1,861	Debt service payments on internal lending
SID 546 Construction	Pattee Creek Dr. Traffic Calming	1,498	Debt service payments on internal lending
Construction	General Fund	73,765	Hillview Way Construction

**8,444,888 Total transfers From Other Nonmajor Governmental Funds**

Water	General Fun	93,961	
			<b><u>93,961 Total transfers From Major Proprietary Funds</u></b>

Residential Inspection Fund	General Fund	271	Close out Residential Inspection Fund
			<b><u>271 Total transfers From Agency Funds</u></b>

**Total Transfers OUT" \$ 10,993,220**

**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 \$148,857 and \$199,699 from Missoula Redevelopment Agency and Missoula Parking Commission, respectively, during fiscal year 2018.

**CITY OF MISSOULA, MONTANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**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.

In March of 2018 the City and County entered into an interlocal agreement to memorialize the management responsibilities of the Fort Missoula Regional Park, a City of Missoula and Missoula County owned park facility. Fort Missoula Regional Park is a City and County owned recreational facility, constructed and funded through the County-wide, voter-approved 2014 County Parks and Trails Bond.

**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 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.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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. The City subsequently entered into a negotiated settlement agreement with Mountain Water Company's owners. The City closed and took possession of the water system and immediately commenced municipal operations on June 22, 2017 pursuant to the settlement agreement and funded by revenue bond anticipation notes issued by Barclays. Three ancillary issues remained pending on appeal and in district court related to attorneys' fees, post-summons interest and property taxes. These limited, remaining contingent liabilities were addressed by appropriate reserves in the water system bond anticipation series B note.

On May 8, 2018, the Montana Supreme Court affirmed the District Court's denial of post-summons interest and the time to appeal this issue to the U.S. Supreme Court expired. The Series B reserve related to post-summons interest was released in September of 2018. Summary judgment briefing related to property taxes is pending before the District Court. A hearing is scheduled for January, 2019. The issue of attorneys' fees remains pending before the District Court following a limited remand from the Montana Supreme Court. The final two contingent liabilities remain the subject of Series B reserves and thus, are not material to the financial statements.

**M. Construction Commitments**

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

	Expended to Date	Remaining Commitment
<b><u>Sewer Funds</u></b>		
Reserve Street Lift Station	\$ 182,769	\$ 386,231
Russell St. Sewer Re-Route (Design)	11,500	114,299
Cogeneration (Biogas) System	173,360	1,334,707
Russell St. Interceptor	19,244	6,800
Wastewater Facilities Plan Update	-	285,079
Broadway Interceptor Sewer (Design)	18,783	737
Momont Lift Station 1	255,614	200,337
<b><u>Water Funds</u></b>		
Lower Fairview PRV	\$ 16,507	\$ 14,504
Intake Dam Removal	26,972	75,028
Repl/Extend Russell main	545,433	280,405
Wyoming main (re-route)	17,268	31,926
Repl Railroad/McCormick-Woody	20,411	41,376
Repl S 2nd/Oak	12,480	57,622
Repl Stoddard/Scott-Milton	30,407	432,758
Repl Defoe/Worden-Waverly	30,346	609,045
Repl S 4th W/Higgins-Orange	698,936	67,605
Repl Gerald/6th-University	37,487	275,739
Repl W Kent/Bancroft-Park	26,330	503,100
Repl Howell/Bulwer-Shakespeare	173,883	11,891
Repl Grant/Agnes-McD & Harve	25,369	63,531
Repl Broadway/Orange intersection	12,673	10,394
Ext Scott St main	41,435	713,748
<b><u>Governmental Funds</u></b>		
England Blvd Safety Improvements (Design)	25,807	65,620
Van Buren Ph. III (Design)	84,250	429,035
Clegg Ln. - Hickory to Orange (Design)	46,289	19,355
Hillview Way (Design & Construction)	3,658,814	46,781
CDBG Invest Health Missoula Sidewalks 2018 (Design)	67,706	846,251
<b>Total Construction Commitments</b>	<b>\$ 6,260,072</b>	<b>\$ 6,923,904</b>

**N. Subsequent Events**

Debt issued in FY19 but prior to the publication of the CAFR:

Pooled Special Sidewalk, Curb, Gutter and Alley Approach Bonds, Series 2018 (the "Series 2018 Bonds"), were issued in the original aggregate principal amount of \$394,000. The Series 2018 Bonds shall be issued as a single term bond and shall mature on July 1, 2038, 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 4.25% per annum.

**CITY OF MISSOULA, MONTANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

On the November 6, 2018 voters passed two separate ballot items related to open space and conservation lands which will benefit the City's Parks and Recreations Department. The first is a county-wide \$15 million general obligation bond for the preservation and acquisition of open space. This bond will be issued by the County and proceeds will be governed by an interlocal agreement between the City and the County to be drafted in fiscal year 2019. The second ballot initiative allows for a perpetual city-wide conservation land stewardship levy in the amount of 4 mills for the purpose of paying a portion of the costs of stewardship and conservation of open-space lands that are managed as natural areas.

In September, 2018 the City defeated \$19,900,000 of the Water Utility Series B Bond Anticipation Note after the Montana State Supreme Court affirmed a ruling by the District Court denying post-summons interest. Further pending litigation related to the water utility is discussed in the Pending Litigation Note L. above.

**O. Restatements/Prior Period Adjustments**

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

The Capital Improvement Program fund balance was increased by \$135,119 to reflect prior year capital lease transactions.

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 decreased by \$4,959,258 due to the change in accounting principle related to GASB 75. The total net position was decreased by \$4,824,139.

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

The water fund balances were decreased by \$583,718 due to the change in accounting principle related to GASB 75.

The sewer fund balances were decreased by \$1,155 to reflect prior year issuance Costs, decreased by \$105,795 to reflect prior year capital lease transactions, and increased by \$92,633 to reflect the missed compost facility added to work in progress and decreased by \$329,376 due to the change in accounting principle related to GASB 75. This resulted in a net decrease of \$343,693.

The storm water fund balances were decreased by \$29,324 to reflect prior year capital lease transactions and decreased by \$31,790 due to the change in accounting principle related to GASB 75. This resulted in a net decrease of \$61,114.

The aquatics fund balances were decreased by \$19,903 due to the change in accounting principle related to GASB 75.

**P. Restated Financial Results Due to A Correction of An Error**

Subsequent to the issuance of our report dated December 28th, 2018, the City discovered an error in the application of GASB 75. The liability was inadvertently doubled within the Governmental Activities on the Statement of Net Position and the OPEB expenses were doubled in the statement of activities. In addition Pension and OPEB deferred outflows were combined. The same is true of the deferred inflows. The Restatement of Net position due to the implementation of GASB 75 was entered incorrectly. The net effect of the adjustments made to correct the error was as follows:

	<b>As Previously Reported</b>	<b>Correction</b>	<b>As Restated</b>
<b>Governmental Activities - Statement of Net Position</b>			
Pension Deferred Outflows	\$ 8,475,782	\$ (3,722)	\$ 8,472,060
OPEB Deferred Outflows	-	3,722	3,722
Post employment benefit obligation	16,328,173	(8,164,086)	8,164,087
Pension Deferred Inflows	840,684	(173,210)	667,474
OPEB Deferred Inflows	-	173,210	173,210
Unrestricted Net Position	(38,933,937)	8,164,086	(30,769,851)
<b>Business-type Activities - Statement of Net Position</b>			
Pension Deferred Outflows	\$ 1,536,143	\$ (552)	\$ 1,535,591
OPEB Deferred Outflows	-	552	552
Pension Deferred Inflows	67,820	(25,732)	42,088
OPEB Deferred Inflows	-	25,732	25,732
<b>Government-Wide Statement of Activities, Governmental Activities</b>			
<b>Expenses</b>			
General Government	\$ 7,706,985	\$ (1,004,497)	\$ 6,702,488
Public Works	15,104,701	(724,919)	14,379,782
Public Safety	21,674,148	(2,825,429)	18,848,719
Cultural & Recreation	4,793,784	(492,968)	4,300,816
Housing & Community Development	801,141	(106,040)	695,101
Public Health	1,265,341	(170,754)	1,094,587
Social & Economic Services	145,173	(19,996)	125,177
<b>Change in Net Position</b>			
Restatements	24,398,176	5,344,601	29,742,777
Net Position - Ending	(7,643,624)	2,819,485	(4,824,139)
	166,653,330	8,164,086	174,817,416

**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, 2018**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$ 14,487,852	\$ 14,656,737	\$ 15,035,653	\$ 378,916
Taxes and assessments	26,065,128	26,335,445	25,917,444	(418,001)
Licenses and permits	1,175,100	1,270,641	1,266,440	(4,201)
Charges for services	5,885,319	6,325,467	7,311,921	986,454
Fines and forfeitures	1,532,500	1,532,500	1,351,870	(180,630)
Miscellaneous	(42,967)	70,202	532,403	462,201
Investment Earnings	3,000	19,793	18,289	(1,504)
Gain on disposal of fixed assets	25,000	25,000	116,753	91,753
Total revenues	<u>49,130,932</u>	<u>50,235,785</u>	<u>51,550,773</u>	<u>1,314,988</u>
<b>Expenditures</b>				
Current:				
General Government	9,841,340	10,085,645	9,731,439	(354,206)
Public Safety	29,996,358	30,526,023	29,774,934	(751,089)
Public Works	6,937,858	6,942,278	6,916,240	(26,038)
Public Health	1,933,801	1,933,801	1,933,801	-
Social & Economic Services	210,000	245,000	226,459	(18,541)
Cultural & Recreation	4,032,135	4,228,040	4,711,840	483,800
Housing & Community Development	393,670	464,934	409,490	(55,444)
Miscellaneous	<u>1,141,511</u>	<u>1,141,511</u>	<u>789,338</u>	
Total Current Expenditures	<u>53,345,162</u>	<u>54,425,721</u>	<u>54,493,541</u>	<u>(721,518)</u>
Debt service:				
Interest	7,409	7,409	7,326	(83)
Principal retirement	247,811	247,811	220,478	(27,333)
Total debt service	<u>255,220</u>	<u>255,220</u>	<u>227,804</u>	<u>(27,416)</u>
Capital outlay:				
General Government	4,289	4,289	4,332	(43)
Public Safety	40,950	40,950	32,069	(8,881)
Public Works	104,814	104,814	28,021	(76,793)
Cultural & Recreation	-	-	245,695	
Housing & Community Development	4,000	4,000	172	
Total capital outlay	<u>154,053</u>	<u>154,053</u>	<u>310,289</u>	<u>(85,717)</u>
Total expenditures	<u>53,754,435</u>	<u>54,834,994</u>	<u>55,031,634</u>	<u>(834,651)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,623,503)</u>	<u>(4,599,209)</u>	<u>(3,480,861)</u>	<u>480,337</u>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	(2,286,788)	(2,286,788)	(2,454,098)	(167,310)
Transfers in	6,212,090	6,514,436	6,889,771	375,335
Issuance of long term debt/capital leases	<u>316,129</u>	<u>316,129</u>	-	<u>(316,129)</u>
Total other financing sources (uses)	<u>4,241,431</u>	<u>4,543,777</u>	<u>4,435,673</u>	<u>(108,104)</u>
Net change in fund balances	(382,072)	(55,432)	954,812	372,233
Fund balances - beginning	3,835,781	3,835,781	3,835,781	-
Restatements	-	-	-	-
Fund balances - beginning restated	<u>3,835,781</u>	<u>3,835,781</u>	<u>3,835,781</u>	<u>-</u>
Fund balances - ending	<u>\$ 3,453,709</u>	<u>\$ 3,780,349</u>	<u>\$ 4,790,593</u>	<u>\$ 372,233</u>

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

**SCHEDULE OF PROPORTIONATE SHARE  
OF NET PENSION LIABILITY**

**City of Missoula, Montana**  
**Schedule of Proportionate Share of Net Pension Liability**  
**and Schedule of Contribution:**  
**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**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	1.16110%	1.06010%	1.02998%	1.01859%
\$ 22,613,111	\$ 18,056,380	\$ 14,395,213	\$ 12,691,684	
\$ 306,388	\$ 220,628	\$ 176,821	\$ 154,985	
<b>\$ 22,919,499</b>	<b>\$ 18,277,008</b>	<b>\$ 14,572,034</b>	<b>\$ 12,846,669</b>	

Employer's covered payroll

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

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

\$ 14,402,829	\$ 12,697,585	\$ 12,017,913	\$ 11,639,784
157.00%	142.20%	119.78%	109.04%
73.7500%	74.7100%	78.40%	79.90%

**Schedule of Contributions:**

Contractually required contributions

Contributions in relation to the contractually required contributions

Contribution deficiency (excess)

Employer's covered payroll

Contributions of covered payroll (as a percentage)

\$ 1,643,354	\$ 1,321,149	\$ 1,102,253	\$ 1,060,807
\$ 1,643,354	\$ 1,321,149	\$ 1,102,253	\$ 1,060,807
\$ -	\$ -	\$ -	\$ -
\$ 19,410,570	\$ 15,784,467	\$ 12,697,585	\$ 12,017,913
8.466%	8.370%	8.681%	8.827%

\* Pension Schedules in the Required Supplementary Information are intended to show information for ten years, additional years' information will be displayed as it becomes available.

**City of Missoula, Montana**  
**Schedule of Proportionate Share of Net Pension Liability**  
**and Schedule of Contribution:**  
**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**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	4.96400%	5.02300%	5.108409%	5.083876%
\$ 5,611,024	\$ 5,736,896	\$ 5,224,726	\$ 4,962,706	
\$ 12,742,024	\$ 12,997,998	\$ 11,636,854	\$ 11,195,623	
<b>\$ 18,353,048</b>	<b>\$ 18,734,894</b>	<b>\$ 16,861,580</b>	<b>\$ 16,158,329</b>	

Employer's covered payroll

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

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

\$ 7,420,820	\$ 7,073,230	\$ 6,864,943	\$ 6,603,801
75.61%	81.11%	76.11%	75.15%
77.77%	75.48%	76.90%	76.70%

**Schedule of Contributions:**

Contractually required contributions

Contributions in relation to the contractually required contributions

Contribution deficiency (excess)

Employer's covered payroll

Contributions of covered payroll (as a percentage)

\$ 1,070,999	\$ 1,025,346	\$ 1,011,282	\$ 1,004,990
\$ 1,070,999	\$ 1,025,346	\$ 1,011,282	\$ 1,004,990
\$ -	\$ -	\$ -	\$ -
\$ 7,458,206	\$ 7,140,279	\$ 7,073,230	\$ 6,864,943
14.360%	14.360%	14.297%	14.639%

\* Pension Schedules in the Required supplementary information are intended to show information for ten years, additional years' information will be displayed as it becomes available.

**City of Missoula, Montana**  
**Schedule of Proportionate Share of Net Pension Liability**  
**and Schedule of Contribution:**  
**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**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	5.24380%	5.42180%	5.336804%	5.158300%
\$	9,329,364	\$ 9,759,997	\$ 8,828,179	\$ 8,105,541
\$	19,014,791	\$ 19,374,019	\$ 17,886,730	\$ 16,374,162
<b>Total</b>	<b>\$ 28,344,155</b>	<b>\$ 29,134,016</b>	<b>\$ 26,714,909</b>	<b>\$ 24,479,703</b>

Employer's covered payroll

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

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

\$	7,841,658	\$ 7,653,813	\$ 7,386,236	\$ 6,921,082
	118.97%	127.52%	119.52%	117.11%
	68.34%	65.62%	66.90%	67.01%

**Schedule of Contributions:**

Contractually required contributions

Contributions in relation to the contractually required contributions

Contribution deficiency (excess)

Employer's covered payroll

Contributions of covered payroll (as a percentage)

\$	1,175,742	\$ 1,116,192	\$ 1,122,553	\$ 1,070,710
\$	1,175,742	\$ 1,116,192	\$ 1,122,553	\$ 1,070,710
\$	-	\$ -	\$ -	\$ -
\$	8,159,196	\$ 7,745,954	\$ 7,653,813	\$ 7,386,236
	14.410%	14.410%	14.667%	14.496%

\* Pension Schedules in the Required supplementary information are intended to show information for ten years, additional years' information will be displayed as it becomes available.

**SCHEDULE OF CHANGES IN OTHER  
POST EMPLOYMENT BENEFITS  
LIABILITY AND RELATED RATIOS**

**City of Missoula, Montana**  
**Schedule of Changes in Other Post Employment Benefits Liability and Related Ratios**  
**For the Last Ten Fiscal Years\***

	2018
Beginning Balance	\$ 3,122,796
Restatement-Change in Accounting Principle	<u>6,097,373</u>
Restated Beginning Balance	<u>9,220,169</u>
Service Cost	568,550
Interest	318,096
Deferred Inflows - Difference between expected and actual experience	(238,908)
Deferred Outflows - Changes in assumptions	5,133
Employer Contributions	<u>(196,123)</u>
Net Change	<u>456,748</u>
Ending Balance	9,676,917
Covered Payroll (****)	31,303,653
Total Other Post-Employment Benefits Liability as a percentage of Covered Payroll	31%

*Note to Schedule:* Assets are not accumulated in a trust to pay related benefits that meets the criteria of GASB 75, paragraph 4.

\*The amounts presented above for each fiscal year were determined as of June 30th. The schedule is intended to show information for 10 years, additional years will be displayed as they become available.

**NOTES TO REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF MISSOULA, MONTANA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2018

**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.

CITY OF MISSOULA, MONTANA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2018

**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.

CITY OF MISSOULA, MONTANA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2018

**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 Sheriff 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.

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.

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.

## **NONMAJOR GOVERNMENTAL FUNDS**

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

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.

Police Grants and Donations – This fund accounts for the receipt and expenditure of Police related grants and donations.

Brownfields – This fund accounts for the receipt and expenditure of the Missoula Brownfields Revolving Loan Fund (RLF). The Brownfields RLF provides funding for area companies and/or organizations to clean up environmental contamination during redevelopment projects. The Brownfields RLF is managed by MoFi.

### **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.

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%.

2012A Aquatics Refunding Bonds – Issued in 2012 to redeem the July 1, 2014 through July 1, 2024 maturities.

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.

## **NONMAJOR GOVERNMENTAL FUNDS**

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

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).

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.

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.

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.

## **NONMAJOR GOVERNMENTAL FUNDS**

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

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 involves the installation of a storm water treatment device to clean stormwater runoff before it reaches the river.

Wayfinding Project – This project involves the installation of parking wayfinding signage downtown, city gateway signage, and city-wide vehicular and district identification signs.

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.

## **NONMAJOR GOVERNMENTAL FUNDS**

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

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**  
**Summary by Fund Type**  
**June 30, 2018**

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 2,420,768	\$ 2,101,868	\$ 714,303	\$ 5,236,939
Taxes Receivable	372,572	74,860	-	447,432
Special Assessments Receivable	11,224	892,459	-	903,683
Accounts Receivable	187,821	86,475	-	274,296
Long term loans	2,339,005	-	-	2,339,005
Interfund receivable	6,556,887	-	-	6,556,887
Advances receivable	2,917	1,175,134	-	1,178,051
Due from other governments	1,180,963	98,244	-	1,279,207
Prepaid Items	13,071	-	-	13,071
Deferred Assessments Receivable	-	8,096,412	-	8,096,412
Total assets	\$ 13,085,228	\$ 12,525,452	\$ 714,303	\$ 26,324,983
<b>LIABILITIES</b>				
Accounts payable	606,208	7,049	623,279	1,236,536
Accrued expenditures	49,020	-	-	49,020
Interfund payable	2,283,409	740,012	2,946,523	5,969,944
Advances payable	-	-	1,149,216	1,149,216
Unearned revenues; taxes and loans receivable	2,625,309	9,067,266	-	11,692,575
Total liabilities	\$ 5,563,946	\$ 9,814,327	\$ 4,719,018	\$ 20,097,291
<b>FUND BALANCES (DEFICITS)</b>				
<b>Nonspendable</b>				
Prepaid items	13,071	-	-	13,071
<b>Restricted</b>				
Building construction inspections	2,430,808	-	-	2,430,808
Grant restrictions for program expenditures	1,526,669	-	-	1,526,669
Law Enforcement	281,688	-	-	281,688
Public works safety & maintenance expenditures	138,965	-	-	138,965
Debt Service	-	3,136,114	-	3,136,114
for Capital Project expenditures	-	-	663,981	663,981
<b>Committed</b>				
By City Ordinance for specific budgeted programs	3,918,115	-	-	3,918,115
<b>Assigned</b>				
254,994	-	-	-	254,994
<b>Unassigned</b>				
Total fund balances (deficits)	(\$ 1,043,028)	(\$ 424,989)	(\$ 4,668,696)	(\$ 6,136,713)
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 13,085,228</b>	<b>\$ 12,525,452</b>	<b>\$ 714,303</b>	<b>\$ 26,324,983</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**  
**Summary by Fund Type**  
**June 30, 2018**

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes and assessments	\$ 5,027,537	\$ 1,123,994	\$ -	\$ 6,151,531
Licenses and permits	2,888,630	-	-	2,888,630
Intergovernmental	4,712,989	-	30,115	4,743,104
Charges for services	1,692,219	-	-	1,692,219
Fines and forfeitures	11,958	-	-	11,958
Miscellaneous	201,924	15,531	134,597	352,052
Special Assessments	4,147,135	1,709,664	-	5,856,799
Investment earnings	-	7,535	-	7,535
Total revenues	<u>18,682,392</u>	<u>2,856,724</u>	<u>164,712</u>	<u>21,703,828</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,644,607	-	-	1,644,607
Public Safety	2,186,971	-	36,456	2,223,427
Public Works	1,195,968	-	97,596	1,293,564
Cultural & Recreation	871,085	-	-	871,085
Housing & Community Development	791,432	-	-	791,432
Miscellaneous	100,527	377	15,558	116,462
Debt service:				
Interest	61,123	667,452	238,517	967,092
Principal retirement	786,668	2,379,129	1,148,103	4,313,900
Capital outlay:				
General Government	40,654	-	327,596	368,250
Public Safety	339,047	-	2,611,332	2,950,379
Public Works	1,591,136	-	800,857	2,391,993
Cultural & Recreation	276,831	-	721,799	998,630
Total expenditures	<u>9,886,049</u>	<u>3,046,958</u>	<u>5,997,814</u>	<u>18,930,821</u>
Excess (deficiency) of revenues over expenditures	<u>8,796,343</u>	<u>(190,234)</u>	<u>(5,833,102)</u>	<u>2,773,007</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(8,285,445)	(85,678)	(73,765)	(8,444,888)
Transfers in	940,611	-	2,439,469	3,380,080
Issuance of long term debt/capital leases	-	-	6,302,010	6,302,010
Total other financing sources (uses)	<u>(7,344,834)</u>	<u>(85,678)</u>	<u>8,667,714</u>	<u>1,237,202</u>
<b>Net change in fund balances</b>	<b>1,451,509</b>	<b>(275,912)</b>	<b>2,834,612</b>	<b>4,010,209</b>
Fund balances - beginning	6,069,773	2,987,037	(6,974,446)	2,082,364
Restatements	-	-	135,119	135,119
Fund balances - beginning restated	6,069,773	2,987,037	(6,839,327)	2,217,483
Fund balances - ending	<u>\$ 7,521,282</u>	<u>\$ 2,711,125</u>	<u>\$ (4,004,715)</u>	<u>\$ 6,227,692</u>

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, 2018**

	PLANNING FUND	PUBLIC SAFETY INFORMATION SYSTEM	IMPACT FEE FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 63,285	\$ -
Taxes Receivable	- -	- -	- -
Special Assessments Receivable	- -	- -	- -
Accounts Receivable	- -	- -	- -
Long term loans	- -	- -	- -
Interfund receivable	- -	- -	3,509,721
Advances receivable	- -	- -	- -
Due from other governments	44,103	- -	- -
Prepaid Items	4,980	- -	- -
<b>Total assets</b>	<b><u>\$ 49,083</u></b>	<b><u>\$ 63,285</u></b>	<b><u>\$ 3,509,721</u></b>
<b>LIABILITIES</b>			
Accounts payable	2,635	- -	21,038
Accrued expenditures	9,646	- -	- -
Interfund payable	97,387	- -	- -
Unearned revenues; taxes and loans receivable	- -	- -	- -
<b>Total liabilities</b>	<b><u>109,668</u></b>	<b><u>- -</u></b>	<b><u>21,038</u></b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	4,980	- -	- -
<b>Restricted</b>			
Building construction inspections	- -	- -	- -
Grant restrictions for program expenditures	- -	- -	- -
Law Enforcement	- -	- -	- -
Public works safety & maintenance expenditures	- -	- -	- -
<b>Committed</b>			
By City Ordinance for specific budgeted programs	- -	- -	3,488,683
<b>Assigned</b>	- -	63,285	- -
<b>Unassigned</b>	(65,565)	- -	- -
<b>Total fund balances (deficits)</b>	<b><u>\$ (60,585)</u></b>	<b><u>\$ 63,285</u></b>	<b><u>\$ 3,488,683</u></b>
<b>Total liabilities and fund balances (deficits)</b>	<b><u>\$ 49,083</u></b>	<b><u>\$ 63,285</u></b>	<b><u>\$ 3,509,721</u></b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	GEORGE ELMER/CATTLE DR INTERSECTION	PUBLIC ART FUND	EMPLOYEE HEALTH INSURANCE LEVY
<b>ASSETS</b>			
Cash and Investments	\$ 1	\$ 18,913	\$ -
Taxes Receivable	-	-	267,006
Special Assessments Receivable	-	-	-
Accounts Receivable	-	-	-
Long term loans	-	-	-
Interfund receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	-	-	214,131
Prepaid Items	-	-	-
<b>Total assets</b>	<b>\$ 1</b>	<b>\$ 18,913</b>	<b>\$ 481,137</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	680,539
Unearned revenues; taxes and loans receivable	-	-	166,597
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>847,136</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	-
<b>Restricted</b>	-	-	-
Building construction inspections	-	-	-
Grant restrictions for program expenditures	-	-	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>	-	-	-
By City Ordinance for specific budgeted programs	1	18,913	-
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	-	-	(365,999)
<b>Total fund balances (deficits)</b>	<b>\$ 1</b>	<b>\$ 18,913</b>	<b>\$ (365,999)</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 1</b>	<b>\$ 18,913</b>	<b>\$ 481,137</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	CABLE TELEVISION FRANCHISE FUND	DRUG FORFEITURE FUND	BUILDING INSPECTION FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 3,304	\$ 374
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	-
Accounts Receivable	175,687	-	2,400
Long term loans	-	-	-
Interfund receivable	-	-	2,517,220
Advances receivable	-	-	-
Due from other governments	-	1,668	-
Prepaid Items	-	-	6,640
<b>Total assets</b>	<b>\$ 175,687</b>	<b>\$ 4,972</b>	<b>\$ 2,526,634</b>
<b>LIABILITIES</b>			
Accounts payable	(832)	-	34,023
Accrued expenditures	-	-	15,274
Interfund payable	252,106	-	39,889
Unearned revenues; taxes and loans receivable	-	-	-
<b>Total liabilities</b>	<b>251,274</b>	<b>-</b>	<b>89,186</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	6,640
<b>Restricted</b>	-	-	-
Building construction inspections	-	-	2,430,808
Grant restrictions for program expenditures	-	-	-
Law Enforcement	-	4,972	-
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>	-	-	-
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	(75,587)	-	-
<b>Total fund balances (deficits)</b>	<b>\$ (75,587)</b>	<b>\$ 4,972</b>	<b>\$ 2,437,448</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 175,687</b>	<b>\$ 4,972</b>	<b>\$ 2,526,634</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	<b>CITY GRANTS &amp; PROGRAM INCOME FUND</b>	<b>STREET LIGHTING ASSESSMENTS FUND</b>	<b>STREET MAINTENANCE ASSESSMENT FUND</b>
<b>ASSETS</b>			
Cash and Investments	\$ 4,296	\$ 161,440	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	-	6,246	4,978
Accounts Receivable	-	-	-
Long term loans	-	-	-
Interfund receivable	-	-	-
Advances receivable	2,917	-	-
Due from other governments	-	5,308	7,383
Prepaid Items	-	-	-
<b>Total assets</b>	<b>\$ 7,213</b>	<b>\$ 172,994</b>	<b>\$ 12,361</b>
<b>LIABILITIES</b>			
Accounts payable	-	27,826	-
Accrued expenditures	-	-	-
Interfund payable	-	-	8,862
Unearned revenues; taxes and loans receivable	2,918	6,246	4,978
<b>Total liabilities</b>	<b>2,918</b>	<b>34,072</b>	<b>13,840</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	-
<b>Restricted</b>	-	-	-
Building construction inspections	-	-	-
Grant restrictions for program expenditures	4,295	-	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	138,922	-
<b>Committed</b>	-	-	-
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	-	-	(1,479)
<b>Total fund balances (deficits)</b>	<b>\$ 4,295</b>	<b>\$ 138,922</b>	<b>\$ (1,479)</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 7,213</b>	<b>\$ 172,994</b>	<b>\$ 12,361</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	WILLOWWOOD PARK MAINTENANCE ASSESSMENT FUND	ROAD DISTRICT #1 FUND	PARK DISTRICT #1 FUND
<b>ASSETS</b>			
Cash and Investments	\$ 43	\$ -	\$ 30,645
Taxes Receivable	-	60,853	44,713
Special Assessments Receivable	-	-	-
Accounts Receivable	-	-	-
Long term loans	-	-	-
Interfund receivable	-	5,765	4,338
Advances receivable	-	-	-
Due from other governments	-	71,515	53,829
Prepaid Items	-	-	4,465
<b>Total assets</b>	<b>\$ 43</b>	<b>\$ 138,133</b>	<b>\$ 137,990</b>
<b>LIABILITIES</b>			
Accounts payable	-	247	48,714
Accrued expenditures	-	1,438	8,607
Interfund payable	-	609,569	-
Unearned revenues; taxes and loans receivable	-	60,853	44,713
<b>Total liabilities</b>	<b>-</b>	<b>672,107</b>	<b>102,034</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	4,465
<b>Restricted</b>	-	-	-
Building construction inspections	-	-	-
Grant restrictions for program expenditures	-	-	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	43	-	-
<b>Committed</b>	-	-	-
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	-	(533,974)	31,491
<b>Total fund balances (deficits)</b>	<b>\$ 43</b>	<b>\$ (533,974)</b>	<b>\$ 35,956</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 43</b>	<b>\$ 138,133</b>	<b>\$ 137,990</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	STATE GAS TAX FUND	LAW ENFORCEMENT BLOCK GRANT FUND	HIDTA FUND
<b>ASSETS</b>			
Cash and Investments	\$ 616,039	\$ -	\$ 268,882
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	-
Accounts Receivable	9,467	-	-
Long term loans	-	-	-
Interfund receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	-	-	9,042
Prepaid Items	-	-	(1,900)
<b>Total assets</b>	<b><u>\$ 625,506</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 276,024</u></b>
<b>LIABILITIES</b>			
Accounts payable	214,988	10,168	1,208
Accrued expenditures	-	-	-
Interfund payable	-	169	-
Unearned revenues; taxes and loans receivable	-	-	-
<b>Total liabilities</b>	<b><u>214,988</u></b>	<b><u>10,337</u></b>	<b><u>1,208</u></b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	(1,900)
<b>Restricted</b>			
Building construction inspections	-	-	-
Grant restrictions for program expenditures	-	-	-
Law Enforcement	-	-	276,716
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>			
By City Ordinance for specific budgeted programs	410,518	-	-
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	-	(10,337)	-
<b>Total fund balances (deficits)</b>	<b><u>\$ 410,518</u></b>	<b><u>\$ (10,337)</u></b>	<b><u>\$ 274,816</u></b>
<b>Total liabilities and fund balances (deficits)</b>	<b><u>\$ 625,506</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 276,024</u></b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	CDBG PROGRAM INCOME ACCOUNT FUND	CDBG FUND	HOME FUND
<b>ASSETS</b>			
Cash and Investments	\$ 13,014	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	-
Accounts Receivable	-	-	-
Long term loans	700,089	-	80,000
Interfund receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	-	129,255	140,673
Prepaid Items	-	-	-
<b>Total assets</b>	<b>\$ 713,103</b>	<b>\$ 129,255</b>	<b>\$ 220,673</b>
<b>LIABILITIES</b>			
Accounts payable	-	97,616	40,060
Accrued expenditures	-	-	-
Interfund payable	-	39,852	92,478
Unearned revenues; taxes and loans receivable	700,088	-	80,000
<b>Total liabilities</b>	<b>700,088</b>	<b>137,468</b>	<b>212,538</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	-
<b>Restricted</b>	-	-	-
Building construction inspections	-	-	-
Grant restrictions for program expenditures	13,015	-	8,135
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>	-	-	-
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	-	(8,213)	-
<b>Total fund balances (deficits)</b>	<b>\$ 13,015</b>	<b>\$ (8,213)</b>	<b>\$ 8,135</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 713,103</b>	<b>\$ 129,255</b>	<b>\$ 220,673</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	CITY HOME PROGRAM INCOME FUND	NEIGHBORHOOD STABILIZATION PROGRAM FUND	TRANSPORTATION
<b>ASSETS</b>			
Cash and Investments	\$ 210,257	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	-
Accounts Receivable	267	-	-
Long term loans	-	-	-
Interfund receivable	252,797	-	-
Advances receivable	-	-	-
Due from other governments	-	-	374,070
Prepaid Items	-	-	4,980
<b>Total assets</b>	<b>\$ 463,321</b>	<b>\$ -</b>	<b>\$ 379,050</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	59,169
Accrued expenditures	-	-	9,829
Interfund payable	-	599	113,363
Unearned revenues; taxes and loans receivable	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>599</b>	<b>182,361</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	4,980
<b>Restricted</b>			
Building construction inspections	-	-	-
Grant restrictions for program expenditures	463,321	-	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>			
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>	-	-	191,709
<b>Unassigned</b>	-	(599)	-
<b>Total fund balances (deficits)</b>	<b>\$ 463,321</b>	<b>\$ (599)</b>	<b>\$ 196,689</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 463,321</b>	<b>\$ -</b>	<b>\$ 379,050</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	<b>FEDERAL TRANSPORTATION FUND</b>	<b>GRANTS &amp; DONATIONS FUND</b>	<b>POLICE GRANTS &amp; DONATIONS</b>
<b>ASSETS</b>			
Cash and Investments	\$ 9,272	\$ 304,764	\$ 3,832
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	-
Accounts Receivable	-	-	-
Long term loans	-	-	-
Interfund receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	5,000	-	96,931
Prepaid Items	-	-	(6,094)
<b>Total assets</b>	<b><u>\$ 14,272</u></b>	<b><u>\$ 304,764</u></b>	<b><u>\$ 94,669</u></b>
<b>LIABILITIES</b>			
Accounts payable	-	-	23,943
Accrued expenditures	-	-	4,226
Interfund payable	-	-	99,632
Unearned revenues; taxes and loans receivable	-	-	-
<b>Total liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>127,801</u></b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Nonspendable</b>	-	-	(6,094)
<b>Restricted</b>	-	-	-
Building construction inspections	-	-	-
Grant restrictions for program expenditures	-	304,764	-
Law Enforcement	-	-	-
Public works safety & maintenance expenditures	-	-	-
<b>Committed</b>	-	-	-
By City Ordinance for specific budgeted programs	-	-	-
<b>Assigned</b>	-	-	-
<b>Unassigned</b>	14,272	-	(27,038)
<b>Total fund balances (deficits)</b>	<b><u>\$ 14,272</u></b>	<b><u>\$ 304,764</u></b>	<b><u>\$ (33,132)</u></b>
<b>Total liabilities and fund balances (deficits)</b>	<b><u>\$ 14,272</u></b>	<b><u>\$ 304,764</u></b>	<b><u>\$ 94,669</u></b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	<b>BROWNFIELDS</b>	<b>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</b>
<b>ASSETS</b>		
Cash and Investments	\$ 712,407	<b>2,420,768</b>
Taxes Receivable	-	<b>372,572</b>
Special Assessments Receivable	-	<b>11,224</b>
Accounts Receivable	-	<b>187,821</b>
Long term loans	1,558,916	<b>2,339,005</b>
Interfund receivable	267,046	<b>6,556,887</b>
Advances receivable	-	<b>2,917</b>
Due from other governments	28,055	<b>1,180,963</b>
Prepaid Items	-	<b>13,071</b>
<b>Total assets</b>	<b><u>\$ 2,566,424</u></b>	<b><u>\$ 13,085,228</u></b>
<b>LIABILITIES</b>		
Accounts payable	25,405	<b>606,208</b>
Accrued expenditures	-	<b>49,020</b>
Interfund payable	248,964	<b>2,283,409</b>
Unearned revenues; taxes and loans receivable	1,558,916	<b>2,625,309</b>
<b>Total liabilities</b>	<b><u>1,833,285</u></b>	<b><u>5,563,946</u></b>
<b>FUND BALANCES (DEFICITS)</b>		
<b>Nonspendable</b>	-	<b>13,071</b>
<b>Restricted</b>		
Building construction inspections	-	<b>2,430,808</b>
Grant restrictions for program expenditures	733,139	<b>1,526,669</b>
Law Enforcement	-	<b>281,688</b>
Public works safety & maintenance expenditures	-	<b>138,965</b>
<b>Committed</b>		
By City Ordinance for specific budgeted programs	-	<b>3,918,115</b>
<b>Assigned</b>	-	<b>254,994</b>
<b>Unassigned</b>	-	<b>(1,043,028)</b>
<b>Total fund balances (deficits)</b>	<b><u>\$ 733,139</u></b>	<b><u>\$ 7,521,282</u></b>
<b>Total liabilities and fund balances (deficits)</b>	<b><u>\$ 2,566,424</u></b>	<b><u>\$ 13,085,228</u></b>

