

**AGENDA FOR THE  
ENGLEWOOD CITY COUNCIL  
STUDY SESSION  
MONDAY, AUGUST 26, 2013**

- I. Executive Session**  
At 5:30 p.m. in the City Council Conference Room, City Council will discuss a litigation (Ryals) matter pursuant to C.R.S. 24-6-402-4(b). Attorney Tom Rice will be present for the discussion.
  
- II. 2014 Proposed Budget**  
At 6:00 p.m. in the Community Room, City Manager Gary Sears and Financial & Administrative Services Director Frank Gryglewicz will discuss the 2014 Proposed Budget with City Council.
  
- III. City Manager's Choice.**
  
- IV. City Attorney's Choice.**
  
- V. Council Member's Choice.**



# Memorandum

City Manager's Office

**TO:** Mayor Penn and Members of City Council  
**FROM:** Gary Sears, City Manager  
**DATE:** August 22, 2013  
**SUBJECT:** Proposed 2014 Preliminary Budget

Dear Mayor and Members of the City Council,

On Monday, August 26th, I will provide an overall review of my recommendations regarding the proposed 2014 budget, as summarized in this letter. City staff will also be in attendance to discuss the many elements and alternatives associated with their respective proposed budgets. Staff has included brief summaries of their proposed 2014 budgets. **We have also invited the members of the City's Budget Advisory Committee to attend and observe.**

The following highlights the staff's key elements regarding the General Fund's proposed revenues and expenditures for the 2014 fiscal year.

### **Proposed General Fund Revenues**

As noted in the July Financial Report, the primary driver of the General Fund (sales and use tax collections) appears to be on track to meet the budgetary estimates for 2013. We believe, that with additional development in Englewood and based upon our year to date collections, we are proposing **increase sales and use tax collections for 2014 by 2.4% (from \$22,336,277 to \$22,883,003), based upon both anticipated inflationary increases and new development in Englewood.**

**In regard to charges, fines and recreation programming fees, the City has seen a drop in revenues in each of these areas for 2013.** However, it is staff's belief that **we will see growth in these line items in 2014 and we have reflected these projected revenues in the proposed budget.** Also, with the approval of City Council, **additional fire plan development** fees (scheduled for the study session of September 16, 2013) may be implemented.

**A transfer of \$313,000 collectively from the Golf Fund, Central Services, and the ServiCenter is included in the proposed budget for 2014.**

After a considerable amount of thought and discussion by staff, we are including a **transfer from the Public Improvement Fund in the amount of \$400,000**. The PIF fund continues to grow as a result of increased economic development activity. Providing day to day services to existing businesses, new businesses and residents will be critical in our efforts to support continued economic development activities over the next several years. By comparison, in 2013, \$500,000 was transferred from the Public Improvement Fund to the General Fund for general operations.

### **Proposed General Fund Expenditures**

Again this year, it has been difficult to balance the proposed budget because of the continued “flattening” of the City revenues over the last several years. Without increased growth or new sources of revenue, our ability to provide day-to-day services and capital improvement requirements continues to be difficult. As in the past several years, City staff has been diligent in reducing costs in their departments by reducing the purchase of commodities, implementing new projects, delaying the hiring of personnel or eliminating positions, while continuing to provide responsive, and quality day-to-day services. Despite the agreed upon pay and benefit increases provided in the City’s three collective bargaining contracts and other committed expenditures, I asked department directors to come as close to their 2013 expenditure levels as possible, as they put their budgets together for 2014.

As noted in the Comprehensive Annual Financial Reports, the City’s historical, actual expenditures have been 2 to 3% below the budget amount. Much of these savings have been based upon turnover (in 2012, the City had a turnover of 33 employees), elimination of positions, delays in recruitment, favorable weather conditions, and through other efficiencies by individual departments. Although not in the proposed budget but based upon the July 2013 financial report and from **estimates by department directors, their expenditures will be 1 to 2% under budget in 2013 (approximately \$800,000)**. I do believe that City Council should take under consideration that the 2013 expenditure levels will be between 1 and 2% below the budgeted amounts for most City departments.

**Despite some department requests, I have not included any new positions into the 2014 budget.** In addition, we will be reducing positions that are vacant or will be vacant in 2014, primarily in the Community Development, Public Works and Park and Recreation departments.

I would characterize most of the budget expenditures as “**status quo**” in nature, except for the agreed to wage increases based upon collective bargaining, MSC (non-union employee group) increases, pension obligations and health insurance costs, as discussed below. However, I would like to note that one of the largest proposed expenditures being proposed is the implementation of a **Comprehensive Plan** by the Community Development Department. The implementation of the Comprehensive Plan is budgeted for \$150,000 and will involve a great deal of time and effort from the City Council, Boards and Commissions and City staff. City Council may want to provide direction regarding implementation and cost of such a plan as we finalize the budget for publication.

Also, the City has received several alternatives from Kaiser Permanente regarding our 2014 health care premiums. Due to the City's high utilization of health services, costs have continued to escalate every year. For 2014, Kaiser requires a rate increase to meet the increased cost of health care services to our employees. As a result, a rate increase of **10.27% is included in the 2014 budget. The City's management team has agreed that to keep costs from escalating further in 2014, an increase in employees' deductible requirement will be implemented.** Human Resources Director Sue Eaton will explain the options for health insurance at the Study Session.

#### **Potential Source of Revenue**

Finally, in our review of the City's lease and debt obligation, it is interesting to note that the City's lease payments for the Civic Center building (approximately \$1.5 million per year) will be retired in 10 years, or 2023. City Council may consider the possibility of increasing the mill levy to cover the remaining debt service and to pay for critically needed capital improvement items. Such an increase would require an affirmative vote, possibly in 2014. A vote on this proposal could include a sunset provision (to match the Civic Center repayment schedule for a portion or all of the amount). With voter approval, such an action could free up to \$1.5 million annually to support the operating budget. This is one item City Council could consider at our upcoming budget meeting.

Thank you for your review of the information provided in the packet. We look forward to your discussion and direction at the upcoming meeting of August 26th.

