



## Legislation Text

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**File #:** Ordinance 18-2019, **Version:** 2

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Agenda Date: 07/02/2019

**Subject:**

Ordinance 18-2019: Second introduction of an ordinance amending ordinance No. 39 series of 2018 known as the “Annual Appropriation Bill” for all municipal purposes of the City of Littleton, Counties of Arapahoe, Douglas, and Jefferson, State of Colorado, for the fiscal year beginning January 1, 2019 and ending December 31, 2019

Prepared by: Tiffany Hooten, Finance Director
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**POLICY QUESTION:**

Does city council support amending ordinance No. 39 series of 2018 known as the “Annual Appropriation Bill” for all municipal purposes of the City of Littleton, Counties of Arapahoe, Douglas, and Jefferson, State of Colorado, for the fiscal year beginning January 1, 2019 and ending December 31, 2019?

**BACKGROUND:**

The city prepares an annual budget that may require amendments throughout the year for projects that were unplanned or needs that might arise. It is not uncommon for amendments to occur. These funds are requested to be amended. *Note: Amount has been increased by \$608,034 from first reading on June 4, 2019 for two added items noted below.*

General Fund	\$ 415,700
Grants Fund	\$ 1,755,000
Open Space Fund	\$ 348,034
<u>Capital Projects Fund</u>	<u>\$ 922,970</u>
Total	\$ 3,441,704

**PRIOR ACTIONS OR DISCUSSIONS:**

Several of the amendments have been discussed at previous meetings including April 16, 2019 relating to the 2019 Goals and Objectives, and May 21, 2019 relating to Colorado Department of Transportation (CDOT) grants. The city attorney recruitment is underway while the remaining items are amendments needed based on additional funding for projects or operational needs. This item passed on first reading at the June 4, 2019 regular city council meeting.

**STAFF ANALYSIS:**

It is necessary to amend the budget periodically throughout the year. The following is detailed information on each requested budget amendment.

General Fund - \$415,700

The General Fund is proposed to increase as follows:

- \$340,800 - City council adopted the 2019 Goals and Objectives in April 2019. In order to accomplish the goals, staff discussed funding needs for 2019, 2020 and beyond with council. The following additional 2019 funding needs related to the goals and objectives are listed and were discussed with council previously, with one exception. The request for \$60,000 in 2019 (\$180,000 over 18 months) related to the contracted facilities project/manager has been removed and will be funded from the remodel/reconstruction costs already appropriated from the impact fee fund in 2019. It is intended that the transportation/infrastructure project manager and grant specialist will be funded from future grant opportunities or projects; potentially reducing the burden on the general fund.
  - \$50,000 Transportation/infrastructure project manager (two-year term)  
*Partially funded from sewer fund - total cost is \$62,500*
  - \$35,000 Grounds and landscaping assessment
  - \$45,000 Grant specialist (1.0 FTE)
  - \$40,000 Polling regarding capital funding options
  - \$20,000 Fleet fund assessment
  - \$55,800 Transition to Office 365  
*Partially funded from sewer fund - total cost is \$60,000*
  - \$95,000 TRAKiT 9 conversion  
*Partially funded from sewer fund - total cost is \$100,000*
- \$35,000 - Staff is requesting additional funds for a court administrator to fulfill a change in the level of staffing with court personnel.
- \$39,900 - Recruitment is underway for a city attorney. Additional funding will be required; however, staff will request it at a future date.

There is adequate fund balance in the 2019 budget for this supplemental appropriation based on current estimates.

#### Grants Fund - \$1,7550,000

The Grants Fund is proposed to increase as follows:

- \$1,750,000 - The city was awarded a CDOT grant for South Platte Canyon Road and Bowles Avenue, and South Platte Canyon Road and West Mineral Avenue intersection improvements. The city is a sub-recipient of this federal and state funding and is required to report the reimbursement from CDOT and the related expenditures. Council approved the IGA for this grant on May 21, 2019. A budget amendment is needed for both the revenues and the expenditures for this project. This budget amendment will formally appropriate the funds. There is no impact to the ending fund balance since this is 100% reimbursed by CDOT.
- \$5,000 - Funds were awarded from Domino's for Paving for Pizza as part of their national campaign. A budget amendment is needed for both the revenues and expenditures for this project. This budget amendment will formally appropriate the funds. There is no impact to the ending fund balance since this is a 100% reimbursement.

