



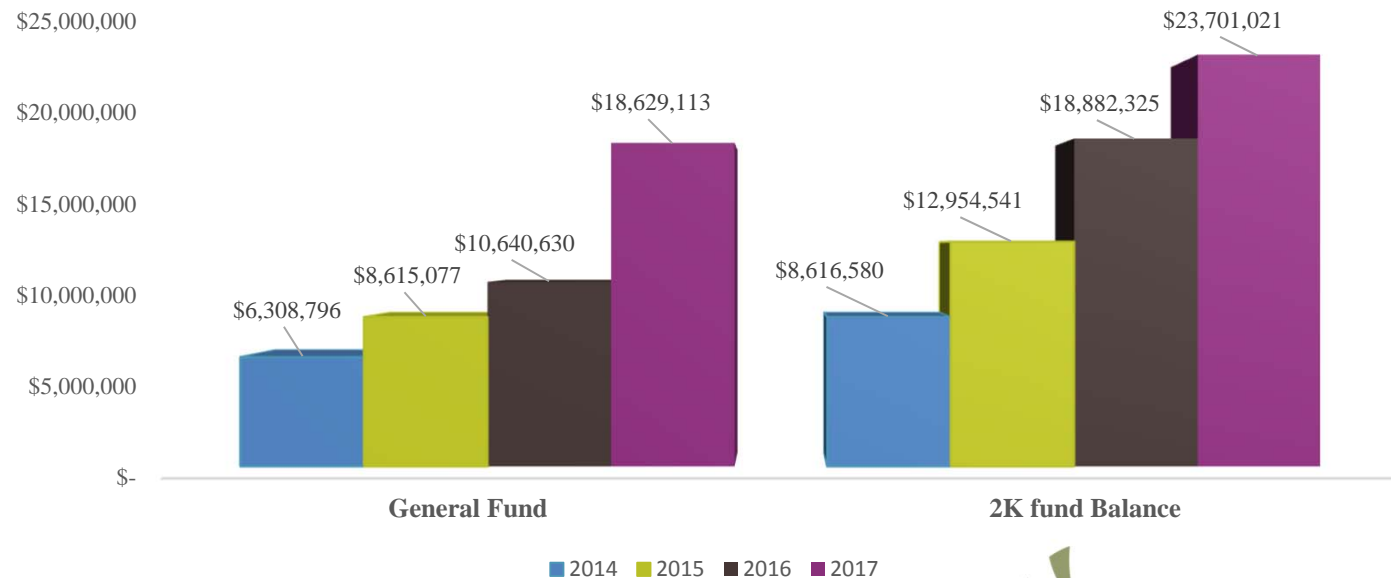
2018 Re-appropriation Requests

Study Session July 23, 2018

Presentation 18-42

2017 Unrestricted Fund Balance

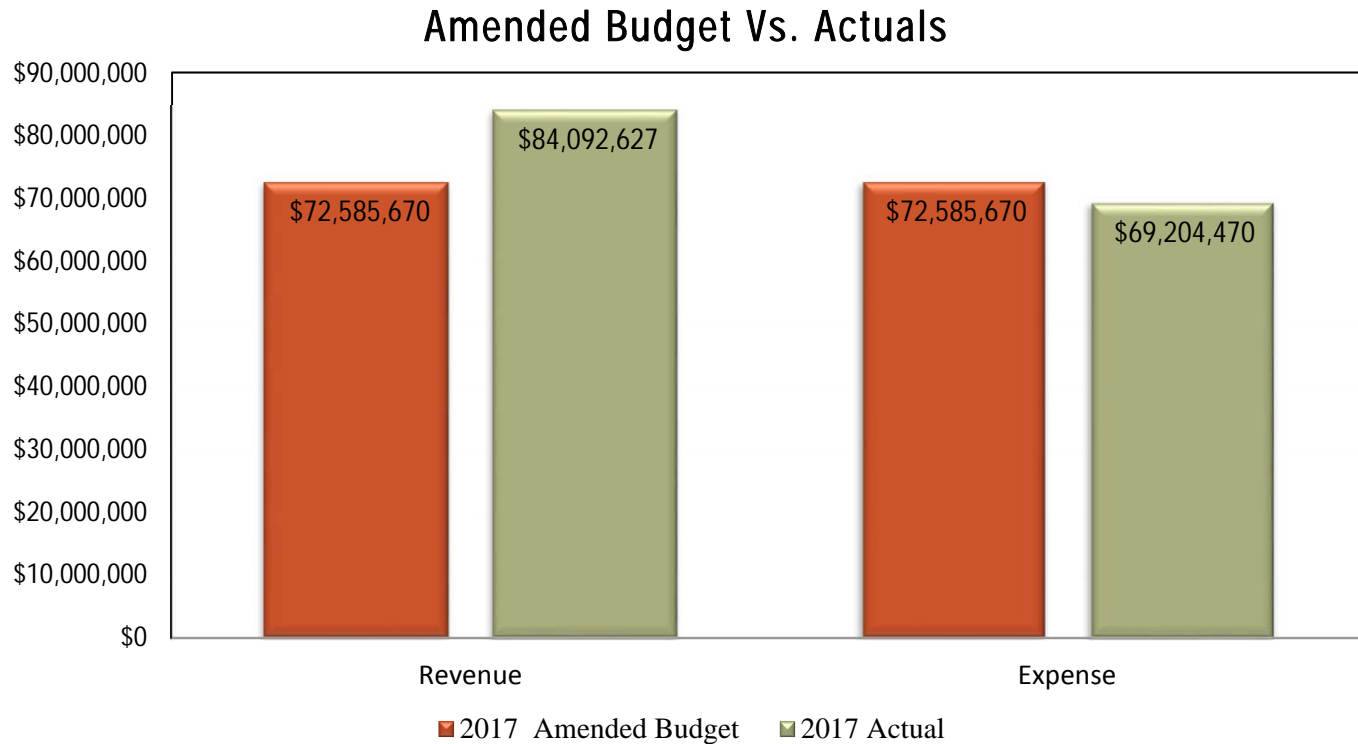
- **Fund Balance - General Fund \$18,629,113**
- **Fund Balance - 2K \$23,701,021¹**