**General Fund Budget**  
**Statement of Revenue, Expenditure and Changes in Fund Balance**

8/22/2013  
12:30 PM

	<i>2008</i> <i>Actual</i>	<i>2009</i> <i>Actual</i>	<i>2010</i> <i>Actual</i>	<i>2011</i> <i>Actual</i>	<i>2012</i> <i>Actual</i>	<i>2013</i> <i>Adopted</i> <i>Budget</i>	<i>2013</i> <i>Estimated</i> <i>Actual</i>	<i>2014</i> <i>Proposed</i> <i>Budget</i>
<b>Beginning Fund Balance</b>	<b>\$ 9,374,427</b>	<b>\$ 11,102,763</b>	<b>\$ 9,234,957</b>	<b>\$ 8,494,679</b>	<b>\$ 8,817,685</b>	<b>\$ 8,626,388</b>	<b>\$ 9,070,810</b>	<b>\$ 8,684,389</b>
<b>Sources of Funds</b>								
Property Tax	2,995,990	2,971,303	3,020,884	2,994,213	2,874,816	2,898,000	2,898,000	2,898,000
Specific Ownership Tax	316,242	276,414	263,434	246,062	243,293	230,000	230,000	230,000
Sales & Use Taxes	22,617,767	20,624,659	20,866,515	21,737,110	22,363,618	22,336,277	22,336,277	22,883,003
Cigarette Tax	261,743	218,449	196,320	190,762	189,618	184,000	184,000	179,000
Franchise Fees	2,588,214	2,452,611	2,620,191	2,631,393	2,930,888	3,067,552	3,036,000	3,069,500
Hotel/Motel Tax	10,078	9,140	8,806	9,820	10,395	9,000	9,000	10,000
Licenses & Permits	671,609	588,328	695,563	778,536	983,359	767,153	1,201,490	832,550
Intergovernmental Revenue	1,079,285	1,319,282	1,465,970	1,724,807	1,865,722	1,387,598	1,169,145	1,243,281
Charges for Services	3,476,583	3,185,443	3,254,830	3,384,317	3,441,525	3,270,618	3,457,501	3,340,803
Recreation Program Fees	2,364,758	2,315,598	2,489,781	2,635,221	2,615,642	2,629,173	2,573,732	2,594,232
Library Fines	22,746	21,370	21,923	19,884	19,884	20,000	20,000	20,000
Fines & Forfeitures	1,438,354	1,618,308	1,416,034	1,264,875	1,361,569	1,348,450	1,247,450	1,348,450
Interest Income	520,325	230,000	100,545	91,034	84,045	100,000	8,164	8,164
Other	215,823	635,982	293,658	173,382	354,130	163,449	302,725	269,600
Contribution from Component Units	599,143	611,837	105,125	425,159	551,295	638,829	638,829	638,829
<b>Total Revenue</b>	<b>39,178,660</b>	<b>37,078,724</b>	<b>36,811,579</b>	<b>38,306,575</b>	<b>39,889,799</b>	<b>39,050,099</b>	<b>39,312,313</b>	<b>39,565,412</b>
<b>Other Financing Sources</b>	<b>1,973,789</b>	<b>1,028,456</b>	<b>2,091,485</b>	<b>1,813,945</b>	<b>1,968,243</b>	<b>1,139,574</b>	<b>1,139,574</b>	<b>1,148,820</b>
<b>Total Sources of Funds</b>	<b>41,152,449</b>	<b>38,107,180</b>	<b>38,911,064</b>	<b>40,120,520</b>	<b>41,858,042</b>	<b>40,189,673</b>	<b>40,451,887</b>	<b>40,714,232</b>
<b>Uses of Funds</b>								
Legislation	350,254	346,044	309,870	298,731	316,043	330,436	330,787	354,098
City Manager's Office	674,322	674,170	659,882	639,184	658,047	679,653	674,619	703,758
City Attorney's Office	698,563	678,038	702,228	706,841	712,036	783,147	824,661	818,514
Municipal Court	915,303	914,494	901,469	848,775	886,249	962,993	971,518	1,026,895
Human Resources	579,136	456,275	419,421	430,792	469,343	481,392	460,237	468,826
Finance & Administrative Services	1,626,571	1,575,923	1,445,581	1,446,313	1,464,305	1,583,684	1,560,053	1,625,150
Information Technology	1,280,156	1,360,237	1,280,660	1,332,766	1,373,943	1,340,211	1,330,425	1,378,942
Community Development	1,464,725	1,366,437	1,301,473	1,359,264	1,262,451	1,324,774	1,247,947	1,290,802
Public Works	5,189,173	5,152,891	5,137,364	5,259,875	5,202,903	5,308,257	5,234,717	5,504,669
Police	9,974,925	10,183,890	10,312,633	10,395,239	10,788,935	11,250,771	11,264,322	11,610,148
Fire	7,215,444	7,320,268	7,425,903	7,666,842	8,100,554	7,889,065	7,952,582	8,267,020
Library Services	1,261,112	1,275,554	1,284,083	1,145,613	1,180,771	1,251,293	1,180,815	1,250,536
Parks & Recreation Services	5,916,449	5,727,968	5,811,809	5,717,147	5,649,246	5,711,776	5,593,051	5,795,758
<b>Departments Expenditure Subtotal</b>	<b>37,146,133</b>	<b>37,032,189</b>	<b>36,992,376</b>	<b>37,247,382</b>	<b>38,064,826</b>	<b>38,897,452</b>	<b>38,625,734</b>	<b>40,095,116</b>
Contribution to Component Units	-	800,000	-	-	-	-	-	-
Contingencies	59,759	160,578	48,139	152,423	143,810	150,000	150,000	200,000
Debt Service-Civic Center	1,575,850	1,571,752	1,570,705	1,658,857	1,567,377	1,573,000	1,573,000	1,573,000
Debt Service-Other	233,456	233,456	290,122	437,606	489,574	489,574	489,574	435,820
<b>Other Expenditure Subtotal</b>	<b>1,869,065</b>	<b>2,765,786</b>	<b>1,908,966</b>	<b>2,248,886</b>	<b>2,200,761</b>	<b>2,212,574</b>	<b>2,212,574</b>	<b>2,208,820</b>
<b>Total Expenditure</b>	<b>39,015,198</b>	<b>39,797,975</b>	<b>38,901,342</b>	<b>39,496,268</b>	<b>40,265,587</b>	<b>41,110,026</b>	<b>40,838,308</b>	<b>42,303,936</b>
<b>Other Financing Uses</b>	<b>408,915</b>	<b>177,011</b>	<b>750,000</b>	<b>301,246</b>	<b>1,339,330</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Uses of Funds</b>	<b>39,424,113</b>	<b>39,974,986</b>	<b>39,651,342</b>	<b>39,797,514</b>	<b>41,604,917</b>	<b>41,110,026</b>	<b>40,838,308</b>	<b>42,303,936</b>
<b>Net Sources (Uses) of Funds</b>	<b>1,728,336</b>	<b>(1,867,806)</b>	<b>(740,278)</b>	<b>323,006</b>	<b>253,125</b>	<b>(920,353)</b>	<b>(386,421)</b>	<b>(1,589,704)</b>
<b>Fund Balance Before Designated Amounts</b>	<b>11,102,763</b>	<b>9,234,957</b>	<b>8,494,679</b>	<b>8,817,685</b>	<b>9,070,810</b>	<b>7,706,035</b>	<b>8,684,389</b>	<b>7,094,685</b>
Restricted-TABOR Emergency Reserve	1,280,000	1,170,000	1,150,000	1,150,000	1,200,000	1,150,000	1,200,000	1,200,000
Committed-LTAR	3,485,143	3,131,979	2,130,520	2,406,649	2,619,375	2,619,375	2,619,375	2,619,375
Committed-Contractual Reserve	80,800	39,200	298,512	298,512	298,512	298,512	100,000	-
<b>Designated Fund Balance</b>	<b>4,845,943</b>	<b>4,341,179</b>	<b>3,579,032</b>	<b>3,855,161</b>	<b>4,117,887</b>	<b>4,067,887</b>	<b>3,919,375</b>	<b>3,819,375</b>
<b>Unassigned Fund Balance</b>	<b>\$ 6,256,820</b>	<b>\$ 4,893,778</b>	<b>\$ 4,915,647</b>	<b>\$ 4,962,524</b>	<b>\$ 4,952,923</b>	<b>\$ 3,638,148</b>	<b>\$ 4,765,014</b>	<b>\$ 3,275,310</b>
Unassigned Fund Balance as a percentage of Total Revenue	15.97%	13.20%	13.35%	12.95%	12.42%	9.32%	12.12%	8.28%
Fund Balance Before Designated Amounts as a percentage of Total Revenue	28.34%	24.91%	23.07%	23.02%	22.74%	19.73%	22.09%	17.93%
Fund Balance Before Designated Amounts as a percentage of Total Expenditure	28.46%	23.20%	21.84%	22.33%	22.53%	18.74%	21.27%	16.77%
<b>10% Unassigned FB Funding Gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(266,862)</b>	<b>-</b>	<b>(681,231)</b>