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

**COMBINING BALANCE SHEET  
FOR NONMAJOR  
GOVERNMENTAL  
DEBT SERVICE  
FUNDS**

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<b>SID REVOLVING FUND</b>	<b>1998 PUBLIC SAFETY G O BONDS FUND</b>	<b>2004 AQUATICS BOND FUND</b>
<b>ASSETS</b>			
Cash and Investments	\$ 557,436	\$ -	\$ 114
Taxes Receivable	-	7	-
Special Assessments Receivable	-	-	-
Deferred Assessments Receivable	-	-	-
Accounts Receivable	-	-	-
Advances receivable	25,920	-	-
Due from other governments	-	-	-
<b>Total assets</b>	<b>\$ 583,356</b>	<b>\$ 7</b>	<b>\$ 114</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Interfund payable	-	-	-
Unearned revenues; taxes and loans receivable	25,920	7	-
<b>Total liabilities</b>	<b>25,920</b>	<b>7</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	557,436	-	114
<b>Committed</b>			
<b>Unassigned</b>			
<b>Total fund balances (deficits)</b>	<b>\$ 557,436</b>	<b>\$ -</b>	<b>\$ 114</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 583,356</b>	<b>\$ 7</b>	<b>\$ 114</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SERIES 2012A AQUATICS REFUNDING BOND	SERIES 2013A GO REFUNDING BOND	2004 REFUNDING BONDS DEBT SERVICE
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Taxes Receivable	33,141	35,693	410
Special Assessments Receivable	-	-	-
Deferred Assessments Receivable	-	-	-
Accounts Receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	24,890	22,956	-
Total assets	<u>\$ 58,031</u>	<u>\$ 58,649</u>	<u>\$ 410</u>
<b>LIABILITIES</b>			
Accounts payable	350	-	-
Interfund payable	65,506	240,955	1,432
Unearned revenues; taxes and loans receivable	21,480	24,966	410
Total liabilities	<u>87,336</u>	<u>265,921</u>	<u>1,842</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	-	-	-
<b>Committed</b>			
<b>Unassigned</b>	(29,305)	(207,272)	(1,432)
Total fund balances (deficits)	<u>\$ (29,305)</u>	<u>\$ (207,272)</u>	<u>\$ (1,432)</u>
Total liabilities and fund balances (deficits)	<u>\$ 58,031</u>	<u>\$ 58,649</u>	<u>\$ 410</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<b>NEW FIRE STATION GO BOND FUND</b>	<b>2007 REFUNDING BONDS FUND</b>	<b>SIDEWALK &amp; CURB WARRANTS FUND</b>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 25,676	\$ 1,324
Taxes Receivable	4,939	-	-
Special Assessments Receivable	-	-	214
Deferred Assessments Receivable	-	-	5,051
Accounts Receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	-	-	-
Total assets	<b>\$ 4,939</b>	<b>\$ 25,676</b>	<b>\$ 6,589</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Interfund payable	154,019	-	-
Unearned revenues; taxes and loans receivable	4,950	-	5,265
Total liabilities	<b>158,969</b>	<b>-</b>	<b>5,265</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	-	25,676	1,324
<b>Committed</b>	-	-	-
<b>Unassigned</b>	<b>(154,030)</b>	<b>-</b>	<b>-</b>
Total fund balances (deficits)	<b>\$ (154,030)</b>	<b>\$ 25,676</b>	<b>\$ 1,324</b>
Total liabilities and fund balances (deficits)	<b>\$ 4,939</b>	<b>\$ 25,676</b>	<b>\$ 6,589</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>FY99 SIDEWALK &amp; CURB DEBT SERVICE FUND</u>	<u>FY00 SIDEWALK &amp; CURB DEBT SERVICE FUND</u>	<u>JUDGMENT LEVIES</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 30
Taxes Receivable	- -	- -	670
Special Assessments Receivable	18,974	6,548	-
Deferred Assessments Receivable	- -	- -	-
Accounts Receivable	- -	- -	-
Advances receivable	- -	- -	-
Due from other governments	- -	- -	3
Total assets	<u>\$ 18,974</u>	<u>\$ 6,548</u>	<u>\$ 703</u>
<b>LIABILITIES</b>			
Accounts payable	- -	- -	-
Interfund payable	- -	- -	-
Unearned revenues; taxes and loans receivable	18,974	6,548	669
Total liabilities	<u>18,974</u>	<u>6,548</u>	<u>669</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	- -	- -	34
<b>Committed</b>	- -	- -	-
<b>Unassigned</b>	- -	- -	-
Total fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34</u>
Total liabilities and fund balances (deficits)	<u>\$ 18,974</u>	<u>\$ 6,548</u>	<u>\$ 703</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>FY02 SIDEWALK &amp; CURB DEBT SERVICE FUND</u>	<u>FY03 SIDEWALK &amp; CURB DEBT SERVICE FUND</u>	<u>FY04 SIDEWALK CURB DEBT SERVICE FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ 350	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	-	-	1,086
Deferred Assessments Receivable	-	-	-
Accounts Receivable	-	350	-
Advances receivable	-	-	-
Due from other governments	-	-	-
Total assets	<u>\$ 350</u>	<u>\$ 350</u>	<u>\$ 1,086</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Interfund payable	-	701	3,627
Unearned revenues; taxes and loans receivable	-	-	1,086
Total liabilities	<u>-</u>	<u>701</u>	<u>4,713</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	350	-	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	(351)	(3,627)
Total fund balances (deficits)	<u>\$ 350</u>	<u>\$ (351)</u>	<u>\$ (3,627)</u>
Total liabilities and fund balances (deficits)	<u>\$ 350</u>	<u>\$ 350</u>	<u>\$ 1,086</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 433 DEBT SERVICE FUND</u>	<u>FY 05 SIDEWALK AND CURB FUND</u>	<u>FY 06 SIDEWALK AND CURB FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 24,787	\$ 29,785
Taxes Receivable	- -	- -	- -
Special Assessments Receivable	- -	1,124	1,293
Deferred Assessments Receivable	404	- -	- -
Accounts Receivable	- -	- -	- -
Advances receivable	- -	38,800	70,155
Due from other governments	- -	- -	1,357
Total assets	<u>\$ 404</u>	<u>\$ 64,711</u>	<u>\$ 102,590</u>
<b>LIABILITIES</b>			
Accounts payable	- -	- -	300
Interfund payable	- -	- -	- -
Unearned revenues; taxes and loans receivable	404	1,123	1,293
Total liabilities	<u>404</u>	<u>1,123</u>	<u>1,593</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	- -	63,588	100,997
<b>Committed</b>	- -	- -	- -
<b>Unassigned</b>	- -	- -	- -
Total fund balances (deficits)	<u>\$ -</u>	<u>\$ 63,588</u>	<u>\$ 100,997</u>
Total liabilities and fund balances (deficits)	<u>\$ 404</u>	<u>\$ 64,711</u>	<u>\$ 102,590</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	FY07 SIDEWALK AND CURB FUND	SERIES 2008A SIDEWALK AND CURB FUND	SERIES 2009 SIDEWALK AND CURB FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 29,452	\$ 120,464
Taxes Receivable	- -	- -	- -
Special Assessments Receivable	3,124	1,739	- -
Deferred Assessments Receivable	151,933	103,808	153,715
Accounts Receivable	- -	- -	- -
Advances receivable	24,595	- -	- -
Due from other governments	4,754	262	- -
Total assets	<u><u>\$ 184,406</u></u>	<u><u>\$ 135,261</u></u>	<u><u>\$ 274,179</u></u>
<b>LIABILITIES</b>			
Accounts payable	300	3,400	300
Interfund payable	5,878	- -	- -
Unearned revenues; taxes and loans receivable	155,057	105,547	153,715
Total liabilities	<u><u>161,235</u></u>	<u><u>108,947</u></u>	<u><u>154,015</u></u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	23,171	26,314	120,164
<b>Committed</b>	- -	- -	- -
<b>Unassigned</b>	- -	- -	- -
Total fund balances (deficits)	<u><u>\$ 23,171</u></u>	<u><u>\$ 26,314</u></u>	<u><u>\$ 120,164</u></u>
Total liabilities and fund balances (deficits)	<u><u>\$ 184,406</u></u>	<u><u>\$ 135,261</u></u>	<u><u>\$ 274,179</u></u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SERIES 2010 SIDEWALK AND CURB FUND	FY12 S/C DEBT SERVICE FUND	FY13 SIDEWALK/CURB DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ 57,586	\$ 6,195	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	2,282	485	284
Deferred Assessments Receivable	195,044	473,862	245,465
Accounts Receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	2,715	806	466
<b>Total assets</b>	<b>\$ 257,627</b>	<b>\$ 481,348</b>	<b>\$ 246,215</b>
<b>LIABILITIES</b>			
Accounts payable	300	300	-
Interfund payable	-	-	22,018
Unearned revenues; taxes and loans receivable	197,327	474,346	245,748
<b>Total liabilities</b>	<b>197,627</b>	<b>474,646</b>	<b>267,766</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	60,000	6,702	-
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	(21,551)
<b>Total fund balances (deficits)</b>	<b>\$ 60,000</b>	<b>\$ 6,702</b>	<b>\$ (21,551)</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 257,627</b>	<b>\$ 481,348</b>	<b>\$ 246,215</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	FY15 SIDEWALK/CURB DEBT SERVICE FUND	FY16 SIDEWALK/CURB DEBT SERVICE	FY17 SIDEWALK/CURB DEBT SERVICE
<b>ASSETS</b>			
Cash and Investments	\$ 15,307	\$ -	\$ 26,087
Taxes Receivable	-	-	-
Special Assessments Receivable	1,349	830	1,242
Deferred Assessments Receivable	476,310	286,721	338,712
Accounts Receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	1,419	973	1,463
<b>Total assets</b>	<b>\$ 494,385</b>	<b>\$ 288,524</b>	<b>\$ 367,504</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Interfund payable	-	6,378	-
Unearned revenues; taxes and loans receivable	477,658	287,552	339,953
<b>Total liabilities</b>	<b>477,658</b>	<b>293,930</b>	<b>339,953</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	16,727	-	27,551
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	(5,406)	-
<b>Total fund balances (deficits)</b>	<b>\$ 16,727</b>	<b>\$ (5,406)</b>	<b>\$ 27,551</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 494,385</b>	<b>\$ 288,524</b>	<b>\$ 367,504</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<b>FY18</b>	<b>SIDEWALK/CURB DEBT SERVICE</b>	<b>SID 498 DEBT SERVICE FUND</b>	<b>SID 501 DEBT SERVICE FUND</b>
<b>ASSETS</b>				
Cash and Investments	\$	-	\$	-
Taxes Receivable		-	-	-
Special Assessments Receivable		-	140	139
Deferred Assessments Receivable		393,957	477	-
Accounts Receivable		-	-	-
Advances receivable		-	-	-
Due from other governments		-	-	-
<b>Total assets</b>	<b>\$</b>	<b>393,957</b>	<b>\$</b>	<b>\$ 139</b>
<b>LIABILITIES</b>				
Accounts payable		-	-	-
Interfund payable		-	-	-
Unearned revenues; taxes and loans receivable		393,957	617	139
<b>Total liabilities</b>	<b>\$</b>	<b>393,957</b>	<b>\$ 617</b>	<b>\$ 139</b>
<b>FUND BALANCES (DEFICITS)</b>				
<b>Restricted</b>				
Debt Service		-	-	-
<b>Committed</b>		-	-	-
<b>Unassigned</b>		-	-	-
<b>Total fund balances (deficits)</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>\$ -</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$</b>	<b>393,957</b>	<b>\$ 617</b>	<b>\$ 139</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 510 DEBT SERVICE FUND</u>	<u>SID 511 DEBT SERVICE FUND</u>	<u>SID 512 DEBT SERVICE FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ 23,465	\$ -	\$ 191,048
Taxes Receivable	-	-	-
Special Assessments Receivable	-	691	2,678
Deferred Assessments Receivable	-	-	9,373
Accounts Receivable	-	-	-
Advances receivable	96,164	-	8,688
Due from other governments	-	-	4,153
Total assets	<u>\$ 119,629</u>	<u>\$ 691</u>	<u>\$ 215,940</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	296
Interfund payable	-	-	-
Unearned revenues; taxes and loans receivable	-	691	12,050
Total liabilities	<u>-</u>	<u>691</u>	<u>12,346</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	119,629	-	203,594
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 119,629</u>	<u>\$ -</u>	<u>\$ 203,594</u>
Total liabilities and fund balances (deficits)	<u>\$ 119,629</u>	<u>\$ 691</u>	<u>\$ 215,940</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 517 DEBT SERVICE FUND</u>	<u>SID 520 DEBT SERVICE FUND</u>	<u>SID 521 DEBT SERVICE FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 108,086	\$ 991
Taxes Receivable	- -	- -	- -
Special Assessments Receivable	- -	5,658	- -
Deferred Assessments Receivable	875	133,341	- -
Accounts Receivable	- -	- -	- -
Advances receivable	- -	12,766	- -
Due from other governments	- -	6,801	- -
Total assets	<u><u>\$ 875</u></u>	<u><u>\$ 266,652</u></u>	<u><u>\$ 991</u></u>
<b>LIABILITIES</b>			
Accounts payable	- -	- -	1
Interfund payable	- -	- -	- -
Unearned revenues; taxes and loans receivable	875	138,998	- -
Total liabilities	<u><u>875</u></u>	<u><u>138,998</u></u>	<u><u>1</u></u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	- -	127,654	990
<b>Committed</b>	- -	- -	- -
<b>Unassigned</b>	- -	- -	- -
Total fund balances (deficits)	<u><u>\$ -</u></u>	<u><u>\$ 127,654</u></u>	<u><u>\$ 990</u></u>
Total liabilities and fund balances (deficits)	<u><u>\$ 875</u></u>	<u><u>\$ 266,652</u></u>	<u><u>\$ 991</u></u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 522 DEBT SERVICE FUND</u>	<u>SID 524 DEBT SERVICE FUND</u>	<u>SID 525 DEBT SERVICE FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 153,004	\$ 104,495
Taxes Receivable	- -	- -	- -
Special Assessments Receivable	- -	6,713	293
Deferred Assessments Receivable	- -	912,448	49,237
Accounts Receivable	- -	- -	- -
Advances receivable	- -	395,913	131,348
Due from other governments	- -	5,975	1,153
Total assets	<u>\$ -</u>	<u>\$ 1,474,053</u>	<u>\$ 286,526</u>
<b>LIABILITIES</b>			
Accounts payable	2 -	- -	- -
Interfund payable	661 -	- -	- -
Unearned revenues; taxes and loans receivable	- -	919,160	49,529
Total liabilities	<u>663 -</u>	<u>919,160</u>	<u>49,529</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	- -	554,893	236,997
<b>Committed</b>			
<b>Unassigned</b>			
Total fund balances (deficits)	<u>\$ (663)</u>	<u>\$ 554,893</u>	<u>\$ 236,997</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 1,474,053</u>	<u>\$ 286,526</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 526 DEBT SERVICE FUND</u>	<u>SID 530 DEBT SERVICE FUND</u>	<u>SID 532 DEBT SERVICE FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ 11,063
Taxes Receivable	-	-	-
Special Assessments Receivable	6,178	-	608
Deferred Assessments Receivable	277,045	-	149,886
Accounts Receivable	-	-	-
Advances receivable	185,465	-	-
Due from other governments	3,718	-	691
Total assets	<u>\$ 472,406</u>	<u>\$ -</u>	<u>\$ 162,248</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	300
Interfund payable	172,079	1,352	-
Unearned revenues; taxes and loans receivable	283,224	-	150,494
Total liabilities	<u>455,303</u>	<u>1,352</u>	<u>150,794</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	17,103	-	11,454
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	(1,352)	-
Total fund balances (deficits)	<u>\$ 17,103</u>	<u>\$ (1,352)</u>	<u>\$ 11,454</u>
Total liabilities and fund balances (deficits)	<u>\$ 472,406</u>	<u>\$ -</u>	<u>\$ 162,248</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<b>GILBERT ST SEWER SID DEBT FUND</b>	<b>LINCOLNWOOD SEWER PHASE I DEBT FUND</b>	<b>LINCOLNWOOD SEWER PHASE II DEBT FUND</b>
<b>ASSETS</b>			
Cash and Investments	\$ 14,268	\$ 40,422	\$ 88,861
Taxes Receivable	-	-	-
Special Assessments Receivable	814	3,763	1,301
Deferred Assessments Receivable	60,601	85,368	148,749
Accounts Receivable	-	-	-
Advances receivable	-	-	-
Due from other governments	852	539	1,543
<b>Total assets</b>	<b>\$ 76,535</b>	<b>\$ 130,092</b>	<b>\$ 240,454</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Interfund payable	-	-	-
Unearned revenues; taxes and loans receivable	61,415	89,131	150,050
<b>Total liabilities</b>	<b>61,415</b>	<b>89,131</b>	<b>150,050</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	15,120	40,961	90,404
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
<b>Total fund balances (deficits)</b>	<b>\$ 15,120</b>	<b>\$ 40,961</b>	<b>\$ 90,404</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 76,535</b>	<b>\$ 130,092</b>	<b>\$ 240,454</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 540 DEBT SERVICE FUND</u>	<u>SID 541 DEBT SERVICE FUND</u>	<u>SID 543 DEBT SERVICE FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ 270,797	\$ 30,899	\$ 22,275
Taxes Receivable	-	-	-
Special Assessments Receivable	1,398	1,017	102
Deferred Assessments Receivable	496,064	420,766	47
Accounts Receivable	-	-	-
Advances receivable	73,152	29,226	-
Due from other governments	2,170	1,601	176
Total assets	<u>\$ 843,581</u>	<u>\$ 483,509</u>	<u>\$ 22,600</u>
<b>LIABILITIES</b>			
Accounts payable	300	300	-
Interfund payable	-	-	-
Unearned revenues; taxes and loans receivable	497,462	421,783	149
Total liabilities	<u>497,762</u>	<u>422,083</u>	<u>149</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	345,819	61,426	22,451
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
Total fund balances (deficits)	<u>\$ 345,819</u>	<u>\$ 61,426</u>	<u>\$ 22,451</u>
Total liabilities and fund balances (deficits)	<u>\$ 843,581</u>	<u>\$ 483,509</u>	<u>\$ 22,600</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SID 544 RATTLESNAKE DEBT SERVICE FUND	SID 545 DEBT SERVICE FUND	SID 546 DEBT SERVICE FUND
<b>ASSETS</b>			
Cash and Investments	\$ 135,387	\$ -	\$ -
Taxes Receivable	-	-	-
Special Assessments Receivable	6,520	88	33
Deferred Assessments Receivable	1,146,233	3,406	2,852
Accounts Receivable	-	-	-
Advances receivable	82,942	-	-
Due from other governments	4,518	117	68
<b>Total assets</b>	<b>\$ 1,375,600</b>	<b>\$ 3,611</b>	<b>\$ 2,953</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Interfund payable	-	-	-
Unearned revenues; taxes and loans receivable	1,152,753	3,493	2,885
<b>Total liabilities</b>	<b>1,152,753</b>	<b>3,493</b>	<b>2,885</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
Debt Service	222,847	118	68
<b>Committed</b>	-	-	-
<b>Unassigned</b>	-	-	-
<b>Total fund balances (deficits)</b>	<b>\$ 222,847</b>	<b>\$ 118</b>	<b>\$ 68</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 1,375,600</b>	<b>\$ 3,611</b>	<b>\$ 2,953</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SID 548-5TH 6TH & ARTHUR DEBT SERVICE FUND	SID 549 HILLVIEW WAY DEBT SERVICE FUND	<b>TOTAL NONMAJOR DEBT SERVICE FUNDS</b>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 12,214	<b>\$ 2,101,868</b>
Taxes Receivable	- -	- -	<b>74,860</b>
Special Assessments Receivable	812,500	1,251	<b>892,459</b>
Deferred Assessments Receivable	- -	1,374,662	<b>8,096,412</b>
Accounts Receivable	86,125	- -	<b>86,475</b>
Advances receivable	- -	- -	<b>1,175,134</b>
Due from other governments	- -	2,105	<b>98,244</b>
Total assets	<b>\$ 898,625</b>	<b>\$ 1,390,232</b>	<b>\$ 12,525,452</b>
<b>LIABILITIES</b>			
Accounts payable	300	300	<b>7,049</b>
Interfund payable	65,406	- -	<b>740,012</b>
Unearned revenues; taxes and loans receivable	812,500	1,375,913	<b>9,067,266</b>
Total liabilities	<b>878,206</b>	<b>1,376,213</b>	<b>9,814,327</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			- -
Debt Service	20,419	14,019	<b>3,136,114</b>
<b>Committed</b>	- -	- -	- -
<b>Unassigned</b>	- -	- -	<b>(424,989)</b>
Total fund balances (deficits)	<b>\$ 20,419</b>	<b>\$ 14,019</b>	<b>\$ 2,711,125</b>
Total liabilities and fund balances (deficits)	<b>\$ 898,625</b>	<b>\$ 1,390,232</b>	<b>\$ 12,525,452</b>

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

**COMBINING BALANCE SHEET  
FOR NONMAJOR  
GOVERNMENTAL  
CAPITAL PROJECT  
FUNDS**

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	GENERAL GOVERNMENT VEHICLE & EQUIPMENT	INFORMATION TECHNOLOGY EQUIPMENT	ADMINISTRATIVE PROJECTS
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Accounts Receivable	- -	- -	- -
Total assets	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>			
Accounts payable	- -	- -	- -
Accrued expenditures	- -	- -	- -
Interfund payable	62,038	255,808	9,750
Advances payable	- -	- -	- -
Unearned revenues; taxes and loans receivable	- -	- -	- -
Total liabilities	<b>62,038</b>	<b>255,808</b>	<b>9,750</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	(62,038)	(255,808)	(9,750)
<b>Unassigned</b>			
Total fund balances (deficits)	<b>\$ (62,038)</b>	<b>\$ (255,808)</b>	<b>\$ (9,750)</b>
Total liabilities and fund balances (deficits)	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	PUBLIC SAFETY VEHICLE & EQUIPMENT	PUBLIC WORKS VEHICLE & EQUIPMENT	GENERAL GOVERNMENT VEHICLE & EQUIPMENT
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Accounts Receivable	- -	- -	- -
Total assets	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>			
Accounts payable	- -	- -	- -
Accrued expenditures	- -	- -	- -
Interfund payable	234,919	199,712	134,303
Advances payable	- -	- -	- -
Unearned revenues; taxes and loans receivable	- -	- -	- -
Total liabilities	<b>234,919</b>	<b>199,712</b>	<b>134,303</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures			
<b>Unassigned</b>			
Total fund balances (deficits)	<b>(234,919)</b>	<b>(199,712)</b>	<b>(134,303)</b>
Total liabilities and fund balances (deficits)	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	PUBLIC WORKS ROAD IMPROVEMENTS	CAPITAL IMPROVEMENT PROGRAM FUND	CULTURE & RECREATION VEHICLES & EQUIPMEN
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 48,512	\$ -
Accounts Receivable	- -	1,810	-
Total assets	<u><u>\$ -</u></u>	<u><u>\$ 50,322</u></u>	<u><u>\$ -</u></u>
<b>LIABILITIES</b>			
Accounts payable	- -	613,110	-
Accrued expenditures	- -	-	-
Interfund payable	10,184	929,813	695,738
Advances payable	- -	1,136,452	-
Unearned revenues; taxes and loans receivable	- -	-	-
Total liabilities	<u><u>10,184</u></u>	<u><u>2,679,375</u></u>	<u><u>695,738</u></u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures			
<b>Unassigned</b>	(10,184)	(2,629,053)	(695,738)
Total fund balances (deficits)	<u><u>\$ (10,184)</u></u>	<u><u>\$ (2,629,053)</u></u>	<u><u>\$ (695,738)</u></u>
Total liabilities and fund balances (deficits)	<u><u>\$ -</u></u>	<u><u>\$ 50,322</u></u>	<u><u>\$ -</u></u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	<u>ART MUSEUM IMPROVEMENTS</u>	<u>FY07 SIDEWALK &amp; CURB BOND FUND</u>	<u>FY10 SIDEWALK &amp; CURB BOND FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 34	\$ 888
Accounts Receivable	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 34</u>	<u>\$ 888</u>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	26,061	-	-
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<u>26,061</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures		34	888
<b>Unassigned</b>			
Total fund balances (deficits)	<u>\$ (26,061)</u>	<u>\$ 34</u>	<u>\$ 888</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 34</u>	<u>\$ 888</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	FY11 SIDEWALK & CURB BOND FUND	FY12 SIDEWALK & CURB BOND FUND	FY13 SIDEWALK & CURB BOND FUND
<b>ASSETS</b>			
Cash and Investments	\$ 537	\$ 48,778	\$ 33,363
Accounts Receivable	-	-	-
Total assets	<b>\$ 537</b>	<b>\$ 48,778</b>	<b>\$ 33,363</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	-
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	537	48,778	33,363
<b>Unassigned</b>			
Total fund balances (deficits)	<b>\$ 537</b>	<b>\$ 48,778</b>	<b>\$ 33,363</b>
Total liabilities and fund balances (deficits)	<b>\$ 537</b>	<b>\$ 48,778</b>	<b>\$ 33,363</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	FY15 SIDEWALK & CURB BOND FUND	FY16 SIDEWALK & CURB BOND FUND	FY17 SIDEWALK & CURB CONSTRUCTION
<b>ASSETS</b>			
Cash and Investments	\$ 57,724	\$ 11,112	\$ 42,935
Accounts Receivable	-	-	-
Total assets	<b>\$ 57,724</b>	<b>\$ 11,112</b>	<b>\$ 42,935</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	-
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	57,724	11,112	42,935
<b>Unassigned</b>			
Total fund balances (deficits)	<b>\$ 57,724</b>	<b>\$ 11,112</b>	<b>\$ 42,935</b>
Total liabilities and fund balances (deficits)	<b>\$ 57,724</b>	<b>\$ 11,112</b>	<b>\$ 42,935</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	<u>FY18 SIDEWALK &amp; CURB CONSTRUCTION</u>	<u>FY19 SIDEWALK &amp; CURB CONSTRUCTION</u>	<u>SID 531 TRAFFIC CALMING FUND</u>
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Accounts Receivable	- -	- -	- -
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES</b>			
Accounts payable	- -	9,156	- -
Accrued expenditures	- -	- -	- -
Interfund payable	339,710	- -	- -
Advances payable	- -	- -	1,070
Unearned revenues; taxes and loans receivable	- -	- -	- -
Total liabilities	<u>339,710</u>	<u>9,156</u>	<u>1,070</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	(339,710)	(9,156)	(1,070)
<b>Unassigned</b>			
Total fund balances (deficits)	<u>\$ (339,710)</u>	<u>\$ (9,156)</u>	<u>\$ (1,070)</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	MALONEY RANCH SID FUND	RATTLESNAKE SEWER SID FUND	SID 534 LINCOLNWOOD FUND
<b>ASSETS</b>			
Cash and Investments	\$ 763	\$ 10	\$ -
Accounts Receivable	-	-	-
Total assets	<b><u>\$ 763</u></b>	<b><u>\$ 10</u></b>	<b><u>\$ -</u></b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	13
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>13</u></b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	763	10	
<b>Unassigned</b>			(13)
Total fund balances (deficits)	<b><u>\$ 763</u></b>	<b><u>\$ 10</u></b>	<b><u>\$ (13)</u></b>
Total liabilities and fund balances (deficits)	<b><u>\$ 763</u></b>	<b><u>\$ 10</u></b>	<b><u>\$ -</u></b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	SLANT STREET TRAFFIC CALMING FUND	LINCOLNWOOD SEWER PHASE II FUND	SID 536 4th STREET FUND
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ 2,219	\$ -
Accounts Receivable	- -	- -	- -
Total assets	<b>\$ -</b>	<b>\$ 2,219</b>	<b>\$ -</b>
<b>LIABILITIES</b>			
Accounts payable	- -	- -	- -
Accrued expenditures	- -	- -	- -
Interfund payable	- -	- -	- -
Advances payable	4,724	- -	140
Unearned revenues; taxes and loans receivable	- -	- -	- -
Total liabilities	<b>4,724</b>	<b>- -</b>	<b>140</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures		2,219	
<b>Unassigned</b>			
(4,724)	(4,724)	\$ 2,219	\$ (140)
Total fund balances (deficits)	<b>\$ -</b>	<b>\$ 2,219</b>	<b>\$ -</b>
Total liabilities and fund balances (deficits)	<b>\$ -</b>	<b>\$ 2,219</b>	<b>\$ -</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	SID 540 ENGLAND BLVD FUND	SID 541 PINEVIEW PARK FUND	MILLER CREEK MITIGATION FUND
<b>ASSETS</b>			
Cash and Investments	\$ 91,427	\$ 23,575	\$ 3,526
Accounts Receivable	-	-	-
Total assets	<b>\$ 91,427</b>	<b>\$ 23,575</b>	<b>\$ 3,526</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	-
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	91,427	23,575	3,526
<b>Unassigned</b>			
Total fund balances (deficits)	<b>\$ 91,427</b>	<b>\$ 23,575</b>	<b>\$ 3,526</b>
Total liabilities and fund balances (deficits)	<b>\$ 91,427</b>	<b>\$ 23,575</b>	<b>\$ 3,526</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	<b>MILLER CREEK TWITE CONSTRUCTION</b>	<b>MILLER CREEK MALOHNEY CONSTRUCTION</b>	<b>MILLER CREEK MCCARTHY CONSTRUCTION</b>
<b>ASSETS</b>			
Cash and Investments	\$ 1,393	\$ 10,024	\$ 18,656
Accounts Receivable	-	-	-
Total assets	<b><u>\$ 1,393</u></b>	<b><u>\$ 10,024</u></b>	<b><u>\$ 18,656</u></b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	-
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	1,393	10,024	18,656
<b>Unassigned</b>			
Total fund balances (deficits)	<b><u>\$ 1,393</u></b>	<b><u>\$ 10,024</u></b>	<b><u>\$ 18,656</u></b>
Total liabilities and fund balances (deficits)	<b><u>\$ 1,393</u></b>	<b><u>\$ 10,024</u></b>	<b><u>\$ 18,656</u></b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	<b>SID 548 5TH,6TH &amp; ARTHUR</b>	<b>MALONEY/TWITE MILLER CR FUND</b>	<b>SID 549 HILLVIEW WAY</b>
<b>ASSETS</b>			
Cash and Investments	\$ 120,648	\$ 1,291	\$ 124,401
Accounts Receivable	-	-	-
Total assets	<b>\$ 120,648</b>	<b>\$ 1,291</b>	<b>\$ 124,401</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	-
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	-	-	-
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	120,648	1,291	124,401
<b>Unassigned</b>			
Total fund balances (deficits)	<b>\$ 120,648</b>	<b>\$ 1,291</b>	<b>\$ 124,401</b>
Total liabilities and fund balances (deficits)	<b>\$ 120,648</b>	<b>\$ 1,291</b>	<b>\$ 124,401</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	SID 544 RATTLESNAKE SEWER	SID 545 PHILLIPS ST TRAFFIC CALMING	SID 546 PATTEE CREEK DR. TRAFFIC CALMING
<b>ASSETS</b>			
Cash and Investments	\$ 244	\$ -	\$ -
Accounts Receivable	-	-	-
Total assets	<b>\$ 244</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	-
Accrued expenditures	-	-	-
Interfund payable	-	-	320
Advances payable	-	3,263	3,567
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<b>-</b>	<b>3,263</b>	<b>3,887</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	244		
<b>Unassigned</b>			
Total fund balances (deficits)	\$ 244	\$ (3,263)	\$ (3,887)
Total liabilities and fund balances (deficits)	<b>\$ 244</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	STORMWATER OUTFALL RETROFITS	WAYFINDING PROJECT	ARRA ENHANCEMENTS
<b>ASSETS</b>			
Cash and Investments	\$ 70,433	\$ -	\$ -
Accounts Receivable	-	-	-
Total assets	<b><u>\$ 70,433</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>LIABILITIES</b>			
Accounts payable	-	1,013	-
Accrued expenditures	-	-	-
Interfund payable	-	16,237	2,498
Advances payable	-	-	-
Unearned revenues; taxes and loans receivable	-	-	-
Total liabilities	<b><u>-</u></b>	<b><u>17,250</u></b>	<b><u>2,498</u></b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures	70,433		
<b>Unassigned</b>			
Total fund balances (deficits)	<b><u>\$ 70,433</u></b>	<b><u>(\$ 17,250)</u></b>	<b><u>(\$ 2,498)</u></b>
Total liabilities and fund balances (deficits)	<b><u>\$ 70,433</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	ARRA HB645	WFL MILLER CREEK ROAD	WESTERN FEDERAL LANDS
<b>ASSETS</b>			
Cash and Investments	\$ -	\$ -	\$ -
Accounts Receivable	- -	- -	- -
Total assets	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES</b>			
Accounts payable	- -	- -	- -
Accrued expenditures	- -	- -	- -
Interfund payable	23,676	33	5,710
Advances payable	- -	- -	- -
Unearned revenues; taxes and loans receivable	- -	- -	- -
Total liabilities	<b>23,676</b>	<b>33</b>	<b>5,710</b>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted</b>			
for Capital Project expenditures			
<b>Unassigned</b>	<b>(23,676)</b>	<b>(33)</b>	<b>(5,710)</b>
Total fund balances (deficits)	<b>\$ (23,676)</b>	<b>\$ (33)</b>	<b>\$ (5,710)</b>
Total liabilities and fund balances (deficits)	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Continued

