Council dinner available at 5:30 p.m.

I. Aid to Other Agencies Discussion - Direction  
   a. Council will discuss the current Aid to Other Agencies Program and determine whether or not the program will continue into future budget years.  
      Aid to Other Agencies Program Discussion - Pdf

II. City Manager's Proposed FY 2019 Budget Overview - Informational  
    a. City Manager Eric Keck will be present to give an overview of the 2019 General Fund and Capital Proposed Budgets. 
       2019 Proposed General Fund and Capital Budgets Overview - Pdf
TO: Mayor and Council
FROM: Linda Olson
DEPARTMENT: City Council
DATE: August 6, 2018
SUBJECT: Aid to Other Agencies Program Discussion

DESCRIPTION:
Aid to Other Agencies Program Discussion

RECOMMENDATION:
Council will discuss the current Aid to Other Agencies Program and determine whether or not the program will continue into future budget years.

PREVIOUS COUNCIL ACTION:
Annual disbursements under this program date back over a decade.

SUMMARY:
The City Council has been funding the Aid to Other Agencies program for many years. This program has been aimed at helping not for profit entities with funding to address issues that have a public purpose. This funding level has diminished over the years to the current level of $20,000. This funding has assisted a diverse group of entities including food banks, arts groups, women's shelters, meals on wheels, as well as medical entities assisting Englewood residents.

The City Council has asked to review this program prior to the Fiscal Year 2019 budget to see whether or not the program should continue. The current draft budget contains $20,000 again for the FY 19 budget cycle.

ANALYSIS:
Staff has performed an analysis of what some surrounding communities are doing in this realm.

<table>
<thead>
<tr>
<th>Community</th>
<th>Amount distributed 2018</th>
<th>varies each year</th>
<th>Reviewsed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial</td>
<td>$20,000</td>
<td>no</td>
<td>&quot;City Council appropriates a certain amount of funds in the budget on an annual basis for monetary donations...&quot;</td>
</tr>
<tr>
<td>Greenwood Village</td>
<td>$0</td>
<td>no</td>
<td>Used to budget for $35,000/year, cut this program in 2008.</td>
</tr>
<tr>
<td>City</td>
<td>Amount</td>
<td>Funded?</td>
<td>Comments</td>
</tr>
<tr>
<td>-------------</td>
<td>---------</td>
<td>---------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Lakewood</td>
<td>$100,000</td>
<td>no</td>
<td>Reviewed by outside committee. Submitted with overall budget</td>
</tr>
<tr>
<td>Littleton</td>
<td>$86,300</td>
<td>yes</td>
<td>Reviewed by and amounts chosen by City Council.</td>
</tr>
<tr>
<td>Lone Tree</td>
<td>$0</td>
<td>no</td>
<td>Used to solicit nonprofits, stopped around 2014.</td>
</tr>
<tr>
<td>Wheat Ridge</td>
<td>$122,700</td>
<td>yes</td>
<td>Presented to committee. Presented with proposed budget.</td>
</tr>
</tbody>
</table>

As one can see, there is a wide range of work being done by other cities with this program. A few communities listed formerly funded similar programs but ceased to fund them currently.

Staff has attached the City of Centennial’s policy on this matter for your review and an example of what Englewood may wish to put into place should the Aid to Other Agencies program continue.

**FINANCIAL IMPLICATIONS:**
Currently the program disbursed approximately $20,000. FY 2019 also has $20,000 tentatively budgeted.