City of Englewood, Colorado  
 2014 Preliminary General Fund Budget List of Additions and Deletions

		2013 Adjustments			Proposed 2014 Adjustments			2014 Service Enhancement Request for Council's Consideration		
Department	Description	Revenue Additions	Expenditure (Additions) Deletions	FTE	Revenue Additions	Expenditure (Additions) Deletions	FTE	Revenue Additions	Expenditure Addition (Deletions)	FTE
Police	Potential participation in East Metro Auto Theft Task Force				100,000					
Fire	One vacant Position - Hire 4/1/2014					16,051				
	One near vacant due to disability - Hire 4/1/2014					17,653				
	One vacant position by year end - 4/1/2014					20,299				
	Proposed New Position - Division Chief of Support Services								135,737	1
	Proposed New Position - Assistant Fire Marshall								96,495	1
	Salary Compression Compensation								23,377	
	Wildland Preventions Intergovernmental				50,000					
	Fire Prevention Permit Fees				10,000					
City Council	Citizen Survey Added to Budget					(15,000)				
	Increased 4th of July Contribution					(5,500)				
	Increased travel					(2,000)				
	Professional Development (aka Technical Training)					(1,000)				
City Manager's Office	2014 Reduced Legal Fees due to conclusion of contract negotiations					4,500				
	2013 Reduced Organizational Training					2,000				
	2013 and 2014 Membership Dues - \$5500 each year		5,500			5,500				
Municipal Court	Potential Personnel Increase due to increased filings from Police Department					(24,363)	-0.6			
	Revenue Offset due to 30-35% increase in summonses due to change in patrol activities.				54,500					
Community Development	Comprehensive Plan					150,000				
	No Funding for 'Potential Studies/Housing Rehab Restructuring									
	Fill Administrative Assistant Position Opening with .5 FTE					35,000	0.5			
	Restructure/Outsource Housing Rehabilitation Program - open position from April 2014 and another from July 2014					80,383	2			
Public Works	Reduce EEF Administration Costs		39,000			39,000				
	JE a portion of an Engineering Position to Concrete Utility		40,000			40,000				
	Golf Course Transfer for Custodial Costs at Full Amount (\$70,000 less \$33,000 already budgeted)				37,000					
	Reduce custodial staff by one FTE; reclass a lead custodian from existing staff - 2013 (20777); 2014 (57161)		20,777	0.38		57,161	1			
Parks and Rec	Eliminate Vacant Youth Sports Administrator Position		60,489	1		61,216	1			
	Malley Center Annual Membership Fee \$25 per person				15,500					
	1304 Reduce Youth Learn to Swim Lessons (one day)					1,200				
	1304 Increased Swim Rental (1000) and Lesson (1700) Rates				2,700					
	1304 Adult Sports Volleyball League Fee Increase				2,000					
	1304 Youth Sports Basketball Fee Increase				1,000					
	1301 Field Rental Rate Increase				6,300					
	1308 Pirates Cove Rate Increases				30,400					
Human Resources	2013 Full-Time Position Reclassified to P/T		36,477	0.4		36,477	0.4			
Transfers	Golf Course				63,000					
	Central Services Transfer				50,000					
	ServiCenter Transfer				200,000					
	PIF Transfer				400,000					
Other	2014 Estimate Health Insurance Rate Increase - 10.27% (City's portion increase is 9.93%)									
<b>TOTALS</b>		-	202,243	2	1,022,400	518,578	4	-	255,609	2



# Memorandum

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City Manager's Office

**TO:** Gary Sears, City Manager  
**FROM:** Michael Flaherty, Deputy City Manager  
**DATE:** August 22, 2013  
**SUBJECT:** City Manager and City Council Proposed 2014 Budgets

## **City Manager's Office**

The City Manager's proposed 2014 budget is \$703,438, a 3.4 % increase over the 2013 budget, which accommodates scheduled salary and insurance premium increases.

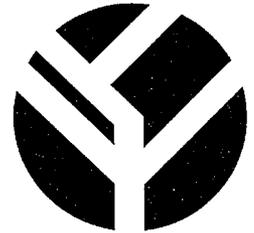
City Manager expenditures in 2013 are projected to come in at 1% below the budgeted amount.

## **Legislative (City Council/Boards and Commissions)**

The Legislative proposed budget for 2014 is \$354,098, a 7% decrease over 2013. The increase is the result of a minor increase in the City Council travel budget and the addition of a citizen survey in 2014 at an estimated cost of \$15,000. The last citizen survey was conducted in 2009. Pending in the City Council 2014 budget is a service enhancement request for streaming video of City Council meetings. Capital (one-time) cost related to this proposal is \$42,000 and \$11,500 in annual operating cost, neither of which are currently included in the 2014 budget.

Legislative expenditures in 2013 are estimated at 2% below the budgeted amount.

**MEMORANDUM**



TO: Mayor Penn  
Englewood City Council Members

FROM: Dan Brotzman, City /

DATE: August 20, 2013

REGARDING: City Attorney 2014 Budget.

The hours for relief prosecutors have been reduced; however, with the additional personnel costs the City Attorney 2014 budget remains status quo.

CC: Gary Sears  
Frank Gryglewicz  
Jenny Nolan

DB/nf

## MEMORANDUM

TO: Gary Sears, City Manager and Members of City Council

FROM: Tamara Wolfe, Court Administrator

DATE: August 26, 2013

SUBJECT: Summary of Municipal Court Budget

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The Court would like to take this opportunity to briefly summarize the extent of services we provide to the community. As always, our primary function is to provide knowledgeable, efficient, and fair service to ensure the measures of due process have been met. On average, over 20,000 individuals come through our doors each year for direction regarding a case. Over 2000 weapons are retrieved at check-in annually speaking to our variety of clientele. These individuals may be defendants, attorneys, witnesses, victims, family or friends of parties of the cases or just interested observers. In addition to the in-person contact we have with these individuals, we also field a variety of phone calls each day that average over 170 daily. While not the level of public contact of an actual retail business, we certainly are kept extremely busy processing just the daily intake of data related to just these two functions. Additionally, there is the daily processing of all court filings, in court functions and hearings and the associated paperwork with these processes. While we primarily deal with traffic violations, we also have a significant amount of court time devoted to domestic violence cases, juvenile offenders, and other miscellaneous violations that include assault, shoplifting, disorderly conduct, trespassing, loitering, animal, parking and nuisance related issues. In short, we are a full spectrum, and full service local municipal court.

