

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 23

DATE: February 21, 2006

STAFF: Diane Jones

SUBJECT

First Reading of Ordinance No. 027, 2006, Appropriating Prior Year Reserves.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

Reappropriating these monies does not affect the projected year-end reserve balances because, for budgetary purposes, all appropriated monies are considered spent when estimating reserves prior to completion of audited numbers.

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

General Fund	\$ 1,249,309
Cultural Services and Facilities Fund	\$ 778,697
Transportation Fund	\$ 8,375
Light and Power Fund	\$ 474,963
Storm Drainage Fund	\$ 242,596
Wastewater Fund	\$ 89,241
Water Fund	\$ 415,159
Utility Customer Service and Admin. Fund	\$ 60,000

EXECUTIVE SUMMARY

City Council authorized expenditures in 2005 for various purposes. The authorized expenditures were not spent or could not be encumbered in 2005 because:

- There was not sufficient time to complete bidding in 2005 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 2005 and reappropriation of those dollars is necessary for completion of the project in 2006; or

- The programs, services, and facility improvements for which funds were appropriated in 2005 will continue into 2006.

In the above circumstances, the unexpended and/or unencumbered monies lapsed into individual fund balances at the end of 2005.

BACKGROUND

GENERAL FUND

Police 2005 Growth Positions - \$80,776. Late in 2005, Police Services was authorized to hire four positions that were originally funded as part of the 2004-2005 budget process, but frozen due to revenue shortfalls. The officers started work on January 2, 2006. The money included in the 2005 budget to pay for one-time expenses such as police academy tuition, uniforms, equipment, and overtime for the field training program lapsed into reserves at the end of 2005. All of these one-time expenses will be incurred in 2006. Therefore, the 2005 appropriations need to be reappropriated to cover the 2006 expenses.

Larimer Emergency Telephone Authority - \$66,907. The Larimer Emergency Telephone Authority (LETA) collects a monthly fee from all county telephone users to purchase equipment, train users and maintain equipment used to process E911 phone calls and dispatch appropriate Emergency Services Providers. LETA uses a formula for the anticipated annual budget for these services for each Public Safety Answering Point (PSAP) 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 PSAPs be allowed to use the funds remaining from the 2005 allocation for emergency services to additional purchases during 2006. The amount from the 2005 LETA funding to be reappropriated for 2006 is \$28,603.

In the same manner, a formula was developed for each Public Safety Answering Point for Emergency Medical Dispatch (EMD) based on the number of dispatchers and the number of EMD calls handled by the Center. The LETA Board provided the same direction for the remaining 2005 EMD funds. The amount from the 2005 EMD funding to be reappropriated for 2006 is \$38,304.

Police Equipment - \$207,895. At the end of 2005, Police Services identified \$207,895 from their 2005 budget as available for equipment needed in 2006. The equipment needed in 2006 includes: the purchase of a storage area network (SAN), digital recorders, document scanning equipment and money for the 2006 party patrol and riot prevention plan. Also included is funding for a wireless technology conversion project which will enable the department to utilize blackberry technology and save money in the future on wireless phone, paging and land line expenses by consolidating wireless devices. This item requests the reappropriation of 2005 Police funds to purchase the needed equipment.

Historic Preservation - \$3,000. Historic Preservation is requesting the reappropriation of \$3,000.

In 2005 these funds were appropriated for the historic preservation program to be used to purchase a laptop computer necessary for conducting historic surveys in the field. No equipment was purchased in 2005 due to testing to determine which unit would suit surveying requirements. Testing has been completed and the appropriate unit identified for a 2006 purchase order.

One Stop Shop - \$10,000. During 2005, Current Planning set aside \$10,000 to remodel their Customer Service Area. With the approval of the 2006-2007 One Stop Shop offer, a remodel is necessary to direct customers to one location within the building. A final estimate of the cost for this remodel was received on January 31, 2006. This item requests the reappropriation of the \$10,000 to complete the remodel.

