Financial sustainability key words in understanding 2012 City budget

The results of the City's new financial strategy begin next month when its 2012 budget is put into play. While the 2012 Net Budget total is almost identical to the previous year's, it closes what was feared as the beginning of an ongoing $3.5 million gap between revenue and expenses.

During the annual update of Loveland's Ten Year Financial Plan, City officials became alerted to a looming "structural deficit" projected to materialize and continue for a decade. A methodology to increase revenues or reduce the services driving expenses was needed. Without a solution, the City would run out of funds to conduct business at current levels.

An effort to develop a Financial Sustainability Strategy began involving City employees, Loveland businesses and Loveland citizens. The 2012 budget embraces that strategy, which consists of both revenue generating ideas and expenditure reductions. In closing the gap, 20 percent of the solution comes from reducing employee compensation costs, 50 percent by cutting expenses and 30 percent by increasing revenues without any tax increases.

For Loveland's city government, the primary cause of the structural deficit was the drop in revenue from both sales tax and use tax as a result of the Great Recession. Reduced spending by residents resulted in a decrease in

(continued on page 2)

When the snow starts to fall...

When the snow starts falling on a cold Loveland night, many residents may look out their window, utter a deep sigh and head for the sofa to cozy up with a blanket, their spouse and a mug of hot chocolate. For a few dozen City workers, however, it means donning boots and layers of thermal apparel in preparation for a lot of rubber and steel hitting the road.

A typical snowstorm in Loveland brings out:
• 16 primary snowplow trucks; 12 with ice slicer spreaders, 4 with liquid de-icing sprayers
• 4 pickups with snowplows
• 2 front-end loaders with snowplows
• 1 road grader
• 1 large snow blower
• 3 tractors with snowplows for sidewalk clearing

(continued on page 4)

Loveland’s golf athletic facilities bring major economic benefit to city

Loveland's athletic fields and golf courses are widely enjoyed by local residents. What most people don't realize is that these facilities bring athletes, their families and friends here from far beyond Loveland's city limits. These visits bring about a major positive impact on Loveland's economy.

Each year destination visitors from across the United States participate in youth and adult athletic tournaments and events, other community special events, as well as golf tournaments and daily play at local courses.

Beginning in early March, the Centennial and Fairgrounds Park fields are busy during the week with local league and program play. On the weekends, they often host larger destination events.

Triple Crown Sports (TCS) of Fort Collins has become a major sponsor of events at Loveland's fields with

(continued on page 4)
Loveland Museum celebrates 75 years

The Loveland Pioneer Museum—now the Loveland Museum/Gallery—founded by local author, collector, curator and mountain guide Harold Dunning in 1937, will celebrate its 75th anniversary next year. Themed events are scheduled each month in 2012 during Night on the Town to celebrate the museum’s rich history in the Loveland community and mark the museum’s 75th year.

The first 75 people at each monthly event will receive a free gift. Unless otherwise noted, all events begin at 6 p.m. at the museum, 503 N. Lincoln Ave.

January 13  Cupcakes and Candles Kick-off Event, 5:30 p.m.
February 10  Sweetheart Town, USA
March 9  Harold Dunning
April 13  Tea Cups
May 11  Preserving History
June 8  Mariatio Medina
July 13  Downtown Treasure Hunt
August 10  Harvest
September 14  Pioneer Families
October 12  Germans from Russia
November 9  Civil War Anniversary
December 14  Museum History Tours

For more information on the anniversary celebration and events, call the Loveland Museum/Gallery, 962-2410.

2012 General Fund Budget Adjustment Highlights from Financial Sustainability Strategy

<table>
<thead>
<tr>
<th>Expense Reduction</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$903,750  Employee cost reductions</td>
<td></td>
</tr>
<tr>
<td>$510,000  General Fund expense reductions</td>
<td></td>
</tr>
<tr>
<td>$285,200  Employee-generated efficiency savings</td>
<td></td>
</tr>
<tr>
<td>$150,000  Voluntary severance program</td>
<td></td>
</tr>
<tr>
<td>$134,000  Strategic attrition</td>
<td></td>
</tr>
<tr>
<td>$76,450   Fleet management cost reductions</td>
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</tr>
<tr>
<td>$33,270   Sale of vehicles, equipment</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue Increase</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$651,600  City utilities payments</td>
<td></td>
</tr>
<tr>
<td>$343,900  Minor fee increases, various departments</td>
<td></td>
</tr>
</tbody>
</table>

