

**AGENDA FOR THE
ENGLEWOOD CITY COUNCIL
STUDY SESSION
MONDAY, AUGUST 18, 2014
COMMUNITY ROOM
5:30 P.M.**

- I. **Financial Report**
Finance and Administrative Services Director Frank Gryglewicz will discuss the financial report.
- II. **2015 Budget**
City Council and staff will discuss the 2015 Budget.
- III. **City Manager' Choice**
 - A. Follow up on Aerial Fire Truck.
- IV. **City Attorney's Choice**



City of Englewood

To: Mayor Randy Penn and City Council
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: August 12, 2014
Subject: July (Mid-Year) 2014 Financial Report

REVENUES:

- Through July 2014, the City of Englewood collected **\$25,946,640 or \$649,810 (2.6 percent) more** than last year (See the chart on page 3 and the attached full report for details on changes in revenue in past year. Year-end estimate is \$40,544,810 or \$874,698 (2.2 percent) more than the \$39,670,112 originally budgeted..
- The City collected \$2,767,421 in property taxes and \$142,489 in specific ownership tax through July.
- **Year-to-date sales and use tax revenues were \$14,762,377 or \$1,024,565 (7.6 percent) more than July 2013**
- Cigarette tax collections were down \$1,040 compared to last year.
- Franchise fee collections were \$70,984 more than last year.
- Licenses and permit collections were \$382,545 less than July 2013.
- Intergovernmental revenues were \$2,426 less than the prior year.
- Charges for services decreased \$104,528 from last year.
- Recreation revenues increased \$1,088 from 2013.
- Fines and forfeitures were \$35,347 more than last year.
- Investment income was \$44,728 more than last year.
- Miscellaneous revenues were \$59,225 less than last year.
- Net Rent revenues from McLellan Reservoir were \$383,979.

OUTSIDE CITY:

- Outside City sales and use tax receipts (cash basis) were up \$253,144 or 5.8 percent compared to last year.
- At this time potential refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed; the balance of the account to cover intercity claims is \$1,150,000.

CITY CENTER ENGLEWOOD (CCE):

- Sales and use tax revenue collected through July 2014 were \$2,030,547 or \$83,026 more than last year during the same period.

EXPENDITURES:

- Expenditures through July were \$23,325,973 or \$279,247 (1.2 percent) more than the \$23,046,726 expended through July 2013. Year-end estimates were updated from the information provided by departments. Historically, expenditures are one to three percent under budget; if this holds true this year, the fund balance will increase an additional \$400,000 to \$1,200,000.

REVENUES OVER/UNDER EXPENDITURES:

- Revenues exceeded expenditures by \$2,620,667 this year compared to revenues exceeding expenditures by \$2,250,104 in 2013.

TRANSFERS:

- Net 2014 transfers-in to date of \$892,544 were made by the end of July 2014 (please refer to page 15).

FUND BALANCE:

- The estimated total fund balance is \$10,018,099 or 25.4 percent of estimated revenue. The estimated unassigned fund balance for 2014 is estimated at \$6,383,650 or 15.6 percent of estimated revenues.
- The 2014 estimated Long Term Asset Reserve (LTAR) balance is \$2,663,099 (please refer to page 15).

PUBLIC IMPROVEMENT FUND (PIF):

- The PIF has collected \$2,276,221 in revenues and spent \$3,113,034 year-to-date. Prior to adjustments to budget estimates, the estimated year-end fund balance is (\$28,143).

City of Englewood, Colorado

July 2014 Financial Report

The annual budget serves as the foundation for the City’s financial planning and control, and provides a comprehensive plan to provide high quality services to the Englewood community. Based upon conservative revenue estimates, the budget quantifies in dollars the many services and amenities the citizens of Englewood receive. The City has prepared a balanced budget and it is one where revenues plus beginning fund balance are equal to or exceed expenditures.

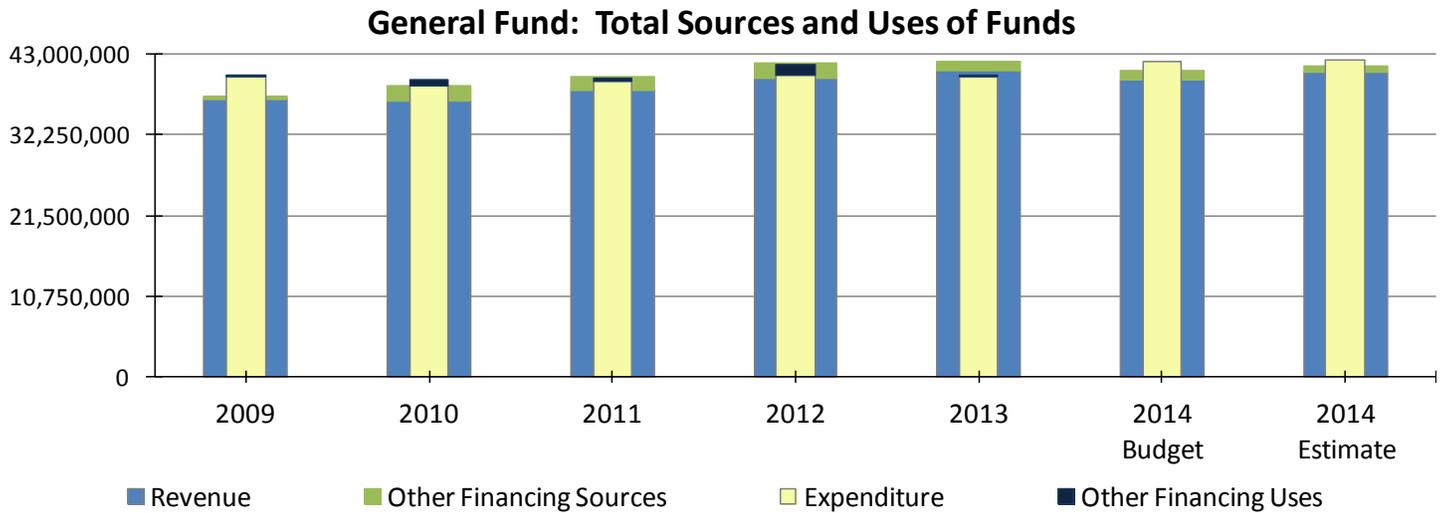
The monthly financial report provides on a periodic basis the review of the actual revenues and expenditures as compared to the budget. This point in time analysis compares the current year to the prior year and determines if the revenues and expenditures are on track with the budget. By monitoring the financial condition of the City, City staff and Council can work together to take action, if necessary, to maintain service levels, employees, and fiscal health of the City.

GENERAL FUND OVERVIEW AND ANALYSIS

The General Fund accounts for the major “governmental” activities of the City. These activities include “direct” services to the public such as police, fire, public works, parks and recreation, and library services. General government also provides administrative and oversight services through the offices of city manager and city attorney; the departments of information technology, finance and administrative services, community development, human resources, municipal court and legislation. Debt service, lease payments, and other contractual payments are also commitments of the General Fund.

General Fund - Surplus and Deficit

The graph below depicts the history of sources and uses of funds from 2009 to 2014 Budget. As illustrated, both surpluses and deficits have occurred in the past. The gap has narrowed over the past few years by reducing expenditures, freezing positions, negotiating lower-cost health benefits, increased revenue collections. Continued efforts will be required to balance revenues and expenditures, especially with persistent upward pressure on expenditures due to increases in the cost of energy, wages and benefits.



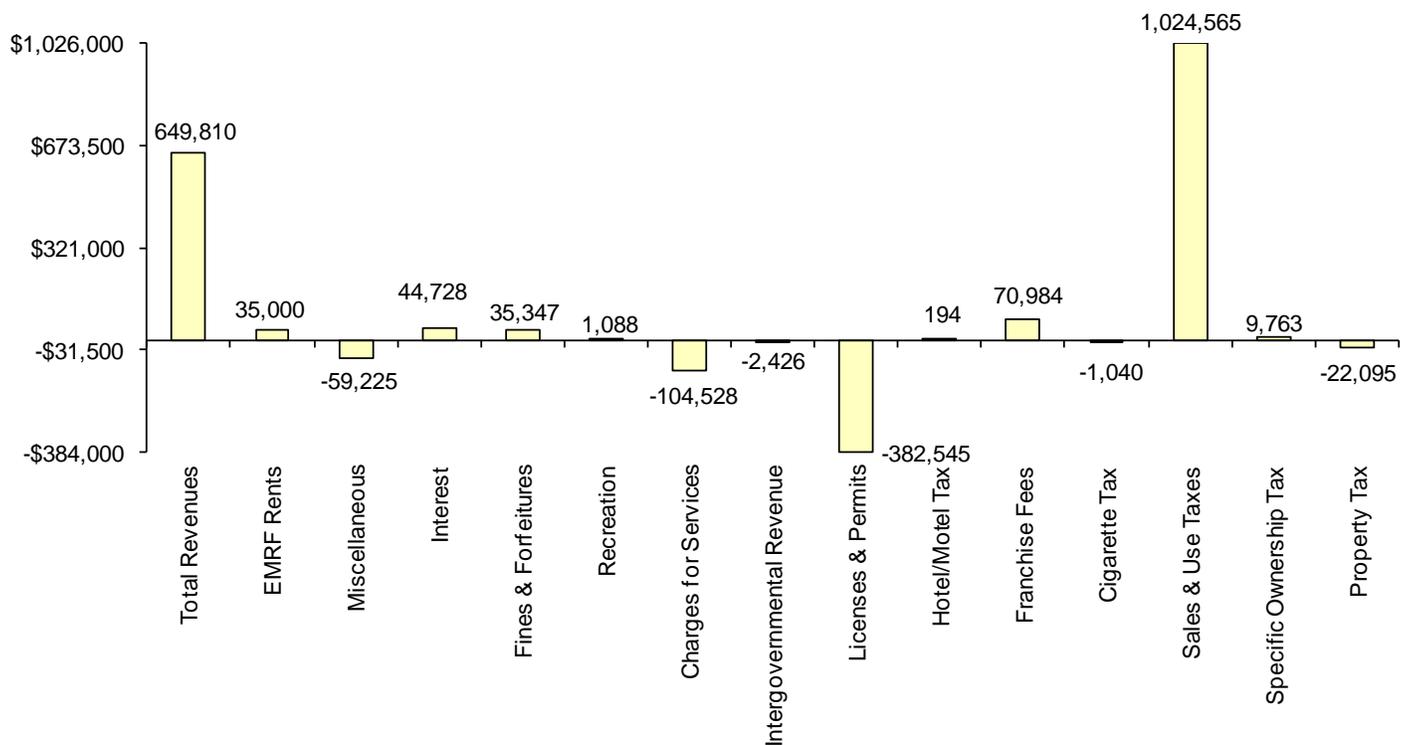
The table on the next page summarizes General Fund Year-To-Date (YTD) Revenue, Expenditure, Sales & Use Tax Revenue and Outside City Sales & Use Tax Revenue for the month ended July, 2014. Comparative figures for years 2013 and 2012 are presented as well. The table also highlights the dollar and percentage changes between those periods.

	Jun-14	2014 vs 2013 Increase (Decrease)		Jun-13	2013 vs 2012 Increase (Decrease)		Jun-12
General Fund							
Year-To-Date Revenue	\$ 25,946,640	\$ 649,810	2.57%	\$ 25,296,830	\$ 438,307	1.76%	\$ 24,858,523
Year-To-Date Expenditure	23,325,973	\$ 279,247	1.21%	23,046,726	\$ (45,760)	(.20%)	23,092,486
Net Revenue (Expenditure)	\$ 2,620,667	\$ 370,563		\$ 2,250,104	\$ 484,067		\$ 1,766,037
Unassigned Fund Balance	\$ 6,015,000	\$ (860,705)	(12.52%)	\$ 6,875,705	\$ 1,922,782	38.82%	\$ 4,952,923
Sales & Use Tax Revenue YTD	\$ 14,762,677	\$ 1,024,865	7.46%	\$ 13,737,812	\$ 9,914	.07%	\$ 13,727,898
Outside City Sales & Use Tax YTD	\$ 4,607,993	\$ 253,144	5.81%	\$ 4,354,849	\$ (409,693)	(8.60%)	\$ 4,764,542

General Fund Revenues

The City of Englewood's total budgeted revenue is \$39,670,112. Total revenue collected through July 2014 was \$25,946,640 or \$649,810 (2.6 percent) more than was collected in 2013. The chart below illustrates changes in General Fund revenues this year as compared to last year.

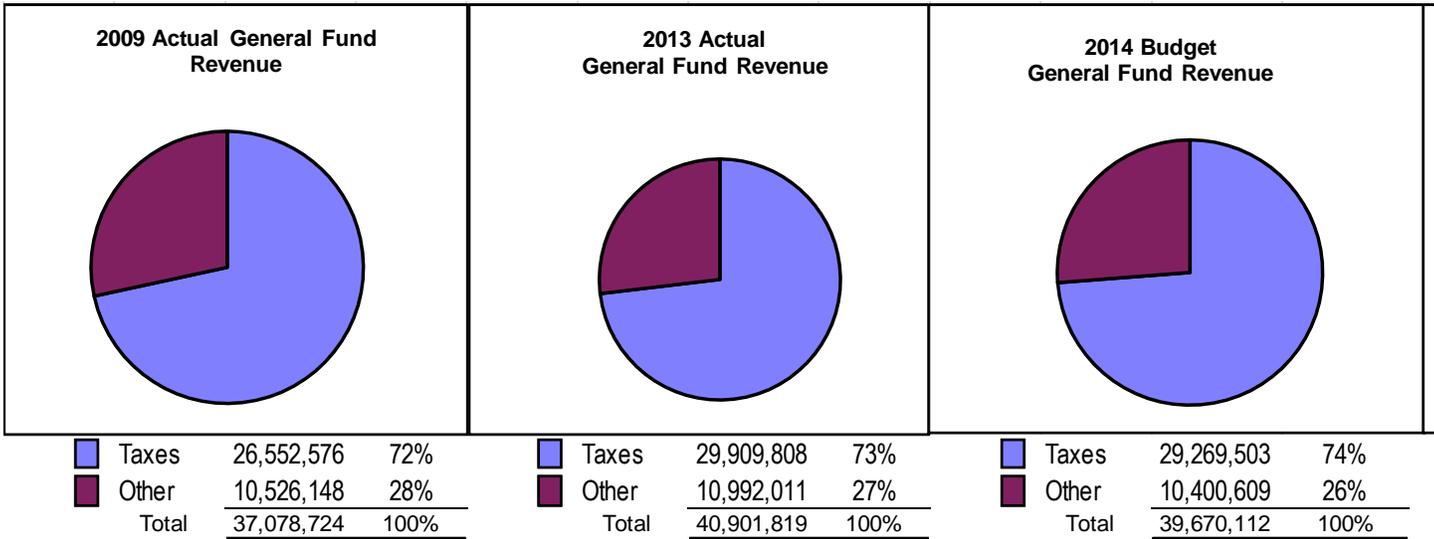
2014 Year-To-Date Change in General Fund Revenue as Compared to Prior Year



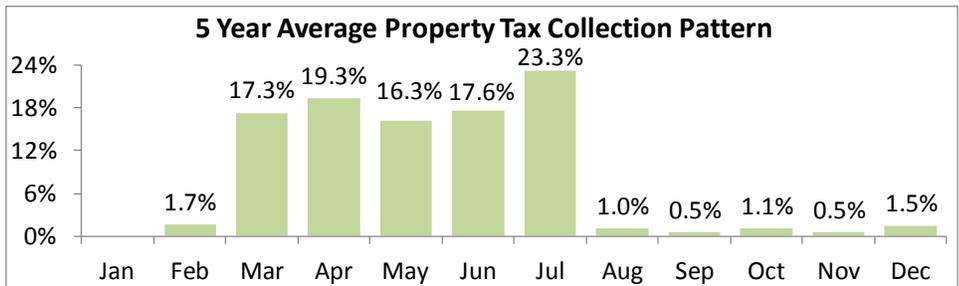
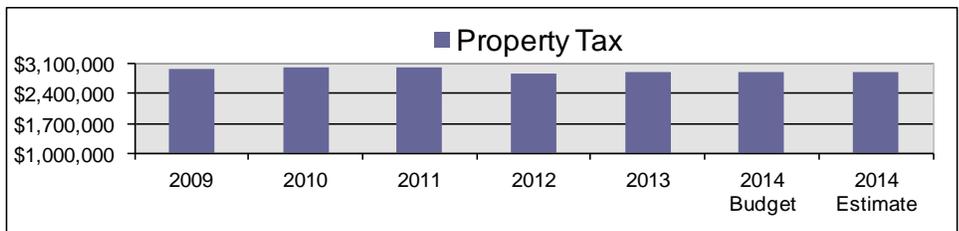
General Fund - Taxes

The General Fund obtains most of its revenue from taxes. In 2013 total revenues were \$40,901,819 of which \$29,909,808 (73.1 percent) came from tax collections. Taxes include property, sales and use, specific ownership, cigarette, utilities, franchise fees, and hotel/motel. The pie charts on the next page illustrate the contribution of taxes to total revenue for 2009, 2013 and 2014 Budget. Taxes as a percentage of total revenue have declined slightly as other fees and charges have been increased to help offset rising costs and relatively flat tax revenues.

General Fund Revenues - Taxes vs. Other



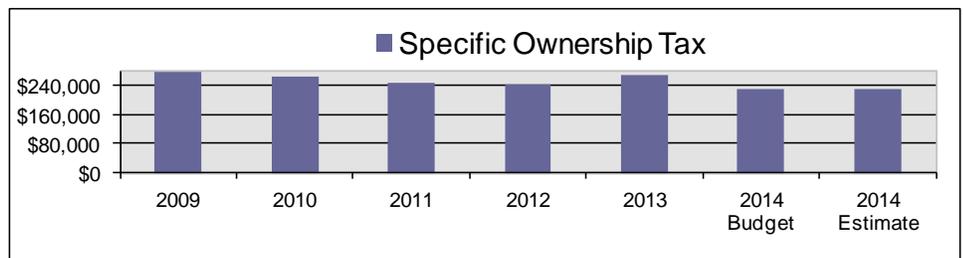
Property taxes: These taxes are collected based on the assessed value of all the properties in the City and the mill levy assessed against the property. The City's total 2012 mill levy collected in 2013 is 8.124 mills. The 2013 mill levy for general operations collected in 2014 is 5.880 mills. Voters approved a separate, dedicated mill levy for principal and interest payments on the City's general obligation debt for the construction of parks and recreation projects. The dedicated general obligation debt mill levy is accounted



Property Tax Mill Levy	2009	2010	2011	2012	2013	2014 Budget	2014 Estimate
General Fund	5.880	5.880	5.880	5.880	5.880	5.880	5.880
Debt Service Fund	1.947	2.031	2.130	1.741	1.914	2.244	2.244
Total Mill Levy	7.827	7.911	8.010	7.621	7.794	8.124	8.124

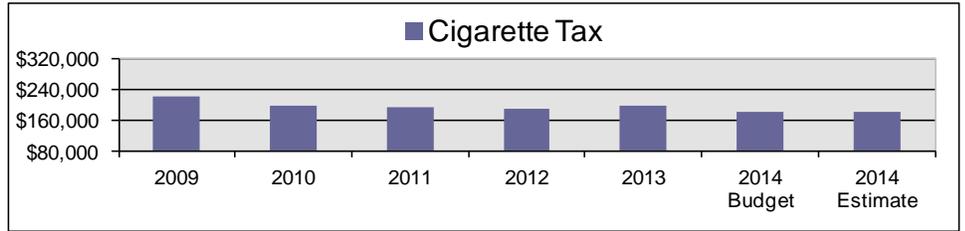
for in the Debt Service Fund. The dedicated general obligation debt mill levy dedicated for the City's general obligation debt collected in 2012 is 2.244 mills. Property tax collections declined from \$2,971,303 in 2009 to \$2,900,715 in 2013. This was a decrease of \$70,588 or 2.4 percent. In 2013 the City collected \$2,900,715 or 9.7 percent of 2013 total taxes and 7.1 percent of total revenues from property taxes. The City budgeted \$2,898,000 for 2014; and collected \$2,767,421 July 2014. The estimate for the year is \$2,898,000.

Specific ownership: These taxes are based on the age and type of motor vehicles, wheeled trailers, semi-trailers, etc. These taxes are collected by the County Treasurer and remitted to the City on the fifteenth day of the following month. The City collected \$276,414 in 2009 and \$266,881 in 2013 which is a decrease of \$9,533 or 3.5 percent. The City collected \$266,881 in 2013 which is less than one percent of total revenues and total taxes. The City budgeted \$230,000 for 2014 and collected \$142,489 through July 2014. The estimate for the year is \$260,000.



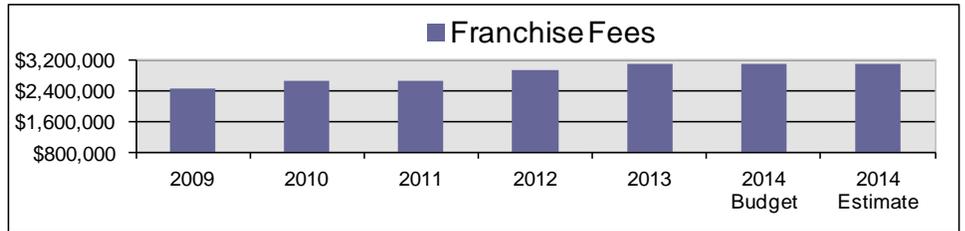
Cigarette Taxes: The State of Colorado levies a \$.20 per pack tax on cigarettes. The State distributes 46 percent of the gross tax to cities and towns based on the pro rata share of state sales tax collections in the previous year. These taxes have fallen

significantly in the past and continue to fall after the 2009 federal tax increase of approximately \$.62 per pack went into effect. This federal tax increase will fund the State Children’s Health Insurance Program (SCHIP). In 2009 the City collected \$218,449, but in 2013 the City collected \$195,088, which is a decrease of \$23,361 or 10.7 percent. These taxes accounted for less than one percent of total taxes and less than one percent of total revenues in 2013. The City budgeted \$179,000 for the year and collected \$107,372 through July 2014, which is \$1,040 or one percent less than the \$108,412 collected through July 2014. The estimate for the year is \$185,000.

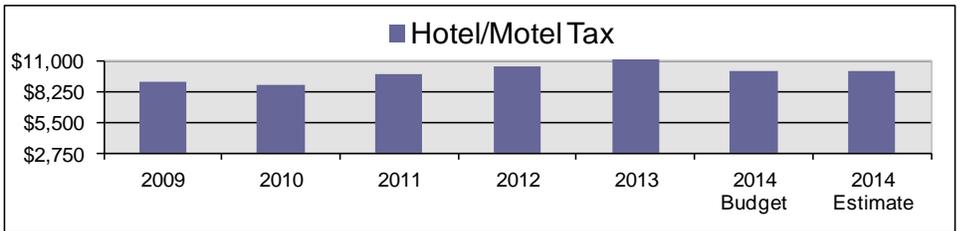


Franchise Fees: The City collects a number of taxes on various utilities. This includes franchise tax on water, sewer, and public services, as well as occupational tax on telephone services. The City collected \$2,452,611 in 2009 and \$3,101,310 in 2013, an increase of

\$648,699 or 26.5 percent. These taxes accounted for 10.5 percent of taxes and 7.6 percent of total revenues in 2013. The City budgeted \$3,069,500 for the year; collections through July totaled \$1,710,855 compared to \$1,639,871 collected during the same period last year. The estimate for the year is \$3,100,000.

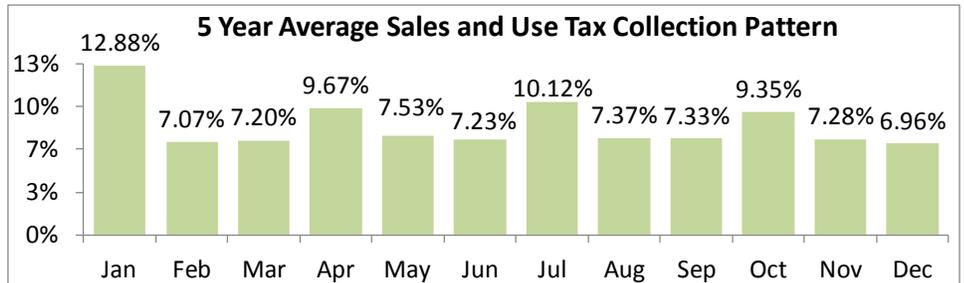
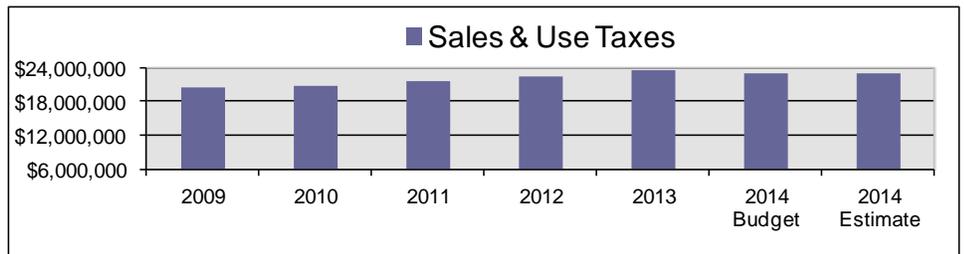


Hotel/Motel Tax: This tax is levied at two percent of the rental fee or price of lodging for under 30 days duration. The City budgeted \$10,000 for the year and has collected \$7,169 through July 2014. The estimate for the year is \$12,000.



Sales and Use Taxes Analysis

Sales and use taxes are the most important (and volatile) revenue sources for the City. Sales and use taxes generated 78.4 percent of all taxes and 57.4 percent of total revenues collected in 2013. In 2009, this tax generated \$20,624,659 for the City of Englewood; in 2013 the City collected \$23,433,775, an increase of \$2,809,116 (13.6 percent). This tax is levied on the sale price of taxable goods. Sales tax is calculated by multiplying the sales price of taxable goods times the sales tax rate of 3.5 percent. Vendors no longer receive a fee for collecting and remitting their sales/use taxes. Taxes for the current month are due to the City by the twentieth day of the following month. The City budgeted \$22,883,003 for 2014. Sales and Use Tax revenue (cash basis) through July 2014 was \$14,762,377 while sales tax collected year-to-date for July 2013 was \$13,737,812, an increase of \$1,024,565 or 7.5 percent.

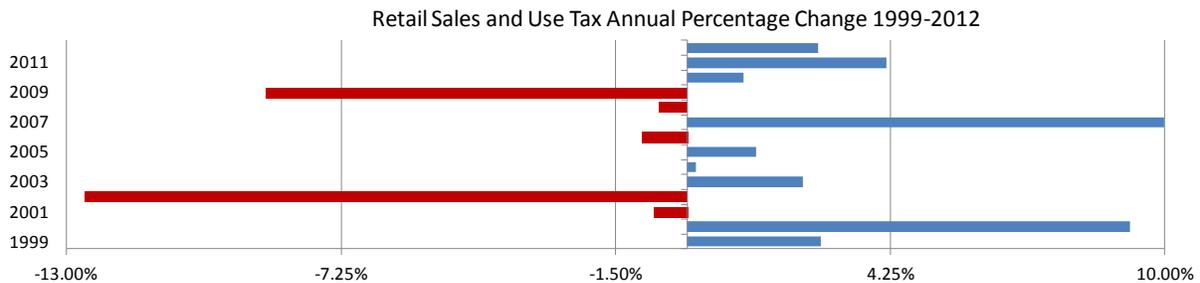


In 2013, the City partnered with MUNIREvs to provide the City’s business licensing and tax collection system. The system more accurately reports the sales versus use tax collections. In the former system, if an account was coded as a sales tax account, both sales and use tax remitted by the account was reported as sales tax. This was also the case with an account coded as use tax, both use and sales tax remitted by the account was reported as use tax. In total the amount of sales and use tax collections is the same, the allocation between sales and use has changed. This month we have restated 2013 to match the restated 2014 reporting. The revised Sales and Use Tax Collections Year-To-Date Comparison (Cash Basis) report is located on page 22.