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

**City of Missoula**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2018**

	<b>TOTAL</b>	<b>NONMAJOR</b>	<b>CAPITAL</b>	<b>PROJECTS</b>	<b>FUNDS</b>
<b>ASSETS</b>					
Cash and Investments	\$ 714,303				
Accounts Receivable	-				
Total assets	<b><u>714,303</u></b>				
<b>LIABILITIES</b>					
Accounts payable	623,279				
Accrued expenditures	-				
Interfund payable	2,946,523				
Advances payable	1,149,216				
Unearned revenues; taxes and loans receivable	-				
Total liabilities	<b><u>4,719,018</u></b>				
<b>FUND BALANCES (DEFICITS)</b>					
<b>Restricted</b>					
for Capital Project expenditures	663,981				
<b>Unassigned</b>					
Total fund balances (deficits)	<b><u>(4,668,696)</u></b>				
Total liabilities and fund balances (deficits)	<b><u>\$ (4,004,715)</u></b>				
	<b><u>\$ 714,303</u></b>				

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

**COMBINING STATEMENT OF  
REVENUE, EXPENDITURES  
AND  
CHANGES IN FUND BALANCE**

**FOR NONMAJOR  
GOVERNMENTAL  
SPECIAL REVENUE  
FUNDS**

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	PLANNING FUND	PUBLIC SAFETY INFORMATION SYSTEM	IMPACT FEE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	- -	- -	- -
Intergovernmental	354,487	18,000	- -
Charges for services	- -	- -	1,640,411
Fines and forfeitures	- -	- -	- -
Miscellaneous	- -	- -	- -
Special Assessments	- -	- -	- -
Total revenues	<u>354,487</u>	<u>18,000</u>	<u>1,640,411</u>
<b>EXPENDITURES</b>			
Current:			
General Government	451,401	- -	42,357
Public Safety	- -	- -	- -
Public Works	- -	- -	- -
Cultural & Recreation	67,778	- -	- -
Housing & Community Development	- -	- -	- -
Miscellaneous	90	- -	- -
Debt service:			
Interest	- -	- -	- -
Principal retirement	- -	- -	- -
Capital outlay:			
General Government	- -	- -	- -
Public Safety	- -	- -	242,151
Public Works	- -	- -	11,996
Cultural & Recreation	- -	- -	228,967
Total expenditures	<u>519,269</u>	<u>- -</u>	<u>525,471</u>
Excess (deficiency) of revenues over expenditures	<u>(164,782)</u>	<u>18,000</u>	<u>1,114,940</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	(1,010,183)
Transfers in	121,989	6,000	- -
Issuance of long term debt/capital leases	- -	- -	- -
Total other financing sources (uses)	<u>121,989</u>	<u>6,000</u>	<u>(1,010,183)</u>
<b>Net change in fund balances</b>	<b>(42,793)</b>	<b>24,000</b>	<b>104,757</b>
Fund balances - beginning	(17,792)	39,285	3,383,926
Restatements			
Fund balances - beginning restated	(17,792)	39,285	3,383,926
Fund balances - ending	<u>\$ (60,585)</u>	<u>\$ 63,285</u>	<u>\$ 3,488,683</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	GEORGE ELMER/CATTLE DR INTERSECTION	PUBLIC ART FUND	EMPLOYEE HEALTH INSURANCE LEVY
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 5,027,537
Licenses and permits	-	-	-
Intergovernmental	-	7,500	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	-	-	-
Special Assessments	-	-	-
Total revenues	<hr/> -	<hr/> 7,500	<hr/> 5,027,537
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	4,530	-
Housing & Community Development	-	-	-
Miscellaneous	-	-	478
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	<hr/> -	<hr/> 4,530	<hr/> 478
Excess (deficiency) of revenues over expenditures	<hr/> -	<hr/> 2,970	<hr/> 5,027,059
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	(5,101,004)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<hr/> -	<hr/> -	<hr/> (5,101,004)
<b>Net change in fund balances</b>	<b>-</b>	<b>2,970</b>	<b>(73,945)</b>
Fund balances - beginning	1	15,943	(292,054)
Restatements			
Fund balances - beginning restated	1	15,943	(292,054)
Fund balances - ending	<hr/> \$ 1	<hr/> \$ 18,913	<hr/> \$ (365,999)

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	CABLE TELEVISION FRANCHISE FUND	DRUG FORFEITURE FUND	BUILDING INSPECTION FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	700,073	-	2,188,557
Intergovernmental	-	-	19,080
Charges for services	-	-	121
Fines and forfeitures	-	11,958	-
Miscellaneous	-	-	-
Special Assessments	-	-	-
Total revenues	<u>700,073</u>	<u>11,958</u>	<u>2,207,758</u>
<b>EXPENDITURES</b>			
Current:			
General Government	378,476	-	-
Public Safety	-	11,223	1,713,162
Public Works	-	-	-
Cultural & Recreation	-	-	-
Housing & Community Development	-	-	-
Miscellaneous	196	-	39,889
Debt service:			
Interest	-	-	265
Principal retirement	-	-	7,218
Capital outlay:			
General Government	40,654	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	<u>419,326</u>	<u>11,223</u>	<u>1,760,534</u>
Excess (deficiency) of revenues over expenditures	<u>280,747</u>	<u>735</u>	<u>447,224</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(301,433)	-	(8,627)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>(301,433)</u>	<u>-</u>	<u>(8,627)</u>
<b>Net change in fund balances</b>	<b>(20,686)</b>	<b>735</b>	<b>438,597</b>
Fund balances - beginning	(54,901)	4,237	1,998,851
Restatements			
Fund balances - beginning restated	(54,901)	4,237	1,998,851
Fund balances - ending	<u>\$ (75,587)</u>	<u>\$ 4,972</u>	<u>\$ 2,437,448</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	CITY GRANTS & PROGRAM INCOME FUND	STREET LIGHTING ASSESSMENTS FUND	STREET MAINTENANCE ASSESSMENT FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	224	-	-
Special Assessments	-	365,931	101,628
<b>Total revenues</b>	<b>224</b>	<b>365,931</b>	<b>101,628</b>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	352,243	-
Cultural & Recreation	-	-	-
Housing & Community Development	-	-	-
Miscellaneous	-	-	58,389
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>352,243</b>	<b>58,389</b>
Excess (deficiency) of revenues over expenditures	224	13,688	43,239
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	(43,500)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(43,500)</b>
<b>Net change in fund balances</b>	<b>224</b>	<b>13,688</b>	<b>(261)</b>
Fund balances - beginning	4,071	125,234	(1,218)
Restatements			
Fund balances - beginning restated	4,071	125,234	(1,218)
Fund balances - ending	<b>\$ 4,295</b>	<b>\$ 138,922</b>	<b>\$ (1,479)</b>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	WILLOWWOOD PARK MAINTENANCE ASSESSMENT FUND	ROAD DISTRICT #1 FUND	PARK DISTRICT #1 FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	5,825	9,165
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	-	-	113,450
Special Assessments	-	2,099,622	1,579,954
Total revenues	<hr/> -	<hr/> 2,105,447	<hr/> 1,702,569
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	711,188	-
Cultural & Recreation	-	2,312	796,465
Housing & Community Development	-	-	-
Miscellaneous	-	1,050	315
Debt service:			
Interest	-	50,833	10,025
Principal retirement	-	546,871	232,579
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	560,560	-
Cultural & Recreation	-	-	47,864
Total expenditures	<hr/> -	<hr/> 1,872,814	<hr/> 1,087,248
Excess (deficiency) of revenues over expenditures	<hr/> -	<hr/> 232,633	<hr/> 615,321
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	(104,057)	(483,890)
Transfers in	-	-	7,810
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<hr/> -	<hr/> (104,057)	<hr/> (476,080)
<b>Net change in fund balances</b>	-	128,576	139,241
Fund balances - beginning	43	(662,550)	(103,285)
Restatements			
Fund balances - beginning restated	43	(662,550)	(103,285)
Fund balances - ending	<hr/> \$ 43	<hr/> \$ (533,974)	<hr/> \$ 35,956

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	STATE GAS TAX FUND	LAW ENFORCEMENT BLOCK GRANT FUND	HIDTA FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	- -	- -	- -
Intergovernmental	1,492,385	- -	- -
Charges for services	- -	- -	51,687
Fines and forfeitures	- -	- -	- -
Miscellaneous	- -	- -	- -
Special Assessments	- -	- -	- -
Total revenues	<u>1,492,385</u>	<u>- -</u>	<u>51,687</u>
<b>EXPENDITURES</b>			
Current:			
General Government	- -	- -	- -
Public Safety	- -	350	45,587
Public Works	49,569	- -	- -
Cultural & Recreation	- -	- -	- -
Housing & Community Development	- -	- -	- -
Miscellaneous	- -	- -	- -
Debt service:			
Interest	- -	- -	- -
Principal retirement	- -	- -	- -
Capital outlay:			
General Government	- -	- -	- -
Public Safety	- -	9,818	- -
Public Works	791,299	- -	- -
Cultural & Recreation	- -	- -	- -
Total expenditures	<u>840,868</u>	<u>10,168</u>	<u>45,587</u>
Excess (deficiency) of revenues over expenditures	<u>651,517</u>	<u>(10,168)</u>	<u>6,100</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(564,000)	- -	(13,682)
Transfers in	- -	- -	- -
Issuance of long term debt/capital leases	- -	- -	- -
Total other financing sources (uses)	<u>(564,000)</u>	<u>- -</u>	<u>(13,682)</u>
<b>Net change in fund balances</b>	<b>87,517</b>	<b>(10,168)</b>	<b>(7,582)</b>
Fund balances - beginning	323,001	(169)	282,398
Restatements			
Fund balances - beginning restated	323,001	(169)	282,398
Fund balances - ending	<u>\$ 410,518</u>	<u>\$ (10,337)</u>	<u>\$ 274,816</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	CDBG PROGRAM INCOME ACCOUNT FUND	CDBG FUND	HOME FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	- -	- -	- -
Intergovernmental	29,370	328,305	340,498
Charges for services	- -	- -	- -
Fines and forfeitures	- -	- -	- -
Miscellaneous	- -	- -	- -
Special Assessments	- -	- -	- -
Total revenues	<b>29,370</b>	<b>328,305</b>	<b>340,498</b>
<b>EXPENDITURES</b>			
Current:			
General Government	- -	- -	- -
Public Safety	- -	- -	- -
Public Works	- -	- -	- -
Cultural & Recreation	- -	- -	- -
Housing & Community Development	22,577	328,305	340,498
Miscellaneous	- -	- -	- -
Debt service:			
Interest	- -	- -	- -
Principal retirement	- -	- -	- -
Capital outlay:			
General Government	- -	- -	- -
Public Safety	- -	- -	- -
Public Works	- -	- -	- -
Cultural & Recreation	- -	- -	- -
Total expenditures	<b>22,577</b>	<b>328,305</b>	<b>340,498</b>
Excess (deficiency) of revenues over expenditures	<b>6,793</b>	- -	- -
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(6,793)	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital leases	- -	- -	- -
Total other financing sources (uses)	<b>(6,793)</b>	- -	- -
<b>Net change in fund balances</b>	- -	- -	- -
Fund balances - beginning	13,015	(8,213)	8,135
Restatements	- -	- -	- -
Fund balances - beginning restated	<b>13,015</b>	<b>(8,213)</b>	<b>8,135</b>
Fund balances - ending	<b>\$ 13,015</b>	<b>\$ (8,213)</b>	<b>\$ 8,135</b>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	CITY HOME PROGRAM INCOME FUND	NEIGHBORHOOD STABILIZATION PROGRAM FUND	TRANSPORTATION
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	- -	- -	- -
Intergovernmental	437,618	- -	802,828
Charges for services	- -	- -	- -
Fines and forfeitures	- -	- -	- -
Miscellaneous	2,090	- -	13,141
Special Assessments	- -	- -	- -
Total revenues	<u>439,708</u>	<u>- -</u>	<u>815,969</u>
<b>EXPENDITURES</b>			
Current:			
General Government	- -	- -	760,438
Public Safety	- -	- -	- -
Public Works	- -	- -	82,968
Cultural & Recreation	- -	- -	- -
Housing & Community Development	17,323	- -	- -
Miscellaneous	- -	- -	43
Debt service:			
Interest	- -	- -	- -
Principal retirement	- -	- -	- -
Capital outlay:			
General Government	- -	- -	- -
Public Safety	- -	- -	- -
Public Works	- -	- -	- -
Cultural & Recreation	- -	- -	- -
Total expenditures	<u>17,323</u>	<u>- -</u>	<u>843,449</u>
Excess (deficiency) of revenues over expenditures	<u>422,385</u>	<u>- -</u>	<u>(27,480)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	91,986
Issuance of long term debt/capital leases	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>91,986</u>
<b>Net change in fund balances</b>	<b>422,385</b>	<b>- -</b>	<b>64,506</b>
Fund balances - beginning	40,936	(599)	132,183
Restatements			
Fund balances - beginning restated	40,936	(599)	132,183
Fund balances - ending	<u>\$ 463,321</u>	<u>\$ (599)</u>	<u>\$ 196,689</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	FEDERAL TRANSPORTATION FUND	GRANTS & DONATIONS FUND	POLICE GRANTS & DONATIONS
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	- -	- -	- -
Intergovernmental	211,905	87,950	400,481
Charges for services	- -	- -	- -
Fines and forfeitures	- -	- -	- -
Miscellaneous	- -	70,119	2,900
Special Assessments	- -	- -	- -
Total revenues	<u>211,905</u>	<u>158,069</u>	<u>403,381</u>
<b>EXPENDITURES</b>			
Current:			
General Government	- -	11,935	- -
Public Safety	- -	- -	416,649
Public Works	- -	- -	- -
Cultural & Recreation	- -	- -	- -
Housing & Community Development	- -	- -	- -
Miscellaneous	77	- -	- -
Debt service:			
Interest	- -	- -	- -
Principal retirement	- -	- -	- -
Capital outlay:			
General Government	- -	- -	- -
Public Safety	- -	87,078	- -
Public Works	227,281	- -	- -
Cultural & Recreation	- -	- -	- -
Total expenditures	<u>227,358</u>	<u>99,013</u>	<u>416,649</u>
Excess (deficiency) of revenues over expenditures	<u>(15,453)</u>	<u>59,056</u>	<u>(13,268)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	(648,276)	- -
Transfers in	64,550	- -	- -
Issuance of long term debt/capital leases	- -	- -	- -
Total other financing sources (uses)	<u>64,550</u>	<u>(648,276)</u>	<u>- -</u>
<b>Net change in fund balances</b>	<b>49,097</b>	<b>(589,220)</b>	<b>(13,268)</b>
Fund balances - beginning	(34,825)	893,984	(19,864)
Restatements			
Fund balances - beginning restated	(34,825)	893,984	(19,864)
Fund balances - ending	<u>\$ 14,272</u>	<u>\$ 304,764</u>	<u>\$ (33,132)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**June 30, 2018**

	<u>BROWNFIELDS</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
<b>REVENUES</b>		
Taxes	\$ -	<b>5,027,537</b>
Licenses and permits	- -	<b>2,888,630</b>
Intergovernmental	167,592	<b>4,712,989</b>
Charges for services	- -	<b>1,692,219</b>
Fines and forfeitures	- -	<b>11,958</b>
Miscellaneous	- -	<b>201,924</b>
Special Assessments	- -	<b>4,147,135</b>
Total revenues	<b>167,592</b>	<b>18,682,392</b>
<b>EXPENDITURES</b>		
Current:		
General Government	- -	<b>1,644,607</b>
Public Safety	- -	<b>2,186,971</b>
Public Works	- -	<b>1,195,968</b>
Cultural & Recreation	- -	<b>871,085</b>
Housing & Community Development	82,729	<b>791,432</b>
Miscellaneous	- -	<b>100,527</b>
Debt service:		
Interest	- -	<b>61,123</b>
Principal retirement	- -	<b>786,668</b>
Capital outlay:		
General Government	- -	<b>40,654</b>
Public Safety	- -	<b>339,047</b>
Public Works	- -	<b>1,591,136</b>
Cultural & Recreation	- -	<b>276,831</b>
Total expenditures	<b>82,729</b>	<b>9,886,049</b>
Excess (deficiency) of revenues over expenditures	<b>84,863</b>	<b>8,796,343</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers (out)	- -	<b>(8,285,445)</b>
Transfers in	648,276	<b>940,611</b>
Issuance of long term debt/capital leases	- -	<b>-</b>
Total other financing sources (uses)	<b>648,276</b>	<b>(7,344,834)</b>
<b>Net change in fund balances</b>	<b>733,139</b>	<b>1,451,509</b>
Fund balances - beginning	- -	<b>6,069,773</b>
Restatements	- -	<b>-</b>
Fund balances - beginning restated	- -	<b>6,069,773</b>
Fund balances - ending	<b>\$ 733,139</b>	<b>\$ 7,521,282</b>

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

COMBINING STATEMENT OF  
REVENUES, EXPENDITURES  
AND  
CHANGES IN FUND BALANCE

FOR NONMAJOR  
GOVERNMENTAL  
DEBT SERVICE FUNDS

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SID REVOLVING FUND	2004 AQUATICS BOND FUND	Series 2013A AQUATICS REFUNDING BOND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 584,038
Miscellaneous	15,531	-	-
Special Assessments	-	-	-
Investment earnings	-	-	-
Total revenues	<u>15,531</u>	<u>-</u>	<u>584,038</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	70,648
Principal retirement	-	-	525,000
Total expenditures	<u>-</u>	<u>-</u>	<u>595,648</u>
Excess (deficiency) of revenues over expenditures	<u>15,531</u>	<u>-</u>	<u>(11,610)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(82,318)	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	<u>(82,318)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(66,787)	-	(11,610)
Fund balances - beginning	624,223	114	(17,695)
Restatements			
Fund balances - beginning restated	624,223	114	(17,695)
Fund balances - ending	<u>\$ 557,436</u>	<u>\$ 114</u>	<u>\$ (29,305)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	2004		
	Series 2013A GO REFUNDING BOND	REFUNDING BONDS DEBT SERVICE	NEW FIRE STATION GO BOND FUND
<b>REVENUES</b>			
Taxes	\$ 539,202	\$ 28	\$ 697
Miscellaneous	-	-	-
Special Assessments	-	-	-
Investment earnings	-	-	-
Total revenues	<u>539,202</u>	<u>28</u>	<u>697</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	21	2	199
Debt service:			
Interest	82,130	-	-
Principal retirement	465,000	-	-
Total expenditures	<u>547,151</u>	<u>2</u>	<u>199</u>
Excess (deficiency) of revenues over expenditures	<u>(7,949)</u>	<u>26</u>	<u>498</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital lease	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(7,949)	26	498
Fund balances - beginning	(199,323)	(1,458)	(154,528)
Restatements			
Fund balances - beginning restated	(199,323)	(1,458)	(154,528)
Fund balances - ending	<u>\$ (207,272)</u>	<u>\$ (1,432)</u>	<u>\$ (154,030)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	2007 REFUNDING BONDS FUND	SIDEWALK & CURB WARRANTS FUND	JUDGMENT LEVIES
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 29
Miscellaneous	- -	- -	- -
Special Assessments	- -	1,324 -	- -
Investment earnings	- -	- -	- -
Total revenues	<u>- -</u>	<u>1,324 -</u>	<u>29 -</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	- -	- -	- -
Principal retirement	- -	- -	- -
Total expenditures	<u>- -</u>	<u>- -</u>	<u>- -</u>
Excess (deficiency) of revenues over expenditures	<u>- -</u>	<u>1,324 -</u>	<u>29 -</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	- 1,324	- 29	- 5
Fund balances - beginning	25,676	- -	5
Restatements			
Fund balances - beginning restated	25,676	- -	5
Fund balances - ending	<u>\$ 25,676</u>	<u>\$ 1,324</u>	<u>\$ 34</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>FY02 SIDEWALK &amp; CURB DEBT SERVICE FUND</u>	<u>FY03 SIDEWALK &amp; CURB DEBT SERVICE FUND</u>	<u>FY04 SIDEWALK CURB DEBT SERVICE FUND</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
Special Assessments	-	-	-
Investment earnings	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	-	1	2
Debt service:			
Interest	-	(350)	3,100
Principal retirement	-	-	-
Total expenditures	<u>-</u>	<u>(349)</u>	<u>3,102</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>349</u>	<u>(3,102)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital lease	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	349	(3,102)
Fund balances - beginning	350	(700)	(525)
Restatements			
Fund balances - beginning restated	350	(700)	(525)
Fund balances - ending	<u>\$ 350</u>	<u>\$ (351)</u>	<u>\$ (3,627)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	FY 05 SIDEWALK AND CURB FUND	FY 06 SIDEWALK AND CURB FUND	FY 07 SIDEWALK AND CURB FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	- -	24,923	45,972
Investment earnings	253	458	161
Total revenues	<u>253</u>	<u>25,381</u>	<u>46,133</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	3,100	1,713	13,250
Principal retirement	- -	25,000	40,000
Total expenditures	<u>3,100</u>	<u>26,713</u>	<u>53,250</u>
Excess (deficiency) of revenues over expenditures	<u>(2,847)</u>	<u>(1,332)</u>	<u>(7,117)</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	(2,847)	(1,332)	(7,117)
Fund balances - beginning	66,435	102,329	30,288
Restatements			
Fund balances - beginning restated	<u>66,435</u>	<u>102,329</u>	<u>30,288</u>
Fund balances - ending	<u>\$ 63,588</u>	<u>\$ 100,997</u>	<u>\$ 23,171</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SERIES 2008A SIDEWALK AND CURB FUND	SERIES 2009 SIDEWALK AND CURB FUND	SERIES 2010 SIDEWALK AND CURB FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	21,677	74,334	77,552
Investment earnings	- -	- -	- -
Total revenues	<u>21,677</u>	<u>74,334</u>	<u>77,552</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	13,388	14,718	21,688
Principal retirement	<u>20,000</u>	<u>25,000</u>	<u>75,000</u>
Total expenditures	<u>33,388</u>	<u>39,718</u>	<u>96,688</u>
Excess (deficiency) of revenues over expenditures	<u>(11,711)</u>	<u>34,616</u>	<u>(19,136)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balances	(11,711)	34,616	(19,136)
Fund balances - beginning	38,025	85,548	79,136
Restatements			
Fund balances - beginning restated	<u>38,025</u>	<u>85,548</u>	<u>79,136</u>
Fund balances - ending	<u>\$ 26,314</u>	<u>\$ 120,164</u>	<u>\$ 60,000</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	FY12 S/C DEBT SERVICE FUND	FY13 SIDEWALK/CURB DEBT SERVICE FUND	FY15 SIDEWALK/CURB DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	67,914	38,365	56,090
Investment earnings	- -	- -	- -
Total revenues	<u>67,914</u>	<u>38,365</u>	<u>56,090</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	20,210	16,287	22,921
Principal retirement	<u>45,000</u>	<u>49,656</u>	<u>33,100</u>
Total expenditures	<u>65,210</u>	<u>65,943</u>	<u>56,021</u>
Excess (deficiency) of revenues over expenditures	<u>2,704</u>	<u>(27,578)</u>	<u>69</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balances	2,704	(27,578)	69
Fund balances - beginning	3,998	6,027	16,658
Restatements			
Fund balances - beginning restated	3,998	6,027	16,658
Fund balances - ending	<u>\$ 6,702</u>	<u>\$ (21,551)</u>	<u>\$ 16,727</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	FY16 SIDEWALK/CURB DEBT SERVICE	FY17 SIDEWALK/CURB DEBT SERVICE	SID 510 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	30,663	39,337	- -
Investment earnings	- -	- -	813
Total revenues	<u>30,663</u>	<u>39,337</u>	<u>813</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	10,748	11,786	- -
Principal retirement	<u>21,872</u>	- -	- -
Total expenditures	<u>32,620</u>	<u>11,786</u>	- -
Excess (deficiency) of revenues over expenditures	<u>(1,957)</u>	<u>27,551</u>	<u>813</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	(1,957)	27,551	813
Fund balances - beginning	(3,449)	- -	118,816
Restatements			
Fund balances - beginning restated	(3,449)	- -	118,816
Fund balances - ending	<u>\$ (5,406)</u>	<u>\$ 27,551</u>	<u>\$ 119,629</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 512 DEBT SERVICE FUND</u>	<u>SID 520 DEBT SERVICE FUND</u>	<u>SID 521 DEBT SERVICE FUND</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	73,574	133,337	- -
Investment earnings	57	392	- -
Total revenues	<u>73,631</u>	<u>133,729</u>	<u>- -</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	1,422	10,562	5
Principal retirement	<u>14,835</u>	<u>149,000</u>	<u>68</u>
Total expenditures	<u>16,257</u>	<u>159,562</u>	<u>73</u>
Excess (deficiency) of revenues over expenditures	<u>57,374</u>	<u>(25,833)</u>	<u>(73)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balances	57,374	(25,833)	(73)
Fund balances - beginning	146,220	153,487	1,063
Restatements			
Fund balances - beginning restated	146,220	153,487	1,063
Fund balances - ending	<u>\$ 203,594</u>	<u>\$ 127,654</u>	<u>\$ 990</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 522 DEBT SERVICE FUND</u>	<u>SID 524 DEBT SERVICE FUND</u>	<u>SID 525 DEBT SERVICE FUND</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	- -	241,372	27,977
Investment earnings	- -	2,584	857
Total revenues	<u>- -</u>	<u>243,956</u>	<u>28,834</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	9 -	62,160	3,300
Principal retirement	98 -	243,000	30,000
Total expenditures	<u>107 -</u>	<u>305,160</u>	<u>33,300</u>
Excess (deficiency) of revenues over expenditures	<u>(107) -</u>	<u>(61,204)</u>	<u>(4,466)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balances	(107)	(61,204)	(4,466)
Fund balances - beginning	(556)	616,097	241,463
Restatements			
Fund balances - beginning restated	(556)	616,097	241,463
Fund balances - ending	<u>\$ (663)</u>	<u>\$ 554,893</u>	<u>\$ 236,997</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 526 DEBT SERVICE FUND</u>	<u>SID 530 DEBT SERVICE FUND</u>	<u>SID 532 DEBT SERVICE FUND</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	119,723	- -	34,211
Investment earnings	1,210	- -	- -
Total revenues	<u>120,933</u>	<u>- -</u>	<u>34,211</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	150	2	- -
Debt service:			
Interest	31,103	- -	9,888
Principal retirement	<u>188,000</u>	<u>- -</u>	<u>30,000</u>
Total expenditures	<u>219,253</u>	<u>2</u>	<u>39,888</u>
Excess (deficiency) of revenues over expenditures	<u>(98,320)</u>	<u>(2)</u>	<u>(5,677)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balances	(98,320)	(2)	(5,677)
Fund balances - beginning	115,423	(1,350)	17,131
Restatements			
Fund balances - beginning restated	<u>115,423</u>	<u>(1,350)</u>	<u>17,131</u>
Fund balances - ending	<u>\$ 17,103</u>	<u>\$ (1,352)</u>	<u>\$ 11,454</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<b>GILBERT ST SEWER SID DEBT FUND</b>	<b>LINCOLNWOOD SEWER PHASE I DEBT FUND</b>	<b>LINCOLNWOOD SEWER PHASE II DEBT FUND</b>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	11,640	14,799	25,781
Investment earnings	- -	- -	- -
Total revenues	<u>11,640</u>	<u>14,799</u>	<u>25,781</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	4,425	5,044	4,256
Principal retirement	<u>13,000</u>	<u>14,000</u>	- -
Total expenditures	<u>17,425</u>	<u>19,044</u>	<u>4,256</u>
Excess (deficiency) of revenues over expenditures	<u>(5,785)</u>	<u>(4,245)</u>	<u>21,525</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balances	(5,785)	(4,245)	21,525
Fund balances - beginning	20,905	45,206	68,879
Restatements			
Fund balances - beginning restated	20,905	45,206	68,879
Fund balances - ending	<u>\$ 15,120</u>	<u>\$ 40,961</u>	<u>\$ 90,404</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	<u>SID 540 DEBT SERVICE FUND</u>	<u>SID 541 DEBT SERVICE FUND</u>	<u>SID 543 DEBT SERVICE FUND</u>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	90,778	56,029	8,027
Investment earnings	18	191	- -
Total revenues	<u>90,796</u>	<u>56,220</u>	<u>8,027</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	43,365	27,168	- -
Principal retirement	75,000	35,000	- -
Total expenditures	<u>118,365</u>	<u>62,168</u>	<u>- -</u>
Excess (deficiency) of revenues over expenditures	<u>(27,569)</u>	<u>(5,948)</u>	<u>8,027</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	- -
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>- -</u>	<u>- -</u>
Net change in fund balances	(27,569)	(5,948)	8,027
Fund balances - beginning	373,388	67,374	14,424
Restatements			
Fund balances - beginning restated	373,388	67,374	14,424
Fund balances - ending	<u>\$ 345,819</u>	<u>\$ 61,426</u>	<u>\$ 22,451</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SID 544 RATTLESNAKE DEBT SERVICE FUND	SID 545 DEBT SERVICE FUND	SID 546 DEBT SERVICE FUND
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Miscellaneous	- -	- -	- -
Special Assessments	139,556	1,908	1,532
Investment earnings	541	- -	- -
Total revenues	<u>140,097</u>	<u>1,908</u>	<u>1,532</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	- -
Debt service:			
Interest	49,008	- -	- -
Principal retirement	92,500	- -	- -
Total expenditures	<u>141,508</u>	<u>- -</u>	<u>- -</u>
Excess (deficiency) of revenues over expenditures	<u>(1,411)</u>	<u>1,908</u>	<u>1,532</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	(1,861)	(1,499)
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<u>- -</u>	<u>(1,861)</u>	<u>(1,499)</u>
Net change in fund balances	(1,411)	47	33
Fund balances - beginning	224,258	71	35
Restatements			
Fund balances - beginning restated	224,258	71	35
Fund balances - ending	<u>\$ 222,847</u>	<u>\$ 118</u>	<u>\$ 68</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**June 30, 2018**

