

# AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 8

DATE: February 16, 1999

STAFF: Doug Smith

## SUBJECT:

Second Reading of Ordinance No. 15, 1999, Appropriating Prior Year Reserves.

## RECOMMENDATION:

Staff recommends adoption of the Ordinance on Second Reading.

## EXECUTIVE SUMMARY:

Funds were appropriated in 1998 for specific purposes but not spent. The unspent funds were added to fund reserves at the end of 1998. Appropriations were typically not spent because:

- There was not sufficient time to complete bidding in 1998 and thus there was no known vendor or binding contract to encumber the funds for expenditure in 1999.
- The project for which the funds were originally appropriated could not be completed during 1998 and, therefore, appropriation of those funds is necessary for completion of the project in 1999.

Ordinance No. 15, 1999, which was unanimously adopted on First Reading on February 2, 1999, reappropriates the 1998 funds for the same uses in 1999 as were originally approved by Council in 1998.

# AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 11

DATE: February 2, 1999

STAFF: Doug Smith

## SUBJECT:

First Reading of Ordinance No. 15, 1999, Appropriating Prior Year Reserves.

## RECOMMENDATION:

Staff recommends adoption of the Ordinance on First Reading.

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## FINANCIAL IMPACT:

The funds recommended for appropriation are unencumbered funds from 1998. Appropriating these unencumbered funds does not affect the projected year-end balances presented in the adopted 1998-1999 Biennial Budget. Reserves at 1998 year-end appropriated by this Ordinance are as follows:

General Fund	\$2,783,585
Cultural Services and Facilities Fund	290,801
Equipment Fund	6,690
Light & Power Fund	2,246,043
Storm Drainage Fund	32,242
Transportation Services Fund	140,575
Wastewater Fund	82,287
Water Fund	165,915

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## EXECUTIVE SUMMARY:

Funds were appropriated in 1998 for specific purposes as described below, but not spent. The unspent funds were added to fund reserves at the end of 1998. Appropriations were typically not spent because:

- There was not sufficient time to complete bidding in 1998 and thus there was no known vendor or binding contract to encumber the funds for expenditure in 1999.
- The project for which the funds were originally appropriated could not be completed during 1998 and, therefore, appropriation of those funds is necessary for completion of the project in 1999.

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This Ordinance reappropriates the 1998 funds for the same uses in 1999 as were originally approved by Council in 1998.

## GENERAL FUND

Larimer County Outreach Services - \$14,301 Larimer County contributed \$31,850 in 1998 to the Fort Collins Library for Outreach Services in Larimer County. Of this amount \$14,301 was unspent at year-end. The unspent funds are needed to continue the outreach service in 1999 until the 1999 contribution is received from the County funds are usually received in the April or May. County

These funds lapse into reserves at the end of the year and cannot be carried over to be spent in 1999 because the City Charter allows the carryover of federal or state grants, but not County grants. Therefore, \$14,301 is available in 1998 reserves and needs to be reappropriated for Library Outreach Services in Larimer County.

Library Information Networking a Community (LINC) - \$44,751 In April of 1998, the City appropriated \$49,750 that was received from an anonymous donor to continue the ongoing LINC project. This project is a cooperation between Poudre School District and the Fort Collins Public Library. In 1998, grant funds were also received which were used to cover the cost of electronic subscriptions and workstations. There are appropriations of \$44,751 remaining from the anonymous donor to fund the LINC project in 1999. These funds are requested for reappropriation to continue subscriptions to Electronic Databases and to upgrade computer furniture and workstations in the children's area of the library.

Office Building Lease/Purchase - \$185,901 Funds were set aside in 1997, 1998 and 1999 for the annual lease/purchase payment for the new office building. The total amount set aside and included in the 1998-1999 budget is approximately \$900,000. Original estimates called for payment to begin in 2000 so, rather than have the dollars that were set aside not being used, the monies were included for various one-time projects such as major building maintenance and Facilities Master Plan activities in the 1999 budget. However, because of the timing of the finance package for the office building, \$660,078 was needed for a payment in 1999. The 1999 budget appropriated \$474,177 for the building lease/purchase. An additional \$185,901 was appropriated in 1998 for the 1999 payment. The \$185,901 in appropriations lapsed into reserves at the end of 1998 and needs to be reappropriated to fund the 1999 payment of \$660,078.

Commission on the Status of Women - \$1,543 The Commission on the Status of Women received funds in 1998 to complete its updated study of the 1986 task force report. These funds were to be used for hiring a technical writer and printing the finished report. Due to delays in gathering data needed to complete the report, the project was not completed by the end of the year. The technical writer is in the process of completing the report and the printing will follow. This item reappropriates the remaining funds of \$1,543 to complete the updated report on the status of women in Fort Collins.