Collections (cash basis) for July 2014 were \$2,502,357 while collections for July 2013 and July 2012 were \$2,284,043 and \$2,270,971 respectively. July 2014 collections were 9.6 percent or \$218,314 more than July 2013 collections and \$231,386 or 10.2 percent more than July 2012 collections.

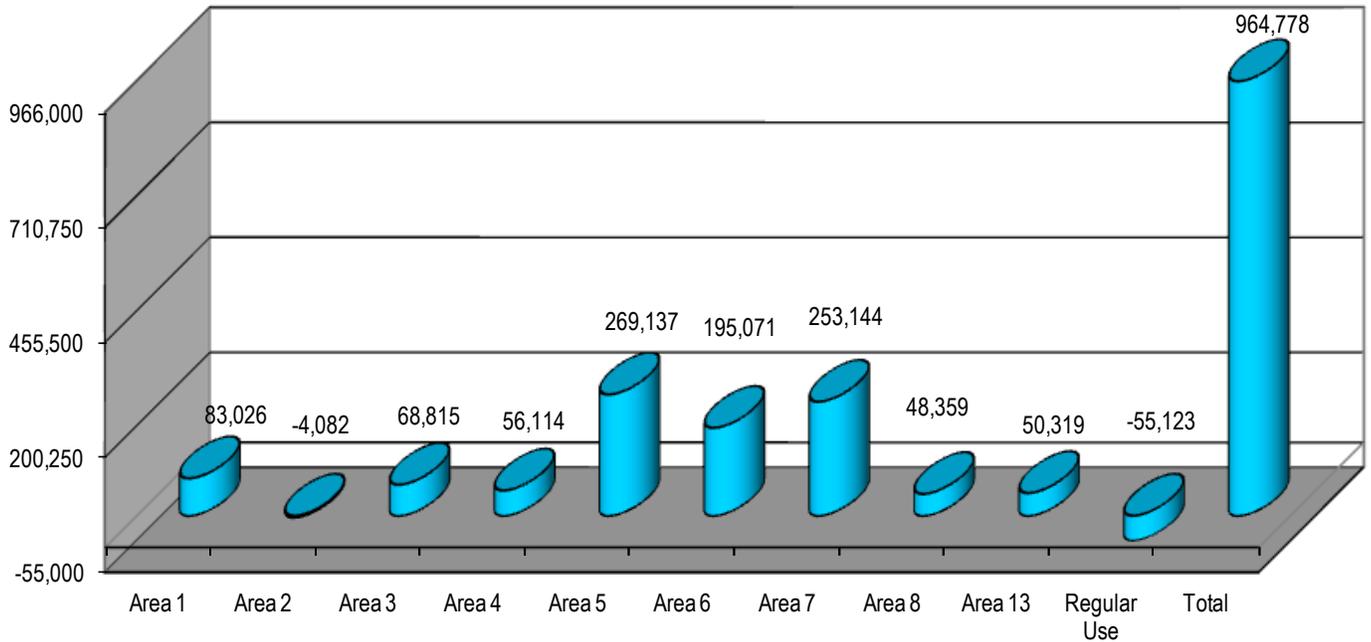
Based on the last five years of sales tax collection data, collections through July contribute 61.2 percent of total year’s sales tax collections; if this pattern holds this year, 38.8 percent is left to collect over the remainder of the year. Based on year-to-date collections, the City will collect an additional \$9,352,908 over the remainder of the year for a total of \$24,115,284. Collections through July 2014 were 107 percent of last July’s collections. If this were applied to the entire year, the total collected would be \$25,072,353. The average of the two forecasts is \$24,593,818; the estimate for the year is (conservatively) \$23,900,000 and could be adjusted up or down again depending on future collections.

This revenue source tends to ebb and flow (often dramatically) with the economy, growing during economic expansions and contracting during downturns. The past three years of sales tax collections have been exceptionally erratic making it extremely difficult to make accurate short or long term forecasts. It is important to continually review and analyze sales and use tax data including trends in the various geographic areas of the City.



The next chart, “Change in Sales/Use Tax Collections by Area 2014 vs. 2013” provides for the month the annual sales and use tax increases and decreases in the various geographic areas. Economic conditions, judged by sales and use tax collections, appears to be a “mixed bag” with some geographic areas increasing and some decreasing compared to the same period last year.

Change in Sales/Use Tax Collections by Area 2014 vs 2013

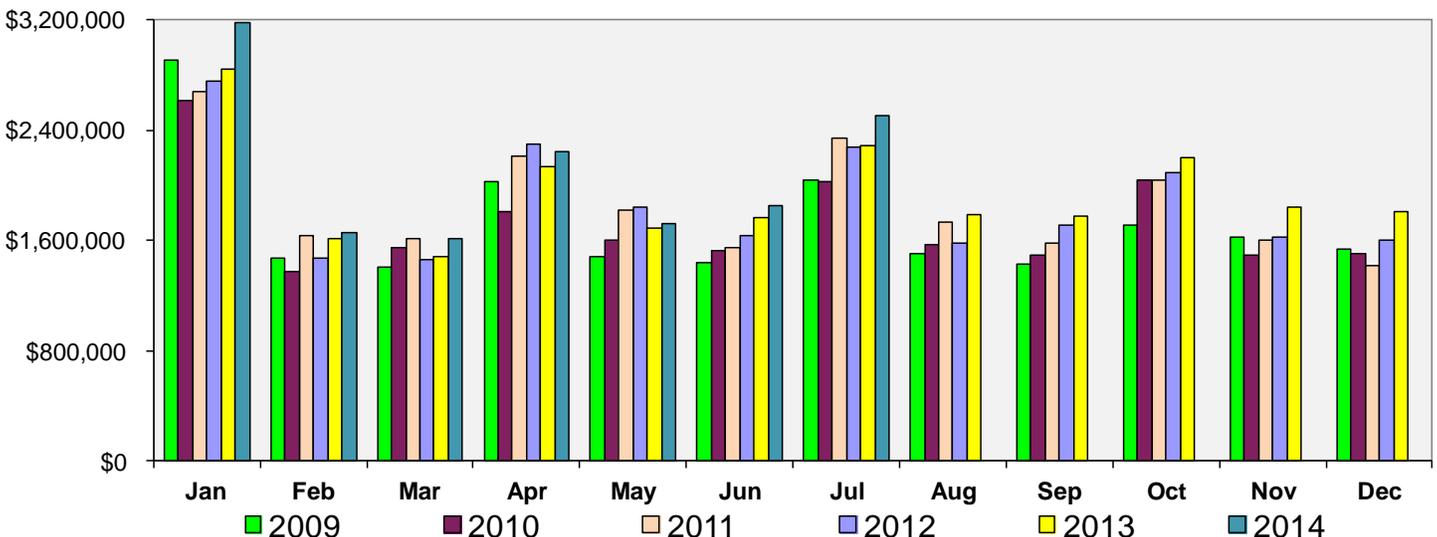


Please note that the geographic map of the sales tax areas was changed within the first quarter of 2012, and hopefully makes more sense. Some of the areas will look skewed until more comparable data is available in 2013. EURA Areas 9 & 10 and EURA Areas 11 & 12 were incorporated into Areas 1, 2 and 6. Specific changes include:

- Area 1 east boundary will change at Bannock St/Englewood Pkwy east to Acoma St south to Jefferson Ave/Hampden Ave/US 285
- Split the address down the middle of the streets for Area 2 and Area 3: Bannock St and Sherman St
- Split the address down the middle of the streets for Area 3 and Area 4: Belleview Ave, Fox St and Logan St
- The north and south side of the street included in Area 1: Jefferson Avenue
- The north and south side of the street included in Area 2: Jefferson Ave/Hampden Ave/US 285

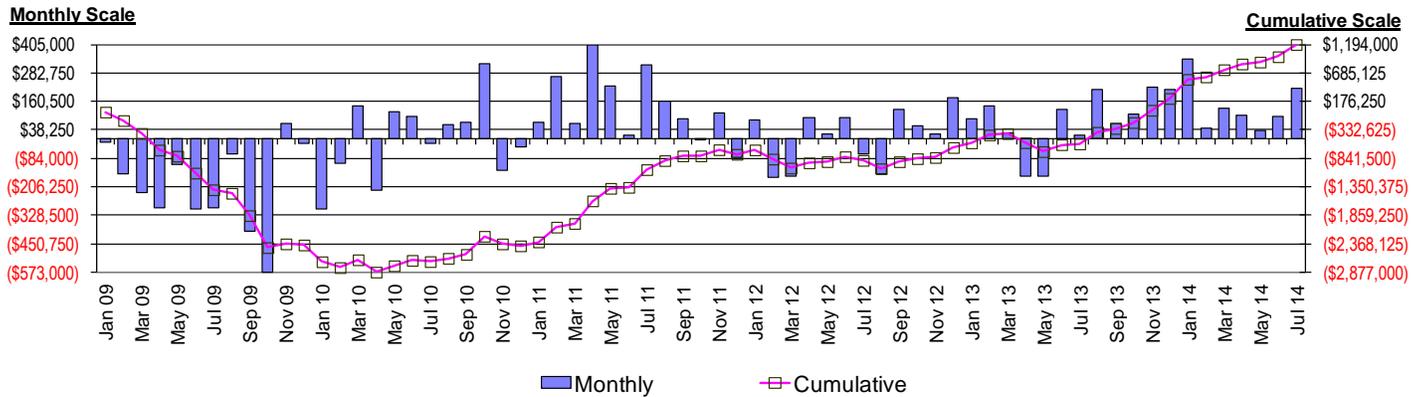
The bar graph below shows a comparison of monthly sales tax collections (cash basis) for 2009 through 2014.

2009-2014 YTD Sales/Use Tax Collections by Month - Cash Basis



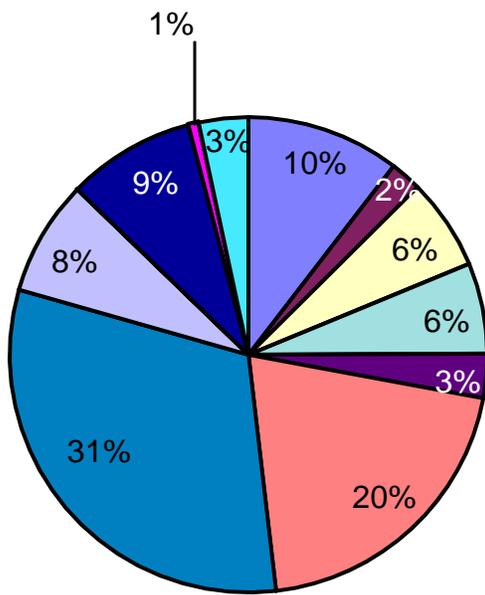
The next chart illustrates sales tax collections (cash basis) by month and cumulative for the years presented. For the period presented, the bar graph depicts the change in collections for a month as compared to the prior year, while the cumulative line graph is based on the beginning period monthly change in sales and use tax collections as adjusted by each consecutive month change.

2009 - 2014 Monthly Change Sales and Use Tax Receipts



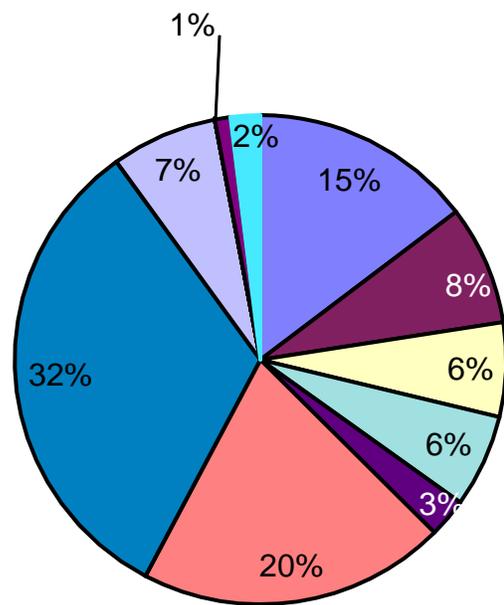
Sales tax collections are reported by various geographic areas as illustrated in the following pie charts. These illustrate the changing collection patterns for 2009 and 2013.

Geographic Sales Tax Collection Areas



2009 Actual Cash Receipts by Area

Area 1	10%	Area 8	8%
Area 2	2%	Area 9 & 10	9%
Area 3	6%	Area 11 & 12	1%
Area 4	6%	Area 13	0%
Area 5	3%	Regular Use	3%
Area 6	20%		
Area 7	31%		



2013 Cash Receipts by Area

Area 1	15%	Area 8	7%
Area 2	8%	Area 9 & 10	0%
Area 3	6%	Area 11 & 12	0%
Area 4	6%	Area 13	1%
Area 5	3%	Regular Use	2%
Area 6	20%		
Area 7	32%		

A brief description and analysis of the significant geographic areas follows:

Area 1: This geographic area accounts for the sales tax collections from CityCenter Englewood. CityCenter Englewood had collections of \$2,030,547 year-to-date or 4.3 percent more than was collected during the same period last year.

Area 5: This area includes the remodeled King Soopers. Collections are 124.6 percent higher than last year. Collections this year are well ahead of collections in any year in the past five years.

Area 6: This geographic area is up 11.7 percent from last year.

Area 7: This geographic area records the outside city sales tax collections (Outside City). Outside City has been the geographic area responsible for much of the sales tax growth (and decline) in past years. Outside City collections have increased 5.1 percent from the same period last year. The chart below illustrates this area's contribution to total sales and use taxes (cash basis) as well as total revenues since 2009 for collections through the month of December. The importance of Outside City has declined as a percentage of sales and use tax collections but it continues to remain an important impact on the City's General Fund as illustrated by the following:

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Sales and Use Taxes	11,317,069	12,622,022	13,733,645	13,797,598	14,762,376
Outside City Collections	3,977,483	5,231,705	4,764,542	4,354,849	4,607,993
Percentage of Total	35.1%	41.4%	34.7%	31.6%	31.2%
Total General Fund Revenues	22,938,041	23,949,986	24,858,523	25,296,830	25,946,640
Outside City Collections	3,977,483	5,231,705	4,764,542	4,354,849	4,607,993
Percentage of Revenues	17.3%	21.8%	19.2%	17.2%	17.8%

The City records the proceeds of some returns from Outside City into an unearned revenue (liability) account. The criteria staff uses to decide if proceeds should be placed in the unearned account is if a reasonable probability exists for another municipality to claim the revenue. This account currently has a balance of \$1,150,000 to cover intercity claims. The City paid \$76,620 in refunds including intercity sales/use tax claims through July 2014 compared to \$13,248 through July 2013. At this time *potential* refunds total approximately \$1,500,000 for claims submitted to Englewood but not completed.

Area 8: This geographic area consists of collections from public utilities. Collections through July were 5.2 percent more than last year. Weather conditions, energy usage conservation, and rising energy prices play an important role in revenue collections. Collections could increase or decrease if the remainder of the year is significantly hotter/colder than normal.

Area 13: This geographic area encompasses the Kent Place Development. Collections through July were \$178,832 compared to \$128,513 last year. It is difficult to make comparison between 2014 and 2013 as not all the vendors were in operation in 2013.

Other Sales Tax Related Information

Finance and Administrative Services Department collected \$17,098 in sales and use tax audit revenues and general collections of balances on account through the month of July 2014, this compares to \$93,781 collected in 2013 and \$99,576 collected in 2012.

Of the 65 sales tax accounts reviewed in the various geographic areas, 39 (60 percent) showed improved collections and 26 (40 percent) showed reduced collections this year compared to the same period last year.

The Department issued 260 new sales tax licenses through July 2014; 229 and 259 were issued through July 2013 and 2012 respectively.

City records indicate that year-to-date 117 businesses closed (83 were outside the physical limits of Englewood) and 260 opened (181 of them were outside the physical limits of Englewood).

General Fund - Other Revenue

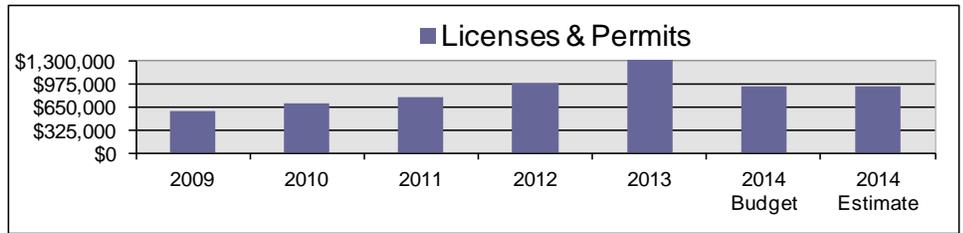
Other revenues (including McLellan rent) accounted for \$10,992,012 or 26.9 percent of the total revenues for 2013. The City budgeted \$10,400,609 for 2014.

The next page provides additional information on the significant revenue sources of the General Fund:

Licenses and Permits: This revenue category includes fees from business and building licenses and permits.

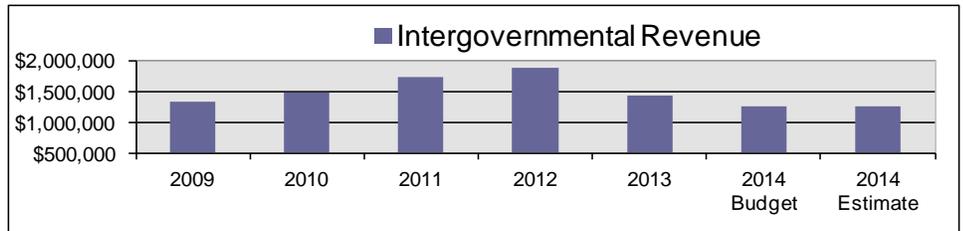
This revenue source generated \$1,446,578 during 2013 or 3.5 percent of total revenue and 13.2 percent of total other revenue. This revenue

source totaled \$588,328 in 2009 and increased to \$1,446,578 in 2013, a 145.9 percent increase. The City budgeted \$882,550 for 2014 and year-to-date collected \$751,794 or \$382,545 (33.7 percent) less than the \$1,134,339 collected through July 2014. The estimate for the year is \$882,550.

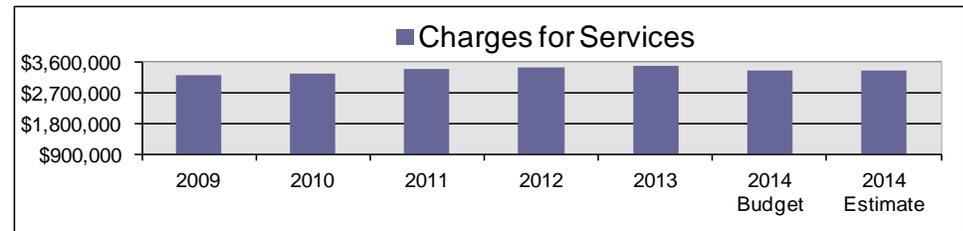


Intergovernmental Revenues: This revenue source includes state and federal shared revenues including payments in lieu of taxes. These revenues are budgeted at \$1,243,281 for 2014. This revenue source totaled \$1,319,282 in 2009 and the City

collected \$1,488,204 in 2013, an 12.8 percent increase. The City collected \$756,398 through July 2014 this is \$2,426 less than the \$758,824 collected in the same period in 2013. The estimate for the year is \$1,243,281.

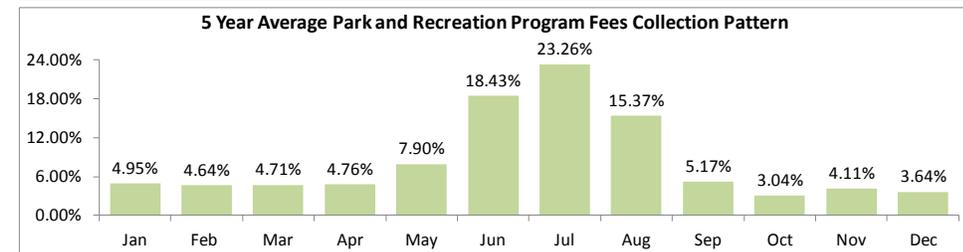
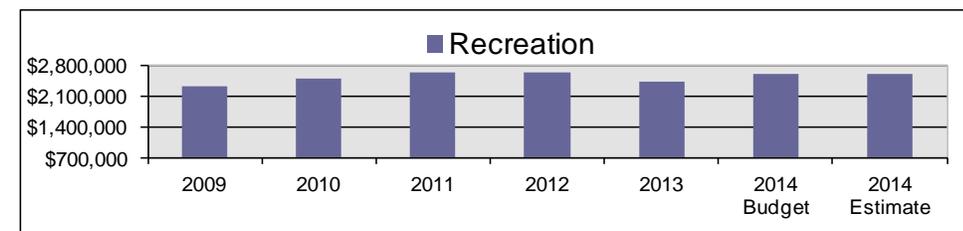


Charges for Services: This includes general government, public safety, fees for the administration of the utilities funds, court costs, highway and street and other charges. This revenue source is budgeted at \$3,340,803 for 2014. This revenue source totaled \$3,185,443 in 2009 and increased to \$3,469,845 in 2013, an 8.5 percent increase. Total collected year-to-date was \$1,830,798 or \$104,528 (5.4 percent) less than the \$1,935,326 collected year-to-date in 2013. The estimate for the year is \$3,262,000.

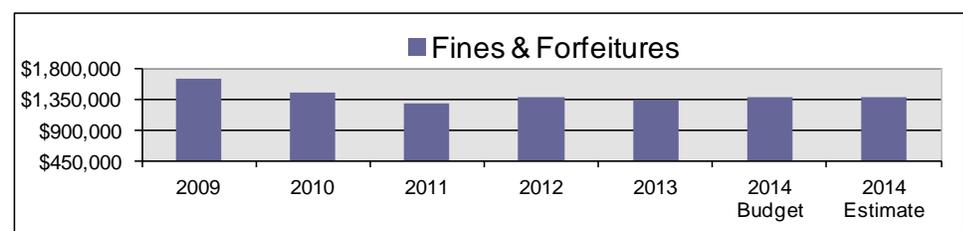


Recreation: This category of revenue includes the fees and charges collected from customers to participate in the various programs offered by the Parks and Recreation Department. This revenue source is budgeted at

\$2,594,232 for 2014. This revenue source totaled \$2,315,598 in 2009 and increased to \$2,420,443 in 2013, a 4.5 percent increase. Total collections through July 2014 were \$1,743,477 compared to \$1,742,389 collected in 2013. The estimate for the year is \$2,500,000.

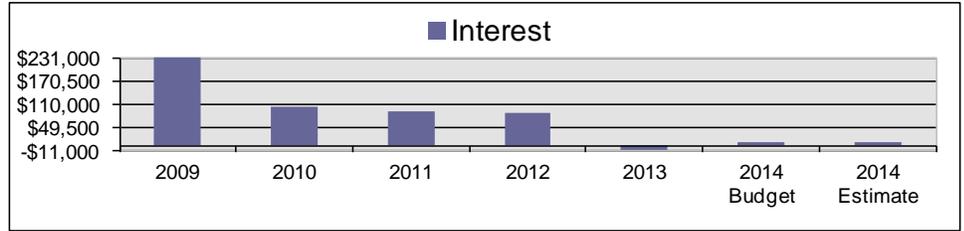


Fines and Forfeitures: This revenue source includes court, library, and other fines. The 2014 budget for this source is \$1,368,450. This revenue source totaled \$1,639,678 in 2009 and decreased to \$1,317,707 in 2013, a 19.6 percent decrease. Total collected year-

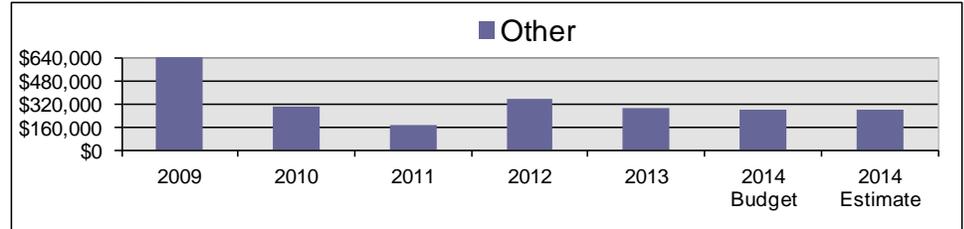


to-date was \$828,096 or \$35,347 (4.5 percent) more than the \$792,749 collected in the same time period last year. The estimate for the year is \$1,368,450.

Interest: This is the amount earned on the City’s cash investments. The 2014 budget for this source is \$8,164. This revenue source totaled \$230,000 in 2009 and decreased to a loss of \$10,233 in 2013, a 104.4 percent decrease. The City earned \$41,462 through July 2014; while the City lost \$3,266 through July 2013. The estimate for the year is 70,000.



Other: This source includes all revenues that do not fit in another revenue category. The 2014 budget for this source is \$320,050. This revenue source totaled \$635,982 in 2009 and decreased to \$285,931 in 2013, a 55 percent decrease. Total collected year-to-date is \$112,953 (34.4 percent) less than the \$172,178 collected last year during the same period. The estimate for the year is \$225,000.



Economic Incentives

The City of Englewood uses economic incentives to attract and maintain businesses. Businesses are the City’s lifeblood, not only do they generate sales and property taxes but they provide employment and shopping opportunities for citizens.

Englewood Economic Development Incentives Granted

Business	Public Use of Incentive Funds
King Soopers (Federal and Belleview)	Storm sewer replacement, water line improvements, access modifications and electrical line undergrounding.
Oxford LCP	Construct sidewalk enhancements in the public right of way.
Flood Middle School	Relocate City Ditch and sanitary sewer line, upgrade water line and underground electrical lines.
Restaurant at Englewood Market Place	Landscaping, maintenance and ADA ramp.
Cadence dba Broadbell LLC for Sprouts	
Farmers Market	Intersection and signalized intersection.

General Fund - Expenditures

In 2006 the City adopted an outcome based budgeting philosophy. City Council and Staff outlined five outcomes to reflect, more appropriately, the desired result of the services delivered to the citizens of Englewood. The five outcomes identified are intended to depict Englewood as:

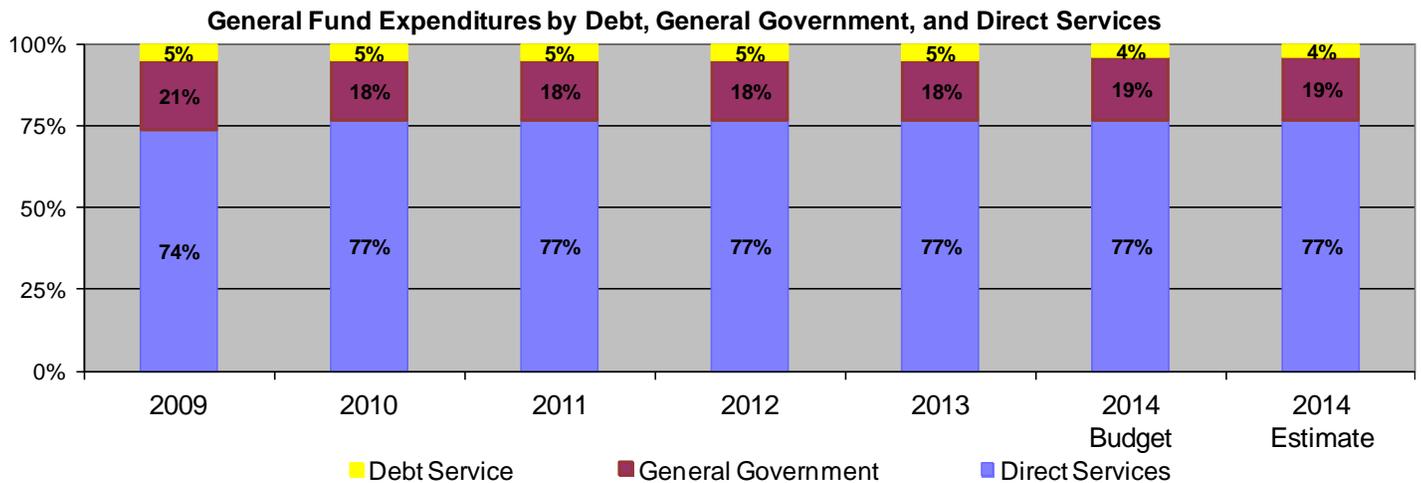
- ▶ A City that provides and maintains quality infrastructure,
- ▶ A safe, clean, healthy, and attractive City,
- ▶ A progressive City that provides responsive and cost efficient services,
- ▶ A City that is business friendly and economically diverse, and
- ▶ A City that provides diverse cultural, recreational, and entertainment opportunities.

