



WESTMINSTER

## **2018 Budget – Mid-Year Review**

City Council Study Session

September 18, 2017

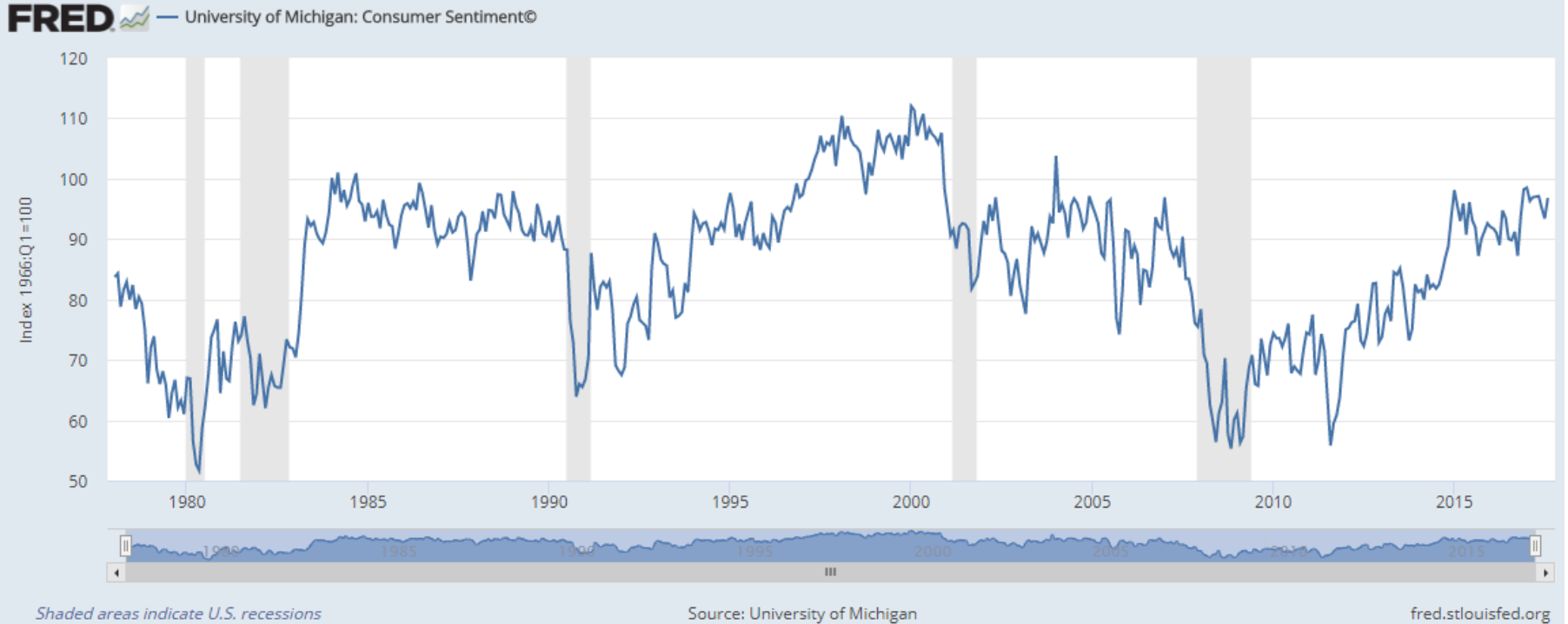
# Agenda

- Introduction
- 2017 Financial Status
- 2018 Proposed Budget Amendment
- 2018 Proposed CIP
- Staffing
- HSB Recommendations
- City Council Requests
- Citizen Requests