Community Opportunity Investments - \$81,626. 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 2005, \$190,200 was appropriated and \$7,823 was reappropriated for potential needs. In 2005, \$67,932 was used for West Nile Virus mosquito control. At the end of 2005, one-time funds in the amount of \$81,626 had not been spent or included in the 2006 budget. This item reappropriates the remaining one-time funds from 2005, for potential projects and needs in 2006.

Camera Radar and Red-Light Camera Systems - \$200,000. At the end of 2005, \$352,701 of estimated ticket revenue appropriated for camera radar and red-light camera programs had not been spent or encumbered. These appropriations are set aside to pay the costs which City Departments incur related to the use of camera radar and red-light camera systems and other programs intended to address traffic related issues. This item reappropriates \$200,000 of the total amount for unexpected equipment failures or other camera radar program related expenses in 2006. Any unappropriated and unspent camera radar revenues will be saved in a reserve for future camera radar needs.

City Council Meetings, Closed Captioning - \$20,000. Late in 2005, it was determined that funds to provide closed captioning at City Council meetings had not been included in the 2006 or 2007 budget offers. The cost of the service is approximately \$10,000 per year. Contingency funds and unspent funds from the City Manager's 2005 budget were identified to pay for the closed captioning. This item requests the reappropriation of \$20,000 to pay for closed captioning services in 2006 and 2007.

City Manager's Office - \$4,000. In 2005, \$2,300 was provided in the City Manager's budget for the Holiday Employee Celebration. Several small invoice amounts were paid in 2005, but the majority of the invoices (\$2,000) could not be paid until 2006. Also, in early December 2005, \$2,000 was transferred from the Community Opportunity Fund to the City Manager's Office to support the Healthier Communities Coalition. Payment to the coalition was not made before the end of the year. This item requests the reappropriation of \$4,000 to make the payments for the Holiday Employee Celebration and the Healthier Communities Coalition.

Facility Major Maintenance and Repair - \$255,500. Major Maintenance and Repair project appropriations in the General Fund lapse at the end of the year. Some projects were funded in 2005, but could not be completed due to contractor and labor scheduling, the customer's schedule, weather conditions, and workload. Some of the projects to be completed are: replace

carpet in various areas at City Hall; upgrade 35 Variable Air Volume units with digital controllers and reheat coils to improve the HVAC system in City Hall; consolidate the monitoring of various alarms and standardize dialers in General Fund buildings; and install digital controls on HVAC systems at the Museum and Mulberry pool. Funds are requested for reappropriation to complete these facilities alteration, maintenance and repair projects.

Document Management - \$9,500. Facilities 2005 budget included funds to convert project management files and drawings into the SIRE document management system. This task could not be completed in 2005 due to the project manager's workload. These funds are requested for reappropriation to hire an hourly employee to complete the conversion of files and drawings into the SIRE document management system.

Facility Space Plan Update - \$12,500. Funds were budgeted in 2005 to update the General Fund Department's facilities 10-year space needs plan. This plan could not be accomplished in 2005 due to the staff architect's workload. These funds are requested for reappropriation to pay for the update to this plan.

Udall Property Maintenance - \$3,115. In 2002, the Natural Resources Department received property donated by the Estate of Robert H. Udall. Along with the property the City also received a donation of \$125,000 to be invested, so the interest could be used for repairs and maintenance on the donated property. Maintenance and repair expenses vary from year to year. This item reappropriates the balance of the interest to be used for repairs and maintenance, which may include vegetation management, on the property in 2006.

GIS Server Software - \$25,000. The GIS Division requests the reappropriation of \$25,000 from the 2005 budget. One of the stated goals of the City's Information Technology Strategic Plan is server consolidation, and these funds will be used to purchase a server software product that will help achieve this goal. In late 2005, initial investigation led to a demonstration of VMWare, hosted by Management Information Services. VMWare facilitates the consolidation of current and future computer hardware, reducing the number of servers maintained and purchased, as well as creating a more fault tolerant environment. Unfortunately, MIS was unable to sufficiently investigate the product by involving other city technology representatives prior to the end of the year. During January, a further review was completed, and it has been determined that the purchase of the product would provide significant returns on investment, and should occur in 2006.