Multicultural Commission - \$307 The City is acting as the fund collector and disbursing for the Multicultural Commission. In 1995 the City received and appropriated \$1,200 for the Commission. To date, approximately \$893 has been spent leaving \$307 available for 1999 needs. This item reappropriates the unspent funds for the Multicultural Commission.

Community Opportunity Investments - \$193,756 The Community Opportunity Investments funds are appropriated to address potential projects and needs that were discussed during the budget process and other projects that may be identified during the year that might be of benefit to the City. During 1998, \$307,220 was appropriated for potential needs. At the end of 1998 there are one-time funds in the amount of \$193,756 that have not been spent or included in the 1999 budget. This item reappropriates the remaining one-time funds for potential projects and needs in 1999.

Camera Radar and Red-Light Camera Systems - \$344,789 Ordinance No. 132, 1998 appropriated \$640,800 of estimated ticket revenue for the 1998-1999 camera radar and red-light camera programs. There were also available funds in the amount of \$157,776 from the prior year's program.

Appropriations in the amount of \$344,789 have not been spent or encumbered in 1998. These appropriations were set aside to pay any additional costs which City departments might incur related to the use of camera radar and red-light camera systems or related to other programs intended to address the City's current traffic problems. Municipal Court, Police Services, Traffic Engineering, and the City Attorney's Office are tracking their expenses related to the camera radar program. This item reappropriates the \$344,789 for the camera radar program and related expenses in 1999.

J.D. Edwards Financial System - \$803,200 The Finance Department had approximately \$1.4 million appropriated in 1998 for expenditures related to the implementation of a new financial system. The funds in this Ordinance will be used for lease purchase payments for the J.D. Edwards Financial System and associated consulting costs. This is an ongoing project to be completed over the next several years. This item reappropriates unspent funds in the amount of \$803,200 for project costs in 1999.

Landmark Rehabilitation Grant Program - \$14,124 In 1998, \$30,630 was appropriated for the City's Landmark Rehabilitation Grant Program. Applicants have until Spring 1999 to complete their projects, therefore, some of the projects have not yet been completed. This item reappropriates the remaining \$14,124 for grant applicants who will complete their projects in 1999.

City Plan Revision - \$156,950 The 1998 budget included \$292,238 for the development of subarea plans under City Plan. The following subarea plans are currently underway: Mountain Vista Subarea Plan, Campus West Renewal Area Plan, the Downtown River Renewal Area Plan, the I-25 Corridor Plan, and the West Central Neighborhoods Plan. Work will continue on these plans during 1999. This item reappropriates the remaining funds of \$156,950 to complete these plans.

Historic Preservation - \$81,615 Historic Preservation receives ongoing funds for the Design Assistance Program and other historic preservation projects. Some of the projects approved under the Design Assistance Program have not yet been completed. These projects are underway so the remaining funds of \$81,615 need to be reappropriated to be available for the historic preservation projects.

Lease Purchase of Equipment - \$224,986 All lease purchase money appropriated in 1998 was not spent or encumbered as of December 31, 1998. Ordinance No. 144, 1997, adopted in October 1997, authorized the lease purchase of the new finance system. All of the vendors and costs have not been determined so \$193,479 could not be encumbered before year-end. Ordinance 178, 1997, adopted in November 1997, authorized the lease purchase of City vehicles and equipment. However, vendors had not been identified by year-end for all Police lease purchase equipment and thus, purchase orders could not be created (\$31,507). This item reappropriates the total of \$224,986 to complete the purchases of Police equipment and the new finance system.

Slurry Seal Parking Lots - \$28,095 In 1998 Parks Maintenance hired a contractor to slurry seal several parking lots. The contractor defaulted on its contract after finishing only one lot. Funds to complete the remaining lots are requested for reappropriation. These parking lots are located at Edora Park, Grandview Cemetery, the Indoor Pool, Fort Collins Heritage Park, and Overland Park.

Council Policy Agenda Projects - \$1,426 The City Manager's Office, Policy and Special Projects budget had funds appropriated in 1998 to support Council policy agenda projects. The funds in this Ordinance will be used to pay for a land survey performed in support of the site selection process

for the Community Horticulture Center. The survey was completed in 1998, but billing from the contractor was not received until January 1999. This item reappropriates \$1,426 in 1999 for this project cost.