¹ City approved \$10 mil transfer from 2K fund balance for 2018 fiscal year



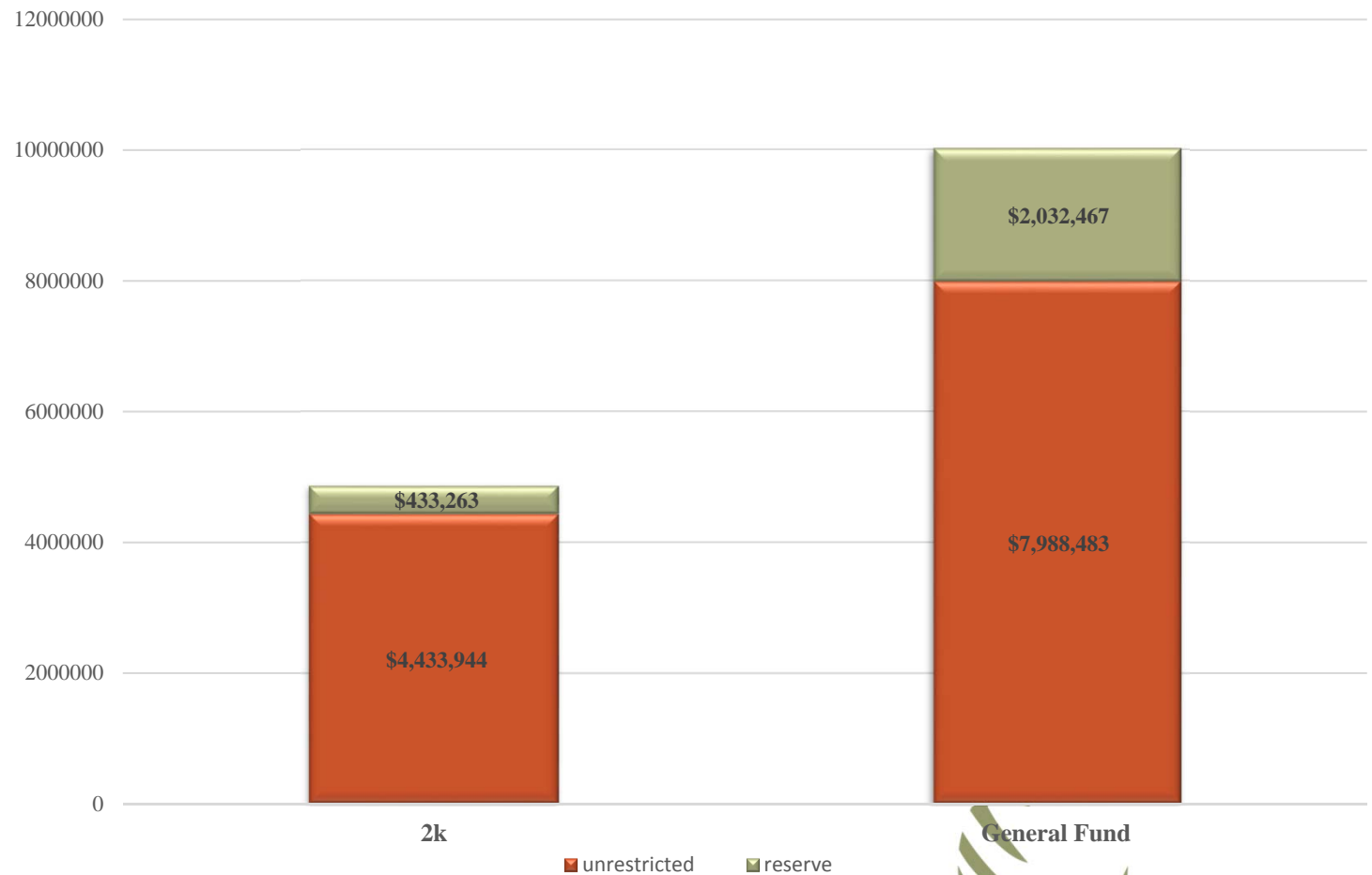
2017 General Fund Primary Government Revenue/Expense