**ATTACHMENTS:**
City of Centennial Policy on Disbursement of Funds. Entitled 2015 CCP 02 Aid to Agencies Regional Comparison
<table>
<thead>
<tr>
<th>Location</th>
<th>Amount Distributed</th>
<th>Reviewed by</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial</td>
<td>$20,000</td>
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</tr>
</tbody>
</table>
mount of funds in the budget on an annual basis for monetary donations...
### CITY OF CENTENNIAL, COLORADO

### CITY COUNCIL POLICY NO. 2015-CCP-02

**POLICY CONCERNING REQUESTS FOR CITY DONATION OR SPONSORSHIP FROM OUTSIDE ORGANIZATIONS AND AGENCIES**

| DATE OF POLICY/REVISION: | November 2, 2015  
Policy effective January 1, 2016  
Policy revised July 18, 2016 |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PURPOSE AND INTENT:</td>
<td>To provide a policy and direction to the City Council and City staff concerning donation or sponsorship requests from outside organizations and agencies.</td>
</tr>
<tr>
<td>SCHEDULED REVIEW AND REVISION:</td>
<td>As deemed necessary or desired by the City Council or upon recommendation of the City Manager or City Attorney.</td>
</tr>
<tr>
<td>ATTACHMENT(S):</td>
<td>None</td>
</tr>
<tr>
<td>REFERENCE(S):</td>
<td>The City Council reserves the right to amend or rescind this Policy at any time without notice.</td>
</tr>
</tbody>
</table>
I. POLICY:

A. Intent.

The purpose of the Policy is to provide a framework to evaluate requests for both In-Kind Donation/Sponsorship as well as Monetary Donation/Sponsorship with the intent of diligently administering taxpayer funds. Pursuant to Colorado law, the City Council has the legislative and discretionary authority to allocate public funds to public purposes. By way of this Policy, City Council desires to provide a procedure to assist the City in reviewing donation or sponsorship requests received by the City from various outside organizations and agencies.

The intent of the City Council is that Monetary Donation/Sponsorship be given by the City infrequently and considered on criteria driven a case-by-case basis. City Council instead seeks to support outside organizations and agencies which are located in the City or which provide public benefit and enhance the quality of life for Centennial citizens through the allocation of In-Kind Donation/Sponsorship to support those outside organizations and agencies making a positive impact in the City of Centennial.

In essence, by way of this Policy, the City Council wishes to discourage monetary donations and instead, and as stewards of taxpayer money, support outside organizations and agencies by the contribution of In-Kind Donation/Sponsorship.

B. Scope.

The City of Centennial often receives requests for donation and/or sponsorships from various outside organizations and agencies. This Policy shall apply to requests the City receives for donations or sponsorships and provides a procedure to evaluate such requests.

This Policy shall not apply to requests for City membership, subscription, or joint participation in organizations that provide a direct and ongoing annual benefit such as: municipal interest advocacy, representation on federal, state, or regional matters, or opportunities for economic development. Such organizations may include the Aurora Chamber, Colorado Municipal League, Denver Regional Council of Governments, South Metro Chamber of Commerce, and the Transportation Management Authority.

C. Definitions.

1. “In-Kind Donation/Sponsorship” means the City contribution of in-kind goods or resources in return for certain benefits to the City including acknowledgement, recognition, and/or promotional consideration.¹

¹ In-Kind Donations/Sponsorships are administered by the City Manager’s Office and include, but are not limited to, waivers of Centennial Center Park fees, Eagle Street Facility meeting room fees and temporary use fees.
2. “Monetary Donation/Sponsorship” means the City contribution of money in return for certain benefits to the City including acknowledgement, recognition, and/or promotional consideration.

3. “Applicant” means an outside organization or agency seeking donation and/or sponsorship from the City.

D. Criteria/Eligibility.

1. Applicant must be located in the City of Centennial and/or provide public benefit to enhance the quality of life for citizens of the City of Centennial.

2. Requests from schools or school-related groups shall be handled in accordance to the procedures set forth in Section (E)(5) of this policy.

3. Individuals shall not be eligible for City donation and/or sponsorship.

4. The City shall not provide Monetary Donation and/or Sponsorship to non-profit organizations or entities with taxing authority unless the Applicant provides a significant exchange of services for the community’s benefit to be determined at the discretion of City Council.