Update GIS Data Sets - \$15,000. The GIS Division requests the reappropriation of \$15,000 from the 2005 budget. These monies will be used to update the building footprint and address point data sets based upon a recent aerial photography collection. This work was scheduled to begin during 2005, but delayed delivery of the required aerial photography prevented timely completion of the work. The building footprint and point address data sets are utilized in the delivery of emergency and utility services, as well as other GIS data services. These data sets are commonly used for field map books, in-field locating, service delivery and planning activities, and within general GIS mapping products.

Human Resources - Training Division - \$34,000. In 2005, funds were identified as available for 2006 training needs. The funds will be used to enhance the Leadership Development Program

and continue the Supervisors Summit in 2006. This item requests the reappropriation of \$34,000 to provide these training programs.

Human Resources Conference - \$3,000. At the end of 2005, another department was coordinating the registration for a Human Resources staff member to attend an employee involvement conference. Due to a misunderstanding, the registration was not processed in 2005 and the error was not discovered until January 2006. The conference is scheduled for February and the staff member is attending at the request of the Assistant City Manager. This item requests the reappropriation of \$3,000 to attend the conference.

SIRE Software Licenses and Maintenance - \$2,000. Human Resources 2005 budget included funds for SIRE software licenses and maintenance. Although the maintenance term began in December 2005, the invoice was not received in time to process it in 2005. These funds are requested for reappropriation to pay for SIRE software licenses and maintenance.

Collective Bargaining - \$15,490. The 2005 budget included \$78,250 primarily for the legal costs of collective bargaining. Approximately \$63,000 was spent in 2005. The remaining funds are requested for reappropriation to help pay for any collective bargaining costs in 2006.

Equipment Loan Pool - \$200,000. Each year funds are appropriated to provide a revolving loan pool for the timely replacement of operating equipment (vehicles, machinery, and computer systems). Operating managers may borrow from the loan pool to bridge the period of time when the equipment is needed and the next available lease purchase package is started. The loan pool is paid back on approval of the lease purchase package. The balance in the Equipment Loan Pool, at the end of 2005, is \$200,000. This amount is requested for reappropriation to provide an equipment loan pool for 2006.

CULTURAL SERVICES AND FACILITIES FUND

Art in Public Places - \$778,697. 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 by 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 \$872,081 were appropriated in the Cultural Services and Facilities Fund in 2005. As of December 31, 2005, \$93,384 had been spent or encumbered leaving a balance of \$778,697. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$778,697 in the Cultural Services and Facilities Fund to be used for the APP program in 2006.

TRANSPORTATION SERVICES FUND

Pavement Management Program - \$8,375. Appropriations, totaling \$8,375, in the City's 2005 Pavement Management Program were not spent/encumbered in 2005 due to weather conditions and contractor availability. This work is scheduled to be completed in the spring of 2006, weather permitting.

LIGHT AND POWER FUND

Art in Public Places - \$474,963. 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 by 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 \$481,855 were appropriated in the Light and Power Fund in 2005. As of December 31, 2005, \$6,892 had been spent or encumbered leaving a balance of \$474,963. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$474,963 in the Light and Power Fund to be used for the APP program in 2006.

STORM DRAINAGE

Art in Public Places - \$242,596. 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 by 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 \$255,138 were appropriated in the Storm Drainage Fund 2005. As of December 31, 2005, \$12,542 had been spent or encumbered leaving a balance of \$242,596. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$242,596 in the Storm Drainage Fund to be used for the APP program in 2006.