Outcome based budgeting is an additional tool the City Council and staff use to better develop ways to serve our citizens. This type of budgeting is refined and reviewed on an on-going basis to help us better focus our resources in meeting the objectives of our citizens.

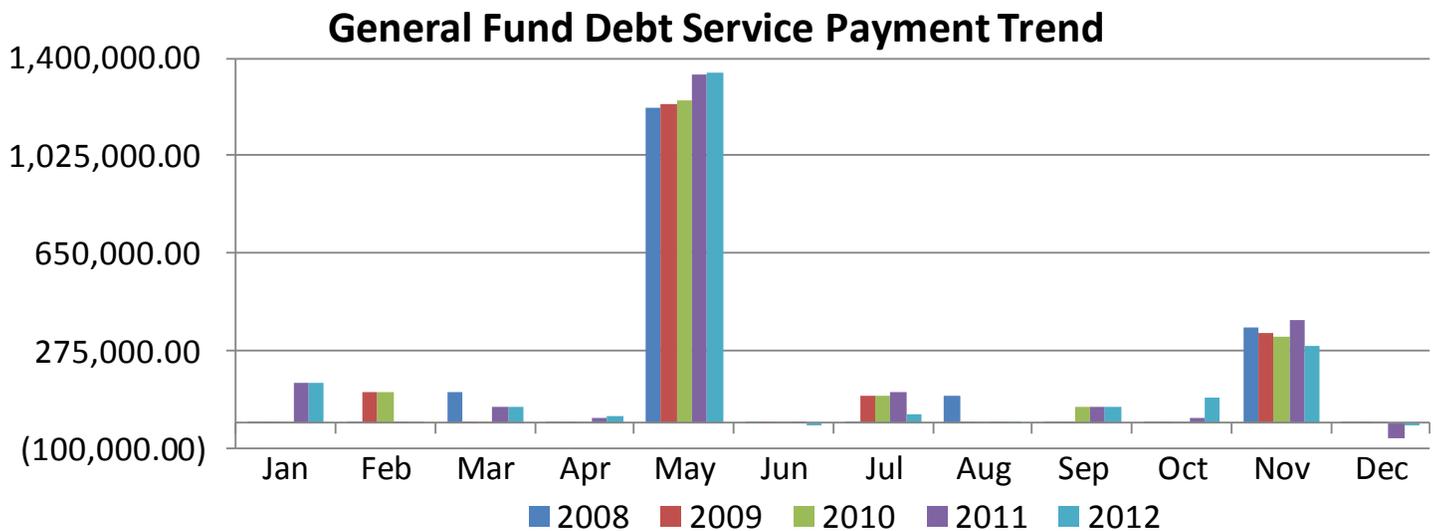
The City budgeted total expenditures at \$42,126,719 for 2014, this compares to \$40,125,364 and \$40,265,587 expended in 2013 and 2012 respectively. Budgeted expenditures for 2014 general government (City Manager, Human Resources, etc.) totals \$7,812,457 or 18.5 percent of the total. Direct government expenditures (Police, Fire, etc.) are budgeted at \$32,305,442 or 76.7 percent of the total. Debt service (fixed costs) payments are \$2,008,820 or 4.8 percent of the total.

Total expenditures through July were \$23,325,973 compared to \$23,046,726 in 2013 and \$23,092,486 in 2012. The expenditure estimate for the year is \$42,333,088.

The chart below illustrates the breakdown of expenditures into debt service, general and direct government services.



For illustrative purposes and based on the past five years, the following graph depicts the debt service payments cash outflow. The majority of debt service payments are typically twice a year.



The schedule on the next page provides the expenditure for each of the General Fund departments for the years 2009 through 2014 Budget.

	2009	2010	2011	2012	2013	2014	2014
Expenditure	Actual	Actual	Actual	Actual	Actual	Budget	Estimate
General Government							
Legislation	346,044	309,870	298,731	316,043	280,920	354,570	359,524
City Manager	674,170	659,882	639,184	658,047	675,844	703,758	702,946
City Attorney	678,038	702,228	706,841	712,036	719,781	818,514	847,637
Municipal Court	914,494	901,469	848,775	886,249	922,245	1,026,895	1,025,131
Human Resources	456,275	419,422	430,792	469,343	408,551	468,826	482,626
Finance & Administrative Services	1,575,923	1,445,581	1,446,313	1,464,305	1,533,061	1,625,150	1,666,154
Information Technology	1,360,237	1,280,660	1,332,766	1,373,943	1,336,590	1,378,942	1,364,874
Community Development	1,366,437	1,301,473	1,359,264	1,262,451	1,113,710	1,235,802	1,199,714
Contingencies	160,578	48,138	152,423	143,810	88,360	200,000	200,000
Contribution to Component Unit(s)	800,000	-	-	-	-	-	-
General Government Subtotal	8,332,196	7,068,723	7,215,089	7,286,227	7,079,062	7,812,457	7,848,606
Direct Services							
Public Works	5,152,891	5,137,364	5,259,875	5,202,903	5,234,382	5,504,669	5,483,234
Police	10,183,890	10,312,633	10,395,239	10,788,935	11,226,157	11,543,760	11,510,018
Fire	7,320,268	7,425,903	7,666,842	8,100,554	8,002,677	8,202,319	8,470,089
Library	1,275,554	1,284,083	1,145,613	1,180,771	1,174,656	1,250,536	1,235,281
Parks and Recreation	5,727,968	5,811,809	5,717,147	5,649,246	5,402,600	5,804,158	5,781,477
Direct Services Subtotal	29,660,571	29,971,792	30,184,716	30,922,409	31,040,472	32,305,442	32,480,099
Debt Service							
Debt Service-Civiccenter	1,571,752	1,570,705	1,658,857	1,570,921	2,005,830	1,573,000	1,568,563
Debt Service-Other	233,456	290,122	437,606	486,030		435,820	435,820
Debt Service Subtotal	1,805,208	1,860,827	2,096,463	2,056,951	2,005,830	2,008,820	2,004,383
Total Expenditure	39,797,975	38,901,342	39,496,268	40,265,587	40,125,364	42,126,719	42,333,088
% Expenditure Change	2.01%	-2.25%	1.53%	1.95%	-0.35%	4.62%	0.49%
Other Financing Uses							
Transfers Out	177,011	750,000	301,246	1,339,330	73,006	0	0
Total Other Financing Uses	177,011	750,000	301,246	1,339,330	73,006	0	0
Total Uses of Funds	39,974,986	39,651,342	39,797,514	41,604,917	40,198,370	42,126,719	42,333,088
% Uses of Funds Change	1.40%	-0.81%	0.37%	4.54%	-3.38%	1.25%	0.49%

The chart below provides per capita the General Fund expenditure information categorized into direct and general government services and debt service. Also provided is the per capita General Obligation Debt accounted for in the Debt Service Fund.

	2009	2010	2011	2012	2013	2014	2014
Population*	30,761	30,354	30,720	31,138	31,138	Budget	Estimate
General Fund							
General Government Services	\$ 271	\$ 233	\$ 235	\$ 232	\$ 234	\$ 234	\$ 252
Direct Services	\$ 964	\$ 987	\$ 983	\$ 969	\$ 993	\$ 993	\$ 1,043
Public Works	\$ 168	\$ 169	\$ 171	\$ 169	\$ 167	\$ 167	\$ 176
Police	\$ 331	\$ 340	\$ 338	\$ 334	\$ 346	\$ 346	\$ 370
Fire	\$ 238	\$ 245	\$ 250	\$ 246	\$ 260	\$ 260	\$ 272
Library	\$ 41	\$ 42	\$ 37	\$ 37	\$ 38	\$ 38	\$ 40
Parks & Recreation	\$ 186	\$ 191	\$ 186	\$ 184	\$ 181	\$ 181	\$ 186
Debt Service	\$ 59	\$ 61	\$ 68	\$ 67	\$ 66	\$ 66	\$ 64
Total Expenditure Per Capita	\$ 1,294	\$ 1,282	\$ 1,286	\$ 1,268	\$ 1,293	\$ 1,293	\$ 1,360
Debt Service Fund							
General Obligation Debt Per Capita	\$ 36	\$ 36	\$ 31	\$ 31	\$ 31	\$ 36	\$ 36

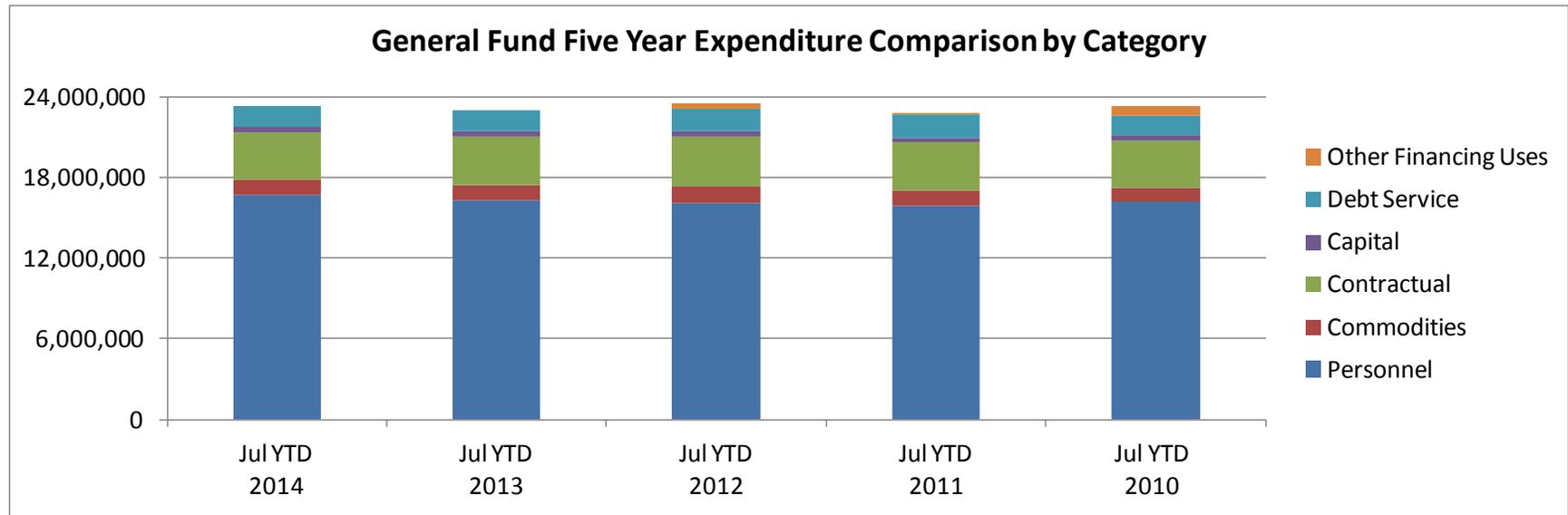
* Source: Colorado Department of Local Affairs Municipal Population Estimates By County

City of Englewood, Colorado

General Fund - Five Year Expenditure Comparison by Category

	Jul YTD 2014	YTD % Change	% of Total	Jul YTD 2013	YTD % Change	% of Total	Jul YTD 2012	YTD % Change	% of Total	Jul YTD 2011	YTD % Change	% of Total	Jul YTD 2010	% of Total
Personnel services														
Salaries and wages	11,838,191	-0.300%	28.101%	11,873,618	0.070%	28.883%	11,865,363	0.420%	29.814%	11,815,264	-2.640%	29.798%	12,136,033	30.359%
Overtime	458,148	23.730%	1.088%	370,283	-5.230%	0.901%	390,737	27.440%	0.982%	306,614	1.230%	0.773%	302,891	0.758%
Benefits	4,408,459	9.200%	10.465%	4,037,040	6.250%	9.820%	3,799,468	0.080%	9.547%	3,796,488	-0.050%	9.575%	3,798,575	9.502%
Personnel services total	16,704,798	2.600%	39.654%	16,280,941	1.400%	39.603%	16,055,568	0.860%	40.343%	15,918,367	-1.970%	40.146%	16,237,500	40.619%
Commodities total	1,125,632	0.740%	2.672%	1,117,357	-9.700%	2.718%	1,237,336	15.930%	3.109%	1,067,344	8.220%	2.692%	986,231	2.467%
Contractual services total	3,565,027	-3.300%	8.463%	3,686,662	-1.150%	8.968%	3,729,607	2.090%	9.371%	3,653,412	4.180%	9.214%	3,506,725	8.772%
Capital total	386,823	15.400%	0.918%	335,214	-27.840%	0.815%	464,551	36.470%	1.167%	340,400	-13.170%	0.858%	392,018	0.981%
Total Expenditures	21,782,280	1.690%	51.707%	21,420,175	-0.310%	52.105%	21,487,062	2.420%	53.991%	20,979,522	-0.680%	52.910%	21,122,473	52.839%
Debt service total	1,543,696	-5.090%	3.664%	1,626,550	1.320%	3.957%	1,605,422	-4.620%	4.034%	1,683,147	15.020%	4.245%	1,463,372	3.661%
Other financing uses total	0			0			434,000			52,815			750,000	
Total Uses of Funds	23,325,976	0.000%	55.371%	23,046,725	0.000%	56.061%	23,526,484	0.000%	58.025%	22,715,484	0.000%	57.155%	23,335,845	58.376%
Annual Total	42,126,719	2.473%		41,110,026	3.298%		39,797,514	0.369%		39,651,356	-0.810%		39,974,987	
YTD % of Annual Total	55.371%			56.061%			59.115%			57.288%			58.376%	

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General Fund - Transfers

The General Fund has provided funds to and has received funds from Special Revenue Funds, Capital Projects Funds, and Internal Service Funds in order to buffer temporary gaps in revenue and expenditure amounts. The General Fund received the following net transfers; Council determined not to make the additional transfer from the PIF in 2014.

Source of Funds	2014 Budget Amount	2014 YTD Net Amount	2013 Net Annual Amount
Special Revenue Funds			
Neighborhood Stabilization Program Fund	\$ -	\$ -	\$ (73,006)
Capital Project Funds			
Public Improvement Fund (PIF)	835,820	479,544	989,574
Enterprise Funds			
Golf Course Fund	63,000	63,000	-
Internal Service Funds			
Central Services Fund	50,000	50,000	50,000
Servicenter Fund	300,000	300,000	100,000
Net Transfers In (Out) Total	\$ 1,248,820	\$ 892,544	1,066,568

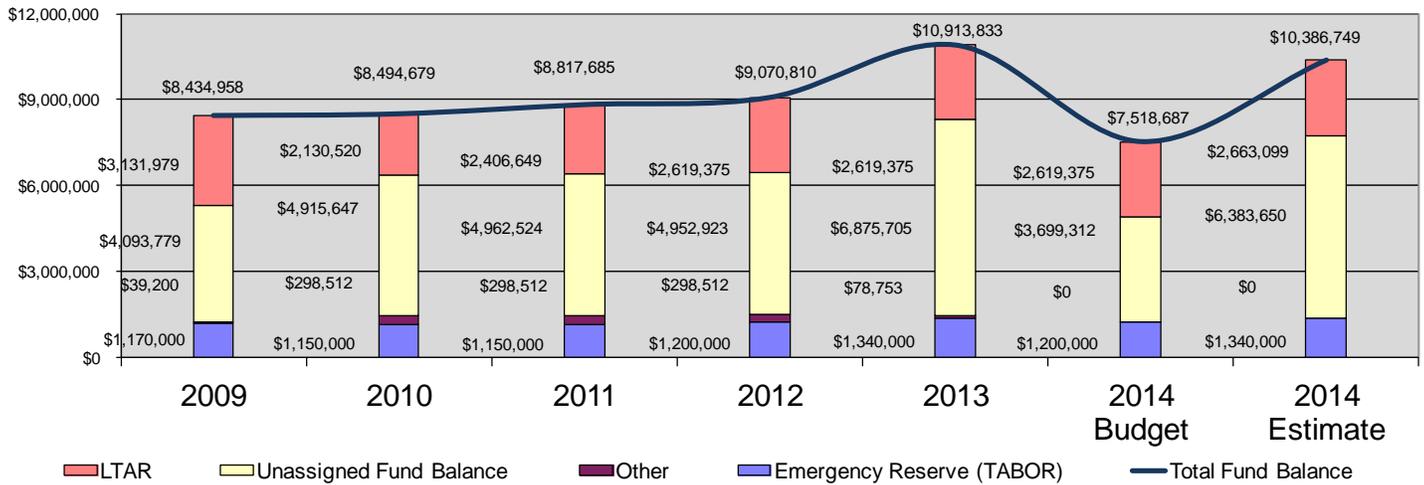
General Fund - Fund Balance

The City designates the fund balance into two categories, restricted and unrestricted. The portion of the fund balance which is restricted is referred to as the “Reserves” while the unrestricted portion is referred to as the unassigned fund balance. The unassigned fund balance represents funds the City sets aside for a “rainy day”. Another way to view these unrestricted funds is as a stabilization fund, the intent of which is to smooth over unexpected fluctuations in revenues and expenditures. The fund balance is normally built up when revenues exceed expenditures. In the past, excess funds have been transferred out, usually for capital projects identified in the Multiple Year Capital Plan (MYCP). The estimated unassigned fund balance is not adequate to provide for a transfer from the General Fund to the capital projects funds.

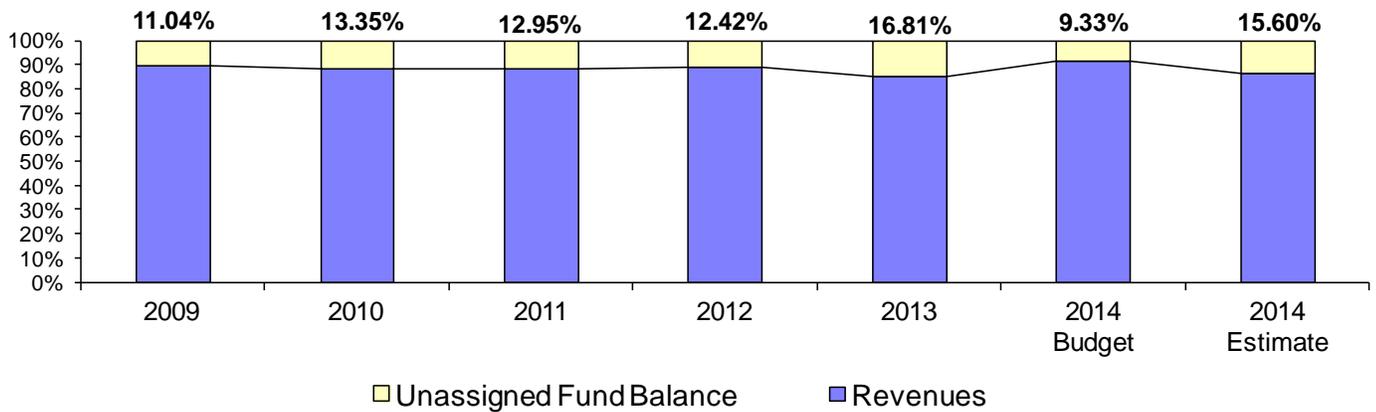
Long Term Asset Reserve (LTAR) At the 2008 Budget workshop, City Council discussed and directed staff to establish a General Fund reserve account to accumulate funds from the sale, lease, or earnings from long-term assets. It was also determined that these funds should be used in a careful, judicious and strategic manner. The funds restricted in this account are to be expended if the funds are appropriated in the annual budget or by supplemental appropriation. The balance at the end of December 2013 was \$2,619,375. Unused funds from the LTAR financed Little Dry Creek Fountain Project in the amount of \$43,274 were deposited into the LTAR account. The current LTAR balance is \$2,663,099.

COPS Grant Reserve There was \$298,512 originally reserved to pay the City’s required portion of the COPS Grant. The funds originated in the LTAR. In 2013, \$219,760 was drawn down and the remaining \$78,753 was drawn down earlier in 2014 so there is no estimated ending COPS Grant Reserve for 2014. The COPS Grant funded the Impact Team which is included in the 2014 Budget.

General Fund - Fund Balance



Unassigned Fund Balance As A Percentage of Revenue



The City's General Fund ended 2013 with total reserves of \$10,913,833, and an unassigned fund balance of \$6,875,705 or 16.8 percent of revenues (17.1 percent of expenditures). The budgeted total reserves for 2014 are \$7,518,687 with an unassigned fund balance of \$3,699,312 or 9.3 percent of budgeted revenues or 8.8 percent of budgeted expenditures. Estimated total reserves for 2014 are \$10,386,749 with an unassigned fund balance of \$6,383,650 or 15.6 percent of estimated revenues and 15.1 percent of projected expenditures. The \$6,383,650 would allow the City to operate for approximately 55 days (using average daily projected expenditures) if all other revenues and financing sources ceased. In these times of economic uncertainty, it is more important than ever to maintain reserves to help the City make up for revenue shortfalls and unexpected expenditure increases given that the one-time transfers made to the General Fund to help maintain reserves are no longer available.

PUBLIC IMPROVEMENT FUND OVERVIEW

The Public Improvement Fund (PIF) accounts for the City's "public-use" capital projects (e.g. roads, bridges, pavement, etc.). The PIF funding is from the collection of vehicle and building use taxes, intergovernmental revenues, interest income, and other miscellaneous sources.

Provided for your information is a table on the next page that illustrates the PIF Year-To-Date (YTD) revenues and expenditures for the years 2011 through 2013. The dollar and percentage change between each year is also provided. The Estimated Ending Fund Balance is included in order to account for the remaining PIF appropriation in addition to the remaining annual revenue anticipated for the fund.

Public Improvement Fund (PIF)	2014	2014 vs 2013 Increase (Decrease)		2013	2013 vs 2012 Increase (Decrease)		2012
YTD Revenues	\$ 2,276,221	\$ (94,525)	(3.99%)	\$ 2,370,746	\$ 673,497	39.68%	\$ 1,697,249
YTD Expenditures	3,113,034	\$ 356,036	12.91%	2,756,998	\$ 642,468	30.38%	2,114,530
Net Revenues (Expenditures)	\$ (836,813)	\$ (450,561)		\$ (386,252)	\$ 31,029		\$ (417,281)
Beginning PIF Fund Balance	\$ 1,905,453			\$ 1,320,371			\$ 934,251
Ending PIF Fund Balance Before Remaining Annual Revenue and Appropriation	\$ 1,068,640			\$ 934,119			\$ 516,970
Plus: Remaining Annual Revenue	842,702			1,033,917			667,916
Less: Remaining Annual Appropriation	(1,939,485)			(966,609)			(1,118,504)
Estimated Ending Fund Balance	\$ (28,143)			\$ 1,001,427			\$ 66,382
Unappropriated Fund Balance as of December 31,				\$ 785,553			\$ 540,125

The three main funding sources for the PIF are Vehicle Use Tax, Building Use Tax and Arapahoe County Road and Bridge Tax.

	2014 Estimate	2014 Adopted Budget	2014 YTD Actual	2014 Vs 2013 Amount %		2013 YTD Actual	2013 Vs 2012 Amount %		2012 YTD Actual
Vehicle Use Tax	\$ 1,300,000	\$ 1,300,000	\$ 766,986	\$ 97,668	15%	\$ 669,317	\$ 29,389	5%	\$ 639,928
Building Use Tax	\$ 1,500,000	\$ 1,500,000	\$ 1,213,810	\$ (143,336)	-11%	\$ 1,357,146	\$ 930,516	218%	\$ 426,630
Arapahoe County Road and Bridge Tax	\$ 199,000	\$ 199,000	\$ 175,502	\$ (3,173)	-2%	\$ 178,675	\$ 1,306	1%	\$ 177,369

Vehicle Use Tax is based on the valuation of new vehicles purchased by City of Englewood residents. This tax is collected and remitted by Arapahoe County at the time the vehicle is registered. **Building Use Tax** is based on the valuation of building permits issued by the City of Englewood. These revenue sources are monitored periodically to determine the revision of the annual estimate. **Arapahoe County Road and Bridge Tax** is restricted to the construction and maintenance of streets and bridges. This tax is based on a mill levy established by Arapahoe County multiplied by 50% of the City's assessed property valuation.

2014 Year-To-Date City Funds At-A-Glance

(Please refer to "Funds Glossary" for a Brief Description of Funds and Fund Types)

	Beginning Balance	Revenue	Expenditure	Other Sources (Uses)	Restricted/ Committed Balance	Estimated Ending Balance
Governmental Fund Types (Fund Balance)						
General Fund	10,913,832	25,562,661	23,325,976	(2,847,492)	3,919,375	6,383,650
Special Revenue Funds						
Conservation Trust	1,526,069	162,204	255,213	(1,344,966)	-	88,094
Open Space	1,878,961	169,914	199,317	(1,786,382)	-	63,177
Donors	538,116	65,620	217,523	-	-	386,213
Community Development	-	137,495	157,217	19,722	-	-
Malley Center Trust	256,088	1,702	24,533	-	-	233,257
Parks & Recreation Trust	456,411	8,247	4,516	-	-	460,141
Debt Service Fund						
General Obligation Bond	46,839	1,068,100	139,452	-	-	975,487
Capital Projects Funds						
PIF	1,905,453	2,276,221	782,558	(3,427,259)	-	(28,143)
MYCP	792,754	1,498	795,300	18,379	-	17,331
Proprietary Fund Types (Funds Available Balance)						
Enterprise Funds						
Water	11,487,009	4,860,125	4,895,668	-	-	11,451,466
Sewer	4,206,955	10,495,928	9,721,156	-	1,000,000	3,981,727
Stormwater Drainage	1,128,456	211,580	50,812	-	102,500	1,186,724
Golf Course	891,719	1,162,368	1,278,279	(63,000)	215,773	497,035
Concrete Utility	315,615	409,600	306,910	-	-	418,305
Housing Rehabilitation	1,218,829	147,232	153,969	-	-	1,212,092
Internal Service Funds						
Central Services	133,693	173,945	174,136	(50,000)	-	83,502
ServiCenter	1,415,804	1,415,109	1,126,406	(300,000)	-	1,404,507
CERF	1,615,138	592,185	914,104	-	-	1,293,219
Employee Benefits	53,304	3,579,677	3,825,684	-	-	(192,702)
Risk Management	85,748	1,443,333	1,167,045	-	-	362,036

CLOSING

The Finance and Administrative Services Department staff works closely with the City Manager's Office and the various departments to help identify revenue and expenditure threats, trends and opportunities as well as strategies to balance revenues and expenditures. I will continue to provide Council with monthly reports. It is important to frequently monitor the financial condition of the City so City staff and Council can work together to take action, if necessary, to maintain service levels, employees, and fiscal health of the City.

I plan to discuss this report with Council at an upcoming study session. If you have any questions regarding this report, I can be reached at **303.762.2401**.

FUNDS GLOSSARY

Capital Equipment Replacement Fund (CERF) – Accounts for the accumulation of funds for the scheduled replacement of City-owned equipment and vehicles.

Capital Projects Funds account for financial resources to be used for the acquisition and/or construction of major capital facilities (other than those financed by proprietary funds).