5. The following organizations or agencies shall not be eligible for City donation and/or sponsorship:

   a. Religious or political groups;

   b. Groups that discriminate on the basis of race, color, gender, religion, disability, sexual orientation, marital status or national origin; and

   c. For-profit and corporate entities.\(^2\)

6. In order for an Applicant to receive monetary funding, the Applicant must provide the City a significant exchange of services for the community’s benefit, to be determined at the discretion of City Council, which criteria may include:

   a. Broad community impact and/or Centennial identity building;

   b. Number of Centennial citizens benefitted; and/or

   c. Benefit to the economic health of the Centennial community.

E. Procedure for Requests.

1. The City Council may appropriate a certain amount of funds in the budget on an annual basis for Monetary Donations and/or Sponsorships to various outside organizations and agencies.

2. Any outside organization or agency that meets the criteria and eligibility requirements as set forth above and which seeks City donation and/or

\(^2\) This Policy shall not apply to economic development incentives and potential City funding allocated for economic development purposes.
sponsorship must submit an application to the City in the form attached to this Policy as Exhibit A.

3. An outside organization or agency seeking Monetary Donation and/or Sponsorship in relation to a specific event of the organization or agency shall submit a complete application no later than one hundred and twenty (120) days prior to the event.

4. Applications may be submitted at any time during the year provided, however, available funding may be depleted prior to the expiration of each calendar year. An application related to an event shall not be submitted to the City more than 365 days before such event.

5. Requests for donation and/or sponsorship from K12 schools or school-related groups:
   a. Requests for donation and/or sponsorship from schools or school-related groups for monetary amounts greater than $250.00 shall be processed in accordance with the criteria set forth in Section D of this Policy and approved at City Council's discretion.
   b. Requests for donation, and/or sponsorship from schools or school-related groups for in-kind donations or monetary donations of $250.00 or less shall be processed by the Youth Commission in accordance with separate criteria ratified by the City Council. At the discretion of the City Manager or the City Manager's designee, an agreement as set forth in Section E (7) of this Policy may be determined unnecessary for in-kind donations or monetary donations processed by the Youth Commission.

6. A presentation of the following items shall be made by City staff to the City Council on a quarterly basis:
   a. Summary report of In-Kind Donations/Sponsorships administratively granted;
   b. Summary report of Monetary and In-Kind Donations/Sponsorships granted by the Youth Commission; and
   c. Presentation of complete applications for Monetary Sponsorship/Donation that meet the criteria of this policy and require review by City Council.

7. If awarded a donation and/or sponsorship by the City, an outside organization or agency shall be required to enter into an agreement with the City. The form and content of the agreement shall be subject to approval of the City Council. For most awards, the form and content of the agreement may be in a form substantially similar to that attached as Exhibit B. Such agreement shall clearly identify the reason for the donation and/or sponsorship and the public purpose served. All agreements shall be approved by the City Manager. Agreements shall be prepared and administered by the City Manager or designee.
8. City donation and/or sponsorship of an outside organization or agency shall not constitute a precedent for contributions in subsequent years.

F. Exceptions.

The majority of the City Council shall approve exceptions to this Policy including requests for donation and/or sponsorship from non-profit/501(c)(3)s or entities with taxing authority.

MADE EFFECTIVE JANUARY 1, 2016.

AMENDED JULY 18, 2016.
DESCRIPTION:
2019 Proposed General Fund and Capital Budgets Overview

RECOMMENDATION:
Overview of the 2019 General Fund and Capital Proposed Budgets

PREVIOUS COUNCIL ACTION:
Staff presented an overview of the Capital Improvement Plan and the Operating Budget goals and challenges at the June 11 and 25 study sessions.

SUMMARY:
The 2019 Budget proposed General Fund expenditures are $49,529,162 (before any transfers in or out) and proposed Capital expenditures are $5,435,250. An additional $2,100,000 in Capital will be needed to replace the Civic Center roof.