* Does not include 6,500,000 water rights revenue/expense



2017 Unrestricted Revenue Breakdown



*Reserve includes tabor



Re-appropriation Summary

General Fund	Other Sources	Request Title	CM Decision
\$ 1,100		CD Desk top computer with Monitor	Yes
\$ 18,200		CD Dell Latitude 14 Rugged 5414	Yes
\$ 97,630		CD Derby Commercial Catalyst Program	Yes
\$ 37,500		ED Aerotropolis Marketing Consultants	Yes
\$ 21,022		FD OpenGov Software	No
\$ 16,000		FD Conference Room IT Upgrade	No
\$ 53,000		HR ADA Audit and Training	Yes
\$ 12,000		HR CIRSA Loss Control Inspection Items	No
\$ 3,000		HR Computer Mounts for NS Vehicles	Yes
\$ 5,000		HR Cooling Rags, Water Bottles and Sun hats	No
\$ 22,000		HR Ergonomic Chairs	No
\$ 6,350		HR Ergonomic Supplies	Yes
\$ 5,000		HR Emergency Response Bags	No
\$ 3,000		HR Food Budget for Saftey Trainings	No
\$ 250,000		PD PD Network	Yes
\$ 15,000		PD Mobile Messaging Board	Yes
\$ 40,000		PD Consultant for Records Unit	No
\$ 70,845		PRG Monday Programming for Youth	Yes
\$ 375,000		PRG Acquisition of 6017 Forest Dr.	Yes
\$ 35,636		PRG CIPP Transfer to Fleet	Yes
	\$ 246,000	PRG Buffalo Run Equipment Replacement	Yes
\$ 80,585		PW Belle Creek 109th and Dayton Way Median	Yes
\$ 150,000		PW Bison Ridge O & M	Yes
\$ 1,200,000		PW Fleet Fund Transfer	No
\$ 2,370,000		PW 104th Ave Traffic Signals	Yes
\$ 50,000		PW Union Pacific Lease	Yes
\$ 38,590		PW 112th Ave Sidewalk (LIMA)	No
\$ 204,000		PW Concrete Pavement Rehab	Yes
\$ 80,000		PW Long Line Striping Project	Yes
	\$ 284,000	Council Chambers AV Replacement	Yes
	\$ 25,000	AV Hardware Management Software	Yes
\$ 5,260,458	\$ 555,000		

Summary			
\$ 3,897,846	Yes	General Fund	
\$ 309,000	Yes	IT retain earnings	
\$ 246,000	Yes	Fleet retain earnings	
\$ 1,362,612	No		
\$ 5,815,458	Total		



Re-Appropriation Requests By Council Goals

- 1.2 Location of Choice for Primary Employers (PRIORITY)

\$	37,500	ED Aerotropolis Marketing Consultants	Yes
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- 3.1 Aesthetically Pleasing Neighborhoods Free From Noise and Hazards (PRIORITY)

\$	1,100	CD Desk top computer with Monitor	Yes
\$	18,200	CD Dell Latitude 14 Rugged 5414	Yes
\$	3,000	HR Computer Mounts for NS Vehicles	Yes



Re-Appropriation Requests By Council Goals

- 3.2 Safe Multi-Modal Travel network (PRIORITY)

\$	15,000	PD Mobile Messaging Board	Yes
\$	80,585	PW Belle Creek 109th and Dayton Way Median	Yes
\$	2,370,000	PW 104th Ave Traffic Signals	Yes
\$	50,000	PW Union Pacific Lease	Yes
\$	38,590	PW 112th Ave Sidewalk (LIMA)	No
\$	204,000	PW Concrete Pavement Rehab	Yes
\$	80,000	PW Long Line Striping Project	Yes

- 3.3 Safe and Sustainable Public Facilities (PRIORITY)

\$	35,636	PRG CIPP Transfer to Fleet	Yes
\$	246,000	PRG Buffalo Run Equipment Replacement	Yes
\$	150,000	PW Bison Ridge O & M	Yes



Re-Appropriation Requests By Council Goals

- 4.3 Active Living and Healthy Lifestyles for All Residents (PRIORITY)

\$	70,845	PRG Monday Programming for Youth	Yes
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- 2.2 A Healthy and Safe Workforce

\$	53,000	HR ADA Audit and Training	Yes
\$	12,000	HR CIRSA Loss Control Inspection Items	No
\$	5,000	HR Cooling Rags, Water Bottles and Sun hats	No
\$	22,000	HR Ergonomic Chairs	No
\$	6,350	HR Ergonomic Supplies	Yes
\$	5,000	HR Emergency Response Bags	No



Re-Appropriation Requests By Council Goals

- 2.3 Reliable, Scalable, Available, and Secure Technology

\$	250,000	PD PD Network	Yes
\$	284,000	Council Chambers AV Replacement	Yes
\$	25,000	AV Hardware Management Software	Yes

- 2.4 Efficient and Effective Business Processes

\$	16,000	FD Conference Room IT Upgrade	No
\$	40,000	PD Consultant for Records Unit	No

- 2.5 Financial Compliance and Stability

\$	1,200,000	PW Fleet Fund Transfer	No
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Re-Appropriation Requests By Council Goals

- 3.4 High Quality Natural and Built Environment

\$	97,630	CD Derby Commercial Catalyst Program	Yes
\$	375,000	PRG Acquisition of 6017 Forest Dr.	Yes

- 5.1 Accessible, Reliable, and Transparent Information

\$	21,022	FD OpenGov Software	No
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City Manager Recommendations