FUNDS GLOSSARY

Central Services Fund – Accounts for the financing of printing services and for maintaining an inventory of frequently used or essential office supplies provided by Central Services to other departments of the City on a cost reimbursement basis.

Community Development Fund – Accounts for the **art** Shuttle Program which is funded in part by the Regional Transportation District (RTD). **art** provides riders free transportation to 19 stops connecting CityCenter Englewood, businesses in downtown Englewood, and the medical facilities in and near Craig Hospital and Swedish Medical Center.

Concrete Utility Fund – Accounts for revenues and expenses associated with maintaining the City's sidewalks, curbs and gutters.

Conservation Trust Fund – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided primarily from State Lottery funds.

Debt Service Funds account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond and loan principal and interest from special assessment levies when the government is obligated in some manner for payment.

Donors' Fund – Accounts for funds donated to the City for various specified activities.

Employee Benefits Fund – Accounts for the administration of providing City employee benefit programs: medical, dental, life, and disability insurance.

Enterprise Funds account for operations that: (a) are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the City Council has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management controls, accountability or other purposes.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

General Obligation Bond Fund – Accounts for the accumulation of monies for payment of General Obligation Bond principal and interest.

Golf Course Fund – Accounts for revenues and expenses associated with the operations of the Englewood Municipal Golf Course.

Governmental Funds distinguish functions of the City 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). These funds focus on the near-term *inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the year.

Housing Rehabilitation Fund – Accounts for revenues and expenses associated with the City's housing rehabilitation program.

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

MOA – Museum of Outdoor Arts

Malley Center Trust Fund – Accounts for a trust established by Elsie Malley to be used for the benefit of the Malley Senior Recreation Center.

Multi-Year Capital Projects Fund (MYCP) - Accounts for the acquisition and/or construction of major capital improvements and facilities. Financing is provided primarily with transfers from other City Funds.

Open Space Fund – Accounts for the acquisition of parks and open space land not previously owned by the City and for improvements to existing park and recreation facilities. Financing is provided from the Arapahoe County Open Space Sales Tax of .25%. The Open Space Tax was created on July 1, 2004 and expires on December 31, 2023.

FUNDS GLOSSARY

Parks and Recreation Trust Fund – Accounts for a trust established by the City, financed primarily by donations, to be used exclusively for specific park and recreation projects.

Proprietary Funds account for operations that are financed and operated in a manner similar to private business enterprises. It is the intent that the cost of providing such goods or services will be recovered through user charges.

Public Improvement Fund (PIF) – Accounts for the acquisition and/or construction of major capital improvements and facilities. Financing is provided primarily from building and vehicle use taxes.

Risk Management Fund – Accounts for the administration of maintaining property and liability and workers' compensation insurance.

ServiCenter Fund – Accounts for the financing of automotive repairs and services provided by the ServiCenter to other departments of the City, or to other governmental units, on a cost reimbursement basis.

Sewer Fund – Accounts for revenues and expenses associated with providing wastewater services to the City of Englewood residents and some county residents.

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Storm Drainage Fund – Accounts for revenues and expenses associated with maintaining the City's storm drainage system.

Water Fund – Accounts for revenues and expenses associated with providing water services to City of Englewood residents.

General Fund Comparative Revenue, Expenditure & Fund Balance Report

as of July 31, 2014

Percentage of Year Completed = 58%

Fund Balance January 1	\$ 8,726,474	\$ 10,913,833	\$ 10,913,833	\$ 9,070,810	\$ 9,070,810	\$ 8,817,685	\$ 8,817,685			
	2014				2013			2012		
	Budget	Jul-14	% Budget	YE Estimate	Dec-13	Jul-13	% YTD	Dec-12	Jul-12	% YTD
Revenues										
Property Tax	2,898,000	2,767,421	95.49%	2,900,000	2,900,715	2,789,516	96.17%	2,874,816	2,744,619	95.47%
Specific Ownership Tax	230,000	142,489	61.95%	260,000	266,881	132,726	49.73%	243,293	122,327	50.28%
Sales & Use Taxes	22,883,003	14,762,377	64.51%	23,900,000	23,433,775	13,737,812	58.62%	22,363,618	13,727,898	61.38%
Cigarette Tax	179,000	107,372	59.98%	179,000	195,088	108,412	55.57%	189,618	103,807	54.75%
Franchise Fees	3,069,500	1,710,855	55.74%	3,014,500	3,101,310	1,639,871	52.88%	2,930,888	1,464,153	49.96%
Hotel/Motel Tax	10,000	7,169	71.69%	11,000	12,039	6,975	57.94%	10,395	5,765	55.46%
Licenses & Permits	882,250	751,794	85.21%	1,053,186	1,446,578	1,134,339	78.42%	983,359	458,043	46.58%
Intergovernmental Revenue	1,243,281	756,398	60.84%	1,336,296	1,488,204	758,824	50.99%	1,865,722	1,042,288	55.87%
Charges for Services	3,345,353	1,830,798	54.73%	3,291,022	3,469,845	1,935,326	55.78%	3,441,525	1,826,188	53.06%
Recreation	2,594,232	1,743,477	67.21%	2,514,856	2,420,443	1,742,389	71.99%	2,615,642	1,865,311	71.31%
Fines & Forfeitures	1,368,450	828,096	60.51%	1,396,844	1,317,707	792,749	60.16%	1,381,453	821,477	59.46%
Interest	8,164	41,462	507.86%	88,164	(10,223)	(3,266)	31.95%	84,045	57,575	68.50%
EMRF Rents	638,829	383,979	60.11%	638,829	573,526	348,979	60.85%	551,295	385,662	69.96%
Miscellaneous	320,050	112,953	35.29%	329,763	285,931	172,178	60.22%	354,130	233,410	65.91%
Total Revenues	39,670,112	25,946,640	65.41%	40,913,460	40,901,819	25,296,830	61.85%	39,889,799	24,858,523	62.32%
Expenditures										
Legislation	354,570	182,531	51.48%	359,524	280,920	138,830	49.42%	316,043	165,358	52.32%
City Attorney	818,514	390,302	47.68%	847,637	719,781	385,709	53.59%	712,036	394,050	55.34%
Court	1,026,895	514,149	50.07%	1,025,131	922,245	518,452	56.22%	886,249	473,058	53.38%
City Manager	703,758	392,310	55.75%	702,946	675,844	391,547	57.93%	658,047	375,771	57.10%
Human Resources	468,826	232,804	49.66%	482,626	408,551	220,940	54.08%	469,343	253,608	54.03%
Financial Services	1,625,150	859,345	52.88%	1,666,154	1,533,060	831,743	54.25%	1,464,305	821,073	56.07%
Information Technology	1,378,942	701,319	50.86%	1,364,874	1,336,591	746,125	55.82%	1,373,943	722,625	52.59%
Public Works	5,504,669	3,024,185	54.94%	5,483,234	5,234,383	2,950,562	56.37%	5,202,903	2,996,888	57.60%
Fire Department	8,202,319	4,513,260	55.02%	8,470,089	8,002,677	4,439,214	55.47%	8,100,554	4,565,454	56.36%
Police Department	11,543,760	6,503,178	56.34%	11,510,018	11,226,157	6,423,491	57.22%	10,788,935	6,111,625	56.65%
Community Development	1,235,802	596,595	48.28%	1,199,714	1,113,710	602,251	54.08%	1,262,451	713,301	56.50%
Library	1,250,536	623,246	49.84%	1,235,281	1,174,656	647,491	55.12%	1,180,771	640,360	54.23%
Recreation	5,804,158	3,173,726	54.68%	5,781,477	5,402,599	3,059,143	56.62%	5,649,246	3,195,082	56.56%
Debt Service	2,008,820	1,545,271	76.92%	2,004,383	2,005,830	1,628,376	81.18%	2,056,951	1,607,027	78.13%
Contingency	200,000	73,752	36.88%	200,000	88,360	62,852	71.13%	143,810	57,206	39.78%
Total Expenditures	42,126,719	23,325,973	55.37%	42,333,088	40,125,364	23,046,726	57.44%	40,265,587	23,092,486	57.35%
Excess revenues over (under) expenditures	(2,456,607)	2,620,667	-106.68%	(1,419,628)	776,455	2,250,104		(375,788)	1,766,037	
Net transfers in (out)	1,248,820	892,544	71.47%	892,544	1,066,568	1,139,574	106.84%	628,913	1,185,465	188.49%
Total Fund Balance	\$ 7,518,687	\$ 14,427,044	191.88%	\$ 10,386,749	\$ 10,913,833	\$ 12,460,488	114.17%	\$ 9,070,810	\$ 11,769,187	129.75%

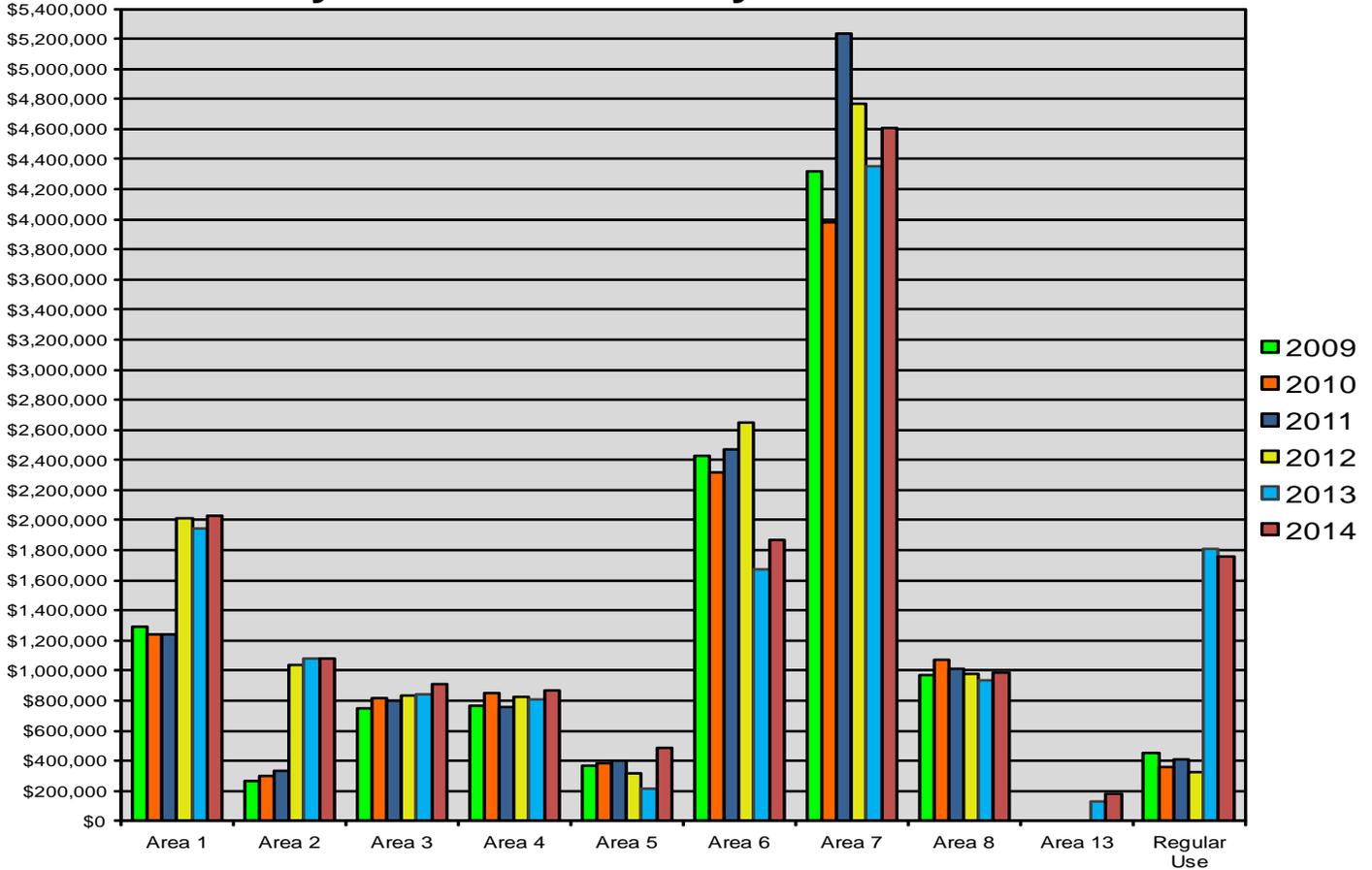
Fund Balance Analysis

Total Fund Balance	\$ 7,518,687	\$ 14,427,044	\$ 10,386,749	\$ 10,913,833	\$ 9,070,810
Restricted Fund Balance					
-Emergencies (TABOR)	1,200,000	1,340,000	1,340,000	1,340,000	1,200,000
Committed Fund Balance					
-LTAR	2,619,375	2,663,099	2,663,099	2,619,375	2,619,375
-COPS Grant	-	-	-	78,753	298,512
Restricted/Committed	\$ 3,819,375	\$ 4,003,099	\$ 4,003,099	\$ 4,038,128	\$ 4,117,887
Estimated Unassigned Fund Balance	\$ 3,699,312	\$ 10,423,945	\$ 6,383,650	\$ 6,875,705	\$ 4,952,923
As a percentage of projected revenues	9.04%	25.48%	15.60%	16.81%	12.42%
As a percentage of budgeted revenues	9.33%	26.28%	16.09%		
Target	3,967,011	-	5,950,517		

**Sales & Use Tax Collections Year-to-Date Comparison (Cash Basis)
for the month of July 2014**

	2009	% Change	2010	% Change	2011	% Change	2012	% Change	Restated 2013	% Change	Restated 2014	% Change
Area 1	1,291,209	-8.56%	1,238,494	-12.44%	1,238,596	0.01%	2,012,905	62.52%	1,947,521	-3.25%	2,030,547	4.26%
Area 2	266,644	-1.86%	295,759	8.25%	332,119	12.29%	1,034,633	211.53%	1,082,040	4.58%	1,077,958	-0.38%
Area 3	749,432	1.96%	820,985	9.88%	798,990	-2.68%	834,472	4.44%	838,339	0.46%	907,154	8.21%
Area 4	763,817	-29.30%	848,513	-9.28%	754,936	-11.03%	825,943	9.41%	807,601	-2.22%	863,715	6.95%
Area 5	367,198	-4.06%	382,829	-1.38%	404,602	5.69%	316,721	-21.72%	215,911	-31.83%	485,048	124.65%
Area 6	2,429,979	-0.31%	2,320,037	-6.16%	2,470,034	6.47%	2,644,933	7.08%	1,670,863	-36.83%	1,865,934	11.67%
Area 7	4,321,728	-10.15%	3,977,483	-25.55%	5,231,705	31.53%	4,764,542	-8.93%	4,354,849	-8.60%	4,607,993	5.81%
Area 8	972,303	-10.41%	1,071,535	-11.34%	1,015,659	-5.21%	974,758	-4.03%	938,844	-3.68%	987,203	5.15%
Area 13					0	0.00%	0	0.00%	128,513	0.00%	178,832	39.15%
Regular Use	456,428	146.49%	361,433	81.59%	408,382	12.99%	324,738	-20.48%	1,813,115	458.33%	1,757,992	-3.04%
Subtotal	11,618,738	0.17%	11,317,069	-12.82%	12,655,022	11.82%	13,733,645	8.52%	13,797,598	0.47%	14,762,376	6.99%
Area 9 and 10	1,074,864	-3.39%	1,078,802	0.37%	1,101,832	2.13%	0	-100.00%	0	0.00%	0	0.00%
Area 11 and 12	84,532	-4.95%	84,498	-0.04%	85,930	1.69%	0	-100.00%	0	0.00%	0	0.00%
Subtotal	1,159,396	-3.51%	1,163,300	0.34%	1,187,761	2.10%	0	-100.00%	0	0.00%	0	0.00%
Total	12,778,134	-9.90%	12,480,369	-2.33%	13,842,783	10.92%	13,733,645	-0.79%	13,797,598	0.47%	14,762,376	6.99%
Refunds	69,371	-77.61%	197,731	185.03%	32,038	-83.80%	100,318	213.12%	14,164	-85.88%	76,368	439.19%
Audit & Collections Revenue**	402,137	7.50%	288,507	-28.26%	146,649	-49.17%	99,576	-32.10%	93,781	-5.82%	17,098	-81.77%
**included Above												
Unearned Sales Tax	600,000	-7.69%	600,000	0.00%	1,100,000	83.33%	1,150,000	4.55%	1,150,000	0.00%	1,150,000	0.00%
Building Use	185,789	-68.26%	293,289	57.86%	399,083	36.07%	426,630	6.90%	1,357,146	218.11%	1,211,207	-10.75%
Vehicle Use	548,700	-28.98%	525,884	-4.16%	530,995	0.97%	748,103	40.89%	792,228	5.90%	879,854	11.06%

July YTD Collections by Area 2009-2014



Area Descriptions

Area 1 - CityCenter (Formerly Cinderella City)

Area 2 - S of Yale, north & south side of Jefferson Ave/US 285 between Bannock and Sherman

Area 3 - S of Jefferson Ave/US 285 between Bannock & Sherman and north side of Bellevue between Logan & Delaware

Area 4 - Broadway and Bellevue (Between Fox and Sherman and south side of Bellevue and to the Southern City Limits)

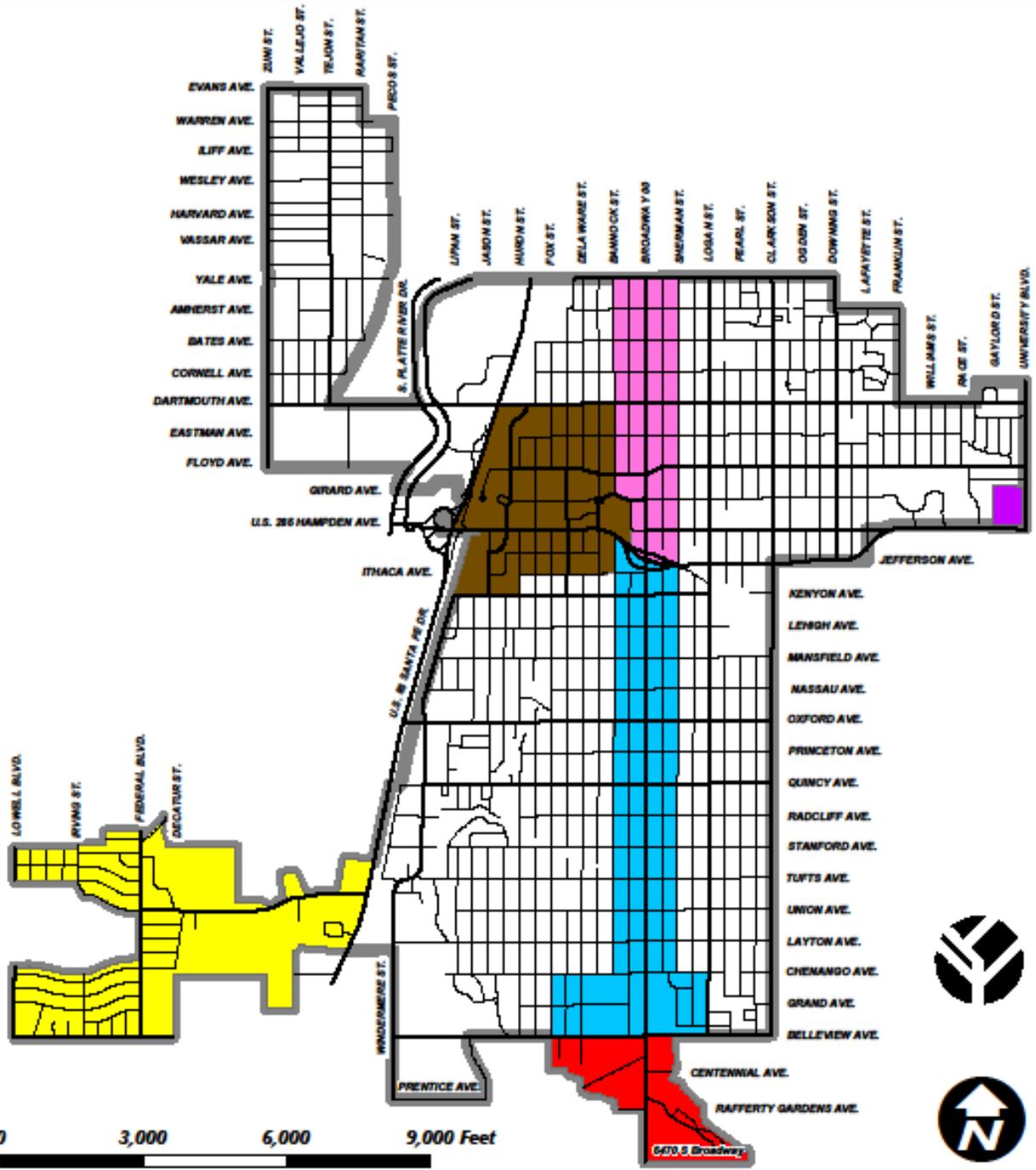
Area 5 - Federal and Bellevue W of Santa Fe Drive

Area 6 - All other City locations

Area 7 - Outside City limits

Area 8 - Public Utilities

Area 13 - Hampden Avenue (US 285) and University Boulevard



City of Englewood, Colorado: Sales Tax Areas

- | | | |
|---------|---------|--------------------------|
| Area 1* | Area 4 | Arterials and Collectors |
| Area 2* | Area 5 | Local Streets |
| Area 3 | Area 13 | Englewood City Limits |

Areas Not Depicted on Map:
 Area 6 - Other City Locations* Area 7 - Outside City Limits Area 8 - Public Utilities
 * Includes EURA designated Areas 9, 10, 11, & 12



Memorandum

City Manager's Office

TO: Mayor Penn and Members of City Council
FROM: Gary Sears, City Manager
DATE: August 14, 2014
SUBJECT: Updated 2015 Budget Information

In preparation for the Budget Study Session on August 18, 2014, I have met with Department Directors to further discuss their 2015 budget proposals (see attached). I have subsequently met with the Deputy City Manager, Mike Flaherty, and our Finance and Administrative Service Department Director, Frank Gryglewicz, regarding potential adjustments to the 2015 Budget, particularly related to personnel service enhancement requests.

Based upon meetings with staff, the following is a summary of my recommendations regarding proposed personnel service enhancements for 2015. Also attached is information from the Finance and Administrative Services Department regarding the resulting impact to the proposed 2015 budget reserves with the addition of these proposed new positions. Mike Flaherty has also updated the Capital Improvements recommendations for 2015, which are included in your packet, and is ready to discuss these at Monday's meeting.

Recommendations Regarding 2015 Service Enhancements

Each of the proposed new positions have a great deal of merit and could benefit the community; but the addition of these requests will reduce the proposed 2015 unassigned fund balance and impact future City budgets because of their ongoing costs.

The following are my recommendations for positions to be included in the 2015 budget:

General Fund

- (1) January 1, Community Development Assistant (\$29,435)
- (2) January 1, Library part-time Acquisitions Clerk (\$18,000),
- (3) January 1, Parks & Recreation Aquatic Maintenance Technician (\$37,401, included in the proposed budget
- (4) January 1, Part-time Recreation Staff Wage Increase (\$20,000), included in the proposed budget
- (5) January 1, Building Services Team Lead (partially offset by custodial staff reduction) (\$46,766)
- (6) April 1, Building Maintenance Technician I (\$38,825)
- (7) April 1, Finance Technician (\$45,750),
- (8) April 1, Fire Training Bureau Chief (\$90,000),
- (9) April 1, Parks Specialist (Irrigation Technician) (\$48,607)
- (10) April 1, three (3) Police Officers (\$183,424),

Other Funds

- (11) January 1, Servicenter Fund (Public Works), Fleet Mechanic (\$66,873) included in the proposed budget
- (12) January 1, a Servicenter Fund, Fleet Billing Technician (\$60,508) included in the proposed budget
- (13) January 1, Instrumentation and Controls/SCADA Specialist (\$95,000) included in the Littleton/Englewood Wastewater Treatment Plant Fund proposed budget (Utilities Department)

I am not including several other requested positions at this time including: the Housing and Finance Specialist (unless grant funding becomes available), the Rehab Construction Services position (which could be done by contract), the three additional firefighters, the EMS Coordinator, the Training Coordinator, or the full-time Librarian position.

Budgetary Effect of These Changes

These new expenditures will reduce the proposed City Unassigned Fund Balance of Total Revenue to 9.34% from 10.54% (this summary is included in the proposed budget document distributed to Council on August 4, 2014).

Based upon this action, the City would need to increase revenues or decrease expenditures by \$274,467 to achieve a 10% unassigned fund balance of \$4,157,539.

Summary of the General Fund Operating Budget and Long Term Budget Outlook

As noted by the Finance and Administrative Services Department Director, the yearend estimated revenues in the June Financial Report increased because City revenues continue to experience growth which may improve the City's financial position and allow for the proposed additional personnel.

Also, the reduction of expenditures by City staff over the last several years (through turnover, reduction of some operating costs, and conservative estimates regarding the City's year end expenditures) has resulted in annual net savings of 1% to 3% of expenditures. Each 1% of savings relates to approximately \$400,000, which, if achieved, would more than offset the projected \$274,467 gap in reserves. The combination of increased revenues and reduced expenditures may provide for budget enhancements, while retaining adequate fund balances.

The City's Capital Improvement program will be an ongoing challenge for the next several years, even as revenues improve. Mike Flaherty has attached the proposed Capital Improvements plan, which includes funding alternatives and contingency.

Budgeting is time consuming and difficult for City staff and City Council. I appreciate the opportunity to have been in a leadership position to guide the City Budget over the last 17 years and hope that we can develop a quality budget document for the 2015 Budget, at the upcoming meeting on August 18, 2014.

City staff and I look forward to seeing you on August 18.