	SID 548-5TH 6TH & ARTHUR DEBT SERVICE FUND	SID 549 HILLVIEW WAY DEBT SERVICE FUND	<b>TOTAL NONMAJOR DEBT SERVICE FUNDS</b>
<b>REVENUES</b>			
Taxes	\$ -	\$ -	<b>1,123,994</b>
Miscellaneous	- -	- -	<b>15,531</b>
Special Assessments	109,750	141,519	<b>1,709,664</b>
Investment earnings	- -	- -	<b>7,535</b>
Total revenues	<b>109,750</b>	<b>141,519</b>	<b>2,856,724</b>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	- -	- -	<b>377</b>
Debt service:			
Interest	42,275	68,125	<b>667,452</b>
Principal retirement	<b>65,000</b>	<b>105,000</b>	<b>2,379,129</b>
Total expenditures	<b>107,275</b>	<b>173,125</b>	<b>3,046,958</b>
Excess (deficiency) of revenues over expenditures	<b>2,475</b>	<b>(31,606)</b>	<b>(190,234)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	- -	- -	<b>(85,678)</b>
Transfers in	- -	- -	- -
Issuance of long term debt/capital lease	- -	- -	- -
Total other financing sources (uses)	<b>- -</b>	<b>- -</b>	<b>(85,678)</b>
Net change in fund balances	<b>2,475</b>	<b>(31,606)</b>	<b>(275,912)</b>
Fund balances - beginning	17,944	45,625	<b>2,987,037</b>
Restatements			- -
Fund balances - beginning restated	<b>17,944</b>	<b>45,625</b>	<b>2,987,037</b>
Fund balances - ending	<b>\$ 20,419</b>	<b>\$ 14,019</b>	<b>\$ 2,711,125</b>

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

**COMBINING STATEMENT OF  
REVENUES, EXPENDITURES  
AND  
CHANGES IN FUND BALANCE**

**FOR NONMAJOR  
GOVERNMENTAL  
CAPITAL PROJECT FUNDS**

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	GENERAL GOVERNMENT	INFORMATION TECHNOLOGY EQUIPMENT	ADMINISTRATIVE PROJECTS
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	62,038	255,808	9,750
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	<u>62,038</u>	<u>255,808</u>	<u>9,750</u>
Excess (deficiency) of revenues over expenditures	<u>(62,038)</u>	<u>(255,808)</u>	<u>(9,750)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital lease	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(62,038)	(255,808)	(9,750)
Fund balances - beginning	-	-	-
Restatements	-	-	-
Fund balances - beginning restated	-	-	-
Fund balances - ending	<u>\$ (62,038)</u>	<u>\$ (255,808)</u>	<u>\$ (9,750)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	PUBLIC SAFETY VEHICLE & EQUIPMENT	PUBLIC WORKS VEHICLE & EQUIPMENT	GENERAL GOVERNMENT VEHICLE & EQUIPMENT
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	234,919	-	-
Public Works	-	199,712	134,303
Cultural & Recreation	-	-	-
Total expenditures	234,919	199,712	134,303
Excess (deficiency) of revenues over expenditures	(234,919)	(199,712)	(134,303)
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(234,919)	(199,712)	(134,303)
Fund balances - beginning	-	-	-
Restatements	-	-	-
Fund balances - beginning restated	-	-	-
Fund balances - ending	<u>\$ (234,919)</u>	<u>\$ (199,712)</u>	<u>\$ (134,303)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	PW ROAD IMPROVEMENTS	CAPITAL IMPROVEMENT PROGRAM FUND	CULTURE & RECREATION VEHICLES & EQUIPMEN
<b>REVENUES</b>			
Intergovernmental	-	5,115	-
Miscellaneous	-	5,000	-
Total revenues	-	10,115	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	36,456	-
Public Works	-	44,535	-
Miscellaneous	-	6,603	-
Debt service:			
Interest	-	238,125	-
Principal retirement	-	1,148,103	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	2,376,413	-
Public Works	10,184	(44,535)	-
Cultural & Recreation	-	-	695,738
Total expenditures	10,184	3,805,700	695,738
Excess (deficiency) of revenues over expenditures	(10,184)	(3,795,585)	(695,738)
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	2,436,108	-
Issuance of long term debt/capital leases	-	5,937,997	-
Total other financing sources (uses)	-	8,374,105	-
Net change in fund balances	(10,184)	4,578,520	(695,738)
Fund balances - beginning	-	(7,342,692)	-
Restatements	-	135,119	-
Fund balances - beginning restated	-	(7,207,573)	-
Fund balances - ending	<u>\$ (10,184)</u>	<u>\$ (2,629,053)</u>	<u>\$ (695,738)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	ART MUSEUM IMPROVEMENTS	FY07 SIDEWALK & CURB BOND FUND	FY10 SIDEWALK & CURB BOND FUND
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	26,061	-	-
Total expenditures	26,061	-	-
Excess (deficiency) of revenues over expenditures	(26,061)	-	-
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(26,061)	-	-
Fund balances - beginning	-	34	888
Restatements	-	-	-
Fund balances - beginning restated	-	34	888
Fund balances - ending	<u>\$ (26,061)</u>	<u>\$ 34</u>	<u>\$ 888</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	FY11 SIDEWALK & CURB BOND FUND	FY12 SIDEWALK & CURB BOND FUND	FY13 SIDEWALK & CURB BOND FUND
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances - beginning	537	48,778	33,363
Restatements	-	-	-
Fund balances - beginning restated	537	48,778	33,363
Fund balances - ending	<u>\$ 537</u>	<u>\$ 48,778</u>	<u>\$ 33,363</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	FY15 SIDEWALK & CURB BOND FUND	FY16 SIDEWALK & CURB BOND FUND	FY17 SIDEWALK & CURB CONSTRUCTION
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	403
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	7,500
Cultural & Recreation	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>7,903</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(7,903)</u>
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	<u>-</u>	<u>-</u>	<u>364,013</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>364,013</u>
Net change in fund balances	-	-	356,110
Fund balances - beginning	57,724	11,112	(313,175)
Restatements	-	-	-
Fund balances - beginning restated	57,724	11,112	(313,175)
Fund balances - ending	<u>\$ 57,724</u>	<u>\$ 11,112</u>	<u>\$ 42,935</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	FY18 SIDEWALK & CURB CONSTRUCTION	FY19 SIDEWALK & CURB CONSTRUCTION	SID 531 TRAFFIC CALMING FUND
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	129,597	-	-
Total revenues	<u>129,597</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	819	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	431,016	9,156	-
Cultural & Recreation	-	-	-
Total expenditures	<u>431,835</u>	<u>9,156</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(302,238)</u>	<u>(9,156)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>			
<b>(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	(302,238)	(9,156)	-
Fund balances - beginning	(37,472)	-	(1,070)
Restatements	-	-	-
Fund balances - beginning restated	(37,472)	-	(1,070)
Fund balances - ending	<u>\$ (339,710)</u>	<u>\$ (9,156)</u>	<u>\$ (1,070)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	MALONEY RANCH SID FUND	RATTLESNAKE SEWER SID FUND	SID 534 LINCOLNWOOD FUND
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances - beginning	763	10	(13)
Restatements	-	-	-
Fund balances - beginning restated	763	10	(13)
Fund balances - ending	<u>\$ 763</u>	<u>\$ 10</u>	<u>\$ (13)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	SLANT STREET TRAFFIC CALMING FUND	LINCOLNWOOD SEWER PHASE II FUND	SID 536 STREET FUND	SID 539 4th STREET FUND
<b>REVENUES</b>				
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Public Safety	-	-	-	-
Public Works	-	-	-	-
Miscellaneous	-	-	-	-
Debt service:				
Interest	-	-	-	-
Principal retirement	-	-	-	-
Capital outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Cultural & Recreation	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES</b>				
<b>(USES)</b>				
Transfers (out)	-	-	-	-
Transfers in	-	-	-	-
Issuance of long term debt/capital leases	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning	(4,724)	2,219	(140)	
Restatements	-	-	-	
Fund balances - beginning restated	(4,724)	2,219	(140)	
Fund balances - ending	<u>\$ (4,724)</u>	<u>\$ 2,219</u>	<u>\$ (140)</u>	

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	SID 540 ENGLAND BLVD FUND	SID 541 PINEVIEW PARK FUND	MILLER CREEK MITIGATION FUND
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	7,726	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	7,726	-	-
Excess (deficiency) of revenues over expenditures	(7,726)	-	-
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(7,726)	-	-
Fund balances - beginning	99,153	23,575	3,526
Restatements	-	-	-
Fund balances - beginning restated	99,153	23,575	3,526
Fund balances - ending	<u>\$ 91,427</u>	<u>\$ 23,575</u>	<u>\$ 3,526</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	<b>MILLER CREEK TWITE CONSTRUCTION</b>	<b>MILLER CREEK MALOHNEY CONSTRUCTION</b>	<b>MILLER CREEK MCCARTHY CONSTRUCTION</b>
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
Fund balances - beginning	1,393	10,024	18,656
Restatements	-	-	-
Fund balances - beginning restated	1,393	10,024	18,656
Fund balances - ending	<u>\$ 1,393</u>	<u>\$ 10,024</u>	<u>\$ 18,656</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	<b>SID 548 5TH,6TH &amp; ARTHUR</b>	<b>MALONEY/TWITE MILLER CR FUND</b>	<b>SID 549 HILLVIEW WAY</b>
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	26,380
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	53,521
Cultural & Recreation	-	-	-
Total expenditures	-	-	79,901
Excess (deficiency) of revenues over expenditures	-	-	(79,901)
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	(73,765)
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	(73,765)
Net change in fund balances	-	-	(153,666)
Fund balances - beginning	120,648	1,291	278,067
Restatements	-	-	-
Fund balances - beginning restated	120,648	1,291	278,067
Fund balances - ending	<u>\$ 120,648</u>	<u>\$ 1,291</u>	<u>\$ 124,401</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	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 Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	197	195
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	-	197	195
Excess (deficiency) of revenues over expenditures	-	(197)	(195)
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	1,862	1,498
Issuance of long term debt/capital lease	-	-	-
Total other financing sources (uses)	-	1,862	1,498
Net change in fund balances	-	1,665	1,303
Fund balances - beginning	244	(4,928)	(5,191)
Restatements	-	-	-
Fund balances - beginning restated	244	(4,928)	(5,191)
Fund balances - ending	<u>\$ 244</u>	<u>\$ (3,263)</u>	<u>\$ (3,888)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	STORMWATER OUTFALL RETROFITS	WAYFINDING PROJECT	ARRA ENHANCEMENTS
<b>REVENUES</b>			
Intergovernmental	25,000	-	-
Miscellaneous	-	-	-
Total revenues	<u>25,000</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	26,681	-
Miscellaneous	-	-	-
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	<u>-</u>	<u>26,681</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>25,000</u>	<u>(26,681)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>			
<b>(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	25,000	(26,681)	-
Fund balances - beginning	45,433	9,431	(2,498)
Restatements	-	-	-
Fund balances - beginning restated	<u>45,433</u>	<u>9,431</u>	<u>(2,498)</u>
Fund balances - ending	<u>\$ 70,433</u>	<u>\$ (17,250)</u>	<u>\$ (2,498)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	ARRA HB645	WFL MILLER CREEK ROAD	WESTERN FEDERAL LANDS
<b>REVENUES</b>			
Intergovernmental	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	-	-	-
Miscellaneous	-	-	7
Debt service:			
Interest	-	-	-
Principal retirement	-	-	-
Capital outlay:			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural & Recreation	-	-	-
Total expenditures	-	-	7
Excess (deficiency) of revenues over expenditures	-	-	(7)
<b>OTHER FINANCING SOURCES</b>			
<b>(USES)</b>			
Transfers (out)	-	-	-
Transfers in	-	-	-
Issuance of long term debt/capital leases	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	(7)
Fund balances - beginning	(23,676)	(33)	(5,703)
Restatements	-	-	-
Fund balances - beginning restated	(23,676)	(33)	(5,703)
Fund balances - ending	<u>\$ (23,676)</u>	<u>\$ (33)</u>	<u>\$ (5,710)</u>

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

Continued

**City of Missoula**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**June 30, 2018**

	<b>TOTAL NONMAJOR CAPITAL PROJECTS FUNDS</b>
<b>REVENUES</b>	
Intergovernmental	<b>30,115</b>
Miscellaneous	<b>134,597</b>
Total revenues	<b><u>164,712</u></b>

**EXPENDITURES**

Current:	
Public Safety	36,456
Public Works	97,596
Miscellaneous	15,558
Debt service:	
Interest	238,517
Principal retirement	1,148,103
Capital outlay:	
General Government	327,596
Public Safety	2,611,332
Public Works	800,857
Cultural & Recreation	721,799
Total expenditures	<b><u>5,997,814</u></b>
Excess (deficiency) of revenues over expenditures	<b><u>(5,833,102)</u></b>

**OTHER FINANCING SOURCES**

<b>(USES)</b>	
Transfers (out)	(73,765)
Transfers in	2,439,468
Issuance of long term debt/capital leases	<b><u>6,302,010</u></b>
Total other financing sources (uses)	<b><u>8,667,713</u></b>
Net change in fund balances	2,834,611
Fund balances - beginning	(6,974,446)
Restatements	135,119
Fund balances - beginning restated	<b><u>(6,839,327)</u></b>
Fund balances - ending	<b><u>\$ (4,004,716)</u></b>

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

**COMBINING STATEMENT OF NET  
POSITION**

**FOR NONMAJOR  
PROPRIETARY  
FUNDS**

## **NONMAJOR PROPRIETARY FUNDS**

### ***FUND DESCRIPTIONS***

Non-major Proprietary Funds are used for operations (a) that are financed and operated in a manner similar to private business enterprise—when the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Civic Stadium – 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.

Aquatics - 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.

Storm Water Fund - The Storm Water Division manages and monitors storm water system infrastructure, monitors discharge of rain and snow runoff into local waterways, monitors and maintains storm drains and outfalls, provides education in an effort to prevent pollutant discharge into the storm water system, monitors and maintains the levees, and ensures the City's storm water system complies with state and federal water quality standards.

**City of Missoula**  
**Combining Statement of Net Position**  
**Non-Major Proprietary Funds**  
**June 30, 2018**

	<u>Civic Stadium</u>	<u>Storm Water Utility</u>	<u>Aquatics</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>ASSETS</b>				
Current assets:				
Cash and Investments	\$ 8,707	\$ -	\$ -	\$ 8,707
Due from other governments	-	15,000	-	15,000
Accounts Receivable	90,000	19,440	135	109,575
Advances receivable	25,295	-	-	25,295
Inventory of supplies	-	-	45,820	45,820
Prepaid items	-	1,660	4,357	6,017
Total current assets	<u>124,002</u>	<u>36,100</u>	<u>50,312</u>	<u>210,414</u>
Noncurrent assets:				
Cash and Investments	-	-	5,505	5,505
Art	-	-	65,229	65,229
Construction work in progress	-	187,132	-	187,132
Buildings	-	-	12,521,965	12,521,965
Improvements other than buildings	3,555,000	194,725	1,389,854	5,139,579
Machinery and equipment	-	29,324	265,031	294,355
Allowance for depreciation	(829,500)	(6,705)	(4,986,469)	(5,822,674)
Total noncurrent assets	<u>2,725,500</u>	<u>404,476</u>	<u>9,261,115</u>	<u>12,391,091</u>
Deferred Outflow of Resources				
Deferred Outflow of Resources	-	43,417	90,279	133,696
Total Assets & Deferred Outflows of Resources	<u>2,849,502</u>	<u>483,993</u>	<u>9,401,706</u>	<u>12,735,201</u>
<b>LIABILITIES</b>				
Current liabilities:				
Long-term liabilities - due within one year	43,825	10,983	-	54,808
Accrued expenses	-	2,926	28,504	31,430
Interfund payable	41,499	131,582	27,117	200,198
Accounts payable	-	18,299	80,798	99,097
Compensated absences payable	-	3,180	39,261	42,441
Total current liabilities	<u>85,324</u>	<u>166,970</u>	<u>175,680</u>	<u>427,974</u>
Noncurrent liabilities:				
Long-term liabilities - due in more than one year	1,268,412	13,566	-	1,281,978
Net post employment benefit obligation	-	36,204	54,307	90,511
Net pension liability	-	175,023	303,027	478,050
Long-term portion of compensated absences	-	870	6,235	7,105
Total noncurrent liabilities	<u>1,268,412</u>	<u>225,663</u>	<u>363,569</u>	<u>1,857,644</u>
Total liabilities	<u>1,353,736</u>	<u>392,633</u>	<u>539,249</u>	<u>2,285,618</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows of Resources	-	1,808	3,625	5,433
Total deferred inflows of resources	-	1,808	3,625	5,433
Total liabilities and deferred inflows of resources	<u>1,353,736</u>	<u>394,441</u>	<u>542,874</u>	<u>2,291,051</u>
<b>NET POSITION</b>				
Net investment in capital assets	1,413,263	379,927	9,255,610	11,048,800
Unrestricted	82,503	(290,375)	(396,778)	(604,650)
Total net position	<u>\$ 1,495,766</u>	<u>\$ 89,552</u>	<u>\$ 8,858,832</u>	<u>\$ 10,444,150</u>

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

**City of Missoula**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**June 30, 2018**

	Civic Stadium	Storm Water Utility	Aquatics	Total Nonmajor Enterprise Funds
<b>Operating Revenues</b>				
Intergovernmental	\$ -	\$ 118,319	\$ 23,621	\$ 141,940
Charges for services	-	270,146	1,039,376	1,309,522
Miscellaneous	154,158	2,186	11,463	167,807
Total operating revenues	<u>154,158</u>	<u>390,651</u>	<u>1,074,460</u>	<u>1,619,269</u>
<b>Operating Expenses</b>				
Maintenance and operations	-	138,507	469,485	607,992
Personal services	-	192,872	878,922	1,071,794
Fixed charges	4,182	17,244	21,412	42,838
Depreciation	118,500	5,763	490,607	614,870
Total operating expenses	<u>122,682</u>	<u>354,386</u>	<u>1,860,426</u>	<u>2,337,494</u>
Operating income (loss)	<u>31,476</u>	<u>36,265</u>	<u>(785,966)</u>	<u>(718,225)</u>
<b>Non-operating revenues (expenses)</b>				
Interest revenue	78	-	-	78
Debt service interest expense	<u>(75,006)</u>	<u>(270)</u>	<u>-</u>	<u>(75,276)</u>
Total nonoperating revenues (expenses)	<u>(74,928)</u>	<u>(270)</u>	<u>-</u>	<u>(75,198)</u>
Income (loss) before contributions and transfers	<u>(43,452)</u>	<u>35,995</u>	<u>(785,966)</u>	<u>(793,423)</u>
<b>Contributions &amp; Transfers</b>				
Contributions	-	100,362	-	100,362
Transfers in	-	-	203,000	203,000
Net Contributions and Transfers	<u>-</u>	<u>100,362</u>	<u>203,000</u>	<u>303,362</u>
Change in net position	<u>(43,452)</u>	<u>136,357</u>	<u>(582,966)</u>	<u>(490,061)</u>
Total net position - beginning	1,539,218	14,309	9,461,701	11,015,228
Restatements	<u>(61,114)</u>	<u>(19,903)</u>	<u>(81,017)</u>	
Fund balances - beginning restated	<u>1,539,218</u>	<u>(46,805)</u>	<u>9,441,798</u>	<u>10,934,211</u>
Total net position - ending	<u>\$ 1,495,766</u>	<u>\$ 89,552</u>	<u>\$ 8,858,832</u>	<u>\$ 10,444,150</u>

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

**City of Missoula**  
**Combining Statement of Cash Flows**  
**Nonmajor Proprietary Funds**  
**For the Year Ended June 30, 2018**

	Civic Stadium	Storm Water Utility	Aquatics	Total Non Major Enterprise funds
<b>Cash Flows from Operating Activities:</b>				
Payments to employees	\$ -	\$ (96,443)	\$ (867,231)	\$ (963,674)
Cash receipts from customers	95,131	261,918	1,039,342	1,396,391
Payments to suppliers	29,041	(146,122)	(481,459)	(598,540)
Other receipts	-	105,507	35,084	140,591
Receipts from internal services	-	-	-	-
Benefit payments	-	-	-	-
Net cash provided (used) by operating activities	<u>124,172</u>	<u>124,860</u>	<u>(274,264)</u>	<u>(25,232)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Transfers to other funds	-	-	-	-
Transfers from other funds	-	-	203,000	203,000
Purchase of Accounts Receivable and Acquisition Related Payables	-	-	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>203,000</u>	<u>203,000</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Principal paid on debt	(41,510)	-	-	(41,510)
Interest paid on debt	(75,006)	(270)	-	(75,276)
Acquisition and construction of capital assets	(124,590)	(19,903)	(144,493)	(144,493)
Net cash used by capital and related financing activities	<u>(116,516)</u>	<u>(124,860)</u>	<u>(19,903)</u>	<u>(261,279)</u>
<b>Cash Flows from Investing Activities:</b>				
Interest on investments	78	-	-	78
Net cash provided by investing activities	<u>78</u>	<u>-</u>	<u>-</u>	<u>78</u>
Net increase (decrease) in cash and cash equivalents	7,734	-	(91,167)	(83,433)
Balances - beginning of year	973	-	96,672	97,645
Balances - end of the year	<u>\$ 8,707</u>	<u>\$ -</u>	<u>\$ 5,505</u>	<u>\$ 14,212</u>
Cash and cash equivalents consists of:				
Cash and cash equivalents	8,707	-	-	8,707
Restricted Cash and cash equivalents	-	-	5,505	5,505
Totals	<u>\$ 8,707</u>	<u>\$ -</u>	<u>\$ 5,505</u>	<u>\$ 14,212</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating Income (Loss)	31,476	36,267	(785,966)	(718,223)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	118,500	5,763	490,607	614,870
Changes in assets and liabilities:				
Accounts Payable - Other	33,223	9,629	28,904	71,756
Inventory	-	-	(19,466)	(19,466)
Other operating receivables	(59,027)	(8,228)	(34)	(67,289)
Compensated absences payable	-	(1,195)	34,528	33,333
Net post employment benefit obligation	-	33,498	17,084	50,582
Prepaid items	-	(80)	(407)	(487)
Contributions paid in advance	-	805	(39,514)	(38,709)
Accrued Expenses	-	(15,000)	-	(15,000)
Due From Other Government	-	63,401	-	63,401
Net Pension	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 124,172</u>	<u>\$ 124,860</u>	<u>\$ (274,264)</u>	<u>\$ (25,232)</u>
<b>Noncash investing, capital and financing activities</b>				
Developer contributions	<u>\$ -</u>	<u>\$ 100,362</u>	<u>\$ -</u>	<u>\$ 100,362</u>

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

## AGENCY FUNDS

**City of Missoula, Montana**  
**Changes in Assets and Liabilities - All Agency Funds**  
**For the Period Ending June 30, 2018**

	Balance 7/1/2017	Additions	Deletions	Balance 6/30/2018
<b>COURT COLLECTED PARKING FINES</b>				
ASSETS				
Cash	\$ 9,087	\$ 425	\$ 55	\$ 9,456
Due From Other Governments	- 55		-	55
<b>TOTAL ASSETS</b>	<b>\$ 9,087</b>	<b>\$ 480</b>	<b>\$ 55</b>	<b>\$ 9,511</b>
LIABILITIES				
Due to Private Parties	9,087	480	55	9,511
<b>TOTAL LIABILITIES</b>	<b>\$ 9,087</b>	<b>\$ 480</b>	<b>\$ 55</b>	<b>\$ 9,511</b>
<b>COURT SURCHARGE</b>				
ASSETS				
Cash	\$ 36,551	\$ 60,773	\$ 65,944	\$ 31,379
Due From Other Governments	5,307	7,087	5,307	7,087
<b>TOTAL ASSETS</b>	<b>\$ 41,858</b>	<b>\$ 67,860</b>	<b>\$ 71,251</b>	<b>\$ 38,466</b>
LIABILITIES				
Accounts Payable	\$ 33,867	\$ 50,159	\$ 53,550	\$ 37,258
Due to Other Governments	7,991	-	-	7,990
<b>TOTAL LIABILITIES</b>	<b>\$ 41,858</b>	<b>\$ 50,159</b>	<b>\$ 53,550</b>	<b>\$ 38,466</b>
<b>PUBLIC DEFENDER FEES</b>				
ASSETS				
Cash	\$ 1,124	\$ 1,520	\$ 2,469	\$ 175
Due From Other Governments	40	225	40	225
<b>TOTAL ASSETS</b>	<b>\$ 1,164</b>	<b>\$ 1,745</b>	<b>\$ 2,509</b>	<b>\$ 400</b>
LIABILITIES				
Accounts Payable	1,164	1,440	2,204	-
<b>TOTAL LIABILITIES</b>	<b>\$ 1,164</b>	<b>\$ 1,440</b>	<b>\$ 2,204</b>	<b>\$ 400</b>
<b>COUNTY CLEARING</b>				
ASSETS				
Cash	\$ 550	\$ 8,430	\$ 6,899	\$ 2,081
<b>TOTAL ASSETS</b>	<b>\$ 550</b>	<b>\$ 8,430</b>	<b>\$ 6,899</b>	<b>\$ 2,081</b>
LIABILITIES				
Accounts Payable	(1,026)	17,029	15,497	506
Due to Other Governments	1,576	-	-	1,576
<b>TOTAL LIABILITIES</b>	<b>\$ 550</b>	<b>\$ 17,029</b>	<b>\$ 15,497</b>	<b>\$ 2,081</b>
<b>SEWER REBATE</b>				
ASSETS				
Cash	\$ 35,193	\$ 18,411	-	\$ 53,604
<b>TOTAL ASSETS</b>	<b>\$ 35,193</b>	<b>\$ 18,411</b>	<b>\$ 53,604</b>	<b>\$ 53,604</b>
LIABILITIES				
Due to Private Parties	35,193	18,411	-	53,604
<b>TOTAL LIABILITIES</b>	<b>\$ 35,193</b>	<b>\$ 18,411</b>	<b>\$ 53,604</b>	<b>\$ 53,604</b>

Continued

**City of Missoula, Montana**  
**Changes in Assets and Liabilities - All Agency Funds**  
**For the Period Ending June 30, 2018**

	Balance 7/1/2017	Additions	Deletions	Balance 6/30/2018
<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>
<b>LIABILITIES</b>				
Due to Other Governments	5,500	-	-	5,500
<b>TOTAL LIABILITIES</b>	<b>\$ 5,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,500</b>
<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>
<b>LIABILITIES</b>				
Due to Private Parties	3,868	-	-	3,868
<b>TOTAL LIABILITIES</b>	<b>\$ 3,868</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,868</b>
<b>MUNICIPAL COURT RESTITUTION</b>				
ASSETS				
Cash	\$ 294,178	\$ 35,417	\$ -	\$ 329,596
<b>TOTAL ASSETS</b>	<b>\$ 294,178</b>	<b>\$ 35,417</b>	<b>\$ -</b>	<b>\$ 329,595</b>
<b>LIABILITIES</b>				
Due to Private Parties	\$ 294,178	\$ 35,417	\$ -	\$ 329,596
<b>TOTAL LIABILITIES</b>	<b>\$ 294,178</b>	<b>\$ 35,417</b>	<b>\$ -</b>	<b>\$ 329,595</b>
<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>
<b>LIABILITIES</b>				
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>
<b>LIABILITIES</b>				
Due to Private Parties	473	-	-	473
<b>TOTAL LIABILITIES</b>	<b>\$ 473</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 473</b>
<b>RESIDENTIAL INSPECTION FUND</b>				
ASSETS				
Cash	\$ (132)	\$ 403	\$ 271	\$ -
<b>TOTAL ASSETS</b>	<b>\$ (132)</b>	<b>\$ 403</b>	<b>\$ 271</b>	<b>\$ -</b>
<b>LIABILITIES</b>				
Due to Private Parties	(132)	403	271	-
<b>TOTAL LIABILITIES</b>	<b>\$ (132)</b>	<b>\$ 403</b>	<b>\$ 271</b>	<b>\$ -</b>

Continued

**City of Missoula, Montana**  
**Changes in Assets and Liabilities - All Agency Funds**  
**For the Period Ending June 30, 2018**

	Balance 7/1/2017	Additions	Deletions	Balance 6/30/2018
<b>TOTALS - ALL AGENCY FUNDS</b>				
ASSETS				
Cash	\$ 413,806	\$ 125,379	\$ 75,638	\$ 463,546
Due From Other Governments	5,347	7,367	5,347	7,367
<b>TOTAL ASSETS</b>	<b>\$ 419,153</b>	<b>\$ 132,746</b>	<b>\$ 80,985</b>	<b>\$ 470,913</b>
LIABILITIES				
Accounts Payable	\$ 34,005	\$ 68,628	\$ 71,251	\$ 31,382
Due to Other Governments	15,067	-	-	15,066
Due to Private Parties	370,080	54,711	326	424,465
<b>TOTAL LIABILITIES</b>	<b>\$ 419,152</b>	<b>\$ 123,339</b>	<b>\$ 71,577</b>	<b>\$ 470,913</b>

## **NONMAJOR GOVERNMENTAL FUNDS**

**BUDGET TO ACTUAL**

## **NONMAJOR GOVERNMENTAL FUNDS**

**BUDGET TO ACTUAL**

**SPECIAL REVENUE FUNDS**

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Planning			Public Safety Information Systems		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	354,487	354,487	-	18,000	18,000	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>354,487</b>	<b>354,487</b>	<b>-</b>	<b>18,000</b>	<b>18,000</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	469,818	451,401	18,417	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	76,144	67,778	8,366	-	-	-
Housing & Community						
Development	-	-	-	-	-	-
Miscellaneous	-	90	(90)	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>545,962</b>	<b>519,269</b>	<b>26,693</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	(191,475)	(164,782)	26,693	18,000	18,000	-
Other Financing Sources (Uses)						
Transfers In	121,989	121,989	-	6,000	6,000	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	121,989	121,989	-	6,000	6,000	-
Excess (Deficiency) of Revenue Over Expenditures	(69,486)	(42,793)	26,693	24,000	24,000	-
Fund Balance, July 1, 2017	(17,792)	(17,792)	-	39,285	39,285	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(17,792)	(17,792)	-	39,285	39,285	-
Fund Balance, June 30, 2018	\$ (87,278)	\$ (60,585)	\$ 26,693	\$ 63,285	\$ 63,285	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Impact Fee			George Elmer Cattle Drive		
	Budget	Actual	Variance with Final Budget	George Elmer Cattle Drive		Variance with Final Budget
				Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	1,800,000	1,640,411	(159,589)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	15,000	-	(15,000)
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>1,800,000</b>	<b>1,640,411</b>	<b>(159,589)</b>	<b>15,000</b>	<b>-</b>	<b>(15,000)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	42,357	(42,357)	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	-	-	-
Miscellaneous	-	-	-	15,000	-	15,000
Debt Service	-	-	-	-	-	-
Capital Outlay	3,205,295	483,114	2,722,181	-	-	-
<b>Total Expenditures</b>	<b>3,205,295</b>	<b>525,471</b>	<b>2,679,824</b>	<b>15,000</b>	<b>-</b>	<b>15,000</b>
Excess (Deficiency) of Revenue Over Expenditures	(1,405,295)	1,114,940	2,520,235	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(1,010,183)	1,010,183	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(1,010,183)	1,010,183	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	(1,405,295)	104,757	3,530,418	-	-	-
Fund Balance, July 1, 2017	3,383,926	3,383,926	-	1	1	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	3,383,926	3,383,926	-	1	1	-
Fund Balance, June 30, 2018	\$ 1,978,631	\$ 3,488,683	\$ 3,530,418	\$ 1	\$ 1	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Public Art			Employee Health Insurance		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ 5,101,004	\$ 5,027,537	\$ (73,467)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	7,500	7,500	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	8,443	-	(8,443)	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>15,943</b>	<b>7,500</b>	<b>(8,443)</b>	<b>5,101,004</b>	<b>5,027,537</b>	<b>(73,467)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	15,943	4,530	11,413	-	-	-
Housing & Community						
Development	-	-	-	-	-	-
Miscellaneous	-	-	-	478	478	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>15,943</b>	<b>4,530</b>	<b>11,413</b>	<b>478</b>	<b>478</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	2,970	2,970	5,100,526	5,027,059	(73,467)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	(5,101,004)	(5,101,004)	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(5,101,004)	(5,101,004)	-
Excess (Deficiency) of Revenue Over Expenditures	-	2,970	2,970	(478)	(73,945)	(73,467)
Fund Balance, July 1, 2017	15,943	15,943	-	(292,054)	(292,054)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	15,943	15,943	-	(292,054)	(292,054)	-
Fund Balance, June 30, 2018	\$ 15,943	\$ 18,913	\$ 2,970	\$ (292,532)	\$ (365,999)	\$ (73,467)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Cable TV Franchise			Drug Forfeiture		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	726,856	700,073	(26,783)	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	15,000	11,958	(3,042)
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>726,856</b>	<b>700,073</b>	<b>(26,783)</b>	<b>15,000</b>	<b>11,958</b>	<b>(3,042)</b>
<b>EXPENDITURES</b>						
Current						
General Government	462,288	378,476	83,812	-	-	-
Public Safety	-	-	-	12,800	11,223	1,577
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	-	-	-
Miscellaneous	-	196	(196)	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	37,567	40,654	(3,087)	5,000	-	5,000
<b>Total Expenditures</b>	<b>499,855</b>	<b>419,326</b>	<b>80,529</b>	<b>17,800</b>	<b>11,223</b>	<b>6,577</b>
Excess (Deficiency) of Revenue Over Expenditures	227,001	280,747	53,746	(2,800)	735	3,535
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	(221,433)	(301,433)	80,000	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(221,433)	(301,433)	80,000	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	5,568	(20,686)	133,746	(2,800)	735	3,535
Fund Balance, July 1, 2017	(54,901)	(54,901)	-	4,237	4,237	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(54,901)	(54,901)	-	4,237	4,237	-
Fund Balance, June 30, 2018	\$ (49,333)	\$ (75,587)	\$ (26,254)	\$ 1,437	\$ 4,972	\$ 3,535