Our personnel costs continue to remain our predominate expenditure at 93.3% for 2014. We have based our 2014 budget on the information provided by the Police Department that a redistribution in manpower is expected to result in significantly more court filings. This would require one of our long standing vacant part time positions to be filled by April 1, but would be offset by increased revenues. This would still leave us in the position of having the fewest FTE's over the last 10 years but allow us to maintain services. The Court has also reduced its Commodities and Contractual budgets for 2014 by 6.6% and 1.18% respectively. While it appears on paper that we have increased our budget, if you offset the personnel transitions, our actual increase is only .01%. Therefore we have managed to absorb all other increases including the anticipated salary and healthcare costs. Essentially, the Court's budget is a status quo budget. Any further request for a reduction in our overall budget would be a cut in services and personnel and would prohibit us from keeping with filings.

Our goals for 2013/2014 continue to be on-going electronic connectivity abilities for the public. We had hoped to have some of those up and running by this point but ran into some support issues. We are now back on track with those and expect to have the ability to have parking payments paid on-line by the end of first quarter of 2014 at the latest.



# 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

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TO: Gary Sears, City Manager

FROM: Alan White, Community Development Director ✓

DATE: August 26, 2013

SUBJECT: 2013 Estimated and 2014 Department Budget

The Community Development department roles and responsibilities revolve around the built environment and include activities affecting land use, development and redevelopment, housing, environmental protection, and business attraction and retention.

Department staff functions are numerous and varied. Current planning involves the review of plans for rezonings, subdivisions, PUDs, floodplain permits, temporary uses, site plans and most building permits. Long range planning involves the preparation of the Comprehensive Plan, small area plans, and special studies. Staff administers the Housing Rehab program, including; Energy Efficient Englewood (E<sup>3</sup>); the Catalyst program; the Arapahoe County Enterprise Zone; Art Shuttle; bus shelter, bus bench and newspaper corral programs; Council's Development Assistance Policy; and KEB's annual Household Hazardous Waste, Tire/Leaf Drop Off, and holiday lighting programs. The Department also collaborates with Code Enforcement on violations of the zoning regulations.

The Department provides staff support for the Planning and Zoning Commission, Board of Adjustment and Appeals, Urban Renewal Authority, Keep Englewood Beautiful and Alliance for Commerce in Englewood. Support involves setting agendas, preparing meeting notices and packets, attending meetings, and preparing and posting meeting minutes. Staff also presents numerous items to City Council throughout the year which involves the preparation of packet information.

### 2013 Budget Reductions

Two retirements occurred in the Department during 2013, Senior Planner and Department Assistant. The Department Assistant position has been converted to a .5 FTE position. (This is carried over to 2014.) Funds in Professional Services have been reduced in anticipation of beginning the Comprehensive Plan update process in 2014. Total savings/reductions are \$76,827 or 5.6% of the approved 2013 Budget.

### 2014 Budget

Major line item expenditures in the Department's budget include funding for personnel, professional services, the Art Shuttle, and the Catalyst program. The Proposed 2014 Budget is

\$43,169 more than the 2013 Estimated Budget, an increase of **3.5%** due to the inclusion of \$150,000 for the Comprehensive Plan update.

Preparation of the **Comprehensive Plan** by a consultant is proposed for several reasons. A consultant provides: 1) An outside perspective on challenges and alternative visions, 2) Knowledge of or experience in other communities with similar issues and successes in those communities, 3) Work tasks are not interrupted by day to day activities of the department, and 4) Experience with innovative public outreach techniques, like a project website or MindMixer. The effort is estimated to take approximately 18 months to complete. (The 2003 prepared in-house took approximately 36 months.) This amount of time is necessary to fully engage the public, all Boards and Commissions, and all City departments in the planning process. Review of background information, meeting with each department and each Board and Commission, preparation of materials for public meetings, conducting a series of charrettes, analyzing alternatives, synthesizing public input, and preparing a document are tasks expected to be performed during the planning process. A smaller budget means that a consultant will have to cut back the number of meetings, charrettes, alternatives proposed and analyzed, and public outreach efforts. Staff will work throughout the consultant selection process to obtain the most complete and effective work program for the fees proposed.

The **Art Shuttle** should be fully funded with the City's share estimated at \$65,000, an increase of \$4,650 from 2013. The **Catalyst Program** is funded at \$110,000, the same amount as in 2013. The matching funds for the DRCOG "Next Steps" study (\$40,000) are included in the Capital Projects Budget.

A major reduction in the 2014 Budget involves the **Housing Rehab Program**. Retirements (one certain, the other probable) of the two individuals involved in the program require a determination of whether this is an essential service to continue to be provided by the City. Currently, the basic components of the program are: 1) Rehab loan assistance, 2) Loans for emergency repairs, 3) Redemption, rehab and sale of foreclosed homes, and 4) Energy Efficient Englewood (E<sup>3</sup>). Administration of the E<sup>3</sup> and servicing of existing loans can be accomplished in-house with present staff. Beyond the retirement dates, there is no funding for personnel to administer the other components of the Housing Rehab program. The proposed budget does not include funding to hire replacement staff or outsource the other components of the program.

It is estimated that approximately \$30,000 - \$40,000 would be needed to outsource the housing rehab loan program and related functions. E<sup>3</sup> could be outsourced at a cost of \$10,000. Staff has contacted two non-profits who may be interested in taking over both or some aspects of the rehab and E<sup>3</sup> programs. However, the CDBG administration dollars (15% of grant for program) would be requested in order to administer the program. This would offset some of the cost for the non-profit administering the program, but would also reduce a revenue source to the City.

Direction from Council is needed to determine what components of the housing rehab program, if any, will continue to be provided by the City, with corresponding funding to administer those components. The components include rehab loans, loans for emergency repairs, and redemption and rehab of foreclosed properties. Administration of E<sup>3</sup> grants can be accomplished in house with current staff.

C i t y o f E n g l e w o o d  
F i r e D e p a r t m e n t

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M E M O R A N D U M

**To:** Gary Sears, City Manager  
**From:** Andrew Marsh, Fire Chief  
**Date:** August 21, 2013  
**Subject:** 2014 Budget Request

The Englewood Fire Department continues to provide a high level of service to the Englewood community through emergency response and life safety programs. In 2012, the department responded to 4,371 calls for service, mitigating fire, medical, hazardous materials and technical rescue emergencies in the city. The department also delivered 172 fire and life safety education presentations and performed 1,275 business fire safety inspections.

The 2014 Budget Request was prepared and submitted by the Fire Department staff prior to my start date on August 19. On the revenue side, staff is proposing a fire department fee schedule that will cover more of the costs associated with permitting, plan review and inspection. We are scheduled to present this proposal at the City Council meeting on September 16. Additionally, staff is estimating that an average year of wildland fire deployments could net \$50,000 in revenue.

On the expense side, staff is requesting two new positions. The first would restore the position of Assistant Fire Marshal. If the proposed fire permit fee schedule is adopted, staff projects that the cost of this position would be covered by the new revenue from fees. The second position would restore the position of Division Chief of Support Services. Additionally, staff is requesting funding to address concerns with salary compression among the ranks.

In summary, staff believes that additional revenues are possible with the adoption of a fire fee schedule and with future wildland fire deployments. Also, staff believes that maintaining adequate service levels into 2014 and beyond will require some attention to administrative staffing levels.

