

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 13

DATE: March 4, 2008

STAFF: Chuck Seest

SUBJECT

First Reading of Ordinance No. 023, 2008, Appropriating Prior Year Reserves.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

This ordinance increases 2008 appropriations by \$2,785,726. A total of \$1,451,454 is requested for reappropriation in the General Fund and \$1,334,272 is requested from various other City funds. Reappropriation requests represent amounts budgeted in 2007 that could not be encumbered at year-end. The appropriations are from 2007 prior year reserves.

EXECUTIVE SUMMARY

City Council authorized expenditures in 2007 for various purposes. The authorized expenditures were not spent or could not be encumbered in 2007 because:

- There was not sufficient time to complete bidding in 2007 and therefore, there was no known vendor or binding contract as required to expend or encumber the monies.
- The project for which the dollars were originally appropriated by Council could not be completed during 2007 and reappropriation of those dollars is necessary for completion of the project in 2008.
- To carry on programs, services, and facility improvements in 2008 with unspent dollars previously appropriated in 2007.

In the above circumstances, the unexpended and/or unencumbered monies lapsed into individual fund balances at the end of 2007 and reflect no change in Council policies.

Monies reappropriated for each City fund by this Ordinance are as follows:

General Fund	\$ 1,451,454
Cultural Services and Facilities Fund	\$ 140,746
Light and Power Fund	\$370,000
Storm Drainage Fund	\$ 189,317
Wastewater Fund	\$ 110,460
Water Fund	\$ 25,000
Recreation Fund	\$ 51,000
Transportation Services Fund	\$ 447,749

BACKGROUND

GENERAL FUND

On-line Supervisory Summit Program - \$18,900. Funds were originally appropriated in 2007, for an on-line version of the Supervisory Summit program. Supervisory Summit is a mandatory employment policy program, designed for all City supervisors to develop a foundation of knowledge to interpret, administer and communicate federal/state mandates and Citywide policies and procedures. The Summit program is comprised of nine classes including: Americans with Disabilities Act (ADA), Fair Labor Standards Act (FLSA), Family and Medical Leave Act (FMLA), Sexual Harassment, Risk Management, Discipline, Grievances and Appeals, Recruitment, Reasonable Suspicion and Performance Evaluations. E-Learning would allow all supervisors access to training on-demand, any time, facilitating another delivery option in addition to the typical in-classroom presentation, while integrating e-learning into the training culture of the organization.

Funds were not expended in 2007 as this project required staff resources from Management Information Services, Communications and Public Involvement Office and Human Resources, and the priority of the 2008-2009 Budget process required this project be delayed.

Mountain States Employers Council - \$25,000. Funds were originally appropriated in 2007 to contract with Mountain States Employer's Council (MSEC) to assist with the new market data exercise that the organization will be performing in 2008, which is tied to the performance management project. The areas where MSEC will be involved are:

1. assess competitive position of current pay levels (new market definitions and possibly add more benchmark jobs to the equation)
2. work with departments and employees to map pay structures for each area within all of the occupational groups
3. assist the City in performing the average actual market analysis with the new market definitions
4. develop detailed pay structures and occupational groups
5. define and document pay increase policies
6. develop 2009 budget - performance tied to pay

Funds were not expended in 2007 because of the agreement to push out the time line in the development of a solid performance management system. Due to the amount of market analysis work that needs to be done, this project will take more than one year to complete.

Traffic Unit Expenses - \$16,405. In 2008, the traffic unit will be in transition with new officers filling vacant positions. These new officers will necessitate additional training and equipment over the amount budgeted in for 2008. Appropriations from 2007 are requested for reappropriation to fund the additional traffic unit expenses in 2008.