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Study Session July 23, 2018

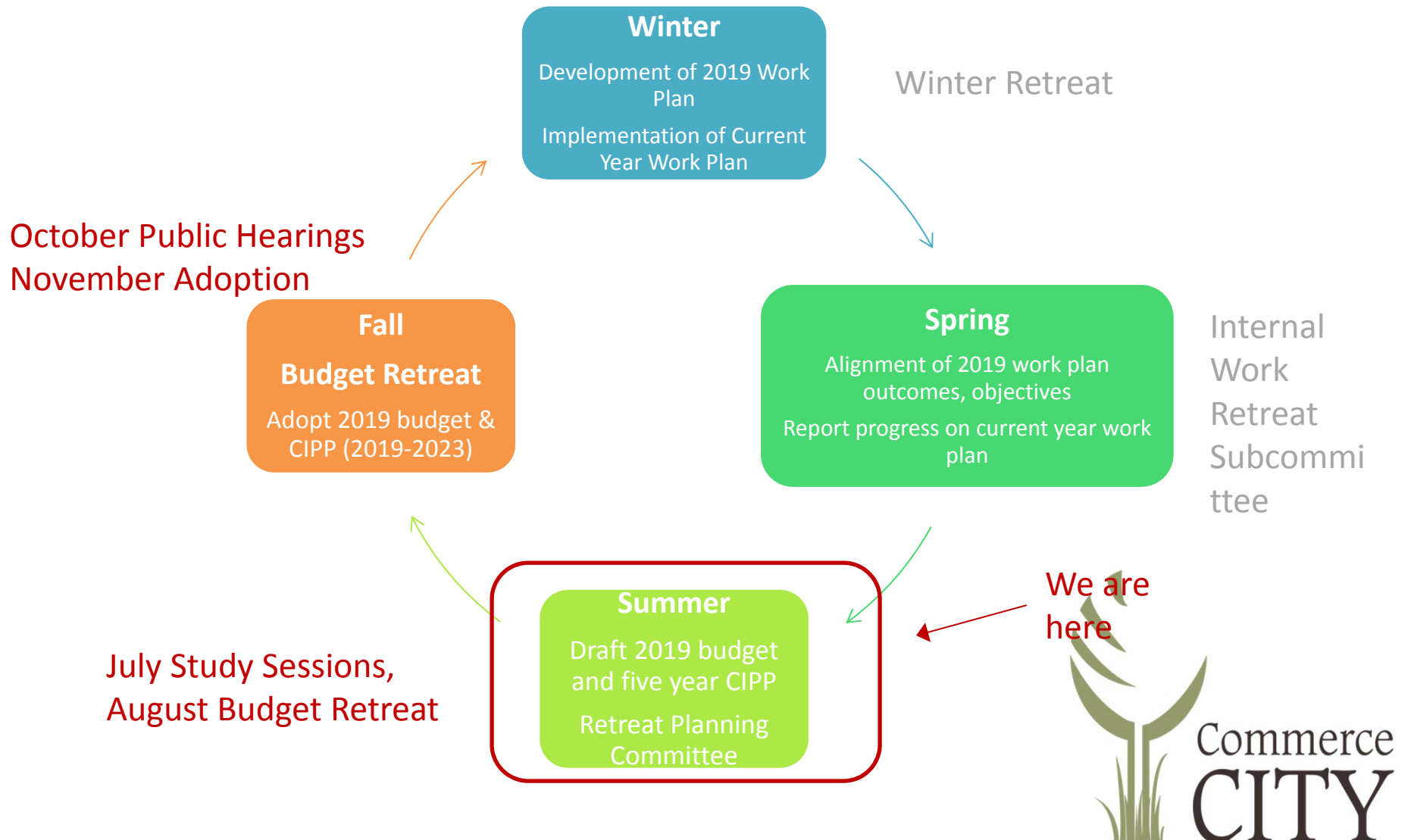
Presentation 18-42

Proposed Budget Schedule

- July 23rd –City Manager recommendations on department requests
- August 13th – Budget/Work Plan (Legislative Budget)
- August 27th – Budget Retreat
- October 15th – Council, GID & URA open public hearings
- November 5th – Council, GID & URA close public hearings, budget adoption



2019 Work Plan, CIPP & Budget Cycle



Characteristics of Good Budget Process

- Incorporates a long-term perspective
- Establishes linkages to broad organizational goals
- Focuses budget decisions on results and outcomes
- Involves and promotes effective communication with stakeholders



Key Considerations for 2019 Budget

- Complete 2K projects within program goals:
 - Build high quality facilities to lower their long-term maintenance costs
 - Spend taxpayer dollars wisely and transparently
 - Complete projects on time
- Balancing capital investment while maintaining operations and service levels in expanding community
- Managing, Budgeting to Outcomes



Key Considerations continued

- Organizational Development to improve efficiencies
- Meeting council, community expectations
- Achieve alignment with council goals
- More public engagement on CIPP process (CIPCAC)



Emergency Reserves

- By City practice & reserve policy there are 4 levels of reserves in addition to the Fund Balance:
 - Fund Balances (undesignated & designated)
 - Operating Reserves (10% of expenditures)
 - Safeguard Reserves (10% of expenditures and 50% of annual debt service)
 - TABOR Reserve (3% of expenditures)



City Financial Status

- Fund Balance - General Fund \$14.7M
- Fund Balance - 2K \$13.7M
- Operating Reserve has \$6.2M (10% of expenditures)
- Safeguard Reserve has \$11.7M (10% of expenditures and 50% of annual debt service)
- Tabor Reserve has \$2.7M (3% of expenditures)



2019 General Fund Preliminary

Total General Fund Revenue		\$70,067,396
General Fund Revenue	\$	68,196,112
Transfer From 2K Allocation	\$	784,657
Transfer From Water Acquisition Fund	\$	530,831
Transfer from General Fund Balance	\$	555,796
General Fund Expenditures		\$69,539,262
Total Operating Budget Expense	\$	62,397,762
Housing Authority	\$	60,000
Elected Officials Retirement Fund	\$	44,160
Transfer to Debt Service	\$	2,869,743
Transfer to CIPP (Road & Bridge)	\$	515,490
Transfer to CIPP (Highway User)	\$	1,738,320
Transfer to CIPP Indirect Allocation Long Term Capital (20%)	\$	109,552
Transfer to CIPP Fund	\$	1,165,439
Transfer to CIPP Fund (General Fund Balance)	\$	555,796
Transfer to URA Fund-Derby Catalyst	\$	83,000
Revenues Minus Expenditures (SURPLUS)		\$ 528,134