# 2017 Financial Status

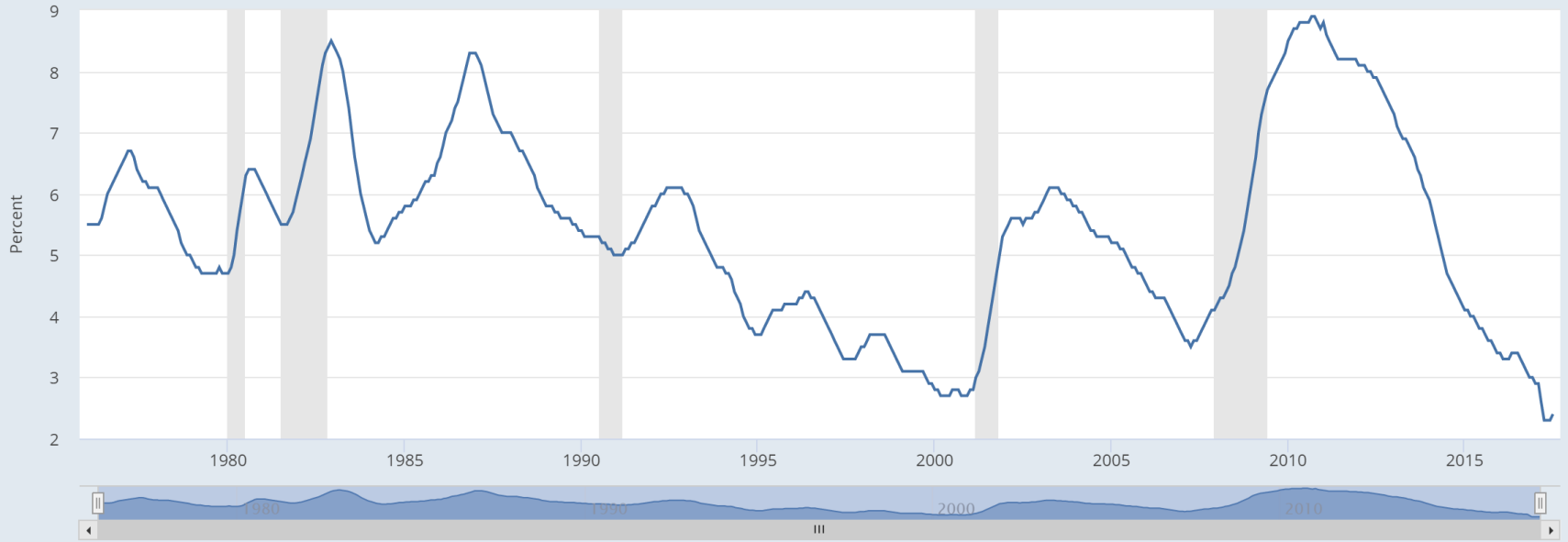


# Consumer Sentiment



# Colorado Unemployment

FRED  — Unemployment Rate in Colorado

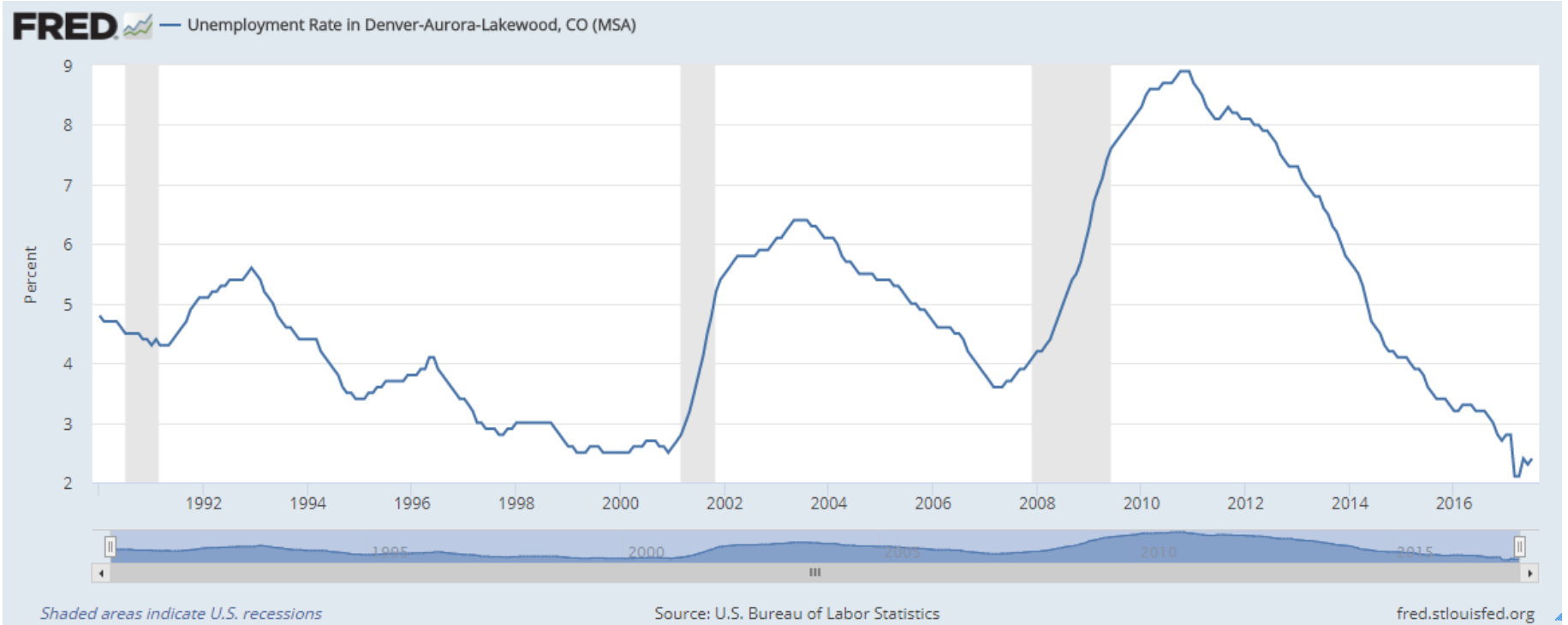


Shaded areas indicate U.S. recessions

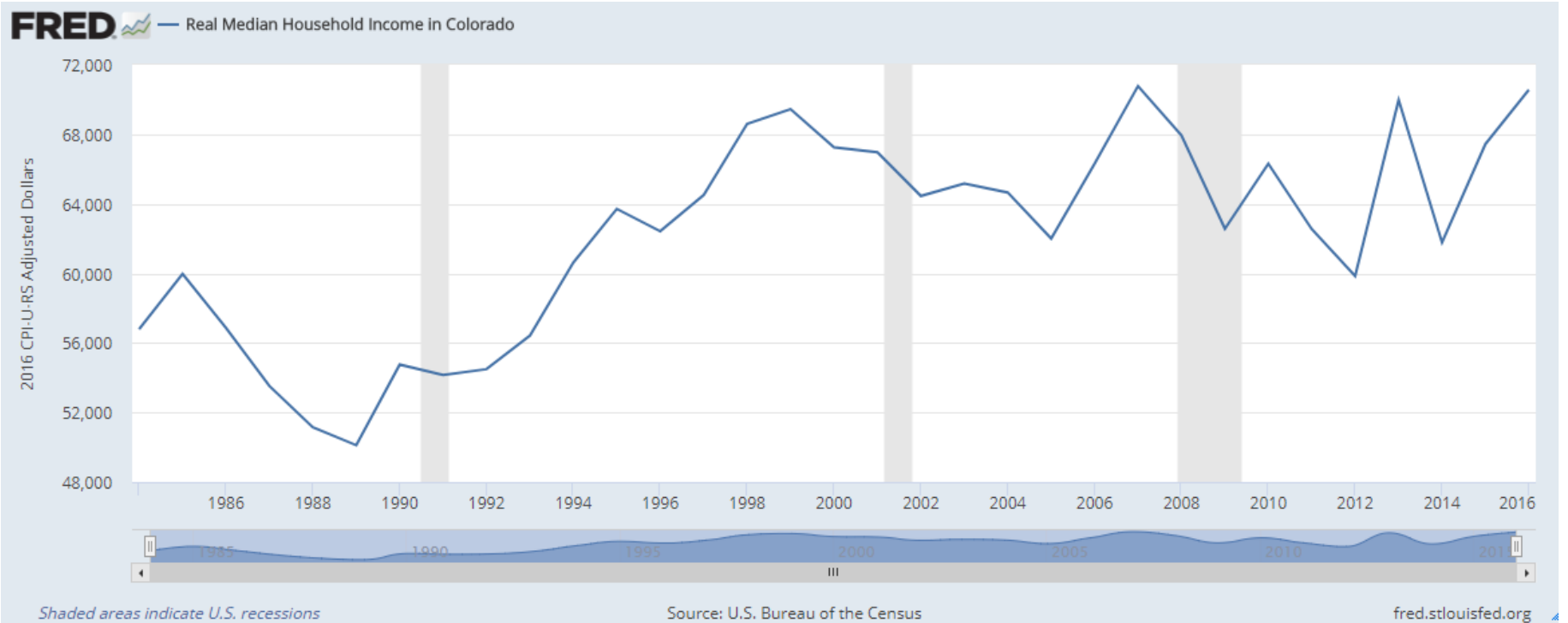
Source: U.S. Bureau of Labor Statistics

fred.stlouisfed.org

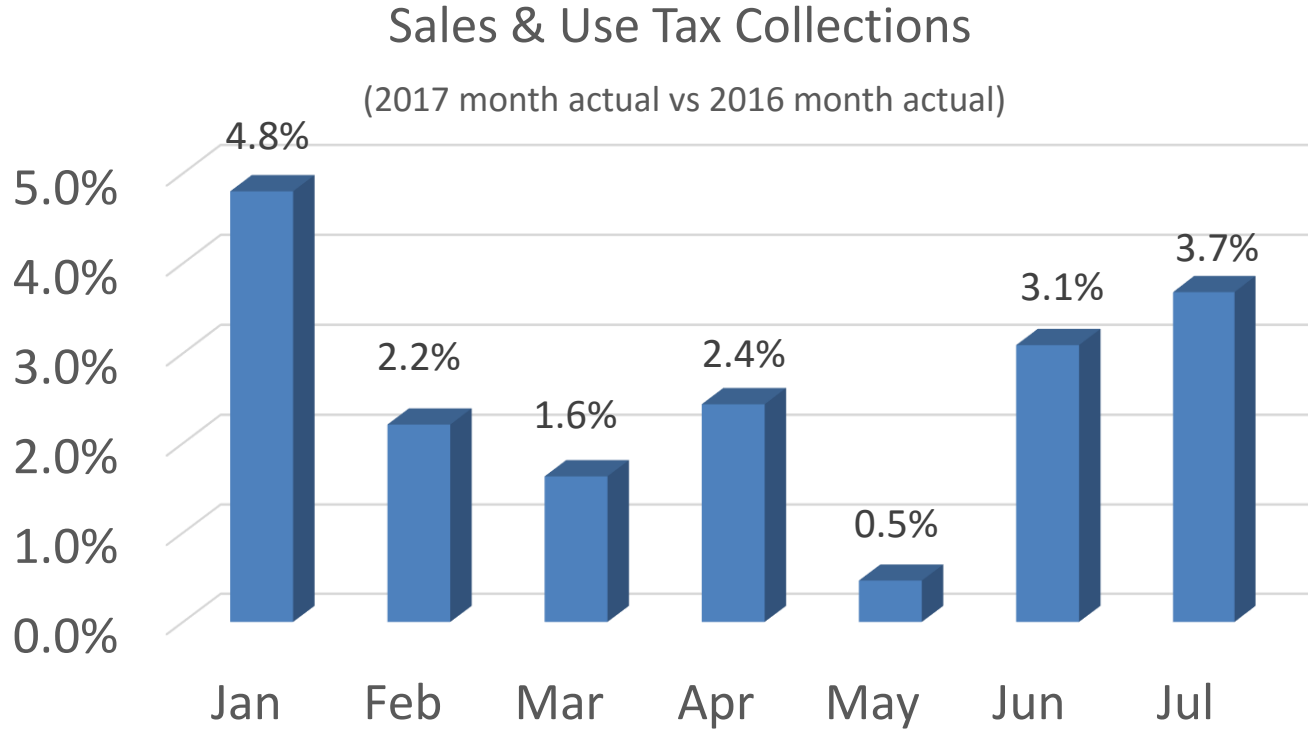
# Denver Unemployment



# Real Median Household Income in Colorado



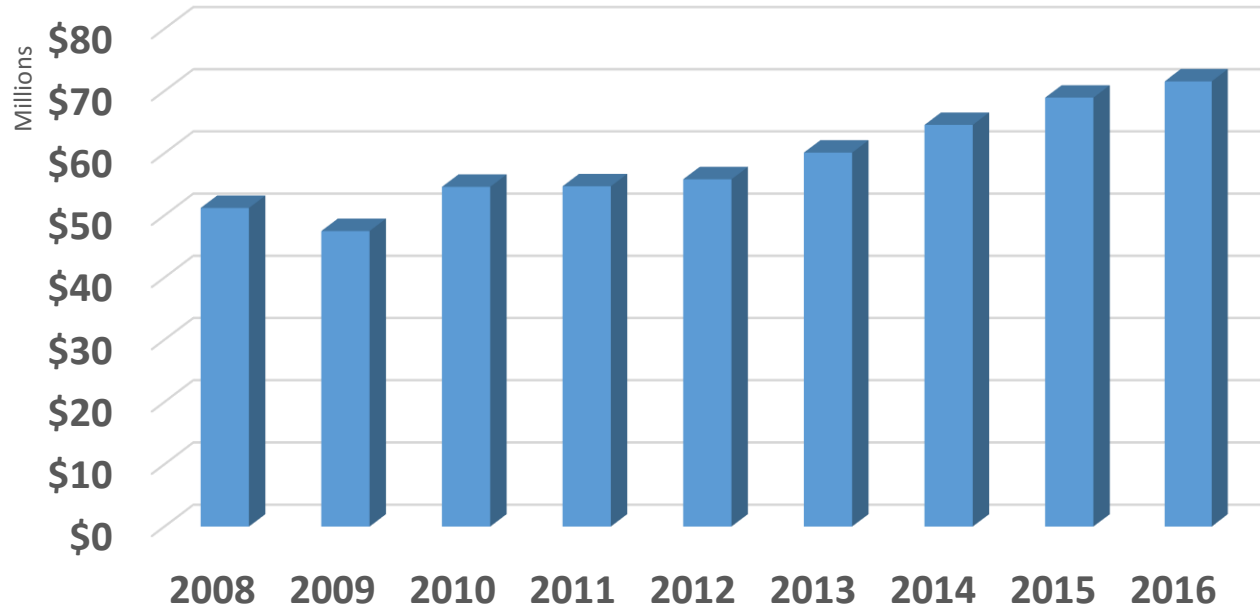
# Sales and Use Tax





# Sales and Use Tax

## Sales & Use Tax History



# Reserves Status

Fund	2016 Ending Balance	Estimated 12/31/17 Ending Balance	Difference