Larimer Emergency Telephone Authority - \$11,881. The Larimer Emergency Telephone Authority (LETA) collects a monthly fee from all county telephone users. This fee is used to purchase and maintain equipment and train users to process E911 phone calls and dispatch appropriate Emergency Services Providers. LETA uses a formula to determine the annual budget for each Emergency Services Dispatch Center based on the number of dispatchers and the number of E911 phones calls received in the Center. The LETA Board has provided direction that the Emergency Services Dispatch Center be allowed to use the funds remaining from the 2007 allocation for additional purchases during 2008. These expenses may include headsets, handsets, repairs and jacks for dispatchers; printer and cartridges; and training. The amount from the 2007 LETA funding to be reappropriated for 2008 is \$11,881.

Planning - South College Project - \$4,164. This amount is the balance of 2007 appropriation for the South College Project. The South College project was started in November 2007. The remaining funds are for public outreach (postage, advertising, etc.) which will be done in 2008. Funds could not be encumbered at the end of 2007 because the vendors had not been determined at that time.

Planning - South College Corridor Consulting Services - \$12,000. Funds were appropriated in 2007 for consulting services. Following the South College Corridor Plan public kick-off meeting November 29th and a series of interviews conducted in early to mid-December; staff found there were a large number of diverse issues and concerns raised by property owners, business owners, and residents. Staff needs to understand how prevalent these issues are in order to determine which ones will be addressed in the planning process. Therefore, the consulting team recommended that a in-depth survey of these interests be conducted to supplement the market and economic analysis components of the planning process. These funds could not be encumbered in 2007 because the issues were not identified until mid-December 2007.

Land Bank Property Maintenance - \$20,056. Funds were appropriated in 2007 for property maintenance for the land bank properties owned and leased by the department. These funds are needed in 2008 in anticipation of any maintenance required for these properties. Funds could not be spent or encumbered in 2007 because they are for unanticipated property maintenance that occurs frequently each year and the vendor would not be know until the maintenance issue developed.

Building Maintenance Items - \$1,162,000. Several major maintenance and repair projects could not be completed in 2007. Operations Services is requesting the reappropriation of these funds to complete the following primary projects in 2008:.

1. Replace both the computer room and PBX room air-conditioning units at City Hall.
2. Replace 4 HVAC roof top units, upgrade HVAC system controls, repair the pool deck and shell, and replace the pool boiler at the Mulberry Pool.
3. Replace the upper and lower-rear level roofs, upgrade the HVAC digital controls, and replace three pool heat exchanges at EPIC.
4. Upgrade the digital controls for the HVAC system at the 215 N. Mason office building.
5. Replace both the main and domestic boilers at the City Park Outdoor Pool.
6. Clean, repair, and re-plaster the pool shells and pool decks and replace the gym area roof at the Senior Center.

The above work could not be completed in 2007 for various reasons, including ESCO negotiations, contractor/labor/customer scheduling, weather conditions, and staff workload.

JD Edwards Server Replacement Project - \$75,000. MIS is requesting that \$75,000 be reappropriated for the New JD Edwards Servers Project. During the 2007 budget process, \$200,000 was budgeted for replacement of the JD Edwards Enterprise Server. Due to resources needed for the budget process in 2007, the server replacement project was not completed as planned. The reappropriation of \$75,000 will allow MIS to complete the JD Edwards Server Replacement Project in 2008.

Purchase PEG Equipment - \$68,590. This amount is the 2007 year-end balance in restricted funds to be used for the purchase and maintenance of equipment related to Public, Education, Government (PEG) programming which is federally mandated. In 2008, plans are in place to replace the switching and router systems to digital components. Purchases were delayed until 2008 to collect enough funds for cover the cost, as the expense will be substantial. These funds can only be used for the PEG purchase of equipment.

Fort Collins Public Access Network (FC-PAN) - \$16,680. This amount is the 2007 year end balance of restricted funds to be used to purchase and maintain equipment used to operate the public access network. Purchases were delayed to properly assess equipment needs. These funds can only be used for FC-PAN.