2019 2K Fund Preliminary

Total 2K Revenue		\$ 15,144,140
1% Taxes	\$	13,639,169
Paradise Pool	\$	288,942
Bison Ridge Recreation Center	\$	1,216,029
2K Expenditures		\$ 13,151,419
2K Indirect Salary Allocation	\$	2,795,695
2K Parks, Recreation	\$	1,174,071
2K Parks	\$	446,520
2K Recreation Administration Operations	\$	235,612
2K Roads	\$	101,910
2K Indirect Allocation Long Term Capital (20%)	\$	109,686
2K Indirect Allocation (15%)	\$	674,971
2K Program Management	\$	200,000
2K CIPP Fund	\$	205,666
2K 2014 Debt Service Fund	\$	4,536,388
2K 2016 Debt Service Fund	\$	2,670,900
Revenues Minus Expenditures (SURPLUS)		\$ 1,992,721



Efficient, Effective City Budgeting

- A Base Budgeting approach assumes a minimum amount that a Department runs on annually (Base).
- Data Analysis/Analytics of each line item completed by the Finance department
- Use of actual data from prior three years
- Management decisions/anomalies identified
- Base Budget Established with a 1.6% inflation adjustment to some budget lines.
- At completion of analysis it was determined to adopt a hybrid approach incorporating the items above



Efficient, Effective City Budgeting con't.

- Finance established open communication with all departments by facilitating three rounds of meetings.
- Round 1: Virtual Meeting
- Round 2: In-Person Meetings with Division Staff
- Round 3: Removal of Career Development and Reduction of VHE Expense to Round 1 Estimates.
- Final operating budgets include career development numbers after departments/DCM's conducted a needs assessment.



Approach to Hybrid Base Budgeting

REQUEST 1

REQUEST 2

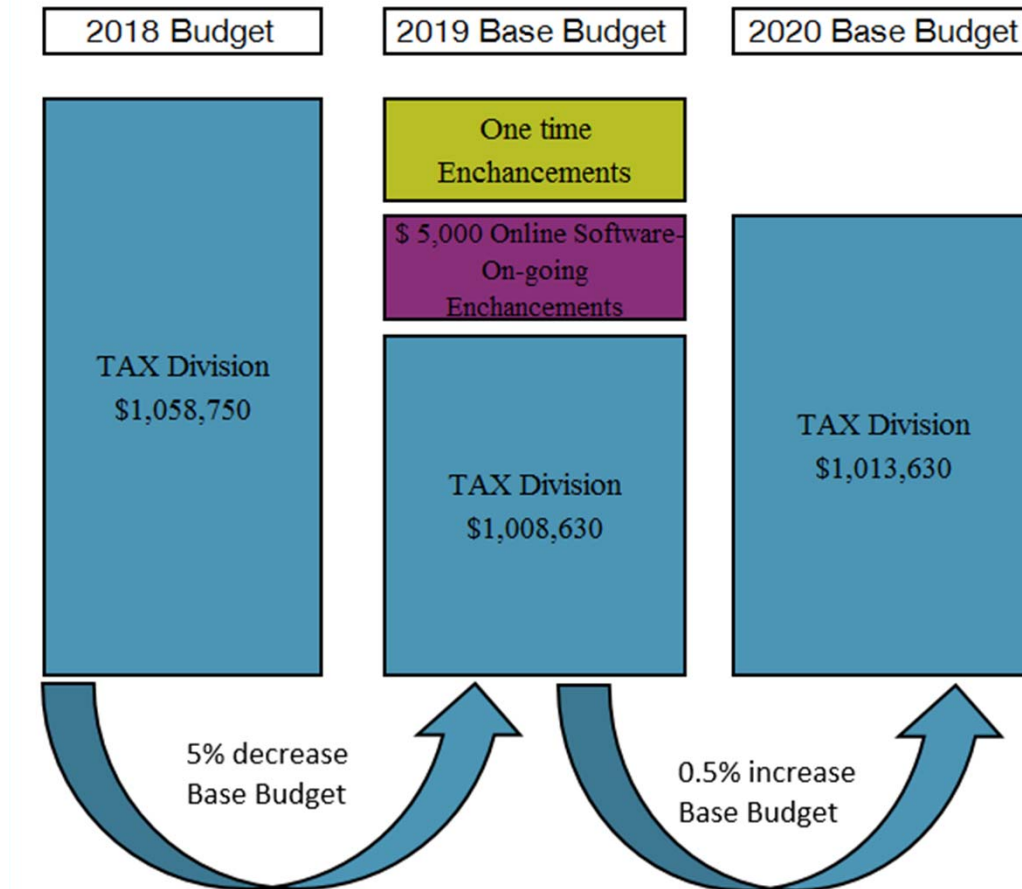
REQUEST 3

2019 BASE

2020 BASE



Example of Hybrid Base Budgeting



Budget Process

- Middle of June – Departments met with DCM's – preliminary decisions made on budget requests
- End of June – Departments met with CM – review of budget requests
- Beginning of July – Finance incorporated CM recommendations into the budget