Human Resources Computer Technical Support - \$3,000 The Human Resources Department had funds appropriated in 1998 for computer hardware/software technical support through COSS Technology Group, an outside vendor. In December, a COSS computer technician made necessary upgrades to Human Resources network server to solve the problem of the system crashing. In addition, JD Edwards software was installed on individual desktop computers to run the new financial system. This work was done later in the month and because of the earlier deadline for purchase orders, the \$3,000 could not be paid in 1998. This item requests the reappropriation of \$3,000 to pay for the technical support.

Human Resources Computer Upgrades - \$1,700 Human Resources Department also had funds appropriated for computer upgrades. To support the JD Edwards software specifications, a new computer needed to be purchased. A purchase order was entered, however, the computer and invoice were received after the year-end deadline and could not be paid in 1998. Appropriated funds of \$1,700 were returned to the 1998 budget and are now requested for reappropriation to pay for the computer in 1999.

Purchasing - Computers and Consulting Services - \$15,000 In 1998 Purchasing had funds to purchase two computers and obtain consulting services related to the JD Edwards Financial System. Because of the work required at the end of the year to bring up the system, the funds were not encumbered. The total amount requested for reappropriation is \$15,000; \$5,000 for two computers, and \$10,000 for consulting services.

Year 2000 Compliance - \$101,500 In 1998 \$233,000 was set aside in the General Fund budget for anticipated, but unfunded, expenses related to Year 2000 compliance. In 1998 a total of \$12,500 was expended for CSU interns and project management software for the Year 2000 project and \$119,000 was transferred to Transportation to upgrade traffic system computers for Y2K compliance. This leaves a balance of \$101,500 that needs to be reappropriated to the 1999 budget for Year 2000 related expenses. These expenses include \$25,500 to hire a contract web developer which will free up existing IT Department resources to dedicate to the Y2K project, and the balance of \$76,000 to be reappropriated in the General Fund non-departmental budget as a contingency for Y2K needs.

Cable/Video Production Studio - \$130,000 In 1998, \$180,000 was appropriated to fund remodeling and equipment costs related to a cable/video production studio. A feasibility study was completed in 1998 on this project, and a partnership with Larimer County and Poudre Fire Authority is being explored to provide the additional funding identified in the feasibility study. Regardless of the outcome of those discussions, the IT Department will proceed in 1999 to renovate space in the basement of City Hall for a cable studio. The IT Department requests reappropriation of the unencumbered amount of \$130,000 to be used in 1999.

Network Documentation Software Tool - \$5,000 Due to other priorities in late 1998, the evaluation of a network documentation software tool was delayed. The analysis is continuing and funds need to be reappropriated for the purchase of the software when the appropriate software is selected.

Community Mediation Program - \$18,278 The Community Mediation Program has been funded though September 1999 by a grant from the United States Department of Education. The match for this grant as well as funding for October through December 1999 was transferred in 1998 from the Community Opportunities Investment Fund. This item reappropriates the remaining funds to continue the Community Mediation Program though December, 1999.

Human Rights Office Intern - \$9,000 The Human Rights Office received \$15,900 in 1998 to fund a one year contract for a part-time intern. The contract for this position runs from August 1998 through July 1999. The remaining funds of \$9,000 need to be reappropriated to cover the contract for the Human Rights intern through July, 1999.

Visitor & Environmental Center Project - \$374,386 The 1998 budget appropriated \$300,000 for the City's portion of a multi-use Visitor and Environmental Center. This project is the result of a partnership with CSU Environmental Learning Center and Colorado State Parks. An additional \$74,386 was appropriated in 1998 for tourism capital. These funds could not be spent or encumbered in 1998 while negotiations continue on the final design of the building. This item reappropriates the \$374,386 for tourism capital in 1999. Additional funding may be required in 1999 based upon receipt of final cost estimates for the project.

CPES Administration - Council Policy Projects - \$4,977 CPES Administration had a total of \$40,000 appropriated in 1998 to provide contractual support on various emergent Council Policy projects. Since implementation of the new JD Edwards System required an early cut-off date for entering 1998 purchase orders into the finance system, staff did not encumber \$4,977 to pay for certain consulting services provided by Civitas, Inc., to support evaluation of the block standards within the Land Use Code maintenance process. This item reappropriates the \$4,977 to pay for these consulting services.

Development Tracking System (DTS) Data Conversion - \$25,000 The Current Planning Department had \$25,000 appropriated in 1998 for an hourly position to enter files into the DTS system. Since that system is being upgraded to the new Sierra System, the Department must wait for that program to come on line, in July of 1999, before someone is hired to enter old files into the system. It has not been determined how much information will transfer to the new system, and staff believes it will be in the best interest of the City to wait to hire someone until the new system is up and running. This item reappropriates \$25,000 for the data conversion.