Municipal Court Expansion - \$20,778. Municipal Court is requesting \$20,778 for the expansion of the Court's large waiting room, located to the west of the main hallway between the lobby at 215 North Mason and the north stairwell. After being in the new space for approximately 6 months, it has become clear that there are often have more people waiting than space is available for in the existing waiting room, causing increased stress for the public and staff. With the case load increasing due to increased enforcement, the need for more space will continue. The funds requested represent the department's salary savings from 2007 due to staff turnover. In Fall 2007, approval was received from Financial Services and the City Manager to encumber these funds for this expansion project and Facilities has created draft expansion plans. Unfortunately, the funds did not get encumbered by the deadline in 2007. Consequently, these funds are requested to be reappropriated for this purpose.

CULTURAL SERVICES AND FACILITIES FUND

Art in Public Places - \$140,746. 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 \$828,796 were appropriated in the Cultural Services and Facilities Fund and included in the 2007 revised budget. As of December 31, 2007, \$455,274 had been spent or encumbered, leaving a balance of \$373,522. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$140,746 in the Cultural Services and Facilities Fund to be used for the APP program in 2008, including but not limited to the Southeast Branch Library Project and the Harmony Road Project.

LIGHT AND POWER FUND

Art in Public Places - \$170,000 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 \$559,706 were appropriated in the Light and Power Fund and included in the 2007 revised budget. As of December 31, 2007, \$16,189 had been spent or encumbered leaving a balance of \$543,517. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$170,000 in the Light and Power Fund to be used for the APP program in 2007, including but not limited to the Transformer Cabinet Murals and the Pickle Plant Project.

Electric Planning and Engineering - Transformers \$200,000. These funds were appropriated for transformer purchases in 2007. The reappropriation will be used to purchase transformers for phase one of the Southwest Annexation. The purchase was delayed until the engineering staff determined the number and types of units necessary for the transfer from Poudre Valley REA. These transformers are not available from existing stock.

STORM DRAINAGE

Art in Public Places - \$189,317. 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 \$368,116 were appropriated in the Storm Drainage Fund and included in the 2007 revised budget. As of December 31, 2007, \$73,684 had been spent or encumbered leaving a balance of \$294,432. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$189,317

in the Storm Drainage Fund to be used for the APP program in 2008, including the Fox Meadows Natural Area Project.

WASTEWATER FUND

Art in Public Places - \$110,460. 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 \$140,587 were appropriated in the Wastewater Fund and included in the 2007 revised budget. As of December 31, 2007, \$17,609 had been spent or encumbered leaving a balance of \$122,978. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$110,640 in the Wastewater Fund to be used for the APP program in 2008, primarily towards the Pickle Plant Project.

WATER FUND

Art in Public Places - \$25,000. 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 \$642,541 were appropriated in the Water Fund and included in the 2007 revised budget. As of December 31, 2007, \$12,000 had been spent or encumbered leaving a balance of \$630,541. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates \$25,000 in the Water Fund to be used for the APP program in 2008, including design fees on various projects.

RECREATION FUND

Equipment and Supplies for Northside - \$51,000. The funds were originally appropriated in 2007 for the purchase of new equipment and supplies for the newly opened Northside Aztlan Community Center. Due to the timing of the opening of the new Center in Fall 2007, the scope of the items that needed to be purchased, and the deadlines for 2007 requisitions, the Recreation Department was unable to encumber or expend the funds in 2007. Reappropriation of these funds, will allow for the purchase of necessary items for the new building including gymnasium floor covering for large events, additional fitness equipment, and equipment and materials for the kitchen area.

TRANSPORTATION SERVICES FUND

Harmony Road Maintenance - \$442,749. In the summer of 2005, the State of Colorado and the City of Fort Collins had agreed upon Harmony Road being accepted by the City of Fort Collins for maintenance and repairs. The State paid Fort Collins \$13.7 million lump sum as compensation, which has been deposited into a special account for Harmony operations and

maintenance. In 2007, monies were appropriated for repairs and maintenance. To better coordinate the maintenance work with the Front Range Village Retail project (Bayer Properties) on East Harmony, the 2007 appropriation for maintenance had to be postponed until 2008. The unencumbered funds are needed to complete the repairs and maintenance in 2008.