Financial sustainability key words in understanding 2012 City budget

sales tax collected, a major source of City revenue. When private sector construction ground almost to a halt, the use tax generated by the purchase of building materials almost disappeared. Costs for City services didn’t drop; thus the gap. Projections and economic data did not point to a return to the 2007-level tax revenues until near the end of the ten-year planning horizon. Development of the Financial Sustainability Strategy was launched. The sustainability strategy resulted in a balanced approach to resolve the structural deficit. Over the ten-year period, $34.6 million in solutions were identified.

The strategy’s 70 percent expense reductions and 30 percent revenue increases begin with the 2012 budget. The City’s 2012 $178 million operations budget is complicated. The total budget of $196.2 million is 4.8 percent higher than the 2011 Adopted budget. However, when internal transfers of City funds are removed—which more closely estimates actual spending—the Net Budget of $178.5 million is only 0.1 percent above last year’s Net Budget…and the gap has been closed.

For a time, the Loveland Museum was located at 229 E. 5th St. before moving to its current location in 1956. In 1992 the museum underwent an expansion.

Museum through the years
Exhibit pays homage to Willa Cather

It is often called “Catherland”—Webster County, Nebraska, where novelist Willa Cather spent her childhood and found inspiration for her stories of European immigrants on the prairie. Artist Richard Schilling, through his visual depictions, transports viewers to that very land—to scenes that might have influenced Cather, but as they appear today. This exhibition features watercolor paintings and ink sketches by Schilling who shares Cather’s deep appreciation for the landscape. Schilling’s artwork brings the evocative land to life and imbues his landscapes with the same poetic richness found in Cather’s writings. Schilling will discuss his work at a free public opening reception 5:30 p.m., Jan. 13 at the Loveland Museum/Gallery. Music by Gil Garcia & A Touch of Jazz will follow. A number of special programs are being offered in conjunction with the exhibit. For more information, call 962-2410 or visit www.cityofloveland.org/museum.

SHELTER AVAILABLE FOR CITY’S HOMELESS

For approximately six years, the City has been supportive of sheltering Loveland’s single homeless adults when outdoor temperatures drop. The City’s Pulliam building served as a homeless shelter for a while, but several years ago the day-shelter was moved to 137 S. Lincoln and the night-shelter began to rotate between ten local churches. What’s now known as the 137 Homeless Connection is run by House of Neighborly Service (HNS). The homeless outreach building on Lincoln Avenue is sublet to HNS at no cost by the City. The City also funds approximately 25 percent of the homeless outreach program’s annual operational costs, while the other 75 percent is contributed by individuals and foundations. The program assists around 120 single homeless adults annually, most of whom are long-time Loveland residents. The homeless outreach program is designed to help clients move toward ending homelessness by providing resources including showers, laundry, computer access, mental health assessments, substance abuse counseling, job coaching and

(continued on page 4)
Shelter available for city’s homeless

advocacy and referrals. Clients are expected to comply with program guidelines. The day program at 137 is open from 7 a.m. to 6 p.m., day, the homeless outreach program

At 6 p.m., if the outside temperature is 20 degrees or below, clients are able to board a bus to be sheltered for the night at an area church. Clients receive a hot meal once they arrive at the church. HNS always needs volunteers to help with the shelter program. To volunteer or for more information call HNS, 667-4939.

When the snow starts to fall…

- 4 private contractors’ crews sometimes hired with loaders, graders and other trucks
- 3,000 ton supply of granular ice melt, partial use
- 102,500 gallon supply of de-icer, partial use
- 4 dozen City workers—in two 12-hour shifts—to clear Loveland’s streets.

How many streets?

- Priority 1 streets: 70 centerline miles of multi-lane arterials
- Priority 2 streets: 133 centerline miles of 2-4 lane collector streets
- Priority 3 streets: and sometimes 155 more centerline miles of residential streets.

But wait, there’s more:

- Sometimes 15 garbage trucks fitted with snowplows
- 10 more pickups/tractors/blowers clearing City building sidewalks, walkways and parking lots
- 24 more pickups/tractors/blowers clearing sidewalks, walkways and parking lots of city parks and trails.