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Building Division			Program Income		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual	Budget	Actual	Budget	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	2,186,679	2,188,557	1,878	-	-	-
Intergovernmental	19,080	19,080	-	-	-	-
Charges for services	2,000	121	(1,879)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	224	224
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>2,207,759</b>	<b>2,207,758</b>	<b>(1)</b>	<b>-</b>	<b>224</b>	<b>224</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	1,753,762	1,713,162	40,600	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	-	-	-
Miscellaneous	15,400	39,889	(24,489)	-	-	-
Debt Service	-	7,483	(7,483)	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,769,162</b>	<b>1,760,534</b>	<b>8,628</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	438,597	447,224	8,627	-	224	224
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(8,627)	8,627	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(8,627)	8,627	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	438,597	438,597	17,254	-	224	224
Fund Balance, July 1, 2017	1,998,851	1,998,851	-	4,071	4,071	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	1,998,851	1,998,851	-	4,071	4,071	-
Fund Balance, June 30, 2018	\$ 2,437,448	\$ 2,437,448	\$ -	\$ 4,071	\$ 4,295	\$ 224

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Dangerous Bldg Demolition & Repair			Street Lighting		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual	Budget	Actual	Budget	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	15,000	-	(15,000)	365,014	365,931	917
<b>Total Revenues</b>	<b>15,000</b>	<b>-</b>	<b>(15,000)</b>	<b>365,014</b>	<b>365,931</b>	<b>917</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	15,000	-	15,000	-	-	-
Public Works	-	-	-	365,014	352,243	12,771
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>365,014</b>	<b>352,243</b>	<b>12,771</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	13,688	13,688
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	13,688	13,688
Fund Balance, July 1, 2017	-	-	-	125,234	125,234	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	-	-	-	125,234	125,234	-
Fund Balance, June 30, 2018	\$ -	\$ -	\$ -	\$ 125,234	\$ 138,922	\$ 13,688

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Street Maintenance			Willowwood		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	102,854	101,628	(1,226)	-	-	-
<b>Total Revenues</b>	<b>102,854</b>	<b>101,628</b>	<b>(1,226)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	-	-	-
Miscellaneous	61,854	58,389	3,465	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>61,854</b>	<b>58,389</b>	<b>3,465</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	41,000	43,239	2,239	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	(41,000)	(43,500)	2,500	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(41,000)	(43,500)	2,500	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	(261)	4,739	-	-	-
Fund Balance, July 1, 2017	(1,218)	(1,218)	-	43	43	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(1,218)	(1,218)	-	43	43	-
Fund Balance, June 30, 2018	\$ (1,218)	\$ (1,479)	\$ 4,739	\$ 43	\$ 43	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Road District #1			Park District #1		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual	Budget	Budget	Actual	Budget
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	5,825	5,825	4,827	9,165	4,338
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	113,450	113,450
Special Assessments	2,115,064	2,099,622	(15,442)	1,705,553	1,579,954	(125,599)
<b>Total Revenues</b>	<b>2,115,064</b>	<b>2,105,447</b>	<b>(9,617)</b>	<b>1,710,380</b>	<b>1,702,569</b>	<b>(7,811)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	825,148	711,188	113,960	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	2,500	2,312	188	831,938	796,465	35,473
Housing & Community						
Development	-	-	-	-	-	-
Miscellaneous	91,949	1,050	90,899	-	315	(315)
Debt Service	651,410	597,704	53,706	205,734	242,604	(36,870)
Capital Outlay	455,802	560,560	(104,758)	70,000	47,864	22,136
<b>Total Expenditures</b>	<b>2,026,809</b>	<b>1,872,814</b>	<b>153,995</b>	<b>1,107,672</b>	<b>1,087,248</b>	<b>20,424</b>
Excess (Deficiency) of Revenue Over Expenditures	88,255	232,633	144,378	602,708	615,321	12,613
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	7,810	-
Transfers Out	(104,057)	(104,057)	-	(483,890)	(483,890)	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(104,057)	(104,057)	-	(483,890)	(476,080)	-
Excess (Deficiency) of Revenue Over Expenditures	(15,802)	128,576	144,378	118,818	139,241	12,613
Fund Balance, July 1, 2017	(662,550)	(662,550)	-	(103,285)	(103,285)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(662,550)	(662,550)	-	(103,285)	(103,285)	-
Fund Balance, June 30, 2018	\$ (678,352)	\$ (533,974)	\$ 144,378	\$ 15,533	\$ 35,956	\$ 12,613

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	State Gas Tax			Law Enforcement Grant		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	2,044,567	1,492,385	(552,182)	60,373	-	(60,373)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>2,044,567</b>	<b>1,492,385</b>	<b>(552,182)</b>	<b>60,373</b>	<b>-</b>	<b>(60,373)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	60,373	350	60,023
Public Works	-	49,569	(49,569)	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	840,868	791,299	49,569	-	9,818	(9,818)
<b>Total Expenditures</b>	<b>840,868</b>	<b>840,868</b>	<b>-</b>	<b>60,373</b>	<b>10,168</b>	<b>50,205</b>
Excess (Deficiency) of Revenue Over Expenditures	1,203,699	651,517	(552,182)	-	(10,168)	(10,168)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	(564,000)	(564,000)	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(564,000)	(564,000)	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	639,699	87,517	(552,182)	-	(10,168)	(10,168)
Fund Balance, July 1, 2017	323,001	323,001	-	(169)	(169)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	323,001	323,001	-	(169)	(169)	-
Fund Balance, June 30, 2018	\$ 962,700	\$ 410,518	\$ (552,182)	\$ (169)	\$ (10,337)	\$ (10,168)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	HIDTA Grant			Community Dev. Program Income		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	29,463	29,370	(93)
Charges for services	140,600	51,687	(88,913)	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>140,600</b>	<b>51,687</b>	<b>(88,913)</b>	<b>29,463</b>	<b>29,370</b>	<b>(93)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	140,600	45,587	95,013	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	29,463	22,577	6,886
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>140,600</b>	<b>45,587</b>	<b>95,013</b>	<b>29,463</b>	<b>22,577</b>	<b>6,886</b>
Excess (Deficiency) of Revenue Over Expenditures	-	6,100	6,100	-	6,793	6,793
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(13,682)	13,682	-	(6,793)	6,793
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(13,682)	13,682	-	(6,793)	6,793
Excess (Deficiency) of Revenue Over Expenditures	-	(7,582)	19,782	-	-	13,586
Fund Balance, July 1, 2017	282,398	282,398	-	13,015	13,015	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	282,398	282,398	-	13,015	13,015	-
Fund Balance, June 30, 2018	\$ 282,398	\$ 274,816	\$ 19,782	\$ 13,015	\$ 13,015	\$ 13,586

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Community Development			Home Grant		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	575,247	328,305	(246,942)	406,753	340,498	(66,255)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>575,247</b>	<b>328,305</b>	<b>(246,942)</b>	<b>406,753</b>	<b>340,498</b>	<b>(66,255)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	471,117	328,305	142,812	374,753	340,498	34,255
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>471,117</b>	<b>328,305</b>	<b>142,812</b>	<b>374,753</b>	<b>340,498</b>	<b>34,255</b>
Excess (Deficiency) of Revenue Over Expenditures	104,130	-	(104,130)	32,000	-	(32,000)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	(104,130)	-	(104,130)	(32,000)	-	(32,000)
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(104,130)	-	(104,130)	(32,000)	-	(32,000)
Excess (Deficiency) of Revenue Over Expenditures	-	-	(208,260)	-	-	(64,000)
Fund Balance, July 1, 2017	(8,213)	(8,213)	-	8,135	8,135	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(8,213)	(8,213)	-	8,135	8,135	-
Fund Balance, June 30, 2018	\$ (8,213)	\$ (8,213)	\$ (208,260)	\$ 8,135	\$ 8,135	\$ (64,000)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	City Home Program Income			Neighborhood Stabilization		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	437,617	437,618	1	599	-	(599)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	25,000	2,090	(22,910)	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>462,617</b>	<b>439,708</b>	<b>(22,909)</b>	<b>599</b>	<b>-</b>	<b>(599)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community						
Development	45,112	17,323	27,789	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>45,112</b>	<b>17,323</b>	<b>27,789</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	417,505	422,385	4,880	599	-	(599)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	417,505	422,385	4,880	599	-	(599)
Fund Balance, July 1, 2017	40,936	40,936	-	(599)	(599)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	40,936	40,936	-	(599)	(599)	-
Fund Balance, June 30, 2018	\$ 458,441	\$ 463,321	\$ 4,880	\$ -	\$ (599)	\$ (599)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Transportation			Federal Transportation		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	1,313,383	802,828	(510,555)	290,343	211,905	(78,438)
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	40,000	13,141	(26,859)	-	-	-
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>1,353,383</b>	<b>815,969</b>	<b>(537,414)</b>	<b>290,343</b>	<b>211,905</b>	<b>(78,438)</b>
<b>EXPENDITURES</b>						
Current						
General Government	1,218,707	760,438	458,269	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	87,284	82,968	4,316	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	-	-	-	-	-	-
Miscellaneous	-	43	(43)	-	77	(77)
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	227,360	227,281	79
<b>Total Expenditures</b>	<b>1,305,991</b>	<b>843,449</b>	<b>462,542</b>	<b>227,360</b>	<b>227,358</b>	<b>2</b>
Excess (Deficiency) of Revenue Over Expenditures	47,392	(27,480)	(74,872)	62,983	(15,453)	(78,436)
Other Financing Sources (Uses)						
Transfers In	92,825	91,986	-	-	64,550	-
Transfers Out	(20,000)	-	(20,000)	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	72,825	91,986	(20,000)	-	64,550	-
Excess (Deficiency) of Revenue Over Expenditures	120,217	64,506	(94,872)	62,983	49,097	(78,436)
Fund Balance, July 1, 2017	132,183	132,183	-	(34,825)	(34,825)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	132,183	132,183	-	(34,825)	(34,825)	-
Fund Balance, June 30, 2018	\$ 252,400	\$ 196,689	\$ (94,872)	\$ 28,158	\$ 14,272	\$ (78,436)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Grants & Donations			Police Grants & Donations		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual	Budget	Budget	Actual	Budget
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	887,678	87,950	(799,728)	542,351	400,481	(141,870)
Charges for services	-	-	-	5,000	-	(5,000)
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	176,492	70,119	(106,373)	20,000	2,900	(17,100)
Special Assessments	-	-	-	-	-	-
<b>Total Revenues</b>	<b>1,064,170</b>	<b>158,069</b>	<b>(906,101)</b>	<b>567,351</b>	<b>403,381</b>	<b>(163,970)</b>
<b>EXPENDITURES</b>						
Current						
General Government	59,760	11,935	47,825	-	-	-
Public Safety	91,910	-	91,910	496,748	416,649	80,099
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community	-	-	-	-	-	-
Development	(29,639)	-	(29,639)	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	24,822	87,078	(62,256)	-	-	-
<b>Total Expenditures</b>	<b>146,853</b>	<b>99,013</b>	<b>47,840</b>	<b>496,748</b>	<b>416,649</b>	<b>80,099</b>
Excess (Deficiency) of Revenue Over Expenditures	917,317	59,056	(858,261)	70,603	(13,268)	(83,871)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	(600,438)	(648,276)	47,838	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(600,438)</b>	<b>(648,276)</b>	<b>47,838</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	316,879	(589,220)	(810,423)	70,603	(13,268)	(83,871)
Fund Balance, July 1, 2017	893,984	893,984	-	(19,864)	(19,864)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	893,984	893,984	-	(19,864)	(19,864)	-
Fund Balance, June 30, 2018	\$ 1,210,863	\$ 304,764	\$ (810,423)	\$ 50,739	\$ (33,132)	\$ (83,871)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2018**

	Brownfields			Total Special Revenue Funds		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual	Budget	Actual		Budget
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ 5,101,004	\$ 5,027,537	\$ (73,467)
Licenses and permits	-	-	-	2,913,535	2,888,630	(24,905)
Intergovernmental	167,592	167,592	-	7,159,860	4,712,989	(2,446,871)
Charges for services	-	-	-	1,947,600	1,692,219	(255,381)
Fines and forfeitures	-	-	-	15,000	11,958	(3,042)
Miscellaneous	-	-	-	284,935	201,924	(83,011)
Special Assessments	-	-	-	4,303,485	4,147,135	(156,350)
<b>Total Revenues</b>	<b>167,592</b>	<b>167,592</b>	<b>-</b>	<b>21,725,419</b>	<b>18,682,392</b>	<b>(3,043,027)</b>
<b>EXPENDITURES</b>						
<b>Current</b>						
General Government	-	-	-	2,210,573	1,644,607	(565,966)
Public Safety	-	-	-	2,571,193	2,186,971	(384,222)
Public Works	-	-	-	1,277,446	1,195,968	(81,478)
Public Health	-	-	-	-	-	-
Cultural & Recreation	-	-	-	926,525	871,085	(55,440)
Housing & Community	-	-	-	-	-	-
Development	837,224	82,729	754,495	1,728,030	791,432	(936,598)
Miscellaneous	-	-	-	184,681	100,527	(84,154)
Debt Service	-	-	-	857,144	847,791	(9,353)
Capital Outlay	-	-	-	4,866,714	2,247,668	(2,619,046)
<b>Total Expenditures</b>	<b>837,224</b>	<b>82,729</b>	<b>754,495</b>	<b>14,622,306</b>	<b>9,886,049</b>	<b>(4,736,257)</b>
Excess (Deficiency) of Revenue Over Expenditures	(669,632)	84,863	754,495	7,103,113	8,796,343	1,693,230
<b>Other Financing Sources (Uses)</b>						
Transfers In	648,277	648,276	-	869,091	940,611	71,520
Transfers Out	(50,454)	-	(50,454)	(7,322,406)	(8,285,445)	(963,039)
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>597,823</b>	<b>648,276</b>	<b>(50,454)</b>	<b>(6,453,315)</b>	<b>(7,344,834)</b>	<b>(891,519)</b>
Excess (Deficiency) of Revenue Over Expenditures	(71,809)	733,139	704,041	649,798	1,451,509	801,711
Fund Balance, July 1, 2017	-	-	-	6,069,773	6,069,773	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	-	-	-	6,069,773	6,069,773	-
Fund Balance, June 30, 2018	\$ (71,809)	\$ 733,139	\$ 704,041	\$ 6,719,571	\$ 7,521,282	\$ 801,711

## **NONMAJOR GOVERNMENTAL FUNDS**

**BUDGET TO ACTUAL**

**DEBT SERVICE**

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID REVOLVING FUND			2004 AQUATICS BOND FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	15,532	15,531	(1)	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>15,532</b>	<b>15,531</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	15,532	15,531	(1)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	(100,000)	(82,318)	(17,682)	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(100,000)</b>	<b>(82,318)</b>	<b>(17,682)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(84,468)	(66,787)	(17,683)	-	-	-
Fund Balance, July 1, 2017	624,223	624,223	-	114	114	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	624,223	624,223	-	114	114	-
Fund Balance, June 30, 2018	\$ 539,755	\$ 557,436	\$ (17,683)	\$ 114	\$ 114	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	Series 2013A AQUATICS REFUNDING BOND			Series 2013A GO REFUNDING BOND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ 591,848	\$ 584,038	\$ (7,810)	\$ 546,780	\$ 539,202	\$ (7,578)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	6,730	-	(6,730)	186,834	-	(186,834)
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>598,578</b>	<b>584,038</b>	<b>(14,540)</b>	<b>733,614</b>	<b>539,202</b>	<b>(194,412)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	21	(21)
Debt Service	595,648	595,648	-	547,151	547,130	21
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>595,648</b>	<b>595,648</b>	<b>-</b>	<b>547,151</b>	<b>547,151</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	2,930	(11,610)	(14,540)	186,463	(7,949)	(194,412)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	2,930	(11,610)	(14,540)	186,463	(7,949)	(194,412)
Fund Balance, July 1, 2017	(17,695)	(17,695)	-	(199,323)	(199,323)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(17,695)	(17,695)	-	(199,323)	(199,323)	-
Fund Balance, June 30, 2018	\$ (14,765)	\$ (29,305)	\$ (14,540)	\$ (12,860)	\$ (207,272)	\$ (194,412)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	2004 REFUNDING BONDS DEBT SERVICE						NEW FIRE STATION GO BOND FUND					
				Variance with Final Budget						Variance with Final Budget		
	Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual	
<b>REVENUES</b>												
Taxes	\$ -	\$ 28	\$ 28	\$ -	\$ 697	\$ 697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,498	-	(1,498)	154,527	-	(154,527)	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>1,498</b>	<b>28</b>	<b>(1,470)</b>	<b>154,527</b>	<b>697</b>	<b>(153,830)</b>						
<b>EXPENDITURES</b>												
<b>Current</b>												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	2	(2)	-	-	199	-	199	-	(199)	-	-
Debt Service	2	-	2	199	-	-	-	-	-	-	199	-
<b>Capital Outlay</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>199</b>	<b>199</b>	<b>-</b>						
Excess (Deficiency) of Revenue												
Over Expenditures	1,496	26	(1,470)	154,328	498	(153,830)						
Other Financing Sources (Uses)												
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>						
Net change in fund balances	1,496	26	(1,470)	154,328	498	(153,830)						
Fund Balance, July 1, 2017	(1,458)	(1,458)	-	(154,528)	(154,528)	-						
Restatement	-	-	-	-	-	-						
Fund Balance, July 1, 2017	(1,458)	(1,458)	-	(154,528)	(154,528)	-						
Fund Balance, June 30, 2018	\$ 38	\$ (1,432)	\$ (1,470)	\$ (200)	\$ (154,030)	\$ (153,830)						

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	2007 REFUNDING BONDS FUND			SIDEWALK & CURB WARRANTS FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	1,324	1,324
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	-	1,324	1,324
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue						
Over Expenditures	-	-	-	-	1,324	1,324
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	1,324	1,324
Fund Balance, July 1, 2017	25,676	25,676	-	-	-	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	25,676	25,676	-	-	-	-
Fund Balance, June 30, 2018	\$ 25,676	\$ 25,676	\$ -	\$ -	\$ 1,324	\$ 1,324

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	JUDGMENT LEVIES			FY02 SIDEWALK & CURB DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ 29	\$ 29	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	29	29	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	29	29	-	-	-
Fund Balance, July 1, 2017	5	5	-	350	350	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>350</b>	<b>350</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ 5	\$ 34	\$ 29	\$ 350	\$ 350	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	FY03 SIDEWALK & CURB DEBT SERVICE FUND			FY04 SIDEWALK CURB DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	525	-	(525)
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	525	-	(525)
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	1	(1)	-	2	(2)
Debt Service	-	(350)	350	3,102	3,100	2
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	(349)	349	3,102	3,102	-
Excess (Deficiency) of Revenue Over Expenditures	-	349	349	(2,577)	(3,102)	(525)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	-	349	349	(2,577)	(3,102)	(525)
Fund Balance, July 1, 2017	(700)	(700)	-	(525)	(525)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(700)	(700)	-	(525)	(525)	-
Fund Balance, June 30, 2018	\$ (700)	\$ (351)	\$ 349	\$ (3,102)	\$ (3,627)	\$ (525)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	FY 05 SIDEWALK AND CURB FUND			FY 06 SIDEWALK AND CURB FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	1,318	-	(1,318)
Special Assessments	-	-	-	26,413	24,923	(1,490)
Investment Earnings	-	253	253	-	458	458
<b>Total Revenues</b>	<b>-</b>	<b>253</b>	<b>253</b>	<b>27,731</b>	<b>25,381</b>	<b>(2,350)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	350	-	350
Debt Service	3,100	3,100	-	26,363	26,713	(350)
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>3,100</b>	<b>3,100</b>	<b>-</b>	<b>26,713</b>	<b>26,713</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	(3,100)	(2,847)	253	1,018	(1,332)	(2,350)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(3,100)	(2,847)	253	1,018	(1,332)	(2,350)
Fund Balance, July 1, 2017	66,435	66,435	-	102,329	102,329	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	66,435	66,435	-	102,329	102,329	-
Fund Balance, June 30, 2018	\$ 63,335	\$ 63,588	\$ 253	\$ 103,347	\$ 100,997	\$ (2,350)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	FY07 SIDEWALK AND CURB FUND			SERIES 2008A SIDEWALK AND CURB FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	4,002	-	(4,002)	-	-	-
Special Assessments	49,850	45,972	(3,878)	26,452	21,677	(4,775)
Investment Earnings	-	161	161	-	-	-
<b>Total Revenues</b>	<b>53,852</b>	<b>46,133</b>	<b>(7,719)</b>	<b>26,452</b>	<b>21,677</b>	<b>(4,775)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	350	-	350	350	-	350
Debt Service	52,900	53,250	(350)	33,038	33,388	(350)
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>53,250</b>	<b>53,250</b>	<b>-</b>	<b>33,388</b>	<b>33,388</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	602	(7,117)	(7,719)	(6,936)	(11,711)	(4,775)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	602	(7,117)	(7,719)	(6,936)	(11,711)	(4,775)
Fund Balance, July 1, 2017	30,288	30,288	-	38,025	38,025	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	30,288	30,288	-	38,025	38,025	-
Fund Balance, June 30, 2018	\$ 30,890	\$ 23,171	\$ (7,719)	\$ 31,089	\$ 26,314	\$ (4,775)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SERIES 2009 SIDEWALK AND CURB FUND			SERIES 2010 SIDEWALK AND CURB FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	5,161	-	(5,161)	3,452	-	(3,452)
Special Assessments	36,018	74,334	38,316	92,938	77,552	(15,386)
Investment Earnings	-	-	-	-	-	-
Total Revenues	<u>41,179</u>	<u>74,334</u>	<u>33,155</u>	<u>96,390</u>	<u>77,552</u>	<u>(18,838)</u>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	39,718	39,718	-	96,688	96,688	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>39,718</u>	<u>39,718</u>	<u>-</u>	<u>96,688</u>	<u>96,688</u>	<u>-</u>
Excess (Deficiency) of Revenue						
Over Expenditures	1,461	34,616	33,155	(298)	(19,136)	(18,838)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	1,461	34,616	33,155	(298)	(19,136)	(18,838)
Fund Balance, July 1, 2017	85,548	85,548	-	79,136	79,136	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	85,548	85,548	-	79,136	79,136	-
Fund Balance, June 30, 2018	<u>\$ 87,009</u>	<u>\$ 120,164</u>	<u>\$ 33,155</u>	<u>\$ 78,838</u>	<u>\$ 60,000</u>	<u>\$ (18,838)</u>

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	FY12 S/C DEBT SERVICE FUND			FY13 SIDEWALK/CURB DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	3,670	-	(3,670)	855	-	(855)
Special Assessments	64,560	67,914	3,354	38,113	38,365	252
Investment Earnings	-	-	-	-	-	-
Total Revenues	<b>68,230</b>	<b>67,914</b>	<b>(316)</b>	<b>38,968</b>	<b>38,365</b>	<b>(603)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	65,210	65,210	-	65,943	65,943	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<b>65,210</b>	<b>65,210</b>	<b>-</b>	<b>65,943</b>	<b>65,943</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	3,020	2,704	(316)	(26,975)	(27,578)	(603)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	3,020	2,704	(316)	(26,975)	(27,578)	(603)
Fund Balance, July 1, 2017	3,998	3,998	-	6,027	6,027	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	<b>3,998</b>	<b>3,998</b>	<b>-</b>	<b>6,027</b>	<b>6,027</b>	<b>-</b>
Fund Balance, June 30, 2018	<b>\$ 7,018</b>	<b>\$ 6,702</b>	<b>\$ (316)</b>	<b>\$ (20,948)</b>	<b>\$ (21,551)</b>	<b>\$ (603)</b>

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	FY15 SIDEWALK/CURB DEBT SERVICE FUND			FY16 SIDEWALK/CURB DEBT SERVICE		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	909	-	(909)
Special Assessments	88,796	56,090	(32,706)	32,970	30,663	(2,307)
Investment Earnings	-	-	-	-	-	-
Total Revenues	<b>88,796</b>	<b>56,090</b>	<b>(32,706)</b>	<b>33,879</b>	<b>30,663</b>	<b>(3,216)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	350	-	350	350	-	350
Debt Service	88,796	56,021	32,775	32,620	32,620	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<b>89,146</b>	<b>56,021</b>	<b>33,125</b>	<b>32,970</b>	<b>32,620</b>	<b>350</b>
Excess (Deficiency) of Revenue						
Over Expenditures	(350)	69	419	909	(1,957)	(2,866)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	(350)	69	419	909	(1,957)	(2,866)
Fund Balance, July 1, 2017	16,658	16,658	-	(3,449)	(3,449)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	16,658	16,658	-	(3,449)	(3,449)	-
Fund Balance, June 30, 2018	<b>\$ 16,308</b>	<b>\$ 16,727</b>	<b>\$ 419</b>	<b>\$ (2,540)</b>	<b>\$ (5,406)</b>	<b>\$ (2,866)</b>

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	FY17 SIDEWALK/CURB DEBT SERVICE			SID 510 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	39,338	39,337	(1)	-	-	-
Investment Earnings	-	-	-	-	813	813
<b>Total Revenues</b>	<b>39,338</b>	<b>39,337</b>	<b>(1)</b>	<b>-</b>	<b>813</b>	<b>813</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	11,786	11,786	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>11,786</b>	<b>11,786</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	27,552	27,551	(1)	-	813	813
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	27,552	27,551	(1)	-	813	813
Fund Balance, July 1, 2017	-	-	-	118,816	118,816	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118,816</b>	<b>118,816</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ 27,552	\$ 27,551	\$ (1)	\$ 118,816	\$ 119,629	\$ 813

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 512 DEBT SERVICE FUND			SID 520 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	73,631	73,574	(57)	159,560	133,337	(26,223)
Investment Earnings	-	57	57	-	392	392
<b>Total Revenues</b>	<b>73,631</b>	<b>73,631</b>	<b>-</b>	<b>159,560</b>	<b>133,729</b>	<b>(25,831)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	15,957	16,257	(300)	159,562	159,562	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>15,957</b>	<b>16,257</b>	<b>(300)</b>	<b>159,562</b>	<b>159,562</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	57,674	57,374	(300)	(2)	(25,833)	(25,831)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	57,674	57,374	(300)	(2)	(25,833)	(25,831)
Fund Balance, July 1, 2017	146,220	146,220	-	153,487	153,487	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	146,220	146,220	-	153,487	153,487	-
Fund Balance, June 30, 2018	\$ 203,894	\$ 203,594	\$ (300)	\$ 153,485	\$ 127,654	\$ (25,831)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 521 DEBT SERVICE FUND			SID 522 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	414	-	(414)
Special Assessments	71	-	(71)	103	-	(103)
Investment Earnings	-	-	-	-	-	-
Total Revenues	<b>71</b>	<b>-</b>	<b>(71)</b>	<b>517</b>	<b>-</b>	<b>(517)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	72	73	(1)	108	107	1
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<b>72</b>	<b>73</b>	<b>(1)</b>	<b>108</b>	<b>107</b>	<b>1</b>
Excess (Deficiency) of Revenue Over Expenditures	(1)	(73)	(72)	409	(107)	(516)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	(1)	(73)	(72)	409	(107)	(516)
Fund Balance, July 1, 2017	1,063	1,063	-	(556)	(556)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	1,063	1,063	-	(556)	(556)	-
Fund Balance, June 30, 2018	<b>\$ 1,062</b>	<b>\$ 990</b>	<b>\$ (72)</b>	<b>\$ (147)</b>	<b>\$ (663)</b>	<b>\$ (516)</b>

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 524 DEBT SERVICE FUND			SID 525 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	305,160	241,372	(63,788)	33,300	27,977	(5,323)
Investment Earnings	-	2,584	2,584	-	857	857
<b>Total Revenues</b>	<b>305,160</b>	<b>243,956</b>	<b>(61,204)</b>	<b>33,300</b>	<b>28,834</b>	<b>(4,466)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	305,160	305,160	-	33,300	33,300	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>305,160</b>	<b>305,160</b>	<b>-</b>	<b>33,300</b>	<b>33,300</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(61,204)	(61,204)	-	(4,466)	(4,466)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(61,204)	(61,204)	-	(4,466)	(4,466)
Fund Balance, July 1, 2017	616,097	616,097	-	241,463	241,463	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	616,097	616,097	-	241,463	241,463	-
Fund Balance, June 30, 2018	\$ 616,097	\$ 554,893	\$ (61,204)	\$ 241,463	\$ 236,997	\$ (4,466)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 526 DEBT SERVICE FUND			SID 530 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	1,350	-	(1,350)
Special Assessments	192,640	119,723	(72,917)	-	-	-
Investment Earnings	-	1,210	1,210	-	-	-
<b>Total Revenues</b>	<b>192,640</b>	<b>120,933</b>	<b>(71,707)</b>	<b>1,350</b>	<b>-</b>	<b>(1,350)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	150	(150)	-	2	(2)
Debt Service	219,253	219,103	150	2	-	2
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>219,253</b>	<b>219,253</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	(26,613)	(98,320)	(71,707)	1,348	(2)	(1,350)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(26,613)	(98,320)	(71,707)	1,348	(2)	(1,350)
Fund Balance, July 1, 2017	115,423	115,423	-	(1,350)	(1,350)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	115,423	115,423	-	(1,350)	(1,350)	-
Fund Balance, June 30, 2018	\$ 88,810	\$ 17,103	\$ (71,707)	\$ (2)	\$ (1,352)	\$ (1,350)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 532 DEBT SERVICE FUND			GILBERT ST SEWER SID DEBT FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	540	-	(540)	-	-	-
Special Assessments	39,238	34,211	(5,027)	17,425	11,640	(5,785)
Investment Earnings	-	-	-	-	-	-
Total Revenues	<b>39,778</b>	<b>34,211</b>	<b>(5,567)</b>	<b>17,425</b>	<b>11,640</b>	<b>(5,785)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	39,888	39,888	-	17,425	17,425	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<b>39,888</b>	<b>39,888</b>	<b>-</b>	<b>17,425</b>	<b>17,425</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	(110)	(5,677)	(5,567)	-	(5,785)	(5,785)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	(110)	(5,677)	(5,567)	-	(5,785)	(5,785)
Fund Balance, July 1, 2017	<b>17,131</b>	<b>17,131</b>	<b>-</b>	<b>20,905</b>	<b>20,905</b>	<b>-</b>
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	<b>17,131</b>	<b>17,131</b>	<b>-</b>	<b>20,905</b>	<b>20,905</b>	<b>-</b>
Fund Balance, June 30, 2018	<b>\$ 17,021</b>	<b>\$ 11,454</b>	<b>\$ (5,567)</b>	<b>\$ 20,905</b>	<b>\$ 15,120</b>	<b>\$ (5,785)</b>