## CULTURAL SERVICES & FACILITIES FUND

Art in Public Places - \$290,801 City Council approved legislation in 1995 creating an Art in Public Places (APP) Program. The purpose of the program is to encourage and enhance artistic expression and appreciation adding value to the community through acquiring, exhibiting and maintaining public art. The program is funded by setting aside 1% of all eligible City construction projects (including Utility projects) over \$250,000, as defined in the APP guidelines. Funds totaling \$403,810 were appropriated in the Cultural Services & Facilities Fund in 1998. As of December 31, 1998, \$113,009 had been spent or encumbered leaving a balance of \$290,801. This balance represents funding for projects that were either postponed, delayed or are multi-year projects. This item reappropriates the \$290,801 in the Cultural Services & Facilities Fund to be used for the APP program in 1999.

## EQUIPMENT FUND

Lease Purchase of Fleet Services Equipment - \$6,690 Ordinance No. 178, 1997 was adopted by Council in November 1997, authorizing the lease purchase of City vehicles and equipment. However, vendors had not been identified by year-end for all lease purchase items and thus purchase orders could not be created. Funds in the amount of \$6,690 need to be reappropriated in the Equipment Services Fund to complete the purchases of equipment for Fleet Services in 1999.

## LIGHT & POWER FUND

ITRON Meter Reading System Upgrade - \$65,000 Light & Power's 1998 appropriation included \$65,000 to upgrade the existing DOS based ITRON Meter Reading System to the new Windows NT version. The request for proposals for the new system was issued in late 1998 and the evaluation of the vendor proposals was not completed by year-end. In 1999, the reappropriated funds will be used to purchase and implement the new Windows NT based ITRON Meter Reading System.

General Plant Additions - \$575,000 After years of negotiation, in 1998 Light and Power was able to purchase 1.6 acres of Burlington Northern Santa Fe Railroad right-of-way adjacent to the existing Utilities' Service Center site. Because the closing did not take place until December, the \$575,000 appropriated in 1998 for revised master planning, neighborhood coordination, and site improvements was not utilized. The reappropriated funds will be used for these same purposes in 1999.

Undergrounding Program - \$640,550 Due to the heavy work loads in construction of new ductbanks, telecommunications and new development, the Light and Power crews were unavailable in 1998 to complete all of the underground conversions originally budgeted. \$640,550 remained unused in the 1998 appropriation for underground conversions. The Utility will utilize the reappropriation to catch up on the scheduled underground work in 1999.

Customer Information System - \$604,000 Purchase and implementation of the Utilities' new SCT Banner Customer Information System began in 1998 and will be completed in 2000. \$604,000 of the 1998 \$3.3 million appropriation for the CIS project was unused in 1998. The reappropriated funds will be needed in 1999 to continue the implementation of the system. The SCT Customer Information System is a joint project with Platte River Power Authority and Longmont.

Vehicles - \$143,100 Light and Power's 1998 budget included \$143,100 for the purchase of a large bucket truck for use in overhead line work, tree trimming, and streetlighting. Fleet Services was unable to get specifications written and a bid awarded prior to the early cut-off for issuing purchase orders in 1998. The bucket truck will be purchased in 1999 with the reappropriated funds.

Harmony Station Addition - \$44,000 Light and Power's 1998 appropriation for system additions included \$4.5 million for the addition of two transformers and associated switchgear at the Harmony Station. Equipment was purchased and the majority of the substation work was started in 1998. \$44,000 of the budget was not used in 1998. The \$44,000 reappropriation will be utilized toward the project in 1999.

Supervisory Control and Data (SCADA) - \$65,000 In 1998 Light and Power replaced the SCADA system, which monitors and controls the Utility's electric system. Equipment was purchased and the majority of the installations in the City's substations were completed in 1998. Staff was unable

to complete all the work in 1998 and \$65,000 of the 1998 appropriation was not used. In 1999 the \$65,000 reappropriation will be utilized to complete the SCADA installation.

Art in Public Places - \$109,393 City Council approved legislation in 1995 creating and Art in Public Places (APP) program. The purpose of the program is to encourage and enhance artistic expression and appreciation adding value to the community through acquiring, exhibiting and maintaining public art. The program is funded by setting aside 1% of all eligible City construction projects (including Utility projects) over \$250,000, as defined in the APP guidelines. Funds totaling \$144,848, were appropriated in the Light and Power Fund in 1998. As of December 31, 1998, \$35,455 had been spent or encumbered leaving a balance of \$109,393. This balance represents funding for projects that were either postponed, delayed or are multi-year projects. This item reappropriates the \$109,393 in the Light and Power Fund to be used for the APP program in 1999.