WASTEWATER FUND

Art in Public Places - \$89,241. 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 by 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 \$188,971 were appropriated in the Wastewater Fund in the 2005. As of December 31, 2005, \$99,730 had been spent or encumbered leaving a balance of \$89,241. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$89,241 in the Wastewater Fund to be used for the APP program in 2006.

WATER FUND

Art in Public Places - \$415,159. 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 by 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 \$540,109 were appropriated in the Water Fund in 2005.. As of December 31,

2005, \$124,950 had been spent or encumbered leaving a balance of \$415,159. This balance represents funding for projects that were either postponed, delayed or are anticipated multi-year projects. This item reappropriates the \$415,159 in the Water Fund to be used for the APP program in 2006.

UTILITY CUSTOMER SERVICE AND ADMINISTRATION FUND

Market Research - \$60,000. The Utilities typically conduct a comprehensive market research for all customer service segments every two years. The last market research was done in 2003. The research allows the Utilities to benchmark to previous research aspects including measurement of top service variables, as well as measure success on current programs or investigate potential new programs. Funds set aside for market research in 2005 were not expended due to staff time limitations and other organizational priorities.

ORDINANCE NO. 027, 2006
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 TWO HUNDRED FORTY-NINE THOUSAND THREE HUNDRED NINE DOLLARS (\$1,249,309) for the following purposes:

Police 2005 Growth Positions	\$80,776
Larimer Emergency Telephone Authority	66,907
Police Equipment	207,895
Historic Preservation	3,000
One Stop Shop	10,000
Community Opportunity Investments	81,626
Camera Radar and Red-Light Camera Systems	200,000
City Council Meetings, Close Captioning	20,000
City Manager's Office	4,000
Facility Major Maintenance and Repair	255,500
Document Management	9,500
Facility Space Plan Update	12,500
Udall Property Maintenance	3,115
GIS Server Software	25,000
Update GIS Data Sets	15,000
Human Resources-Training Division	34,000
Human Resources Conference	3,000
SIRE Software Licenses and Maintenance	2,000
Collective Bargaining	15,490
Equipment Loan Pool	<u>200,000</u>
Total General Fund	\$1,249,309

Section 2. That there is hereby appropriated for expenditure from prior year reserves in the Cultural Services & Facilities Fund the sum of SEVEN HUNDRED SEVENTY-EIGHT THOUSAND SIX HUNDRED NINETY-SEVEN DOLLARS (\$778,697) to be used for the purpose specified in the City's Art-in-Public Places program.

Section 3. That there is hereby appropriated from prior year reserves in the Transportation Services Fund, the sum of EIGHT THOUSAND THREE HUNDRED SEVENTY-FIVE DOLLARS (\$8,375) to be used for the Pavement Management Program.

Section 4. That there is hereby appropriated for expenditure from prior year reserves in the Light & Power Fund the sum of FOUR HUNDRED SEVENTY-FOUR THOUSAND NINE HUNDRED SIXTY-THREE DOLLARS (\$474,963) 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 Storm Drainage Fund the sum of TWO HUNDRED FORTY-TWO THOUSAND FIVE HUNDRED NINETY-SIX DOLLARS (\$242,596) to be used for the purpose 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 Wastewater Fund the sum of EIGHTY-NINE THOUSAND TWO HUNDRED FORTY-ONE DOLLARS (\$89,241) to be used for the purpose 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 Water Fund the sum of FOUR HUNDRED FIFTEEN THOUSAND ONE HUNDRED FIFTY-NINE DOLLARS (\$415,159) to be used for the purpose specified in the City's Art-in-Public Places program.

Section 8. That there is hereby appropriated for expenditure from prior year reserves in the Utility Customer Service and Administration Fund the sum of SIXTY THOUSAND DOLLARS (\$60,000) to be used to conduct market research.

Introduced, considered favorably on first reading, and ordered published this 21st day of February, A.D. 2006, and to be presented for final passage on the 7th day of March, A.D. 2006.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 7th day of March, A.D. 2006.

Mayor

ATTEST:

City Clerk