General Reserve	\$11,513,376	\$11,900,558	\$387,182
GFSR	\$6,804,758	\$8,288,623	\$1,483,865
Utility RSR	\$13,563,828	\$15,333,442	\$1,769,614
Utility CPR	\$20,315,120	\$30,209,944	\$9,894,824

# Carryover

- \$27M 2016 Carryover
- \$7.5M in Tap Fees
- \$3.8M in S&U Tax
- \$2.2M in Salary Savings
- \$2.1M in Building Permits
- \$1M in GF Contingency
- \$0.9M in Debt Service

# **2018 Proposed Budget Amendment**



# 2018 Adopted Budget – Areas of Investment

- Employees
- Savings
- Infrastructure
- Economic Development

# Proposed Amended 2018 Budget – All Funds

	2018 Adopted Budget	2018 Proposed Amended Budget	Difference
Expenses	\$232,140,087	\$244,010,517	\$11,870,430
Reserves	\$45,416,962	\$53,740,380	\$8,323,418
Contingency	\$1,000,000	\$1,200,000	\$200,000

# General Fund Revenues

Adopted 2018	\$121,675,920
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<u>Proposed 2018</u>	<u>\$122,783,511</u>
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Difference	\$1,107,591
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# General Fund Expenditures

Department	2018 Adopted	2018 Proposed	Difference
City Council	\$291,932	\$291,932	\$0
City Attorney's Office	\$1,539,032	\$1,674,612	\$135,580
City Manager's Office	\$4,100,331	\$2,902,910	-\$1,197,421
Central Charges/Transfers/Contingency	\$36,254,908	\$33,200,508	-\$3,054,400
General Services	\$6,748,462	\$4,676,691	-\$2,071,771
Finance	\$2,575,909	\$2,645,005	\$69,096
Police	\$23,567,297	\$25,040,505	\$1,473,208
Fire	\$14,150,924	\$14,798,040	\$647,116
Community Development	\$5,886,481	\$6,467,758	\$581,277
Public Works & Utilities	\$9,893,041	\$10,012,233	\$119,192
Economic Development	\$0	\$1,537,861	\$1,537,861
Human Resources	\$0	\$2,549,037	\$2,549,037
Parks, Recreation and Libraries	\$16,667,603	\$16,986,419	\$318,816
Total	\$121,675,920	\$122,783,511	\$1,107,591