Parking Operations - \$5,000. In 2007, the Parking Services Department partnered with the City Communications & Public Involvement Office and the Downtown Business Association to create a combined downtown brochure. The brochure will include a parking map, information about major downtown destinations of interest, Lincoln Center parking, downtown business information, and other information related to the downtown. This brochure will replace the downtown parking map that is normally produced and printed by Parking Services. The collaboration, design and production of the new brochure took longer than expected, so it was not completed in 2007. Parking Services requests \$5,000 to be reappropriated for this project, which will be completed in 2008.

ORDINANCE NO. 023, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES

WHEREAS, Article V, Section 11 of the Charter of the City of Fort Collins (the "Charter") requires that all appropriations unexpended or unencumbered at the end of the fiscal year shall lapse to the applicable general or special fund, except that appropriations for capital projects and federal or state grants shall not lapse until the completion of the capital project or until the expiration of the federal or state grant; and

WHEREAS, Article V, Section 9, of the Charter permits the City Council to appropriate by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That there is hereby appropriated for expenditure from prior year reserves in the General Fund the sum of ONE MILLION FOUR HUNDRED FIFTY-ONE THOUSAND FOUR HUNDRED FIFTY-FOUR DOLLARS (\$1,451,454) for the following purposes:

On-line Supervisory Summit Program	\$ 18,900
Mountain States Employers Council	25,000
Traffic Unit Expenses	16,405
Larimer Emergency Telephone Authority	11,881
Planning-South College Project	4,164
Planning-South College Corridor Consulting Services	12,000
Land Bank Property Maintenance	20,056
Building Maintenance Projects	1,162,000
JD Edwards Server Replacement Project	75,000
Purchase PEG Equipment	68,590
Fort Collins Public Access Network	16,680
Municipal Court Expansion	<u>20,778</u>
Total General Fund	\$1,451,454

Section 2. That there is hereby appropriated for expenditure from prior year reserves in the Cultural Services & Facilities Fund the sum of ONE HUNDRED FORTY THOUSAND SEVEN HUNDRED FORTY-SIX DOLLARS (\$140,746) to be used for the purpose specified in the City's Art-in-Public Places program.

Section 3. That there is hereby appropriated for expenditure from prior year reserves in the Light & Power Fund the sum of THREE HUNDRED SEVENTY THOUSAND DOLLARS (\$370,000) to be used for the following purposes:

Art in Public Places	\$170,000
Electric Planning and Engineering-Transformers	<u>200,000</u>
Total Light & Power Fund	\$370,000

Section 4. That there is hereby appropriated for expenditure from prior year reserves in the Storm Drainage Fund the sum of ONE HUNDRED EIGHTY-NINE THOUSAND THREE HUNDRED SEVENTEEN DOLLARS (\$189,317) to be used for the purpose specified in the City's Art-in-Public Places program.

Section 5. That there is hereby appropriated for expenditure from prior year reserves in the Wastewater Fund the sum of ONE HUNDRED TEN THOUSAND FOUR HUNDRED SIXTY DOLLARS (\$110,460) to be used for the purposes specified in the City's Art-in-Public Places program.

Section 6. That there is hereby appropriated for expenditure from prior year reserves in the Water Fund the sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) to be used for the purposes specified in the City's Art-in-Public Places program.

Section 7. That there is hereby appropriated for expenditure from prior year reserves in the Recreation Fund the sum of FIFTY-ONE THOUSAND DOLLARS (\$51,000) to be used to purchase equipment and supplies for the new Northside Aztlan Community Center.

Section 8. That there is hereby appropriated for expenditure from prior year reserves in the Transportation Services Fund the sum of FOUR HUNDRED FORTY-SEVEN THOUSAND SEVEN HUNDRED FORTY-NINE DOLLARS (\$447,749) to be used for the following purposes:

Harmony Road Maintenance	\$442,749
Parking Operations	<u>5,000</u>
Total Light & Power Fund	\$447,749

Introduced, considered favorably on first reading, and ordered published this 4th day of March, A.D. 2008, and to be presented for final passage on the 18th day of March, A.D. 2008.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 18th day of March, A.D. 2008.

Mayor

ATTEST:

City Clerk