**STORM DRAINAGE FUND**

Art in Public Places - \$32,242 City Council approved legislation in 1995 creating and Art in Public Places (APP) program. The purpose of the program is to encourage and enhance artistic expression and appreciation adding value to the community through acquiring, exhibiting and maintaining public art. The program is funded by setting aside 1% of all eligible City construction projects (including Utility projects) over \$250,000, as defined in the APP guidelines. Funds totaling \$44,522, were appropriated in the Storm Drainage Fund in 1998. As of December 31, 1998, \$12,280 had been spent or encumbered leaving a balance of \$32,242. This balance represents funding for projects that were either postponed, delayed or are multi-year projects. This item reappropriates the \$32,242 in the Storm Drainage Fund to be used for the APP program in 1999.

**TRANSPORTATION SERVICES FUND**

Transportation Administration - \$1,168 Transportation Administration entered purchase orders at year-end 1998 for various commodities and contractual services. However, invoices for these items were not received until after the year-end deadline and therefore could not be paid from the 1998 budget, as was anticipated. This item reappropriates \$1,168 in the Transportation Services Fund to cover Transportation Administration purchases budgeted in 1998.

Transportation Administration - Relocation Expense - \$6,735 In August 1998, several sections within the Transportation Service Area were consolidated by moving into the space at 210 East Olive Street, vacated by the Stormwater Utility when it moved to the Wood Street Facility. Funds were included in the 1998 budget for remodeling, moving, telephone and network hookups, and rent, associated with the relocation. Not all of the funds were expended in 1998 because the remodeling took longer than expected and the moving occurred later in the year. This item reappropriates the funds needed to finish the relocation and consolidation of various divisions within the Transportation Service Area.

Bikeways Program - \$13,672 Through the City's Bikeways Program, the Transportation Service Area provides education, public awareness and incentive programs for the use of bicycles to travel around the City. Due to the fact that a new employee was added during the year and learning a new job, not all of the money budgeted in 1998 for bicycle education and the Bike Ranger program was spent. The funds available at the end of 1998 totaled \$13,672. This item reappropriates \$13,672 to continue education and awareness programs begun in 1998, including adding equipment for the Bike



Ranger program, providing locks for pool bikes and replenishing the stock of informational and educational literature.

Traffic Operations - Year 2000 Compliance - \$119,000 A total of \$119,000 needs to be reappropriated in 1999 in Traffic Operations to upgrade the central traffic operations computer to Year 2000 compliancy (\$99,000), as well as eight older PC's (\$20,000) that currently are not Year 2000 compliant.

The Traffic Signal System computer is more than twenty years old. Although the system will not necessarily fail completely on January 1, 2000, it will not operate properly. The system is time of day and day of week sensitive. In working with the developers of the system, the consensus was that errors will occur in the system by not correctly interpreting the day of week commands. Special timing plans that are event oriented will also not function properly. The upgrade to Year 2000 compliancy is needed to correct these problems.

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**WASTEWATER FUND**

Art in Public Places - \$82,287 City Council approved legislation in 1995 creating and Art in Public Places (APP) program. The purpose of the program is to encourage and enhance artistic expression and appreciation adding value to the community through acquiring, exhibiting and maintaining public art. The program is funded by setting aside 1% of all eligible City construction projects (including Utility projects) over \$250,000, as defined in the APP guidelines. Funds totaling \$117,971, were appropriated in the Wastewater Fund in 1998. As of December 31, 1998, \$35,684 had been spent or encumbered leaving a balance of \$82,287. This balance represents funding for projects that were either postponed, delayed or are multi-year projects. This item reappropriates the \$82,287 in the Wastewater Fund to be used for the APP program in 1999.

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**WATER FUND**

Art-in-Public Places - \$165,915 City Council approved legislation in 1995 creating and Art-in-Public Places (APP) program. The purpose of the program is to encourage and enhance artistic expression and appreciation adding value to the community through acquiring, exhibiting and maintaining public art. The program is funded by setting aside 1% of all eligible City construction projects (including Utility projects) over \$250,000, as defined in the APP guidelines. Funds totaling \$193,592, were appropriated in the Water Fund in 1998. As of December 31, 1998, \$27,677 had been spent or encumbered leaving a balance of \$165,915. This balance represents funding for projects that were either postponed, delayed or are multi-year projects. This item reappropriates the \$165,915 in the Water Fund to be used for the APP program in 1999.

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