# Utility Fund Revenues

Adopted 2018	\$87,894,094
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Revised 2018	\$88,793,173
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Difference	\$899,079
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\*Includes Water, Wastewater, and Stormwater Drainage Funds.

# Utility Fund Expenditures

Department	2018 Adopted	2018 Proposed	Difference
Finance (Water)	\$757,587	\$794,347	\$36,760
Parks, Recreation & Libraries (Water)	\$131,546	\$131,546	\$0
Information Technology (Water)	\$3,998,390	\$4,184,025	\$185,635
Public Works & Utilities (Water)	\$18,584,007	\$18,847,197	\$263,190
Water Central Charges/Transfers	\$11,433,704	\$11,080,019	-\$353,685
Public Works & Utilities (Wastewater)	\$7,450,704	\$7,586,044	\$135,340
Wastewater Central Charges/Transfers	\$4,597,727	\$5,224,984	\$627,257
Stormwater Central Charges	\$1,096,755	\$1,096,755	\$0
General Services (Stormwater)	\$86,200	\$86,200	\$0
Community Development (Stormwater)	\$227,528	\$232,110	\$4,582
Public Works & Utilities (Stormwater)	\$365,946	\$365,946	\$0
Parks, Recreation & Libraries (Wastewater)	\$250,000	\$250,000	\$0
Capital Improvements	\$38,914,000	\$38,914,000	\$0
Total	\$87,894,094	\$88,793,173	\$899,079

# Miscellaneous Funds

Fund	2018 Adopted	2018 Proposed	Difference
GCORF	\$2,851,726	\$2,612,831	-\$238,895
Golf Course	\$4,022,818	\$4,025,742	\$2,924
Sales & Use Tax	\$87,781,136	\$88,375,807	\$594,671
GCIF	\$16,955,000	\$26,645,000	\$9,690,000
POST	\$6,620,346	\$7,615,889	\$995,543
Conservation Trust	\$852,000	\$1,185,000	\$333,000

# Reserves

<u>Fund</u>	<u>2018 Adopted</u>	<u>2018 Proposed</u>	<u>Difference</u>
General Reserve	\$12,233,178	\$12,373,840	\$140,662
GFSR	\$6,558,586	\$8,784,327	\$2,225,741
Utility RSR	\$13,908,478	\$15,482,139	\$1,573,661
Utility CPR	\$12,716,720	\$21,125,815	\$8,409,095

# **2018 Proposed Capital Improvement Plan**



# General Capital Improvement Program, by Funding Source

	2018 Adopted	2018 Proposed	Difference
General Revenues	\$8,079,000	\$14,234,000	\$6,155,000
Public Safety Tax	\$1,333,000	\$1,333,000	\$0
Parks Revenues	\$8,395,000	\$12,263,000	\$3,868,000

\*General includes all other CIP projects not classified as Utility Fund, Public Safety, or Parks. Examples include, but are not limited to, transportation projects, economic development and Downtown Westminster.

## Utility Capital Improvement Program, by Funding Source

	2018 Adopted	2018 Proposed	Difference
Water Fund	\$24,507,000	\$24,398,000	(\$109,000)
Wastewater Fund	\$12,062,000	\$12,029,000	(\$33,000)
Stormwater Fund	\$2,345,000	\$2,487,000	\$142,000

# Staffing





# Recommendations for 2018 - Pay

Three methods of adjusting salaries:

- Pay Plan Market Adjustment to all 5 benefited pay plans
- Step and Merit Increases
- Increases based on market studies of individual classifications

Minimum wage adjustment

# Recommendations for 2018 - Benefits

- Recommending a 3% increase in premium costs to both City and employees
- Same Plan Choices
- No Plan Design Change
- No Rate Increase in Life/AD&D, LTD and SIB