Attachments:

Budget Reports

General Fund Revenue, Expenditure & Fund Balance

2015 Budget – Service Enhancement Forms – New Positions

General Fund – Department/Division Revenues and Expenditures

Department Personnel and Other Program Requests

City Manager’s Office/City Council Budget Memo

City Attorney’s Office Budget Memo

Municipal Court Budget Memo

Library Budget Memo

Finance and Administrative Services Department Budget Memo

Human Resources Department Budget Memo

Information Technology Department Budget Memo

Utilities Department Budget Memo

Community Development Department Budget Memo

Public Works Department Budget Memo

Parks and Recreation Department Budget Memo

Police Department Budget Memo

Fire Department Budget Memo

Capital Projects Budget Memo

Capital Projects – Parks and Recreation Memo

City of Englewood, General Fund Revenue, Expenditure, & Fund Balance 2009 - 2019 For 4/28/2014 Study Session																	
	S/T Increase (Decrease)	-8.81%	1.17%	4.17%	2.88%	4.79%	2.25%	1.26%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%			
	All Other Taxes	-3.03%	0.41%	-1.39%	-3.57%	1.71%	1.50%	0.03%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%			
	Franchise	-5.24%	6.83%	0.43%	-11.38%	5.81%	3.00%	0.10%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%			
	Other Revs	1.32%	-6.49%	6.64%	7.43%	-2.53%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%			
	Investments	-55.80%	-56.28%	-9.46%	-7.68%	-112.16%	1.00%	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%			
	Expenditures	-0.04%	-0.25%	1.53%	1.95%	-0.35%	2.98%	3.63%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%			
Line		Actual 2009	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Estimated 2014	Initial Budget 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	'09 vs '13 Percentage	Avg Change '09 - '13		
REVENUES																	
1	Property	2,971,303	3,020,884	2,994,213	2,874,816	2,900,715	2,900,000	2,900,000	2,943,500	2,987,653	3,032,467	3,077,954	3,124,124	Total and Average Growth 2009 - 2013	(70,588)	-0.48%	(14,118)
2	Specific Ownership	276,414	263,434	246,062	243,293	266,881	260,000	260,000	263,900	267,859	271,876	275,955	280,094	Total and Average Growth 2009 - 2013	(9,533)	-0.69%	(1,907)
3	Sales and Use (Net of Refunds)	20,624,659	20,866,515	21,737,110	22,363,618	23,433,775	23,900,000	24,200,000	24,744,500	25,301,251	25,870,529	26,452,616	27,047,800	Total & Avg Growth 2009 - 2013	2,809,116	2.72%	561,823
4	Franchise Fees	2,452,611	2,620,191	2,631,393	2,930,888	3,101,310	3,014,500	3,017,550	3,108,077	3,201,319	3,297,358	3,396,279	3,498,167	Total and Average Growth 2009 - 2013	648,699	5.29%	129,740
5	Cigarette	218,449	196,320	190,763	189,618	195,088	179,000	179,000	173,630	168,421	163,368	158,467	153,713	Total and Average Growth 2009 - 2013	(23,361)	-2.14%	(4,672)
6	Hotel/Motel	9,140	8,806	9,820	10,395	12,039	11,000	12,000	12,180	12,363	12,548	12,736	12,927	Total and Average Growth 2009 - 2013	2,899	6.34%	580
7	Total Taxes	26,552,576	26,976,150	27,809,361	28,612,628	29,909,808	30,264,500	30,568,550	31,245,787	31,938,865	32,648,148	33,374,008	34,116,826	Average Growth 2009 - 2013	3,357,232	2.53%	671,446
8	Licenses and Permits	588,328	695,563	778,536	983,359	1,446,578	1,053,186	1,107,122	1,129,264	1,151,850	1,174,887	1,198,384	1,222,352	Total and Average Growth 2009 - 2013	858,250	29.18%	171,650
9	Intergovernmental Revenue	1,319,282	1,465,970	1,724,807	1,865,722	1,488,204	1,336,296	1,350,611	1,377,623	1,405,176	1,433,279	1,461,945	1,491,184	Total and Average Growth 2009 - 2013	168,922	2.56%	33,784
10	Charges for Services	3,185,443	3,254,830	3,384,318	3,441,525	3,469,845	3,291,022	3,318,899	3,385,277	3,452,983	3,522,042	3,592,483	3,664,333	Total and Average Growth 2009 - 2013	284,402	1.79%	56,880
11	Recreation	2,315,598	2,489,781	2,635,221	2,615,642	2,420,443	2,514,856	2,556,900	2,608,038	2,660,199	2,713,403	2,767,671	2,823,024	Total and Average Growth 2009 - 2013	104,845	0.91%	20,969
12	Fines and Forfeitures	1,639,678	1,437,957	1,284,758	1,381,453	1,317,707	1,396,844	1,396,844	1,424,781	1,453,276	1,482,342	1,511,989	1,542,229	Total and Average Growth 2009 - 2013	(321,971)	-3.93%	(64,394)
13	Net Investment Income	230,000	100,545	91,034	84,045	-10,223	88,164	88,164	90,000	90,000	100,000	101,000	102,010	Total and Average Growth 2009 - 2013	(240,223)	-20.89%	(48,045)
14	Net Rental Revenues - McLellan	611,837	105,125	425,159	551,295	573,526	638,829	858,882	1,398,342	1,666,364	1,666,364	1,666,364	3,297,778				
15	Other Revenue	635,982	293,658	173,381	354,130	285,932	329,763	329,413	280,000	280,000	280,000	280,000	280,000	Total and Average Growth 2009 - 2013	(350,050)	-11.01%	(70,010)
16	Total Revenues	37,078,724	36,819,579	38,306,575	39,889,799	40,901,820	40,913,460	41,575,385	42,939,112	44,098,712	45,020,465	45,953,844	48,539,735	Total & Avg Growth 2009 - 2013	3,823,096	2.06%	764,619
EXPENDITURES																	
General Government																	
17	Legislation (includes MOA contractual obligation)	346,044	309,870	298,731	316,043	280,920	359,524	355,852	366,528	377,523	388,849	400,515	412,530	Average Growth 2009 - 2013	(65,124)	-3.76%	(13,025)
18	City Attorney	678,038	702,228	706,841	712,036	719,781	847,637	869,106	895,179	922,035	949,696	978,186	1,007,532	Average Growth 2009 - 2013	41,743	1.23%	8,349
19	Municipal Court	914,493	901,469	848,775	886,249	922,245	1,025,131	1,085,494	1,118,059	1,151,601	1,186,149	1,221,733	1,258,385	Average Growth 2009 - 2013	7,752	0.17%	1,550
20	City Manager	674,170	659,882	639,184	658,047	675,844	702,946	731,307	753,246	775,844	799,119	823,092	847,785	Average Growth 2009 - 2013	1,674	0.05%	335
21	Community Development	1,366,437	1,301,473	1,359,264	1,262,451	1,113,710	1,199,714	1,288,781	1,327,444	1,367,268	1,408,286	1,450,534	1,494,050	Average Growth 2009 - 2013	(252,727)	-3.70%	(50,545)
22	Human Resources	456,275	419,421	430,792	469,343	408,551	482,626	482,893	497,380	512,301	527,670	543,500	559,805	Average Growth 2009 - 2013	(47,724)	-2.09%	(9,545)
23	Finance & Administrative Services	1,575,924	1,445,581	1,446,313	1,464,305	1,533,060	1,666,154	1,756,751	1,809,454	1,863,737	1,919,649	1,977,239	2,036,556	Average Growth 2009 - 2013	(42,864)	-0.54%	(8,573)
24	Information Technology	1,360,237	1,280,660	1,332,766	1,373,943	1,336,591	1,364,874	1,425,389	1,468,151	1,512,195	1,557,561	1,604,288	1,652,417	Average Growth 2009 - 2013	(23,646)	-0.35%	(4,729)
25	Contributions to Component Unit	0	0	0	0	0	0	0	0	0	0	0	0				
26	Contingency	160,578	48,139	152,423	143,810	88,360	200,000	200,000	200,000	200,000	200,000	200,000	200,000	Average Growth 2009 - 2013	(72,218)	-8.99%	(14,444)
27	Total General Government	7,532,196	7,068,723	7,215,089	7,286,227	7,079,062	7,848,606	8,195,573	8,435,440	8,682,503	8,936,978	9,199,088	9,469,060	Total & Avg Growth 2009 - 2013	(453,134)	-1.20%	(90,627)
Direct Government																	
28	Safety Services																
29	Fire	7,320,268	7,425,903	7,666,842	8,100,554	8,002,677	8,470,089	8,827,066	9,091,878	9,364,634	9,645,573	9,934,941	10,232,989	Average Growth 2009 - 2013	682,409	1.86%	136,482
30	Police	10,183,890	10,312,633	10,395,239	10,788,935	11,226,157	11,510,018	11,974,508	12,333,743	12,703,756	13,084,868	13,477,414	13,881,737	Average Growth 2009 - 2013	1,042,267	2.05%	208,453
31	Public Works (includes CAM contractual obligation)	5,152,891	5,137,364	5,259,875	5,202,903	5,234,383	5,483,234	5,704,490	5,875,625	6,051,893	6,233,450	6,420,454	6,613,067	Average Growth 2009 - 2013	81,492	0.32%	16,298
32	Recreation	5,727,968	5,811,809	5,717,147	5,649,246	5,402,600	5,781,477	6,004,507	6,184,642	6,370,181	6,561,287	6,758,126	6,960,869	Average Growth 2009 - 2013	(325,368)	-1.14%	(65,074)
33	Library	1,275,554	1,284,083	1,145,613	1,180,771	1,174,656	1,235,281	1,300,024	1,339,025	1,379,195	1,420,571	1,463,188	1,507,084	Average Growth 2009 - 2013	(100,898)	-1.58%	(20,180)
34	Total "Direct" Government	29,660,571	29,971,792	30,184,716	30,922,409	31,040,473	32,480,099	33,810,595	34,824,913	35,869,660	36,945,750	38,054,123	39,195,746	Total & Avg Growth 2009 - 2013	1,379,902	0.93%	275,980
35	Total Expenditures Before Non-Discretionary	37,192,767	37,040,515	37,399,805	38,208,636	38,119,535	40,328,705	42,006,168	43,260,353	44,552,164	45,882,729	47,253,210	48,664,807	Average Growth 2009 - 2013	926,768	0.50%	185,354
36	Estimated Lump Sum Expenditure Increase																
37	Debt Service (Non-Discretionary):	1,805,208	1,860,827	2,096,463	2,056,951	2,005,830	2,004,383	1,863,314	1,867,398	1,870,554	1,690,272	1,690,272	1,690,272	Average Growth 2009 - 2013	200,622	2.22%	40,124
38	Total Expenditures	38,997,975	38,901,342	39,496,268	40,265,587	40,125,365	42,333,088	43,869,482	45,127,751	46,422,718	47,573,001	48,943,482	50,355,079	Average Exp Growth '09 - '13	1,127,390	0.58%	225,478
39	Revenues Over (Under) Expenditures	(1,919,251)	(2,081,763)	(1,189,693)	(375,788)	776,455	(1,419,628)	(2,294,097)	(2,188,639)	(2,324,006)	(2,552,536)	(2,989,638)	(1,815,343)	Average Revs over Under Exp	(958,008)		
40	Other Financing Sources																
41	Net Transfers In (out)	51,445	1,341,485	1,512,699	628,913	1,066,568	892,544	294,326	297,398	300,554	300,554	300,554	300,554	Total & Avg Growth 2009 - 2013	4,601,110		920,222
42	Actual/Estimated Rent From EMRF (See Line 13)																
43	Total Other Financing Sources	51,445	1,341,485	1,512,699	628,913	1,066,568	892,544	294,326	297,398	300,554	300,554	300,554	300,554				
44	Net Change in Fund Balances	(1,867,806)	(740,278)	323,006	253,125	1,843,023	(527,084)	(1,999,771)	(1,891,241)	(2,023,452)	(2,251,982)	(2,689,084)	(1,514,789)				
45	Beginning Fund Balance	11,102,763	9,234,957	8,494,679	8,817,685	9,070,810	10,913,833										

City of Englewood, Colorado

2015 Budget - Service Enhancement Forms - New Positions

Department	Position	Start Date	FTE	Revised	Original				
				2015 Amount	2015 Amount	2016 Amount	2017 Amount	2018 Amount	2019 Amount
Community Development	Department Assistant	1/1/2015	0.5	29,435	29,435	30,320	31,225	32,165	33,130
	Planning Technician	na	1	-	53,730	55,340	57,010	58,720	60,490
	Housing Finance Specialist (net of grant funding)		0.5	-	32,270	27,360	23,480	24,650	25,820
	Rehab Construction Services (Contract)			-	45,000	45,000	45,000	45,000	45,000
				29,435	160,435	158,020	156,715	160,535	164,440
Finance and Administrative Services	Finance Technician	4/1/2015	1	45,750	61,000	63,440	65,978	68,617	71,361
Fire	Additional Staffing for the 100' Aerial Platform (3 FTEs)	na	3	-	248,400	278,100	308,400	343,800	355,440
	EMS Coordinator	na	1	-	117,500	122,200	127,088	132,172	137,458
	Training Bureau Chief	4/1/2015	1	90,000	120,000	124,800	129,792	134,984	140,383
	Training Coordinator	na	1	-	117,500	122,200	127,088	132,172	137,458
				90,000	603,400	647,300	692,368	743,127	770,740
Library	Acquisition Clerk	1/1/2015		18,000	18,000	18,720	19,469	20,248	21,057
	Librarian	na	1	-	68,000	70,720	73,549	76,491	79,550
				18,000	86,000	89,440	93,018	96,738	100,608
Parks and Recreation	Aquatic Maintenance Technician (<u>included in 2015 Budget</u>)		0.875	37,401	37,401	38,523	39,679	40,870	42,096
	Part-Time Recreation Staff Increase (<u>included in 2015 Budget</u>)			20,000	20,000	20,000	20,000	20,000	20,000
	Parks Specialist Postion-Irrigation Technician	4/1/2015	1	48,607	64,809	67,401	70,097	72,901	75,817
				106,008	122,210	58,523	59,679	60,870	62,096
Police	Personnel Request (3 FTEs)	4/1/2015	3	183,424	244,565	254,348	264,522	275,102	286,106
Public Works	Building Services Team Lead (partially offset by custodial staff reduction)	1/1/2015	1	46,766	46,766	48,054	49,386	50,762	52,185
	Building Maintenance Technician I	4/1/2015	1	38,825	51,766	53,154	54,588	56,108	57,598
				85,591	98,532	101,208	103,974	106,870	109,783
Total General Fund				558,207	1,376,142	1,372,279	1,436,253	1,511,859	1,565,134
ServiCenter Fund (61) - Public Works	Fleet Mechanic	1/1/2015	1	66,873	66,873	68,212	69,591	71,012	72,475
	Fleet Billing Technician	1/1/2015	1	60,508	60,508	61,656	62,838	64,056	65,311
				127,381	127,381	129,868	132,429	135,068	137,786
LEWWTP Fund (90) - Utilities	Instrumentation & Controls/SCADA Specialist	1/1/2015	1	95,000	95,000	98,800	102,752	106,862	111,137

	2009	2010	2011	2012	2013	2014	2014	2015
	Actual	Actual	Actual	Actual	Actual	Amended Budget	Estimated Actual	Proposed Budget
Beginning Fund Balance	\$ 11,102,763	\$ 9,234,957	\$ 8,494,679	\$ 8,817,685	\$ 9,070,810	\$ 8,726,474	\$ 10,913,833	\$ 10,386,749
Sources of Funds								
Property Tax	2,971,303	3,020,884	2,994,213	2,874,816	2,900,715	2,898,000	2,900,000	2,900,000
Specific Ownership Tax	276,414	263,434	246,062	243,293	266,881	230,000	260,000	260,000
Sales & Use Taxes	20,624,659	20,866,515	21,737,110	22,363,618	23,433,775	22,883,003	23,900,000	24,200,000
Cigarette Tax	218,449	196,320	190,762	189,618	195,088	179,000	179,000	179,000
Franchise Fees	2,452,611	2,620,191	2,631,393	2,930,888	3,101,310	3,069,500	3,014,500	3,017,550
Hotel/Motel Tax	9,140	8,806	9,820	10,395	12,039	10,000	11,000	12,000
Licenses & Permits	588,328	695,563	778,536	983,359	1,446,578	882,550	1,053,186	1,107,122
Intergovernmental Revenue	1,319,282	1,465,970	1,724,807	1,865,722	1,488,204	1,243,281	1,336,296	1,350,611
Charges for Services	3,185,443	3,254,830	3,384,317	3,441,525	3,470,894	3,340,803	3,291,022	3,318,899
Recreation Program Fees	2,315,598	2,489,781	2,635,221	2,615,642	2,420,443	2,594,232	2,514,856	2,556,900
Library Fines	21,370	21,923	19,884	19,884	13,306	20,000	20,000	20,000
Fines & Forfeitures	1,618,308	1,416,034	1,264,875	1,361,569	1,304,401	1,348,450	1,376,844	1,376,844
Interest Income	230,000	100,545	91,034	84,045	(10,223)	8,164	88,164	88,164
Other	635,982	293,658	173,382	354,130	284,882	324,300	329,763	329,413
Contribution from Component Units	611,837	105,125	425,159	551,295	573,526	638,829	638,829	858,882
Total Revenue	37,078,724	36,819,579	38,306,575	39,889,799	40,901,819	39,670,112	40,913,460	41,575,385
Other Financing Sources	1,028,456	2,091,485	1,813,945	1,968,243	1,139,574	1,248,820	892,544	294,326
Total Sources of Funds	38,107,180	38,911,064	40,120,520	41,858,042	42,041,393	40,918,932	41,806,004	41,869,711
Uses of Funds								
Legislation	346,044	309,870	298,731	316,043	280,920	354,570	359,524	355,852
City Manager's Office	674,170	659,882	639,184	658,047	675,844	703,758	702,946	731,307
City Attorney's Office	678,038	702,228	706,841	712,036	719,781	818,514	847,637	869,106
Municipal Court	914,494	901,469	848,775	886,249	922,245	1,026,895	1,025,131	1,085,494
Human Resources	456,275	419,421	430,792	469,343	408,551	468,826	482,626	482,893
Finance & Administrative Services	1,575,923	1,445,581	1,446,313	1,464,305	1,533,060	1,625,150	1,666,154	1,756,751
Information Technology	1,360,237	1,280,660	1,332,766	1,373,943	1,336,591	1,378,942	1,364,874	1,425,389
Community Development	1,366,437	1,301,473	1,359,264	1,262,451	1,113,710	1,235,802	1,199,714	1,288,781
Public Works	5,152,891	5,137,364	5,259,875	5,202,903	5,234,383	5,504,669	5,483,234	5,704,490
Police	10,183,890	10,312,633	10,395,239	10,788,935	11,226,157	11,543,760	11,510,018	11,974,508
Fire	7,320,268	7,425,903	7,666,842	8,100,554	8,002,677	8,202,319	8,470,089	8,827,066
Library Services	1,275,554	1,284,083	1,145,613	1,180,771	1,174,656	1,262,036	1,235,281	1,300,024
Parks & Recreation Services	5,727,968	5,811,809	5,717,147	5,649,246	5,402,599	5,804,158	5,781,477	6,004,507
Departments Expenditure Subtotal	37,032,189	36,992,376	37,247,382	38,064,826	38,031,174	39,929,399	40,128,705	41,806,168
Contribution to Component Units	800,000	-	-	-	-	-	-	-
Contingencies	160,578	48,139	152,423	143,810	88,360	200,000	200,000	700,807
Debt Service-Civic Center	1,571,752	1,570,705	1,658,857	1,567,377	1,565,625	1,573,000	1,568,563	1,568,988
Debt Service-Other	233,456	290,122	437,606	489,574	440,205	435,820	435,820	294,326
Other Expenditure Subtotal	2,765,786	1,908,966	2,248,886	2,200,761	2,094,190	2,208,820	2,204,383	2,564,121
Total Expenditure	39,797,975	38,901,342	39,496,268	40,265,587	40,125,364	42,138,219	42,333,088	44,370,289
Other Financing Uses	177,011	750,000	301,246	1,339,330	73,006	-	-	-
Total Uses of Funds	39,974,986	39,651,342	39,797,514	41,604,917	40,198,370	42,138,219	42,333,088	44,370,289
Net Sources (Uses) of Funds	(1,867,806)	(740,278)	323,006	253,125	1,843,023	(1,219,287)	(527,084)	(2,500,578)
Fund Balance Before Designated Amounts	9,234,957	8,494,679	8,817,685	9,070,810	10,913,833	7,507,187	10,386,749	7,886,171
Restricted-TABOR Emergency Reserve	1,170,000	1,150,000	1,150,000	1,200,000	1,340,000	1,200,000	1,340,000	1,340,000
Committed-LTAR	3,131,979	2,130,520	2,406,649	2,619,375	2,619,375	2,619,375	2,663,099	2,663,099
Committed-Contractual Reserve	39,200	298,512	298,512	298,512	78,753	-	-	-
Designated Fund Balance	4,341,179	3,579,032	3,855,161	4,117,887	4,038,128	3,819,375	4,003,099	4,003,099
Unassigned Fund Balance	\$ 4,893,778	\$ 4,915,647	\$ 4,962,524	\$ 4,952,923	\$ 6,875,705	\$ 3,687,812	\$ 6,383,650	\$ 3,883,072
Unassigned Fund Balance as a percentage of Total Revenue	13.20%	13.35%	12.95%	12.42%	16.81%	9.30%	15.60%	9.34%
Fund Balance Before Designated Amounts as a percentage of Total Revenue	24.91%	23.07%	23.02%	22.74%	26.68%	18.92%	25.39%	18.97%
Fund Balance Before Designated Amounts as a percentage of Total Expenditure	23.20%	21.84%	22.33%	22.53%	27.20%	17.82%	24.54%	17.77%
10% Unassigned FB Funding Gap	-	-	-	-	-	(267,699)	-	(274,467)

NOTE: Show transfer of LTAR funds as a reduction in LTAR reserve ONLY, not as a source or use of funds; otherwise the transfer is counted twice.

City of Englewood, Colorado										
General Fund - Department/Division Revenues and Expenditures										
				\$ Change 2014 Estimate Vs 2014 Budget	% Change 2014 Estimate Vs 2014 Budget	2015 Budget	\$ Change 2015 Budget Vs 2014 Estimate	% Change 2015 Budget Vs 2014 Estimate	\$ Change 2015 Budget Vs 2014 Budget	% Change 2015 Budget Vs 2014 Budget
		2014 Budget	2014 Estimate							
Sources of Funds										
0101	Legislation	15,100	15,100	-	0.00%	15,100	-	0.00%	-	0.00%
0201	CMO	2,200	2,200	-	0.00%	2,200	-	0.00%	-	0.00%
0301	CAO	-	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!
0401	MC	1,533,253	1,533,539	286.00	0.02%	1,533,539	-	0.00%	286	0.02%
0501	HR	-	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!
0601	FAS	118,930	121,043	2,113.00	1.78%	124,979	3,936	3.25%	6,049	5.09%
0700	IT	463	463	-	0.00%	463	-	0.00%	-	
0801	CD	19,175	48,725	29,550.00	154.11%	46,725	(2,000)	-4.10%	27,550	143.68%
1001	PW	1,356,967	1,397,987	41,020.00	3.02%	1,399,864	1,877	0.13%	42,897	3.16%
1101	Police	186,809	189,859	3,050.00	1.63%	209,174	19,315	10.17%	22,365	11.97%
1102	Fire	1,541,557	1,740,649	199,092.00	12.91%	1,790,649	50,000	2.87%	249,092	16.16%
1201	LS	25,500	25,500	-	0.00%	25,500	-	0.00%	-	0.00%
1301	PR	2,646,460	2,570,797	(75,663.00)	-2.86%	2,635,491	64,694	2.52%	(10,969)	-0.41%
1501	Transfers In	1,248,820	892,544	(356,276.00)	-28.53%	294,326	(598,218)	-67.02%	(954,494)	-76.43%
9999	General	32,223,698	33,267,598	1,043,900.00	3.24%	33,791,701	524,103	1.58%	1,568,003	4.87%
Total Sources		40,918,932	41,806,004	887,072.00	2.17%	41,869,711	63,707	0.15%	950,779	2.32%
0101	Legislation	354,570	359,524	(4,954.00)	1.40%	355,852	(3,672)	-1.02%	1,282	0.36%
0201	CMO	703,758	702,946	812.00	-0.12%	731,307	28,361	4.03%	27,549	3.91%
0301	CAO	818,514	847,637	(29,123.00)	3.56%	869,106	21,469	2.53%	50,592	6.18%
0401	MC	1,026,895	1,025,131	1,764.00	-0.17%	1,085,494	60,363	5.89%	58,599	5.71%
0501	HR	468,826	482,626	(13,800.00)	2.94%	482,893	267	0.06%	14,067	3.00%
0601	FAS	1,625,150	1,666,154	(41,004.00)	2.52%	1,756,751	90,597	5.44%	131,601	8.10%
0701	IT	1,378,942	1,364,874	14,068.00	-1.02%	1,425,389	60,515	4.43%	46,447	3.37%
0801	CD	1,235,802	1,199,714	36,088.00	-2.92%	1,288,781	89,067	7.42%	52,979	4.29%
0901	Contingency	200,000	200,000	-	0.00%	200,000	-	0.00%	-	0.00%
1001	PW	5,504,669	5,483,234	21,435.00	-0.39%	5,704,490	221,256	4.04%	199,821	3.63%
1101	Police	11,543,760	11,510,018	33,742.00	-0.29%	11,974,508	464,490	4.04%	430,748	3.73%
1102	Fire	8,202,319	8,470,089	(267,770.00)	3.26%	8,827,066	356,977	4.21%	624,747	7.62%
1201	LS	1,262,036	1,235,281	26,755.00	-2.12%	1,300,024	64,743	5.24%	37,988	3.01%
1301	PR	5,804,158	5,781,477	22,681.00	-0.39%	6,004,507	223,030	3.86%	200,349	3.45%
1401	DS	2,008,820	2,004,383	4,437.00	-0.22%	1,863,314	(141,069)	-7.04%	(145,506)	-7.24%
1501	Transfers Out	-	-	-	#DIV/0!	-	-	#DIV/0!	-	#DIV/0!
Total Uses		42,138,219	42,333,088	(194,869.00)	0.46%	43,869,482	1,536,394	3.63%	1,731,263	4.11%
Net Sources (Uses)		(1,219,287)	(527,084)			(1,999,771)				
Total Uses		42,138,219	42,333,088			44,370,289				
		-	-			(500,807)				
Total Sources		40,918,932	41,806,004			41,869,711				
		-	-			-				

	2013 Actual	2014 Amended Budget	2014 Estimate	2014 Change in Dollars Cost	2014 Change in Dollars Cost	2015 Budget with Three Percent Increase over 2014 Budget	2015 Budget as Submitted	Over/(Under) Three Percent Increase	2015 Estimated Additional Program Request	2015 Estimated Additional Personnel	Total 2015 Budget Request	2015 Proposed Vs 2014 Estimate	Change in Dollars Over Three Percent Base	Change in Percent Over Three Percent Base	Notes Regarding Service Enhance to the Public or Other Outcomes
Total Department Recommended Reductions:	Included in Proposed Budget														
Legislation	280,920	354,570	359,524	78,604	27.98%	365,207	355,852	(9,355)			355,852	(3,672)	(9,355)	-2.56%	
City Attorney	719,781	818,514	847,637	127,856	17.76%	843,069	869,106	26,037			869,106	21,469	26,037	3.09%	
Municipal Court	922,245	1,026,895	1,025,131	102,886	11.16%	1,057,702	1,085,494	27,792			1,085,494	60,363	27,792	2.63%	
City Manager's Office	675,844	703,758	702,946	27,102	4.01%	724,871	731,307	6,436			731,307	28,361	6,436	0.89%	
Community Development	1,113,710	1,235,802	1,199,714	86,004	7.72%	1,272,876	1,288,781	15,905		29,435	1,318,216	118,502	45,340	3.56%	
Human Resources	408,551	468,826	482,626	74,075	18.13%	482,891	482,893	2			482,893	267	2	0.00%	
Finance and Administrative Services	1,533,060	1,625,150	1,666,154	133,094	8.68%	1,673,905	1,756,751	82,847		45,750	1,802,501	136,347	128,597	7.68%	
Information Technology	1,336,591	1,378,942	1,364,874	28,283	2.12%	1,420,310	1,425,389	5,079			1,425,389	60,515	5,079	0.36%	
Contingency	88,360	200,000	200,000	111,640	126.35%	206,000	200,000	(6,000)			200,000	0	(6,000)	-2.91%	
Total General Government	7,079,062	7,812,457	7,848,606	769,544	10.87%	8,084,064	8,195,573	111,509	0	75,185	8,270,758	422,152	186,694	2.31%	
Police	11,226,157	11,543,760	11,510,018	283,861	2.53%	11,890,073	11,974,508	84,435		183,424	12,157,932	647,914	267,859	2.25%	
Fire	8,002,677	8,202,319	8,470,089	467,412	5.84%	8,448,389	8,827,066	378,677		90,000	8,917,066	446,977	468,677	5.55%	
Public Works	5,234,383	5,504,669	5,483,234	248,851	4.75%	5,669,809	5,704,490	34,681		85,591	5,790,081	306,847	120,272	2.12%	
Parks and Recreation	5,402,599	5,804,158	5,781,477	378,878	7.01%	5,978,283	6,004,507	26,224		48,607	6,053,114	271,637	74,831	1.25%	
Library Services	1,174,656	1,262,036	1,235,281	60,625	5.16%	1,299,897	1,300,024	127		18,000	1,318,024	82,743	18,127	1.39%	
Total Direct Government	31,040,472	32,316,942	32,480,099	1,439,627	4.64%	33,454,502	33,810,595	356,093	0	425,622	34,236,217	1,756,118	781,715	2.34%	
Total Expenditures Before Debt Service	38,119,534	40,129,399	40,328,705	2,209,171	5.80%	41,538,566	42,006,168	467,602	0	500,807	42,506,975	2,178,270			
Debt Service	2,005,830	2,008,820	2,004,383	(1,447)	-0.07%	1,866,801	1,863,314	(3,487)			1,863,314	(141,069)	(3,487)	-0.19%	
Total Expenditures	40,125,364	42,138,219	42,333,088	2,207,724	5.50%	43,405,367	43,869,482	464,115	0	500,807	44,370,289	2,037,201	964,922	2.22%	



Memorandum

City Manager's Office

TO: Gary Sears, City Manager

FROM: Michael Flaherty, Deputy City Manager

DATE: July 31, 2014

SUBJECT: City Manager and City Council Proposed 2015 Preliminary Budgets

City Manager's Office

The City Manager's proposed 2015 preliminary budget is \$31,307, a 3.9 % increase over the 2014 budget, which accommodates scheduled salary and insurance premium increases. Adjustments to the City Manager Office budget may occur as the result of personnel changes in the City Manager and Executive Assistant positions.