This budget maintains high-quality services, avoid layoffs, while providing efficiencies to extend valuable taxpayer dollars. This budget sustains resources for participation in AllHealth Network in order to provide social work services through our police department to combat homelessness, makes continued investment in community engagement through events and publications, protects critical infrastructure through maintenance programs and highlights the need for long-term revenue planning for capital investments, especially in our parks and utilities.

The 2018 budget eliminated three and a half vacant positions in order to extend resources and increased fees in many areas to allow for the organization to stay on budget by charging for the actual cost of service. At current projections, 2018 is anticipated to be another surplus year. The 2019 proposed budget seeks to continue the momentum of positive revenue years by investing in areas to protect city assets through capital expenditure, and the funding of a position to protect our water resources. The proposed budget also makes proactive investment in police communications (dispatch) to ensure sustainability of the center, adds another police officer to improve community safety, allocates an additional position for a fire inspector to advance the pace of building inspections, and invests in a social worker to help those in the most need through the AllHealth Network.

ANALYSIS:
Our assumptions for the long-term economic outlook, indicate a leveling of the economy expected to be driven by the Federal Open Market Committee's increase in interest rates.
Tariffs upon foreign steel and metals have also caused the economy to grow slower than anticipated. Staff is assuming a conservative 6.9% growth in sales and use tax in 2019 over the 2018 budget. The actual increase over our 2018 sales and use tax 'estimate' is only 3.0%. This differs from the State forecast reflecting a 5.2% increase that was calculated using a higher 2018 baseline. Staff would rather put forward a conservative figure for growth given potential headwinds that might further slow the economy in this next year.

Staff utilized the following assumptions with the creation of the Fiscal Year 2019 budget:
- Preservation of a minimum of 16.67% General Fund fund balance
- Sales tax revenue growth of 3% over FY 2018 estimate.
- Property tax revenue growth of 0% over FY 2018
- All other revenue growth of 1.1% over FY 2018
- Health Benefits increase of 15% over FY 2018
- All other expense growth of 4.7% over FY 2018

**General Fund:**
The anticipated revenue for FY 2018 is $49,428,930. The projected expenses are $49,529,162. In addition, a 'transfer in' of $123,599 will be provided from the Public Improvement Fund as a reimbursement for the capital lease payments that are initially paid from the general fund. This generates a positive position for the General fund of $23,367.

The 2019 Proposed budget also requests a $1,000,000 transfer out from fund balance to support Capital needs. This results in a net reduction to fund balance of $976,633.

This will be discussed in greater detail at the Council Study Session on August 27.

**Personnel:**
There are a few personnel enhancements included in the FY 2019 budget:
- 1 additional Dispatcher
- 1 additional Fire Inspector
- 1 additional Police Officer
- 1 continued outsourced social worker through AllHealth Network

**Capital Projects:**
Based upon limited available funding, the capital project list for 2019 was based off of the following criteria that was presented to Council on June 11:

1. Does the project enhance public safety?
2. Does the project enhance or extend the life of an existing asset?
3. Is the underlying asset critical to the operations of the city?
4. Does the underlying asset (or service) generate revenue?
5. Is the project related to one or more Community Goal(s)?

The 2018 Capital Improvement Plan demonstrated an overall need of approximately $76.5 million in general fund supported capital projects, while projecting approximately $25 million in available funding over the 5-year period (approximately $5 million per year). The proposed 2019-2023 Capital Improvement Plan shows capital projects in the year of actual expenditure.
based on projected available funding (instead of in terms of overall need). A more robust discussion of the projects and funding will occur at the Council study session of August 13.

**Community Workshop Feedback Inclusion:**
This year, two community budget workshops were conducted to solicit public input on the priorities and challenges for 2019. The two workshops took place on July 11 and July 18, focusing on the capital improvement plan and operating budget, respectively.