So even if there’s nothing good on TV and the sidewalk will need shoveling in the morning, consider lifting that cup of hot chocolate in a toast to the Loveland crews and equipment at work.

City of Loveland Public Works Department
Solid Waste Division

2011-2012 HOLIDAY TRASH COLLECTION SCHEDULE

<table>
<thead>
<tr>
<th>HOLIDAY / EVENT</th>
<th>DATE</th>
<th>SERVICE SCHEDULE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christmas Day 2011 Observed</td>
<td>Monday 12/26/2011</td>
<td>Closed ...Collections will run one day late (Monday's collection on Tuesday, etc.)</td>
</tr>
<tr>
<td>New Year's Day 2012 Observed</td>
<td>Monday 01/01/2012</td>
<td>Closed ...Collections will run one day late (Monday's collection on Tuesday, etc.)</td>
</tr>
<tr>
<td>Martin Luther King Jr. Day</td>
<td>Monday 01/16/2012</td>
<td>Collection will be normal for week</td>
</tr>
<tr>
<td>Presidents' Day</td>
<td>Monday 02/20/2012</td>
<td>Collection will be normal for week</td>
</tr>
<tr>
<td>Weekly yard debris collection begins</td>
<td>Monday 04/02/2012</td>
<td>Subscription yard debris cart service begins. Please have yard debris cart in street by 7:00 a.m.</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Monday 05/28/2012</td>
<td>Closed ...Collections will run one day late (Monday's collection on Tuesday, etc.)</td>
</tr>
<tr>
<td>Independence Day</td>
<td>Wednesday 07/04/2012</td>
<td>Closed ...Collections will run one day late (Wednesday's collection on Thursday, etc.)</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Monday 09/03/2012</td>
<td>Closed ...Collections will run one day late (Monday's collection on Tuesday, etc.)</td>
</tr>
<tr>
<td>Columbus Day</td>
<td>Monday 10/08/2012</td>
<td>Collection will be normal for week</td>
</tr>
<tr>
<td>Veterans' Day Observed</td>
<td>Monday 11/12/2012</td>
<td>Closed ...Collections will run one day late (Monday's collection on Tuesday, etc.)</td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>Thursday 11/22/2012</td>
<td>Closed...Thursday's collection will be on Friday</td>
</tr>
<tr>
<td>Christmas Day 2012</td>
<td>Tuesday 12/25/2012</td>
<td>Closed ...Collections will run one day late (Tuesday's collection on Wednesday, etc.)</td>
</tr>
<tr>
<td>New Year's Day 2013</td>
<td>Tuesday 01/01/2013</td>
<td>Closed ...Collections will run one day late (Tuesday's collection on Wednesday, etc.)</td>
</tr>
</tbody>
</table>

large tournaments held in both youth baseball and softball. This year during four days in late June, the TCS Sparkler girls softball event hosted close to 135 teams from 25 different states on fields at Fairgrounds and Centennial. TCS also hosted several large 2-3 day youth baseball and youth softball regional events attracting more than 300 teams. These events generated a considerable amount of economic benefit for local businesses, especially hotels and restaurants.

The United States Specialty Sports Association (USSSA) is also a major user of Loveland’s fields, sponsoring fourteen regional and state events in adult and youth softball and attracting more than 500 teams that stay and shop in the Loveland area.

The three city-owned golf courses continue to play a major role in attracting visitors from outside of the Loveland area. Marrianna Butte hosts about thirty five private and semi-private tournaments each year that account for well over 3,000 individual rounds of golf. The Olde Course and Cattail Creek courses have similar events and visitors stay overnight in Loveland to experience play at all three courses.

In addition to tournaments, numerous non-residents visit Loveland to drop-in and play one of Loveland’s championship caliber golf courses. Their economic impact is substantial. This year, City of Loveland fields and facilities hosted more than 75 special events and tournaments that attracted close to 1,500 teams with an estimated total participation—players and spectators—conservatively estimated at over 45,000 visits. These visits boost the local economy and contribute to the active culture that makes Loveland one of the most attractive destination points for athletic events and activities in the Rocky Mountain Region.

Loveland’s athletic facilities bring major economic benefit (continued from page 1)