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## Memorandum

**To:** Gary Sears, City Manager  
**From:** Frank Gryglewicz, Director of Finance and Administrative Services  
**Date:** August 21, 2013  
**Subject:** Finance and Administrative Services (FAS) Budget 2013/2014

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Finance and Administrative Services (FAS) 2013 approved budget is \$1,583,684; an 8.1 percent increase over the 2012 actual. The proposed 2014 budget is \$1,625,150 or 4.2 percent more than 2013 estimate. To reduce the 2014 proposed budget to 2013 Budget would require a reduction of \$41,466.

To achieve the above reduction the following needs to be considered:

The Assistant City Clerk position was filled this year. The position became vacant due to a scheduled retirement on August 31, 2012 (full-time position, 1 FTE). This position was requested to be reclassified and hired as a Deputy City Clerk but was filled as an Assistant City Clerk. Since 2004 the City Clerk's responsibilities and processes have continued to expand, especially open record requests and liquor and medical marijuana licensing making this a critical position.

It is vital to maintain a City Clerk, Deputy City Clerk and Assistant City Clerk to deal with the increasing workload, provide staffing for Council meetings, conduct elections, liquor and marijuana licensing, and prepare and implement succession plans, etc.

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 very difficult to reduce the budget further without personnel reductions listed below. 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, 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 back up.

To achieve the 2014 budget target of \$1,583,684 cuts in personnel would be required; this would impact service delivery.



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

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TO: MAYOR PENN AND CITY COUNCIL MEMBERS  
THROUGH: GARY SEARS, CITY MANAGER  
CC: MIKE FLAHERTY, DEPUTY CITY MANAGER  
FROM: SUE EATON, DIRECTOR OF HUMAN RESOURCES *SE*  
DATE: AUGUST 21, 2013  
SUBJECT: 2014 HUMAN RESOURCES BUDGET

Human Resources 2014 budget is proposed at \$468,886 or **2.06% lower** than our 2013 budget and below our actual 2012 expenditures. Also of note is our 2013 estimate is **4.93% lower** than the approved 2013 budget.

These savings were primarily made possible due to the reduction of hours of one previously full time employee, our Training Specialist, to part time. Many of the programs she introduced over the last several years – Englewood Leadership Institute, The Summit for Professional Growth, The Professional Development Program, Supervisory Training Series, Computer Coaches Network, Executive Coaching Program, etc. – now require fewer hours of her time. This is because the labor intensive program development phases of the programs were already accomplished and the actual delivery of the programs became more efficient over time. As a result of this status change, the City continues to enjoy a robust training environment at a sustainable, lower cost.

Another factor in the 2013 expenditure savings was the reduction in legal expenses. Neither of our scheduled 2013 union negotiations went to impasse, thus saving the costs of a budgeted arbitrator. Nor did we have any new employee appeals that required outside legal intervention. It is not known at this time if these 2013 savings will be sustainable from year to year, so I budget for these potential expenses annually.

Because many of the programs administered by Human Resources (labor relations, recruitment, tuition reimbursement, employee acknowledgement, etc.) are for the benefit of the entire City, I would be reluctant to propose the elimination or reduction of any without prior consultation with the executive team. I will initiate that conversation if required to reduce my budget beyond the current 2.06% reduction.



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

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**MEMORANDUM**

**To:** Gary Sears, City Manager

**From:** Jeff Konishi, Information Technology Director  
Dawn Sanchez, Information Technology Project Manager

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

**Date:** August 21, 2013

**Subject:** 2014 Budget Memo

As the Information Technology Department 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 currently implementing an online Sales Tax solution that will encourage all businesses that provide sales tax to Englewood, an online method for submitting tax and license information. This solution will help businesses identify the City of Englewood as “technology friendly” when having to deal with sales tax matters.

For the IT Department, technology has evolved into more than just PC’s and servers, and we are striving to maintain a direction to deliver the most efficient and cost effective way for citizens and users to leverage technology in working with the city. In addition, we are always looking to partner with other Cities across the U.S. to help minimize costs and try to provide a consistent solution to citizens – no matter what City the work with. Insuring that we provide mobile solutions for ease of use to citizens and City staff as well as securing those solutions will continue to be a priority for our department.

For the 2013 Full-Year Estimate of the Information Technology budget, I am projecting a 1% amount below budget through salary savings. By holding the part-time Application Support position open after this position is vacant, it will contribute to maintaining the IT budget projection for 2013.

For the 2014 budget, I am estimating a \$1,379,209 budget which includes a new expense for email licensing which has been paid through the PIF in prior years. Email licensing in the past has been funded through a 3-year agreement with Microsoft; however, email will now be a monthly subscription charge totaling \$26, 012.16 per year. Since this service will be a month-to-month subscription instead of a 3 year commitment, I am reallocating this amount to be properly reflected in the IT operating budget.

I am proposing to continue to hold open the part-time Support Analyst position for 2014 to offset this increase in budget. The major risk in this action would be having a single point of failure for all Oracle application support since the part-time Support Analyst was the backup person. To offset this risk, we will be engaging in a support contract with a 3<sup>rd</sup>-party vendor to insure that there are minimal interruptions in Oracle processing.



# Memorandum

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Englewood Public Library

**TO:** Mayor Penn and Members of City Council  
**THROUGH:** Gary Sears, City Manager  
**FROM:** Dorothy Hargrove, Director of Library Services  
**DATE:** August 20, 2013  
**SUBJECT:** 2014 Budget

July is always a busy month at the Englewood Public Library. Summer programs keep children reading even during school holidays. Families come in looking for audio books to share on those long trips to grandmother's house. Even so, I was surprised to see that last month the Library checked out 30% more material than we did two years ago.

And it's not just circulation that's grown. We've seen increases in the number of people who come through our doors every day, in requests for research and homework assistance, in attendance at children's programs and storytimes, in demand for meeting room space, in the use of our public internet computers, and in the number of people who use the Career Help Center to look for jobs. By any measure, the Library is providing more services than ever before. The Pew Research Center recently published the results of a nationwide study that found 90% of respondents felt that public libraries were important to their community. The Englewood community is no exception, if these measures of activity are any guide.

We have been able to deliver these services and maintain an essentially flat budget by instituting operational efficiencies and reallocating staff. Joining the Marmot Library Network allowed us to provide access to almost 4 million items that we would otherwise never be able to afford. We are exploring new ways to cooperate with the Englewood Public Schools and have partnered with the Parks and Recreation Department for special programs. We are planning to remodel the Children's Room with donated funds. Whenever possible, we take advantage of consortium pricing for databases and many digital materials to minimize expenses.

We will be able to maintain library services to meet community demand so long as budgeted funds are not significantly reduced. While some improvements, such as the addition of self-check machines, would provide better service, the need does not at this time justify the capital expenditure. Our public computers, even with heavy use, should last for a few more years. We appreciate the vote of confidence that our citizens have given us, and we look forward to continuing our tradition of excellent library service.

## MEMORANDUM



TO: Gary Sears, City Manager

FROM: Jerrell Black, Director of Parks and Recreation

DATE:: August 19, 2013

RE: 2014 Parks and Recreation Budget Overview

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The mission of the Department of Parks and Recreation is to provide opportunities for Englewood residents and others to pursue their leisure interests and needs. The Department offers individual and group programs at City and community facilities in a manner designed to encourage and support the broad participation of Englewood residents during all stages of their lives. Facilities that help sustain our mission include numerous parks, open spaces and green sites, the Englewood Recreation Center, the Malley Senior Recreation Center, Broken Tee Golf Course, and Pirates Cove Outdoor Family Aquatics Center.