# Recommendations for 2018 - Benefits

- Continuation of Delta Dental Plan
- Continuation of Cost Containment Efforts
- Continuation of Voluntary Benefit Options
- Additional Benefit Programs
  - Identity Theft/Legal Shield Voluntary Benefit
  - Dispatch Health

# Adopted Staffing

2018 Authorized New FTE		
Department/Division	Position Title	FTE
No New General Fund Positions for 2018		
<b>GENERAL FUND TOTAL</b>		<b>0.00</b>
Information Technology	Contract Services Coord.	0.50
Public Works & Utilities/Water Plants	Plant Electrician	1.00
Public Works & Utilities/Water Plants	Control Systems Engineer	0.50
Public Works & Utilities/Wasterwater Plants	Control Systems Engineer	0.50
<b>UTILITY FUND TOTAL</b>		<b>2.50</b>
Parks, Recreation & Libraries/POST	Parks Specialist/Horiculture	1.00
Parks, Recreation & Libraries/POST	Parks Specialist	1.00
Parks, Recreation & Libraries/POST	Parksworker II	1.00
Parks, Recreation & Libraries/POST	Parksworker II	1.00
Parks, Recreation & Libraries/POST	Open Space Technician	0.70
Parks, Recreation & Libraries/POST	Parks Specialist/Forestry	1.00
<b>OTHER FUND TOTAL</b>		<b>5.70</b>
<b>2018 AUTHORIZED NEW POSITIONS - ALL FUNDS</b>		<b>8.20</b>

# Proposed New Staffing

2018 Proposed New Staffing		
Department/Division	Position Title	FTE
Community Development / Engineering	Parking Program Supervisor	1.00
Community Development / Engineering	Senior Engineer	0.25
Economic Development	Real Estate Agent	1.00
Finance / Accounting	Accounting Technician	0.50
Fire / Emergency Services	Firefighter I/II	3.00
Fire / Emergency Services	Administrative Assistant	0.50
General Services / BO&M	Electromechanic Specialist	1.00
Human Resources	Executive Assistant	1.00
Public Works & Utilities / Street Maintenance	Maintenanceworker/Senior Maintenanceworker	1.00
<b>GENERAL FUND TOTAL</b>		<b>9.25</b>
Information Technology	IT Security Administrator	0.50
<b>UTILITY FUND TOTAL</b>		<b>0.50</b>
Parks, Recreation & Libraries / Golf - Legacy	Golf Shop Associate	0.50
Parks, Recreation & Libraries / Golf - Walnut Creek	Golf Shop Associate	0.50
<b>OTHER FUND TOTAL</b>		<b>1.00</b>
<b>2018 Proposed New Positions - All Funds</b>		<b>10.75</b>

# FTE Comparison

2017 Current Authorized *	989.841
2018 Adopted	8.200
<u>2018 Proposed Amendment</u>	<u>10.750</u>
Total 2018 FTE	1,008.791

\* 1.0 FTE Human Resources Director was amended into the 2017/2018 Pay Plan on May 22, 2017

# Human Services Board



# Human Services Board (HSB) Recommendation

- City Council reviewed the HSB recommendations at the August 14 Post-City Council Meeting
- Total funding level for HSB agencies for 2018 is proposed at \$120,000; this is within the Adopted 2018 Budget
- HSB received 28 applications for funding requests, totaling \$207,755
- All 28 programs were recommended for some funding
- 100% funded through the General Fund



# City Council Requests



# 1) General Leave and Calculation of Overtime

- Request: Review overtime policies as they relate to the use of general leave and the calculation of overtime
- Staff Recommendation: Complete a comprehensive review of the overtime policy and other compensation practices in concert with the biennial Total Compensation Review as part of the development of the Proposed 2019/2020 Budget

## 2) Creation of an Arts and Cultural Advisory Board

- Request: Consider the creation of an Arts and Cultural Advisory Board, comprised of residents, to indicate that the City values and prioritizes culture, arts and archiving efforts
- Staff Recommendation: Direct Staff to continue current Cultural Arts efforts and address during the next update to the City's Strategic Plan

### 3) Firefighter Cancer Trust

- Request: Per the passage of SB 17-214, does the City plan to participate in the Firefighter Cancer Trust?
- Staff Recommendation: Staff continues to monitor the creation of this fund. At this time, we do not believe that joining this trust is warranted.