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	LINCOLNWOOD SEWER PHASE I DEBT FUND			SLANT STREET TRAFFIC CALMING FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	19,044	14,799	(4,245)	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>19,044</b>	<b>14,799</b>	<b>(4,245)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	19,044	19,044	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>19,044</b>	<b>19,044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(4,245)	(4,245)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(4,245)	(4,245)	-	-	-
Fund Balance, July 1, 2017	45,206	45,206	-	-	-	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>45,206</b>	<b>45,206</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ 45,206	\$ 40,961	\$ (4,245)	\$ -	\$ -	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	LINCOLNWOOD SEWER PHASE II DEBT FUND			SID 540 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	11,316	-	(11,316)
Special Assessments	30,719	25,781	(4,938)	118,065	90,778	(27,287)
Investment Earnings	-	-	-	-	18	18
<b>Total Revenues</b>	<b>30,719</b>	<b>25,781</b>	<b>(4,938)</b>	<b>129,381</b>	<b>90,796</b>	<b>(38,585)</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	30,719	4,256	26,463	118,365	118,365	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>30,719</b>	<b>4,256</b>	<b>26,463</b>	<b>118,365</b>	<b>118,365</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	21,525	21,525	11,016	(27,569)	(38,585)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	21,525	21,525	11,016	(27,569)	(38,585)
Fund Balance, July 1, 2017	68,879	68,879	-	373,388	373,388	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	68,879	68,879	-	373,388	373,388	-
Fund Balance, June 30, 2018	\$ 68,879	\$ 90,404	\$ 21,525	\$ 384,404	\$ 345,819	\$ (38,585)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 541 DEBT SERVICE FUND			SID 543 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	61,918	56,029	(5,889)	8,027	8,027	-
Investment Earnings	-	191	191	-	-	-
<b>Total Revenues</b>	<b>61,918</b>	<b>56,220</b>	<b>(5,698)</b>	<b>8,027</b>	<b>8,027</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	350	-	350	-	-	-
Debt Service	61,818	62,168	(350)	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>62,168</b>	<b>62,168</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	(250)	(5,948)	(5,698)	8,027	8,027	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	(250)	(5,948)	(5,698)	8,027	8,027	-
Fund Balance, July 1, 2017	67,374	67,374	-	14,424	14,424	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	67,374	67,374	-	14,424	14,424	-
Fund Balance, June 30, 2018	\$ 67,124	\$ 61,426	\$ (5,698)	\$ 22,451	\$ 22,451	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 544 RATTLESNAKE DEBT SERVICE FUND			SID 545 DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	141,508	139,556	(1,952)	1,908	1,908	-
Investment Earnings	-	541	541	-	-	-
<b>Total Revenues</b>	<b>141,508</b>	<b>140,097</b>	<b>(1,411)</b>	<b>1,908</b>	<b>1,908</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	141,508	141,508	-	1,862	-	1,862
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>141,508</b>	<b>141,508</b>	<b>-</b>	<b>1,862</b>	<b>-</b>	<b>1,862</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(1,411)	(1,411)	46	1,908	1,862
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	(1,861)	1,861
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,861)</b>	<b>1,861</b>
Net change in fund balances	-	(1,411)	(1,411)	46	47	3,723
Fund Balance, July 1, 2017	224,258	224,258	-	71	71	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	224,258	224,258	-	71	71	-
Fund Balance, June 30, 2018	\$ 224,258	\$ 222,847	\$ (1,411)	\$ 117	\$ 118	\$ 3,723

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 546 DEBT SERVICE FUND			SID 548-5TH 6TH & ARTHUR DEBT SERVICE FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	1,532	1,532	-	109,750	109,750	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>1,532</b>	<b>1,532</b>	<b>-</b>	<b>109,750</b>	<b>109,750</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	1,499	-	1,499	110,250	107,275	2,975
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,499</b>	<b>-</b>	<b>1,499</b>	<b>110,250</b>	<b>107,275</b>	<b>2,975</b>
Excess (Deficiency) of Revenue						
Over Expenditures	33	1,532	1,499	(500)	2,475	2,975
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(1,499)	1,499	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(1,499)</b>	<b>1,499</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	33	33	2,998	(500)	2,475	2,975
Fund Balance, July 1, 2017	35	35	-	17,944	17,944	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	35	35	-	17,944	17,944	-
Fund Balance, June 30, 2018	\$ 68	\$ 68	\$ 2,998	\$ 17,444	\$ 20,419	\$ 2,975

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2018**

	SID 549 HILLVIEW WAY DEBT SERVICE FUND			Total Debt Service Funds		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ 1,138,628	\$ 1,123,994	\$ (14,634)
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	398,633	15,531	(383,102)
Special Assessments	141,519	141,519	-	1,950,566	1,709,664	(240,902)
Investment Earnings	-	-	-	-	7,535	7,535
<b>Total Revenues</b>	<b>141,519</b>	<b>141,519</b>	<b>-</b>	<b>3,487,827</b>	<b>2,856,724</b>	<b>(631,103)</b>
<b>EXPENDITURES</b>						
<b>Current</b>						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	350	-	350	2,450	377	(2,073)
Debt Service	172,775	173,125	(350)	3,110,831	3,046,581	(64,250)
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>173,125</b>	<b>173,125</b>	<b>-</b>	<b>3,113,281</b>	<b>3,046,958</b>	<b>(66,323)</b>
Excess (Deficiency) of Revenue						
Over Expenditures	(31,606)	(31,606)	-	374,546	(190,234)	(564,780)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	(100,000)	(85,678)	14,322
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>(85,678)</b>	<b>14,322</b>
Net change in fund balances	(31,606)	(31,606)	-	274,546	(275,912)	(550,458)
Fund Balance, July 1, 2017	45,625	45,625	-	2,987,037	2,987,037	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	45,625	45,625	-	2,987,037	2,987,037	-
Fund Balance, June 30, 2018	\$ 14,019	\$ 14,019	\$ -	\$ 3,261,583	\$ 2,711,125	\$ (550,458)

**NONMAJOR GOVERNMENTAL  
FUNDS**

**BUDGET TO ACTUAL**

**CAPITAL PROJECT FUNDS**

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	GENERAL GOVERNMENT VEHICLE & EQUIPMENT			INFORMATION TECHNOLOGY EQUIPMENT		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	62,038	(62,038)	-	255,808	(255,808)
Total Expenditures	-	62,038	(62,038)	-	255,808	(255,808)
Excess (Deficiency) of Revenue						
Over Expenditures	-	(62,038)	(62,038)	-	(255,808)	(255,808)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	-	(62,038)	(62,038)	-	(255,808)	(255,808)
Fund Balance, July 1, 2017	-	-	-	-	-	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	-	-	-	-	-	-
Fund Balance, June 30, 2018	\$ -	\$ (62,038)	\$ (62,038)	\$ -	\$ (255,808)	\$ (255,808)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	ADMINISTRATIVE PROJECTS			PUBLIC SAFETY VEHICLE & EQUIPMENT		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	9,750	(9,750)	-	234,919	(234,919)
Total Expenditures	-	9,750	(9,750)	-	234,919	(234,919)
Excess (Deficiency) of Revenue						
Over Expenditures	-	(9,750)	(9,750)	-	(234,919)	(234,919)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	-	(9,750)	(9,750)	-	(234,919)	(234,919)
Fund Balance, July 1, 2017	-	-	-	-	-	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	-	-	-	-	-	-
Fund Balance, June 30, 2018	\$ -	\$ (9,750)	\$ (9,750)	\$ -	\$ (234,919)	\$ (234,919)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	PUBLIC WORKS VEHICLE & EQUIPMENT			GENERAL GOVERNMENT VEHICLE & EQUIPMENT		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	199,712	(199,712)	-	134,303	(134,303)
Total Expenditures	-	199,712	(199,712)	-	134,303	(134,303)
Excess (Deficiency) of Revenue						
Over Expenditures	-	(199,712)	(199,712)	-	(134,303)	(134,303)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	-	(199,712)	(199,712)	-	(134,303)	(134,303)
Fund Balance, July 1, 2017	-	-	-	-	-	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	-	-	-	-	-	-
Fund Balance, June 30, 2018	\$ -	\$ (199,712)	\$ (199,712)	\$ -	\$ (134,303)	\$ (134,303)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	PW ROAD IMPROVEMENTS			CAPITAL IMPROVEMENT PROGRAM FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	5,115	5,115
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	5,000	5,000
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,115</b>	<b>10,115</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	36,456	(36,456)
Public Works	-	-	-	-	44,535	(44,535)
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	6,603	(6,603)
Debt Service	-	-	-	1,401,503	1,386,228	15,275
Capital Outlay	-	10,184	(10,184)	2,404,197	2,331,878	72,319
<b>Total Expenditures</b>	<b>-</b>	<b>10,184</b>	<b>(10,184)</b>	<b>3,805,700</b>	<b>3,805,700</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(10,184)	(10,184)	(3,805,700)	(3,795,585)	10,115
Other Financing Sources (Uses)						
Transfers In	-	-	-	1,404,003	2,436,108	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	12,992,097	5,937,997	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,396,100</b>	<b>8,374,105</b>	<b>-</b>
Net change in fund balances	-	(10,184)	(10,184)	10,590,400	4,578,520	10,115
Fund Balance, July 1, 2017	-	-	-	(7,342,692)	(7,342,692)	-
Restatement	-	-	-	135,119	135,119	-
<b>Fund Balance, July 1, 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,207,573)</b>	<b>(7,207,573)</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ -	\$ (10,184)	\$ (10,184)	\$ 3,382,827	\$ (2,629,053)	\$ 10,115

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	CULTURE & RECREATION VEHICLES & EQUIPMENT			ART MUSEUM IMPROVEMENTS		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	695,738	(695,738)	-	26,061	(26,061)
<b>Total Expenditures</b>	<b>-</b>	<b>695,738</b>	<b>(695,738)</b>	<b>-</b>	<b>26,061</b>	<b>(26,061)</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(695,738)	(695,738)	-	(26,061)	(26,061)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(695,738)	(695,738)	-	(26,061)	(26,061)
Fund Balance, July 1, 2017	-	-	-	-	-	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ -	\$ (695,738)	\$ (695,738)	\$ -	\$ (26,061)	\$ (26,061)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	NEW FIRE STATION GO BOND FUND			FY07 SIDEWALK & CURB BOND FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	1	-	(1)	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>1</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	1	-	(1)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	1	-	(1)	-	-	-
Fund Balance, July 1, 2017	-	-	-	34	34	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34</b>	<b>34</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ 1	\$ -	\$ (1)	\$ 34	\$ 34	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	FY10 SIDEWALK & CURB BOND FUND			FY11 SIDEWALK & CURB BOND FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	888	888	-	537	537	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	888	888	-	537	537	-
Fund Balance, June 30, 2018	\$ 888	\$ 888	\$ -	\$ 537	\$ 537	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	FY12 SIDEWALK & CURB BOND FUND			FY13 SIDEWALK & CURB BOND FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	-
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	48,778	48,778	-	33,363	33,363	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	48,778	48,778	-	33,363	33,363	-
Fund Balance, June 30, 2018	\$ 48,778	\$ 48,778	\$ -	\$ 33,363	\$ 33,363	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	FY15 SIDEWALK & CURB BOND FUND			FY16 SIDEWALK & CURB BOND FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	57,724	57,724	-	11,112	11,112	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	57,724	57,724	-	11,112	11,112	-
Fund Balance, June 30, 2018	\$ 57,724	\$ 57,724	\$ -	\$ 11,112	\$ 11,112	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	FY17 SIDEWALK & CURB CONSTRUCTION			FY18 SIDEWALK & CURB CONSTRUCTION		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	129,597	129,597	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
Total Revenues	-	-	-	129,597	129,597	-
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	403	(403)	-	819	(819)
Debt Service	-	-	-	-	-	-
Capital Outlay	7,903	7,500	403	431,835	431,016	819
Total Expenditures	7,903	7,903	-	431,835	431,835	-
Excess (Deficiency) of Revenue						
Over Expenditures	(7,903)	(7,903)	-	(302,238)	(302,238)	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	364,013	364,013	-	-	-	-
Total Other Financing Sources (Uses)	364,013	364,013	-	-	-	-
Net change in fund balances	356,110	356,110	-	(302,238)	(302,238)	-
Fund Balance, July 1, 2017	(313,175)	(313,175)	-	(37,472)	(37,472)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(313,175)	(313,175)	-	(37,472)	(37,472)	-
Fund Balance, June 30, 2018	\$ 42,935	\$ 42,935	\$ -	\$ (339,710)	\$ (339,710)	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	FY19 SIDEWALK & CURB CONSTRUCTION			SID 531 TRAFFIC CALMING FUND		
				Variance with Final Budget		
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	9,156	(9,156)	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>9,156</b>	<b>(9,156)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(9,156)	(9,156)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(9,156)	(9,156)	-	-	-
Fund Balance, July 1, 2017	-	-	-	(1,070)	(1,070)	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,070)</b>	<b>(1,070)</b>	<b>-</b>
<b>Fund Balance, June 30, 2018</b>	<b>\$ -</b>	<b>\$ (9,156)</b>	<b>\$ (9,156)</b>	<b>\$ (1,070)</b>	<b>\$ (1,070)</b>	<b>\$ -</b>

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	MALONEY RANCH SID FUND			RATTLESNAKE SEWER SID FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	763	763	-	10	10	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>763</b>	<b>763</b>	<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ 763	\$ 763	\$ -	\$ 10	\$ 10	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	SID 534 LINCOLNWOOD FUND			SLANT STREET TRAFFIC CALMING FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	(13)	(13)	-	(4,724)	(4,724)	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>(13)</b>	<b>(13)</b>	<b>-</b>	<b>(4,724)</b>	<b>(4,724)</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ (13)	\$ (13)	\$ -	\$ (4,724)	\$ (4,724)	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	SID536 LINCOLNWOOD SEWER PHASE II FUND			SID 539 4th STREET FUND		
				Variance with Final Budget		
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	2,219	2,219	-	(140)	(140)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	2,219	2,219	-	(140)	(140)	-
Fund Balance, June 30, 2018	\$ 2,219	\$ 2,219	\$ -	\$ (140)	\$ (140)	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	SID 540 ENGLAND BLVD FUND			SID 541 PINEVIEW PARK FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	7,726	(7,726)	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>7,726</b>	<b>(7,726)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(7,726)	(7,726)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(7,726)	(7,726)	-	-	-
Fund Balance, July 1, 2017	99,153	99,153	-	23,575	23,575	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	99,153	99,153	-	23,575	23,575	-
Fund Balance, June 30, 2018	\$ 99,153	\$ 91,427	\$ (7,726)	\$ 23,575	\$ 23,575	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	MILLER CREEK MITIGATION FUND			MILLER CREEK TWITE CONSTRUCTION		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	3,526	3,526	-	1,393	1,393	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	3,526	3,526	-	1,393	1,393	-
Fund Balance, June 30, 2018	\$ 3,526	\$ 3,526	\$ -	\$ 1,393	\$ 1,393	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	MILLER CREEK MALOHNEY CONSTRUCTION			MILLER CREEK MCCARTHY CONSTRUCTION		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	10,024	10,024	-	18,656	18,656	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	10,024	10,024	-	18,656	18,656	-
Fund Balance, June 30, 2018	\$ 10,024	\$ 10,024	\$ -	\$ 18,656	\$ 18,656	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	SID 548 5TH,6TH & ARTHUR			MALONEY/TWITE MILLER CR FUND		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	-	-	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-
Fund Balance, July 1, 2017	120,648	120,648	-	1,291	1,291	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	120,648	120,648	-	1,291	1,291	-
Fund Balance, June 30, 2018	\$ 120,648	\$ 120,648	\$ -	\$ 1,291	\$ 1,291	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	SID 549 HILLVIEW WAY			SID 544 RATTLESNAKE SEWER		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	26,380	(26,380)	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	53,521	(53,521)	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>79,901</b>	<b>(79,901)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(79,901)	(79,901)	-	-	-
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	(73,765)	73,765	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(73,765)</b>	<b>73,765</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	(153,666)	(6,136)	-	-	-
Fund Balance, July 1, 2017	278,067	278,067	-	244	244	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	278,067	278,067	-	244	244	-
Fund Balance, June 30, 2018	\$ 278,067	\$ 124,401	\$ (6,136)	\$ 244	\$ 244	\$ -

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	SID 545 PHILLIPS ST TRAFFIC CALMING			SID 546 PATTEE CREEK DR. TRAFFIC CALMING		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	197	(197)	-	195	(195)
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>197</b>	<b>(197)</b>	<b>-</b>	<b>195</b>	<b>(195)</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	(197)	(197)	-	(195)	(195)
Other Financing Sources (Uses)						
Transfers In	-	1,862	-	-	1,498	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>1,862</b>	<b>-</b>	<b>-</b>	<b>1,498</b>	<b>-</b>
Net change in fund balances	-	1,665	(197)	-	1,303	(195)
Fund Balance, July 1, 2017	(4,928)	(4,928)	-	(5,191)	(5,191)	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	(4,928)	(4,928)	-	(5,191)	(5,191)	-
Fund Balance, June 30, 2018	<b>\$ (4,928)</b>	<b>\$ (3,263)</b>	<b>\$ (197)</b>	<b>\$ (5,191)</b>	<b>\$ (3,888)</b>	<b>\$ (195)</b>

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	STORMWATER OUTFALL RETROFITS			WAYFINDING PROJECT		
			Variance with Final Budget			Variance with Final Budget
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	25,000	25,000	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>25,000</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	26,681	(26,681)
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,681</b>	<b>(26,681)</b>
Excess (Deficiency) of Revenue						
Over Expenditures	25,000	25,000	-	-	(26,681)	(26,681)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	25,000	25,000	-	-	(26,681)	(26,681)
Fund Balance, July 1, 2017	45,433	45,433	-	9,431	9,431	-
Restatement	-	-	-	-	-	-
Fund Balance, July 1, 2017	45,433	45,433	-	9,431	9,431	-
Fund Balance, June 30, 2018	\$ 70,433	\$ 70,433	\$ -	\$ 9,431	\$ (17,250)	\$ (26,681)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	ARRA ENHANCEMENTS						ARRA HB645					
				Variance with Final Budget						Variance with Final Budget		
	Budget	Actual		Budget	Actual		Budget	Actual		Budget	Actual	
<b>REVENUES</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>												
Current												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-	-	-
Public Health	-	-	-	-	-	-	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue Over Expenditures	-	-	-	-	-	-	-	-	-	-	-	-
Other Financing Sources (Uses)												
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1, 2017	(2,498)	(2,498)	-	(23,676)	(23,676)	-						
Restatement	-	-	-	-	-	-						
Fund Balance, July 1, 2017	(2,498)	(2,498)	-	(23,676)	(23,676)	-						
Fund Balance, June 30, 2018	\$ (2,498)	\$ (2,498)	\$ -	\$ (23,676)	\$ (23,676)	\$ -						

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

	WFL MILLER CREEK ROAD			WESTERN FEDERAL LANDS		
	Variance with Final Budget			Variance with Final Budget		
	Budget	Actual		Budget	Actual	
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Social & Economic Services	-	-	-	-	-	-
Cultural & Recreation	-	-	-	-	-	-
Housing & Community Development	-	-	-	-	-	-
Conservation of Natural Resources	-	-	-	-	-	-
Miscellaneous	-	-	-	-	7	(7)
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>(7)</b>
Excess (Deficiency) of Revenue						
Over Expenditures	-	-	-	-	(7)	(7)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds From Capital Lease	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	-	-	-	-	(7)	(7)
Fund Balance, July 1, 2017	(33)	(33)	-	(5,703)	(5,703)	-
Restatement	-	-	-	-	-	-
<b>Fund Balance, July 1, 2017</b>	<b>(33)</b>	<b>(33)</b>	<b>-</b>	<b>(5,703)</b>	<b>(5,703)</b>	<b>-</b>
Fund Balance, June 30, 2018	\$ (33)	\$ (33)	\$ -	\$ (5,703)	\$ (5,710)	\$ (7)

Continued

**City of Missoula**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Budgetary Basis)**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended June 30, 2018**

Total Construction Project Funds			
	Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	- -	- -	- -
Intergovernmental	25,000	30,115	5,115
Charges for services	- -	- -	- -
Fines and forfeitures	- -	- -	- -
Miscellaneous	129,598	134,597	4,999
Special Assessments	- -	- -	- -
Investment Earnings	- -	- -	- -
<b>Total Revenues</b>	<b>154,598</b>	<b>164,712</b>	<b>10,114</b>
<b>EXPENDITURES</b>			
Current			
General Government	- -	- -	- -
Public Safety	- 36,456	36,456	36,456
Public Works	- 97,596	97,596	97,596
Public Health	- -	- -	- -
Social & Economic Services	- -	- -	- -
Cultural & Recreation	- -	- -	- -
Housing & Community Development	- -	- -	- -
Conservation of Natural Resources	- -	- -	- -
Miscellaneous	- 15,558	15,558	15,558
Debt Service	1,401,503	1,386,620	(14,883)
Capital Outlay	2,843,935	4,461,584	1,617,649
<b>Total Expenditures</b>	<b>4,245,438</b>	<b>5,997,814</b>	<b>1,752,376</b>
Excess (Deficiency) of Revenue			
Over Expenditures	(4,090,840)	(5,833,102)	(1,742,262)
Other Financing Sources (Uses)			
Transfers In	1,404,003	2,439,468	1,035,465
Transfers Out	- (73,765)	(73,765)	(73,765)
Proceeds From Capital Lease	13,356,110	6,302,010	(7,054,100)
Total Other Financing Sources (Uses)	<b>14,760,113</b>	<b>8,667,713</b>	<b>(6,092,400)</b>
Net change in fund balances	10,669,273	2,834,611	(7,834,662)
Fund Balance, July 1, 2017	(6,974,446)	(6,974,446)	-
Restatement	135,119	135,119	-
Fund Balance, July 1, 2017	<b>(6,839,327)</b>	<b>(6,839,327)</b>	<b>-</b>
Fund Balance, June 30, 2018	<b>\$ 3,829,946</b>	<b>\$ (4,004,716)</b>	<b>\$ (7,834,662)</b>

## 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.

Contents	Page
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>	253 to 256
Revenue Capacity <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	257 to 262
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>	263 to 271
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>	272 to 277
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>	278 to 296

Sources: Unless otherwise noted the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant years.

**CITY OF MISSOULA, MONTANA**  
**NET POSITION BY COMPONENT**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2009	2010	2011*	2012	2013	2014	2015	2016	2017	2018
<b>Government activities</b>										
Net Investment in capital assets	\$ 100,490,698	\$ 108,461,735	\$ 117,493,776	\$ 123,514,699	\$ 132,570,240	\$ 135,567,262	\$ 143,875,936	\$ 143,783,756	\$ 164,778,388	\$ 191,268,130
Restricted for:										
Cemetery Memorial	-	-	5,633	6,805	6,805	-	-	-	-	49,210
Title I Program & Revolving Loan Program	-	-	159,649	98,999	151,017	179,972	179,972	658,660	235,191	238,952
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	3,653,132	281,688
Building construction inspections	-	-	681,948	805,771	606,499	227,852	39,581	1,451,087	1,998,851	2,430,808
Public Works safety & maintenance expenditures	-	-	578,152	544,259	389,005	76,747	8,830	186,680	125,277	138,965
Grant restrictions for program expenditures	-	-	695,377	272,874	336,035	365,869	330,556	509,292	960,141	1,526,669
Debt Service	-	-	18,800,480	18,238,355	16,867,243	15,042,635	13,867,659	12,298,508	12,935,752	8,988,864
Capital Projects	-	-	725,055	891,285	777,419	761,581	775,946	962,521	766,883	663,981
Unrestricted	14,462,852	14,613,562	(2,394,004)	(1,627,635)	(540,140)	(2,155,290)	(34,301,707)	(36,459,084)	(35,554,837)	(30,769,851)
Total government activities net position	<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>	<u>\$ 149,898,778</u>	<u>\$ 174,817,416</u>
<b>Business-type activities</b>										
Net Investment in capital assets	\$ 74,821,900	\$ 83,162,349	\$ 77,159,109	\$ 83,405,086	\$ 82,459,531	\$ 81,596,311	\$ 80,729,107	\$ 81,037,217	\$ 42,251,262	\$ 83,989,062
Restricted for:										
Debt Service	1,337,645	1,662,261	-	2,231,478	2,226,925	2,226,925	2,345,008	2,345,938	3,277,857	31,722,064
Capital Projects	-	-	-	-	-	-	-	-	2,500,000	28,582,442
Unrestricted	1,441,584	278,305	6,193,089	1,903,151	1,974,650	1,852,182	503,602	136,698	(4,564,784)	(40,723,453)
Total business-type activities net position	<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>	<u>\$ 71,908,542</u>	<u>\$ 71,848,051</u>
<b>Primary Government</b>										
Net Investment in capital assets	\$ 175,312,598	\$ 191,624,084	\$ 194,652,885	\$ 206,919,785	\$ 215,029,771	\$ 217,163,573	\$ 224,605,043	\$ 224,820,973	\$ 207,029,650	\$ 275,257,192
Restricted for:										
Cemetery Memorial	4,991,984	5,531,816	-	5,633	6,805	6,805	-	-	-	49,210
Title I Program & Revolving Loan Program	-	-	159,649	98,999	151,017	179,972	179,972	658,660	235,191	238,952
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	3,653,132	281,688
Building construction inspections	-	-	681,948	805,771	606,499	227,852	39,581	1,451,087	1,998,851	2,430,808
Public Works safety & maintenance expenditures	-	-	578,152	544,259	389,005	76,747	8,830	186,680	125,277	138,965
Grant restrictions for program expenditures	-	-	695,377	272,874	336,035	365,869	330,556	509,292	960,141	1,526,669
Debt Service	-	-	21,031,958	20,465,280	19,094,168	17,387,643	16,213,597	14,676,365	44,657,816	37,571,306
Capital Projects	-	-	725,055	891,285	777,419	761,581	775,946	962,521	3,266,883	663,981
Unrestricted	15,904,436	14,891,867	3,799,085	275,516	1,434,510	(303,108)	(33,798,105)	(36,322,386)	(40,119,621)	(71,493,304)
Total primary government net position	<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>	<u>\$ 221,807,320</u>	<u>\$ 246,665,467</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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
Governmental activities:										
General Government	\$ 8,492,155	\$ 7,596,451	\$ 6,466,035	\$ 7,063,259	\$ 8,062,728	\$ 10,263,034	\$ 10,833,682	\$ 11,793,813	\$ 8,022,538	\$ 6,702,490
Public Safety	20,993,673	23,252,086	23,220,034	24,449,247	25,963,445	28,500,847	29,695,040	29,481,389	20,910,167	18,848,719
Public Works	10,148,557	7,524,949	7,355,598	8,472,243	7,466,331	10,292,376	10,518,044	14,991,013	13,564,159	14,379,782
Public Health	1,422,347	1,387,041	1,398,035	1,444,647	1,480,573	1,569,465	1,732,159	1,775,343	1,223,889	1,094,587
Social And Economic	118,450	118,450	134,457	116,000	116,000	210,000	221,203	174,525	138,469	125,177
Culture And Recreation	3,667,078	3,466,304	3,195,731	3,626,741	3,845,406	4,332,120	4,670,590	1,045,843	4,376,832	4,300,816
Housing & Community Development	1,336,972	4,051,227	2,235,780	10,372,128	1,240,211	294,750	1,486,729	6,037,362	873,424	695,101
Conservation Of Natural Resources	-	7,759	450	100	120	120	-	-	-	-
Miscellaneous	-	1,041,180	1,189,351	1,003,472	1,049,647	1,057,905	788,789	818,567	165,216	905,800
Debt Service Interest Expense	1,595,937	1,612,770	1,666,641	1,486,745	1,241,937	1,180,558	1,120,924	1,256,776	1,088,561	1,023,562
Total governmental activities expenses	<u>\$ 47,775,169</u>	<u>50,058,217</u>	<u>46,862,112</u>	<u>58,034,582</u>	<u>50,466,398</u>	<u>57,701,175</u>	<u>61,067,159</u>	<u>67,374,631</u>	<u>50,363,255</u>	<u>48,076,034</u>
Business-type activities										
Water	-	-	-	-	-	-	-	-	4,731,406	19,925,864
Sewer	6,738,463	7,081,714	7,288,496	8,638,266	8,679,317	8,477,884	8,527,990	9,160,165	10,150,268	10,663,937
Storm Water	-	-	-	-	-	-	-	-	257,571	354,656
Aquatics	1,456,758	1,459,788	1,615,583	1,648,846	1,555,494	1,649,496	1,798,172	1,666,722	1,795,539	1,860,426
Civic Stadium	-	-	-	119,500	178,985	201,441	199,697	197,706	199,386	197,688
Total business-type activities expenses	<u>8,195,221</u>	<u>8,541,502</u>	<u>8,904,079</u>	<u>10,406,612</u>	<u>10,413,796</u>	<u>10,328,821</u>	<u>10,525,859</u>	<u>11,024,593</u>	<u>17,134,170</u>	<u>33,002,571</u>
Total primary government expenses	<u><u>\$ 55,970,390</u></u>	<u><u>\$ 58,599,719</u></u>	<u><u>\$ 55,766,191</u></u>	<u><u>\$ 68,441,194</u></u>	<u><u>\$ 60,880,194</u></u>	<u><u>\$ 68,029,996</u></u>	<u><u>\$ 71,593,018</u></u>	<u><u>\$ 78,399,224</u></u>	<u><u>\$ 67,497,425</u></u>	<u><u>\$ 81,078,605</u></u>
<b>Program Revenues</b>										
Government activities										
Program revenues:										
Charges for services:										
General Government	\$ 4,369,769	\$ 4,137,315	\$ 3,061,618	\$ 3,081,997	\$ 3,414,561	\$ 2,954,537	\$ 1,927,492	\$ 2,054,748	\$ 1,948,255	\$ 1,826,540
Public Safety	1,581,222	1,439,971	2,749,672	3,033,806	4,070,238	3,923,290	4,964,365	6,036,116	3,214,812	6,075,381
Public Works	1,825,008	2,833,485	3,150,203	2,872,800	3,105,016	2,746,447	3,440,158	3,433,949	7,674,502	5,802,623
Public Health	-	19,323	96,376	85,349	121,885	97,380	112,240	115,170	119,956	104,624
Social And Economic Service	20,338	-	-	18,732	18,767	-	-	-	-	-
Culture And Recreation	537,764	515,405	499,116	531,912	619,086	610,398	778,944	791,876	1,041,145	1,159,491
Housing And Community Development	379,530	331,478	211,361	190,698	157,699	129,884	325,824	345,629	242,922	293,388
Conservation Of Natural Resources	1,277	1,580	-	-	-	-	-	-	-	-
Operating Grants & Contributions	1,978,844	3,413,272	2,111,526	3,022,078	3,479,928	3,005,627	4,022,357	2,879,310	1,370,235	2,019,938
Capital Grants & Contributions	2,848,638	9,869,381	7,753,606	13,355,935	5,286,844	3,832,286	5,416,343	5,683,590	7,885,240	5,937,782
Total governmental activities program revenues	<u>13,542,390</u>	<u>22,567,210</u>	<u>19,633,478</u>	<u>26,193,307</u>	<u>20,274,024</u>	<u>17,299,849</u>	<u>20,987,723</u>	<u>21,340,388</u>	<u>23,497,067</u>	<u>23,219,767</u>
Business-type activities										
Charges for services										
Water	-	-	-	-	-	-	-	-	343,061	17,988,230
Sewer	6,735,343	6,514,558	6,659,348	7,308,745	7,561,236	7,962,674	8,073,742	8,290,157	9,045,781	10,126,929
Storm Water	-	-	-	-	-	-	-	-	133,815	270,146
Aquatics	946,248	911,803	911,537	1,028,526	990,447	928,889	1,044,895	948,514	1,013,635	1,039,376
Operating Grants & Contributions	1,435	1,428	176,855	1,543	46,535	8,122	39,135	35,255	39,217	309,236
Capital Grants & Contributions	885,658	8,451,165	1,437,382	1,562,035	115,250	28,230	85,001	542,866	795,791	3,475,847
Total business-type activities program revenues	<u>8,568,684</u>	<u>15,876,954</u>	<u>9,185,122</u>	<u>9,900,849</u>	<u>8,713,468</u>	<u>8,927,915</u>	<u>9,242,773</u>	<u>9,816,792</u>	<u>11,371,300</u>	<u>33,209,764</u>
Total primary governmental program revenues	<u><u>\$ 22,111,074</u></u>	<u><u>\$ 38,440,164</u></u>	<u><u>\$ 28,818,600</u></u>	<u><u>\$ 36,094,156</u></u>	<u><u>\$ 28,987,492</u></u>	<u><u>\$ 26,227,764</u></u>	<u><u>\$ 30,230,496</u></u>	<u><u>\$ 31,157,180</u></u>	<u><u>\$ 34,868,367</u></u>	<u><u>\$ 56,429,531</u></u>
Net (expense) revenue										
Governmental activities:	\$ (34,232,779)	\$ (27,497,007)	\$ (27,228,634)	\$ (31,841,275)	\$ (30,192,374)	\$ (40,491,326)	\$ (40,079,436)	\$ (46,034,243)	\$ (26,866,188)	\$ (24,856,267)
Business-type activities:	373,463	7,337,452	281,043	(505,763)	(1,700,328)	(1,400,906)	(1,283,086)	(1,207,801)	(5,762,870)	207,193
Total primary government expenses	<u><u>\$ (33,859,316)</u></u>	<u><u>\$ (20,159,555)</u></u>	<u><u>\$ (26,947,591)</u></u>	<u><u>\$ (32,347,038)</u></u>	<u><u>\$ (31,892,702)</u></u>	<u><u>\$ (41,802,232)</u></u>	<u><u>\$ (41,362,522)</u></u>	<u><u>\$ (47,242,044)</u></u>	<u><u>\$ (32,629,058)</u></u>	<u><u>\$ (24,649,074)</u></u>
<b>General Revenues and Other Changes In Net Position</b>										
Governmental activities										
Property taxes for general purposes	\$ 23,994,499	\$ 24,299,845	\$ 25,754,782	\$ 26,187,667	\$ 26,187,456	\$ 26,425,982	\$ 26,921,632	\$ 28,615,524	\$ 31,774,735	\$ 31,802,470
Intergovernmental revenue	10,600,677	11,168,006	11,458,751	11,758,565	12,289,693	13,175,572	14,026,429	14,807,522	14,392,239	22,328,214
Interest Income	210,232	75,502	31,158	19,905	47,847	19,239	15,016	28,782	19,291	25,817
Gain on sale of capital assets	15,979	-	-	-	-	-	78,284	-	14,445	116,753
Miscellaneous	468,609	268,617	353,086	163,566	154,452	175,866	327,699	81,636	366,493	434,945
Interfund transactions	122,637	22,000	257,051	(132,724)	(163,001)	(127,787)	(152,787)	(203,000)	(203,000)	(109,155)
Special Items	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>35,412,633</u>	<u>35,833,970</u>	<u>37,854,828</u>	<u>37,996,980</u>	<u>38,516,447</u>	<u>39,668,872</u>	<u>41,216,273</u>	<u>43,330,464</u>	<u>46,384,203</u>	<u>54,599,044</u>
Business-type activities										
Interest Income	47,494	(4,020)	21,457	257,348	243,154	240,257	238,767	238,645	233,891	364,154
Miscellaneous	2,405	190,354	5,107	67,177	374,028	172,644	256,024	761,463	369,919	173,593
Gain or loss on sale of capital assets	-	-	-	-	43,321	11,857	8,279	-	-	-
Interfund transactions	(122,637)	(22,000)	(257,051)	132,724	163,001	127,787	152,787	203,000	203,000	203,000
Special Items	-	-	-	2,000,000	-	-	-	-	-	-
Total business-type activities	<u>(72,738)</u>	<u>164,334</u>	<u>(230,487)</u>	<u>2,457,249</u>	<u>823,504</u>	<u>552,545</u>	<u>655,857</u>	<u>1,203,108</u>	<u>806,810</u>	<u>740,747</u>
Total primary government	<u><u>\$ 35,339,895</u></u>	<u><u>\$ 35,998,304</u></u>	<u><u>\$ 37,624,341</u></u>	<u><u>\$ 40,454,229</u></u>	<u><u>\$ 39,339,951</u></u>	<u><u>\$ 40,221,417</u></u>	<u><u>\$ 41,872,130</u></u>	<u><u>\$ 44,533,572</u></u>	<u><u>\$ 47,191,013</u></u>	<u><u>\$ 55,339,791</u></u>
<b>Change in Net Position</b>										
Governmental activities	\$ 1,179,854	\$ 8,336,963	\$ 10,626,195	\$ 6,155,705	\$ 8,324,073	\$ (732,454)	\$ 1,136,837	\$ (2,703,779)	\$ 19,518,015	\$ 29,742,777
Business-type activities	300,725	7,501,786	50,556	1,951,486	(876,824)	(848,361)	(627,229)	(4,693)	(4,956,060)	947,940
Total primary government	<u><u>\$ 1,480,579</u></u>	<u><u>\$ 15,838,749</u></u>	<u><u>\$ 10,676,751</u></u>	<u><u>\$ 8,107,191</u></u>	<u><u>\$ 7,447,249</u></u>	<u><u>\$ (1,580,815)</u></u>	<u><u>\$ 509,608</u></u>	<u><u>\$ (2,708,472)</u></u>	<u><u>\$ 14,561,955</u></u>	<u><u>\$ 30,690,717</u></u>