In order to meet the guidelines for the 2014 budget, the department has provided specific revenue enhancements and expenditure reductions to our operating budgets. (Please see the attached document).

In addition to specific budget items listed, the following are key issues/projects that the department will coordinate in 2014.

- Duncan Park – Final plans and specifications will be completed in the last quarter of 2013 and the project will be bid in late 2013 or early 2014.
- Northwest Green Belt – The department will complete the installation of new playground equipment in late 2013 or early 2014. Total cost of the project is \$260,000. Funding for this project came from an Arapahoe County Open Grant of \$156,000 with a \$104,000 match from the 2013 Open Space Fund.
- Malley Center Extended Hours - \$15,000 is included in the 2014 budget to continue the extended hours at the Malley Senior Recreation Center.
- Pirates Cove Expansion – We will initiate a design study for Pirates Cove in early 2014. This study is funded in the 2013 Conservation Trust Fund.
- Englewood Recreation Center Boiler Replacement/Handicap Lift – The Public Works Department is replacing two of the three boilers as part of the HVAC system. These were original boilers installed in 1985. They are also replacing the handicap lift that is beyond repair.
- Market Place Fabri-Dam Replacement Study – In 2014, we will perform a study to identify the issues and the total cost for replacement of the Fabri-Damn located at Little Dry Creek and the Market Place Center.
- Platte River Development – We will complete the preliminary design of the site at the Broken Tee Golf Course and the South Platte River. The design will include a

large shelter, a restroom, a playground area, ADA access to the Platte River and trail connectivity. Total cost of the design is approximately \$130,000. Funding for the design is from a grant from Arapahoe County Open Space in the amount of \$50,000 and \$80,000 in matching funds from the 2013 Open Space Fund. The City will contract with Urban Drainage/McLaughlin Whitewater for the final design.

- Englewood Schools Partnerships:

Intergovernmental Agreements: We are reviewing and updating existing Intergovernmental Agreements to make sure that they are still valid and appropriate. We will bring these forward to City Council for review in the fall of 2013.

Hosanna Complex – The School District is building a new girls softball field at the Hosanna Complex. We are in the process of renegotiating our existing maintenance agreement and costs associated with that agreement.

Synthetic Turf Field – Staff is partnering with the School District to build a new synthetic field at the new high school campus. The cost of the project is approximately \$500,000. We plan to apply for an Arapahoe County Open Space grant in February 2014 to help fund the project. The grant request will be for \$250,000 and the School District will provide the match amount. Tentative discussions are that the Parks and Recreation Department will schedule the facility and the School District will maintain the site. The Grant Application to Arapahoe County will require a formal intergovernmental agreement with Englewood Schools. Staff will be bringing forward the grant application and the agreement for Council's consideration late in 2013 or early 2014.

#### Golf Course:

- McBroom Ditch Pipe Replacement – The golf course is replacing an irrigation pipe on the west side of the river that provides back up water to our irrigation system.
- Irrigation Well Repair – The irrigation pump station well that pumps water to the entire front nine holes is being rebuild at a cost of approximately \$135,000. Funding is from the golf course fund.
- Pro Shop Redesign – The golf course pro shop will have a minor renovation to better market golf equipment and merchandise. Pro Shop sales average about \$150,000 annually.
- Golf Course Clubhouse – Replacement of the HVAC system.
- Driving Range Dispenser – Replacement of the driving range dispenser. This will reduce staff costs.

### Revenue Increases

- Malley Senior Recreation Center \$15,500  
Create an annual membership fee or admission fee
- Increase swim rental fees 10% \$1,000
- Increase private swim lessons fees 10% \$1,700
- Pirates Cove Rate increases \$30,400
  - Birthday Party rates increase 10% \$6,400
  - Rental Fee increase 10% \$4,000
  - Cabana Rental Fee increase 10% \$2,000
  - Concession rates increase 10% \$18,000
- Increase Adult Sports Volleyball League Fees \$2,000
- Increase Youth Sports Basketball Fees \$1,000
- Increase Field Rental Rate \$6,300
- Increase Park Shelter Rental Fees \$9,000

### Expenditure Reductions – General Recreation

- Eliminate Program Administrator Position YOUTH SPORTS \$61,216.  
Staff will work with Youth Sports Associations and Englewood Schools to transition as many programs as possible.
- Reduce Youth Learn to Swim Lessons (one day) \$1,200.

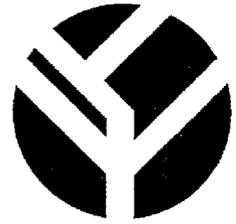
### Expenditure Reductions - Parks

- Temporary wages – eliminate 2 seasonal worker positions \$15,000  
The loss of 2 seasonal positions will result in reduced/delayed trash pickup, graffiti removal and a reduction in maintenance in both Belleview Park and Hosanna Athletic Fields.
- Operating Supplies General - reduction in the purchase of supplies \$10,000  
Reduction in purchase of supplies (recreation supplies, graffiti supplies, etc.).
- Clothing - reduction in the amount of clothing purchases \$3,500  
This will reduce the amount each full time staff has to spend on clothing. Tee shirts for seasonal staff will also not be purchased.
- Chemicals – reduction in purchase of pesticides \$1,400  
Reduce the amount spent for pesticides. This will impact weed spraying throughout the City and in the parks. Also, will impact mosquito treatments.
- Agricultural Supplies – reduction in the purchase of fertilizer and seed \$7,000

Reducing the amount of fertilizer will impact the vigor and quality of turf grass throughout all parks. Elimination of over seeding will result in poorer turf quality and an increase in weed growth.

- Repair/Maintenance General – median maintenance, irrigation pump repairs, electrical repairs \$24,000  
Reductions will have a direct impact on median maintenance, most likely weed abatement and pruning.
- Sprinkler System- eliminate capital irrigation purchases \$5,000  
All irrigation capital purchases made using Open Space Fund. Reduces the amount of capital for irrigation replacements in the parks.
- Operating Machinery & Equipment – Eliminate small capital purchases \$5,000  
All capital equipment replacement purchases will have to be made from the Open Space Fund. (Weed Eaters, leaf blowers, hand mowers, etc.)