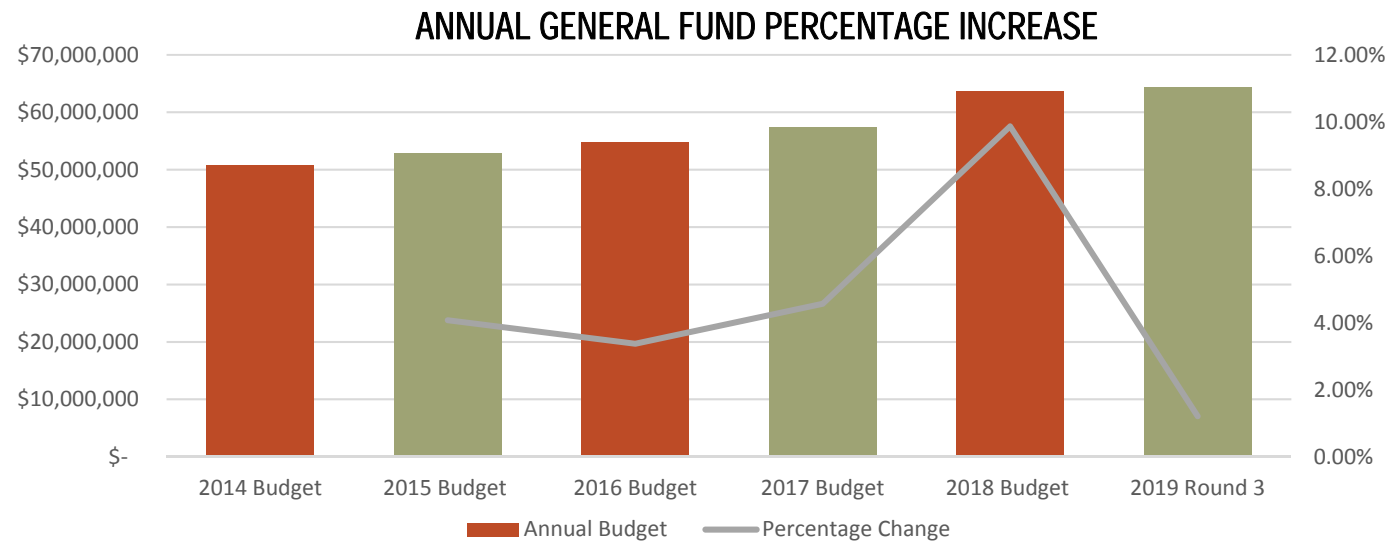


2019 Hybrid Budget By Department

Department	2017 Actuals	2018 Budget	2019 Request
Community Development	\$ 3,399,351	\$ 3,825,045	\$ 3,854,963
City Manager	\$ 4,252,207	\$ 4,707,223	\$ 5,155,490
Finance	\$ 11,952,523	\$ 14,432,585	\$ 12,241,298
Human Resources	\$ 1,120,327	\$ 1,089,397	\$ 1,293,183
Parks, Recreation & Golf	\$ 11,267,190	\$ 13,875,452	\$ 15,678,036
Public Safety	\$ 16,638,252	\$ 17,531,023	\$ 17,549,337
Public Works	\$ 7,819,031	\$ 8,132,970	\$ 8,599,948
Total	\$ 56,448,881	\$ 63,593,695	\$ 64,372,255



Annual Increases Through 2019 (Hybrid Base Methodology)



	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Round 3
Annual Budget	\$ 50,698,996	\$ 52,853,318	\$ 54,699,470	\$ 57,319,374	\$ 63,593,692	\$ 64,372,255
Variance		\$ 2,154,322	\$ 1,846,152	\$ 2,619,904	\$ 6,274,318	\$ 778,563
Percentage Change		4.08%	3.38%	4.57%	9.87%	1.21%

Total budget increased (Round 3): \$778,563 or 1.21%



2019 – Outcomes Organized by Council Goals



City Council Top Priorities

1. Promote a Balanced and Thriving City Economy.

- 1. **Balanced Mix of Land Uses**
- 2. **Location of Choice for Primary Employers**

2. Promote Efficient and Effective City Government to Improve Levels of Service.

- 1. Be an Employer of Choice
- 2. A Healthy and Safe Workplace
- 3. Reliable, Scalable, and Secure Technology
- 4. Efficient and Effective Business Processes
- 5. Financial and Compliance Stability

3. Develop and Maintain Public Infrastructure to Improve Community Appearance and Encourage Continued Development.

- 1. **Aesthetically Pleasing Neighborhoods Free from Noise and Hazards**
- 2. **Safe, multi-modal travel network**
- 3. **Safe and sustainable public facilities**
- 4. High-Quality Natural and Built Environment
- 5. Sense of historic and cultural significance

4. Promote Resident Health, Safety and Education.

- 1. **Sense of Safety in Neighborhoods and Personal Security**
- 2. Fair and Impartial Administration of Justice
- 3. **Active Living and Healthy Lifestyles for all Residents**

5. Improve Community Involvement and Trust.

- 1. Accessible, Reliable, and Transparent Information
- 2. Participatory and Inclusive Community



2019 – Preliminary Decisions Organized by Council Goals

1.1 Balanced Mix of Land Uses **(PRIORITY)**

Budget Reduction	Reduction from Irondale Plan Completion	\$ (115,000)	YES
Budget Enhancement	Parks Operating Supplies Enhancement	\$ 21,350	YES
Budget Enhancement	Parks Water Budget Increases	\$ 23,000	YES
Budget Enhancement	Parks Outside Services Enhancement	\$ 20,000	NO