**July 11: Capital Improvement Plan**
The community listened to brief presentations from departments to highlight certain projects for 2019:
- Civic Center Repairs
- Alley Maintenance & Beautification
- Pirates’ Cove Updates
- Cushing Park Improvements
- Englewood Recreation Center Improvements
- Roads and Bridges Improvements

Residents were asked to participate in an activity that mimics the current capital funding challenges. This was represented by giving each attendee two “green” dollars, representing current available capital funding, in millions. They were also given one “yellow” dollar, representing utilizing fund balance for projects. Additionally, attendees could obtain a “red” dollar, representing dollars that would have to be obtained through new revenue sources.

After listening to the presentations, attendees were given the opportunity to assign their green and yellow dollars to one or more of the projects. Popular choices were roads and bridges funding, Civic Center repairs, and recreation center improvements. Red dollars were given to alley projects and Cushing Park improvements. Residents were also given the opportunity to “assign” dollars to projects not presented. A red dollar was suggested for Romans Park improvements as well.

**July 18: Operating Budget Challenges**
At the July 18 community workshop, residents were given a brief overview of the general fund and the challenges associated with keeping pace with rising personnel costs. Residents were then asked to consider departmental “requests” that highlighted some of the potential funding requests for 2019:
- Broadband study
- Additional dispatcher
- Additional fire inspector
- Emergency management
- Water resources manager
- Community events
- Park maintenance
- Single hauler trash/recycling service
- Recreation services
- Library – teen services

The community members were broken into two groups to decide on a top priority for funding and a secondary priority. There was much positive discussion about how difficult it was to make choices with such constraints. One of the groups decided that emergency management was
the top priority, while the other listed both parks maintenance and the dispatcher/fire inspector as top priorities. Secondary priorities included additional community events for both groups, exploration of community broadband and a single source trash and recycling service.

**Major Themes:**
1. The City simply does not have adequate funding for capital project needs. Not all of the requested capital projects could be accommodated within the FY 2019 budget. Despite the request to departments to only request funding for capital projects that met the criteria above, departments requested over $15 million for funding in 2019. Several projects had to be deferred due to the lack of funding.

2. Fund balance application towards capital projects is necessary in 2019. The recommended capital budget for 2019 will request approximately $5.4 million in capital funding. Every single project incorporated in the funding request is critical to operations. Therefore, application of fund balance of $1.4 million is necessary at a minimum in 2019 (combination of general fund reserve and capital fund reserve).

3. Funding for park improvements is critically inadequate. The Parks and Recreation Master Plan calls for tens of millions in capital investment in order to keep our parks vital. Several of the park improvements are of the scope that cannot be supported by the current level of funding in the capital improvement plan. Council must consider long-term policies to support adequate funding of park and recreation improvements.

4. Enterprise capital investment will not keep pace with needed improvements without a serious discussion about rate increases. The amount of infrastructure improvements for our water and sewer system is directly related to the ability to raise adequate revenue. With aging infrastructure and regulation compliance on the horizon, a long-term revenue strategy is necessary for all enterprise capital investment.

5. Staff will be presenting an “Alternative” Capital Improvement Plan that shows the Council the impact of applying approximately $1 million from additional 2017 unassigned fund balance surplus to the 2019 critical capital projects. Council had previously stipulated that all current Englewood McLellan Reservoir Fund (EMRF) lease funds should be placed into the Long Term Asset Reserve Fund. This has proven to be helpful with maintaining our required reserve policy. However, the disposition of future lease revenues should be discussed. Staff would like to advocate that any future lease money be placed into the General Fund Unassigned Fund Balance and utilized for capital projects.

6. Public safety enhancements were included as possible. The proposed budget makes proactive investment in police communications (dispatch) to ensure sustainability of the center, adds an additional police officer, allocates an additional position for a fire inspector to advance the pace of building inspections, and invests in a social worker to help those in the most need through the AllHealth Network.