Legislative (City Council/Boards and Commissions)

The Legislative proposed budget for 2015 is \$355,852 a 0.4% increase over 2014. The most significant differences in the 2015 budget include a \$15,000 decrease in the professional services allocation, which was increased by the same amount in 2014 to pay for the citizen survey, and a \$11,750 increase in travel and training.

MEMORANDUM



TO: Mayor Penn
Englewood City Council Memb

FROM: Dan Brotzman, City

DATE: July 30th, 2014

REGARDING: City Attorney 2015 Budget.

The City Attorney budget remains status quo, no additional programs or capital items are anticipated.

CC: Gary Sears
Frank Gryglewicz
Jenny Nolan

DB/nf

MEMORANDUM

TO: Mayor Penn and Members of City Council

FROM: Tamara Wolfe, Court Administrator

DATE: August 4, 2014

SUBJECT: Municipal Court Budget Overview

The Court is anticipating coming in under budget for 2014 in expenditures. Additionally, we are expecting to hit our anticipated estimates for revenue predictions for 2014. The Court may slightly exceed those estimates as we were up 3% at the mid-year point. For right now, we are only estimating 2015 revenues at the 2014 levels but will review both the year-end and 2015 estimate before the budget is finalized and make any needed adjustments prior to the next budget meeting.

Expenditures for 2015 are essentially status quo. In addition to the negotiated 3% increase for all city employees, we have included an increase for our associate judges. While the IRS has determined they must be accounted for as regular employees, by Charter, these are employees appointed by Council at the recommendation of the presiding judge who then sets their wages. These judges have not received an increase in pay since 2002 and have fallen extremely behind other area municipalities in their rate of compensation. This bump in pay makes up the majority of additional increase you see in our personnel costs. However, please realize that while we budget for absences such as illness, vacation, and conflict of interest on cases, we rarely need to utilize the entire budgeted amount for all judges unless something more critical occurs in a given year. Other slight increases have also been included for direct services utilized by the Court such as customer credit card usage, mandatory interpretation cost fees, and anticipated rising legal and security costs.

The Court continues to try and keep up with technological improvements and we will need to upgrade our case management system to a new web based version in order to accommodate additional on-line features. We have requested Capital funding be considered to start this process but realize this will not be realistic in 2015. However, we wanted to bring it your attention just so you were aware that as the public demands start to increase, this will become more of a necessity in the near future.

MEMO

To: Mayor Penn, Members of City Council
Through: Gary Sears, City Manager
Fr: Dorothy Hargrove, Director of Library Services
Re: Library Budget 2015
Date: August 4, 2014

The Englewood Public Library provides 21st century library services to our citizens. Not only do we continue to check out an increasing number of books and other materials but we also offer help to patrons who need access to new technologies for their careers, their businesses, and their personal interest. We've added more downloadable materials and online resources, adapting to a rapidly changing environment for information and entertainment. The successful renovation of the Children's area, using donated funds, has made the Library a more popular destination for many Englewood families. Our programs supporting early childhood literacy include visits to daycare centers and preschools, reaching families who might otherwise not visit the Library.

Even in the face of this increasing demand, we have held the line over the past few years on expenditures by adjusting staffing levels, purchasing patterns, and instituting other operational efficiencies. The baseline proposed 2015 budget incorporates anticipated average salary increases and the expected increase in the cost of books and digital technologies.

We also request 3 additional investments that would enable the Library to meet the changing needs of our community:

- 1) Renovation of the main circulation desk, including self-check technology for \$39,500
- 2) Addition of a part-time, no-benefits eligible acquisitions clerk for \$18,000
- 3) Addition of a professional, full-time librarian position for \$68,000, benefits included

A capital expenditure of \$39,500 would enable us to renovate our circulation desk. The current configuration lacks safe accessibility for children and our disabled patrons. We have already experienced staff injuries due to a poorly designed workspace, and as the volume of circulation activity grows the danger of future injuries is becoming more possible. This expenditure would enable us to offer patrons the ability to check out their own books and materials. This would minimize or eliminate waiting time and reduce the need to allocate staff time to what has traditionally been a manual process. Personnel savings over time would more than cover the initial cost. Almost every library in the metro area provides a self-check option and our patrons expect the same level of convenience at Englewood.

The Acquisitions Clerk position would enable us to take advantage of some of the efficiencies of the new Marmot system. This person would unpack our book deliveries and verify invoices against the acquisitions system, simplifying and ensuring accuracy in our accounts payable procedures. These tasks are now being handled on an ad-hoc basis by customer service staff members who are paid at a higher rate and would be better utilized in direct customer service. Again, this is a minimal investment with the potential to save recurring expense.

The lack of a full-time professional librarian position at the Englewood Library is negatively impacting our ability to deliver effective library services to our community. All of our current positions are part-time, and this year alone we have had 3 people leave to take professional positions at other libraries. It is becoming increasingly difficult to recruit and retain top-notch employees. Full-time employees also provide a continuity of service and are able to build partnerships and connections within the Englewood community.

This librarian would enable us to expand our public technology support and training, including our Career Help Center. Last year we helped over 800 people and are seeing an increasing demand for this service in 2014. We continue to see additional requests for basic computer and technology training for all ages. On an administrative level, a full-time librarian could act as a team leader and help with scheduling, training, and updating procedures. This person could also take over responsibility for our local history materials and act as a liaison to the Englewood Historic Preservation Society, something that we are unable to do at current staffing levels. Working together with the Society to ensure access to our local history resources would benefit the entire community.

Although we engaged in a good discussion with the Arapahoe Library District about a possible contractual relationship, their Board of Trustees was reluctant to make this project a priority in light of their other current commitments. I will keep these lines of communication open should circumstances change in the future. In the meantime, we continue to take advantage of new services and cost savings offered through Marmot and other state-wide library consortia. As the increased use of our facility shows, the community values its library. These budget requests will enable us to continue and expand excellent and personalized service to our community.

We look forward to another great year in 2015. Thank you for your support.

Memorandum

To: Gary Sears, City Manager
From: Frank Gryglewicz, Director of Finance and Administrative Services
Date: August 13, 2014
Subject: Finance and Administrative Services (FAS) Budget 2015

The Finance and Administrative Services Department consists of the following divisions: Department and retiree administration, City Clerk, Accounting, Revenue and Budget, Purchasing and Central Stores (Printshop).

Finance and Administrative Services (FAS) 2014 approved budget is \$1,625,150; a three percent increase to the 2014 budget would be \$1,673,905, but due to increases outside of the Department's control (health care premiums, pension contributions and wage increases), the 2015 proposed budget for FAS is \$1,756,751, an increase of \$82,847 or 8.1 percent over the approved 2014 budget.

Finance and Administrative Services has reduced its budget in the past by reducing staff, cutting training, and commodities such as food and office supplies. The Department's expenditures are comprised of approximately 83 percent wages and benefits so it is very difficult to reduce the budget without personnel reductions. Since 2002, FAS has reduced its staffing from 20.55 FTE to 17.9 FTE, close to a thirteen percent decrease.

Prior personnel reductions included one sales tax auditor, one position in purchasing, one part-time position in Central Stores (Printshop), and the reduction of the revenue technicians from full to part-time. One accountant position was eliminated in 2010 when the Accounting Manager position was filled internally. The department is minimally staffed in a number of positions; if the employee is sick or on vacation there is little or no backup which often impacts other City departments.

The Department is in the process of hiring an additional full time Sales Tax Auditor and a Revenue Technician. Also, the Accounts Payable Clerk, resigned August 8, 2014 and the position will be filled as soon as possible.

The Department would like to create and hire a "Finance Technician" (working title) in 2015. Due to reductions in staffing in the past, FAS is very "thin." If personnel are absent there is little or no coverage for the duties of the absent person, which can cause disruptions throughout the City. Most important is the Purchasing Division, if the Procurement Specialist is out of the office, purchasing activities essentially cease. The Finance Technician would mainly cover essential purchasing duties as well as accounts payable, payroll, mailroom, and covering cashiering as necessary. The salary and benefits have been estimated at \$61,000 but the hire date would be April 1, 2015 making the impact on next year's budget approximately \$45,750. The position is included in the personnel spreadsheet for City Council's consideration.

The Finance and Administrative Services Department continues to provide high quality services to its internal and external customers at the lowest cost possible.



C I T Y O F E N G L E W O O D
H U M A N R E S O U R C E S

TO: MAYOR PENN AND CITY COUNCIL

THROUGH: GARY SEARS, CITY MANAGER

FROM: SUE EATON, DIRECTOR OF HUMAN RESOURCES

DATE: JULY 30, 2014

SUBJECT: HUMAN RESOURCES BUDGET - 2015

Per the 2015 budget guidelines Human Resources' expenditure increases have been limited to 3% above the originally approved 2014 budget – to \$482,893. (The 2014 budget was, however, increased by Council to cover the expenses associated with the City Manager recruitment, so our 2014 *estimated* expenditures will be higher than originally approved.) My ability to limit our increases to 3% was assisted by two personnel changes. The first was the transition of the City's training function from an employment relationship to a contractual one, which allows more expenditure and program flexibility. The second was the departure of my senior HR Analyst, who had been with the City for 15 years. Her part time position will be filled with a full time HR Technician, which is at a lower pay grade. Because the HR Department Assistant is part time, this increase in hours will aid front office coverage.

The Employee Benefit Fund increased 7.2% to \$6,553,476, primarily due to a 9.7% increase in our medical insurance premiums. The Fund balance at the beginning of 2014 was \$53,304. The Risk Management Fund, which includes Property/Liability and Workers' Compensation expenses increased 6.4% to \$2,258,630. The Fund balance at the beginning of 2014 was \$85,748.



C I T Y O F E N G L E W O O D
I N F O R M A T I O N T E C H N O L O G Y

To: Gary Sears, City Manager

From: Jeff Konishi, Director – Information Technology

cc: Mike Flaherty, Deputy City Manager
Frank Gryglewicz, Director – Finance and Administrative Services
Jennifer Nolan, Revenue and Budget Manger

Date: August 4, 2014

Re: 2015 Budget Memo

As technology continues to evolve, we strive to move City departments forward in technology as well as provide technology solutions for citizens and businesses to keep aligned with their demands. We are planning several technology avenues for citizens and businesses to interact with the City. We have successfully implemented a Sales Tax solution that provides all businesses an online method for submitting tax and license information as well as online solutions for golf, rec center, and utility payments.

Next month we will be debuting the online permitting system which will allow citizens and contractors to submit applications for certain permits online. With this new system, you will now be able to apply for permits, pay the associated fees, and follow the status of the application all online saving citizens and contractors valuable time and expense. Also, in the coming months, we will be implementing the ability to pay some court fines and fees online. These solutions help identify the City of Englewood as a technology friendly City.

For 2015, we will continue to focus on mobile and online solutions for both staff and citizens in addition to software upgrades for many City Departments. These upgrades will vary in complexity and may need either internal or vendor resources; however, the IT Department will play a key role in all of the upgrades. The upgrades required will be for RecTrack (Parks and Rec), TRAKiT (Building, Public Works, Code Enforcement, Community Development), JEMS (Court), and will continue with desktop upgrades for both Windows and Office solutions.

A very important change relating to our Finance and HR software is that the current reporting tool is no longer supported. The information provided by this reporting tool is critical for all City departments, so we will implement a new reporting tool in 2015. We will look for a tool that provides the information as well as a tool that has the flexibility to move to any Finance and HR software program. This flexibility will be critical if we migrate to new Finance or HR programs to help minimize the implementation time.



C I T Y O F E N G L E W O O D
I N F O R M A T I O N T E C H N O L O G Y

In addition, we are also faced with a growing data storage issue. As the City compiles more and more data and retains that data for a long period of time, our need for storage capacity multiplies. We will be investigating all possible options to solve this dilemma and have budgeted an appropriate amount for a future solution.



MEMORANDUM

To: Stu Fonda, Utilities Director

From: John Bock, Utilities Manager of Administration

Date: July 28, 2014

Subject: Storm Water Utility Budget Summary for 2015

The Storm Water Utility budget for 2015 is \$329,019. The 2014 budget totals \$328,400.

The Storm Water Division budget goals for 2015 are as follows:

- The Storm Water Utility is a fund that provides for the operation, repair and maintenance of the City's storm sewer system. It has no personnel per se, but pays other departments (Engineering and Utilities) for the stormwater work they perform. All maintenance needs and debt service are fully funded.
- When the new storm water regulations and requirements take effect in the next few years, those will be funded from this division.



MEMORANDUM

To: Stu Fonda, Utilities Director

From: John Bock, Utilities Manager of Administration

Date: July 28, 2014

Subject: Budget Summary for 2015

The Water Utility budget for 2015 is \$9,808,593. The 2014 budget totals \$10,950,938. The reduction in the budget request is mainly due to a reduction in capital spending.

The Sewer Utility budget for 2015 is \$16,790,613. The 2014 budget is \$17,972,158. The reduction in the budget request is mainly due to the decrease in charges from the BiCity Wastewater Plant.

The Administration Division budget goals for 2015 are as follows:

- The proposed 2015 budget for the Utilities Administration Division is fairly status quo. The only changes anticipated are a reduction in postage costs related to outsourcing the bill printing to Inforsend and increasing software fees due to normal, annual maintenance cost increases and the implementation of the complete version of Teleworks.
- Funds are requested to continue the updating of our water meters with the Itron electronic reading system. We are gradually retrofitting our meters with radio meter reading equipment. Money is requested to upgrade the “collector unit” which can capture the most meter readings the fastest. Our present unit is becoming obsolete. Money has also been set aside to retrofit hard to read meters in pits with external antennae to send a better signal.
- Complete the upgrade of the GIS to the latest version. Our current version is no longer supported by the software company ESRI. The upgrade will also allow data sharing with other entities and integration with other software packages that use ESRI products.
- Hire a consultant to measure the impervious surface of all commercial properties in the City to insure accurate Stormwater Fund billing. The last time we

conducted a comprehensive study of commercial impervious surfaces for stormwater billing purposes was in the mid 1990's.

- Purchase a GPS receiving unit to facilitate fast and accurate measurement for our GIS data base.

2014 & 2015 Budget Summary

Divisions 1601, 1602, 1603

Utilities, is currently in the process of completing the Over Head storage project on the East and West 3 million gallon storage tanks. Once that project is completed the Allen Plant roof replacement project will begin and that project should be completed by the end of 2014. This will complete the last of the major capital projects that were identified within the last five years, with the possible exception of a water softening resolution and Meadow Creek repairs.

In 2015 the Meadow Creek valve house and valves will need to be replaced as requested by Denver Water and agreed upon by Englewood.

Allen Plant capital projects for the year of 2015 are focused on replacing or upgrading aged infrastructure such as, the expired chemical storage tanks, the addition of functional offices and a file storage area/map room at the Plant and, adding and upgrading to the current security system that monitors the Water Plant and the ancillary sites.

It is anticipated that a study will be done to evaluate various means of lowering winter water hardness. There is \$600,000 in a restricted account that can only be used for the purpose of solving the hardness problem. It is not a part of this budget document.

7-28-2014

The Distribution and Collection crew maintain the Water Distribution and Sanitary Sewer Collection and the Storm water collection system.

The crew repairs and maintains the water system, installs meter pits and replaces water service lines according to the policies set forth by the Water and Sewer Board.

The crew repairs an average of 35 to 40 water main breaks per year and plans on installing three blocks of new water main if time permits.

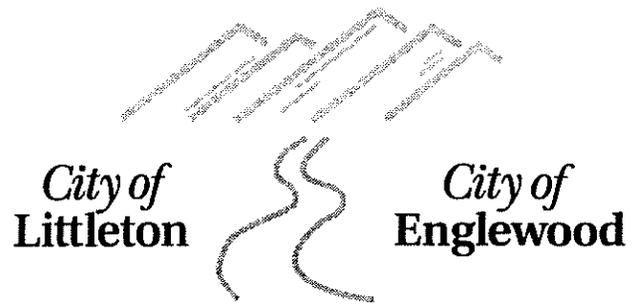
The Collection crew cleans and maintains the Sanitary Sewer Collection system inside the City limits.

As time allows the crew uses the TV van to check problem areas and video tape the Collection system to keep up on the condition of the sewer mains in the system.

The Storm water system is cleaned on a as needed basis and inspected several times a year especially after major rain events and winter melt off.

**LITTLETON/ENGLEWOOD
WASTEWATER TREATMENT PLANT**

2900 S. Platte River Drive
Englewood, Colorado 80110
(303) 762-2600
FAX 762-2620



MEMORANDUM

TO: Stewart Fonda, Utilities Director
FROM: Dennis W. Stowe, L/E WWTP Manager
DATE: July 28, 2014
SUBJECT: 2015 Proposed Budget
Littleton/Englewood WWTP

The 2015 proposed budget consists of an annual operating budget of \$15,026,652, an increase of 2.90% from 2014, and an infrastructure budget of \$1,100,000, a reduction of 56% from 2014. The total proposed budget for 2015 is \$16,126,652, an overall reduction of 5.71 percent from 2014. (Refer to Cost Ratio Table)

The annual operating budget was prepared as a status quo budget as there are no additional treatment or regulatory requirements anticipated for 2015. The only exception to the status quo is a recommended additional staff position, an instrumentation and controls specialist (see Business Services below.) Otherwise, increases in this budget are primarily related to personnel costs, utility costs (power, gas and fuel) and professional services.

Infrastructure projects are anticipated to be performed at a lower level than 2014, and will continue at the 2015 proposed level for several years. It is anticipated that non-critical projects will be deferred for several years and then performed when nutrient removal requirements necessitate additional treatment systems at the plant. This approach will lower expenditures in the near term and should result in lower overall costs when the infrastructure projects are combined with construction of systems to remove nutrients.

The attached table 'Budget Proposal 2015' presents budget information by division as well as the cost sharing between the cities of Englewood and Littleton.

Environmental Compliance

This division supports the mission of the L/E WWTP by ensuring employee health and wellness (with safety policies and training, protective equipment and clothing), property and liability insurance, facility security, regulatory and legislative tracking and involvement of environmental laws, regulations and site specific permits. The division also operates an approved Industrial Pretreatment Program as required by the Environmental Protection Agency (EPA). The program prevents the introduction of pollutants into the L/E WWTP that will interfere with the operation of the plant, prevent pass through the treatment works, improve opportunities to recycle and reclaim municipal, and industrial wastewaters and biosolids and to prevent adverse impacts to worker health and safety.

Division activities will be performed at a similar level to 2014, with a proposed budget of \$1,545,107, a 5.01% increase from 2014. There are no capital expenditures in the budget request.

Beneficial Use

This division is responsible for the final disposition of biosolids, the solid residue from wastewater treatment operations, at dryland farms owned by the two cities. Division activities will be similar to 2014 with most budgetary line items remaining about the same as 2014. Increases are expected in personnel costs (salary/benefits), diesel fuel and professional services. Several capital expenditures are included in the proposed budget, including a farm tractor replacement, mower replacement and a new hoist (see the attached table).

The proposed budget is \$1,116,115, a decrease of 3.54% from 2014.

Operations

The Operations Division is responsible for the treatment process at the facility. There are no new treatment requirements anticipated for 2014 and activities will be at a similar level as 2014. Most budgetary items will remain similar to 2014 with anticipated increases in personnel costs (salary/benefits), energy (gas and electric) and professional services (digester tank cleaning). Capital expenditures include automatic sampler replacement and a primary clarifier cleaning system (see the attached table).

The proposed budget is \$5,978,907, an increase of 2.53% from 2014.

Engineering and Maintenance

The Engineering and Maintenance Division Budget will see a small increase in 2015. The division has planned increased equipment repair and rebuild projects, including raw sewage pumps, trickling filter pumps, digester equipment, centrifuges, return secondary pumps, and variable frequency drives, all based on previous repair history and scheduled maintenance. Personnel expenditures are expected to increase slightly with all positions filled and anticipated salary increases. There are no capital expenditures in this division.

The proposed budget is \$2,893,872, an increase of 4.25% over 2014

The division also is responsible for Capital Infrastructure and Construction. Project activities will be reduced from 2014 as the Interim Disinfection Improvements Projects will be completed. Projects identified for 2015 and the next three years include plant gates replacement, lighting replacement and other energy efficiency projects, electrical preventative maintenance projects, dewatering polymer system and truck bay improvements, exterior repair. See the attached table for details under 'Infrastructure Annual Program', with a total proposed budget of \$1,100,000.

Laboratory

Laboratory services expenses for 2015 are expected to be less than 2014; primarily because of reduced capital expenses. Only limited increases are projected in personnel costs due to small salary, part-time projections and intern support. No increases in contract costs will be incurred to fulfill discharge permit requirements and Permit issues. A new instrument to measure mercury will be evaluated; if purchased, it will eliminate the cost of current contract laboratory expenses.

The proposed budget is \$934,633, a decrease of 11.23%

Business Services

This division is responsible for information technology and process control systems, centralized business services, administrative support, and records management systems at the facility. While activities in this division will be similar to 2014, it is expected that the 2015 budget will be larger than the 2014 budget due to one additional staff person and capital expenditures.

Personnel expenditures are expected to increase with the recommended addition of one Instrumentation & Controls/SCADA Specialist position. This position is needed to meet the workload requirements of maintaining and operating the existing control and instrumentation systems at the plant and will provide critical backup to existing staff.

Capital expenditures include one replacement vehicle (rescheduled from 2014) and several large IT and Process Control System infrastructure upgrades and replacements in the existing systems (see the attached table).

The proposed budget is \$2,558,018, an increase of 10.48% from 2014.

DWS/ca

Attachments:

Capital Outlay Request

Cost Ratio Table

**STAFF RECOMMENDED 2015 CAPITAL OUTLAY REQUESTS
AND SPECIAL PROJECTS**

	ITEM	EXPLANATION	COST
1701	ENVIRONMENTAL COMPLIANCE		
	No Recommendations		
		<i>Division 1701 Subtotal</i>	<i>0</i>
1702	BENEFICIAL USE		
61401	Operating Machinery and Equipment Farm Tractor	<ul style="list-style-type: none"> Current unit is 18 years old, and underpowered to pull large spreaders. Unit has difficulties pulling loaded spreader up inclines in application process – drivers slip in tread. Trade-in will off-set purchase. 	260,000
	Mower to maintain grasses and weeds around Barns.	<ul style="list-style-type: none"> Grasses and weed mowing to provide fire mitigation, propane tank access and inspection, rattle snake and rodent mitigation. Current walk behind push mower is worn out; cost to repair is more than unit cost. 	6,500
	Moveable gantry crane with lifting hoist.	<ul style="list-style-type: none"> Moveable gantry crane and hoist needed to lift tractor parts and supplies more than 50lbs. at the barn. 	6,500
		<i>Division 1702 Subtotal</i>	<i>273,000</i>

	ITEM	EXPLANATION	COST
1703	ENGINEERING/MAINTENANCE		
	Geographical Information System (GIS)	<ul style="list-style-type: none"> • Maintain service-area GIS system. Provide service/support, training, data management, and web hosting of the GIS site. • Assess development of WWTP GIS site. 	50,000
	Infrastructure Annual Program –		
	i. Plant Gates Replacement Project.	<ul style="list-style-type: none"> • Replace Headworks RSPs 1-6 Influent gates and Wetwell Cross-over gate. • Gates are aged, difficult to operate, damaged and inoperable. • Gates essential to provide isolation of channels and isolation of the influent pumps for needed routine and corrective maintenance activities. 	200,000
	ii. Lighting Replacement Project 2015.	<ul style="list-style-type: none"> • South Digester Complex (deferred from 2013-14 Project). • Year 2 of multi-year projects. • Provides energy efficiency and reduces annual utility expenses. 	100,000
	iii. Maintenance Projects 2014-15	<ul style="list-style-type: none"> • Health and safety projects. • Plant handrails, ladders, access improvements, and other items to improve staff health and safety. • Meet OSHA and Building Dept minimums. • Budget to complete project started in 2014. 	100,000
	iv. Electrical Equipment Preventative Maintenance.	<ul style="list-style-type: none"> • Blower Bldg, Solids Contacts Tanks, Switchgears 1-2. • Perform preventative maintenance, corrective maintenance, and testing and condition assessment. 	100,000
	v. Dewatering Project.	<ul style="list-style-type: none"> • Improvements to sludge pumping; currently pumping capacity to new 2nd hopper is limited. 	50,000
		<ul style="list-style-type: none"> • Replacement of #1 Truck Scale; change from pivots to load cells; existing pivots damaged and beyond equipment life. • Evaluate multi-scale to accommodate axle weighing. May provide increased trucking capacity and reduce state highway weight violations. 	150,000
	vi. Digester Chemical Feed.	<ul style="list-style-type: none"> • Provide chemical injection feed system (tank, pump, piping, and appurtenances) for Digester system. • Provides digester sludge treatment during process upset conditions. • Pilot system tested and proof of concept verified. 	50,000

	ITEM	EXPLANATION	COST
	vii. Annual Bldg Exterior Maintenance (structure repair, crack sealing, coating/sealing, concrete repair, roofing, etc.).	<ul style="list-style-type: none"> Bldgs 4, 5, 10, MH-12, TF-1, TF-2, TFPS. Extends life of buildings and structures. Defrags major structural and rehab projects. 	350,000
Division 1703 Subtotal			1,150,000
1704	TREATMENT		
61301	Three (3)- Refrigerated automatic samplers	<ul style="list-style-type: none"> Provide additional automatic sampling capabilities to process monitoring and replacement of older units. Older units being replaced. 	18,000
	Clarifier Weir Washer- primary clarifier	<ul style="list-style-type: none"> Device will wash clarifier weirs automatically on a pre-determined schedule. Benefits are that plant staff will not have to enter open clarifiers to clean weirs by hand (safety). 	31,500
Division 1704 Subtotal			49,500
1705	LABORATORY SERVICES		
	Mercury Analyzer		40,000
Division 1705 Subtotal			40,000
1706	BUSINESS SERVICES		
61502	Computer Network Hardware <ul style="list-style-type: none"> Plant process and Business Network Infrastructure hardware and equipment Off-site backup and disaster recovery Scheduled replacement of computer hardware 	<ul style="list-style-type: none"> NSM Project Wireless Project Cisco Switch Upgrade 	327,000
61401	Vehicle	<ul style="list-style-type: none"> One replacement vehicle is being requested. This vehicle is a utility van that was requested and approved as part of the 2014 budget, but the State Bid contract on that vehicle expired before the order was placed. 	25,000
Division 1706 Subtotal			352,000
GRAND TOTAL (Divisions only)			714,500
GRAND TOTAL (with Engineering/Maintenance Capial Projects)			\$1,864,500