TJB  
2014 Parks and Recreation Budget Overview



# Memorandum

**TO:** Gary Sears, City Manager

**FROM:** Debby Severa, Recording Secretary ✓  
Parks and Recreation Commission

**DATE:** August 13, 2013

**RE:** 2014 Capital Projects Budget Recommendation

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At the August Parks and Recreation Commission meeting, Director Jerrell Black presented to the Commission the 2014 Parks and Recreation Capital Budget that included requests for the 2014 Open Space Fund and Conservation Trust Fund. Following review of the requests,

**A motion was made by Commission Member Garrett and seconded by Commission Member Waldman to recommend to the City Manager to accept the 2014 Conservation Trust Fund and Open Space proposals as presented by the Parks and Recreation staff.**

**Ayes:** Gomes, Waldman, Garrett, Miller, Tucker  
**Nays:** None

**The motion carried.**

ds/JB  
H:\PRC\Recommendation\2014 Capital Budget.doc

cc: Michael Flaherty  
Frank Gryglewicz  
Parks and Recreation Commission



# Memorandum

**TO:** Gary Sears, City Manager  
**FROM:** Debby Severa, Recording Secretary  
Parks and Recreation Commission ✓  
**DATE:** August 14, 2013  
**RE:** 2014 Park Pavilion Fee Increase

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At the August Parks and Recreation Commission meeting, Manager of Open Space, Dave Lee, presented to the Board a proposal for a fee increase for park pavilion rentals in 2014. Following discussion,

**A motion was made by Commission Member Garrett and seconded by Commission Member Waldman to accept staff's proposal to increase fees for park pavilion rentals in 2014.**

**Ayes:** Gomes, Waldman, Garrett, Miller, Tucker  
**Nayes:** None

**The motion carried.**

ds/JB  
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cc: Michael Flaherty  
Frank Gryglewicz  
Parks and Recreation Commission



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

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August 7, 2013

Englewood City Council  
1000 Englewood Parkway  
Englewood, CO 80110

Dear Englewood City Council Members,

In 2010, the Malley Trust Fund Trustees and the Malley Advisory Committee presented a proposal to City Council to expand the Malley Recreation Center operating hours in the evenings, Saturdays and secondary holidays. This made the center more convenient for many employed seniors. It required additional staffing of a part-time Customer Service Representative and Cashiers. It was determined that an amount of \$31,051 annually would be needed to fund the staffing for these hours.

In 2010, an agreement between City Council and the Malley Trust Fund was reached. A trial program of three years was initiated. It was agreed that the Trust Fund would support the program monetarily, paying 50% of the cost with the other 50% payable by the City of Englewood. The proposal was taken to City Council and approved in late 2010.

The three year trial program concludes at the end of fiscal year 2013. The Malley Trust Fund and the Malley Advisory Committee feel the program has been successful and wish to see it continue. We are astounded by the participation numbers and have attached statistics showing the number of people who are taking advantage of the center after 5 p.m. and Saturday mornings.

The seniors who utilize the Center during these hours appreciate the access to health and wellness opportunities. These extended hours have become a fundamental part of the recreational opportunities offered to the seniors in Englewood.

At this time, the members of the Malley Trust Fund and the Malley Advisory Committee would like to ask City Council members for their support to fund the cost of the extended hours program and make this a permanent opportunity for seniors in Englewood.

Sincerely,

Selwyn Hewitt, Chair  
Malley Center Trust Fund

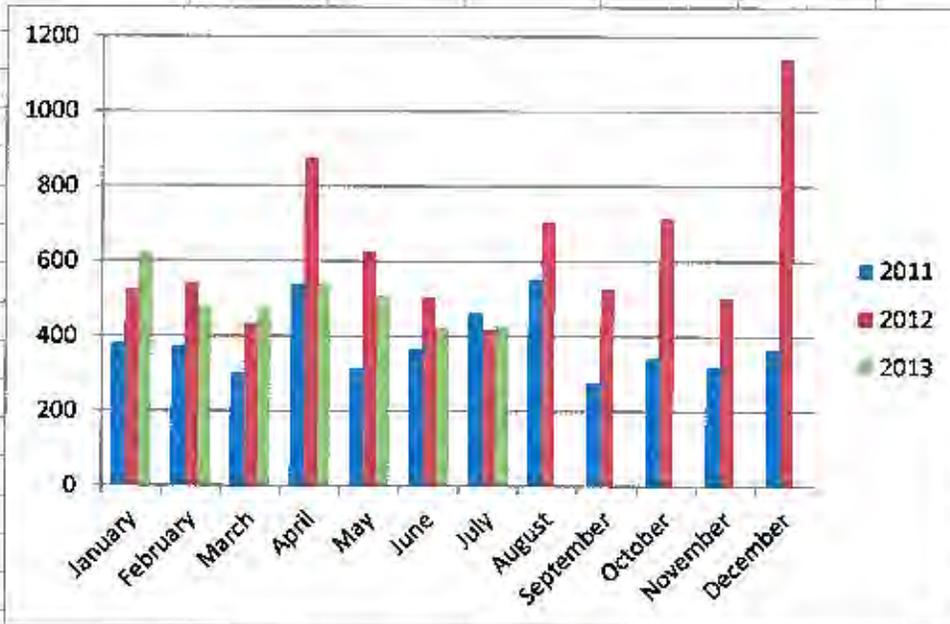
  
Don Roll, Chair  
Malley Advisory Committee

Malley Advisory Committee

Comparison

2011, 2012, 2013

	2011	2012	2013
January	382	526	623
February	375	540	479
March	303	432	475
April	536	873	539
May	316	625	509
June	368	503	423
July	463	417	431
August	553	705	
September	277	528	
October	345	714	
November	318	504	
December	365	1140	
Totals	4601	7507	3479



Advisory Stats 3 Years

Extended Hours 3 year pilot stats

# Memorandum

To: Gary Sears, City Manager  
From: John Collins, Chief of Police  
Date: August 21, 2013  
Subject: Department Overview

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The Police Department is comprised of three divisions, the Patrol Operations Division, the Support Services Division and the Special Operations Division.

Over the course of the last few years the Police Department has been able to provide quality customer service to the community despite a very difficult financial climate. The Police Department has funded activities and programs via prudent budgetary expenditures and utilization of available forfeiture and grant monies. The Police Department has also met the challenge in developing its workforce by providing quality training and equipment to them so that they may meet the challenges of their job.

The Department Directors have been asked to develop a budget that is in line with the current 2013 actual estimate. The projected 2014 budget for the Police Department is \$11,615,367.00 and the 2013 actual estimate is \$11,264,322.00. The reduction figure is \$351,045.00.

In 2014, the Police Department will assign one officer to the East Metro Auto Theft Task Force. This task force is funded through CATPA and will pay the officer's salary, benefits and overtime. The estimated savings to the City is \$100,000.00. The Detective Bureau has an expected staffing level of 10 detectives. The current level is 9 detectives and the loss of an additional detective to EMATT in 2014 (bringing the staffing level to 8) will most certainly affect service levels to the community.

In January 2014, the Traffic Sergeant will be assigned to Patrol Operations. One officer will be added to the Traffic Enforcement Team which will realize an increase in traffic summonses that are issued. It is estimated that this addition may add an additional \$30,000 to Fines and Forfeitures.

Additional positions will need to be eliminated in order to reach the target in budgetary reduction. The first position to be eliminated will have a direct impact on service delivery

to the public. The reduction of the Police Desk Officer will place additional responsibilities on patrol officers who will be taken out of service in order to take phone reports and to meet with citizens in the police lobby. There will also be a reduction in revenue that is derived from fingerprinting requests from the community. Secondly, there is an anticipated retirement in the first part of 2014 by a Communications Supervisor. This reduction will place all supervisory responsibilities upon the lone supervisor. Currently, supervisors work the communications console and that practice will be discontinued and as a result overtime costs will increase. The third position to be eliminated will be a Code Enforcement position. The Police Department has struggled in the past in maintaining staffing levels and providing the expected service delivery from Code Enforcement to the community. Code Enforcement is currently at full-staff and will once again struggle with service delivery if this position is eliminated.