7. Other positions and initiatives that were requested to enhance service in the FY 2019 budget were not able to be filled, including additional parks maintenance, emergency management, and a study for community broadband. Council will need to study public-private partnerships and public-public arrangements in the future to help save on cost while ensuring high quality services at affordable pricing in the future. Ignoring opportunities for collaboration is not an option for the community’s future.
Tonight’s Objective

To provide a high level General Fund and Capital overview of the proposed 2019 budget
Statistical Overview

Proposed Fiscal Year 2019 General Fund
Sources: $49,552,529
Uses: $50,529,162*

Current Fiscal Year 2018 Estimate General Fund
Sources: $49,086,420
Uses: $47,904,110

* Please note: General Fund Uses of Funds includes a $1,000,000 transfer out to the Capital Projects Fund for identified projects
## General Fund proposed 2019

### Budgetary Breakdown

#### Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$29,369,984</td>
</tr>
<tr>
<td>Commodities</td>
<td>$2,132,658</td>
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<tr>
<td>Contractual Services</td>
<td>$15,689,806</td>
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<tr>
<td>Capital Expenses</td>
<td>$773,555</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$1,563,159</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$49,529,162</strong></td>
</tr>
</tbody>
</table>

#### Other Financing Uses

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Transfers-Out</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td><strong>$50,529,162</strong></td>
</tr>
</tbody>
</table>
Statistical Overview

2019 Proposed Budget Assumptions

Sales and Use Tax Year-Over-Year Increase 6.9%
All Other Revenue Year-Over-Year Increase 1.1%
Expenditure Year-Over-Year Increase 4.7%

2020-2023 Forecast Assumptions

Sales and Use Tax Year-Over-Year Increase 2.5%
All Other Revenue Year-Over-Year Increase 1.0%
Expenditure Year-Over-Year Increase 3.0%
Proposed 2019 General Fund

Please note: Staff is refining the sources and uses of funds. The Proposed 2019 Budget document will contain the finalized figures for City Council’s consideration.

<table>
<thead>
<tr>
<th>General Fund</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>1 = A + B - C</th>
<th>D</th>
<th>E</th>
<th>2 = 1 + D - E</th>
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</thead>
<tbody>
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<td>02 General Fund</td>
<td>$14,130,525</td>
<td>$49,086,420</td>
<td>$47,904,110</td>
<td>$15,312,835</td>
<td>$49,552,529</td>
<td>$50,529,162</td>
<td>$14,336,202</td>
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## General Fund - Fund Balance Composition (in millions)

<table>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Unassigned Fund Balance</td>
<td>$16.00</td>
<td>$12.00</td>
<td>$8.00</td>
<td>$4.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>LTAR</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>TABOR Reserve</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Reserve Policy</td>
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<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Reserve Balance (LTAR and Unassigned FB)</td>
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<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
</tbody>
</table>

### Legend
- **Green**: Unassigned Fund Balance
- **Red**: TABOR Reserve
- **Black**: Fund Balance
- **Purple**: Reserve Policy
- **Yellow**: LTAR
- **Orange**: Reserve Balance (LTAR and Unassigned FB)
Improvements and Changes
Strong Infrastructure, Community Parks

• Add a position to protect our water resources
• Develop a long term revenue plan for capital investments, especially in our parks and utilities
Improvements and Changes
Historic Past, Smart Future

- Continue to improve and install sidewalk ramps to ensure all residents have mobility in the City
- Improve our Transportation System to manage traffic light control
- Drive best use of the entire Civic Center Business area
Improvements and Changes
Safe, Fun, Active, Engaged Community

- Add an additional Dispatcher to support Police Communications
- Add an additional Fire Inspector to advance inspections
- Add an additional Police Officer
- Continue using outsourced social worker through AllHealth Network to help those most in need
- Invest in community engagement through events and publications
- Improve the Broadway corridor attractiveness
Improvements and Changes
Sustainable Natural Environment

- Complete installation and “Go Live” with the BioGas Project
- Evaluate and develop plans for energy conservation
  - Renewable Connect
  - Solar Energy
Improvements and Changes