Littleton/Englewood Cost Ratios - Budget Proposal 2015				
		2014 Budget	2015 Budget	% Change
Environmental Compliance (1701) (includes Pretreatment formerly 1707)				
Personnel	V	824,088	832,871	1.07%
Commodities	F	24,250	33,993	40.18%
Contractual	F	623,054	678,243	8.86%
Capital	F	0	0	0.00%
Subtotal		1,471,392	1,545,107	5.01%
Beneficial Use (1702)				
Personnel	V	402,074	427,605	6.35%
Commodities	V	131,100	131,100	0.00%
Contractual	V	290,875	284,410	-2.22%
Capital	F	333,000	273,000	-18.02%
Subtotal		1,157,049	1,116,115	-3.54%
Engineering/Maintenance (1703)				
Personnel	V	1,760,316	1,813,572	3.03%
Commodities	V	458,000	562,750	22.87%
Contractual	V	517,550	517,550	0.00%
Capital	F	40,000	0	-100.00%
Subtotal		2,775,866	2,893,872	4.25%
Treatment (1704)				
Personnel	V	2,323,975	2,455,655	5.67%
Commodities	V	1,201,800	1,300,800	8.24%
Contractual	V	2,256,552	2,172,952	-3.70%
Capital	F	48,900	49,500	1.23%
Subtotal		5,831,227	5,978,907	2.53%
Laboratory (1705)				
Personnel	V	551,399	573,061	3.93%
Commodities	F	132,900	133,020	0.09%
Contractual	F	188,552	188,552	0.00%
Capital	F	180,000	40,000	-77.78%
Subtotal		1,052,851	934,633	-11.23%
Business Services (1706)				
Personnel	V	1,022,255	1,173,571	14.80%
Commodities	F	202,625	203,047	0.21%
Contractual	F	880,532	829,400	-5.81%
Capital	F	210,000	352,000	67.62%
Subtotal		2,315,412	2,558,018	10.48%
O&M Total		14,603,797	15,026,652	2.90%
Facility Construction C				
Construction in Progress		1,000,000		
Infrastructure Projects		1,500,000	1,100,000	-26.67%
Professional Services				
Project Taxes & Fees				
Capital Total		2,500,000	1,100,000	-56.00%
GRAND TOTAL		17,103,797	16,126,652	-5.71%

Comments

	2014 Budget	2015 Budget	% Change	Comments
Ongoing Budget	13,791,897	14,312,152	3.77%	
Capital Budget	811,900	714,500	-12.00%	
Facility Construction	2,500,000	1,100,000	-56.00%	

COST RATIOS BETWEEN THE CITIES OF LITTLETON & ENGLEWOOD

CATEGORY	FACTOR	ALLOCATION TOTAL	ENGLEWOOD	LITTLETON
Variable Costs '00 avg (V)	55.6/44.4	12,245,897	6,808,719	5,437,178
Fixed Costs (F)	50/50	2,780,755	1,390,378	1,390,378
Capital Costs ©	50/50	1,100,000	550,000	550,000
Total Allocation		16,126,652	8,749,096	7,377,556
			Cities' Total	

CASH FLOW MODEL (A) FOR BUDGET YEAR 2015 / NO REDUCTIONS											
WATER ENTERPRISE FUND											
7/31/14 12:38 PM											
Major Capital for 2014:		Repairs on East 3MG roof		\$ 600,000							
		Repairs on West 3MG roof		\$ 600,000							
		Repairs on the Allen Plant roof		\$ 800,000							
		Install VFD and High Efficiency motor		\$ 65,000							
		Replace 10" Valve at Meadow Creek Valve House		\$ 34,800							
		Update GIS Workstation		\$ 2,500							
Distribution Items for 2014:		Water Main Replacements = \$50,000									
Major Capital for 2015:											
		Meadow Creek, new valve house and replacement of 4 outlets valves		\$ 300,000							
		New Flow recorders for new raw water system		\$ 50,000							
		Replacement of 3 chemical storage tanks		\$ 100,000							
		New file/map room and 2 new offices's at Allen Plant		\$ 150,000							
		New security upgrades and additions to Allen Plant and outside systems		\$ 75,000							
		Itron Collector Unit Upgrade		\$ 15,000							
		Selfing down in storage room		\$ 2,500							
Distribution Items for 2015:		Water Main Replacements = \$50,000									
O&M INCREASE		3.00%									
Interest Rate		1.50%									
				Kevin							
		2011 Cash Method	2012 Actual Cash Method	2013 Actual Cash Method	2014 Estimate	2015 Budget	2016 Projected	2017 Projected	2018 Projected	2019 Projected	2020 Projected
REVENUE:											
WATER SALES	\$	6,493,738	6,850,313	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184
RATE INCREASE											
		6,493,738	6,850,313	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184	6,294,184
RAW WATER		2,088,330	1,859,598	2,083,496	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000	1,850,000
CITY DITCH		34,112	69,288	51,691	69,288	69,288	40,000	40,000	40,000	40,000	40,000
OTHER		180,119	169,884	240,221	140,000	140,000	140,000	140,000	140,000	140,000	140,000
TOTAL REVENUE		8,796,299	8,949,083	8,669,592	8,353,472	8,353,472	8,324,184	8,324,184	8,324,184	8,324,184	8,324,184
O&M (NO DEPR)		(5,492,989)	(6,037,704)	(5,408,270)	(6,308,099)	(6,555,118)	(6,751,772)	(6,954,325)	(7,162,954)	(7,377,843)	(7,599,178)
ADMIN FEES		(461,585)	(461,585)	(461,585)	(470,000)	(470,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
FRANCHISE TAX		(188,490)	(201,477)	(177,472)	(188,826)	(188,826)	(188,826)	(188,826)	(188,826)	(188,826)	(188,826)
NET OPERATING REVENUE		2,653,235	2,248,317	2,622,265	1,386,548	1,139,528	883,587	681,034	472,404	257,515	36,180
DEBT SERVICE (current):											
TOTAL DEBT SERVICE		(920,634)	(948,954)	(995,464)	(995,018)	(1,033,339)	(1,055,774)	(1,098,300)	(1,181,491)	(960,147)	(635,000)
INTEREST		(553,529)	(525,694)	(626,988)	(666,717)	(633,810)	(604,122)	(558,255)	(476,054)	(418,277)	(352,878)
FUTURE DEBT SERVICE											
ROUTINE CAPITAL REPLACE		(104,783)	(119,950)	(40,058)	(125,000)	(185,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
AVAILABLE REVENUE		1,074,289	653,719	959,755	(400,187)	(712,621)	(876,309)	(1,075,521)	(1,285,141)	(1,220,909)	(1,051,698)
INTEREST INCOME		55,273	9,137	(18,551)	146,164	118,313	102,553	89,002	72,182	54,020	37,336
BALANCE FORWARD		6,235,331	6,736,110	13,694,039	11,031,314	8,603,413	7,290,006	6,486,250	5,469,731	4,226,772	3,029,883
TRANSFER TO BOND FUND											
LOAN - GENERAL FUND											
NEW DEBT PROCEEDS			7,127,654								
AVAILABLE FUNDS		7,364,893	14,526,620	14,635,243	10,777,291	8,009,106	6,516,250	5,499,731	4,256,772	3,059,883	2,015,521
CAPITAL PROJECTS		(260,904)	(540,109)	(3,677,364)	(2,147,278)	(692,500)					
DISTRIBUTION SYSTEM		(390,658)	(346,815)	(113,845)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
CONNECTION FEES		22,779	54,343	187,280	23,400	23,400	20,000	20,000	20,000	20,000	20,000
ENDING CASH BALANCE	\$	6,736,110	13,694,039	11,031,314	8,603,413	7,290,006	6,486,250	5,469,731	4,226,772	3,029,883	1,985,521
DEBT SERVICE RESERVE FUND	\$	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,249,999)	(1,249,999)
TOTAL UNRESTRICTED CASH	\$	5,486,110	12,444,039	9,781,314	7,353,413	6,040,006	5,236,250	4,219,731	2,976,772	1,779,884	735,522
Ending Cash Balance Per CAFR	\$	6,736,110	13,694,039	11,031,314							
Adjustments from Cash to Accrual											
Receivables	\$	1,231,836									
Payables	\$	(631,114)									
Inventory	\$	209,841									
Total Adjustments from Cash to Accrual		810,563									
FUNDS AVAILABLE*		7,045,894									
TOTAL REVENUE		8,743,689	16,140,217	8,838,321	8,523,036	8,495,185	8,446,737	8,433,186	8,416,366	8,398,204	8,381,520
TOTAL EXPENDITURES		(6,204,170)	(9,182,288)	(11,501,046)	(10,950,937)	(9,808,593)	(9,250,493)	(9,449,705)	(9,659,325)	(9,595,093)	(9,425,882)
DEBT COVERAGE RATIO		1.85	1.57	1.72	0.94	0.77	0.61	0.48	0.34	0.24	0.09
* 2010 INFO FROM, CAFR page 124											
Rate Increase											
Year											
Annual											
2011 7.00%											
2012 6.00%											
2013 0.00%											
2014 0.00%											
2015 0.00%											
2016 0.00%											
2017 0.00%											
2018 0.00%											
2019 0.00%											
2020 0.00%											

3% O&M



M E M O R A N D U M

C O M M U N I T Y D E V E L O P M E N T

TO: Gary Sears, City Manager

FROM: Alan White, Community Development Director ✓

DATE: July 31, 2014

SUBJECT: 2015 Community Development Department Budget

The 2015 Department proposed budget is \$1,288,781, an increase of \$52,979, or 4.2 % over the 2014 Budget of \$1,235,802. The sources of the increase are:

- Shifting funding for the Comprehensive Plan update from \$75,000 in 2014 and 2015 to \$50,000 in 2014 and \$100,000 in 2015. The net result is an increase of \$25,000 in the 2015 budget, but no increase in the total amount budgeted for the Comprehensive Plan Update.
- An increase of \$20,000 in funding for the Art Shuttle based on a preliminary estimate from RTD.
- Conversion of half-time Department Assistant position to full-time.
- Increased personnel costs (not including new positions).

2015 Budget Highlights:

1. The **Department Assistant** position has been converted to full-time.
2. The **Art Shuttle** is funded at \$80,000.
3. The **Catalyst Program** is funded at \$100,000.
4. The **Comprehensive Plan** update is funded at \$150,000, with \$50,000 in 2014 and \$100,000 in 2015.
5. The **Next Steps Study** matching funds (\$40,000) are included in the Multi-Year Capital Projects Fund.

Program and Personnel Requests:

1. The **Housing Rehab Program** will undergo changes. Without additional funding for the remainder of 2014 and 2015, the individual homeowner rehab loan function of the program will need to be phased out. Information about continuing the Program is summarized below:
 - a. Funding for two positions (Finance Specialist and Construction Specialist) was allocated in the 2014 Budget only up to the dates of retirements. As of August 4,

there are no funds available to continue performing the finance specialist duties. (The elimination of these full-time positions results in an annual savings of approximately \$145,000 and a savings of approximately \$70,000 in 2015 compared to 2014.)

- b. As of August 4, no new rehabilitation loans, including emergency loans, will be made. Current staff does not have the experience and expertise to prepare and execute loan documents. To continue making homeowner rehab loans, funding would need to be provided for a **finance specialist** for the remainder of 2014 and all of 2015. It is believed an adequate level of service can be provided on a part-time basis at 24 hours per week. The cost for hiring a part-time finance specialist would be approximately **\$12,000 for the remainder of 2014 and \$36,300 in 2015.**
- c. \$25,000 was allocated in the 2014 Budget for outsourcing rehab program functions. These funds have been used to outsource services provided by the **construction specialist**: conduct lead-based paint testing, provide homeowner rehab project assistance, and contract construction management services for homes acquired through foreclosure. Services would be provided on an as-needed basis by one or more contractors at an **estimated cost not to exceed \$45,000 in 2015.**
- d. The **estimated cost to continue the program** with a part-time finance specialist and outsourcing the construction specialist is **\$12,000 for the remainder of 2014** (construction specialist already outsourced) **and \$81,300 in 2015.** This amount is roughly equal to the amount budgeted in 2014 (\$80,550) to fund the positions and outsourcing in 2014.
- e. The City is entitled to receive a portion of the CDBG grant amount to help defray administrative costs.
- f. A preliminary estimate from one non-profit contacted about **outsourcing** the finance and construction specialist services (not including construction management for redeemed properties) is \$36,000 annually. However, loan applicant intake, interviews and closings may not occur in Englewood and this might be inconvenient for some applicants.
- g. Current Department personnel will service existing loans.
- h. The City will continue to use the majority of CDBG funding for the **Energy Efficient Englewood (E³)** grant program and administer this program with current personnel. All CDBG funding would be allocated to the E³ program if the finance specialist position is not funded. The cost of performing the federally required lead-based paint testing is included in the grant.

- i. Periodically the Department considers redeeming properties in foreclosure in order to recoup second or third position loans made on a property, otherwise the loans are written off. If funding is not made available to out-source construction management, no foreclosed properties will be redeemed in the future and loans on these properties likely will be written off. Over time, this practice will deplete the funds available for loans.
2. The **Planning Technician** position is intended to relieve some of the day-to-day workload from planners. This is especially critical with the three major planning projects being undertaken by the Department (Comprehensive Plan, Next Steps, Kaiser Grant) which will take 12 to 18 months to complete. All planners will have significant roles in these projects, adding to their other responsibilities of processing land use applications (rezonings, subdivisions, variances and conditional uses) and performing day-to-day tasks.

The Planning Technician would assume a majority of the day-to-day tasks of reviewing and signing off on building permits and site plans for residential and small commercial projects, signs, fences, sheds, garages, decks and other miscellaneous permits; conducting site inspections to ensure landscaping, parking, etc. is in conformance with approved plans; undertaking zoning code enforcement cases; and assisting with customers. The Technician would also oversee the bus bench and shelter contracts.

In the last three years, the average number of permits issued for signs, garages, fences, sheds and miscellaneous structures averaged 270. Through mid-July this year, 168 permits were reviewed. That number is expected to double by the end of the year, surpassing the average of the last few years. This level of activity is anticipated to continue as the economy continues to improve. Without the Planning Technician taking on these duties, review and approval times will increase.

The requested compensation (including benefits) for the Planning Technician position is \$53,700 in 2015.

MEMORANDUM



TO: Gary Sears, City Manager

FROM: Rick Kahm, Director of Public Works ✓

DATE: July 29, 2014

SUBJECT: **2015 PUBLIC WORKS PROPOSED BUDGET SUMMARY**
(with proposed Service Enhancements)

The 2014 approved Public Works Budget maintained staffing levels equal to 2013. The proposed 2015 budget maintains that level with the exception of requests to increase Facilities and Building Operations by one Custodial Lead position and one maintenance technician; and a request to increase the Fleet Division by one fleet mechanic and one Fleet Billing Technician. (Details are included below in the Operations and Fleet Division summaries).

Over the last nine budget cycles (including the 2014 Budget), Public Works has reduced General Fund staffing levels by 12 FTE's...17.4% (Engineering by 2.5, Traffic Engineering by 0.50, Streets by 5.0, and Building Operations by 4.0). Through new found efficiencies, we have managed to minimize loss of service to the public. **Over those many years, the reductions and efficiencies have equated to sustainable savings exceeding \$1,100,000 per year.** The cost of business continues to increase and the costs of maintaining Englewood's aging infrastructure are also on the rise. Adding staff for 2015 is necessary to continue to provide services at required levels.

The approved Public Works budget for 2014 (excluding CityCenter CAM of \$301,049) is \$5,203,620.

Our target, in preparing the 2015 Budget, is to not exceed the 2014 level plus 3%. Our proposed requested budget at this time is \$5,704,490 (including the CityCenter CAM at \$301,049), represents an increase of 3.63%. This includes proposed increases in wages, increased benefit costs, increased fuel costs, an anticipated 6% increase in energy costs, adjustments associated with some Departmental reorganization; as well as maintaining a status quo with regard to services and service levels provided to the Public and our in-house customers.

The second piece of our 2015 Budget goal is for our budget to be sustainable. Our budget is approximately 60% personnel related costs and 40% commodity driven. With the rising costs of commodities being mostly out of our control, I don't believe that a long term sustainable budget may be possible without addressing personnel reductions and/or service reductions and/or additional Departmental reorganization. Even minor increases in the costs of energy, fuel, vehicles, asphalt, concrete, compensation, or benefits, to name a few, can cause a substantial increase in future Public Works Budgets.

The Department of Public Works remains focused on its mission, "to construct, repair and maintain the infrastructure of the City". And, even in these challenging financial times, I believe that our Public Works organization continues to perform well in accomplishing that mission. Our streets and alleys are continually kept in good to excellent condition, and our traffic systems are state of the art and efficient **(We recently received a 100% grant from DRCOG (about \$120,000) for a new traffic control computer system that will be installed in 2015, with no matching funds**

required). We have extraordinary buildings and facilities, although keeping them in good to excellent condition will continue to be an ongoing challenge in 2015 with limited resources and reduced manpower (**funds added to the PIF in 2014 for this program will be a great help**).

We manage and maintain a large fleet of City vehicles and equipment for all departments of the city, as well as outside agencies including the Cities of Sheridan and Cherry Hills Village (a fleet evaluation study was completed in 2007). We provide engineering assistance to other city departments and project administration for the Public Improvement Fund, the Capital Projects Fund, the Conservation Trust Fund, the Concrete Utility, and some projects in the Open Space Fund.

As we move forward into 2015, we propose to accomplish all of the above with the efforts of **49** folks in our five (5) Public Works Divisions: Streets and Drainage, Facilities and Operations, Administration, Engineering Services (includes Concrete Utility Fund and EEFI), and Traffic Engineering, as well as **12** employees in two (2) Servicenter Divisions - Servicenter Administration, and Servicenter Garage - within the Servicenter Fund (an internal service fund).

Each of our Public Works and Servicenter Divisions has numerous goals and activities that support the five Community Outcomes identified by City Council in 2005 (refer to 2014 Budget document). Those Outcomes are:

- A City that provides and maintains quality infrastructure
- A City that is safe, clean, healthy and attractive
- A progressive City that provides responsive and cost efficient services
- A City that is business-friendly and economically diverse
- A City that provides diverse cultural, recreational and entertainment opportunities

The goals of all Public Works and Servicenter Divisions incorporate continuity in achieving the overall Public Works mission. The common elements continue to be **quality, value-driven, effective, safe and efficient** services to maintain the infrastructure, and to do so with **integrity**.

While I believe that Public Works continues to do a good job in accomplishing the Public Works mission, we remain vigilant for any opportunity for improvement. In our current economy, it is particularly imperative that we be resourceful, imaginative, and creative. **We support the Administration's endeavor to provide quality, cost effective services meeting the desires and mandates of City Council, as well as the needs and expectations of the community. And, we will strive to continue to accomplish this challenge with limited available resources.**

With the loss of a Custodian for 2010, and a second in 2011, the Day Porter situation was somewhat compromised. While not an ideal situation, we continue to provide an acceptable level of service. We continue to have ongoing discussions with Parks and Recreation to fully evaluate service impacts at the Recreation Center and the Malley Center. **With Englewood's aging infrastructure, we are requesting an additional Lead Custodian and Maintenance Technician for 2015.**

Additionally, we recommended and supported not increasing Concrete Utility fees for 2010, 2011, and 2012. This generated a General Fund savings of \$56,000 for each of those years. However, in 2013 a much needed increase of \$56,000 was approved, allowing the Program to better keep pace with increasing construction costs. In 2010, one time fund transfers to the General Fund from CERF (\$340,000), and reduced requests for Road and Bridge Funding and Transportation System funding (\$150,000) were also accomplished. **The \$150,000 reduced funding was continued in the 2011, 2012, 2013, and 2014 Budgets. We are requesting an increase in this Fund of \$100,000 for 2015.**

In 2011, we shifted away from sand and salt and began using Ice Slicer and magnesium chloride for dealing with our many winter storms. Long term, this has generated an annual, sustainable, savings of approximately \$100,000 per year.

In recent years, the Servicer Fund was able to transfer \$120,000 to the General Fund from City services provided by contract to other governmental entities (\$60,000 for 2007, \$60,000 for 2008, \$200,000 for 2010, \$100,000 for 2011, \$100,000 for 2012, \$100,000 in 2013, and an additional \$300,000 in 2014. **Over the past eight Budget cycles, about \$1.978 million has been shifted from the Servicer Fund to the General Fund, and \$1.638 million from the CERF fund to the General Fund (a total of \$3.616 million); leaving those Fund balances relatively low. In 2015, with the City's fleet continuing to grow, and vehicle technology becoming more and more complicated, we need to add a Fleet Mechanic and a Fleet Billing Technician to the fleet staff, or discontinue our out of city services for Cherry Hills and Sheridan. We are at a point of not being able to keep up any longer. Adding staff and maintaining our out of city services continues to have merit, even though the numbers are considerably less.**

We will continue striving to identify opportunities to improve services and service delivery, increase productivity, and/or reduce costs. City wide, ongoing savings, attributed to recommendations from the 2007 City Fleet Study, continue to generate annual savings to the City approaching an additional \$150,000 (hopefully we will experience increases in future years). As always, we will explore alternate methods for delivering some services. **At a minimum, there is the ongoing need to validate that all of Public Works is providing quality, cost effective services in accomplishing the Public Works mission.**

Specific Division staffing, **goals, projects, programs and funding** are as follows:

Administration

- The Administration proposed 2015 budget is \$310,597, representing an increase of 3.1% over 2014; no changes proposed to the current staffing level of two full-time employees.
- Continue to provide quality leadership to the Public Works Department, consistent with our Public Works Mission. Make every effort to provide the highest quality services in times of reduced staffing and funding. Lead by example.
- Continue to serve as president of the Englewood Environmental Foundation (EEF), and continue administering the Common Area Maintenance at CityCenter Englewood by providing high quality cost effective maintenance and tenant relationships.
- Continue to serve as Vice-President for the Englewood McLellan Reservoir Foundation (EMRF); and continue to optimize development to maximize long term financial return to the City. EMRF has successfully negotiated long term leases with the Mike Ward Infinity and Larry Miller Nissan car dealerships, as well as with Benjamin Franklin Charter School.

Engineering Division

- The Engineering Division currently has 7.5 full-time employees (Engineering 4.0, Concrete Utility 2.92, EEFI 0.58), with no increases to staffing planned for 2015.
- The proposed "status quo" budget is \$460,683 (7.1% higher than 2014 approved budget). The increase above the 3% target is due to charging \$20,000 less overhead to the Concrete Utility, allowing this amount to go directly into concrete removal and replacement. The increase without additional Concrete Utility work would be 2.5%

- The Engineering Services Division ensures the integrity of new public improvement projects and maintenance of existing infrastructure. The Division is responsible for engineering services related to Public Works and provides project management services to other departments for Capital Improvement Projects. Technical support and information is provided to the public, contractors, architects, and engineers. Engineering issues permits for public right-of-way work and supports the Public Works office administration.
- Typical Engineering Division functions include:
 - Overseeing the removal and replacement of approximately 40,000 sq. ft. of curb, gutter and sidewalk for the Concrete Utility.
 - Providing contract administration for most Capital Improvement Projects.
 - Overseeing the design and repair of 11 city owned bridges.
 - Assisting the Englewood Environmental Foundation with administration of the CityCenter CAM.
 - Providing plan review and inspection services for drainage related to residential and commercial building permits.
 - Playing a key role with the City’s Development Review Team.
 - Disseminating technical information to engineers, surveyors, architects, and the public.
 - Responding to general inquiries from the public and to City Council “short term” requests.
- The Engineering Division is responsible for the design and maintenance of City owned bridges valued at \$46 million, along with the Concrete Utility infrastructure valued at \$52 million. In addition, engineering staff supports the infrastructure design and maintenance of other Public Works Division projects as well as other departments.

Traffic Division

- The proposed “status quo” budget is \$810,782 (3% higher than the 2014 approved budget).
- Day to day Division activities are carried out by a total of 6.5 full-time employees. No staffing increase is proposed for 2015.
- The Traffic Engineering Division deals with the functional part of our transportation system using engineering techniques to provide for the safest and most efficient and convenient movement of people, goods, and services.
- Typical Traffic Engineering functions involve design, installations, modifications, repair, and maintenance of traffic control devices; including traffic signals, signs, and pavement markings.
- The Traffic Engineering staff maintains a traffic infrastructure valued at approximately \$20 million. This includes the operation and maintenance of 104 power-operated traffic devices (64 traffic signals, and 40 school, pedestrian, and traffic flashers), a traffic signal communication system, approximately 9,000 traffic signs, and a variety of pavement markings.
- Traffic Engineering staff conducts traffic studies, analyzes crash data, performs special events reviews, and participates in the development review process.

- The following is a list of major on-going projects/programs (mostly dependent on PIF funding):
 - Pedestrian signal countdown heads installations program.
 - LED signal heads replacement program.
 - Upgrade traffic signal system infrastructure i.e., the traffic signal rebuild at Broadway and Mansfield, and at Logan and Chenango.

Streets Division

- The Streets Division proposed budget for 2015 is \$2,025,191, representing an increase of 2.95% over the 2014 Budget.
- We propose no new programs or services, and are not asking for any additions to our current staff of eleven full-time employees.
- The Streets Division is responsible for maintaining an aging infrastructure valued at over \$94 million. We accomplish this through paving, crack sealing, patching, and in some cases, rebuilding city streets. Additional methods of street maintenance are studied frequently in an attempt to keep costs down.
- Other services we provide include alley maintenance, removal of debris from city streets and alleys, street sweeping, and numerous others. We keep streets safe to travel during winter storms with minimum staffing. The change from salt and sand to Ice Slicer in 2010 has resulted in substantial savings by reducing the need for sweeping and dump fees.
- Streets Division staff is also responsible for inspecting all excavations performed in City right-of-ways, and ensuring that all restoration work performed by contractors is done to City specifications.
- The Streets Division budget has been increased very little since 2009. This has been accomplished through restructuring of employees, decreasing the size of our equipment fleet, and the use of contract trucking. We continually study alternative methods in an attempt to lower costs.

Fleet

- The Fleet Division currently utilizes ten full-time positions. We are proposing the addition of two positions for 2015.
- Projected Servicer revenues will exceed expenditures (less capital) by \$180,960. The current Servicer fund balance is \$1,138,000. To meet MS4 Stormwater requirements, we will need to construct a new car wash facility for an estimated cost of \$850,000. The funds will be taken from the Servicer reserves. Once this is completed, the Servicer will be in compliance with all state and federal requirements. Due to the age of the Servicer, additional capital expenditures can be expected in the future.
- The Fleet Division repairs and maintains the city's fleet of 364 units with a value of \$14,563,154. The average age of the fleet is 9.57 years. The Fleet Division also maintains and repairs an additional 115 units for the Cities of Sheridan and Cherry Hills Village, bringing the total units maintained and repaired by five fleet technicians to 479 units. The current equipment to mechanic ratio is 95.8 units to one. The national average for a multi-class fleet is 58 to one. On a yearly basis, the fleet experiences "fleet creep" of three to five

units per year. These are usually hold over vehicles which not only increases the fleet size but requires more repair and maintenance due to advanced age and mileage.