1.2 Location of Choice for Primary Employers **(PRIORITY)**

Budget Enhancement	Seed Funding-Sm Business Revolving Loan Fund	\$ 200,000	NO
Budget Enhancement	Aerotropolis Marketing Committee-Phase III Work	\$ 175,000	YES
New Position - Without Vehicle	Assistant City Attorney	\$ 145,424	YES

2019 – Preliminary Decisions Organized by Council Goals

2.1 Be an Employer of Choice

Special Consideration	Eight (8) Two-way handset radios and related equipment	\$ 34,000	NO
Budget Enhancement	Court Appointed Attorneys	\$ 28,528	YES
Facility Renovation	HR Conference Room and Storage	\$ 13,000	NO

2.2 A Healthy and Safe Workplace

Facility Renovation	Court Office Remodel	\$ 100,000	NO
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2019 – Preliminary Decisions Organized by Council Goals

2.3 Reliable, Scalable, and Secure Technology

IT Request	Finance Conference Room Touch Screen Upgrade	\$ 16,000	NO
IT Request	IT Security and Event Management System	\$ 35,000	YES
IT Request	Council Chambers AV Replacement	\$ 284,000	NO
IT Request	AV Hardware Management Software	\$ 25,000	NO
IT Request	Adobe Acrobat Pro Upgrades	\$ 7,800	YES

2.4 Efficient and Effective Business Practices

New Position - With Vehicle	Crime Scene Investigation Technician	\$ 64,000	YES
New Position - Without Vehicle	Administrative Specialist III	\$ 66,318	NO
New Position - Without Vehicle	Administrative Specialist II - Support Services	\$ 58,742	NO
New Position - Without Vehicle	Digital Records Technician	\$ 67,092	NO
IT Request	PD Network	\$ 250,000	NO
New Position - With Vehicle	2 Patrol Sergeants	\$ 283,308	YES
New Position - With Vehicle	Community Services Supervisor	\$ 136,868	NO
New Position - Without Vehicle	Administrative Specialist III	\$ 63,858	NO
New Position - Without Vehicle	Administrative Specialist II	\$ 58,742	NO
New Position - Without Vehicle	Patrol Sergeants (2)	\$ 277,736	NO
New Position - Without Vehicle	Community Service Officers (2)	\$ 240,743	NO
Special Consideration	Storm water & Drainage Standards Rewrite	\$ 50,000	NO

2019 – Preliminary Decisions

Organized by Council Goals

2.5 Financial Compliance and Stability

IT Request	Financial Transparency and Accountability through OpenGov	\$ 21,022	NO
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3.1 Aesthetically Pleasing Neighborhoods Free from Noise and Hazards (PRIORITY)

Budget Enhancement	Health and Safety Issues from Encampments	\$ 50,000	YES
Budget Enhancement	Green Waste Events	\$ 11,864	NO

3.2 Safe, Multi-Modal Travel Network (PRIORITY)

2019 – Preliminary Decisions

Organized by Council Goals

3.2 Safe, Multi-Modal Travel Network **(PRIORITY)**

CIPP	112th Ave. - Potomac to Chambers	\$ 3,695,677	YES
CIPP	120th Ave. Widening - Chambers to Buckley	\$ 3,000,000	NO
CIPP	104th Ave. Traffic Signals	\$ 2,370,000	YES
CIPP	104th Flashing Yellow Arrow	\$ 120,000	YES
CIPP	112th Ave. Widening - Chambers to Tower	\$ 772,500	YES
CIPP	88th Ave Widening	\$ 459,956	YES
CIPP	Derby: Monaco & 72nd Pl. Intersection Repair	\$ 300,000	NO
CIPP	Derby Entryway Signage	\$ 52,000	NO
CIPP	Dahlia Improvements- Adams County Match	\$ 1,000,000	NO
CIPP	Pavement Management 2019	\$ 1,500,000	YES
CIPP	Kearney Street Drainage Improvements (Design)	\$ 120,900	NO
CIPP	Railroad Intelligent Trans. System Devices and Signs (Planning)	\$ 160,000	YES
CIPP	First Creek Outfall System Plan	\$ 30,000	YES
CIPP	Irondale Neighborhood Plan "Quick Items"	\$ 320,000	NO
CIPP	School Flashing Signage	\$ 55,000	YES
CIPP	US 85/Vasquez Improvements (Planning)	\$ 1,500,000	YES
CIPP	2019 PRG Preservation	\$ 515,000	YES
CIPP	Traffic Signal	\$ 470,000	NO
CIPP	Traffic Signal Maintenance	\$ 80,000	YES
CIPP	Comp Plan	\$ 250,000	NO
CIPP	Bridge Replacement	\$ 187,460	YES
CIPP	Sidewalk Connectivity (PRG)	\$ 15,000	YES
CIPP	Sidewalk Connectivity/Flatwork (PW)	\$ 261,000	YES
Furniture and Equipment	Patrol Lasers	\$ 9,400	NO
Furniture and Equipment	Mobile Messaging Board	\$ 15,000	NO
Furniture and Equipment	Speed Capturing Devices	\$ 12,498	NO
Vehicle Request	Open Space Tractor Implements	\$ 62,000	NO
Facility Renovation	Eagle Pointe Elevator	\$ 155,000	NO