Fiscal Sustainability

- Protect critical infrastructure through maintenance programs
- Revitalize the Recreation Center by redesigning the entry area for improved security and attractiveness and replacing/repairing sections of the roof
- Protect our investment in the Civic Center by replacing obsolete/failing structural components such as the freight elevator and the HVAC system
- Guide Council to examine fiscal sustainability options
Improvements and Changes
Organizational Excellence

• Improve technology to ensure continued City operations and systems security
• Improve Audio Visual for better communications/transparency for the residents
• Improve the City’s ability to take online payments and permit submittals
• Update the Municipal Courts and Recreational software packages to be more interactive and user-friendly
• Install Document Management to further streamline processes, and improve transparency and access to information
Capital Budget

Funding is not adequate to perform major projects

- No funding for Cushing Park until 2023
- No funding for Pirates Cove until 2024
- No funding for Little Dry Creek Plaza until 2024
Some Projects had to be reduced or deferred

- Alley paving and beautification funding reduced to every other year. No funding in 2019
- Municipal Broadband study pushed to 2021
- Facilities and Operations funding reduced to $290,000 for 2019 from $400,000 in 2018
Capital Budget

- Unrestricted fund balance is still required to fund projects needed in FY19
- Civic Center roof repairs of $2,100,000 included for FY19
- More information will be provided in detail on August 13th
## Next Steps…

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Process Step</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 13, 2018</td>
<td>Present to City Council: 2019-2013 Proposed Capital Improvement Plan Programs</td>
</tr>
<tr>
<td>August 27, 2018</td>
<td>Present to City Council: Proposed 2019 Operating Programs</td>
</tr>
<tr>
<td>September 7, 2018</td>
<td>Preliminary Budget Book to Council</td>
</tr>
<tr>
<td>September 17, 2018</td>
<td>Public Hearing – 2019 Proposed Budget</td>
</tr>
<tr>
<td>October 1, 2018</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; Reading of the 2019 Budget</td>
</tr>
<tr>
<td>October 15, 2018</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; Reading of the 2019 Budget</td>
</tr>
<tr>
<td>December 15, 2018</td>
<td>Mill Levies to be filed with Arapahoe County</td>
</tr>
</tbody>
</table>
Questions?
Appendix
## Table 17
### National Economic Indicators

<table>
<thead>
<tr>
<th>Calendar Years</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Legislative Council Staff Forecast</th>
</tr>
</thead>
</table>
| Real GDP (Billions)
  Percent Change | $16,612 | $16,013 | $16,472 | $16,716 | $17,096 | $17,592 | $17,997 | $18,375 |
| Nonfarm Employment (Millions)
  Percent Change | 136.4 | 138.9 | 141.8 | 144.3 | 146.6 | 148.7 | 150.3 | 151.7 |
| Unemployment Rate | 7.4% | 6.2% | 5.3% | 4.9% | 4.4% | 3.9% | 4.1% | 4.3% |
| Personal Income (Billions)
  Percent Change | $14,073.7 | $14,818.3 | $15,553.0 | $15,928.7 | $16,427.3 | $17,216 | $18,094 | $18,926 |
| Wage and Salary Income (Billions)
  Percent Change | $7,116.7 | $7,476.8 | $7,858.9 | $8,085.3 | $8,351.3 | $8,794 | $9,207 | $9,603 |
| Inflation | 1.5% | 1.6% | 0.1% | 1.3% | 2.1% | 2.6% | 2.3% | 2.1% |

**Sources**

1. U.S. Bureau of Economic Analysis. Real gross domestic product (GDP) is adjusted for inflation. Personal income and wages and salaries not adjusted for inflation.
2. U.S. Bureau of Labor Statistics. Inflation shown as the year-over-year change in the consumer price index for all urban areas (CPI-U).
## Table 18
### Colorado Economic Indicators