Source: City of Missoula

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

	<b>Fiscal Year</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>	<b>2017</b>	<b>2018</b>
<b>General Fund</b>										
Reserved	\$ 699,325	\$ 740,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	201,062	1,348,317	-	-	-	-	-	-	-	-
Nonspendable*			1,148,767	1,232,302	1,259,186	1,129,654	1,404,250			
Inventory	-	-	-	-	-	-	-	1,055,988	1,143,230	1,088,330
Prepaid Expenses	-	-	-	-	-	-	-	277,986	253,003	244,220
Restricted*	-	-	165,282	105,804	157,822	179,972	179,972	-	-	-
Cemetery memorial	-	-	-	-	-	-	-	7,490	25,587	49,210
Title I Revolving Loan programs	-	-	-	-	-	-	-	658,660	235,191	238,952
Assigned*	-	-	1,203,481	1,284,045	1,757,237	1,716,911	1,868,348	1,693,229	1,725,913	1,808,443
Unassigned*	-	-	1,152,657	1,940,474	2,968,121	2,543,264	2,160,723	1,799,445	452,861	1,361,438
Total General Fund	<b>\$ 900,387</b>	<b>\$ 2,088,984</b>	<b>\$ 3,670,187</b>	<b>\$ 4,562,625</b>	<b>\$ 6,142,366</b>	<b>\$ 5,569,801</b>	<b>\$ 5,613,293</b>	<b>\$ 5,492,798</b>	<b>\$ 3,835,785</b>	<b>\$ 4,790,593</b>
<b>All other governmental funds</b>										
Reserved	\$ 3,654,339	\$ 3,869,555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	3,814,089	4,124,600	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	(4,728,035)	(4,089,044)	-	-	-	-	-	-	-	-
Nonspendable*	-	-	11,505	12,042	-	-	-	-	-	13,071
Restricted*	-	-	7,911,860	7,409,318	6,789,639	6,302,882	6,342,952			
Building construction inspections	-	-	-	-	-	-	-	1,451,087	1,998,851	2,430,808
Capital Project expenditures	-	-	-	-	-	-	-	962,521	766,883	663,981
Debt	-	-	-	-	-	-	-	3,262,391	-	3,136,114
Grant restrictions for program expenditures	-	-	-	-	-	-	-	509,292	960,141	1,526,669
Law Enforcement	-	-	-	-	-	-	-	293,319	3,653,132	281,688
Public works safety & maintenance expenditures	-	-	-	-	-	-	-	186,680	125,277	138,965
Committed*	-	-	1,374,228	2,048,128	2,892,425	4,543,997	5,289,662	6,279,094	3,722,872	3,918,115
Assigned*	-	-	-	-	-	-	21,240	87,754	171,473	254,994
Unassigned*, reported in:										
Special revenue funds	-	-	(332,574)	(149,817)	(105,325)	(986,470)	(400,440)	(233,312)	(1,195,469)	(1,043,028)
Debt service funds	-	-	(36,421)	(174,575)	(23,761)	(189,696)	(331,743)	(351,757)	(379,470)	(424,989)
Capital projects funds	-	-	(3,962,631)	(4,602,847)	(5,681,029)	(8,125,283)	(9,907,630)	(9,958,916)	(7,741,322)	(4,668,696)
Water funds	-	-	-	-	-	-	(3,532,964)	(6,248,789)	-	-
Neighborhood stabilization funds	-	-	-	(4,139)	-	-	-	-	-	-
Total other governmental funds	<b>\$ 2,740,393</b>	<b>\$ 3,905,111</b>	<b>\$ 4,965,967</b>	<b>\$ 4,538,110</b>	<b>\$ 3,871,949</b>	<b>\$ 1,545,430</b>	<b>\$ (2,518,923)</b>	<b>\$ (3,760,636)</b>	<b>\$ 2,082,368</b>	<b>\$ 6,227,692</b>

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)**

	<b>Fiscal Year</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>	<b>2017</b>	<b>2018</b>
<b>Revenues</b>										
Taxes and assessments	\$ 26,649,687	\$ 27,445,555	\$ 28,256,587	\$ 29,396,016	\$ 31,729,767	\$ 31,161,007	\$ 32,506,332	\$ 34,184,222	\$ 35,696,747	\$ 37,925,774
Licenses and permits	2,753,704	3,050,653	3,092,436	2,866,229	3,227,926	3,119,709	3,663,422	3,848,093	4,442,858	4,155,070
Intergovernmental	13,147,938	20,456,138	17,531,499	25,130,561	17,665,516	17,000,835	19,095,397	19,423,835	19,139,911	19,778,757
Charges for services	4,439,499	4,475,126	5,160,326	5,106,399	6,057,449	5,596,577	6,368,100	7,047,188	7,987,808	9,004,140
Fines and forfeitures	1,130,177	1,203,587	1,008,945	1,344,578	1,565,130	1,347,949	1,326,509	1,546,732	1,624,922	1,363,828
Miscellaneous	1,168,486	1,464,092	1,205,961	613,255	625,976	544,245	836,745	733,501	764,867	884,455
Interest earnings	156,522	63,362	32,409	41,691	47,960	21,214	13,687	13,251	19,290	25,824
Gain on disposal of fixed assets	-	-	-	-	-	-	-	-	-	116,753
Total revenues	<b>49,446,013</b>	<b>58,158,513</b>	<b>56,288,163</b>	<b>64,498,728</b>	<b>60,919,724</b>	<b>58,791,536</b>	<b>63,810,192</b>	<b>66,796,822</b>	<b>69,676,403</b>	<b>73,254,601</b>
<b>Expenditures</b>										
General government	7,752,035	7,252,975	6,493,866	6,949,250	8,034,601	9,838,640	10,204,889	10,871,089	11,129,850	11,376,046
Public safety	21,669,039	22,227,258	22,431,087	23,834,156	25,803,943	28,002,557	28,012,238	29,027,968	29,870,105	31,998,361
Public works	6,624,812	6,577,834	7,962,836	7,437,537	7,393,392	7,193,974	9,962,351	10,519,825	7,950,005	8,209,804
Public health	1,404,043	1,368,398	1,372,380	1,431,431	1,482,096	1,550,087	1,644,431	1,706,945	1,797,051	1,933,801
Social and economic	118,450	118,450	116,000	116,000	116,000	210,000	210,000	175,000	210,000	226,459
Culture and recreation	3,278,075	3,293,005	3,289,120	3,528,049	3,838,271	4,091,295	4,434,040	4,769,242	5,046,809	5,582,925
Housing and Community Development	1,193,372	4,017,676	2,264,947	10,348,859	1,238,419	227,258	1,411,431	1,336,254	1,273,642	1,200,922
Conservation of natural resources	-	7,757	450	100	120	120	-	-	-	-
Miscellaneous	-	1,041,180	1,189,351	1,003,472	1,049,647	1,057,905	788,789	818,567	165,219	905,800
Debt service - principal	3,026,661	3,121,407	3,484,312	3,689,100	3,057,702	3,695,116	4,696,540	7,128,255	4,738,252	4,534,378
Debt service - interest	1,595,937	1,584,136	1,595,391	1,556,195	2,531,043	841,703	836,167	1,197,723	1,035,880	974,418
Capital outlay	5,401,985	8,518,735	7,777,324	6,202,777	6,863,986	5,749,618	8,477,784	6,366,171	12,903,656	7,019,541
Total expenditures	<b>52,064,409</b>	<b>59,128,811</b>	<b>57,977,065</b>	<b>66,096,927</b>	<b>61,409,220</b>	<b>62,458,274</b>	<b>70,678,660</b>	<b>73,917,039</b>	<b>76,120,469</b>	<b>73,962,455</b>
Excess of revenues over (under) expenditures	<b>(2,618,396)</b>	<b>(970,298)</b>	<b>(1,688,902)</b>	<b>(1,598,199)</b>	<b>(489,496)</b>	<b>(3,666,738)</b>	<b>(6,868,468)</b>	<b>(7,120,217)</b>	<b>(6,444,066)</b>	<b>(707,854)</b>
<b>Other financing sources (uses)</b>										
Transfers in	5,343,911	5,531,051	4,989,066	7,143,975	7,539,764	7,246,955	7,227,765	7,334,163	9,567,223	10,269,851
Transfers out	(5,282,309)	(5,557,582)	(4,797,139)	(7,478,899)	(8,145,604)	(8,060,866)	(8,065,955)	(8,056,043)	(10,284,306)	(10,898,986)
Payments to Refunded Bond Escrow Agent	-	(983,591)	-	-	(5,541,672)	(5,781,508)	-	-	-	-
Issuance of Refunding Bonds	-	1,000,000	-	-	5,480,000	5,860,000	-	-	-	-
Premium on Refunded Bonds	-	-	-	-	152,081	-	-	-	-	-
Issuance of long term debt/capital leases	-	3,276,941	4,168,336	2,559,396	1,895,150	1,514,851	3,159,644	6,472,883	4,651,112	6,302,010
Proceeds from sale of capital assets	82,716	56,794	-	-	22,171	465	-	-	-	-
Total other financing sources (uses)	<b>144,318</b>	<b>3,323,613</b>	<b>4,360,263</b>	<b>2,224,471</b>	<b>1,401,890</b>	<b>779,897</b>	<b>2,321,454</b>	<b>5,751,003</b>	<b>3,934,028</b>	<b>5,672,875</b>
Net change in fund balances	<b>\$ (2,474,078)</b>	<b>\$ 2,353,315</b>	<b>\$ 2,671,361</b>	<b>\$ 626,272</b>	<b>\$ 912,394</b>	<b>\$ (2,886,840)</b>	<b>\$ (4,547,014)</b>	<b>\$ (1,369,214)</b>	<b>\$ (2,510,038)</b>	<b>\$ 4,965,021</b>
Debt service as a percentage of non-capital expenditures	<b>10.55%</b>	<b>10.76%</b>	<b>12.61%</b>	<b>9.96%</b>	<b>12.37%</b>	<b>9.00%</b>	<b>10.72%</b>	<b>14.87%</b>	<b>15.16%</b>	<b>12.98%</b>

Source: City of Missoula

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

<b>Taxing Authority</b>	<b>Fiscal Year</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>	<b>2017</b>	<b>2018</b>
City of Missoula	222.45	222.45	225.56	233.24	240.90	243.52	245.62	252.81	260.08	252.27
<b>County of Missoula</b>										
County Wide	140.35	138.94	139.80	142.47	145.04	150.32	160.09	167.96	172.32	174.44
Open Space Bond Levy			1.66	2.33	3.04	3.33	3.45	2.74	3.22	3.10
Fort Missoula Regional Park	-			-	-	-	-	-	13.43	12.09
School Equalization	105.61	104.62	103.45	100.94	100.17	104.60	105.64	104.35	103.73	101.91
Total	245.96	243.56	244.91	245.74	248.25	258.25	269.18	275.05	292.70	291.54
<b>District Schools</b>										
School District One	140.24	142.75	141.50	145.18	141.88	148.94	150.34	149.71	180.04	212.54
High Schools	79.13	76.46	74.63	76.44	71.92	72.19	72.77	75.11	85.01	103.10
Total	219.37	219.21	216.13	221.62	213.80	221.13	223.11	224.82	265.05	315.64
<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	14.86	16.30	16.45	17.69	19.51	21.05	34.26	40.47	40.47	36.78
<b>Total Levy on City Residents</b>	<b>748.64</b>	<b>747.52</b>	<b>749.05</b>	<b>764.29</b>	<b>768.46</b>	<b>789.95</b>	<b>818.17</b>	<b>839.15</b>	<b>904.30</b>	<b>942.23</b>
<b>Overall Property Tax Increase (Decrease)</b>	<b>1.78%</b>	<b>-0.15%</b>	<b>0.20%</b>	<b>2.03%</b>	<b>0.55%</b>	<b>2.80%</b>	<b>3.57%</b>	<b>2.56%</b>	<b>7.76%</b>	<b>4.19%</b>
<b>Other Levies of Interest</b>										
County Only	35.80	35.80	36.18	36.18	36.38	36.37	36.37	37.70	39.57	37.88
Missoula Rural Fire	94.13	94.13	97.97	97.97	100.33	102.39	112.59	112.61	114.33	110.38

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
			Total	Estimated Market Value		
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
2017	7,390,919,522	113,132,406	1.53%		4,569,578	260.08
2018	8,176,081,623	121,755,578	1.49%		7,588,347	252.27

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>Tax Increment District</b>	<b>Total Taxable Assessed Value</b>
					<b>Other</b>	<b>Tax Increment District</b>	<b>Total Taxable Assessed Value</b>		
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	
2017	104,237	2,546	4,584	521	397	5,417	(4,570)	113,132	
2018	116,306	2,623	3,510	654	398	5,852	(7,588)	121,756	

\*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.

<sup>^</sup> 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		
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%	
2017	7,390,919,522	246	25,059,568	736	41,624,374	1,576	161,435,250	37.27%	
2018	8,176,081,623	253	25,610,521	310	15,000,260	1,434	167,128,016	3.53%	

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

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

<b>Taxpayer</b>	<b>2018</b>			<b>2009</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of City Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of City Taxable Assessed Value</b>
NORTHWESTERN ENERGY	\$ 5,963,176	1	4.90%	\$ 3,280,617	1	3.09%
SOUTHGATE MALL MONTANA LLC ***	1,204,365	2	0.99%	907,130	4	0.85%
RCHP BILLINGS MISSOULA LLC *	978,437	3	0.80%			
VERIZON WIRELESS	940,956	4	0.77%	663,632	7	0.62%
MONTANA RAIL LINK	857,669	5	0.70%			
CENTURYLINK INC**	803,213	6	0.66%	2,024,178	2	1.91%
GATEWAY LIMITED PARTNERSHIP	782,889	7	0.64%	744,479	5	0.70%
CHARTER COMMUNICATIONS	773,709	8	0.64%	703,713	6	0.66%
UT MISSOULA LLC	464,151	9	0.38%			
ST PATRICK HOSPITAL CORP	422,095	10	0.35%	618,450	9	0.58%
MOUNTAIN WATER COMPANY				1,128,832	3	1.06%
FIRST INTERSTATE BANK				613,623	8	0.58%
WW HOLDING CO INC/ALLTELL CORP				474,276	10	0.45%
Total	<u><u>\$ 13,190,660</u></u>		<u><u>10.84%</u></u>	<u><u>\$ 11,158,930</u></u>		<u><u>10.50%</u></u>

\* Formerly Community Hospital Corp

\*\* Formerly Qwest Communications

\*\*\* Formerly Southgate Mall Associates

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>Collected within the Fiscal Year of the Levy</b>			<b>Total Collections to Date*</b>			<b>Percentage of Delinquencies</b>
	<b>Total Tax Levy for Fiscal Year</b>	<b>Amount</b>	<b>Percentage of Levy</b>	<b>in Subsequent Years</b>	<b>Amount</b>	<b>Percentage of Levy</b>	
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%	100,318	27,963,457	99.15%	1.21%
2017	29,423,476	28,786,655	97.84%	98,256	28,884,910	98.17%	2.16%
2018	30,713,521	30,145,774	98.15%	217,539	30,363,313	98.86%	1.85%

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, 2018**

Market Valuation	\$	8,176,081,623
Market Valuation (Less Tax Increment)	\$	8,168,493,276
Taxable Valuation	\$	129,343,925
Taxable Valuation (Less Tax Increment)	\$	121,755,578
Population		74,977
Direct Debt Per Capita	\$	233
Direct and Overlapping Debt Per Capita	\$	2,021
Direct Debt to Market Valuation		0.21%
Direct and Overlapping Debt to Market Valuation		1.85%
Direct Debt to Taxable Valuation		13.50%
Direct and Overlapping Debt to Taxable Valuation		117.15%
Market Valuation per Capita	\$	109,048
Taxable Valuation per Capita	\$	1,725

Source: City of Missoula

**SUMMARY OF DIRECT DEBT, INDIRECT DEBT AND DEBT RATIOS  
REQUIRED CONTINUING DISCLOSURE  
AS OF JUNE 30, 2018**

<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	\$ 17,463,712	\$ -	\$ 17,463,712
Debt Supported by General Fund	13,898,727	-	13,898,727
Revenue Debt (Water and Sewer)	120,495,224	-	120,495,224
Revenue Debt (TIF and Parking)	44,428,284	( a )	44,428,284
Subtotal of Direct Debt	<u><u>\$ 196,285,947</u></u>		<u><u>\$ 196,285,947</u></u>

(a) 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>			
G.O. Debt as of June 30, 2018	Debt Applicable to Tax Capacity of City		
	Percentage^	Amount	
Taxing Unit:			
Missoula County High School District	\$ 70,275,000	88.26%	\$ 62,024,715
Missoula County Elementary School District	83,125,000	50.54%	42,011,375
Hellgate Elementary School District	28,290,000	15.91%	4,500,939
School District No. 20 (Desmet)	75,000	2.96%	2,220
Missoula County	45,470,000	56.14%	25,526,858
Subtotal of Indirect Debt	<u><u>\$ 227,235,000</u></u>		<u><u>\$ 134,066,107</u></u>
<b>Total of Direct and Indirect Debt</b>			<b><u><u>\$ 330,352,054</u></u></b>

<b>Debt Ratios*</b>		
G.O. Net Direct Debt	G.O. Indirect & Net Direct Debt	
Current Year Estimated Value Per Capita	0.21%	1.85%
	\$ 233	\$ 2,021

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

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

Source: City of Missoula

Source: Missoula County Assessors Office

Source: Local Schools

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

	<b>Fiscal Year</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>	<b>2017</b>	<b>2018</b>	
Debt Limit	\$ 84,236	\$ 93,949	\$ 99,129	\$ 103,517	\$ 102,767	\$ 107,626	\$ 110,150	\$ 182,579	\$ 184,773	\$ 204,402	
Total net debt applicable to limit	<u>16,426</u>	<u>15,224</u>	<u>13,966</u>	<u>12,661</u>	<u>12,124</u>	<u>11,555</u>	<u>10,178</u>	<u>8,731</u>	<u>7,548</u>	<u>6,462</u>	
Legal debt Margin	<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>	<u>\$ 177,225</u>	<u>\$ 197,940</u>	
Total net debt applicable to the limit as a percentage of debt limit	<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>	<u>4.08%</u>	<u>3.16%</u>	

**Legal Debt Margin Calculation for Fiscal Year 2018**

Assessed Value of Taxable Property as Ascertained by the last Assessment for Taxes	8,176,082
Debt Limit 2.5% of Assessed Value (1)	2.50%
General Obligation Debt Limit	204,402
Less: Outstanding General Obligation Debt, June 30, 2018	6,462
Total net debt applicable to limit	<u>197,940</u>
Legal Debt Margin	<u>197,940</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 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	Bond Premiums/ Discounts	Loans Payable	Capital Leases	Sidewalk & Curb Warrants	Revenue Bonds	Capital Leases	Notes Payable	FBO Contracts Payable	Total Primary Government					
2009	\$ 16,235,000	\$ 5,130,000	\$ 14,030,295	\$ -	\$ 191,309	\$ 1,378,125	\$ 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	-	-	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	35,036	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	2,238,246	-	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	232,290	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	383,138	336,190	4,989,470	-	18,799,002	92,293	1,392,863	-	50,181,456	44,134	72,070	1.58%	696	0.69%
2017	7,305,000	4,650,000	12,173,827	363,981	242,822	4,879,043	-	158,062,445	389,699	1,353,747	-	189,420,564	45,370	73,747	5.66%	2,569	2.56%
2018	6,315,000	7,779,735	11,148,712	344,824	147,321	5,626,847	-	157,684,279	401,474	1,312,237	5,525,518	196,285,947	47,215	74,977	5.54%	2,618	2.40%

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>
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
2017	7,305	113,132	6%	73,747	99.05
2018	6,315	121,756	5%	74,977	84.23

\* 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**

<b>Fiscal Year</b>	<b>Operating Revenues</b>	<b>Operating Expenses (1)</b>	<b>Net Revenue Available for Debt</b>	<b>Principal Paid</b>	<b>Debt Service Requirements</b>		
					<b>Interest Paid</b>	<b>Total Debt Service</b>	<b>Coverage (2)</b>
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%
2017	9,117,013	6,388,150	2,728,863	1,480,604	590,468	2,071,072	132%
2018 ^	10,202,755	6,759,719	3,443,036	1,489,699	588,109	2,077,808	166%

<b>^ Debt Service Coverage Calculation - 2018</b>		
FY 2018		
<b>Revenues</b>		
Operating Revenue	\$ 10,434,099	
Less: Federal Credit	(231,344)	
Total Operating Revenue	<u>10,202,755</u>	
<b>Expenses</b>		
Operating Expenses	(9,834,497)	
Add back Depreciation	3,074,778	
Total Operating Expenses	<u>(6,759,719)</u>	
<b>Revenues available for Debt Service:</b>		
	<u>\$ 3,443,036</u>	
<b>Debt Service</b>		
Principal	\$ 1,489,699	
Interest	819,453	
Less: Federal Credit	(231,344)	
Net Debt Service	<u>\$ 2,077,808</u>	
<b>Coverage</b>		
	166%	

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>
			<b>Service</b>	<b>For Debt</b>				
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	2,152,353	1,170,266	982,087	185,000	272,575	457,575	215%	
2017	2,521,547	1,402,419	1,119,128	250,000	265,850	515,850	217%	
2018 *	2,834,949	1,430,557	1,404,392	275,000	291,525	566,525	248%	

<b>* Debt Service Coverage Calculation - 2018</b>	
FY 2018	
<b>Revenues</b>	
Total Operating Revenue	2,623,619
MRA Pledge	211,330
Total Revenues Pledged	<u>2,834,949</u>
<b>Expenses</b>	
Operating Expenses	(2,120,985)
Add back Depreciation ^	490,729
Add back administrative charges	199,699
Total Operating Expenses	<u>(1,430,557)</u>
<b>Revenues Available for Debt Service</b>	<u>1,404,392</u>
<b>Debt Service</b>	
Principal	275,000
Interest	291,525
Net Debt Service	<u>566,525</u>
<b>Coverage</b>	<b>248%</b>

(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>
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%
2017	624,223	12,173,827	5.1%
2018	557,436	11,148,712	5.0%

Source: City of Missoula

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

	<b>Fiscal Year</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>	<b>2017</b>	<b>2018</b>
Beginning Balance	\$779,966	\$719,399	\$764,101	\$794,547	\$791,209	\$735,266	\$652,449	\$586,596	\$550,531	\$624,222
Disbursements/Transfers	(60,567)	44,702	30,446	(3,338)	(55,943)	(82,817)	(65,853)	(36,065)	73,691	(66,787)
Ending Balance	<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>	<u>\$624,222</u>	<u>\$557,436</u>
Assets:										
Cash	\$702,257	\$746,320	\$793,639	\$774,812	\$719,735	\$636,917	\$569,709	\$535,000	\$624,223	\$557,436
Due from SID Funds	-	-	-	865	-	-	569,709	-	41,452	25,920
Other Receivables	182,844	167,952	135,548	134,640	119,108	103,577	88,046	72,514	-	-
Total Assets	885,101	914,272	929,187	910,317	838,843	740,494	1,227,463	607,514	665,674	583,356
Liabilities:										
Interfund Payable	-	-	-	-	-	-	568,353	-	-	-
Deferred Revenue	165,702	150,171	134,639	119,108	103,577	88,046	72,514	56,983	41,452	25,920
Total Liabilities	165,702	150,171	134,639	119,108	103,577	88,046	640,867	56,983	41,452	25,920
Total Fund Balance	<u>\$ 719,399</u>	<u>\$ 764,101</u>	<u>\$ 794,548</u>	<u>\$ 791,209</u>	<u>\$ 735,266</u>	<u>\$ 652,448</u>	<u>\$ 586,596</u>	<u>\$ 550,531</u>	<u>\$ 624,222</u>	<u>\$ 557,436</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>		
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%	4.5%
2015	71,022	114,181	4,658,900	40,803	3.5%	3.8%
2016	72,070	116,130	5,125,320	44,134	3.5%	3.8%
2017	73,747	119,108	5,279,080 *	45,370 *	4.0%	3.6%
2018	74,977	120,447	5,466,596 *	47,215 *	4.0%	3.6%

(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>Percentage of Total City Employment</b>		<b>Percentage of Total City Employment</b>
		<b>2018</b>	<b>2009^</b>	
University of Montana	Higher Education	2,892	3.86%	3,651 5.27%
St. Patrick Hospital	Healthcare	1,605	2.14%	1,600 2.31%
Montana Rail Link	Rail Transportation	1,167	1.56%	254 0.37%
Missoula County Public Schools	Public Education	1,129	1.51%	1,424 2.06%
Community Medical Center	Healthcare	860	1.15%	1,200 1.73%
Missoula County	Government	853	1.14%	775 1.12%
Us Forest Service	Federal Government	704	0.94%	800 1.15%
AT&T/DirecTV	Service	675	0.90%	1000 1.44%
City of Missoula	Government	621	0.83%	514 0.74%
Wal-Mart	Retail	585	0.78%	524 0.76%
Western Montana Clinic				252 0.36%

\* Employers were added after 2009

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<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	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
City Clerk	4.50	4.50	3.50	4.00	4.00	4.00	5.00	5.00	5.00	5.00
Information Systems	6.00	6.00	6.00	6.00	6.00	6.00	6.00	8.00	8.00	8.00
Finance/Treasurer	16.00	16.00	16.00	16.00	16.00	15.50	15.00	15.00	16.00	15.00
Central Services	-	-	-	-	-	1.50	3.00	3.00	3.00	2.00
Housing & Community Development	-	-	-	-	-	-	-	-	3.00	4.75
City Attorney	14.90	13.25	12.75	14.00	15.00	16.00	16.00	16.00	16.00	17.00
Facility Maintenance	-	-	-	-	-	-	-	-	-	2.00
Fleet Maintenance	11.00	11.00	10.50	10.50	10.50	11.50	10.50	10.50	10.50	9.75
<b>Public Safety</b>										
Municipal Court	13.00	14.25	13.75	13.75	16.75	16.85	17.85	17.85	17.85	17.35
Police Department	124.50	124.50	117.00	117.00	122.00	126.00	130.00	132.00	134.50	134.50
Fire Department	95.00	94.00	95.00	95.00	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	23.87	25.60
GIS	-	-	-	-	-	3.00	3.00	-	-	-
Public Works - Operations	29.87	29.87	29.82	27.52	11.42	8.42	8.42	8.42	8.53	8.53
Street Division	28.54	28.54	25.38	28.54	28.79	28.79	28.79	28.79	28.79	28.00
City Cemetery	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.92	8.91	8.91
Planning	-	-	-	-	-	-	4.50	4.50	4.50	5.50
Building Inspection	13.00	9.00	9.00	9.00	9.00	10.99	11.10	12.00	11.88	13.40
Road District 1	-	-	3.16	-	0.25	0.25	0.25	0.75	2.66	4.38
Transportation	-	-	-	-	-	-	8.40	9.57	9.57	9.57
Water	-	-	-	-	-	-	-	-	-	32.00
Wastewater	22.20	22.20	21.50	21.50	21.50	22.50	22.50	24.00	24.00	30.16
Storm Water	-	-	-	-	-	-	-	-	2.00	4.00
<b>Culture and Recreation</b>										
Parks and Recreation	55.74	55.74	52.51	54.42	57.74	55.80	57.00	57.60	59.60	59.60
Fort Missoula Regional Park - Recreation	-	-	-	-	-	-	-	-	1.75	7.46
Fort Missoula Regional Park - Ops & Maint	-	-	-	-	-	-	-	-	-	-
Parks District 1	-	-	3.23	-	1.20	1.20	1.98	2.73	7.22	8.49
Aquatics	30.81	30.81	30.81	26.81	26.81	26.81	25.45	23.88	23.77	24.13
<b>Agencies</b>										
Parking Commission	11.00	11.00	11.33	11.33	11.50	11.50	11.50	11.50	11.50	12.50
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>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>545.76</b>	<b>564.40</b>	<b>620.58</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 Federation of Public Employees *		
Building Inspectors	6	June 30, 2019
Maintenance Technicians in Parks and Recreation Dept.	9	June 30, 2019
WW Chemists	3	June 30, 2019
Planners	17	June 30, 2019
Parking Commission	7	June 30, 2019
Wastewater Plant Operators	6	June 30, 2019
Teamsters Union, Local No. 2 - Street Deot,	22	June 30, 2019
Operators' Union, Local No. 4000 - Street Dept.	12	June 30, 2019
Machinists Union, Local No. 88, District No. 86	8	June 30, 2019
Teamsters, Parks and Recreation Seasonal	25	June 30, 2019
Wastewater Operator's Union, Local 400	8	June 30, 2019
International Brotherhood of Electrical Workers	2	June 30, 2019

Note: Basic services provided through City government include Police and Fire protection, Municipal Sewer and Sanitation, Street Maintenance and Construction, Building Inspection, Zoning Enforcement, Public Works, and Parks and Recreation. As of June 30, 2015, the City employed approximately 626 workers, including Seasonal and Intermittent. Of the total City workforce, approximately 46% were members of organized bargaining units. State law requires Montana Cities to bargain collectively with formally recognized bargaining units. The City considers relations with its bargaining groups to be satisfactory.

\* Formerly MPEA and MEA-MFT

Source: City of Missoula

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

	<b>Fiscal Year</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>	<b>2017</b>	<b>2018 (A)</b>
Goods Producing	5,500	4,600	4,700	4,400	4,500	4,600	4,900	4,900	5,100	5,500
Trade, Transportation and Utilities	12,100	11,300	11,400	11,600	11,100	11,900	12,300	12,200	12,200	12,600
Professional and Business Service	6,100	6,900	6,900	6,800	7,000	7,000	6,500	6,400	6,500	6,600
Educational and Health Services	8,900	9,200	9,500	9,800	10,000	10,000	10,300	10,400	10,800	10,900
Healthcare and Social Assistance	8,400	8,700	9,000	9,200	9,300	9,400	9,700	9,800	10,100	10,300
Leisure and Hospitality	7,600	7,000	6,900	7,400	7,300	7,700	8,100	8,100	8,500	8,500
Government	8,300	10,300	8,400	10,300	10,500	10,600	10,800	10,800	11,000	10,900
	<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>62,600</b>	<b>64,200</b>	<b>65,300</b>

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

(A) Most recent data available through June 2018.