2019 – Preliminary Decisions Organized by Council Goals

3.3 Safe and Sustainable Public Facilities **(PRIORITY)**

CIPP	Bison Ridge Site Planning	\$ 50,000	YES
CIPP	Buffalo Run HVAC Replacement	\$ 60,000	YES
CIPP	Buffalo Run Grounds Equipment Replacement	\$ 178,000	YES
CIPP	Civic Center HVAC Retro-commissioning & Rebalance	\$ 125,000	YES
CIPP	Civic Center Sidewalk Paver Replacement	\$ 30,000	YES
CIPP	MSC Exterior Metal Repair	\$ 65,000	YES
CIPP	Core City Infrastructure Replacements	\$ 1,500,000	YES
CIPP	Facility Master Plan	\$ 200,000	NO
CIPP	MSC Exterior Wall Sealing	\$ 50,000	YES
CIPP	Civic Center Concrete Step Replacement	\$ 30,000	YES
CIPP	ADA Plan	\$ 79,000	YES
CIPP	ADA Compliance	\$ 50,000	YES
Budget Enhancement	1 Building Attendant Foreman & 3 Building Attendants	\$ 75,780	NO
Budget Enhancement	Bison Ridge Full Year Omnibus Operating Enhancement	\$ 1,428,699	YES
Special Consideration	Rewrite pavement standards/update management plan	\$ 35,000	NO
IT Request	SecurPlex System Upgrade	\$ 70,000	YES
IT Request	Facilities Management Software Solution	\$ 43,853	NO
New Position - With Vehicle	Facilities Maintenance Technician	\$ 93,416	NO

2019 – Preliminary Decisions Organized by Council Goals

3.4 High-Quality, Natural and Built Environment

New Position - Without Vehicle	New FT Planner	\$	11,945	YES
New Position - Without Vehicle	New Limited Term Planner FT	\$	94,892	YES
Special Consideration	Lighting Standards	\$	5,000	NO
Special Consideration	Engineering Specification Rewrite	\$	100,000	NO
New Position - Without Vehicle	Development Review Engineer	\$	110,608	YES

4.1 Sense of Safety in Neighborhoods and Personal Security (PRIORITY)

CIPP	Outdoor Warning Towers 2019	\$	84,143	NO
New Position - With Vehicle	School Resource Officers (3)	\$	430,137	NO
New Position - Without Vehicle	Criminal Investigative Technician	\$	73,207	NO
Facility Renovation	Patrol Area Conversion	\$	20,000	NO
Furniture and Equipment	SWAT Vests	\$	19,885	YES
Budget Enhancement	Overtime for Department	\$	167,906	NO
Special Consideration	MRAP	\$	2,500	YES
Special Consideration	Conex Storage (Shipping) Container	\$	8,000	NO

2019 – Preliminary Decisions Organized by Council Goals

4.2 Fair and Impartial Administration of Justice

New Position - With Vehicle	Commander	\$ 137,500	YES
Furniture and Equipment	Pepperball Guns	\$ 5,000	NO
Furniture and Equipment	40 mm Multi-Launcher Low Lethal Device	\$ 5,000	NO
Furniture and Equipment	Low Lethal Munitions	\$ 5,700	NO

4.3 Safe and Sustainable Public Facilities **(PRIORITY)**

CIPP	Veteran's Memorial Park	\$ 375,000	YES
CIPP	Ballfield Replacement	\$ 625,000	YES
Budget Enhancement	Variable Hour Fitness Attendant (Bison Ridge)	\$ 28,549	YES
Budget Enhancement	Variable Hour Fitness Attendant (Eagle Pointe)	\$ 28,549	YES
Budget Enhancement	Fitness Staff Wear (Bison Ridge)	\$ 1,500	NO
Budget Enhancement	Fitness Staff Wear (Eagle Pointe)	\$ 1,500	NO
IT Request	Group Ex Pro Software	\$ 1,000	NO
IT Request	Tablets for Personal Training Needs (Bison Ridge)	\$ 3,600	NO
IT Request	Tablets for Personal Training Needs (Eagle Pointe)	\$ 3,600	NO

2019 – Preliminary Decisions

Organized by Council Goals

4.3 Safe and Sustainable Public Facilities **Continued (PRIORITY)**

New Position - Without Vehicle	Recreation Assistant - Facilities Eagle Pointe Recreation Center	\$ 57,300	YES
New Position - Without Vehicle	Recreation Assistant - Facilities Bison Ridge Recreation Center	\$ 57,300	YES
Budget Enhancement	Variable Hour Active Adult Activity Assistant	\$ 28,549	YES
Budget Enhancement	Expansion of School Age Programs	\$ 10,608	YES
Budget Enhancement	VHE specialist position for youth services (32 hours/week)	\$ 30,113	YES
IT Request	Mobile phones for VHE specialists (smart phones preferred)	\$ 2,660	NO
New Position - Without Vehicle	Building Attendant	\$ 30,000	NO
New Position - Without Vehicle	Golf Restaurant	\$ 49,700	YES
New Position - Without Vehicle	Golf Restaurant	\$ 24,850	YES

2019 – Preliminary Decisions

Organized by Council Goals

5.2 Participatory and Inclusive Community

Budget Enhancement	Memorial Day parade live music band	\$ 3,600	NO
New Position - Without Vehicle	Videographer and Visual Storyteller position	\$ 65,000	NO
Budget Enhancement	Street Banners	\$ 7,200	NO

City Manager's Closing Comments

Continue to align budgets with annual work plan

- Propose a balanced budget to Council
- Continue to evaluate levels of service given allocated resources
- Maintain ability to weather economic changes
- Take care of capital maintenance
- Attract and retain a high quality workforce
- Continuously review policies and procedures to insure future fiscal sustainability
- Position City to take advantage of opportunities
- Review operations for efficient organization



Closing

Questions/Comments