<table>
<thead>
<tr>
<th>Calendar Years</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>Legislative Council Staff Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2018</td>
</tr>
<tr>
<td>Population (Thousands, as of July 1)(^1)</td>
<td>5,262.6</td>
<td>5,342.3</td>
<td>5,440.4</td>
<td>5,530.1</td>
<td>5,607.2</td>
<td>5,680.0</td>
</tr>
<tr>
<td>Percent Change</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.8%</td>
<td>1.6%</td>
<td>1.4%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Nonfarm Employment (Thousands)(^2)</td>
<td>2,380.8</td>
<td>2,464.0</td>
<td>2,541.7</td>
<td>2,602.6</td>
<td>2,658.7</td>
<td>2,711.9</td>
</tr>
<tr>
<td>Percent Change</td>
<td>3.0%</td>
<td>3.5%</td>
<td>3.2%</td>
<td>2.4%</td>
<td>2.2%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Unemployment Rate(^2)</td>
<td>6.9%</td>
<td>5.0%</td>
<td>3.9%</td>
<td>3.3%</td>
<td>2.8%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Personal Income (Millions)(^3)</td>
<td>$246,648</td>
<td>$267,225</td>
<td>$282,665</td>
<td>$288,103</td>
<td>$300,006</td>
<td>$317,406</td>
</tr>
<tr>
<td>Percent Change</td>
<td>5.4%</td>
<td>8.3%</td>
<td>5.8%</td>
<td>1.9%</td>
<td>4.1%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Wage and Salary Income (Millions)(^3)</td>
<td>$129,597</td>
<td>$138,678</td>
<td>$146,635</td>
<td>$151,322</td>
<td>$159,120</td>
<td>$168,667</td>
</tr>
<tr>
<td>Percent Change</td>
<td>3.7%</td>
<td>7.0%</td>
<td>5.7%</td>
<td>3.2%</td>
<td>5.2%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Retail Trade Sales (Millions)(^4)</td>
<td>$83,569</td>
<td>$90,653</td>
<td>$94,920</td>
<td>$98,812</td>
<td>$102,863</td>
<td>$109,241</td>
</tr>
<tr>
<td>Percent Change</td>
<td>4.4%</td>
<td>8.5%</td>
<td>4.7%</td>
<td>4.1%</td>
<td>4.1%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Housing Permits (Thousands)(^1)</td>
<td>27.3</td>
<td>29.3</td>
<td>30.5</td>
<td>37.1</td>
<td>41.1</td>
<td>49.7</td>
</tr>
<tr>
<td>Percent Change</td>
<td>27.9%</td>
<td>7.3%</td>
<td>4.3%</td>
<td>21.6%</td>
<td>10.7%</td>
<td>21.0%</td>
</tr>
<tr>
<td>Nonresidential Building (Millions)(^5)</td>
<td>$3,624</td>
<td>$4,351</td>
<td>$4,982</td>
<td>$5,948</td>
<td>$5,843</td>
<td>$6,673</td>
</tr>
<tr>
<td>Percent Change</td>
<td>-1.9%</td>
<td>20.1%</td>
<td>14.5%</td>
<td>19.4%</td>
<td>-1.8%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Denver-Boulder-Greeley Inflation(^6)</td>
<td>2.8%</td>
<td>2.8%</td>
<td>1.2%</td>
<td>2.8%</td>
<td>3.4%</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

**Sources:**

\(^1\) U.S. Census Bureau. Residential housing permits are the number of new single and multi-family housing units permitted for building.


\(^3\) U.S. Bureau of Economic Analysis. Personal income and wages and salaries not adjusted for inflation. The Legislative Council Staff forecast begins in 2017.

\(^4\) Colorado Department of Revenue. The Legislative Council Staff forecast begins in 2016.

\(^5\) F.W. Dodge.

\(^6\) U.S. Bureau of Labor Statistics. Inflation shown as the year-over-year change in the consumer price index. Beginning in February, the Denver-Boulder-Greeley consumer price index will be replaced with the Denver-Aurora-Lakewood consumer price index.