All other years are annual data

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

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Government</b>										
Business Licenses Issued	5,141	5,947	5,103	5,872	5,585	5,418	4,566	5,821	5,658	5,466
Amount of SID's Billed	\$ 2,759,874	\$ 2,788,949	\$ 2,979,149	\$ 2,806,770	\$ 2,565,463	\$ 2,468,350	\$ 2,277,577	\$ 2,221,810	\$ 2,516,030	\$ 2,372,380
# Sewer Bills	42,323	42,860	43,493	44,495	45,042	45,042	45,213	45,664	46,326	47,232
<b>Public Safety Activities</b>										
Citations issued	31,700	25,136	20,232	20,554	18,139	15,420	14,042	13,442	20,791	18,413
Orders of Protection issued	398	277	209	236	203	318	267	351	245	193
Attorney's Office - Lawsuits & Claims	41	26	24	22	32	29	35	35	25	33
Attorney - Opened criminal files	2,372	2,313	3,029	4,007	4,255	3,955	3,023	3,777	4,238	3,248
Officers/1,000 population	2	1	1	2	2	2	2	2	1	1
Total sworn officers	101	100	100	104	106	109	109	109	106	109
Police calls for Service	41,424	41,373	40,272	41,334	42,302	41,728	45,605	42,791	53,206	54,126
Total Fire Department Incident Responses*	5,850	6,217	5,752	6,131	6,548	6,745	7,140	7,865	8,169	8,650
<b>Public Works</b>										
Miles of sidewalk installed	4.00	6.78	5.42	4.72	5.58	9.19	4.35	3.48	4.15	8.13
Building Permits Issued	1,291	1,306	1,283	1,395	1,485	1,319	1,427	1,515	1,576	1,434
Construction Value of Bldg permits issued	\$ 63,987,567	\$ 54,867,213	\$ 87,790,572	\$ 58,443,007	\$ 68,558,394	\$ 74,177,588	\$ 122,960,429	\$ 117,605,567	\$ 161,435,250	\$ 167,128,016
Miles of Street	383	391	413	416	419	422	428	443	454	456
Population	66,295	66,788	67,565	68,484	69,039	69,821	71,022	72,070	73,747	74,977

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>GENERAL GOVERNMENT</b>										
Vehicles	4	4	4	2	2	2	2	2	2	2
Buildings	3	3	3	4	4	5	5	5	5	5
<b>PUBLIC SAFETY ACTIVITIES</b>										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Engines/Trucks/Vehicles/Vans	26	25	25	31	32	32	33	34	31	32
Police Motorcycles	6	6	6	4	5	5	5	5	5	5
Police Patrol Cars/Passenger Vehicles/Other Vehicles	62	63	63	66	59	63	63	67	72	77
<b>PUBLIC WORKS</b>										
Streets (sq. yards)	6,837,927	7,056,869	7,265,469	7,399,746	7,539,539	7,636,873	7,774,642	8,050,257	8,287,391	8,530,773
Curbs (lineal feet)	1,957,574	2,100,819	2,135,361	2,159,796	2,182,153	2,241,246	2,259,480	2,273,980	2,288,394	2,327,924
Sidewalks (sq. feet)	10,232,017	10,599,017	12,699,836	12,824,406	13,345,978	13,588,598	13,703,420	13,795,344	13,904,798	14,119,387
Storm Sewer (lineal feet)	157,826	162,158	168,148	172,360	179,388	179,888	180,368	183,538	184,199	189,001
Sumps	5,307	5,385	5,496	5,524	4,183	4,209	5,585	5,617	5,624	5,742
Signs	56,635	57,502	58,369	59,236	60,103	60,970	61,837	62,704	63,571	64,438
Vehicles	161	163	165	163	123	123	123	225	248	285
Buildings	4	4	4	4	5	5	5	5	6	5
<b>PUBLIC HEALTH ACTIVITIES</b>										
Cemetery & Buildings	7	7	7	7	7	7	7	7	7	7
Vehicles/Tractors/Trucks/Mowers	14	14	15	17	18	18	18	20	18	18
<b>CULTURE AND RECREATION</b>										
Parks	67	68	69	70	70	70	70	72	71	72
Trails	22									
Commuter	N/A	22	22	23	23	23	23	23	23	23
Recreational	N/A	55	55	56	56	56	56	58	56	59
Park Shelter/Band Shells/Pavilions	10	12	15	17	18	18	18	24	20	21
Buildings	23	23	23	23	23	23	23	23	23	23
Vehicles (Including trailers)	58	59	59	59	108	112	112	115	112	112
<b>HOUSING &amp; COMMUNITY DEVELOPMENT</b>										
Vehicles	1	1	1	1	1	1	1	1	1	1
Buildings	-	-	-	-	-	-	-	-	-	-

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</b>		<b>Percent Collected</b>	<b>Delinquent Assessments</b>		<b>Total Assessments</b>	<b>Penalty and Interest Paid</b>
	<b>Billed</b>	<b>Paid</b>		<b>Paid</b>	<b>Paid</b>		
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	
2017	2,516,030	2,454,187	97.54%	35,599	2,489,786	4,337	
2018	2,372,380	2,301,098	97.00%	58,556	2,359,653	4,321	

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>
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
2017	228,884,766	14,537.55	260,053.13	972.25	10,318.56
2018	Completed	Completed	Completed	Completed	Completed

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

**CITY OF MISSOULA, MONTANA**  
**SPECIAL IMPROVEMENT DISTRICTS**  
**Current as of June 30, 2018**

<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>
FY2011 Total ^	\$ 2,698,949,941	1,042.61	42,350.68	0.03	341.14
FY2012 Total	3,105,150,944	893.51	26,719.49	1.76	429.81
FY2013 Total	3,365,098,815	352.35	40,261.28	4.87	110.58
FY2014 Total	1,497,286,124	1,737.80	233,364.95	0.22	442.92
FY2015 Total	2,373,479,490	2,861.51	244,392.70	0.17	795.46
FY2016 Total	2,446,652,631	4,299.09	1,131,599.24	0.17	832.07
FY2017 Total	2,320,102,073	5,830.90	310,647.67	0.18	1,654.98
0524	719,226,897	278.65	10,260.70	4.47	186.96
0525	29,575,696	98.45	452.80	21.66	56.04
0526	106,769,459	85.42	1,267.26	4.71	54.82
0532	64,124,627	151.03	492.37	30.86	149.88
0533	11,250,663	146.19	652.08	31.91	57.96
0534	13,872,524	65.78	120.74	23.70	63.81
0536	24,217,712	64.47	121.89	4.13	62.63
0540	112,760,486	107.87	184.31	62.77	103.18
0541	544,138,454	880.21	4,733.80	0.02	804.20
0544	100,732,672	55.50	239.72	6.87	53.15
0545	14,613,388	951.29	5,596.12	238.46	833.10
0546	12,166,671	891.98	1,146.13	354.89	889.36
0548	9,337,312	44.45	90.50	0.20	48.70
0549	202,646,551	144.47	536.04	3.05	128.37
CS08	8,728,611	100.09	330.82	11.21	88.76
CS09	7,712,403	50.18	165.94	6.86	32.87
CS10	10,343,042	52.30	277.27	7.80	40.54
CS12	61,572,069	360.82	5,815.79	13.47	155.94
CS13	67,392,392	907.53	11,208.76	322.00	358.03
CS15	26,426,945	185.54	2,901.36	8.99	91.04
CS16	17,586,495	272.04	4,035.16	8.34	74.74
CS17	15,213,947	333.20	7,428.43	4.83	70.00
CS18	22,290,541	372.03	4,201.73	15.15	132.39
CS346	16,131,394	41.02	120.31	15.58	24.41
FY2018 Total	\$ 2,218,830,951	276.69	11,208.76	0.02	81.75

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 WATER DIVISION**  
**USER RATES CHARGES**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Metered charges				Flat Rate Charges						
	Residential Base Rate (5/8" meter)	Commercial (1" meter)	Commercial (3" meter)	Consumption rate for all usage^	Single Family Dwellings	Each room after 4	Efficiency	Business/Church	Swimming Pool	Sprinkling * (minimum \$42.01)	
2009											
2010											
2011											
2012											
2013											
2014											
2015											
2016											
2017											
2018*	\$ 16.26	\$ 36.92	\$ 209.10	\$ 1.9156	\$ 49.17	\$ 5.85	\$ 27.01	\$ 52.70	\$ 88.26	\$ 3.8313	

Source: City of Missoula

\* First year of tracking data is FY18

<sup>^</sup> Rate is based on per 100 cubic feet (ccf) of water consumption

**CITY OF MISSOULA, MONTANA**  
**CITY OF MISSOULA WATER DIVISION**  
**NUMBER OF USERS and CONSUMPTION DATA**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Metered Customers</b>	<b>Flat-Rate Customers</b>	<b>Daily Average Flow ^</b>	<b>Maximum Daily Flow ^</b>	<b>Total Annual Flow ^</b>
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018*	19,748	3,053	33,388	56,939	12,186,677

Source: City of Missoula

^ Expressed in 100 Cubic Feet of water consumption

\* First year reporting is FY18

**CITY OF MISSOULA, MONTANA**  
**CITY OF MISSOULA WATER DIVISION**  
**TOP BILLED CUSTOMERS**  
**SERVICED BY MISSOULA WATER**  
**Current and Ten Years Ago**

<b>Customer</b>	<b>Type of Product or Service</b>	<b>2018</b>	<b>Percentage of Total Billed</b>	<b>2009 *</b>	<b>Percentage of Total Billed</b>
University of Montana	Higher Education	\$ 274,820	1.53%		
University of Montana	Higher Education	240,185	1.34%		
Union Square Apartments	Real Estate	114,858	0.64%		
UM Family Housing	Real Estate	97,829	0.54%		
St. Patrick Hospital	Healthcare	56,947	0.32%		
Community Medical Center	Healthcare	56,777	0.32%		
American Eagle Instruments	Manufacturing	55,345	0.31%		
Missoula County Airport	Transportation	49,630	0.28%		
Travois Village	Real Estate	42,287	0.24%		
Missoula County Detention	Detention	41,139	0.23%		

\* Information for FY2009 not available

Source - City of Missoula

**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>
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
2017	81.36	67.08	1.64	3.34	1.59	1.42	1.20	0.22	0.17	6.73
2018	83.40	68.76	1.68	3.42	1.63	1.46	1.23	0.23	0.17	6.89

Source: City of Missoula

<sup>^</sup> Rate is based on per unit

\* Rate is based on per 100 cubic feet (ccf) of water consumption

† Rate is based on pound

**CITY OF MISSOULA, MONTANA**  
**CITY OF MISSOULA SEWERAGE DISTRICT**  
**NUMBER OF USERS and AVERAGE PEAK DEMAND**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Single Family	Multiple Families	General Commercial	Food Service & Mortuaries	Hospitals	Schools	Large Volume & Industrial	Total Number of Customers	Average Peak Demand ^
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	1,904	256	15	28	14	23,532	15.10
2017	19,427	2,175	1,911	257	15	28	14	23,827	16.70
2018	19,663	2,212	1,923	260	15	30	14	24,117	16.73

Source: City of Missoula

<sup>^</sup> 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>Collected within the Fiscal Year of the Billings</b>			<b>Total Collections to Date</b>			<b>Percentage of Delinquencies</b>
	<b>Total Billed for Fiscal Year</b>	<b>Amount</b>	<b>Percentage of Billing</b>	<b>Collections in Subsequent Years</b>	<b>Amount</b>	<b>Percentage of Billing</b>	
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%
2017	8,030,403	7,944,830	98.93%	3,461	7,948,292	98.98%	1.07%
2018	8,512,934	8,421,977	98.93%	3,466	8,425,443	98.97%	1.07%

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>2018</b>		<b>Percentage of Total Billed</b>		<b>Percentage of Total Billed</b>
		<b>\$</b>	<b>2018</b>	<b>\$</b>	<b>2009</b>	
University of Montana	Higher Education	\$ 288,319	3.39%	\$ 200,601		3.15%
John R Daily Inc.	Food Manufacturing	183,344	2.15%	62,750		0.99%
Community Medical Center	Healthcare	61,535	0.72%	45,527		0.71%
Big Sky Brewing Co	Brewery	52,149	0.61%	45,970		0.72%
St. Patrick Hospital	Healthcare	50,603	0.59%	65,851		1.03%
Travois-Harvey's	Trailer Park	46,648	0.55%	36,064		0.57%
Missoula County Airport	Travel	42,911	0.50%			*
American Eagle Instruments	Medical Supplies	42,813	0.50%			*
Hacker, R Scott	Rental Property	41,066	0.48%	31,459		0.49%
Missoula County Jail	Government	33,059	0.39%			*
Holiday Inn Parkside	Hotel	-	0.00%	41,034		0.64%
GTC Oats	Agriculture	-	0.00%	68,673		1.08%
Southgate Mall	Retail	-	0.00%	26,627		0.42%

\* Customers were added after 2009

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)
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	7.12	0.71%	2,606	0.93%
2017	7.72	8.43%	2,819	8.17%
2018	8.19	6.09%	2,989	6.05%

Source: City of Missoula

<sup>^</sup> 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>
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
2017	0.50 - 4.00	1.00	75.00 TO 85.00	40.00 TO 60.00	65.00
2018	1.00 - 4.00	1.00	75.00 TO 85.00	40.00 TO 70.00	65.00

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>
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	9%	49%	17%	20%	4%
2017	134	1,244	15	541	760	10%	46%	26%	16%	2%
2018	135	1,262	14	439	988	9%	49%	17%	20%	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**

<b>Urban Renewal District II (1-1C, 4-1C)</b>				
<b>Fiscal Year</b>	<b>Personal Attached Taxable Value</b>	<b>Personal Property (Unattached) Taxable Value</b>	<b>Total Taxable Value</b>	
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	
2017	3,698,497	250,016	3,948,513	
2018	4,477,327	265,612	4,742,939	

<b>Urban Renewal District III (1-1D)</b>				
<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	\$ 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	
2017	9,818,839	279,493	10,098,332	
2018	10,846,954	355,738	11,202,692	

<b>Front Street URD (1-1F)</b>				
<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	
2017	1,785,638	33,176	1,818,814	
2018	1,881,011	34,435	1,915,446	

<b>Riverfront Triangle URD</b>				
<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	
2017	111,140	1,764	112,904	
2018	344,129	1,399	345,528	
2019	657,110	45,095	702,205	

<b>Hellgate URD (1-1H) #</b>				
<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	
2017	\$ 982,521	\$ 257	982,778	
2018	\$ 1,162,396	\$ 2,433	1,164,829	

<b>North Reserve / Scott Street URD (1-1N, 4-1N) #</b>				
<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	
2017	1,563,249	378	1,563,627	
2018	2,332,473	4,653	2,337,126	

\* 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**

<b>Urban Renewal District II</b>					
<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>		<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
		<b>District</b>	<b>Increment</b>		
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%
2017	117,701,984	3,948,513		2,088,690	1.8%
2018	129,343,925	4,742,939		2,883,116	2.2%

<b>Urban Renewal District III</b>					
<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>		<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
		<b>District</b>	<b>Increment</b>		
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%
2017	117,701,984	10,131,604		1,958,760	1.7%
2018	129,343,925	11,202,692		3,029,848	2.3%

<b>Front Street URD</b>					
<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>		<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
		<b>District</b>	<b>Increment</b>		
2009 *	\$106,334,891	\$ 1,413,675		\$ 640	0.0%
2010	107,159,214	1,622,092		209,057	0.2%
2011	111,474,037	2,229,992		816,957	0.7%
2012	112,993,774	2,029,197		616,159	0.5%
2013	112,697,955	1,987,146		574,111	0.5%
2014	109,336,360	1,964,237		551,202	0.5%
2015	112,624,034	1,950,387		537,352	0.5%
2016	115,856,258	1,839,099		426,064	0.4%
2017	117,701,984	1,828,962		415,927	0.4%
2018	129,343,925	1,915,446		502,411	0.4%

<b>Riverfront Triangle</b>					
<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>		<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
		<b>District</b>	<b>Increment</b>		
2010 ^	\$104,408,018	\$ 133,871		\$ -	0.0%
2011	111,474,037	189,937		32,079	0.0%
2012	112,993,774	168,865		11,007	0.0%
2013	112,697,955	112,863		-	0.0%
2014	109,336,360	116,994		-	0.0%
2015	112,624,034	120,870		-	0.0%
2016	115,856,258	132,883		-	0.0%
2017	117,701,984	112,904		-	0.0%
2018	129,343,925	345,528		187,670	0.1%

<b>Helgate Urban Renewal District #</b>					
<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>		<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
		<b>District</b>	<b>Increment</b>		
2016 ^	\$115,856,258	\$ 960,528		\$ -	0.0%
2017	117,701,984	985,733		-	0.0%
2018	129,343,925	1,164,829		139,381	0.1%

<b>North Reserve / Scott Street Urban Renewal District #</b>					
<b>Fiscal Year</b>	<b>Total City Taxable Value</b>	<b>Total Taxable Value Within Tax Increment District</b>		<b>Incremental Taxable Value Within Tax Increment District</b>	<b>Tax Increment as Percentage of City's Taxable Value</b>
		<b>District</b>	<b>Increment</b>		
2016 ^	\$115,856,770	\$ 1,563,946		\$ 72,741	0.1%
2017	117,701,984	1,567,859		106,201	0.1%
2018	129,343,925	2,337,126		845,921	0.7%

\* 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</b>				<b>North Reserve / Scott Street Urban Renewal District</b>	<b>City Taxable Value (without district)</b>
			<b>District II</b>	<b>District III</b>	<b>Front Street URD</b>	<b>Riverfront Triangle URD</b>		
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
2017	7,390,919,522	117,701,984	2,088,690	1,958,760	415,927	-	106,201	113,132,406
2018	8,176,081,623	129,343,925	2,883,116	3,029,848	502,411	187,670	139,381	845,921

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>
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%
2017			
With State Entitlement	2,274,167	676,428	336%
Without State Entitlement	1,831,576	676,428	271%
2018			
With State Entitlement	3,089,882	676,428	457%
Without State Entitlement	2,647,291	676,428	391%

- 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**

<b>Taxing Authority</b>	<b>Fiscal Year</b>										
	<b>FY '09</b>	<b>FY '10</b>	<b>FY '11</b>	<b>FY '12</b>	<b>FY '13</b>	<b>FY '14</b>	<b>FY '15</b>	<b>FY '16</b>	<b>FY '17</b>	<b>FY '18</b>	
<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>		
State University Mill Levy	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	
State Statewide School Equalization	25.44	26.92	26.60	26.28	26.55	26.15	19.23	18.78	18.44	15.26	
General Countywide School Levy	67.17	54.71	53.28	51.18	51.46	52.68	50.80	49.00	47.82	38.88	
Missoula County	89.27	72.66	72.00	72.24	74.51	75.71	76.98	78.86	79.44	66.56	
Missoula High school District	50.33	39.98	38.44	38.76	36.94	36.36	34.99	35.27	39.19	39.34	
City of Missoula	141.49	116.33	116.17	118.27	123.75	122.64	118.10	118.70	119.89	96.25	
Urban Transportation District	9.45	8.52	8.47	8.97	10.02	10.60	16.47	19.00	18.66	14.03	
Increment 1-1C *	270.27	353.75	359.55	372.64	369.31	387.47	419.86	440.51	475.22	569.62	
Subtotal	<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>	<u>804.66</u>	<u>845.95</u>	
 School District 1-1C	 89.20	 74.65	 72.88	 73.61	 72.88	 75.01	 72.29	 70.29	 83.00	 81.09	
Total levies for property in the District lying within School District 1-1C	748.62	753.52	753.39	767.95	771.42	792.62	814.72	836.41	887.66	927.04	
  <b>Taxing Authority</b>	  <b>FY '09</b>	  <b>FY '10</b>	  <b>FY '11</b>	  <b>FY '12</b>	  <b>FY '13</b>	  <b>FY '14</b>	  <b>FY '15</b>	  <b>FY '16</b>	  <b>FY '17</b>	  <b>FY '18</b>	
 State University Mill Levy	 6.00										
State Statewide School Equalization	18.77	24.90	22.73	25.87	25.85	26.37	21.37	20.96	18.89	18.17	
General Countywide School Levy	49.56	49.44	43.27	50.14	49.71	53.27	56.44	54.68	49.00	46.29	
Missoula County	65.86	65.66	58.47	70.77	71.98	76.55	85.54	88.01	81.40	79.23	
Missoula High school District	37.13	36.13	31.21	37.97	35.69	36.76	38.88	39.36	40.16	46.83	
City of Missoula	104.38	105.12	94.34	115.86	119.55	124.01	131.23	132.48	122.85	114.58	
Urban Transportation District	6.97	7.70	6.88	8.79	9.68	10.72	18.31	21.21	19.12	16.71	
Increment 4-1C *	402.98	398.69	441.03	384.35	384.05	382.13	378.47	387.52	446.55	490.85	
Subtotal	<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>	<u>783.97</u>	<u>818.66</u>	
 School District 4-1C	 73.61	 74.27	 66.18	 75.98	 71.89	 74.84	 82.45	 69.94	 68.36	 86.69	
Total levies for property in the District lying within School District	765.26	767.91	770.11	775.73	774.40	790.65	818.69	820.16	852.33	905.35	

\* 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 2018 (FY19)**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2018 Total Tax</b>	<b>2018 Market Value</b>	<b>2018 Taxable Value</b>
1 MW Corso Associates	Residential - Apartments	\$ 255,284	\$ 19,061,700	\$ 257,332
2 OSD Building #1 LLC	Residential/Commercial Developers	165,351	12,147,536	166,740
3 Millsite Revitalization Project LLC	Residential/Commercial Developers	154,061	8,469,180	154,673
4 Nutritional Laboratories	Food Supplement Manufacturer	141,367	8,872,808	147,466
5 Spirit Master Funding IX LLC	Grocery Store (real property)	136,282	7,064,265	133,515
6 Good Food Store Inc	Grocery Store	125,404	6,867,506	125,076
7 Gregg Mario Company LLC	Residential - Apartments	110,940	8,285,800	111,858
8 Blackfoot Telephone Co-op Inc	Co-op Communications	100,754	3,731,257	111,938
9 Missoula Electric Co-op Inc	Co-op Electric Utility	92,660	3,326,675	99,801
10 Engineering Support Services LLC	Owners	85,739	4,683,762	88,521
		Total <u><u>\$ 1,367,843</u></u>	<u><u>\$ 82,510,489</u></u>	<u><u>\$ 1,396,920</u></u>

**CITY OF MISSOULA, MONTANA**  
**Front Street Urban Renewal District - Top 10 Taxpayers**  
**Tax Year 2018 (FY19)**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2018</b>		<b>2018 Market Value</b>	<b>2018 Taxable Value</b>
		<b>Total Tax</b>			
1 First Interstate Bank	Financial Institution	\$ 298,065		\$ 15,240,861	\$ 288,054
2 El Dorado Hospitality LLC	Hotel	210,607		10,813,305	204,373
3 Northwestern Energy - Transmission	Utility	115,402		1,023,888	122,867
4 Main Street Enterprises LLC	Commercial Properties	81,256		4,169,190	78,798
5 Mercantile Investors LLC	Developer	76,343		3,770,221	71,257
6 Lambros Farran Apartments LLC	Apartments	67,575		4,784,311	66,027
7 Payne Properties LLC	Developer	67,325		3,486,720	65,899
8 N47 LLC	Owner	56,966		2,946,913	55,697
9 Hellgate Lodge 383 - Benevolent	Benevolent Organization	44,238		2,251,200	42,548
10 Terry Payne	Owner	43,990		2,270,453	42,911
		Total	<u>\$ 1,061,768</u>	<u>\$ 50,757,062</u>	<u>\$ 1,038,431</u>

**CITY OF MISSOULA, MONTANA**  
**TAX INCREMENT COLLECTIONS**  
**FRONT STREET URBAN RENEWAL DISTRICT**  
**Last Nine Fiscal Years**

<b>Fiscal Year Ended June 30th</b>						<b>Collected within the Fiscal Year of the Levy</b>	
	<b>Taxable Value</b>	<b>Incremental Taxable Value</b>	<b>Mill Levy ^</b>	<b>Total Tax Levy for Fiscal Year *</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%	
2017	1,828,962	415,927	0.88165	366,702	352,794	96.21%	
2018	1,915,446	502,411	0.92104	462,741	433,759	93.74%	

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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 28, 2018.

**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. We did identify a certain deficiency in internal control, described as finding #2018-001 in the accompanying schedule of findings and questioned costs that we consider to be a material weakness.

## **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 Responses to Findings**

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 December 28, 2018.

## **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 Zummelert Co., P.C.*

Missoula, Montana

December 28, 2018

**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, 2018. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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.

***Opinion on Each 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 major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2018.

## **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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Zummelhier Co., P.C.*

Missoula, Montana  
December 28, 2018

**City of Missoula, Missoula County, Montana**  
**Schedule of Expenditures of Federal Awards**  
**For Fiscal Year Ended June 30, 2018**

<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 2018	95.001	G18RM0037A	\$ 74,269	\$ 28,404
High Intensity Drug Trafficking Area 2017	95.001	G17RM0037A	146,545	54,933
<b>Total Office of National Drug Control Policy</b>			<b>220,814</b>	<b>83,337</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>				
<i>Direct:</i>				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grant Entitlement Grants	14.218	B-16/17-MC-30-0003	391,520	348,408
Home Investment Partnership Program	14.239	N/A	25,397	25,397
Home Investment Partnership Program	14.239	M-14/16/17-MC-30-0219	383,527	357,412
<b>Total Home Investment Partnership Program</b>			<b>408,924</b>	<b>382,809</b>
<b>Total U.S. Department of Housing and Urban Development</b>			<b>800,444</b>	<b>731,217</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-17-024	<b>5,500</b>	<b>-</b>
<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	3,064	-
Bulletproof Vest Partnership Grant	16.607	2017 Regular Fund	12,561	-
Bulletproof Vest Partnership Grant	16.607	2016 Regular Fund	6,372	-
<b>Total Bulletproof Vest Partnership Grant</b>			<b>18,933</b>	<b>-</b>
<i>Passed through Montana Board of Crime Control:</i>				
Crime Victim Assistance	16.575	15-V88-92147	27,939	-
<i>Passed through City of Billings:</i>				
Missing Children's Assistance	16.543	2016-MC-FX-K038	<b>12,920</b>	<b>-</b>
<b>Total U.S. Department of Justice</b>			<b>62,856</b>	<b>-</b>

**City of Missoula, Missoula County, Montana**  
**Schedule of Expenditures of Federal Awards**  
**For Fiscal Year Ended June 30, 2018**

<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 (139)	59,115	-
Congestion Mitigation and Air Quality	20.205	CM 8199 (143)	127,512	-
Congestion Mitigation and Air Quality	20.205	CM 8199 (140)	18,100	-
Congestion Mitigation and Air Quality	20.205	CM 8199 (144)	9,087	-
P.L. Transport FFY17	20.205	FFY 2017 UPWP	79,638	-
P.L. Transport FFY18	20.205	FFY 2018 UPWP	318,412	-
Transportation Alternatives	20.205	UPN 8685	211,905	-
Total Highway Planning and Construction			823,769	-
<i>Passed through Montana Fish, Wildlife &amp; Parks</i>				
Recreational Trails Program	20.219	2017-26	2,000	-
Total Highway Planning and Construction Cluster			825,769	-
<i>Passed through the Montana Department of Transportation:</i>				
Metropolitan Transportation Planning - FTA (Section 5303)	20.505	109758	116,623	103,525
Metropolitan Transportation Planning - FTA (Section 5303)	20.505	109231	40,726	35,040
Total Metropolitan Transportation Planning - FTA (Section 5303)			157,349	138,565
<i>Highway Safety Cluster:</i>				
State and Community Highway Safety	20.600	109111/109093/109539/109556	33,469	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	109111/109093/109539/109556	13,604	-
<i>Passed through Montana Department of Military Affairs - Disaster and Emergency Services Division:</i>				
Hazardous Materials Emergency Preparedness Grant (HME)	20.703	HM-HMP-0576-16	5,620	-
<b>Total U.S. Department of Transportation</b>			<u>1,035,811</u>	<u>138,565</u>
<b><u>Environmental Protection Agency</u></b>				
<i>Direct:</i>				
Brownfields Assessment and Cleanup-Assessment	66.818	BF-96836001-0	59,232	-
Brownfields Assessment and Cleanup-RLF	66.818	BF-97810201-5	55,748	-
<b>Total Environmental Protection Agency</b>			<u>114,980</u>	<u>-</u>
<b><u>U.S. Department of Homeland Security</u></b>				
<i>Direct:</i>				
Assistance to Firefighters Grant	97.044	EMW-2016-FO-05666	87,078	-
<b>Total Federal Financial Assistance</b>			<u>\$ 2,327,483</u>	<u>\$ 953,119</u>

See Notes to the Schedule of Expenditures of Federal Awards

**CITY OF MISSOULA, MONTANA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Fiscal Year Ended June 30, 2018**

**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, 2018. 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, 2018 for this program was \$2,558,917.

**CITY OF MISSOULA, MONTANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Fiscal Year Ended June 30, 2018**

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
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	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.51(a)?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.239	HOME Investment Partnership Program
20.205/20.219	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between  
Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? No

**CITY OF MISSOULA, MONTANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Fiscal Year Ended June 30, 2018**

**Section II – Financial Statement Findings**

**Finding #2018-001 Material Misstatements – Missoula Parking Commission (a discretely presented component unit)**

*Condition:* Several adjusting entries were proposed as a result of our audit procedures to adjust ending balances to underlying supporting documentation.

*Criteria:* When adjustments are proposed as a result of audit procedures, the qualitative and quantitative impacts on the financial statements may indicate deficiencies in internal control over financial reporting.

*Cause:* The City of Missoula Finance Department and the contracted accountant for Missoula Parking Commission lack a formal financial close process that ensures all ending balances at the reporting date are complete.

*Effect:* Audit adjustments were proposed to correct capital assets, prepaid expenses, accounts receivable, machinery and equipment expense, improvement expense, and bad debt expense.

*Recommendation:* We recommend management ensure the City of Missoula Finance Department and the contracted accountant have adequate financial close procedures to ensure financial records are complete and accurate, including those of discretely presented component units.

*Client Response and*

*Corrective Actions:* See management's Corrective Action Plan on page 307.

**Section III – Federal Award Findings and Questioned Costs**

None reported.

**CITY OF MISSOULA, MONTANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Fiscal Year Ended June 30, 2018**

**Finding #2017-001    Prior Period Adjustments Related to Equipment Leases**

*Condition:* During the course of the audit, we were notified of certain restatements related to capital lease proceeds that were recorded incorrectly for the years ended 2013-2016. Specifically, capital lease proceeds were incorrectly recorded in certain individual funds instead of being recorded in the capital improvement program fund, from which the original capital outlay expenditures occurred. Management detected the error, which affected certain general and special revenue funds, as well as the capital improvement program and sewer funds.

*Criteria:* Issues such as those described above indicate a significant deficiency in internal control over financial reporting.

*Effect:* The error resulted in fund balances in the affected individual funds being overstated and the fund balance in the capital improvement program fund being understated.

*Cause:* There was no reconciliation being performed for the activity in the capital improvement program fund.

*Recommendation:* We recommend and understand that management plans to implement procedures to ensure that capital improvement program fund activity is reconciled and reported correctly. We believe that City personnel likely would have found the discrepancies had detailed reconciliations and reviews been performed prior to discovering this error.

*Client Response and Corrective Actions:* The Capital Project Improvement Plan fund encapsulates many multi-year capital projects. This previously hindered full year-end reconciliations. The City of Missoula is implementing additional capital project funds under the umbrella of the primary Capital Projects Fund. This will aid in timely reconciliations. Additional funds will include separate funds for each budgeted capital project and separate funds for various classifications of equipment purchases. With the exception of debt service no single capital project fund will account for more than one project. The creation and implementation of these funds will be completed within fiscal year 2018. Each fund will be reconciled by staff during year-end close. Each fund with a negative fund balance will be identified within the notes to the financial statements in the Deficit Fund Balance note under Stewardship, Compliance and Accountability. The future financing required to clear negative fund balances will be detailed, including amounts and estimated financing closing timeframes, within this note.

*Status:* We did not encounter a similar situation in the current year; therefore, this has been resolved.



---

---

DEPARTMENT

Budget and Analysis  
Treasury  
FINANCE

Finance and Debt  
Management

## Corrective Action Plan

Finding #2018-001                    Material Misstatements – Missoula Parking Commission (a discretely presented component unit)

Client response and corrective actions –

We acknowledge the auditor's comment on control procedures for financial information. Recognizing the effects of staff turnover and implementation of new technologies on our financial reporting, the City Finance Department and Missoula Parking Commission will implement standing monthly meetings beginning January 2019. Additionally, the Director of Missoula Parking Commission will ensure there is a clear pathway and set plan to facilitate a formal financial close process between the City of Missoula Finance Department, Missoula Parking Commission, and the contracted accountant. Lastly, the City of Missoula staff will review all of Missoula Parking Commission's accrual adjustments for accuracy as part of the year-end control procedures.

Respectfully,

Leigh Griffing  
Finance Director  
City of Missoula



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