It should be noted that the City's responsibility to the COPS grant will be completed in 2014. There is a remaining \$100,000.00 from the LATR fund that will partially fund the Impact Team through 2014.

# MEMORANDUM



TO: Gary Sears, City Manager  
FROM: Rick Kahm, Director of Public Works ✓  
DATE: August 21, 2013  
SUBJECT: PUBLIC WORKS PROPOSED BUDGET 2014

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**The Public Works proposed Budget for 2014 is \$5,506,730.** Our target, in preparing the 2014 Budget, was to maintain, as close as possible, the 2013 level. We have accomplished this goal through a combination of expenditure reductions and additional revenue for the General Fund while absorbing the majority of increases in wages, benefit costs, fuel costs, energy costs, and adjustments associated with some Departmental reorganization. The proposed Budget **includes eliminating one, presently vacant, full-time custodial position in Building Operations**, and moving one Engineering position from the Concrete Utility to the Engineering Division budget.

Over the last eight budget cycles (including the 2013 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, and Building Operations by 4). Through new found efficiencies, we have managed to minimize loss of service to the public. Those reductions and efficiencies equate to sustainable savings approaching \$1,100,000 per year. With the proposed changes for 2014, Public Works has reduced staffing levels by 13 FTE's...18.8%. **These reductions and efficiencies equate to a sustainable savings approaching \$1,150,000 per year.**

As we move forward into 2014, we propose to maintain an acceptable level of service with the efforts of 47 folks in our five (5) Public Works Divisions: Streets and Drainage, General Operations and Maintenance, Administration, Engineering Services (includes Concrete Utility Fund), and Traffic Engineering, as well as ten 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, a second in 2011, and a third proposed for 2014, the Day Porter situation has been somewhat compromised. While not an ideal situation, we will continue to provide an acceptable level of service. I continue to have ongoing discussions with Parks and Recreation to fully evaluate service impacts at the Recreation Center and at Malley.

In 2011, we shifted away from sand and salt to Ice Slicer and Magnesium Chloride to deal 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 and \$60,000 for 2008); \$200,000 for 2010, \$100,000 for 2011, \$100,000 for 2012 and an additional \$100,000 in 2013. Over the past seven Budget cycles, about \$1.678 million has been shifted from the Servicer Fund to the General Fund, and 1.638 million from the CERF fund to the General Fund; leaving those Fund balances relatively low. **For 2014, we are proposing an additional \$200,000 from the Servicer to the General Fund, increasing that number to \$1.878 million over eight years.**

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.**

/lt

# MEMORANDUM



To: Gary Sears, City Manager

From: Stu Foster, Department Director

Date: August 20, 2013

Subject: Proposed 2014 Preliminary Utilities Department Budget

## **Water Enterprise Fund:**

At present, the Water Enterprise Fund is adequately funded such that no rate increases are foreseen for the next few years. The Water Fund sold bonds to finance the UV project at the Allen Water Treatment Plant which is nearing substantial completion and is coming in about \$500,000 under budget. The bonding will also cover the cost of our next major projects of both roofs at the Clarkson/Belleview water storage tanks and the Allen Plant roof. Funds will also be set aside to replace more of our aging water mains. Our current level of staffing is adequate to meet the needs of the Department.

## **Sewer Enterprise Fund:**

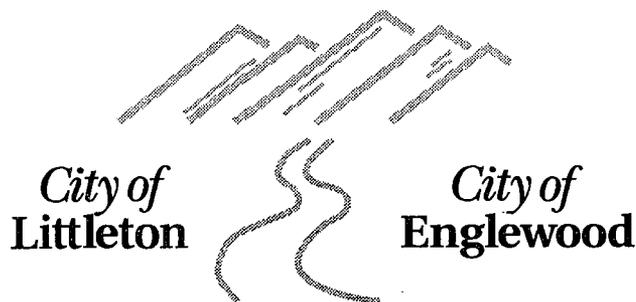
Approximately 76% of the Sewer Fund goes to pay for Littleton/Englewood Wastewater Treatment Plant operations and maintenance, capital projects and debt service. In 2012 Council passed 4% rate increases for each of the years 2013 through 2015. With a proposed bond sale in 2014 of \$2,000,000 to cover WWTP capital projects, this Fund should be adequately funded into 2016 at which time further adjustments may need to be considered for the next major capital project (nutrient removal) at the WWTP. Our present staffing levels are adequate to meet our needs, so no new positions will be requested.

## **Storm Water Enterprise Fund:**

The Storm Water Enterprise Fund is healthy with an approximate balance of \$1.2M and an annual revenue of \$325K which covers O&M and debit service. No major capital projects are anticipated. Inspection of the aging corrugated pipes is planned for the next two years. The cost of regulatory compliance with the new 5-year MS4 Permit is being evaluated. Facilities upgrades, dry-weather monitoring and additional construction/post-construction inspection requirements are a few examples of the foreseen mandates

**LITTLETON/ENGLEWOOD  
WASTEWATER TREATMENT PLANT**

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**MEMORANDUM**

**TO:** Stewart Fonda, Utilities Director  
**FROM:** Dennis W. Stowe, L/E WWTP Manager  
**DATE:** August 21, 2013  
**SUBJECT:** 2014 Proposed Budget  
Littleton/Englewood WWTP

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The 2014 proposed budget for the Littleton/Englewood WWTP is a total of \$17,107,148 and is based on a status quo approach to the operating, maintenance and administrative activities at the plant. The budget includes some routine, but significant, capital replacements of aging equipment, some infrastructure repair work and one process project to improve reliability. There are no additional staff positions and the WWTP fleet will be reduced by one vehicle. The 2014 proposed budget is approximately 5.2% above the 2013 budget primarily because of the capital portion of the budget.

The O&M portion of the budget, which \$14,607,148, is based on status quo activities at the plant. However, personnel costs will be increasing due to salary increases, additional health care costs and retirement costs. There are some routine, but significant, capital replacements scheduled for 2014, including replacing four over the road trailers used in our beneficial use program (the trailers are over their intended service life), replacing a major piece of laboratory equipment (over its' intended service life and will not be supported by the manufacturer) and several vehicles that are 10+ years old. There are some other capital replacements that are being delayed to 2015 to even out the cost from year to year.

The infrastructure project budget continues at the same level as 2013, at \$1,500,000. Projects planned for 2014 include adding access to several buildings, repairing the structure of the administration building, replacing lighting in older process areas (an energy conservation project, also), replacing an under sized HVAC system, replacing large plant gates used for process control, and performing work in the solids dewatering building.

There is one process project planned for 2014. This project will be in the disinfection system at the plant. Planning for this project is being performed in 2013 and is based on the recommendations of a previous CH2MHill report, although not all recommended changes will be included in the project. The project will also include some significant maintenance work on the current system to maintain reliability for the next five to seven years. The project is estimated at \$1,000,000.

In addition, the discharge permit for the facility expires in 2014. We are required to apply for a renewal permit in 2014. The application process is a large effort as the renewal permit, issued by the Colorado Water Quality Control Division, will contain all the requirements we need to comply with, including permit limitations (new limits are expected for phosphorus and total inorganic nitrogen, revised permit limits for temperature, etc), and compliance schedules for special projects (our last renewal permit contained three schedules). Recent changes in WQCD permitting procedures may result in a new permit by 2015.