#### OpenSpace Fund - \$348,034

The Open Space Fund is proposed to increase as follows:

- \$348,034 - On March 5, 2019, Council approved a grant application to Arapahoe County Open Space for playground equipment replacement for Options Secondary at Whitman School. Staff noted that a supplemental budget appropriation would be presented to council during the second quarter of 2019 to appropriate the city's match of up to \$50,000 from the Open Space Fund, as well as the grant amount of \$298,034 from Arapahoe County. The estimated fund balance for the Open Space Fund at the end of 2019 is \$2,632,201. ***This is an amendment from the first reading on June 4, 2019.***

#### Capital Projects Fund - \$922,970

The capital projects fund is proposed to increase as follows:

- \$476,570 - A majority of TABOR funds for Bowles and Federal were not expended in 2018 and need to be re-appropriated in 2019. This was an oversight earlier in the year and should have been included in the encumbrance carry over budget amendment in March. This ordinance will formally re-appropriate these TABOR funds in the 2019 budget. The design work has been completed and the project is anticipated to be bid out in early August. As a reminder, the city submitted a funding request for improvements in this area through the DRCOG Transportation Improvement Program (TIP); however the project did not rank highly among regional needs. The city will continue to look for opportunities to leverage funds for this project. Funding will be from fund balance; however, these expenditures are included in the five-year capital projects plan.
- \$186,400 - The State of Colorado has allocated additional one-time monies to cities and towns related to SB 19-262 to be used for transportation-related costs. Staff is requesting an amendment to the 2019 budget to allow for the expenditure of these additional funds. There is no impact to the ending fund balance since the city will receive offsetting revenues from the state, thus there is no change to the 2019 estimated fund balance.
- \$260,000 - The city's back-up Communications site has been at LFR Station #12 for many years. Due to the fire merger, we now need to vacate Station #12 and relocate the 4 radio consoles to Littleton Center. The relocation to Littleton Center will provide the LPD the capacity to expand Dispatch positions during major incidents, allow for future growth of LPD Dispatch, provide the infrastructure to in-source potential Dispatch services if so desired, and provide a back-up Communications location for partner law enforcement agencies participating in the Arapahoe County Regional CAD system.

Greenwood Village Police Department will be refurbishing their Communications center in September and has requested temporary relocation to Littleton Communications during their project, therefore, we are requesting funding as soon as possible so we may complete the project prior to September 1, 2019.

The relocation of the radio dispatch equipment will cost \$260,000; however, all expenditures related to the move have been approved by the Arapahoe County E-911 Authority for reimbursement. There is no impact to the ending fund balance since the city will receive offsetting revenues from Arapahoe County E-911 Authority. ***This is an amendment from the first reading on June 4, 2019.***

There is adequate fund balance in the 2019 budget for this supplemental appropriation based on current estimates.

#### **OPTIONS/ALTERNATIVES:**

Option 1: Approve amending the 2019 annual appropriation bill to align the expenditures with the budget.

Option 2: Do not approve the amendment, thus limiting project completion and operational needs.

**FISCAL IMPACTS:**

A supplemental budget appropriation is requested for \$3,441,704 for the 2019 annual appropriation. There is adequate fund balance in the 2019 budget for this supplemental appropriation based on the current estimates. The ending fund balance in the five year projections for the General Fund is estimated to be 14% in 2023, which is within in the fund balance policy of 8-18% of operating expenditures.

**STAFF RECOMMENDATION:**

Staff recommends approval on second reading of an ordinance amending ordinance No. 39 series of 2018 known as the “Annual Appropriation Bill” for all municipal purposes of the City of Littleton, Counties of Arapahoe, Douglas, and Jefferson, State of Colorado, for the fiscal year beginning January 1, 2019 and ending December 31, 2019 and setting a public hearing.

**PRESENTATIONS:**

**Staff Presenter(s):** Tiffany Hooten, Finance Director

**Additional Presenter(s):** N/A

**PROPOSED MOTION:**

I move to approve the ordinance amending ordinance No. 39 series of 2018 known as the “Annual Appropriation Bill” for all municipal purposes of the City of Littleton, Counties of Arapahoe, Douglas, and Jefferson, State of Colorado, for the fiscal year beginning January 1, 2019 and ending December 31, 2019.