- Two additional positions are being requested by the Fleet Division in the 2015 Proposed Budget. One position is an additional Fleet Mechanic which will bring the staffing level of mechanics to the 2006 level (one position was reduced in the 2007 Budget). With six mechanics, the equipment to mechanic ratio will be 79.83 units to one, which still exceeds the national average. With the complexity of new vehicles and equipment as well as the advanced age of the city's fleet, it is imperative to fill this position to maintain an acceptable service level to our user departments.
- The other position is a Fleet Billing Technician. With the reduction of use of open PO's and increased use of p-cards, additional reconciliation and purchasing responsibilities have been absorbed by the Fleet Division. The addition of this position will allow the Fleet Administrator to spend more time in the shop supervising mechanics, back fill the Parts Technician in Central Stores, and improve the fleet billing processes. The labor rate to our contract fleets was increased from \$68 to \$78 per hour. Performing fleet maintenance for the Cities of Sheridan and Cherry Hills Village has enabled the city to experience no increase in fleet maintenance costs to our user departments since 2002. The total cost of these two positions is \$127,381, which will be offset by the projected revenue of \$180,960 (net revenue of \$57,619).
- 2014 CERF expenditures were \$1,044,387, and the 2015 CERF expenditure is projected at \$1,818,834. The 2015 CERF revenues will be \$871,500, with the additional purchase costs taken from the fund balance. The fund should have an ending balance in 2015 of \$295,618. The fund is projected to be healthy through 2019.

Facilities and Building Operations

- The Facilities and Operations Division proposed budget for 2015 is \$1,796,188, representing an increase of 4.54% from the 2014 Budget. This increase is largely due to increased wages, group insurance, and commodity pricing. The Division's group insurance has risen 18% from 2014, accounting for a \$31,788 increase in the 2015 Budget; this increase alone accounts for 2.5% of the 4.54% increase in 2015. The Division has opportunities to gain efficiencies in both custodial and maintenance operations with both process and personnel adjustments.
- We are proposing changes in staffing to include adding a Custodial Lead position; it is anticipated that one or two regular custodial positions will be dropped due to attrition. We also are requesting the addition of a Maintenance Technician, enabling the Division to decrease dependence on costly outside contractors.
- The Facilities and Operations Division provides maintenance and custodial support for all city departments and buildings, including 20 city facilities at over 350,000 square feet (valued at over \$57,270,000), with a staff of three full-time Maintenance Technicians and thirteen custodial personnel.
- Departments serviced by the Facilities and Operations Division with estimated costs for 2014
 - Parks and Recreation - \$591,000
 - Civic Center - \$393,000
 - Safety Services - \$122,000
 - Fire Department - \$52,000

- The Facilities and Operations Division supports the continued funding of \$300,000 per year to the Building Systems Replacement Fund created in 2014 as a sinking fund for future building equipment replacements. Upcoming needs include:
 - Recreation Center cooling system at an estimated \$500,000. This system is over 30 years old and without full replacement, the equipment manufacturer predicts the system will cease operational capacity in two years; resulting in the closure of the Recreation Center as there is not an additional or temporary method of cooling the building.
 - Recreation Skylights, estimated at \$150,000, are leaking and in need of immediate replacement.
 - The Recreation Center roofing system is over 30 years old, with sections of the substrate replaced over ten years ago. The roof leaks and further attempts to repair the leaks have proved unsuccessful due to the age of the materials and design of the current roofing system. A full replacement, estimated at \$300,000, is indicated by roofing professionals as well as Division staff.

/lt

MEMORANDUM

TO: Gary Sears, City Manager
FROM: Jerrell Black, Director of Parks and Recreation
DATE: July 21, 2014
RE: 2015 Parks and Recreation Budget Overview

Parks & Rec <u>2015 Budget</u> -	\$6,004,507
Parks & Rec <u>2014 Budget</u> -	<u>\$5,804,158</u>
Difference =	\$ 200,349 (3.45%)
3% of 2014 Budget =	\$ 174,125

2015 Budgeted Amount
Over 3% = \$ 26,224
Note: \$20,000 – Part Time Temporary Salary Increase in Recreation
\$ 6,000 - 2 additional summer seasonal positions in Parks

Comments:

- Aquatic Maintenance Position – Included in 2015 Budget
- Temporary Wage Increase - \$20,000 Included in 2015 Budget (Most part time salary positions have not increased in 5 years).
- Pirates Cove – Attendance and Revenues have declined over the last couple of years. Weather and the economy are key factors, however, the facility is now in its 10th season. We believe new attractions and an upgrade would spur revitalized interest in the facility. Most family aquatic facilities add new attractions/upgrades every 4 years.
- Pirates Cove - Expansion Feasibility Study - Late Fall to 2nd quarter of 2015
- Youth Sports eliminated from 2015 Budget (Exceptions – Introductory Programs)
- Master Plan Study – Start in Fall of 2014
- River Run Project – Grant submittal in 2015 (Matching funds from Open Space Fund)
- Duncan Park Completion – Fall 2014
- Repair/Replace Skate Park Equipment at Cushing Park

Golf Course

Comments:

- Golf Course Wells – Work with the Water Department to revive Olsen Bell wells
- Reduction in Play - Long Term Viability Plan – 2014 into 2015
- Replaced wet well in 2014 (\$210,000)

Aquatic Maintenance Technician – Part Time Benefit Eligible (35/week)

- The Aquatic Maintenance Technician will safely handle dangerous chemicals to ensure public safety. Chemicals include: Calcium Hypochlorite (water sanitation), Muriatic Acid (pH remediation), Sodium Bicarbonate (Control of total alkalinity), Soda Ash (pH remediation and to neutralize spills of muriatic acid), IOS 3 Plus (for the breakdown of hydrocarbons to aid oxidation), Sphagnum Moss (to allow the natural equilibrium water chemistry to occur), and various chemical testing reagents (to test the water chemistry).
- The position will improve overall pool maintenance and repair.
- The Maintenance Technician will be able to reduce the length of repairs with regular preventative maintenance and with additional availability.
- The Maintenance Technician will be able to better maintain customer comfort by regular monitoring of pool water chemistry.
- The position will increase water and chemical savings by improved monitoring of pool water chemistry.
- The addition of the position will reduce hiring of outside contractors to complete basic repairs.
- The Maintenance Technician position will allow the Facility/Program Supervisor – Aquatics to spend additional time on administrative responsibilities rather than pool maintenance.

Additional Position Request – Parks Irrigation Specialist (\$64,809).

Note: This position is not included in the 2015 Parks and Recreation Proposed Budget

- The irrigation specialist position will be responsible for additional water conservation in the parks system. It will coordinate with the Utilities department for required state monitoring, reporting, and compliance of state and federal water regulations and requirements.
- This position will be responsible for the sustainability of the computerized irrigation system and our site based weather stations.
- The specialist will provide better leadership and supervision to the irrigation staff. Currently the Maintenance Specialist is functioning as the Irrigation and Maintenance Specialists.
- The specialist will allow staff to perform more repairs to irrigation breaks more quickly. Ninety percent of our irrigation systems are 40 years old and in need of constant repair.
- Staff will be able to perform more preventative maintenance to the irrigation systems thus reducing breaks and repairs.
- Additional staffing will allow the Department to be more responsive to irrigation problems that citizens call in to report. It currently takes days or even a week to respond to reports.
- Additional staffing will better enable the Department to manage athletic fields for game reservations.
- The position will reduce the need for hiring outside contractors to complete improvements, make repairs and provide mandatory backflow inspections.
- The specialist will reduce the cost of water used for irrigation through thoroughly managing the irrigation computer and making daily adjustments in the office and in the field.
- Additional staffing will help reduce the amount of complaints that we receive regarding park and athletic field conditions. The Irrigation Specialist will reduce the work load currently being taken on by the Maintenance Specialist who is managing both responsibilities. This will allow the Maintenance Specialist to more closely concentrate on maintenance and repair issues.
- Additional staffing will allow the Parks Department to fully staff 3 snow removal crews. Currently, other staff members volunteer to staff the vacancy resulting in overtime or compensatory time.

Memorandum

To: Gary Sears, City Manager

CC:

From: John M. Collins, Chief of Police

Date: July 25, 2014

Re: Overview of 2014/2015 Police Department Budget

2014: The overall Police budget is approximately 1.01% under budget and I anticipate that at year's end that pattern will continue. I have noted that expenditures are on the rise due to the purchase holdbacks over the last few years during the recession. The Police Department has successfully held back one vacant position that is due to be filled by September (2014 budget decision). Overall, salaries and wages are 5.06% under budget which establishes that the strategy going into 2014 was successful. The major concern is current staffing levels and our ability to adequately and safely staff each shift on a daily basis. The situation is now exacerbated due to the fact that a Sergeant suffered an on-the-job injury. This injury will require surgery and it is assumed that his absence from the Patrol schedule will be no less than 6-8 weeks. This and other factors are directly impacting the Police Operations overtime budget.

2015: The projected 2015 budget is currently set at \$11,974,508.00 which is approximately 3.73% above the benchmark of 3% established in the beginning of the budget process. The budget for 2014 is \$11,543,760.00. This overage however is off-set by revenue received from EMATT for our participation in their Task Force.

During the development of the budget certain line items were increased based upon 2014 projections such as overtime and commodities. The overtime line item will certainly increase due to our renewed participation with the drug task force and the fact that Code Enforcement will now be on-call. As stated in the 2014 overview the current staffing levels within the organization is a concern. There are a variety of factors that may preclude the addition of new personnel in the 2015 budget yet the problem will persist. Serious discussion needs to take place regarding the

possible dissolution or suspension of the Impact Team so that those personnel can fill in the needed spots on the Patrol schedule.

2015 Service Enhancements:

1. Request for three additional police officer positions at a cost of \$244,565.00 which is an on-going expense. Justification memo submitted to City Manager for consideration
2. Request for the purchase of ballistic vests and helmets for the SWAT Team with a cost of \$27,126.00. The current vests and helmets have reached their expiration date and are in need of replacement.
3. Request for the purchase of a vehicle for the Evidence Custodian. Her primary responsibilities are challenged as she has to share a vehicle with the Community Relations Specialist. Both have very busy schedules which generally inhibits service delivery for either one of these employees. The cost for a State bid vehicle is \$19,998.00. There are lease options that the Police Department can pursue through the Police budget if need be.



Memorandum

Englewood Fire Department

To: Mayor and City Council
Through: Gary Sears, City Manager
From: Andrew Marsh, Fire Chief
Date: July 25, 2014
Subject: Fire Department Budget Requests for 2015

Following are the top priorities for the Fire Department Budget Request for 2015 that are grouped by operating and capital budgets:

Operating Budget

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1. <u>Contract Fire Dispatch Services with Metcom</u> | \$200,000/year |
| This contracted dispatch service will allow our Fire Department to join the regional fire computer aided dispatch [CAD] system and to avoid the capital and personnel costs of installing and operating the regional fire CAD in our existing police and fire dispatch center. | |
| 2. <u>Training Bureau Chief position</u> | \$120,000/year |
| This position would manage our Fire Department training program and the operation of our training facility. The amount includes salary and benefits. | |
| 3. <u>Lease/Purchase to replace Aerial Fire Truck</u> | \$120,000/year |
| This vehicle would replace our 2001 65-foot aerial fire truck--which is in need of immediate replacement--with a 100-foot aerial platform truck. The approximate annual payments are projected for 10 years. | |
| Total | \$440,000/year |

Capital Budget - Technology

1. <u>Add Mobile Data Terminals (MDTs) for fire vehicles</u>	\$42,000
MDTs provide detailed dispatch call information for specific addresses, along with other capabilities such as mapping and pre-incident plans. Funding from the Arapahoe County 911 Telephone Authority is a possibility.	
2. <u>Replace Dispatch Alerting Systems in our three fire stations</u>	\$170,000
This is the equipment that receives and transmits the calls in the fire stations. The current equipment is antiquated and unreliable.	
3. <u>Replace portable and mobile Fire Radios</u>	\$250,000
The portable and mobile Fire Radios are nearing the end of their useful life and will need to be replaced by 2017. The Federal Emergency Management Agency (FEMA) should be notifying us shortly on the outcome of our grant request. Funding from the Arapahoe County 911 Telephone Authority is a possibility.	
Total	\$462,000

Capital Budget – Training Center

4. <u>Training Prop Improvements</u>	\$50,000
This project would involve replacement of the steel doors and windows in the tower building training prop, along with capital improvements to other training props. This amount would be matched by Littleton Fire Rescue.	
5. <u>Replace Burn Building Training Prop</u>	\$120,000
This project would involve construction of a new, modular burn building training prop near the tower building training prop. The existing burn building is out of service and at the end of its useful life. This amount would be matched by Littleton Fire Rescue.	
6. <u>Site Improvements for Storm Water Management</u>	\$100,000
This project would involve demolition of the existing burn building prop and the construction of a storm water management pond for the site. Included would be other site improvements related to storm water management, landscaping and security fencing. This amount would be matched by Littleton Fire Rescue.	
Total	\$270,000

This year, we would like to begin the studies relative to fire department deployment and facilities. The project would include a Standards of Cover and Risk Assessment Study for the fire department and a Master Plan and Needs Assessment for our facilities, including the fire stations, training center, and Safety Services Complex (police and fire).

In September, we will be filling the three Firefighter positions that have remained vacant for the first eight months of the year per the 2014 approved budget and will bring us to full Firefighter staffing. Two retirements are planned for January and July of 2015.



Memorandum

City Manager's Office

To: Mayor Randy Penn and City Council Members

Through: Gary Sears, City Manager

From: Michael Flaherty, Deputy City Manager

Date: August 14, 2014

Subject: 2015 Capital Project Requests - Preliminary Recommendations

The source of funding for capital projects are revenues received to the Public Improvement Fund (PIF), primarily from auto and building use taxes and transfers in from other funds, including grant funds and the City General Fund. However, again in 2015, no General Fund transfer is planned. Projected PIF revenues available for appropriation are initially estimated at \$3 million. The Finance and Administrative Services Department is reviewing their initial revenue estimate based on current and planned construction projects, including at least one very large project that could produce additional building use tax and the introduction of the 2015 automotive model year that could impact the auto use tax estimate. That review, when completed, could boost the PIF estimate by as much as \$1 million above the current estimate.

The 2015 initial capital improvement requests total in excess of \$9 million, with additional future Fire Department facility improvement project requests in excess of \$13million. The sum of these projects is well in excess of available funds, not only for 2015, but going forward on a pay-as-you-go, annual basis. As such, a large number of projects are proposed to be deferred, either until funding becomes availability from current PIF sources, or through use of alternative funding mechanisms.

Preliminary Recommendations

The total capital requests for all agencies total over \$9 million. (See the attached "General Fund Agency 2015 Capital Requests" spreadsheet.) Preliminary recommendations total approximately \$3.3 million. Within that amount, \$2.2 million is recommended for requests relating to on-going maintenance of the City's infrastructure, including streets, buildings and technology systems as well as capital equipment/lease-purchase debt service. In addition, Public Works is recommended to receive \$970,000 for critical facility maintenance needs at the Recreation Center, including cooling tower replacement, roof and skylight replacements. These building elements are original to the 1985 Recreation Center construction and are past due for replacement and near potential failure.

Other recommendations include \$75,000 for a Fire Department Facilities Master Plan, \$27,000 for upgrading of Police SWAT personal safety equipment and the Library circulation desk and self-checkout system, which would provide for future annual personnel savings in excess of the one-time cost of implementation.

If, as stated above, planned major projects move forward, PIF revenues will be available for additional projects. Among these projects pending funding are the final elements of the automated permitting system, Fire/EMS equipment, and improvements to the Fire Training Center, which would be shared by Littleton, engineering for the Oxford bike/pedestrian bridge, and a needs assessment for replacement or updating of the finance/human resources (current Oracle) system.

Even with the possible addition of PIF revenue, numerous projects, including all Fire facility improvements are proposed to be deferred- see the attached "Fire Department Capital Requests" spreadsheet.

Fire Department Capital Proposed Deferred Requests

While funding for the Fire Facilities Master Plan is included in the recommended projects and Fire Training Center improvements and EMS equipment are pending funding, several current year requests are proposed to be deferred.

Most significantly among the proposed deferred projects is the Fire Department request to contract with Metcom for dispatching services. While contracting with Metcom would provide a more seamless means of incident collaboration with other departments, the cost is an on-going obligation. Ideally, service contracts such as this should be funded through the General Fund operating budget. In addition, the current City Police/Fire dispatch system has been utilized successfully since its origination. The transfer of Fire dispatch to Metcom would not provide a significant savings to our current dispatch service. If Council chooses to approve contracting with Metcom, adjustments to the currently proposed General Fund or Capital Improvement budget would have to be made.

I have also included estimated cost of \$13 million for replacing the current three stations. The plan for upgrading or replacing these facilities will be established in 2015 with the development of the Fire Facilities Master Plan. These costs, along with future replacement costs of fire apparatus and the annual Metcom cost are above and beyond the current funding sources available to the City for annual capital expenditures. If the City is to sustain the fire service into the future, it is critical for Council to agree on the future direction and to establish a long-term plan for the Fire Department and funding alternatives, including a mill levy increase to support specific city services, or general obligation bond for capital needs to support those services.

Attachments:

2015 General Fund Agency 2015 Capital Requests
Fire Department Capital Requests

General Fund Agency 2015 Capital Requests

Dept.	High Priority - Capital Requests	Request	Recommendation	Comments
Police	SWAT Team Safety Equipment	\$27,126	\$27,126	Safety considerations - current equipment out-dated
FAS	Transfer to General Fund-Debt Service	\$294,326	\$294,326	Capital debt service obligation (lease purchase fire apparatus)
FAS	Muni-Rev - Automated sales tax system	\$100,000	\$100,000	Contractual obligation
IT	Software - Microsoft	\$81,000	\$81,000	Contractual obligation (licensing)
PW	Concrete Utility-City's share of Utility	\$280,000	\$280,000	Financial obligation to annual utility program
PW	Capital replacement fund for building systems	\$300,000	\$0	Apply to Recreation Center projects (below)
PW	Recreation Center Cooling Tower Replacement	\$495,000	\$495,000	Critical facility maintenance project
PW	Recreation Center Roof and Skylight Replacement	\$475,000	\$475,000	Critical facility maintenance project
PW	Road and Bridge	\$850,000	\$750,000	Annual maintenance program- adjusted for carry-over balance
PW	Bridge Repairs	\$50,000	\$50,000	Annual maintenance program
PW	Transportation System Upgrade	\$175,000	\$175,000	Annual maintenance program
PW	CPF Building Maintenance - All City Buildings	\$120,000	\$120,000	Annual maintenance program
IT	Network Development	\$170,000	\$170,000	Annual technology program/on-going upgrades
IT	Departmental PC Replacement	\$80,000	\$90,000	Annual technology program/add library computer replacement
IT	Replacement servers	\$50,000	\$50,000	Annual technology program
Police	Radio CERF	\$30,000	\$10,000	Annual replacement program - reduced due to carry-over balance
Police	Computer Assist Dispatch/MIS System	\$30,000	\$10,000	Annual upgrade program - reduced due to carry-over balance
Library	Circulation Desk Access Improvements and Self Check Technology	\$39,500	\$39,500	Cost offset by personnel savings; Donor fund contribution of an additional \$15,500
Fire	Fire Facilities Master Plan	\$75,000	\$75,000	Architectural/engineering for future facility improvements
	Subtotal	\$3,580,326	\$3,291,952	

	Secondary Priority Projects - subject to PIF Revenue	Request	Recommendation	Comments
IT	Permit Tracking System	\$100,000		Completes automation of permitting system
Fire	EMS Equipment Replacement	\$100,000		EMS matching funding potential
PW	Compact Crawler Boom Lift	\$145,000		Potential cost sharing among Public Works, Parks and ServiCenter
Fire	Fire Training Center Improvements	\$300,000		Matching funds to be provided by Littleton Fire
PW	Security Systems Upgrades	\$25,000		Exterior door security upgrades
Fire	Truck room exhaust fans - Acoma and Jefferson stations	\$20,000		
IT	FAS/HR ERP (replace or update Oracle system)	\$75,000		Needs assessment study
CD	Oxford/Navajo pedestrian bridge -engineering	\$200,000		P&Z recommendation/to facilitate Oxford Station TOD residential development
	Subtotal	\$965,000		Recommendation pending PIF revenue update
	Deferred Project (no particular order)			
Police	Vehicle for Property/Evidence	\$19,998		
PW	Miscellaneous Infrastructure Repairs	\$25,000		
PW	Concrete Program-Handicap ramp construction	\$20,000		
PW	Civic Center revolving door upgrade	\$12,500		
PW	REPLACE SLIDING DOORS AT SAFETY SERVICE	\$5,000		
PW	Missing links sidewalks	\$100,000		
PW	Alley East of 3900 S. Galapago St.	\$85,000		
PW	Parks Irrigation Well Assessment - Cushing (2015)	\$100,000		
PR	Broadway Median Landscaping	\$80,000		
PR	Miller Building Demolition	\$70,000		
PR	Broadway Fountain Repairs	\$40,000		
PR	Malley Fitness Room Ceiling Fan	\$25,000		
PR	Malley Entry Concrete and Lighting	\$35,000		
PR	Broadway 3400 block mid-block crossing - engineering	\$30,000		P&Z recommendation
CD	Old Hampden Streetscape Project Phase I Broadway to Clarkson	\$5,600,000		P&Z recommendation
MC	Court on-line system enhancements	\$30,000		
IT	Finance/HR ERP system (replace or update Oracle system)	\$800,000		Needs assessment study is a pending recommendation - see above
	Subtotal	\$7,077,498		

Fire Department Capital Requests

Fire Department Requests -Proposed Deferred projects	Request	Comments
Contract with Metcom for Dispatch Services	\$200,000	Also included in Fire operations budget request- not recommended as capital expenditure for 2015. System would improve inter-agency response, however, current combined City Police/Fire system is operational. If funded, recommended source of funds is the Fire Operations (General Fund) budget.
Mobile Data Terminals	\$42,000	Needed if switch to Metcom/possible 911 Authority funding - see above
100' Aerial Platform	\$1,200,000	Fire Department proposes to rebuild engine and transmission @\$45,000 to extend life of existing unit
Fire Department radios update to the mandatory P25 Standard	\$250,000	911 Authority funding being explored
Vehicle replacement - Fire Marshal	\$45,000	Current vehicle is relatively low mileage
Vehicle purchase -EMS Bureau Chief	\$45,000	Current vehicle is relatively low mileage
Vehicle purchase-Asst. Fire Marshall	\$45,000	Current vehicle is relatively low mileage
Impres Radio Battery Chargers	\$8,000	
Automated Fire Staffing System	\$8,000	
Automated Fire Staffing System	\$47,542	
Medic Unit Replacement for Reserve hold over vehicle	\$225,000	Current unit receives limited usage
Compact Stationary Breathing air compressor - back up unit	\$10,000	
Fire Facility Improvements-Defer pending Fire studies	\$2,125,542	
Jefferson Station Remodel or Replacement	\$7,500,000	
Acoma Station Remodel or Replacement	\$3,100,000	
Tejon Station Remodel or Replacement	\$2,700,000	
Alert System Replacement -three stations	\$170,000	
Fire Station Security Cameras	\$56,000	
Replace Carpeting All Fire Stations	\$47,542	
Computer Workstations	\$9,000	
Fiber Optic Access for Acoma and Tejon Fire Stations	\$60,000	
Subtotal	\$13,642,542	



Memorandum

City Manager's Office

To: Mayor Randy Penn and City Council Members

Through: Gary Sears, City Manager

From: Michael Flaherty, Deputy City Manager

Date: August 14, 2014

Subject: 2015 Parks & Recreation Capital Project Requests –Preliminary Review

The Parks and Recreation Department annually has access to approximately \$1million in combined funding from the Colorado Conservation Trust Fund (CTF) and the Arapahoe County Open Space Fund (OSF). A summary of these funding sources and proposed 2015 uses is found below, and on the attached spreadsheet.

Conservation Trust Fund

Conservation Trust Fund revenues, annually distributed from the State of Colorado Lottery proceeds, are projected at approximately \$390,000, including interest and prior year carry-over. Use of Conservation Trust Fund proceeds is limited to parks, recreation, cultural and historic purposes.

Staff requests for 2015 total \$375,000. These requests include matching funds for a future expansion of Pirates Cove, the RiverRun project, Pirates Cove maintenance, Malley and Recreation Center fitness equipment and a set aside for contingencies. Staff has also agreed to use funds from the 2014 Conservation Trust Fund contingency to conduct the necessary engineering for replacement of the Recreation Center cooling tower/HVAC system.

Open Space Fund

The City's share (based on population) of the Arapahoe County Open Space Fund sales tax revenues for 2015 is projected at \$665,000. OSF use is restricted to parks and open space purposes, with an annual allowable 15% of total funds made available for maintenance of open space improvements.

Staff requests for 2015 includes grant matching funds for selected projects, RiverRun development, contingency set aside, a land bank set aside for future parkland purchases, tree and flower bed programs, park facility improvement and parks equipment replacement.

Attachments:

Parks& Recreation 2015 Capital Requests

Parks & Recreation 2015 Capital Request

Conservation Trust Fund	Requests	Recommended	Comments
Contingency	\$75,000	\$75,000	
PC slides/play structure maintenance	\$50,000	\$50,000	
ERC/Malley fitness equipment replacement	\$50,000	\$50,000	
ERC pool re grout tile	\$13,000	\$13,000	
RiverRun Trailhead Funding	\$75,000	\$75,000	
Pirates Cove expansion fund	\$100,000	\$100,000	
Bellevue Park Children's Train Track Repair	\$12,000	\$12,000	
Total CTF Requests	\$375,000	\$375,000	
2015 Projected fund balance-less appropriations	\$50,000	\$50,000	
Open Space Fund			
Tree Maintenance Program (replacement, pruning)	\$30,000	\$30,000	
Parks flowerbed program	\$20,000	\$20,000	
Open Space land bank	\$50,000	\$50,000	
Parks landscape improvements	\$50,000	\$50,000	
Tennis/Basketball Court Renovations	\$45,000	\$45,000	
Small Equipment Replacement	\$20,000	\$30,000	Added \$10,000 as Parks share of boom lift purchase
Parks Maintenance Employee Compensation	\$63,000	\$63,000	
Contingency	\$125,000	\$125,000	
Riverside Development	\$100,000	\$100,000	
Grant Matching Funds	\$150,000	\$150,000	
Total Open Space Requests	\$653,000	\$663,000	
2015 Projected fund balance-less appropriations	\$66,000	\$56,000	



Memorandum

Englewood Fire Department

To: Gary Sears, City Manager

From: Andrew Marsh, Fire Chief
Rick Kahm, Public Works Director

Date: August 13, 2014

Subject: Bid on Aerial Fire Truck

At its regular meeting on August 4, 2014, City Council authorized staff to submit a sealed bid to Adams County Fire Rescue (formerly North Washington and Southwest Adams County Fire Protection Districts) for the purchase of a 1999 Pierce 100 foot aerial platform fire truck. This action was subject to the condition that we conduct a thorough mechanical and operational evaluation of the vehicle prior to the bid deadline of August 15.

During the past week, Fire and Public Works staff members have coordinated closely to complete an assessment of the truck. With the permission of Adams County Fire Rescue, the vehicle was borrowed over two days for an evaluation that included: a road test, housing in our Acoma Fire Station, pump and aerial testing at our Training Center, and mechanical review at our Fleet Servicenter.

Yesterday morning, we met with the key personnel involved in the evaluation. Given the information that we have been able to gather in a short amount of time, the \$50,000 to \$100,000 worth of items that would need to be addressed before the vehicle could be placed into service, and the various unknown issues that may occur, we do not recommend submitting a bid to purchase this aerial truck. Additionally, this particular aerial truck is not well suited to navigate our City streets. While the vehicle has low mileage/hours and appeared to be in good condition, we now believe after our thorough mechanical and operational evaluation that the risks and costs outweigh the benefits of investing in this used vehicle.

Instead, the Fire Department continues to request in the 2015 budget the replacement of our existing 13-year-old aerial truck, which currently has 10,565 hours of use. Fleet Manager White has stated that the unit will soon need some major repairs to rebuild the engine and transmission at a cost of approximately \$42,000. In the meantime, the Fire Department is also exploring alternative deployment models that may reduce the amount of use for this aging vehicle.

Thank you for the opportunity to consider the feasibility of acquiring this aerial truck. If you have questions or need additional information, please let us know.