# Citizen Requests



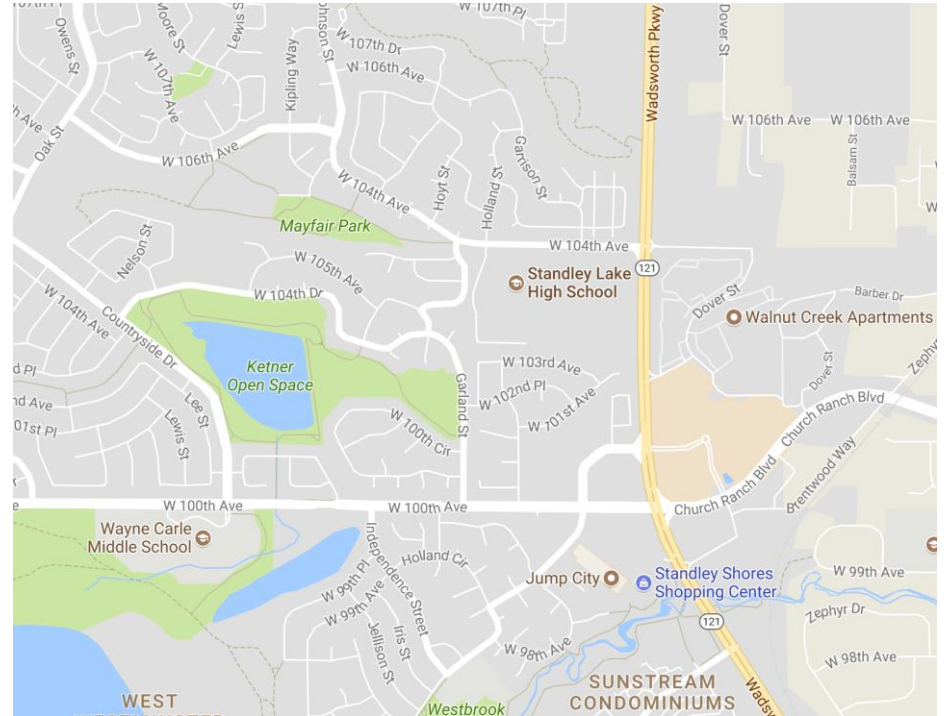
# 1) Pierce Street Quiet Zone

- Request: Railroad crossing at Pierce Street be reclassified as a quiet zone
- Staff Recommendation: Utilize the updated report from FHU to gain approval of the FRA to put in place economical measures that reduce train noise at the Pierce Street crossing and other crossings throughout the City



## 2) Benches at Ketner Lake

- Request: Install additional benches, preferably in the shade, around Ketner Lake
- Staff Recommendation: Assess the area around Ketner Lake and utilize existing CIP budget to absorb the cost of purchasing and installing the new benches





### 3) Increase in Frequency of Large Item Pick-up

- Request: Increase the frequency of the large item pick-up event to two or three times per year and better publicize the program
- Staff Recommendation: No change to the current program. Continue to offer the large item cleanup program one time per year with the same program parameters, assuming continued contractual performance of the program by a responsible contractor. Staff will explore additional options to advertise the program and negotiate the per-household cost with the vendor to reduce the total cost of the program

## 4) Affordable Housing Needs

- Request: 1) an affordable housing trust fund, 2) a renter's bill of rights, and 3) increased protection for renters
- Recommendation: Based on City Council direction, Staff will be working in the upcoming year to develop and refine policies and program areas in detail, and will identify specific budget needs at that time. Staff will continue to engage community and professional volunteers at various stages of this work to continue efforts on this City priority

## 5) Mandatory Translated Leases

- Request: Mandate that residential rental leases be translated and to provide funding in the amount of \$45,000 to \$55,000 for a full time contractor for translation services
- Recommendations:
  - Continue with the Language Access Plan Project
  - Review the feasibility of providing a model lease and translating it into multiple languages
  - Provide a list of low-cost legal and translation services through the City's website.

**Feedback**





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## **2018 Budget – Mid-Year Review**

City Council Study Session

September 18, 2017